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## Lindab Group Q4 report

12 February 2025

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President & CEO

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# Q4 highlights

## Acquisitions: A key growth driver in a challenging market climate

- Highest Q4 sales ever, driven by acquisitions.
- Low market activity in both Ventilation Systems and Profile Systems.
- Strong actions taken to increase profitability.

## Continued strong cash flow

- Cash flow from operating activities increased to SEK 629 m (589).

	Q4/24	Q4/23
<b>Sales</b> (SEK m)	<b>3,308</b>	<b>3,274</b>
Organic growth	-5%	-5%
Acquired growth	+6%	+4%
Currency effect	0%	+3%
<b>Adj. operating profit</b> (SEK m)	<b>177</b>	<b>261</b>
Adj. operating margin	5.4%	8.0%
<b>Cash flow, op. activities</b> (SEK m)	<b>629</b>	<b>589</b>

# Full year highlights

## Our acquisition journey continues

- Full-year sales highest ever, driven by acquisitions.
- Low market activity affected margins.
- Western Europe #1 market for the first time.

## Strong cash flow

- Very strong cash flow from operating activities

## Dividend

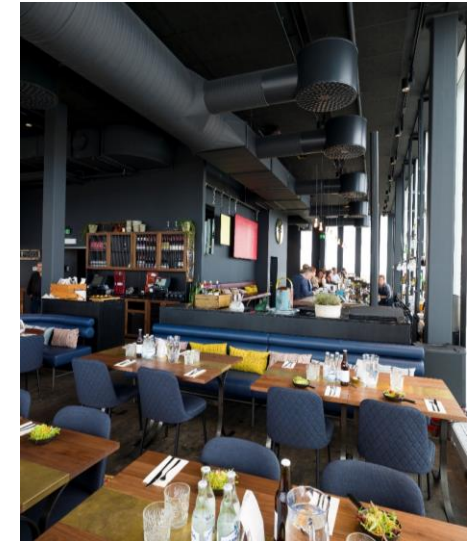
- The Board of Directors proposes a dividend of SEK 5.40 (5.40) per share.

	2024	2023
<b>Sales</b> (SEK m)	<b>13,323</b>	<b>13,114</b>
Organic growth	-5%	-9%
Acquired growth	+7%	+10%
Currency effect	0%	+5%
<b>Adj. operating profit</b> (SEK m)	<b>1,044</b>	<b>1,178</b>
Adj. operating margin	7.8%	9.0%
<b>Cash flow, op. activities</b> (SEK m)	<b>1,438</b>	<b>1,711</b>

