

Alimak Group

12 February 2024

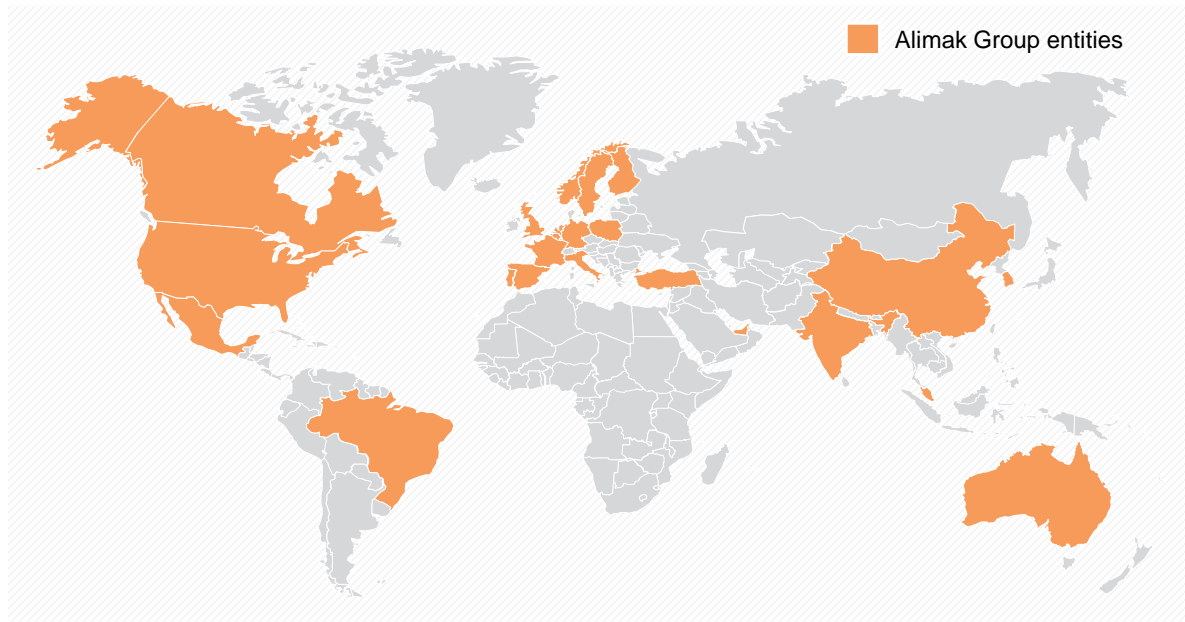
Ole Kristian Jødahl, CEO

Sylvain Grange, CFO

Alimak Group – a diversified global industrial company

Highlights

- Leading provider of sustainable 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

Investment in sales & marketing, product & service development and M&A



Revenue growth
6-10%

Operational efficiency, synergies, and Facade Access improvement



EBITA margin
>18%

Strong focus on working capital improvements and limited capex need



Leverage ratio
<2.5x

Dividend pay-out ratio of 40-60%

Sustainability targets

**CO₂ reduction
to 2025 ***

30%

Next: moving to science-
based targets

**Employee
NPS**

>40

LTIFR
Injury rate per mn
working hours

<2

**ESG assessment of
direct material
suppliers****

>80%

* Scope 1,2 3, normalized based on turn-over, reduction compared to 2019

** Corresponding to 80% of direct material spend

An overall solid quarter with exceptional cash flow

- Industrial, Height Safety & Productivity Solutions and Wind performing very well
- Somewhat lower order intake in the Construction division – after a strong Q3, underlining volatility between quarters
- Facade Access division margins not yet where we want it to be – continued execution of the transformation programme to significantly improve future margins
- Strong cash flow, deleveraging to Net Debt/EBITDA of 2.26



A transformative year for the Group

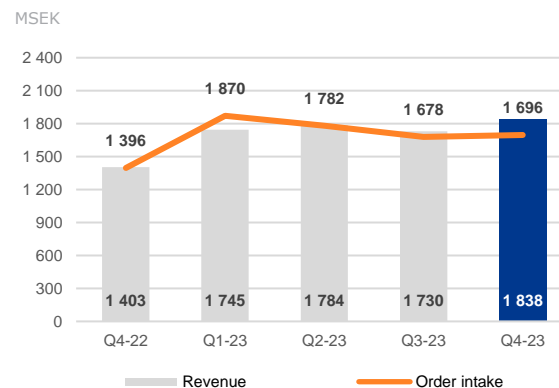
- Successful integration of Tractel and Tall Crane
- Improved operational performance
- Met the financial targets set in 2021
 - New financial and sustainability targets announced in June
- Revenue increased to BSEK 7.1 (4.5), an increase of 57%
- Adjusted EBITA MSEK 1,150, an increase of 87%
 - Aggregated*, adjusted EBITA increased 12% – New Heights
- Strong cash flow and financial position
- The Board of Directors proposes a dividend of SEK 2.50 (1.82) per share



