



# Presentation Q1 2021



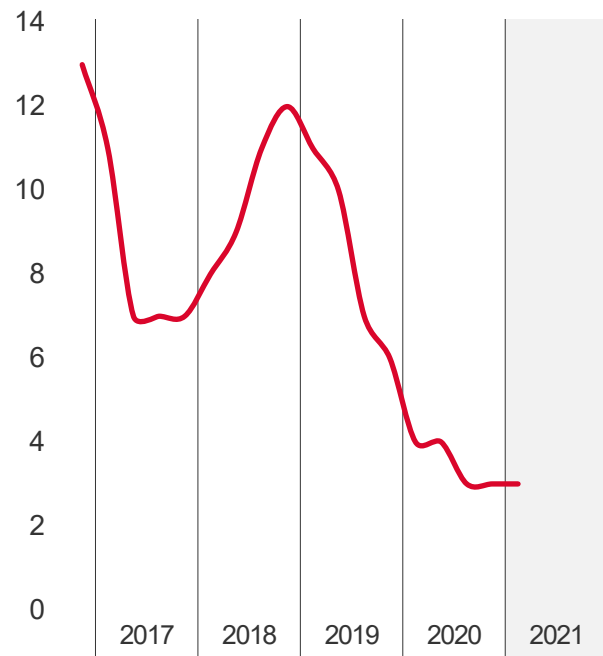
6 May 2021  
CFO Jørgen Wiese Porsmyr

# Occupational health and safety

## Our primary priority

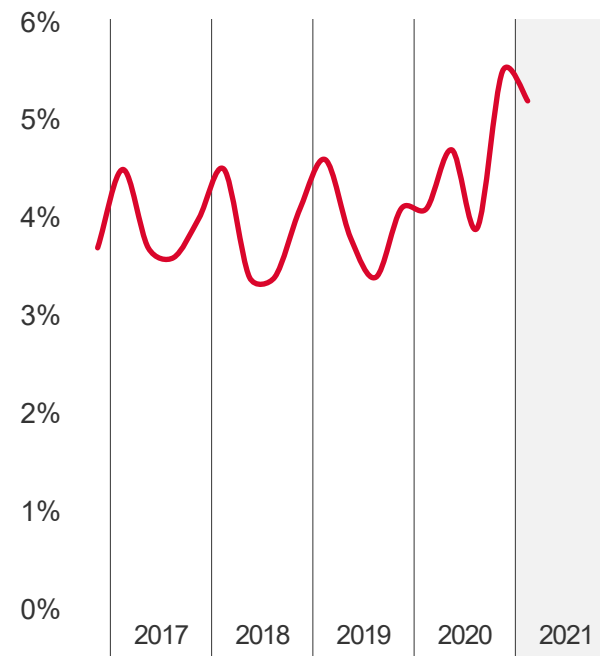
### Number of serious injuries

12-month rolling, Veidekke employees, hired staff and sub-contractors



### Sickness absence

Veidekke employees

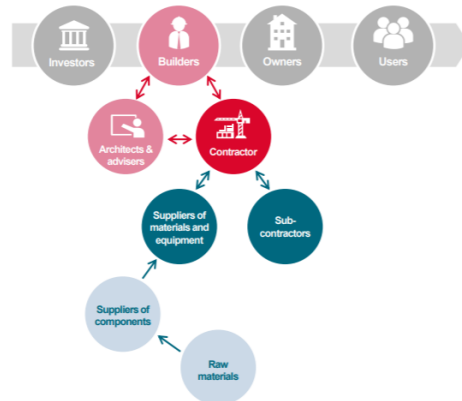


# Covid-19 had limited impact on production in Q1

## Value and supply chains

### Different challenges on the supply and demand side

- 1 Challenges in ongoing projects (short term)
  - Strict national infection control measures can cause operational disruptions and increased absence from work
- 2 Supply chain constraints (medium term)
  - Global measures to limit infection can reduce or delay supply of components and equipment
  - Curtailed transport capacity can cause supply chain disruptions
- 3 Market consequences (private and public)
  - A weaker economic development may negatively impact demand for Veidekke's services and products
  - Amplified by oil price drop and weaker currency
  - Measures to stimulate demand may have a positive effect on public builders



