

# Q4

## Year-end report

January to December 2020

# Significant improvement in profitability brings stability

The work and focus on improving profitability has generated results and 2020 saw PE make major progress towards its target margin level. During the year EBITA improved to SEK 79 million (-16) and the EBITA margin rose to 6.7 percent (-1.2).

## Fourth quarter, 1 October–31 December 2020

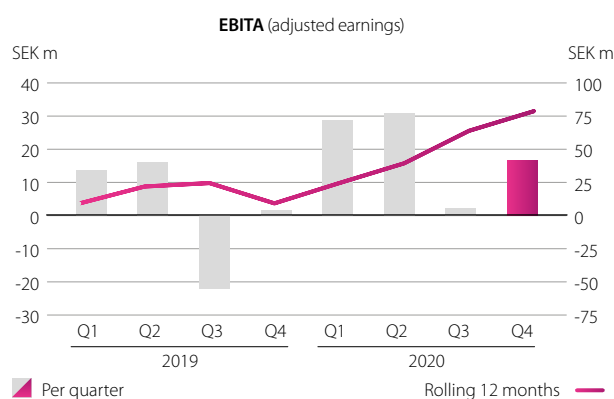
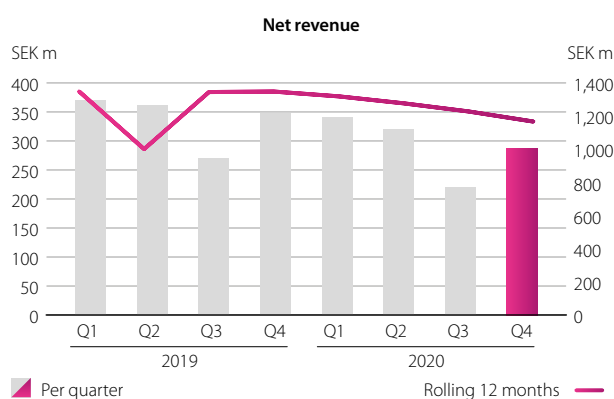
- Net revenue totalled SEK 286.5 million (347.4)
- EBITA increased to SEK 16.5 million (-23.5) and the EBITA margin was 5.8 percent (-6.8)
- EBIT totalled SEK 15.8 million (-26.3) and the operating margin was 5.5 percent (-7.6)
- Earnings for the period totalled SEK 6.1 million (-33.6)
- Earnings per share for the period were SEK 0.26 (-1.35) There is no dilution effect
- Helena Hed took up the role of President and CEO on 1 December
- Per-Arne Gustavsson was appointed as the new Chairman from 1 December
- The existing credit facility agreement with SEB was extended

## Period, 1 January–31 December 2020

- Net revenue totalled SEK 1,167.0 million (1,348.4)
- EBITA increased to SEK 78.7 million (-16.1) and the EBITA margin was 6.7 percent (-1.2)
- EBIT increased to SEK 67.4 million (-24.7) and the operating margin rose to 5.8 percent (-1.8)
- Earnings for the period totalled SEK 37.1 million (-40.2)
- Earnings per share for the period were SEK 1.54 (-1.62) There is no dilution effect
- The Board proposes that no dividend be paid (SEK 0 per share).

## Group summary

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net revenue	286.5	347.4	1,167.0	1,348.4
EBITA	16.5	-23.5	78.7	-16.1
EBITA (adjusted earnings)	16.5	1.7	78.7	9.2
EBITA margin, %	5.8	-6.8	6.7	-1.2
EBITA margin, % (adjusted earnings)	5.8	0.5	6.7	0.7
Operating profit/loss, EBIT	15.8	-26.3	67.4	-24.7
Operating profit/loss, EBIT (adjusted earnings)	15.8	-1.1	67.4	0.5
Operating margin, %	5.5	-7.6	5.8	-1.8
Operating margin, % (adjusted earnings)	5.5	-0.3	5.8	0.0
Profit/loss for the period	6.1	-33.6	37.1	-40.2
Earnings per share for the period, SEK (there is no dilution effect)	0.26	-1.35	1.54	-1.62
Net receivables (-)/debt <sup>1</sup>	284.3	400.5	284.3	400.2



<sup>1</sup> Net debt for 2019 is affected by changes to the IFRS 16 accounting policy. The effect of the transition to IFRS 16 amounted to SEK 136 million, while the effect at year-end was SEK 146.5 million. No adjustment has been made to historical figures.

# CEO comments

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PE's business continued to benefit society in 2020. Together with our over 4,000 clients, across 13,000 assignments, we continued designing a sustainable society in which we ourselves would like to live and grow. Long-term strategic investments and quick, decisive measures with focus on improving profitability have generated results. In 2020, PE has taken great strides towards our target margin level. During the year EBITA improved to SEK 79 million (-16) and the EBITA margin rose to 6.7 percent (-1.2).

Net revenue for the full year 2020 decreased to just under SEK 1.2 billion (1.3). The decrease was due to the efficiency improvements and restructuring measures made at the end of 2019 and the impact of Covid-19, which had an adverse effect on some of our submarkets and business areas.

In the fourth quarter we made further earnings improvements year on year, despite making write-downs of SEK 14 million on projects. EBITA rose to SEK 17 million (-24), which equates to an EBITA margin of 5.8 percent (-6.8). Net revenue in the quarter totalled SEK 287 million (347), with the reduction due to the programme of measures implemented and the deterioration in market conditions.

## Lots more potential

I am both pleased and energised to have taken over as CEO. During my first couple of months at the company I have got to know and been inspired by our colleagues, clients and partners. I see a consulting company with great future potential. PE has an important role in the sustainable transition that is needed in society, in both the public and private sectors. Our clients are supported by highly skilled and local teams backed up by the resources and firm foundations of a large company. We are always close to our clients and we are big enough to take on the largest and most prestigious assignments.

PE has a solid platform that offers good opportunities to continue developing and growing. This is based on the consolidation and integration of businesses undertaken in 2019. Together with the Board and management, I have identified a number of areas of development to generate profitable growth. An initial measure has been to remove a layer of management and redesign our internal structure to further decentralise the business, boost our client focus and clarify lines of responsibility. Going forward, we will focus on strengthening our working methods in order to increase and streamline our value creation.

We have an important position in urban planning and our vision is to renew society through innovative, sustainable solutions. We have a clear idea of our market position and how we can grow while retaining good profitability. At the beginning of 2021, we will have fewer employees than last year, but the focus is on growing from the situation we are in now. In the medium to long term, I believe the growth-focused activities that we are implementing will generate results over the next few years. PE has lots more potential.

## Performance in our segments

Performance has been positive across our three segments during the year and all parts are showing positive results.



The measures undertaken within Architecture & Management in the form of cost savings and efficiency improvements had a positive impact on earnings. The business is once again achieving positive results, although profitability has not yet reached the targeted levels. The market for the services in this segment has been challenging over the course of the year as a result of Covid-19.

The Civil Engineering & Infrastructure segment delivered strong earnings in 2020, well above those of the previous year. This business has performed well, making significant improvements in both design and infrastructure. Although the earnings improvement is significant, earnings for the quarter were affected by write-downs on a small number of assignments. The market for services in this segment are partially challenging, but extensive marketing efforts resulted in stable order levels.

Large parts of the Systems segment were hit by the effects of the pandemic. Nevertheless, this business delivered better earnings than the previous year and the underlying business operations have stabilised. The measures taken during the year to address the stagnating market had an effect and earnings in this segment are consistent with our plans.

## Change in market conditions

The impact of the pandemic remained significant in the fourth quarter and we adapted our organisation to the market conditions. Around 70 employees were made redundant. At the time of reporting, there are no employees selected for short-time work and we do not intend to use it during the year. The market we face in 2021 is still affected by the pandemic. Our assessment, is that market conditions will slowly improve over the year, particularly in the second half. The government's support package is expected to affect investment and global megatrends such as urbanisation, globalisation and digitalisation will also carry on driving developments. The need for our skills is also great in the transition to a more sustainable society.

A sustainable business is based on healthy profitability and steady growth, enabling investment in our development and the ability to create long-term value for our clients and shareholders. For us, it's ultimately about realising our vision of contributing to positive societal development. I am very much looking forward to being part of that.

