

# INTERIM REPORT – 6 MONTHS

1 January-30 June 2021

## SECOND QUARTER (1 April-30 June 2021)

- Revenue increased by 12 percent to MSEK 2,560 (2,288).
- EBITA increased by 38 percent to MSEK 214 (155), corresponding to an EBITA margin of 8.4 percent (6.8).
- Operating profit amounted to MSEK 194 (134) and the operating margin to 7.6 percent (5.9).
- Net profit for the quarter increased by 54 percent to MSEK 145 (94) and earnings per share to SEK 2.85 (1.85).
- Demand and the earnings trend in both of the Group's business areas continued to recover during the quarter compared both with the preceding quarter and with the preceding year, which was characterised by uncertainty and the measures taken by companies and societies at large in the wake of the COVID-19 pandemic.
- The integration between Swedol and TOOLS continues according to plan and with an undiminished focus within the Group's business area Alligo.
- A new organisational structure was established in the business area Components & Services during the quarter in order to support the continued operational and acquisition driven focus.
- In the beginning of April, the Board of Directors decided to assign Group management the task of investigating the conditions for splitting the Group into two separate listed companies. The aim is to create increased shareholder value through increased focus. The Board intends to present further information on the results of the investigation during the financial year.
- Momentum Group's Annual General Meeting was held on 11 May 2021 and the dividend was set at SEK 1.50 per share (-).

## REPORTING PERIOD (1 January-30 June 2021)

- Revenue amounted to MSEK 4,885 (3,827), with the change from the preceding year partly attributable to the acquisition of Swedol, which closed in April 2020.  
Compared with revenue for the corresponding period in the preceding year *including* Swedol for the entire reporting period (MSEK 4,656), revenue increased by 5 percent.\*
- EBITA amounted MSEK 339 (246), corresponding to an EBITA margin of 6.9 percent (6.4). The change compared with the preceding year is partly attributable to the acquisition of Swedol.  
Compared with EBITA for the corresponding period in the preceding year *including* Swedol (MSEK 289), EBITA increased by 17 percent and the EBITA margin amounted to 6.9 percent (6.2).\*
- Net profit for the period amounted to MSEK 222 (148) and earnings per share totalled SEK 4.40 (3.80).
- The return on working capital (EBITA/WC) for the most recent 12-month period (*including* Swedol) was 33 percent.\*
- The equity/assets ratio was 39 percent at the end of the period.
- Cash flow from operating activities amounted to MSEK 486 (482).
- The business area Components & Services completed four corporate acquisitions during the period generating total annual revenue of approximately MSEK 285. The business area Alligo completed one corporate acquisition in Finland generating total annual revenue of approximately MEUR 5.

### \* ACQUISITION OF SWEDOL CLOSED AS OF 1 APRIL 2020

Momentum Group's acquisition of Swedol was completed during spring 2020 and closed on 1 April 2020. Any instances where the comparative figures in this report include Swedol for the period prior to the closing date on 1 April 2020 are specifically noted. The bases for the financial history *including Swedol* are presented in a separate press release dated 24 June 2020 – *Supplementary financial information relating to the 2019/20 financial year for the Momentum Group.*

## PRESIDENT'S STATEMENT

### POSITIVE PERFORMANCE CONTINUES FOR THE GROUP'S OPERATIONS

Most of the Group's operations delivered a positive sales and earnings performance during the second quarter after a more hesitant start to the financial year. EBITA for the entire Group increased by 38 percent during the quarter. Many of the Group's customers have also indicated that they are optimistic about the outlook for the rest of the year, which hopefully indicates continued increases in volumes going forward. At the same time, the efficiency measures we have taken, and are continuing to take as needed, have a positive contribution to our earnings performance and we are continuing to generate strong cash flows. This provides us with favourable conditions for continued profitable growth.

The integration between TOOLS and Swedol in the **business area Alligo** continues with an undiminished focus, with the aim of achieving our goals in terms of synergies and economies of scale over time. The establishment of a joint product range with new purchasing agreements and the introduction of proprietary product brands in additional businesses within the business area, along with the coordination of stores, are proceeding according to plan.

In the **business area Components & Services**, we are continuing our efforts to achieve acquisition-driven growth (while maintaining profitability) and the four acquisitions we completed during the first quarter are now integrated in the business area and contribute to sales and earnings performance. We are already seeing interesting collaboration opportunities between these newly acquired companies and our existing operations. During the quarter, a new organisational structure was implemented to strengthen our focus on growth, both organic and through acquisitions.

### PRIORITIES FOR THE FUTURE

Despite the positive signals from our customers and suppliers, uncertainty continues in our operating environment and in the Group's markets. We are seeing this in the form of the effect on demand, prices and supply chains. There is currently a surplus demand for certain product areas which, in combination with a shortage of materials and disruptions to the global logistics chain, leads to a significant increase in prices within a number of areas and for raw materials and transportation. Our decentralised profit responsibility, proximity to customers and ability to quickly adapt to changes in our operating environment remain the key to our success.

The Group's priorities for the coming quarter include securing our own ability to deliver products to our customers through proactive procurement and analyses. We continue to take appropriate measures in our operations, focus on the coordination project and realising synergies within the business area Alligo and to increase sales to new and existing customers in our daily work. In the business area Components & Services, we are also focusing on establishing contacts with and visiting potential acquisition candidates.

In addition to these priorities, as previously announced, the Board has assigned Group management the task of investigating the possibility of splitting the Group into two separate listed companies. The purpose is to strengthen each business area's conditions for achieving its ambitions in the best possible way and thereby creating increased shareholder value. The Board intends to present further information on the results of the investigation during the financial year.

Stockholm, July 2021

**Ulf Lilius**  
President & CEO

## MOMENTUM GROUP IN SUMMARY

|   | 3 MONTHS ENDING |                |            | 6 MONTHS ENDING |                |            | 12 MONTHS ENDING |                |            |
|---|-----------------|----------------|------------|-----------------|----------------|------------|------------------|----------------|------------|
|   | 30 JUN<br>2021  | 30 JUN<br>2020 | Δ          | 30 JUN<br>2021  | 30 JUN<br>2020 | Δ          | 30 JUN<br>2021   | 30 JUN<br>2020 | Δ          |
| Revenue, MSEK   | 2,560           | 2,288          | 12%        | 4,885           | 3,827          | 28%        | 9,443            | 6,847          | 38%        |
| <i>Revenue including Swedol 2019/20<sup>1</sup></i>   | <i>2,560</i>    | <i>2,288</i>   | <i>12%</i> | <i>4,885</i>    | <i>4,656</i>   | <i>5%</i>  | <i>9,443</i>     | <i>9,569</i>   | <i>-1%</i> |
| Operating profit, MSEK  | 194             | 134            | 45%        | 302             | 214            | 41%        | 501              | 367            | 37%        |
| <i>of which: Items affecting comparability</i>  | <i>-2</i>       | <i>-4</i>      |            | <i>-2</i>       | <i>-9</i>      |            | <i>-99</i>       | <i>-18</i>     |            |
| <i>of which: Amortisation of intangible assets incurred in connection with corporate acquisitions</i> | <i>-18</i>      | <i>-17</i>     |            | <i>-35</i>      | <i>-23</i>     |            | <i>-68</i>       | <i>-33</i>     |            |
| EBITA, MSEK   | 214             | 155            | 38%        | 339             | 246            | 38%        | 668              | 418            | 60%        |
| <i>EBITA including Swedol 2019/20<sup>1</sup></i>   | <i>214</i>      | <i>155</i>     | <i>38%</i> | <i>339</i>      | <i>289</i>     | <i>17%</i> | <i>668</i>       | <i>668</i>     | <i>0%</i>  |
| Profit after financial items, MSEK  | 182             | 120            | 52%        | 280             | 194            | 44%        | 454              | 337            | 35%        |
| Net profit (after taxes), MSEK  | 145             | 94             | 54%        | 222             | 148            | 50%        | 357              | 260            | 37%        |
| Earnings per share, SEK   | 2.85            | 1.85           | 54%        | 4.40            | 3.80           | 16%        | 7.10             | 7.75           | -8%        |
| Operating margin  | 7.6%            | 5.9%           |            | 6.2%            | 5.6%           |            | 5.3%             | 5.4%           |            |
| EBITA margin  | 8.4%            | 6.8%           |            | 6.9%            | 6.4%           |            | 7.1%             | 6.1%           |            |
| <i>EBITA margin including Swedol 2019/20<sup>1</sup></i>  | <i>8.4%</i>     | <i>6.8%</i>    |            | <i>6.9%</i>     | <i>6.2%</i>    |            | <i>7.1%</i>      | <i>7.0%</i>    |            |
| Profit margin   | 7.1%            | 5.2%           |            | 5.7%            | 5.1%           |            | 4.8%             | 4.9%           |            |
| Return on equity  |                 |                |            |                 |                |            | 12%              | 15%            |            |
| Return on working capital (EBITA/WC)  |                 |                |            |                 |                |            | 33%              | 29%            |            |
| <i>EBITA/WC including Swedol 2019/20<sup>1</sup></i>  |                 |                |            |                 |                |            | 33%              | 29%            |            |
| Equity per share, SEK   |                 |                |            |                 |                |            | 63.50            | 58.20          | 9%         |
| Equity/assets ratio   |                 |                |            | 39%             | 38%            |            | 39%              | 38%            |            |
| Number of employees at the end of the period  |                 |                |            | 2,779           | 2,370          | 17%        | 2,779            | 2,370          | 17%        |

1) Calculated as though the acquisition of Swedol had closed on 1 April 2019.

## REVENUE AND PROFIT

### SECOND QUARTER (1 April-30 June 2021)

Revenue increased by 12 percent to MSEK 2,560 (2,288). Revenue for comparable units, measured in local currency and adjusted for the number of trading days, rose by approximately 6 percent compared with the corresponding quarter in the preceding year. Exchange-rate translation effects had an impact of MSEK +22 on revenue for comparable units. The quarter included one more trading day than the corresponding quarter in the preceding year.

Operating profit increased by 45 percent to MSEK 194 (134). EBITA (operating profit excluding items affecting comparability and amortisation of intangible assets incurred in connection with corporate acquisitions) increased by 38 percent to MSEK 214 (155), equivalent to an EBITA margin of 8.4 percent (6.8). Exchange-rate translation effects had a net impact of MSEK +1 (0) on operating profit.

