



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

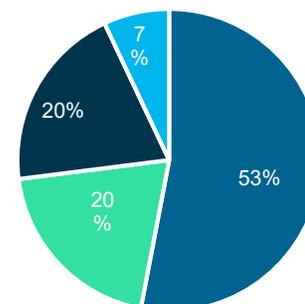
94% recurring customers

SEK 21.1 bn
LTM net sales

SEK 1,351m
LTM EBITA

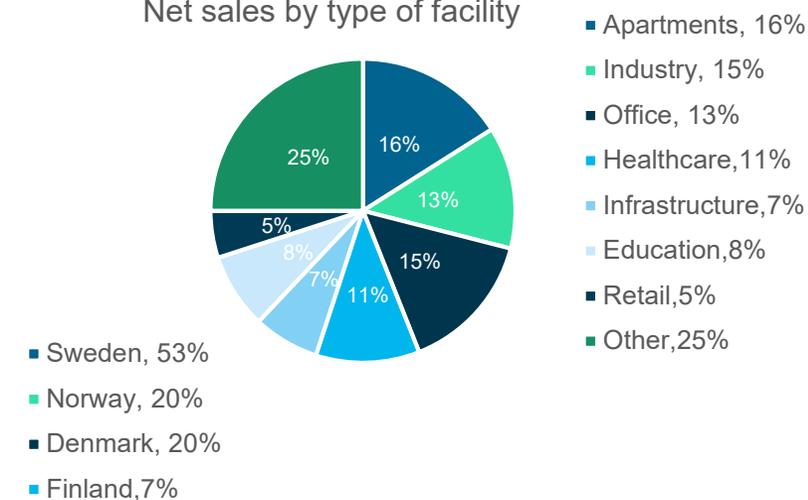
12,000
FTEs

Sales by segment

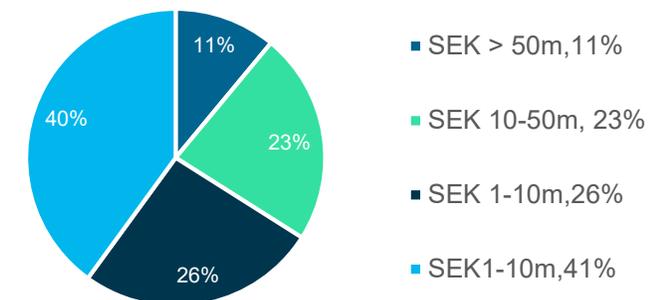


Sales split based on 2020 sales

Net sales by type of facility



Net sales by order size



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

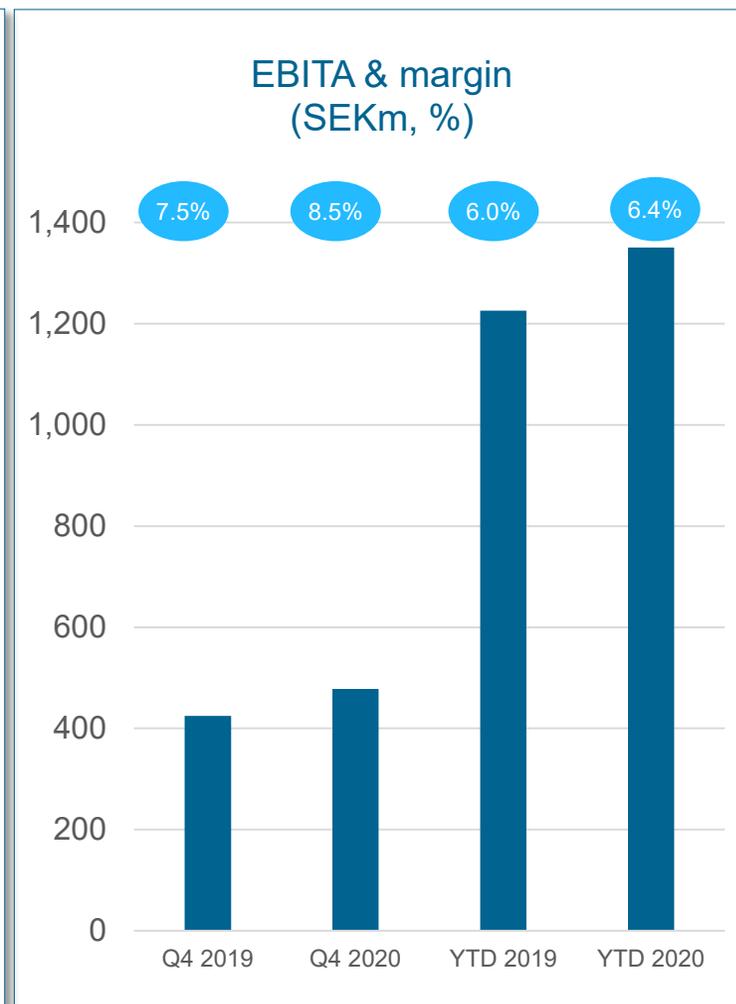
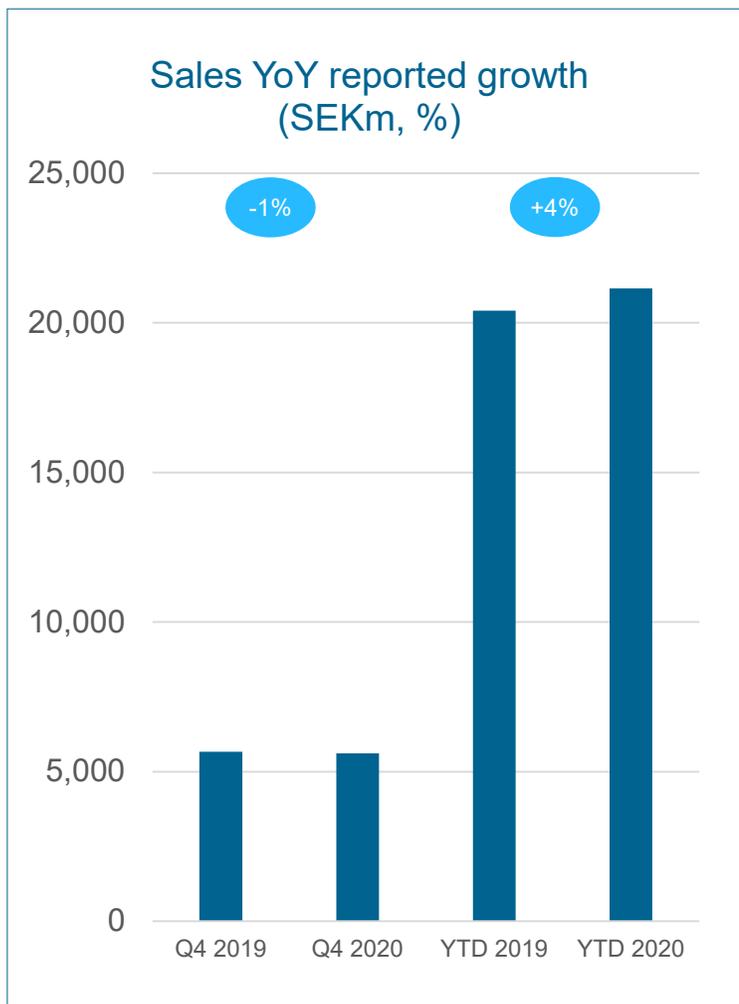
M&A

