Alimak Group

Q4 2021, 10 February 2022

Ole Kristian Jødahl, CEO

Thomas Hendel, CFO

Agenda

- Q4 and Full Year 2021 results and developments
- Q&A-session

Business highlights

Q4

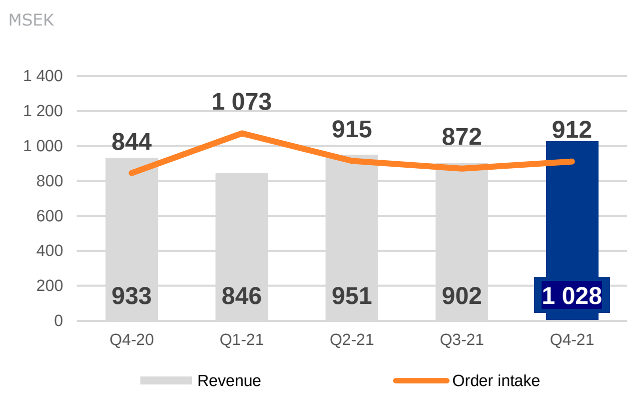
- New Heights programme delivered – margin improvements
- Entering phase three of the programme – profitable growth
- Launch of STS 300, Scaffolding Transportation System
- BMU business improvement program continues. Division renamed to Facade Access as of 1 January 2022
- Strategic review of the Wind Division including a potential divestment

Group quarterly summary

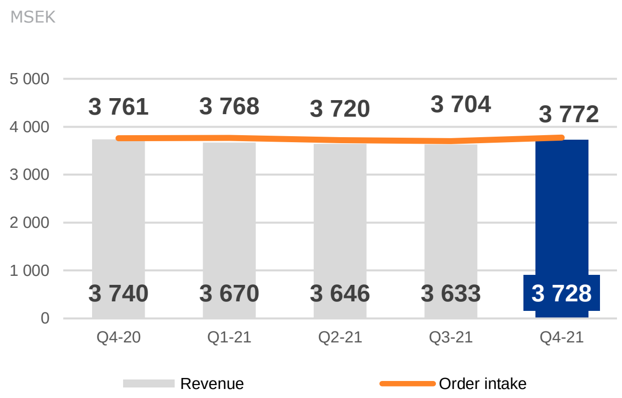
Q4

- **Order intake** increased by 8% (up 5% organically)
  - Strong organic growth in Construction and Industrial
  - Strong organic service order intake growth, up 14%
  - Wind reported a drop as expected
- **Revenue** increased by 10% (up 7% organically)
  - Strong organic increase in Construction, Industrial and BMU
  - Wind down due to tower internals and challenges in China
- **EBITA** increased to MSEK 143 (86), margin improved to 13.9% (9.2)
  - Improved profitability driven by higher volumes, higher gross margin and lower SG&A costs
  - MSEK 42 booked in Q4 2020 for New Heights Programme

