

INTERIM REPORT – 3 MONTHS

1 January-31 March 2021

- Revenue amounted to MSEK 2,325 (1,539), with the change compared with the previous year primarily attributable to the acquisition of Swedol.
Compared with revenue for the corresponding quarter in the preceding year *including* Swedol (MSEK 2,368), revenue declined by 2 percent.*
- EBITA amounted to MSEK 125 (91), corresponding to an EBITA margin of 5.4 percent (5.9). The change compared with the previous year is primarily attributable to the acquisition of Swedol.
Compared with EBITA for the corresponding period in the previous year *including* Swedol (MSEK 134), EBITA declined by 7 percent while the EBITA margin amounted to 5.4 percent (5.7).*
- Operating profit amounted to MSEK 108 (80) and the operating margin to 4.6 percent (5.2).
- Net profit for the quarter amounted to MSEK 77 (54) and earnings per share totalled SEK 1.55 (1.95).
- The return on working capital (EBITA/WC) for the most recent 12-month period (*including* Swedol) was 31 percent.*
- Cash flow from operating activities improved to MSEK 215 (105).
- The equity/assets ratio at the end of the quarter was 39 percent.
- Demand during the quarter showed indications of a recovery compared with the most recent quarter and was characterised by stable demand from small and medium-sized customers in the business area Alligo (formerly Tools, Consumables, Workwear & Protective Equipment) and increased demand from industrial customers in the business area Components & Services towards the end of the quarter.
- The integration between Swedol and TOOLS continued according to plan, with an undiminished focus.
- The business area Components & Services completed the acquisition of four businesses generating total annual revenue of approximately MSEK 285.
- Momentum Group's 2021 Annual General Meeting will be held on 11 May 2021 and the notice for the Meeting was published on 6 April 2021. A dividend of SEK 1.50 per share (-) is proposed.

AFTER THE END OF THE REPORTING PERIOD

- **The Board of Directors to investigate the possibility of splitting the Group into two separate listed companies.**
On 9 April 2021, 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 business area Tools, Consumables, Workwear & Protective Equipment has changed its name to Alligo.**
On 19 April 2021, the business area Tools, Consumables, Workwear & Protective Equipment changed its name to Alligo. The business area will continue to work with its strong concept brands to customers – but with the launch of the common name Alligo, Swedol, TOOLS and the other companies in the business area are taking the next step in their shared journey of growth. The new business area name has been used throughout this report.

* 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

STABLE START TO THE FINANCIAL YEAR

We are pleased to report that the general demand situation continued to recover slightly compared with the restraint and caution that characterised 2020, although with certain variations between customer segments and countries, with Norway continuing to experience the most significant negative impact. Through the measures to increase efficiency implemented in 2020 and continuously taken as needed, we have succeeded in maintaining our profitability and are continuing to generate significantly higher cash flows. This provides us with favourable conditions for continued profitable growth, both organically and through acquisitions.

In the **business area Alligo**, the integration of TOOLS and Swedol is the main focus area. The integration of stores is proceeding according to plan, new common purchasing agreements are continuously being signed and the introduction of proprietary product brands is ongoing in several of the business area's operations. In parallel, work is under way to reverse the negative sales trend in the industrial segment in order to create a positive earnings and sales trend going forward.

In the **business area Components & Services**, we are continuing our efforts to achieve acquisition-driven growth (while maintaining profitability) and we successfully completed four acquisitions during the first quarter with total revenue of approximately MSEK 285 and favourable profitability. With these new businesses, the business area has strengthened its market position as a solid supplier of industrial components and industrial services in the Nordic region.

WE ARE INVESTIGATING THE POSSIBILITY OF SPLITTING THE GROUP INTO TWO SEPARATE LISTED COMPANIES

In an effort to provide the two business areas with better prerequisites to achieve their goals in an optimal manner and thereby increase shareholder value, the Board of Directors has now assigned us in Group management the task of investigating the possibility of splitting the Group into two separate listed companies as well as the conditions for such a split. In the past, we have shown that an increased focus creates positive effects and improved earnings, and our two business areas, which are already operationally independent, have all of the necessary prerequisites to stand on their own two feet. The Board intends to present further information on the results of the investigation during the financial year.

Stockholm, April 2021

Ulf Lilius
President & CEO

MOMENTUM GROUP IN SUMMARY

	3 MONTHS ENDING			12 MONTHS ENDING		
	31 MAR 2021	31 MAR 2020	Δ	31 MAR 2021	31 MAR 2020	Δ
Revenue, MSEK	2,325	1,539	51%	9,171	6,135	49%
<i>Revenue including Swedol 2019/20¹</i>	2,325	2,368	-2%	9,171	9,780	-6%
Operating profit, MSEK	108	80	35%	441	303	46%
<i>of which: Items affecting comparability</i>	-	-5		-101	-14	
<i>of which: Amortisation of intangible assets incurred in connection with corporate acquisitions</i>	-17	-6		-67	-21	
EBITA, MSEK	125	91	37%	609	338	80%
<i>EBITA including Swedol 2019/20¹</i>	125	134	-7%	609	681	-11%
Profit after financial items, MSEK	98	74	32%	392	283	39%
Net profit (after taxes), MSEK	77	54	43%	306	217	41%
Earnings per share, SEK	1.55	1.95	-21%	6.10	7.70	-21%
Operating margin	4.6%	5.2%		4.8%	4.9%	
EBITA margin	5.4%	5.9%		6.6%	5.5%	
<i>EBITA margin including Swedol 2019/20¹</i>	5.4%	5.7%		6.6%	7.0%	
Profit margin	4.2%	4.8%		4.3%	4.6%	
Return on equity				11%	16%	
Return on working capital (EBITA/WC)				31%	28%	
<i>EBITA/WC including Swedol 2019/20¹</i>				31%	30%	
Equity per share, SEK				62.65	56.95	10%
Equity/assets ratio				39%	48%	
Number of employees at the end of the period				2,786	1,651	69%

