

A wide-angle photograph of a city skyline at dusk. The sky is a mix of orange, pink, and blue. In the foreground, a large body of water reflects the city lights. A prominent white ship is docked at a pier on the left. The city features a mix of historic and modern architecture, including a tall, dark church spire in the center and several construction cranes in the background.

ABGSC| Investor Presentation

May 2021

Seafire at a glance



Diversified investment group specialised in profitable SMEs operating in niche markets

Company highlights

Investment company targeting leading SMEs within niche industries

- Swedish investment company specialising in developing SMEs in niche industries and with a clear competitive edge/value-add
- Low-risk investment approach; acquires controlling stakes¹ of Swedish companies with revenues above SEK 30m and with a prudent buy-and-hold strategy

Comprehensive value-add strategy entailing value appreciation

- Active ownership model; provides portfolio companies with tools and resources to further grow and refine their respective businesses
- Highly experienced senior management with combined +35-year track record from senior positions within leading Nordic private equity

Considerable deal flow activity with proven acquisition track record

- Approx. 50 transactions are screened through a well-defined set of stringent acquisition criteria each year – having resulted in six acquisitions to date at an average EV/EBITDA multiple of 4.3x

Key takeaways



Diversified portfolio serving a broad range of niche markets

- Offering unique end-market exposure with limited overlap



Market capitalisation highlighting substantial equity cushion

- Following strong share price performance in the LTM



Strong historical growth paired with stable profitability

- 14% revenue CAGR while achieving EBITDA margin of 12%

Investment portfolio



- E-commerce company focused on electric mobility
- 2020 revenue: SEK 122m



- Specialised producer of industrial paint
- 2020 revenue: SEK 86m



- Manufacturer of high-quality industrial fans
- 2020 revenue: SEK 35m



- Agricultural surveillance products
- 2020 revenue: SEK 29m



- Interpretation and translation services
- 2020 revenue: SEK 48m



- Manufacturer of cinema camera equipment
- 2020 revenue: SEK 5m

Key financial metrics




Revenue 2021 Q1
SEK 327m
(LTM pro forma)

Adj. EBITDA 2021 Q1
SEK 39m
(LTM pro forma)

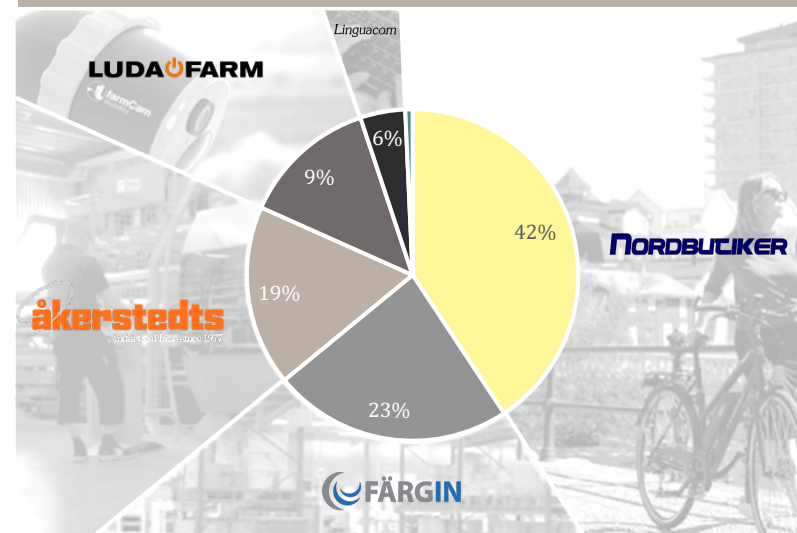
Portfolio characteristics

Diversified portfolio successfully serving a broad range of niche markets

	NORDBUCKER	FÄRGIN	åkersteds	LUDA FARM	Linguacom	HEDÉN
Industry	 Electric micro mobility	 Specialised industrial paint	 Bespoke industrial fans	 Agriculture surveillance	 Translation services	 Camera equipment
Unique selling points	 Award-winning proprietary brands	 Entrenched relationships	 Tailor-made products	 Innovative, easy-to-use technology	 Outstanding quality & services	 Award-winning technology
Main customers	 Private individuals	 Diversified manufacturing	 OEMs in agriculture and HVAC	 +3,000 farms across Europe	 Public sector / Government	 Camera OEMs / retailers
EBITDA margin	14%	11%	23%	14%	6%	5%

