

Financial Statements Release

January – December 2020

Presentation 18 February 2021

Philip Isell Lind af Hageby
President and CEO

Erik Skånsberg
CFO

Jesse Räsänen
VP Treasury & Investor Relations



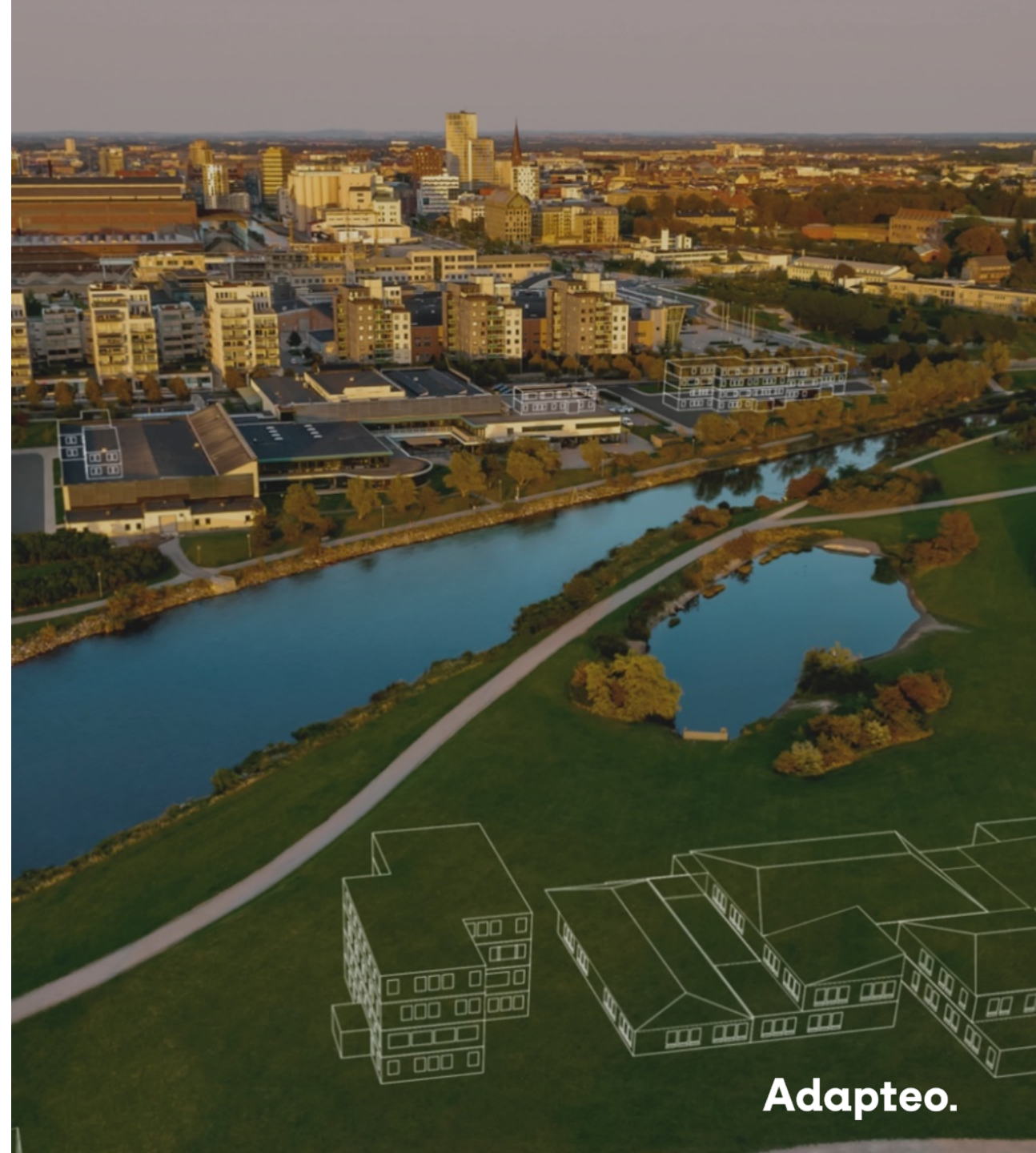
Business Overview

Philip Isell Lind af Hageby
President and CEO

Q4 Highlights

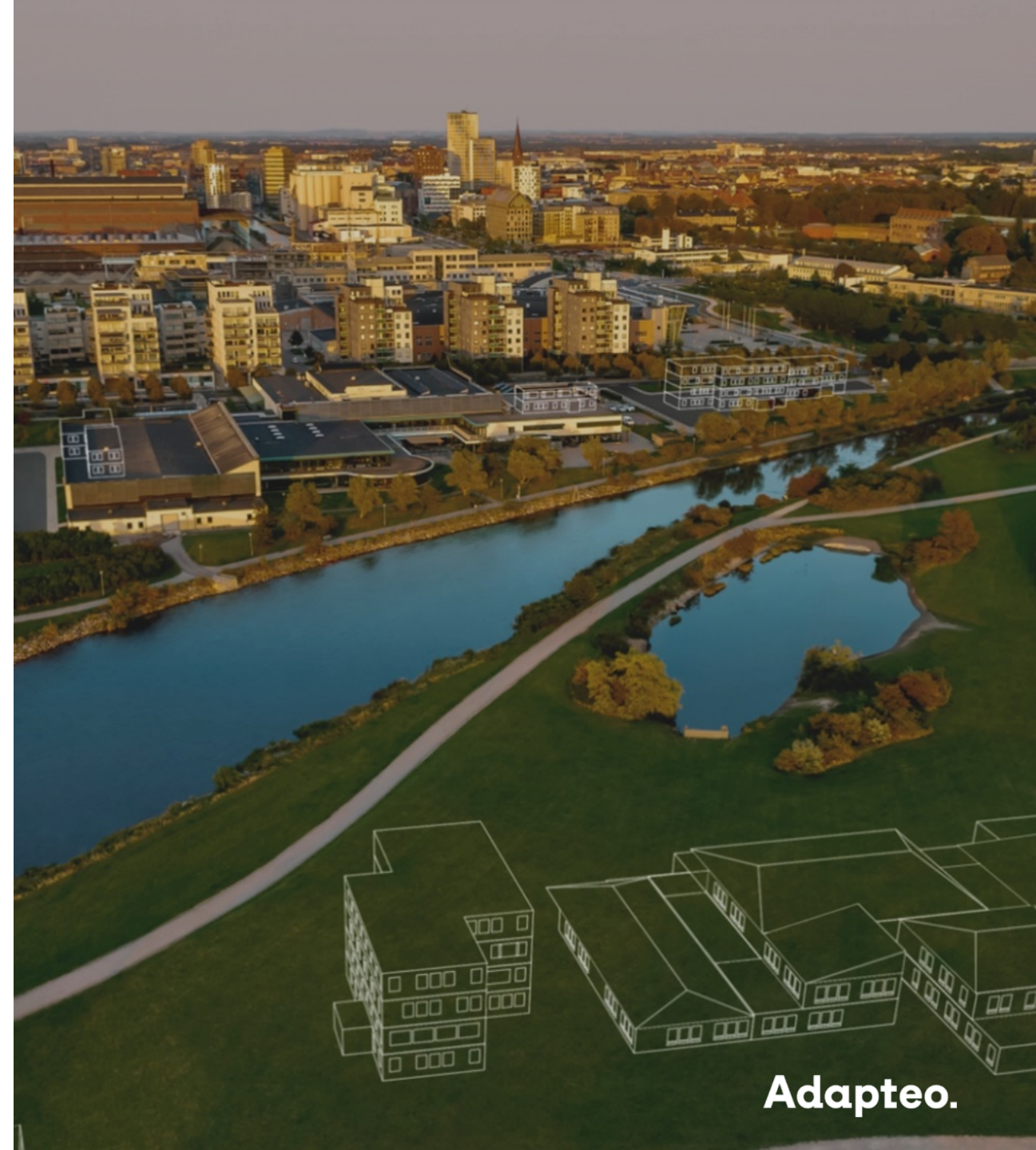
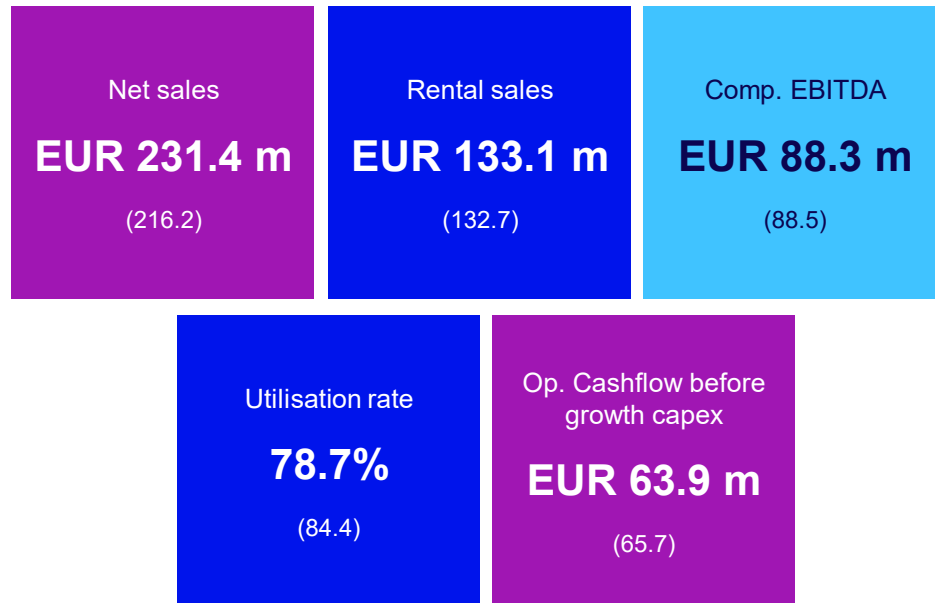
- Acquisition of Dutch Cabin Group
- Acquisition of Stord Innkvartering
- Refinancing and share issue
- Stable public-sector demand and weak private markets
- Resilient revenue and earnings and impact from acquisition

Net sales EUR 65.3 m (49.6)	Rental sales EUR 36.1 m (35.1)	Comp. EBITDA EUR 24.2 m (20.6)
Building portfolio 1,132k sqm (1,010)	Utilisation rate 77.1% (82.6)	Op. Cashflow before growth capex EUR 18.4 m (19.0)



2020 Highlights

- Promising start of 2020
- Private-sector market segments came to a standstill in March
- Public-sector customers' peak tender season severely disrupted
- Profit protection and cash conservation measures implemented
- Future proofing; portfolio upgrading and commercial excellence
- Sustainability in focus with MSCI upgrade to AA





Dutch Cabin Group/BA Permanent space

A cheerful school for Rotterdam municipality



Primary school, annex building
7 classrooms
612 sqm
Air-conditioned
Panelled with Plato Wood and cheerfully coloured Trespa plates



Rotterdam – IBN-I SINA school, The Netherlands



Handover in October 2020



“ This project is an example of the major infrastructure investments that are taking place in Norway that will drive the need for safe and high-quality accommodation solutions.

*Per Ove Pedersen,
Adapteo*

BA Rental space

Accommodating highway workers in Kvamskleiva



Worker accommodations
85 inhabitants
1,600 sqm
Project to build E16 highway in Klamskleiva



Hæhre entreprenør, construction company in Norway



Rental start in December 2020

