

# Interim Report

January – March 2020

Q1

## A challenging start of 2020

- Stable order intake with continued growth for After Sales and sequential improvements in Construction Equipment
- COVID-19 impacted Construction and Industrial Equipment business areas in terms of supply chain production output. After Sales and Rental impacted by restrictions for access to customer sites
- Strong financial position and maintained positive cash flow from operations

### FIRST QUARTER

- Order intake decreased by 3% to MSEK 1,067 (1,101) with an organic decrease of 5%
- Revenue decreased by 21% to MSEK 916 (1,167) with an organic decrease of 23%
- EBITA adj. decreased to MSEK 79 (153), margin 8.7% (13.2)
- Result for the period decreased to MSEK 41 (98)
- Earnings per share, basic and diluted, amounted to SEK 0.76 (1.82)
- Cash flow from operations amounted to MSEK 12 (36)
- Leverage (Net Debt/EBITDA) at March 31, 2020 was 1.52 (1.33 as of December 31, 2019)

KEY FIGURES, GROUP	Q1 2020	Q1 2019	Δ
Order intake, MSEK	1,066.8	1,100.7	-3%
Revenue, MSEK	915.8	1,166.5	-21%
EBITA adj, MSEK <sup>1</sup>	79.3	153.4	-48%
EBITA margin adj, % <sup>1</sup>	8.7%	13.2%	
EBITA, MSEK	79.3	151.0	-47%
EBITA margin, %	8.7%	12.9%	
EBIT, MSEK	67.6	139.9	-52%
EBIT margin, %	7.4%	12.0%	
Result for the period, MSEK	41.4	98.5	-58%
Earnings per share, SEK	0.76	1.82	-58%
Cash flow from operations, MSEK	12.1	35.9	-66%
Net debt/EBITDA, ratio	1.52	1.94	-21%

<sup>1</sup> Before items affecting comparability

# Comments by the CEO

The first quarter was a challenging start of 2020 for Alimak Group. We reported relatively stable order intake, a revenue drop of 21% and a low EBITA margin adj. of 8.7% (13.2). Given the circumstances, I am pleased with the Group's order intake and especially the sequential improvements in Construction Equipment and continued growth in orders for After Sales.

As expected, we faced reduced revenue in Wind related to tower internals, a lower Construction backlog and BMU project deliveries that are overweight to the second half of the year. We estimate that roughly half of the decline in Group revenue compared to the same quarter last year was related to these factors.

In the Q4 report, we highlighted that COVID-19 would impact our operations in China. Though China now seems to be stabilising, we have faced developments throughout the rest of the world that we did not anticipate back in February. All business areas and countries have been affected to various degrees, including a large portion of our employees working from home.

Construction Equipment and Industrial Equipment had factories temporarily closed. This together with some disturbances in the supply chain and in logistics had a material impact on revenues and result.

A more severe impact faced Rental and After Sales as governments and customers restrict access to sites to varying degrees. This led to reduced utilisation of service technicians stemming from related safety precautions and travel restrictions.

## Planning and execution in uncertain times

The Group is taking considerable measures, on both global and local levels, to protect its employees, business and future margins during this pandemic. Given the

general uncertainty of how long the current situation will continue, we have initiated cost reductions including temporary stand offs of employees but not yet any major redundancy initiatives. We have specifically chosen to not lay off service technicians despite lower utilisation since these capabilities are the core of the business. We have an even stronger focus on cash management, evident by the decrease in receivables during the quarter.

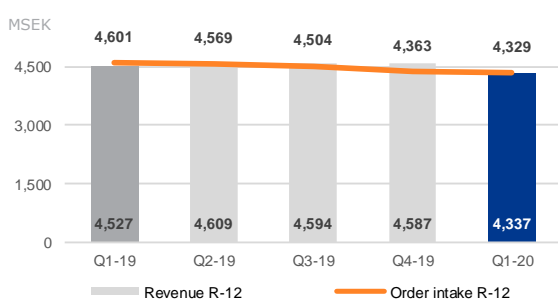
The Group has a strong financial position which will create opportunities when the uncertainty subsides. The strong position has allowed us to put an even increased focus on R&D and we have during the quarter added resources related to strengthening our digital offering.

Despite the current challenges which are expected to prevail also in the second quarter, I have an optimistic view of Alimak Group's business and the underlying demand for our product and services portfolio as we step into a more digital phase. This, and the fact that we are market leaders with the strongest footprint in all served segments, creates a good foundation for future growth.

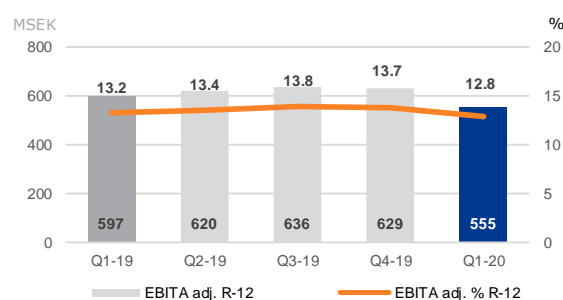


**Tormod Gunleiksrud, President and CEO**

## 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

## FIRST QUARTER

Order intake in the quarter decreased by 3% to MSEK 1,067 (1,101) with an organic decrease of 5%, following lower orders for Industrial Equipment. Construction Equipment was lower than last year but improved sequentially. After Sales and Rental both improved the order intake.

Revenue decreased by 21% to MSEK 916 (1,167) with an organic decrease of 23%. All business areas reported lower volumes, with Construction Equipment and Industrial Equipment decreasing the most. Roughly half of the drop is estimated to have stemmed from the COVID-19 outbreak impacting production and supply of equipment and services for all business areas.

EBITA adj. for the quarter was MSEK 79 (153), corresponding to a margin of 8.7% (13.2). All business areas reported lower results with Industrial Equipment and After Sales representing the largest drop. The result was impacted by significantly lower volumes while fixed costs remained at levels similar to the preceding quarters. Industrial Equipment faced temporarily closed factories which decreased productivity. The product mix for After Sales with more revenue from services, that has margins lower than for spare parts and refurbishments, impacted the profit in the quarter. The business area also faced reduced utilisation of service technicians stemming from safety precautions and travel restrictions following the COVID-19 outbreak.