SEAFIRE

EBITDA split by portfolio company (2020 PF)



Portfolio-wide characteristics

- 
Profitable businesses with stable margins
 - Typically exhibiting growth above GDP
 
- 
Clearly defined unique selling point
 - Providing a clear reason to be in each niche
 
- 
Exposure to multiple niche industries
 - Serving a highly diverse customer base
 

Seafire's operating model



Balanced operating strategy combining active ownership with a high degree of local autonomy

Leadership



- Portfolio companies **operate as separate entities** with their own management teams local boards
- Seafire provides access to additional business contacts, BoD members as well as relevant industry experts

Strategic governance



- **Senior professionals serves as Chairman** of the board of each portfolio company supported by external industry experts where relevant
- Target based control through tangible financial and operational goals with individual management teams retaining a high level of autonomy

Development



- **Business plans** and clear operational and financial targets defined for each portfolio company
- Seafire provides regular business reviews as well as access to M&A financing and expertise

Administration



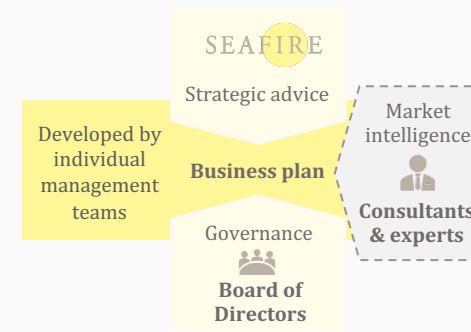
- Economies of scale through intra-group synchronisation of key external service providers (e.g bank, auditor etc.)



Overarching strategic business plan



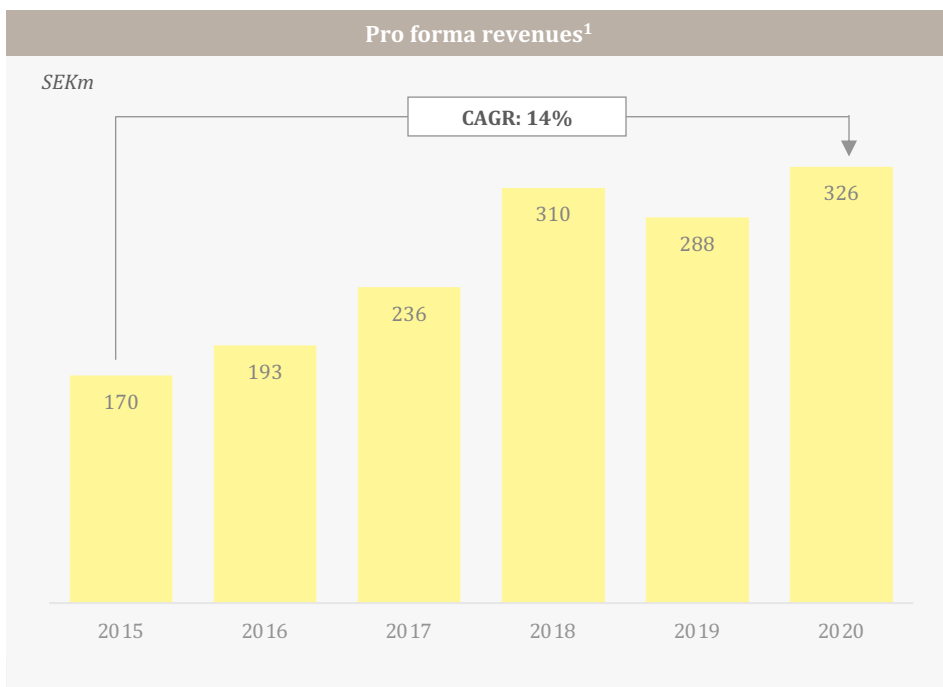
- Following an acquisition, the management team of the acquired portfolio company is required to establish a 3-5 year business plan
- The business plan incorporates key identified strategic initiatives identified throughout the acquisition process and the initial ownership period and serves as the core governing document for each portfolio company
- Progress is continuously tracked by monitoring of tangible financial and operational targets which are further scrutinised during periodical board meetings
- To further enhance the quality of the Board of Directors of each portfolio company, Seafire seeks to include at least one relevant industry expert on each board where appropriate



