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Financial update

A better Trelleborg

**Better
growth profile**

**More
profitable**

**Less
cyclical**

Improved growth profile, solid over time

Total sales¹

>8%

CAGR
2018 - 2022

Total sales, proforma²

>10%

CAGR
2018 - 2022

Organic sales¹

~5%

Average
2018 - 2022

Stronger financial returns and cash conversion

EBIT margin

>15%

Average
2018 - 2022

ROCE

>14%

Average
2018 - 2022

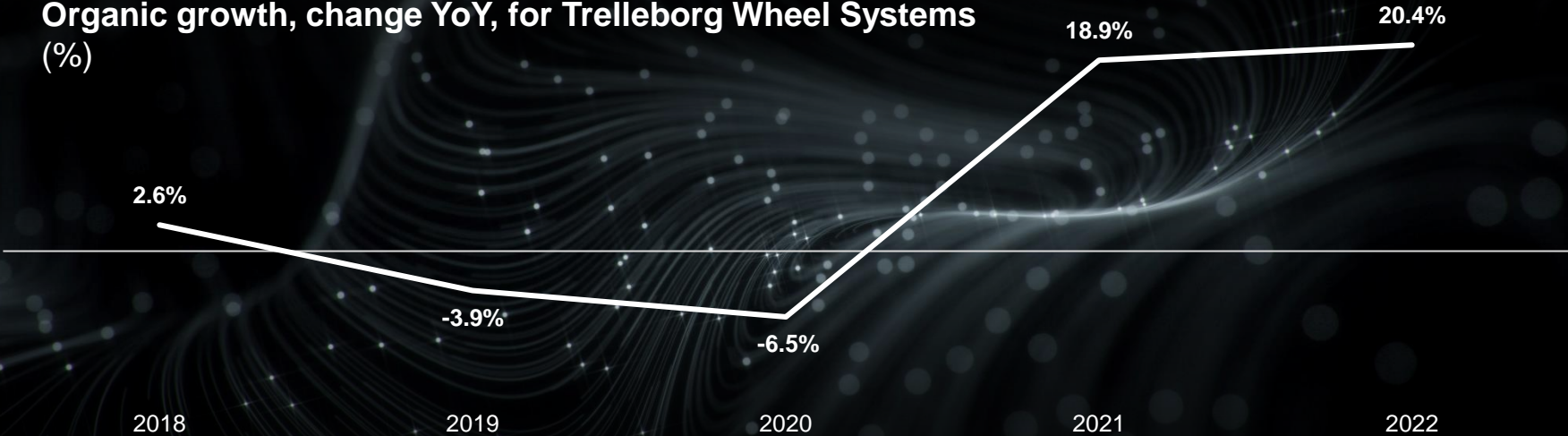
Cash conversion ratio

>90%

Average
2018 - 2022

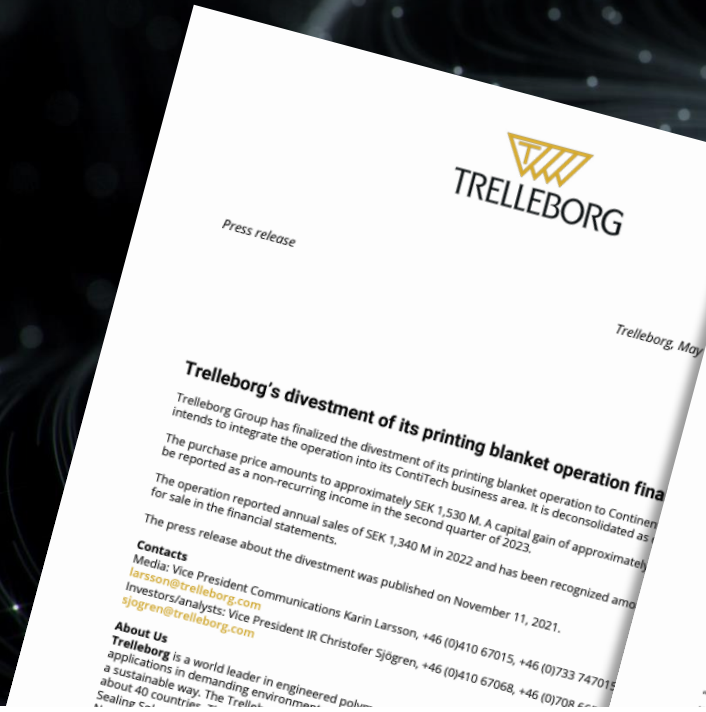
Less cyclical following divestment of Trelleborg Wheel Systems

