

Presentation – Q1 2023

27 April 2023



First quarter: Adjusted EBITA +28% - continued good sales growth

Net sales
SEK 7,817m
growth 26%



- Adj EBITA +28%
- Reported EBITA SEK 324m (22)
- EBITA in Plantasjen decreased by SEK 111m
- Net sales +26%, whereof organic +8%
- Continued good order intake
- Strong cash flow



Adj EBITA SEK 324m
growth +28%

Business Areas

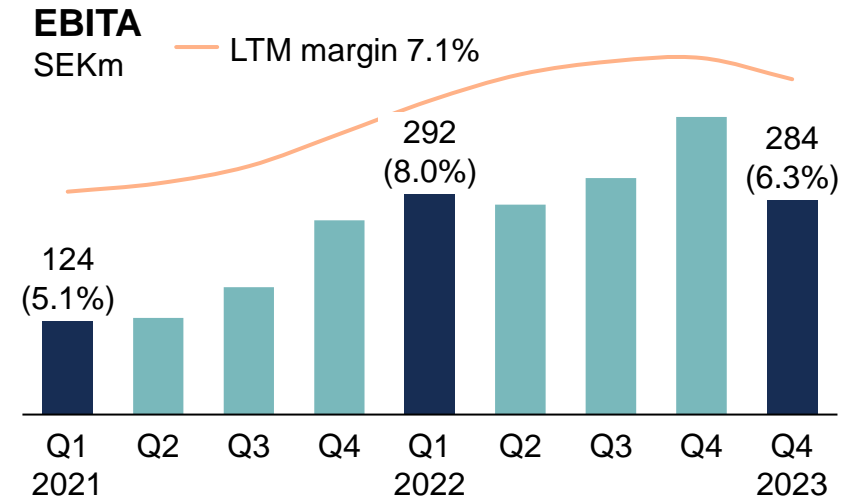
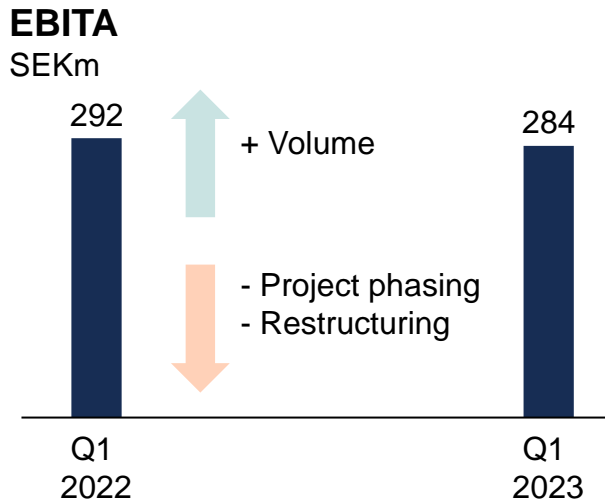
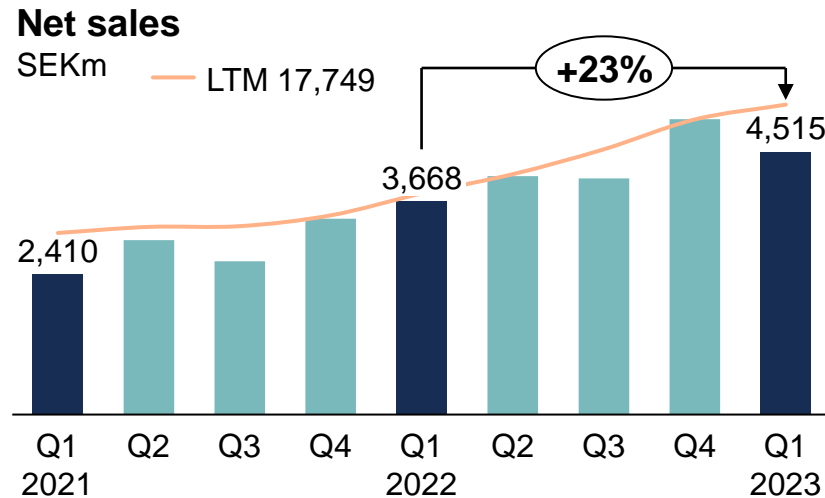


