BELLMAN GROUP

Investor Presentation

Q1 2021 Update

Full-service provider backed by experienced management

Bellman Group in short

- Bellman Group was founded in 2017 by acquiring Bellmans and Uppländska Berg
- The company is a full-service provider of field related works required for construction of crucial infrastructure and buildings
- Attractive business model with a full suite of ground preparation services including blasting, excavation, transportation of masses and landfill – with each Bellman Group entity offering unique and complementing capabilities
- Recession resilient business model through exposure to contracyclical infrastructure market coupled with a flexible cost base due to use of subcontractors
- Most recent acquisition, Norrvidinge, is expected to close by the end of May 2021 and will diversify Bellman Group's geographical reach to south of Sweden

SEK 1.9bn
Pro forma sales 2021 Q1 LTM[1]

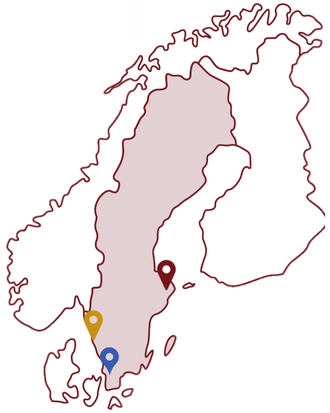
SEK 280m
pro forma Adj. EBITDA 2021 Q1 LTM[1]

6 subsidiaries

c. 1,340 units[2]

c. 1,000 subcontractors[3]

432 FTE's



Håkan Lind

- CEO of the Group since April 2017
- Chairman of Bellmans and has been with the Company since 2012
- Previous experience include CEO of Foria, one of the largest transportation companies in Sweden

Roger Axelsson

- CFO of the Group since April 2017
- Highly experienced senior financial executive
- Previous experience includes Interim CFO of Assemblin Group, CFO of Quant Group, Corporate Controller of Esselte Group

Note: 1) All figures are pro forma figures to include SÅCAB, Losshållningsbolaget and Ivarssons Entreprenad for the entire period. Hence the figures will not match the actual reported figures ; 2) Total number of units available to Bellman Group including subcontractor units. Units include, among others, trucks, backhoe loaders, crushers, dumpers, drilling rigs, excavators and wheel loaders; 3) Trucks and machines available through subcontractors. Mainly operated by smaller contractors

BELLMAN GROUP

Buy-and-build journey continues with Norrvidinge acquisition

History of Bellman Group

- Bellman Group has successfully acquired several companies historically to broaden their service offering and increase market footprint
- These companies have been integrated into Bellman Group but operate independently and are led by each company's managing director
- Acquisitions have enabled co-ordination of group functions, realisation of cross-selling synergies as well as efficiency improvements
- The company actively screens for more add-ons, maintaining a long list of targets. Key factor in executing current M&A plan is to remain as an attractive employer and partner for subcontractors

1972

Bellmans, Uppländska Berg and VSM are founded as independent companies

2016

Verdane acquires Uppländska Berg from Sequent Invest

2017

Bellman Group is formed through the acquisitions of Bellmans and Uppländska Berg

First corporate bond issue of SEK 220m

2018

VSM is acquired, expanding the Group's geographical presence and substantially growing the Group's machinery segment

Bellman Group increases outstanding bond loan by SEK 280m

2019

Samgräv is acquired, creating a permanent presence in the Gothenburg region and an expanded offering including landfill and recycling of waste mass

Bellman Group increases outstanding bond loan by SEK 100m

2020

SÅCAB is acquired in March, providing the group with its own landfill and recycling facility in the Stockholm region and an increased transportation capacity. Financed through cash on B/S Losshållningsbolaget is acquired in December, increasing the groups rock work and blasting capabilities

2021

Norrvidinge acquisition to be closed in end of May which diversifies the geographical reach to south of Sweden

Ivarssons Entreprenad is acquired to further strengthen the Company's business through their specialisation in infrastructure projects and maritime elements

