

Q2 24

Momentum Group
Interim Report
January–June 2024

Presenting today



Ulf Lilius
President and CEO



Niklas Enmark
CFO



Agenda

- Q2 highlights
- Development during the quarter
- Going forward



Q2 highlights

Stable performance with strong contribution from acquisitions

Revenue:

+41%

- Continued sales growth with 1% organic growth.
- Strong contribution from acquisitions.
- Business climate overall stable, but lower activity in certain customer and product segments.

EBITA:

+35%

- Strong contribution from acquisitions.
- Operations successfully managed to match a slightly lower organic growth rate with correspondingly lower cost increases for a stable result.

EBITA/WC:

59%

- High level of profitability.
- Continued strong cash flow.

Acquisitions in Q2:



Hydjan

WH-Service AB

SIKAMA



MINROX



Development during the quarter

Group: Sales Q2 2024

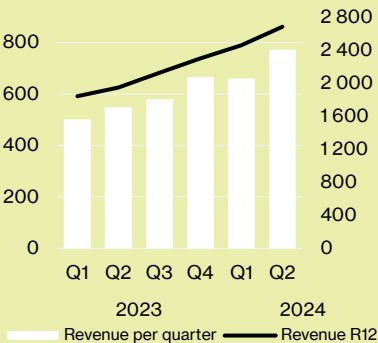
- Revenue increased by 41% to SEK 773 m (549).
- Growth in comparable units of 1%.
- Contribution from acquisitions of SEK 208 m, adding 38% to growth.
- The business climate overall stable.
- Lower level of activity in certain product and customer segments – compensated by more positive development in other sectors.
- Generally good delivery capacity.
- More moderate increase in purchase prices and costs.
- One more trading day vs last year.

Revenue growth
in comparable units vs Q2 2023

+1%



Revenue, SEK million



Sales performance

%	Q2 2024	Jan-Jun 2024
Comparable units in local currency	0.6%	2.9%
Currency effects	0.0%	0.0%
Number of trading days	2.4%	0.1%
Acquisitions	37.9%	33.5%
Total change	40.9%	36.5%



Group: Earnings Q2 2024

- Earnings growth mainly due to strong contribution from acquisitions.
- Operations successfully managed to match a somewhat lower organic growth rate with correspondingly lower cost increases for a stable result.
- Operating profit rose by 31% to SEK 77 m (59).
 - Increase in amortisation due to acquisitions.
- EBITA increased by 35% to SEK 88 m (65).
 - EBITA margin 11.4% (11.8).
- Net profit SEK 54 m (43).
 - Increase in financial costs due to acquisitions and higher interest expenses.
- Earnings per share SEK 1.05 (0.90).

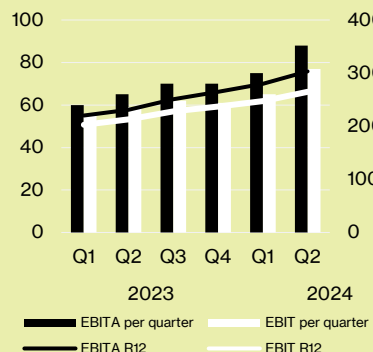
EBITA growth

vs Q2 2023

+35%



Earnings, SEK m



	Q2		
	2024	2023	Δ
Revenue	773	549	41%
Operating profit	77	59	31%
of which: Amortisation of intangible assets in connection with acquisitions	-11	-6	
EBITA	88	65	35%
Net profit	54	43	26%
Earnings per share before and after dilution, SEK	1.05	0.90	17%
Operating margin	10.0%	10.7%	
EBITA margin	11.4%	11.8%	



Group: 1 Jan–30 Jun 2024

- Revenue increased by 36% to SEK 1,434 m (1,051).
 - Growth in comparable units of 3%.
- Operating profit rose by 25% to SEK 142 m (114).
- EBITA increased by 30% to SEK 163 m (125).
- EBITA margin of 11.4% (11.9).
- Net profit SEK 97 m (85).
- Earnings per share SEK 1.90 (1.75).

