

Interim Report

Q3

January – September 2020

Continuing efforts to safeguard profit margins

- Still significant impacts from COVID-19, but sequentially improved operational result and cash flow
- Orders and revenue affected by negative currency effects – organic decrease lower than in H1
- New Heights programme launched – non-recurring costs of MSEK 35 taken in the quarter

THIRD QUARTER

- Order intake decreased by 15% to MSEK 888 (1,039) with an organic decrease of 9%
- Revenue decreased by 16% to MSEK 916 (1,084) with an organic decrease of 9%
- EBITA adj. decreased to MSEK 103 (152), margin 11.2% (14.0)
- Result for the period decreased to MSEK 41 (100)
- Earnings per share, basic and diluted, decreased to SEK 0.75 (1.83)
- Cash flow from operations increased to MSEK 206 (134)

JANUARY – SEPTEMBER

- Order intake decreased by 11% to MSEK 2,917 (3,290) with an organic decrease of 10%
- Revenue decreased by 18% to MSEK 2,807 (3,444) with an organic decrease of 17%
- EBITA adj. decreased to MSEK 269 (477), margin 9.6% (13.9)
- Result for the period decreased to MSEK 133 (306)
- Earnings per share, basic and diluted, decreased to SEK 2.45 (5.65)
- Cash flow from operations was MSEK 341 (276)
- Leverage (Net Debt/EBITDA) at September 30, 2020 was 1.68 (1.33 as of December 31, 2019)

KEY FIGURES, GROUP	Q3 2020	Q3 2019	Δ	Jan-Sep 2020	Jan-Sep 2019	Δ
Order intake, MSEK	887,7	1 039,3	-15%	2 916,8	3 290,0	-11%
Revenue, MSEK	915,5	1 084,0	-16%	2 807,0	3 444,0	-18%
EBITA adj, MSEK ¹	102,7	152,0	-32%	268,5	477,4	-44%
EBITA margin adj, % ¹	11,2%	14,0%		9,6%	13,9%	
EBITA, MSEK	67,2	151,8	-56%	233,0	474,5	-51%
EBITA margin, %	7,3%	14,0%		8,3%	13,8%	
EBIT, MSEK	58,6	140,8	-58%	200,3	442,2	-55%
EBIT margin, %	6,4%	13,0%		7,1%	12,8%	
Result for the period, MSEK	40,9	99,5	-59%	132,9	306,3	-57%
Earnings per share, SEK	0,75	1,83	-59%	2,45	5,65	-57%
Cash flow from operations, MSEK	205,8	134,2	53%	341,4	276,3	24%
Net debt/EBITDA, ratio	1,68	1,68	0%	1,68	1,68	0%

¹ Before items affecting comparability

Comments by the CEO

After a challenging first half of 2020, Alimak Group continued to face the effects caused by COVID-19 also in the third quarter. The organic decrease in orders and revenue is less than in Q2, but we now also have negative currency effects working against us. Customers continue to delay investment decisions and we are still facing travel restrictions and limitations on customer site access. Positive is that we do not see a lot of cancellations, so the pipeline remains. The Wind business is holding up well with only limited impact from the pandemic and the Rental business is to some extent benefitting from an increased preference of renting over buying in these turbulent times.

We see the effects from the pandemic in all parts of the world, and especially our US operations were affected while Europe and APAC held up somewhat better. With increased restrictions in Europe, we still see market uncertainty going forward.

We continue our efforts to safeguard our profit margins, something I note we managed to improve from Q2. We are now also implementing permanent measures as announced two weeks ago.

Cash flow from operations amounted to MSEK 206 (134). This was an effect of lower working capital following lower revenue but also more efficient collection of receivables. I am pleased to see that we have managed to improve the operating profit and cash management despite the continuing challenges.

At the same time, we continue to increase our investments in R&D and digitalisation. We are convinced our products will be fully connected and digitalised in the future, so this work is ongoing. As an example, all BMUs sold from early 2021 and onwards will have remote monitoring capabilities built in.

We also start exploring opportunities to help provide value to our customers in the bigger eco-systems around

our products. Something that should open up new opportunities going forward.

End of September, we closed the acquisition of Verta Corporation, an American service provider with a large share of the portfolio consisting of Manntech units. This acquisition is in line with our continued ambition to grow our After Sales business and expand our coverage, especially towards BMU customers.

Towards New Heights

Following the business review I initiated this summer, Alimak Group has launched the New Heights programme consisting of three steps: 1. Establish the base, 2. Secure margin improvements and 3. Profitable growth. An important part was the reorganisation into four divisions, which will be effective as of January 1, 2021.

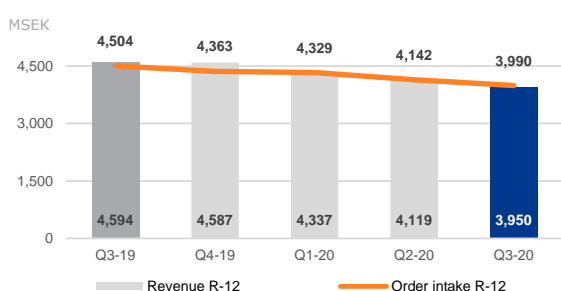
The reorganisation, in combination with restructuring, will result in a net reduction of approximately 120 employees with targeted annual savings of around MSEK 60, with full effect by end of H1 2021.

Our short-term focus will be to implement this organisational change, safeguarding that the savings from the permanent measures taken are materialising and preparing for sustainable profitable growth.

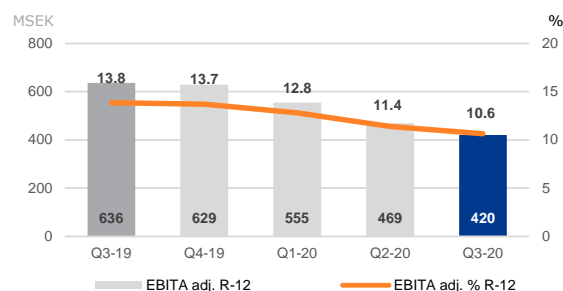


Ole Kristian Jødahl, President and CEO

Order intake & Revenue R12M



EBITA adj. & EBITA margin adj. R12M



Group Performance

Share of revenue



■ Construction ■ Rental
■ Industrial ■ After Sales

Share of EBITA adj.



■ Construction ■ Rental
■ Industrial ■ After Sales

THIRD QUARTER

Order intake in the quarter decreased by 15% to MSEK 888 (1,039) with an organic decrease of 9% and a negative translation effect of exchange rates of 6% (MSEK 54). All business areas recorded lower orders compared to last year. The decline was largest in Americas and APAC while the order intake in Europe improved compared to last year.

Revenue decreased by 16% to MSEK 916 (1,084) with an organic decrease of 9% and a negative translation effect of exchange rates of 6% (MSEK 58). The reduction in Industrial Equipment was MSEK 106, representing 63% of the Group's total decline. Rental and After Sales both reported sequential improvements from the second quarter of 2020.

EBITA adjusted for the quarter was MSEK 103 (152) corresponding to a margin of 11.2% (14.0). The lower result and margin are largely volume related, though represents a significant sequential improvement. The gross margin was stable and operating expenses were reduced. Rental and After Sales both improved the result and margin from previous quarters this year.

