

Q3 2021 presentation

October 27, 2021

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BUFAB

Continued strong growth and profitability

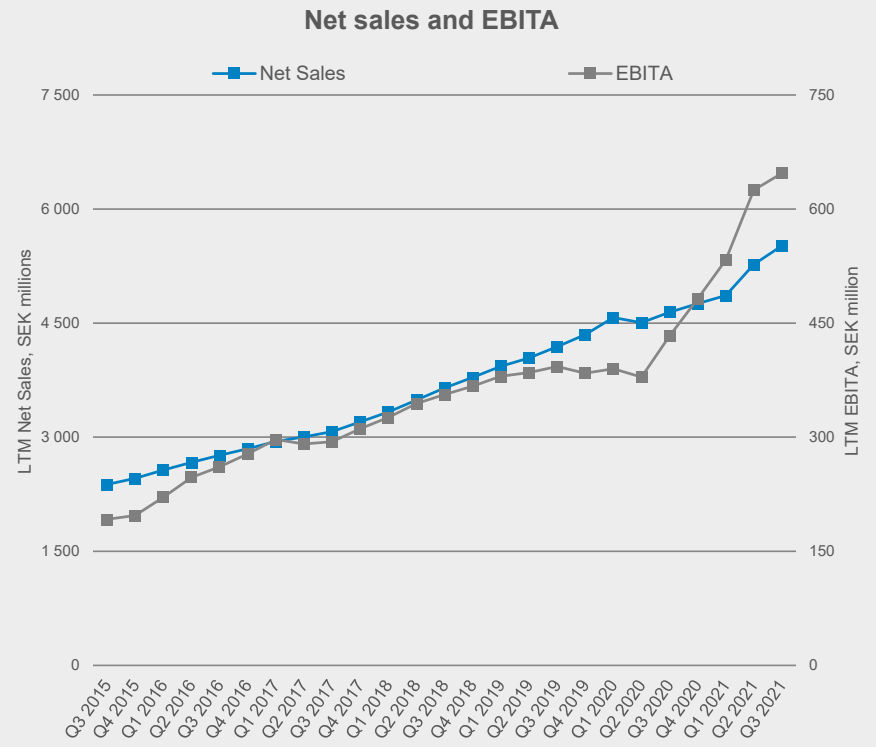
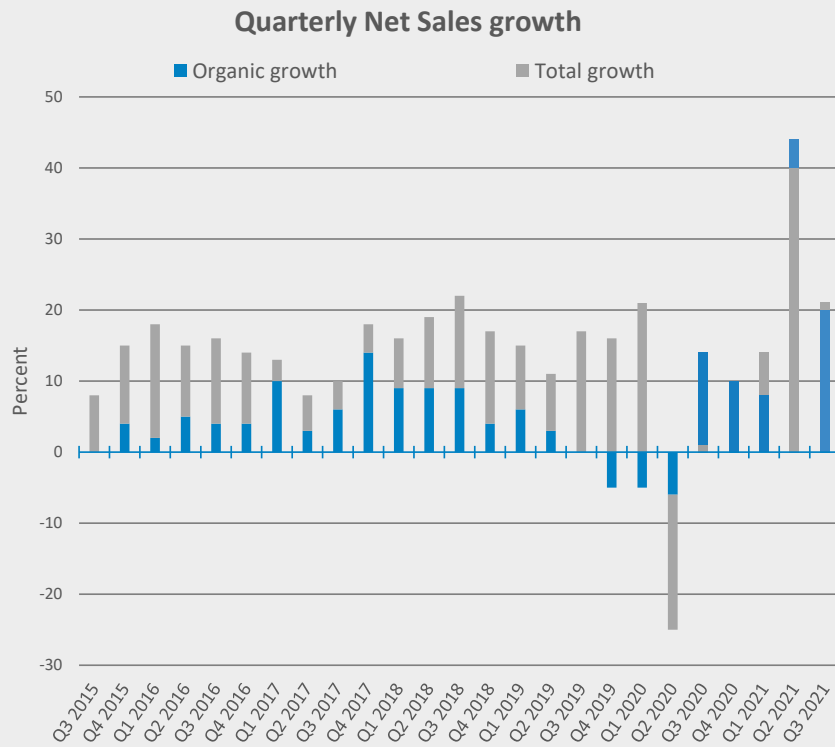
- Continued strong demand continued in Q3 across all segments
 - Organic growth up 20%, good underlying demand and improved market share
 - Weak comparison quarter
 - No sign of slowdown as yet – instead, order intake continues in excess of sales
- Operationally very challenging quarter; strained supply chains and increased raw material prices
- Despite this; strong improvement in EBITA (+16%) and net profit (+24%)
- Acquisition of Component Solutions Group in the quarter (Jenny I Waltle & Tilka Trading)
- Staffan Pehrson announced new CEO starting in February 2022

