



Alimak Group

Q2 2022, 19 July 2022

Ole Kristian Jødahl, CEO

Thomas Hendel, CFO

Business highlights

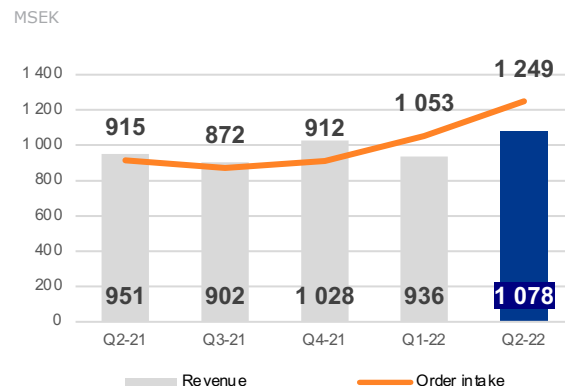
- Strong order intake and profitable growth
- Strategic initiatives to accelerate growth are gaining traction
- Ramping up our M&A efforts - acquisition of Tall Crane Equipment LTD
- Increased EBITA. Margin in line with Q2 2021
- Challenging business environment



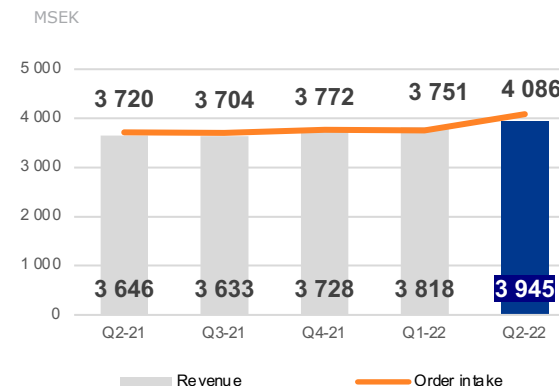
Group quarterly summary

- **Order intake** +37% (+24% organically)
 - Strong equipment order intake, +56% (+44% organically) overall
 - Solid contributions from Facade access, Construction and Industrial
- **Revenue** +13% (+2% organically)
 - Increase driven by Industrial, Construction and Facade Access
 - Wind down as expected due to exiting Tower Internals
- **EBITA** increased to MSEK 141 (126), margin at 13.1% (13.2)
 - Effects of increased costs mitigated through active price management

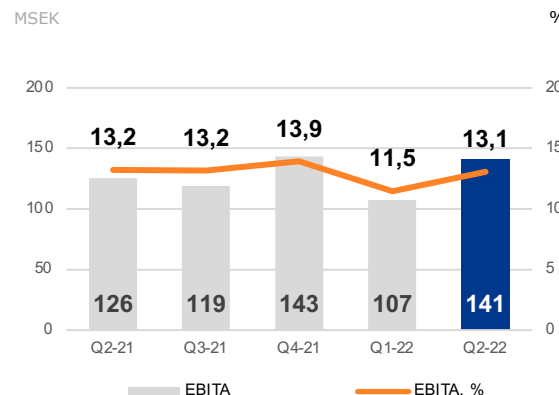
Order intake & Revenue by Quarters



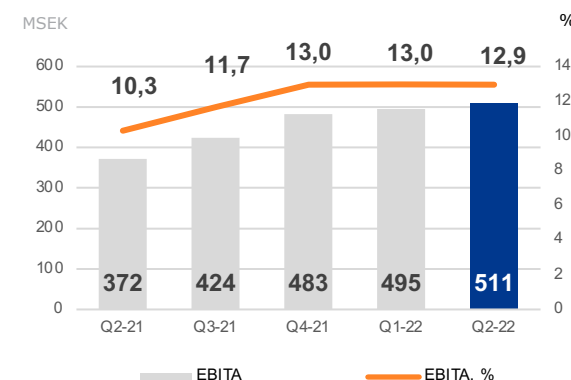
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