Non-recurring items amounted to MSEK 0 (-2).

Amortisation in the quarter amounted to MSEK 12 (11) related entirely to acquired businesses.

EBIT in the quarter amounted to MSEK 68 (140).

The financial net was MSEK -14 (-9) affected by unrealised negative currency revaluation impact though partially countered by lower interest costs.

ORDER INTAKE	Q1	
	2020	2019
Orders, MSEK	1,066.8	1,100.7
Change, MSEK	-33.8	-20.0
Change, %	-3.1%	-1.8%
<b>Whereof:</b>		
Volume & price, %	-5.1%	-8.2%
Exchange rate, %	2.1%	6.4%
Acquisition & divestment, %	0.0%	0.0%

REVENUE	Q1	
	2020	2019
Revenue, MSEK	915.8	1,166.5
Change, MSEK	-250.7	206.8
Change, %	-21.5%	21.6%
<b>Whereof:</b>		
Volume & price, %	-23.4%	13.5%
Exchange rate, %	1.9%	8.1%
Acquisition & divestment, %	0.0%	0.0%

EBIT & EBITA adj. <sup>1</sup>	Q1	
	2020	2019
EBIT, MSEK	67.6	139.9
EBIT margin, %	7.4%	12.0%
EBITA adj, MSEK	79.3	153.4
EBITA margin adj, %	8.7%	13.2%
Change, MSEK	-74.2	42.1
Change, %	-48.3%	37.8%
<b>Whereof:</b>		
Volume & price, %	-49.5%	31.6%
Exchange rate, %	1.1%	6.2%
Acquisition & divestment, %	0.0%	0.0%

<sup>1</sup> Before items affecting comparability

Tax expense for the quarter was MSEK 12 (32), a tax rate of 22% (24).

Result for the period amounted to MSEK 41 (98) where the decrease mainly came from the lower EBITA adj. result. EPS thereby decreased to SEK 0.76 (1.82) for the quarter.

Cash flow from operations in the quarter was MSEK 12 (36). Lower EBITA adj. result and payments of Swedish tax relating to both 2018 and 2019 made in the first quarter of 2020 both had a negative impact on the cash flow.

Working capital decreased by MSEK 40 following lower receivables due to increased focus on collections. Inventories ended up higher due to delayed shipments.

Net investments in fixed assets in the quarter totalled MSEK 17 (12), of which MSEK 7 was related to additions to the rental fleet and MSEK 7 the purchase of a production plant in Spain that was previously rented.

Capitalised investments in intangibles amounted to MSEK 8 (4), related to the new ERP and Field Service Management systems.

Net repayment of borrowings amounted to MSEK 74 (53).

## FINANCIAL POSITION

As of March 31, 2020, net debt totalled MSEK 1,045 (1,007 as of December 31, 2019).

The equity ratio was 60.6% (57.4 as of December 31, 2019) and the leverage (net debt/EBITDA) was 1.52 (1.33 as of December 31, 2019).

## EMPLOYEES

As of March 31, 2020, there were 2,200 (2,361) FTEs in the Group. The reduction mainly stems from production activities in China.

## SIGNIFICANT EVENTS DURING THE REPORTING PERIOD JANUARY – MARCH 2020

### Management changes

As communicated in a press release on January 15, Tormod Gunleiksrud has informed Alimak Group's Board of Directors that he wishes to leave his position as President and CEO during 2020.

### New CEO appointed

The Board of Directors of Alimak Group has appointed Ole Kristian Jørdahl as President and CEO of Alimak Group, effective as of June 1, 2020. Ole Kristian Jørdahl is to succeed Tormod Gunleiksrud, who will leave the company after 8 years as President and CEO.

Ole Kristian Jørdahl will join 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.

Ole Kristian Jørdahl is a Norwegian citizen and an economist from the Norwegian School of Economics (NHH Norges Handelshøyskole).

Until the date of accession, Tormod Gunleiksrud continues as President and CEO.

### Proposed changes to the Board

The Nomination Committee proposes that the Board should be composed of seven Directors elected at the annual general meeting, with no alternates, for the period until the next annual general meeting.

The Nomination Committee proposes re-election of Helena Nordman-Knutson, Tomas Carlsson, Christina Hallin and Sven Törnkvist as Directors, and proposes Johan Hjertonsson, Petra Einarsson and Ole Kristian Jørdahl as new Directors of the Board. Jan Svensson and Anders Jonsson has decided to resign as Directors. The Nomination Committee proposes that Johan Hjertonsson be elected Chair of the Board.

The Nomination Committee's other proposals for the annual general meeting on Thursday 7 May 2020 and the reasoned statement on the proposed Board is available on the Company's website [www.alimakgroup.com](http://www.alimakgroup.com).

## SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

### Dividend for 2019

Due to the prevailing market uncertainty caused by COVID-19, the Board of Directors of Alimak Group AB on April 1, 2020, proposed a decreased dividend for the financial year 2019 of SEK 1.75 per share to the Annual General Meeting to be held on May 7, 2020. The record date for the dividend is proposed to remain unchanged on May 11, 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.

The ambition of the Board of Directors is to, if conditions allow, convene an Extraordinary General Meeting in the second half of the year to decide on the remaining dividend.

## FINANCIAL TARGETS AND POLICIES

Please refer to the latest Annual Report and [alimakgroup.com](http://alimakgroup.com).

# Construction Equipment

## Share of revenue



## Share of EBITA adj.



The business area reported an order intake that decreased by 15%, down 18% organically, year-over-year to MSEK 179 (212) but increased compared to Q4 2019. Both the Nordics and the UK came in with strong numbers compared to previous quarters while orders in the US and Asia were down.

Revenue came in low at MSEK 124 (208), a decrease of 40%, or down 42% organically. The revenue decrease primarily reflects the low backlog from 2019 in combination with the COVID-19-related factory closure in China during February.