Non-recurring expenses amounted to MSEK 35 (0) of which MSEK 12 relating to provisions for inventory and the remaining MSEK 23 costs for restructuring and reorganisation.

Amortisation in the quarter amounted to MSEK 9 (11) largely related to the acquired business and the decrease relates to some intangibles which are fully amortised.

EBIT in the quarter amounted to MSEK 59 (141).

The financial net was MSEK -6 (-12). The interest net was MSEK -6 (-5), leases MSEK -2 (-3) and the remaining portion largely related to currency fluctuations.

Tax expense for the quarter was MSEK 11 (29), a tax rate of 22% (23).

ORDER INTAKE	Q3		Jan-Sep	
	2020	2019	2020	2019
Orders, MSEK	887.7	1,039.3	2,916.8	3,290.0
Change, MSEK	-151.6	-64.3	-373.2	-116.7
Change, %	-14.6%	-5.8%	-11.3%	-3.4%
Whereof:				
Volume & price, %	-8.6%	-8.9%	-9.8%	-8.1%
Exchange rate, %	-6.0%	3.1%	-1.5%	4.6%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

REVENUE	Q3		Jan-Sep	
	2020	2019	2020	2019
Revenue, MSEK	915.5	1,084.0	2,807.0	3,444.0
Change, MSEK	-168.5	-15.0	-637.0	273.8
Change, %	-15.5%	-1.4%	-18.5%	8.6%
Whereof:				
Volume & price, %	-9.2%	-4.8%	-16.8%	3.9%
Exchange rate, %	-6.3%	3.4%	-1.7%	4.7%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

EBIT & EBITA adj. ¹	Q3		Jan-Sep	
	2020	2019	2020	2019
EBIT, MSEK	58.6	140.8	200.3	442.2
EBIT margin, %	6.4%	13.0%	7.1%	12.8%
EBITA adj, MSEK	102.7	152.0	268.5	477.4
EBITA margin adj, %	11.2%	14.0%	9.6%	13.9%
Change, MSEK	-49.3	16.1	-208.9	81.4
Change, %	-32.4%	11.8%	-43.7%	20.6%
Whereof:				
Volume & price, %	-28.5%	10.2%	-42.6%	17.7%
Exchange rate, %	-3.9%	1.6%	-1.1%	2.9%
Acquisition & divestment,	0.0%	0.0%	0.0%	0.0%

¹ Before items affecting comparability

Result for the period amounted to MSEK 41 (100) where the decrease came from the lower operating result and non-recurring expenses. EPS thereby decreased to SEK 0.75 (1.83) for the quarter.

Cash flow from operations in the quarter was MSEK 206 (134). The lower operating result was more than offset by further reductions in working capital of MSEK 104 (-9) following improvements in receivables as well as inventories.

Investments relating to the acquisition of assets in Verta Corporation amounts to MSEK 15 (0).

Net investments in fixed assets in the quarter totalled MSEK 23 (10), of which MSEK 19 (3) was related to additions to the rental fleet.

Capitalised investments in intangibles amounted to MSEK 0 (1).

Net repayment of borrowings amounted to MSEK 134 (174).

JANUARY – SEPTEMBER

Order intake during the period decreased by 11% to MSEK 2,917 (3,290) with an organic decrease of 10%. Industrial Equipment represented MSEK 260 of the total contraction of MSEK 373. Construction Equipment and After Sales also had lower orders booked while Rental improved the order intake by MSEK 34.

Revenue decreased by 18% to MSEK 2,807 (3,444) with an organic decrease of 17%. All business areas recorded a decline in revenue with the main decrease within Construction Equipment and Industrial Equipment.

EBITA adj. for the period was MSEK 269 (477), corresponding to a margin of 9.6% (13.9). Compared to last year, all business areas reported lower result. Rental is the only business area improving its margin.

Non-recurring expenses in the period amounted to MSEK 35 (3) of which the amount for this year largely relate to the restructuring and reorganisation measures put in place.

Amortisation in the period amounted to MSEK 33 (32) largely related to acquired businesses. The increase in amortisation for an ERP system is offset by fully amortised assets relating to customer contracts.

EBIT for the period amounted to MSEK 200 (442).

The financial net was MSEK -30 (-39) whereas the interest net was MSEK -16 (-22), the impact from IFRS 16 was MSEK -6 (-7) and the remaining largely derived from currency impact.

Tax expense for the period was MSEK 37 (97) and the tax rate was 22% (24%).

Result for the period amounted to MSEK 133 (306) where the decrease relates to the lower operating result and non-recurring expenses. EPS decreased to SEK 2.45 (5.65).

Cash flow from operations in the period was MSEK 341 (276) following the decrease in working capital of MSEK 167 (-180).

Investments related to acquired businesses amounted to MSEK 15 (17) and is fully related to the asset purchase of Verta Corporation.

Net investments in fixed assets in the period totalled MSEK 57 (54). The majority of investments relate to additions in the rental fleet of MSEK 38 (26) and investment in a production facility in Spain of MSEK 7.

The capitalised investments in intangibles for ERP and Field Service Management Systems amounted to MSEK 12 (12).

Net repayment of borrowings amounted to MSEK 198 (64).

Dividend of MSEK 94 (149) was paid out in May.

FINANCIAL POSITION

As of September 30, 2020, net debt totalled MSEK 854 (1,007 as of December 31, 2019).

The equity ratio was 60.7% (57.4 as of December 31, 2019) and the leverage (net debt/EBITDA) was 1.68 (1.33 as of December 31, 2019).

EMPLOYEES

As of September 30, 2020, there were 2,087 (2,386) FTEs in the Group.

SIGNIFICANT EVENTS DURING THE REPORTING PERIOD JANUARY – SEPTEMBER 2020

Management changes

On January 15, Alimak Group communicated that Tormod Gunleiksrud had informed Alimak Group's Board of Directors that he wished to leave his position as President and CEO during 2020.

New CEO appointed

On March 20, the Board of Directors of Alimak Group appointed Ole Kristian Jødahl as President and CEO of Alimak Group, effective as of June 1, 2020. Ole Kristian Jødahl succeeds Tormod Gunleiksrud, who has left the company after 8 years as President and CEO.

Ole Kristian Jødahl joined Alimak Group from the assignment as CEO of Hultafors Group. He has previously worked with operations management and held operational positions within SKF Group, most recently as Director, Sales & Marketing, Industrial Market, SKF Group.

Dividend for 2019

On April 1, the Board, due to the prevailing market uncertainty caused by COVID-19, proposed a decreased dividend for the financial year 2019 of SEK 1.75 per share which was approved by the Annual General Meeting held on May 7, 2020. The previous proposal of the Board of Directors of Alimak Group was a dividend of SEK 3.25 per share for the financial year 2019.

Changes to the Board

On May 7, Alimak Group held its Annual General Meeting. In accordance with the Nomination Committee's proposal, Helena Nordman-Knutson, Tomas Carlsson, Christina Hallin and Sven Törnkvist were re-elected as Directors. Johan Hjertonsson, Petra Einarsson and Ole Kristian Jørdahl were elected as new Directors of the Board. Jan Svensson and Anders Jonsson decided to resign as Directors. Johan Hjertonsson was elected Chair of the Board.