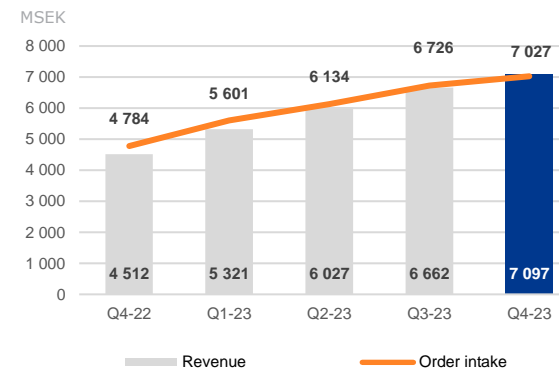
Group quarterly summary

- **Order intake** was MSEK 1,696, +22% (+22% from acquisitions. -2% organically)
 - Solid growth in Industrial, Facade Access, HSPS and Wind
- **Revenue** was MSEK 1,838, +31% (25% from acquisitions. 4% organically)
 - Strong growth in Industrial, HSPS and Wind
- **EBITA adj.** increased to MSEK 288 (217), margin at 15.7% (15.5). Adj. aggregated EBITA increased by 4%*

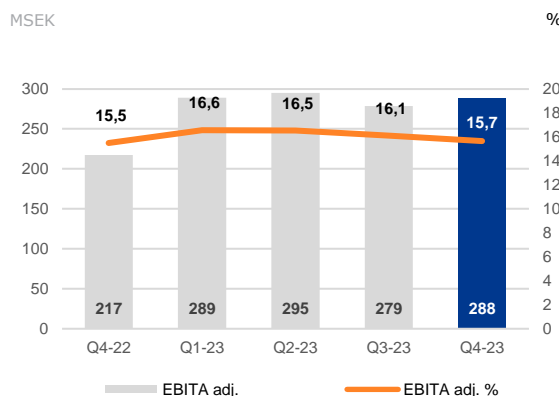
Order intake & Revenue by Quarters



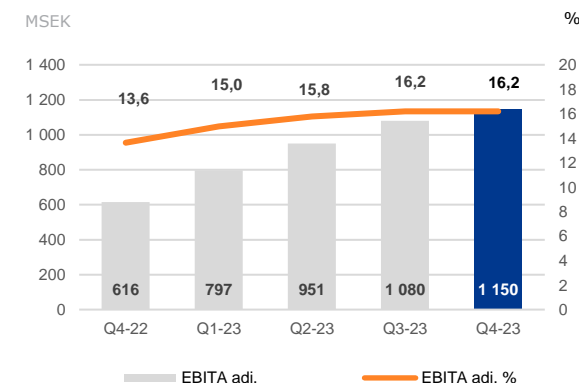
Order intake & Revenue by R12M



EBITA adj & EBITA adj by Quarters



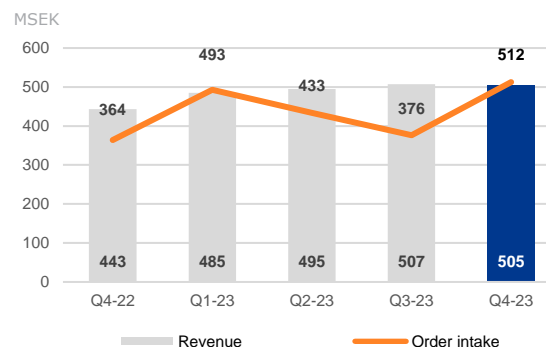
EBITA adj & EBITA adj by R12M



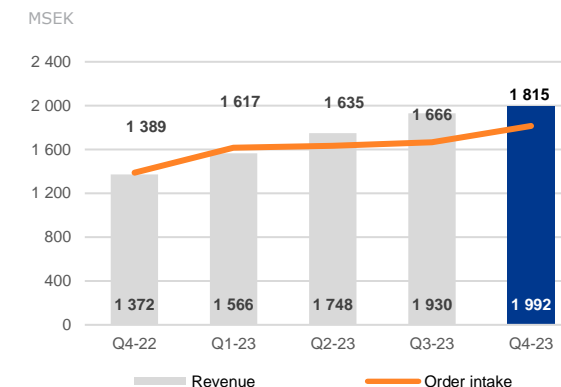
Facade Access

- **Order intake** was MSEK 512, +41 % (+24% from acquisitions. +18% organically)
 - An all-time high for the division
 - Good growth in both new equipment and service
 - All new orders in line with our stricter tender processes and higher margin requirements
- **Revenue** was MSEK 505, +14% (25% from acquisitions. -12% organically)
 - We continued to see some project delays, especially in North America
- **EBITA** at MSEK 30 (34), margin 5.9% (7.6)
 - Costs relating to old projects continue to have dampening effect
 - Continue to execute on our transformation programme

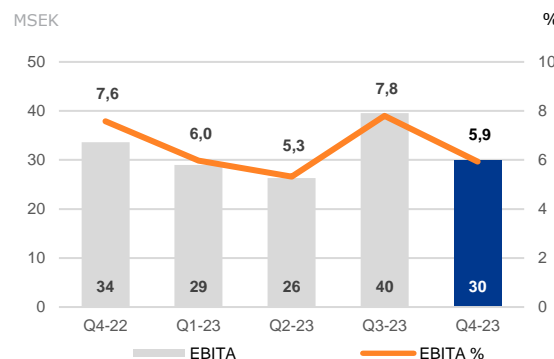
Order intake & Revenue by Quarters



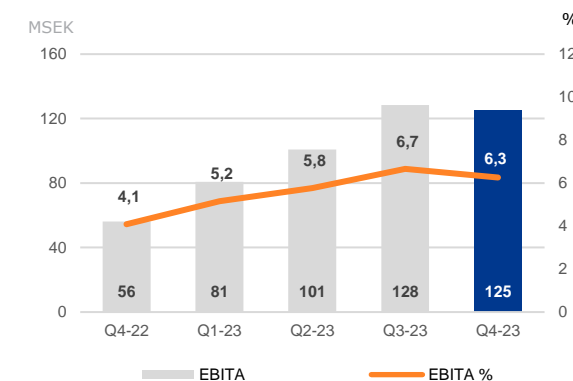
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