EBITA adj. amounted to MSEK 12 (30), corresponding to a margin of 9.7% (14.5). Low volumes and utilisation in the Chinese factory were the main reason for the drop.

Measures have been taken for the factory in Skellefteå, Sweden, adapting the cost base to the lower volumes compared to last year. The Chinese factory implemented cost base adaptations at the end of 2019.

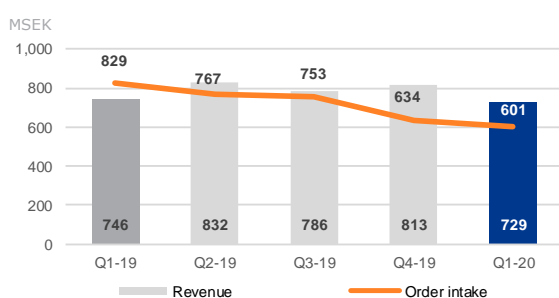
ORDER INTAKE	Q1	
	2020	2019
Orders, MSEK	179.3	211.8
Change, MSEK	-32.6	13.0
Change, %	-15.4%	6.5%
<b>Whereof:</b>		
Volume & price, %	-17.8%	-0.9%
Exchange rate, %	2.4%	7.4%
Acquisition & divestment, %	0.0%	0.0%

REVENUE	Q1	
	2020	2019
Revenue, MSEK	124.1	207.8
Change, MSEK	-83.7	31.0
Change, %	-40.3%	17.5%
<b>Whereof:</b>		
Volume & price, %	-42.2%	8.0%
Exchange rate, %	1.9%	9.5%
Acquisition & divestment, %	0.0%	0.0%

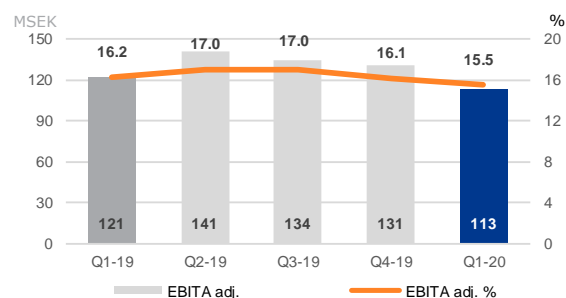
EBITA adj. <sup>1</sup>	Q1	
	2020	2019
EBITA adj, MSEK	12.0	30.2
EBITA margin adj, %	9.7%	14.5%
Change, MSEK	-18.2	13.4
Change, %	-60.3%	80.1%
<b>Whereof:</b>		
Volume & price, %	-59.6%	74.9%
Exchange rate, %	-0.7%	5.2%
Acquisition & divestment, %	0.0%	0.0%

<sup>1</sup> Before items affecting comparability

## Order intake & Revenue R12M

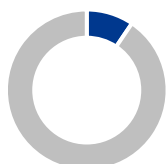


## EBITA adj. & EBITA margin adj. R12M

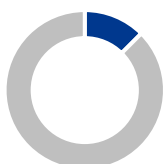


# Rental

## Share of revenue



## Share of EBITA adj.



Order intake increased by 24% to MSEK 113 (90), up 24% organically. Australia reported a strong quarter on the order side as did Germany and Switzerland while the Netherlands and Belgium were down.

Revenue amounted to MSEK 87 (91), a decrease of 5%, or down 6% organically and impacted by the COVID-19 outbreak. Limited access to construction sites in both France and Australia led to reduced service activities on rented equipment and thereby also related revenues.

Following the lower volumes, EBITA adj. decreased to MSEK 10 (12), corresponding to a margin of 11.4% (13.0).

Measures to reduce the cost base have been put in place in affected countries, mainly focusing on temporary reductions of the work force.

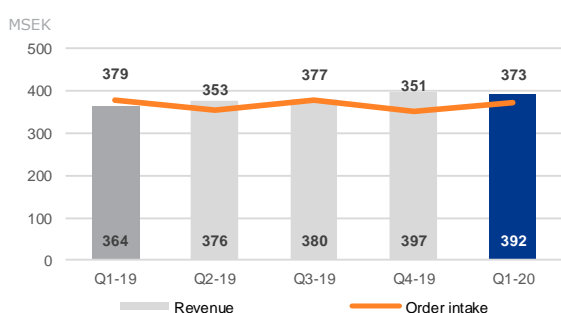
ORDER INTAKE	Q1	
	2020	2019
Orders, MSEK	112.6	90.4
Change, MSEK	22.1	-12.0
Change, %	24.5%	-11.7%
<b>Whereof:</b>		
Volume & price, %	23.8%	-14.8%
Exchange rate, %	0.7%	3.1%
Acquisition & divestment, %	0.0%	0.0%

REVENUE	Q1	
	2020	2019
Revenue, MSEK	86.6	91.5
Change, MSEK	-4.8	11.1
Change, %	-5.3%	13.7%
<b>Whereof:</b>		
Volume & price, %	-5.6%	9.8%
Exchange rate, %	0.3%	3.9%
Acquisition & divestment, %	0.0%	0.0%

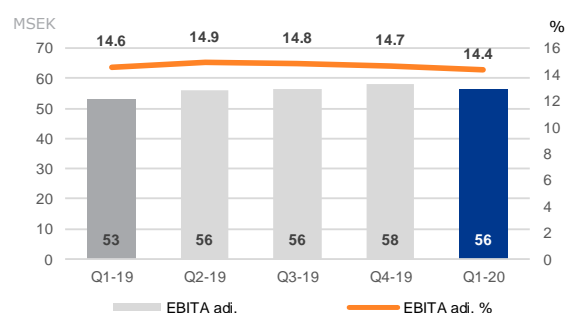
EBITA adj. <sup>1</sup>	Q1	
	2020	2019
EBITA adj, MSEK	9.9	11.9
EBITA margin adj, %	11.4%	13.0%
Change, MSEK	-2.0	2.5
Change, %	-16.9%	27.1%
<b>Whereof:</b>		
Volume & price, %	-16.1%	23.1%
Exchange rate, %	-0.8%	4.0%
Acquisition & divestment, %	0.0%	0.0%

<sup>1</sup> Before items affecting comparability

## Order intake & Revenue R12M



## EBITA adj. & EBITA margin adj. R12M



# Industrial Equipment

Share of revenue



Share of EBITA adj.