Verta acquisition

On August 27, Alimak Group announced the acquisition of Verta Corporation, an American service provider with a large share of the portfolio consisting of Manntech units. Closing took place on September 30, 2020.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Launch of the New Heights Programme

On October 7 and 8, Alimak Group launched the New Heights programme, consisting of three steps 1. Establish the base, 2. Secure margin improvements and 3. Profitable growth.

Part of the programme is a reorganisation. The Group will be organised into four, customer centric divisions: Construction, Industrial, BMU and Wind. The new organisation, and subsequent reporting structure, will be effective as of January 1, 2021.

The reorganisation, which in combination with restructuring, will result in targeted annual savings of around MSEK 60, with full effect by end of H1 2021. This will lead to non-recurring costs of approximately MSEK 60, of which MSEK 35 was taken in Q3 2020 and the balance of MSEK 25 will be taken in Q4 2020.

The reorganisation includes changes to the Group Leadership Team:

- Henrik Teiwik, Head of Business Areas Construction Equipment and Rental will leave the Group. David Batson, today Country Manager Australia was appointed EVP Construction Division.
- Fredrik Betts, Head of Business Unit General industry and Oil & Gas will leave the Leadership Team and assume the position of Global Head of Sales Industrial Division. The recruitment

process for the EVP Industrial Division has been initiated.

- Mark Casey, today Head of Business Unit BMU, was appointed EVP BMU Division.
- José Maria Nevot, today Head of Business Unit Wind, was appointed EVP Wind Division.
- Patrik Sundqvist, today Interim Head of Business Area After Sales was appointed Chief Service Delivery Officer (CSDO). Patrik Sundqvist will also assume the role of interim EVP Industrial Division.
- Recruitment is ongoing for the new Chief People & Culture Officer (CPCO). Cecilia Westerholm Beer will assume the role of interim CPCO.
- Matilda Wernhoff was appointed Chief Strategy Officer (CSO), a new function in the Group Leadership Team.
- Tobias Lindquist and Charlotte Brogren will remain in their current positions as Chief Financial Officer and Chief Technology Officer.
- Chief Operational Officer Stefan Rinaldo will as previously announced leave the Group and will not be replaced.

Nomination committee appointed

On October 9, the Nomination Committee for the 2021 AGM was appointed according to the instructions adapted in 2016 and comprises the following members:

- Anders Mörck, Latour, Chair of the Nomination Committee
- Francisco de Juan, Alantra EQMC Asset Management
- Johan Lannebo, Lannebo Fonder
- Ulrik Grönvall, Swedbank Robur Fonder
- Johan Hjertonsson, Alimak Group's Chair of the Board

The Nomination Committee shall prepare proposals for the 2021 annual general meeting regarding the Chair of the annual general meeting, number of Directors of the Board, fees to be paid to each of the Directors of the Board, election of Directors of the Board and Chair of the Board, remuneration to the auditor and election of auditor and, if necessary, proposal for changes in the instruction for the Nomination Committee.

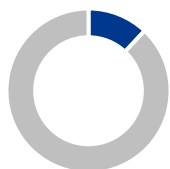
Shareholders who wish to present proposals to the Nomination Committee for the 2021 annual general meeting can submit them by post: Alimak Group AB, att: Nomination Committee, Blekholmstorget 30, SE-111 64 Stockholm, Sweden or via e-mail: anders.morck@latour.se.

FINANCIAL TARGETS AND POLICIES

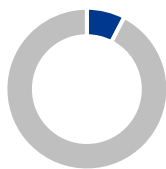
Please refer to the latest Annual Report and alimakgroup.com.

Construction Equipment

Share of revenue



Share of EBITA adj.



Order intake decreased by 15%, down 9% organically, to MSEK 109 (128).

Revenue decreased by 16%, down 10% organically, to MSEK 110 (131).

The drop in order intake and revenue primarily came from the Americas and was largely COVID-19 related. Key customers continued to delay investments as well as delivery schedules, a result of the current market uncertainty. At the same time, Europe and APAC came in largely in line with last year for both orders and revenue.

EBITA adj. was MSEK 8 (19), corresponding to a margin of 7.1% (14.6). This was the result of the lower volumes, unfavourable mix with lower deliveries to Americas, which usually carry higher profitability, and somewhat increased operational expenses related to R&D.

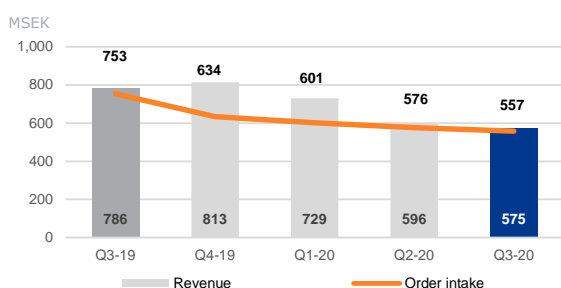
ORDER INTAKE	Q3		Jan-Sep	
	2020	2019	2020	2019
Orders, MSEK	109.1	128.4	428.2	504.5
Change, MSEK	-19.2	-14.5	-76.3	-63.2
Change, %	-15.0%	-10.1%	-15.1%	-11.1%
Whereof:				
Volume & price, %	-8.8%	-13.1%	-14.5%	-16.2%
Exchange rate, %	-6.2%	3.0%	-0.6%	5.1%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

REVENUE	Q3		Jan-Sep	
	2020	2019	2020	2019
Revenue, MSEK	109.8	130.7	370.9	609.4
Change, MSEK	-20.9	-45.7	-238.5	71.5
Change, %	-16.0%	-25.9%	-39.1%	13.3%
Whereof:				
Volume & price, %	-10.3%	-28.5%	-38.3%	7.8%
Exchange rate, %	-5.7%	2.6%	-0.8%	5.5%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

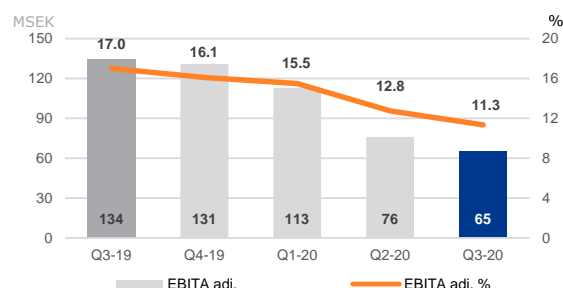
EBITA adj. ¹	Q3		Jan-Sep	
	2020	2019	2020	2019
EBITA adj, MSEK	7.8	19.1	33.7	99.5
EBITA margin adj, %	7.1%	14.6%	9.1%	16.3%
Change, MSEK	-11.3	-7.6	-65.8	25.6
Change, %	-59.0%	-28.3%	-66.1%	34.6%
Whereof:				
Volume & price, %	-61.7%	-23.7%	-66.8%	33.1%
Exchange rate, %	2.7%	-4.6%	0.7%	1.5%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

¹ Before items affecting comparability

Order intake & Revenue R12M

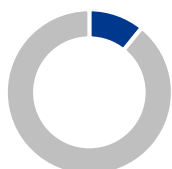


EBITA adj. & EBITA margin adj. R12M

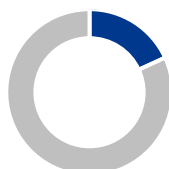


Rental

Share of revenue



Share of EBITA adj.



