

# Q2 Report

January – June 2022

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19 August 2022



# Continued positive trend with stable profit margin and high growth

- ▶ Sales grew by 44% to SEK 1 143 (794) million. Adjusted Organic growth of 5,4%
- ▶ EBITA amounted to SEK 92 million (65). An improvement of 41%
- ▶ EBITA margin was 8.0% (8.2)
- ▶ EBITA margin LTM was 8.1%
- ▶ Earnings per share 0.81 SEK (0.76)
- ▶ Cash flow from operating activities SEK 15 (104) million
- ▶ Leverage 2.4X (2.3X). Net debt / EBITDA pro-forma LTM
- ▶ During the period, Aktiv Veidrift AS in Norway was acquired
- ▶ Activated share buy-back program

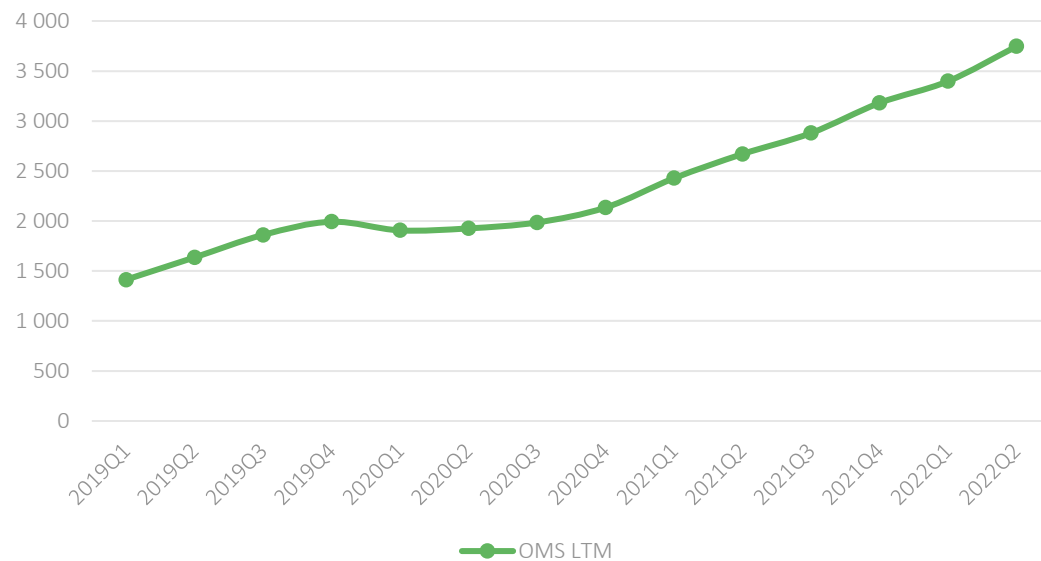
## Key financials Q2 2022

SEK million	Q2 2022	Q2 2021	LTM 2022
SALES	1 143	794	3 749
EBITA	92	65	305
EBITA %	8.0	8.2	8.1
CASH FLOW FROM OPERATIONS	15	104	130
ORDER BACKLOG	6 638	5 259	
ACQUIRED ANNUAL SALES	240	277	927

