

# Interim Q1-2023

---

# TABLE OF CONTENT

**1. Highlights**

**2. Financials**

**3. Summary**

**4. Q&A**

# BEIJER REF AT A GLANCE

**Net sales**  
25 113  
(R12 MSEK)

**Employees**  
5 734

**Markets**  
43

**Branches**  
>500

**Customers**  
>200 000

# HIGHLIGHTS Q1-2023 - GROUP

## Beijer Ref AB Q1-2023

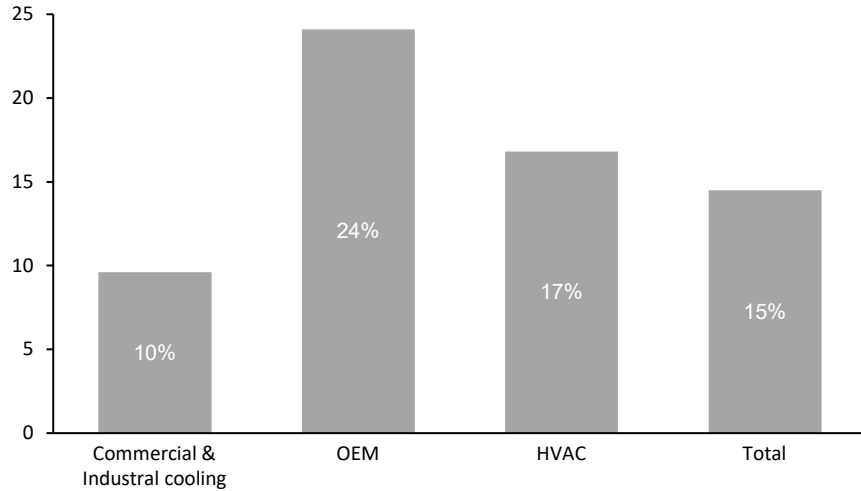
BEIJER REF

### Good start of the year

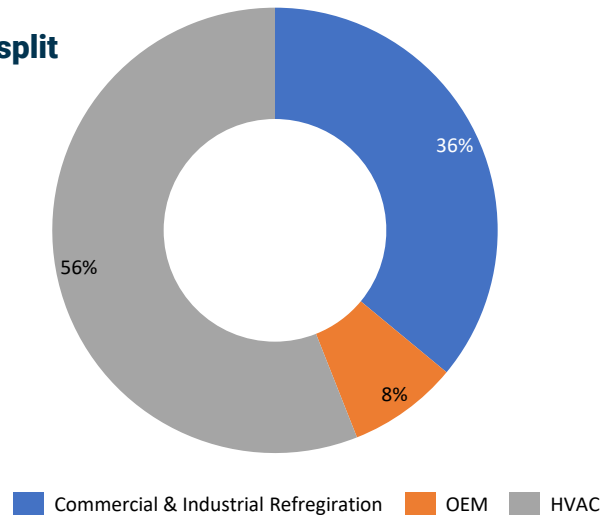
- Sales at 7 378 MSEK (4 903) an increase of 50 percent
  - Organic sales increased by 14,5 percent
  - Acquisition impact of +30,2 percent
  - FX impact of +5,8 percent
- EBITA at 702 MSEK (407), corresponding to a growth of 72 percent with a margin of 9,5 percent (8,3)
- The quarter is impacted by a one-off costs of 138 MSEK coming from financing costs, related to the temporary financing, on the Heritage acquisition and reported under Net financial income/expense
- Operating cash flow at -209 MSEK (-295) and in line with normal seasonal pattern.
- Continued strong performance from our acquisitions
- Earnings per share, excluding items affecting comparability, of 1,08 SEK (0,65), an increase by +67 percent

# HIGHLIGHTS Q1-2023 – GROUP

## Organic growth by product groups



## Sales split



## Good start of the year

- All product segments reports double digit growth and with HVAC and OEM reports +17% respectively +24%. Commercial & Industrial Cooling reported +10%.
- Good growth in all Divisions with EMEA reports a YoY growth of +26% and Division APAC reports +34%.
- Division North America reported better than expectations
- Heritage acquisition was closed on the 20<sup>th</sup> of January and is consolidated as from this date. Integration work has started.
- Transport Cooling (South Africa) was closed in the quarter and is consolidated as from 1<sup>st</sup> of February
- Right issue was closed in the end of the quarter

# HIGHLIGHTS Q1-2023 – DIVISION EMEA

| Excl. Comp. Items, MSEK | Q1 2023      | Q1 2022      | Change %   | R12 2023      | R12 2022      |
|-------------------------|--------------|--------------|------------|---------------|---------------|
| <b>Sales</b>            | <b>4 903</b> | <b>3 886</b> | <b>26%</b> | <b>19 249</b> | <b>18 232</b> |
| Exchange rate %         | 5,8%         |              |            |               |               |
| <b>EBITA</b>            | <b>490</b>   | <b>340</b>   | <b>44%</b> | <b>2 141</b>  | <b>1 991</b>  |
| <b>EBITA %</b>          | <b>10,0%</b> | <b>8,8%</b>  |            | <b>11,1%</b>  | <b>10,9%</b>  |
| EBIT                    | 476          | 329          | 45%        | 2 080         | 1 932         |
| EBIT %                  | 9,7%         | 8,5%         |            | 10,8%         | 10,6%         |

