

A photograph of three Bravida employees in a workshop. They are wearing white hard hats and black long-sleeved shirts with the Bravida logo. The woman on the right is wearing safety glasses and gloves, working on a wire. The man in the middle is looking at her work. The man on the left is looking at a tablet. The background is a blurred workshop environment.

Bravida Q4 2020

Mattias Johansson, CEO
Åsa Neving, CFO
12 February 2021

Today's presenters

Åsa Neving
CFO since 2019



Mattias Johansson
CEO and Group President since 2015*



*With Bravida since 1998

About Bravida

Business highlights

Bravida is the premier multi-technical service provider in the Nordics

Represented in around 170 locations

65,000 customers
Top 3 customers represent 10% of sales

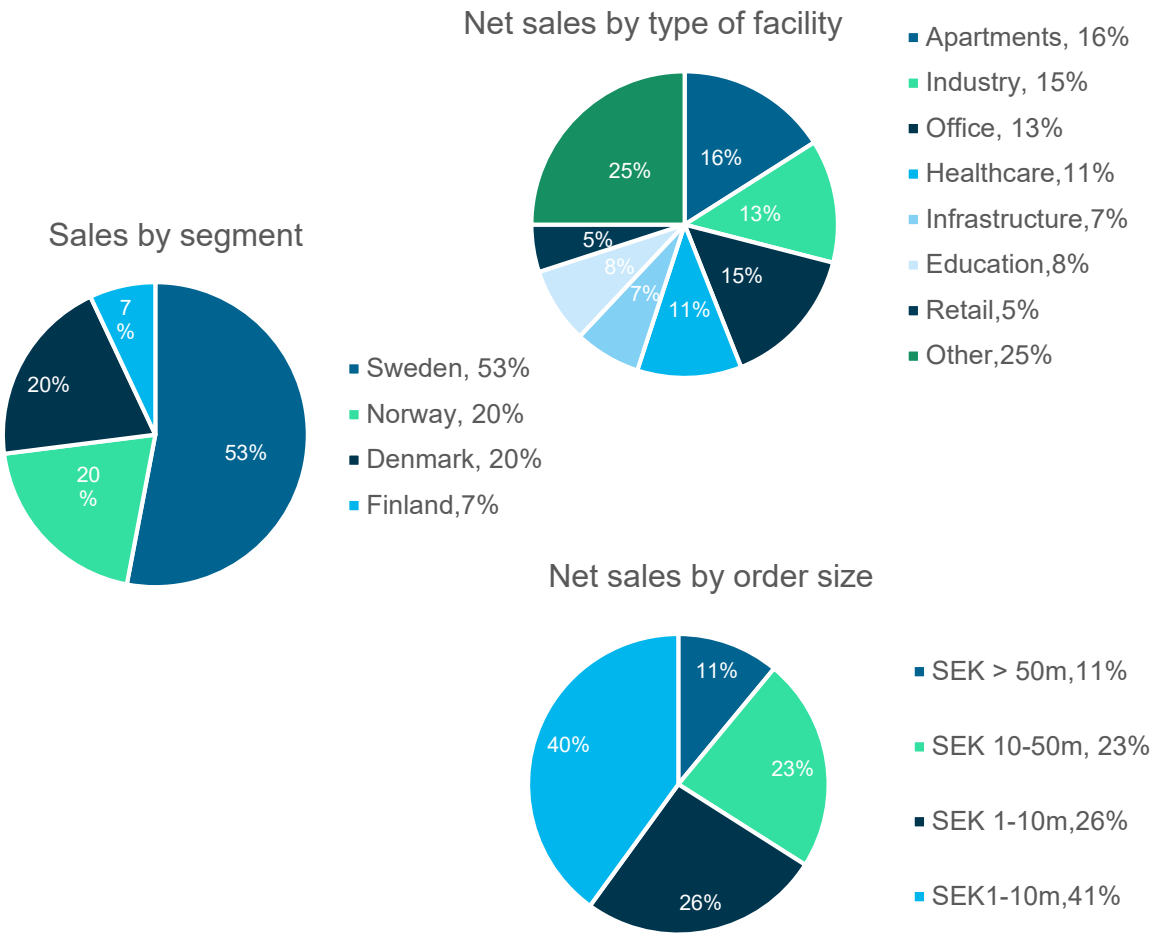
94% recurring customers

SEK 21.1 bn
LTM net sales

SEK 1,351m
LTM EBITA

12,000
FTEs

Sales split based on 2020 sales



Key highlights in Q4 2020

Sales

- Net sales -1% to SEK 5,614m (5,667), organic growth -2%, M&A +4%, currency -3%
- Organic growth in Finland, negative in Norway and Denmark
- Service sales growth was negative -7% and installation sales growth +5%

Order momentum

- Order backlog at lower level, SEK 13,791m, -5% YoY, organic growth -4%, M&A 1% and currency -2%
- Order intake, SEK 5,140m (5,546), -7% YoY, a large order received in Sweden Q4 2019, SEK 681m
- Good order intake in Denmark and Finland

EBITA

- EBITA increased by +13% to SEK 478m (425), margin improved to 8.5 (7.5)%
- EBITA-margin improved in Sweden and Finland mainly explained by earlier restructuring in region Stockholm and Finland
- EBITA-margin lower in Denmark and Norway explained by lower earnings in some projects and lower sales in Norway

Cash flow

- Cash flow from operating activities was SEK 873m (989) and cash conversion 153% (115)
- Working capital of SEK -1,587m (-1,136) or -7.5% (-5.6) of sales
- Net debt of SEK -1,124m, 0.6x EBITDA (LTM basis)
- Strong cash flow enable increased dividend by 11%, dividend proposal in line with financial target

