

Q4 Presentation January-December 2024

Today's presenters



Jan-Olof Svensson

CEO and founder

PREVIOUS EXPERIENCE

Founder of IMAP Sweden and Pamica, before that auditor and CFO.



Anders Maiqvist

CFO

PREVIOUS EXPERIENCE

Acting CEO and CFO Thunderful Group, before that CFO in eg. Bergsala Holding, Peoples Choice and Prognosia.

Agenda

01. **Key highlights Q4 and FY 2024**
Jan-Olof Svensson
02. **Financials**
Anders Maiqvist
03. **Summary**
Jan-Olof Svensson
05. **Q&A**

Key highlights Q4

- **Net sales increased** both for the quarter and full-year
 - Organic growth negative in Q4 but positive for the full-year
- **Adjusted EBITA increased** both for the quarter and full-year
 - Room for improvement of adjusted EBITA margin
- **Strong cash flow from operating activities**, both for the quarter and full-year
- **Loan financing secured** – issue of senior secured bonds for a total nominal amount of SEK 1.2 billion successfully completed
 - On January 30, 2025, Pamica Group's bonds were admitted to trading on the Transfer Market segment of the Nasdaq First North Bond Market
- **Lower leverage ratio**
- **Structural measures initiated to reduce leverage further** and increase profitability
- **Impairment** of Goodwill totalling MSEK 260.1

Key highlights after Q4

- **Safe Solutions** divested
- Subsidiary EDAB has received a **notice of arbitration**. The Claimant asserts that EDAB is obligated to pay SEK 50,000,000
 - Pamica assess the claim as unfounded and will therefore contest it

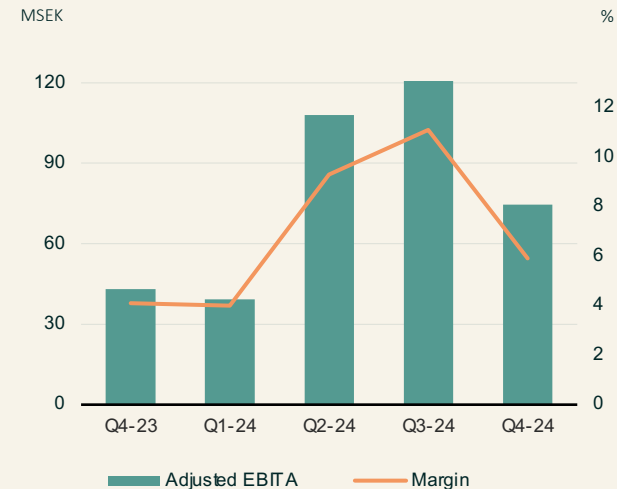
Financial development Q4 2024

- **Net sales** increased 20% to MSEK 1,275.5
 - Organic growth –5%
- **Adjusted EBITA** increased 74% to MSEK 74.7 MSEK
 - Adjusted EBITA margin 6% (4)
- **Operating cash flow** from operating activities MSEK 176.3 (76.7)
 - Changes in working capital had a positive contribution in the fourth quarter totalling MSEK 116.4 (9.8)

KEY PERFORMANCE INDICATORS

MSEK	Q4'24	Q4'23	Δ
Net sales	1,275.5	1,063.3	20%
Organic net sales growth, %	–5%	–16%	
Adjusted EBITA	74.7	42.9	74%
Adjusted EBITA margin, %	6%	4%	
Cash flow from operating activities	176.3	76.7	130%

