

# Q1 2022

May 12

Åsa Bergman, President & CEO  
Olof Stålnacke, CFO

WELCOME!





# Europe's leading architecture and engineering consultancy

|                        |                |                     |
|------------------------|----------------|---------------------|
| #1                     | 8              | 18,000              |
| In the European market | Business Areas | Full-time employees |
| SEK<br>22.3 bn         | SEK<br>2.1 bn  | 9.5 %               |
| Net sales<br>R12       | EBITA<br>R12   | EBITA margin<br>R12 |



# A positive start to the year

Net sales SEK 6,077 million (5,538)

- Organic growth 3 per cent, adj. for calendar effect
- Acquired growth 2 per cent
- Currency effects 3 per cent

EBITA SEK 648 million (540)

- Operating margin of 10.7 per cent (9.8)

Strong financial position

- Net debt/EBITDA of 0.4x

Two acquisitions in Q1



Photo: Järla Station, Region Stockholm/Sweco

## Design for the extended metro in the Stockholm region, Sweden

Sweco has won three assignments that are part of the project to build a new metro line in Stockholm. The purpose of the project is to create attractive, efficient and sustainable public transport, that contributes to Stockholm Region's development and growth.

# Market situation

## Mixed market outlook

- Overall good demand for Sweco's services
- Negative impact from Covid-19 is diminishing
- The Russian invasion of Ukraine is causing market uncertainty

## Stable inflow of new orders

- We continue to strengthen our order book in Q1

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

- Sustainability
- Digitalisation
- Urbanisation



Photo: Fortum

### Design of air-to-water heat pump plant in Finland

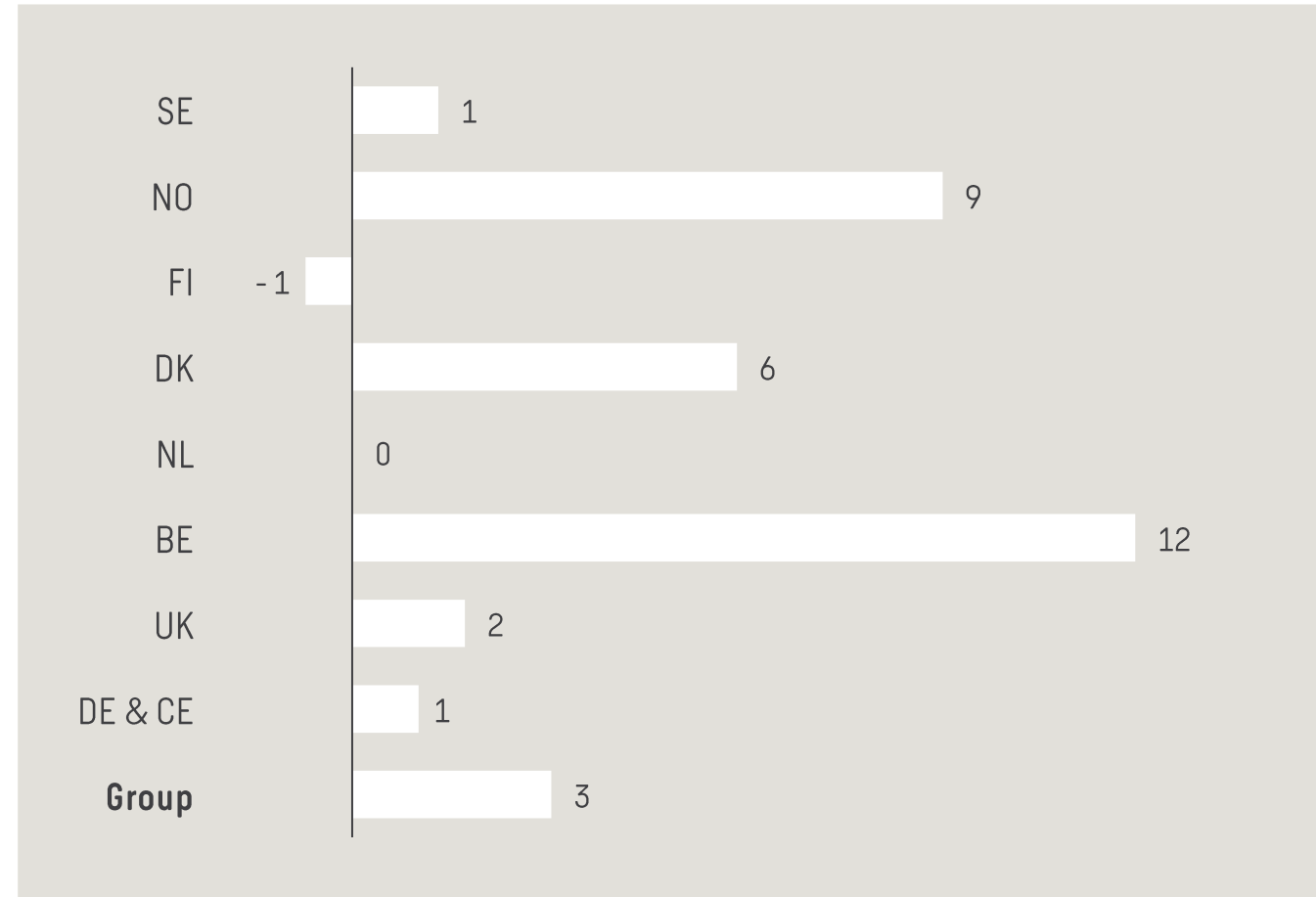
Fortum has assigned Sweco to design Finland's largest air-to-water heat pump plant, which will provide zero-emissions district heating and cooling to local residents. The plant is an important step in moving from coal and gas to clean forms of energy production.