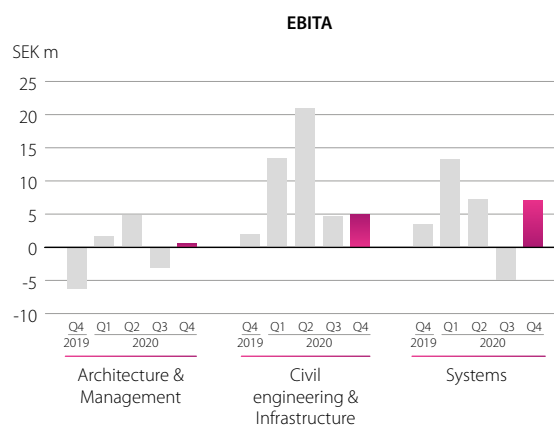
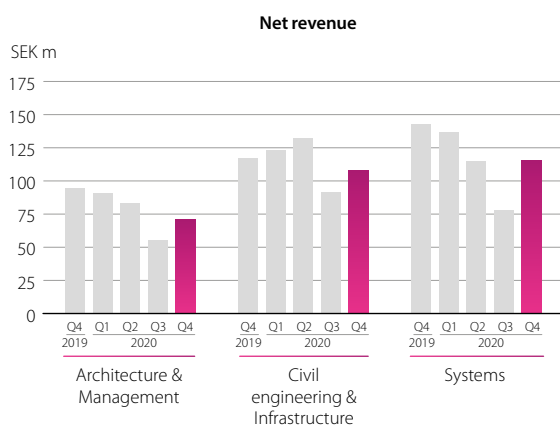
Helena Hed, President and CEO

# Segments: financial overview

## Net revenue and operating profit by segment

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>Net revenue</b>				
Architecture & Management	70.6	94.6	300.0	369.3
Civil Engineering & Infrastructure	108.2	117.2	455.6	427.1
Systems	115.7	143.0	445.1	553.1
Other/Internal eliminations	-7.9	-7.3	-33.6	-1.2
<b>Total</b>	<b>286.5</b>	<b>347.4</b>	<b>1,167.0</b>	<b>1,348.4</b>
<b>Earnings</b>				
Architecture & Management	0.5	-6.2	3.9	-8.6
Civil Engineering & Infrastructure	4.9	2.0	43.9	8.6
Systems	7.1	3.4	22.6	15.5
Other and items affecting comparability <sup>1</sup>	4.1	-22.7	8.4	-31.6
<b>EBITA</b>	<b>16.5</b>	<b>-23.5</b>	<b>78.7</b>	<b>-16.1</b>
Acquisition-related items	-0.8	-2.9	-11.3	-8.7
<b>Operating profit/loss, EBIT</b>	<b>15.8</b>	<b>-26.3</b>	<b>67.4</b>	<b>-24.7</b>
Net financial items	-3.1	-3.0	-13.6	-12.1
Tax	-6.6	-4.2	-16.8	-3.3
<b>Profit/loss for the period</b>	<b>6.1</b>	<b>-33.6</b>	<b>37.1</b>	<b>-40.2</b>

<sup>1</sup> Items affecting comparability amount to SEK 0 million for 2020 and to SEK -25.2 million in 2019.



# Revenue and earnings for the Group

## Fourth quarter, 1 October–31 December 2020

Net revenue for the fourth quarter was SEK 286.5 million (347.4), a decrease of 18 percent compared with the previous year. The lower revenue in the quarter was mainly as a result of the previously implemented programme of measures and deterioration in market conditions due to Covid-19. The calendar effect has had a positive impact on revenue in the amount of SEK 5.1 million, as the quarter had one working day more than in the previous year. There was no impact on revenue from acquisitions in the quarter. Profit before acquisition-related items (EBITA) was SEK 16.5 million (–23.5), and operating profit (EBIT) was SEK 15.8 million (–26.3).

During the quarter, a total of SEK 10.3 million (0) in government assistance has been taken up as income, in line with regulations for reduced working hours and compensation for sick pay expenses. These grants are recognised as deductions from corresponding costs, such as cost reductions. See Note 5.

The fourth quarter continued to exhibit a positive earnings trend, with improved efficiency and a higher utilisation rate. This was despite high write-downs in three large assignments and the deterioration in market conditions. All segments generated better or significantly better earnings than the previous year and group-wide administrative costs decreased year on year. The positive trend is attributable to the restructuring measures and cost savings programme launched in December 2019.

The impact of the Covid-19 pandemic has had a negative impact on the business, and revenue declined due to a lower order intake. This has been managed by reducing working hours. Meanwhile, absence due to sickness has been higher and IT costs to support working from home have risen. The pandemic had a negative impact of approximately SEK 24 million on revenue in the quarter and a negative earnings effect of around SEK 7 million. This is in relation to reported revenue of SEK 286.5 million and EBITA of SEK 16.5 million.

## Period, 1 January–31 December 2020

Net revenue for the year was SEK 1,167.0 million (1,348.4), a decline of 13 percent compared with the previous year. The lower revenue was mainly due to efficiency improvements resulting in a lower number of employees and to a deterioration in market conditions owing to Covid-19. The reduction in personnel mainly related to the Systems segment, in which Industry & Energy operations were reduced, and to the Architecture & Management segment, in which the Management department was closed.

There was no calendar effect overall for the year. During the year, a total of SEK 28.9 million (0) in government assistance has been taken up as income, in line with regulations for reduced working hours and compensation for sick pay expenses. These grants are recognised as deductions from corresponding costs, such as cost reductions. See Note 5. There was no effect from acquisitions on growth during the year.

Profit before acquisition-related items (EBITA) was SEK 78.7 million (–16.1), and operating profit (EBIT) was SEK 67.4 million (–24.7). The earnings improvement is a result of the restructuring measures taken in 2019 and the cost savings programme launched in December 2019. All three segments achieved significantly better earnings than the previous year. Furthermore, group-wide administrative costs were reduced compared with the previous year.

The impact of the Covid-19 pandemic has had a negative impact on the business, and revenue declined due to a lower order intake. This has been managed by reducing working hours. Meanwhile, absence due to sickness has been higher, which has led to fewer hours worked on assignments. IT costs to facilitate remote working have increased. The pandemic had a negative impact of approximately SEK 65 million on revenue over the year and a negative earnings effect of around SEK 21 million. This is in relation to reported revenue of SEK 1,167 million and EBITA of SEK 78.7 million.

### Growth

Average annual growth of 15% over a business cycle

### Profitability

EBITA margin exceeding 8% over a business cycle

### Debt/equity ratio

Between 1.5x and 2.0x R12 EBITDA over a business cycle

### Dividend policy

30–50% of profit for the year

Projektengagemang's financial targets

# Architecture & Management

Our Architecture & Management segment offers an extensive range of services within architecture, project management and societal development. This includes everything in urban planning, building architecture, landscape architecture and interior architecture, as well as project management, analysis and consulting. We work across all stages of the construction process and on societal development and sustainability issues.

For the full year 2020 the segment's net revenue amounted to SEK 300.0 million (369.3), a decrease of approximately 19 percent compared with the previous year. EBITA increased to SEK 3.9 million (-8.6) and the EBITA margin was 1.3 percent (-2.3). Net revenue in the fourth quarter was SEK 70.6 million (94.6). EBITA improved to SEK 0.5 million (-6.2) and the EBITA margin was 0.7 percent (-6.5).

The segment improved its earnings significantly in the quarter compared with the year-earlier period. The cost savings and efficiency measures implemented in the year have had the intended effect. The business is once again achieving positive results, although profitability has not yet reached the targeted levels. The measures taken to adapt the business and discontinue unprofitable parts, with fewer consultants, have affected revenue. In the fourth quarter the segment had a total of 97 individuals working a reduced number of hours, corresponding

to roughly 35 full-time positions. Further measures were carried out in the fourth quarter to adjust staffing levels to prevailing conditions on our local markets.

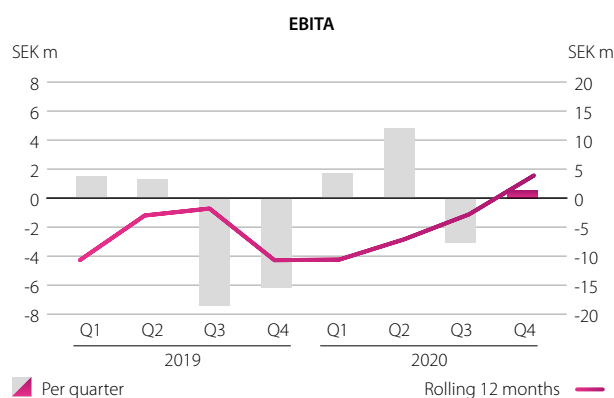
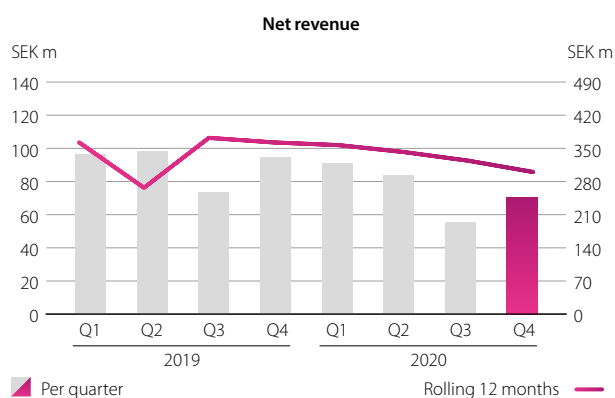
The services market in this segment remains challenging. The effects of Covid-19 have led to fewer investments and projects being increasingly postponed, but there are marked regional differences. The market continues to be characterised by uncertainty, and the business is actively preparing for a number of different scenarios to ensure it is well prepared for 2021.

