Q1 Interim Report
January–March 2024
Sweco AB (publ)

SWECO

16 May 2024

# Positive start to the year

## January–March 2024

- Net sales increased to SEK 7,720 million (7,140)
- EBITA amounted to SEK 793 million (849), margin 10.3 per cent (11.9)
- EBITA increased 16 per cent year-on-year after adjustment for the significant negative calendar effect in the quarter
- EBIT amounted to SEK 778 million (839), margin 10.1 per cent (11.7)
- Net debt amounted to SEK 3,118 million (2,916)
- Net debt/EBITDA amounted to 1.1x (1.1)
- Profit after tax decreased to SEK 558 million (625), corresponding to SEK 1.55 per share (1.75)

# CEO comment

## A positive start to the year

Sweco delivered a good first quarter. Net sales increased 8 per cent and EBITA improved 16 per cent, adjusted for the significant negative calendar effect from Easter.

The improvement was mainly driven by continued positive momentum in pricing as well as strong demand within the green transition in energy, transportation, industry and urban development. We are also seeing increasing demand in growth segments such as pharma, defence and data centres. Sweco's strong market position is reflected in a growing order backlog.

Overall, the demand for Sweco's services was favourable in most segments, although demand in residential and commercial buildings, as well as traditional industry, remained weaker.

## A solid quarter with operational improvements

Net sales increased to SEK 7,720 million (7,140), with an organic growth of 4 per cent, adjusted for calendar. Nominally, EBITA decreased to SEK 793 million (849) and the margin to 10.3 per cent (11.9), both driven by the large negative calendar effect. Adjusted for calendar effects, EBITA increased 16 per cent or SEK 139 million.

The EBITA improvement was mainly driven by higher average fees, a growing number of employees and contribution from acquisitions, while higher personnel expenses and a lower billing ratio impacted negatively.

Six out of eight business areas reported positive organic growth and EBITA improvements. Sweco Belgium, Denmark and Sweden all reported good organic growth and EBITA improvements, with double-digit margins. Germany and Central Europe continued to improve operational performance with strong organic growth and an increasing EBITA and margin. Finland improved its margin in the quarter, partly driven by the previously communicated redundancy program, and is also taking further improvement actions. The Netherlands reported higher EBITA levels. The weaker performance in Norway is explained by the calendar effect from the early Easter holiday.

The repositioning of Sweco's UK business is progressing and the performance improved significantly compared to the previous quarter. As part of the turnaround, the UK is making further personnel reductions in the first half of 2024.

## Projects and acquisitions

The projects won in the first quarter highlight Sweco's multi-disciplinary role in the green transition. In the Netherlands, Sweco won a SEK 1,100 million contract to support energy operator Gasunie in the development of new energy infrastructure for the transportation of hydrogen, carbon dioxide, renewable gas and heat. In Belgium, Sweco has been commissioned to design an open-access rail terminal in Zeebrugge's back port and in Germany, Sweco will support the City of Bremen in the expansion of its public transportation. In Norway, we will provide architectural design to support a sustainable uplift of an urban area in Oslo.

In early January we closed the first acquisition this year – Econsultancy. With their team of 200 environmental experts, we are strengthening Sweco's position and offering, both in the Netherlands and across Europe within ecological and environmental services.

## Priorities going forward

Our focus ahead is clear: to capture growth opportunities in the market and deliver continued profitable growth, with improved margins. This requires investments in attractive segments in combination with firm measures to optimise our offering and efficiency. The actions we are taking in the UK, the adjustments of staffing in Finland, Norway and Sweden, and the ongoing organisational review to streamline our operations in all business areas are designed to drive efficiency. A lean, efficient and client-centric organisation has always been and will continue to be our recipe for success.

**Åsa Bergman**
President and CEO

# Europe’s leading architecture and engineering consultancy

Sweco operates at the centre of the green transition. With the collective knowledge of our more than 22,000 architects, engineers and other experts, we co-create solutions with our clients that transform societies. Our work approach enables us to offer a combination of global expertise together with local presence and understanding, and by this we are adapting to our clients’ business and reality.

Key figures

| | | |
|---|---|---|
| #1<br>In the European market | 8<br>Business Areas | 20,500<br>Full-time employees |
| SEK<br>29.1 bn<br>Net sales R12 | SEK<br>2.5 bn<br>EBITA R12 | 8.5%<br>EBITA margin R12 |

# Group performance

**The first quarter resulted in organic growth of 4 per cent, adjusted for the significant negative calendar effect, and acquired growth of 6 per cent. EBITA increased approximately 16 per cent or SEK 139 million year-on-year, after adjustment for calendar effects.**

## January–March

Net sales increased 8 per cent to SEK 7,720 million (7,140). Organic growth amounted to approximately 4 per cent, after adjustment for calendar effects. Acquired growth amounted to 6 per cent and currency effects were 0 per cent in the quarter.

Organic growth was mainly driven by higher average fees and a higher number of employees, while higher vacation absence and a lower billing ratio had a negative impact.

The quarter had 15 fewer working hours compared with the same period last year. This corresponded to a negative year-on-year impact of approximately SEK 195 million on net sales and EBITA.

EBITA amounted to SEK 793 million (849) and the EBITA margin amounted to 10.3 per cent (11.9). The decline in EBITA and in EBITA margin was entirely driven by the significant negative calendar effect.

Adjusting for calendar effects, EBITA increased approximately 16 per cent or SEK 139 million year-on-year. The six business areas Germany & Central Europe, Denmark, Finland, Sweden, Belgium and the Netherlands achieved increasing EBITA levels, adjusted for calendar effects. Norway was in line with last year, while the UK reported lower earnings.

Overall for the Group, the EBITA increase was driven by higher average fees, a higher number of employees and contributions from acquisitions, while higher personnel expenses and a lower billing ratio had a negative impact.

The billing ratio decreased to 72.7 per cent (73.2).

Total net financial items reduced to SEK -65 million (-39), primarily due to higher average net debt and higher interest rates.

Earnings per share decreased to SEK 1.55 (1.75).

| KPIs | Jan–Mar 2024 | Jan–Mar 2023 | Apr 2023–Mar 2024 | Full-year 2023 |
|---|---|---|---|---|
| Net sales, SEK M | 7,720 | 7,140 | 29,102 | 28,523 |
| *Organic growth, %* | *2* | *12* | | *8* |
| *Acquisition-related growth, %* | *6* | *3* | | *6* |
| *Currency, %* | *0* | *3* | | *4* |
| *Total growth, %* | *8* | *17* | | *17* |
| *Organic growth adj. for calendar, %* | *4* | *10* | | *8* |
| EBITA, SEK M | 793 | 849 | 2,475 | 2,531 |
| *Margin, %* | *10.3* | *11.9* | *8.5* | *8.9* |
| Profit after tax, SEK M | 558 | 625 | 1,600 | 1,667 |
| Earnings per share, SEK | 1.55 | 1.75 | 4.46 | 4.65 |
| Number of full-time employees | 20,939 | 19,416 | 20,544 | 20,157 |
| Billing ratio, % | 72.7 | 73.2 | 73.2 | 73.3 |
| Normal working hours | 489 | 504 | 1,947 | 1 962 |
| Net debt/EBITDA, x[2] | 1.1 | 1.1 | | 1.1 |

1) EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA. For further information, see pages 18 and 20.
2) Net debt/EBITDA is an alternative performance measure (APM). Net debt is an alternative performance measure (APM) defined as financial debt (comprised almost exclusively of interest-bearing bank debt) less cash and cash equivalents and short-term investments. Lease liabilities are excluded from Net debt. EBITDA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes, Depreciation & amortisation and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITDA. For further information, see pages18 and 27.

## Employees

The number of full-time employees amounted to 20,939 (19.416) in the period.

## Market

Most business areas experienced good demand for Sweco's services in the infrastructure, water, environment, energy and industry segments. However, demand for services in parts of the building and real estate segments remained weak, with a negative impact primarily in residential and commercial real estate.

## Outlook

Geopolitical instability continues to impact the general economy and Sweco's markets. While some of Sweco's market segments are negatively impacted, there is a concurrent increase in demand in other segments. Overall demand for Sweco's services normally follows the general macro-economic trend, with some time lag.

Sweco does not provide forecasts.

## Events during the quarter

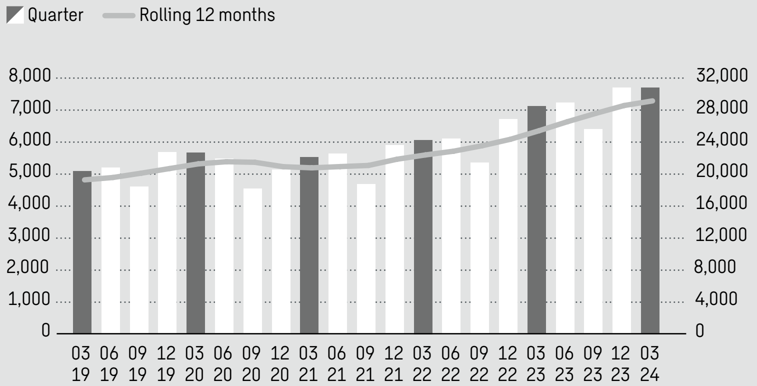
On 10 January, Sweco announced the acquisition of Econsultancy B.V. in the Netherlands. The company offers services within the areas of climate change and the green transition, with a strong focus on ecological and environmental sustainability. Econsultancy has over 200 experts and annual net sales of approximately SEK 188 million. The acquisition was consolidated into Sweco Netherlands as of January 2024.

