

# Q4 2021

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# WELCOME!





# Europe's leading architecture and engineering consultancy

#1	8	18,000
In the European market	Business Areas	Full-time employees
SEK 21.8 bn	SEK 2.0 bn	9.2 %
Net sales R12	EBITA R12	EBITA margin R12



# A solid fourth quarter

## Net sales SEK 5,920 million (5,142)

- Organic 5 per cent, adj. for IAC and calendar effect
- Acquired 3 per cent
- Currency effects 1 per cent

## EBITA SEK 585 million (514)

- Operating margin of 9.9 per cent (9.5), adj. for IAC



Photo: Kokkola Industrial Park KIP

### Engineering services for hydrogen pilot plant in Finland

Hycamite TCD Technologies has selected Sweco to engineer its pilot plant for industrial, carbon neutral hydrogen production based on methane decomposition.

# Solid end to a year still impacted by the pandemic

Net sales SEK 21,792 million (20,858)

EBITA SEK 2,070 million (2,056)

- Margin of 9.5 per cent (9.7), adj. for IAC
- 4 out of 8 Business Areas delivered improved margins

Eight new acquisitions in 2021

Strong financial position with Net debt/EBITDA of 0.4x

Proposed dividend of 2.45 SEK per share



## Design of a bridge crossing Fedafjorden in Norway

Sweco has been assigned by Nye Veier AS to deliver preliminary design of a network arch bridge spanning 400 m crossing Fedafjorden, which would become the world's longest bridge of this sort.



# Market situation

## Mixed impact from the pandemic

- Continued pressure in parts of the private building and real estate segment – improvements in industry segment

## Stable inflow of new orders

- We continue to strengthen our order book in Q4

## The long-term demand for Sweco's services continues to be driven by strong trends in society

- Sustainability
- Digitalisation
- Urbanisation

## Our well-diversified business creates stability



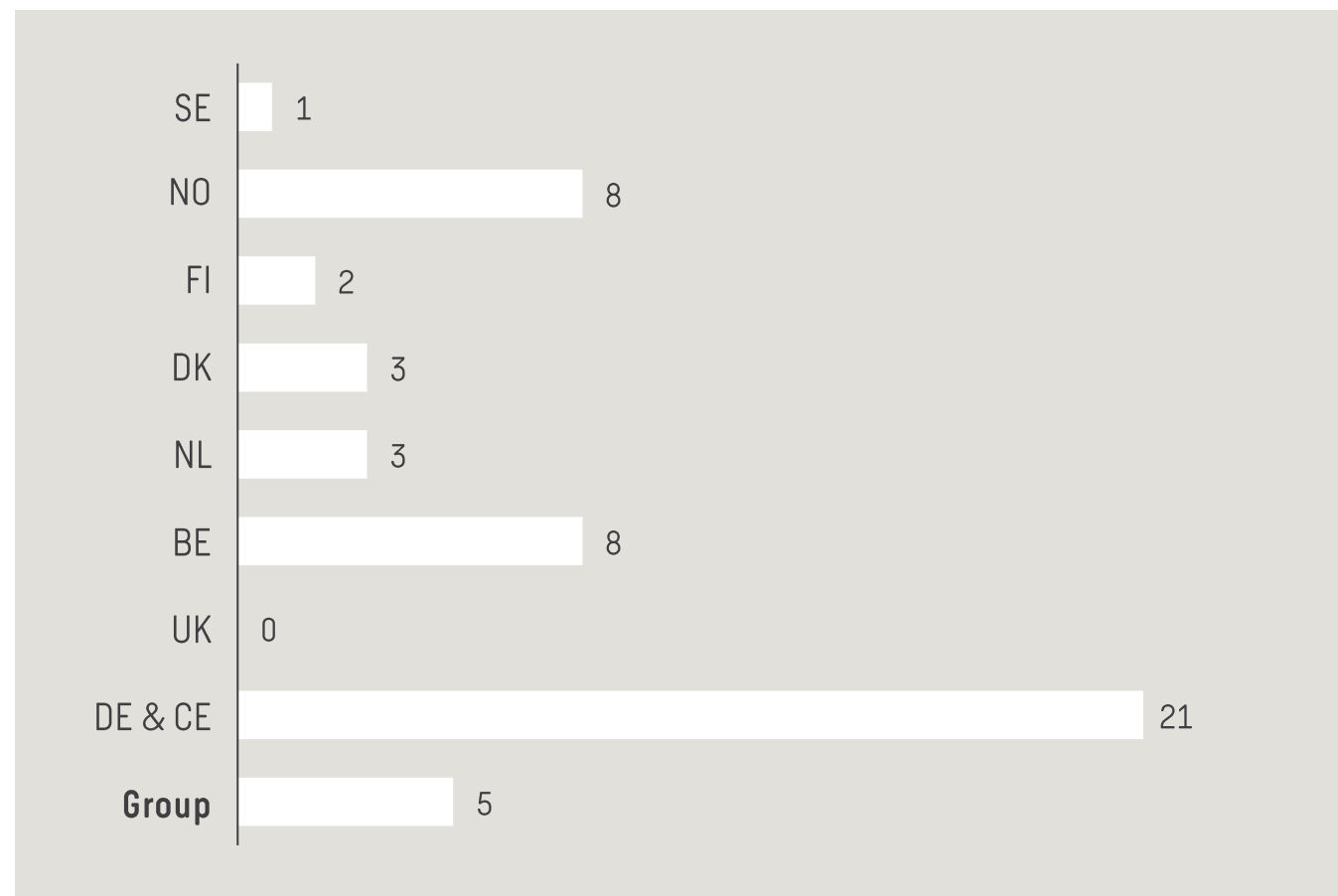
### Zero carbon building in King's Cross, London