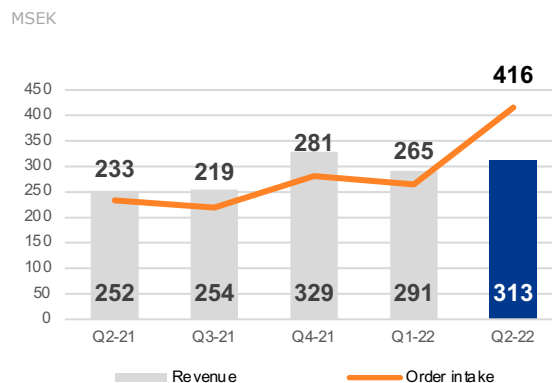
EBITA & EBITA margin by R12M



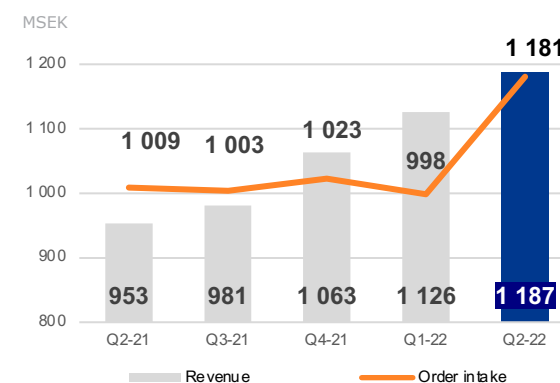
Facade Access

- **Order intake** +78% (+57% organically)
 - Strong equipment order intake including major project in the Middle East and solid order intake in Asia
 - Relatively good activity level in Europe and improved in the US
- **Revenue** +24% (+7% organically)
 - Stronger equipment and service revenue in Europe and US
- **EBITA** unchanged to MSEK 6 (6), margin was 2.0% (2.5)
 - Cost inflation offset by higher volumes and higher service margins
 - Continued work to improve margins

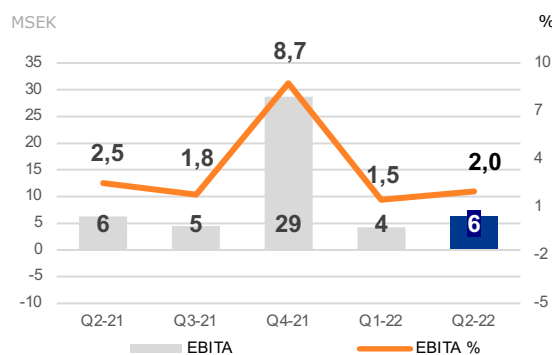
Order intake & Revenue by Quarters



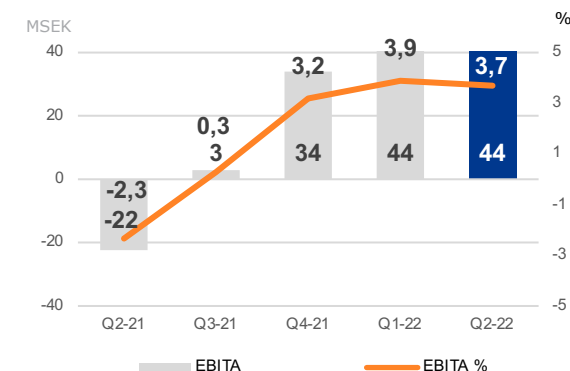
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters

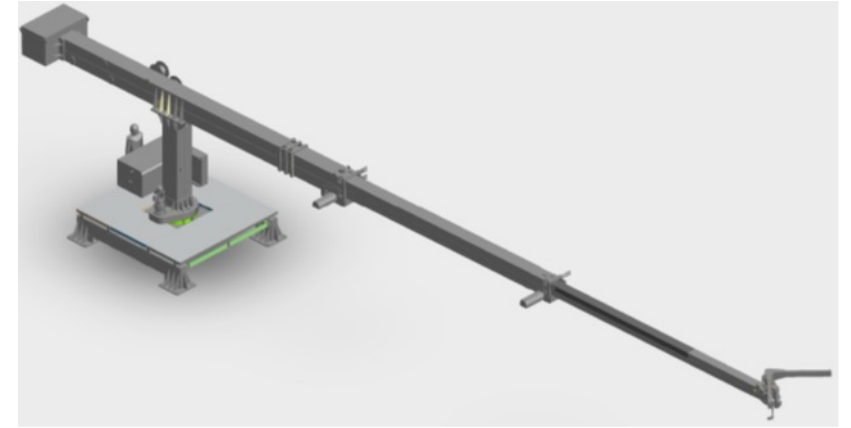


EBITA & EBITA margin by R12M

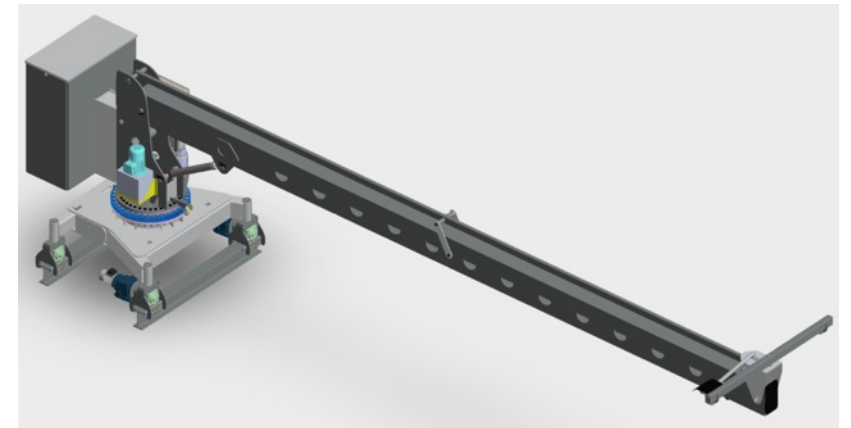


Facade Access – Business Update

- Improving efficiencies in factories through the LEAN manufacturing program
- Standardize CoxGomyl product range to streamline engineering and production as well as standardise sub components
- Consolidate CG1000 series production to one low cost location, Dubai
- Offer the CG4000 series product range to the Hong Kong residential market
- Strengthening commercial terms to mitigate risk exposure
- Constant review of indirect and SGA costs