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

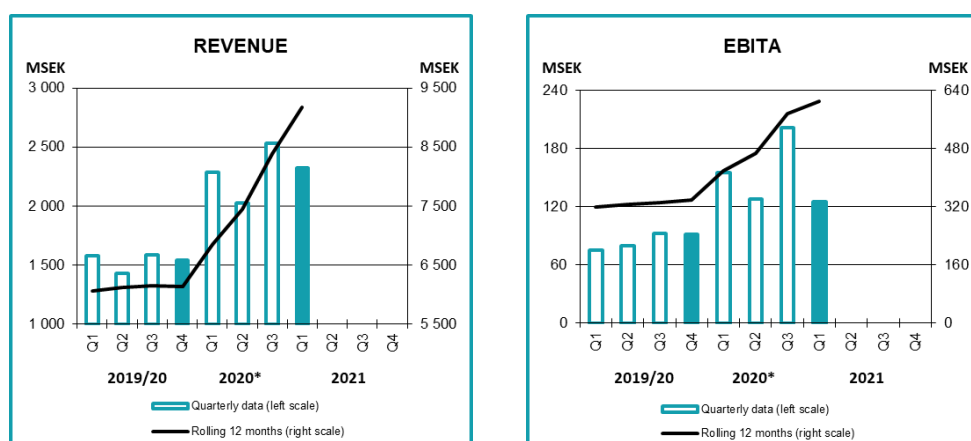
REVENUE AND PROFIT

First quarter (1 January-31 March 2021)

Revenue amounted to MSEK 2,325 (1,539), with the change compared with the previous year primarily attributable to the acquisition of Swedol. Compared with revenue for the corresponding quarter in the preceding year *including* Swedol (MSEK 2,368), revenue declined by 2 percent. Revenue for comparable units (*including* Swedol), measured in local currency and adjusted for the number of trading days, increased by 0.8 percent compared with the corresponding quarter in the preceding year. The quarter included one trading day fewer than the preceding year.

Operating profit amounted to MSEK 108 (80), with the change compared with the previous year primarily 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 125 (91). Compared with EBITA for the corresponding quarter in the preceding year *including* Swedol (MSEK 134), EBITA declined by 7 percent and the EBITA margin amounted to 5.4 percent (5.7). Operating profit was charged with depreciation of MSEK -15 (-4) on tangible non-current assets and amortisation of MSEK -27 (-9) on intangible non-current assets. Exchange-rate translation effects had a net impact of MSEK -1 (-1) on operating profit.

Profit after financial items totalled MSEK 98 (74) and net profit amounted to MSEK 77 (54), which corresponds to earnings per share of SEK 1.55 (1.95) for the quarter.



* 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

General demand in the first quarter of 2021 recovered slightly compared with the significantly restrained and cautious attitude in Momentum Group's main markets, which characterised the 2020 financial year, primarily driven by the uncertainty regarding the COVID-19 pandemic. The main changes in demand were noted among larger customers in the industrial sector, while small and medium-sized customers have demonstrated greater tolerance to the slowdown. Performances also continued to vary between countries. Towards the end of the quarter, the Group noted increased demand from export-oriented customers, which are widely impacted by developments in the global markets. Accordingly, it is not currently possible to predict with any certainty how the pandemic 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 JAN-MAR 2020 ¹
Change in revenue for:	
Comparable units in local currency	0.8%
Currency effects	-1.9%
Number of trading days	-2.6%
Other units ²	1.9%
Total change	-1.8%

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:

We made major strides during the first quarter through the completion of a new set of values for the entire business area and the launch of our new name – Alligo. With a shared mission, vision and values in place, the business area is in a stronger shared position to tackle the future challenges in its operating environment and market. Our goal is to achieve long-term profitable growth, which we can accomplish through modern and sustainable operations that focus on the customer and deliver value by making businesses work.

Other aspects of the integration have proceeded quickly and according to plan. To date, we have carried out eight store integrations in Sweden and three in Norway. The expansion of the logistics centre in Örebro is now finished and the final inspection is complete. As a result, we were able to close Grolls' central warehouse in Hisings Backa (Gothenburg) and move it to Örebro, enabling a higher degree of automation, which will help us to better serve our customers and maintain higher inventory efficiency in the business area. However, the availability of products was negatively impacted by the container shortage currently affecting the market and by the effects of the earlier blockage in the Suez Canal. This resulted in certain delays in deliveries of proprietary brands and new product launches.

The previously announced integration of TOOLS in Finland into our common IT platform was carried out according to plan and without any major difficulties during the quarter. In parallel with this, our legal structure was simplified.