Sweco has been assigned by Argent to deliver the final King's Cross plot as a zero carbon building. The high-quality office building demonstrates best practice in the King's Cross area, which has been under redevelopment for the last 20 years.

# Increased organic growth

Organic growth of Net sales Q4 2021 vs LY in %, adjusted for FX, acquisitions & divestments, calendar and IAC

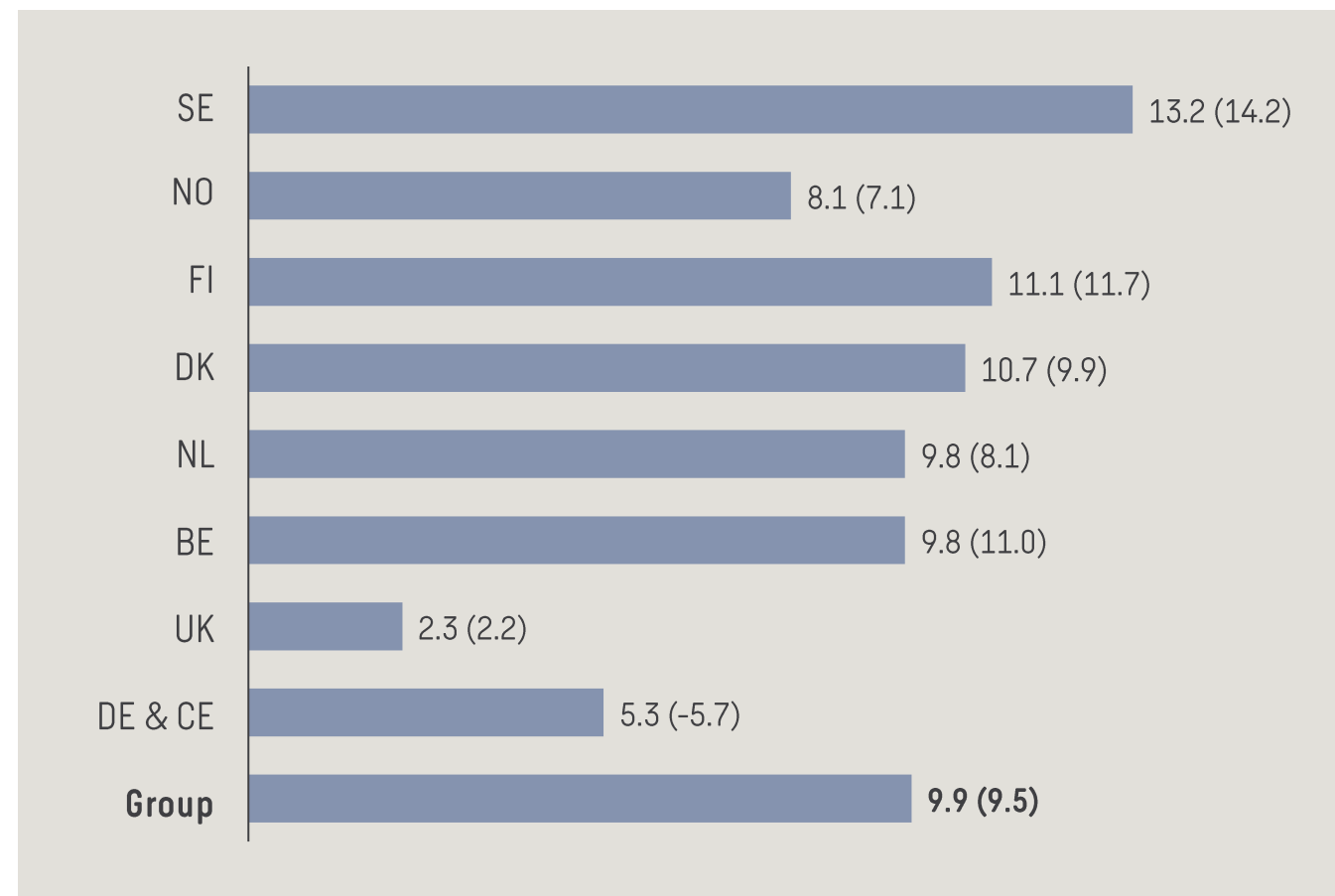
- Organic growth of 5 per cent, adj. for IAC and calendar effect
- 7 out of 8 Business Areas deliver positive organic growth
  - Higher average fees is the main positive driver
  - Negative impact from higher absence
- Focus on staying close and relevant to our clients, executing in projects and winning new ones



# Margin improvements in 5 out of 8 Business Areas

EBITA margin, excl. IAC, Q4 2021 (Q4 2020) by Business Area, in %

- 5 out of 8 Business Areas delivered improved margins
  - Strong margins in SE, FI and DK
  - Positive development in NO and NL
  - Positive signs in DE & CE, continued focus on executing on turnaround plan in Germany
- EBITA margin increased 0.4 per cent





# Sweco Germany is taking steps in the right direction

- The new leadership continued to execute on the long-term turnaround
- The performance improvements and additional client agreements in the fourth quarter is a first sign that the actions taken have positive impact
- Continued focus going forward on securing profitable growth based on the right leadership, offering and project portfolio



Photo: DB Netz AG

## **Reactivation of railway line in Berlin, Germany**

Sweco is part of an engineering consortium for overall project management in connection to the reactivation of the Siemensbahn railway line, originally built in the 1920s.

