



Q1 REPORT JANUARY – MARCH 2021

April 29, 2021



Creating sustainable, efficient and safe societies

Today's presenters

Jakob Holm

CEO



- Joined Sdiptech in 2014
- Holds 321,749 ordinary shares, 1,040 preference shares, 126,000 warrants
- Background: Axholmen, General Electric, Accenture
- Education: M.Sc. in Systems Engineering from KTH Royal Institute of Technology

Bengt Lejdström

CFO



- Joined Sdiptech in 2018
- Holds 72,800 ordinary shares, 500 preference shares, 45,600 warrants
- Background: CFO Lagercrantz Group, Intrum Justitia, Acando
- Education: M.Sc. in Business Economics from Stockholm School of Economics

➔ **Business overview**

First quarter

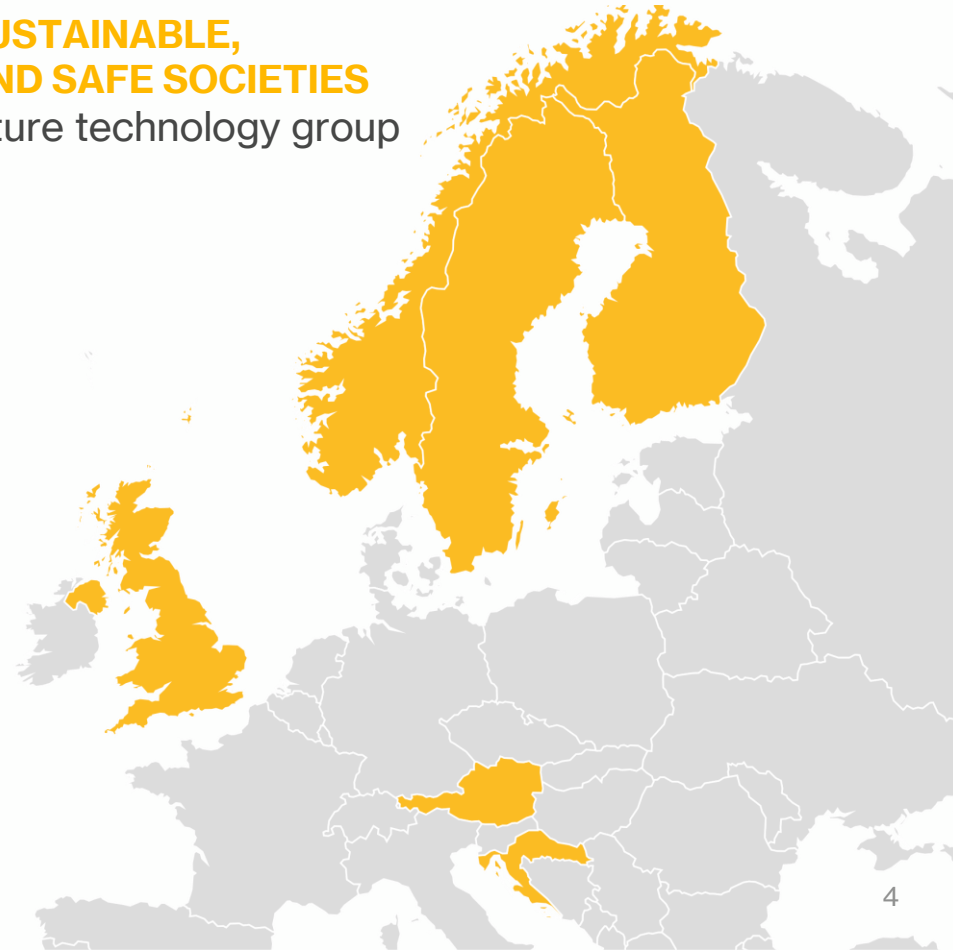
Financial development

Outlook



SDIPTECH

**CREATING SUSTAINABLE,
EFFICIENT AND SAFE SOCIETIES**
An infrastructure technology group



2,262

MSEK Net Sales
LTM Q1 2021

17.4%

EBITA*-margin