ADJUSTED EBITA PER QUARTER



* Excluding discontinuing operations

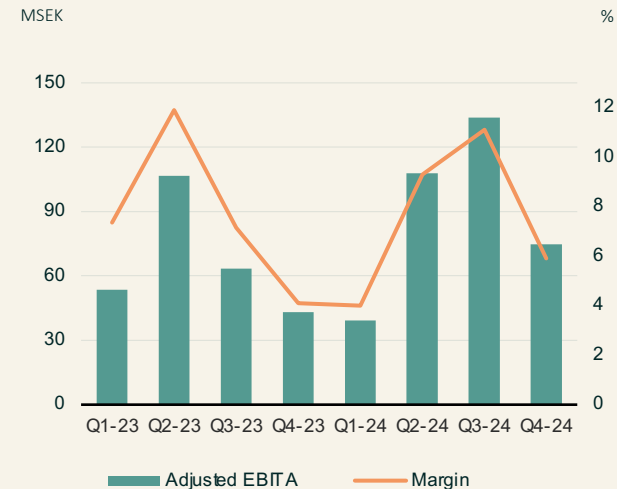
Financial development FY 2024

- **Net sales** increased 29% to MSEK 4,627.6
 - Organic growth 1%
- **Adjusted EBITA** increased 33% to MSEK 355.8 MSEK
 - Organic EBITA growth 7%
 - Adjusted EBITA margin 8%
- **Operating cash flow** more than doubled to MSEK 466.2
 - Changes in working capital had a positive contribution in the period totalling MSEK 158.7 (–37.0)
- **Leverage ratio**, measured as net debt/adjusted proforma EBITDA R12M, amounted to **3.3x** at the end of 2024, compared to 4.5x in the comparative quarter

KEY PERFORMANCE INDICATORS

MSEK	2024	2023	Δ
Net sales	4,627.6	3,574.9	29%
Organic net sales growth, %	1%	3%	
Adjusted EBITA	355.8	266.7	33%
Adjusted EBITA margin, %	8%	7%	
Cash flow from operating activities	466.2	177.4	163%

