

# Bravida Q4 2022

Mattias Johansson, CEO

Åsa Neving, CFO

14 February 2023

# Today's presenters



Mattias Johansson  
CEO and Group President since 2015\*

\*With Bravida since 1998

Åsa Neving  
CFO since 2019

# Agenda

1. Bravida and our position in the Nordic market
2. Q4 2022
3. Green-Hub presentation
4. Performance by country
5. Summary and Q&A

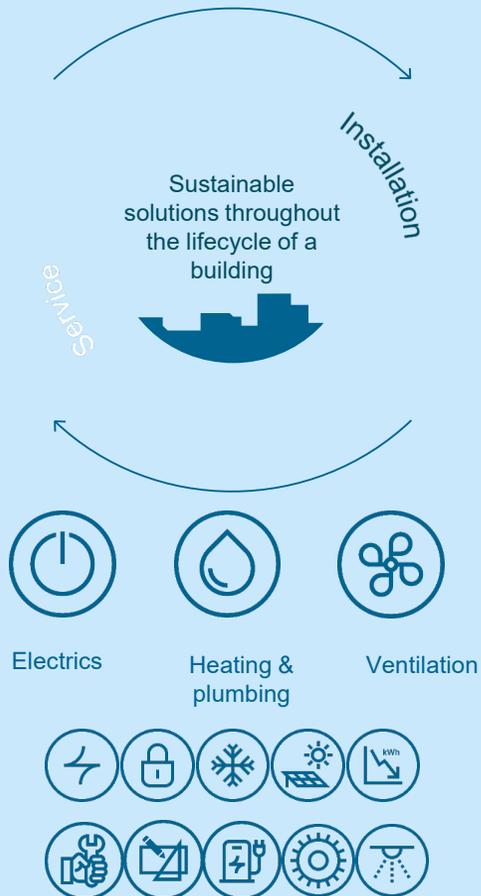


# 1. Bravida and our position in the Nordic market

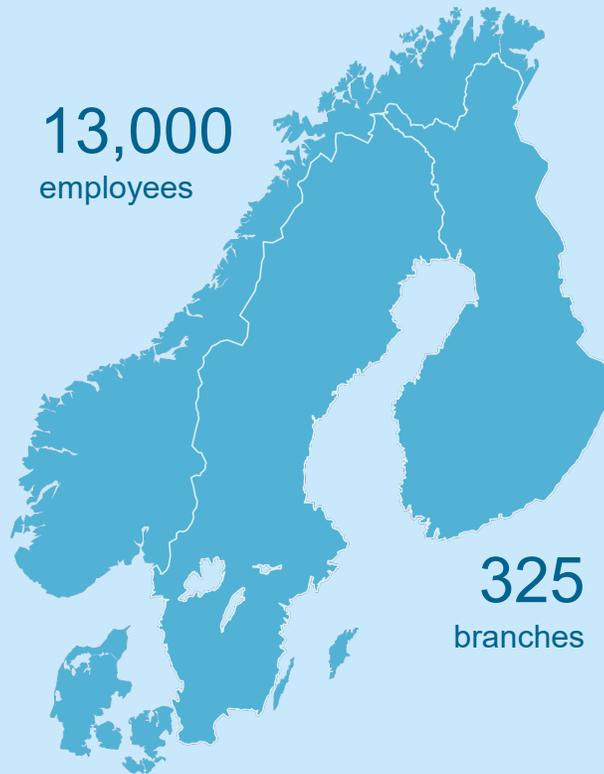


# About Bravida

The leading Nordic provider of sustainable technical solutions for buildings



Local presence throughout the Nordics



Broad and stable customer base

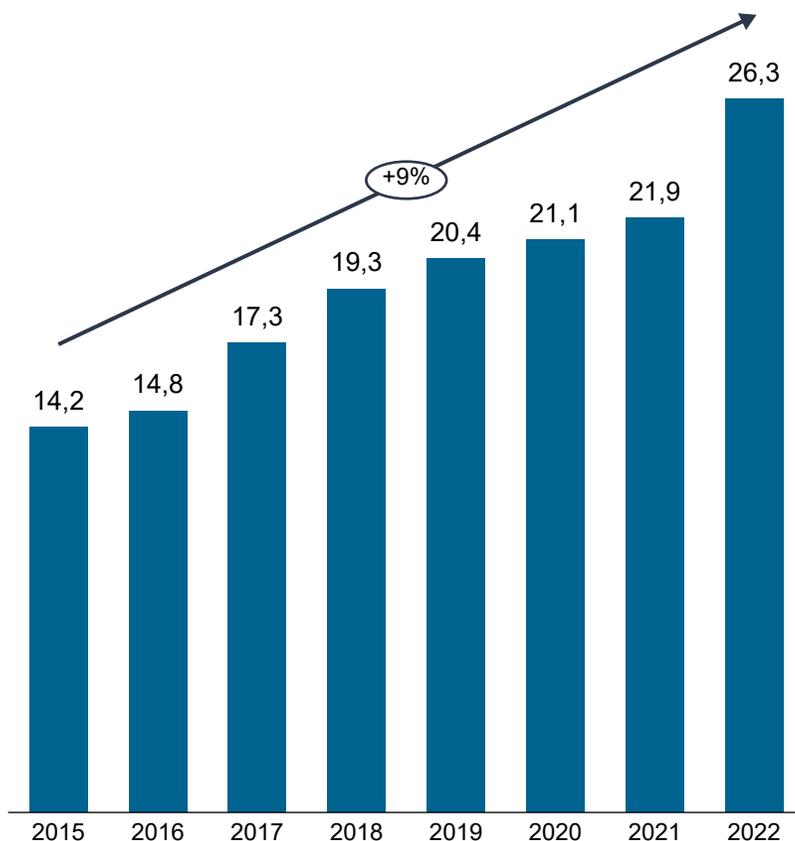
26.3 bn  
Net sales 2022, SEK

91%  
Recurring customers

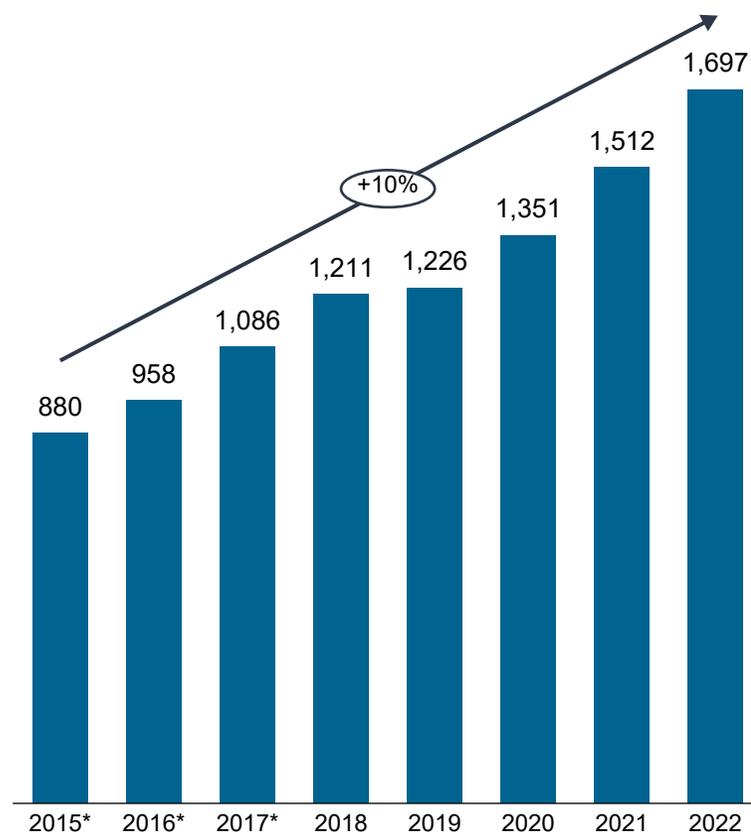
85%  
of net sales from order values below SEK 50m

