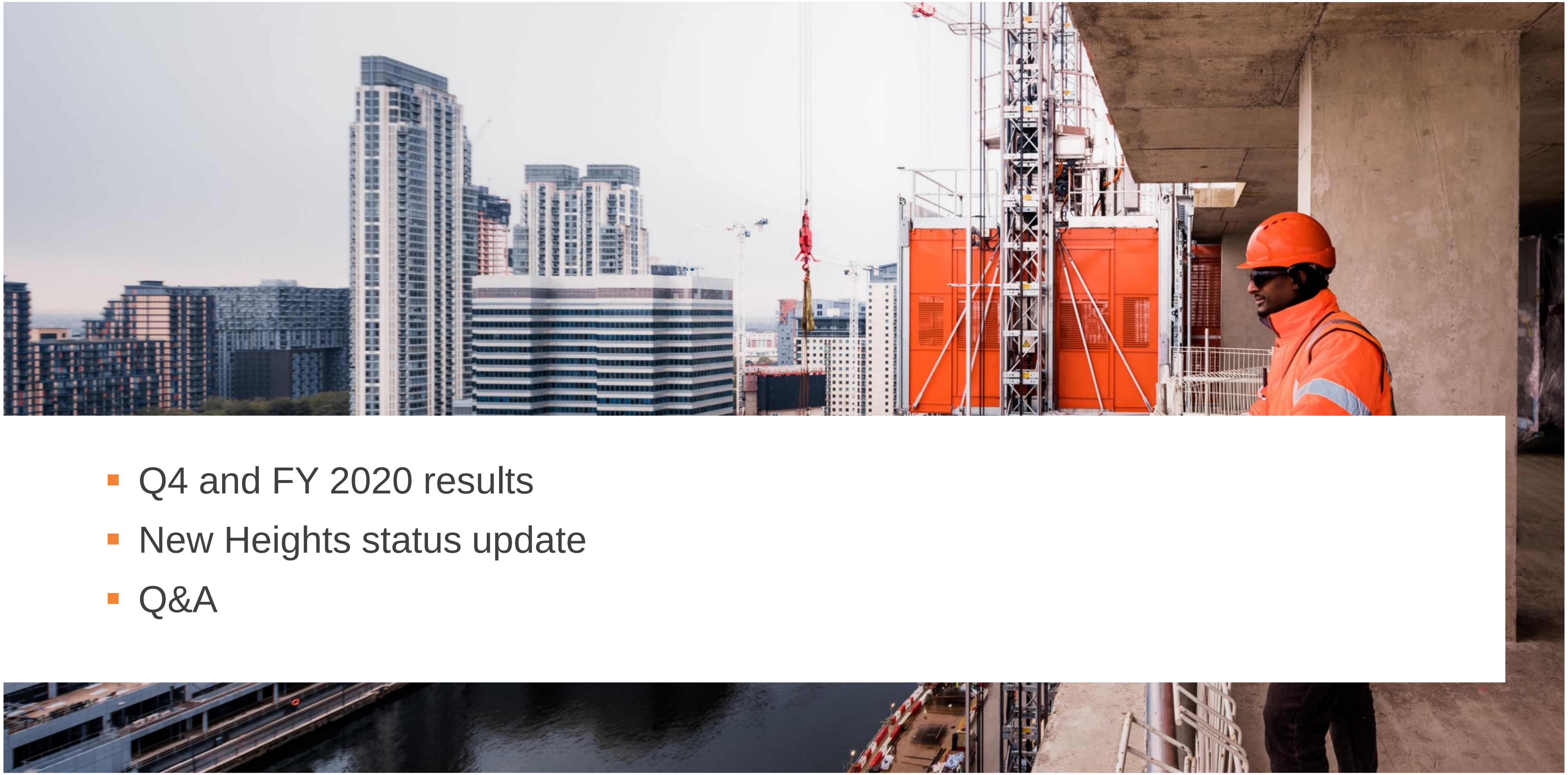
Alimak Group

Q4 2020, 11 February 2021

Ole Kristian Jødahl, CEO

Bernt Ingman, Interim CFO

Agenda



- Q4 and FY 2020 results
- New Heights status update
- Q&A

Quarterly highlights

Q4

- Continued impact from COVID-19, US elections and currency translation effects put pressure on reported order intake and revenue
- Cost savings programme on track and further strengthening underlying margin improvements
- Non-recurring expenses of MSEK 42 taken in the quarter
- New organisation in place as of January 1, 2021, now set for next phase of the New Heights programme

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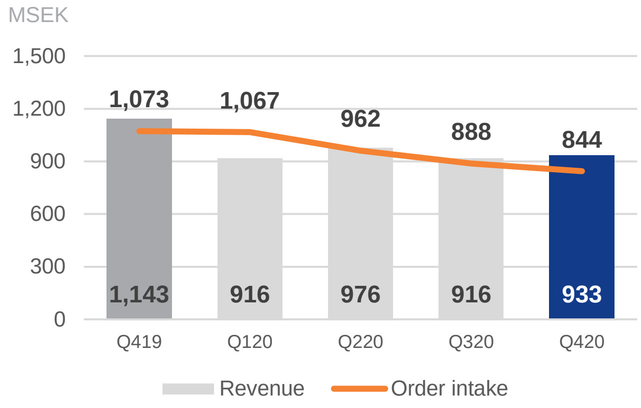
Group quarterly summary