## New assignments

- Project management, construction management and project planning of a new swimming centre in Hällefors
- Social impact analysis of a new district comprising 1,500 homes in Kungens Kurva
- Multidisciplinary assignment for the refurbishment, extension and new-build work on Närlundaskolan in Askersund

## Segment review

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net revenue	70.6	94.6	300.0	369.3
- of which internal net revenue	6.7	7.4	30.7	31.7
Total growth, %	-25.3	-9.3	-18.8	-5.0
- of which organic growth, %	-25.3	-14.6	-19.2	-11.5
- of which acquired growth, %	0.0	5.2	0.5	6.5
EBITA	0.5	-6.2	3.9	-8.6
- EBITA margin, %	0.7	-6.5	1.3	-2.3
Average number of employees	215	257	228	273



# Civil Engineering & Infrastructure

Our Civil Engineering & Infrastructure segment offers services to clients in the construction, property and infrastructure sectors. These services range from building design, acoustics, geotechnics, energy, environment and sustainability, to railways, roads and environmental impact, as well as bridge and plant design.

For the full year 2020 the segment's net revenue increased to SEK 455.6 million (427.1), corresponding to organic growth of approximately 7 percent on the previous year. EBITA improved to SEK 43.9 million (8.6) and the EBITA margin rose to 9.6 percent (2.0). Net revenue in the fourth quarter of 2020 was SEK 108.2 million (117.2). EBITA improved to SEK 4.9 million (2.0) and the EBITA margin rose to 4.5 percent (1.7).

The segment has delivered another quarterly result far exceeding that of the year-earlier period. The underlying business performed well, based on significant improvements in both design and infrastructure. Fourth-quarter earnings were impacted by write-downs relating to a small number of projects. During the quarter the segment had a total of 25 individuals working a reduced number of hours, corresponding to roughly 5 full-time positions.

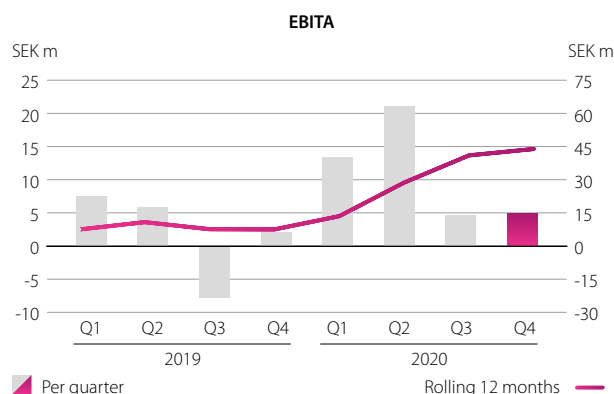
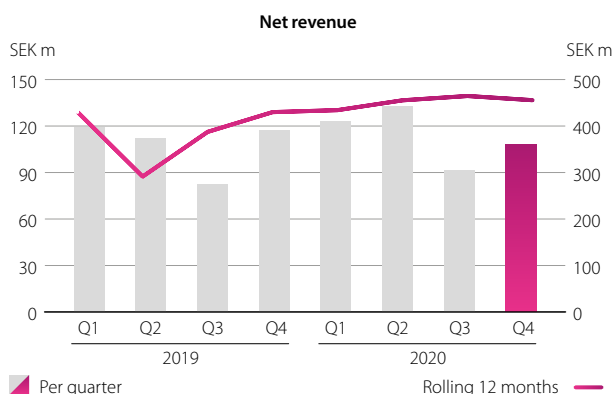
The market for services in this segment are partially challenging, but extensive marketing efforts resulted in stable order levels. The effects of the pandemic have impacted the business, but demand within building design and infrastructure remains high. However, a number of the smaller units with expertise in areas such as environmental impact and acoustics have continued to be adversely affected.

#### New assignments

- Environmental certification of properties for SKB
- Development of regulations, permit applications for infrastructure managers and security control systems, and training for Jönköpings Länsstrafik
- Multidisciplinary assignment at Rosenholm wastewater treatment plant in Katrineholm for Purac

## Segment review

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net revenue	108.2	117.2	455.6	427.1
- of which internal net revenue	5.5	6.5	26.7	20.1
Total growth, %	-7.7	56.8	6.7	70.7
- of which organic growth, %	-7.7	-18.0	6.7	-11.2
- of which acquired growth, %	0.0	74.8	0.0	81.9
EBITA	4.9	2.0	43.9	8.6
- EBITA margin, %	4.5	1.7	9.6	2.0
Average number of employees	316	354	326	361



# Systems

Our Systems segment offers installation engineering services at all stages of the building process, focusing on HVAC and sanitation design, electrical and telecommunications engineering, security, fire safety, risk, protection and sprinkler systems, as well as services within automation and digitalisation aimed at the industrial sector.

For the full year 2020 the segment's net revenue amounted to SEK 445.1 million (553.1), a decrease of approximately 20 percent compared with the previous year. EBITA increased to SEK 22.6 million (15.5) and the EBITA margin was 5.1 percent (2.8). Net revenue in the fourth quarter was SEK 115.7 million (143.0). EBITA improved to SEK 7.1 million (3.4) and the EBITA margin was 6.1 percent (2.4).

Large parts of the segment were hit by the effects of the pandemic. Nevertheless, this business delivered better earnings than in the previous year and the business has stabilised with improved profitability. The measures taken during the year to address the stagnating market had an effect and earnings in this segment are consistent with our plans. In the fourth quarter the segment had a total of 130 individuals working a reduced number of hours, corresponding to roughly 23 full-time positions.

Further measures were carried out to adjust staffing levels to prevailing conditions on our local markets.

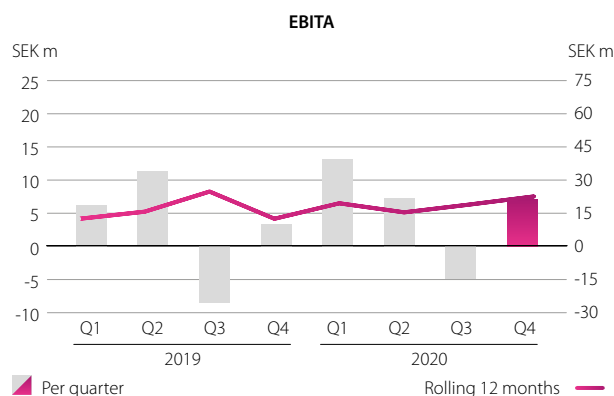
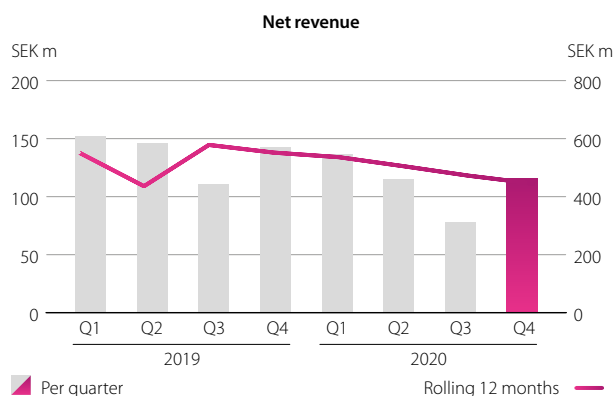
As a result of the pandemic, there is still uncertainty in the market for services in this segment. As previously, the number of new assignments declined and some existing projects have been halted or postponed. The market continues to be characterised by uncertainty, and the business is actively preparing for a number of different scenarios to ensure it is well prepared for 2021.

### New assignments

- HVAC solutions for the new Swedish National Courts Administration in Jönköping on behalf of Castellum
- Pilot study and programme documentation for the adaptation of a property for a new production process for Octapharma AB
- Multi-year contract with the City of Gothenburg to inspect fire safety facilities

## Segment review

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net revenue	115.7	143.0	445.1	553.1
- of which internal net revenue	3.8	5.9	17.9	22.6
Total growth, %	-19.1	-15.6	-19.5	-8.5
- of which organic growth, %	-19.1	-15.6	-19.5	-13.2
- of which acquired growth, %	0.0	0.0	0.0	4.8
EBITA	7.1	3.4	22.6	15.5
- EBITA margin, %	6.1	2.4	5.1	2.8
Average number of employees	351	435	372	449





# Cash flow and financial position

## Fourth quarter, 1 October–31 December 2020

Cash flow from operating activities amounted to SEK 54.0 million (53.0). Change in working capital totalled SEK 20.4 million (45.7). Investing activities showed a net outflow in the quarter of SEK 2.0 million (3.7). Cash flow from financing activities amounted to SEK –34.5 million (–33.2) and was attributable to the amortisation of bank loans by SEK 12.3 million and amortisation of lease liabilities by SEK 22.2 million.

