



QUANT™

Q3 Report 2020

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30 November 2020

SAFETY FIRST



Safety within Quant

Safety is our choice. We are passionate about keeping our people, suppliers and customers safe at all times.

Everybody working for Quant, as an employee or contractor, is required to take care of themselves and their colleagues. We are committed to providing the instructions and training required to ensure they can do so safely.

Improving and developing our safety systems to world class standards is always our focus. Feedback is encouraged and seen as an opportunity to improve and evolve our safety procedures and culture.

Our ultimate safety goal is ZERO accidents. We have only done our job when everyone goes home each and every day safe and sound.

TODAY'S SAFETY ORIENTATION

- Everyone is in a safe meeting environment?
- Nobody is driving?

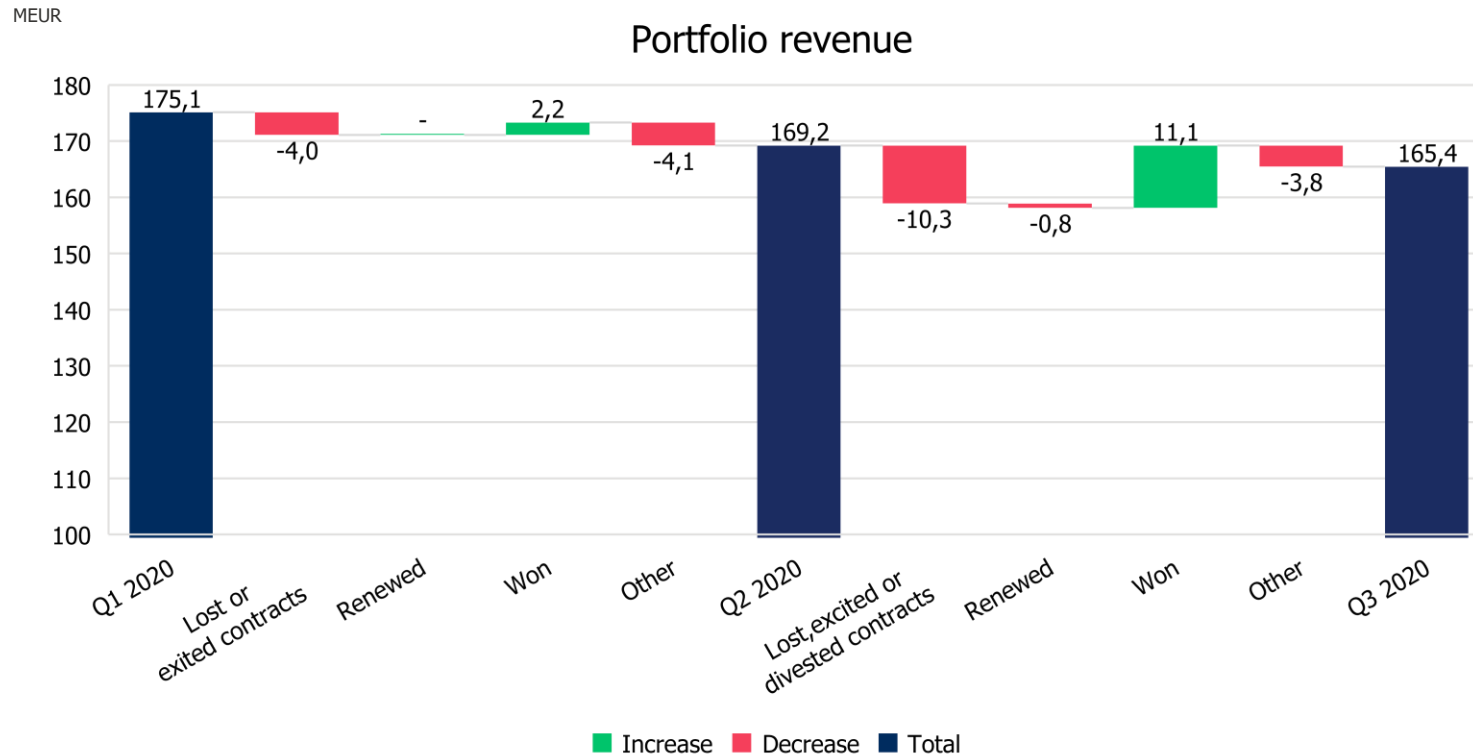


Third quarter development

- **New strategy – Smart services for a sustainable world**
 - Enhance our safety and sustainability focus
 - Improve operational performance
 - Implement and develop our digital tools
- **Net sales and operating profit improves on previous quarter**
 - Lost contracts during continuing to impact top line
 - Business activity in regions Europe, Finland & Baltics and Rest of the World increased during the quarter
 - The Americas did not experience an easing of restrictions during the third quarter causing challenging business climate
 - Europe is now experiencing a second wave
- **Contract portfolio decreasing during the quarter**
 - Four contracts won, of which Alcoa 10m EUR p.a. is the largest
 - One contract exited and five contracts lost
 - One contract divested
 - Pipeline strengthening, despite Covid-19
 - After the quarter end, NKT decided to insource five contracts and the decision was made to exit business in China