Facade Access – full year (aggregated*)

- **Order intake** was MSEK 1,815, -16%
 - Challenging market throughout the year
 - Stricter tender processes and higher margin requirements
 - Strong market position with complete offering and engineering capabilities
- **Revenue** was MSEK 1,992, -4%
 - Higher interest rates resulting in some projects being put on hold or delayed
- **EBITA** was MSEK 125 (206), -39%. Margin 6.3% (9.9)
 - Negative contribution from legacy projects

MSEK	FY 2023	Aggregated FY2022	Δ%
Order intake	1 815	2 159	-16%
Revenue	1 992	2 085	-4%
EBITA adj	125	206	-39%
EBITA adj %	6.3	9.9	-3.6 pp

Facade Access – business update

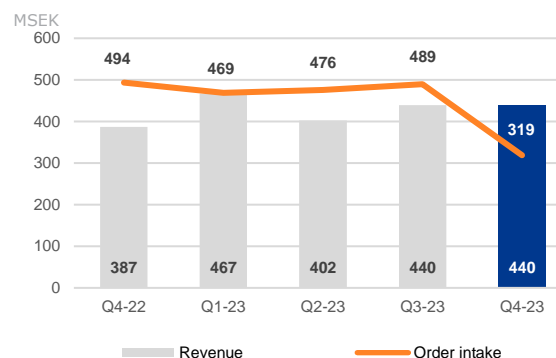
- **Reinforced management team**
 - with the nomination of a division VP for Technology
- **Announcement of plan to consolidate the Manntech assembly site in Germany**
 - Negotiations with the German Works Council
 - Expected MSEK 60 annual saving from 2025
- **Continuing the implementation of the project management processes**
- **Support to lane expansion of a bridge in the US**
 - Design and supply of several temporary access systems, including stressing platforms, rail and bracket assemblies, utility platforms, debris netting assemblies and LUO/ fixed platforms



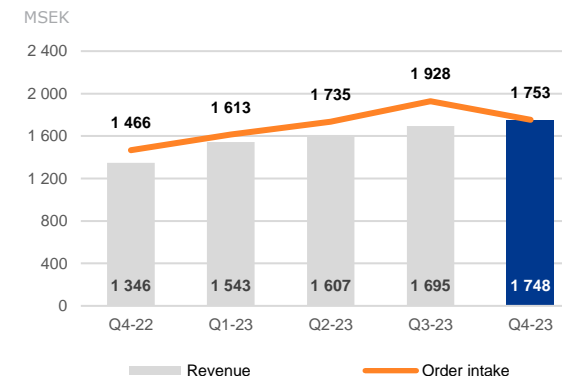
Construction

- **Order intake** was MSEK 319, -35% (+5% from acquisitions. -42% organically)
 - Volatility between quarters (after a strong Q3)
 - The market and our opportunities remain the same
- **Revenue** was MSEK 440, +14% (+6% from acquisitions. +6% organically)
 - High level of rental activity in all our markets
- **EBITA** at MSEK 76 (73), margin 17.2% (18.8)
 - Negative mix in the quarter

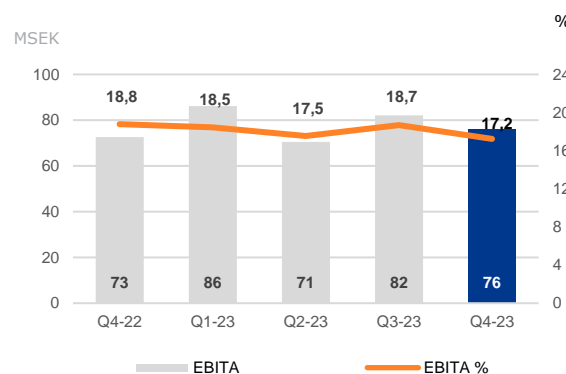
Order intake & Revenue by Quarters



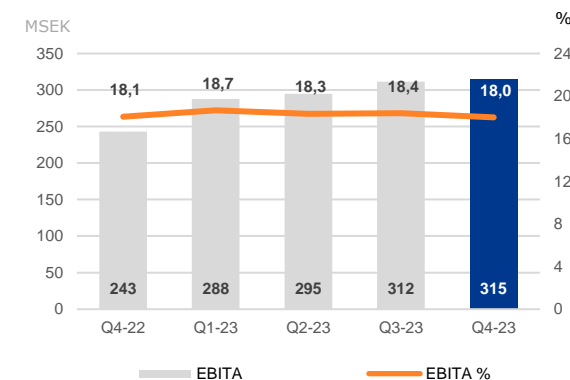
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



Construction – full year (aggregated*)

- **Order intake** was MSEK 1,753, +4%
 - Strong development in a challenging market environment
 - Resilient business model and we continue to see opportunities ahead
- **Revenue** was MSEK 1,748, +8%
 - High revenue for new equipment in North America
 - Strong invoicing for rental activities in all regions
- **EBITA** at MSEK 315 (281), +12%. Margin 18.0% (17.3)