CG4000 – Standard/Telescoping

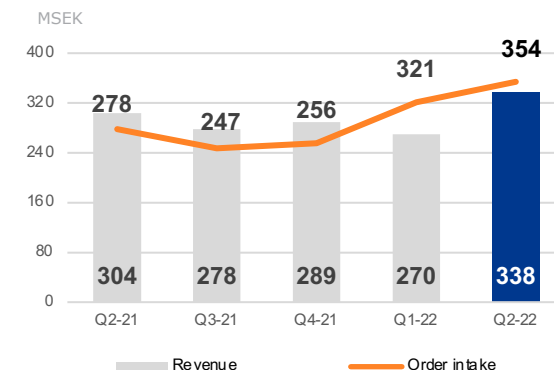


CG4000 - Luffing

Construction

- **Order intake** +27%, (+19% organically)
 - Strong new equipment sales in several markets, especially in North America
 - Increased order intake of rental in Europe
- **Revenue** +11% (+3% organically)
 - Good revenue development in rental, new equipment and installation services
- **EBITA** at MSEK 64 (61), margin 18.8% (20.2)
 - Higher volumes and activities to mitigate supply chain cost increases

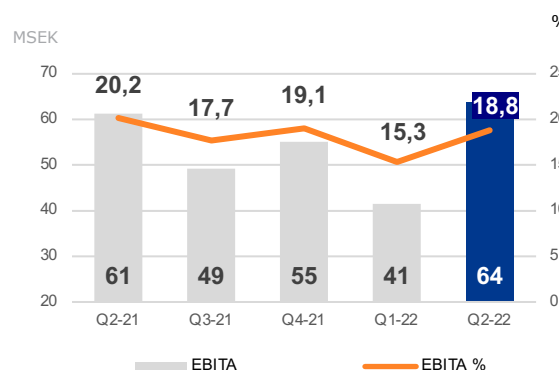
Order intake & Revenue by Quarters



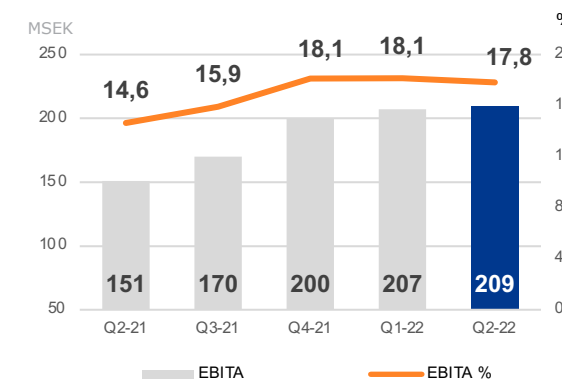
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



Construction Business Update

- Secured several important orders during the quarter
- Increased distribution of the STS300 to UK, Sweden, Norway, Denmark and the Netherlands
- Launched the SC45/30 to meet local needs in domestic China
- Acquisition of Tall Crane Equipment Ltd



Acquisition of Tall Crane Equipment Ltd

- Agreement on July 18 to acquire 100% of the shares in Tall Crane Equipment Ltd - a Canadian hoist and crane rental services provider Headquartered in Langley, British Columbia
- Licensed elevator contractor, providing hoist and crane rentals, qualified licensed personnel, and repairs and maintenance on site and off site
- Alimak Construction Division customer for over 30 years and will become part of Alimak Group's Construction division
- The purchase price amounts to approximately MSEK 215 (MCAD 27) on a cash and debt-free basis and a condition-based additional earn-out of a maximum of approximately MSEK 105 (MCAD 13) based on fulfilment of certain performance goals regarding sales and profit
- Tall Crane's revenue in the last yearly closing amounted to approximately MSEK 130 (MCAD 16) and will contribute positively to the Construction division's EBITA-margin
- Closing of the transaction is expected to take place during the third quarter 2022