“ We are happy to establish this modern and spacious primary school in central Rättvik. Together with Rättviks Fastigheter AB, Flexator and representatives from teachers and students, we create a school to be proud of.

Joanna Stridh, Deputy mayor in Rättviks municipality

BA Permanent space

A school to be proud of in Rättvik



School building

2,660 sqm

13 classrooms including rooms for handicraft

Rooms for teamwork, common areas, and study halls

Kitchen and dining area



Rättviks municipality, Sweden



Handover December 2020

Our sustainability strategy guides us in the work to become one of the most sustainable companies in the industry



Adapteo's MSCI ESG rating upgraded to AA, making us an industry leader

Some of the sustainability updates 2020:

Environmental

- FSC certified wood in production
- 100% renewable energy in Swedish and Finnish operations
- Reduction of single use plastic by replacing covers with new in recycled material
- Re-cycling of surplus material
- 3rd party assessment of materials
- Increased sales of cleantech solutions

Social

- Pop-up vaccination offering to support society
- Health care solutions provided to society in Covid-19 crisis
- Enabled an estimate of ~24.430 pupils school and daycare attendance in 2020
- Initiated leadership training for employees

Governance

- Signatory of UN Global Compact
- Updates to CoC and BCoC
- Strengthened stakeholder dialogue, materiality analysis and risk assessment
- Improved visibility of policies and board committees

Adapteo acquires Stord Innkvartering to strengthen its position in Norway and the Worker Accommodation market segment

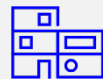
Highlights

- Adapteo has acquired Stord Innkvartering AS for an EV of NOK 1,050 million (EUR ~97 million)¹⁾
- Operates across Norway within adaptable buildings including accommodation, offices and canteens
- A strong focus on worker accommodation with infrastructure being the largest market segment
- A high share of rental revenue with a solid rental backlog for the coming years
- The purchase price was paid in cash
- The transaction was completed 29 January 2021