4 Veidekke ASA: 1<sup>st</sup> quarter 2020

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- More infection outbreaks in individual projects
- Entry restrictions pose challenges to planned progress in individual projects in Norway
- No significant impact on financial results for the quarter
- Extraordinary infection-control measures may impact production capacity and supply of goods and services going forward

Facsimile from Veidekke's Q1 2020 presentation



# Highlights Q1 2021

- Revenues on a par with Q1 2020; low season in parts of the operations
- Improved profits
- Divestment of Rogaland asphalt and aggregates operations was completed and contributed to a profit for the quarter
- Satisfactory quarterly order intake



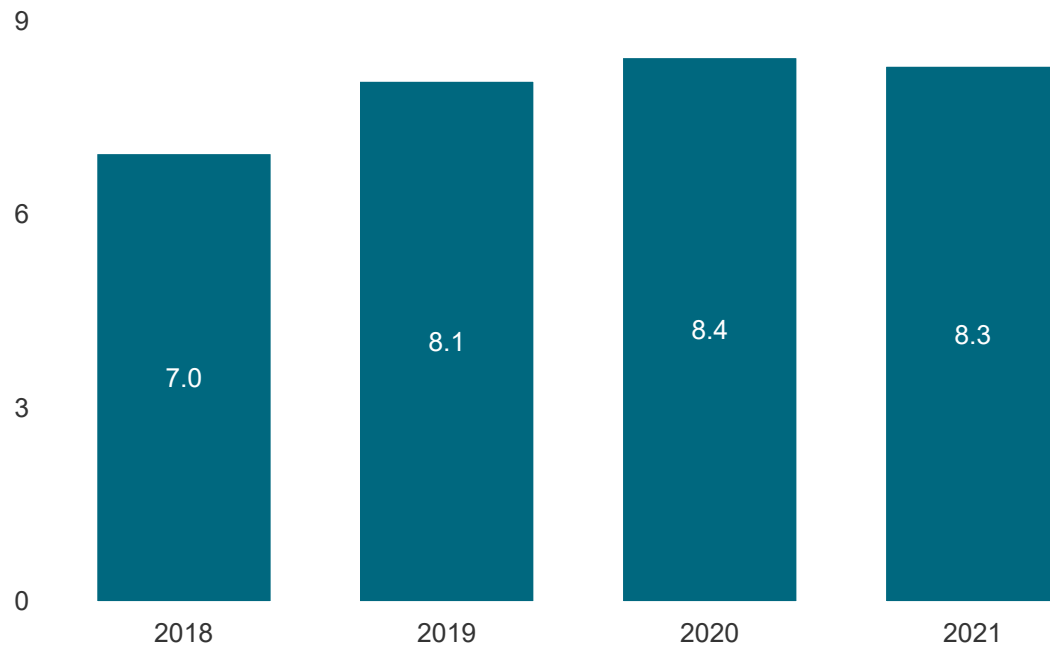
Veidekke's subsidiary Arcona has been commissioned to construct two new school buildings and make moderations to Sundbyskolan's current facilities in Spånga outside Stockholm on behalf of SISAB. The execution contract has a value of approx. SEK 145 million.

