

HALDEX INTERIM REPORT APRIL–JUNE 2021

Q2 2021

Strong sales growth, but margin temporarily pressured by supply chain disruption

SECOND QUARTER

- Sales rose by 30 percent to SEK 1,138m (875). Organic growth was 42 percent.
- Gross margin increased by 1.4 percentage points to 27.5 percent (26.1).
- Adjusted operating income increased to SEK 82m (-3), equivalent to an adjusted operating margin of 7.2 percent (-0.3).
- Reported operating income totaled SEK 79m (-151). Restructuring costs of SEK 3m related to the strategic review of the company impacted profit.
- Changes in exchange rates had a negative impact on operating income of SEK -9m (-8).
- Profit after tax was SEK 54m (-139). Tax totaled SEK -22m (+24).
- Earnings per share were SEK 1.11 (-2.95).
- Cash flow from operating activities totaled SEK 19m (-96).
- The savings programs developed according to plan and reduced expenses by SEK 27m net, of which the structural programs contributed SEK 55m.
- Jean-Luc Desire took over as CEO on June 14, 2021.
- Håkan Karlsson was elected as the new Chairman of the Board at the AGM on 26 May, 2021.
- A joint venture has been formed with FAST Group to produce and sell disc brakes for both new production and the aftermarket, focusing initially on China.
- The financial targets and dividend policy have been updated.
- The supply chain is strained due to increased raw material and freight costs as well as component shortages. The company has been actively working to mitigate some of the effects and this is expected to have a positive effect from the third quarter. There is great shortage of semiconductors, which will have an impact on some of Haldex products for at least the second half of 2021.

EVENTS AFTER THE END OF THE QUARTER

- Haldex's financing maturing in April 2022 has been extended after the balance sheet date to April 2023.
- An agreement has been signed with one of the world's largest manufacturers of heavy trucks for our ADB product.

Group overview, SEKm	Second quarter			First half of the year			Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Δ	Jan-Jun 2021	Jan-Jun 2020	Δ	Jul 2020 - Jun 2021	2020
Net sales, SEKm	1,138	875	30%	2,218	2,055	8%	4,171	4,007
Organic growth, %	42	-37	-	19	-26	-	-	-20
Operating income, SEKm	79	-151	nm	221	-121	nm	242	-100
Adjusted operating income, SEKm	82	-3	nm	197	39	409%	321	163
Operating margin, %	6.9	-17.2	24.2	10.0	-5.9	15.9	5.8	-2.5
Adjusted operating margin, %	7.2	-0.3	7.5	8.9	1.9	7.0	7.7	4.1
Return on capital employed % ¹	8.3	-6.4	14.7	8.3	-6.4	14.7	8.3	-3.8
Return on capital employed excluding non-recurring items % ¹	11.0	5.2	5.8	11.0	5.2	5.8	11.0	5.0
Profit after tax, SEKm	54	-139	nm	149	-136	nm	-15	-300
Earnings per share, SEK	1.11	-2.95	nm	3.05	-3.01	nm	-0.37	-6.44
Cash flow, operating activities, SEKm	19	-96	115	-11	-139	128	343	215

¹ Rolling twelve months. The effect of IFRS16 Leases has been excluded.

CEO Statement



In mid-June I took over the role of CEO of Haldex after 20 years of global experience from the automotive industry. Over the past 30 days, I have had the opportunity to meet with hundreds of employees across the organization, and I have been truly impressed by their commitment and professionalism. During customer meetings, workshops, operating reviews and deep dives into our businesses I have gained a better understanding of both the opportunities and challenges we face and have identified areas where we can further drive improved performance.

STRONG ORGANIC GROWTH

Net sales showed strong improvement, despite continued constraints in the supply chain, and totaled SEK 1,138m (875) in the second quarter, equivalent to an organic growth of 42 percent compared to the same period last year. The strong growth is partly due to higher demand from our customers but mainly due to the vast drop in sales last year. Net sales for the half-year amounted to SEK 2,218m (2,055), corresponding to organic growth of 19 percent.

A strong organic sales growth was reported by Region Americas and Europe, while Asia reported a negative growth. The decline in Asia is mainly explained by high government support in China last year and the fact that the extremely high demand in China last year has now normalised.

The trailer segment showed strong organic growth, which is a result of our increased focus on the trailer market as well as the vast sales drop last year. The truck segment also noted strong organic growth, mainly due to the large sales decline last year. The aftermarket segment was generally less affected by COVID-19 last year and hence organic sales growth was somewhat smaller in this customer segment than in the other two.

MARGIN PRESSURED BY THE STRAINED SUPPLY CHAIN

Adjusted operating profit totalled SEK 82m (-3), and the equivalent margin was 7.2 percent (-0.3). The margin was lower than in the previous quarter as it was impacted by significantly higher commodity prices, higher freight costs and a somewhat lower share of aftermarket sales. For the half-year, adjusted operating profit amounted to SEK 197m (39), corresponding to a strong margin of 8.9 percent (1.9).

PRODUCT AND OFFERING

The development of our proposition focusing on the trailer segment and aftermarket continues. As well as growing our position as an Air Disc Brake supplier of specific applications addressing both trucks and bus OEMs.

In mid-April we announced the agreement to form a joint venture company with FAST Group to produce and sell Air Disc Brakes and provide aftermarket service with initial focus on the Chinese market. The formation of the new JV is proceeding according to plan.

Our key focus on electrification and our EMB product has proved successful. We are in close dialog with several key OEMs in Europe and are seeing increasing interest in the United States. I am also pleased to report that our EMB product has successfully passed validation through homologation with a customer in China. These are significant steps for EMB which will build confidence in this system with more customers.

I am also pleased to announce that we after the reporting period have closed an agreement with one of the world's largest manufacturer of heavy trucks for our ADB product. The deal is an important milestone to grow in the truck segment besides our excellent position in the trailer market. In particular we would like to mention the strategic importance of an embedded additional agreement, which include to equip a showcase truck with our new EMB product. This breakthrough of introducing our next generation product on the European market strengthens our confidence in our market opportunities and ability to meet new demands on braking systems in connected, electric trucks and trailers.

OUTLOOK

Although the second quarter noted a recovery from the challenging last year, there are still a lot of uncertainties left. During the second quarter, we see increased costs for commodities, semiconductors and freight. From the third quarter onwards, we expect to mitigate large parts of the additional costs in terms of increased material costs by adjusting raw material prices between our suppliers and customers. We estimate that increased freight costs will continue throughout the year. However, there is great uncertainty about these external factors and we are following market developments closely.

In addition to increased costs, there is also a significant lack of access to semiconductors, which will have an impact on some of Haldex products for at least the second half of 2021.

We are taking strong measures to improve our supply chain processes and in addition to this, my focus for the coming months will be on performance management, people development, and meeting with customers. Our work on the strategic review is also continuing and I will provide an update during the second half of 2021. I am confident we will see solid results from these efforts and I look forward to great collaborations and an exciting journey ahead.

Jean-Luc Desire
President and CEO

EVENTS DURING THE QUARTER

Haldex has formed a joint venture with FAST Group to produce and sell Air Disc Brakes for both new production and the aftermarket, focusing initially on China.

The Board decided to update the financial targets and dividend policy. These are presented on the company's website: www.haldex.com.

