

RATOS

Q2 2020 presentation

17 July 2020

Q2 2020 presentation

Agenda

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Participants

Jonas Wiström
CEO

Jonas Ågrup
Acting CFO

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Head of Investor Relations

Continued strong profit development and solid growth

Q2 2020 in brief

Net sales increased by 2% to 7,227 MSEK (7,103)

- Organic growth 9%
- 7 of 12 companies showed organic growth

EBITA increased to 1,047 MSEK (703)

- 10 of 12 companies showed EBITA-improvement
- Our focus on stability and profitability continued to generate strong profit development
- EBITA LTM increased to 1,573 MSEK (829)

Strong EBITA-margin development

- 14,5% (9,9) in Q2
- 9,0% (6,3) YTD
- 6,3% (3,6) LTM

Improved cash flow from operations

- 1,236 MSEK (1,075) in Q2
- Improved earnings and increased focus on working capital

Profit before tax for the RatOS Group amounted to 953 MSEK (514)

EPS amounted to 2,18 SEK (1,28)



Continued high activities in the companies

Important events

Change of CEOs in Plantasjen and HL Display

- Internal recruited candidates proof of large talent pool in the RatOS Group

Continued investments in Diab

- Invests to meet growing demand of core material in China
- Fifth investment for production of PET core foam

Confirmed start for HENT to begin construction of the New University Hospital in Narvik

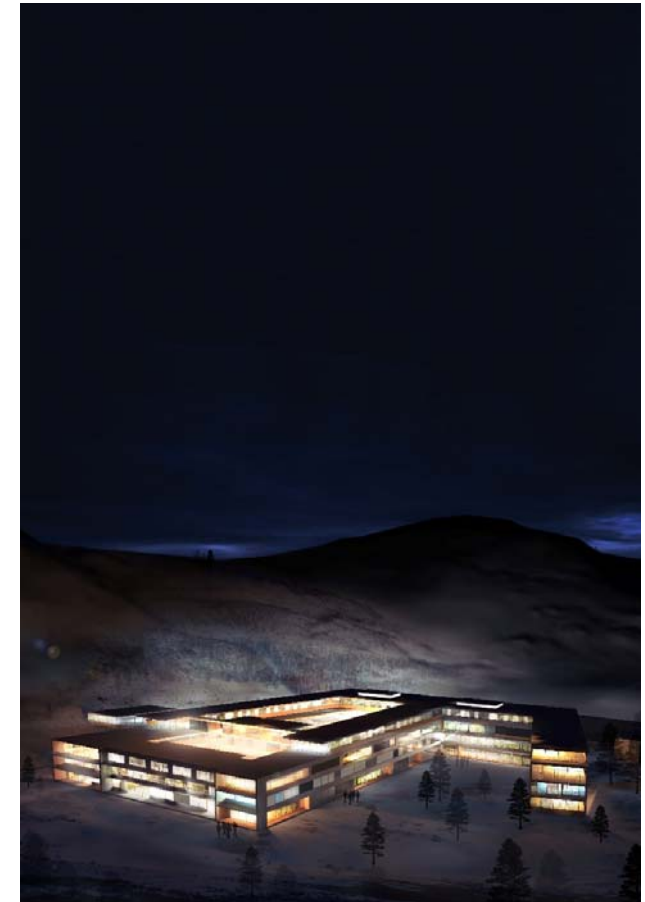
- Public customer
- Order value 1.2 bn NOK

Aibel awarded contracts for electrification of the Sleipner and Gina Krog fields in the North Sea

- Total value of approximately 600 MNOK

After the end of the period

- Aibel won a contract on the Oseberg field
- airteam won a contract in conjunction with Ferring A/S's new head office



Covid-19 in the second quarter

Covid-19 impact

In total moderate impact from Covid-19 in the second quarter

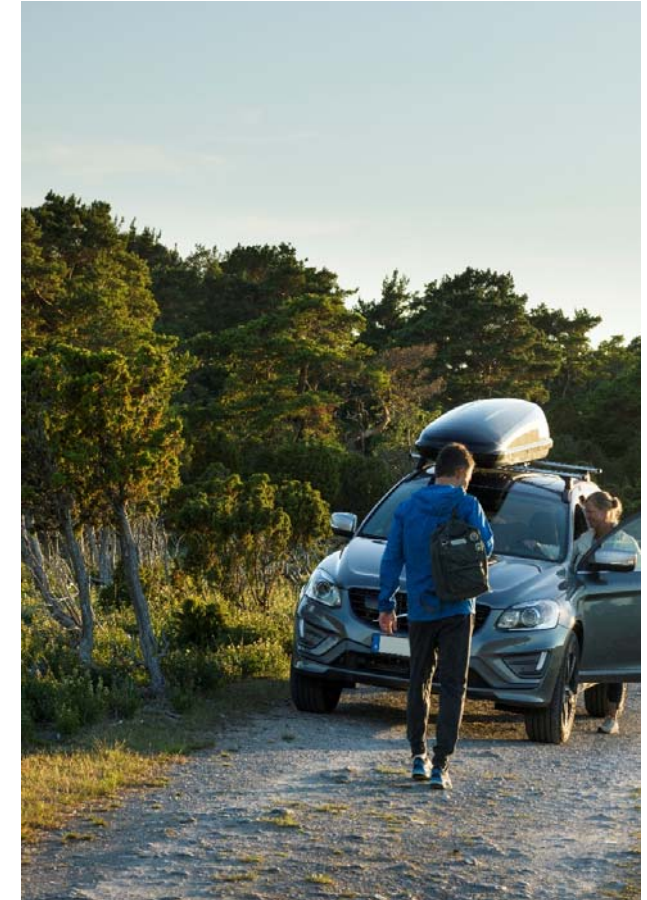
- Negative impact in Aibel, TFS, Ledil and HL Display
- Moderate negative impact in Diab, Bisnode and HENT
- Minor negative impact in airteam, Speed Group, Kvdbil and Oase Outdoors
- Positive impact in Plantasjen

