

A hand is shown holding a glowing, translucent globe. The globe features a map of the world with a network of white lines and dots connecting various points, symbolizing global connectivity or technology. The background is dark, and the globe itself is illuminated from within, creating a bright, ethereal effect.

# QUANT™

## Q4 Report 2023

Tomas Rönn, CEO  
André Strömgren, CFO

23 February 2024

# SAFETY FIRST



## Safety within Quant

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

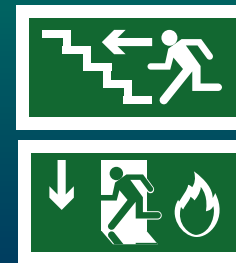
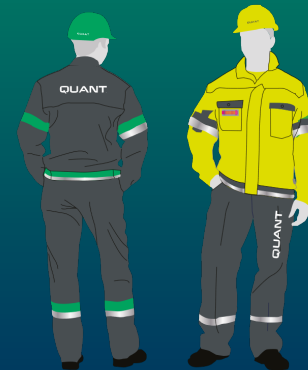
Everybody working for Quant, as an employee or contractor, is required to take care of themselves and their colleagues. We are committed to providing the instructions and training required to ensure they can do so safely.

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

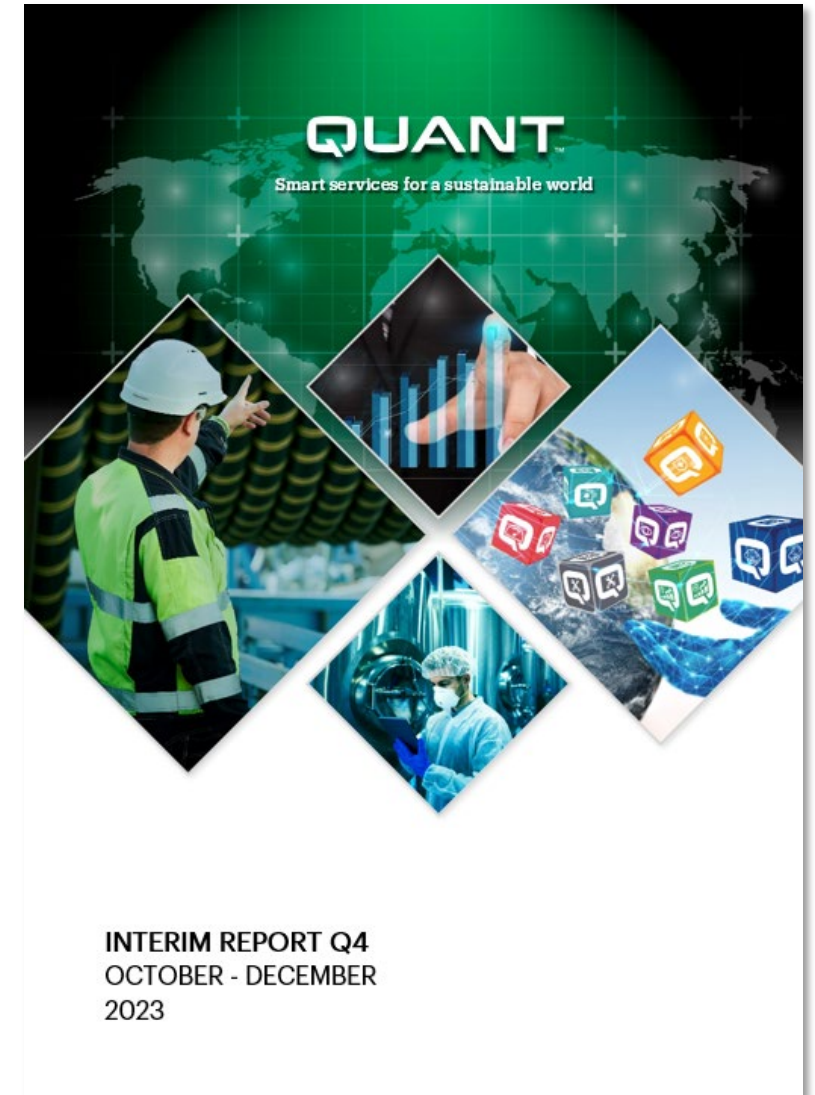
- Everyone is in a safe meeting environment?
- Nobody is driving?