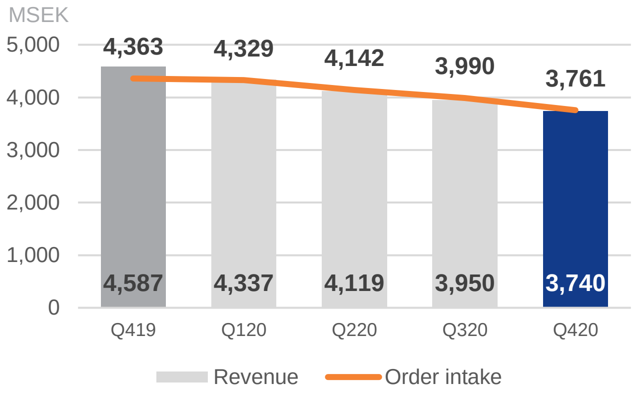
Q4

- **Order intake** decreased by 21% (14% organically)
  - Organic improvement for Construction Equipment and After Sales
  - Soft quarter for Rental, strong FY
  - Industrial Equipment representing majority of the drop
- **Revenue** decreased by 18% (11% organically)
  - All business areas down in the quarter, main impact from Industrial Equipment and Construction Equipment
- **EBITA adj.** decreased to MSEK 128 (151), margin improved to 13.7% (13.2)
  - Decrease in volumes but mitigated by reduced operating expenses
  - Margin improved by 0.5 percentage points

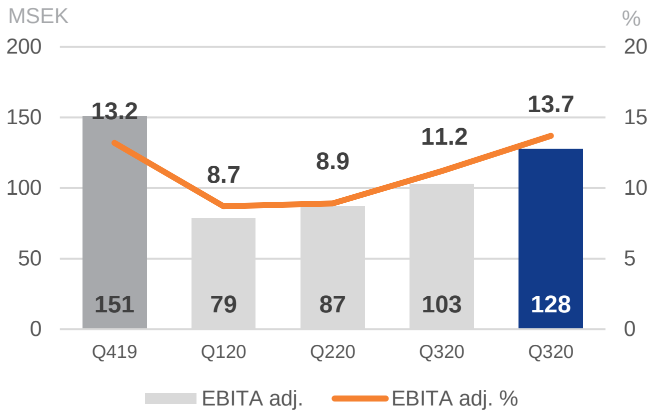
Order intake & Revenue by Quarters



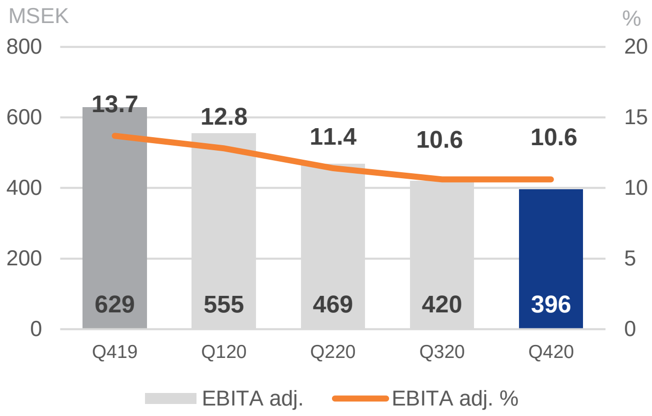
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



