investor

Interim Management Statement Q1 2020

Johan Forssell, CEO

Helena Saxon, CFO

Covid-19



- Historic crisis for people and society with significant impact on the global economy
- Focus on mitigating the negative impact on employees, customers, supply chains and production, securing liquidity and cash flow
- Important to balance short-term cost efficiency and long-term investments

- Investor is well prepared with a strong financial position

Q1 2020 Highlights



-10%
Adjusted NAV growth

-11%
TSR
(SIXRX -18%)

2.9
SEK bn invested in Listed Companies

12%
Adjusted EBITA growth in major subsidiaries

11%
Value change, Investments in EQT

Sustainability
Three focus areas and related targets defined

Listed Companies

297 SEK bn | **65%** of tot. adjusted assets

Listed Companies

2.9

SEK bn invested

SEK 1.6bn

ABB

SEK 1.1bn

ERICSSON

SEK 0.2bn

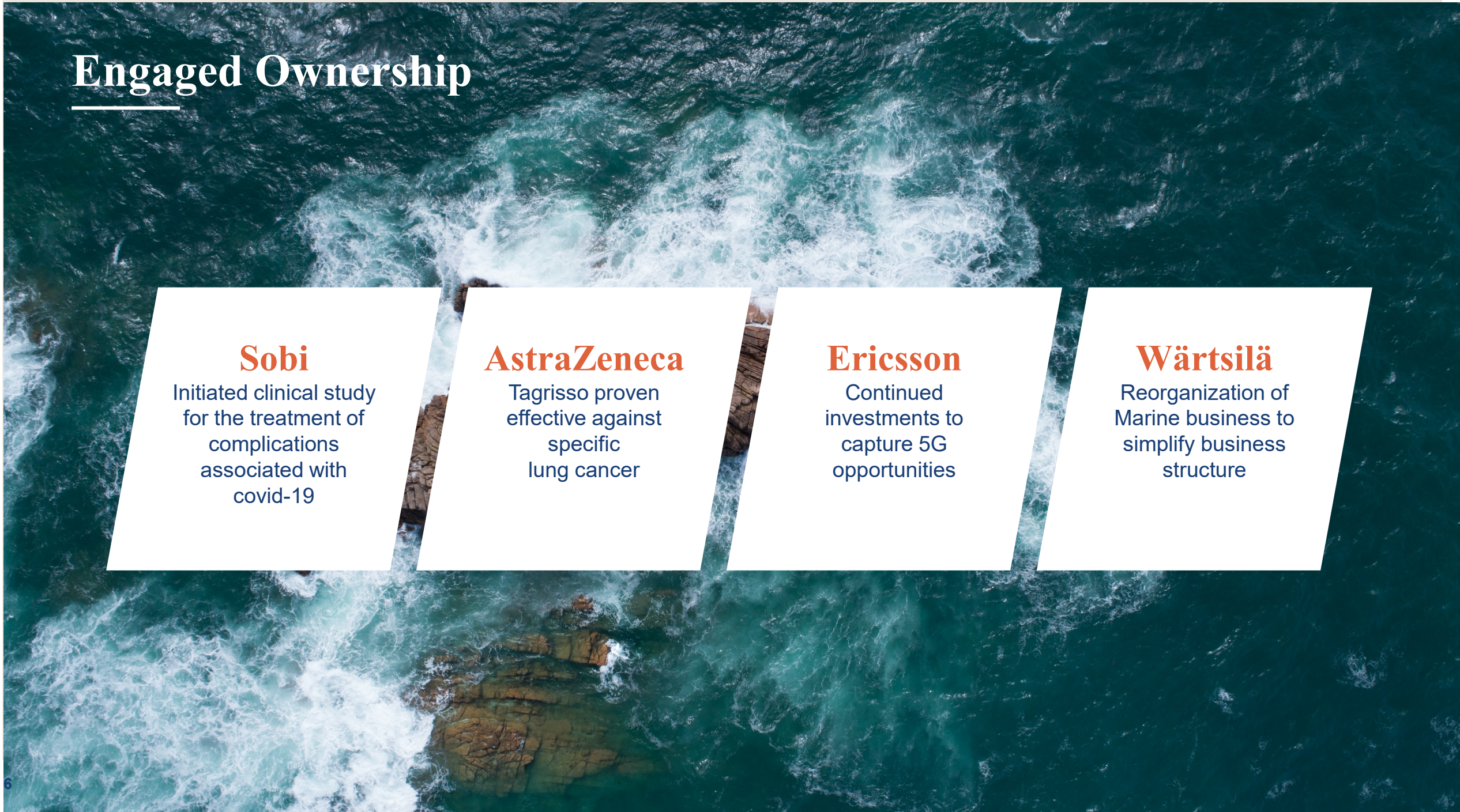
Electrolux PROFESSIONAL

#13

Listed company

Electrolux PROFESSIONAL

Engaged Ownership



Sobi

Initiated clinical study for the treatment of complications associated with covid-19

