

ORGANIC GROWTH AND IMPROVED MARGIN

Second quarter 2024 – continuing operations

- Net sales for the quarter were on par with the preceding year at SEK 8,711 M (8,696). Organic sales increased by 1 percent compared with the preceding year, structural changes reduced sales by 1 percent, and currency was unchanged compared with the preceding year.
- EBITA, excluding items affecting comparability, increased 2 percent to SEK 1,599 M (1,563). The EBITA margin was 18.4 percent (18.0). Earnings were the best to date for a single quarter.
- Operating cash flow amounted to SEK 1,190 M (1,585), down 25 percent. This is due primarily to a higher rate of investment and a greater need for working capital driven by increased demand. The cash conversion ratio for the most recent 12-month period was 88 percent (88).
- Items affecting comparability for the quarter totaled SEK -111 M (-194) and pertained to restructuring costs.
- EBITA, including items affecting comparability, amounted to SEK 1,488 M (1,369) for the quarter.
- Earnings per share for continuing operations, excluding items affecting comparability, totaled SEK 4.49 (4.71), down 5 percent attributable to non-recurring financial income (SEK 173 M after tax) that impacted earnings per share for the preceding year by SEK 0.68.
- For the Group as a whole, earnings per share were SEK 4.14 (27.67). The comparable figure in the year-earlier period included a contribution of SEK 24.12 from discontinuing operations. Discontinuing operations included capital gains attributable to the divestment of the Group's tire and printing blanket operations.
- The key figures in this report relate to continuing operations, unless otherwise stated.

SEK M	Q2 2024	Q2 2023	Change, %	6M 2024	6M 2023	Change, %
<u>Continuing operations</u>						
Net sales	8,711	8,696	0	16,945	17,407	-3
Organic sales, %	1	3		-1	5	
EBITA, excluding items affecting comparability	1,599	1,563	2	3,089	3,091	0
EBITA-margin, %	18.4	18.0		18.2	17.8	
Items affecting comparability	-111	-194		-166	-243	
EBITA	1,488	1,369	9	2,923	2,848	3
Profit before tax, continuing operations	1,309	1,388	-6	2,613	2,585	1
Net profit, discontinuing operations	-	6,130	-100	-	6,593	-100
Net profit, Group	988	7,027	-86	1,968	8,389	-77
Earnings per share, SEK						
Continuing operations	4.14	3.55	17	8.20	7.07	16
Discontinuing operations	-	24.12	-100	-	25.93	-100
Group	4.14	27.67	-85	8.20	33.00	-75
Continuing operations, excluding items affecting comparability	4.49	4.71	-5	8.72	8.37	4
Operating cash flow	1,190	1,585	-25	1,908	2,134	-11
Cash conversion ratio R12, %	88	88		88	88	

ORGANIC GROWTH AND IMPROVED MARGIN

“The Group continued to perform well in the second quarter, and it is pleasing to note that we returned to organic growth after a few quarters in which we reported a slight organic decline. We also delivered the highest operating profit (EBITA) to date for a single quarter.

Organic sales increased 1 percent year-on-year. EBITA, excluding items affecting comparability, increased 2 percent, and the corresponding margin improved to 18.4 percent (18.0).

Organic sales for Trelleborg Industrial Solutions slowed marginally. Sales to the construction industry are still weak in most geographical markets, while demand within several industrial segments remains at a lower level. However, project transactions for LNG-related solutions and deliveries to customers in renewable energy continued to grow significantly. Sales of solutions to major infrastructure projects also performed well. Deliveries to automotive manufacturers continued to grow. Finnish company BP-Tech Group was acquired during the period, and its sealing solutions complement our offering well in the rapidly growing pipe repair segment.

Organic sales for Trelleborg Medical Solutions increased a couple of percentage points. Sales to the North American medtech market performed well, primarily in the latter part of the period. Although customers continued to adjust their inventories during the quarter, this activity is considered to have eased compared to the beginning of the year. Accordingly, the outlook for the autumn is slightly more positive. We finalized the acquisition of Baron Group after the end of the quarter. This acquisition strengthens both the business area’s application expertise and manufacturing capacity. It provides a platform for continued growth and positions us as a global partner to producers of a variety of medical devices.

Trelleborg Sealing Solutions reported a solid increase in organic sales. In contrast to the preceding year, the absence of the Easter holiday in the second quarter contributed to this positive trend. Organic sales to the general industry declined slightly, though development in Asia was positive. Deliveries to the automotive industry increased across all regions, while sales to the aerospace industry continued to grow significantly. During the quarter, we finalized the acquisition of South Korean MNE Group, which manufactures precision seals for semiconductor production equipment.

During the quarter, we decided to invest in a new production facility in Morocco, focusing on sealing solutions for the aerospace industry. The new facility will establish a local presence for several customers in the country while increasing capacity to meet the industry’s strong global growth.

The share buy-back program will continue following the authorization granted by the Annual General Meeting. We are now in our third year of buying back shares via the stock market. Since we cancel these acquired shares, the number of shares in circulation decreases, thus resulting in higher earnings per share. Earnings per share for continuing operations increased a full 17 percent during the quarter. We consider the repurchase program to be an effective way of transferring value to shareholders, and it serves as an excellent supplement to our operational efforts to improve the Group’s profitability and capital structure.

The Group’s order intake is solid and suggests a more positive performance moving forward. However, the picture being painted is not clear-cut, as our market segments and geographies are developing in slightly different directions.

We remain committed to our aim of increasing the Group’s profitability. Our margin target of 20 percent is within reach as the markets improve and the synergies from previous acquisitions are realized according to plan. Our general assessment of the current situation is that demand in the third quarter will be somewhat higher than in the second quarter.”

Peter Nilsson,
President and CEO

MARKET OUTLOOK FOR THE THIRD QUARTER OF 2024

Demand is expected to be somewhat higher compared to the second quarter of 2024, adjusted for seasonal variations. The geopolitical situation entails a heightened degree of uncertainty. For further information, refer to page 12.

Market outlook from the interim report published on April 24, 2024, relating to the second quarter of 2024

Demand is expected to be on a par with the first quarter of 2024, adjusted for seasonal variations. The geopolitical situation entails a heightened degree of uncertainty.

NET SALES AND RESULT¹

SEK M	Q2 2024	Q2 2023	Change, %	6M 2024	6M 2023	Change, %
Continuing operations						
Net sales	8,711	8,696	0	16,945	17,407	-3
Change total, %	0	18		-3	20	
Organic sales, %	1	3		-1	5	
Structural change, %	-1	9		-1	9	
Currency effects, %	0	6		-1	6	
EBITA, excluding items affecting comparability	1,599	1,563	2	3,089	3,091	0
EBITA-margin, %	18.4	18.0		18.2	17.8	
Items affecting comparability	-111	-194		-166	-243	
EBITA	1,488	1,369	9	2,923	2,848	3
Amortization of surplus values related to acquisitions	-116	-121	4	-227	-238	5
EBIT	1,372	1,248	10	2,696	2,610	3
Financial income and expenses	-63	140	-145	-83	-25	-232
Profit before tax	1,309	1,388	-6	2,613	2,585	1
Taxes	-321	-491	35	-645	-789	18
Net profit, continuing operations	988	897	10	1,968	1,796	10
Net profit, discontinuing operations	-	6,130	-100	-	6,593	-100
Net profit, Group	988	7,027	-86	1,968	8,389	-77
Earnings per share, SEK						
Continuing operations	4.14	3.55	17	8.20	7.07	16
Discontinuing operations	-	24.12	-100	-	25.93	-100
Group	4.14	27.67	-85	8.20	33.00	-75
Continuing operations, excluding items affecting comparability	4.49	4.71	-5	8.72	8.37	4

Net sales during the second quarter of 2024 amounted to SEK 8,711 M (8,696), on a par with the preceding year. Organic sales increased 1 percent year-on-year. The net effect of currency movements was unchanged, and structural changes declined by 1 percent compared with the year-earlier period.

Sales per market. Organic sales in Europe decreased 1 percent year-on-year. Organic sales in North and South America increased 3 percent compared with the year-earlier period. Organic sales in Asia and Other markets increased by 4 percent compared with the preceding year.

EBITA, excluding items affecting comparability, increased 2 percent to SEK 1,599 M (1,563). The EBITA margin was 18.4 percent (18.0).

The total exchange rate effect on EBITA, excluding items affecting comparability, from translation of foreign subsidiaries had a negative effect of SEK 18 M on earnings compared with the year-earlier period.

Items affecting comparability for the quarter totaled SEK -111 M (-194) and pertained to restructuring costs.

EBITA, including items affecting comparability, amounted to SEK 1,488 M (1,369) for the quarter.

Financial income and expenses for continuing operations amounted to SEK -63 M (140). The comparison figures from the preceding year included non-recurring financial income of SEK 218 M (SEK 173 M after tax) attributable to the interest-rate hedges ended in conjunction with the repayment of loans when the Group's tire operation was divested.

Net profit was SEK 988 M (897). The tax rate for the quarter amounted to 24 percent (35). The comparison figures from the preceding year included a non-recurring tax expense of SEK 150 M attributable to changes in the Group's legal structure after the divestment of the Group's tire operation. The tax rate for the quarter, excluding items affecting comparability, amounted to 24 percent (25). The underlying tax rate for continuing operations is expected to remain at 25 percent.

Earnings per share, excluding items affecting comparability, totaled SEK 4.49 (4.71), down 5 percent attributable to non-recurring financial income (SEK 173 M after tax) that impacted earnings per share for the preceding year by SEK 0.68.

For the Group as a whole, earnings per share were SEK 4.14 (27.67). The comparable figure in the year-earlier period included a contribution of SEK 24.12 from discontinuing operations. Discontinuing operations included capital gains attributable to divestment of the Group's tire and printing blanket operations.

¹ The key figures in this report relate to continuing operations, unless otherwise stated. Continuing operations pertains to the business areas Trelleborg Industrial Solutions, Trelleborg Medical Solutions, Trelleborg Sealing Solutions and Group Activities.

