



QUANT™

Q4 Report 2021

Tomas Rönn, CEO
André Strömgren, CFO

25 February 2022

SAFETY FIRST



Safety within Quant

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

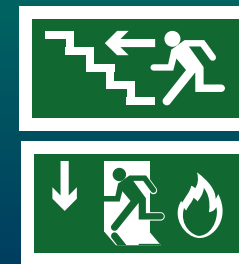
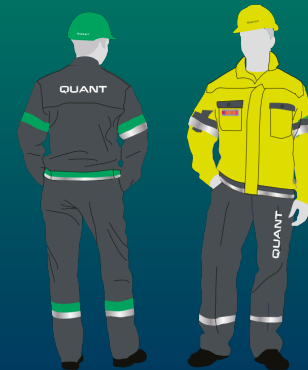
Everybody working for Quant, as an employee or contractor, is required to take care of themselves and their colleagues. We are committed to providing the instructions and training required to ensure they can do so safely.

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?



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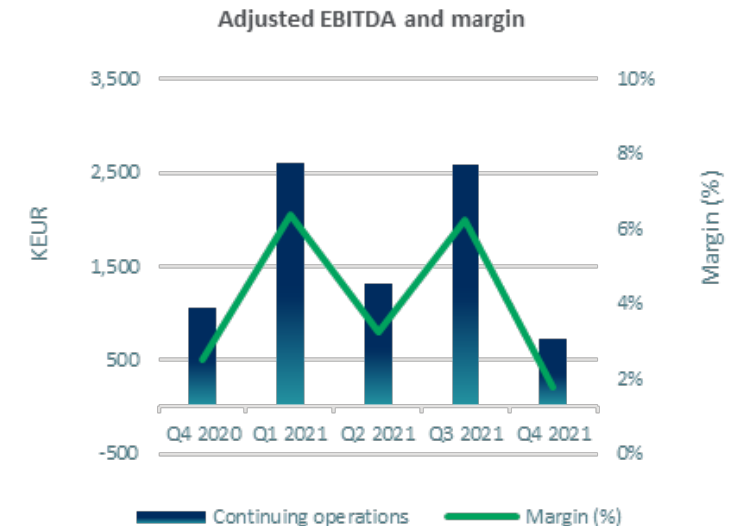
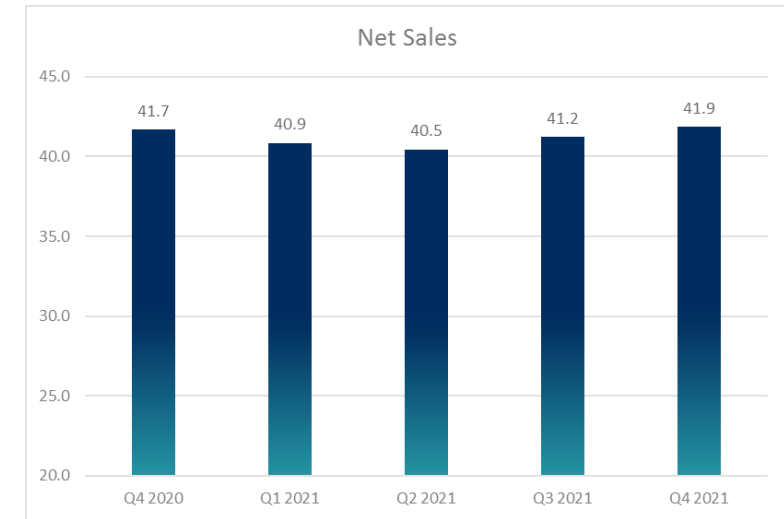
Fourth quarter development

- **Continuing sales momentum**
 - Sales pipeline remains strong
 - Pandemic still leads to delays in closing deals
- **Net sales increased, covid related challenges at certain sites**
 - Adjusted EBITDA of 0.7 MEUR compared to 1.1 MEUR prior year
 - Region Europe & Middle East has lower than expected profitability in a Norwegian contract primarily linked to the pandemic
 - Region Finland & Baltics increased profitability
 - Region Americas profitability lower due to increased cost linked to the pandemic and fewer shutdowns
- **Contract portfolio increase during the quarter**
 - Two contracts won, one in Spain and one in Sweden
 - Four contracts renewed or in the quarter -0.3 MEUR
 - No lost contracts in the quarter
 - Net effect is an increase of the portfolio value by 10.2 MEUR to a total of 172.8 MEUR compared to 140.5 MEUR end of 2020



