

# ***Investor presentation***

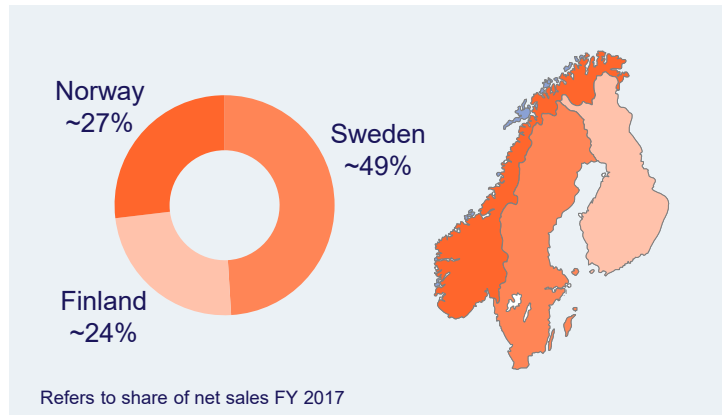
Year-end report January- December

February 7, 2019

# Rejlers at a glance

Rejlers is a Nordic group offering technical consultancy services and IT solutions to customers in the areas of: Energy, Buildings, Industry, Infrastructure and Telecom

## Nordic Presence



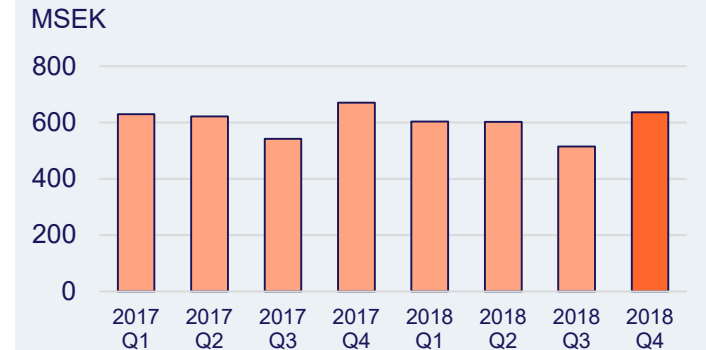
## Net Sales Distribution

Rejlers has a strong foundation, with 75 years of history, about 2,000 qualified engineers, a growing network of partners and a high customer satisfaction

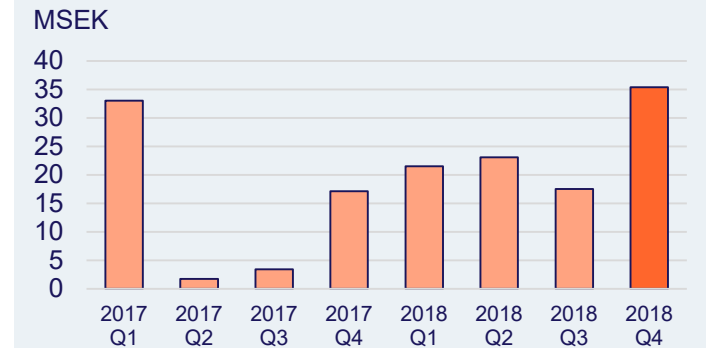
## Strong Platform

- To accelerate value and profitability
- To increase turnover and profitability by designing and digitalising solutions for the future
- To transform business by being the engine in the project
- To contribute with innovation in the sectors we are dominating

