

Bravida Q2 2024

Mattias Johansson, CEO

Åsa Neving, CFO

12 July 2024

The experience of when it just works

Some things in life we just expect to work. You expect the light to turn on when you press the switch, for water to flow from the tap and to be able to trust the security systems in a building.

Bravida provides technical solutions for everyday life and the future, in a way that cares for properties, people and the environment.



Bravida in figures

Presence in

190

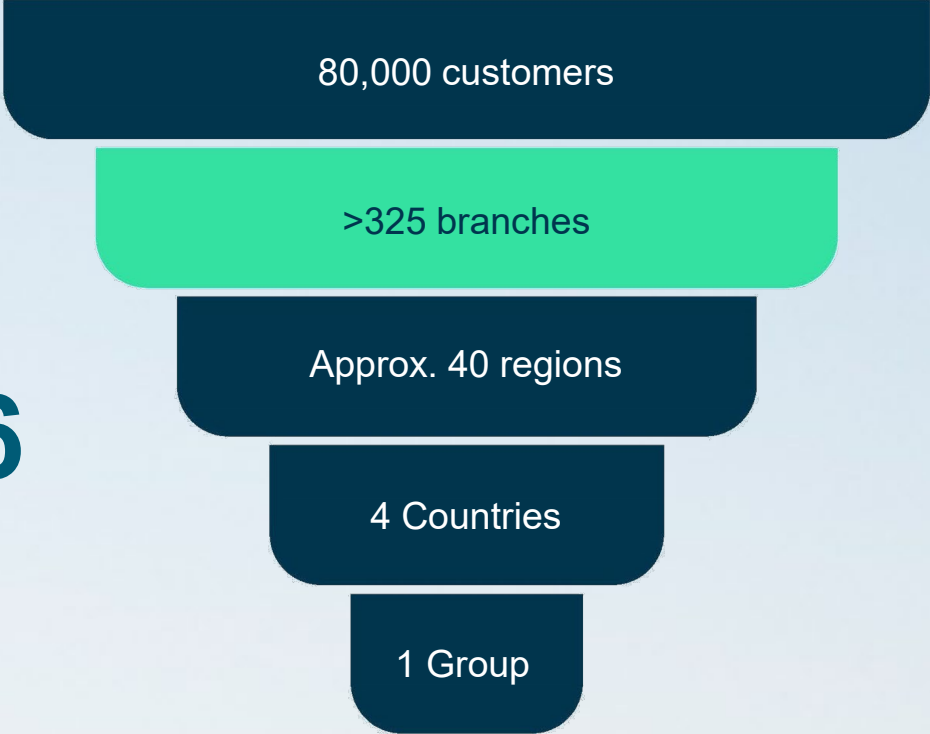
locations in the Nordic countries

14,000

employees

SEK 29.6

LTM sales



Bravida helps create a resilient society. Today and beyond.

Automation that provides energy efficient buildings

Energy saving measures in buildings

Hospital buildings with operational certainty

Energy efficient technology solutions for industrial customers

Future infrastructure projects

Reliable security systems



The Bravida investment case



Stable and profitable growth with strong cash flows

In recent years, Bravida has delivered stable growth while maintaining EBITA margins and strong cash conversion



Leader in our industry in the Nordic region

With our size and broad competence, we are well positioned to grow in a market with excellent opportunities



Well positioned for the future

Energy-efficient buildings are high on customer wish lists. With our offering, we contribute to increased automation and energy efficiency



Stable sales with good risk diversification

High sales stability enabled through many recurring assignments, low dependence on individual customers and large service revenues share



Good opportunities for growth through acquisitions

>150 acquisitions completed over the past ten years, which have added sales of SEK +11bn – all financed by our strong cash flow

Q2 highlights

- Organic growth at 1% despite expected challenging markets in Finland and south Sweden
- Service sales growth 8%
- 4% growth from acquisitions and 0% from FX
- Order intake increased slightly, driven by Sweden and Norway despite no large orders
- Order backlog remains high at SEK 17.6 bn
- EBITA-margin 4.5% (5.6%), primarily affected by operational challenges in three regions in Denmark and weak market in south Sweden
 - Norway on the same level as last year. Improved excluding Thunestvedt Group, which diluted margin by 0.3 percentage points
 - Finland improved
- Strong operating cash flow SEK 548m (134)
- Cash conversion improving in the quarter to 112% (69%)
- LTIFR LTM -19% YoY