Order intake decreased by 7%, down 9% organically, to MSEK 442 (477) following low order intake from the Oil & Gas and BMU business units in the quarter. For the latter, the decrease was fully due to delayed contract signing though the pipeline and underlying demand remained strong. Order intake for business unit Wind grew significantly compared to the same quarter in 2019.

Revenue decreased by 28%, down 30% organically, to MSEK 413 (570). All business units were impacted by COVID-19 in terms of production and supply. Factories in China and Spain have been closed for varying durations in the quarter, and some scheduled shipments were also delayed. Additionally, business unit Wind still faced the tough comparable revenue for tower internals sold first quarter of 2019.

Following the drop in factory output and utilisation, EBITA adj. decreased to MSEK -1 (34), corresponding to a margin of -0.3% (5.9)

The operational focus for the second quarter is to stabilise production and supply capabilities. Cost reduction measures in the Chinese plants were put in place already in the fourth quarter of 2019.

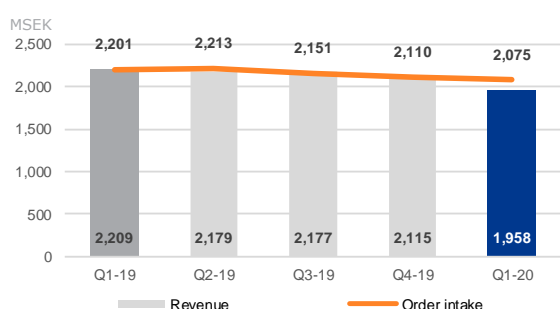
ORDER INTAKE	Q1	
	2020	2019
Orders, MSEK	441.6	477.2
Change, MSEK	-35.6	-56.0
Change, %	-7.5%	-10.5%
<b>Whereof:</b>		
Volume & price, %	-9.5%	-16.6%
Exchange rate, %	2.0%	6.1%
Acquisition & divestment, %	0.0%	0.0%

REVENUE	Q1	
	2020	2019
Revenue, MSEK	412.7	570.0
Change, MSEK	-157.3	141.4
Change, %	-27.6%	33.0%
<b>Whereof:</b>		
Volume & price, %	-29.7%	24.2%
Exchange rate, %	2.1%	8.7%
Acquisition & divestment, %	0.0%	0.0%

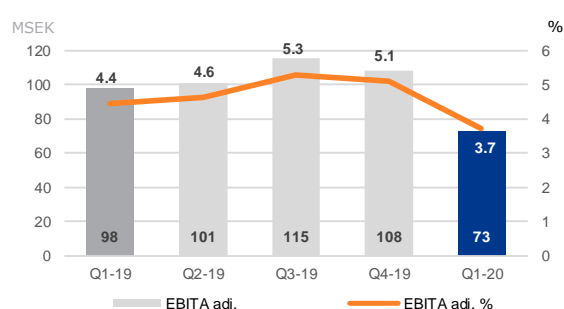
EBITA adj. <sup>1</sup>	Q1	
	2020	2019
EBITA adj, MSEK	-1.4	33.5
EBITA margin adj, %	-0.3%	5.9%
Change, MSEK	-34.9	22.6
Change, %	-104.3%	207.5%
<b>Whereof:</b>		
Volume & price, %	-87.5%	192.7%
Exchange rate, %	-16.8%	14.8%
Acquisition & divestment, %	0.0%	0.0%

<sup>1</sup> Before items affecting comparability

## Order intake & Revenue R12M



## EBITA adj. & EBITA margin adj. R12M



# After Sales

## Share of revenue



## Share of EBITA adj.



Business area After Sales reported an order intake increase of 4% to MSEK 333 (321), up 1% organically. Continued good momentum of increasing service orders from Wind and BMU customers. The legacy part of the business was slower and skewed towards general service and support with fewer spare parts orders booked in the quarter.

Revenue decreased by 2%, down 4% organically, to MSEK 292 (297) with lower revenue from refurbishments. As a result of the COVID-19 outbreak, several customers are, to a varying degree, restricting access to their sites, and this limits installation and service activities. This led to lower revenues and reduced utilization of service technicians, both impacting the result in the quarter.

EBITA adj. decreased to MSEK 59 (78), corresponding to a margin of 20.1% (26.2). This was partly the result of unfavourable mix but mostly stemming from safety precautions and travel restrictions following the COVID-19 outbreak.

Cost saving efforts are put in place in all countries affected, focusing on reducing the cost base with the ambition to retain capabilities to manage demand when the situation stabilises.

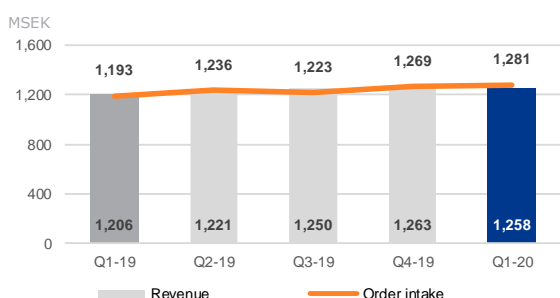
ORDER INTAKE	Q1	
	2020	2019
Orders, MSEK	333.4	321.2
Change, MSEK	12.2	35.1
Change, %	3.8%	12.3%
<b>Whereof:</b>		
Volume & price, %	1.4%	4.8%
Exchange rate, %	2.4%	7.4%
Acquisition & divestment, %	0.0%	0.0%

REVENUE	Q1	
	2020	2019
Revenue, MSEK	292.4	297.2
Change, MSEK	-4.9	23.4
Change, %	-1.6%	8.5%
<b>Whereof:</b>		
Volume & price, %	-3.8%	1.2%
Exchange rate, %	2.1%	7.3%
Acquisition & divestment, %	0.0%	0.0%