SAVINGS PROGRAMS

Haldex is undergoing a major restructuring with the aim of improving efficiency, lowering costs and increasing operating margin. The background to these measures is that Haldex has previously had too large a cost base, which has meant, among other things, that investments have not always yielded the desired return. The outbreak of the COVID-19 pandemic and its knock-on effects have accelerated the need to make savings and efforts to reduce costs in both the short and long terms. The savings measures, which among other things have affected product development, are of such a nature that they will not affect Haldex's innovative capabilities regarding products that are judged to have the best ability to create value in the longer term. Nor do the savings affect Haldex's servicing and sales capacity.

Jean-Luc Desire took over as CEO on June 14, 2021. Håkan Karlsson was elected as the new Chairman of the Board at the AGM held on May 26, 2021.

EVENTS AFTER THE END OF THE QUARTER

Haldex's financing maturing in April 2022 has been extended since the balance sheet date to April 2023.

Total savings from the long-term structural savings programs amounted to SEK 55m in the second quarter compared to the same period last year and are divided into SEK 34m in terms of operating expenses and SEK 21m in respect of cost sold goods. As a result of the fact that the business is now conducted at a more normal level, SEK 28m in savings from short-term savings program initiated in 2020 has returned, net costs are SEK 27m lower in the second quarter. The corresponding figure for the first half of the year is SEK 115m. The savings programs are expected to be implemented for the most part in 2021, although we are experiencing some delays due to the impact of the strained supply chain on the business. In total, in 2021, we estimate that the savings will generate SEK 160m gross and SEK 120m net.

Long-term savings program

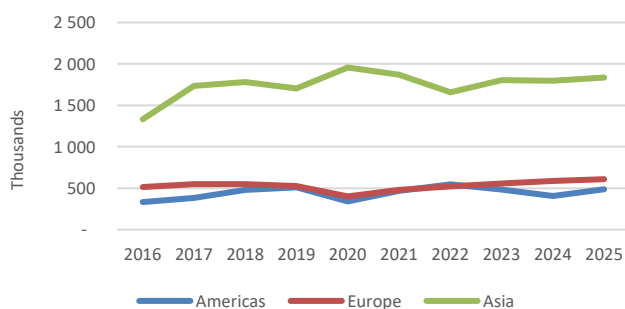
Initiativ, MSEK	Start	Total	2020	Q1 2021	Q2 2021	Jan-Jun 2021
Foot Print Optimisation	May 2019	103	44	34	20	54
Cost Base Adjustment 1	July 2020	100	25	20	17	37
Cost Base Adjustment 2	January 2021	100	0	3	19	22
Total long-term savings		303	69	57	55	112

Short-term savings program

Initiativ, MSEK	Start	2020	Q1 2021	Q2 2021	Jan-Jun 2021
Short-term cost savings	April 2020	80	31	-18	13
Furlough		12	0	-10	-10
Total short-term savings		92	31	-28	3
Total savings		161	88	27	115

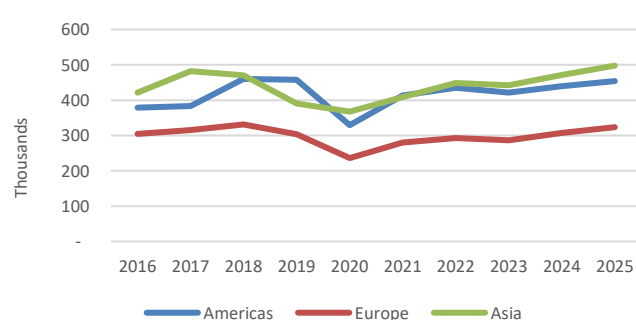
MARKET DEVELOPMENT AND FORECAST FOR NEW PRODUCTION

New production, trucks including buses



Source: LMC Automotive, 2nd quarter 2021

New production: trailers



Source: Clear, 2nd quarter 2021

Net sales

Net sales for the second quarter totaled SEK 1,138m (875), corresponding to an organic growth of 42 percent compared to the corresponding period of the previous year. This strong growth is largely driven by the negative impact of COVID-19 in the previous year. The second quarter saw a continued positive trend in volume recovery compared to previous quarter, with an increase of 5 percent compared to the first quarter.

Sales in both the Americas and Europe noted a very strong organic growth of 48 and 53 percent, respectively, while Asia reported negative growth of 10 percent. Sales for the Americas totaled SEK 586m (451) and sales to both the truck and trailer segments showed a clear improvement compared to the first quarter. Sales in Europe showed strong recovery in all segments, but the trailer segment in particular improved compared to the first quarter, to SEK 448m (302). Sales in Asia totaled SEK 104m (122), and the negative development is mainly explained by a decline in China

due to government subsidies in the previous year and the fact that the extremely high demand in China last year has now normalised.

Sales for the Aftermarket customer segment totaled SEK 566m (486), corresponding to an organic growth of 29 percent. The aftermarket was generally less affected by COVID-19 last year, and the increase is consequently somewhat smaller in this customer segment than in the Truck and Trailer customer segments. Sales for the Trailer customer segment totaled SEK 391m (245), representing organic growth of 69 percent. This strong growth is due to the company's increased focus on the Trailer segment and the large drop in sales in the previous year. Sales for the Truck customer segment totaled SEK 181m (144), corresponding to an organic growth of 39 percent. The strong growth is largely driven by the negative impact of COVID-19 in the previous year.

	Second quarter			First half of the year			Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Δ ¹	Jan-Jun 2021	Jan-Jun 2020	Δ ¹	Jul 2020 - Jun 2021	2020
Sales per region, SEKm								
Americas	586	451	48%	1,125	1,103	17%	2,123	2,101
Europe	448	302	53%	878	719	27%	1,597	1,438
Asia and Middle East	104	122	-10%	215	233	-1%	451	468
Total	1,138	875	42%	2,218	2,055	19%	4,171	4,007

¹ Organic

	Second quarter			First half of the year			Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Δ ¹	Jan-Jun 2021	Jan-Jun 2020	Δ ¹	Jul 2020 - Jun 2021	2020
Sales per customer category, SEKm								
Aftermarket	566	486	29%	1,113	1,090	13%	2,156	2,132
Trailer	391	245	69%	739	597	32%	1,316	1,174
Truck - heavy trucks and buses	181	144	39%	366	368	12%	699	701
Total	1,138	875	42%	2,218	2,055	19%	4,171	4,007

¹ Organic

	Second quarter			First half of the year			Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Δ ¹	Jan-Jun 2021	Jan-Jun 2020	Δ ¹	Jul 2020 - Jun 2021	2020
Sales per product line, SEKm								
Foundation Brake	635	472	46%	1,223	1,134	18%	2,290	2,200
Air Controls	503	403	37%	995	921	19%	1,881	1,807
Total	1,138	875	42%	2,218	2,055	19%	4,171	4,007

¹ Organic

Operating profit

Adjusted operating profit for the second quarter increased to SEK 82m (-3), representing an adjusted operating margin of 7.2 percent (-0.3). The improved margin was mainly due to a sharp increase in sales together with implemented efficiency improvement and savings activities. Operating expenses excluding non-recurring items increased by SEK 3m. The long-term structural savings programs contributed SEK 55m in the second quarter.

Reported operating profit totaled SEK 79m (-151), representing an operating margin of 6.9 percent (-17.2). Operating profit has been charged with restructuring costs of SEK 3m (148), related to the strategic review of the company.

Gross margin was 27.5 percent (26.1) in the quarter, compared to a margin of 31.1 percent in the first quarter. Gross margin was negatively impacted in comparison with the previous quarter by higher commodity prices, higher freight costs and a slightly lower share of aftermarket sales. Compared to the previous year, gross margin was negatively impacted by the lower share of aftermarket sales due to the large drop in sales in the OEM market in 2020. The aftermarket accounted for 50 percent of sales in the second quarter of 2021 compared with 56 percent in the same quarter of 2020.