Service sales growth
+8%



Installation sales growth
+3%

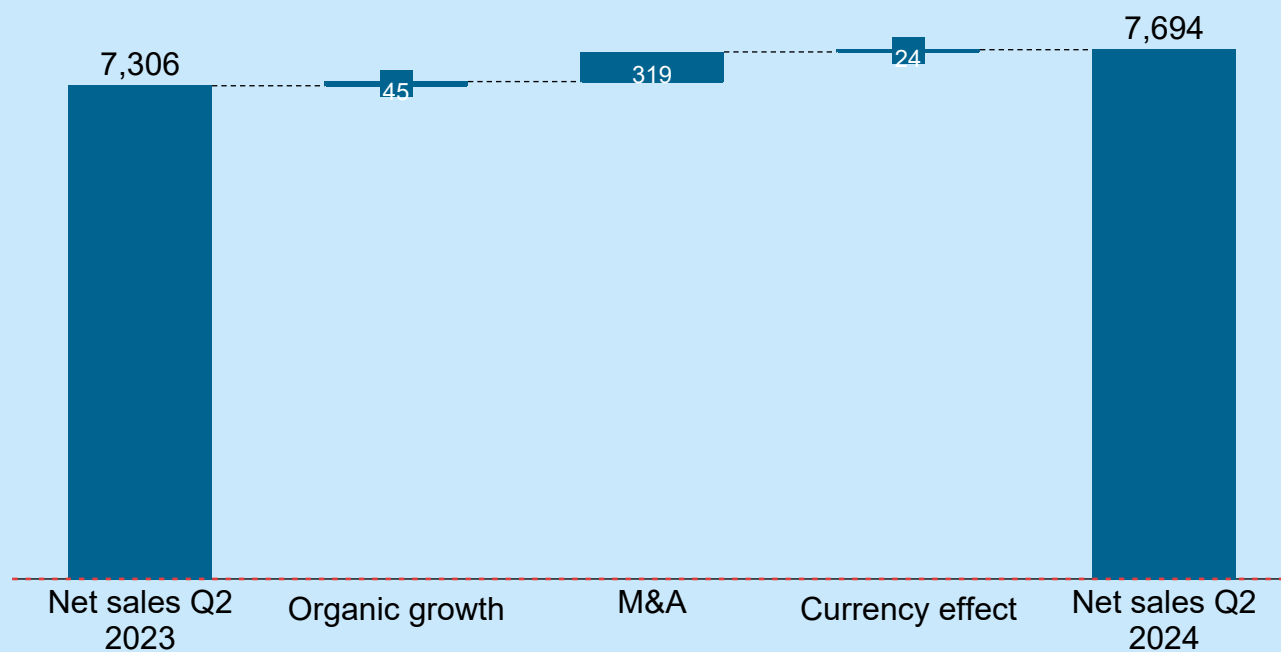
Net sales
+5%

Organic growth
1%

EBITA margin
4.5%

Cash conversion
112%

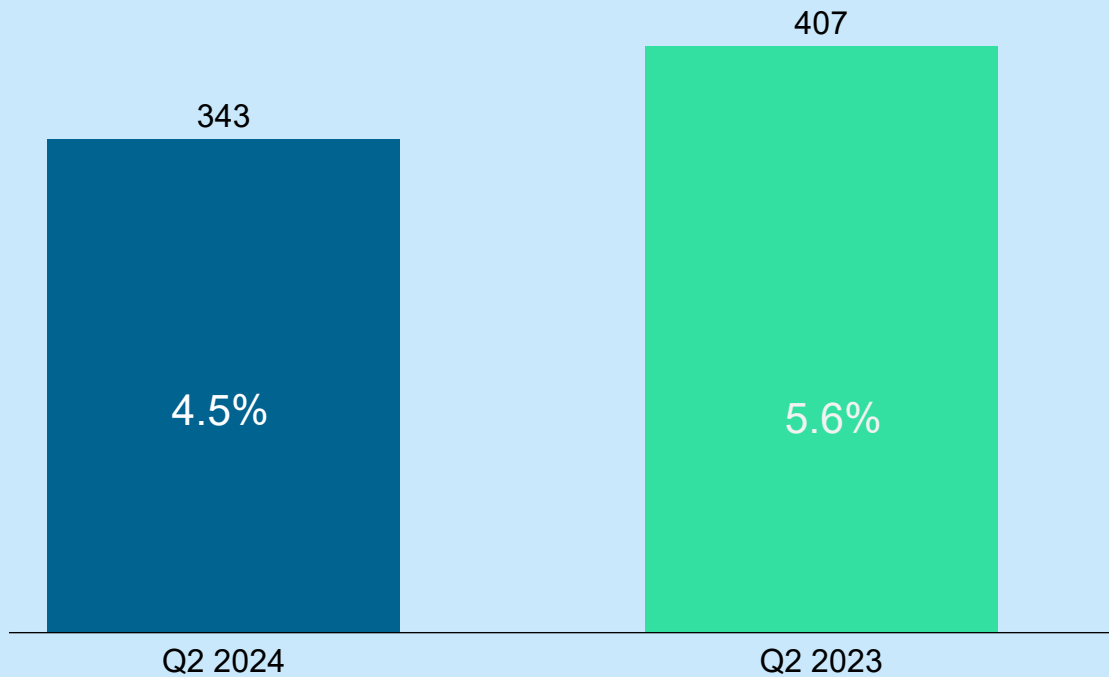
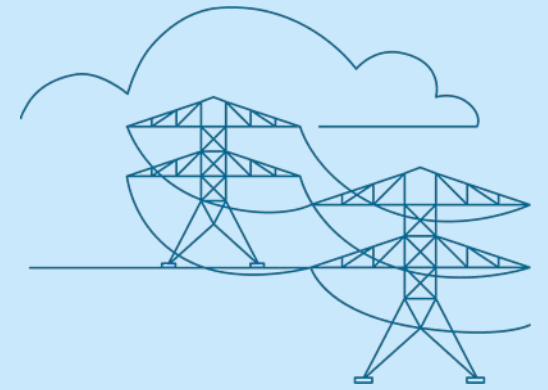
Net sales performance in Q1, SEKm