Construction & Services: Strong net sales growth

We build and maintain a sustainable society

Comments

- Order backlog on record level
- Net sales growth 23%, whereof organic 19%
- Strong development in the construction companies with limited exposure in housing construction
- EBITA SEK 284m (292), decreased by 2%, due to project phasing
EBITA margin down to 6.3% (8.0%) and LTM 7.1%

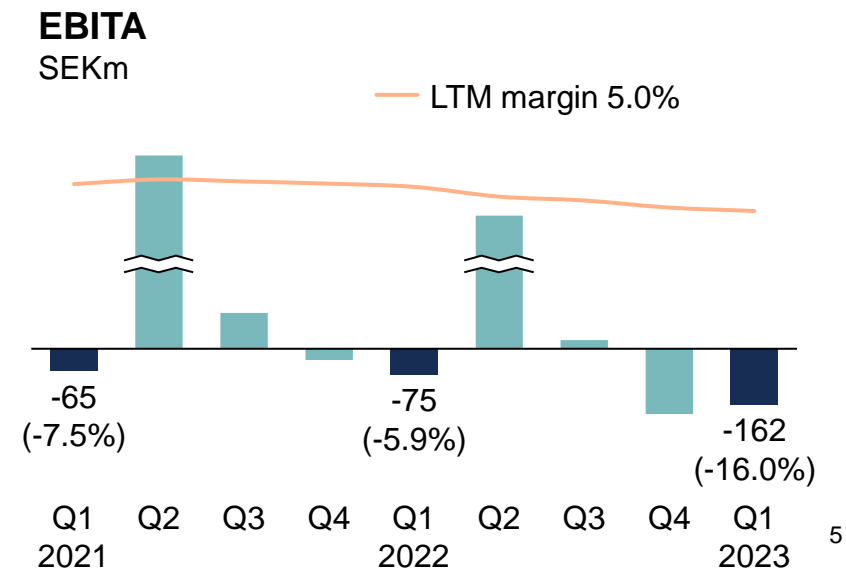
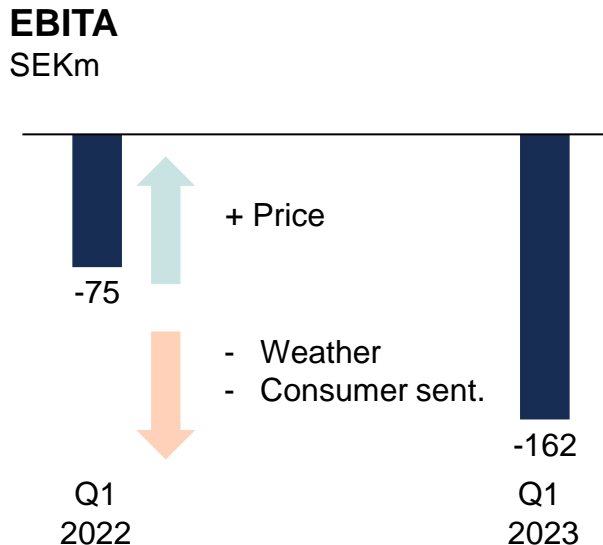
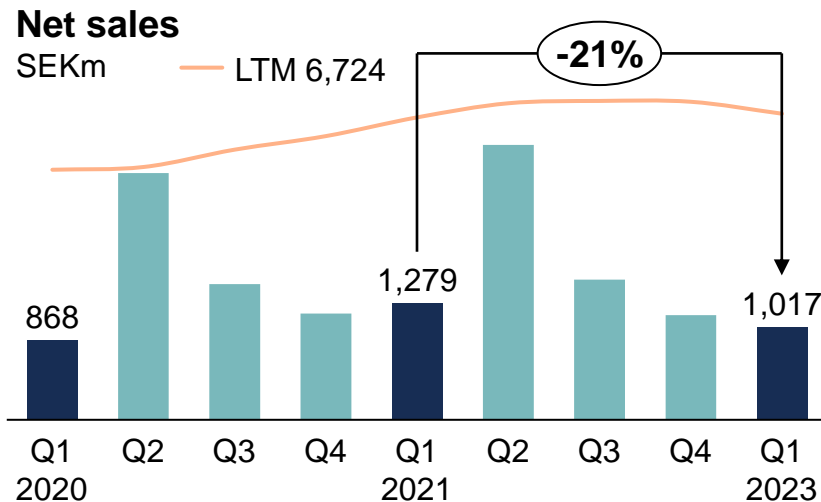