Organic growth, change YoY, for Trelleborg Wheel Systems (%)



Volatile but high 2021 and 2022

Cash inflow from divestments SEK >25 B



One-off items following divestment of Trelleborg Wheel Systems

Closing interest rate swaps

SEK ~215 M

One-off income affecting the net financial items in Q2 2023¹

Optimizing legal structure

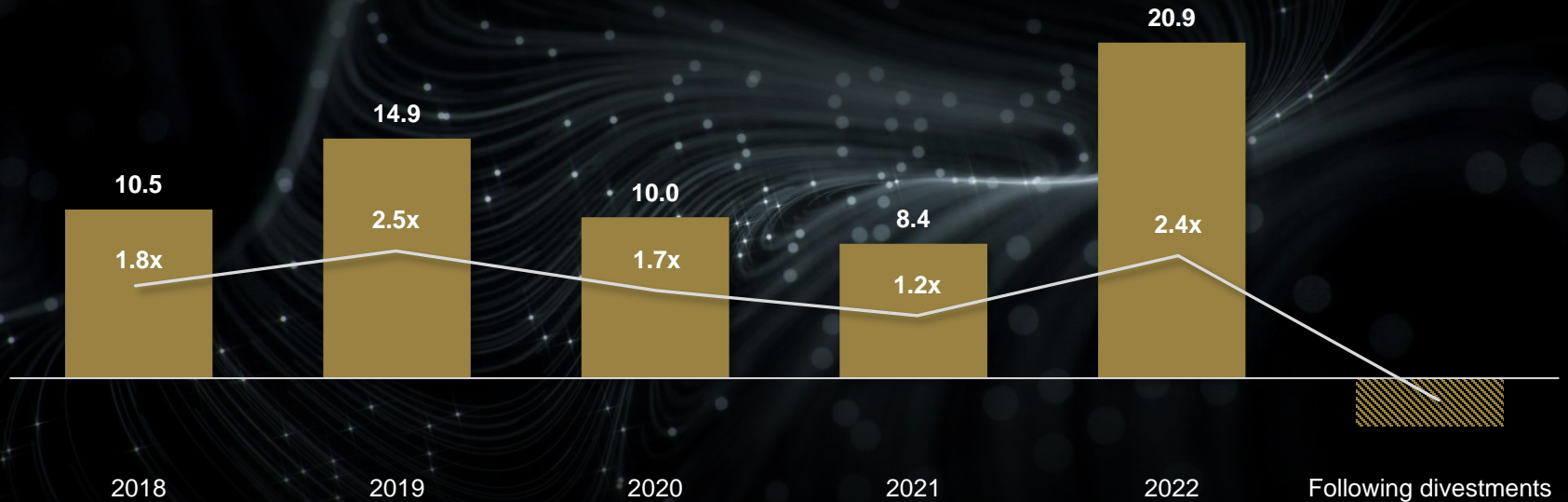
SEK ~150 M

One-off tax expense affecting the result for Q2 2023

Net cash position following divestments

Net cash position following divestments

Net debt (SEK B), Net debt/EBITDA (multiple)



