

AGM 2021

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RATOS

AGM 2021

1. Ratos 2020

2. Ratos as a business group

3. Ratos share in 2020 och goals for 2021

Objectives 2020

(from AGM 2020)

- Handle Covid-19

✓ Employees

✓ Liquidity

✓ Results





Summary of Covid-19 impact 2020

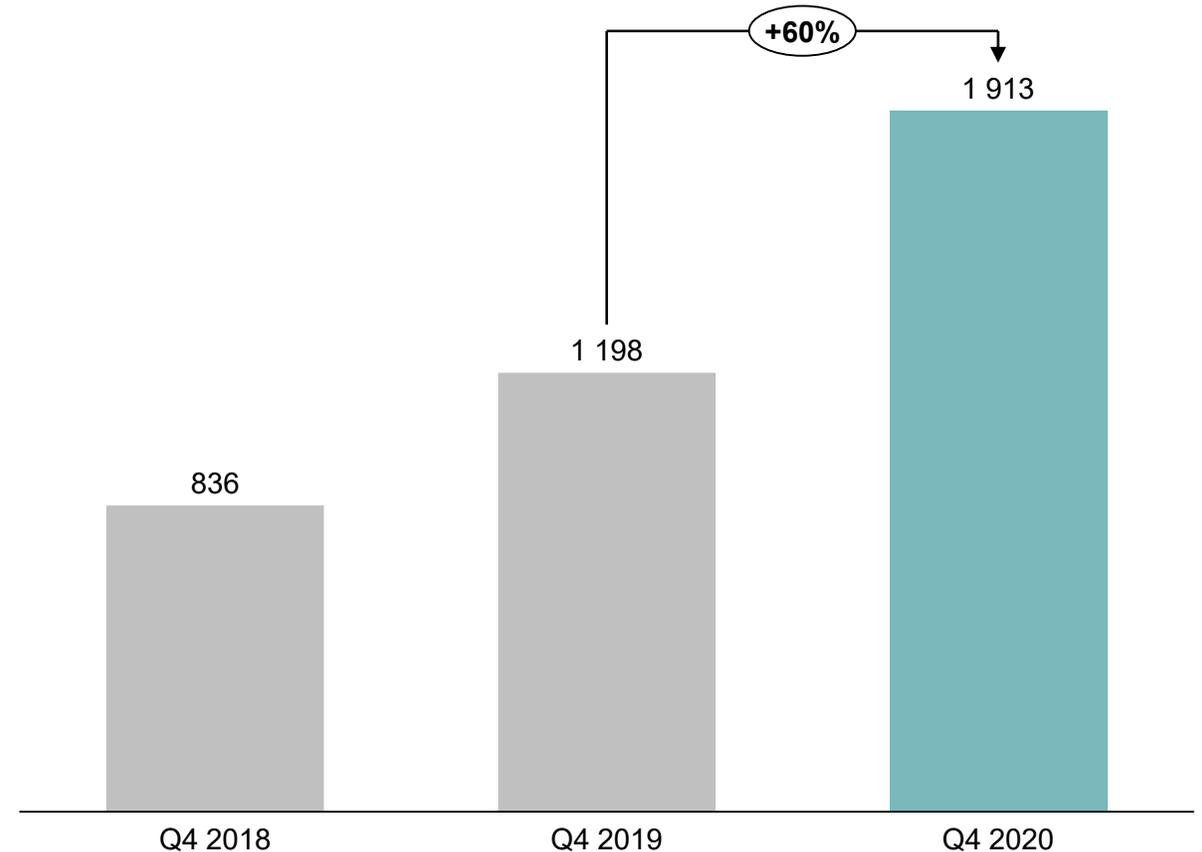
- Negative impact on net sales in all companies except Plantasjen and Oase Outdoors
- Government support, in all countries, amounted to approximately 79 MSEK in 2020
 - Repaid furlough support scheme
- Our priorities are employees' health and safety, liquidity and EBITA
- Focus on mitigating risks and negative impact of a continued, and possible worse, pandemic impact in the first quarter of 2021

Strong EBITA for full year 2020

Comments

- Net sales amounted to 24,071 MSEK (24,499)
 - Negative currency effects and Covid-19
 - Organic growth of 4%
 - Strong growth in airteam, Diab and Plantasjen
- EBITA increased to 1,913 MSEK (1,198)
 - 10 out of 12 companies increased EBITA
- EBITA-margin increased to 7.9% (4.9)
 - 11 out of 12 companies increased EBITA-margin
- Improved cash flow from operations 1,770 MSEK (949)
- Ratos Group EPS, adjusted for capital gain in 2019, increased to 2.17 SEK (0.59)
- The Board proposes a dividend of 0.95 SEK/share (0.65)