## Events after the quarter

On 26 April, dividends totalling SEK 1,059 million (968) were distributed to Sweco AB shareholders.

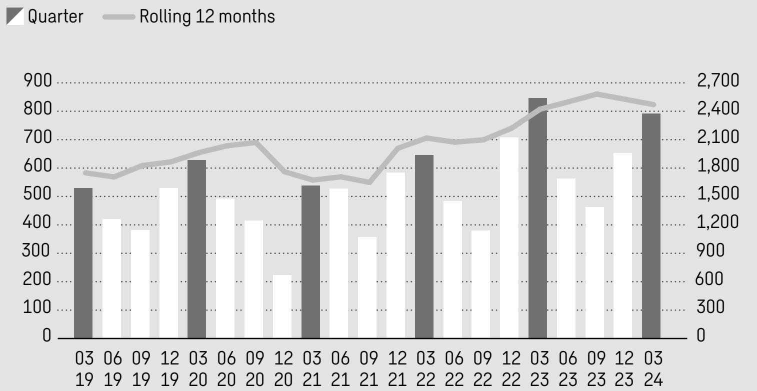
## Net sales by quarter and rolling 12 months

SEK M




## EBITA by quarter and rolling 12 months

SEK M




## Cash flow and financial position

Group cash flow from operating activities totalled SEK 351 million (136) for the first quarter. Net debt increased to SEK 3,118 million (2,916).

The Net debt/EBITDA ratio was 1.1x (1.1).

Available cash and cash equivalents, including unutilised credit lines, totalled SEK 3,829 million (3,085) at the end of the quarter.

Purchase considerations paid to acquire companies and operations had an impact of SEK -101 million (-1,217) on the Group's cash and cash equivalents. Divestments of companies and operations had an impact of SEK 11 million on the Group's cash and cash equivalents. No divestments were made during the same period last year.

No repurchases of Sweco shares were made during the period or during the same period last year.

## Investments, January–March 2024

Investments in equipment totalled SEK 75 million (69) and were primarily attributable to IT investments. Depreciation of equipment amounted to SEK 65 million (55) and amortisation of intangible assets totalled SEK 48 million (36).

## New projects

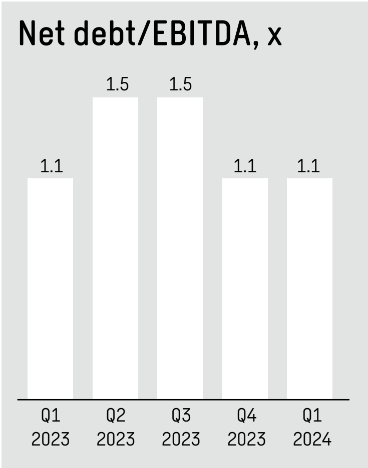
**Energy**

Sweco will be supporting energy operator Gasunie in the Netherlands in the development of a new energy infrastructure enabling the operator's transition from the transportation of natural gas to hydrogen, $CO_2$, renewable gas, and heat. To cater for this, 1,200 kilometres of new and existing pipelines are to be prepared for hydrogen. Sweco will be providing consultancy, engineering and environmental studies. Gasunie has allocated SEK 3,200 million for the framework contract for the next ten years, with Sweco's share being approximately SEK 1,100 million evenly distributed over a period of ten years.

On behalf of the Flemish Department of Mobility and Public Works (dMOW) in Belgium, Sweco has started developing a hydrogen vision for passenger and freight transport. The objective of this vision is to unite the different views of stakeholders on the role of hydrogen in road transport, shipping, aviation, infrastructure networks and railways. The contract value is SEK 1 million.

Sweco will support Danish national transmission system operator Energinet by conducting preliminary studies for four offshore wind farms in the Kattegat and the Baltic Sea. The end goal is to enable an independent green energy transition in the Nordics. Sweco collaborates with the Dutch research institute Deltares including a multidisciplinary and international team of wind, MetOcean and modelling specialists as well as experts for statistics and automation. The project begins in March 2024 and is expected to be completed by early 2025.

P2X Solutions, a Finnish pioneer in green hydrogen production and Power-to-X technology, aims to start its second industrial-scale production plant for green hydrogen and synthetic fuels, in Joensuu in Finland. Sweco's scope of work includes all engineering disciplines in front-end engineering design (FEED). This is a continuum of a previous project, where Sweco supported P2X solutions in the establishment of Finland's first industrial scale hydrogen production plant in the region of Harjavalta. P2X Solutions' goal is to build 1,000 MW of electrolysis capacity in the next ten years.




**Transportation and infrastructure**

Sweco is analysing the Roslagsbanan light rail line's new section into Stockholm City, aiming to enhance connectivity from northeastern municipalities and ease congestion on the metro system. The new four-kilometre section will include two new stations and the removal of one section for potential housing development. Commissioned by Region Stockholm, Sweco's assignment includes preparation of a railway plan and an environmental impact assessment. The project started in January 2024, with completion expected in 2026, and is valued at around SEK 20 million.

Commissioned by the Swedish Transport Administration, Sweco is working on modernising the Tomteboda railway yard to enhance Stockholm's rail capacity and to meet future demands for sustainable railway traffic. The aim is to alleviate congestion at Stockholm Central Station, allowing for more and longer trains, increasing passenger capacity up to 80 percent. The project is valued at around SEK 40 million.

Sweco is designing an open-access rail terminal in Zeebrugge's back port in Belgium for the client POM West-Flanders, the provincial agency for socio-economic affairs. The terminal will handle unaccompanied trailer traffic, using an innovative system to load and unload more trailers, including non-craneable ones. Faster operations will shorten train turnaround times, enabling the transport of reefer trailers by rail. This terminal will enhance Zeebrugge port's modal split, promoting sustainable transport and increasing rail's share. The contract value is SEK 18 million.

The German City of Bremen wants to expand and improve the public transport infrastructure and thereby strengthen mobility and climate protection. A key step is the extension of tram line 2 and a new track connection, with a total of approximately five kilometres of light rail and about four stations. Sweco is responsible for the transportation engineering study, including the evaluation of various route and cross-section options and is advising during the extensive community participation process.

Sweco signed a contract with the Szczecin and Świnoujście Seaports Authority S.A. in Poland for the supervision and management of the construction of the hydrotechnical component of the installation terminal for offshore wind farms in the port of Świnoujście. The contract covers the modernisation of the existing quay and preparation for the construction of a new section. The value of the Sweco contract is SEK 5 million.

**Health care**
Sweco is leading the consortium developing the Südspidol hospital complex in Luxembourg for Centre Hospitalier Emile Mayrisch (CHEM). The complex will be a large health hub with an area of 121,000 m² and around 600 beds. Sweco is handling all of the design phases, including BIM design, permit processes, tendering, budget control, construction management and commissioning. The project, one of Sweco's most ambitious, is expected to be operational by the end of 2033.

Sweco has signed a contract with the Jan Mikulicz-Radecki University Clinical Hospital for the management and supervision of the construction of the Integrated Pediatric Center of the University Clinical Hospital in Wrocław, Poland. This modern pediatric centre will combine the functions of a hospital and specialised outpatient clinics; this will shorten the hospitalisation time, placing the main emphasis on outpatient treatment by integrating the various specialties, knowledge and experience of the medical staff. The planned completion date of the investment is 2028. The total cost of the investment is over SEK 590 million. The value of the Sweco contract is SEK 13 million.

**Urban planning**
Sweco has been awarded a contract by Norwegian real estate developer KLP for the architectural design of the urban transformation project Pilestredet 75 in Oslo. The project will contribute to transformation and urban uplift in line with the City of Oslo's strategy for sustainable urban and housing development. Sweco is responsible for the building permit application process and will also contribute to the BREEAM (Building Research Establishment Environmental Assessment Method) certification processes, to ensure compliance with the necessary requirements. The contract with AF Bygg is approximately SEK 10 million.

Sweco has been tasked by Helsingborg City's property administration to project manage Helsingborg's new public swimming and bathing facility, catering to a growing city and harbour development. The facility aims for integrating the "three pipes" circular sewerage system for better waste management and biogas production. Stakeholder dialogues are ongoing to align with public and city needs. Construction is tentatively scheduled to begin during the second half of 2025.

