



Hillerstorp 14th of August 2024, 12:30 CET

TROAX GROUP: INTERIM REPORT JANUARY- JUNE 2024

APRIL – JUNE

- Order intake in the quarter increased by 6 percent compared with the same period last year and amounted to 69,6 (65,4) MEUR. Adjusted for currency and acquisitions the order intake decreased by 3 percent.
- Sales in the quarter increased by 5 percent compared with the same period last year and amounted to 71,9 (68,5) MEUR. Adjusted for currency and acquisitions sales decreased by 4 percent.
- Operating profit before amortizations (EBITA) decreased to 12,1 (13,0) MEUR.
- Operating margin before amortizations (EBITA margin) decreased to 16,8 (19,0) percent.
- Financial net was -1,5 (-0,6) MEUR.
- Profit after tax decreased to 7,5 (9,1) MEUR.
- Adjusted earnings per share after dilution amounted to 0,14 (0,16) EUR.
- Earnings per share after dilution amounted to 0,13 (0,15) EUR.

JANUARY - JUNE

- Order intake in the period increased by 5 percent compared with the same period last year and amounted to 141,9 (135,3) MEUR. Adjusted for currency and acquisitions the order intake decreased by 5 percent.
- Sales in the period increased by 5 percent compared with the same period last year and amounted to 142,8 (136,3) MEUR. Adjusted for currency and acquisitions sales decreased by 5 percent.
- Operating profit before amortizations (EBITA) decreased to 23,1 (25,7) MEUR.
- Operating margin before amortizations (EBITA margin) decreased to 16,2 (18,9) percent.
- Financial net was -2,8 (-1,2) MEUR.
- Profit after tax decreased to 14,2 (18,0) MEUR.
- Adjusted earnings per share after dilution amounted to 0,26 (0,32) EUR.
- Earnings per share after dilution amounted to 0,24 (0,30) EUR.

TROAX GROUP FIGURES

MEUR	3 Months	3 Months	6 Months	6 Months	12 Months	12 Months	12 Months
	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jan-Dec 2022	Jul-Jun 2023/2024
Order intake	69,6	65,4	141,9	135,3	258,2	272,7	264,8
Sales	71,9	68,5	142,8	136,3	264,3	284,1	270,8
Gross profit	27,2	26,1	52,9	51,6	102,0	97,3	103,3
Gross margin, %	37,8	38,1	37,0	37,9	38,6	34,2	38,1
EBITA	12,1	13,0	23,1	25,7	51,9	51,1	49,3
EBITA margin, %	16,8	19,0	16,2	18,9	19,6	18,0	18,2
EBIT	11,4	12,6	21,6	24,8	50,0	49,6	46,8
EBIT margin, %	15,9	18,4	15,1	18,2	18,9	17,5	17,3
Profit after tax	7,5	9,1	14,2	18,0	35,8	36,8	32,0
EBITDA	15,0	15,4	28,9	30,6	62,2	61,2	60,5
EBITDA margin, %	20,9	22,5	20,2	22,5	23,5	21,5	22,3
Net debt / EBITDA					0,9	0,6	
Adjusted earnings per share after dilution in EUR	0,14	0,16	0,26	0,32	0,63	0,64	0,58



CEO COMMENTS

Growth and solid profitability despite market headwinds

I am happy to report a continued solid performance despite headwinds in the marketplace. Our order intake grew during the second quarter by 6% in total. Organically, we reported a decline of -3% compensated by acquired growth of 9%. Garantell, our latest acquisition, experiences some headwinds in the market just like the Group overall, but continues to contribute solidly. Overall, we experienced a stable market demand picture compared to Q1, albeit at a lower level than last year.

Our sales regions and customer segments are experiencing different levels of development. Impacted by upcoming or already held elections and macroeconomic factors such as interest rates, we see some customers acting with more caution and making decisions slower. Order intake in Continental Europe declined by 4% driven by industry overall. UK and New markets grew by 15% and 9% respectively. Specifically, we noted improvements in China and Japan although from low levels. The Nordic market continued to decline by -12% mainly driven by the construction sector.

In relation to revenue, we noted a relatively similar pattern by region and by segment as for order intake. In total sales grew by 5% whereof negative -4% organically compensated by 8% from acquisitions.

On the cost side, we have had stable input costs and somewhat lower volumes. The gross profit level continued to be solid in line with our informal target. We continued our continuous improvements efforts in our production facilities. However, given the lower demand in Europe, we are impacted by under absorption of our fixed costs. The Group has also been impacted negatively by selling and administration costs of approximately 1 MEUR of one-off-character. As the market continues to be uncertain, we need to sharpen the focus on sales and administration cost control going forward.

All in all, our EBITA margin was 16.8% for the quarter. Comparing 'like-for-like' EBITA-margin (i.e. excluding our most recent acquisition, Garantell) we would have reported 17,5% (19,0% Q2 2023).

Our cash flow continued to be strong during the second quarter and we have continued to reduce our inventories slightly. This puts the Group in a strong stable financial position, where we can continue to invest in both organic and acquisitive growth.

Even though we are experiencing a more challenging period with lower demand, Troax Group has proven that we are a robust, resilient and a growing company. We will continue executing our corporate mission relentlessly and deliver profitable growth - now and for the long-run.

Last, but not least

It is with great pleasure I started as President and CEO for the Troax Group during the second quarter. I would like to thank Thomas Widstrand, my predecessor, for a great handover. Equally, I would like to thank the organization for the warm welcome. Together we will work towards new heights and continue our profitable growth journey!

Thank you for your continued trust in the Troax Group,

Martin Nyström, President and CEO



TEAMS WEBINAR

Invitation to presentation of the latest quarter result:
Martin Nyström, CEO, and Anders Eklöf, CFO, will present the results at a Teams webinar on the 14th of August 2024 at 16:30 CET. The conference will be held in English. For more information, please refer to <https://www.troax.com/investors/press-releases/>

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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 a strong sales force and efficient logistics setup, enabling local presence and short delivery times in 45 countries. In 2023, Troax net sales amounted to 264 MEUR and the number.

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