EBITA adj. & EBITA margin adj. by R12M

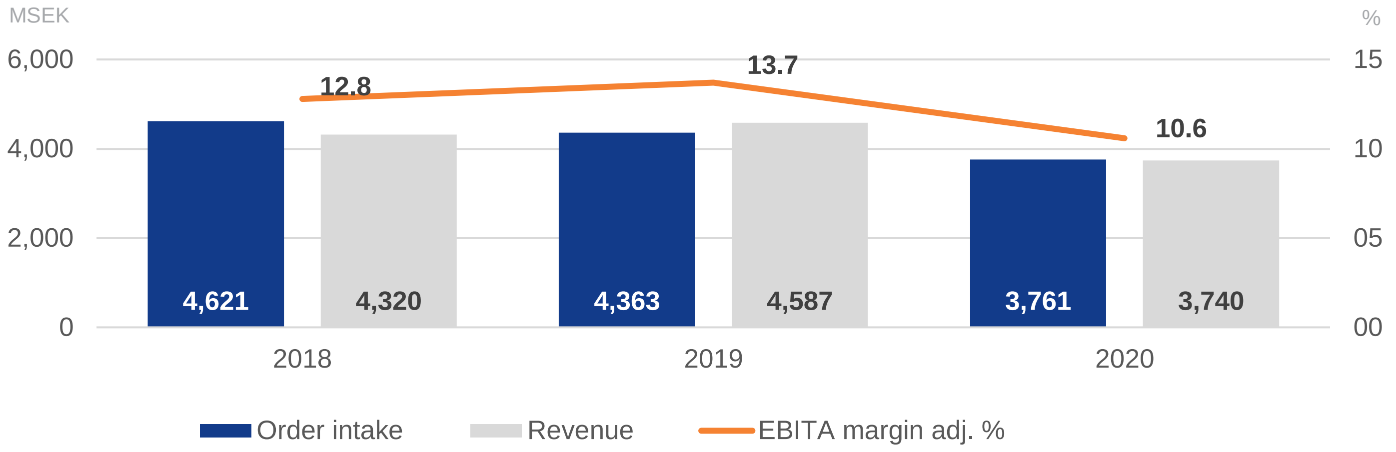


2020

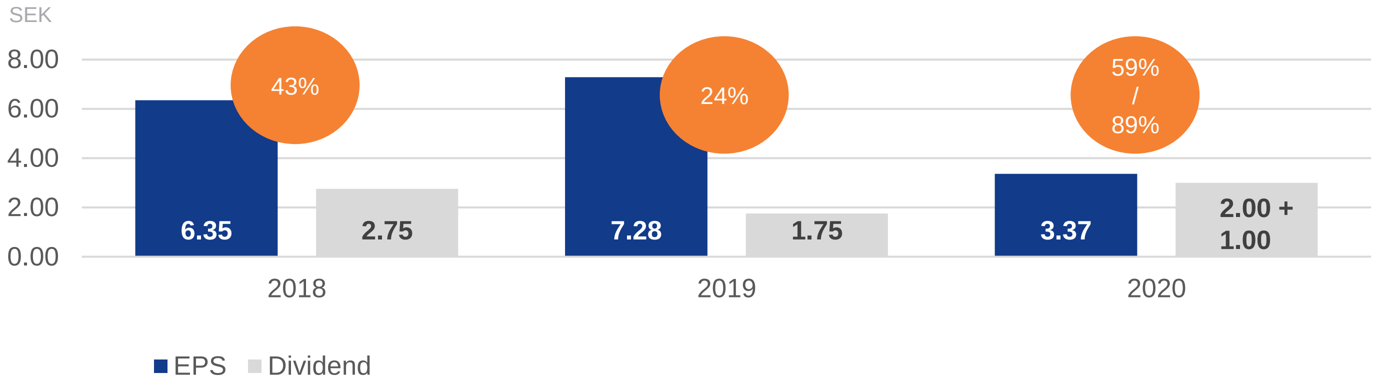
FY 2020

- COVID-19 impact
- FX effects
- New Heights programme launched
  - Restructuring ongoing
- Order intake decreased 14%, 11% organically
  - Main decrease from Industrial Equipment
  - Rental reported growing order intake
- Revenue decreased 18%, 15% organically
  - Main decrease from Construction Equipment and Industrial Equipment
- EBITA adj. of MSEK 396 (629), margin 10.6 (13.7)
- Cash flow from operations MSEK 505 (502)
- Dividend of SEK 2.00 (1.75) per share as well as an extra dividend of SEK 1.00 per share proposed by the Board of Directors