- 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

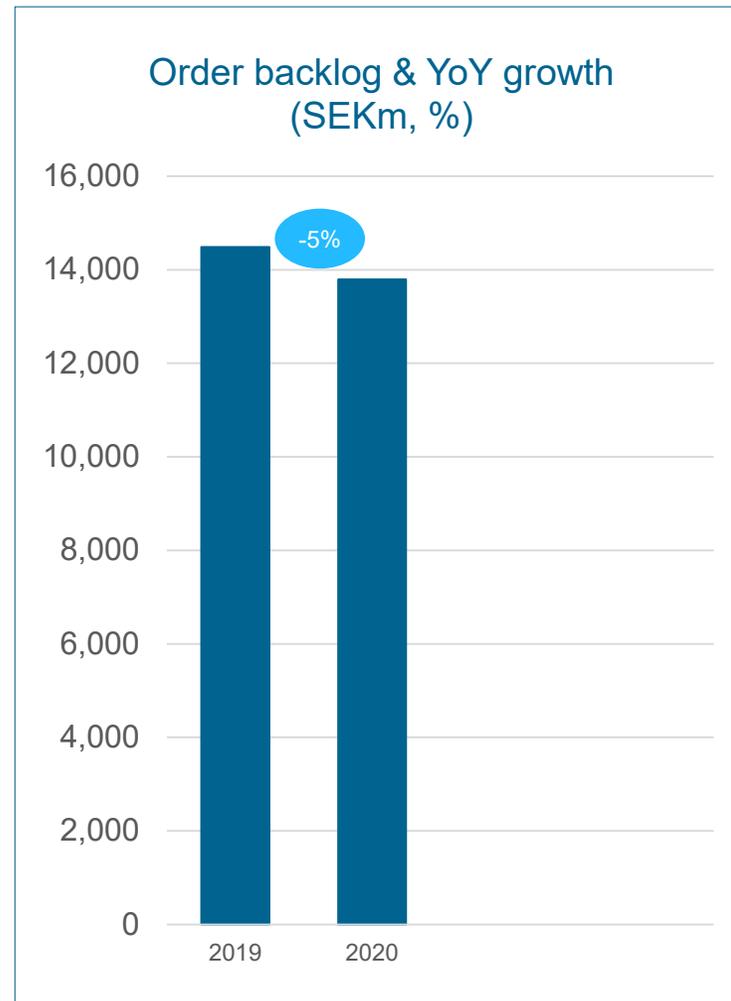
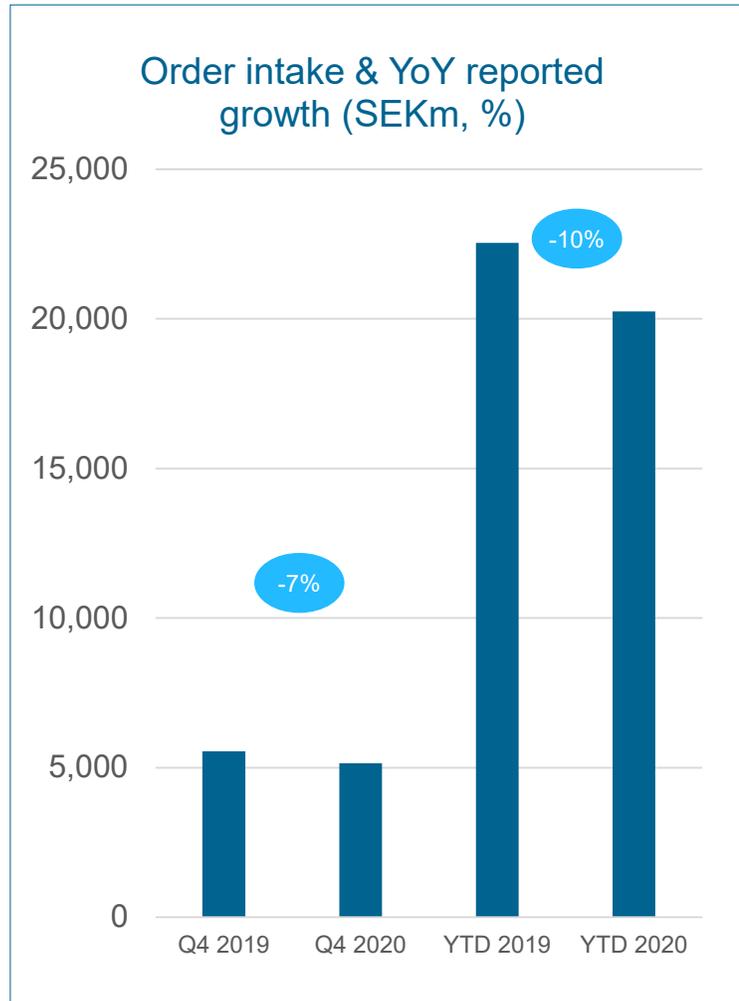
EBITA-margin improved