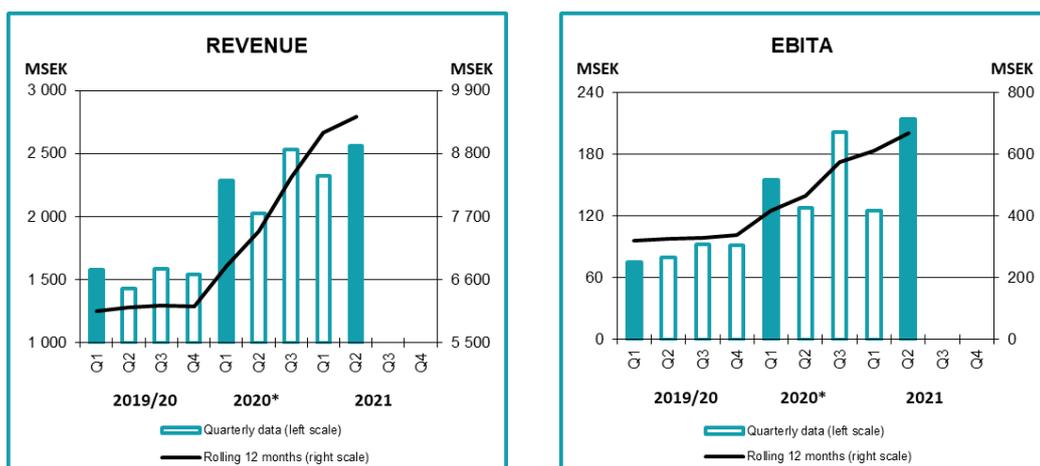
Profit after financial items totalled MSEK 182 (120) and net profit amounted to MSEK 145 (94), which corresponds to earnings per share of SEK 2.85 (1.85) for the quarter.

### REPORTING PERIOD (1 January-30 June 2021)

Revenue amounted to MSEK 4,885 (3,827), with the change compared with the corresponding period in the preceding year partly attributable to the acquisition of Swedol, which closed in April 2020. Compared with revenue for the corresponding period in the preceding year *including Swedol* for the entire reporting period (MSEK 4,656), revenue increased by 5 percent. Revenue for comparable units (*including Swedol*), measured in local currency and adjusted for the number of trading days, increased by more than 3 percent compared with the corresponding period in the preceding year. Exchange-rate translation effects had an impact of MSEK -23 on revenue for comparable units (*including Swedol*). The reporting period contained the same number of trading days as the corresponding period in the preceding financial year.

Operating profit amounted to MSEK 302 (214), with the change compared with the corresponding period in the preceding year partly attributable to the acquisition of Swedol. EBITA (operating profit excluding items affecting comparability and amortisation of intangible assets incurred in connection with corporate acquisitions) amounted to MSEK 339 (246). Compared with EBITA for the corresponding period in the preceding year *including Swedol* for the entire reporting period (MSEK 289), EBITA increased by 17 percent, with an increase in the EBITA margin to 6.9 percent (6.2). Operating profit was charged with depreciation of MSEK -31 (-18) on tangible non-current assets and amortisation of MSEK -56 (-36) on intangible non-current assets. Exchange-rate translation effects had a net impact of MSEK 0 (-1) on operating profit.

Profit after financial items totalled MSEK 280 (194) and net profit amounted to MSEK 222 (148), which corresponds to earnings per share of SEK 4.40 (3.80) for the reporting period.



\* Since Momentum Group changed its financial year to the calendar year, the 2020 financial year covered the 1 April to 31 December 2020 period (9 months).

## OPERATIONS

The Momentum Group comprises two business areas – Alligo and Components & Services. Group-wide includes the Group’s management, finance function and support functions (including internal communications, investor relations and legal affairs).

### MARKET AND THE IMPACT OF THE COVID-19 PANDEMIC

Overall demand continued to recover during the second quarter of 2021 compared with the 2020 financial year, which was characterised by the uncertainty and the stringent measures taken by companies and societies at large due to the COVID-19 pandemic. The largest changes in demand during the quarter were attributable to large, export-oriented customers in the industrial sector, which were widely impacted by developments in the global markets. Demand from small and medium-sized customers remained stable. Performances also continued to vary between countries. A shortage of materials and resources in some of the Group’s product areas as well as transportation disruptions have had a certain dampening effect on sales. Accordingly, it is not currently possible to predict with any certainty how the pandemic and other market conditions will affect Momentum Group in the coming quarters of 2021. The current situation has not led to any changes in material bases of judgement compared with those applied in the Annual Report for 2020.

### Sales performance

|                                    | QUARTER<br>APR-JUN 2021 <sup>1</sup> | REPORTING PERIOD<br>JAN-JUN 2021 <sup>1</sup> |
|------------------------------------|--------------------------------------|---|
| <b>Change in revenue for:</b>      |                                      |   |
| Comparable units in local currency | 6.2%                                 | 3.4%  |
| Currency effects                   | 1.0%                                 | -0.5%   |
| Number of trading days             | 2.3%                                 | -0.2%   |
| Other units <sup>2</sup>           | 2.4%                                 | 2.2%  |
| <b>Total change</b>                | <b>11.9%</b>                         | <b>4.9%</b>                                   |

1) Swedol is included in “Comparable units” as though the acquisition had closed on 1 April 2019.

2) Other acquisitions in 2020-2021 (excluding Swedol).

## BUSINESS AREA ALLIGO

The business area comprises Swedol and TOOLS with Univern and Grolls, and Gigant, Mercus Yrkeskläder, TriffiQ Företagsprofilering, Reklamproffsen and Company Line, which offer products and services related to tools, consumables, workwear, personal protective equipment, workplace equipment as well as promotional products for the industrial, construction and public sectors in the Nordic region, among others.

### Comments from Clein Johansson Ullenvik, Business Area Manager:

The sales trend in Alligo was positive during the second quarter and we noted a certain degree of recovery. Overall, sales increased by approximately 4 percent, adjusted for the number of trading days and in local currency. However, the sales performance in the industrial segment remained challenging, and we are implementing numerous purposeful initiatives as part of our targeted, long-term efforts to reverse this trend.

During the quarter, we have launched and established our new values throughout the business area. We also continued work to define our strategic goals, which will be determined in early autumn. We will thus have a joint mission, vision, values and clear strategic goals in place to conduct operations more efficiently in the future.

Other aspects of the integration have proceeded according to plan. Work to develop a joint Nordic product range is finalised and the launch will begin in the autumn. To date, we have carried out 11 store integrations in Sweden and four in Norway. After integrating TOOLS in Finland into our joint IT platform during the first quarter, we have gone further and started an analysis to identify the preconditions for integrating TOOLS in Sweden and Norway, and to simplify the legal structure.

In the second quarter, we have carried out ISO 9001, 14001 and 45001 audits in Sweden and Norway with positive results.

**Note:** The business area is presented below as of 1 April 2020, with comparative figures as though the acquisition of Swedol and other changes in the business area's structure had taken place as of 1 April 2019. For information about the outcome for each business area (operating segment) for the preceding year *excluding* Swedol, refer to the table in Note 2.

|   | 3 MONTHS ENDING |                | 6 MONTHS ENDING |                | 12 MONTHS ENDING |                |
|---|-----------------|----------------|-----------------|----------------|------------------|----------------|
|   | 30 JUN<br>2021  | 30 JUN<br>2020 | 30 JUN<br>2021  | 30 JUN<br>2020 | 30 JUN<br>2021   | 30 JUN<br>2020 |
| <b>REVENUE, MSEK</b>                    |                 |                |                 |                |                  |                |
| Sweden                                  | 1,349           | 1,267          | 2,556           | 2,420          | 5,029            | 4,856          |
| Norway                                  | 547             | 482            | 1,094           | 1,088          | 2,159            | 2,363          |
| Finland                                 | 339             | 315            | 625             | 641            | 1,225            | 1,284          |
| Other countries                         | 9               | 7              | 15              | 13             | 33               | 29             |
| Eliminations                            | -72             | -59            | -136            | -98            | -269             | -146           |
| <b>Total BA</b>                         | <b>2,172</b>    | <b>2,012</b>   | <b>4,154</b>    | <b>4,064</b>   | <b>8,177</b>     | <b>8,386</b>   |
| <b>EBITA, MSEK</b>                      |                 |                |                 |                |                  |                |
| Sweden                                  | 131             | 94             | 204             | 154            | 400              | 372            |
| Norway                                  | 18              | 5              | 29              | 22             | 69               | 75             |
| Finland                                 | 18              | 23             | 19              | 38             | 40               | 72             |
| Other countries                         | 0               | 0              | 0               | -1             | 1                | -1             |
| <b>Total BA</b>                         | <b>167</b>      | <b>122</b>     | <b>252</b>      | <b>213</b>     | <b>510</b>       | <b>518</b>     |
| <b>EBITA MARGIN, %</b>                  |                 |                |                 |                |                  |                |
| Sweden                                  | 9.7%            | 7.4%           | 8.0%            | 6.4%           | 8.0%             | 7.7%           |
| Norway                                  | 3.3%            | 1.0%           | 2.7%            | 2.0%           | 3.2%             | 3.2%           |
| Finland                                 | 5.3%            | 7.3%           | 3.0%            | 5.9%           | 3.3%             | 5.6%           |
| Other countries                         | 0.0%            | 0.0%           | 0.0%            | -7.7%          | 3.0%             | -3.4%          |
| <b>Total BA</b>                         | <b>7.7%</b>     | <b>6.1%</b>    | <b>6.1%</b>     | <b>5.2%</b>    | <b>6.2%</b>      | <b>6.2%</b>    |
| <b>OTHER INFORMATION</b>                |                 |                |                 |                |                  |                |
| Return on working capital (EBITA/WC), % |                 |                |                 |                | <b>29%</b>       | 26%            |

Demand in the business area **Alligo** was stable during the second quarter of the financial year, and revenue for comparable units in the business area increased by a total of 4 percent<sup>1</sup> during the quarter, with the comparative period characterised by a great deal of uncertainty and more or less stringent measures taken by companies and societies at large due to the COVID-19 pandemic. The different countries in the business area therefore demonstrate certain variations in sales and earnings trends for comparable units during the quarter. While the integration, which includes the coordination of stores and new joint purchasing agreements, has had a positive impact during the quarter, other activities and measures are continuously being carried out to increase sales and margins and improve efficiency.

Revenue for the operations in **Sweden** increased by a total of approximately 3 percent<sup>2</sup> during the quarter compared with the previous year. Sales to small and medium-sized customers continued to perform particularly well. Several activities and measures are continuously being carried out to increase sales to larger industrial companies. The earnings trend was relatively strong during the quarter, and the integration had a positive impact in the form of synergies and cost-saving measures. The comparison with the corresponding quarter in the preceding year for the specialist companies in Workwear & Profile Materials is affected by a number of one-time transactions, primarily within personal protective equipment in 2020.

Revenue for the operations in **Norway** increased by approximately 4 percent<sup>2</sup> during the quarter. The pandemic and the stringent measures that companies and society at large took in 2020 have had a major impact on demand in the Norwegian market, not least in the oil & gas sector. This has had a negative impact on sales to both retail and direct sales customers, but there was a slight recovery in the operations' sales and earnings during the quarter. Store integrations and cost-saving measures continue to be implemented, including in the logistics functions.

Revenue for the operations in **Finland** increased by approximately 10 percent<sup>2</sup> during the quarter. Demand in the relatively export-dependent Finnish industrial sector, including the pulp & paper and shipbuilding industries, recovered somewhat during the quarter. The operations are continuously implementing customised cost-saving measures with the aim of reversing the negative earnings trend.

<sup>1</sup> Comparable units (*including* Swedol), measured in local currency and adjusted for the number of trading days this year compared with the preceding year.