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

# Fourth quarter development

- **Robust performance for the full year**
  - Declining net sales in quarter due to lost contracts, for the year net sales up by +15.2%
  - Increase in EBITDA due to improved profitability in existing contracts and diligent cost management
  - Focus forward: Return to 200 MEUR portfolio value, excellence in contract execution and cost structure optimization
- **Contract portfolio unchanged during the quarter**
  - Three contracts were lost (-4.6 MEUR), three contracts were won (0.8 MEUR) and seven contracts were renewed
  - Net effect, including change in scope of 3.4 MEUR and FX of -1.3 MEUR, drives a decrease of the portfolio value by -1.4 MEUR to a total of 168.2 MEUR compared to 169.6 MEUR end of Q3 2023
- **Significant improvement in EBITDA, up to 0.2 MEUR from -1.5 MEUR last year. YTD Adjusted EBITDA of 8.9 (4.7) MEUR**
  - Adjusted EBITDA of 0.2 MEUR, a significant improvement from last year's -1.5 MEUR
  - **Europe & Middle East** faced declining net sales due to lost contracts. Despite this, EBITDA for the region increased to 1.2 MEUR for the quarter and 4.3 MEUR for the year due to improved profitability in existing contracts and diligent cost management
  - In the **Americas** region topline decreased due to lost contracts along with a 1.3 MEUR impairment of operational receivables and accrued income. The above-mentioned impairment of operational receivables and accrued income dampened EBITDA but strong performance on one new contract mobilized in the fourth quarter of 2022 resulted in a positive outcome versus previous year
  - In the **Finland & Baltics** region, revenue rose due to early implementation of annual contract price inflation clauses and strong upsell. EBITDA increased with improved gross profit driven by higher upsell in existing contracts and less selling expenses offset by higher general and administration expenses due to investment in service centre setup



# Net sales and EBITDA continuing operations

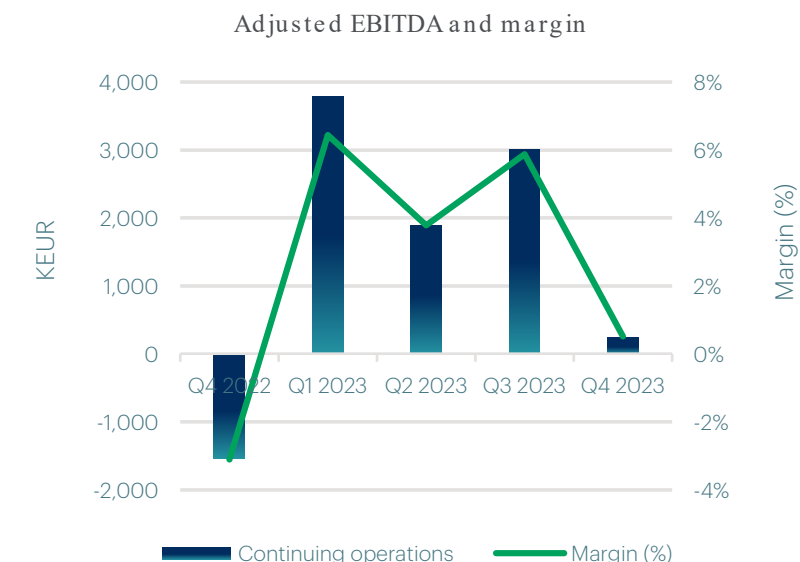
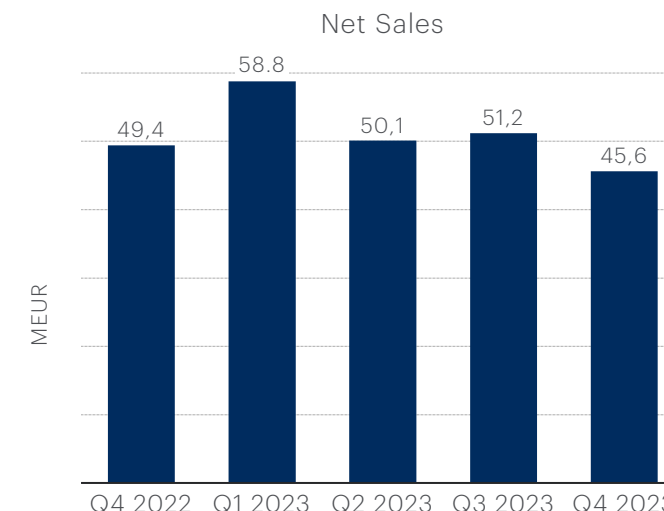
- Net sales for the period decreased to EUR 45.6 (49.4) MEUR. Organically, net sales decreased by -5.3%
- Gross profit for the quarter was EUR 4.1 MEUR, up from EUR 2.6 MEUR prior year, driven by:
  - Higher costs last year when new contracts in the Americas were mobilizing at the end of 2022
  - Improved profitability in existing contracts in Finland & Baltics