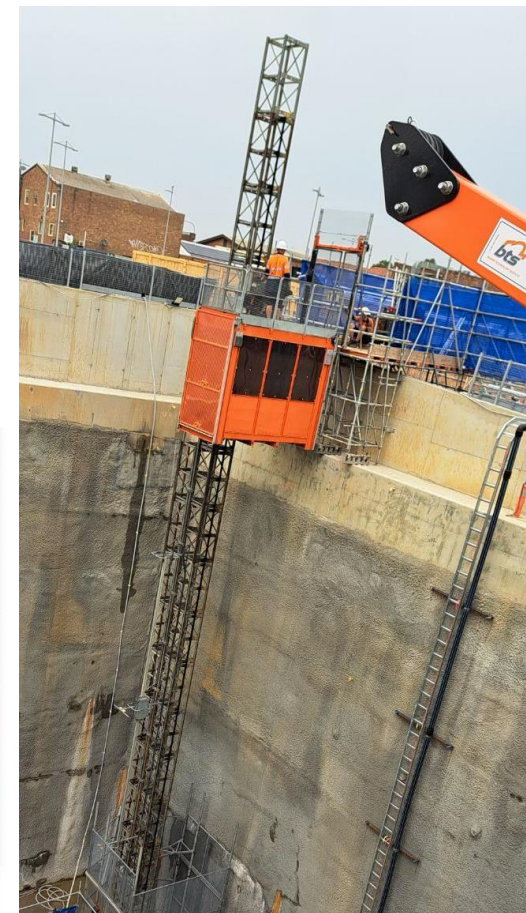
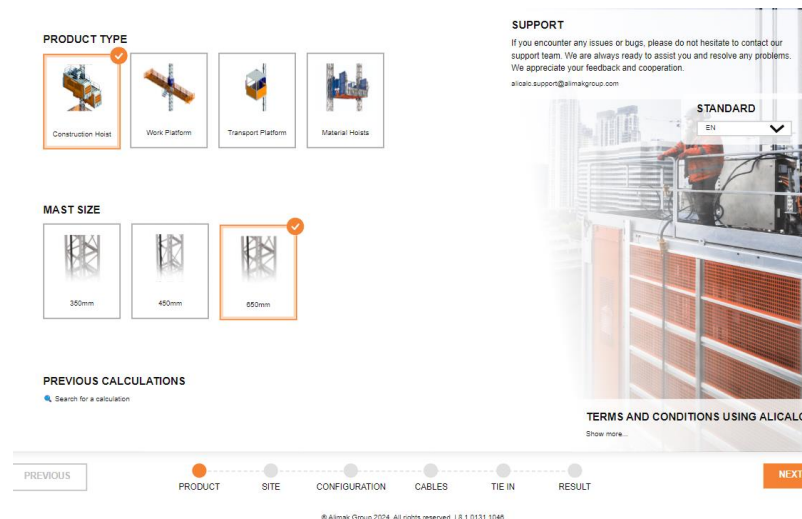
MSEK	FY 2023	Aggregated FY2022	Δ%
Order intake	1 753	1 680	4%
Revenue	1 748	1 623	8%
EBITA adj	315	281	12%
EBITA adj %	18.0	17.3	+0.7 pp

Workplace accident in Sweden

- A tragic workplace accident in December involving an Alimak Scando 650, a standard hoist used for many years all over the world
- Two of the mast sections holding the hoist in place had not been bolted together
- Even though the installation was not carried out by us, we will further intensify and work with all relevant parties to ensure safe workplaces
- Investigations are still ongoing

Construction – business update

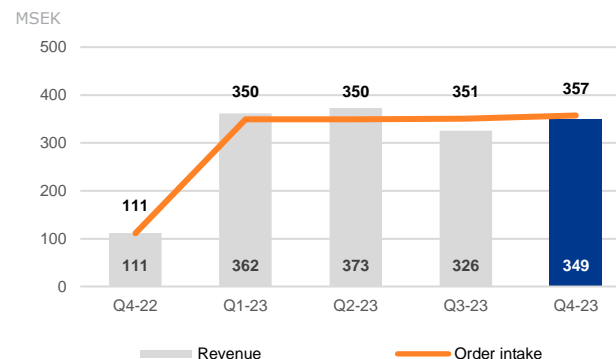
- Infrastructure projects in Sydney
 - Additional order to existing rental hoist solutions on the Western Sydney airport terminal
 - Single hoists with varying levels of complexity to six different train stations
- AliCalc
 - On-line calculation for safe installation
 - Configure height, wall mounting etc



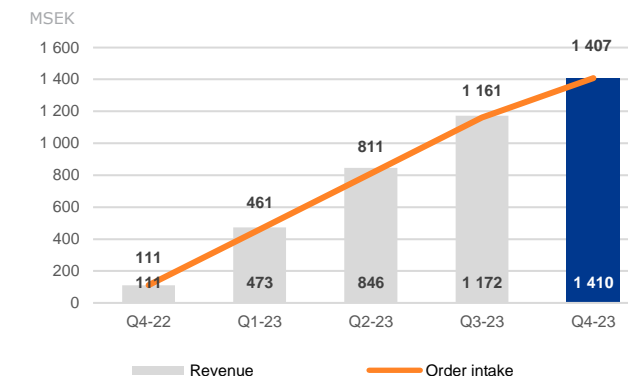
Height Safety & Productivity Solutions

- **Order intake** was MSEK 357
 - High demand in Europe
 - Strong development in the elevator, rental and installation segments
- **Revenue** was MSEK 349
- **EBITA** was MSEK 64, margin 18.3%