LTM Q1 2021

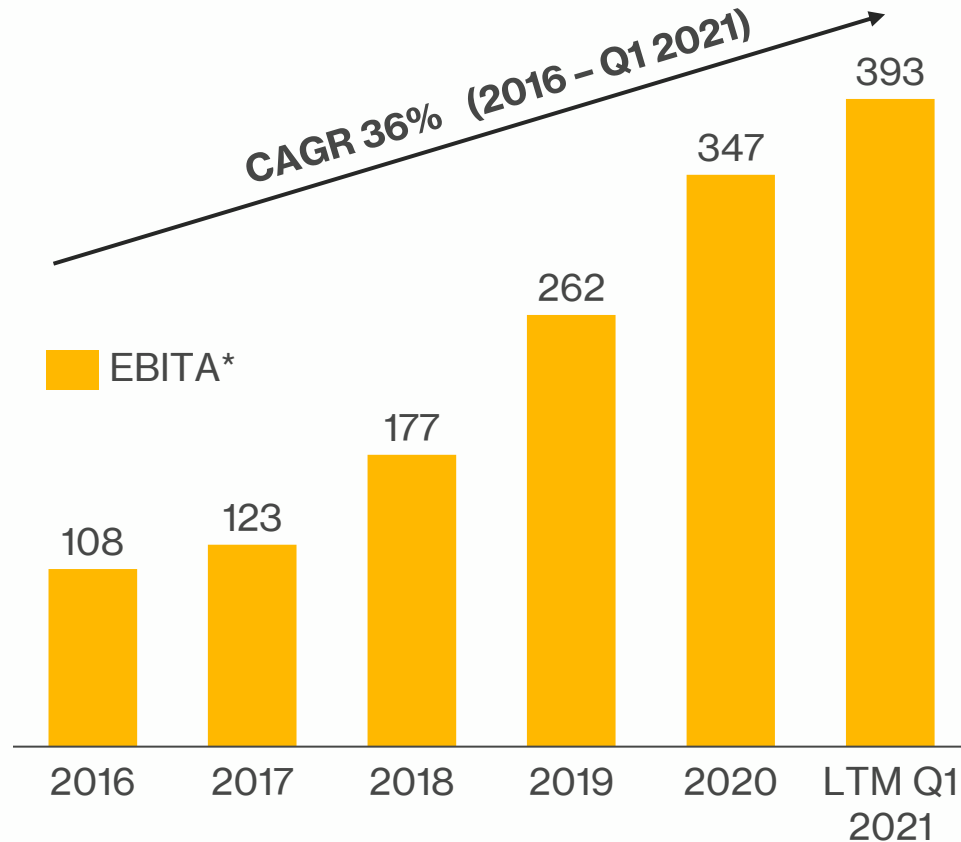
40%

Growth EBITA*
LTM Q1 2021

36%

CAGR EBITA*
2016 - Q1 2021

Sdiptech's overall goal is to create value by increasing profits every year



- Sdiptech's **overall goal is to create sustainable, long-term value growth** by consistently increasing profits, every year
- Sdiptech's business model is designed to **acquire** niched companies and **develop** them to their full potential
- Our focus is on defensible **high-margin positions**
- Sdiptech's markets are defined by **long-term investment needs**
 - More sustainable, efficient and safe societies
 - Under-dimensioned and aging infrastructures

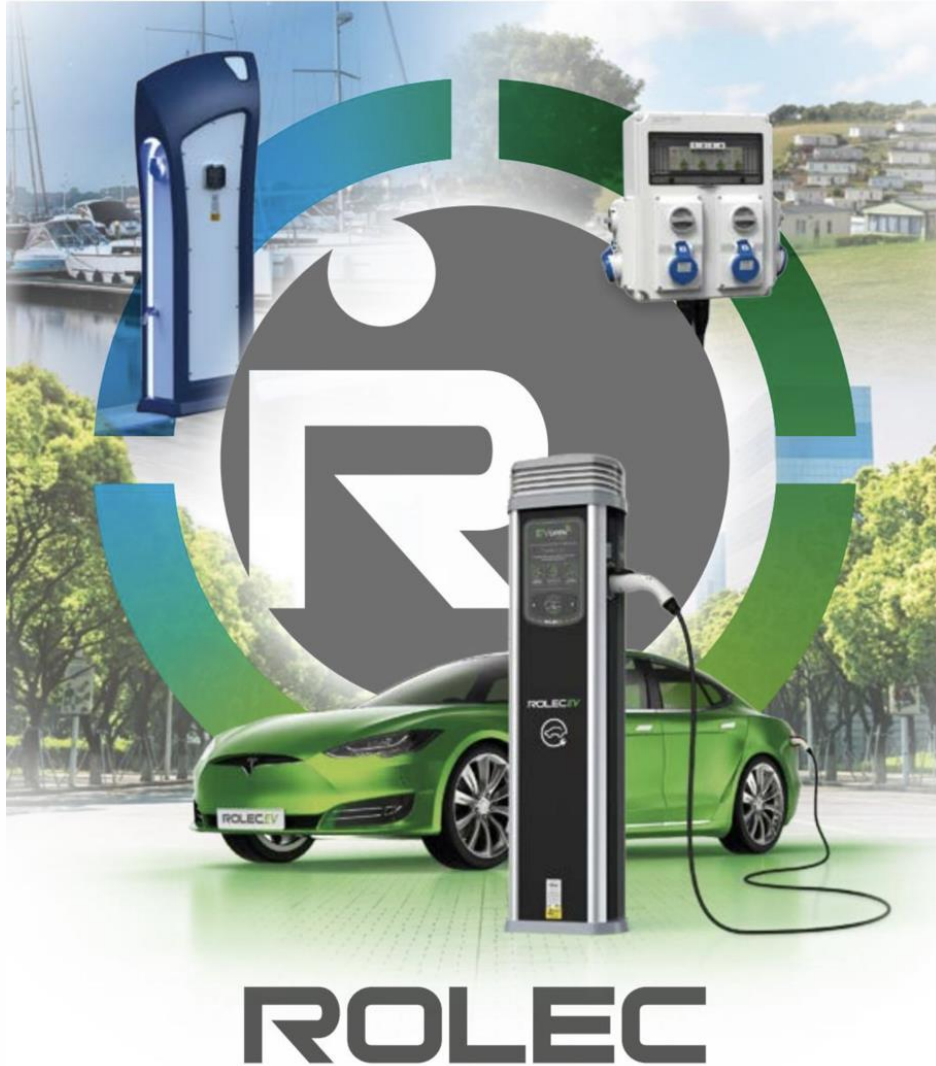
Business overview

→ **First quarter**

Financial development

Outlook

Acquisition in the quarter - Welcome Rolec



Confirms Sdiptech's position as a group with leading and sustainable customer offerings