## Period, 1 January–31 December 2020

Cash flow from operating activities amounted to SEK 188.5 million (77.6). Change in working capital totalled SEK 51.6 million (7.2). Investing activities exhibited a net outflow during the period of SEK 11.8 million (35.6) and comprised purchases of non-current assets. Cash flow from financing activities totalled SEK –162.6 million (–122.1). This mainly consisted of reduced use of overdraft facilities of SEK 26.9 million, amortisation of bank loans and lease liabilities by SEK 49.2 million and SEK 76.8 million respectively, and payment of contingent consideration of SEK 9.5 million. Net debt at the end of the year totalled SEK 284.3 million (400.2). Excluding the lease liability due, which from 2019 is recognised in accordance with IFRS 16, net debt is SEK 149.8 million (253.7).

## Acquisitions

No companies were acquired in 2020.

## Investments, depreciation and amortisation

Purchases of non-current assets for the period amounted to SEK 11.9 million (9.9). Depreciation of total non-current assets amounted to SEK 86.8 million (107.3), including depreciation of leased assets by SEK 66.4 million (88.2), amortisation of acquisition-related items by SEK 11.2 million (11.3) and amortisation of other intangible assets by SEK 1.6 million (1.0). Purchase considerations paid relating to acquired companies amounted to SEK 0.0 million (24.9).

## Significant events in the period

1 January–31 December 2020

### **New President and CEO**

On 7 July, PE's Board of Directors appointed Helena Hed as the new President and CEO. Helena has over 15 years' experience of various senior roles within the Sweco group, and her most recent position was CEO of Sweco Management. Helena has an MSc in Civil Engineering and considerable experience from working in the engineering consultancy sector. Helena Hed took up the role from 1 December 2020.

### **Impact of the Covid-19 pandemic**

The impact of Covid-19 resulted in a gradual change in market conditions from the latter part of March onwards. To protect the health of our employees, clients and cooperation partners, PE has complied with the decisions and recommendations of the authorities and taken the measures required to minimise the spread of the virus. A number of measures have been implemented to mitigate the financial impact of Covid-19. Reduced working hours were introduced in some areas of the business; see Note 5. This involved the equivalent of approximately 48 full-time positions, which affected all segments and administrative personnel. Business operations have been continually planned in response to the effects of Covid-19 and appropriate measures have been prepared based on several different potential scenarios.

Further measures were implemented in the fourth quarter to adapt the business to the prevailing market conditions. Around 70 employees were made redundant. It is still difficult to predict the financial impact of Covid-19. There is uncertainty on the market, resulting in both postponed and cancelled projects. No indications of a need for impairment of Group assets have currently been identified and no special provision as a result of the impact of Covid-19 has been made.

### **New Chairman**

Per-Arne Gustavsson was appointed as new Chairman of Projektengagemang Sweden AB (publ) on 1 December. He took over from Per Göransson.

### **Extended credit agreement**

An existing credit facility agreement with SEB was extended on 23 December. The facility runs until 27 November 2022 and consists of a bank loan, an acquisition loan and an overdraft facility, and totals SEK 349 million. The terms and conditions are largely unchanged.

## Significant events after the end of the period

There were no significant events after the end of the period.

# Other information

## Employees

The average number of FTEs in the year amounted to 984 (1,198). The number of employees at the end of the period was 964 (1,129).

## Tax

The tax expense for the 1 January–31 December period totalled SEK –16.8 million (–3.3).

## Parent Company

The Parent Company's net revenue for the 1 January–31 December period totalled SEK 13,7 million (125.0), with operating income (EBIT) corresponding to SEK –1.2 million (14.2). The company's operations were transferred to the subsidiary PE Teknik & Arkitektur AB in April 2019. As part of consolidating the group's operations, right-of-use assets and related liabilities were transferred to the subsidiary PE Teknik & Arkitektur AB in April 2020.

## Share information

The company's B shares have been listed on Nasdaq Stockholm since 19 June 2018. The buying price at 31 December for PENG-B was SEK 23.70, an increase of 57 percent in 2020.

## Related-party transactions

In 2020, PE purchased consulting services from K-Konsult Management AB for SEK 0.2 million (0.3). The transactions took place at market prices.

## Calendar effects

The calendar effect in the fourth quarter of 2020 means there is one more working day compared with 2019. On an accumulated basis for the year, there is no calendar effect. See page 25 for further information.

## Accounting policies

This report has been prepared in accordance with IAS 34, Interim Financial Reporting, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretative statements from the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU.

The Group applies the same accounting policies as detailed in Note 1 of the 2019 annual accounts, with the addition of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. Government grants are recognised in the financial statements when there is reasonable assurance that the grant will be received and that the company will satisfy the terms associated with the grant. Government grants to cover costs are recorded on an accrual basis and recognised as income system-

atically in profit/loss for the year in the same way and over the same periods as the costs that the grants are intended to cover. These grants are recognised as deductions from corresponding costs, such as cost reductions. The balance sheets are presented in summary. To increase comparability with other companies on the market, as of 1 January 2018 PE introduced the earnings concept EBITA, which is defined as operating profit excluding acquisition-related items. Operating profit is therefore adjusted for amortisation and impairment of acquisition-related intangible assets, including goodwill, and revaluation of contingent considerations and gains/losses from the divestment of companies and operations. PE applies all EU-adopted IFRS standards and statements (IFRIC), to the extent possible within the framework of the Swedish Annual Accounts Act, and in some cases for tax reasons. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

## 2021 Annual General Meeting

The 2021 AGM will be held on Wednesday 5 May 2021. Projektengagemang Sweden AB's Annual Report 2020 will be available for shareholders from our head office, Årstaängsvägen 11, Stockholm and our website, [www.pe.se](http://www.pe.se), no later than three weeks before the AGM.

## Dividend

In light of 2020 and the regulations that apply to companies that have had employees in short-time work, the Board has proposed that no dividend be paid for the 2020 financial year.

## Risks and uncertainties

PE is exposed to business risks associated with economic and structural changes, as well as changes in market trends. Other risks include the ability to recruit, retain and develop employees. Furthermore, the Group is exposed to interest rate, foreign exchange and credit risks. In the event of a significant change in circumstances in the company's markets, PE could experience problems in signing new credit facilities and consequently need to use a larger portion of cash flow to make interest payments and repayments. This could have a negative effect on the company. The risk exposure described in the 2019 annual accounts provides further details of risks and uncertainties. These have not changed for this period.

PE is currently involved in two disputes with Cortus AB. On 5 June 2019, two summons applications were submitted against Cortus AB, in which the claim amounts to approximately SEK 5.3 million. PE's claim relates to remuneration for work carried out. Cortus AB has responded with a counterclaim amounting to approximately SEK 12.6 million. PE believes Cortus AB's claims are without merit.

## Audit

This report has not been reviewed by the company's auditors.

## Forward-looking information

Forward-looking information in this report is based on company management's expectations at the time of writing. As with all assessments regarding the future, such assumptions include

risks and uncertainties that may mean actual outcomes differ from the anticipated result. The company does not undertake to update or rectify such forward-looking information other than what is stipulated by law.

This information is information that Projektengagemang Sweden AB (PUBL) is obliged to disclose under the EU market abuse regulation. The information was submitted, through the provision of the contact person, for publication on 19 February 2021 at 07:30 CET.

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Stockholm 19/02/2021  
Projektengagemang Sweden AB (publ)

Helena Hed  
*CEO*

# Group income statement

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>Net revenue</b>	<b>286.5</b>	<b>347.4</b>	<b>1,167.0</b>	<b>1,348.4</b>
Other external expenses	-64.3	-85.2	-255.6	-322.9
Personnel costs	-184.9	-251.2	-757.1	-945.5
<b>Profit/loss before depreciation/amortisation, EBITDA</b>	<b>37.3</b>	<b>11.0</b>	<b>154.3</b>	<b>80.0</b>
Depreciation, amortisation and impairment losses	-20.7	-34.5	-75.6	-96.0
<b>Operating profit/loss, EBITA</b>	<b>16.5</b>	<b>-23.5</b>	<b>78.7</b>	<b>-16.1</b>
Acquisition-related items <sup>1</sup>	-0.8	-2.9	-11.3	-8.7
<b>Operating profit/loss, EBIT</b>	<b>15.8</b>	<b>-26.3</b>	<b>67.4</b>	<b>-24.7</b>
Financial items	-3.1	-3.0	-13.6	-12.1
<b>Profit/loss after financial items</b>	<b>12.7</b>	<b>-29.4</b>	<b>53.9</b>	<b>-36.9</b>
Tax	-6.6	-4.2	-16.8	-3.3
<b>Profit/loss for the period<sup>2</sup></b>	<b>6.1</b>	<b>-33.6</b>	<b>37.1</b>	<b>-40.2</b>
Attributable to:				
Parent Company shareholders	6.4	-33.2	37.7	-39.7
Non-controlling interests	-0.3	-0.4	-0.7	-0.5
Basic and diluted earnings per share for the period, SEK	0.26	-1.35	1.54	-1.62

1 Acquisition-related items are defined as depreciation/amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of contingent considerations and gains and losses from divestments of companies, operations, land and buildings.