## Continued good development

- Overall good sales performance in all product segments
- HVAC reports a YoY growth of +30%
- OEM continues to deliver and reports a YoY growth of +38%
- Double digit sales growth in all regions except for Africa
- EBITA increased with 44% and with EBITA% of 10,0%
- Transport Cooling consolidated as from 1<sup>st</sup> of February

# HIGHLIGHTS Q1–2023 – DIVISION APAC

| Excl. Comp. Items, MSEK | Q1 2023      | Q1 2022      | Change %   | R12 2023     | R12 2022     |
|-------------------------|--------------|--------------|------------|--------------|--------------|
| <b>Sales</b>            | <b>1 389</b> | <b>1 039</b> | <b>34%</b> | <b>4 822</b> | <b>4 473</b> |
| Exchange rate %         | 5,5%         |              |            |              |              |
| <b>EBITA</b>            | <b>141</b>   | <b>96</b>    | <b>47%</b> | <b>422</b>   | <b>377</b>   |
| <b>EBITA %</b>          | <b>10,1%</b> | <b>9,2%</b>  |            | <b>8,8%</b>  | <b>8,4%</b>  |
| EBIT                    | 137          | 93           | 46%        | 410          | 367          |
| EBIT %                  | 9,8%         | 9,0%         |            | 8,5%         | 8,2%         |

## Continued good development

- Overall good sales performance in all product segments
- HVAC reports +53% YoY growth coming both from organic growth and acquisitions
- Commercial and Industrial Cooling reported a strong quarter with +16% YoY growth.
- Strong sales performance in Australia.
- EBITA increased with 47% and with EBITA% of 10,1%

# HIGHLIGHTS Q1-2023 – DIVISION NORTH AMERICA

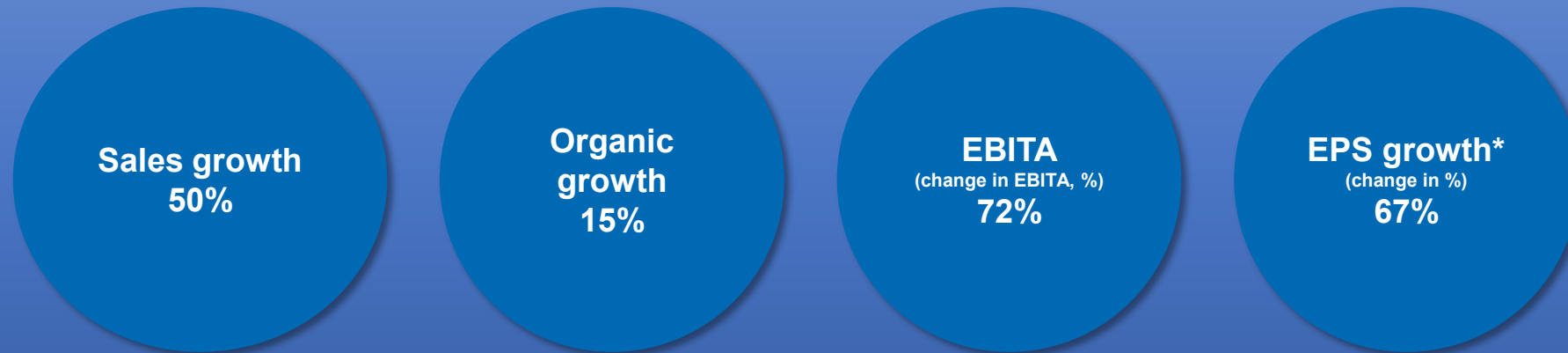
| Excl. Comp. Items, MSEK | Q1 2023 | Q1 2022 | Change % | R12 2023 | R12 2022 |
|-------------------------|---------|---------|----------|----------|----------|
| Sales                   | 1 118   |         |          |          |          |
| EBITA                   | 121     |         |          |          |          |
| EBITA %                 | 10,9%   |         |          |          |          |
| EBIT                    | 104     |         |          |          |          |
| EBIT %                  | 9,3%    |         |          |          |          |