AstraZeneca

Tagrisso proven effective against specific lung cancer

Ericsson

Continued investments to capture 5G opportunities

Wärtsilä

Reorganization of Marine business to simplify business structure

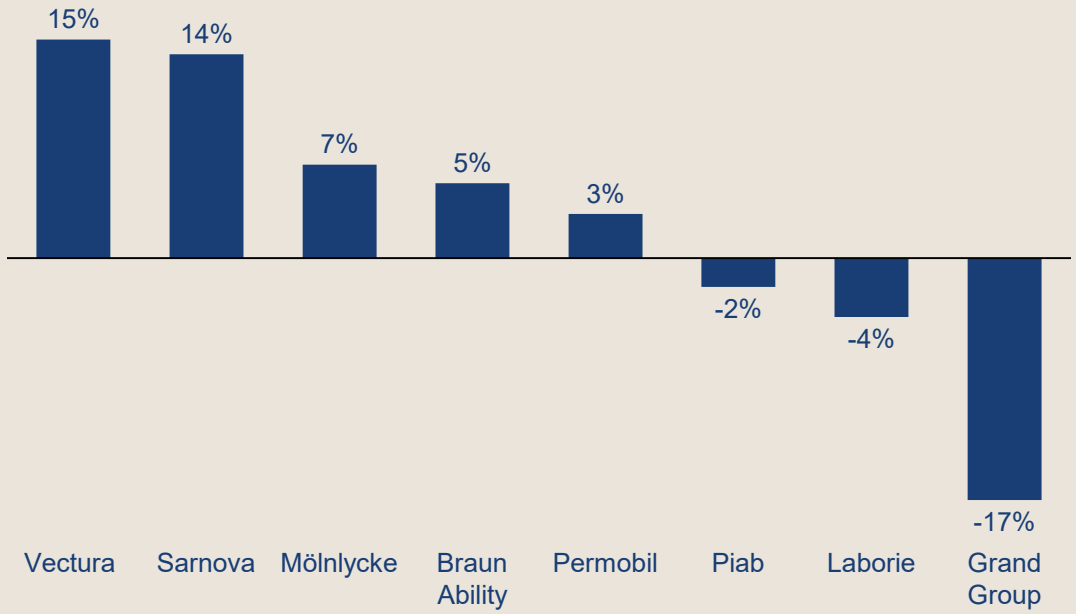
Patricia Industries

118 SEK bn

26% of tot. adjusted assets

Patricia Industries – Operational Development Q1 2020

6 percent organic sales growth, %



1%
Reported EBITA growth

12%
Adjusted EBITA growth

- 6 percent service revenue growth
- 6 percent adjusted EBITDA growth

Covid-19 Portfolio Implications Q2

Resilience

~70%
Estimated market value
Patricia Industries

Mölnlycke®

sarnova

3

Less resilience

~30%
Estimated market value
Patricia Industries

LABORIE

piab

permobil

BraunAbility

Mölnlycke®

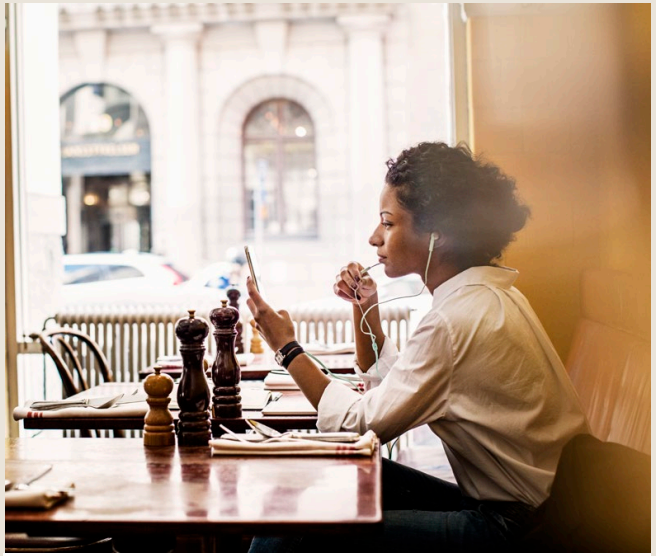


Supported by Personal Protective Equipment,
Gloves and Antiseptics
Relative resilience in
Chronic and Prevention wound care

sarnova



Supported by good demand for
respiratory products
and personal protective equipment



Supported by data usage and calls

LABORIE



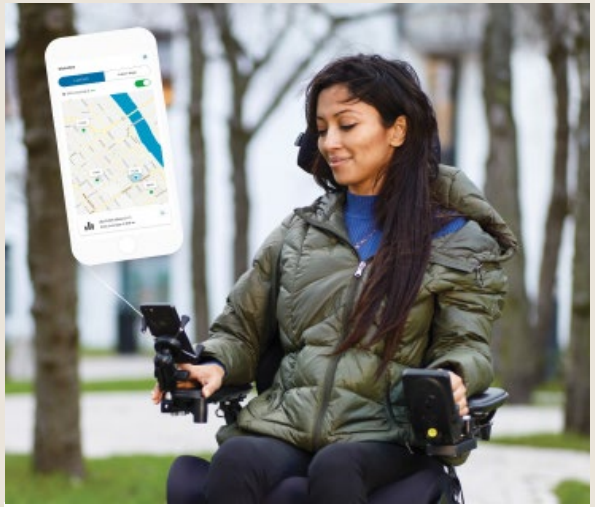
Fewer elective procedures within Urology and GI

piab



Customer industries affected by lockdowns

permobil



Limited customer access

BraunAbility



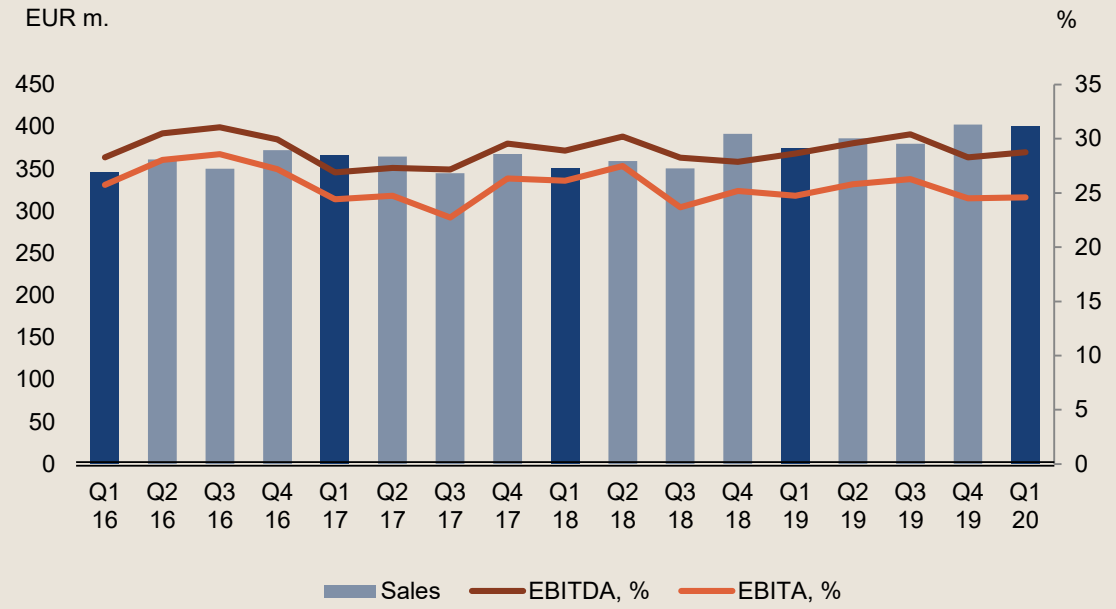
Limited customer access

Mölnlycke®

A provider of advanced products for treatment and prevention of wounds and single-use surgical solutions

Q1 2020

- Organic sales growth +7 percent in constant currency. All regions grew, U.S. and Emerging Markets faster than the group
- Wound Care +6 percent. Chronic and prevention good growth
- Surgical +7 percent driven by Gloves, Antiseptics, Personal Protective Equipment
- Growth in these areas to some extent supported by covid-19
- Products related to elective procedures negatively impacted by covid-19
- EBITA margin essentially flat, adjusted margin approximately 1 p.p. higher