2 No deviations between the profit or loss for the period and comprehensive income for the period.

# Consolidated statement of comprehensive income

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Profit/loss for the year	6.1	-33.6	37.1	-40.2
<b>Comprehensive income for the year</b>	<b>6.1</b>	<b>-33.6</b>	<b>37.1</b>	<b>-40.2</b>

# Consolidated balance sheet

SEK million	31 Dec 2020	31 Dec 2019
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	597.3	597.4
Other non-current intangible assets	31.5	42.9
Property, plant and equipment	180.4	187.5
Financial assets	3.3	3.4
<b>Total non-current assets</b>	<b>812.5</b>	<b>831.2</b>
<b>Current assets</b>		
Current assets excluding cash and cash equivalents	277.3	359.3
Cash and cash equivalents including short-term investments	43.6	29.4
<b>Total current assets</b>	<b>320.9</b>	<b>388.6</b>
<b>TOTAL ASSETS</b>	<b>1,133.4</b>	<b>1,219.8</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity attributable to Parent Company shareholders	558.0	521.9
Non-controlling interests	-0.2	0.5
<b>Total equity</b>	<b>557.8</b>	<b>522.4</b>
<b>Liabilities</b>		
Non-current liabilities	231.6	295.7
Current liabilities, accrued expenses	322.5	380.6
Deferred tax liabilities	21.5	21.1
<b>Total liabilities</b>	<b>575.7</b>	<b>697.5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,133.4</b>	<b>1,219.8</b>

# Consolidated statement of changes in equity

SEK million	2020	2019
<b>Equity at start of period</b>	<b>522.4</b>	<b>587.1</b>
Profit/loss for the period	37.1	-40.2
Dividends paid	-	-24.6
Other transactions	-1.7	0.1
<b>Equity at end of period</b>	<b>557.8</b>	<b>522.4</b>
Attributable to:		
Parent Company shareholders	558.0	521.9
Non-controlling interests	-0.2	0.5
<b>Total</b>	<b>557.8</b>	<b>522.4</b>

# Consolidated cash flow statement

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>Operating activities</b>				
Profit/loss after financial items	12.7	-29.4	53.9	-36.9
Adjustments for non-cash items	21.6	37.7	86.0	113.5
Tax paid	-0.7	-1.1	-3.0	-6.2
<b>Cash flow before changes in working capital</b>	<b>33.6</b>	<b>7.3</b>	<b>136.9</b>	<b>70.4</b>
Cash flow from changes in working capital	20.4	45.7	51.6	7.2
<b>Cash flow from operating activities</b>	<b>54.0</b>	<b>53.0</b>	<b>188.5</b>	<b>77.6</b>
Purchase of property, plant and equipment and non-current intangible assets	-2.0	-4.0	-11.9	-9.9
Acquisition of Group companies, incl. cash funds	-	-	-	-24.9
Sale of Group companies, incl. cash funds	-	0.0	-	-0.6
Change in financial assets	-	0.3	0.1	-0.3
<b>Cash flow from investing activities</b>	<b>-2.0</b>	<b>-3.7</b>	<b>-11.8</b>	<b>-35.6</b>
Dividend paid	-	-	-	-24.6
Amortisation of loans	-34.5	-31.2	-135.7	-124.5
Change in credit facilities	-	-2.0	-26.9	26.9
<b>Cash flow from financing activities</b>	<b>-34.5</b>	<b>-33.2</b>	<b>-162.6</b>	<b>-122.1</b>
<b>Cash flow for the period</b>	<b>17.4</b>	<b>16.1</b>	<b>14.1</b>	<b>-80.2</b>
Cash and cash equivalents at start of period	25.4	12.6	28.8	109.0
Exchange rate difference in cash and cash equivalents	-0.1	-	-0.1	-0.0
<b>Cash and cash equivalents at end of period</b>	<b>42.8</b>	<b>28.8</b>	<b>42.8</b>	<b>28.8</b>

## Parent Company income statement

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>Net revenue</b>	<b>13.7</b>	<b>48.5</b>	<b>13.7</b>	<b>125.0</b>
Other external expenses	-1.6	1.7	-7.6	-60.8
Personnel costs	-2.0	-4.2	-7.2	-23.2
<b>Profit/loss before depreciation/amortisation, EBITDA</b>	<b>10.1</b>	<b>46.0</b>	<b>-1.1</b>	<b>41.1</b>
Depreciation, amortisation and impairment losses	0.0	-15.8	-0.1	-26.9
<b>Operating profit/loss, EBIT</b>	<b>10.1</b>	<b>30.2</b>	<b>-1.2</b>	<b>14.2</b>
Financial items	-2.0	-2.2	-10.4	-8.4
<b>Profit/loss after financial items</b>	<b>8.1</b>	<b>28.0</b>	<b>-11.6</b>	<b>5.8</b>
Appropriations	-	11.7	-	11.8
<b>Profit/loss before tax</b>	<b>8.1</b>	<b>39.7</b>	<b>-11.6</b>	<b>17.6</b>
Tax	2.8	-8.1	0.7	-8.1
<b>Profit/loss for the period</b>	<b>10.9</b>	<b>31.6</b>	<b>-10.9</b>	<b>9.5</b>

## Parent Company statement of comprehensive income

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Profit/loss for the year	10.9	31.6	-10.9	9.5
<b>Comprehensive income for the year</b>	<b>10.9</b>	<b>31.6</b>	<b>-10.9</b>	<b>9.5</b>

# Parent Company balance sheet

SEK million	31 Dec 2020	31 Dec 2019
<b>ASSETS</b>		
<b>Non-current assets</b>		
Other non-current intangible assets	0.2	0.1
Property, plant and equipment	0.0	35.5
Deferred tax assets	4.9	2.8
Financial assets	778.3	776.3
<b>Total non-current assets</b>	<b>783.4</b>	<b>814.7</b>
<b>Current assets</b>		
Current assets	44.3	51.4
<b>Total current assets</b>	<b>44.3</b>	<b>51.4</b>
<b>TOTAL ASSETS</b>	<b>827.7</b>	<b>866.1</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	479.5	490.9
Non-current liabilities	140.7	215.4
Current liabilities	207.6	159.8
<b>Total liabilities</b>	<b>348.3</b>	<b>375.2</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>827.7</b>	<b>866.1</b>



