

Alimak Group

Q2 2020, 23 July 2020

Ole Kristian Jødahl, CEO

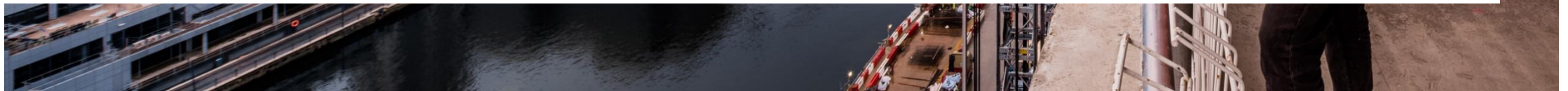
Tobias Lindquist, CFO



Agenda



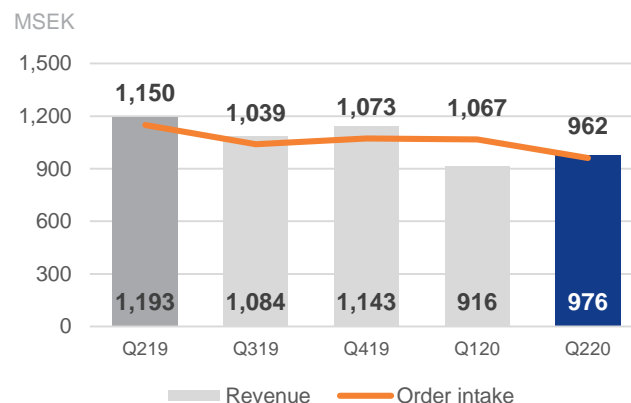
- Q2 2020 results
- First priorities and reflections
- Q&A



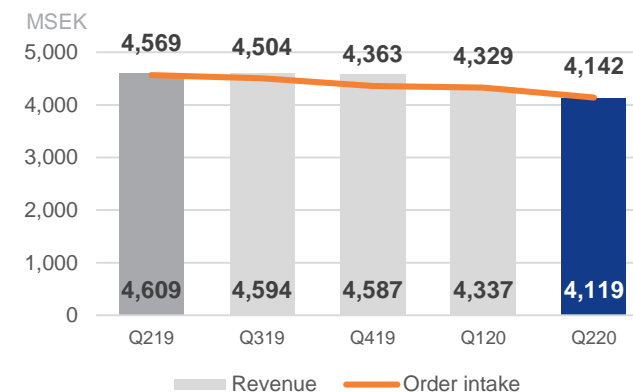
Quarterly highlights

- COVID-19 impact on all KPIs
 - Uncertainty on end-markets
 - Limitations on service activities
 - Production sites closed in parts of April
- Order intake decreased by 16% with an organic decrease of 15%
- Revenue decreased by 18% with an organic decrease of 17%
 - All business areas reported lower revenues than the prior year
 - Slightly more than half of the revenue drop related to COVID-19
- EBITA adj. decreased to MSEK 87 (172), margin 8.9% (14.4)
 - Sequential improvements since Q1