The O'Devaney Gardens redevelopment will deliver 1,044 new homes in the heart of Dublin. When complete, 50 per cent of the A-rated homes will be delivered to Dublin City Council for social and affordable housing. This is a significant project for Dublin City and will be one of the most sustainable developments in Europe. Sweco has the role of Assigned Certifier for this project, for the client Bartra ODG Limited, part of the property developer Bartra Group. Sweco is overseeing the buildning control process and certifying compliance with building regulations.

Dredge operator and wind farm builder DEME has initiated a program across several of their sites in Flanders, Belgium, including soil treatment locations and landfills, to assess the presence of PFAS in soil and groundwater, and to plan for potential remediation. Sweco has been entrusted with the task of examining the soil contamination and aiding in the project development for each site.

**Water management**
To help preserve Lake Sevan, the largest and most important freshwater source in Armenia, Sweco is participating in a project for assessment of the consequences of raising the lake's water level by over 6 metres – back to the water levels of the year 1903. Sweco is using detailed mathematical modelling and long-term observed data for future climate change scenarios, which is crucial for decision-making. Additionally, Sweco is providing consultancy support for impact assessment and roadmap development. The project is part of the EU4Sevan programme for the environmental protection of the lake.

Sweco is supporting the Public Service of Wallonia Mobility and Infrastructure in Belgium to improve and modernise locks on the navigable waterways between Antwerp and Seneffe. New, more reliable gate operation gantries are planned. Sweco is analysing the impact of these new structures on the existing structures, with a focus on interface studies and execution phasing coherence. Sweco's role encompasses all necessary studies, tests and investigations related to soil and waste valorisation during construction.


Sweco is leading the consortium to develop the Südspidol hospital complex in Luxembourg for Centre Hospitalier Emile Mayrisch (CHEM). The complex will be a large health hub with an area of 121,000 m² and around 600 beds.

The German City of Bremen wants to expand and improve the public transport infrastructure and thereby strengthen mobility and climate protection. Sweco will among others, advise in the extensive community participation process.

# Business Area Overview

**Sweco operates its business in and through eight geographical business areas: Sweden, Norway, Finland, Denmark, the Netherlands, Belgium, the UK, and Germany and Central Europe.**


1) Part of Business Area Finland
2) Part of Business Area Germany and Central Europe
3) Part of Business Area Belgium
4) Part of Business Area UK

## Sweco's markets

Sweco is present in some 15 European markets and holds well-established positions in its business areas. It is primarily in these areas that the company will grow in the future. These markets are economically and politically stable, while also being close to each other geographically and culturally.

# Sweco Sweden

**Organic growth amounted to 6 per cent and EBITA increased 7 per cent, adjusted for calendar effects, driven by higher average fees and FTE growth. The market was stable, with green transition and climate adaptation driving demand in many segments, but with residential and commercial real estate remaining weak.**

## Sales and profit, January–March

Net sales increased 5 per cent to SEK 2,295 million (2,178). Organic growth was approximately 6 per cent, adjusted for calendar effects, and was mainly driven by a higher number of employees and higher average fees. The year-on-year calendar effect of twelve less hours had a negative impact of approximately SEK 44 million on net sales and EBITA.

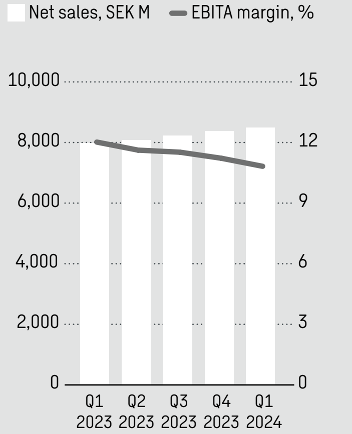
EBITA increased approximately 7 per cent, corresponding to SEK 23 million, adjusted for calendar effects. The EBITA increase was mainly driven by higher average fees and FTE growth, while higher personnel expenses and a lower billing ratio impacted negatively. The EBITA margin decreased to 12.6 per cent (14.2), driven by the large negative calendar effect.

Sweco Sweden is taking restructuring measures in the first half of 2024, affecting approximately 140 employees. Restructuring costs of SEK 6 million have been taken in the first quarter, with an additional SEK 35 million expected in the second quarter.

## Market

The Swedish market was stable during the quarter, albeit with large variations between the segments. The market for energy investments as well as for water and environmental services was good, partly driven by the green transition and climate adaptation services. Demand for infrastructure services remained stable. The trend in the industry segment remained somewhat uncertain, with the exception of northern Sweden, which continues to be a booming market driven by the green transition. In the real estate market, the weakness in the residential and commercial segments continued. The demand in the public building segment was stable.

### Net sales & EBITA margin, rolling 12 months




## In brief

| Net sales and profit | Jan–Mar 2024 | Jan–Mar 2023 |
|---|---|---|
| Net sales, SEK M | 2,295 | 2,178 |
| *Organic growth, %* | *4* | *10* |
| *Acquisition-related growth, %* | *2* | *1* |
| *Currency, %* | *0* | *0* |
| *Total growth, %* | *5* | *11* |
| *Organic growth adj. for calendar, %* | *6* | *9* |
| EBITA, SEK M | 288 | 309 |
| *EBITA margin, %* | *12.6* | *14.2* |
| Number of full-time employees | 6,597 | 6,219 |

# Sweco Norway

**Norway has a large negative calendar effect due to Easter holidays falling in the first quarter. Adjusted for that calendar effect, organic growth amounted to 2 per cent and EBITA was in line with last year. Residential and commercial buildings segments remained weak, but other segments were overall stable.**

## Sales and profit, January–March

Net sales decreased 9 per cent to SEK 905 million (994), mainly driven by the large negative calendar effect. Organic growth was approximately 2 per cent, adjusted for calendar effects, and was mainly driven by higher average fees, while a lower billing ratio and lower revenue from subconsultants impacted negatively. Currency effects amounted to -3 per cent.

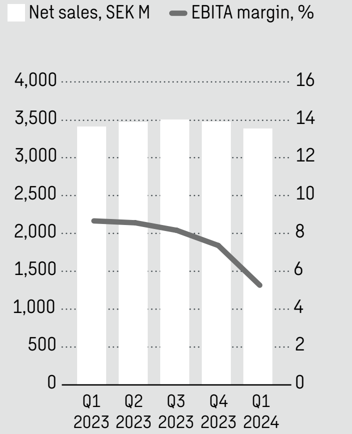
The calendar effect during Easter is more significant in Norway compared to the rest of the Group. The year-on-year calendar effect of 48 less hours had a negative impact of approximately SEK 79 million on net sales and EBITA.

Adjusted for calendar effects, EBITA is in line with last year. The result was positively affected by higher average fees, while higher personnel expenses and a lower billing ratio impacted negatively. The EBITA margin decreased to 7.9 per cent (15.1), impacted by the large negative calendar effect.

## Market

The Norwegian market was stable during the quarter, albeit with variations between the different segments. The demand for services in the industry, energy, environment and water markets was good, partly driven by the shift towards electrification. The demand for infrastructure services was stable and supported by the revised national budget allocating new funds to infrastructure projects. In the real estate market, the weakness in the residential and commercial segments continued, while the public building segment was stable.

**Net sales & EBITA margin, rolling 12 months**




## In brief

| Net sales and profit | Jan–Mar 2024 | Jan–Mar 2023 |
|---|---|---|
| Net sales, SEK M | 905 | 994 |
| *Organic growth, %* | *-6* | *14* |
| *Acquisition-related growth, %* | *0* | *11* |
| *Currency, %* | *-3* | *-3* |
| *Total growth, %* | *-9* | *21* |
| *Organic growth adj. for calendar, %* | *2* | *12* |
| EBITA, SEK M | 71 | 150 |
| *EBITA margin, %* | *7.9* | *15.1* |
| Number of full-time employees | 2,084 | 2,077 |

# Sweco Finland

**Organic growth amounted to 3 per cent and EBITA increased 38 per cent, adjusted for calendar effects, partly driven by higher average fees. The energy and infrastructure markets remained good, while the demand in the residential and commercial building segments remained weak.**

## Sales and profit, January–March

Net sales increased 3 per cent to SEK 933 million (904). Organic growth amounted to approximately 3 per cent, adjusted for calendar effects. Higher average fees impacted growth positively, while a lower billing ratio impacted negatively. The year-on-year calendar effect of eight less hours had a negative impact of approximately SEK 13 million on net sales and EBITA.

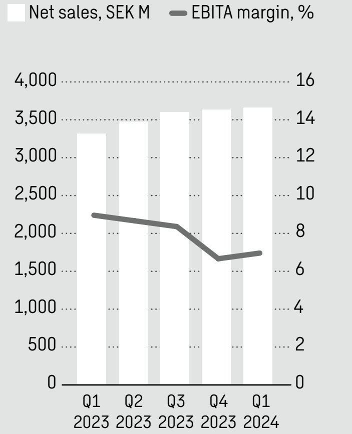
EBITA increased approximately 38 per cent, corresponding to SEK 29 million, adjusted for calendar effects. The EBITA increase was mainly driven by a one-time salary payment in the first quarter last year and higher average fees, while a lower billing ratio impacted negatively. The EBITA margin increased to 9.9 per cent (8.5).