Sales growth 5%

- Organic growth 1%
- Growth in both service and installation business
- Growth from acquisitions +4%
- FX effects 0%

EBITA, SEKm

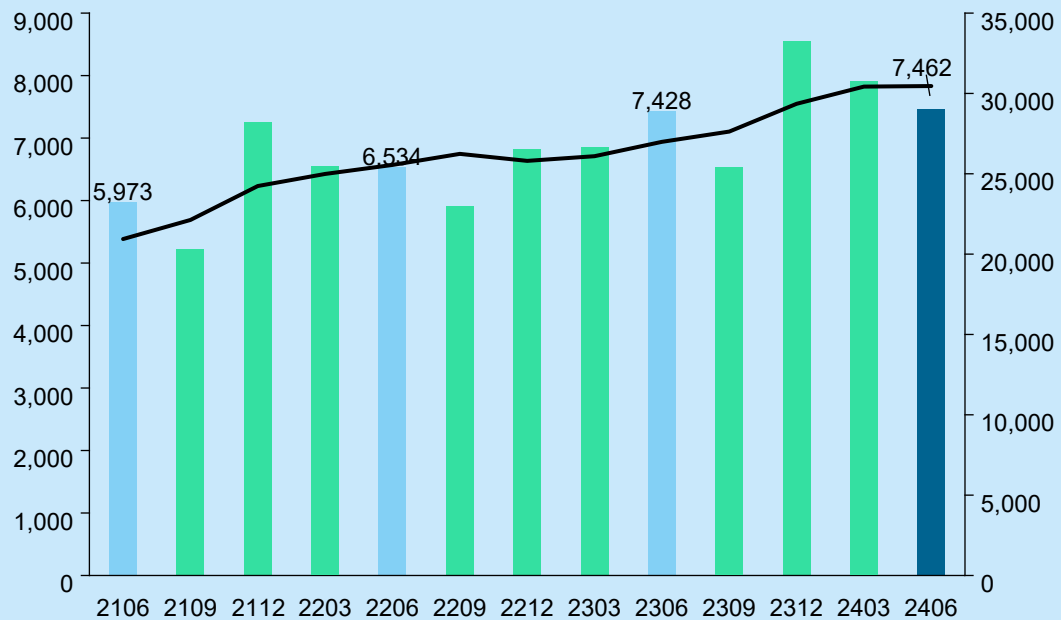


- EBITA-margin 4.5% (5.6%)
- EBITA-margin improved in Finland and Norway excluding Thunestvedt
- As expected, operational challenges in three Danish regions and a weak market in the south part of Sweden brought down the group margin
- Continued implementation of cost reduction initiatives to improve margins