265m

Net Sales
2020, SEK

80m

EBIT
2020, SEK

30%

EBIT margin 2020,
expected going
forward approx. 28%

155

Employees

3

Business
Segments

Three segments: EV, Marina & Caravan

Comprehensive range
AC and DC
3.6 to 200 kW



ROLEC*EV*
 **B2B**

**Nationwide sales,
installation and service**

2.000 UK wholesalers
80 training courses



Software integrated in solution

COMMERCIAL SMART CHARGING SOLUTIONS



ROLEC*EV* **B2C**



ROLEC
Marina Services



ROLEC
Caravan & Park Services

Established market position

>200.000 charging points installed



Commitment to quality & sustainable infrastructure offerings

Divestment of five business units Tello & the SE elevator business:

- Multiple approx. 11xEBIT (2020)
- Approx. SEK 360m in divested sales
- Approx. SEK 27m in divested EBIT
- Approx. 8% EBIT margin

Acquisition of Rolec Services:

- Multiple approx. 9xEBIT (2020)
- Approx. SEK 265m in added sales
- Approx. SEK 80m in added EBIT
- Approx. 30% EBIT margin
 - Expected EBIT-margin going forward: approx. 28%

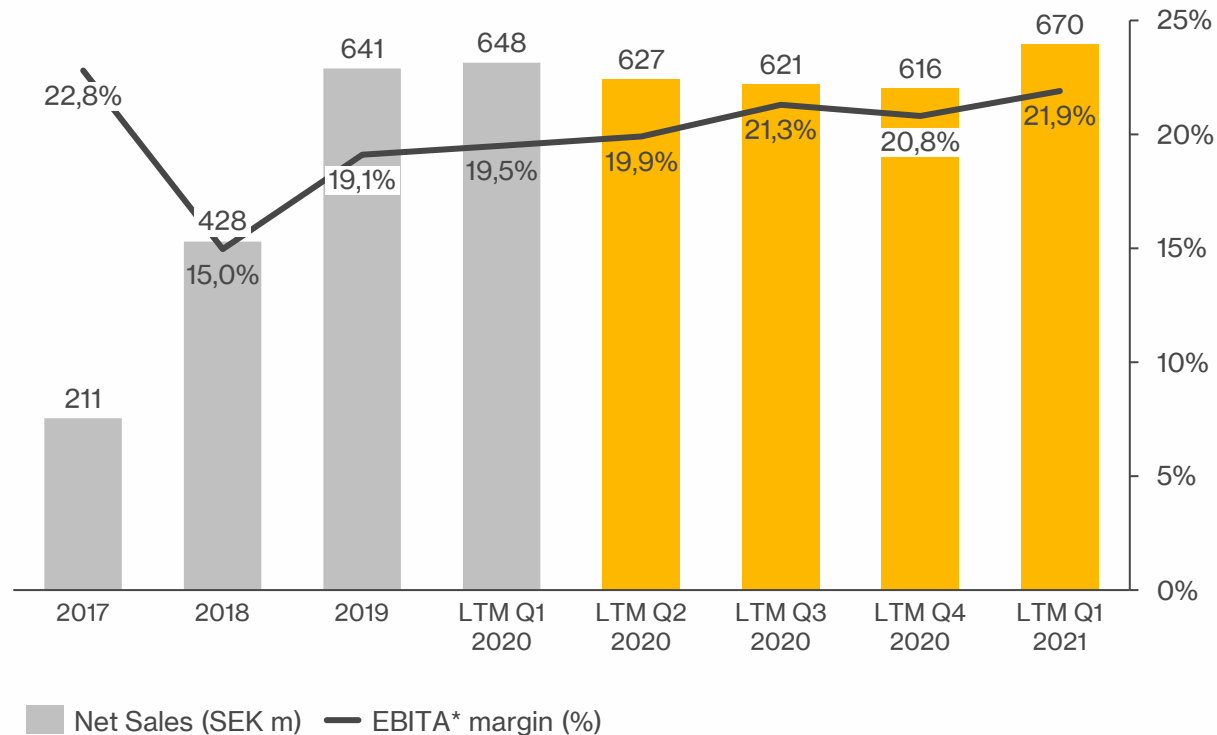
Raised guidance:

- 19-20% (17%) EBITA* margin for the Group for 2021

Directed share issue:

- Increased our financial flexibility for further acquisitions
- Approx. SEK 473 million