# Key financial figures

## Q1 revenues and profits

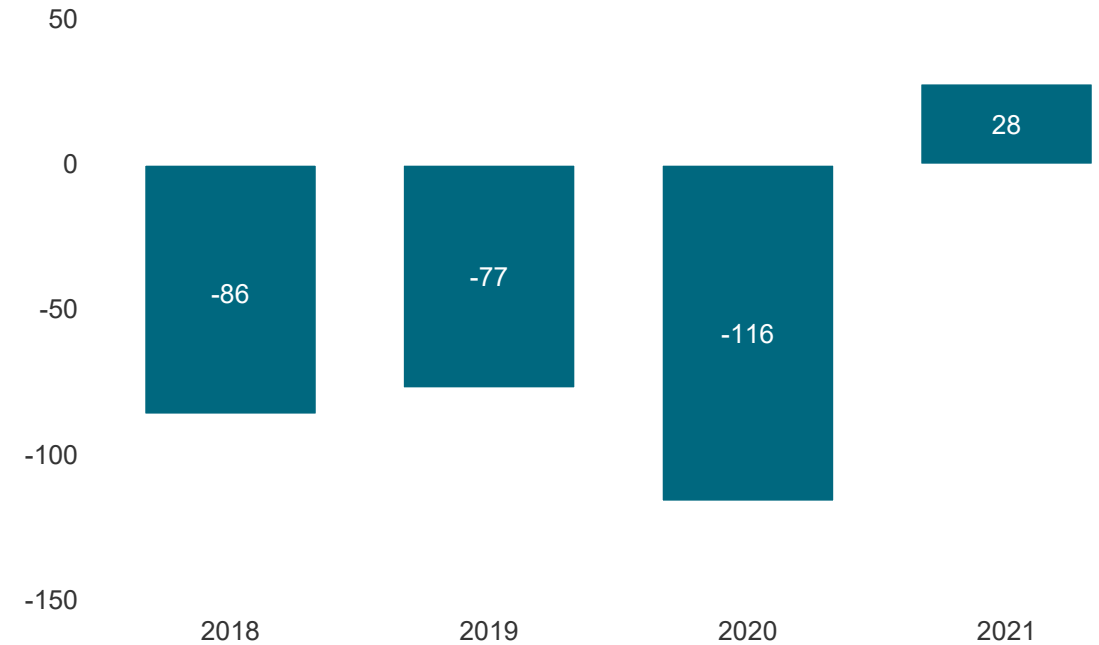
### Q1 revenue

NOK billion



### Q1 pre-tax profit

NOK million



# Revenue, profits and margins

## Group and segments

	Q1 2021			Q1 2020 <sup>1</sup>		
Amounts in NOK million	Revenue	Pre-tax profit	Margin	Revenue	Pre-tax profit	Margin
Construction in Norway	3 471	113	3.3%	3 580	119	3.3%
Infrastructure in Norway	1 463	-132	-9.1%	1 683	-207	-12.3%
Sweden	2 827	36	1.3%	2 596	28	1.1%
Denmark / Hoffmann	621	43	7.0%	653	33	5.0%
Other	-72	-31		-69	-88	
<b>Group</b>	<b>8 311</b>	<b>28</b>	<b>0.3%</b>	<b>8 443</b>	<b>-116</b>	<b>-1.4%</b>

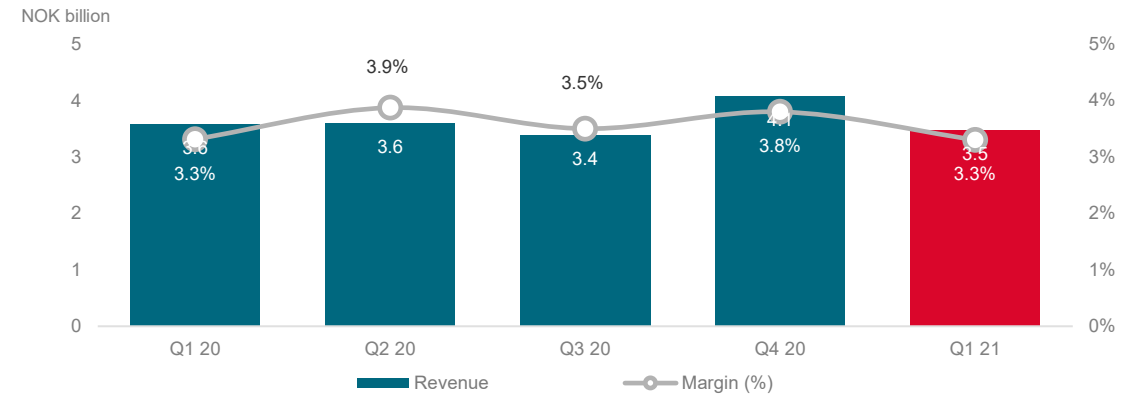
<sup>1</sup>The item "Other" under Q1 2020 included an unrealised loss linked to a change in the value of a fund investment related to pension obligations, as well as costs related to the divestment of the property development operation which were at the time of divestment included in the gains from the sale. The unrealised loss and divestment costs amount to NOK 55 million in total.