Order intake decreased by 14%, down 10% organically, to MSEK 74 (85), mostly relating to the timing of when larger orders are booked. Despite the low order intake in the quarter, the business area is reporting a strong increase year-to-date, up 14% organically year-over-year.

Revenue was flat, up 2% organically, and amounted to MSEK 99 (100), with improvements in Europe while Australia had a softer quarter impacted by renewed COVID-19 lockdowns.

EBITA adj. was MSEK 19 (15), corresponding to a margin of 18.8% (15.5). The strong result was mainly the effect of favourable product mix improving gross margins.

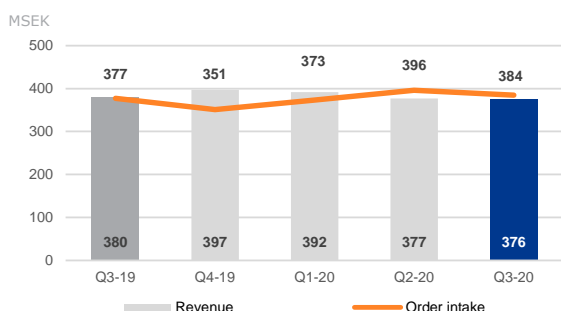
ORDER INTAKE	Q3		Jan-Sep	
	2020	2019	2020	2019
Orders, MSEK	73.7	85.4	298.1	264.3
Change, MSEK	-11.7	24.0	33.8	-13.6
Change, %	-13.7%	39.1%	12.8%	-4.9%
Whereof:				
Volume & price, %	-10.1%	37.5%	14.3%	-7.4%
Exchange rate, %	-3.6%	1.6%	-1.5%	2.5%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

REVENUE	Q3		Jan-Sep	
	2020	2019	2020	2019
Revenue, MSEK	99.0	99.6	269.5	289.9
Change, MSEK	-0.5	4.5	-20.4	27.2
Change, %	-0.5%	4.7%	-7.0%	10.3%
Whereof:				
Volume & price, %	2.3%	3.1%	-5.6%	8.1%
Exchange rate, %	-2.8%	1.6%	-1.4%	2.3%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

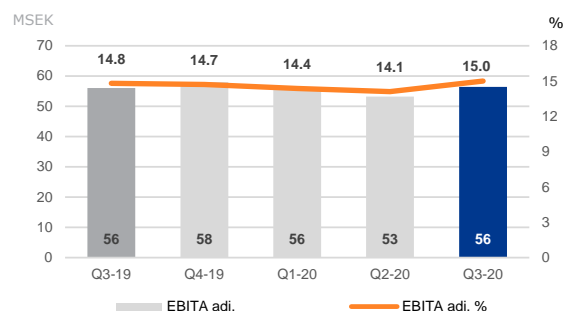
EBITA adj. ¹	Q3		Jan-Sep	
	2020	2019	2020	2019
EBITA adj, MSEK	18.7	15.4	40.1	42.0
EBITA margin adj, %	18.8%	15.5%	14.9%	14.5%
Change, MSEK	3.2	0.4	-1.9	5.3
Change, %	21.0%	2.6%	-4.5%	14.6%
Whereof:				
Volume & price, %	23.3%	0.6%	-3.0%	12.5%
Exchange rate, %	-2.4%	2.0%	-1.5%	2.1%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

¹ Before items affecting comparability

Order intake & Revenue R12M



EBITA adj. & EBITA margin adj. R12M



Industrial Equipment

Share of revenue



Share of EBITA adj.



Industrial Equipment had the largest impact on the drop in Group orders and revenue, representing 55% and 63% of the decline, respectively.

Order intake decreased by 16%, down 10% organically, to MSEK 439 (523).

Revenue decreased by 19%, down 12% organically, to MSEK 429 (535).

The BMU business unit was severely impacted by COVID-19 in the quarter, across all regions. The general market uncertainty and continued lockdowns affects customers' investment decisions as well as deliveries and installations.

Business unit General Industry was largely unaffected, however the business unit faced strong comparables from last year. The Wind business unit reported a solid quarter, with especially good development in China.

EBITA adj. of MSEK 0 (32), corresponding to a margin of 0.1% (6.0) was the result of the lower volumes and a conservative approach to risks and relating provisions of around MSEK 10.

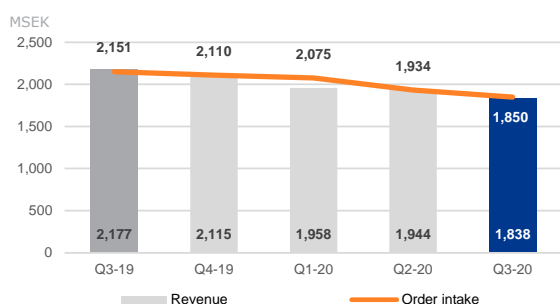
ORDER INTAKE	Q3		Jan-Sep	
	2020	2019	2020	2019
Orders, MSEK	439.5	523.4	1,291.4	1,551.7
Change, MSEK	-83.9	-61.5	-260.3	-105.5
Change, %	-16.0%	-10.5%	-16.8%	-6.4%
Whereof:				
Volume & price, %	-10.5%	-13.8%	-15.2%	-11.0%
Exchange rate, %	-5.5%	3.3%	-1.6%	4.7%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

REVENUE	Q3		Jan-Sep	
	2020	2019	2020	2019
Revenue, MSEK	429.0	534.9	1,321.0	1,597.6
Change, MSEK	-105.9	-2.5	-276.6	108.5
Change, %	-19.8%	-0.5%	-17.3%	7.3%
Whereof:				
Volume & price, %	-12.8%	-4.3%	-15.2%	2.5%
Exchange rate, %	-7.0%	3.8%	-2.1%	4.8%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

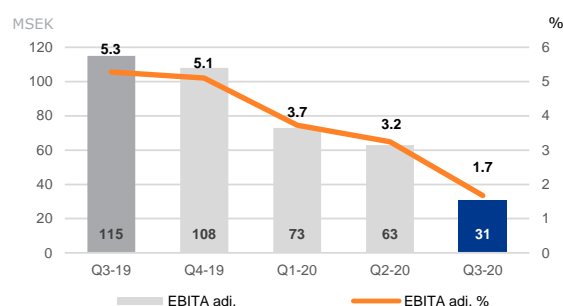
EBITA adj. ¹	Q3		Jan-Sep	
	2020	2019	2020	2019
EBITA adj, MSEK	0.4	32.3	6.2	83.0
EBITA margin adj, %	0.1%	6.0%	0.5%	5.2%
Change, MSEK	-31.9	14.2	-76.9	40.0
Change, %	-98.7%	78.1%	-92.6%	93.2%
Whereof:				
Volume & price, %	-69.0%	75.9%	-93.7%	91.1%
Exchange rate, %	-29.6%	2.2%	1.1%	2.0%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

¹ Before items affecting comparability

Order intake & Revenue R12M



EBITA adj. & EBITA margin adj. R12M



After Sales

Share of revenue



Share of EBITA adj.



Order intake decreased by 12%, down 5% organically, to MSEK 265 (302). The low order intake was spread across several markets in APAC and Europe.

Revenue decrease of 13%, down 6% organically, to MSEK 278 (319). The business is still affected by renewed COVID-19 lockdowns restricting travel and access to customer sites, especially in the Americas. Revenue was also negatively impacted by lack of larger refurbishment orders in previous periods.

