Momentum Group
Annual and Sustainability Report

momentum group

2024

Momentum Group creates value by developing and acquiring successful sustainable companies in the Nordic region. Our proven model for acquisitions and business development, combined with active capital allocations, ensures that we find the right companies, strengthen them and deliver good returns to our shareholders. In this annual report, we intend to provide insight into how we apply our ownership strategy by highlighting a few examples of how, together with our companies, we create long-term, sustainable and profitable growth.

Contents

About the Annual and Sustainability Report

The statutory annual accounts are presented on pages 71–104. The statutory sustainability report is presented on pages 45–69. In addition, voluntary sustainability information is integrated into the report. The Corporate Governance Report is presented on pages 38–42.

The Annual and Sustainability Report has been prepared by Momentum Group in cooperation with Ashpool. The report is prepared in Swedish and translated by the Bugli Company into English. Should differences occur between the Swedish report and the English translation, the Swedish version shall prevail.

Business overview

We develop and acquire successful, sustainable companies

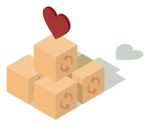
Momentum Group is a leading listed industrial group currently comprising more than 30 companies that offer sustainable products, services and solutions for customers in industry and industrial infrastructure in the Nordic region. We are an active, long-term owner and combine the proven acquisition model and effective corporate governance of a 100-year-old industrial corporate culture with clear goals for sustainable development and long-term profitability at our companies.

Mission

Together for a sustainable industry

We strive to create a more sustainable Nordic industry through efficient resource management, safer work environments and environmentally friendly solutions. Together with our customers and business partners, we help reduce environmental impact, meet sustainability goals and ensure long-term sustainable development for people as well as for the environment.

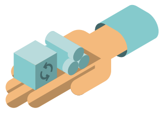
Business concept



We will make the everyday lives of our customers easier, safer and more profitable – by offering sustainable solutions

By offering sustainable, high-quality products and services, we help our customers improve their profitability, simplify their operations and create a safer and more sustainable work environment throughout their entire life cycle.

Vision



The customer's best sustainable choice

We strive to be the first choice for customers looking for sustainable, high-quality solutions. By combining a deep understanding of the customer's needs with premium products, high levels of expertise and competitive offerings, we create long-term sustainable and profitable operations that meet the demands of tomorrow.

Our focus as an active owner

We develop
Business development through active ownership.

We build culture
Business development through decentralised responsibility and employee development.

We acquire
Growth through acquisitions of sustainable companies.

Industry business area

Power Transmission

Market-leading supplier of industrial components and services in the Nordic region, with a focus on industrial improvements for the aftermarket. Offers local access to products, know-how from leading manufacturers, customised product training programmes, logistics solutions and on-call services.

Specialist

Leading position in distinct niche markets such as hydraulics, pneumatics and automation. The companies offer sales, maintenance and custom manufacturing of technical components and systems, primarily to aftermarket customers and OEMs.

Infrastructure business area

Flow Technology

Delivers solutions for mechanical flows and fluid handling throughout the value chain. Focus on critical functions within industrial processes and critical social infrastructure, where media such as steam, gas and water play a key role.

Technical Solutions

Offers solutions that control and enhance the efficiency of plant operation, while also extending the service life and improving the efficiency of machinery. The companies sell products and services in repairs, renovation, measuring and monitoring, primarily to Nordic industrial and infrastructure customers.

Revenue[1]
2,873
SEK million

EBITA margin[1]
11.2%

EBITA growth[1]
+22%

Profitability EBITA/WC[1]
59%

Employees[2]
809

[1] 2024 financial year.
[2] 31 December 2024.

The year in brief

2024 was a successful year. Despite a challenging operating environment, we delivered organic revenue growth in every quarter. We exceeded all of our financial targets, completed eight acquisitions and generated a strong cash flow to enable further expansions and value creation.

Performance measures

MSEK	2024	2023	Change
Revenue	2,873	2,298	+25%
Operating profit	273	237	+15%
EBITA	322	265	+22%
Operating margin, %	9.5	10.3	
EBITA margin, %	11.2	11.5	
Return on working capital (EBITA/WC), %	59	59	
Operational net loan liability	252	326	
Equity/assets ratio, %	36	33	
Earnings per share, before and after dilution, SEK	3.60	3.45	+4%
No. of employees at the end of the period	809	749	

8 Acquisitions

that added approximately

SEK 260 million

in annual revenue

Targets and target fulfilment

Financial targets	Target	Outcome 2024
EBITA growth	>15%	22% (2023: 30%)
Profitability, EBITA/WC	>45%	59% (2023: 59%)
Dividend	>30%	36%[1] (2023: 32%)

Read more in Focus model

Sustainability goals	Target	Outcome 2024
Sustainable workplaces	All employees are to have annual performance reviews	89% (2023: 83%)
Sustainable industry	Increase the proportion of purchases from CoC-classed suppliers	83% (2023: 72%)
	Increase the number of proven industrial improvements	686 (2023: 555)
Minimise climate impact	Reduce carbon emissions from company cars (grCO_2 per km)	–12% (2023: –1%)
	Increase the proportion of fossil-free/climate-neutral electricity	86% (2023: 93%)

Read more about our sustainability goals

[1] Proposal by the Board of Directors

A successful year and strong position for continued growth

Momentum Group continued to deliver a strong performance in 2024, despite challenging market conditions. Our decentralised business model, our focus on profitability and our ability to combine organic growth with value-adding acquisitions enabled us to once again surpass all of our financial targets. This points to the strength of our business, where our independent companies can adjust or accelerate based on their specific situations, which creates conditions that allow us to develop our operations at the Group level with profitability and earnings growth.

Stable development in a challenging environment

In 2024, we continued to develop in a positive direction, despite challenging external factors. Our business units made important progress through organic growth and acquisitions. Power Transmission strengthened its position in aftermarket sales, particularly in the metals and defence industries. Specialist experienced stable demand, with a strong trend noted in Sweden, while the markets in Denmark and Finland were more cautious. Flow Technology grew thanks to increased demand from customers in electricity and heat production, among others. Technical Solutions had a stable year, with high capacity utilisation in key workshops, although seasonal effects and declining demand in the automotive industry impacted the fourth quarter. Overall, our broad customer base and diversification across industries and product segments helped to make us more resilient and enabled continued profitable growth.

Exceeding our targets

Looking back at 2024, I'm pleased to say that we once again surpassed our financial targets. EBITA increased by 22 per cent and our profitability, measured as the ratio of EBITA to working capital (WC), reached 59 per cent – well above our target of at least 45 per cent. The strong cash flow from operating activities of SEK 323 million not only financed our acquisitions, investments and a dividend of SEK 54 million to our shareholders – we also managed to reduce our operational net loan liability by SEK 74 million. A dividend of SEK 1.30 (1.10) per share has been proposed for 2024, corresponding to a pay-out ratio of 36 per cent, which also exceeds our target of at least 30 per cent.

Continued focus on growth and value creation

Our strategy for creating sustainable and profitable earnings growth is based on two clear tracks: strengthening our existing companies and completing value-creating acquisitions.

Our decentralised business model is key to our success. By giving our companies the freedom to act on their own terms, but also access to the Group's resources and expertise, we create a strong entrepreneurial culture. We develop our companies by providing them with tools and support – whether improving their business models, strengthening their offerings or identifying new growth opportunities. During the year, we continued to work on our Business School and our Sharing and Caring knowledge platform. We also launched a Group-wide Sales School to further hone our business skills.

It is also inspiring to see how our companies are finding ways to create collaboration opportunities. By sharing knowledge and experience with each other, we grow as a group.

Acquisitions driving our growth

During the year, we completed eight acquisitions, further strengthening our position as a leading knowledge partner in industry and industrial infrastructure in the Nordic region. These acquisitions, which included both independent companies and add-on acquisitions within the Group, have broadened our offering, brought us new customers and added new expertise.

Our acquisition strategy is clear: we look for companies with strong market positions, healthy profitability and a culture that fits in with our decentralised business model. Thanks to our financial strength, we can continue to make value-adding acquisitions and to grow organically – and our organisation and structural capital, combined with stable companies and efficient cash flow generation, give us excellent conditions to maintain a good acquisition rate going forward.

Looking ahead

I would like to extend my warm thanks to our employees for their commitment and efforts during the year – and to our customers and partners for the confidence they have shown in us. By developing and successfully acquiring businesses in our core areas, we have not only strengthened our market position but also introduced new talent and skills to our team.

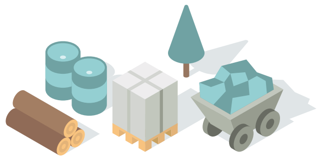
We are an active owner with a clear vision, and we challenge ourselves to reach new limits. We believe in the power of collaboration and innovation within the framework of our decentralised corporate responsibility, and I am convinced that our impressive journey will continue in 2025. In other words, we are continuing along our established path – with growth in our existing businesses, together with acquisitions of successful niche companies, continuing to make us "better than yesterday."

Stockholm, March 2025

Ulf Lilius
President & CEO

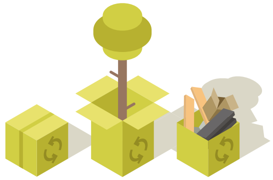
Market drivers

Momentum Group is active in the Nordic market for industrial components, industrial service and related activities. Demand for our offering is impacted by many strong drivers that shape our customers' needs and market development. These drivers are essential for understanding our growth potential and our position in a changing industry.



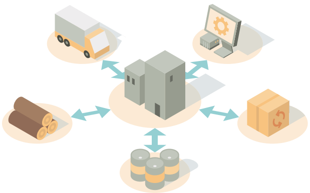
1. Industrial production in our home markets

Nordic industrial production is a key factor for demand for our products and services. Increased industrial production leads to the need for repairs, maintenance, service and related activities. Industrial sectors such as automotive, forestry and pharmaceuticals have undergone strong growth over the past decade, building a solid foundation for our operations. The skilled workforce, high level of automation and investments in digitalisation in the Nordic region are sharpening the industry's competitive edge and resulting in long-term growth despite short-term global uncertainty.



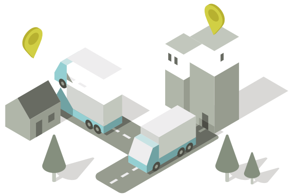
2. Sustainability and the circular economy

Sustainability matters are becoming increasingly important when customers make decisions. Companies are looking for sustainable solutions that improve their energy use, work environment and environmental performance. Momentum Group is responding by offering solutions that support the circular economy and help reduce climate impact along the entire value chain. The Nordic region's high sustainability ambitions, tied to the UN Sustainable Development Goals (SDGs), also strengthen our competitive advantage in the market.



3. Intensified partnerships with manufacturers

Manufacturers are looking for trustworthy retailers to manage local markets and streamline their business processes. Momentum Group offers expertise and market awareness that strengthens the value chain and ensures that end customer needs are met. This close collaboration benefits manufacturers and end customers alike through better production processes and optimised logistics.



4. Knowledge, availability and local presence

At a time when speed and precision are essential, high availability, local presence and customer understanding are key competitive advantages. Momentum Group offers customers a comprehensive logistics network and local presence, which ensures fast deliveries and access to customised solutions. This reduces interruptions to customers' operations and strengthens customer loyalty.

5. Fragmented market and growth through specialisation

The Nordic market for industrial components and services is characterised by high fragmentation and high levels of technology and knowledge. Momentum Group, which already has a strong position, sees great opportunities to grow through acquisitions and continued specialisation by operating in a variety of industrial product and customer segments. By acquiring niche companies, we can build up strong local market positions with good profitability.

6. Structurally attractive end customer markets

Momentum Group identifies several end customer markets that are structurally attractive and offer long-term growth opportunities. Infrastructure, power production, and water and sewage systems are areas where maintenance needs and modernisation requirements are driving demand for our products and services. The growing maintenance debt in infrastructure, together with demands for efficiency, locally produced solutions and an increased focus on safety perspectives, is also leading to business opportunities.

Momentum Group's role in the value chain

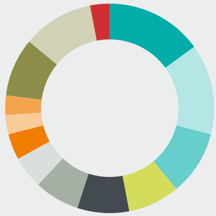
Momentum Group plays a central role as a link between manufacturers and end customers in Nordic industry. Through our offering of products, services and technical expertise, we help create value at every stage of the value chain. Through strategic partnerships, we support manufacturers with local market awareness, logistics and sales, while also helping our end customers optimise their processes through access to the right products, innovative solutions and first-class service.

Manufacturers

- Market-leading manufacturers of quality products.
- Clear strategy of operating through one or a limited number of retailers per market.
- Long-term relationships and knowledge sharing.
- Manufacturing in line with the Group's sustainability requirements.
- Efficient and sustainable logistics flows.

Momentum Group's offering[1)]

Revenue by product area, 2024



- Bearings, **15%**
- Valves, **14%**
- Technical seals and industrial rubber, **10%**
- Hydraulics and pneumatics, **8%**
- Pumps, electric motors and gears, **8%**
- Transmission, **7%**
- Measurement technology, **5%**
- Filters, treatment and pipe systems, **4%**
- Machinery and systems, **3%**
- Lubricants and chemicals, **3%**
- Other components, **9%**
- Repairs and renovation, **11%**
- Related activities (such as training, installation and calibration), **3%**

Local manufacturing, assembly, proprietary brands

~10%

[1)] Approximate distribution of revenue.

Value-adding resellers

We serve as a cost-effective and value-adding link between manufacturers and end customers.

We specialise in certain product segments to be able to offer a broad and in-depth product range combined with expertise and value-added services.

As a partner, we create added value for our customers, offering advisory services, product adaptation, service, repairs and maintenance.

Value-adding resellers

~75%

Service, repairs and maintenance

~15%

Our customers

- Mainly end customers or OEMs within the industrial and infrastructure sectors in the Nordic region.
- Attach value to knowledge suppliers.
- Long-term relationships with the opportunity for repeat business.
- Demand high product availability for their critical processes.

Customer distribution[1)]

Aftermarket

~90%

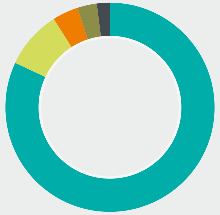
OEMs

~10%

Revenue per customer segment, 2024

- Metal and mining, **14%**
- Paper and pulp, sawmill, **13%**
- Electricity and heat production, **13%**
- Other manufacturing, **9%**
- Automotive, **9%**
- Water and sewage, **4%**
- Pharmaceuticals and medical technology, **4%**
- Food, **3%**
- Other industrial segments, **23%**
- Other sectors, **8%**

Revenue per country, 2024



- Sweden, **82%**
- Denmark, **9%**
- Finland, **4%**
- Norway, **3%**
- Other countries, **2%**

[1)] Approximate distribution of revenue.

Strategy

This is how we generate value

Input

Resources

- More than 800 dedicated employees.
- 33 operating companies.
- Broad customer base in Nordic industry.
- Partnerships with market-leading manufacturers of quality products.
- Solid balance sheet and a strong cash flow.

Business environment

- Economic climate and prerequisites for industrial production in the Nordic region.
- Increased focus on sustainability and the circular economy.
- Manufacturers are seeking strategic skills-oriented sales channels.
- Increased demand for local presence and high availability.
- Structurally attractive end customer markets.
- High degree of fragmentation and high levels of technology and knowledge.

Our focus areas

1. Governance model

Our clear governance model creates long-term value by building stable and profitable companies with resources to invest in their own development. This ensures sound business and sustainable growth over time.

2. Focus model

Efficient capital allocation is a central part of our strategy. Our focus model helps us to identify the right investments and to prioritise resources, which ensures that all companies in the Group contribute to long-term sustainable value growth.

3. Business culture

A strong corporate culture with decentralised profit responsibility promotes independence and entrepreneurship. This creates robust companies where responsibility and commitment drive profitability and development.

4. Sustainable offering

We aim to be the customer's best sustainable choice by always focusing on their needs. In collaboration with market-leading suppliers of quality products, we deliver solutions that make our customers' operations easier, safer and more profitable.

5. Acquisitions

Through continuous and value-adding acquisitions, we strengthen our market position and develop companies with great potential. We focus on companies that complement our existing operations and have good prospects for long-term profitability.

Output

Satisfied customers

In 2024, 686 (555) industrial improvements were completed, contributing to a better work environment, reduced environmental impact and financial savings for our customers. These initiatives led to a total monetary improvement of approximately SEK 494 million (200) for our customers.

Read more about our Industrial improvements

Satisfied employees

In 2024, the proportion of implemented performance reviews increased to 89 per cent (83). Approximately 34 per cent (30) of our employees have worked at the Group for over ten years.

Read more in Business culture

Satisfied business partners

Our market position enables us to achieve competitive purchasing terms and ensures that we have effective purchases and sales processes. We have long-term relationships with market-leading suppliers of high-quality products, and in 2024 the share of suppliers who had signed our Code of Conduct increased to 83 per cent (72).

Satisfied owners

In 2024, we surpassed all of our financial targets. Earnings growth was 22 per cent (target >15 per cent), the return on working capital was 59 per cent (target >45 per cent) and the Board proposes that the AGM agree on a pay-out ratio of 36 per cent (target >30 per cent).

Read more about our stakeholder model and "Our Four Satisfied Groups"

1. Governance model

Momentum Group has a clear focus on earnings growth and cash-flow generation, which are the core of our business model and financial targets. Subsidiary governance is based on three fundamental requirements: growth, profitability and development. Through our decentralised business model and clear target management, we support our companies in achieving their goals.

Growth

Growth for us is not just about increasing revenue but about creating sustainable and profitable earnings improvements. Our goal is for our companies to achieve at least 15 per cent annual earnings growth over a business cycle. This requires systematic work to increase revenue, improve margins and keep overheads under control.

Our companies work actively to improve the customer offering through customised solutions that add value for the customer, making the price of the product less important. Momentum Group's Business School provides support and training to give employees the right tools and knowledge to identify and implement growth opportunities in their operations.

Growth Earnings growth

>15%

Profitability

Profitability is the foundation of our development. We measure it as EBITA/WC (EBITA in relation to working capital), with a goal of at least 45 per cent for the Group as a whole and for each individual company. This high target allows us to finance our operations and expansion while providing good returns to our shareholders. Our focus on the profitability target of EBITA/WC ensures a focus on maintaining low and stable working capital within the subsidiaries.

Our operations require relatively few tangible assets and related fixed investment costs. We support companies in maintaining a healthy balance between revenue, costs and tied-up capital, creating stability and sharpening our competitive edge.

The Business School gives our employees a deeper understanding of how they can impact and contribute to profitability in their respective operations.

Profitability EBITA/WC

>45%

Development

To ensure long-term growth and profitability, our companies and employees must be able and willing to develop and change over time. At Momentum Group, we define the term "development" as actively tackling significant issues, opportunities and problems to bring about a positive change – "Better than yesterday".

Our approach to business development is based on continuously developing and strengthening the companies' service and product offerings, specifying requirements connected to business objectives, and working to ensure that the companies in the Group are able to prove that they are the best choice for customers. This is proven by the tangible industrial improvements that create added financial, environmental and work environment value for customers.

Employee development is an equally important part of our success. By creating a culture where learning, responsibility and innovation are encouraged, we strengthen individuals alongside the companies. The "Better than yesterday" philosophy permeates the entire Group and means that we continuously make small improvements that collectively lead to major results over time. This development culture is essential for our ability to meet changing market conditions and customer needs.

Meet Lotta Rörick, CEO of Rörick

The best of both worlds

When the Rörick family started to consider a sale in 2007, they wanted to find a buyer who could develop the company without changing the soul of the operations. The choice fell on Momentum Group. "They had a clear plan, both for us and for our operations. They understood our needs and had a genuine interest in Rörick," says Lotta Rörick, CEO.

Becoming a part of Momentum Group meant both security and growth. "There is a great deal of enthusiasm for our operations, while at the same time I have the scope to develop the company based on my ideas." Momentum Group's decentralised business model gives Rörick the freedom to run the company independently, supported by the Group's resources and network.

This has enabled acquisitions, such as the purchase of the spindle service operations from SKF and three service workshops from Assemblin. "We've had opportunity to grow while maintaining our entrepreneurial spirit and strengthened our position in the market," says Lotta.

We have trust and support – the best of both worlds.

2. Focus model

Momentum Group aims to achieve a return on working capital (EBITA/WC) of at least 45 per cent. This applies both to the Group as a whole and to every subsidiary. To achieve this, we apply an internal focus model for capital allocation with clear priorities for our companies based on their return on working capital. The model is designed to ensure that resources are used efficiently and that all of the companies in the Group contribute to long-term sustainable value growth.

EBITA/WC below 25%

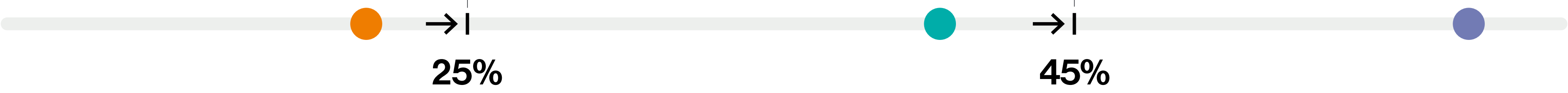
Subsidiaries with a return on working capital of less than 25 per cent focus primarily on improving their margins. This means a focus on streamlining operations, reducing costs and optimising processes to increase performance. Growth initiatives are a secondary concern at this stage.

EBITA/WC between 25% and 45%

For companies in this range, the primary focus is still on margins, but there are also opportunities to work on growth. This can mean investing in new market segments, developing new products or services, and strengthening customer relationships – but always maintaining cost control and a profit focus.

EBITA/WC over 45%

Companies that achieve a return on working capital over 45 per cent have the mandate to focus on growth while maintaining high profitability. These companies have a proven business model and therefore have the opportunity to work with add-on acquisitions as a way to grow and strengthen their position in the market.



Meet Torbjörn Börjesson, founder of BPS

From engineer to entrepreneur: Torbjörn and his journey with BPS

When Torbjörn Börjesson founded Börjesson Pipe Systems (BPS) in 2001, he started from nothing – without his own warehouse and with a clear vision of building something long-term. "I knew that I wanted to run my own business, but I didn't have capital or resources. It was pure entrepreneurial spirit that drove me forward," he explains. Through a niche business model and close collaborations with suppliers, the company grew quickly and after its first year BPS already had over SEK 6 million in revenue.

After 20 successful years, Torbjörn started to think about the future. "I hadn't planned to sell, but in the end I realised that it was time to think about the company's long-term development." A total of 11 buyers showed interest and the choice fell on Momentum Group, even though other bids were higher. "The choice came down to the Group's values and the decentralised business model. I wanted to stay on at the company to develop it further, and Momentum Group gave me that opportunity."

Becoming a part of Momentum Group created new opportunities for BPS. "It's nice not being alone anymore – now there's always someone to be a sounding board for ideas," says Torbjörn, who has already been the driving force behind two acquisitions. "I'd wanted to expand through acquisitions for a long time, but without enough resources it was difficult. With Momentum Group, we could move quickly to acquire Cobalch in Denmark and Minrox, which specialises in solutions for the mining industry."

BPS will continue to grow, not least through the acquisitions and collaborations that Momentum Group enables. "It's exciting to be part of a larger context, but at the same time maintain the entrepreneurial feeling."

"Momentum Group gives us the opportunity to continue growing – without losing our entrepreneurial drive.

3. Business culture

Momentum Group's business culture is based on simplicity, responsibility, the will to improve and trust. Our decentralised business model means that our companies have a great deal of freedom, alongside their own responsibility for earnings and profitability, which creates a culture of business acumen, commitment and efficiency. This independence, in combination with the Group's active ownership and efficient corporate governance, ensures long-term stability and value creation.

Decentralised responsibility with local business acumen
Subsidiaries conduct their own operating activities independently within the framework of the Group's vision, strategic goals and governance documents. Our companies have a great deal of freedom, alongside their own responsibility for earnings and profitability, which creates a culture of business acumen, commitment and efficiency. By making decisions close to the customer and to suppliers, companies can quickly adapt to changes and opportunities in the market. This independence, in combination with the Group's active ownership and efficient corporate governance, provides employees with the opportunity to develop and operations with the conditions to grow. By exchanging experiences, networking and sharing best practices among companies, we support a learning organisation. In the Sharing and Caring section of our Group intranet, we offer tools, templates, digital courses and examples to support daily tasks. Our joint Business School also offers training in corporate culture and business acumen.

Employees in focus
We consider the skills and commitment of our employees to be essential for the Group's success. Through continuous skills development, targeted training activities and regular employee surveys, our companies ensure that we attract, retain and develop the best talent. These initiatives support individual progress as well as ensuring a strong supply of leaders and future expertise for local market leadership.

The best of both worlds
Momentum Group unites the best of both worlds: the resources, financial strength and broad network of a large company with the local commitment and entrepreneurial spirit of each subsidiary. By offering strategic guidance, financial support and active Board work, we strengthen our companies and create conditions for sustainable growth.

Our business culture

Decentralised responsibility

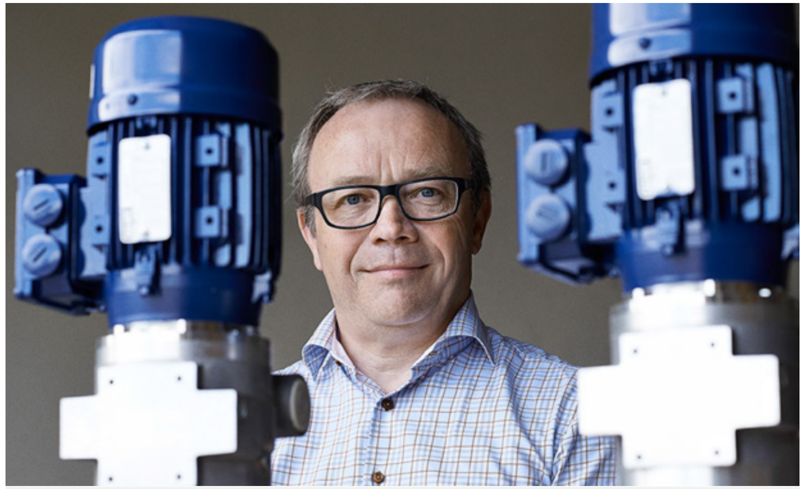
- Freedom to independently lead, develop and improve the business operations of the individual company, or at various levels within the company, such as a region or a district.
- Clear, measurable targets linked to activities that are broken down to an individual level in annual performance reviews with each employee.
- An ability to make important business decisions close to customers and suppliers by competent employees with great personal responsibility.

The will to improve and become "better than yesterday"

- Every day, we should be slightly better than we were yesterday.
- Changes – that is to say, improvements – are to be enduring within Momentum Group.
- It is important for us to be able and willing to rapidly adapt to new conditions and challenges in a market that is constantly changing.

Simplicity

- Simplicity is to permeate our way of working.
- Simplicity is not about working quickly and carelessly, but rather working in a deliberate and concentrated manner.
- To us, simplicity is about simplifying problems and not becoming lost in a sea of details.
- Simplicity means that we value clear business models and offerings in our companies.



Meet Ralf Thomsen, CEO of Regal

A part of something bigger

When Ralf Thomsen started to think about the future of Regal, he wanted to find a buyer who shared the company's vision and values. "It was important for me that Regal wouldn't disappear into a large merger," says Ralf. After Momentum Group came back a second time, he listened – and quickly felt that it was the right fit. "They understood our operations and thought like we did."

The acquisition process was seamless and transparent. "Momentum Group made a very good offer and we could come to an agreement right away. They saw our potential and respected our identity," explains Ralf. It was important for him that the transition not disrupt the company's employees or customers.

Becoming a part of Momentum Group has given Regal access to valuable resources and networks, even while the company retains its independence. "We get support where we need it, but we have the freedom to continue running Regal like we always have," says Ralf.

"Momentum Group saw our potential – and our value.

4. Sustainable offering

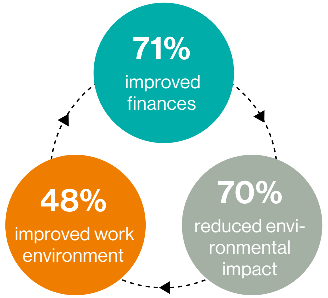
Momentum Group's strategy for a sustainable customer offering is based on long-term partnerships, value-adding sales and a deep understanding of customer needs. By collaborating with market-leading suppliers of high-quality products and offering innovative solutions, we help our customers improve their productivity, optimise their processes and achieve their sustainability goals.

We are to be the customer's best sustainable choice

Momentum Group's companies work close to their customers to ensure that we always offer the most relevant and value-creating solutions. By understanding customers' specific needs and challenges, we can deliver sustainable products and services that make their everyday lives easier, safer and more profitable. High availability, technical expertise and long-term relationships are central parts of our strategy. Our strong focus on selling expertise ensures that we deliver more than products – we also create added value through knowledge and advice.

Our industrial improvements

Industrial improvements is a method whereby, together with the customer, we document and quantify the value that our products and services create in terms of work environment, environmental impact and financial savings. By analysing the customer's needs, presenting sustainable solutions and ensuring a common understanding of the effects of the improvements, we produce tangible results. In some cases, all three sustainability parameters are affected, and in other cases one or two are impacted – but always with clear value created for the customer.



In 2024, our subsidiaries implemented 686 (555) new industrial improvements, generating total value for our customers of approximately

SEK **494** million

(2023: SEK 200 M)

Long-term partnerships with high-quality suppliers

To ensure that we can deliver a sustainable offering, Momentum Group bases its operations on long-term, responsible partnerships with market-leading suppliers of high-quality products. Our companies combine an in-depth understanding of local customer needs with an effective platform for reaching the Nordic market. This allows us to build strong partnerships that benefit the entire value chain. Through clear requirements, carefully selected suppliers and Code of Conduct compliance, we ensure that our partnerships retain a high level of quality and responsibility.

Meet Jimmy Haaranen, Sales Manager at Momentum Industrial

Value-adding sales in practice

At Momentum Industrial, sales are about more than delivering a product – they are also about creating added value for the customer.

"We see ourselves as a partner and an advisor. Our job is to identify hidden costs, risks and inefficient processes and to help the customer reduce or eliminate them," says Jimmy Haaranen, Sales Manager at Momentum Industrial.

To ensure that value-adding sales permeate the entire organisation, Momentum Industrial has established its own structured sales process that is continuously refined.

"Sales is based on customer needs, and with technical expertise and insight we create long-term success together. We work close to customers to optimise their operations, improve safety, reduce their environmental impact and reduce total costs – a way of working that makes both of us more competitive."

"We call it The Iceberg – the hidden costs and problems that we identify.

5. Acquisitions

As an acquirer without an exit horizon, we grow by continuously acquiring profitable and well-managed companies. Companies that we take good care of, with clear ambitions for earnings growth and activities to achieve these goals. In 2024, Momentum Group acquired eight companies, with combined annual revenue of approximately SEK 260 million. These acquisitions strengthen our position as a specialist company and made a positive contribution to EBITA, which increased by 22 per cent in 2024.

Proven acquisition model
Since the listing in March 2022, we have successfully completed 23 acquisitions (December 2024), which has helped us accumulate extensive experience of acquisition processes. Our proven model has become an effective framework for identifying, evaluating and executing acquisitions and successfully onboarding new companies. This foundation of experience strengthens our capacity to navigate the complexity of acquisitions and to ensure that each new company has the right conditions.

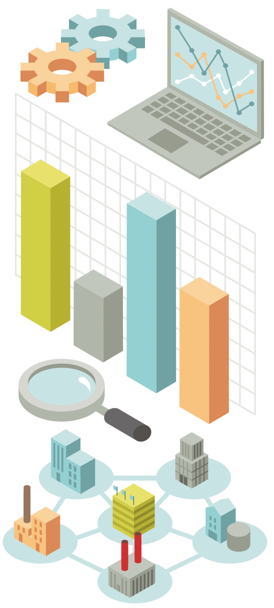
Structured acquisition process
Momentum Group's structured acquisition process ensures successful acquisitions. The acquisition process starts by identifying attractive segments and companies that meet our high requirements for a good strategic fit and financial development. After potential candidates are identified, they undergo a thorough due diligence process, where cross-functional teams with business, financial and legal expertise analyse and ensure the potential of the transaction. Each process is adapted to the unique conditions of the specific company in question. At the same time, plans are developed to improve growth and profitability in the acquired companies. By using internal resources and drawing on experience from previous acquisitions, we ensure a seamless and efficient process for sellers as well as buyers.

Outcome of acquisitions

Momentum Group's own cash flow is an important prerequisite for being able to make acquisitions. Together with a robust balance sheet and low capital requirements, our strong cash flows mean that we can finance our growth primarily with our own funds. To measure the degree of self-financing, we use the reinvestment rate performance measure, which clearly reflects our ability to support growth with our own resources. Since the listing in March 2022, Momentum Group has acquired 23 companies (December 2024) at a total combined purchase price of SEK 629 million, compared with total cash flow of SEK 576 million for the same period, corresponding to a reinvestment rate of 109 per cent.

Reinvestment rate

109%



Critical success factors in place for continued acquisition-driven growth

- Strong financial position with scope for acquisitions.
- Principal owner who wants to grow the Group.
- Industrial network in the Nordic region.
- Processes and resources in place for evaluating and implementing acquisitions.
- Proven and efficient acquisition model.
- Professional acquisition organisation.

Companies we want to acquire

Attractive product/service verticals

- Business model that benefits from trends in society: sustainability, digitalisation, demographics, etc.
- Strong position in the value chain: not exposed to external threats, end-customer relationship, strong supplier relationships, proprietary products, etc.
- Offerings in areas that we are familiar with: as aftermarket, service, repairs, maintenance, technical consulting and project sales.
- Existing or adjacent areas of technology, such as industrial automation, hydraulics, pneumatics, flow control and industrial maintenance.
- End customer segment with a strong Nordic affiliation: steel and metal, chemicals and pharmaceuticals, automotive, mining, energy, paper and pulp, etc.

Attractive companies

- Historically successful growth in revenue and earnings with healthy profitability, particularly measured through EBITA/WC.
- Value-added customer offering with a high level of expertise and/or technological content, often reflected in the contribution margin over time.
- Established customer and supplier relationships, with commercially successful offerings that are based on strong and stable customer and supplier relationships.
- Clear focus on the market niche and a strong position that can hold its own against competitors and new players.
- And perhaps most importantly, a culture with driven employees who fit in with our corporate culture and philosophy.

Read more in the section Business culture

Professional acquisition organisation

We largely use internal resources to evaluate, acquire and welcome new companies to the Group. The process involves not only management but also a number of other people from various areas of our operations with extensive experience of acquisitions and entrepreneurship. Many of the people our acquisition candidates meet during the process have been in the same situation themselves and divested their operations to Momentum Group. The Group focuses on acquisitions at several different levels.

Acquisitions at the subsidiary level

Subsidiaries that reach the Group's profitability target (at least 45 per cent EBITA/WC) can carry out add-on acquisitions independently in order to strengthen their offerings or expand geographically. The CEO of each company plays a key role in this process, with support from the Group.

Acquisitions at the business unit level

Each business unit has a clear acquisition agenda and focuses on specific areas:

Power Transmission

Looking for companies that can complement the operations of Momentum Industrial in Sweden and Norway.

Specialist

Looking for companies in leading specialist positions in their respective market niches in the Nordic region.

Flow Technology

Looking for companies in flow technology in the Nordic region.

Technical Solutions

Looking for companies in technical industrial service and measurement companies, mainly in Sweden.

Acquisitions at the Group level

Group management identifies and carries out larger strategic acquisitions and supports subsidiaries and business units with expertise in transactions, financial analysis and communication.

Acquisitions in 2024

Acquisitions during the year	About the company	Closing	Holding	Revenue[1]	Employees
PW Kullagerteknik AB	Specialist in ball and rolling bearings.	13 February	100%	SEK 12 million	3
KmK Instrument AB[2]	Specialist in measurement technology, non-destructive testing and material testing for Swedish industry.	4 April	70%	SEK 70 million	16
Hydjan Oy	Specialist in hydraulics and pneumatics for industrial customers in Finland.	2 May	100%	EUR 1.2 million	6
WH-Service AB[2]	Leading comprehensive supplier of rotating equipment primarily for the energy production sector in northern Sweden.	14 May	70%	SEK 35 million	11
Sikama AB[2]	Specialist in gas and fluid handling for industrial customers in Sweden.	15 May	60%	SEK 55 million	20
ZRS Testing Systems AB	Leading specialist in material testing and calibration for industrial customers in Sweden and Norway.	29 May	100%	SEK 32 million	8
Minrox AB	Specialist in flow technology for challenging environments and extremely abrasive processes for industrial customers in Sweden.	10 June	100%	SEK 34 million	2
Indoma AB	Specialises in products for installation and maintenance for industry.	2 December	100%	SEK 10 million	3
Acquisitions after the end of the year					
Heinolan Hydrauliikkapalvelu Oy	Specialist in hydraulic services and component sales for industrial customers in Finland.	14 January	100%	EUR 0.6 million	5
Hörlings Ventilteknik AB	Specialist in valve service primarily to industrial customers in northern Sweden.	18 February	100%	SEK 20 million	10
Sulmu Oy	Leading provider of industrial glass-reinforced plastic and thermoplastic services in Finland.	3 March	100%	EUR 5.3 million	29
Avoma AB[2]	Specialist in industrial service of rotating equipment, turbines and welding for Swedish industry.	4 March	70%	SEK 56 million	40

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

[2] Momentum Group initially acquired 60–80 per cent of the shares in each company. For the remaining 20–40 per cent, the sellers have a put option and Momentum Group has a call option. The price of the options is dependent on certain results being achieved in the companies.

Minrox, specialists in flow technology for challenging environments.

Hydjan, specialist in hydraulics and pneumatics.

Sikama AB, specialist in gas and fluid handling.

Business areas

Industry business area

The companies in the Industry business area offer components and related services primarily to aftermarket customers and original equipment manufacturers (OEMs) in the industrial sector in the Nordic region. The companies are mainly resellers, but with certain proprietary products and system construction, with a significant focus on industrial improvements. The companies, which hold a leading position in one or several product verticals and market niches, are organised in two business units: **Power Transmission** and **Specialist**.

Revenue

SEK 1,728 million
(2023: SEK 1,610 million)

+7%

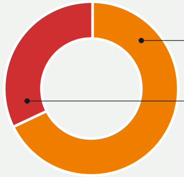
EBITA

SEK 232 million
(2023: SEK 221 million)

+5%

	2024	2023	Change
Revenue, SEK million	1,728	1,610	+7%
EBITA, SEK million	232	221	+5%
EBITA margin, %	13.4	13.7	
Return on working capital (EBITA/WC), %	68	69	
No. of employees	431	429	

Revenue per business unit



Revenue per customer segment

Metal and mining	18%
Paper and pulp sawmill	15%
Other manufacturing	11%
Automotive	10%
Pharmaceuticals and medical technology	4%
Food	4%
Electricity and heat production	2%
Defence	2%
Other industrial segments	22%
Other sectors	12%

Revenue by product and service area

Products	**92%**
Bearings	25%
Technical seals and industrial rubber	17%
Hydraulics and pneumatics	14%
Transmission	13%
Pumps electric motors and gears	5%
Lubricants and chemicals	4%
Machinery and systems	4%
Other components	10%
Services	**8%**
Repairs and renovation	6%
Related activities (such as training and installation)	2%

Power Transmission

Power Transmission, which consists of the company Momentum Industrial, is a market-leading supplier of industrial components and services in the Nordic region, with a focus on industrial improvements for the aftermarket. The business unit ensures operational reliability and performance in Nordic industrial production with local access to products, know-how from leading manufacturers, customised product training programmes, logistics solutions and on-call services.

Performance in 2024

Power Transmission had a stable performance in 2024, with growth in key sectors and a continued focus on strengthening the company's long-term competitiveness through investments and operational optimisation. The year was characterised by a strong start with growth in several industries, though the unit also faced challenges in certain market segments.

Demand from the metals and mining industry was positive during the year, with growth in multiple quarters. Sales to defence-related industries gradually grew to represent a more significant portion of revenue. At the same time, the development of the paper and pulp industry remained weak, although demand stabilised by the end of the year. Following a strong start to the year for the automotive industry, demand declined in the fourth quarter.