## BUSINESS AREA COMPONENTS & SERVICES

This business area comprises Momentum Industrial, Öbergs i Karlstad, ETAB Industriautomation, Rörick El. Verkstad, Mekano and Mekano i Sävedalen, Carl A Nilssons El. Rep. Verkstad and JNF Køge, which offer spare parts, services and repairs to customers in the industrial sector in the Nordic region.

### Comments from Ulf Lilius, Business Area Manager:

The sales trends for all of the business area's operations were positive during the second quarter, and many of our customers have indicated that they are optimistic about the outlook for the rest of the year. This hopefully indicates an increase in volumes going forward, even if uncertainties in our operating environment and concerns over a new outbreak of the pandemic and its impact on demand, supply chains and price increases remain high. There is currently already a shortage of materials and resources in certain customer segments and industries, and we are seeing significant increases in prices within a number of areas and for raw materials and transportation. We are therefore working continuously to maintain our healthy delivery ability and high level of service for existing and new customers. Measures taken to increase efficiency, price adjustments and a favourable product mix contributed to a continued stable earnings performance, favourable profitability and strong cash flows.

The businesses that we acquired during the first quarter – Öbergs i Karlstad, Mekano, Mekano i Sävedalen and the three electromechanical service workshops we acquired from Assemblin El, which are now part of Rörick El. Verkstad – all contributed to our positive performance during the quarter and are further strengthening our market-leading position as a supplier of industrial components and industrial services to Nordic industry. We are already seeing interesting collaboration opportunities between these newly acquired companies and our existing operations in terms of customers as well as suppliers. We are also continuing to evaluate attractive acquisition opportunities that would further strengthen our market position and profitability. During the quarter, we implemented a new organisational structure to strengthen the business area's focus on growth, both organic and through acquisitions.

|   | 3 MONTHS ENDING |                | 6 MONTHS ENDING |                | 12 MONTHS ENDING |                |            |
|---|-----------------|----------------|-----------------|----------------|------------------|----------------|------------|
|   | 30 JUN<br>2021  | 30 JUN<br>2020 | 30 JUN<br>2021  | 30 JUN<br>2020 | 30 JUN<br>2021   | 30 JUN<br>2020 |            |
| <b>REVENUE, MSEK</b>                    |                 |                |                 |                |                  |                |            |
| <b>Total BA</b>                         | <b>396</b>      | <b>285</b>     | <b>746</b>      | <b>611</b>     | <b>1,298</b>     | <b>1,229</b>   |            |
| <b>EBITA, MSEK</b>                      |                 |                |                 |                |                  |                |            |
| <b>Total BA</b>                         | <b>50</b>       | <b>34</b>      | <b>93</b>       | <b>79</b>      | <b>170</b>       | <b>155</b>     |            |
| <b>EBITA MARGIN, %</b>                  |                 |                |                 |                |                  |                |            |
| <b>Total BA</b>                         | <b>12.6%</b>    | <b>11.9%</b>   | <b>12.5%</b>    | <b>12.9%</b>   | <b>13.1%</b>     | <b>12.6%</b>   |            |
| <b>OTHER INFORMATION</b>                |                 |                |                 |                |                  |                |            |
| Return on working capital (EBITA/WC), % |                 |                |                 |                |                  | <b>67%</b>     | <b>60%</b> |

The sales and earnings performance in the business area **Components & Services** was positive during the second quarter of the financial year. Revenue for comparable units in the business area increased by approximately 19 percent<sup>2</sup> during the quarter, with the comparative period characterised by a great deal of uncertainty and stringent measures taken by companies and society at large due to the COVID-19 pandemic. Businesses acquired during the first quarter contributed approximately MSEK 70 in revenue.

Demand in all product areas in **Momentum Industrial** was strong during the quarter, primarily from customers in the automotive industry. For many industrial customers, maintenance work continues to contribute to favourable business opportunities. Increased sales, improved margins and the previously implemented measures to increase cost efficiency contributed to a positive earnings performance during the quarter.

**Öbergs i Karlstad** and **ETAB Industriautomation**, in industrial components, and **Rörick Elektriska Verkstad**, the **Mekano companies** and **Carl A Nilsson**, in technical service and repairs, performed well during the quarter and made a positive contribution to the business area's development.

## GROUP-WIDE AND ELIMINATIONS

EBITA for "Group-wide and eliminations" amounted to MSEK -6 (-3) for the reporting period and items affecting comparability to MSEK -2 (-7) pertaining to costs for advisors in connection with the investigation of the prerequisites for a potential split of the Group. Items affecting comparability in the previous year pertained to the acquisition of Swedol. Accordingly, the operating loss amounted to MSEK -8 (-10). The Parent Company's revenue for the reporting period amounted to MSEK 12 (14) and the loss after financial items totalled MSEK -5 (-6). The results include no Group contributions (-).

## EMPLOYEES

At the end of the reporting period, the number of employees in the Group amounted to 2,779, compared with 2,670 at the beginning of the year. The change in the number of employees is mainly attributable to the corporate acquisitions that were carried out during the reporting period.

<sup>2</sup> Comparable units (including Swedol), measured in local currency and adjusted for the number of trading days this year compared with the preceding year.

## CORPORATE ACQUISITIONS

To date, Momentum Group has conducted five corporate acquisitions with closing during 2021.

### **Acquisition of electromechanical workshops from Assemblin.**

With the aim of further strengthening the Group's market position in service and maintenance for Swedish industry, an agreement was signed to acquire three electromechanical service workshops from Assemblin El AB in early February 2021. The acquired workshops, which have their origin in NEA workshops (Närkes Elektriska), generate annual revenue of approximately MSEK 90 with favourable profitability and have some 45 employees. The acquisition was conducted as a conveyance of assets and liabilities with closing in early April 2021.

### **Acquisitions of Mekano and Mekano i Sävedalen.**

Momentum Group also signed an agreement in early February 2021 to acquire 70 percent of the shares of Mekano AB and 100 percent of the shares of Mekano i Sävedalen AB, further strengthening the Group's market position in service and maintenance for Swedish industry. Mekano is one of Sweden's leading suppliers of products and services for the industrial services market, and the two Mekano companies generate combined annual revenue of approximately MSEK 145 with favourable profitability and have some 85 employees. Closing took place in February 2021.

### **Acquisition of Öbergs i Karlstad.**

In early February 2021, Momentum Group acquired 100 percent of the shares in Öbergs i Karlstad AB ("Öbergs"). The acquisition of Öbergs, a market-leading specialist company in pneumatics in Sweden, further strengthens the Group's position as a leading supplier of industrial components and related services to Swedish industry. Öbergs generates annual revenue of approximately MSEK 50 with favourable profitability and has 12 employees. Closing took place in conjunction with the acquisition.

### **Acquisition of industrial reseller Imatran Pultti in Finland.**

In late April 2021, Momentum Group acquired 100 percent of the shares in Imatran Pultti Oy with its subsidiary Beranger Oy ("Imatran Pultti"). Imatran Pultti has two stores in Imatra in southeast Finland that offer personal protective equipment, tools, fasteners and industrial components, and the acquisition further strengthens TOOLS' position as a leading supplier to Finnish industry. The acquired businesses generate combined annual revenue of approximately MEUR 5 with favourable profitability and have 11 employees. Closing took place at the end of April 2021.

Refer to the summary of acquisitions completed since the 2015/16 financial year on page 16.

## PROFITABILITY, CASH FLOW AND FINANCIAL POSITION

The Group's profitability, measured as the return on equity, amounted to 12 percent (15) and the return on working capital (EBITA/WC) to 33 percent (29) for the most recent 12-month period. The return on capital employed for the corresponding period was 9 percent (13).

Cash flow from operating activities before changes in working capital for the reporting period totalled MSEK 488 (370). During the period, inventories increased by MSEK 96 and operating receivables by MSEK 124. Operating liabilities rose by MSEK 218. Accordingly, cash flow from operating activities for the period amounted to MSEK 486 (482).

Cash flow for the reporting period was also impacted in a net amount of MSEK -75 (-58) pertaining to investments in and divestments of non-current assets, and a net amount of MSEK -127 (-1,702) pertaining to acquisitions of subsidiaries and other business units. Investments in non-current assets are mainly pertained to the implementation of a new business system in Finland, store adaptations and the continued expansion of the Group's warehouse and logistics facility in Örebro within the business area Alligo.

At the end of the reporting period, the Group's financial net loan liability amounted to MSEK 2,386, compared with MSEK 2,331 at the beginning of the financial year. At the end of the period, the Group's operational net loan liability amounted to MSEK 1,290, compared with MSEK 1,293 at the beginning of the year. Cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 1,366. The equity/assets ratio at the end of the reporting period was 39 percent.

Equity per share totalled SEK 63.50 at the end of the reporting period, compared with SEK 60.25 at the beginning of the financial year.

## SHARE STRUCTURE AND REPURCHASE OF OWN SHARES

At the end of the reporting period, the share capital totalled MSEK 102. The distribution by class of share on 30 June 2021 was as follows:

| CLASS OF SHARE                                    | AS OF 30 JUNE 2021 |
|---|--------------------|
| Class A shares                                    | 1,062,436          |
| Class B shares                                    | 49,843,753         |
| <b>Total number of shares before repurchasing</b> | <b>50,906,189</b>  |
| Less : Repurchased Class B shares                 | -425,300           |
| <b>Total number of shares after repurchasing</b>  | <b>50,480,889</b>  |

As of 31 December 2020, Momentum Group's holding of Class B treasury shares totalled 500,000. Within the framework of the 2017 share-based incentive programme, a total of 14,000 call options 2017/21 were redeemed during the first quarter and a total of 60,700 call options 2017/21 during the second quarter of 2021 to acquire an equivalent number of repurchased shares. Accordingly, Momentum Group's holding of Class B treasury shares as of 30 June 2021 amounted to 425,300, corresponding to 0.8 percent of the total number of shares and 0.7 percent of the total number of votes.

The shares held in treasury cover the Company's obligations in the call option programmes issued to senior management in December 2017 and September 2018, respectively. The redemption price for the 250,000 call options issued in connection with the 2017 share-based incentive programme was SEK 119.30 per share<sup>3</sup>. Each call option in this programme entitled the holder to acquire one repurchased Class B share during the redemption periods of 18-25 February and 12-25 May 2021, respectively. After the redemption and repurchase of 74,700 and 175,300 call options, respectively, the 2017/21 programme was concluded in May 2021.

The redemption price for the 250,000 call options issued in connection with the 2018 share-based incentive programme is SEK 137.30 per share. Each call option in this programme entitles the holder to acquire one repurchased Class B share during the redemption periods of 14-28 February and 16-30 May 2022, respectively. As of 30 June 2021, there were 240,000 call options 2018/22 outstanding.

The share price on 30 June 2021 was SEK 174.60 and the call options outstanding on the shares repurchased by the Company according to the above resulted in a dilution effect of approximately 0.1 percent and 0.05 percent for the second quarter of 2021 and the reporting period, respectively. Refer also to page 13.