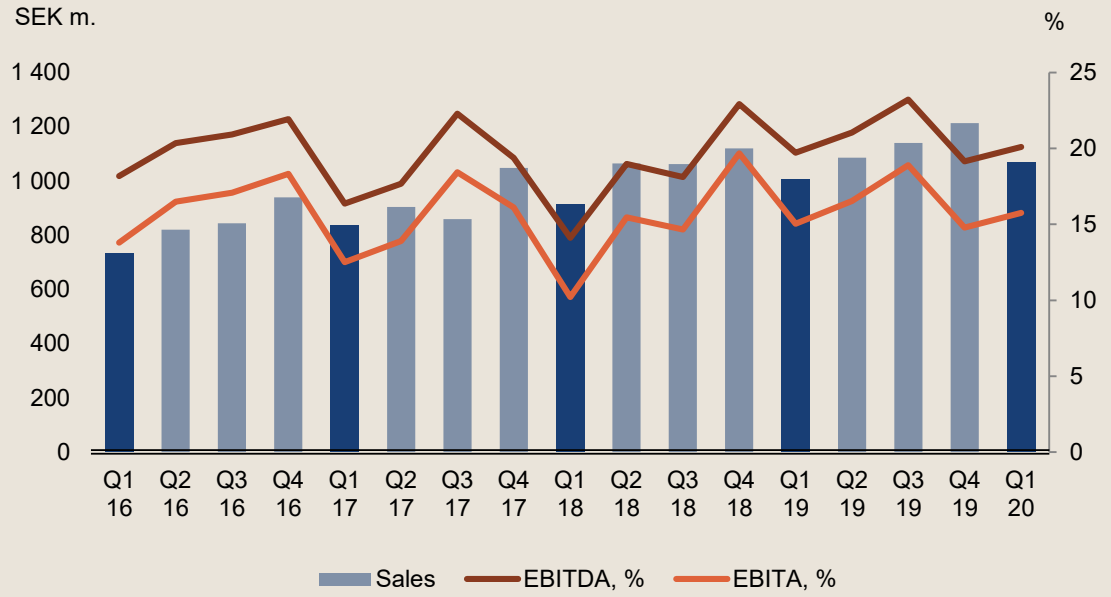
IFRS 16 implemented as of the first quarter 2019

permobil

A provider of advanced mobility and seating rehab solutions

Q1 2020

- Organic sales growth +3 percent in constant currency
- Strong growth in APAC, North America grew slightly, EMEA lower
- Q1 as a whole relatively unaffected by covid-19, material impact during the latter part, especially in EMEA and increasingly North America, as access to customers became more limited
- EBITA margin improved slightly compared to last year



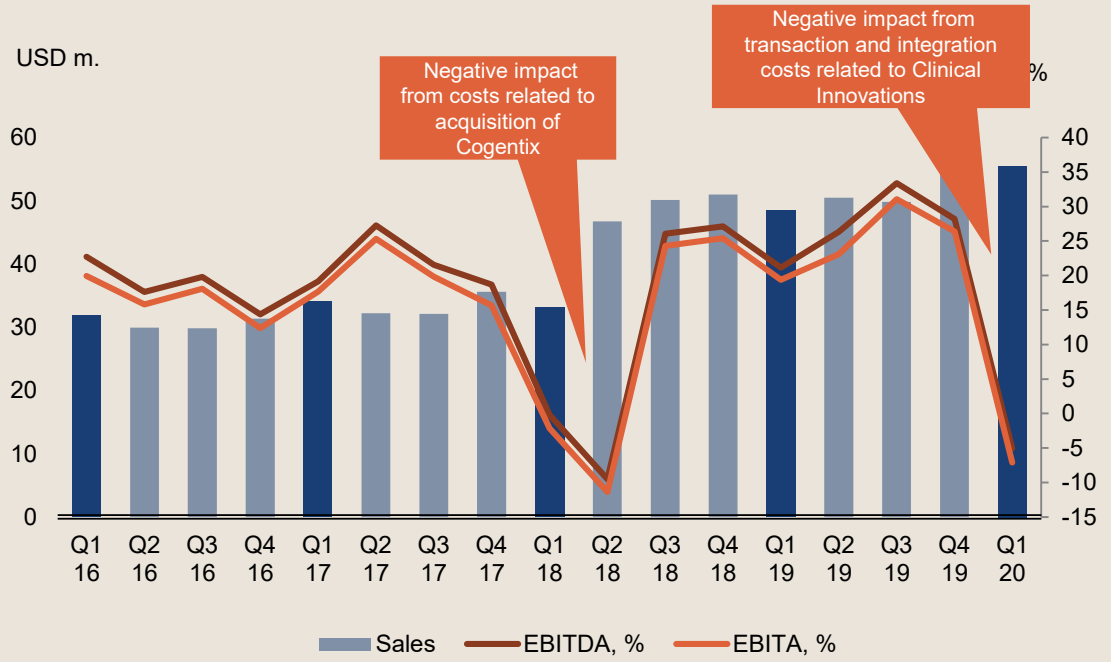
IFRS 16 implemented as of the first quarter 2019

investor

A provider of innovative capital equipment and consumables for the diagnosis and treatment of urologic and gastrointestinal disorders

Q1 2020

- Organic sales growth -4 percent in constant currency
- Within Urology and GI, sales weakened significantly in March driven by sharp decline in elective procedures
- Maternal and child health business grew strongly as demand linked to childbirth procedures is more resilient
- Reported EBITA profitability includes USD 14m in costs related to the acquisition of Clinical Innovations, completed February 12, 2020

