

May 5, 2022

# Annual General Meeting in Securitas 2022

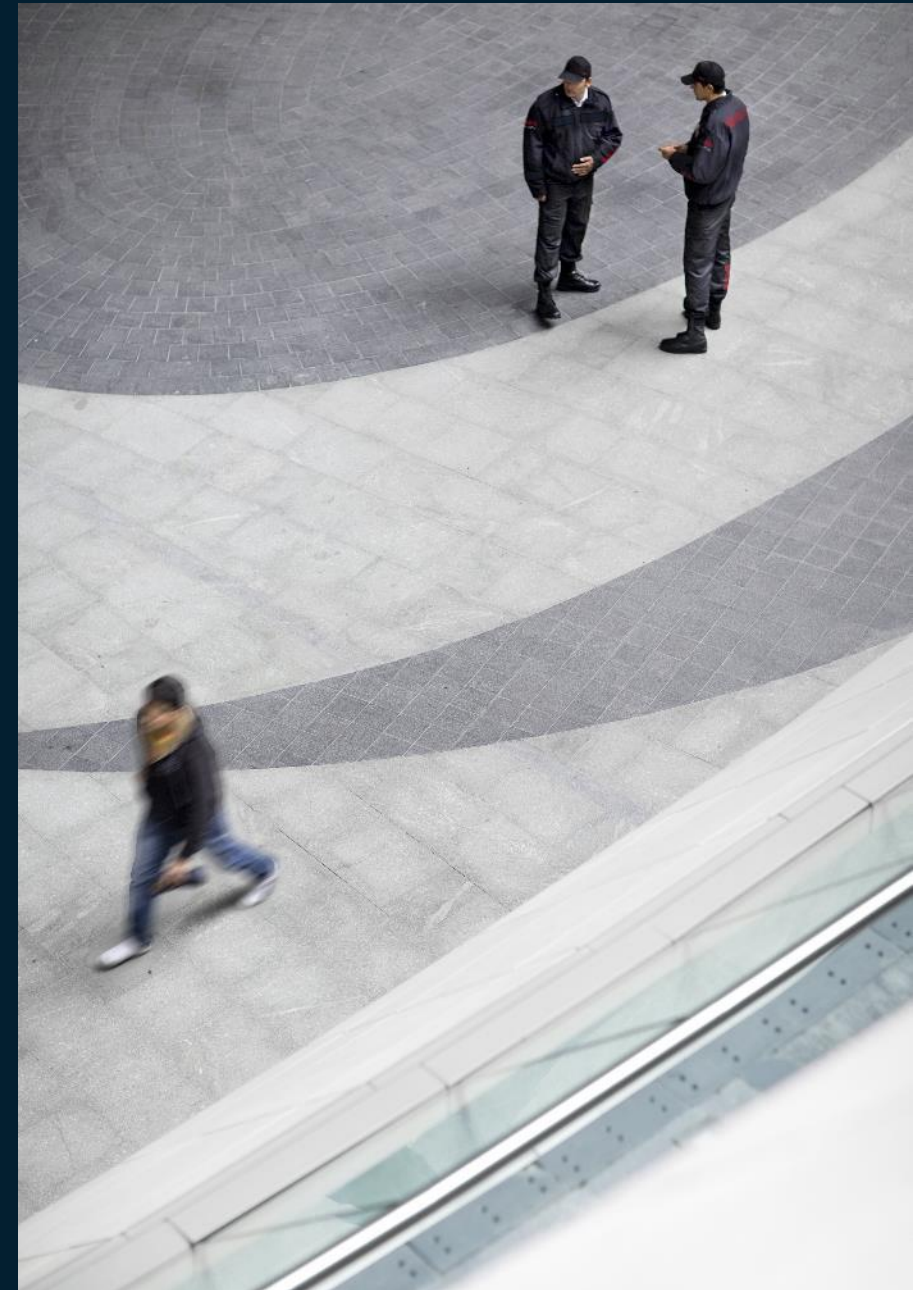


Magnus Ahlqvist, President and CEO



## 2021: Stronger after Covid thanks to having taken actions early

- Priority on health and safety of our employees
- Cost savings program finalized, and targets achieved
- Transformation program in North America completed with further good benefit realization expected
- Transformation programs in Europe and Ibero-America ongoing and developing according to plan
- Set-up of business ethics compliance function
- Digitalizing and ongoing implementation of common tools for improved efficiency
- Decision to exit 11 markets





## We deliver according to the strategy and achieved strong margin improvement in 2021

- Record level operating result + 28% (-10)
- Sales of security solutions and electronic security representing 22% of total sales
- Good price and wage balance
- The highest operating margin in more than a decade of 5.6% (4.5)
- Strong focus on profitability
- Active portfolio management