There have been no changes in the holding of treasury shares after the end of the reporting period.

## TRANSACTIONS WITH RELATED PARTIES

No transactions having a material impact on the Group's position or earnings occurred between Momentum Group and its related parties during the reporting period.

## RISKS AND UNCERTAINTIES

Momentum Group's earnings, financial position and strategic position are impacted by a number of internal factors that are within the control of Momentum Group as well as a number of external factors where the Group's ability to influence the course of events is limited. The most important external risk factors for Momentum Group are the economic and market situation as well as the development in the number of employees in the industrial and construction sectors combined with structural changes and the competitive situation. The risks and uncertainties impacting the Group are the same as in earlier periods, although uncertainty over future developments in the market and demand is deemed to have increased on account of the ongoing COVID-19 pandemic. For more detailed information about the Group's other risks and uncertainties, refer to page 43 of Momentum Group's Annual Report for 2020. The Parent Company is impacted indirectly by the above risks and uncertainties through its function in the Group.

## MOMENTUM GROUP'S ANNUAL GENERAL MEETING 2021

Momentum Group AB's Annual General Meeting was held in Stockholm, Sweden on Tuesday, 11 May 2021. Due to the COVID-19 pandemic, the Annual General Meeting was held without physical attendance by shareholders, proxies or outside parties and shareholders could only exercise their voting rights by post ahead of the Meeting in accordance with *Section 22 of the Swedish Act (2020:198) on Temporary Exemptions to Facilitate the Execution of General Meetings in Companies and Associations*. The Meeting resolved on a dividend of SEK 1.50 per share in accordance with the Board's proposal and authorised the Board to resolve on the repurchase of own shares and on new share issues up to 10 percent of all shares in the Company. These authorisations are valid until the next Annual General Meeting.

## EVENTS AFTER THE END OF THE REPORTING PERIOD

No significant events affecting the Group have occurred since the end of the reporting period.

<sup>3</sup> The original redemption price per call option for the 2017 share-based incentive programme of SEK 121.60 has been recalculated by Nordea Bank in accordance with the terms of the incentive programme due to paid and adopted dividends between 2018 and 2021.

## AFFIRMATION

The Board of Directors and the President & CEO affirm that this Interim Report provides a true and fair overview of the operations, position and earnings of the Parent Company and the Group, and that it describes the material risks and uncertainties to which the Parent Company and the companies within the Group are exposed.

Stockholm, 15 July 2021

**Johan Sjö**  
Chairman

**Johan Eklund**  
Director

**Stefan Hedelius**  
Director

**Göran Näsholm**  
Director

**Gunilla Spongh**  
Director

**Christina Åqvist**  
Director

**Pernilla Andersson**  
Director - Employee representative

**Ulf Lilius**  
President & CEO

This report has not been subject to special review by the Company's auditors.

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## Contact information

Ulf Lilius, President & CEO, Tel: +46 10 454 54 70  
Mats Karlqvist, Head of Investor Relations, Tel: +46 70 660 31 32

## Dates for forthcoming financial information

**Presentation of Interim Report (6 months)** – A teleconference will be held today, Thursday, 15 July 2021 at 11:00 a.m. CEST. Refer to [www.momentum.group](http://www.momentum.group) for information about telephone numbers and link to the webcast.

**Interim Report (9 months) – 1 January-30 September 2021** will be published on 29 October 2021.

**Financial Report 2021 – 1 January-31 December 2021** will be published on 18 February 2022.

**Annual Report for the 2021 financial year** will be published in early April 2022.

**Interim Report (3 months) – 1 January-31 March 2022** will be published on 28 April 2022.

**Momentum Group AB's 2022 Annual General Meeting** will be held in Stockholm on 11 May 2022.

Visit [www.momentum.group](http://www.momentum.group) to subscribe for reports and press releases.

*The information in this report is such that Momentum Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 8:00 a.m. CEST on 15 July 2021.*

*This document is in all respects a translation of the Swedish original Interim Report. In the event of any differences between this translation and the Swedish original, the latter shall prevail.*

### Momentum Group AB (publ)

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Tel: +46 10 454 54 70

Org No: 559072-1352 Reg office: Stockholm

[www.momentum.group](http://www.momentum.group)

## GROUP SUMMARY

### INCOME STATEMENT

| MSEK   | QUARTER         |                 | REPORTING PERIOD |                 | ROLLING 12 MON<br>AS OF 30 JUN 2021 | FINANCIAL YEAR<br>2020 (9 mon) |
|--|-----------------|-----------------|------------------|-----------------|-------------------------------------|--------------------------------|
|  | APR-JUN<br>2021 | APR-JUN<br>2020 | JAN-JUN<br>2021  | JAN-JUN<br>2020 |                                     |                                |
| Revenue  | 2,560           | 2,288           | 4,885            | 3,827           | 9,443                               | 6,846                          |
| Other operating income   | 1               | 4               | 13               | 5               | 24                                  | 15                             |
| <b>Total operating income</b>  | <b>2,561</b>    | <b>2,292</b>    | <b>4,898</b>     | <b>3,832</b>    | <b>9,467</b>                        | <b>6,861</b>                   |
| Cost of goods sold   | -1,496          | -1,382          | -2,866           | -2,351          | -5,661                              | -4,177                         |
| Personnel costs  | -515            | -426            | -1,018           | -722            | -1,863                              | -1,271                         |
| Depreciation, amortisation, impairment losses<br>and reversal of impairment losses | -137            | -138            | -272             | -204            | -593                                | -459                           |
| Other operating expenses   | -219            | -212            | -440             | -341            | -849                                | -621                           |
| <b>Total operating expenses</b>  | <b>-2,367</b>   | <b>-2,158</b>   | <b>-4,596</b>    | <b>-3,618</b>   | <b>-8,966</b>                       | <b>-6,528</b>                  |
| <b>Operating profit</b>  | <b>194</b>      | <b>134</b>      | <b>302</b>       | <b>214</b>      | <b>501</b>                          | <b>333</b>                     |
| Financial income   | 1               | 2               | 2                | 3               | 4                                   | 3                              |
| Financial expenses   | -13             | -16             | -24              | -23             | -50                                 | -42                            |
| <b>Net financial items</b>   | <b>-12</b>      | <b>-14</b>      | <b>-22</b>       | <b>-20</b>      | <b>-47</b>                          | <b>-39</b>                     |
| <b>Profit after financial items</b>  | <b>182</b>      | <b>120</b>      | <b>280</b>       | <b>194</b>      | <b>454</b>                          | <b>294</b>                     |
| Taxes  | -37             | -26             | -58              | -46             | -97                                 | -65                            |
| <b>Net profit</b>  | <b>145</b>      | <b>94</b>       | <b>222</b>       | <b>148</b>      | <b>357</b>                          | <b>229</b>                     |
| Of which, attributable to:   |                 |                 |                  |                 |                                     |                                |
| Parent Company shareholders  | 145             | 92              | 222              | 146             | 358                                 | 228                            |
| Non-controlling interest   | 0               | 2               | 0                | 2               | -1                                  | 1                              |
| Earnings per share, SEK  |                 |                 |                  |                 |                                     |                                |
| - before dilution  | 2.85            | 1.85            | 4.40             | 3.80            | 7.10                                | 4.55                           |
| - after dilution   | 2.85            | 1.85            | 4.40             | 3.80            | 7.10                                | 4.55                           |

### STATEMENT OF COMPREHENSIVE INCOME

| MSEK  | QUARTER         |                 | REPORTING PERIOD |                 | ROLLING 12 MON<br>AS OF 30 JUN 2021 | FINANCIAL YEAR<br>2020 (9 mon) |
|---|-----------------|-----------------|------------------|-----------------|-------------------------------------|--------------------------------|
|   | APR-JUN<br>2021 | APR-JUN<br>2020 | JAN-JUN<br>2021  | JAN-JUN<br>2020 |                                     |                                |
| <b>Net profit</b>   | <b>145</b>      | <b>94</b>       | <b>222</b>       | <b>148</b>      | <b>357</b>                          | <b>229</b>                     |
| <b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>                |                 |                 |                  |                 |                                     |                                |
| <b>Components that will not be reclassified to net profit</b>   |                 |                 |                  |                 |                                     |                                |
| Remeasurement of defined-benefit<br>pension plans               | -2              | -1              | 1                | -1              | 0                                   | -2                             |
| Tax attributable to components that will<br>not be reclassified | 1               | 0               | 0                | 0               | 0                                   | 0                              |
|   | -1              | -1              | 1                | -1              | 0                                   | -2                             |
| <b>Components that will be reclassified to net profit</b>       |                 |                 |                  |                 |                                     |                                |
| Translation differences   | -22             | -15             | 25               | -37             | 3                                   | -37                            |
| Fair value changes for the year in<br>cash-flow hedges          | 1               | -15             | 16               | -12             | 4                                   | -27                            |
| Tax attributable to components that will<br>be reclassified     | -1              | 3               | -4               | 3               | -1                                  | 6                              |
|   | -22             | -27             | 37               | -46             | 6                                   | -58                            |
| <b>Other comprehensive income for the period</b>                | <b>-23</b>      | <b>-28</b>      | <b>38</b>        | <b>-47</b>      | <b>6</b>                            | <b>-60</b>                     |
| <b>Total comprehensive income for the period</b>                | <b>122</b>      | <b>66</b>       | <b>260</b>       | <b>101</b>      | <b>363</b>                          | <b>169</b>                     |
| Of which, attributable to:                                      |                 |                 |                  |                 |                                     |                                |
| Parent Company shareholders                                     | 122             | 64              | 260              | 99              | 364                                 | 168                            |
| Non-controlling interest  | 0               | 2               | 0                | 2               | -1                                  | 1                              |