Bellman Group issues a new SEK 900m bond

Norrvidinge at a glance

NORRVIDINGE

- The acquisition of Norrvidinge is fully consistent with Bellman Group's acquisition strategy, and primarily, desire to keep expanding our business in southern Sweden
- Norrvidinge's business model is a well fitted with Bellman Group. A well-managed and expansive company that enables Bellman Group to consolidate its market position further
- Norrvidinge Group was established in 2000 and is owned by Martin Nilsson, Per-Eric Troneus and Johan Beermann through companies

"The Norrvidinge group has progressed really positive in recent years, expanding its business fantastically. As a main shareholder of Norrvidinge, becoming part of a strong player like Bellman Group is a natural developmental step,"

Martin Nilsson and Per-Eric Troneus, Owners of Norrvidinge

"Norrvidinge has a strong position as market leader and a successful business model. We are convinced that we will bring value to Bellman Group,"

Johan Beermann, CEO of Norrvidinge

SEK 931m
sales 2020

SEK 82m
Adjusted EBITDA 2020[1]

c. 195 subcontractors

169 FTE's

Focus on southern Sweden with services within haulage, excavation and recycling

Note: 1) SEK 69m according to K3 accounting and SEK 82m converted to IFRS

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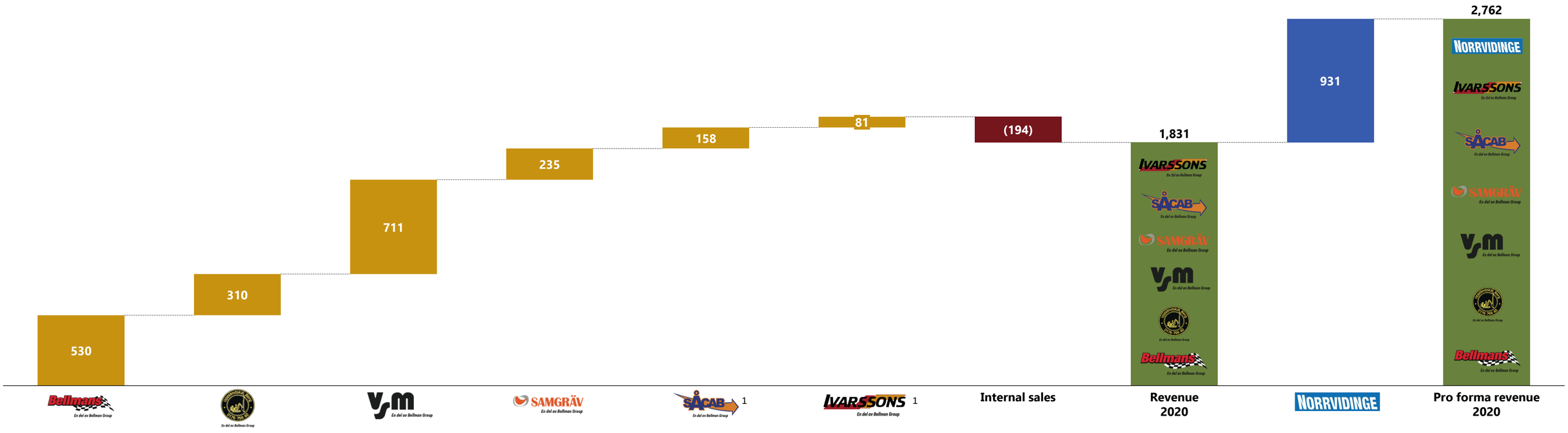
Proven buy-and-build continues with Norrvidinge acquisition

FY 2020 revenue breakdown – The pro forma revenue will increase with ~50% through the acquisition of Norrvidinge

SEKm



Note: 1) Figures have been pro forma adjusted to include SÅCAB, Losshållningsbolaget and Ivarssons Entreprenad for the entire period (FY 2020). Hence the figures will not match the actual reported figures

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Bellman Group has a unique one stop shop offering