Water & Energy



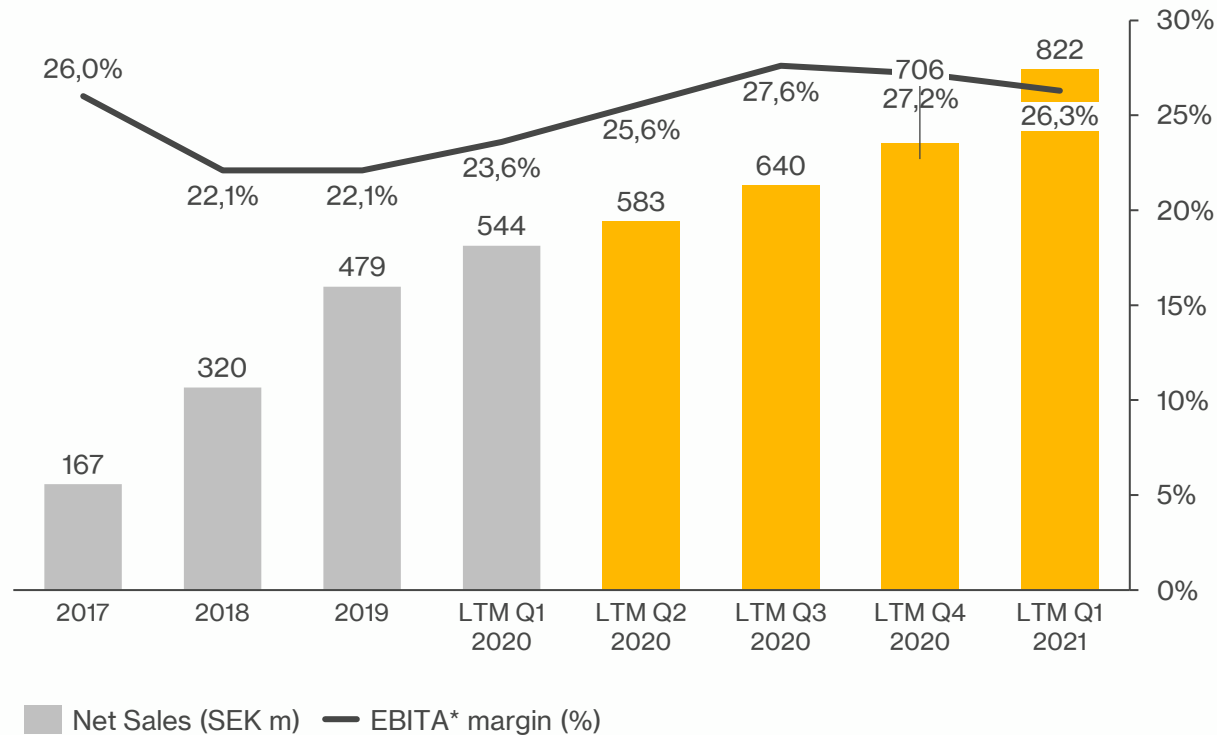
Quarter

- Sales increased by 34.7% to SEK 211.0m (156.6)
 - A slight up-tick in sales after three quarters affected by covid
 - However, primary sales growth from newly acquired Rolec
- EBITA* increased by 63.7% to SEK 48.5m (29.6)
 - Same pattern as for sales
- EBITA* margin up to 23.0% (18.9)
 - Mainly after positive contribution from newly acquired Rolec, which performed strongly during the period
 - Also, UK business units showed improved profitability compared to previous year

Other

- Acquisitions Q1 2021:
 - Feb-21: Rolec Services Ltd & EV One Stop Ltd (together Rolec)
- Total number of units: 14

