

Ratos Q1 – 2021 Presentation

April 30, 2021

Ratos – an active owner building great companies

Large / mid sized companies

10 200

Employees in 11 companies in 30+ countries

Total Sales

SEK 34 bn

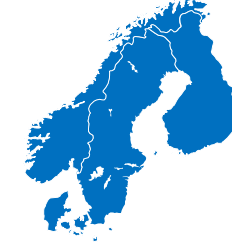
(LTM)
100% ownership

EBITA Growth

61%
(LTM)

2.0
Billion SEK in EBITA
(LTM)

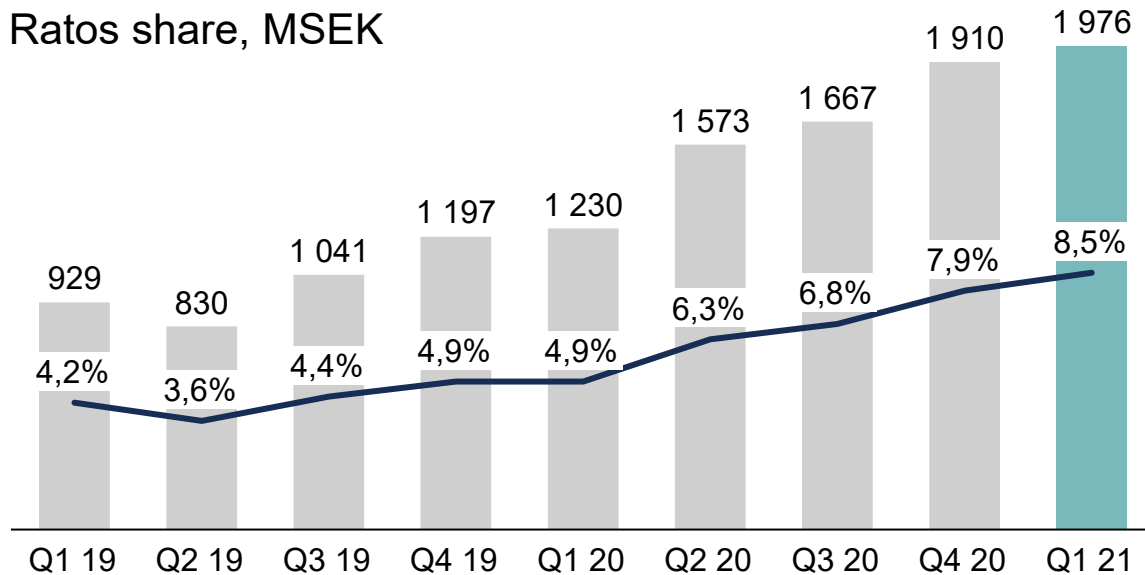
HQs in the Nordics



Long-term and active ownership



EBITA LTM
Ratos share, MSEK



Ratos companies

PLANTASJEN

Diab



aibel

airteam

HENT



SPEED GROUP

TFS

OASE OUTDOORS

KVD

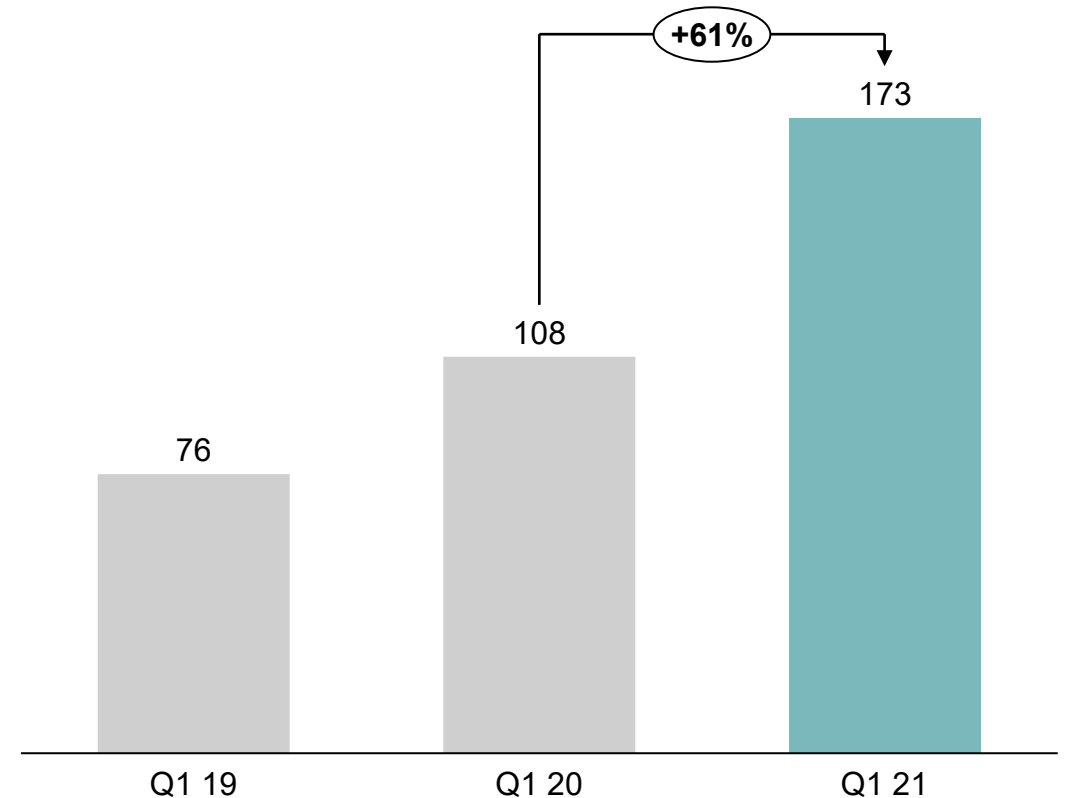
Nestia
New

Q1 2021: Continued strong EBITA development

Comments

- Net sales amounted to 4,666 MSEK (5,588)
 - Bisnode divested (655 MSEK)
