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Åsa Neving, CFO
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BRAVIDA Q1 2020

BRINGING BUILDINGS TO LIFE

Today's presenters

Åsa Neving

CFO since 2019



Mattias Johansson

CEO and Group President since 2015*



About Bravida

Business highlights

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

Represented in around 160 locations

> 55,000 customers
Top 4 customers represent 14% of sales

> 93% recurring customers

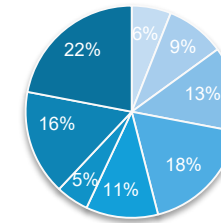
SEK 20.8bn
LTM net sales

SEK 1,247m
LTM EBITA

> 11,500
FTEs

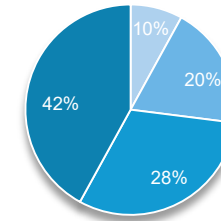
Sales split based on 2019 sales

Net sales by type of facility



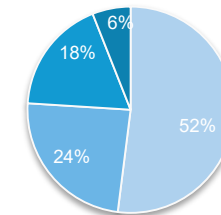
- Infrastructure 6%
- Education 9%
- Industry 13%
- Apartment Buildings 18%
- Healthcare 11%
- Retail 5%
- Office Buildings 16%
- Other 22%

Net sales by order size



- SEK 50m, 10%
- SEK 10-50m, 20%
- SEK 1-10m, 28%
- SEK 0-1m, 42%

Net sales by country



- Finland 6%
- Sweden 52%
- Norway 24%
- Denmark 18%

Key highlights in Q1 2020

Sales

- Net sales grew 8% to SEK 5,401m (5,013), organic growth 2% and M&A 7%
- Organic growth in Sweden, Norway and Denmark
- Servicing sales growth 11% and installation sales growth 5%

Order momentum

- Order backlog at record high level, SEK 14,985m, +11% YoY
- Continued good momentum with order intake SEK 5,732m
- Order intake good in Sweden, Denmark and Finland

EBITA

- EBITA increased by 8% to SEK 272m (251), margin unchanged at 5.0% (5.0)
- EBITA-margin improved in Norway, unchanged in Sweden but lower in Denmark and Finland

Cash flow

- Cash flow from operating activities was improved to SEK 560m (414) and cash conversion 127% (124)
- Working capital of SEK -1,349m (-1,048) or -6.5% (-5.3) of sales
- Net debt of SEK -1,698m, 1.0x EBITDA (LTM basis)

M&A

- 4 acquisitions completed in Q1 adding SEK 239m
- Still a good pipeline

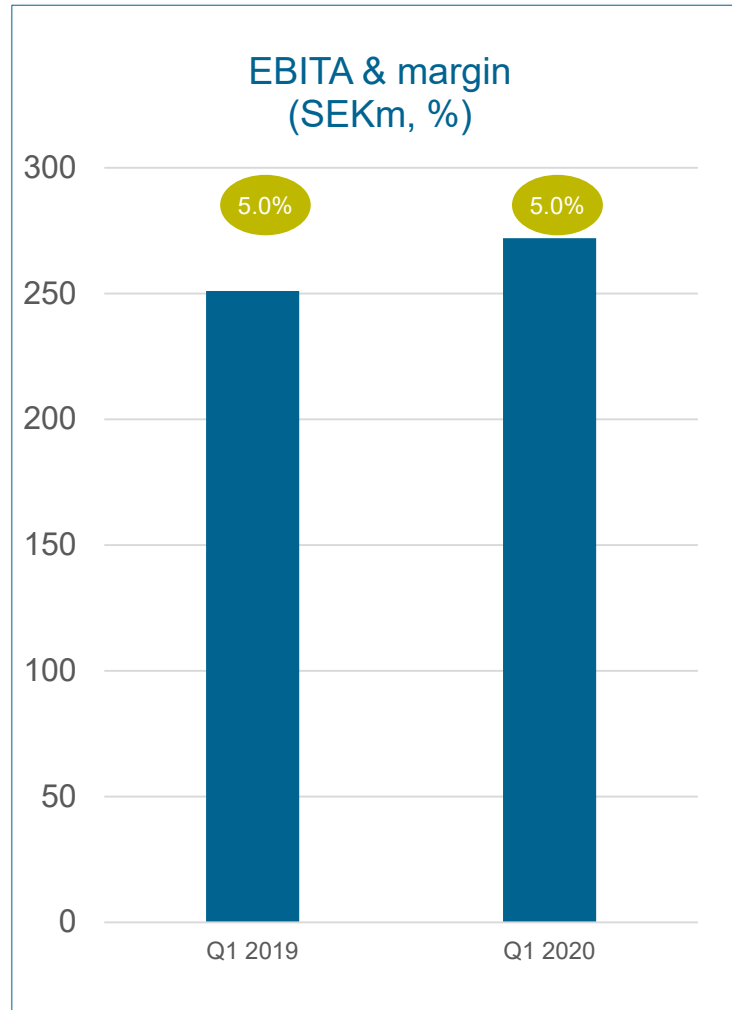
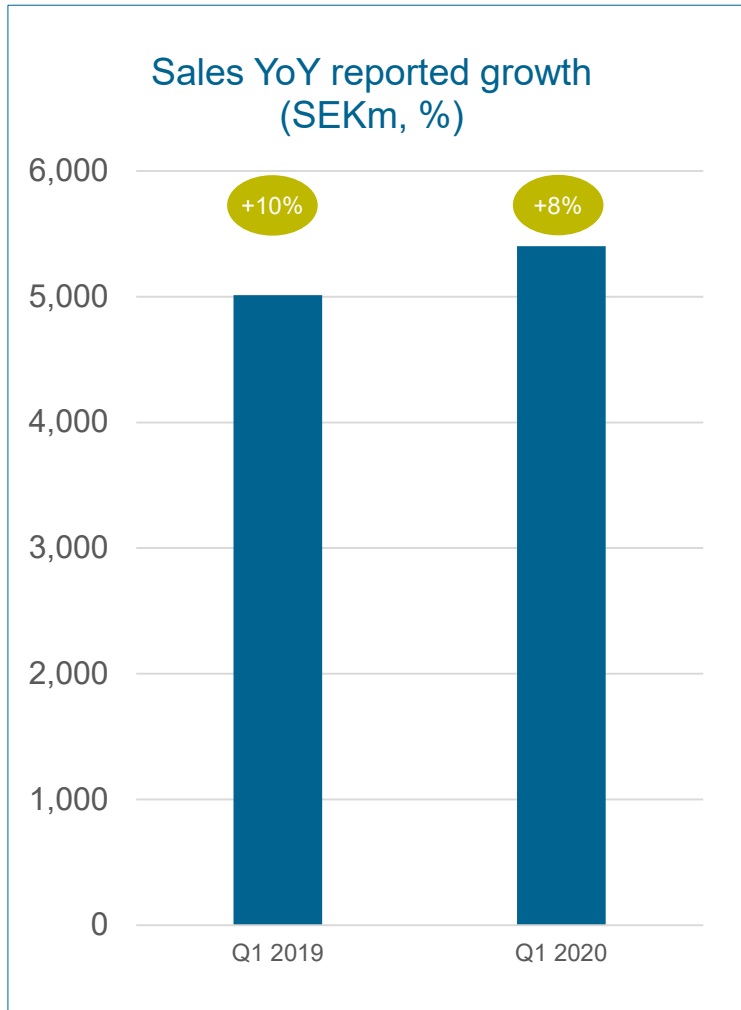
Navigating in the Covid-19 crisis