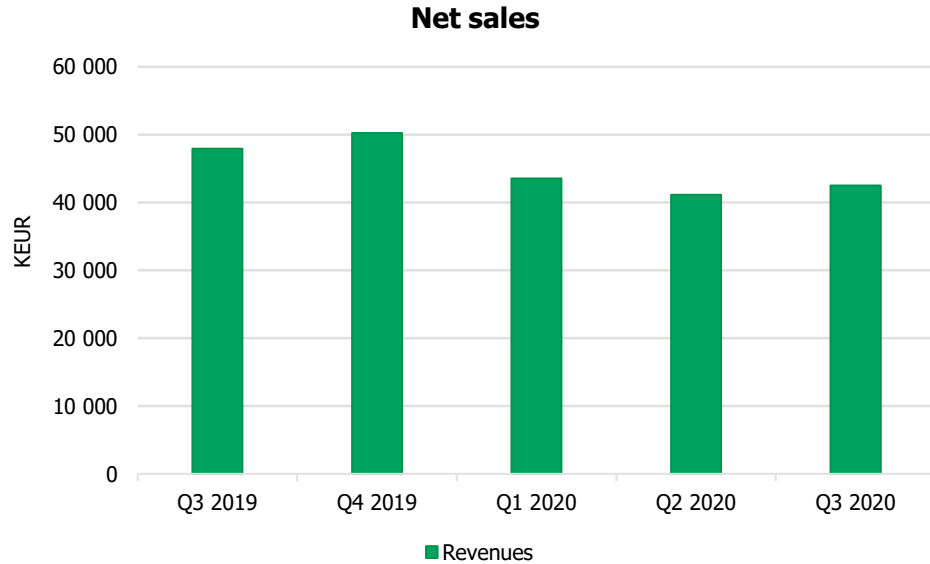


Contract portfolio overview

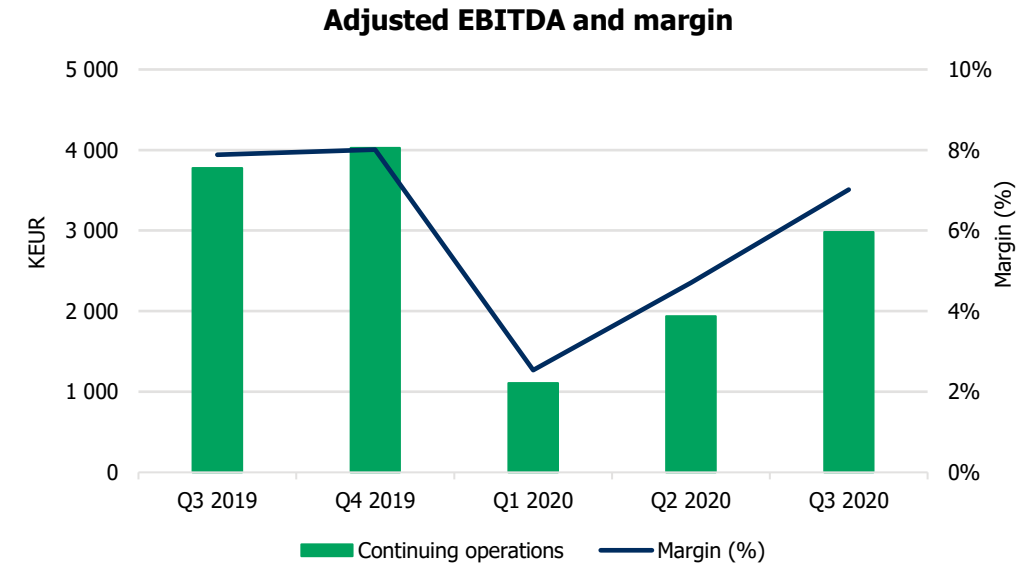


- Currently 87 operational sites
- Contracts with annualized net sales of EUR 42.0 million scheduled for renewal during the next twelve months
- Third quarter development:
 - Four new customer contracts won, with annualized net sales of EUR 11.1 million
 - Seven contracts lost, exited or divested, with annualized net sales of EUR 10.3 million
 - Six contracts were renewed with a total scope reduction of EUR -0.8 million
 - Scope changes and exchange rate effects of EUR -3.8 million
- The combined effect of these changes amount to a decrease in the contract portfolio annualized net sales of EUR 3.8 million

Net sales and EBITDA continuing operations



- Net sales for the period decreased by 11.3% to EUR 42.5 (47.9) million. Organically, net sales decreased by 8.4%



- Quarterly adjusted EBITDA decreased to EUR 3.0 million from EUR 3.8 million prior year due to lower gross profit, partly offset by lower SG&A costs.
 - Gross profit decreased mainly due to Covid-17 effects in the Americas and loss of contracts
 - SG&A decreased mainly due to effects of the transformation program
- Adjusted EBITDA with IFRS 16 decreased to EUR 3.8 (4.9) million