Financial highlights, Group

	Quarter 3			Jan-Sep			12-months rolling	Full year
	2021	2020	%	2021	2020	%	2021/20	2020
SEK million								
Order intake	1,454	1,219	19	4,461	3,528	26	5,760	4,827
Net sales	1,425	1,181	21	4,279	3,518	22	5,517	4,756
Gross profit	405	320	27	1,195	929	29	1,518	1,252
%	28.4	27.1		27.9	26.4		27.5	26.3
Operating expenses	-241	-178	35	-669	-568	18	-872	-771
%	-16.9	-15.0		-15.6	-16.2		-15.8	-16.2
Operating profit (EBITA)	164	142	16	526	361	46	647	482
%	11.5	12.1		12.3	10.2		11.7	10.1
Operating profit	157	135	16	505	338	49	618	452
%	11.0	11.4		11.8	9.6		11.2	9.5
Profit after tax	113	91	24	355	223	59	431	299
Earnings per share, SEK	2.90	2.46	18	9.40	6.01	56	11.43	8.04

EBITA Q3 2020	142
Currencies	-3
Volume	+55
Cost + price/mix/other	-12
Acquisitions	-18
EBITA Q3 2021	164

Financial development, Group



Segment North

<i>SEK million</i>	<i>Quarter 3</i>			<i>Jan-Sep</i>			<i>Rolling 12 months</i>	<i>Full year</i>
	<i>2021</i>	<i>2020</i>	<i>%</i>	<i>2021</i>	<i>2020</i>	<i>%</i>	<i>2021/20</i>	<i>2020</i>
Order intake	543	486	12	1,828	1,487	23	2,393	2,052
Net sales	545	470	16	1,753	1,471	19	2,286	2,005
Gross profit	145	110	32	458	341	34	581	465
%	26.7	23.5		26.1	23.2		25.4	23.2
Operating expenses	-95	-65	46	-268	-201	34	-343	-276
%	-17.4	-13.8		-15.3	-13.7		-15.0	-13.7
Operating profit (EBITA)	50	45	11	189	141	35	238	189
%	9.2	9.7		10.8	9.6		10.4	9.4

- Strong demand in the quarter, especially strong Denmark. Organic growth up 17%
- Improved gross margin due to higher volumes and price increases
- Higher costs due to revaluation of earn-outs of -15 MSEK and exceptionally low costs in 2020
- Focus to grow market share and handling the strained supply chain

Segment West

<i>SEK million</i>	Quarter 3			Jan-Sep			Rolling 12 months	Full year
	2021	2020	%	2021	2020	%	2021/20	2020
Order intake	316	271	17	959	758	26	1,248	1,047
Net sales	289	251	15	910	754	21	1,183	1,028
Gross profit	70	63	11	229	188	22	298	257
%	24.3	25.0		25.2	24.9		25.2	25.0
Operating expenses	-46	-40	15	-138	-125	10	-183	-171
%	-15.8	-15.9		-15.1	-16.6		-15.5	-16.7
Operating profit (EBITA)	24	23	4	92	62	48	116	86
%	8.5	9.1		10.1	8.2		9.8	8.3

- Organic growth was +17%, especially strong Netherlands
- Lower gross margin due to price pressure and an unfavorable product mix
- Unchanged cost level
- Focus on price adjustments, handling the strained supply chain and recruitments

Segment East

<i>SEK million</i>	<i>Quarter 3</i>			<i>Jan-Sep</i>			<i>Rolling 12 months</i>	<i>Full year</i>
	<i>2021</i>	<i>2020</i>	<i>%</i>	<i>2021</i>	<i>2020</i>	<i>%</i>	<i>2021/20</i>	<i>2020</i>
Order intake	228	188	21	698	542	29	881	725
Net sales	222	187	18	656	538	22	833	715
Gross profit	67	60	12	203	172	18	259	227
%	30.4	32.0		30.9	31.9		31.0	31.8
Operating expenses	-33	-26	26	-87	-85	3	-127	-125
%	-14.8	-13.9		-13.2	-15.7		-15.2	-17.4
Operating profit (EBITA)	35	34	2	116	87	33	132	103
%	15.6	18.1		17.7	16.2		15.8	14.4

- Strong demand both in Eastern Europe and Asia. Organic growth up 18%
- Lower gross margin due to price pressure
- Higher costs due to continued investments in future growth
- Focus on sales, handling the strained supply chain and price adjustments to customers

