



**QUANT™**

Q2 Report 2022

Tomas Rönn, CEO  
André Strömgren, CFO

26 August 2022

# SAFETY FIRST



## Safety within Quant

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

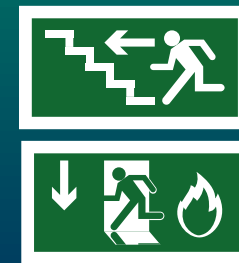
Everybody working for Quant, as an employee or contractor, is required to take care of themselves and their colleagues. We are committed to providing the instructions and training required to ensure they can do so safely.

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?



**QUANT**<sup>TM</sup>

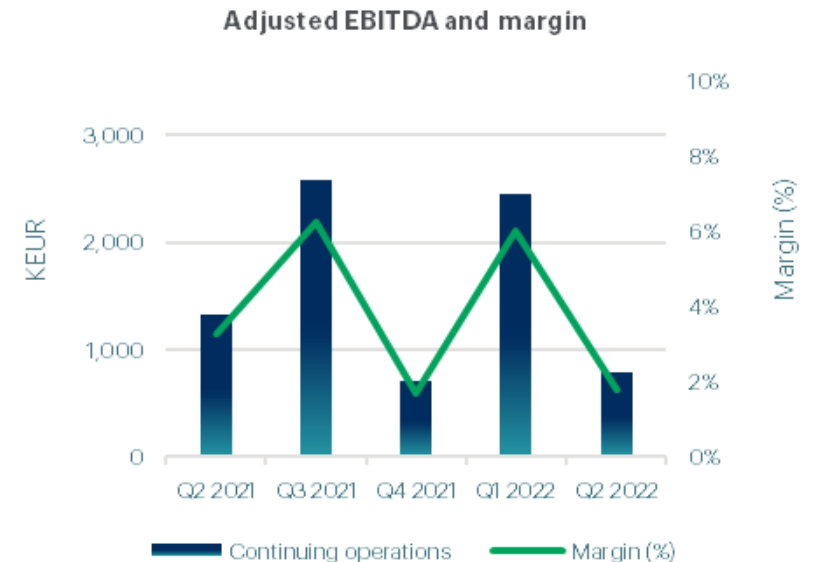
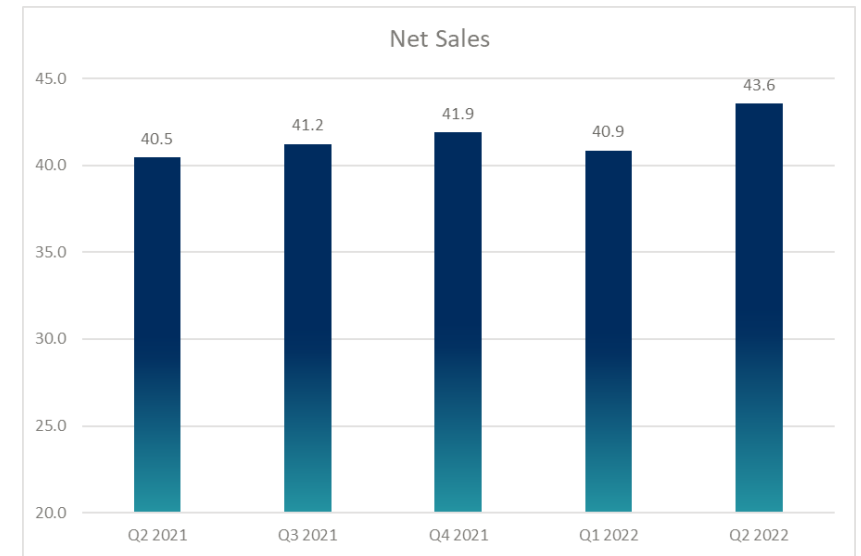
# Second quarter development

