

Trox Group AB (publ)
Hillerstorp, the 11th of February 2021

FOR A SAFER TOMORROW



FOR US SAFETY IS ABOUT BEING ONE STEP AHEAD. WE TEST OUR PRODUCTS TO ENSURE HIGHEST QUALITY AND SAFETY TO BE ABLE TO OFFER THE BEST ON THE MARKET REGARDLESS OF WHAT YOUR SAFETY NEEDS ARE, WE CREATE SOLUTIONS TO MEET YOUR REQUESTS AND NEEDS FOR A SAFER TOMORROW.

ABOUT TROAX

Troax is the leading global supplier of indoor perimeter protection (“metal-based mesh panel solutions”) for the market segments: Machine guarding, Warehouse partitioning and Property protection.

Troax develops high quality and innovative safety solutions to protect people, property and processes.

Troax Group AB (publ), Reg. No. 556916-4030, has a global organisation with an unparalleled sales force and efficient logistics setup, enabling local presence and short delivery times in 42 countries. In 2020 Troax net sales amounted to around 164 MEUR and at the end of the year, the number of employees amounted to about 975 persons. The Company’s head office is located in Hillerstorp, Sweden.

YEAR-END REPORT JANUARY- DECEMBER 2020

OCTOBER - DECEMBER

- Order intake increased by 39 percent to 58,0 (41,8) MEUR. Adjusted for acquisitions and currency the increase was 22 percent.
- Sales increased by 1 percent and amounted to 44,9 (44,4) MEUR. Adjusted for acquisitions and currency sales decreased by 6 percent compared to the same period last year.
- Operating profit decreased to 8,6 (8,7) MEUR.
- Operating margin decreased to 19,2 (19,6) percent.
- Financial net was -0,1 (-0,2) MEUR.
- Profit after tax increased to 6,8 (6,4) MEUR.
- Earnings per share after dilution amounted to 0,11 (0,11) EUR.
- At the beginning of November, the Group acquired all shares in Natom Logistic, a leading manufacturer and supplier of warehousing equipment in the European market.

JANUARY - DECEMBER

- Order intake increased by 6 percent to 178,4 (168,1) MEUR. Adjusted for acquisitions and currency the increase was 2 percent.
- Sales decreased by 3 percent to 163,6 (168,0) MEUR. Adjusted for acquisitions and currency the decrease was 4 percent.
- Operating profit decreased to 30,8 (32,9) MEUR.
- Operating margin decreased to 18,8 (19,6) percent.
- Financial net was -0,7 (-0,9) MEUR.
- Profit after tax decreased to 23,2 (24,3) MEUR.
- Earnings per share after dilution amounted to 0,39 (0,41) EUR.
- The operating profit includes government subsidies in the USA and the UK during the first half of the year at the amount of 1,3 MEUR related to the Corona pandemic. The subsidies have been reported on the line "Other operating income and expenses".
- Earnings per share after dilution amounted to 0,39 (0,41) EUR.
- The board suggest a dividend of 0,20 (0,10) EUR per share.

TROAX GROUP FIGURES

MEUR	3 Months	3 Months	12 Months	12 Months	12 Months
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Order intake	58,0	41,8	178,4	168,1	165,0
Sales	44,9	44,4	163,6	168,0	161,0
Gross profit	17,9	17,8	64,2	67,1	63,6
Gross margin, %	39,9	40,1	39,2	39,9	39,5
Operating profit	8,6	8,7	30,8	32,9	32,8
Operating margin, %	19,2	19,6	18,8	19,6	20,4
Profit after tax	6,8	6,4	23,2	24,3	24,4
EBITDA 1)	10,9	10,1	38,5	38,9	35,6
EBITDA margin, % 1)	24,3	22,7	23,5	23,2	22,1
Net debt / EBITDA			1,4	1,3	1,3
Earnings per share after dilution in EUR 2)	0,11	0,11	0,39	0,41	0,41
Closing rate SEK/EUR	10,04	10,45	10,04	10,45	10,29
Earnings per share after dilution in SEK. 2,3)	1,14	1,11	3,88	4,23	4,18

1) The 2019 and 2020 numbers are impacted by IFRS 16 (approx. 0,8 MEUR per quarter in decreased leasing costs).

