

Adapteo Plc Regulatory press release 14 May 2020 at 7:30 a.m. CEST

Adapteo's Business Review Release January-March 2020: Resilient business model with long term contracts

January-March 2020

- Rental sales amounted to EUR 31.5 (33.2) million. In constant currencies, rental sales decreased by 4%.
- Net sales amounted to EUR 49.1 (52.8) million. In constant currencies, net sales decreased by 6%.
- Comparable EBITDA was EUR 20.4 (22.4) million, down by 9%. Comparable EBITDA margin was 41.6% (42.5%).
- Operating cash flow before growth capex was EUR 7.9 (24.3) million.
- Growth capex was EUR 3.6 (10.5) million.
- Net debt to comparable EBITDA was 4.6x.

Comments from the CEO

The financial performance during the first two months in the quarter developed in line with previous year, with noticeable lower market activity in March, as a result of the ongoing global pandemic. At the end of the first quarter, we saw a negative impact on new orders and earnings, specifically in the segments with shorter rental periods, such as the event business. There was also lower demand for offices in the private sector, where customer's expansion plans have been postponed or cancelled. Within our core business of social infrastructure, the customers' decision-making processes have been negatively affected by the virus outbreak.

The total effects of the pandemic cannot be quantified today. However, we have a leading position in Northern Europe, built on a solid platform with a resilient business model and a healthy liquidity and funding position. It makes us well-equipped to handle a short-term downturn and adapt to the new conditions while maintaining, or even strengthening, our competitiveness.

Conference call

A conference call with a presentation for investors, analysts and media will be held today at 09.00 CEST. The presentation will be held via tele conference and webcast by President and CEO Philip Isell Lind af Hageby and CFO Erik Skånsberg. The session will start with a presentation, followed by a Q&A session and will be held in English. A recorded version will be available after the conference at www.adapteogroup.com under Investors.

Dial in numbers and links to conference call:

Finland: +358931583775, Sweden: + 46850558350, UK: +443333009273

Link to webcast: <https://tv.streamfabriken.com/adapteo-q1-2020>

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Adapteo in brief

Adapteo is a leading flexible real estate company in Northern Europe. We build, rent out and sell adaptable buildings for schools, daycare centres, care, offices, accommodation and events. We know that our society will go through an immense change in the years to come. Whatever the future brings, we believe that adaptability is the best solution. With our buildings, we can transform, repurpose, scale up and scale down in a matter of weeks by using a modular and circular building concept. Our buildings can be used for a few days or indefinitely, always optimised for current needs. That is how we build adaptable societies.

Adapteo is listed on Nasdaq Stockholm and operates in Sweden, Finland, Norway, Denmark and Germany. In 2019, Adapteo's Net sales were EUR 216 million.

www.adapteogroup.com