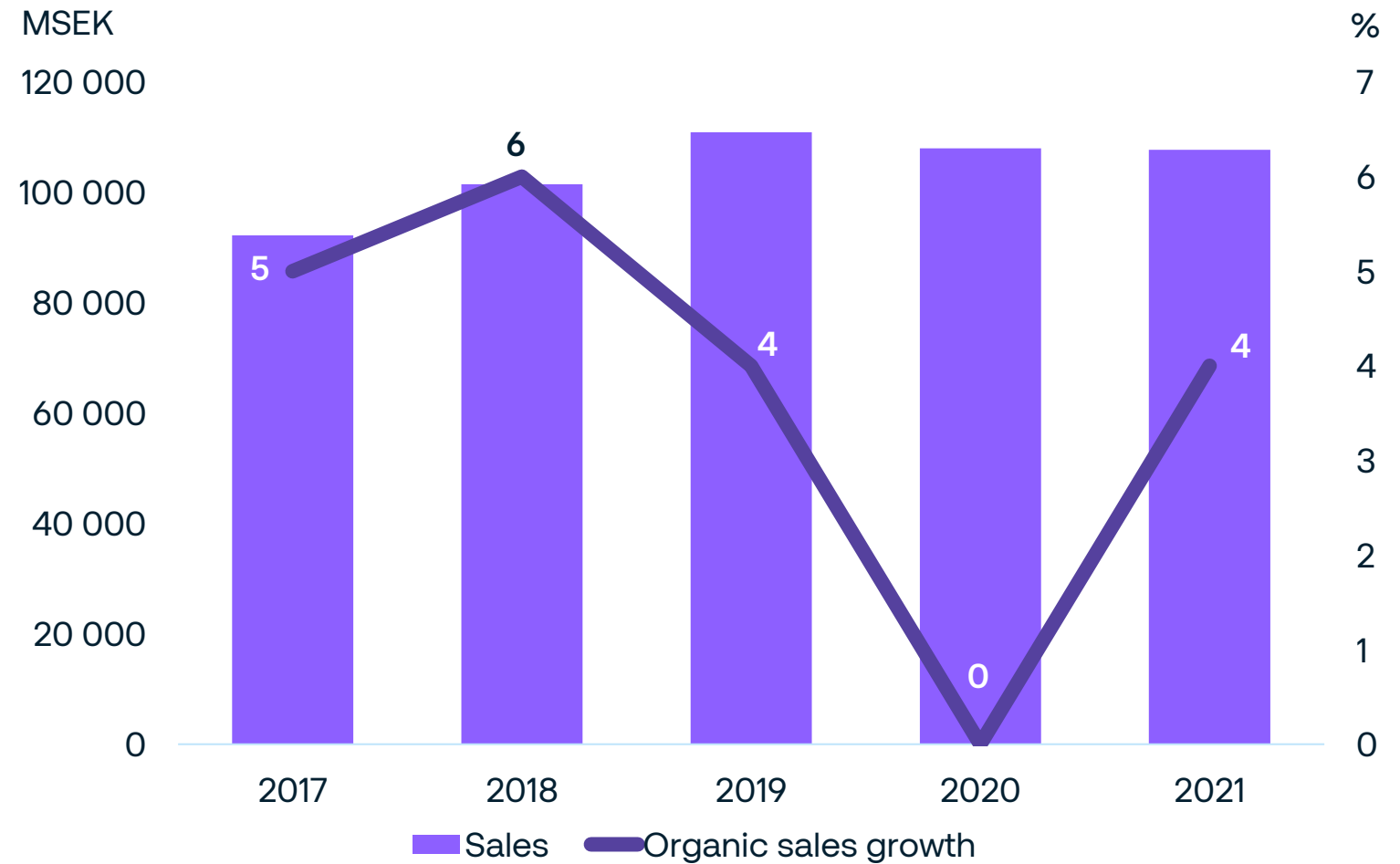
## Solid financial position and transformative acquisition

- Strong operating cash flow, BSEK 5.6 (93%) of operating income
- The net debt to EBITDA ratio of 1.9 (2.1)
- Four strategic acquisitions completed
- Transformative acquisition of Stanley Security. Positioning Securitas as a security solutions partner with world-leading technology and expertise



