

# ABG Investor Day

9 March 2021

Morten Hansen, CEO  
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# Agenda

- Our business units
- Strategy and financial targets
- Market trends and large orders
- Q4 and FY results
- Order intake and order book
- 2021 outlook
- Q&A



## 6 independent business units

Focused on Denmark...



Contractor for new build and refurbishment throughout Denmark



Equipment hire and set-up of temporary buildings and construction sites



Development and realisation of sustainable building and PPP



Major contractor for construction, civil works and infrastructure



Market leader in the field of sustainable, certified modular building in wood



International contractor focusing on Greenland, the Faroe Islands and other selected markets

... and selected international markets

## Optimisation of portfolio

### 2020

- Sale of Lindpro (DK) for DKK 265 million
- Sale of Ajos' hoist activities (DK) for DKK 28 million
- Acquisition of MATU (GL) for DKK 28 million

### 2021

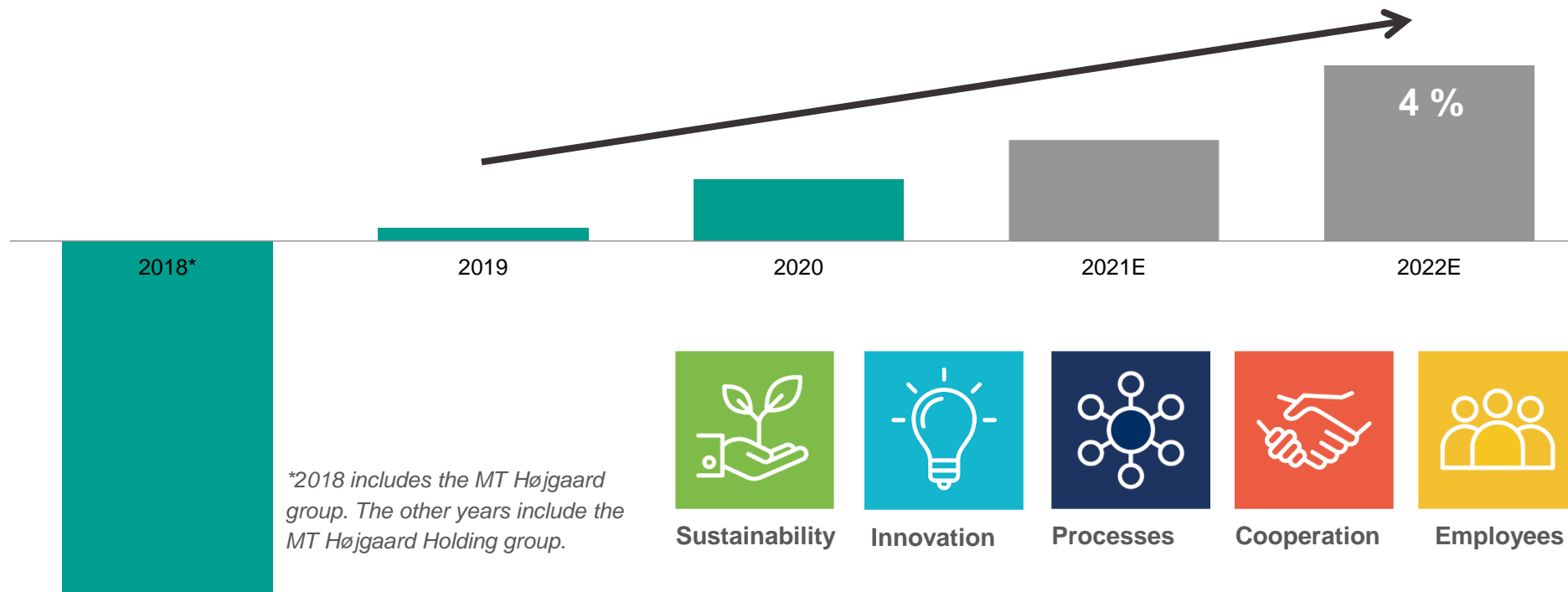
- Acquisition of Raunstrup (DK) for DKK 73 million
- Acquisition of 80% of RTS Contractors (FO)
- Sale of Ajos' crane activities (DK) for DKK 62 million