Order intake, Revenue and Margin, by Years



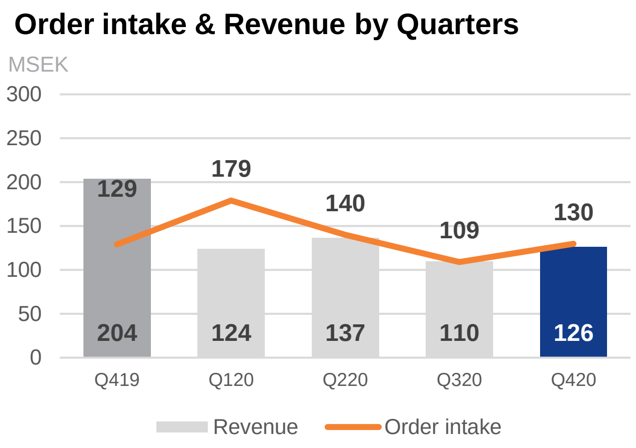
EPS and Dividend, by Years

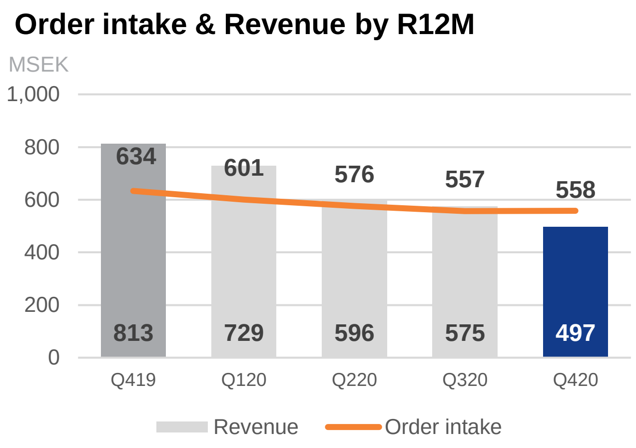


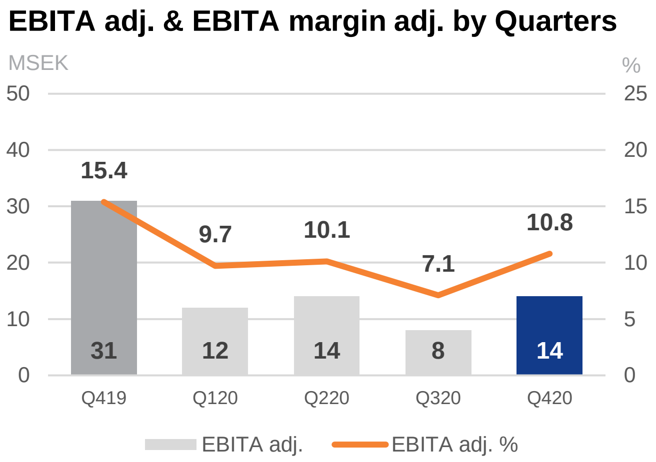
Construction Equipment

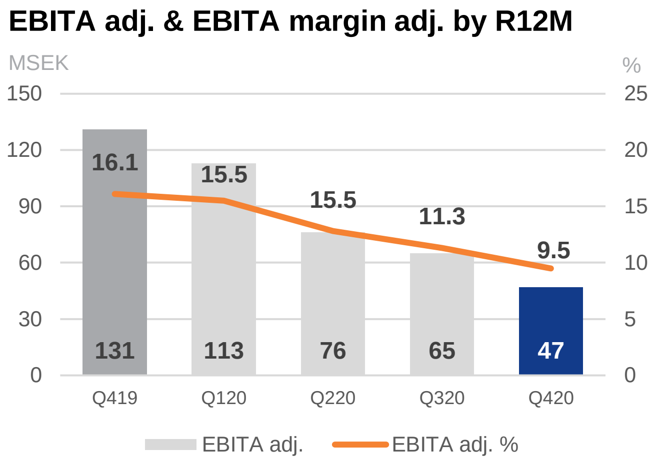
Q4

- **Order intake** was flat, (up 8% organically)
  - Improvement from Q3
  - Customers still hesitant, especially in Americas
  - Morrow order for 36 hoists an exception
- **Revenue** decreased by 38% (32% organically)
  - Sequential improvement from Q3
  - The result of low backlog
- **EBITA adj**. at MSEK 14 (31), margin 10.8% (15.4)
  - Volume and mix (less Americas)