Offset by

- 1.3 MEUR reduction in revenue in Americas when operational receivables and accrued income were impaired due to a lost contract
- Negative currency fluctuations on revaluation of internal receivables/payables

Gross profit includes costs reclassified as NRI in adjusted EBITDA

- General and administration expenses down from last year
- Quarterly Adjusted EBITDA amounted to EUR 0.2 MEUR versus EUR -1.5 MEUR prior year, driven by higher gross profit and lower general and admin expenses partially offset by a negative impact from currency fluctuations on revaluation of internal receivables/payables
- Adjusted EBITDA with IFRS 16 increased to EUR 0.5 (-1.1) MEUR



# Contract portfolio overview

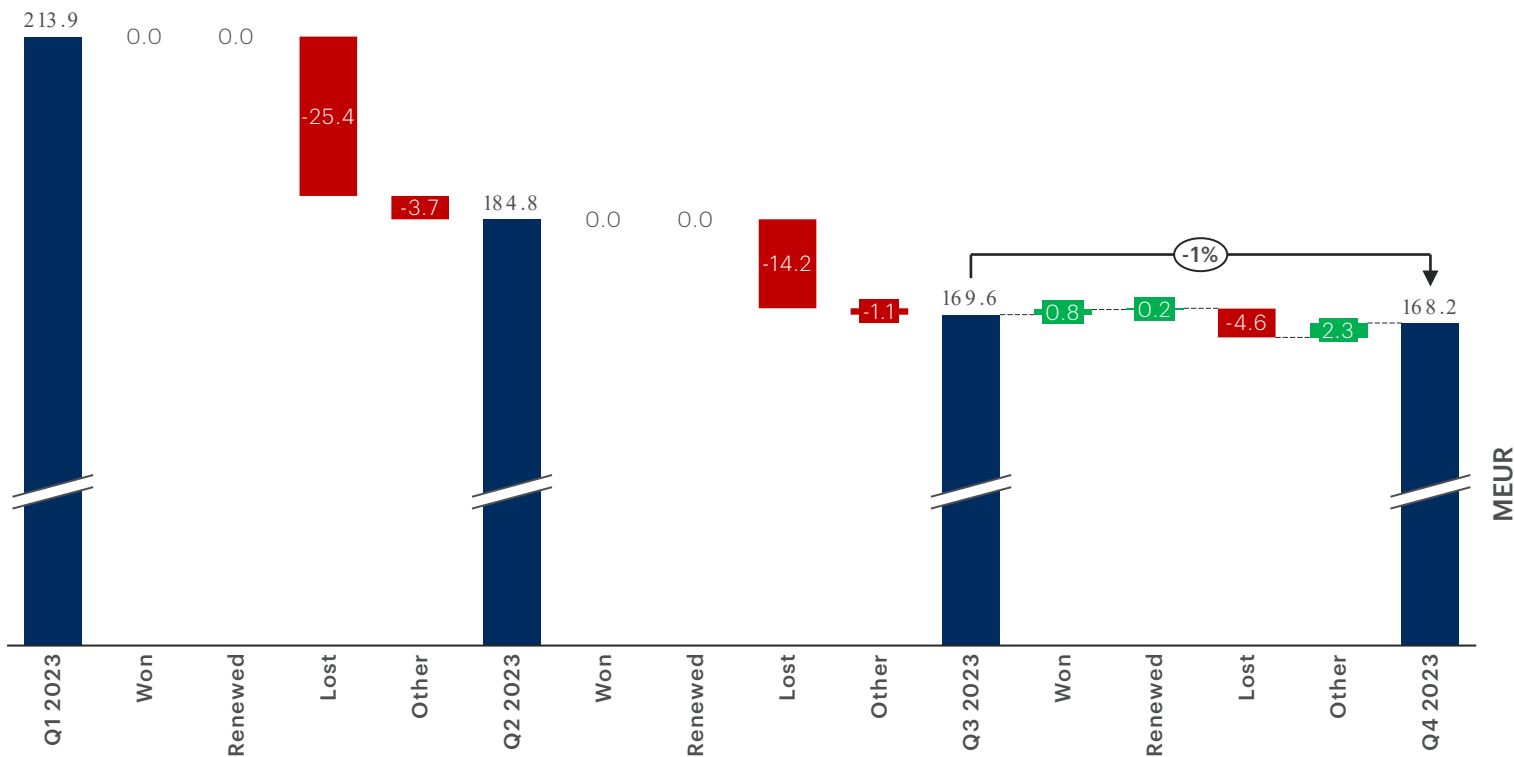
- Currently 71 sites in operation
- Contracts with annualized net sales of 49.1 MEUR scheduled for renewal during the next twelve months