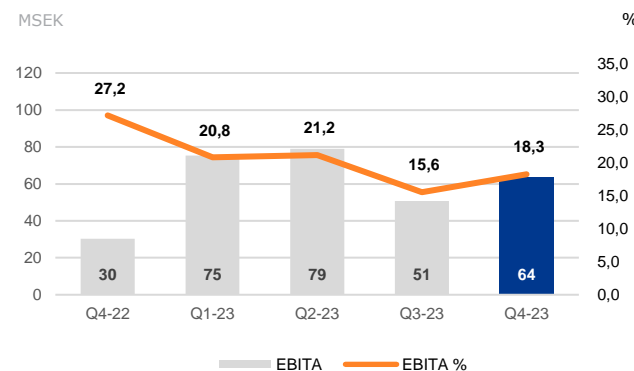
Order intake & Revenue by Quarters



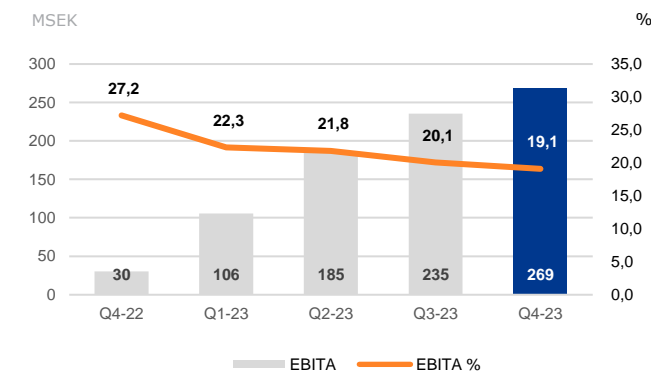
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



HSPS – full year (aggregated*)

- **Order intake** was MSEK 1,407, +9%
 - All parts developing well, especially the elevator business
- **Revenue** was MSEK 1,410, +11%
 - All-time high
- **EBITA** at MSEK 269, +6%. Margin 19.1% (20.0)
 - All-time high
 - Margin affected by changed allocation of central costs

MSEK	FY 2023	Aggregated FY2022	Δ%
Order intake	1 407	1 296	9%
Revenue	1 410	1 266	11%
EBITA adj	269	253	6%
EBITA adj %	19.1	20.0	-0.9 pp

HSPS – business update

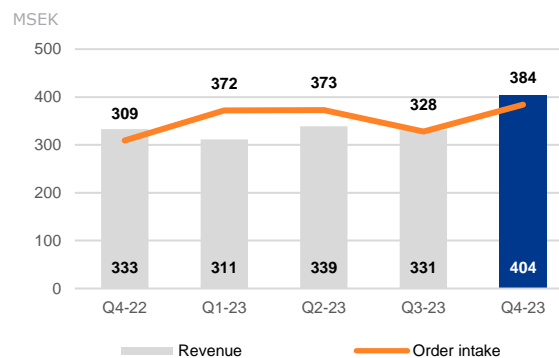
- **Inauguration of a new building in Saint Hilaire, France**
 - Rebuilt after a fire in 2021
 - Offers improved inventory management and product flow, as well as state-of-the-art order preparation system
- **New product launches**
 - BlocFor R Evo - a new version of one of the iconic height safety self-retracting lifelines
 - Tralift Duratech, a manual chain hoist for use in corrosive environments



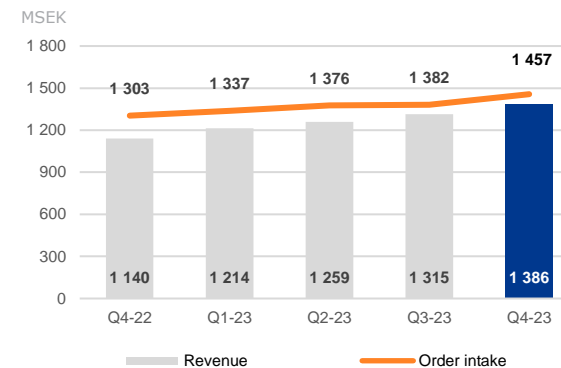
Industrial

- **Order intake** was MSEK 384, +24% (25% organically)
 - Significant increase of new equipment order intake in multiple segments and regions
 - Solid aftermarket development
- **Revenue** was MSEK 404, +21% (+21% organically)
- **EBITA** increased to MSEK 95 (69), margin 23.4% (20.6)
 - Strong development due to increased volume and good cost control

