

Interim Report Q1 2022

27 April 2022

Presenting today

Ulf Lilius, CEO



Niklas Enmark, CFO



Agenda

- Momentum Group in brief
- Q1 highlights
- Strategic position
- Development during the quarter
- Focus in the short to medium term



Develops and acquires successful sustainable companies in the Nordic region

- Leading player that offers sustainable products and services and related value adding services to the industrial sector in the Nordics
- Decentralised business model with strong local presence close to customers
- Growth through development and acquisition of sustainable businesses focused on after market sales, specialist companies (product vertical specialist) and technical services companies

Revenue (SEK million) ¹	EBITA (SEK million) ¹	EBITA- margin ¹	Employees ²
1,540	178	11.6%	499

¹ R12 until 31 March 2022

² 31 March 2022

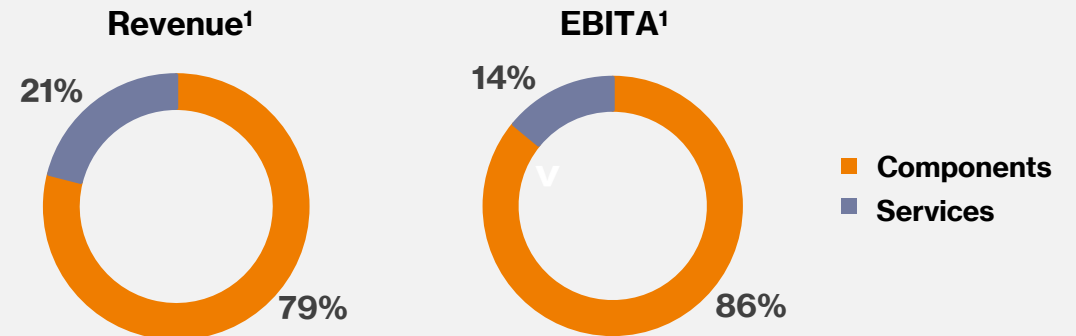
Two business areas

Components

Group of companies in industrial components, services and solutions for industry, with expertise in industrial improvement consisting of companies with leading specialist positions in their respective market niches.

Services

Group of companies in industrial services in Sweden, offering through its services longer life and efficiency of installed machines, new installations. Solutions are also offered for digitised maintenance.



Q1 2022 highlights

Stable business situation and positive earnings trend despite global concerns

Net sales:

+14%

- Favorable underlying demand in both business areas
- Global component shortage
- Covid-19 related sickness absence

EBITA:

+19%

- Organic sales growth
- Cost control
- Well-managed price increases from suppliers

EBITA/WC:

62% (53)



Listing at Nasdaq Stockholm

31 March 2022

WRITER OF TO ALL THE BOYS I'VE LOVED BEFORE
AUTHOR OF THE NEW YORK TIMES BEST SELLER

ong
Ride

EGINS TONIGHT

2022 Group

SOFIA ALVAREZ



momentum
group



Nasdaq



STARSTRUCK



Strategic position

**The market's best partner
for a sustainable industry**

Strategic direction

Mission

Together for a sustainable industry

Vision

The customer's best sustainable choice

Sustainability

Responsible business – a prerequisite for long-term profitability

Business concept

We will make the everyday lives of our customers easier, safer and more profitable – by offering sustainable products and services

Financial targets

EBITA growth: >15%

Profitability EBITA/WC: >45%

Dividends: >30%



Momentum's core values and focus areas



“Heart and soul”

Decentralised responsibility

**Willingness to improve
("Better than yesterday")**

Simplicity



“Mind and soul”

**Business development through
decentralised responsibility and employee
development**

**Business development through active
ownership.**

**Growth through acquisition of sustainable
companies**



Development during the quarter

Q1 2022



Group: Sales Q1 2022

- Revenue increased by 14% to SEK 399 m (350)
- Favorable underlying demand in both business areas – Growth in comparable units 11%
- Global component shortage
- Still no effect on sales from more unstable security situation in Europe
- Covid-19 related sickness absence