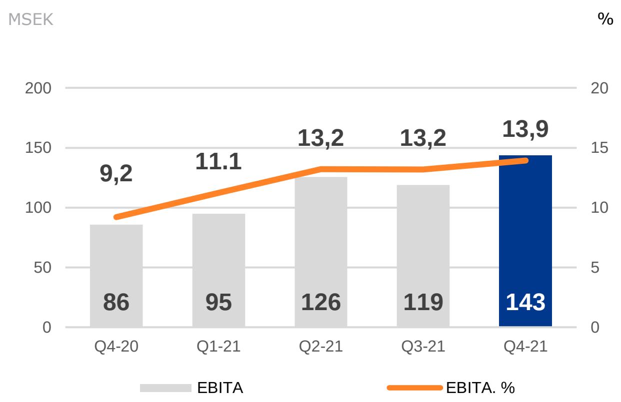
Order intake & Revenue by Quarters



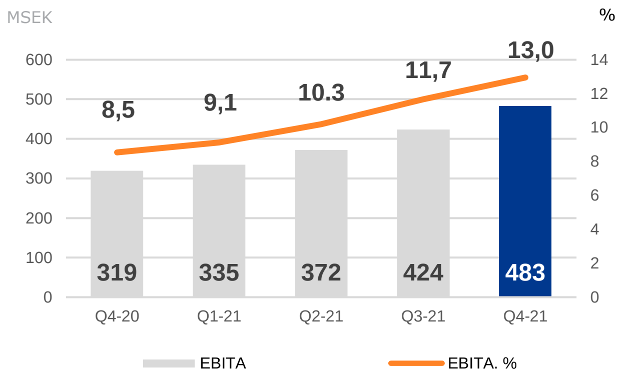
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



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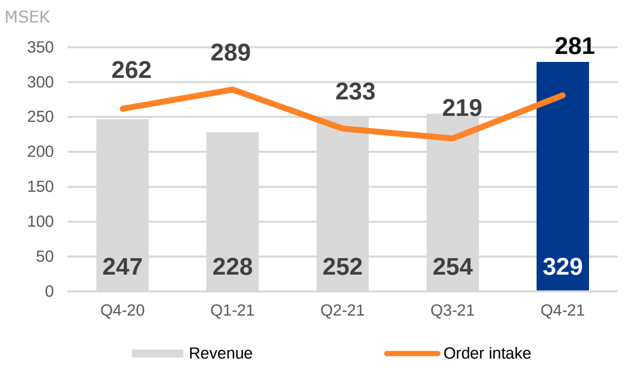
BMU

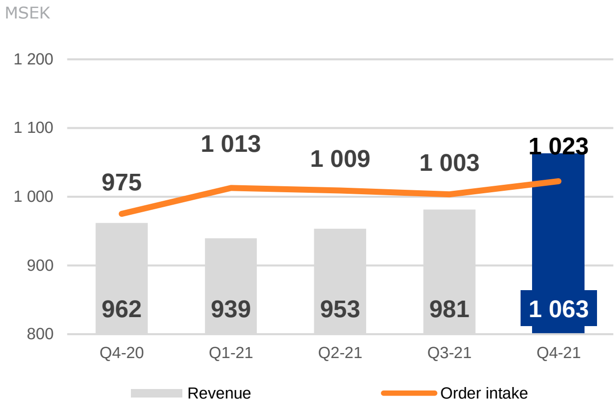
Q4

- **Order intake** increased by 7% (up 2% organically)
  - Good equipment order intake in Europe
  - Soft service order intake
- **Revenue** increased by 33% (up 26% organically)
  - Stronger equipment revenues in Europe
  - Higher service revenues across all regions
- **EBITA** at MSEK 29 (-2), margin 8.7% (-0.9)
  - Improvement driven by higher volumes and reduced SG&A expenses
  - One-off net positive impact of 5 MSEK

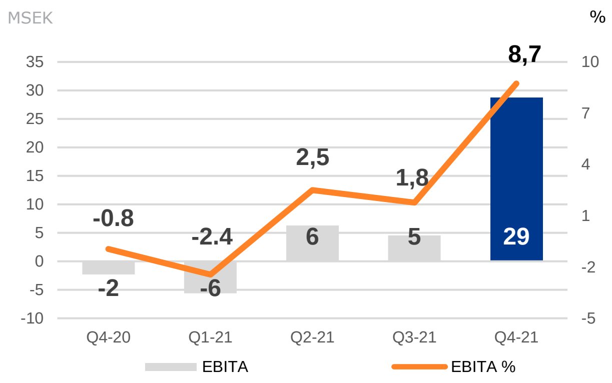
Order intake & Revenue by Quarters



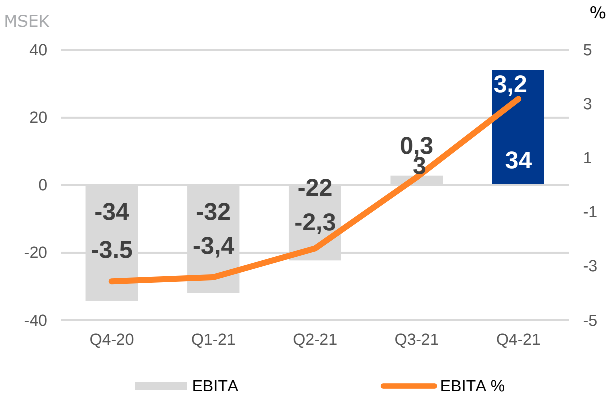
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



