



VBG GROUP

Q4

VBG GROUP YEAR-END REPORT
JANUARY–DECEMBER 2021

SEK 936 M

CONSOLIDATED SALES
FOR THE FOURTH QUARTER OF 2021
INCREASED TO SEK 936.0 M (759.9)

SEK 72 M

OPERATING PROFIT
FOR THE FOURTH QUARTER OF 2021
WAS SEK 72.1 M (86.2)

Year-end Report January–December 2021

Fourth quarter of 2021

- Consolidated sales increased by 23.2% to **SEK 936.0 M** (759.9).
- Adjusted for exchange rate changes between the years, organic growth was **21.4%**.
- Operating profit amounted to **SEK 72.1 M** (86.2).
- The operating margin was **7.7%** (11.3).
- Profit after financial items amounted to **SEK 71.6 M** (80.4).
- Earnings per share increased to **SEK 2.32** (2.04).
- Carlyle Johnson Machine Co., LLC was acquired and consolidated as of 27 December 2021.

Full-year 2021

- Consolidated sales increased by 14.7% to **SEK 3,611.2 M** (3,147.2).
- Adjusted for exchange rate changes between the years, organic growth was **19.1%**.
- Operating profit increased to **SEK 456.0 M** (353.4).
- The operating margin increased to **12.6%** (11.2).
- Profit after financial items increased to **SEK 441.4 M** (326.5).
- Earnings per share increased to **SEK 13.48** (9.07).
- The Board of Directors proposes an increase in the ordinary dividend to SEK 5.00 per share (4.50). This means the proposed total dividend corresponds to 37.2% (49.6) of profit after tax.

KEY FIGURES

Group, SEK M	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	936.0	759.9	3,611.2	3,147.2
Operating profit before depreciation/amortization (EBITDA)	100.8	114.0	562.4	462.5
Operating profit before amortization (EBITA)	79.4	94.1	484.1	385.5
Operating profit (EBIT)	72.1	86.2	456.0	353.4
Operating profit after financial items (EBT)	71.6	80.4	441.4	326.5
Profit after tax	58.0	50.9	337.1	226.7
Earnings per share, SEK	2.32	2.04	13.48	9.07
Cash flow from operating activities	37.1	139.1	187.3	446.2
ROE (cumulative), %	12.2	9.0	12.2	9.0
ROCE (cumulative), %	12.2	9.8	12.2	9.8
Equity/assets ratio, %	59.9	58.7	59.9	58.7
Interest-bearing net debt/EBITDA	n/a	n/a	0.81	0.58
Average number of employees	n/a	n/a	1,600	1,483
Number of shares outstanding ('000)	25,004	25,004	25,004	25,004

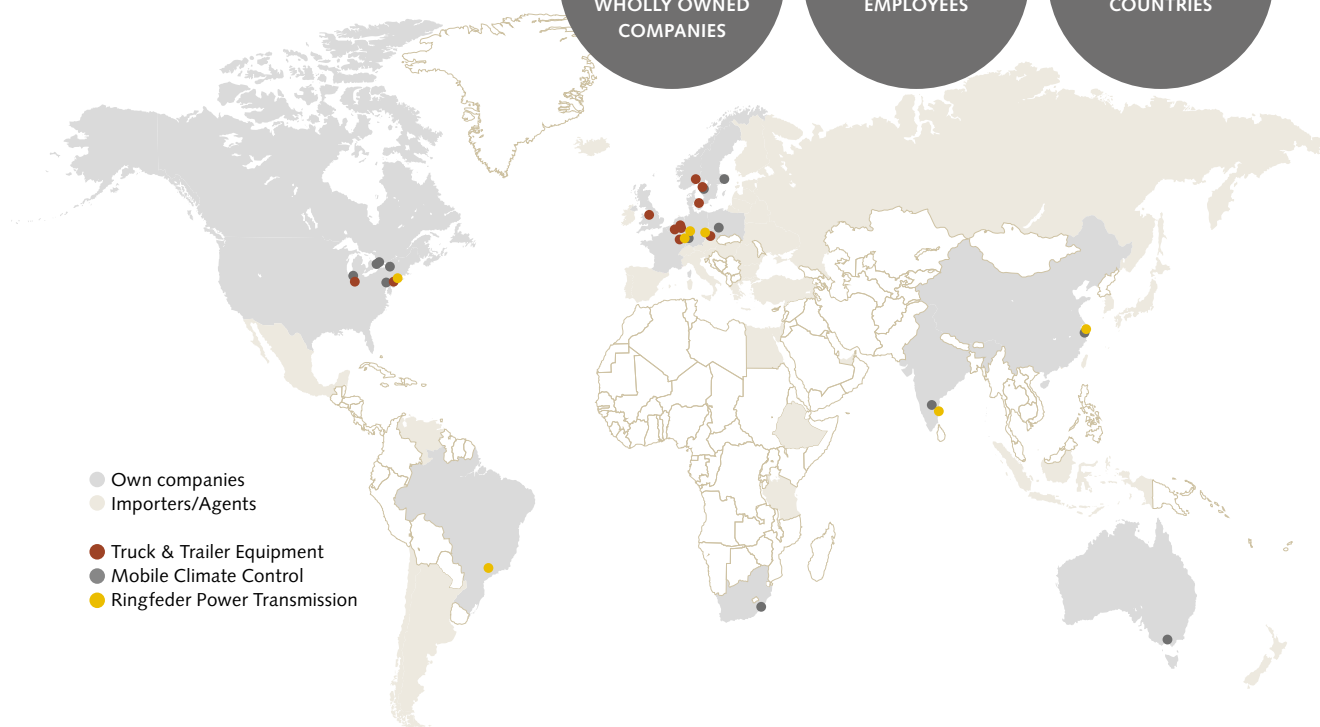
VBG Group fourth quarter

GLOBAL PRESENCE

34
WHOLLY OWNED
COMPANIES

1,714
EMPLOYEES

17
COUNTRIES



OUR DIVISIONS FOURTH QUARTER

TRUCK & TRAILER EQUIPMENT

Sales	EBITA	EBITA margin	Average no. of employees
SEK 350 M	SEK 55 M	16%	356



MOBILE CLIMATE CONTROL

Sales	EBITA	EBITA margin	Average no. of employees
SEK 450 M	SEK 15 M	3%	915



RINGFEDER POWER TRANSMISSION

Sales	EBITA	EBITA margin	Average no. of employees
SEK 135 M	SEK 17 M	12%	320



This is the VBG Group

We are
creating a
safer society

VBG Group is a long-term active owner of successful industrial companies and brands. The Group's three divisions — operating in 17 countries with approximately 1,700 employees — are run on a foundation of industrial expertise, strong brands and financial stability.

Leading industrial solutions

The Group's divisions offer its customers and end users leading industrial solutions that promote a safer world. Our range of products and services is directed toward a broad base of industries and customers in which continual product development as well as efficient purchasing and delivery procedures promote a competitive, cost-efficient offering.

High level of service

VBG Group has a sharp focus on service, which permeates our entire value chain and the customer's journey as a user. Our aftermarket business represents 23% of the Group's sales. Group Management supports the divisions in their work on creating the greatest possible value for the customer, from development to aftermarket.

Strong international position

Through its three divisions with the appurtenant distribution network, VBG Group has a strong international position and presence. Our growth agenda going forward is oriented on continued expansion and globalization of the Group.

Broad portfolio of brands in attractive niches

Over time, the Group's active acquisition and growth strategy has enabled a broad and competitive brand portfolio. VBG, Onspot, Edscha Trailer Systems, Mobile Climate Control and Ringfeder all have world-leading positions in their respective industrial niches. Since December 2021, the Carlyle Johnson brand is also part of the portfolio.

Long-term financial strength

With a solid base of stable, long-term owners, VBG Group's ownership model together with strong earnings performance has enabled the Group's financial stability with a high equity/assets ratio. Our strong financial position creates conditions for acquisitions and investments, even during periods with low levels of business activity.