# Increased organic growth

Organic growth of Net sales Q1 2022 vs LY in %, adjusted for FX, acquisitions & divestments, calendar effect

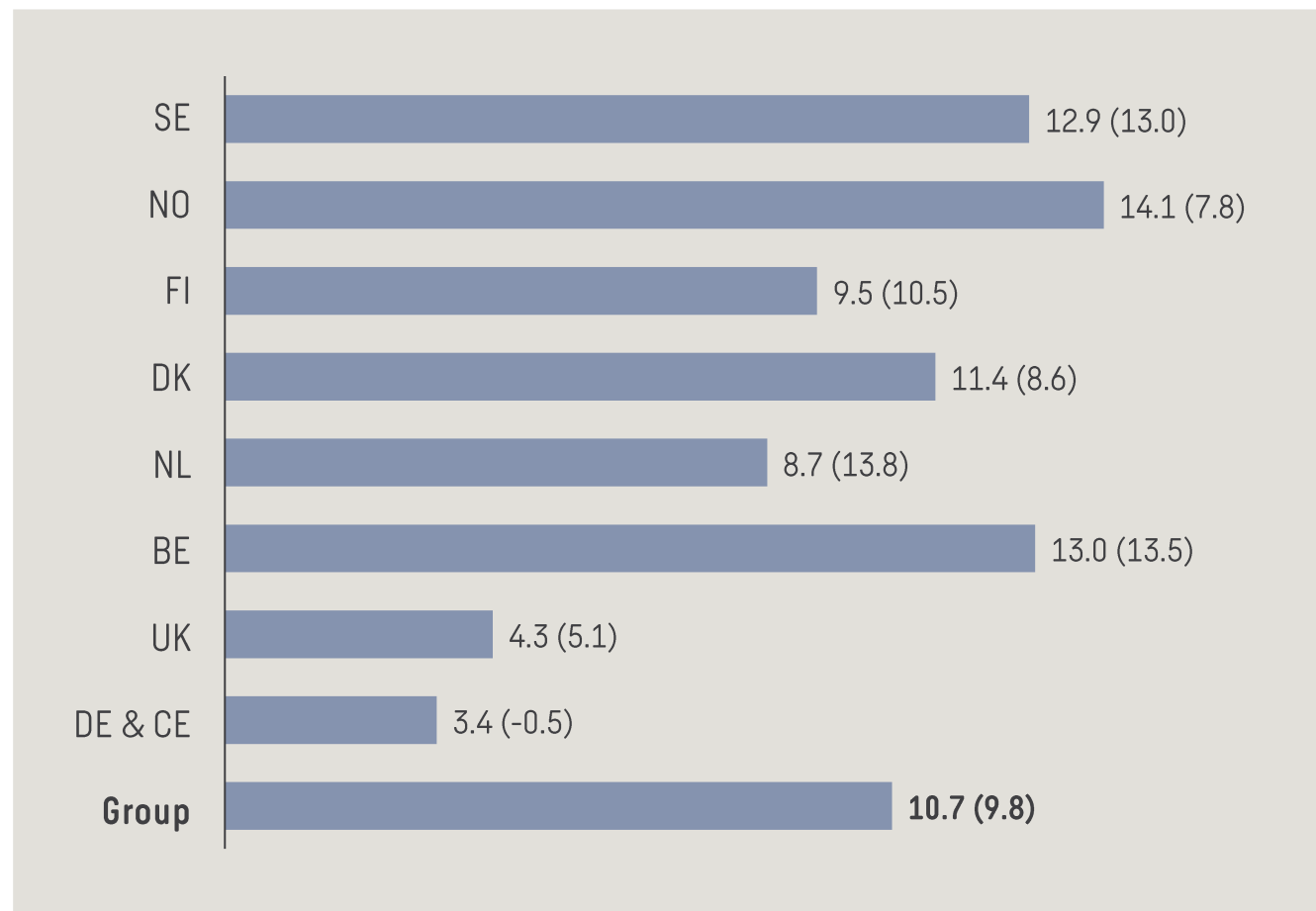
- Organic growth of 3 per cent, adj. for calendar effect
- 6 out of 8 Business Areas deliver positive organic growth
  - Higher average fees and improved FTE growth are the main positive drivers
  - Negative impact from high sickness absence



# EBITA improvement in 4 out of 8 Business Areas

EBITA margin Q1 2022 vs LY by Business Area, in %, adjusted for calendar effect

- EBITA increased 2 per cent to SEK 648 million adjusted for calendar effects
  - Improvements in 4 out of 8 Business areas
  - Positive development supported by higher average fees and FTE growth
  - Negative impact from high sickness absence and higher operating expenses
- Improved margin of 10.7 per cent (9.8)



# Two acquisitions in Q1

## Stema Rådgivning, announced 22 Mar, 2022

- Norwegian consultancy founded in 2001, specialised in project and construction management
- 90 employees and annual revenue of SEK 177 million
- Acquisition that enables Sweco to capture an even larger share of the Norwegian market

