

OPUS

Q2 2018

August 17, 2018

Presenters



Lothar Geilen

CEO



Linus Brandt

CFO & Executive Vice President



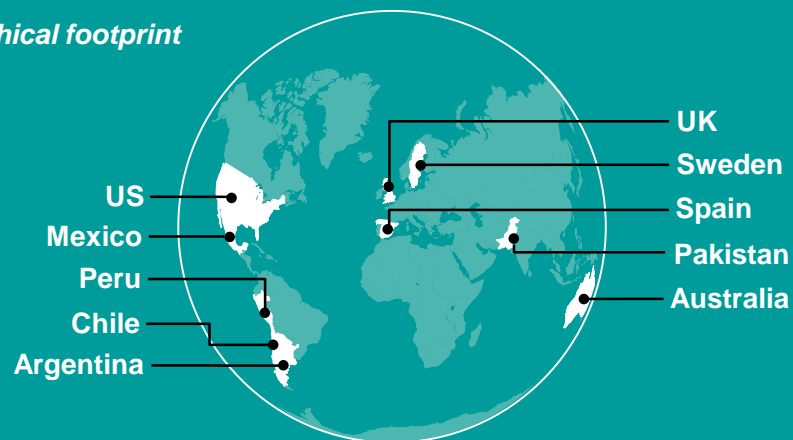
Another strong quarter with substantial growth across all businesses

Opus today



Opus is a global leader in vehicle inspection, as well as a provider to the growing intelligent vehicle support market

Geographical footprint



- Active in 10 countries – 5 continents
- Headquartered in Gothenburg
- Approximately 2,400 employees
- Listed on Nasdaq Stockholm

- LTM⁽¹⁾ Revenue: **258 MUSD**
- LTM⁽¹⁾ EBITDA margin: **18%**
- Net Debt / EBITDA⁽²⁾: **3.5x**