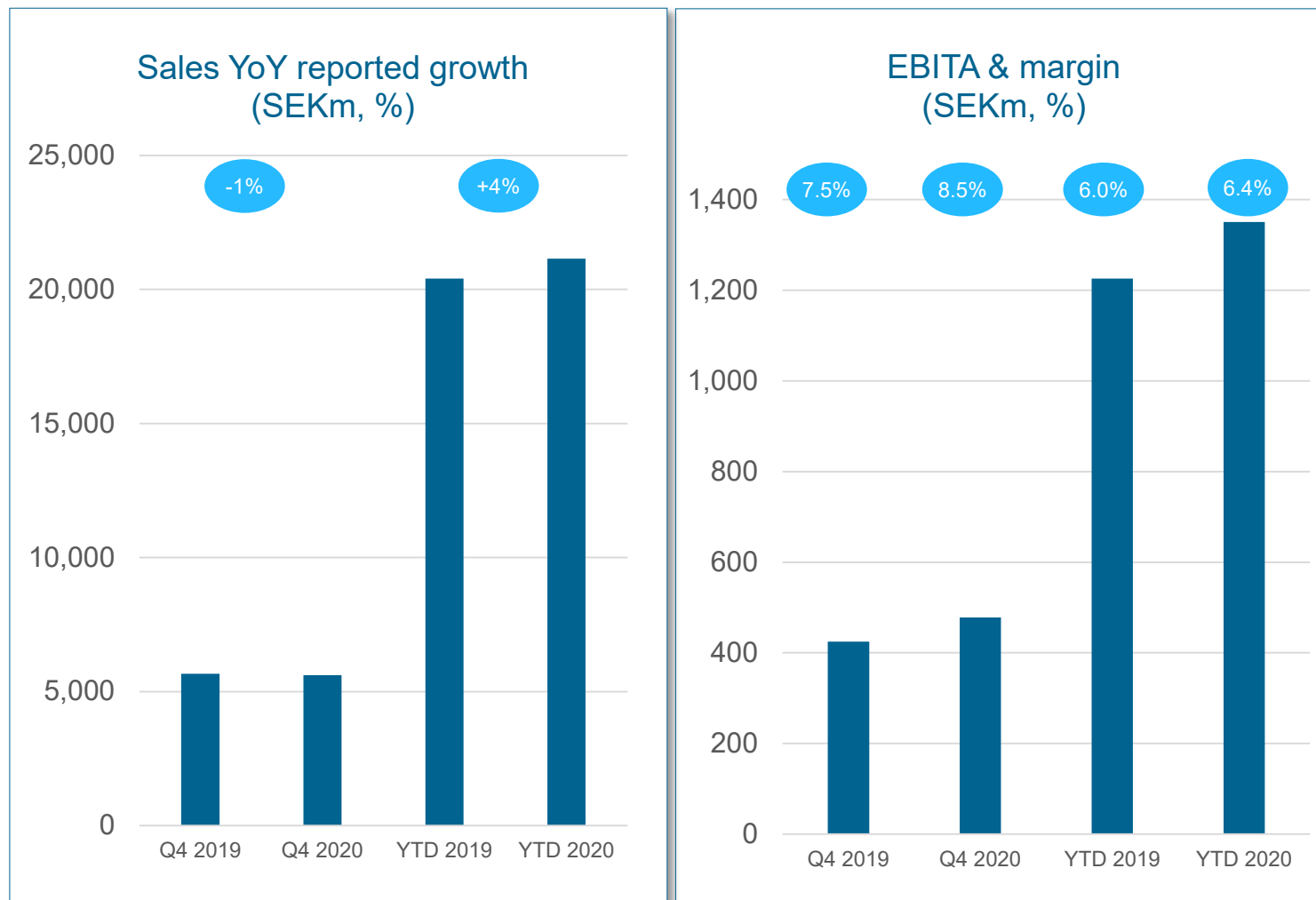
M&A

- 2 acquisitions completed in Q4 adding SEK 57m
- Still a good pipeline

Impact from covid-19

- Stable demand in installation business with some delayed project plannings and investment decisions – lower demand in some geographic areas
- Negative impact in the service business due to temporary lower demand and closed sites
- Again slightly increased sick leave rates
- Good order backlog visibility in installation business
- Low fixed costs – possibility to adjust cost
- Uncertain market conditions ahead
- Margin over volume – we will defend the margin even if the volumes decrease

Group sales & EBITA development



Key highlights in Q4

Sales growth and organic growth

- Sales growth -1%, of which +4% from M&A and organic growth -2%, currency impact -3%
- Sales increased in Sweden, Denmark and Finland

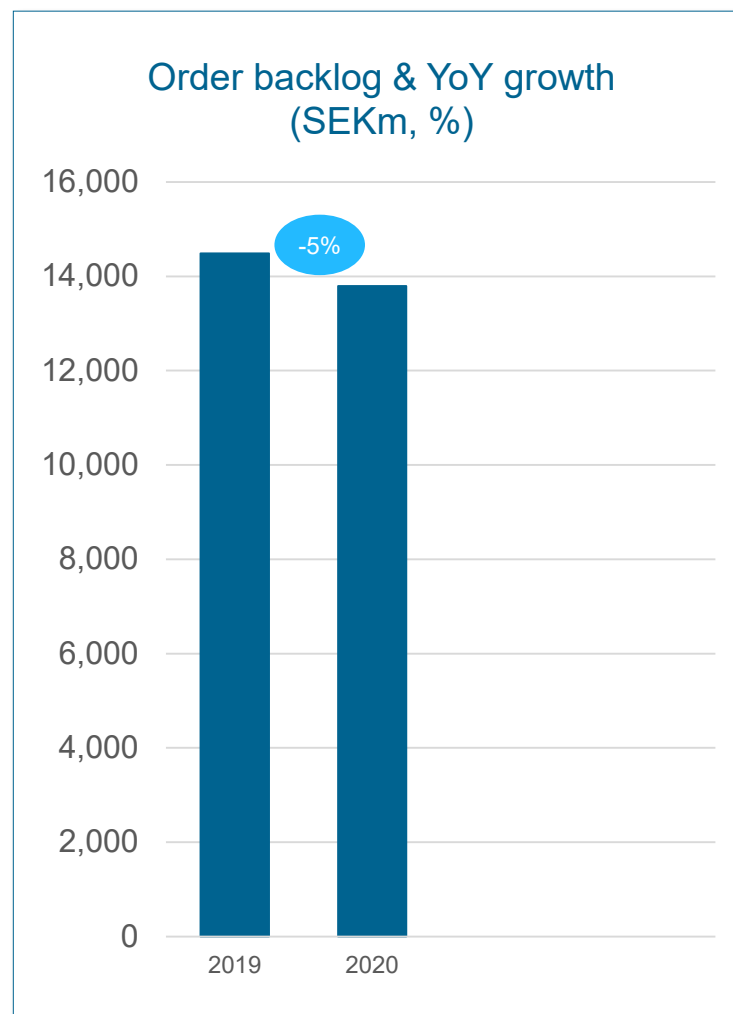
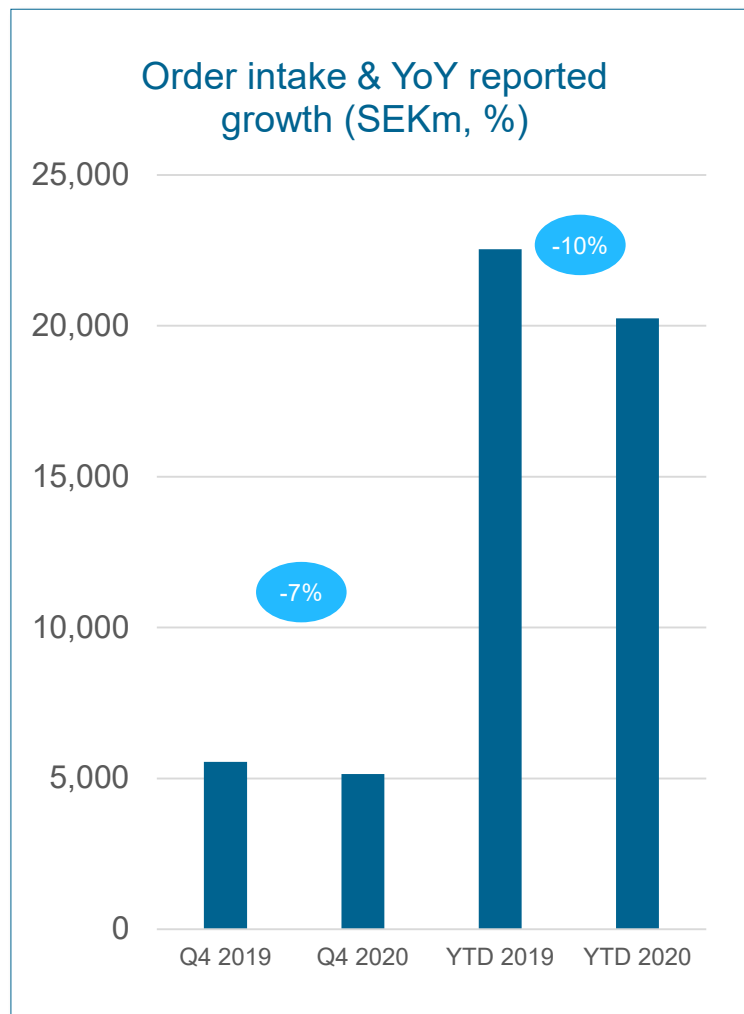
EBITA-margin improved