BMU business update

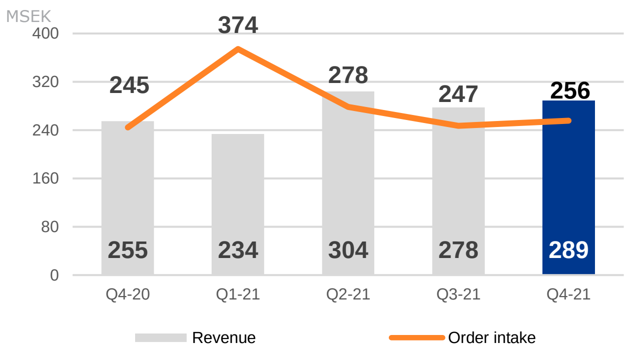
- Activities to improve sales and profitability continues
- Increasing our efforts with our products for low and mid-rise buildings - broadening our addressable market
- As of 1 January, Ole Kristian Jødahl, CEO has resumed the role as interim head of the BMU division
- The BMU division will be renamed Facade Access during the first quarter 2022 to better represent our solutions offering

Construction

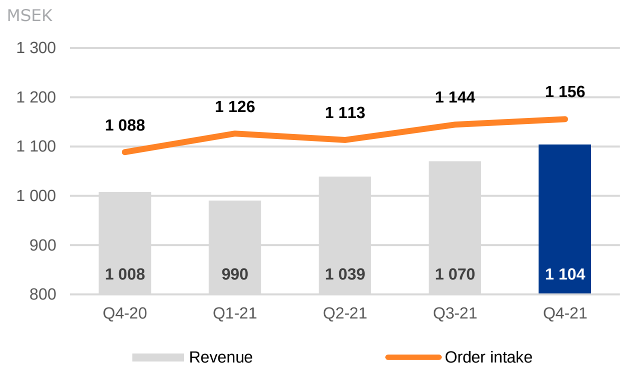
Q4

- **Order intake** increased by 5%, (up 3% organically)
  - Strong parts sales in Europe
  - Continued good development in Rental
- **Revenue** increased by 13% (up 12% organically)
  - Strong equipment revenue in Americas and parts deliveries in Europe
- **EBITA** at MSEK 55 (25), margin 19.1% (9.8)
  - Higher volumes and continued good cost control

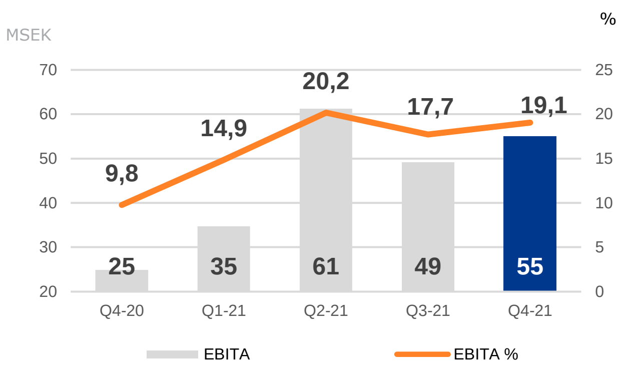
Order intake & Revenue bv Ouarters



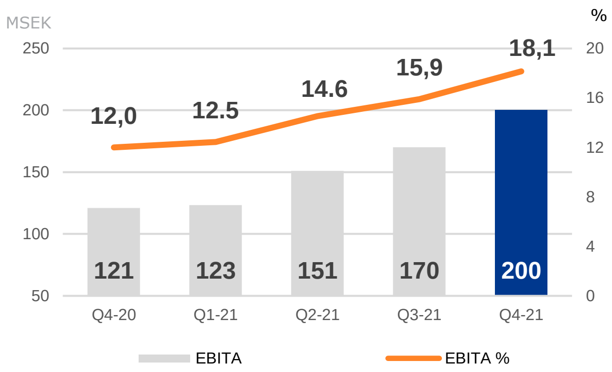
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