On the product side, a positive trend was noted for mechanical seals, with previous acquisitions contributing to growth. Momentum Industrial continued to strengthen its market position by developing its offering and adapting its operations according to customer needs.

At the end of the year, preparations began for the relocation of the company's central warehouse. According to plan the move is to be completed in the first quarter of 2025.

In December, Momentum Industrial acquired the company Indoma, which specialises in products for installation and maintenance for industry.

By developing our partnerships with suppliers and focusing on strengthening employee expertise, we improved our market position – and increased the competitiveness of our customers.

Jimmy Norlinder
Head of Power Transmission

Our companies in Power Transmission

Momentum Industrial

Revenue: SEK 1,295 million
No. of employees: 294

Market-leading supplier of industrial components and services in the Nordic region, with local inventory and sales in 35 locations in Sweden and Norway. Offers local access to products, know-how from leading manufacturers, customised product training programmes, logistics solutions and on-call services.

Indoma

Revenue: SEK 10 million
No. of employees: 3

Specialises in products for installation and maintenance for industry. With over 75 years in the industry, the company offer products such as mechanical seals, o-rings, hydraulics, pneumatics, bearings, industrial hoses and belts from leading suppliers.

Example of an industrial improvement

Optimised operation in collaboration

Along with four partners, Momentum Industrial has been running a project for over two years to solve a customer challenge. Previously, the customer lubricated chains in a lift system, which required maintenance staff outside production hours. Despite increased lubrication, the chains did not last longer. Instead, contamination built up, which increased scrapping and cleaning costs, ultimately leading to production losses. Installing the SKF LSS lubrication system ensures the right amount of lubricant and also that it will be applied for maximum benefit and function.

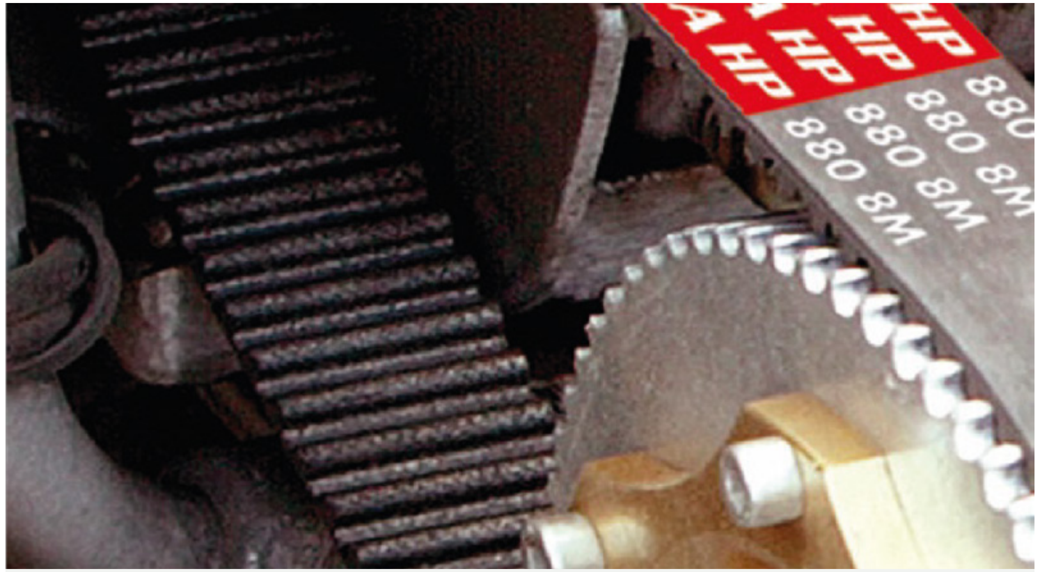
Reduced lubricant consumption, reduced consumption of chains, sprockets and bearings, reduced scrapping of contaminated components and eliminated production losses due to maintenance stops and breakdowns resulted in financial savings of over SEK 30 million.

Financial savings

SEK 30 m

Collaborating with multiple partners

- SKF (bearings)
- Renold (chains)
- Klüber (lubricant)
- SKF LSS (lubricating system)



Example of an industrial improvement

Streamlining and sustainability in focus – significant savings for the customer

In 2024, Momentum Industrial in Skövde delivered a total of 25 approved industrial improvements when helping a customer in the construction industry with various needs. The measures included belt optimisation for reduced energy consumption, improved lubrication for longer chain life and refurbishment of pumps and seals.

The financial savings for 2024 landed at over SEK 2 million and the environmental savings at over 4 tonnes of CO_2. All of the improvements also had a positive impact on the work environment, such as reduced noise, better ergonomics and reduced risk of slipping, crushing and vibration.

Environmental savings, CO_2

4 tonnes

Financial savings

SEK 2 m

Specialist

Companies in Specialist have leading positions in distinct niche markets such as hydraulics, pneumatics and automation. They offer sales, maintenance and custom manufacturing of technical components and systems, primarily to aftermarket customers and OEMs. Specialised knowledge and high-quality products create long-term value and operational reliability.

Performance in 2024

The Specialist business unit had a stable performance in 2024, with steady demand and good earnings growth. The companies' broad exposure to various customer segments remained a strength, which lent stability despite certain variations in market conditions across countries and industries.

For comparable operations, sales were stable during the year, with the Swedish companies delivering a particularly good performance. Demand in Denmark was generally weaker, though the pharmaceutical sector contributed positively. The market situation in Finland was more cautious, which had an impact on sales in some companies.

Acquisitions contributed to growth during the year, and acquired operations contributed total revenue of approximately SEK 91 million, with good margins. Two new acquisitions were made during the year. In February, the subsidiary Agera acquired the company PW Kullagerteknik, a specialist in ball and rolling bearings, and in May the hydraulics and pneumatics specialist Hydjan was acquired in Finland. In January 2025, after the end of the year, the subsidiary Hydjan acquired the Finnish company Heinolan Hydrauliikkapalvelu, a specialist in hydraulic services and components.

For specialist industrial companies, it is not enough to provide technical expertise – our ability to adapt and offer close, high-quality service also creates success.

Anders Larsson
Head of Specialist

Example of industrial improvements through collaboration

When two strong sister companies create value

By combining the availability and customer focus of Momentum Industrial with ETAB's leading technical expertise in hydraulics, linear technology, pneumatics and seals, companies can create smart total-package solutions.

One example is from a port operation where a faulty vent in a hydraulic system caused a disruption. Momentum Industrial called in ETAB, who determined that the replaced valve could not handle the flow. After switching to the correct valve, the system once again functioned optimally at a stable temperature and operating safely.

Another example is a solution for a manufacturing customer in Örebro. Improving the choice of rubber sheet eliminated leakage risks, which reduced chemical exposure. The custom-made seals can be mounted in one hour instead of 24 hours of downtime, which improved the work environment as well as productivity.

The largest values that the two strong sister companies can offer are products from our partners with long lifetimes – combined with ETAB's ability to refurbish products while upholding their warranty.

All this leads to lower total costs, better work environments and reduced climate impact for our customers!

Our companies in Specialist

Agera

Revenue: SEK 15 million
No. of employees: 7

A supplier-independent reseller of components and services to industrial customers. Represents world-leading manufacturers in the product areas of ball bearings, transmission, engines and filters as well as seals.

ETAB

Revenue: SEK 80 million
No. of employees: 25

A market-leading industrial automation company that provides high-quality products and services in hydraulics, linear technology and pneumatics to industrial companies in Sweden. Niche operation in seal manufacturing.

Heinolan Hydrauliikkapalvelu

Revenue: EUR 0.6 million
No. of employees: 5

Specialist in hydraulic services and component sales for industrial customers, primarily in steel, paper and pulp, mining operations and energy production in Finland.

Helsingin Kumi

Revenue: EUR 2.1 million
No. of employees: 7

Specialist in customised rubber products and rubber profiles. The products are customised in the company's own workshop and delivered to industrial customers, primarily in Finland.

Hydjan

Revenue: EUR 1.2 million
Employees: 5

Specialist in hydraulics and pneumatics that designs customised systems, units and cylinders and provides hydraulic installation and maintenance services to industrial customers in Finland.

HNC

Revenue: DKK 51 million
No. of employees: 23

Leading player in industrial automation solutions in Denmark, with sales and production of components as well as customised solutions for automation and process optimisation for customers, primarily in the food and pharmaceutical industry, and for machine builders.

JNF

Revenue: DKK 40 million
No. of employees: 14

Sales of industrial components and services in areas such as transmission, hydraulics and pumps as well as industrial consumables for professional end users in the industrial, civil engineering and public sectors in Denmark.

JOKRAB

Revenue: SEK 47 million
No. of employees: 9

Offers flexible automation services and builds and assembles equipment for the regulation of all types of processes, primarily for the pharmaceuticals industry.

PW Kullagerteknik

Revenue: SEK 12 million
No. of employees: 3

Specialist in ball and rolling bearings, but also offers other industrial components, such as seals and transmissions, to a broad base of industrial customers.

Regal

Revenue: DKK 35 million
No. of employees: 8

Leading niche player in transmission, electrical automation and control for both OEMs and end customers in the food, toy and pharmaceutical industries in Denmark. The company offers products including electric motors, gears, frequency converters, PLCs and sensors.

Swerub

Revenue: SEK 37 million
No. of employees: 22

Market leader in Sweden in advanced custom-made rubber products. Also offers a broad range of standard components for rapid delivery to industrial customers.

Öbergs

Revenue: SEK 61 million
No. of employees: 14

A market-leading specialist player in pneumatic solutions for industrial production that provides high-quality products and services in pneumatics, process valves and measuring devices as well as assembly, advisory services, training and service.

Infrastructure business area

The companies in the Infrastructure business area offer products, services and solutions to customers in industrial infrastructure, which is critical for a functioning society. The companies are resellers and service companies, and often deliver solutions with a focus on secure operation, longer service life, increased efficiency and precise measurability. The companies, which hold a leading position in one or several product verticals and market niches, are organised in two business units: **Flow Technology** and **Technical Solutions**.

Revenue

SEK 1,163 million
(2023: SEK 704 million)

+65%

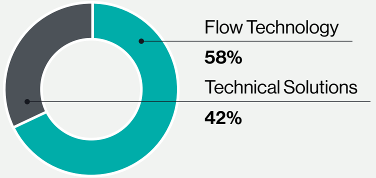
EBITA

SEK 122 million
(2023: SEK 71 million)

+72%

	2024	2023	Change
Revenue, SEK million	1,163	704	+65%
EBITA, SEK million	122	71	+72%
EBITA margin, %	10.5	10.1	
Return on working capital (EBITA/WC), %	60	55	
No. of employees	373	314	

Revenue per business unit



Revenue per customer segment

Electricity and heat production	27%
Paper and pulp, sawmill	10%
Water and sewage	9%
Metal and mining	8%
Automotive	7%
Other manufacturing	7%
Pharmaceuticals and medical technology	3%
Food	2%
Defence-related	2%
Other industrial segments	19%
Other sectors	6%

Revenue by product and service area

Products	**77%**
Valves	33%
Measurement technology	12%
Pumps electric motors and gears	11%
Filters treatment and pipe systems	8%
Other products	13%
Services	**23%**
Repairs and renovation	19%
Related activities (such as calibration)	4%

Flow Technology

Companies in Flow Technology deliver solutions for mechanical flows and fluid handling throughout the value chain. The range includes valves, fittings, hydraulics, flow technology, treatment, diagnostics and advanced flow calculations. Focus on critical functions within industrial processes and critical social infrastructure, where media such as steam, gas and water play a key role.

Performance in 2024

The Flow Technology business unit delivered a positive performance in 2024, with stable demand and good growth in sales as well as earnings. Despite some seasonal variations in the beginning of the year, operations developed well and the business unit was further strengthened through acquisitions.

Demand was strong overall in Sweden, while the market in Denmark improved gradually during the year, driven by increased investments in the pharmaceutical sector and green technology. Finland also developed more cautiously, though with a certain increase in activity noted at the end of the year.

Acquisitions played an important role in the growth of the business unit. During the year, acquired businesses contributed total revenue of approximately SEK 318 million. Two new acquisitions were made during the year and a third was announced. Sikama, a specialist in gas and fluid handling, was acquired in May and Minrox, a specialist in flow technology for challenging environments and extremely abrasive processes, was acquired by the subsidiary BPS in June. In December, the subsidiary Askalon announced the acquisition of Hörlings Ventilteknik AB, a specialist in valve service primarily to industrial customers in northern Sweden, with closing taking place in the first quarter of 2025.

In March 2025, after the end of the year, Sulmu was acquired, which is a leading provider of industrial glass-reinforced plastic and thermoplastic services in Finland.

Stable demand and good growth made 2024 a strong year for Flow Technology. Value-adding acquisitions and stronger market positions allowed us to continue to develop successfully.

Martin Gyllix
Head of Flow Technology

Example of an industrial improvement

Smart technology protects water and sewage pipes, reducing costs

Water hammer flows are a serious problem in municipal water networks. When changes in pressure suddenly arise in a pipe system, it can cause the pipes to break and leak, which leads to high costs and negative impacts on the environment. Replacing a pipe under a street or a paved plaza is expensive and time-consuming.

To solve this problem, Torbjörn Börjesson at BPS designed the WHP (Water Hammer Protector) valve to reduce water hammer flows. WHP handles both the under- and overpressure phase when a water hammer sequence occurs, reducing stress on the pipes, preventing damage and extending the life of the entire system.

Today, WHP is installed in many municipal water and sewage networks, primarily in Sweden but also in Norway and Denmark. For municipalities, this creates significant savings, both financially and environmentally, by extending the lifespan of sewage pipes and pipe systems at pumping stations and by reducing breakdowns.

This is one example of how our companies' innovative solutions can create sustainable and cost-effective water and sewage systems for the future.

Our companies in Flow Technology

Askalon

Revenue: SEK 409 million
No. of employees: 114

Leading player in advanced valve solutions primarily for the power, refinery and process industries in the Nordics. Within control valves, the company has a unique position with its custom-built solutions and as the only Emerson representative in its markets.

BPS

Revenue: SEK 52 million
No. of employees: 10

A leading player in the market for flow technology solutions and products. The company's own products, such as WHP, jet spray nozzles, jet spray lances and flow meter wells, complement the offering of products from leading manufactures.

Cobalch

Revenue: DKK 17 million
No. of employees: 4

Specialist in pipeline accessories for gas, water, oil, sewage treatment plants, waterworks and refineries for customers in the Nordics and parts of Europe.

Conclean

Revenue: SEK 39 million
No. of employees: 11

Leading niche player in private sewage, rainwater recycling and stormwater management, primarily for infrastructure companies. Offers mini-treatment plants, septic tanks, pumping stations, rain recovery tanks and oil separators.

Hydmos

Revenue: SEK 28 million
No. of employees: 4

Leading niche player within specialist fluid solutions, such as gases and fluids for customers within various industries. The offering consists of hydraulic systems, high-pressure pumps, pressure testing equipment and gas-booster systems.

Hörlings Ventilteknik

Revenue: SEK 20 million
No. of employees: 10

Specialist in valve service for primarily industrial customers in paper and pulp, metal and mining, and power production in northern Sweden. The company offers mechanical service and testing of valves in its own workshop and at the customer's site.

Instrumentgruppen Items

Revenue: SEK 10 million
No. of employees: 1

Specialist in CNG/hydrogen refuelling components and gas detection, with customers in the process, gas and biogas industries in Sweden.

iTEMS

Revenue: SEK 56 million
No. of employees: 14

A leading niche player in instrumentation for demanding operating conditions for customers primarily in the process, gas, biogas, pharmaceutical and manufacturing industries.

Minrox

Revenue: SEK 28 million
Employees: 2

Specialist in flow technology for challenging environments and extremely abrasive processes for industrial customers. Exclusive distributor in the Swedish market of Flowrox products such as pinch valves, knife gate valves, hose pumps and pulse dampers.

Sikama

Revenue: SEK 51 million
Employees: 20

Specialist in gas and fluid handling for industry. Is a total supplier of system solutions, products, services and control with a wide range of products in pumps, flow meters, filters, hoses and couplings.

Sulmu

Revenue: EUR 5.3 million
No. of employees: 29

A leading provider of glass-reinforced plastic and thermoplastic pip solutions for industrial applications in Finland. Specialises in installation and industrial maintenance for customers operating mainly in the energy, forestry, mining and chemical industries.

Technical Solutions

Companies in Technical Solutions offer solutions that control and enhance the efficiency of plant operation, while also extending the service life and improving the efficiency of machinery. They sell products and services in repairs, renovation, measuring and monitoring, primarily to Nordic industrial and infrastructure customers where quality, precision and delivery reliability are essential.

Performance in 2024

The Technical Solutions business unit had an overall stable development in sales and earnings in 2024, though demand varied somewhat during the year.

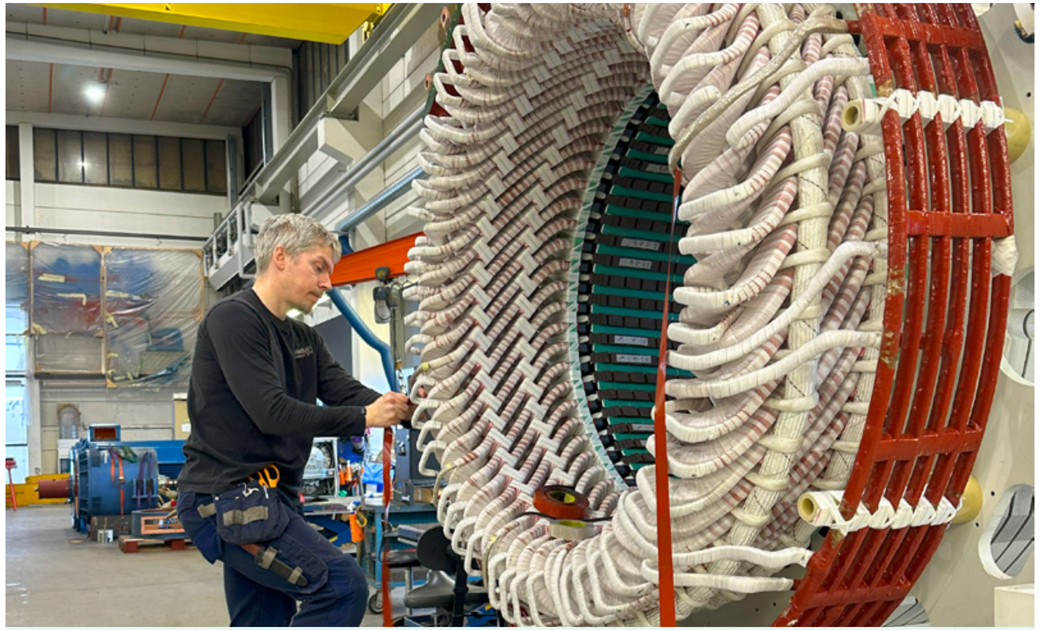
Rörick's major workshops in Köping and Örebro had good capacity utilisation and delivered revenue and earnings growth for most of the year. Other workshops had a slightly more mixed performance, but profitability was maintained through improved margins and effective cost control. However, the workshop operations were negatively impacted during the fourth quarter by lower activity among certain industrial customers, particularly in the automotive sector, and by seasonal effects.

Demand in measurement technology and control was also positive during the year, with increased customer activity and sales of larger systems. Business remained strong at the end of the year, with many ongoing customer dialogues.

Acquisitions contributed to the growth of the business unit, with newly acquired operations adding a total of approximately SEK 110 million in revenue during the year. Three new companies were acquired during the year. In April, the Group acquired KmK Instrument, a specialist in measurement technology, non-destructive testing and material testing. WH-Service, a leading comprehensive supplier of rotating equipment, and ZRS Testing Systems, a leading specialist in material testing and calibration, were both acquired in May. After year-end, in March 2025, Avoma, a specialist in industrial service of rotating equipment, turbines and welding, was acquired.

2024 was a year of growth – we strengthened our operations through carefully selected acquisitions. At the same time, we continued to drive profitable growth and develop our companies.

Ola Jönsson
Head of Technical Solutions



Example of an industrial improvement

Refurbishing giant motors saves time, money and CO_2

At Rörick's workshop in Örebro, industrial customers get help extending the lifespan of critical equipment through services such as the refurbishment of large motors and generators.

When a motor at a customer site in the process industry broke down, Rörick was able to offer a complete refurbishment, restoring the motor to like-new condition – saving the customer both time and money.

Rörick's workshop in Örebro is the only IECEx-certified workshop in Sweden for the repair of Ex-classified motors, and it has the capacity to handle units ranging from a few kilos to 65 tonnes. Using advanced technology – such as an environmentally controlled burnout oven and VPI systems – Rörick ensures the highest quality and reliability in its work.

By choosing refurbishment instead of investing in a new motor, customers not only save time and money – they also contribute to a more sustainable industry, as the climate impact is 90 per cent lower compared to purchasing a new motor.

Our companies in Technical Solutions

Avoma

Revenue: SEK 56 million
Employees: 40

Specialist in industrial service of rotating equipment, turbines and welding, with a focus on the process and power industries in Sweden. Offers maintenance, service and consultations in rotating equipment, welding, oil handling and mechanical maintenance.

Mekano

Revenue: SEK 161 million
No. of employees: 77

One of Sweden's leading suppliers of high-quality products and services with a focus on service and cost savings for industrial customers. Carl A has been part of Mekano since 1 January 2024.

WH-Service

Revenue: SEK 51 million
Employees: 11

Leading supplier of rotating equipment primarily for the energy production sector in northern Sweden. They have their own workshop and offer their customers a comprehensive concept for the renovation and upgrading of rotating equipment.

Intertechna

Revenue: SEK 23 million
No. of employees: 8

A leading company in Sweden specialising in digitalised maintenance for industrial production, focusing on customers in such areas as the paper and pulp industry and the automotive industry. Supplies systems and services for operation and maintenance, measuring and calibration, and software installation and support within the area.

Mytolerans

Revenue: SEK 34 million
No. of employees: 7

Offers products and services in measurement technology to Swedish industry, is a general agent for Mahr, Alicona and Fami, and is accredited with its own measuring lab for calibration.

ZRS Testing Systems

Revenue: SEK 40 million
Employees: 10

Leading specialist in destructive and non-destructive material testing and calibration for the production, manufacturing and pharmaceutical industries, primarily in Sweden but also in Norway.

KmK Instrument

Revenue: SEK 66 million
Employees: 15

Offers industrial measurement technology primarily to the Swedish metal, engineering and automotive industries. The company is a distributor of measuring equipment with specialist expertise in measurement technology, material testing and non-destructive testing.

Rörick

Revenue: SEK 159 million
No. of employees: 62

Electromechanical workshops that offer service, repairs and reconstruction of electromechanical equipment such as electric motors, generators, transformers and pumps to industrial customers.

The share

The Momentum Group share

Momentum Group's Class B share (ticker MMGR B) is listed on Nasdaq Stockholm. From the listing on 31 March 2022 until 31 December 2024, the share price for Momentum Group's Class B share increased 122 per cent. The Stockholm Stock Exchange as a whole, Nasdaq Stockholm, increased 20 per cent in the same period.

Share price development and trading volume

The closing price at the end of the financial year was SEK 177.80 (130.50), corresponding to a market cap of SEK 8,976 million (6,588). The highest price paid during the year was SEK 205.00 which was quoted on 17 July 2024. The lowest price paid during the year was SEK 116.50 which was quoted on 19 March 2024. See the share price performance of the Class B share since the listing in the diagram to the left.

During 2024, approximately 13.0 million (11.3) Momentum Group shares were traded at a total value of about SEK 2,105 million (1,199). In relation to the average number of Class B shares out-standing, this corresponds to a turnover rate of approximately 25 per cent (23). Broken down by trading day, an average of approximately 51,616 (45,210) shares were traded at an average value of about SEK 8.4 million (4.5).

Share capital

As of 31 December 2024, the company's registered share capital amounted to SEK 25,240,444.50, distributed between 50,480,889 shares, of which 564,073 were Class A shares and 49,916,816 were Class B shares each with a quotient value of SEK 0.50. Each Class A share entitles the holder to ten votes and each Class B share to one vote. All shares carry equal rights to the company's assets, earnings and dividends. Only the Class B share is listed on Nasdaq Stockholm. A conversion provision in the Articles of Association allows for conversion of Class A shares into Class B shares.

Source: Monitor by Modular Finance AB. Data compiled from sources such as Euroclear, Morningstar and the Swedish Financial Supervisory Authority. This applies to the entire section about the share.

Repurchase of own shares

Supported by the authorisation granted by the 2023 and 2024 AGMs, the Board of Directors of Momentum Group decided to repurchase own shares. The purpose of the repurchase is to be able to adapt the Group's capital structure and to pay for future acquisitions of businesses and operations using treasury shares. At year-end 2024, Momentum Group's holding of Class B treasury shares totalled 1,083,026 shares. No shares were repurchased in 2024.

During the second quarter, the Group acquired Minrox AB, which was partly financed through the transfer of 29,260 own Class B shares to the seller at a price of SEK 170.87 per share. The price corresponds to the volume-weighted average price for the company's Class B share on Nasdaq Stockholm during the ten trading days immediately preceding the closing date.

As of 31 December 2024, the number of Class B treasury shares amounted to 1,053,766, corresponding to 2.09 per cent of the total number of shares and 1.90 per cent of the total number of votes.

Share-based incentive programmes

The AGM in May 2024 resolved to introduce a long-term incentive programme ("LTIP 2024") for senior executives. The programme is based on own investments and entails that a maximum of 99,750 Class B shares may be issued, corresponding to approximately 0.2 per cent of the number of shares and votes in Momentum Group, before any recalculations. Allocation of performance shares is based on a variety of performance criteria, including the development of the company's profit per share.

Read more in Corporate governance

Share price development since listing

Class of share	No. of shares	No. of votes	% of capital	% of votes
Class A shares (10 votes/share)	564,073	5,640,730	1.12	10.15
Class B shares (1 vote/share)	49,916,816	49,916,816	98.88	89.85
Total number of shares before repurchasing	**50,480,889**	**55,557,546**	**100.00**	**100.00**
Less: Repurchased Class B shares	–1,053,766			
Total number of shares after repurchasing	**49,427,123**			

2025 AGM

Momentum Group's AGM will be held at 4:00 p.m. on 7 May 2025 in Stockholm. For information about the Annual General Meeting, see momentum.group.

Proposed dividend

The Board of Directors has proposed a dividend of SEK 1.30 per share (1.10), totalling approximately SEK 64.3 million (54), corresponding to a pay-out ratio of 36 per cent (32) in relation to profit for the period. Momentum Group's dividend policy states that the target is for the dividend to exceed 30 per cent of the Group's average profit over a business cycle.

Financial calendar

Interim Report, first quarter 2025 .... 29 April 2025
2025 AGM .... 7 May 2025
Interim Report, second quarter 2025 .... 18 July 2025
Interim Report, third quarter 2025 .... 24 October 2025
Year-end report 2025 .... 18 February 2026

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Ownership profile

As of 31 December 2024, Momentum Group had 5,352 (5,518) shareholders. Institutional investors, such as mutual funds, insurance companies and pension funds in Sweden and abroad, owned approximately 79 per cent (81) of the total number of shares. The proportion of foreign ownership was approximately 28 per cent (25) of the total number of shares.

The tables and diagram on this page presents the ownership structure on 31 December 2024.

Owner concentration

Owners	% of capital	% of votes
10 largest shareholders	68.91	62.61
20 largest shareholders	80.39	81.46
30 largest shareholders	85.26	86.04

Ownership structure, based on holding

No. of shares	No. of owners	% of owners	% of capital
1–500	4,446	83.07	0.87
501–1,000	377	7.04	0.59
1,001–5,000	359	6.71	1.50
5,001–10,000	54	1.01	0.81
10,001–100,000	76	1.42	5.14
100,001+	40	0.75	87.80
Anonymous ownership	*N/A*	*N/A*	*3.30*
Total	**5,352**	**100**	**100**

Largest shareholders

Owners	Class A shares	Class B shares	% of capital	% of votes
Nordstjernan	213	19,790,222	39.20	35.62
Tom Hedelius	513,124		1.02	9.24
Ampfield Management		4,931,865	9.77	8.88
Lannebo Kapitalförvaltning		1,885,915	3.74	3.39
Fidelity Investments (FMR)		1,795,865	3.56	3.23
Third AP Fund		1,432,245	2.84	2.58
C WorldWide Asset Management		1,200,000	2.38	2.16
Adam Gerge (AEMG Capital)		1,090,000	2.16	1.96
Momentum Group AB[1]		1,053,766	2.09	1.90
Länsförsäkringar Fonder		804,026	1.59	1.45
Sandrew AB		800,000	1.58	1.44
Vanderbilt University		798,537	1.58	1.44
Foord Asset Management Limited		697,058	1.38	1.25
Handelsbanken Fonder		668,213	1.32	1.20
Berenberg Funds		627,469	1.24	1.13
Total largest shareholders	**513,337**	**37,575,181**	**75.45**	**76.87**
Other	50,736	12,341,635	24.55	23.13
Total	**564,073**	**49,916,816**	**100.00**	**100.00**

[1] Pertains to own holdings.

Share of capital per owner type

- Investment and asset management, **39%**
- Fund companies, **33%**
- Private individuals, **10%**
- Pensions and insurance, **4%**
- Repurchased shares, **2%**
- Other, **12%**

No. of shareholders
5,352
(2023: 5,518)

Of which, Swedish private individuals
4,999
(2023: 5,177)

Foreign ownership
28%
(2023: 25%)

Fund ownership
33%
(2023: 31%)

Free float
54%
(2023: 50%)

Momentum Group as an investment

1 Stable and profitable growth

Our growth strategy creates sustainable and profitable earnings growth, where everything we do is to ultimately lead to increased profit per share. We have a clear target to increase our EBITA by at least 15 per cent per year. We have exceeded this target since the listing in 2022 through a combination of organic growth and value-adding acquisitions, and profit per share has increased.

2 Proven ability to acquire and develop operations

Momentum Group has a documented ability to create value through acquisitions and business development. With a long history in the industrial sector and a background from successful companies such as Bergman & Beving, Addtech och Lagercrantz, we have built up an effective model for identifying, acquiring and refining profitable companies with strong market positions. Through our "better than yesterday" philosophy, we work continuously to strengthen our companies and, together with their management teams, drive profitable growth.

3 Decentralised business model

Our decentralised business model combines local entrepreneurship with the Group's financial resources, strategic support and wide network. Our companies have a great deal of freedom, alongside their own responsibility for earnings and profitability, which creates a culture of business acumen, commitment and efficiency. By making decisions close to the customer and to suppliers, companies can quickly adapt to changes and opportunities in the market. This independence, in combination with the Group's active ownership and efficient corporate governance, ensures long-term stability and value creation.

4 Acquisition-driven growth in a fragmented market

The Nordic market for industrial components and services is fragmented, with significant opportunities for consolidation and growth through acquisitions. Our model is based on identifying and developing niche companies with unique offerings and strong market positions. Momentum Group has a long-standing history of successful acquisitions with well-proven processes for acquisitions as well as onboarding for this kind of company. Since the listing in March 2022, we have completed 23 successful acquisitions (December 2024), that further strengthen our position.

5 Resilient business model

With a significant share of our revenue attributable to aftermarket services, our assessment is that our business model is less sensitive to economic fluctuations, and with a large share of recurring revenue, we ensure a stable level of revenue. Our broad customer base and diverse industries and product segments also help create additional resilience.

6 Strong cash flows enable self-financed growth

Our growth strategy is based on strong cash flows that are generated by consistently focusing on profitability (EBITA/WC) across all operations. Together with a robust balance sheet and low capital requirements, we can finance our growth with our own funds – both through investments in existing operations and through acquisitions. This allows us to ensure financial stability and to deliver sustainable, long-term returns to our shareholders. To measure the degree of self-financing, we use the reinvestment rate performance measure, which clearly reflects our ability to support growth with our own resources.

Average annual EBITA growth [1)]

24%

Number of acquisitions [1)]

23

Profitability, EBITA/WC

59%

Reinvestment rate [1)]

109%

1) From the listing in 2022 until 31 December 2024.

Governance and control

Risks and risk management

Like all businesses, Momentum Group's operations face uncertainty, and the challenge is to determine how much uncertainty can be accepted in the effort to increase value. Uncertainty involves both risks and opportunities with the potential to both weaken and increase the company's value. Accordingly, Momentum Group take a systematic approach to risk management, which gives the Group's Board of Directors and management the possibility to effectively manage uncertainty and the associated risks and opportunities. Risk management is a significant part of the Group's internal control.

Risk management process

The Group works with a risk management process, which is described in the risk management policy adopted by the Board of Directors. The policy applies throughout the Group and describes the roles, responsibilities, processes and procedures related to risk management. The purpose of risk management in the Group is to systematically identify, assess and prioritise risks in order to make proactive decisions on the management of risks and to capitalise on opportunities to achieve the business goals. A risk assessment is conducted annually as an integrated part of the business planning process, whereby identified risks are systematically analysed and assessed. An assessment is conducted regarding how probable it is that various types of risks will occur within a defined period of time and what consequence these will have on established goals. The assessment provides insight into the consequences for the Group if no action is taken, which risk-mitigating measures are in place, and what risk level the organisation wants to achieve through further measures.

The risks to which the Group's operations are exposed are mainly categorised as strategic, operational, regulatory compliance and financial risks. The assessment of these risks is performed at both the subsidiary and Group level. In addition, a risk assessment is implemented concerning the Group's risks associated with financial reporting.

Sustainability risks, including environmental, social and governance (ESG) risks, are integrated into the above categories and form part of the existing risk management process. In 2025, the Group will also implement a due diligence process for sustainability matters, which includes identifying, assessing and managing risks and negative impacts related to the environment, human rights, working conditions and business conduct in its sustainability reporting.

Each subsidiary has a responsibility to identify material risks in its own operations during the annual business planning process. Company management works to consolidate the risks identified in the business planning process in each subsidiary, and to develop its own view of the material risks in the Group through one or more risk workshops. Group management presents its view of the collective material risks in the operations to the Board of Directors of the Parent Company, which is thereby given the possibility to submit its own view of the identified risks.

Before the risk assessment is finally adopted by the boards of directors at the various levels of the Group, a risk owner is assigned to each risk. The risks and their management are then followed up at Board meetings during the year, which also was the case in 2024.

Roles within the Group's risk management process

The Board of Directors of the Parent Company is ultimately responsible for risk management and internal control and is tasked with adopting the risk management policy on an annual basis, adopting, where appropriate, the risk-appetite and tolerance levels, and overseeing risk management through continuous reporting. The Parent Company's Audit Committee supports the Board in its work to assure the quality of the Group's risk management process. The CEO of the Parent Company is responsible for the day-to-day administration in accordance with the Board's instructions. The CEO has ownership of risk management and is responsible for ensuring that risk management in the Group is applied in accordance with this risk management policy. The CFO of the Parent Company is responsible for monitoring risk management in the Group, ensuring effective risk management and managing the Group's risk management framework. The CFO is responsible for aggregating, analysing and compiling the Group's risk analysis and reporting to the Audit Committee and the Board of Directors.

All employees of the Group are responsible for complying with applicable policies and instructions and actively participating in risk work within their professional role. Employees must be informed about risk management and contribute to risk work. In the event that deficiencies or potential irregularities come to the knowledge of an employee, these must be communicated without delay to their immediate superior or in accordance with the Group's Whistleblower Policy.

The Group's principal strategic, operational and regulatory compliance risks are listed below. The financial risks and how they are managed are described in Note 21 Financial risks and risk management.

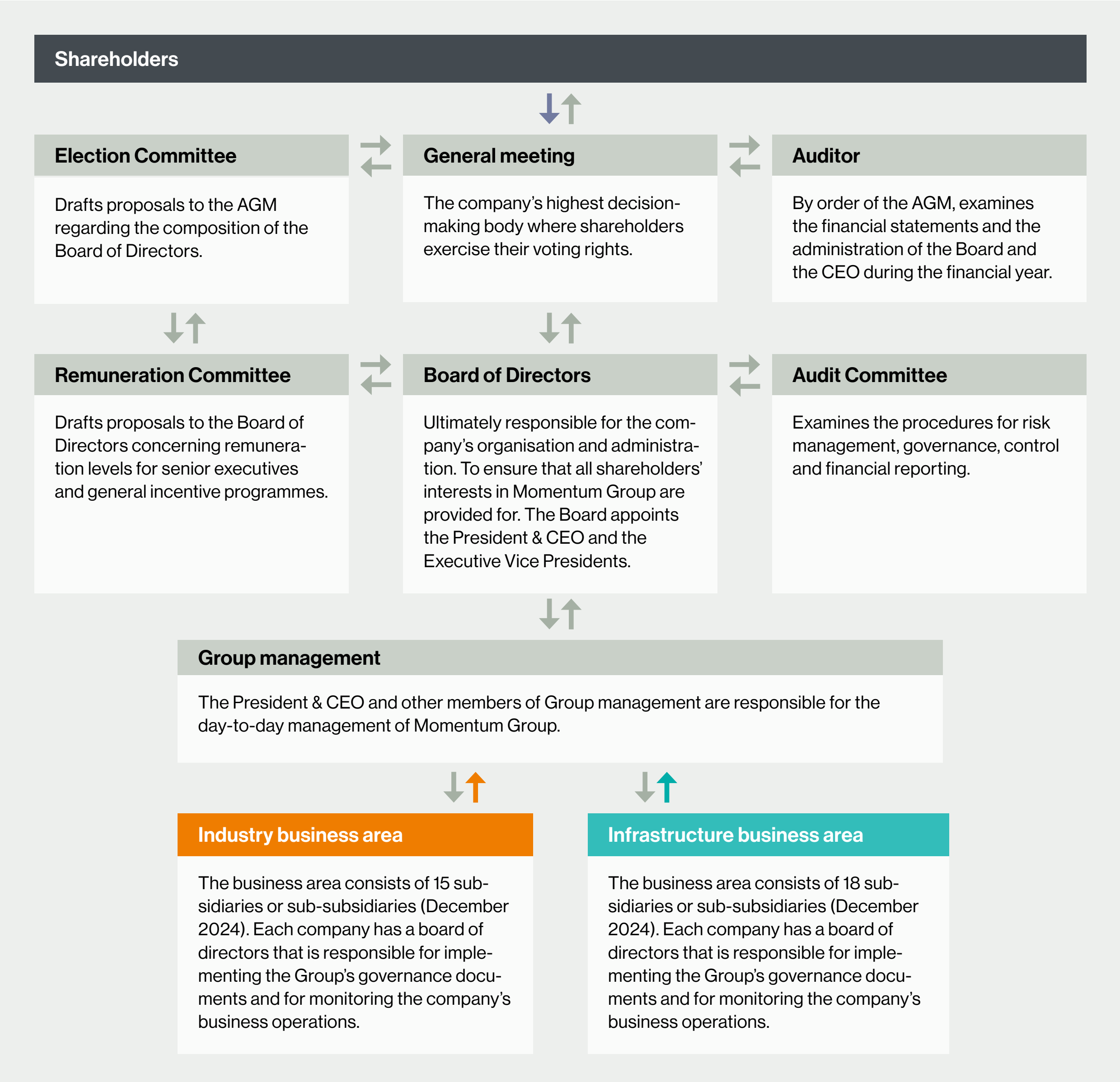
To Note 21 Financial risks and risk management

Area	Risk/description	Management
Market and business climate	Momentum Group's customers mainly comprise industrial companies, primarily in Sweden but also in Norway, Denmark and Finland. Accordingly, the earnings of the companies included in the Group are impacted by conditions in the Nordic economies, which means that demand for the Group's products and services could decline in a recession. A protracted period of low growth or an economic downturn could reduce demand for Momentum Group's products and services. In addition, the company may find it difficult in the short term to offset the earnings impact of a sudden decrease in sales given its semi-fixed costs. The rate of activity in the Group's end markets depends on multiple factors beyond Momentum Group's control including, but not limited to, local, regional and general economic conditions, which may in turn be impacted by, for example, global economic conditions, delivery disruptions affecting certain countries/industries and the global security environment. Unfavourable changes with regard to one or all of these factors, or other factors, could have a significant impact on demand for the products offered by the companies in the Group, particularly in the form of reduced volumes.	Momentum Group's group structure, with over 30 subsidiaries operating in different geographic markets and in several product verticals and customer segments, naturally leads to a risk spread. A significant portion of revenue comes from aftermarket services, which makes the business model less cyclical, and a large portion of recurring revenue also creates a stable and predictable level of revenue. A broad customer base and diversification across industries and product areas provide the Group with additional resilience to market changes. In addition, the Group applies a high level of decentralisation, which means that responsibility for business decisions lies close to customers and suppliers. The companies in the Group can therefore act rapidly in response to changes in the market. The companies also work continuously to adapt the offering, and to adapt their costs to specific conditions.
Structural changes and increased focus on sustainability	Rapid technological development and new technological advances could change the competitive situation in the Group's market. Moreover, society in general is undergoing a transition resulting from an increased focus on sustainability, not least among the Group's end customers. When it comes to sustainability, there are also compliance risks that the Group must manage, such as sanction regulations, and new accounting and reporting requirements. Momentum Group's future competitive opportunities are impacted by the ability to offer customers digital sales channels, digital solutions for efficient transaction management as well as sustainable solutions and regulatory compliance. This is placing demands on the Group to develop solutions that satisfy the future needs of its customers and business partners as well as imposing increasing demands on the companies in Momentum Group to view sustainability as a natural part of their daily operations and to develop and offer products and services that meet these high expectations as well as increasingly remaining up to date regarding – and being able to measure and report on the basis of – existing regulations.	Through its companies, the Group continuously develops its offering, adding various types of digital tools as a way of increasing customer value, reducing transaction costs and increasing security. This is an important part of the development that we carry out in our operations. The requirements for sustainable solutions are resulting in higher demand for durable premium products that are subject to less wear. This is well aligned with the Group's various offerings, which focus on creating significant customer value with the least possible negative environmental impact. Through our structured work on industrial improvements, we have been able to demonstrate positive effects on the environment as well as the finances and work environments of our customers. The Group's companies primarily focus on trade and operations that have a limited direct impact on the environment. Limited manufacturing is conducted in the Group. The Group monitors its operations and environment-related risks through its sustainability reporting, and all companies comply with the Group's Code of Conduct. In conjunction with acquisitions, a sustainability analysis is also performed to identify risks and opportunities connected to structural changes in society. Training activities and follow-up are conducted continuously to ensure regulatory compliance. A more detailed description of Momentum Group's sustainability activities is available in the Group's Sustainability Report. Read more in the Sustainability Report
Competitors	The Group is active in markets that are subject to competition that may vary, depending on the geographic market, customer group and product segment. Customers are increasingly striving to limit their number of suppliers and initiate closer collaboration with these suppliers in order to jointly develop the value chain, focus on a value-added offering of products and services and thereby reduce the total cost for purchasing, stocking, administration and tied-up capital. Competition at the reseller level consists of local players, e-commerce resellers and international players. There is a risk that new players with financial strength could grow stronger, which could adversely impact the Group's operations through a loss of market share or through increased price pressure and reduced profitability and thus also have a negative impact on cash flow, earnings and financial position.	The Group endeavours to offer a range that prioritises value rather than price. By working closely with suppliers and customers, the Group continuously refines its expertise and competitiveness. We add value in the form of comprehensive technical knowledge, delivery reliability, service and availability, which limit the risk of reduced customer demand. To reduce the risk of competition from suppliers, we continually work to ensure that a partnership with the Group is the most profitable sales strategy. Thanks to the Group's focus on a number of different product verticals, no other player in the market can match Momentum Group's overall offering. The competitors that exist are often of a more local character and, in relation to them, we consider to Group to have a distinct competitive edge in the form of the depth and breadth of its offering as well as its availability, technical expertise and financial stability.