CASH FLOW AND NET DEBT

SEK M	Q2 2024	Q2 2023	Change, %	6M 2024	6M 2023	Change, %
EBIT, excluding items affecting comparability	1,483	1,442	3	2,862	2,853	0
Depreciation/write-down, property, plant and equipment	327	317	3	649	632	3
Amortization/write-down, intangible assets	140	132	6	273	262	4
EBITDA	1,950	1,891	3	3,784	3,747	1
Capital expenditure	-496	-374	-33	-857	-771	-11
Sold non-current assets	4	1	300	9	13	-31
Amortization of lease liabilities	-86	-88	2	-171	-173	1
Change in working capital	-182	151		-853	-670	
Dividend from associated companies	0	8		0	8	
Non cash-flow affecting items	0	-4		-4	-20	
Operating cash flow, continuing operations	1,190	1,585	-25	1,908	2,134	-11
Cash conversion ratio R12, %	88	88		88	88	
Operating cash flow, discontinuing operations	-	-356	100	-	-326	100
Operating cash flow, Group	1,190	1,229	-3	1,908	1,808	6

SEK M	6M 2024	6M 2023	12M 2023
Net debt Group, opening balance	2,682	-20,897	-20,897
Operating cash flow	1,908	1,808	4,737
Cash impact from items affecting comparability	-119	-168	-479
Financial items	-184	-275	-325
Paid tax	-741	-811	-1,407
Free cash flow	864	554	2,526
Acquisitions	-1,099	-431	-447
Disposed operations	-	26,442	26,462
Dividend - equity holders of the parent company	-1,617	-1,524	-1,524
Repurchase own shares	-2,022	-1,611	-3,880
Sum net cash flow	-3,874	23,430	23,137
Exchange rate differences	-762	-696	390
Lease liability ¹	-8	62	62
Pension liability ¹	-19	-18	-10
Net debt Group, closing balance	-1,981	1,881	2,682
Of which:			
Pension liability	-364	-340	-326
Lease liability	-1,679	-1,732	-1,606
Net debt, excluding effect of lease and pension liability	62	3,953	4,614
Debt/equity ratio, %	5	-4	-6
Net debt/EBITDA ²	0.3	-0.1	-0.2

¹ Pertains to non-cash items.

² EBITDA including items affecting comparability.

Operating cash flow for the quarter amounted to SEK 1,190 M (1,585), down 25 percent. This is due primarily to a higher rate of investment in new production facilities and greater demand, which has resulted in an increased need for working capital. The cash conversion ratio for the most recent 12-month period amounted to 88 percent (88).

Free cash flow was SEK 864 M (554). Net cash flow amounted to SEK -3,874 M (23,430). Net cash flow for the period was impacted by the effects from acquisitions of SEK -1,099 M (-431) and dividends to the shareholders of the Parent Company of SEK -1,617 M (-1,524) as well as the repurchase of own shares of SEK -2,022 M (-1,611). The comparison figures from the preceding year included effects from the divestment of the Group's tire and printing blanket operations, with an aggregate impact of SEK 26,442 M.

Net debt at the end of the quarter amounted to SEK -1,981 M (1,881) and was impacted by the net cash flow for the period of SEK -3,874 M, negative exchange rate differences on loans in local currencies of SEK -762 M (-696) and non-cash adjustments of lease and pension liabilities totaling SEK -27 M (44).

The debt/equity ratio was 5 percent (-4). Net debt in relation to EBITDA was 0.3 (-0.1).

RETURN ON CAPITAL EMPLOYED AND RETURN ON EQUITY

%	R12 2024	R12 2023
Return on capital employed, continuing operations		
Excluding items affecting comparability	12.7	13.9
Including items affecting comparability	11.5	12.8
Return on equity, Group		
Excluding items affecting comparability	9.4	28.5
Including items affecting comparability	8.5	27.2

Capital employed for continuing operations increased year-on-year and amounted to SEK 43,815 M (43,111) at the end of the quarter.

Return on capital employed for the most recent 12-month period, excluding items affecting comparability, was 12.7 percent (13.9). Return on capital employed, including items affecting comparability, for the corresponding period was 11.5 percent (12.8). Both return on capital employed measures were impacted by acquisitions with initially lower returns.

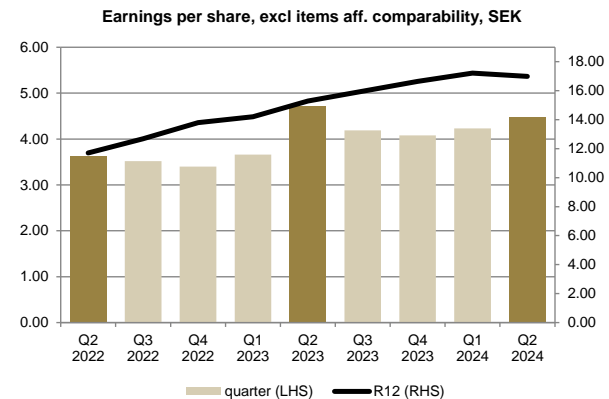
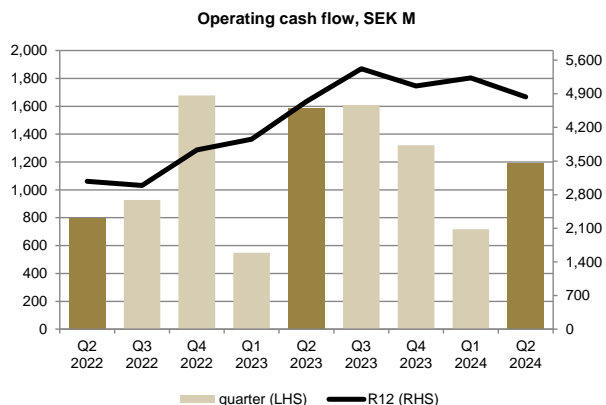
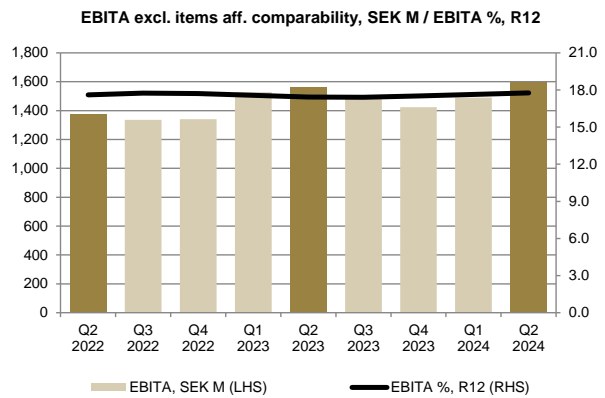
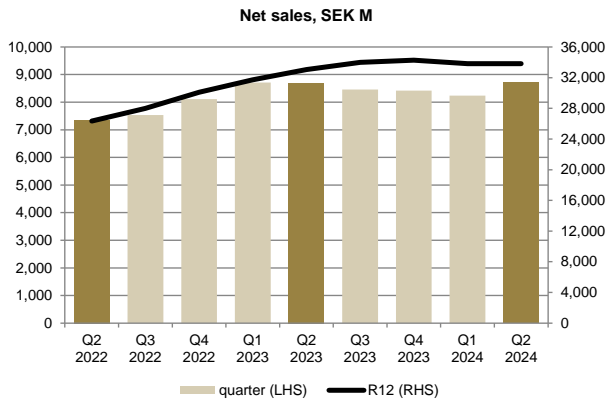
Shareholders' equity for the Group at the close of the period amounted to SEK 41,258 M (44,394), impacted positively by net profit for the year and translation differences, and negatively by dividends to the shareholders of the Parent Company and the repurchase of own shares.

During the first half of 2024, 5,418,244 Series B shares in Trelleborg were repurchased (of which 2,341,557 in the second quarter), corresponding to SEK 2,022 M. This corresponds to 2.2 percent of the shares outstanding, which amounted to

241,547,186 on the balance sheet date. In accordance with the resolution at the Annual General Meeting on April 24, 2024, Trelleborg has canceled 13,578,733 own shares of Series B, where 11,696,591 were repurchased during 2023 and 1,882,142 during 2024. The number of treasury shares amounted to 3,536,102 (3,715,732) on the balance sheet date.

Equity per share amounted to SEK 173 (177), based on the number of outstanding shares less treasury shares on the balance sheet date (238,011,084 shares). The equity/assets ratio was 70 percent (68). The return on shareholders' equity for the Group for the most recent 12-month period, excluding items affecting comparability, totaled 9.4 percent (28.5). The return on shareholders' equity for the Group, including items affecting comparability, amounted to 8.5 percent (27.2) for the corresponding period. Both return on investment measures were affected in the preceding year by the capital gain attributable to the divestment of the Group's tire and printing blanket operations, which were finalized in the second quarter of 2023.

KEY FIGURES AND TRENDS



JANUARY–JUNE 2024

Net sales for the first half of 2024 totaled SEK 16,945 M (17,407), down 3 percent compared with the year-earlier period. Organic sales declined 1 percent.

EBITA, excluding items affecting comparability, totaled SEK 3,089 M (3,091), corresponding to an EBITA margin of 18.2 percent (17.8). Items affecting comparability amounted to SEK -166 M (-243) and pertained to restructuring costs. EBITA, including items affecting comparability, totaled SEK 2,923 M (2,848).

Financial income and expenses amounted to a net of SEK -83 M (-25). The comparison figures from the preceding year included non-recurring financial income of SEK 218 M (SEK 173 M after tax) attributable to the interest-rate hedges ended in conjunction with the repayment of loans when the Group's tire operation was divested.

Profit before tax totaled SEK 2,613 M (2,585). The tax rate amounted to 25 percent (30), and the comparison figures from the preceding year included a non-recurring tax expense of SEK 150 M. This expense is related to a change in the Group's legal structure following the divestment of the Group's tire operation.