## Our Customer Offering



## Net Sales Development



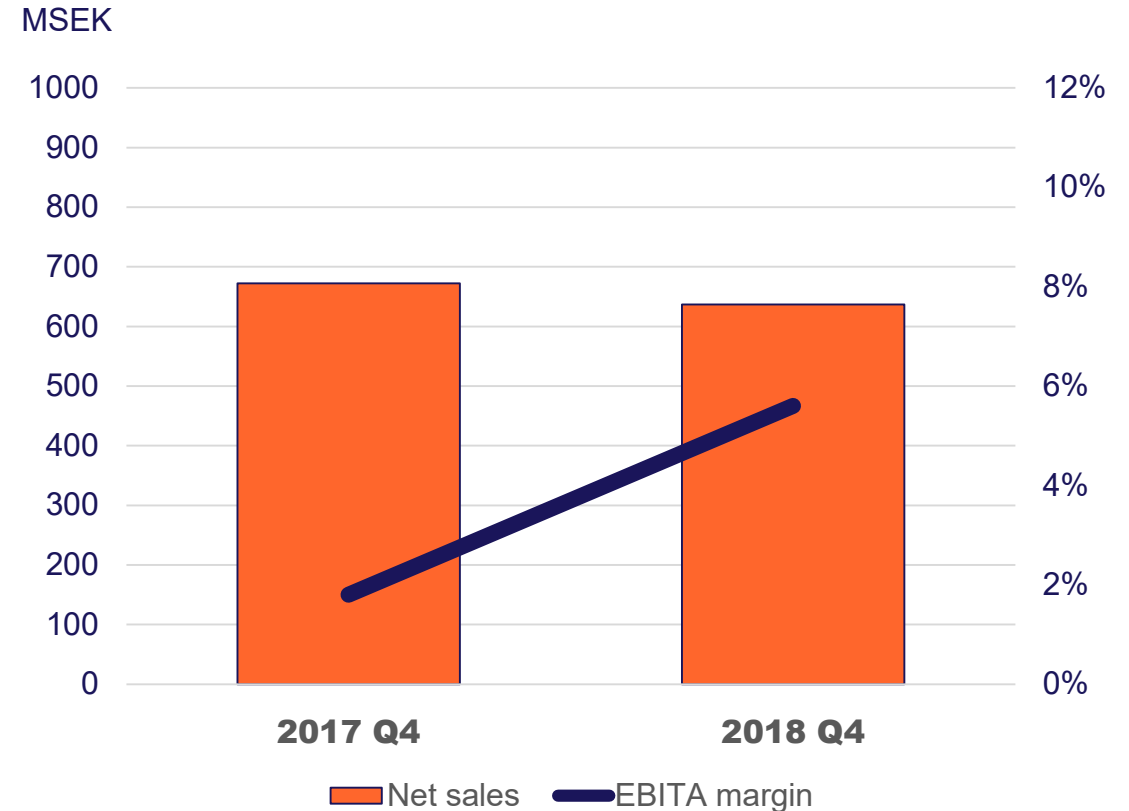
## Adjusted EBITA Development

# Q4 2018 – Improved margins

## → Financial Highlights

- Net sales was SEK 644.2 million (670.7)
- EBITA amounted to SEK 35.4 million (12.3) and the EBITA margin amounted to 5.5% (1.8)
- Operating profit (EBIT) amounted to SEK 31.8 million (9.3) and the operating margin was 5.0% (1.4)
- Profit after tax was SEK 17.5 million (6.7)
- Earnings per share before and after dilution was SEK 0.98 (0.38)
- Cash flow from operating activities totaled SEK 88.1 million (19.9)

## → Net sales and EBITA margin



# ***Q4 2018 – Transmission for profitable growth***

## **→ Operational Highlights**

- Parts of first phase regarding organisational changes and efficiency measures finalised
- Rejlers Network launched in the beginning of the quarter
- Acquisition of Jimexo Tech and Pivotech in Finland during the quarter
- Second phase including updated vision and strategy ongoing and to be presented in Q2 2019
- Shift in Rejlers Embriq – from hardware sales to service sales
- Several new orders during the quarter
- Continued positive underlying market development