No government support was received in the second quarter with regards to the COVID-19 pandemic.

Changes in exchange rates, including the outcome of currency hedging and currency translation effects, had a negative impact on the Group's operating income of SEK -9m (-8). The currency effect in net financial income/expense was SEK 6m (-4).

Adjusted operating profit for the first half of 2021 was SEK 197m (39), equivalent to an adjusted operating margin of 8.9 percent (1.9). The single largest reason for the increase is the higher sales that was up 19 percent.

Product development

Investments in new technology and product development are progressing. The business operated by Haldex is associated with regular maintenance expenses but also expenses incurred in examining commercial and technical opportunities to launch new products (research expenditure). Costs of maintenance of existing products and research for the development of new products are continuously recognized in the income statement. Haldex estimates that, based on historic average, these normally account for 3–5 percent of sales. Development expenses cannot be capitalized, i.e. recognized as an asset, until a number of conditions have been met, see accounting policies in the 2020 Annual Report. In addition to expenditure recognized as expenses in the income statement, SEK 22m (27) was capitalized as an asset in the balance sheet during the quarter regarding new-generation EBS and the electromechanical brake (EMB). Total R&D expenditure, including development expenses,

was SEK 50m (55) during the quarter, representing 4.4 percent (6.3) of sales.

The company's Chinese joint venture (JV), Haldex VIE, is continuing to develop favorably, and the company is preparing for the launch of EMB in the second half of 2021. Development work on the electromechanical braking system for electric buses and other uses on the Chinese market has continued during the year, and expenses totaled SEK 5m (8) for the second quarter.

In the fourth quarter of 2020, capitalization of development expenses for EMB in the JV began, positively impacting profit share by SEK 3m (0) in the second quarter.

Taxes

Tax expense in the quarter totaled SEK -22m (+24), equivalent to a tax rate of 28 percent (15). The tax rate is in line with the average tax rate for the Group based on the profit and local tax rate of the group company concerned.

Deferred tax assets for tax loss carry-forwards are capitalized to the extent that it is probable that they can be offset against future surplus.

Tax expense in the first half of the year totaled SEK -53m (+22), representing a tax rate of 26 percent (14).

Profit for the period and earnings per share

Profit after tax in the quarter was SEK 54m (-139). Basic and diluted earnings per share were SEK 1.11 (-2.95).

Profit after tax in the first half of the year was SEK 149m (-136). Basic and diluted earnings per share were SEK 3.05 (-3.01).

Cash flow

Cash flow from operating activities totaled SEK 19m (-96). Cash flow from operating activities was positively impacted by the higher operating profit compared to last year. Despite an increase in capital tied up during the quarter, cash flow improved compared to the previous year. The increase in capital tied up is largely due to higher trade receivables due to higher sales, but also to increased inventory levels, mainly driven by a lack of components combined with more components in transit.

Investments, including capitalized development expenses, totaled SEK 58m (76). The majority of the investments relate to machinery and equipment needed in operating activities. It also includes capitalized development expenses of SEK 22m (27), principally consisting of expenses relating to the development of the new-generation EBS.

Cash flow from operating activities totaled SEK -11m (-139) in the first half of the year.

NET DEBT AND NET INTEREST INCOME/EXPENSE

Net debt and net interest income/expense, SEKm	Jun 30, 2021	Jun 30, 2020
Asset items in net debt:		
Cash and cash equivalents	338	260
Liability items in net debt:		
Interest-bearing liabilities including derivative instruments	-928	-920
Pension liabilities	-515	-651
Total net debt, excl. IFRS16 - Finance Leases	-1,105	-1,311
Debt attributable to IFRS16	-376	-321
Total net debt, incl. IFRS16 - Finance Leases	-1,481	-1,632
Net interest income/expense for current year	-14	-11

Group net debt at June 30 totaled SEK 1,481m (1,632), representing a decrease of SEK 151m compared to the same period previous year. Compared to the second quarter last year, net debt was positively impacted by sale of properties of SEK 145m in 2020 and early 2021. In addition to this was SEK 75m attributable to investing activities, which consist of capitalized product development as well as investments in machinery and other equipment. Net debt was also affected by the company's earnings.

SEK 136m in reduced net debt can be attributed to the remeasurement of pension liability, principally due to lower interest, while lease commitments through IFRS 16 increase new debt by SEK 55m.

Of the company's net debt of SEK 1,481m, SEK 376m can be attributed to lease commitments under IFRS 16 and SEK 515m to pension liabilities.

Financial items totaled SEK -3m (-12) in the second quarter, of which net interest income/expense, excluding IFRS 16, was SEK -7m (-6). The equity/assets ratio was SEK 33 percent (33) at the end of the second quarter.

Haldex loan financing consists primarily of:

- A loan maturing in April 2022 of SEK 270m, which has replaced a previous bond loan of SEK 270m that matured in January 2020.
- A syndicated credit facility of EUR 90m, maturing in April 2022. EUR 64m of this facility had been used at the end of the quarter.

The financing in the form of the loan and the syndicated credit facility is recognized as short-term liabilities at June 30 as they mature within one year but have both been extended to April 2023 after the balance sheet date.

Pledged assets and contingent liabilities

There were no changes to the Group's pledged assets or contingent liabilities during the quarter. The Group from time to time has product warranties and customer commitments which cannot be reliably estimated. For more information, see 'Significant risks and uncertainties' on page 10.

REGION AMERICAS

Sales, SEKm	Second quarter			First half of the year			Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Δ ¹	Jan-Jun 2021	Jan-Jun 2020	Δ ¹	Jul 2020 - Jun 2021	2020
Aftermarket	365	333	24%	713	746	9%	1,398	1,431
Trailer	123	67	108%	227	176	47%	395	344
Truck	98	51	125%	185	180	21%	330	326
Total	586	451	48%	1,125	1,103	17%	2,123	2,101

¹ Organic

Net sales development

Net sales for Region Americas amounted to SEK 586m (451) in the second quarter, corresponding to a positive organic growth of 48 percent. The Aftermarket segment was impacted by supply chain constraints and showed an organic increase of 24 percent. The Trailer and Truck segment showed an organic increase of 108 and 125 percent, respectively. The large increases are mainly due to the vast drop in sales last year due to COVID-19 compared to the Aftermarket which was less impacted. Sales to the Truck segment showed a clear improvement compared to the previous quarter.

During the quarter, two major OEM contracts were signed securing ongoing supply of products to Daimler Trucks North America and PACCAR Parts.

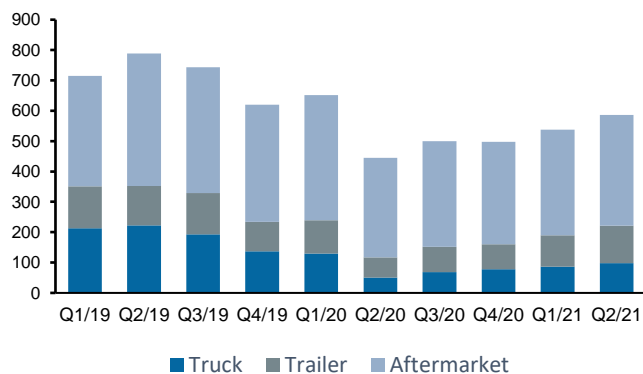
Market development and outlook

The market continued to grow strongly in the second quarter, although many manufacturers warned for potential delays due to component shortages. New production of trucks and trailers increased by 128 and 23 percent, respectively, compared to the previous year. Aftermarket demand remained strong and significantly above last year's levels.