Diversified service offering

Rock blasting
Majority volume-based compensation
- Offering comprises blasting for construction as well as substitute services like wire sawing and rock reinforcement
- Experts on cautious blasting in urban and sensitive areas

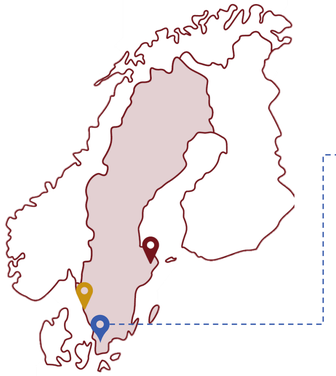
Excavation and machine work[1]
Hourly and volume-based compensation
- Excavation and filling of soil and earth for construction
- Full-scale offering in terms of operators and machinery size, with Group entities serving different needs

Transportation of waste mass[2]
Hourly and volume-based compensation
- Transportation of rock, gravel, soil and masses generated in earthwork services
- Handling of contaminated and non-contaminated mass

Landfill, recycling and mass handling
Volume-based compensation
- Landfill or recycling of mass, waste and rubble from construction sites and other field works
- Recycled rubble or other waste sold to third parties

Construction Projects

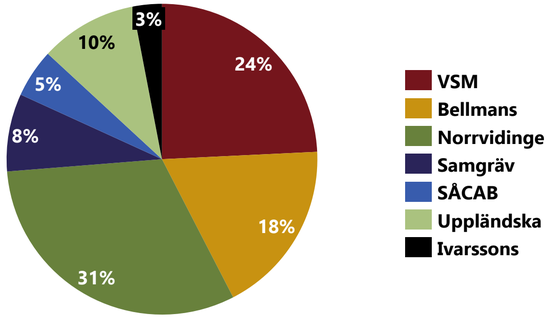
Increased diversification after Norrvidinge acquisition



NORRVIDINGE

Norrvidinge provides haulage and machine services, as well as civil engineering materials, across southern Sweden

Pro forma sales split by subsidiary, 2020A[3]



Notes: 1) Includes all machinery on construction sites, chorusing plants and transportations of machinery; 2) Includes external material and landfill (reimbursement for external material transported); 3) Figures are pro forma to include SÅCAB and Losshållningsbolaget which were both acquired in 2020 Ivarssons Entreprenad acquired in January 2021 and Norrvidinge with expected closing in May 2021. Hence the figures will not match the actual reported figures

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Q1 - Strong start of 2021

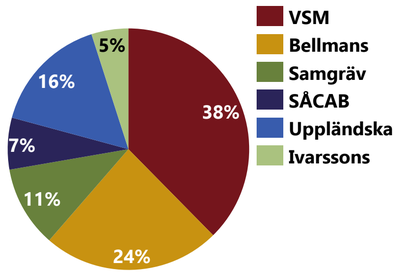
Strong sales growth with stable EBITDA margin

MSEK	Q1 2021[1]	Q1 2020[1]	PF Q1 2021[2]	PF Q1 2020[2]
Sales	**466.2**	**387.8**	**466.2**	**439.8**
Adjusted EBITDA	**67.6**	**48.5**	**67.6**	**61.6**
Adj. EBITDA margin	*14.5%*	*12.5%*	*14.5%*	*14.0%*
EBITDA	**63.7**	**45.3**	**63.7**	**58.4**
EBITDA margin	*13.7%*	*11.7%*	*13.7%*	*13.3%*
EBIT	**33.7**	**22.1**	**33.7**	**33.0**
EBIT margin	*7.2%*	*5.7%*	*7.2%*	*7.5%*