- 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

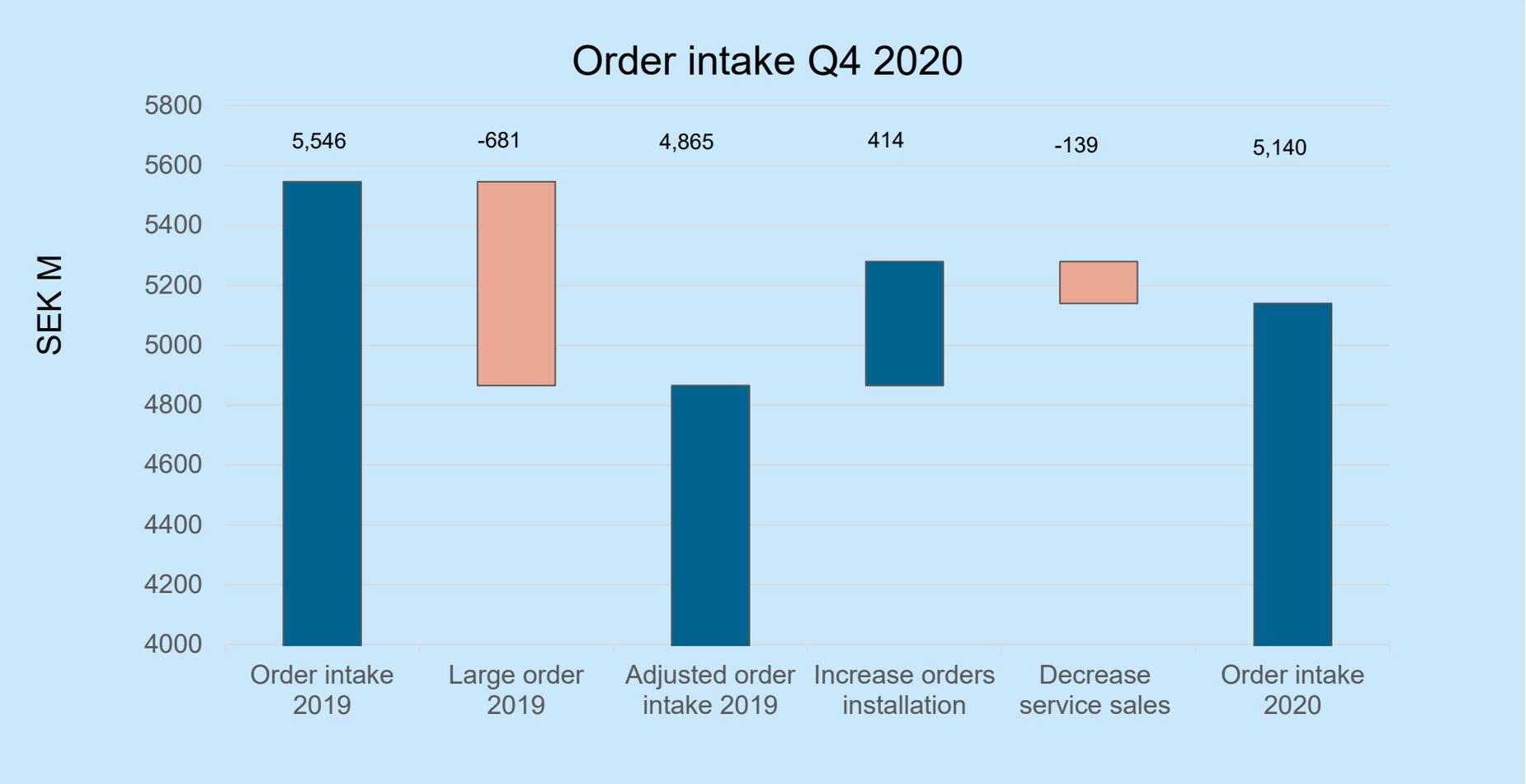
Order backlog at: SEK 13,791m

- 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



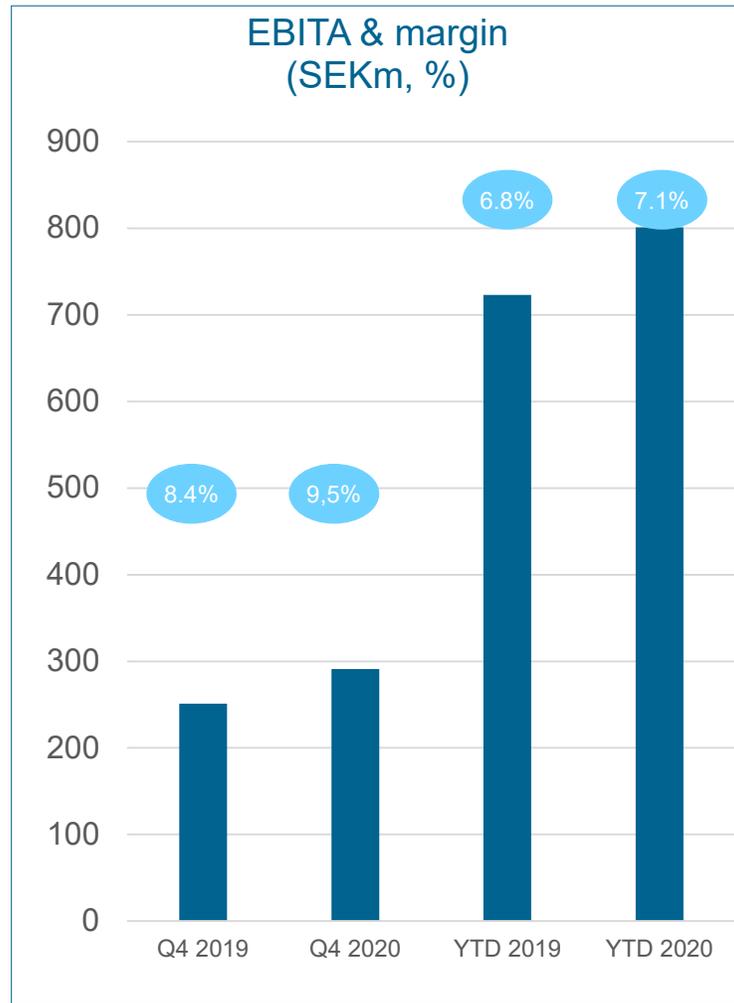