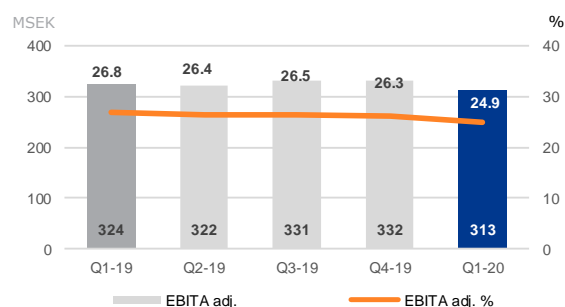
EBITA adj. <sup>1</sup>	Q1	
	2020	2019
EBITA adj, MSEK	58.8	77.8
EBITA margin adj, %	20.1%	26.2%
Change, MSEK	-19.0	3.4
Change, %	-24.4%	4.6%
<b>Whereof:</b>		
Volume & price, %	-25.8%	-1.1%
Exchange rate, %	1.3%	5.7%
Acquisition & divestment, %	0.0%	0.0%

<sup>1</sup> Before items affecting comparability

## Order intake & Revenue R12M



## EBITA adj. & EBITA margin adj. R12M





# Condensed statement of comprehensive income, Group

Amounts in MSEK	Note	Q1 2020	Q1 2019
Revenue	2	915.8	1,166.5
Cost of sales *	3	-624.6	-791.9
<b>Gross profit</b>		<b>291.2</b>	<b>374.6</b>
Operating expenses *	3	-223.6	-234.7
<b>Operating profit (EBIT)</b>		<b>67.6</b>	<b>139.9</b>
Financial net		-14.1	-9.5
<b>Profit before tax (EBT)</b>		<b>53.5</b>	<b>130.4</b>
Income tax		-12.1	-31.9
<b>Result for the period</b>		<b>41.4</b>	<b>98.5</b>
Attributable to owners of the parent company		41.4	98.5
Earnings per share, basic and diluted, SEK		0.76	1.82
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified to net profit for the period</b>			
Remeasurements of defined benefit pension plans		-9.4	-15.1
Income tax relating to remeasurements of pension plans		2.0	4.0
<b>Total</b>		<b>-7.4</b>	<b>-11.1</b>
<b>Items that may be reclassified to net profit for the period</b>			
Foreign exchange translation differences		148.9	58.5
Change in fair value of cash flow hedges		3.5	-11.5
Income tax relating to change in fair value of cash flow hedges		-0.9	3.1
<b>Total</b>		<b>151.5</b>	<b>50.1</b>
<b>Other comprehensive income</b>		<b>144.1</b>	<b>39.0</b>
<b>Total comprehensive income</b>		<b>185.5</b>	<b>137.5</b>
Attributable to owners of the parent company		185.5	137.5

\* Restatements have been made for previous periods between Cost of sales and Operating expenses, see note 3

# Condensed statement of financial position, Group

Amounts in MSEK	Note	31 Mar 2020	31 Mar 2019	31 Dec 2019
<b>ASSETS</b>				
Goodwill and other Intangible assets		3,086.4	2,970.2	2,988.4
Property, plant and and equipment		381.8	376.8	368.9
Right-of-use assets	4	254.5	362.1	262.9
Financial and other non-current assets		162.4	163.4	177.4
<b>Total non-current assets</b>		<b>3,885.1</b>	<b>3,872.5</b>	<b>3,797.6</b>
Inventories		670.5	667.7	613.3
Contract assets		349.6	313.3	357.9
Trade receivables		935.5	983.3	966.0
Other receivables and assets		183.6	278.5	254.5
Prepaid expenses and accrued income		81.3	119.2	57.8
Short term investments		61.3	-	56.2
Cash and cash equivalents		215.4	289.0	313.6
<b>Total current assets</b>		<b>2,497.2</b>	<b>2,651.0</b>	<b>2,619.3</b>
<b>TOTAL ASSETS</b>		<b>6,382.3</b>	<b>6,523.5</b>	<b>6,416.9</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders equity</b>		<b>3,870.2</b>	<b>3,547.7</b>	<b>3,684.2</b>
Long-term borrowings		943.7	1,073.6	1,034.5
Lease liability		196.9	343.8	202.9
Other long term liabilities		371.3	342.5	350.6
<b>Total non-current liabilities</b>		<b>1,511.9</b>	<b>1,759.9</b>	<b>1,588.0</b>
Short-term borrowings		122.8	111.7	84.0
Lease liability		63.0	18.7	64.1
Contract liabilities		94.9	99.5	99.4
Trade payables		253.6	444.7	336.7
Other current liabilities		465.9	541.3	560.5
<b>Total current liabilities</b>		<b>1,000.2</b>	<b>1,215.9</b>	<b>1,144.7</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,382.3</b>	<b>6,523.5</b>	<b>6,416.9</b>