ADJUSTED EBITA PER QUARTER



* Excluding discontinuing operations

Agenda

01. Key highlights Q4 and FY 2024

Jan-Olof Svensson

02. **Financials**

Anders Maiqvist

03. Summary

Jan-Olof Svensson

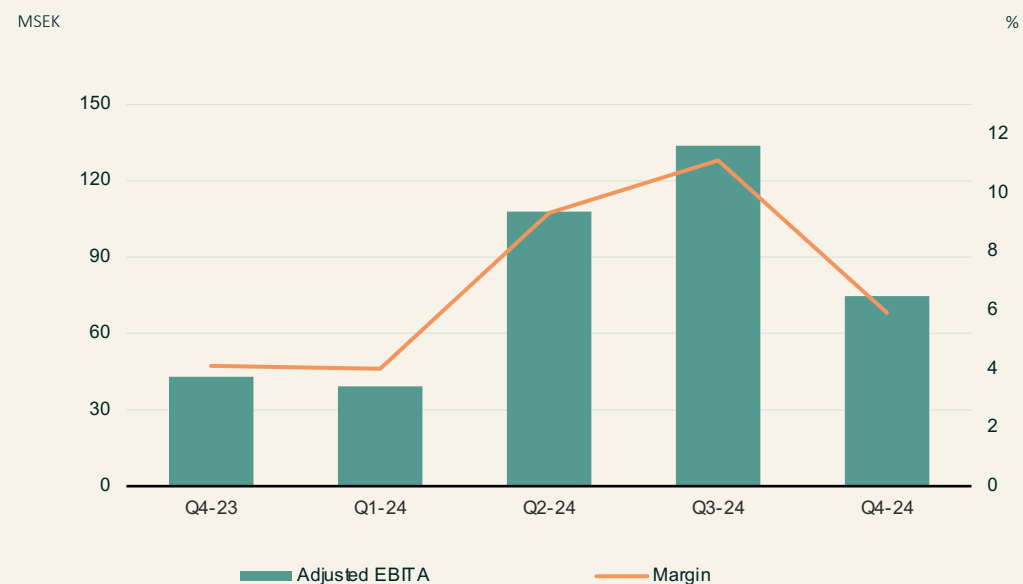
05. Q&A

Financial development Q4 2024

KEY PERFORMANCE INDICATORS

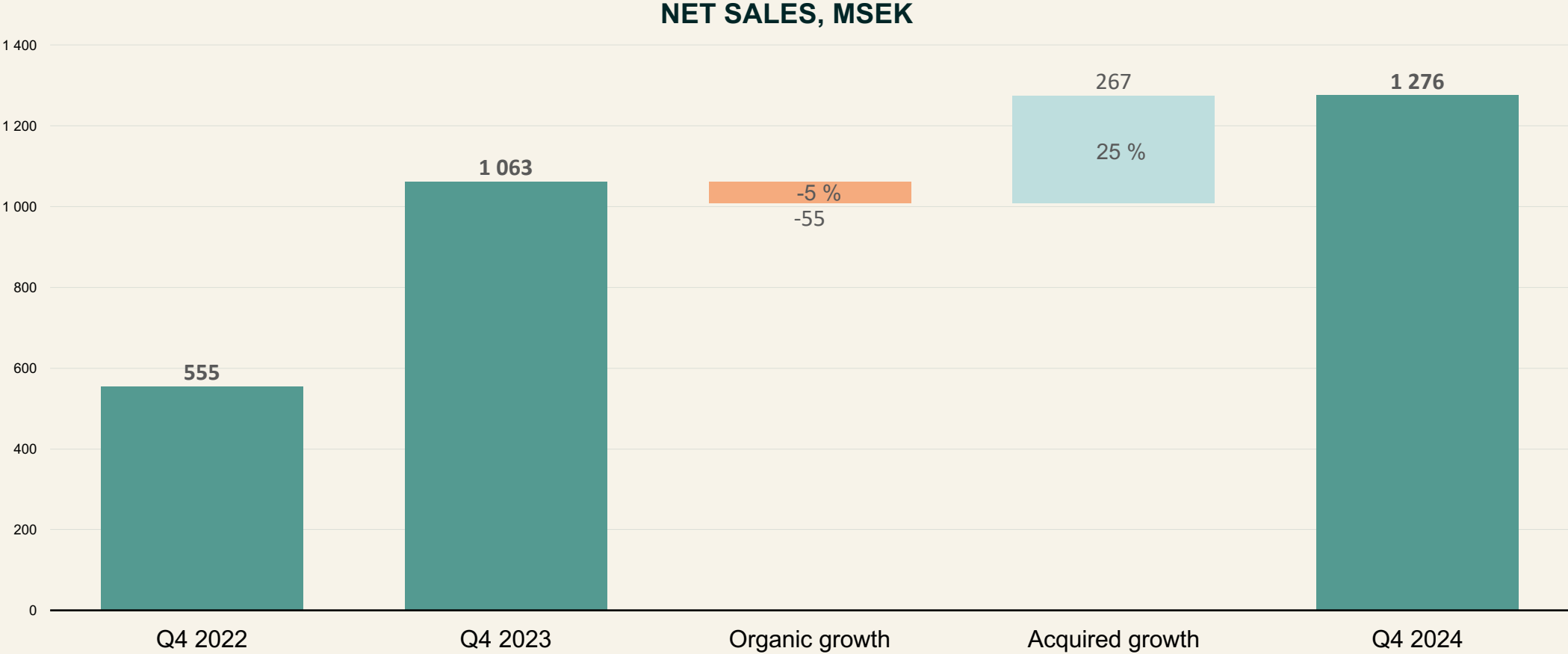
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Adjusted EBITA margin, %	6%	4%	
Cash flow from operating activities	176.3	76.7	130%
Net debt / proforma EBITDA R12M, x	3.3x	4.5x	