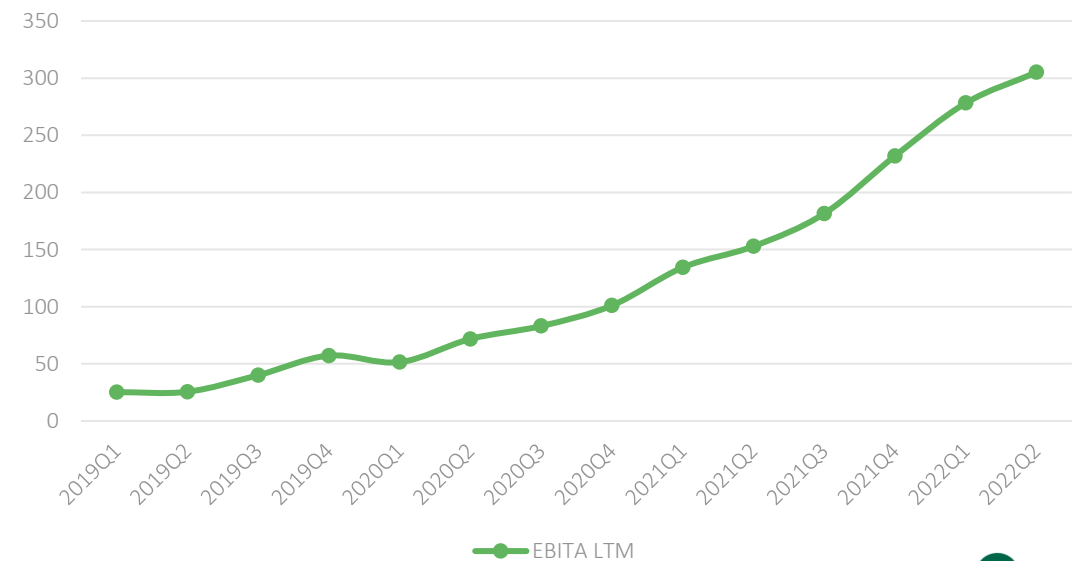
# Financial performance



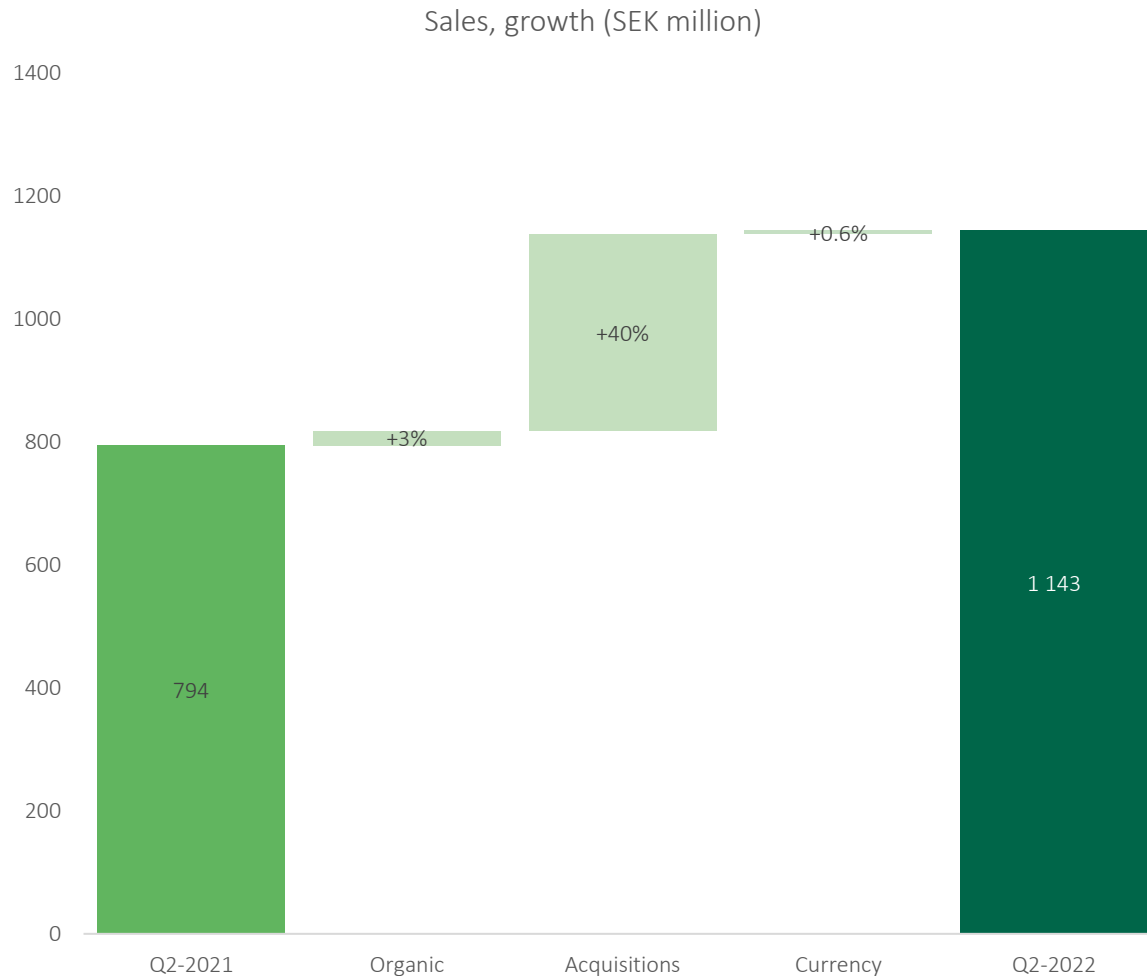
Revenue, LTM, mkr



EBITA, LTM, mkr



# Strong growth mainly driven by acquisitions



- ▶ Adjusted Organic growth of 5.4% compared to corresponding quarter last year (3.4% reported growth)
- ▶ Acquisition growth 40%
- ▶ Currency effects 0.6%