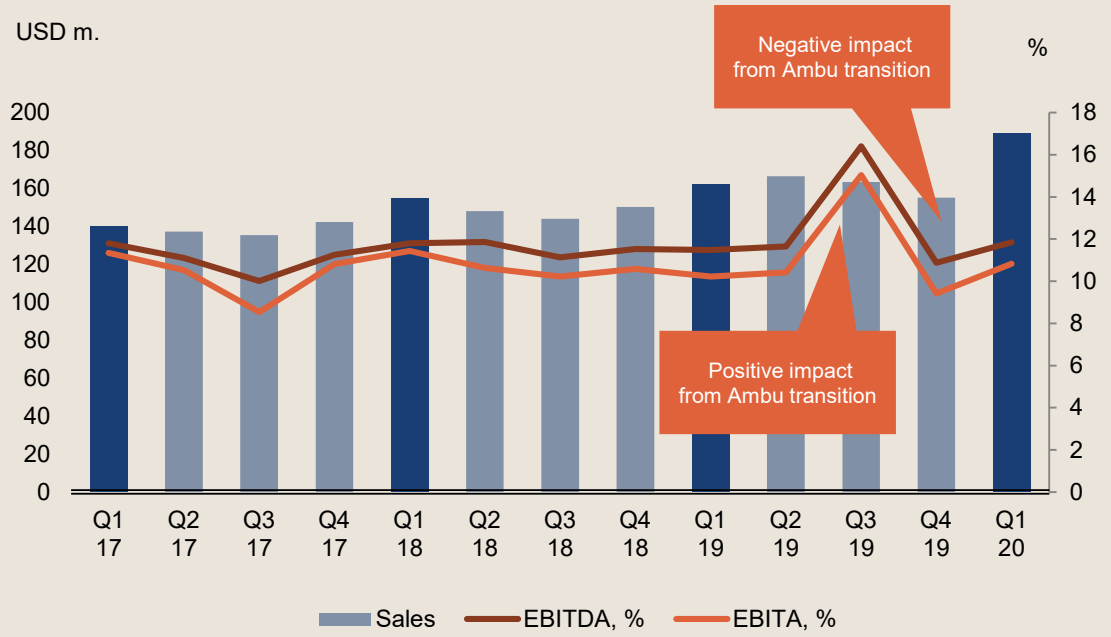


IFRS 16 implemented as of the first quarter 2019

A specialty distributor of healthcare products in the U.S.

Q1 2020

- Organic sales growth +14 percent in constant currency
- Strong growth in both Emergency Preparedness and Acute. Since March, significantly increased demand for personal protective equipment and respiratory products driven by covid-19
- EBITA margin continued to be impacted by continued investments in commercial resources, digital platform enhancements and warehouse optimization



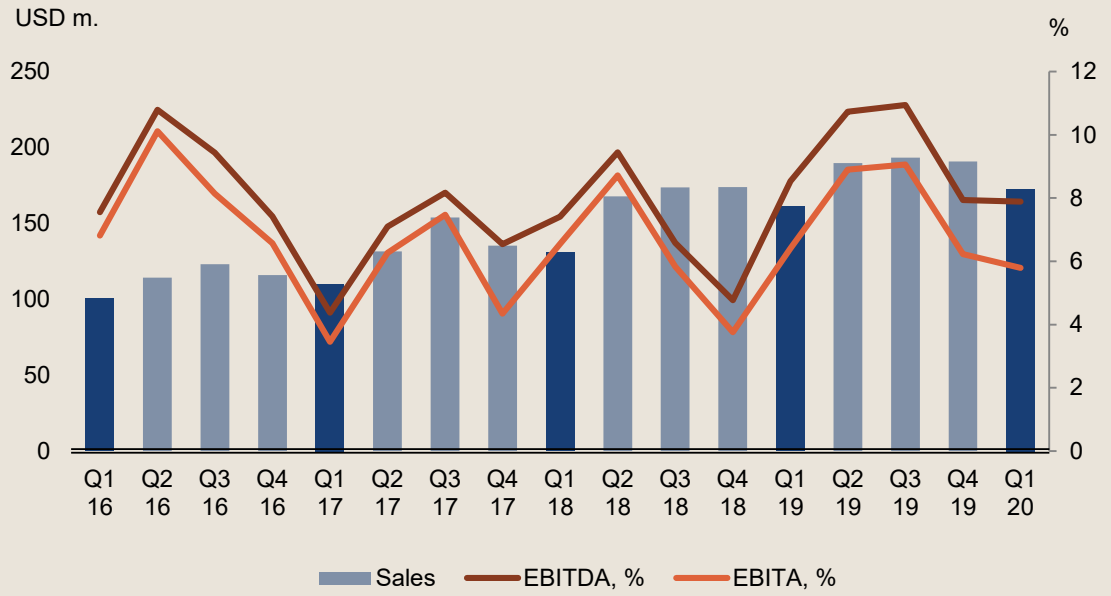
IFRS 16 implemented as of the first quarter 2019

BraunAbility

A manufacturer of wheelchair accessible vehicles and wheelchair lifts

Q1 2020

- Organic sales growth +5 percent in constant currency
- Strong growth in Consumer and Commercial WAVs. Since beginning of second quarter demand significantly depressed by covid-19-related lockdowns affecting dealers and consumers in several geographies
- Excluding USD 1.4m costs related to strategic project, EBITA margin slightly ahead of last year



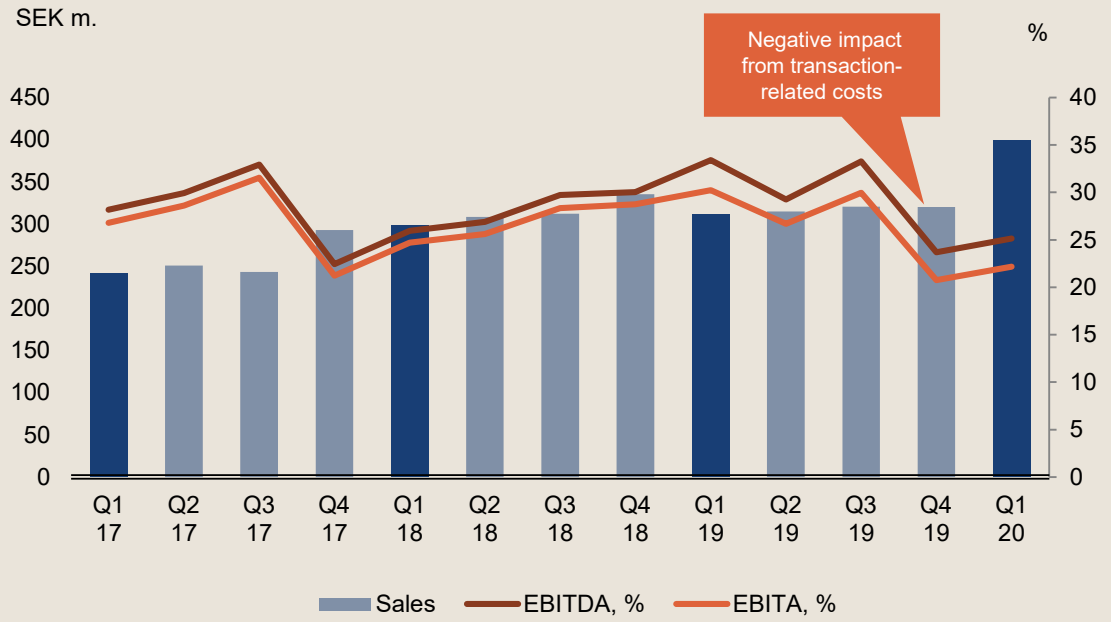
IFRS 16 implemented as of the first quarter 2019

piab

A provider of gripping and moving solutions for automated manufacturing and logistics processes

Q1 2020

- Organic sales growth -2 percent in constant currency
- Americas grew slightly, Europe and APAC declined
- Solid growth in Ergonomic Handling, Vacuum Automation flat, Robotic Gripping significantly lower. Increased covid-19 impact on demand and supply chain in the beginning of second quarter
- Excluding SEK 5m in costs related to TAWI and prior acquisition, EBITA margin amounted to 23 percent. Profitability declined due to lower sales as well as strategic investments