Consumer: Challenging quarter for Plantasjen

Provide a better and easier life for consumers

Comments

- Plantasjen to be reported separately
- Net sales declined -21%, whereof -20% organic, driven by lower sales in Plantasjen (-18%)
- EBITA SEK -162m (-75). Plantasjen's EBITA SEK -215m (-103). Lower EBITA as a result of lower net sales and product mix
- Weaker consumer markets but positive development in other companies
- EBITA-margin -16.0% (-5.9%) and LTM 5.0%

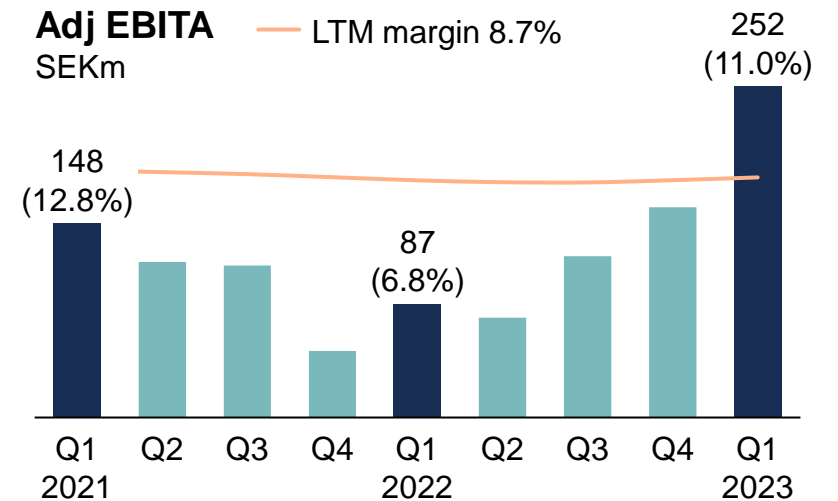
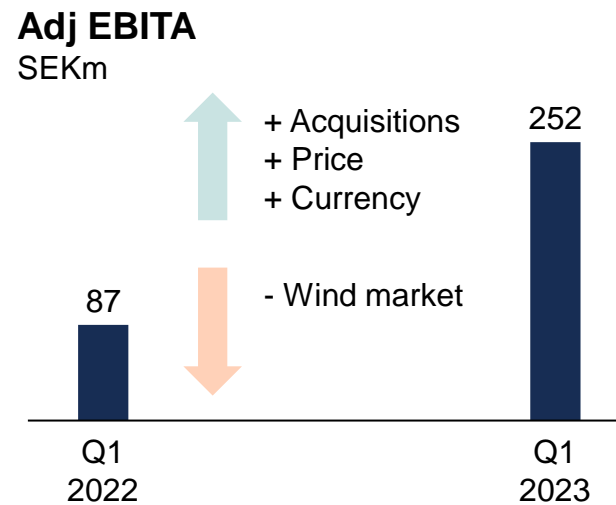
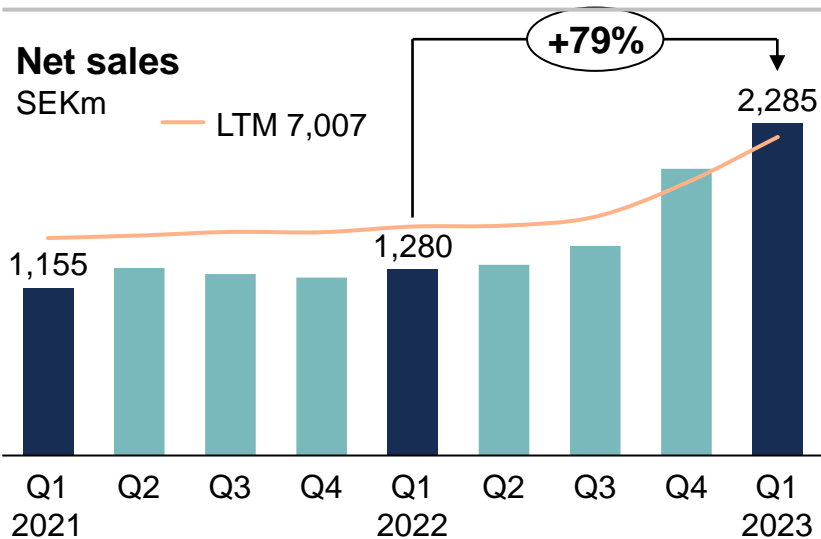


