



**QUANT™**

Q3 Report 2021

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19 November 2021

# SAFETY FIRST



## Safety within Quant

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

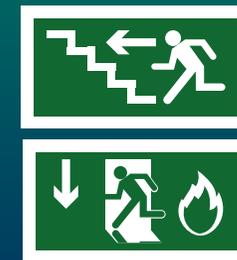
Everybody working for Quant, as an employee or contractor, is required to take care of themselves and their colleagues. We are committed to providing the instructions and training required to ensure they can do so safely.

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.

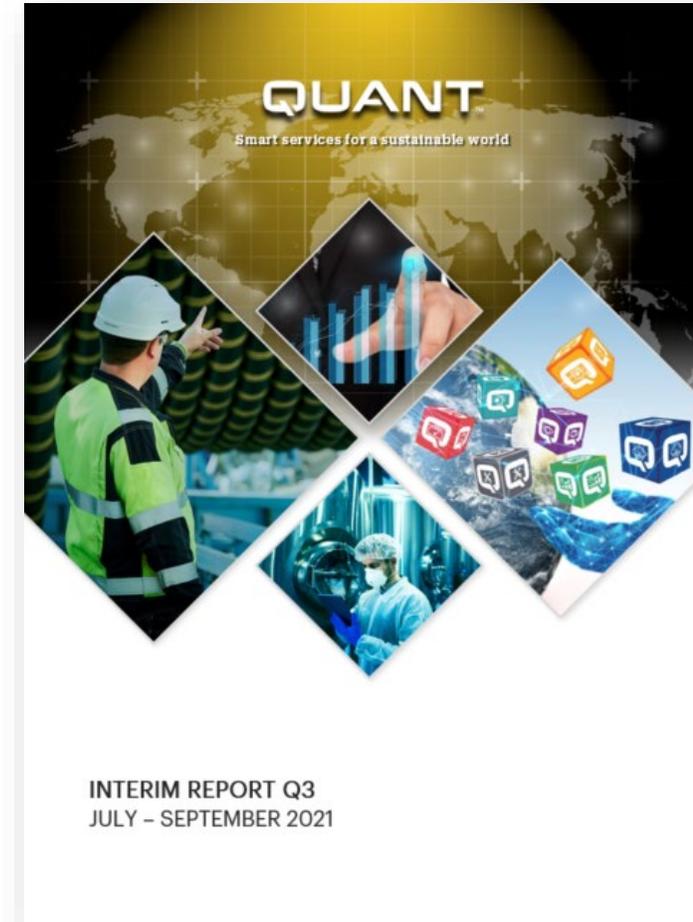
## TODAY'S SAFETY ORIENTATION

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



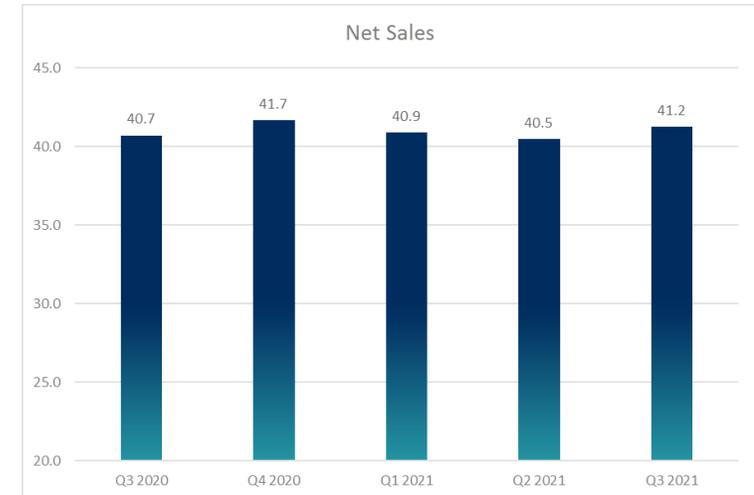
# Third quarter development

- **Continuing sales momentum**
  - Sales pipeline remains strong
  - Pandemic still leads to delays in closing deals
  - Strengthening the organization – CDO & CHRO
- **Net sales increased, profitability challenges at certain sites**
  - Adjusted EBITDA of 2.6 MEUR compared to 3.0 MEUR prior year
  - Region Europe & Middle East has challenging mobilization of Norwegian contract
  - Region Finland & Baltics increased profitability
  - Region Americas profitability lower due to increased cost and fewer shutdowns
- **Contract portfolio increase during the quarter**
  - Two contracts won, one in Brazil and one in the US, and one previously won contract was scaled up to full capacity (Finland)
  - No contracts renewed or lost in the quarter
  - Net effect is an increase of the portfolio value by 6.2 MEUR to a total of 162.6 MEUR