# One-time costs, FY 2024: SEK 308 m

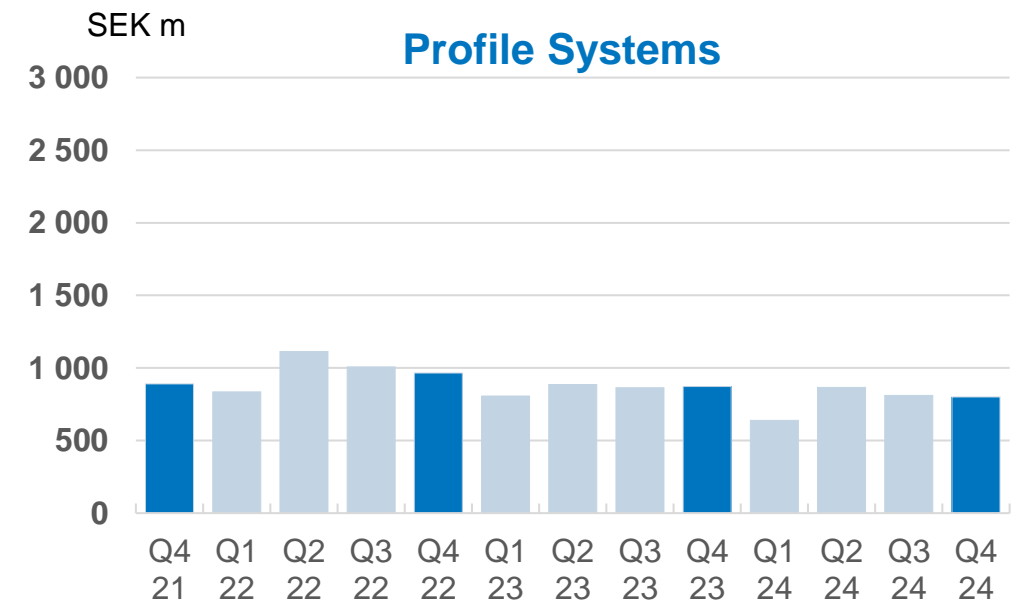
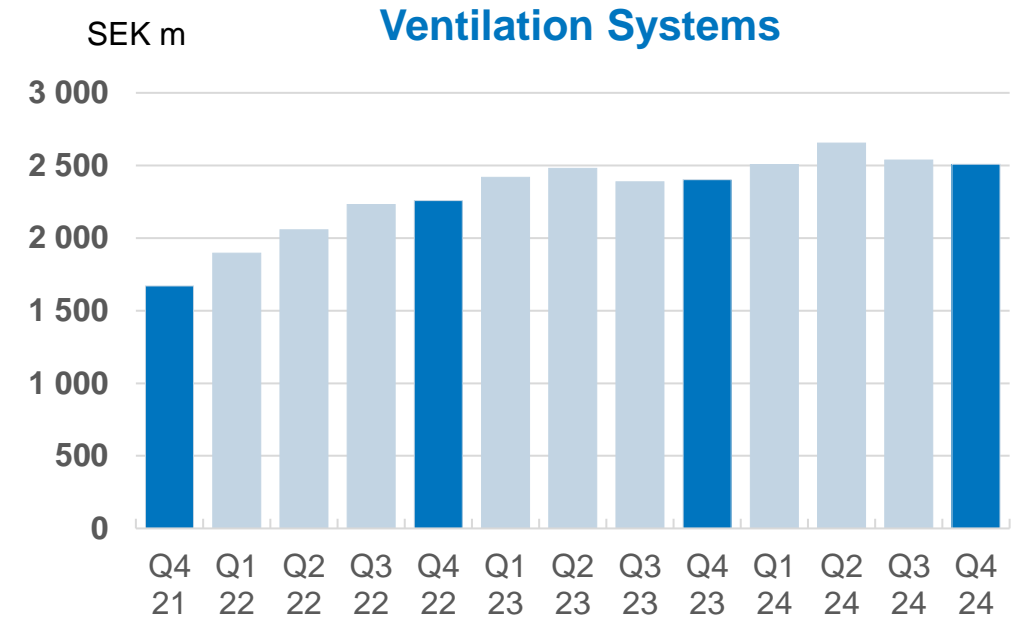
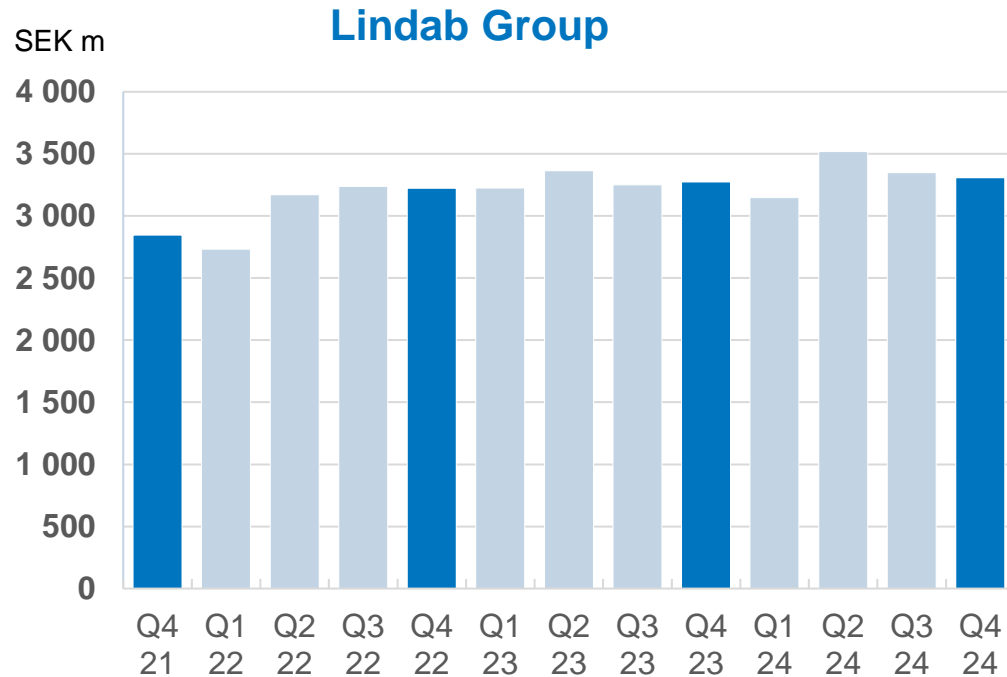
## Financial effect (MSEK)