Alligo delivered a stable sales performance during the quarter. All in all, sales declined slightly compared with the corresponding quarter in the preceding year, but adjusted for the number of trading days and currency fluctuations, the business area's sales increased by 1 percent. However, the sales performance in the industrial segment remained weak, and we are implementing numerous purposeful initiatives as part of our targeted, long-term efforts to reverse this trend.

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		12 MONTHS ENDING	
	31 MAR 2021	31 MAR 2020	31 MAR 2021	31 MAR 2020
REVENUE, MSEK				
Sweden	1,207	1,153	4,947	4,841
Norway	547	606	2,094	2,502
Finland	286	326	1,201	1,313
Other countries	6	6	31	29
Eliminations	-64	-39	-256	-109
Total BA	1,982	2,052	8,017	8,576
EBITA, MSEK				
Sweden	73	60	363	382
Norway	11	17	56	86
Finland	1	15	45	66
Other countries	0	-1	1	0
Total BA	85	91	465	534
EBITA MARGIN, %				
Sweden	6.0%	5.2%	7.3%	7.9%
Norway	2.0%	2.8%	2.7%	3.4%
Finland	0.3%	4.6%	3.7%	5.0%
Other countries	0.0%	-16.7%	3.2%	0.0%
Total BA	4.3%	4.4%	5.8%	6.2%
OTHER INFORMATION				
Return on working capital (EBITA/WC), %			26%	26%

Demand in the business area **Alligo** was stable during the first quarter of the financial year, and revenue for comparable units in the business area increased by a total of just over 1 percent¹ during the quarter. There were major variations between countries, however, with Sweden reporting increased sales for comparable units, while sales in both Norway and Finland declined – which also had a negative impact on the earnings performance of the entire business area. Measures are being taken continuously to increase sales, margins and efficiency.

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

Revenue for the operations in **Sweden** increased by a total of approximately 2 percent² during the quarter compared with the previous year. It is still primarily sales to major industrial companies that were negatively impacted by the prevailing cautious approach, while sales to small and medium-sized customers were stable during the quarter. 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 specialist companies within Workwear & Profile Materials contributed positively to the earnings performance during the quarter.

Revenue for the operations in **Norway** decreased by approximately 2 percent² during the quarter. The pandemic continued to have a negative impact on overall demand, not least within the oil & gas sector, which had an adverse effect on sales to both retail and direct sales customers during the quarter. This decrease in sales was reflected in earnings for the Norwegian operations. Cost-saving measures continue to be implemented, including in the logistics functions.

Revenue for the operations in **Finland** decreased by approximately 6 percent² during the quarter. Demand continued to be negatively impacted by the decline in demand in the relatively export-dependent Finnish industrial sector, including the pulp & paper and shipbuilding industries. The operations are continuously implementing customised cost-saving measures with the aim of reversing the negative earnings trend.

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 business area's operations performed well after a slightly weaker sales performance at the start of the quarter. 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.

Our newly acquired businesses Öbergs i Karlstad, Mekano and Mekano i Sävedalen all contributed to our positive sales and earnings performance during the quarter and are further strengthening our market-leading position as a supplier of industrial components and industrial services to Nordic industry. On 1 April, we also closed the acquisition of three electromechanical workshops from Assemblin El, which are now part of Rörick El. Verkstad. In total, these four acquisitions will contribute annual revenue of approximately MSEK 285 to the business area.

We are continuing to evaluate attractive acquisition opportunities that would further strengthen our market position and profitability.

	3 MONTHS ENDING		12 MONTHS ENDING	
	31 MAR 2021	31 MAR 2020	31 MAR 2021	31 MAR 2020
REVENUE, MSEK				
Total BA	350	326	1,187	1,254
EBITA, MSEK				
Total BA	43	45	154	154
EBITA MARGIN, %				
Total BA	12.3%	13.8%	13.0%	12.3%
OTHER INFORMATION				
Return on working capital (EBITA/WC), %			62%	59%

Sales in the business area **Components & Services** were relatively stable during the first quarter of the financial year, with demand gradually improving after a somewhat cautious start to the year. Revenue for comparable units in the business area decreased by approximately 3 percent² during the quarter, while acquired businesses contributed approximately MSEK 45 in revenue.

For **Momentum Industrial**, demand gradually increased in all product areas during the quarter, including demand from the steel and metal industry. Many industrial customers are carrying out maintenance work, which continues to contribute to favourable business opportunities for the operations, and improved margins and previously implemented measures to increase cost efficiency contributed to a stable earnings performance.

Öbergs i Karlstad and **ETAB Industriautomation**, which specialise in industrial components, and **Rörick Elektriska Verkstad**, the **Mekano companies** and **Carl A Nilsson**, which specialise in service and repairs, delivered a stable performance during the quarter and made a positive contribution to the business area's sales and earnings performance.

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

GROUP-WIDE AND ELIMINATIONS

EBITA for “Group-wide and eliminations” amounted to MSEK –3 (–2) for the quarter and items affecting comparability to MSEK 0 (–5). Items affecting comparability in the previous year pertained to costs for advisors and other costs arising from the acquisition of Swedol. Accordingly, an operating loss of MSEK –3 (–7) was reported.