Considerable industrial expertise

VBG Group's business concept is built on acquisitions, long-term ownership and strategic governance of industrial companies in business-to-business commerce. The solid industrial competence that has been built up since the Group was founded in 1951 is an advantage in our acquisition process as well as in the strategic governance and operational development of our divisions.

AREAS OF OPERATION



People

Every day, our customers transport thousands of people, for example, on the way to and from work or school. The automatic tire chains and climate control systems we provide let them do so safely in traffic, with a pleasant climate.



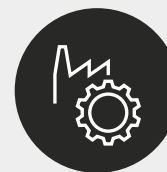
Goods

Our solutions for trucks, trailers and trains include products such as drawbars, underrun protection and sliding roofs that allow our customers to transport their goods safely, efficiently and sustainably on a daily basis.



Off-road

Our solutions for off-road, forestry and defense vehicles promote a safer work environment for the users of these vehicles. Our climate control systems improve the environment for drivers and promote new solutions that support electrification of the industry.



Industrial

Our friction springs promote a safe infrastructure in society, in everything from elevators to dampers that protect buildings against natural catastrophes. Additionally, we offer couplings for mechanical power transmission in freight management, the mining industry and energy production as well as the food, packaging and automotive industries.

A record year marked by high demand and pressure on supply chains

VBG Group's net sales for the full year rose to SEK 3,611.2 M (3,147.2) and operating profit totaled SEK 456.0 M (353.4), with an operating margin of 12.6% (11.2).

Following 2020, a distinct recovery was noted in the market during the year, and demand for our products has been extremely high. In the aftermath of the pandemic, however, VBG Group struggled with delays in deliveries, rising raw materials prices, logistics problems and personnel shortages throughout 2021.

Arduous fourth quarter

Fourth-quarter sales for VBG Group were SEK 936.0 M and operating profit totaled SEK 72.1 M with an operating margin of 7.7%. The already strained delivery situation deteriorated further in the fourth quarter. There was another global flare-up of the pandemic, which caused further delays in the supply chain. This, in combination with our own personnel falling ill and being quarantined, put the organization to the test.

To prioritize our customer deliveries, we took extraordinary measures in the fourth quarter, such as engaging extra personnel, overtime and increased logistics costs, which had a negative impact on our profitability. We were able to offset rising raw material prices during the year, but in the fourth quarter there was a lag since our latest price increases will only take effect in early 2022.

All employees made a tremendous effort in the fourth quarter, and throughout 2021, to handle the delivery situation. I am extremely proud of how our organization took on these challenges.

Record-high demand

The need for transportation and industrial solutions continues to grow, and all divisions increased their sales in 2021.

Truck & Trailer Equipment posted the highest sales in its history – SEK 1,327.9 M (1,054.3) – and Ringfeder Power Transmission's sales increased to SEK 520.5 M (475.2). Both divisions retained robust profitability despite price increases and imbalances in the supply chains. Henfel in Brazil posted the best quarter in its history.

The excellent earnings in the divisions show, once again, that our strategy of strong brands in distinct niches, a broad customer base and products with high customer value is the right way forward.



The acquisition of
Carlyle Johnson
Machine strengthens
our industrial business

Restructuring of Mobile Climate Control continues

For Mobile Climate Control, the off-road segment experienced highly robust demand in 2021 while the bus segment – hardest hit by the pandemic – recovered more slowly. Sales in the division for 2021 increased, totaling SEK 1,762.7 M (1,617.7).

The drastic decrease in the use of buses during the pandemic is continuing to impact both new sales and aftermarket. We can see that the cost savings implemented by the division in 2020 and 2021 improved profitability, but increased costs for raw materials, freight and extra personnel in order to ensure customer deliveries brought the margin down.

The efforts to restructure the division are continuing, and in order to further improve profitability in the bus business, the operations in the US will be consolidated and brought together into one location in 2022.

Growth via acquisition

In 2021, we carried out two acquisitions in the US. In August, we carried out a small asset acquisition of the tire chain manufacturer Insta-Chain, and Carlyle Johnson Machine was acquired in late December.

Carlyle Johnson Machine's suite of products includes mechanical, electric and pneumatic clutches and braking systems as well as associated electrical controls and lubrication seals for medicine, aviation, industrial and defense product applications.

The acquisition of Carlyle Johnson Machine boosts our industrial business and means we can grow further as an industrial group. The Carlyle Johnson brand is associated with a high degree of product reliability in combination with high innovative capacity, and is found in a number of different applications and segments that are new for us. For example, the products are

used in surgical robotics. We see a great deal of potential in using our industrial know-how and our existing sales channels to grow this business further.

VBG Group's acquisition process was adjusted, broadened and developed in 2021, and I look forward to continuing the initiatives related to our structural growth in 2022.

Sustainable growth

2021 – and the fourth quarter in particular – were extremely challenging. Under these conditions, we posted the best earnings in the Group's 70-year history. I believe this is proof of our strength for the future.

It appears that the imbalances in the market will continue next year as well, and the pandemic and the prevailing geopolitical situation are creating uncertainty. Despite this, I see tremendous opportunities for VBG Group in 2022.

As a Group, we are financially strong, we have capable employees and we offer products with high customer value. In 2022, we will implement our in-depth sustainability initiatives and introduce new sustainability targets. We will continue our journey of growth and offer the market new products that increase safety for our customers and society.

We have an exciting year ahead of us!

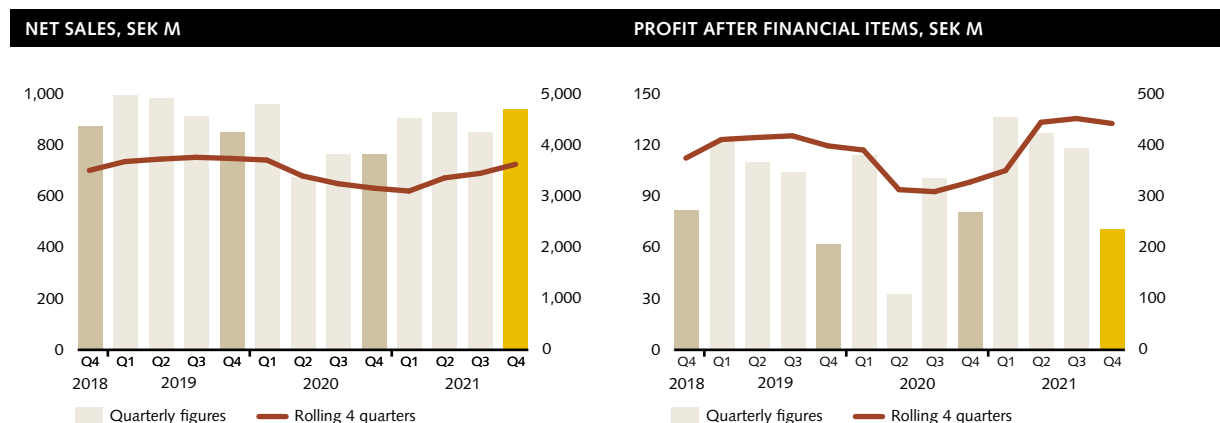


Anders Birgersson
President and CEO, VBG Group

Group trend

SALES/EARNINGS										
SEK M	Full-year 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Full-year 2020	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net sales	3,611.2	936.0	848.3	925.5	901.4	3,147.2	759.9	759.6	670.1	957.5
Operating profit before depreciation/amortization (EBITDA)	562.4	100.8	137.0	156.4	168.2	462.5	114.0	139.3	65.5	143.8
Operating profit before amortization (EBITA)	484.1	79.4	117.6	137.5	149.6	385.5	94.1	120.5	46.5	124.5
Operating profit (EBIT)	456.0	72.1	110.5	130.6	142.8	353.4	86.2	113.0	38.2	116.0
Operating margin (EBIT), %	12.6	7.7	13.0	14.1	15.8	11.2	11.3	14.9	5.7	12.1
Operating profit after financial items (EBT)	441.4	71.6	107.4	126.5	135.9	326.5	80.4	100.0	32.6	113.5
Profit after tax	337.1	58.0	82.2	93.8	103.1	226.7	50.9	73.9	22.4	79.4
Earnings per share, SEK	13.48	2.32	3.29	3.75	4.12	9.07	2.04	2.95	0.90	3.18
Cash flow from operating activities	187.3	37.1	58.8	32.4	59.0	446.2	139.1	120.1	74.2	112.8
ROE (cumulative), %	12.2	12.2	14.1	14.8	16.1	9.0	9.0	9.2	8.1	12.8
ROCE (cumulative), %	12.2	12.2	13.5	14.8	15.4	9.8	9.8	9.8	8.8	12.8
Equity/assets ratio, %	59.9	59.9	61.3	57.9	58.4	58.7	58.7	57.8	57.2	55.8