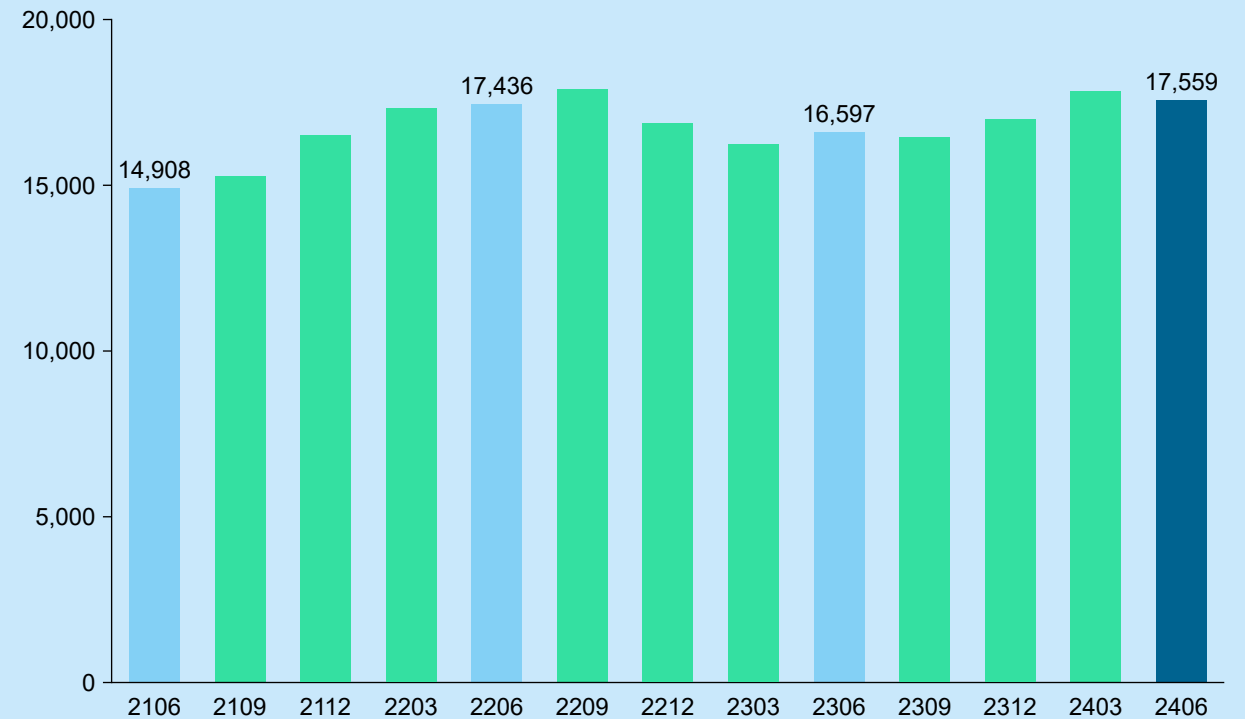
Order intake and backlog, SEKm

- Order intake increased slightly YoY in Q2, increased in Sweden and Norway
- High order backlog decreasing just SEK -276m

Order intake LTM and per quarter



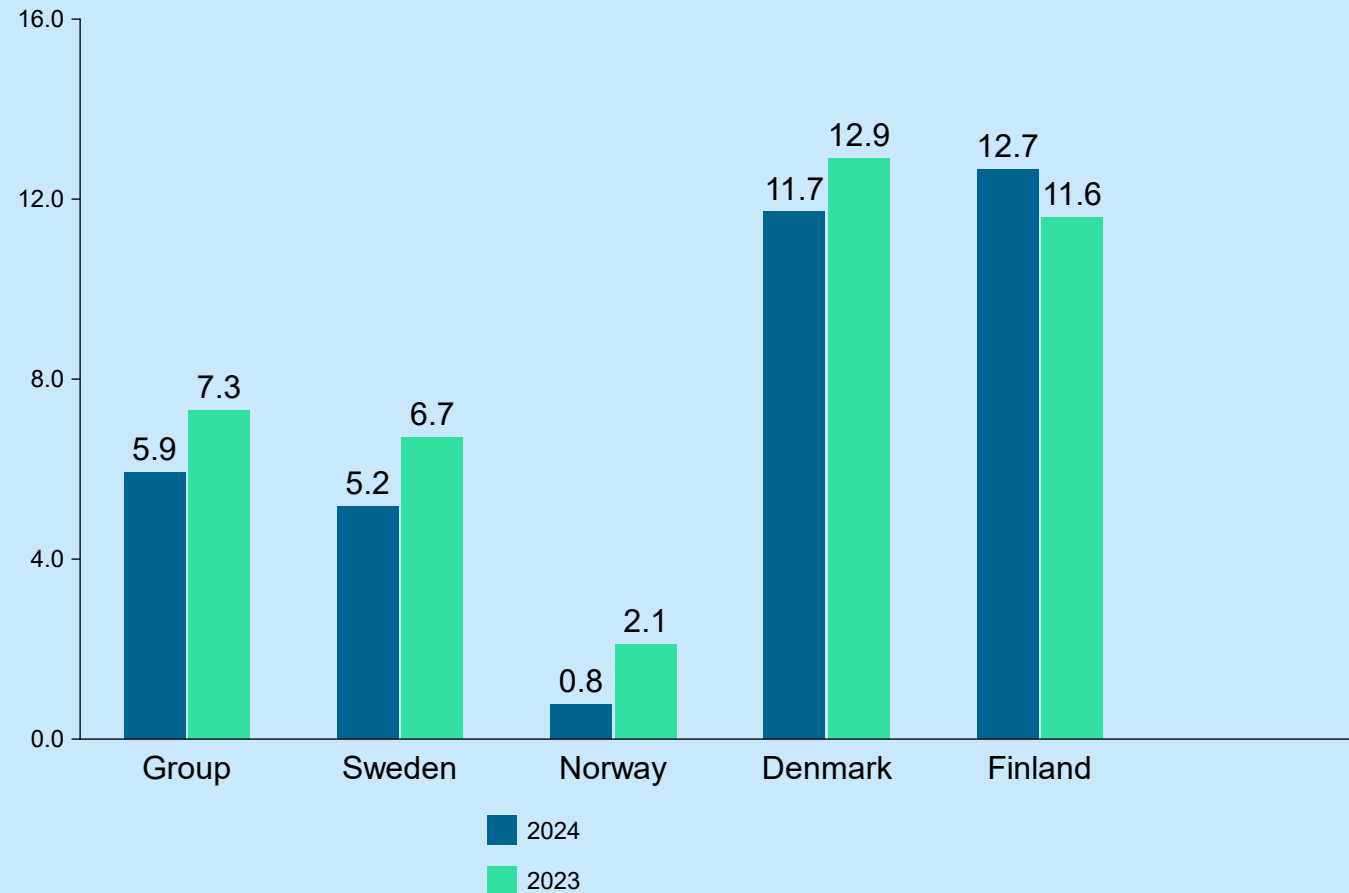
Order backlog (installation only)



ESG

- 33% of all 8,900 vehicles are electric driven
- Change in CO₂ emissions LTM from vehicles, -11%
- LTIFR on Group level, -19%
- Lower LTIFR in Sweden, Norway and Denmark
- Norway and Sweden below target, <5.5
- As previously reported, we have dealt with the incidents of over-invoicing in a specific branch in Sweden decisively. No other such issues have been identified as part of the reviews we have conducted