Special Infrastructure Solutions



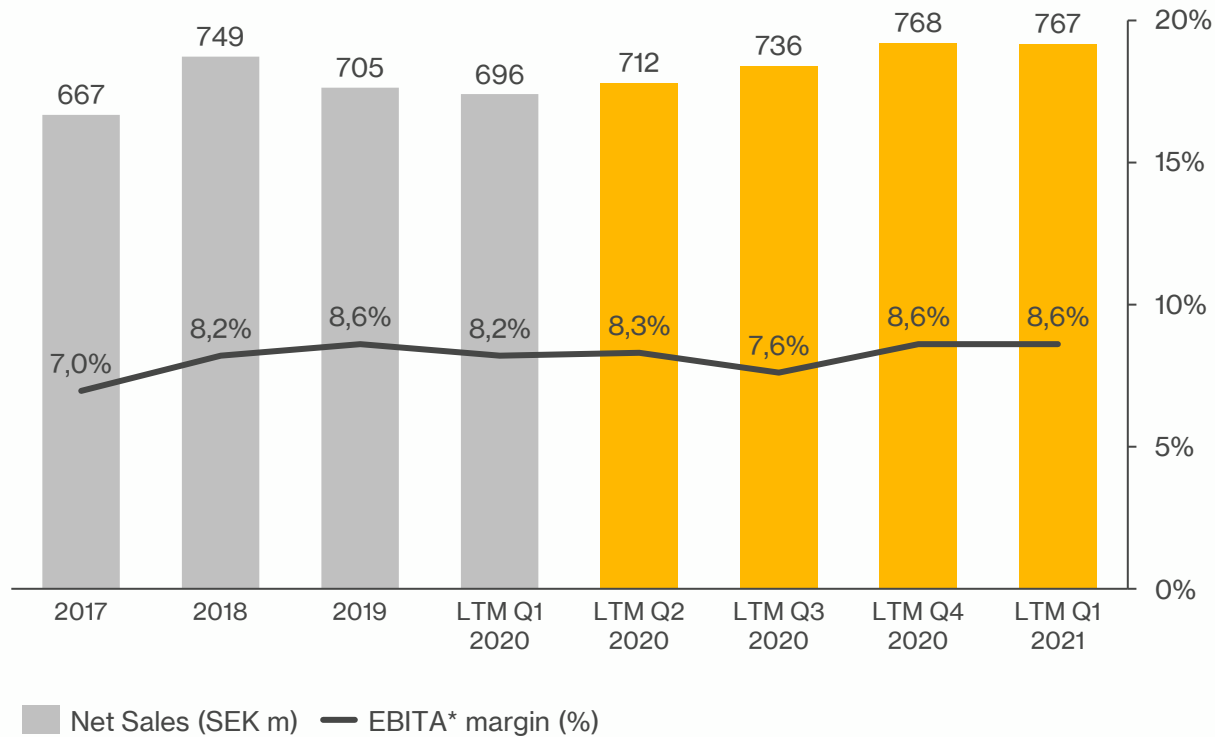
Quarter

- Sales increased by 70.5% to SEK 281.3m (165.0)
 - Largely driven by acquisitions during 2020
- EBITA* increased by 55.3% to SEK 67.4m (43.4)
 - Positive contribution from acquisitions
 - UK business units for road safety and management of insurance claims on underground infrastructure showed strong profit growth
- EBITA* margin decreased to 24.0% (26.3)
 - Mainly due to newly acquired GAH which has, as planned, a lower margin than the average within the business area

Other

- Acquisitions Q1 2021: None
- Total number of units: 13

Property Technical Services



Quarter

- Sales increased by 1.9% to SEK 165.9m (162.8)
 - In particular, the business unit within frame completion showed good growth
- The profitability programs in elevator businesses continue to pay off
 - EBITA* increased by 123.2% to SEK 12.5m (5.6)
 - EBITA* margin increased to 7.6% (3.4)
 - Swedish elevator group and roof renovation business divested in quarter