- **Strong sales during summer, new owners and refinancing**
  - Permira Credit new majority owners, investing EUR 10 million in equity
  - Senior bonds extended to Nov 2025, junior bonds and shareholder loans to be extinguished and contributed back to Quant within the year
  - Strong sales in Americas with addition of 13 MEUR contract in Brazil in June and 30 MEUR contract in Chile in July
  - Effects of the Russian geopolitical situation
- **Contract portfolio increase during the quarter**
  - One new contract in Brazil (+13 MEUR), Four contracts renewed (-0.2 MEUR) and two contracts lost (-4.5 MEUR)
  - Net effect, including change in scope and FX, is an increase of the portfolio value by +12.0 MEUR to a total of 188.8 MEUR compared to 156.4 MEUR end of Q2 2021
- **Continued good performance in region Finland & Baltics, penalties and discounts affecting profitability in region Americas**
  - Adjusted EBITDA of 0.8 MEUR compared to 1.3 MEUR prior year
  - Region Europe & Middle East had topline in line with last year. Profitability increased despite low profitability in a Norwegian contract
  - Region Finland & Baltics increased both topline and profitability in the quarter due to good contract management and contract renewals
  - Region Americas revenue increased, but profitability was impacted by underperforming contracts



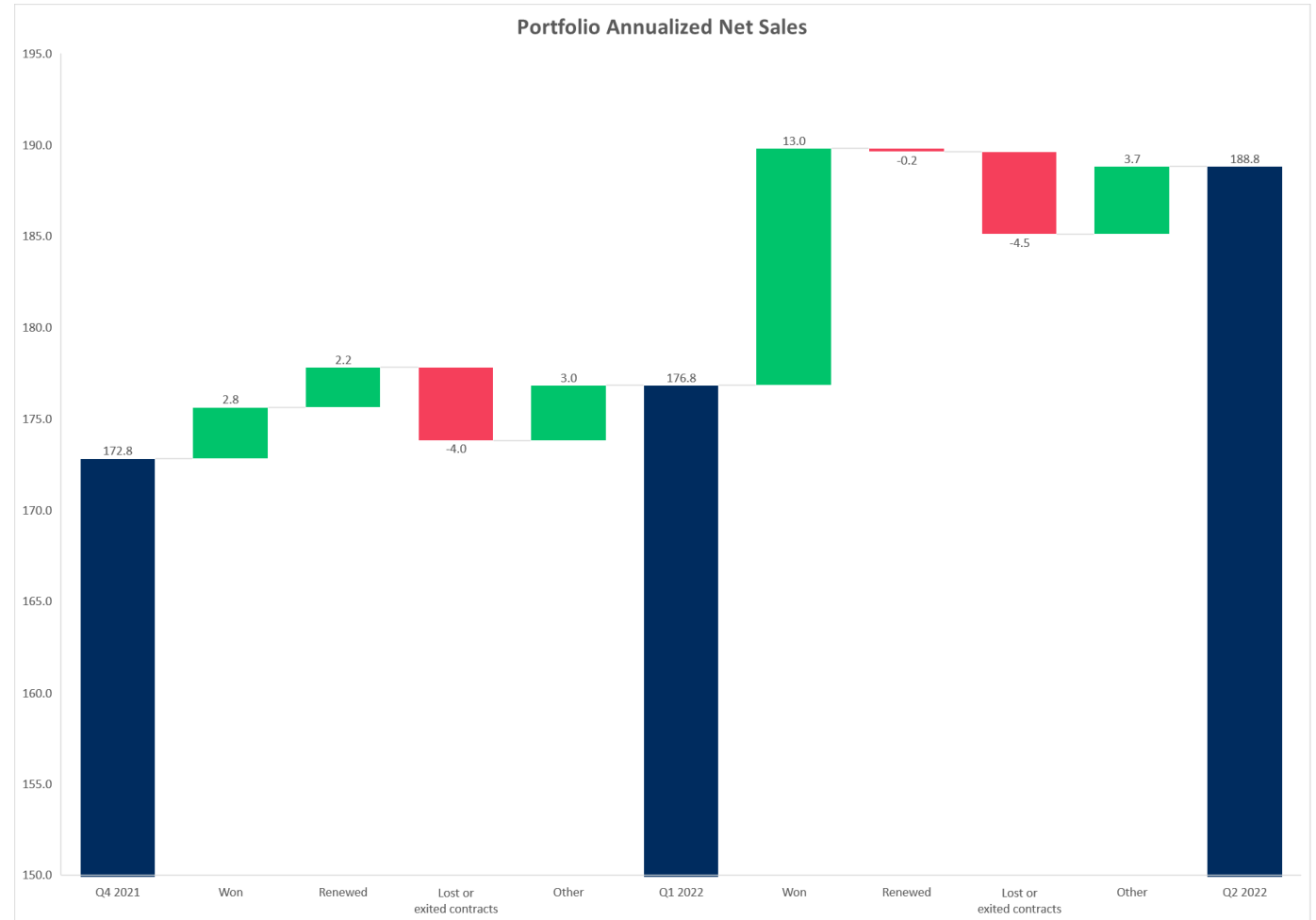
# Net sales and EBITDA continuing operations