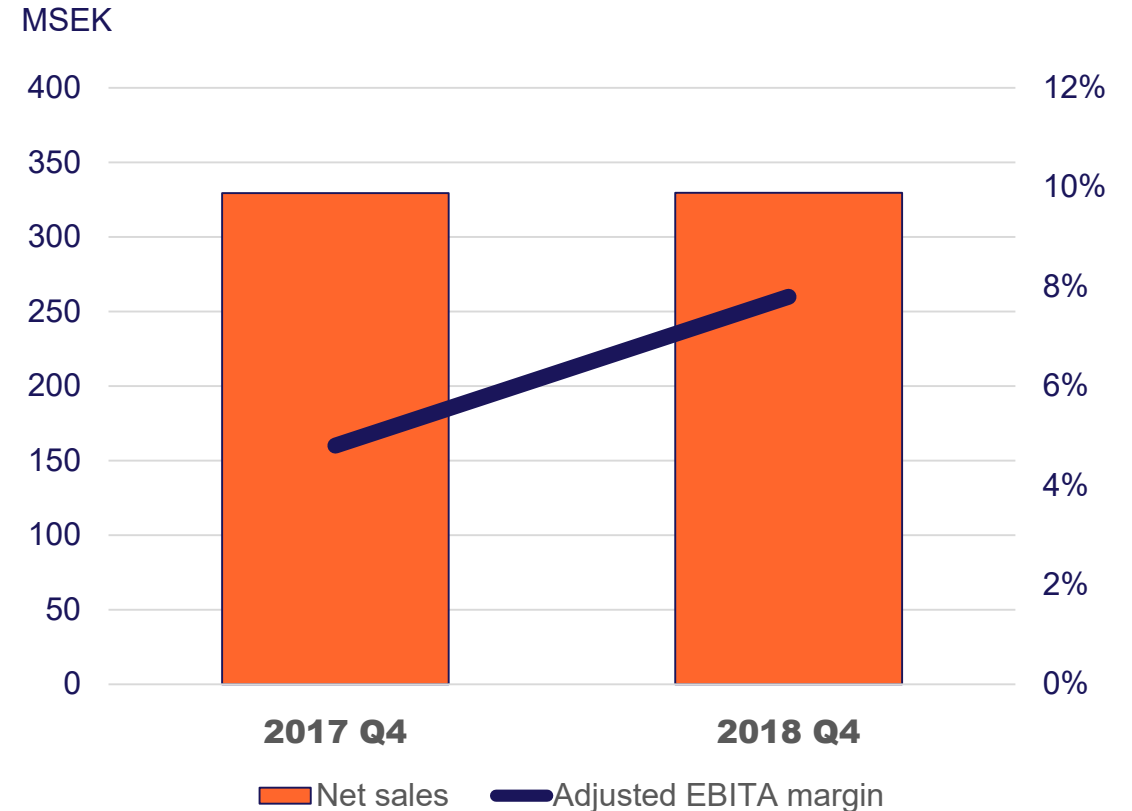


# Segment – Rejlers Sweden

## → Q4 Highlights

- Net sales was stable at SEK 337.6 million (331.3)
- EBITA (adjusted) amounted to SEK 25.7 million (16.0) and the adjusted EBITA margin amounted to 7.6% (4.8)
- Operating profit (EBIT) increased to SEK 24.1 million (9.1)
- Re-organisation and structural changes finalised according to plan – lower fixed cost base
- Several new orders, a frame agreements with Vattenfall and Telia Company among others
- Continued solid underlying market conditions

## → Net sales and adjusted EBITA margin



# Segment – Rejlers Finland

## → Q4 Highlights

- Net sales increased to SEK 166.6 million (127.4)
- EBITA (adjusted) amounted to SEK 11.5 million (7.6) and the adjusted EBITA margin amounted to 6.9% (5.9)
- Operating profit (EBIT) amounted to SEK 10.3 million (7.0)
- Acquisition of Jimexo Tech and Pivotech in the quarter, consolidated as of November 1
- Continued solid underlying market conditions