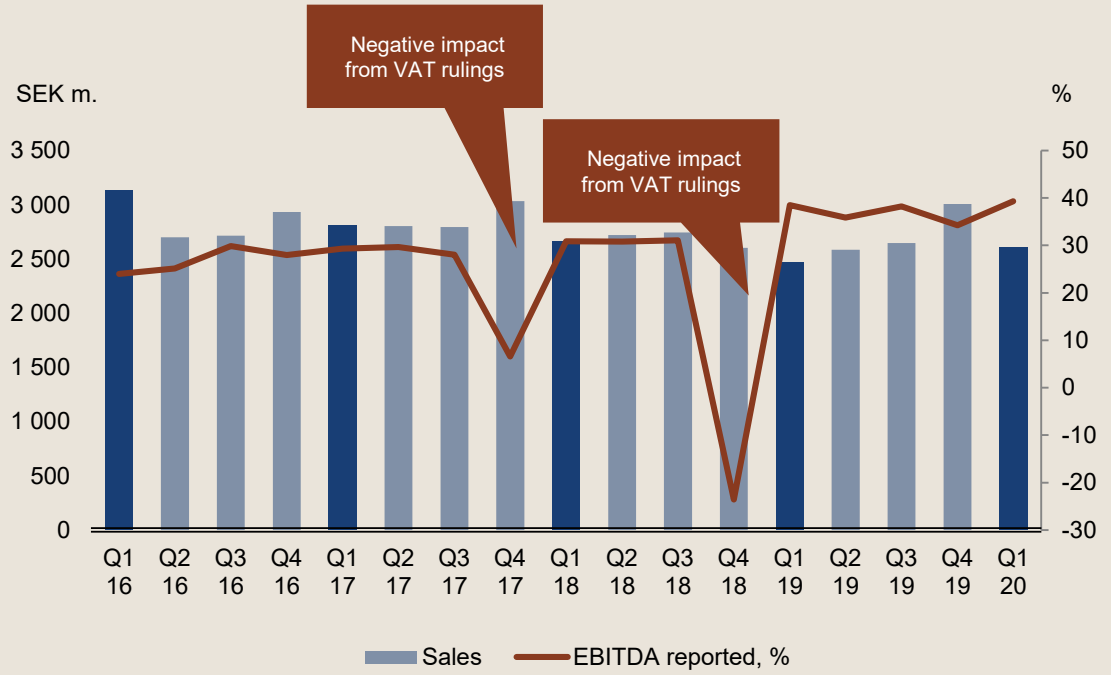
IFRS 16 implemented as of the first quarter 2019

investor

A provider of mobile voice and broadband services in Sweden and Denmark

Q1 2020

- Subscription base +32,000 during the quarter
- Service revenue +6 percent
- EBITDA +6 percent excluding positive impact from VAT reclaim
- SEK 332m distribution to owners, of which SEK 133m to Patricia Industries



IFRS 16 implemented as of the first quarter 2019

Investments in EQT

41 SEK bn

9% of tot. adjusted assets

Investments in EQT

11%

Total value change (8% constant currency)

9%

Total Return EQT AB

14%

Value change, investments in EQT funds

0.9

SEK bn
Net cash flow

The Longer Perspective

Sustainability –Future-Proofing Portfolio with Targets for 2030

Business Ethics & Governance

100%

Adhere to the Sustainability Guidelines

Climate & Resource Efficiency

50%

Reduce CO_{2e} emissions compared to 2016

100%

All companies have CO_{2e} targets related to products, services or value chain

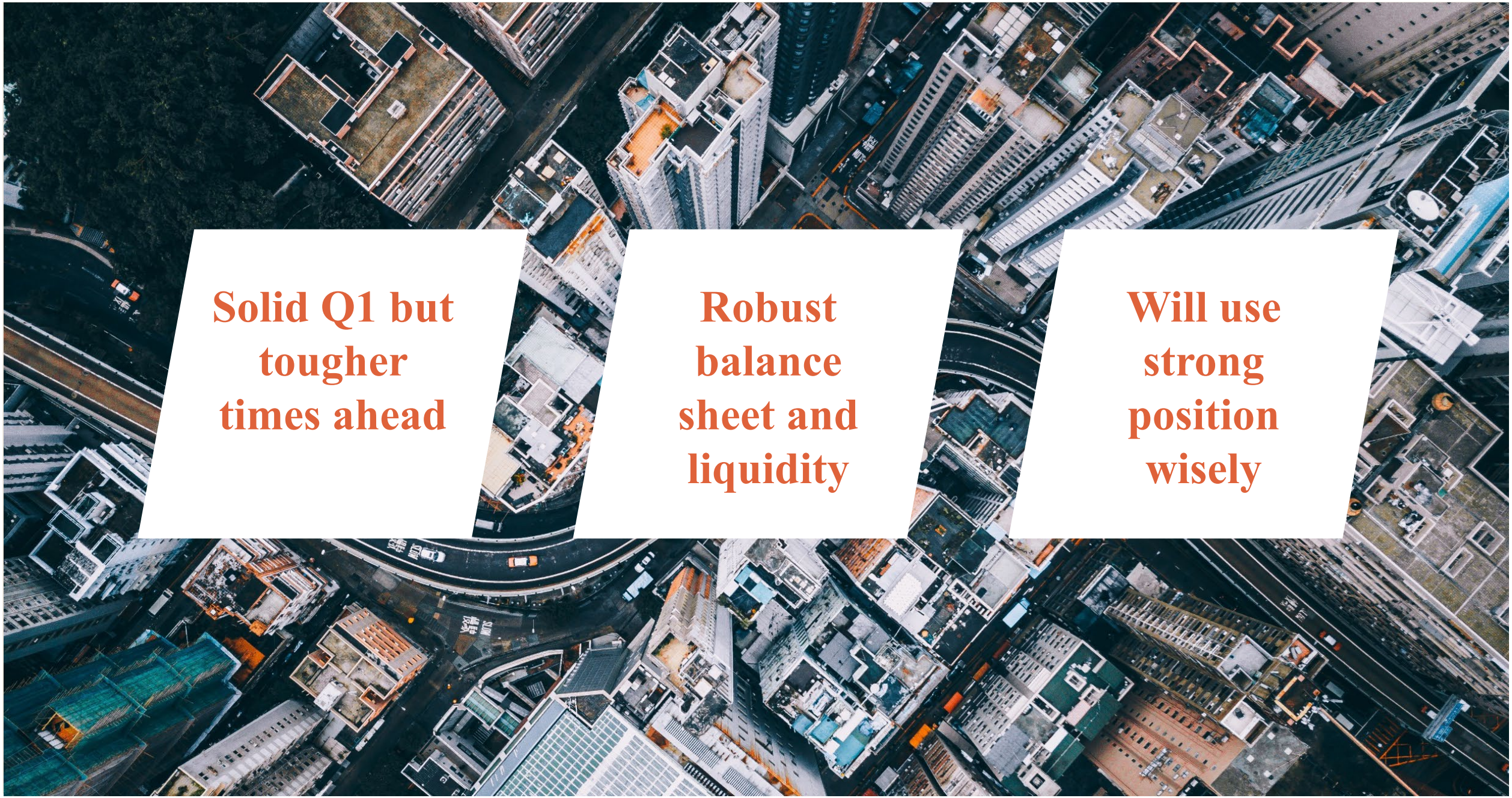
Diversity & Inclusion

40/60%

Gender balance in management groups and boards of directors at the portfolio level