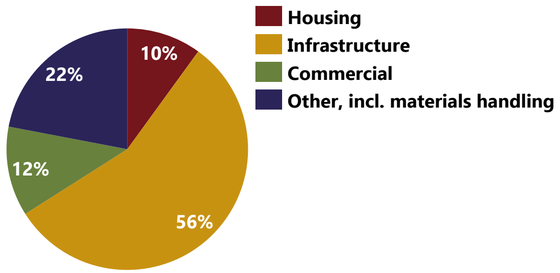
- Sales increased by 20.2% to SEK 466.2m in Q1 2021 and Adjusted EBITDA increased by 39.3% to SEK 67.6m
- The acquisition of Ivarssons accounted for SEK 25.1m in sales and SEK 8.0m in EBITDA and SÅCAB accounted for SEK 37.1m in sales and SEK 7.1m in EBITDA, explaining the main part of the sales and EBITDA increase
- VSMs sales increased with 19.2%, mainly driven by increase sales from Västlänken in Gothenburg. Uppländska's sales increased with 24.6%, partly due to the acquisition of Losshållningsbolaget but also due to increased sales from Västlänken. Samgräv's sales increased with 19.3% mainly driven by growth from external landfill sales. Bellman's sales was in line with last years sales

Diversified across segments with focus on infrastructure

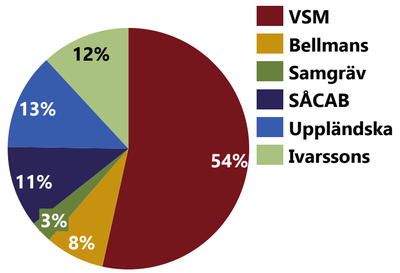
Pro forma sales split per segment Q1 2021



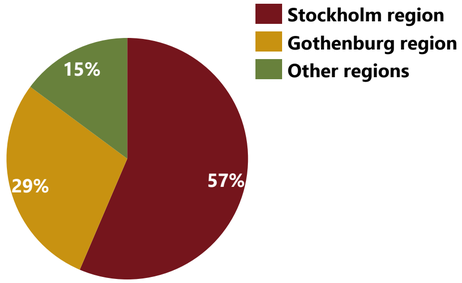
Pro forma sales split per market Q1 2021



Pro forma Adjusted EBITDA split per segment Q1 2021



Pro forma sales split per region Q1 2021



Notes: 1) Figures for 2020 includes Uppländska (exklusive LHB), Bellmans, VSM and Samgräv (excluding Bugärde) from January to March, and SÅCAB for March. Figures for 2021 includes Uppländska, Bellmans, VSM, Samgräv, SÅCAB and Ivarssons for the period January to March; 2) To show Bellman Group's development, January to March 2020 and 2021 are shown pro forma. The table above includes figures for Bugärde (Samgräv), Losshållningsbolaget (Uppländska), SÅCAB and Ivarssons as if the acquisitions were made on 1 January 2020