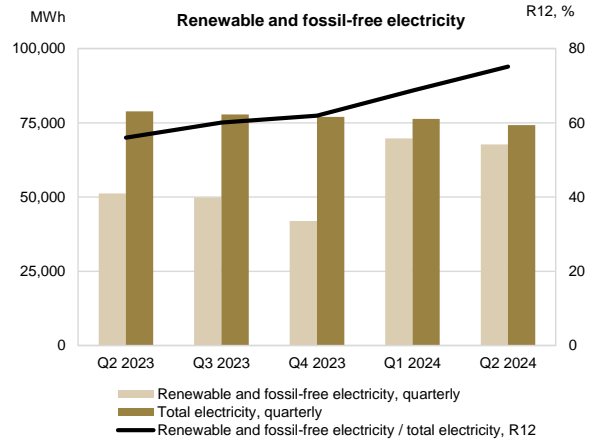
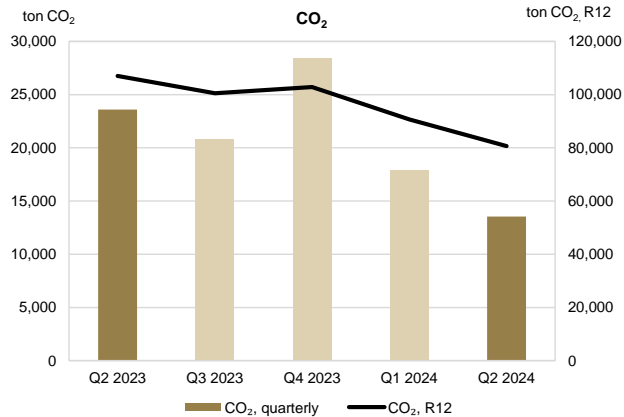
Net profit for the Group was SEK 1,968 M (8,389), and the comparison figures from the preceding year included the capital gains from divestment of the Group's tire and printing blanket operations.

Earnings per share, excluding items affecting comparability, totaled SEK 8.72 (8.37). For the Group as a whole, earnings per share were SEK 8.20 (33.00), and the comparison figures from the preceding year included the capital gains from divestment of the Group's tire and printing blanket operations.

SUSTAINABILITY

Lower climate impact. CO₂ emissions for the quarter clearly declined compared with the year-earlier period and amounted to 13,549 metric tons (23,603), a decrease of 43 percent. The trend was driven by reduced consumption of natural gas and an increased share of renewable/fossil-free electricity. The proportion of renewable and fossil-free electricity in the quarter increased to 91 percent (65) compared with the year-earlier period.

Social engagement. Trelleborg actively participates in the local communities where the Group operates. The focus is on promoting education and physical activity among children and young people. One example is in Mlada Boleslav in the Czech Republic, where sports activities and equipment donations are part of a long-term partnership with a children's home. In Cleveland, Ohio, and the state of Virginia in the US, employees give lectures in schools to inspire continued education and athletic activities.



BUSINESS AREA

TRELLEBORG INDUSTRIAL SOLUTIONS

Trelleborg Industrial Solutions is a leading supplier of polymer-based critical solutions in selected industrial application areas and infrastructure projects.

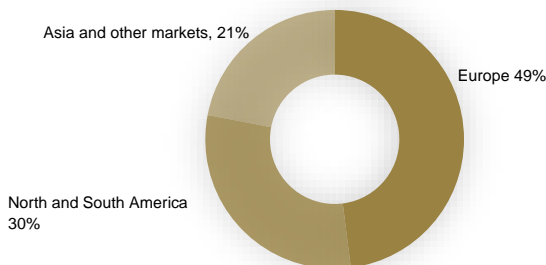
Excluding items affecting comparability, SEK M	Q2 2024	Q2 2023	Change, %	6M 2024	6M 2023	Change, %
Net sales	3,955	3,980	-1	7,676	7,820	-2
Change total, %	-1	13		-2	14	
Organic sales, %	-1	6		-2	7	
Structural change, %	1	2		1	1	
Currency effects, %	-1	5		-1	6	
EBITA	643	632	2	1,256	1,195	5
EBITA, %	16.3	15.9		16.4	15.3	
Capital employed, closing balance	14,136	13,850		14,136	13,850	
Return on capital employed R12, %	16.9	15.9	6	16.9	15.9	6

Additional key ratios on pages 17 -18

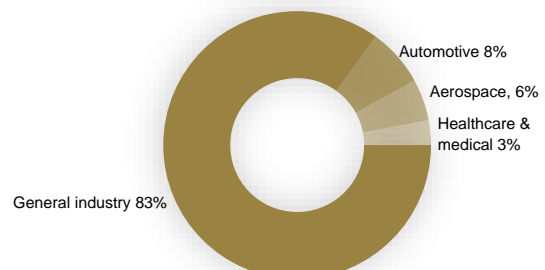
Organic sales declined by 1 percent year-on-year. Sales of sealing solutions to the construction industry remained negative, impacted by weak markets in Europe and North America. Demand in several industrial market segments remains at low levels. Sales of sealing solutions to larger infrastructure projects performed well. Deliveries of hoses to LNG customers and to customers in renewable energy grew significantly. Sales to automotive manufacturers noted continued growth, driven primarily by an upturn in Asia.

EBITA and the EBITA margin increased year-on-year, due to both operational and structural improvements in combination with a positive sales mix. This was the second-highest margin to date for a quarter. Exchange rate effects from the translation of foreign subsidiaries had a negative impact of SEK 8 M on EBITA.

Sales per geography



Sales per industry



Net sales per geographic market and per industry are based on full year 2023.

BUSINESS AREA

TRELLEBORG MEDICAL SOLUTIONS

Trelleborg Medical Solutions is a leading global supplier of polymer-based integrated solutions for medical and biopharma.

Excluding items affecting comparability, SEK M	Q2 2024	Q2 2023	Change, %	6M 2024	6M 2023	Change, %
Net sales	665	647	3	1,248	1,300	-4
Change total, %	3	43		-4	54	
Organic sales, %	2	9		-5	11	
Structural change, %	-	27		-	33	
Currency effects, %	1	7		1	10	
EBITA	92	100	-8	174	183	-5
EBITA, %	14.0	15.4		14.0	14.1	
Capital employed, closing balance	5,819	5,972		5,819	5,972	
Return on capital employed R12, %	4.6	4.8	-4	4.6	4.8	-4

Additional key ratios on pages 17 -18

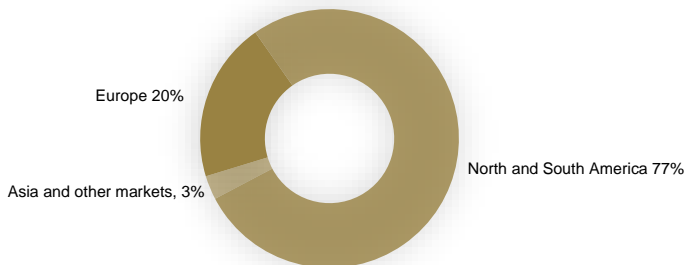
Trelleborg Medical Solutions was established as a new business area on April 1, 2024. This business area offers a broad portfolio of polymer-based solutions for medtech and biopharma and constitutes a platform for long-term growth.

Organic sales increased 2 percent year-on-year. Sales of solutions to the North American medtech market performed well, primarily in the latter part of the quarter. In addition, the protracted inventory adjustment phase among suppliers is deemed to have eased during the quarter, primarily in North America, which supported the positive organic sales trend.

EBITA and the EBITA margin decreased year-on-year, due primarily to the significant investments made in the organization over the past few years in order to leverage new market opportunities. These investments are temporarily dampening the margin trend while new capacity, new products and customer relationships are being developed.

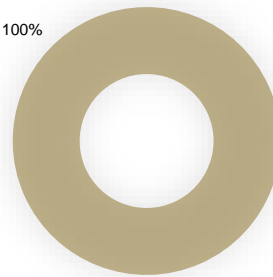
The acquisition of Baron Group was completed after the end of the quarter. The business area's EBITA margin is estimated to achieve a run rate of about 20 percent following the integration of the acquisition during the second half of the year. Exchange rate effects from the translation of foreign subsidiaries had a positive impact of SEK 1 M on EBITA.

Sales per geography



Sales per industry

Healthcare & medical 100%



Net sales per geographic market and per industry are based on full year 2023.

BUSINESS AREA

TRELLEBORG SEALING SOLUTIONS

Trelleborg Sealing Solutions is a leading global supplier of polymer-based critical sealing solutions and components deployed in aerospace, automotive and general industry.

Excluding items affecting comparability, SEK M	Q2 2024	Q2 2023	Change, %	6M 2024	6M 2023	Change, %
Net sales	4,349	4,048	7	8,451	8,262	2
Change total, %	7	21		2	23	
Organic sales, %	5	0		1	2	
Structural change, %	2	15		1	15	
Currency effects, %	0	6		0	6	
EBITA	921	901	2	1,785	1,851	-4
EBITA, %	21.2	22.3		21.1	22.4	
Capital employed, closing balance	24,758	24,206		24,758	24,206	
Return on capital employed R12, %	13.5	16.8	-20	13.5	16.8	-20

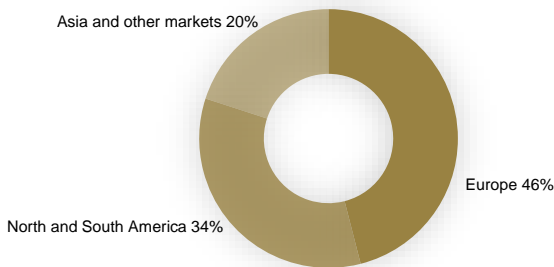
Additional key ratios on pages 17 -18

Organic sales increased 5 percent year-on-year. The absence of the Easter holiday in the second quarter – in contrast to the preceding year – led to more workdays and explains approximately 2 percent of the organic sales growth. Organic sales increased marginally in Europe as well as North and South America, and performed more strongly in Asia. Sales to general industry decreased in general, except in Asia where it remained unchanged. Deliveries to the automotive industry increased across all regions, while sales to the aerospace industry continued to perform very well.

