

First Mover Group

Business Plan 2022-2026

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March 31, 2022



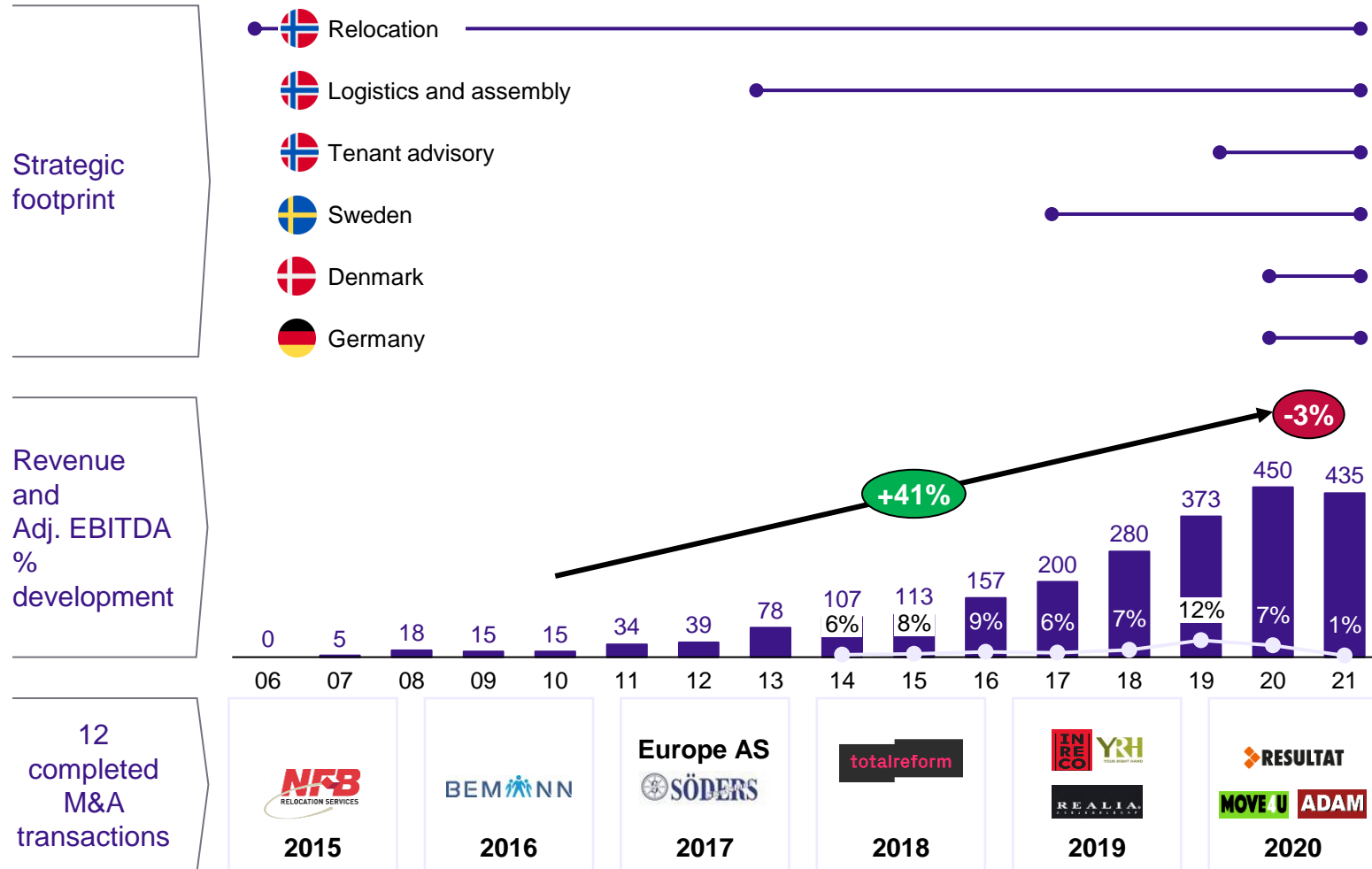
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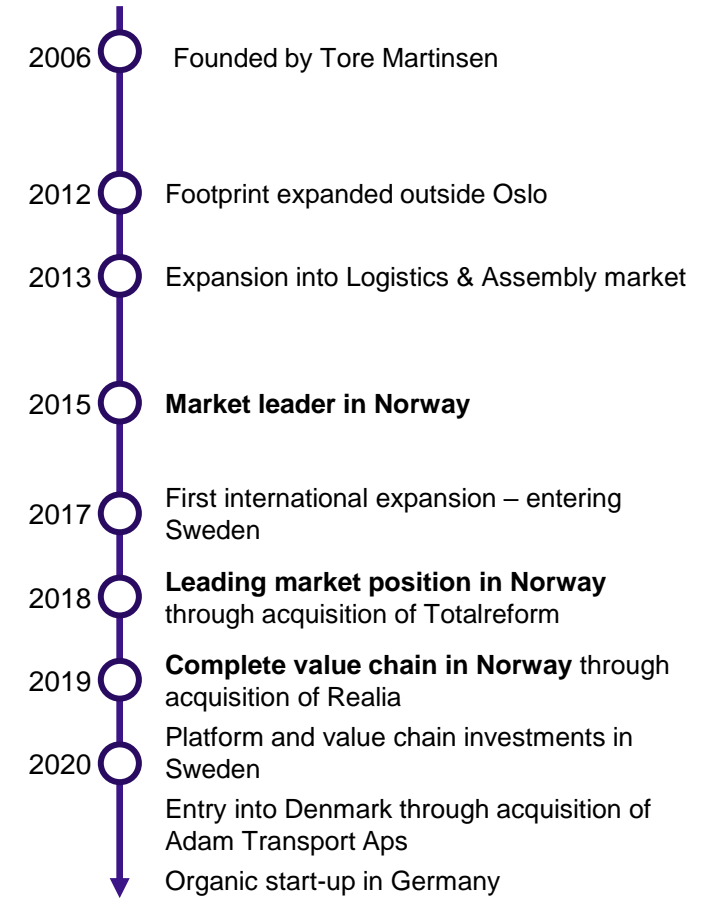


Up until 2020 we had grown 41% p.a. since 2010 with a healthy profitability supported by programmatic M&A

FMG history



Key milestones

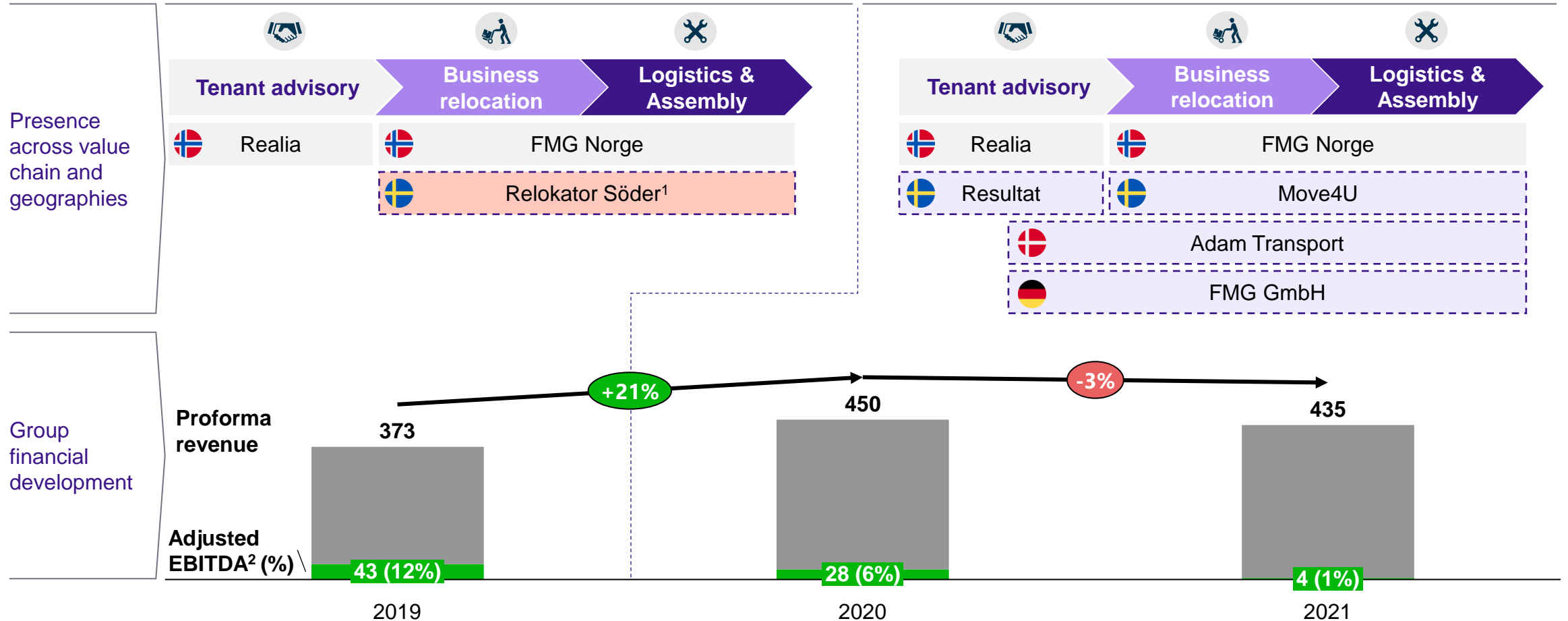


Covid-19 has negatively impacted our market, challenged our growth agenda and compressed our margins