Net cash position following divestments

SEK

>20 B

Financial capacity

Value creation and growth in focus



Accelerating investments and acquisitions



Share buy-back program



Solid dividends continue

Vietnam



New factories

Footprint consolidation

USA and Europe



China



Capacity expansion

Selected investments

2023-2024

India



Capacity expansion

MRP



Automation and efficiency

IT-systems upgrade

Improved control and efficiency





Current pipeline
>200 acquisition prospects

**Selective and
synergistic acquisitions**

Ambition SEK ~1 B per quarter in share buy-back program

Share buy-backs

~3.8

Amount spent SEK B
Q1 2022 – Q1 2023

Share buy-backs

~6%

of total shares
Q1 2022 – Q1 2023

Shareholders awarded

Dividend policy

30-50

% of earnings
per share



Actual dividend percent of
earnings per share

~40%

Average
2021 - 2023

A better Trelleborg

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Delivered on current financial targets

Sales growth

5-8%

EBIT margin

≥16%

Return on capital employed

≥14%

Outcome

7.2%

Average over
past 5 years

Outcome

16.8%

Continuing operations
full year 2022

Outcome

14.2%

Average over
past 5 years

Raising financial targets

New financial targets

>8%

Sales growth

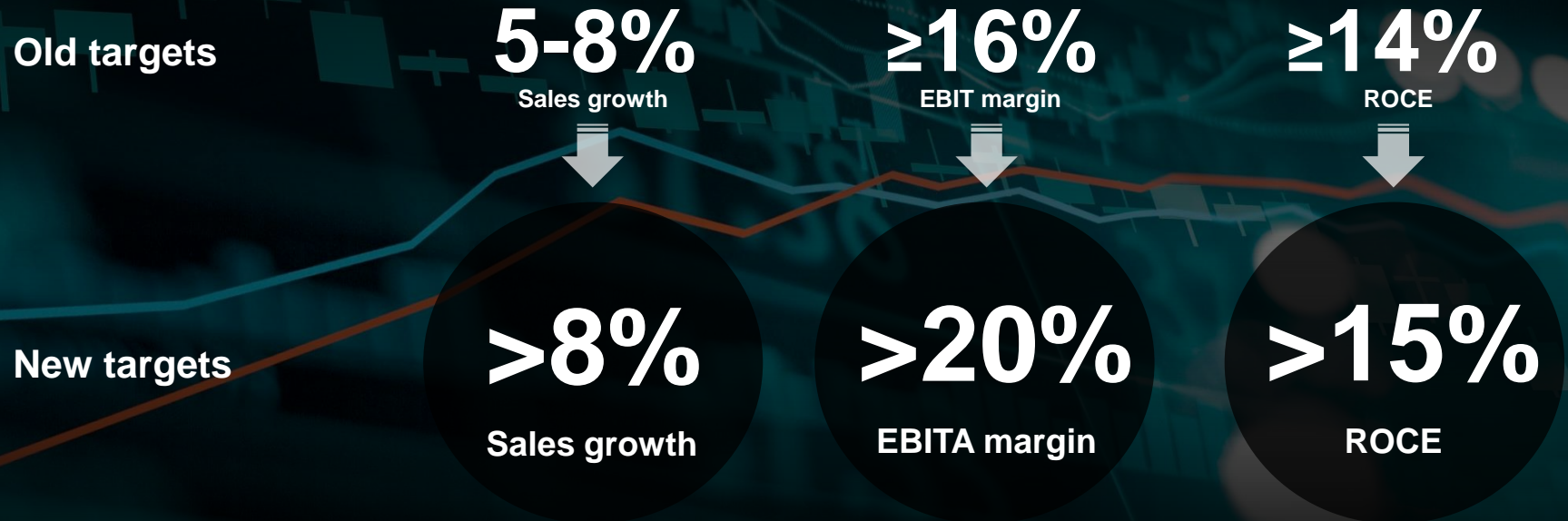
>20%

EBITA margin

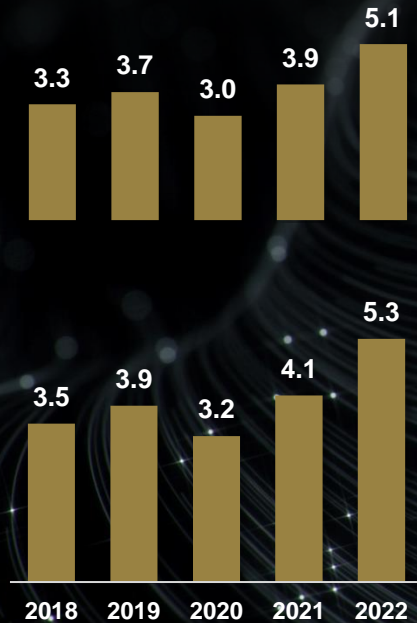
>15%

ROCE

New financial targets



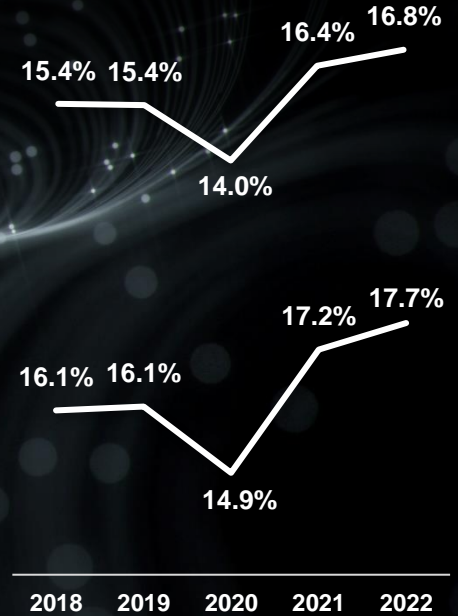
Group EBIT to EBITA



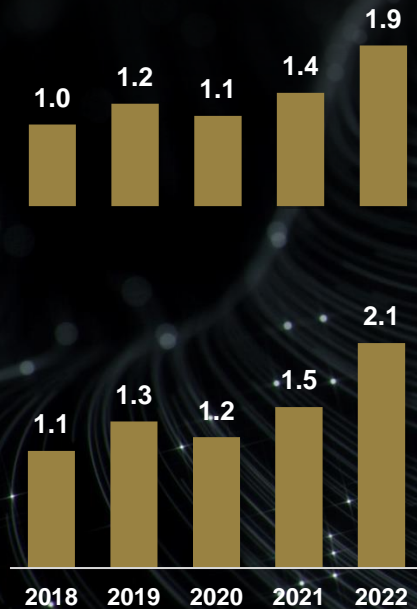
EBIT



EBITA



Trelleborg Industrial Solutions EBIT to EBITA



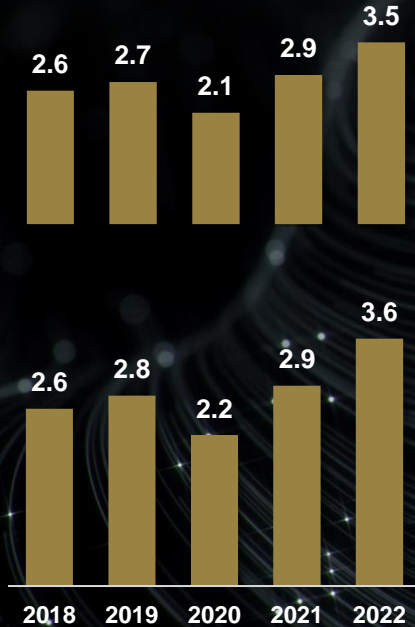
EBIT



EBITA



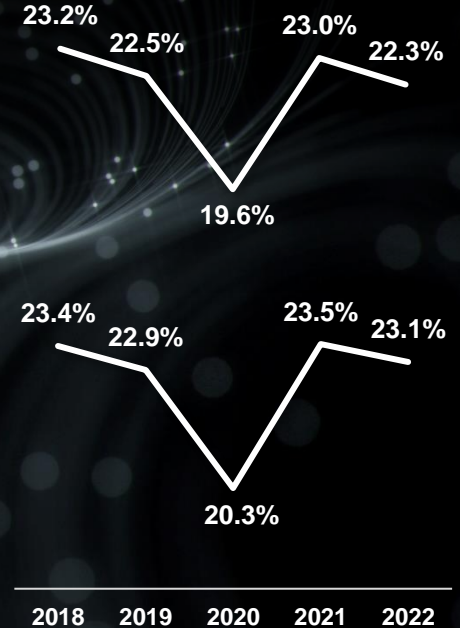
Trelleborg Sealing Solutions EBIT to EBITA