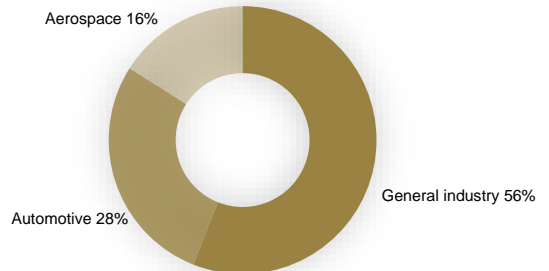
EBITA increased slightly as a result of the positive organic trend. The EBITA margin decreased year-on-year. Previous investments in the organization in a number of fast-growing market segments are having a temporary negative impact on the margin. These initiatives are expected to have a positive effect in the long term.

The integration of Minnesota Rubber & Plastics is continuing, and the expected synergies will impact sales and earnings positively, primarily next year. Exchange rate effects from the translation of foreign subsidiaries had a negative impact of SEK 11 M on EBITA.

Sales per geography



Sales per industry



Net sales per geographic market and per industry are based on full year 2023.

SIGNIFICANT EVENTS DURING THE QUARTER

Trelleborg acquired Finnish pipe repair specialist. The Trelleborg Group has, through its Trelleborg Industrial Solutions business area, acquired BP-Tech Group, including Boldan and Spraypoxy, a Finnish pipe repair specialist.

Headquartered in Rajamäki, Finland, the business is an innovation leader for trenchless pipe repair, including liners, resins, and specialist equipment. Sales in 2023 amounted to just over SEK 220 M in 24 countries worldwide.

The business has a strong portfolio including a proprietary spray-in-place solution and offers industry leading contractor training.

The pipe repair market is forecast to grow strongly over the coming years as utility companies and civic authorities address critical infrastructure. Trelleborg has made a number of recent investments, including acquisitions, in response to growing demand worldwide.

The press release was published on April 17, 2024. The transaction has been consolidated since May 8, 2024, which was announced in a press release on the same date.

Acquisition of manufacturer of precision seals for semiconductor production equipment finalized. Trelleborg Group has finalized the acquisition of South Korean MNE Group specialized in precision seals for semiconductor production equipment.

The headquarters and manufacturing facility are located in Yongin, just outside Seoul. MNE Group generated approximately SEK 300 M in revenue in 2023. The acquisition is part of Trelleborg's strategy to grow in the expanding semiconductor industry.

The business was consolidated as of April 17, 2024.

The press release was published on April 17, 2024.

Decision to exercise authorization to acquire own shares. The Board of Directors of Trelleborg has decided to exercise the authorization granted by the Annual General Meeting on April 24, 2024, to acquire own shares of Series B.

Acquisition of shares will be carried out in accordance with the Market Abuse Regulation (EU) No 596/2014 ("MAR") and the Commission Delegated Regulation (EU) No 2016/1052 (the "Safe Harbour Regulation"). Acquisitions of shares will be managed by an investment firm or a credit institution that makes its trading decisions independently of Trelleborg with regard to the timing of the acquisition of shares in Trelleborg.

The purpose of the Board of Directors' decision is to adapt the company's capital structure and thereby contribute to increased shareholder value. Shares will also be repurchased for the PSP 2024/2027 for reasons and rationales set out in the Annual General Meeting Notice item 17b. The intent is that the repurchased shares, excluding shares repurchased for the PSP 2024/2027, will later be canceled by resolution of upcoming Annual General Meetings.

The press release was published on April 25, 2024.

New facility for sealing solutions for the aerospace industry in Morocco. Trelleborg has decided to invest in a new production facility in Morocco, focusing on sealing solutions for the aerospace industry. The new facility will establish a local presence for several customers in the country while increasing capacity to meet the industry's strong global growth.

The production facility will be established in the Midparc Industrial Freezone, next to the Mohammed V International Airport in Casablanca. The state-of-the-art facility will get a substantial part of its energy supply from solar panels on its roof. The facility will initially have a surface area of more than 5,000 square meters and will be adapted to meet the stringent requirements of suppliers in the aviation industry.

Trelleborg will partner with the Moroccan Aerospace Training Center, IMA, to tailor education for prospective employees. The facility is planned to be operational by the end of 2025, and Trelleborg will initially invest more than SEK 100 M over two years.

Trelleborg already has a facility for the production of automotive boots in Morocco.

The press release was published on May 13, 2024.

Changes in number of shares and votes. In accordance with the resolution at the Annual General Meeting on April 24, 2024, Trelleborg AB has canceled 13,578,733 of its own shares of Series B that the company previously repurchased. After the cancellation, the total number of shares in the company amounts to 241,547,186, of which 28,500,000 are shares of Series A (10 votes per share) and 213,047,186 are shares of Series B (one vote per share), corresponding to 498,047,186 votes in total.

The press release was published on May 31, 2024.

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE PERIOD

Trelleborg expands engineered coated fabrics business in the US. Trelleborg Group has decided to invest in a new production facility to expand its business for engineered coated fabrics in Rutherfordton, North Carolina, US. The establishment will primarily aim to strengthen Trelleborg's leading positions in aircraft escape slides, water infrastructure, advanced materials for healthcare, and outdoor products.

The new building will be LEED-certified, and operations will be carbon-neutral. The investment also enables increased use of bio-based polymers and recycled raw materials. In total, Trelleborg is investing more than SEK 300 M in the expanded facility. Groundbreaking is scheduled for the fourth quarter of this year, with production starting in early 2026.

Trelleborg has industry-leading expertise in engineered coated fabrics. With global testing capabilities and a portfolio that includes the most comprehensive range of fabrics and coatings, Trelleborg develops fabrics with unique properties tailored for demanding applications.

The press release was published on July 15, 2024.

Trelleborg finalizes acquisition of Baron Group. Trelleborg Group has finalized its acquisition of Baron Group. The company is a global leader in the manufacturing of advanced precision silicone components.

Baron Group generated sales of approximately SEK 1,000 M in 2023. The company has its head office and two manufacturing facilities in Australia, as well as two additional facilities in China. The business primarily focuses on medical technology solutions and will become part of the Trelleborg Medical Solutions business area, established on April 1, 2024. The transaction was consolidated on July 17.

The press release regarding the acquisition was published on February 6, 2024, and the press release regarding the finalization was published on July 17.

OTHER NEWS

Increased capacity to meet mining industry demand.

Trelleborg's facility in Perth, Australia, has implemented a capacity increase to meet the growing mining and mineral processing industry demand. The facility develops and manufactures ceramic wear liners that provide advanced severe abrasion protection for chutes and transfer stations in mineral processing.

New R&D center in Bangalore, India. Trelleborg has inaugurated a new center for material and product innovation, which will drive development in sealing technology and tailored research for the automotive and aerospace industries and industrial automation. Investing in the new center also aims to increase local development expertise and strengthen local and global customer relationships.

Trelleborg's solution creates protection against flooding.

Rubber supports and fenders from Trelleborg are playing a pivotal role in enhancing the safety and durability of the Maeslantkering, a storm surge barrier near Hoek van Holland in the Netherlands. Trelleborg supplied 14 special rubber support points for each of the barrier's water retaining doors and 248 fenders within steel containers at the barrier's base. The supports act like resilient springs, while the fenders address kinetic energy issues during door closure.

More sustainable materials with favorable properties.

Trelleborg has created a new process for high-performance materials left over from the manufacture of seals. Through extensive research, the new process has resulted in the recycled material not only having the same performance as the original but also having new qualities. The reprocessed material combines ultra-low friction with high stiffness, creating opportunities to develop seals with new properties. Trelleborg is also collaborating with the research company Algenesis, which, in a scientific study, shows that biodegradable thermoplastic polyurethane (TPU) can significantly reduce microplastic pollution.

New hydrogen testing laboratory inaugurated. Trelleborg's new test facility opened in Fort Wayne, in the US in mid-June. Here, several critical tests can be carried out under high pressure and large temperature variations. Hydrogen is expected to be an important part of the transition to a fossil-free energy system. Trelleborg aims to become a leader in testing and thus be able to develop applications for the entire hydrogen value chain – from production, storage and transportation to end-use.

RISK MANAGEMENT

Trelleborg serves a broad range of customers in a variety of industries and niches. The business has a wide geographic spread. The Group has operations in around 40 countries, sales are conducted in just over 140 countries worldwide and manufacturing operations are carried out at approximately 100 production units. The business is diversified geographically and within a number of industries, which provides Trelleborg with an effective underlying risk spread.

Demand for the Group's products and solutions largely moves in line with fluctuations in global industrial production. The Group focuses on industries and geographies with good growth that can deliver consistent results even when negative economic fluctuations occur in individual industries.

Long-term risks. Trelleborg has identified the relevant areas based on strategic risks, operational risks, regulatory compliance risks, and financial risks that may result in damage or loss with substantial impact on the entire Group and, therefore, justify management of the risk exposure at Group level.

For information regarding the Group's risks, risk exposure and risk management, refer to the latest Trelleborg Annual Report, www.trelleborg.com.

Short-term risks. Geopolitical uncertainty in several regions could result in increased inflation in several dimensions and create disruptions in delivery and supply chains, thereby complicating logistics and making it more expensive. Trelleborg has continuously addressed challenges that have arisen through flexible and global production, but has also proactively managed prices to address cost increases.

This report has not been subject to review by the company's auditor.

BOARD OF DIRECTORS' ASSURANCE

This interim report provides a fair overview of the operations, position and results of the Parent Company and the Group, and describes material risks and uncertainties faced by the Parent Company and the companies that are included in the Group.

