

Q2 Report 2020

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WATER



FIRE



CLIMATE

All crucial for human life.

At the same time posing an unpredictable threat to valuable property.

Highlights second quarter 2020

- Sales amounted to EUR 171.3 million (157.8) +9%
 - Organic growth +6.3%
 - Acquired growth +3.8%
- Adjusted EBITA amounted to EUR 9.5 million (8.3) +15%
 - Positive volume impact and improved operational efficiency
- Operating cash flow amounted to EUR 29.5 million (-3.0)
 - Positive Corona impact changes normal seasonality
- Net debt EUR 288.1 million as per end of June
 - Liquidity buffer amounting to EUR 85.4 million
- Acquisitions in Sweden, France, Luxembourg and Italy

Segments highlights Q2 2020

M€	Continental Europe	Nordics & UK	North America & Asia
Sales	110.0 (97.0)	50.5 (50.2)	10.8 (10.6)
Growth %	+13	+1	+2
Adjusted EBITA	6.5 (6.2)	2.6 (2.4)	2.2 (1.8)

- Continental Europe, continued strong growth
- Nordic & UK, held back by temporary lay-offs
- North America and Asia, several new large projects

Corona outbreak

- Governmental restrictions
 - Risk for second waves in some countries
- Order intake
 - Insurance companies, projects delay and increased cash settlements
 - Positive trend going into Q3
- Temporary lay offs
 - Approximately 10% of total work force laid off during Q2, gradual improvements during second half of the period
 - Currently below 5%

Last 12 months – current run rate

- Sales amounted to EUR 718 (642) million +12%
 - Organic growth 5.3%
- Adjusted EBITA amounted to EUR 48.0 (39.1) million +23%
 - Adjusted EBITA-margin of 6.7% (6.1)
- Operating cash flow amounted to EUR 66.4 (28.5) million
 - Strong performance although inflated by Corona support measures by local authorities that will reverse

Acquisitions

- Hiotlabs, leading edge technology to drive Water damage prevention business
- France, improved regional and service line presence
- Luxembourg, new market entry
- Italy, new market entry, first stepping stone



4 step strategy to take Polygon to the next level



Operational focus	Proof points	Development phase
<ul style="list-style-type: none"> Build further strength in Europe Opportunistic in North America 	<p>Only companies with great strategic fit acquired</p>	
<ul style="list-style-type: none"> Centres of Excellence (M&CC, Documents & Eurostock) Digital solutions open up new customer segments 	<p>Increased market share in Europe</p>	
<ul style="list-style-type: none"> Clear focus on key customers Customers surveys Benchmarking on Unit level Measure profitability per project 	<p>Driver of above industry organic growth</p>	
<ul style="list-style-type: none"> Polygon Model Polygon Employer Survey Polygon Academy Polygon Learning Zone 	<p>Strong corporate culture in place</p>	

2020 YTD – Building a stronger platform

Sales

+13%

- Organic growth 8.0%
- Acquired growth 5.8%

Adjusted EBITA

+20%

- Positive volume impact
- Acquisitions contribute well
- Limited impact from Corona

Acquisitions

5 Deals

- Continued high activity

Q&A

 **POLYGON**