At the end of the quarter, temporary lay-offs amounted to around 70 full-time equivalent employees. In April, Sweco Finland concluded further personnel reductions of approximately 40 FTEs. Redundancy costs of approximately SEK 10 million will be taken in the second quarter.

## Market

Overall, the Finnish market remained weak during the quarter, but with large differences between segments. The energy market and the market for infrastructure-related services were good as was the demand in the segments related to the green transition. The market for industrial services continued to be weaker in its traditional segments. The public building segment was stable, whereas the residential and commercial building segments continued to be challenging.

**Net sales & EBITA margin, rolling 12 months**




## In brief

| Net sales and profit | Jan–Mar 2024 | Jan–Mar 2023 |
|---|---|---|
| Net sales, SEK M | 933 | 904 |
| *Organic growth, %* | *2* | *8* |
| *Acquisition-related growth, %* | *1* | *–* |
| *Currency, %* | *1* | *7* |
| *Total growth, %* | *3* | *15* |
| *Organic growth adj. for calendar, %* | *3* | *6* |
| EBITA, SEK M | 92 | 77 |
| *EBITA margin, %* | *9.9* | *8.5* |
| Number of full-time employees | 2,886 | 2,881 |

# Sweco Denmark

**Organic growth amounted to 12 per cent and EBITA increased 44 per cent, adjusted for calendar effects, both driven by FTE growth and a higher billing ratio. The market was overall good, albeit with continued weakness in the private residential building segment.**

## Sales and profit, January–March

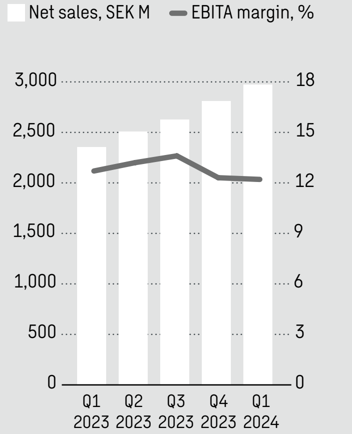
Net sales increased 24 per cent to SEK 836 million (674). Organic growth amounted to approximately 12 per cent, adjusted for calendar effects, and was mainly driven by a higher number of employees and a higher billing ratio. Acquired growth amounted to 16 per cent and was attributable to the acquisition of OJ Rådgivende Ingeniører. The year-on-year calendar effect of 22 less hours had a negative impact of approximately SEK 29 million on net sales and EBITA.

EBITA increased approximately 44 per cent, corresponding to SEK 44 million, adjusted for calendar effects. The EBITA increase was mainly driven by a higher billing ratio and FTE growth. The EBITA margin decreased to 13.8 per cent (14.9), driven by the large negative calendar effect.

## Market

The Danish market was overall good during the first quarter. Activity within the public sector increased moderately, while most of the private sector remained stable during the period. The industry market showed increasing demand, mainly driven by large investments in pharma. The weakness in the residential building segment continued, while the commercial and public building segments were stable.

### Net sales & EBITA margin, rolling 12 months




## In brief

| Net sales and profit | Jan–Mar 2024 | Jan–Mar 2023 |
|---|---|---|
| Net sales, SEK M | 836 | 674 |
| *Organic growth, %* | *8* | *17* |
| *Acquisition-related growth, %* | *16* | *3* |
| *Currency, %* | *1* | *7* |
| *Total growth, %* | *24* | *27* |
| *Organic growth adj. for calendar, %* | *12* | *16* |
| EBITA, SEK M | 116 | 100 |
| *EBITA margin, %* | *13.8* | *14.9* |
| Number of full-time employees | 1,881 | 1,476 |

# Sweco Netherlands

**Organic growth was 0 per cent and EBITA increased 7 per cent, adjusted for calendar effects. The EBITA increase was mainly driven by a higher billing ratio and contributions from acquisitions. While the market was overall stable, differences remained between segments.**

## Sales and profit, January–March

Net sales increased 13 per cent to SEK 775 million (686). Acquired growth contributed 14 per cent and was attributable to the acquisitions of VK architects+engineers and Econsultancy. Organic growth was approximately 0 per cent, adjusted for calendar effects, and was positively affected by a higher billing ratio, while more absence affected negatively. The year-on-year calendar effect of eight less hours had a negative impact of approximately SEK 9 million on net sales and EBITA.

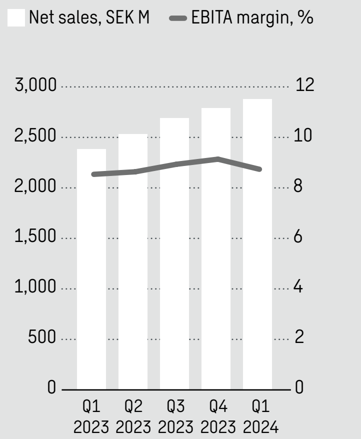
EBITA increased approximately 7 per cent, corresponding to SEK 5 million, adjusted for calendar effects. The EBITA increase was mainly attributable to a higher billing ratio and contribution from acquisitions, while higher personnel expenses impacted negatively. The EBITA margin decreased to 8.9 per cent (10.7).

## Market

The Dutch market was overall stable in the quarter, albeit with differences between segments. The water and environment markets were stable. The energy market was good due to increased demand from the energy transition.

Demand in the infrastructure and building segments remained subdued caused by the so-called nitrogen issue, related to uncertainties around the impact from the EU regulation of nitrogen emissions in the Netherlands. Furthermore, the residential building segment remained weak.

### Net sales & EBITA margin, rolling 12 months




## In brief

| Net sales and profit | Jan–Mar 2024 | Jan–Mar 2023 |
|---|---|---|
| Net sales, SEK M | 775 | 686 |
| *Organic growth, %* | *-1* | *12* |
| *Acquisition-related growth, %* | *14* | *3* |
| *Currency, %* | *1* | *7* |
| *Total growth, %* | *13* | *21* |
| *Organic growth adj. for calendar, %* | *0* | *10* |
| EBITA, SEK M | 69 | 74 |
| *EBITA margin, %* | *8.9* | *10.7* |
| Number of full-time employees | 1,783 | 1,506 |

# Sweco Belgium

**Organic growth amounted to 7 per cent and EBITA increased 15 per cent. Both revenue and earnings growth were driven by higher average fees. Despite a slowdown in parts of the industry segment, the market was stable overall with continued investments within infrastructure and energy transition.**

## Sales and profit, January–March

Net sales increased 32 per cent to SEK 1,038 million (788). Organic growth was 7 per cent and was mainly driven by higher average fees and a higher number of employees. Acquisitions contributed 24 per cent to growth and mainly pertained to the acquisition of VK architects+engineers. There was no year-on-year difference in the number of available working hours.

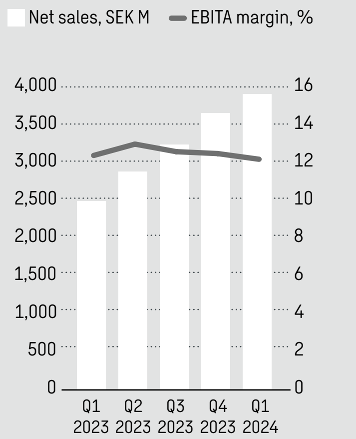
EBITA increased 15 per cent, corresponding to SEK 18 million. The EBITA increase was mainly attributable to higher average fees and the contribution from the acquisition of VK architects+engineers, while higher other operating expenses had a negative impact. The EBITA margin decreased to 13.0 per cent (14.8).

## Market

The Belgian market was overall stable during the quarter. In the building market, investments in healthcare and public buildings were stable, while there was a slowdown in investments in the residential, office and industrial buildings market.

Demand in the energy and environment segments was good, driven by the ongoing energy transition. Demand in the chemicals and pharmaceutical industry segments slowed down somewhat, while the infrastructure market remained good.

### Net sales & EBITA margin, rolling 12 months




## In brief

| Net sales and profit | Jan–Mar 2024 | Jan–Mar 2023 |
|---|---|---|
| Net sales, SEK M | 1,038 | 788 |
| *Organic growth, %* | *7* | *17* |
| *Acquisition-related growth, %* | *24* | *8* |
| *Currency, %* | *1* | *7* |
| *Total growth, %* | *32* | *32* |
| *Organic growth adj. for calendar, %* | *7* | *17* |
| EBITA, SEK M | 135 | 117 |
| *EBITA margin, %* | *13.0* | *14.8* |
| Number of full-time employees | 2,169 | 1,646 |

# Sweco UK

**Net sales and EBITA decreased, mainly driven by a lower number of employees and a lower billing ratio. The UK market remained challenging, especially within the infrastructure market and the market for residential and commercial buildings.**

## Sales and profit, January–March

Net sales decreased 5 per cent to SEK 368 million (386). Organic growth was approximately -10 per cent, adjusted for calendar effects, and the decline was mainly driven by a lower number of employees and a lower billing ratio. The year-on-year calendar effect of eight less hours had a negative impact of approximately SEK 5 million on net sales and EBITA.

