

Q3 2023

October 27

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Sweco - Europe's leading architecture and engineering consultancy

Operations in three segments

Net sales by segment in 2022, %



Well-balanced client portfolio

Net sales by client category in 2022, %



Drivers for success



21,000 experts



Combining organic and acquired growth



Proven operating model

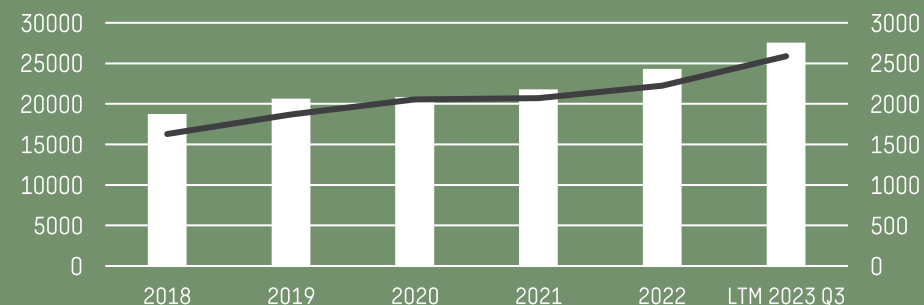
Eight geographical business areas

Net sales by business area in 2022, %

- Sweden: 32
- Norway: 13
- Finland: 13
- Denmark: 9
- Netherlands: 9
- Belgium: 10
- UK: 6
- Germany, Central Europe: 8

Strong financial track-record

Net Sales, EBITA 2018 – Q3 2023



1.5x

Strong financial position

Providing the foundation for continued value-creating acquisitions and dividend growth



Quarter highlights

Net sales increased to SEK 6,417 million (5,372)

- Organic growth 9 per cent (9), adjusted for calendar effect
- Total growth 19 per cent

EBITA increased to SEK 465 million (382)

- Increasing 41 % year-on-year, adjusted for calendar
- EBITA margin 7.2 per cent (7.1)

The positive development was driven by FTE growth, higher average fees and contributions from acquisitions.

The result was negatively affected by a weaker demand in some markets and segments.



6,417

Net Sales, SEK million

465

EBITA, SEK million

9%

Organic growth

7.2%

EBITA margin

Operations highlights

Positive development in most business areas

- Strong organic growth in the quarter
- Positive EBITA developments
- Belgium and Denmark strong growth and margins

Acquisitions and projects

- Three acquisitions, welcoming around 390 new experts
- Continued strengthening of the orderbook

6/8

Business Areas
increased EBITA

7/8

Business Area
reported organic growth

Market overview

Market affected by macro-economic uncertainty

Green transition remains a strong driver

Segments

- **Water, Energy and Industry** – strong demand in energy and water, mixed demand in industry segment
- **Transport infrastructure** – good demand in line with the transport sector's green transition
- **Buildings and urban areas** – continued headwinds in residential and commercial real estate



Summary result

Q3 2023

Net sales SEK 6,417 million (5,372)

- Organic growth 9 per cent, adj. for calendar effect
- Acquired growth 6 per cent
- Currency effects 6 per cent

EBITA SEK 465 million (382)

- Operating margin of 7.2 per cent (7.1)

Net Debt/EBITDA 1.5x (0.9x)



Q3: Net Sales – organic growth in 7 out of 8 Business Areas

SEK 6,417 million (5,372)