Area	Risk/description	Management
Dependence on suppliers and efficient logistics	The Group purchases products that are sold to customers from a large number of different suppliers. The Group's ability to offer its customers a wide range of products is dependent on its ability to safeguard a sufficient product supply at attractive prices from manufacturers and other suppliers. There is a risk that the Group will fail to identify and develop relationships with qualified suppliers meet the Group's quality and price requirements as well as demand for access to products and punctual deliveries in an efficient manner. If it is not possible to promptly replace a supplier or in the event of the loss of or a material decline in the supply of products from Momentum Group's suppliers or the loss of a key supplier, this could have a negative impact on the Group's operations, financial position, earnings and cash flow. Insufficient control, inadequate supplier agreements and irregular supplier follow-up can also lead to operational risks. For example, unfavourable contract terms, non-compliance with quality requirements or unclear responsibility structures could result in additional costs, delays and insufficient quality. Incorrect or delayed deliveries, or non-deliveries, could result in Momentum Group failing to deliver popular and/or ordered products. This could result in reduced sales of the Group's products, reduced customer satisfaction and potentially increased costs.	Suppliers are important to Momentum Group's ability to establish and retain its position in the market. The Group has agreements with leading suppliers of high-quality products to ensure high quality and availability of the goods that are procured and, from a longer-term perspective, it is not dependent on any single supplier. The companies in the Group often have long and close relationships with their key suppliers and often participate in training programmes and other forums to ensure that we have in-depth knowledge of the supplier's products and also to stay abreast of developments in the supply chain. For the supplier, Momentum Group is often a critical business partner in the local market, with high customer awareness and the ability to maintain good availability of the supplier's products. This availability is based on multiple factors, including a close dialogue with the suppliers with the Group viewed as a priority customer and a good ability to cost-effectively handle the flow of products, from suppliers all the way to the end user. The Group continuously works to refine its processes, increase its internal expertise and build close relationships with suppliers to enable efficient logistics. To uphold the Group's high standards in terms of business conduct, the Group's Supplier Code of Conduct must be complied with. A number of companies also implement specific supplier audits.
IT security and cyber-related risks	Momentum Group must maintain a well-functioning IT infrastructure to be able to ensure continuity and to improve the efficiency of the business. Shortcomings in cybersecurity can, for example, give rise to unforeseen and unauthorised access to the Group's internal IT environments, the supplier and distributor chain and/or the products connected online to Momentum Group. Information concerning products, agreements, selling prices and costs constitutes sensitive information that could become a target for cyberthreats. Although Momentum Group is mainly exposed to attacks from malicious software and blackmail trojans, cyber-related risks can also arise through the loss of information due to inadequate or incorrect internal processes, disruptions or technical defects, human error or natural catastrophes. Such risks could also arise among the Group's suppliers, distributors and other external parties with whom the Group interacts. Cyber-related threats represent a significant risk for Momentum Group since they could lead to business disruptions, the loss of important data, the loss of income and reputational damage, which could negatively impact Momentum Group's earnings.	Work conducted to prevent risks related to IT and cybersecurity include the preparation, establishment and implementation of IT and information security policies as well as continuous investments in the Group's IT environment. The companies in the Group work systematically to ensure that access security is in place in the form of firewalls, password protection and multi-factor authentication for critical systems. Backups are conducted regularly and all companies use various forms of antivirus protection. Software is updated in connection with upgrades to ensure that there are no security gaps that make us susceptible to hacking, and all hacking attempts are monitored. In the event that the Group commissions external partners to, for example, operate the IT environment, rigorous demands are placed on such partners' security procedures.
Acquisitions and goodwill	Acquisitions are a crucial component of Momentum Group's growth strategy. The risks associated with acquisitions include the risk that the Group will not successfully achieve the anticipated gains from an acquisition and the risk that unknown contingent liabilities will not be identified during due diligence. There is also a risk that Momentum Group may not succeed in identifying suitable acquisition targets or may fail to implement acquisitions on favourable terms due, for example, to competition by other acquirers or a lack of financing. In addition, integration of acquisitions into the Group's existing operations may fail and the desired financial targets may not materialise. This could result in reduced or declining growth for Momentum Group and in the company failing to achieve its financial targets or strategic goals. Acquisitions may also expose Momentum Group to unknown liabilities. When acquiring companies, there is also the risk that the acquired companies could fail to meet Momentum Group's expectations or that sales may not develop in a manner that motivated the purchase consideration at the acquisition date. If the acquired operations do not perform according to plan, this could require the impairment of goodwill. The valuation depends on a stable performance and positive future return.	Momentum Group has long-standing and extensive experience of acquiring and pricing companies. All potential acquisitions and their operations are carefully assessed before the acquisition is implemented. We have well-established processes and structures for pricing, implementing and integrating acquired companies. In the agreements signed, we aim to obtain requisite guarantees for limiting the risk of unknown obligations. The large number of companies that are acquired represents a significant spread of risks. Impairment testing of goodwill is performed at least once annually and is based on the companies' business plans and realised earnings. Through close financial monitoring, deviations can be identified and rectified quickly in order to thereby reduce the risk of impairment losses.

Area	Risk/description	Management
Organisation and corporate culture	Momentum Group applies a decentralised organisational model, which means that the Group's subsidiaries are largely responsible for and pursue their operations independently within the framework of Momentum Group's overall strategy, targets and governance documents. The Group is dependent on the proficiency and expertise of its employees in the local markets. Although decentralisation is a central component of the business model and a key to implementing Momentum Group's strategy, it also shifts significant influence and decision-making to the regional and local level. Non-compliance with business conduct guidelines could lead to operational and legal risks, which in turn could impact Momentum Group's reputation and trust among customers, suppliers and other stakeholders. A lack of clear business conduct guidelines and control mechanisms could also result in irregularities or deviations from the Group's policies, which could lead to competitive disadvantages and lower revenue.	Momentum Group governs its subsidiaries through active board work, Group-wide policies, financial targets and instructions concerning financial reporting. By being an active owner and monitoring the subsidiaries' development, risks can be quickly identified and resolved in accordance with the Group's guidelines. The President & CEO or another member of Momentum Group's management team often serves as a Board member of the respective subsidiary. In addition, the companies are monitored and measured against established targets. There is also an established process for internal control, including regular follow-ups. The Group is deeply commitment to maintaining high standards in terms of human rights, rights relating to employees, environmental responsibility, zero tolerance of bribery and corruption, etc. To minimise the risk of unethical business conduct, Momentum Group has clear guidelines for all employees in the Group and the suppliers the companies work with, including codes of conduct, policies and training initiatives to ensure that everyone acts in accordance with the Group's values and ethical standards. Momentum Group has a whistleblower function where employees and external parties are encouraged to anonymously report all types of irregularities.
Ability to recruit and retain employees	Although Momentum Group consists of many employees, individual companies may in some cases depend heavily on the expertise of certain employees. This may pertain to individuals who possess a certain type of knowledge, experience and commitment. The Group's continued success is dependent on being able to retain these employees and to recruit new knowledgeable individuals. These involve key individuals among senior management and the Group's other employees. There is a risk that one or more senior executives or other key individuals may leave the Group on short notice, for example, due to stress, work environment issues or development opportunities. If the Group should fail to recruit suitable replacements for these individuals or new competent key individuals in the future, this could adversely impact the Group's operations, financial position and earnings.	The companies in the Group work to create conditions that are conducive to ensuring that employees develop and prosper in the Group. Part of the acquisition strategy involves ensuring that key individuals in newly added companies are motivated to independently continue to operate the companies as part of the Group. The Group conducts various types of employee-engagement surveys and has a systematic process for holding annual performance reviews designed to find out about the employees' perceptions of their employer, work situation, and areas for improvement and development. The Group's Business School focuses on both new employees and senior executives, and is intended to increase internal knowledge sharing, assist employees in their professional development and promote the corporate culture.

Corporate governance



Compliance with the Code

Momentum Group's shares are listed on Nasdaq Stockholm and the company therefore applies the Swedish Corporate Governance Code ("the Code"). Potential deviations from the Code and reasons for these deviations are to be reported continuously in the text. Momentum Group deviates in one respect concerning the section "Audit".

The Corporate Governance Report has been examined by the company's auditors.

Principles for corporate governance

Momentum Group endeavours to apply stringent standards and effective corporate governance processes in order to ensure that the business generates long-term value for the shareholders. The purpose of the company's corporate governance structure is to establish a clear distribution of roles and responsibilities between the owners, Board of Directors, Board committees and executive management. The company's corporate governance is based on external and internal control instruments, with the external instruments primarily comprising the Swedish Companies Act, regulations pursuant to the listing on Nasdaq Stockholm and generally acceptable practices on the stock market.

Shareholders

Momentum Group's shareholders' register is maintained by Euroclear AB. As of 31 December 2024, Momentum Group AB had 5,352 shareholders (5,518).

Read more in "The share"

Election Committee

Members of the Election Committee are nominated by the major shareholders in the company, whereby the four largest shareholders in the company on the final banking day in February are entitled to nominate one member each. The shareholder controlling most votes in the company is entitled to nominate the Chairman of the Election Committee. The Chairman of the Board is co-opted to the Election Committee (without voting rights) and coordinates the nomination procedure. The nominated members (including the Chairman of the Election Committee) are elected as members of the Election Committee by the company's Annual General Meeting for the period up until the end of the next Annual General Meeting.

See full instructions for the Election Committee

The Annual General Meeting resolved on 7 May 2024 to appoint the following members to the Election Committee ahead of the 2025 Annual General Meeting: Peter Hofvenstam (nominated by Nordstjernan), Stefan Hedelius (nominated by Tom Hedelius), Jens Joller (nominated by Ampfield Management) and Claes Murander (nominated by Lannebo Fonder). Peter Hofvenstam was appointed Chairman of the Election Committee. See the table below.

The Election Committee ahead of the 2025 AGM

Name	Representing	% of votes as of 29 Feb 2024[1]
Peter Hofvenstam, Chairman of Election Committee	Nordstjernan	42.0
Stefan Hedelius	Tom Hedelius	9.4
Jens Joller	Ampfield Management	8.7
Claes Murander	Lannebo Kapitalförvaltning	3.2
Total		**63.3**

[1] Excluding shares repurchased by the company.

The role of the Election Committee is to draft proposals concerning election of the Chairman of the AGM, election of Chairman of the Board and other directors, resolutions concerning director fees, election of auditors and fees to be paid to auditors and, insofar as is deemed necessary, resolutions concerning amendments to the Election Committee's instructions. Shareholders are entitled to submit nomination proposals to the Election Committee.

Diversity policy

In drafting its proposal, the Election Committee has applied rule 4.1 of the Code as its diversity policy. This entails that the Election Committee based its proposal on the requirement that the composition of the Board is to be suitable taking Momentum Group's operations, stage of development and other circumstances into account. The Election Committee also took into account that the composition of the directors elected by the AGM was to be characterised by diversity and a breadth of qualifications, experience and background.

See the Election Committee's proposals for the 2025 AGM

General meeting of shareholders

The general meeting is the company's highest decision-making body, where the shareholders exercise their voting rights on key issues, such as the adoption of income statements and balance sheets, appropriation of profit, discharge of the directors and President & CEO from liability, election of directors and auditors, and remuneration of the Board and auditors. The AGM is to be held within six months from the close of the financial year. In addition to the AGM, Extraordinary General Meetings may be convened.

According to the Articles of Association, notice to attend a general shareholder meeting shall be issued by publishing a notice in Post- och Inrikes Tidningar and shall be made available on the company's website. An announcement that notice to attend has been issued shall simultaneously be published in Svenska Dagbladet.

2024 AGM

Momentum Group's Annual General Meeting was held on 7 May 2024 in Stockholm. At the Meeting, 58 shareholders were represented, in person, by proxy or by postal vote. These represented 62.5 per cent of the votes and 59.5 per cent of the capital. Johan Sjö was elected Chairman of the AGM. All members of the Board of Directors and Group management were present at the Meeting. Authorised Public Accountant Johanna Hagström, Auditor in Charge, was also present at the Meeting.

Resolutions passed at the AGM included:

- re-election of Johan Sjö, Anders Claeson, Ylva Ersvik, Stefan Hedelius and Gunilla Spongh as regular directors for the period up to the close of the next AGM,
- that director fees be paid in an amount of SEK 730,000 (640,000) to the Chairman of the Board and SEK 265,000 (255,000) to each other regular member as well as a special fee of SEK 160,000 (150,000) to the Chairman of the Audit Committee and SEK 50,000 (0) to the Chairman of the Remuneration Committee,
- the election of Ernst & Young AB as the company's new auditor for the period until end of the next AGM,
- auditor fees are to be paid in according to approved invoices,
- authorisation of the Board of Directors, prior to the next Annual General Meeting, to acquire a maximum number of Class B shares so that the Company's holding of treasury shares at no time exceeds 10 per cent of the total number of shares in the Company.
- authorisation of the Board of Directors to resolve to issue up to 10 per cent of the number of shares as payment of acquisitions,
- establishing a long-term incentive programme for senior executives (read more about the programme on page 41).
- members of the Election Committee ahead of the 2025 AGM as outlined above.

See all documentation from the AGM

2025 AGM

Momentum Group's AGM will be held at 4:00 p.m. on 7 May 2025 in Stockholm. The Board of Directors' complete proposal to the AGM will be published in accordance with the Articles of Association.

Read more about the AGM

Board of Directors

Duties of the Board

The Board is the second highest decision-making body after the general meeting of shareholders. The Board of Directors is ultimately responsible for the company's organisation and administration of the company's affairs in the interests of the company and of all shareholders in accordance with the laws, regulations and agreements that the company is obligated to follow. Based on its analysis of the operating environment, the Board is also responsible for deciding on strategic matters.

Each year, the Board adopts written rules of procedure that regulate the work of the Board and its internal distribution of responsibility, including its committees and the distribution of responsibilities with internal business area boards, the procedure for resolutions within the Board, the agendas of Board meetings and the duties of the Chairman as well as instructions for financial reporting.

The Board has also issued instructions to the President & CEO, which grant the authority to make decisions regarding investments. The Board has also adopted a number of policies for the Group's operations, including policies in the areas of finance, related parties, internal control, risk, IT and information security, environment and quality as well as a Code of Conduct.

The Board of Directors oversees the work of the President & CEO through continuous monitoring of the operations during the year and is responsible for ensuring that the organisation and management as well as the guidelines for administration of the company are appropriate and that the company has adequate internal control and effective systems in place for monitoring and controlling the company's operations and compliance with legislation and regulations applicable to the company's operations. This issue is also specifically addressed each year at a Board meeting, without the presence of any member of executive management.

The Board is also responsible for decisions regarding acquisitions and divestments of businesses, major investments, repurchases of own shares, and appointment of executive management. The Board and the President & CEO present the annual accounts to the AGM.

Chairman of the Board

The Chairman of the Board is responsible for ensuring that the work of the Board is well organised and conducted efficiently and that the Board performs its duties.

In particular, the Chairman is responsible for organising and leading the work of the Board in a manner that creates the best possible conditions for the Board to conduct its work. It is the Chairman's task to ensure that the Board continuously updates its knowledge about the company, to ensure that the Board holds meetings as required and receives sufficient information and supporting data for its work, to propose an agenda for Board meetings in consultation with the President & CEO, to ensure that the decisions of the Board are carried out, and to ensure that the work of the Board is evaluated annually. The Chairman is responsible for all contact with the owners regarding ownership matters and for conveying feedback from the owners to the Board.

Board of Directors 2024

			Independent in relation to			Meeting attendance			
Name	Position	Year of election	Board and management	Major shareholders	Shares owned (Class B shares)	Board of Directors	Audit Committee	Remuneration Committee	Fee, SEK
Johan Sjö	Chairman	2021	Yes	No	27,400	11 of 11	7 of 7	1 of 1	780,000
Anders Claeson	Director	2021	Yes	Yes	9,980	11 of 11	7 of 7	–	265,000
Ylva Ersvik	Director	2021	Yes	No	9,500	11 of 11	7 of 7	–	265,000
Stefan Hedelius	Director	2021	Yes	Yes	1,500	11 of 11	7 of 7	1 of 1	265,000
Gunilla Spongh	Director	2021	Yes	Yes	1,550	10 of 11	6 of 7	–	425,000

Composition and independence of the Board

According to Momentum Group's Articles of Association, the Board of Directors shall consist of at least three and not more than seven regular members who are elected annually at the AGM for the period until the close of the next AGM. The 2024 AGM re-elected Johan Sjö, Anders Claeson, Ylva Ersvik, Stefan Hedelius and Gunilla Spongh. Johan Sjö was elected Chairman of the Board. A presentation of the Board of Directors is available in the section "Board and management".

All directors are independent in relation to the company and its senior executives and three of the directors are also independent in relation to the major shareholders. The composition of the Board of Directors meets the independence requirements of the Code.

Work of the Board

The work of the Board of Directors follows an annual plan. In addition to the statutory meeting, which is held in conjunction with the AGM, the Board of Directors normally convenes on eight occasions each year (scheduled meetings) in connection with the publication of the Interim Reports and holds an annual strategy meeting. Extraordinary meetings are convened when necessary. Each meeting follows an agenda, which is distributed to the directors prior to each Board meeting along with supporting documentation.

The decisions of the Board are made after discussions led by the Chairman of the Board. The task of the committees appointed by the Board is to draft proposals for resolutions by the Board (see below).

In 2024, the Board of Directors held 9 meetings including a statutory Board meeting as well as two meetings held by correspondence. In addition, one special strategy meeting was held. In addition to ordinary meetings, meetings were held in conjunction with acquisition decisions.

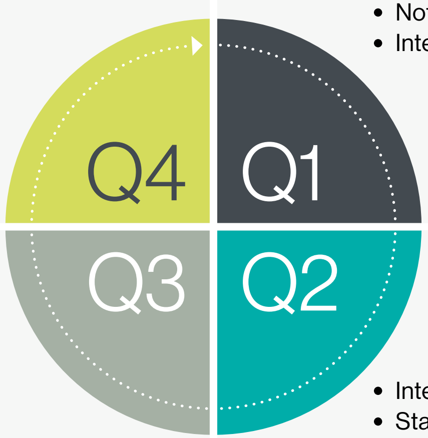
The President & CEO presents reports at the Board meetings. The Group's CFO, Business Area Managers and other employees in the Group participate in Board meetings to report on specific issues.

Refer to the table on the previous page for information regarding attendance at Board and committee meetings.

Board of Directors' work during the 2024 calendar year

- Interim report Q3
- Target 2025
- Outcome, self-assessment
- Risk analysis
- Auditor's debriefing on internal control

- Year-end report
- Auditor's debriefing on audit
- Meeting with auditor
- Year-end accounts and annual report
- Acquisitions
- Audit procurement
- Notice of general meeting of shareholders
- Internal control and risk analysis



- Interim report Q2
- Acquisitions
- Risk assessment and self-assessment form
- Target instructions

- Interim report Q1
- Statutory meeting
- Group policies
- Acquisitions
- Transfer of own shares in conjunction with acquisitions
- Audit plan
- Repurchase of own shares (mandate)
- Risk analysis

Evaluation of Board work

The Board conducts an evaluation of its work annually under the supervision of the Chairman of the Board. The purpose of the evaluation is to further develop the Board's work formats, dynamics, efficiency and working climate as well as the main focus for the Board's work. This evaluation also focuses on access to and the need for special competencies on the Board. The evaluation includes interviews, joint discussions and individual discussions between the Chairman of the Board and individual directors. The Election Committee is informed of the results of this evaluation.

Remuneration Committee

Momentum Group has a Remuneration Committee consisting of Johan Sjö (Chairman) and Stefan Hedelius. Both Johan Sjö and Stefan Hedelius are independent in relation to the company and company management. The company thereby fulfils the requirements stipulated in the Code. Information on the Remuneration Committee is presented in the rules of procedure for the Board, which are adopted annually. The Remuneration Committee is to prepare proposals concerning remuneration principles and other terms of employment for senior executives, and to consult with the President & CEO concerning the remuneration of senior executives. The Remuneration Committee is also tasked with monitoring and evaluating programmes for variable remuneration for senior executives and the application of the guidelines for the remuneration of senior executives, as adopted by the AGM. The Remuneration Committee met once in 2024.

Audit Committee

The Audit Committee consists of the entire Board, and the work of the committee is to be conducted as part of the Board's work at scheduled Board meetings. Director Gunilla Spongh has accountancy and audit expertise and has been appointed Chairman of the Audit Committee.

The Audit Committee is to monitor the company's financial reporting, monitor the efficiency of the company's internal control and risk management with respect to its financial reporting, keep itself informed about the audit of the annual report and consolidated financial statements, review and monitor the impartiality and independence of the auditors and, in particular, whether the auditors have provided the company with services other than auditing services, and assist in the preparation of proposals regarding the election of auditors for resolution by the general meeting of shareholders. The Audit Committee shall consider possible recommendations for improving the internal control of financial reporting, including annually considering the need for an internal audit function in accordance with the Code.

The Audit Committee worked with the procurement of auditing services ahead of appointing an auditor at the AGM in May 2024. In conjunction with the adoption of the annual accounts for 2024, the Audit Committee held a review and received a report from the company's external auditors. On this occasion, the Board of Directors also met with the auditors without the presence of the President & CEO or other senior executives.

The Audit Committee met seven times in 2024.

Ethical guidelines

Momentum Group strives to conduct its business with high requirements imposed on integrity and ethics. The Board of Directors adopts a Code of Conduct for the Group's operations on an annual basis, which also includes ethical guidelines.

See Momentum Group's Code of Conduct

Audit

According to Momentum Group's Articles of Association, a registered accounting firm (or, alternatively, one or two authorised public accountants) is to be elected as auditor. At the 2024 AGM, Ernst & Young (EY) was appointed as the company's new auditor, with Clas Tegidius as auditor-in-charge, for the period until the 2025 AGM. EY performs the audit of Momentum Group AB and most of its subsidiaries.

The company's auditors follow an audit plan, which includes feedback from the Board and the Audit Committee, and reports its findings to the company management teams, company management and the Group's Board and Audit Committee during the course of the audit and in conjunction with the adoption of the annual accounts. The company's auditor also participates in the AGM, presenting and commenting on the audit work.

The independence of the external auditors is regulated through special instructions established by the Board, which state the areas which may be addressed by the external auditors in addition to the normal audit work. EY continuously assesses its independence in relation to the company and provides the Board with written assurance of the auditing firm's independence in relation to Momentum Group each year.

Momentum Group deviates from rule 7.6 of the Code, which stipulates that the company's six-month report or nine-month report must be reviewed by the company's auditors. The reason for the deviation is that the company has determined that the additional expense that would be incurred by the company for an expanded review of the six-month report or nine-month report by the company's auditors is not warranted.

According to a resolution adopted by the 2024 AGM, director fees are payable according to approved invoices. During the 2024 financial year, the total remuneration to the company's auditor amounted to SEK 3 million (2), of which SEK 3 million (2) was attributable to the audit assignment.

Appointed auditor Ernst & Young AB

Clas Tegidius

Auditor in Charge since 2024.
Born: 1966.

Authorised Public Accountant, Member of FAR.

Clas Tegidius is also auditor-in-charge of companies such as ByggPartner Gruppen AB, Synthetic MR AB, Åhlin & Ekeroth Byggnads AB and Sofidel Sweden AB.

CEO and Group management

President & CEO Ulf Lilius is responsible for leading the business in accordance with the Board's guidelines and instructions and ensuring that the Board receives information and necessary decision-making documentation. The President & CEO leads the work of company management, is a reporter at Board meetings and is to ensure that the directors are continuously provided with the information needed to monitor the company's and the Group's financial position, earnings, liquidity and development.

Group management, which comprises President & CEO Ulf Lilius and CFO Niklas Enmark, is presented in greater detail in the section "Board and management".

Operational organisation and governance

As of 1 January 2024, the business was divided into Industry and Infrastructure business areas. Components and Services. The division into business areas reflects Momentum Group's internal organisation and reporting system.

At 31 December 2024, Momentum Group consisted of 37 (30) companies, in addition to the Parent Company. The Group applies a decentralised model, whereby business decisions are made in close proximity to customers and suppliers. The operating activities are conducted independently within the subsidiaries, which assume responsibility for their own earnings and profitability, but within the framework of the Group's vision, business concept, strategic goals and governance documents. From a governance perspective, it is important to integrate the acquired companies into issues that are important to the Group, such as financial reporting, administrative procedures and shared core values. Each subsidiary has a board of directors in which the company's President & CEO and CFO are usually represented as reporters.

Read more in "Governance model"

Remuneration of directors and senior executives

Remuneration to Board of Directors

The remuneration payable to the Board of Directors is determined by the AGM. The AGM on 7 May 2024 resolved that director fees up to the next AGM shall amount to SEK 265,000 (255,000) for every AGM-elected director and SEK 730,000 (640,000) for the Chairman of the Board. A special fee of SEK 160,000 (150,000) is also paid to each member of the Audit Committee and SEK 50,000 (50,000) to the Chairman of the Remuneration Committee. Otherwise, no remuneration is payable for committee work. Director fees paid in 2024 are presented in Note 4.

Remuneration of senior executives

It is the AGM that resolves on guidelines for executive remuneration. At the AGM on 11 February 2022, the Board of Directors' proposal concerning guidelines for the remuneration of the President & CEO and other senior executives was adopted.

The guidelines are designed so as to promote Momentum Group's business strategy, long-term interests and sustainability. Remuneration is to be in line with market conditions and comprise the following components: fixed salary, possible variable salary according to a separate agreement, pension and other benefits. A General Meeting of Shareholders may in addition – and independent of these guidelines – resolve on, for example, share and share price-based remuneration. The Board may resolve to derogate from the guidelines, either in full or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability.

Complete guidelines for determining remuneration and other terms of employment for senior executives as well as remuneration of senior management in the 2024 financial year are presented in Note 4.

Share-based incentive programmes

The AGM in May 2024 decided, in accordance with the Board's proposal, to introduce a long-term incentive programme ("LTIP 2024") for senior executives, including the CEO and Deputy CEO, business unit managers and other senior executives, for a maximum of 12 employees.

The primary goal of LTIP 2024 is to create additional incentives for increased engagement and performance among the participants, to strengthen the opportunities for recruiting and retaining key individuals and to align the ownership interests of the participants and the shareholders. The Board intends to propose an incentive programme with a similar structure every year.

The programme, which requires an investment on the part of the participants, consists of performance shares and can include up to 99,750 Class B shares in the company, corresponding to approximately 0.2 per cent of all of the shares and votes in Momentum Group, before any recalculations. Allocation of performance shares is based on a variety of performance criteria, including the development of the company's profit per share. The AGM resolved to authorise the Board to resolve on a transfer, free of charge, of the Class B shares the company already held after the repurchase to the participants as performance shares.

Full terms and conditions for LTIP 2024

Systems for internal control and risk management in financial reporting

Internal control

The Board's responsibility for internal control is governed by the Swedish Companies Act, the Swedish Annual Accounts Act and the Code.

The Board is responsible for ensuring that the company has reliable internal control and formalised procedures to ensure compliance with established reporting and internal control principles, and that there are appropriate systems for follow-up and control of the company's operations and the risks associated with the company and its operations. The procedures for internal control of financial reporting have been designed to ensure reliable overall financial reporting and external financial reporting in accordance with IFRS, applicable laws and regulations as well as other requirements for listed companies. Within the Group, the entire operation is subject to internal control, with internal control of financial reporting playing a key role.

Internal governance and control regarding financial reporting within the Group builds on a structure of steering documents, risk analyses, processes and defined roles and areas of responsibility as well as related controls in various forms. This structure is based on the internationally accepted framework COSO (the Committee of Sponsoring Organizations of the Treadway Commission). COSO is built on five interrelated components, which combine to form the basis of good internal governance and control. The starting point for the framework is that the Group has a structured method for identifying and analysing material risks, which in turn, has an impact on the design of the components included.

A review and assessment of each component is to be made annually. Based on this review, certain development areas are identified, which are prioritised in the ongoing work on internal control, and when action plans are prepared.

Risk analysis

Risk assessment serves as the foundation for internal governance and control as well as the starting point for the controls that are designed, documented and continuously evaluated. The Group has established an annual process for business-wide risk assessment aimed at giving the Board of Directors and Group management greater insight into the risks to which the organisation is exposed.

For risks related to financial reporting, the risk analysis is carried out on the basis of a Group perspective and involves the Audit Committee, which provides input. The most significant risks as well as their assessed likelihood and consequences on the financial outcome are identified. Risk assessment is also carried out based on the key processes established by the Group. In conjunction with the annual analysis, a review is also to be carried out of whether the key processes reliably identify and manage the material risks.

The process for risk assessment of material risks, risk assessment connected with key processes, and measures is in place to ensure that the risks to which the operations are exposed are managed as part of the Group's internal governance and control.

Control environment

Based on the risk analysis, the control environment serves as the basis for the Group's internal control and comprises the way in which the Board of Directors and management act and establish "the tone at the top", distribute responsibility and authority within the organisation, provide information on the operations' goals, and convey the overall values related to internal control.

The control environment entails creating a healthy risk culture and is made tangible through factors such as the corporate culture, integrity, ethics, competence, management philosophy, organisational structure, authority and responsibility as well as related steering documents and instructions. A significant part of the control environment involves identifying processes for managing the identified risks.

Control activities

All operations within the Group must ensure that there are relevant controls to reduce the identified risks to an acceptable level. Controls can be of a preventive or investigative character, automated or manual. The aim is to have a cost-effective composition and controls that are adapted to the operations' conditions and risk tolerance. Controls are to be identified for each identified significant risk or risk related to the Group's key processes.

As part of the annual evaluation, an evaluation should also be carried out to determine whether the controls or other mitigating measures are deemed to be adequately and correctly designed and that the controls themselves function and are carried out as designed.

Communication and information

There is to be a well-functioning two-way communication and information flow between the Board of Directors and management as well as with the Group's employees. This communication must function between all levels of the organisation.

A key part of the internal control work is to ensure effective dissemination of relevant information to internal and (relevant) external stakeholders. Group management is to ensure that all applicable policies and guidelines are made available to the relevant parties. Additionally, information is exchanged continuously between Group management and all of the subsidiaries within the framework of ordinary monitoring activities and internal Board meetings. A key part of this involves communicating with the subsidiaries with respect to the controls for which they are responsible.

Follow-up

Through follow-up activities, an evaluation is carried out to determine whether each of the five components of internal control exists and functions. The Group uses self-assessments to evaluate the relevance and effectiveness of the internal control as well as establishing whether control activities exist and are effective. Self-assessments are conducted at least once annually and their results are reported to Group management and the Board of Directors' Audit Committee.

Internal audit

The Board has decided not to establish a special internal audit function. This decision was made based on the size and operations of the Group as well as the existing internal control processes as described above. When necessary, the Audit Committee commissions external advisors to assist on projects relating to internal control.

Non-compliance

There were no infringements of applicable stock-exchange rules during 2024 and Momentum Group's operations were conducted in accordance with generally acceptable practices in the stock market.

Board of Directors

Johan Sjö

Chairman of the Board since 2021
Born: 1967

Education: M.Sc. Econ.

Other current assignments: Senior Advisor at Nordstjernan. Chairman of the Board of AddLife and Dacke Industri. Director of Alligo, Camfil and M2 Asset Management.

Previous assignments: Investment Director and responsible for the Distribution and Trade sector at Nordstjernan AB, President & CEO of Addtech, senior positions in the Bergman & Beving Group and Alfred Berg/ ABN Amro. Chairman of the Board of Addtech, Bergman & Beving, OptiGroup and Prosero Security Group. Director of Addtech and Bufab.

Independent in relation to the company and management: Yes.

Independent in relation to major shareholders: No.

Shares owned: 27,400 Class B shares.

Anders Claeson

Director since 2021
Born: 1956

Education: M.Sc. Eng. and Industrial Economics.

Other current assignments: Director of Lagercrantz Group and A Claeson Consult-ing Company.

Previous assignments: Deputy CEO of Addtech and President of Addtech Nordic. Chairman of the Board or director of a number of subsidiaries within the Addtech Group.

Independent in relation to the company and management: Yes.

Independent in relation to major shareholders: Yes.

Shares owned: 9,980 Class B shares.

Ylva Ersvik

Director since 2021
Born: 1988

Education: B.Sc. Business and Economics. M.Sc. in Technical Physics.

Other current assignments: Investment Manager at Nordstjernan.

Previous assignments: Deputy Director of Boyd Wardley.

Independent in relation to the company and management: Yes.

Independent in relation to major shareholders: No.

Shares owned: 9,500 Class B shares.

Stefan Hedelius

Director since 2021
Born: 1969

Education: University studies in economics, various international executive education programmes.

Other current assignments: Director and CEO of Human Care HC AB. Director of AddLife, Alligo and Praktikertjänst.

Previous assignments: CEO of Note AB, Vice President Brand and Marketing at SAS and senior positions in the Ericsson Group, including Vice President Marketing and Communications, Head of Strategy and Marketing, and Vice President of Ericsson Austria.

Independent in relation to the company and management: Yes.

Independent in relation to major shareholders: Yes.

Shares owned: 1,500 Class B shares.

Gunilla Spongh

Director since 2021
Born: 1966

Education: M.Sc. Eng. and Industrial Economics.

Other current assignments: Chairman of Bluefish Pharmaceuticals. Director of Dacke Industri, Systemair, AQ Group, Byggmax Group, OptiGroup, Consivo Group, Meds Apotek, ViaCon Group and Saferoad.

Previous assignments: Director of Alligo, Infranord and B&B TOOLS.

Independent in relation to the company and management: Yes.

Independent in relation to major shareholders: Yes.

Shares owned: 1,550 Class B shares.

Management

Group management

Ulf Lilius
President & CEO
Born: 1972

Education: B.Sc. Econ.

Work experience: President & CEO of Bergman & Beving/Momentum Group since 2012. CEO of Momentum Industrial. Senior positions at Momentum Industrial and SKF.

Shares owned: 4,468 Class A shares and 452,590 Class B shares (with family). Call options corresponding to 211,536 Class B shares.

Niklas Enmark
Executive Vice President and CFO
Born: 1972

Education: M.Sc. Econ.

Work experience: At Momentum Group since 2017. CFO of Axel Johnson International AB. Executive Vice President & CFO of Lagercrantz Group AB. Investment Manager at Investor Growth Capital.

Shares owned: 67,893 Class B shares. Call options corresponding to 105,768 Class B shares.

Operational management

Jimmy Norlinder
Head of Power Transmission
Born: 1971

Education: B.Sc. electrical engineering and hydraulics. Executive MBA.

Work experience: CEO of Momentum Industrial since 2012.

Shares owned: 31,489 Class B shares.

Anders Larsson
Head of Specialist
Born: 1963

Education: Degrees in mechanical engineering, market economy.

Work experience: At Momentum Group since 2022. CEO of Mercus Yrkeskläder and Gigant (then Momentum Group). CEO and owner of Rollco, acquired by Addtech. Senior positions at SKF and Flexlink.

Shares owned: 1,500 Class B shares.

Martin Gyllix
Head of Flow Technology
Born: 1978

Education: Executive MBA.

Work experience: At Momentum Group since 2022. Entrepreneur and partner, Ståthöga MA Teknik. Senior positions at multinational IT/tech companies such as Atea, NTT and Elisa.

Shares owned: 65,500 Class B shares.

Ola Jönsson
Head of Technical Solutions
Born: 1970

Education: Studies at EFL Tech, Executive Foundation Lund.

Work experience: CEO and owner of Mekano, which was acquired by Momentum Group in 2021. Senior positions at AxIndustries companies and various Board assignments.

Shares owned: 25,340 Class B shares.

Tuomas Mäkinen
Country Manager Finland
Born: 1980

Education: B.Sc. electrical engineering.

Work experience: At Momentum Group since 2023. Sales Management Finland at Tools and Ahlsell. International positions at Cummins and ABB. Country Manager Finland at Rollco, which was acquired by Addtech.

Shares owned: 1,500 Class B shares.

Göran Fägersten
Head Controller, BA
Born: 1969

Education: M.Sc. Econ.

Work experience: At Momentum Group since 2022. Finance Manager at Mercus Yrkeskläder (then Momentum Group). Finance Manager at various companies within consulting, construction, technology and trade as well as auditor and controller.

Shares owned: 1,500 Class B shares.

Ann Charlotte Svensson
Head of Group Communications and IR
Born: 1973

Education: M.Sc. Econ.

Work experience: At Momentum Group since 2021. Head of communications and IR at listed companies since 1997 and senior advisor at Hallvarsson & Halvarsson, among others.

Shares owned: 1,900 Class B shares.

Andreas Cajbrandt
Head of Group Accounting
Born: 1984

Education: M.Sc. Econ.

Work experience: At Momentum Group since 2017. Group Financial Controller Bergman & Beving. Ernst & Young (Assurance).

Shares owned: 1,500 Class B shares.