Launch of Scaffolding Transportation System in Q4

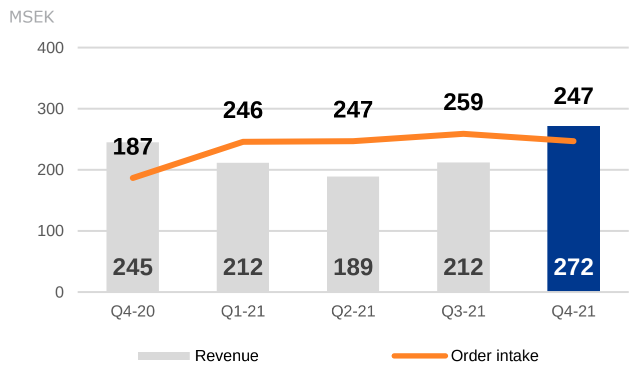
- Expanding our market offering into a new area
- Developed in partnership with PERI, one of the largest international manufacturers and suppliers of formwork and scaffolding, based in Germany
- The STS 300 system enables
  - Smart transportation and storage
  - Increased productivity
  - Improved safety
  - Better working conditions for scaffolders

Industrial

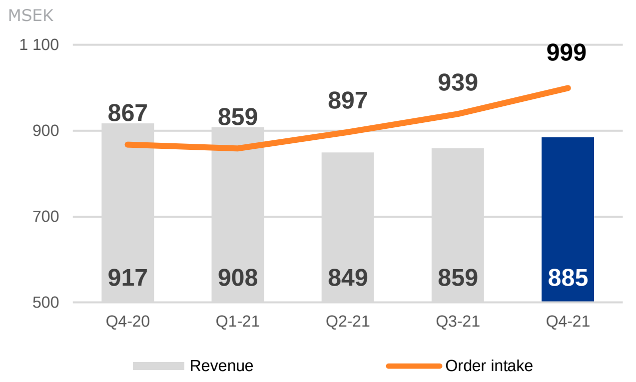
Q4

- **Order intake** increased 32% (up 29% organically)
  - Higher order intake in both new Equipment and Service
  - Contribution from new product for emerging markets
  - Solid demand in most customer segments and geographies
- **Revenue** increased by 11% (up 10% organically)
  - Higher volumes in both new Equipment and Service sales globally.
  - Increase driven by solid order intake earlier in the year
- **EBITA** increased to MSEK 53 (42), a margin of 19.6% (17.1)
  - Higher volumes and continued good cost control

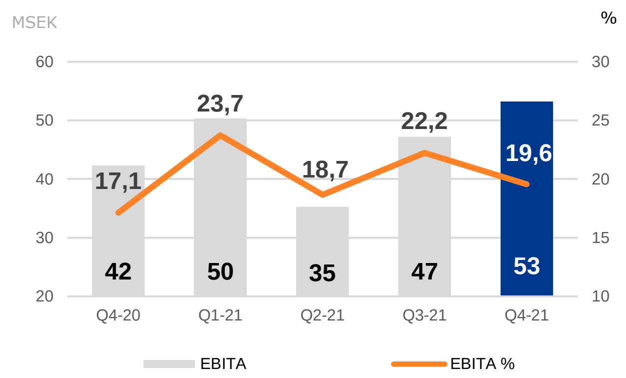
Order intake & Revenue by Quarters



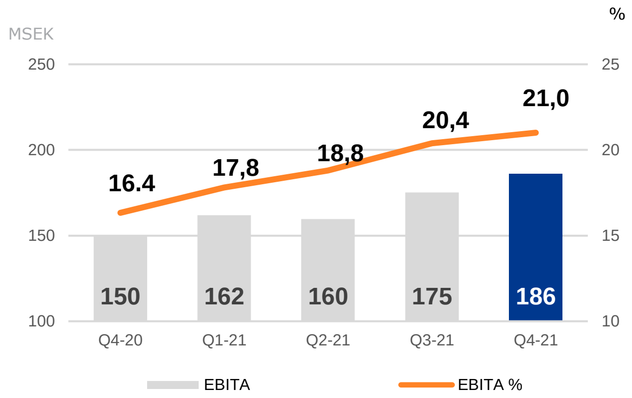
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