EBITA decreased approximately SEK 14 million, adjusted for calendar effects, and was mainly attributable to a lower billing ratio and a lower number of employees. The EBITA margin decreased to 2.0 per cent (6.9).

In light of the continued market weakness in some segments and the significant impact on the business, Sweco UK is taking further improvement actions. In addition to the approximately 100 FTE redundancies in 2023, Sweco UK is making an additional personnel reduction of approximately 100 FTEs in the first half of 2024.

A redundancy provision of approximately SEK 7 million was taken in the first quarter.

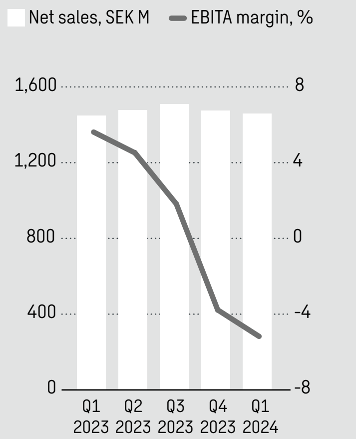
## Market

The UK market remained challenging in the first quarter, especially within transport infrastructure, with the cancellation by the government of major projects.

The demand for services in the energy market was very good, driven by investments in green energy generation and energy transmission.

The water and environment markets were stable. Building segments such as data centres, life sciences and healthcare reported good demand. In the real estate market, the weakness in the residential and commercial segments remained.

**Net sales & EBITA margin, rolling 12 months**




## In brief

| Net sales and profit | Jan–Mar 2024 | Jan–Mar 2023 |
|---|---|---|
| Net sales, SEK M | 368 | 386 |
| *Organic growth, %* | *-12* | *11* |
| *Acquisition-related growth, %* | *3* | *–* |
| *Currency, %* | *4* | *1* |
| *Total growth, %* | *-5* | *12* |
| *Organic growth adj. for calendar, %* | *-10* | *10* |
| EBITA, SEK M | 7 | 27 |
| *EBITA margin, %* | *2.0* | *6.9* |
| Number of full-time employees | 1,115 | 1,237 |

# Sweco Germany and Central Europe

**Organic growth amounted to 14 per cent, adjusted for calendar effects, and EBITA increased significantly, driven by both higher average fees and positive project adjustments. The market was stable, with good demand in the energy, environment, water and infrastructure segments and weaker demand within private real estate.**

## Sales and profit, January–March

Net sales increased 13 per cent to SEK 653 million (577). Organic growth amounted to approximately 14 per cent, adjusted for calendar effects, and was mainly driven by higher average fees including positive project adjustments. The year-on-year calendar effect of 15 less hours had a negative impact of approximately SEK 17 million on net sales and EBITA.

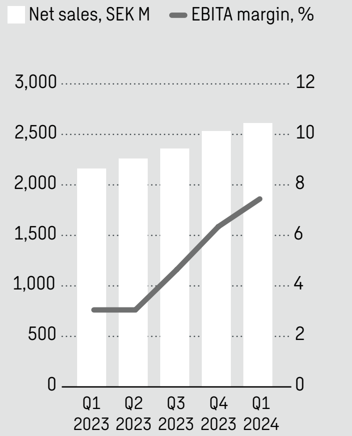
EBITA increased approximately 265 per cent, corresponding to SEK 50 million, adjusted for calendar effects. The EBITA increase was mainly driven by higher average fees including positive project adjustments, while higher personnel expenses and higher other operating expenses impacted negatively. The EBITA margin increased to 7.9 per cent (3.2).

## Market

Overall, the German market was stable in the first quarter. The demand for services in the energy, environment and water markets was good, with energy transition and new regulation for waste water treatment driving demand. The demand for infrastructure services was good.

In the commercial real estate sector, and overall in the private sector, the weakness in demand continued, driven by market uncertainty and higher construction costs.

**Net sales & EBITA margin, rolling 12 months**




## In brief

| Net sales and profit | Jan–Mar 2024 | Jan–Mar 2023 |
|---|---|---|
| Net sales, SEK M | 653 | 577 |
| *Organic growth, %* | *11* | *8* |
| *Acquisition-related growth, %* | *0* | *-1* |
| *Currency, %* | *2* | *7* |
| *Total growth, %* | *13* | *13* |
| *Organic growth adj. for calendar, %* | *14* | *6* |
| EBITA, SEK M | 52 | 19 |
| *EBITA margin, %* | *7.9* | *3.2* |
| Number of full-time employees | 2,337 | 2,296 |

# Other information

## Parent Company, January–March 2024

Parent Company net sales totalled SEK 310 million (282) and were attributable to intra-group services. Profit after net financial items totalled SEK -134 million (-76). Investments in equipment totalled SEK 8 million (25). Cash and cash equivalents at the end of the period totalled SEK 0 million (0).

## Accounting principles

Sweco complies with the International Financial Reporting Standards (IFRS) and interpretive statements from the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the EU. This report was prepared in accordance with IAS 34, Interim Reporting; the Swedish Annual Accounts Act; and the Swedish Financial Reporting Board's RFR 2, Reporting for Legal Entities. The Group applies the same accounting and valuation principles as those described in Note 1 in the Annual Report for 2023.

In this report, amounts in brackets refer to the corresponding period of the previous year. Because table items are individually rounded off, table figures do not always tally. The interim report comprises pages 1–27; the interim financial information presented on pages 1–27 is therefore part of this financial report.

## Key performance measures

Sweco follows the guidelines from ESMA (European Securities and Markets Authority) regarding APMs (Alternative Performance Measures). In brief, these are measures of historical or ongoing operating results and financial performance that are not specified or defined in IFRS. The presentation of non-IFRS financial measures is limited as an analytical tool and should not be used as a substitute for key ratios pursuant to IFRS. Sweco believes that the APMs will enhance investors' evaluation of our ongoing operating results, aid in forecasting future periods and facilitate meaningful comparison of results between periods. The non-IFRS financial measures presented in this report may differ from similarly titled measures used by other companies. A complete list of all Sweco's definitions can be found on our website: https://www.swecogroup.com/investor-relations/financial-information/definitions/

Sweco's main key financial metrics, defined as Alternative Performance Measures (APMs) in accordance with IFRS, are EBITA and Net debt/EBITDA.

*EBITA* is the Group's key metric for operational performance at Group and Business Area level. Sweco's EBITA measure is defined as Earnings Before Interest, Taxes and Acquisition-related items. All leases are treated as operating leases and the total cost of the lease affects EBITA. Operating lease treatment follows IAS 17 (the standard for leases applicable through 31 December 2018).

*Net debt/EBITDA* is Sweco's key metric for financial strength. The definition remains essentially in line with the covenants defined in Sweco's bank financing agreements. Net debt is defined as financial debt (comprised almost exclusively of interest-bearing bank debt) less cash and cash equivalents and short-term investments. Lease liabilities are excluded from Net debt. As with the calculation of EBITA, when calculating EBITDA all leases are assumed to comprise operating leases pursuant to IAS 17.

The reconciliation of Sweco's key financial metrics, described above, and IFRS measures are presented on pages 20 and 27. The organic growth calculation is presented on page 26.

## The Sweco share

The Sweco share is listed on Nasdaq Stockholm. The share price of the Sweco Class B share was SEK 120.50 at the end of the period, representing a decrease of 11 per cent during the quarter. Nasdaq Stockholm OMXSPI increased 7 per cent over the same period.

The total number of shares at the end of the period was 363,251,457: 31,051,142 Class A shares and 332,200,315 Class B shares. The total number of shares outstanding was 359,141,452: 31,051,142 Class A shares and 328,090,310 Class B shares.

## Resolutions at the 2024 AGM

Dividend: The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors, to distribute a dividend of SEK 2.95 per share (2.70) to the shareholders.

Share Savings Scheme 2024: Pursuant to the Board's proposal, the 2024 AGM resolved to implement a long-term share savings scheme for up to 100 Sweco Group senior executives and other key employees.

Share Bonus Scheme 2024: Pursuant to the Board's proposal, the 2024 AGM resolved to implement a share-based incentive scheme for employees in Sweden.

Pursuant to the Nomination Committee's proposal, the 2024 AGM resolved that the Board of Directors shall be comprised of seven members. Pursuant to the Nomination Committee's proposal, Åsa Bergman, Alf Göransson, Johan Hjertonsson, Johan Nordström, Johan Wall, Christine Wolff and Susanne Pahlén Åklundh were re-elected as directors. Johan Nordström was re-elected as Chairman of the Board of Directors.