Göran Eriksson
Head of Group Legal
Born: 1966

Education: Master of Laws.

Work experience: At Momentum Group since 2024. Lawyer and partner at various law firms. Corporate lawyer at an auditing firm.

Shares owned: 1,500 Class B shares.

Sustainability Report

About the Sustainability Report

The Group's Sustainability Report describes the sustainability work that has been conducted in the Group's various operations for many years. The Sustainability Report for the 2024 financial year covers the Parent Company, Momentum Group AB (publ), corporate registration number 559266-0699, and all of its operational subsidiaries, and has been prepared in accordance with Chapter 6 of the Swedish Annual Accounts Act. In preparing the Sustainability Report, guidance has been taken from existing practices and guidelines for fulfilling the requirements of the Swedish Annual Accounts Act with respect to sustainability reporting. No standard for sustainability reporting has been applied in full yet. In signing the 2024 Annual Report, the Board of Directors of Momentum Group AB also approved the Sustainability Report. The auditors' opinion regarding the statutory Sustainability Report can be found on page 108.

All reported performance measures are a compilation of values reported from the subsidiaries. The results for sustainability targets refer to comparable units, meaning companies that were part of the Group as of 1 January 2024. In several areas, the various business areas and companies have their own targets and performance measures to monitor, in addition to those presented below for the Group as a whole.

Adaptation to the European Sustainability Reporting Standards

The Swedish legislation regarding the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) entered into force on 1 July 2024. According to current legislation, this means that Momentum Group will report in accordance with these regulations as of the 2025 financial year. As early as 2023, we started preparations by providing training for the Board of Directors, senior management and key functions and implementing our first double materiality assessment in accordance with the directive. In 2024, this work intensified, focusing on:

- Refinement of the stakeholder dialogue process and double materiality assessment.
- Identification of relevant datapoints for material matters.
- Implementation of a gap analysis.
- Climate mapping and analysis in accordance with the GHG Protocol.
- Evaluation and selection of system support for sustainability reporting.
- Establishment of further action plan for the collection of sustainability information and quality-assurance of processes for the upcoming sustainability statement.

Together for a sustainable industry

The sustainability challenges facing the industry are complex and require well thought-out solutions. Reducing carbon emissions, optimising the use of resources, ensuring responsible supply chains and promoting technological innovation – each step toward a more sustainable industry requires strategy, investments and collaboration.

A sustainable industry is one that produces goods and offers services without putting the livelihood and development opportunities of future generations at risk. Adapting the industry to make it more sustainable involves more efficient resource use, creating a safer and healthier work environment, and implementing cleaner and more environmentally friendly technologies and processes. These measures are essential to enable sustainable development.

For Momentum Group, sustainability is an integral part of our business strategy and a prerequisite for long-term profitability. We work actively to reduce our environmental impact, promote health and safety, and respect human rights. We regard sustainability not only as a responsibility, but also as a driver of business value – by acting responsibly, we strengthen our relationships with customers, suppliers and employees, which in turn makes us more competitive and results in better products and services.

At Momentum Group, we help our customers in the Nordic region to meet their sustainability targets by reducing their environmental impact, ensuring regulatory compliance, improving their work environment and enabling cost savings. Our Industrial Improvements concept is a clear example of how we create value for our customers. In this Annual and Sustainability Report, we present some of the industrial improvements we delivered in 2024.

General information

Governance

Decentralised governance model

Momentum Group is a decentralised group currently comprising more than 30 companies, in which the subsidiaries have a high degree of independence. Sustainability governance primarily takes place through the subsidiary boards, a shared Code of Conduct, policies and guidelines as well as training and follow-up of sustainability information.

Our watchwords – decentralised responsibility, a will to improve and simplicity – also permeate our sustainability work. We have extensive experience of developing industrial companies and well-established processes for the governance of our companies. As owners, we support our companies in developing their operations and finding sustainable solutions – without micromanaging them.

Simplicity is a crucial principle for us. We strive for our companies to focus on the sustainability areas where we have the greatest impact and can make a real difference and only report to the Group in the areas that are material to us. Our companies are primarily product resellers and service companies, which means that we have the greatest opportunity to exert an influence by collaborating with responsible suppliers of high-quality products and offering our customers solutions that reduce their negative impact on people and the environment, improve the work environment and prevent emissions.

Role of administrative, management and supervisory bodies

In drafting its proposals, Momentum Group's Election Committee applies rule 4.1 of the Swedish Corporate Governance Code (the Code) as its diversity policy. This entails that the Election Committee based its proposal on the requirement that the composition of the Board is to be suitable taking Momentum Group's operations, stage of development and other circumstances into account. The Election Committee also took into account that the composition of the directors elected by the AGM was to be characterised by diversity and a breadth of qualifications, experience and background.

All directors are independent in relation to the company and its senior executives and three of the directors are also independent in relation to the major shareholders. The composition of the Board of Directors meets the independence requirements of the Code.

More information about the Board of Directors, committees and management and their work can be found under Corporate Governance. Information about employees, senior management and the composition and diversity of the Board is presented in the section Social.

Roles in sustainability governance

Momentum Group's governance in the area of sustainability is based on a clear distribution of responsibilities between the Board of Directors, the Audit Committee, the CEO, the Steering Group, the business units and the companies. This ensures that sustainability-related risks and opportunities are managed strategically and that sustainability work is integrated throughout the organisation.

Board of Directors: Has overall responsibility for sustainability work and establishes Group-wide policies for the environment and work environment, ethics and social responsibility on an annual basis. The Board of Directors is also ultimately responsible for the Group's risk management and internal control.

Audit Committee: Supports the Board in quality assuring the Group's risk management and internal control and ensuring regulatory compliance in sustainability reporting. The Audit Committee conducts self-assessments and proposes focus areas for internal control for the upcoming year.

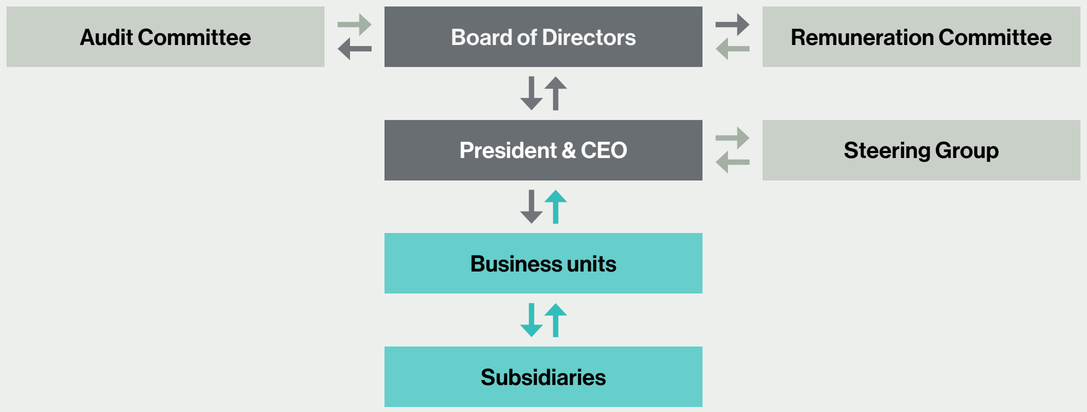
Remuneration Committee: The Remuneration Committee prepares proposals on how remuneration programmes are to be designed, including remuneration criteria relating to sustainability.

President & CEO: Has operational responsibility for integrating sustainability into the Group's business strategy and ensuring the management of sustainability risks.

Steering Group: Responsible for implementation and supports the operations. Headed by the CEO. Consists of the CFO, the Head of IR/Group Communications and the Head of Consolidated Financial Reporting and is assisted by sustainability experts. If necessary, sustainability, quality and HR managers within the Group companies are also involved.

Business units: The management teams in the business units act as a link between the Group and the companies, ensuring implementation and supporting the companies in their sustainability work.

Subsidiaries: Each company management team has operational responsibility for its sustainability work and each Board of Directors is responsible for ensuring that the operations comply with Momentum Group's policies and guidelines. Sustainability is a mandatory agenda item for the companies' Board meetings.



Governance documents and Code of Conduct

Momentum Group has undertaken to work actively to enforce Agenda 2030 and the UN SGDs. Our sustainability work is based on the UN SDGs, the Global Compact and the Group's own governance documents. Our governance documents include the Code of Conduct and policies for the work environment, equal treatment, the environment and quality. We also have whistleblowing and data protection policies as well as anti-corruption and antitrust guidelines. These policies constitute the minimum requirements that all businesses and employees are to meet. Based on these, the different units of the Group develop customised goals and action plans.

Momentum Group's Code of Conduct

Our Code of Conduct provides ethical guidelines and principles for decision-making within the Group. It is based on legal requirements, UN and ILO guidelines, and the OECD Guidelines for Multinational Enterprises. All companies, employees and partners are expected to comply with the Code.

Business conduct and supplier relationships

Momentum Group conducts its operations with a high level of integrity and transparency. We have zero tolerance for corruption, bribery or anti-competitive practices. Our suppliers and business partners must meet our high standards when it comes to human rights, working conditions and environmental responsibility. We conduct annual follow-ups and take action when necessary.

Read more in "Corporate governance"

Integration of sustainability-related performance in incentive schemes

Momentum Group has integrated sustainability into its incentive programmes in order to strengthen its commitment and drive its sustainability efforts forward.

Long-term incentive programme (LTIP 2024)

A performance-based programme for management, in which the participants make their own investment and are allocated performance shares. The allocation of shares is based on several performance criteria, with sustainability-related targets accounting for 15 per cent.

Variable remuneration in the subsidiaries

A certain portion of the variable remuneration for the subsidiaries' CEOs is linked to sustainability criteria, which ensures that a sustainability perspective permeates the entire Group.

Internal control and risk management

We continuously conduct risk assessments at different levels, with sustainability issues forming an integral part of these assessments. This means that we identify strategic, operational, financial and legal risks and proactively implement measures to minimise risks and ensure sustainable business development. These risk assessments cover both internal factors and external factors in our business environment to obtain an understanding of how sustainability-related risks impact Momentum Group and our financial outcome.

The double materiality assessment is a central part of the risk identification process and also includes companies directly or indirectly through the business unit managers. The Board verifies the assessment, and it forms the basis for the companies' risk work in the target setting process. In this way, we ensure that risk management is integrated into our business strategy and contributes to long-term sustainable development.

Momentum Group's Board of Directors has overall responsibility for risk management and delegates risk management to the Audit Committee. The Board in its entirety then decides on the final risk assessment.

Our diversified work on risks and opportunities enables us to adopt a risk-based approach in our corporate governance, adapting strategies and measures based on the specific risks and opportunities identified within our various business areas.

Read more in "Risks and risk management"

Acquisition of companies

When acquiring new companies, we integrate sustainability issues as part of our due diligence process. Through a meticulous analysis, we assess the company's impact on environmental, social and corporate governance. This includes evaluating the company's sustainability performance, compliance with laws and regulations, and future opportunities and risks. By involving the sustainability perspective from the start, we strive to ensure that the company operates in line with our values and overall strategy.

Read more in "Acquisitions"

Work on sustainability governance during the year

- Company reporting Q3
- Follow-up Q3
- Business planning process (targets)
- Taxonomy screening
- Final risk assessment
- Target decisions
- Sending out final targets with reporting points

- Company reporting Q4
- Production of the Sustainability Report
- Stakeholder dialogues
- Double materiality assessment

- Company reporting Q2
- Follow-up Q2
- Strategy meetings
- Sending out target instructions with reporting points
- Implementation by the companies
- Preliminary risk assessment
- Action planning (operational plan)

- Gap analysis
- Company reporting Q1
- Proposals for new reporting points
- Follow-up Q1
- Updating policies
- Decisions on new targets, policies and reporting points

Strategy, business model and value chain

Sustainability is an integral part of our business model

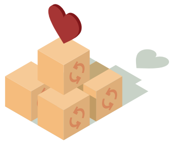
We consider a focus on sustainability to be a prerequisite for long-term profitability and growth since it also creates business opportunities. Our mission and vision are based on offering customers sustainable products and services. Sustainability thus comprises a natural part of the daily operations, where acting responsibly toward the companies' stakeholders is entirely natural.

Read more in "Model for value creation"

Mission

Together for a sustainable industry

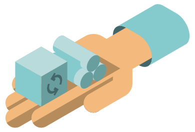
We strive to create a more sustainable Nordic industry through efficient resource management, safer work environments and environmentally friendly solutions. Together with our customers and business partners, we help reduce environmental impact, meet sustainability goals and ensure long-term sustainable development for people as well as for the environment.



Business concept

We will make the everyday lives of our customers easier, safer and more profitable – by offering sustainable products and services

By offering sustainable, high-quality products and services, we help our customers improve their profitability, simplify their operations and create a safer and more sustainable work environment throughout their entire life cycle.



Vision

The customer's best sustainable choice

We strive to be the first choice for customers looking for sustainable, high-quality solutions. By combining a deep understanding of the customer's needs with premium products, high levels of expertise and competitive offerings, we create long-term sustainable and profitable operations that meet the demands of tomorrow.

A responsible value chain

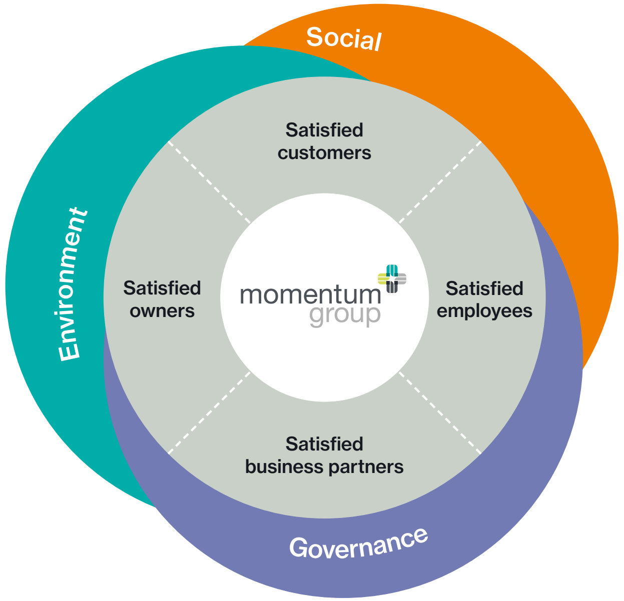
To be able to realise our vision and mission, we adopt a holistic approach that encompasses the entire value chain – upstream in relation to suppliers (for example. through selection and requirement specifications), internally in relation to our own operations (for example, through a sound work environment based on equal opportunities and respect) and downstream in relation to customers (for example, by helping customers to reduce their negative environmental impact and through ethical business conduct in our relationships).

Incoming transports → Outgoing transports →

	Upstream	Momentum Group's operations	Downstream
Operations	Extraction of raw materials Manufacturing	Local manufacturing, assembly **~10%** Value-added resellers **~75%** Service, repairs and maintenance **~15%**	Use of our products and services End-of-life treatment of products
Stakeholders	Indirect suppliers Direct suppliers	Employees	Customers in industry and industrial infrastructure
IROs	**Negative impacts** Emissions to air, soil and water. Consumption of energy, water, chemical products, materials and resources. **Positive impacts** Selection and development of products, services and suppliers. **Opportunities** Strong partnerships with suppliers of high-quality products.	**Negative impacts** Emissions to air, soil, water from vehicles, energy consumption, waste generation and resource consumption. **Positive impacts** Well-informed day-to-day decisions with respect to fuel, vehicles, energy behaviour, freight solutions, and the products and services we sell. Offering secure employment in an environment that promotes good health and a good corporate culture.	**Negative impacts** Resource consumption, energy consumption and water consumption. **Positive impacts** Our products and services provide extended service life and increased energy and resource efficiency. **Opportunities** An increased focus on sustainability and higher energy and raw material prices are driving demand for our products and services that contribute to climate change mitigation.

Our stakeholder model – Our Four Satisfied Groups

Momentum Group's stakeholder model is based on creating value for our customers – satisfied customers are the foundation for our success. All three sustainability dimensions (environment, social and governance) are included in our dialogue and collaborations with stakeholders. Our stakeholder model is based on long-term relationships and a strong commitment to creating value for all of our stakeholders – which is crucial for sustainable and profitable development.



Satisfied customers

Our companies deliver innovative and customised solutions that help customers improve their productivity, optimise their processes and achieve their sustainability targets. We focus on building long-term relationships by offering high availability, technical expertise and solutions that meet customers' unique needs. By being close to our customers, we ensure that our offerings are always relevant and create value. We work to ensure responsibility throughout the value chain and work actively to minimise negative environmental impacts, ensure good working conditions and promote responsible business relationships.

Satisfied employees

Through our decentralised business model, we enable our companies and employees to take their own initiatives and make decisions close to their customers and markets. We promote an inclusive and sustainable work environment where health, safety and skills development are in focus. We strengthen our companies by combining their local expertise and strong customer relationships with Momentum Group's resources and strategic support. Our work focuses on optimising operations, improving profitability and supporting growth initiatives. By sharing best practices between companies and offering access to networks, resources and tools, we create a strong foundation for sustainable development and success.

Satisfied business partners

Momentum Group's companies engage in strategic partnerships with their suppliers. By combining a deep understanding of local customer needs and market dynamics with an effective platform for reaching the Nordic market, our companies create strong partnerships that generate added value. By setting requirements and working with our partners to reduce negative environmental impacts, ensure ethical business conduct and promote social sustainability, we create added value for the end customer and strengthen the entire value chain.

Satisfied owners

We create long-term value for our owners by investing in and developing leading niche companies in areas where we possess in-depth knowledge and experience – with high standards with respect to sustainability and responsible governance. Through a clear strategy, combining organic growth with value-adding acquisitions, we ensure stable cash flows and a long-term sustainable return.

Materiality assessment

The materiality assessment is conducted annually to identify and prioritise the sustainability matters that are most important for Momentum Group. The assessment ensures that, based on relevant data and analyses, we address the sustainability aspects where we have the greatest impact, while also providing a structured approach to assess the financial risks and opportunities associated with these matters.

Methodology description

Momentum Group's methodology for the double materiality assessment is based on CSRD/ESRS requirements and our existing sustainability work. In autumn 2023, we conducted our first double materiality assessment in accordance with the CSRD. In 2024, we deepened and refined the assessment process to further strengthen its application and relevance. The process for the materiality assessment consists of three main steps: *identification, assessment* and *validation*.

Identification

We map and analyse sustainability aspects that are relevant to our operations and our value chain in the short, medium and long term. The inputs used comprise a combination of internal and external sources, such as stakeholder dialogues, environmental impact assessments, risk assessments and regulatory requirements. The aim is to have a factual basis for identifying the impacts, risks and opportunities that may be relevant to Momentum Group.

Assessment

The assessment criteria are defined based on the guidance provided in the ESRS and the Group's established processes for risk assessment and environmental impact assessment. In the assessment stage, positive and negative impacts (impact materiality), risks and opportunities (financial materiality) are analysed. The assessments encompass both the short and the long term (five to ten years).

Impact materiality

We assess how our operations impact people, the environment and society, both positively and negatively. The assessment is based on the parameters of scale (degree of impact), scope (geographic and quantitative spread), irremediable character (possibility to reverse the impact) and likelihood (risk of the impact occurring).

Financial materiality

We assess how sustainability factors can impact Momentum Group's business, risk management and financial results. This includes an assessment of the likelihood of identified risks and opportunities and their potential impact on the Group's EBITA.

Validation

The results of the materiality assessment are reviewed and validated by business unit managers, sustainability experts and Group management. The Board validates the final assessment and determines the prioritised sustainability matters.

The double materiality assessment is a dynamic process that is continuously developed and adapted to changing market conditions, regulatory requirements and new insights from our stakeholders. The results form the basis for Momentum Group's strategic sustainability work, risk management and reporting.

Assessment process in brief

Pre-assessment
Compilation of existing documentation, previous materiality and risk assessments.

Competitor analysis
Comparison of sustainability strategies and reporting by companies with similar activities.

Gross list
Identification of potential sustainability aspects based on the ESRS and stakeholder dialogues.

Relevance assessment
Discussion and decisions on priority sustainability aspects in consultation with the project group.

Stakeholder dialogues
Collection of feedback from customers, employees, suppliers and owners.

Assessment criteria
Development of criteria for assessing impacts, risks and opportunities.

Preliminary assessment
Initial assessment and review by the Steering Group.

Workshop
Implementation of assessment of impact materiality and financial materiality with representation from all business units, management and specialist functions.

Compilation and validation
Documentation of results and final validation and approval by the Board of Directors.

Stakeholder dialogues

Momentum Group conducts annual stakeholder dialogues with our prioritised stakeholder groups – employees, customers, partners and owners, which we call "Our Four Satisfied Groups". These dialogues are an integral part of our sustainability work and form an important foundation for our materiality assessment. The results of these dialogues are used as a basis for our strategy work, corporate governance, planning for the next financial year and improvement work.

Stakeholder dialogues are systematically conducted based on the three dimensions of sustainability and thus cover relevant ESRS topics. The dialogues are conducted at several levels within the Group and involve all four business units. The selection of stakeholders is methodically based on a number of criteria to ensure a broad and representative view of the stakeholders' perspectives. The dialogues are primarily conducted through structured interviews, which enable systematic and quantitative follow-up, while also enabling in-depth discussions and qualitative insights. Using this methodology, we gain valuable input that contributes to the development of our sustainability work and creates a transparent and responsive dialogue with our stakeholders.

Materiality matrix

Identified material impacts, risks and opportunities

The double materiality assessment identified the most material sustainability matters and relevant reporting points for Momentum Group. Combined with our gap analysis and GHG inventory, these results form the basis for the development of our sustainability strategy and future reporting.

				Where in the value chain		
ESRS Standard	**Sub-topic**	**Impact materiality**	**Financial materiality**	Upstream	Own operations	Down-stream
E **E1 Climate change**	Climate change mitigation	Positive/negative	Opportunities	Yes	Yes	Yes
	Energy	Positive/negative	Opportunities	Yes	Yes	Yes
E5 Resource use and circular economy	Resource inflows, including resource use	Positive/negative	Opportunities	Yes	Yes	Yes
	Resource outflows related to products and services	Positive	Opportunities	Yes	Yes	Yes
S **S1 Own workforce**	Working conditions (secure employment, health and safety)	Positive			Yes	
	Equal treatment and opportunities for all (training and skills development)	Positive			Yes	
G **G1 Business conduct**	Corporate culture	Positive		Yes	Yes	Yes
	Management of relationships with suppliers	Positive	Opportunities	Yes	Yes	Yes

- E1 Climate change
- E2 Pollution
- E3 Water and marine resources
- E4 Biodiversity and ecosystems
- E5 Resource use and circular economy
- S1 Own workforce
- S2 Workers in the value chain
- S3 Affected communities
- S4 Consumers and end-users
- G1 Business conduct

Focus areas and targets

Momentum Group has decided to focus on three of the UN SDGs in areas where we believe we have the greatest potential to contribute. In the Group, the subsidiaries are free to choose additional targets to pursue.

Matter	Target	Momentum Group's focus area	Connection to ESRS
E Environment		• Minimising climate impact along the entire value chain. • Working for a sustainable industry by increasing the number of proven industrial improvements.	E1 Climate change E5 Resource use and circular economy
S Social		• Work to ensure sustainable workplaces in our value chain.	S1 Own workforce
G Governance		• Working for a sustainable industry by increasing the proportion of purchases from CoC-classed suppliers.	G1 Business conduct

Reducing climate impact

We contribute to achieving SDG 13 both directly through the emissions generated from our own operations and indirectly through the emissions arising in other parts of the value chain. Our direct emissions are primarily linked to business travel and the energy we use in our leased premises. We have an impact on indirect emissions through our purchases, our procured transports and, not least, the influence we exert on our customers to make decisions that reduce the climate impact of their production.

Our focus

Minimising climate impact along the entire value chain.

What it means to us

- Our products and services can demonstrate a quantifiable reduction in climate impact for our customers.
- Efficient transportation.
- Purchases of fossil-free or climate-neutral electricity.

Measurable targets

Reduce carbon emissions from company cars (grCO_2/km).

Outcome 2024

–12%

(2023: –1%)

Increase the proportion of fossil-free/climate-neutral electricity procured by the Group.

Outcome 2024

86%

(2023: 93%)

Sustainable workplaces

Momentum Group aims to be a sustainable workplace where health, safety, equal treatment and the work environment are in focus. Human rights and labour law are of central importance in our value chain. In practice, this SDG is managed through our subsidiaries' systematic work environment efforts and our Code of Conduct.

Decent labour conditions promote economic growth that is achieved without environmental damage, unsafe work and work environments, improprieties and irregularities.

Our focus

Work to ensure sustainable workplaces in our value chain.

What it means to us

- A safe work environment that promotes good health.
- Opportunities for the development of competencies and work methods.
- Participate actively in the society where we are active.
- Act responsibly in business.
- Good work conditions in our value chain.

Measurable targets

Annual performance reviews are to be conducted with all employees covering such areas as the work environment, work situation, potential discrimination, gender equality, health and safety.

Outcome 2024

89%

(2023: 83%)

Sustainable industry

"Together for a sustainable industry" describes our mission. This is something our companies work towards every day and that takes a tangible form in the industrial improvements they implement. By collaborating with market-leading suppliers of high-quality products and offering innovative solutions, we help our customers improve their productivity, optimise their processes and achieve their sustainability goals. By developing our offerings and through skills development, our employees can help customers to make more decisions that contribute to making the industry more sustainable. Examples include more efficient resource use and more technology and industrial processes with a lower negative environmental impact.

Our focus

Working for a sustainable industry by increasing the proportion of suppliers that have agreed to follow our Code of Conduct, or have themselves adopted a corresponding Code of Conduct, and increasing the number of proven industrial improvements.

What it means to us

- Long-term partnerships with suppliers of high-quality products.
- Helping the customer make sustainable choices.
- Offering high-quality products and services with a long service life.
- Extending the service life of machinery and production facilities.

Measurable targets

Increase the proportion of purchases of products and services from CoC-classed suppliers.

Outcome 2024:

83%

(2023: 72%)

Increase the number of proven industrial improvements.

Outcome 2024:

686

(2023: 555)

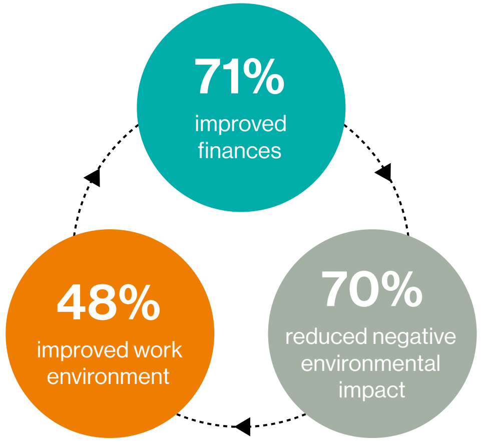
Industrial improvements

We work continuously to adapt and develop our sustainability objectives and thereby to promote a positive development. An important means of achieving the vision of being the customer's best sustainable choice is what the Group refers to as industrial improvements.

Industrial improvements refer to an approach we use to demonstrate the value that our products and services provide for customers from a work environment, environmental and financial perspective. Industrial improvements are always carried out together with the customer and are signed off by the customer with the aim of securing a shared view of the value that our sustainable solutions provide for the customer.

An industrial improvement documents the customer's requirements, and presents a solution that generates an improved work environment, reduced negative environmental impact, and financial savings or a profit increase. In the best case scenario, an industrial improvement can influence all three parameters, although there are times when it can only affect one or two parameters.

Since 2023, we have a Group-wide target linked to industrial improvements. The aim is for each company that has been part of the Momentum Group for a full year to document its industrial improvements and that we, as a Group, will gradually increase the number of industrial improvements implemented.



In 2024, our subsidiaries implemented 686 (555) new industrial improvements, generating total value for our customers of some

SEK 494 million

(2023: SEK 200 million)

Environment

Taxonomy Regulation

The EU Taxonomy Regulation (EU 2020/852) took effect in July 2020. The Taxonomy is a tool for achieving the EU climate targets and the objectives of the EU's green growth strategy – The European Green Deal. The purpose of the Taxonomy is to make it easier for investors to identify and compare environmentally sustainable investments through a joint classification system for environmentally sustainable economic activities.

Momentum Group is a public interest entity that is impacted by the sustainability reporting requirements of the EU Non-Financial Reporting Directive and is thus obligated to report the proportion of its activities that are Taxonomy-eligible and the proportion of its activities that are also Taxonomy-aligned. From the 2024 financial year, this applies for all environmental objectives.

The Taxonomy is continuously evolving and it is important to note that the current Taxonomy does not cover all economic activities in the market. In an initial phase, the EU has prioritised activities which, according to research, account for a large share of climate-impacting emissions and which the EU believes have a crucial role in the transition to a low-carbon, resilient and resource-efficient economy. In its current scope, the Taxonomy also does not focus on the retail level, where Momentum Group has a large portion of its operations.

The Taxonomy in brief

For an economic activity to be regarded as environmentally sustainable according to the EU Taxonomy, the activity must:

- make a substantial contribution to one of the six established environmental objectives,
- do no significant harm to any of the other environmental objectives,
- and meet certain minimum safeguards for human rights.

The EU's six environmental objectives

1. Climate change mitigation.
2. Climate change adaptation.
3. The sustainable use and protection of water and marine resources.
4. The transition to a circular economy.
5. Pollution prevention and control.
6. The protection and restoration of biodiversity and ecosystems.

We help our customers achieve their sustainability goals

Although only a limited part of Momentum Group's activities are currently covered by the Taxonomy, a significant part of the Group's activities are enabling the ongoing transition to the circular economy. We choose to consider the requirements regardless and view the Taxonomy as an opportunity for us in our continuous efforts to create more sustainable activities.

We have both suppliers and customers whose activities are Taxonomy-eligible and will be classified under the Taxonomy. In the future, we will be able to use the Taxonomy as a knowledge base for choosing sustainable suppliers and manufacturers. This also means that Momentum Group will be able to help our customers with improvements that contribute to reduced CO_2 emissions in their activities and thus contribute to their potential to be classified as an environmentally sustainable activity – in line with our mission "Together for a sustainable industry".

Activities deemed to be Taxonomy-eligible

Momentum Group's operations primarily consist of sales of industrial components, industrial services and related services to customers in industry and industrial infrastructure in the Nordic region. All economic activities occurring in the Group that generate turnover, operating expenses and capital expenditures have been analysed on the basis of the description of the economic activities and references to Taxonomy NACE codes. For each economic activity, an assessment has been made for relevance. This assessment has been made on the basis of whether the economic activity is eligible or non-eligible for Momentum Group. The assessment has been made at company level, as the companies in Momentum Group have different types of operations. The eligibility screening was carried out for all six environmental objectives as new companies were added to Momentum Group in 2024. At present, there are no economic activities that meet more than one environmental objective, thus no double counting has taken place.

Alignment with the Taxonomy

For 2024, Momentum Group analysed the Taxonomy-eligible economic activities against the technical screening criteria set out in Commission Delegated Regulation (EU) 2021/2139 for all environmental objectives.

In assessing the compatibility of economic activities, CapEx and OpEx, the precautionary principle has been applied. That is, in cases where there have been doubts about whether an activity meets the technical criteria, the criteria for doing no significant harm and the minimum social safeguards, these have been deemed not to be taxonomy-aligned.

Substantial contribution

Most of Taxonomy-eligible activities are considered to be aligned with several of the technical screening criteria for making a substantial contribution to the respective environment objective. See more details below under each activity.

DNSH criteria (Do No Significant Harm)

Momentum Group integrates sustainability into its operations and works actively to minimise its negative impact on the environment and society.

We ensure that our operations do no significant harm to any of the environmental objectives set out in the Taxonomy Regulation. We do this by:

- Restricting our climate impact through energy efficiency enhancements, sustainable transport solutions and reduced resource use.
- Promoting circular solutions by offering products and services that contribute to resource efficiency and re-use.

- Reducing environmental risks in the supply chain through codes of conduct and by imposing sustainability requirements on suppliers.
- Ensuring compliance with social and governance criteria through ethical business conduct, respect for human rights and labour law principles.

Momentum Group has analysed all Taxonomy-eligible activities against the DNSH criteria (Do No Significant Harm). Momentum Group has not yet conducted a climate and vulnerability assessment of the company's physical climate risks. This means that we do not formally follow the principle of doing no significant harm according to the EU Taxonomy Regulation, and the assessment has therefore been made that the Group cannot include any part of its turnover or CapEx (OpEx not included) as Taxonomy-aligned for 2024. See more details below under each activity.

Momentum Group plans to integrate climate risk assessments into the companies' annual risk process as part of the CSRD implementation project.

Minimum safeguards

Momentum Group conducts its operations in a responsible manner in relation to society and its stakeholders. Our Code of Conduct and Supplier Code of Conduct are based on our values and on international guidelines, including the Ten Principles of the UN Global Compact and the UN Guiding Principles on Business and Human Rights. All employees and suppliers must comply with the Code, which describes our position regarding human rights, working conditions, business conduct and anti-corruption.

Neither Momentum Group AB nor its subsidiaries have violated tax-related laws, and there are no confirmed violations according to the Dow Jones Risk Center. Nor has Momentum Group or its senior management been convicted of violations of competition law according to the Dow Jones Risk Center.

We continuously work to strengthen our sustainability efforts and ensure that we live up to the principle of doing no significant harm.

Climate change mitigation (CCM)

6.5. Transport by motorbikes, passenger cars and light commercial vehicles

CapEx for leasing passenger cars and company cars and company cars is covered. In 2024, CapEx for new or renewed contracts amounted to approximately SEK 38 million, of which approximately SEK 27 million pertains to vehicles that meet the criteria for CO_2 emissions lower than 50 g/km and are deemed to meet the substantial contribution criteria. In 2025, Momentum Group updated the Group's guidelines for company cars, specifying that new company cars are not permitted have a WLTP value above 50 g CO_2/km.

Momentum Group's leasing of company cars is not Taxonomy-aligned as Momentum Group has not conducted a formal climate and vulnerability assessment and the company has not been able to verify data from third parties according to the DNSH criteria.

8.2 Data-driven solutions for GHG emissions reductions

Economic activity refers to various forms of smart technology that reduce energy consumption and thus indirectly enable GHG emissions reductions. The eligible economic activity is the turnover from activities within Momentum Group relating to solutions for remote controls to, for example, save energy at the customer's production facility.

This economic activity is not Taxonomy-aligned as Momentum Group has not conducted a formal climate and vulnerability assessment, lifecycle assessment (LCA) or third-party verification of emission reductions.

The sustainable use and protection of water and marine resources (WTR)

1.1 Manufacture, installation and associated services for leakage control technologies enabling leakage reduction and prevention in water supply systems

The eligible economic activity is the turnover from Momentum Group's business in the design of solutions that enable leakage reduction.

This economic activity is not Taxonomy-aligned as Momentum Group has not conducted a formal climate and vulnerability assessment.

The transition to a circular economy (CE)

2.2. Production of alternative water resources for purposes other than human consumption

The eligible economic activity is the turnover from Momentum Group's operations in rainwater harvesting, for example irrigation.

This economic activity is not Taxonomy-aligned, mainly due to the fact that Momentum Group has not conducted a formal climate and vulnerability assessment.

5.1. Repair, refurbishment and remanufacturing

Approximately 11 per cent (13) of the Group's total turnover pertains to the repair, refurbishment and remanufacturing of, for example, servo motors, electric motors, gears and bearings. The eligible economic activity is the turnover from the activity of extending the life of products by repairing, refurbishing or remanufacturing products that have already been used for their intended purpose by a customer.

Following the Commission's clarification on 29 November 2024, the products covered by this activity have been limited to specified product groups. Services under Activity 5.1 are to pertain to the repair, refurbishment and remanufacturing of products manufactured according to the specified NACE codes. Momentum Group has therefore identified the product groups covered by Activity 5.1, and based on this analysis, approximately 5 per cent (11) of the total turnover from these services is deemed to be Taxonomy-eligible.

This economic activity is not Taxonomy-aligned, mainly due to the fact that Momentum Group has not conducted a formal climate and vulnerability assessment.

Proportion covered by EU Taxonomy by environmental objective

The table shows the proportion of the company's economic activities that contribute to any of the EU's six environmental objectives. For all goals, both the proportion covered by and the share that meets the requirements of the EU Taxonomy, 2021/2139, are stated. Changes compared with the previous year are mainly explained by the fact that more environmental objectives are covered as of 2024.

	Proportion of turnover / Total Turnover		Proportion of CapEx / Total CapEx		Proportion of OpEx / Total OpEx	
Enviromental objectives, EU	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%	0%	24%	0%	0%
CCA	0%	0%	0%	0%	0%	0%
WTR	0%	0%	0%	0%	0%	0%
CE	0%	5%	0%	0%	0%	0%
PPC	0%	0%	0%	0%	0%	0%
BIO	0%	0%	0%	0%	0%	0%

CCM Climate Change Mitigation
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Nuclear and fossil gas related activities

On 1 January 2023, a supplementary delegated act came into force, which aims for companies to now report on taxonomy alignment for certain activities related to nuclear energy and fossil gas. Nuclear power and fossil gas are considered by the European Parliament to be environmentally sustainable on a temporary basis as they are considered important components in the transition work towards reduced greenhouse gas emissions. Momentum Group does not currently conduct any operations in any of these areas.

Nuclear energy related activities

The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Fossil gas related activities

The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Turnover 2024

				Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	Turnover	Proportion of Turnover	Climate Change Mitigation	Climate Change Adaptation	Water and Marine Resource	Circular Economy	Pollution	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water and Marine Resource	Circular Economy	Pollution	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.), 2023	Category enabling activity	Category transitional activity
		MSEK	%	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
N/A																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**														**0%**		
Of which enabling		0	0%														0%		
Of which transitional		0	0%														0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Data-driven solutions for GHG emissions reductions	CCM 8.2	7	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%	E	
Manufacture, installation and associated services for leakage control technologies enabling leakage reduction and prevention in water supply systems	WTR 1.1	14	0%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0%	E	
Production of alternative water resources for purposes other than human consumption	CE 2.2	2	0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0%		
Repair, refurbishment and remanufacturing	CE 5.1	150	5%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								11%	E	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**173**	**6%**	**0%**	**0%**	**0%**	**5%**	**0%**	**0%**								**11%**		
Total (A.1 + A.2)		**173**	**6%**	**0%**	**0%**	**0%**	**5%**	**0%**	**0%**								**11%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities (B)		**2,700**	**94%**																
Total (A + B)		**2,873**	**100%**																

CCM Climate Change Mitigation
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Y Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
EL Taxonomy-eligible activity for the relevant objective
E Enabling activitiy
T Transitional activity

Definition of Turnover

The Taxonomy uses the same definition of turnover as that stipulated in Directive 2013/34/EU on annual financial statements, consolidated financial statements and related reports (Article 2 (5)) and IAS 1 Presentation of Financial Statements. Turnover in the denominator covers the Group's total external sales according to Note 3.

CapEx 2024

				Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Ekonomiska verksamheter	Code	CapEx	Proportion of CapEx	Climate Change Mitigation	Climate Change Adaptation	Water and Marine Resource	Circular Economy	Pollution	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water and Marine Resource	Circular Economy	Pollution	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.), 2023	Category enabling activity	Category transitional activity
		MSEK	%	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
N/A																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**														**0%**		
Of which enabling		0	0%														0%		
Of which transitional		0	0%														0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	38	24%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								7%		
Kapitalutgifter hos de verksamheter som omfattas av taxonomin men som inte är miljömässigt hållbara (ej taxonomiförenliga) (A.2)		**38**	**24%**	**24%**	**0%**	**0%**	**0%**	**0%**	**0%**								**7%**		
Total (A.1 + A.2)		**38**	**24%**	**24%**	**0%**	**0%**	**0%**	**0%**	**0%**								**7%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy- non-eligible activities (B)		**119**	**76%**																
Total (A + B)		**157**	**100%**																

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Y Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
EL Taxonomy-eligible activity for the relevant objective
E Enabling activitiy
T Transitional activity

Definition of CapEx

The Taxonomy uses the same definition of CapEx as IFRS. CapEx refers to: Additions to tangible and intangible assets during the financial year considered before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairment and excluding fair value changes. Leases according to IFRS 16 that lead to recognition of right-of-use assets are eligible. However, goodwill is not included. The denominator includes the Group's total CapEx during the year, corresponding to the capital expenditure presented in Notes 9, 10 and 11.