Stord Innkvartering key facts and figures (2019)



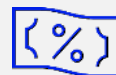
Revenues NOK 189 million²⁾



Building portfolio of ~4,000 units

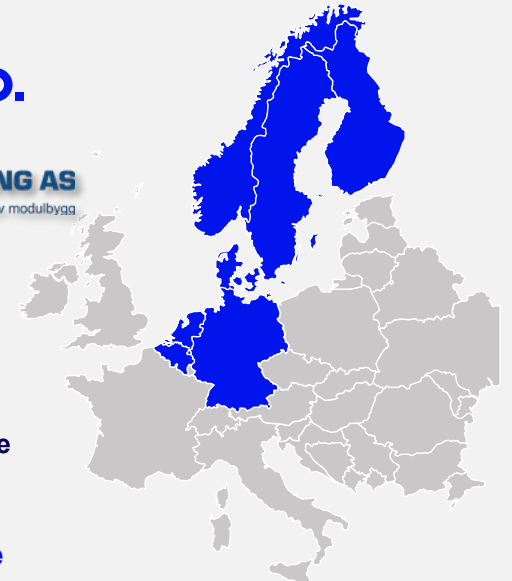


EBITDA NOK 114 million^{2) 3)}



Average contract duration of ~6 years⁴⁾

Adapteo.



 Group presence

Key transaction rationale

Complementary offering and a modern building portfolio with high utilisation

Leading position in the worker accommodation segment with a robust demand outlook

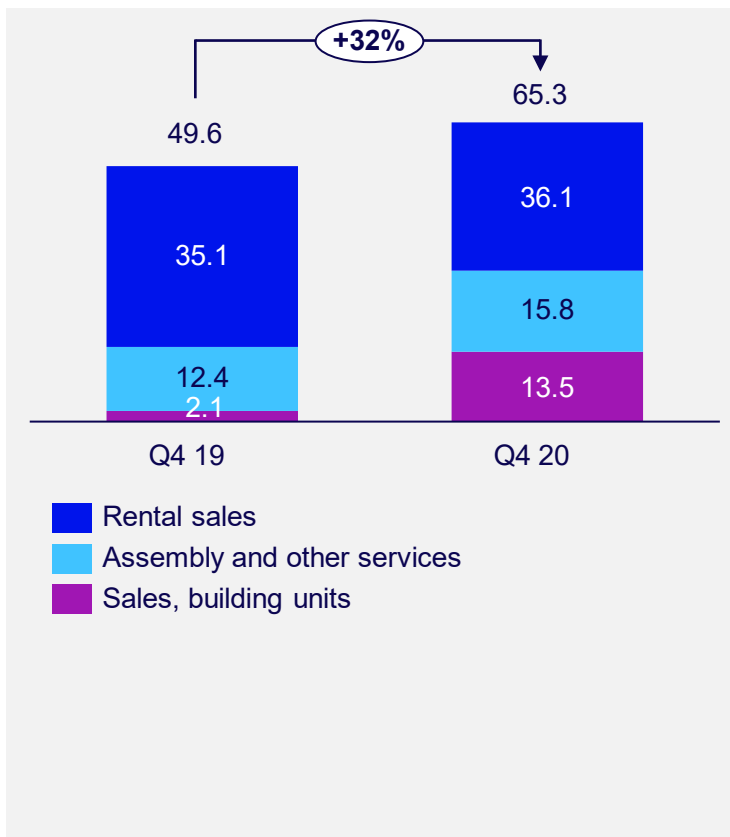
Revenues are characterised by long contracts and good rental revenue visibility

Provides critical mass and enables expansion to new customer segments in Norway and the Nordics

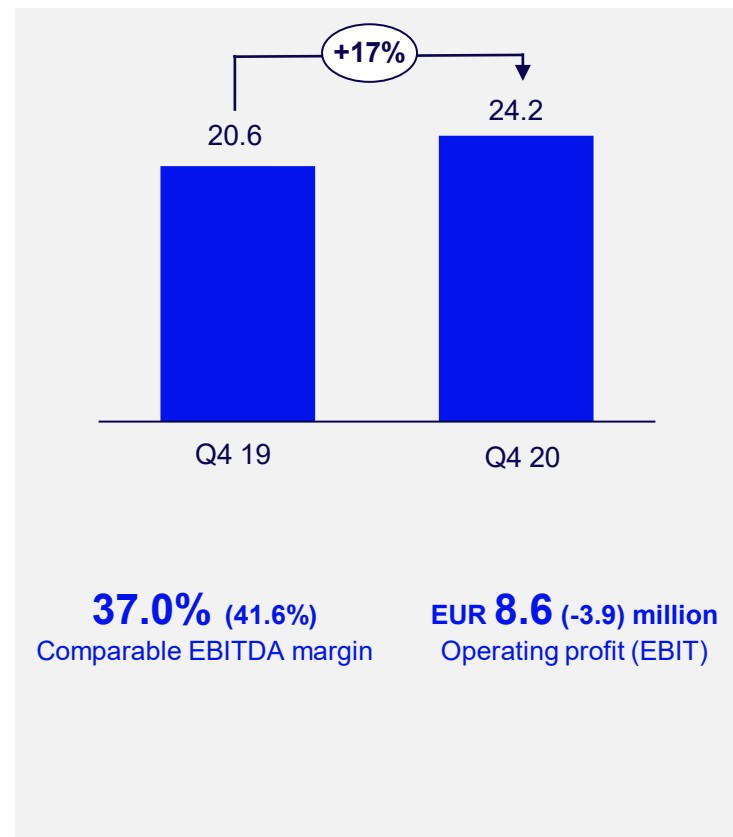
Solid platform with a proven business model and efficient operations to be further leveraged within Adapteo

