



Big boost to order intake sets a stable base for higher sales and improved earnings

1 January – 30 June 2021

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# Agenda

- Business update
- Financial performance
- Concluding notes and Outlook
- Q&A

# Business update for the quarter, i)

- Clear signs of market recovery.
- All time high orders in the quarter at 514 MSEK.
- Sales continued impacted negatively by the global component shortage situation with about 11-12%, limited the growth to +9%. Affect all three business entities.
- EBIT result hampered significantly by the shortage situation and ended at +10 MSEK or 2.5%.



# Business update for the quarter, ii)

- Good order growth in Westermo fuelled by a larger Train order of 36 MSEK. Strong pipeline gives confidence for coming quarters. The performance of ELTEC was very good and contributed well.
- Market traction for Beijer Electronics and another quarter with orders well above 200 MSEK. Component shortage limits sales and profitability in the quarter.
- Continued positive development for Korenix and the cooperation with Beijer Electronics progresses further.
- Full focus on improving supply situation and stepping up deliveries.



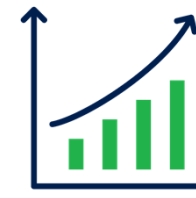
Westermo

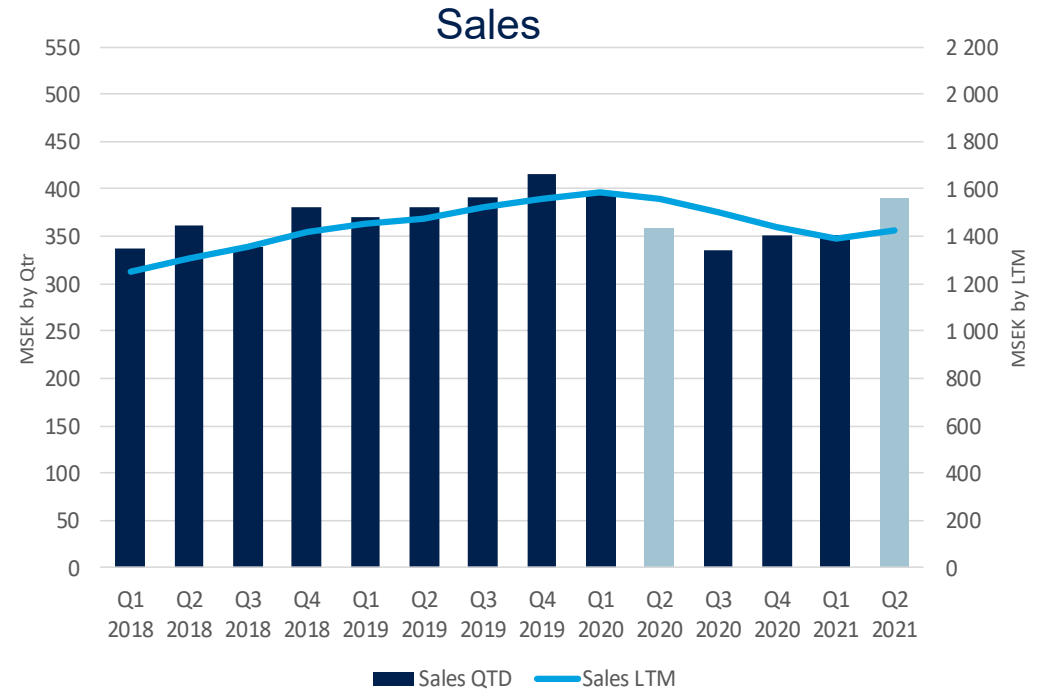
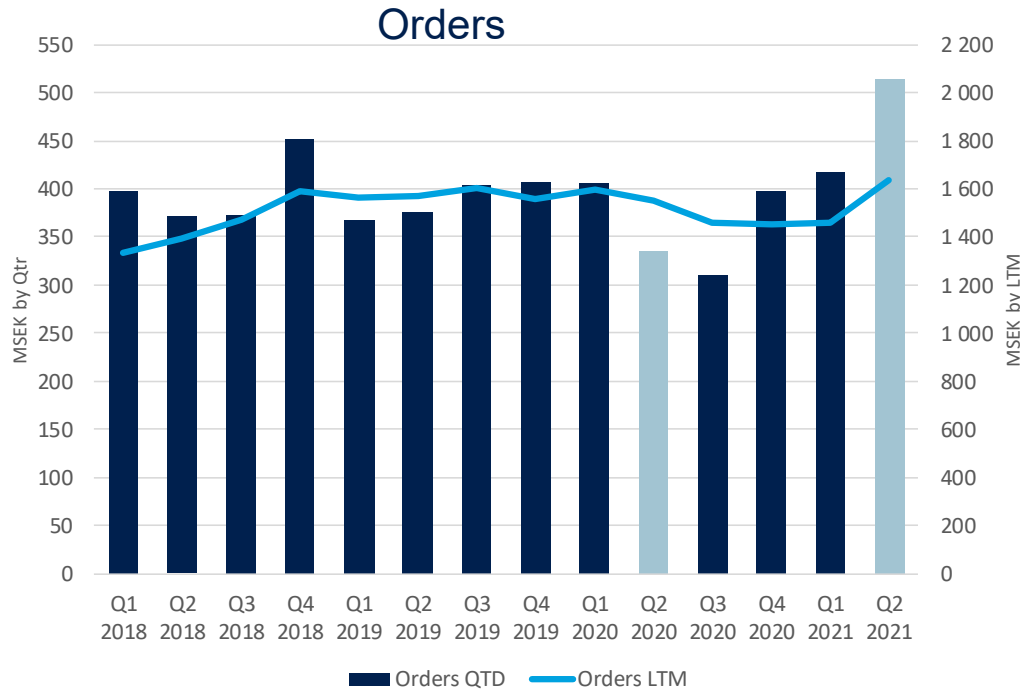