# 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
<b>Opening balance, 1 Jan 2019</b>	<b>1.1</b>	<b>2,938.7</b>	<b>161.9</b>	<b>-2.0</b>	<b>310.0</b>	<b>3,409.7</b>
Result for the period	-	-	-	-	98.5	98.5
Changes of fair value	-	-	-	-11.5	-	-11.5
Revaluation of pension plans	-	-	-	-	-15.1	-15.1
Tax attributable to revaluations	-	-	-	3.1	4.0	7.1
Translation difference	-	-	58.6	-	-	58.6
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>58.6</b>	<b>-8.4</b>	<b>87.4</b>	<b>137.6</b>
Share based payments	-	0.4	-	-	-	0.4
<b>Closing balance, 31 Mar 2019</b>	<b>1.1</b>	<b>2,939.1</b>	<b>220.5</b>	<b>-10.4</b>	<b>397.4</b>	<b>3,547.7</b>
Result for the period	-	-	-	-	295.5	295.5
Changes of fair value	-	-	-	10.0	-	10.0
Revaluation of pension plans	-	-	-	-	0.9	0.9
Tax attributable to revaluations	-	-	-	-2.8	-1.2	-4.0
Translation difference	-	-	7.3	-	-	7.3
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>7.3</b>	<b>7.2</b>	<b>295.2</b>	<b>309.7</b>
Dividend	-	-	-	-	-148.7	-148.7
Repurchase of Treasury shares	-	-25.4	-	-	-	-25.4
Share based payments	-	0.9	-	-	-	0.9
<b>Closing balance, 31 Dec 2019</b>	<b>1.1</b>	<b>2,914.6</b>	<b>227.8</b>	<b>-3.2</b>	<b>543.9</b>	<b>3,684.2</b>
<b>Opening balance, 1 Jan 2020</b>	<b>1.1</b>	<b>2,914.6</b>	<b>227.8</b>	<b>-3.2</b>	<b>543.9</b>	<b>3,684.2</b>
Result for the period	-	-	-	-	41.4	41.4
Changes of fair value	-	-	-	3.5	-	3.5
Revaluation of pension plans	-	-	-	-	-9.4	-9.4
Tax attributable to revaluations	-	-	-	-0.9	2.0	1.1
Translation difference	-	-	148.9	-	-	148.9
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>148.9</b>	<b>2.6</b>	<b>34.0</b>	<b>185.5</b>
Share based payments	-	0.5	-	-	-	0.5
<b>Closing balance, 31 Mar 2020</b>	<b>1.1</b>	<b>2,915.1</b>	<b>376.7</b>	<b>-0.6</b>	<b>577.9</b>	<b>3,870.2</b>

# Cash flow statement, Group

Amounts in MSEK	Q1 2020	Q1 2019
<b>Operating activities</b>		
Profit before tax	53.5	130.4
Depreciation, amortisation and impairment losses	47.9	51.0
Other non-cash items	-3.4	5.7
Income taxes paid	-125.8	-39.1
<b>Cashflow before change in working capital</b>	<b>-27.8</b>	<b>148.0</b>
<b>Change in working capital</b>		
Change in inventory	-40.0	11.2
Change in contract assets	19.2	-66.1
Change in operating receivables	136.6	-53.4
Change in operating liabilities	-75.9	-3.8
<b>Cash flow from working capital</b>	<b>39.9</b>	<b>-112.1</b>
<b>Cash flow from operating activities</b>	<b>12.1</b>	<b>35.9</b>
<b>Investing activities</b>		
Purchase of intangible fixed assets	-8.4	-4.0
Purchase of property, plant and equipment	-16.8	-12.2
Net change in short term financial investments	0.1	-24.9
<b>Cash flow from investing activities</b>	<b>-25.1</b>	<b>-41.1</b>
<b>Financing activities</b>		
Proceeds from borrowings	46.4	-
Repayment of borrowings	-120.0	-53.0
Repayment of Lease liability	-19.7	-22.5
<b>Cash flow from financing activities</b>	<b>-93.3</b>	<b>-75.5</b>
<b>Net change in cash and cash equivalents</b>	<b>-106.3</b>	<b>-80.7</b>
Cash & cash equivalents at beginning of period	313.6	355.6
Exchange rate differences in cash and cash equivalents	8.1	14.1
Cash & cash equivalents at end of period	215.4	289.0

# Key figures

Quarterly data	2020		2019		
	Q1	Q4	Q3	Q2	Q1
Order intake, MSEK	1,066.8	1,073.3	1,039.3	1,150.0	1,100.7
Revenue, MSEK	915.8	1,143.4	1,084.0	1,193.5	1,166.5
EBITDA, MSEK	115.5	172.4	188.6	210.6	190.9
EBITA adj, MSEK	79.3	151.5	152.0	172.0	153.4
EBITA margin adj, %	8.7%	13.2%	14.0%	14.4%	13.2%
EBITA, MSEK	79.3	133.7	151.8	171.8	151.0
EBITA margin, %	8.7%	11.7%	14.0%	14.4%	12.9%
EBIT, MSEK	67.6	122.9	140.8	161.5	139.9
EBIT, %	7.4%	10.7%	13.0%	13.5%	12.0%
Result for the period, MSEK	41.4	87.8	99.5	108.2	98.5
Total comprehensive income, MSEK	185.5	6.9	167.1	135.8	137.5
Cash flow from operations, MSEK	12.1	225.7	134.2	106.2	35.9
Cash flow for the period, MSEK	-106.3	75.5	-89.5	39.1	-80.7
Cash flow from operations/EBITDA	0.1	1.3	0.7	0.5	0.2
Number of shares, thousands <sup>1</sup>	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
Earnings per share, SEK	0.76	1.62	1.83	2.00	1.82
Cash flow per share, SEK	-1.96	1.39	-1.65	0.72	-1.49
Equity per share, SEK	71.50	68.03	67.89	65.27	65.51
Total assets, MSEK	6,382.3	6,416.9	6,541.3	6,527.7	6,523.5
Cash and cash equivalents end of period, MSEK	215.4	313.6	245.2	327.0	289.0
Equity, MSEK	3,870.2	3,684.2	3,676.9	3,534.9	3,547.7
Capital employed, MSEK	4,915.5	4,691.5	4,938.5	4,855.4	4,781.5
Net debt, MSEK	1,045.3	1,007.3	1,261.5	1,320.5	1,233.8
Net debt excl. Lease liability (IFRS 16), MSEK	785.4	740.3	929.9	993.7	871.3
Equity ratio, %	60.6%	57.4%	56.2%	54.2%	54.4%
Return on equity, %	9.1%	11.1%	13.0%	12.3%	11.5%
Return on capital employed goodwill excluded, %	20.0%	26.4%	25.7%	23.6%	25.1%
Return on capital employed, %	10.2%	12.6%	12.5%	11.7%	11.7%
Interest coverage ratio, times	6.99	9.31	13.79	13.43	12.35
Net debt/EBITDA ratio	1.52	1.33	1.68	1.90	1.94
Net debt excl. Lease liability/EBITDA ratio	1.14	0.97	1.24	1.43	1.37
Number of employees	2,200	2,286	2,386	2,344	2,361