**BALANCE SHEET**

| <b>MSEK</b>  | <b>30 JUN 2021</b> | <b>30 JUN 2020</b> | <b>31 DEC 2020</b> |
|--|--------------------|--------------------|--------------------|
| <b>ASSETS</b>                                      |                    |                    |                    |
| <b>Non-current assets</b>                          |                    |                    |                    |
| Intangible non-current assets                      | <b>2,876</b>       | 2,779              | 2,784              |
| Tangible non-current assets                        | <b>536</b>         | 509                | 506                |
| Right-of-use assets                                | <b>1,022</b>       | 1,048              | 952                |
| Financial investments                              | <b>1</b>           | 1                  | 1                  |
| Deferred tax assets                                | <b>68</b>          | 30                 | 70                 |
| <b>Total non-current assets</b>                    | <b>4,503</b>       | <b>4,367</b>       | <b>4,313</b>       |
| <b>Current assets</b>                              |                    |                    |                    |
| Inventories  | <b>1,910</b>       | 1,898              | 1,761              |
| Accounts receivable                                | <b>1,334</b>       | 1,160              | 1,141              |
| Other current receivables                          | <b>212</b>         | 183                | 222                |
| Cash and cash equivalents                          | <b>317</b>         | 29                 | 375                |
| <b>Total current assets</b>                        | <b>3,773</b>       | <b>3,270</b>       | <b>3,499</b>       |
| <b>TOTAL ASSETS</b>                                | <b>8,276</b>       | <b>7,637</b>       | <b>7,812</b>       |
| <b>EQUITY AND LIABILITIES</b>                      |                    |                    |                    |
| <b>Equity</b>                                      |                    |                    |                    |
| Equity attributable to Parent Company shareholders | <b>3,206</b>       | 2,934              | 3,037              |
| Non-controlling interest                           | <b>18</b>          | 16                 | 14                 |
| <b>Total equity</b>                                | <b>3,224</b>       | <b>2,950</b>       | <b>3,051</b>       |
| <b>Non-current liabilities</b>                     |                    |                    |                    |
| Non-current interest-bearing liabilities           | <b>1,483</b>       | 1,567              | 1,544              |
| Non-current lease liabilities                      | <b>697</b>         | 682                | 641                |
| Provisions for pensions                            | <b>33</b>          | 34                 | 34                 |
| Other non-current liabilities and provisions       | <b>394</b>         | 362                | 378                |
| <b>Total non-current liabilities</b>               | <b>2,607</b>       | <b>2,645</b>       | <b>2,597</b>       |
| <b>Current liabilities</b>                         |                    |                    |                    |
| Current interest-bearing liabilities               | <b>124</b>         | 120                | 124                |
| Current lease liabilities                          | <b>366</b>         | 373                | 363                |
| Accounts payable                                   | <b>1,173</b>       | 878                | 1,022              |
| Other current liabilities                          | <b>782</b>         | 671                | 655                |
| <b>Total current liabilities</b>                   | <b>2,445</b>       | <b>2,042</b>       | <b>2,164</b>       |
| <b>TOTAL LIABILITIES</b>                           | <b>5,052</b>       | <b>4,687</b>       | <b>4,761</b>       |
| <b>TOTAL EQUITY AND LIABILITIES</b>                | <b>8,276</b>       | <b>7,637</b>       | <b>7,812</b>       |
| Financial net loan liability                       | <b>2,386</b>       | 2,747              | 2,331              |
| Operational net loan liability                     | <b>1,290</b>       | 1,658              | 1,293              |

## STATEMENT OF CHANGES IN EQUITY

| MSEK   | Equity attributable to Parent Company shareholders |            |   |              | Non-controlling interest | Total equity |
|--|--|------------|---|--------------|--------------------------|--------------|
|  | Share capital                                      | Reserves   | Retained earnings, including net profit | Total        |                          |              |
| <b>Closing equity, 31 December 2019</b>          | <b>57</b>  | <b>4</b>   | <b>1,284</b>                            | <b>1,345</b> | <b>18</b>                | <b>1,363</b> |
| Net profit                                       |  |            | 146                                     | 146          | 2                        | 148          |
| Other comprehensive income                       |  | -46        | -1                                      | -47          |                          | -47          |
| Non-cash issue <sup>1</sup>                      | 45   |            | 1,442                                   | 1,487        |                          | 1,487        |
| Acquisitions of partly owned subsidiaries        |  |            |   | -            | 1                        | 1            |
| Changes in share of partly owned subsidiaries    |  |            |   | 2            | -5                       | -3           |
| Option liability, acquisitions                   |  |            | -1                                      | -1           |                          | -1           |
| Change in value of option liability <sup>2</sup> |  |            | 2                                       | 2            |                          | 2            |
| <b>Closing equity, 30 June 2020</b>              | <b>102</b>   | <b>-42</b> | <b>2,874</b>                            | <b>2,934</b> | <b>16</b>                | <b>2,950</b> |
| Net profit                                       |  |            | 136                                     | 136          | -1                       | 135          |
| Other comprehensive income                       |  | -31        | -1                                      | -32          |                          | -32          |
| Changes in share of partly owned subsidiaries    |  |            | -1                                      | -1           | -3                       | -4           |
| Contributions in partly owned subsidiaries       |  |            |   | -            | 2                        | 2            |
| <b>Closing equity, 31 December 2020</b>          | <b>102</b>   | <b>-73</b> | <b>3,008</b>                            | <b>3,037</b> | <b>14</b>                | <b>3,051</b> |
| Net profit                                       |  |            | 222                                     | 222          | 0                        | 222          |
| Other comprehensive income                       |  | 37         | 1                                       | 38           |                          | 38           |
| Dividend   |  |            | -76                                     | -76          |                          | -76          |
| Repurchase of share options                      |  |            | -3                                      | -3           |                          | -3           |
| Sale of own shares                               |  |            | 9                                       | 9            |                          | 9            |
| Acquisitions of partly owned subsidiaries        |  |            |   | -            | 10                       | 10           |
| Changes in share of partly owned subsidiaries    |  |            | -5                                      | -5           | -5                       | -10          |
| Dividend paid in partly owned subsidiaries       |  |            |   | -            | -1                       | -1           |
| Change in value of option liability <sup>2</sup> |  |            | -1                                      | -1           |                          | -1           |
| Option liability, acquisitions <sup>3</sup>      |  |            | -15                                     | -15          |                          | -15          |
| <b>Closing equity, 30 June 2021</b>              | <b>102</b>   | <b>-36</b> | <b>3,140</b>                            | <b>3,206</b> | <b>18</b>                | <b>3,224</b> |

- 1) A new issue of a total of 22,633,876 Class B shares pertaining to the public offer to shareholders in Swedol AB (publ) during the first quarter 2020 and 6,897 Class B shares during the second quarter 2020.
- 2) Pertains to a change in the value of the call/put options in relation to non-controlling interests carried out in conjunction with the acquisitions of partly owned subsidiaries.
- 3) Refers to the value of call/put options in relation to non-controlling interests in the acquired subsidiary Mekano AB, which entail that: a) Momentum Group is entitled to purchase the remaining shares from the shareholders (call option), and b) the shareholders are entitled to sell their shares to Momentum Group (put option). The call options expire during the 2025 financial year and can thereafter be extended for a period of one year at a time. The put options can be exercised until the 2024 financial year. The price of the options is dependent on certain results being achieved in the Company.

## CASH-FLOW STATEMENT

| MSEK  | QUARTER      |               | REPORTING PERIOD |               | ROLLING 12 MON AS OF 30 JUN 2021 | FINANCIAL YEAR 2020 (9 mon) |
|---|--------------|---------------|------------------|---------------|----------------------------------|-----------------------------|
|   | APR-JUN 2021 | APR-JUN 2020  | JAN-JUN 2021     | JAN-JUN 2020  |                                  |                             |
| <b>Operating activities</b>                               |              |               |                  |               |                                  |                             |
| Operating activities before changes in working capital    | 308          | 248           | 488              | 370           | 1,003                            | 763                         |
| Changes in working capital                                | -37          | 129           | -2               | 112           | 192                              | 323                         |
| <b>Cash flow from operating activities</b>                | <b>271</b>   | <b>377</b>    | <b>486</b>       | <b>482</b>    | <b>1,195</b>                     | <b>1,086</b>                |
| <b>Investing activities</b>                               |              |               |                  |               |                                  |                             |
| Acquisition of intangible & tangible non-current assets   | -37          | -55           | -75              | -59           | -169                             | -149                        |
| Sale of intangible & tangible non-current assets          | 0            | 0             | 0                | 0             | 0                                | 0                           |
| Acquisition of subsidiaries & other business units        | -49          | -1,694        | -127             | -1,702        | -182                             | -1,749                      |
| Sale of financial non-current assets                      | 0            | 1             | 0                | 1             | 0                                | 1                           |
| <b>Cash flow from investing activities</b>                | <b>-86</b>   | <b>-1,748</b> | <b>-202</b>      | <b>-1,760</b> | <b>-351</b>                      | <b>-1,897</b>               |
| <b>Cash flow before financing</b>                         | <b>185</b>   | <b>-1,371</b> | <b>284</b>       | <b>-1,278</b> | <b>844</b>                       | <b>-811</b>                 |
| <b>Financing activities</b>                               |              |               |                  |               |                                  |                             |
| Financing activities                                      | -238         | 245           | -343             | 1,273         | -557                             | 31                          |
| <b>Cash flow for the period</b>                           | <b>-53</b>   | <b>-1,126</b> | <b>-59</b>       | <b>-5</b>     | <b>287</b>                       | <b>-780</b>                 |
| Cash and cash equivalents at the beginning of the period  | 370          | 1,157         | 375              | 37            | 29                               | 1,157                       |
| Exchange-rate differences in cash and cash equivalents    | 0            | -2            | 1                | -3            | 1                                | -2                          |
| <b>Cash and cash equivalents at the end of the period</b> | <b>317</b>   | <b>29</b>     | <b>317</b>       | <b>29</b>     | <b>317</b>                       | <b>375</b>                  |

## KEY PER-SHARE DATA

| SEK   | QUARTER         |                 | REPORTING PERIOD |                 | ROLLING 12 MON<br>AS OF 30 JUN 2021 | FINANCIAL YEAR<br>2020 (9 mon) |
|---|-----------------|-----------------|------------------|-----------------|-------------------------------------|--------------------------------|
|   | APR-JUN<br>2021 | APR-JUN<br>2020 | JAN-JUN<br>2021  | JAN-JUN<br>2020 |                                     |                                |
| Earnings before dilution                              | 2.85            | 1.85            | 4.40             | 3.80            | 7.10                                | 4.55                           |
| Earnings after dilution                               | 2.85            | 1.85            | 4.40             | 3.80            | 7.10                                | 4.55                           |
| Equity, at the end of the period                      |                 |                 | 63.50            | 58.20           |                                     | 60.25                          |
| <b>NUMBER OF SHARES OUTSTANDING IN THOUSANDS</b>      |                 |                 |                  |                 |                                     |                                |
| Number of shares outstanding before dilution          | 50,481          | 50,406          | 50,481           | 50,406          | 50,481                              | 50,406                         |
| Weighted number of shares outstanding before dilution | 50,426          | 50,406          | 50,416           | 39,086          | 50,411                              | 50,406                         |
| Weighted number of shares outstanding after dilution  | 50,472          | 50,406          | 50,447           | 39,086          | 50,426                              | 50,406                         |

### Weighted number of shares and dilution

Average number of shares outstanding before or after dilution. Shares held by Momentum Group at any given time are not included in the number of shares outstanding. Dilution effects arise due to any call options issued by the Company that can be settled using shares in share-based incentive programmes. In such cases, the call options have a dilution effect when the average share price during the period is higher than the redemption price of the options.

After the redemption or repurchase of a total of 74,700 and 175,300 call options, respectively, Momentum Group concluded the 2017/21 call option programme in May 2021 and the Company thereafter held 425,300 Class B shares as of 30 June 2021 and had a total of 240,000 outstanding 2018/22 call options for repurchased shares. For the second quarter of 2021 and the reporting period's first six months of 2021, the average share price exceeded the redemption price of SEK 137.30 per call option in the 2018 share-based incentive programme, which entailed a dilution effect of approximately 0.1 percent and 0.05 percent for the quarter and the reporting period, respectively, as of 30 June 2021. The share price on 30 June 2021 was SEK 174.60. Refer also to page 7.