ADJUSTED EBITA PER QUARTER*

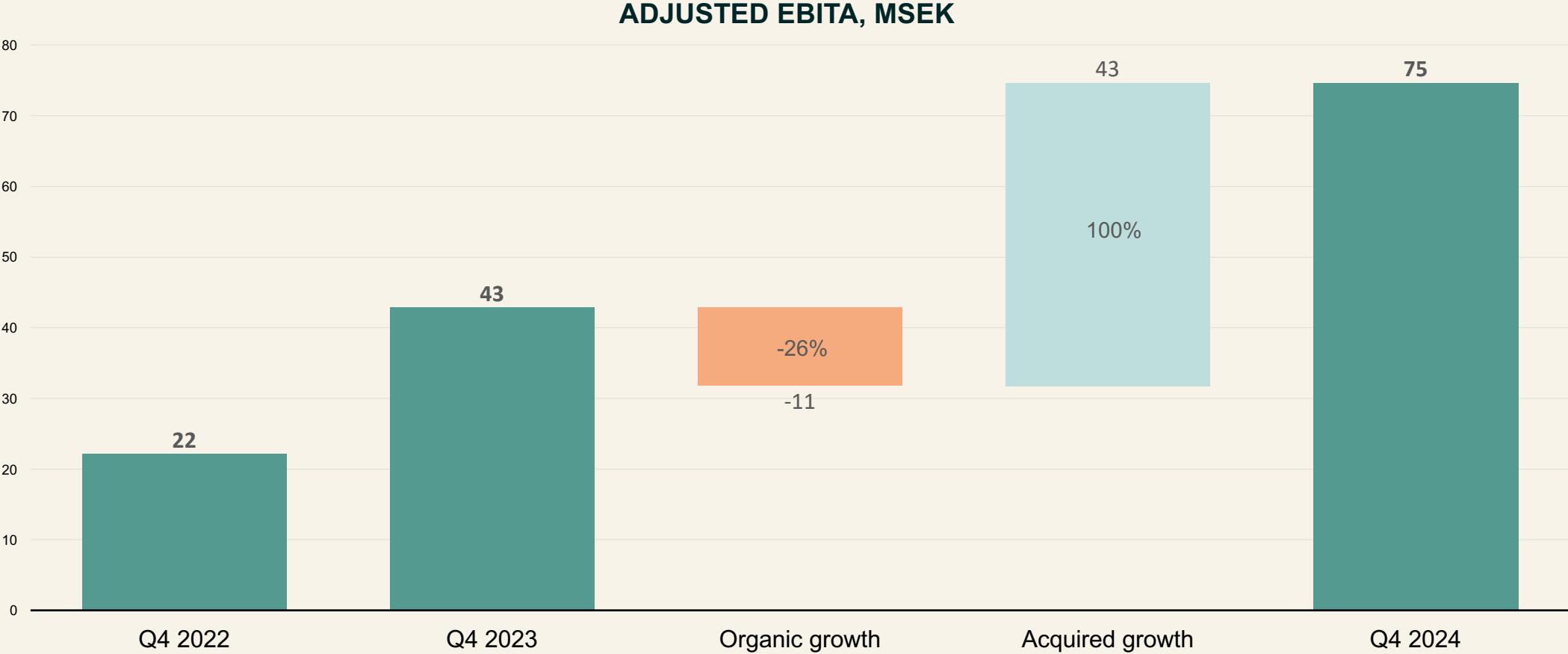


* Excluding discontinuing operations

Net sales development Q4



Adjusted EBITA growth



Financial development Q4 2024

Specification of items between adjusted EBITA and reported EBT

ADJUSTED EBITA TO REPORTED EBT

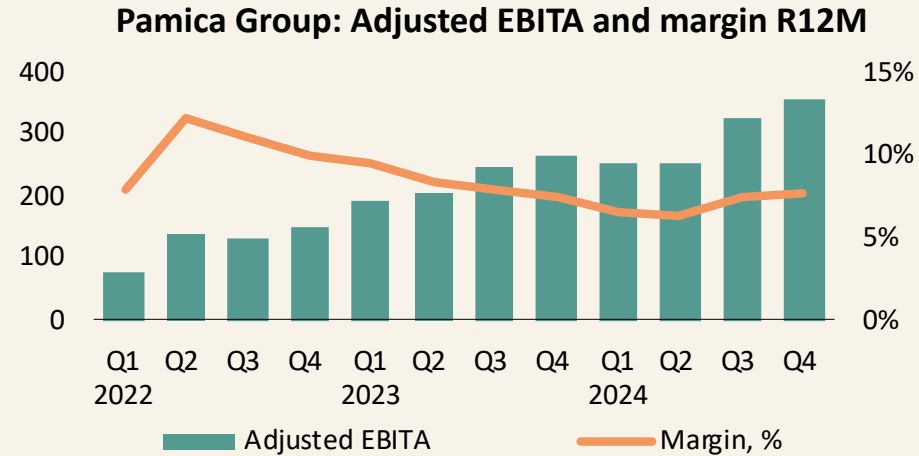
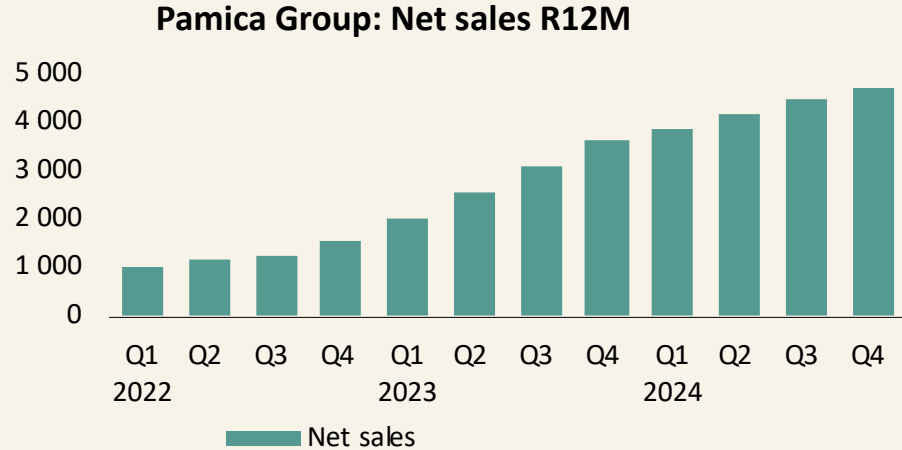
MSEK	Q4'24	Q4'23	2024	2023
Adjusted EBITA	74.7	42.9	355.8	266.7
Items affecting comparability	-30.0	-20.6	-65.2	-56.2
EBITA	44.7	22.3	290.6	210.5
PPA-related depreciation/amortization	-22.5	-12.2	-81.5	-60.3
Impairment of Goodwill	-260.1	-6.6	-336.0	-6.6
EBIT	-237.9	3.4	-126.9	-143.6
Net of interest expenses and income	-41.7	-35.3	-149.2	-115.3
Net of revaluation of earn-out liabilities	-30.6	-34.3	115.4	-47.7
Net of other financial items, incl. fx gains/losses	-2.9	-9.3	-4.7	68.7
Net financial items	-75.2	-78.9	-38.5	-94.3
EBT	-313.1	-75.4	-165.4	49.3