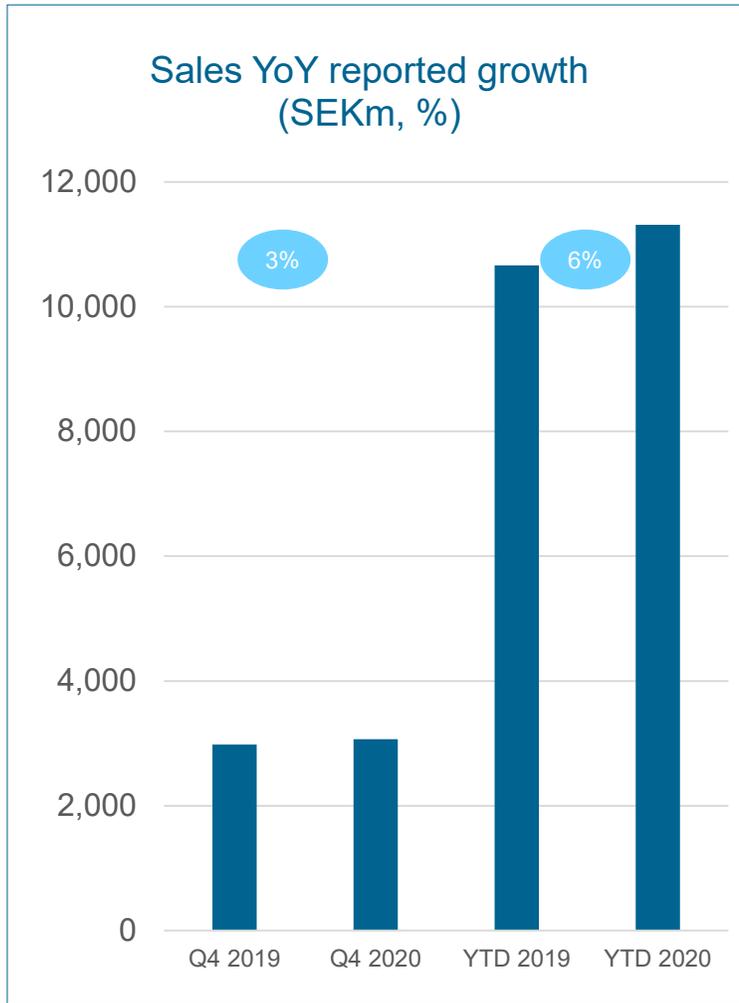
Key highlights 2020

- 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



Key highlights Q4 2020

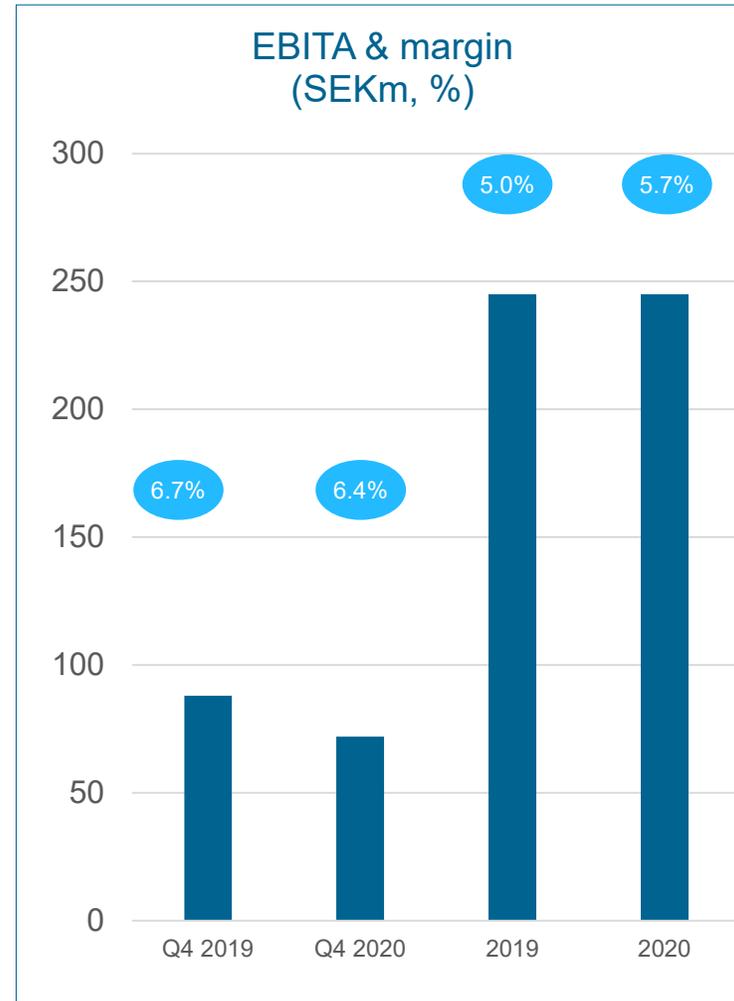
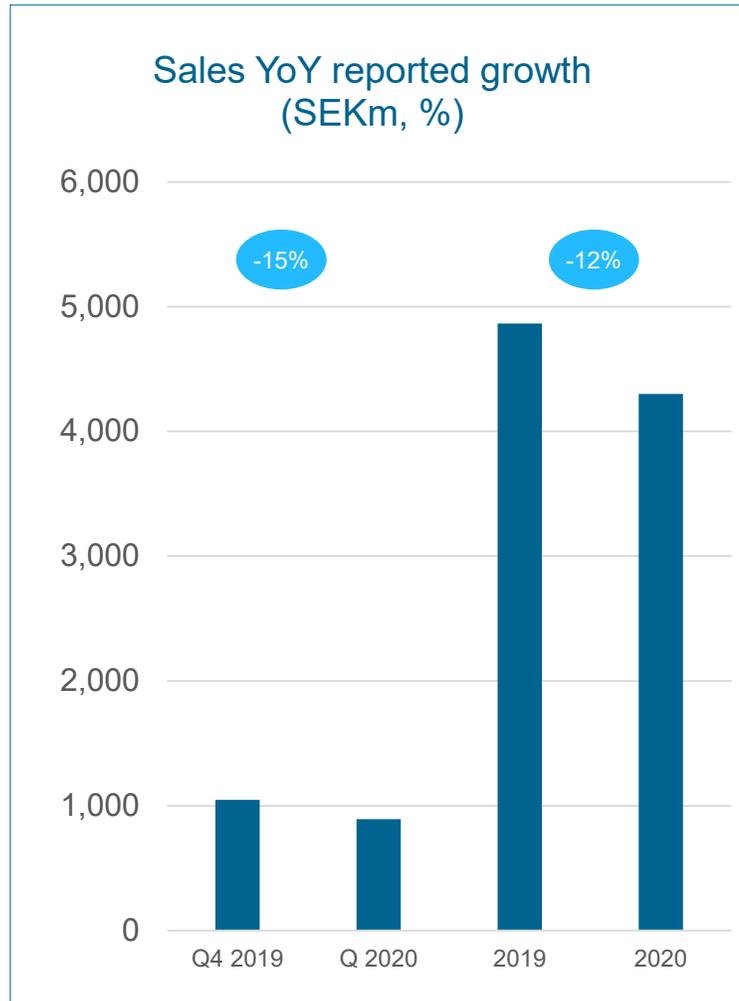
Higher sales and improved EBITA margin