FY (SEK m)	Q4 (SEK m)	Q3 (SEK m)	Relating to
-400	-400		Profile Systems: Eastern Europe exit incl. impairment goodwill SEK 250 m
-74	-74		Structural measures and cost reductions
-30		-30	Impairment of Leapcraft
-24	-24		Other costs
+220	+220		Airmaster: Changed assessment of conditional additional purchase price
<b>-308</b>	<b>-278</b>	<b>-30</b>	



# Growth driven by acquisitions

Sales per year, SEK m



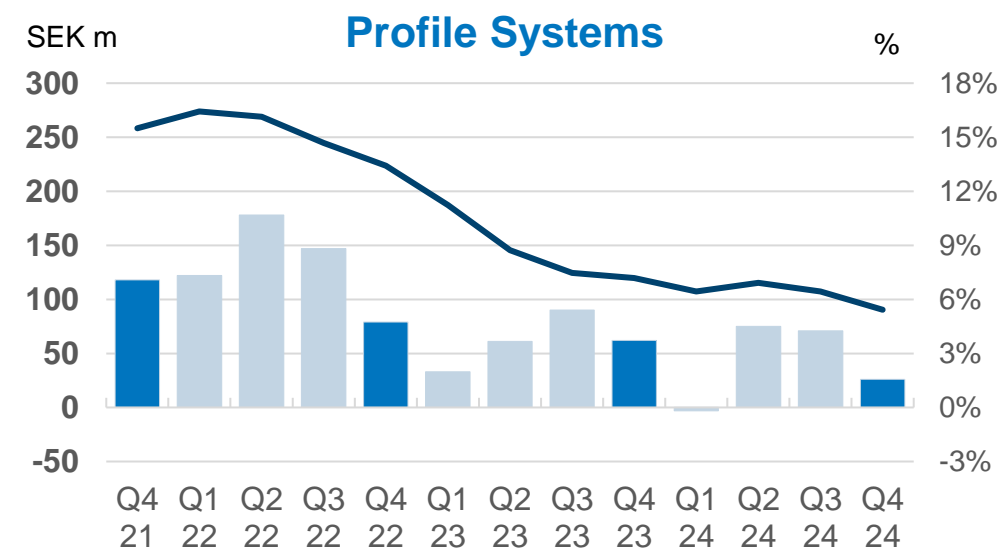
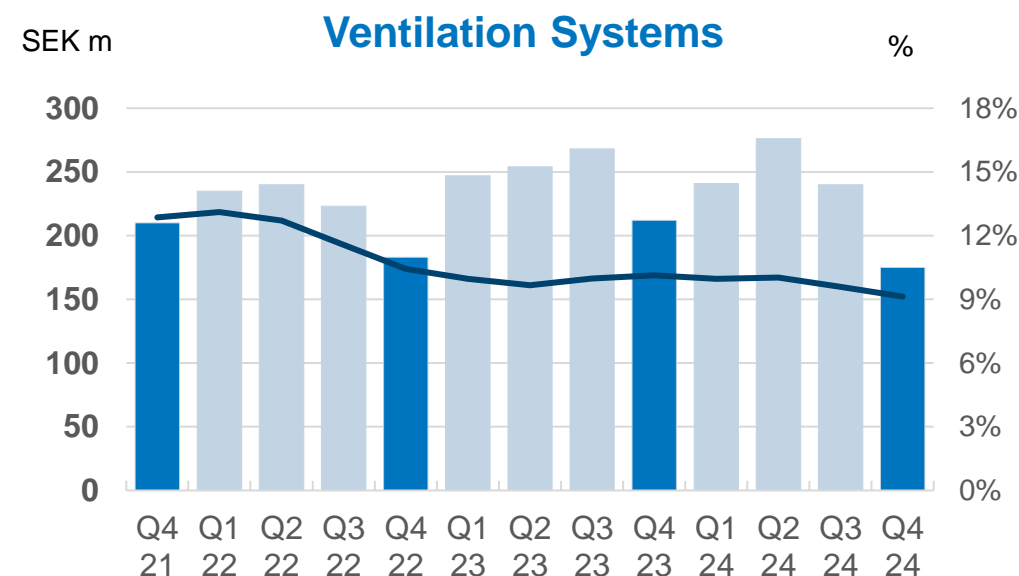
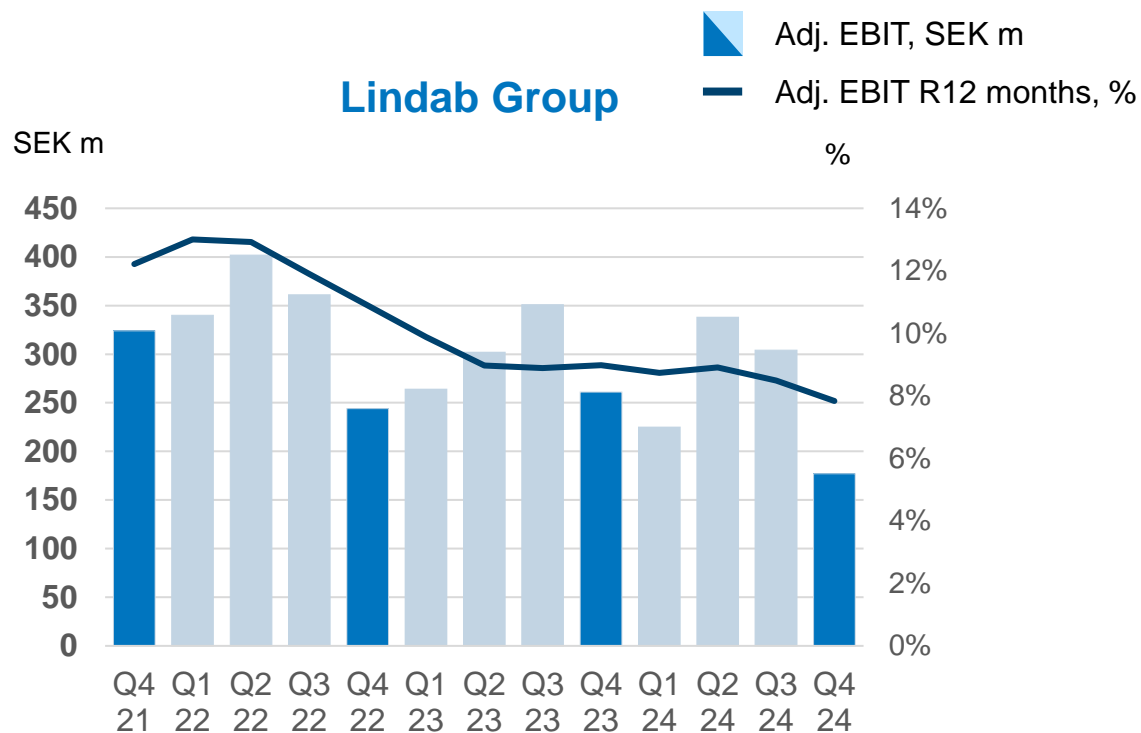
Sales, SEK m	Q4, 2024	Organic growth	Acquired growth	Q4, 2023
Lindab Group	3,308	-5%	+6%	3,274
Ventilation Systems	2,508	-5%	+8%	2,402
Profile Systems	800	-8%	-	872

