

Interim report Q1 2023

27 April 2023

Q1 23

Presenting today



Ulf Lilius
President and CEO



Niklas Enmark
CFO



Agenda

- Q1 highlights
- Development during the quarter
- Growth strategy
- Q&A



Q1 highlights

A strong quarter to start the financial year

Revenue:

+26%

- Continued high customer activity.
- Strong demand.
- Positive contribution from acquisitions.
- Growth of 10% for comparable units.

EBITA:

+36%

- Organic growth.
- Cost control.
- Improved margins.
- Contribution from acquisitions.

EBITA/WC:

+62%

- Profitability remains high.
- Focus on keeping low and stable working capital within all operations.
- Strong cash flow.

Acquisitions in Q1:

HYDMOS Industriteknik AB
Hydraulik och elektronik i system

Agera
INDUSTRIELLBEHÖR AB

LoTech
kunskap som håller tätt

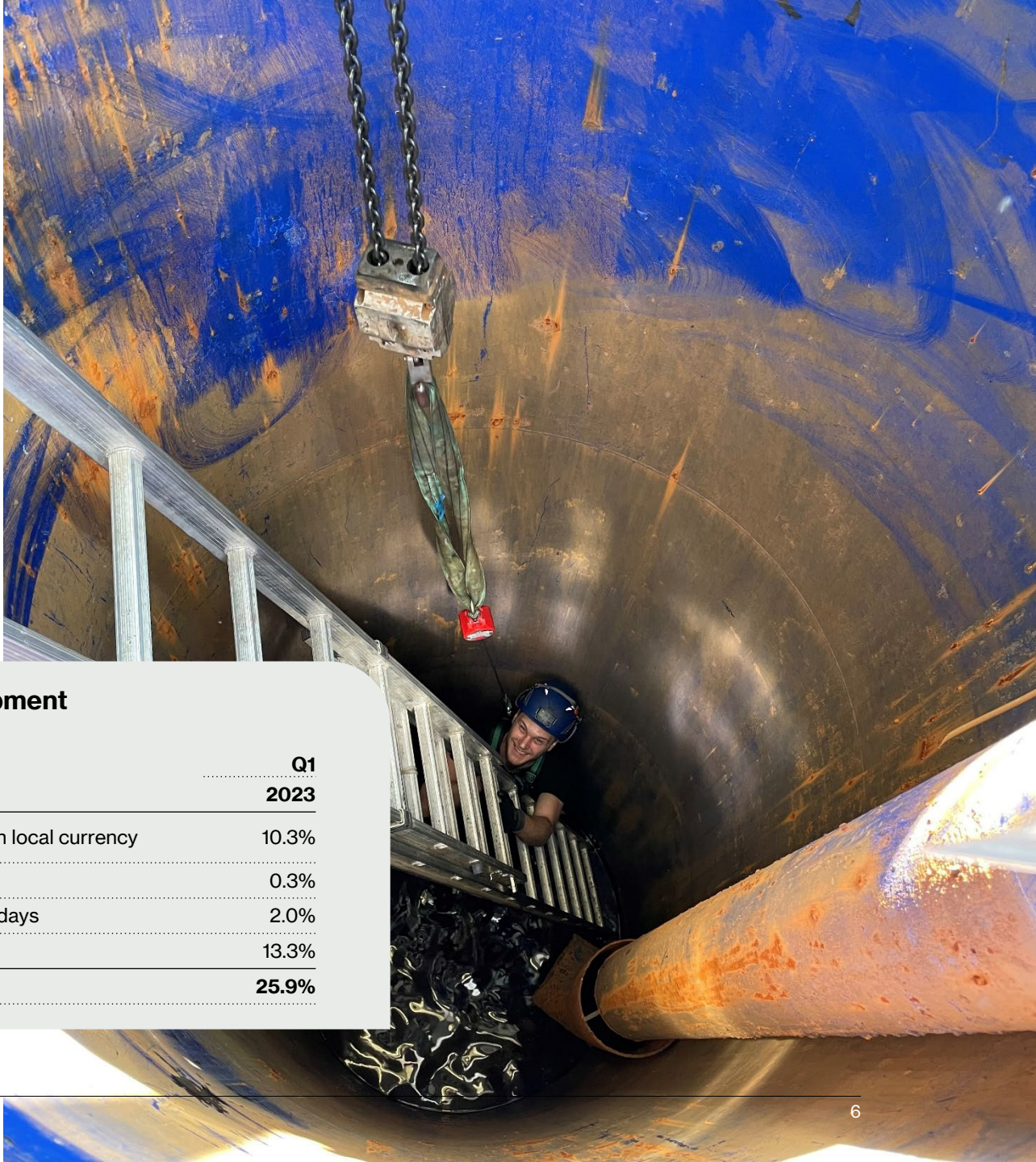


Q1 2023

Development during the quarter

Group: Sales Q1 2023

- Revenue increased by 26% to SEK 502 m (399).
- Growth in comparable units of 10%.
- Continued high customer activity.
- Global component shortage stabilizing but still long lead times for some product groups.
- Proactive work to secure delivery capacity to meet demand and compensate for cost increases.
- Positive contribution from acquisitions adding 13% to revenue growth.
- One more trading day vs last year.



Revenue growth
in comparable units vs Q1 2022

+10%



Sales development

	Q1 2023
Comparable units in local currency	10.3%
Currency effects	0.3%
Number of trading days	2.0%
Acquisitions	13.3%
Total change	25.9%

Group: Earnings Q1 2023

- Earnings growth due to:
 - Revenue growth, organic and acquisitions.
 - Cost control and well-managed price/cost increases.
- Operating profit rose by 49% to SEK 55 m (37)
 - depreciation of right-of-use assets and tangible non-current assets of SEK –14 m (–12).