Growth in comparable units
vs Q1 2021

+11%

Revenue, SEK m



Group: Earnings Q1 2022

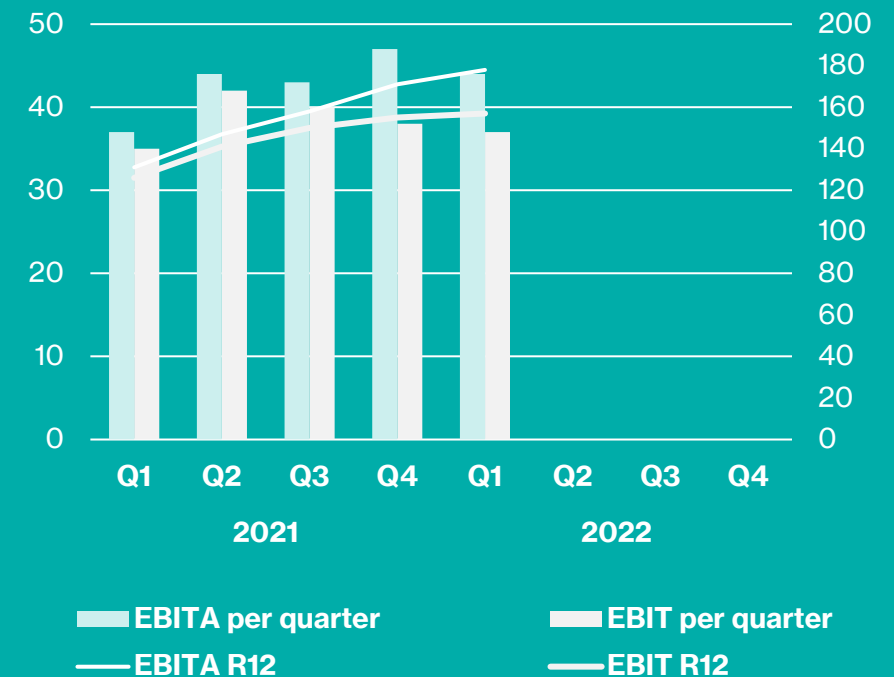
- Earnings growth due to:
 - Organic sales growth
 - Cost control
 - Well-managed price increases from suppliers
- Operating profit included expenses affecting comparability of SEK -4 million (-) related to the listing
- Profit after tax SEK 28 m (27)
- Earnings per share SEK 0.55 (0.55)

MSEK	Q1			R12 until Mar		
	2022	2021	Δ	2022	2021	Δ
Revenue	399	350	14%	1,540	1,187	30%
Operating profit	37	35	6%	157	126	25%
EBITA	44	37	19%	178	131	36%
Operating margin	9.3%	10.0%		10.2%	10.6%	
EBITA margin	11.0%	10.6%		11.6%	11.0%	

EBITA

+19%

EBITA and operating profit, SEK m



Components business area

Momentum Industrial

- Strong demand and sales development in all product areas – specially at the end of the quarter
- Increased demand mainly from the steel and other machine manufacturing customer segments

Öbergs, Etab and JNF

- Overall positive development
- Increased customer activity in system sales and projects
- Delivery delays and material shortages – certain orders delayed

MSEK	Q1			R12 until Mar		
	2022	2021	Δ	2022	2021	Δ
Revenue	322	299	8%	1,232	1,095	13%
EBITA	42	39	8%	174	149	17%
EBITA margin	13.0%	13.0%		14.1%	13.6%	
Return on working capital (EBITA/WC)				75%	65%	