# Income statement per quarter for the Group

SEK million	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019
<b>Net revenue</b>	<b>286.5</b>	<b>219.5</b>	<b>320.0</b>	<b>341.1</b>	<b>347.4</b>	<b>269.0</b>	<b>361.6</b>	<b>370.4</b>
Other external expenses	-64.3	-47.7	-78.3	-65.3	-85.2	-75.6	-82.5	-79.6
Personnel costs	-184.9	-149.1	-194.3	-228.8	-251.2	-194.7	-242.4	-257.2
<b>Profit/loss before depreciation/amortisation, EBITDA</b>	<b>37.3</b>	<b>22.7</b>	<b>47.4</b>	<b>47.0</b>	<b>11.0</b>	<b>-1.4</b>	<b>36.7</b>	<b>33.6</b>
<b>Profit/loss before depreciation/amortisation, EBITDA (adjusted earnings)<sup>1</sup></b>	<b>37.3</b>	<b>22.7</b>	<b>47.4</b>	<b>47.0</b>	<b>23.7</b>	<b>-1.4</b>	<b>36.7</b>	<b>33.6</b>
Depreciation, amortisation and impairment losses	-20.7	-20.3	-16.5	-18.0	-34.5	-20.8	-20.6	-20.1
<b>Operating profit/loss, EBITA</b>	<b>16.5</b>	<b>2.3</b>	<b>30.9</b>	<b>28.9</b>	<b>-23.5</b>	<b>-22.2</b>	<b>16.1</b>	<b>13.6</b>
<b>Operating profit/loss, EBITA (adjusted earnings)<sup>1</sup></b>	<b>16.5</b>	<b>2.3</b>	<b>30.9</b>	<b>28.9</b>	<b>1.7</b>	<b>-22.2</b>	<b>16.1</b>	<b>13.6</b>
Acquisition-related items <sup>2</sup>	-0.8	-4.9	-2.8	-2.8	-2.9	-2.8	-2.8	-0.1
<b>Operating profit/loss, EBIT</b>	<b>15.8</b>	<b>-2.5</b>	<b>28.1</b>	<b>26.1</b>	<b>-26.3</b>	<b>-25.0</b>	<b>13.2</b>	<b>13.4</b>
<b>Operating profit/loss, EBIT (adjusted earnings)<sup>1</sup></b>	<b>15.8</b>	<b>-2.5</b>	<b>28.1</b>	<b>26.1</b>	<b>-1.1</b>	<b>-25.0</b>	<b>13.2</b>	<b>13.4</b>
Financial items	-3.1	-3.5	-3.8	-3.2	-3.0	-3.9	-2.1	-3.0
<b>Profit/loss after financial items</b>	<b>12.7</b>	<b>-6.0</b>	<b>24.3</b>	<b>22.9</b>	<b>-29.4</b>	<b>-29.0</b>	<b>11.1</b>	<b>10.4</b>
Tax	-6.6	2.9	-6.4	-6.6	-4.2	6.0	-3.0	-2.2
<b>Profit/loss for the period<sup>3</sup></b>	<b>6.1</b>	<b>-3.1</b>	<b>17.9</b>	<b>16.2</b>	<b>-33.6</b>	<b>-23.0</b>	<b>8.1</b>	<b>8.2</b>
Attributable to:								
Parent Company shareholders	6.4	-3.2	18.0	16.4	-33.2	-22.8	8.1	8.2
Non-controlling interests	-0.3	0.0	-0.2	-0.3	-0.5	-0.2	0.0	0.0

1 Adjusted for items affecting comparability 2019.

2 Acquisition-related items are defined as amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of contingent considerations and gains and losses from divestments of companies, operations, land and buildings. EBIT January–March 2019 boosted by a capital gain of SEK 2.6 million.

3 No deviations between profit or loss for the period and comprehensive income for the period.

# Key performance indicators, Group

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>PROFITABILITY</b>				
EBITDA	37.3	11.0	154.3	80.0
EBITDA margin, %	13.0	3.2	13.2	5.9
EBITDA (adjusted earnings) <sup>1</sup>	37.3	23.7	154.3	92.7
EBITDA margin, % (adjusted earnings)	13.0	6.8	13.2	6.9
EBITA	16.5	-23.5	78.7	-16.1
EBITA margin, %	5.8	-6.8	6.7	-1.2
EBITA (adjusted earnings) <sup>1</sup>	16.5	1.7	78.7	9.2
EBITA margin, % (adjusted earnings)	5.8	0.5	6.7	0.7
EBIT	15.8	-26.3	67.4	-24.7
EBIT margin, %	5.5	-7.6	5.8	-1.8
EBIT (adjusted earnings) <sup>1</sup>	15.8	-1.1	67.4	0.5
EBIT margin, % (adjusted earnings)	5.5	-0.3	5.8	0.0
<b>NET REVENUE</b>				
Total growth, %	-17.5	1.0	-13.4	10.2
- of which organic growth	-17.5	-10.4	-13.4	-6.8
- of which acquired growth	-	11.4	-	17.0
<b>FINANCIAL POSITION</b>				
Equity/assets ratio, %	50.0	42.8	50.0	42.8
Available cash and cash equivalents	203.6	162.7	203.6	162.7
- of which undrawn credit facilities	160.0	133.4	160.0	133.4
Leverage	1.8	5.0	1.8	5.0
<b>OTHER</b>				
Number of employees	964	1,129	964	1,129
Average number of employees	938	1,161	984	1,198
Utilisation rate, %	76.5	74.5	77.0	73.0
Basic and diluted earnings per share, SEK	0.26	-1.35	1.54	-1.62
Equity per share, SEK	22.72	21.25	22.72	21.25

<sup>1</sup> Adjusted for items affecting comparability.

# Notes

## NOTE 1 Acquisitions

No acquisitions of subsidiaries were made in 2020. A contingent consideration relating to FAST Engineering Göteborg AB has been paid. Contingent consideration reserved with regard to Devo Engineering AB has been reversed. No requirements regarding this acquisition remain.

### Acquisition-related items

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>EBITA</b>	<b>16.5</b>	<b>-23.5</b>	<b>78.7</b>	<b>-16.1</b>
Amortisation of acquisition-related non-current intangible assets	-2.8	-2.9	-11.2	-11.3
Contingent consideration	2.0	0.0	0.0	0.0
Acquisition-related capital gain from sale of non-current asset	0.0	0.0	0.0	2.6
<b>Acquisition-related items</b>	<b>-0.8</b>	<b>-2.9</b>	<b>-11.3</b>	<b>-8.7</b>
<b>Operating profit/loss, EBIT</b>	<b>15.8</b>	<b>-26.3</b>	<b>67.4</b>	<b>-24.7</b>

## NOTE 2 Financial instruments by category

The fair value of the Group's financial instruments is established via market valuation, e.g. recently completed transactions, the price of similar instruments and discounted cash flows. When there is no reliable data available for fair value measurement, financial instruments are recognised at cost (Level 3). There were

no transfers between any of the levels during the period. No financial instruments have been classified at Level 2. Carrying amount is deemed to represent a reasonable estimate of the fair value of all financial assets and liabilities. The financial assets and liabilities are assigned to valuation categories 2 and 3.

### 31 Dec 2020

SEK million	Measured at fair value via profit/loss	Financial assets measured at amortised cost	Financial liabilities measured at fair value through profit/loss	Of which fair value per level*		
				1	2	3
<b>Financial instruments, assets</b>						
Financial investments	3.2	-	-	-	-	3.2
Trade receivables	-	144.8	-	-	-	-
Short-term investments	0.8	-	-	-	-	0.8
Other non-current receivables	-	0.0	-	-	-	-
<b>Total financial assets</b>	<b>4.0</b>	<b>144.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.0</b>
<b>Financial instruments, liabilities</b>						
Recognised purchase considerations	0.0	-	-	-	-	0.0
Liabilities to customers and suppliers	-	-	56.3	-	-	-
Other non-current liabilities	-	-	1.2	-	-	-
Interest-bearing liabilities, non-current	-	-	231.2	-	-	-
Interest-bearing liabilities, current	-	-	96.6	-	-	-
<b>Total financial liabilities</b>	<b>0.0</b>	<b>-</b>	<b>385.3</b>	<b>-</b>	<b>-</b>	<b>0.0</b>

### 31 Dec 2019

SEK million	Measured at fair value via profit/loss	Financial assets measured at amortised cost	Financial liabilities measured at fair value through profit/loss	Of which fair value per level*		
				1	2	3
<b>Financial instruments, assets</b>						
Financial investments	3.2	-	-	-	-	3.2
Trade receivables	-	206.3	-	-	-	-
Short-term investments	0.6	-	-	-	-	0.6
Other non-current receivables	-	0.1	-	-	-	-
<b>Total financial assets</b>	<b>3.8</b>	<b>206.5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.8</b>
<b>Financial instruments, liabilities</b>						
Recognised purchase considerations	15.3	-	-	-	-	15.3
Liabilities to customers and suppliers	-	-	77.3	-	-	-
Other non-current liabilities	-	-	1.5	-	-	-
Interest-bearing liabilities, non-current	-	-	283.8	-	-	-
Interest-bearing liabilities, current	-	-	145.9	-	-	-
<b>Total financial liabilities</b>	<b>15.3</b>	<b>-</b>	<b>508.4</b>	<b>-</b>	<b>-</b>	<b>15.3</b>

Financial assets and financial liabilities measured at fair value in the balance sheet, or where disclosures are submitted regarding fair value, are classified according to one of three levels based on the information used to establish the fair value. No transfers have occurred between these levels in 2020 or 2019.

#### Level 1

Financial instruments for which fair value is established based on observable (unadjusted) quoted prices in active markets for identical assets and liabilities. A market is considered active if quoted prices from a stock market, broker, industrial group, pricing service or supervisory authority are easily and regularly available, and such prices represent actual and regularly occurring arm's-length market transactions.

#### Level 2

Financial instruments for which fair value is established according to valuation models based on observable data for the asset or liability other than quoted prices included in Level 1, either directly (as quoted prices) or indirectly (derived from quoted prices). Examples of observable data under Level 2 are:

- Quoted prices for similar assets and liabilities.
- Data that may constitute grounds for assessing price, e.g. market rates and yield curves.

#### Level 3

Financial instruments for which fair value is established according to valuation models in which material inputs are based on unobservable data. No significant transfers between the levels have occurred during the periods. For other financial assets and financial liabilities, the recognised values are in all material respects deemed to correspond to the fair values. Recognised purchase considerations and financial investments are valued based on future earnings forecasts.