FY EBITA (Ratos share, MSEK)



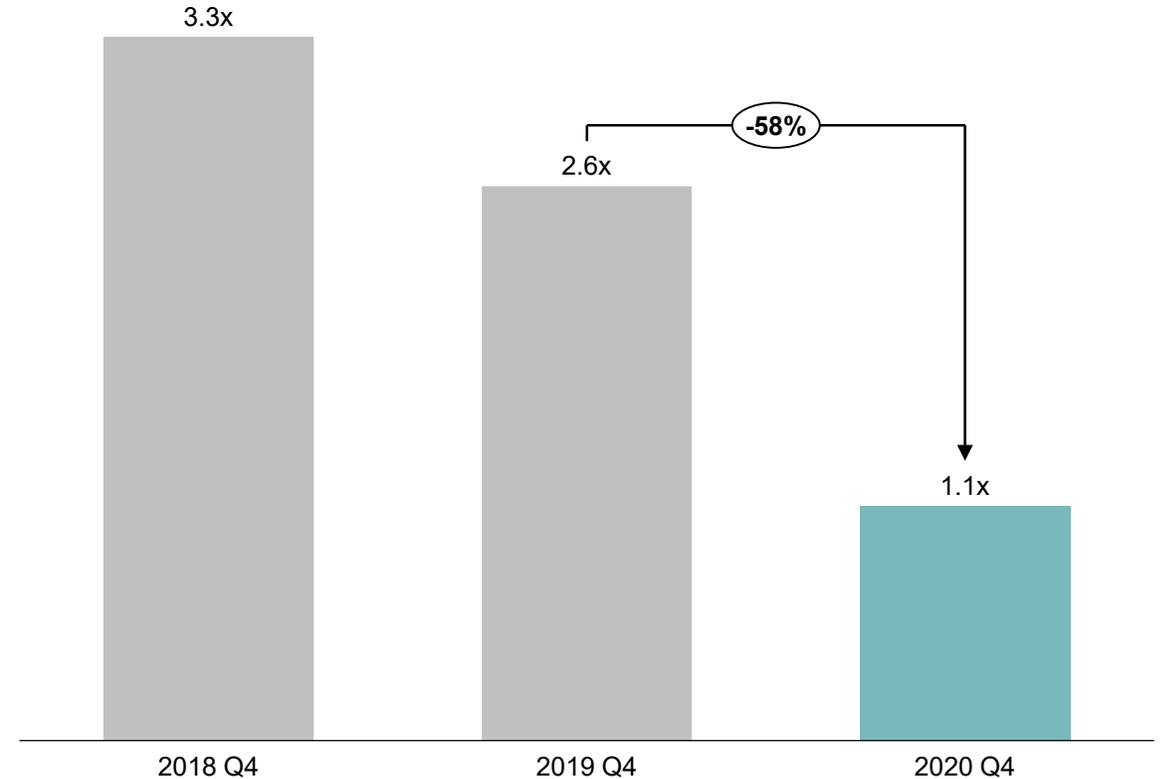
Leverage

Decreased Net Debt and increased EBITDA

- Net Debt / EBITDA amounted to 1.1x in Q4 2020 (2.6)
- EBITDA improved by 55%, Net Debt decreased by 1.1 bn SEK
- Net cash position in Ratos AB 1,166 MSEK
 - Ratos AB has a loan facility of 1,000 MSEK
- After closing of Bisnode divestment in January 2021
 - Net debt / EBITDA -0.9x
 - Net cash position in Ratos AB approximately 4 bn* SEK

*Additional 1 bn SEK invested in D&B shares

Net Debt / EBITDA LTM Q4 2020



Net Debt / EBITDA: Ratos's companies total leverage, excluding financial leasing liabilities and including Ratos parent company cash.



Aibel – provides solutions for the transition into renewable energy

- The global transition into renewable energy creates significant business opportunities for Aibel within Offshore Wind
 - EU goal: 5x increase in capacity by 2030
- Focus on reducing the carbon footprint on the Norwegian continental shelf creates additional opportunities: Electrification of offshore production facilities
- Aibel has 6 years of experience from innovative solutions and can build on existing know-how and capabilities in the design and construction of HVDC Offshore Wind converter stations
- Projects in offshore Wind and Electrification of offshore production facilities has increased to 45% of Aibel's order book