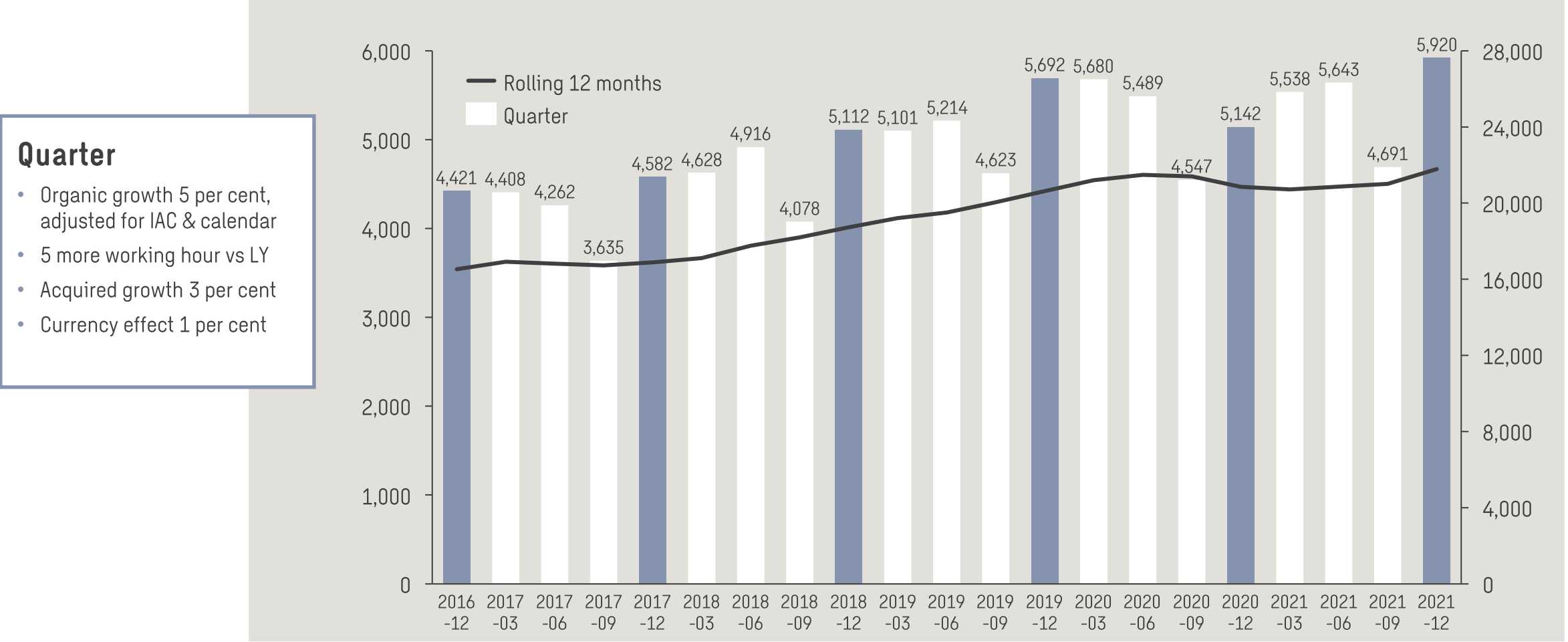
# Eight acquisitions in 2021

- We have made 8 acquisitions and welcomed more than 400 new experts to Sweco in 2021
  - Strengthening our position in interesting growth segments
- We continue to be active in market consolidation, and we have a strong financial position that enables us to act on the right opportunities.



