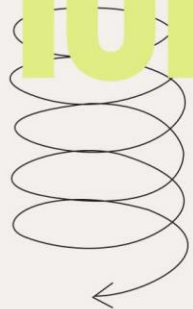




CELEBRATING



COOPERATION



TROAX GROUP AB (publ)

FIRST QUARTER 2022 PRESENTATION
APRIL 27, 2022



THIS IS TROAX

**SAFE AND SOUND
ON SOLID GROUND**

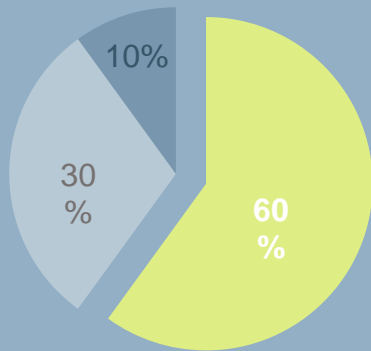
**Making your
world safe.**

THIS IS TROAX

PRODUCT SEGMENTS

MACHINE GUARDING

Maximum safety

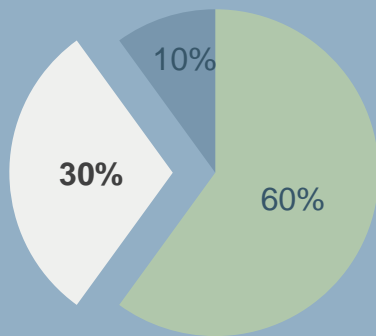


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PRODUCT SEGMENTS

WAREHOUSE PARTITIONING

Safe handling

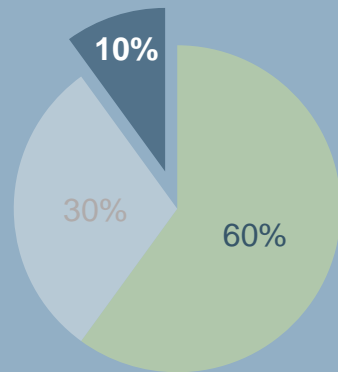


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PRODUCT SEGMENTS

PROPERTY PROTECTION

Storage solutions



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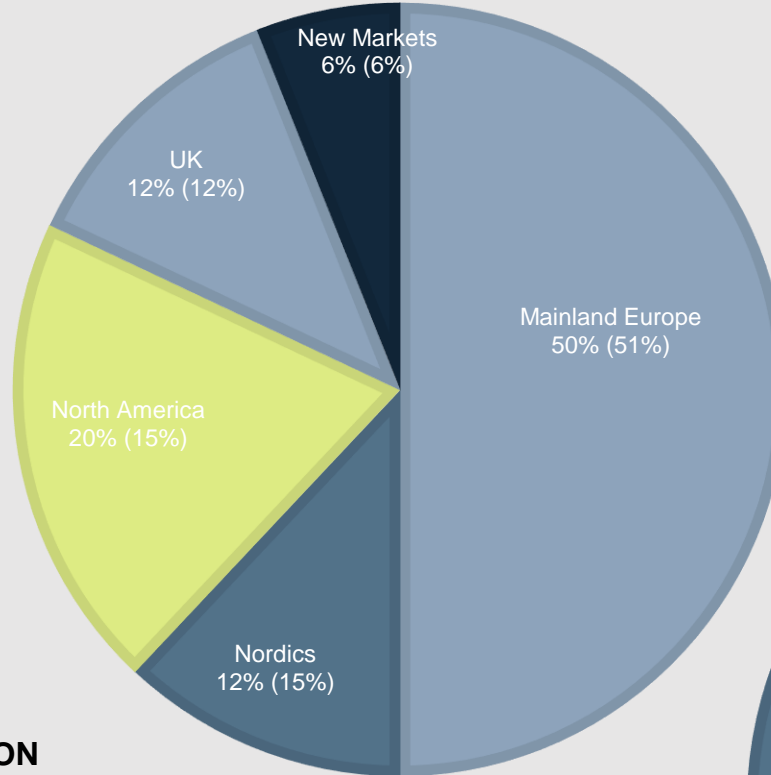
AUTOMATED WAREHOUSE