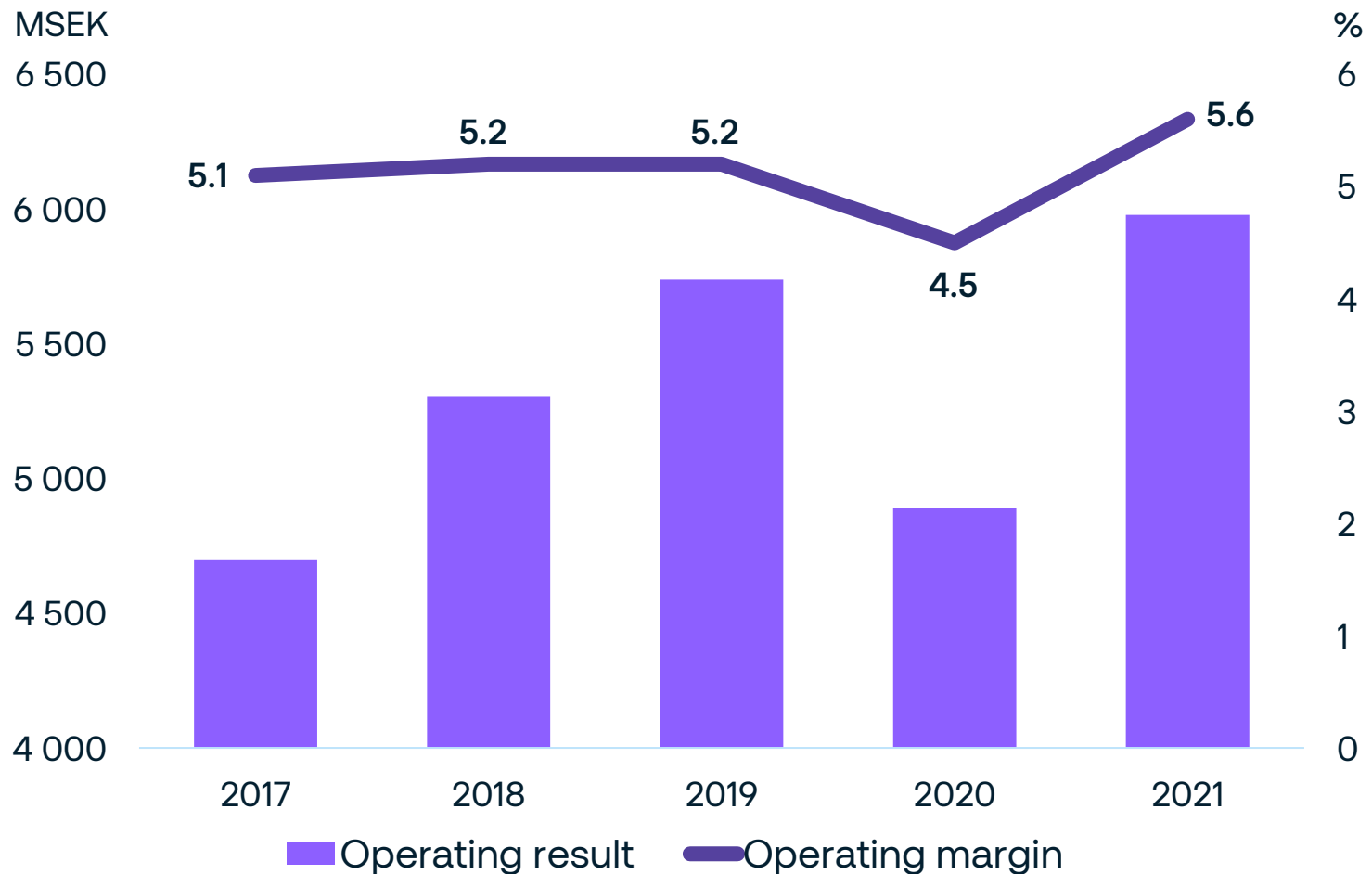


## Sales and organic sales growth – all segments contributed in 2021



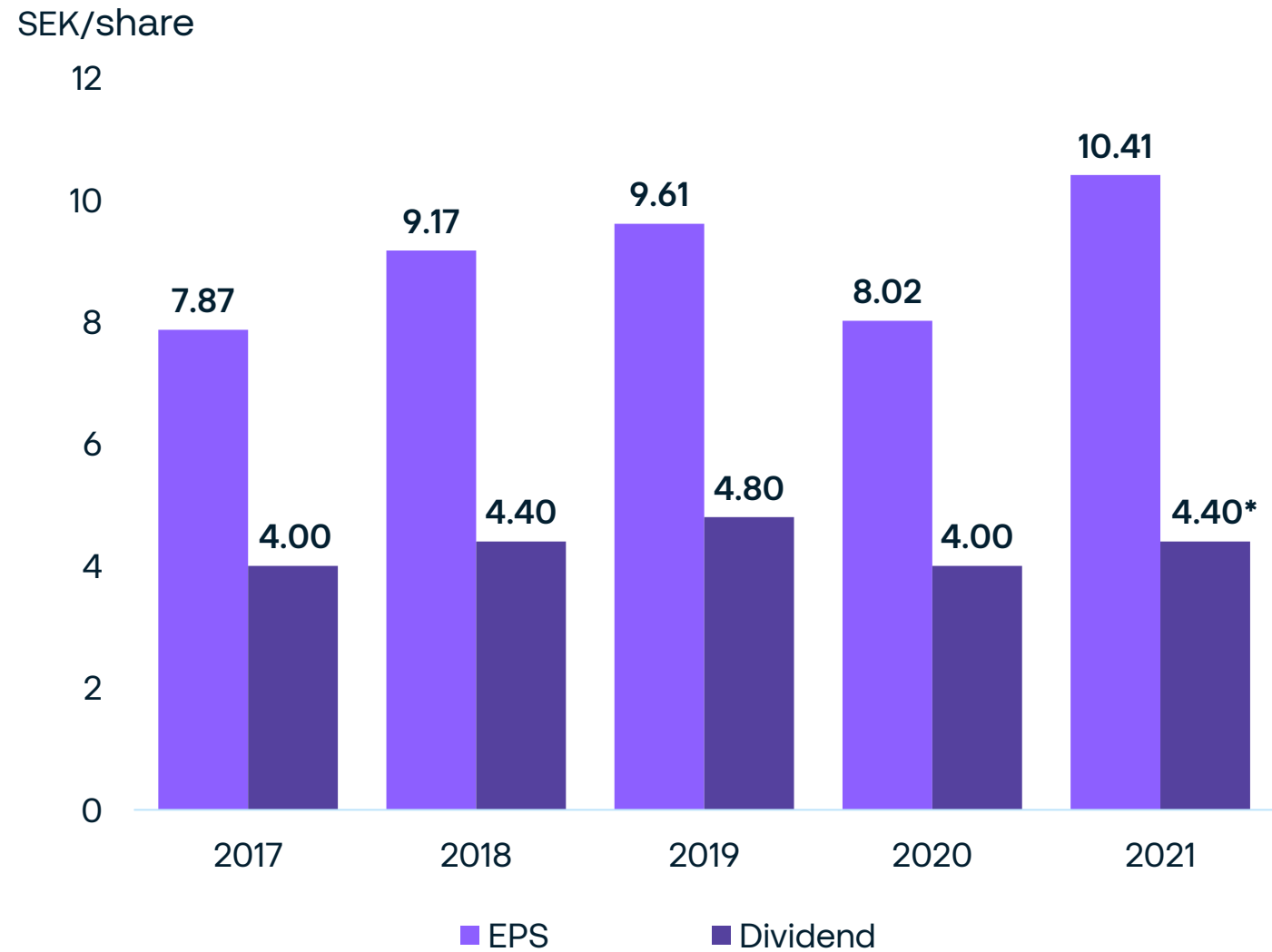


# Record high operating result and operating margin in 2021