# Net sales development

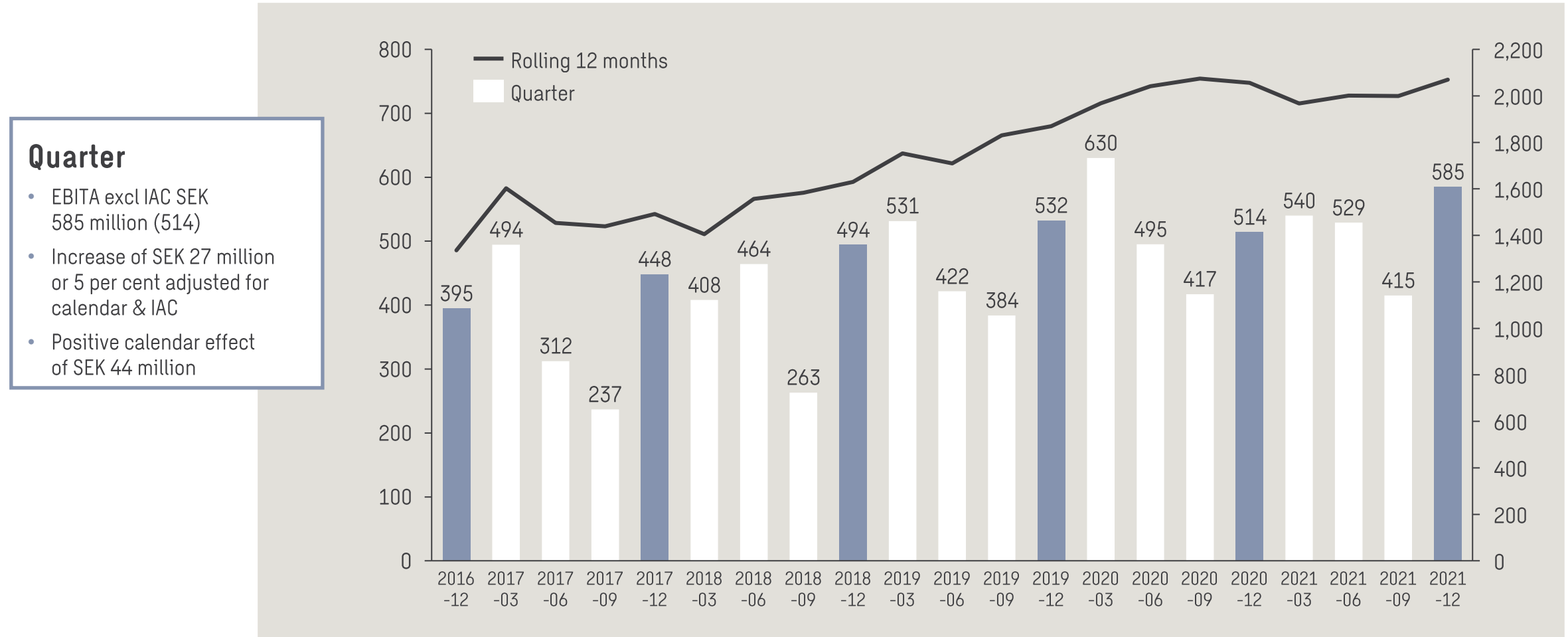
Net sales, Quarter and rolling 12 months, SEK million