2) Earnings per share for all periods is calculated based on 60 000 00 shares after the split 3:1 on June 19th 2019

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

CEO COMMENTS

After a turbulent year, driven by pandemics and Brexit, to name a few important events, the Troax Group increased order intake by 6% for the full year (2% excluding acquisitions and currency). However, the sales trend was negative and shows 4% down, excluding acquisitions and currency effects. Against the background of Covid-19 and Brexit, 2020 may be characterized as a good year from a growth point of view. The result for the year basically followed the sales trend and finished with an EBIT of 18,8% compared to 19,6% the previous year.

For the fourth quarter, the group achieved good order intake figures with a 39% increase compared to the same quarter last year (22% excluding acquisitions and currency). This is mainly explained by strong order intake in North America and the United Kingdom in the area of automated warehouses, which generally developed well during the year, driven by higher demand for e-commerce solutions. This demand will not decrease due to this year's pandemic, but is expected to increase further in the coming years. The fourth quarter of the year, however, had an exceptionally high order intake, which is something we generally cannot expect to see in the future. Declining figures in the quarter are shown from the Nordic and Continental Europe regions, which can be explained by continued weak development in automotive, as well as the effects of shutdowns in most countries, which had a negative effect on demand. Overall, however, Troax continued to take important orders in all sub-segments and we see a continued positive development in the quarter in terms of continuing to take market shares. In terms of sales, it was slightly weaker and we report a decline of 6% in the quarter, excluding acquisitions and currency. This of course has a negative effect on the result for the quarter, but thanks to good cost control and some help from our newly acquired company Natom Logistics (two months' effect), we can report a result similar to previous year (EBIT).

The business, at basically all production units within the group, had a good volume development during the quarter, which of course helps to keep the result up. Our North American operations have developed well during the year, driven by good order intake within the Troax brand, Folding Guard has also greatly improved its results compared with previous years (some subsidies were received from the US government during the second quarter but during all other quarters, Folding Guard did not receive any subsidies). The newly acquired company Natom Logistics has had a good order intake during the two months that we have consolidated the company and show a development, at least in line with our calculations. However, it is too short a time to be able to draw any conclusions about this acquisition yet.

The most recent major investments in our production facilities, in order to increase machine capacity, were in principle completed during the year, although we see a continued need for improvements both within existing units and our newly acquired unit in Poland, where machine capacity also needs to be increased. The unit in Bulciago, Italy, was completed at the beginning of the year and has continued to develop positively throughout the year after some start-up disruptions. Our smallest factory in Shanghai, China, has developed well during the year and we generally see that we are increasing our volumes in this part of the world, even though the level is still low compared to other markets.

The gross margin for the quarter is at a similar level as the corresponding quarter in 2019. For the full year, we show a slightly lower level than the full year 2019, which has mainly been negatively affected by a slightly lower volumes. Factory closures had a negative effect during the second quarter, but were mostly offset with a good development during the remainder of the year. Sales prices were basically unchanged during the year, but these will need to increase during in 2021, to reflect the higher steel prices already initiated by the steelworks towards the end of 2020. We therefore expect further turbulence on the steel price during the first half of 2021.

In total for the Group, net profit was higher in the fourth quarter compared with 2019, with a profit of 6,8 MEUR for the quarter, compared with 6,4 MEUR the previous year. Net debt / EBITDA remains stable and amounts to 1,4 compared with 1,3 the previous year, despite the acquisition of Natom Logistics as of the 2nd of November. Operating cash flow during the year was good and at a similar level as in 2019. The number of employees increased after the acquisition of Natom and amounted to 975 people at the end of 2020, including short-term hires. Of the total increase in the number of employees in 2020, 250 people, 205 refer to the operations acquired during the year in Poland and Japan. The remainder refers to increases in New Markets and an increase in activities in Satech, Italy, in connection with a new factory. The Board of Directors proposes a dividend of 0,20 EUR per share, which is a return to the previous policy of distributing approximately 50% of the Group's net profit to shareholders. (As a pure safety measure, 50% of the 'normal' dividend was distributed for 2019).