## NOTE 3 Deferred tax assets/tax liabilities

The interim report's balance sheet is aggregated. Deferred tax assets are therefore netted against deferred tax liabilities. In order to illustrate the impact of such netting on the balance sheet, the table below shows how the various components affect the deferred tax asset and deferred tax liability.

### Deferred tax effect

SEK million	31 Dec 2020	31 Dec 2019
<b>Deferred tax assets</b>		
Loss carry-forwards	5.2	1.0
Non-current assets	13.0	23.8
Accrued expenses	0.6	0.0
<b>Total deferred tax assets</b>	<b>18.8</b>	<b>24.9</b>
<b>Deferred tax liabilities</b>		
Untaxed reserves	17.1	17.8
Current assets	15.2	20.3
Non-current assets	7.9	7.8
<b>Total deferred tax liabilities</b>	<b>40.2</b>	<b>46.0</b>
<b>Net deferred tax effect</b>	<b>-21.5</b>	<b>-21.1</b>

## NOTE 5 Government assistance related to Covid-19

SEK million	amount received before 31 Dec	amount to be received in 2021	period concerned
Short-term furloughing	15.9		Apr-Sep 2020
Short-term furloughing		10.3	Oct-Dec 2020
Sick pay cost	2.7		Apr-Oct 2020

This assistance is recognised as income in its entirety in the second, third and fourth quarters of 2020 and has reduced personnel costs. SEK 10.3 million of the assistance for short-term furloughing will be received in 2021 and is included in 'Other current receivables' in the balance sheet at 31 December 2020.

In addition to the government assistance, PE has been granted extra time to pay VAT, employer contributions and the retained tax deduction of SEK 99.9 million. The entire amount has been credited to the tax account and is not included in cash and cash equivalents. This balance has been netted against these items in the balance sheet, i.e. current receivables have been netted against current liabilities.

## NOTE 4 Revenue breakdown

PE's revenue comprises one type of income relating to delivery of assignments to customers. Revenue is broken down based on the company's business areas, which are divided into the segments on the basis of which PE monitors its business. For further information regarding the Group's revenue recognition, please refer to the accounting policies detailed in the 2019 Annual Report.

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>Net revenue</b>				
Architecture	37.5	47.6	162.4	183.2
Project Management	29.8	47.0	125.6	186.1
Societal Development	3.3	0.0	11.9	0.0
<b>Architecture &amp; Management</b>	<b>70.6</b>	<b>94.6</b>	<b>300.0</b>	<b>369.3</b>
Building	72.6	93.3	305.5	352.3
Infrastructure	23.6	23.8	109.3	74.9
Building Environment	12.0	0.0	40.8	0.0
<b>Civil Engineering &amp; Infrastructure</b>	<b>108.2</b>	<b>117.2</b>	<b>455.6</b>	<b>427.1</b>
Electrical, Telecommunications & Security	50.0	64.2	195.3	235.0
HVAC and Sanitation Design	31.2	33.3	124.4	126.6
Fire, Risk & Protection	19.2	25.8	76.7	95.2
Industry & Energy	15.2	19.7	48.8	96.3
<b>Systems</b>	<b>115.7</b>	<b>143.0</b>	<b>445.1</b>	<b>553.1</b>
Internal eliminations	-7.9	-7.3	-33.6	-1.2
<b>Total</b>	<b>286.5</b>	<b>347.4</b>	<b>1,167.0</b>	<b>1,348.4</b>

# Key performance indicators, definitions

This report contains financial measures that are not defined in IFRS. These financial measures are used to monitor, analyse and direct operations and to supply the Group's stakeholders with information about the Group's financial position, earnings and performance. These financial measures are considered to be necessary to be able to monitor and direct the development of the Group's financial targets and it is therefore relevant to publish them regularly. Below is a list of definitions of the key performance indicators used in this report.

## Share-based measures

### Earnings per share

Profit/loss for the year attributable to shareholders divided by a weighted average of the number of shares during the year

## Performance figures

### Return on equity

Profit/loss for the year according to income statement excluding minority's share, as a percentage of average equity

### Return on capital employed

Profit/loss after net financial items, including earnings from participations in associates with reversal of interest expenses, as a percentage of average capital employed

### Return on total capital

Profit/loss after net financial items, including earnings from participations in associates plus finance costs, as a percentage of average total assets

## Financial measures

### Acquisition-related items

Defined as depreciation/amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of contingent considerations and gains and losses from divestments of companies, operations, land and buildings

### Average period of fixed interest

Period of fixed interest weighted according to outstanding interest-bearing liabilities

### Average equity

Average amount of recognised equity at 1 January and 31 December

### EBITA

Operating profit/loss excluding acquisition-related items

### Adjusted earnings

Operating profit/loss adjusted for items affecting comparability

### Items affecting comparability

Items relating to terminated operations, significant restructuring, acquisition and integration expenses and IPO expenses

### Asset turnover

Net revenue divided by average capital employed

### Net receivables (-)/debt

Interest-bearing liabilities less financial assets including cash and cash equivalents

### Net revenue

Net revenue corresponds to invoicing of current projects

### Order intake

The value of projects taken on and changes to existing projects during the current period

### R12

Rolling 12 months

### Interest coverage ratio

Profit/loss after financial items plus finance costs divided by finance costs

### Leverage

Net receivables (-)/debt divided by EBITDA, rolling 12 months

### Debt/equity ratio

Net receivables (-)/debt divided by equity

### Equity/assets ratio

Total equity as a percentage of total assets

### Capital employed

Total assets less non-interest-bearing liabilities including deferred tax liabilities. Average capital employed is calculated as the average of values at 1 January and 31 December

## Margins

### Operating margin

Operating profit/loss as a percentage of net revenue

### EBITA margin

EBITA as a percentage of net revenue

### Profit margin

Profit/loss after financial items as a percentage of net revenue for the period

## Other key performance indicators

### Number of employees

Total number of employees, all forms of employment, at end of period

### Utilisation rate

Time charged to customer in relation to total attendance

### Average number of FTEs

Average number of employees during the year recalculated to full-time equivalents. The actual number of employees is higher due to part-time positions, and the fact that some employees only work for part of the year

### Calendar effect

Average number of employees for the period multiplied by the difference in the number of available working days during the period, multiplied by average revenue/employee

### Average interest

Nominal interest weighted according to outstanding interest-bearing liabilities at the balance sheet date

## Calculations of financial performance measures not defined according to IFRS

Some of the descriptions and analyses presented in this interim report include alternative performance measures that are not defined by IFRS. The company is of the opinion that this information, in combination with comparable defined IFRS measures, is useful for investors, as it provides a basis for measuring operating earnings and the ability to repay liabilities and invest in the business. Company management uses these financial measures, together with the most directly comparable financial measures according to IFRS, when evaluating operating earnings

and value creation. These alternative performance measures should not be considered in isolation from, or as a substitute for financial information published in the financial statements in accordance with IFRS. The alternative performance measures that are reported do not necessarily need to be comparable with similar measures published by other companies. Reconciliations are presented in the tables below.