Comparison numbers exclude the divested business area Building Systems.

# Market decline puts pressure on operating margins



Adj. EBIT per quarter and 12 months



Adj. EBIT, SEK m	Q4, 2024		Q4, 2023	
Lindab Group	177	5.4%	261	8.0%
Ventilation Systems	175	7.0%	212	8.8%
Profile Systems	26	3.3%	62	7.1%

Comparison numbers exclude the divested business area Building Systems.

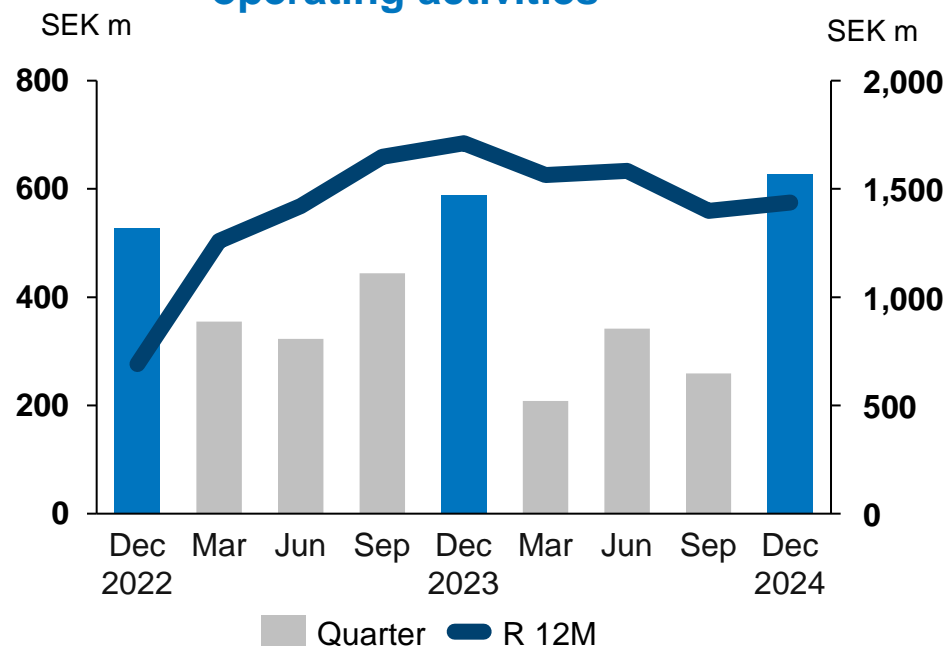
# Continued strong cash flow from operating activities



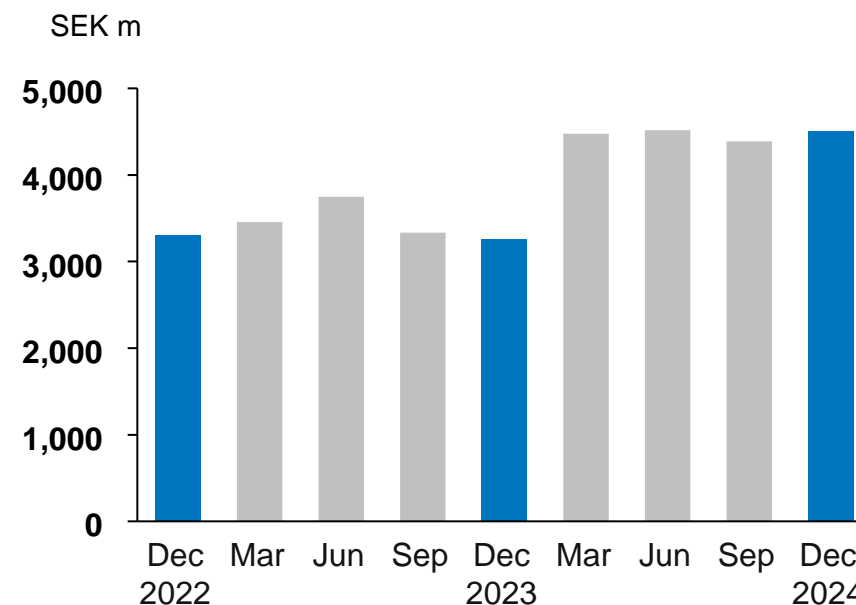
## Solid financial position supports additional acquisitions

- Cash flow from operating activities increased to SEK 629 m (589) in Q4.
- Net debt amounted to SEK 4,510 m (3,264), of which SEK 1,581 m (1,370) is related to leasing liabilities.
- Net debt/EBITDA amounted to 2.5 (1.9). Financial net debt/EBITDA amounted to 2.0 (1.4)\*.