## → Net sales and adjusted EBITA margin

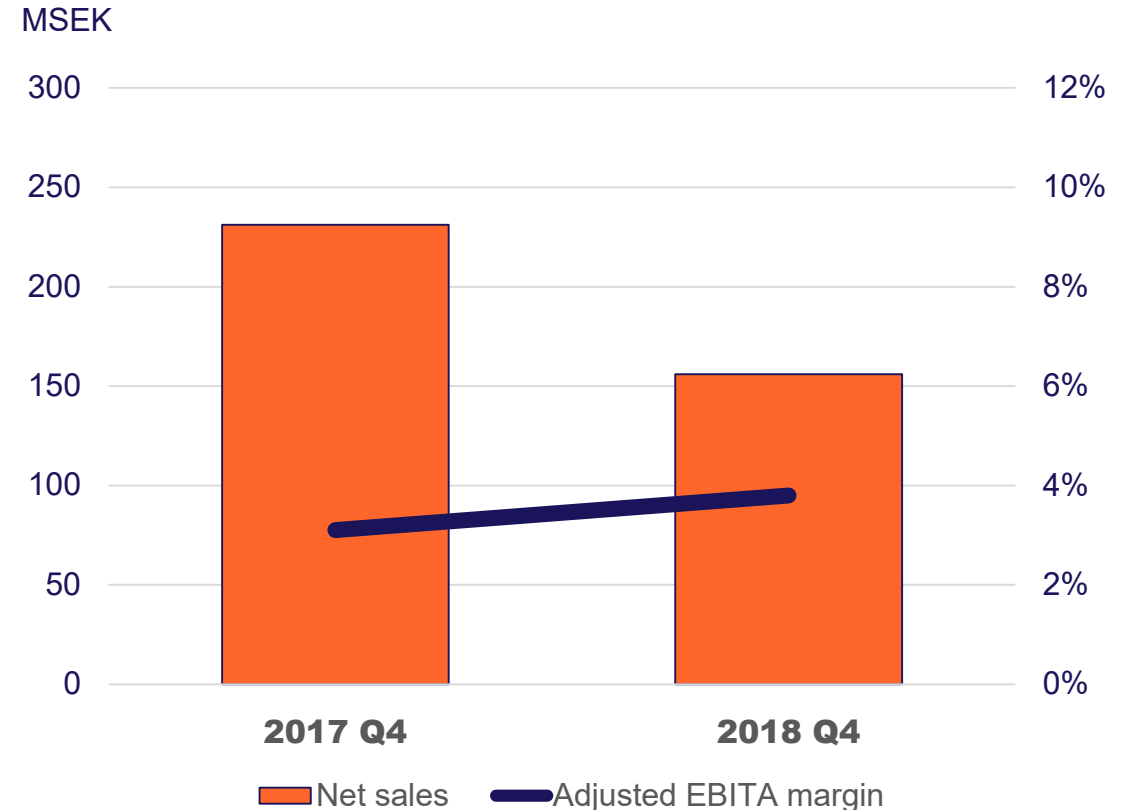


# Segment – Rejlers Norway

## → Q4 Highlights

- Net sales amounted to SEK 155.2 million (231.1), mainly due to the sale of the telecom business
- EBITA (adjusted) amounted to SEK 5.9 million (7.2) and the adjusted EBITA margin amounted to 3.8% (3.1)
- Operating profit (EBIT) amounted to SEK 5.1 million (6.4)
- Sales shift in Rejlers Embriq from low margin hardware to recurring service revenues – initially affecting sales development negatively
- Continued solid underlying market conditions

## → Net sales and adjusted EBITA margin



# ***Operational focus***

## → Plan in three phases to reach full potential

- First phase – Leadership and business acumen
  - New organization and efficiency measures to ensure operational efficiency, greater focus on the market, leadership, profitability and future growth
- Second phase – Brand and employer branding
  - Improve recruitment processes to ensure strong employer branding
  - Review of vision and strategy
- Third phase – Cultural change
  - Performance measures and strengthen performance culture
  - Operational focus

## → Target to establish the industry's most attractive workplace with a clear focus on employees, customer benefit and shareholder value



# ***Achievements so far***

## → First phase ongoing

- Q2 restructuring costs of SEK 40 million - target to reach annual savings of SEK 30 million with full effect as of 2019
- Reorganisation in Sweden and Norway completed - reducing the number of management positions
  - Create operationally efficient Rejlers with greater focus on the market, profitability and growth
  - Focus on industry sector specialisation rather than geography
  - Five divisions Energy, Buildings, Industry, Infrastructure and Telecom, with a clear mandate
- Structural changes - colocation ,streamlining through divestment and disposal of unprofitable units in Sweden and Norway
  - Rejlers Embriq and Rejlers Norway combined into one operation
  - Divestment of Rejlers Telecom AS
- Key recruitments of CFO, Communications Director and Recruitment Manager

## → Second phase ongoing

- Launched Rejlers Network in Q4 - A digital partner platform for wider expertise
- Build up of professional recruitment organisation in our largest cities to ensure future growth
- Updated vision and strategy to be presented in Q2 2019

***Thank you!***