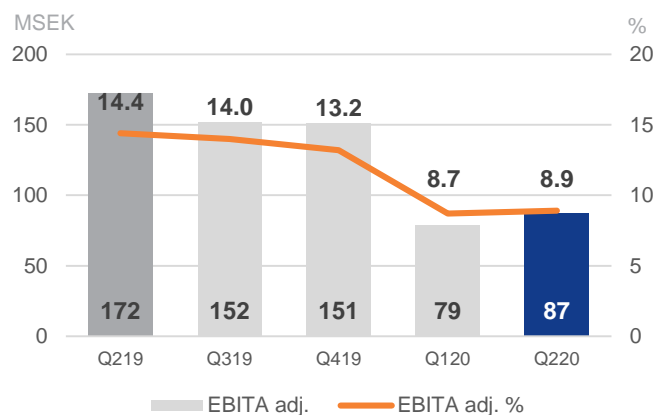
Order intake & Revenue by Quarters



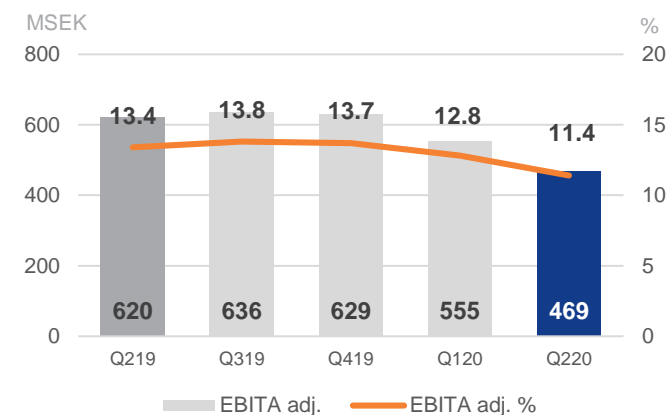
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



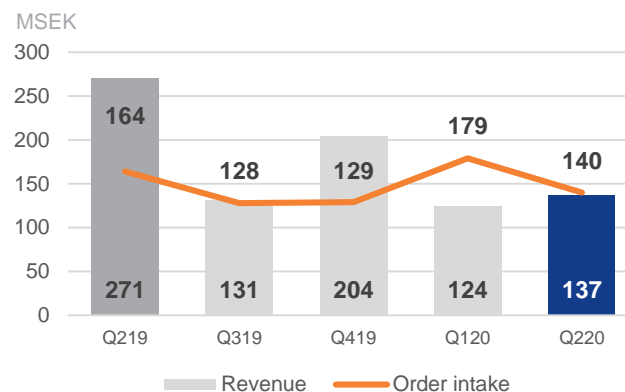
EBITA adj. & EBITA margin adj. by R12M



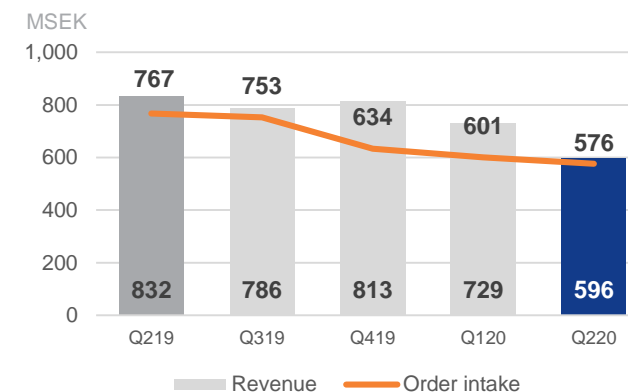
Construction Equipment

- Order intake decreased 15%, down 15% organically
 - Delayed investment decisions
 - Increased preference of rent vs buy
 - Clear improvements in UK and the Nordics
- Revenue decreased 49%, down 50% organically
 - Result of low backlog
 - Last year at all-time high
- EBITA adj. at MSEK 14 (50), a margin of 10.1% (18.5)
 - Lower volumes and unfavourable mix