EBITA adj. was MSEK 76 (85) corresponding to a strong margin of 27.3% (26.7). The margin improvement was the result of favourable product mix with larger share of parts in the revenue, supporting the gross margin. We have also, already in Q3, seen some effects of permanent measures taken in reduction of staff.

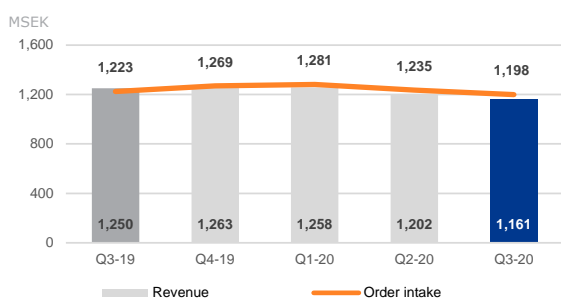
ORDER INTAKE	Q3		Jan-Sep	
	2020	2019	2020	2019
Orders, MSEK	265.4	302.1	899.1	969.4
Change, MSEK	-36.8	-12.3	-70.3	65.6
Change, %	-12.2%	-3.9%	-7.3%	7.3%
Whereof:				
Volume & price, %	-4.7%	-7.2%	-5.5%	2.3%
Exchange rate, %	-7.5%	3.3%	-1.8%	5.0%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

REVENUE	Q3		Jan-Sep	
	2020	2019	2020	2019
Revenue, MSEK	277.6	318.8	845.6	947.0
Change, MSEK	-41.2	28.8	-101.5	66.7
Change, %	-12.9%	9.9%	-10.7%	7.6%
Whereof:				
Volume & price, %	-6.3%	6.2%	-9.0%	2.6%
Exchange rate, %	-6.6%	3.7%	-1.7%	5.0%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

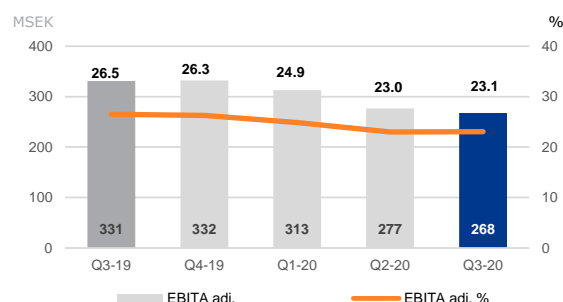
EBITA adj. ¹	Q3		Jan-Sep	
	2020	2019	2020	2019
EBITA adj, MSEK	75.9	85.1	188.8	252.9
EBITA margin adj, %	27.3%	26.7%	22.3%	26.7%
Change, MSEK	-9.2	9.1	-64.1	10.5
Change, %	-10.8%	11.9%	-25.4%	4.3%
Whereof:				
Volume & price, %	-6.0%	9.2%	-23.9%	0.5%
Exchange rate, %	-4.8%	2.7%	-1.5%	3.8%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

¹ Before items affecting comparability

Order intake & Revenue R12M



EBITA adj. & EBITA margin adj. R12M



DECLARATION

The CEO declares that the interim report presents a true and fair view of the operations, financial position and results of the Parent Company and Group, and describes the significant risks and uncertainties facing the Parent Company and the companies forming part of the Group.

Stockholm, October 22, 2020

Alimak Group AB (publ) corporate identity number 556714-1857

Ole Kristian Jørdahl

Board Member

President and CEO

Review report

Alimak Group AB, corporate identity number 556714-1857

Introduction

We have reviewed the condensed interim report for Alimak Group AB as at September 30, 2020 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, October 22, 2020

Ernst & Young AB

Henrik Jonzén
Authorized Public Accountant

Condensed statement of comprehensive income, Group

Amounts in MSEK	Note	Q3 2020	Q3 2019	Jan-Sep 2020	Jan-Sep 2019
Revenue	2	915.5	1,084.0	2,807.0	3,444.0
Cost of sales		-627.7	-727.8	-1,914.7	-2,301.3
Gross profit		287.8	356.2	892.3	1,142.7
Operating expenses		-229.2	-215.4	-692.0	-700.5
Operating profit (EBIT)		58.6	140.8	200.3	442.2
Financial net		-6.3	-12.1	-30.2	-38.6
Profit before tax (EBT)		52.3	128.7	170.1	403.6
Income tax		-11.4	-29.2	-37.2	-97.3
Result for the period		40.9	99.5	132.9	306.3
Attributable to owners of the parent company		40.9	99.5	132.9	306.3
Earnings per share, basic and diluted, SEK		0.75	1.83	2.45	5.65
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified to net profit for the period					
Remeasurements of defined benefit pension plans		-1.8	-7.1	-14.2	-30.1
Income tax relating to remeasurements of pension plans		0.4	1.2	3.2	6.7
Total		-1.4	-5.9	-11.0	-23.4
Items that may be reclassified to net profit for the period					
Foreign exchange translation differences		-34.4	80.9	-59.3	163.4
Change in fair value of cash flow hedges		-1.8	-9.4	2.2	-7.4
Income tax relating to change in fair value of cash flow hedges		0.4	2.0	-0.6	1.6
Total		-35.8	73.5	-57.7	157.6
Other comprehensive income		-37.2	67.6	-68.7	134.2
Total comprehensive income		3.7	167.1	64.2	440.5
Attributable to owners of the parent company		3.7	167.1	64.2	440.5

Condensed statement of financial position, Group

Amounts in MSEK	Note	30 Sep 2020	30 Sep 2019	31 Dec 2019
ASSETS				
Goodwill and other Intangible assets		2,954.1	3,061.2	2,988.4
Property, plant and and equipment		378.3	370.1	368.9
Right-of-use assets	3	222.0	327.7	262.9
Financial and other non-current assets		211.3	169.9	177.4
Total non-current assets		3,765.7	3,928.9	3,797.6
Inventories		554.5	644.7	613.3
Contract assets		312.9	324.6	357.9
Trade receivables		810.2	1,026.4	966.0
Other receivables and assets		229.3	254.7	254.5
Prepaid expenses and accrued income		73.7	93.4	57.8
Short term investments		46.2	23.4	56.2
Cash and cash equivalents		229.3	245.2	313.6
Total current assets		2,256.1	2,612.4	2,619.3
TOTAL ASSETS		6,021.8	6,541.3	6,416.9
EQUITY AND LIABILITIES				
Shareholders equity		3,654.6	3,676.9	3,684.2
Long-term borrowings		816.7	1,164.4	1,034.5
Lease liability		170.2	302.5	202.9
Other long term liabilities		401.0	398.2	350.6
Total non-current liabilities		1,387.9	1,865.1	1,588.0
Short-term borrowings		83.5	33.8	84.0
Lease liability		59.3	29.4	64.1
Contract liabilities		89.9	30.8	99.4
Trade payables		292.1	319.7	336.7
Other current liabilities		454.5	585.6	560.5
Total current liabilities		979.3	999.3	1,144.7
TOTAL EQUITY AND LIABILITIES		6,021.8	6,541.3	6,416.9