Seafire's historical financial performance

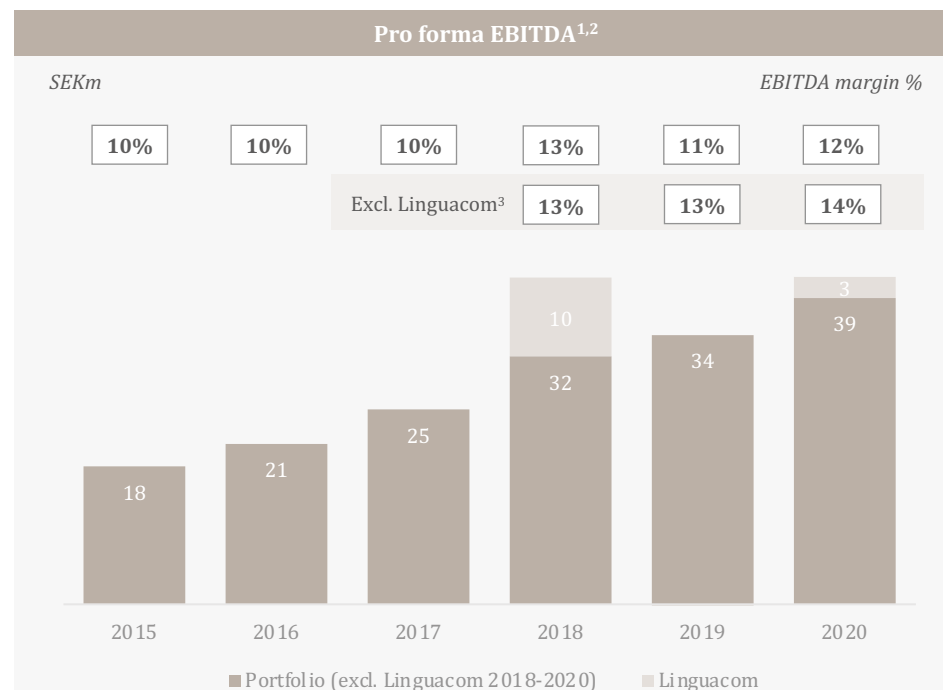


Underlying portfolio companies exhibit strong historical growth paired with stable profitability



Strong underlying growth across core portfolio companies

- Underlying revenue CAGR of 14% for Seafire's current portfolio
- Over the period, five out of six of the Group's current portfolio companies have seen a revenue CAGR in excess of 6%



Consistent double-digit EBITDA margin

- Seafire's current portfolio has historically seen EBITDA margins at or above 10%
- EBITDA growth propelled by underlying revenue growth as well as margin expansion driven i.a. by the higher share of EBITDA generated by Nordbutiker
- Figures affected by extraordinarily high profitability within Linguacom during 2018 followed by negative profitability in 2019³

Seafire's management team



Experienced management team central to Seafire's success story



Johan Bennarsten

Group CEO and Founder

With Seafire since 2016

- **Education:** Medical Degree from Karolinska Institutet and Master of Science in Engineering Physics from Uppsala University
- **Background:** 15 years of private equity experience from CapMan heading the firm's healthcare fund as well as investment banking experience as Partner at Pareto Securities

Shareholding: 1,712,368 shares (14,0%)

CapMan

Pareto
Securities



Peter Friberg

Group CFO

With Seafire since 2017

- **Education:** Master of Science in Economics at the University of Gothenburg
- **Background:** More than 20 years of experience from CFO positions and board member at Bergs Timber AB (publ).

Shareholding: 101,172 shares (0,8%)

BERGS



Mats Gullbrandsson

Group CIO

With Seafire since 2017

- **Education:** M.Sc. In Economics from University of Gothenburg
- **Background:** Experience from the financial sector, including work within at Alfred Berg, private equity experience at CapMan and CEO of retail chain Gallerix.