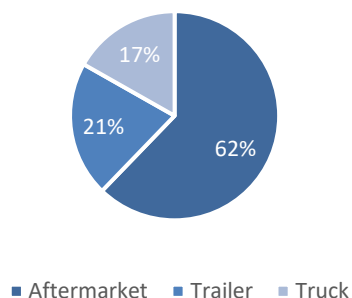
The full year market forecast remains strong for the Truck and Trailer segments with a positive outlook also for the aftermarket segment. Full-year truck and trailer production volume is anticipated to increase by 37 and 34 percent, respectively.

Uncertainty and volatility in the supply chain remains high in the region which could impact delivery and costs and put pressure on the margins going forward. The global shortage of semiconductors will probably also continue for the remainder of the year. However, Haldex is taking strong measures to improve the supply chain processes and aligning commodity prices and freight costs between our suppliers and customers to mitigate part of the impact.

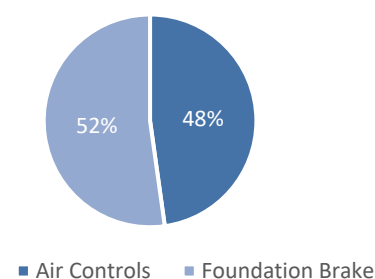
Sales per customer category, SEKm



Sales per customer category



Sales per product line



REGION EUROPE

Sales, SEKm	Second quarter			First half of the year			Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Δ ¹	Jan-Jun 2021	Jan-Jun 2020	Δ ¹	Jul 2020 - Jun 2021	2020
Aftermarket	188	140	40%	370	318	22%	694	642
Trailer	223	137	68%	426	335	31%	749	658
Truck	37	25	51%	82	66	31%	154	138
Total	448	302	53%	878	719	27%	1,597	1,438

¹ Organic

Net sales development

Net sales for Region Europe amounted to SEK 448m (302) in the quarter, corresponding to a positive organic growth of 53 percent. The growth is due to a significantly weaker comparison quarter but also to increased demand from our customers despite continued constrains in the supply chain. The Aftermarket segment showed an organic increase of 40 percent due to a higher underlying demand and our increased focus on the segment. The Trailer segment showed an organic increase of 68 percent due to the increased build rates in the trailer market and gained market share. The Truck segment showed an increase of 51 percent, mainly related to the improved underlying market and an increased portion of construction trucks equipped with drum brakes. The marketing of EB+4.0, the fourth generation of our innovative electronic brake platform for trailers continues and will be presented during the Solutrans show in France in November 2021.

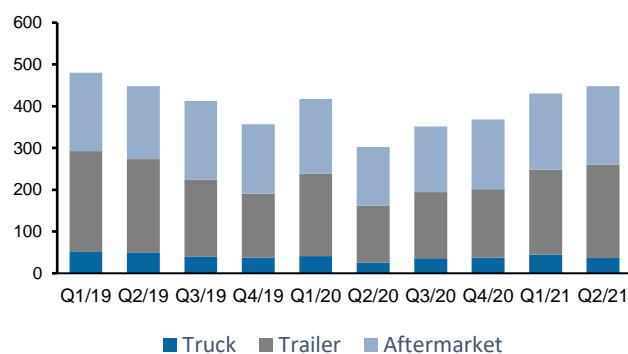
Market development and outlook

The market continued to grow strongly in the second quarter, which increased production volumes and inflow of new orders. New production of trucks and trailers increased by 65 and 16 percent, respectively, compared to the previous year. The full year market forecast shows stable volumes at a high level until the end of the year. Full-year truck and trailer production volume is anticipated to increase by 19 percent for both segments.

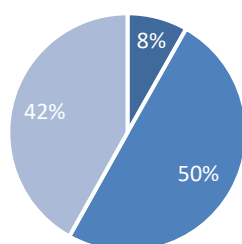
Uncertainty and disruptions in the supply chain, especially related to semiconductors, remain high and will probably continue for the remainder of the year.

European truck manufacturers continue to invest in the technological development of future vehicles, and the focus has clearly shifted toward electrification of heavy vehicles, which led to increased interest in our Electro-Mechanical Brake (EMB) during the first half year.

Sales per customer category, SEKm

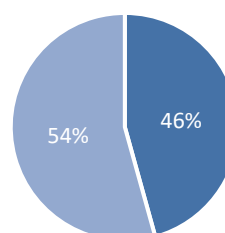


Sales per customer category



■ Truck ■ Trailer ■ Aftermarket

Sales per product line



■ Air Controls ■ Foundation Brake

REGION ASIA & MIDDLE EAST

Sales, SEKm	Second quarter			First half of the year			Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Δ ¹	Jan-Jun 2021	Jan-Jun 2020	Δ ¹	Jul 2020 - Jun 2021	2020
Aftermarket	14	12	25%	30	26	30%	64	59
Trailer	44	42	10%	86	86	3%	173	173
Truck	46	68	-29%	99	121	-12%	214	236
Total	104	122	-10%	215	233	-1%	451	468

¹ Organic

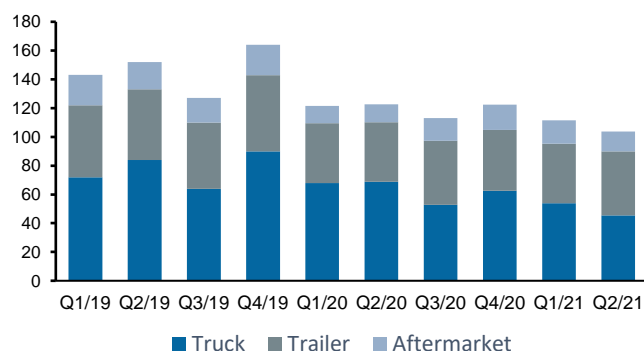
Net sales development

Net sales for Region Asia & Middle East amounted to SEK 104m (122) in the quarter, corresponding to a negative organic growth of 10 percent. The Aftermarket segment showed an organic increase of 25 percent and the Trailer segment an organic increase of 10 percent. The Truck segment showed an organic decrease of 29 percent and is mainly due to a drop in volume in China driven by lower vehicle output and fiercer price competition. Although India was hit hard by COVID-19, sales increased compared to the same period last year. During the quarter, Haldex EMB product passed validation through homologation with a customer in China.

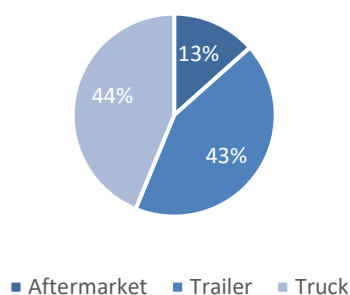
Market development and outlook

In China, the production of truck and trailer continued to weaken in the second quarter and volumes were well below last year. The main reason for the decline is the extremely high demand in China last year that has now normalized. New production of trucks and trailers decreased/increased by -11 and +9 percent, respectively, compared to the previous year. Full-year production volume is anticipated to decrease by 4 percent for trucks and increase by 11 percent for trailers. The market for air disc brakes in China is, however, expected to grow sharply, with increased penetration due to statutory requirements leading to improved vehicle safety.

