



Alimak Group

Q3 2023, 24 October 2023

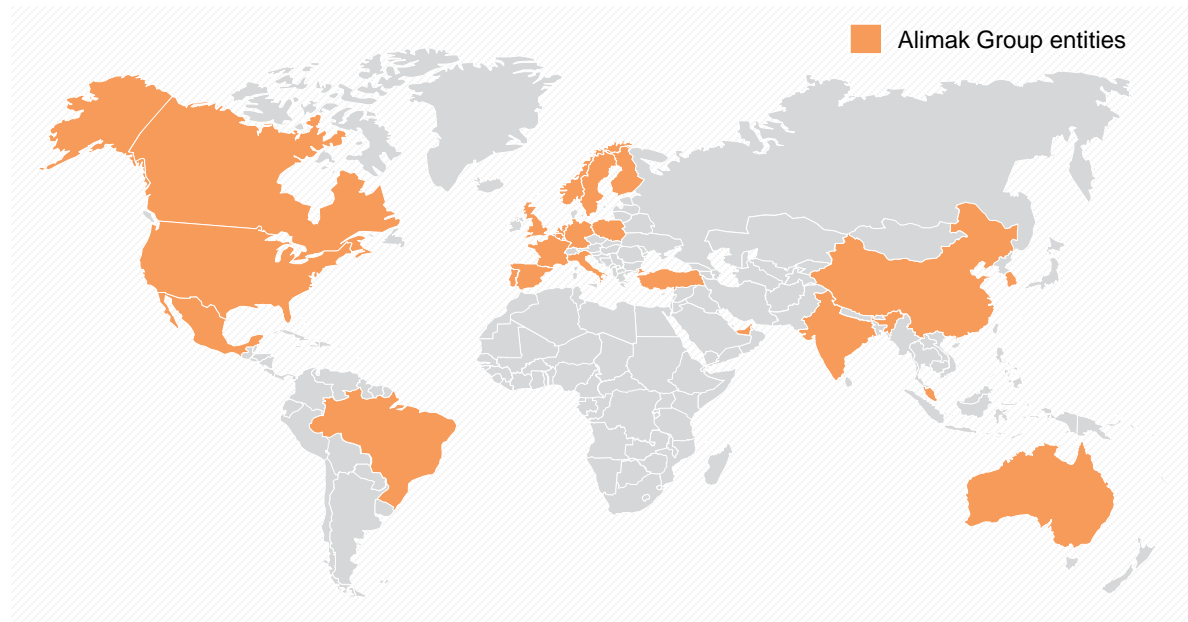
Ole Kristian Jødahl, CEO

Sylvain Grange, CFO

Alimak Group – a diversified global industrial company

Highlights

- Leading provider of premium vertical access and working at height solutions
- 3,000 employees, sales in +120 countries, presence in 28 countries
- Decentralised organisation with 5 customer centric divisions



Drivers for success

Supported by global trends

Leading market position in focused niches

Global footprint with a large installed base

Spare parts and service

Strong balance sheet and cash conversion

New Heights programme – our strategic roadmap



Financial targets and dividend policy

Market growth, product development, cross-selling, and continued M&A



Revenue growth
6-10%

Continued operational efficiency, Tractel synergies, and Facade Access improvements



EBITA margin
>18%

Strong focus on working capital improvements and limited capex need

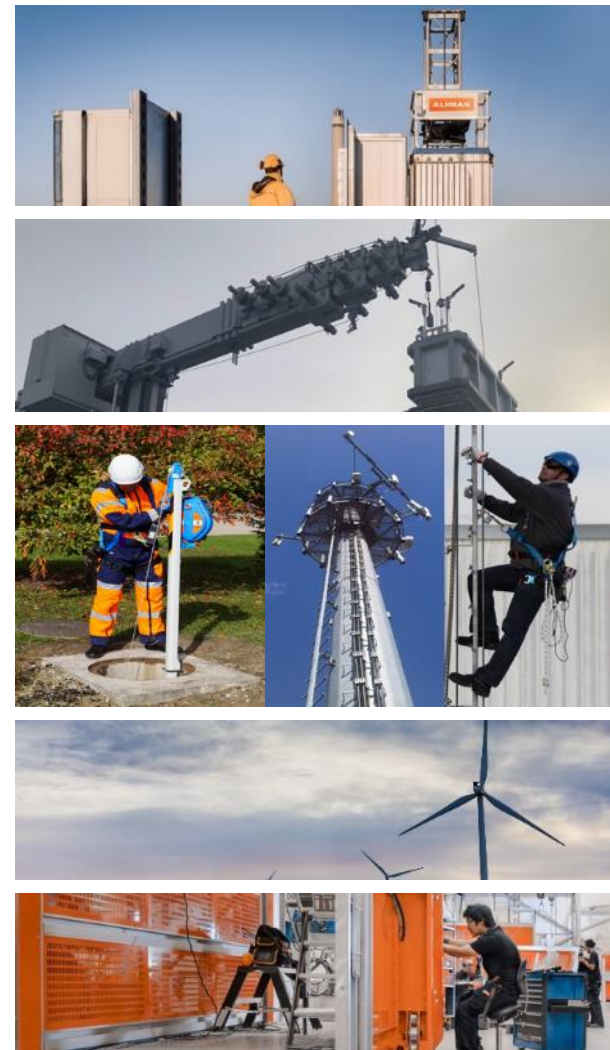


Leverage ratio
<2.5x

Dividend pay-out ratio of 40-60%

New heights for profit and cash flow

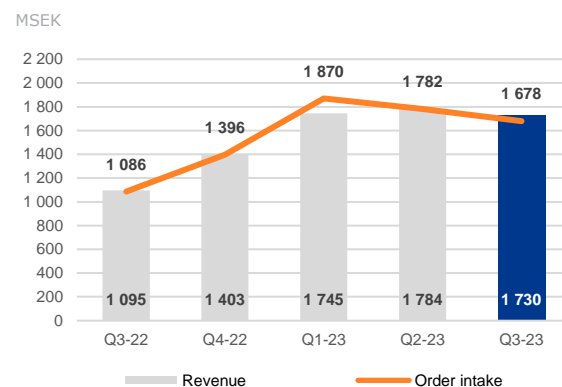
- Positive momentum and another solid quarter, despite an overall challenging macro environment
- Adjusted EBITA-margin of 16.1% (13.7%)
 - Aggregated EBITA increased by 7%*
- Outstanding cash flow from operations
 - Improved working capital management
- Deleveraging to net debt/EBITDA of 2.53 (2.47, incl R12 months Tractel EBITDA)