SALES BY MARKET										
SEK M	Full-year 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Full-year 2020	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Sweden	285.7	76.7	54.4	74.0	80.6	240.2	68.6	53.9	47.7	70.0
Other Nordic countries	212.6	58.4	45.6	53.0	55.7	174.0	46.3	36.6	38.0	53.2
Germany	535.9	137.7	123.3	141.2	133.8	409.3	101.7	90.4	88.5	128.8
Other European countries	597.5	136.3	141.0	164.9	155.3	468.1	118.3	110.2	90.5	149.2
North America	1,551.2	399.0	381.3	379.3	391.7	1,573.6	353.2	401.2	344.4	474.8
Brazil	89.0	27.0	25.1	18.2	18.7	79.6	23.4	19.3	16.0	21.0
Australia/New Zealand	108.6	26.6	24.4	30.2	27.4	103.3	24.9	23.0	21.1	34.2
China	48.8	18.3	10.7	13.5	6.3	30.1	8.8	7.0	7.9	6.4
Rest of world	181.9	56.1	42.5	51.4	31.9	68.8	14.8	18.0	16.0	20.0
	3,611.2	936.0	848.3	925.5	901.4	3,147.2	759.9	759.6	670.1	957.5



Sales and earnings

Fourth quarter of 2021

Sales increased to SEK 936.0 M (759.9) and were 23.2% higher compared with the fourth quarter of 2020. Adjusted for currency effects between the years, organic growth was 21.4%.

Demand for the Group's products remained high in all divisions in the fourth quarter of 2021. Truck & Trailer Equipment increased its sales by 20.5% adjusted for currency effects. Mobile Climate Control's sales increased by 21.9% adjusted for currency effects. The division continued to experience low levels of demand in the North American bus segment as a result of the pandemic, but this was offset to some extent by increased demand in the off-road segment. For Ringfeder Power Transmission, sales increased 22.1% adjusted for currency effects.

Consolidated operating profit amounted to SEK 72.1 M (86.2), corresponding to an operating margin of 7.7% (11.3). Truck & Trailer Equipment's operating margin totaled 15.3% (20.2). Despite robust demand, the operating margin decreased as a result of higher raw materials prices and disruptions in the supply chain. The comparison quarter for 2020 is also a difficult one since it was marked by high demand, high utilization of resources in production and a lower cost base after the pandemic. Mobile Climate Control's operating margin was 2.1% (3.9). The positive impact of the cost savings carried out during the year on the operating margin was reversed by cost increases for raw materials and shipping as well as disruptions in the supply chain.

Ringfeder Power Transmission's operating margin decreased to 11.8% (18.0) for the quarter. Despite significant demand, the operating margin decreased as a result of higher raw material prices and disruptions in the supply chain. Total EBIT for the Group decreased 12.6% compared to the fourth quarter of 2020.

Net interest expense was SEK 1.7 M (expense: 3.2) and the quarter's currency effect on foreign-currency denominated financial liabilities was SEK 2.1 M (neg: 0.9). Other financial expenses amounted to SEK 1.0 M (expense: 1.8). Operating profit after financial items amounted to SEK 71.6 M (80.4), and operating profit after tax totaled SEK 58.0 M (50.9). Earnings per share increased to SEK 2.32 (2.04).

Full-year 2021

Sales totaled SEK 3,611.2 M (3,147.2) and were 14.7% higher than full-year 2020. Adjusted for currency effects between the years, organic growth was 19.1%.

Operating profit – the best in the history of VBG Group – amounted to SEK 456.0 M (353.4), corresponding to an operating margin of 12.6% (11.2).

The Group's net interest expense for the full year was SEK 9.7 M (expense: 13.0), the currency effect on foreign currency-denominated credits was negative SEK 1.9 M (neg: 10.5) and other financial expenses totaled SEK 2.9 M (expense: 3.4). Taken together, this resulted in financial items of negative SEK 14.6 M (neg: 26.9). Accordingly, profit after financial items was SEK 441.4 M (326.5) and profit after tax totaled SEK 337.1 M (226.7). Tax expenses for the year amounted to SEK 104.3 M (99.8), corresponding to a tax rate of 23.6% (30.6). Tax for 2020 was negatively impacted by impairment of tax assets in Mobile Climate Control in Poland and India totaling SEK 10.9 M, which led to a lower tax cost for 2021 compared to 2020. Earnings per share increased to SEK 13.48 (9.07).

Capital expenditures

The Group's new capital expenditures for the fourth quarter amounted to SEK 15.9 M (16.7). Total new capital expenditures for the full year were SEK 82.7 M (52.6). The new capital expenditures consist largely of investments in assets concerning the Insta-Chain brand, which was acquired in the third quarter. Depreciation/amortization during the fourth quarter totaled SEK 28.7 M (27.7) and depreciations for the full year totaled SEK 106.4 M (109.2).

Financial position

Profit after tax for the period amounted to SEK 337.1 M (226.7) and other comprehensive income to SEK 68.7 M (loss: 154.2), which resulted in comprehensive income of SEK 405.9 M (72.5). Dividends paid in 2021 totaled SEK 112.5 M (0). As an effect of the COVID-19 situation, no dividend was paid to shareholders in 2020 for fiscal year 2019. Accordingly, consolidated equity increased to SEK 2,793.5 M (2,500.2) during the period.

The equity/assets ratio increased slightly during the period to 59.9% (58.7). Cash and cash equivalents decreased by SEK 232.1 M during the period, due largely to increased tied-up capital primarily in inventories, repayment of loans, dividends in 2021 and the acquisition of Carlyle Johnson Machine. Cash and cash equivalents totaled SEK 667.4 M (899.5) at the end of the period. In addition, there were unutilized overdraft facilities of SEK 100.0 M, which means the Group at the end of December had available liquidity of SEK 767.4 M (999.5). The Group has a total credit facility of SEK 1,300 M, of which SEK 551.3 M is unutilized.

The Group's interest-bearing net debt increased by SEK 186.6 M during the period, totaling SEK 455.5 M (268.9) at the end of the period.

The ratio of interest-bearing net debt to equity was 0.16 at December 31, 2021 (0.11 at December 31, 2020) and the ratio of interest-bearing net debt to consolidated operating profit before depreciation/amortization and impairment (EBITDA on a rolling four-quarter basis) was 0.81 (0.58 at year-end).

The Group's goodwill increased by SEK 67.7 M as a result of the acquisition of Carlyle Johnson Machine and currency effects, and amounted at the end of the period to SEK 1,169.8 M (1,102.1), which in relation to equity amounted to a ratio of 0.42 (0.44).

Acquisition of Carlyle Johnson Machine

Carlyle Johnson Machine Co., LLC in the US, with a total of four subsidiaries (Carlyle Johnson Machine), was acquired on December 27. The companies acquired will be consolidated into the Ringfeder Power Transmission division as of December 27, 2021. The purchase consideration for all shares amounted to SEK 174.2 M. According to an initial preliminary acquisition plan, the acquisition resulted in consolidated goodwill of SEK 47.5 M. The group acquired has annual sales of SEK 100 M and approximately fifty employees. Carlyle Johnson Machine did not contribute any sales to VBG Group for 2021, or any earnings for the period 27–31 December.