Q4 Financial highlights

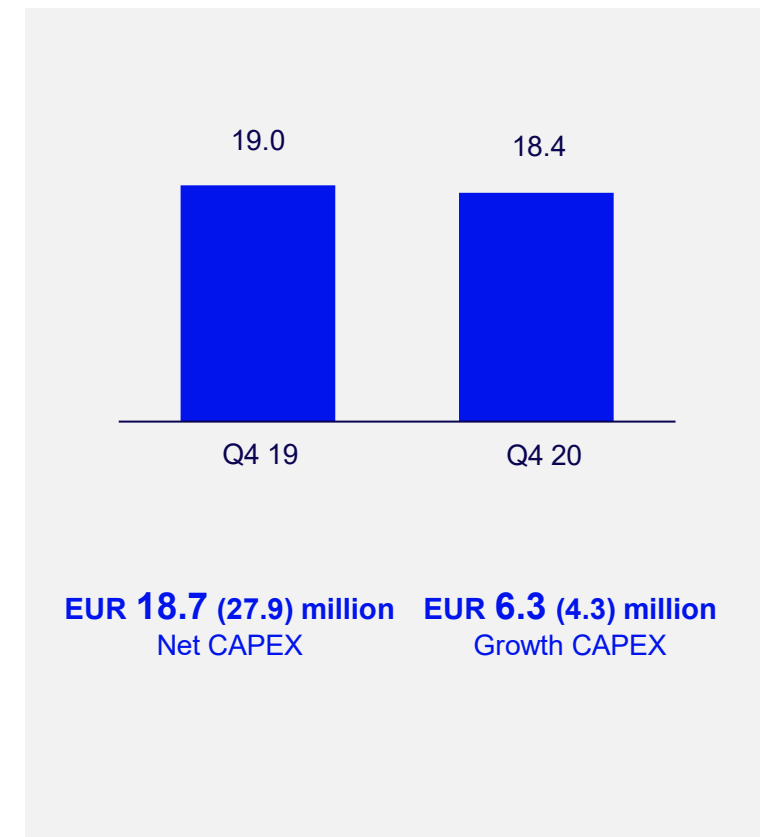
Net sales (mEUR)



Comparable EBITDA (mEUR)

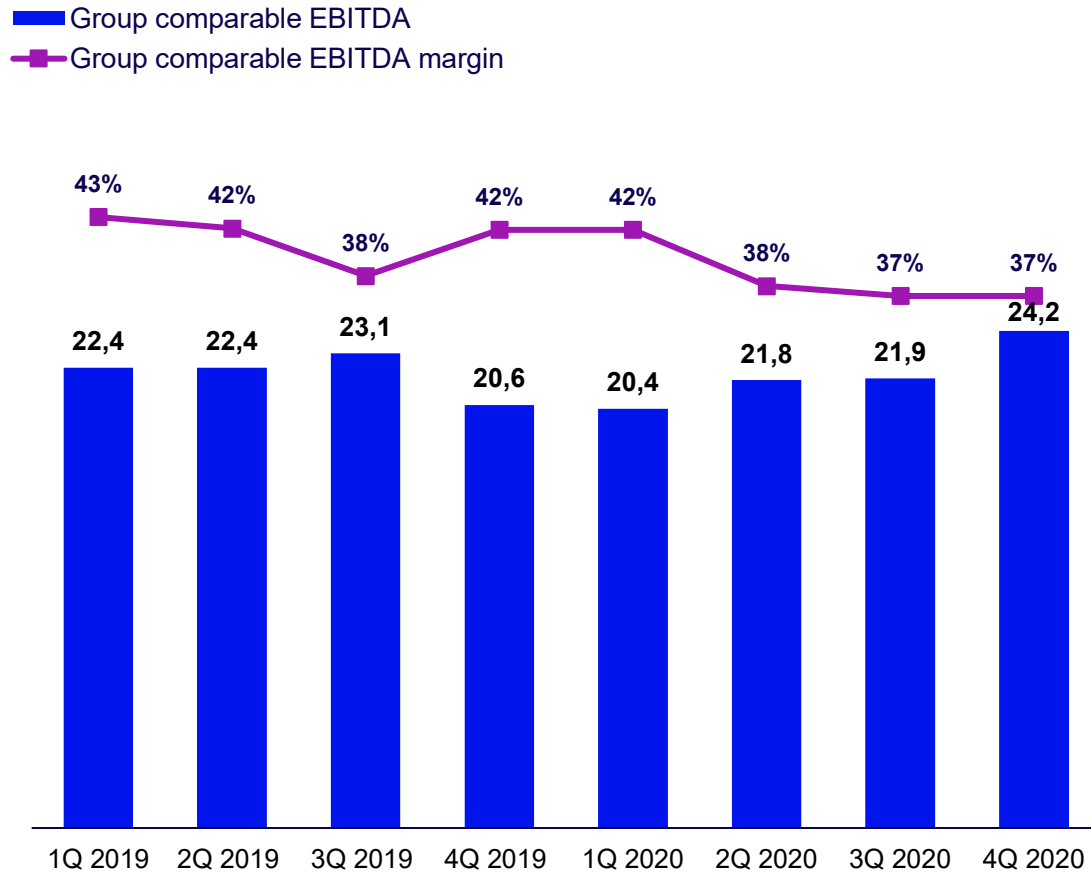


Operating cash flow before growth capex (mEUR)