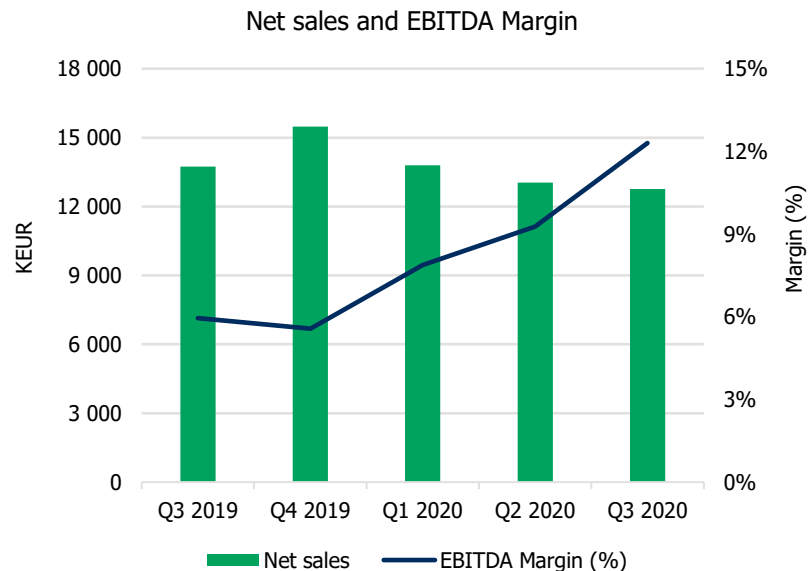
Cash flow

KEUR	Q3		Jan-Sep		LTM	Jan-Dec
	2020	2019	2020	2019	Sep 2020	2019
Continuing operations						
Cash flow from operating activities	1,679	7,620	8,826	10,429	6,801	8,404
Net debt	-	-	121,286	115,525	121,286	121,121
Net debt / Adjusted EBITDA, times	-	-	-	-	12.1	8.6
Net debt / Adjusted EBITDA IFRS 16, times	-	-	-	-	9.2	7.0
Discontinued operations						
Cash flow from operating activities	-257	-997	-1,170	-9,288	-2,181	-10,299
Group						
Cash flow from operating activities	1,422	6,622	7,656	1,141	4,620	-1,895
Cash flow from investing activities	-145	4,339	-462	3,954	-588	3,828
Cash flow from financing activities	-782	-10,273	7,156	-11,358	10,139	-8,375
CASH FLOW FOR THE PERIOD	495	688	14,350	-6,264	14,171	-6,443

- Cash flow from operating activities for the quarter amounted to EUR 1.7 (7.6) million
- Change in net working capital was EUR -0.9 (6.2) million for the quarter
- Net debt / Adjusted EBITDA of 12.1
- For the total Group, including both continuing and discontinued operations, cash flow for the quarter was EUR 0.5 (0.7) million
- At 30 September 2020, the amount drawn on the revolving working capital facility amounted to EUR 16.0 (3.0) million

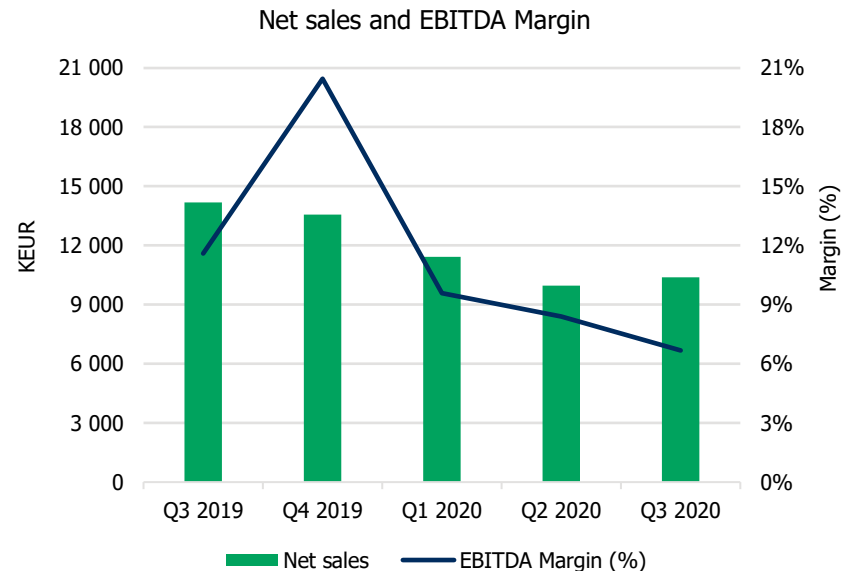
Segment financials

Europe



- Net sales in the quarter decreased to EUR 12.8 million, from EUR 13.7 million prior year, mainly due to one lost contract. This contract was large in terms of revenue but with low profitability
- Adjusted EBITDA for the quarter was EUR 1.6 million, up from EUR 0.8 million prior year due to lower overhead costs as an effect of the transformation program and the exit of unprofitable contracts in 2019