## Swedish Net Engineering, announced 2 Feb, 2022

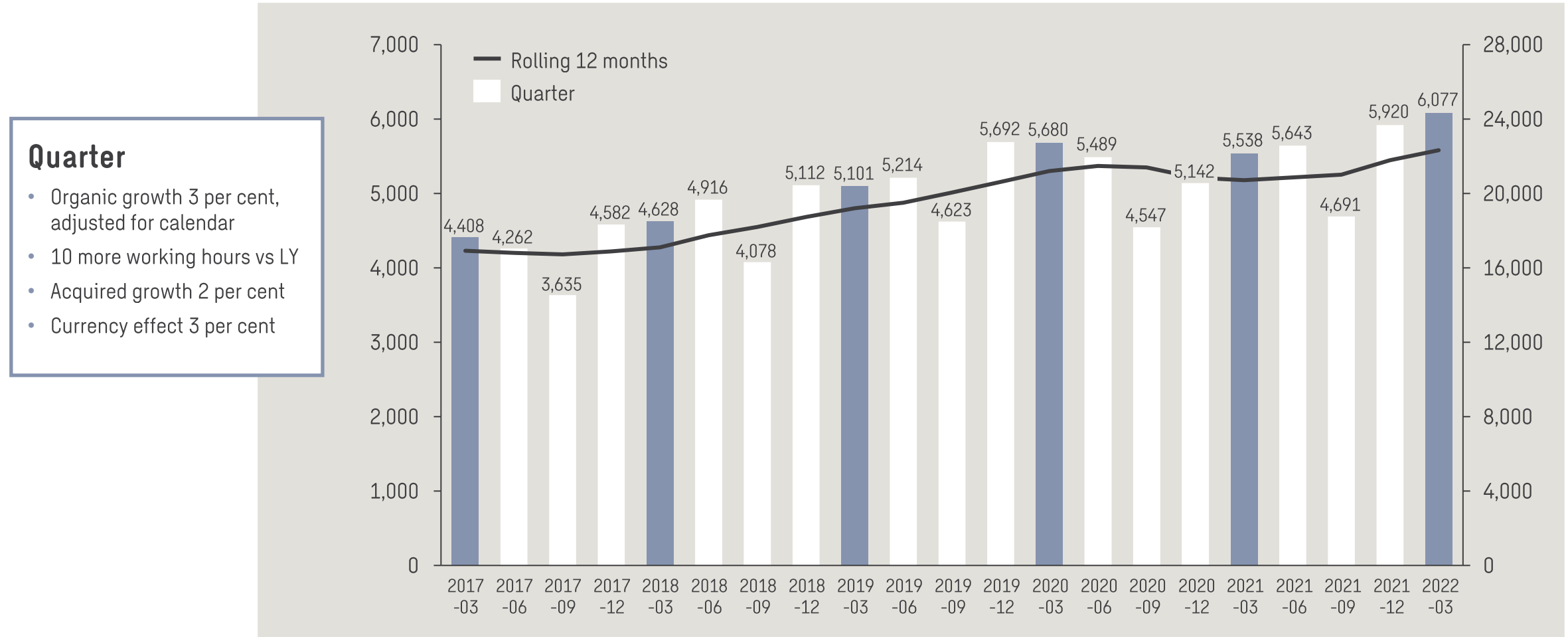
- Swedish consultancy founded in 1998, focused on physical and technical protection and security
- 28 experts and annual revenue of SEK 30 million
- Good complement to our expertise within buildings and well-aligned with the increasing demand for security solutions