# Construction in Norway

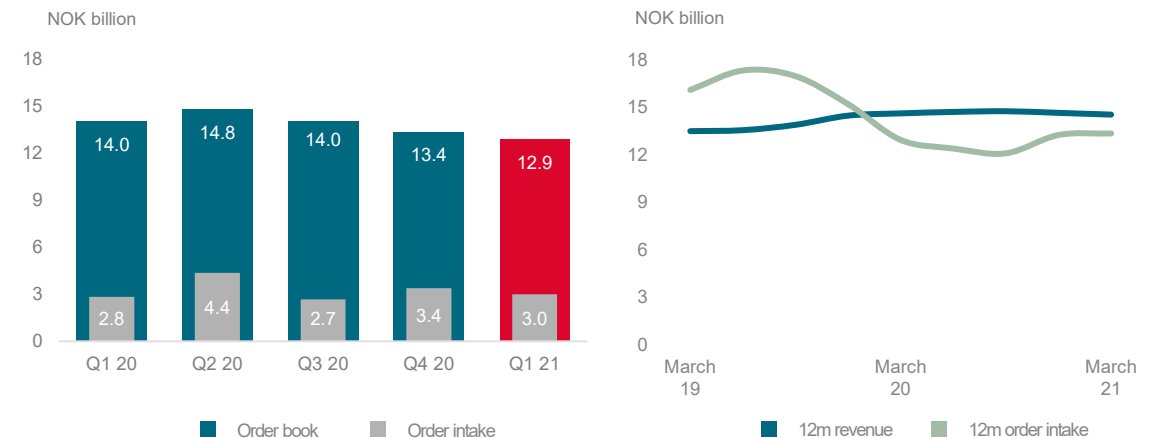
Q1 2021

- Revenue decreased by 3 %
  - Mainly limited to the Trondheim region
- Profits and margin on a par with a year ago
  - The Oslo area has high profitability and constitutes the main engine
- Order book
  - The order book decreased by 8% over past 12 months
  - Over the quarter: the public buildings segment increased, the residential buildings segment was stable, and the commercial buildings segment decreased

REVENUE AND MARGIN BY QUARTER



ORDER BOOK, ORDER INTAKE AND BOOK-TO-BILL (12M)