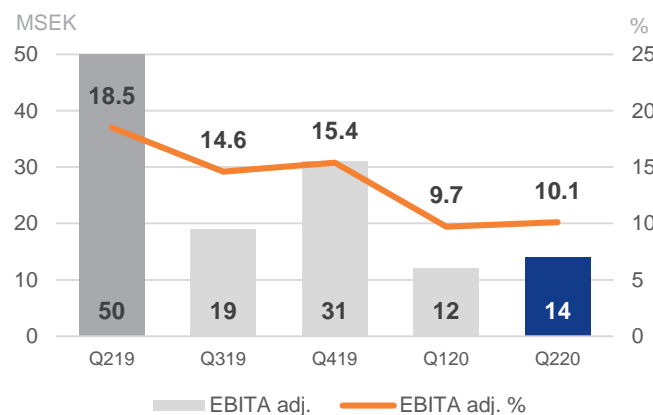
Order intake & Revenue by Quarters



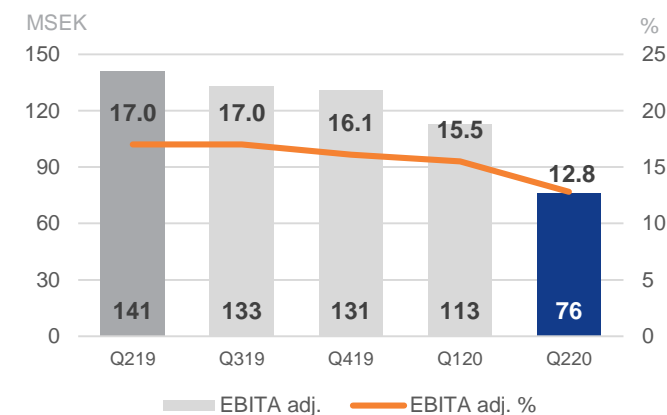
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



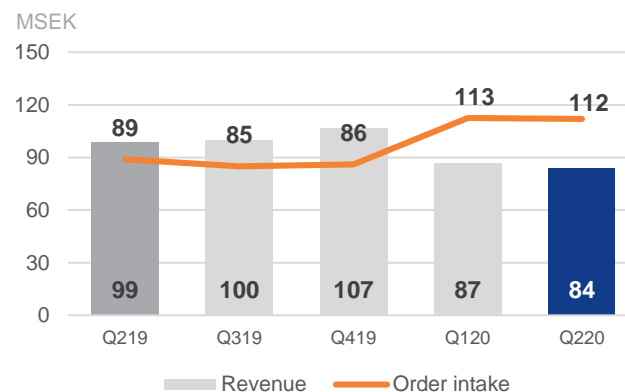
EBITA adj. & EBITA margin adj. by R12M



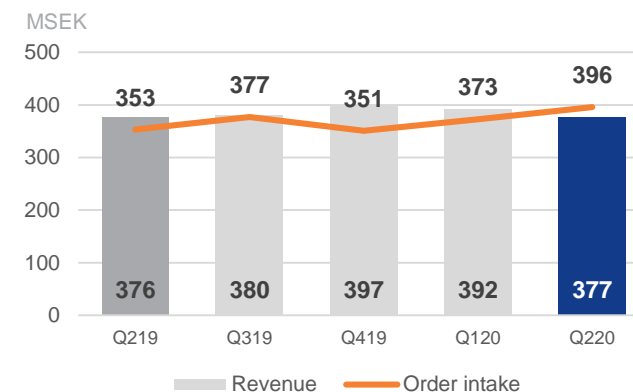
Rental

- Order intake increased 26% up 29% organically
 - Strong bookings in Australia
- Revenue decreased 15% in the quarter, down 14% organically
 - Challenges of accessing sites
 - Improving as countries are opening up
- EBITA adj. at MSEK 12 (15), margin at 13.7% (14.8)

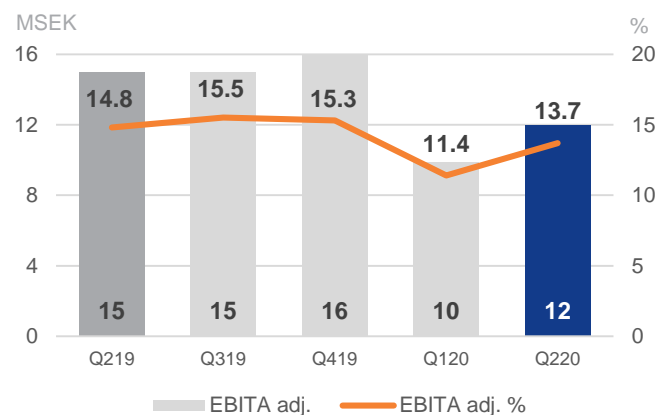
Order intake & Revenue by Quarters



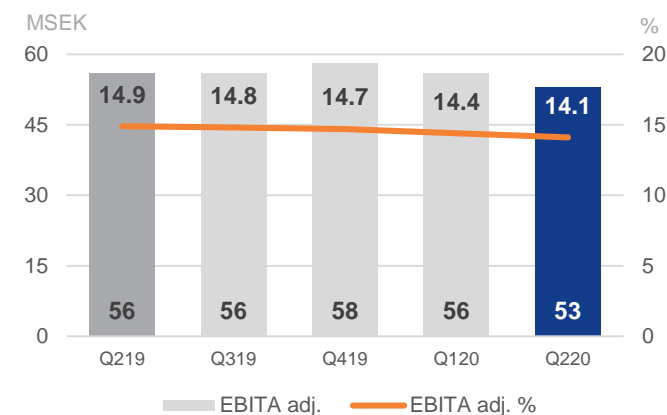
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