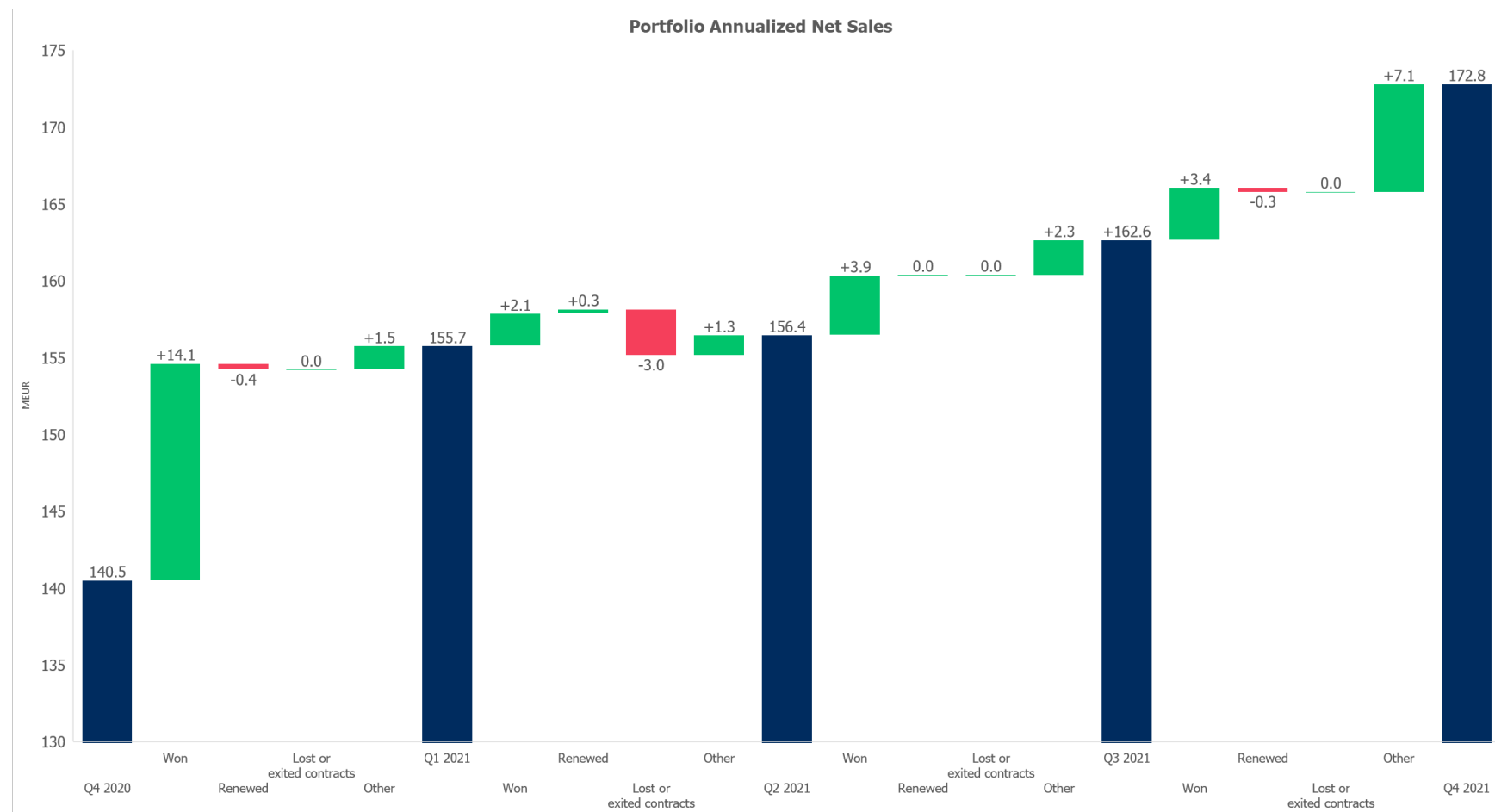
Net sales and EBITDA continuing operations

- Net sales for the period increased by 0.5% to EUR 41.9 (41.7) million. Organically, net sales increased by 1.2%
- Gross profit for the quarter was EUR 4.2 million down from EUR 4.4 million prior year
 - Decreased profitability at certain existing contracts in Chile. Prior year fourth quarter was negatively affected by demobilization costs EUR (-2) million for one lost contracts in Chile
 - Lower than expected profitability in a Norwegian contract
 - Increased profitability in region Finland & Baltics
- SG&A increase in overhead costs is a result of investments in new sales and higher management costs
- Quarterly adjusted EBITDA decreased to EUR 0.7 million from EUR 1.1 million prior year due to the changes in gross profit and higher SG&A
- Adjusted EBITDA with IFRS 16 increased to EUR 1.3 (1.8) million



Contract portfolio overview

- Currently 77 sites in operation
- Contracts with annualized net sales of EUR 42.3 million scheduled for renewal during the next twelve months
- Fourth quarter development:
 - Two contracts were won, and one previously won contract had change in scope, with annualized net sales of EUR 3.4 million
 - Four contracts were renewed in the quarter with decreased scope of EUR -0.3 million
 - No contract was lost in the quarter
 - Scope changes and exchange rate effects of EUR 7.1 million
- The combined effect of these changes amount to an increase in the contract portfolio annualized net sales of EUR 10.2 million