Condensed statement of changes in equity, Group

Amounts in MSEK	Share capital	Other paid-in capital	Translation reserve	Hedging reserve	Retained earnings and profit for the period	Total equity
Opening balance, 1 Jan 2019	1.1	2,938.7	161.9	-2.0	310.0	3,409.7
Result for the period	-	-	-	-	306.3	306.3
Changes of fair value	-	-	-	-7.4	-	-7.4
Revaluation of pension plans	-	-	-	-	-30.1	-30.1
Tax attributable to revaluations	-	-	-	1.6	6.7	8.3
Translation difference	-	-	163.4	-	-	163.4
Total comprehensive income	-	-	163.4	-5.8	282.9	440.5
Dividend	-	-	-	-	-148.7	-148.7
Repurchase of Treasury shares	-	-25.4	-	-	-	-25.4
Share based payments	-	0.8	-	-	-	0.8
Closing balance, 30 Sep 2019	1.1	2,914.1	325.3	-7.8	444.2	3,676.9
Result for the period	-	-	-	-	87.7	87.7
Changes of fair value	-	-	-	5.9	-	5.9
Revaluation of pension plans	-	-	-	-	15.9	15.9
Tax attributable to revaluations	-	-	-	-1.3	-3.9	-5.2
Translation difference	-	-	-97.5	-	-	-97.5
Total comprehensive income	-	-	-97.5	4.6	99.7	6.8
Repurchase of Treasury shares	-	-	-	-	-	0.0
Share based payments	-	0.5	-	-	-	0.5
Closing balance, 31 Dec 2019	1.1	2,914.6	227.8	-3.2	543.9	3,684.2
Opening balance, 1 Jan 2020	1.1	2,914.6	227.8	-3.2	543.9	3,684.2
Result for the period	-	-	-	-	132.9	132.9
Changes of fair value	-	-	-	2.2	-	2.2
Revaluation of pension plans	-	-	-	-	-14.2	-14.2
Tax attributable to revaluations	-	-	-	-0.6	3.2	2.6
Translation difference	-	-	-59.3	-	-	-59.3
Total comprehensive income	-	-	-59.3	1.6	121.9	64.2
Dividend	-	-	-	-	-94.3	-94.3
Share based payments	-	0.5	-	-	-	0.5
Closing balance, 30 Sep 2020	1.1	2,915.1	168.5	-1.6	571.5	3,654.6

Cash flow statement, Group

Amounts in MSEK	Q3 2020	Q3 2019	Jan-Sep 2020	Jan-Sep 2019
Operating activities				
Profit before tax	52.2	128.8	170.1	403.7
Depreciation, amortisation and impairment losses	42.3	47.5	135.0	147.6
Other non-cash items	30.4	-4.5	33.9	-2.9
Income taxes paid	-22.9	-28.7	-164.3	-92.5
Cashflow before change in working capital	102.0	143.1	174.7	455.9
Change in working capital				
Change in inventory	42.2	9.8	38.3	70.0
Change in contract assets	17.1	-21.9	30.8	-59.5
Change in operating receivables	32.1	51.0	103.4	37.9
Change in operating liabilities	12.4	-47.8	-5.8	-228.0
Cash flow from working capital	103.8	-8.9	166.7	-179.6
Cash flow from operating activities	205.8	134.2	341.4	276.3
Investing activities				
Purchase of subsidiaries net of cash acquired	-14.9	-	-14.9	-16.6
Purchase of intangible fixed assets	-	-1.3	-11.5	-12.3
Purchase of property, plant and equipment	-23.3	-9.7	-56.6	-53.3
Net change in short term financial investments	-3.2	6.6	15.0	-22.3
Cash flow from investing activities	-41.4	-4.4	-68.0	-104.5
Financing activities				
Proceeds from borrowings	40.9	-	178.9	210.4
Repayment of borrowings	-174.4	-174.3	-376.8	-274.1
Repayment of Lease liability	-18.3	-19.6	-55.0	-65.0
Repurchase of treasury shares	-	-25.4	-	-25.4
Dividends paid	-	-	-94.3	-148.7
Cash flow from financing activities	-151.8	-219.3	-347.2	-302.8
Net change in cash and cash equivalents	12.6	-89.5	-73.8	-131.0
Cash & cash equivalents at beginning of period	221.8	327.0	313.6	355.6
Exchange rate differences in cash and cash equivalents	-5.1	7.7	-10.5	20.6
Cash & cash equivalents at end of period	229.3	245.2	229.3	245.2

Key figures

Quarterly data	2020				2019		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake, MSEK	887.7	962.4	1,066.8	1,073.3	1,039.3	1,150.0	1,100.7
Revenue, MSEK	915.5	975.7	915.8	1,143.4	1,084.0	1,193.5	1,166.5
EBITDA, MSEK	100.9	118.8	115.5	172.4	188.3	210.6	190.9
EBITA adj, MSEK	102.7	86.6	79.3	151.5	152.0	172.0	153.4
EBITA margin adj, %	11.2%	8.9%	8.7%	13.2%	14.0%	14.4%	13.2%
EBITA, MSEK	67.2	86.6	79.3	133.7	151.8	171.8	151.0
EBITA margin, %	7.3%	8.9%	8.7%	11.7%	14.0%	14.4%	12.9%
EBIT, MSEK	58.6	74.1	67.6	122.9	140.8	161.5	139.9
EBIT, %	6.4%	7.6%	7.4%	10.7%	13.0%	13.5%	12.0%
Result for the period, MSEK	40.9	50.6	41.4	87.8	99.5	108.2	98.5
Total comprehensive income, MSEK	3.7	-125.0	185.5	6.9	167.1	135.8	137.5
Cash flow from operations, MSEK	205.8	123.5	12.1	225.7	134.2	106.2	35.9
Cash flow for the period, MSEK	12.6	19.8	-106.3	75.5	-89.5	39.1	-80.7
Cash flow from operations/EBITDA	2.0	1.0	0.1	1.3	0.7	0.5	0.2
Number of shares, thousands ¹	54,157.9	54,157.9	54,157.9	54,157.9	54,157.9	54,157.9	54,157.9
Average number of shares, thousands	54,157.9	54,157.9	54,157.9	54,157.9	54,157.9	54,157.9	54,157.9
Earnings per share, SEK	0.75	0.94	0.76	1.62	1.83	2.00	1.82
Cash flow per share, SEK	0.23	0.37	-1.96	1.39	-1.65	0.72	-1.49
Equity per share, SEK	67.48	67.41	71.50	68.03	67.89	65.27	65.51
Total assets, MSEK	6,021.8	6,135.5	6,382.3	6,416.9	6,541.3	6,527.7	6,523.5
Cash and cash equivalents end of period, MSEK	229.3	221.8	215.4	313.6	245.2	327.0	289.0
Equity, MSEK	3,654.6	3,651.0	3,870.2	3,684.2	3,676.9	3,534.9	3,547.7
Capital employed, MSEK	4,508.1	4,668.0	4,915.5	4,691.5	4,938.5	4,855.4	4,781.5
Net debt, MSEK	853.5	1,017.0	1,045.3	1,007.3	1,261.6	1,320.5	1,233.8
Net debt excl. Lease liability (IFRS 16), MSEK	624.0	779.8	785.4	740.3	929.9	993.7	871.3
Equity ratio, %	60.7%	59.5%	60.6%	57.4%	56.2%	54.2%	54.4%
Return on equity, %	6.0%	7.8%	9.1%	11.1%	13.0%	12.3%	11.5%
Return on capital employed goodwill excluded, %	13.8%	16.9%	20.0%	26.4%	25.7%	23.6%	25.1%
Return on capital employed, %	6.8%	8.5%	10.2%	12.6%	12.5%	11.7%	11.7%
Interest coverage ratio, times	6.35	7.98	6.99	9.31	13.79	13.43	12.35
Net debt/EBITDA ratio	1.68	1.71	1.52	1.33	1.68	1.90	1.94
Net debt excl. Lease liability/EBITDA ratio	1.23	1.31	1.14	0.97	1.24	1.43	1.37
Number of employees	2,087	2,136	2,200	2,286	2,386	2,344	2,361