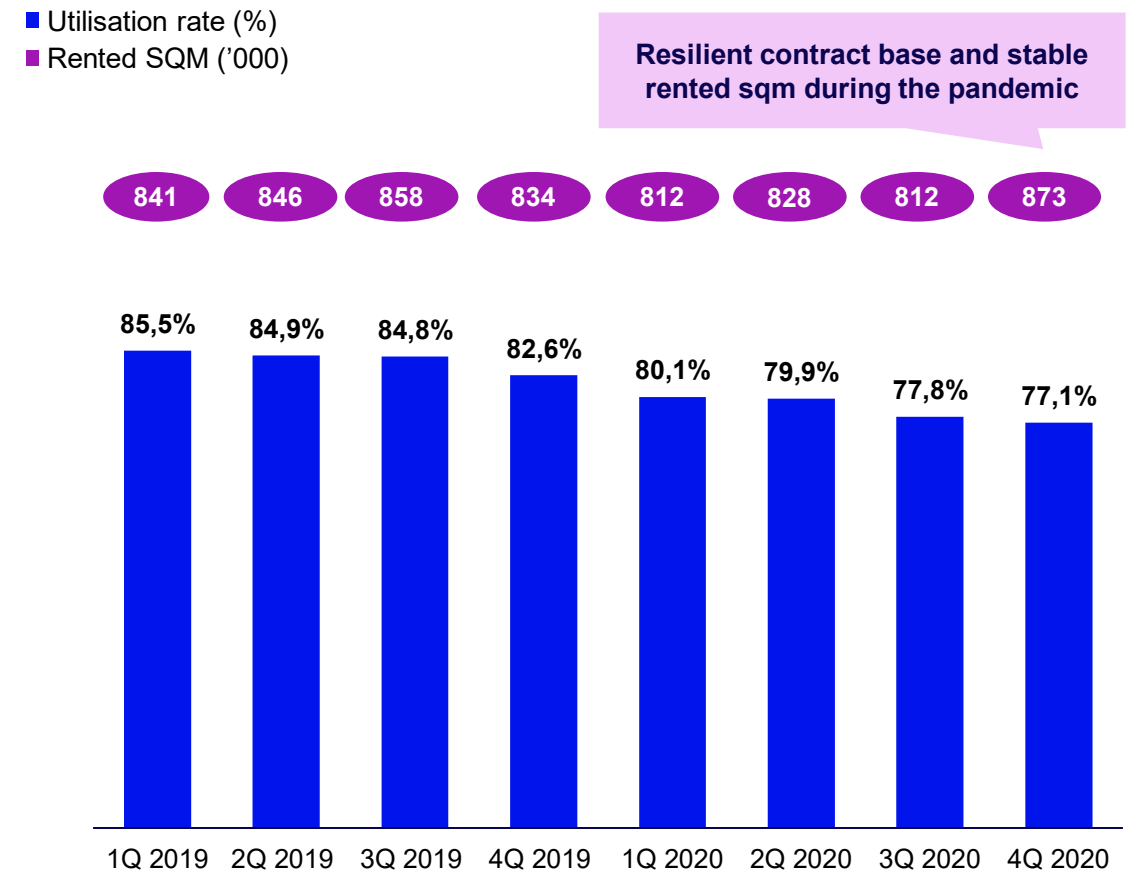


Solid earnings development in the face of softer market conditions

Stable EBITDA backed by solid margins and high share of Rental Space



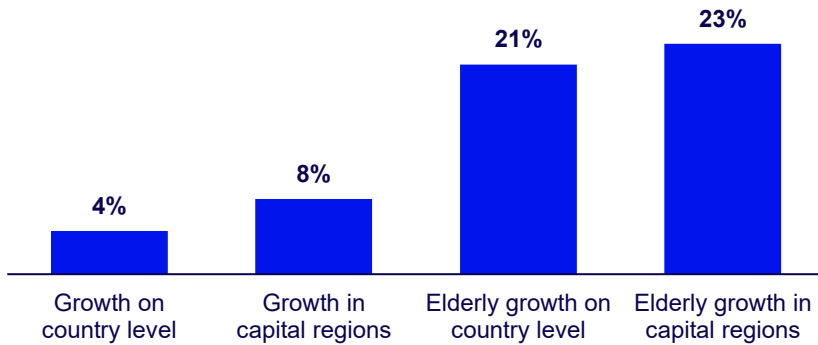
5-year average contract length leads to resilience in utilisation rate



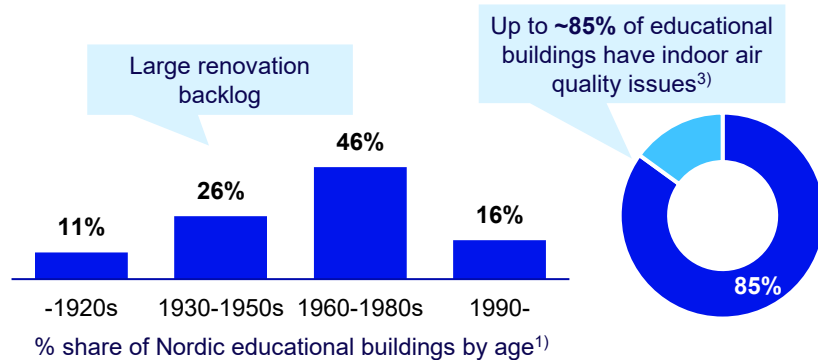
Market growth supported by long-term structural trends

Growing gap between demand and supply of space

Nordic population growth, urbanisation and demographic shift 2020-30 ²⁾



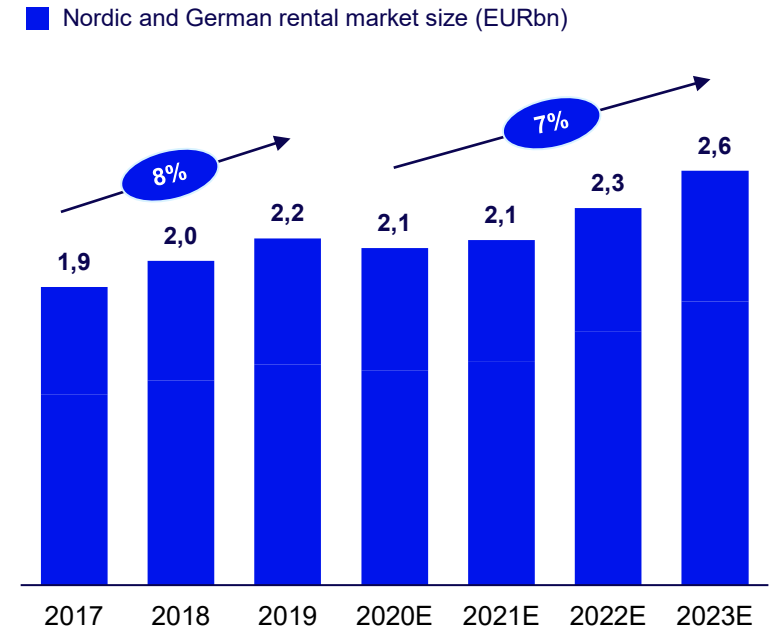
Current educational building stock not adequate to sustain growth



Adaptable Rental Space a preferred solution

- ~70% of the market is social infrastructure (e.g. schools, daycares, elderly care)
- Public customers often have a legal obligation to provide social infrastructure
- Adaptable buildings with flexible financing favoured by public and private sector clients
- Strained public budgets and onerous building processes impact rent vs. build decisions
- Efficient mitigation of growing requirements for sustainable solutions and healthy environments in buildings
- Contribution to sustainability and circular economy

Positive long-term outlook after COVID-19 slowdown



Strong secular growth trends support above-market growth in social and other infrastructure segments, which constitute the core of Adapteo's Rental Space business

1) Includes SE, FI, DK, NO; 2) Management's estimates based on public sources SE, FI, DK, NO; 3) 85% educational buildings in Finland (Not representative of the whole building stock. Based on a nationwide survey for education, training and research sector professionals. N=4920), 20% of schools in Sweden, 36% of pupils in Denmark (based on a survey); Source: Adapteo management analyses (Market size, shares and positions)