## MT HØJGAARD HOLDING



# Long-term sustainable development of the group

Step by step towards a profit margin of 4% before special items and PPA depreciation



*\*2018 includes the MT Højgaard group. The other years include the MT Højgaard Holding group.*

## Preconditions

- Higher activity level
- Strengthened gross margin through higher efficiency
- Completion of MgO replacement and old projects
- Improved capacity utilisation
- Reduction of rent and IT costs
- Settlement or completion of dispute cases
- Reduction of property portfolio

## Market trends

### Increased demand for renovation work

- More tenders, growing pipeline
- Stabilising political initiatives
- Removal of cap on civil works
- Green Housing Agreement



Enemærke & Petersen is future-proofing and refurbishing 587 council flats in Højstrupparken in Odense for FAB.

### Increasing interest in sustainability

- Strong knowhow and experience
- 21 projects with DGNB, LEED, BREEAM og Nordic Swan Ecolabel certifications (2019: 16)



Scandi Byg erects DGNB Gold and Nordic Swan Ecolabel student housing for PensionDanmark and Boligfonden DTU.



### Cooperation and early involvement

- Strong partnerships "Byk med Trust", "Byggepartnerskab" and The Capital Region of Denmark
- New tenders for strategic partnerships from public and council sector
- All business units working on new cooperation and partnerships

MT Højgaard Projektudvikling and AAB cooperate on building up to 2,500 new cooperative housing units.