## Risks and uncertainties

Significant risks and uncertainties affecting the Sweco Group and the Parent Company include business risks associated with the general economic trend and investment level in various markets, the capacity to attract and retain skilled personnel, the effects of political decisions as well as risks and uncertainties related to the war in Ukraine. The Group is also exposed to various types of financial risk, such as foreign currency, interest rate and credit risk. The risks to which Sweco is exposed are detailed in Sweco's 2023 Annual Report (pages 48–51, Risks and Risk Management).

## Calendar effects

**Year 2024**

The number of normal working hours in 2024, based on the 12-month sales-weighted business mix as of September 2023, is broken down as follows:

| | 2024 | 2023 | |
|---|---|---|---|
| Quarter 1: | 489 | 504 | -15 |
| Quarter 2: | 475 | 462 | 13 |
| Quarter 3: | 516 | 508 | 7 |
| Quarter 4: | 484 | 487 | -3 |
| **Total:** | **1,964** | **1,962** | **2** |

## Acquisition-related amortisation

Acquisition-related intangible assets and expensed costs for future services will be amortised pursuant to the following schedule, based on acquisitions to date:

| | |
|---|---|
| 2024 Estimate | SEK -174 million |
| 2025 Estimate | SEK -140 million |
| 2026 Estimate | SEK -128 million |
| 2027 Estimate | SEK -88 million |

## Forthcoming financial information

| | |
|---|---|
| Interim report January–June | 16 July 2024 |
| Interim report January–September | 30 October 2024 |
| Year-end report 2024 | 7 February 2025 |

Stockholm, 16 May 2024

Åsa Bergman
President and CEO, Member of the Board of Directors

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This report has not been subject to an audit or review.

# KPIs

| KPIs[1] | Jan–Mar 2024 | Jan–Mar 2023 | Apr 2023–Mar 2024 | Full-year 2023 |
|---|---|---|---|---|
| **Profitability** | | | | |
| EBITA margin, % | 10.3 | 11.9 | 8.5 | 8.9 |
| Operating margin (EBIT), % | 10.1 | 11.7 | 8.1 | 8.5 |
| **Revenue growth[2]** | | | | |
| Organic growth, % | 2 | 12 | | 8 |
| Acquisition-related growth, % | 6 | 3 | | 6 |
| Currency, % | 0 | 3 | | 4 |
| Total growth, % | 8 | 17 | | 17 |
| Organic growth adj. for calendar % | 4 | 10 | | 8 |
| **Debt** | | | | |
| Net debt, SEK M | 3,118 | 2,916 | | 2,961 |
| Interest-bearing debt, SEK M | 3,855 | 3,530 | | 4,065 |
| **Financial strength** | | | | |
| Net debt/Equity, % | 27.4 | 27.6 | | 28.0 |
| Net debt/EBITDA, x | 1.1 | 1.1 | | 1.1 |
| Equity/Assets ratio, % | 42.5 | 43.4 | | 41.5 |
| Available cash and cash equivalents, SEK M | 3,829 | 3,085 | | 3,941 |
| – of which unutilised credit, SEK M | 3,093 | 2,471 | | 2,837 |
| **Return** | | | | |
| Return on equity, % | 14.6 | 18.4 | | 16.2 |
| Return on capital employed, % | 13.6 | 16.5 | | 15.5 |
| **Share data** | | | | |
| Earnings per share, SEK | 1.55 | 1.75 | 4.46 | 4.65 |
| Diluted earnings per share, SEK | 1.55 | 1.74 | 4.45 | 4.64 |
| Equity per share, SEK[3] | 31.72 | 29.49 | | 29.49 |
| Diluted equity per share, SEK[3] | 31.60 | 29.38 | | 29.37 |
| Number of shares outstanding at reporting date | 359,141,452 | 358,654,441 | | 359,141,452 |
| Number of repurchased Class B shares | 4,110,005 | 4,597,016 | | 4,110,005 |

1) The definitions of the Key Performance Indicators (KPIs) are available on Sweco's website.
2) See page 26 for details on Sweco's calculation of revenue growth.
3) Refers to portion attributable to Parent Company shareholders.

| Reconciliation of EBIT and the APMs EBITA and EBITDA, SEK M | Jan–Mar 2024 | Jan–Mar 2023 | Apr 2023–Mar 2024 | Full-year 2023 |
|---|---|---|---|---|
| **Operating profit (EBIT)** | **778** | **839** | **2,355** | **2,416** |
| Acquisition-related items | 35 | 26 | 200 | 192 |
| Lease expenses[1] | -258 | -226 | -1,004 | -972 |
| Depreciation and impairments, right-of-use assets | 237 | 210 | 923 | 895 |
| **EBITA[2]** | **793** | **849** | **2,475** | **2,531** |
| Amortisation/depreciation and impairment, tangible and intangible fixed assets | 76 | 65 | 291 | 280 |
| **EBITDA[3]** | **868** | **913** | **2,766** | **2,811** |

1) Lease expenses pertain to adjustments made in order to treat all leases as operating leases.
2) EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA.
3) EBITDA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes, Depreciation & amortisation and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITDA.

## Consolidated income statement

| SEK M | Jan–Mar 2024 | Jan–Mar 2023 | Apr 2023–Mar 2024 | Full-year 2023 |
|---|---|---|---|---|
| Net sales | 7,720 | 7,140 | 29,102 | 28,523 |
| Other income | 8 | 4 | 43 | 39 |
| Other external expenses | -1,435 | -1,310 | -5,961 | -5,836 |
| Personnel expenses | -5,166 | -4,695 | -19,414 | -18,943 |
| Amortisation/depreciation and impairment, tangible and intangible fixed assets[1] | -76 | -65 | -291 | -280 |
| Depreciation and impairment, right-of-use assets | -237 | -210 | -923 | -895 |
| Acquisition-related items[2] | -35 | -26 | -200 | -192 |
| **Operating profit (EBIT)** | **778** | **839** | **2,355** | **2,416** |
| Net financial items[3] | -47 | -22 | -197 | -172 |
| Interest cost of leasing[4] | -21 | -15 | -74 | -68 |
| Other financial items[5] | 4 | -1 | 9 | 4 |
| **Total net financial items** | **-65** | **-39** | **-262** | **-236** |
| **Profit before tax** | **714** | **800** | **2,093** | **2,179** |
| Income tax | -155 | -175 | -493 | -513 |
| **PROFIT FOR THE PERIOD** | **558** | **625** | **1,600** | **1,667** |
| | | | | |
| **Attributable to:** | | | | |
| Parent Company shareholders | 558 | 625 | 1,600 | 1,667 |
| Non-controlling interests | 0 | 0 | 0 | 0 |
| Earnings per share attributable to Parent Company shareholders, SEK | 1.55 | 1.75 | 4.46 | 4.65 |
| Average number of shares outstanding | 359,141,452 | 358,264,651 | 359,100,868 | 358,881,667 |
| Dividend per share, SEK | | | | 2.95 |

1) Includes tangible assets and intangible assets that are not acquisition-related.
2) Acquisition-related items consist of amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of purchase price, profit and losses on the divestment of companies, operations, land and buildings, as well as costs for received future service. See page 24 for additional details.
3) Net financial items comprise interest expenses on credit facilities and costs related to credit facilities less interest income on cash and cash equivalents.
4) Interest cost of leasing comprises the interest cost of leasing pursuant to IFRS 16.
5) Other financial items: Result and distributions from participation in associated companies and other securities, result from sale of participations in associated companies and other securities, foreign exchange gains and losses on financial assets and liabilities, and other interest income and interest expenses.

## Consolidated statement of comprehensive income

| SEK M | Jan–Mar 2024 | Jan–Mar 2023 | Apr 2023–Mar 2024 | Full-year 2023 |
|---|---|---|---|---|
| Profit for the period | 558 | 625 | 1,600 | 1,667 |
| **Items that will not be reversed in the income statement** | | | | |
| Revaluation of defined benefit pensions, net after tax[1, 2] | – | – | -29 | -29 |
| **Items that may subsequently be reversed in the income statement** | | | | |
| Translation differences, net after tax | 240 | 14 | 154 | -72 |
| **COMPREHENSIVE INCOME FOR THE PERIOD** | **799** | **640** | **1,725** | **1,566** |
| | | | | |
| **Attributable to:** | | | | |
| Parent Company shareholders | 798 | 640 | 1,725 | 1,566 |
| Non-controlling interests | 0 | 0 | 0 | 0 |
| | | | | |
| *1) Tax on revaluation of defined benefit pensions* | *–* | *–* | *9* | *9* |

2) Revalued annually. Reviewed quarterly in the event of material changes to actuarial assumptions.