- EBITA +13% to SEK 478m and margin improved to 8.5%
- EBITA margin improvement in Sweden and Finland explained by earlier restructuring measures
- EBITA-margin lower in Denmark and Norway explained by margin adjustments in some projects and lower sales in Norway

-1%
Q4 2020 Sales

+13%
Q4 2020 EBITA

Order momentum



Key highlights in Q4

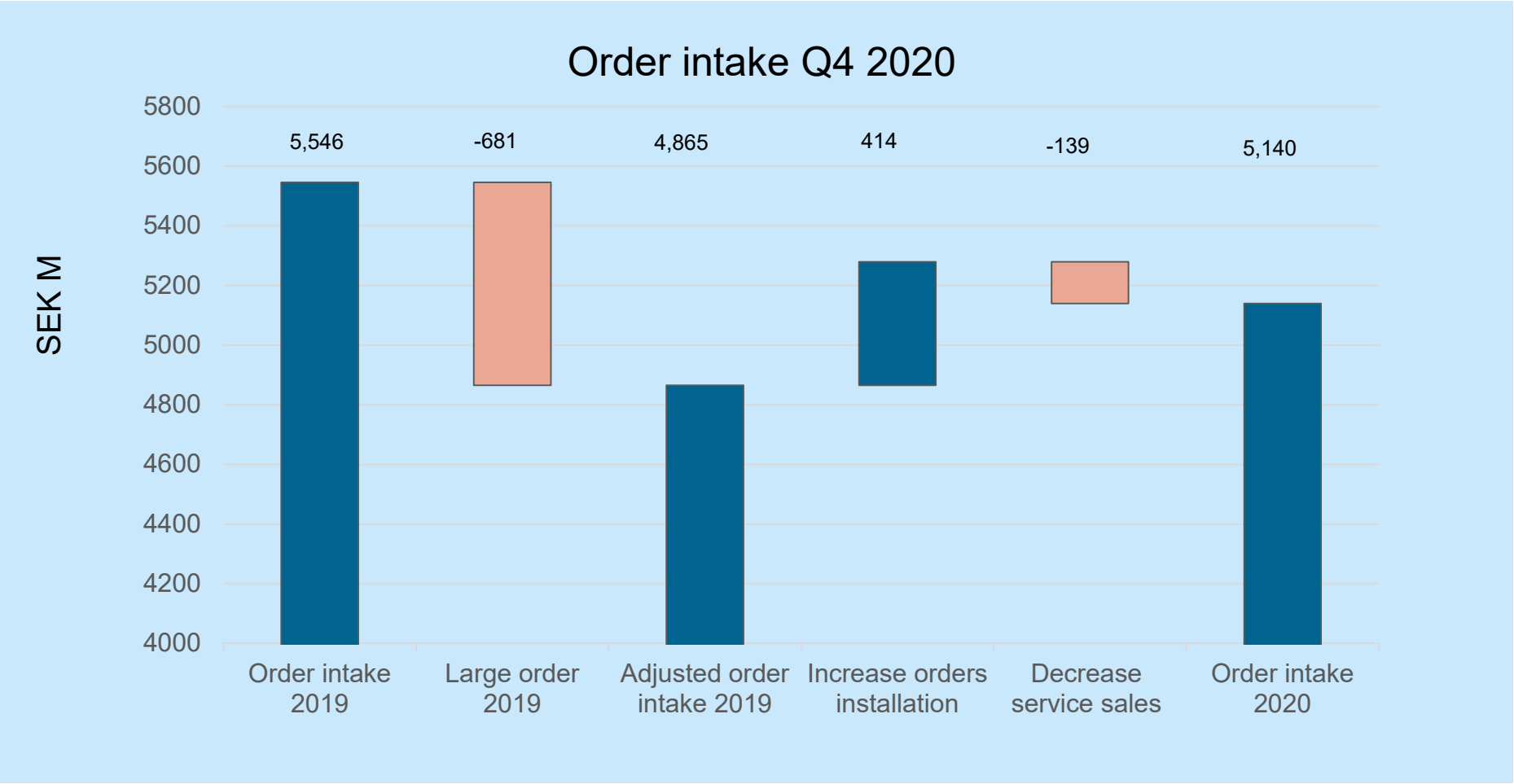
Order backlog at: SEK 13,791m

- Order backlog -5% lower YoY, impact from organic growth -4%, M&A +1% and currency -2%
- Order backlog - SEK 483m in Q4
- Higher order backlog in Denmark and Finland
- Order intake decreased by -7%, explained by lower demand in service and one large order in Sweden SEK 681m in Q4 2019
- Mainly small and medium-sized orders