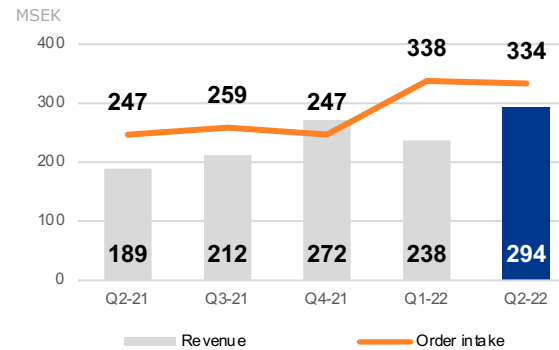


Industrial

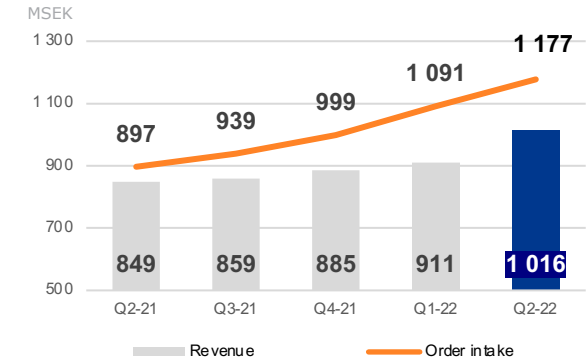
Q2

- **Order intake +35% (+24% organically)**
 - Higher equipment and service order intake globally
 - Positive development for our Traction technology solutions, especially in the Marine segment.
 - Increased order intake in parts and service sales globally
- **Revenue +56% (+44% organically)**
 - Strong revenue growth due to strong order intake in previous quarters and our focus on service globally
- **EBITA increased to MSEK 52 (35), a margin of 17.7% (18.7)**
 - Higher EBITA driven by strong revenue
 - Ongoing investments in sales and R&D

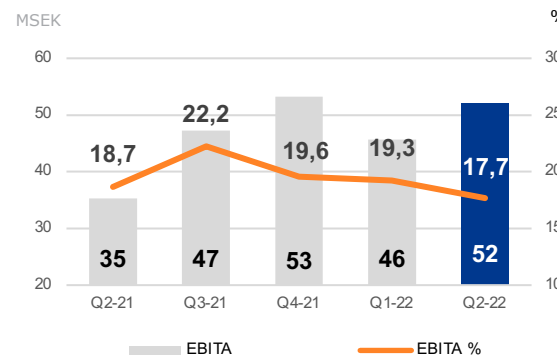
Order intake & Revenue by Quarters



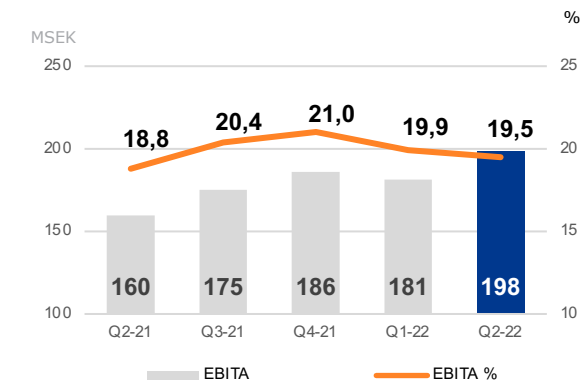
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters