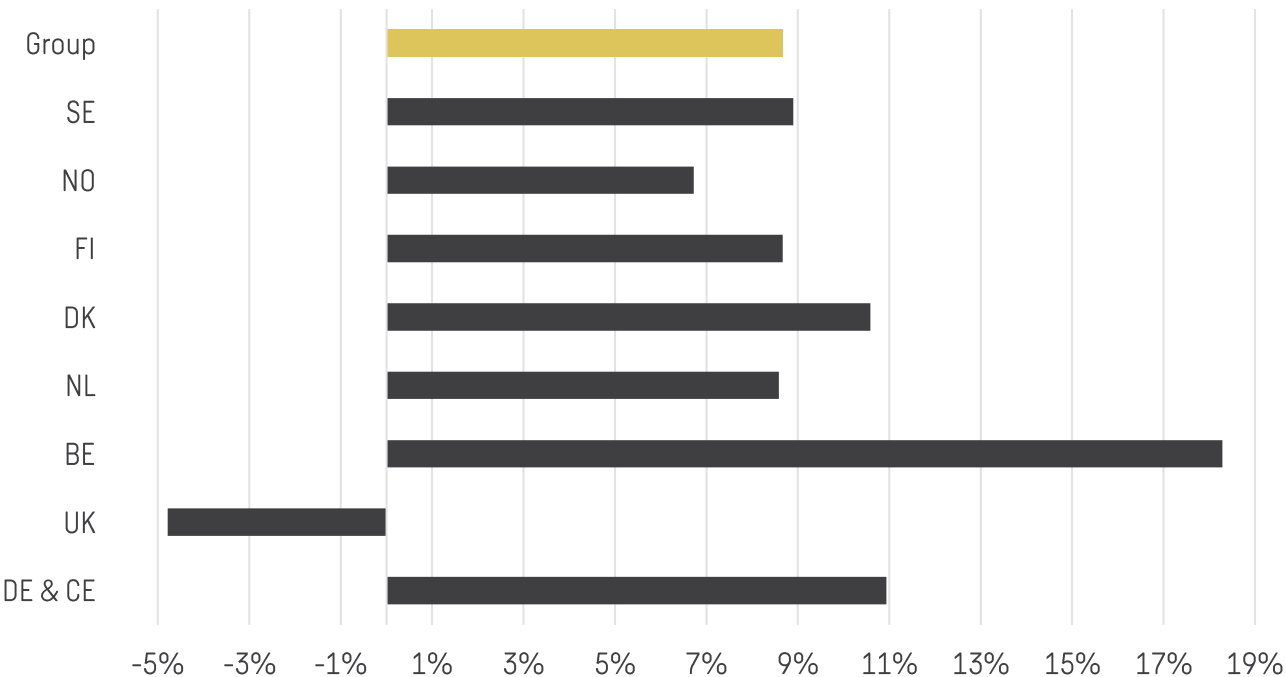
19% total growth (15%)

9% organic growth, adj for calendar (9%)

Net Sales positively affected by

- Higher average fees and FTE growth

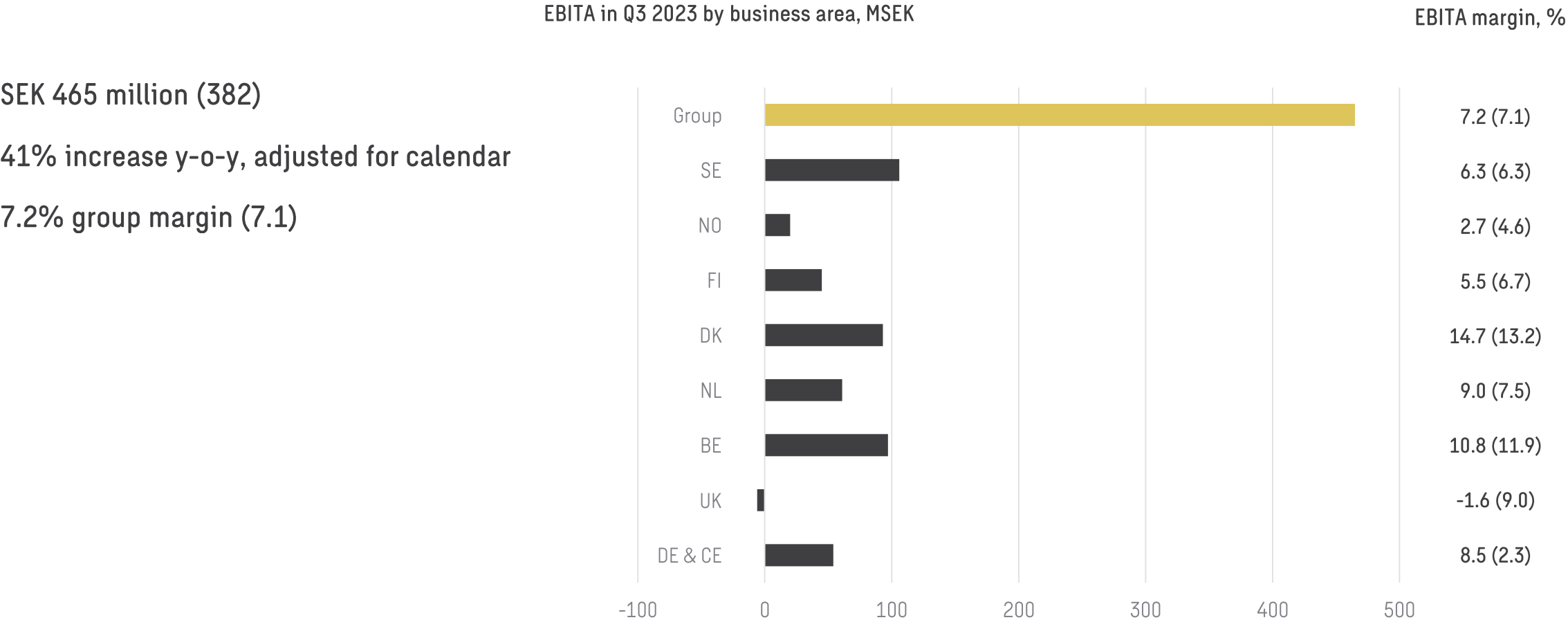
Organic growth adjusted for calendar, %



Net sales by business area, MSEK

6 417 (5 372)
1 691 (1 549)
745 (712)
808 (680)
636 (517)
686 (528)
900 (549)
398 (365)
631 (532)