Safety on all levels

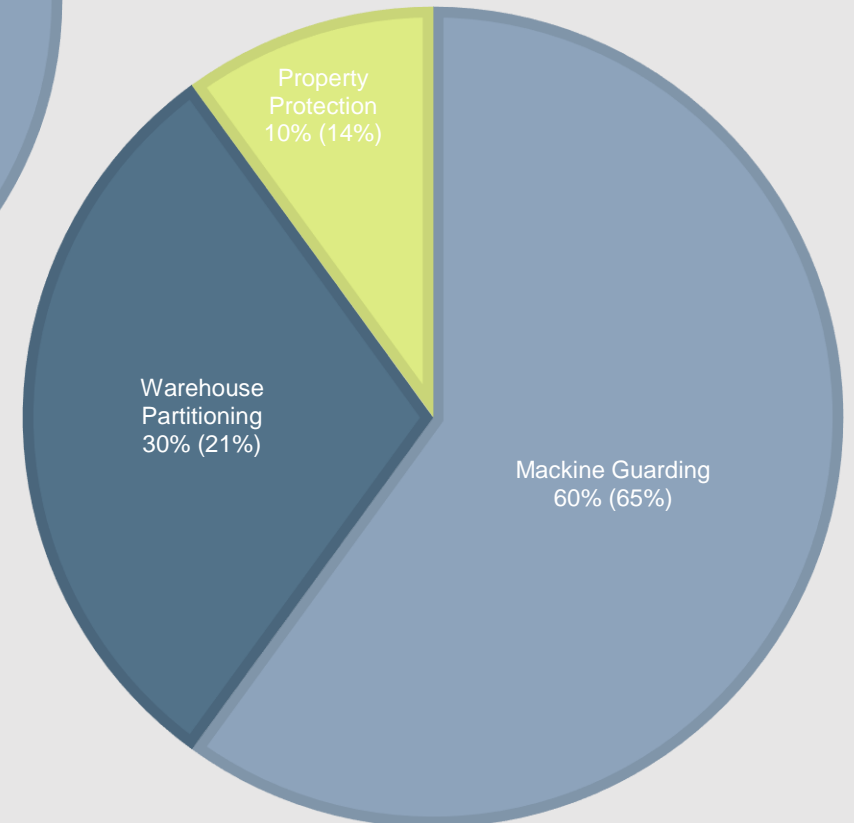


THE YEAR IN BRIEF

SALES PER REGION
2021 (2020)



SALES
PER BUSINESS AREA 2021 (2020)