Trelleborg, July 18, 2024
Board of Directors of Trelleborg AB (publ)

Johan Malmquist
Chairman of the Board

Gunilla Fransson
Board member

Monica Gimre
Board member

Henrik Lange
Board member

Peter Nilsson
*Board member and
President/CEO*

Anne Mette Olesen
Board member

Jan Ståhlberg
Board member

Maria Eriksson
Employee representative

Jimmy Faltin
Employee representative

Lars Pettersson
Employee representative

Trelleborg, July 18, 2024
Board of Directors of Trelleborg AB (publ)

NOTES

This report has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable rules of the Swedish Annual Accounts Act. Disclosures in accordance with IAS 34.16A appear in addition to the financial statements and their accompanying notes also in other parts of the interim report. The Parent Company applies recommendation RFR 2, Accounting for Legal Entities of the Swedish Financial Reporting Board and Chapter 9 of the Swedish Annual Accounts Act, Interim Reports.

Accounting policies and calculation methods applied in this report are unchanged compared with those applied in the preparation of the annual and consolidated accounts for 2023. No new or revised IFRSs or interpretative statements applied as of January 1, 2024 had any material impact on the consolidated financial statements. For a more detailed description of the accounting policies applied for the Group and Parent Company in this interim report, refer to the 2023 Annual and Sustainability Report.

During the second quarter of 2024, Trelleborg recognized costs attributable to the PSP 2024/2027 share program. For further information, refer to the resolution passed by the Annual General Meeting on April 24, 2024. The effects of the recognized costs are not material for the Group.

Condensed Income Statements

Income Statements, SEK M	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
Net sales	8,711	8,696	16,945	17,407	33,824	34,286
Cost of goods sold	-5,465	-5,687	-10,704	-11,294	-21,605	-22,195
Gross profit	3,246	3,009	6,241	6,113	12,219	12,091
Selling expenses	-660	-615	-1,293	-1,252	-2,567	-2,526
Administrative expenses	-835	-763	-1,636	-1,537	-3,222	-3,123
Research and development costs	-180	-176	-353	-354	-696	-697
Other operating income ¹	105	212	247	320	719	792
Other operating expenses ¹	-194	-228	-348	-444	-921	-1,017
Profit from associated companies	1	3	4	7	-5	-2
EBIT, excluding items affecting comparability	1,483	1,442	2,862	2,853	5,527	5,518
Items affecting comparability	-111	-194	-166	-243	-537	-614
EBIT	1,372	1,248	2,696	2,610	4,990	4,904
Financial income and expenses ²	-63	140	-83	-25	-165	-107
Profit before tax	1,309	1,388	2,613	2,585	4,825	4,797
Tax ³	-321	-491	-645	-789	-1,172	-1,316
Net profit, continuing operations	988	897	1,968	1,796	3,653	3,481
Net profit, discontinuing operations ⁴	-	6,130	-	6,593	0	6,593
Net profit, Group	988	7,027	1,968	8,389	3,653	10,074
- equity holders of the parent company	988	7,027	1,968	8,389	3,654	10,075
- non-controlling interest	0	0	0	0	-1	-1

¹ Other operating income and expenses are affected by exchange rate differences reported on a gross basis. Exchange rate differences were reclassified between other operating income and expenses to financial income and expenses for the May-September 2023 period. This reclassification will have no effect on EBIT or financial income and expenses.

² Q2 2023 includes non-recurring financial income of SEK 218 M (SEK 173 M after tax) attributable to concluded interest rate hedges in connection with the divestment of the Group's tire operation.

³ Q2 2023 includes a non-recurring tax expense of SEK 150 M related to a review of the Group's legal structure after the divestment of the Group's tire operation. This tax expense declined by SEK 50 in Q4 2023.

⁴ Q2 2023 includes a capital gain attributable to the divestment of the Group's tire and printing blanket operations.

Earnings per share, SEK ⁵	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
Continuing operations	4.14	3.55	8.20	7.07	15.44	14.31
Discontinuing operations	-	24.12	-	25.93	-	25.93
Group	4.14	27.67	8.20	33.00	15.44	40.24
Group, excluding items affecting comparability	4.49	28.83	8.72	34.41	16.99	42.68
Continuing operations, excluding items affecting comparability	4.49	4.71	8.72	8.37	16.99	16.64

⁵ No dilution effects arose.

Number of shares	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
End of period	241,547,186	255,125,919	241,547,186	255,125,919	241,547,186	255,125,919
of which, in treasury	3,536,102	3,715,732	3,536,102	3,715,732	3,536,102	11,696,591
Average number	238,738,671	252,702,014	240,028,567	254,204,841	243,261,237	250,349,374

Statements of comprehensive income, SEK M	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
Net profit, Group	988	7,027	1,968	8,389	3,653	10,074
Other comprehensive income						
Items that will not be reclassified to the income statement						
Reassessment of net pension obligation	5	-16	-19	-18	-2	-1
Income tax relating to components of other comprehensive income	-1	3	4	3	1	0
Total	4	-13	-15	-15	-1	-1
Items that may be reclassified to the income statement						
Cash flow hedges	-8	-239	-28	-265	-24	-261
Hedging of net investment	137	-125	-294	-251	392	435
Translation difference	-395	1,597	1,394	2,059	-1,406	-741
Income tax relating to components of other comprehensive income	-27	23	66	54	-76	-88
Total	-293	1,256	1,138	1,597	-1,114	-655
Other comprehensive income, net of tax	-289	1,243	1,123	1,582	-1,115	-656
Total comprehensive income	699	8,270	3,091	9,971	2,538	9,418
Total comprehensive income attributable to:						
- equity holders of the parent company	699	8,270	3,091	9,971	2,538	9,418
- non-controlling interest	0	0	0	0	0	0

Condensed Balance Sheets

Balance Sheets, SEK M	Jun 30 2024	Jun 30 2023	Dec 31 2023
Property, plant and equipment	8,393	7,892	7,757
Right-of-use assets	1,597	1,555	1,538
Goodwill	22,077	22,059	20,491
Other intangible assets	5,728	5,952	5,333
Participations in associated companies	57	59	54
Financial non-current assets	175	185	165
Deferred tax assets	530	594	498
Total non-current assets	38,557	38,296	35,836
Inventories	5,825	5,910	5,119
Current operating receivables	7,694	7,802	6,440
Current tax assets	1,237	914	853
Interest-bearing receivables	202	268	709
Cash and cash equivalents	5,141	11,628	10,546
Total current assets	20,099	26,522	23,667
Total assets	58,656	64,818	59,503
Share capital	2,620	2,620	2,620
Other capital contributions	226	226	226
Other reserves	5,822	6,936	4,684
Profit brought forward	30,617	26,218	24,117
Net profit for the year	1,968	8,389	10,075
Total	41,253	44,389	41,722
Non-controlling interests	5	5	5
Equity	41,258	44,394	41,727
Interest-bearing non-current liabilities	4,943	8,297	5,344
Other non-current liabilities	65	83	71
Pension obligations	387	360	346
Other provisions	422	298	447
Deferred tax liabilities	909	890	799
Total non-current liabilities	6,726	9,928	7,007
Interest-bearing current liabilities	2,072	1,425	2,953
Current tax liabilities	1,502	1,242	1,241
Other current liabilities	6,664	7,372	6,080
Other provisions	434	457	495
Total current liabilities	10,672	10,496	10,769
Total equity and liabilities	58,656	64,818	59,503

Specification of changes in equity, SEK M	Attributable to shareholders of the Parent Company								Non-controlling interests		Total	
	Share Capital		Other capital contributions		Other reserves		Profit brought forward		Jun 30 2024	Dec 31 2023	Jun 30 2024	Dec 31 2023
	Jun 30 2024	Dec 31 2023	Jun 30 2024	Dec 31 2023	Jun 30 2024	Dec 31 2023	Jun 30 2024	Dec 31 2023				
Opening balance, January 1	2,620	2,620	226	226	4,684	5,339	34,192	29,297	5	6	41,727	37,488
Net profit/loss for the year							1,968	10,075	-	-1	1,968	10,074
Other comprehensive income					1,138	-655	-15	-1	-	-	1,123	-656
Repurchase own shares							-2,022	-3,880	-	-	-2,022	-3,880
Cancellation of own shares	-139	-154					139	154	-	-	-	-
Bonus issue	139	154					-139	-154	-	-	-	-
Dividend							-1,617	-1,524	-	-	-1,617	-1,524
Impact from IAS 29 ¹							79	225	-	-	79	225
Closing balance	2,620	2,620	226	226	5,822	4,684	32,585	34,192	5	5	41,258	41,727

¹ Refers to hyperinflationary accounting in operations in Turkey.

Repurchased own shares that are included in the equity item Profit brought forward	Number of shares		Amount that affected equity, SEK M
	Jun 30 2024	Jun 30 2024	Jun 30 2024
	Opening repurchased own shares	11,696,591	
Purchases for the year		5,418,244	-2,022
Cancellations for the year		-13,578,733	-
Closing repurchased own shares	3,536,102		-8,981

For treasury shares, all rights are void until such time as these shares are re-issued. Repurchased shares include the cost of own shares held by the Parent Company. The number of own shares is calculated using the cash/settlement approach.