### Quarterly cash flow from operating activities



### Net debt



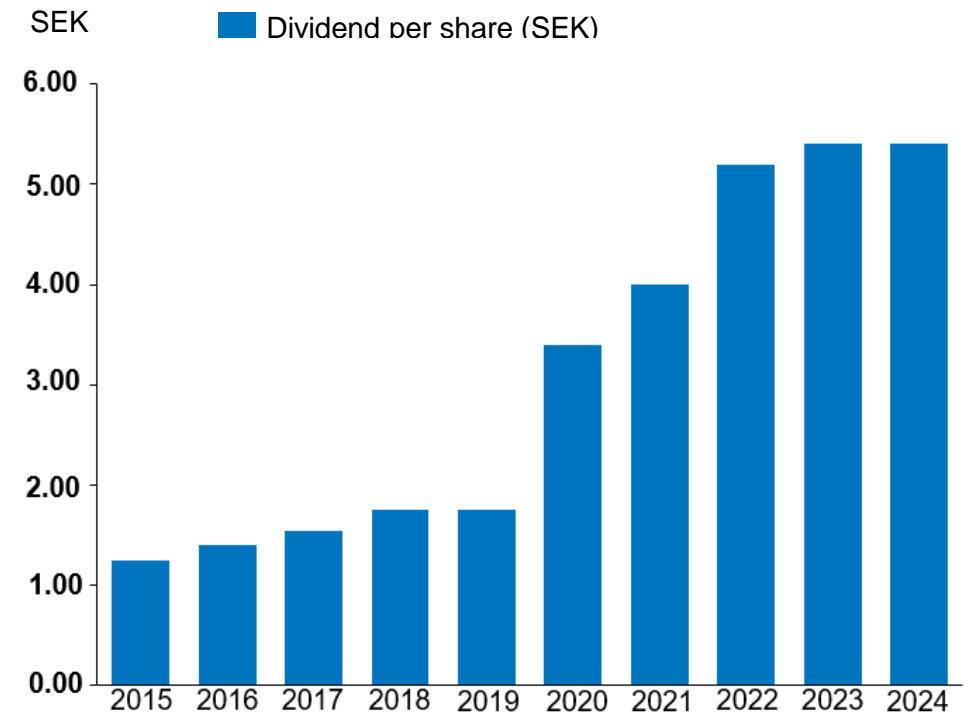
\*Financial net debt: Net debt excluding leasing liabilities and pension related posts.

\*Financial net debt/EBITDA excluding IFRS 16 : Average financial net debt in relation to EBITDA, excluding IFRS 16 and excluding leasing liabilities and pension related posts.

# Dividend kept unchanged

- Dividend policy of at least 40% of net profit.
- Strong cash flow and a solid financial position.
- Board of Directors proposes a dividend of SEK 5.40 (5.40).
- To be paid on two occasions.

Dividend history 2015-2024







## Focus areas 2025

# Focus areas 2025: priorities for profitable growth

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**Full  
implementation  
of cost program**

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**Divestments**

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**Acquisitions**

# Ventilation Systems: Structural measures and cost reductions are progressing according to plan

## Structural measures within Ventilation Systems

- Closure of 10 sites for warehousing, stores and local production.

## Cost reductions with focus on Ventilation Systems

- Personnel cut involving 180 full-time positions.
- Reduction of fixed costs by 120 MSEK, of which 105 in Ventilation.



Full  
implementation  
of cost program



# Profile Systems: The exit from Eastern Europe is progressing according to plan



## Status, closing and divestments

Country	Status
Czech Republic ✓	Closed, December 31 2024
Estonia and Poland	To be closed during Q1. According to plan.
Hungary, Romania and Slovakia	Expected to be divested in H1, 2025.



## Adjusted operating margin, 2024

Time period	Profile Systems	Profile Systems without Eastern Europe (pro forma)	Lindab Group	Lindab Group without Profile Systems Eastern Europe (pro forma)
Q4	3.3%	5.2%	5.4%	5.8%
FY 2024	5.4%	7.2%	7.8%	8.3%

# Strong cash flow supports further acquisitions



- 6 acquisitions during 2024, the latest was Acomat (FR) in December.
- 28 acquisitions in total since 2020, adding SEK 4 billion in revenue.
- The acquisition journey will continue in 2025.



February  
Vicon, US



March  
Airmaster, Denmark



April  
TGA KlimaPartner, Germany



July  
Venti, Denmark



October  
Atib, France



December  
Acomat, France

# Market outlook

- Market recovery in the Nordic region has not yet gained momentum. Low activity in the central parts of Europe.
- Early signs of recovery have been noted for Profile Systems.
- For Ventilation Systems, the European market is expected to be challenging, with low volumes, until mid-2025.
- Gradual increase of demand expected for H2 2025.
- The outlook for medium and long-term demand is strong, supported by the need for energy-efficient buildings and a healthy indoor climate. Legislation benefits Lindab.



# Ready for take-off when the market recovers

- Focus on the ventilation business, with higher and more stable profitability.
- Significant investments made in capacity and automation will give strong profitability development when volumes pick up.
- Trimmed cost base, and low-performing units under divestment.
- Acceleration of synergies from 28 acquisitions made since 2020.





**Lindab**<sup>®</sup>

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