



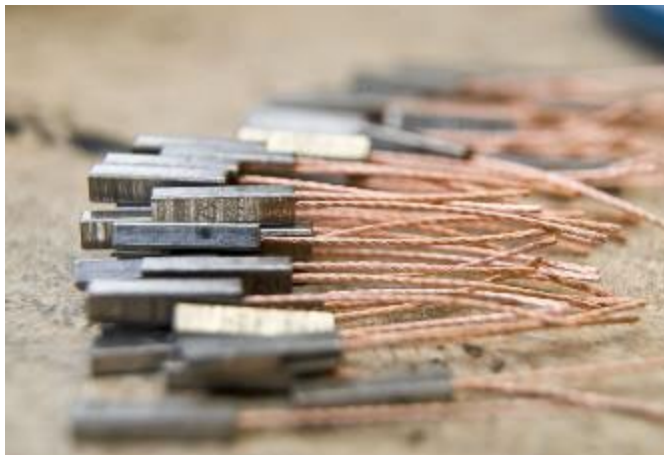
ADDTECH

YEAR END REPORT 1 APRIL 2021 – 31 MARCH 2022

Niklas Stenberg, President and CEO, and Malin Enarson, CFO

QUARTER 4 HIGHLIGHTS

Net sales
SEK 3,916 m, +34%



EBITA-margin
13.2%
From 11.4%

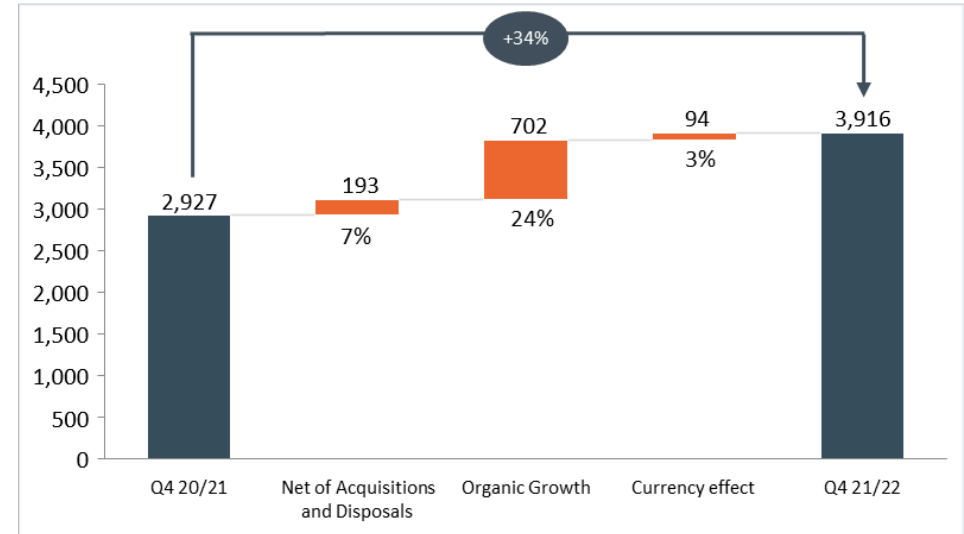
- Very strong end to the year
- High level of customer activity and very good underlying demand
- Good delivery capacity generated a net sales growth of 34%, of which 24% was organic
- Active efforts to offset price increases and generally good cost control resulted in an EBITA growth of 54% with record high margins
- Strong order books and currently continued stable demand

QUARTER 4: NET SALES DEVELOPMENT

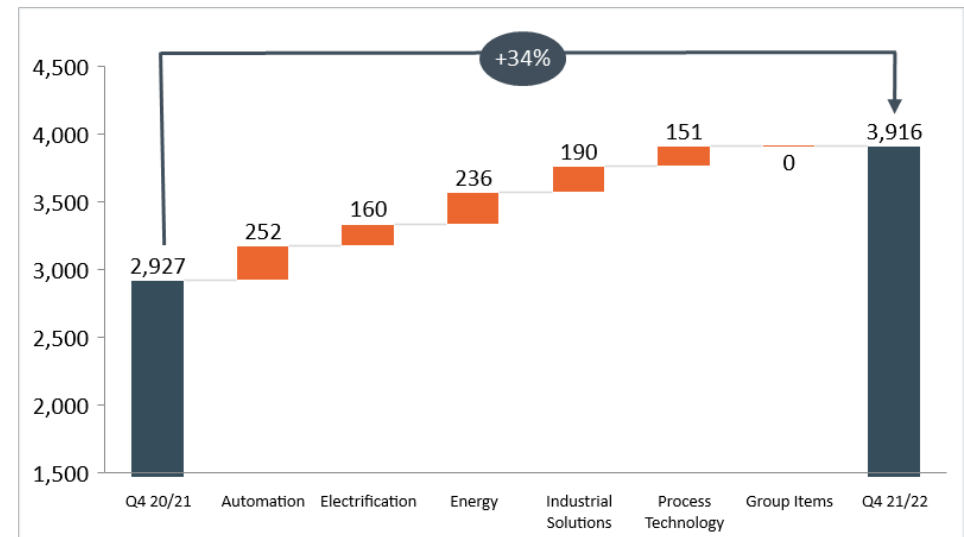
VERY STRONG END TO THE YEAR

- Net sales increased by 34% of which 24% was organic growth
 - Good underlying demand broad based
- Good delivery capacity despite supply chain disruptions
 - Well-established customer- and supplier relationship
 - Extraordinary efforts from all companies
 - Generally being able to meet the high level of customer demand
- All business relations with companies in Russia and Belarus have been halted
 - Limited exposure and marginal effect on net sales