LTIFR (lost time injury frequency rate) LTM



Acquisitions 2024

- 8 acquisitions completed in 2024, adding SEK 437m in annual sales
- Continue to see good acquisition opportunities
- Strong pipeline of potential candidates to continue our strategy of selective M&A growth

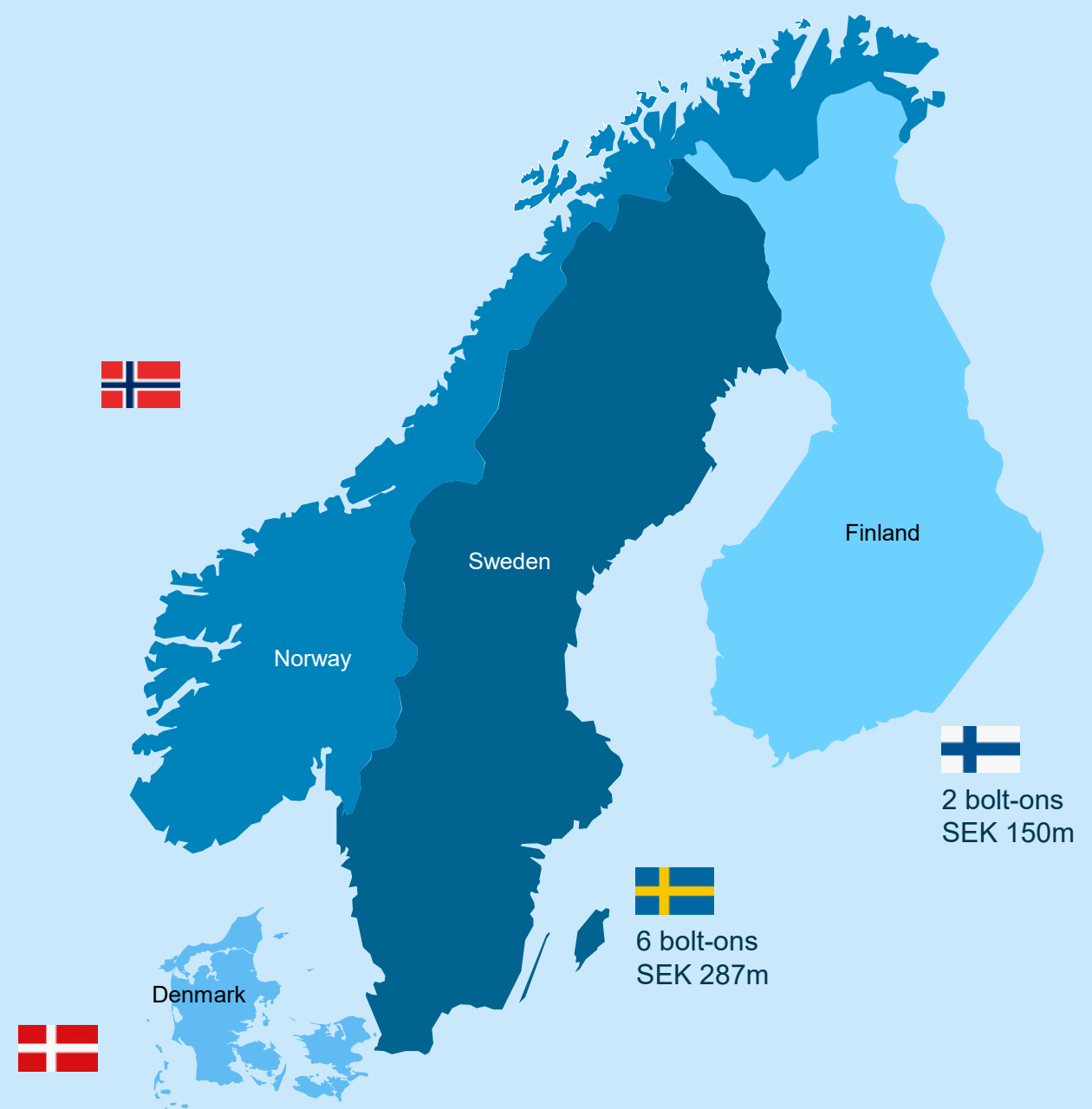
Acquisitions 2024

8

SEK

437m

acquired sales 2024

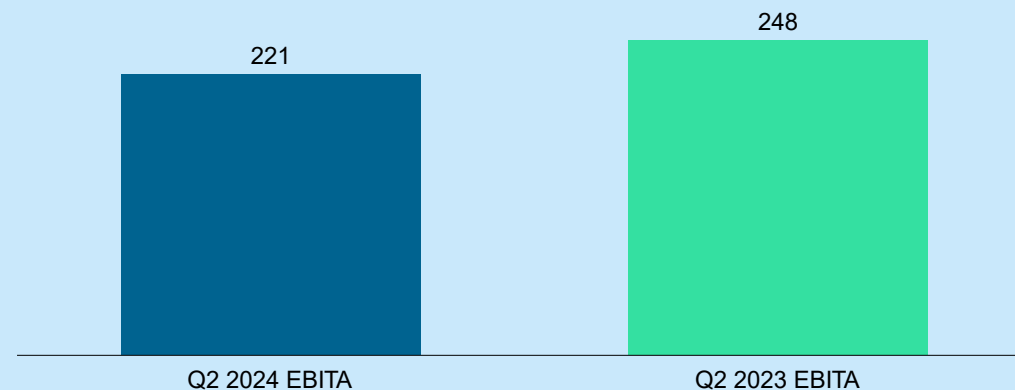
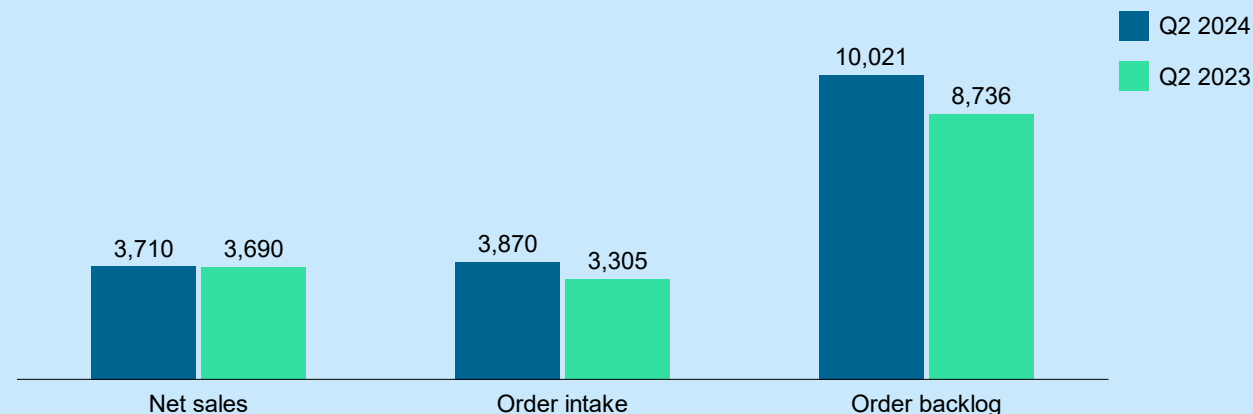


Sweden Q2 2024