Thomas Widstrand, President and CEO

THE GROUP SUMMARY

OCTOBER - DECEMBER

The total order intake developed positively during the period. Order intake amounted to 58,0 (41,8) MEUR, an increase of 39 percent. Adjusted for acquisitions and currency the increase was 22 percent. Continental Europe and Nordic decreased their order intake during the quarter while the other markets increased their order intake compared with the corresponding period last year.

Net sales amounted to 44,9 (44,4) MEUR, a decrease by 1 percent. Adjusted for acquisitions and currency the decrease was 6 percent. All regions except New Markets decreased their sales during the quarter compared with the corresponding period last year.

Operating profit amounted to 8,6 (8,7) MEUR, corresponding to an operating margin of 19,2 (19,6) per cent.

JANUARY - DECEMBER

The total order intake developed positively in the period. Order intake amounted to 178,4 (168,1) MEUR, an increase of 6 percent. Adjusted for acquisitions and currency the increase was 2 percent. All regions except Continental Europe increased their order intake during the period compared with the corresponding period last year.

Net sales amounted to 163,6 (168,0) MEUR, a decrease of 3 percent. Adjusted for acquisitions and currency the decrease was 4 percent. All regions except North America and New Markets decreased their sales in the period compared with the corresponding period last year.

Operating profit amounted to 30,8 (32,9) MEUR, corresponding to an operating margin of 18,8 (19,6) per cent. The operating result for the period contains government subsidies in the USA and the UK at the amount of 1,3 MEUR due to Corona. The subsidies have been reported on the line "Other operating income and expenses".

FINANCIAL NET

For the fourth quarter of 2020, financial net amounted to -0,1 (-0,2) MEUR and to -0,7 (-0,9) MEUR for the year 2020.

TAXES

The tax expense was -1,7 (-2,1) MEUR for the fourth quarter and -6,9 (-7,7) MEUR for the year 2020.

NET RESULT

Net result for the fourth quarter amounted to 6,8 (6,4) MEUR and 23,2 (24,3) MEUR for the year 2020.

CASH FLOW, WORKING CAPITAL AND NET DEBT

Cash flow from operating activities was 7,9 (11,2) MEUR for the fourth quarter and 26,3 (28,9) MEUR for the year 2020. Net debt including the impact from IFRS 16 was 52,6 (49,1) MEUR. Net debt in relation to the 12-month rolling EBITDA was 1,4 (1,3) to be compared with the company's financial target of less than 2,5.

INVESTMENTS

During the fourth quarter, investments excluding acquired cash and excluding non-cash flow additional purchase price were 9,3 (4,2) MEUR and 14,8 (8,6) MEUR for the year 2020. The year's investments mainly relate to the acquisition of subsidiaries, the extension of the factory in Sweden and the asset acquisition from our former distributor in Japan.

REGIONAL DEVELOPMENT

Troax operations are reported as one segment. As secondary information Order intake and Sales are reported based on geographical regions.

Nordic – Sweden, Denmark, Norway and Finland

Continental Europe – Europe excluding Nordic and United Kingdom

United Kingdom – Great Britain and Ireland

North America – US and Canada

New Markets – rest of the world including all distributors directly connected to Sweden

Order intake MEUR	3 Months			12 Months			12 Months		
	Oct-Dec 2020	Oct-Dec 2019	Diff	Jan-Dec 2020	Jan-Dec 2019	Diff	Jan-Dec 2019	Jan-Dec 2018	Diff
Continental Europe	20,7	22,9	-10%	81,0	90,6	-11%	90,6	86,7	4%
Nordic region	6,2	6,5	-5%	26,2	26,1	0%	26,1	26,4	-1%
United Kingdom	9,5	4,9	94%	24,1	19,4	24%	19,4	19,5	-1%
North America	12,1	5,0	142%	31,3	24,2	29%	24,2	24,0	1%
New Markets	2,7	2,5	8%	9,2	7,8	18%	7,8	8,4	-7%
Total excl Currency	51,2	41,8	22%	171,8	168,1	2%	168,1	165,0	2%
Currency effect	-0,7	0,0	-2%	-0,9	0,0	-1%	0,0	0,0	0%
Order intake acquisitions	7,5	0,0	18%	7,5	0,0		0,0	0,0	0%
Total Order intake	58,0	41,8	39%	178,4	168,1	6%	168,1	165,0	2%