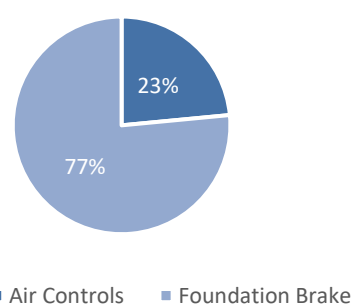
Sales per customer category, SEKm



Sales per customer category



Sales per product line



EMPLOYEES

At the end of the quarter there were 2,026 employees (2,055), representing a decrease of 29 compared to the second quarter of 2020. The decline in the number of employees is principally due to the closure of production in Heidelberg in Germany and Blue Springs in the United States. In addition, we are seeing effects from the cost savings programs in the number of staff in high-cost countries such as Sweden, the United States and France.

At the end of 2020, the number of employees was 1,990 and the increase in the first half of the year is mainly due to more employees in production as a result of increased sales and higher volumes.

PARENT COMPANY

Haldex AB (publ), corporate identity number 556010-1155, is a registered limited liability company with registered office in Landskrona, Sweden. Haldex AB shares are listed on Nasdaq Stockholm, Mid Cap. The parent company fulfils head office functions, including the corporate finance function. Net sales in the parent company totaled SEK 26m (29) during the second quarter. Profit after tax was SEK 11m (24).

SIGNIFICANT RISKS AND UNCERTAINTIES

Haldex is exposed to risks of a financial and operational nature. The Group has a process for risk identification and risk management, which is described in the Haldex 2020 Annual Report and Corporate Governance Report, on pages 42–47. The section on risks in the Annual Report makes it clear that the consolidated financial statements require certain judgments and assumptions about the future that are based on both historic experience and future expectations. Goodwill, development projects, taxes (capitalized loss carryforwards) and pensions are the areas presenting a significant risk of future adjustments to recognized values. Warranty provisions and customer commitments have been identified as the areas where uncertainty about future adjustments to estimated values is greatest. The ongoing COVID-19 pandemic has created greater uncertainty than normal. It is still difficult to predict the short- and long-term impacts of the COVID-19 pandemic on Haldex's earnings and value. Haldex has already been affected by decreased consumption and a general slowdown in the global economy. It is still unclear what impact this will have on the need for goods and passenger transportation, i.e. the use of heavy vehicles, both trucks and trailers and buses. The supply chain is, and is expected to continue to be, strained due to increased raw material costs and component shortages. It is difficult to predict the size of the future impact today, but delivery difficulties and increased costs in terms of more expensive materials/components together with higher shipping costs affected the company in the second quarter and are expected to have a continued impact during the year.

DEFINITIONS

The terminology used in this report is defined in Haldex's Annual Report 2020 and on the company's website: www.haldex.com.

SHARES AND SHARE DATA

Earnings per share for the second quarter were SEK 1.11 (-2.95). On the balance sheet date, equity per share was SEK 29.23 (28.93). Haldex had 48,637,567 shares at the end of the period. The share price last paid at June 30, 2021 was SEK 56.60.

OUTLOOK FOR 2021

We anticipate tracking the rate of growth in demand in terms of sales for newly produced heavy vehicles and trucks in each market.

Market data show that the OEM market is expected to recover gradually in 2021 and to then, in 2022, approach the levels that prevailed prior to the emergence of the coronavirus pandemic.

Market data for the aftermarket is lacking, but Haldex estimates that it follows the general economic trend in each market. We anticipate economic recovery and increased utilization of capacity in heavy road transport for 2021.

Trucks, new production	2020	2021p	2022p	2023p
Americas	340,823	468,203	546,994	482,852
Europe	401,266	477,887	523,505	557,969
Asia	1,956,589	1,868,747	1,659,406	1,802,983

Source: LMC Automotive, Q2 2021

Trailers, new production	2020	2021p	2022p	2023p
Americas	329,192	413,313	435,069	421,333
Europe	236,029	280,053	292,613	285,992
Asia	367,519	409,097	448,224	442,692

Source: Clear Q2 2021

During the second quarter, Haldex see increased costs for raw materials, semiconductors and freight. As of the third quarter, the company is expected to be able to mitigate large parts of the additional costs in terms of increased material costs by adjusting raw material prices between suppliers and customers. Haldex estimates that increased freight costs will continue throughout the year. However, there is great uncertainty about these external factors and the company is following market developments closely.

In addition to increased costs, there is also a significant shortage of semiconductors, which will have an impact on some Haldex products for at least the second half of 2021.

The company is taking steps to improve supply chain processes.

FUTURE-ORIENTED INFORMATION

This report includes future-oriented information with statements regarding the future prospects for Haldex's operations. The information is based on the current expectations, estimates and forecasts of the Haldex management. Actual future outcomes may differ sharply from the forward-looking information provided in this report, for example due to changes in economic, market and competition conditions.

TRANSACTIONS WITH RELATED PARTIES

No transactions have taken place between Haldex and its related parties.

SEASONAL EFFECTS

Haldex does not have any significant seasonal variations. However, sales are affected by the production schedules of Haldex's customers, which results in lower sales during vacation periods and when customers are closed for public holidays.

ACQUISITIONS AND DISPOSALS

There were no acquisitions or disposals during the second quarter.

ACCOUNTING POLICIES

This interim report is prepared in accordance with IAS 34 Interim Financial Reporting. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. The Parent Company's report has been prepared in accordance with the Swedish Financial Reporting Board's recommendation RFR 2 'Financial Reporting for Legal Entities' and the Swedish Annual Accounts Act. The accounting policies are therefore unchanged from those presented in the 2020 Annual Report on pages 52–56.

Holdings in associated companies are recognized in accordance with the equity method; the Group's share of the associated company's profit is reported on a separate line in the income statement.

CERTIFICATION BY THE BOARD OF DIRECTORS AND THE CEO

The Board of Directors and the CEO certify that the six-monthly report gives a true and fair view of the Parent Company's and the Group's operations, financial position and profit, and describes the principal risks and uncertainties that the Parent Company and the companies in the Group face.

LANDSKRONA, JULY 16, 2021

Håkan Karlsson

Chairman of the Board

Jean-Luc Desire

Chief Executive Officer

Stefan Charette

Board member

Catharina Modahl Nilsson

Board member

Viveka Ekberg

Board member

Dzeki Mackinovski

Board member

Detlef Borghardt

Board member

Per-Olof Bjällstål

Employee representative

Per Holmqvist

Employee representative

Jahad Shako

Employee representative

Jimmy Emilsson

Employee representative

This report has not been reviewed by the company's auditors.

INCOME STATEMENT

SEKm	Second quarter		First half of the year		Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jul 2020 - Jun 2021	2020
Net sales	1,138	875	2,218	2,055	4,171	4,007
Cost of goods sold	-825	-647	-1,569	-1,514	-2,970	-2,914
Gross profit	313	228	649	541	1,201	1,093
<i>Gross margin</i>	27.5%	26.1%	29.2%	26.3%	28.8%	27.3%
Product development expenses	-33	-35	-63	-72	-122	-131
Selling and administrative expenses	-202	-195	-394	-432	-767	-805
Share of profit from joint venture	-5	-8	-9	-15	-18	-24
Other operating income and expenses ¹	7	-141	38	-143	-51	-233
Operating income¹	79	-151	221	-121	242	-100
Financial items	-3	-12	-19	-37	-71	-89
Profit before tax	76	-163	202	-158	172	-189
Tax	-22	24	-53	22	-187	-111
Profit/loss for the period	54	-139	149	-136	-15	-300
<i>of which attributable to non-controlling interests</i>	0	0	1	2	3	4
Earnings per share, basic and diluted, SEK	1.11	-2.95	3.05	-3.01	-0.37	-6.44
Average number of shares, thousands	48,626	47,152	48,626	45,678	48,626	47,152