- Limited impact from Covid -19 in Q1
- Higher sickness absence but manageable - some easing in late April
- Temporary layoffs – financially supported by governments
- Uncertain market conditions ahead
- Good order backlog visibility in installation business
- Low fixed costs – possibility to adjust cost
- Margin over volume – we will defend the margin even if the volumes decrease

Bravida well positioned to manage a downturn in the economy

- Late cyclical nature of Bravida's business model enables predictability and timely adjustment of the cost base
- Flexible cost structure implies fast adjustment of costs to a decline in demand
- Customers prefer strong partners such as Bravida during uncertain times
- Servicing business will recover quickly as access to facilities is granted given underlying demand
- Potential for opportunistic acquisitions in order to strengthen market position further

Group sales & EBITA development



Key highlights in Q1

Good sales growth

- Sales growth 8%, of which 7% from M&A, and organic growth 2%
- Sales increased in Sweden, Denmark and Finland

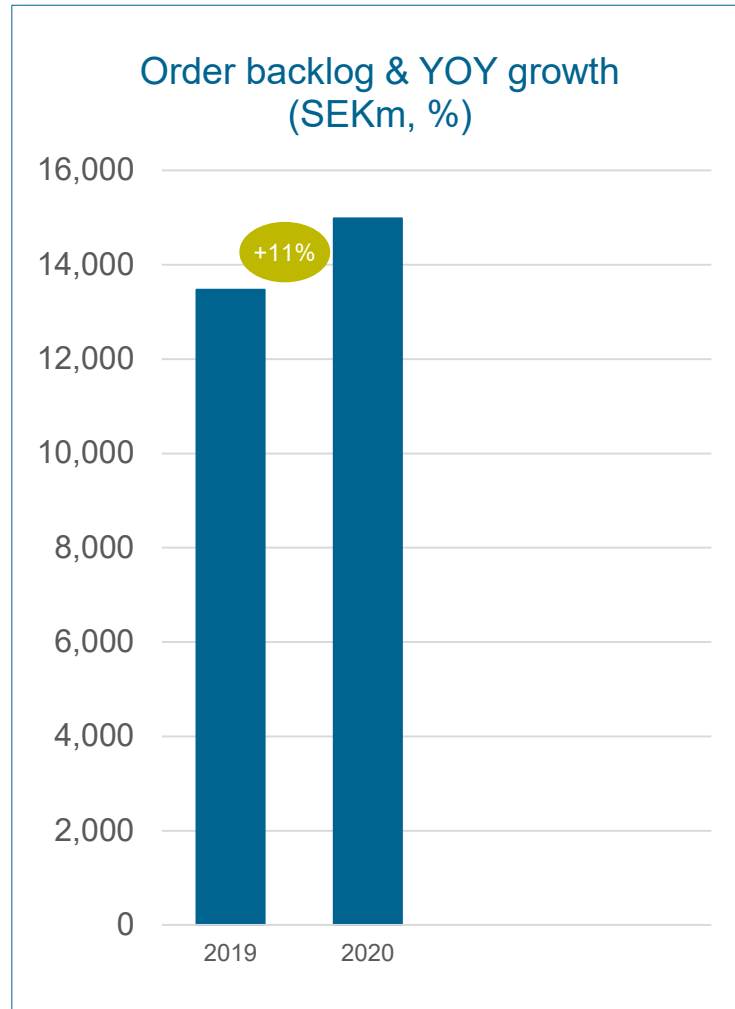
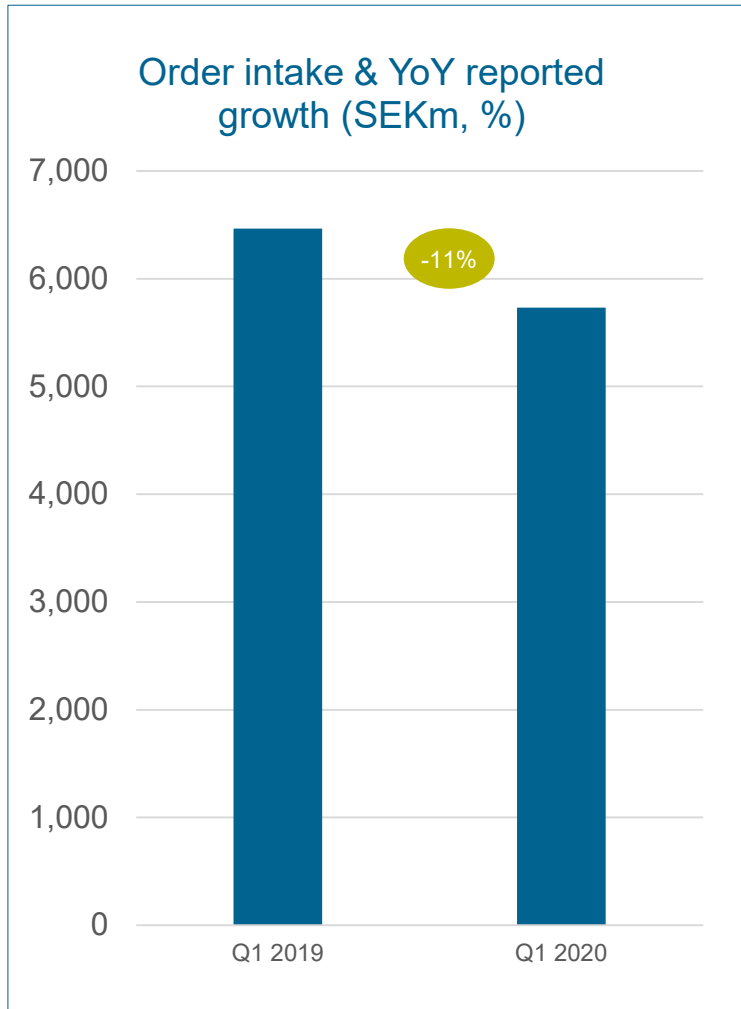
EBITA-margin unchanged