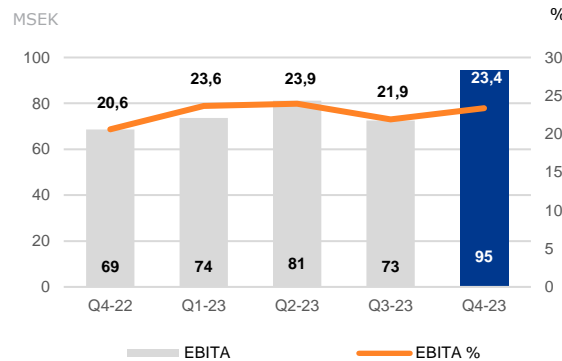
Order intake & Revenue by Quarters



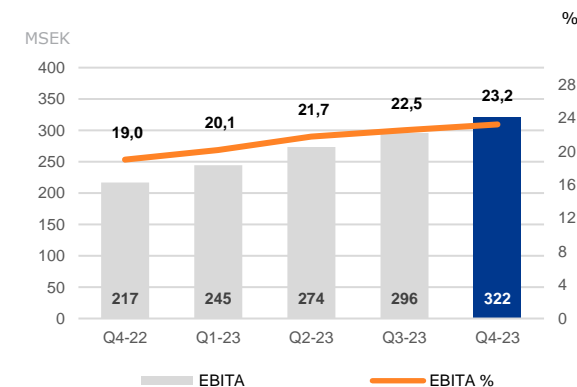
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



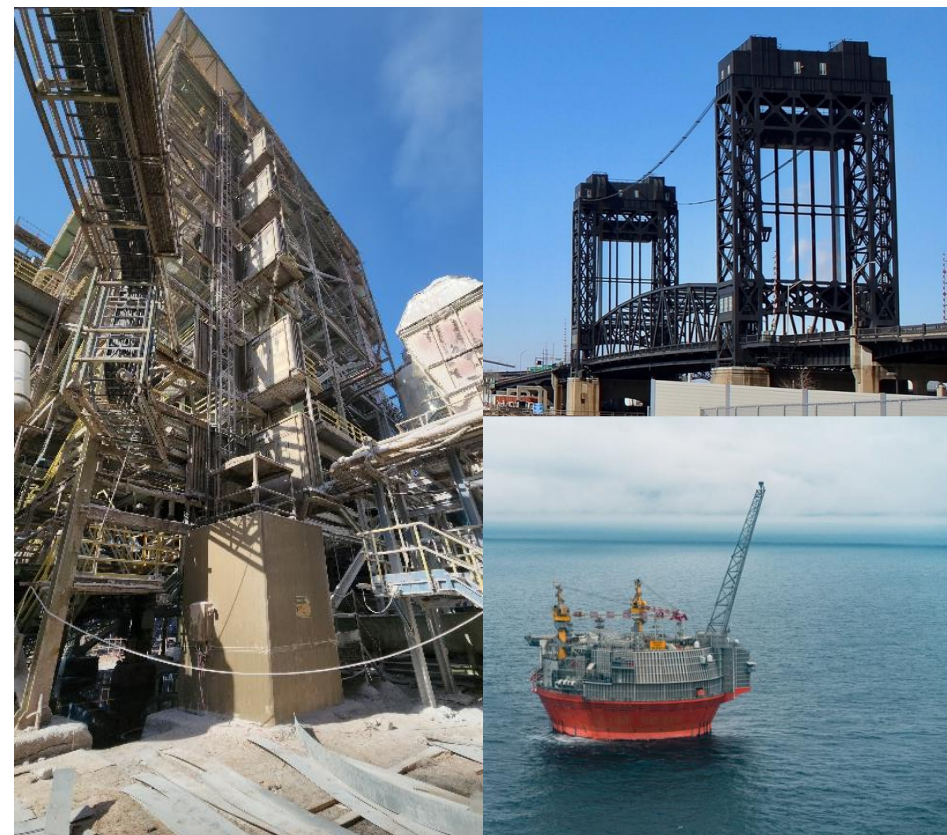
Industrial – full year

- **Order intake** was MSEK 1,457, +12%
 - Good year for equipment order intake in multiple regions, particularly in Northern Europe and the marine and offshore customer segments
 - Solid performance in APAC, notably for ship to shore cranes (ports)
 - Strong aftermarket performance across all regions
- **Revenue** was MSEK 1,386, +22%
- **EBITA** at MSEK 322 (217), +49%. Margin 23.2% (19.0)
 - The strategy with dedicated sales teams and customer focus is giving result

MSEK	FY 2023	FY2022	Δ%
Order intake	1 457	1 303	12%
Revenue	1 386	1 140	22%
EBITA adj	322	217	49%
EBITA adj %	23.2	19.0	+4.2 pp

Industrial – examples of new orders

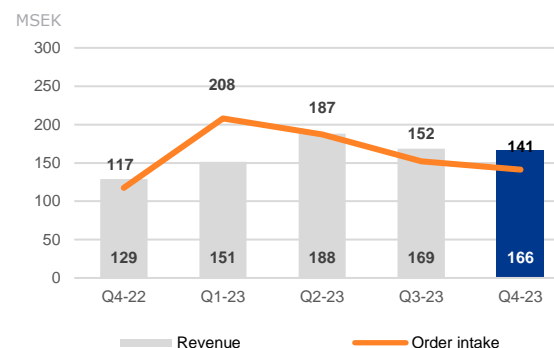
- **Two equipment orders for bridges in the US**
 - Part of the ongoing push to modernize the country's infrastructure
- **Seven lifts for a brownfield project at potash plant in Jordan**
- **Continued success in the ports segment for Ship-To-Shore cranes**
- **Service agreement with a large oil rig operator on the Norwegian continental shelf**