¹ There are no financial instrument or other contract that may entitle its holder to potential shares, thus there is no potential dilution

Key figures (cont)

Rolling 4 Quarters	2020				2019		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake, MSEK	3,990.2	4,141.8	4,329.4	4,363.2	4,504.4	4,568.7	4,601.1
Revenue, MSEK	3,950.4	4,118.9	4,336.7	4,587.4	4,594.2	4,609.2	4,527.2
EBITA adj, MSEK	420.1	469.4	554.8	628.9	636.0	619.9	596.6
EBITA margin adj, %	10.6%	11.4%	12.8%	13.7%	13.8%	13.4%	13.2%
EBIT, MSEK	323.2	405.4	492.8	565.1	575.9	540.0	499.2
EBIT, %	8.2%	9.9%	11.4%	12.3%	12.5%	11.7%	11.0%
Result for the period, MSEK	220.7	279.3	336.9	394.0	449.9	418.9	389.7
Total comprehensive income, MSEK	321.1	234.5	495.3	447.3	593.3	441.4	343.7
Cash flow from operations, MSEK	567.1	495.5	478.4	502.1	424.2	402.8	305.8
Cash flow for the period, MSEK	1.6	-100.5	-81.2	-55.5	-99.0	34.3	-12.2

For definitions of Key figures please visit: <https://www.alimakgroup.com/English/investor-relations/financials/definitions/>

Historical quarterly data 2018 – 2020

Amounts in MSEK	2020				2019				2018		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order Intake											
Construction Equipment	109	140	179	129	128	164	212	248	143	226	199
Rental	74	112	113	86	85	89	90	113	61	114	102
Industrial Equipment	439	410	442	559	523	551	477	600	585	539	533
After Sales	265	300	333	299	302	346	321	254	314	303	286
Total	888	962	1,067	1,073	1,039	1,150	1,101	1,214	1,104	1,182	1,121
Revenue											
Construction Equipment	110	137	124	204	131	271	208	176	176	185	177
Rental	99	84	87	107	100	99	91	91	95	87	80
Industrial Equipment	429	479	413	517	535	493	570	580	537	523	429
After Sales	278	276	292	316	319	331	297	303	290	316	274
Total	916	976	916	1,143	1,084	1,193	1,167	1,150	1,099	1,112	960
EBITA adj.											
Construction Equipment	8	14	12	31	19	50	30	34	27	31	17
Rental	19	12	10	16	15	15	12	14	15	12	9
Industrial Equipment	0	7	-1	25	32	17	34	32	18	14	11
After Sales	76	54	59	79	85	90	78	78	76	92	74
Total	103	87	79	151	152	172	153	159	136	149	111
EBITA											
Construction Equipment	5	14	12	31	19	50	30	46	27	30	17
Rental	15	12	10	16	15	15	12	14	15	12	9
Industrial Equipment	-15	7	-1	7	32	17	32	11	6	4	-1
After Sales	63	54	59	79	85	90	77	73	69	89	70
Total	67	87	79	134	152	172	151	144	117	135	95

Bridge

In MSEK	Q3 2020	Q3 2019	Jan-Sep 2020	Jan-Sep 2019
EBIT	58.6	140.8	200.3	442.2
Add back:				
Amortization	8.6	11.0	32.8	32.3
EBITA	67.2	151.8	233.0	474.5
Add back:				
Depreciation	33.7	36.5	102.2	115.3
EBITDA	100.9	188.3	335.2	589.8
EBITA	67.2	151.8	233.0	474.5
Add back:				
Items affecting comparability	35.5	0.2	35.5	2.9
EBITA adj,	102.7	152.0	268.5	477.4

In MSEK	30 Sep 2020	30 Sep 2019	31 Dec 2019
Non-current interest bearing debts	816.7	1,164.4	1,034.5
Current interest bearing debts	83.5	33.8	84.0
Non-current lease liability	170.2	302.6	202.9
current lease liability	59.3	29.4	64.1
Deduct:			
Long term interest bearing receivables	0.7	-	8.4
Short term interest bearing receivables	46.2	23.4	56.2
Cash and cash equivalents	229.3	245.2	313.6
Net debt	853.5	1,261.6	1,007.3
Net debt	853.5	1,261.6	1,007.3
Add:			
Shareholders equity	3,654.6	3,676.9	3,684.2
Capital Employed	4,508.1	4,938.5	4,691.5

Condensed Income statement, parent company

Amounts in MSEK	Q3 2020	Q3 2019	Jan-Sep 2020	Jan-Sep 2019
Revenue	2.8	2.8	8.3	7.8
Operating expenses	-16.8	-10.7	-34.9	-25.5
Operating profit/loss (EBIT)	-14.0	-7.9	-26.6	-17.7
Financial net	253.5	4.5	265.8	12.8
Profit/loss after financial items	239.5	-3.4	239.2	-4.9
Profit/loss before tax (EBT)	239.5	-3.4	239.2	-4.9
Income tax	2.4	0.8	2.3	1.7
Result for the period	241.9	-2.6	241.5	-3.2

Condensed Balance sheet, parent company

Amounts in MSEK	30 Sep 2020	30 Sep 2019	31 Dec 2019
Non-current assets			
Shares in group companies	1,898.4	1,898.4	1,898.4
Other non-current assets	10.0	2.1	2.4
Total non-current assets	1,908.4	1,900.5	1,900.8
Current assets			
Receivables from group companies	1,591.5	1,615.9	1,622.4
Other short term receivables	29.1	5.5	1.6
Cash and cash equivalents	0.4	0.0	89.4
Total current assets	1,621.0	1,621.4	1,713.4
TOTAL ASSETS	3,529.4	3,521.9	3,614.2
EQUITY AND LIABILITIES			
Shareholders equity	2,985.4	2,725.1	2,838.2
Untaxed reserves	47.3	-	47.3
Non-current liabilities, interest bearing	-	36.9	37.9
Liabilities to group companies	483.2	748.1	648.0
Other current liabilities	13.5	11.8	42.8
TOTAL EQUITY AND LIABILITIES	3,529.4	3,521.9	3,614.2

Notes

NOTE 1. ACCOUNTING POLICIES

This Interim Report was prepared in accordance with IFRS, applying IAS 34, Interim Financial Reporting. The same accounting and valuation policies were applied as in the most recent annual report except for new and revised standards and interpretations effective from January 1, 2020. Non-IFRS measures are also presented in the report since they are considered to be important supplemental measures of the Alimak Group's performance. The definition of these can be found on the Group's homepage and a bridge from IFRS measures into non-IFRS measures is found on page 18 of this report.