2021 EUR MILLION

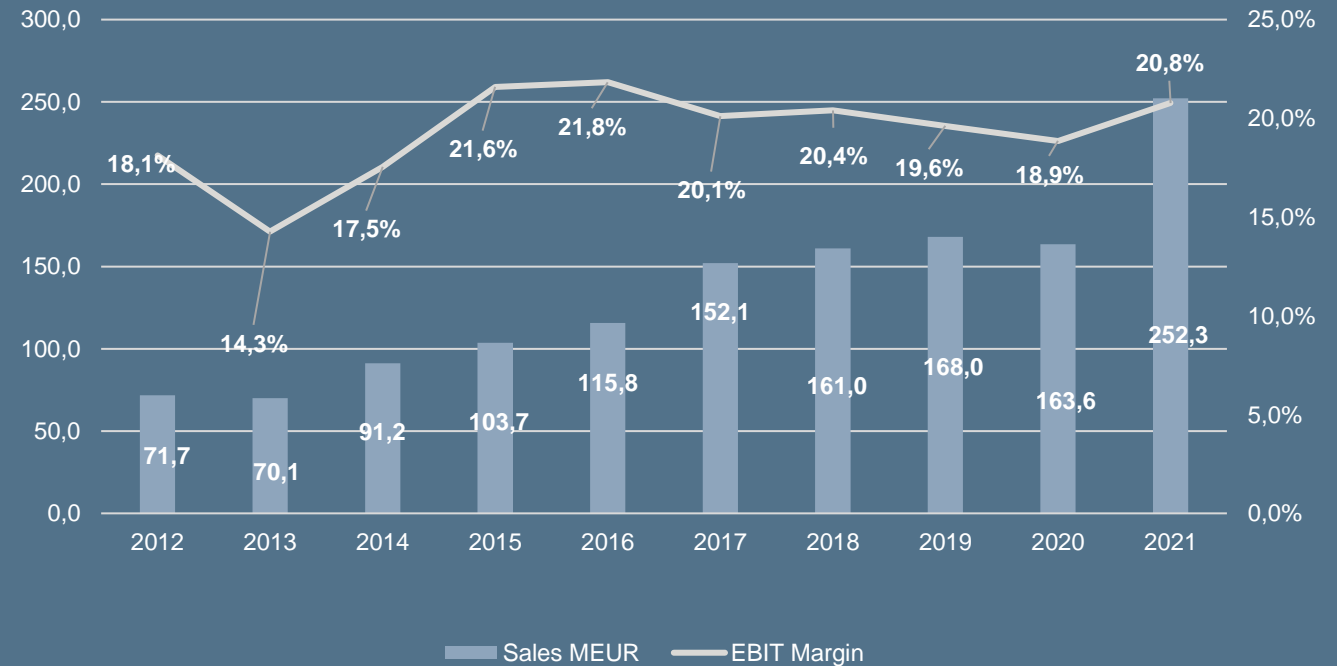
2021

YEAR ON
YEAR CHANGE

Orders received	275.8	+55%
Net sales	252,3	+54%
Operating profit	52.4	+70%
Operating margin	20.8%	+2.0%
Earnings per share (EUR)	0.66	+69%
Dividend per share	0.30	+50%

THE YEAR IN BRIEF

- Troax is the global market leader of indoor perimeters protection ("mesh panel solutions")
- Relative market share is -2.5x larger than #2 player
- Local presence in 45 countries
- Troax had a sales CAGR 2012-2021 of 15.2% and an organic sales CAGR 2012-2021 of 12,0%
- Strong position in the value chain and low supplier and customer dependency
- Approx, 30% of total employees work within sales



FINANCIAL TARGETS

		Financial targets	Actuals 2022
Sales growth	“Troax’ objective is to exceed the growth in the Company’s current markets through organic growth, as well as selective acquisitions”	>Market growth Sales growth	Organic: 27% M&A: 0%
Profitability	“Troax’ target is to have an operating margin in excess of 20%”	20% Adjusted EBITA margin	18,0%
Capital structure	“Net debt in relation to EBITDA, excluding temporary deviations, shall not exceed 2.5 times.”	<2,5x Net debt to EBITDA	0,8x
Dividend policy	“Troax’ target is to pay approximately 50 percent of its net profit in dividends. The dividend proposal shall take into account Troax’ long-term development potential, it’s financial position and its investment needs.”	50% Pay-out ratio	45%



SUMMARY Q1 2022

- Q1 continued with the good order trend which started in 2021. The main explanation for this is the continued strong development from customers mainly within Automated Warehouses and Machine Guarding. However, this figure is substantially influenced by the price increases implemented during 2021 and 2022.
- A reasonable EBIT result and margin in Q1 2022 was recorded compared to LY, despite severe cost increases of raw materials, energy and freight. This mainly comes from good utilization in our manufacturing units. The gross margin were still on the low side due to continued increases of mainly purchased steel materials during Q1.
- Good sales levels in all markets except New Markets. In New Markets, especially China and Japan, we noticed a lack of activity due to remaining pandemic effects.
- Earnings per share were 0,16 (0,14) EUR.
- Working capital is on expected level, inventory is still high due to higher security levels.
- All manufacturing units within the group had a good development in Q1, with good volumes. The steel price has continued to increase substantially towards the end of the first quarter, due to the effects of the Ukrainian war. We see a risk for continuous turbulence in the steel market in the coming months as regards pricing.
- Prices have with some delay, been adjusted to reflect the higher steel price.
- The Automated Warehouse segment has continued to give us important orders. We note however a lower activity level from customers during the first quarter.
- Natom Logistics, Poland, has again showed good development in the first quarter. One of the two factories in Poland has been moved to the new facilities in Poznan.

FINANCIAL HIGHLIGHTS, GROUP

MEUR	3 Months	3 Months	12 Months	12 Months	12 Months
	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021	Jan-Dec 2020	Apr-Mar 2021/2022
Order intake	74,5	64,5	275,8	178,4	285,8
Sales	69,6	54,7	252,3	163,6	267,2
Gross profit	24,2	21,6	94,2	64,2	96,8
Gross margin, %	34,8	39,5	37,3	39,2	36,2
Operating profit	12,5	11,0	52,4	30,8	53,9
Operating margin, %	18,0	20,1	20,8	18,8	20,2
Profit after tax	9,3	8,4	39,7	23,2	40,6
E BITDA 1)	15,2	13,4	62,3	38,5	64,1
E BITDA margin, % 1)	21,8	24,5	24,7	23,5	24,0
Net debt / E BITDA			0,8	1,4	
Earnings per share after dilution in E UR	0,16	0,14	0,66	0,39	0,68
Closing rate SEK/E UR	10,34	10,24	10,22	10,04	10,24
Earnings per share after dilution in SEK. 2)	1,60	1,43	6,76	3,88	6,93