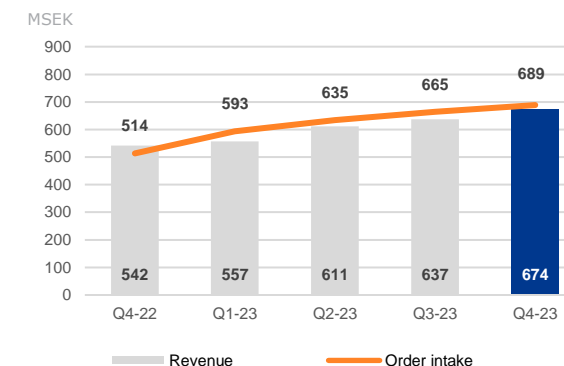
Wind

- **Order intake** was MSEK 141, +20% (+17% organically)
 - Most markets developed positively in the quarter, in particular China and Denmark.
 - Positive impact of new product releases
- **Revenue** was MSEK 166, +29% (+26% organically)
- **EBITA** MSEK 25 (12), margin 14,9% (9.4)

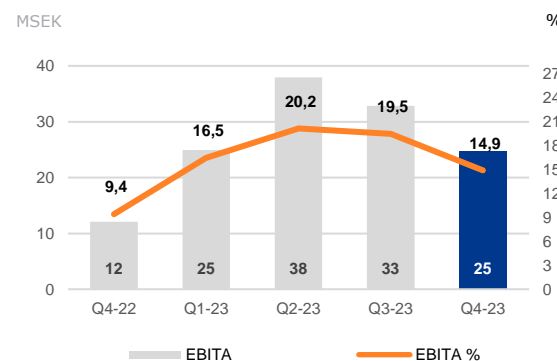
Order intake & Revenue by Quarters



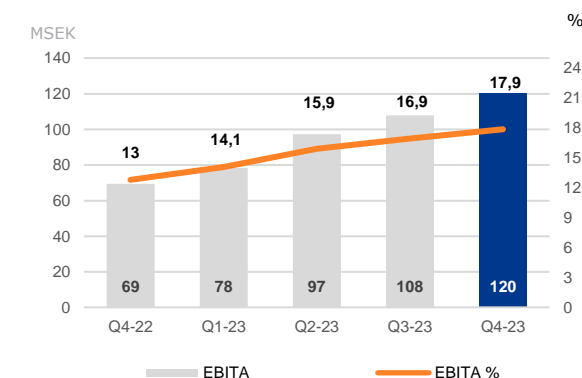
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



Wind – full year

- **Order intake** was MSEK 689, +34% (26% organically)
 - Continued positive effect from focus on becoming the preferred supplier for selected OEMs
 - New equipment solutions for onshore and offshore were launched and positively received in the market
- **Revenue** was MSEK 674, +24% (17% organically)
 - Growth supported by strong momentum in North America and market share gain
 - Increased service and spare parts revenue, due to larger installed base and added value offering
- **EBITA** at MSEK 120 (69), margin 17,9% (12,8)
 - Strong earnings improvement due to our profitable growth strategy with an effective sales process, active price management, and cost control

MSEK	FY 2023	FY2022	Δ%
Order intake	689	514	34%
Revenue	674	542	24%
EBITA adj	120	69	74%
EBITA adj %	17.9	12.8	+5.1 pp

Wind – business update

- **The European Wind Power Action Plan creates opportunities**
 - Announced by The European Commission in October, aimed at increasing the installed capacity
 - 300 companies from the wind industry have signed the Wind Charter
 - Underlines the ambition for wind power in Europe
- **Increased market share among local OEMs in China**
 - Despite challenging market conditions
- **New solution for ladders and fall protection systems for South American market**
 - First orders received



Financial summary

MSEK	Q4 2023	Q4 2022	Δ%	YTD 2023	YTD 2022	Δ%
Order intake	1 696	1 396	22	7 027	4 784	47
Organic order growth			-2			-4
Revenue	1 838	1 403	31	7 097	4 512	57
Organic revenue growth			4			4
EBITA adj	288	217	32	1 150	616	87
EBITA adj %	15.7	15.5	+0.2 pp	16.2	13.6	+2.6 pp
EBITA	258	237	9	1 145	603	90
EBITA%	14.0	16.9	-2.8 pp	16.1	13.4	+2.7 pp
Operating cash flow	363	293	24	1 067	501	113

Earnings summary

■ EBITA, adjusted

- Margin improved compared to last year, mainly due to increased revenues, operational improvements and contribution from acquisitions
- Items affecting comparability, MSEK -30

■ Financial net

- Mainly interest net

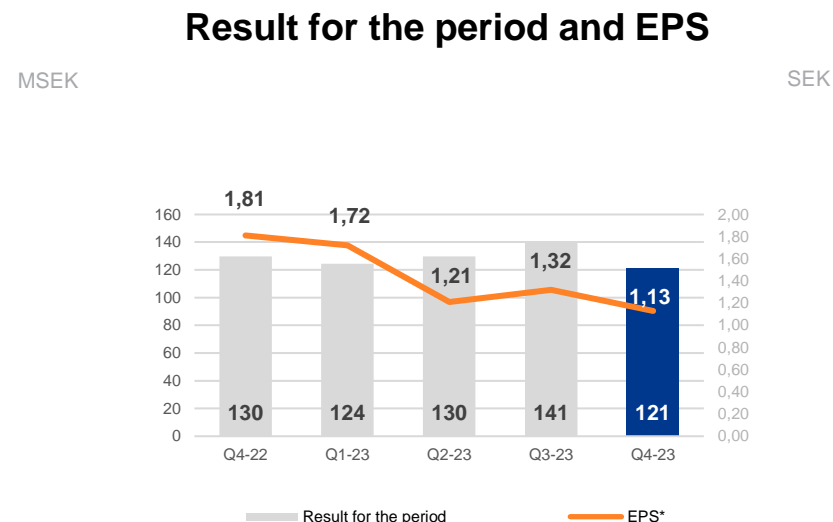
■ Taxes

- Tax rate for the quarter of 18.3% (23.3), reflecting a favourable country profit distribution

