

Press release
8 October 2020

Alimak Group launches the New Heights programme

A decentralised, customer centric organisation is the base of Alimak Group's three-step New Heights programme, launched today.

Following the business review initiated by CEO Ole Kristian Jødahl, Alimak Group has decided to launch the New Heights programme, consisting of three steps 1. Establish the base, 2. Secure margin improvements and 3. Profitable growth.

Today's presentation at 08.00 CEST will focus on the first two steps, while the roadmap to step three will be presented at a Capital Market Day during the first half of 2021.

Establishing the base

A reorganisation forms the base for an efficient execution of the New Heights programme. Going forward, the Group will be organised into four, customer centric divisions: Construction, Industrial, BMU and Wind. The new organisation, and subsequent reporting structure, will be effective as of January 1, 2021.

"The divisions will be responsible for the full customer journey – original equipment, spare parts and services – and will be supported by lean corporate functions. The aim is to establish an organisation with responsibility, accountability and a mandate to act where our customers' needs are at the centre of everything we do," says Ole Kristian Jødahl, CEO Alimak Group.

"In this new organisation, we will also establish a new People & Culture function on Group level to secure excellence in developing our most important asset and to leverage on the full potential of every employee," Jødahl continues.

The reorganisation includes changes to the Group Leadership Team:

- Henrik Teiwik, Head of Business Areas Construction Equipment and Rental will leave the Group. David Batson, today Country Manager Australia is appointed EVP Construction Division.
- Fredrik Betts, Head of Business Unit General industry and Oil & Gas will leave the Leadership Team and assume the position of Global Head of Sales Industrial Division. The recruitment process for the EVP Industrial Division has been initiated.
- Mark Casey, today Head of Business Unit BMU, is appointed EVP BMU Division.
- José Maria Nevot, today Head of Business Unit Wind, is appointed EVP Wind Division.
- Patrik Sundqvist, today Interim Head of Business Area After Sales is appointed Chief Service Delivery Officer (CSDO). Patrik Sundqvist will also assume the role of interim EVP Industrial Division.

- Recruitment is ongoing for the new Chief People & Culture Officer (CPCO). Cecilia Westerholm Beer will assume the role of interim CPCO.
- Matilda Wernhoff is appointed Chief Strategy Officer (CSO), a new function in the Group Leadership Team.
- Tobias Lindquist and Charlotte Brogren will remain in their current positions as Chief Financial Officer and Chief Technology Officer.
- Chief Operational Officer Stefan Rinaldo will as previously announced leave the Group and will not be replaced.

Securing margin improvements

As communicated yesterday, the reorganisation, in combination with restructuring, will result in a net reduction of approximately 120 employees with targeted annual savings of around MSEK 60, with full effect by end of H1 2021. This will lead to non-recurring costs of approximately MSEK 60, of which MSEK 35 will be taken in Q3 2020 and the balance of MSEK 25 in Q4 2020.

“Alimak Group is now prioritising profit before growth and take a significant step with the cost reductions announced yesterday. Together with the actions in ‘Establishing the base’, this should prepare us for future profitable growth,” says Jødahl.

Telephone conference

Today at 08.00 CEST, CEO Ole Kristian Jødahl and CFO Tobias Lindquist will present the New Heights programme at a telephone conference for investors, analysts and financial media.

The related presentation will be available at www.alimakgroup.com at around 07.45 CEST.

The telephone conference, held in English, can also be followed via audiocast.

To participate by phone – please call:

SE: +46850558365

UK: +443333009266

US: +18332498404

Link to audiocast:

<https://tv.streamfabriken.com/alimak-group-cmu-2020>

For more information, please contact:

Ole Kristian Jødahl, CEO, +46 8 402 14 40

Tobias Lindquist, CFO, +46 8 402 14 40

Mathilda Eriksson, Investor Relations and Group Communications Manager, +46 8 402 14 41

About Alimak Group

Alimak Group is a world-leading provider of vertical access solutions for professional use. With a global reach spanning over more than 100 countries, the Group offers vertical access solutions adding customer value through greater safety, productivity and resource efficiency. Alimak Group's products and service solutions are sold under the brands Alimak, CoxGomyl, Manntech, Avanti and Alimak Service. The Group has an installed base of around 70,000 elevators, hoists, platforms, service lifts and building maintenance units around the world. Founded in Sweden 1948, the Group has its headquarters in Stockholm, 11 production and assembly facilities in 8 countries and 2,300 employees around the world. www.alimakgroup.com