The Parent Company’s revenue for the quarter amounted to MSEK 6 (7) and the loss after financial items to MSEK –2 (–1). The results include no Group contributions (–).

EMPLOYEES

At the end of the quarter, the number of employees in the Group amounted to 2,786, 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 closed in February 2021.

CORPORATE ACQUISITIONS

To date, Momentum Group has conducted four corporate acquisitions with closing during the 2021 financial year.

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 EI 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 and closing took place 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.

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 11 percent (16) and the return on working capital (EBITA/WC) to 31 percent (28) for the most recent 12-month period. The return on capital employed for the corresponding period was 9 percent (14).

Cash flow from operating activities before changes in working capital for the quarter totalled MSEK 180 (122). During the period, inventories increased by MSEK 20, while operating receivables decreased by MSEK 5. Operating liabilities rose by MSEK 50. Accordingly, cash flow from operating activities for the period amounted to MSEK 215 (105).

Cash flow for the quarter was also impacted in a net amount of MSEK –38 (–4) pertaining to investments in and divestments of non-current assets, and a net amount of MSEK –78 (–8) pertaining to acquisitions of subsidiaries and other business units. Investments in non-current assets 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 quarter, the Group’s financial net loan liability amounted to MSEK 2,389, compared with MSEK 2,331 at the beginning of the financial year. At the end of the quarter, the Group’s operational net loan liability amounted to MSEK 1,299, compared with MSEK 1,293 at the beginning of the financial year. Cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 1,418. The equity/assets ratio at the end of the quarter was 39 percent.

Equity per share totalled SEK 62.65 at the end of the quarter, compared with SEK 60.25 at the beginning of the financial year.

SHARE STRUCTURE AND REPURCHASE OF OWN SHARES

At the end of the quarter, the share capital totalled MSEK 102. The distribution by class of share on 31 March 2021 was as follows:

CLASS OF SHARE	AS OF 31 MARCH 2021
Class A shares	1,062,436
Class B shares	49,843,753
Total number of shares before repurchasing	50,906,189
Less : Repurchased Class B shares	-486,000
Total number of shares after repurchasing	50,420,189

As of 31 December 2020, Momentum Group's holding of Class B treasury shares totalled 500,000. During the first quarter of 2021, 14,000 call options 2017/21 within the framework of the 2017 share-based incentive programme were redeemed to acquire an equivalent number of repurchased shares, and Momentum Group's holding of Class B treasury shares as of 31 March 2021 thus amounted to 486,000, corresponding to 1.0 percent of the total number of shares and 0.8 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 is SEK 119.30 per share³. 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 of 14,000 and the repurchase of 155,000 call options 2017/21 during the first redemption period in February 2021, the number of outstanding call options 2017/21 amounted to 64,500 as of 31 March 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 31 March 2021, there were 240,000 call options 2018/22 outstanding.

The share price on 31 March 2021 was SEK 155.00 and the call options outstanding on the shares repurchased by the Company resulted in a dilution effect of approximately 0.02 percent for the first quarter of 2021. Refer also to page 13.

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

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 quarter.

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.

BOARD OF DIRECTORS' MOTIONS TO THE ANNUAL GENERAL MEETING ON 11 MAY 2021

Momentum Group AB's Annual General Meeting will be held in Stockholm, Sweden on 11 May 2021. Due to the COVID-19 pandemic, the Board has decided that the Annual General Meeting will be held without physical attendance by the shareholders, proxies or outside parties and that shareholders will only be able to 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*.

³ 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.

Proposed dividend

The Board of Directors of Momentum Group AB proposes a dividend of SEK 1.50 per share, corresponding to a pay-out ratio of 33 percent of the earnings per share for the 2020 financial year. Taking into account the Class B shares repurchased by the Company, the proposed dividend corresponds to a total of approximately MSEK 76. The proposed dividend is in line with the Company's dividend policy, which states that 30–50 percent of earnings per share are to be distributed over a business cycle.

Authorisation for repurchase of own shares

The Board has decided to propose that the Annual General Meeting resolve to renew the authorisation to repurchase own shares. In brief, this motion entails that the Annual General Meeting would authorise the Board, during the period until the next Annual General Meeting, to repurchase a maximum number of own shares through Nasdaq Stockholm so that the Company's holding of treasury shares would at no time exceed 10 percent of the total number of shares in the Company. This authorisation would enable the Board to use repurchased shares to pay for acquisitions or to sell the shares in a manner other than through Nasdaq Stockholm in order to finance acquisitions and to fulfil the Company's obligations in connection with its share-based incentive programmes for senior management in the Momentum Group.

Authorisation for new share issues

The Board has also decided to propose that the Annual General Meeting resolve on a renewed authorisation for new share issues of up to 10 percent of the number of shares as a means of payment for acquisitions. In brief, this motion entails that the Annual General Meeting would authorise the Board, on one or more occasions during the period until the next Annual General Meeting, to decide to increase the Company's share capital through a new issue of shares up to a maximum of 10 percent of the number of shares. The new issue of shares may be performed with or without deviation from the shareholders' preferential rights and with or without provisions regarding non-cash issues or right of offset. The purpose of the authorisation and the grounds for the deviation from the shareholders' preferential rights are to improve the Company's opportunities to conduct or finance corporate acquisitions.

