

The background of the slide is a photograph of a building's exterior. It features a large, orange, rectangular sign with the word "ALIMAK" in white, bold, sans-serif capital letters. Below the sign is a series of horizontal, slatted metal panels, likely part of a retractable awning or a modern architectural facade. The panels are arranged in a grid-like pattern, with some sections appearing to be open or retracted. The overall color palette is dominated by the orange of the sign and the metallic tones of the panels, set against a blurred background of a building and sky.

**ALIMAK**

# Alimak Group

Q1 2020, 24 April 2020

Tormod Gunleiksrud, CEO

Tobias Lindquist, CFO

# COVID-19 impact and actions

## Construction Equipment

- Production disruptions in China in February and March
- Cost adaptations in Skellefteå in mid-April



## Rental

- Restricted access to sites
- The Group's rental markets heavily affected from mid-March
- Temporary reductions of workforce in affected countries



## Industrial Equipment

- Production disruptions in China, Spain, Germany and Brazil during Q1
- Operational focus for Q2 to stabilise supply and production capabilities



## After Sales

- Restricted access to customer sites
- Reduced utilisation following safety precautions
- Limited redundancies to keep core service technicians

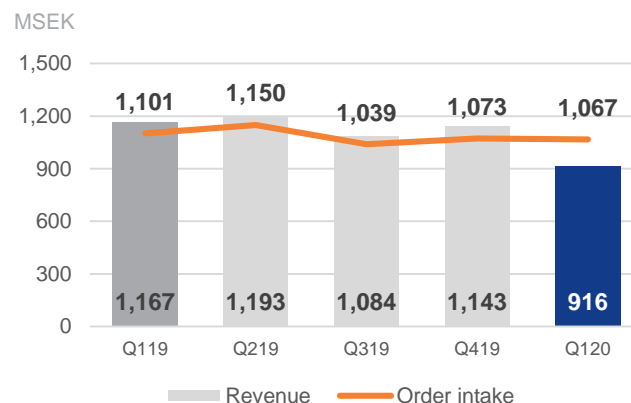




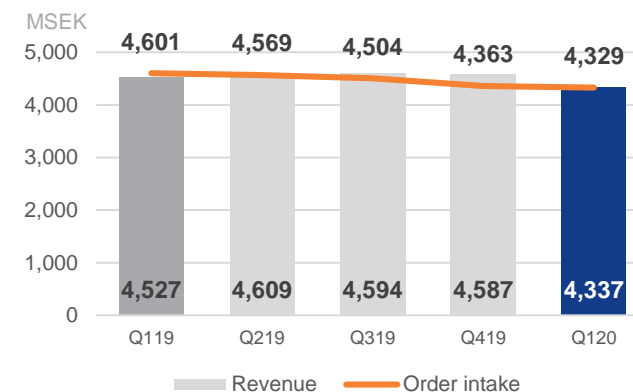
# Quarterly highlights

- Order intake decreased by 3% to MSEK 1,067 (1,101) with an organic decrease of 5%
  - Drop for Construction and Industrial Equipment
  - Improved orders for Rental and After Sales
- Revenue decreased by 21% to MSEK 916 (1,167) with an organic decrease of 23%
  - Lower volumes in all business areas
  - COVID-19 impact on production and supply of equipment and services
- EBITA adj. decreased to MSEK 79 (153), margin 8.7% (12.9)
  - Lower margins for Industrial Equipment and After Sales