## Good start to the year

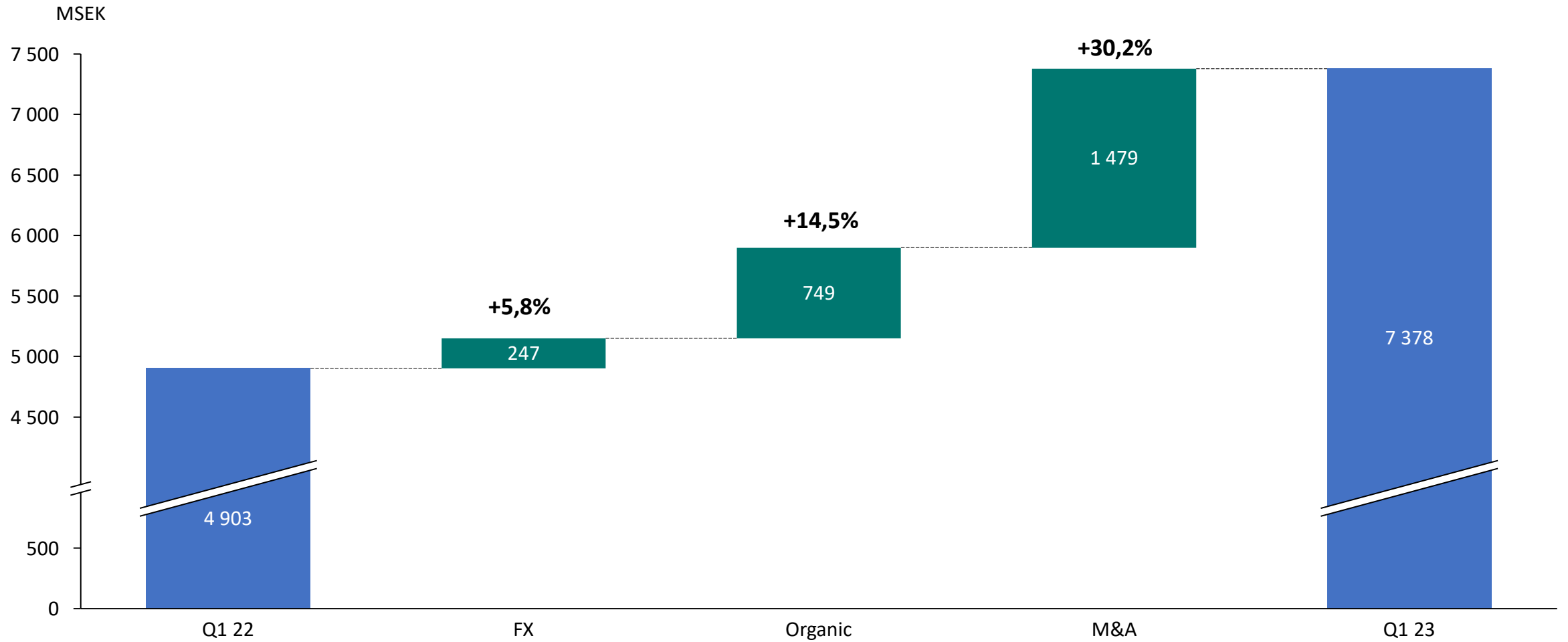
- Sales and EBITA came in better than plan
- Repair and Replacement (R&R) demand positive
- New construction demand is softening.
- Volumes are down on equipment due to
  - New construction
  - Continued lack of supply – commercial and residential due to new regulations and approvals
  - Most supplier lead times are still well beyond pre-covid levels.
- EBITA performance in accordance with a seasonal weak Q1
- Integration progressing well