Financial targets

400

MILLION USD

Revenue by 2021

25

PERCENT

EBITDA margin by 2021

3.0

TIMES

Net debt / EBITDA
not to exceed 3.0x⁽³⁾

(1) Last twelve months: July 1, 2017 – June 30, 2018

(2) LTM EBITDA adjusted for proforma accounts of acquired businesses

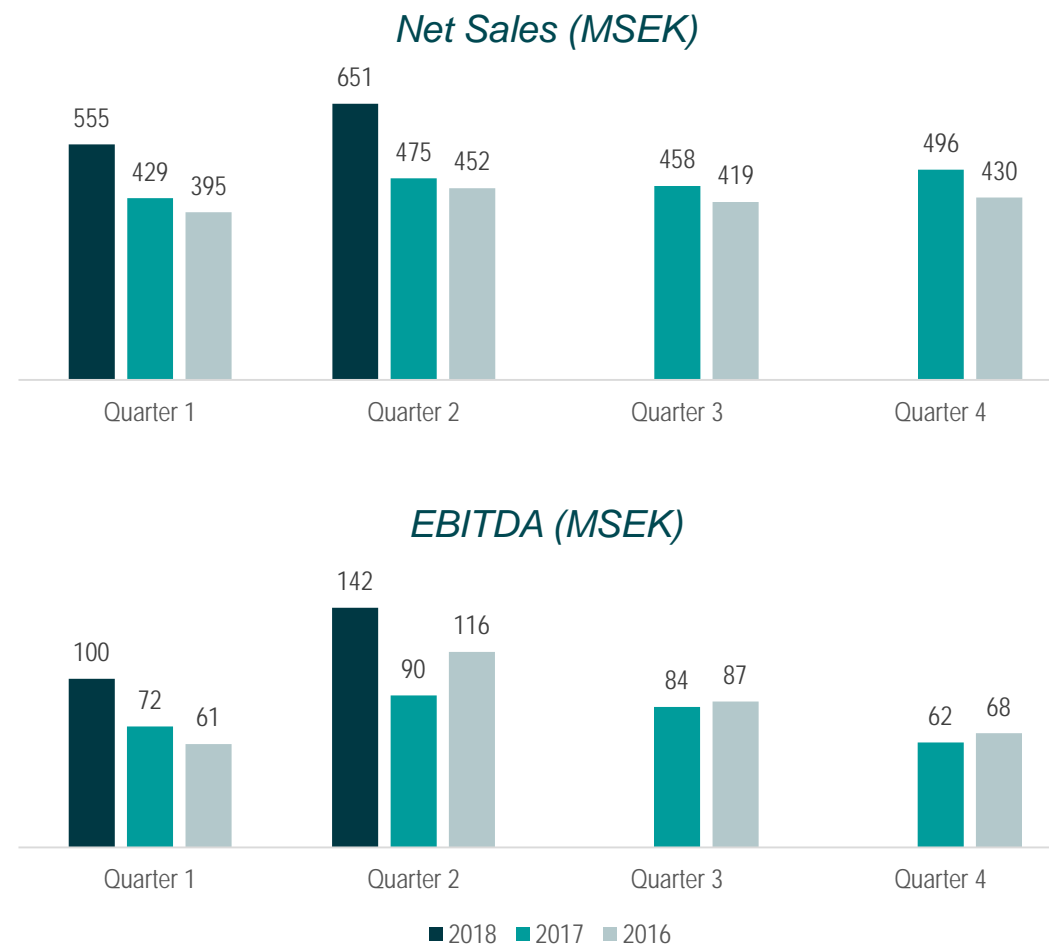
(3) Net debt may exceed 3x EBITDA temporarily, for example if an investment opportunity arises, or if expected EBITDA from new projects will only materialize in a later period

Substantial growth and good margin development



HIGHLIGHTS Q2 2018

- Net sales grew by 37% to SEK 651 million. The growth was supported by acquisitions and good organic growth of 12%
- EBITDA improved by 58% to SEK 142 million, corresponding to an EBITDA margin of 22% (19%)
- Despite strong operating profit, currency losses (primary in Argentina) and significant one-off items resulted in negative net income
- A new senior unsecured bond loan of 500 MSEK has been issued to secure financing for continued growth
- The acquired VTV companies are generating profits in Argentina and contribute to a stronger organization in Latin America



Financial overview



OPUS GROUP

MSEK	3 MONTHS		6 MONTHS		12 MONTHS	
	Q2 2018	Q2 2017	YTD 2018	YTD 2017	LTM ⁽¹⁾	2017
Net sales	651	475	1,206	904	2,160	1,858
EBITDA	142	90	243	162	389	308
EBITDA margin (%)	22%	19%	20%	18%	18%	17%
EBITA	108	60	177	102	264	188
EBITA margin (%)	17%	13%	15%	11%	12%	10%
Net Earnings	-27	28	-17	37	21	74
EPS (SEK) ⁽²⁾	-0.05	0.10	0.00	0.13	0.00	0.27
Operating Cash Flow	111	32	151	83	253	186
Free Cash Flow ⁽³⁾	44	-22	30	-12	1	-41
Net Debt	1,633	884	1,633	884	1,633	966
Net Debt / EBITDA (x) ⁽⁴⁾	3.5x	2.6x	3.5x	2.6x	3.5x	3.0x
Equity	1,030	936	1,030	936	1,030	947
Equity / Asset ratio (%)	26%	30%	26%	30%	26%	28%

(1) Last twelve months: July 1, 2017 – June 30, 2018

(2) Profit/loss for the period attributable to parent company shareholders divided by the average number of outstanding shares after dilution