Industry: Strong EBITA growth and increased EBITA-margin

Building industrial market leaders, based in the Nordics exporting to the world

Comments

- Net sales increased 79%, whereof 7% organic
- Adjusted EBITA SEK 252m (87)
- Adjusted EBITA-margin 11.0% (6.8%) and LTM 8.7%
- EBITA growth: acquired companies and good development in all companies



Acquisition journey



RATOS

HL Display has acquired Oechsle and werba in Germany

- Establish a strong German footprint

- Main sales channels are grocery retail and drug stores
- Two production units, one for standard injection molding (Oechsle) and one for custom-made solutions (Werba)
- Large synergies
 - Production
 - Insourcing
 - Sales

Company facts



Founded 1956

~13



Revenue (EURm)

160



of employees



Founded 1975

~13



Revenue (EURm)

140



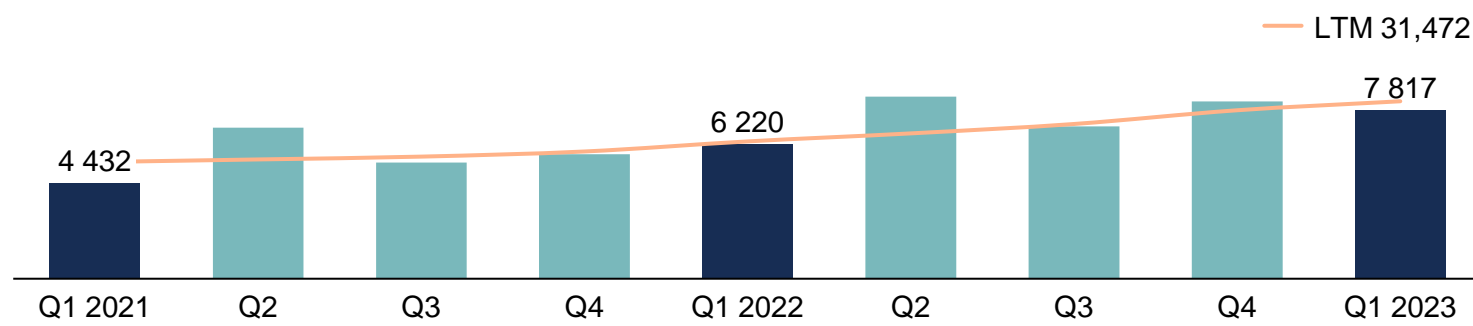
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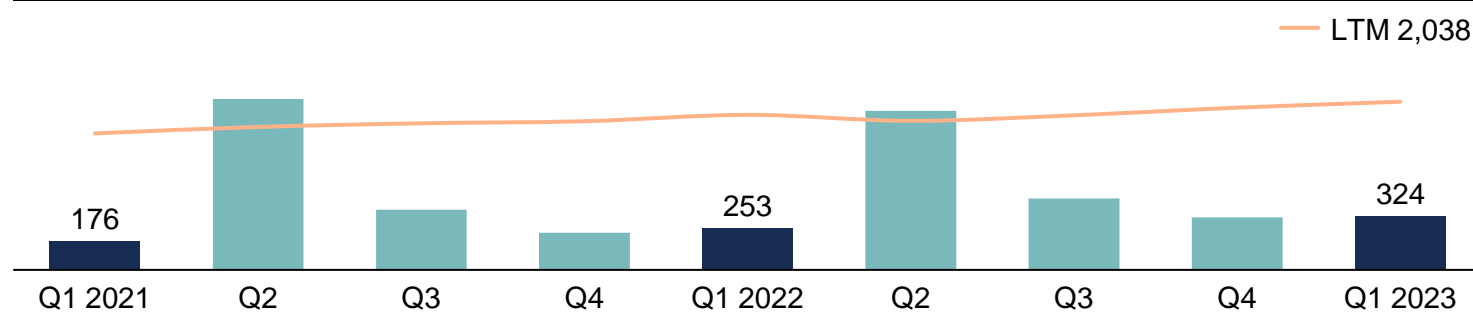
Financials