Revenue growth

in comparable units vs
Jan-Jun 2023

+3%

EBITA growth

vs Jan-Jun 2023

+30%



	Jan-Jun		
	2024	2023	Δ
Revenue	1,434	1,051	36%
Operating profit	142	114	25%
of which: Amortisation of intangible assets in connection with acquisitions	-21	-11	
EBITA	163	125	30%
Net profit	97	85	14%
Earnings per share before and after dilution, SEK	1.90	1.75	9%
Operating margin	9.9%	10.8%	
EBITA margin	11.4%	11.9%	



Industry business area

Power Transmission

- Positive sales trend with volume growth mainly in the automotive customer segment and defence-related industries.
- Continued weaker demand in the pulp and paper segment.
- Lower sales to metal and mining vs last year.

Specialist

- Stable development in both sales and earnings.
- Acquired businesses contributed SEK 25 m to revenue.
- Generally stable demand in Sweden, but weaker demand in Denmark.
- Hydjan was acquired in Q2.

Revenue growth

in comparable units vs Q2 2023

0%

EBITA, SEK m



Revenue R12



Key figures

MSEK	Q2			Jan-Jun		
	2024	2023	Δ	2024	2023	Δ
Revenue	446	414	8%	887	810	10%
EBITA	61	59	3%	120	112	7%
EBITA margin	13.7%	14.3%		13.5%	13.8%	
Return on working capital (EBITA/WC)				69%	68%	

¹ R12 until 30 June 2024.



Infrastructure business area

Flow Technology

- Generally positive development.
- Favourable demand in Sweden, but slightly weaker demand in Denmark and Finland.
- Acquired businesses contributed with revenue of SEK 144 m.
- Sikama and Minrox were acquired in Q2.

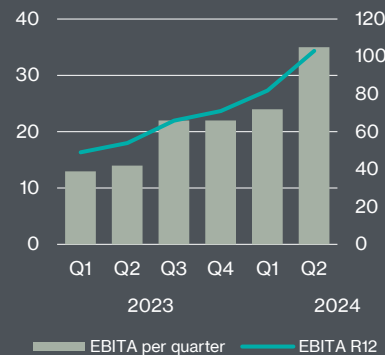
Technical Solutions

- Overall positive sales development with stable earnings.
- Rörick's major workshops in Köping and Örebro showed good utilisation and growth in both sales and earnings.
- Continued positive demand for the measurement technology and control operations.
- KMK Instrument, WH-Service and ZRS Testing Systems were acquired in Q2.

Revenue growth in comparable units vs Q2 2023

+4%

EBITA, SEK m



Revenue R12



Key figures

MSEK	Q2			Jan-Jun		
	2024	2023	Δ	2024	2023	Δ
Revenue	332	138	141%	556	249	123%
EBITA	35	14	150%	59	27	119%
EBITA margin	10.5%	10.1%		10.6%	10.8%	
Return on working capital (EBITA/WC)				58%	65%	

¹ R12 until 30 June 2024.



Profitability, cash flow and financial position

- EBITA/WC 59% (60).
- Return on equity 29% (32).
- Cash flow from operating activities for the reporting period of SEK 133 m (112)
 - IFRS effects on cash flow¹ SEK 39 m (31).
- Cash flow from investing activities SEK –108 m (–289)
 - of which acquisitions –90 m (–284).
- Cash flow from financing activities SEK 12 m (196)
 - refers to change in interest-bearing liabilities and paid dividend.
- Operational net loan liability of SEK 381 m (326 at the beginning of the year)
 - change mainly from cash flow from operating activities, acquisitions and paid dividend.

¹ Positive effect on cash flow from operating activities, negative effect on financing activities.
Net is zero.