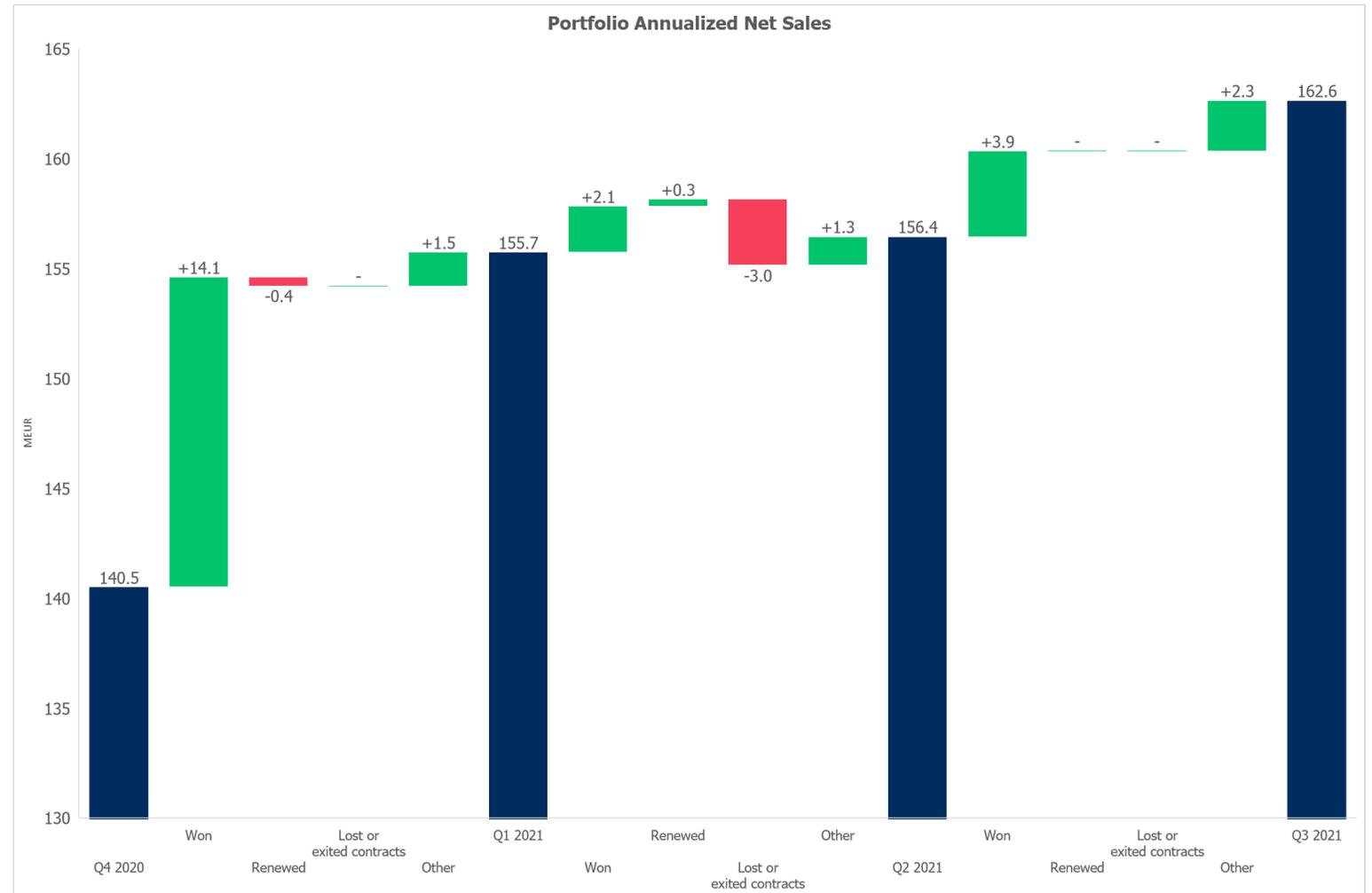
# Net sales and EBITDA continuing operations