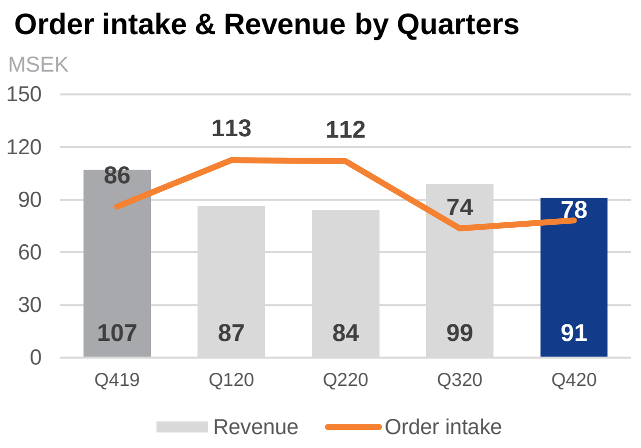


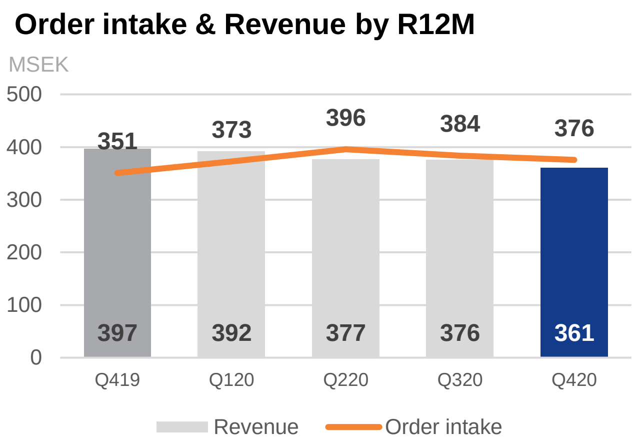


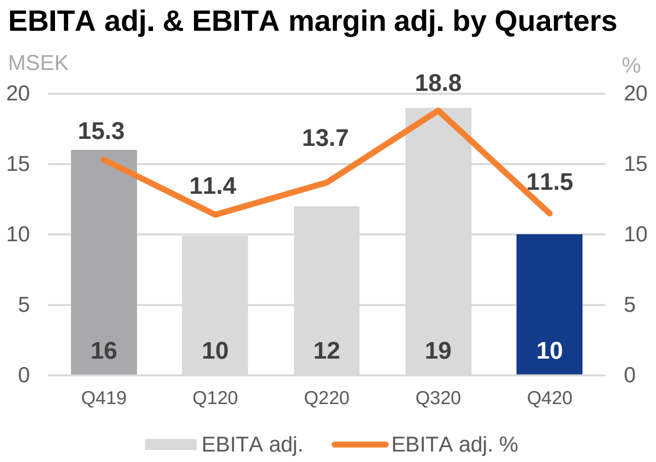
Rental

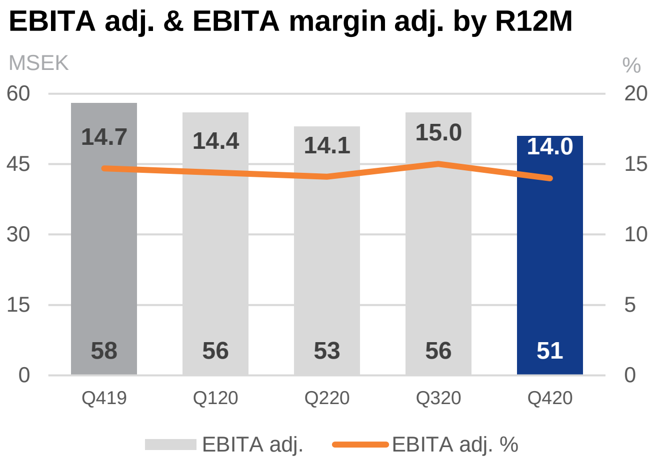
Q4

- **Order intake** decreased by 9% (5% organically)
  - Softer quarter for Germany and Benelux
  - Strong order intake in France
  - Improving Australian market
  - FY up 9% organically
- **Revenue** decreased by 14% (11% organically)
  - Primarily driven down by Australia
  - Strong deliveries to Europe, especially France
- **EBITA adj.** at MSEK 10 (16), margin 11.5% (15.3)
  - Lower volumes and increased costs for temporary staffing









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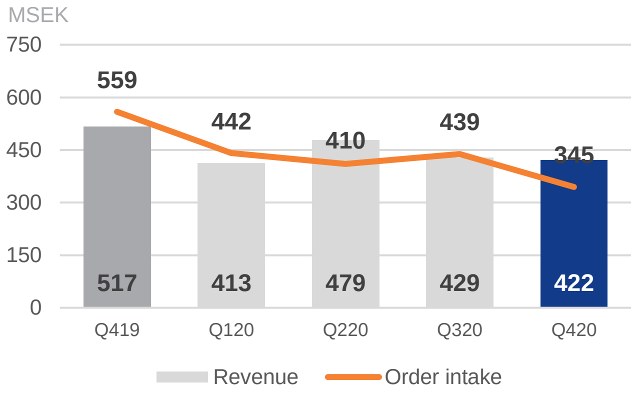
Industrial Equipment

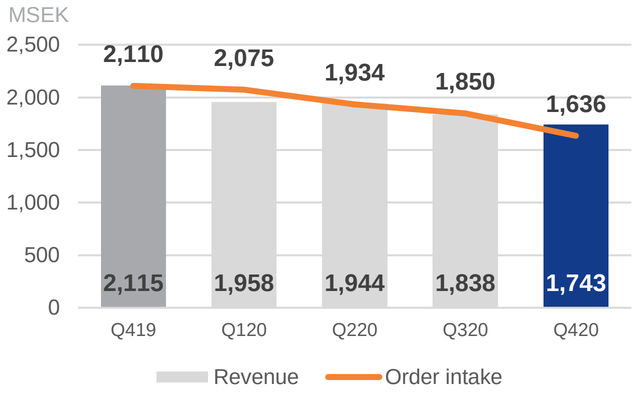
Q4

- **Order intake** decreased 38% (31% organically)
  - BMU and General Industry customers delaying decisions
  - Wind down due to further step out from low profit tower internals
- **Revenue** decreased by 18% (10% organically)
  - Delayed shipments for General Industry
  - Lower backlog for Wind
  - Delayed project starts for BMU
- **EBITA adj**. increased to MSEK 28 (25), a margin of 6.7% (4.8)
  - Improved profitability and margins in all business units
  - Biggest improvement in BMU – improved gross margin and lower costs