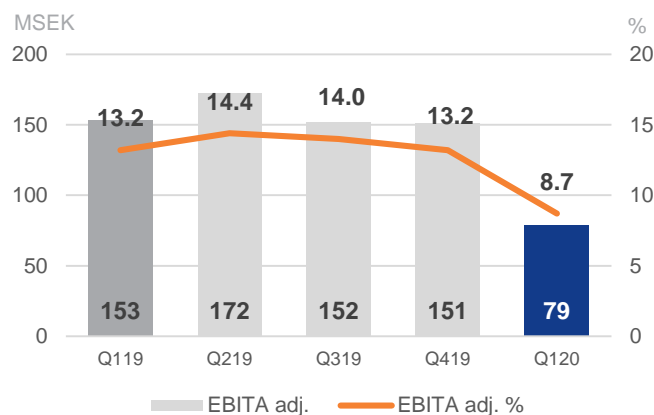
Order intake & Revenue by Quarters



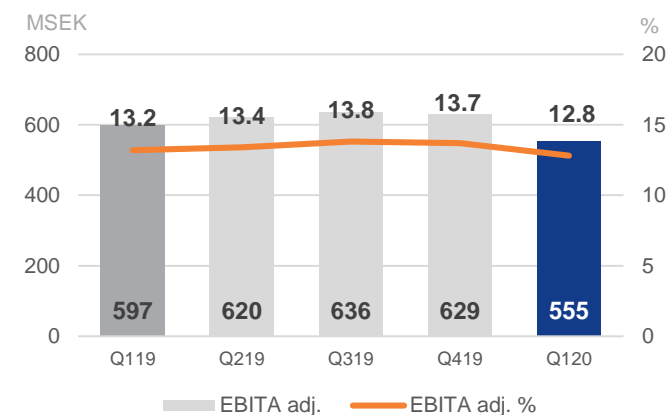
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



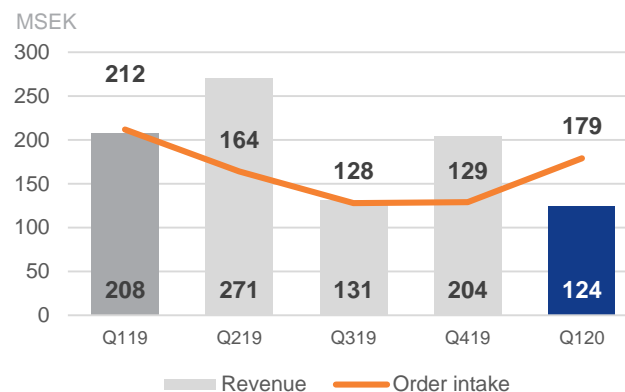
EBITA adj. & EBITA margin adj. by R12M



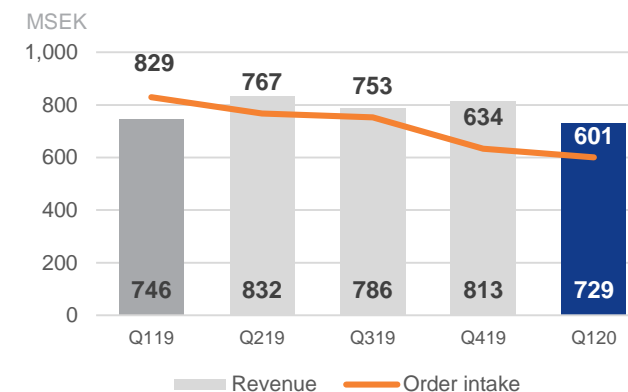
# Construction Equipment

- Order intake decrease of 15%, down 18% organic, to MSEK 179 (212)
  - Sequential improvement
  - Strong UK and Nordics
- Revenue decrease of 40%, down 42% organic, to MSEK 124 (208)
  - Low backlog at beginning of year
  - COVID-19-related factory closure in China
- EBITA adj. at MSEK 12 (30), a margin of 9.7% (14.5)
  - Effect of low volumes and utilisation

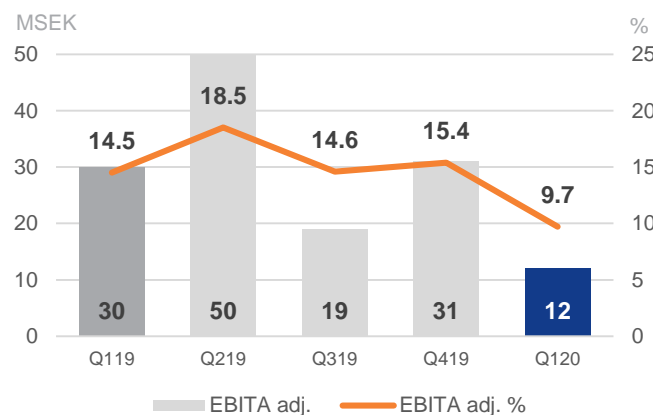
Order intake & Revenue by Quarters



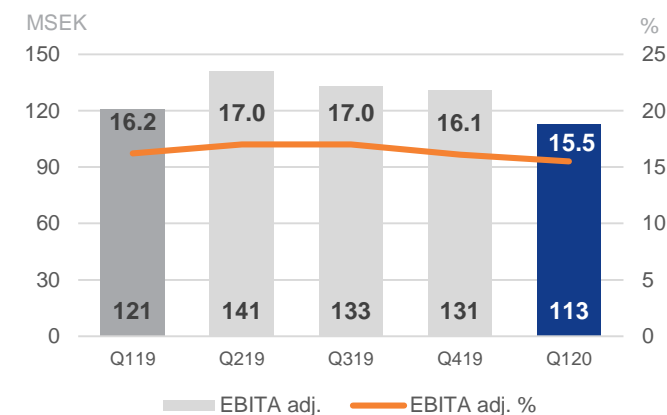
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