For other proposals to the Annual General Meeting and instructions for postal voting, refer to the notice of the Annual General Meeting published on 6 April 2021.

EVENTS AFTER THE END OF THE REPORTING PERIOD***The Board of Directors to investigate the possibility of splitting the Group into two separate listed companies.***

On 9 April 2021, the Board of Directors decided to assign Group management the task of investigating the possibility of splitting the Group into two separate listed companies as well as the conditions for such a split. The aim is to create increased shareholder value in both the short and long term through increased focus. The Board intends to present further information on the results of the investigation during the financial year.

The business area Tools, Consumables, Workwear & Protective Equipment has changed its name to Alligo.

On 19 April 2021, the business area Tools, Consumables, Workwear & Protective Equipment changed its name to Alligo. The new business area name has been used throughout this report.

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

Stockholm, 29 April 2021

Ulf Lilius

President & CEO

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

Contact information

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Dates for forthcoming financial information

Presentation of Interim Report (3 months) – A teleconference will be held today, Thursday, 29 April 2021 at 11:00 a.m. CEST. Refer to www.momentum.group for information about telephone numbers and the link to the webcast.

Momentum Group AB's 2021 Annual General Meeting will be held in Stockholm, Sweden on 11 May 2021.

Interim Report (6 months) – 1 January-30 June 2021 will be presented on 15 July 2021.

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.

Visit 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. The information was submitted for publication, through the agency of the contact persons set out above, at 8:00 a.m. CEST on 29 April 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.

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GROUP SUMMARY

INCOME STATEMENT

MSEK	QUARTER		ROLLING 12 MON AS OF 31 MAR 2021	FINANCIAL YEAR 2020 (9 mon)
	JAN-MAR 2021	JAN-MAR 2020		
Revenue	2,325	1,539	9,171	6,846
Other operating income	12	1	27	15
Total operating income	2,337	1,540	9,198	6,861
Cost of goods sold	-1,370	-969	-5,547	-4,177
Personnel costs	-503	-296	-1,774	-1,271
Depreciation, amortisation, impairment losses and reversal of impairment losses	-135	-66	-594	-459
Other operating expenses	-221	-129	-842	-621
Total operating expenses	-2,229	-1,460	-8,757	-6,528
Operating profit	108	80	441	333
Financial income	1	1	4	3
Financial expenses	-11	-7	-53	-42
Net financial items	-10	-6	-49	-39
Profit after financial items	98	74	392	294
Taxes	-21	-20	-86	-65
Net profit	77	54	306	229
Of which, attributable to:				
Parent Company shareholders	77	54	305	228
Non-controlling interest	0	0	1	1
Earnings per share, SEK				
– before dilution	1.55	1.95	6.10	4.55
– after dilution	1.55	1.95	6.10	4.55

STATEMENT OF COMPREHENSIVE INCOME

MSEK	QUARTER		ROLLING 12 MON AS OF 31 MAR 2021	FINANCIAL YEAR 2020 (9 mon)
	JAN-MAR 2021	JAN-MAR 2020		
Net profit	77	54	306	229
OTHER COMPREHENSIVE INCOME FOR THE PERIOD				
Components that will not be reclassified to net profit				
Remeasurement of defined-benefit pension plans	3	0	1	-2
Tax attributable to components that will not be reclassified	-1	0	-1	0
	2	0	0	-2
Components that will be reclassified to net profit				
Translation differences	47	-22	10	-37
Fair value changes for the year in cash-flow hedges	15	3	-12	-27
Tax attributable to components that will be reclassified	-3	0	3	6
	59	-19	1	-58
Other comprehensive income for the period	61	-19	1	-60
Total comprehensive income for the period	138	35	307	169
Of which, attributable to:				
Parent Company shareholders	138	35	306	168
Non-controlling interest	0	0	1	1

BALANCE SHEET

MSEK	31 MAR 2021	31 MAR 2020	31 DEC 2020
ASSETS			
Non-current assets			
Intangible non-current assets	2,864	660	2,784
Tangible non-current assets	526	61	506
Right-of-use assets	1,018	491	952
Financial investments	1	2	1
Deferred tax assets	71	18	70
Total non-current assets	4,480	1,232	4,313
Current assets			
Inventories	1,828	985	1,761
Accounts receivable	1,233	964	1,141
Current receivables - non-cash issue	-	1,487	-
Other current receivables	189	115	222
Cash and cash equivalents	370	1,157	375
Total current assets	3,620	4,708	3,499
TOTAL ASSETS	8,100	5,940	7,812
EQUITY AND LIABILITIES			
Equity			
Equity attributable to Parent Company shareholders	3,159	2,869	3,037
Non-controlling interest	24	19	14
Total equity	3,183	2,888	3,051
Non-current liabilities			
Non-current interest-bearing liabilities	1,545	1,125	1,544
Non-current lease liabilities	715	305	641
Provisions for pensions	31	31	34
Other non-current liabilities and provisions	400	61	378
Total non-current liabilities	2,691	1,522	2,597
Current liabilities			
Current interest-bearing liabilities	124	198	124
Current lease liabilities	344	206	363
Accounts payable	1,064	764	1,022
Other current liabilities	694	362	655
Total current liabilities	2,226	1,530	2,164
TOTAL LIABILITIES	4,917	3,052	4,761
TOTAL EQUITY AND LIABILITIES	8,100	5,940	7,812
Financial net loan liability	2,389	708	2,331
Operational net loan liability	1,299	166	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		
Closing equity, 31 December 2019	57	4	1,284	1,345	18	1,363
Net profit			54	54	0	54
Other comprehensive income		-19	0	-19		-19
Non-cash issue ¹	45		1,442	1,487		1,487
Acquisitions of partly owned subsidiaries				-	1	1
Option liability, acquisitions			-1	-1		-1
Change in value of option liability ²			3	3		3
Closing equity, 31 March 2020	102	-15	2,782	2,869	19	2,888
Net profit			228	228	1	229
Other comprehensive income		-58	-2	-60		-60
Non-cash issue ³	0		0	0		0
Changes in share of partly owned subsidiaries			1	1	-8	-7
Contributions in partly owned subsidiaries				-	2	2
Change in value of option liability ²			-1	-1		-1
Closing equity, 31 December 2020	102	-73	3,008	3,037	14	3,051
Net profit			77	77	0	77
Other comprehensive income		59	2	61		61
Repurchase of share options			-3	-3		-3
Sale of own shares			2	2		2
Acquisitions of partly owned subsidiaries				-	10	10
Option liability, acquisitions ⁴			-15	-15		-15
Closing equity, 31 March 2021	102	-14	3,071	3,159	24	3,183