Fourth quarter development:

- Three new contracts were won with annualized net sales of 0.8 MEUR
- Three contracts were lost with annualized net sales of -4.6 MEUR
- Seven contracts were renewed
- Scope changes and exchange rate effects amounted to 2.3 MEUR

The combined effect of these changes amount to a decrease in the contract portfolio annualized net sales of -1.4 MEUR compared to the previous quarter

Portfolio Annualized Net Sales



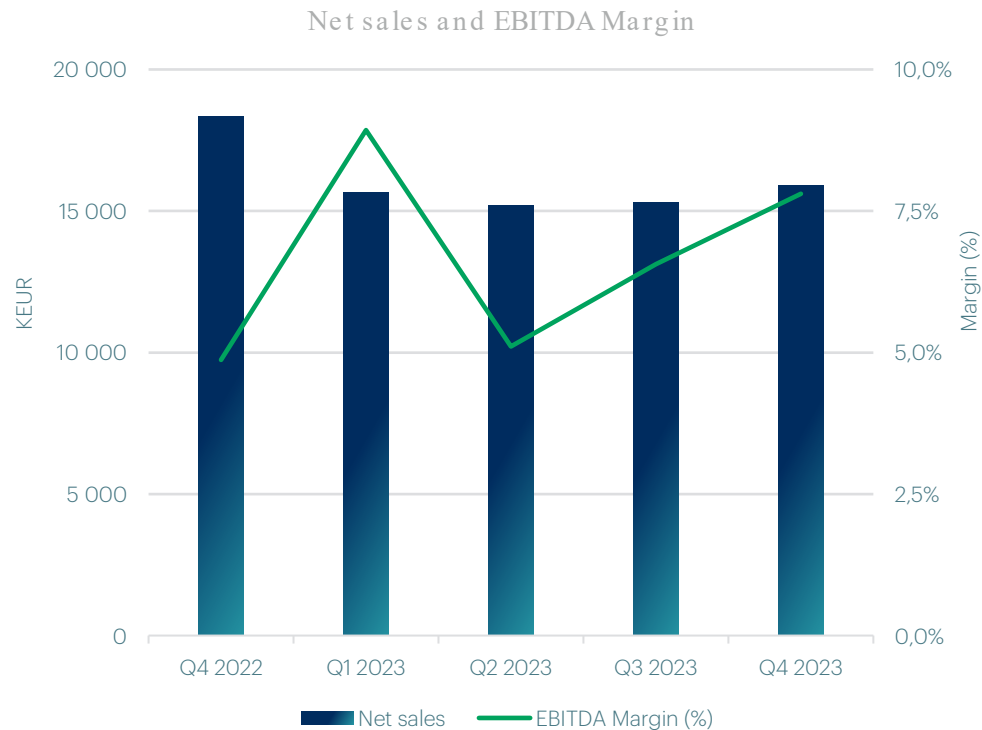
# Cash flow

- Cash flow from operating activities for the quarter amounted to 4.6 (5.8) MEUR
- Change in net working capital was 6.6 (8.2) MEUR for the quarter
- Net debt / LTM Adjusted EBITDA of 8.5
- For the total Group, including both continuing and discontinued operations, cash flow for the quarter was 3.3 (3.6) MEUR
- As of 31 December 2023, the loan amount drawn on the revolving working capital facility amounted to 2.0 (0.0) MEUR