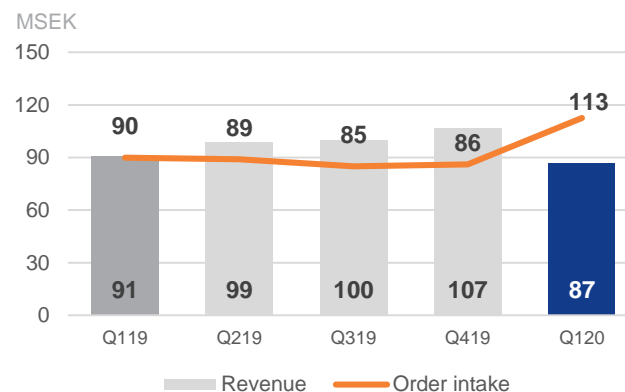
EBITA adj. & EBITA margin adj. by R12M



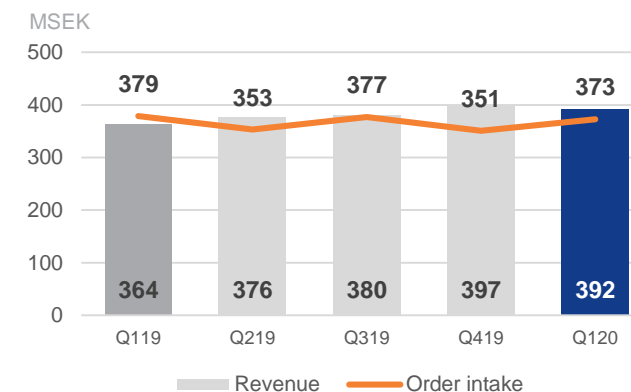
# Rental

- Order intake increase of 24% to MSEK 113 (90), up 24% organically
  - Strong quarter for Australia
- Revenue decrease of 5% in the quarter, down 6% organic, to MSEK 87 (91)
  - Limited access to construction sites in France and Australia
- EBITA adj. at MSEK 10 (12), margin at 11.4% (13.0)

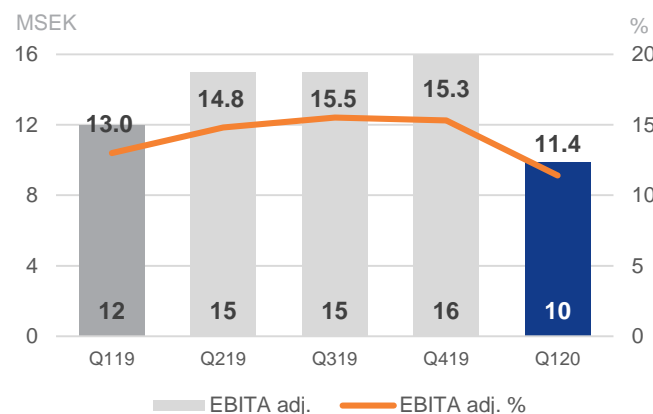
Order intake & Revenue by Quarters



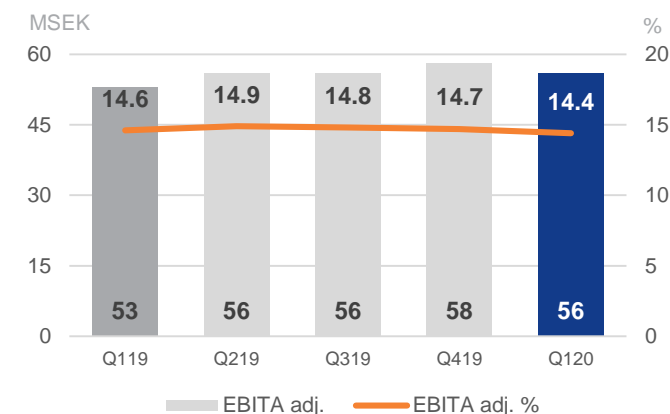
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