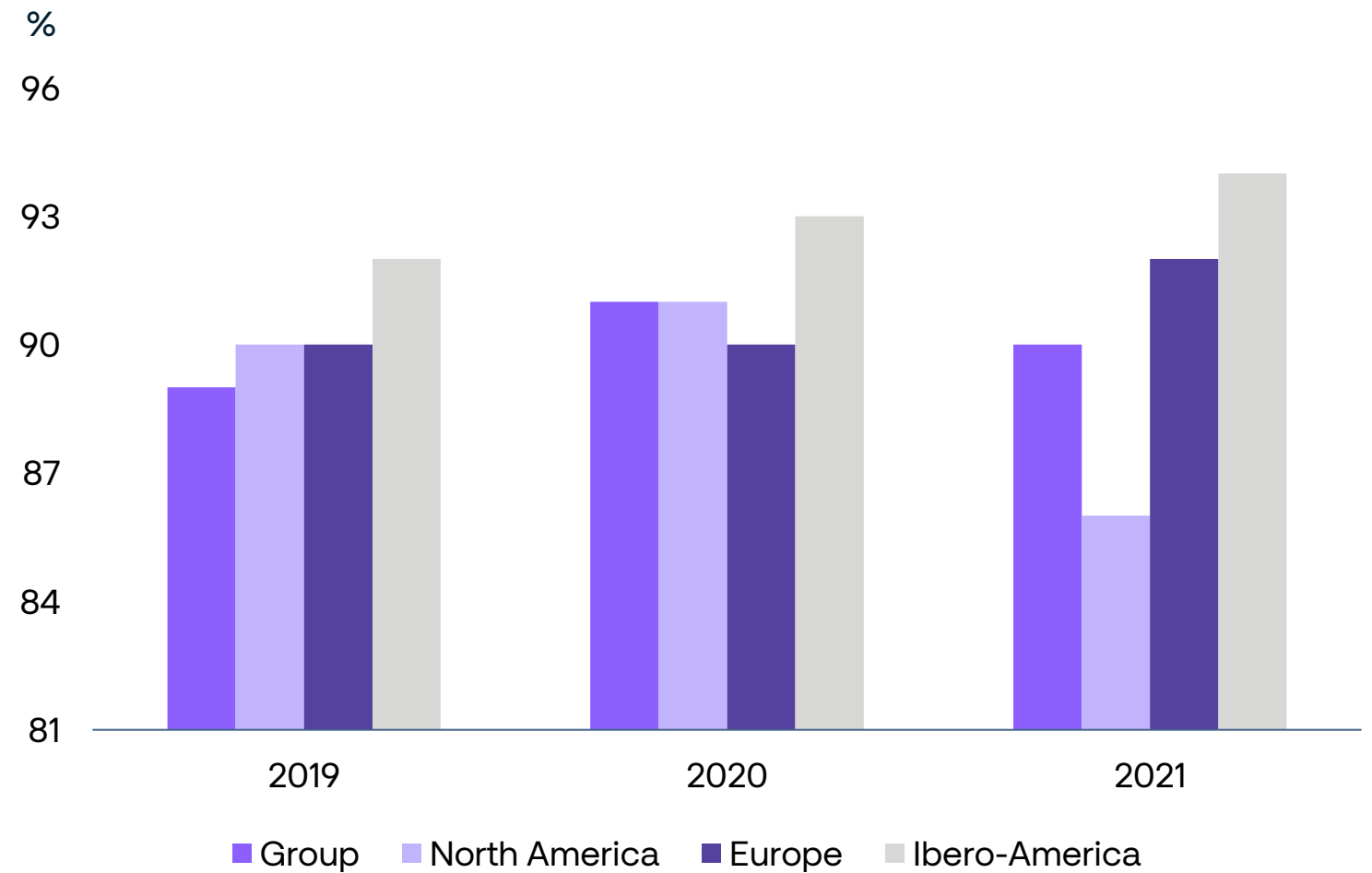
## Earnings per share before IAC and dividend



\* Proposed



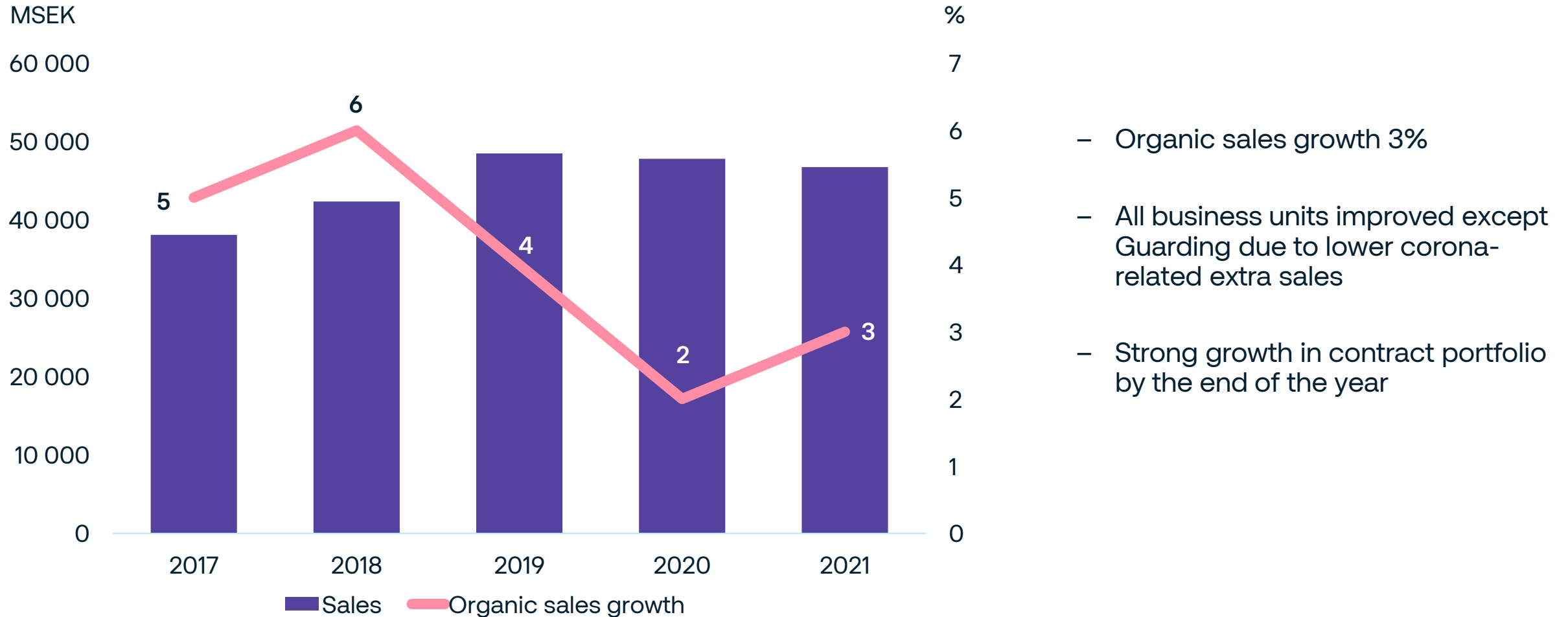
## Loyal clients and high client retention rate give stability