SL-H, our new lifts for the industrial market introduced in 2021

- Developed, designed and manufactured in China for the Chinese market and for other emerging markets

- SL-H 2000 and SL-H 3000 for:
  - Cement plants
  - Steelworks
  - Power plants

- The new lifts have contributed to solid order intake in the division during the year

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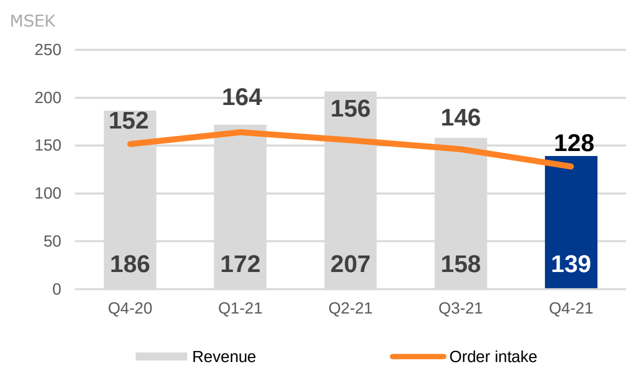
Wind

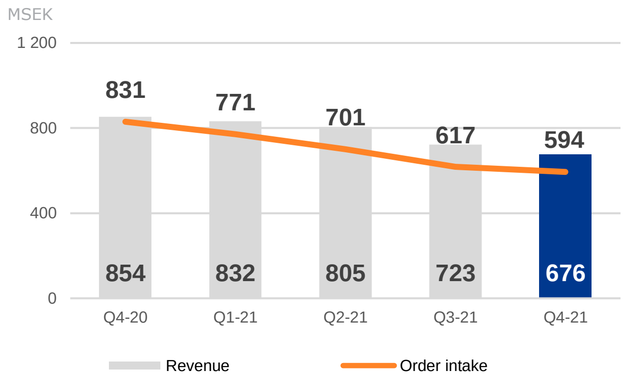
Q4

- **Order intake** decreased 15% (down 18% organically)
  - Effect of exiting tower internals, volume impact Q4 -20 MSEK y-o-y and -82 MSEK FY
  - China continues to be challenging
- **Revenue** decreased by 25% (down 28% organically)
  - Tower internals impact Q4 -24 MSEK y-o-y and -111 MSEK FY
  - Decreased order backlog in China
- **EBITA** at MSEK 6 (21), a margin of 4.7% (11.3)
  - EBITA-margin decrease due to the lower volumes
  - Further growth and cost initiatives to mitigate effects of lower volumes