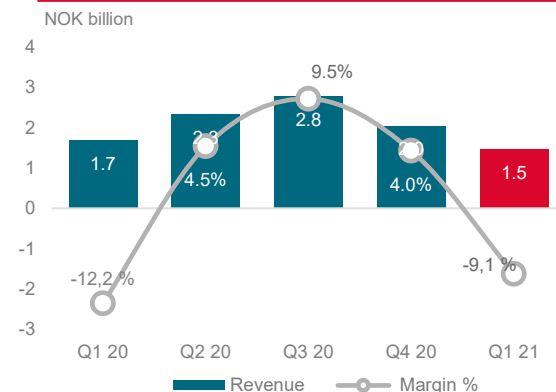


# Infrastructure in Norway

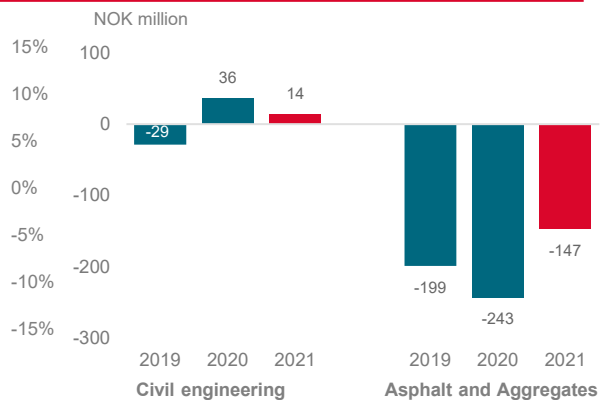
Q1 2021

- Revenue dropped by 13%
  - Decrease in civil engineering revenue
  - Low season in Asphalt and Aggregates
- Profits and profitability improved from last year
  - Civil engineering; profit margin at 1.0%.
    - Road maintenance margin improved, to 6,5%
  - Asphalt and Aggregates saw a NOK 39 million gain from sale of the Rogaland operation and lower costs in Asphalt (NOK 18 mill.)
- Market
  - High civil engineering demand
  - In this year's tender for asphalt on national and county roads, Veidekke's volumes increased by 71% from last year (market share 43%)

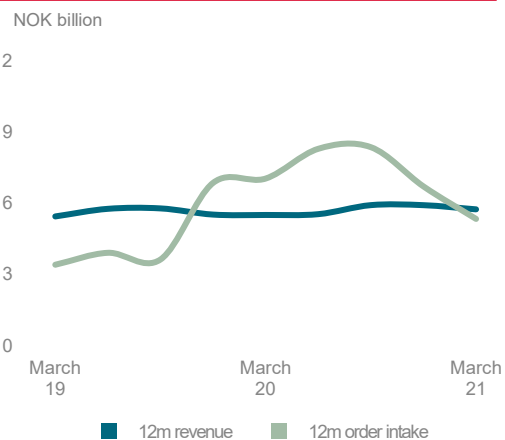
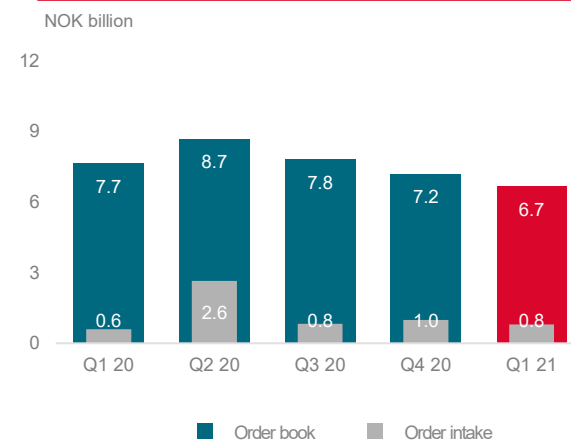
REVENUE AND MARGIN BY QUARTER



Q1 PRE-TAX PROFIT



ORDER BOOK, ORDER INTAKE AND BOOK-TO-BILL (12M)<sup>1</sup>



1) The order book includes civil engineering projects and road maintenance contracts.