# Acquired companies in Q2 2022



## Aktiv Veidrift AS

- ▶ Founded in 2002
- ▶ Operates in Drammen area, southwest of Oslo
- ▶ Offers services in three main segments; light infrastructure, road and landscaping services
- ▶ Annual sales of NOK 240 million
- ▶ 100 employees



# Construction work

Region Norway – Hadeland Maskindrift AS

- ▶ Hadeland Maskindrift has signed a contract with Viken Fylkeskommune
- ▶ Scope: Work includes edge and road reinforcement, mainly in the same route, trenching, repair, rebuilding and laying of gutters, sumps and drainage and restoration of sidewalks, bus platforms, ramps and traffic lanes
- ▶ Contract value: NOK 15 million per year
- ▶ End customer: Viken Fylkeskommune
- ▶ Project start: June 2022
- ▶ Duration: 1 year with option 1 + 1

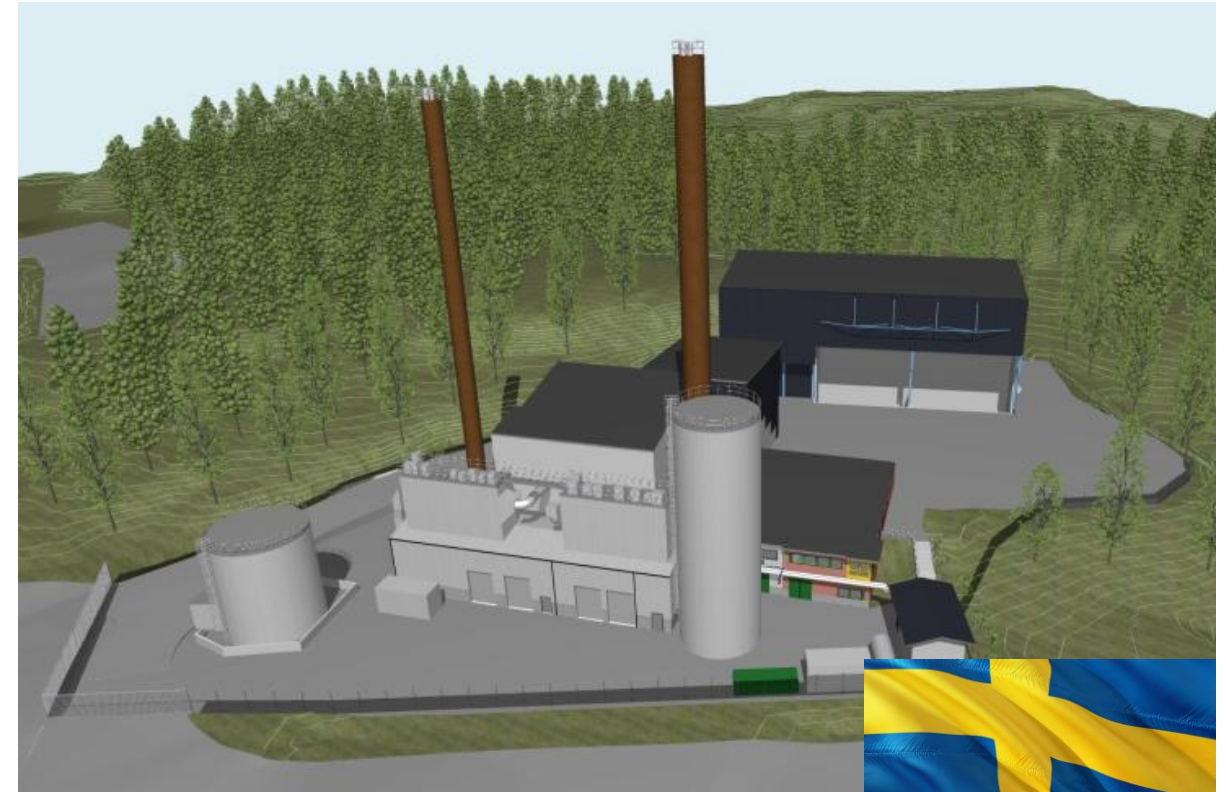


**HADELAND  
MASKINDRIFT AS**

# Groundwork for new boiler center

Region Mid

- ▶ Markbygg Anläggning Väst has signed new contract with Kungälv energi
- ▶ Scope: Groundwork in connection with the new and state-of-the-art boiler center that will supply the entire municipality with safe, sustainable and cost-effective district heating
- ▶ Contract value: SEK 25 million
- ▶ End customer: Kungälv energi
- ▶ Project start: August 2022 and will be completed in March 2023

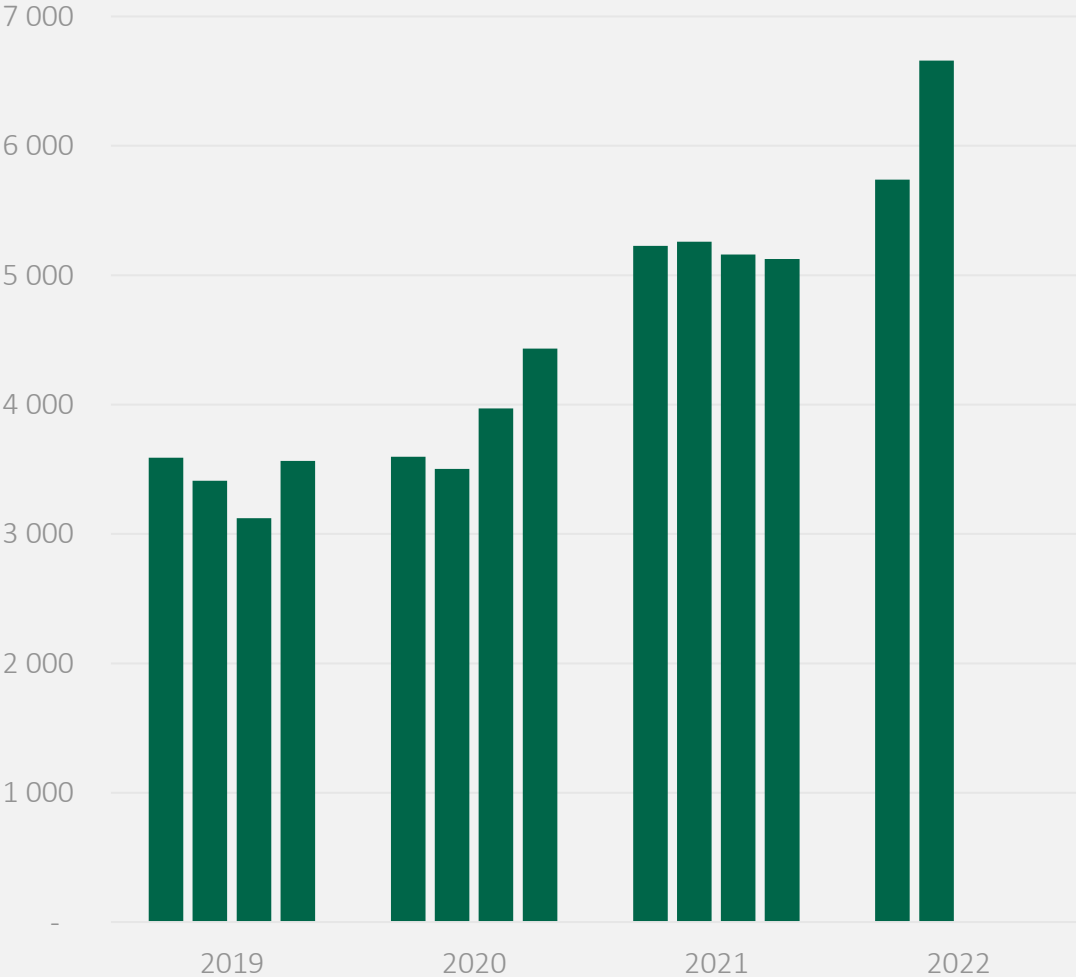


# Order backlog increased by 27% to SEK 6.7 billions

The order backlog is substantial and all-time high. Lack of capacity in short term

Growth of 27% compared with Q2 2021

Volume increase driven by acquisitions and new contracts. High retention rate.