100%

All companies measure perceived level of inclusion among employees

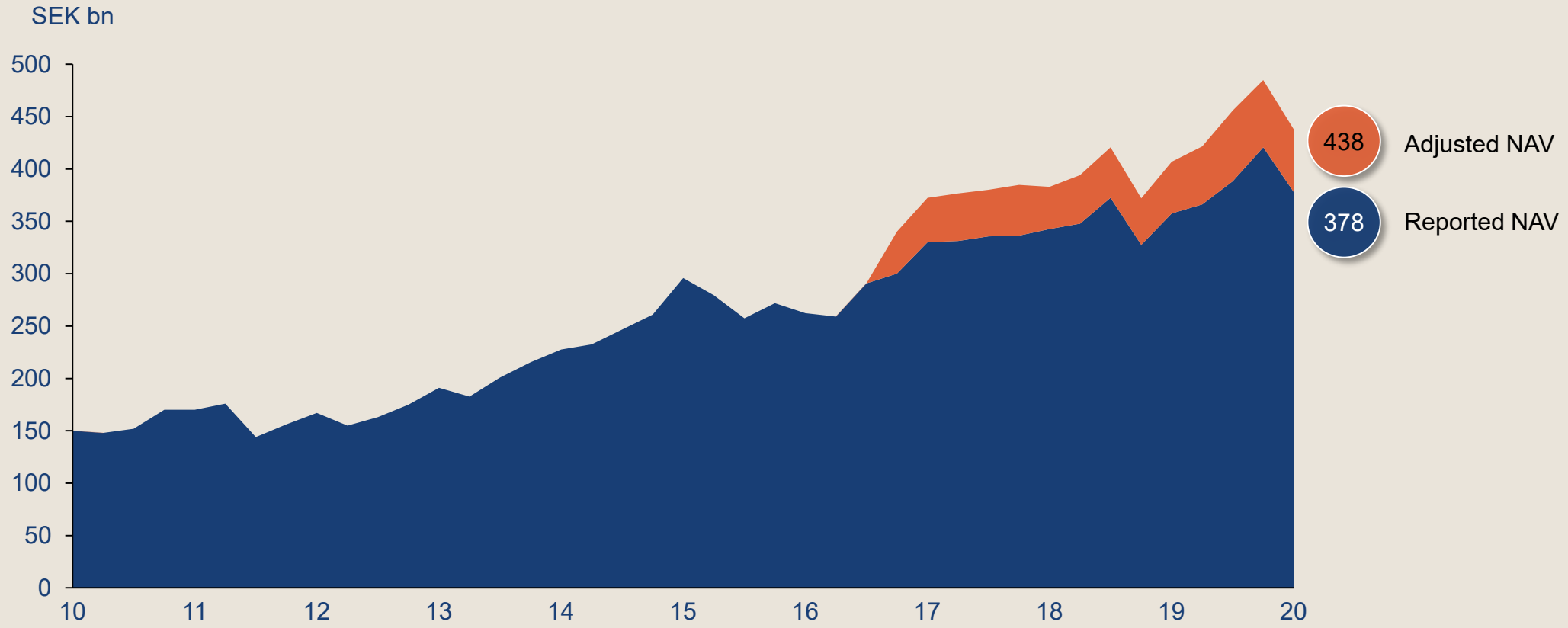

Solid Q1 but tougher times ahead
Robust balance sheet and liquidity
Will use strong position wisely

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Interim Management Statement Q1 2020