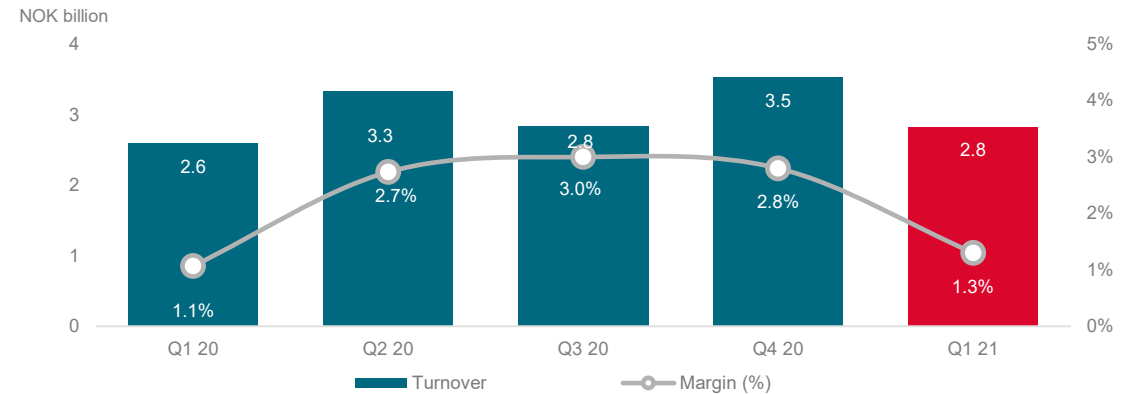


# Sweden

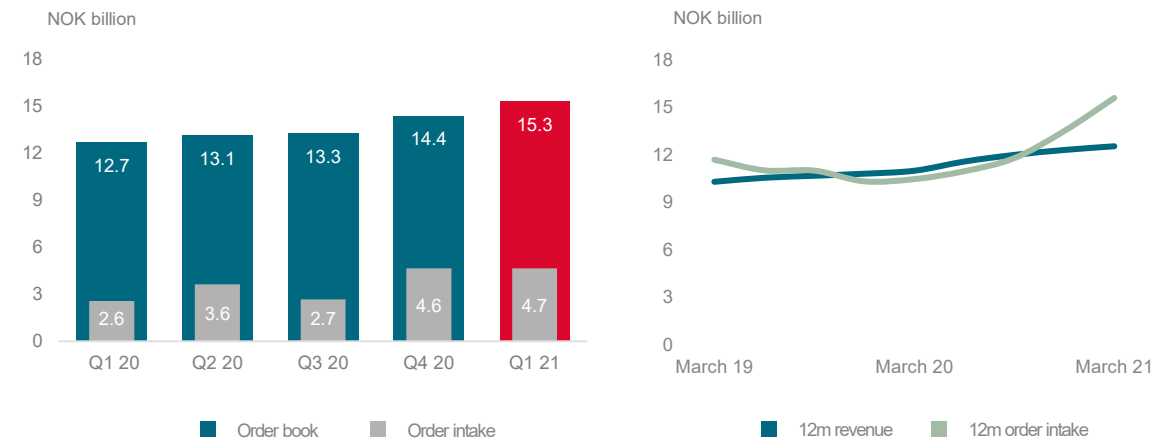
Q1 2021

- Revenue increased by 5% (in local currency)
  - Revenue increase in Construction (15%); from residential and public sector segments
  - Revenue decrease in Infrastructure (-12%)
- Profits and margin boosted
  - Construction; 2.5% profit margin, compared to 1.2% last year. Improvement in Stockholm
  - Infrastructure; -1.6% profit margin, compared to 0.8% last year. Lower activity and increased cost in industrials operation
- Satisfactory order intake in Q1
  - Order book increased by nearly 30 % in local currency over past 12 months, and by 14% in Q1
  - All segments increased their order books in Q1