Other

- Acquisitions Q1 2021: None (5 divestments)
- Total number of units: 4

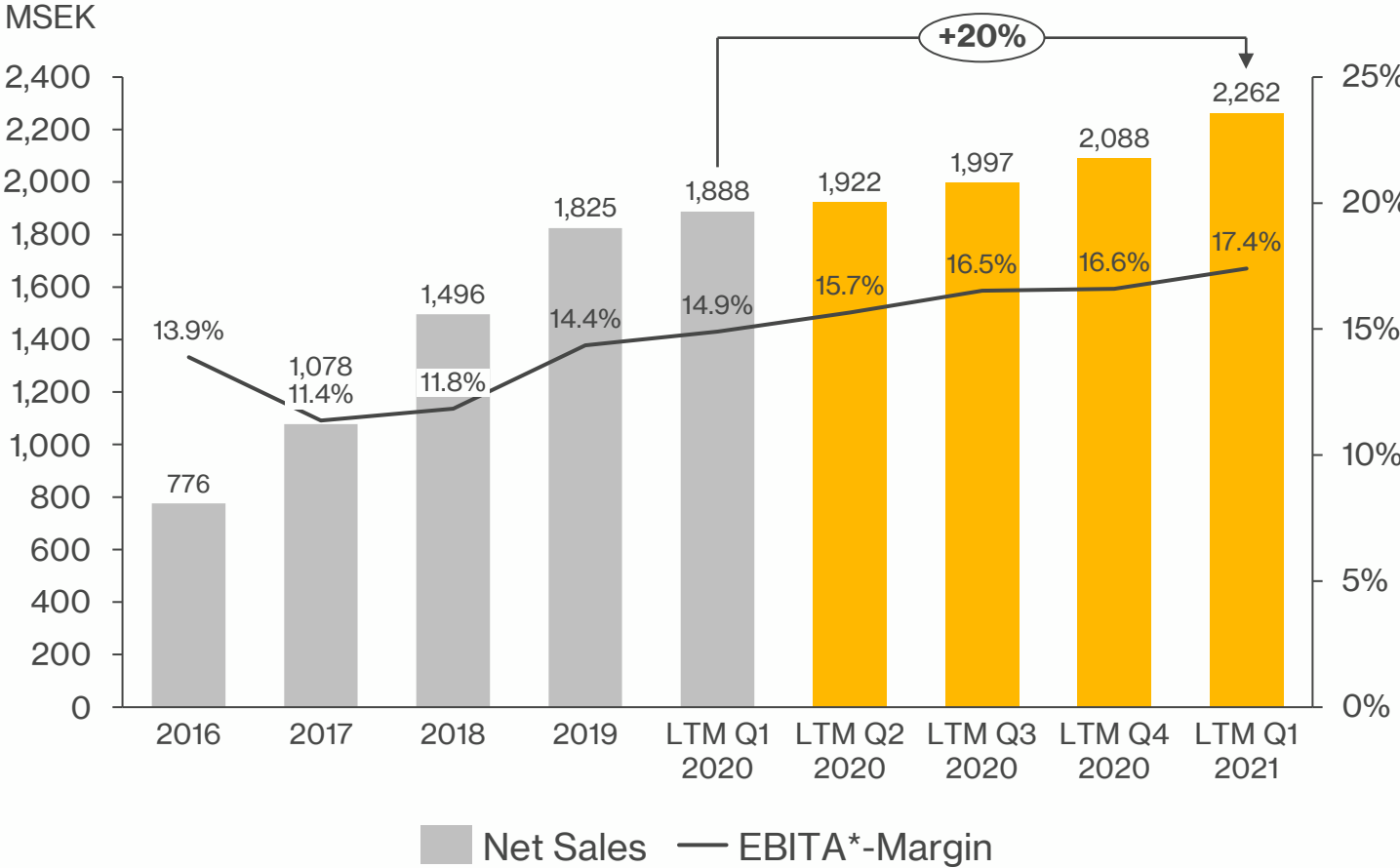
Business overview

First quarter

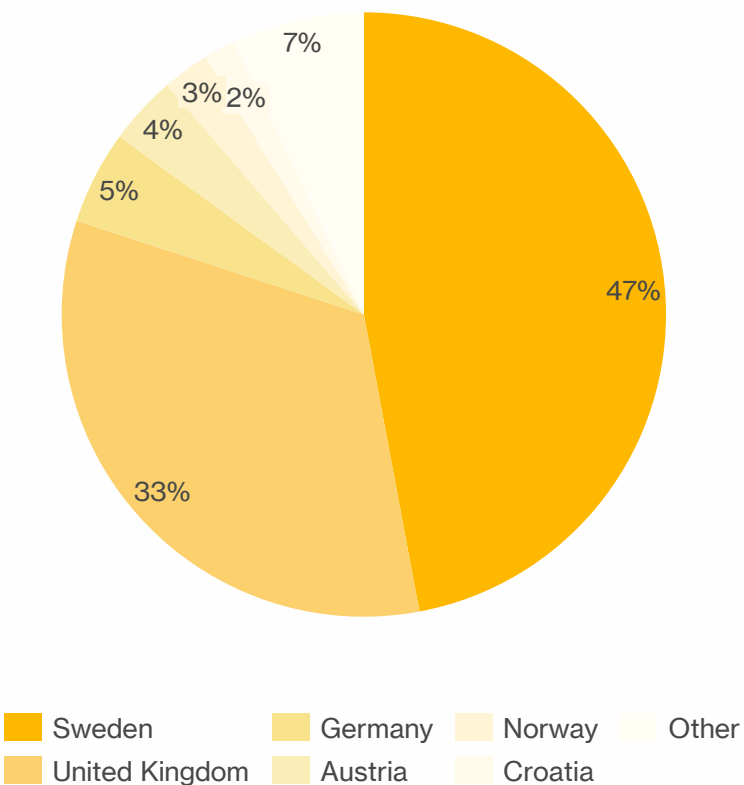
→ **Financial development**

Outlook

Group sales & EBITA*-margin

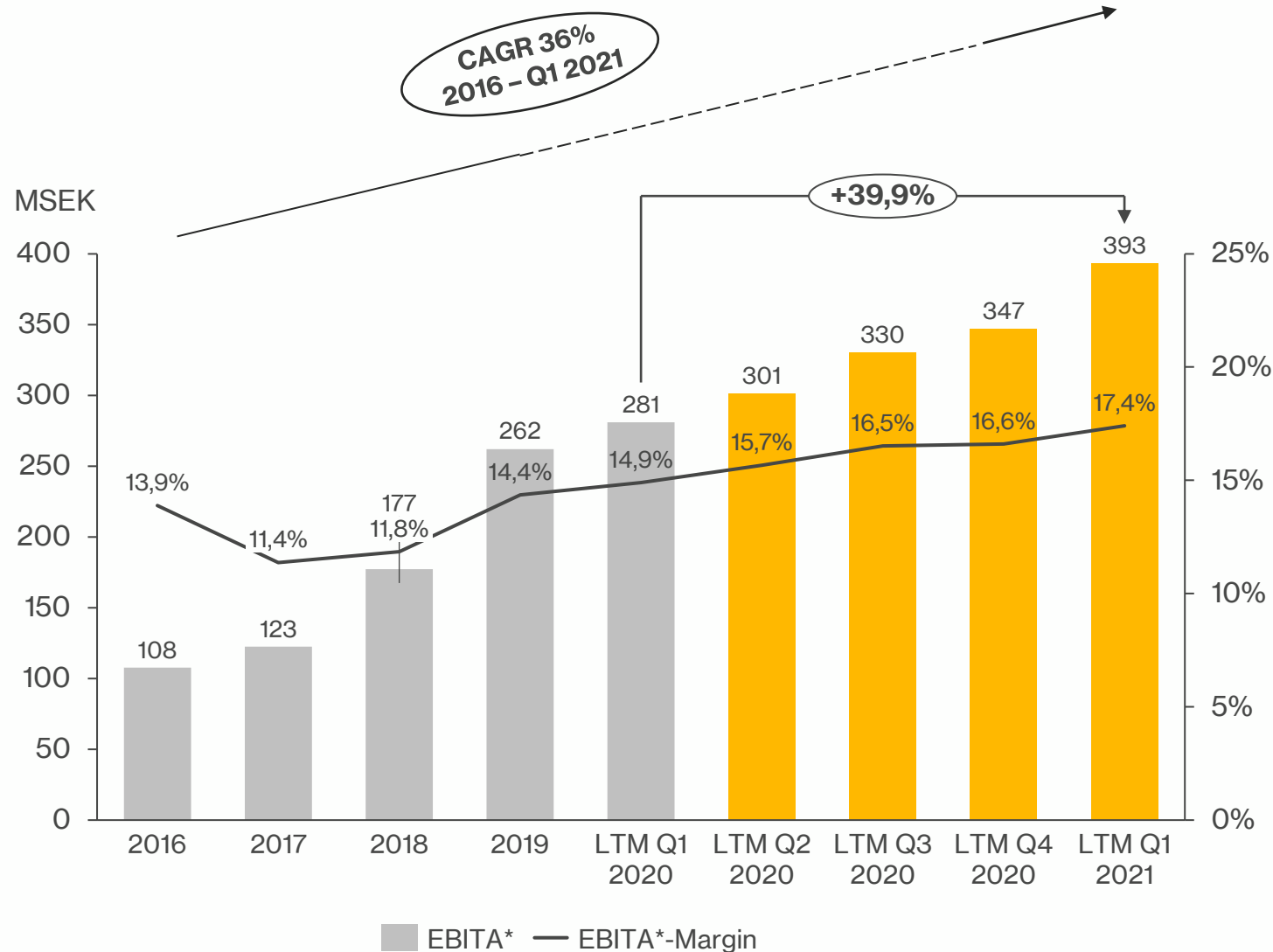


Sales by country



Sources: Sdiptech Financial reports, LTM Q1 2021

EBITA* & EBITA*-margin



Quarter

- Operating profit EBITA* increased by 64.0%
 - Acquisitions 52.4%
 - Organic 15.9%
 - Currency -4.3%

- EBITA* margin of 17.6%

LTM

- Operating profit EBITA* increased by 39.9%

Guidance 2021

- EBITA* margin of 19-20%

Additional metrics


Q1 2021

EPS ¹⁾
(SEK per share)

1.72
(1.59)


LTM Q1
2021

6.33
(5.94)

**Cash conversion,
from ops**

48%
(71 %)

105%
(104 %)

**Net financial
debt/EBITDA**

0.90