- EBITA +8 % to SEK 272m and margin unchanged at 5.0%
- EBITA margin improvement in Norway
- EBITA margin lower in Denmark due to higher administration costs related to acquisitions
- EBITA margin lower in Finland due to write-downs and higher administration costs

+8%
Q1 2020 Sales

+8%
Q1 2020 EBITA

Order momentum



Key highlights in Q1

Order backlog at high level: SEK 14,985m

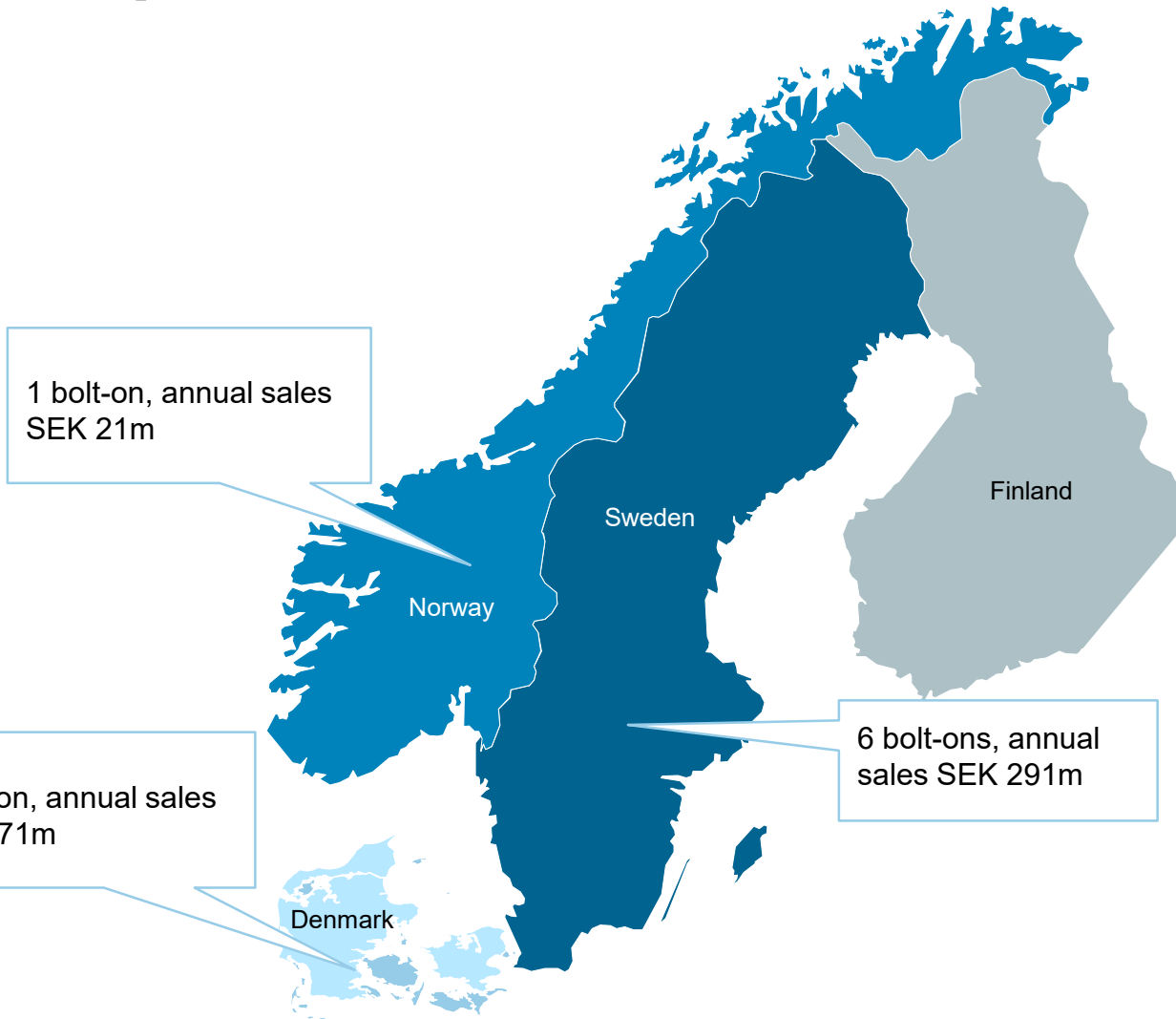
- Order backlog +11% higher YoY
- Order backlog + SEK 500m in Q1
- Increasing order backlog YoY in Sweden, Denmark and Finland
- Order intake declined by -11% explained by a large order received in Q1 2019, Bypass Stockholm SEK 1,144m
- Mainly medium and small orders
- One large order in Sweden, installation in an industrial building
- One large order in Finland, installation in an R&D centre