- Net sales for the period increased by 1.3% to EUR 41.2 (40.7) million. Organically, net sales increased by 0.8%
- Gross profit for the quarter was EUR 5.7 million down from EUR 5.9 million prior year
  - Lost contracts in Europe & Middle East
  - Decreased profitability at certain existing contracts in region Americas
  - Increased profitability in region Finland & Baltics
- SG&A increase in overhead costs is a result of investments in new sales
- Quarterly adjusted EBITDA decreased to EUR 2.6 million from EUR 3.0 million prior year due to the changes in gross profit and higher SG&A
- Adjusted EBITDA with IFRS 16 increased to EUR 3.2 (3.9) million



# Contract portfolio overview

- Currently 75 sites in operation
- Contracts with annualized net sales of EUR 31.7 million scheduled for renewal during the next twelve months
- Third quarter development:
  - Two contracts were won, and one previously won contract scaled up to production level, with annualized net sales of EUR 3.9 million
  - No contracts were lost or renewed in the quarter
  - Scope changes and exchange rate effects of EUR 2.3 million
- The combined effect of these changes amount to an increase in the contract portfolio annualized net sales of EUR 6.2 million



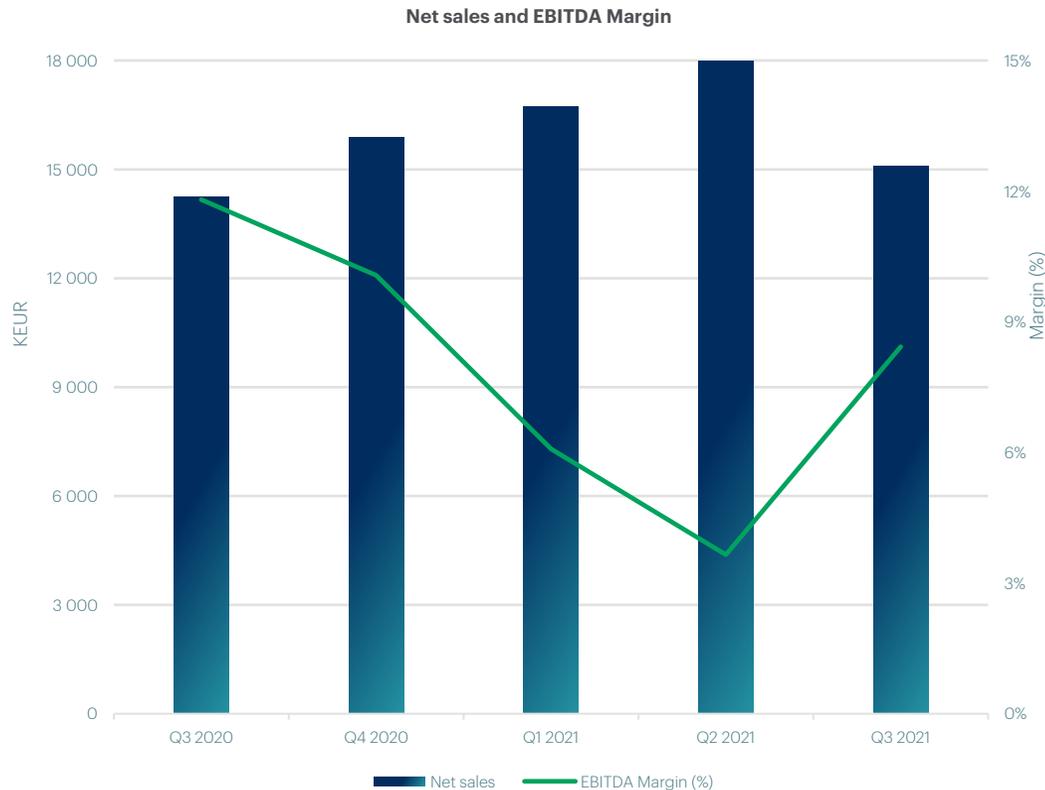
# Cash flow

- Cash flow from operating activities for the quarter amounted to EUR -3.5 (0.6) million
- Change in net working capital was EUR -4.8 (-2.0) million for the quarter
- Net debt / Adjusted EBITDA of 18
- Cash flow from financing activities was EUR 0.7 million, compared to EUR -0.7 million last year
- For the total Group, including both continuing and discontinued operations, cash flow for the quarter was EUR -3.5 (0.5) million
- At 30 September 2021, the amount drawn on the revolving working capital facility amounted to EUR 3.0 (16.0) million