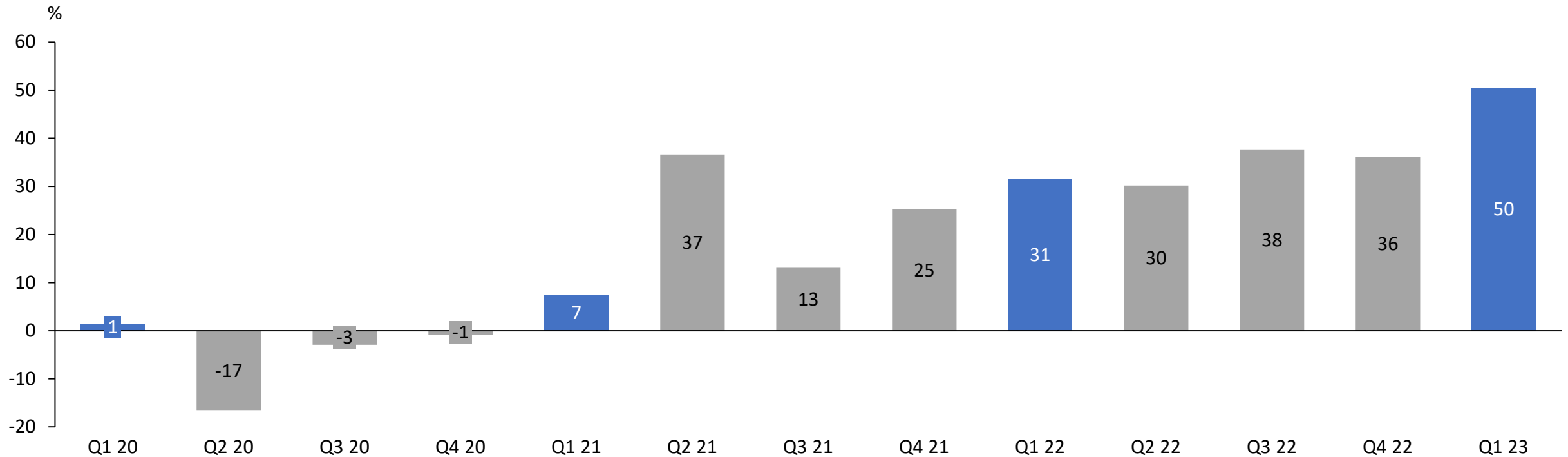
# FINANCIALS Q1-2023



# FINANCIALS Q1-2023 – SALES



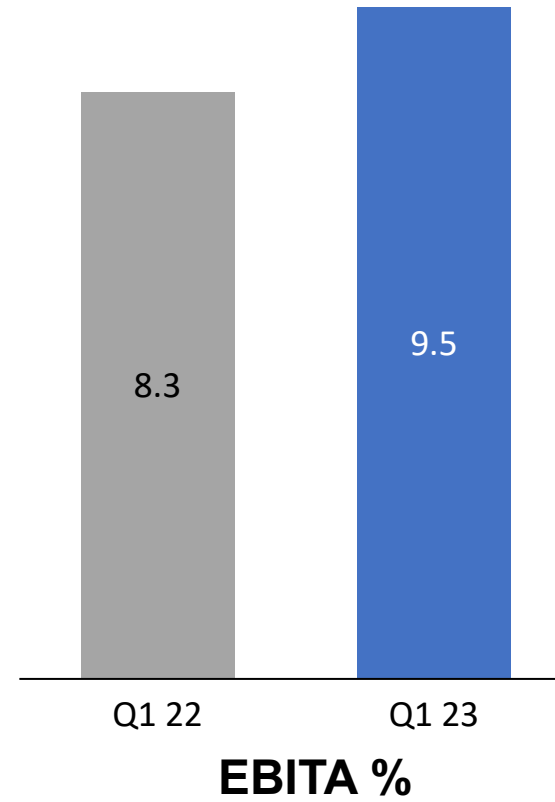
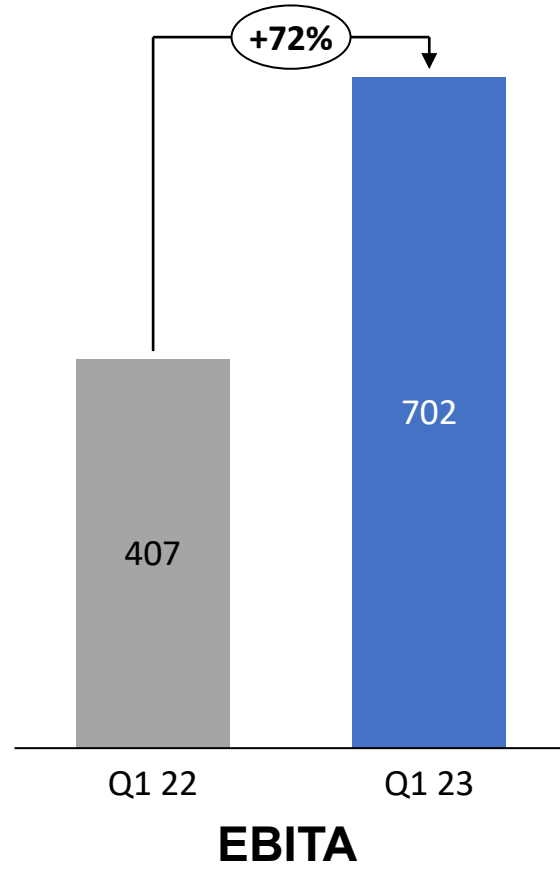
# FINANCIALS Q1-2023 – SALES DEVELOPMENT, %