Operating income by nature of expense

SEKm	Second quarter		First half of the year		Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jul 2020 - Jun 2021	2020
Net sales	1,138	875	2,218	2,055	4,171	4,007
Direct material expenses	-652	-445	-1,236	-1,091	-2,324	-2,178
Employee benefit expenses	-221	-239	-436	-533	-840	-937
Depreciation, amortization and impairments	-53	-157	-107	-218	-288	-400
Other operating income and expenses	-133	-185	-218	-334	-477	-592
Operating income¹	79	-151	221	-121	242	-100

¹ Non-recurring items included in operating profit

SEKm	Second quarter		First half of the year		Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jul 2020 - Jun 2021	2020
Operating profit, including non-recurring items	79	-151	221	-121	242	-100
Restructuring expenses	-3	-46	-19	-53	-75	-109
Impairment of asset	-	-101	-	-101	-75	-176
Capital gain on property Blue Springs	-	-	-	-	35	35
Capital gain on property Kansas City	-	-	43	-	43	-
Dispute India	-	-	-	-	-1	-1
External services related to the bidding process	-	-1	-	-6	-6	-12
Operating income, excluding non-recurring items	82	-3	197	39	321	163

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKm	Second quarter		First half of the year		Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jul 2020 - Jun 2021	2020
Profit/loss for the period	54	-139	149	-136	-15	-300
Other comprehensive income						
<i>Items not to be reclassified to the income statement:</i>						
Remeasurement of pension obligation, after tax	3	-84	55	-83	102	-36
Total	3	-84	55	-83	102	-36
<i>Items that may be reclassified to the income statement:</i>						
Translation difference	-21	-99	44	-39	-70	-153
Change in financial instruments measured at fair value, after tax	1	-1	0	1	-2	-1
Total	-20	-100	44	-38	-72	-154
Total other comprehensive income	-17	-184	98	-121	30	-189
TOTAL COMPREHENSIVE INCOME	37	-323	247	-257	15	-489
<i>of which attributable to non-controlling interests</i>	<i>0</i>	<i>0</i>	<i>1</i>	<i>2</i>	<i>2</i>	<i>4</i>

BALANCE SHEET

SEKm	Jun 30, 2021	Jun 30, 2020	Dec 31, 2020
Goodwill	405	420	385
Other intangible fixed assets	341	305	296
Property, plant and equipment	1,144	1,228	1,090
Financial assets	51	25	41
Deferred tax assets	67	180	74
Total non-current assets	2,008	2,158	1,886
Inventories	919	860	717
Current receivables	1,086	981	939
Derivative instruments	23	41	81
Cash and cash equivalents	338	260	440
Total current assets	2,366	2,142	2,177
TOTAL ASSETS	4,374	4,300	4,063
Equity	1,450	1,437	1,203
Pensions and similar obligations	515	651	578
Deferred tax liabilities	18	18	16
Non-current interest-bearing liabilities	312	1,185	1,197
Other non-current liabilities	26	19	18
Total non-current liabilities	871	1,873	1,809
Derivative instruments	24	32	46
Current interest-bearing liabilities	989	62	62
Current liabilities	1,040	896	943
Total current liabilities	2,053	990	1,051
TOTAL EQUITY AND LIABILITIES	4,374	4,300	4,063

CHANGE IN EQUITY

SEKm	Jun 30, 2021	Jun 30, 2020	Dec 31, 2020
Opening balance	1,203	1,537	1,537
Profit/loss for the period	149	-136	-300
Other comprehensive income	98	-121	-189
Total comprehensive income	247	-257	-489
Transactions with shareholders:			
Dividend to Haldex shareholders	-	-	-
New share issue Haldex AB	-	157	157
Dividend to non-controlling interests	-	-	-2
Total transactions with shareholders	0	157	155
Closing balance	1,450	1,437	1,203
<i>of which attributable to non-controlling interests</i>	<i>29</i>	<i>30</i>	<i>31</i>

CONSOLIDATED STATEMENT OF CASH FLOW

SEKm	Second quarter		First half of the year		Rolling 12 m	Full year
	April–June 2021	April–June 2020	Jan–Jun 2021	Jan–Jun 2020	July 2020 - June 2021	2020
Operating profit	79	-151	221	-121	242	-100
Reversal of non-cash items	42	203	64	278	276	490
Interest paid	-10	-7	-19	-14	-51	-46
Tax paid	-17	11	-48	-3	-79	-34
Cash flow from operating activities before changes in working capital	94	56	218	140	388	310
Change in working capital	-75	-152	-229	-279	-45	-95
Cash flow from operating activities	19	-96	-11	-139	343	215
Investments, incl. capitalization of R&D expenses	-58	-76	-122	-206	-222	-306
Disposals of property, plant and equipment	-	-	53	-	114	61
Cash flow from investing activities	-58	-76	-69	-206	-108	-245
Dividend to non-controlling interests	-	-	-	-	-2	-2
New share issue Haldex AB	-	157	-	157	-	157
Interest-bearing liabilities	-19	8	-42	140	-149	33
Cash flow from financing activities	-19	165	-42	297	-151	188
Cash flow for the period	-58	-7	-122	-48	84	158
Cash and cash equivalents, opening balance	396	294	440	315	260	315
Translation difference on cash and cash equivalents	0	-27	20	-7	-6	-33
Cash and cash equivalents, closing balance	338	260	338	260	338	440

FINANCIAL INSTRUMENTS BY CATEGORY

SEKm	Jun 30, 2021		Jun 30, 2020	
	Assets	Liabilities	Assets	Liabilities
Currency futures - cash flow hedges	2	2	4	3
Currency futures – measured at fair value through profit or loss	1	0	0	1
Currency swaps - measured at fair value through profit	20	22	37	28
Total	23	24	41	32

PARENT COMPANY INCOME STATEMENT

SEKm	Second quarter		First half of the year		Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jul 2020 - Jun 2021	2020
Net sales	26	29	51	60	95	104
Administrative expenses	-29	-25	-59	-62	-99	-102
Operating profit	-3	4	-8	-2	-4	2
Dividends from Group companies	-	13	-	17	2	19
Impairment	-	-	-	-	-250	-250
Financial items	15	7	34	20	48	34
Income after financial items	12	24	26	35	-204	-195
Group contributions	-	-	-	-	-43	-43
Profit before tax	12	24	26	35	-247	-238
Tax	-1	-	-9	1	-20	-10
Profit/loss for the period	11	24	17	36	-267	-248

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEKm	Second quarter		First half of the year		Rolling 12 m	Full year
	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jul 2020 - Jun 2021	2020
Profit/loss for the period	11	24	17	36	-267	-248
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	11	24	17	36	-267	-248

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

SEKm	Jun 30, 2021	Jun 30, 2020
Non-current assets	2,816	2,922
Current assets	1,342	1,441
Total assets	4,158	4,363
Equity	1,070	1,337
Provisions	63	49
Interest-bearing liabilities, external	920	920
Other liabilities	2,105	2,057
Total liabilities and equity	4,158	4,363