# Robust and resilient cash flow generator

Net sales LTM in SEKb and CAGR

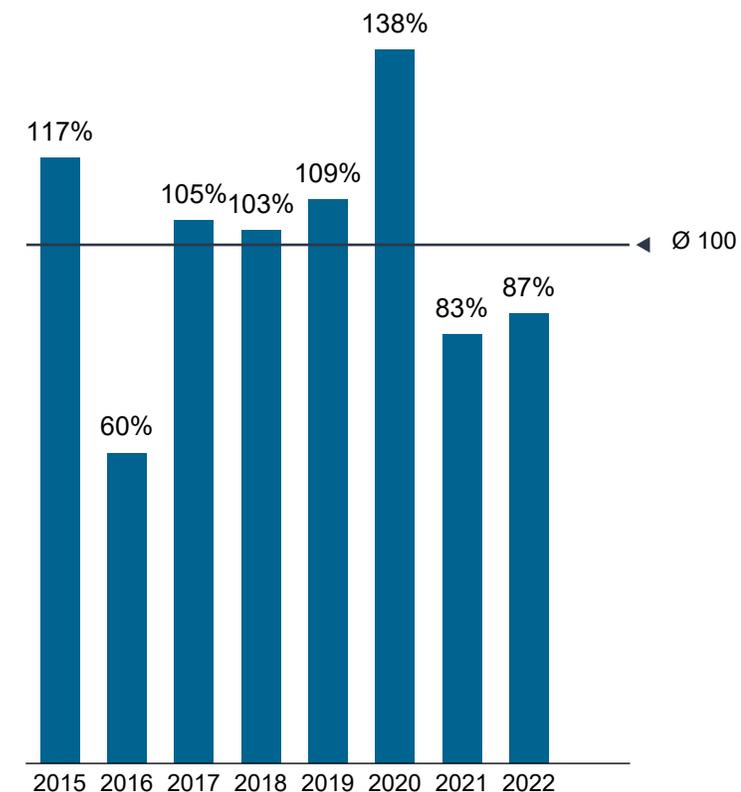


Stable profitability LTM EBITA in SEKm and CAGR

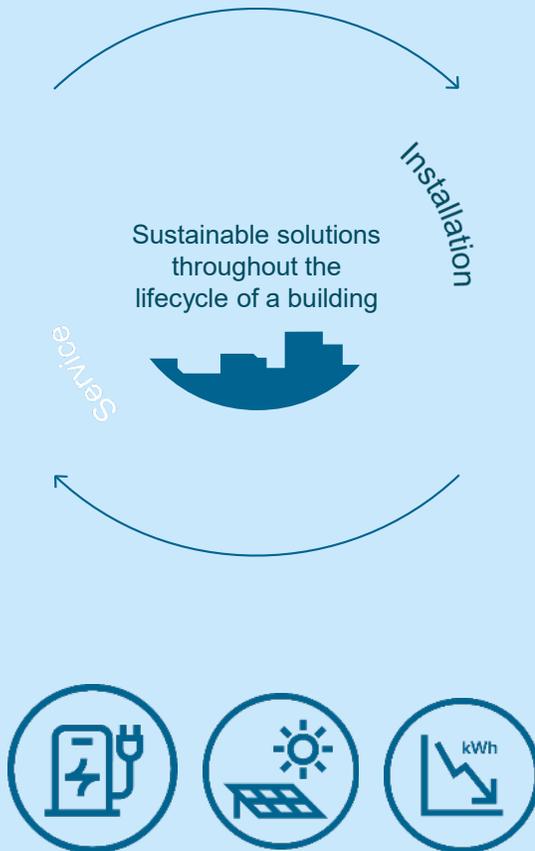


\* adjusted

Cash conversion LTM %



# Nordic leader in sustainable technical solutions



- Leading Nordic provider of sustainable technical solutions for buildings
- Every customer has access to our entire offering
- Lifecycle perspective for every building
- The industry leader in sustainability

2. Q4 2022



# Market outlook

- Growing demand for sustainable and energy efficient solutions
- Still an overall good demand for service and installation except for newbuild residentials
- Uncertain times, increasing interest rates and inflation may lead to delays in investment decisions going forward



# Q4 highlights

- Earnings per share: +10% in 2022
- 16% organic growth, growth in all countries
- Increased sales in both service and installation
- Order intake improving in Sweden, Denmark and Finland, in total -6%
- EBITA-margin 8.4 (8.5\*)%
- Cash flow SEK 1,110m (1,115)
- LTIFR LTM -19%
- Dividend proposal SEK 3.25 (3.00) per share