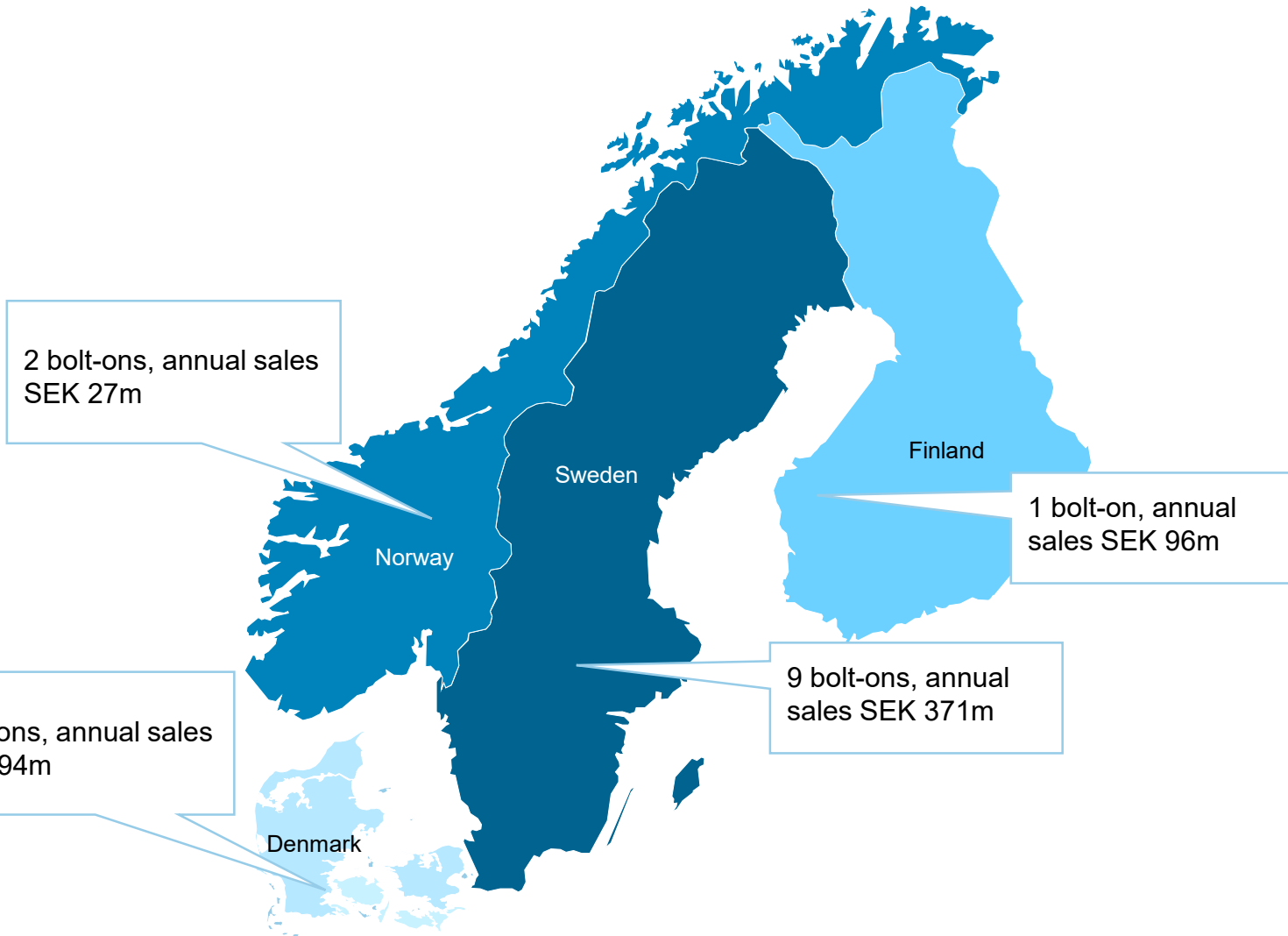
-5%
order backlog growth

**SEK
13.8bn**
order backlog

Order intake bridge Q4 2020



Acquisitions 2020



Key highlights 2020

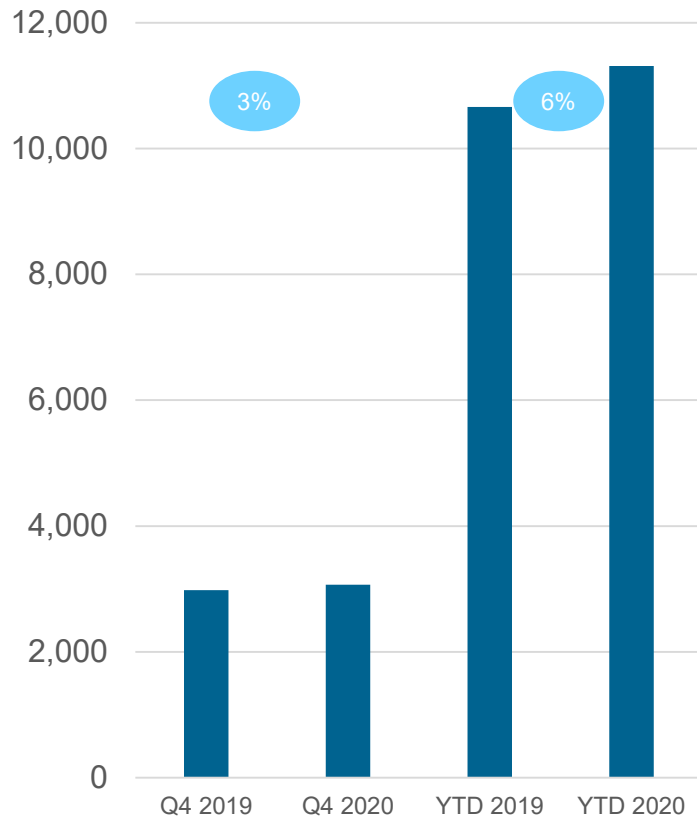
- 4 acquisitions completed in Denmark adding approx. SEK 294m in annual sales
- 9 acquisitions completed in Sweden adding approx. SEK 371m annual sales
- 2 acquisitions completed in Norway adding approx. SEK 27m annual sales
- 1 acquisition completed in Finland adding approx. SEK 96m annual sales
- Continued strong pipeline
- Acquisitions still at attractive multiples

16
acquisitions 2020

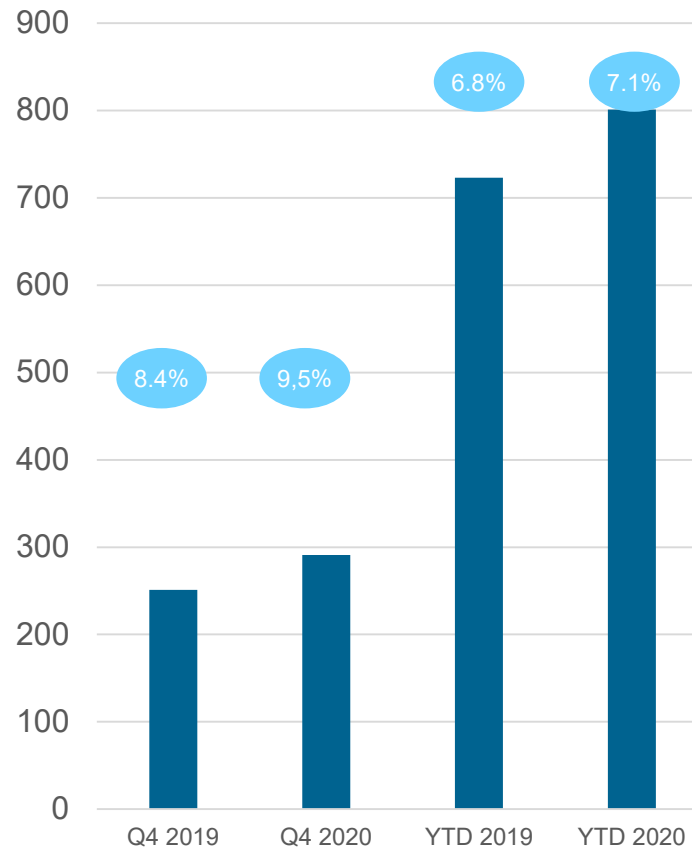
**SEK
~788m**
acquired sales 2020

Sweden

Sales YoY reported growth
(SEKm, %)



EBITA & margin
(SEKm, %)