Financial Performance

Erik Skånsberg

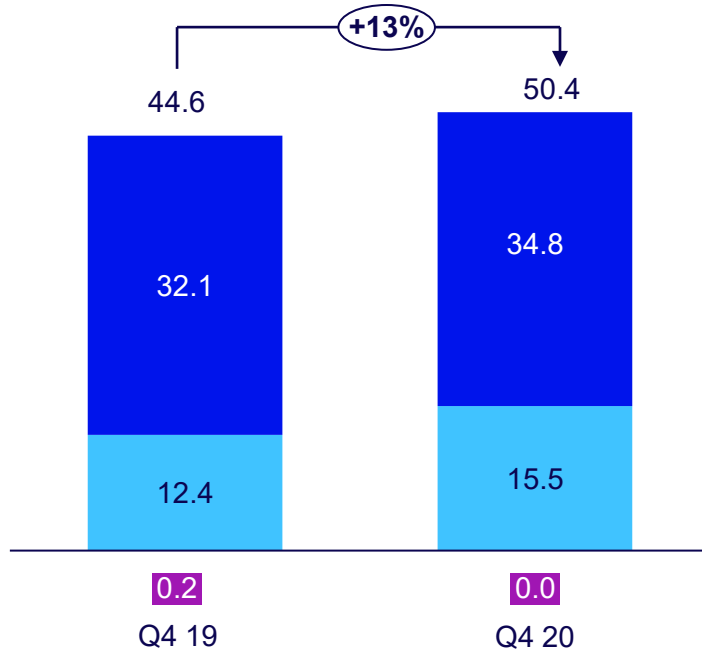
CFO

Rental Space

Sales: Increased rental portfolio from Dutch Cabin Group

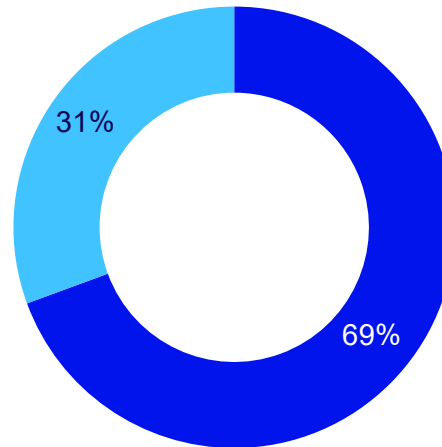
Net sales (mEUR)

- Rental sales
- Assembly and other services
- Sales, building units



Oct-Dec 2020 Net sales, %

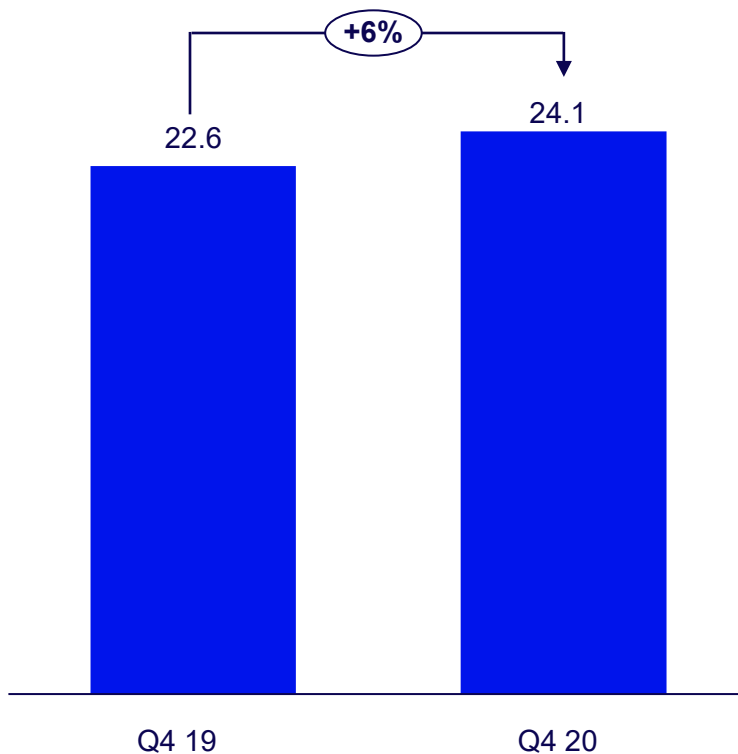
- Rental sales
- Assembly and other services



Rental Space

Comparable EBITDA: Contributions from “Old Adapteo” and from Dutch Cabin Group

Comparable EBITDA (mEUR)



- Comparable EBITDA increased by 6% to EUR 24.1 (22.6) million, excluding EUR -0.2 (0.0) million of items affecting comparability
- The Comparable EBITDA margin decreased to 47.8% (50.7%).
- Stable public-sector demand but continued weak private-sector segments. Continued price pressure in the Nordic markets. Low assembly margins.
- Rental sales increased in Finland and Germany and was on par with Q4 2019 in Sweden. Denmark and Norway saw sales decreases. Holland saw a significant year-on-year increase.
- Utilisation at 77.1% while increasing square meters in building portfolio by 8% at 31 December compared to 30 September.



Permanent Space

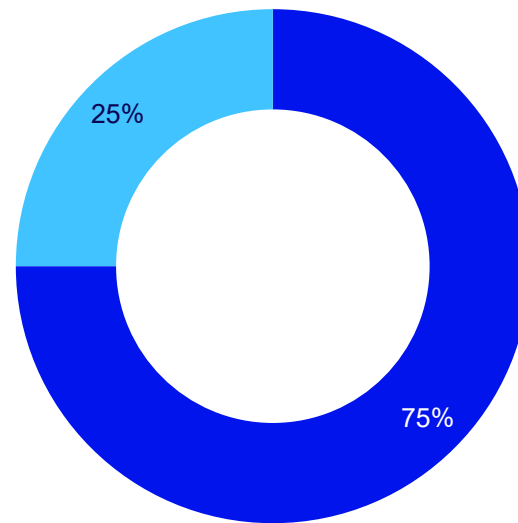
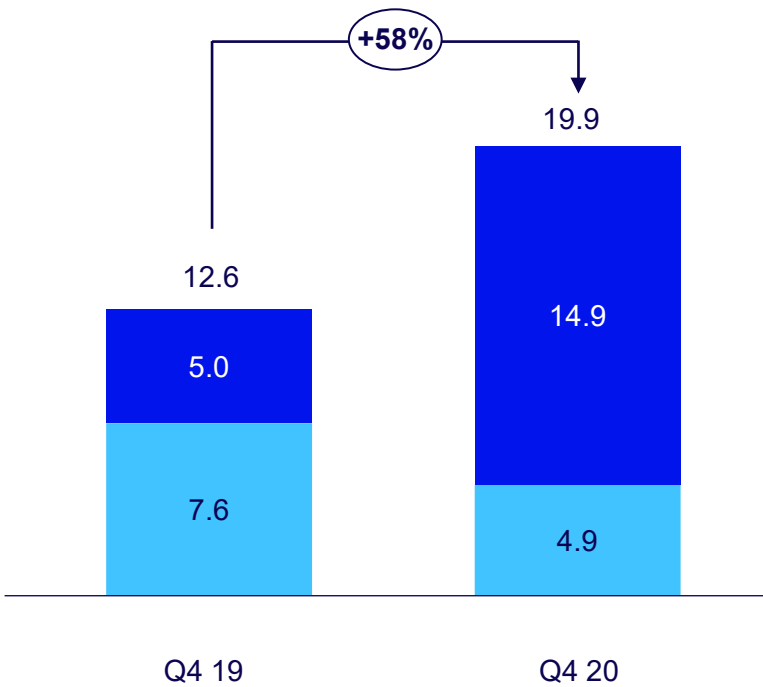
Sales: External net sales up due to inclusion of Dutch Cabin Group and high sales in Sweden.