# Security Services North America – gradual recovery during the year





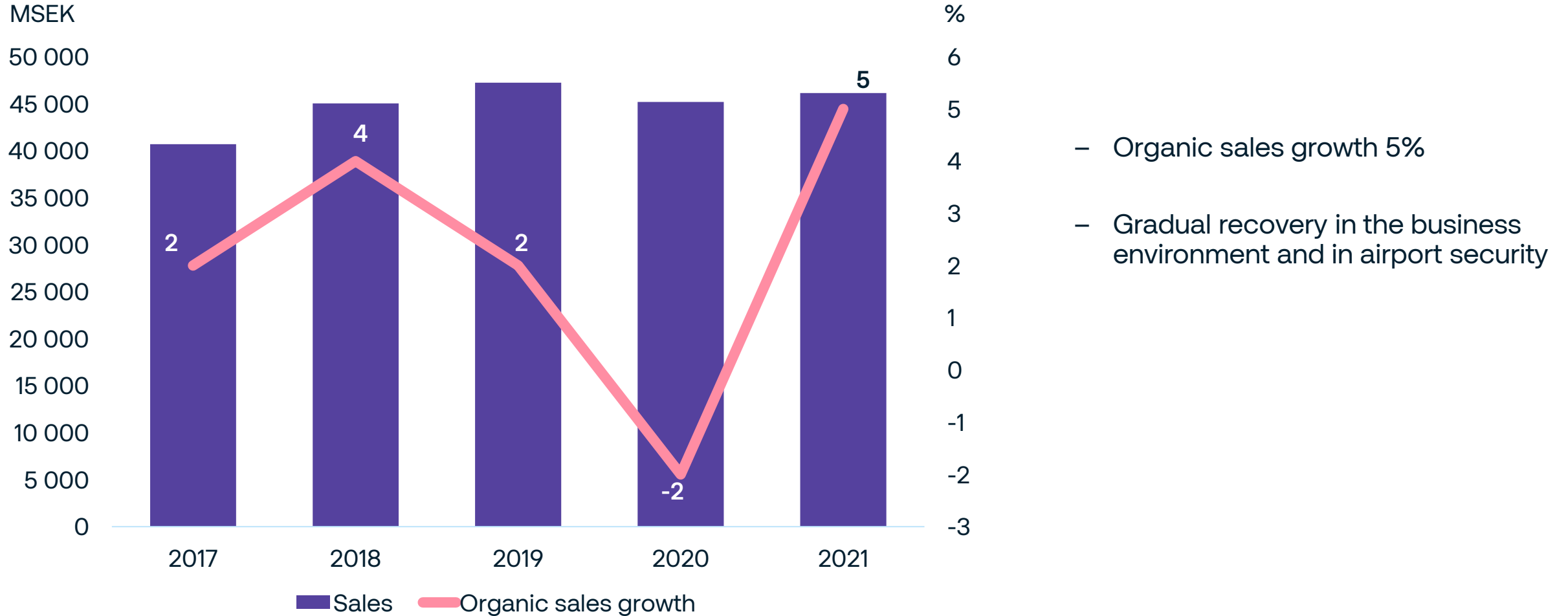
# Security Services North America – strong operating margin development



- The improvement of the operating margin was driven by all business units
- Strong focus on profitable growth through active portfolio management
- Lower provisions in 2021 than in 2020



# Security Services Europe – strong recovery





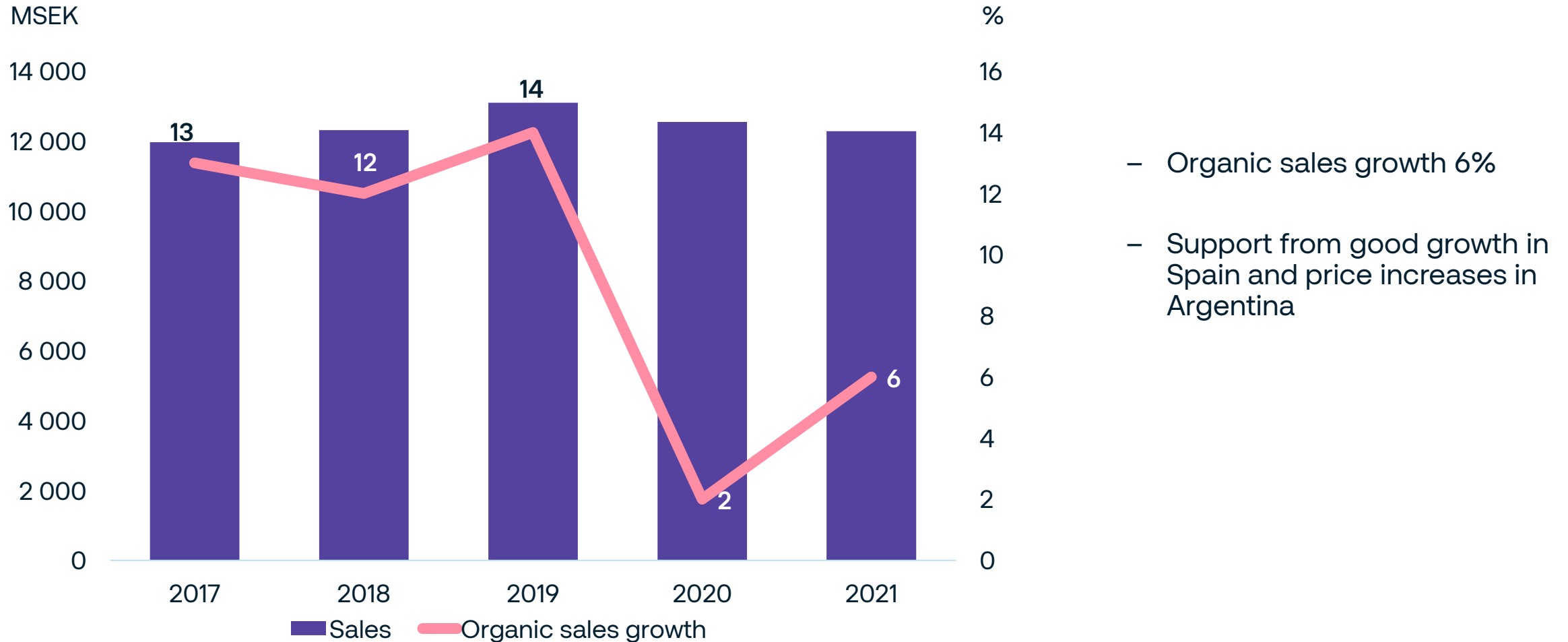
# Security Services Europe – a strong year