(1.16)

**Net debt
/EBITDA²⁾**

2.83
(2.86)

1) EPS: earnings per ordinary share, after dilution and deduction of dividends to preference shareholders

2) Net debt/EBITDA ratio: At a share of 41%, Net debt consists of debt related to “conditional considerations for acquisitions” (Swe: tilläggsköpeskillingar). These debts are sized for profit growth, i.e. current Net debt is based on future EBITDA levels higher than the current EBITDA levels used in the ratio.

Business overview

First quarter

Financial development

→ **Outlook**

Looking ahead

Underlying demand from customers

- Organic sales growth 3.9% Q1-21.

Profitability continue to increases

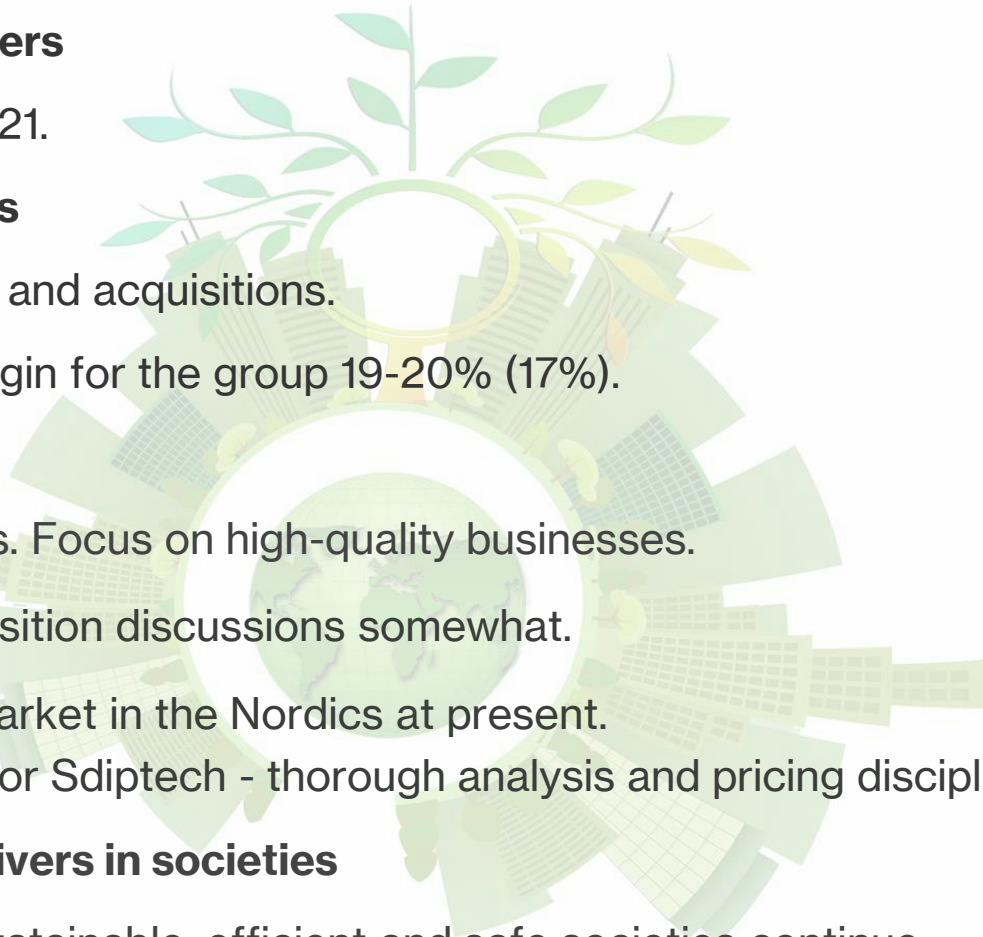
- Driven by organic profit growth and acquisitions.
- Guidance for 2021: EBITA* margin for the group 19-20% (17%).