Service  
sales growth  
**+26%**



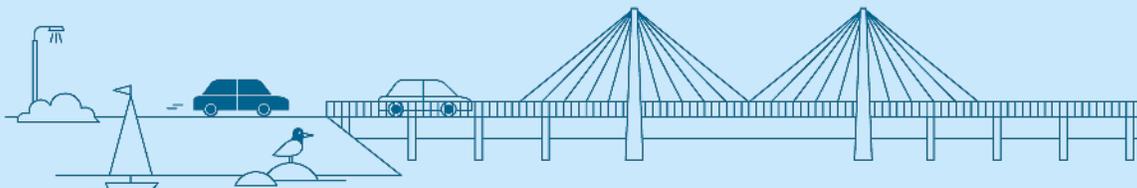
Installation  
sales growth  
**+30%**

Net sales  
**+28%**

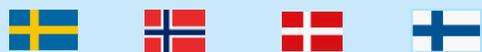
Order backlog  
**SEK 16,881m**

EBITA margin  
**8.4%**

Cash conversion  
**87%**

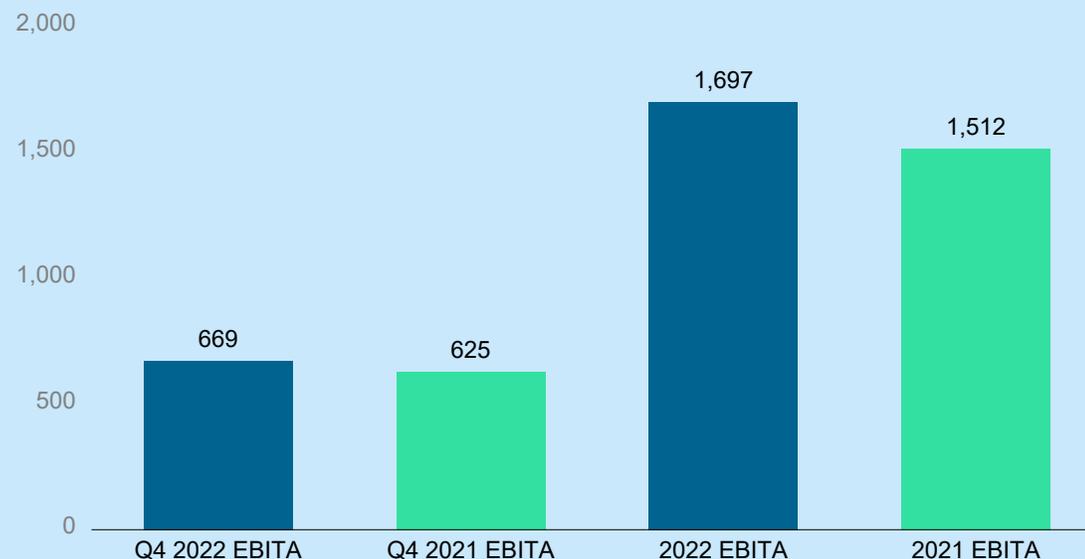
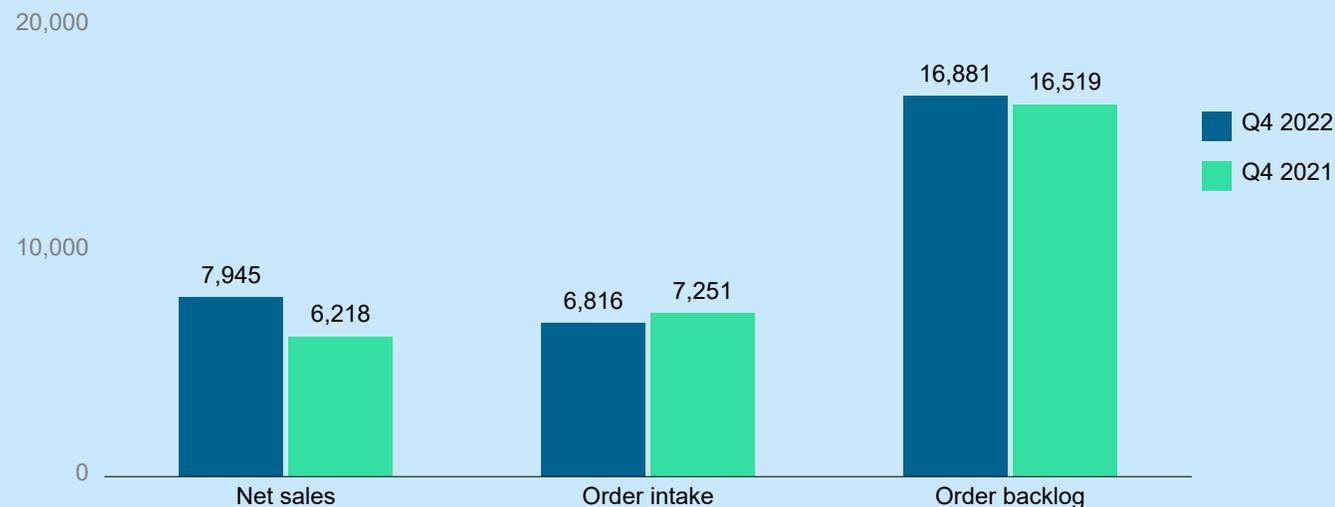


# Group Q4 2022

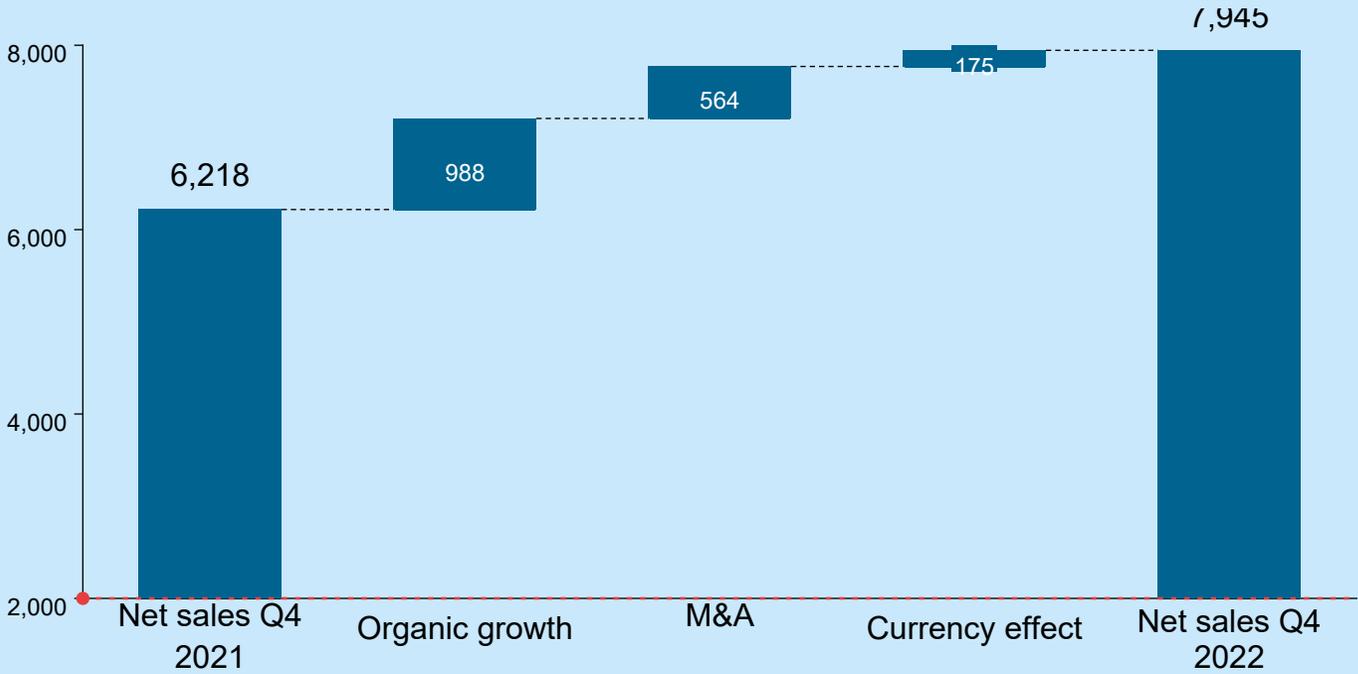


SEKm	Q4 2022	Q4 2021	2022	2021
Net sales	7,945	6,218	26,303	21,876
EBITA	669	625	1,697	1,512
EBITA-margin	8.4%	10.1%	6.5%	6.9%
Order intake	6,816	7,251	25,803	24,237
Order backlog	16,881	16,519	16,881	16,519

- Growth in sales +28%, both in service and installation
- Organic growth +16% and from acquisitions +9%
- EBITA-margin excluding repayment of a health insurance surplus last year was 8.4 (8.5)%
- EBITA-margin 8.4 (10.1)%
- Increasing cost for upgrade of IT-platform, new systems and business development approx. SEK 28m compared to Q4 2021
- Order intake -6% to SEK 6,816m
- Order backlog +2% YoY to SEK 16,881m