+11%
order backlog growth

SEK 15.0bn
order backlog

* Backlog includes installation business only

Acquisitions 2020



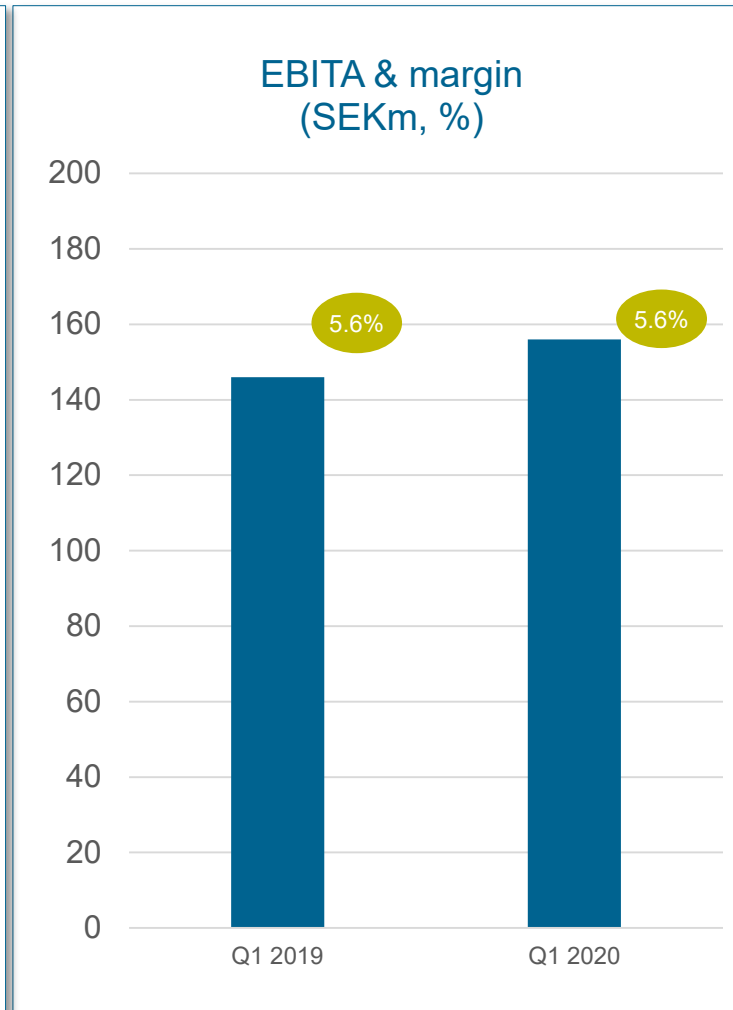
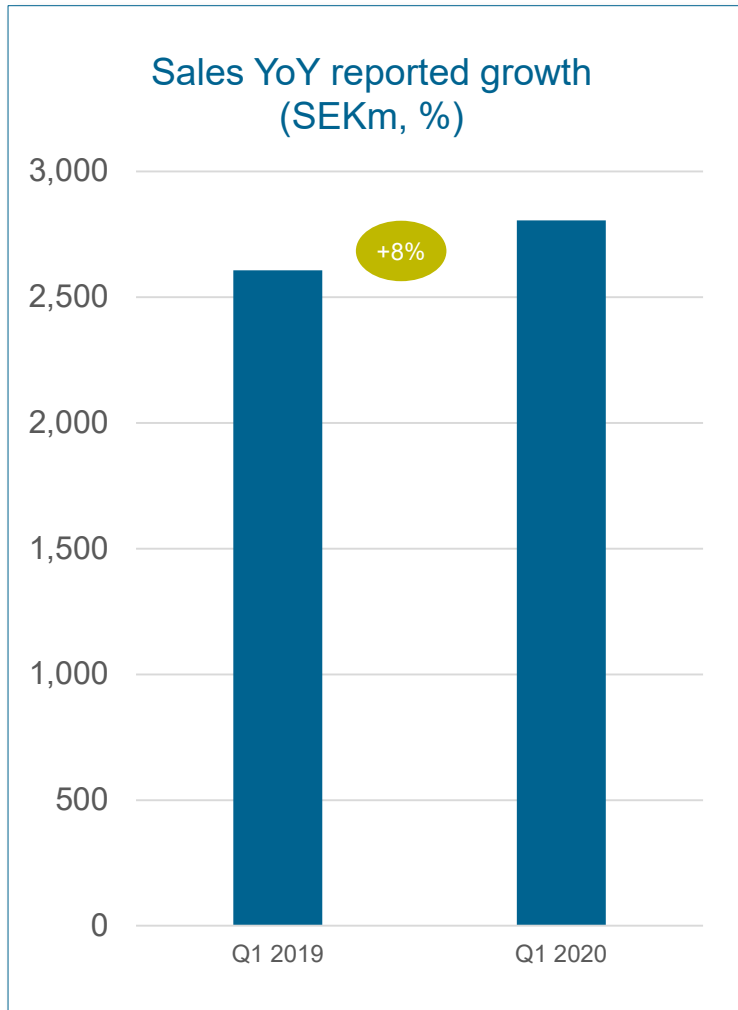
Key highlights in Q1

- 1 acquisition completed in Denmark adding approx. SEK 171m in annual sales
- 2 acquisitions completed in Sweden adding approx. SEK 47m annual sales
- 1 acquisition completed in Norway adding approx. SEK 21m annual sales
- 2 signed acquisitions in Sweden in April adding SEK191m
- 2 signed acquisitions in Sweden in May adding SEK 53m
- Continued strong pipeline
- Acquisitions still at attractive multiples
- Covid-19 pandemic will delay acquisitions

8
acquisitions 2020

SEK
~483m
acquired sales 2020

Sweden



Key highlights Q1 2020

Higher sales and unchanged EBITA margin

- Sales +8% explained by organic growth and acquisitions
- Organic growth 2%
- EBITA margin 5.6% (5.6)