(3) Cash flow from operating activities minus investments in fixed assets

(4) LTM EBITDA adjusted for proforma accounts of acquired businesses

Net income impacted by currency and one-off items



CURRENCY LOSSES

- Unrealized foreign exchange rate losses, mainly in Argentina, amounted to -48 MSEK (-8) in Q2 2018 and -54 MSEK (-9) in H1 2018
- The Argentine peso (ARS) has dropped significantly in value against the USD during Q2 2018
- Due to the fact that Opus primarily lends in USD to its subsidiaries, exchange rate losses have occurred in the Argentinian subsidiaries on such loans
- As the interest rate on (external) ARS loans is very high, funding the Argentinian subsidiaries with intra-group USD loans is beneficial to Opus

ONE-OFF ITEMS

- In addition to the currency losses, net income has also been negatively impacted by other one-off items
- The purchase price allocation for the acquisition of Gordon-Darby was finalized in Q2. Amortization of 11 MSEK related to Q1 has been booked in Q2
- A premium of 6 MSEK was paid in connection with the early repayment of the November 2018 bond
- The reported income tax includes a negative tax effect of 17 MSEK relating to exchange rate gains (USD vs SEK) not recognized as income but reported against equity

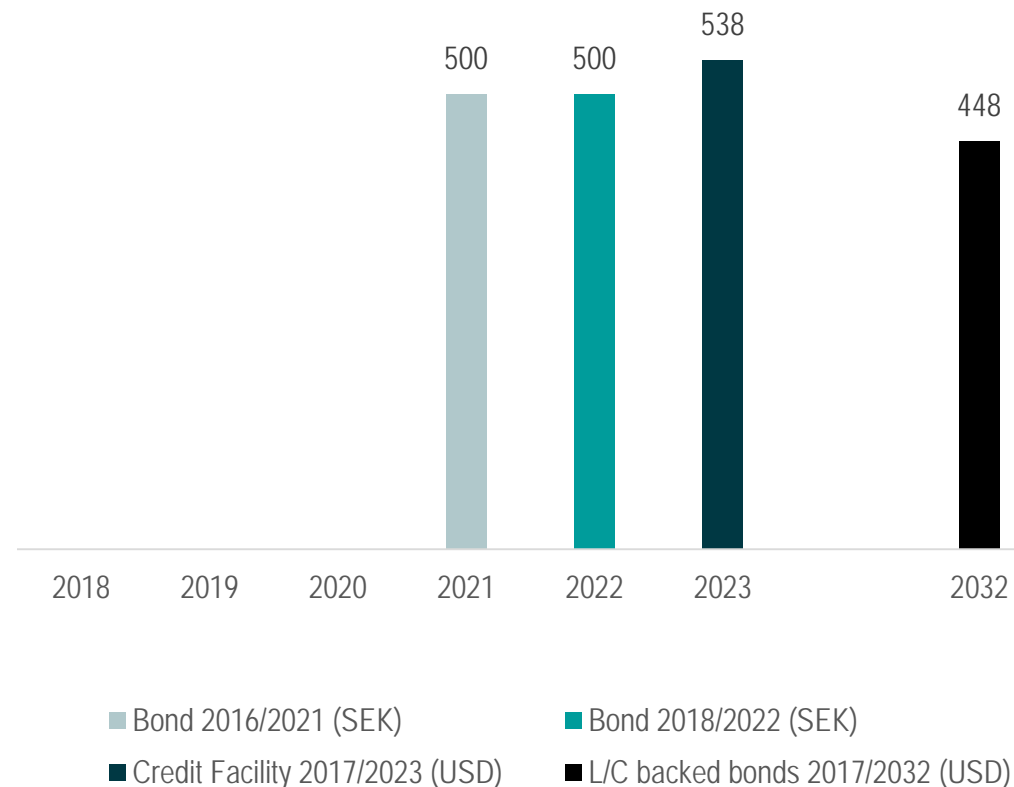
Secured financing for continued growth



ISSUED A NEW 500 MSEK BOND

- A new senior unsecured bond loan of 500 MSEK has been issued
- Framework amount of 800 MSEK
- The bonds carry a floating rate coupon of STIBOR 3m + 375 basis points
- Tenor of four years - redemption in May 2022
- The proceeds were used to redeem all outstanding bonds on the 500 MSEK bond loan due to expire in November 2018