Plantasjen - # 1 in the Nordics

- Large and steadily growing market
 - Favourable megatrend “green living”
 - Resilient and non-cyclical consumption demand
 - Additional benefit from “staycations” 2020
- Plantasjen key success factors
 - Most inspiring Nordic Garden Center
 - Sales growth through customer focused omnichannel capabilities and services
- New Executive Management Team delivering on profitability
 - Gross margin
 - In store and logistics operational efficiency
 - Assortment and concept development



Diab - Strong position in renewables market

- Design and produce material and solutions for lightweight applications in the marine, industry, aerospace, transportation and wind markets
- Wind power market has grown +50% 2018 - 2020, with further growth expected as more countries commit to carbon neutrality
- Wind market expected to continue with strong growth due to energy transition
 - In September 2020: China committed to achieving carbon neutrality by 2060 - expected to fuel market further
 - China already represents +30% of global market

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Ratos - an active owner building great companies

Large / mid sized companies

12 500
Employees in 12 companies in 30+ countries

Total Sales

SEK 37 bn
(December 2020 100% ownership)

EBITA Growth

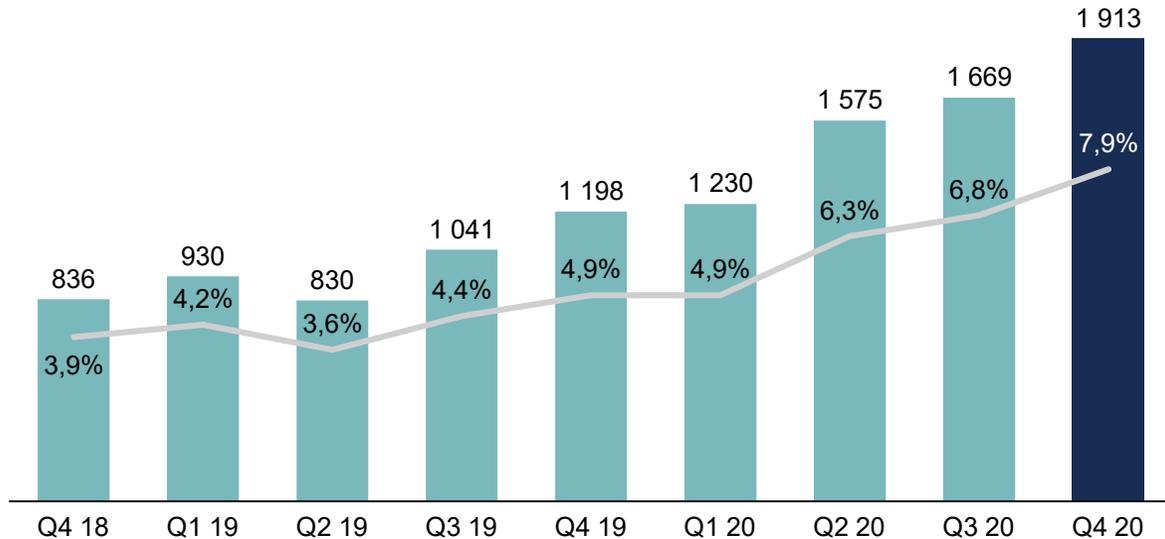
60%
(2019-2020)

1.9
Billion SEK in EBITA

HQs in the Nordics

Long-term and active ownership

EBITA LTM (Ratos share, MSEK)