- The improvement is a result of strong profitability focus and active portfolio management
- Profitability also improved in airport security
- Lower provision in 2021 than in 2020

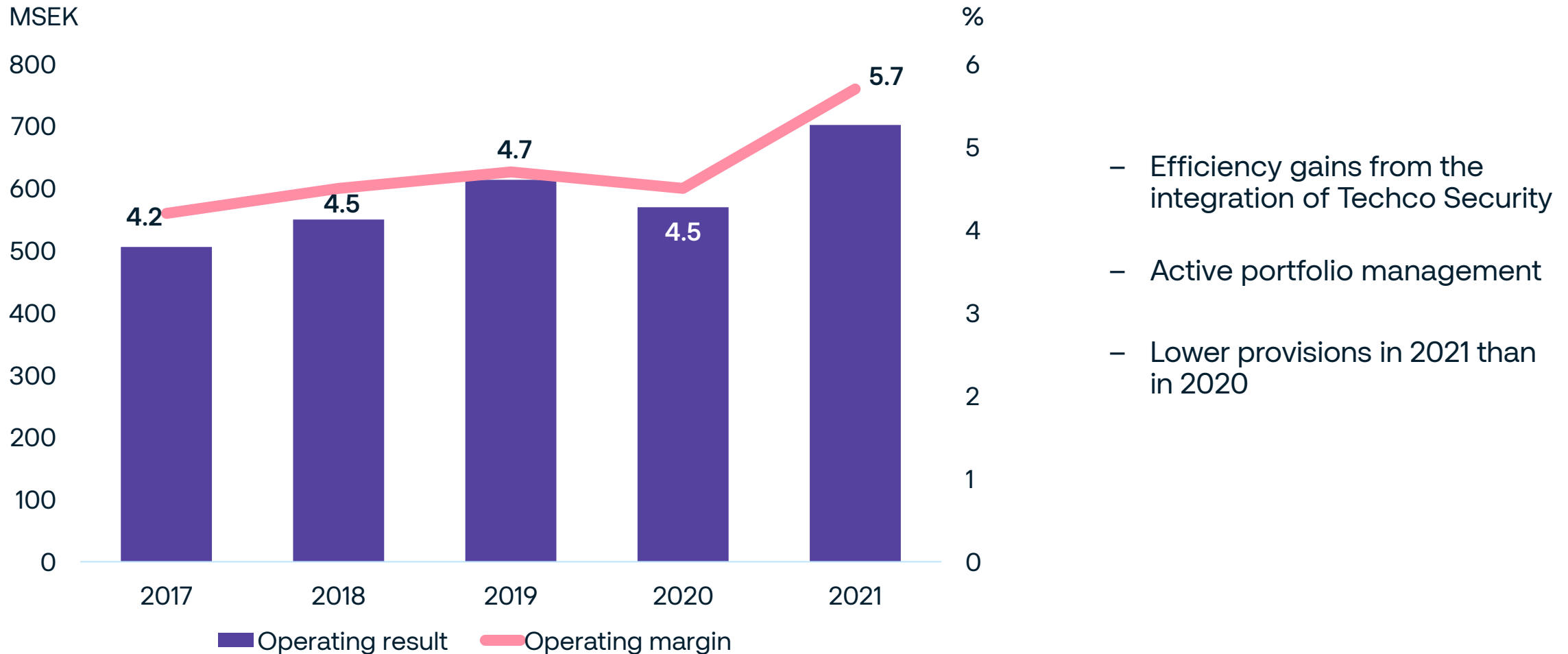


# Security Services Ibero-America – good growth in Spain but hampered by active portfolio management in Argentina and Peru