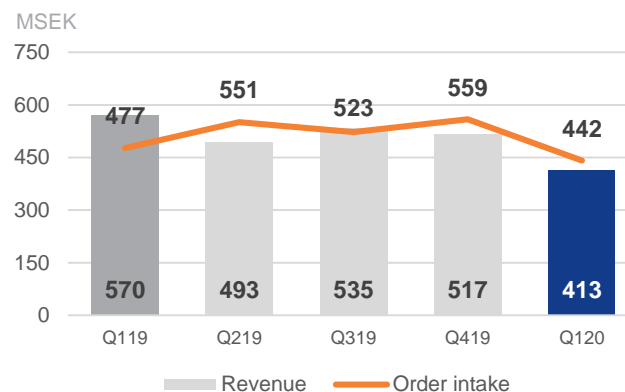
EBITA adj. & EBITA margin adj. by R12M



# Industrial Equipment

- Order intake decrease of 7%, down 9% organic, to MSEK 442 (477)
  - Low orders for Oil & Gas
  - Delayed contract signing in BMU but strong pipeline and underlying demand
- Revenue decrease of 28%, down 30% organically to MSEK 413 (570)
  - COVID-19 impact on all units in terms of production and supply
  - Wind still facing revenue comps for tower internals
- EBITA adj. at MSEK -1 (34), a margin of -0.3% (5.9) following drop in factory output and utilisation

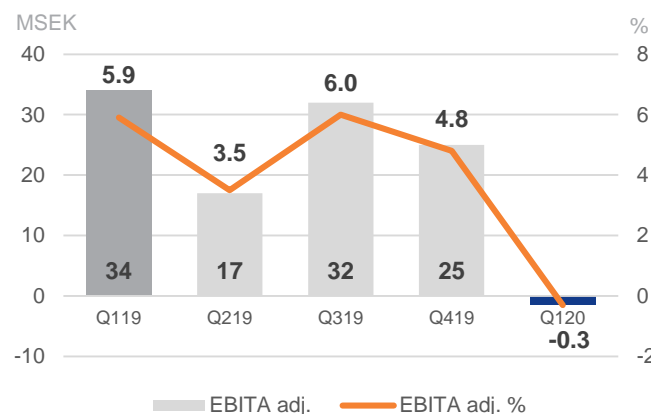
Order intake & Revenue by Quarters



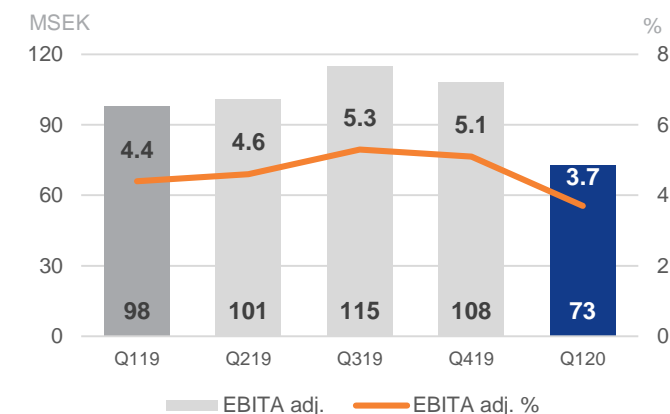
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