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Non-current, interest-bearing liabilities	231.2	283.8	231.2	283.8
Current, interest-bearing liabilities	96.6	145.9	96.6	145.9
Cash and cash equivalents including short-term investments	-43.6	-29.4	-43.6	-29.4
<b>Net receivables (-)/debt</b>	<b>284.3</b>	<b>400.2</b>	<b>284.3</b>	<b>400.2</b>
Net receivables (-)/debt	284.3	400.2	284.3	400.2
EBITDA, rolling 12 months	154.3	80.0	154.3	80.0
<b>Leverage</b>	<b>1.8</b>	<b>5.0</b>	<b>1.8</b>	<b>5.0</b>
Net receivables (-)/debt	284.3	400.2	284.3	400.2
EBITDA, rolling 12 months (adjusted earnings)	154.3	92.7	154.3	92.7
<b>Adjusted debt</b>	<b>1.8</b>	<b>4.3</b>	<b>1.8</b>	<b>4.3</b>
Operating profit/loss, EBIT	15.8	-26.3	67.4	-24.7
Net revenue	286.5	347.4	1,167.0	1,348.4
<b>Operating margin EBIT, %</b>	<b>5.5</b>	<b>-7.6</b>	<b>5.8</b>	<b>-1.8</b>
Operating profit/loss, EBIT (adjusted earnings)	15.8	-1.1	67.4	0.5
Net revenue	286.5	347.4	1,167.0	1,348.4
<b>Adjusted operating margin EBIT, %</b>	<b>5.5</b>	<b>-0.3</b>	<b>5.8</b>	<b>0.0</b>
Operating profit/loss, EBIT	15.8	-26.3	67.4	-24.7
Acquisition-related items	-0.8	-2.9	-11.3	-8.7
EBITA	16.5	-23.5	78.7	-16.1
Net revenue	286.5	347.4	1,167.0	1,348.4
<b>EBITA margin, %</b>	<b>5.8</b>	<b>-6.8</b>	<b>6.7</b>	<b>-1.2</b>
Operating profit/loss, EBIT (adjusted earnings)	15.8	-1.1	67.4	0.5
Acquisition-related items	-0.8	-2.9	-11.3	-8.7
EBITA (adjusted earnings)	16.5	1.7	78.7	9.2
Net revenue	286.5	347.4	1,167.0	1,348.4
<b>Adjusted EBITA margin, %</b>	<b>5.8</b>	<b>0.5</b>	<b>6.7</b>	<b>0.7</b>
Operating profit/loss, EBIT	15.8	-26.3	67.4	-24.7
Amortisation and acquisition-related items	21.5	37.3	86.9	104.7
Profit/loss before depreciation/amortisation, EBITDA	37.3	11.0	154.3	80.0
Net revenue	286.5	347.4	1,167.0	1,348.4
<b>EBITDA margin, %</b>	<b>13.0</b>	<b>3.2</b>	<b>13.2</b>	<b>5.9</b>
Operating profit/loss, EBIT (adjusted earnings)	15.8	-1.1	67.4	0.5
Amortisation and acquisition-related items	21.5	37.3	86.9	104.7
Profit/loss before depreciation/amortisation, EBITDA (adjusted earnings)	37.3	23.7	154.3	92.7
Net revenue	286.5	347.4	1,167.0	1,348.4
<b>Adjusted EBITDA margin, %</b>	<b>13.0</b>	<b>6.8</b>	<b>13.2</b>	<b>6.9</b>

## Adjusted operating profit/loss EBIT and EBITA for items affecting comparability

Company management is of the opinion that the operating performance measures EBIT and EBITA, adjusted for acquisition expenses and integration expenses associated with significant acquisitions, together with costs relating to public

listing and restructuring, provide useful information allowing investors to monitor and analyse the underlying earnings performance of the business, and create comparable performance measures between different periods.

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>EBITA</b>	<b>16.5</b>	<b>-23.5</b>	<b>78.7</b>	<b>-16.1</b>
Efficiency improvements	0.0	25.2	0.0	25.2
<b>EBITA items affecting comparability</b>	<b>0.0</b>	<b>25.2</b>	<b>0.0</b>	<b>25.2</b>
<b>Adjusted EBITA</b>	<b>16.5</b>	<b>1.7</b>	<b>78.7</b>	<b>9.2</b>

SEK million	3 months		12 months	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>Operating profit/loss, EBIT</b>	<b>15.8</b>	<b>-26.3</b>	<b>67.4</b>	<b>-24.7</b>
EBITA items affecting comparability	0.0	25.2	0.0	25.2
<b>Items affecting comparability EBIT</b>	<b>0.0</b>	<b>25.2</b>	<b>0.0</b>	<b>25.2</b>
<b>Adjusted EBIT</b>	<b>15.8</b>	<b>-1.1</b>	<b>67.4</b>	<b>0.5</b>

## Net revenue growth

For clarification of net revenue growth, PE attributes growth partly to acquired growth and organic growth, and partly to the calendar effect.

SEK million	3 months			12 months		
	Oct-Dec 2020	Oct-Dec 2019	Growth %	Jan-Dec 2020	Jan-Dec 2019	Growth %
Reported revenue	286.5	347.4	-17.5%	1,167.0	1,348.4	-13.4%
Adjustment for acquisitions/divestments	-	-	-	-	-	-
Revenue adjusted for acquisitions/divestments (organic growth)	286.5	347.4	-17.5%	1,167.0	1,348.4	-13.4%
Adjustment for calendar effect	-5.1	-	-	-	-	-
Revenue adjusted for acquisitions/divestments and calendar effect (organic growth taking account of calendar effect)	281.4	347.4	-19.0%	1,167.0	1,348.4	-13.4%
Adjustment for loss of revenue due to Covid-19	24.0	-	-	65.0	-	-
	<b>305.4</b>	<b>347.4</b>	<b>-12.1%</b>	<b>1,232.0</b>	<b>1,348.4</b>	<b>-8.6%</b>

## Calendar effect days

Average number of employees for the period multiplied by the difference in the number of available working days during the period, multiplied by average net revenue/employee.

Quarter	2020	2019	Difference
Q1	63.0	63.0	0.0
Q2	57.0	58.0	-1.0
Q3	66.0	66.0	0.0
Q4	61.5	60.5	1.0
<b>Total</b>	<b>247.5</b>	<b>247.5</b>	<b>0.0</b>

## Contact details

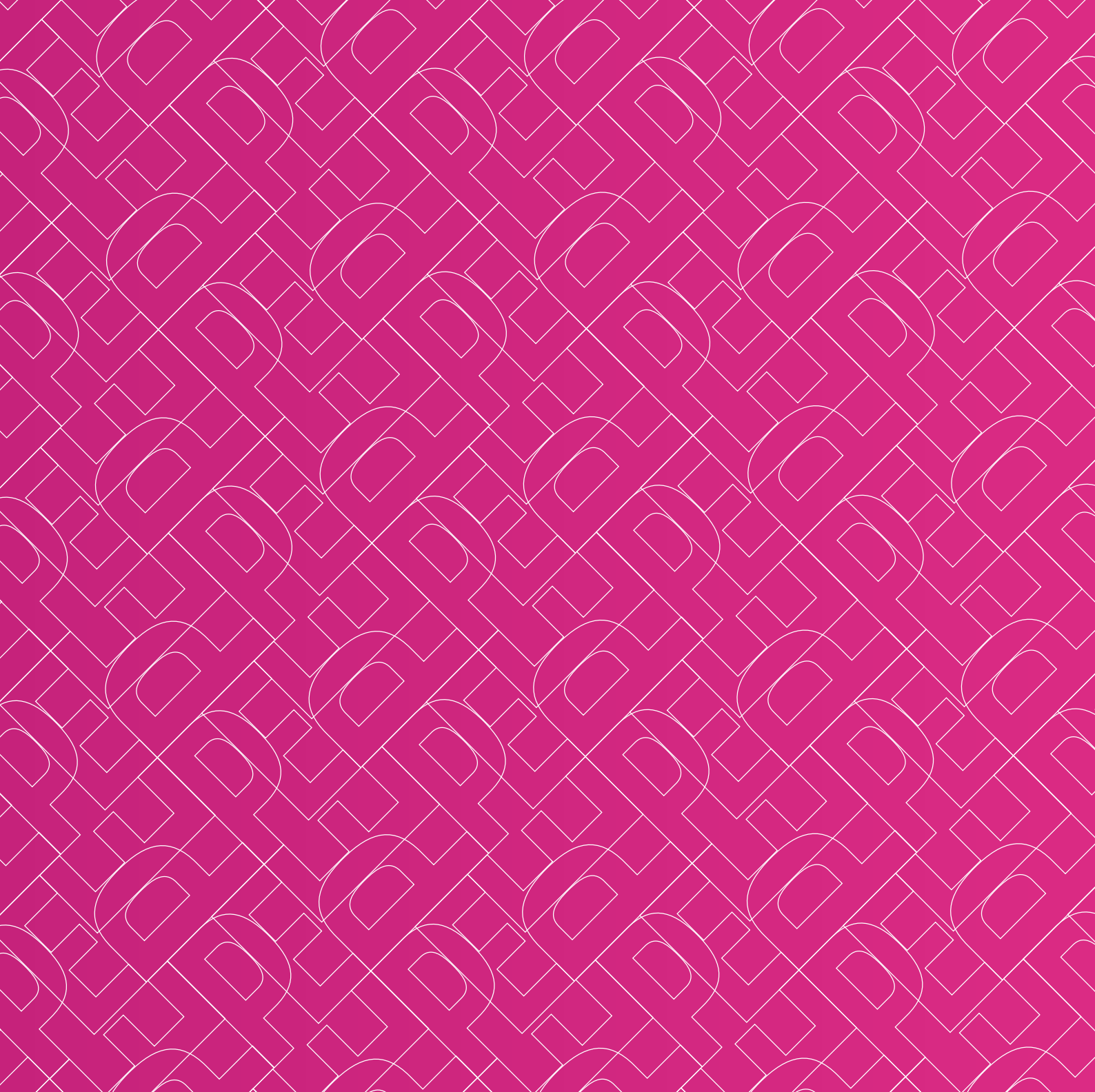
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## Financial calendar

Interim report January–March 2021	5 May 2021
2021 Annual General Meeting	5 May 2021
Interim report April–June 2021	16 July 2021
Interim report July–September 2021	29 October 2021
Year-end report 2021	11 February 2022





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