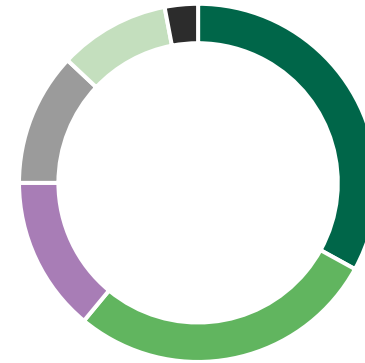
# Income Statement & Balance Sheet

SEK m	Note	April-June 2022	April-June 2021	Jan-June 2022	Jan-June 2021	Jan-Dec 2021
Net sales	1.2	1,134	774	2,009	1,438	3,139
Other operating income		9	20	20	25	42
<b>Total revenue</b>		<b>1,143</b>	<b>794</b>	<b>2,029</b>	<b>1,463</b>	<b>3,182</b>
Operating costs						
Cost of goods and services sold		-523	-315	-907	-639	-1,394
Other external costs		-161	-71	-291	-132	-295
Costs for remuneration to employees		-332	-285	-609	-500	-999
Other operating expenses		-4	-31	-9	-55	-147
Depreciation of PPE		-31	-28	-60	-56	-113
Amortization of intangible assets		-23	-18	-45	-33	-77
<b>Operating profit (loss)</b>		<b>69</b>	<b>47</b>	<b>108</b>	<b>47</b>	<b>155</b>
Profit (loss) from financial items						
Financial income		0	-0	1	0	1
Financial expenses		-7	-8	-25	-14	-34
<b>Total income from financial items</b>		<b>-7</b>	<b>-8</b>	<b>-24</b>	<b>-14</b>	<b>-33</b>
<b>Earnings before tax</b>		<b>62</b>	<b>38</b>	<b>84</b>	<b>33</b>	<b>122</b>
<b>Tax</b>		<b>-19</b>	<b>-2</b>	<b>-26</b>	<b>-3</b>	<b>-30</b>
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<b>43</b>	<b>36</b>	<b>58</b>	<b>30</b>	<b>92</b>

SEK m	Note	30 June 2022	30 June 2021	31 Dec 2021
<b>Assets</b>				
Intangible assets	3	1,831	1,332	1,494
Property, plant and equipment		214	214	178
Right-of-use assets		343	267	321
Financial assets		26	20	27
<b>Total non-current assets</b>		<b>2,413</b>	<b>1,834</b>	<b>2,019</b>
Inventories		56	32	38
Contract assets		70	79	39
Current receivables		777	482	722
Cash and cash equivalents		328	336	352
<b>Total current assets</b>		<b>1,231</b>	<b>929</b>	<b>1,152</b>
<b>TOTAL ASSETS</b>		<b>3,644</b>	<b>2,763</b>	<b>3,171</b>
<b>Equity and liabilities</b>				
Equity		1,048	754	896
Non-current liabilities		1,489	1,059	1,192
Non-current lease liabilities		213	215	206
Contract liabilities		40	51	25
Current lease liabilities		53	68	60
Current liabilities		801	617	793
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,644</b>	<b>2,763</b>	<b>3,171</b>

# Performance per segment

- ▶ Continued growth in most segments
- ▶ Positive or stable margin development in most segments
- ▶ Acquired companies contributed with robust profit
  - ▶ Stable improvement in sales and result in South
  - ▶ Mid grew strongly, however margin was affected by increased cost for shipping and raw materials in one unit
  - ▶ Stockholm is performing well with significant increase in margin compared to last year. Revenue below last year due to closure of unit.
  - ▶ High growth in Norway due to acquired companies. Existing companies increased profitability. Lower margin profile of acquired companies.
  - ▶ Finland was in line with expectations