COMMENTS

- Items affecting comparability primarily related to reorganization/restructuring in 2024 and to IPO preparations in 2023.
- Impairment of Goodwill affecting six companies in Q4'24 and one company in Q2'24. Discontinuing operations also affected by MSEK 153.6 impairment of goodwill in Q2'24.
- Revaluation of earn-out liabilities of MSEK -30.6 in Q4'24 and MSEK 127.4 in Q2'24.
- Sale of financial assets in parent company contributes MSEK 78.4 in 2023.

* Excluding discontinuing operations

R12M per quarter for the Group



- Net sales growth trend positive for the last three quarters
- Significantly improved EBITA-margin in the Industry segment contribute to the Group's improved EBITA-margin

SEGMENT INDUSTRY

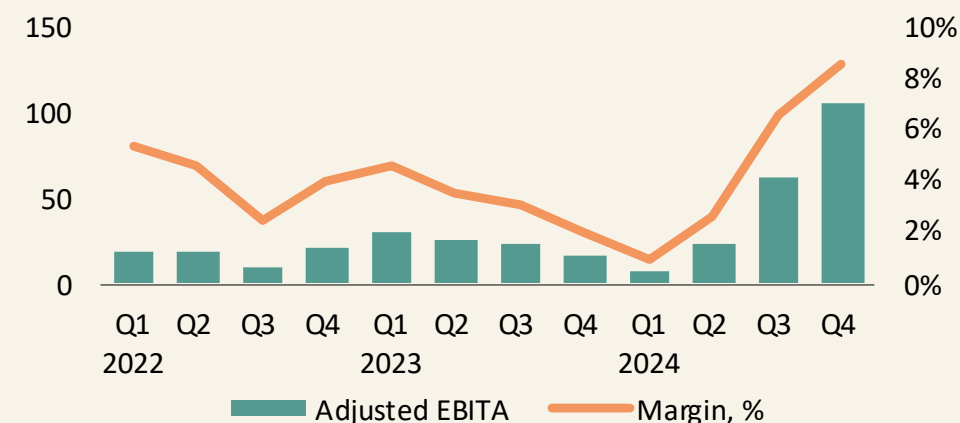


- **Net sales** in Q4 increased 124% to MSEK 446.4 (199.5)
 - Organic net sales growth 1%
 - Acquired net sales growth in Q4 from SKAB, acquired in Sep'24, and Alltronic, acquired in Nov'23
- **Adjusted EBITA** increased significantly to MSEK 35.4 (−0.8)
 - Adjusted EBITA-margin 8% (−0)
 - SKAB, acquired in Sep'24, contributed MSEK 43.6 in adjusted EBITA in Q4'24.
 - Logiwaste contributed −14.8 MSEK in Q4'24, impacted by impairment of capitalised expenditure of MSEK −15.2.