FMG development from 2019 to today

In 2019, FMG had lead position in Norway and had started a build up in Sweden

... Today, FMG has recalibrated Sweden, taken a solid share in DK and positioned a node in DE – but Covid impacts margins



1. Relokator Söder was shut down in early 2022
Source: Management information



Periods with lockdown reduced revenue with up to 30% and conditions worsened throughout 2021

Covid-19 impact on EBITDA specially hit our year end high seasons

- Lockdown ●
- In between ●
- Reopening ●

Impact

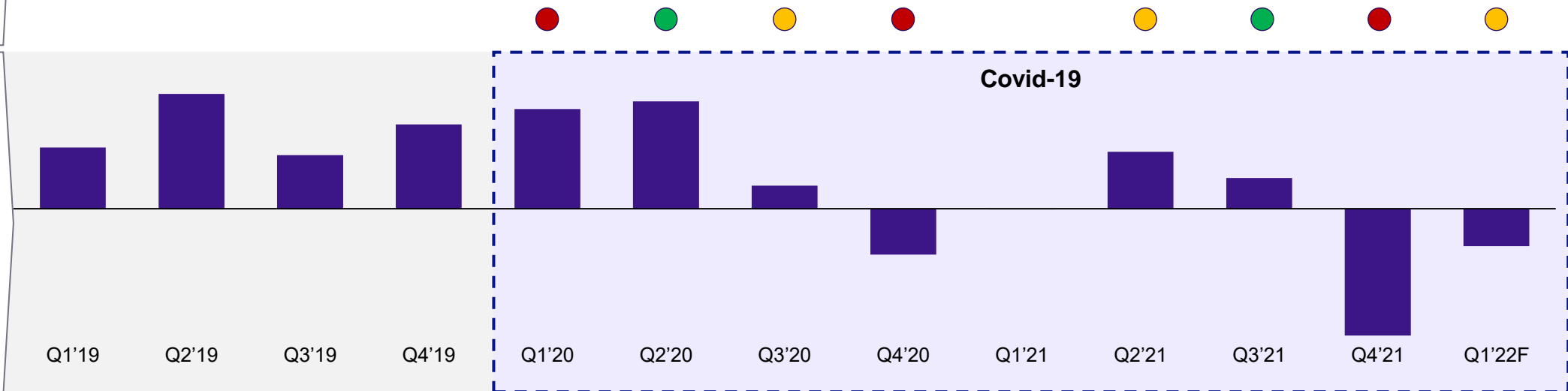
- ▶ The less developed and mature markets have seen the hardest impact
- ▶ Integration projects have stopped
- ▶ Investments and mergers have been delayed
- ▶ General impact on lock-down reduced revenues across borders with around 30%

Recovery in 2022

- ▶ General economy expected strong recovery and reach pre-pandemic levels
- ▶ Office newbuild completion expected to driver further business
- ▶ Vacancy rate expected to reach pre-pandemic levels
- ▶ Number of addressable companies expected strong recovery and maintaining pre-pandemic growth
- ▶ Switching rate activity expected to reverse toward pre-pandemic levels