- 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

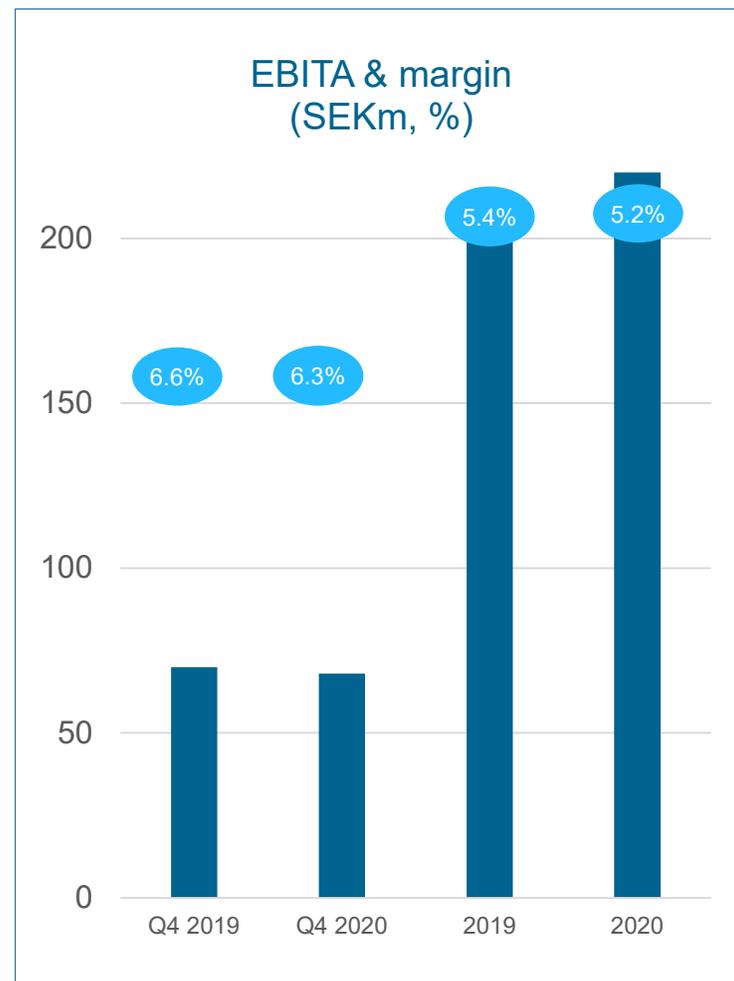
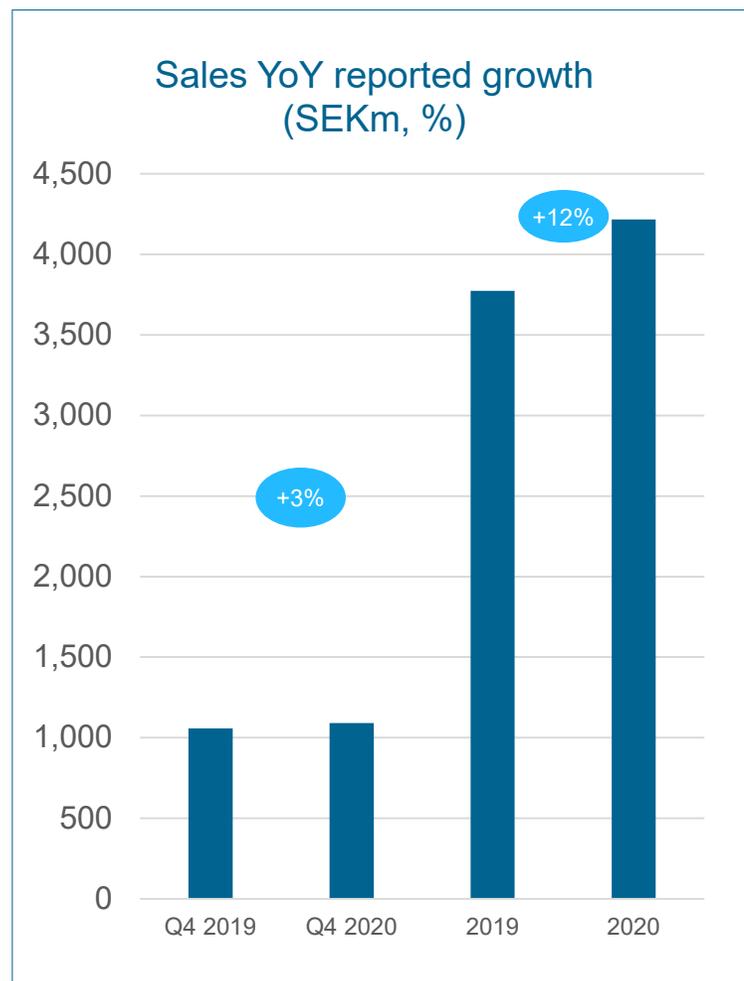
Order intake negatively affected by the ongoing pandemic