FIVE-YEAR SUMMARY

SEKm, unless otherwise stated	2020	2019	2018	2017	2016
Income statement					
Net sales	4,007	5,151	5,119	4,462	4,374
Cost of goods sold	-2,914	-3,812	-3,813	-3,237	-3,155
Gross profit	1,093	1,339	1,306	1,225	1,219
Product development expenses	-131	-158	-162	-158	-177
Selling and administrative expenses	-805	-894	-863	-797	-773
Share of profit from joint venture	-24	-21	-5	-	-
Other operating income and expenses	-233	-161	-21	-121	-65
Operating profit	-100	105	255	149	204
<i>Operating income excl. non-recurring items</i>	<i>163</i>	<i>317</i>	<i>305</i>	<i>292</i>	<i>291</i>
Financial items	-89	-44	-36	-8	-36
Share of profit from joint venture	-	-	-	-12	-3
Profit before tax	-189	61	219	129	165
Tax	-111	-56	-66	-50	-74
Net income for the year	-300	5	153	79	91
Balance sheet					
Non-current assets	1,886	2,227	1,585	1,349	1,306
Current assets	2,177	2,186	2,104	1,729	1,751
Total assets	4,063	4,413	3,689	3,078	3,057
Equity	1,203	1,537	1,611	1,395	1,374
Non-current liabilities	1,809	1,346	1,072	775	757
Current liabilities	1,051	1,530	1,006	908	926
Total equity and liabilities	4,063	4,413	3,689	3,078	3,057
Cash flow					
Cash flow from operating activities	215	328	274	173	256
Cash flow from investing activities	-245	-381	-381	-231	-222
Cash flow from financing activities	188	59	211	-35	-52
Cash flow for the year	158	6	104	-93	-18
Key ratios					
Gross margin, %	27.3	26.0	25.5	27.5	27.9
Operating margin, %	-2.5	2.0	5.0	3.3	4.7
Operating margin excluding non-recurring items, %	4.1	6.1	6.0	6.5	6.6
Earnings per share, basic and diluted, SEK	-6.44	0.12	3.46	1.67	2.00
Equity per share, SEK	24.10	34.78	35.80	30.98	30.63
Cash flow, operating activities, per share SEK	4.56	7.42	6.20	3.91	5.80
Dividend, SEK	0.00	0.00	1.15	0.55	0.00
Share price, SEK	43.75	51.00	69.00	87.25	116.50
Return on capital employed, % ^{1,2}	-3.8	3.1	9.8	6.8	9.7
Return on capital employed excl. non-recurring items, % ^{1,2}	5.0	9.4	11.8	13.3	13.8
Return on equity, %	-21.9	0.1	9.8	5.4	13.1
Equity/assets ratio, %	30	35	44	45	45
Net debt/equity ratio, % ²	85	66	45	42	36
Investments	197	273	313	218	222
R&D, %	5.4	4.6	4.1	4.0	3.5
Number of employees	1,990	2,172	2,309	2,176	2,045

¹Rolling twelve months. ²The effect of IFRS16 Leases has been excluded.

QUARTERLY DATA

	2021		2020				2019		
SEKm, unless otherwise stated	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Income statement									
Net sales	1,138	1,080	989	964	875	1,180	1,141	1,283	1,389
Cost of goods sold	-825	-744	-706	-695	-647	-867	-849	-928	-1,031
Gross profit	313	336	283	269	228	313	292	355	358
Product development expenses	-33	-30	-32	-28	-35	-37	-43	-43	-39
Selling and administrative expenses	-202	-191	-189	-185	-195	-237	-215	-227	-229
Share of profit from joint venture	-5	-4	-2	-7	-8	-7	-7	-7	-7
Other operating income and expenses	7	31	-16	-73	-141	-1	-160	-10	-10
Operating profit	79	142	44	-23	-151	30	-133	68	73
<i>Operating income excl. non-recurring items</i>	82	115	66	58	-3	43	44	85	91
Financial items	-3	-16	-46	-6	-12	-26	-12	-16	-8
Profit before tax	76	126	-2	-29	-163	4	-145	52	65
Tax	-22	-32	-59	-75	24	-1	-4	-15	-16
Profit/loss for the period	54	95	-61	-104	-139	3	-149	37	49
Balance sheet									
Non-current assets	2,008	2,005	1,886	1,964	2,158	2,319	2,227	2,178	2,131
Current assets	2,366	2,348	2,177	2,326	2,142	2,401	2,186	2,283	2,243
Total assets	4,374	4,354	4,063	4,290	4,300	4,720	4,413	4,461	4,374
Equity	1,450	1,413	1,203	1,300	1,437	1,602	1,537	1,745	1,675
Non-current liabilities	871	1,803	1,809	1,870	1,873	1,458	1,346	1,358	1,356
Current liabilities	2,053	1,137	1,051	1,119	990	1,661	1,530	1,358	1,343
Total equity and liabilities	4,374	4,354	4,063	4,290	4,300	4,720	4,413	4,461	4,374
Cash flow									
Cash flow from operating activities	19	-30	123	231	-96	-43	239	76	97
Cash flow from investing activities	-58	-11	-40	1	-76	-130	-136	-82	-97
Cash flow from financing activities	-19	-23	-88	-21	165	132	1	21	-77
Cash flow for the period	-58	-64	-5	211	-7	-41	104	15	-77
Key ratios									
Gross margin, %	27.5	31.1	28.6	27.9	26.1	26.5	25.6	27.6	25.7
Operating margin, %	6.9	13.1	4.5	-2.4	-17.2	2.5	-11.6	5.3	5.3
Operating margin excluding non-recurring items, %	7.2	10.6	6.7	6.0	-0.3	3.6	3.8	6.6	6.5
Earnings per share, basic and diluted, SEK	1.11	1.94	-1.27	-2.15	-2.95	0.04	-3.36	0.83	1.11
Equity per share, SEK	29.23	28.44	17.32	26.08	28.93	36.24	34.78	39.48	37.89
Cash flow, operating activities, per share, SEK	0.39	-0.62	2.53	4.75	-2.04	-0.97	5.41	1.72	2.19
Share price, SEK	56.60	46.25	43.75	41.80	37.50	25.55	51.00	50.20	57.00
Return on capital employed, % ^{1,2}	8.3	0.0	-3.8	-9.5	-6.4	1.2	3.1	7.5	8.2
Return on capital employed excl. non-recurring items, % ^{1,2)}	11.0	7.7	5.0	4.3	5.2	8.6	9.4	10.5	10.6
Return on equity, %	4.2	7.4	-5.0	-7.8	-9.3	0.1	-9.3	2.1	2.9
Equity/assets ratio, %	33	32	30	30	33	34	35	39	38
Net debt/equity ratio, % ²	76	74	85	84	91	76	66	62	62
External investments, SEKm	36	39	25	26	49	97	103	64	69
R&D, %	4.4	4.5	4.9	5.1	6.3	5.3	5.9	4.1	4.3
Number of employees	2,026	2,021	1,990	1,962	2,055	2,183	2,172	2,212	2,283

¹ Rolling twelve months. ² The effect of IFRS16 Leases has been excluded.

KEY RATIOS

	Jun 30, 2021	Jun 30, 2020	Dec. 31, 2020
Gross margin, %	29.2	26.3	27.3
Operating margin excluding non-recurring items, %	8.9	1.9	4.1
Operating margin, %	10.0	-5.9	-2.5
Cash flow, operating activities, SEKm	-11	-139	215
Cash flow after investments, SEKm	-80	-345	-30
Return on capital employed, % ^{1,2}	8.3	-6.4	-3.8
Return on capital employed excl. non-recurring items, % ^{1,2}	11.0	5.2	5.0
Investments, SEKm	75	146	197
R&D, %	4.4	5.7	5.4
Number of employees	2,026	2,055	1,990
Return on equity, % ¹	-1.3	-16.0	-21.9
Interest coverage ratio, multiple	12.8	3.1	3.9
Equity/assets ratio, %	33	33	30
Net debt/equity ratio, % ²	76	91	85
Per share:			
Profit after tax, basic, SEK	3.05	-3.01	-6.44
Profit after tax, diluted, SEK	3.05	-3.01	-6.44
Equity per share, SEK	29.23	28.93	24.10
Cash flow, operating activities, per share, SEK	-0.23	-3.04	4.56
Share price, SEK	56.60	37.50	43.75
Average total number of shares, thousands	48,638	45,690	47,164
Total number of shares at end of period, thousands	48,638	48,638	48,638
of which number of shares in own custody, thousands	12	12	12

¹ Rolling twelve months. ² The effect of IFRS16 Leases has been excluded

OTHER INFORMATION

Investor presentation

Investors, analysts and media are invited to a presentation of the report on Friday July 16, at 11.00 am, together with CEO Jean-Luc Desire and CFO Lottie Saks.