- 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). Capital contributed in kind consisting of the shares in Swedol was conveyed to the Group on 1 April 2020 and was recognised on 31 March 2020 as a current receivable pertaining to the non-cash issue.
- 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) A new issue of a total of 6,897 Class B shares pertaining to the public offer to shareholders in Swedol AB (publ).
- 4) 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		ROLLING 12 MON AS OF 31 MAR 2021	FINANCIAL YEAR 2020 (9 mon)
	JAN-MAR 2021	JAN-MAR 2020		
Operating activities				
Operating activities before changes in working capital	180	122	943	763
Changes in working capital	35	-17	358	323
Cash flow from operating activities	215	105	1,301	1,086
Investing activities				
Acquisition of intangible & tangible non-current assets	-38	-4	-187	-149
Sale of intangible & tangible non-current assets	0	0	0	0
Acquisition of subsidiaries & other business units	-78	-8	-1,827	-1,749
Sale of financial non-current assets	0	-	1	1
Cash flow from investing activities	-116	-12	-2,013	-1,897
Cash flow before financing	99	93	-712	-811
Financing activities				
Financing activities	-105	1,028	-74	31
Cash flow for the period	-6	1,121	-786	-780
Cash and cash equivalents at the beginning of the period	375	37	1,157	1,157
Exchange-rate differences in cash and cash equivalents	1	-1	-1	-2
Cash and cash equivalents at the end of the period	370	1,157	370	375

KEY PER-SHARE DATA

SEK	QUARTER		ROLLING 12 MON AS OF 31 MAR 2021	FINANCIAL YEAR 2020 (9 mon)
	JAN-MAR 2021	JAN-MAR 2020		
Earnings before dilution	1.55	1.95	6.10	4.55
Earnings after dilution	1.55	1.95	6.10	4.55
Equity, at the end of the period	62.65	56.95		60.25
NUMBER OF SHARES OUTSTANDING IN THOUSANDS				
Number of shares outstanding before dilution	50,420	50,399	50,420	50,406
Weighted number of shares outstanding before dilution	50,406	27,765	50,406	50,406
Weighted number of shares outstanding after dilution	50,431	27,765	50,411	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.

Momentum Group held 486,000 Class B shares as of 31 March 2021 and had a total of 304,500 outstanding call options for repurchased shares. For the first quarter of 2021, the average share price exceeded the redemption price of SEK 119.30 per call option in the 2017 share-based incentive programme* as well as the redemption price of SEK 137.30 per call option in the 2018 share-based incentive programme, which entailed a dilution effect of approximately 0.02 percent as of 31 March 2021. The share price on 31 March 2021 was SEK 155.00. Refer also to page 7.

* 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.

PARENT COMPANY IN SUMMARY

INCOME STATEMENT

MSEK	QUARTER		ROLLING 12 MON AS OF 31 MAR 2021	FINANCIAL YEAR 2020 (9 mon)
	JAN-MAR 2021	JAN-MAR 2020		
Revenue	6	7	28	22
Other operating income	2	0	4	2
Total operating income	8	7	32	24
Operating expenses	-11	-9	-44	-33
Operating profit/loss	-3	-2	-12	-9
Financial income and expenses	1	1	-3	-4
Profit/loss after financial items	-2	-1	-15	-13
Appropriations	-	-3	-	-
Profit/loss before taxes	-2	-4	-15	-13
Taxes	0	1	3	3
Net profit/loss	-2	-3	-12	-10

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	31 MAR 2021	31 MAR 2020	31 DEC 2020
ASSETS			
Intangible non-current assets	0	0	0
Tangible non-current assets	0	0	0
Financial non-current assets	3,908	829	3,907
Current receivables	230	1,644	176
Cash and cash equivalents	315	1,153	357
TOTAL ASSETS	4,453	3,626	4,440
EQUITY, PROVISIONS AND LIABILITIES			
Restricted equity	102	102	102
Non-restricted equity	1,953	1,965	1,955
Total equity	2,055	2,067	2,057
Untaxed reserves	-	-	-
Provisions	-	-	-
Non-current liabilities	1,545	1,125	1,544
Current liabilities	943	434	839
TOTAL EQUITY, PROVISIONS AND LIABILITIES	4,543	3,626	4,440

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 4, which is based on the geographic domicile of each legal entity).