COVID-19

The impact of the COVID-19 pandemic in 2020, in the form of a decrease in demand for the Group's products, transitioned into increased demand for the Group's products in 2021. Another effect of the pandemic on the Group in 2020 was a decrease in tied-up capital, primarily for stock and trade receivables. In 2021, higher demand also enabled trade receivables and stock to return to higher, more normal levels. In connection with the COVID-19 pandemic, VBG Group received various types of

support in 2020 aimed at mitigating the impact of the effects of the pandemic. This support has decreased as a result of the gradual return of demand. In the fourth quarter, the Group did not receive any direct support pertaining to COVID-19. For full-year 2021, the Group received a total of SEK 11.2 M (57.9) in direct support linked to COVID-19, the majority of which pertained to the Group's operations in North America.

Cash flow

Cash flow from operating activities declined, compared to the year-earlier period, to SEK 187.3 M (446.2). This decrease was attributable to an increase in tied-up capital in trade receivables and stock as a result of increased sales, but the increase in working capital is also the result of higher raw materials prices and inefficiency in the supply chain. Investments made during the period totaled SEK 208.4 M (50.6), of which the acquisition of Carlyle Johnson Machine comprised SEK 146.3 M and Insta-Chain approximately SEK 30 M. The Group's total borrowings and lease liabilities decreased over the full year by SEK 114.9 M (increase: 54.1). After a dividend of SEK 112.5 M (no dividend in 2020), cash flow for the period totaled SEK –247.9 M (pos: 449.6).

Personnel

At December 31, 2021, there were 1,714 employees (1,484) in the VBG Group including Carlyle Johnson Machine, of which 219 (221) in Sweden. During full-year 2021, the Group employed an average of 1,600 persons (1,483) excluding Carlyle Johnson Machine. Of these, 225 (200) were active in Sweden. The cost of salaries and social security contributions for the full year was SEK 871.3 M (776.2). In the comparison with the preceding year, it should be noted that personnel had been put on short-term furloughs from the second to the fourth quarter of 2020, which meant that both the number of those employed and the cost of salaries and social security contributions decreased drastically in the year-earlier period.

Per share data

Earnings per share amounted to SEK 13.48 (9.07).

Equity per share was SEK 111.72 at December 31, 2021, compared with SEK 100.00 at the same time last year.

At the end of the quarter, the share price was SEK 188.00, which corresponds to a market capitalization of SEK 4,701 M, compared with a share price of SEK 154.50 and market capitalization of SEK 3,863 M in the year-earlier period.

The number of shareholders increased by 1,324 during the full year, totaling 5,831 (4,507) at year-end.



FOURTH QUARTER OF 2021

- Sales increased 20.3% to **SEK 350.3 M** (291.2).
- Adjusted for exchange rate changes between the years, organic growth was **20.5%**.
- EBITA amounted to **SEK 54.9 M** (60.1), with an EBITA margin of 15.7% (20.6).

FULL-YEAR 2021

- Sales increased 26.0% to **SEK 1,327.9 M** (1,054.3).
- Adjusted for exchange rate changes between the years, organic growth was **29.2%**.
- EBITA amounted to **SEK 251.4 M** (194.8), with an EBITA margin of 18.9% (18.5).

SALES/EARNINGS										
SEK M	Full-year 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Full-year 2020	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net sales	1,327.9	350.3	281.0	349.3	347.4	1,054.3	291.2	235.5	199.5	328.2
EBITDA	282.2	63.1	49.4	79.1	90.5	223.5	68.1	46.8	34.1	74.6
EBITA	251.4	54.9	41.7	71.4	83.4	194.8	60.1	40.0	27.1	67.7
EBITA margin, %	18.9	15.7	14.8	20.4	24.0	18.5	20.6	17.0	13.6	20.6
Operating profit (EBIT)	248.0	53.7	40.8	70.7	82.8	189.2	58.8	39.2	25.3	65.9
Operating margin (EBIT), %	18.7	15.3	14.5	20.2	23.8	17.9	20.2	16.6	12.7	20.1

SALES BY MARKET										
SEK M	Full-year 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Full-year 2020	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Sweden	240.1	65.3	44.5	61.1	69.1	203.9	60.2	46.3	37.8	59.5
Other Nordic countries	164.7	44.4	34.1	41.2	45.0	140.0	38.5	29.1	28.9	43.4
Germany	343.6	87.6	72.9	94.5	88.5	254.8	67.0	55.8	51.0	81.1
Other European countries	363.9	82.3	82.1	103.0	96.5	275.0	71.3	66.3	48.0	89.4
North America	92.1	35.9	20.2	14.6	21.4	90.3	29.6	20.3	15.1	25.3
Australia/New Zealand	87.1	23.3	18.8	24.7	20.4	68.1	18.5	11.7	14.6	23.3
China	1.6	1.1	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of world	34.9	10.3	8.0	10.2	6.4	22.2	6.0	5.9	4.1	6.1
Truck & Trailer Equipment	1,327.9	350.3	281.0	349.3	347.4	1,054.3	291.2	235.5	199.5	328.2

Sales and earnings

Fourth quarter of 2021

Sales for the quarter increased 20.3% year-on-year to SEK 350.3 M (291.2). Adjusted for exchange rate changes, where the average USD rate between the quarters strengthened 2.7% and the EUR – which is a more important currency for the division – weakened 1.4%, organic growth was 20.5%.

Operating profit before amortizations of intangible assets (EBITA) for Truck & Trailer Equipment decreased in the fourth quarter to SEK 54.9 M (60.1), with an EBITA margin of 15.7% (20.6). Despite good growth in the quarter, earnings decreased. Price increases for raw materials and significant disruptions in the supply chain had a negative impact on costs compared with the preceding year.

Full-year 2021

Sales for the full year increased 20.3% year-on-year to SEK 1,327.9 M (1,054.3). Adjusted for exchange rate changes, where the average USD rate between the periods weakened 6.9% and the EUR – which is a more important currency for the division – weakened 3.3%, organic growth was 29.2%.

EBITA for Truck & Trailer Equipment increased year-on-year to SEK 251.4 M (194.8), with an EBITA margin that remained high at 18.9% (18.5).

During the year, the division's working capital increased SEK 95.9 M to SEK 327.6 M (231.7) as a result of higher sales, higher raw materials prices, stresses in the supply chain; with the addition of property, plant and equipment of SEK 187.2 M, operating capital amounted to SEK 514.8 M at the end of December (407.7).

The division's return on operating capital (ROOC), where EBITDA on a rolling four-quarter basis is put in relation to average operating capital for the same period, totaled 58.3% (52.0).

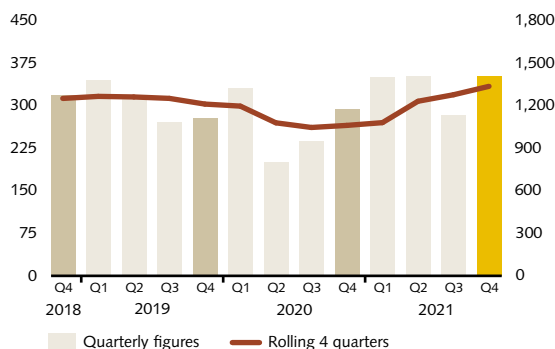
Capital expenditures and depreciation/amortization

Truck & Trailer Equipment's investments during the fourth quarter totaled SEK 10.7 M (13.6). Total new capital expenditures for the full year were SEK 67.1 M (33.6). The new capital expenditures consist largely of investments in assets concerning the Insta-Chain brand, which was acquired in the third quarter. Depreciation/amortization during the fourth quarter totaled SEK 9.4 M (9.3) and SEK 34.2 M (34.3) for the full year.