KEUR	Q4		Jan-Dec	
	2023	2022	2023	2022
<b>Continuing operations</b>				
Cash flow from operating activities	4,585	5,839	1,541	7,698
Cash flow from investing activities	-986	-1,599	-2,859	-3,129
Cash flow from financing activities	-253	-1,335	916	-555
Net debt	76,109	71,938	76,109	71,938
Net Debt / Adjusted EBITDA, times			8.5	15.4
Net Debt / Adjusted EBITDA IFRS 16, times			7.6	11.1
<b>Discontinued operations</b>				
CASH FLOW, discontinued operations	-58	725	-296	818
<b>Group</b>				
<b>CASH FLOW FOR THE PERIOD</b>	<b>3,288</b>	<b>3,630</b>	<b>-698</b>	<b>4,831</b>

# Segment financials

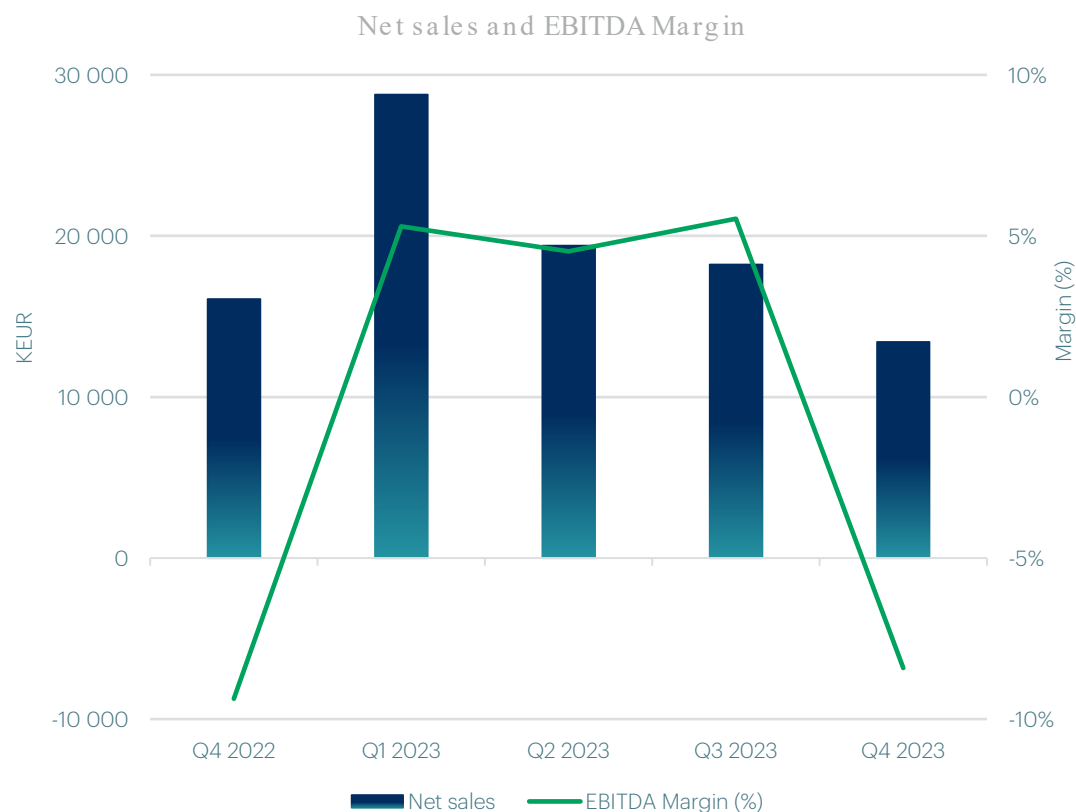
## Europe & Middle East



- Net sales in the quarter amounted to 15.9 MEUR, compared to 18.3 MEUR prior year. The decrease was mainly due to lost contracts which was partially offset by new contracts
- Adjusted EBITDA for the quarter was 1.2 MEUR, compared to 0.9 MEUR prior year. The increase in adjusted EBITDA was due to higher gross profit because of improved profitability in existing contracts