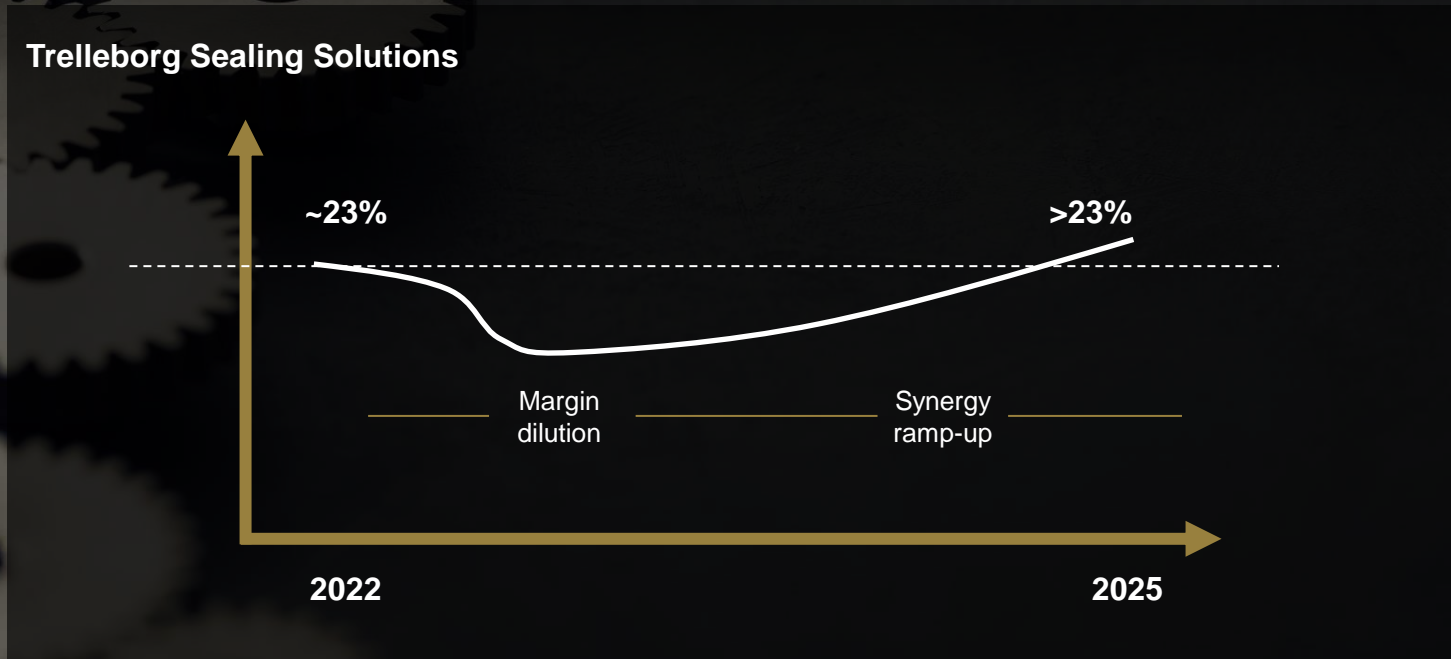
EBIT



EBITA



Margin impact to be offset by synergies



Financial guidelines for full-year 2023

SEK 1.5 B

Capex

SEK ~250 M

Restructuring
costs

SEK ~500 M

Amortization of
intangible assets

~26%

Underlying tax rate

- Capacity expansions in 2023-2024
- Normal capex 3.5-4.0% of sales

NEW HORIZONS

“Growing Trelleborg into the world’s foremost engineered polymer solutions company in our selected industries”