Opex 2024

				Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	OpEx	Proportion of OpEx	Climate Change Mitigation	Climate Change Adaptation	Water and Marine Resource	Circular Economy	Pollution	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water and Marine Resource	Circular Economy	Pollution	Biodiversity	Minimum Safeguards	Proportion of Taxo-nomy- aligned (A.1.) or -eligible (A.2.), 2023	Category enabling activity	Category transitional activity
		MSEK	%	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
N/A																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**														**0%**		
Of which enabling		0	0%														0%		
Of which transitional		0	0%														0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
N/A																	0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0**	**0%**														**0%**		
Total (A.1 + A.2)		**0**	**0%**														**0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy- non-eligible activities (B)		**10**	**100%**																
Total (A + B)		10	100%																

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Y Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
EL Taxonomy-eligible activity for the relevant objective
E Enabling activitiy
T Transitional activity

Definition of OpEx

According to the Taxonomy, OpEx is defined as direct non-capitalised costs that relate to research and development, building renovation measures, shortterm leases (leases that are shorter than one year), maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of property, plant and equipment that are necessary to ensure the continued and effective functioning of such assets. The denominator covers the Group's total OpEx during the year associated with the continued and effective functioning of such assets, corresponding to what is presented in Note 11, with certain supplementary disclosures.

Climate change, resource use and circular economy

Momentum Group's contribution to a sustainable industry from an environmental perspective permeates the entire value chain. This includes product manufacturing and/or service provision, sales, distribution and use of the products or performance of the services, and as re-use. This section covers the ESRS topics of Climate change and Resource use and circular economy.

Material impacts, risks and opportunities (IRO)

Sub-topics	IRO descriptions	Type of IRO	Where in the value chain			Time horizon[1]
			Upstream	Own operations	Down-stream	
Climate change mitigation	Emissions from manufacturing of the products that we purchase and sell.	Negative	Yes			=
	Transport of products from suppliers to us and from us to customers.	Negative	Yes		Yes	–
	Emissions from our own vehicle fleet, mainly company cars.	Negative		Yes		–
	Our products and services give extended service life and increase energy/resource efficiency, which reduces emissions.	Positive			Yes	+
	Increased focus on sustainability and higher energy prices drive demand for our products and services that contribute to climate change mitigation.	Opportunity			Yes	+
Energy	Energy consumption in the manufacturing of our products.	Negative	Yes			=
	Energy consumption in the use of our products.	Negative			Yes	=
	Products/services contribute to energy savings for customers.	Positive			Yes	+
	Increased demand for products and services that contribute to energy savings for customers.	Opportunity			Yes	+
Resource inflows, including resource use	Resources for the manufacturing of the products we purchase and sell. The design of products is material.	Negative	Yes			=
	Selecting high-quality suppliers, imposing requirements and following up on existing suppliers.	Positive	Yes			+
	Our products contribute to raw material savings, for example. Refurbishment instead of buying new.	Opportunity			Yes	+
Resource out-flows related to products and services	Our products and services contribute to longer service lives and more efficient operation.	Positive			Yes	+
	Increased demand for products and services that contribute to reduced resource use and a circular economy.	Opportunity			Yes	+

[1] The impact/risk/opportunity is expected to increase over time (+), be at the same level (=), decrease over time (–).

Climate change

Climate change mitigation

Momentum Group's climate impact arises along in the entire value chain, with the largest emissions attributable to the manufacturing of the products we sell and to transports. In our own operations, our vehicle fleet is the largest source of emissions.

Risks are linked to increased regulatory requirements and customer expectations with respect to reduced climate impact, which can impact the competitiveness of products with a high environmental impact. In addition, increased transport costs and future carbon pricing can impact profitability. We believe that there are material opportunities for our products to make a substantial contribution to climate change mitigation by extending the service life of machinery and equipment and by reducing energy and resource consumption. This will create increased demand for our offering and strengthen our competitive advantage.

Energy

Energy consumption is a material topic for Momentum Group, mainly in the form of the energy consumed in manufacturing the products we sell and, to some extent, the energy used in our own operations.

Risks include rising energy prices, which can lead to increased production costs for our suppliers and impact pricing in the value chain. However, as we are primarily a reseller, the direct financial risk is limited. Opportunities relate to the fact that our products enable us to contribute to reducing our customers' energy consumption, which increases demand for energy-efficient solutions.

Resource use and circular economy

Resource inflows

Momentum Group's operations are resource-intensive, as we purchase products that require resources in manufacturing. Risks related to rising raw material prices and uncertain access to certain materials may affect margins but are limited for us as we are primarily a reseller. Our greatest opportunity to impact environmental footprint arises at the product level among our suppliers, where we can contribute by being careful with our choice of suppliers, requirements and follow-up.

Resource outflows

Momentum Group's greatest opportunity to influence resource efficiency lies in how our products are used by customers. By extending the service life of machinery and equipment, as well as providing energy-efficient solutions, we can contribute to reduced resource consumption and a stronger circular economy.

Opportunities relate to expanding our offering to include products and services that optimise customers' resource use by offering solutions that reduce material use and energy consumption.

Impact, risk and opportunity management

Policies and guidelines

Momentum Group has several Group-wide governance documents for climate-related issues, such as:

- Environmental Policy
- Code of Conduct
- Guidelines for company cars

Guidelines for environmental work

Environmental efforts are to be conducted within the framework of the Group's business concept and be well integrated into operational activities. The Group aims for a holistic approach to environmental issues by means of high employee competencies and constantly developing the Group's knowledge of environmental effects. When choosing suppliers, products and services, the Group strives for minimum environmental impact insofar as this is technically feasible, economically viable and environmentally justified. An eco-cycle approach and economic use of resources are to be key points for the Group's business operations. We aim to contribute to reducing resource and energy consumption by focusing on efficient transport solutions and high-quality products and services.

By meeting or exceeding the requirements stipulated in environmental laws and statutes, the Group aims to stimulate every part of the commercial chain to prevent and reduce adverse environmental impact by making make continuous improvements.

To be able to live up the commitments we make in our policy requires active work, both internally with our own impact and in the value chain upstream and downstream in the value chain.

Processes to identify climate-related risks and opportunities

- Group-wide risk management
- Stakeholder dialogues
- Double materiality assessment
- Annual strategy process and target setting process
- Environmental and quality assessments
- Energy audits

Material impacts, risks and opportunities and their interaction with strategy and business model

We work together with various players throughout the value chain – from product manufacturing and service provisioning to sales, distribution, use and re-use. While our operations have an environmental impact throughout the value chain, we strive to minimise their negative impact and maximise their positive impact through sustainable choices and innovative solutions.

Environmental impact upstream in the value chain

Since Momentum Group is primarily a reseller, we have limited direct influence over the environmental impact from product manufacturing. We are able to exert an influence by setting high standards for the products and services we offer and the suppliers we work with. This is a central part of our sustainability work and applies to all of our operations.

We primarily influence the production process by:

- Choosing products and services with minimal environmental impact.
- Collaborating with high-quality suppliers that meet our requirements for health, safety, quality and ensuring the lowest possible environmental impact.
- Setting clear requirements and conducting regular follow-ups of our suppliers.
- Our GHG emissions in this area are classified as Scope 3, with the largest impact arising in Category 1 – purchased goods and services.

To ensure a responsible supply chain, we have implemented our Code of Conduct, which has been signed by 83 per cent (72) of our suppliers to date.

Our direct climate impact

Momentum Group's direct environmental impact includes Scope 1 and Scope 2 emissions, and this is where we have the greatest opportunity to have an influence.

Company cars

Our Group-level environmental targets focus on reducing our CO_2 emissions from company cars, which account for a significant share of our direct Scope 1 emissions. We work actively to optimise our companies' vehicle fleet by choosing fuel-efficient vehicles and fossil-free fuels, such as HVO and electricity. To further reduce our climate impact, we work to raise awareness of sustainable transport choices, carpooling, route optimisation, digital meetings and travelling by train as an alternative where possible. In 2024, our carbon emissions from company cars declined by –12 per cent (–1). As of 2025, Momentum Group has new Group-wide guidelines in place, specifying that new company cars can are not permitted to have a WLTP value above 50 g CO_2/km.

Energy consumption in premises

Our premises have an environmental impact through electricity and heat consumption. Since we do not own our own premises, we can exert an influence by making demands on our landlords regarding sustainable energy solutions and energy efficiency.

Our joint target is to increase the proportion of fossil-free and climate-neutral electricity in relation to the Group's total energy consumption. In 2024, the proportion of green electricity amounted to 86 per cent (93). The lower proportion in 2024 was due to the fact that newly acquired companies have not all changed their electricity contracts yet. Despite a high proportion of renewable energy, we continuously work to streamline our energy consumption. At the Group level, we pursue initiatives to sign framework agreements with electricity providers that offer green electricity and support the companies in enhancing their energy efficiency through the Group's energy mapping process.

Management systems

Our internal environment and quality improvement efforts are largely based on the requirements of ISO standards. Of the companies in the Group that reported in 2024, 8 were certified in accordance with ISO 14001:2015 (Environmental Management) and 9 were certified in accordance with ISO 9001:2015 (Quality Management). By using a risk-based approach and conducting ongoing analyses, these companies are able to identify areas for improvement and take action to reduce their climate impact. The companies' processes and procedures are reviewed annually by both internal and external auditors to ensure continuous improvements.

Climate impact downstream in the value chain

Impacts connected with the use of our products and services are classified as Scope 3 and constitute our most significant positive climate impact. This primarily pertains to the positive impact of our offerings on customers. The negative impact, mainly attributable to energy consumption when using our products (Category 11), is relatively limited and mainly applies to products that require a direct energy supply, such as engines.

We measure the emission reductions that our solutions help customers to achieve. The savings are calculated through our internal calculator, which is based on data from official sources and emission factors validated by our suppliers.

Our solutions contribute to CO_2 savings in various ways. One example is replacing components with alternatives that have a longer service life, which extends replacement intervals and reduces the need for new production – and thus emissions. Another example is energy efficiency, with our products offering higher efficiency than existing alternatives, for example through optimised belt drives or by replacing engines with a more energy-efficient model. A third example is when our workshops contribute to a circular economy by extending the service life of our customers' products through repairs and refurbishment. Our workshops refurbish or repair products such as valves, bearings, engines, pumps and switches, thereby creating savings compared with new production.

In 2024, we registered savings of approximately 826 tonnes of CO_2, which was validated by customers signing and thus approving the industrial improvement achieved.

Sustainable logistics

Our freight transport generates emissions from vehicles, which makes this an important aspect of our sustainability work. Since we primarily utilise procured transport services, these emissions are classified as indirect (Scope 3). Transports from suppliers to us are categorised as upstream transportation and distribution (Category 4), while transports from us to customers are categorised as downstream transportation and distribution (Category 9).

By optimising storage and distribution processes, we reduce resource consumption, improve accessibility for our customers and streamline handling for all involved. Our operations continuously work to optimise in- and outbound deliveries, which reduces the need for transport as well as the use of packaging materials such as boxes and wrapping.

To reduce their transport-related emissions, our companies actively strive to select transporters that have clear targets for reducing emissions and ensuring good working conditions. We prioritise suppliers that use fossil-free or energy-efficient transport options. In addition, most of our purchases are made from suppliers in the Nordic region and the EU, which contributes to shorter transport distances and a lower climate impact.

Total GHG emissions

In 2024, our data collection mainly comprised Scope 1 and Scope 2. The savings from the industrial improvements we contribute to at the customer level fall within Scope 3. Momentum Group is actively working to implement the CSRD/ESRS and conducted a preliminary climate mapping and analysis in accordance with the GHG Protocol during the year. The preliminary results show that our most significant climate impact is most likely to occur in Scope 3, Category 1 – Purchased goods and services. Measuring Scope 3 emissions is a complex process, and we therefore focus on the most important areas and the data we are able to obtain from our suppliers.

For 2025, Momentum Group intends to report its GHG emissions in accordance the GHG Protocol, including Scope 1 and 2 and the most significant categories in Scope 3.

KPIs Environmental sustainability

	2024	2023	2022
Company cars			
Total emissions, gram CO_2	766,590,791	576,292,890	645,698,434
Total number of kilometres driven	5,934,118	3,926,387	4,370,640
CO_2 emissions, gram/km	129	147	148
Energy consumption			
Total energy consumption for all premises, MWh	6,714	5,506	6,157
Energy consumption, fossil-free/climate-neutral, MWh	5,779	5,103	4,633
Proportion of fossil-free or climate-neutral electricity, %	86	93	75
Companies with quality and environmental certification according to ISO 14001:2015	8	6	3
Companies with quality and environmentally certification according to ISO 9001:2015	9	7	3
Industrial improvements			
Number of industrial improvements – environment	480	379	-
Environmental savings at customers, tonnes of CO_2	826	374	-

Our preliminary climate mapping indicates that the following areas are of the greatest importance:

SCOPE 1

- Emissions from travel in the company's own fossil-fuel vehicles.

SCOPE 2

- Emissions from energy consumption for electricity, heating and cooling for agreements over which we have control.
- Charging of own electric vehicle outside the companies.

SCOPE 3

Category 1 – Purchased goods and services
- Emissions for all purchased goods and services (excluding freight as it is included in Categories 4 and 9).

Category 3 – Energy-related emissions
- Upstream impact from the energy we purchase through agreements.

Category 4 – Upstream transportation and distribution
- Emissions from transports of products from suppliers to us and transports to customers that we pay for.

Category 6 – Business travel
- Emissions from business travel including transportation and hotels.

Category 8 – Upstream leased assets
- Emissions from electricity, cooling and heat consumption that are included in rent/paid by the landlord (agreements over which we have no control).

Category 9 – Downstream transportation and distribution
- Emissions from transports of products from us to customers that the customers pay for.

Category 11 – Use of sold products
- Emissions from products sold that require energy during their use.

Industrial improvements from an environmental perspective

The customer value that we deliver is documented through our industrial improvements method, which involves the presentation of financial savings, environmental improvements or occupational health and safety improvements. Environmental improvements are solutions that contribute to lowering the negative environmental impact of customers, for example, through reduced energy consumption, lower water consumption, reduced consumption of products, reduced waste quantities and lower CO_2 emissions. In 2024, our subsidiaries made 686 new industrial improvements, of which 480 contributed to an improved environment. In total, the documented environmental savings corresponded to 826 tonnes of CO_2 saved.

Improved environment

480

Industrial improvements

826 tonnes

of CO_2 saved

Social

Own workforce

For us as a responsible employer, social responsibility means being able to offer a healthy work environment, good health and safety, respect for human rights, and counteracting discrimination, harassment and corruption in our operations. And promoting responsibility throughout the value chain.

Material impacts, risks and opportunities (IRO)

			Where in the value chain			
Sub-topics	**IRO descriptions**	**Type of IRO**	Upstream	Own operations	Down-stream	**Time horizon**[1]
Working conditions Secure employment	Offer secure employment with good terms of employment.	Positive	Yes	Yes	Yes	=
Working conditions Health and safety	Offer our employees a safe work environment that promotes good health.	Positive		Yes		=
Equal treatment and opportunities for all, training and skills development	Focus on the importance of training and skills development as employees are our most important resource.	Positive		Yes		+

[1] The impact/risk/opportunity is expected to increase over time (+), be at the same level (=), decrease over time (–).

Working conditions

Secure employment

Momentum Group has a positive impact on employees by offering secure employment, which is one of the most important aspects of our responsibility as an employer.

Risks related to working conditions are deemed to be limited, as we operate in a regulated market with established agreements and laws. Failure in the area could impact employee well-being and loyalty but is not considered to pose a significant financial risk. Opportunities related to secure employment are primarily linked to attracting and retaining competent employees, but the area is primarily assessed as a hygiene factor rather than a competitive advantage.

Health and safety

Although our operations do not include high-risk industries, work environment and safety have a direct impact on employee well-being. Risks are primarily linked to work-related ill health, both physical and mental. Although the physical risk is considered to be relatively low, a high workload and high pace could lead to stress-related ill health. A decentralised organisational model, where decisions are made locally and employees have a high level of personal responsibility, can be a strength but also a risk if it leads to unclear expectations or overworking. Opportunities relate to maintaining and developing a strong safety culture where work environment and health are prioritised throughout the organisation.

Equal treatment and opportunities

Training and skills development:

Skills supply is a key issue for the Group as a whole, with training playing a crucial role in meeting the industry's needs. Momentum Group has a positive impact on the individual employee by offering skills development that strengthens both the employee in their professional role and the business as a whole.

Risks are linked to a lack of relevant skills, which could affect the Group's productivity and competitiveness, especially in certain industries where it is difficult to find the right employees. Industry is undergoing a generational shift, which means that the need for new skills is increasing. Opportunities relate to strengthening our internal skills supply through training programmes and development initiatives. Many of our companies already actively offer in-house training, which reduces the risk of a skills shortage and strengthens our long-term competitiveness.

Impact, risk and opportunity management

Policies and guidelines

Momentum Group has several Group-wide governance documents for its own workforce, such as:
- Work Environment Policy
- Equal Treatment Policy
- Code of Conduct
- Whistleblower Policy

Human resources objectives and guidelines

Momentum Group strives to be a respected and attractive employer, for current and future employees alike. The Group's companies aim to ensure a good physical and psychosocial work environment and to promote the professional and personal development of its employees. These guidelines establish minimum requirements for all of our companies and complement the business-specific HR matters handled by each company.

At a minimum, terms of employment, remuneration and working time must comply with applicable laws and industry standards. Momentum Group does not accept forced labour or methods that restrict employee freedoms and does not employee anyone under the age of 15 or any higher age limit that applies under local legislation. The Group works actively to ensure that all employees are given equal opportunities regardless of sex, gender identity, ethnicity, religion, disability, sexual orientation or age. Discrimination, harassment and offensive treatment are not tolerated, which also includes zero tolerance for sexual harassment and bullying. Employees also have the right to freedom of association and to join trade unions in accordance with national laws and principles.

A safe and healthy work environment is a fundamental priority within the Group. Each company is responsible for ensuring that its work is conducted in a manner that prevents injury and ill health, and written health and safety instructions are applied throughout the Group. Work environment management is to be carried out in collaboration between employers and employees to create a sustainable and attractive workplace. The Group considers a good work environment to be a prerequisite for employees to be able to perform their best and therefore an important competitive advantage and a strategic issue for us.

The work environment within the Group is characterised by committed leadership, mutual respect and trust. It is intended to encourage development and success and create the conditions for a better performance as well as personal and professional development. All employees have a personal responsibility to contribute to a good work environment by following the procedures and guidelines that are in place.

Momentum Group adopts a long-term approach with the aim of being an employer that attracts, develops and retains skilled employees. By creating a safe, inclusive and rewarding work environment, we strengthen our competitiveness and enable sustainable growth.

Processes to identify workforce-related risks and opportunities

- Group-wide risk management
- Employee dialogues
- Double materiality assessment
- Performance reviews
- Employee surveys
- Whistleblower service

Material impacts, risks and opportunities and their interaction with strategy and business model

Momentum Group's overall goal is to be perceived as an attractive workplace in order to be able to recruit, develop and retain employees. With a decentralised governance model, it is the companies' work that is in focus and that contributes to each workplace being socially sustainable. Below is a description of how we work with the issue at both Group and company level.

Working conditions

Momentum Group has a positive impact on its employees by offering secure employment, which is one of the most important aspects of our responsibility as an employer. Market-based wages, fair working conditions and compliance with labour law are fundamental requirements within the Group. Our companies essentially always have collective bargaining agreements in place, and all of them comply with strict Nordic legislation, which ensures a stable and fair work environment.

Labour law regulates the relationship between employers and employees and is governed by both statutory requirements and collective bargaining agreements. The aim is to provide a socially secure and fair working life. Momentum Group prioritises these issues through continuous monitoring of legal requirements, regular statutory audits of occupational health and safety legislation, and negotiations within the framework of collective bargaining agreements. Our companies carry out an annual wage audit to ensure fair wages and rectify unfounded pay gaps. Many of our companies also offer occupational healthcare and collectively agreed insurance, which further strengthens employee security and well-being.

Health and safety

We work actively to ensure that all employees have a safe, secure and healthy workplace. Our goal is to completely prevent accidents, work-related injuries, incidents, ill health and fatalities – both for our own employees and for other workers in our operations. Historically, sickness absence and the number of workplace accidents in the Group have been relatively low.

Our companies take numerous steps to maintain a high standard of safety. Risk assessments are a natural part of our work environment management and are carried out prior to potentially hazardous work, including the handling of machinery in workshops and the use of chemical products. For example, regular safety rounds are carried out at our companies' premises to identify and correct any shortcomings. Many companies also use third-party providers to ensure fire safety and other safety practices. In order to monitor and improve the Group's work environment management, initiatives and deviations are documented in joint monitoring systems, which makes it possible to identify patterns and recurring challenges.

Equal treatment and opportunities

Momentum Group strives to create an inclusive and rewarding work environment where employees with different backgrounds and experiences contribute to the dynamics and innovation. Gender equality is a priority, especially in our industries where men are traditionally in the majority. Currently, our 788 employees consist of 17 per cent women and 83 per cent men, while the management teams of our companies consist of 27 per cent women. At the Board level, we have a more balanced distribution of 40 per cent women and 60 per cent men. We actively collaborate with our companies on several fronts to promote a more balanced gender distribution at all levels of the organisations.

Diversity is a strength, and in connection with recruitment, we always emphasise that broad representation enriches the work environment and business. Gender and age are established diversity indicators, and the age distribution within Momentum Group shows that there is a relatively even spread from 30 years of age and older. We have many older and experienced entrepreneurs in our companies, which contributes to our strength as an industrial group. Many members of our management team have solid industrial backgrounds, which makes us particularly attractive to entrepreneurs looking to sell their companies. We understand their business, their products and the challenges they face, which creates a natural sense of security in the change of ownership and strengthens our cooperation.

Discrimination and harassment are not tolerated in any form. Through employee surveys, our companies regularly monitor issues related to inclusion and the work environment. The results show that offensive treatment is very rare and that conflicts seldom arise.

Fair pay is a key indicator of gender equality. For example, all companies in Sweden with more than ten employees conduct wage audits as part of their systematic work environment management. The aim is to avoid discrimination and ensure equal rights and opportunities. The 2024 results show that there are no unfounded gender pay gaps.

The fact that employees choose to stay at Momentum Group for a long time is clear proof that they are happy. About 34 per cent of our employees have been part of the company for more than ten years, and an impressive 23 per cent have worked in the Group for more than 16 years.

Training and skills development

Momentum Group works actively to develop its employees and ensure a future skills supply, succession planning and local market leadership. Ongoing skills and performance development mainly takes place at the company level, with various targeted training efforts carried out based on the individual needs of the business.

To support employee development, a number of joint initiatives are conducted within the Group. By exchanging experiences, networking and sharing best practices among companies, we support a learning organisation. In the Sharing and Caring section of our Group intranet, tools, templates, digital courses and examples are provided to support daily tasks. In addition, corporate culture and business training is offered through our Business School, along with Group-wide sales training to strengthen our employees' business expertise.

Our employees are expected to meet the requirements for their respective professional roles but also receive active support to further develop their skills and their area of responsibility. Our companies offer continuous skills development in various specialist areas, including leadership training with a focus on goals, feedback and accountability. For example, employees who handle hazardous goods receive specific training in this area, and the companies' safety officers and managers regularly attend training sessions related to work environment and safety.

Participation, inclusion and social dialogue

An open and continuous dialogue between employers and employees is a natural part of Momentum Group's operations. We always strive to work in an inclusive manner to ensure that employees' perspectives can be taken into account in the company's decisions.

The work environment at our companies is monitored by safety officers who are closely involved in the business and act as a link between the employees and management when it comes to work environment issues. In our larger companies, the work of the safety officers is coordinated through safety committees.

One of our Group-wide goals is for all employees to have annual performance reviews where issues such as the work environment, work situation, gender equality, health and safety are discussed. In 2024, performance reviews were conducted with 89 per cent (83) of our employees, which is an important part of our efforts to create a positive and rewarding work environment.

To further strengthen this dialogue, our companies conduct regular employee surveys to monitor employee perceptions of the work environment, leadership and the company as an employer. The results show a predominantly positive view of the businesses, and a large proportion of employees stated they would recommend the Group companies as employers to their friends. These surveys also continuously identify areas for development, which has led to the implementation of several measures, including measures related to leadership development, the Business School and other training initiatives.

Another tool in our efforts to promote transparency and participation is our whistleblower service, where employees can anonymously report irregularities. This ensures that we have a safe and responsible work environment where all employees can feel safe to express their opinions and raise important issues.

Distribution by age

Number of years employed

KPIs Own workforce

	2024	2023	2022
Employment			
Average number of employees	840	640	528
Number of implemented performance reviews, %	89	83	77
Diversity and equal treatment			
Percentage women	17	17	16
Percentage of women in leading positions[1]	27	25	26
Percentage of women on the Board of Directors of the Parent Company	40	40	40
Health and safety			
Sickness absence, %	4	4	5
Number of accidents	6	25	28
Employee turnover, %	9	13	12

[1] Includes members of management teams in Group companies.

Industrial improvements from a work environment perspective

The customer value that we deliver is documented through our industrial improvements method, which involves the presentation of financial savings, environmental improvements or occupational health and safety improvements. Improvements from an occupational health and safety perspective could involve, for example, employee safety connected to the performance of high-risk work, health-related safety through a reduced use of chemical products/hazardous products or a reduced risk of strain-related ill health. In 2024, our subsidiaries implemented 686 new industrial improvements, of which 331 contributed to an improved work environment for our customers.

Improved work environment

331

Industrial improvements

Governance

Business conduct

Momentum Group is a corporate group based on strong values and long-term relationships, where ethical business conduct permeates the entire business. We actively work to ensure that our operations and business partners act in line with our values and ethical guidelines.

Material impacts, risks and opportunities (IRO)

			Where in the value chain			
Sub-topic	**IRO descriptions**	**Type of IRO**	Upstream	Own operations	Down-stream	**Time horizon**[1]
Corporate culture	Our corporate culture is a priority issue at Momentum Group.	Positive	Yes	Yes	Yes	+
Management of relationships with suppliers, including payment practices	Selecting and imposing requirements and following up on suppliers.	Positive	Yes			+
	Strong partnerships with suppliers of high-quality products.	Opportunity	Yes			+

[1] The impact/risk/opportunity is expected to increase over time (+), be at the same level (=), decrease over time (–).

Corporate culture
Momentum Group can exert an influence by having a strong, values-based culture that has a positive impact on both people and the environment based on a work environment where employees act responsibly and in line with our business conduct principles.

Non-compliance represents a risk that, in turn, could lead to a loss of confidence, a negative impact on the brand and potential business losses. We see an opportunity to strengthen and spread our corporate culture through clear guidelines, training and leadership development. By ensuring a high level of business ethics and regulatory compliance, we can reduce risks, attract and retain skilled employees, and create a sustainable and long-term business.

Management of relationships with suppliers
Given that Momentum Group does not conduct its own large-scale manufacturing, the largest impact arises along the supply chain, which makes responsible supplier management one of our most critical sustainability matters. By setting clear requirements and working closely with our suppliers, we can promote sustainable business practices and drive positive change.

Risks are linked to the working conditions, environmental impact and business conduct of our suppliers. Inadequate sustainability efforts among our suppliers could impact Momentum Group's reputation and entail business risks. Opportunities relate to engaging in strategic partnerships and setting clear requirements in order to ensure that our suppliers meet high sustainability standards.

Impact, risk and opportunity management

Policies and guidelines
Momentum Group has several Group-wide governance documents for corporate governance issues, such as:
- Code of Conduct
- Supplier Code of Conduct
- Anti-corruption guidelines
- Antitrust guidelines
- Whistleblower Policy
- Quality Policy
- Acquisition Guidelines

Corporate governance objectives and guidelines
Business conduct
Momentum Group is a corporate group based on strong values and long-term relationships, where ethical business conduct permeates the entire business. Our Code of Conduct forms the basis for our ethical and business approach and describes the principles that govern our actions in all decisions and activities.

We follow the laws and regulations that apply in the countries where we operate and conduct our business in a commercially and ethically justifiable manner. We respect and support the UN Declaration of Human Rights, the ILO Core Conventions and the OECD Guidelines for Multinational Enterprises. Momentum Group also follows the UN Global Compact and works actively to integrate its Ten Principles in the areas of human rights, labour, environment and anti-corruption into its daily operations.

Our responsibility also extends to ensuring fair competition and a healthy business environment. We do not accept corruption, bribery or anti-competitive practices, and strictly comply with prevailing competition law. All forms of undue payments or remuneration are prohibited, and employees must always follow the Group's guidelines for anti-corruption and business conduct.

Momentum Group safeguards transparency and trust, which includes responsible management of both tangible and intangible assets. We protect the Group's resources and respect other companies' intellectual property rights. By ensuring a high ethical standard at all levels, we strengthen our brand and build long-term relationships with customers, suppliers and other business partners.

Responsible supplier relationships

Momentum Group sets high standards for its suppliers and partners and actively works to ensure responsible business relationships. Since a large part of our impact on people and the environment takes place along our supply chain, it is crucial that those we work with share our values and comply with our requirements with regard to sustainability, ethics and social responsibility.

We expect our suppliers to respect the principles set out in our Code of Conduct and to provide a safe and healthy work environment for their employees. Child labour, forced labour or other kinds of labour law violations are not accepted. We do not enter into business relationships with players that are subject to international sanctions and do not participate in activities related to money laundering. Momentum Group strives to establish long-term and sustainable relationships with its suppliers, in which mutual transparency and responsibility are key factors for a successful collaboration.

Processes to identify governance-related risks and opportunities

- Group-wide risk management
- Stakeholder dialogues
- Double materiality assessment
- Whistleblower service
- Self-evaluation tools for suppliers

Material impacts, risks and opportunities and their interaction with strategy and business model

Momentum Group's work related to business conduct

Momentum Group strives to conduct business in an ethical, transparent and responsible manner. Sustainable corporate governance is a central part of our strategy and business model, and we work actively to ensure that our operations and business partners act in line with our values and ethical guidelines.

Our Code of Conduct, which serves as the foundation for this work, is based on the UN Global Compact as well as international guidelines such as the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the ILO Core Conventions. The Code of Conduct covers all operations and employees in the Group and focuses on human rights, fair working conditions, health and safety, business conduct and environmental responsibility.

The management team within each subsidiary is responsible for implementing and ensuring compliance with the Code of Conduct in its operations. To support this work, Momentum Group has clear processes for internal control, training and monitoring of compliance throughout the Group.

See Momentum Group's Code of Conduct

Responsible supplier relationships

Since a large part of our impact on people and the environment takes place along our supply chain, it is crucial to ensure that our partners act in accordance with our sustainability requirements. This work related to the supply chain is formally referred to as "due diligence" and is based on international frameworks such as the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Momentum Group's Supplier Code of Conduct is a key tool in this work and ensures that our suppliers comply with high standards in human rights, working conditions, environmental responsibility, business conduct and financial sanctions.

In 2024, 94 per cent of our purchases were made from suppliers and partners in Europe and 83 per cent had either signed our Code of Conduct or had their own code of conduct with equivalent content.

Our ongoing work with the players in our supply chain takes the form of supplier assessments and supplier audits. A small proportion of our purchases are made from suppliers outside the EU. These purchases are governed by strict internal procedures and controls that ensure we meet all legal requirements for imports into the EU, including import restrictions on certain product segments from various geographic areas.

Our companies engage in ongoing dialogues with their suppliers to identify areas for improvement and strengthen their sustainability efforts. We have established procedures for supplier assessments and audits whereby we continuously evaluate and monitor supplier compliance with our requirements.

Whistleblower service

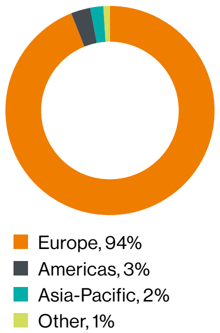
Momentum Group does not tolerate any form of irregularities, corruption or violations of legislation or our Code of Conduct. Our whistleblower service is part of our system for ensuring ethical business conduct and contributes to reducing risks, protecting our employees and maintaining customer and public confidence in our business. Using the whistleblower service, both internal and external stakeholders can anonymously report suspected irregularities.

Since 17 December 2023, all subsidiaries with more than 50 employees have their own reporting channels in line with the updated EU Whistleblower Protection Directive. During the 2024 financial year, two cases (case) were reported to the Group's whistleblower service, none of which were classified as whistleblowing cases. A total of two cases (four) were reported through the subsidiaries' channels, none of which (none) were classified as whistleblowing cases.

Through our whistleblower function, we ensure that irregularities are handled in a professional and transparent manner and that our values and ethical guidelines are complied with throughout the organisation.

Our whistleblower service can be found on our website

Proportion of purchasing volume by region



KPIs Governance

	2024	2023	2022
Proportion of purchases from CoC-classed suppliers, %	83	72	71
Number of companies that apply ISO 26001:2010 guidance on social responsibility	5	2	2
Number of registered whistleblowing cases, Group	0	1	0
Number of registered whistleblowing cases, subsidiaries	0	4	0

Financial statements

Administration Report

1 January–31 December 2024

The Board of Directors and President & CEO of Momentum Group AB (publ), Corporate Registration Number 559266-0699, hereby submit the Annual Report and consolidated financial statements for the 1 January–31 December 2024 financial year. Comparisons in parentheses pertain to the corresponding period in the preceding year, unless otherwise specified. The Corporate Governance Report on pages 38–42, the statutory Sustainability Report in accordance with the Swedish Annual Accounts Act on pages 45–69 and the following income statements, balance sheets, statements of comprehensive income, statements of changes in equity, cash-flow statements and notes constitute an integrated part of the Annual Report and have been reviewed by the company's auditors.

Operations

Momentum Group operates, develops and acquires successful sustainable companies in the Nordic region through active ownership with decentralised profit and business responsibility. The Group consists of more than 30 companies that offer sustainable products, services and solutions for customers in industry and industrial infrastructure in the Nordic region. What the businesses have in common is that they help make customers' operations easier, safer and more profitable by offering sustainable, long-life products and services and a strong local presence close to customers. The Group generates revenue of approximately SEK 2.9 billion and had 809 employees at the end of the year. Momentum Group's Class B share is listed on Nasdaq Stockholm.

Market development

The business climate in the Group's main markets in the Nordic region remained stable as a whole during the year, though with some variation over the year and between different customer segments. The Group's primary focus – aftermarket products to Swedish industry – continued to generate stable sales.

Customer segments such as metal and mining as well as electricity and heat production performed especially well during the year. However, the market was characterised by economic uncertainty, with cautious customers and a somewhat lower level of activity in some customer segments, such as paper and pulp, as well as the automotive sector at the end of the year. The industrial market in Finland remained cautious, while the Danish market developed more positively towards the end of the year, mainly driven by segments such as pharmaceuticals and green technology. Purchasing prices and costs increased at a moderate rate, and the companies in the Group displayed overall good delivery capacity during the year.

The operating environment also remains challenging, characterised by an uncertain global security situation and subdued industrial activity, which means that demand from the Group's customers will likely remain restrained.

Revenue

Overall, the Group posted a favourable sales trend, with stable demand for the companies' products and services in most customer segments during the year. Lower demand was noted from certain customer groups in specific markets. The Group's companies continually adopted measures to adapt to the prevailing market situation. The Group's decentralised structure, with decisions made close to customers and suppliers, has proven to be a major strength in these efforts.

Revenue increased by 25 per cent to SEK 2,873 million (2,298) in 2024, of which 3 per cent was attributable to comparable units. Acquired operations contributed SEK 518 million. The financial year contained the same number of trading days as the year-earlier period.

Profit

Operating profit rose by 15 per cent to SEK 273 million (237), corresponding to an operating margin of 9.5 per cent (10.3). Operating profit was charged with items affecting comparability of SEK –5 million (–), amortisation of intangible non-current assets of SEK –44 million (–28) arising in conjunction with acquisitions, and amortisation and depcreciation of other intangible non-current assets, right-of-use assets and tangible non-current assets of SEK –93 million (–72). Exchange-rate translation effects had no impact (0) on operating profit for the period. Acquisition-related expenses had an impact of SEK –4 million (–6) on earnings.

EBITA increased by 22 per cent to SEK 322 million (265), corresponding to an EBITA margin of 11.2 per cent (11.5). Profit after financial items totalled SEK 240 million (222). Profit after tax totalled SEK 186 million (173), corresponding to earnings per share of SEK 3.60 (3.45) for the reporting period.

Profitability, cash flow and financial position

Profitability

The Group's profitability, measured as the return on working capital (EBITA/WC), amounted to 59 per cent (59) for 2024. The return on equity for the same period was 27 per cent (31).

Cash flow

Cash flow from operating activities before changes in working capital for the reporting period totalled SEK 311 million (280). Cash flow was impacted by paid tax of SEK –73 million (–40). During the reporting period, inventories decreased by SEK 8 million. Operating receivables increased by SEK 4 million and operating liabilities by SEK 8 million. Accordingly, cash flow from operating activities for the reporting period amounted to SEK 323 million (260).

Cash flow from investing activities for the reporting period amounted to SEK –116 million (–436). Cash flow includes business combinations of SEK –93 million (–414), settlements of deferred payments regarding acquisitions of SEK –12 million (–10) and net investments in non-current assets of SEK –11 million (–12).

Cash flow from financing activities for the reporting period, which amounted to SEK –227 million (206), was mainly attributable to a net change in interest-bearing liabilities of SEK –174 million (239) and the dividend paid of SEK –58 million (–50), of which SEK –4 million (–1) pertained to the dividend to non-controlling interests in subsidiaries. Cash flow for the reporting period was also impacted in an amount of SEK 5 million (17) by sales of own shares in connection with acquisitions.

Financial position

The Group's financial net loan liability at the end of the reporting period amounted to SEK 459 million, compared with SEK 514 million at the beginning of the year. At the end of the period, the Group's operational net loan liability amounted to SEK 252 million, compared with SEK 326 million at the beginning of the financial year. The difference is largely attributable to cash flow from operating activities, acquisitions and dividends paid during the reporting period.

Cash and cash equivalents, including unutilised granted credit facilities, totalled SEK 859 million. Granted credit facilities comprise the company's revolving facility of SEK 800 million with a remaining maturity until 31 December 2026 and a committed credit facility totalling SEK 300 million with a maturity of one year (extended in April 2025). Of the company's revolving facility and committed credit facility, SEK 594 million and SEK 238 million, respectively, were unutilised at the end of the reporting period. The Group met, at the end of the reporting period, all financial obligations to lenders.

The equity/assets ratio at the end of the reporting period was 36 per cent (33). Equity per share totalled SEK 14.70 at the end of the reporting period, compared with SEK 12.50 at the beginning of the year.

The balance-sheet total at the end of the reporting period was SEK 1,999 million, compared with SEK 1,862 million at the beginning of the year. In addition to changes in working capital, the change during the year was partly attributable to acquisitions, and acquired assets and liabilities are presented in Note 27.

Development by business area

As of 1 January 2024, the business was divided into two business areas: Industry and Infrastructure. The division into business areas reflects Momentum Group's internal organisation and reporting system. For more information on the Group's operating segments, refer to Note 3.

Industry business area

Offers components and related services primarily to aftermarket customers and original equipment manufacturers in the industrial sector in the Nordic region. The companies are mainly resellers, but with certain proprietary products and system construction, with a significant focus on industrial improvements. The business area consists of the Power Transmission and Specialist business units.

Revenue increased by 7 per cent compared with the preceding year to SEK 1,728 million (1,610). For comparable units growth was 2 per cent. EBITA amounted to SEK 232 million (221), corresponding to an EBITA margin of 13.4 per cent (13.7). The business area's profitability, measured as return on working capital (EBITA/WC), was 68 per cent (69).

Read more in "Industry business area"

Infrastructure business area

Offers products, services and solutions to industrial infrastructure customers that are critical for a functioning society. The companies are resellers and service companies, and often deliver solutions with a focus on secure operation, longer service life, increased efficiency and precise measurability. The business area comprises the Flow Technology and Technical Solutions business units.