Group financials Q1 2023

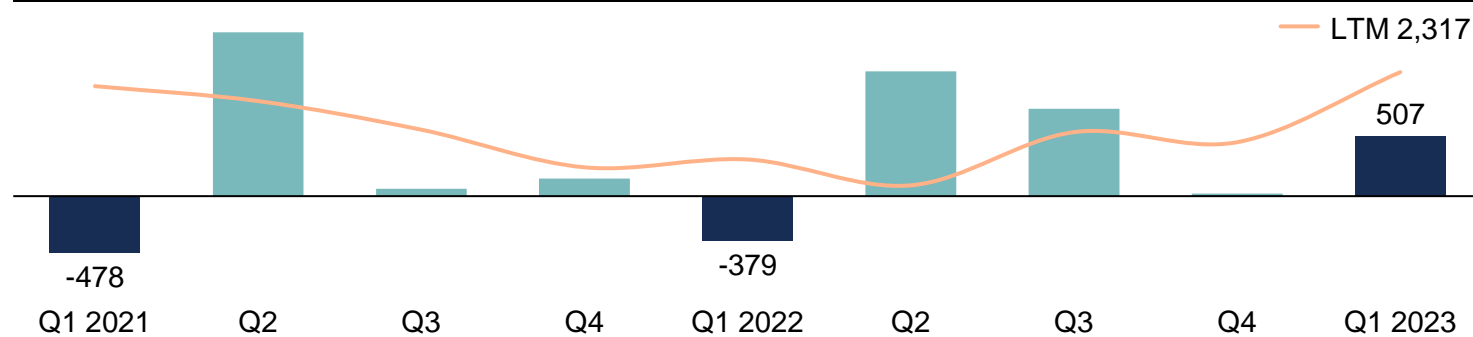
Net sales, SEKm



Adjusted EBITA, SEKm



Operating cash flow, SEKm

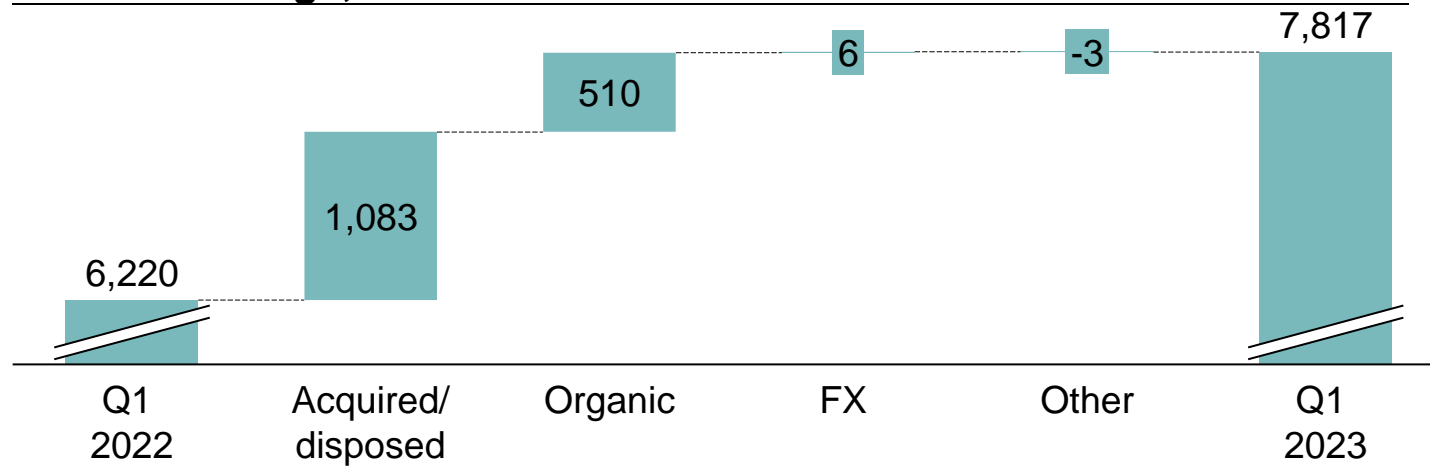


Comments

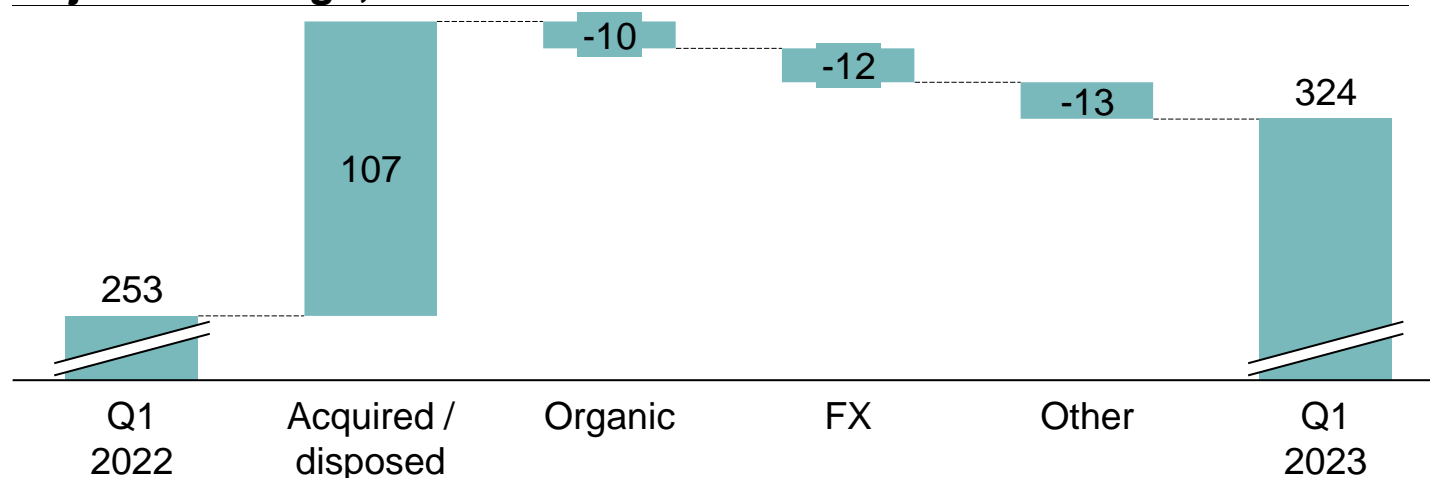
- Net sales growth of 26% in the quarter whereof 8% organic growth
- Adjusted EBITA growth of 28% in the quarter. Adjusted EBITA LTM at SEK 2,038m
- Strong operating cash flow in the quarter SEK 507m (-379)