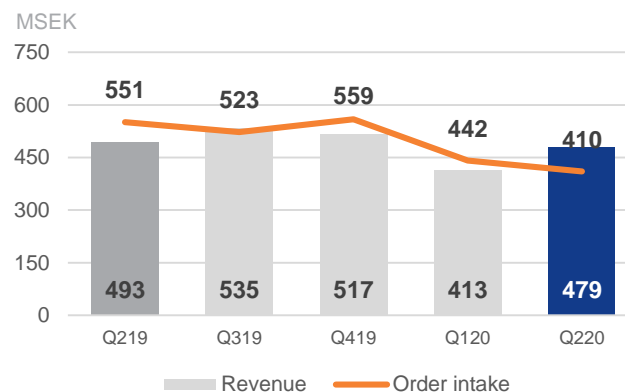
EBITA adj. & EBITA margin adj. by R12M



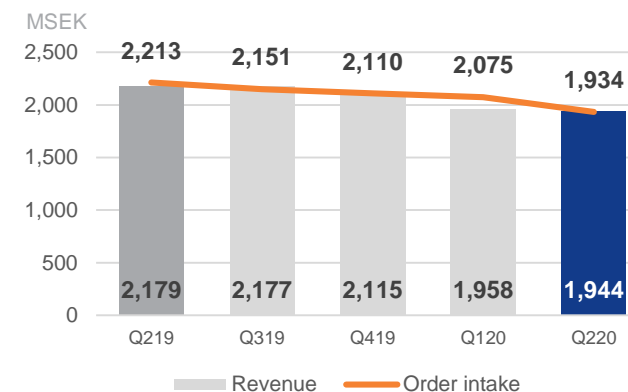
Industrial Equipment

- Order intake decreased 26%, down 24% organically
 - Delayed award dates for most business units, especially in the US
- Revenue decreased 3%, down 2% organically
 - Positive development for all units except BMU – backlog scheduling and lockdowns
- EBITA adj. at MSEK 7 (17), a margin of 1.5% (3.5)
 - Lower volumes and factory underutilisation

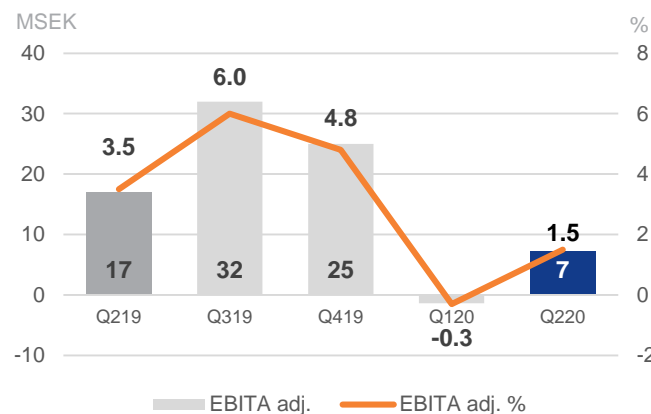
Order intake & Revenue by Quarters



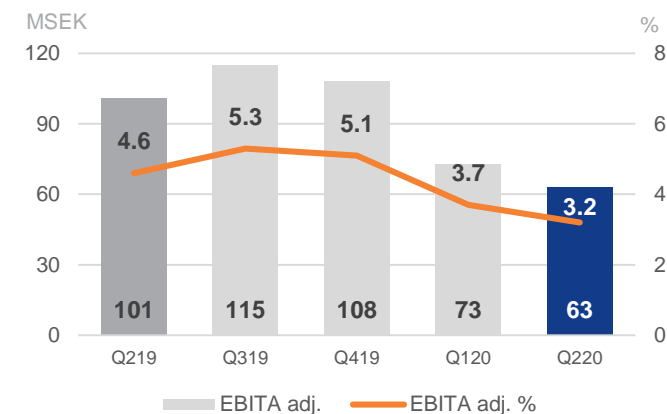
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