Sales per segment

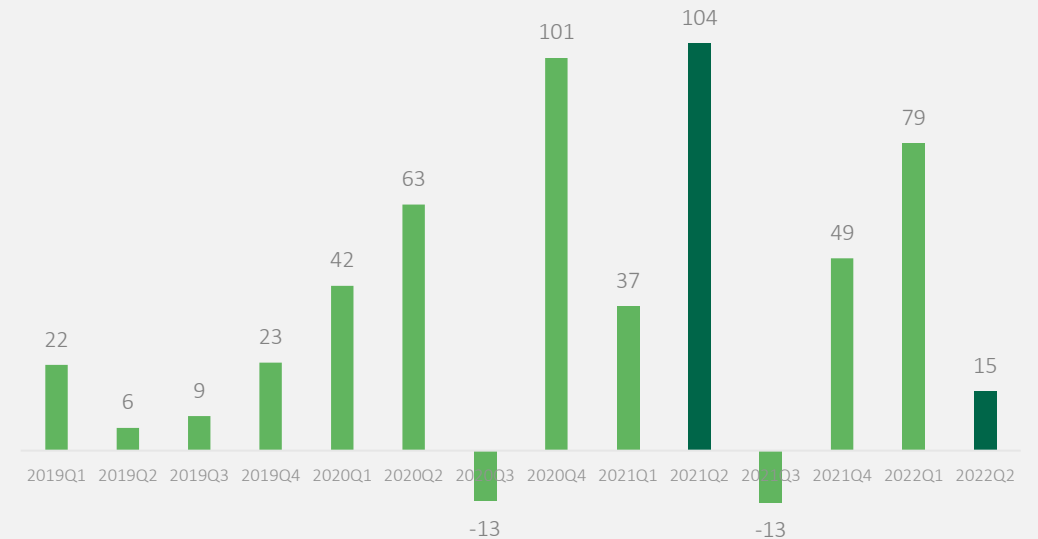
- Region Norway, 33%
- Region Mid, 28%
- Region South, 14%
- Region Stockholm, 12%
- Region North, 10%
- Region Finland, 3%

SEK million	Q2 2022			Q2 2021			Q2 2022 LTM		
	Sales	EBITA	EBITA margin %	Sales	EBITA	EBITA margin %	Sales	EBITA	EBITA margin %
Region South	165	15	9.3	140	13	9.3	572	48	8.3
Region Mid	333	20	6.1	254	20	7.9	1 058	42	4.0
Region Stockholm	123	1	0.9	139	-4	-2.9	565	22	3.9
Region North	90	6	7.1	71	2	2.8	380	41	10.7
Region Norway	410	51	12.4	222	36	16.2	1 242	179	14.4
Region Finland	59	5	7.8	-	-	-	135	10	7.8
Other	-38	-7	-	-31	-2	-	-204	-36	17.8
<b>TOTAL</b>	<b>1 143</b>	<b>92</b>	<b>8.0</b>	<b>795</b>	<b>65</b>	<b>8.2</b>	<b>3 749</b>	<b>305</b>	<b>8.1</b>

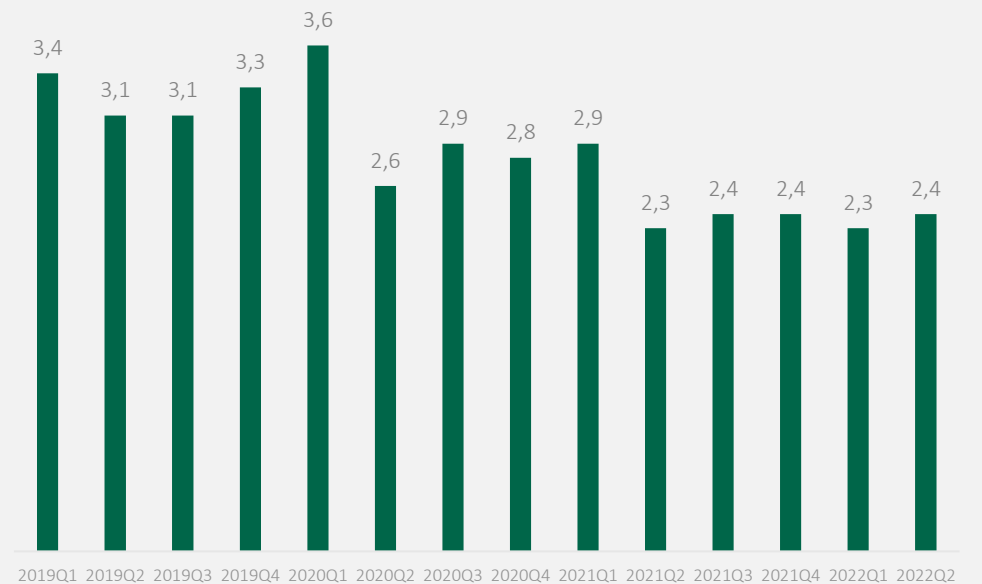
# Financial position

- ▶ Cash flow of SEK 15 (104) million.
  - ▶ WC impact -81 million SEK driven by increased outstanding accounts receivables
- ▶ Leverage of 2.4X (2.3X) despite acquisitions
- ▶ Continued focus on acquisitions
- ▶ Cash and cash equivalents at the end of the period were SEK 328 (336) million