Net Sales Growth, SEK m



Net Sales Growth per Business Area, SEK m

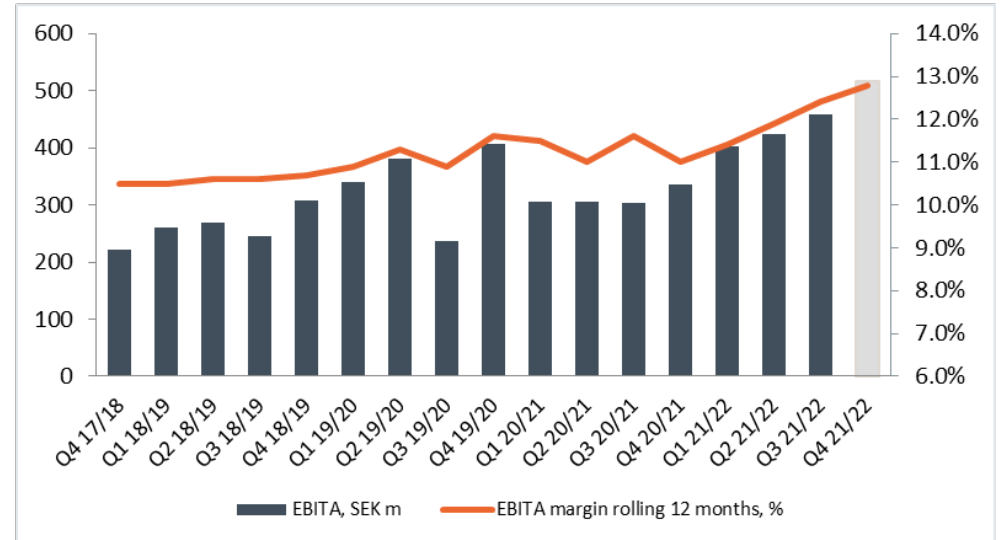


QUARTER 4: EBITA DEVELOPMENT

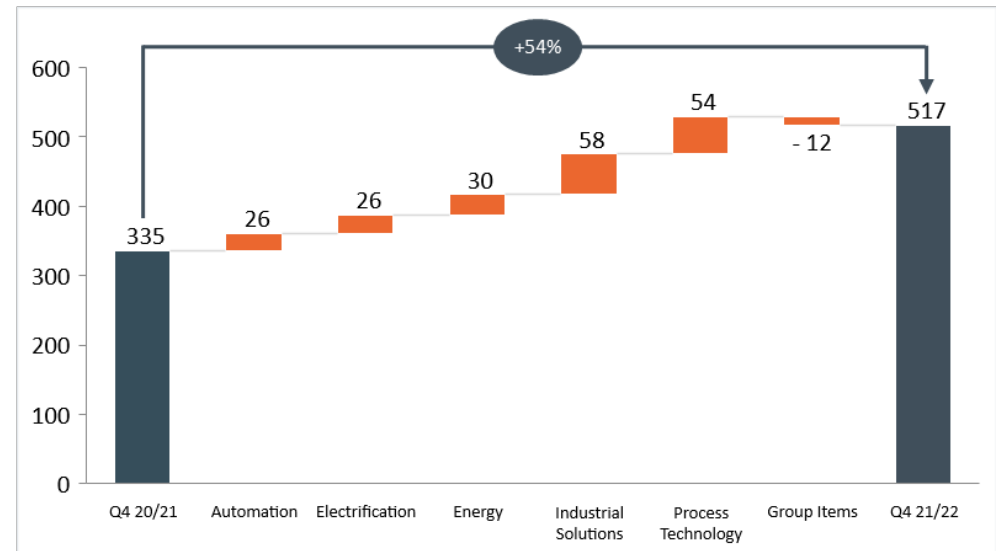
STRONG CONTRIBUTION FROM ALL BUSINESS AREAS

- 54% EBITA GROWTH
 - Good cost control remains
 - Favorable contribution from acquisitions
- Record high operating margins
 - Active efforts to offset price increases