EBITA growth from acquired companies

Net sales bridge, SEKm



Adj EBITA bridge, SEKm



Comments

Net sales

Strong organic net sales growth in the quarter

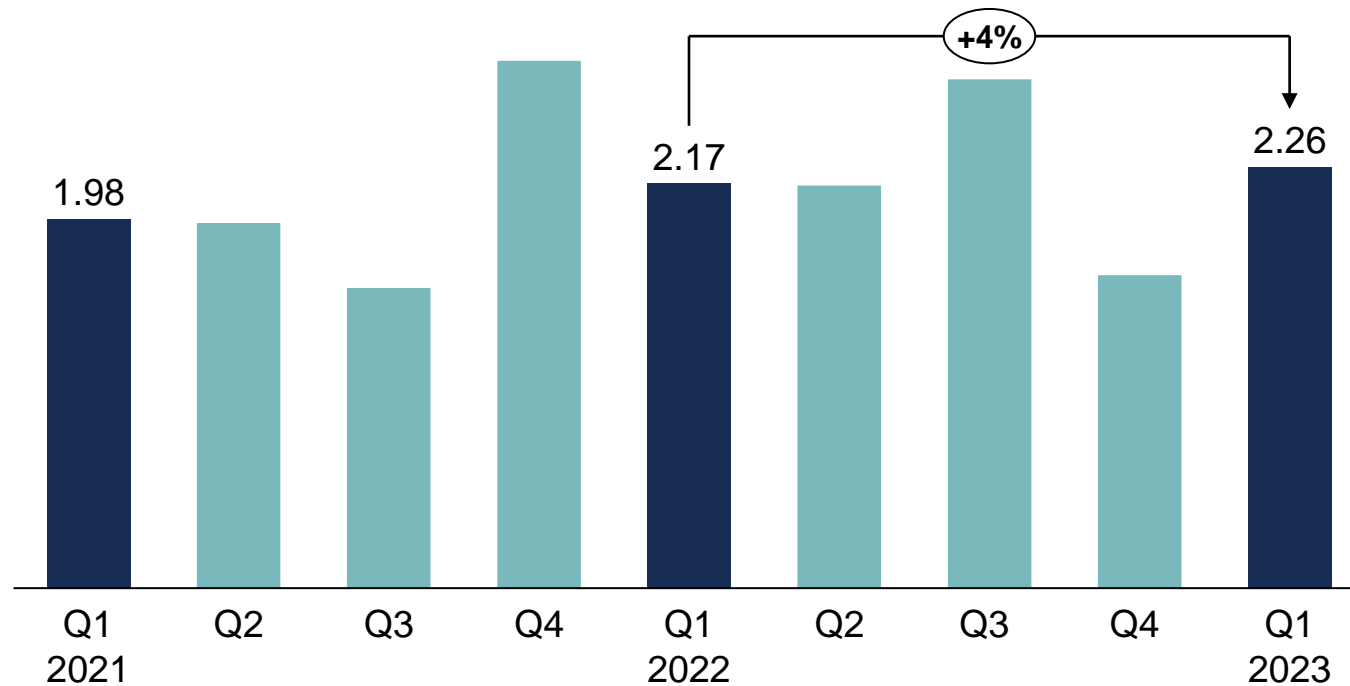
- Net sales up 26%, of which 17% acquired and 8% organic

EBITA

- EBITA increased due to acquisitions
- Organic growth decreased attributable to Plantasjen
- Other impacted by one-off effects in Construction & Services (SEK -21m)

Increased EPS – improved earnings after tax

LTM EPS (SEK)



Comments

- LTM EPS increased 4%
 - Improved earnings after tax
 - Increased interest rates
 - Unrealized revaluation D&B shares in Q1 2022
 - Diab one-time effects in Q1 2022
- EPS Q1 2023, SEK -0,09 (-0,66)