Total Sales MEUR	3 Months			12 Months			12 Months		
	Oct-Dec 2020	Oct-Dec 2019	Diff	Jan-Dec 2020	Jan-Dec 2019	Diff	Jan-Dec 2019	Jan-Dec 2018	Diff
Continental Europe	21,4	22,2	-4%	82,7	88,7	-7%	88,7	85,7	19%
Nordic region	6,8	7,7	-12%	25,2	26,6	-5%	26,6	25,8	3%
United Kingdom	4,5	5,1	-12%	19,0	20,7	-8%	20,7	17,2	20%
North America	6,7	7,2	-7%	24,9	24,5	2%	24,5	24,1	2%
New Markets	2,4	2,2	9%	8,9	7,5	19%	7,5	8,2	-9%
Total excl Currency	41,8	44,4	-6%	160,7	168,0	-4%	168,0	161,0	4%
Currency effect	-0,6	0,0	-1%	-0,8	0,0	0%	0,0	0,0	0%
Sales acquisitions	3,7	0,0	8%	3,7	0,0		0,0	0,0	0%
Total Sales	44,9	44,4	1%	163,6	168,0	-3%	168,0	161,0	4%

* Note that we report organic growth excluding currency effect.

THE GROUP - SUMMARY

INCOME STATEMENT

MEUR	3 Months	3 Months	12 Months	12 Months	12 Months
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Sales	44,9	44,4	163,6	168,0	161,0
Cost of goods sold	-27,0	-26,6	-99,4	-100,9	-97,4
Gross profit	17,9	17,8	64,2	67,1	63,6
Sales expenses	-5,5	-6,0	-23,5	-23,9	-21,4
Administrative expenses	-3,5	-2,3	-10,7	-9,7	-9,1
Other operating income and expenses	-0,3	-0,8	0,8	-0,6	-0,3
Operating profit	8,6	8,7	30,8	32,9	32,8
Financial income and expenses	-0,1	-0,2	-0,7	-0,9	-0,8
Result after financial expenses	8,5	8,5	30,1	32,0	32,0
Taxes	-1,7	-2,1	-6,9	-7,7	-7,6
Net result for the period	6,8	6,4	23,2	24,3	24,4

Earnings per share before / after dilution	0,11 €	0,11 €	0,39 €	0,41 €	0,41 €
Number of shares before / after dilution in thousands	60 000	60 000	60 000	60 000	60 000

STATEMENT OF COMPREHENSIVE INCOME

	3 Months	3 Months	12 Months	12 Months	12 Months
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Net result for the period	6,8	6,4	23,2	24,3	24,4
Other comprehensive income:					
Items that may be reclassified to the income statement					
Translation differences	4,2	2,3	2,1	-0,7	-2,5
Tax related to items that may be reclassified	0,0	0,0	0,0	0,0	0,0
	4,2	2,3	2,1	-0,7	-2,5
Items that will not be reclassified to the income statement					
Actuarial gains and losses on defined-benefit pension commitments	-0,2	-0,6	-0,2	-0,6	-0,4
Tax related to items that may be reclassified	0,0	0,1	0,0	0,1	0,1
	-0,2	-0,5	-0,2	-0,5	-0,3
Other comprehensive income, net of tax	4,0	1,8	1,9	-1,2	-2,8
Total comprehensive income for the period	10,8	8,2	25,1	23,1	21,6

	3 Months	3 Months	12 Months	12 Months	12 Months
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
EBITDA	8,6	8,7	30,8	32,9	32,8
Operating result	8,6	8,7	30,8	32,9	32,8
Depreciations	2,3	1,4	7,7	6,0	2,8
EBITDA	10,9	10,1	38,5	38,9	35,6

1) 2020 and 2019 numbers are impacted by IFRS 16 (0,7-0,8 MEUR in decreased leasing costs per quarter).