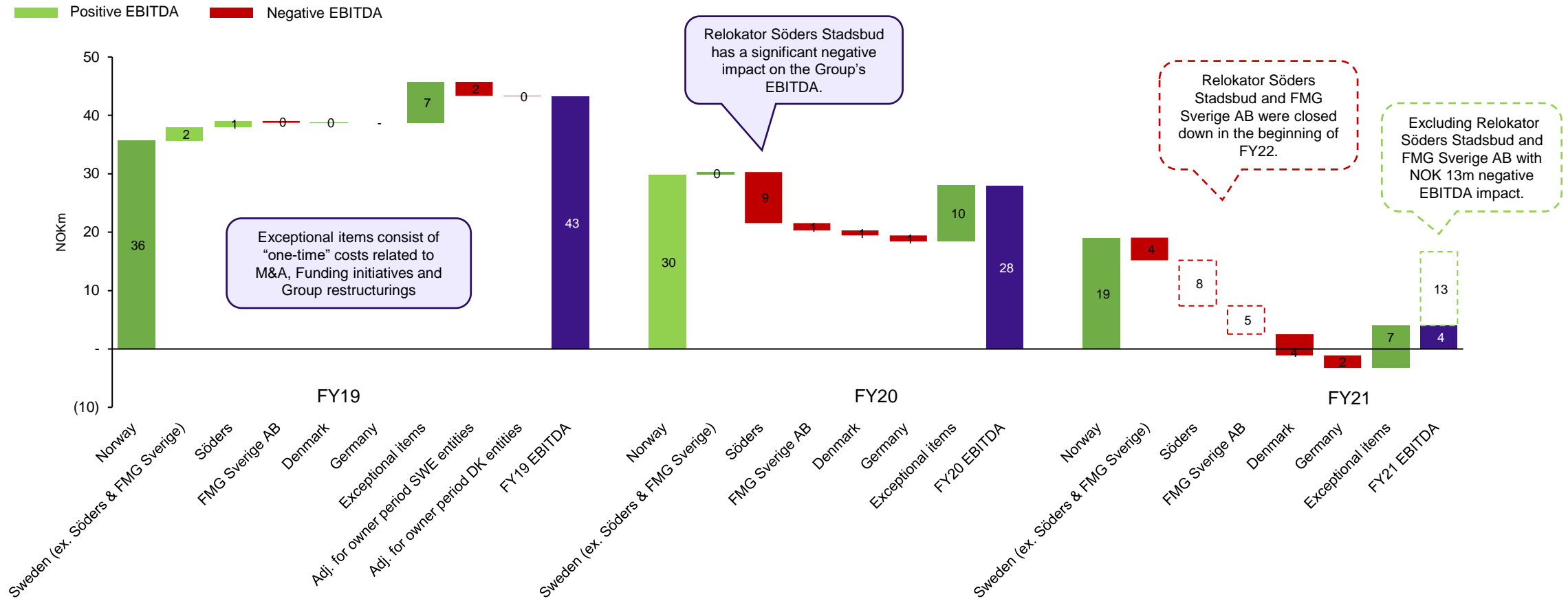
Covid-19 impact and recovery

Group non-adjusted EBITDA development¹



All companies affected by COVID the last two years

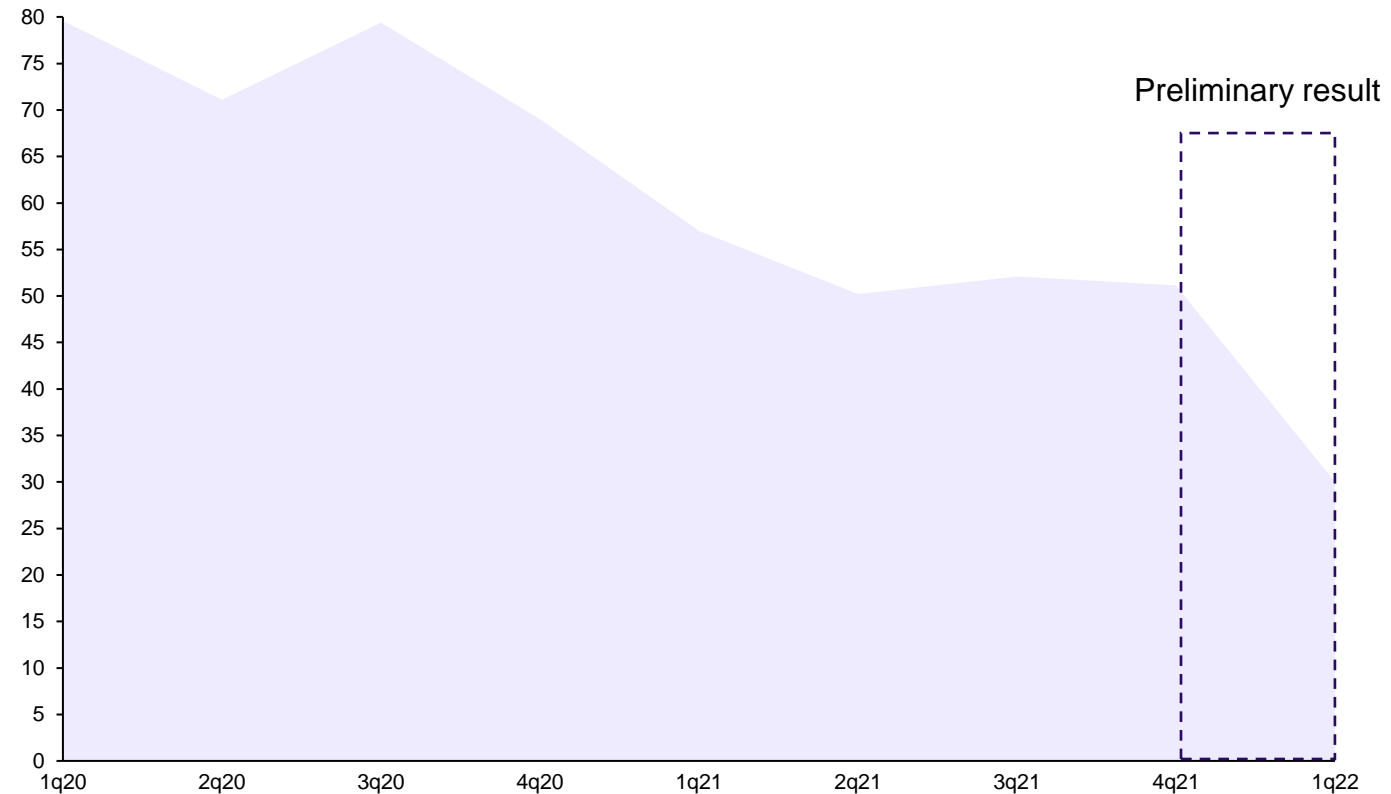
Reported adj. Proforma EBITDA FY19 to FY21



Low and negative results have eaten up our cash position leaving us in a vulnerable position in 2022

- Declining profitability has put pressure on the liquidity position of the group. Cash position at the end of 1q22 is estimated at about NOK 30m.
- Out of the total cash and cash equivalents shown to the right, about NOK 24m are held on Escrow, in addition to other restricted cash, i.a. employee taxes.
- Receivables are sold to Aros Capital, leading to negative NWC, and hence it is expected to lift cash position on increased revenues.
- In addition, a NOK 10m revolving credit facility is established. The facility holds a cross-default with bond clause.
- Cash breakeven levels have been decreasing from FY20 to FY21, and will continue to be reduced in FY22 and onwards due to cost-cutting initiatives.
- Large payments come due in FY22, primarily related to a vendor note of NOK 9m in connection with the acquisition of Realia.

Cash & Cash equivalents development (NOKm)

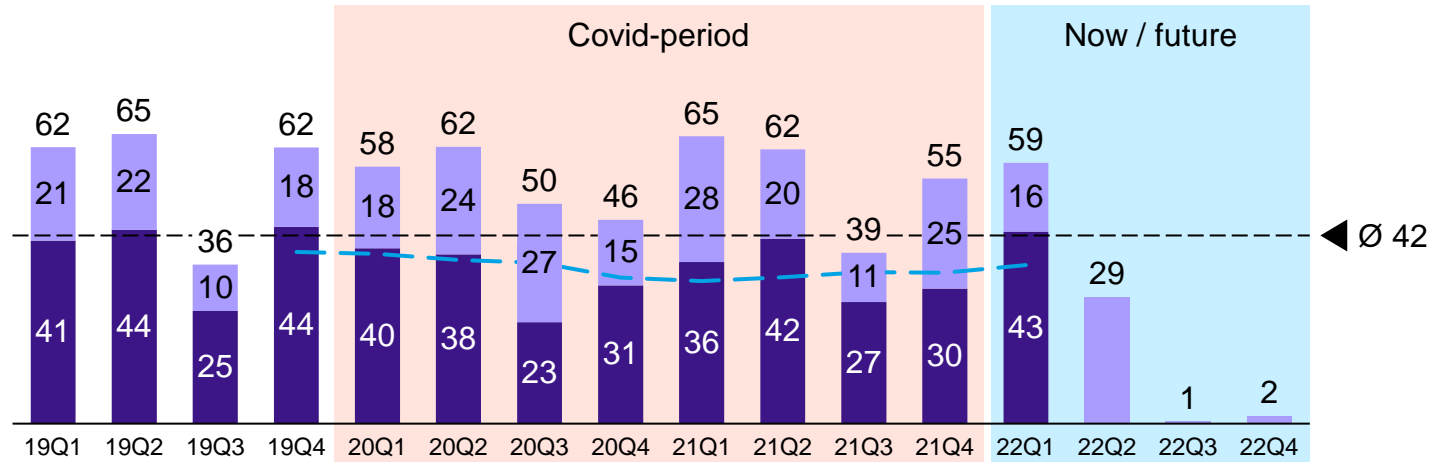


Despite a low Q1 2022, leading indicators (sales) show increased activities across all segments

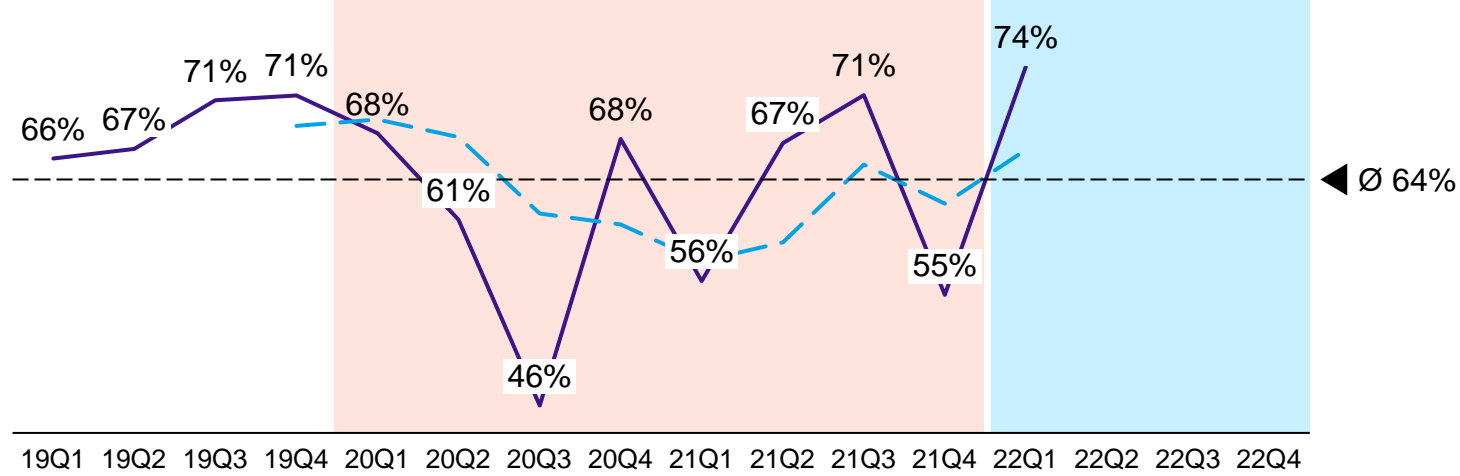
Example: Leads development for FMG Oslo area (NOKm, largely excl. Realia)

Not sold Sold Quarterly L12M

Leads value



Win-rate
Based on value sold



- Most recent quarters (21Q4-22Q1) with upturn in leads value, however still significantly behind equivalent periods in 2019, indicative that the **market is still in process of returning to normal levels**
- Win-rates with higher volatility in the recent end 2021-2022Q1 period than pre-Covid, indicating **increasing competition**
- **Recent signs of improvements** with all time high performance in 2022Q1, and slight positive trend since mid 2021

Note: Includes geographical areas Buskerud, Vestfold & Telemark; Hedmark og Oppland; Oslo og Akershus; which are all adjacent to the Oslo area