DEBT MATURITY PROFILE (MSEK)⁽¹⁾

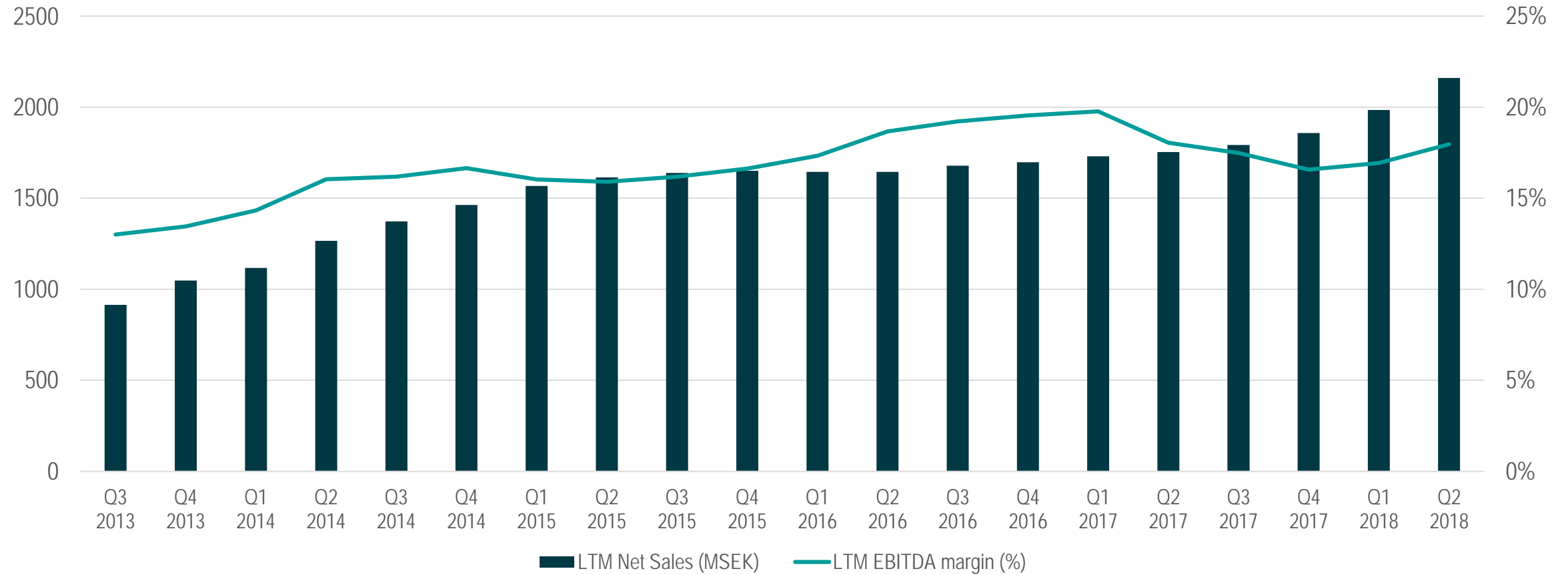


(1) The USD denoted Credit Facility and L/C backed bonds are exchanged to SEK with an USD/SEK Fx-rate of 8.96

Historical development



LTM NET SALES & EBITDA MARGIN



Good development in both divisions



DIVISIONS

MSEK

Net sales

EBITDA

EBITDA margin (%)

EBITA

EBITA margin (%)