Alimak Group AB is the Parent Company of Alimak Group. The Interim Report for the parent company has been prepared in accordance with the Annual Accounts Act and with the standard RFR 2 Reporting by a legal entity, issued by the Swedish Financial Reporting Board. The same accounting principles and methods of computation are followed in the interim financial statements as compared with the most recent annual report. Alimak Group AB is applying the exception from IFRS 16 allowed under RFR 2. Right-of-use assets or lease liabilities are not recognised.

NOTE 2. REVENUE SPLIT

Amounts in MSEK	Q3 2020	Q3 2019	Jan-Sep 2020	Jan-Sep 2019
Europe	329.3	393.0	995.6	1,199.4
APAC	370.7	359.5	1,061.1	1,183.1
Americas	210.9	321.0	728.0	1,022.3
Other markets	4.6	10.5	22.3	39.2
Total	915.5	1,084.0	2,807.0	3,444.0
Over time				
Construction Equipment	-	-	-	-
Rental ¹⁾	54.8	57.3	152.2	156.1
Industrial Equipment	169.1	210.7	568.7	656.3
After Sales	-	-	-	-
Total over time	223.9	268.0	720.9	812.4
Point in time				
Construction Equipment	109.8	130.7	370.9	609.4
Rental	44.3	42.2	117.3	133.8
Industrial Equipment	260.0	324.2	752.3	941.4
After Sales	277.5	318.9	845.6	947.0
Total point in time	691.6	816.0	2,086.1	2,631.6
Total	915.5	1,084.0	2,807.0	3,444.0

¹⁾ Part of business area Rental is accounted for applying IFRS 16, Leases.

NOTE 3. RIGHT-OF-USE ASSETS

Amounts in MSEK	30 Sep 2020	30 Sep 2019	31 Dec 2019
Right-of-use assets are split into the following categories			
Premises	180.9	278.0	207.5
Vehicles	33.5	31.6	40.1
Equipment	7.6	18.1	15.3
Total	222.0	327.7	262.9

The following amounts for Right-of-use assets and Lease liabilities are included in the Income statement.

Amounts in MSEK	Q3 2020	Q3 2019	Jan-Sep 2020	Jan-Sep 2019
Depreciations are included in:				
Cost of sales	12.2	15.9	37.2	51.6
Operating expenses	6.8	4.8	19.9	13.5
	19.0	20.7	57.1	65.1
Included in Finance net:				
Interest expenses	2.1	3.2	6.4	6.6
	2.1	3.2	6.4	6.6
Total	21.1	23.9	63.5	71.7

NOTE 4. FINANCIAL INSTRUMENTS

Amounts in MSEK	Total carrying amount		
	30 Sep 2020	30 Sep 2019	31 Dec 2019
FINANCIAL ASSETS			
Derivative financial instruments	1.7	2.5	4.5
Other financial receivables	1,089.6	1,233.0	1,262.3
Cash and cash equivalents	229.3	245.2	313.6
Total	1,320.6	1,480.7	1,580.4
FINANCIAL LIABILITIES			
Derivative financial instruments	3.1	13.1	5.3
Interest bearing debts	900.6	1,198.3	1,118.5
Other financial liabilities	741.2	890.2	810.4
Total	1,644.9	2,101.6	1,934.2

Fair values are the same as carrying values for all financial assets and liabilities.

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

30 Sep 2020	Level 2
Financial assets	
Currency derivatives	1.7
Total	1.7
Financial liabilities	
Currency derivatives	3.1
Total	3.1
30 Sep 2019	Level 2
Financial assets	
Currency derivatives	2.5
Total	2.5
Financial liabilities	
Currency derivatives	13.1
Total	13.1
31 Dec 2019	Level 2
Financial assets	
Currency derivatives	4.5
Total	4.5
Financial liabilities	
Currency derivatives	5.3
Total	5.3

Level 1 - quoted prices in active markets for identical financial instruments

Level 2 - inputs other than quoted prices included in level 1 that are observable for the financial instrument, either directly (i.e. as prices) or indirect (i.e. derived from prices).

Level 3 – inputs for the financial instrument that are not based on observable market data (unobservable inputs)

Currency derivatives are valued at fair value by discounting the difference between the contracted forward rate and the rate that can be subscribed for on the balance sheet date for the remaining contract term.

NOTE 5. ACQUISITIONS

On September 30 Alimak Group acquired the assets of Verta Corporation, an American service provider with a large share of the portfolio consisting of Manntech units. Verta Corporation provides maintenance, parts, inspections and project consultation for BMUs in USA and Canada. The revenue in 2019 amounted to MUSD 3.1 The purchase price is not material relative to Alimak Group's market capitalization.

In 2019 Alimak Group made one minor acquisition, Dataline i Borås AB.

NOTE 6. ASSETS PLEDGED AND CONTINGENT LIABILITIES

As of September 30, 2020, the maximum potential future payments Alimak Group could be required to make under issued financial guarantees totalled MSEK 406.5 (Sept 30 2019 480.8, December 31 2019 477.6) of which MSEK 405.9 (September 30 2019 478.9, December 31 2019 477.0) refers to indemnity bonds for commitments to customers. Assets pledged totalled MSEK 13.2 (September 30, 2019 19.8, December 31, 2019 21.1).

FINANCIAL CALENDAR

- The Year-End report of 2020 will be published on February 11, 2021.
- The Annual Report for 2020 will be published on March 18, 2021.
- The Interim Report for the first quarter of 2021 will be published April 22, 2021.
- The Annual General Meeting will be held on May 6, 2021 in Stockholm.
- The Interim Report for the second quarter of 2021 will be published July 20, 2021.
- The Interim Report for the third quarter of 2021 will be published October 21, 2021.

Alimak Group's financial calendar is available at www.alimakgroup.com

TELEPHONE CONFERENCE/PRESENTATION

A telephone conference for investors, analysts and financial media will be held at 10.00 CEST on Thursday October 22, 2020. CEO Ole Kristian Jørdahl and CFO Tobias Lindquist will present and comment on the report.

The presentation, held in English, can also be followed via audiocast.

To participate by phone – please call:

SE: +46850558354

US: +18335268397

UK: +44 3333000804 PIN: 92107187#

Link to audiocast:

<https://streams.eventcdn.net/alimak/2020q3>

DEFINITIONS

Alimak Group presents certain financial measures that are not defined in the interim report in accordance with IFRS. Alimak Group believes that these measures provide useful supplemental information to investors and the company's management when they allow evaluation of trends and the company's performance. As not all companies calculate the financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should not be seen as a substitute for measures defined under IFRS. For definitions of key figures that Alimak Group uses, please visit

<https://www.alimakgroup.com/English/investor-relations/financials/definitions/>

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This information is information that Alimak Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08.00 CEST on October 22, 2020.

About Alimak Group

Alimak Group is a world-leading provider of vertical access solutions for professional use. With a global reach spanning more than 100 countries, the Group offers vertical access solutions adding customer value through greater safety, productivity and resource efficiency. Alimak Group's products and service solutions are sold under the brands Alimak, CoxGomyl, Manntech, Avanti and Alimak Service. The Group has an installed base of around 70,000 elevators, hoists, platforms, service lifts and building maintenance units around the world. Founded in Sweden 1948, the Group has its headquarters in Stockholm, 11 production and assembly facilities in 8 countries and 2,300 employees around the world. www.alimakgroup.com