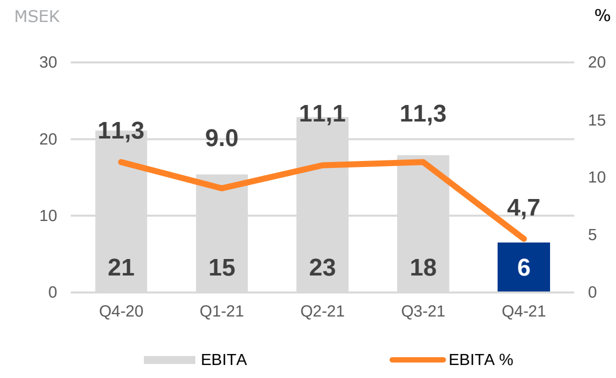
Order intake & Revenue by Quarters



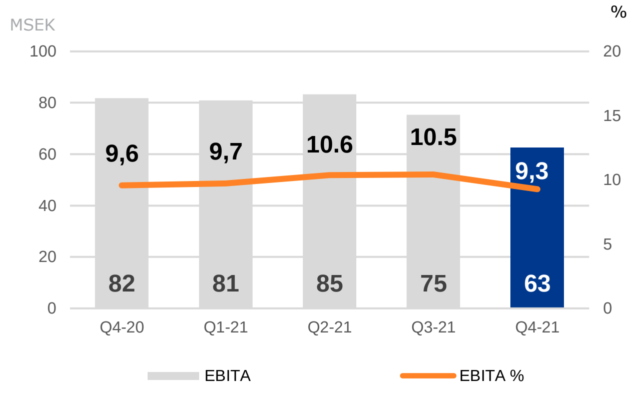
Order intake & Revenue by R12M



EBITA & EBITA margin by Quarters



EBITA & EBITA margin by R12M



Wind – evaluating strategic alternatives

- A strategic review of the Wind division has been initiated and will be conducted in 2022:
  - to explore future strategic alternatives – including a potential divestment to enable better business developments for the division outside of Alimak Group
  - based on the view that the Wind division may have a more favourable development in another ownership structure going forward
  - there is currently no certainty that this strategic review will result in any material changes for the company

- The review is part of the New Heights programme, to capture the full value potential for the Group and to evaluate the rationale, the required resources and the long-term prospects and position of each of the Group's four divisions

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Financial summary Group December 2021

Q4

MSEK	Q4 2021	Q4 2020	Δ%	YTD 2021	YTD 2020	Δ%
Order intake	**912**	**844**	8	**3,772**	**3761**	0
Organic order growth			5			2
Revenue	**1,028**	**933**	10	**3,728**	**3,740**	0
Organic revenue growth			7			1
EBITA	**143**	**86**	67	**483**	**319**	51
EBITA%	**13.9%**	**9.2%**	+4.7 pp	**13.0%**	**8.5%**	+4.4 pp
Operating cash flow	**139**	**164**	-15	**646**	**505**	28

Earnings summary

Q4

- EBITA
  - Lower cost base after implementation of the cost reduction programme initiated in 2020 – impacting both Cost of Goods Sold and SG&A
  - Improved gross margin with active price management to mitigate effects of raw materials and freight cost increases
  - 42 MSEK was booked in Q4 2020 related to the New Heights Programme
- Financial net
  - Interest net (+) and currency effects (-) y-o-y
- Taxes
  - Tax rate for the full year of 25% (24) reflecting the country profit distribution

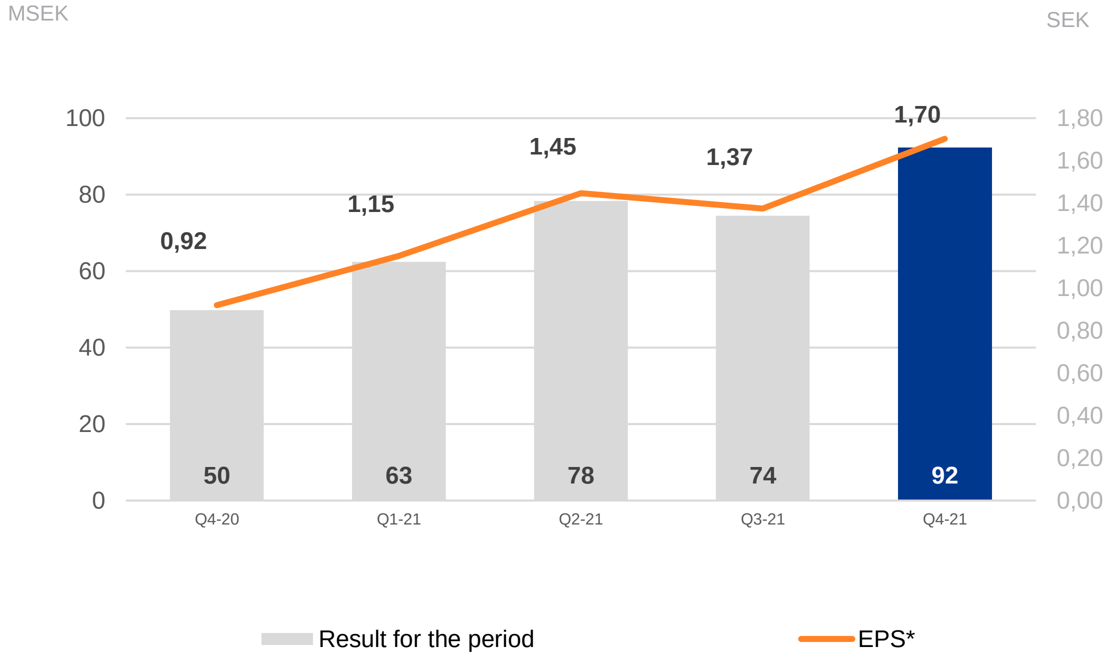
MSEK	Q4 2021	Q4 2020	∆MSEK
EBITA	**143**	**86**	**58**
Amortisations	-9	-9	0
EBIT	**135**	**77**	**57**
Financial net	-14	-7	-8
EBT	**120**	**70**	**50**
Taxes	-28	-21	-7
Result for the period	**92**	**50**	**42**