Condensed Cash flow Statements

Cash flow statements, SEK M	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
Operating activities						
EBIT incl part in associated companies	1,372	1,248	2,696	2,610	4,990	4,904
Adjustments for items not included in cash flow from operating activities:						
Depreciation, property, plant and equipment	238	227	471	451	944	924
Depreciation, right-of-use assets	90	89	178	178	365	365
Amortization, intangible assets	140	132	273	262	550	539
Impairment losses, property, plant and equipment	1	9	2	11	29	38
Impairment losses, intangible assets	-	-	-	-	3	3
Dividend from associated companies	0	8	0	8	1	9
Participations in associated companies and other non cash-flow affecting items	0	-5	-4	-20	-146	-162
Capital gain in divested operations	-	-	-	-	87	87
Interest received	37	62	84	178	287	381
Interest paid	-109	-272	-269	-592	-525	-848
Other financial items	-6	253	1	261	5	265
Taxes paid	-395	-518	-741	-672	-1,335	-1,266
Cash flow from operating activities before changes in working capital	1,368	1,233	2,691	2,675	5,255	5,239
Cash flow from changes in working capital						
Change in inventories	-162	-35	-281	-200	41	122
Change in operating receivables	-175	-444	-802	-897	-167	-262
Change in operating liabilities	202	724	260	520	-104	156
Cash flow from operating activities	1,233	1,478	1,868	2,098	5,025	5,255
Investing activities						
Acquisitions	-1,099	-386	-1,099	-431	-1,115	-447
Disposed/discontinuing operations	-	-	-	-	135	135
Capital expenditure, property, plant and equipment	-463	-347	-798	-714	-1,613	-1,529
Capital expenditure, intangible assets	-33	-27	-59	-57	-151	-149
Sale of non-current assets	19	3	24	15	39	30
Cash flow from investing activities	-1,576	-757	-1,932	-1,187	-2,705	-1,960
Financing activities						
New/utilized loans	485	-	487	12,515	487	12,515
Amortized loans	-256	-17,819	-2,071	-19,370	-2,643	-19,942
Amortized leased liabilities	-86	-88	-171	-173	-463	-465
Repurchase own share	-937	-957	-2,022	-1,611	-4,291	-3,880
Dividend - equity holders of the parent company	-1,617	-1,524	-1,617	-1,524	-1,617	-1,524
Cash flow from financing activities	-2,411	-20,388	-5,394	-10,163	-8,527	-13,296
Total cash flow, continuing operations	-2,754	-19,667	-5,458	-9,252	-6,207	-10,001
Total cash flow, discontinuing operations	-	26,729	-	15,998	-114	15,884
Cash flow for the period, Group	-2,754	7,062	-5,458	6,746	-6,321	5,883
Cash and cash equivalents						
At beginning of the period, continuing operations	7,937	2,317	10,546	3,924	11,628	3,924
At beginning of the period, discontinuing operations	-	-2,158	-	-835	-	-835
Exchange rate differences	-42	91	53	123	-166	-96
Cash and cash equivalents at end of period	5,141	11,628	5,141	11,628	5,141	10,546

Change in liabilities from financing activities, Group, SEK M	Non-cash changes								
	Dec 31 2023	Transfer between non-current and current loans	Cash changes	Acquisitions	Translation differences	Fair value changes	Lease liabilities	Pension liabilities	Jun 30 2024
Non-current loans	4,024	-800	0	-	121	-	-	-	3,345
Current loans	2,561	800	-1,867	-	31	-	-	-	1,525
Other non-current financial liabilities	0	-	219	-	-5	-	-	-	214
Other current financial liabilities	106	-	-452	-	598	-	-	-	252
Lease liabilities	1,606	-	-169	-	61	-	181	-	1,679
Pension obligations	346	-	13	-	9	-	-	19	387
Total	8,643	-	-2,256	-	815	-	181	19	7,402

Key figures

Trelleborg employs a number of alternative performance measures related to financial position, including return on equity and capital employed, net debt, debt/equity ratio and equity/assets ratio. The Group deems the key figures useful for the readers of its financial reports as a complement for assessing the possibility of dividends, implementing strategic investments and considering the Group's ability to meet its financial commitments. In addition, Trelleborg uses the cash-flow measurements of operating cash flow and free cash flow to provide an indication of the funds the operations generate to be able to implement strategic investments, make amortizations and pay returns to the shareholders. Trelleborg uses the operational performance metrics of EBITDA, EBITA and EBIT excluding items affecting comparability, which the Group considers to be relevant for investors seeking to understand its earnings generation before items affecting comparability.

For further descriptions and calculation of key figures, visit www.trelleborg.com/en/investors/key-figures.

SEK M	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
Net sales						
Trelleborg Industrial Solutions	3,955	3,980	7,676	7,820	15,105	15,249
Trelleborg Medical Solutions	665	647	1,248	1,300	2,530	2,582
Trelleborg Sealing Solutions	4,349	4,048	8,451	8,262	16,635	16,446
Group activities	-	194	-	384	343	727
Eliminations	-258	-173	-430	-359	-789	-718
Continuing operations	8,711	8,696	16,945	17,407	33,824	34,286
EBITA, excluding items affecting comparability						
Trelleborg Industrial Solutions	643	632	1,256	1,195	2,436	2,375
Trelleborg Medical Solutions	92	100	174	183	374	383
Trelleborg Sealing Solutions	921	901	1,785	1,851	3,430	3,496
Group activities	-57	-70	-126	-138	-240	-252
Continuing operations	1,599	1,563	3,089	3,091	6,000	6,002
EBITA %, excluding items affecting comparability						
Trelleborg Industrial Solutions	16.3	15.9	16.4	15.3	16.1	15.6
Trelleborg Medical Solutions	14.0	15.4	14.0	14.1	14.8	14.8
Trelleborg Sealing Solutions	21.2	22.3	21.1	22.4	20.6	21.3
Continuing operations	18.4	18.0	18.2	17.8	17.7	17.5

Net sales per market continuing operations, organic growth, %	Q2 2024	Q2 2023	6M 2024	6M 2023
Europe (46)	-1	3	-1	5
North- and South America (35)	3	4	-4	8
Asia and rest of the world (19)	4	4	5	1
Total (100% refer to share 2023)	1	3	-1	5

Bridge net sales	Q2 2023 SEK M	Organic sales, %	Structural change, %	Currency effects, %	Q2 2024 SEK M
Trelleborg Industrial Solutions	3,980	-1	1	-1	3,955
Trelleborg Medical Solutions	647	2	-	1	665
Trelleborg Sealing Solutions	4,048	5	2	0	4,349
Group activities	21				-258
Continuing operations	8,696	1	-1	0	8,711

Exchange rate differences impacting EBITA excluding items affecting comparability ¹ , SEK M	Q2 2024	6M 2024
Trelleborg Industrial Solutions	-8	-10
Trelleborg Medical Solutions	1	1
Trelleborg Sealing Solutions	-11	-22
Group activities	0	-2
Continuing operations	-18	-33

¹ Impact on EBITA excluding items affecting comparability in translation of foreign subsidiaries.

EBIT specification, continuing operations, SEK M	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
Excluding items affecting comparability:						
EBITDA	1,950	1,891	3,784	3,747	7,405	7,368
Depreciation/write-down, property, plant and equipment	-327	-317	-649	-632	-1,325	-1,308
Amortization/write-down, intangible assets	-24	-11	-46	-24	-80	-58
EBITA	1,599	1,563	3,089	3,091	6,000	6,002
Amortization of surplus values related to acquisitions	-116	-121	-227	-238	-473	-484
EBIT	1,483	1,442	2,862	2,853	5,527	5,518
Items affecting comparability	-111	-194	-166	-243	-537	-614
EBIT	1,372	1,248	2,696	2,610	4,990	4,904

Specification of capital employed, SEK M	Jun 30 2024	Jun 30 2023	Dec 31 2023
Working capital	5,963	5,594	4,595
Property, plant and equipment	8,393	7,892	7,757
Right-of-use assets	1,597	1,555	1,538
Intangible assets	27,805	28,011	25,824
Participations in joint ventures/associated companies	57	59	54
Continuing operations	43,815	43,111	39,768

SEK M	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Net sales									
Trelleborg Industrial Solutions	3,955	3,721	3,766	3,663	3,980	3,840	3,691	3,472	3,512
Trelleborg Medical Solutions	665	583	637	645	647	653	619	509	451
Trelleborg Sealing Solutions	4,349	4,102	4,026	4,158	4,048	4,214	3,809	3,533	3,349
Group activities	-	-	178	165	194	190	169	141	171
Eliminations	-258	-172	-186	-173	-173	-186	-175	-119	-132
Continuing operations	8,711	8,234	8,421	8,458	8,696	8,711	8,113	7,536	7,351
Organic sales, %									
Trelleborg Industrial Solutions	-1	-3	-1	-1	6	8	18	17	16
Trelleborg Medical Solutions	2	-11	1	-1	9	13	20	16	13
Trelleborg Sealing Solutions	5	-2	1	-2	0	4	11	13	6
Continuing operations	1	-3	0	-1	3	7	15	15	11
EBITA, excluding items affecting comparability									
Trelleborg Industrial Solutions	643	613	586	594	632	563	519	507	561
Trelleborg Medical Solutions	92	82	101	99	100	83	81	83	76
Trelleborg Sealing Solutions	921	864	808	837	901	950	831	824	824
Group activities	-57	-69	-71	-43	-70	-68	-91	-78	-85
Continuing operations	1,599	1,490	1,424	1,487	1,563	1,528	1,340	1,336	1,376
EBITA %, excluding items affecting comparability									
Trelleborg Industrial Solutions	16.3	16.5	15.6	16.2	15.9	14.7	14.0	14.6	16.0
Trelleborg Medical Solutions	14.0	14.0	15.7	15.5	15.4	12.8	13.1	16.3	16.8
Trelleborg Sealing Solutions	21.2	21.1	20.1	20.1	22.3	22.5	21.8	23.3	24.6
Continuing operations	18.4	18.1	16.9	17.6	18.0	17.5	16.5	17.7	18.7