## Security Services Ibero-America – strong support from Spain





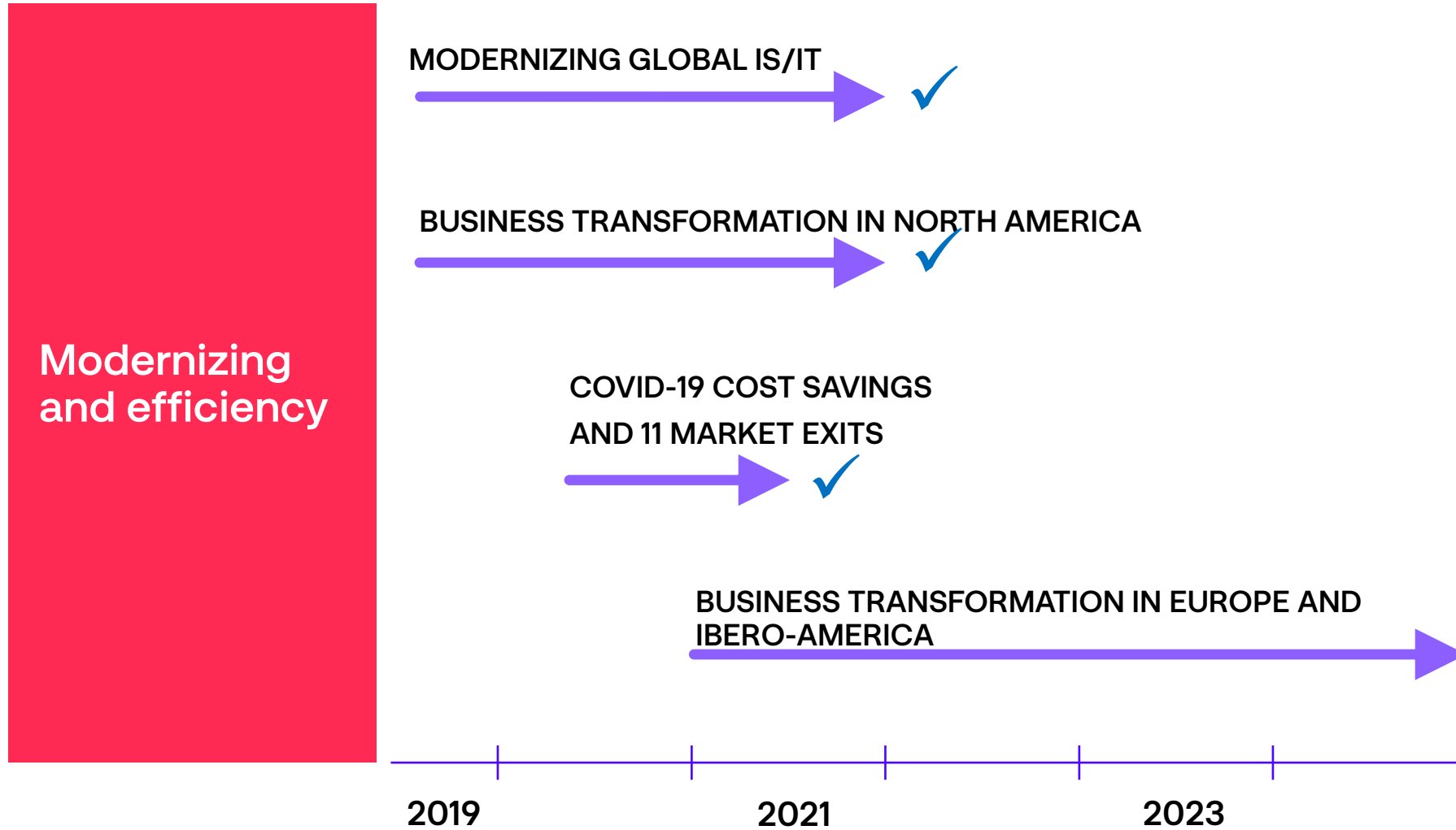
## High ambition in our sustainability work

- Securitas was awarded AAA Net impact rating by Upright Project
  - The AAA rating is the highest rating possible
  - Puts Securitas in the top three percent of rated companies in the world regarding net impact
- Purpose and value driven
- New sustainability strategy approved by the Board of Directors in December 2021
- Focus on diversity, education and development, working environment and business ethics
- Preparations to set environmental target





# Solid progress with the transformation programs The first three programs closed at the end of 2021



## TARGET IMPACTS

**Group:** MSEK 300 savings upon completion by 2022

**North America:** Up to 0.5% margin benefit by 2022

**Exit:** Focus and less complexity

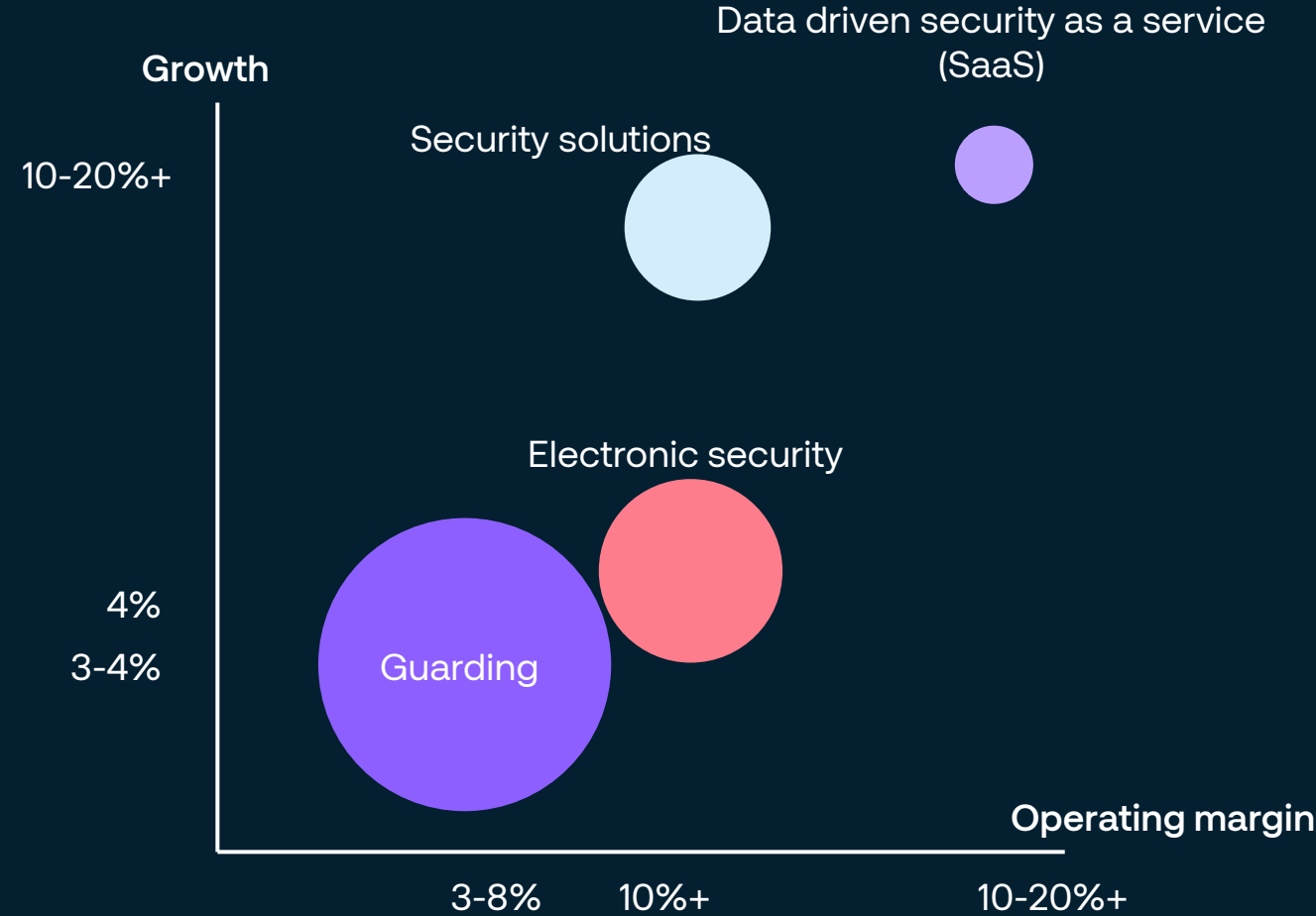
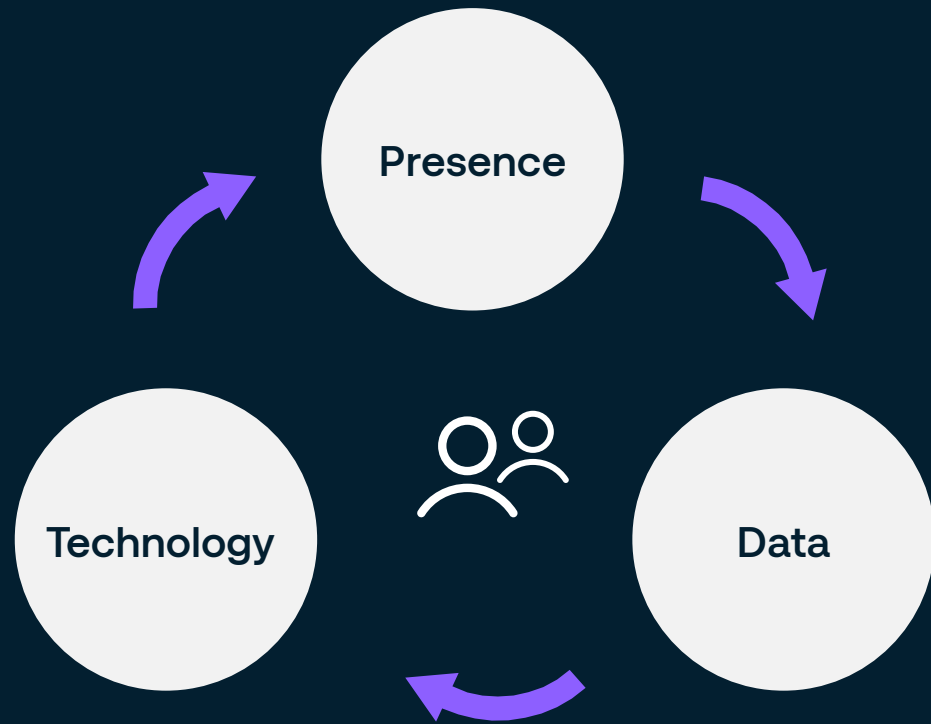
**Europe:** Around 6.5% operating margin by 2024. First impact 2022

