

MEKO: Vison & Strategy & Goals

We enable mobility – today, tomorrow and in the future.

Business Concept

We are an international corporate Group that operates and develops business in the automotive aftermarket. We focus on growth, collaboration, creating synergies and on driving sustainable and digital development in our industry. Our business concept is timeless and is based on enabling mobility – today, tomorrow and in the future – as technology develops and vehicles are used in new ways.

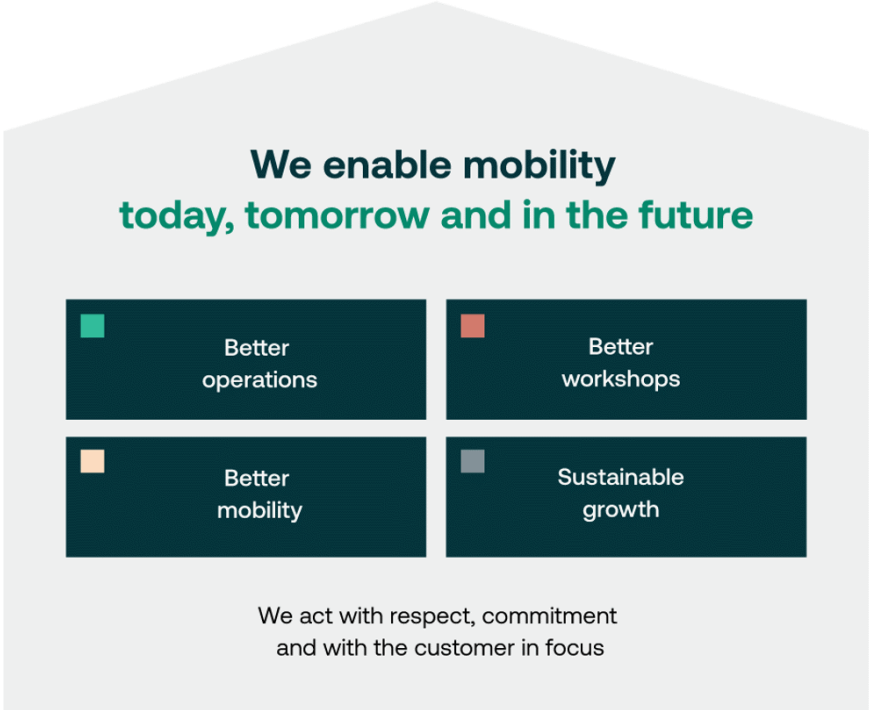
We meet the need for services and products for vehicle workshops and other companies through our market-leading concepts, distribution networks and our efficient logistics chain. Our concepts are also aimed at private and commercial vehicle owners where we meet the need for the service and repair of vehicles.

Strategy & Goals

We create a long-term profitable and sustainable business by utilising our size and strong position. We enable mobility with adapted offers based on the customers’ needs, society’s development and future trends. Our committed employees and differentiated concepts are our foremost assets.

MEKO’s strategy is based on our vision We enable mobility – today, tomorrow and in the future. Our business is independent of the economic cycle, what technology is used in the cars and how the cars are used. We will be the best and most comprehensive partner for everyone who drives, repairs and maintains cars. We will meet the needs of workshops and car owners in the way that is easiest for them – without them having to search elsewhere.

Our strategy is based on four strategic areas that will contribute to creating value for customers and profitable sustainable growth for the Group. Sustainability is an integral part of everything we do.



On the forefront of sustainability

We need to continuously develop our operations and our offering to be relevant over time. We need to keep pace with the development in the industry in terms of new technology, competition, new customer behaviors and new expectations. To ensure a long-term business and to be on the forefront of sustainability in our industry, we need the right employees and the right expertise.

Financial targets [[finantstargeteid muudeti 2023 Capital Markets day esitluses](#)]

MEKO's overall target is to grow with good profitability and thus create value for the shareholders. Our sustainability work is an integral part of the Group's strategy. During the year we had a good development towards our targets, where we achieved 50 percent of both the financial and the sustainability targets. In addition, we have initiated activities to ensure that we reach all targets and refined our measurement methods within the sustainability area.