- Net sales for the period increased to EUR 43.6 (40.5) million. Organically, net sales increased by 6.0%
- Gross profit for the quarter was EUR 4.7 million down from EUR 5.3 million prior year
  - Negatively impacted by currency fluctuations on revaluation of internal receivables/payables
  - Gross profit decreased due to lost contracts in Europe & Middle East
  - Lower profitability in a few running contracts in Americas
  - Continued good performance in region Finland & Baltics
- SG&A were lower than last year due to lower amortization costs and less non-recurring items
- Quarterly adjusted EBITDA decreased to EUR 0.8 million from EUR 1.3 million prior year due to a EUR -0.8 million negative impact from currency fluctuations on revaluation of internal receivables/payables offset by improved profitability of EUR 0.3 million
- Adjusted EBITDA with IFRS 16 increased to EUR 1.4 (2.0) million



# Contract portfolio overview

- Currently 79 sites in operation
- Contracts with annualized net sales of EUR 40.1 million scheduled for renewal during the next twelve months
- Second quarter development:
  - One contract was won with annualized net sales of EUR 13 million
  - Four contracts were renewed in the quarter with decreased scope of EUR -0.2 million
  - Two contract was lost in the quarter EUR -4.5 million
  - Scope changes and exchange rate effects of EUR 3.7 million
- The combined effect of these changes amount to an increase in the contract portfolio annualized net sales of EUR 12.0 million