Result for the period and EPS

Q4

- Result for the period MSEK 92 (50)
- Earnings per share was SEK 1,70 (0,92)
- Earnings per share for the full year was SEK 5,68 (3,37), up 68%

Result for the period and EPS



**) Calculated on numbers of shares at 2021-12-31:* 54,157,861

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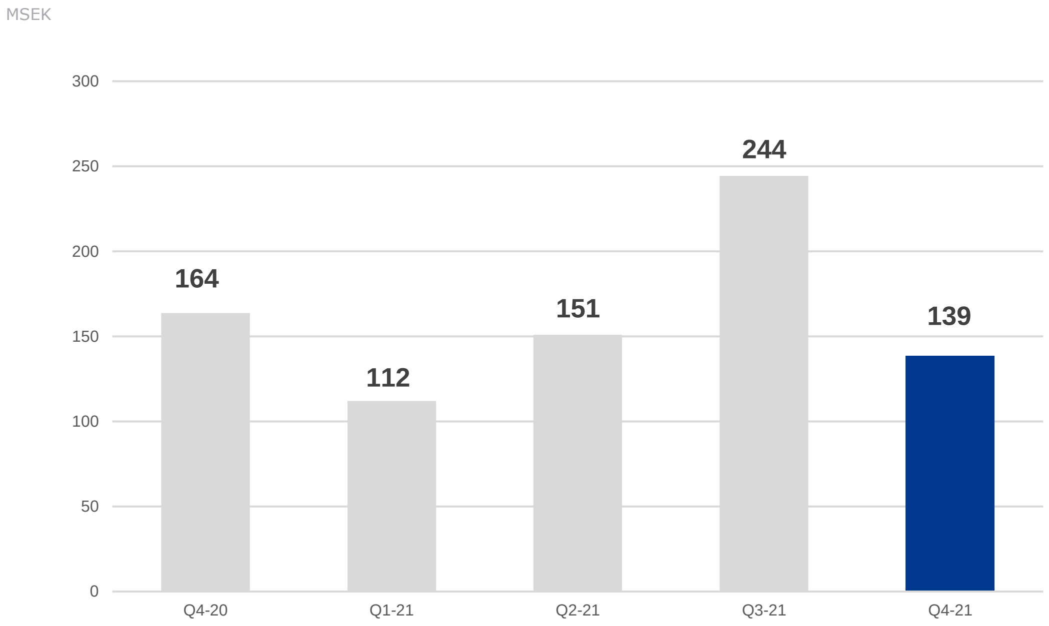
Cash flow

Q4

- Cash flow from operations MSEK 139 (164)
  - Improved EBITDA
  - Reduced overdue receivables and focus on payment terms in new contracts
- Cash management actions
  - High attention on overdue receivables and payment terms in new contracts
  - Execute payment milestones in the projects