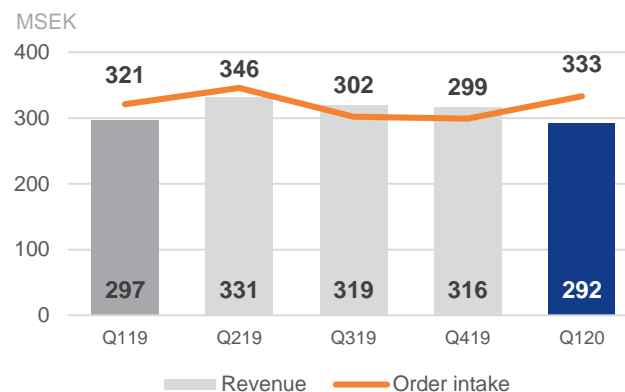
EBITA adj. & EBITA margin adj. by R12M



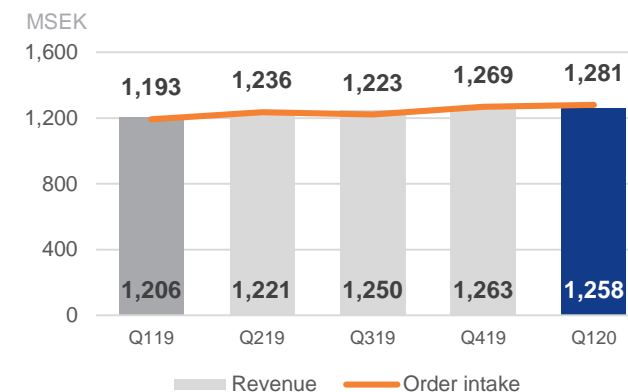
# After Sales

- Order intake increase of 4% to MSEK 333 (321), up 1% organically
  - Continued good momentum for Wind and BMU
  - Fewer refurbishment and spare part orders
- 2% decrease of revenue, down 4% organically, to MSEK 292 (297)
  - Restrictions on access to customer sites
- EBITA adj. at MSEK 59 (78), a margin of 20.1% (26.2)
  - Effect of mix and COVID-19 precautions lowering utilisation rate

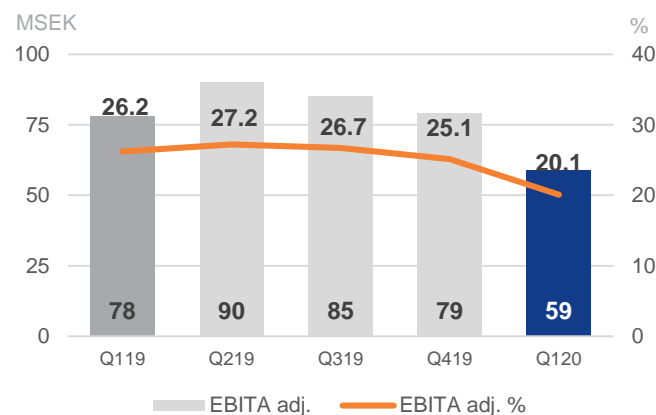
Order intake & Revenue by Quarters



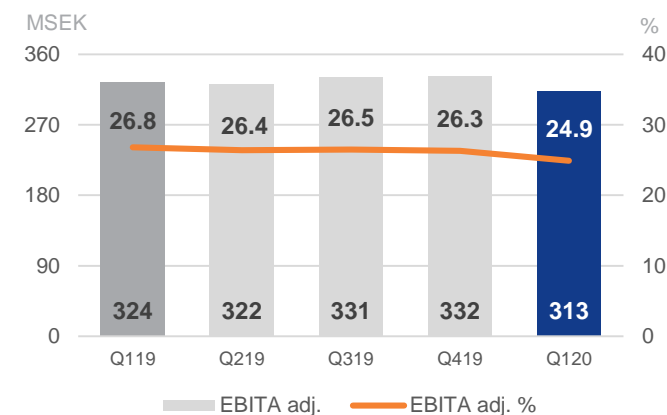
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



EBITA adj. & EBITA margin adj. by R12M



# Earnings summary

- Lower EBITA adj.
  - Revenue/volume driven
  - Industrial Equipment, After Sales and Construction Equipment
  - Expenses slightly down
- Financial net
  - Negative currency impact on loans
  - Lower interest costs (loan and rate)
- Taxes
  - Lower result
  - Tax rate stable