Companies continued to implement actions to mitigate effects in the second quarter

- No significant disruptions in supply chains or in-house production
- Government support amounted to approximately 30 MSEK

Our priorities

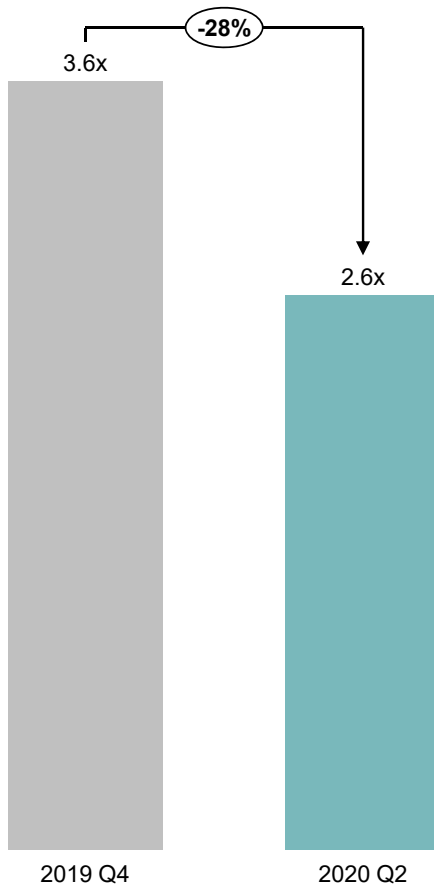
- Employees' health and safety, safeguard liquidity and results
- Our Governance model enable us to act fast in our companies with quick decisions about restructuring measures



Leverage

Decrease of Net Debt / EBITDA in the second quarter

Net debt / EBITDA*



Net debt / EBITDA

Company	30 June 2020	31 Dec 2019
Aibel	3,2x	2,8x
airteam	0,9x	2,0x
Bisnode	2,1x	2,4x
Diab	2,8x	3,2x
HENT	Net cash	Net cash
HL Display	1,5x	2,0x
Kvdbil	1,0x	1,4x
LEDiL	1,6x	2,0x
Oase Outdoors	8,4x	14,6x
Plantasjen	5,1x	8,2x
Speed Group	3,7x	6,0x
TFS	2,6x	n.m.

Ratos's companies total leverage LTM (Net Debt/ EBITDA), including Ratos's parent company net cash position, amounts to 2,6x in Q2 (3,6 in Q4 2019)

Improved EBITDA in 11 of 12 companies and lower net debt in 10 of 12 companies

- Aibel - leverage impacted by lower EBITDA
- Plantasjen - leverage lowered through capital injection of 300 MNOK and improved cash position

Net cash position in Ratos AB 1,245 MSEK

- Ratos AB has a loan facility of 1,000 MSEK

*Net Debt / EBITDA LTM

Business Area: Construction & Services

Q2

-5%

Net sales decline
Q2 2020

79 MSEK

EBITA increased to 79
MSEK (-8) primarily due
to HENT and Speed
Group

Adjusted for Ratos share, (MSEK)

Company	Organic net sales (Q2 2020)	EBITA Q2 2020	EBITA Q2 2019
Aibel	+11%	30	53
airteam	+30%	19	13
HENT	-4%	20	-61
Speed Group	+4%	11	-13
Construction & Services, Total MSEK	+3%	79	-8

Business Area: Consumer & Technology

Q2

+9%

Net sales growth
Q2 2020

827 MSEK

EBITA increased to 827
MSEK (607) driven by all
companies

Adjusted for Ratos share, (MSEK)

Company	Organic net sales (Q2 2020)	EBITA Q2 2020	EBITA Q2 2019
Bisnode	-3%	91	76
Kvdbil	+7%	7	4
Oase Outdoors	+10%	34	13
Plantasjen	+25%	696	514
Consumer & Technology, Total MSEK	+17%	827	607

Business Area: Industry

Q2

1%

Net sales growth
Q2 2020

141 MSEK

EBITA increased to 141
MSEK (104) primarily
driven by Diab and
LEDiL

Adjusted for Ratos share, (MSEK)

Company	Organic net sales (Q2 2020)	EBITA Q2 2020	EBITA Q2 2019
Diab	+21%	84	55
HL Display	-11%	42	37
LEDiL	-7%	14	9
TFS	-15%	1	3
Industry, Total MSEK	+1%	141	104

Summary Q2

Continued strong EBITA-development in a seasonally strong quarter for Ratos

- 10 of 12 companies showed EBITA-improvement (11 of 12 in H1)
- Moderate impact from Covid-19
- Companies implemented fast and powerful measures, partly as a result of our new Governance Model

Improved financial position

- Ratos Group total leverage LTM amounts to 2.6x





Thank you!
Q&A

Financial Calendar & Contact details

- Interim Report, Q3 2020, 22 October

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