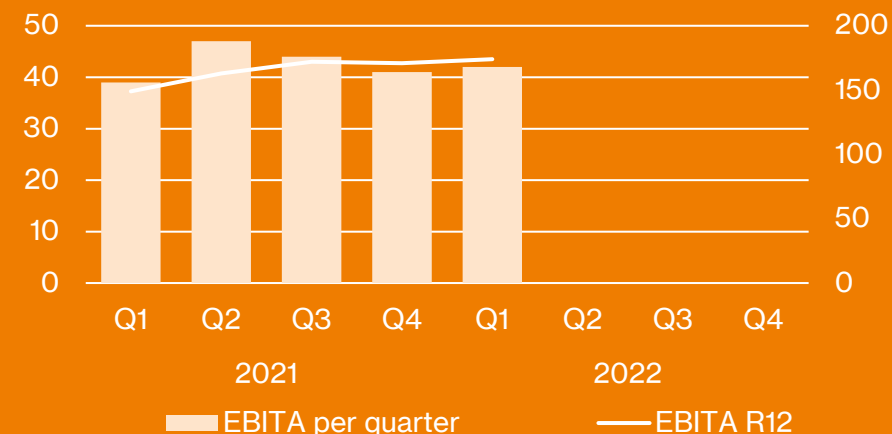
Revenue Q1 2022

+8%

Revenue R12



EBITA, SEK m



Services business area

- Positive development in both sales and earnings
- Strong contribution from Rörick
- Good level of incoming orders
- Some impact from Covid-19-related sickness absence, mainly in the beginning of the quarter

MSEK	Q1			R12 until Mar		
	2022	2021	Δ	2022	2021	Δ
Revenue	82	54	52%	323	102	217%
EBITA	7	4	75%	28	10	180%
EBITA margin	8.5%	7.4%		8.7%	9.8%	
Return on working capital (EBITA/WC)				47%	59%	

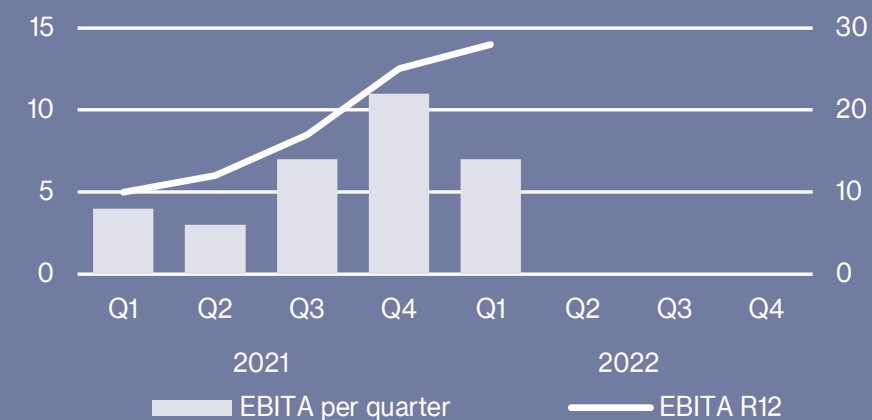
Revenue Q1 2022

+52%

Revenue R12



EBITA, SEK m



Profitability, cash flow and financial position

- EBITA/WC increased to 62% (53)
- Cash flow from operating activities for the reporting period amounted to SEK 8 million (36)
- Operational net loan receivable SEK 57 m (vs SEK 61 m at the beginning of the year)

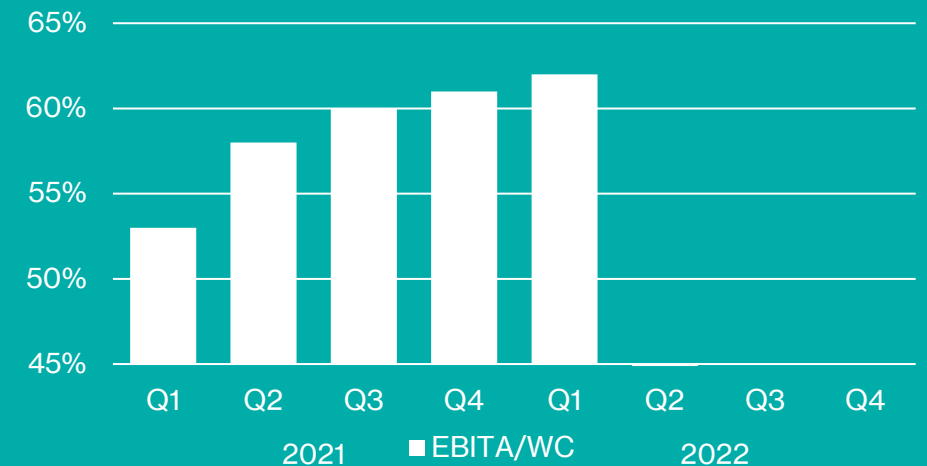
Equity/assets ratio

50%

Available cash and cash equivalents,
SEK million

1,066

EBITA/WC (R12 per quarter)



A man wearing a blue hard hat, safety glasses, and large earplugs is walking towards the camera in a narrow aisle between large industrial machines. He is wearing a dark grey long-sleeved shirt and dark trousers, and is carrying a yellow and black toolbox in his left hand. The machines on either side are dark grey with blue flanges and bolts. The text "Atlas Copco" is visible on the side of the machines. The background shows more industrial equipment and a blue pipe.