- EBITA increased by 36% to SEK 60 m (44).
 - EBITA margin 12.0% (11.0).
- Profit after tax SEK 42 m (28).
- Earnings per share SEK 0.85 (0.55).



EBITA growth

vs Q1 2022

+36%

Earnings, SEK m



MSEK

	Q1		
	2023	2022	Δ
Revenue	502	399	26%
of which: Components	410	322	27%
of which: Services	97	82	18%
of which: Group-wide and eliminations	-5	-5	
Operating profit	55	37	49%
EBITA	60	44	36%
of which: Components	56	42	33%
of which: Services	10	7	43%
of which: Group-wide and eliminations	-6	-5	
Operating margin	11.0%	9.3%	
EBITA margin	12.0%	11.0%	

Group: Rolling 12 months

- Revenue increased by 20% to SEK 1,842 m (1,540).
- Operating profit rose by 29% to SEK 203 m (157).
- EBITA increased by 24% to SEK 220 m (178).
- EBITA margin of 11.9% (11.6%).
- Profit after tax SEK 154 m (118).
- Earnings per share SEK 3.00 (2.30).



Revenue growth

vs R12 Mar 2022

+20%

EBITA growth

vs R12 Mar 2022

+24%

MSEK

	R12 Mar		
	2023	2022	Δ
Revenue	1,842	1,540	20%
of which: Components	1,483	1,232	20%
of which: Services	378	323	17%
of which: Group-wide and eliminations	-19	-15	
Operating profit	203	157	29%
EBITA	220	178	24%
of which: Components	201	174	16%
of which: Services	43	28	54%
of which: Group-wide and eliminations	-24	-24	
Operating margin	11.0%	10.2%	
EBITA margin	11.9%	11.6%	

Components business area

Momentum Industrial

- Increased sales in all product segments and all major customer segments
- Business system upgrade proceeded according to plan and was successfully launched in March.
- Acquisition of LocTech completed in Q1.

Specialist

- Good demand and growth in both sales and earnings.
- Continued impact from supply disruptions, mainly affecting completion of projects.
- Improved demand for HNC Group, which in combination with implemented cost reductions, increased their result.
- Acquisitions of Hydmos and Agera completed in Q1.