KEY PERFORMANCE INDICATORS

MSEK	Q4			Jan-Dec		
	2024	2023	Δ	2024	2023	Δ
Net sales	446.4	199.5	124%	1,219.4	828.1	47%
Adjusted EBITA	35.4	−0.8	na	104.9	25.1	318%
Adj. EBITA margin	8%	−0%	8 pp	9%	3%	6 pp

ADJUSTED EBITA R12M, MSEK



SEGMENT SERVICES

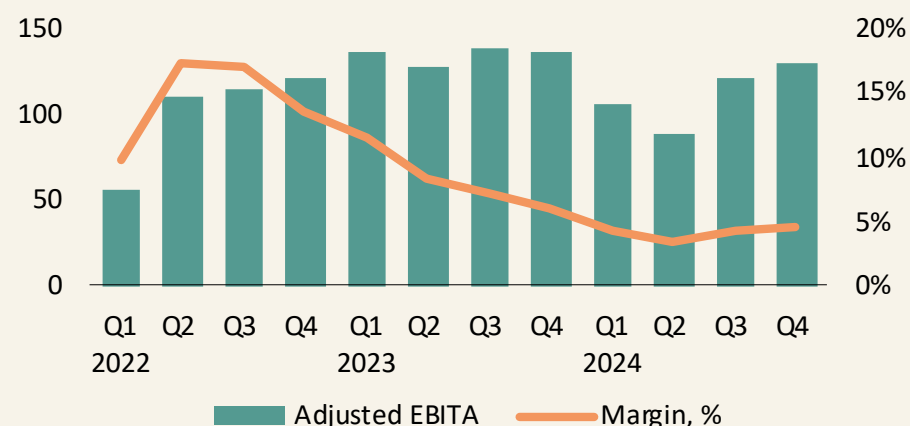


- **Net sales** in Q4 decreased –4% to MSEK 680.9 (708.6)
 - Organic net sales growth –7%
 - Acquired net sales growth in Q4 from HGM, an add-on acquisition to Beans in Cup, consolidated from Jun'24
- **Adjusted EBITA** decreased to MSEK 13.8 (17.9)
 - Adjusted EBITA-margin 2% (3)
 - Four companies reported negative adjusted EBITA growth
 - BiC
 - IM Vision
 - PPP
 - Houser
 - Actions to improve profitability in these companies continues, including management changes in some companies

KEY PERFORMANCE INDICATORS

MSEK	Q4			Jan-Dec		
	2024	2023	Δ	2024	2023	Δ
Net sales	680.9	708.6	–4%	2,770.6	2,240.7	24%
Adjusted EBITA	13.8	17.9	–23%	130.6	152.6	–14%
Adj. EBITA margin	2%	3%	–1 pp	5%	7%	–2 pp

ADJUSTED EBITA R12M, MSEK



SEGMENT INNOVATIONS

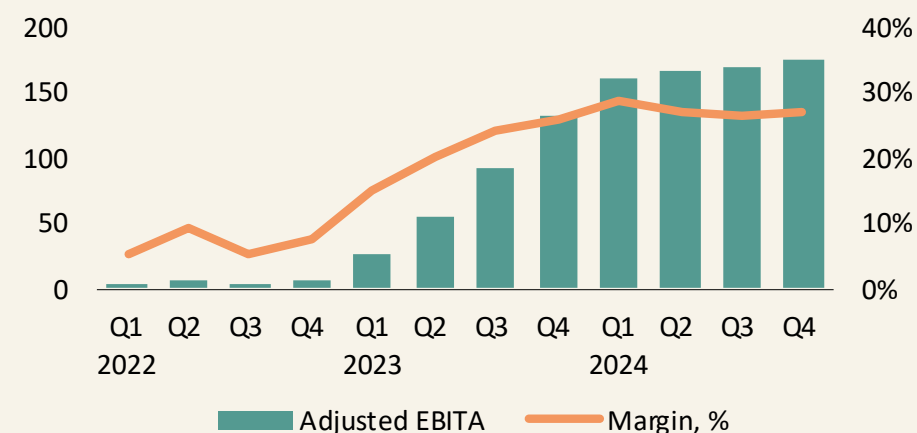


- **Net sales** in Q4 decreased –4% to MSEK 148.2 (155.1)
 - Organic net sales growth –4%
 - EDAB, an add-on acquisition to Stapp, consolidated from Nov'23
- **Adjusted EBITA** increased 1% to MSEK 41.1 (40.9)
 - Adjusted EBITA-margin 28% (26%)
 - Delta and Micropol reported higher profitability