# Large orders and cooperation agreements since 1 October



**MT Højgaard Danmark:** Partnership with The Capital Region of Denmark. Scope of DKK 1.8-2.2 billion.



**Enemærke & Petersen:** Partnership with Civica. Scope of DKK ~3 billion with team LIVA.



**MT Højgaard Danmark:** Workshops for DSB. Phased. Potential value of DKK 1.6 billion.



**MT Højgaard Danmark:** Waterfront culture center at Papirøen. Phased. Undisclosed amount.

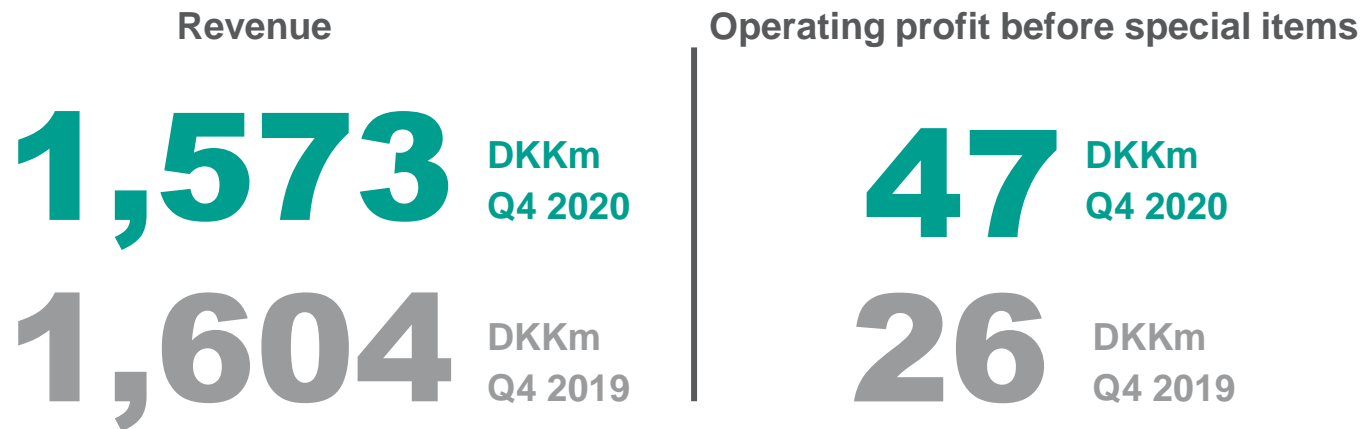


**Enemærke & Petersen:** Refurbishing of Bellahøj in Brønshøj for housing association KAB. DKK 325 million.



**MT Højgaard International:** 3 buildings for Nuuk's new international airport. Undisclosed amount.

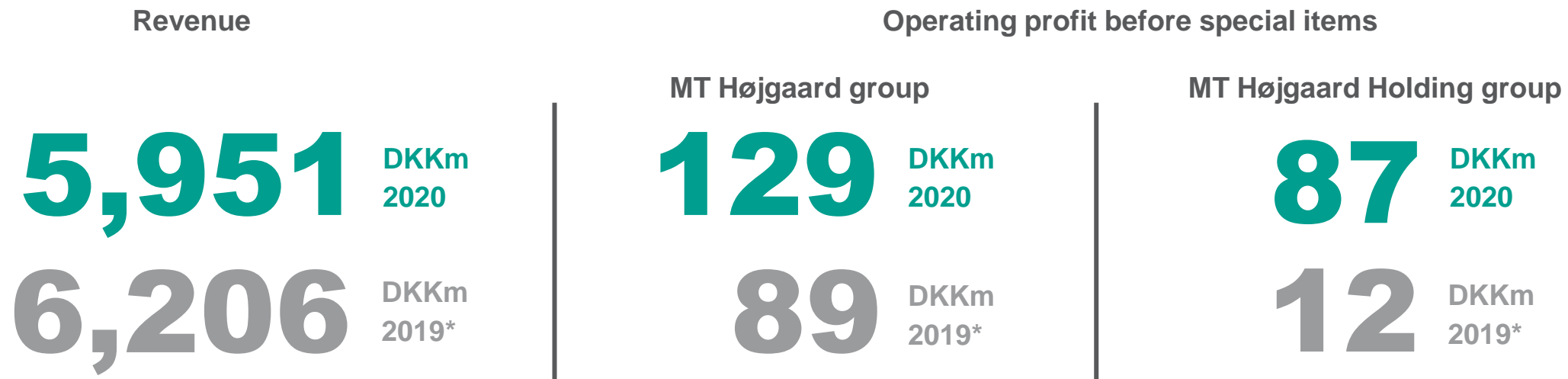
## Q4: Best quarter of the year



- Good activity level and improved operating profit
- Higher gross margin and lower capacity costs
- Strong order intake of DKK 2.9 billion