KEUR	Q3		Jan-Sep		LTM	Jan-Dec
	2021	2020	2021	2020	Sep 2021	2020
<b>Continuing operations</b>						
Cash flow from operating activities	-3,500	647	-4,147	7,334	-3,793	7,688
Net debt	-	-	135,773	121,286	135,773	123,505
Net debt / Adjusted EBITDA, times	-	-	-	-	18	18
Net debt / Adjusted EBITDA IFRS 16, times	-	-	-	-	14	12
<b>Discontinued operations</b>						
Cash flow from operating activities	-359	775	-1,199	322	-1,475	47
<b>Group</b>						
Cash flow from operating activities	-3,859	1,422	-5,346	7,656	-5,268	7,735
Cash flow from investing activities	-300	-145	-795	-462	-1,170	-838
Cash flow from financing activities	656	-782	-9,234	7,156	-14,645	1,746
<b>CASH FLOW FOR THE PERIOD</b>	<b>-3,503</b>	<b>495</b>	<b>-15,375</b>	<b>14,350</b>	<b>-21,083</b>	<b>8,643</b>

# Segment financials

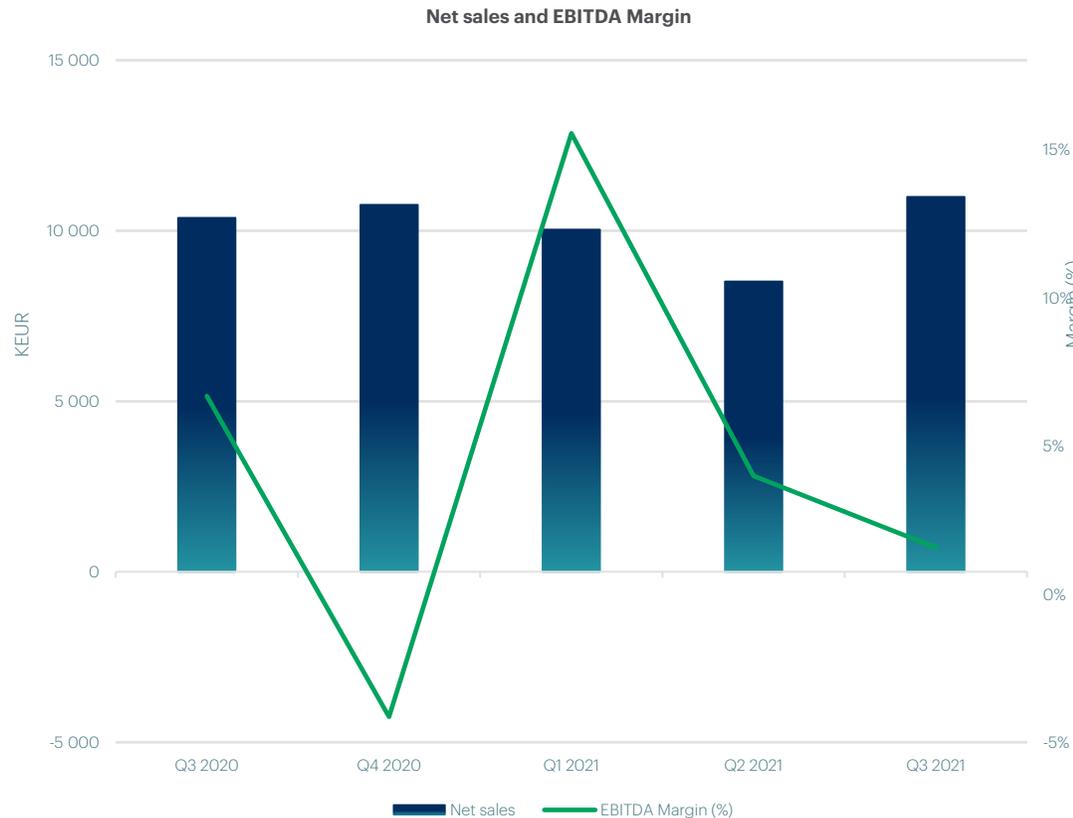
## Europe & Middle East



- Net sales in the quarter increased to EUR 15.1 (14.2) million due to new Norwegian contract, partially offset by lost contracts
- Adjusted EBITDA for the quarter was EUR 1.3 (1.7) million, due to lost contracts and the extended mobilization phase at the Norwegian contract caused by pandemic travel restrictions