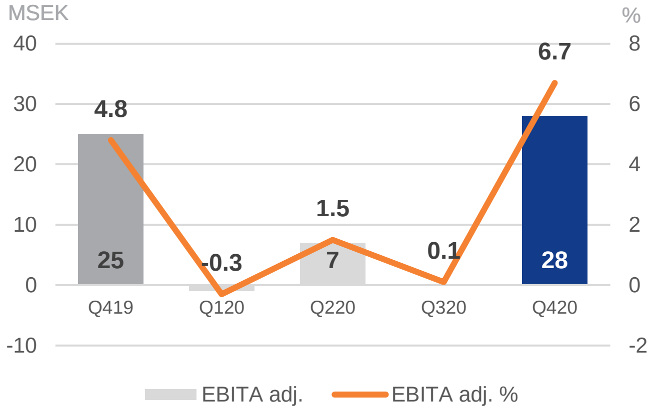
Order intake & Revenue by Quarters



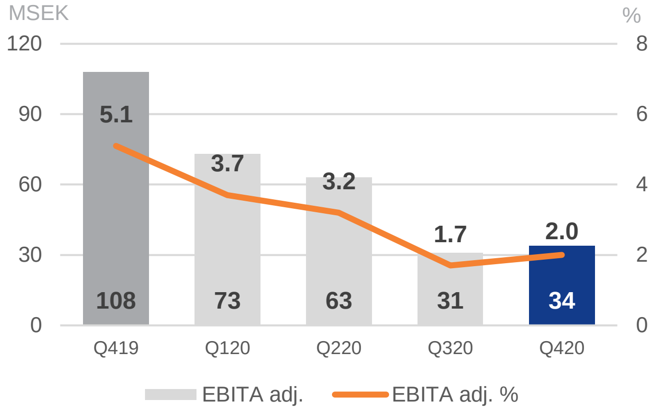
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