MSEK	Q4 2023	Q4 2022	ΔMSEK
EBITA adj	288	217	71
Items affecting comparability	-30	19	-49
EBITA	258	237	21
Amortisations	-54	-28	-26
EBIT	205	208	-3
Financial net	-58	-39	-19
EBT	148	169	-21
Taxes	-27	-39	12
Result for the period	121	130	-9

Result for the period and EPS

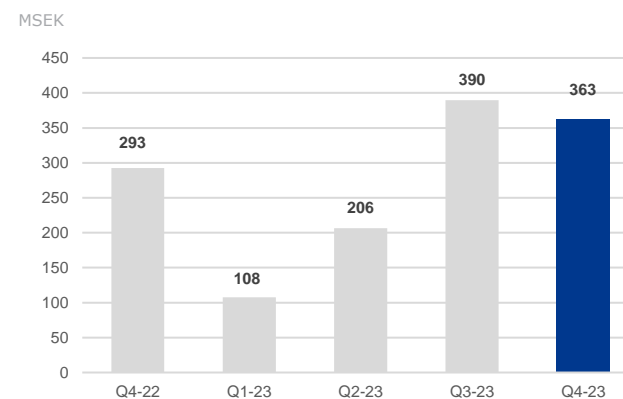
- **Result for the period was MSEK 121 (130)**
- **Excluding IAC** (Items Affecting Comparability), **result for the period was MSEK 151 (111), +36%**
- **Earnings per share was SEK 1.13 (1.81)**
 - Adjusted for IAC and acquisition related amortizations, adjusted EPS was SEK 1.72 (1.87)
 - EPS and adjusted EPS affected by higher number of shares, further to the rights issue



Cash flow

- **Cash flow from operations MSEK 363 (293)**
 - Strong cash focus
 - Positive impact of significant working capital reduction

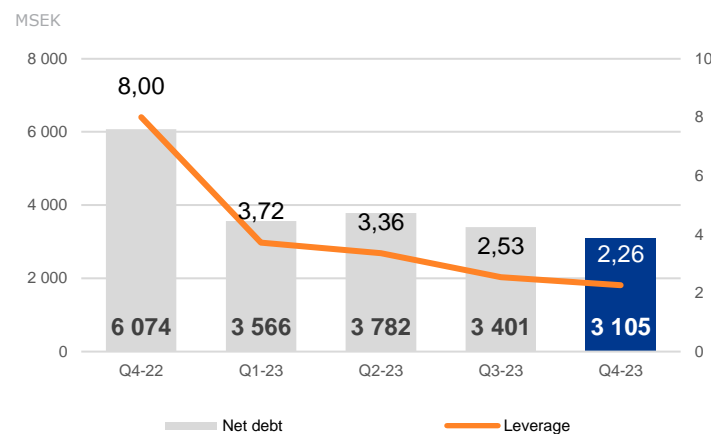
Operating cash flow, MSEK by quarter



Net debt

- **Net debt**
 - Impacted by outstanding cash flow generation
- **Net debt/EBITDA 2.26 (8.00)**
 - Well in line with our financial target of being below 2.5x
- **Focus on operating cash flow will continue**
- **Capital allocation priorities:**
 - Dividend according to policy
 - Investing in organic growth
 - Acquisitions

Net debt, MSEK and leverage, by quarter



Balance sheet

■ Solid balance sheet

- Reflecting operational improvement
- BSEK 2 RCF has been contracted.
The agreement refinances the existing facility

Balance sheet

Amounts in MSEK	31 Dec 2023	31 Dec 2022
Goodwill	5 882	5 950
Other intangible assets	2 538	2 747
Tangible assets	933	929
Financial and other non-current assets	342	400
Total non-current assets	9 695	10 026
Inventories	1 524	1 543
Trade receivables	1 330	1 382
Other receivables, prepaid expenses and short investments	395	507
Cash and cash equivalents	739	869
Total current assets	3 987	4 301
TOTAL ASSETS	13 683	14 327
Shareholders equity	6 955	4 377
Long-term borrowings	3 579	4 537
Other non-current liabilities	1 328	1 651
Trade payables	436	468
Other current liabilities	1 385	3 294
Total liabilities	6 728	9 950
TOTAL EQUITY AND LIABILITIES	13 683	14 327

Solid end to a great year

Q4 & FY

- An important, successful and transformative year for the Group
- Revenue of SEK 7.1 billion (4.5), with an adjusted EBITA margin of 16.2% (13.6)
- Deleveraging to net debt/EBITDA of 2.26, which creates opportunities going forward
- Four divisions with good development, and with Facade Access on its way
- 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 a solid quarter and a great year!





Q&A