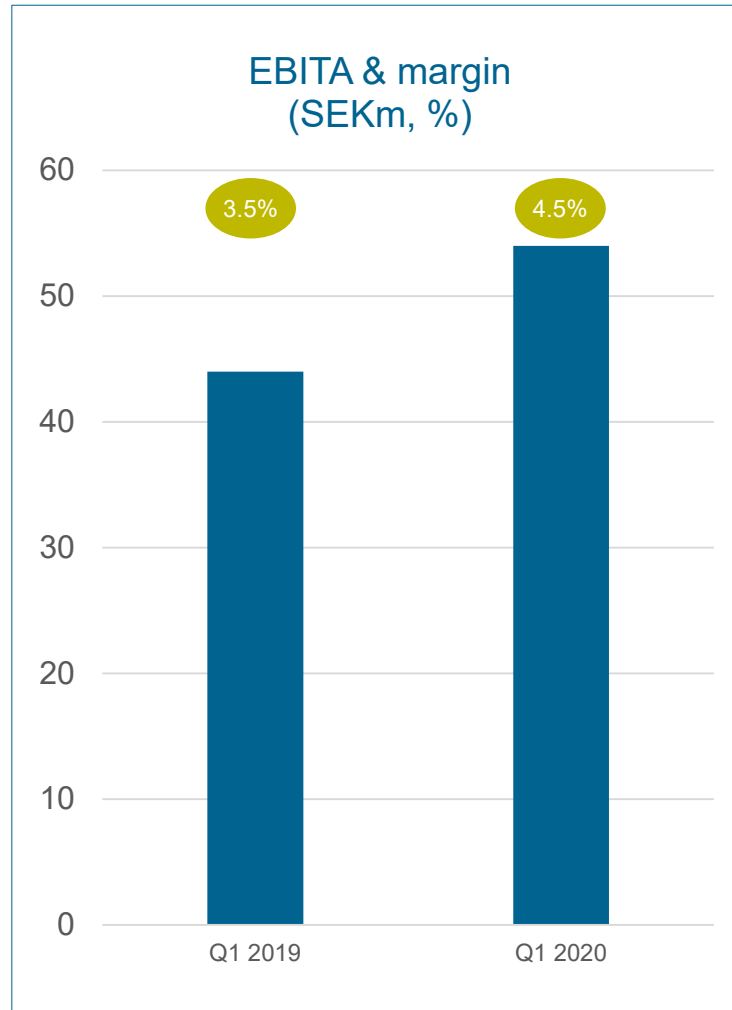
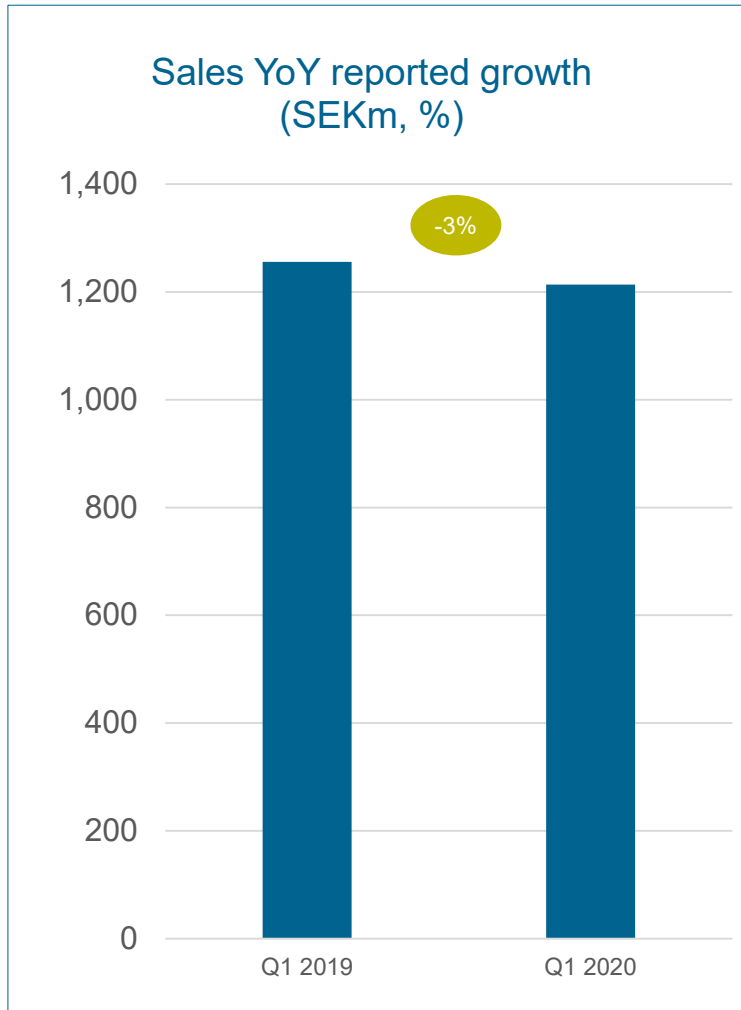
A good market in Q1

- Order intake lower explained by the Stockholm Bypass order in Q1 2019 SEK 1,144m
- One large order, industry building approx. SEK 160m
- Order backlog +14% YoY
- Order backlog increased by SEK 91m in Q1

+8%
Q1 2020
Sales

+7%
Q1 2020
EBITA

Norway



Key highlights Q1 2020

Sales decreased but improved EBITA margin

- Sales declined by -3%, due to a weaker NOK - 4% but organic growth +1%
- EBITA margin improved to 4.5% (3.5)