Condensed Income Statements, SEK M	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Net sales	8,711	8,234	8,421	8,458	8,696	8,711	8,113	7,536	7,351
Cost of goods sold	-5,465	-5,239	-5,423	-5,478	-5,687	-5,607	-5,267	-4,835	-4,706
Gross profit	3,246	2,995	2,998	2,980	3,009	3,104	2,846	2,701	2,645
Selling expenses	-660	-633	-626	-648	-615	-637	-610	-563	-546
Administrative expenses	-835	-801	-820	-766	-763	-774	-815	-687	-650
Research and development costs	-180	-173	-162	-181	-176	-178	-175	-132	-125
Other operating income ¹	105	142	261	211	212	108	72	136	73
Other operating expenses ¹	-194	-154	-342	-231	-228	-216	-80	-177	-80
Profit from associated companies	1	3	-5	-4	3	4	1	0	2
EBIT, excluding items affecting comparability	1,483	1,379	1,304	1,361	1,442	1,411	1,239	1,278	1,319
Items affecting comparability	-111	-55	-260	-111	-194	-49	-115	-68	-33
EBIT	1,372	1,324	1,044	1,250	1,248	1,362	1,124	1,210	1,286
Financial income and expenses ²	-63	-20	-38	-44	140	-165	-76	-69	-40
Profit before tax	1,309	1,304	1,006	1,206	1,388	1,197	1,048	1,141	1,246
Tax ³	-321	-324	-226	-301	-491	-298	-283	-279	-304
Net profit, continuing operations	988	980	780	905	897	899	765	862	942
Net profit, discontinuing operations ⁴	-	-	-	-	6,130	463	431	380	574
Net profit, Group	988	980	780	905	7,027	1,362	1,196	1,242	1,516
- equity holders of the parent company	988	980	780	906	7,027	1,362	1,197	1,243	1,517
- non-controlling interest	0	0	0	-1	0	0	-1	-1	-1

¹ Other operating income and expenses are affected by exchange rate differences reported on a gross basis. Exchange rate differences were reclassified between other operating income and expenses to financial income and expenses for the May-September 2023 period. This reclassification will have no effect on EBIT or financial income and expenses.

² Q2 2023 includes non-recurring financial income of SEK 218 M (SEK 173 M after tax) attributable to concluded interest rate hedges in connection with the divestment of the Group's tire operation.

³ Q2 2023 includes a non-recurring tax expense of SEK 150 M related to a review of the Group's legal structure after the divestment of the Group's tire operation. This tax expense declined by SEK 50 in Q4 2023.

⁴ Q2 2023 includes a capital gain attributable to the divestment of the Group's tire and printing blanket operations.

Continuing operations	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Net sales, SEK M	8,711	8,234	8,421	8,458	8,696	8,711	8,113	7,536	7,351
Organic sales, %	1	-3	0	-1	3	7	15	15	11
EBITDA, excl items affecting comparability, SEK M	1,950	1,834	1,790	1,831	1,891	1,856	1,654	1,621	1,652
EBITDA, excl items affecting comparability, %	22.4	22.2	21.3	21.7	21.7	21.3	20.4	21.5	22.4
EBITA, excl items affecting comparability, SEK M	1,599	1,490	1,424	1,487	1,563	1,528	1,340	1,336	1,376
EBITA, excl items affecting comparability, %	18.4	18.1	16.9	17.6	18.0	17.5	16.5	17.7	18.7
EBIT, excl items affecting comparability, SEK M	1,483	1,379	1,304	1,361	1,442	1,411	1,239	1,278	1,319
EBIT, excl items affecting comparability, %	17.0	16.8	15.5	16.1	16.6	16.2	15.3	17.0	17.9
Items affecting comparability, SEK M	-111	-55	-260	-111	-194	-49	-115	-68	-33
EBIT, SEK M	1,372	1,324	1,044	1,250	1,248	1,362	1,124	1,210	1,286
Earnings per share, excluding items affecting comparability SEK	4.49	4.23	4.08	4.19	4.71	3.66	3.40	3.52	3.63
Operating cash flow, excl items affecting comp., SEK M	1,190	718	1,321	1,608	1,585	549	1,678	928	798
Cash conversion ratio, excl items affecting comp., R12, %	88	95	92	99	88	75	74	63	69
Capital employed, closing balance, SEK M	43,815	42,683	39,768	42,622	43,111	42,299	41,309	31,862	30,247
Return on capital employed R12, %	11.5	11.4	11.5	12.0	12.8	14.2	15.3	15.7	15.5

Group total	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Earnings per share, excl items affecting comparability, SEK	4.49	4.23	4.08	4.19	28.83	5.58	5.10	5.00	5.81
Earnings per share, Group, SEK	4.14	4.06	3.40	3.84	27.67	5.33	4.66	4.79	5.68
Free cash flow, SEK M	670	194	897	1,075	658	-104	1,823	499	583
Net debt, closing balance, SEK M	-1,981	939	2,682	1,871	1,881	-21,628	-20,897	-12,038	-10,959
Net debt/EBITDA	0.3	-0.1	-0.2	-0.1	-0.1	2.4	2.4	1.5	1.4
Debt/equity ratio %	5	-2	-6	-4	-4	56	56	33	31
Return on equity R12, %	8.5	23.7	25.4	26.0	27.2	14.5	14.9	14.0	13.5
Equity/assets ratio, %	70	72	70	69	68	50	49	56	57

Net sales and EBITA by operating segment	Q2 2024					
	Net sales			EBITA	Of which items affecting comparability	Of which items affecting comparability
	External	Internal	Total			
SEK M						
Trelleborg Industrial Solutions	3,887	68	3,955	544	-99	1
Trelleborg Medical Solutions	625	40	665	93	-	-
Trelleborg Sealing Solutions	4,199	150	4,349	909	-12	0
Group activities/Elimination	-	-258	-258	-58	-	-
Total	8,711		8,711	1,488	-111	1
Amortization of surplus values linked to acquisitions				-116		
Financial income				91		
Financial expenses				-154		
Income tax				-321		
Net profit, continuing operations				988		
Net profit, discontinuing operations				-		
Net profit, Group				988		

Net sales and EBITA by operating segment	Q2 2023					
	Net sales			EBITA	Of which items affecting comparability	Of which items affecting comparability
	External	Internal	Total			
SEK M						
Trelleborg Industrial Solutions	3,922	58	3,980	525	-107	3
Trelleborg Medical Solutions	628	19	647	87	-13	-
Trelleborg Sealing Solutions	3,941	107	4,048	827	-74	0
Group activities/Elimination	205	-184	21	-70	-	-
Total	8,696		8,696	1,369	-194	3
Amortization of surplus values linked to acquisitions				-121		
Financial income				337		
Financial expenses				-197		
Income tax				-491		
Net profit, continuing operations				897		
Net profit, discontinuing operations				6,130		
Net profit, Group				7,027		

Acquisitions

6M 2024

During the second quarter of 2024, Trelleborg, through its Trelleborg Industrial Solutions business area, finalized the acquisition of BP-Tech Group, including Boldan and Spraypoxy, a Finnish pipe repair specialist.

During the second quarter of 2024, Trelleborg, through its Trelleborg Sealing Solutions business area, finalized the acquisition of the South Korean MNE Group, which consists of the companies Materials Nano Engineering and Materials Nano Solution and is primarily focused on manufacturing high-performance specialty seals for both the aftermarket and OE manufacturers of semiconductor production equipment.

All acquisitions completed in 2024 refer to 100 percent of the shares in the respective companies. Certain minor adjustments were made to purchase price allocations attributable to acquisitions made in 2023.

6M 2023

During the first quarter of 2023, Trelleborg, through its Trelleborg Sealing Solutions business area, signed agreements and finalized the acquisitions of two minor privately owned Swiss manufacturers of special tools for complex silicon components: Lehmann AG and Oechsli AG.

During the second quarter of 2023, Trelleborg, through its Trelleborg Industrial Solutions business area, finalized the acquisition of an operation specializing in automotive boots for the fast-growing Indian light vehicles market. The operation was part of the India-based privately owned company Injectoplast.

During the second quarter of 2023, Trelleborg, through its Trelleborg Sealing Solutions business area, finalized the acquisition of an operation from the US-based privately owned 4M Company, Inc. The operation specializes in sealing solutions for aerospace and industrial applications.

The acquisition of an operation from the 4M Company, Inc. was an acquisition of assets and liabilities, while the other acquisitions finalized in 2023 pertained to 100 percent of the shares in the respective companies.

Certain minor adjustments were made to purchase price allocations attributable to acquisitions made in 2022. Carrying amounts of identifiable acquired assets and assumed liabilities.

Acquisitions, SEK M	6M 2024	6M 2023
	Adjustment to acquisitions 2023	Adjustment to acquisitions 2022
Customer relationships ¹	264	163
Other intangible assets	1	0
Property, plant and equipment	145	4
Right-of-use assets	2	14
Deferred tax assets	-	15
Shares in associated companies	-	-
Interest-bearing receivables	185	-
Inventories	218	23
Operating receivables	118	33
Current tax asset	-	-
Cash and cash equivalents	107	6
Deferred tax liabilities	-57	-24
Interest-bearing liabilities	-157	-22
Post employment benefits	0	0
Provision obligations	-	-4
Current tax liability	-13	-5
Operating liabilities	-125	-31
Net assets	688	172
Goodwill	546	243
Total purchase price	1,234	415
Cash and other net debt in acquired operations	-135	16
Impact shown in cash flow statement	1,099	431

¹ Excess value of customer relationships are amortized over 10-12 years.

The goodwill recognized above for 2024 was primarily attributable to synergy effects expected after the acquisition. The fair value of acquired, identifiable intangible assets is preliminarily pending final measurement of these assets.

Assets and liabilities held for sale / Discontinuing operations

The Group's tire and printing blanket operations were divested to Yokohama Rubber and Continental, respectively, on May 2, 2023. The total capital gain amounts to SEK 6,189 M before tax and SEK 6,052 M after tax.

The tables below show the condensed income statements, balance sheets and cash flow statements for the Group's assets and liabilities held for sale / Discontinuing operations.