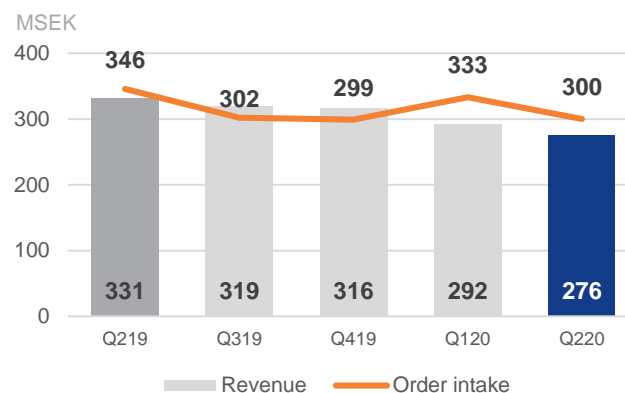
EBITA adj. & EBITA margin adj. by R12M



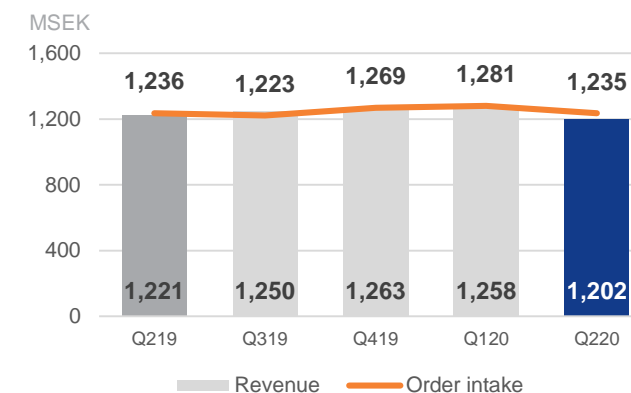
After Sales

- Order intake decreased 13% down 12% organically
 - Widespread lockdowns
- 17% decrease of revenue, down 16% organically
 - Impact of lockdowns
 - Improving conditions but uncertainty remains
- EBITA adj. at MSEK 54 (90), a margin of 19.6% (27.2)
 - Mix – larger share of BMU and Wind related revenue than prior year
 - Underutilisation of resources

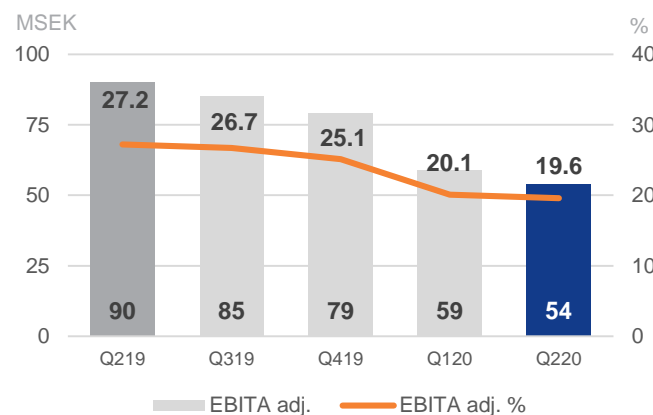
Order intake & Revenue by Quarters



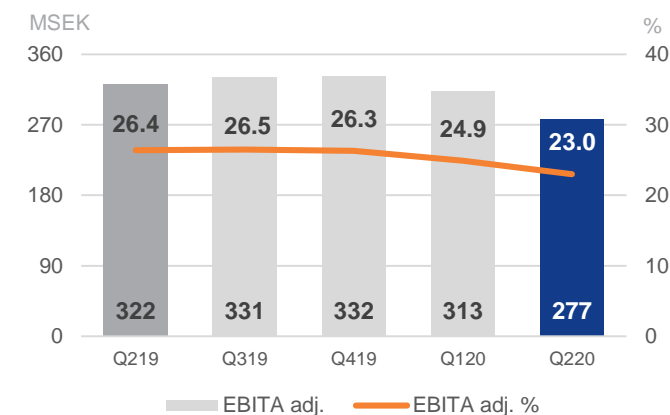
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