Solid pipeline for 2021

- Well-capitalised for acquisitions. Focus on high-quality businesses.
- Restrictions prolongs the acquisition discussions somewhat.
- To some extent over-heated market in the Nordics at present.
Unchanged principles of work for Sdipotech - thorough analysis and pricing discipline.

Well-positioned versus strong drivers in societies

- Strong efforts towards more sustainable, efficient and safe societies continue.








Thank you for listening









Appendix

Management Team and Board of Directors

Management

	Jakob Holm CEO	321,749 (Class B) 1,040 (Pref) 126,000 (Warrants) Axholmen, General Electric, Accenture M.Sc. KTH Royal Institute of Technology		Fredrik Navjord Head of Water & Energy	36,569 (Class B) 35,000 (Warrants) Metric, Addtech, Volvo M.Sc. Chalmers University of Technology
	Bengt Lejdström CFO	72,800 (Class B) 500 (Pref) 45,600 (Warrants) Lagercrantz Group, Interim Justitia, Acando M.Sc. Stockholm School of Economics		Anders Mattson Head of Special Infrastructure Solution	22,800 (Class B) 45,600 (Warrants) Munters, Roland Berger, Bearingpoint M.Sc. Chalmers University of Technology
	Steven Gilsdorf Head of Acquisitions	25,285 (Class B) 45,600 (Warrants) GE Capital, Booz & Co., Bisnode MBA, London Business School			

Board of Directors

	Jan Samuelson Chairman	326,000 (Class B) Resurs Holding, Stillfront Group, Accent Equity Partners, EF Education M.Sc. Stockholm School of Economics, LL.M. Stockholm University		Birgitta Henriksson Board Member	4,600 (Class B) Fogel & Partner, Stillfront Group, Carnegie B.Sc. Business Administration Uppsala University
	Ashkan Pouya Board Member	4,255,000 (Class B) 1,000,000 (Pref) Serendipity Group B.Sc. Business Administration Uppsala University		Urban Doverholt Board Member	No holdings Assa Abloy, BAE Systems Hägglunds, M.Sc. KTH Royal Institute of Technology, IMD Lausanne
	Johnny Alvarsson Board Member	18,200 (Class B) Indutrade, Beijer Alma, Ericsson, Instalco, VBG M.Sc. Engineering Linköping University		Eola Änggård Runsten Board Member	No holdings AcadeMedia, EQT, SEB, B.Sc. Business Administration Stockholm School of Economics

Ownership 31 March 2021

Owner	SDIP A	SDIP B	PREF	CAPITAL %	VOTES %
Ashkan Pouya	1,000,000	4,255,000		14.16%	25.86%
Swedbank Robur Fonder	1,000,000	3,535,659		9.53%	6.42%
Invesco		2,490,923		6.71%	4.52%
Saeid Esmaeilzadeh		1,359,871		6.36%	20.61%
Handelsbanken Fonder		2,200,000		5.96%	4.01%
Danske Invest (Lux)		1,112,000		3.00%	2.02%
Nordnet Pensionsförsäkring		658,664	61,785	1.94%	1.31%
ODIN Fonder		720,000		1.94%	1.31%
Avanza Pension		472,587	186,227	1.78%	1.20%
FORUM Family Office GmbH		651,982		1.76%	1.18%
Fredrik Holmström		625,021		1.68%	1.13%
Cliens Fonder		570,302		1.54%	1.03%
Fidelity Investments (FMR)		482,682		1.30%	0.88%
Enter Fonder		411,228		1.11%	0.75%
Berenberg Funds		394,930		1.06%	0.72%
Total	2,000,000	33,363,927	1,750,000	100.00%	100.00%

EBITA* → Net profit

	2021 Q1	2020 Q1	2021 LTM Mar	2020 Jan-Dec	
Net Sales	658.3	484.4	2 261.9	2 088.0	
Operational costs	-542.2	-413.6	-1 869.3	-1 740.7	
Profit from operations, EBITA*	116.1	70.8	392.6	347.3	EBITA*, best representation of the profits from the ongoing operations
Acquisition costs	-15.3	-	-24.9	-9.6	Direct costs related to acquisitions
Earn-out debt adjustments	-2.5	-	-16.1	-13.5	Adjustment of debt related to conditional considerations ("earn-out") for acquisitions, booked as other revenue or external cost
Add back amortisations non acquisition	2.2	1.0	7.3	6.0	Add back amortisation of intangible non-current asset non acquisition related
EBITA	100.4	71.8	358.9	330.2	
Amortisations & write-downs of intangible fixed assets	-9.7	-2.9	-26.6	-19.8	
EBIT	90.7	68.8	332.3	310.5	
Net financial income/expense	-8.7	-5.2	0.3	3.8	Jan-Dec 2020 incl SEK 26.9m as realisation of additional purchase consideration linked to the sale of the support operations in 2018
Currency effects	8.3	8.1	-17.1	-17.3	
Discounted interest	-5.0	-3.3	-14.5	-12.8	Discounted interest on conditional considerations ("earn-out") for acquisitions and discounted interest for leases according to IFRS 16
EBT	85.3	68.5	301.0	284.2	
Tax	-21.1	-16.5	-68.5	-64.0	Tax (22.5% Jan-Dec 2020) based on EBT earn-out debt adjust., discounted interest and tax related to previous year
Net profit	64.2	52.0	232.5	220.2	