Revenue increased by 65 per cent compared with the preceding year to SEK 1,163 million (704). Revenue for comparable units, measured in local currency and adjusted for the number of trading days, rose by 4 per cent. EBITA amounted to SEK 122 million (71), corresponding to an EBITA margin of 10.5 per cent (10.1). The business area's profitability, measured as return on working capital (EBITA/WC), was 60 per cent (55).

Read more in "Infrastructure business area"

Acquisitions

Company acquisitions are an important part of Momentum Group's growth strategy and the company has a well-established model for evaluating, implementing, integrating and welcoming new companies to the Group. In 2024, Momentum Group completed eight business acquisitions with combined annual revenue of approximately SEK 260 million. Four additional acquisitions were conducted after the end of the year. These acquisitions have further strengthened Momentum Group's position as a specialist company for customers in industry and industrial infrastructure in the Nordic region. The acquisitions contributed positively to Momentum Group's earnings per share during the financial year.

For information about the acquired companies in "Acquisitions".

For acquisition analyses and other disclosures about acquisitions, refer to Note 27.

Parent Company

The Parent Company's revenue for 2024 amounted to SEK 22 million (17) and the loss after financial items totalled SEK –24 million (–28). Profit after tax for the reporting period amounted to SEK 39 million (54).

Employees

At the end of the year, the number of employees in the Group amounted to 809, compared with 749 at the beginning of the year.

The share

Momentum Group's Class B share (ticker MMGR B) was listed on Nasdaq Stockholm on 31 March 2022. The share price as of 31 December 2024 was SEK 177.80 (130.50).

On 7 May 2024, the Board decided, with the authorisation of the Annual General Meeting, to establish a repurchase programme to adapt the capital structure and to enable future acquisitions of businesses and operations to be paid for using treasury shares. The decision applies to repurchases of a maximum of 10 per cent of the number of Class B shares outstanding until the 2025 Annual General Meeting.

During the second quarter, the Group acquired Minrox AB, which was partly financed through the transfer of 29,260 own Class B shares to the seller at a price of SEK 170.87 per share. The price corresponds to the volume-weighted average price for the company's Class B share on Nasdaq Stockholm during the ten trading days immediately preceding the closing date.

As of 31 December 2024, the holding of Class B treasury shares totalled 1,053,766 shares, corresponding to approximately 2 per cent of the total number of shares.

At the end of the year, the share capital amounted to SEK 25.2 million, distributed between 564,073 Class A shares (ten votes per share) and 49,916,816 Class B shares (one vote per share). The total number of shares after the repurchase amounts to 49,427,123.

Read more in "The share"

Share-based incentive programmes

The AGM in May 2024 resolved to introduce a long-term incentive programme ("LTIP 2024") for senior executives. The programme is based on the participants making their own investment and entails that a maximum of 99,750 Class B shares may be issued, corresponding to approximately 0.2 per cent of the number of shares and votes in Momentum Group, before any recalculations. Allocation of performance shares is based on a variety of performance criteria, including the development of the company's profit per share. During the year, no performance share awards were forfeited, which is why outstanding performance shares as of 31 December 2024 amounted to 99,750 Class B shares.

Read more in "Corporate governance".

Environmental impact

During the financial year, the Group conducted operations subject to permit and/or reporting requirements in two of its Swedish subsidiaries, mainly related to the handling of and trading in certain chemical products and managing electronic waste. No Group companies are involved in any environmentally related disputes.

Research and development

Momentum Group does not conduct any research and development, but with the aim of strengthening and developing the Group's position as one of the Nordic region's leading suppliers of products, services and solutions to the industrial sector, resources continue to mainly be invested in the continued development of concepts and service solutions for customers and partners. Implemented activities in 2024 included continued development of various service concepts and customer solutions, continued focus on digitalisation of transaction management and information sharing both externally with customers and internally, development of logistics and e-commerce solutions for end customers, and training of end users.

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. The related-party transactions in place pertain primarily to lease expenses in acquired companies. These leases have been entered into on market terms. The remuneration of senior executives follows the guidelines established by the General Meeting.

Guidelines for determining remuneration and other terms of employment for senior executives

The Board aims to ensure that the remuneration system in place for the President & CEO and other members of the Group's senior executives is competitive and in line with market conditions. The guidelines for determining remuneration and other terms of employment for senior executives that applied for the 2024 financial year, which were adopted by the AGM on 11 February 2022, are presented in Note 4. The Board does not intend to propose any changes to the guidelines proposed by the AGM for the 2024 financial year.

Risks and uncertainties

Momentum Group's earnings, financial position and strategic position are impacted by a number of factors that are within the control of Momentum Group as well as a number of external factors. The most important external risk factors for Momentum Group are the economic and market situation for the industrial sector. Other risks include the competitive situation in the Group's markets and the significance of efficient logistics with high accessibility, in which the accessibility of the Group's logistics centres are important for certain flows of goods, as well as a dependence on identifying and developing relationships with qualified suppliers. The Group's opportunities and risks also include the completion of acquisitions and related capital requirements and the intangible surplus value that this can result in. Cyber-related risks are also considered important.

The future trend in the market and in demand may be impacted by the challenging security situation. Delivery times and the availability of components as well as rising prices, interest rates and inflation could also impact market conditions. The Parent Company is impacted indirectly by the above risks and uncertainties through its function in the Group.

Future development

The Group's intention is to continue on this path, with a focus on earnings growth in combination with tied-up capital and acquisitions for increased profitability.

The Group's goal is for its earnings growth over a business cycle to amount to at least 15 per cent annually, combined with favourable profitability.

Along with a strong balance sheet and cash flow from operating activities, Momentum Group's organisation and structural capital provide favourable conditions for maintaining healthy earnings growth and a high pace of acquisitions in 2025.

Dividend

The Board of Directors has proposed a dividend of SEK 1.30 (1.10) per share, corresponding to a pay-out ratio of 36 per cent (32) of earnings per share for the 2024 financial year.

The Board of Directors has assessed the company's and the Group's financial position and the company's and the Group's ability to meet their short and long-term obligations.

A total of approximately SEK 64.3 million (54) is required for the proposed dividend payment (taking into account the 1,053,766 Class B shares Momentum Group AB holds in treasury). The proposed dividend payment means that, all other things being equal, the Group's equity/assets ratio as of 31 December 2024 would decrease by approximately 3 percentage points. After payment of the proposed dividend and taking into consideration the prevailing market conditions, the company's and the Group's equity/assets ratio is still deemed to meet the demands placed on the operations conducted by the Group.

The Board's assessment is that the proposed dividend is well balanced taking into account the demands placed on the size of the company's and the Group's equity and liquidity due to the type of business conducted, its scope and relative risks. The proposed dividend is also in line with the Group's dividend policy, which states that the target is for the dividend to exceed 30 per cent of the Group's average profit over a business cycle.

Proposed appropriation of profit

The Board's and the President & CEO's proposal concerning appropriation of profit is presented on page 104.

Events after the end of the period

Heinolan Hydrauliikkapalvelu Oy, a specialist in hydraulic services and component sales for industrial customers in Finland, was acquired on 14 January 2025.

The acquisition of HVT, a specialist in valve service primarily for industrial customers in northern Sweden, closed on 18 February 2025.

Sulmu Oy, a leading provider of industrial glass-reinforced plastic and thermoplastic services in Finland, was acquired on 3 March.

Avoma AB, a specialist in industrial service of rotating equipment, turbines and welding, with a focus on the process and power industries in Sweden, was acquired on 4 March.

No other significant events affecting the Group have occurred since the end of the financial year.

Income statement

MSEK	Note	2024	2023
Revenue	3	2,873	2,298
Other operating income		7	4
Total operating income		**2,880**	**2,302**
Product costs	12	–1,510	–1,201
Personnel costs	4	–710	–555
Depreciation, amortisation, impairment losses and reversal of impairment losses	9, 10, 11	–137	–100
Other operating expenses	5, 11	–250	–209
Total operating expenses		**–2,607**	**–2,065**
Operating profit	3	**273**	**237**
Financial income		4	6
Financial expenses		–37	–21
Net financial items	3, 6	**–33**	**–15**
Profit after financial items		**240**	**222**
Taxes	8	–54	–49
Net profit		**186**	**173**
Attributable to:			
Parent Company shareholders		178	170
Non-controlling interests		8	3
Earnings per share before dilution (SEK)	16	3.60	3.45
Earnings per share after dilution (SEK)	16	3.60	3.45

Statement of comprehensive income

MSEK	Note	2024	2023
Net profit		**186**	**173**
Other comprehensive income			
Components that will not be reclassified to net profit		–	–
Total		**–**	**–**
Components that will be reclassified to net profit			
Translation differences		4	–6
Fair value changes for the year in cash-flow hedges		1	–1
Fair value changes in cash-flow hedges transferred to net profit		0	0
Tax attributable to components that were or can be reclassified to net profit	8	0	0
Total		**5**	**–7**
Other comprehensive income		**5**	**–7**
Total comprehensive income		**191**	**166**
Attributable to:			
Parent Company shareholders		183	164
Non-controlling interests		8	2

Balance sheet

MSEK	Note	31 Dec 2024	31 Dec 2023
Assets			
Non-current assets			
Intangible non-current assets	9	857	789
Tangible non-current assets	10	29	27
Right-of-use assets	11	214	194
Financial investments	22	0	0
Other long-term receivables	14	3	2
Deferred tax assets	8	3	2
Total non-current assets		**1,106**	**1,014**
Current assets			
Inventories	12	379	366
Tax assets		3	0
Accounts receivable	21, 22	432	388
Prepaid expenses and accrued income	13	44	38
Other receivables	14	8	9
Cash and cash equivalents	22	27	47
Total current assets		**893**	**848**
Total assets		**1,999**	**1,862**

MSEK	Note	31 Dec 2024	31 Dec 2023
Equity and liabilities			
Equity	15		
Share capital		25	25
Reserves		3	–2
Retained earnings, including net profit		698	594
Equity attributable to Parent Company shareholders		**726**	**617**
Non-controlling interests		**59**	**39**
Total equity		**785**	**656**
Non-current liabilities			
Non-current interest-bearing liabilities	21, 22	216	303
Non-current lease liabilities	21, 22	125	116
Other non-current liabilities	17, 22	91	99
Other provisions	17	0	0
Deferred tax liabilities	8	120	110
Total non-current liabilities		**552**	**628**
Current liabilities			
Current interest-bearing liabilities	21, 22	63	70
Current lease liabilities	21, 22	82	72
Accounts payable	21, 22	246	228
Tax liabilities		0	8
Other liabilities	18, 22	124	65
Accrued expenses and deferred income	19	147	135
Total current liabilities		**662**	**578**
Total liabilities		**1,214**	**1,206**
Total equity and liabilities		**1,999**	**1,862**

Statement of changes in equity

	Equity attributable to Parent Company shareholders					
MSEK	**Share capital**	**Reserves**	**Retained earnings, including net profit**	**Total**	**Non-controlling interests**	**Total equity**
Closing equity, 31 Dec 2022	**25**	**4**	**469**	**498**	**27**	**525**
Net profit			170	170	3	**173**
Other comprehensive income		–6	0	–6	–1	**–7**
Total comprehensive income		**–6**	**170**	**164**	**2**	**166**
Dividend			–49	–49		**–49**
Sale of own shares[1]			17	17		**17**
Acquisitions of partly owned subsidiaries				–	11	**11**
Dividends paid in partly owned subsidiaries				–	–1	**–1**
Option liability, acquisitions[2]			–15	–15		**–15**
Change in value of option liability[3]			2	2		**2**
Closing equity, 31 Dec 2023	**25**	**–2**	**594**	**617**	**39**	**656**
Net profit			178	178	8	**186**
Other comprehensive income		5	0	5	0	**5**
Total comprehensive income		**5**	**178**	**183**	**8**	**191**
Dividend			–54	–54		**–54**
Sale of own shares[4]			5	5		**5**
Share-based payments			1	1		**1**
Acquisitions of partly owned subsidiaries				–	16	**16**
Dividends paid in partly owned subsidiaries				–	–4	**–4**
Option liability, acquisitions[5]			–26	–26		**–26**
Change in value of option liability[3]			0	0		**0**
Closing equity, 31 Dec 2024	**25**	**3**	**698**	**726**	**59**	**785**

1) Pertains to the transfer of 154,830 own Class B shares in conjunction with the acquisitions of Conclean AB and the transfer of 21,768 own Class B shares in conjunction with the acquisition of Swerub AB.

2) Pertains to the value of put options in relation to non-controlling interests in the acquired subsidiaries Hydmos Industriteknik AB, Conclean AB and Cobalch ApS, which entail that the shareholders are entitled to sell their shares to Momentum Group. The price of the options is dependent on certain results being achieved in the companies and may be extended from 2026 (Hydmos) and 2027 (Conclean and Cobalch), respectively, by one year at a time.

3) Pertains to a change in the value of the put options in relation to non-controlling interests issued in conjunction with the acquisitions of partly owned subsidiaries.

4) Pertains to the transfer of 29,260 own Class B shares in conjunction with the acquisition of Minrox AB.

5) Pertains to the value of put options in relation to non-controlling interests in the acquired subsidiaries KmK Instrument AB, WH-Service AB and Sikama AB, which entail that the shareholders are entitled to sell their shares to Momentum Group. The price of the options is dependent on certain results being achieved in the companies and may be extended from 2027 by one year at a time.

Cash-flow statement

MSEK	Note	2024	2023
Operating activities			
Profit after financial items		240	222
Adjustments for non-cash items	26	144	98
Income taxes paid		–73	–40
Cash flow from operating activities before changes in working capital		**311**	**280**
Cash flow from changes in working capital			
Change in inventories		8	–20
Change in operating receivables		–4	26
Change in operating liabilities		8	–26
Changes in working capital		**12**	**–20**
Cash flow from operating activities		**323**	**260**
Investing activities			
Purchase of tangible non-current assets		–9	–12
Purchase of intangible non-current assets		–1	0
Acquisition of subsidiaries/operating segments, net effect on liquidity	26	–105	–424
Purchase of financial non-current assets		–1	0
Cash flow from investing activities		**–116**	**–436**
Cash flow before financing		**207**	**–176**
Financing activities			
Conveyance of own shares		5	17
Dividend paid to Parent Company shareholders		–54	–49
Dividend paid to non-controlling interests		–4	–1
Borrowings	26	5	304
Repayment of loans	26	–94	0
Repayment of lease liabilities	26	–85	–65
Cash flow from financing activities		**–227**	**206**
Cash flow for the year		**–20**	**30**
Cash and cash equivalents at the beginning of the year		47	17
Exchange-rate differences in cash and cash equivalents		0	0
Cash and cash equivalents at year-end	26	**27**	**47**

Income statement

MSEK	Note	2024	2023
Revenue	3	22	17
Other operating income		4	3
Total operating income		**26**	**20**
Personnel costs	4	–40	–33
Depreciation, amortisation, impairment losses, and reversal of impairment losses		–	–
Other operating expenses	5, 11	–15	–18
Total operating expenses		**–55**	**–51**
Operating profit/loss	3	**–29**	**–31**
Profit from participations in Group companies		–	–
Other interest income and similar profit/loss items		38	23
Interest expenses and similar profit/loss items		–33	–20
Net financial items	6	**5**	**3**
Profit/loss after financial items		**–24**	**–28**
Appropriations	7	75	97
Profit before tax		**51**	**69**
Taxes	8	–12	–15
Net profit		**39**	**54**

Statement of comprehensive income

MSEK	Note	2024	2023
Net profit		**39**	**54**
Other comprehensive income			
Components that will not be reclassified to net profit		–	–
Components that will be reclassified to net profit		–	–
Other comprehensive income for the year		**–**	**–**
Total comprehensive income		**39**	**54**

Balance sheet

MSEK	Note	31 Dec 2024	31 Dec 2023
Assets			
Non-current assets			
Financial non-current assets			
Participations in Group companies	24	43	43
Receivables from Group companies		–	–
Total non-current assets		**43**	**43**
Current assets			
Current receivables			
Receivables from Group companies		808	807
Tax assets		5	–
Other receivables		1	1
Prepaid expenses and accrued income		2	2
Total current receivables		**816**	**810**
Cash and cash equivalents		–	–
Total current assets		**816**	**810**
Total assets		**859**	**853**

MSEK	Note	31 Dec 2024	31 Dec 2023
Equity and liabilities			
Equity	15		
Restricted equity			
Share capital		25	25
Non-restricted equity			
Retained earnings		70	64
Net profit		39	54
Total equity		**134**	**143**
Untaxed reserves		**69**	**69**
Non-current liabilities			
Liabilities to credit institutions	21	206	298
Other provisions		0	–
Total non-current liabilities		**206**	**298**
Current liabilities			
Liabilities to credit institutions	21	62	58
Liabilities to Group companies		373	257
Accounts payable		1	3
Tax liabilities		–	11
Other liabilities		1	2
Accrued expenses and deferred income		13	12
Total current liabilities		**450**	**343**
Total liabilities		**656**	**641**
Total equity and liabilities		**859**	**853**

Statement of changes in equity

	Restricted equity	Non-restricted equity			
MSEK	**Share capital**	**Treasury shares**	**Retained earnings**	**Net profit**	**Total equity**
Closing equity, 31 Dec 2022	**25**	**–73**	**60**	109	**121**
Reversal of earnings			109	–109	**–**
Net profit				54	**54**
Other comprehensive income				–	**–**
Dividend			–49		**–49**
Sale of own shares		10	7		**17**
Closing equity, 31 Dec 2023	**25**	**–63**	**127**	**54**	**143**
Reversal of earnings			54	–54	**–**
Net profit				39	**39**
Other comprehensive income				–	**–**
Dividend			–54		**–54**
Share-based payments			1		**1**
Sale of own shares		2	3		**5**
Closing equity, 31 Dec 2024	**25**	**–61**	**131**	**39**	**134**

Cash-flow statement

MSEK	Note	2024	2023
Operating activities			
Profit after financial items		–24	–28
Adjustments for non-cash items		1	0
Income taxes paid		–27	–12
Cash flow from operating activities before changes in working capital		**–50**	**–40**
Cash flow from changes in working capital			
Change in current receivables and liabilities to Group companies		115	–353
Change in operating receivables		–1	0
Change in operating liabilities		–2	5
Changes in working capital		**112**	**–348**
Cash flow from operating activities		**62**	**–388**
Investing activities			
Cash flow from investing activities		**–**	**–**
Cash flow before financing		**62**	**–388**
Financing activities			
Conveyance of own shares		5	17
Dividend paid		–54	–49
Group contributions received		75	120
Borrowings		–88	300
Repayment of loans		–	–
Cash flow from financing activities		**–62**	**388**
Cash flow for the year		**–**	**–**
Cash and cash equivalents at the beginning of the year		–	–
Exchange-rate differences in cash and cash equivalents		–	–
Cash and cash equivalents at year-end	26	**–**	**–**

Notes

1 Parent Company disclosures

Momentum Group AB (“**the company**”) and its subsidiaries form the Momentum Group. The Group consists of a number of companies that together constitute one of the Nordic region's leading suppliers of industrial components, industrial services and other related services in the industrial sector.

Momentum Group AB, Corporate Registration Number 559266-0699, is a registered limited liability company with its registered office in Stockholm, Sweden.

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2 Accounting policies

Compliance with standards and legislation

The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB). Recommendation RFR 1 Supplementary Accounting Rules for Groups issued by the Swedish Financial Reporting Board has also been applied. The Parent Company applies the same accounting policies as the Group, except in the cases stated below under “Parent Company accounting policies.”

The Parent Company financial statements and consolidated financial statements were approved for publication by the Board of Directors and President & CEO on 2 April 2025. The income statements and balance sheets of the Parent Company and the Group are subject to approval by the Annual General Meeting to be held on 7 May 2025.

Basis applied when preparing the financial statements

The Parent Company's functional currency is Swedish kronor (SEK), which also constitutes the reporting currency for the Group. This means that the financial statements are presented in SEK. All amounts, unless specifically stated otherwise, are rounded to the nearest million.

Assets and liabilities are recognised at historical cost, except for certain financial assets and liabilities that are measured at fair value. Financial assets and liabilities measured at fair value consist of contingent considerations and derivative instruments.

The stated accounting policies for the Group have been applied consistently for all periods presented in the consolidated financial statements, unless specifically stated otherwise. The Group's accounting policies have been applied consistently in the reporting and consolidating of the Parent Company and subsidiaries.

Key estimates and assumptions for accounting purposes

Preparing the financial statements in accordance with IFRS requires that management makes judgements and estimates and makes assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expenses. The actual outcome may differ from these estimates and judgements. This primarily applies to assessments regarding: impairment testing of goodwill, the outcome of contingent considerations, the discount rate for leases, and the length of lease agreements. Assumptions and estimates are continuously evaluated and are based on historical experience and expectations of future events that are considered reasonable under the prevailing circumstances.

New IFRS standards not yet adopted

The Group has not yet assessed the impact of IFRS 18, will replace IAS 1 as of 1 January 2027. None of the other new and amended IFRS standards and interpretations approved by the EU are currently expected to have a material impact on the Group's financial performance or financial position.

Principles of consolidation

Subsidiaries

Subsidiaries are entities over which Momentum Group AB has a controlling influence. Subsidiaries are recognised in accordance with the purchase method of accounting. This method entails that the acquisition of a subsidiary is viewed as a transaction through which the Group indirectly acquires the assets of the subsidiary and assumes its liabilities. The acquisition analysis determines the fair value, on the date of acquisition, of the identifiable assets, assumed debts and any non-controlling interests.

Contingent considerations are measured at fair value on the date of acquisition and remeasurement is performed for each financial statement and the difference is recognised in net profit. Changes in value due to discount rates and other interest components, are reported as part of financial items. Other changes in value are reported as part of operating profit. If the acquisition does not pertain to 100 per cent of the subsidiary, a non-controlling interest arises. There are two methods for recognising non-controlling interests, and the choice between these alternatives is made on a case-by-case basis. To date, the Group has recognised all acquisitions where non-controlling interests have arisen based on the non-controlling interest's share of the proportional net assets.

Foreign currency

Transactions in foreign currency

Transactions in foreign currency are translated to the functional currency using the exchange rate prevailing on the transaction date. The functional currency is the currency of the primary economic environments in which the companies conduct their operations. Monetary assets and liabilities in foreign currency are translated to the functional currency at the exchange rate prevailing on the balance-sheet date. Exchange-rate differences that arise during translation are recognised in net profit. Non-monetary assets and liabilities recognised at historical cost are translated at the exchange rate prevailing on the transaction date.

Revenue

The Group's primary revenue comprises the sale of goods, while a minor portion comprises sales of services. Revenue is recognised in an amount that reflects the consideration to which the company expects to be entitled for transferring products and/or services to a customer when control has been transferred to the customer.

Sale of goods

Revenue includes the fair value of the amount that has been, or will be, received for goods sold in the Group's operating activities. Revenue is recognised net, less discounts, such as volume-related discounts. Revenue is recognised when control transfers to the buyer, which normally coincides with the time of delivery.

Service assignments

Part of the Group's revenue comes from service assignments. Most of this revenue is related to assignments carried out over short periods of time, such as service and repairs. Revenue is normally recognised when the service is performed. Revenue from service assignments that is recognised over time is primarily attributable to workshop related services that are mainly based on costs incurred, compared with total expected costs for each identified performance obligation.

Leases

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term, which for the Group is normally the end of the lease term. In cases when the cost of the right-of-use asset reflects that the Group will exercise an option to purchase the underlying asset, the asset is depreciated at the end of its useful life.

The lease liability, which is divided into non-current and current parts, is initially measured at the present value of remaining lease payments during the estimated lease term. When determining the lease term, the extension option is only included when it is reasonably certain that the option will be exercised. Periods after an option to terminate are only included in the lease term when it is reasonably certain that the termination option will not be exercised. For lease contracts concerning assets other than premises, the lease term is primarily based on the non-cancellable period of the lease. Regarding contracts for premises, extension options are mainly taken into account for agreements where the initial term of lease is less than three years.

Lease payments are discounted using the Group's incremental borrowing rate, which reflects the Group's credit risk. The incremental borrowing rate is an interest rate that reflects the term of each lease and the geographic location.

No right-of-use asset or lease liability is recognised for leases with a term of twelve (12) months or less, or where the underlying asset is of low value, less than SEK 100 thousand. Lease payments for these leases are recognised on a straight-line basis over the term of the lease.

Financial income and expenses

Financial income and expenses consist of interest income on bank funds and receivables, and of interest-bearing securities, interest expenses on loans, dividend income, exchange- rate differences and unrealised and realised gains/losses on financial investments.

Interest income on receivables and interest expenses on liabilities are calculated using the effective interest method.

Exchange gains and losses are recognised in a net amount.

Note 2: Accounting policies, cont.

Financial instruments

Financial instruments are measured and recognised in the Group in accordance with the rules of IFRS 9. Financial instruments recognised as assets in the balance sheet include cash and cash equivalents, accounts receivable, financial investments and derivatives. Liabilities include accounts payable, loan liabilities, liabilities related to put options issued on equity instruments in partly owned subsidiaries and derivatives.

Classification and measurement

The Group classifies its financial instruments into one of the following categories: financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial assets or liabilities at amortised cost. A financial instrument's classification determines how it is measured after the initial reporting occasion. The classification of financial assets is based on the company's business model for holding the financial assets and the asset's contractual cash flow characteristics. The Group's holdings of financial instruments are classified as follows:

Financial assets at measured fair value through profit or loss
Financial assets measured at fair value through profit or loss include financial investments and derivatives.

Financial assets measured at amortised cost
This category includes cash and cash equivalents, current investments, accounts receivable and any other receivables. The assets are recognised less expected credit losses. Any impairment requirement for the receivables is determined based on individual testing and on the basis of earlier experience of customer losses on similar receivables and the maturity structure.

Financial liabilities measured at amortised cost
Loans and other financial liabilities, such as accounts payable, are included in this category. Financial liabilities arising in connection with acquisitions in respect of issued put options on equity instruments in partly owned subsidiaries, which grant the holder the right to sell the remaining shares, are also included in this category. Recognition is initially at fair value after deductions for transaction costs.

Remeasurements related to put options issued on equity instruments in partly owned subsidiaries are recognised in equity since the final settlement is recognised as a transaction with non-controlling interests.

Borrowing is classified as a current liability if the company does not hold an unconditional right to defer payment for a minimum of 12 months after the balance-sheet date.

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

Derivatives and hedge accounting
Derivative instruments are initially measured at fair value. After the acquisition date, derivative instruments held for hedging purposes, meaning foreign-exchange forward contracts, are measured at fair value. The Group identifies certain derivatives as a hedge of a highly probable forecast transaction in foreign currency (cash-flow hedging). The effective portion of changes in the fair value of derivative instruments identified as cash-flow hedges are recognised in other comprehensive income and the accumulated changes in value are recognised in a separate component under equity (the hedging reserve). Any gains or losses attributable to the ineffective portion are recognised immediately in profit or loss. Accumulated amounts in equity are reversed to net profit in the periods in which the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). If the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventories), or a non-financial liability, the hedging reserve is dissolved in other comprehensive income and included in the initial carrying amount of the asset or liability.

Contingent purchase considerations
Purchase considerations that are contingent on the outcome of future events are measured at fair value, with changes in value recognised in profit or loss. Contingent considerations are valued on the basis of the probability that a consideration will be paid.

Tangible non-current assets

Owned assets

Tangible non-current assets are recognised in the Group at cost, less accumulated depreciation and any impairment losses. The cost includes the purchase price and costs directly attributable to the asset to bring it to location and make it usable for the purpose intended with its procurement. Directly attributable costs primarily included in cost are expenses for shipping and handling, installation and other consulting services. Tangible non-current assets that consist of parts with different useful lives are treated as separate components of tangible non-current assets.

Depreciation policies

Assets are depreciated on a straight-line basis over their estimated useful lives. The Group applies component depreciation, which means that depreciation is based on the estimated useful life of individual components.

Estimated useful lives

Machinery	3–10 years
Inventory	3–5 years
Leasehold improvements	5–10 years

An assessment of the depreciation methods applied and the residual value and useful life of assets is carried out at the end of each financial year.

Intangible assets

Goodwill

Goodwill is measured at cost, less any accumulated impairment losses. Goodwill is distributed to each of the Group's cash-generating units, or groups of cash-generating units, expected to benefit from the synergies arising from the acquisition. Goodwill is not amortised. Instead, impairment testing is conducted on an annual basis. The Group's cash-generating units are described in Note 9.

Other intangible assets

Other intangible assets acquired by the Group are recognised at cost less accumulated amortisation and impairment losses and mainly comprise customer relationships, supplier relationships and capitalised IT expenditure for development and purchases of software.

Amortisation policies

Amortisation is recognised in net profit on a straight-line basis over the estimated useful life of the intangible asset, unless the useful life is indefinite. Goodwill and other intangible assets with an indefinite useful life are tested on an annual basis for any indications of an impairment requirement, or as soon as there are indications that the asset in question has declined in value. Intangible assets that are subject to amortisation are amortised on a straight-line basis from the date on which they are available for use.

Estimated useful lives

Customer relationships	3–10 years
Supplier relationships	3–15 years
Software, IT investments	3–5 years

An assessment of the amortisation methods applied and useful life of assets is carried out at the end of each financial year.

Impairment of tangible, intangible and right-of-use assets

The carrying amount of the Group's tangible, intangible and right-of-use assets is tested on at least each balance-sheet date to determine whether there are any indications of an impairment requirement. If there is any indication of impairment, the recoverable amount of the asset is calculated. The recoverable amount of goodwill, other intangible assets with an indefinite useful life and intangible assets not yet ready for use is calculated at least annually.

Where it is not possible to allocate essentially independent cash flows to an individual asset, net assets are grouped at the lowest level at which essentially independent cash flows can be determined (cash-generating unit). The Group's cash-generating units are described in Note 9. An impairment loss is recognised when an asset's or a cash-generating unit's carrying amount exceeds the recoverable amount. An impairment loss is recognised as a cost in net profit.

Calculation of recoverable amount

The recoverable amount is the higher of fair value less selling expenses and value in use. For the purpose of calculating the value in use, future cash flows are discounted using a discount factor that reflects risk-free interest and the risk associated with the specific asset. No assets in the Group are independent of other assets, hence the recoverable amount is calculated for the cash-generating unit to which the asset belongs. The current discount factor for each cash-generating unit is disclosed in Note 9.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is primarily calculated using a method based on a weighted average and includes expenditures arising during the acquisition of the inventory assets and transportation thereof to their current location and state. Net realisable value is the estimated selling price in the operating activities, after deduction of the estimated costs for completion and for accomplishing a sale. When calculating and assessing the lower of cost and net realisable value, subsidiaries within the Group apply obsolescence scale, taking into account factors such as items with redundancy and a low turnover rate as well as discontinued items.

Employee benefits

Employee benefits are calculated based on a discount rate and are recognised as an expense when the related services have been received.

A provision is recognised for the expected cost of profit-share and bonus payments when the Group has a current legal or informal obligation to make such payments as a result of services received from employees and the obligation can be reliably calculated.

Share-based remuneration

Share-based remuneration refers to remuneration for employees under the long-term incentive programme ("LTIP 2024") aimed at senior executives, as approved by the Annual General Meeting in May

Note 2: Accounting policies, cont.

2024. Performance rights entitle participants to shares if certain Group targets are met. The performance shares are recognised as personnel costs (excluding social security contributions) over the vesting period in accordance with IFRS 2 Share-Based Payment and are recognised directly in equity. The recognised cost is continuously adjusted during the vesting period based on the number of performance shares expected to vest for the participants in the programme. Social security contributions for the programme are expensed on an ongoing basis during the vesting period and are based on the market price of the share at each reporting date.

Defined-contribution pension plans

Obligations pertaining to fees for defined-contribution pension plans are recognised as an expense in net profit at the rate they are accrued as the employees perform services for the company during a specific period.

Defined-benefit pension plans

For salaried employees in Sweden, defined-benefit pension obligations for retirement and family pensions (or alternately family pensions) under the ITP 2 plan are secured through an insurance policy with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10 Recognition of ITP 2 pension plan financed through insurance with Alecta, this is a multi-employer defined-benefit plan. For the financial year, the company has not had access to information that would enable it to recognise its proportionate share of the plan's obligations, plan assets and expenses. It has therefore not been possible to recognise the plan as a defined-benefit plan. Accordingly, the ITP 2 pension plan secured through insurance with Alecta was recognised as a defined-contribution plan. The premium for the defined-benefit retirement and family pension is calculated individually on the basis of such factors as salary, previously earned pension entitlement and estimated remaining period of employment. The expected fees for the next reporting period for ITP 2 insurance signed with Alecta amount to approximately SEK 8 million.

The collective funding ratio consists of the market value of Alecta's assets as a percentage of insurance undertakings calculated in accordance with Alecta's actuarial methods and assumptions, which do not comply with IAS 19. The collective funding ratio is normally permitted to vary between 125 and 175 per cent. To strengthen the funding ratio if it is deemed to be too low, one measure that can be taken is to raise the agreed price for new policies and the expansion of existing benefits. If the funding ratio exceeds 150 per cent, premiums may be reduced. At the end of the third quarter of 2024, Alecta's surplus in the form of its collective funding ratio was 163 per cent (2023: 178).

Provisions

A provision is recognised in the balance sheet when the Group has a current legal or informal obligation resulting from a transpired event and when it is probable that an outflow of financial resources will be required to settle the obligation, and an accurate assessment of the amount can be made. When the effect of the timing of the payment is significant, provisions are calculated based on a discount of the expected future cash flow at an interest rate before taxes that reflects current market assessments of the time value of money and, where applicable, the risks associated with the liability.

Guarantees

A provision for guarantees is recognised when the underlying products or services are sold. The provision is based on historical data on guarantees and a total assessment of the possible outcomes in relation to the probabilities associated therewith.

Taxes

Income taxes consist of current taxes and deferred taxes. Income taxes are recognised in net profit, except when the underlying transaction is recognised in other comprehensive income or in equity, in which case the associated tax effect is also recognised in other comprehensive income or in equity. Deferred tax assets pertaining to deductible temporary differences and loss carryforwards are recognised only to the extent that it is probable that it will be possible to utilise them. The value of deferred tax assets is reduced when it is no longer deemed probable that it will be possible to utilise them.

Cash-flow statement

Receipts and disbursements have been divided into the following categories: operating activities, investing activities and financing activities. The indirect method is applied for flows from operating activities. The changes in operating assets and operating liabilities for the year have been adjusted for effects of changes in exchange rates. Acquisitions and disposals are recognised in investing activities. The assets and liabilities held by the entities acquired and sold on the date of acquisition are not included in the analysis of changes in working capital, nor in the changes of balance-sheet items recognised in investing and financing activities.

Parent Company accounting policies

The Parent Company applies the Swedish Annual Accounts Act (1995:1554) and recommendation RFR 2 Accounting for Legal Entities issued by the Swedish Financial Reporting Board. RFR 2 stipulates that the Parent Company, in the annual accounts for the legal entity, is to apply all IFRS and statements adopted by the EU to the greatest extent possible within the framework of the Swedish Annual Accounts Act and with due consideration given to the relationship between accounting and taxation. The recommendation states which exceptions/additions should be made from/to IFRS. Combined, this results in differences between the Group's and the Parent Company's accounting policies in the main areas indicated below.

Subsidiaries

Participations in subsidiaries are recognised in the Parent Company in accordance with the cost method. This means that transaction fees are included in the carrying amount for holdings in subsidiaries. In the consolidated financial statements, transaction fees are recognised directly in earnings when incurred.

Leased assets

The Parent Company does not apply IFRS 16, in accordance with the exemption in RFR 2. As a lessee, lease payments are recognised straight line as an expense over the lease term, and right-of-use assets and lease liabilities are thus not recognised in the balance sheet.

Taxes

In the Parent Company, untaxed reserves are recognised including deferred tax liabilities. However, in the consolidated financial statements, untaxed reserves are divided into deferred tax liabilities and equity. In the Parent Company, no part of the appropriations are distributed to deferred tax expense in profit or loss.

Group contributions and shareholder contributions

Shareholder contributions are recognised directly in equity of the recipient, and capitalised in shares and participations of the donor. Group contributions, both received and paid, are recognised in profit or loss as appropriations.

Financial instruments

The Parent Company has decided not to apply IFRS 9 for financial instruments. However, some of the principles in IFRS 9 are still applicable – such as impairment, recognition/derecognition, criteria for the application of hedge accounting and the effective interest method for interest income and expense. In the Parent Company, financial non-current assets are measured at cost less any impairment, while financial current assets are measured at the lower of cost or net realisable value. For financial assets recognised at amortised cost, the impairment requirements under IFRS 9 are applied.

In accordance with the exemptions granted in RFR 2, the Parent Company has elected not to apply the provisions of IFRS 9 regarding financial guarantee contracts on behalf of subsidiaries. The Parent Company recognises financial guarantee contracts as a provision in the balance sheet when the company has a commitment for which payment will likely be required to settle the commitment

3 Segment reporting and specification of revenue from contracts with customers

As of 1 January 2024, the Group's operating segments comprise the business areas Industry and Infrastructure. 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.

Industry consists of businesses that offer components and related services primarily to aftermarket customers and OEMs in the industrial sector in the Nordic region. **Infrastructure** consists of businesses offering products, services and solutions to customers in industrial infrastructure that are critical to a functioning society. **Group-wide** includes the Group's management, finance and support functions. The support functions include internal communications, investor relations and legal affairs.

Intra-Group pricing between the segments occurs on market terms. No single customer in the Group accounts for more than 5 per cent of the Group's revenue. Revenue presented for the geographic markets is based on the domicile of the customers.

Information about revenue by class of revenue for the Parent Company

	Parent Company	
Revenue, MSEK	**31 Dec 2024**	**31 Dec 2023**
Service assignments	22	17
Other revenue	0	0
Total	**22**	**17**

Service assignments in the Parent Company pertain entirely to intra-Group services.

Information concerning non-current assets by geographic area

The Group primarily conducts operations in Sweden. Intangible and tangible non-current assets presented for the geographic markets are based on the geographic location of the operations.

Non-current assets, MSEK	31 Dec 2024	31 Dec 2023
Sweden	766	701
Denmark	81	85
Finland	38	29
Norway	1	1
Group total	**886**	**816**

	2024					2023				
MSEK	**Industry**	**Infrastructure**	**Group-wide**	**Eliminations**	**Group total**	**Industry**	**Infrastructure**	**Group-wide**	**Eliminations**	**Group total**
Revenue										
From external customers per geographic area										
Sweden	1,417	940	–	–	**2,357**	1,357	603	–	–	**1,960**
Norway	54	22	–	–	**76**	49	8	–	–	**57**
Denmark	174	94	–	–	**268**	155	43	–	–	**198**
Finland	38	76	–	–	**114**	7	34	–	–	**41**
Other countries	38	20	–	–	**58**	37	5	–	–	**42**
Total from external customers	**1,721**	**1,152**	**–**	**–**	**2,873**	**1,605**	**693**	**–**	**–**	**2,298**
From other segments	7	11	10	–28	**–**	5	11	13	–29	**–**
Total	**1,728**	**1,163**	**10**	**–28**	**2,873**	**1,610**	**704**	**13**	**–29**	**2,298**
Revenue										
From external customers by class of revenue										
Sale of goods	1,589	881	–	–	**2,470**	1,477	479	–	–	**1,956**
Service assignments	129	261	–	–	**390**	125	209	–	–	**334**
Other revenue	3	10	–	–	**13**	3	5	–	–	**8**
Total from external customers	**1,721**	**1,152**	**–**	**–**	**2,873**	**1,605**	**693**	**–**	**–**	**2,298**
From other segments	7	11	10	–28	**–**	5	11	13	–29	**–**
Total	**1,728**	**1,163**	**10**	**–28**	**2,873**	**1,610**	**704**	**13**	**–28**	**2,298**
EBITA	**232**	**122**	**–32**	–	**322**	**221**	**71**	**–27**	**–**	**265**
Items affecting comparability	–5	–	–	–	**–5**	–	–	–	–	**–**
Amortisation of intangible assets in connection with corporate acquisitions	–15	–29	–	–	**–44**	–10	–18	–	–	**–28**
Operating profit/loss	**212**	**93**	**–32**	**–**	**273**	**211**	**53**	**–27**	**–**	**237**
Net financial items	–	–	–33	–	**–33**	–	–	–15	–	**–15**
Profit/loss after net financial items	**212**	**93**	**–65**	**–**	**240**	**211**	**53**	**–42**	**–**	**222**
Goodwill	250	310	**–**	**–**	**560**	239	251	–	–	**490**
Other assets	904	898	268	–631	**1,439**	879	748	222	–477	**1,372**
Total assets	**1,154**	**1,208**	**268**	**–631**	**1,999**	**1,118**	**999**	**222**	**–477**	**1,862**
Total liabilities	**555**	**458**	**832**	**–631**	**1,214**	**546**	**356**	**781**	**–477**	**1,206**
Other disclosures										
Investments	4	6	–	–	**10**	7	5	–	–	**12**
Product costs	–958	–569	–	17	**–1,510**	–897	–319	–	15	**–1,201**
Personnel costs	–347	–333	–30	–	**–710**	–313	–216	–26	–	**–555**
Depreciation and amortisation	–62	–73	–2	–	**–137**	–50	–49	–1	–	**–100**

The columns "Group-wide" and "Eliminations" pertaining to assets comprise eliminations of intra-segment receivables of SEK –631 million (–477), intra-segment receivables of SEK 257 million (214) and undistributed assets of SEK 11 million (8).