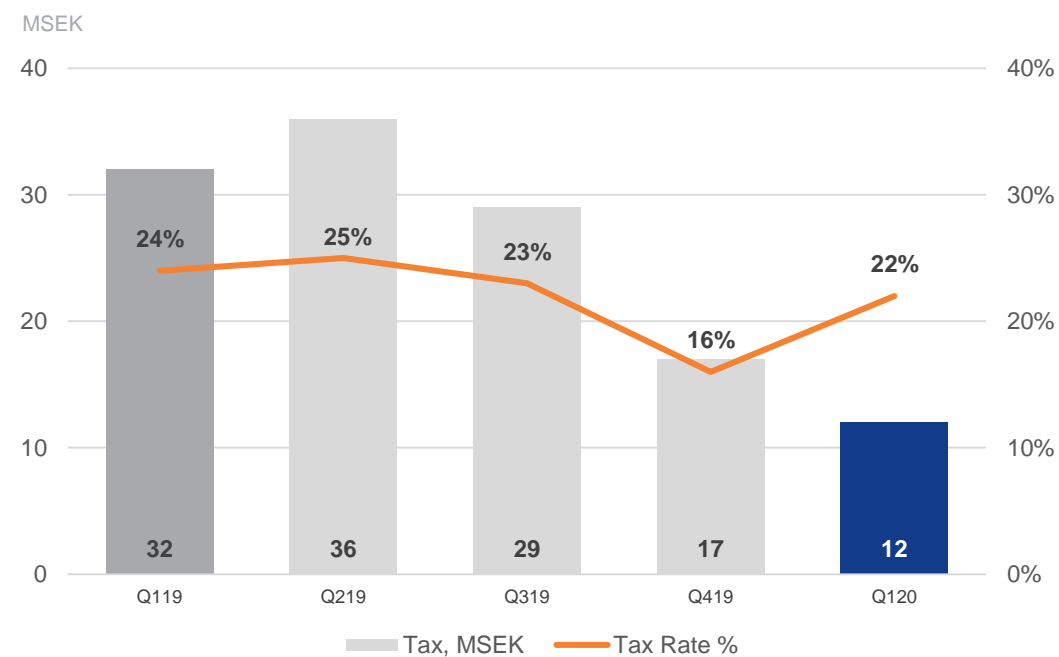
MSEK	Q1 2020	Q1 2019	ΔMSEK
<b>EBITA adj.</b>	<b>79</b>	<b>153</b>	<b>-74</b>
Non-recurring costs	0	(2)	+2
<b>EBITA</b>	<b>79</b>	<b>151</b>	<b>-72</b>
Amortisations	(12)	(11)	-1
<b>EBIT</b>	<b>68</b>	<b>140</b>	<b>-72</b>
Financial net	(14)	(9)	-5
<b>EBT</b>	<b>53</b>	<b>130</b>	<b>-77</b>
Taxes	(12)	(32)	+20
<b>Result for the period</b>	<b>41</b>	<b>98</b>	<b>-53</b>



# Tax Expense

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

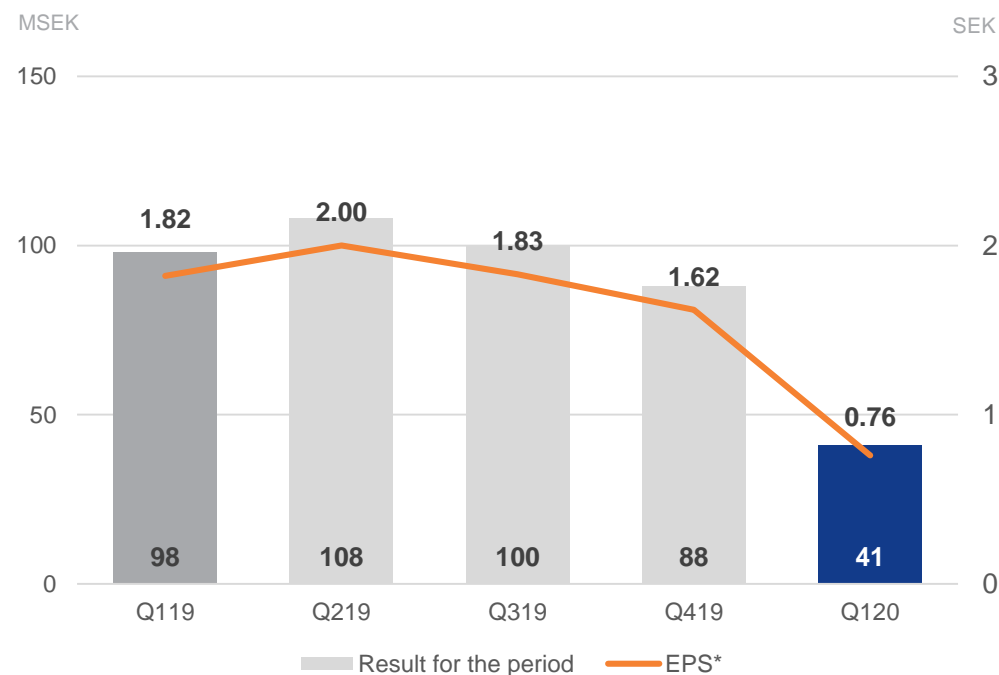
## Tax expense and Tax rate by Quarter



# Result for the period and EPS

- Result for the period MSEK 41 (98)
  - The decrease mainly came from the lower EBITA adj. result
- EPS thereby decreased to SEK 0.76 (1.94) for the quarter