## PARENT COMPANY IN SUMMARY

### INCOME STATEMENT

| MSEK                                     | QUARTER         |                 | REPORTING PERIOD |                 | ROLLING 12 MON<br>AS OF 30 JUN 2021 | FINANCIAL YEAR<br>2020 (9 mon) |
|--|-----------------|-----------------|------------------|-----------------|-------------------------------------|--------------------------------|
|  | APR-JUN<br>2021 | APR-JUN<br>2020 | JAN-JUN<br>2021  | JAN-JUN<br>2020 |                                     |                                |
| Revenue                                  | 6               | 7               | 12               | 14              | 27                                  | 22                             |
| Other operating income                   | 2               | 2               | 4                | 2               | 4                                   | 2                              |
| <b>Total operating income</b>            | <b>8</b>        | <b>9</b>        | <b>16</b>        | <b>16</b>       | <b>31</b>                           | <b>24</b>                      |
| Operating expenses                       | -12             | -12             | -23              | -21             | -44                                 | -33                            |
| <b>Operating profit/loss</b>             | <b>-4</b>       | <b>-3</b>       | <b>-7</b>        | <b>-5</b>       | <b>-13</b>                          | <b>-9</b>                      |
| Financial income and expenses            | 1               | -2              | 2                | -1              | 0                                   | -4                             |
| <b>Profit/loss after financial items</b> | <b>-3</b>       | <b>-5</b>       | <b>-5</b>        | <b>-6</b>       | <b>-13</b>                          | <b>-13</b>                     |
| Appropriations                           | -               | -               | -                | -3              | -                                   | -                              |
| <b>Profit/loss before taxes</b>          | <b>-3</b>       | <b>-5</b>       | <b>-5</b>        | <b>-9</b>       | <b>-13</b>                          | <b>-13</b>                     |
| Taxes                                    | 1               | 1               | 1                | 2               | 3                                   | 3                              |
| <b>Net profit/loss</b>                   | <b>-2</b>       | <b>-4</b>       | <b>-4</b>        | <b>-7</b>       | <b>-10</b>                          | <b>-10</b>                     |

There are no items in the Parent Company recognised as other comprehensive income. Accordingly, total comprehensive income corresponds to net profit for the period.

### BALANCE SHEET

| MSEK  | 30 JUN 2021  | 30 JUN 2020  | 31 DEC 2020  |
|---|--------------|--------------|--------------|
| <b>ASSETS</b>                                   |              |              |              |
| Intangible non-current assets                   | 0            | 0            | 0            |
| Tangible non-current assets                     | 0            | 0            | 0            |
| Financial non-current assets                    | 3,876        | 4,023        | 3,907        |
| Current receivables                             | 182          | 230          | 176          |
| Cash and cash equivalents                       | 270          | 2            | 357          |
| <b>TOTAL ASSETS</b>                             | <b>4,328</b> | <b>4,255</b> | <b>4,440</b> |
| <b>EQUITY, PROVISIONS AND LIABILITIES</b>       |              |              |              |
| Restricted equity                               | 102          | 102          | 102          |
| Non-restricted equity                           | 1,881        | 1,961        | 1,955        |
| <b>Total equity</b>                             | <b>1,983</b> | <b>2,063</b> | <b>2,057</b> |
| Untaxed reserves                                | -            | -            | -            |
| Provisions                                      | -            | -            | -            |
| Non-current liabilities                         | 1,482        | 1,567        | 1,544        |
| Current liabilities                             | 863          | 625          | 839          |
| <b>TOTAL EQUITY, PROVISIONS AND LIABILITIES</b> | <b>4,328</b> | <b>4,255</b> | <b>4,440</b> |

## NOTES

### NOTE 1 ACCOUNTING POLICIES

The Interim Report for the Group was prepared in accordance with IFRS and by applying IAS 34 *Interim Financial Reporting*, the Swedish Annual Accounts Act and the Swedish Securities Market Act. In addition to the financial statements and associated notes, disclosures in accordance with IAS 34.16A are also presented in other sections of the report. The Interim Report for the Parent Company was prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, which conforms to the provisions detailed in RFR 2

*Accounting for Legal Entities.* The same accounting policies and bases of judgement as in Momentum Group's Annual Report for 2020 have been applied.

IASB has issued additions and amendments to standards that will take effect for the Group on or after 1 January 2021. These additions and amendments are deemed not to be material for the consolidated financial statement.

### NOTE 2 OPERATING SEGMENTS AND DISCLOSURES ON INCOME

The Group's operating segments comprise the business areas Alligo (formerly Tools, Consumables, Workwear & Protective Equipment) and Components & Services. The operating segments are consolidations of the operational organisation, as used by Group management and the Board of Directors to monitor operations. Group management, comprising the CEO and CFO, are the Group's chief operating decision makers.

**Alligo** comprises Swedol and TOOLS with Univern and Grolls, and Gigant, Mercus Yrkeskläder, TriffiQ Företagsprofilering, Reklamproffsen Skandinavien and Company Line, which offer products and services related to tools, consumables, workwear, personal protective equipment, workplace equipment as well as promotional products for the industrial, construction and public sectors in the private market in the Nordic region, among others.

**Components & Services** comprises Momentum Industrial, Öbergs i Karlstad, ETAB Industriautomation, Rörick Elektriska Verkstad, Mekano, Mekano i Sävedalen, Carl A Nilssons Elektriska Reparationsverkstad and JNF Køge, which offer spare parts, services and repairs to customers in the industrial sector in the Nordic region.

**Group-wide** includes the Group's management, finance function and support functions. The support functions include internal communications, investor relations and legal affairs.

Financial items and taxes are not distributed by operating segment but recognised in their entirety in Group-wide.

Intra-Group pricing between the operating segments occurs on market terms. The accounting policies are the same as those applied in the consolidated financial statements. The revenue presented below for the geographic markets is based on the domicile of the customers (compared with the information presented by geographic market for Alligo on page 5, which is based on the geographic domicile of each legal entity).

| MSEK   | JAN-JUN 2021 (6 MON) |                       |            |              |              |
|--|----------------------|-----------------------|------------|--------------|--------------|
|  | Alligo               | Components & Services | Group-wide | Eliminations | Group total  |
| From external customers by geographic area   |                      |                       |            |              |              |
| Sweden   | 2,380                | 693                   | -          | -            | <b>3,073</b> |
| Norway   | 1,086                | 13                    | -          | -            | <b>1,099</b> |
| Finland  | 594                  | 1                     | -          | -            | <b>595</b>   |
| Other countries  | 84                   | 34                    | -          | -            | <b>118</b>   |
| From other segments  | 10                   | 5                     | 12         | -27          | -            |
| <b>Revenue</b>   | <b>4,154</b>         | <b>746</b>            | <b>12</b>  | <b>-27</b>   | <b>4,885</b> |
| <b>EBITA</b>   | <b>252</b>           | <b>93</b>             | <b>-6</b>  | <b>0</b>     | <b>339</b>   |
| Items affecting comparability  | 0                    | 0                     | -2         | -            | -2           |
| Amortisation of intangible assets incurred in connection with corporate acquisitions | -31                  | -4                    | -          | -            | -35          |
| <b>Operating profit</b>  | <b>221</b>           | <b>89</b>             | <b>-8</b>  | <b>0</b>     | <b>302</b>   |

| MSEK   | JAN-JUN 2020 (6 MON) |                       |            |              |              |
|--|----------------------|-----------------------|------------|--------------|--------------|
|  | Alligo               | Components & Services | Group-wide | Eliminations | Group total  |
| From external customers by geographic area   |                      |                       |            |              |              |
| Sweden   | 1,645                | 565                   | -          | -            | <b>2,210</b> |
| Norway   | 949                  | 11                    | -          | -            | <b>960</b>   |
| Finland  | 554                  | 1                     | -          | -            | <b>555</b>   |
| Other countries  | 75                   | 27                    | -          | -            | <b>102</b>   |
| From other segments  | 12                   | 7                     | 14         | -33          | -            |
| <b>Revenue</b>   | <b>3,235</b>         | <b>611</b>            | <b>14</b>  | <b>-33</b>   | <b>3,827</b> |
| <b>EBITA</b>   | <b>170</b>           | <b>79</b>             | <b>-3</b>  | <b>0</b>     | <b>246</b>   |
| Items affecting comparability  | -2                   | -                     | -7         | -            | -9           |
| Amortisation of intangible assets incurred in connection with corporate acquisitions | -21                  | -2                    | -          | -            | -23          |
| <b>Operating profit</b>  | <b>147</b>           | <b>77</b>             | <b>-10</b> | <b>0</b>     | <b>214</b>   |

**Revenue by operating segment and quarter**

| MSEK                  | 2021 |    |              |              | 2020 (9 mon) |              |              |
|-----------------------|------|----|--------------|--------------|--------------|--------------|--------------|
|                       | Q4   | Q3 | Q2           | Q1           | Q3           | Q2           | Q1           |
| Alligo                |      |    | 2,172        | 1,982        | 2,242        | 1,781        | 2,012        |
| Components & Services |      |    | 396          | 350          | 296          | 256          | 285          |
| Group-wide            |      |    | 6            | 6            | 8            | 7            | 7            |
| Eliminations          |      |    | -14          | -13          | -17          | -15          | -16          |
| <b>Momentum Group</b> |      |    | <b>2,560</b> | <b>2,325</b> | <b>2,529</b> | <b>2,029</b> | <b>2,288</b> |

**EBITA by operating segment and quarter**

| MSEK                  | 2021 |    |            |            | 2020 (9 mon) |            |            |
|-----------------------|------|----|------------|------------|--------------|------------|------------|
|                       | Q4   | Q3 | Q2         | Q1         | Q3           | Q2         | Q1         |
| Alligo                |      |    | 167        | 85         | 164          | 94         | 122        |
| Components & Services |      |    | 50         | 43         | 40           | 37         | 34         |
| Group-wide            |      |    | -3         | -3         | -3           | -3         | -1         |
| Eliminations          |      |    | 0          | 0          | 0            | 0          | 0          |
| <b>Momentum Group</b> |      |    | <b>214</b> | <b>125</b> | <b>201</b>   | <b>128</b> | <b>155</b> |

**Note:** Since Momentum Group changed its financial year to the calendar year, the 2020 financial year was shortened to nine months and covers the 1 April to 31 December 2020 period.

**NOTE 3 FINANCIAL INSTRUMENTS**

Momentum Group measures financial instruments at fair value or amortised cost in the balance sheet depending on their classification. In addition to items in the financial net debt, financial instruments also include accounts receivable and accounts payable. The carrying amount of all of the Group's financial assets is deemed to be a reasonable approximation of their fair value.