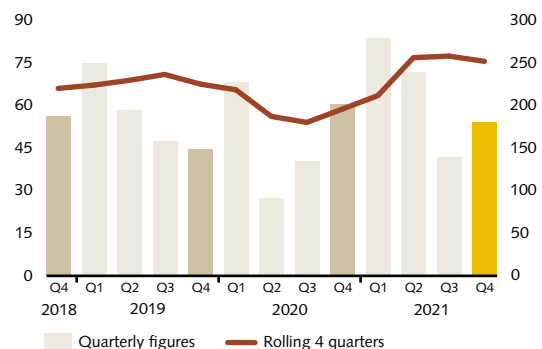
Personnel

Over the full year, Truck & Trailer Equipment employed an average of 356 persons (331). At December 31, 2021, 376 persons (353) were employed in the division. Personnel costs for the full year amounted to SEK 272.7 M (233.0), resulting in a cost per employee of SEK 766.0 thousand (704.0). The comparison figures for 2020 were impacted by the COVID-19 pandemic, and are lower since many employees were put on temporary furlough during the second quarter.

NET SALES, SEK M



EBITA, SEK M





FOURTH QUARTER OF 2021

- Sales increased 25.9% to **SEK 450.3 M** (357.8).
- Adjusted for exchange rate changes between the years, organic growth was **21.9%**.
- EBITA amounted to **SEK 14.8 M** (19.2), with an EBITA margin of 3.3% (5.4).

FULL-YEAR 2021

- Sales increased 9.0% to **SEK 1,762.7 M** (1,617.7).
- Adjusted for exchange rate changes between the years, organic growth was **13.3%**.
- EBITA amounted to **SEK 156.8 M** (125.9), with an EBITA margin of 8.9% (7.8).

SALES/EARNINGS										
SEK M	Full-year 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Full-year 2020	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net sales	1,762.7	450.3	430.4	451.7	430.3	1,617.7	357.8	404.9	358.1	496.9
EBITDA	188.2	24.0	56.8	56.4	51.0	156.9	27.0	64.6	12.2	53.2
EBITA	156.8	14.8	49.4	49.3	43.4	125.9	19.2	56.8	4.5	45.4
EBITA margin, %	8.9	3.3	11.5	10.9	10.1	7.8	5.4	14.0	1.3	9.1
Operating profit (EBIT)	136.2	9.6	44.2	44.1	38.3	104.5	13.9	51.4	−0.8	40.1
Operating margin (EBIT), %	7.7	2.1	10.3	9.8	8.9	6.5	3.9	12.7	−0.2	8.1

SALES BY MARKET										
SEK M	Full-year 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Full-year 2020	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Sweden	42.2	10.8	8.8	12.1	10.5	32.7	7.7	7.0	9.0	9.0
Other Nordic countries	44.1	12.6	10.5	10.9	9.9	30.6	7.0	6.6	8.1	8.9
Germany	21.4	6.1	5.1	5.7	4.5	19.4	4.0	3.3	4.9	7.2
Other European countries	177.6	42.1	43.4	47.6	44.5	141.2	35.6	31.9	31.1	42.6
North America	1,355.4	338.4	333.6	341.9	341.4	1,365.4	296.2	349.5	299.1	420.5
China	19.0	6.5	5.6	4.4	2.4	14.4	4.2	3.3	3.8	3.2
Rest of world	103.1	33.7	23.4	29.0	16.9	14.0	3.1	3.3	2.1	5.4
Mobile Climate Control	1,762.7	450.3	430.4	451.7	430.3	1,617.7	357.8	404.9	358.1	496.9

Sales and earnings

Fourth quarter of 2021

Sales for the quarter increased 25.9% year-on-year to SEK 450.3 M (357.8), where North and South America represented the largest increases. Adjusted for exchange rate changes, where the average USD rate strengthened by 2.7% compared with the year-earlier period, organic growth was negative 21.9%. EBITA for Mobile Climate Control totaled SEK 14.8 M (19.2) and the EBITA margin fell to 3.3% (5.4) under the negative impact of higher raw materials prices, higher shipping costs and disruptions in the supply chain.

Full-year 2021

Mobile Climate Control reported a year-on-year increase of 9.0% in sales for the full year to SEK 1,762.7 M (1,617.7). Adjusted for exchange rate changes, where the average USD rate weakened by 6.9% year-on-year, organic growth was 13.3%.

EBITA for Mobile Climate Control increased year-on-year to SEK 156.8 M (125.9) with an EBITA margin of 8.9% (7.8). The operating margin increased as the result of the cost savings implemented in 2020 and 2021, as well as of changes in the product mix toward more off road-related products. Over the last six months, Mobile Climate Control has experienced higher costs for raw materials and shipping as well as significant stresses in the supply chain, all of which impacted the margin negatively.

During the period, the division's working capital increased by SEK 214.6 M to SEK 576.8 M (362.2) as a result of higher sales, higher raw materials prices and disruptions in the supply chain. With the addition of property, plant and equipment of SEK 179.3 M, operating capital amounted to SEK 756.1 M (553.3) at the end of December.

The division's return on operating capital (ROOC) for the period was 27.0% (24.4).

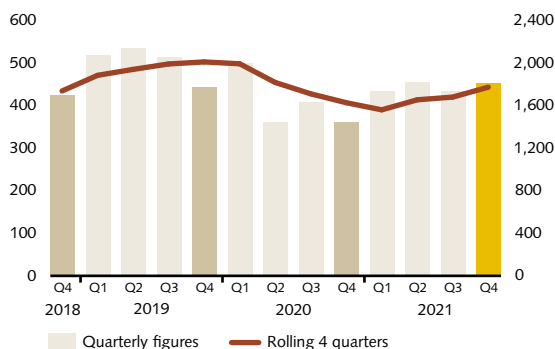
Capital expenditures and depreciation/amortization

Mobile Climate Control's investments during the fourth quarter amounted to SEK 2.0 M (1.9). Total new capital expenditures for the full year were SEK 5.3 M (8.7). Depreciation/amortization during the fourth quarter totaled SEK 14.4 M (13.1) and SEK 51.9 M (52.4) for the full year.

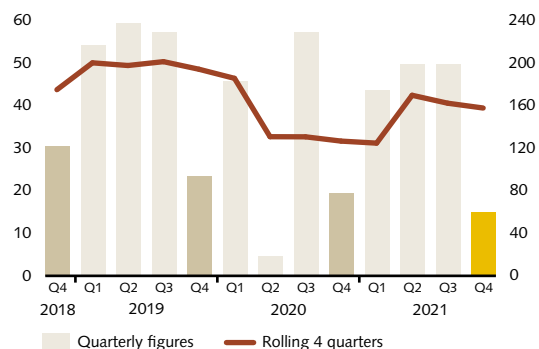
Personnel

During the full year, Mobile Climate Control employed an average of 915 persons (833 during the year-earlier period). At December 31, 2021, there were 939 employees (808) in the division. Personnel costs for the full year amounted to SEK 419.0 M (370.4), resulting in a cost per employee of SEK 458.0 thousand (444.7).

NET SALES, SEK M



EBITA, SEK M





FOURTH QUARTER OF 2021

- Sales increased 22.0% to **SEK 135.4 M** (111.0).
- Adjusted for exchange rate changes between the years, organic growth was **22.1%**.
- EBITA amounted to **SEK 17.0 M** (21.1), with an EBITA margin of 12.5% (19.0).
- Carlyle Johnson Machine Co., LLC was acquired on 27 December 2021.

FULL-YEAR 2021

- Sales increased 9.5% to **SEK 520.5 M** (475.2).
- Adjusted for exchange rate changes between the years, organic growth was **16.1%**.
- EBITA amounted to **SEK 96.3 M** (78.0), with an EBITA margin of 18.5% (16.4).