Summary: Declining profitability through the pandemic has left the company in a challenging position but the outlook is positive

- In **2019**, we had a **fundamentally strong Norway business** with a market leading position yielding an attractive underlying profit of **NOK 43m EBITDA**, corresponding to a 12% margin (proforma adjusted).
- In 2020, we expanded anew in Sweden by acquiring businesses in tenant advisory (Resultat) and relocation (Move4U), entered Denmark with acquisition of relocation firm Adam and entered Germany organically.
- During **2020 and 2021**, the market situation gradually **worsened**, eventually impacting all business units, resulting in a **negative unadjusted Group EBITDA of NOK 3m in FY21** (positive adjusted proforma EBITDA of NOK 4m).
- In **January 2022**, we closed an unprofitable **Swedish unit** (Söders), having a **positive impact on adjusted EBITDA** going forward.
- Despite the negative financial performance of Q1 2022, there are signs of **increased sales activities across all segments** with **upturn in leads value** and a **high win-rate** based on value sold in the same period



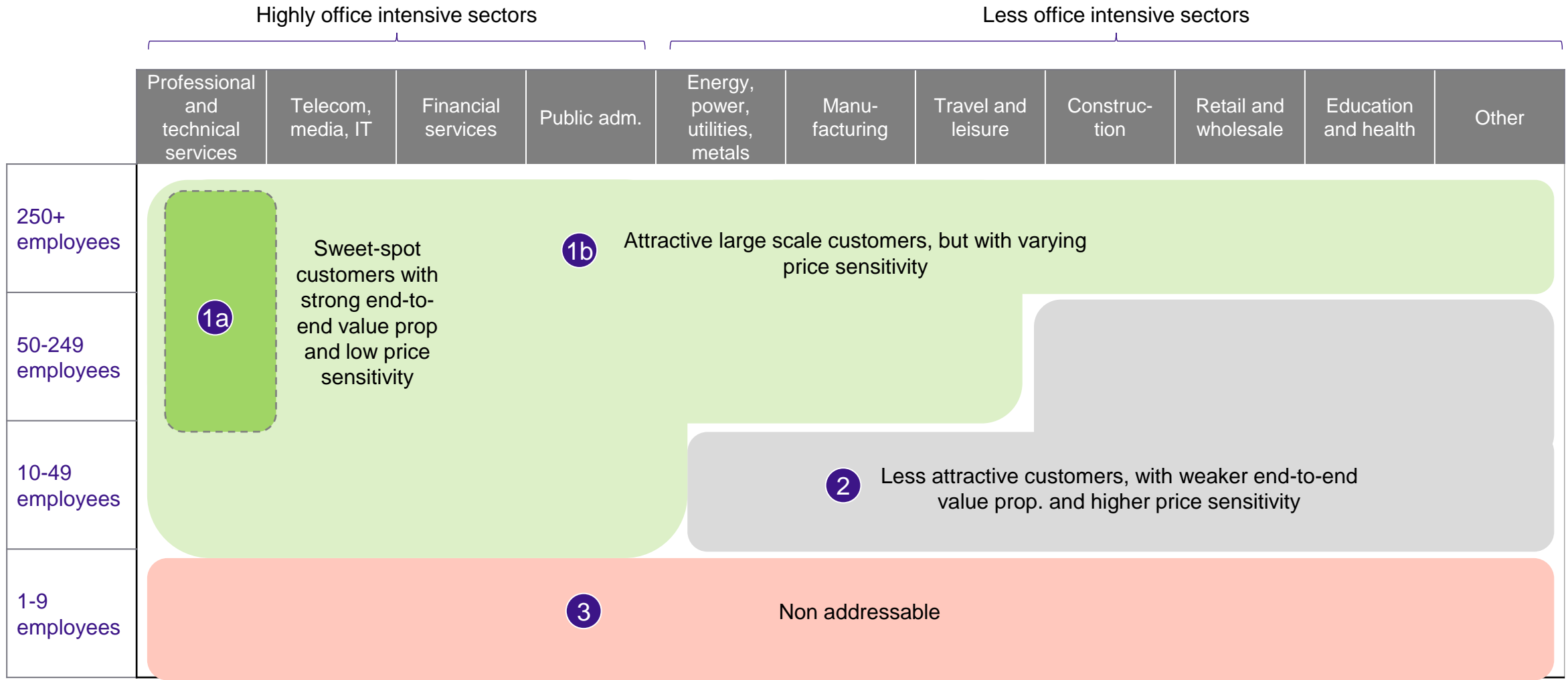
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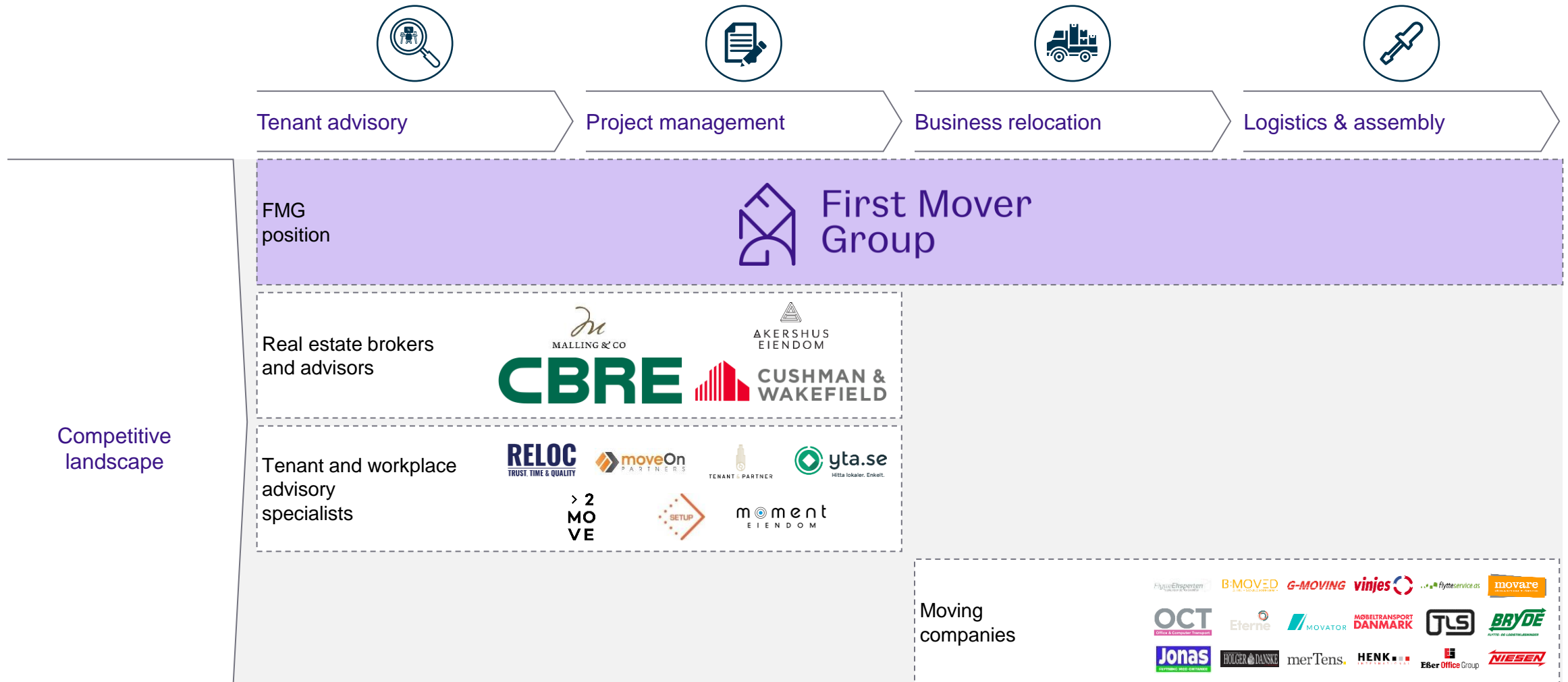
Most larger companies are attractive customers, but the sweet-spot for us is in professional services firms of a certain size