EBITA, SEK m and EBITA margin rolling 12 months, %

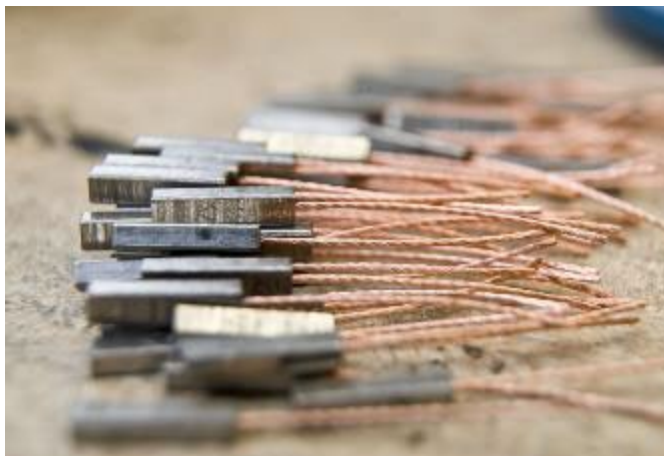


EBITA Growth per business area, SEK m



FULL YEAR 2021/2022
HIGHLIGHTS

Net sales
SEK 14,038 m, +24%



EBITA-margin
12.8%
From 11.0%

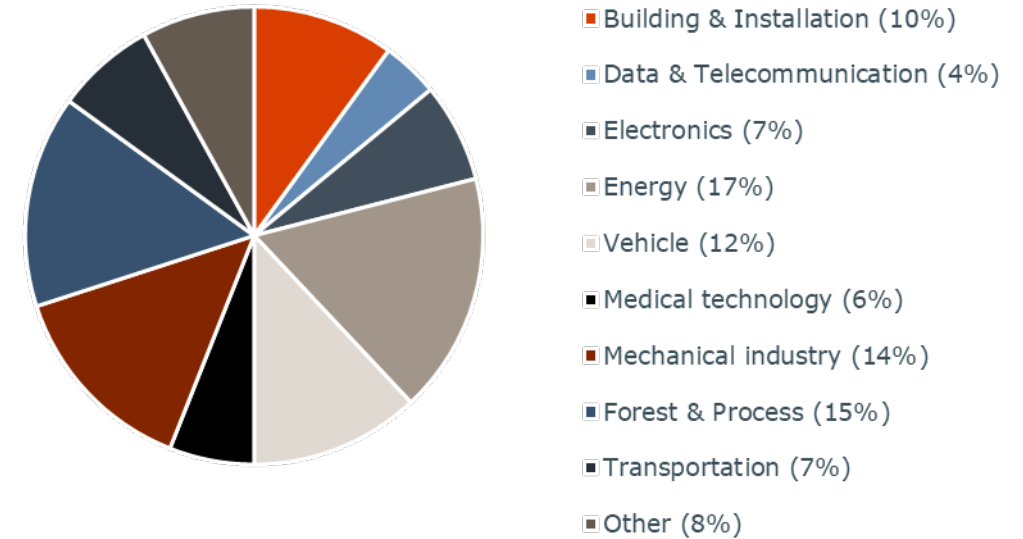
- Strong recovery in customer demand increased sales by 24%
- Solid position in selected segments generated an organic growth of 15% with improved margins – strong contribution by all business areas
- P/WC at historically high 69%
- 13 carefully selected companies acquired to strengthen our offer
- Board proposes dividend of SEK 1.80 (1.20)

FULL YEAR 2021/2022

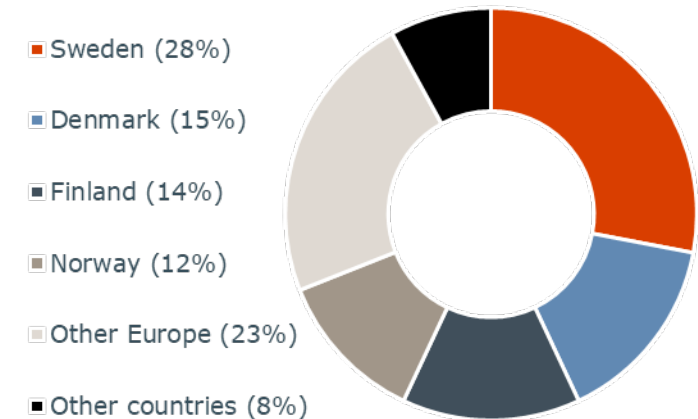
STRONG RECOVERY IN MOST KEY CUSTOMER SEGMENTS

- The market for input components to manufacturing companies continues to develop well
- Forest- and process industry continues to perform very strongly – in particular the sawmill industry
- The favourable market situation in important areas such as electronics, electricity-related products and waste/recycling remains
- Continued strong demand situation for our companies active in the expansion of regional and national grids
- As a whole, the Nordic markets developed strongly over the year – slightly weaker in Norway due to oil and gas
- Our important markets, such as DACH and UK, strengthened over the year