## REVENUE AND MARGIN BY QUARTER



## ORDER BOOK, ORDER INTAKE AND BOOK-TO-BILL (12M)

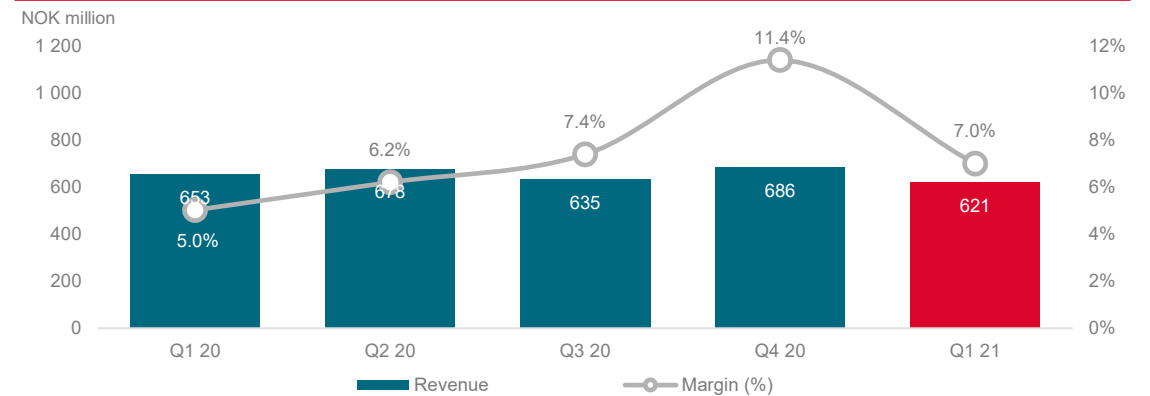


# Denmark / Hoffmann

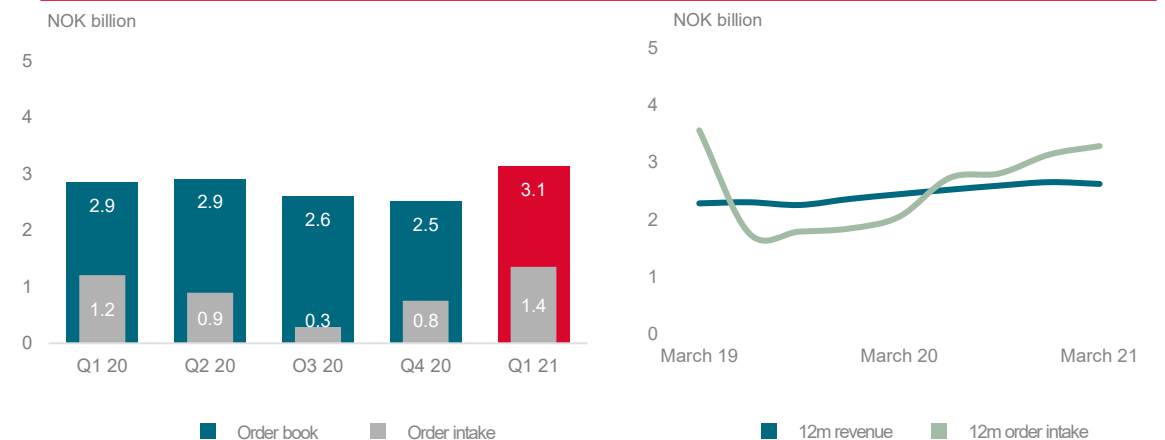
Q1 2021

- Revenue decreased by 4% (in local currency)
- Strong Q1 profits
  - Consistently satisfactory project profitability
- Order book
  - Good order intake in Q1, of which the Northern Als holiday resort contract comprised approx. NOK 1.1 billion
  - Order book (in local currency) increased by 25% over past year
  - Shift towards public sector customers; signed framework agreement with the Danish Building and Property Agency