Revenue growth

in comparable units vs Q1 2022

+11%

EBITA, SEK m



Revenue R12



- Sale of goods 92%
- Service assignments 8%

Key figures

MSEK	Q1			R12 Mar		
	2023	2022	Δ	2023	2022	Δ
Revenue	410	322	27%	1,483	1,232	20%
EBITA	56	42	33%	201	174	16%
EBITA margin	13.7%	13.0%		13.6%	14.1%	
Return on working capital (EBITA/WC)				69%	75%	



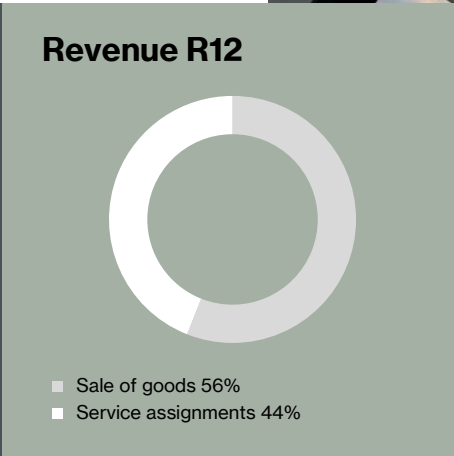
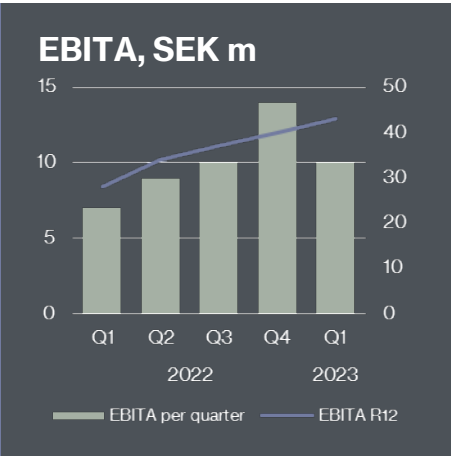
Services business area

- Stable growth in both sales and earnings for most of the operations.
- Q1 seasonally slightly weaker for incoming work.
- Rörick showed high-capacity utilization whereas the activity level in Mekano gradually picked up during the quarter.
- High share of component sales contributed to the positive profit development.



Revenue growth
in comparable units vs Q1 2022

+9%



Key figures

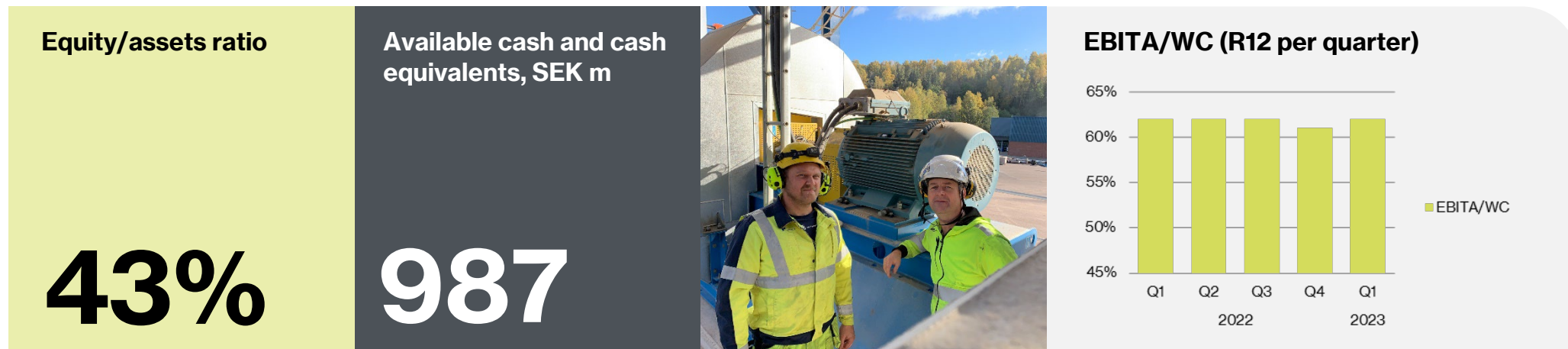
MSEK	Q1			R12 Mar		
	2023	2022	Δ	2023	2022	Δ
Revenue	97	82	18%	378	323	17%
EBITA	10	7	43%	43	28	54%
EBITA margin	10.3%	8.5%		11.4%	8.7%	
Return on working capital (EBITA/WC)				66%	47%	