# Segment financials

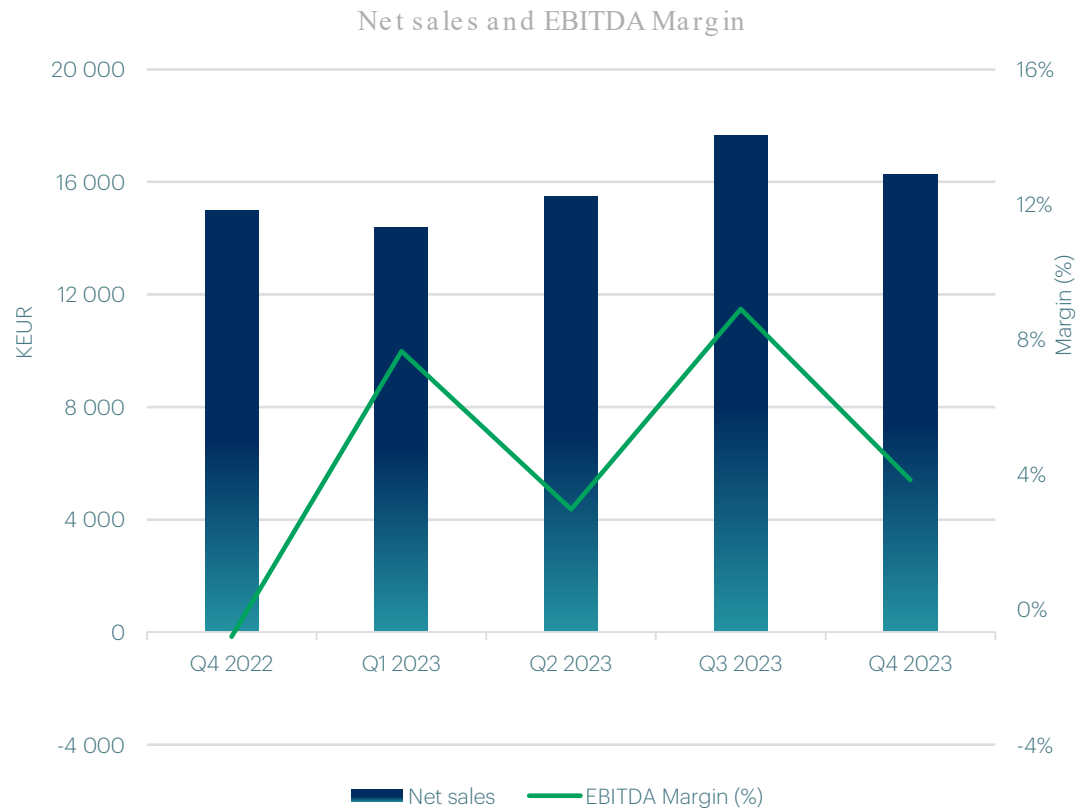
## Americas



- Net sales in the quarter decreased to 13.4 MEUR, from 16.1 MEUR prior year. This was mainly due to lost contracts, including a 1.3 MEUR impairment of operational receivables and accrued income. This was partly mitigated by higher revenue from projects and upselling in existing contracts
- Adjusted EBITDA for the quarter was -1.1 MEUR, compared to -1.5 MEUR prior year. The above-mentioned impairment of operational receivables and accrued income dampened EBITDA but strong performance on one new contract mobilized in the fourth quarter of 2022 resulted in a positive outcome versus previous year. Costs of 0.2 MEUR related to one customer's early termination as well as restructuring costs is classified as non-recurring items

# Segment financials

## Finland & Baltics



- Net sales in the quarter improved to 16.3 MEUR, from 15.0 MEUR in the same period last year, driven by annual contract price inflation clauses which went into effect early in the year and higher upsell in existing contracts, partly dampened by lost contracts
- Adjusted EBITDA in the quarter amounted to 0.6 MEUR, compared to -0.1 MEUR prior year, with improved gross profit driven by higher upsell in existing contracts and less selling expenses offset by higher general and administration expenses due to investment in service centre setup



**QUANT™**

**THANK YOU!**

Interim Report Q1 2024 will be released on 22 May 2024

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