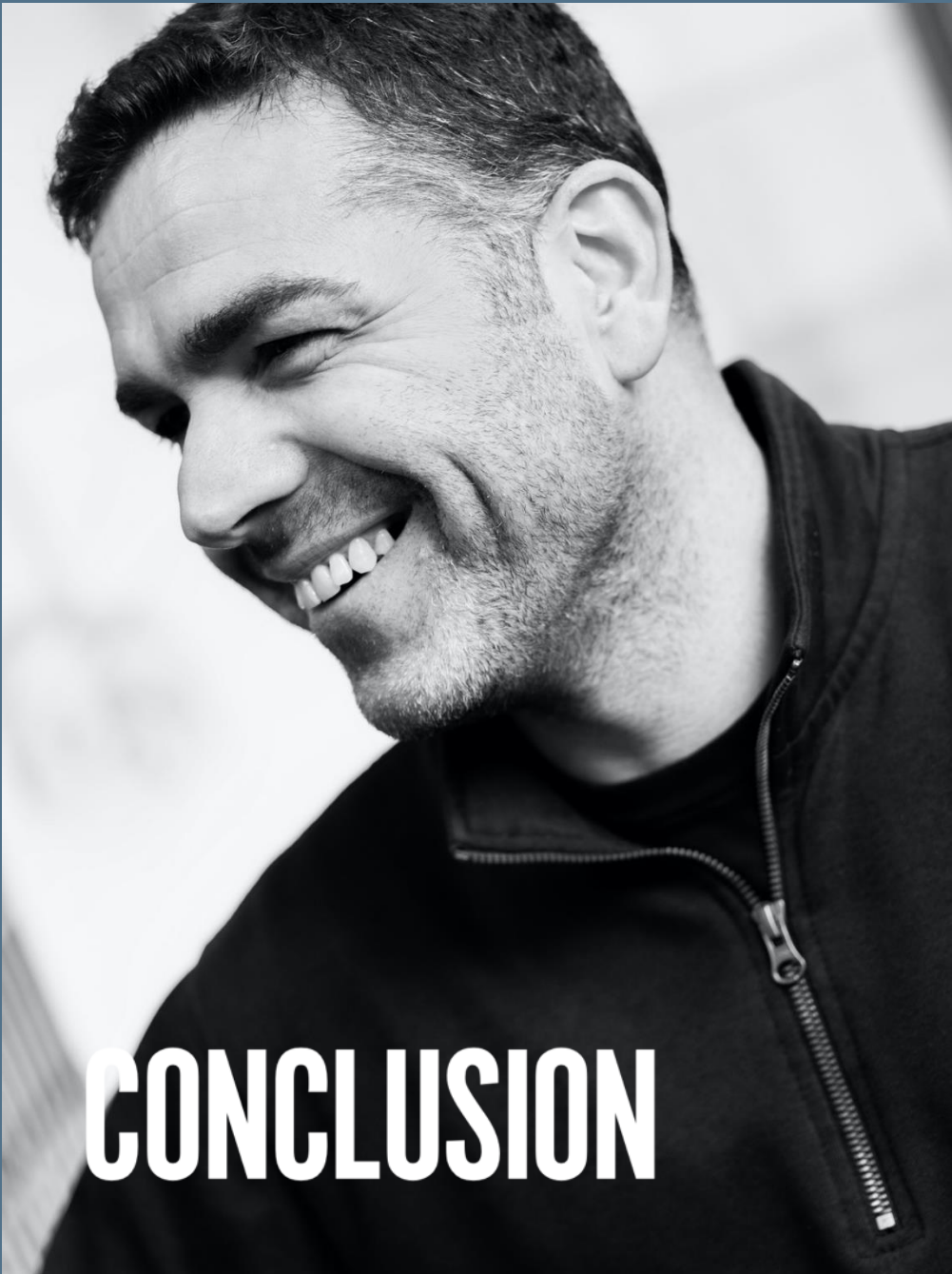
1) EBITDA is impacted by IFRS 16 (approx. 0,8-1,0 MEUR per quarter in decreased leasing costs).