 - Negative impact from Covid-19 in majority of companies
 - Organic growth -2%
- EBITA increased to 173 MSEK (108)
 - Bisnode divested (54% of EBITA in Q1 2020)
 - 9 out of 11 companies increased EBITA
- EBITA-margin increased to 3,7% (1,9%)
 - 10 out of 11 companies increased EBITA-margin
- Cash flow from operations decreased to -524 MSEK (-107)

Quarterly EBITA Ratos Share, MSEK

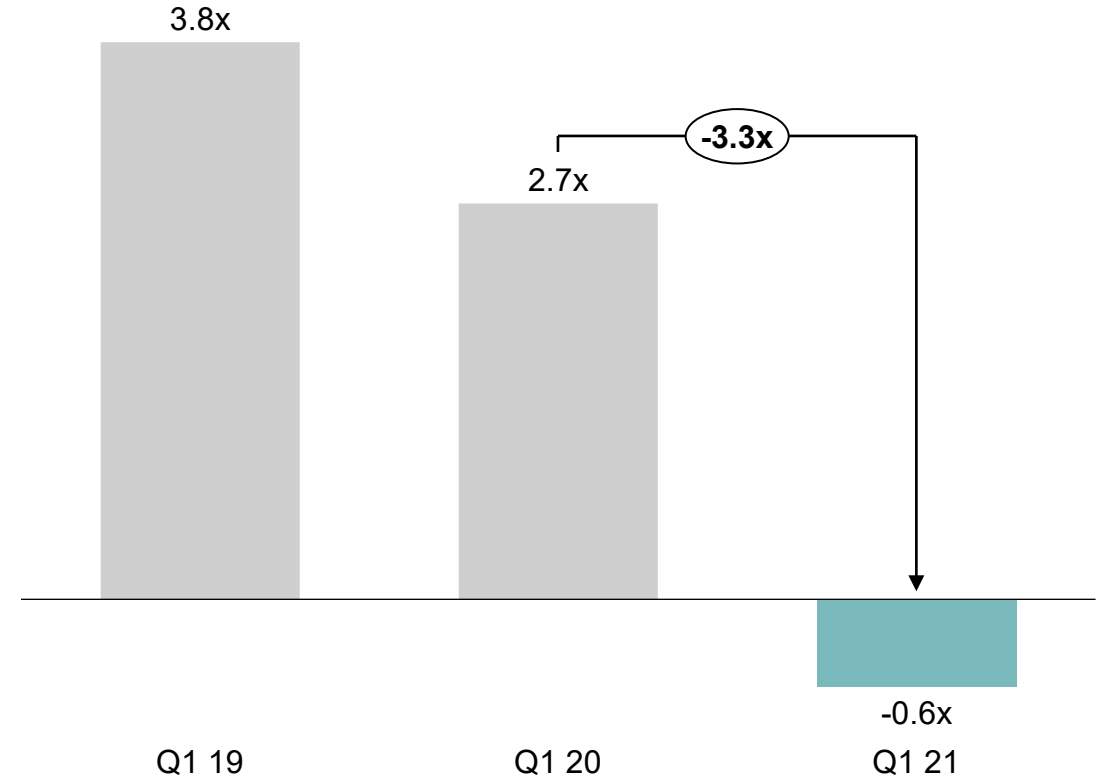


Leverage is decreasing

Comments

- Net Debt / EBITDA amounted to -0.6x in Q1 2021 (2,7x)
- EBITDA increased by 5%, Net Debt decreased by 1,4 bn SEK (of which Bisnode accounts for 1,2 bn SEK)
- Cash flow from operations decreased to -524 MSEK (-107)
- Cash and cash equivalents in Ratos AB 2,3 bn SEK