Liabilities measured at fair value comprise hedging instruments for which the fair value is based on observable market data and are therefore included in level 2 according to IFRS 13 and contingent purchase considerations that are measured using discounted cash flow and are thus included in level 3.

| MSEK  | 30 JUN 2021  | 30 JUN 2020  | 31 DEC 2020  |
|---|--------------|--------------|--------------|
| <b>Financial assets measured at fair value</b>                          |              |              |              |
| Financial investments   | 1            | 0            | 1            |
| Derivative hedging instruments  | 3            | 2            | 0            |
| <b>Financial assets measured at amortised cost</b>                      |              |              |              |
| Long-term receivables   | 0            | 1            | 0            |
| Accounts receivable   | 1,334        | 1,160        | 1,141        |
| Cash and cash equivalents   | 317          | 29           | 375          |
| <b>Total financial assets</b>   | <b>1,655</b> | <b>1,192</b> | <b>1,517</b> |
| <b>Financial liabilities measured at fair value</b>                     |              |              |              |
| Derivative hedging instruments  | 1            | 3            | 14           |
| Conditional purchase considerations                                     | 14           | 0            | -            |
| Indebted purchase consideration for acquisition (compulsory redemption) | -            | 46           | -            |
| <b>Financial liabilities measured at amortised cost</b>                 |              |              |              |
| Option liability  | 28           | 25           | 17           |
| Interest-bearing liabilities  | 2,670        | 2,742        | 2,672        |
| Accounts payable  | 1,173        | 878          | 1,022        |
| <b>Total financial liabilities</b>                                      | <b>3,886</b> | <b>3,694</b> | <b>3,725</b> |

**NOTE 4 ACQUISITIONS**

According to the preliminary acquisition analyses, the assets and liabilities in the acquired businesses closed to date in the financial year amount to the following. The acquisition analyses are deemed to be preliminary mainly because of the short time span since the acquisitions.

| MSEK   | FAIR VALUE RECOGNISED IN THE GROUP |
|--|------------------------------------|
| <b>ACQUIRED ASSETS</b>   |                                    |
| Intangible non-current assets                                  | 51                                 |
| Right-of-use assets  | 77                                 |
| Other non-current assets                                       | 6                                  |
| Inventories  | 33                                 |
| Other current assets   | 72                                 |
| <b>Total assets</b>  | <b>239</b>                         |
| <b>ACQUIRED PROVISIONS AND LIABILITIES</b>                     |                                    |
| Lease liabilities  | 77                                 |
| Deferred tax liability   | 12                                 |
| Other current liabilities                                      | 42                                 |
| <b>Total provisions and liabilities</b>                        | <b>131</b>                         |
| <b>NET OF IDENTIFIED ASSETS AND LIABILITIES</b>                | <b>108</b>                         |
| Goodwill   | 74                                 |
| Non-controlling interests <sup>1</sup>                         | -10                                |
| <b>PURCHASE CONSIDERATION</b>                                  | <b>172</b>                         |
| Less / additional : Net cash in acquired business <sup>2</sup> | -31                                |
| Less : Additional purchase consideration                       | -14                                |
| <b>EFFECT ON THE GROUP'S CASH AND CASH EQUIVALENTS</b>         | <b>127</b>                         |

1) Non-controlling interests are calculated as the proportional share of the identified net assets.  
 2) Net of cash and cash equivalents and interest-bearing liabilities in the acquired businesses.

Corporate acquisitions carried out since the 2015/16 financial year:

| ACQUISITION   | TIME<br>(possession taken) | REVENUE <sup>1</sup> | NO OF<br>EMPLOYEES <sup>1</sup> | BUSINESS AREA         |
|---|----------------------------|----------------------|---------------------------------|-----------------------|
| AB Carl A. Nilssons El. Rep.verkstad, SE              | September 2015             | MSEK 20              | 13                              | Components & Services |
| Tønsberg Maskinforretning AS, NO                      | April 2016                 | MNOK 20              | 10                              | Alligo                |
| Astrup Industrivarer AS, NO                           | November 2016              | MNOK 240             | 50                              | Alligo                |
| Arboga Machine Tool AB, SE                            | March 2017                 | MSEK 10              | 5                               | Components & Services |
| TriffiQ Företagsprofilering AB <sup>2</sup> , SE      | September 2017             | MSEK 70              | 18                              | Alligo                |
| AB Knut Sehlin's Industrivaruhus, SE                  | October 2017               | MSEK 40              | 14                              | Alligo                |
| Elka Produkter AB <sup>2</sup> , SE                   | October 2017               | – <sup>3</sup>       | 10                              | Alligo                |
| Reklamproffsen Skandinavien AB <sup>2</sup> , SE      | March 2018                 | MSEK 35              | 12                              | Alligo                |
| Profilmakarna i Södertälje AB, SE                     | April 2018                 | MSEK 25              | 8                               | Alligo                |
| MRO business from Brammer <sup>4</sup> , SE           | May 2018                   | MSEK 140             | 33                              | Components & Services |
| MFG Components Oy <sup>4</sup> , FI                   | October 2018               | MEUR 1               | 3                               | Alligo                |
| TOOLS Løvold AS, NO                                   | January 2019               | MNOK 95              | 28                              | Alligo                |
| PPE business from Lindström Group <sup>4</sup> , FI   | April 2019                 | MEUR 6               | 5                               | Alligo                |
| ETAB Industriautomation AB <sup>2</sup> , SE          | June 2019                  | MSEK 45              | 9                               | Components & Services |
| Company Line Förvaltning AB <sup>2</sup> , SE         | June 2019                  | MSEK 75              | 25                              | Alligo                |
| AMJ Papper AB, SE                                     | March 2020                 | MSEK 15              | 6                               | Alligo                |
| Swedol AB <sup>5</sup> , SE / NO / FI                 | April 2020                 | MSEK 3,650           | 1,046                           | Alligo                |
| Spindle service business from SKF <sup>4</sup> , SE   | November 2020              | MSEK 10              | 5                               | Components & Services |
| Mekano AB <sup>2</sup> & Mekano i Sävedalen AB, SE    | February 2021              | MSEK 145             | 85                              | Components & Services |
| Öbergs i Karlstad AB, SE                              | February 2021              | MSEK 50              | 12                              | Components & Services |
| Service workshops from Assemblin Ei <sup>4</sup> , SE | April 2021                 | MSEK 90              | 45                              | Components & Services |
| Imatran Pultti Oy, FI                                 | April 2021                 | MEUR 5               | 11                              | Alligo                |

1) Refers to information for the full year on the date of acquisition.

2) Momentum Group initially acquired 70 percent of the shares in each company. Momentum Group now owns 100 percent of the shares in TriffiQ Företagsprofilering AB and Reklamproffsen Skandinavien AB and approximately 90 percent of the shares in Company Line Förvaltning AB.

3) The current operations of Elka Produkter AB were established in autumn 2017. Accordingly, there is no full-year information available regarding comparable revenue.

4) The acquisition was carried out as a conveyance of assets and liabilities.

5) After the completion of the public offer to the shareholders in Swedol AB, Momentum Group's holding amounted to approximately 99 percent of the shares. Compulsory redemption of the remaining shares in Swedol has been called for, and preferential rights to the shares was granted by the arbitration board in the dispute resolution proceeding in early July 2020. Momentum Group subsequently holds 100 percent of the shares and votes in Swedol.

## PERFORMANCE MEASURES – DEFINITIONS & CALCULATIONS

Momentum Group uses certain financial performance measures in its analysis of the operations and their performance that are not defined in accordance with IFRS. Momentum Group believes that these alternative performance measures provide valuable information for the Company's Board of Directors, owners and investors, since they enable a more accurate assessment of current trends and the Company's performance when combined with other performance measures calculated in accordance with IFRS. Since not all listed companies calculate these financial

performance measures in the same way, there is no guarantee that the information is comparable with other companies' performance measures of the same name. Hence, these financial performance measures must not be viewed as a replacement for those measures calculated in accordance with IFRS. Insofar as the performance measures are used and commented on by business area (operating segment), the derivation of the performance measures is also presented at this level.

|  | 12 MONTHS ENDING |                          |             |             |
|--|------------------|--------------------------|-------------|-------------|
|  | 30 JUN 2021      | 31 DEC 2020 <sup>1</sup> | 31 MAR 2020 | 31 MAR 2019 |
| <b>IFRS PERFORMANCE MEASURES</b>   |                  |                          |             |             |
| Net profit, MSEK   | 357              | 283                      | 217         | 231         |
| Earnings per share, SEK  | 7.10             | 6.50                     | 7.70        | 8.20        |
| <b>ALTERNATIVE PERFORMANCE MEASURES</b>  |                  |                          |             |             |
| <b>Performance measures related to the income statement</b>  |                  |                          |             |             |
| Revenue, MSEK  | 9,443            | 8,385                    | 6,135       | 6,024       |
| Operating profit, MSEK   | 501              | 413                      | 303         | 302         |
| of which: Items affecting comparability  | -99              | -106                     | -14         | -           |
| of which: Amortisation of intangible assets incurred in connection with corporate acquisitions           | -68              | -56                      | -21         | -16         |
| EBITA, MSEK  | 668              | 575                      | 338         | 318         |
| of which: Depreciation and amortisation of tangible and other intangible non-current assets <sup>2</sup> | -107             | -86                      | -31         | -31         |
| Profit after financial items, MSEK   | 454              | 368                      | 283         | 296         |
| Operating margin, %  | 5.3%             | 4.9%                     | 4.9%        | 5.0%        |
| EBITA margin, %  | 7.1%             | 6.9%                     | 5.5%        | 5.3%        |
| Profit margin, %   | 4.8%             | 4.4%                     | 4.6%        | 4.9%        |
| <b>Performance measures related to profitability</b>   |                  |                          |             |             |
| Return on working capital (EBITA/WC), %  | 33%              | 32%                      | 28%         | 27%         |
| Return on capital employed, %  | 9%               | 10%                      | 14%         | 19%         |
| Return on equity, %  | 12%              | 12%                      | 16%         | 19%         |
| <b>Performance measures related to financial position</b>  |                  |                          |             |             |
| Financial net loan liability (closing balance), MSEK   | 2,386            | 2,331                    | 708         | 293         |
| Operational net loan liability (closing balance), MSEK   | 1,290            | 1,293                    | 166         | 266         |
| Equity (closing balance) <sup>3</sup> , MSEK   | 3,206            | 3,037                    | 2,869       | 1,303       |
| Equity/assets ratio, %   | 39%              | 39%                      | 48%         | 45%         |
| <b>Other performance measures</b>  |                  |                          |             |             |
| Number of employees at the end of the period   | 2,779            | 2,670                    | 1,651       | 1,684       |
| Share price at the end of the period, SEK  | 174.60           | 142.00                   | 67.50       | 93.40       |

1) These performance measures include the acquisition of Swedol as of 1 April 2020. Refer to the summary on page 2 for performance measures calculated as though the acquisition of Swedol had closed on 1 April 2019.

2) Total depreciation/amortisation of tangible and intangible non-current assets, excluding amortisation of intangible assets arising in connection with corporate acquisitions and IFRS 16 effects.

3) Refers to equity attributable to Parent Company shareholders.

### DEFINITIONS OF PERFORMANCE MEASURES

#### Revenue

Own invoicing, commission-based revenue from commission sales and side revenue.

Used to present the Group's sales to external customers. Revenue from both external and internal customers is recognised per business area (operating segment).