- 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

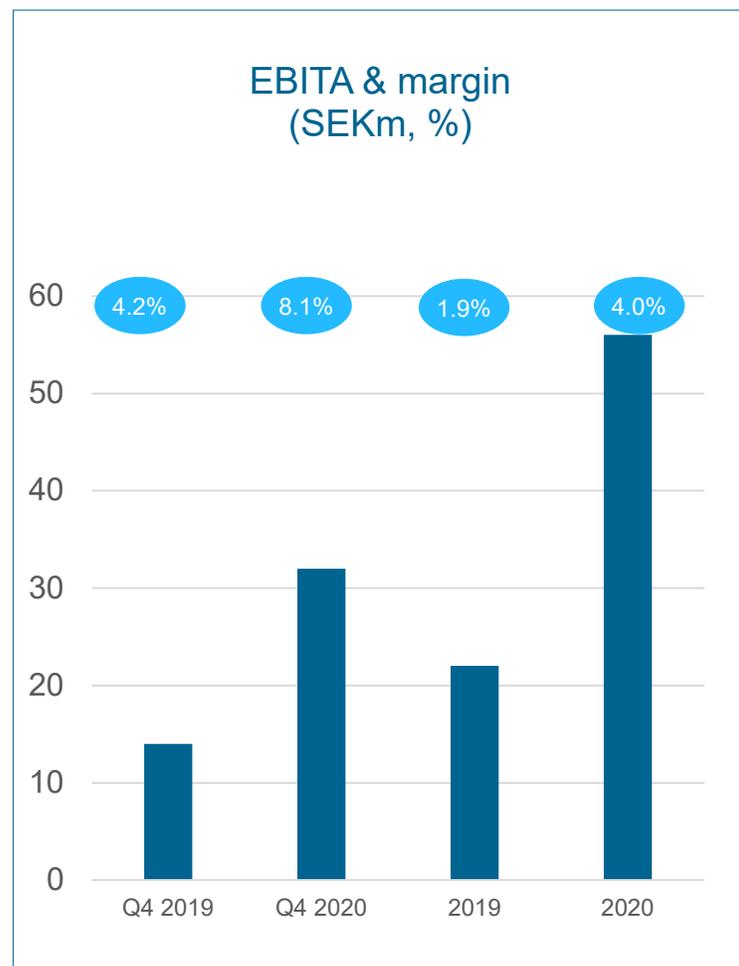
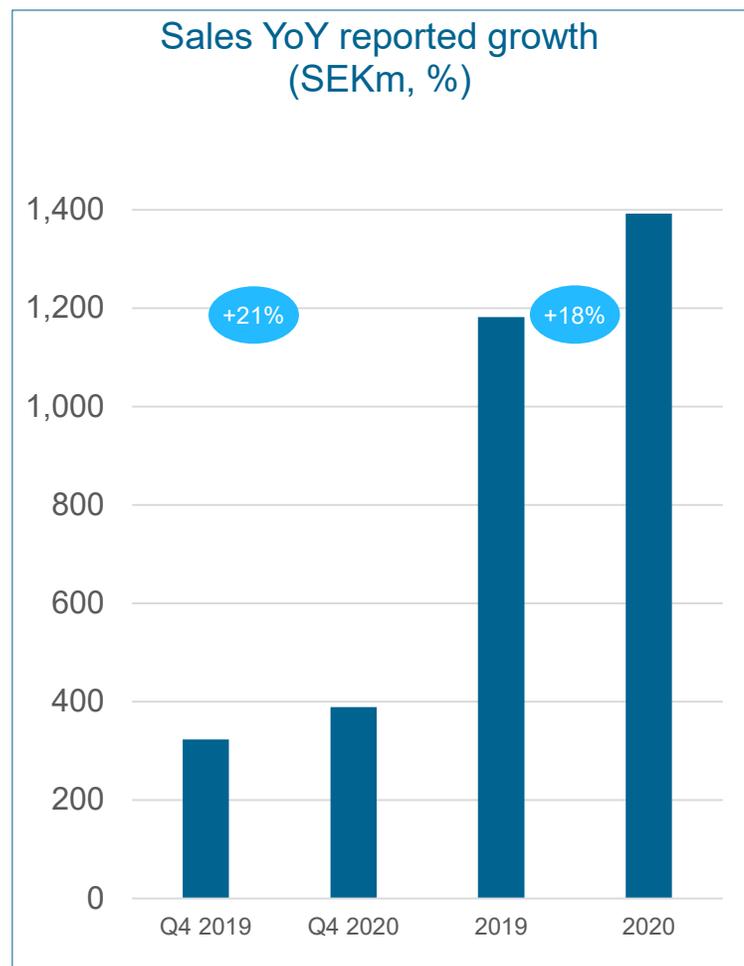
Order intake and order backlog increased