Profitability, cash flow and financial position

- EBITA/WC was 62% (62).
- Return on equity 31% (28).
- Improved cash flow from operating activities for the reporting period of SEK 58 m (8)
 - Paid tax of SEK –14 m (–38).
- Cash flow from investing activities SEK –18 m (0), including acquisitions of SEK –17 m (–).
- Cash flow from financing activities SEK –20 m (–12), net change in interest-bearing liabilities.
- IFRS effects on cash flow¹ SEK 14 m (12).
- Operational net loan liability of SEK 22 m (48 at the beginning of the year), change mainly from cash flow from operating activities and acquisitions.

¹Positive effect on cash flow from operating activities, negative effect on financing activities. Net is zero. For previous periods, see appendix.



**Continued growth through
development and acquisition
of sustainable businesses**

Completed acquisitions during Q1



Hydmos

Hydmos has a leading niche position within high pressure fluid solutions for gases and liquids.

Acquired holding: **70%**
Closing: **February 2023**
Annual revenue: **SEK 17 million**
No of employees: **4**



Agera

Agera is a supplier-independent reseller of components and services to industrial customers.

Acquired holding: **100%**
Closing: **February 2023**
Annual revenue: **SEK 15 million**
No of employees: **5**



LocTech

LocTech is a comprehensive supplier of seals for rotating and static applications.

Acquired holding: **100%**
Closing: **March 2023**
Annual revenue: **SEK 13 million**
No. of employees: **6**



Contact us

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



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Appendix

IFRS effects on cash flow

MSEK	Reporting period		R12	
	Q1 2023	Q1 2022	Mar 2023	FY 2022
IFRS effects on cash flow from operations	14	12	52	50
IFRS effects on cash flow from financing activities	-14	-12	-52	-50
Net	0	0	0	0



Largest shareholders

Shareholder	A shares	B shares	Capital	Votes
Nordstjernan	213	27,776,641	55.02%	50.00%
Tom Hedelius	513,124		1.02%	9.24%
Ampfield Management		3,337,284	6.61%	6.01%
Enter Fonder		1,816,667	3.60%	3.27%
Carnegie Fonder		1,793,962	3.55%	3.23%
Momentum Group AB ¹		1,259,624	2.50%	2.27%
Handelsbanken Fonder		1,109,445	2.20%	2.00%
Lannebo Fonder		854,372	1.69%	1.54%
Sandrew AB		800,000	1.58%	1.44%
Foord Asset Management Limited		746,190	1.48%	1.34%
Dimensional Fund Advisors		675,904	1.34%	1.22%
Fidelity Investments (FMR)		612,700	1.21%	1.10%
Ulf Lilius	2,688	333,826	0.67%	0.65%
La Financière de l'Echiquier		341,088	0.68%	0.61%
Adrigo Asset Management		272,051	0.54%	0.49%
FE Fonder		262,835	0.52%	0.47%
Christina Mörner	10,000	156,647	0.33%	0.46%
SEB Fonder		254,265	0.50%	0.46%
Total largest shareholders	526,025	42,403,501	85.04%	85.79%
Other	38,048	7,513,315	14.96%	14.21%
Total	564,073	49,916,816	100.00%	100.00%

¹Treasury shares

Source: Monitor. Data as of 31 March 2023



Dates for upcoming financial information

Financial reports

14 July 2023

Interim Report for the second quarter of 2023

27 October 2023

Interim Report for the third quarter of 2023

15 February 2024

Year-end report 2023

Annual General Meeting

9 May 2023 at 16:00 CET