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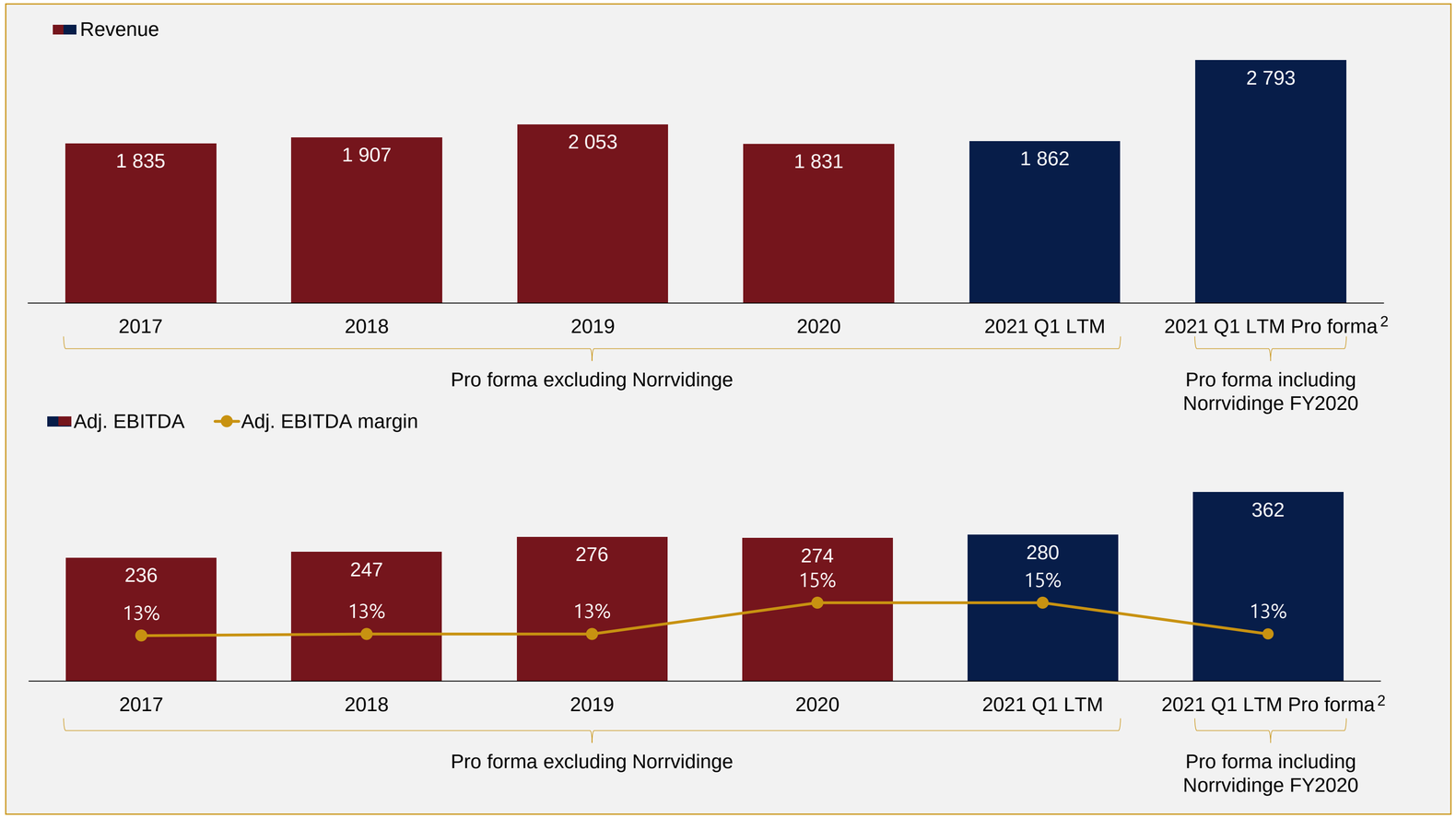
Long-term development, pro forma incl. Norrvidinge 2020FY

Revenue and Adj. EBITDA development (SEKm)[1]



- Actual sales for 2020 was down compared to the same period in 2019 largely as a result of a few projects being delayed, leading to lower transportation activities and mostly affecting the sales of Bellmans Åkeri and Samgräv
- Activities where relatively unaffected by the pandemic, however, we did notice some negative impact in the haulage operations for Bellmans, with project delays and price pressure, primarily in the Stockholm region
- Group companies have developed positively and Bellman Group continues to see more and more signs that the unique complete offering is requested from customers
- Apart from Ivarssons, Losshållningsbolaget and SÅCAB, Bellman Group recently announced the acquisition of Norrvidinge with a turnover of just under one billion increasing net sales significantly.
- Norrvidinge's business mix has slightly lower margins than other parts of Bellman Group, hence, the pro forma margin goes down to 13%

Notes: 1) Figures are pro forma adjusted to include SÅCAB, Losshållningsbolaget and Ivarssons Entreprenad for the entire period. Hence the figures will not match the actual reported figures. 2) Figures are pro forma adjusted to include Norrvidinge, signed in April 2021. Figures for Norrvidinge are based on FY2020 SEK 69m under K3 accounting and converted to SEK 82m under IFRS