Income statement for discontinuing operations, SEK M	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
Net sales	-	1,122	-	5,108	0	5,108
Operating expenses	-	-1,016	-	-4,290	0	-4,290
Capital gain	-	6,189	-	6,189	0	6,189
EBIT	-	6,295	-	7,007	0	7,007
Financial items	-	-9	-	-124	0	-124
Profit before tax	-	6,286	-	6,883	0	6,883
Tax	-	-156	-	-290	0	-290
Net profit	-	6,130	-	6,593	0	6,593

Cash-flow statement for discontinuing operations, SEK M	6M 2024	6M 2023
Cash flow from operating activities	-	-345
Cash flow from investing activities	-	26,213
Cash flow from financing activities	-	-9,870
Total cash flow from discontinuing operations	-	15,998

Financial instruments – classification and valuation

A description of how fair value is calculated is provided below and in Accounting policies in the latest Annual Report.

At June 30, 2024, SEK M	Assets measured at amortized cost	Assets at fair value in profit and loss		Derivatives used for hedging purposes, measured at fair value		Total
		Carrying amount	Measurement level	Carrying amount	Measurement level	
Assets in the balance sheet						
Derivative instruments	-	62	2	170	2	232
Financial non-current assets	114	49	3	-	-	163
Accounts receivable	5,740	-	-	-	-	5,740
Interest-bearing receivable	1	-	-	-	-	1
Cash and cash equivalents	5,141	-	-	-	-	5,141
Total	10,996	111		170		11,277

	Liabilities measured at amortized cost	Liabilities at fair value in profit and loss		Derivatives used for hedging purposes, measured at fair value		Total
		Carrying amount	Measurement level	Carrying amount	Measurement level	
Liabilities in the balance sheet						
Derivative instruments	-	67	2	27	2	94
Interest-bearing non-current liabilities	3,345	-	-	-	-	3,345
Interest-bearing current liabilities	1,550	-	-	-	-	1,550
Lease liabilities according to IFRS 16	1,679	-	-	-	-	1,679
Accounts payable	2,425	-	-	-	-	2,425
Total	8,999	67		27		9,093

Measurement techniques used to calculate fair value of level 2

Level 2 derivatives comprise currency futures and interest swaps and are primarily used for hedging purposes, but also for trading. Measurement of the fair value of currency futures is based on the published forward rates in an active market and on the discounted contractual cash flows. Measurement of interest swaps is based on forward interest rates prepared on the basis of observable Swedish interest curves and discounting of the contractual cash flows.

Measurement techniques used to calculate fair value of level 3

A financial interest-bearing receivable of SEK 49 M (49) is recognized at fair value. An assessment of the most likely outcome has been determined. The present value of this amount has been calculated.

Disclosure on fair value of borrowings and other financial instruments

Financial interest-bearing liabilities, except for financial derivatives that adjust loans, are recognized at amortized cost. Changes in interest-rate levels and credit margins create differences between fair value and amortized cost. Measurement at fair value would decrease the Group's non-current loans by SEK 13 M. No remeasurement was made for current loans because the carrying amount is regarded as a good estimate of the fair value due to their short term.

At June 30, 2023, SEK M	Assets measured at amortized cost	Assets at fair value in profit and loss		Derivatives used for hedging purposes, measured at fair value		Total
		Carrying amount	Measurement level	Carrying amount	Measurement level	
Assets in the balance sheet						
Derivative instruments	-	82	2	91	2	173
Financial non-current assets	92	47	3	-	-	139
Accounts receivable	5,919	-	-	-	-	5,919
Interest-bearing receivable	1	162	3	-	-	163
Cash and cash equivalents	11,628	-	-	-	-	11,628
Total	17,640	291		91		18,022

	Liabilities measured at amortized cost	Liabilities at fair value in profit and loss		Derivatives used for hedging purposes, measured at fair value		Total
		Carrying amount	Measurement level	Carrying amount	Measurement level	
Liabilities in the balance sheet						
Derivative instruments	-	82	2	89	2	171
Interest-bearing non-current liabilities	6,886	-	-	-	-	6,886
Interest-bearing current liabilities	926	29	3	-	-	955
Lease liabilities according to IFRS 16	1,733	-	-	-	-	1,733
Accounts payable	2,772	-	-	-	-	2,772
Total	12,317	111		89		12,517

Parent Company

Condensed Income statements, SEK M	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
Net sales	164	149	308	285	658	635
Administrative expenses	-72	-277	-148	-344	-362	-558
Other operating income	3	0	5	1	12	8
Other operating expenses	-30	-34	-63	-63	-426	-426
EBIT	65	-162	102	-121	-118	-341
Financial income and expenses ¹	1,605	15,033	1,471	14,816	3,898	17,243
Profit before tax	1,670	14,871	1,573	14,695	3,780	16,902
Appropriations	1	-	1	-	450	449
Tax	-14	-9	16	38	-102	-80
Net profit	1,657	14,862	1,590	14,733	4,128	17,271

¹ Q2 2023 includes effects from divestments of the Group's tire and printing blanket operations.

Condensed Balance sheets, SEK M	Jun 30 2024	Jun 30 2023	Dec 31 2023
Property, plant and equipment	8	10	9
Intangible assets	4	10	6
Financial assets	37,859	38,218	37,873
Total non-current assets	37,871	38,238	37,888
Current receivables	2,206	2,493	115
Current tax asset	23	4	-
Interest-bearing receivables	0	-	788
Cash and cash equivalents	0	1	0
Total current assets	2,229	2,498	903
Total assets	40,100	40,736	38,791
Equity	24,277	26,056	26,325
Untaxed reserves	100	-	101
Interest-bearing non-current liabilities	0	0	0
Other non-current liabilities	58	58	65
Total non-current liabilities	58	58	65
Interest-bearing current liabilities	15,468	14,278	12,087
Current tax liabilities	-	-	60
Other current liabilities	197	344	153
Total current liabilities	15,665	14,622	12,300
Total equity and liabilities	40,100	40,736	38,791

Other

Related parties. No material changes occurred for the Group or the Parent Company in relations or transactions with related parties, compared with what is described in Note 12 of the 2023 Annual Report.

During the second quarter of 2024, Trelleborg AB recognized costs attributable to the PSP 2024/2027 share program. For further information, refer to the resolution passed by the Annual General Meeting on April 24, 2024. The effects of the recognized costs are not material.

ABOUT TRELLEBORG

The Trelleborg Group is a world leader in engineered polymer solutions. The Group had sales of approximately SEK 34 billion in 2023 and operations in some 40 countries.

With Trelleborg's material expertise and industry insight in cutting-edge areas with rigorous requirements, such as the aerospace and automotive industries, as well as healthcare & medical, the Group is creating the sustainable industrial solutions of today, shaped by such trends as electrification, digitalization, industrial automation, and new sustainable materials. The Group's polymer-based solutions are often critical to the functionality of the customers' advanced end products.

The engineered solutions are based on unique sealing and damping properties of polymers such as rubber and plastic. The solutions save energy and reduce CO₂ emissions, eliminate noise and vibrations, and dramatically extend the lifecycles of machines and medical devices as well as skyscraper facades.

Trelleborg's climate targets were validated by the Science Based Targets initiative (SBTi) in the fourth quarter of 2023. Resource efficiency and circularity are becoming part of Trelleborg's DNA.

Better platform than ever. Trelleborg's way of achieving results – a strongly decentralized organization built on local responsibility and personal dedication – form the basis of the Group's model for profitability and business success.

Despite the turbulence in its operating environment, Trelleborg delivered a strong financial performance in recent years. Trelleborg's financial capacity is healthy.

Accelerated growth. A number of industries have been identified as growing more than the industrial average in the

years ahead – Trelleborg is therefore placing additional focus on developing its business in these segments.

The fast-growing industries will act as a driving force for other areas at Trelleborg, which through innovations, differentiation and greater global reach is expected to grow in the upper range of the industrial average.

There will be a greater focus on company acquisitions that strengthen Trelleborg in attractive industries.

Sustainability leader in the industry. Trelleborg is working systematically to increase the share of bio-based and recycled raw materials in everything it develops. The ambition is to be the sustainability leader in the industry. The Group's climate target is to halve direct and indirect CO₂ emissions by the end of 2030 compared with the base year 2021, and, during the same period, reduce emissions along the value chain by 25 percent.

Bespoke strategy for each business. A common feature shared by all parts of Trelleborg is its engineered polymers with unique sealing and damping properties. The longstanding customer relationships are all built on close innovation collaboration with renowned industrial players.

Trelleborg's operational businesses are different, so they have bespoke strategies to achieve leading positions in their markets.

New horizons for Trelleborg. The technological development and climate transition in society worldwide favor the Group, and Trelleborg is involved in developing the industrial solutions of today.

The Group has strengthened its financial targets and is ready for the new reality.

Trelleborg's industries:

Business area/Industry	General industry	Automotive	Healthcare & medical	Aerospace
Trelleborg Industrial Solutions	83%	8%	3%	6%
Trelleborg Medical Solutions	0%	0%	100%	0%
Trelleborg Sealing Solutions	56%	28%	0%	16%
Continuing operations	65%	16%	9%	10%

Net sales per industry and business area based on full-year 2023.

PRESENTATION OF THE REPORT

A combined webcast and telephone conference will be held on July 18 at 3:00 p.m. CEST.

To follow the presentation webcast, either access this [link](#) or visit www.trelleborg.com.

To participate via teleconference, please register [here](#). After registration, you will be provided phone numbers and a conference ID to access the call. You can ask questions verbally via the teleconference.

The webcast will be available on Trelleborg's website following the presentation.

FINANCIAL CALENDER

Interim report July–September 2024
Year-end report 2024
Interim report January-March 2025
Annual General Meeting 2025
Interim report April-June 2025

October 24, 2024
January 29, 2025
April 24, 2025
April 24, 2025
July 17, 2025

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For information about the Trelleborg Group, Annual Reports, the stakeholder magazine *T-TIME* and other information, please visit the Group's website www.trelleborg.com.



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This report contains forward-looking statements that are based on the current expectations of the management of Trelleborg. Although management believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions, fluctuations in exchange rates and other factors.

This information is information that Trelleborg AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was issued, by the contact person above, for publication on July 18, 2024 at 1:00 p.m. CEST.

This is a translation of the company's Interim Report in Swedish.