- 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

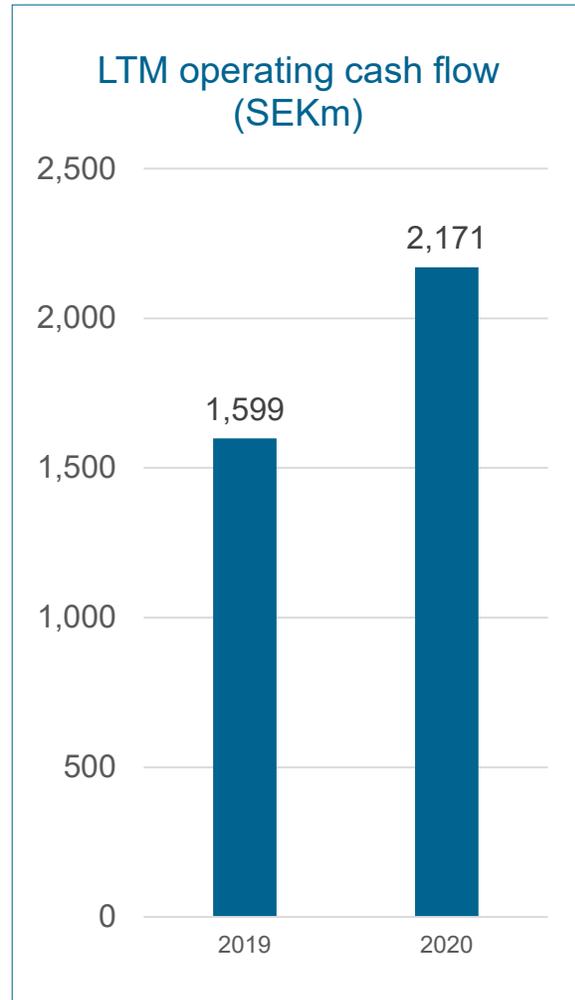
- Order intake +54%
- Order backlog +18% YoY
- Order backlog decreased by SEK-10m

+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

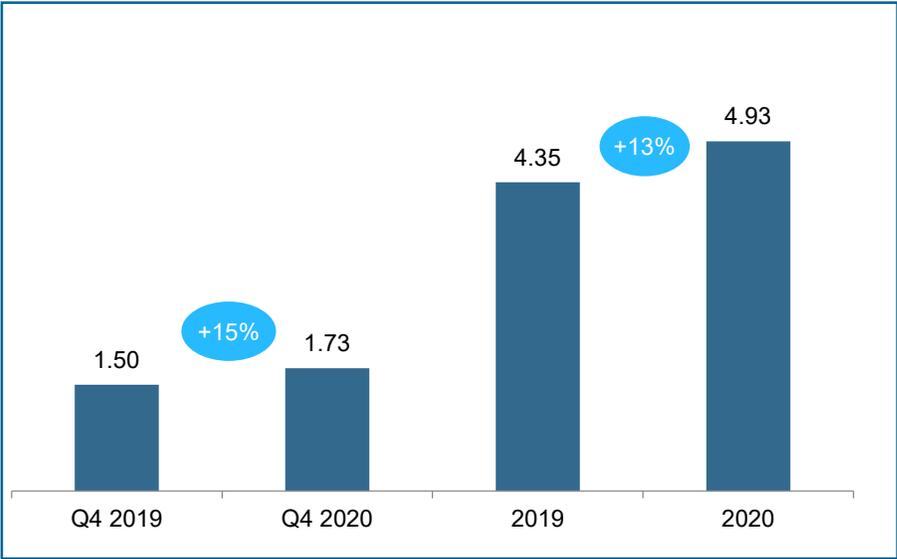


Key highlights Q4 2020

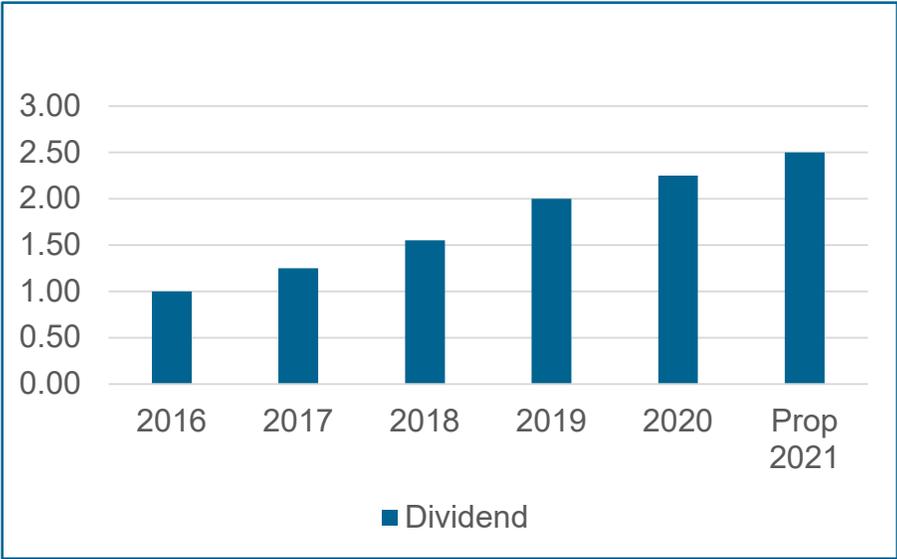
- SEK 2,500m financing package (RCF)
 - Loans and drawn facility SEK 700m
 - Average interest rate STIBOR +85bps
 - Maturity 2023-10-14 (incl. option prolong 1 year)
 - Commercial paper programme SEK 2,000m
 - 1-year term loan facility signed in April 2020, SEK 500m
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-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