Cash flow

- Cash flow from operating activities for the quarter amounted to EUR 2.4 (0.4) million
- Change in net working capital was EUR 3.1 (0.7) million for the quarter
- Net debt / Adjusted EBITDA of 19
- Cash flow from financing activities was EUR 0.9 million, compared to EUR -5.4 million last year
- For the total Group, including both continuing and discontinued operations, cash flow for the quarter was EUR 3.5 (-5.7) million
- At 31 December 2021, the amount drawn on the revolving working capital facility amounted to EUR 4.0 (11.0) million

KEUR	Q4		Jan-Dec	
	2021	2020	2021	2020
Continuing operations				
Cash flow from operating activities	2,366	354	-1,781	7,688
Net debt	-	-	135,295	123,505
Net debt/ Adjusted EBITDA, times	-	-	18.8	17.5
Net debt/ Adjusted EBITDA IFRS 16, times	-	-	14.2	12.3
Discontinued operations				
Cash flow from operating activities	373	-275	-826.8	46.6
Group				
Cash flow from operating activities	2,739	79	-2,607	7,735
Cash flow from investing activities	-142	-376	-937	-838
Cash flow from financing activities	865	-5,411	-8,369	1,746
CASH FLOW FOR THE PERIOD	3,461	-5,707	-11,914	8,643

Segment financials

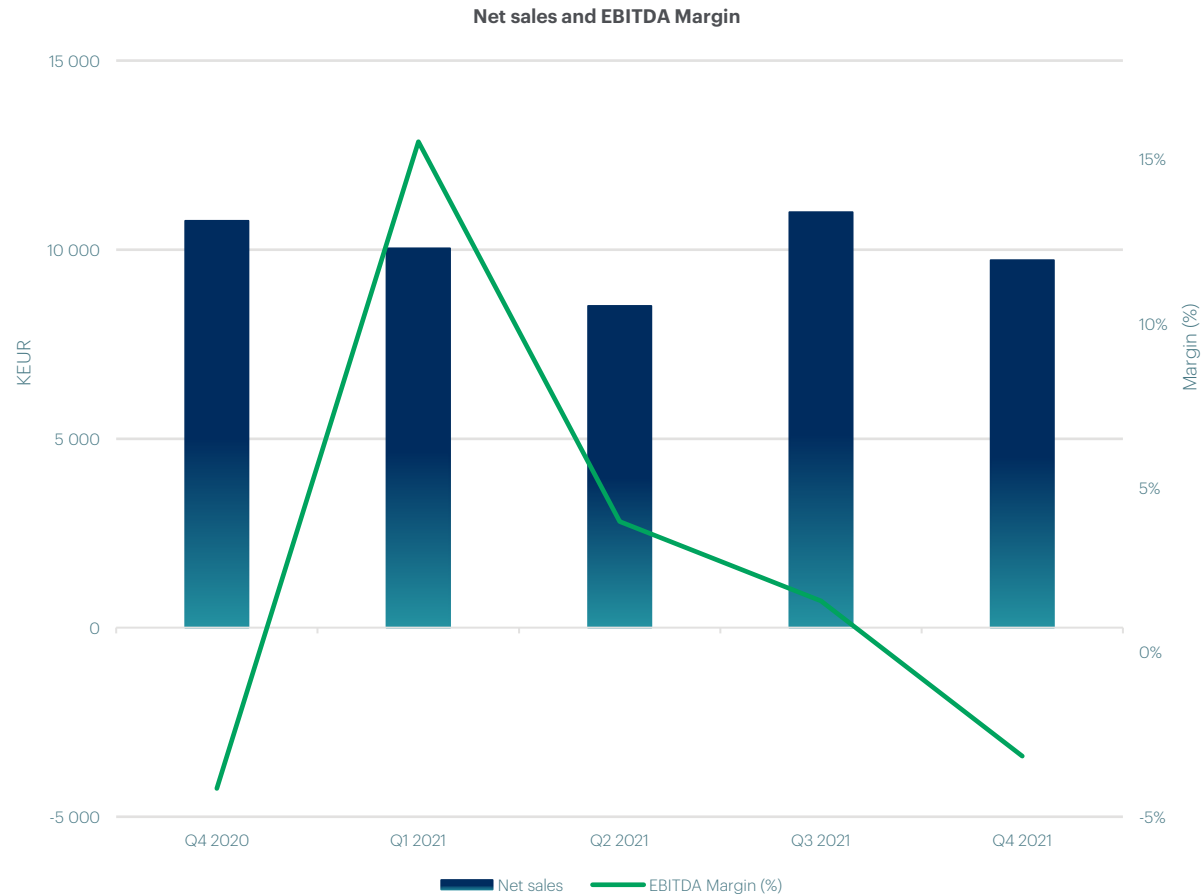
Europe & Middle East



- Net sales in the quarter increased to EUR 17.1 (15.9) million due to new Norwegian contract, partially offset by lost contracts
- Adjusted EBITDA for the quarter was EUR 0.7 (1.6) million, due to lower than expected profitability on a Norwegian contract caused primarily by the pandemic