2) The number of shares and earnings per share for all periods is calculated based on 60 000 000 shares after split 3:1 on the 19th of June 2019

STATEMENT OF FINANCIAL POSITION

MEUR	2020	2019	2018
	31-dec	31-dec	31-dec
Assets			
Intangible assets	95,1	87,3	87,9
Tangible assets	51,5	41,8	26,2
Financial fixed assets	6,3	6,2	5,5
Total fixed assets	152,9	135,3	119,6
Inventories	18,0	14,5	11,9
Current receivables	41,2	40,0	37,3
Cash and cash equivalents	32,5	30,4	22,7
Total current assets	91,7	84,9	71,9
TOTAL ASSETS	244,6	220,2	191,5
Equity and liabilities			
Equity	114,0	95,7	82,6
Long-term liabilities	100,5	91,3	78,1
Current liabilities	30,1	33,2	30,8
TOTAL EQUITY AND LIABILITIES	244,6	220,2	191,5
Net debt = interest-bearing liabilities excluding provisions for pensions less cash	52,6	49,1	46,3

STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO THE PARENT COMPANY'S SHAREHOLDERS

Opening balance	95,7	82,6	69,1
Dividends	-6,0	-9,4	-8,1
Re-purchase of shares	-0,8	-0,6	0,0
Total comprehensive income for the period	25,1	23,1	21,6
Closing balance	114,0	95,7	82,6

CASH FLOW STATEMENT

MEUR	3 Months	3 Months	12 Months	12 Months	12 Months
	2020	2019	2020	2019	2018
	31-dec	31-dec	31-dec	31-dec	31-dec
Operating profit	8,6	8,7	30,8	32,9	32,8
Interest received and paid, tax paid and adjustments	-0,3	1,6	-1,7	-0,6	-6,3
Changes in working capital	-0,4	0,9	-2,8	-3,4	-0,5
Cash flow from operating activities	7,9	11,2	26,3	28,9	26,0
Net investments	-9,3	-4,2	-14,8	-8,6	-8,9
Cash flow after investing activities	-1,4	7,0	11,5	20,3	17,1
Financing activities	-0,5	-0,7	-9,5	-12,2	-8,1
Cash flow for the period	-1,9	6,3	2,0	8,1	9,0
Cash and cash equivalents at the start of the period	34,3	24,5	30,4	22,7	14,1
Translation difference in cash and cash equivalents	0,1	-0,4	0,1	-0,4	-0,4
Cash and cash equivalents at the end of the period	32,5	30,4	32,5	30,4	22,7

**PARENT COMPANY – SUMMARY
INCOME STATEMENT**

	3 Months	3 Months	12 Months	12 Months	12 Months
MEUR	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2020	2019	2020	2019	2018
Sales	-0,1	0,3	0,8	1,2	1,2
Cost of goods sold	0,0	0,0	0,0	0,0	0,0
Gross profit	-0,1	0,3	0,8	1,2	1,2
Administrative expenses	-0,4	-0,5	-1,7	-1,8	-1,8
Other operating income and expenses	0,0	0,0	-0,2	-0,2	-0,1
Operating profit	-0,5	-0,2	-1,1	-0,8	-0,7
Financial income and expenses	4,0	-0,4	2,9	10,0	10,4
Result after financial expenses	3,5	-0,6	1,8	9,2	9,7
Year-end appropriations	-0,4	7,4	-0,4	7,4	7,3
Profit before tax	3,1	6,8	1,4	16,6	17,0
Taxes	-0,6	-1,5	-0,2	-1,6	-1,6
Net result for the period	2,5	5,3	1,2	15,0	15,4