SALES/EARNINGS										
SEK M	Full-year 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Full-year 2020	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net sales	520.5	135.4	136.8	124.5	123.9	475.2	111.0	119.2	112.6	132.4
EBITDA	110.2	20.4	33.5	25.6	30.7	92.9	24.7	28.7	22.0	17.6
EBITA	96.3	17.0	29.8	22.3	27.3	78.0	21.1	25.1	18.3	13.5
EBITA margin, %	18.5	12.5	21.8	17.9	22.0	16.4	19.0	21.0	16.2	10.2
Operating profit (EBIT)	92.3	16.0	28.8	21.2	26.3	73.1	20.0	23.9	17.0	12.2
Operating margin (EBIT), %	17.7	11.8	21.0	17.1	21.2	15.4	18.0	20.0	15.1	9.2

SALES BY MARKET										
SEK M	Full-year 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Full-year 2020	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Sweden	3.4	0.5	1.0	0.8	1.0	3.6	0.7	0.6	0.9	1.4
Other Nordic countries	3.9	1.3	1.0	0.9	0.8	3.4	0.7	0.8	0.9	0.9
Germany	170.9	44.0	45.3	40.9	40.7	135.1	30.7	31.3	32.7	40.5
Other European countries	56.0	11.8	15.5	14.3	14.3	52.0	11.4	12.0	11.4	17.1
North America	103.7	24.6	27.4	22.8	28.9	117.9	27.4	31.4	30.2	29.0
Brazil	77.0	23.3	21.3	16.3	16.2	71.3	20.7	17.3	15.3	18.1
Australia/New Zealand	20.5	4.1	4.4	5.3	6.7	33.9	6.1	11.0	6.3	10.5
China	28.3	10.8	4.7	9.0	3.8	15.7	4.6	3.7	4.2	3.2
Rest of world	56.9	15.0	16.2	14.2	11.5	42.2	8.7	11.1	10.7	11.8
Ringfeder Power Transmission	520.5	135.4	136.8	124.5	123.9	475.2	111.0	119.2	112.6	132.4

Sales and earnings

Fourth quarter of 2021

Sales for the quarter increased 22.0% year-on-year to SEK 135.4 M (111.0); adjusted for exchange rate changes, where the average USD rate strengthened 2.7%, the average BRL rate weakened and the EUR weakened 1.4%, the organic growth was 22.1%.

EBITA for Ringfeder Power Transmission totaled SEK 17.0 M (21.1) and the EBITA margin totaled 12.5% (19.0). The product mix, higher raw materials prices and stresses in the supply chain during the quarter had a negative impact on the margin.

Full-year 2021

Sales for the full year increased 9.5% year-on-year to SEK 520.5 M (475.2); adjusted for exchange rate changes, where the average USD rate weakened by 6.9%, the BRL weakened by 12.0% and the EUR weakened by 3.3% compared with the year-earlier period, organic growth was 16.1%.

EBITA for Ringfeder Power Transmission increased year-on-year to SEK 96.3 M (78.0) and the EBITA margin totaled 18.5% (16.4). The increase in EBITA for the full year is the result of stable demand for Ringfeder Power Transmission's products and a favorable product mix for a large part of the year in combination with increased internal efficiency.

During the period, the division's working capital increased by SEK 70.6 M to SEK 216.6 M (146.0). With the addition of property, plant and equipment of SEK 116.3 M, operating capital amounted to SEK 332.9 M (249.0) at the end of December.

The division's return on operating capital (ROOC) for the period was 38.5% (33.1).

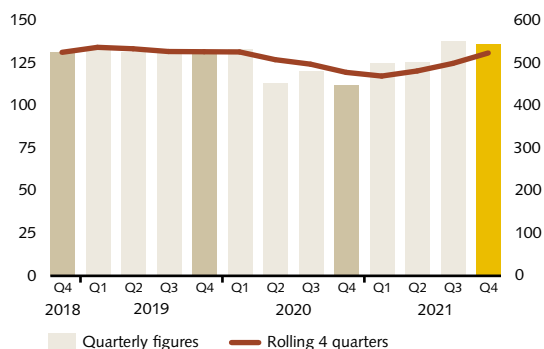
Capital expenditures and depreciation/amortization

Ringfeder Power Transmission's capital expenditures in the fourth quarter amounted to SEK 3.0 M (0.5). Total new capital expenditures for the full year were SEK 8.9 M (9.7). Depreciation/amortization during the fourth quarter totaled SEK 4.4 M (4.7) and SEK 17.9 M (19.8) for the full year.

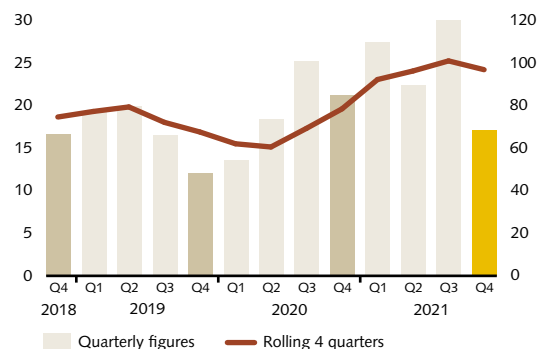
Personnel

Ringfeder Power Transmission employed an average of 320 persons (309), excluding Carlyle Johnson Machine, for the full year. At December 31, 2021, there were 390 employees (313) in the division, including Carlyle Johnson Machine. Personnel costs for the full year amounted to SEK 142.9 M (141.3), resulting in a cost per employee of SEK 446.4 thousand (457.3).

NET SALES, SEK M



EBITA, SEK M



Other information

Parent Company

VBG Group AB's operations are focused on managing, developing and coordinating the Group. The assets in the Parent Company consist primarily of shares in subsidiaries and brands. The objective is for the Group's key intangible assets, in the form of brands and other rights, to be gathered in the Parent Company. VBG Group AB focuses on maintaining and securing all the Group's trademarks and rights.

The Parent Company's net sales pertain primarily to intra-Group services and license revenues and amounted to SEK 52.1 M (49.9) during the period. Operating loss for the full year totaled SEK 7.9 M (loss: 2.4). Profit after dividends from Group companies, net financial items and tax totaled SEK 112.2 M (40.3).

Accounting policies

The VBG Group applies the EU-endorsed IFRS standards and interpretations thereof (IFRIC). This interim report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting, and for the Parent Company, in accordance with the Annual Accounts Act and recommendation RFR 2, Accounting for Legal Entities. The same accounting policies and calculation methods were applied as in the most recent annual report.

This report may contain rounding differences.

Risks and uncertainty factors

The Group's and the Parent Company's significant risks and uncertainty factors include business-related operational risks in the form of commodity risks, product risks, development risks, intellectual property risks, environmental risks, political risks, business interruption and property risks, cyclical risks, IT security risks and legal risks. To these can be added financial risks such as financing risks, liquidity risks, interest rate risks, currency risks, credit and counterparty risks, and sustainability risks.

For a more detailed description of the Group's risks and risk management, see Note 2 of VBG Group AB's annual report for 2020.

Outlook for 2022

The company makes no forecast.

Financial information 2022

Interim report, three months 2022	April 28, 2022
Annual General Meeting 2022	May 4, 2022
Interim report, six months 2022	July 20, 2022
Interim report, nine months 2022	October 20, 2022

Related party transactions

There have been no related party transactions in 2021 that have significantly affected the company's financial position and results. Related party transactions during 2020 are disclosed in Note 6 in the annual report for 2020.

Events after the close of the reporting period

No significant events occurred after the close of the period.

Proposed distribution of profits

The following funds in the Parent Company are available for distribution by the AGM:

Retained earnings	SEK 1,305,137,454
Net profit for the year	SEK 112,150,751
	SEK 1,417,288,205

The Board of Directors proposes that these funds be distributed as follows:

dividend to shareholders	SEK 125,020,240
to be carried forward	SEK 1,292,267,965
	SEK 1,417,288,205

Vänersborg, February 24, 2022
VBG Group AB (publ)

Anders Birgersson
President and CEO

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Note:

The information in this report is of the type that VBG Group AB is obligated to disclose in accordance with the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication at 3:00 pm CET on February 24, 2022 in Swedish.