Shareholding: 315,289 shares privately (2,6%)

CapMan

Alfred Berg
1865

Board of Directors



Joachim Berner
Chairman of the board

With Seafire since 2016

- **Education:** M.Sc. in Economics from University of Gothenburg. MBA.
- **Background:** CEO and Editor-In-Chief at Dagens Nyheter, Editor-In-Chief at Expressen and CEO of Lowe Brindfors
- **Other assignments:** Chairman of Christian Berner Tech Trade (publ) and Gårdaverken AB. Board member of Yrkesakademien (publ) and Squid AB. Industrial Advisor at CapMan and Accendo Capital

Shareholding: 163,874 shares



Louise Nicolin
Board member

With Seafire since 2020

- **Education:** M.Sc. in Engineering from Uppsala University, eMBA from Stockholm University and International Directors programme from INSEAD
- **Background:** Business Area Manager at PlantVision, Independent consultant within business development and quality assurance (since 2011)
- **Other assignments:** Chairman of Better Business World Wide AB and Board member of Volati AB, VBG Group AB, Optinova Group Oy, Enzymatica AB and Atteviks Bil AB

Shareholding: 0 shares



Tord Lendau
Board member

With Seafire since 2017

- **Education:** High School Engineer, studies in Industrial Economy at Linköping University
- **Background:** Chairman of Encare AB, Hubbster AB, Medtentia Oy, Actea Consulting AB, Promimic AB, and Stille AB. Board member of Boule Diagnostics AB. CEO in Synectics Medical AB, Dantec AS and Sandvik Medtech AB.
- **Other assignments:** Chairman of SciBase Holding AB (publ), EPTI AB, Simpell AB and Embedded Nano Europe AB as well as Board member of Lendau Capital AB

Shareholding: 742,411 shares



Lennart Jacobsson
Board member

With Seafire since 2016

- **Education:** M.Sc. in Economics from Uppsala university
- **Background:** Some +30 years of experience within finance and private equity, including Co-Founder of Euroventures Management and Swedestart Management as well as Head of Technology at CapMan
- **Other assignments:** CEO and Board member of Bobtail Nordic Pharma AB, Chairman of Myvox AB and Board member of Metronor AS, Anebyhusgruppen AB, Spaljisten AB, KG List AB and Saminvest AB

Shareholding: 112,981 shares











Sara Wallin
Board member

With Seafire since 2021

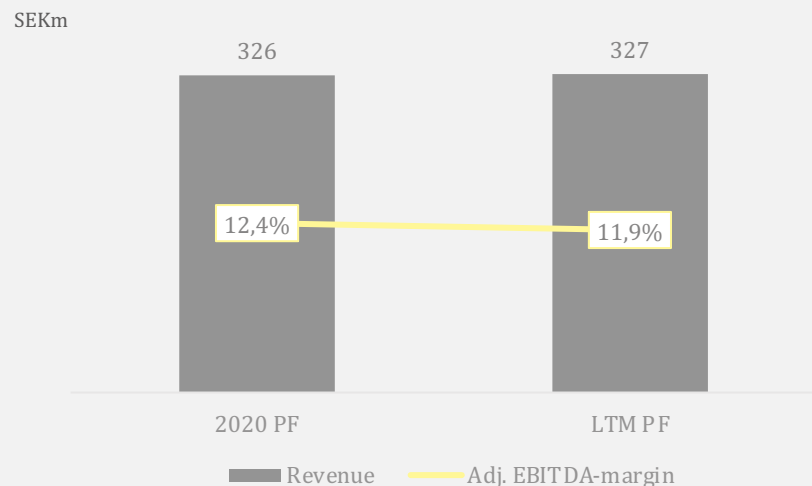
- **Education:** University of Gothenburg, KTH Royal Institute of Technology, B.Sc. in Marketing and Economics from IHM Business school
- **Background:** Broad investment background focusing on growth companies through her 11-year tenure as CEO of Almi Väst. Prior to joining Almi Sara has i.a. been active as a working partner in a number of growth companies within edtech and telecom.
- **Other assignments:** CEO of Chalmers Venutres, vice chairman of the Swedish Agency for Economic and Regional Growth, Board member of Gothenburg university