STATEMENT OF COMPREHENSIVE INCOME

Net result for the period	2,5	5,3	1,2	15,0	15,4
Other comprehensive income, net of tax	0,0	0,0	0,0	0,0	0,0
Total comprehensive income for the period	2,5	5,3	1,2	15,0	15,4

STATEMENT OF FINANCIAL POSITION

MEUR	31-dec	31-dec	31-dec
	2020	2019	2018
Assets			
Shares in subsidiaries	87,7	87,7	87,7
Receivables to subsidiaries	21,2	23,5	22,9
Total fixed assets	108,9	111,2	110,6
Receivables to subsidiaries	5,0	9,7	7,4
Current receivables	0,4	0,4	0,7
Cash and cash equivalents	0,0	0,0	0,0
Total current assets	5,4	10,1	8,1
TOTAL ASSETS	114,3	121,3	118,7
Equity and liabilities			
Equity	37,6	43,2	38,2
Untaxed reserves	7,0	6,5	4,3
Long-term liabilities	69,0	69,0	69,0
Current liabilities	0,7	2,6	7,2
TOTAL EQUITY AND LIABILITIES	114,3	121,3	118,7

CASH FLOW STATEMENT

	3 Months	3 Months	12 Months	12 Months	12 Months
MEUR	31-dec	31-dec	31-dec	31-dec	31-dec
	2020	2019	2020	2019	2018
Operating profit before financial items	-0,5	-0,2	-1,1	-0,8	-0,7
Interest paid and received, taxes, adjustments	-0,1	0,0	-0,7	9,6	9,5
Change in working capital	0,5	0,2	8,6	0,6	-0,7
Cash flow from continuing operations	-0,1	0,0	6,8	9,4	8,1
Investments	0	0,0	0	0,0	0,0
Cash flow from investment activities	-0,1	0,0	6,8	9,4	8,1
Cash flow from financing activities	0	0,0	-6,8	-9,4	-8,1
Cash flow for the period	-0,1	0,0	0,0	0,0	0,0
Cash and cash equivalents at the beginning of the period	0,1	0,0	0,0	0,0	0,0
Translation difference	0,0	0,0	0,0	0,0	0,0
Cash and cash equivalents at the end of the period	0,0	0,0	0,0	0,0	0,0

FINANCIAL TARGETS

Troax Group's financial targets connected to the company's strategic initiatives are presented below. All expressed opinions in this part are future orientated.

Growth	Troax's objective is to grow in its current markets, both organically and by selective acquisitions
Profitability	Troax's target is to have an operating margin in excess of 20 per cent.
Financial structure	Net debt in relation to the 12-month rolling EBITDA, excluding temporary deviations, shall not exceed 2,5 times.
Dividend policy	Troax's target is to pay approximately 50 per cent of its net profit in dividends. The dividend proposal shall consider Troax's long-term development potential, its financial position and its investment needs.

The financial targets represent future oriented information. Future oriented information shall not be considered as guarantees for future result or development. The actual result may and can materially vary from what is expressed in the future oriented information.

OTHER INFORMATION

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2, Accounting for Legal Entities. The Accounting principles that have been applied coincide with those accounting principles used for preparing the latest Annual Report. The Annual report for 2019 is available on www.troax.com.

ALTERNATIVE KEY RATIOS

In this interim report, Troax presents certain financial measures that are not defined by IFRS, so-called alternative key ratios. The Group believes that these measures provide valuable supplementary information to investors as they enable an evaluation of the company's results and position. Since not all companies calculate financial measurements in the same way, these are not always comparable to those used by other companies. Investors should consider these financial measures as a complement rather than an IFRS financial statement.

RISKS AND RISK MANAGEMENT

Exposure to risks is a natural part of business operations and this reflects Troax's approach to risk management. This aims to identify and prevent the occurrence of risks and to limit any damage from these risks. The most significant risks to which the Group is exposed are related to the cyclical impact on demand. For further information, see the Management Report and Note 25 in the Annual Report 2019.