Q3: EBITA increased SEK 158 million adjusted for calendar



Q3: 6 of 8 Business Areas increased EBITA adjusted for calendar

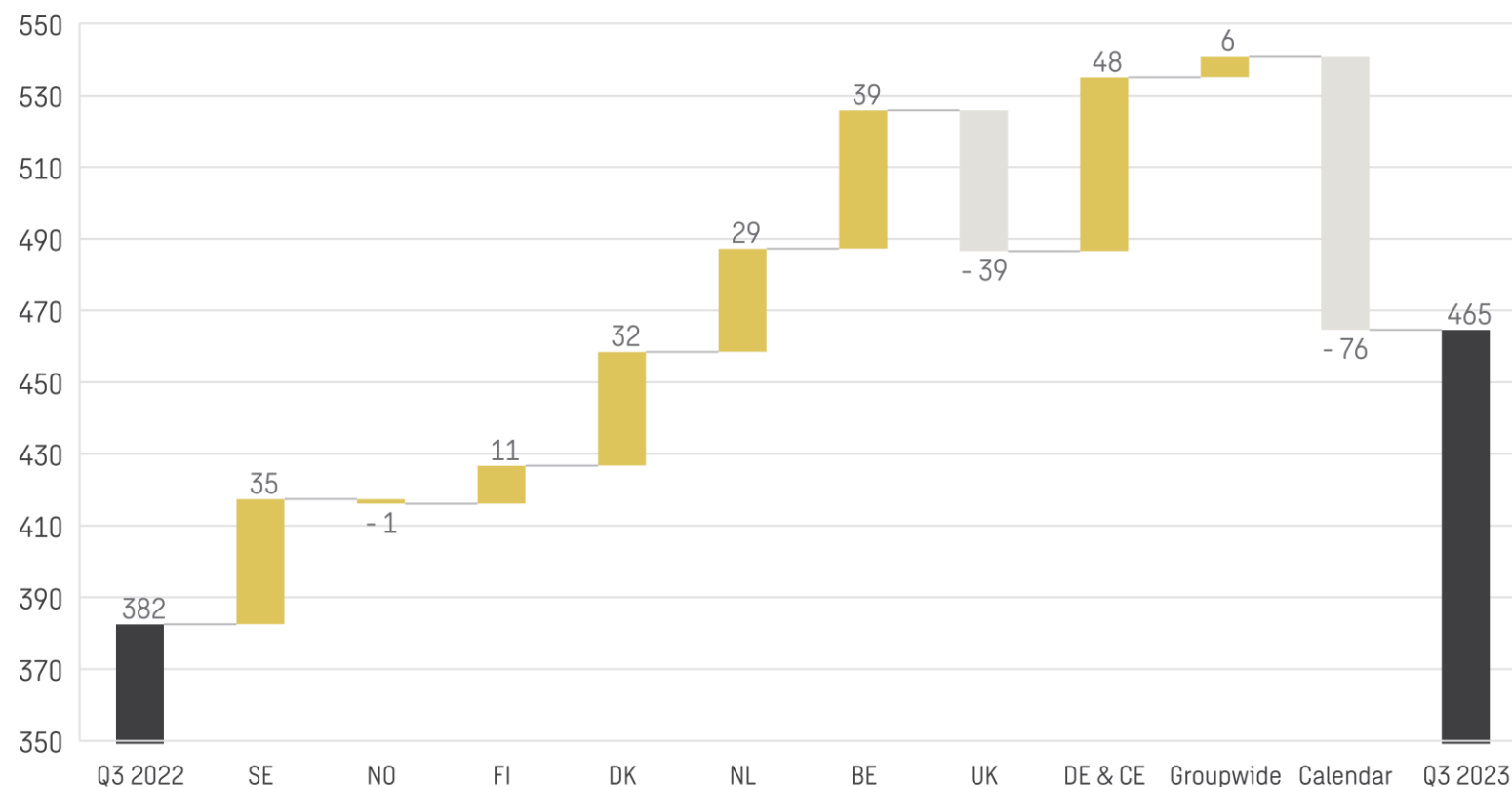
EBITA positively affected by

- higher average fees
- FTE growth
- higher personnel costs had a negative effect