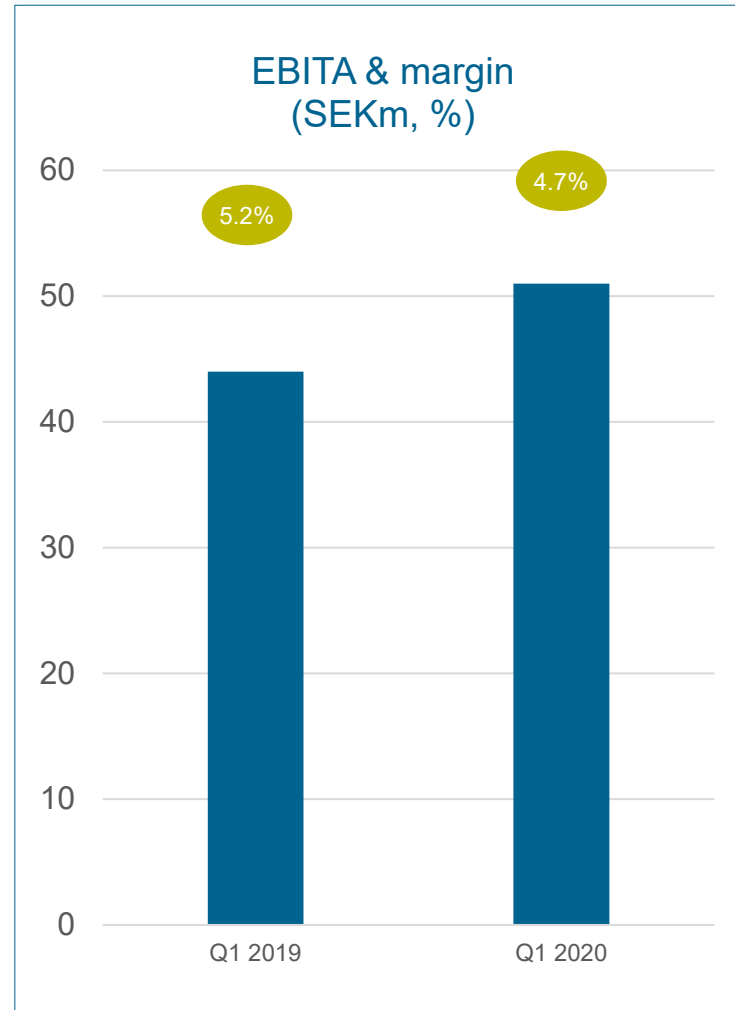
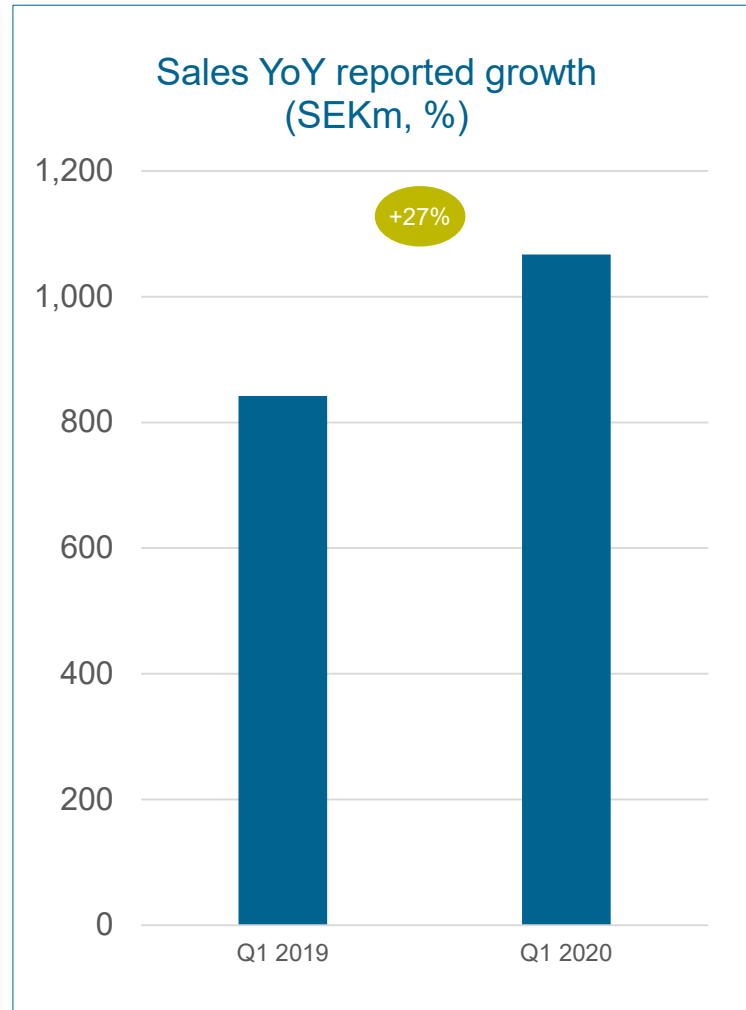
Order intake and backlog

- Order intake -40% YoY
- Order backlog -21% YoY
- Order backlog increased in Q1 by +1% in local currency

-3%
Q1 2020
Sales

+23%
Q1 2020
EBITA

Denmark



Key highlights Q1 2020

Strong sales growth but lower EBITA margin

- Sales growth +27%, explained by acquisitions and organic growth
- Organic growth +3%
- EBITA-margin lower due to higher administration expenses related to last years acquisitions