## Consolidated cash flow statement

| SEK M | Jan–Mar 2024 | Jan–Mar 2023 | Apr 2023–Mar 2024 | Full-year 2023 |
|---|---|---|---|---|
| Profit before tax | 714 | 800 | 2,093 | 2,179 |
| Amortisation/depreciation and impairment | 352 | 301 | 1,405 | 1,354 |
| Other non-cash items | 55 | 21 | 267 | 233 |
| **Cash flow from operating activities before changes in working capital, tax paid, interest paid and received** | **1,120** | **1,123** | **3,764** | **3,766** |
| Interest cost leasing | -21 | -15 | -74 | -68 |
| Net interest paid | -43 | -12 | -175 | -144 |
| Tax paid | -165 | -231 | -459 | -525 |
| Changes in working capital | -540 | -729 | -337 | -526 |
| **Cash flow from operating activities** | **351** | **136** | **2,719** | **2,504** |
| Acquisition and divestment of subsidiaries and operations | -90 | -1,217 | -558 | -1,686 |
| Purchase and disposal of intangible and tangible assets | -85 | -72 | -370 | -358 |
| Other investing activities | -3 | -1 | 1 | 2 |
| **Cash flow from investing activities** | **-177** | **-1,291** | **-928** | **-2,042** |
| Borrowings and repayment of borrowings | -297 | 1,110 | 247 | 1,654 |
| Principal elements of lease payments | -238 | -212 | -915 | -889 |
| Dividends paid | – | – | -968 | -968 |
| **Cash flow from financing activities** | **-535** | **898** | **-1,636** | **-203** |
| **CASH FLOW FOR THE PERIOD** | **-361** | **-257** | **155** | **259** |

## Consolidated balance sheet

| SEK M | 31 Mar 2024 | 31 Mar 2023 | 31 Dec 2023 |
|---|---|---|---|
| Goodwill | 10,778 | 10,558 | 10,465 |
| Other intangible assets | 807 | 317 | 754 |
| Property, plant and equipment | 737 | 620 | 709 |
| Right-of-use assets | 3,038 | 2,608 | 2,522 |
| Financial assets | 271 | 327 | 285 |
| Current assets excl. cash and cash equivalents | 10,442 | 9,348 | 9,674 |
| Cash and cash equivalents incl. short-term investments | 737 | 614 | 1,103 |
| **TOTAL ASSETS** | **26,810** | **24,391** | **25,512** |
| Equity attributable to Parent Company shareholders | 11,390 | 10,576 | 10,590 |
| Non-controlling interests | 5 | 7 | 5 |
| **Total equity** | **11,395** | **10,582** | **10,595** |
| Non-current lease liabilities | 2,268 | 1,860 | 1,770 |
| Non-current interest-bearing debt | 2,358 | 2,811 | 2,628 |
| Other non-current liabilities | 961 | 798 | 932 |
| Current lease liabilities | 819 | 812 | 805 |
| Current interest-bearing debt | 1,497 | 719 | 1,437 |
| Other current liabilities | 7,511 | 6,809 | 7,345 |
| **TOTAL EQUITY AND LIABILITIES** | **26,810** | **24,391** | **25,512** |
| | | | |
| Contingent liabilities | 1,286 | 1,224 | 1,256 |

## Consolidated statement of changes in equity

| SEK M | Jan–Mar 2024 Equity attributable to Parent Company shareholders | Jan–Mar 2024 Non-controlling interests | Jan–Mar 2024 Total equity | Jan–Mar 2023 Equity attributable to Parent Company shareholders | Jan–Mar 2023 Non-controlling interests | Jan–Mar 2023 Total equity |
|---|---|---|---|---|---|---|
| Equity, opening balance | 10,590 | 5 | 10,595 | 9,939 | 4 | 9,943 |
| Comprehensive income for the period | 798 | 0 | 799 | 640 | 0 | 640 |
| Share bonus scheme | 1 | – | 1 | -3 | – | -3 |
| Share savings schemes | 1 | – | 1 | 0 | – | 0 |
| Changes in non-controlling interests | – | – | – | – | 3 | 3 |
| **EQUITY, CLOSING BALANCE** | **11,390** | **5** | **11,395** | **10,576** | **7** | **10,582** |

## Acquisitions

The following acquisition of a company was carried out during the period.

| Company | Included from | Business area | Acquired share, % | Annual net sales in SEK M[1] | Number of employees (individuals) |
|---|---|---|---|---|---|
| Econsultancy B.V. | January | Netherlands | 100 | 188 | 213 |
| **TOTAL** | | | | **188** | **213** |

1) Estimated annual net sales.

During the period, the acquired company contributed SEK 43 million in net sales, SEK 1 million in EBITA and SEK -2 million in operating profit (EBIT). If the company had been owned as of 1 January 2024, it would have contributed approximately SEK 43 million in net sales, about SEK 1 million in EBITA and about SEK -2 million in operating profit (EBIT). The transaction costs for the acquisition during this period and the previous period totalled SEK 3 million.

The purchase consideration, for the acquisition and some adjustments of last year's acquisitions, totalled SEK 112 million and had a negative impact on cash and cash equivalents of SEK 101 million. The acquisition analysis during the period is preliminary. The acquisition and some adjustments of last year's acquisitions impacted the consolidated balance sheet as detailed in the table below.

| Acquisitions, SEK M | |
|---|---|
| Intangible assets | 116 |
| Property, plant and equipment | 6 |
| Right-of-use assets | 10 |
| Financial assets | 1 |
| Current assets | 50 |
| Non-current lease liabilities | -5 |
| Deferred tax | -19 |
| Current lease liabilities | -5 |
| Other current liabilities | -41 |
| **Total purchase consideration** | **112** |
| Cash and cash equivalents in acquired companies | -12 |
| **DECREASE IN GROUP CASH AND CASH EQUIVALENTS** | **101** |

## Divestments

In February, Sweco divested the Road laboratory operation in the Netherlands with 6 employees and annual net sales of SEK 13 million. The divestment contributed SEK 2 million in net sales and SEK 0 million in operating profit during the period. The divestment had a positive impact on profit of SEK 10 million and on the Group's cash and cash equivalents of SEK 11 million. The impact of the divestment on the consolidated balance sheet was limited.

## Acquisition-related items

| SEK M | Jan–Mar 2024 | Jan–Mar 2023 | Apr 2023–Mar 2024 | Full-year 2023 |
|---|---|---|---|---|
| Amortisation of acquisition-related intangible assets | -39 | -27 | -190 | -178 |
| Revaluation of additional purchase price | – | – | 0 | 0 |
| Profit/loss on divestment of companies and operations | 10 | 1 | 10 | 1 |
| Cost for received future service | -6 | – | -21 | -15 |
| **ACQUISITION-RELATED ITEMS** | **-35** | **-26** | **-200** | **-192** |

## Fair value of financial instruments

The Group's financial instruments consist of shares, trade receivables, other receivables, cash and cash equivalents, trade payables, forward exchange contracts, interest bearing liabilities, other liabilities, and contingent considerations. Descriptions of each category and valuation techniques for the different levels are shown below and in the 2023 Annual Report, Note 33 Financial instrument per category. No transfers between any of the levels took place during the period.

Forward exchange contracts are measured at fair value based on Level 2 inputs. As per 31 March 2024, forward contracts with a positive market value amounted to SEK 0 million compared with SEK 1 million as per 31 December 2023 and forward contracts with a negative market value amounted to SEK 2 million compared with SEK 1 million as per 31 December 2023. Unlisted financial assets and contingent considerations are measured at fair value based on Level 3 inputs. The fair value of unlisted financial assets amounted to SEK 10 million as per 31 March 2024 compared with SEK 10 million as per 31 December 2023, and financial liabilities for contingent considerations amounted to SEK 10 million compared with SEK 10 million as per 31 December 2023. Other financial assets and liabilities are measured at accrued amortised cost. Accrued amortised cost is considered a good approximation of fair value since the fixed interest period for all loans is less than one year.