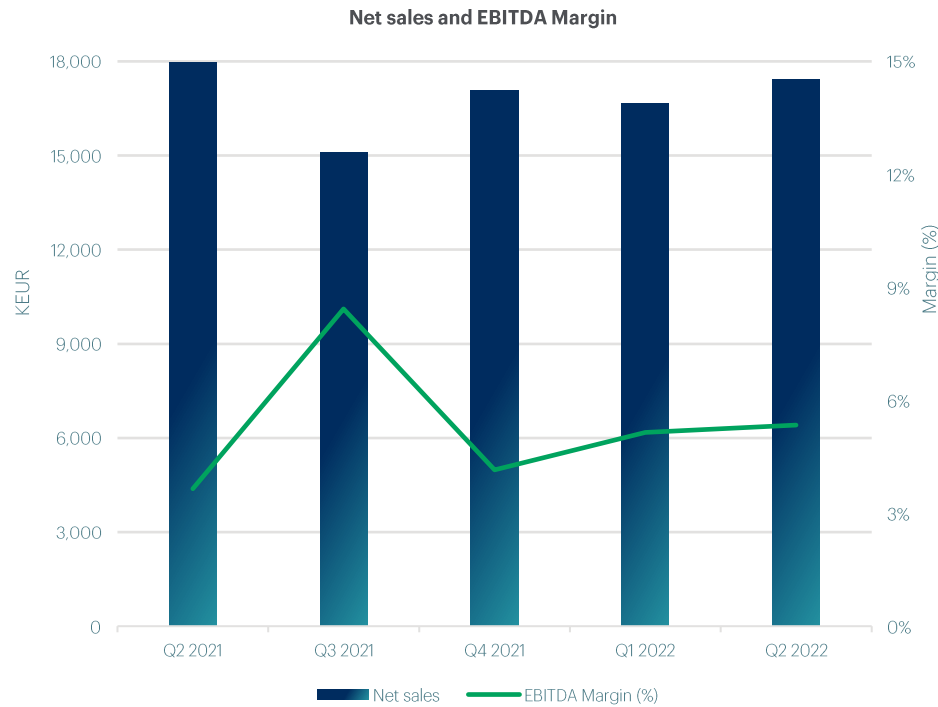
# Cash flow

- Cash flow from operating activities for the quarter amounted to EUR -0.5 (1.9) million
- Change in net working capital was EUR -0.2 (2.0) million for the quarter
- Net debt / Adjusted EBITDA of 20
- Cash flow from financing activities was EUR 2.9 million, compared to EUR -0.3 million last year
- For the total Group, including both continuing and discontinued operations, cash flow for the quarter was EUR 1.8 (-0.9) million
- At 30 June 2022, the amount drawn on the revolving working capital facility amounted to EUR 0.0 (2.0) million

KEUR	Q2		Jan-Jun		LTM	Jan-Dec
	2022	2021	2022	2021	Jun 2022	2021
<b>Continuing operations</b>						
Cash flow from operating activities	-476	1,908	2,287	-647	1,154	-1,781
Cash flow from investing activities	-555	-256	-914	-495	-1,357	-937
Cash flow from financing activities	2,868	-346	2,387	-9,890	3,908	-8,369
Net debt	-	-	128,334	129,461	128,334	135,295
Net debt / Adjusted EBITDA, times	-	-	-	-	20	19
Net debt / Adjusted EBITDA IFRS 16, times	-	-	-	-	15	14
<b>Discontinued operations</b>						
Cash flow, discontinued operations	6	-413	215	-840	228	-827
<b>Group</b>						
<b>CASH FLOW FOR THE PERIOD</b>	<b>1,844</b>	<b>893</b>	<b>3,975</b>	<b>-11,872</b>	<b>3,933</b>	<b>-11,914</b>