2) Earnings per share after dilution in SEK, is calculated based on result in Euro at Closing rate SEK/EUR.

REGIONAL DEVELOPMENT ORDER INTAKE AND SALES

Order intake MEUR	3 Months	3 Months	Diff	12 Months	12 Months	Diff	12 Months
	Jan-Mar 2022	Jan-Mar 2021		Jan-Dec 2021	Jan-Dec 2020		Apr-Mar 2021/2022
Continental Europe	38,6	31,0	25%	136,6	84,5	62%	144,2
Nordic region	11,8	7,6	55%	32,2	26,2	23%	36,4
United Kingdom	10,3	9,4	10%	30,6	24,1	27%	31,5
North America	9,2	10,9	-16%	58,7	31,5	86%	57,0
New Markets	4,6	5,6	-18%	17,7	12,1	46%	16,7
Total excl Currency	74,5	64,5	16%	275,8	178,4	55%	285,8
Currency effect	0,0	0,0	0%	0,0	0,0	0%	0,0
Order intake acquisitions	0,0	0,0	0%	0,0	0,0	0%	0,0
Total Order intake	74,5	64,5	16%	275,8	178,4	55%	285,8
Total Sales MEUR							
	3 Months	3 Months		12 Months	12 Months		12 Months
	Jan-Mar	Jan-Mar		Jan-Dec	Jan-Dec		Apr-Mar
	2022	2021	Diff	2021	2020	Diff	2021/2022
Continental Europe	36,5	27,3	34%	123,6	82,2	19%	132,8
Nordic region	8,3	5,9	41%	30,0	25,3	19%	32,4
United Kingdom	8,9	7,9	13%	30,9	19,1	62%	31,9
North America	12,1	10,1	20%	51,0	25,2	102%	53,0
New Markets	3,8	3,5	9%	16,8	11,8	42%	17,1
Total excl Currency	69,6	54,7	27%	252,3	163,6	54%	267,2
Currency effect	0,0	0,0	0%	0,0	0,0	0%	0,0
Sales acquisitions	0,0	0,0	0%	0,0	0,0	0%	0,0
Total Sales	69,6	54,7	27%	252,3	163,6	54%	267,2

* Note that we report organic growth excluding currency effect.



CONCLUSION

- We have continued to receive several important orders in the first quarter in all segments. This refers mainly to customers within Automated Warehouse and Machine Guarding, but also other segments have progressed positively.
- Continued reasonable development in result reflecting both order levels in Q1 and good utilization in all manufacturing units in the group. The margin were in the quarter on the low side, due to higher steel prices.
- Good activity level and we continue with good success in orders in most markets in the first quarter of the year.
- All factories in the Troax Group were continuing to developing well. We have a continued turbulence with steel prices, created by the war in Ukraine. We have no direct sales activities in these areas, but some part of our steel purchases indirectly comes from this region.
- Integration of Natom is still ongoing in a positive way. The move to new facilities have started.
- In total, a reasonable development in the quarter with a higher result than in corresponding quarter 2021.

THIS IS TROAX

GROWTH FACTORS

- Increased industrial automation
- On-shoring of manufacturing
- Growth in e-commerce
- Safety awareness
- Stricter regulation
- Residential construction and safe storage



OUR PRODUCTION UNITS

- DISTRIBUTION UNITS
- SALES OFFICES
- PRODUCTION UNITS

Hillerstorp, SWEDEN

Production of the entire range of panels.

Capacity (metres)
>1,500,000

Capacity utilisation
75%

Area m²
35,000

Birmingham, UK

Partitions for offices and industry, to minimise noise and dust.

Capacity (metres)
~ 66,000

Capacity utilisation
50%

Area m²
4,100

Shanghai, CHINA

Mesh panels and machine guarding products.

Capacity (metres)
~100,000

Capacity utilisation
75%

Area m²
3,500

Bulciago, ITALY

Modular protection solutions for machine guarding.

Capacity (metres)
~ 700,000

Capacity utilisation
60%

Area m²
20,000

Chicago, USA

Metal mesh panel solutions for machine guarding, warehouses and property protection.

Capacity (metres)
~ 400,000

Capacity utilisation
75%

Area m²
15,400

Sroda, POLAND

Production of shelves, dividers, safety barriers & warehouse accessories.