Sales per Customer Segment



Sales per Geographic Market

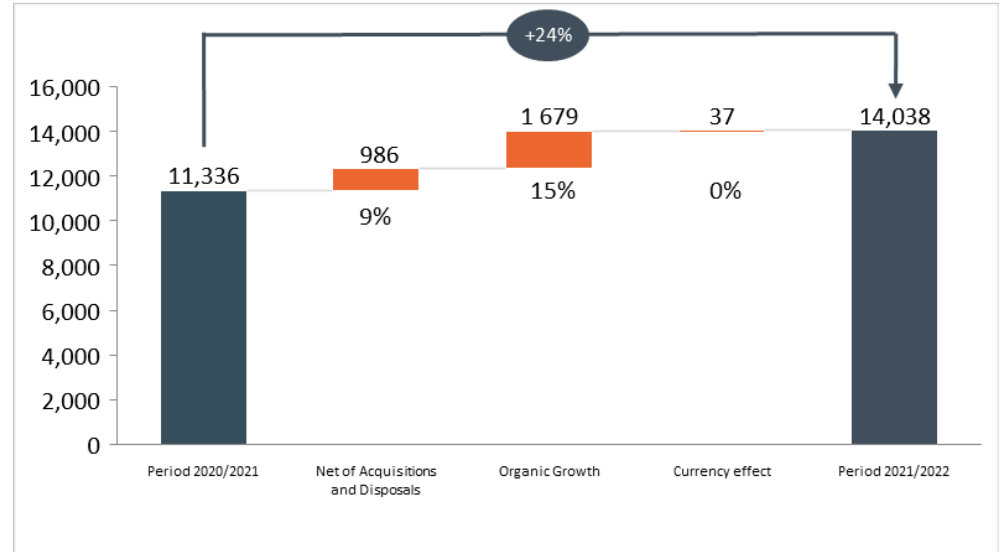


FULL YEAR 2021/2022

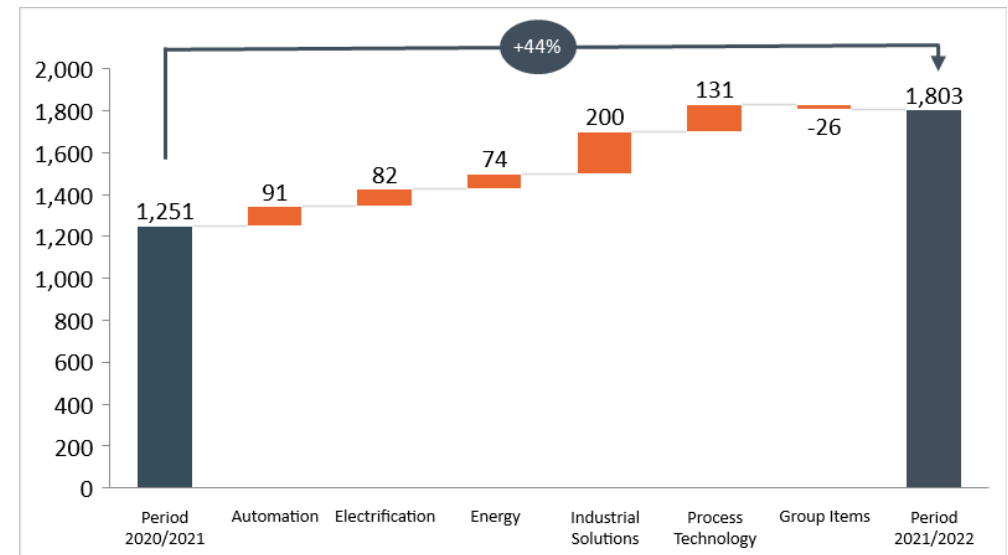
STRONG POSITION IN SELECTED NICHE MARKETS

- Net sales increased by 24%, of which 15% was organic
 - Customer activity increased sequentially
 - Strong contribution by all business areas
 - Supply chain constraints well handled by our companies
- EBITA growth of 44%
 - Positive effects from cost measures taken in the context of Covid-19 remains
 - Continued good cost control
- Solid contribution from 13 acquisitions
- EPS +54% to 4.00 (2.60) before dilution
- Proposed dividend of SEK 1.80 (1.20)

Net Sales Growth, SEK m, 12 months



EBITA Growth per Business Area, SEK m, 12 months

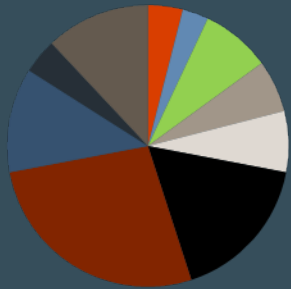




AUTOMATION

	3 months ending			12 months ending		
	31 Mar 22	31 Mar 21	Δ	31 Mar 22	31 Mar 21	Δ
Net Sales, SEK m	828	576	44%	2,716	2,180	25%
EBITA, SEK m	103	77	35%	308	217	42%
EBITA-margin, %	12.5	13.4	–	11.4	10.0	–

Sales by customer segment



- Building & Installation (4%)
- Data & Telecommunication (3%)
- Electronics (8%)
- Energy (6%)
- Vehicle (7%)
- Medical technology (17%)
- Mechanical industry (27%)
- Forest & Process (12%)
- Transportation (4%)
- Other (12%)



QUARTER 4

- Net sales increased by 44%
 - Strong quarter with high delivery capacity
 - Highly favorable market situation in medical technology as well as process- and mechanical industry
 - Increased demand for companies operating in the defense industry
- EBITA growth of 35%
 - Good margins on organic growth

FULL YEAR

- Net sales increased by 25%
- EBITA growth of 42%
- Strongest development in Mechanical Industry



ELECTRIFICATION

	3 months ending			12 months ending		
	31 Mar 22	31 Mar 21	Δ	31 Mar 22	31 Mar 21	Δ
Net Sales, SEK m	732	572	28%	2,629	2,194	20%
EBITA, SEK m	89	63	41%	318	236	35%
EBITA-margin, %	12.2	11.0	–	12.1	10.8	–

Sales by customer segment



- Building & Installation (7%)
- Data & Telecommunication (7%)
- Electronics (22%)
- Energy (15%)
- Vehicle (15%)
- Medical technology (9%)
- Mechanical industry (11%)
- Forest & Process (1%)
- Transportation (2%)
- Other (11%)



QUARTER 4

- Net sales increased by 28%
 - Very strong end to the year with high organic growth
 - Favorable business situation for input components to electronics, energy, special vehicles and telecom remains
 - Increased sales of customized battery systems
 - Strengthen order books despite high invoicing during the quarter

- EBITA growth of 41%

FULL YEAR

- Net sales increased by 20%
- EBITA growth of 35%
- Strongest development in Electronics and Special Vehicles