EBITA adj. & EBITA margin adj. by R12M



Earnings summary

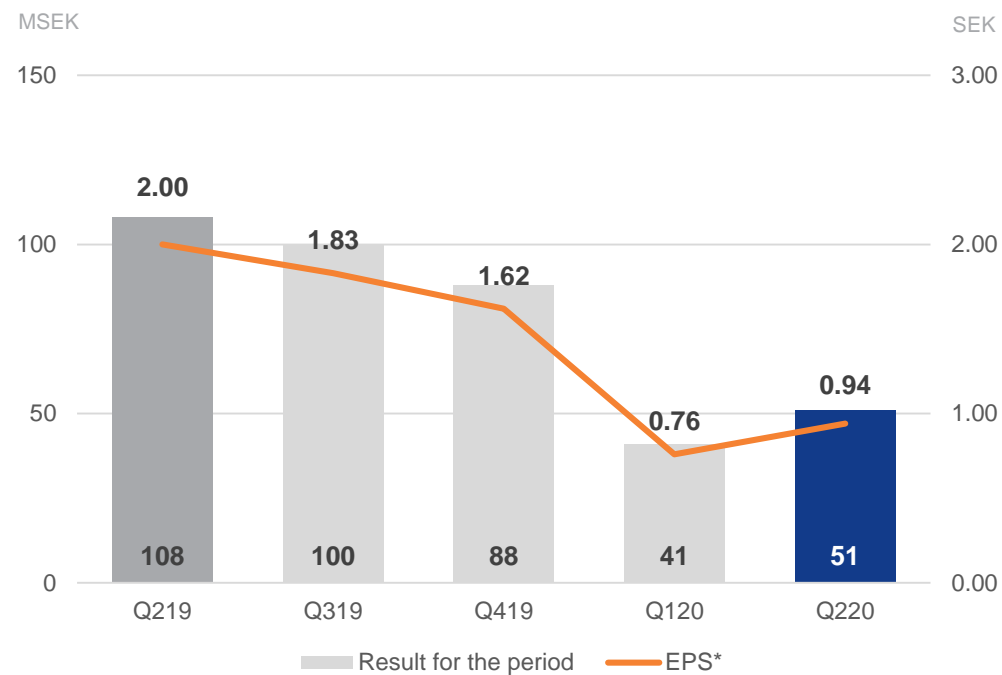
- EBITA adjusted
 - Revenue / volume driven
 - After Sales and Construction Equipment MSEK -36 respectively
 - Sequential improvements for all business areas except After Sales
- Financial net
 - Interest net MSEK -5 (-9). Lower loans and rates
- Taxes
 - Tax expense for the quarter was MSEK 14 (36), a tax rate of 21% (25)

MSEK	Q2 2020	Q2 2019	ΔMSEK
EBITA adj.	87	172	-85
Non-recurring costs	0	(0)	0
EBITA	87	172	-84
Amortisations	(13)	(10)	-3
EBIT	74	161	-87
Financial net	(10)	(17)	+7
EBT	64	145	-80
Taxes	(14)	(36)	+22
Result for the period	51	108	-57

Result for the period and EPS

- Result for the period MSEK 51 (108)
 - The decrease mainly came from the lower operating result
- EPS thereby decreased to SEK 0.94 (2.00) for the quarter