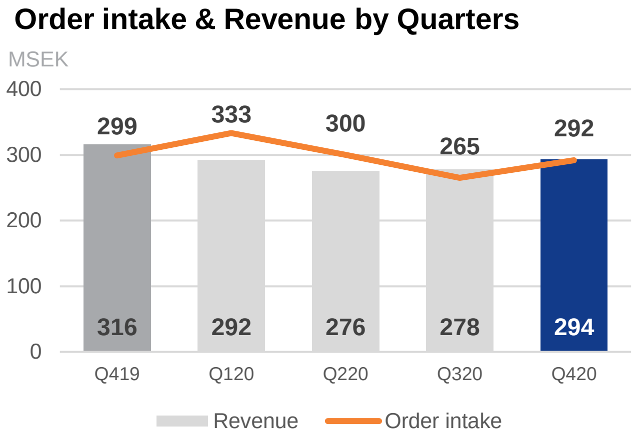
EBITA adj. & EBITA margin adj. by R12M

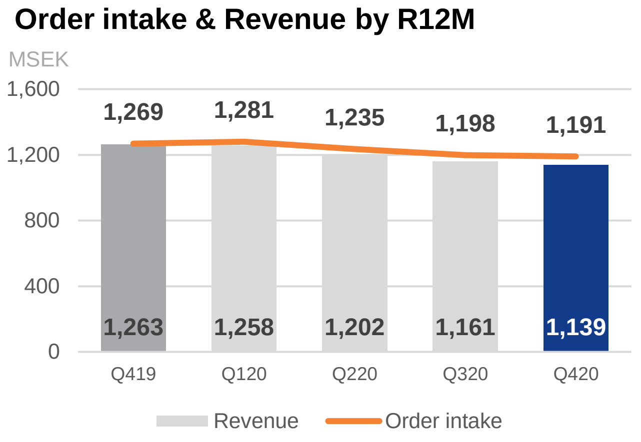


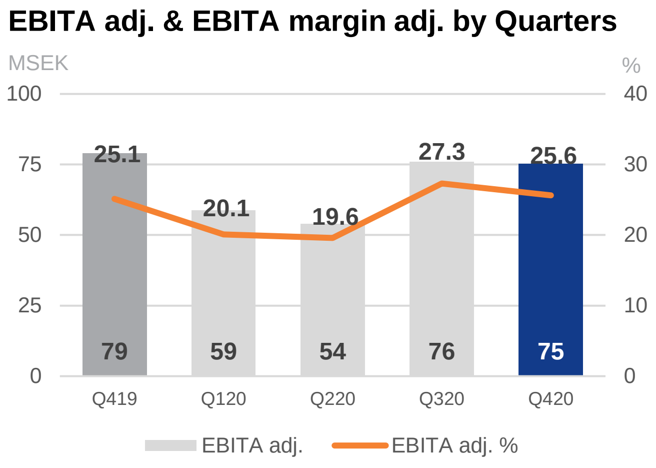
After Sales

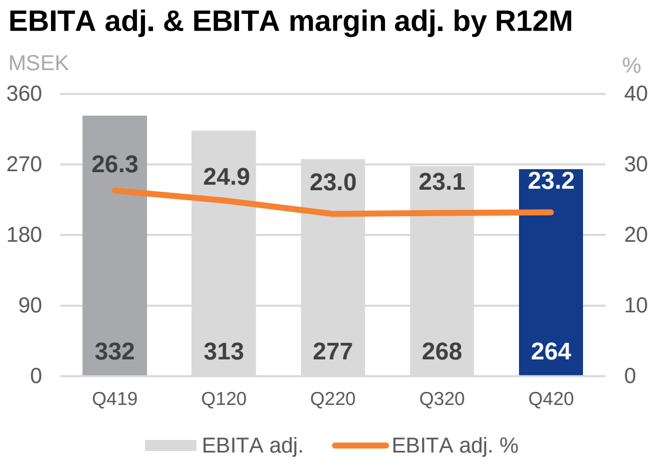
Q4

- **Order intake** decreased 2% (increased 6% organically)
  - Strong Europe
  - Orders for BMU service increasing
- **Revenue** decreased by 7% (flat organically)
  - Less impact from lockdowns
  - Strong quarter for refurbishment and training
- **EBITA adj**. at MSEK 75 (79), a margin of 25.6% (25.1)
  - Stable gross margins









Earnings summary

Q4

- EBITA adjusted
  - Revenue / volume driven
  - Lower operating expenses
- Non-recurring costs
  - MSEK 26 – reorganisation and restructuring
  - MSEK 16 – reservations and provisions
- Financial net
  - Interest net and currency related
- Taxes
  - Tax rate of 29% (16)

MSEK	Q4 2020	Q4 2019	△MSEK
EBITA adj.	**128**	**151**	**-24**
Non-recurring costs	(42)	(18)	-24
EBITA	**86**	**134**	**-48**
Amortisations	(9)	(11)	+2
EBIT	**77**	**123**	**-46**
Financial net	(7)	(18)	+11
EBT	**71**	**105**	**-34**
Taxes	(21)	(17)	-4
Result for the period	**50**	**88**	**-38**

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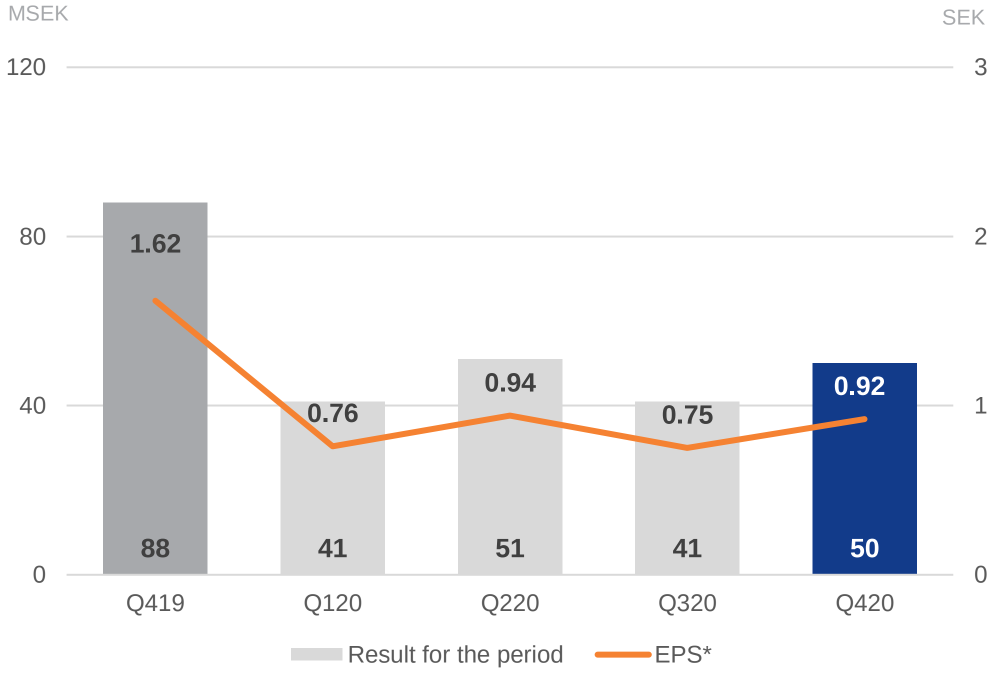
Result for the period and EPS

- Result for the period MSEK 50 (88)
  - Lower EBITA adj. despite cost reductions
  - Higher non-recurring expenses
- EPS decreased to SEK 0.92 (1.62) for the quarter