Net sales (mEUR)

Oct-Dec 2020 Net sales, %

■ External net sales
■ Internal sales

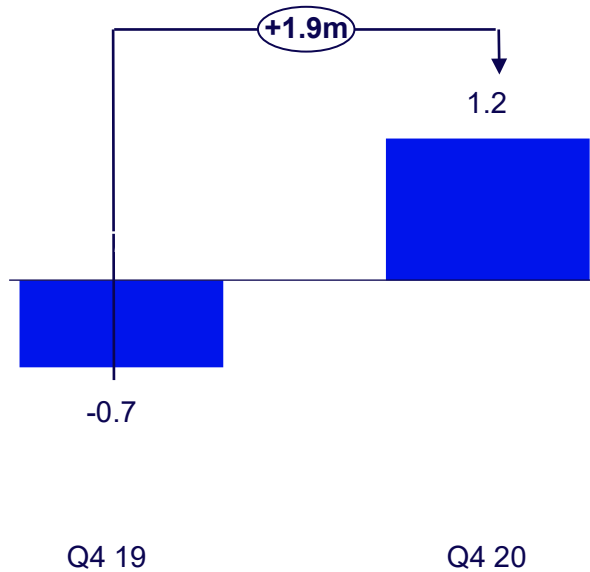
■ External net sales
■ Internal sales



Permanent Space

Comp. EBITDA: Addition from Dutch Cabin Group

Comparable EBITDA (mEUR)



- Comparable EBITDA increased to EUR 1.2 (-0.7) million, representing a margin of 8.1% of External net sales.
- Good market conditions in Holland.
- Adverse market conditions in Finland putting pressure on project margins.
- Good sales in Sweden, not least under the SKR agreement.
- Operational inefficiencies due to high sick absenteeism in production.



Group performance

Building portfolio: Increased to 1,132 k sqm

- Primarily driven by acquired Dutch Cabin Group's portfolio

EUR millions	Oct-Dec 2020	Oct-Dec 2019	Full Year 2020	Full Year 2019
Rental sales (mEUR)	36.1	35.1	133.1	132.7
Total building portfolio (k sqm)	1,132	1,010		
Utilisation rate (%)	77.1	82.6	78.7	84.4



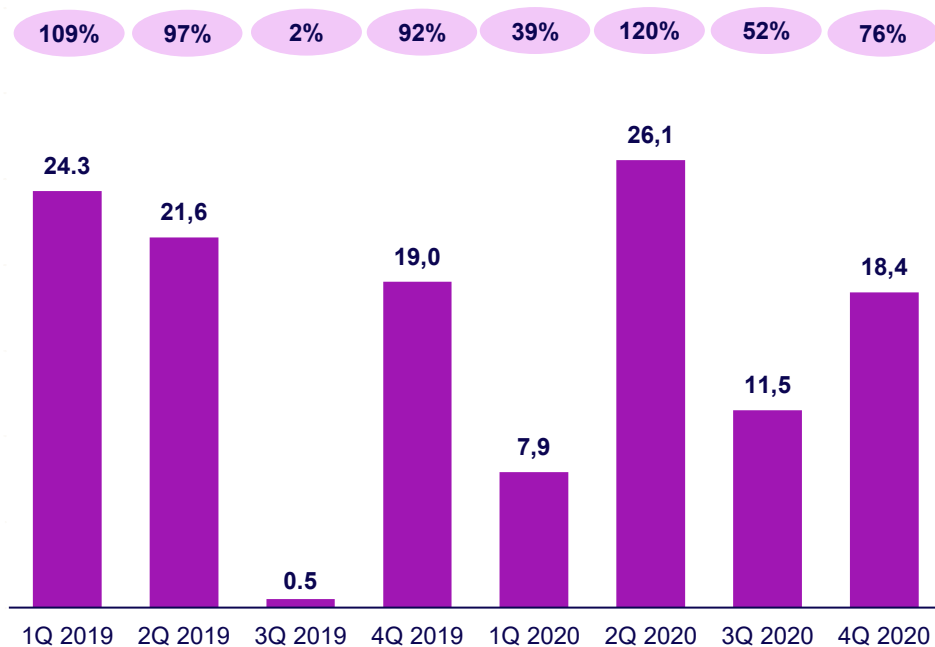
Group performance

Operating cash flow: Q4 upgrades within maintenance capex for orders taken

Operating cash flow before growth capex (mEUR)

■ Operating cash flow before growth capex

○ % Cash conversion before growth capex



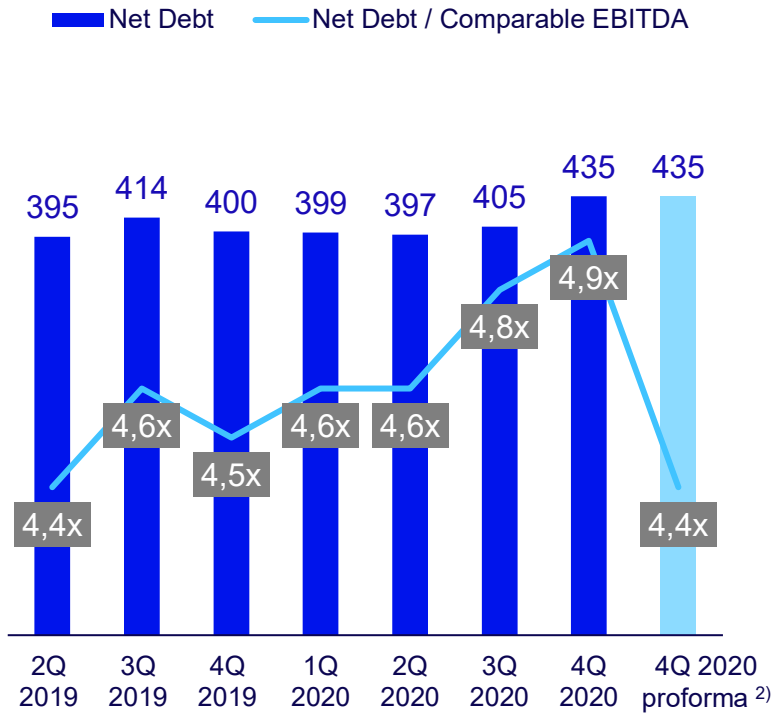
Reconciliation of Operating cash flow before growth capex (mEUR)