Result for the period and EPS

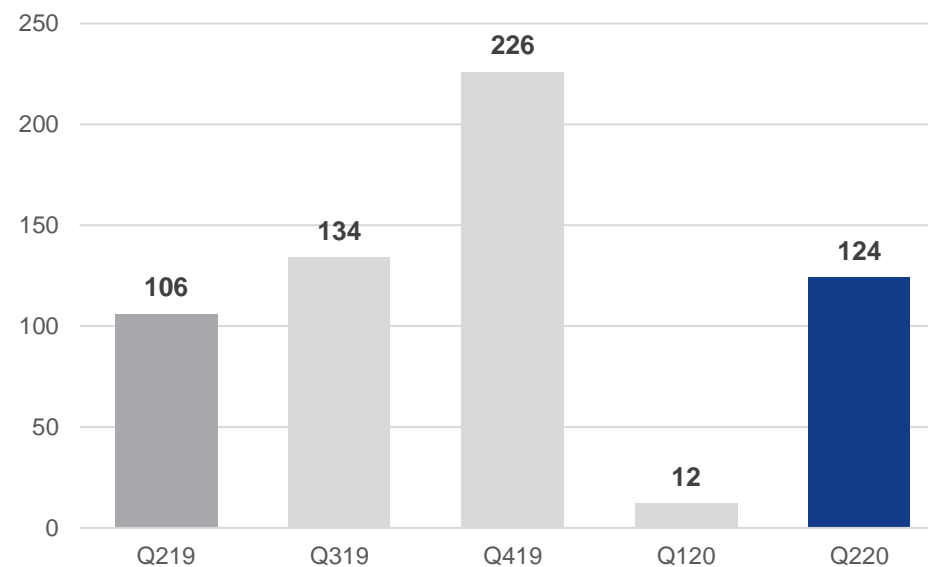


*) Calculated on numbers of shares
at 2020-06-30: 54,157,861

Cash flow

- Cash flow from operations MSEK 124 (106)
 - Focus on collections and cash management
- Profit before taxes MSEK 64 (145)
 - Lower operating result
- Working capital decreased by MSEK 23 (-59)
 - Increased operating receivable as revenue weighted to latter part of the quarter
- Investments of MSEK 20 (38)

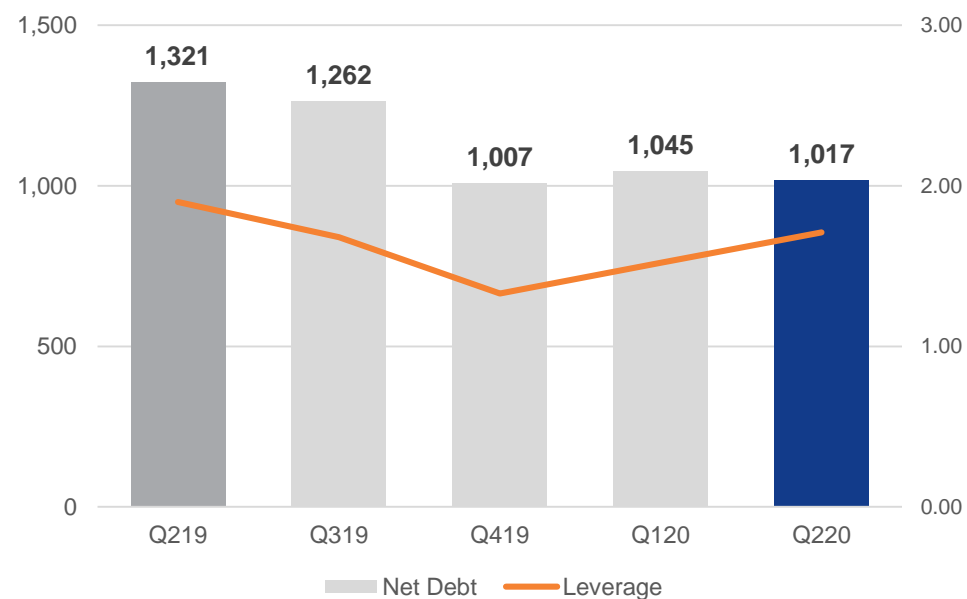
Operating Cash flow, MSEK by Quarter



Net debt

- Net debt
 - Positive operating cash flow and limited investments
 - Dividend of MSEK 94 (148)
 - Net additions of loans MSEK 9 (164)
- Leverage
 - Positive impact of Net debt offset by lower EBITDA result