Press releases in the fourth quarter of 2021

Interim report January–September 2021	October 21, 2021
VBG Group acquires The Carlyle Johnson Machine Co., LLC	December 27, 2021

Condensed consolidated income statement and statement of other comprehensive income

SEK M	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	936.0	759.9	3,611.2	3,147.2
Cost of goods sold	-675.2	-495.6	-2,446.4	-2,083.6
Gross profit	260.9	264.4	1,164.8	1,063.6
Selling expenses	-84.5	-79.1	-315.2	-321.7
Administrative expenses	-72.5	-55.2	-269.3	-242.6
Research and development costs	-26.7	-28.1	-110.0	-113.6
Other operating income and expenses	-5.0	-15.7	-14.3	-32.2
	-188.8	-178.1	-708.8	-710.2
Operating profit	72.1	86.2	456.0	353.4
Exchange rate effects, net	2.1	-0.9	-1.9	-10.5
Interest income	6.0	0.7	4.4	6.2
Interest expenses	-7.7	-3.9	-14.1	-19.2
Other financial expenses	-1.0	-1.8	-2.9	-3.4
Total financial items	-0.5	-5.9	-14.6	-26.9
Profit after financial items	71.6	80.4	441.4	326.5
Tax	-13.6	-29.4	-104.3	-99.8
Profit for the period	58.0	50.9	337.1	226.7
Profit for the period attributable to Parent Company shareholders	58.0	50.9	337.1	226.7
Other comprehensive income				
Profit for the period	58.0	50.9	337.1	226.7
Items that will not be reversed in the income statement				
Effect of translation of defined-benefit pension plans, net after tax	-15.6	5.8	-15.6	-2.6
Items that may later be reversed in the Income Statement				
Translation differences pertaining to foreign operations	16.2	-69.9	84.3	-151.6
Other comprehensive income, net after tax	0.5	-64.1	68.7	-154.2
Comprehensive income for the period	58.5	-13.2	405.9	72.5
Comprehensive income for the period attributable to Parent Company shareholders	58.5	-13.2	405.9	72.5
Earnings per share, basic and diluted, SEK	2.32	2.04	13.48	9.07
Number of shares outstanding at end of period ('000)	25,004	25,004	25,004	25,004
Number of treasury shares at end of period ('000)	1,192	1,192	1,192	1,192

Sales and earnings by segment

SEK M		Truck & Trailer Equipment	Mobile Climate Control	Ringfeder Power Transmission	Group-wide	Group
2021	Net sales	350.3	450.3	135.4		936.0
Q4	Operating profit/loss	53.7	9.6	16.0	–7.3	72.1
	Operating margin, %	15.3	2.1	11.8		7.7
	Net financial items				–0.5	–0.5
	Profit after financial items					71.6
2021	Net sales	1,327.9	1,762.7	520.5		3,611.2
Full-year	Operating profit/loss	248.0	136.2	92.3	–20.5	456.0
	Operating margin, %	18.7	7.7	17.7		12.6
	Net financial items				–14.6	–14.6
	Profit after financial items					441.4
2020	Net sales	291.2	357.8	111.0		759.9
Q4	Operating profit/loss	58.8	13.9	20.0	–6.4	86.2
	Operating margin, %	20.2	3.9	18.0		11.3
	Net financial items				–5.9	–5.9
	Profit after financial items					80.4
2020	Net sales	1,054.3	1,617.7	475.2		3,147.2
Full-year	Operating profit/loss	189.2	104.5	73.1	–13.5	353.4
	Operating margin, %	17.9	6.5	15.4		11.2
	Net financial items				–26.9	–26.9
	Profit after financial items					326.5

Consolidated Balance Sheet

SEK M	Dec. 31, 2021	Dec. 31, 2020
Assets		
Non-current assets		
Intangible assets		
Brands, customer relationships and other intangible assets	839.2	761.5
Goodwill	1,169.8	1,102.1
	2,009.0	1,863.6
Property, plant and equipment		
Land and buildings	180.3	165.1
Plant and machinery	137.3	135.1
Equipment, tools, fixtures and fittings	49.3	42.6
Construction in progress	8.3	8.1
Lease asset	111.4	123.9
	486.6	474.7
Deferred tax asset	57.9	53.6
Total non-current assets	2,553.5	2,392.0
Current assets		
Inventories		
Raw materials and consumables	459.1	313.9
Work in progress	103.7	65.0
Finished products and merchandise	256.6	172.9
	819.3	551.8
Current receivables		
Trade receivables	524.1	352.5
Current tax assets	29.9	19.7
Other receivables	40.0	22.9
Prepaid expenses and accrued income	29.3	18.8
	623.2	414.0
Cash and cash equivalents		
Cash on hand and demand deposits	667.4	899.5
Total current assets	2,110.0	1,865.2
Total assets	4,663.5	4,257.3
Equity and liabilities		
Equity		
Share capital	65.5	65.5
Other contributed capital	781.3	781.3
Reserves	87.4	3.0
Retained earnings, incl. net profit for the year	1,859.3	1,650.3
Total equity	2,793.5	2,500.2
Non-current liabilities		
Provisions for pensions and similar obligations	252.1	233.8
Deferred tax liability	240.2	214.6
Other provisions	38.5	26.1
Lease liability	95.8	106.3
Liabilities to credit institutions	752.5	806.5
Other non-current liabilities	20.3	2.2
Total non-current liabilities	1,399.3	1,389.4
Current liabilities		
Trade payables	225.7	165.5
Current tax liabilities	16.1	9.9
Other liabilities	40.5	32.6
Lease liability	22.6	21.9
Accrued expenses and deferred income	165.8	137.8
Total current liabilities	470.7	367.6
Total equity and liabilities	4,663.5	4,257.3

Consolidated changes in equity

SEK M	Full-year 2021	Full-year 2020
Opening equity according to balance sheet at December 31	2,500.2	2,427.7
Total comprehensive income for the period	405.9	72.5
Dividend	-112.5	—
Equity at end of period	2,793.5	2,500.2

Consolidated Cash Flow Statement

SEK '000	Full-year 2021	Full-year 2020
Operating activities		
Operating profit before financial items	456.0	353.4
Depreciation/amortization	106.4	109.2
Other items not affecting liquidity	18.3	-36.0
Interest received, etc.	8.4	12.2
Interest paid	-15.1	-16.9
Tax paid	-103.4	-79.0
Cash flow before change in working capital	470.6	342.9
Decrease/increase (-) in inventories	-195.4	30.0
Decrease/increase (-) in trade receivables	-140.8	72.0
Decrease/increase (-) in other current receivables	-7.0	9.7
Increase/decrease (-) in trade payables	38.5	-4.0
Increase/decrease (-) in other current liabilities	21.5	-4.4
Cash flow from operating activities	187.3	446.2
Investing activities		
Investments in intangible assets	-30.3	-0.7
Investments in property, plant and equipment	-31.8	-45.5
Net settlements, business combinations	-146.3	-4.4
Cash flow from investing activities	-208.4	-50.6
Financing activities		
Repayment of loans	-227.1	—
Loans raised and changes to existing loans	136.3	80.1
Amortization of lease liability	-23.5	-26.0
Dividend paid	-112.5	—
Cash flow from financing activities	-226.8	54.1
Cash flow for the year	-247.9	449.6
Cash and cash equivalents at start of year	899.5	472.5
Translation difference, cash and cash equivalents	15.8	-22.6
Cash and cash equivalents at year-end	667.4	899.5
Unutilized overdraft facilities	100.0	100.0
Total cash and cash equivalents available	767.4	999.5

Key figures for Group

SEK M	Full-year 2021	Full-year 2020
Operating margin (EBIT), %	12.6	11.2
Profit margin (ROS), %	12.2	10.4
Return on equity (ROE), %	12.2	9.0
Return on capital employed (ROCE), %	12.2	9.8
Equity/assets ratio, %	59.9	58.7
Interest-bearing net debt/EBITDA	0.81	0.58
Equity per share outstanding at end of period, SEK	111.72	100.00
Cash flow from operating activities, per average share outstanding, SEK	1.48	17.84
Profit per average share outstanding during the period, SEK	13.48	9.07
Share price at end of period, SEK	188.0	154.50
Number of employees, average	1,600	1,483
Number of shares outstanding at end of period ('000)	25,004	25,004
Number of treasury shares at end of period ('000)	1,192	1,192