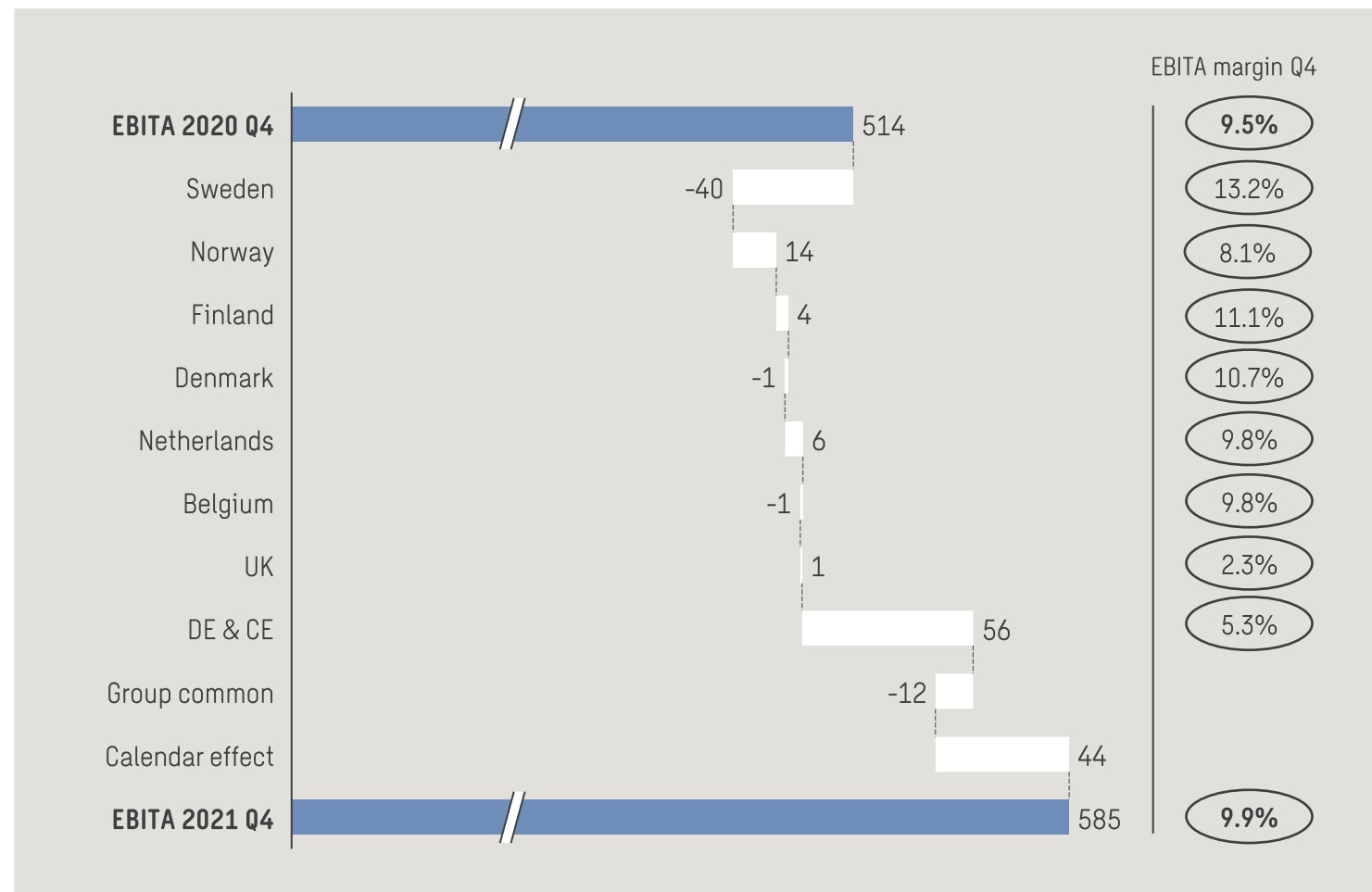
# EBITA development

EBITA excl. IAC, Quarter and rolling 12 months, SEK million



# 5 Business Areas contributing positively to EBITA

EBITA excl. IAC, Q4 bridge by Business Area – calendar adjusted, SEK million



- Good momentum in Norway and in the Netherlands
- Denmark continues to deliver higher margins
- Sweden impacted negatively by more absence
- Significant improvement in Germany on very weak Q4 LY
- Positive impact from higher average fees and lower project adjustments, negative impact from higher operating expenses and higher absence