Capacity (metres)
~1,000,000

Capacity utilisation
70%

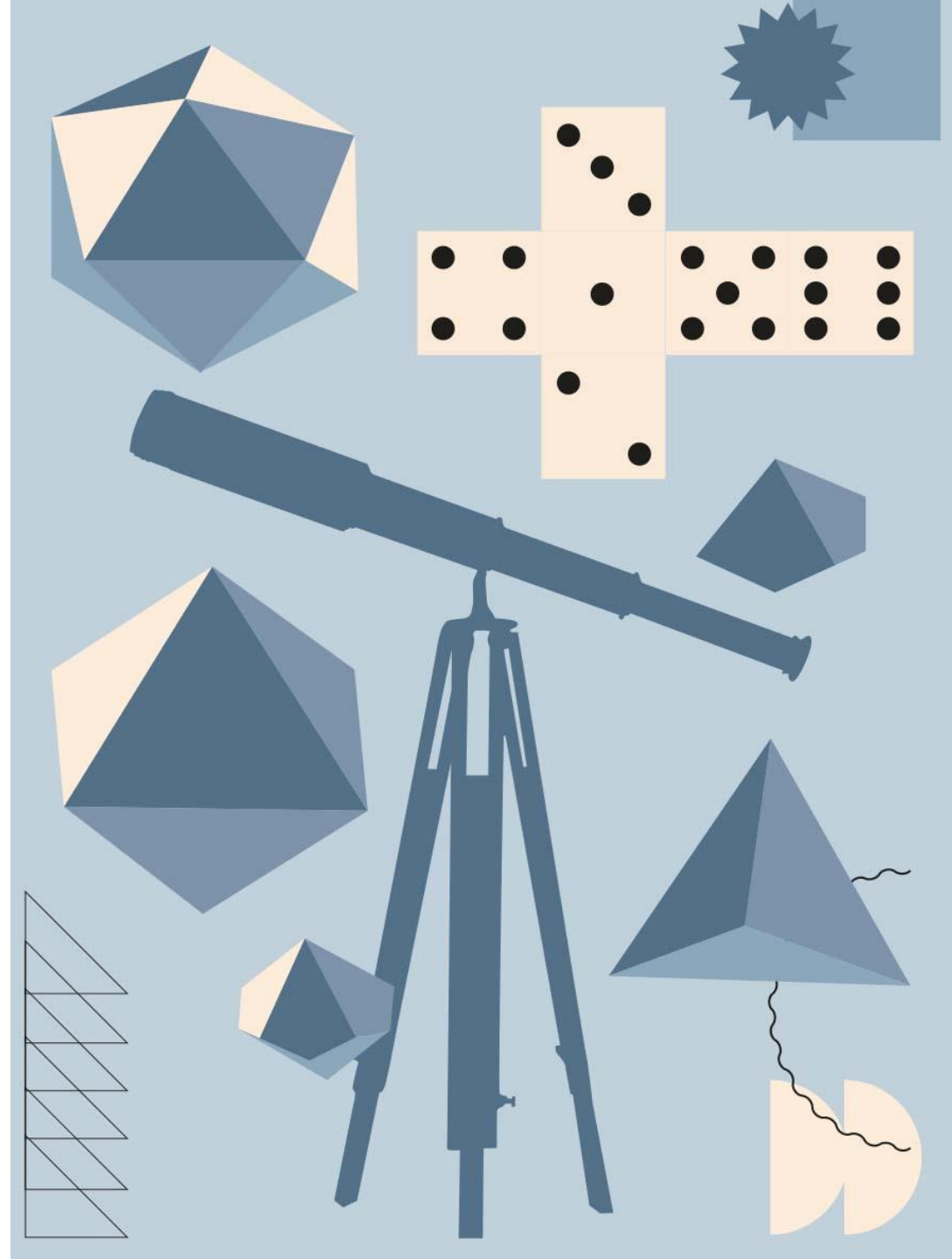
Area m²
14,500

THIS IS TROAX

TROAX GROUP



Working together
for a safer world



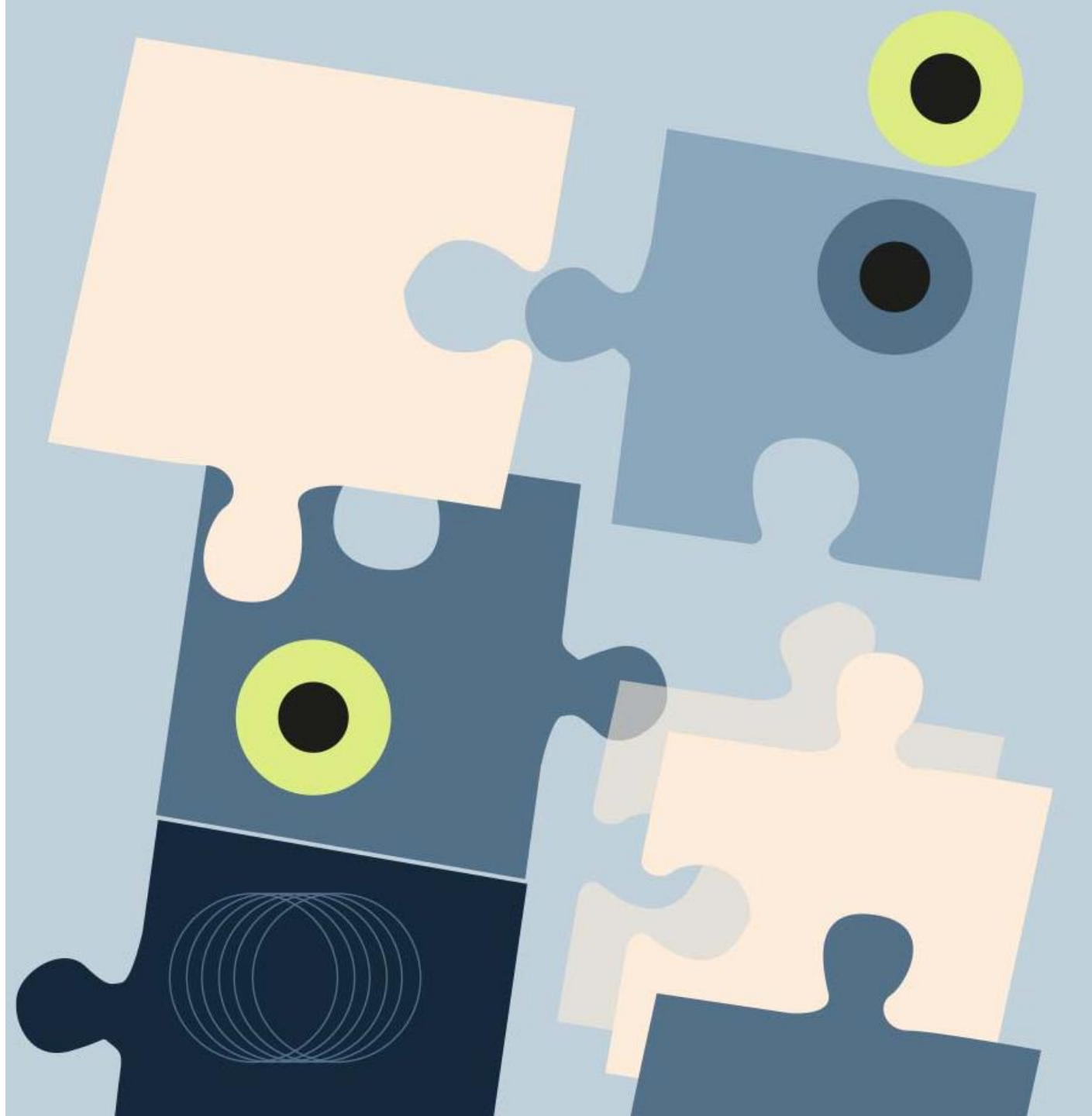
A SAFER TOMORROW

■ SINCE 1955 →

FOR A SAFER TOMORROW

WHAT WE FOCUS ON TODAY

- Climate compensating program concerning all transportations
- Continuously decrease of our total energy consumption, target 2% per year
- Regional manufacturing decreases transportation
- Recertified ISO 14001 and ISO 9001
- Minimize use of plastic products
- 99% recyclable steel
- Minimum 80% recycled steel in our products long-term
- Transition from natural gas to biogas
- Solar panels cover 50% of energy consumption in Italian factory
- Co2 consumption per main articles available on our webpage



THIS IS **TROAX**

TROAX SAFETY CENTER

Our R&D department, Troax Safety Center, is the backbone of Troax. We combine hard work and ingenuity to create the safest and most innovative products for the global market.