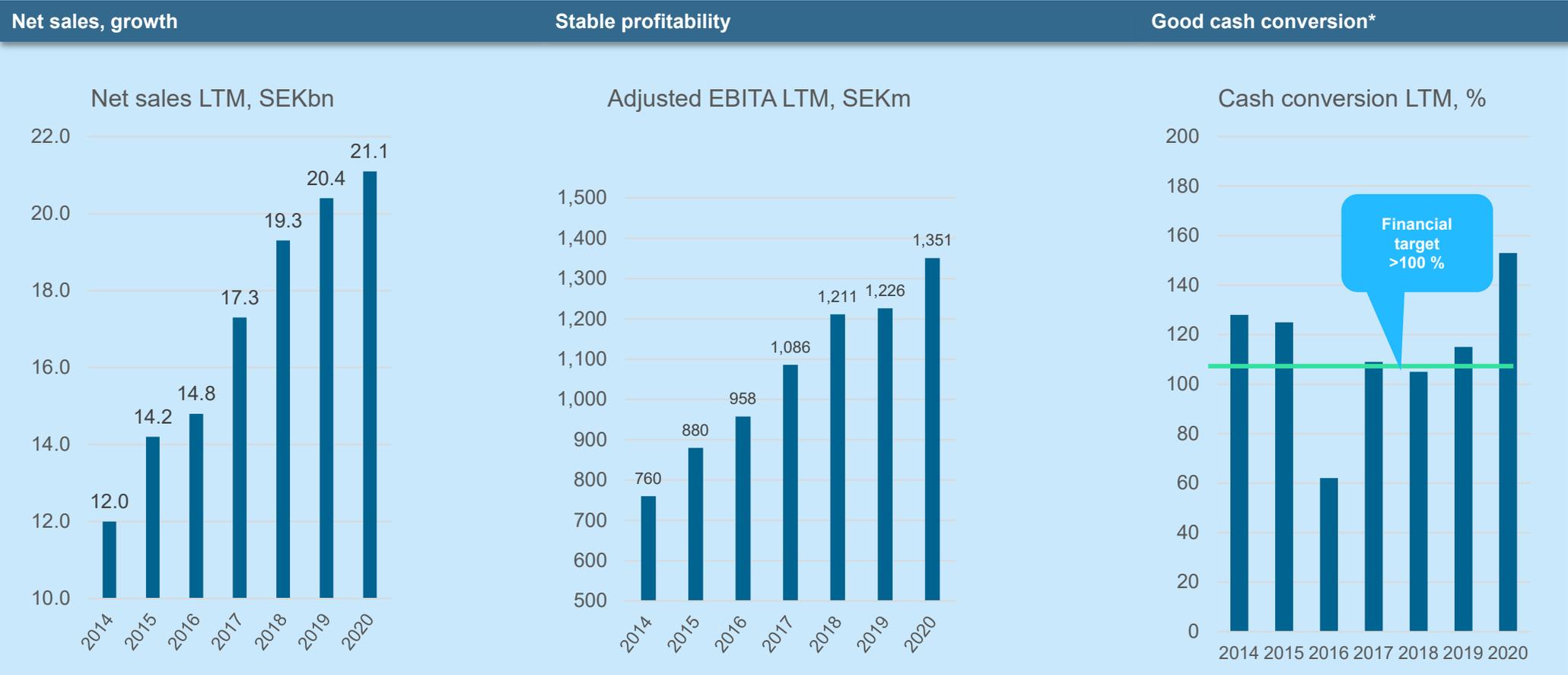
 Sales	> 5% sales growth Combination of organic growth and contribution from bolt-on acquisitions
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 EBITA	> 7% Group margin Higher organic margin in existing branches including dilutive impact of bolt-on acquisitions
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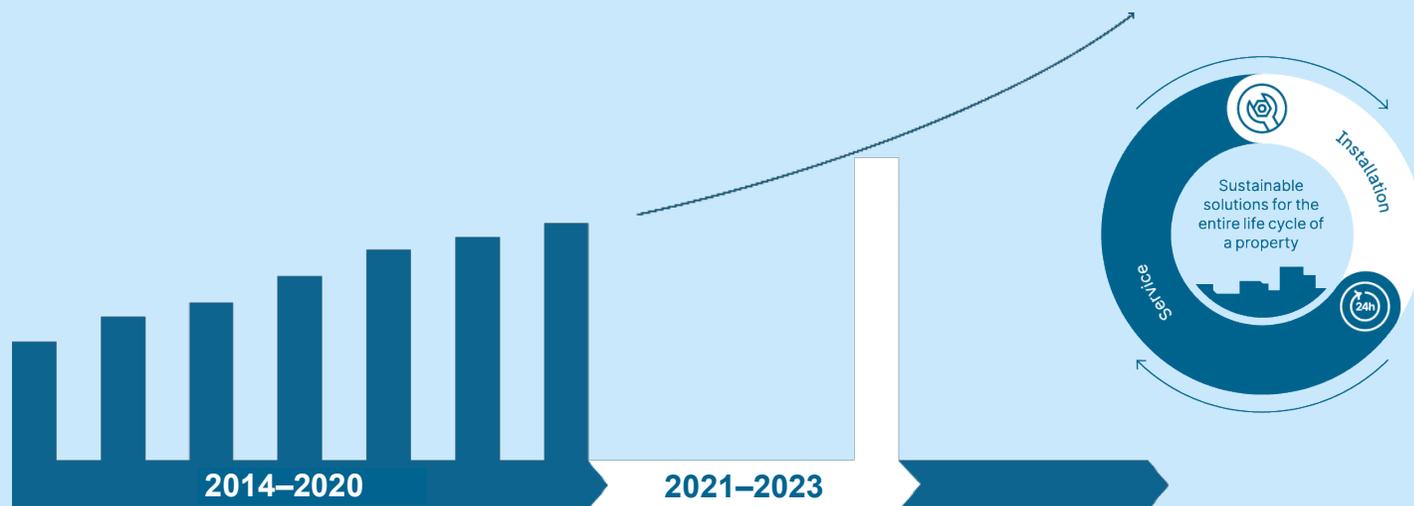
 Cash conversion & dividend	<ul style="list-style-type: none">• Cash conversion >100% (excl. IFRS 16 leases)• Target pay-out ratio >50% of net profit
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 Net debt	<ul style="list-style-type: none">• Target leverage ratio of <2.5x Net debt/EBITDA
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Robust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



Bravida Business Plan 2023: entering a new development phase



OUR VISION

Bravida helps customers develop the full potential of their properties. We bring properties to life through service and installation and are leading the way to a sustainable, resilient society.

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 an 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.