The columns "Group-wide" and "Eliminations" pertaining to liabilities comprise eliminations of intra-segment liabilities of SEK –631 million (–477), intra-segment liabilities of SEK 372 million (259) and undistributed liabilities of SEK 460 million (522).

4 Employees and personnel costs

Average number of employees by country	2024 Men	2024 Women	2024 Total	2023 Men	2023 Women	2023 Total
Sweden, Parent Company	7	2	**9**	6	3	**9**
Sweden, other subsidiaries	565	114	**679**	466	93	**559**
Norway	13	0	**13**	11	0	**11**
Denmark	47	14	**61**	41	10	**51**
Finland	23	3	**26**	7	2	**9**
Other countries	0	0	**0**	1	0	**1**
Group total	**655**	**133**	**788**	**532**	**108**	**640**

Percentage women	2024	2023
Parent Company		
Board of Directors	40	40
Group management	0	0
Group		
Boards of directors	5	5
Other senior executives[1]	27	26

[1] The category "Other senior executives" includes individuals in management groups of Group companies.

Costs for employee benefits	2024	2023
Parent Company		
Salaries and other remuneration	26	22
Pension costs	4	3
Social security contributions	9	8
Subsidiaries		
Salaries and other remuneration	491	385
Pension costs	46	32
Social security contributions	138	112
Group total	**714**	**562**

Salaries and other remuneration to the Board of Directors and Group management of Momentum Group

Board of Directors

Fees to the Chairman of the Board and other directors have been paid in accordance with the resolution of the Annual General Meeting in May 2024 according to the table below. Special remuneration of SEK 160 thousand (150) was paid to the Chairman of the Audit Committee, and SEK 50 thousand (0) to the Chairman of the Remuneration Committee.

Incentive programme

At the Annual General Meeting in May 2024, it was resolved to establish a long-term incentive programme ("LTIP 2024") directed at senior executives. The programme,, which is based on a personal investment, allows for a maximum issuance of 99,750 Class B shares, corresponding to approximately 0.2 per cent of the total number of shares and votes in Momentum Group, prior to any recalculations. The allocation of performance shares is based on a number of performance criteria, including the development of the company's earnings per share during the period from 1 January 2024 to 31 December 2026. Additionally, the programme includes certain sustainability-related conditions. Each investment share entitles the participant to receive five performance share rights, provided that the specified performance conditions are met. Generally, participants must remain employed and retain all their investment shares for a period of approximately three years from the programme's launch until 31 August 2027 (the "Vesting Period").

Group management

Salaries and remuneration to the Group's management for the financial year have been paid in accordance with the guidelines for remuneration adopted by the Annual General Meeting in February 2022 (see below).

President & CEO

Ulf Lilius has been President & CEO of Momentum Group AB since 1 November 2021. During the period in which Momentum Group was an operating segment, Ulf Lilius served as head of the segment as well as President & CEO of the Alligo Group. As part of the long-term incentive programme ("LTIP 2024"), the CEO has invested in 4,250 investment shares. Each investment share entitles the CEO to receive five performance share rights.

Other senior executives

In this note, other senior executives refers to Group management excluding the President & CEO. In addition to Ulf Lilius, Group management comprises Niklas Enmark, Executive Vice President & CFO of Momentum Group AB since 1 November 2021. During the period in which Momentum Group was an operating segment, Niklas Enmark served as Executive Vice President as well as CFO of the Alligo Group. As part of the long-term incentive programme ("LTIP 2024"), the CFO has invested in 2,400 investment shares. Each investment share entitles the CFO to receive five performance share rights.

Board of Directors, KSEK	2024 Director fees	2024 Other salaries and remuneration	2024 Total	2023 Director fees	2023 Other salaries and remuneration	2023 Total
Johan Sjö, Chairman[1]	780	–	**780**	640	–	**640**
Stefan Hedelius, Director[1]	265	–	**265**	255	–	**255**
Gunilla Spongh, Director[2]	425	–	**425**	405	–	**405**
Ylva Ersvik, Director	265	–	**265**	255	–	**255**
Anders Claeson, Director	265	–	**265**	255	–	**255**
Total	**2,000**	**–**	**2,000**	**1,810**	**–**	**1,810**

[1] Member of the Remuneration Committee. [2] Audit Committee Chairman

Group management, KSEK	2024 Fixed salary	2024 Variable salary	2024 Long-term incentive programme	2024 Other benefits	2024 Pension costs	2024 Total	2023 Fixed salary	2023 Variable salary	2023 Long-term incentive programme	2023 Other benefits	2023 Pension costs	2023 Total
Ulf Lilius, President & CEO	5,507	2,640	–[1]	29	1,286	**9,462**	5,160	2,460	–	4	1,269	**8,893**
Niklas Enmark, Executive Vice President and CFO	3,054	1,200	–[1]	86	939	**5,279**	2,873	1,128	–	89	868	**4,958**
Total	**8,561**	**3,840**	**–**	**115**	**2,225**	**14,741**	**8,033**	**3,588**	**–**	**93**	**2,137**	**13,581**

[1] The long-term incentive programme under LTIP 2024 is still ongoing. The recognised expense for the CEO in accordance with IFRS 2 amounted to SEK 224 thousand (–), and for the CFO to SEK 126 thousand (–).

Note 4: Employees and personnel costs, cont.

Guidelines for determining remuneration and other terms of employment for senior executives

The Annual General Meeting on 11 February 2022 resolved on the following guidelines for remuneration and other terms of employment for senior executives. The guidelines are to be applied for remuneration to senior executives within the company as agreed after the 2022 Annual General Meeting and to subsequent amendments to already agreed remuneration after the Annual General Meeting. The guidelines do not apply to remuneration resolved by the General Meeting of Shareholders. As regards employment relationships governed by rules other than those that apply in Sweden, refer to pension benefits and other benefits, appropriate adjustments may be made to comply with mandatory rules or established local standards, and to satisfy, as far as possible, the overarching purpose of these guidelines. Items stipulated for the company also apply for the Group, where applicable.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

The successful implementation of the company's business strategy and protection of the company's long-term interests, including its sustainability, requires that Momentum Group can recruit and retain qualified employees. This requires that the company can offer competitive total remuneration, which is made possible through these guidelines. Total remuneration is to be in line with market conditions and competitive and be linked to responsibility and authority.

Forms of remuneration, etc.

Remuneration is to be in line with market conditions and comprise the following components: fixed salary, possible variable salary according to a separate agreement, pension and other benefits. A General Meeting of Shareholders may in addition – and independent of these guidelines – resolve on, for example, share and share price-based remuneration.

Fixed salary

The fixed salary shall consist of a fixed cash salary and be reviewed on an annual basis. The fixed salary shall be competitive and reflect the requirements placed on the role in terms of qualifications, responsibility, complexity and the manner in which it contributes to achieving the business objectives. The fixed salary shall also reflect the performance of the senior executive and thus be individual and differentiated.

Variable salary

In addition to fixed salary, the President & CEO and other senior executives may periodically, according to a separate agreement, receive variable salary for fulfilling agreed criteria. Any variable salary may consist of an annual cash salary, and be equivalent to not more than 50 per cent of the fixed annual salary.

A fundamental balance must exist between fixed and variable salary to avoid unhealthy risk taking. The fixed salary is to account for a sufficient portion of the senior executive's total remuneration to allow the variable portion to be reduced to zero. The variable salary shall be linked to one or more predetermined and measurable criteria determined by the Board of Directors and that may be financial, such as the Group's and/or the business area's earnings growth, profitability and cash flow, or non-financial, such as sustainability, customer satisfaction and quality. The targets link the senior executive's remuneration to the company's earnings, and thus promote the implementation of the company's business strategy, long-term value creation and competitiveness. The terms and bases of calculation of variable salary shall be determined for each financial year. Fulfilment of the criteria for payment of variable salary must be measurable over a period of one financial year. Variable salary is regulated the year after qualification.

The degree to which the criteria were met is assessed when the measurement period for fulfilling the criteria for the payment of variable salary ends. The Board of Directors is responsible for determining variable cash payments to the President & CEO. Variable cash payments to other senior executives are determined by the Remuneration Committee. As regards financial targets, the assessment is based on the company's latest published financial information.

The terms for variable salary should be designed so that the Board, in the event of exceptional financial conditions, is able to limit or refrain from making variable salaries should such action be deemed reasonable. In drawing up variable remuneration for company management, the Board must consider including provisions that (i) impose conditions on the payment of a portion of such remuneration requiring that the achievements on which the payment was based is shown to be sustainable over time, and (ii) enable the company to reclaim such remuneration paid on the basis of information that is later shown to be manifestly erroneous.

Further variable cash payments may be paid in extraordinary circumstances, assuming that such extraordinary arrangements are of limited duration and are only introduced at an individual level either to recruit or retain senior executives, or as remuneration for extraordinary work duties beyond the individual's ordinary work duties. Such remuneration may not exceed an amount corresponding to 20 per cent of the fixed annual salary and may not be paid more than once per year and per individual. A decision on such remuneration shall be made by the Board of Directors based on a proposal from the Remuneration Committee.

Pension

The President & CEO and other senior executives are covered by a defined-contribution pension, whose size depends on the outcome of the pension insurance policies taken out. Premiums for the defined-contribution pension must not exceed 40 per cent of the fixed annual salary.

Other benefits

Other benefits, including company car, travel concessions, extra healthcare insurance and occupational health services, shall be in line with market conditions and only constitute a limited share of total remuneration. Premiums and other costs pursuant to such benefits shall amount to not more than 10 per cent of the fixed annual salary in total.

Conditions in the case of termination

All senior executives must observe a period of notice of up to six months if notice is given by the employee. If employment is terminated by the company, the period of notice applied is up to 12 months. If employment is terminated by the company, senior executives may be entitled, in addition to salary and other employment benefits during the period of notice, to severance pay corresponding to up 12 months' fixed salary. Severance pay is not offset against other income. No severance pay is to be paid if notice is given by the employee. In addition to severance pay, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid when the former executive is not entitled to severance pay. Remuneration shall be based on the fixed salary paid on the date of termination and shall amount to not more than 60 per cent of the fixed salary on the date of termination, subject to mandatory collective agreement provisions, and be paid for the period covered by the non-compete undertaking, which shall amount to not more than 12 months after the end of employment.

Salary and terms of employment

In the preparation of the Board's proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total remuneration, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board's basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

Preparation and decision-making process

The Board of Directors has approved the establishment of a Remuneration Committee. The Committee's duties include preparing principles for remuneration of senior executives and the Board's decision on proposals for guidelines for remuneration of senior executives. The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the Annual General Meeting. The guidelines shall be in force until new guidelines are adopted by the General Meeting of Shareholders. The Remuneration Committee shall also monitor and evaluate the programme for variable remuneration of senior executives, the application of the guidelines for the remuneration of senior executives, as well as the current remuneration structures and compensation levels in the company. Remuneration of the President & CEO shall be decided by the Board of Directors after being prepared and recommended by the Remuneration Committee, within the scope of established remuneration principles. Remuneration of other senior executives shall be decided by the Remuneration Committee, within the scope of established remuneration principles and after consulting with the President & CEO. The President & CEO and other senior executives do not participate in the Board's or Remuneration Committee's processing of and resolutions regarding remuneration-related matters insofar as they are affected by such matters.

Share-based incentive programmes resolved by the General Meeting

The Board of Directors shall assess the need for a share-based incentive programme each year, and when necessary present proposals for a decision to the Annual General Meeting. A decision on any share or share price-based incentive programme addressed to senior executives shall be made by a General Meeting of Shareholders and contribute to long-term value growth. Senior executives may be offered an equivalent incentive to that which would have been paid under a share or share-based incentive programme, if such a programme is impracticable in the country where a senior executive is tax resident, or if in the company's view such participation cannot take place at a reasonable administrative cost or economic contribution. Under such circumstances, the cost and investment for the company and the incentive and financial outcome for such senior executives shall under essentially correspond to the share or share price-based incentive programme.

Derogation from the guidelines

The Board may resolve to derogate from the guidelines, either in full or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As stated above, the Remuneration Committee's duties include the preparation of the Board's decision on remuneration issues, which also refers to decisions on derogation from the guidelines. If the Board resolves to derogate from the guidelines, the decision shall be reported at the next Annual General Meeting.

5 Fees to auditors

	Group		Parent Company	
MSEK	**2024**	**2023**	**2024**	**2023**
Ernst & Young				
Audit assignment	3	0	1	–
Tax advisory services	–	–	–	–
Other assignments	–	–	–	–
Total fees to Ernst & Young	**3**	**0**	**1**	**–**
Other auditors				
Audit assignment	0	3	–	1
Tax advisory services	0	–	–	–
Other assignments	0	–	–	–
Total fees to other auditors	**0**	**0**	–	–
Total fees to auditors	**3**	**3**	**1**	**1**

Audit assignment refers to the statutory audit of the Annual Report and accounting as well as the administration of the Board of Directors and the President & CEO as well as auditing and other reviews carried out in accordance with the law, agreements or contracts. This includes other work assignments that are incumbent upon the company's auditors as well as advisory services or other assistance occasioned through the findings of such reviews or the performance of such other work assignments. Other assignments comprise advisory services concerning accounting issues.

6 Financial income and expenses

Group, MSEK	2024	2023
Exchange rate effects	0	3
Interest income, bank balances	2	0
Other financial income	2	3
Financial income	**4**	**6**
Interest expenses on liabilities to credit institutions	–22	–14
Interest expenses on leases	–7	–4
Interest expenses related to deferred payments and contingent considerations for acquisitions	–3	–1
Exchange rate effects	–2	0
Other financial expenses	–3	–2
Financial expenses	**–37**	**–21**
Net financial items	**–33**	**–15**

Financial income and expenses mainly pertain to assets and liabilities measured at amortised cost.

Parent Company, MSEK	2024	2023
Dividends received, subsidiaries	–	–
Profit from participations in Group companies	**–**	**–**
Interest income, Group companies	36	22
Other financial income	2	1
Other interest income and similar profit/loss items	**38**	**23**
Interest expenses on liabilities to credit institutions	–22	–14
Interest expenses, Group companies	–8	–5
Other financial expenses	–3	–1
Interest expenses and similar profit/loss items	**–33**	**–20**
Net financial items	**5**	**3**

7 Appropriations

Parent Company, MSEK	2024	2023
Group contributions received	75	120
Tax allocation reserve, provision for the year	–	–23
Total	**75**	**97**

8 Taxes

Taxes recognised in profit or loss

	Group		Parent Company	
MSEK	**2024**	**2023**	**2024**	**2023**
Tax expense for the period	–58	–44	–12	–15
Adjustment of taxes attributable to earlier years	0	0	–	–
Deferred tax	4	–5	0	–
Total recognised tax expense	**–54**	**–49**	**–12**	**–15**

Reconciliation of effective tax

The relationship between taxes at the average tax rate and recognised taxes for the Group is illustrated in the following table:

	Group				Parent Company			
MSEK	**2024**	**%**	**2023**	**%**	**2024**	**%**	**2023**	**%**
Profit before tax	240		222		51		69	
Taxes at an average tax rate	–50	20.7	–46	20.7	–11	20.6	–14	20.6
Tax effect of:								
Taxes attributable to earlier years	0	0.0	0	0.0	–	–	–	–
Standard interest rate on tax allocation reserve	–1	0.4	0	0.0	0	0.0	0	0.0
Non-deductible expenses	–3	1.3	–3	1.4	–1	2.0	–1	1.4
Non-taxable income	0	0.0	0	0.0	0	0.0	0	0.0
Total tax	**–54**	**22.4**	**–49**	**22.1**	**–12**	**22.6**	**–15**	**22.0**

Taxes recognised in the statement of comprehensive income

Group, MSEK	**2024**	**2023**
Deferred tax on hedging instruments	0	0
Total	**0**	**0**

Deferred tax recognised in the balance sheet

Deferred tax assets and liabilities in the balance sheet are attributable as follows:

	31 Dec 2024			31 Dec 2023		
Group, MSEK	**Assets**	**Liabilities**	**Net**	**Assets**	**Liabilities**	**Net**
Intangible assets	–	–63	**–63**	–	–64	**–64**
Hedging instruments	0	0	**0**	0	0	**0**
Untaxed reserves	–	–55	**–55**	–	–45	**–45**
Loss carryforwards	0	–	**0**	0	–	**0**
Other	3	–2	**1**	2	–1	**1**
Total	**3**	**–120**	**–117**	**2**	**–110**	**–108**

A reconciliation of deferred net receivables (net liability) from the beginning of the year until year-end is shown in the table below:

Group, MSEK	**31 Dec 2024**	**31 Dec 2023**
Opening balance at the beginning of the year, net	**–108**	**–49**
Taxes charged against net profit	4	–5
Taxes on items recognised in consolidated comprehensive income	0	0
Taxes on business combinations	–13	–55
Translation differences	0	1
Closing balance at year-end, net	**–117**	**–108**

9 Intangible non-current assets

Group, MSEK	2024 Goodwill	2024 Customer relationships	2024 Supplier relationships	2024 Other[1]	2024 Total	2023 Goodwill	2023 Customer relationships	2023 Supplier relationships	2023 Other[1]	2023 Total
Carrying amount at the beginning of the year	**490**	**186**	**111**	**2**	**789**	**300**	**82**	**–**	**1**	**383**
Investments	–	–	–	1	**1**	–	–	–	0	**0**
Acquisition of businesses	68	40	–	0	**108**	192	130	115	1	**438**
Amortisation for the year	–	–36	–8	0	**–44**	–	–24	–4	0	**–28**
Translation differences	2	2	–	–1	**3**	–2	–2	–	0	**–4**
Carrying amount at year-end	**560**	**192**	**103**	**2**	**857**	**490**	**186**	**111**	**2**	**789**
Acquisition cost or revalued amount[2]	560	285	115	6	966	490	242	115	5	852
Accumulated amortisation[2]	–	–93	–12	–4	–109	–	–56	–4	–3	–63

1) Other includes software, licenses and other IT-related assets.
2) Also includes historical acquisition costs and accumulated amortisationin acquired companies.

Impairment testing of goodwilll and other non-current assets

The recognised value of goodwill is tested for impairment annually. Prior to the balance-sheet date on 31 December 2024, testing was carried out using the balance sheet on 30 September 2024 as a base. The test was also updated in conjunction with the year-end accounts on 31 December 2024. The Group's recognised goodwill value of SEK 560 million has been allocated by operating segment according to the table below:

Goodwill, MSEK	31 Dec 2024	31 Dec 2023
Industry	250	239
Of which, business unit Power Transmission	*141*	*140*
Of which, business unit Specialist	*109*	*99*
Infrastructure	310	251
Of which, business unit Flow Technology	*205*	*174*
Of which, business unit Technical Solutions	*105*	*77*
Total Goodwill	**560**	**490**

Momentum Group has historically conducted a large number of acquisitions. Goodwill is distributed to each of Momentum Group's cash-generating units, or groups of cash-generating units, expected to benefit from the synergies arising from the acquisition. Both the Industry and Infrastructure operating segments consist of two groups of cash-generating units. This corresponds to the lowest level in the Group at which goodwill is monitored as part of internal governance, and annual impairment testing of goodwill is conducted at this level.

The basis of impairment testing and the assessment of future cash flows is based on the target scenario for each cash-generating unit (corresponding to the Group's budget process) for the forthcoming financial year, with forecasts of earnings and cash flows for subsequent years. The target scenario is determined by the company's Board of Directors.

The recoverable amount was calculated on the basis of value in use and is based on the assessment of cash flows for the coming five-year period. Key assumptions have been made concerning future revenue, contribution margin, cost level, working capital requirements and investment requirements. Key assumptions are based on the underlying conditions of the individual operations, market conditions and the action plans in place in each cash-generating unit. In addition, Group-wide assumptions are also used with respect to inflation and salary trends for the countries where the Group conducts its main operations. Assumptions are also made with respect to future foreign-exchange rates that impact the price of the Group's purchases and sales. There is a strong correlation between the shared assumptions and external sources of information and previous experiences. For cash flows beyond the five-year period, growth has been assumed to amount to approximately two (2) per cent annually.

Cash flows have been discounted by a weighted capital cost for borrowed capital and equity, and are presented in the table below for each cash-generating unit. The discount rate is applied to an asset base, excluding right-of-use assets, with lease payments included in the cash flow of each cash-generating unit. The discount rate is thus comparable between years and is not impacted by the implementation of IFRS 16. The testing of goodwill values did not indicate any impairment requirement.

Discount rate, before tax, %	31 Dec 2024	31 Dec 2023
Business unit Power Transmission	9.4	8.9
Business unit Specialist	11.3	11.8
Business unit Flow Technology	10.7	12.4
Business unit Technical Solutions	11.0	11.9

A reasonable change in key assumptions would not result in an impairment requirement.

10 Tangible non-current assets

Group 2024, MSEK	Machinery	Equipment	Leasehold improvements	Construction in progress	Total
Carrying amount at the beginning of the year	4	22	1	0	27
Investments	1	7	1	0	**9**
Acquisition of subsidiaries	1	3	0	–	**4**
Depreciation for the year	–1	–8	–1	–	**–10**
Sales and disposals	–1	0	0	0	**–1**
Reclassifications	–1	1	0	–	**0**
Translation differences	0	0	0	–	**0**
Carrying amount at year-end	**3**	**25**	**1**	**0**	**29**
Acquisition cost or revalued amount[1]	17	121	8	0	146
Accumulated depreciation[1]	–14	–96	–7	–	–117

Group 2023, MSEK	Machinery	Equipment	Leasehold improvements	Construction in progress	Total
Carrying amount at the beginning of the year	4	14	1	–	**19**
Investments	1	11	0	0	**12**
Acquisition of subsidiaries	1	4	–	–	**5**
Depreciation for the year	–2	–6	0	–	**–8**
Sales and disposals	0	–1	0	–	**–1**
Reclassifications	0	0	–	–	**0**
Translation differences	0	0	0	–	**0**
Carrying amount at year-end	**4**	**22**	**1**	**0**	**27**
Acquisition cost or revalued amount[1]	16	104	7	0	127
Accumulated depreciation[1]	–12	–82	–6	–	–100

1) Also includes historical acquisition costs and accumulated depreciation in acquired companies.

11 Leases

The Group's lease portfolio primarily comprises leases related to warehouse and store facilities, workshops and vehicles. The average term of leases for premises is three to five years. Extension options are mainly taken into account for those leases with an ordinary term of less than three years, unless specific circumstances indicate with reasonable certainty that the option to extend will be exercised. The lease term for vehicles and other assets essentially corresponds to the non-cancellable period of the lease.

Right-of-use assets

Group, MSEK	Premises	Vehicles	Other	Total
Closing balance, 31 Dec 2022	**117**	**19**	**2**	**138**
Acquisitions	55	27	1	**83**
Extensions and remeasurements	39	–1	0	**38**
Depreciation during the year	–49	–14	–1	**–64**
Translation differences	–1	0	0	**–1**
Closing balance, 31 Dec 2023	**161**	**31**	**2**	**194**
Acquisitions	37	38	0	**75**
Extensions and remeasurements	30	–2	0	**28**
Depreciation during the year	–59	–23	–1	**–83**
Translation differences	0	0	0	**0**
Closing balance, 31 Dec 2024	**169**	**44**	**1**	**214**

Cash flow

The total cash flow for leases amounted to SEK –89 million (–72) during the financial year. This amount includes amounts recognised as lease liabilities, and amounts paid for variable lease payments, short-term leases and low-value leases.

Lease liabilities

A maturity analysis of lease liabilities is presented in Note 21 Financial risks and risk management.

Amounts recognised in profit or loss

Profit or loss shows the following amounts relating to leases in the Group:

MSEK	2024	2023
Depreciation of right-of-use assets	–83	–64
Interest on lease liabilities	–7	–4
Variable lease payments not included in the measurement of the lease liability	0	0
Income from sub-leasing of right-of-use assets	1	0
Cost of short-term leases	–2	0
Cost of low-value leases, non-short-term leases of low value	–2	–3

Disclosure concerning operating leases in the Parent Company

	Parent Company	
Non-cancellable lease payments amount to:	**31 Dec 2024**	**31 Dec 2023**
Leases in which the company is the lessee		
Within 1 year	2	1
Between 1 and 5 years	1	2
Later than 5 years	–	–
Total	**3**	**3**

	Parent Company	
Expensed operating lease payments amount to:	**2024**	**2023**
Minimum lease payments	2	1
Total lease expenses	**2**	**1**

12 Inventories

Group, MSEK	31 Dec 2024	31 Dec 2023
Finished goods and goods for resale	379	366
Total	**379**	**366**

Product costs includes a net change in the Group's obsolescence reserve and impairment losses during the year of SEK –5 million (–5). The net change includes realisation of previously impaired items.

13 Prepaid expenses and accrued income

Group, MSEK	31 Dec 2024	31 Dec 2023
Prepaid expenses		
Computer costs and IT	2	2
Insurance	2	2
Operating expenses for lease agreements	2	0
Financial expenses	0	1
Other prepaid expenses and cost reductions	9	10
Deferred income		
Delivery of goods	23	20
Other accrued income	6	3
Total	**44**	**38**

14 Long-term receivables and other receivables

Group, MSEK	31 Dec 2024	31 Dec 2023
Long-term receivables classified as non-current assets		
Long-term receivables	3	2
Total	**3**	**2**
Other receivables classified as current assets		
VAT receivable	0	0
Tax account	4	6
Derivative hedging instruments	0	0
Receivables arising in conjunction with acquisitions	1	1
Other receivables	3	2
Total	**8**	**9**

15 Equity

The distribution by class of shares is presented in the table below. All shares entitle their holders to the same rights to the company's remaining net assets. For shares held in treasury, all rights are rescinded until these shares have been reissued.

Distribution between number of shares and quotient value of the shares

Class of share	31 Dec 2024	31 Dec 2023
Class A shares	564,073	564,073
Class B shares	49,916,816	49,916,816
Total number of shares before repurchasing	**50,480,889**	**50,480,889**
Less: Repurchased Class B shares	–1,053,766	–1,083,026
Total number of shares after repurchasing	**49,427,123**	**49,397,863**

The table below shows the changes for the year in the number of shares by class of shares and the quotient value of the shares:

Class A shares	31 Dec 2024	31 Dec 2023
Number of shares at the beginning of the year	564,073	564,073
Number of shares at year-end	**564,073**	**564,073**
Quotient value per share (SEK)	**0.50**	**0.50**

Class B shares	31 Dec 2024	31 Dec 2023
Number of shares at the beginning of the year	49,916,816	49,916,816
Number of shares at year-end	**49,916,816**	**49,916,816**
Quotient value per share (SEK)	**0.50**	**0.50**

According to Momentum Group AB's Articles of Association, holders of Class A shares are entitled to request that such shares be converted to Class B shares. The company's Class A shares entitle the holder to ten votes each and the company's Class B shares entitle the holder to one vote each.

Repurchased own shares included in the equity item retained earnings, including net profit

Repurchased shares include the acquisition cost of treasury shares held by the Parent Company, its subsidiaries and associated companies. As of 31 December 2024, the Group held 1,053,766 own shares (1,083,026) in treasury. All treasury shares are held by the Parent Company.

Translation reserve

The translation reserve includes all exchange-rate differences arising from the translation of financial statements from foreign businesses that have prepared their financial statements in a currency other than the currency in which the consolidated financial statements are presented. The Group presents its financial statements in SEK.

Group, MSEK	31 Dec 2024	31 Dec 2023
Translation reserve		
Opening translation reserve	–1	4
Translation effect for the year	**4**	**–5**
Closing translation reserve	**3**	**–1**

Hedging reserve

The hedging reserve covers the change in value of the foreign-exchange forward contracts hedged.

Group, MSEK	31 Dec 2024	31 Dec 2023
Hedging reserve		
Opening hedging reserve	–1	0
Fair value changes for the year in cash-flow hedges	1	–1
Tax attributable to hedges for the year	0	0
Fair value changes in cash-flow hedges transferred to net profit	0	0
Tax attributable to hedges transferred to net profit	0	0
Closing hedging reserve	**0**	**–1**

Parent Company

Restricted funds

Restricted funds may not be reduced through dividends.

Non-restricted equity

Retained earnings comprise earnings generated in previous years after any dividends are paid. Together with net profit, less holdings of treasury shares, comprises total non-restricted equity, meaning the amount available to be distributed to the shareholders. As of the balance-sheet date, total equity in Momentum Group AB amounted to SEK 134 million, of which SEK 25 million was restricted equity.

Dividend

After the balance-sheet date, the Board of Momentum Group AB proposed a dividend of SEK 1.30 (1.10) per share, corresponding to a pay-out ratio of approximately 36 per cent (32) of earnings per share. Taking into account the Class B shares repurchased by the company, the proposed dividend corresponds to a total of approximately SEK 64 million. The proposed dividend is in line with the company's dividend policy, which states that at least 30 per cent of earnings per share are to be distributed over a business cycle. The dividend is subject to approval by the Annual General Meeting to be held on 7 May 2025.

Proposed appropriation of profit, SEK	
The following funds are at the disposal of the General Meeting of Shareholders:	109,117,123
The Board of Directors proposes that the shareholders receive a dividend of SEK 1.10 per share	64,255,260
That the remaining profit be brought forward	44,861,863
Total	**109,117,123**

16 Earnings per share

SEK	2024	2023
Earnings per share	**3.60**	**3.45**

The calculation of the numerators and denominators used in the above calculations of earnings per share is specified below.

Earnings per share

The calculation of earnings per share for the financial year is based on net profit in Momentum Group attributable to the Parent Company shareholders divided by the average number of shares outstanding. The two components are as follows:

Net profit attributable to Parent Company shareholders	2024	2023
Net profit, MSEK	178	170

Weighted average number of shares during the year (thousands of shares)	2024	2023
Total number of shares at the end of the financial year	50,481	50,481
Effect of holding of treasury shares	–1,069	–1,181
Number of shares for calculation of earnings per share	**49,412**	**49,300**

There are no potential ordinary shares that could give rise to a dilution effect, which means that earnings per share before and after dilution are the same.

17 Other non-current liabilities and other provisions

Group, MSEK	31 Dec 2024	31 Dec 2023
Other non-current liabilities		
Option liability, acquisitions	58	53
Contingent purchase considerations	33	30
Deferred payment, acquisitions	–	16
Total	**91**	**99**
Specification option liability		
Carrying amount at the beginning of the period	53	40
Acquisition of partly owned subsidiary	26	15
Remeasurement pertaining to the change in ownership share in partly owned subsidiary	–	–
Other unrealised changes in value	0	–2
Carrying amount at the end of the period	**79**	**53**
Of which, non-current component	58	53
Of which, current component	21	0
Specification contingent purchase considerations		
Carrying amount at the beginning of the period	30	11
Contingent purchase consideration, acquisitions	8	23
Change in value	0	0
Change in value related to discounting factor	2	1
Confirmed or settled during the period	–5	–5
Carrying amount at the end of the period	**35**	**30**
Of which, non-current component	33	30
Of which, current part component	2	0

Group, MSEK	31 Dec 2024	31 Dec 2023
Specification deferred payment		
Carrying amount at the beginning of the period	16	–
Acquisitions	0	15
Change in value related to discounting factor	1	1
Settled and reclassified during the period	–1	–
Carrying amount at the end of the period	**16**	**16**
Of which, non-current component	0	16
Of which, current component	16	0
Provisions classified as non-current liabilities		
Guarantee commitments	0	0
Other	0	0
Total	**0**	**0**
Specification		
Carrying amount at the beginning of the period	0	0
Provisions made during the period	0	0
Amount utilised during the period	0	0
Translation differences	–	–
Carrying amount at the end of the period	**0**	**0**

18 Other liabilities

Group, MSEK	31 Dec 2024	31 Dec 2023
Employee withholding taxes	11	10
VAT liability	59	44
Derivative hedging instruments	0	2
Advance payments from customers	13	9
Deferred payment, acquisitions	16	0
Option liability, acquisitions	21	0
Contingent purchase considerations	2	0
Other operating liabilities	2	0
Total	**124**	**65**

19 Accrued expenses and deferred income

	Group		Parent Company	
Group, MSEK	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Accrued expenses				
Salaries and remuneration to employees	87	77	7	6
Social security contributions	41	41	5	5
Auditors' fees	2	1	1	0
Other consulting fees	1	2	0	1
Car and travel expenses	1	1	–	–
Shipping costs	0	0	–	–
IT and computer costs	1	1	–	–
Other accrued expenses	12	10	0	0
Deferred income				
Bonuses, refunds to customers	2	2	–	–
Other deferred income	0	0	–	–
Total	**147**	**135**	**13**	**12**

20 Pledged assets and contingent liabilities

The Group has no pledged assets, guarantees or other contingent liabilities.

21 Financial risks and risk management

Momentum Group's operations entail exposure to a number of financial risks. Changes, particularly in foreign-exchange rates and interest-rate levels, affect the Group's earnings and cash flows. Financing risks also arise and are managed within the framework of the Group's adopted policies.

Financial operations

The goal of the Group's financial operations is to ensure high efficiency in the areas of investments, liquidity flows, borrowing, foreign-currency management and granting of credit. The Board of Directors determines the Group's Financial Policy each year, which includes guidelines, goals and frameworks for treasury management and for managing the financial risks in the Group. The Financial Policy defines and identifies the financial risks that can arise, and regulates the distribution of responsibility between the Board of Directors, the CEO, the CFO, the internal bank function as well as the subsidiaries' CEOs and CFOs.

The Group's central financial operations comprise securing the Group's long-term supply of liquidity for investments and working capital in an efficient manner. The Parent Company has its own internal bank function tasked with coordinating the Group's financial activities and ensuring that systems are available for efficient cash management for the Group companies. All foreign-currency management and granting of credit to customers are handled within the framework of the established policies.

Note 21, Financial risks and risk management, cont.

Capital management

In the Group, capital is defined as equity in accordance with the balance sheet. The company's goal regarding capital structure and financial position is that they should enable the Group to have favourable availability of cash and cash equivalents, that the cost of borrowed capital should be kept at market rate, that the return on cash and cash equivalents should be satisfactory and that the risk in investments and exposures should be kept low, taking into account the needs of the operations and secure future acquisitions. A prerequisite for this is that the Group has a long-term favourable financial position and meets the financial commitments included in the loan agreements.

Financial instruments and hedge accounting

The Group uses financial derivative instruments to manage foreign-exchange risks that arise during its operations. Derivative instruments held for hedging comprise foreign-exchange forward contracts. These derivative instruments are hedged, which means that the instruments are recognised in the balance sheet at fair value and that any changes in the values of these instruments are recognised in other comprehensive income in equity until their underlying cash flows are reflected in profit or loss.

Foreign-exchange risk

For Momentum Group, foreign-exchange risk arises in the subsidiaries as a result of future payment flows in foreign currencies, referred to as a transaction exposure, and through portions of the Group's equity comprising net assets in foreign subsidiaries and the Group's profit compromising profit from foreign subsidiaries, referred to as a translation exposure.

Transaction exposure

Transaction exposure comprises future contracted and forecasted receipts and disbursements in foreign currencies for subsidiaries, which, in the Group's case, mainly involves purchases and sales of goods. The total transaction exposure for key currencies is shown in the table below.

Annual net flow by currency (countervalue in MSEK)

Currency	2024	2023
EUR	–200	–190
NOK	14	22
USD	–17	–9
GBP	–10	–12

The Group has its primary customer markets in Sweden, Norway, Denmark and Finland, with sales in SEK, NOK, DKK and EUR, respectively. The transaction exposure in DKK is not deemed to be significant since it primarily pertains to operations that have DKK as their functional currency. The purchasing that takes place outside the Nordic region is mainly paid in EUR.

The effects of exchange-rate changes are reduced on the basis of purchases and sales in the same currency, currency clauses and foreign-exchange forward contracts. Risk exposure is limited by the fact that the Group's sales largely comprise products that are sold at a fixed price in the local currency according to a price list valid over a period of approximately six months.

Group companies hedge parts of their future currency outflows in foreign currency using foreign-exchange forward contracts, in accordance with the Financial Policy. Most of the hedging of exchange-rate changes is conducted for the time period deemed necessary to allow sales prices to be adjusted to the new foreign-exchange rates. According to the basic hedging model, the forecast currency flows are hedged in accordance with a model where up to 75 per cent is hedged for a maximum of 12 months forward. The Group has a currency council for the purpose of determining the hedging strategy to be employed within the framework of the Financial Policy. The Group's treasury function prepares information on up-to-date historical cash flows on a quarterly basis, which is then used as the basis for assessing the level of hedging strategy and hedging ratio. Historical cash flows are also used to assess the effectiveness of the hedges. Accordingly, only a smaller proportion of foreign-exchange forward contracts have terms of six to 12 months and are based on forecasts. Correspondingly, foreign-exchange forward hedging takes place for sales in foreign currencies when the costs are in local currency. None of the currency hedges entered into are deemed to be ineffective. The nominal amounts and average exchange rates for outstanding foreign-exchange forward contracts are presented in the table below.

Foreign-exchange forward contracts	31 Dec 2024		31 Dec 2023	
	Nominal value	Average rate	Nominal value	Average rate
NOK/SEK	13	0.98	10	1.01
EUR/SEK[1]	88	11.46	47	11.61
GBP/SEK[1]	6	13.52	3	13.28

[1] Foreign-exchange forward contracts for purchase of currency.

Translation exposure of earnings

The Group's earnings are affected by the translation of the income statements of foreign subsidiaries, for which translation is carried out at the average exchange rate for the financial year. In cases when the local currency of the foreign subsidiary changes in relation to SEK, the Group's recognised revenue and earnings that were translated to SEK also change. The Group's translation exposure in revenue and operating profit are presented in the table below.

MSEK	2024	2023
Revenue		
Outcome translated to average rate for the preceding year	2,875	2,280
Currency translation comparable units		
DKK	–1	9
EUR	0	0
Currency translation acquired units		
DKK	0	7
EUR	–1	2
Total currency translation	**–2**	**18**
Outcome	**2,873**	**2,298**

MSEK	2024	2023
Operating profit		
Outcome translated to average rate for the preceding year for comparable units	273	233
Currency translation		
DKK	0	1
EUR	0	0
Currency translation acquired units		
DKK	0	0
EUR	0	0
Total currency translation	**0**	**1**
Outcome	**273**	**234**

The Group has net exposures in a small number of foreign currencies. The table below shows the effect on the Group's revenue and operating profit if the rates for the exposure currencies were to change by 5 per cent.

Change in rate for underlying exposure currencies +/– 5%

MSEK	2024	2023
Effect		
Revenue	20	13
Operating profit	1	1

The following rates were applied in the year-end accounts:

Currency	Average rate		Balance-sheet rate	
	2024	2023	2024	2023
NOK	0.983	1.005	0.970	0.987
EUR	11.431	11.471	11.487	11.096
USD	10.566	10.604	10.998	10.042
DKK	1.532	1.539	1.540	1.489

Translation exposure of equity

The value of the net assets of foreign subsidiaries is translated to SEK at year-end at the exchange rate in effect on the balance-sheet date. The exchange-rate difference between the years is recognised against equity through other comprehensive income. Translation exposure relating to the net assets of foreign subsidiaries is not currently hedged.