KEY PERFORMANCE INDICATORS

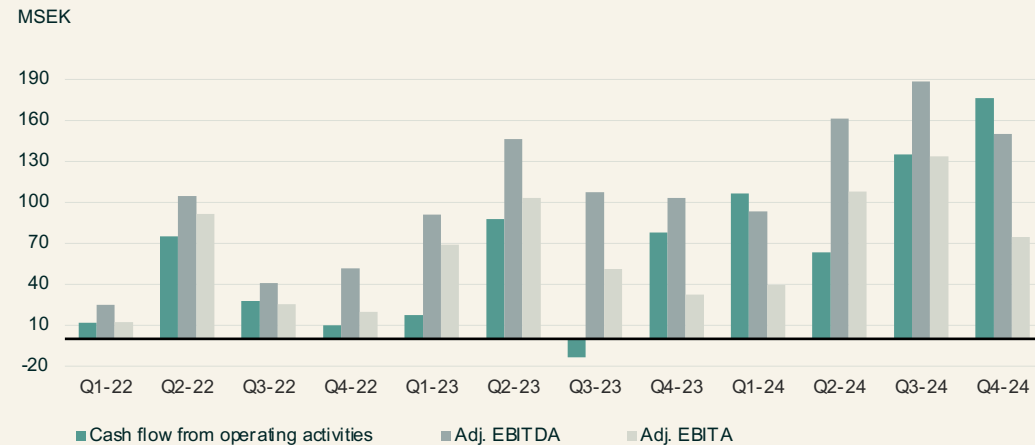
MSEK	Q4			Jan-Dec		
	2024	2023	Δ	2024	2023	Δ
Net sales	148.2	155.1	–4%	637.7	506.1	26%
Adjusted EBITA	41.1	40.9	1%	174.7	135.7	29%
Adj. EBITA margin	28%	26%	2 pp	27%	27%	0 pp

ADJUSTED EBITA R12M, MSEK



Cash flow and cash position

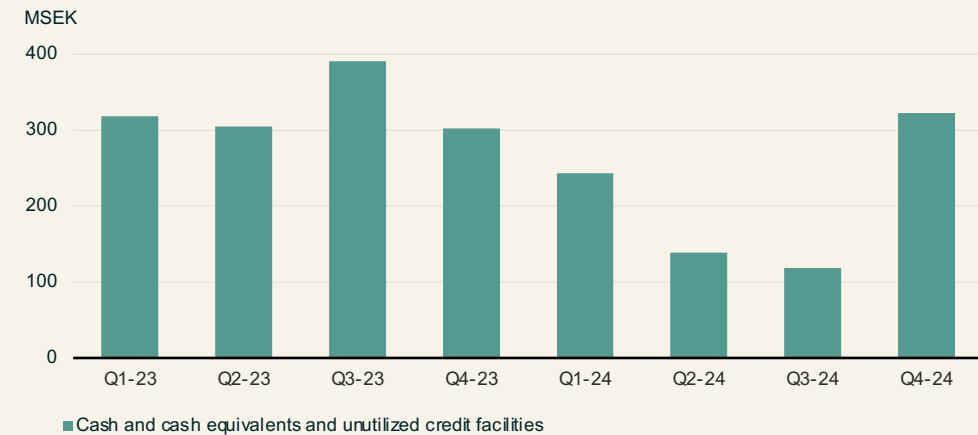
CASH FLOW FROM OPERATING ACTIVITIES



Cash conversion R12M Q4'24: 88% (45)

Cash conversion R12M: Cash flow from operating activities R12M / Reported EBITDA R12M

TOTAL AVAILABLE CASH, INCLUDING UNUTILISED CREDIT FACILITIES



Refinancing completed in Dec'24

- MSEK 1,200 in senior secured bonds
- Term of three years and floating interest rate of 3M Stibor + 550 bps
- MSEK 500 in SSRFCF in Nordea Bank
- Used to refinance previous bank debt and vendor loans