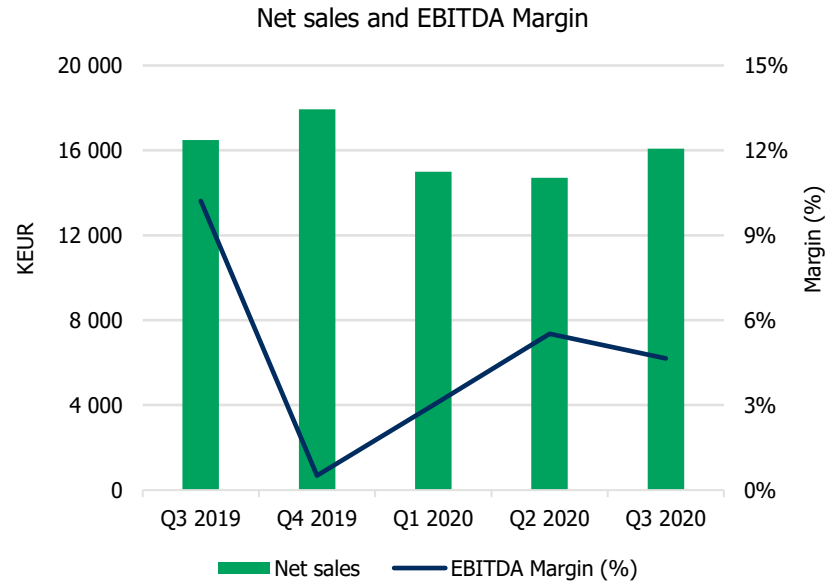
Americas



- Net sales in the quarter decreased to EUR 10.4 million, from EUR 14.2 million due to a lost contract in Brazil and lower revenue for certain contracts in Chile
- Adjusted EBITDA in the quarter was EUR 0.7 million, down from EUR 1.6 million prior year due to decreased profitability in Chile connected to the lower revenue and due to Covid-19 effects. This was partly compensated with better profitability in Brazil

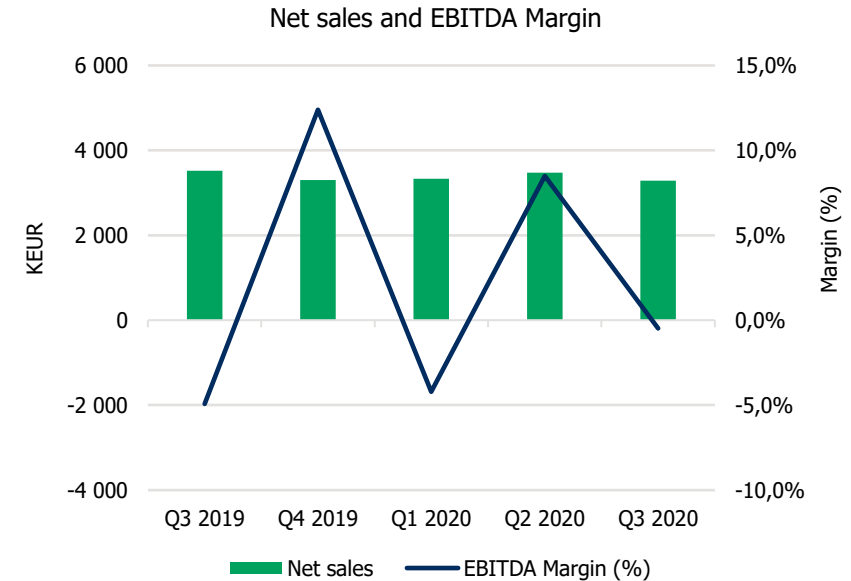
Segment financials

Finland & Baltics



- Net sales in the quarter decreased to EUR 16.1 million, from EUR 16.5 million due to lost contracts and low revenue in the field service business in Finland, partly compensated with revenues from a new contract
- Adjusted EBITDA in the quarter was EUR 0.7 million, down from EUR 1.7 million due to lost contracts and lower profitability in existing ones.

Rest of World



- Net sales in the quarter decreased to EUR 3.3, from EUR 3.5 million due to terminated contracts and revised scope in existing contracts in UAE
- Adjusted EBITDA was EUR 0.0 million, up from EUR -0.2 million last year due to increased performance in UAE

Thank You