Net debt, MSEK and Leverage by Quarter



Summary

- Q2 impacted by COVID-19 on all key performance indicators
 - Restrictions on travel and customer site access
 - Continued uncertainty on end-markets
- Solid cash flow in the quarter following increased emphasis on balance sheet and cash management
- Forward focus on adapting the business to an uncertain market – while continuing to invest in product development
- The Group has a strong financial position





First impressions and priorities

My first weeks

- Getting to know the Group
- Understanding how it operates
- Meeting and talking to as many people as possible
 - Visits to Skellefteå, Bergen, Borås and Silkeborg



Alimak Group has a strong foundation

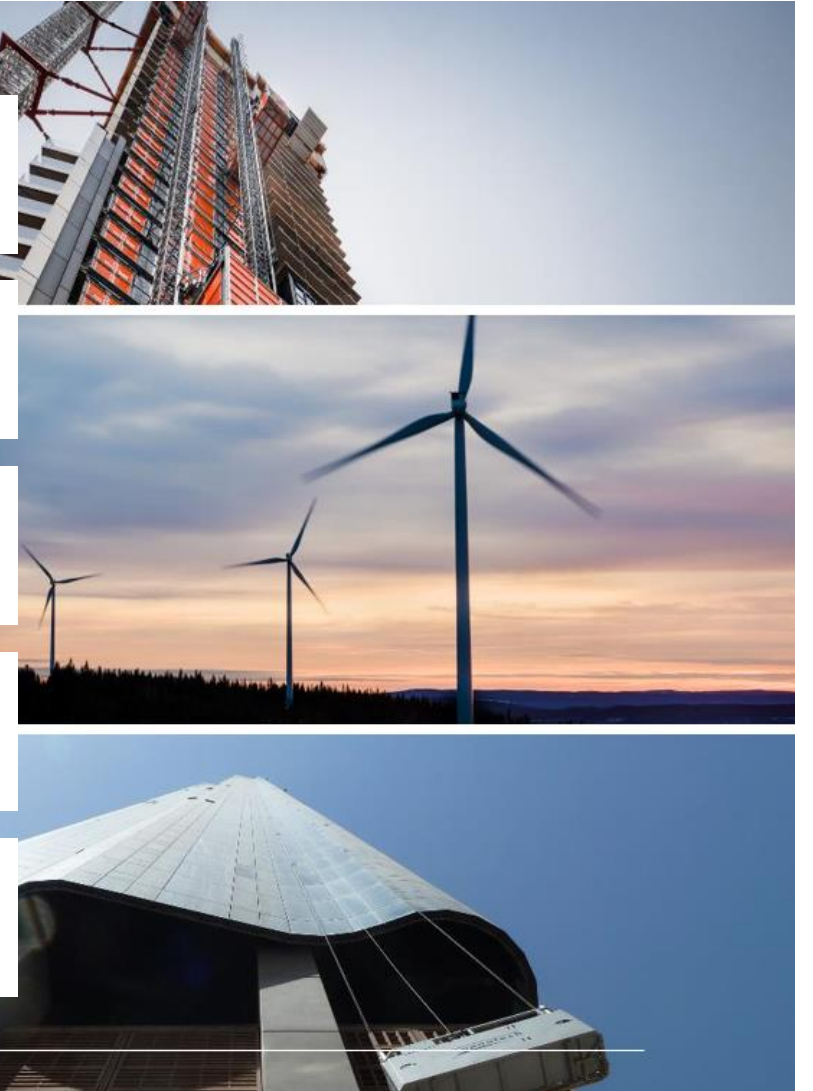
Leading market position

Global footprint with large installed base

Portfolio of leading brands

Supported by megatrends

Strong balance sheet – position to invest



Four focus areas going forward

Digitalisation

**Customer
Focus**

**Technology
Leadership**

**Delivering
Shareholder
Value**

**People
& Culture**

Sustainability



Q&A