<sup>1</sup> 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		
	Q1	Q4	Q3	Q2	Q1
Order intake, MSEK	4,329.4	4,363.2	4,504.4	4,568.7	4,601.1
Revenue, MSEK	4,336.7	4,587.4	4,594.2	4,609.2	4,527.2
EBITA adj, MSEK	554.8	628.9	636.0	619.9	596.6
EBITA margin adj, %	12.8%	13.7%	13.8%	13.4%	13.2%
EBIT, MSEK	492.8	565.1	575.9	540.0	499.2
EBIT, %	11.4%	12.3%	12.5%	11.7%	11.0%
Result for the period, MSEK	336.9	394.0	449.9	418.9	389.7
Total comprehensive income, MSEK	495.3	447.3	593.3	441.4	343.7
Cash flow from operations, MSEK	478.4	502.1	424.2	402.8	305.8
Cash flow for the period, MSEK	-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			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Order Intake</b>									
Construction Equipment	179	129	128	164	212	248	143	226	199
Industrial Equipment	442	559	523	551	477	600	585	539	533
After Sales	333	299	302	346	321	254	314	303	286
Rental	113	86	85	89	90	113	61	114	102
<b>Total</b>	<b>1,067</b>	<b>1,073</b>	<b>1,039</b>	<b>1,150</b>	<b>1,101</b>	<b>1,214</b>	<b>1,104</b>	<b>1,182</b>	<b>1,121</b>
<b>Revenue</b>									
Construction Equipment	124	204	131	271	208	176	176	185	177
Industrial Equipment	413	517	535	493	570	580	537	523	429
After Sales	292	316	319	331	297	303	290	316	274
Rental	87	107	100	99	91	91	95	87	80
<b>Total</b>	<b>916</b>	<b>1,143</b>	<b>1,084</b>	<b>1,193</b>	<b>1,167</b>	<b>1,150</b>	<b>1,099</b>	<b>1,112</b>	<b>960</b>
<b>EBITA adj.</b>									
Construction Equipment	12	31	19	50	30	34	27	31	17
Industrial Equipment	-1	25	32	17	34	32	18	14	11
After Sales	59	79	85	90	78	78	76	92	74
Rental	10	16	15	15	12	14	15	12	9
<b>Total</b>	<b>79</b>	<b>151</b>	<b>152</b>	<b>172</b>	<b>153</b>	<b>159</b>	<b>136</b>	<b>149</b>	<b>111</b>
<b>EBITA</b>									
Construction Equipment	12	31	19	50	30	46	27	30	17
Industrial Equipment	-1	7	32	17	32	11	6	4	-1
After Sales	59	79	85	90	77	73	69	89	70
Rental	10	16	15	15	12	14	15	12	9
<b>Total</b>	<b>79</b>	<b>134</b>	<b>152</b>	<b>172</b>	<b>151</b>	<b>144</b>	<b>117</b>	<b>135</b>	<b>95</b>

# Bridge

In MSEK	Q1 2020	Q1 2019	Jan-Dec 2019
<b>EBIT</b>	<b>67.6</b>	<b>139.9</b>	<b>439.4</b>
Add back:			
Amortization	11.7	11.1	51.1
<b>EBITA</b>	<b>79.3</b>	<b>151.0</b>	<b>490.5</b>
Add back:			
Depreciation	36.2	39.9	67.0
<b>EBITDA</b>	<b>115.5</b>	<b>190.9</b>	<b>557.5</b>
<b>EBITA</b>	<b>79.3</b>	<b>151.0</b>	<b>490.5</b>
Add back:			
Items affecting comparability	0.0	2.4	64.1
<b>EBITA adj,</b>	<b>79.3</b>	<b>153.4</b>	<b>554.6</b>

In MSEK	31 Mar 2020	31 Mar 2019	31 Dec 2019
Non-current interest bearing debts	943.7	1,073.6	1,034.5
Current interest bearing debts	122.8	111.7	84.0
Non-current lease liability	196.9	343.8	202.9
current lease liability	63.0	18.7	64.1
Deduct:			
Long term interest bearing receivables	4.4	-	8.4
Short term interest bearing receivables	61.3	24.9	56.2
Cash and cash equivalents	215.4	289.0	313.6
<b>Net debt</b>	<b>1,045.3</b>	<b>1,233.8</b>	<b>1,007.3</b>
<b>Net debt</b>	<b>1,045.3</b>	<b>1,233.8</b>	<b>1,007.3</b>
Add:			
Shareholders equity	3,870.2	3,547.7	3,684.2
<b>Capital Employed</b>	<b>4,915.5</b>	<b>4,781.5</b>	<b>4,691.5</b>

## Condensed Income statement, parent company

Amounts in MSEK	Q1 2020	Q1 2019
Revenue	2.8	2.5
Operating expenses	-9.2	-7.0
<b>Operating profit/loss (EBIT)</b>	<b>-6.4</b>	<b>-4.5</b>
Financial net	6.3	4.4
<b>Profit/loss after financial items</b>	<b>-0.1</b>	<b>-0.1</b>
<b>Profit before tax (EBT)</b>	<b>-0.1</b>	<b>-0.1</b>
Income tax	0.0	0.0
<b>Net profit for the period</b>	<b>-0.1</b>	<b>-0.1</b>

## Condensed Balance sheet, parent company

Amounts in MSEK	31 Mar 2020	31 Mar 2019	31 Dec 2019
<b>Non-current assets</b>			
Shares in group companies	1,898.4	1,898.4	1,898.4
Other non-current assets	2.5	1.8	2.4
<b>Total non-current assets</b>	<b>1,900.9</b>	<b>1,900.2</b>	<b>1,900.8</b>
<b>Current assets</b>			
Receivables from group companies	1,638.5	1,623.8	1,622.4
Other short term receivables	2.7	2.1	1.6
Cash and cash equivalents	-	-	89.4
<b>Total current assets</b>	<b>1,641.2</b>	<b>1,625.9</b>	<b>1,713.4</b>
<b>TOTAL ASSETS</b>	<b>3,542.1</b>	<b>3,526.1</b>	<b>3,614.2</b>
<b>EQUITY AND LIABILITIES</b>			
Shareholders equity	2,838.1	2,902.9	2,838.2
Untaxed reserves	47.3	-	47.3
Non-current liabilities, interest bearing	38.6	87.6	37.9
Current liabilities, interest bearing	30.6	54.9	-
Liabilities to group companies	572.6	465.2	648.0
Other current liabilities	14.9	15.5	42.8
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,542.1</b>	<b>3,526.1</b>	<b>3,614.2</b>



# 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 file showing the bridge from IFRS measures into non-IFRS measures is found on page 15 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 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 recognized.