Shareholding: 0 shares

Key events during Q1 2021

 Acquisition of Färg-In AB	<ul style="list-style-type: none"> Acquisition of Färg-In AB on 4 January for a consideration of SEK 62 million on a debt free basis <ul style="list-style-type: none"> SEK 8 million was paid by a share issue directed at the sellers Färg-In is a specialised service provider, producer and reseller of industrial paint, mainly focused on refining paint for special applications beyond the scope of the original suppliers 		Selected Key Metrics
 SEK 200 million Senior Secured bond issue	<ul style="list-style-type: none"> Inaugural SEK 200 million Senior Secured bond issue was successfully placed on 23 February 2021 The bond allows Seafire to reduce its average interest rate while also providing capital for further growth and acquisitions 		 Cash on balance SEK 69.3 million
 Creades becoming largest shareholder	<ul style="list-style-type: none"> On 24 March 2021, Seafire made a directed share issue of SEK 40 million to Creades, which is now Seafire's largest shareholder Creades is a reputable and strong institutional owner that will be of great value to Seafire's continued growth and value creation 	CREADES	 Market Capitalisation¹ SEK 315 million
Improved financing and strengthened balance sheet during Q1 2021 makes Seafire well prepared the next phase of its growth journey			 LTM Adj. PF EBITDA² SEK 39 million
			 Net Debt / Adj. PF EBITDA² 4.2x

Financial performance (Pro forma figures)¹



- Organic revenue growth of 2% from Q1 2020 driven by strong performance in Luda-farm, Färg-in, Åkerstedts and Linguacom
- Underlying market demand is good – awaiting less covid restrictions to flourish
- Margin down 0.5 p.p. in LTM from PF 2020 mainly due to cost increases
 - Cost increases from investments in growth; personnel, consultants/recruitments, and lower social fees in 2020. 50% of the cost increase is non-recurring
- Start of 2021 emergence of supply chain bottlenecks
 - Bottlenecks has primarily affected Nordbutiker which has seen a shortage of several key products, which in turn has had an adverse effect on sales during Q1
 - Bottlenecks in customers' supply chain will impact sales 2021

Q1 2021 performance by group company

42%	NORDBUTIKER	<ul style="list-style-type: none"> • Revenue growth (Q1'21 vs Q1'20): -12% • Norway growing, rest of Nordics down • Season swing – close down
23%	FÄRGIN	<ul style="list-style-type: none"> • Revenue growth (Q1'21 vs Q1'20): +4% • Cold Jan-Feb reduced customer activities • Good sales pipeline - taking market share
19%	ÅKERSTEDTS	<ul style="list-style-type: none"> • Revenue growth (Q1'21 vs Q1'20): +4% • Order intake a bit lower than 2020 • Delays in special components move sales to Q3
9%	LUDAFARM	<ul style="list-style-type: none"> • Revenue growth (Q1'21 vs Q1'20): +34% • Strong demand from all markets • Supply chain not yet affected
6%	Linguacom	<ul style="list-style-type: none"> • Revenue growth (Q1'21 vs Q1'20): +9% • Increased volumes with improved margins • New partnerships with international translator firms will add business from Q2 2021
1%	HEDÉN®	<ul style="list-style-type: none"> • Revenue growth (Q1'21 vs Q1'20): -46% • Volume down about 50% vs 2020, positive market signals • Small surplus due to good cost control

x% = share of 2020 PF EBITDA

Building for the future

Seafire Academy

- Management training program – agile team model
- Growth programs
- ESG
- Competence acquisitions – best practice in recruitments of key persons
- Digitalization



Investments in teams

- Covid makes it possible to hire better competence
- **Nordbutiker:** management team in place during Q1 2021
- **LudaFarm:** strengthened with senior software developer and product manager
- **Färg-In:** Recruitment of CFO ongoing in order to free resources to M&S



Amazon.se CDON

- Nordbutiker launching on marketplaces as Amazon.se and CDON
- Initially limited assortments displayed
- We see an opportunity to strengthen market access, credibility and to learn for future market expansions



Supply chains

- **Situation:** Resurging global demand has created bottlenecks in production and logistics
- **Effect on portfolio companies:** Nordbutiker has seen the most notable effects with lost sales due to shortage of goods started which started in September 2020 persisting in 2021
- **Restart of economy will create bottlenecks:** Will hit manufacturing industries - impacting sales negatively for the Group companies
- **Proactive actions taken:** Orders placed earlier and for higher volumes for 2021-2023 with weekly follow-ups in all companies



Key events during following the end of the quarter

AGM held on 28 April

- Sara Wallin, Current CEO of Chalmers Ventures with a broad investment background focusing on growth companies through her 11year tenure as CEO of Almi Väst, elected as new board member