#### Operating profit

Profit before financial items and tax.

Used to present the Group's earnings before interest and tax.

#### Items affecting comparability

Items affecting comparability include revenue and expenses that do not arise regularly in the operating activities.

#### EBITA

Operating profit adjusted for items affecting comparability and before any impairment of goodwill and amortisation and impairment of other intangible assets arising in connection with corporate acquisitions and equivalent transactions.

Used to present the Group's earnings generated from operating activities.

#### Operating margin, %

Operating profit relative to revenue.

Used to measure the Group's earnings generated before interest and tax and provides an understanding of the earnings performance over time. Specifies the percentage of revenue remaining to cover interest payments and tax and to provide profit after the Group's expenses have been paid.

**EBITA margin, %**

EBITA as a percentage of revenue.

*Used to measure the Group's earnings generated from operating activities and provides an understanding of the earnings performance over time. The EBITA margin based on revenue from both external and internal customers is presented per business area (operating segment).*

**Profit margin, %**

Profit after financial items as a percentage of revenue.

*Used to assess the Group's earnings generated before tax and presents the share of revenue that the Group may retain in earnings before tax.*

**Return on working capital (EBITA/WC), %**

EBITA for the most recent 12-month period divided by average working capital measured as total working capital (accounts receivable and inventories less accounts payable) at the end of each month for the most recent 12-month period and the opening balance at the start of the period divided by 13.

*The Group's internal profitability target, which encourages high EBITA and low tied-up capital. Used to analyse profitability in the Group and its various operations.*

**Return on capital employed, %**

Operating profit plus financial income for the most recent 12-month period divided by average capital employed measured as the balance-sheet total less non-interest-bearing liabilities and provisions at the end of the most recent four quarters and the opening balance at the start of the period divided by five.

*Presented to show the Group's return on its externally financed capital and equity, meaning independent of its financing.*

**Return on equity, %**

Net profit for the most recent 12-month period divided by average equity measured as total equity attributable to Parent Company shareholders at the end of the most recent four quarters and the opening balance at the start of the period divided by five.

*Used to measure the return generated on the capital invested by the shareholders.*

**Financial net loan liability (closing balance)**

Financial net loan liability measured as non-current interest-bearing liabilities and current interest-bearing liabilities, less cash and cash equivalents at the end of the period.

*Used to monitor the debt trend and analyse the Group's total indebtedness including lease liabilities.*

**Operational net loan liability (closing balance)**

Operational net loan liability measured as non-current interest-bearing liabilities and current interest-bearing liabilities, excluding lease liabilities and net provisions for pensions, less cash and cash equivalents at the end of the period.

*Used to monitor the debt trend and analyse the Group's total indebtedness excluding lease liabilities and net provisions for pensions.*

**Equity/assets ratio, %**

Equity attributable to Parent Company shareholders as a percentage of the balance-sheet total at the end of the period.

*Used to analyse the financial risk in the Group and show how much of the Group's assets are financed by equity.*

**Earnings per share, SEK**

Net profit attributable to the Parent Company shareholders divided by the weighted number of shares.

*IFRS performance measure.*

**Change in revenue for comparable units**

Comparable units refer to sales in local currency from units that were part of the Group during the current period and the entire corresponding period in the preceding year. Trading days refer to sales in local currency depending on the difference in the number of trading days compared with the comparative period. Other units refer to the acquisition or divestment of units during the corresponding period. **Note:** Any instances where comparable units include Swedol for periods prior to the closing date of 1 April 2020 are specifically noted.

*Used to analyse the underlying sales growth driven by changes in volume, the product and service offering, and the price for similar products and services across different periods. Refer to the reconciliation table on page 4.*

**DERIVATION OF ALTERNATIVE PERFORMANCE MEASURES**

| MSEK   | 12 MONTHS ENDING |             |             |             |
|--|------------------|-------------|-------------|-------------|
|  | 30 JUN 2021      | 31 DEC 2020 | 31 MAR 2020 | 31 MAR 2019 |
| <b>EBITA</b>   |                  |             |             |             |
| Operating profit   | 501              | 413         | 303         | 302         |
| <i>Items affecting comparability</i>   |                  |             |             |             |
| Restructuring expenses   | 97               | 97          | -           | -           |
| Acquisition related expenses   | -                | 7           | 14          | -           |
| Integration expenses for the acquisition of Swedol                                   | -                | 2           | -           | -           |
| Split and listing expenses   | 2                | -           | -           | -           |
| Amortisation of intangible assets incurred in connection with corporate acquisitions | 68               | 56          | 21          | 16          |
| <b>EBITA</b>   | <b>668</b>       | <b>575</b>  | <b>338</b>  | <b>318</b>  |

| MSEK   | 12 MONTHS ENDING |              |              |              |
|--|------------------|--------------|--------------|--------------|
|  | 30 JUN 2021      | 31 DEC 2020  | 31 MAR 2020  | 31 MAR 2019  |
| <b>WORKING CAPITAL</b>                         |                  |              |              |              |
| <i>Average operating assets</i>                |                  |              |              |              |
| Average inventories                            | 1,841            | 1,602        | 1,021        | 975          |
| Average accounts receivable                    | 1,181            | 1,076        | 966          | 956          |
| <b>Total average operating assets</b>          | <b>3,022</b>     | <b>2,678</b> | <b>1,987</b> | <b>1,931</b> |
| <i>Average operating liabilities</i>           |                  |              |              |              |
| Average accounts payable                       | -1,018           | -886         | -759         | -736         |
| <b>Total average operating liabilities</b>     | <b>-1,018</b>    | <b>-886</b>  | <b>-759</b>  | <b>-736</b>  |
| <b>Average working capital</b>                 | <b>2,004</b>     | <b>1,792</b> | <b>1,228</b> | <b>1,195</b> |
| EBITA  | 668              | 575          | 338          | 318          |
| <b>Return on working capital (EBITA/WC), %</b> | <b>33%</b>       | <b>32%</b>   | <b>28%</b>   | <b>27%</b>   |

| MSEK   | 12 MONTHS ENDING |               |               |               |
|--|------------------|---------------|---------------|---------------|
|  | 30 JUN 2021      | 31 DEC 2020   | 31 MAR 2020   | 31 MAR 2019   |
| <b>CAPITAL EMPLOYED</b>  |                  |               |               |               |
| <i>Average balance-sheet total</i>                                   |                  |               |               |               |
| Average balance-sheet total  | 7,889            | 5,952         | 3,318         | 2,813         |
| <i>Average non-interest-bearing liabilities and provisions</i>       |                  |               |               |               |
| Average non-interest-bearing non-current liabilities                 | -377             | -244          | -72           | -74           |
| Average non-interest-bearing current liabilities                     | -1,696           | -1,407        | -1,147        | -1,150        |
| <b>Total average non-interest-bearing liabilities and provisions</b> | <b>-2,073</b>    | <b>-1,651</b> | <b>-1,219</b> | <b>-1,224</b> |
| <b>Average capital employed</b>                                      | <b>5,816</b>     | <b>4,301</b>  | <b>2,099</b>  | <b>1,589</b>  |
| Operating profit   | 501              | 413           | 303           | 302           |
| Financial income   | 3                | 4             | 1             | 1             |
| <b>Total operating profit + financial income</b>                     | <b>504</b>       | <b>417</b>    | <b>304</b>    | <b>303</b>    |
| <b>Return on capital employed, %</b>                                 | <b>9%</b>        | <b>10%</b>    | <b>14%</b>    | <b>19%</b>    |

| MSEK                       | 12 MONTHS ENDING |             |             |             |
|----------------------------|------------------|-------------|-------------|-------------|
|                            | 30 JUN 2021      | 31 DEC 2020 | 31 MAR 2020 | 31 MAR 2019 |
| <b>RETURN ON EQUITY</b>    |                  |             |             |             |
| <i>Average equity*</i>     |                  |             |             |             |
| Average equity*            | 3,053            | 2,326       | 1,333       | 1,220       |
| <i>Net profit*</i>         |                  |             |             |             |
| Net profit*                | 358              | 282         | 214         | 229         |
| <b>Return on equity, %</b> | <b>12%</b>       | <b>12%</b>  | <b>16%</b>  | <b>19%</b>  |

\* Refers to equity and earnings attributable to Parent Company shareholders.

| MSEK  | 12 MONTHS ENDING |              |             |             |
|---|------------------|--------------|-------------|-------------|
|   | 30 JUN 2021      | 31 DEC 2020  | 31 MAR 2020 | 31 MAR 2019 |
| <b>FINANCIAL NET LOAN LIABILITY (CLOSING BALANCE)</b> |                  |              |             |             |
| <i>Non-current interest-bearing liabilities</i>       |                  |              |             |             |
| Non-current interest-bearing liabilities              | 2,213            | 2,219        | 1,461       | 164         |
| <i>Current interest-bearing liabilities</i>           |                  |              |             |             |
| Current interest-bearing liabilities                  | 490              | 487          | 404         | 137         |
| <i>Cash and cash equivalents</i>                      |                  |              |             |             |
| Cash and cash equivalents                             | -317             | -375         | -1,157      | -8          |
| <b>Financial net loan liability (closing balance)</b> | <b>2,386</b>     | <b>2,331</b> | <b>708</b>  | <b>293</b>  |

| MSEK  | 12 MONTHS ENDING |              |             |             |
|---|------------------|--------------|-------------|-------------|
|   | 30 JUN 2021      | 31 DEC 2020  | 31 MAR 2020 | 31 MAR 2019 |
| <b>OPERATIONAL NET LOAN LIABILITY (CLOSING BALANCE)</b> |                  |              |             |             |
| <i>Financial net loan liability</i>                     |                  |              |             |             |
| Financial net loan liability                            | 2,386            | 2,331        | 708         | 293         |
| <i>Financial lease liabilities</i>                      |                  |              |             |             |
| Financial lease liabilities                             | -1,063           | -1,004       | -511        | -           |
| <i>Net provisions for pensions</i>                      |                  |              |             |             |
| Net provisions for pensions                             | -33              | -34          | -31         | -27         |
| <b>Operational net loan liability (closing balance)</b> | <b>1,290</b>     | <b>1,293</b> | <b>166</b>  | <b>266</b>  |

| MSEK   | 12 MONTHS ENDING |             |             |             |
|--|------------------|-------------|-------------|-------------|
|  | 30 JUN 2021      | 31 DEC 2020 | 31 MAR 2020 | 31 MAR 2019 |
| <b>EQUITY/ASSETS RATIO</b>                   |                  |             |             |             |
| <i>Balance-sheet total (closing balance)</i> |                  |             |             |             |
| Balance-sheet total (closing balance)        | 8,276            | 7,812       | 5,940       | 2,914       |
| <i>Equity (closing balance)*</i>             |                  |             |             |             |
| Equity (closing balance)*                    | 3,206            | 3,037       | 2,869       | 1,303       |
| <b>Equity/assets ratio, %</b>                | <b>39%</b>       | <b>39%</b>  | <b>48%</b>  | <b>45%</b>  |

\* Refers to equity attributable to Parent Company shareholders.