Beijer Electronics



Korenix





- Orders at 514 MSEK or +60% at fixed rates and sequentially +23%.
- Sales at 390 MSEK or +14% at fixed rates. Orders for more.
- The overall backlog increased to an all time high 750 MSEK.

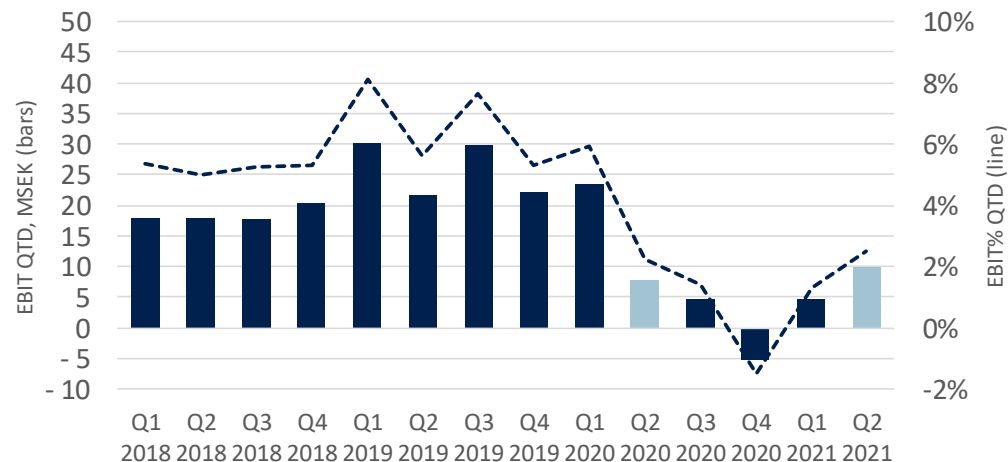
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## Group – strong demand while continued supply challenge limit sales

MSEK	Q2 2021	Q2 2020	%	YTD 2021	YTD 2020	%	FY 2020
Order intake	514.3	335.5	53%	931.5	741.3	26%	1,449.0
Sales	389.8	357.5	9%	740.7	752.8	-2%	1,437.7
EBIT	9.8	7.9	24%	14.5	16.3	-11%	15.8
EBIT%	2.5%	2.2%		2.0%	2.2%		1.1%

EBIT and EBIT% QTD (Q1 2020 excluding restructuring cost)



### Comments to Q2

- ▶ Sales hampered 11-12% due to the component shortage situation.
- ▶ Increased component prices put pressure on gross margins. Customer price adjustments done in all business entities and will compensate in coming quarters.
- ▶ Balanced overall cost level due to the 2020 restructuring program and maintained general cost control.
- ▶ Total currency impact on EBIT of -4.4 MSEK of mainly transactional variances.
- ▶ Net income at +1.9 MSEK.
- ▶ Free cash flow at -15 MSEK due to increases in working capital.