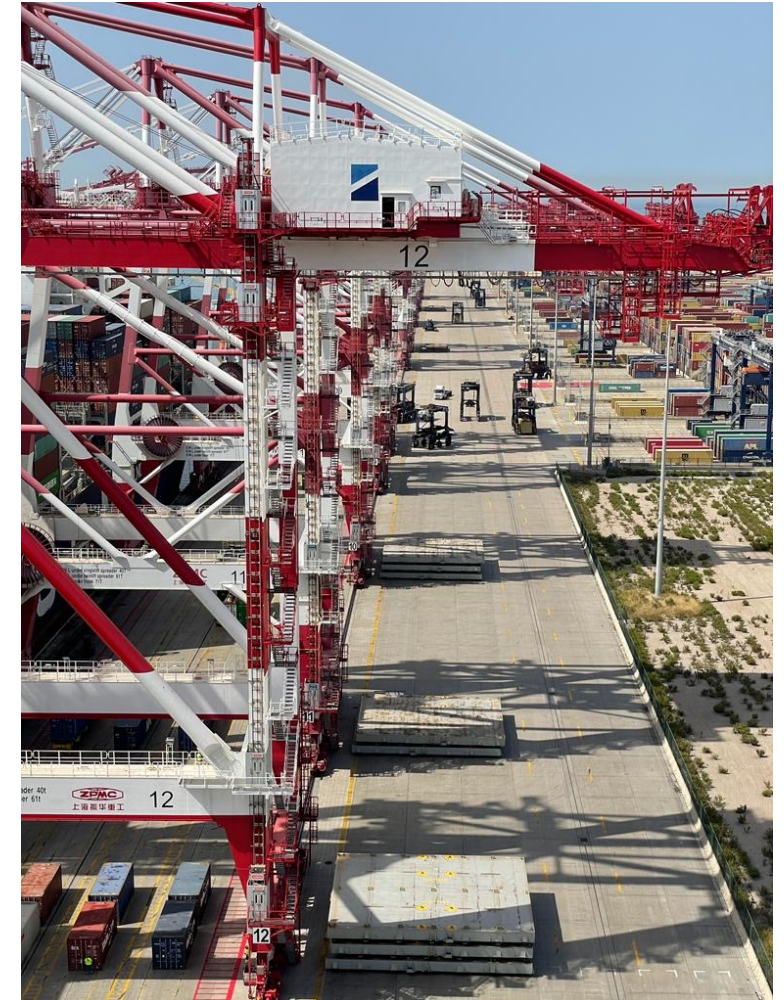


EBITA & EBITA margin by R12M



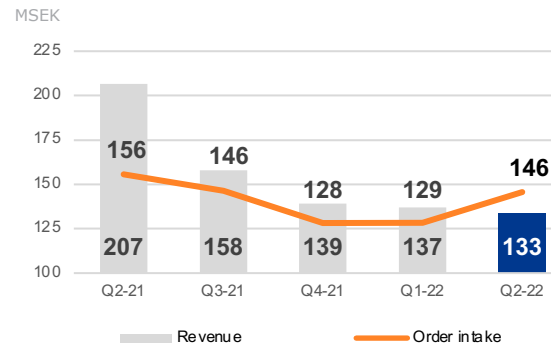
Industrial Business Update

- Global launch of SL range in Q2 – Industrial lift for emerging markets
 - Already orders from markets outside China & APAC
- Divisional structure showing its strengths
 - High activity levels in several APAC countries resulting in higher order intake and revenue
 - Due to more structure and improved processes, North America shows increase in orders and revenue both in new equipment sales and Services
- Increased activity in the energy segment
- Continued progress for the solution for offshore support vessels for wind turbines

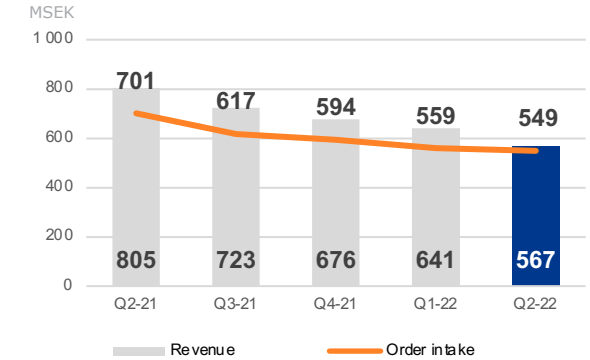


- **Order intake** -6% (-15% organically)
 - China continues to be challenging, affected by COVID-19 restrictions
 - Increased order intake in Europe
- **Revenue** -35% (-41% organically)
 - Revenues as expected due to lower backlog
 - Year-on-year decrease in revenue from tower internals was MSEK 23
- **EBITA** decreased to MSEK 19 (23), a margin of 14.4% (11.1)
 - EBITA-margin increase due to measures to improve profitability, cost reductions and active price management

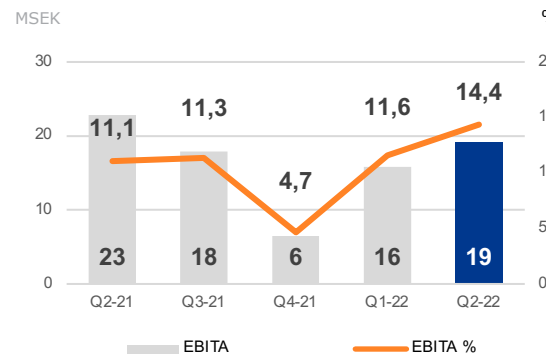
Order intake & Revenue by Quarters



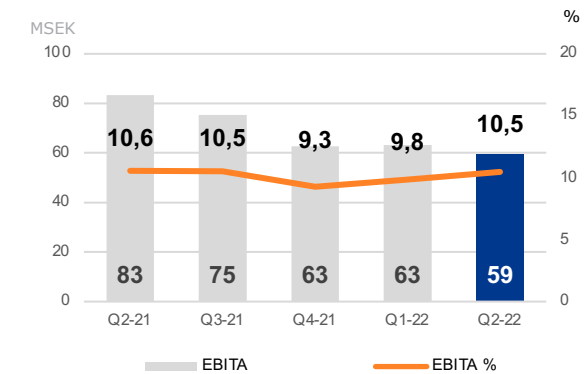
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



Wind – Business Update

- Global renewable energy outlook upgraded as it will be essential for upcoming energy challenges, impacted for the recent relevant economic and geopolitical events worldwide
- Tight cost follow-up and prioritization of the efficiency lean plans to protect margins
- Strategic review of the Wind division ongoing



Increasing customer value by digital technologies

2010 Connected hoist
& Industrial lifts



2021 Connected BMUs



2021 Launch of
Facade Access
BIM Gallery



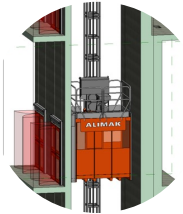
2022 First on-line tool for
easy calculation of smart
and safe installation of mast
climbers and construction
hoists



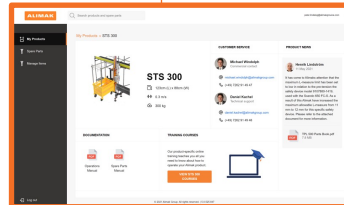
2022 LOI signed with OO
Software regarding Strategic
partnership for digital field
service management tools