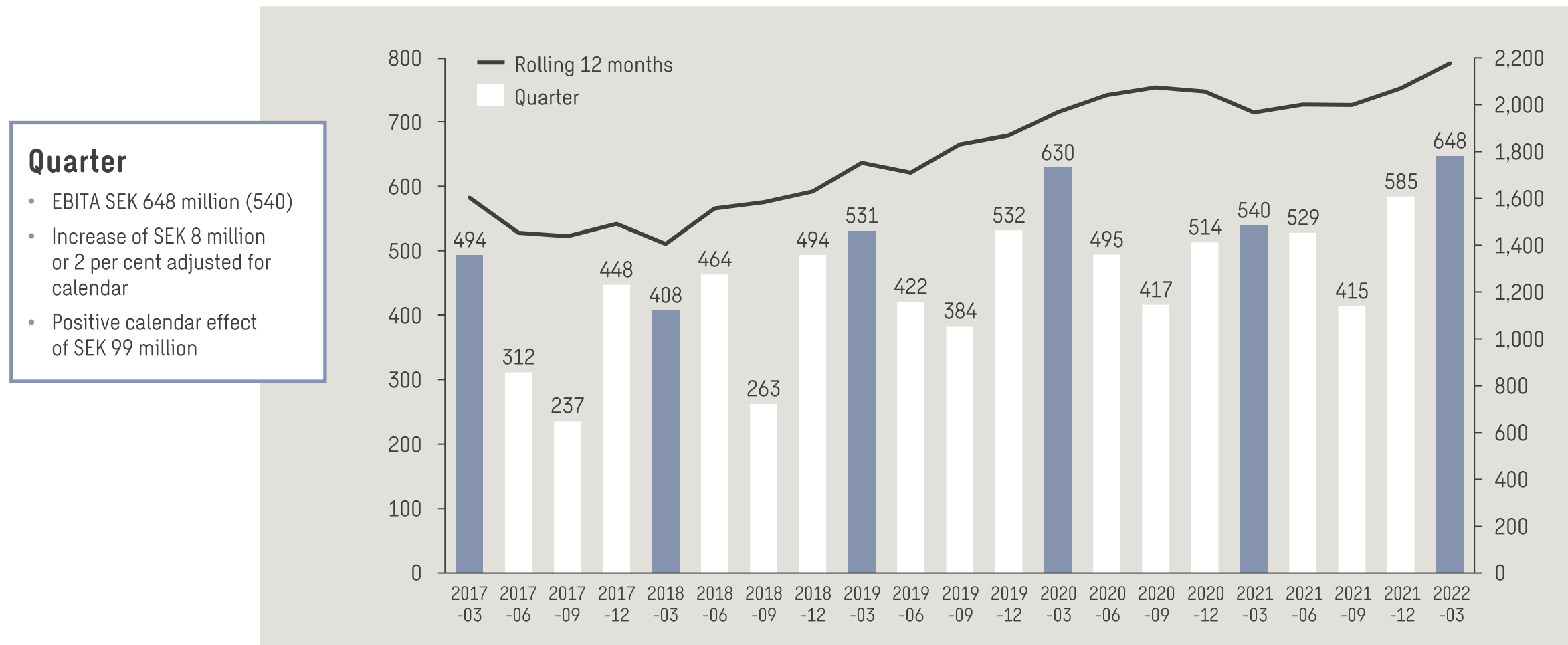
# Net sales development

Net sales, Quarter and rolling 12 months, SEK million



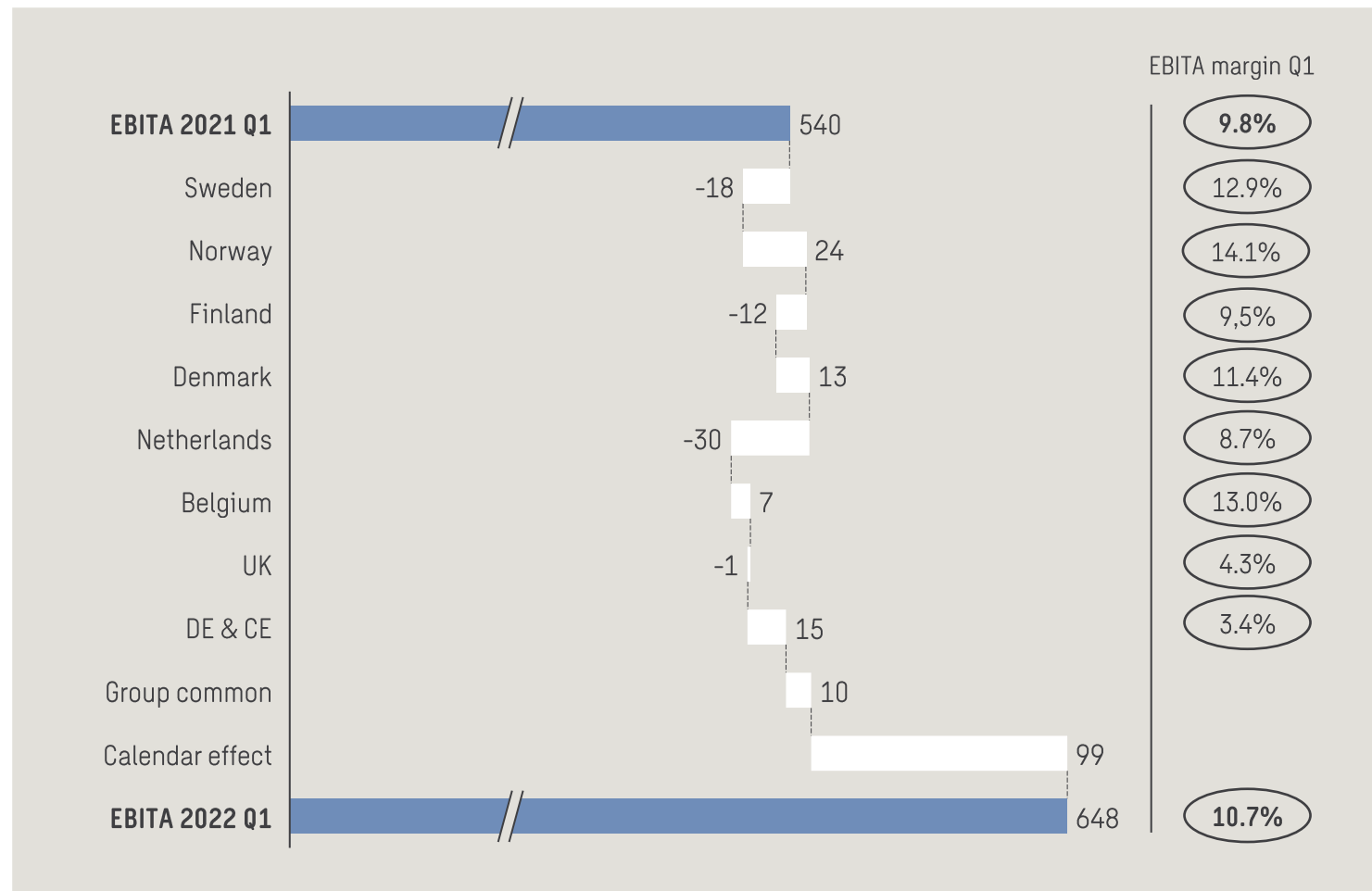
# EBITA development

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



## 4 Business Areas contributing positively to EBITA

EBITA, Q1 bridge by Business Area – calendar adjusted, SEK million



- Overall, positive impact from higher average fees and FTE growth
- Higher levels of absence and higher operating expenses impacting negatively