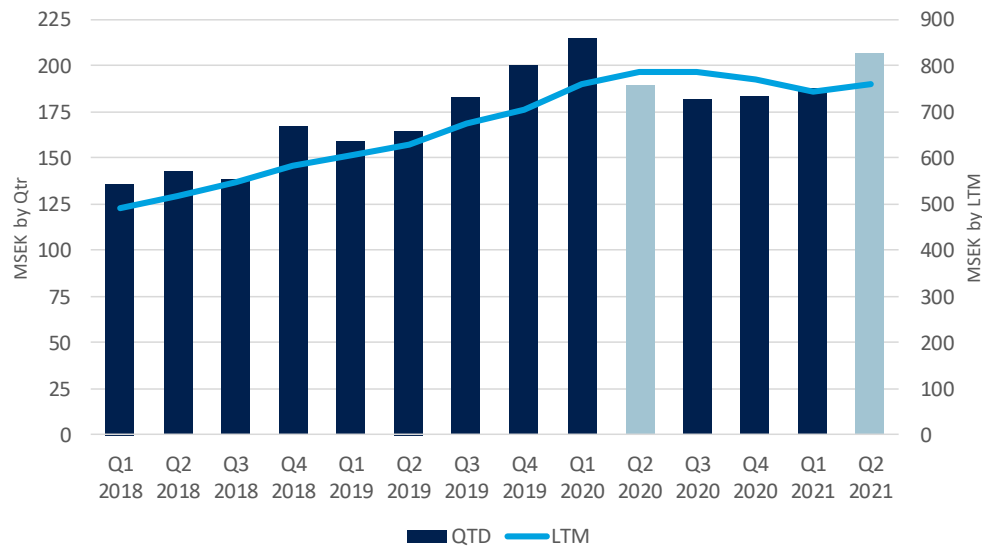
# Westermo – market starts to pick up and strong orders

MSEK	Q2 2021	Q2 2020	%	YTD 2021	YTD 2020	%	FY 2020
Order intake	276.8	198.6	39%	448.9	400.5	12%	778.9
Sales	206.1	189.4	9%	393.6	404.0	-3%	769.0
EBIT	19.7	21.6	-9%	36.7	55.0	-33%	85.9
EBIT%	9.6%	11.4%		9.3%	13.6%		11.2%

## Comments to Q2

- ▶ A 36 MSEK order booked from a North American train operator.
- ▶ Elements of a general market pick-up.
- ▶ Strong pipeline provides for confidence moving forward.
- ▶ ELTEC started up well with good contribution in the quarter.
- ▶ Component shortage limits the sales growth.
- ▶ Launches of new products for the Power distribution segment.

## Westermo Sales





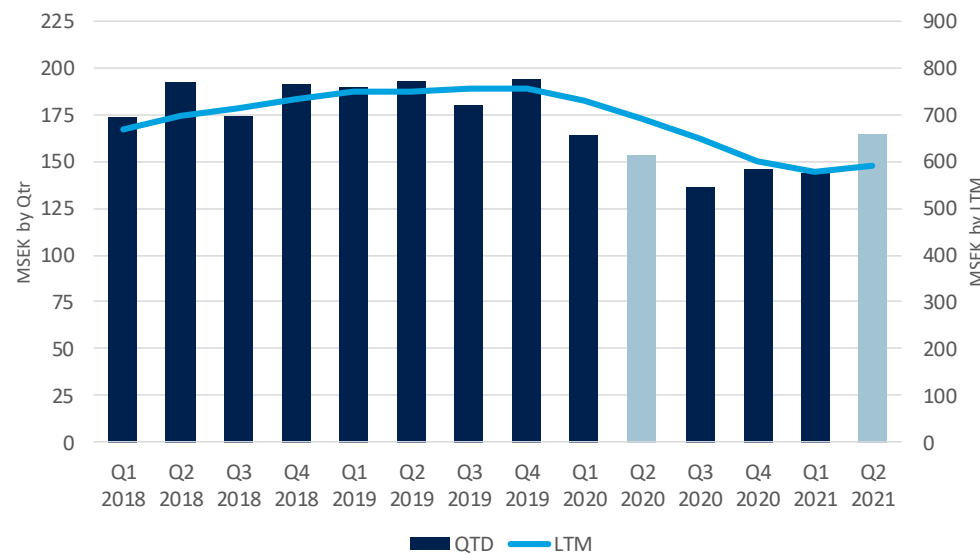
# Beijer Electronics – market traction but profitability limited by shortage