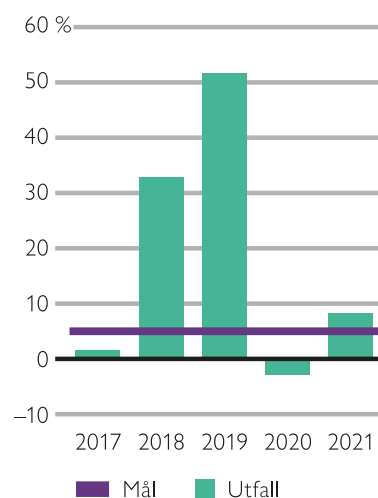
Target > 5% net sales growth

Target

Average annual sales growth of at least 5 percent, with a combination of organic and acquired growth.

Outcome 2021

For the past five years, we have exceeded the goal. For 2021, net sales increased by 7 (-3) percent. Organic growth was 8 percent.



Target 10% adjusted operating margin [Adj. EBIT]

Target

Adjusted operating margin of 10 percent annually.

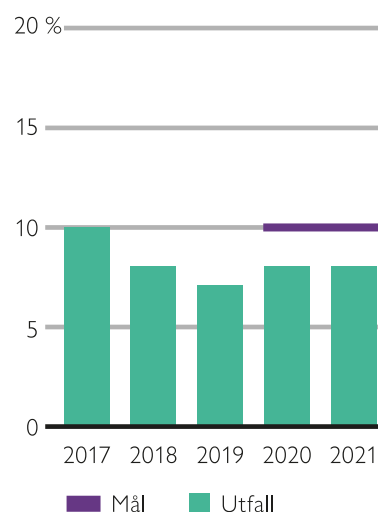
Outcome 2021

We have had increasing profitability since 2019, where we see continued opportunities to streamline the core business. For 2021, the adjusted operating margin amounted to 8 (8) percent.

2023 Capital Markets Day update:

Adj. EBIT margin of 10% -> Adj. EBIT growth of at least 10%

[Marginaali targetilt kasumi absoluutkasvule ümberorienteerumine võib viidata, et kiirendatakse mitteorgaanilist kasvu (omandamisi), kusjuures 5y müügi ja adj. EBIT targetite põhjal on perioodi end state adj. EBIT marginaal 8,4% ehk varasem 10% marginaal ei ole ilmselt nende endi arvates enam saavutatav]



Target 2.0–3.0 Net debt/EBITDA

Target

Net debt/ EBITDA should be 2.0–3.0 times in the long term.

Outcome 2021

We have achieved the target range since 2020. Net debt/ EBITDA* decreased to 1.9 (2.54). The net debt is 2,264 (2 673) MSEK.

*Net debt/EBITDA excluding IFRS 16.

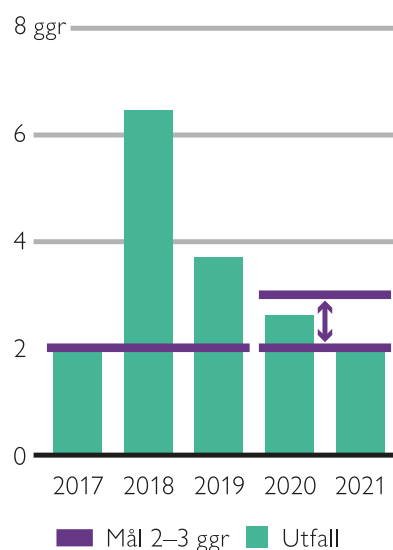
2023 Capital Markets Day update:

Net debt/EBITDA target 2023 olla tagasi target ranges 2-3x. FY22 (pärast koivunen omandamist) tõusis 3,36 peale 1,89 pealt.

Täiendav värv:

19-22 genereeritud äritegevuse rahavoogusid kokku SEK 5.2 B (ca 460mln eur);

Cash flow sufficient for future dividend payments, selective value creative acquisitions and required investments, while keeping net debt/EBITDA within target range of 2.0-3.0 times.



Target > 50% Dividend share

Target

Dividends corresponding to at least 50 percent of profit after tax.*

Outcome 2021

The Board of Directors proposed a dividend of SEK 3.00 per share for 2021 (0.00). The Board continues to support the target that at least 50 percent of earnings after tax should be distributed.

*When deciding on dividend proposals, the Board takes into account the Group's potential acquisition opportunities, financial positions, investment needs and prospects