Key highlights Q4 2020

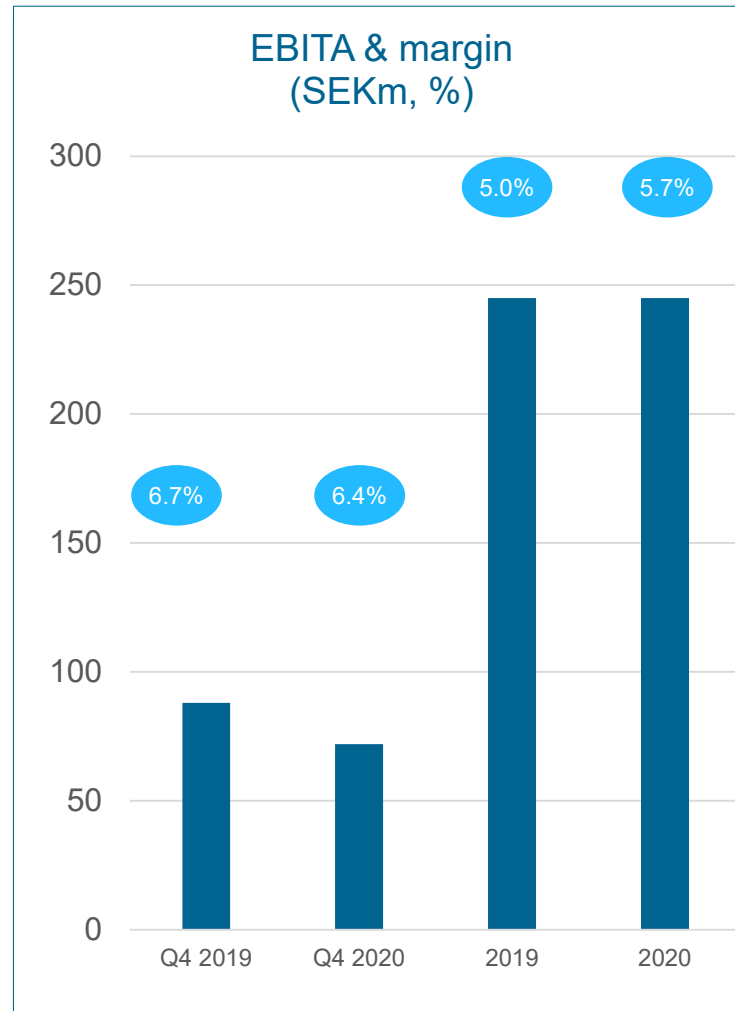
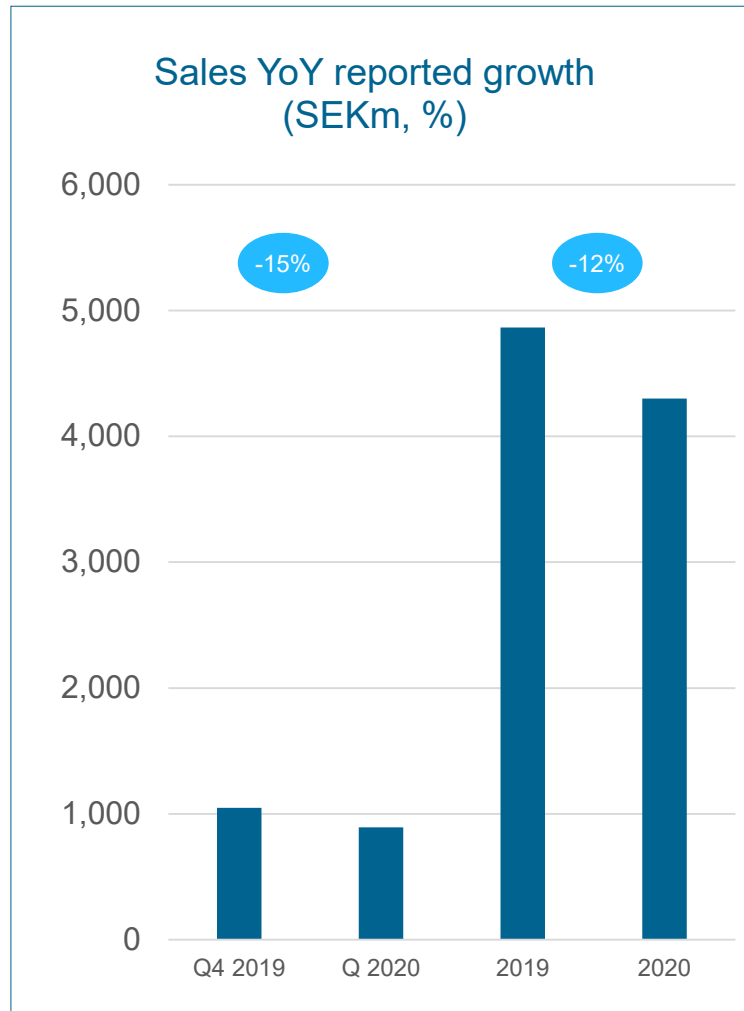
Higher sales and improved EBITA margin

- Sales +3%, explained by acquisitions
 - Organic growth 0%
 - EBITA +16% to SEK 291m
 - EBITA margin 9.5% (8.4)
 - Improved performance in Stockholm business but also in other businesses
- Weak order intake in Q4 explained by the ongoing pandemic and a strong order intake 2019**
- Order intake -24%, one large order in Q4 2019 SEK 681m
 - Order backlog -7% YoY
 - Order backlog decreased by SEK 364m

+3%
Q4 2020
Sales

+16%
Q4 2020
EBITA

Norway



Key highlights Q4 2020

Sales and EBITA margin decreased

- Sales decreased by -15%
- Currency effect -10%
- Organic growth -7%
- Weak demand in service
- EBITA margin decreased to 6.4% (6.7) explained by lower sales and adjusted margin in some projects

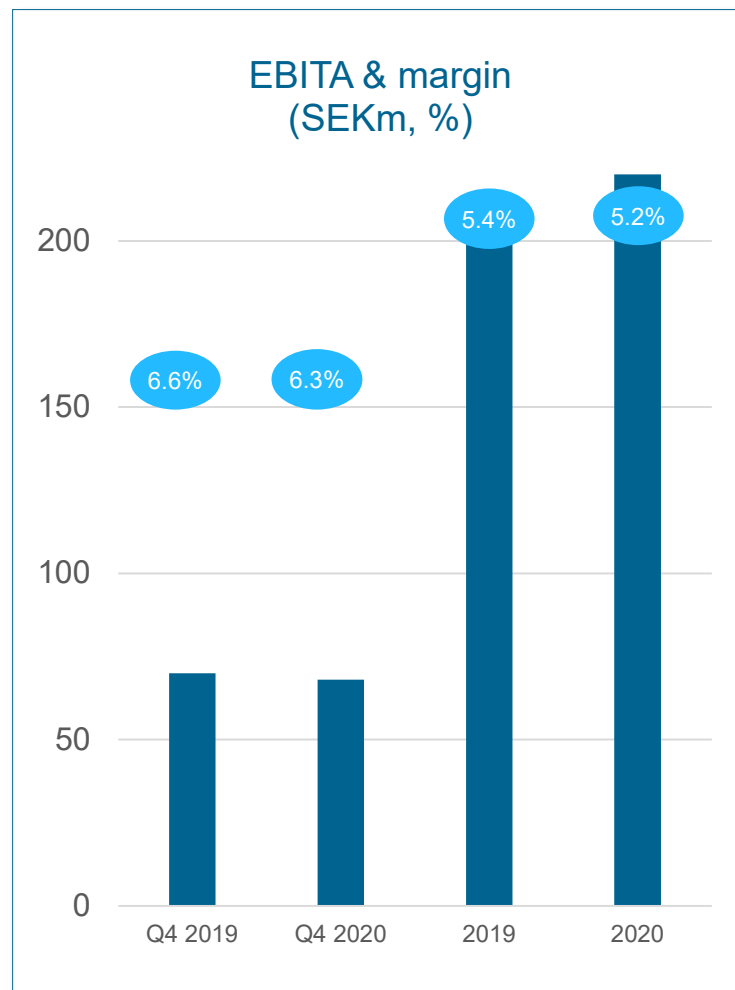
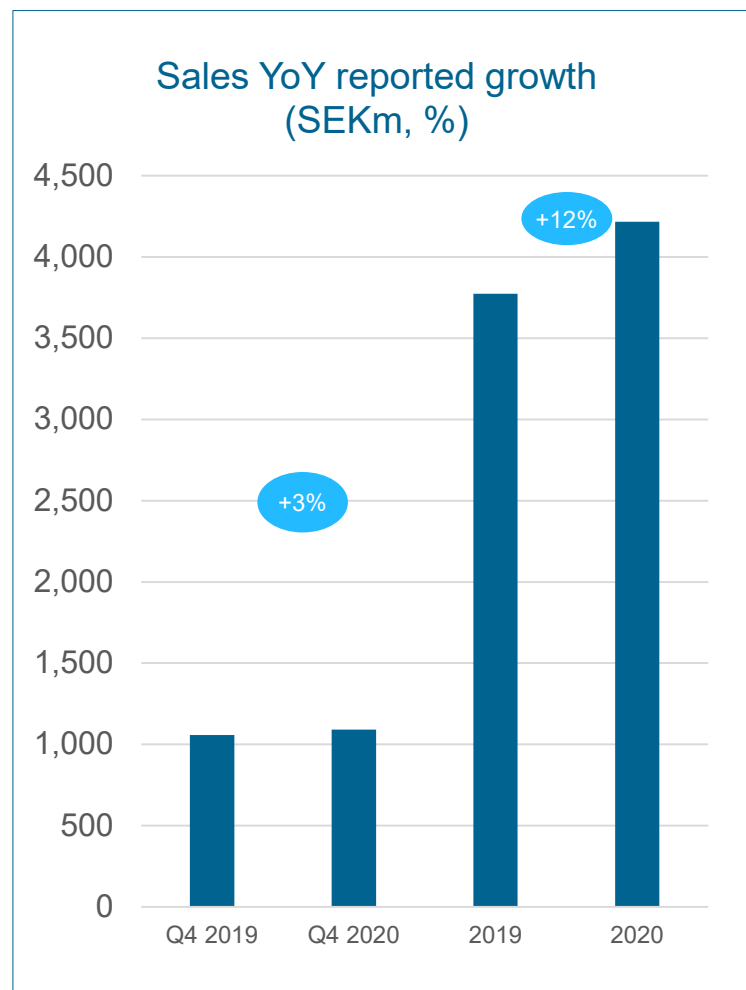
Order intake negatively affected by the ongoing pandemic