MSEK	JAN-MAR 2021 (3 MON)				
	Alligo	Components & Services	Group-wide	Eliminations	Group total
From external customers by geographic area					
Sweden	1,124	325	-	-	1,449
Norway	542	6	-	-	548
Finland	270	0	-	-	270
Other countries	42	16	-	-	58
From other segments	4	3	6	-13	-
Revenue	1,982	350	6	-13	2,325
EBITA	85	43	-3	0	125
Items affecting comparability	-	-	-	-	-
Amortisation of intangible assets incurred in connection with corporate acquisitions	-15	-2	-	-	-17
Operating profit	70	41	-3	0	108

MSEK	JAN-MAR 2020 (3 MON)				
	Alligo	Components & Services	Group-wide	Eliminations	Group total
From external customers by geographic area					
Sweden	470	301	-	-	771
Norway	470	6	-	-	476
Finland	249	1	-	-	250
Other countries	28	14	-	-	42
From other segments	6	4	7	-17	-
Revenue	1,223	326	7	-17	1,539
EBITA	48	45	-2	0	91
Items affecting comparability	-	-	-5	-	-5
Amortisation of intangible assets incurred in connection with corporate acquisitions	-5	-1	-	-	-6
Operating profit	43	44	-7	0	80

Revenue by operating segment and quarter

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

EBITA by operating segment and quarter

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

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	31 MAR 2021	31 MAR 2020	31 DEC 2020
Financial assets measured at fair value			
Financial investments	1	1	1
Derivative hedging instruments	4	4	0
Financial assets measured at amortised cost			
Long-term receivables	0	1	0
Accounts receivable	1,233	964	1,141
Cash and cash equivalents	370	1,157	375
Total financial assets	1,608	2,127	1,517
Financial liabilities measured at fair value			
Derivative hedging instruments	3	0	14
Conditional purchase considerations	10	5	-
Financial liabilities measured at amortised cost			
Option liability	32	35	17
Interest-bearing liabilities	2,728	1,834	2,672
Accounts payable	1,064	764	1,022
Total financial liabilities	3,837	2,638	3,725

NOTE 4 ACQUISITIONS

According to the preliminary acquisition analyses, the assets and liabilities in the operations acquired to date in the financial year amounted to the following:

MSEK	FAIR VALUE RECOGNISED IN THE GROUP
ACQUIRED ASSETS	
Intangible non-current assets	35
Right-of-use assets	25
Other non-current assets	2
Inventories	11
Other current assets	62
Total assets	135
ACQUIRED PROVISIONS AND LIABILITIES	
Lease liabilities	25
Deferred tax liability	11
Other current liabilities	29
Total provisions and liabilities	65
NET OF IDENTIFIED ASSETS AND LIABILITIES	70
Goodwill	56
Non-controlling interests ¹	-10
PURCHASE CONSIDERATION	116
Less / additional : Net cash in acquired business ²	-28
Less : Additional purchase consideration	-10
EFFECT ON THE GROUP'S CASH AND CASH EQUIVALENTS	78

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

ACQUISITION	TIME (possession taken)	REVENUE ¹	NO OF EMPLOYEES ¹	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 ² , SE	September 2017	MSEK 70	18	Alligo
AB Knut Sehllins Industrivaruhus, SE	October 2017	MSEK 40	14	Alligo
Elka Produkter AB ² , SE	October 2017	- ³	10	Alligo
Reklamproffsen Skandinavien AB ² , SE	March 2018	MSEK 35	12	Alligo
Profilmakarna i Södertälje AB, SE	April 2018	MSEK 25	8	Alligo
MRO business from Brammer ⁴ , SE	May 2018	MSEK 140	33	Components & Services
MFG Components Oy ⁴ , FI	October 2018	MEUR 1	3	Alligo
TOOLS Løvold AS, NO	January 2019	MNOK 95	28	Alligo
PPE business from Lindström Group ⁴ , FI	April 2019	MEUR 6	5	Alligo
ETAB Industriautomation AB ² , SE	June 2019	MSEK 45	9	Components & Services
Company Line Förvaltning AB ² , SE	June 2019	MSEK 75	25	Alligo
AMJ Papper AB, SE	March 2020	MSEK 15	6	Alligo
Swedol AB ⁵ , SE / NO / FI	April 2020	MSEK 3,650	1,046	Alligo
Spindle service business from SKF ⁴ , SE	November 2020	MSEK 10	5	Components & Services
Mekano AB ² & 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 El ⁴ , SE	April 2021	MSEK 90	45	Components & Services

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.