7 less working hours

- corresponding to a negative year-on-year impact of SEK 76 million

Q3 2023 EBITA contributors



Q3: Net Debt increase driven by acquisitions

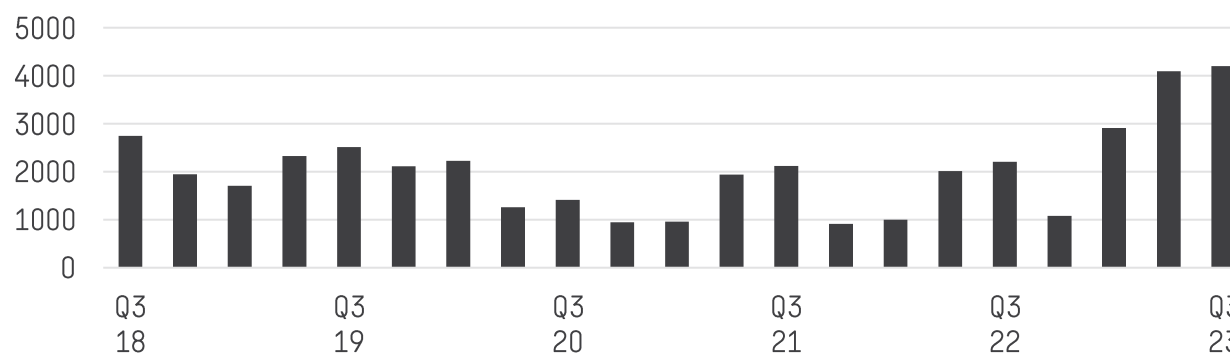
SEK 4,200 million Net Debt (2,206)

- Cash flow from operating activities of SEK 744 million (841)
- M&A cash outflows of SEK 1,407 million (402)
- Seasonal and growth-driven TWC build-up

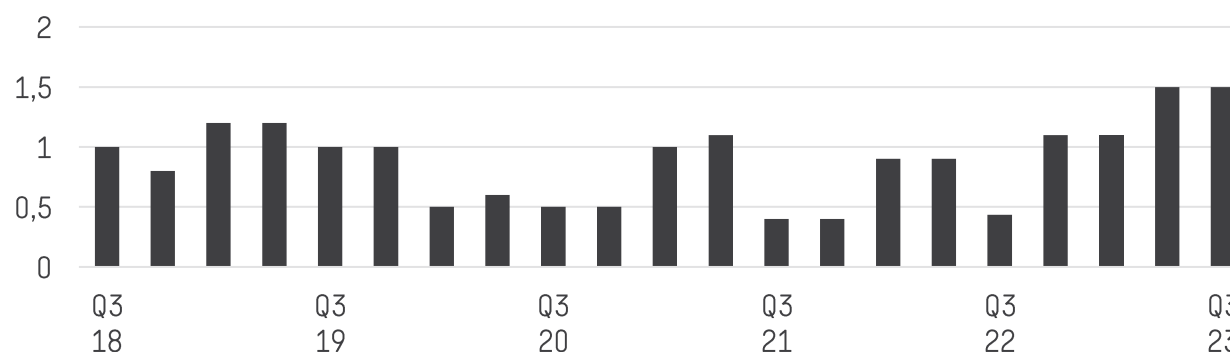
1.5x Net Debt/EBITDA (0.9x)

SEK 3,228 million available liquid assets (3,512)

Net debt, Q3 2018–Q3 2023 (SEK million)



Net debt to EBITDA, Q3 2018–Q3 2023



3 acquisitions in Q3, summing up to 10 in 2023

OJ Rådgivende Ingeniører

- One of Denmark's leading engineering firms in building market
- Net Sales SEK 400 million – adding 325 experts
- Almost double Sweco's size and footprint in the segment

Medins Havs och Vattenkonsulter

- Expertise in surveys of watercourses, lakes and seas
- Net Sales SEK 37 million – adding 35 experts
- Makes Sweco the leading aquatic environment firm in Sweden

FPC Risk

- Fire protection consultancy firm in Belgium
- Net Sales SEK 44 million – adding 30 experts
- Fire risk and emergency management

**OJ RÅDGIVENDE
INGENIØRER**

FPC
RISK



Projects

The green transition in society continues to be a core driver for Sweco

Growing areas are:

- Re-design and development of energy grids
- Electrification
- Transition to renewable energy
- Build-up of energy infrastructure



Danish Transport Authority

Sweco has been commissioned to analyse the availability of electricity and green fuels in 39 commercial ports.



Svenska kraftnät

Sweco supports Swedish authority Svenska kraftnät in review and upgrade of the electricity transmission system to ensure reliability.



Volvo Cars

Development of technical specifications for replacing three main transformers, as part of Volvo's plan to use more renewable energy in their production facility in Belgium.

Focus going forward

Capture market opportunities and stay agile

Continue increasing fees

Cost control and efficiency

Execute on M&A strategy

Sweco's Capital Market Day.

14 November, 2023 in Stockholm

[Register here](#)

Transforming society together