VEHICLE INSPECTION

Q2 2018

Q2 2017

587

454

138

95

23%

21%

105

65

18%

14%

INTELLIGENT VEHICLE SUPPORT

Q2 2018

Q2 2017

71

24

11

1

15%

4%

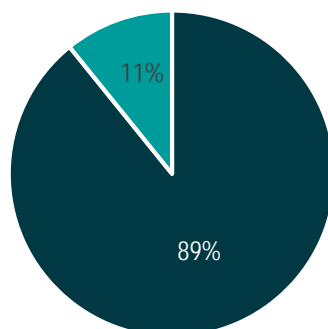
9

0

13%

0%

Net sales Q2 – Split by division



■ Vehicle Inspection ■ Intelligent Vehicle Support

- Strong growth of 29%
- Organic growth of 11%
- Increased margins
- Strong performance driven by the acquisition of Gordon-Darby and higher EaaS volumes

- Strong growth of 196%
- Organic growth of 39%
- Increased margins
- Strong performance driven by the acquisition of Autologic and higher equipment sales by Drew Technologies

Strong growth across all segments



SEGMENTS

MSEK

Net sales

EBITDA

EBITDA margin (%)

EBITA

EBITA margin (%)

VI US & ASIA

Q2 2018 Q2 2017

389 271

101 63

26% 23%

74 38

19% 14%

- Total growth of 44%
- Organic growth of 15%
- Increased margins
- Positive contribution by Gordon-Darby
- Higher equipment sales and EaaS volumes
- Pakistan: 7 stations operational end of Q2

VI EUROPE

Q2 2018 Q2 2017

188 176

44 38

23% 22%

39 34

21% 19%

- Growth of 7%
- Higher margins
- Higher volumes and increased average revenue per inspection
- Strong market share development on a slightly weaker total market

VI LATIN AMERICA

Q2 2018 Q2 2017

17 13

-7 -7

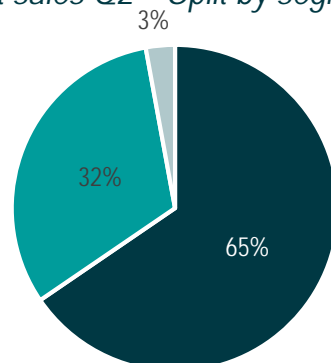
-42% -55%

-9 -7

-51% -56%

- Total growth of 36%
- Organic growth of 9%
- Negative margins
- Most programs are in a development phase
- The acquired VTV companies will contribute positively to the segment's overall EBITDA