Ratos companies

PLANTASJEN

aibel

LEDIL

OASE OUTDOORS

Diab

airteam

SPEED GROUP

KVD

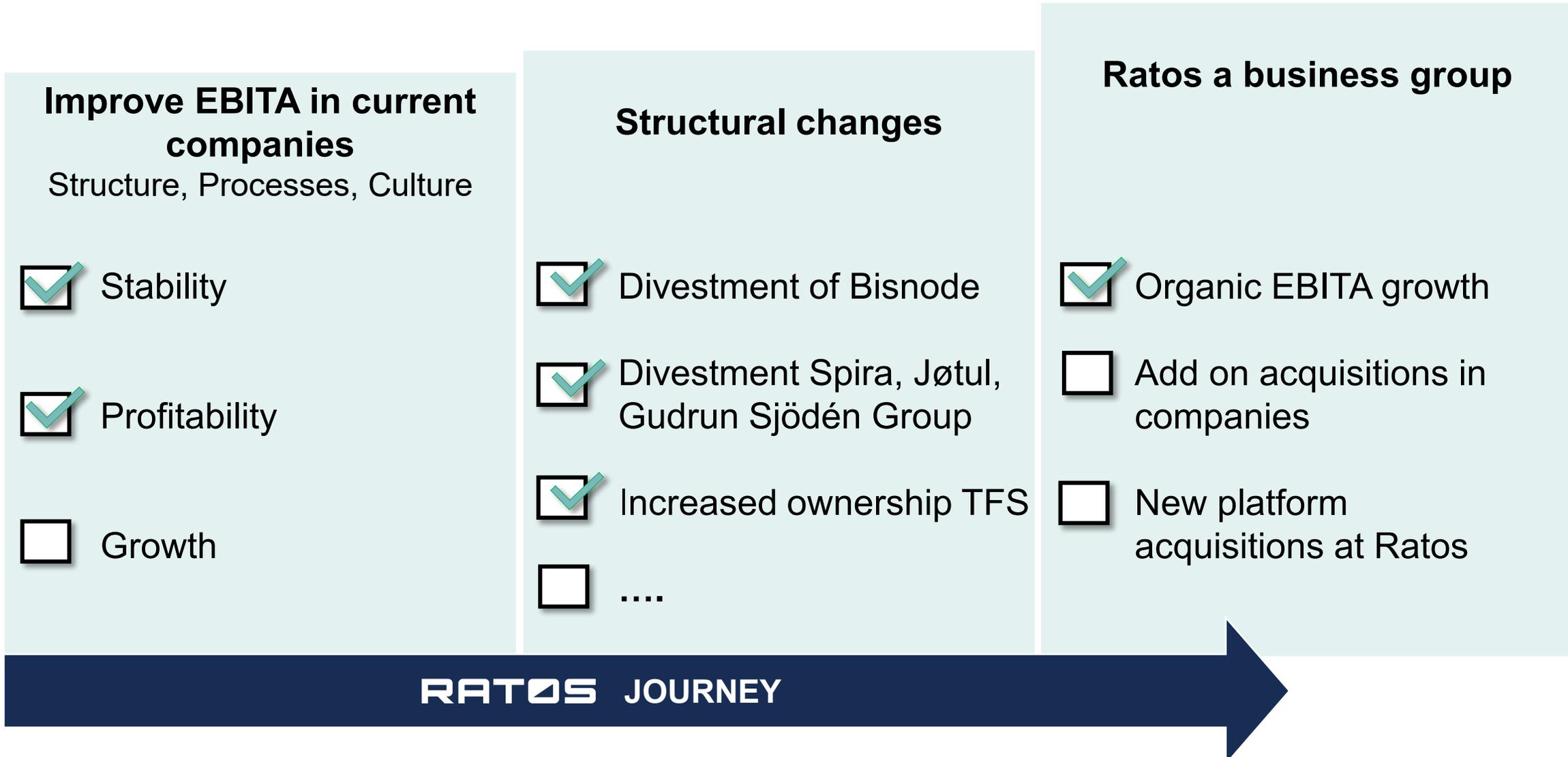
H/L

HENT

TFS
It's all about trust

Bisnode
A Dun & Bradstreet Company
Divested

Transformation completed – focus on profitable growth



New financial targets

EBITA
3 Billion SEK



EBITA is to amount to at least SEK 3 billion by 2025.

Net Debt / EBITDA
1.5 – 2.5x



Net debt in relation to EBITDA should normally range from 1.5 to 2.5x, excluding financial leasing liabilities. The target includes the cash balances of Ratos's parent company.

Dividend payout
30–50%
of profit after tax



The dividend payout ratio should amount to 30–50% of profit after tax attributable to owners of the parent, excluding capital gains and losses.

Ratos and sustainable development

Four focus areas



- Code of conduct: 12 companies
- Whistleblower system: 12 companies
- Sustainability report: 12 companies
- Co2-reports: 10 companies
- Environmental policy: 12 companies
- Share of women in leadership positions: 23%
- Share of women in company group: 40%

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Ratos B-share in 2020

- Total return 2020: 17.3% (SIX Return Index: 14.8%)
- Number of shareholders as of December 31 2020 equaled 53 357 compared to 52 070 as of year end 2019
- Share turnover (number of shares traded divided by number of shares outstanding) in the Ratos-B share amounted to 105% (Investor 70%, Sandvik 63%, Skanska 82%)



Goals for 2021

- Continue handling Covid-19
- Keep increasing company profitability
- Execute on first acquisitions

An aerial photograph of a long, multi-span bridge crossing a vast body of blue water. The bridge features several tall, white, A-frame pylons supporting the deck with numerous stay cables. The bridge extends from the bottom left towards the top right, curving slightly. The water is a deep blue-green, and the sky is a pale, hazy blue. The overall scene is serene and emphasizes the scale and engineering of the bridge.

Relentless
since 1866

www.ratos.com

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