Net Debt / EBITDA LTM

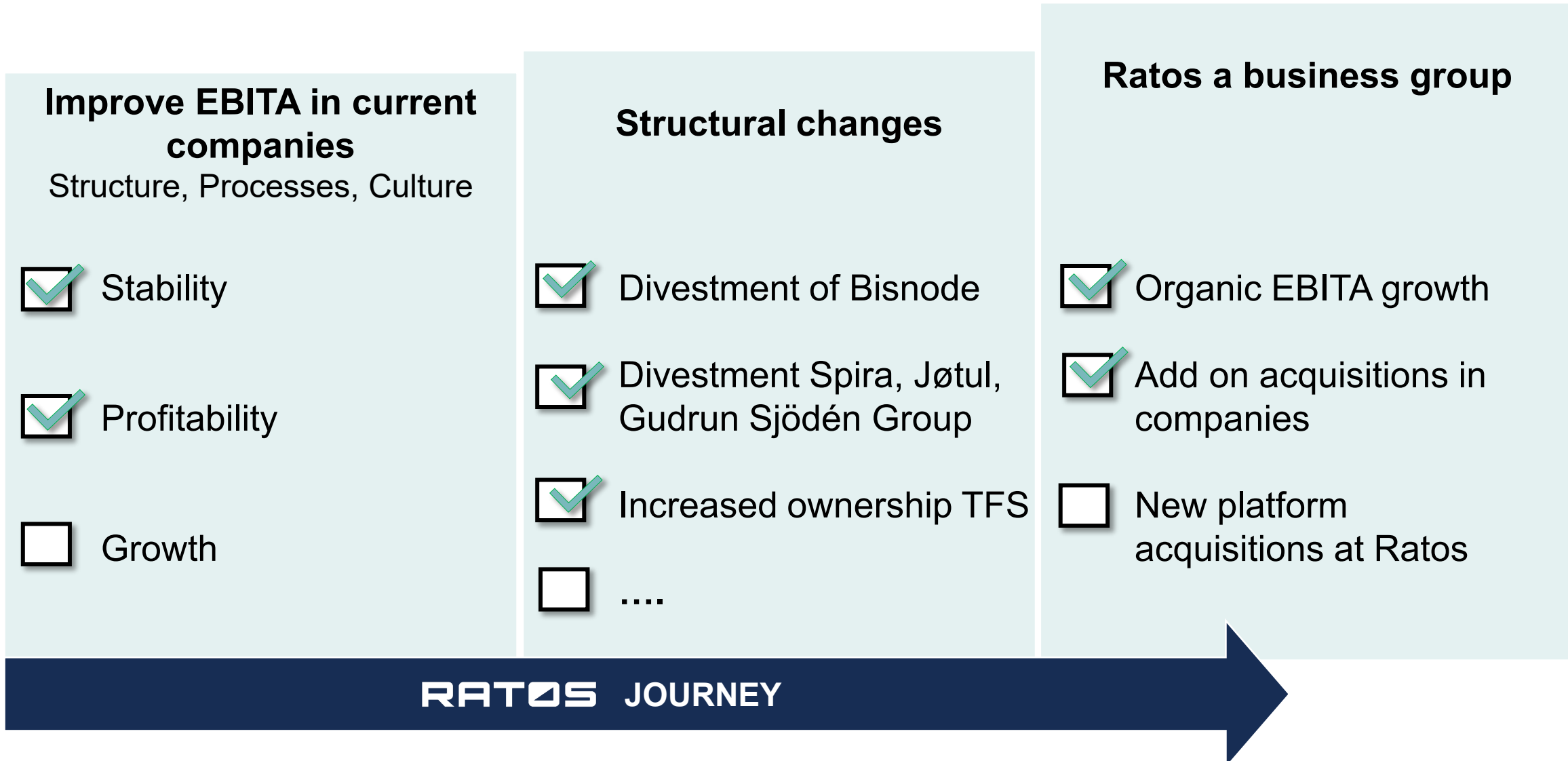




Program for centralized financing of Ratos companies

- Lower interest costs for Ratos Group
- Initially by using cash at Ratos AB
- So far centralized financing for HL Display, Diab and Ledil
- Additional Ratos companies are expected to be financed by Ratos AB

Transformation completed – focus on profitable growth



M&A activities in the quarter

- Exit of Bisnode completed
 - Closing of sale of Bisnode and Bisnode Belgium divested
 - Capital gain 1.8 bn SEK
- HL Display acquired Concept Group (4 March) and CoolPresentation (1 April)
 - Strengthen market positions in UK and the Netherlands
- Agreement to acquire Vestia Construction Group (9 April)
 - Complementary to HENT