## REVENUE AND MARGIN BY QUARTER



## ORDER BOOK, ORDER INTAKE AND BOOK-TO-BILL (12M)



# Financial position

## Balance sheet

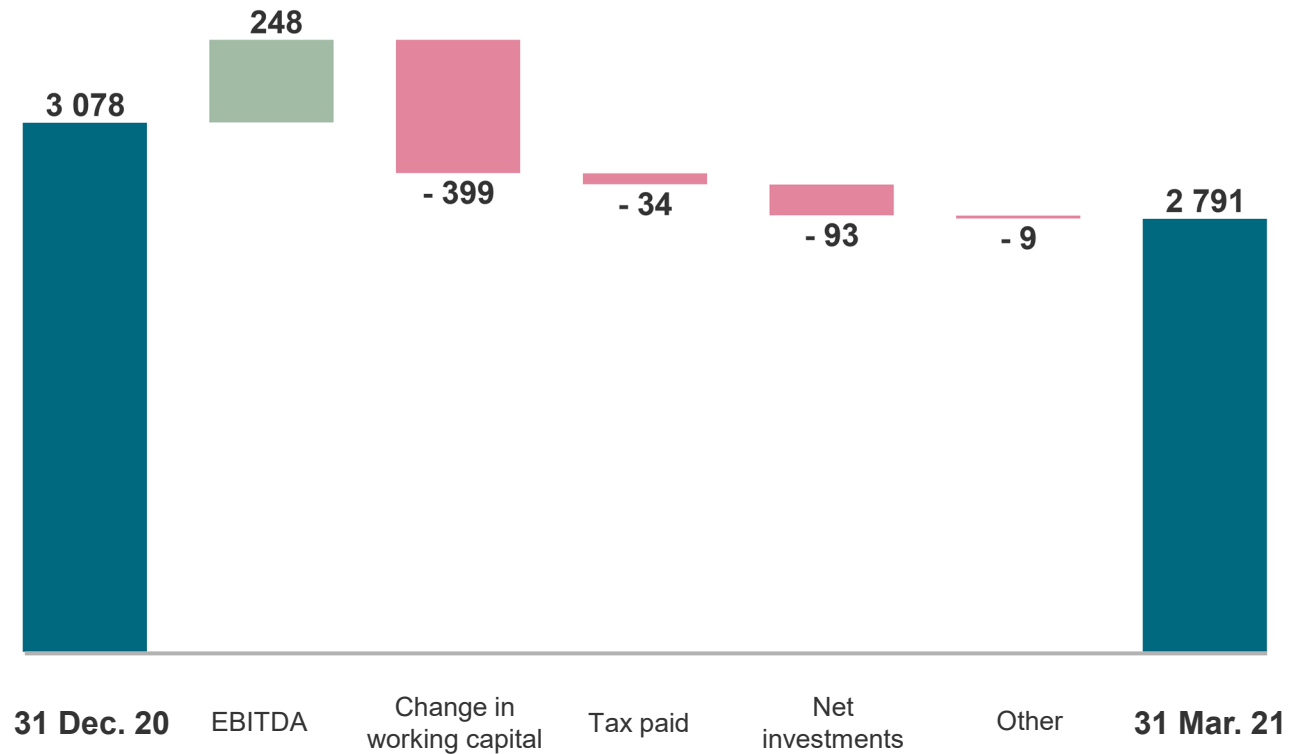
Amounts in NOK million

	31 March 2021	31 March 2020
Fixed assets	6 262	6 500
Current assets (excluding cash, cash equivalents and financial investments)	6 842	6 462
Cash, cash equivalents and financial investments	3 442	725
Assets, discontinued operations	-	9 147
<b>Assets</b>	<b>16 546</b>	<b>22 833</b>
Equity	2 813	3 935
Long-term debt	2 957	5 554
Short-term debt	10 776	10 848
Liabilities, discontinued operations	-	2 496
<b>Equity and debt</b>	<b>16 546</b>	<b>22 833</b>
Equity ratio	17.0%	17.2%
Return on equity (12mos)	58%	26%
Net interest-bearing assets	2 791	-2 605

# Financial position

## Change in net interest-bearing assets

NOK million



## Key points

- Weak cash flow due to low season in parts of the operation
- Net investments in fixed assets amounted to NOK 93 million
- Settlement for the sale of Rogaland operation amounted to NOK 135 million.





# Order book as at 31 March 2021

Amounts in NOK million	Construction in Norway	Infrastructure in Norway	Sweden	Denmark	Total
Residential buildings	4 641	-	3 624	102	<b>8 368</b>
Commercial buildings	2 839	-	3 822	1 845	<b>8 506</b>
Public buildings	5 382	-	4 512	1 046	<b>10 940</b>
Transportation infrastructure – road	-	214	799	-	<b>1 013</b>
Transportation infrastructure – rail	-	2 703	117	-	<b>2 820</b>
Industry and energy	-	189	826	-	<b>1 015</b>
Other civil engineering	9	775	1 566	131	<b>2 482</b>
Road maintenance contracts*	-	2 787	-	-	<b>2 787</b>
<b>Total Group</b>	<b>12 871</b>	<b>6 669</b>	<b>15 266</b>	<b>3 125</b>	<b>37 931</b>

\* Total order book for Veidekke's portfolio of road maintenance contracts in Norway