Operating Cash flow, MSEK by Quarter



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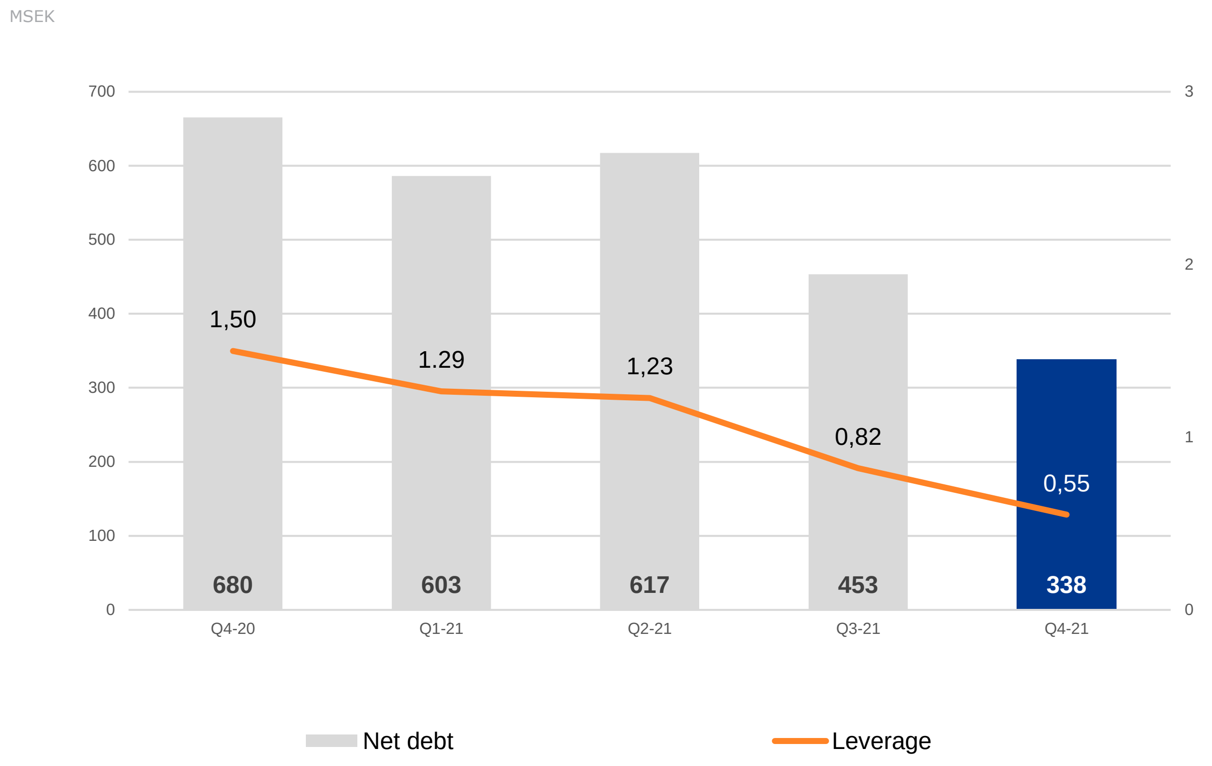
Net debt

- Net debt
  - Strong operating cash flow
  - Improved EBITDA (Q4) and improved EBITDA and reduced net working capital (full year)
- Leverage
  - Lower Net debt
  - Higher EBITDA result
- 2 billion SEK in unutilised credit facilities
- Dividend proposal of SEK 3.30 per share (3.00)
- Repurchase of 450 000 shares done
- Capital allocation priorities remains:
  - Profitable growth
  - M&A
  - Pay out according to dividend policy

Net debt, MSEK and Leverage by Quarter



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Summary

- Margin improvements delivered in line with New Heights Programme
- Strategic review of the Wind division including a potential divestment
- Set for growth and further margin improvements in a continued uncertain macro environment
  - Expanding range of products and solutions
  - Further service penetration
  - Accelerating efforts in R&D and digitalisation
  - Increasing our M&A efforts

Q&A