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			
	31 MAR 2021	31 DEC 2020 ¹	31 MAR 2020	31 MAR 2019
IFRS PERFORMANCE MEASURES				
Net profit, MSEK	306	283	217	231
Earnings per share, SEK	6.10	6.50	7.70	8.20
ALTERNATIVE PERFORMANCE MEASURES				
Performance measures related to the income statement				
Revenue, MSEK	9,171	8,385	6,135	6,024
Operating profit, MSEK	441	413	303	302
of which: Items affecting comparability	-101	-106	-14	-
of which: Amortisation of intangible assets incurred in connection with corporate acquisitions	-67	-56	-21	-16
EBITA, MSEK	609	575	338	318
of which: Depreciation and amortisation of tangible and other intangible non-current assets ²	-104	-86	-31	-31
Profit after financial items, MSEK	392	368	283	296
Operating margin, %	4.8%	4.9%	4.9%	5.0%
EBITA margin, %	6.6%	6.9%	5.5%	5.3%
Profit margin, %	4.3%	4.4%	4.6%	4.9%
Performance measures related to profitability				
Return on working capital (EBITA/WC), %	31%	32%	28%	27%
Return on capital employed, %	9%	10%	14%	19%
Return on equity, %	11%	12%	16%	19%
Performance measures related to financial position				
Financial net loan liability (closing balance), MSEK	2,389	2,331	708	293
Operational net loan liability (closing balance), MSEK	1,299	1,293	166	266
Equity (closing balance) ³ , MSEK	3,159	3,037	2,869	1,303
Equity/assets ratio, %	39%	39%	48%	45%
Other performance measures				
Number of employees at the end of the period	2,786	2,670	1,651	1,684
Share price at the end of the period, SEK	155.00	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 3.

DERIVATION OF ALTERNATIVE PERFORMANCE MEASURES

MSEK	12 MONTHS ENDING			
	31 MAR 2021	31 DEC 2020	31 MAR 2020	31 MAR 2019
EBITA				
Operating profit	441	413	303	302
<i>Items affecting comparability</i>				
Restructuring expenses	97	97	-	-
Acquisition related expenses	2	7	14	-
Integration expenses for the acquisition of Swedol	2	2	-	-
Split and listing expenses	-	-	-	-
Amortisation of intangible assets incurred in connection with corporate acquisitions	67	56	21	16
EBITA	609	575	338	318

MSEK	12 MONTHS ENDING			
	31 MAR 2021	31 DEC 2020	31 MAR 2020	31 MAR 2019
WORKING CAPITAL				
<i>Average operating assets</i>				
Average inventories	1,778	1,602	1,021	975
Average accounts receivable	1,141	1,076	966	956
Total average operating assets	2,919	2,678	1,987	1,931
<i>Average operating liabilities</i>				
Average accounts payable	-948	-886	-759	-736
Total average operating liabilities	-948	-886	-759	-736
Average working capital	1,971	1,792	1,228	1,195
EBITA	609	575	338	318
Return on working capital (EBITA/WC), %	31%	32%	28%	27%

MSEK	12 MONTHS ENDING			
	31 MAR 2021	31 DEC 2020	31 MAR 2020	31 MAR 2019
CAPITAL EMPLOYED				
Average balance-sheet total	6,893	5,952	3,318	2,813
<i>Average non-interest-bearing liabilities and provisions</i>				
Average non-interest-bearing non-current liabilities	-311	-244	-72	-74
Average non-interest-bearing current liabilities	-1,530	-1,407	-1,147	-1,150
Total average non-interest-bearing liabilities and provisions	-1,841	-1,651	-1,219	-1,224
Average capital employed	5,052	4,301	2,099	1,589
Operating profit	441	413	303	302
Financial income	4	4	1	1
Total operating profit + financial income	445	417	304	303
Return on capital employed, %	9%	10%	14%	19%

MSEK	12 MONTHS ENDING			
	31 MAR 2021	31 DEC 2020	31 MAR 2020	31 MAR 2019
RETURN ON EQUITY				
Average equity*	2,689	2,326	1,333	1,220
Net profit*	305	282	214	229
Return on equity, %	11%	12%	16%	19%

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

MSEK	12 MONTHS ENDING			
	31 MAR 2021	31 DEC 2020	31 MAR 2020	31 MAR 2019
FINANCIAL NET LOAN LIABILITY (CLOSING BALANCE)				
Non-current interest-bearing liabilities	2,291	2,219	1,461	164
Current interest-bearing liabilities	468	487	404	137
Cash and cash equivalents	-370	-375	-1,157	-8
Financial net loan liability (closing balance)	2,389	2,331	708	293

MSEK	12 MONTHS ENDING			
	31 MAR 2021	31 DEC 2020	31 MAR 2020	31 MAR 2019
OPERATIONAL NET LOAN LIABILITY (CLOSING BALANCE)				
Financial net loan liability	2,389	2,331	708	293
Financial lease liabilities	-1,059	-1,004	-511	-
Net provisions for pensions	-31	-34	-31	-27
Operational net loan liability (closing balance)	1,299	1,293	166	266

MSEK	12 MONTHS ENDING			
	31 MAR 2021	31 DEC 2020	31 MAR 2020	31 MAR 2019
EQUITY/ASSETS RATIO				
Balance-sheet total (closing balance)	8,100	7,812	5,940	2,914
Equity (closing balance)*	3,159	3,037	2,869	1,303
Equity/assets ratio, %	39%	39%	48%	45%

* Refers to equity attributable to Parent Company shareholders.