SEASONAL VARIATIONS

Seasonal variations have some impact on Troax business. Sales are normally in general stable between the quarters but can fluctuate between the months in the quarter. Sales can be somewhat lower in the summer months (July-August) and from December to January. In periods of high production, the company normally ties up more money in Working Capital. Cash is then released from working capital after a high season when manufactured goods are installed and the customer's receivables paid.

TRANSACTIONS WITH RELATED PARTIES

No significant transactions with related parties have taken place during the period.

OTHER INFORMATION (CONT.)

CALL OPTION PROGRAM FOR SENIOR EXECUTIVES

At the Annual General Meeting 2018, 2019 and 2020, share-based incentive programs were decided based on call options for the CEO, senior executives and certain other key persons within the Group. The programs are described in more detail in Note 1 of the Annual Report 2019.

Below is a summary of the option programs:

Year	Subscribed options	Option premium	Subscription price
2018	37 000 st	9,67 kr / option	120,78 kr / share
2019	66 200 st	9,35 kr / option	121,68 kr / share
2020	30 250 st	17,37 kr / option	250,64 kr / share

RE-PURCHASE OF SHARES

On August 14, 2019, the Board of Directors resolved on a repurchase program of a maximum of 600,000 shares, supported by authorization from the Annual General Meeting on May 14, 2019.

At the end of 2020, Troax Group AB (publ) owned 133,000 own shares.

EMPLOYEES

At the end of the period the Group had 975 (713) employees.

ACQUISITIONS

On November 2nd, 2020, Troax acquired Natom Logistic for approximately 8,9 MEUR. An additional purchase price of a maximum of 3,0 MEUR is possible if the result for 2021 and 2022 amounts to a certain minimum amount. Natom Logistic is a leading manufacturer of warehousing equipment in the European market and is headquartered in Chocicza, Poland. The company has about 180 employees and a turnover of about 20 MEUR. The acquired company's net assets at the time of acquisition were:

MEUR	Fair value reported in the Group
Acquired net assets	6,4
Purchase price paid	8,9
Estimated additional purchase price	3,0
Surplus value (Customer relations / goodwill)	5,5

OTHER EVENTS DURING THE QUARTER

No other significant information to report for the quarter.

OTHER EVENTS AFTER THE QUARTER

There is no significant information to report after the quarter.

AUDIT

This report has not been reviewed by the auditors.

NEXT REPORTS

Annual report 2020, will be published on www.troax.com during week 13, 2021.

Interim report Q1 2021, 26th of April 2021

Interim report Q2 2021, 17th of August 2021

Interim report Q3 2021, 26th of October 2021

DIVIDEND

The board suggest a dividend of 0,20 (0,10) EUR per share to the shareholders. Total suggested dividend, 12,0 (6,0) MEUR, represents 52% of the Net income in 2020. The proposed reconciliation date for the dividend is the 28th of April 2021.

SHAREHOLDERS MEETING

The Annual General Meeting will be held on the 26th of April 2021, at 15:00hrs. Shareholders who wish to add topics to be handled during the Shareholders Meeting can send their suggestions to the Chairman, Troax Group AB, attention "Topic for the Shareholders Meeting", Box 89, 335 04 Hillerstorp, Sweden. The topics must arrive at least seven weeks prior to the meeting, and by the 8th of March 2021 at the latest.

TELEPHONE CONFERENCE

Invitation to presentation of the fourth quarter result:

Thomas Widstrand, CEO presents the result on a phone conference on the 11th of February 2021 at 16:00 CET. The conference will be held in English. For more information, please refer to

<https://www.troax.com/global/en/press>



THOMAS WIDSTRAND
President and CEO
Phone +46 (0)370-828 31
thomas.widstrand@troax.com

Troax Group AB (publ)
Hillerstorp, 11th of February 2021

ANDERS EKLÖF
CFO
Phone +46 (0)370-828 25
anders.eklof@troax.com

Headquarters:

Troax AB
Box 89, SE-335 04 Hillerstorp, Sweden
Phone: +46 (0)370-828 00
Fax +46 (0)370-824 86
www.troax.com

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