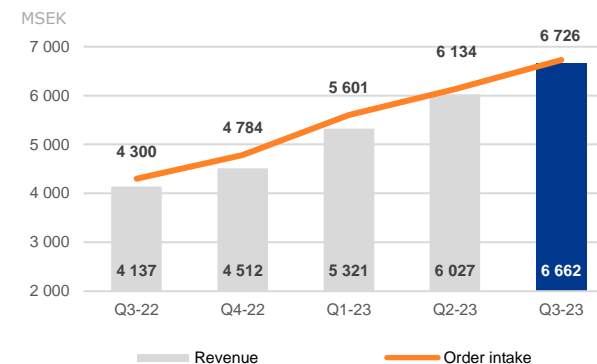
Group quarterly summary

- Order intake** was MSEK 1,678, +55% (+55% from acquisitions. -4% organically)
 - Strong organic growth in Construction and Wind
 - Facade Access faced delayed award decisions, due to high interest rates
- Revenue** was MSEK 1,730 +58% (53% from acquisitions. 1% organically)
 - Strong organic growth in Industrial and Wind
- EBITA adj.** increased to MSEK 279 (150), margin at 16.1% (13.7). Adj. aggregated EBITA increased by 7%*
 - High performance in Industrial, Wind and Construction
 - Improved margin in Facade Access

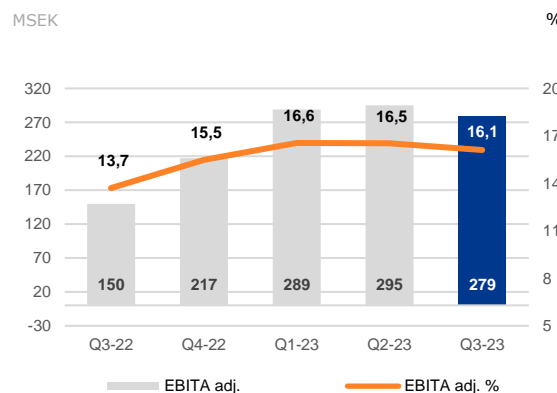
Order intake & Revenue by Quarters



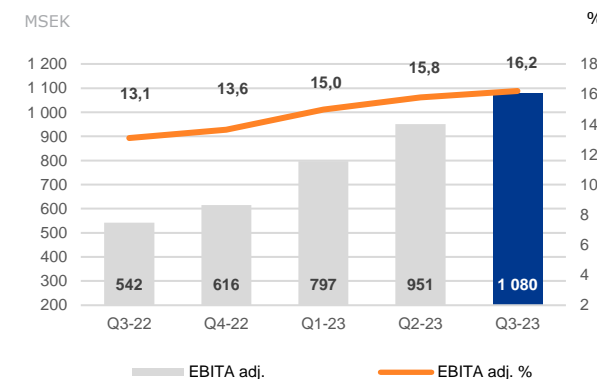
Order intake & Revenue by R12M



EBITA adj & EBITA adj by Quarters



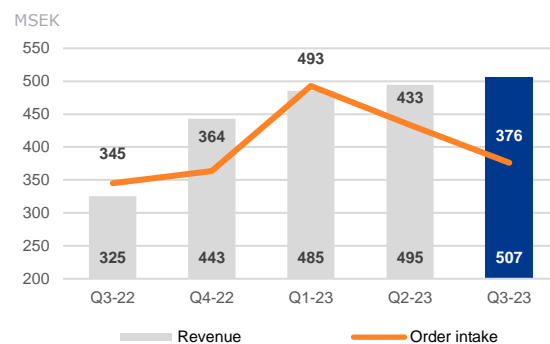
EBITA adj & EBITA adj by R12M



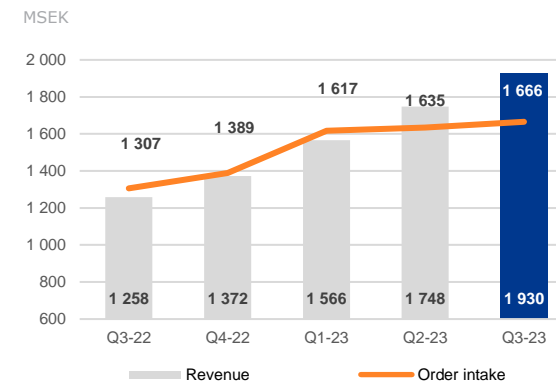
Facade Access

- **Order intake** was MSEK 376, +9% (+55% from acquisitions. -48% organically)
 - Service continues to contribute positively
 - Impact of higher interest rates resulting in some projects being put on hold or delayed in all geographies
 - Comparing to a strong Q3 last year, including a major project in Hong Kong
 - Our higher margin expectations have led us to step out of a few tenders
- **Revenue** was MSEK 507, +56% (+68% from acquisitions. -16% organically)
- **EBITA** at MSEK 40 (12), margin 7.8% (3.7)
 - Continued execution on the transformation program to deliver significantly improved margins over time