Result for the period and EPS



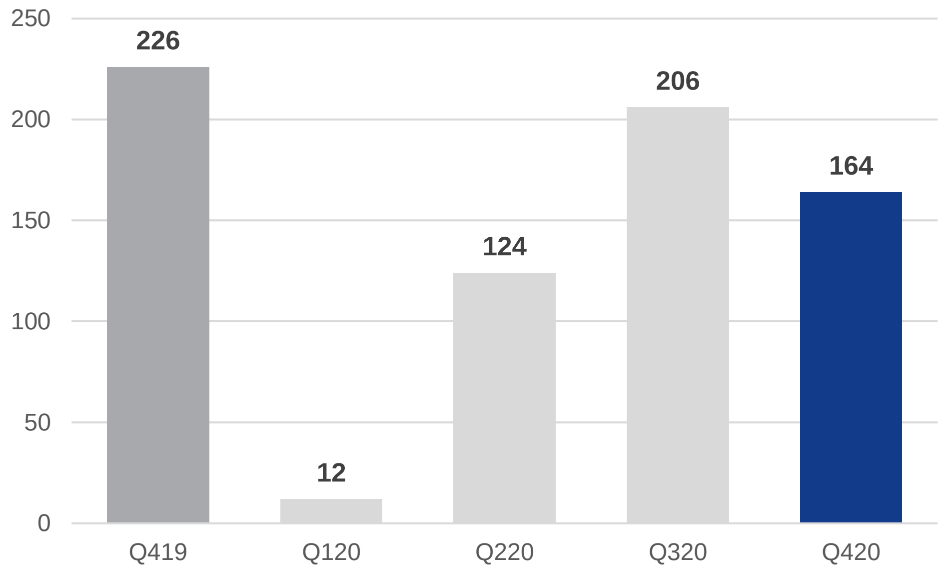
*) *Calculated on numbers of shares at 2020-12-31:* 54,157,861

Cash flow

Q4

- Cash flow from operations MSEK 164 (226)
  - Lower result but stronger cash conversion
  - Reduction in working capital of MSEK 55
- Cash management improvements
  - High attention on receivables

Operating Cash flow, MSEK by Quarter



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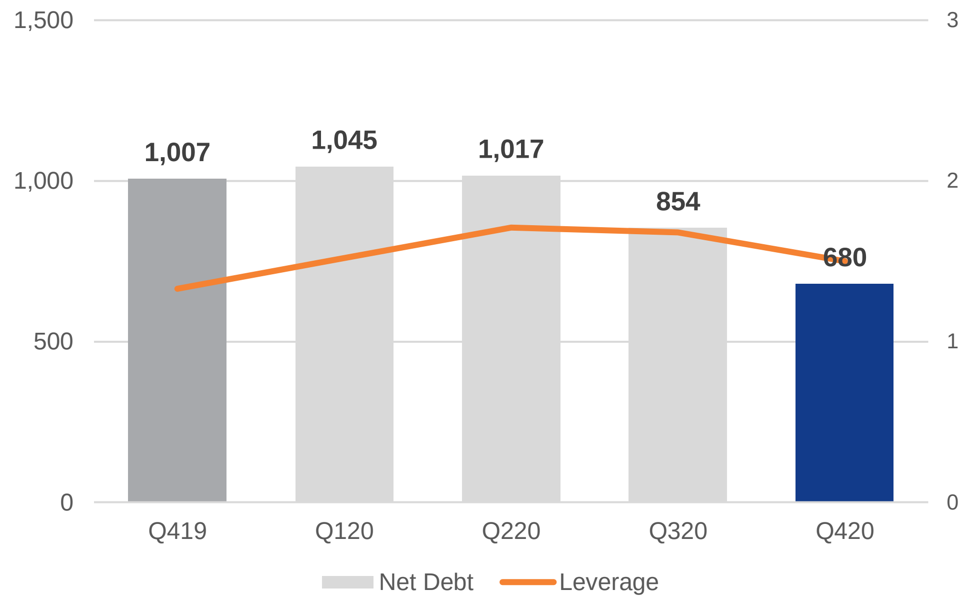
Net debt

Q4

- Net debt
  - Strong operating cash flow
  - Limited investments
- Leverage
  - Lower Net debt
  - Lower EBITDA result
- 1.8 billion SEK in unutilised credit facilities
- Strong financial position

Net debt, MSEK and Leverage by Quarter



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The New Heights programme – set for phase two

1

Establish the base

2020

2

Secure margin improvements

2021

3

Profitable growth

2022-2025

Status New Heights programme

- New organisation in place as of January 1
  - Customer focused. Clear roles, accountability and mandate to act
  - Reporting accordingly starting from Q1
- Key appointments
  - Thomas Hendel appointed as CFO
  - Annika Haaker appointed Chief People & Culture Officer
  - Search for permanent EVP Industrial Division ongoing
- Strategy per division being developed
  - To be presented at Capital Markets Day in mid-June
- Cost savings programme on track
    - One off costs: MSEK 35 taken Q3
    - Another MSEK 26 taken in Q4
    - Additional MSEK 16 taken in Q4
  - On track to deliver the MSEK 60 targeted annual savings from H2 2021

Q4

Summary Q4

- Improved underlying profitability in Q4
  - Good development in October
  - Renewed lockdowns and FX effects put pressure on order intake and revenue
  - EBITA adj. at 13.7%
  - Solid cash conversion
- Transformation ongoing
  - 2020 a year of repositioning
  - Accelerating efforts in R&D and digitalisation
  - Set for phase two of the New Heights programme
- Dividend of SEK 2.00 + 1.00 proposed by the Board
- Expecting improved business climate in 2021, but likely challenging first half
- Thank you!

Q&A