**Focus in the short to
medium term**

Our desired position

Components business area

Aftermarket sales

Focus/ambition

Company in the sale of industrial components, services and solutions for repair and maintenance, with expertise in industrial improvements.

Revenue: SEK 1,080 million
EBITA: SEK 160 million



Specialist (product verticals)

Focus/ambition

Companies with leading specialist positions in their respective market niches.

Revenue: SEK 130 million
EBITA: SEK 10 million



Services business area

Technical service

Focus/ambition

Technical industrial services company in Sweden with a competitive offer for digitalised maintenance.

Revenue: SEK 300 million
EBITA: SEK 25 million



A niche compounder with organic and acquired growth.

Our decentralised business model is key to the success and continued development of the business within each company.



Critical success factors in place for continued acquisition-driven growth

1

Financially strong with room for acquisitions

2

Principal owners who want to grow the group in this area

3

Industrial network mainly in Sweden, but also in Denmark, Norway and Finland

4

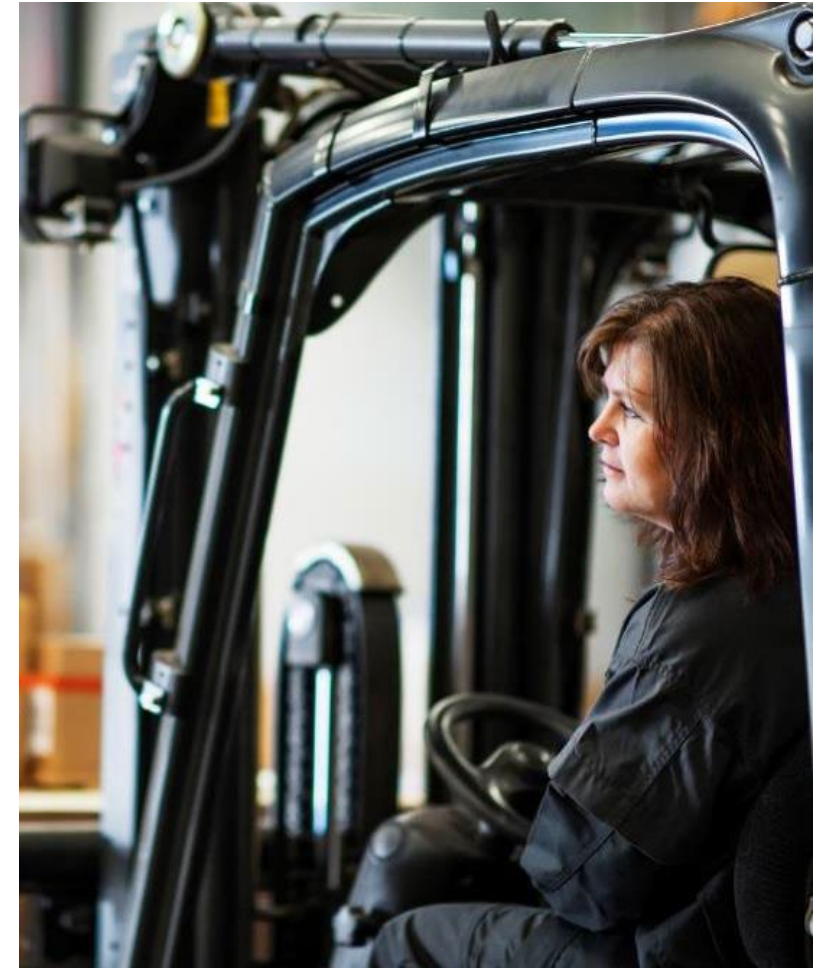
Processes and resources in place to evaluate and implement acquisitions

5

Proven onboarding model – decentralised performance and business responsibility

6

Competence in the field at several levels – board and management



Contact us

Please email us at ir@momentum.group
if you have any questions.



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