Segment financials

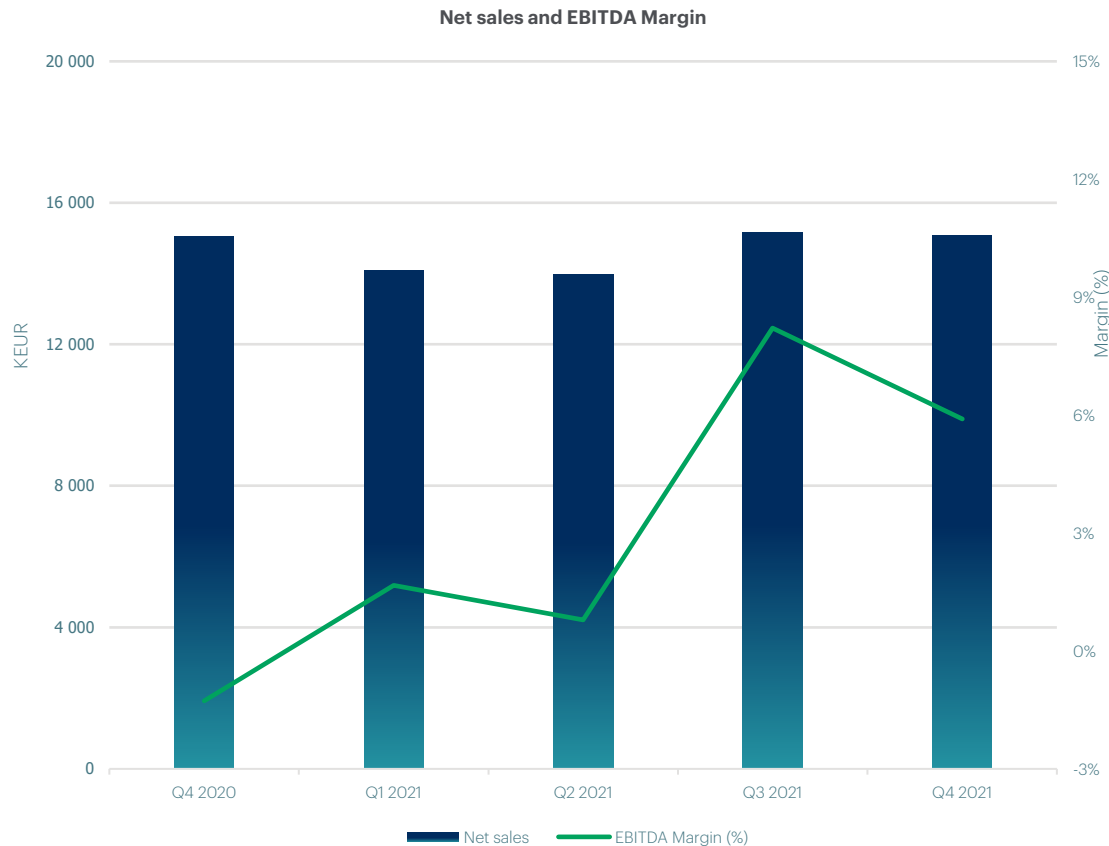
Americas



- Net sales in the quarter decreased to EUR 9.7 (10.8) million due to two lost contracts in Chile and lower revenue from shutdown in one contract
- Adjusted EBITDA in the quarter was EUR -0.3 (-0.4). Prior year fourth quarter was negatively affected by demobilization costs of EUR (-2.0) million for one lost contract in Chile. Fourth quarter of this year had lower profitability in certain existing contracts in Chile due to increased cost linked to the pandemic. This together with low shutdown activity has impacted the fourth quarter of this year negatively.

Segment financials

Finland & Baltics



- Net sales in the first quarter increased to EUR 15.1 (15.0) million due to increased upsell in certain contracts and revenue from one new contract
- Adjusted EBITDA in the quarter was EUR 0.9 (-0.2) million as many contracts increased profitability due to good contract management and mutually beneficial discussions with customers.

A pair of hands is shown from the bottom, cupping a glowing globe. The globe is covered in a network of white lines and dots, representing a global network or data flow. The background is dark, making the glowing elements stand out.

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THANK YOU!

Interim Report Q1 2022 will be released on 18 May 2022

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