Leverage development

Leverage

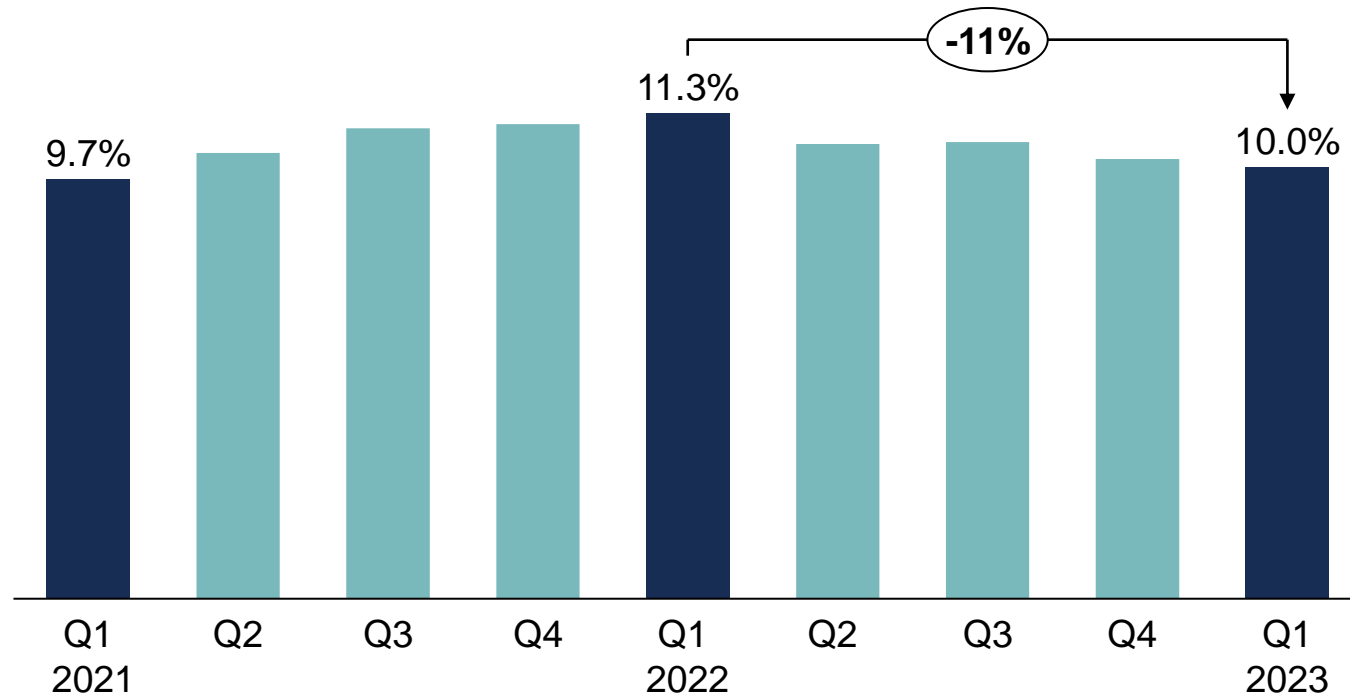


Comments

- Leverage is within target range 2.2x in Q1 2023 (1.5x – 2.5x)
- Decreased leverage in the quarter due to higher EBITDA
- Net debt SEK 4,826m (1,485)

ROCE

LTM ROCE



Comments

- ROCE 10.0% compared to 11.3% last year
- Working capital build-up in Consumer had a negative effect

Final Remarks

RATOS

A good start of the year

**A group of market leaders
with a strong culture and
being part of something
larger**



**The leading company
builder in the Nordics**

- Adj EBITA growth of +28%
- Net sales growth of 26% whereof 8% organic
- Good order intake and record high order backlog
- Strong cash flow
- Acquired companies have had a good start – synergies realized
- Continued challenges in the wind and consumer markets
- Our transformation to a group focused on infrastructure- and technology solutions is slower than plan due to weaker M&A- and capital markets

Q&A

RATOS

The leading company builder in the Nordics

A group of market leaders

Ratos is a sustainable long-term owner with no exit horizon

We own companies that are or can become market leaders

Profitable organic growth, margin expansion and targeted acquisitions

A clear culture

It's all about people

Simplicity

Speed in execution

Part of something larger

Decentralized structure

Gain benefits of the larger group through contacts and network

Executive leadership program

Access to special competences

Active ownership