- Order intake -15% YoY, in NOK -12%
- Order backlog -18% YoY, in NOK -9%
- Order backlog decreased by SEK 230m

-15%
Q4 2020
Sales

-19%
Q4 2020
EBITA

Denmark



Key highlights Q4 2020

Higher sales but lower EBITA margin

- Sales growth +3%, explained by acquisitions
- Organic growth -3%
- EBITA-margin lower at 6.3 (6.6)% explained by lower earnings in some projects

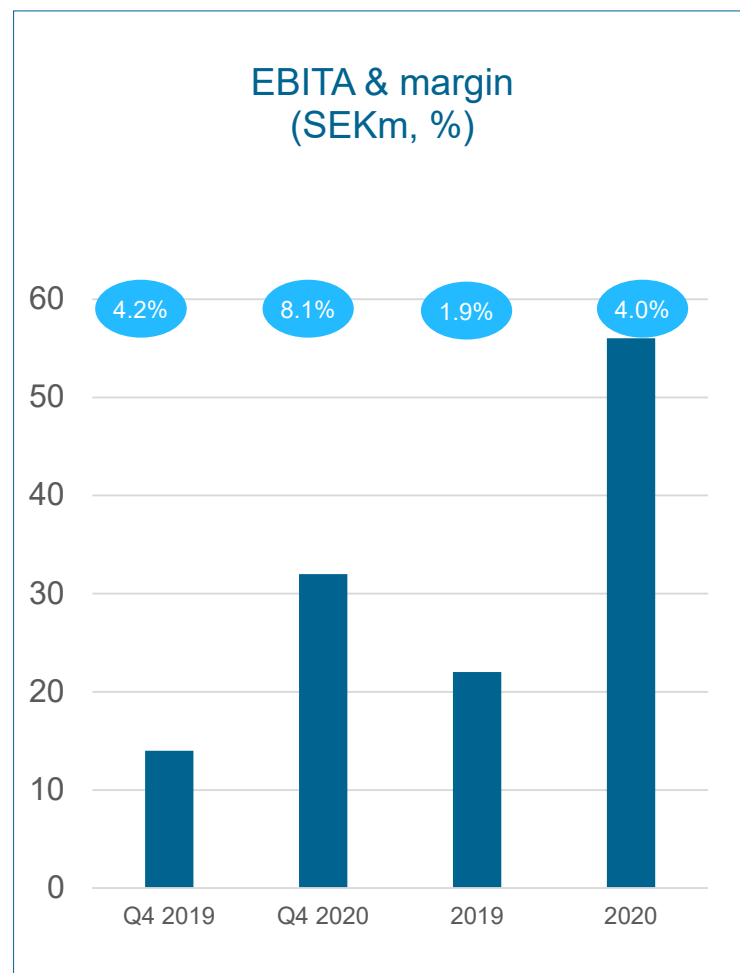
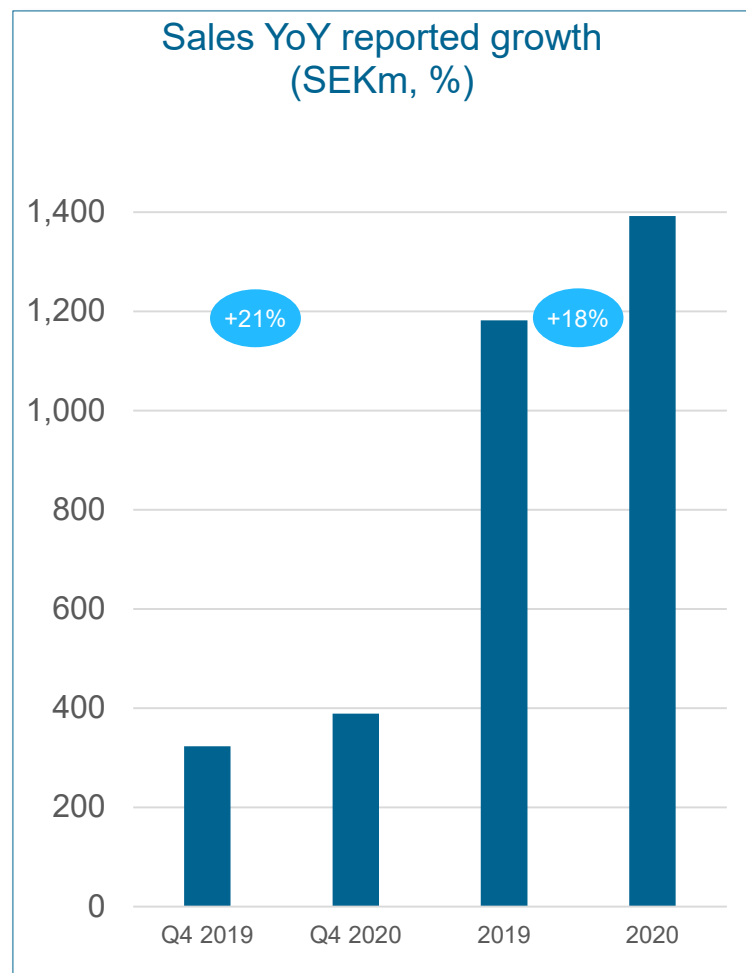
Order intake and order backlog increased

- Order intake 73% YoY, explained by a weak comparative figure
- Order backlog +12% YoY
- Order backlog increased by SEK 121m

+3%
Q4 2020
Sales

-3%
Q4 2020
EBITA

Finland



Key highlights Q4 2020

Sales increased and improved EBITA margin

- Sales increased by 21% mainly explained by organic growth
- Organic growth 18%
- EBITA margin improved to 8.1 (4.2)%, explained by earlier restructuring measures