Link to the webcast and conference call number:

<https://financialhearings.com/event/13300>

The webcast will be available afterwards, and both the interim report and the presentation can be downloaded from the Haldex website:

<http://www.haldex.com/sv/corporate/investerare/finansiella-rapporter/>

Financial calendar 2021

Interim report, Jul-Sep
Year-end report, Jan-Dec

October 21, 2021
February 10, 2022

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This information is such that Haldex AB (publ) is obliged to publish under the EU Market Abuse Regulation. The information was submitted for publication through contacts on Friday July 16, 2021 at 7.20 am.

ANNEX

NUMERICAL BASIS FOR ALTERNATIVE KEY PERFORMANCE INDICATORS

Sales

	Recognized sales Apr-Jun 2021	Currency-adjustment to exchange rates of previous year	Currency-adjusted sales Apr-Jun 2021	Δ	Recognized sales full year 2020	Currency-adjustment to exchange rates of previous year	Currency-adjusted sales full year 2020	Δ
SEKm								
Group	1,138	103	1,241	9%	4,007	133	4,140	3%
Total	1,138	103	1,241	9%	4,007	133	4,140	3%

Sales per region

	Recognized sales Apr-Jun 2021	Currency-adjustment to exchange rates of previous year	Currency-adjusted sales Apr-Jun 2021	Δ	Recognized sales full year 2020	Currency-adjustment to exchange rates of previous year	Currency-adjusted sales full year 2020	Δ
SEKm								
Americas	586	82	668	14%	2,101	101	2,202	5%
Europe	448	16	464	4%	1,438	19	1,457	1%
Asia and Middle East	104	5	109	5%	468	13	481	3%
Total	1,138	103	1,241	9%	4,007	133	4,140	3%

Sales per product line

	Recognized sales Apr-Jun 2021	Currency-adjustment to exchange rates of previous year	Currency-adjusted sales Apr-Jun 2021	Δ	Recognized sales full year 2020	Currency-adjustment to exchange rates of previous year	Currency-adjusted sales full year 2020	Δ
SEKm								
Foundation Brake	635	53	688	8%	2,200	79	2,279	4%
Air Controls	503	50	553	10%	1,807	54	1,861	3%
Total	1,138	103	1,241	9%	4,007	133	4,140	3%

Sales per customer category

	Recognized sales Apr-Jun 2021	Currency-adjustment to exchange rates of previous year	Currency-adjusted sales Apr-Jun 2021	Δ	Recognized sales full year 2020	Currency-adjustment to exchange rates of previous year	Currency-adjusted sales full year 2020	Δ
SEKm								
Aftermarket	566	59	625	10%	2,132	70	2,202	3%
Trailer	391	24	415	6%	1,174	23	1,197	2%
Truck - heavy trucks and buses	181	20	201	11%	701	40	741	6%
Total	1,138	103	1,241	9%	4,007	133	4,140	3%

Organic growth, second quarter

Percent	Group	Americas	Europe	Asia and Middle East
Organic growth	42	48	53	-10
Currency translation difference	-12	-18	-5	-5
Acquisitions	-	-	-	-
Reported growth	30	30	48	-15

QUARTERLY DATA

NUMERICAL BASIS FOR ALTERNATIVE KEY PERFORMANCE INDICATORS

	2021		2020				2019		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
SEKm, unless otherwise stated									
Non-recurring items									
- Restructuring expenses	-3	-16	-48	-8	-46	-7	-175	-12	-17
- Impairment of asset	-	-	-5	-70	-101	-	-	-	-
- Capital gain on property Blue Springs	-	-	35	-	-	-	-	-	-
- Capital gain on property Kansas City	-	43	-	-	-	-	-	-	-
- Dispute India	-	-	-	-1	-	-	-	-	-
- Expenses related to the acquisition process	-	-	-4	-2	-1	-6	-2	-5	-1
- Product-related warranty costs	-	-	-	-	-	-	-	-	-
Total non-recurring items	-3	27	-22	-81	-148	-13	-177	-17	-18
Research and development expenses excl. depreciation	-50	-48	-48	-50	-55	-63	-67	-54	-59
Product development expenses for new technology	-6	-5	-10	-10	-12	-12	-14	-10	-12
Joint venture EMB	-5	-4	-2	-7	-8	-7	-7	-7	-7
Scalable Brake Systems	-6	-5	-11	1	0	-2	-5	-2	-6
Total operating expenses for new technology	-11	-10	-13	-6	-8	-9	-12	-9	-13
Net interest income and financial items									
Interest income	-2	3	-1	1	0	1	2	4	4
Interest expense	-5	-9	-13	-17	-6	-6	-13	-14	-13
Total net interest income/expense	-7	-6	-14	-16	-6	-5	-11	-10	-9
Financial exchange rate effect	6	-6	-33	13	-4	-19	0	-6	4
Other financial items	-2	-3	-2	-3	-2	-2	-1	-1	-3
Total financial items	-3	-16	-46	-6	-12	-26	-12	-17	-8
Net debt									
- Interest-bearing assets	338	396	440	466	260	294	315	217	196
- Interest-bearing liabilities, including derivative instruments	-928	-925	-888	-904	-920	-949	-768	-761	-731
- Pension liabilities	-515	-524	-578	-658	-651	-571	-562	-540	-511
Total net debt¹	-1,105	-1,053	-1,026	-1,096	-1,311	-1,226	-1,015	-1,084	-1,046
Capital employed									
Total assets	4,374	4,354	4,063	4,290	4,300	4,720	4,413	4,461	4,374
Non-interest-bearing liabilities and provisions	-1,108	-1,107	-1,024	-1,070	-965	-1,235	-1,116	-1,048	-1,062
Total capital employed	3,266	3,247	3,039	3,220	3,335	3,485	3,297	3,413	3,312
Average capital employed	3,188	3,232	3,311	3,381	3,417	3,403	3,366	3,198	2,941
Net profit attributable to the shareholders in the Parent Company									
Profit/loss for the period	54	95	-61	-104	-139	3	-149	37	49
Profit attributable to non-controlling interests	0	1	1	1	0	1	0	1	2
Total net income attributable to shareholders in the Parent Company	54	94	-62	-105	-139	2	-149	36	47
Equity attributable to shareholders in the parent company									
Equity	1,450	1,413	1,203	1,300	1,437	1,602	1,537	1,745	1,675
Equity attributable to non-controlling interests	29	30	27	31	30	34	32	33	33
Total equity attributable to shareholders in the Parent Company	1,421	1,383	1,176	1,269	1,407	1,568	1,505	1,712	1,642
Average equity attributable to shareholders in the Parent Company	1,368	1,361	1,385	1,492	1,567	1,621	1,624	1,641	1,610
Average number of shares	48,638	48,638	48,638	48,638	47,164	44,216	44,216	44,216	44,216

¹ The effect of IFRS16 leases has been excluded.