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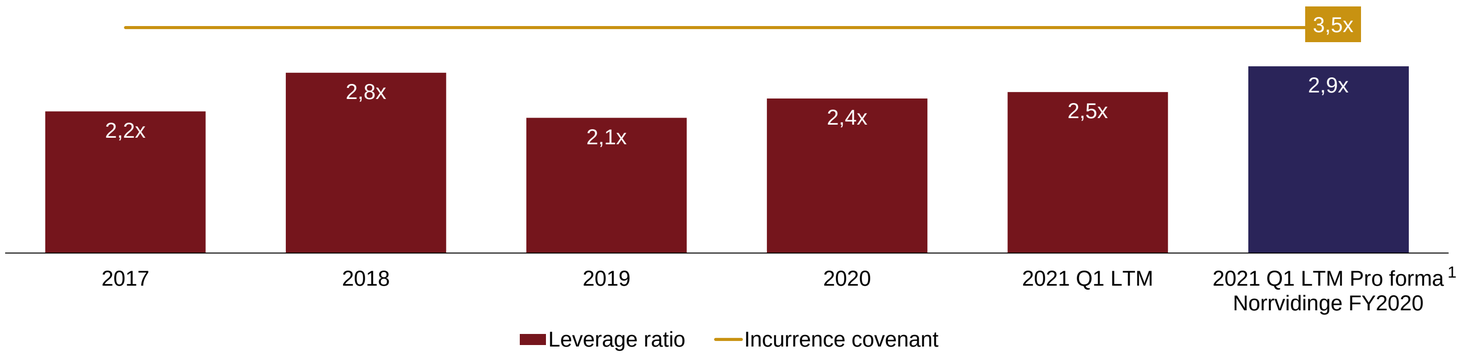
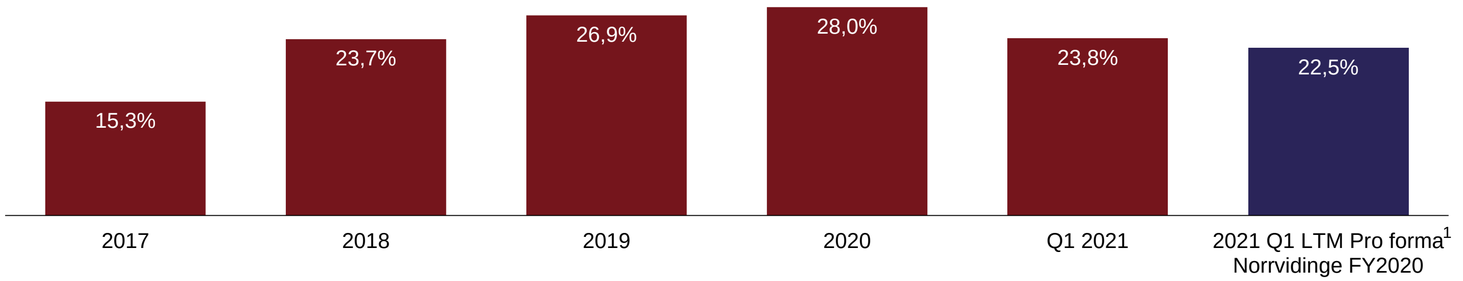
Strong key ratios, with leverage well below incurr. covenant

Leverage- and equity ratio development

Leverage ratio, x



Equity ratio, %



Comments

- In January 2021, Bellman Group issued a new bond of SEK 900m to partially refinance the outstanding bond but also to finance acquisitions
- In parallell, the company also raised a SEK 250m Super Senior RCF
- In April 2021 Bellman Group announced the acquisition of Norrvidinge with expected closing in end of May. The purchase consideration amounted to SEK 283m, paid in cash and through a vendor take-back. The sellers of Norrvidinge are re-investing a portion of the purchase consideration in Bellman Group, thus becoming its second largest shareholder after Verdane
- As a result of the above, during Q1 2021 leverage ratio increased slightly, to 2.9x, but remains well below the financial (incurrence) covenant of 3.5x and equity ratio decreased slightly but remains on a stable level above 20%

Notes: 1) Figures are pro forma adjusted to include Norrvidinge, signed in April 2021. Figures for Norrvidinge are based on FY2020 figures

BELLMAN GROUP

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