MSEK	Q2 2021	Q2 2020	%	YTD 2021	YTD 2020	%	FY 2020
Order intake	216.4	120.7	79%	436.8	308.3	42%	595.0
Sales	164.2	153.0	7%	308.0	316.9	-3%	599.1
EBIT	0.0	-2.0		-0.5	-6.6	-92%	-22.4
EBIT%	0.0%	-1.3%		-0.2%	-2.1%		-3.7%

## Comments to Q2

- ▶ Good order development driven by APAC and somewhat EMEA. US is improving but still on low levels. 2nd quarter in a row well above 200 MSEK.
- ▶ Component shortage limits the sales growth.
- ▶ Maintained cost control provides for a nil result in the quarter.
- ▶ Launch of new generation of X2 base.
- ▶ The cooperation with Korenix continues well.

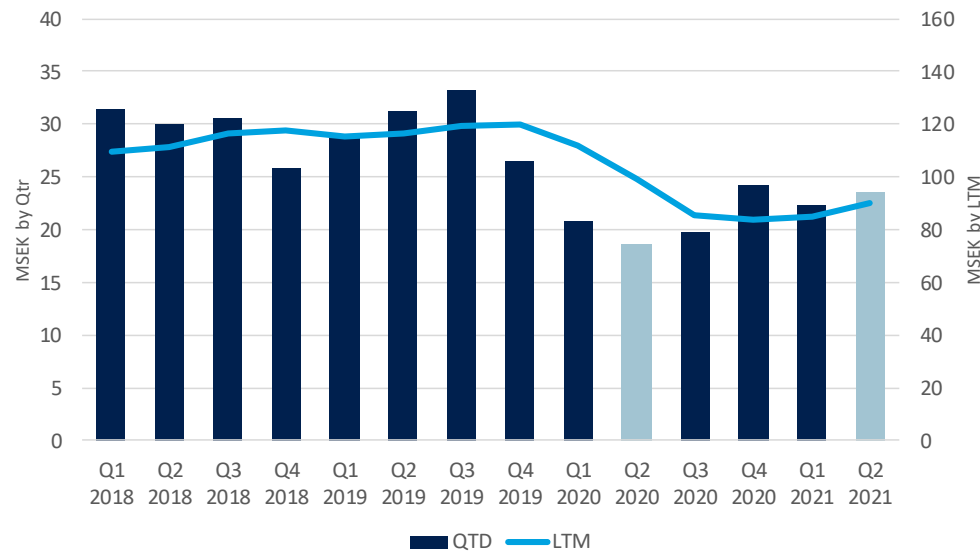
## Beijer Electronics Sales



## Korenix – positive development and result in black

MSEK	Q2 2021	Q2 2020	%	YTD 2021	YTD 2020	%	FY 2020
Order intake	25.1	19.7	27%	52.6	40.0	31%	89.0
Sales	23.6	18.6	26%	45.9	39.4	17%	83.5
EBIT	0.1	-3.4		-1.3	-12.4	-89%	-12.1
EBIT%	0.4%	-18.1%		-2.8%	-31.5%		-14.5%

### Korenix Sales



### Comments to Q2

- ▶ Positive development with good order growth.
- ▶ New recent lockdowns in Asia and longer lead times due to the supply situation limit the order growth pace.
- ▶ Component shortage limits the sales growth.
- ▶ Maintained cost control provides for a nil result for the quarter.
- ▶ Continued cooperation with Beijer Electronics.

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## Concluding notes by Per...



# Our strategy



***Leading technology Group; high-tech hardware and software***



***High degree of repetitive revenues creates stability over time***



***Decentralised organisation close to the customer***



***Growth target achieved through organic growth and acquisitions***

# Outlook

*“BEIJER GROUP expects a good potential to achieve better financial performance in 2021 than in 2020”*

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