FMG customer landscape



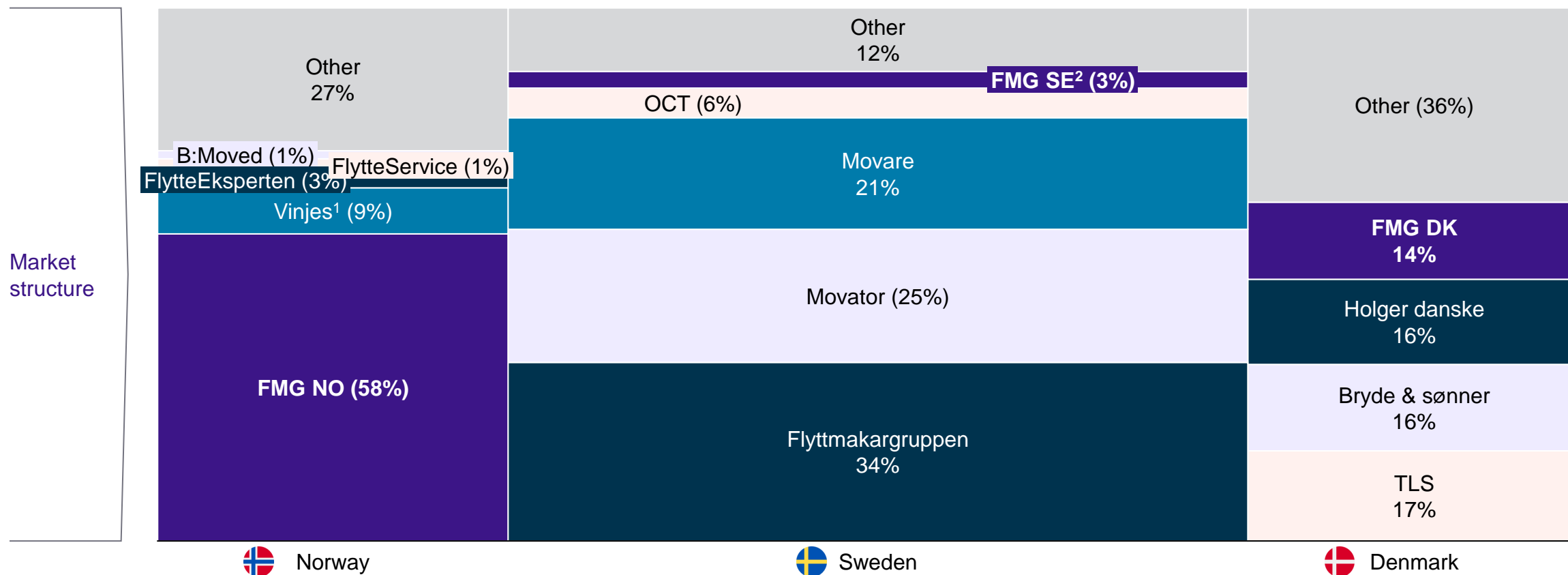
We are currently the only end-to-end service provider

Competitive landscape overview



In business relocation, we are market leaders in Norway, a top 4 player in Denmark, and a challenger in Sweden

Business relocation: Market share per competitor (2020)

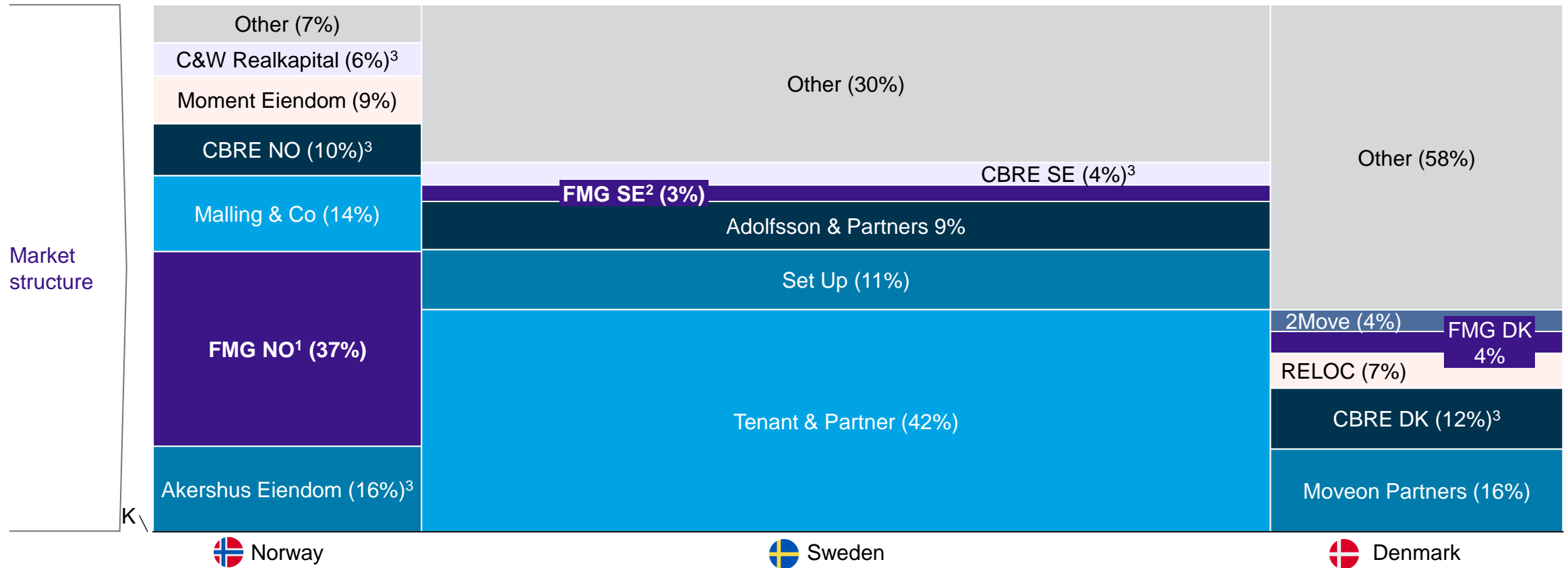


1. Includes revenue from transport business only
 2. Includes revenue from AB Move4U i Syd only
 Source: Company information; Proff forvalt; Retriever



In tenant advisory, we have a strong position Norway, small footprint in Sweden and Denmark

Tenant advisory: Market share per competitor (2020)



1. Includes Realia AS and FMG Norge Advisory revenue

2. Includes Resultat Projektledning Sverige AB revenue only

3. As CBRE, C&W and Akershus Eiendom are active in other business areas (transaction advisory, portfolio mgmt. etc.), we assume that a range between ~10% of their revenues come from Tenant advisory activities

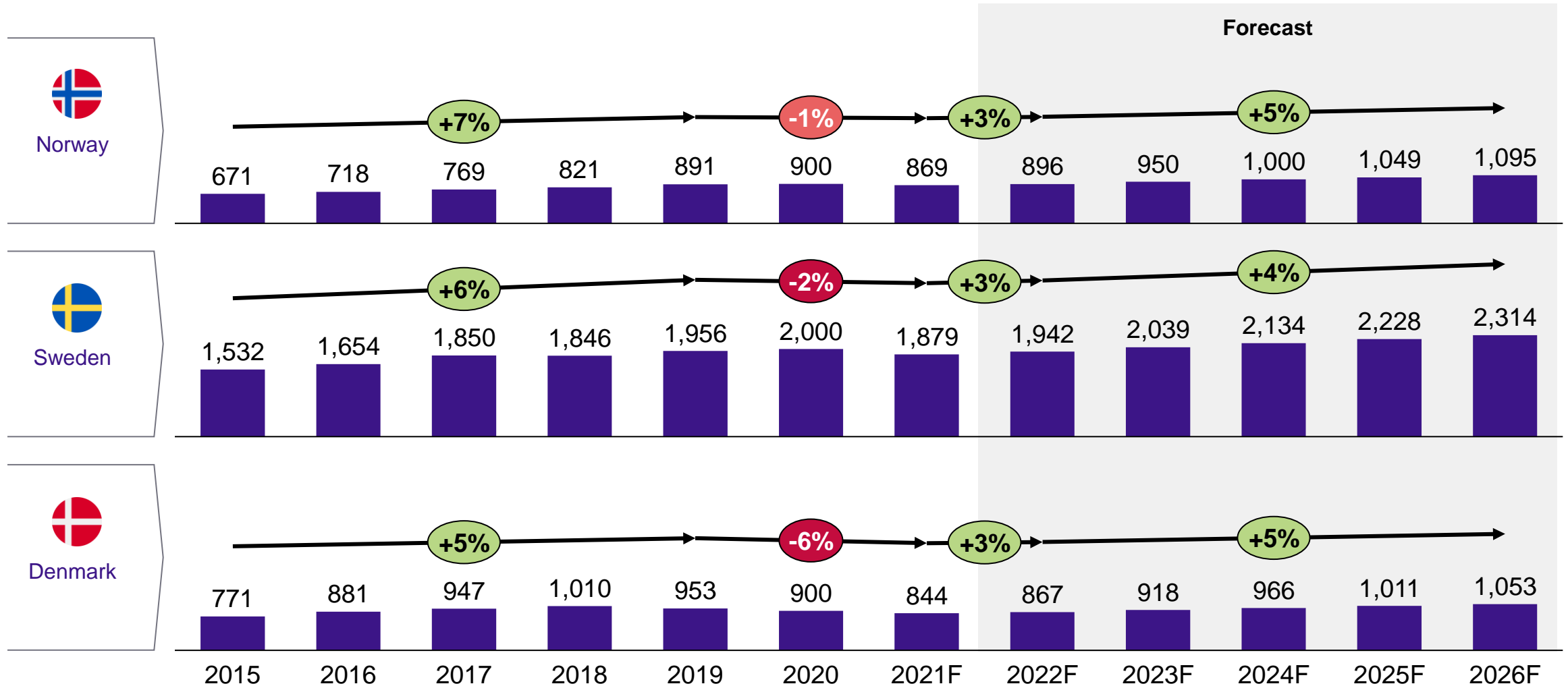
Source: Company information; Proff forvalt; Retriever