# Segment financials

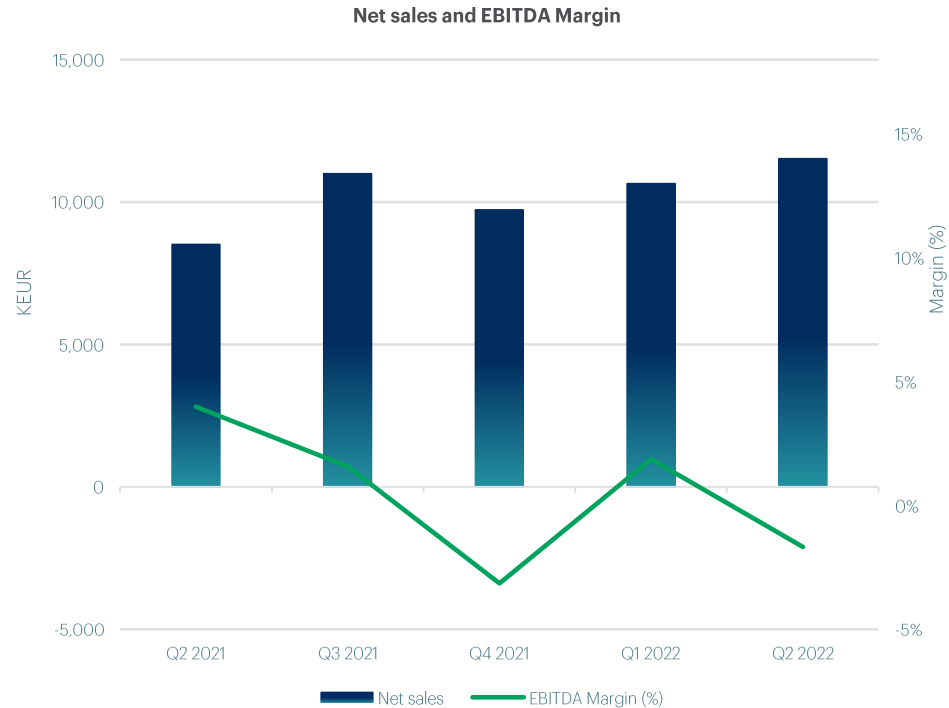
## Europe & Middle East



- Net sales in the quarter was EUR 17.4 (18.0) million, due to lost contracts, partially offset by increased scope in existing contracts.
- Adjusted EBITDA for the quarter was EUR 0.9 (0.7) million. Profitability improves as a result of new sites, high upselling in existing contracts and lower costs. This is partially offset by low profitability in Norwegian site and lost contracts.

# Segment financials

## Americas

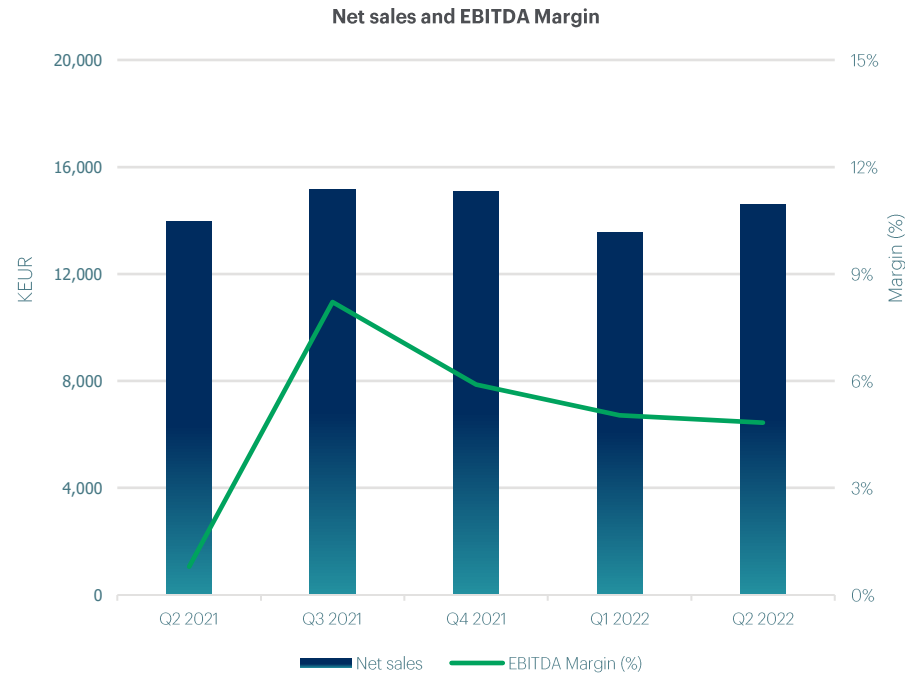


- Net sales in the quarter increased to EUR 11.5 (8.5) due to higher revenue from projects and upselling and new sales
- Adjusted EBITDA in the quarter was EUR -0.2 (0.3). This is mainly due to underperforming existing contracts as a result of penalties and discounts in connection to personnel on sick leave, as well as increased sales expenses due to investments in Sales



# Segment financials

## Finland & Baltics



- Net sales in the first quarter increased to EUR 14.6 (14.0) million due increased upsell and projects in existing contracts
- Adjusted EBITDA in the quarter was EUR 0.7 (0.1) million as many contracts increased profitability due to good contract management and mutually beneficial discussions with customers and due to increased upsell in existing contracts

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

**QUANT™**

**THANK YOU!**

Interim Report Q3 2022 will be released on 25 november 2022

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