Business Area: Construction & Services

Q1
Organic growth EBITA
-7% +41%

	Organic growth		EBITA	
	Q1 2021	Q1 2021	Q1 2020	Δ%
Aibel	-3%	46	29	+57%
airteam	+13%	14	6	+135%
HENT	-14%	31	35	-11%
Speed Group	+28%	17	6	+186%
Total	-7%	107	76	+41%

Adjusted for Ratos share, (MSEK)



Speed Group – a successful turn-around enables further growth

- Strong underlying logistics market and successful collaboration and trust from customers drives revenue increase in 2021
- With an estimated market share of 10%, Speed Group is number 5 on the Swedish 3PL-market
- Strong focus 2019 & 2020 on stability and profitability improvements, improving EBITA-margin from 0,7% in 2019 to 10,8% in Q1 2021
- The achieved stability and strong profitability put Speed in a position to drive consolidation in the Nordic logistics market
- Nordics largest solar roof in place on the new HQ and warehouse in Borås, enabling Speed to move towards CO2-neutrality by 2025

Business Area: Consumer

Q1
Organic growth **EBITA**
 +9% +27%

	Organic growth	EBITA		
	Q1 2021	Q1 2021	Q1 2020	Δ%
Bisnode	NA	-	58	-
Kvdbil	+10%	8	5	+71%
Oase Outdoors	-2%	19	11	+84%
Plantasjen	+21%	-97	-169	+43%
Total	+9%	-69	-96	+27%

Adjusted for Ratos share, (MSEK)



Oase – Market leading camping and outdoor equipment specialist

- Addressable European W/S market of approx. 1,2 billion Euro. Market is expected to continue with solid growth driven by long-term green and recreational trends
- Leading product portfolio with three distinct brands targeting attractive customer niches
- Strong international sales channels with long-lasting customer and supplier relations. Oases two largest markets (Germany and UK) account for 40 % of the total market
- Strong LTM Q1 development, mainly explained by focused work with category management, higher gross margins and lower cost base.
 - EBITA margin uplift of 16 % and sales growth of 10 %. The orderbook at the end of the quarter is up 20 %.
 - During the period, the company has experiences delays and increased prices for deliveries due to a lack of global capacity
- Dedicated and competent management team with long tenure in Oase outdoors



Business Area: Industry

	Q1	
Organic growth		EBITA
-1%		+6%

	Organic growth	EBITA		
	Q1 2021	Q1 2021	Q1 2020	Δ%
Diab	-1%	46	67	-30%
HL Display	+5%	59	36	+63%
LEDiL	+12%	19	14	+39%
TFS	-15%	11	11	+0%
Total	-1%	136	128	+6%

Adjusted for Ratos share, (MSEK)



HL Display – European market leader in shelf management

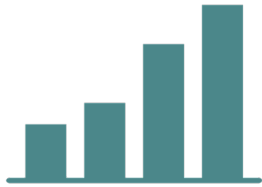
- The grocery retail market is undergoing change, moving from larger to smaller formats and increasing importance of fresh food, a change where HL is an integral part
- HL help grocery retailers drive sales, save labour cost, create differentiation and reduce waste by providing smarter solutions for store management
- EBITA-margin has improved from 3% to 12% during the last years market changes (2017 to Q1-2021)
- HL is the European market leader the shelf management solution on a acquisitions journey to better geographical coverage and improve product offering for customer

Q1 2021 Highlights

- Continued strong EBITA growth
 - Seven quarters in a row with an increasing EBITA (despite divestment of Bisnode)
 - 9 out of 11 companies increased EBITA
 - 10 out of 11 companies increased profit margins
- Revenue growth impacted by Covid-19
- Increased M&A activity in the quarter
- Strong and further improved financial position
- Well positioned for profitable growth

New financial targets

EBITA
3 Billion SEK



EBITA is to amount to at least SEK 3 billion by 2025.

Net Debt / EBITDA
1.5 – 2.5x



Net debt in relation to EBITDA should normally range from 1.5 to 2.5x, excluding financial leasing liabilities. The target includes the cash balances of Ratos's parent company.

Dividend payout
30 - 50%
of profit after tax



The dividend payout ratio should amount to 30 - 50% of profit after tax attributable to owners of the parent, excluding capital gains and losses.

Q&A

An aerial photograph of a long, multi-span bridge crossing a vast body of blue water. The bridge features several tall, white, A-frame pylons supporting the deck with numerous stay cables. The bridge extends from the bottom left towards the top right, curving slightly. The water is a deep blue-green, and the sky is a pale, hazy blue. The overall scene is serene and emphasizes the scale and engineering of the bridge.

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since 1866

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