The Scandinavian markets are expected to gradually return to growth after the Covid-induced downturn

Estimated historical and forecasted market growth per country (p.a.)

CONSERVATIVE FORECAST



Summary: Our main markets are expected to have a healthy growth going forward

- Our most attractive customers are **larger companies** (>50 employees) in the **professional services industry**.
- We have a **market leading position in Norway** being the **only end-to-end service provider** in the market.
- Whilst having a **strong position within business relocation in Norway**, we are left with a **small stake in Sweden**, and a mid-range position in **Denmark**.
- Within **tenant advisory**, we have a **strong position in Norway**, again, a small position in **Sweden** and **Denmark**.
- The **market situation is expected to steadily improve going forward, both for advisory and operative relocation** across all countries, reaching pre-Covid levels by the end of 2023, followed by a continuation of the favorable long-term market growth trends seen before 2020.



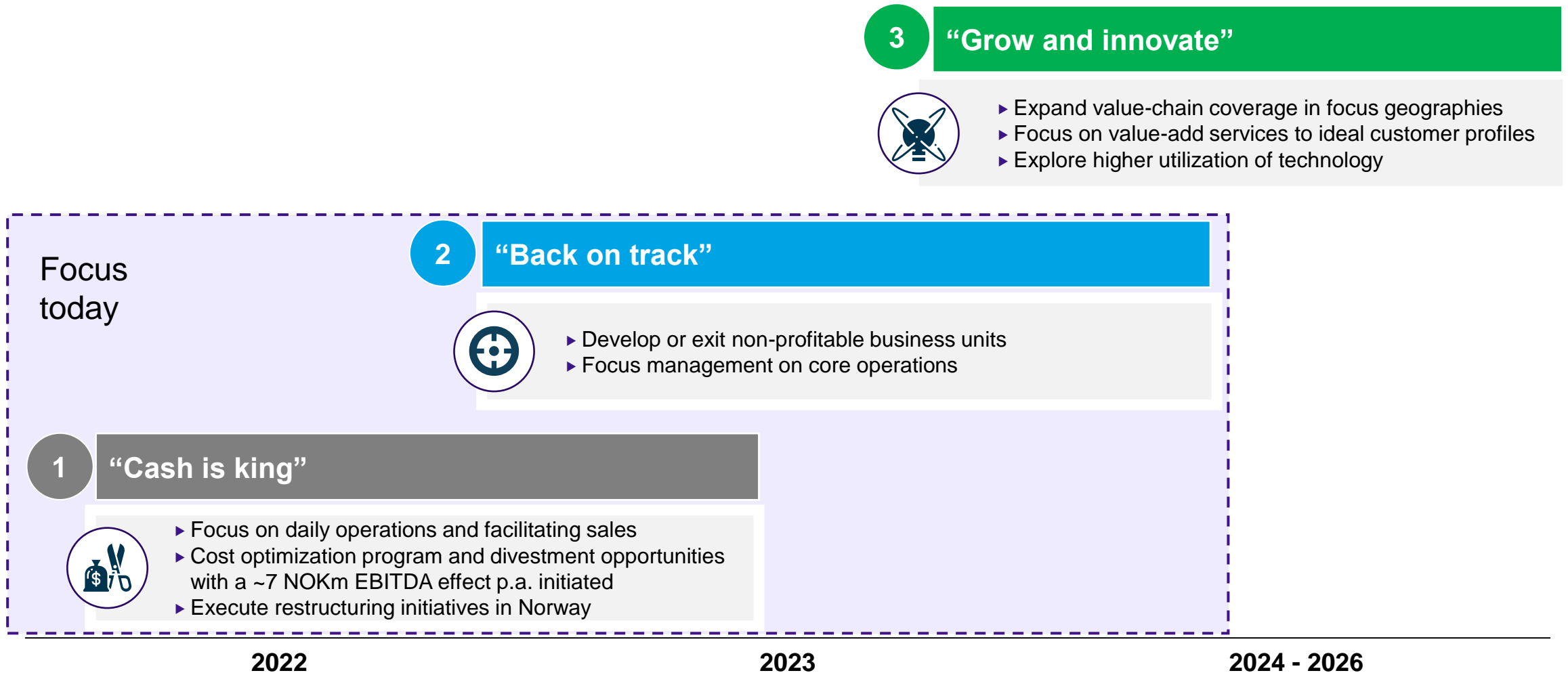
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Next 5 years, we will run a three-phased strategy, where cash is prioritized first and other strategic initiatives come later

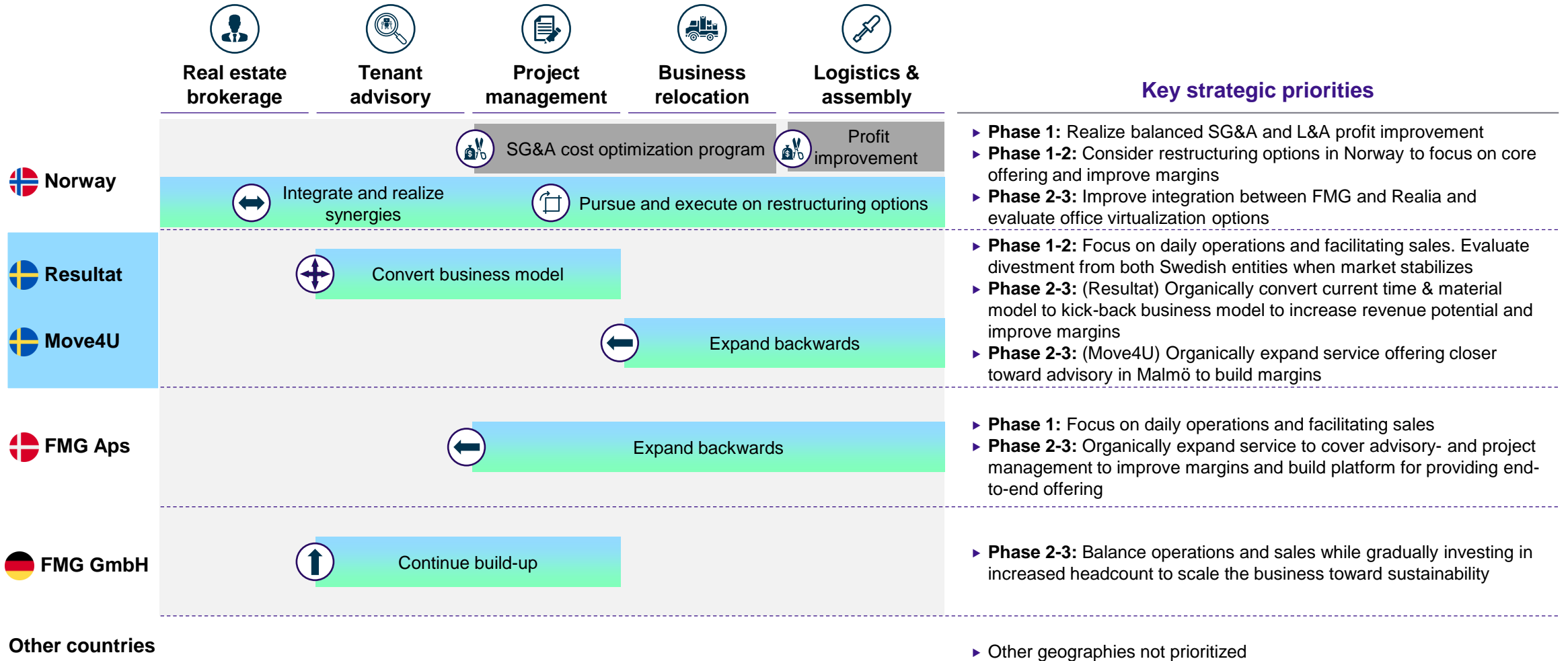
High level strategy roadmap for the next 5 years