Equity/assets ratio

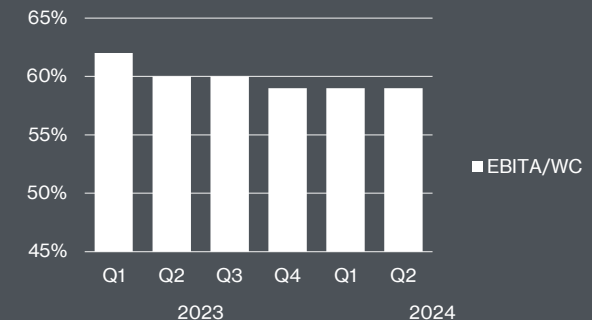
30%

Available cash and cash equivalents, SEK m

731



EBITA/WC (R12 per quarter)







Q2
24

Going forward

Develops and acquires successful sustainable companies in the Nordic region

- Leading listed group offering sustainable products, services and solutions for customers in industry and industrial infrastructure.
- An active owner that focuses on developing and acquiring companies in the product and service verticals where we have knowledge, expertise and experience.
- Origin in Bergman & Beving, which has built a number of successful businesses for over 100 years.

Revenue (MSEK) ¹	EBITA growth ¹	Profitability EBITA/WC ¹	Employees ²
2,681	31%	59%	807
¹ R12 until 30 June 2024. ² 30 June 2024.			

Industry Business area		Infrastructure Business area	
Power Transmission	Specialist	Flow Technology	Technical Solutions
<p>Services and solutions for repair and maintenance with a focus on industrial improvements for the aftermarket in the Nordics.</p> <p>Revenue: SEK 1,290 million¹</p> 	<p>Leading specialists in selected product verticals such as hydraulics, pneumatics and automation.</p> <p>Revenue: SEK 410 million¹</p> 	<p>Focus on critical functions for processes and to society where media such as steam, gas and water play a key role.</p> <p>Revenue: SEK 580 million¹</p> 	<p>Products and services that control and enhance the efficiency of plant operation, while also extending the service life and improving the efficiency of machinery.</p> <p>Revenue: SEK 420 million¹</p> 

¹ Revenue refers to net sales R12 until 30 June 2024.



Acquisitions in Q2

KmK Instrument

Specialist in measurement technology, non-destructive testing and material testing for Swedish industry.

Acquired holding: **70%**
Closing: **April 2024**
Annual revenue: **SEK 70 m**
No. of employees: **16**



Hydjan

Specialist in hydraulics and pneumatics in Finland.

Acquired holding: **100%**
Closing: **May 2024**
Annual revenue: **EUR 1.2 m**
No. of employees: **6**



WH-Service

Comprehensive supplier of rotating equipment primarily for the energy production sector in northern Sweden.

Acquired holding: **70%**
Closing: **May 2024**
Annual revenue: **SEK 35 m**
No. of employees: **11**



Sikama

Specialist in gas and fluid handling for industrial customers in Sweden.

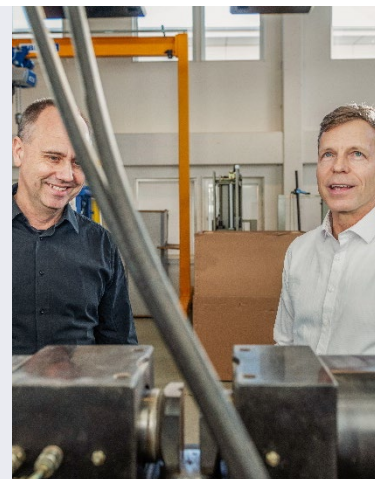
Acquired holding: **60%**
Closing: **May 2024**
Annual revenue: **SEK 55 m**
No. of employees: **20**



ZRS Testing Systems

Specialist in material testing and calibration for industrial customers in Sweden and Norway.

Acquired holding: **100%**
Closing: **May 2024**
Annual revenue: **SEK 32 m**
No. of employees: **8**



Minrox

Comprehensive supplier of rotating equipment primarily for the energy production sector in northern Sweden.

Acquired holding: **100%**
Closing: **June 2024**
Annual revenue: **SEK 34 m**
No. of employees: **2**



Contact us

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



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