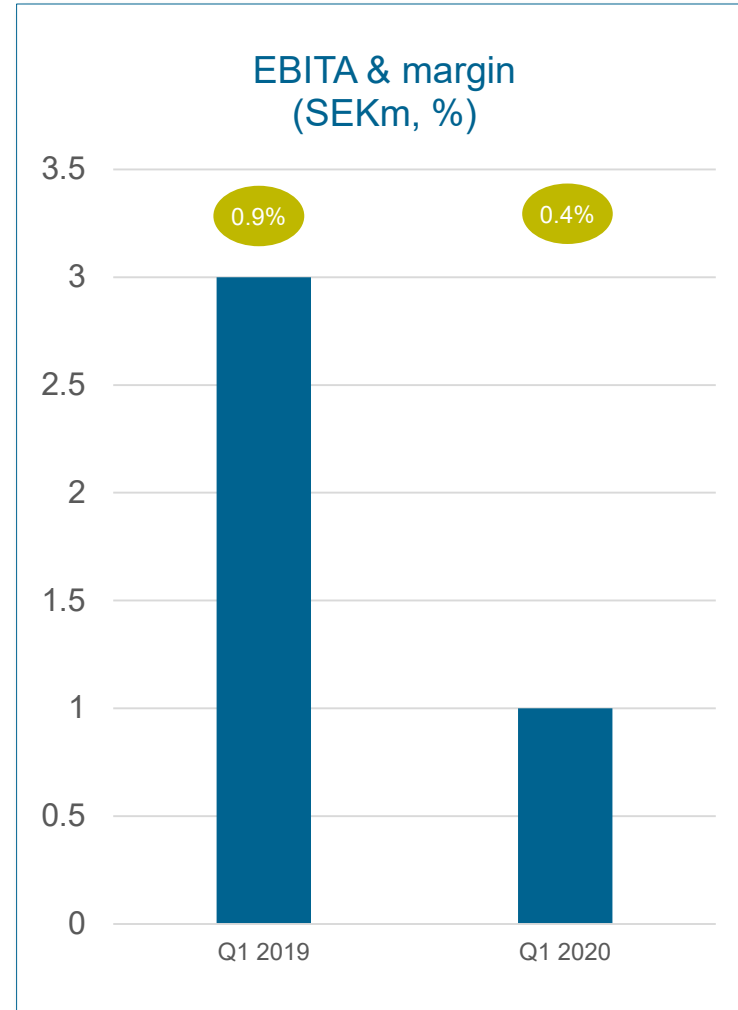
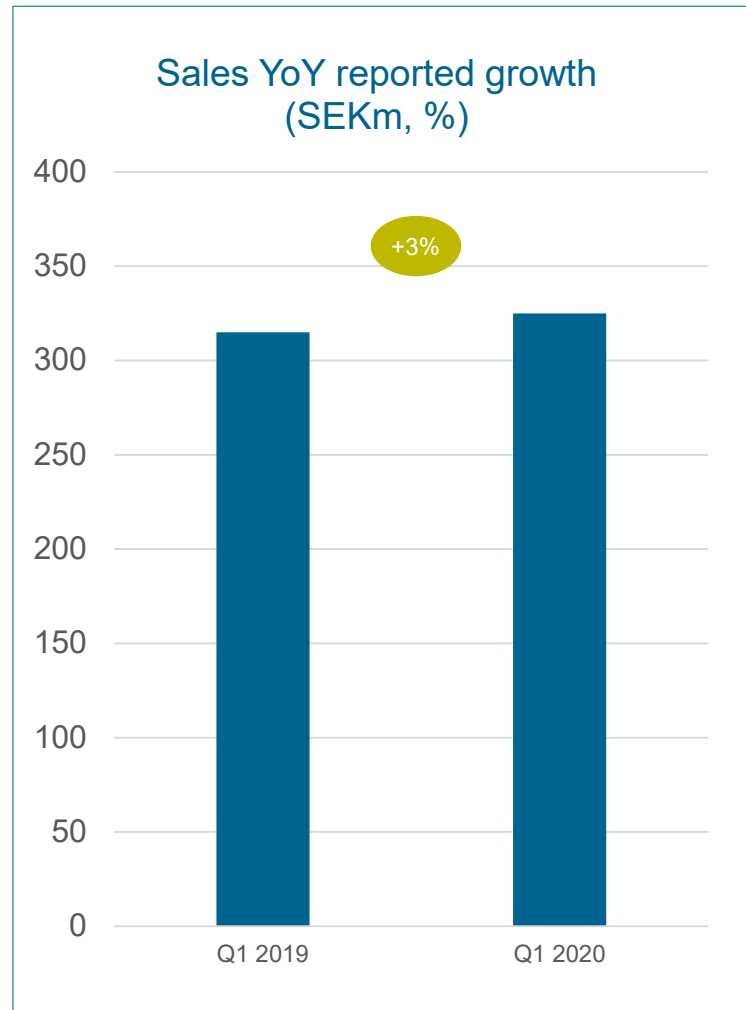
Order backlog at a high level:

- Order intake +20% YoY
- Order backlog +26% YoY

+27%
Q1 2020
Sales

+16%
Q1 2020
EBITA

Finland



Key highlights Q1 2020

Sales increased but lower EBITA margin

- Sales increased by 3% explained by positive currency effect
- Organic growth was negative -1% due to low volume in some branches
- EBITA decreased due to project write-downs and higher administration cost

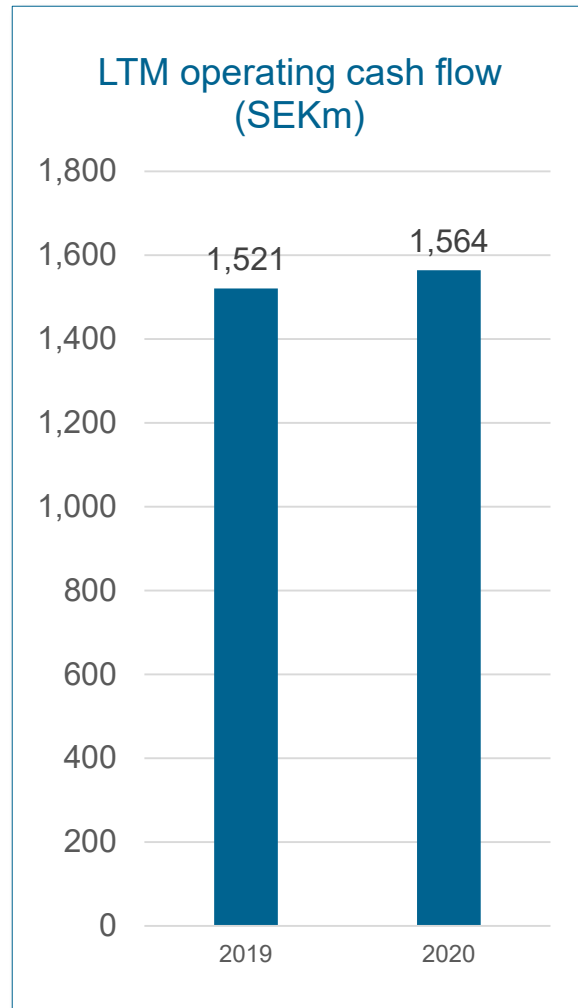
Good order intake and order backlog

- Order intake +126%
- One large order from Wärtsilä
- Order backlog +95% YoY



Net debt and cash flow


Financial position (SEKm)	Q1 2020
Cash balances	1,131
Term loan, RCF, Commercial paper	-1,819
Financial leasing, IFRS 16	-1,010
Net debt	-1,698
LTM EBITDA	1,667
Net debt/LTM adjusted EBITDA	1.0x