# Segment financials

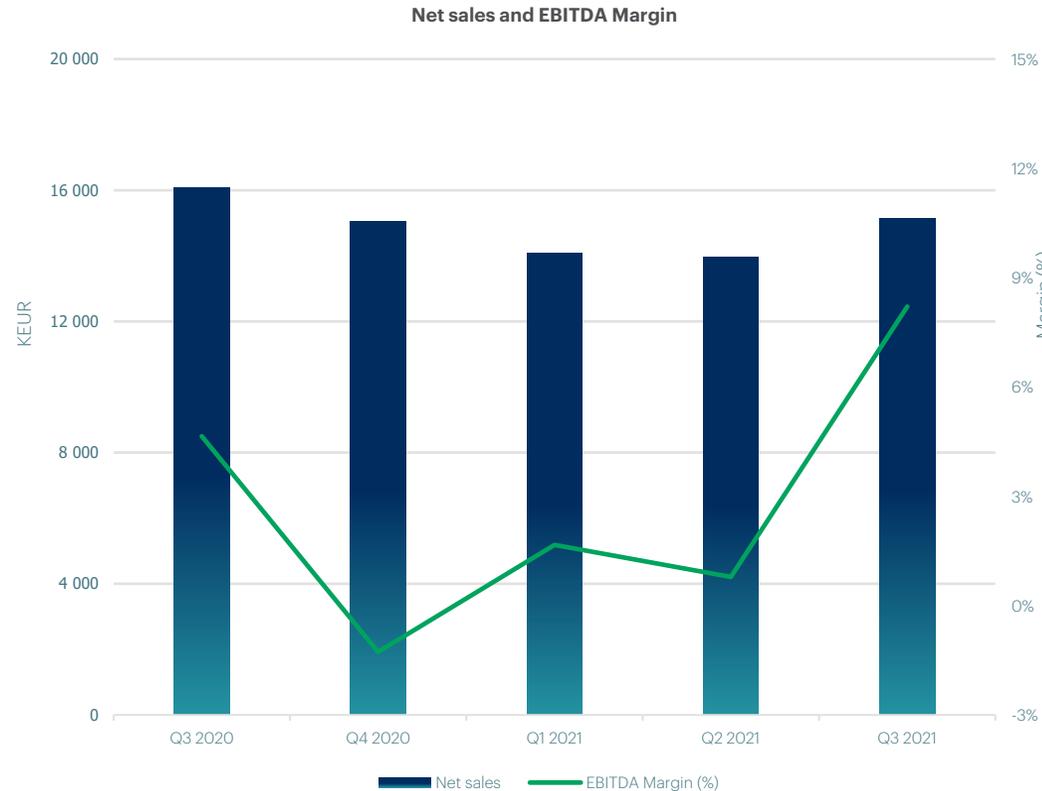
## Americas



- Net sales in the quarter increased to EUR 11.0 (10.4) million due to new contracts and higher revenue from project and upselling, offset by two lost contracts in Chile
- Adjusted EBITDA in the quarter was EUR 0.2 (0.7) million due to lower profitability in existing contracts. The Chilean government pandemic response has led to complexity in the labor market which increases cost at certain sites, which combined with a low shutdown activity leads to the lower profitability

# Segment financials

## Finland & Baltics



- Net sales in the first quarter decreased to EUR 15.2 (16.1) million due to exited contracts in Finland and decreased scope in one contract, compensated by increased upsell in certain contracts and revenue from the new contract
- Adjusted EBITDA in the quarter was EUR 1.2 (0.7) million as many contracts increased profitability and a price adjustment for the year was agreed in one contract

The background of the image shows a pair of hands cupping a glowing globe. The globe is covered in a network of white lines and dots, suggesting a global network or data flow. The lighting is soft and blue-toned, creating a futuristic and professional atmosphere.

**QUANT™**

**THANK YOU!**

Interim Report Q4 2021 will be released on 25 February 2022

FOR MORE INFORMATION GO TO [QUANTSERVICE.COM](https://www.quantservice.com)