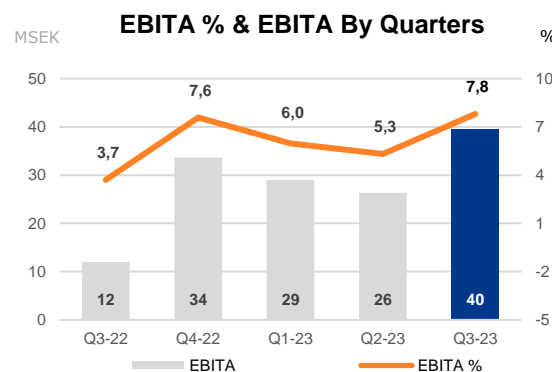
Order intake & Revenue by Quarters



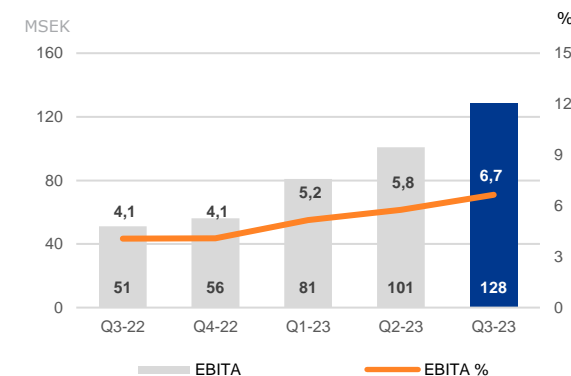
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters

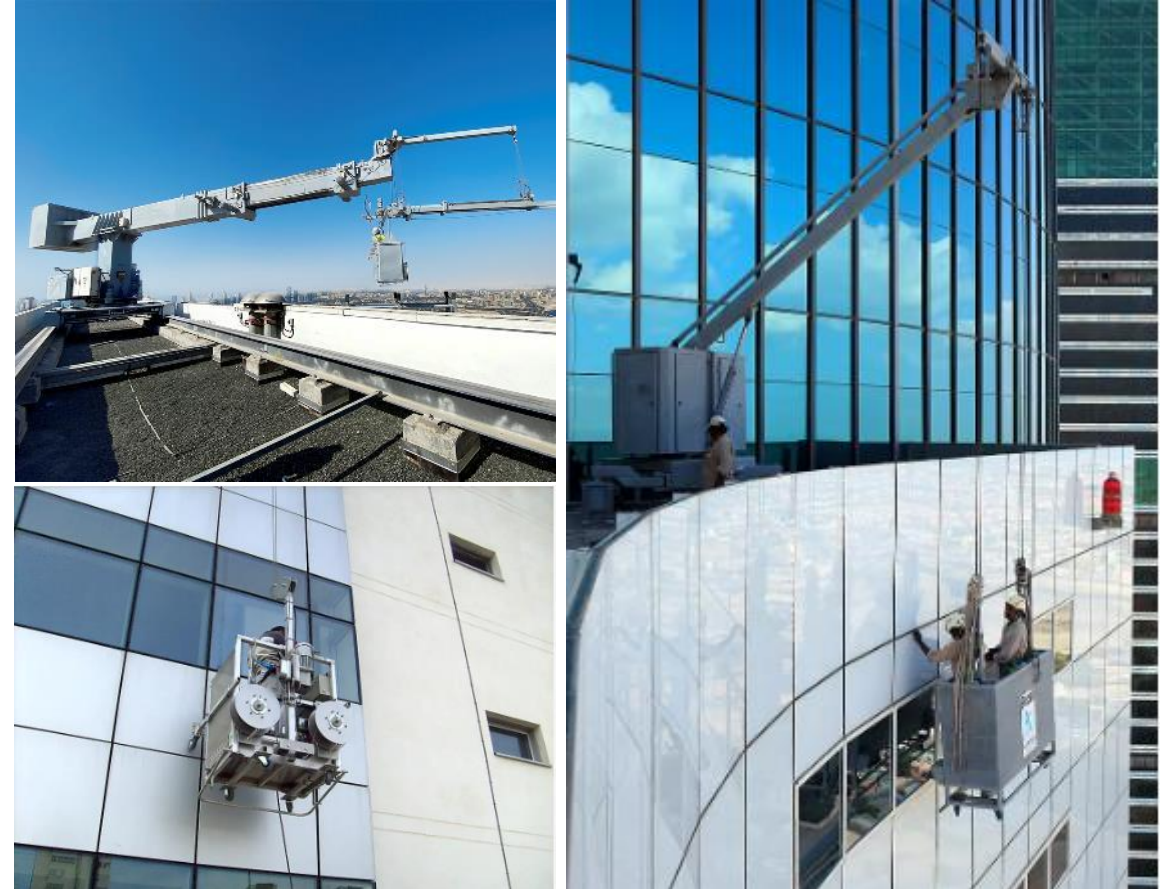


EBITA & EBITA margin by R12M



Facade Access – business update

- Transformation program well under way
 - Organization 100% implemented, commercial 90%, operations work in progress
- Innovation on Integrated Design Services (upstream engineering design services offered to architects and general contractors)
- New web site to be launched Q1 2024, presenting all 3 brands and all offerings
- Strong focus on retrofit, refurbishment and replacement with local service teams
- Levers for CO2 reduction identified, work in progress