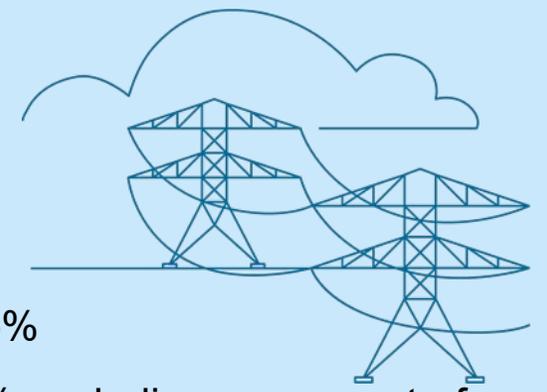


# Net sales performance in Q4, SEKm

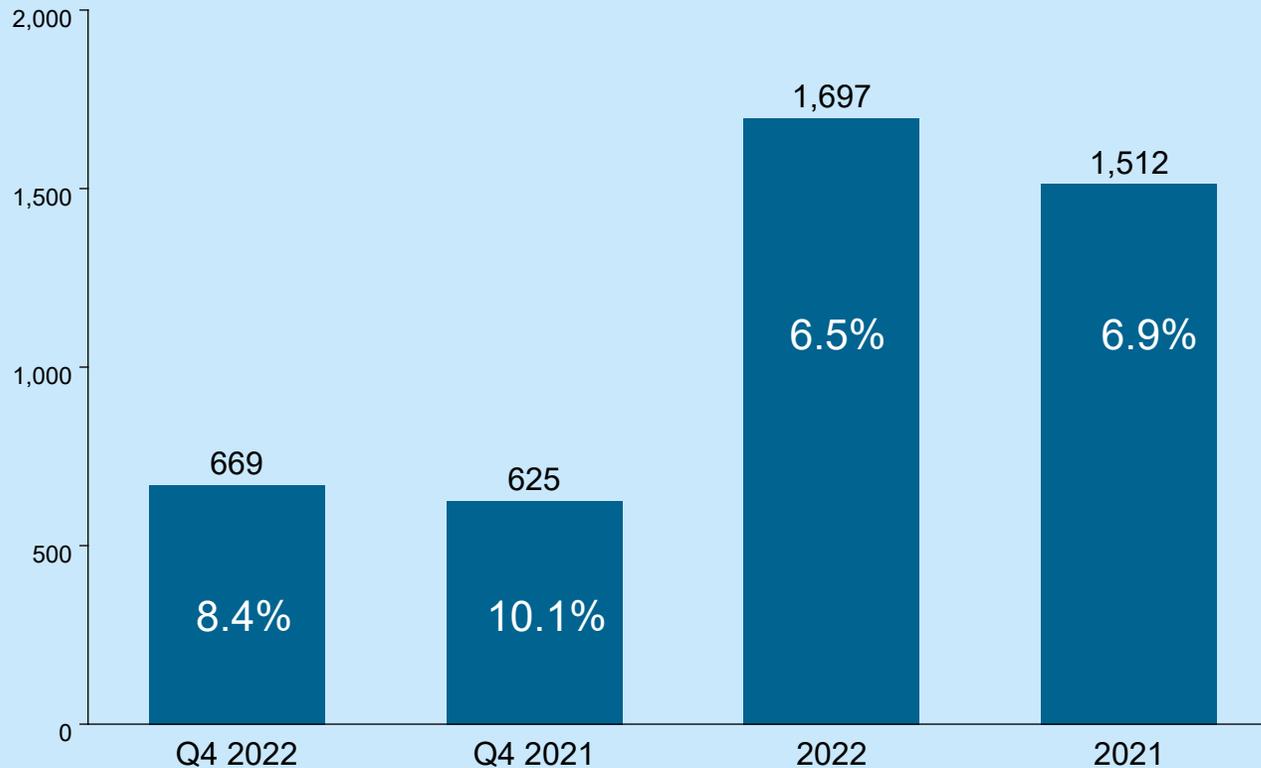


## Sales growth +28%

- Organic growth +16%
- Growth in both service and installation business
- Organic growth in all countries
- Growth from acquisitions +9%
- FX effects +3%



# EBITA, SEKm



## EBITA development

- EBITA-margin 8.4 (10.1)%
- EBITA-margin 8.4 (8.5)% excluding repayment of health insurance surplus last year. Improved EBITA-margin in Denmark, but lower in the other countries
- EBITA-margin 11.4 (9.6)% in Sweden improved excluding repayment of health insurance surplus
- EBITA affected by non-recurring costs for implementing new digital solutions and IT systems needed to realise the business plan, SEK 26m (18) in Q4 and SEK 76m (38) YTD
- Forecast 2023 for digital initiatives including initiatives for improving the Service business, amounting to approximately SEK 100m
- EBITA also affected by cost for development in new businesses, sustainability and modern IT-platform according to plan

# Driving the business plan forward increases administrative expenses but will enable improved margin and growth

## Increased recurring costs

- Strengthening the IT platform
- Digital development capabilities
- Increased sustainability focus
- Improved HR support

## Initial costs for investments in new businesses

- Technical Facility Management
- Automation
- Energy Management
- Expected to add positively to the margin in the end of 2023

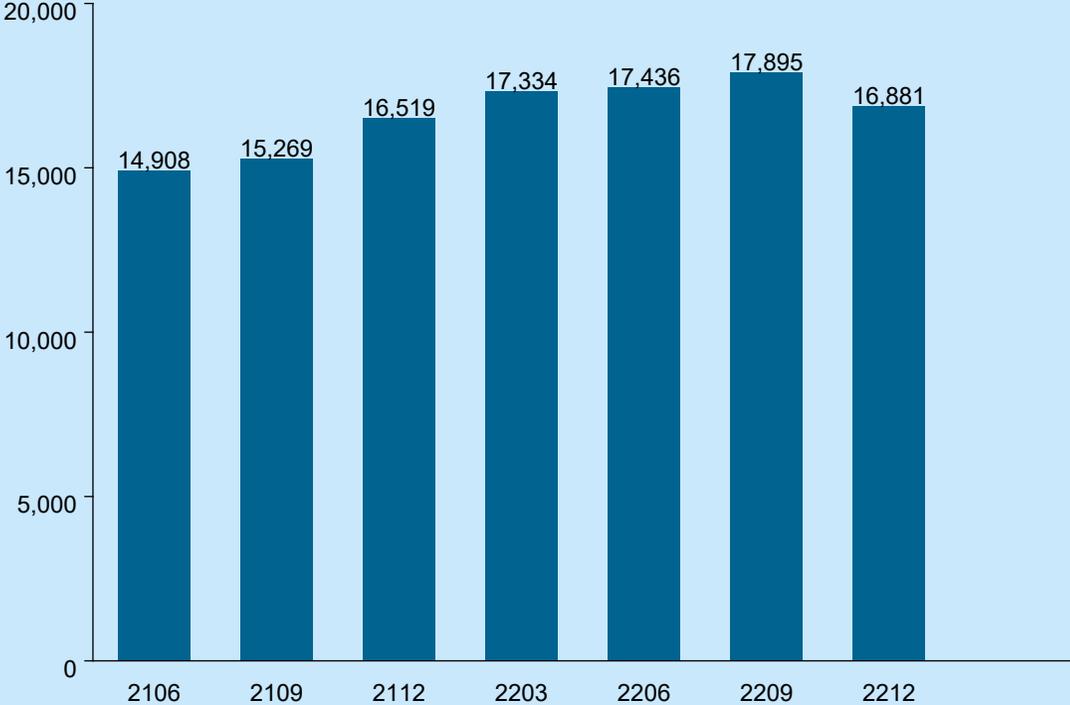
# Order intake and backlog, SEKm

- Decreasing order backlog SEK-1,014m in the quarter, but growing order backlog in Finland
- Order backlog increased by 2% YoY, to SEK 16,881m
- Order intake decreased by -6% YoY, but growth in Sweden, Denmark and Finland