SEKm	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net sales	3,710	3,690	7,184	7,314
EBITA	221	248	393	446
EBITA-margin	6.0%	6.7%	5.5%	6.1%
Order intake	3,870	3,305	7,708	7,005
Order backlog	10,021	8,736	10,021	8,736

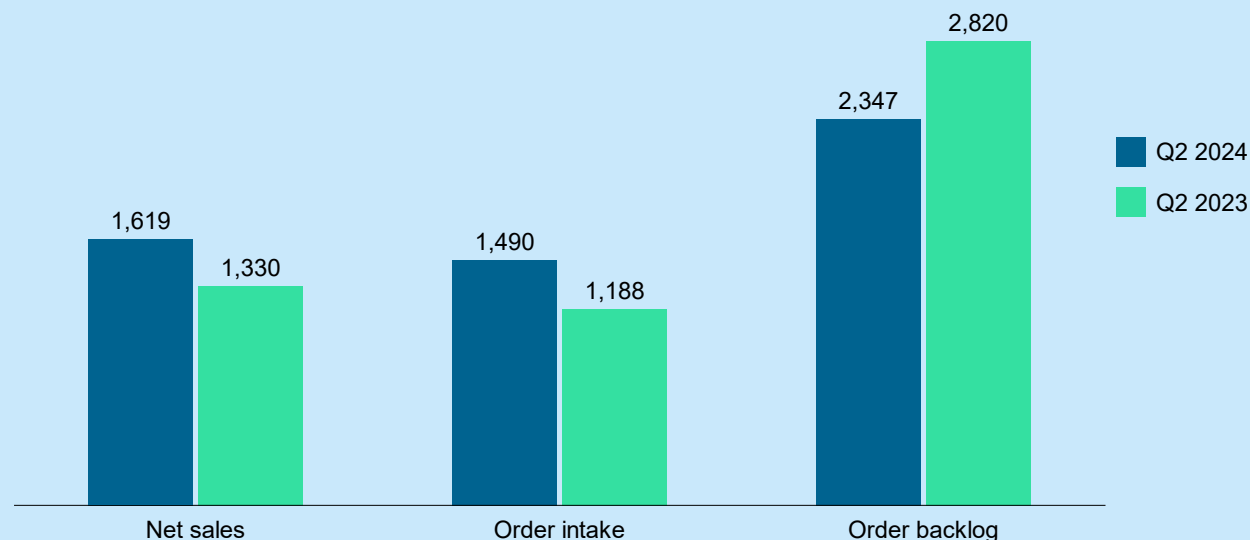
- Sales increased marginally
- Negative organic growth -2%
- Growth from acquisitions +2%
- EBITA-margin declined to 6.0%, due to a weak market in the south part of Sweden as expected
- Order intake +17%
- Order backlog +15% YoY