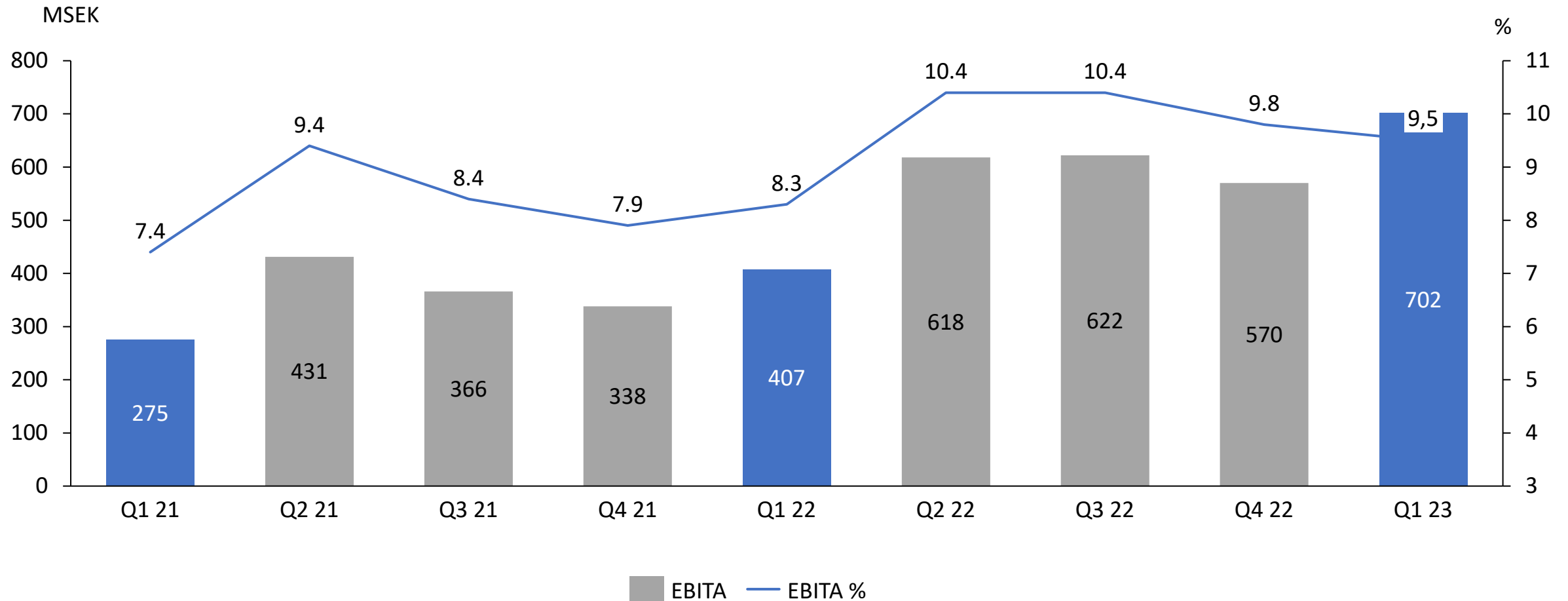
## Of which organic growth

| Q1 20 | Q2 20 | Q3 20 | Q4 20 | Q1 21 | Q2 21 | Q3 21 | Q4 21 | Q1 22 | Q2 22 | Q3 22 | Q4 22 | Q1 23 |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| -3,2  | -17,8 | -1,7  | -0,6  | 7,3   | 33,8  | 6,4   | 11,6  | 15,8  | 13,3  | 18,6  | 17,9  | 14,5  |

# FINANCIALS Q1-2023 – EBITA



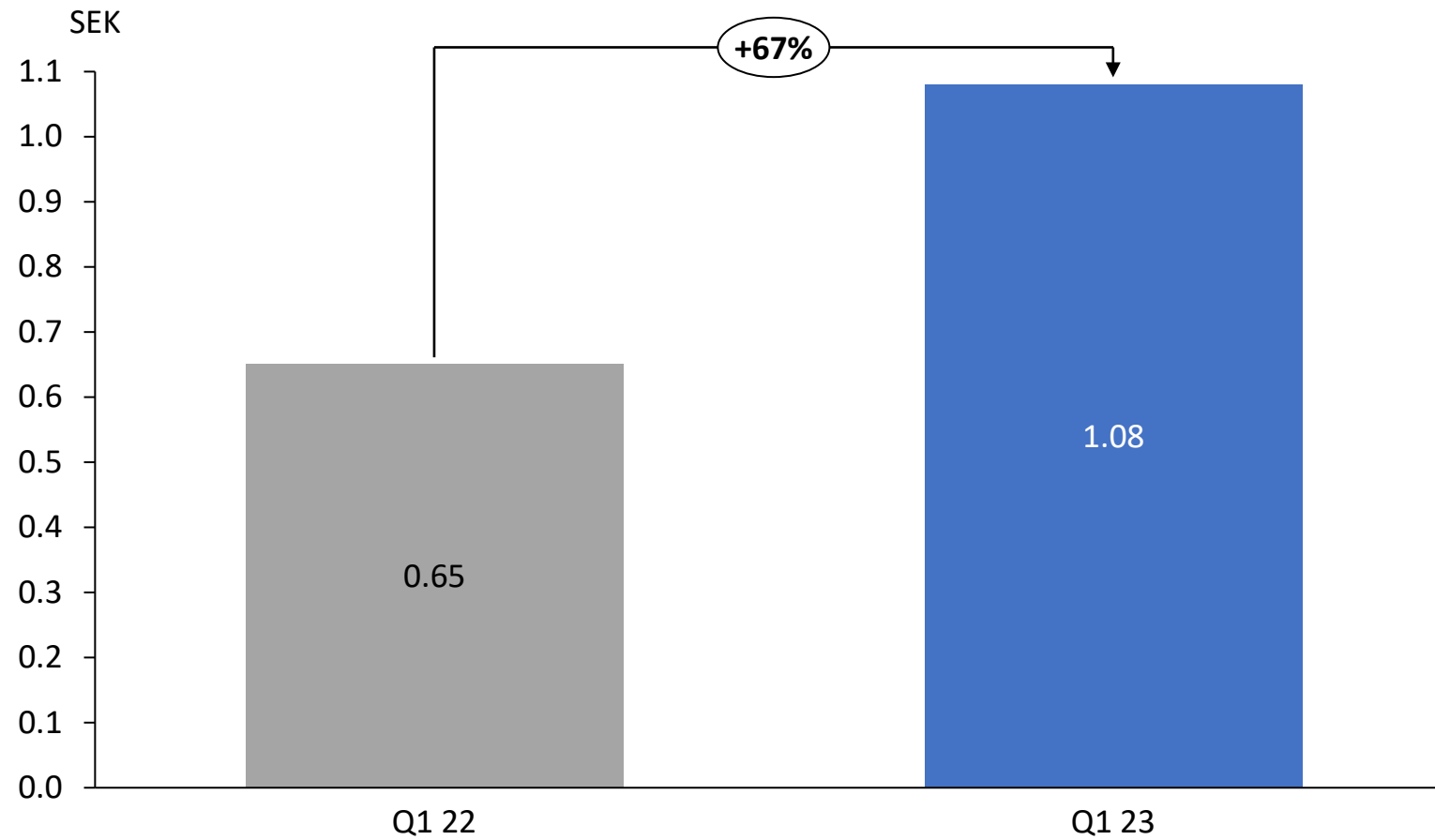
# FINANCIALS Q1-2023 – EBITA\* DEVELOPMENT