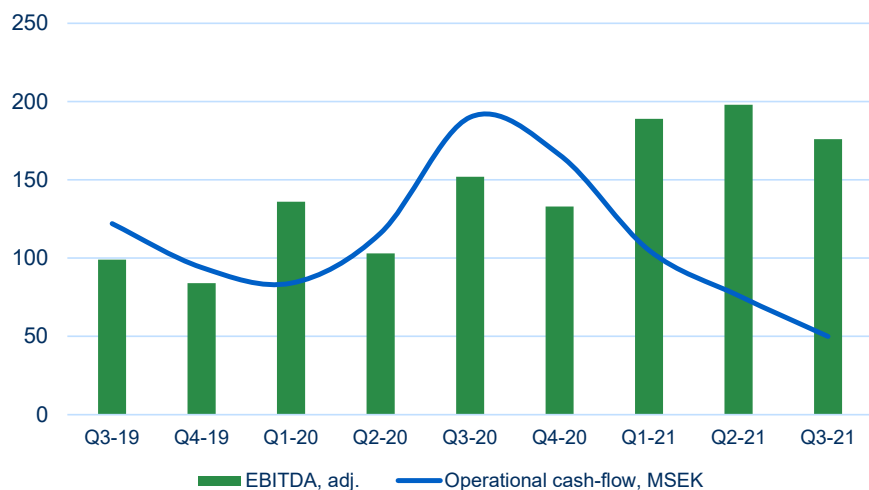
Segment UK/North America

<i>SEK million</i>	<i>Quarter 3</i>			<i>Jan-Sep</i>			<i>Rolling 12 months</i>	<i>Full year</i>
	<i>2021</i>	<i>2020</i>	<i>%</i>	<i>2021</i>	<i>2020</i>	<i>%</i>	<i>2021/20</i>	<i>2020</i>
Order intake	366	275	33	976	740	32	1,238	1,002
Net sales	369	273	35	960	755	27	1,214	1,008
Gross profit	122	88	38	310	238	30	389	317
%	33.0	32.3		32.2	31.5		32.1	31.4
Operating expenses	-60	-46	29	-153	-147	4	-194	-189
%	-16.2	-16.9		-15.9	-19.5		-16.0	-18.7
Operating profit (EBITA)	62	42	49	157	91	73	195	128
%	16.9	15.4		16.4	12.0		16.1	12.7

- Strong demand in the quarter, especially RV segment in North America. Organic growth up 26%
- Improved gross margin due to higher volumes and purchasing savings
- Lower cost – improvement in operating profit and margin
- Focus on handling the strained supply chain and taking market share

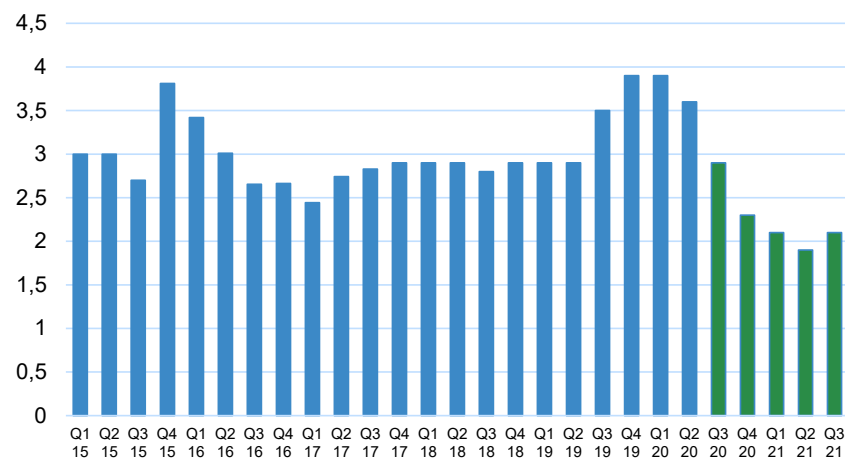
Relatively low cash flow caused by strong organic growth

Operating cash flow and cash conversion



- Strong organic growth drives WC increases
- Inventory levels were unusually low in Q4-20 and Q1-21, and normalization is ongoing

Net debt/EBITDA adj, x



- Significantly strengthened balance sheet
- Gives room for strong execution of our acquisition strategy also going forward

EBITDA Bridge

EBITA Q3 2020	142
Currencies	-3
Volume	+55
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EBITA Q3 2021	164
EBITA Q3 2020	142
North	5
West	1
East	1
UK/North America	20
Other	-5
EBITA Q3 2021	164



Consolidator in a fragmented market



+50

acquisitions since 1977

12 | 700

acquisitions since 2014

employees

2,400 MSEK

Summary and Outlook

- **Third quarter**
 - Operationally challenging quarter, but strong sales and profit. Demand improvement in all segments and increased market share
 - Continued supply chain disruptions, and increasing component and freight cost
- **Outlook**
 - Good demand looks to continue in Q4, still strong order intake, but large uncertainty
 - Supply chain disruptions, increasing raw material costs and shipping costs will remain and put pressure on operations and margin
- **Priorities**
 - Recruitments to meet the current high level of activity
 - Handling the strained supply chain
 - Keep steady gross margin
 - Productivity increases to meet the normalization of the cost level



Q&A