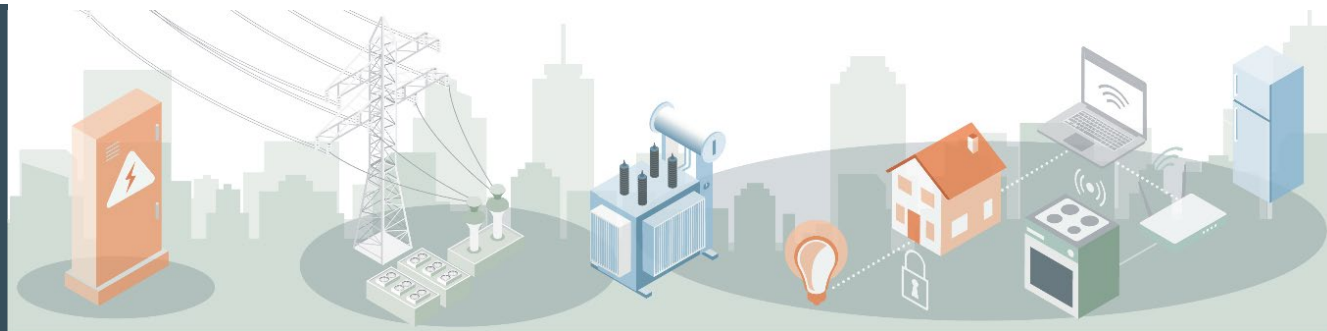
ENERGY

	3 months ending			12 months ending		
	31 Mar 22	31 Mar 21	Δ	31 Mar 22	31 Mar 21	Δ
Net Sales, SEK m	992	756	31%	3,742	3,271	14%
EBITA, SEK m	125	95	32%	467	393	19%
EBITA-margin, %	12.6	12.6	–	12.5	12.0	–

Sales by customer segment



- Building & Installation (23%)
- Data & Telecommunication (9%)
- Electronics (5%)
- Energy (39%)
- Vehicle (2%)
- Medical technology (1%)
- Mechanical industry (7%)
- Forest & Process (3%)
- Transportation (7%)
- Other (4%)



QUARTER 4

- Net sales increased by 31%
 - Highly favorable market situation with good organic growth
 - Market for infrastructure products continued to improve from high levels
 - Demand from construction, OEM and industry customers remains favorable
- EBITA growth of 32%
 - Improved margins despite price pressure in some segments

FULL YEAR

- Net sales increased by 14% with tough comparisons
- EBITA growth of 19%
- Best development in Building & Installation with strongest underlying demand in the Energy segment



INDUSTRIAL SOLUTIONS

	3 months ending			12 months ending		
	31 Mar 22	31 Mar 21	Δ	31 Mar 22	31 Mar 21	Δ
Net Sales, SEK m	720	530	36%	2,669	1,800	48%
EBITA, SEK m	125	67	86%	452	252	79%
EBITA-margin, %	17.3	12.6	–	16.9	14.0	–

Sales by customer segment



- Building & Installation (3%)
- Data & Telecommunication (0%)
- Electronics (0%)
- Energy (1%)
- Vehicle (34%)
- Medical technology (1%)
- Mechanical industry (10%)
- Forest & Process (35%)
- Transportation (7%)
- Other (9%)



QUARTER 4

- Net sales increased by 36%
 - Another very strong quarter with high demand and growth
 - Continued very high demand within the forest and sawmill industry
 - Market situation for companies developing proprietary control and ergonomic products and hydraulic solutions for special vehicles remained strong

- EBITA growth of 86%

FULL YEAR

- Net sales increased by 48%
- EBITA growth of 79%
- Best development in the forest industry and strong recovery in Special Vehicles



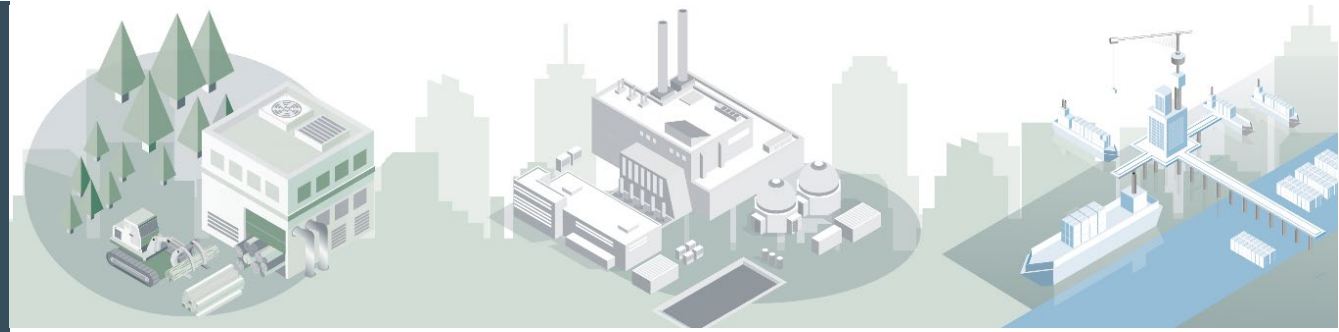
PROCESS TECHNOLOGY

	3 months ending			12 months ending		
	31 Mar 22	31 Mar 21	Δ	31 Mar 22	31 Mar 21	Δ
Net Sales, SEK m	649	498	30%	2,306	1,911	21%
EBITA, SEK m	84	30	178%	299	168	78%
EBITA-margin, %	12.8	6.0	–	12.9	8.8	–

Sales by customer segment



- Building & Installation (5%)
- Data & Telecommunication (0%)
- Electronics (1%)
- Energy (15%)
- Vehicle (6%)
- Medical technology (6%)
- Mechanical industry (17%)
- Forest & Process (29%)
- Transportation (16%)
- Other (5%)



QUARTER 4


















- Net sales increased by 30%
 - The very high demand within the forest- and sawmill industry continues
 - Demand for projects in the energy segment as well as aftermarket- and service components remains favorable
 - Slightly positive trend in the marine segment during the quarter

- EBITA growth of 178%

FULL YEAR

- Net sales increased by 21%
- EBITA growth of 78%
- Good development in all main market segments