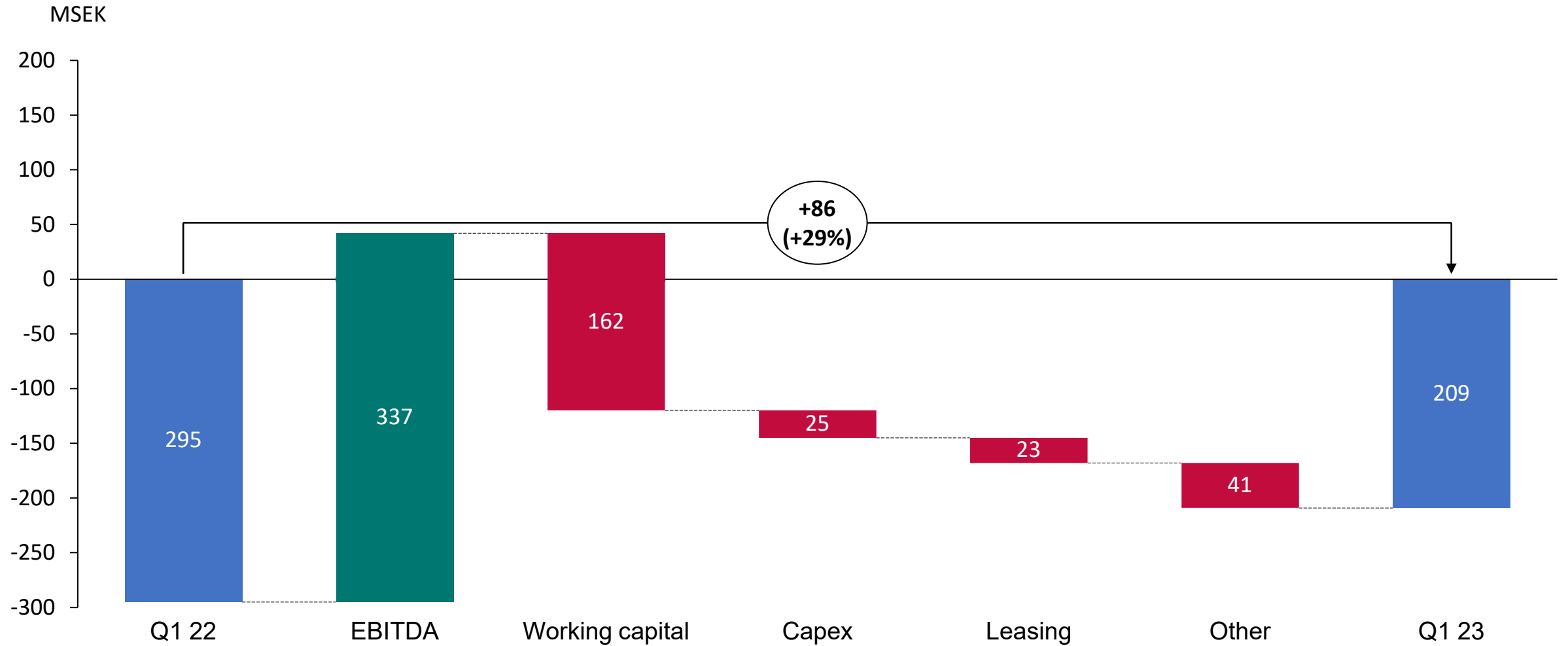
# FINANCIALS Q1-2023 – P&L

| MSEK   | Q1 2023     | Q1 2022     | Change %   | R12 2023     | R12 2022     |
|--|-------------|-------------|------------|--------------|--------------|
| Sales  | 7 378       | 4 903       | 50%        | 25 113       | 22 638       |
| Organic change %                                 | 14,5%       |             |            |              |              |
| Change through acquisitions %                    | 30,2%       |             |            |              |              |
| Exchange rate %                                  | 5,8%        |             |            |              |              |
| Change total                                     | 50,5%       |             |            |              |              |
| <b>EBITA excl. items affecting comparability</b> | <b>702</b>  | <b>407</b>  | <b>72%</b> | <b>2 511</b> | <b>2 217</b> |
| <b>EBITA %</b>                                   | <b>9,5%</b> | <b>8,3%</b> |            | <b>10,0%</b> | <b>9,8%</b>  |
| <b>EBIT excl. items affecting comparability</b>  | <b>666</b>  | <b>393</b>  | <b>70%</b> | <b>2 418</b> | <b>2 145</b> |
| Items affecting comparability                    | 0           | 0           |            | -245         | -245         |
| <b>EBIT</b>                                      | <b>666</b>  | <b>393</b>  |            | <b>2 173</b> | <b>1 900</b> |
| Heritage financing costs                         | -138        | 0           |            | -138         | 0            |
| Normal Net financial                             | -69         | -25         |            | -222         | -179         |
| Net financial income/expense                     | -207        | -25         |            | -360         | -179         |
| Profit before tax                                | 459         | 367         |            | 1 813        | 1 721        |
| Tax  | -104        | -95         |            | -465         | -456         |
| Net profit                                       | 355         | 273         | 30%        | 1 348        | 1 266        |
| Net profit per share after full dilution, SEK    |             |             |            |              |              |
| Excluding Items affecting comparability          | 1,08        | 0,65        | 67%        | 3,97         | 3,54         |
| Including Items affecting comparability          | 0,82        | 0,65        | 27%        | 3,18         | 3,00         |