Net debt and leverage ratio

NET DEBT AND LEVERAGE RATIO



NET DEBT AND LEVERAGE RATIO NOW INCLUDES CASH PURCHASE PRICE LIABILITIES

- Leverage ratio 3.3x and net debt MSEK 2,304
- Change made to increase transparency and reflect bond terms

	2024	2023
Net debt/adjusted proforma EBITDA R12M		
Non-current and current interest-bearing liabilities	1,743.6	1,643.5
Non-current and current lease liabilities	542.9	519.0
Non-current and current earn-out liabilities	46.5	280.5
Non-current and current minority option liabilities	119.3	85.3
Cash and cash equivalents	-148.8	-121.8
Net debt	2,303.5	2,406.4
Adjusted proforma EBITDA, R12M	697.9	530.9
Net debt/adjusted proforma EBITDA R12M, x	3.3	4.5

- Excluding purchase price liabilities, leverage ratio is **3.1x**
- Net debt includes 31.4 MSEK in cash purchase price liabilities due after 2027
- Net debt according to bond terms is MSEK 2,271 at the end of Q4'24, MSEK 74 lower than proforma net debt in bond roadshow presentation

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Focus 2025

Lay the ground for the IPO

- Improve adj. EBITA margin
- Decrease leverage

Actions

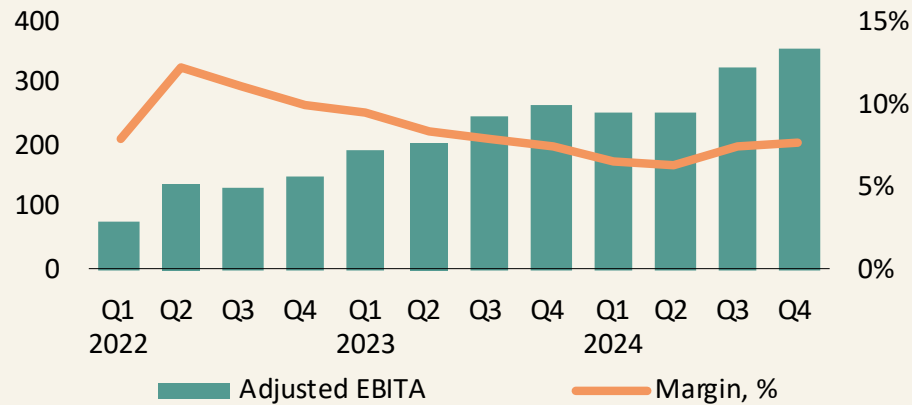
- Continued focus on profitability and streamlining
- Capital injection to finance additional acquisitions of high margin businesses
- Sale of selected companies

Main takeaways

2024

- Net sales and adjusted EBITA increased both for the quarter and full-year
- Strong cash flow and lower leverage ratio
- Secured loan financing and liquidity for the next three years

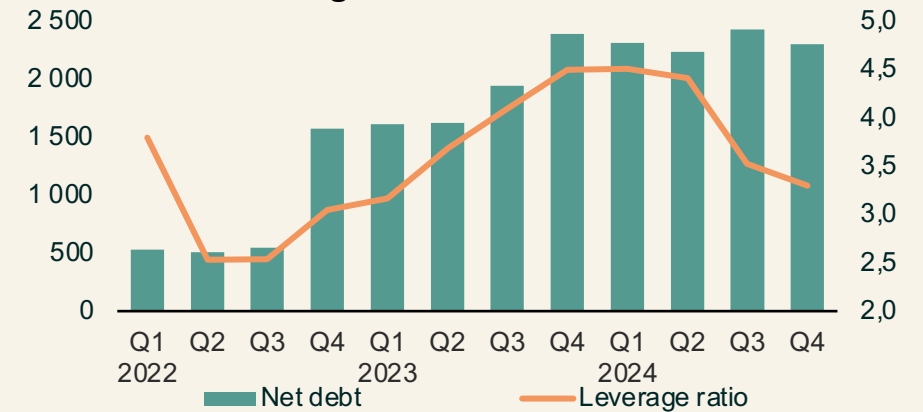
Pamica Group: Adjusted EBITA and margin R12M



2025

- Fully prepared for an IPO

Net debt and leverage ratio



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