Parent Company income statement

SEK M	Full-year 2021	Full-year 2020
Net sales	52.1	49.9
Operating expenses	–60.0	–52.3
Operating profit	–7.9	–2.4
Net financial items	81.8	30.1
Profit after financial items	73.9	27.7
Appropriations	45.0	14.4
Tax	–6.7	–1.8
Profit for the period	112.2	40.3

Parent Company Balance Sheet

SEK M	Dec. 31, 2021	Dec. 31, 2020
Intangible assets	0.0	0.1
Property, plant and equipment	1.4	2.2
Financial assets	2,362.6	2,246.0
Total non-current assets	2,364.0	2,248.3
Receivables	158.8	85.1
Cash on hand, demand deposits and short-term investments	511.6	681.2
Total current assets	670.4	766.3
Total assets	3,034.4	3,014.6
Equity	1,536.0	1,536.4
Untaxed reserves	21.8	11.8
Provisions	13.2	12.9
Non-current liabilities	748.7	806.5
Current liabilities	714.7	647.0
Total equity and liabilities	3,034.4	3,014.6

Business combinations

The acquisition of Carlyle Johnson Machine Co., LLC (US) was completed on December 27. The acquired company will be consolidated into the Ringfeder Power Transmission division as of December 27, 2021. The purchase consideration for all shares in the company amounted to SEK 174.2 M. According an initial preliminary acquisition plan, the acquisition resulted in consolidated goodwill of SEK 47.5 M. The acquired company has annual sales of approximately SEK 100 M and approximately fifty employees. The company did not generate any earnings in the December 27–31 period. A preliminary acquisition balance is reported below.

	Fair value
Purchase consideration	174.2
Acquired net assets	
Cash and cash equivalents	9.8
Property, plant and equipment	18.3
Intangible assets	1.6
Customer relationships	73.3
Long-term investments	0.5
Inventories	28.1
Receivables	17.9
Liabilities	–7.7
Deferred tax	–15.1
Preliminary goodwill	47.5
Cash purchase consideration	–156.1
Purchase consideration not settled	–18.1
Cash and cash equivalents in acquired subsidiaries	9.8
Change in cash and cash equivalents due to acquisition	–164.4

Alternative performance measures

ORGANIC GROWTH

Net sales excluding effects of structural changes, meaning acquired or divested operations, and currency effects.

SEK M	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Group				
Net sales	936.0	759.9	3,611.2	3,147.2
Currency effect	-13.5	66.3	135.5	103.6
Net sales excluding acquisitions and currencies	922.5	826.2	3,746.7	3,250.7
Actual organic growth	162.6	-21.1	599.6	-474.7
Organic growth, %	21.4	-2.5	19.1	-12.7
Truck & Trailer Equipment				
Net sales	350.3	291.2	1,327.9	1,054.3
Currency effect	0.6	11.6	33.7	17.4
Net sales excluding acquisitions and currencies	350.9	302.8	1,361.7	1,071.7
Actual organic growth	59.7	26.2	307.4	-131.8
Organic growth, %	20.5	9.5	29.2	-11.0
Mobile Climate Control				
Net sales	450.3	357.8	1,762.7	1,617.7
Currency effect	-14.2	40.1	70.5	56.0
Net sales excluding acquisitions and currencies	436.1	397.9	1,833.2	1,673.6
Actual organic growth	78.3	-42.8	215.6	-324.8
Organic growth, %	21.9	-9.7	13.3	-16.3
Ringfeder Power Transmission				
Net sales	135.4	111.0	520.5	475.2
Currency effect	0.1	14.6	31.3	30.2
Net sales excluding acquisitions and currencies	135.5	125.5	551.8	505.4
Actual organic growth	24.5	-4.5	76.6	-18.1
Organic growth, %	22.1	-3.5	16.1	-3.4

EBITDA

Operating profit before depreciation/amortization and impairment.

Group, SEK M	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Operating profit	72.1	86.2	456.0	353.4
Depreciation/amortization	28.7	27.7	106.4	109.2
EBITDA	100.8	114.0	562.4	462.5

EBITDA margin

Operating profit before depreciation/amortization as a percentage of net sales.

Group, SEK M	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	936.0	759.9	3,611.2	3,147.2
Operating profit	72.1	86.2	456.0	353.4
Depreciation/amortization	28.7	27.7	106.4	109.2
EBITDA margin, %	10.8	15.0	15.6	14.7

EBITA

Operating profit before depreciation/amortization and impairment.

Group, SEK M	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Operating profit	72.1	86.2	456.0	353.4
Amortization of intangible assets	7.3	7.9	28.1	32.2
EBITA	79.4	94.1	484.1	385.5

EBITA margin

Operating profit before depreciation/amortization as a percentage of net sales.

Group, SEK M	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	936.0	759.9	3,611.2	3,147.2
Operating profit	72.1	86.2	456.0	353.4
Amortization of intangible assets	7.3	7.9	28.1	32.2
EBITA margin, %	8.5	12.4	13.4	12.3

GROSS PROFIT MARGIN

Profit before net financial items as a percentage of net sales.

Group, SEK M	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	936.0	759.9	3,611.2	3,147.2
Gross profit	260.9	264.4	1,164.8	1,063.6
Gross profit margin, %	27.9	34.8	32.3	33.8

PROFIT MARGIN

Profit after financial items as a percentage of net sales.

Group, SEK M	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	936.0	759.9	3,611.2	3,147.2
Profit after financial items	71.6	80.4	441.4	326.5
Profit margin, %	7.6	10.6	12.2	10.4

INTEREST-BEARING NET DEBT

Interest-bearing loan liabilities and provisions less cash and cash equivalents.

Group, SEK M	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Provisions for pensions			252.1	233.8
Overdraft facilities				
Loans			752.5	806.5
Lease liability			118.4	128.2
Bank balances			-667.4	-899.5
Interest-bearing net debt	n/a	n/a	455.5	268.9

INTEREST-BEARING NET DEBT/EBITDA

Interest-bearing net debt as a percentage of operating profit before depreciation/amortization and impairment.

Group, SEK M	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Interest-bearing net debt			455.5	268.9
EBITDA, rolling 4 quarter			562.4	462.5
Interest-bearing net debt/EBITDA	n/a	n/a	0.81	0.58

ROOC BY DIVISION

EBITDA as a percentage of operating capital as below.

Group, SEK M	Full-year 2021	Full-year 2020
Group		
Inventories	819.3	551.8
Trade receivables	524.1	352.5
Trade payables	-225.7	-165.5
Working capital	1,117.7	738.8
Property, plant and equipment	486.6	474.7
Operating capital	1,604.4	1,213.6
EBITDA, rolling 12 months	562.4	462.5
Average operating capital, four quarter	1,467.8	1,356.5
ROOC, %	38.3	34.1
Truck & Trailer Equipment		
Inventories	217.5	151.0
Trade receivables	174.6	123.2
Trade payables	-64.5	-42.5
Working capital	327.6	231.7
Property, plant and equipment	187.2	176.0
Operating capital	514.8	407.7
EBITDA, rolling 12 months	282.2	223.5
Average operating capital, four quarter	484.2	429.5
ROOC, %	58.3	52.0
Mobile Climate Control		
Inventories	468.8	306.5
Trade receivables	249.0	169.5
Trade payables	-141.1	-113.8
Working capital	576.8	362.2
Property, plant and equipment	179.3	191.1
Operating capital	756.1	553.3
EBITDA, rolling 12 months	188.2	156.9
Average operating capital, four quarter	697.0	643.9
ROOC, %	27.0	24.4
Ringfeder Power Transmission		
Inventories	133.0	94.2
Trade receivables	100.5	59.9
Trade payables	-16.9	-8.1
Working capital	216.6	146.0
Property, plant and equipment	116.3	103.0
Operating capital	332.9	249.0
EBITDA, rolling 12 months	110.2	92.9
Average operating capital, four quarter	286.0	281.1
ROOC, %	38.5	33.1

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