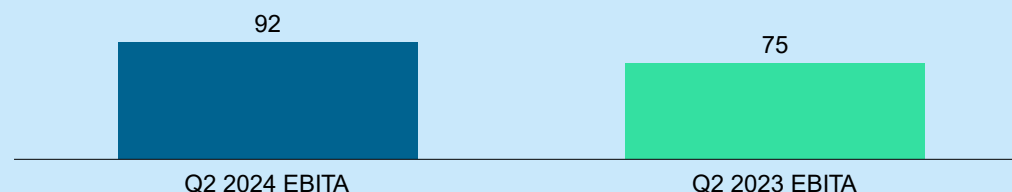
Norway Q2 2024



SEKm	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net sales	1,619	1,330	3,240	2,917
EBITA	92	75	171	152
EBITA-margin	5.7%	5.7%	5.3%	5.2%
Order intake	1,490	1,188	3,005	2,464
Order backlog	2,347	2,820	2,347	2,820



- Growth in sales +22%
- Organic growth 10%, growth from acquisitions +10% and FX 2%
- Thunestvedt Group included adding SEK 600m in yearly sales
- EBITA-margin unchanged 5.7%, excluding dilution from Thunestvedt Group 6.0%
- Order intake +25%
- Order backlog -17% YoY



Denmark Q2 2024

SEKm	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net sales	1,749	1,747	3,382	3,429
EBITA	2	71	19	139
EBITA-margin	0.1%	4.0%	0.5%	4.0%
Order intake	1,571	2,319	3,569	3,661
Order backlog	3,912	3,672	3,912	3,672

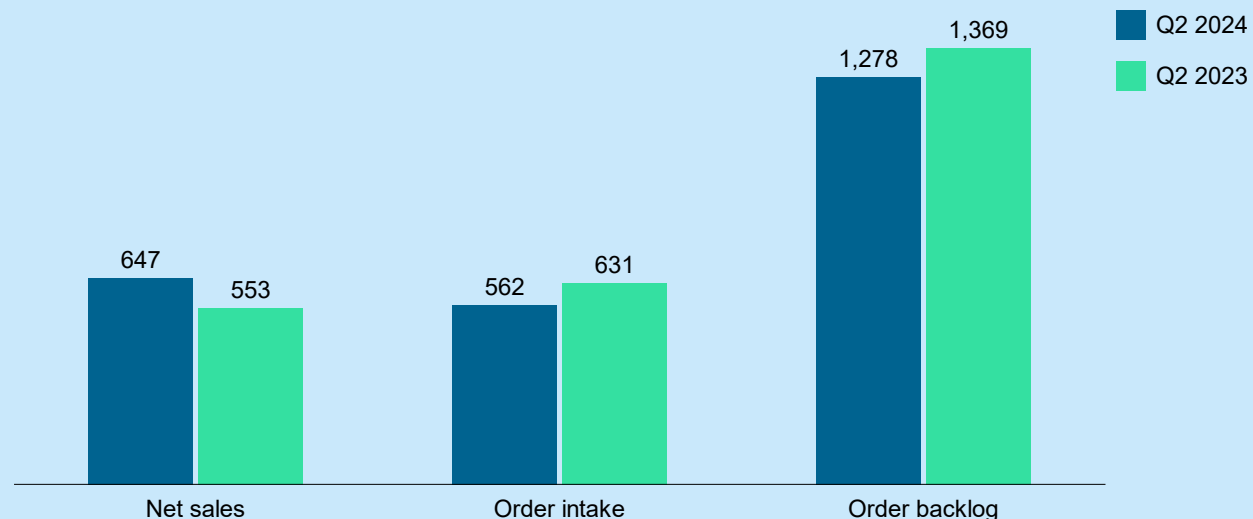


- New division manager appointed from May 1, Christian Alsø
- Sales were unchanged but - sales in the installation business decreased
- Organic growth 0%, growth from acquisitions 0% and FX 0%
- EBITA-margin decreased to 0.1% (4.0%), due to challenges and resulting write-downs in three of our eight regions but also production in low-margin projects due to previous write-downs
- Order intake -32% and order backlog +7% YoY
- Thorough review completed with issues being identified and addressed – we expect to have restored our normal margin profile by the fourth quarter of 2024

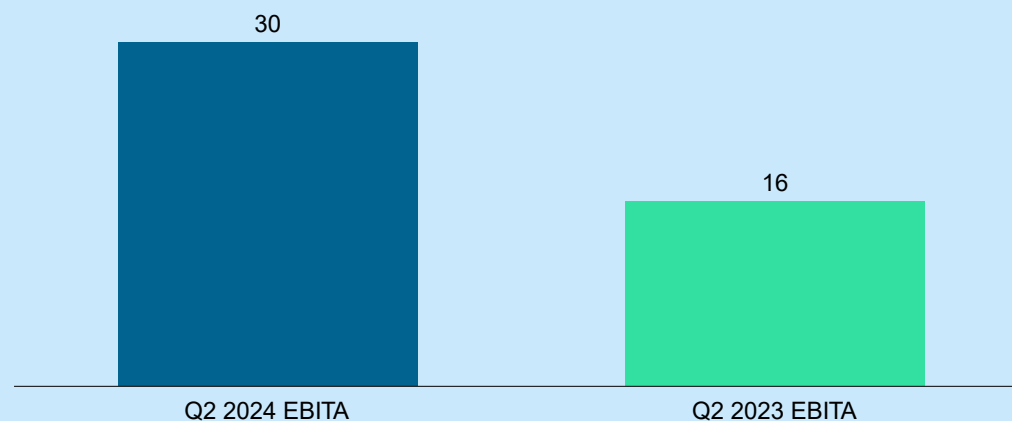
Finland Q2 2024



SEKm	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net sales	647	553	1,220	1,107
EBITA	30	16	38	37
EBITA-margin	4.7%	3.0%	3.1%	3.3%
Order intake	562	631	1,152	1,175
Order backlog	1,278	1,369	1,278	1,369