**Ibero-America:** Around 6.0% operating margin by 2024





# The future value drivers of presence, data and tech-enabled solutions



For illustrative purpose – based on internal assumptions and estimates



A leading guarding company with electronic security and solutions capabilities



A leader in commercial electronic security with highly innovative solutions



## Stanley Security - a highly reputable provider of electronic security solutions

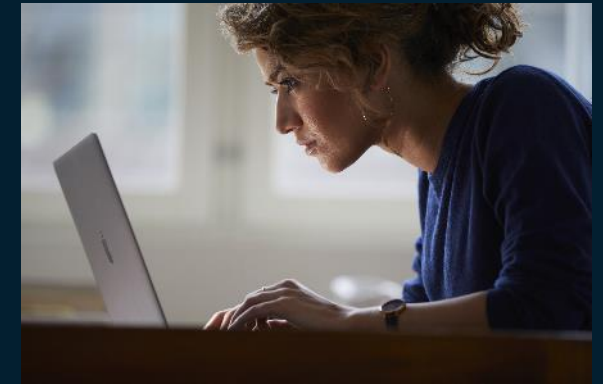
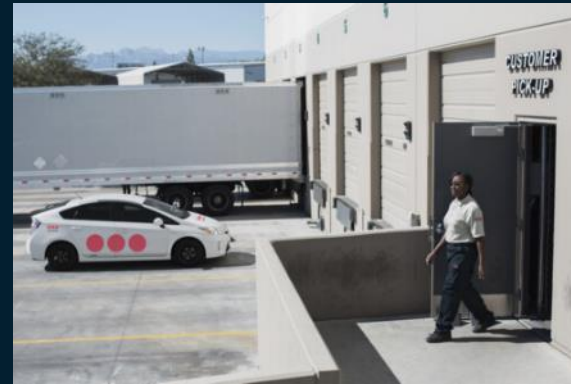
- A cash purchase price of MUS\$ 3 200 on a debt and cash free basis
- Operations in 12 markets globally
- Sales of nearly MUS\$ 1 700 in 2021
- Around 40% recurring revenues
- Estimated adjusted EBITDA margin of around 12% before synergies
- Around 7 800 employees





# Financing

- Fully funded through an underwritten bridge facility which is expected to be refinanced by
  - long-term debt financing and
  - an equity rights issue of MUSD 915
- Current shareholders have in total provided commitments, declarations of intent and guarantees to subscribe for 44.6% of the rights issue
- Expected to complete towards the end of the second quarter of 2022, subject to customary regulatory approvals and closing conditions





## Securitas + Stanley Security – re-define the whole security industry

- We create an exceptional player in the security industry
- Combined we get a leading market position globally
- Immediate increase of the operating margin
- Significant cost and commercial synergies
- Common competencies and expertise and technical platform enable us to provide unique offerings to 600 000 clients and bring improved innovation
- More than 50 percent of our profit contribution will be generated through high-margin electronic security and solutions sales

**A security  
solutions partner  
with world-  
leading  
technology and  
expertise**

We create the new  
Securitas

Thanks!