Strategic initiatives developed for each subsidiary

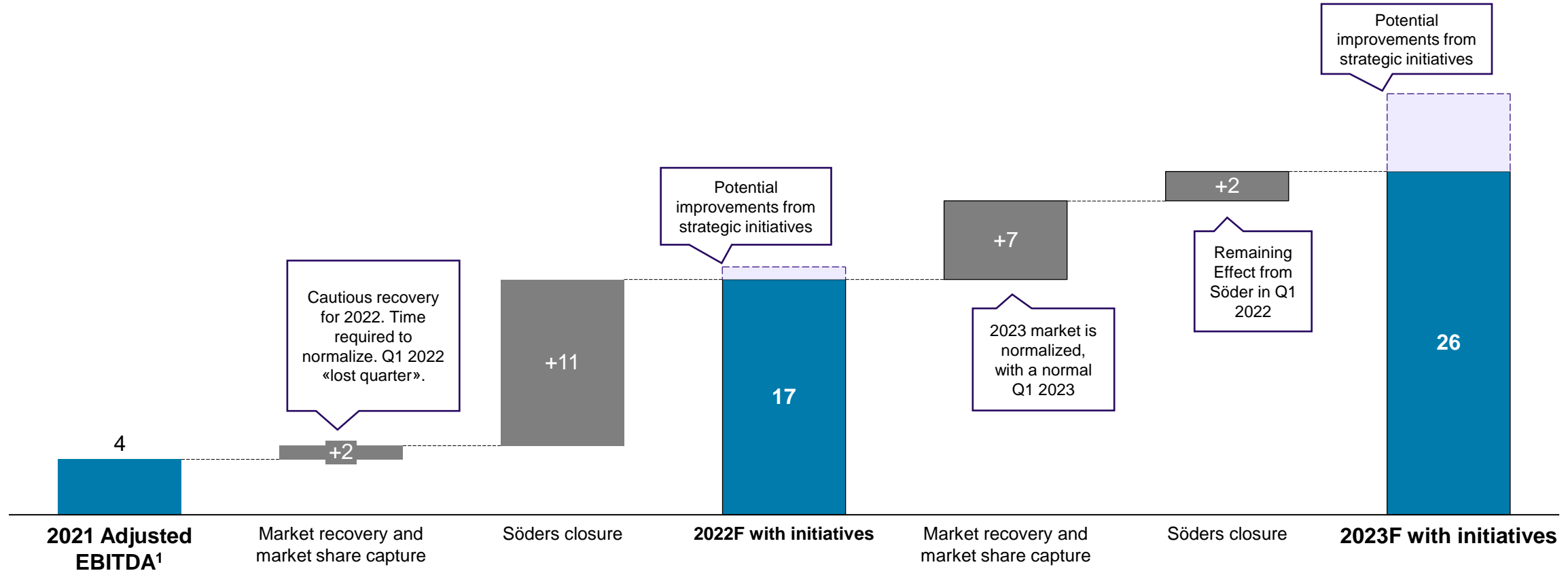
Strategy roadmap: Key activities per business unit

Phase 1 Phase 2 Phase 3



Phase 1 will prevail until company again delivers more stable and positive EBITDA margins, expected to last into 2023

Forecast EBITDA effects 2021-2023F (NOKm)



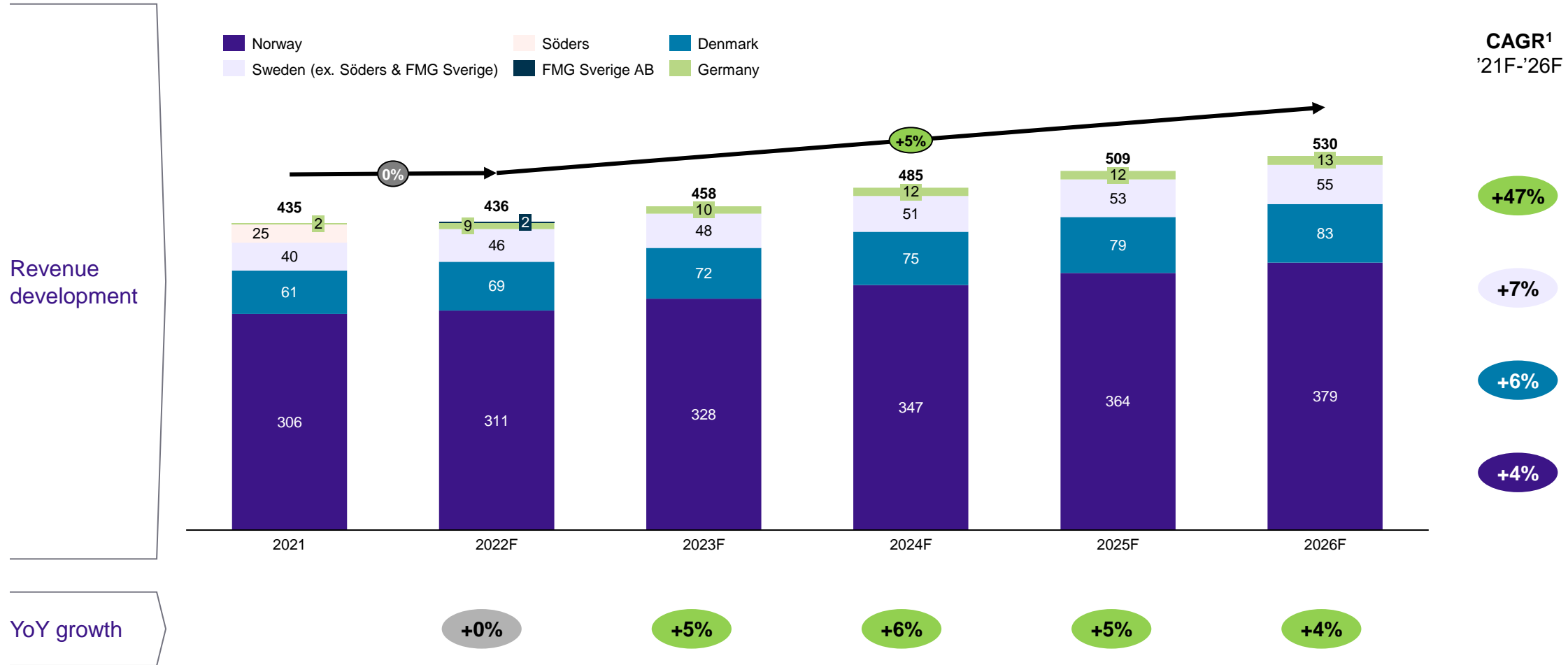
1. EBITDA in 2021 is adjusted for exceptional cost items amounting to 7NOKm
 Source: Company interviews; Management information; Team analysis



Our revenue is expected to grow in line with the market at an average rate of 5% p.a. until 2026*