Order intake LTM and per quarter

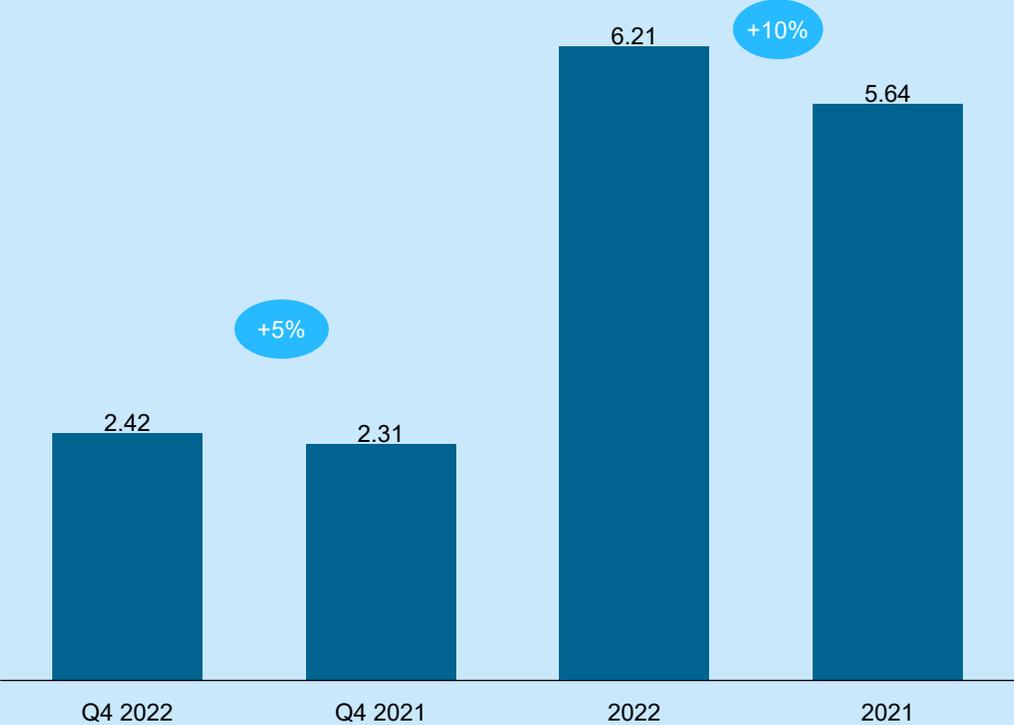


Order backlog

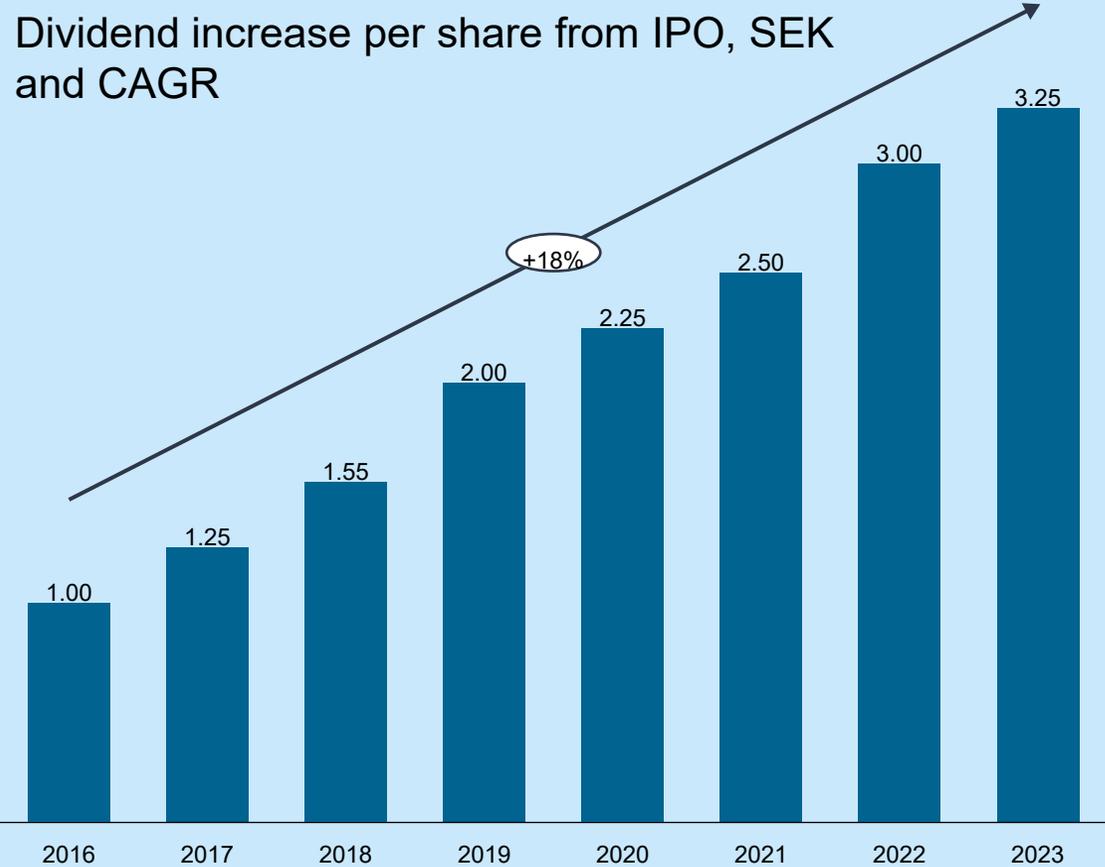


# Earnings per share and increased dividend, proposed 3.25 SEK an increase by 8.3% and 52% of net profit

Earnings per share, SEK

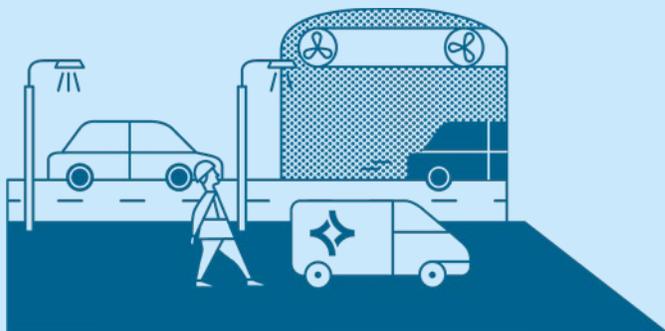


Dividend increase per share from IPO, SEK  
and CAGR

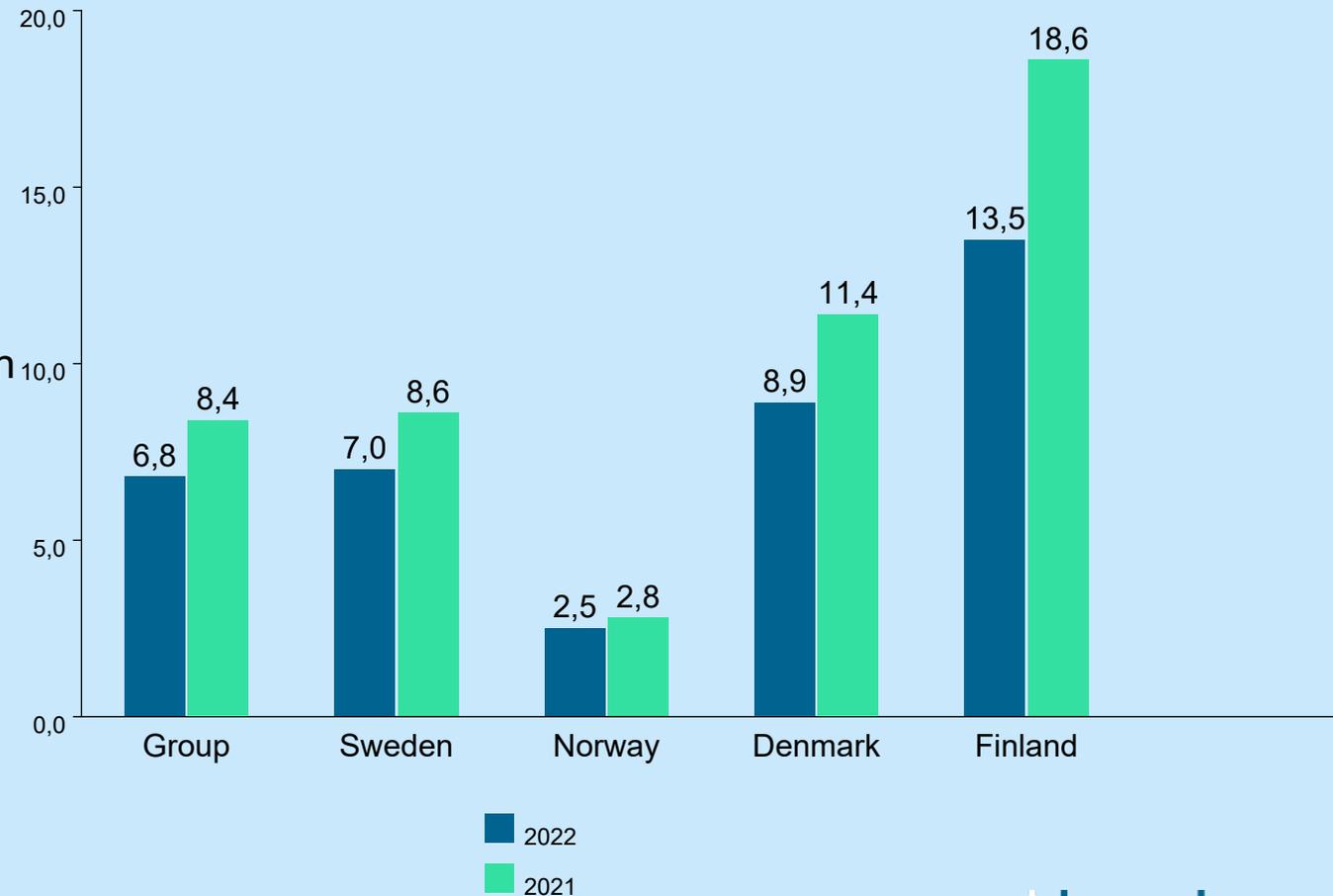


# Sustainability

- Declining LTIFR on Group level, -19%
- Declining LTIFR in all countries
- Norway well below target, <5,5
- 11 percent of the vehicle fleet is electric powered
- 73% of vehicles ordered 2022 were electric
- 8% Change in CO<sub>2</sub>e emissions from vehicles in relation to net sales LTM -14.2%