Helena Saxon, CFO

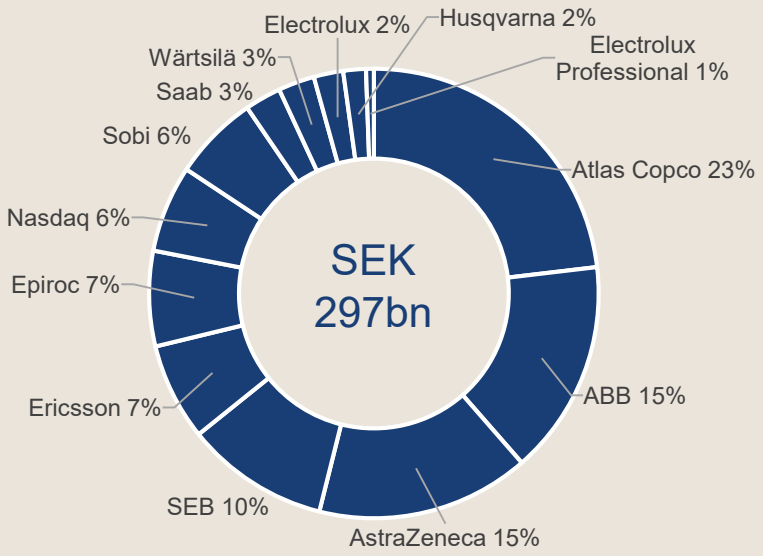
10-year Net Asset Value Development

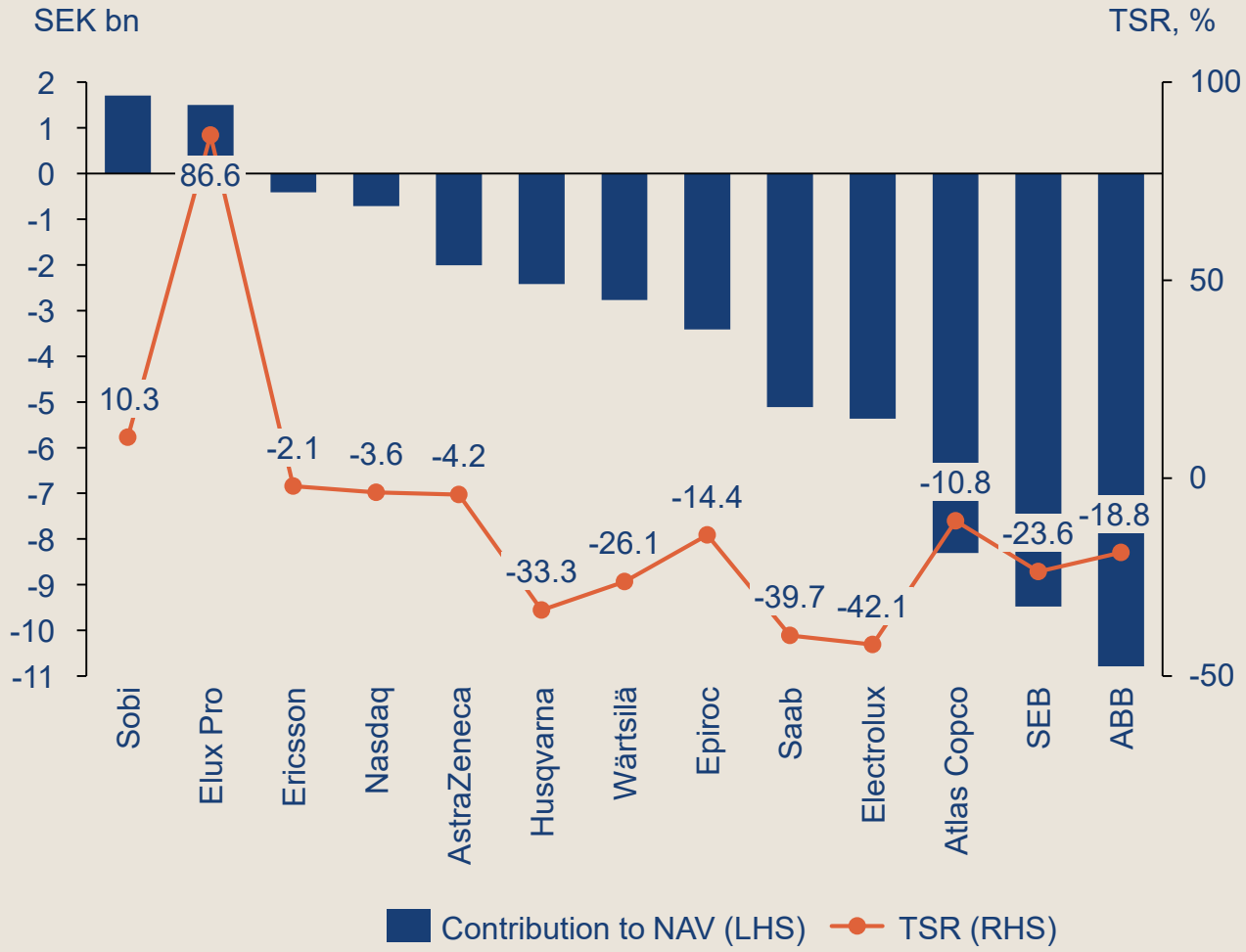


Listed Companies

Q1 2020 Summary

- Total contribution to NAV SEK -48bn
- Listed Companies TSR -14%, SIXRX -18%





Patricia Industries – Development in Q1 2020

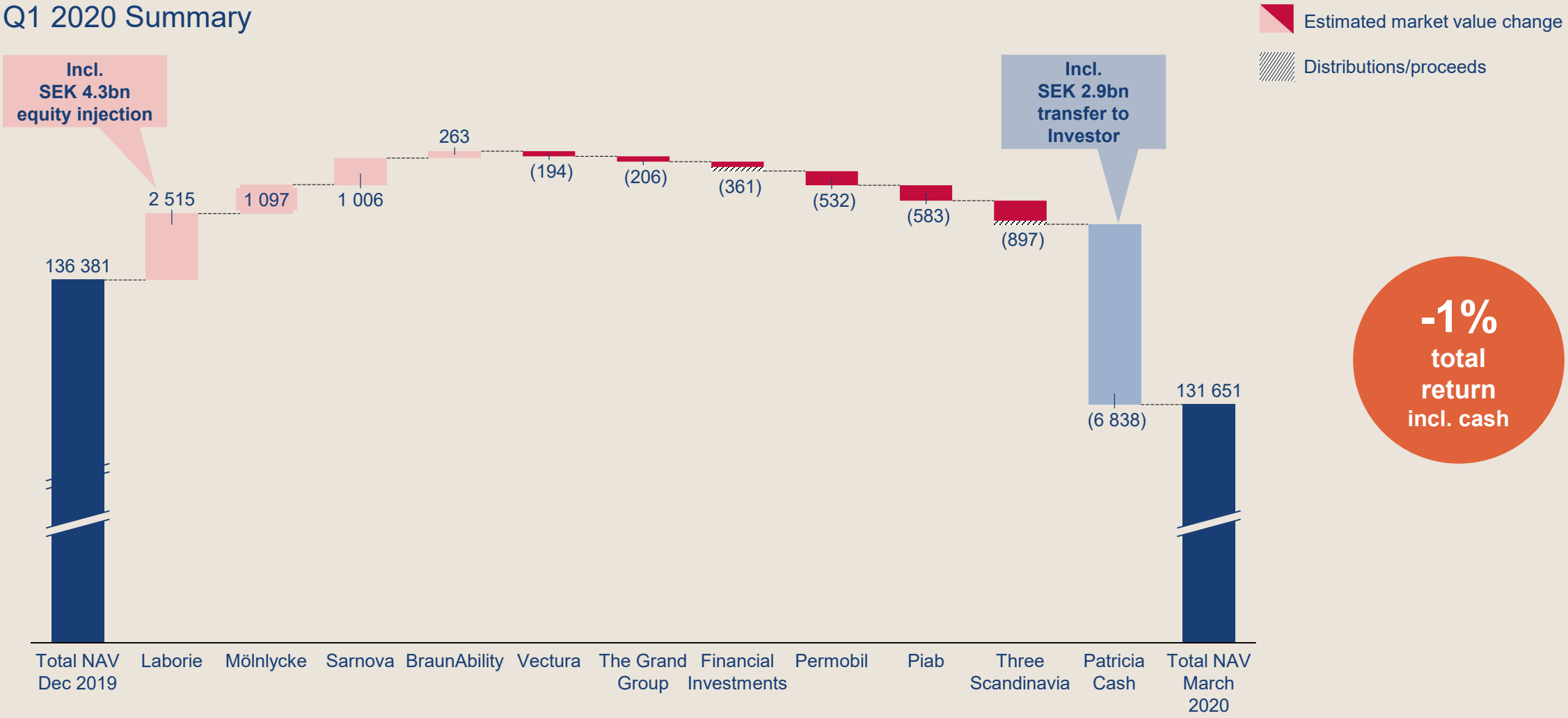
-2%

Total return, excl. cash (-1 percent including cash)