## NOTE 2. REVENUE SPLIT

Amounts in MSEK	Q1 2020	Q1 2019
Europe	316.8	356.2
APAC	342.7	439.1
Americas	247.8	357.4
Other markets	8.5	13.8
<b>Total</b>	<b>915.8</b>	<b>1,166.5</b>
<b>Over time</b>		
Construction Equipment	-	-
Rental <sup>1)</sup>	49.1	43.6
Industrial Equipment	197.1	220.5
After Sales	-	-
<b>Total over time</b>	<b>246.2</b>	<b>264.1</b>
<b>Point in time</b>		
Construction Equipment	124.1	207.8
Rental	37.5	47.9
Industrial Equipment	215.6	349.3
After Sales	292.4	297.4
<b>Total point in time</b>	<b>669.6</b>	<b>902.4</b>
<b>Total</b>	<b>915.8</b>	<b>1,166.5</b>

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

**NOTE 3. RESTATE**

From Q2 2019 currency transaction effects on operating receivables and liabilities are reported within Operating expenses. For earlier periods they were included in Cost of sales.

Restatement of previously reported numbers have been made according to the table below.

	Q1 2019
Amounts in MSEK	2019
<b>Cost of sales</b>	
Reported	-796.2
Effect of reclassification	4.3
<b>Restated</b>	<b>-791.9</b>
<b>Gross profit</b>	
Reported	370.3
Effect of reclassification	4.3
<b>Restated</b>	<b>374.6</b>
<b>Operating expenses</b>	
Reported	-230.4
Effect of reclassification	-4.3
<b>Restated</b>	<b>-234.7</b>

**NOTE 4. RIGHT-OF-USE ASSETS**

Amounts in MSEK	31 Mar 2020	31 Mar 2019	31 Dec 2019
<b>Right-of-use assets are split into the following categories</b>			
Premises	204.2	309.3	207.5
Vehicles	38.6	30.4	40.1
Equipment	11.7	22.4	15.3
<b>Total</b>	<b>254.5</b>	<b>362.1</b>	<b>262.9</b>

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

Amounts in MSEK	Q1 2020	Q1 2019
<b>Depreciations are included in:</b>		
Cost of sales	14.3	18.7
Operating expenses	6.6	3.7
	<b>20.9</b>	<b>22.4</b>
<b>Included in Finance net:</b>		
Interest expenses	2.4	2.1
	<b>2.4</b>	<b>2.1</b>
<b>Total</b>	<b>23.3</b>	<b>24.5</b>

**NOTE 5. FINANCIAL INSTRUMENTS**

Amounts in MSEK	Total carrying amount		
	31 Mar 2020	31 Mar 2019	31 Dec 2019
<b>FINANCIAL ASSETS</b>			
Derivative financial instruments	1.6	2.5	4.5
Other financial receivables	1,168.8	1,300.2	1,262.3
Cash and cash equivalents	215.4	289.0	313.6
<b>Total</b>	<b>1,385.8</b>	<b>1,591.7</b>	<b>1,580.4</b>
<b>FINANCIAL LIABILITIES</b>			
Derivative financial instruments	4.5	19.5	5.3
Interest bearing debts	1,066.9	1,185.3	1,118.5
Other financial liabilities	732.6	1,096.5	810.4
<b>Total</b>	<b>1,804.0</b>	<b>2,301.3</b>	<b>1,934.2</b>

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

**FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE**

31 Mar 2020	Level 2
<b>Financial assets</b>	
Currency derivatives	1.6
<b>Total</b>	<b>1.6</b>
<b>Financial liabilities</b>	
Currency derivatives	4.5
<b>Total</b>	<b>4.5</b>
31 Mar 2019	Level 2
<b>Financial assets</b>	
Currency derivatives	2.5
<b>Total</b>	<b>2.5</b>
<b>Financial liabilities</b>	
Currency derivatives	19.5
<b>Total</b>	<b>19.5</b>
31 Dec 2019	Level 2
<b>Financial assets</b>	
Currency derivatives	4.5
<b>Total</b>	<b>4.5</b>
<b>Financial liabilities</b>	
Currency derivatives	5.3
<b>Total</b>	<b>5.3</b>

**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 6. ACQUISITIONS**

No acquisitions were made during the first quarter of 2020 or 2019.

**NOTE 7. ASSETS PLEDGED AND CONTINGENT LIABILITIES**

As of March 31, 2020, the maximum potential future payments Alimak Group could be required to make under issued financial guarantees totalled MSEK 477.9 (March 31 2019 463.4, December 31 2019 477.6) of which MSEK 477.3 (March 31 2019 462.8, December 31 2019 477.0) refers to indemnity bonds for commitments to customers. Assets pledged totalled MSEK 21.0 (March 31 2019 14.8, December 31 2019 21.1).

## FINANCIAL CALENDAR

- The Annual General Meeting will be held on May 7, 2020 in Stockholm.
- The Interim Report for the second quarter of 2020 will be published July 23, 2020.
- The Interim Report for the third quarter of 2020 will be published October 22, 2020.

Alimak Group's financial calendar is available at [www.alimakgroup.com](http://www.alimakgroup.com)

## TELEPHONE CONFERENCE/PRESENTATION

A telephone conference for investors, analysts and financial media will be held at 10.00 CEST on Friday April 24, 2020. CEO Tormod Gunleiksrud 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: +46850558375

UK: +443333009268

US: +18335268384

### Link to audiocast:

<https://alimak.eventcdn.net/2020q1>

## 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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### For further information, contact:

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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 April 24, 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](http://www.alimakgroup.com)