Financial development and forecast across business units

BASE CASE

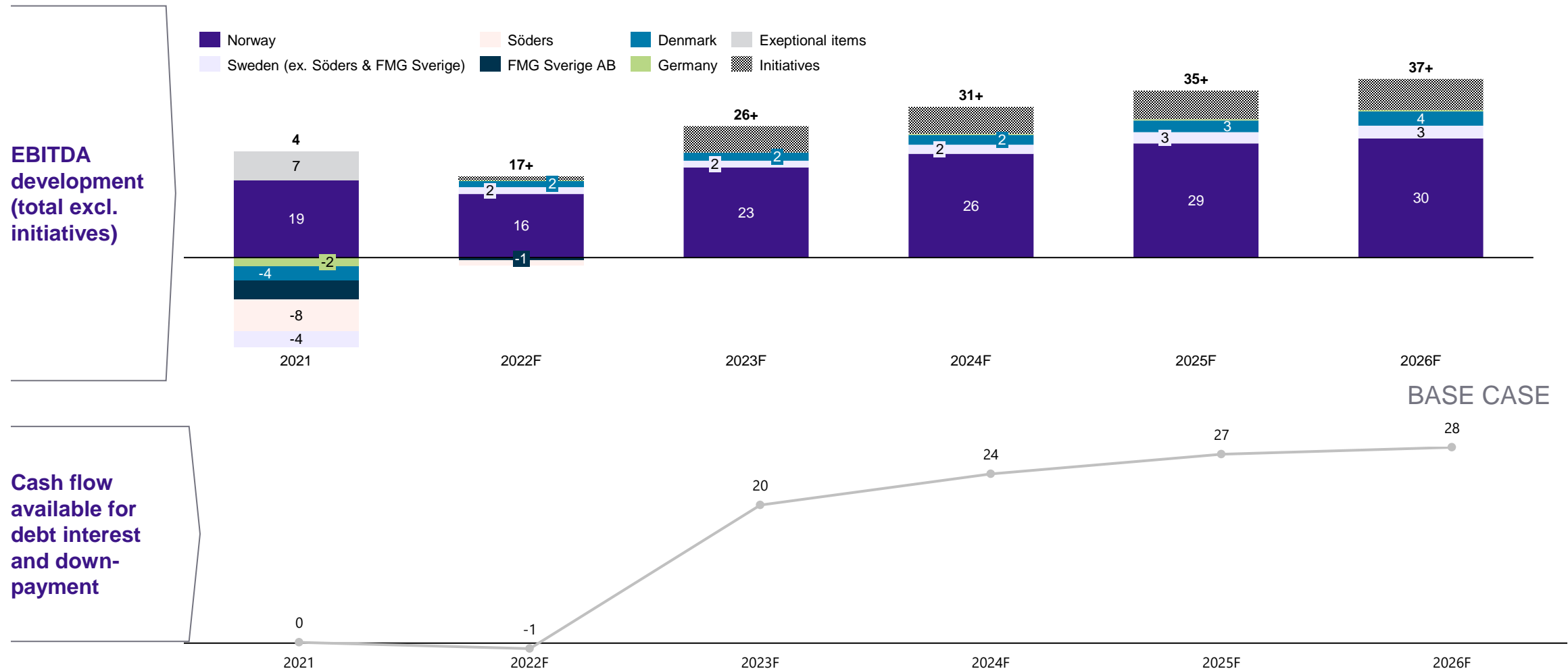


* This figure is a base base case and certain strategic initiatives may impact revenue and margins
 1. Only including business units in current portfolio
 Source: Management information



We expect a challenging 2022 followed by a gradual improvement of our EBITDA

Forecasted EBITDA regaining momentum from second half of 2022 and onwards



* This figure is a base base case and certain strategic initiatives may impact revenue and margins
 1. Only including business units in current portfolio
 Source: Management information



Detailed forecast

	FC	FC	FC	FC	FC	FC	FC	FC
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Profit and Loss								
Norway	65.1	84.7	75.0	86.1	75.9	89.0	73.8	89.0
Sweden (ex. Söders & FMG Sverige)	11.1	12.3	10.3	12.5	12.0	12.3	12.0	12.3
Söders	(0.2)	-	-	-	-	-	-	-
FMG Sverige AB	1.8	-	-	-	-	-	-	-
Denmark	19.9	14.9	18.1	16.0	17.9	17.9	17.9	17.9
Germany	2.3	3.1	1.6	1.8	2.6	2.6	2.6	2.6
Total revenue	100.0	114.9	105.1	116.4	108.5	121.9	106.3	121.9
Norway	(4.0)	10.7	2.6	6.7	1.8	12.8	1.7	6.3
Sweden (ex. Söders & FMG Sverige)	0.3	0.8	(0.3)	0.9	0.3	0.5	0.3	0.5
Söders	(1.2)	-	-	-	-	-	-	-
FMG Sverige AB	(0.7)	(0.1)	0.0	0.1	-	-	-	-
Denmark	0.7	(0.3)	0.8	0.2	0.5	0.5	0.5	0.5
Germany	0.1	0.3	(0.2)	(0.1)	0.0	0.0	0.0	0.0
Extraordinary items								
Total EBITDA	(4.9)	11.5	2.9	7.8	2.7	13.8	2.5	7.3

	PF	FC	FC	FC	FC	FC
	2021	2022	2023	2024	2025	2026
	306.3	311.0	327.8	347.0	364.1	378.7
	39.9	46.2	48.5	50.9	53.3	55.4
	25.3	(0.2)	-	-	-	-
	0.0	1.8	-	-	-	-
	61.4	69.0	71.7	75.3	79.1	83.0
	1.9	8.7	10.5	11.5	12.1	12.7
Total	434.8	436.4	458.4	484.7	508.6	529.9
	19.3	15.9	22.5	26.0	28.6	29.8
	(3.9)	1.7	1.7	2.3	2.8	3.2
	(7.8)	(1.2)	-	-	-	-
	(4.8)	(0.8)	-	-	-	-
	(3.6)	1.5	2.0	2.4	3.0	3.6
	(2.1)	0.1	0.1	0.3	0.3	0.4
	7.3					
Total	4.3	17.4	26.3	30.9	34.6	36.9



Cash flow – Consolidated

- Provisions for holiday pay in the Norwegian entities make up a large part of the net working capital (NWC) movements on a quarter for quarter basis due to the number of employees. Provisions are made during the year and released when the holiday pay is paid out in June, affecting the Q2 cash flows.
- FMG has reduced its NWC requirements by selling receivables to Aros Kapital, with immediate cash settlement. For this, a fee is paid on the outstanding receivable amount. The fee is 6% in addition to a fixed fee of 200kNOK per year, yielding a quarterly fee of approximately NOK 0.4m in FY22.
- In relation to the acquisition of Realia an earnout was agreed upon. The bonus amount for FY21 of NOK 5.8m was expensed during the year (will be paid in cash in 4q22) and the bonus for FY22 is estimated to NOK 4.2m. The bonus will be paid in whole in 4q22.
- In addition to the bonus payment, a vendor note of NOK 9m will be paid in 4q22.

Cash flow available for debt service FY22-FY23

	FC	FC	FC	FC	FC	FC	FC	FC
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	2022	2022	2022	2022	2023	2023	2023	2023
EBITDA	(5)	12	3	8	3	14	3	7
Earn-out Realia	0	3	1	(10)	-	-	-	-
Change in NWC (incl. bonus/payments)	(4)	(12)	13	6	1	(19)	11	8
Funding cost	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Taxes payable	-	-	-	-	(0)	(0)	-	-
Vendor note - Realia	-	-	-	(9)	-	-	-	-
Capex	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Cash flow available for debt servicing (interest payments and installments)	(10)	1	16	(7)	2	(7)	12	13

	FC	FC	FC	FC	FC
Cash flow consolidated summary	2022	2023	2024	2025	2026
EBITDA	17	26	31	35	37
Earn-out Realia	(6)	-	-	-	-
Change in NWC (incl. bonus/payments)	3	1	2	2	2
Funding cost	(2)	(2)	(2)	(2)	(2)
Taxes payable	-	(1)	(1)	(1)	(2)
Vendor note - Realia	(9)	-	-	-	-
Capex	(5)	(5)	(6)	(6)	(6)
Cash flow available for debt servicing (interest payments and installments)	(1)	20	24	27	28



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FMG Group historical financial numbers

Historical Revenues

	FY19	FY20	FY21
Norway	342	318	309
Sweden (ex. Söders & FMG Sverige)	59	43	38
Söders	20	24	25
FMG Sverige AB	0	0	0
Denmark	63	65	61
Germany	-	-	2
Total revenues	484	450	435
Adjustment for owner period Swedish entities	(47)		
Adjustment for owner period Danish entities	(63)		
Reported proforma revenues	373	450	435
Proforma current entities	464	426	410

Historical EBITDA

	FY19	FY20	FY21
Norway	36	30	19
Sweden (ex. Söders & FMG Sverige)	2	0	(4)
Söders	1	(9)	(8)
FMG Sverige AB	(0)	(1)	(5)
Denmark	0	(1)	(4)
Germany	-	(1)	(2)
Total EBITDA	39	18	(3)
Exceptional items	7	10	7
Adjusted EBITDA	46	28	4
Adjustment for owner period Swedish entities	(2)		
Adjustment for owner period Danish entities	(0)		
Reported proforma EBITDA	43	28	4
Proforma current entities	45	38	17



Current legal structure