- Negative impact from lower multiples

Patricia Industries – Change in Estimated Market Values

Q1 2020 Summary



-1%
total return incl. cash

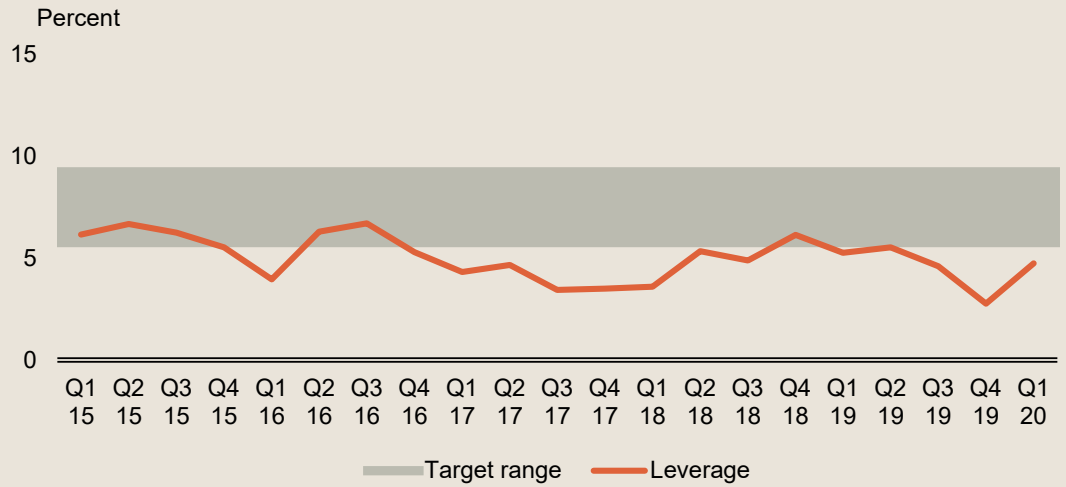
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Major Drivers of Estimated Market Values Q1 2020

Company	Est. market value change Q1 2020 vs. Q4 2019	Major drivers
Mölnlycke®	SEK 1.1bn	Higher profit and currency impacted positively, mitigated by lower multiples
sarnova	SEK 1.0bn	Currency and higher profit impacted positively, mitigated by lower multiples
piab	SEK -0.6bn	Lower multiples impacted negatively
3	SEK -0.9bn	Lower multiples impacted negatively, mitigated by higher profit, SEK 133m distribution to Patricia Industries
LABORIE	SEK -1.8bn (excl. SEK 4.3bn equity injection)	Acquisition of Clinical Innovations, lower profit and lower multiples in “legacy” Laborie

Financial Position as of March 31, 2020

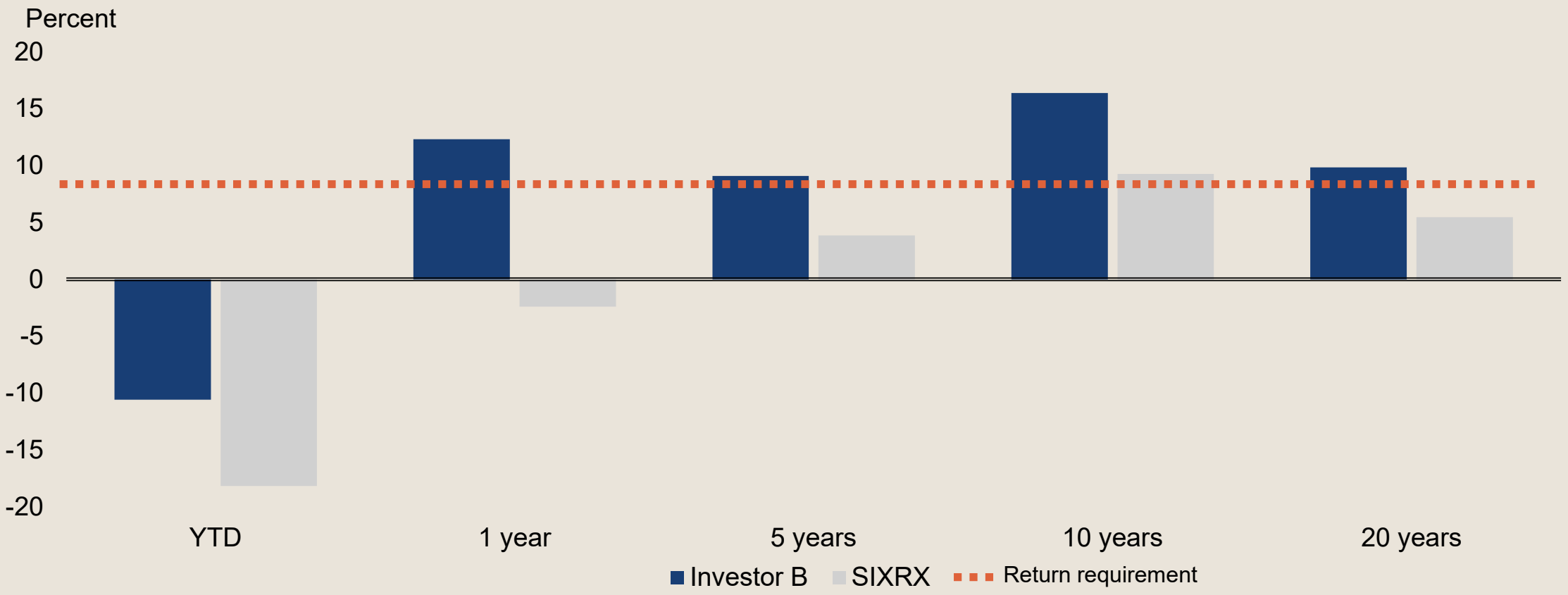
- Leverage 4.7% (2.8% Dec 31, 2019)
- Net debt SEK 18.8bn
- Gross cash SEK 19.8bn
- Average maturity of the debt portfolio 10.8 years



Current rating	
Standard & Poor's	AA-
Moody's	Aa3

Average Annual Total Shareholder Return

As of March 31, 2020




We create value
for people and society
by building
strong and sustainable
businesses

Contact



Viveka Hirdman-Ryrberg
Head of Corporate Communication & Sustainability

+46 70 550 3500
Viveka.hirdman-ryrberg@investorab.com



Magnus Dalhammar
Head of Investor Relations

+46 73 524 2130
Magnus.dalhammar@investorab.com

Financial Calendar

2020-07-17
Interim Report
January – June 2020

2020-10-19
Interim Management Statement
January – September 2020

2020-01-21
Year End Report 2020