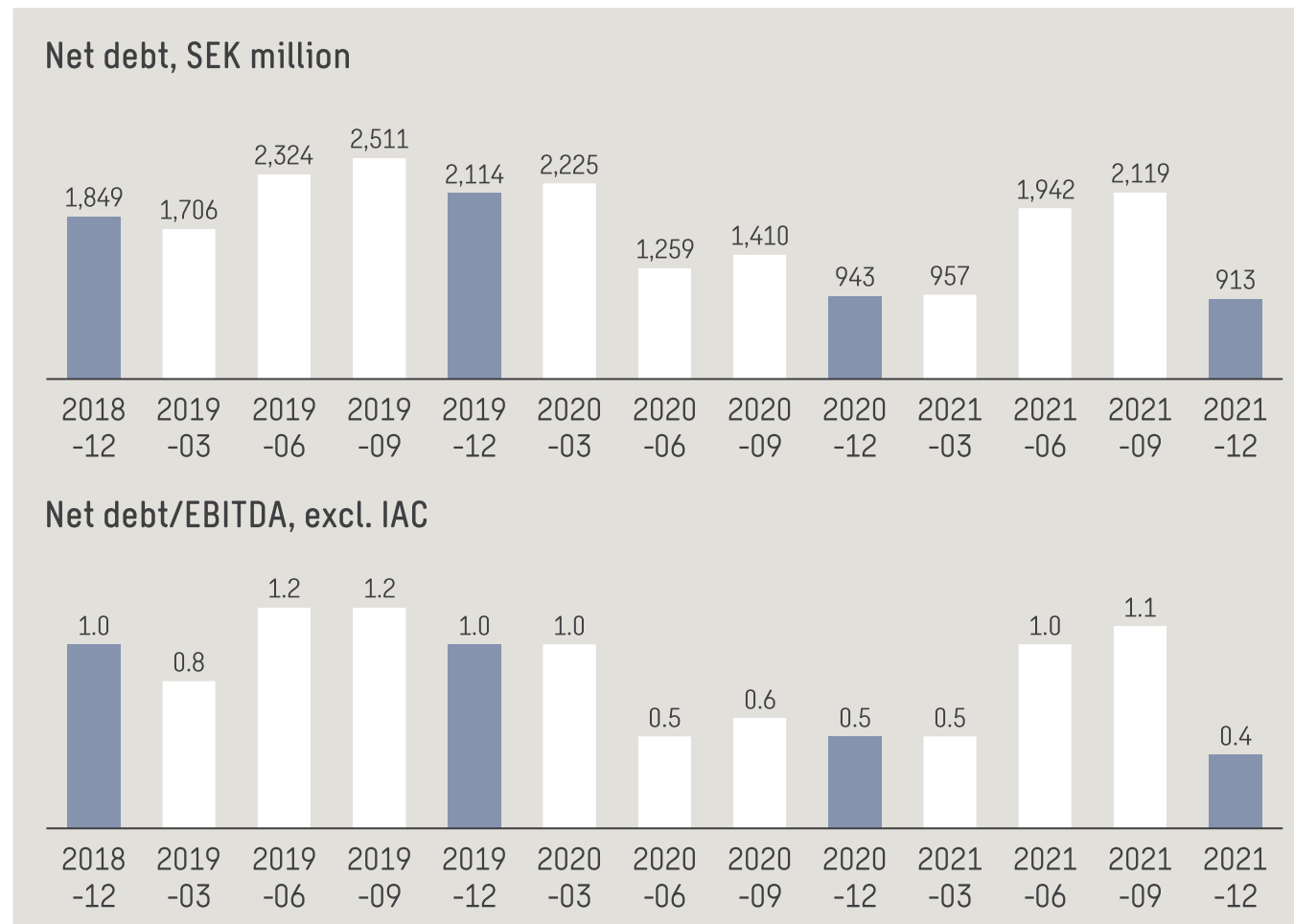
# Strong financial position creates opportunities

Net debt decreased by SEK 30 million compared to same period last year

- Cash flow from operating activities of SEK 2,199 million (3,249) – lower mainly due to an increase in working capital
- Dividends of SEK 782 million (733)
- M&A cash outflows of SEK 347 million (535)

Strong financial position with Net debt/EBITDA at 0.4 x (0.5)

Available liquid assets, including unutilised credit lines, of SEK 4,166 million (3,898)





# Concluding Q4

- A solid end to the year
- Organic growth in 7 out of 8 Business Areas and improved margins in 5 out of 8 Business Areas
- Stable inflow of orders and strengthened order book
- Strong financial position that enables us to act on opportunities in the market



Photo: Nationalbanken

## Restoration and renovation of Denmark's central bank

Sweco is responsible for construction management and working environment coordination in the restoration and renovation of Denmark's central bank, with the aim to future proof the building as part of Denmark's cultural heritage and as a workplace.

# Focus going forward

- Delivering long-term profitable growth, organic and through acquisitions
- Executing on strategy and implementing the Sweco model on all markets
  - Positive development in DK and NL
  - Continued focus on executing on turnaround plan in Germany
- Staying close and relevant to our clients



Photo: Elia

## Technical mapping and construction plan of energy island in Belgium

Sweco has been selected to map out the technical preconditions and develop a phase plan for the construction of an energy island in the Belgian part of the North Sea. The energy island is part of the Belgian government's aim to almost triple the capacity of wind turbines at sea.



# THANK YOU!