EUR millions	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Comparable EBITDA	22.4	22.4	23.1	20.6	20.4	21.8	21.9	24.2
Change in net working capital ¹⁾	8.1	7.9	-20.7	22.0	-5.5	10.2	-6.1	6.6
Maintenance capex	-1.8	-4.4	-0.7	-23.6	-6.2	-4.5	-5.2	-11.2
Non-fleet capex	-4.4	-4.2	-1.2	-0.0	-0.8	-1.3	0.9	-1.2
Operating cash flow before growth capex	24.3	21.6	0.5	19.0	7.9	26.1	11.5	18.4
Growth capex	10.5	11.5	2.5	4.3	3.6	16.3	10.5	6.3

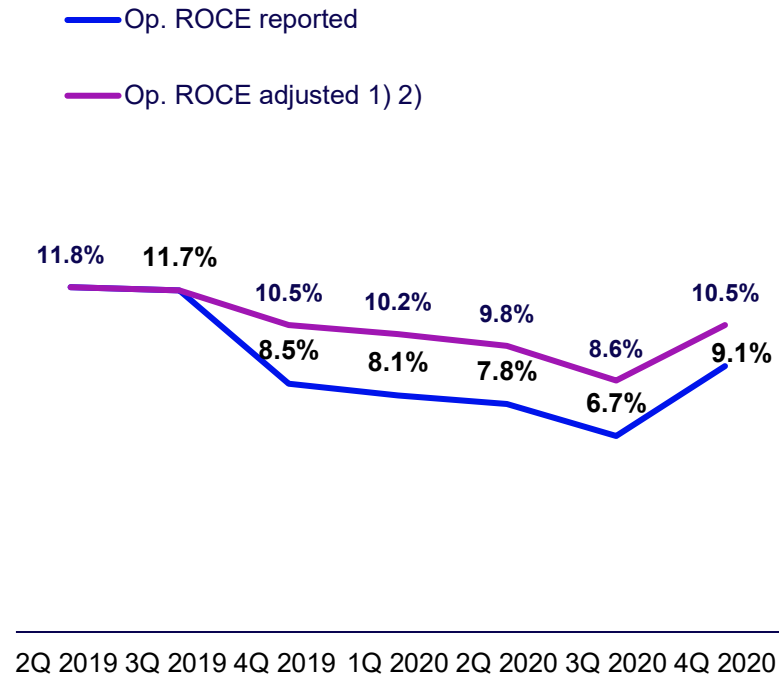
Group performance

Leverage and available funding: Refinancing and equity issue made in Q4 to meet acquisitions funding needs and to provide a stable platform for future growth

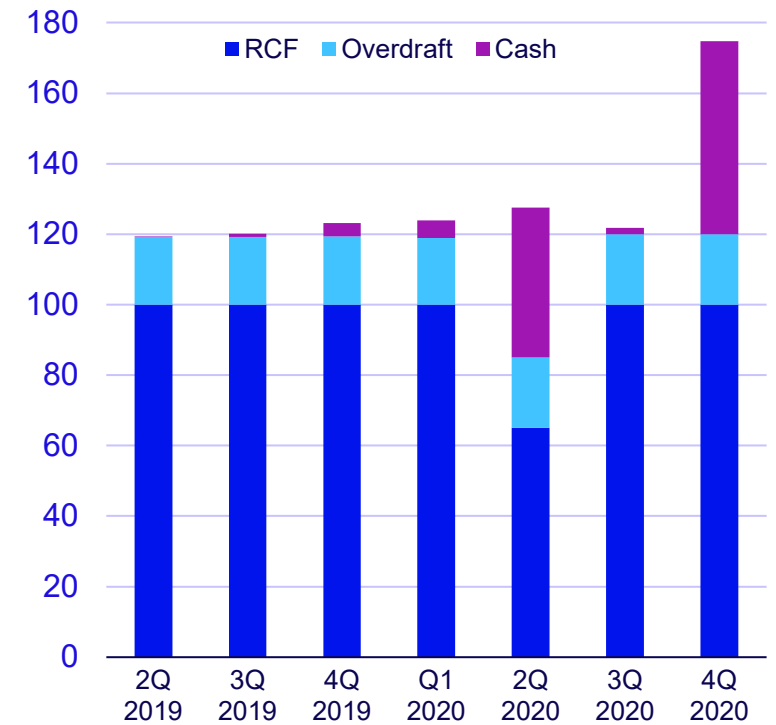
Net Debt (mEUR)
Net Debt / Comparable EBITDA (x)



Operative ROCE (%)



Cash and available funding (mEUR)



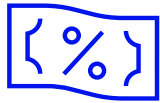
Financial targets and dividend



Double-digit comparable EBITDA growth

Q4 2020: 17%

Full-year 2020: 0%



Operative ROCE > 10%

Jan-Dec 2020, pro forma including DCG: 10.5%



Net debt/comparable EBITDA 3.5 – 4,5x

31 Dec 2020, pro forma including DCG: 4.4x



Dividend of at least 20% of the net result

Board's proposal: 0.12 EUR per share = 24%



Summary and Outlook

Philip Isell Lind af Hageby
President and CEO



2020 Summary

High activity in strategic areas creating a strong position for 2021



2021 outlook seeing negative impact on markets from continued covid-19 and a positive impact on Adapteo's sales and earnings from acquired companies

Demand picture

- Low private-sector demand
- Public-sector peak season outlook varying in the Nordics, strong in continental Europe
- Overcapacity and price pressure

Business development

- Growth in continental Europe – Germany and Benelux – and in Norway
- Full effects from integrating Dutch Cabin Group and Stord
- Commercial Excellence
- Operational Efficiency and cost management

Business outlook

- Resilient business model and stable earnings
- Financial performance dependent on market volumes and price development
- 12 months impact from Dutch Cabin Group and 11 months from Stord Innkvartering

Questions are welcome!



Adapteo.

An aerial photograph of a city, likely Minneapolis, Minnesota, featuring a river and a large green park area. The image is overlaid with white wireframe architectural models of various building types, including multi-story apartment buildings and smaller residential structures. The text "The Future is Adaptable" is centered in white. The logo "Adapteo." is in the bottom right corner.

The Future is Adaptable

Adapteo.

Adapteo.