2020 Launch of Alimak
BIM Gallery



2021 First release of a
customer portal My Alimak
for STS300

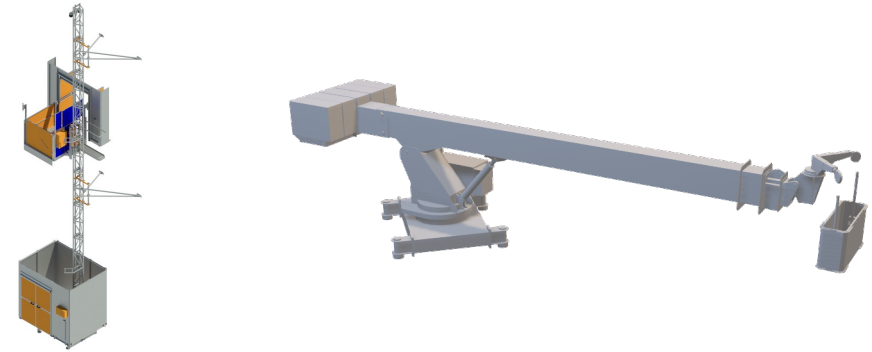


2022 Pilot release of My Alimak
for construction hoists with
large Swedish rental customer



Alimak Group – pioneer to launch a BIM gallery for customers

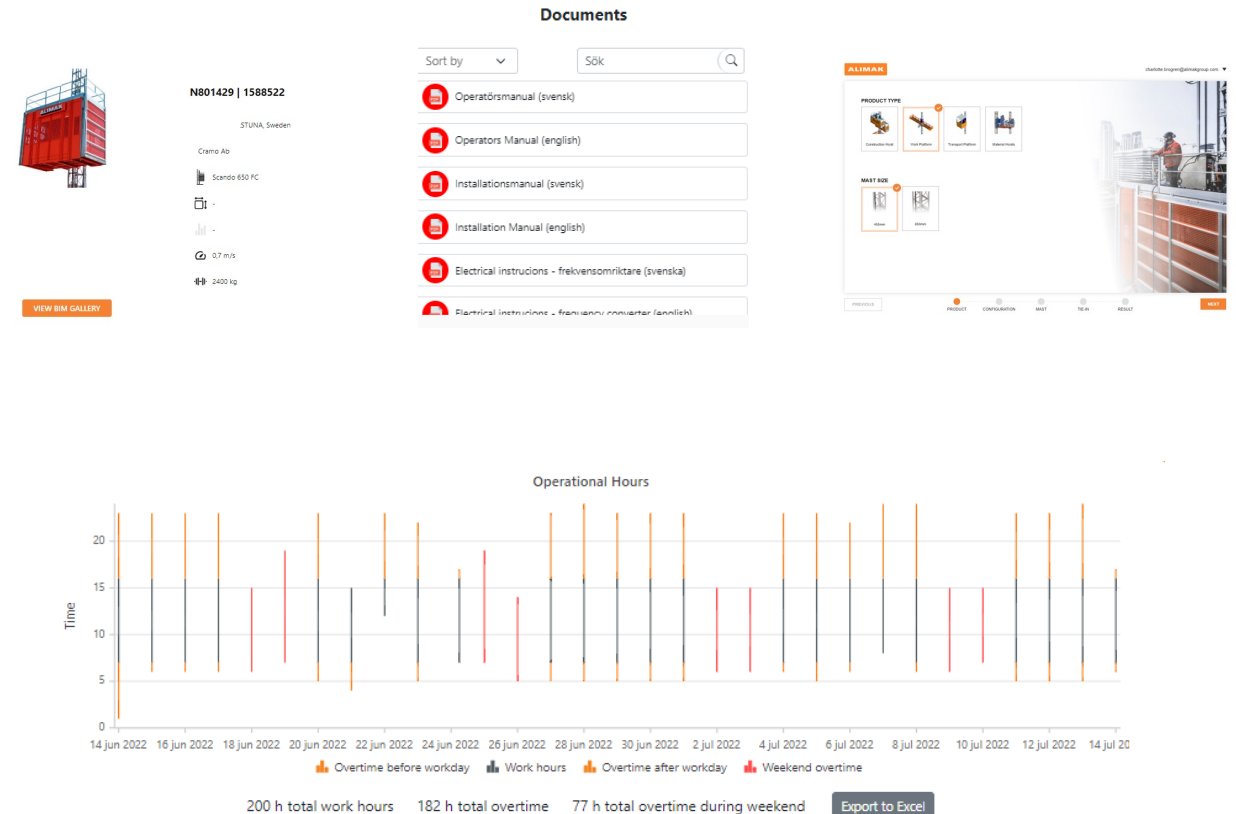
- All standard machines and lifts available to download free of charge
- Enable our customers to choose the best solution
- Simplify and reduce risk during selling process
- More than 3 500 downloads since launch in 2020
 - Important lead generator