Good order intake and order backlog

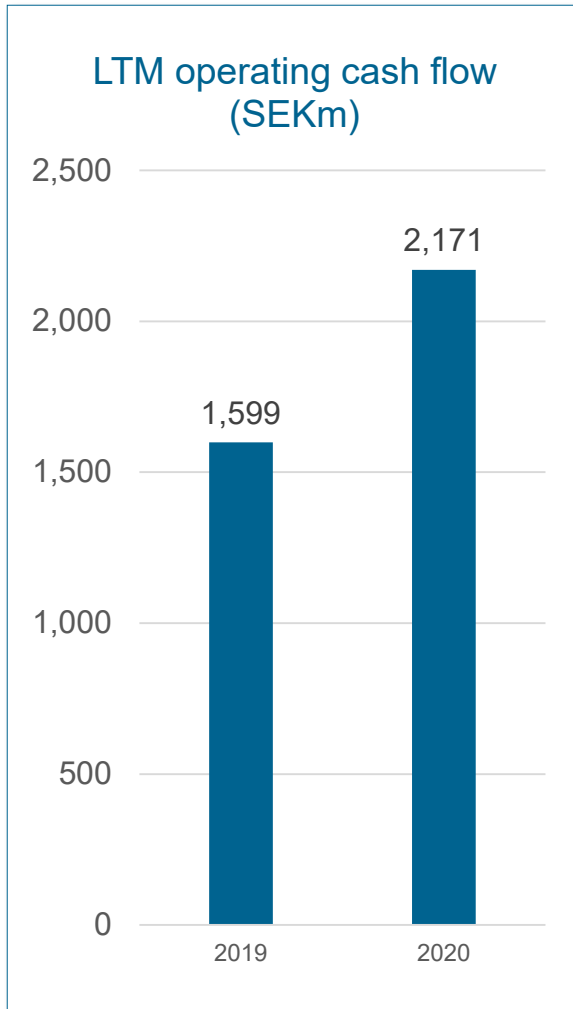
- Order intake +54%
- Order backlog +18% YoY
- Order backlog decreased by SEK-10m

+21%
Q4 2020
Sales

SEK+18m
Q4 2020
EBITA

Net debt and cash flow

Financial position (SEKm)	Q4 2020
Cash balances	1,748
Term loan, RCF, Commercial paper	-1,850
Leasing, IFRS 16	-1,022
Net debt	-1,124
LTM EBITDA	1,782
Net debt/LTM EBITDA	0.6x

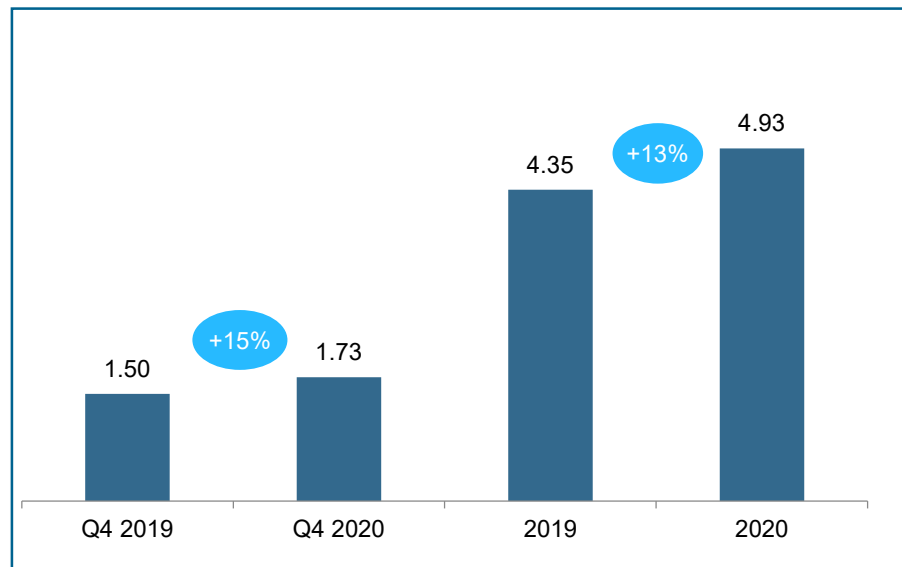


Key highlights Q4 2020

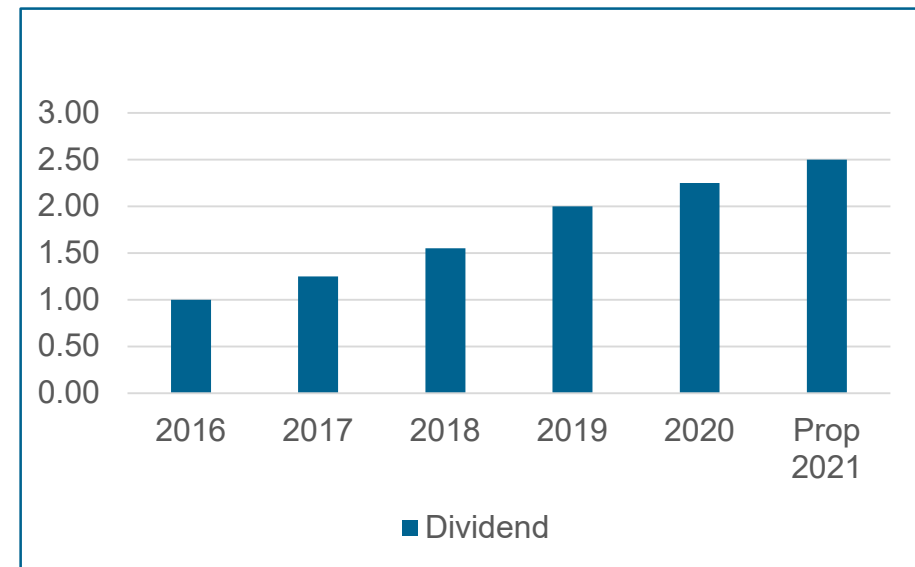
- SEK 2,500m financing package (RCF)
 - Loans and drawn facility SEK 700m
 - Average interest rate STIBOR +85bps
 - Maturity 2023-10-14 (incl. option prolong 1 year)
 - Commercial paper programme SEK 2,000m
 - 1-year term loan facility signed in April 2020, SEK 500m
-
- Cash conversion 153% (115)