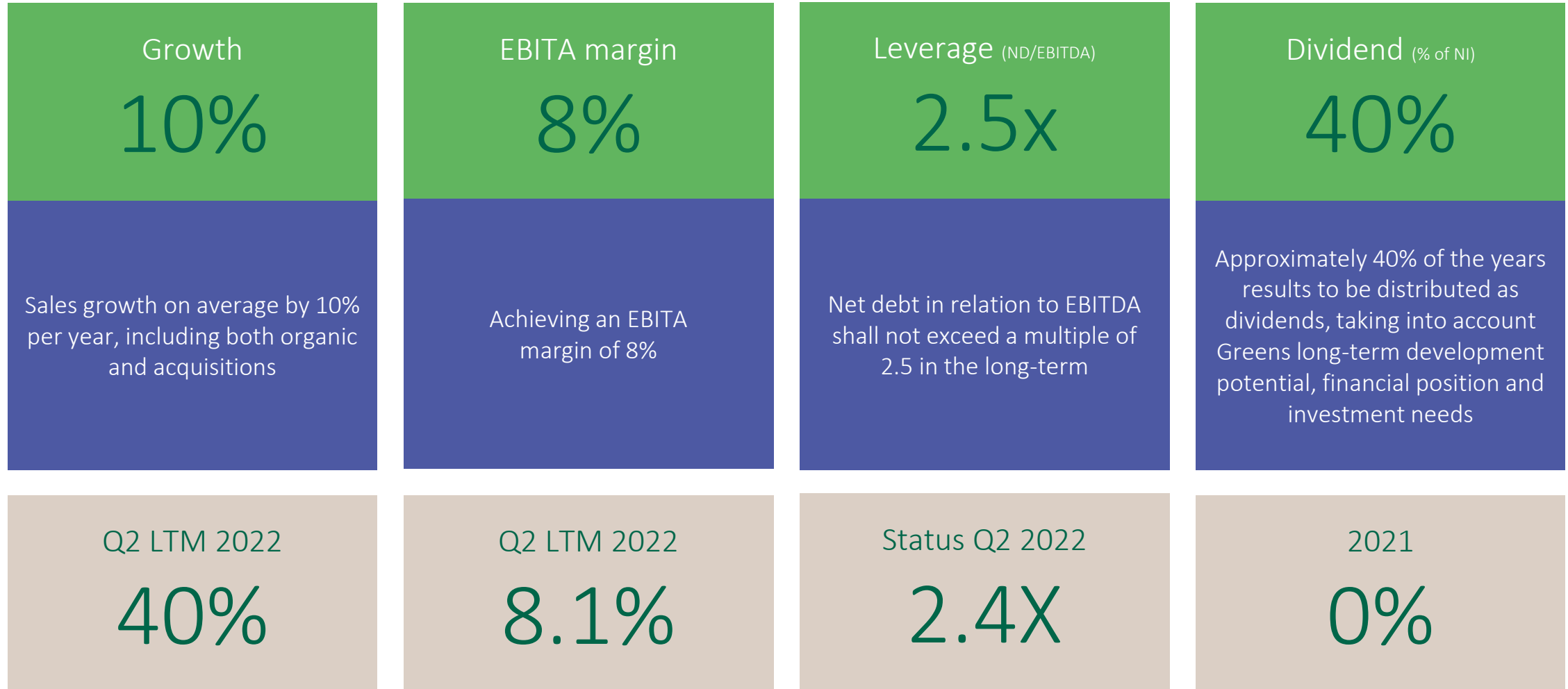
Cash Flow from Operations, SEK m



Leverage



# Financial targets



# Summary Q2 2022

- ▶ Strong growth 44%, EBITA growth 41%
- ▶ Sales CAGR of 32%, EBITA CAGR of 129% (3y)
- ▶ EBITA margin stable on 8.0% (8.2)
- ▶ LTM EBITA margin 8.1%, above financial target
- ▶ One acquisition with annual sales of SEK 240 million closed during period



# Green

landscaping group