Key highlights Q1 2020

- SEK 2,500m financing package (RCF)
 - Loans and drawn facility SEK 1,100m
 - Average interest rate STIBOR +90 bps
 - Maturity 2022-10-14 (incl. option prolong 1+1 year)
 - Commercial paper programme SEK 2,000m whereof SEK 820m issued
 - 1-year term loan facility signed in April, SEK 500m
-
- Cash conversion 127% (124)

Financial targets

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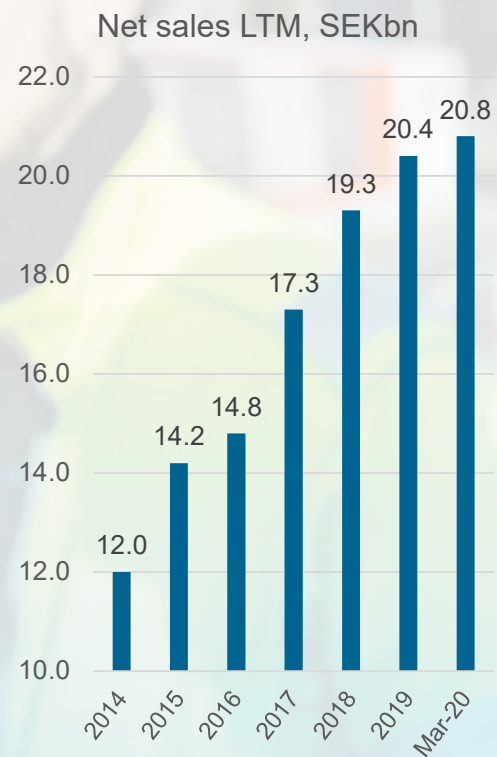
 EBITA	> 7% Group margin Higher organic margin in existing branches including dilutive impact of bolt-on acquisitions
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 Cash conversion & dividend	<ul style="list-style-type: none">• Cash conversion >100% (excl. IFRS 16 leases)• Target pay-out ratio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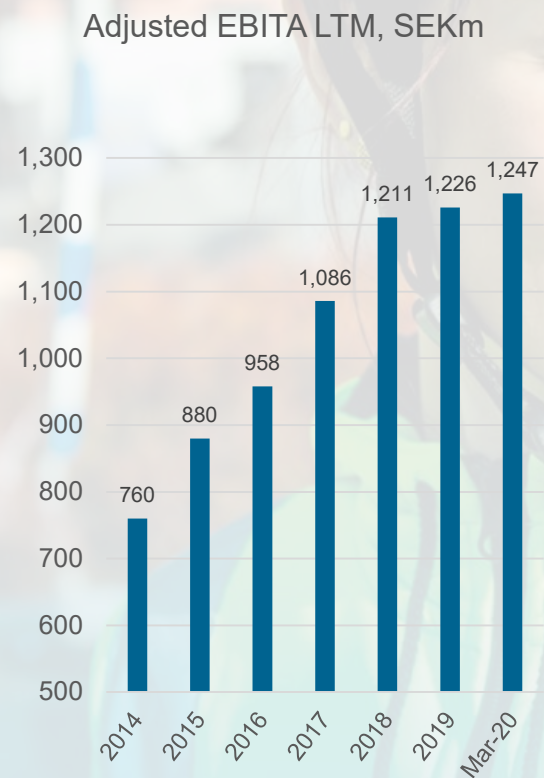
 Net debt	<ul style="list-style-type: none">• Target leverage ratio of <2.5x Net debt/EBITDA
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Robust and resilient cash flow generator

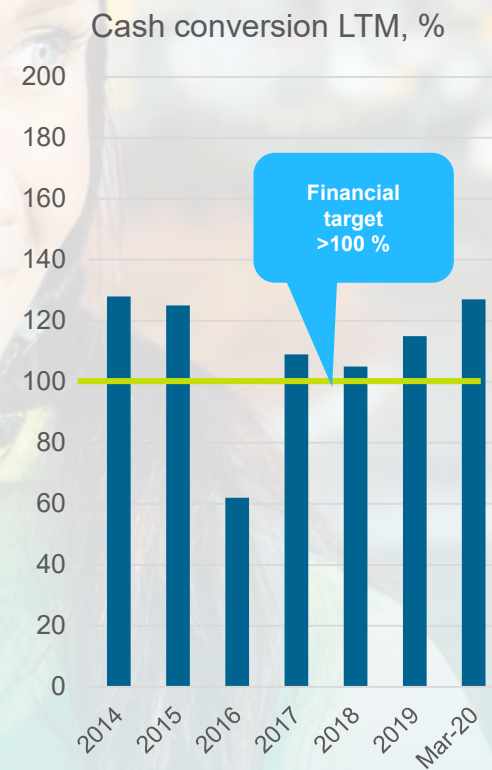
Net sales, growth



Stable profitability



Good cash conversion*



*LTM IAS 17 : (EBITDA +/- change in WC - capex)/ EBIT

Summary Q1 2020

- Limited impact from Covid -19 in Q1 but uncertain market conditions ahead
- Sales increase 8% well above financial target, growth from acquisitions 7%, organic growth 2%
- Installation order backlog at record high level at SEK 14,985m and continued stable demand for servicing
- EBITA margin unchanged at 5.0%
- EBITA margin improved in Norway
- M&A execution on track with a healthy pipeline, 4 acquisitions completed in Q1 and SEK 239m added in sales
- Net debt/EBITDA 1.0x , well below financial target < 2.5x
- Strong operating cash flow, LTM SEK 560m
- Cash conversion LTM well above financial target at 127%

Q&A