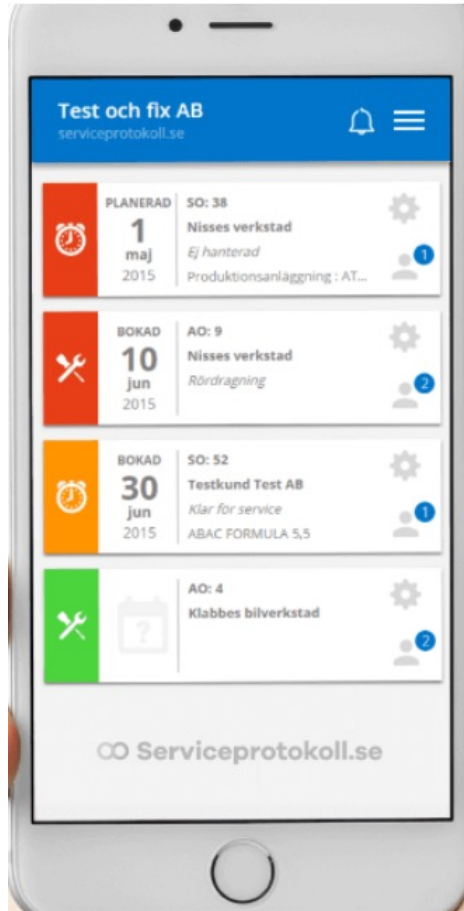
Piloting a first release of My Alimak for a large Swedish rental company

Why My Alimak?

- Improve customer value – from order, installation, use and service
- Content of the first release:
 - Basic machine information
 - Access to all technical documents
 - Access to calculation tools
 - Analysis of machine operations
 - Service and contact information



Web-based tool for field service management



- Alimak Group has signed LOI regarding strategic partnership with OO Software
 - Reduce administration for the service techs
 - Automate back-end administration
 - Easy to access from wherever
 - Supports any device – mobile, tablet, laptop, etc
- Perfect match Alimak Groups IoT-hub in Borås
 - To be integrated with other digital initiatives from the group like My Alimak, etc

Financial summary

MSEK	Q2 2022	Q2 2021	Δ%	YTD 2022	YTD 2021	Δ%
Order intake	1,249	915	37	2,302	1,988	16
Organic order growth			24			6
Revenue	1,078	951	13	2,014	1,797	12
Organic revenue growth			2			3
EBITA	141	126	12	248	221	13
EBITA%	13.1	13.2	-0.1 pp	12.3	12.3	0 pp
Operating cash flow	37	151	-76	73	263	-72

Earnings summary

- EBITA
 - Margin in line with last year through active price management offsetting a challenging market with high cost inflation
- Financial net
 - Interest net MSEK -1 and currency effects MSEK +7 y-o-y
- Taxes
 - Tax rate for the quarter of 22.2% (25.7) reflecting the country profit distribution

MSEK	Q2 2022	Q2 2021	ΔMSEK
EBITA	141	126	15
Amortisations	-9	-9	0
EBIT	132	117	15
Financial net	-5	-11	6
EBT	127	106	20
Taxes	-28	-27	-1
Result for the period	98	78	20

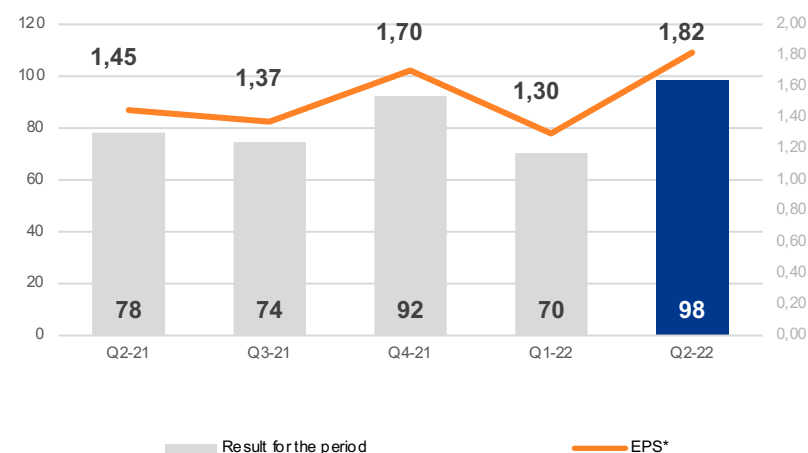
Result for the period and EPS

- Result for the period MSEK 98 (78)
- Earnings per share was SEK 1.82 (1.45) growth of 26%