Note 21, Financial risks and risk management, cont.

Net assets in foreign subsidiaries by currency

Currency, MSEK	31 Dec 2024	31 Dec 2023
DKK	139	121
NOK	1	1
EUR	65	54

Interest-rate risks

Interest-rate risk refers to the risk that changes in the market interest rate will have a negative impact on the Group's net interest income. The speed at which an interest-rate change has an effect depends on the length of the period of fixed interest on the loans and the type of hedging instruments used. Both the market interest rate and the Group's earnings are expected to follow the general economic cycle. Hence, the Group's Financial Policy stipulates that the period of fixed interest is normally to be short-term, with at least 50 per cent of the loans having a fixed-interest period of less than one year. To further manage the risk of higher market interest rates in the future, Momentum Group's Financial Policy also stipulates that different forms of interest derivatives may be used to limit interest-rate risk. As of 31 December 2024, the Group held no interest derivative instruments.

The debt portfolio comprises a committed credit facility and revolving credit facilities with fixed-interest periods of three months. The most important variable interest rate is STIBOR. Liabilities to credit institutions per underlying currency are presented in the table below. Given the same average net loan liability during the year and same fixed- interest periods, a change in the market interest rate of 1 percentage point would result in a change in interest expense of approximately SEK 3 million. The calculation is based on the assumption that the Group had an equivalent average net loan liability throughout 2024.

Liabilities to credit institutions by currency

MSEK	Currency	31 Dec 2024	31 Dec 2023
Committed credit facility	SEK	62	58
Revolving credit facility	SEK	150	225
Revolving credit facility	DKK	39	45
Revolving credit facility	EUR	17	28

Liquidity and refinancing risks

Liquidity and refinancing risk pertains to the risk that the Group is unable to fulfil its payment obligations due to insufficient liquidity and that the possibility of financing is limited when loans are due for rescheduling. The Group's Financial Policy stipulates that borrowing and trading in financial instruments may only be conducted with one of the large Nordic commercial banks. Current investments of any surplus liquidity are made with terms of one to six months at current market interest rates. The counterparty for deposits is always one of the large Nordic commercial banks. At the end of the financial year, the Parent Company had access to a committed credit facility of SEK 300 million, of which SEK 238 million was unutilised, and a revolving credit facility totalling SEK 800 million, of which SEK 594 million was unutilised. Handelsbanken is the lender for both credit facilities.
The committed credit facility has a maturity of one year from the date of issue (falls due in March), with the option to extend the facility after a standard credit rating. After the balance-sheet date, the committed credit facility was extended until 31 March 2026. The committed credit facility is linked to a multi-currency cash pool, which means that the credit facility can be utilised in several different currencies but that its utilisation will be denominated in SEK vis-à-vis the lender and that the interest rate on utilisation is based on STIBOR.

The revolving credit facility has an initial maturity of three years from the date of issue and can be extended for a further year plus one additional year, for a total maximum of five years. In 2023, Momentum Group exercised the two-year extension option, meaning the current revolving facility is in place until 31 December 2026. This credit facility represents a binding commitment from Handelsbanken to issue a revolving loan within the framework of the facility as long as the Group fulfils certain financial obligations. The revolving loan can be withdrawn with various fixed-interest periods (one, three or six months) and in various currencies (SEK, EUR, NOK, DKK or USD).

The external financing is linked to financial covenants that the Group is obligated to fulfil every quarter. The primary covenants by which Momentum Group is measured are the interest coverage ratio and the equity/assets ratio. There are specific definitions for each component. As of 31 December 2024, all financial covenants were fulfilled. Cash and cash equivalents, including unutilised granted credit facilities (based on Handelsbanken's commitment as an external creditor), totalled SEK 859 million.

The Group's financing risk is also dependent on the possibility of refinancing loans as they mature. The Group's financial liabilities at year-end amounted to SEK 890 million and the maturity structure of the loan liabilities is presented in the table below. A table showing the Group's financial assets and liabilities is presented in Note 22 Financial assets and liabilities.

Maturity structure financial liabilities (undiscounted cash flows)

	31 Dec 2024		Matures		
MSEK	Carrying amount	Future payment amount	Within 1 year	After 1 year, but within 5 years	After 5 years
Interest-bearing financial liabilities to credit institutions	268	291	13	278	–
Interest-bearing lease liabilities	207	220	84	117	19
Interest-bearing deferred payment, acquisitions	11	11	0	11	–
Contingent purchase considerations	35	38	2	36	–
Accounts payable and other non-interest-bearing financial liabilities	341	346	267	79	–
Derivative hedging instruments	0	0	0	–	–
Financial liabilities	**862**	**906**	**366**	**521**	**19**

	31 Dec 2023		Matures		
MSEK	Carrying amount	Future payment amount	Within 1 year	After 1 year, but within 5 years	After 5 years
Interest-bearing financial liabilities to credit institutions	356	409	18	391	–
Interest-bearing lease liabilities	188	200	73	110	17
Interest-bearing deferred payment, acquisitions	17	17	11	6	–
Contingent purchase considerations	30	34	–	34	–
Accounts payable and other non-interest-bearing financial liabilities	297	303	228	75	–
Derivative hedging instruments	2	2	2	–	–
Financial liabilities	**890**	**965**	**332**	**616**	**17**

The Parent Company manages the Group's external borrowing. The above maturity structure pertaining to interest-bearing financial liabilities corresponds to the actual maturity structure for the Parent Company

Credit risks

In its commercial and financial transactions, the Group is exposed to credit risks in relation to Momentum Group's counterparties. Credit risk or counterparty risk pertains to the risk of loss if the counterparty does not fulfil its obligations. The Group is exposed to credit risk through its financial transactions, i.e. through the invest ment of surplus liquidity and implementation of foreign-exchange forward contracts and in connection with accounts receivable and advance payments to suppliers in the commercial operations. The Financial Policy stipulates that only the major Nordic commercial banks are suitable for the investment of surplus liquidity and foreign-exchange forward contract subscriptions. As a result of this policy and restrictions, expected credit losses from financing operations are not significant. The carrying amount of financial assets and contract assets comprises the maximum credit exposure. Credit risk in contract assets other than accounts receivable is not significant.

In order to capitalise on the operational business's knowledge of customers and suppliers, the credit risk assessments are managed in the commercial transactions by each company. The credit risk is spread over a wide range of customers and is a good reflection of the Group's operations where the total revenue is built up of many business transactions and a favourable risk spread of sales across varying industries and companies. No individual customer accounts for more than 5 per cent of the total credit exposure over a one-year period. To minimise the risk of credit losses, the Group companies apply credit policies that limit outstanding amounts and credit periods for individual customers. The size of each customer's credit is assessed individually. A credit check is made for all new customers. The intention is that credit limits will reflect the customer's payment capacity. The Group companies apply an reserve matrix based on maturity structure as support for their reserves for expected credit losses. This matrix is applied along with customer-specific information (such as a deteriorating credit rating) and is adapted based on historical experiences of credit losses. Historically, Momentum Group's credit losses have been low. The credit quality of the accounts receivable that have neither matured for payment nor been reserved is deemed favourable.

The maturity structure and reserves for expected credit losses through the application of the credit rules described above are presented in the table below. Reserves for expected credit losses primarily pertain to receivables that are more than 60 days past due.

Accounts receivable

MSEK	31 Dec 2024	31 Dec 2023
Accounts receivable	436	391
Accumulated reserve for expected credit losses	–4	–3
Accounts receivable, net	**432**	**388**
Specification of change in reserve for expected credit losses		
Carrying amount at the beginning of the period	–3	–3
Changes pertaining to acquired operations	0	0
Change related to confirmed credit losses	0	0
Change related to expected credit losses	–1	0
Translation differences	0	0
Carrying amount at the end of the period	**–4**	**–3**
Maturity analysis		
Not past due	371	331
Receivables past due by 1–30 days	43	46
Receivables past due by 31–60 days	8	8
Receivables past due by 61–90 days	6	1
Receivables past due by >90 days	8	5
Total receivables	**436**	**391**

22 Financial assets and liabilities

Group, MSEK	31 Dec 2024	31 Dec 2023
Financial assets		
Financial assets measured at fair value		
Financial investments	0	0
Derivative hedging instruments	0	0
Financial assets measured at amortised cost		
Long-term receivables	3	2
Accounts receivable	432	388
Other receivables	1	1
Cash and cash equivalents	27	47
Total financial assets	**463**	**438**
Financial liabilities		
Financial liabilities measured at fair value		
Derivative hedging instruments	0	2
Contingent purchase considerations	35	30
Financial liabilities measured at amortised cost		
Option liability	79	53
Deferred payment, acquisitions, non-interest-bearing	16	16
Interest-bearing liabilities	486	561
Accounts payable	246	228
Total financial liabilities	**862**	**890**

Momentum Group measures financial instruments at fair value or amortised cost in the balance sheet depending on their classification. In addition to items in 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. Assets and liabilities measured at fair value comprise hedging instruments for which fair value is based on observable market data and which are therefore included in level 2 according to IFRS 13 and liabilities for contingent purchase considerations that are measured using discounted cash flow and which are thus included in level 3. Regarding changes in contingent purchase considerations, a reconciliation of the opening and closing balances is detailed in Note 17.

Note 22, Financial assets and liabilities, cont.

Parent Company, MSEK	31 Dec 2024	31 Dec 2023
Financial assets		
Financial assets measured at amortised cost		
Receivables from Group companies	808	807
Cash and cash equivalents	–	–
Total financial assets	**808**	**807**
Financial liabilities		
Financial liabilities measured at amortised cost		
Liabilities to credit institutions	268	356
Liabilities to Group companies	373	257
Accounts payable	1	3
Total financial liabilities	**1,258**	**616**

23 Expected recovery periods for assets, provisions and liabilities

Amounts expected to be recovered

Group, MSEK	Within 12 months	After 12 months	Total
Assets			
Intangible non-current assets[1]	46	811	**857**
Tangible non-current assets[1]	9	20	**29**
Right-of-use assets[1]	80	134	**214**
Financial non-current assets			
Financial investments	0	0	**0**
Other long-term receivables	0	3	**3**
Deferred tax assets	0	3	**3**
Total non-current assets	**135**	**971**	**1,106**
Current assets			
Inventories	379	–	**379**
Accounts receivable	432	–	**432**
Other receivables	55	–	**55**
Cash and bank	27	–	**27**
Total current assets	**893**	**–**	**893**
Total assets	**1,028**	**971**	**1,999**

[1] Expected annual depreciation and amortisation are recognised in the amounts expected to be recovered within twelve (12) months.

Amounts expected to be paid

Group, MSEK	Within 12 months	After 12 months	After 5 years	Total
Liabilities				
Non-current liabilities				
Non-current interest-bearing liabilities	0	216	0	**216**
Non-current lease liabilities	0	110	15	**125**
Other non-current liabilities	0	91	0	**91**
Other provisions	0	0	0	**0**
Deferred tax liabilities	16	79	25	**120**
Total non-current liabilities	**16**	**496**	**40**	**552**
Current liabilities				
Current interest-bearing liabilities	63	–	–	**63**
Current lease liabilities	82	–	–	**82**
Accounts payable	246	–	–	**246**
Other liabilities	271	–	–	**271**
Total current liabilities	**662**	**–**	**–**	**662**
Total liabilities	**678**	**496**	**40**	**1,214**

24 Group companies

Specification of the Parent Company's direct holdings of participations in subsidiaries

	Corp. Reg. No.	Reg. office	Holding, %	Carrying amount 31 Dec 2024	Carrying amount 31 Dec 2023
Momentum Group Holding AB	559266-0707	Stockholm	100	43	43
Accumulated cost					
At the beginning of the year				43	43
Carrying amount at year-end				**43**	**43**

Specification of the Parent Company's indirect holdings of participations in subsidiaries

Company	Reg. office, country	Holding, % 31 Dec 2024	Holding, % 31 Dec 2023
Momentum Industrial AB	Sweden	100	100
Rörick Elektriska Verkstad AB	Sweden	100	100
AB Carl A. Nilssons Elektriska Reparationsverkstad[1]	Sweden	–	100
ETAB Industriautomation AB	Sweden	100	100
Mekano AB	Sweden	70	70
Mekano i Sävedalen AB	Sweden	100	100
Öbergs i Karlstad AB	Sweden	100	100
Intertechna AB	Sweden	100	100
Mytolerans AB	Sweden	70	70
Börjesson Pipe Systems AB	Sweden	100	100
JOKRAB Automatikbyggnad AB	Sweden	70	70
Hydmos Industriteknik AB	Sweden	70	70
LocTech AB[2]	Sweden	–	100
LocTech i Motala AB[2]	Sweden	–	100
LocTech i Piteå AB[2]	Sweden	–	100
Agera Industritillbehör AB	Sweden	100	100
Askalon AB	Sweden	94	94
Processkontroll Items AB	Sweden	100	100
Conclean AB	Sweden	80	80
WEH Sverige AB	Sweden	100	100
Spider Technologies AB	Sweden	70	–
KmK Instrument AB	Sweden	70	–
Upfor AB	Sweden	70	–
PW Kullagerteknik AB	Sweden	100	–
WH-Service AB	Sweden	70	–
Sikama AB	Sweden	60	–
ZRS Testing Systems AB	Sweden	100	–
Minrox AB	Sweden	100	–
Indoma AB	Sweden	100	–
Swerub AB	Sweden	100	100
JNF Momentum Køge A/S	Denmark	100	100
HNC Group A/S	Denmark	70	70
Saniflow ApS	Denmark	70	70
Regal A/S	Denmark	100	100
Cobalch ApS	Denmark	70	70
Momentum Industrial AS	Norway	100	100
ZRN Testing Systems AS	Norway	100	–
Helsingin Kumi Oy	Finland	100	100
Hydjan Oy	Finland	100	–
HNC Technik GmbH	Germany	70	70

[1] The company was merged with Momentum Group Holding AB during the year.
[2] The companies were merged with Momentum Industrial AB during the year.

25 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. The related party-transactions in place pertain primarily to lease expenses in acquired companies. These leases have been entered into on market terms.

Remuneration to key senior executives

Remuneration to the Board and the management team is presented in Note 4 Employees and personnel costs.

26 Cash-flow statement

	Group		Parent Company	
Cash and cash equivalents, MSEK	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
The following subcomponents are included in cash and cash equivalents:				
Cash and bank	27	47	0	0
Total according to the balance sheet	**27**	**47**	**0**	**0**
Total according to the cash-flow statement	**27**	**47**	**0**	**0**

	Group		Parent Company	
MSEK	**2024**	**2023**	**2024**	**2023**
Interest paid				
Interest received	4	3	38	23
Interest paid	–32	–20	–33	–20
Total	**–28**	**–17**	**5**	**3**
Adjustments for non-cash items				
Depreciation and amortisation	137	100	0	0
Other	7	–2	1	0
Total	**144**	**98**	**1**	**0**

	Group	
Acquisition of subsidiaries and other business units[1], MSEK	**2024**	**2023**
Acquired assets		
Intangible non-current assets	108	438
Right-of-use assets	20	51
Other non-current assets	4	8
Inventories	19	61
Other current assets incl. cash and cash equivalents	109	206
Total assets	**260**	**764**
Acquired liabilities		
Interest-bearing liabilities	0	–3
Deferred tax liability	–13	–55
Lease liabilities	–20	–51
Current operating liabilities	–45	–118
Non-controlling interests	–16	–11
Total liabilities	**–94**	**–238**

	Group	
Acquisition of subsidiaries and other business units[1], MSEK	**2024**	**2023**
Purchase consideration	**–166**	**–526**
Less: Net cash in acquired business[2]	65	71
Less: Contingent purchase consideration	8	23
Less: Deferred payment	–	18
Additional: Settlement of deferred payment	–12	–10
Effect on cash and cash equivalents	**–105**	**–424**

[1] Refer to Note 27 Acquisition of businesses.

[2] Net of cash and cash equivalents and interest-bearing liabilities in the acquired businesses.

Reconciliation of liabilities deriving from financing activities

			Changes that do not impact cash flow						
MSEK	**31 Dec 2023**	**Cash flow**	**Deferred payment, acquisitions**	**Settlement of deferred payment, acquisitions (interest-bearing)**	**Liabilities in acquired companies[1]**	**Redemption of liabilities in acquired companies[1]**	**Translation differences**	**New and remeasured leases**	**31 Dec 2024**
Committed credit facility	58	4	–	–	–	–	–	–	62
Revolving loan	298	–94	–	–	–	–	2	–	206
Other interest-bearing liabilities	17	1	5	–12	–	–	–	–	11
Lease liabilities	188	–85	–	–	20	–	1	83	207
Total	**561**	**–174**	5	**–12**	**20**	**–**	**3**	**83**	**486**

			Changes that do not impact cash flow						
MSEK	**31 Dec 2022**	**Cash flow**	**Deferred payment, acquisitions**	**Settlement of deferred payment, acquisitions (interest-bearing)**	**Liabilities in acquired companies[1]**	**Redemption of liabilities in acquired companies[1]**	**Translation differences**	**New and remeasured leases**	**31 Dec 2023**
Committed credit facility	6	52	–	–	–	–	–	–	58
Revolving loan	50	251	–	–	–	–	–3	–	298
Other interest-bearing liabilities	9	–	8	–	–	–	–	–	17
Lease liabilities	133	–64	–	–	51	–	–1	69	188
Total	**198**	**239**	8	**–**	**51**	**–**	**–4**	**69**	**561**

[1] Cash flow from acquisitions of subsidiaries includes the net of cash and cash equivalents and interest-bearing liabilities in the row cash flow from acquisitions of subsidiaries.

27 Acquisition of businesses

2024 financial year

Momentum Group completed eight business combinations with closing during 2024.

PW Kullagerteknik AB
Holding: 100% **Closing:** 13 February 2024
In February, the subsidiary Agera acquired PW Kullagerteknik AB, a specialist in ball- and rolling bearings.

KMK Instrument AB
Holding: 70% **Closing:** 4 April 2024
In April, KmK Instrument AB, a specialist in measurement technology, non-destructive testing and material testing for Swedish industry, was acquired.

Hydjan Oy
Holding: 100% **Closing:** 2 May 2024
In May, Hydjan Oy, a specialist in hydraulics and pneumatics in Finland, was acquired.

WH-Service AB
Holding: 70% **Closing:** 14 May 2024
In May, WH-Service AB, a leading comprehensive supplier of rotating equipment primarily for the energy production sector in northern Sweden, was acquired.

Sikama AB
Holding: 60% **Closing:** 15 May 2024
In May, Sikama AB, a specialist in gas and fluid handling for Swedish industry, was acquired.

ZRS Testing Systems AB
Holding: 100% **Closing:** 29 May 2024
In May, ZRS Testing Systems AB, a leading specialist in material testing and calibration for industrial customers in Sweden and Norway, was acquired.

Minrox AB
Holding: 100% **Closing:** 10 June 2024
In June, the subsidiary BPS acquired Minrox AB, a specialist in flow technology for challenging environments and extremely abrasive processes for industrial customers in Sweden. Part of the purchase price was paid through a transfer of own B shares.

Indoma AB
Holding: 100% **Closing:** 2 December 2024
In December, the subsidiary Momentum Industrial acquired Indoma AB, which specialises in products for installation and maintenance for industry.

Purchase price allocation

The total purchase consideration for the acquisitions was SEK 166 million excluding acquisition costs. Acquisition costs totalling approximately SEK 3 million were recognised in the item other operating expenses. In accordance with the acquisition analysis presented below, SEK 68 million of the purchase consideration was allocated to goodwill and SEK 40 million to customer relations. The purchase price allocation for acquisitions completed in the fourth quarter is preliminary. The purchase price allocations for other acquisitions are final.

The allocation to customer relationships was based on the discounted value of future cash flows attributable to each class of assets, where an assessment was conducted that included margin, tied-up capital and turnover rate of the customer base. Goodwill on the acquisition date refers to the amount by which the cost of the acquired net assets exceeds their fair value. Goodwill is motivated by the anticipated future sales performance and profitability as well as the fact that the subsidiaries' position in their current markets is expected to be strengthened.

The purchase price allocations that are considered preliminary are largely because the acquisitions were closed only recently.

Effect on the Group's cash and cash equivalents

In addition to the acquisitions completed during the reporting period, cash flow from acquisitions of subsidiaries was also affected by the settlement of a deferred payment of SEK 12 million.

Acquisitions during the 2024 financial year

MSEK	Fair value recognised in the Group
Acquired assets	
Customer relationships	40
Right-of-use assets	20
Other non-current assets	4
Inventories	19
Other receivables	44
Cash and cash equivalents	65
Total assets	**192**
Assumed provisions and liabilities	
Interest-bearing liabilities	–
Lease liabilities	20
Deferred tax liability	13
Other current liabilities	45
Total provisions and liabilities	**78**
Net of identified assets and liabilities	**114**
Goodwill[1]	68
Non-controlling interests[2]	–16
Purchase consideration	**166**
Less: Cash in acquired business	–65
Less: Contingent purchase consideration[3]	–8
Effect on the Group's cash and cash equivalents	**93**

[1] Of recognised goodwill of SEK 68 million, SEK 0 million is expected to be tax deductible.
[2] Non-controlling interest is calculated as the proportional share of the identified net assets
[3] Contingent purchase considerations are recognised at a value corresponding to an average of approximately 45 per cent of a maximum outcome. The outcome of the contingent purchase considerations will be determined continuously during 2025-2027 and is dependent on the earnings of the acquired subsidiary. The potential undiscounted amount to be paid amounts to approximately SEK 18 million.

Note 27, Acquisition of businesses, cont.

2023 financial year

Momentum Group conducted 11 business combinations with closing during 2023.

Acquisition of Askalon AB

On 22 May 2023, 93.7 per cent of the shares in Askalon AB were acquired and closing took place on 5 June. Askalon is a leading player in advanced valve solutions primarily for the power, refinery and process industries in Sweden, Denmark, Finland and Iceland. The remaining 6.3 per cent of the shares in the company will be acquired by Momentum Group in 2025. Accordingly, the acquisition was consolidated on a 100 per cent basis and the agreement concerning the remaining shares in the company is being treated as a deferred payment.

The total purchase consideration for the acquisition was SEK 265 million excluding acquisition costs. Acquisition costs totalling SEK 1 million were recognised in the item other operating expenses during the reporting period.

In accordance with the final acquisition analysis below, SEK 93 million of the purchase consideration was allocated to goodwill, SEK 115 million to supplier relationships and SEK 24 million to customer relationships. The allocation to supplier and customer relationships was based on the discounted value of future cash flows attributable to each class of assets. The amortisation period for the values identified, such as supplier relationships, is 15 years and a period of ten years for customer relationships. The value of goodwill is based on the expectation that Momentum Group's position in the markets in question will strengthen and on the future sales performance, profitability and other synergies that the Group expects to realise through the acquisition.

If the acquisition had been completed on 1 January 2023, a consolidated income statement for Momentum Group, including Askalon, at 31 December 2023 indicates total net revenue of SEK 2,454 million and profit after tax of SEK 176 million for the reporting period. These amounts have been calculated based on Askalon's profit, adjusted for additional depreciation and amortisation that would have arisen if the adjustment to the fair value of tangible and intangible non-current assets had been applied from 1 January 2023, together with attributable tax effects. There are no material differences in accounting policies between Momentum Group and the acquired business, with the exception of IFRS 16, which has no material impact on profit after tax for the period in question.

During the reporting period, the acquisition of Askalon contributed SEK 212 million to the Group's revenue and SEK 13 million to the Group's EBITA. According to the final acquisition analysis, the total assets and liabilities included in the acquisition of Askalon amounted to the following.

Acquisition of Askalon AB, 2023

MSEK	Fair value recognised in the Group
Acquired assets	
Customer relationships	24
Supplier relationships	115
Other intangible non-current assets	1
Right-of-use assets	22
Other non-current assets	3
Inventories	22
Other receivables	88
Cash and cash equivalents	18
Total assets	**293**
Assumed provisions and liabilities	
Interest-bearing liabilities	–
Lease liabilities	22
Deferred tax liability	29
Other current liabilities	70
Total provisions and liabilities	**121**
Net of identified assets and liabilities	**172**
Goodwill[1]	93
Purchase consideration	**265**
Less: Cash in acquired business	–18
Less: Deferred payment[2]	–15
Effect on the Group's cash and cash equivalents	**232**

[1] Of recognised goodwill of SEK 93 million, SEK 0 million is expected to be tax deductible.

[2] Deferred payment corresponds to the value of acquisition of the remaining 6.3 per cent of the shares in the company and is not subject to interest payment. The undiscounted amount to be paid in 2025 amounts to SEK 17 million.

Description of other corporate acquisitions during the 2023 financial year

Hydmos Industriteknik AB
Holding: 70% **Closing:** 2 February 2023
Leading position in advanced hydraulic and gas systems for use in high-pressure applications.

Agera Industritillbehör AB
Holding: 100% **Closing:** 16 February 2023
Supplier-independent retailer of ball bearings, transmissions, motors and filters, as well as seals.

LocTech AB
Holding: 100% **Closing:** 1 March 2023
Comprehensive supplier of seals for rotating and static applications. The acquisition was carried out by the subsidiary Momentum Industrial AB.

Regal A/S
Holding: 100% **Closing:** 30 June 2023
Leading niche player in transmission, electrical automation and control for both OEMs and end customers in the food, toy and pharmaceutical industries in Denmark.

Processkontroll Items AB
Holding: 100% **Closing:** 3 July 2023
Has a leading niche position in instrumentation for demanding operating conditions.

Conclean AB
Holding: 80% **Closing:** 1 September 2023
Niche player in private sewage, rainwater recycling and stormwater management. Part of the purchase consideration was paid through a transfer of 154,830 own Class B shares at a price of SEK 93.80 per share.

Cobalch ApS
Holding: 70% **Closing:** 15 November 2023
Specialist in pipeline accessories for gas, water, oil, sewage treatment plants, waterworks and refineries. The acquisition was carried out by the subsidiary Börjesson Pipe Systems AB.

WEH Sverige AB
Holding: 100% **Closing:** 30 November 2023
Specialist in CNG/hydrogen refueling components and gas detection. The acquisition was carried out by the subsidiary Processkontroll Items AB.

Swerub AB
Holding: 100% **Closing:** 30 November 2023
Market leader in Sweden in advanced custom-made rubber products for industry. Part of the purchase consideration was paid through a transfer of 21,768 own Class B shares at a price of SEK 114.84 per share.

Helsingin Kumi Oy
Holding: 100% **Closing:** 18 December 2023
Specialist in customised rubber products and rubber profiles for industrial customers in Finland.

Purchase price allocation

The total purchase consideration for the acquisitions was SEK 261 million excluding acquisition costs. Acquisition costs totalling approximately SEK 3 million were recognised in the item other operating expenses. In accordance with the acquisition analysis presented below, SEK 99 million of the purchase consideration was allocated to goodwill and SEK 106 million to customer relationships.

The allocation to customer relationships was based on the discounted value of future cash flows attributable to each class of assets, where an assessment was conducted that included margin, tied-up capital and turnover rate of the customer base. Goodwill on the acquisition date refers to the amount by which the cost of the acquired net assets exceeds their fair value. Goodwill is motivated by the anticipated future sales performance and profitability as well as the fact that the subsidiaries' position in their current markets is expected to be strengthened.

Effect on the Group's cash and cash equivalents

In addition to the acquisitions completed during the reporting period, cash flow from acquisitions of subsidiaries was also affected by the settlement of a deferred payment of SEK 10 million. The payment was made during the fourth quarter.

Other acquisitions during the 2023 financial year

MSEK	Fair value recognised in the Group
Acquired assets	
Customer relationships	106
Right-of-use assets	29
Other non-current assets	5
Inventories	39
Other receivables	44
Cash and cash equivalents	56
Total assets	**279**
Assumed provisions and liabilities	
Interest-bearing liabilities	3
Lease liabilities	29
Deferred tax liability	26
Other current liabilities	48
Total provisions and liabilities	**106**
Net of identified assets and liabilities	**173**
Goodwill[1]	99
Non-controlling interests[2]	–11
Purchase consideration	**261**
Less: Net cash in acquired business[3]	–53
Less: Contingent purchase consideration[4]	–23
Less: Deferred payment[5]	–3
Effect on the Group's cash and cash equivalents	**182**

[1] Of recognised goodwill of SEK 99 million, SEK 0 million is expected to be tax deductible.
[2] Non-controlling interest is calculated as the proportional share of the identified net assets.
[3] Net of cash and cash equivalents and interest-bearing liabilities in the acquired business.
[4] Contingent purchase consideration is recognised at a value corresponding to some 90 per cent of a maximum outcome. The outcome of the contingent purchase consideration will be determined continuously during 2024-2026 and is dependent on the earnings of the acquired subsidiary. The potential undiscounted amount to be paid amounts to approximately SEK 29 million.
[5] Deferred payment fell due in the first half of 2024 and carried no interest.

28 Events after the balance-sheet date

In December 2024, the subsidiary Askalon announced the acquisition of Hörlings Ventilteknik AB, a specialist in valve services primarily for industrial customers in northern Sweden. The acquisition was completed in the first quarter of 2025.

In January 2025, the subsidiary Hydjan acquired Heinolan Hydrauliikkapalvelu Oy, a specialist in hydraulic services and components for the industrial sector.

On 3 March 2025, Sulmu Oy, a leading provider of industrial services for fiberglass- reinforced plastic and thermoplastics in Finland, was acquired.

On 4 March 2025, Avoma AB, a specialist in industrial service for rotating equipment, turbines, and welding, with a focus on the process and power industries in Sweden, was acquired.

No other significant events affecting the Group have occurred after the end of the financial year.

29 Untaxed reserves

The distribution of untaxed reserves recognised in the Parent Company's balance sheet is shown below. For the Group, these reserves are eliminated in their entirety. Refer to Summary of key accounting policies in Note 1. Of the Parent Company's total untaxed reserves amounting to SEK 69 million (69), SEK 14 million (14) comprises deferred taxes included in the Group's recognised deferred tax liability.

	Parent Company	
Tax allocation reserve, MSEK	**31 Dec 2024**	**31 Dec 2023**
Allocation 2021	17	17
Allocation 2022	29	29
Allocation 2023	23	23
Total	**69**	**69**

Proposed appropriation of profit

According to the Parent Company balance sheet, retained earnings including net profit amounted to SEK 109 million at 31 December 2024, of which SEK 39 million comprised net profit.

The following amounts are at the disposal of the Annual General Meeting of the Parent Company Momentum Group AB:	**SEK thousand**
Retained earnings	69,320
Net profit	39,797
Total	**109,117**
The Board of Directors and the President & CEO propose that the available funds be allocated as follows:	
Dividend to shareholders, SEK 1.10 per share	64,255[1]
To be brought forward	44,862
Total	**109,117**

[1] Calculated based on the number of shares outstanding as of 31 December 2024 and with due consideration for the 1,083,026 Class B shares repurchased by the company.

The Board of Directors proposes a dividend for 2024 of SEK 1.30 per share (1.10), corresponding to a total dividend of approximately SEK 64 million (54) based on the number of shares outstanding at year-end 2024. The proposed record date for dividends in 9 May 2025, with payment on 14 May 2025.

According to the Board's assessment, the proposed dividend is justifiable in relation to the demands placed on the Group's equity due to the Group's operations, scope and risks, and in relation to the Group's consolidation requirements, liquidity and position in other respects.

The income statements and balance sheets of the Group and the Parent Company are subject to adoption by the Annual General Meeting to be held on 7 May 2025.

Board's assurance

The Board of Directors and the President & CEO regard this Annual Report to be prepared in accordance with generally accepted accounting policies and the consolidated financial statements in accordance with IFRS as adopted by the EU, and deem them to provide a true and fair view of the company's and the Group's position and earnings. The Administration Report for the Parent Company and the Group gives a true and fair overview of the company's and the Group's operations, position and earnings and describes the material risks and uncertainties faced by the Parent Company and the companies included in the Group. The earnings and position in general of the Parent Company and the Group are presented in the income statements, balance sheets, cash-flow statements and notes included in the Annual Report.

Johan Sjö
Chairman

Anders Claeson
Director

Stefan Hedelius
Director

Gunilla Spongh
Director

Ylva Ersvik
Director

Ulf Lilius
President and CEO

Our Auditor's Report was submitted on 2 April ,2025

Ernst & Young AB

Clas Tegidius
Authorised Public Accountant, Auditor in Charge

Stockholm 2 April ,2025

Auditor’s report

To the general meeting of the shareholders of Momentum Group AB, corp. id 559266-0699

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Momentum Group AB (publ) for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 71–104 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act.

The statutory administration report and the corporate governance statement is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company’s audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor’s Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other statements

Audit of the annual report for the year 2023 has been performed by another auditor who provided an audit report dated 27 March 2024, with unmodified statements in the Report on the annual accounts.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Valuation of goodwill

Description

The groups reported value of intangible assets in the form of goodwill amounts to SEK 560 million as of 31 December 2024, which constitutes approximately 28 percent of the total assets.

As indicated in note 9, the value of goodwill and intangible assets is tested annually, as well as whenever there are indications that a write down may be necessary, by calculating the recoverable amount and comparing it to the carrying values. The impairment tests for 2024 have not resulted in any write-downs.

The recoverable amount is determined as the higher of a cash-generating unit's net selling price and its value in use, which is the discounted present value of future cash flows. The impairment test conducted at least annually by management therefore includes several estimates and judgments, including discount rates, projected cash flows, operating margins and growth.

Due to the estimates and assumptions made in connection with the impairment tests, as well as the size of the carrying values, we have assessed that goodwill represents a key audit matter.

How our audit addressed this key audit matter

In our audit regarding the valuation of goodwill in the group, our audit procedures have included, among other things, the following:

- Evaluation of the company's principles and procedures to ensure that the impairment test is conducted in accordance with IFRS.
- With the assistance of internal valuation specialists, reviewed and evaluated the group management's assumptions and forecasts that affect the impairment model, such as the assessment of future cash flows, selection of discount rates, and growth assumptions.
- Evaluation of prior years assessments in relation to actual outcomes.
- Reviewed the mathematical accuracy of the impairment test and relevant inputs.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–70 and 105–112. The other information also includes the remuneration report that were obtained before the date of this auditor’s report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director'sç use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Auditor's audit of the administration and the proposed appropriations of profit or loss

Opinions

In addition to our audit of the annual accounts we have also audited the administration of the Board of Directors and the Managing Director of Momentum Group AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to proviçde a basis for our opinions.

Responsibilities of the board of directors and the managing director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Momentum Group AB for the financial year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Momentum Group AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Responsibilities of the board of directors and the managing director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 38–42 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the statutory sustainability report on pages 45–69, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion. A statutory sustainability report has been prepared.

Ernst & Young AB, Box 7850, 103 99 Stockholm, was appointed auditor of Momentum Group AB by the general meeting of the shareholders on the 7th May 2024 and has been the company's auditor since the 7th May 2024.

Stockholm 2 April 2025

Ernst & Young AB

Clas Tegidius
Authorized Public Accountant

Multi-year review

	Rolling 12 months						
MSEK	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2022**	**31 Dec 2021**	**31 Dec 2020**	**31 Mar 2020**	**31 Mar 2019**
Revenue	**2,873**	**2,298**	**1,739**	**1,491**	**1,163**	**1,254**	**1,196**
Operating profit	273	237	185	155	130	130	111
EBITA	322	265	204	171	134	134	114
Net profit	186	173	140	117	99	99	84
Intangible non-current assets	857	789	383	284	175	177	165
Right-of-use assets	214	194	138	127	51	60	–
Other non-current assets	35	31	22	19	12	8	7
Inventories	379	366	285	213	176	193	191
Current receivables	487	435	328	271	175	227	220
Cash and cash equivalents and current investments	27	47	17	70	145	31	29
Total assets	**1,999**	**1,862**	**1,173**	**984**	**734**	**696**	**612**
Equity attributable to Parent Company shareholders	726	617	498	458	337	259	143
Non-controlling interests	59	39	27	17	6	5	–
Interest-bearing liabilities and provisions	486	561	198	132	147	193	141
Non-interest-bearing liabilities and provisions	728	645	450	377	244	239	328
Total equity and liabilities	**1,999**	**1,862**	**1,173**	**984**	**734**	**696**	**612**

	Rolling 12 months						
MSEK	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2022**	**31 Dec 2021**	**31 Dec 2020**	**31 Mar 2020**	**31 Mar 2019**
Operating margin, %	9.5	10.3	10.6	10.4	11.2	10.4	9.3
EBITA margin, %	11.2	11.5	11.7	11.5	11.5	10.7	9.5
Profit margin, %	8.4	9.7	10.2	9.9	10.9	10.1	9.1
Return on working capital (EBITA/WC), %	59	59	61	61	54	52	46
Return on capital employed, %	21	25	28	24	28	31	34
Return on equity, %	27	31	29	30	35	49	51
Financial net loan liability	459	514	181	62	2	162	112
Operational net loan liability / Net loan receivable +/–	252	326	48	–61	–45	107	112
Equity/assets ratio, %	36	33	42	47	46	37	23
Earnings per share, before and after dilution, SEK	3.60	3.45	2.70	2.30	1.90	1.95	1.65
Equity per share, SEK	14.70	12.50	10.10	9.05	6.70	5.15	2.85
Share price per share, SEK	177.80	130.50	58.51	–	–	–	–
No. of employees at the end of the period	809	749	558	484	329	339	335

Definitions of alternative performance measures

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. Items affecting comparability for the period pertain to costs for preparations ahead of the separate listing and mainly pertain to advisory costs, review costs and separation costs. The separate disclosure of items affecting comparability clarifies the development of operational 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 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 before interest and tax 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 Parent Company's shareholders.

Financial net loan liability
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 / Net loan receivable
Operational net loan liability measured as non-current interest-bearing liabilities and current interest-bearing liabilities excluding lease 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 excluding lease liabilities.

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.

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 the effect on 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. 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.

Derivation of performance measures

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.

MSEK	2024	2023
Change in revenue		
Comparable units in local currency, %	2.5	7.5
Currency effects, %	0.0	0.5
Number of trading days	0.0	–1.0
Acquisitions, %	22.5	25.2
Total change, %	**25.0**	**32.2**
EBITA		
Operating profit	273	237
Items affecting comparability	5	–
Amortisation intangible assets, acquisitions	44	28
EBITA	**322**	**265**
Items affecting comparability		
Restructuring costs	–5	–
Total items affecting comparability	**–5**	**–**
Operating margin		
Operating profit	273	237
Revenue	2,873	2,298
Operating margin, %	**9.5**	**10.3**
EBITA margin		
EBITA	322	265
Revenue	2,873	2,298
EBITA margin, %	**11.2**	**11.5**

MSEK	2024	2023
Profit margin		
Profit after financial items	240	222
Revenue	2,873	2,298
Profit margin, %	**8.4**	**9.7**
EBITA/WC		
Average inventories	384	324
Average accounts receivable	416	335
Total average operating assets	**800**	**659**
Average accounts payable	–253	–212
Average working capital (WC)	**547**	**447**
EBITA	**322**	**265**
EBITA/WC, %	**59**	**59**
Return on capital employed		
Average balance-sheet total	1,992	1,540
Average non-interest-bearing non-current liabilities	–225	–155
Average non-interest-bearing current liabilities	–475	–400
Average capital employed	**1,292**	**985**
Operating profit	273	237
Financial income	4	6
Total operating profit + financial income	**277**	**243**
Return on capital employed, %	**21**	**25**

MSEK	2024	2023
Return on equity		
Average equity attributable to Parent Company shareholders	667	553
Net profit attributable to Parent Company shareholders	178	170
Return on equity, %	**27**	**31**
Financial net loan liability		
Non-current interest-bearing liabilities	341	419
Current interest-bearing liabilities	145	142
Current investments	–	–
Cash and cash equivalents	–27	–47
Financial net loan liability	**459**	**514**
Operational net loan liability (+) / net loan receivable (–)		
Financial net loan liability	459	514
Financial lease liabilities	–207	–188
Operational net loan liability (+) / net loan receivable (–)	**252**	**326**
Equity/assets ratio		
Balance-sheet total	1,999	1,862
Equity attributable to Parent Company shareholders	726	617
Equity/assets ratio, %	**36**	**33**

Momentum.group