LTIFR (lost time injury frequency rate) LTM



# Acquisitions 2022

- 21 acquisitions 2022 adding annual sales of SEK 1,6bn
- Continued strong pipeline
- Acquisitions still at attractive multiples
- 4 acquisitions completed so far in Q1 2023 adding annual sales of approximately SEK 115m

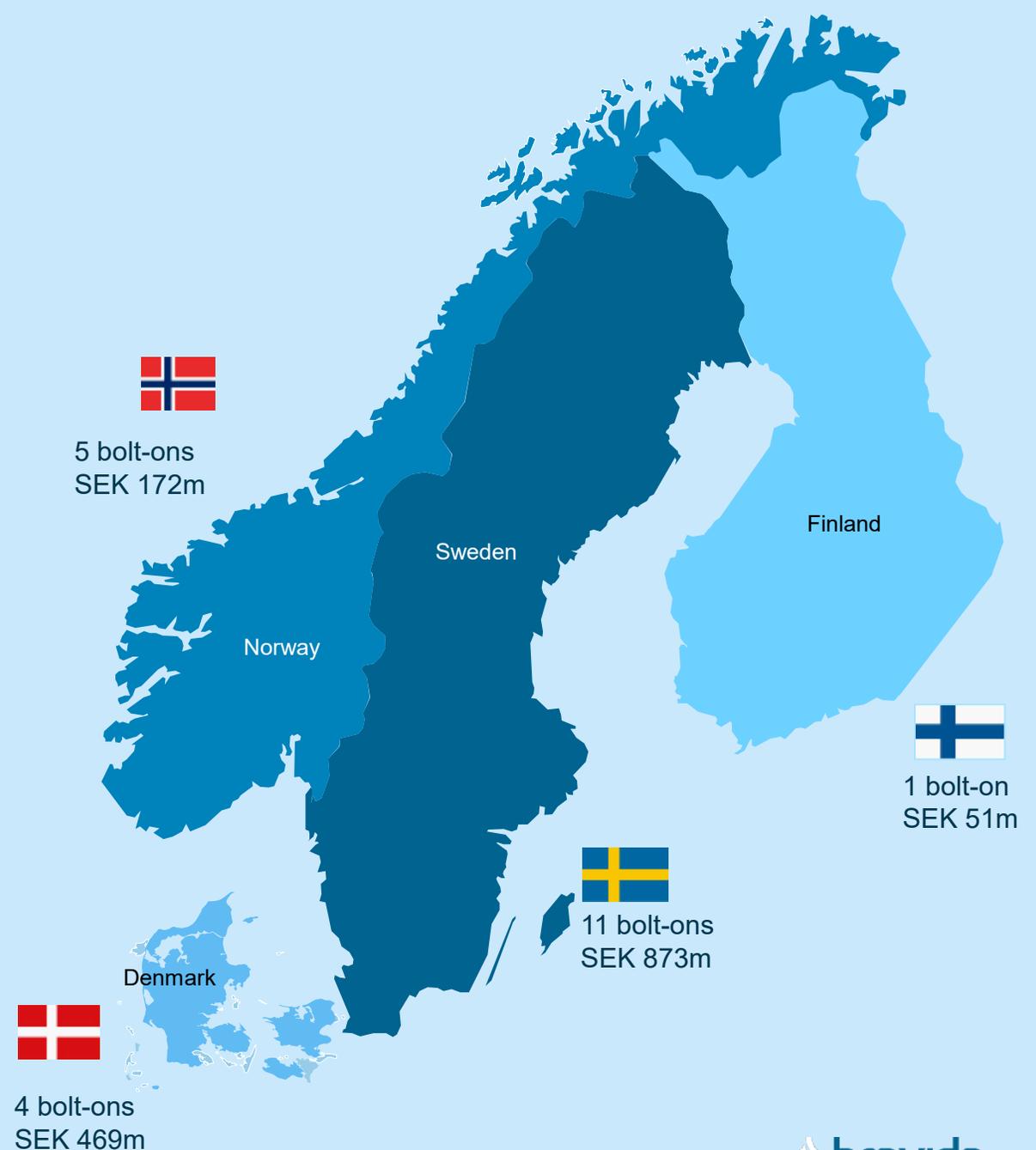
Acquisitions 2022

21

SEK

~1.6bn

acquired sales 2022



## 4. Performance by country

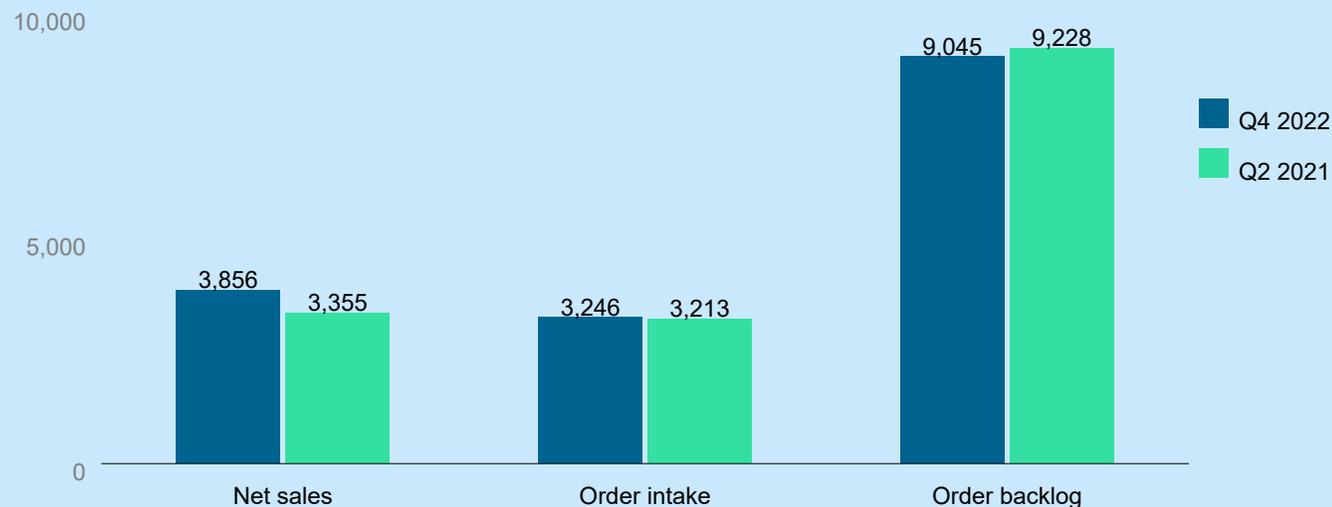


# Sweden Q4 2022



SEKm	Q4 2022	Q4 2021	2022	2021
Net sales	3,856	3,355	13,040	11,894
EBITA	439	418	1,017	954
EBITA-margin	11.4%	12.5%	7.8%	8.0%
Order intake	3,246	3,213	12,756	12,615
Order backlog	9,045	9,228	9,045	9,228