## Quarterly review per business area

| | 2024 Q1 | 2023 Q4 | 2023 Q3 | 2023 Q2 | 2023 Q1 | 2022 Q4 | 2022 Q3 | 2022 Q2 | 2022 Q1 |
|---|---|---|---|---|---|---|---|---|---|
| **Net sales, SEK M** | | | | | | | | | |
| Sweco Sweden | 2,295 | 2,359 | 1,691 | 2,177 | 2,178 | 2,201 | 1,549 | 2,067 | 1,968 |
| Sweco Norway | 905 | 903 | 745 | 840 | 994 | 933 | 712 | 778 | 822 |
| Sweco Finland | 933 | 960 | 808 | 969 | 904 | 930 | 680 | 812 | 788 |
| Sweco Denmark | 836 | 825 | 636 | 683 | 674 | 642 | 517 | 527 | 531 |
| Sweco Netherlands | 775 | 726 | 686 | 701 | 686 | 627 | 528 | 552 | 567 |
| Sweco Belgium | 1,038 | 997 | 900 | 980 | 788 | 577 | 549 | 587 | 597 |
| Sweco UK | 368 | 321 | 398 | 375 | 386 | 355 | 365 | 347 | 344 |
| Sweco Germany & Central Europe | 653 | 727 | 631 | 607 | 577 | 553 | 532 | 505 | 509 |
| Group-wide, Eliminations, etc.[1] | -84 | -102 | -78 | -81 | -49 | -87 | -59 | -59 | -50 |
| **TOTAL NET SALES** | **7,720** | **7,717** | **6,417** | **7,249** | **7,140** | **6,732** | **5,372** | **6,116** | **6,077** |
| | | | | | | | | | |
| **EBITA, SEK M[2]** | | | | | | | | | |
| Sweco Sweden | 288 | 315 | 106 | 221 | 309 | 318 | 97 | 245 | 255 |
| Sweco Norway | 71 | 48 | 20 | 41 | 150 | 77 | 33 | 38 | 116 |
| Sweco Finland | 92 | 48 | 45 | 74 | 77 | 109 | 46 | 67 | 75 |
| Sweco Denmark | 116 | 90 | 93 | 66 | 100 | 101 | 68 | 33 | 61 |
| Sweco Netherlands | 69 | 75 | 61 | 48 | 74 | 60 | 40 | 34 | 49 |
| Sweco Belgium | 135 | 111 | 97 | 134 | 117 | 61 | 65 | 68 | 78 |
| Sweco UK | 7 | -73 | -6 | -3 | 27 | 11 | 33 | 12 | 15 |
| Sweco Germany & Central Europe | 52 | 71 | 54 | 16 | 19 | 21 | 12 | 14 | 17 |
| Group-wide, Eliminations, etc.[1] | -38 | -31 | -6 | -34 | -23 | -48 | -12 | -25 | -17 |
| **EBITA** | **793** | **654** | **465** | **564** | **849** | **709** | **382** | **486** | **648** |
| | | | | | | | | | |
| **EBITA margin, %[2]** | | | | | | | | | |
| Sweco Sweden | 12.6 | 13.4 | 6.3 | 10.2 | 14.2 | 14.4 | 6.3 | 11.9 | 12.9 |
| Sweco Norway | 7.9 | 5.3 | 2.7 | 4.8 | 15.1 | 8.3 | 4.6 | 4.8 | 14.1 |
| Sweco Finland | 9.9 | 5.0 | 5.5 | 7.6 | 8.5 | 11.7 | 6.7 | 8.3 | 9.5 |
| Sweco Denmark | 13.8 | 10.9 | 14.7 | 9.7 | 14.9 | 15.7 | 13.2 | 6.3 | 11.4 |
| Sweco Netherlands | 8.9 | 10.3 | 9.0 | 6.9 | 10.7 | 9.6 | 7.5 | 6.1 | 8.7 |
| Sweco Belgium | 13.0 | 11.1 | 10.8 | 13.7 | 14.8 | 10.6 | 11.9 | 11.5 | 13.0 |
| Sweco UK | 2.0 | -22.6 | -1.6 | -0.7 | 6.9 | 3.1 | 9.0 | 3.5 | 4.3 |
| Sweco Germany & Central Europe | 7.9 | 9.8 | 8.5 | 2.6 | 3.2 | 3.7 | 2.3 | 2.8 | 3.4 |
| **EBITA margin** | **10.3** | **8.5** | **7.2** | **7.8** | **11.9** | **10.5** | **7.1** | **7.9** | **10.7** |
| | | | | | | | | | |
| Billing ratio, % | 72.7 | 73.3 | 72.5 | 74.2 | 73.2 | 74.4 | 73.0 | 74.3 | 73.6 |
| Number of normal working hours | 489 | 487 | 508 | 462 | 504 | 490 | 516 | 468 | 497 |
| Number of full-time employees | 20,939 | 20,874 | 20,062 | 20,310 | 19,416 | 19,265 | 18,464 | 18,626 | 18,263 |

1) Group-wide, Eliminations, etc. includes Group functions, the Dutch real estate operations and Twinfinity AB.
2) EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA.

## Period review per business area

| January–March | Net sales, SEK M | | EBITA, SEK M[2] | | EBITA margin, %[2] | | Number of full-time employees | |
|---|---|---|---|---|---|---|---|---|
| Business Area[1] | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Sweco Sweden | 2,295 | 2,178 | 288 | 309 | 12.6 | 14.2 | 6,597 | 6,219 |
| Sweco Norway | 905 | 994 | 71 | 150 | 7.9 | 15.1 | 2,084 | 2,077 |
| Sweco Finland | 933 | 904 | 92 | 77 | 9.9 | 8.5 | 2,886 | 2,881 |
| Sweco Denmark | 836 | 674 | 116 | 100 | 13.8 | 14.9 | 1,881 | 1,476 |
| Sweco Netherlands | 775 | 686 | 69 | 74 | 8.9 | 10.7 | 1,783 | 1,506 |
| Sweco Belgium | 1,038 | 788 | 135 | 117 | 13.0 | 14.8 | 2,169 | 1,646 |
| Sweco UK | 368 | 386 | 7 | 27 | 2.0 | 6.9 | 1,115 | 1,237 |
| Sweco Germany & Central Europe | 653 | 577 | 52 | 19 | 7.9 | 3.2 | 2,337 | 2,296 |
| Group-wide, Eliminations, etc.[3] | -84 | -49 | -38 | -23 | – | – | 86 | 77 |
| **TOTAL GROUP** | **7,720** | **7,140** | **793** | **849** | **10.3** | **11.9** | **20,939** | **19,416** |

1) Sweco is not applying IFRS 16 at the business area level.
2) EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA.
3) Group-wide, Eliminations, etc. includes Group functions, the Dutch real estate operations and Twinfinity AB.

## Net sales growth

The table below shows the calculation of organic growth excluding calendar effects – i.e., net sales growth adjusted for the impact of acquisitions and divestments as well as the effect of foreign currency fluctuations and calendar effects.

| | Jan–Mar 2024 | Jan–Mar 2023 | Growth, % Jan–Mar 2024 |
|---|---|---|---|
| Reported net sales | 7,720 | 7,140 | 8 |
| Adjustment for currency effects | | 14 | 0 |
| **Net sales, currency-adjusted** | **7,720** | **7,154** | **8** |
| Adjustment for acquisitions/divestments | -442 | | 6 |
| **Comparable net sales, currency-adjusted** | **7,278** | **7,154** | **2** |
| Adjustment of calendar effect | 195 | | -3 |
| **Comparable net sales, adjusted for currency and calendar effects** | **7,473** | **7,154** | **4** |

| | Jan–Mar 2023 | Jan–Mar 2022 | Growth, % Jan–Mar 2023 |
|---|---|---|---|
| Reported net sales | 7,140 | 6,077 | 17 |
| Adjustment for currency effects | | 181 | 3 |
| **Net sales, currency-adjusted** | **7,140** | **6,257** | **15** |
| Adjustment for acquisitions/divestments | -190 | -15 | 3 |
| **Comparable net sales, currency-adjusted** | **6,950** | **6,242** | **12** |
| Adjustment of calendar effect | -75 | | 1 |
| **Comparable net sales, adjusted for currency and calendar effects** | **6,875** | **6,242** | **10** |

## Net debt

| SEK M | 31 Mar 2024 | 31 Mar 2023 | 31 Dec 2023 |
|---|---|---|---|
| Non-current interest-bearing debt | 2,358 | 2,811 | 2,628 |
| Current interest-bearing debt | 1,497 | 719 | 1,437 |
| Cash and cash equivalents incl. short-term investments | -737 | -614 | -1,103 |
| **NET DEBT[1]** | **3,118** | **2,916** | **2,961** |

1) Net debt is an alternative performance measure (APM) defined as financial debt (comprised almost exclusively of interest-bearing bank debt) less cash and cash equivalents and short-term investments. Lease liabilities are excluded from Net debt.

## Parent Company income statement

| SEK M | Jan–Mar 2024 | Jan–Mar 2023 | Full-year 2023 |
|---|---|---|---|
| Net sales | 310 | 282 | 1,166 |
| Operating expenses | -344 | -299 | -1,243 |
| **Operating loss** | **-34** | **-17** | **-77** |
| Net financial items | -99 | -59 | 734 |
| **Profit/loss after net financial items** | **-134** | **-76** | **656** |
| Appropriations | – | – | 59 |
| **Profit/loss before tax** | **-134** | **-76** | **715** |
| Tax | – | – | -77 |
| **PROFIT/LOSS AFTER TAX** | **-134** | **-76** | **638** |

## Parent Company balance sheet

| SEK M | 31 Mar 2024 | 31 Mar 2023 | 31 Dec 2023 |
|---|---|---|---|
| Intangible assets | 9 | 14 | 10 |
| Property, plant and equipment | 99 | 76 | 97 |
| Financial assets | 6,533 | 6,575 | 6,535 |
| Current assets | 2,779 | 2,510 | 3,380 |
| **TOTAL ASSETS** | **9,420** | **9,176** | **10,022** |
| Equity | 4,261 | 4,560 | 4,363 |
| Untaxed reserves | 895 | 954 | 895 |
| Non-current liabilities | 698 | 1,170 | 978 |
| Current liabilities | 3,566 | 2,492 | 3,786 |
| **TOTAL EQUITY AND LIABILITIES** | **9,420** | **9,176** | **10,022** |