## Result for the period and EPS

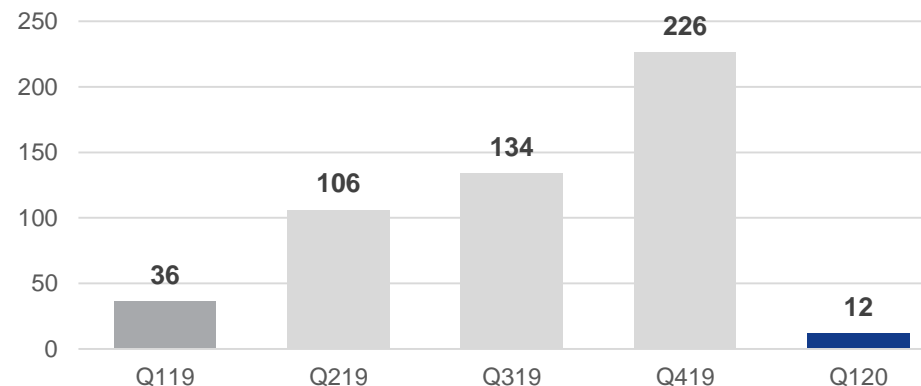


\*) Calculated on numbers of shares  
at 2020-03-31: 54,157,861

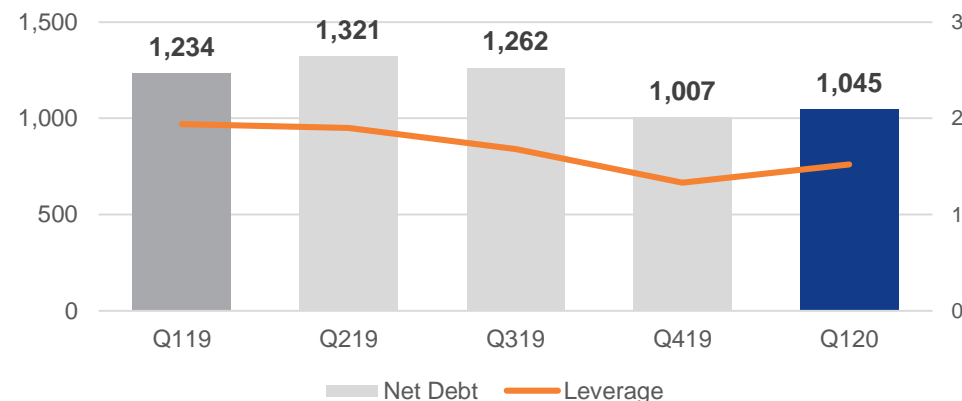
# Cash flow and Net debt

- Cash flow from operations in the quarter MSEK 12 (36)
  - Lower EBITA adj. result
  - Payments of Swedish tax relating to both 2018 and 2019
- Working capital decreased by MSEK 40
  - Lower receivables – increased focus on cash management
  - Higher inventory – delayed shipments
- Net debt totalled MSEK 1,045 (1,007 as of December 31, 2019)
- Leverage (Net Debt/EBITDA) at March 31, 2020 was 1.52 (1.33 as of December 31, 2019)
- Changed dividend proposal to SEK 1.75 to create increased flexibility in a time of uncertainty

## Operating Cash flow, MSEK by Quarter

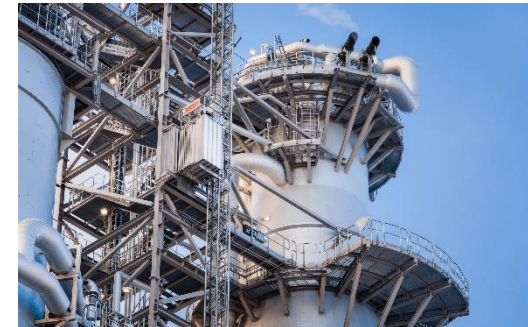


## Net debt, MSEK and Leverage by Quarter



# Summary

- Good demand and order intake with continued growth for After Sales and sequential improvements in Construction Equipment
- Construction and Industrial Equipment supply and production output impacted by COVID-19 in Q1. After Sales and Rental impacted by restrictions for access to customer sites
- Expecting weak Q2 followed by stronger second half of the year
- Strong financial position and maintained positive cash flow from operations
- Leading market position and global footprint – foundation for future growth







Q&A