Facade Access – new projects

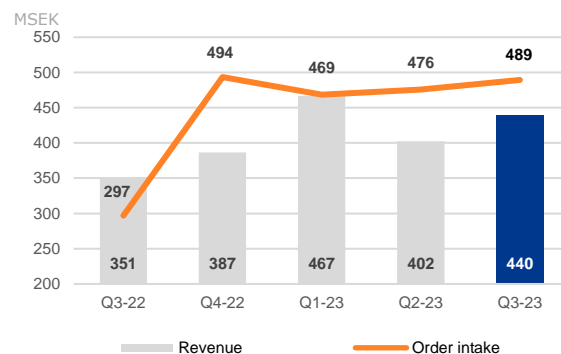
- Sky Towers, Dolmen City, Karachi, Pakistan
 - 35-storeys twin towers (existing buildings)
 - 2 Manntech Type 6 BMUs will be added to the existing 2 BMUs to meet the client requirements of improving the cleaning cycles
- Medical Properties Trust, Atlanta, USA
 - Equipment for sprawling 4 story building. The top three levels will feature Davit systems and Travsmart HLL systems
 - The main roof will have more than 1200 feet of lifelines, and the third floor more than 500 feet of lifelines
- Campus Point CP3, San Diego, USA
 - Equipment for 9 story Campus Point CP3. The building will have our standard 8' 6" davits
 - Tractel's 12'6" extended davits will be provided for hard-to-reach areas of the exterior of the building



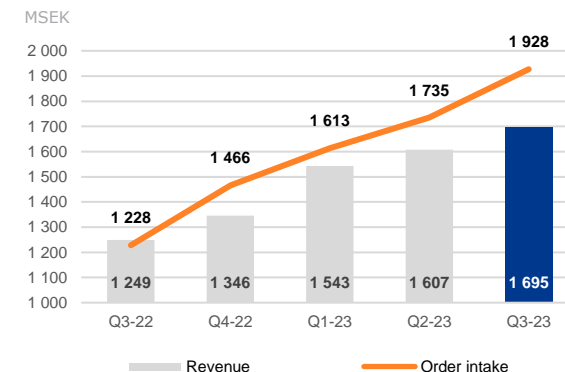
Construction

- **Order intake** was MSEK 489, +65% (+26% from acquisitions. 36% organically)
 - Strong rental and new equipment order intake
 - Major rental orders received in Australia, Canada, France and Germany on large multi-storey projects
- **Revenue** was MSEK 440, +25% (+22% from acquisitions. -1% organically)
 - High level of rental activity
- **EBITA** at MSEK 82 (65), margin 18.7% (18.6)

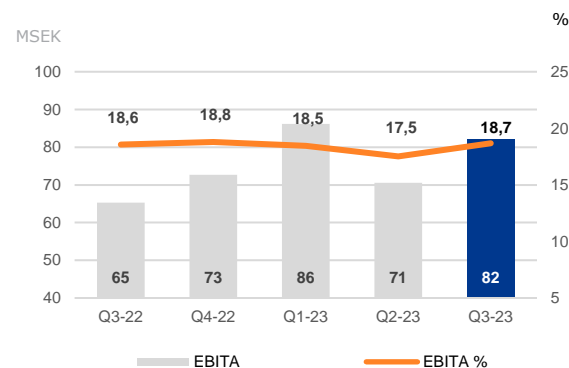
Order intake & Revenue by Quarters



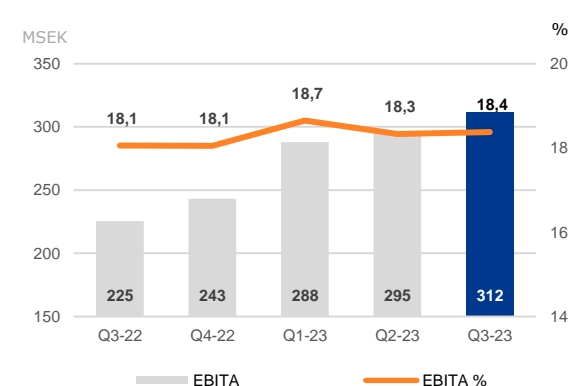
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters

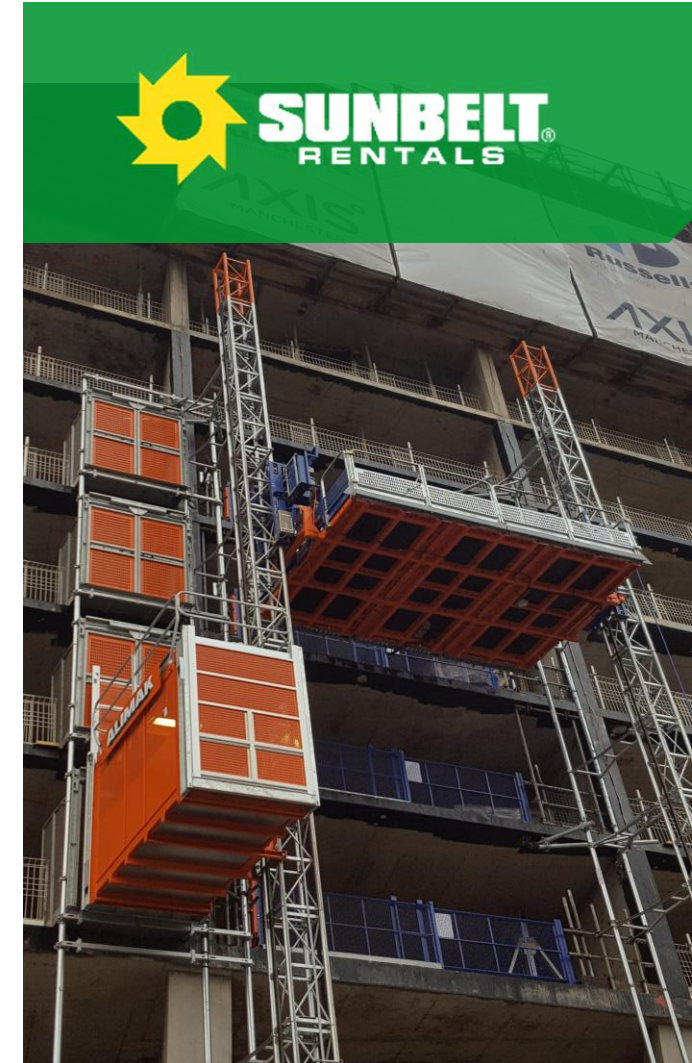


EBITA & EBITA margin by R12M



Construction – business update

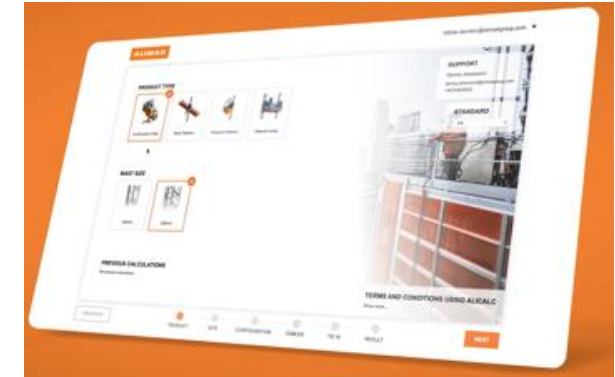
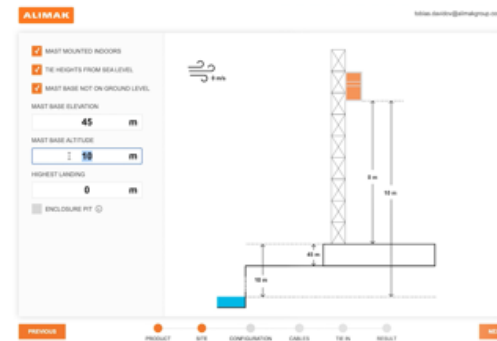
- Significant order from UK and US for construction hoists and transport platforms with Sunbelt Rentals
- High order backlog
- Continued weak market in residential construction
- We continue to exploit investments in the infrastructure, energy and utilities sectors
- The growth reflects the consistency of our strategy, driving product development with strong customer focus providing new, used, rental, parts and services solutions, enhanced with our digitalization roll out



Construction – new services launch

ALICALC – Advanced online tool for calculating forces to enhance safety:

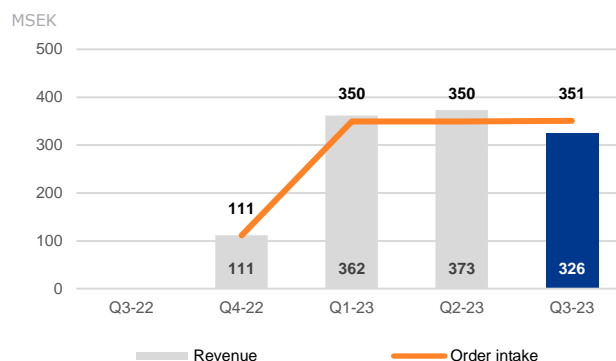
- Calculate reaction forces
- Saving time
- Enhancing safety
- Access available via "My Alimak"
- Producing calculation reports for customers and project managers



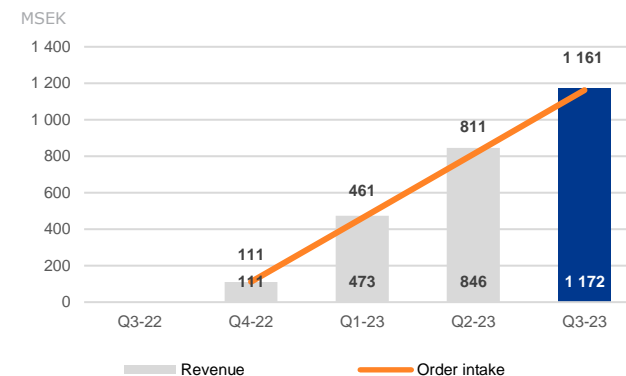
Height Safety and Productivity Solutions

- **Order intake** was MSEK 351
 - All major regions performing better than last year
 - Strong development in the elevators, construction and energy segments
- **Revenue** was MSEK 326
 - Positive contributions from both equipment and service
- **EBITA** was MSEK 51, margin 15.6%
 - Q3 is typically a weaker quarter
 - Versus Q3 2022 (17.9% aggregated), most of the decrease is due to change in management fee allocation

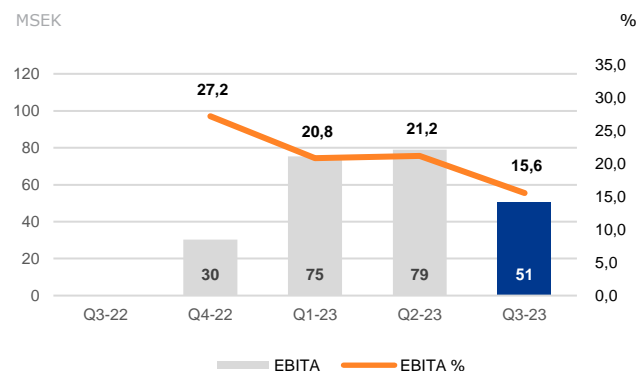
Order intake & Revenue by Quarters



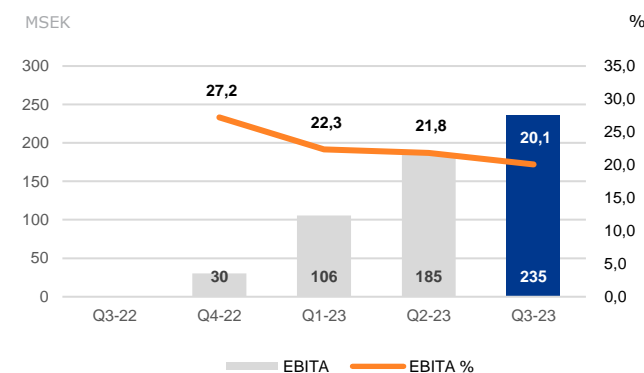
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