Earnings per share and increased dividend, proposed 2.50 SEK





Earnings per share, SEK, %



Dividend increase per share from IPO, SEK, %

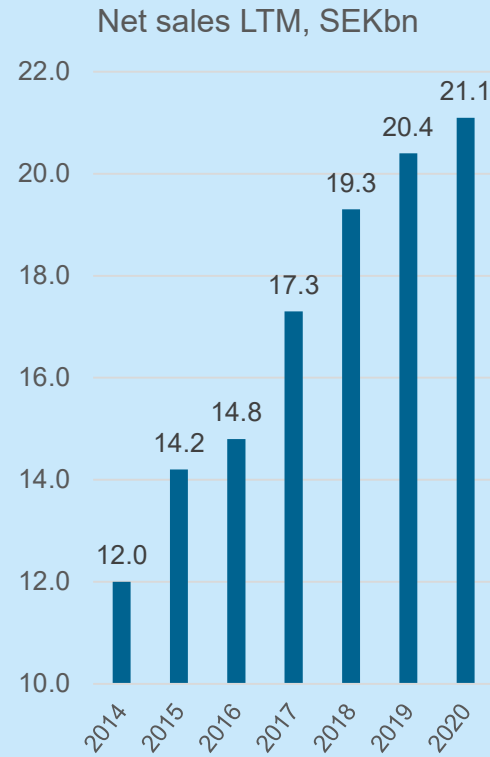


Financial targets

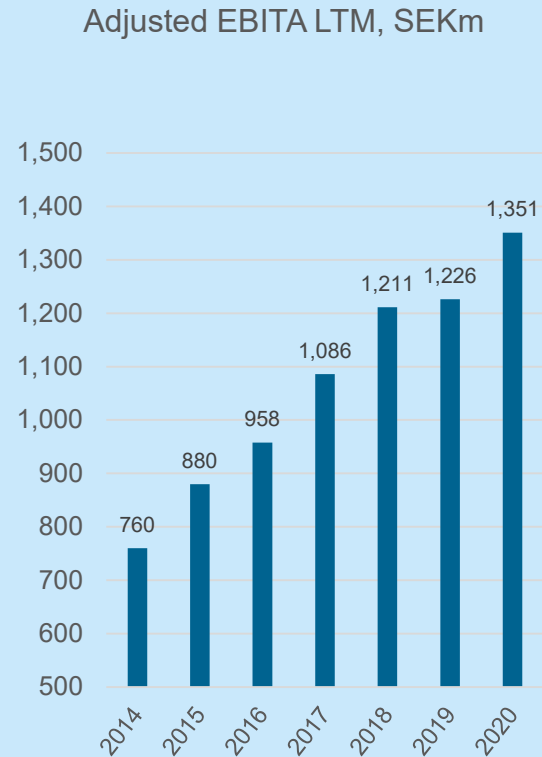
 Sales	> 5% sales growth Combination of organic growth and contribution from bolt-on acquisitions	 EBITA	> 7% Group margin Higher organic margin in existing branches including dilutive impact of bolt-on acquisitions
 Cash conversion & dividend	<ul style="list-style-type: none">• Cash conversion >100% (excl. IFRS 16 leases)• Target pay-out ratio >50% of net profit	 Net debt	<ul style="list-style-type: none">• Target leverage ratio of <2.5x Net debt/EBITDA

Robust and resilient cash flow generator

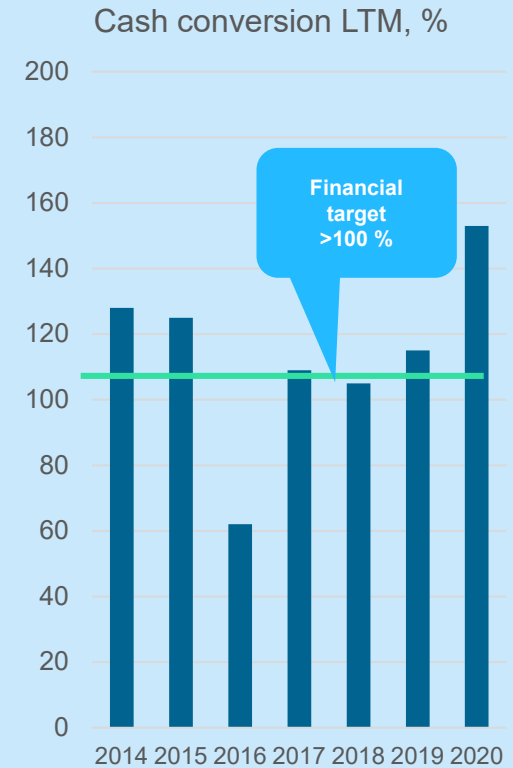
Net sales, growth



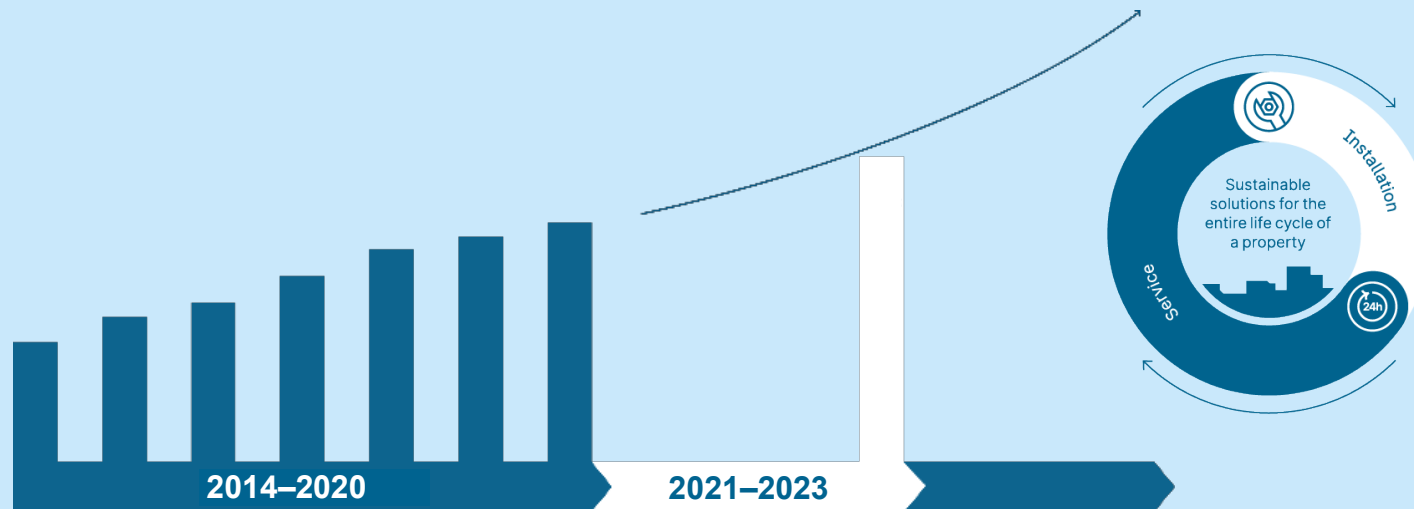
Stable profitability



Good cash conversion*



Bravida Business Plan 2023: entering a new development phase



FOCUS ON PROFITABLE GROWTH

- Profitable growth
- Installation > Service
- Strengthen working methods and increase efficiency

DEVELOP THE CUSTOMER

- Customer focus
- Continued profitable growth
- Service > Installation
- Sustainable solutions and operations

Investments in the Business plan for 2021

- Non-recurring costs in systems and digital solutions
 - OPEX, 25-40 MSEK

Sustainability in the new business plan

Focus on sustainability is a important part of the new business plan where Bravida aims to take a leading position

- Sustainable customer solutions
 - Energy Efficiency, Remote Controls/Smart Buildings, Energy infrastructure (solar panels, EV chargers etc)
- Carbon foot-print
 - Reduction of CO₂ - 10% per year by reducing fossil powered vehicles
 - Restructuring of our vehicle fleet (approx. 7,000 cars). Target 2025 – at least 30% of our vehicles should be fossil free.
- Safety
 - Medium-term goal - LTIR <5.5. LTIR in 2020 was 8.6 (10.4)

Summary Q4 2020

- Impact from covid-19 in Q4 affected order intake
- Uncertain market conditions ahead
- Sales increase -1%, growth from acquisitions +4% and negative impact organic -2% and currency -3%
- Service sales decreased by -7%
- Installation order backlog decreased, -5% YoY, from a high level
- EBITA margin improved to 8.5%
- EBITA margin improved in Sweden and Finland
- M&A execution on track with a healthy pipeline, 2 acquisitions completed in Q4 and 16 in 2020
- Net debt/EBITDA 0.6x, well below financial target < 2.5x
- Cash conversion LTM well above financial target at 153%
- Proposed dividend 2.50 SEK per share , 51% of net income and in line with financial target

Q&A



We bring buildings to life.