Net sales Q2 – Split by segment



■ VI US & Asia ■ VI Europe ■ VI Latin America

Acquisition of VTV

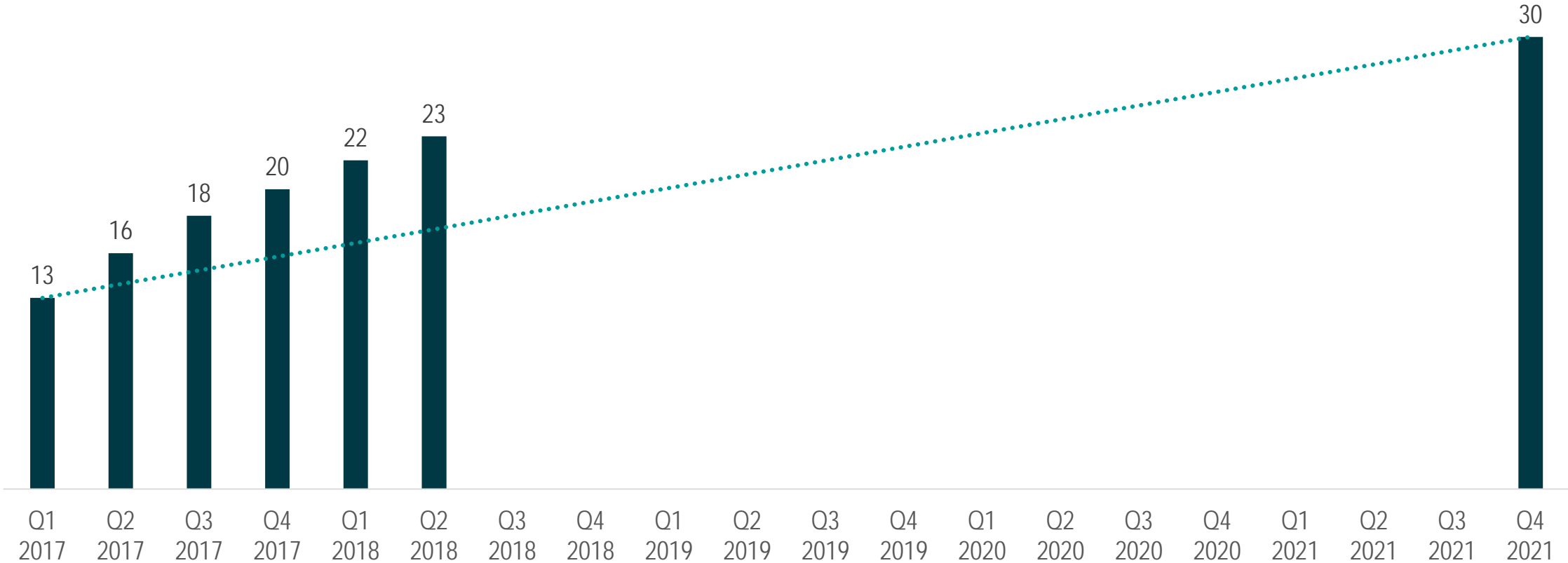


- Opus acquired 100% of the shares in the two Argentinian vehicle inspection companies VTV Norte SA and VTV Metropolitana SA (together “VTV”) in May 2018
- Concessions in the province and city of Buenos Aires
- Purchase price of 11 MEUR (~110 MSEK) on a cash and debt-free basis
- Generated full year revenues of approximately 10 MEUR in 2017
- In accordance with other concession agreements in Argentina, VTV is entitled to an annual fee increase matching inflation
- VTV improves Opus’ foothold in Argentina and contributes to a stronger organization in Latin America
- The acquisition is developing well and will contribute positively to the VI Latin America’s revenue growth and EBITDA development
- Long-term we see a good potential in the Argentinian market with increasing vehicle population and improving compliance rate

Continued growth in emission test equipment EaaS



EAAS 12 MONTH RUN RATE (MUSD)



New website launched



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Improving road safety and reducing vehicle pollution

Our vision & mission >

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INVESTOR RELATIONS

Financial information, shareholder information, corporate governance documents and other regulatory publications

Opus strives to build and maintain an open and transparent relationship with shareholders, bondholders and other interested parties

Share Price

15 August 2018 | 09:53 CEST

BUY	SELL
6,78	6,81

LATEST
6,79 SEK

→ -0,44 %

See share price development >

Press Releases

10 August 2018 | 08:30 AM CET
Invitation to presentation of Opus' Q2 2018 report
Read more >

26 July 2018 | 08:30 AM CET
Publication of prospectus in connection with issue of corporate bond in Opus Group
Read more >

29 May 2018 | 21:00 PM CET
Opus acquires two vehicle inspection companies in Argentina
Read more >

See more press releases >

Financial Reports

Interim Q1 Report 2018
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Year-end Report 2017
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Interim Q3 Report 2017
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Interim Q2 Report 2017
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Annual Report 2017
Årsredovisning 2017

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Another strong quarter



SUMMARY Q2 2018

- Substantial growth and good margin development
- Positive development driven by acquisitions, expansion of EaaS, growth in IVS and higher market share in Sweden
- Acquisition of VTV strengthens position in Latin America
- Net income negatively impacted by currency and one-off items
- Secured financing for continued growth
- We will continue to focus on:
 - Timely implementation of various programs under development
 - Delivering good operating profit margins
 - Developing market leading technologies and continuing to innovate
 - Evaluating opportunities to continue to grow our business



Thank you!