13 ACQUISITIONS DURING THE FINANCIAL YEAR

Acquisition	Business area	Access	Net sales, SEKm*	Employees*
 ESi Controls Ltd.	Energy	April 2021	95	15
 Hydro-Material Oy	Industrial Solutions	April 2021	50	5
 IETV Elektroteknik AB	Energy	May 2021	80	38
 AVT Industriteknik AB	Automation	May 2021	70	42
 EK Power Solutions AB	Electrification	July 2021	40	25
 KZ moder AB	Process Technology	July 2021	100	29
 Finnchain Oy	Process Technology	July 2021	70	20
 Trittech Solutions AB	Automation	August 2021	60	8
 Systerra Computer GmbH	Automation	September 2021	95	16
 ABH Stromschienen GmbH	Electrification	October 2021	100	22
 Ko Hartog Verkeerstechniek B.V.	Energy	October 2021	80	18
 Jolex AB	Electrification	November 2021	20	1
 Fey Elektronik GmbH	Electrification	March 2022	570	160
 Intertrafo Oy	Energy	April 2022	30	15
 Electric Control Systems Automation AS	Process Technology	April 2022	75	31
 Impulseradar Sweden AB	Industrial Solutions	April 2022	80	27
 C.K. Environment A/S	Process Technology	May 2022	40	14

- Additional four acquisitions after year end
- In total SEK 1,650 m and 486 new employees added



FEY ELEKTRONIK - OUR LARGEST ACQUISITION SO FAR



Country: Germany

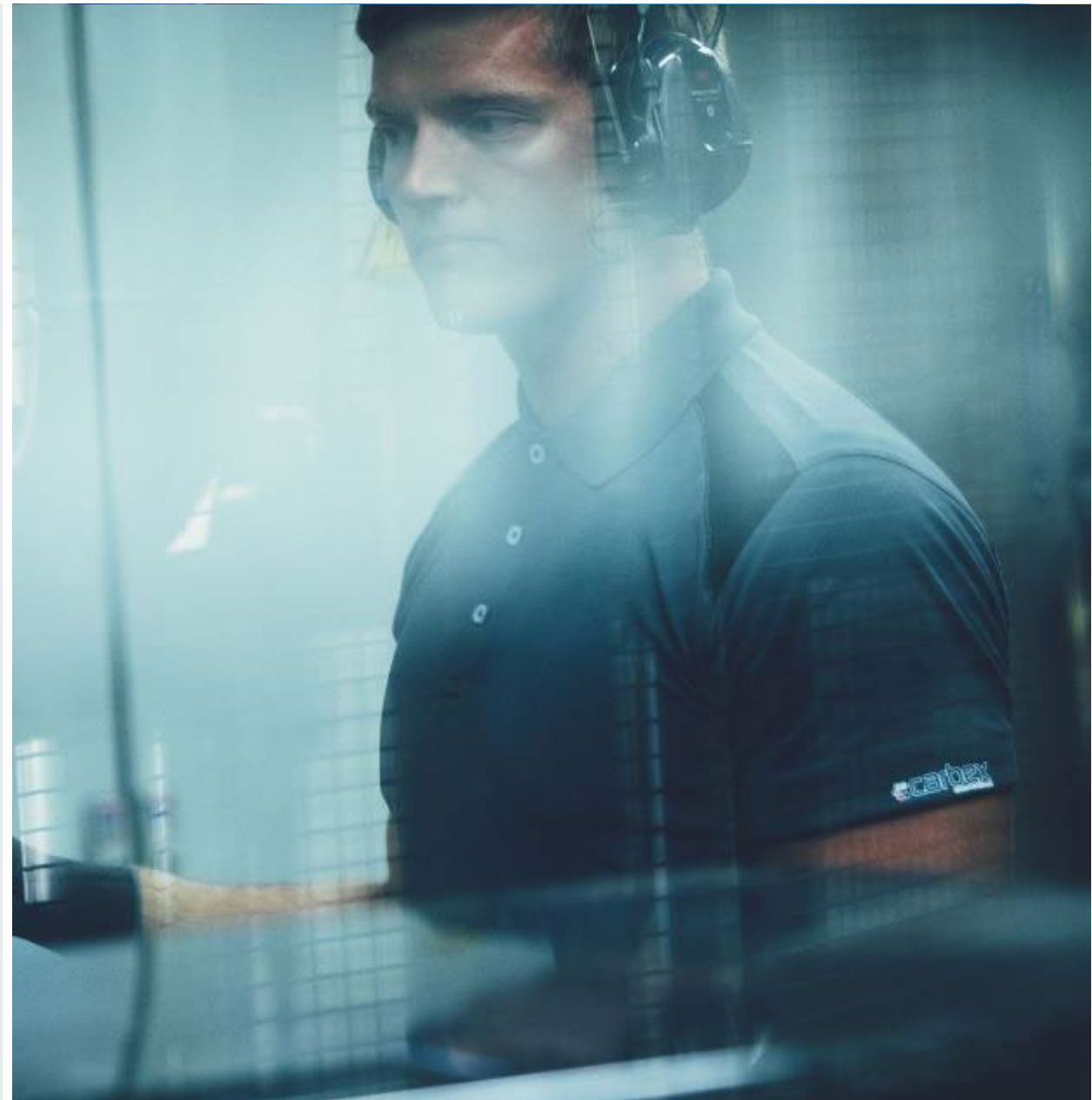
Employees: 160

Annual sales: 55 MEUR

- Fey serves European OEM customers with development, design and manufacture of customized battery solutions
- Complements and strengthens our offering of turnkey battery solutions within business unit Battery Systems
- Fey positions Addtech as one of the leading players in the growing European battery market
- Battery Systems now comprises over ten battery companies under seven brands