Height Safety and Productivity Solutions – business update **Q3**

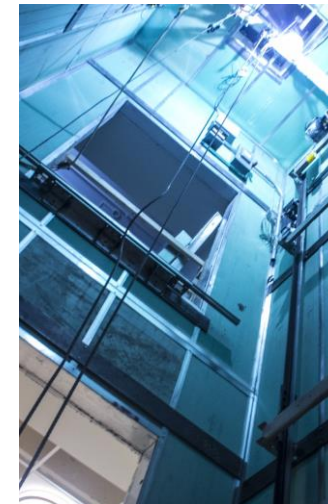
- Increasing focus and investment on product development, marketing and sales:
 - Preparing for geographical expansion in early 2024
 - Increased web presence and lead generation
 - Several new products being launched before year end
- Cost initiatives are being implemented in Singapore, China and Spain
- Levers for CO2 reduction identified, work in progress



Height Safety and Productivity Solutions – business update **Q3**

More focus on innovation, product development and sales addressing specific customer segments

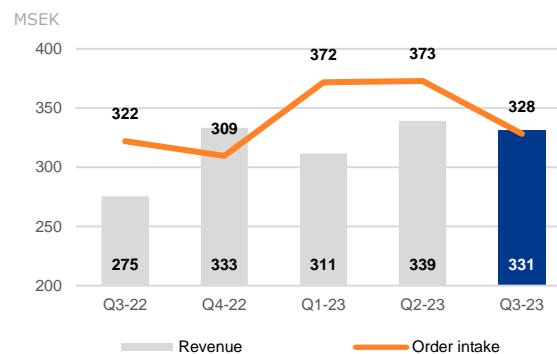
- Fire and Rescue
 - Dedicated webpage
 - Promising results after 8 months in both sales and number of new customers
- Elevators
 - Dedicated resources
 - Largest order ever from a Tier 1 elevator company
 - 3 new Tier 2 customers signed up



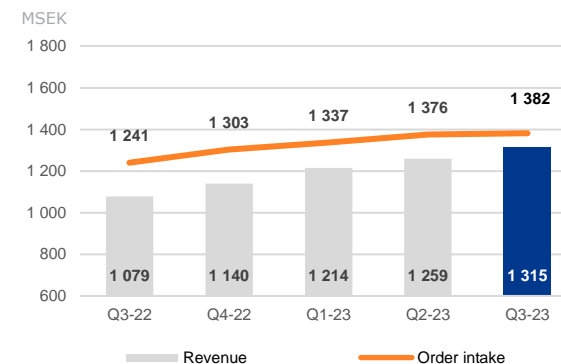
Industrial

- **Order intake** was MSEK 328, +2% (-1% organically)
 - Continued strong development in service
 - Strong activity in Europe and APAC
- **Revenue** was MSEK 331, +20% (+18% organically)
 - Solid development in both new equipment sales, as well as service
 - Order backlog remains strong with book-to-bill at 99% for the quarter
- **EBITA** increased to MSEK 73 (50), a margin of 21.9% (18.3)
 - Strong development due to higher volumes and good cost control

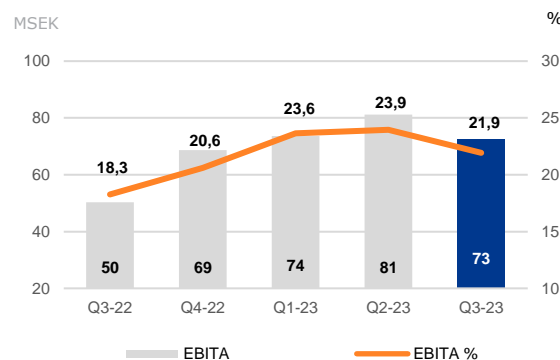
Order intake & Revenue by Quarters



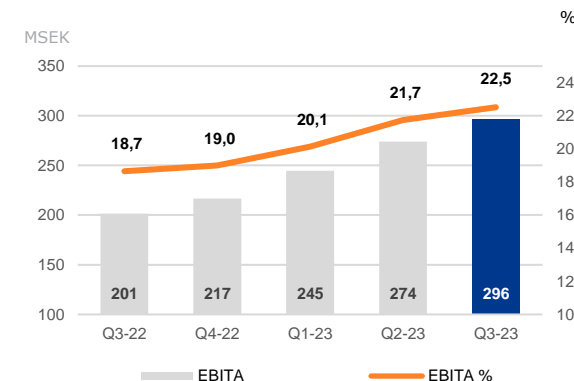
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters

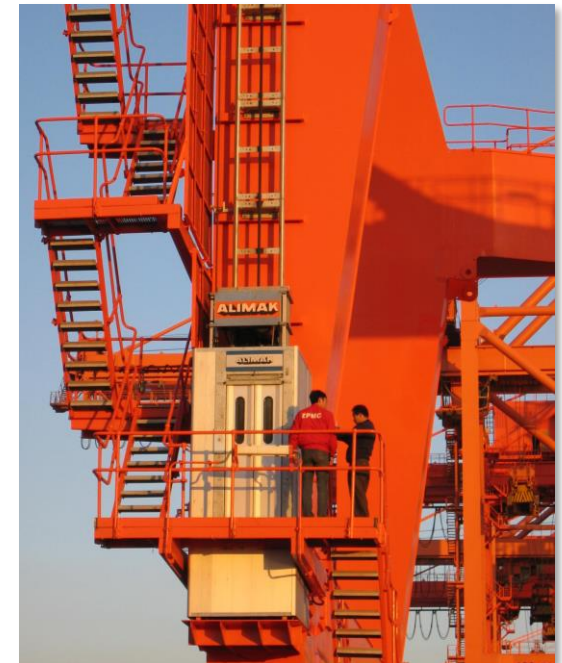


EBITA & EBITA margin by R12M



Industrial – business update

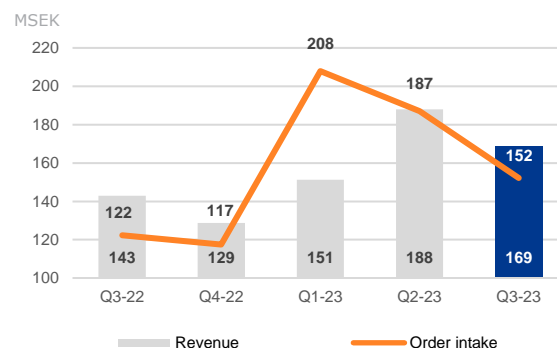
- Jens Holmberg – new Executive Vice President
 - Strong industrial background
 - Extensive manufacturing experience
- Strong quarter for the marine segment in North and Central Europe with big orders for offshore gangway systems
- Further successes to reinforce our presence for lifts on ship-to-shore cranes in ports
 - 16 lifts order from Chinese crane manufacturer for projects in Canada and Saudi Arabia
 - 8 lifts order from German crane manufacturer for projects in Tanzania and Turkey
- Continued strong delivery on the strategic agenda
 - Strengthening the product portfolio as we prepare launch of Silo Lift to expand our footprint among existing and new customers
 - Further development and increase of aftermarket share among our existing customer base



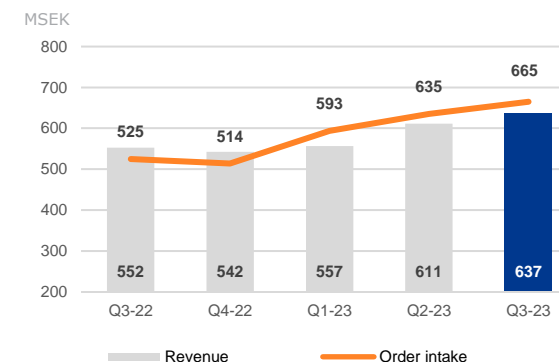
Wind

- **Order intake** was MSEK 152, +24% (+16% organically)
 - Strong impact from strategy deployment
 - Robust increase in equipment and services in all regions, led by Europe
- **Revenue** was MSEK 169, +18% (+10% organically)
 - Strong backlog drove to continue positive pace R12M
 - Service activities maintained high performance in all markets
- **EBITA** MSEK 33 (22), a margin of 19.5% (15.6)
 - Profit improvement based on improved gross margin, controlled SG&A and better drop through

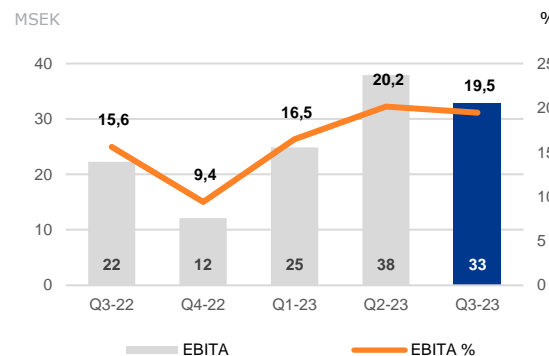
Order intake & Revenue by Quarters



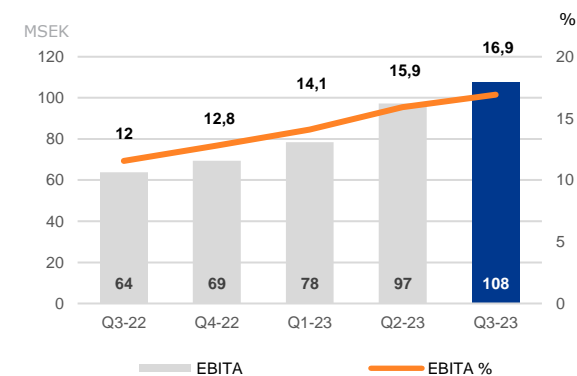
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



Wind – business update

- Market momentum continues to be attractive
- Focus on being the customers' preferred partner and proactive product and services development, is continuing to deliver results
- Initiatives deployed in Q3 according to plan:
 - New e-learning module launched
 - Release of the new Octopus lift for the wind industry in China
 - Participating at important global exhibitions



Financial summary

MSEK	Q3 2023	Q3 2022	Δ%	YTD 2023	YTD 2022	Δ%
Order intake	1 678	1 086	55	5 330	3 388	57
Organic order growth			-4			-5
Revenue	1 730	1 095	58	5 259	3 109	69
Organic revenue growth			1			5
EBITA adj	279	150	86	862	398	117
EBITA adj %	16.1	13.7	+2.4 pp	16.4	12.8	+3.6 pp
EBITA	312	118	166	887	366	142
EBITA%	18.1	10.7	+7.3 pp	16.9	11.8	+5.1 pp
Operating cash flow	390	134	194	704	207	242