Result for the period and EPS

MSEK

SEK

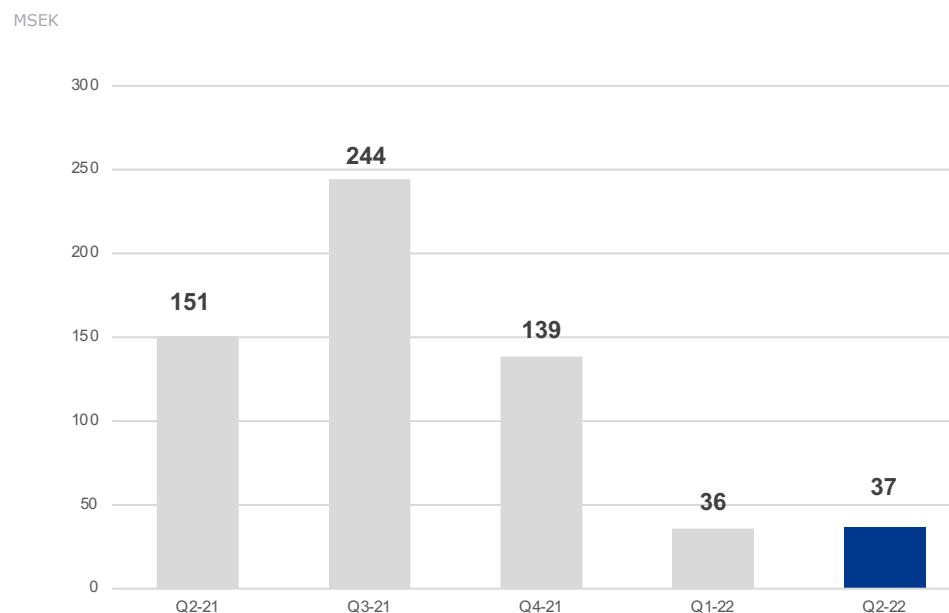


*) Calculated on numbers of shares
at 2022-06-30: 54,157,861

Cash flow

- Cash flow from operations MSEK 37 (151)
 - Lower operating cash flow Q2'22 vs Q2'21 mainly due to
 - Timing of project payment milestones
 - Selective inventory build up to secure deliveries of critical components
 - High invoicing late Q2 leading to high level of trade receivables

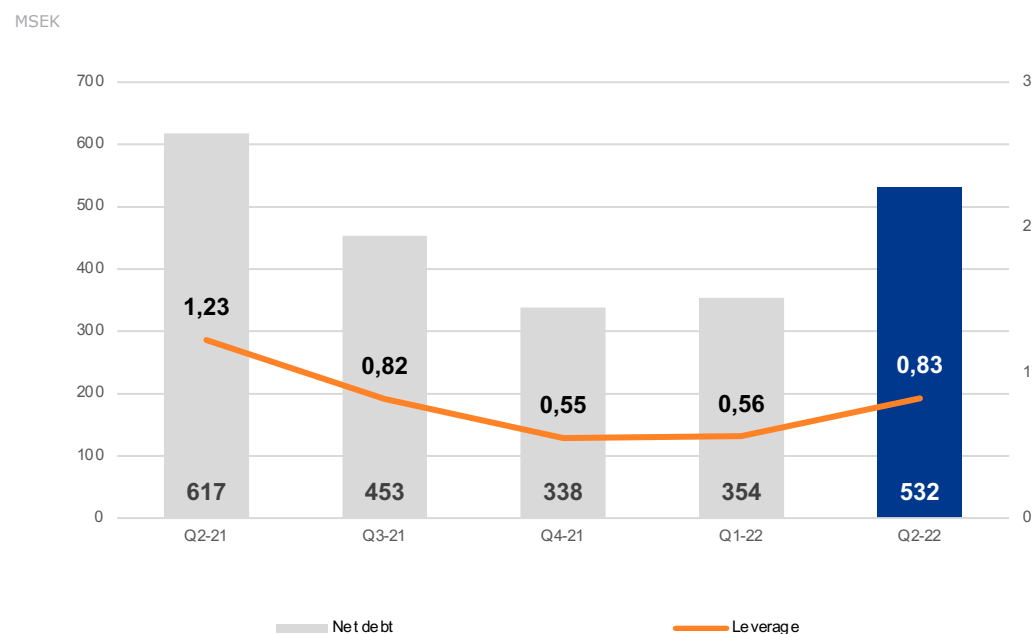
Operating Cash flow, MSEK by Quarter



Net debt

- Net debt
 - Improved vs Q2 2021
 - Increased debt in the quarter due to low cash conversion (timing) and pay out of dividend in May, 176 MSEK
- Leverage
 - Continued strong financial position
- ~ 2 billion SEK in unutilised credit facilities
- Capital allocation priorities remains:
 - Profitable growth – sales and development
 - M&A – increased activity
 - Pay out according to dividend policy – 59% of net income (policy 40%-60%)

Net debt, MSEK and Leverage by Quarter



Summary – focus on profitable growth

- New Heights Programme initiatives to enhance growth are gaining traction
- Accelerating our M&A activities – acquisition of Tall Crane Equipment LTD
- Continued challenging business climate expected with supply chain disturbances, high cost inflation as well as macroeconomic and geopolitical uncertainty
- Well set for further profitable growth
 - Expanding our solutions portfolio
 - Further service penetration
 - Accelerating efforts in R&D and digitalisation
 - M&A
 - Sustainable development





Q&A