FINANCIAL POSITION



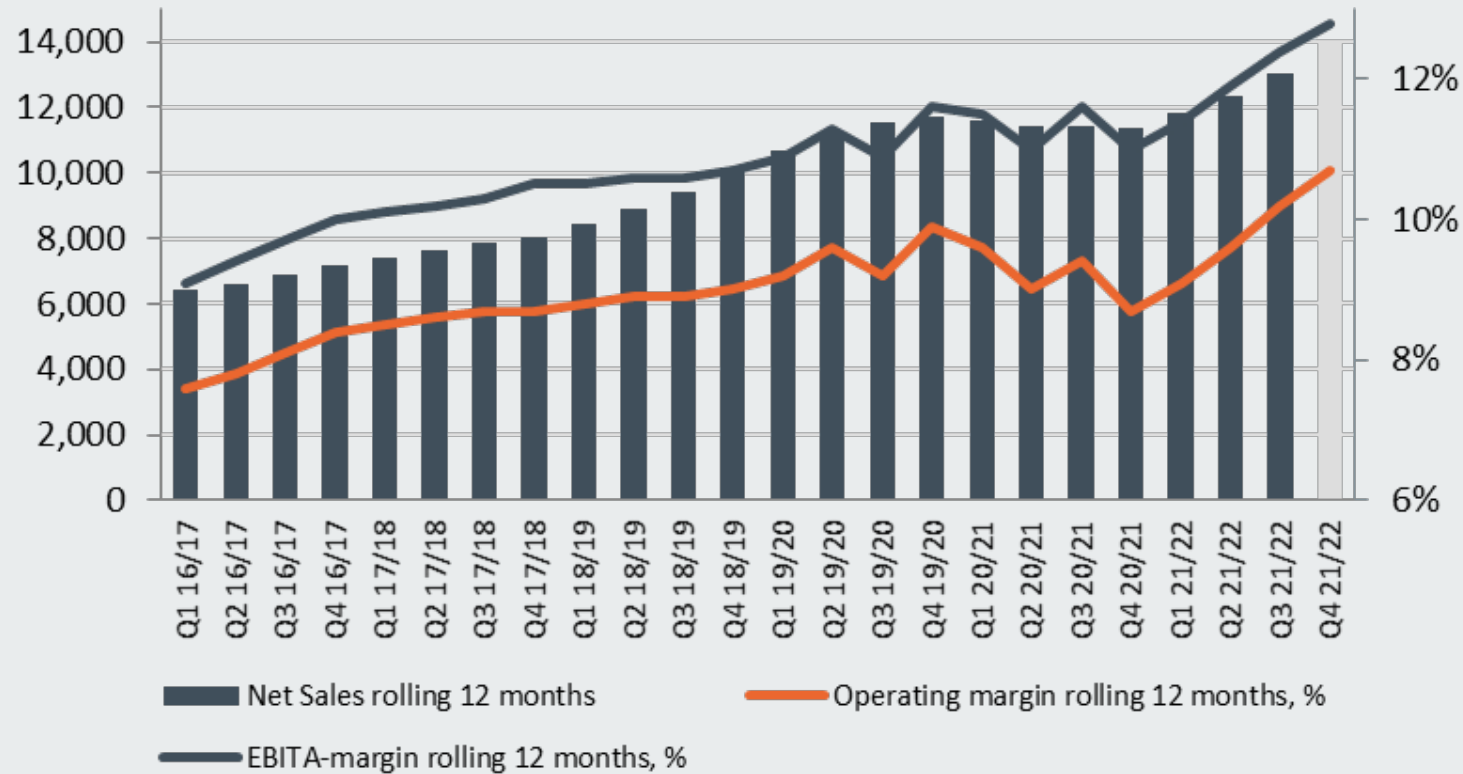
INCOME STATEMENT, CONDENSED

(SEKm)	3 months ending		12 months ending	
	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21
Net Sales	3,916	2,927	14,038	11,336
Cost of sales & op. expenses	-3,503	-2,675	-12,594	-10,343
Other operating items	23	14	57	-4
Operating profit	436	266	1,501	989
Financial income & expenses	-22	-15	-68	-52
Profit after financial items	414	251	1,433	937
Income tax expense	-89	-61	-316	-208
Net profit	325	190	1,117	729
Earnings per share, SEK	1.20	0.65	4.00	2.60
EBIT margin, %	11.1	9.1	10.7	8.7
EBITA margin, %	13.2	11.4	12.8	11.0

NET SALES & MARGIN

31/3 2022 R12	
Net Sales	SEK 14,038 m
EBITA	SEK 1,803 m
EBITA margin	12.8 %
Operating profit	SEK 1,501 m
Operating margin	10.7 %

Net Sales & margin, per quarter

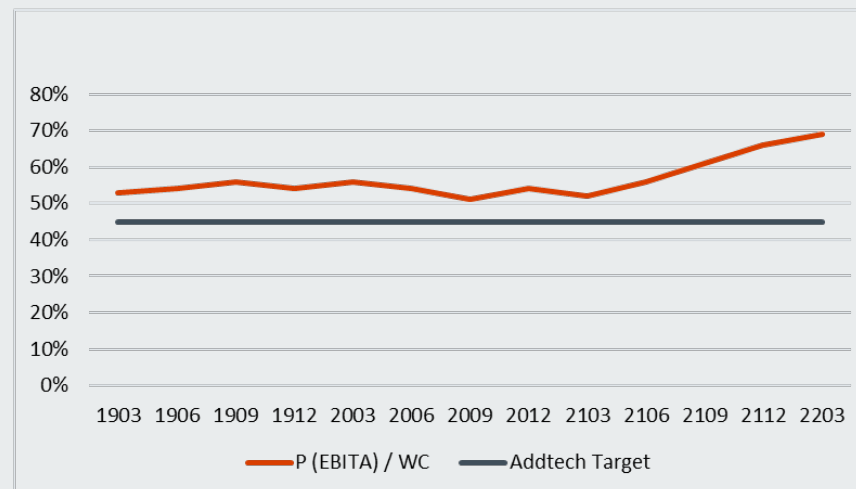


- **Strongest ever operating margin 10.7%**
 - Good capability to deliver on a strong demand situation
 - Active efforts to offset price increases
 - Continued good cost control