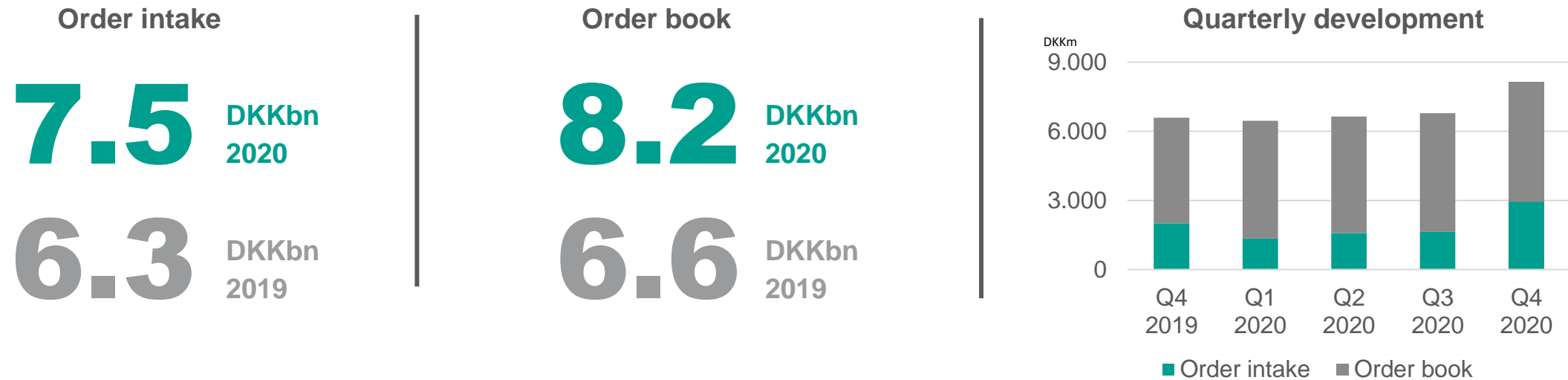


## 2020: Improved earnings in a transition year



- Revenue and operating profit in line with announced outlook
- Revenue declined 4% on the back of lower activity in Enemærke & Petersen in H1 and moderate COVID-19 effects
- Higher gross margin, lower costs after cost savings on support and staff functions

# Good order intake and healthier order book



- Higher quality in tendering, improved competitiveness
- Good growth in order books of Enemærke & Petersen, Ajos, MT Højgaard Danmark and MT Højgaard International
- Won, but not yet contracted projects of DKK ~2.5 billion in MT Højgaard Danmark in particular

Figures for MT Højgaard group. Comparative figures adjusted for the sale of Lindpro A/S.

# Good order intake, lower earnings in MT Højgaard units



**-7%** Revenue  
**DKKm -45 (-26m)** Operating profit before special items

- Restructuring affects results as expected
- New strategic platform and organisation
- Write-downs on ongoing projects
- Order book increased 6% to DKK 3.2 billion



**+5%** Revenue  
**DKKm 13 (37m)** Operating profit before special items

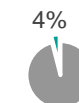
- Good activity in Greenland and on the Faroe Islands
- Other markets impacted by Covid-19
- Results affected by disputes, Seth and bridge project
- Order book increased 18% to DKK 1.1 billion



**-36%** Revenue  
**DKKm 12 (18m)** Operating profit before special items

- Timing of delivery affects results
- Property portfolio increased to DKK 515 million
- Management change in September
- Partnerships and cooperation

# Higher activity level in H2



**-10%** Revenue  
**DKKm 97 (133m)** Operating profit before special items

- Good growth in H2 after slowdown in H1
- Good activity in strategic partnerships
- Position consolidated with refurbishing
- Order book increased 46% to DKK 3.7 billion

**+49%** Revenue  
**DKKm 17 (12m)** Operating profit before special items

- High activity in residential and student housing
- Cooperation agreement with PensionDanmark
- Management change in November
- Order book declined 17% to DKK 309 million

**-12%** Revenue  
**DKKm 18 (23m)** Operating profit before special items

- Lower activity due to Covid-19 delay
- Impacted by delay, relocation and settlement
- Nordic Swan Ecolabel pavilion modules
- Order book increased 18% to DKK 260 million

## Key figures and financial highlights

Results (DKKm)	2020	2019
Revenue	5,951	4,672
<b>Gross profit/(loss)</b>	<b>435</b>	<b>250</b>
<b>Operating profit before special items</b>	<b>87</b>	<b>12</b>
Special items, net	-35	-35
<b>EBIT</b>	<b>52</b>	<b>-23</b>
Net financials	-52	112
<b>Result of continuing operations</b>	<b>14</b>	<b>62</b>
Result of discontinued operations	87	4
<b>Net profit/(loss)</b>	<b>101</b>	<b>66</b>
<b>Cash flows</b>		
Operating activities	137	123
Investing activities, net	159	-202
Financing activities	-134	83

**7.3%** gross margin  
(2019: 5.4%)

**1.5%** profit margin b.s.i.  
(2019: 0.3%)

**15.7%** ROIC  
(2019: 19.4%)

**25.2%** solvency incl.  
subordinated loan  
(2019: 20.6%)

## 2021 outlook

Revenue



Operating profit before special items  
and PPA depreciation



- 13% revenue growth: solid order book and promising pipeline, limited Covid-19 effects
- Acquisition of Raunstrup and RTS Contractors
- Most significant improvement in H2 with increasing revenue, better capacity utilisation and higher margin



**Q&A**