# FINANCIALS Q1-2023 – EARNINGS PER SHARE<sup>1</sup>

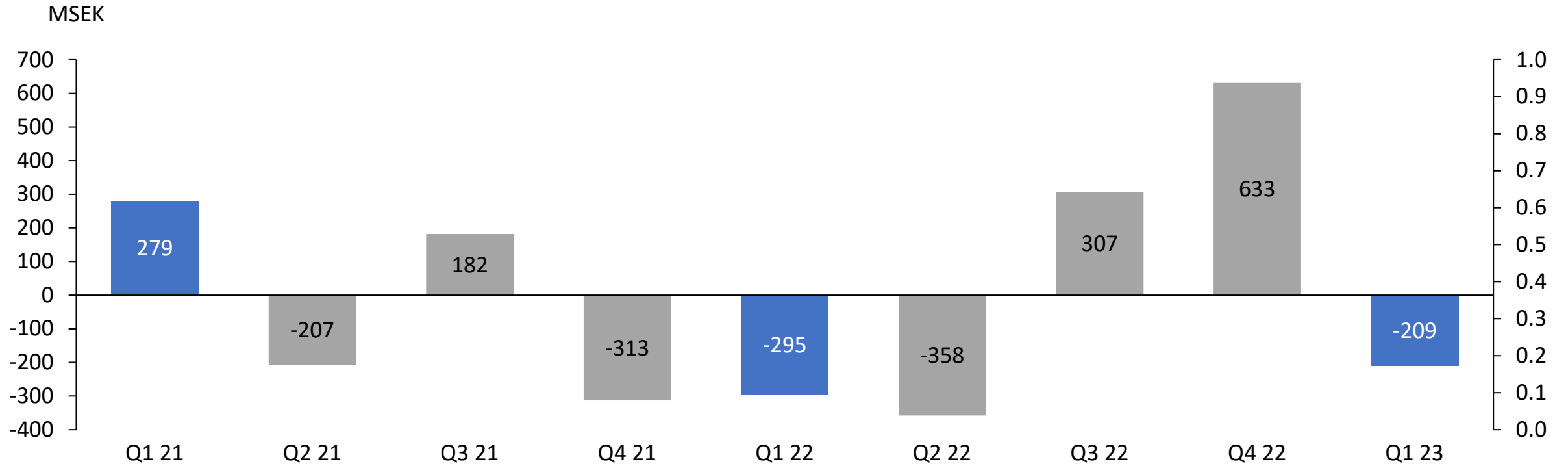


# FINANCIALS Q1-2023 – OPERATING CASH FLOW





# FINANCIALS Q1-2023 – OPERATING CASH FLOW

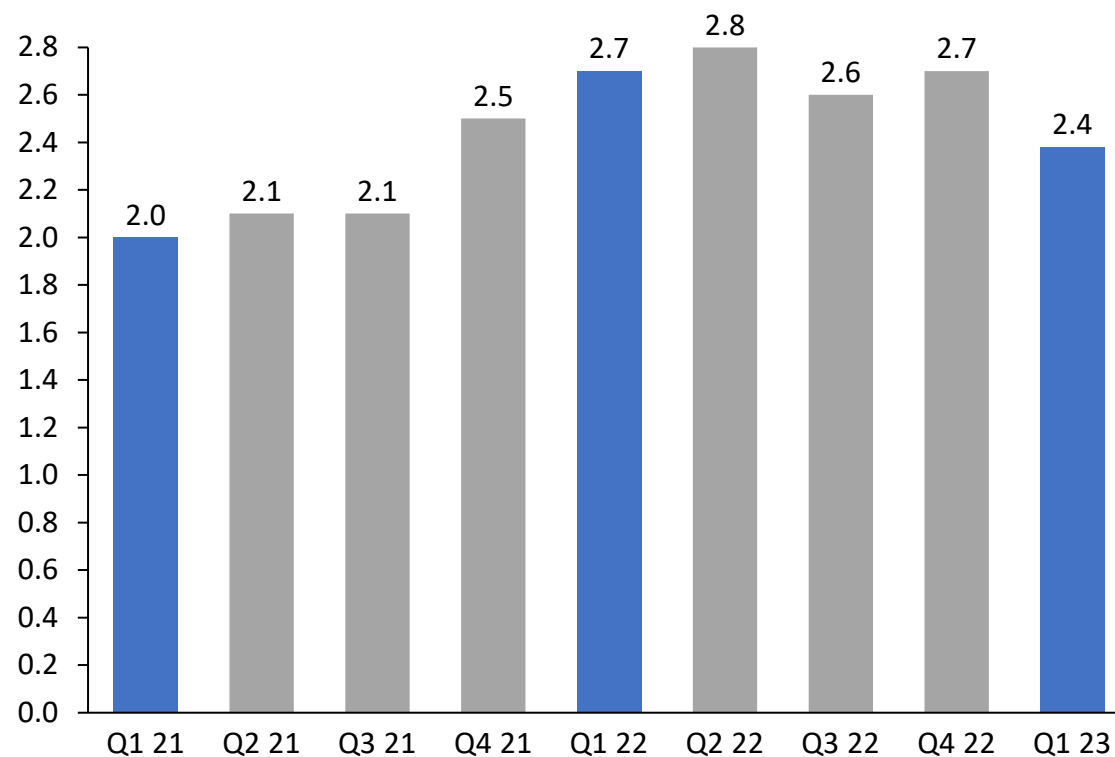


# FINANCIALS Q1-2023 – NET DEBT

## Net debt

| MSEK   | Q1 23 | Q1 22 |
|--|-------|-------|
| L12M EBITDA excl. Items affecting comparability    | 3 054 | 1 983 |
| Net debt   | 7 259 | 5 363 |
| Of which   |       |       |
| Pension debt                                       | 110   | 144   |
| Leasing liabilities, according to IFRS 16          | 2 318 | 1 521 |
| Net debt excluding pension and leasing liabilities | 4 832 | 3 698 |
| Net debt / EBITDA*                                 | 2,38  | 2,70  |
| Net debt / EBITDA excl. Leasing & Pension*         | 1,86  | 2,30  |

## Net debt / EBITDA\*



# Summary

## Strong start to the year

- Sales growth of 50,5% driven by strong organic growth of 14,5% and acquisitions growth of 30,2%
- EBITA growth of 72% and improved margin from 8,3% to 9,5%
- Solid development in all our regions and product groups

## SOLID FOUNDATION FOR CONTINUED LONG TERM GROWTH

- Continued good long term tailwinds supporting our business – Sustainability, Electrification and Regulation
- Moving into high season for cooling however less extra tailwinds from heating as it is focused on Q1 and Q4
- Strong comparable from last year in general and especially in HVAC and one less trading day in Q2 vs. PY
- Continued good acquisition pipeline as we continue to consolidate our industry and key segments

## North America - Heritage

- Good start to the year with sales of 1 118 MSEK and an EBITA of 121 MSEK (10.9 %)
- Replacement market stable while new construction weaker as expected
- Healthy backlog in residential and commercial segment but challenges in product supply chain
- Continue to invest in our platform and good start to the integration pipeline and activities

# Q&A

**Thank you**