CASHFLOW

(SEKm)	3 months ending		12 months ending	
	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21
Profit after financial items	414	251	1,433	937
Adj. for non cash items	174	151	594	551
Income tax paid	-102	-81	-416	-320
Changes in working capital	-170	132	-490	335
Cash flow from operating activities	316	453	1,121	1,503
Net investment in non-current assets	-51	-34	-116	-79
Acquisitions and disposals	-428	-165	-1,139	-1,219
Dividend paid	-	-	-323	-269
Repurchase of own shares/options	7	5	10	25
Other financing activities	106	-328	460	106
Period's cash flow	-50	-69	13	67

P (EBITA) / WC



- **Record high P/WC 69%**
 - Positive effect from improved margins and EBITA
 - Negative effects from necessary working capital increases and strong growth
 - Working capital efficiency continues to improve

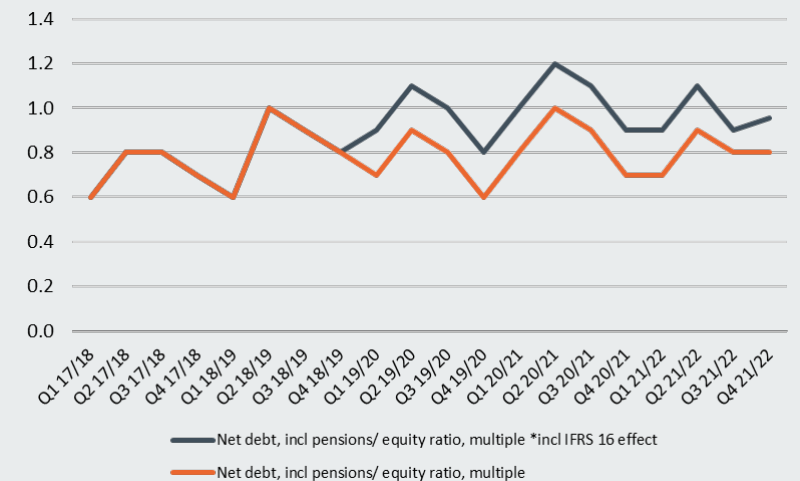
KEY FINANCIAL INDICATORS

(SEKm)	31 Mar 22	31 Mar 21
Total equity (SEKm)	4,259	3,450
Equity per share, SEK	14.60	11.95
Equity ratio, %	34	35
Return on working capital (P/WC), %	69	52
Return on equity, %	30	23
Return on capital employed, %	20	15
Financial net debt (SEKm)	4,061	3,134
- of which pension liability	314	336
- of which other liabilities	3,747	2,798
Financial net debt / EBITDA	2.0	2.1
Net debt / equity ratio, times	1.0	0.9
Interest coverage ratio, times	22	16
Average number of employees	3,317	3,068
Number of employees at end of period	3,556	3,133

Financial position remains strong

- Equity ratio 34% (35%)
- Leverage 2.0 (2.1)
- Gearing 1.0 (0.9)

Good headroom in credit facilities



FIVE AREAS FOR FUTURE GROWTH



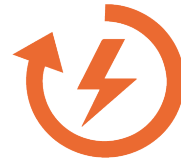
AUTOMATION

- MOTION & DRIVES
- INDUSTRIAL IT & SENSORS



ELECTRIFICATION

- BATTERY SYSTEMS
- CONNECTIVITY SOLUTIONS
- POWER & MOBILITY



ENERGY

- ENERGY PRODUCTS
- ENERGY SUPPLY



INDUSTRIAL SOLUTIONS

- MATERIAL PROCESSING
- VEHICLE SOLUTIONS



PROCESS TECHNOLOGY

- PROCESS SYSTEMS
- EMISSION CONTROL
- PROCESS CONTROL

GROWTH DRIVERS

- Industry 4.0
- Smart cities
- Internet of Things

- Decarbonisation
- Energy storage - batteries

- Increased production of renewable energy
- Grid development
- Safety products

- Resource efficiency – recycling systems
- Increased focus on ergonomics
- Increased use of fiber-based materials

- Increased regulations – emissions air and water
- Efficiency and optimisation of industrial flows

SUMMARY

- Successful year with strong deliveries in all business areas
 - Strong development of customer demand in key segments
 - Very well-handled disruption in the global supply chains generated 15% organic growth with improved margins
 - 13 carefully selected acquisitions to strengthen our offer in selected niches
 - P/WC on historically high 69%, despite increased inventory levels
- Very strong end to the financial year
 - Strong underlying demand
 - Good delivery capacity meets up with high customer demand, 24% organic growth
 - Active efforts to offset price increases and good cost control resulted in record high operating margins
- Outlook
 - Strong order books and currently continued stable demand
 - Continued uncertainty associated with supply chain disruptions, rising inflation and the ongoing war in Ukraine

Q&A