- Growth in sales +15%
- Growth in installation and service
- Organic growth +7%
- EBITA-margin 11.4 (12.5)% but excluding last years repayment of health insurance surplus 11.4 (9.6)%
- Order intake +1%
- Order backlog -2% YoY

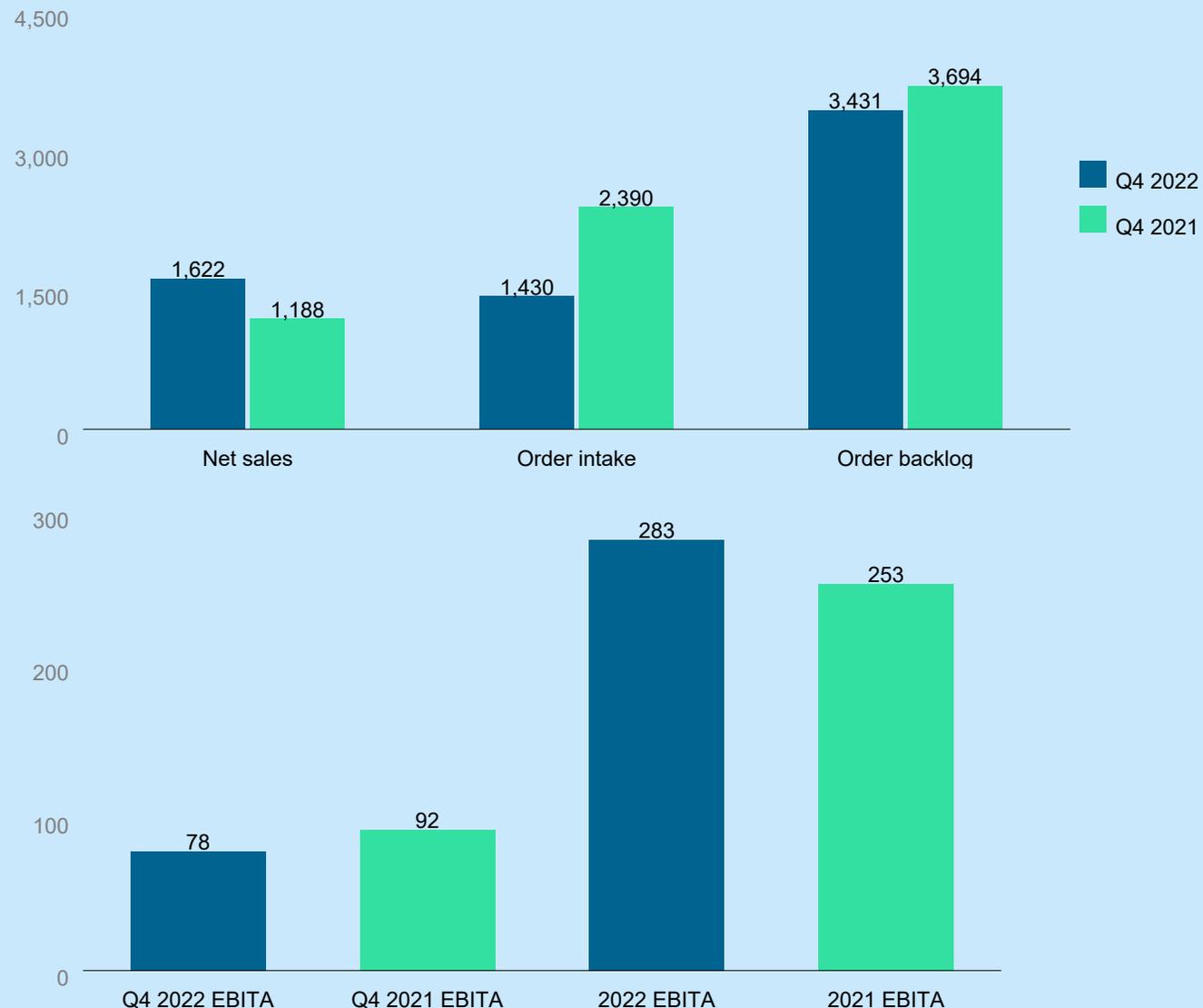


# Norway Q4 2022



SEKm	Q4 2022	Q4 2021	2022	2021
Net sales	1,622	1,188	5,555	4,066
EBITA	78	92	283	253
EBITA-margin	4.8%	7.8%	5.1%	6.2%
Order intake	1,430	2,390	5,179	5,663
Order backlog	3,431	3,694	3,431	3,694

- Growth in sales +37%
- Growth in installation and service
- Organic growth +27% and from acquisitions +4%
- EBITA-margin declined to 4.8 (7.8)% explained by change in the sales mix and write-downs in some projects
- Order intake -40%, explained by strong comparative figures
- Order backlog -7% YoY