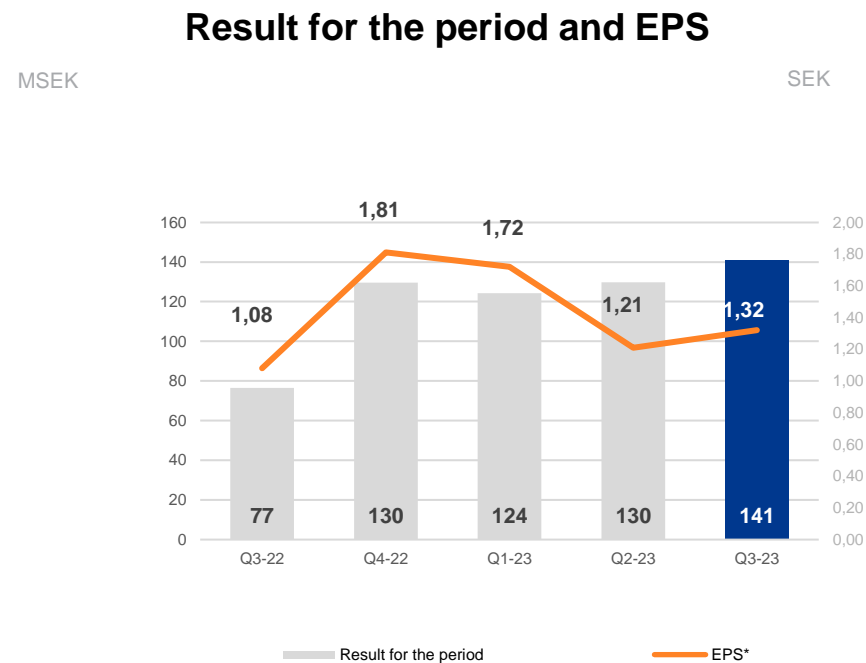
Earnings summary

- EBITA adj.
 - Margin improved vs. last year, mainly due to increased revenues, operational improvements and contribution from the Tractel acquisition
 - Gross margin kept on a high level
 - Items affecting comparability, positive MSEK 34 on EBITA
- Financial net
 - Mainly interest net of MSEK -58 (-7), and the remaining currency effects
- Taxes
 - Tax rate for the quarter of 25.2% (20.9), reflecting the country profit distribution

MSEK	Q3 2023	Q3 2022	ΔMSEK
EBITA adj	279	150	129
Items affecting comparability	34	-32	66
EBITA	312	118	194
Amortisations	-56	-10	-46
EBIT	256	107	149
Financial net	-67	-9	-58
EBT	189	98	91
Taxes	-48	-21	-27
Result for the period	141	77	64

Result for the period and EPS

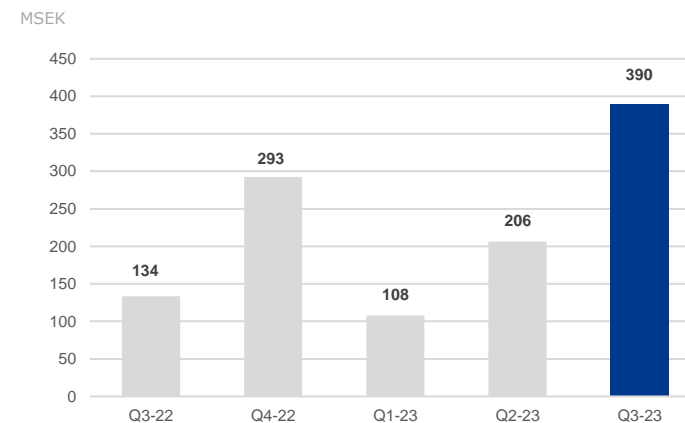
- Result for the period was MSEK 141 (77)
- Earnings per share was SEK 1.32 (1.08)



Cash flow

- Cash flow from operations MSEK 390 (134)
 - Strong cash focus is bearing fruit
 - Impact of significant working capital reduction

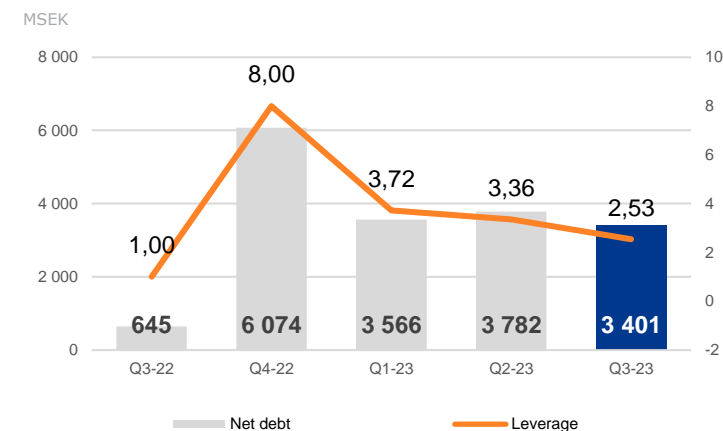
Operating cash flow, MSEK by quarter



Net debt

- Net debt
 - Impacted by outstanding cash flow generation
- Leverage down to 2.53 in Q3, 2.47 when factoring R12 months of Tractel EBITDA
- Focus on operating cash flow will continue
- Capital allocation priorities:
 - Dividend according to policy
 - Profitable growth – sales and development
 - M&A over time

Net debt, MSEK and leverage, by quarter



Balance sheet

- Improved balance sheet structure
 - Working capital down in the quarter despite quasi-stable revenue versus H1
 - RCF drawing down and outstanding balance now classified short-term
 - Long-term borrowing is Tractel acquisition loan

Balance sheet

Amounts in MSEK	30 Sep 2023	30 Sep 2022	31 Dec 2022
Goodwill	6 100	2 717	5 950
Other intangible assets	2 692	699	2 734
Tangible assets	933	593	929
Financial and other non-current assets	415	347	400
Total non-current assets	10 140	4 357	10 013
Inventories	1 703	1 033	1 559
Trade receivables	1 465	910	1 382
Other receivables, prepaid expenses and short investments	501	330	504
Cash and cash equivalents	690	422	869
Total current assets	4 358	2 695	4 314
TOTAL ASSETS	14 497	7 052	14 327
Shareholders equity	7 291	4 335	4 377
Long-term borrowings	3 448	856	4 537
Other non-current liabilities	1 665	693	1 654
Trade payables	506	284	468
Other current liabilities	1 588	883	3 291
Total liabilities	7 206	2 716	9 950
TOTAL EQUITY AND LIABILITIES	14 497	7 052	14 327

Summary

- Continued positive development showing the strength of the New Heights programme
- 2022 acquisitions successfully integrated
- Aggregated adj. EBITA year-to-date increase of 15%
- Outstanding cash flow from operations
- Deleveraging to net debt/EBITDA of 2.53 (2.47, incl R12 months Tractel EBITDA)
- Our well diversified business, including significant service revenue, brings us resilience
- We will continue to execute on the New Heights programme to ensure we deliver on our financial and sustainability targets
- Thank you to all employees for another good quarter!





Q&A