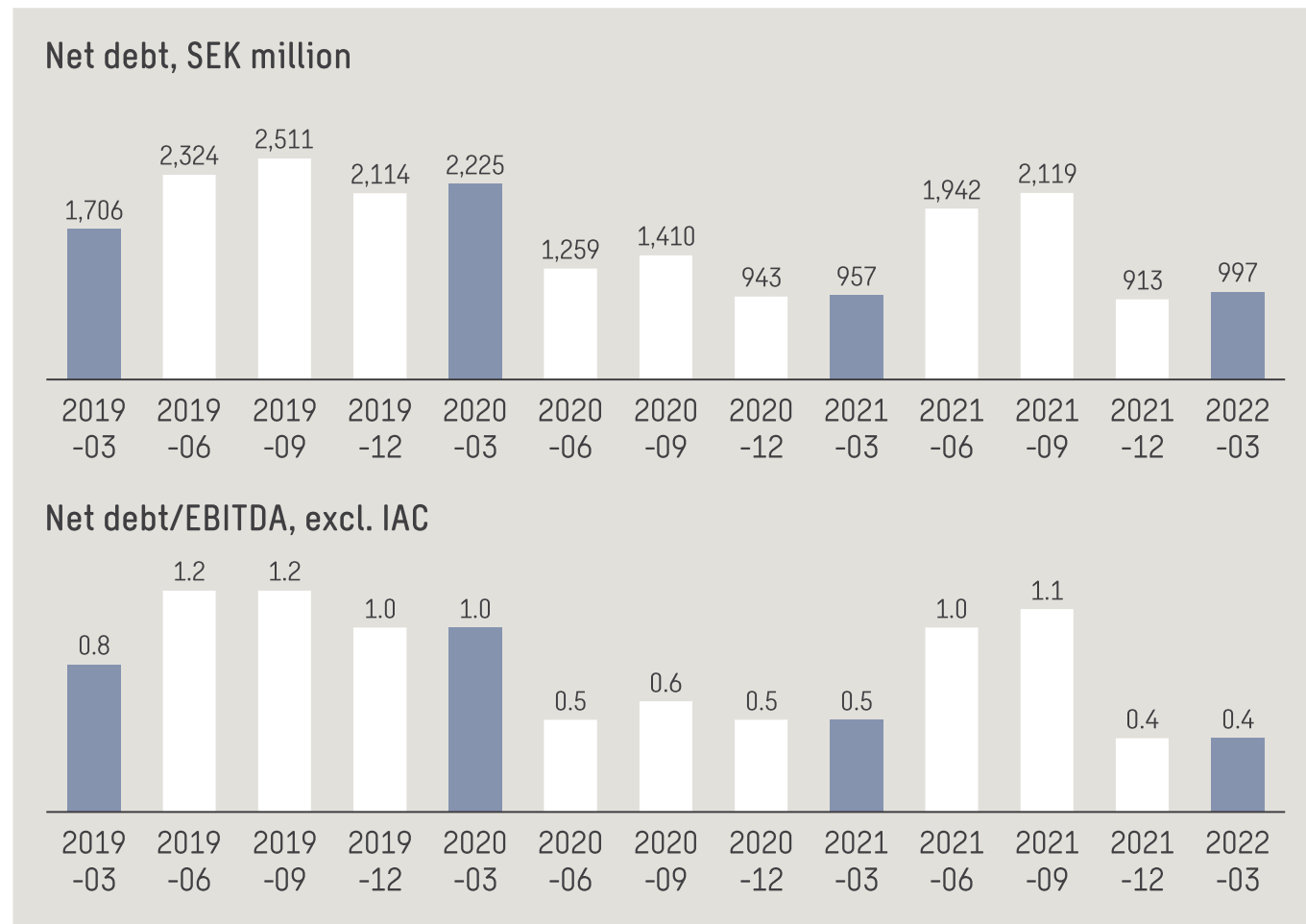
# Strong financial position creates opportunities

Net debt increased by SEK 40 million compared to same period last year

- Cash flow from operating activities of SEK 235 million (301)
- M&A cash outflows of SEK 32 million (27)

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

Available liquid assets, including unutilised credit lines, of SEK 4,133 million (3,928)



# Concluding Q1

- Positive start to the year, despite unusually high absence
- Organic growth in 6 out of 8 Business Areas and improved EBITA in 4 out of 8 Business Areas
- Overall good demand for Sweco's services, with stable inflow of orders and strengthened order book
- Mixed market outlook
  - Diminishing impact from Covid-19, but increased uncertainty due to Russian invasion of Ukraine
- Sweco's business model and strong financial position offers flexibility



Photo: Solon Eiendom

## **Apartment building and business area in Havneparken, Norway.**

Sweco has been selected by Backe Rogaland to deliver landscape architecture and engineering services to Ankeret, one of several apartment buildings in Havneparken.

# Focus going forward

- Delivering long-term profitable growth, organic and through acquisitions
- Executing on strategy and implementing the Sweco model on all markets
- Staying close and relevant to our clients



## Sweco draws the roadmap towards fossil-free mobility in Brussels, Belgium

The Brussels-Capital Region has selected Sweco to outline a strategy for low-emission mobility and phasing out combustion engine vehicles in the region. The local government has set itself the objective of banning diesel vehicles by 2030 and petrol, LPG and CNG vehicles by 2035.



THANK YOU!