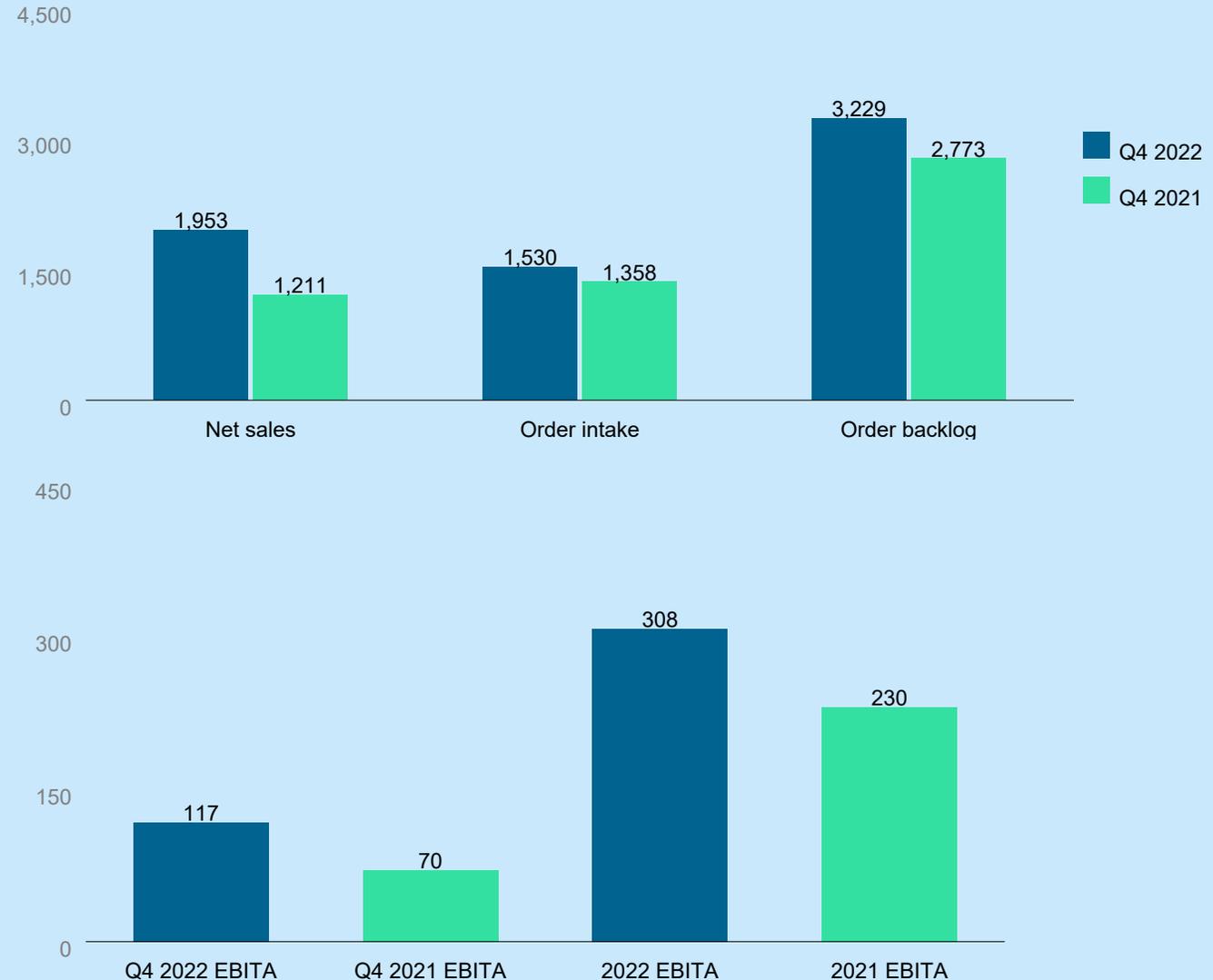


# Denmark Q4 2022



SEKm	Q4 2022	Q4 2021	YTD 2022	YTD 2021
Net sales	1,953	1,211	6,038	4,381
EBITA	117	70	308	230
EBITA-margin	6.0%	5.8%	5.1%	5.3%
Order intake	1,530	1,358	5,930	4,695
Order backlog	3,229	2,773	3,229	2,773

- Growth in sales +61%
- Growth in service and installation
- Organic growth +34% and from acquisitions +17%
- EBITA-margin improved to 6.0 (5.8)% explained by higher margin in the installation business
- Order intake +13%
- Order backlog +16% YoY



# Finland Q4 2022

SEKm	Q4 2022	Q4 2021	YTD 2022	YTD 2021
Net sales	581	496	1,812	1,622
EBITA	40	43	96	82
EBITA-margin	6.9%	8.6%	5.3%	5.0%
Order intake	677	323	2,081	1,352
Order backlog	1,177	824	1,177	824

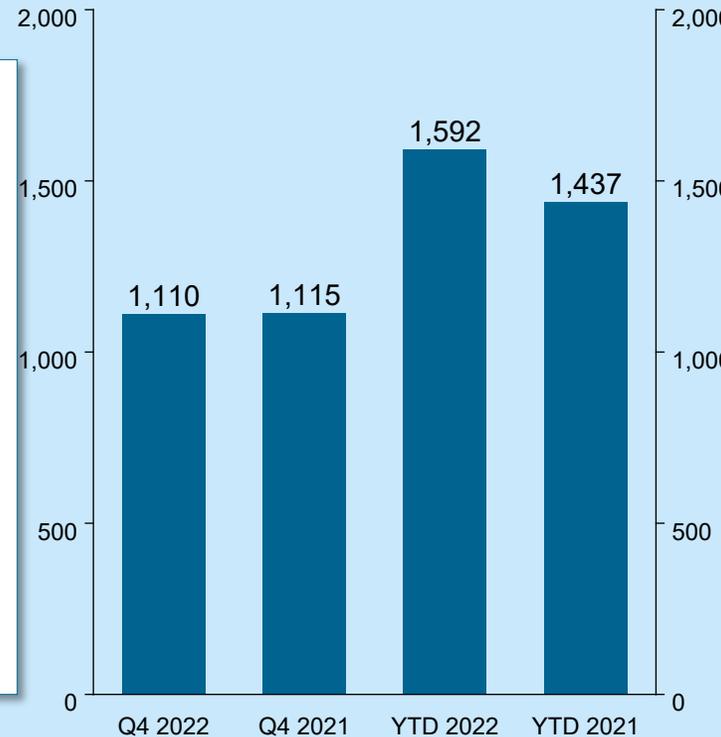
- Growth in sales +17%
- Growth in service and installation
- Organic growth +4% and from acquisitions +6%
- EBITA-margin declined to 6.9 (8.6)% due to lower margin in both the service and installation business
- Order intake +110%
- Order backlog +43% YoY



# Net debt and Cash Flow in SEKm

## Operating Cash Flow

Financial position	Q4 2022
Cash balances	1,308
Term loan, RCF, Commercial paper	-1,563
Leasing, IFRS 16	-1,050
<b>Net debt</b>	<b>-1,304</b>
LTM EBITDA	2,165
<b>Net debt/LTM EBITDA</b>	<b>0.6x</b>



### Key highlights Q4 2022

- SEK 2,500m sustainable linked (RCF)
  - Drawn facility SEK 400m
  - Maturity 2024-10-14
- Commercial paper programme SEK 1,500m and EUR 50m
- 3-year term loan facility signed in August 2022, SEK 500m

- Cash conversion 87% (83)

# Financial targets

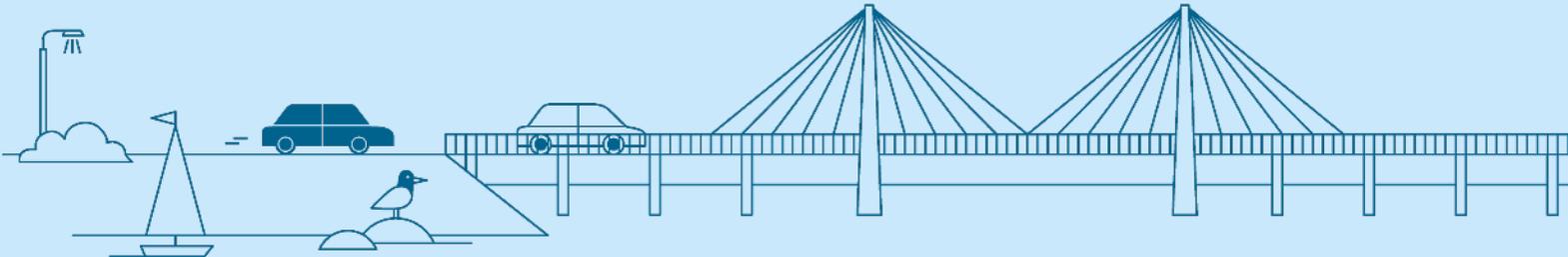
**>7%**  
EBITA margin

**>100%**  
Cash conversion

**<2.5x**  
Net debt/EBITDA  
Target leverage ratio

**>5%**  
Sales growth

**>50%**  
of net profit  
Target pay-out ratio





## 5. Summary

# Summary Q4 2022

- Earnings per share: +10% in 2022
- Sales increased in all countries, +28%
- Organic growth +16%
- Organic growth in all countries
- Growth from acquisitions +9%
- Slightly lower but stable EBITA-margin excluding repayment of health insurance surplus in Q4 2021
- EBITA-margin affected by increased cost for develop the business according to plan
- Dividend proposal SEK 3.25 ( 3.00) per share
- LTIFR -19% LTM



# Q&A



# Upcoming events

Day	Event
28 April	AGM
3 May 2023	Interim Report Q1 2023
14 July 2023	Interim Report Q2 2023
25 October 2023	Interim Report Q3 2023



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