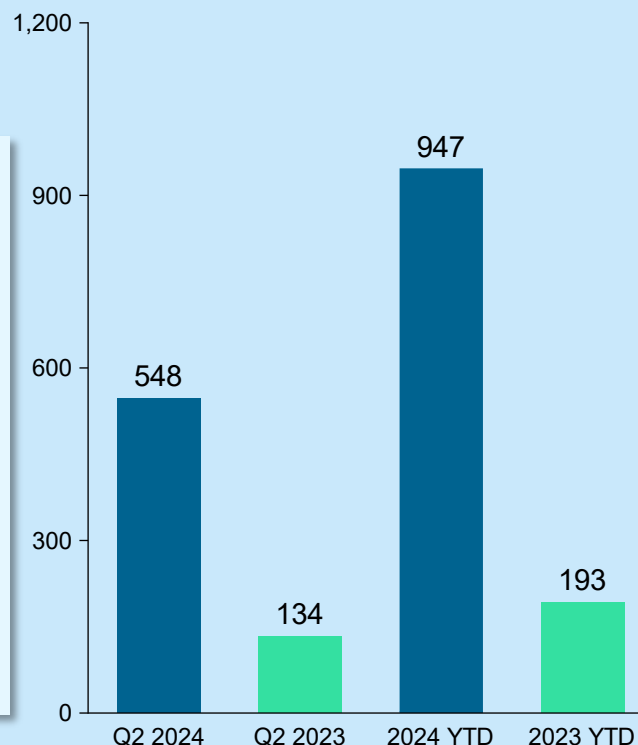


- Growth in sales +17%
- Organic growth 0%, growth from acquisitions +17% and from FX 0%
- EBITA-margin improved to 4.7%, explained by an improved margin in the installation business
- Order intake decreased by -11%
- Order backlog -7% YoY



Net debt and cash flow, SEKm

Operating cash flow, SEKm



Financial position

Q2 2024

Cash balances	936
Term loan, RCF, Commercial paper	-2,064
Leasing, IFRS 16	-1,390

Net debt

-2,518

LTM EBITDA 2,231

Net debt/LTM EBITDA

1.1x

Key highlights

- Strong cash flow improvement, mainly driven by our focus on NWC
- Cash conversion improved QoQ to 112% (69)
- Net debt remains low, providing capacity for continued profitable M&A growth and shareholder distributions
- Three larger unpaid receivables, expected to be resolved within the next 12-42 months
- RCF SEK 2,500m
 - Maturity 2027-02-14 with options 1+1 year
- Commercial paper programme SEK 1,500m and EUR 50m
- 3-year term loan, SEK 500m, maturity August 2025

Market outlook

- Overall stable demand for service activities, with some challenges in installation continuing – variation between geographies
- Favourable market conditions for projects in e.g., infrastructure, industry, defence facilities and civil engineering – providing business opportunities
- We will maintain our project-selective strategy with continued focus on cost control across all projects – ‘margin over volume’
- We continue to see an attractive pipeline of acquisition opportunities



Financial targets

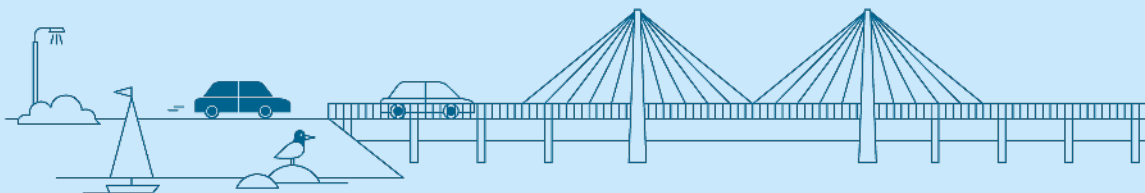
>7%
EBITA margin

>100%
Cash conversion

<2.5x
Net debt/EBITDA
Target leverage ratio

>5%
Sales growth

>50%
of net profit
Target pay-out ratio



Summary Q2 2024

- Sales increased, 5%, 8% in Service
- Organic growth 1%
- Growth from acquisitions +4%
- As expected, EBITA-margin affected by challenges in Denmark but also weaker markets in South of Sweden
- Good performance in Norway and Finland
- Strong order backlog
- Improved cash flow and cash conversion
- Improved LTIFR and CO₂ emissions from vehicles



Q&A



Upcoming events

Day	Event
22 October	Interim Report Q3 2024
11 February, 2025	Interim Report Q4 2024
6 May, 2025	Interim Report Q1 2025



We bring buildings to life.