Announced plans to strengthen organisation

- Boards of portfolio companies will also be chaired by external members. Göran Barsby new chairman in Åkerstedts and Björn Andersson will chair Färg-In and LudaFarm.
- Thomas Sparrmo (former CEO Webhallen) will strengthen Nordbutiker's board of directors
- Organisation to be strengthened with a full-time CFO as well as an investment manager (replacing CIO Mats Gullbrandsson who will step-down in July)



Reservation for customer loss

- Resevation of SEK 0.8 million to be made in Q2 2021 as a result of an expected customer loss within the industrial segment



Next report: Q2 2021 (due 23 August 2021)



The Seafire share



Share price development - price rebased

Ticker: **SEAF**

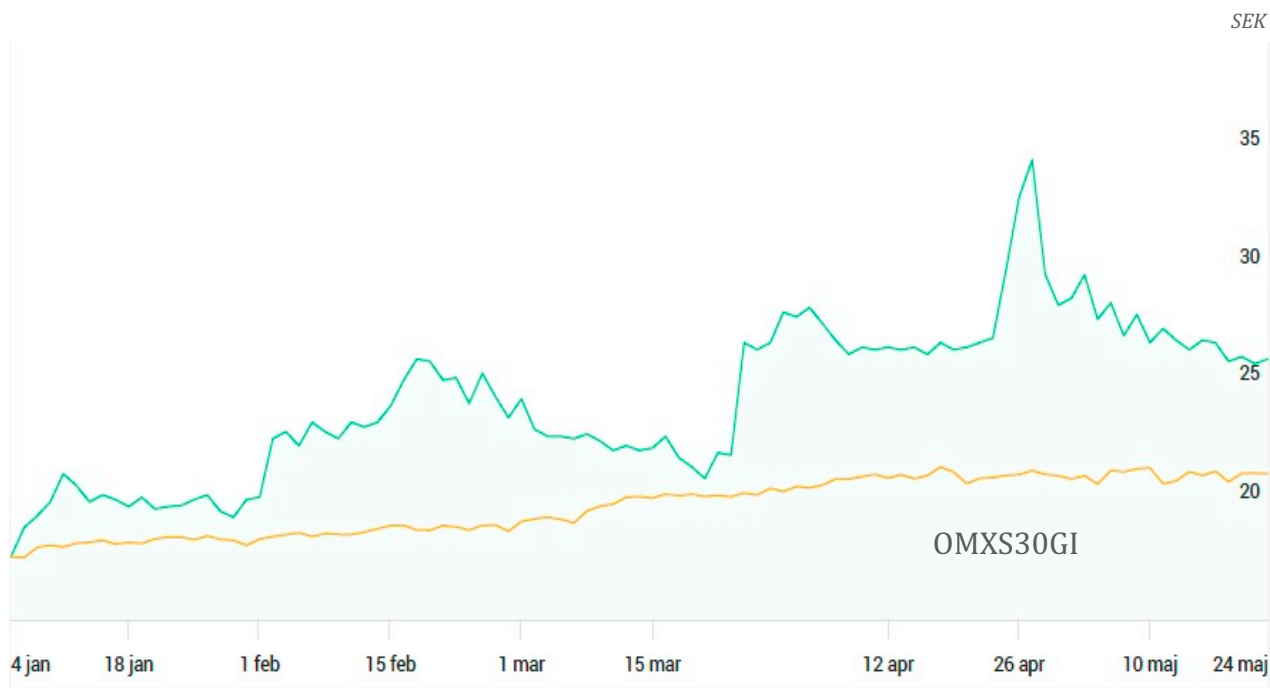
Share price: **SEK 25.9**

YTD 2021 share performance:

+45%

Market capitalisation:

SEK 317m



Shareholders per 2021-03-31

Owner	# of shares	Share of capital/votes
Försäkringsaktiebolaget Avanza Pension ¹	2,340,322	19.13%
Perpressa Invest AB	1,230,000	10.05%
Sydsken AB	1,033,000	8.44%
Björknäs Förvaltning AB	699,940	5.72%
Futur Pension AB	501,000	4.10%
Tord Lendau	451,086	3.69%
Zirkona AB	320,000	2.62%
Lendau Capital AB	291,325	2.38%
Saxo Bank A/S	290,162	2.37%
Johan Bergenudd	264,738	2.16%
Top 10	7,421,573	60.67%
Other	4,811,194	39.33%
Total	12,232,767	100.00%

Thank You!