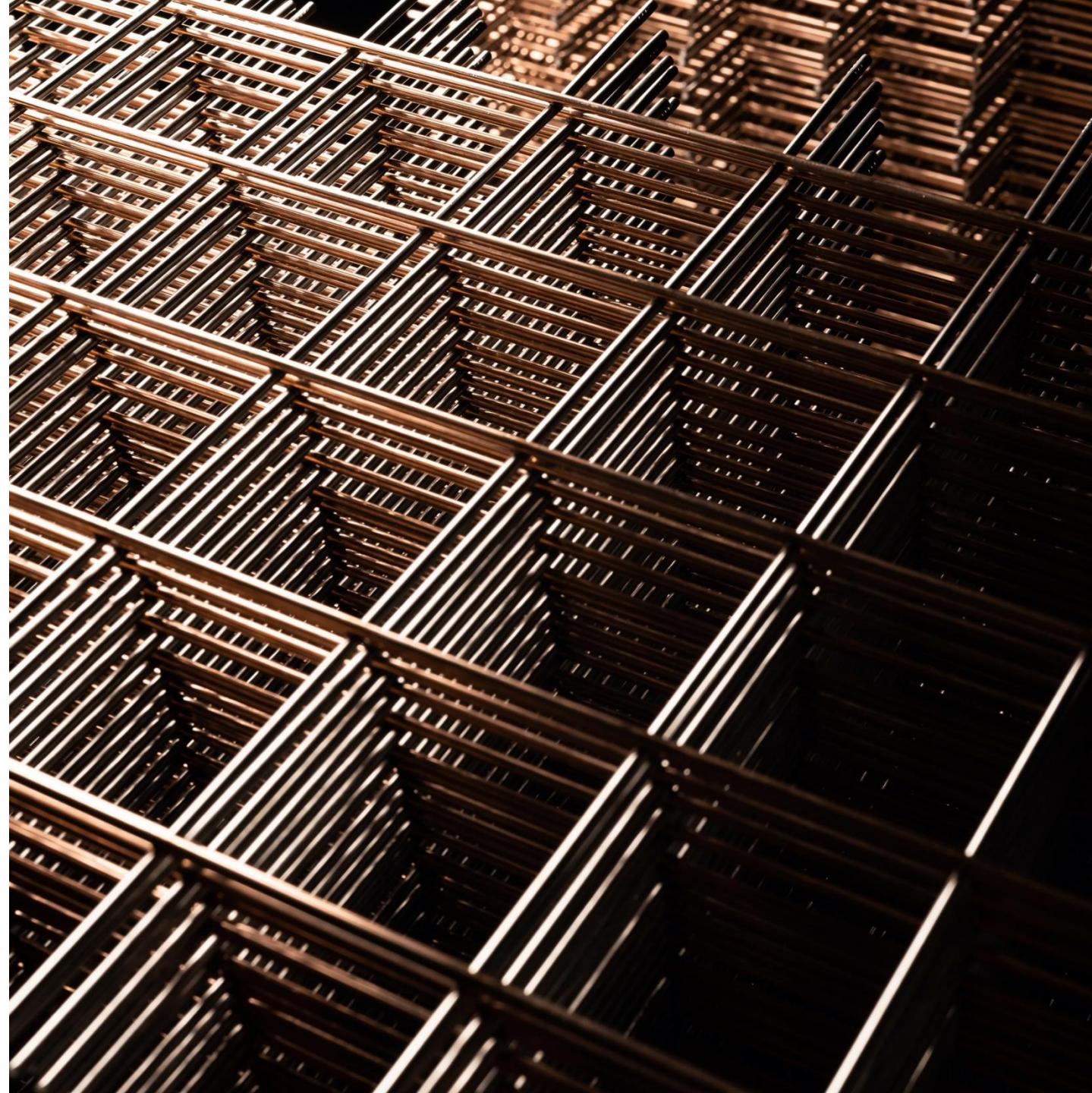
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CERTIFIED BY TÜV RHEINLAND



THIS IS TROAX

PROTECTING PEOPLE, PROPERTY, AND PROCESSES



THIS IS TROAX

**THE ORIGINAL.
SINCE 1955.**



THIS IS TROAX

SAFETY EQUALS TROAX

A black and white photograph of a robotic arm in a factory setting. The arm is positioned vertically, and its tool is in contact with a metal surface, creating a shower of sparks. The background is blurred, showing industrial machinery and structural elements. The text 'SAFETY EQUALS TROAX' is overlaid in large, bold, white letters, centered horizontally and spanning most of the width of the image. The word 'SAFETY' is on the top line, 'EQUALS' is on the second line, and 'TROAX' is on the third line, which is significantly larger than the others.