

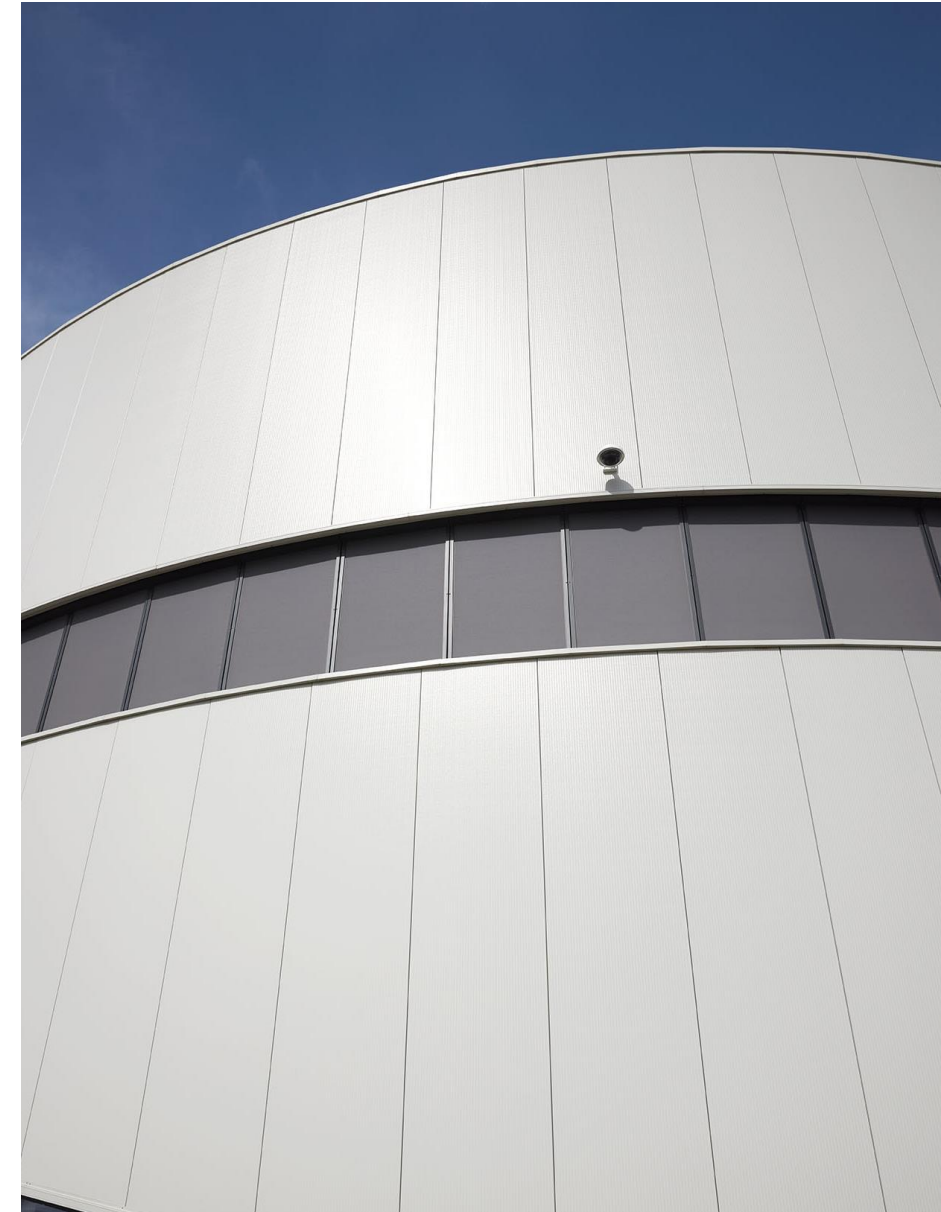
Full Year Report Q4/FY 2022

Magnus Ahlqvist, President and CEO
Andreas Lindback, CFO



A year of strong performance and strategic achievements

- **9 percent (4) organic sales growth in Q4**
 - Continued good commercial traction in the Group
 - Organic sales growth supported by all business segments with overall good technology and solutions sales and high price increases
 - Organic sales growth 5 percent (0) in SSNA. The renewed significant global contract with expanded scope will impact as of Q1 2023
 - Higher sales of technology and security solutions across all segments, now representing 32 percent (23) of total sales in Q4
- **Operating result real change 39 percent (15), operating margin 6.5 percent (5.9) in Q4**
 - Operating margin driven by STANLEY Security and good development in legacy business
- **Positive price and wage balance**
 - Dynamic price increase approach key going forward
- **Cash flow at 83 percent of operating result in Q4, adjusted net debt/EBITDA at 3.7x at year-end**
- **Proposed dividend SEK 3.45 per share**





Security Services North America

Strong commercial momentum with positive outlook

Organic sales growth



Organic sales growth 5% (0) in Q4, 1% (3) in FY

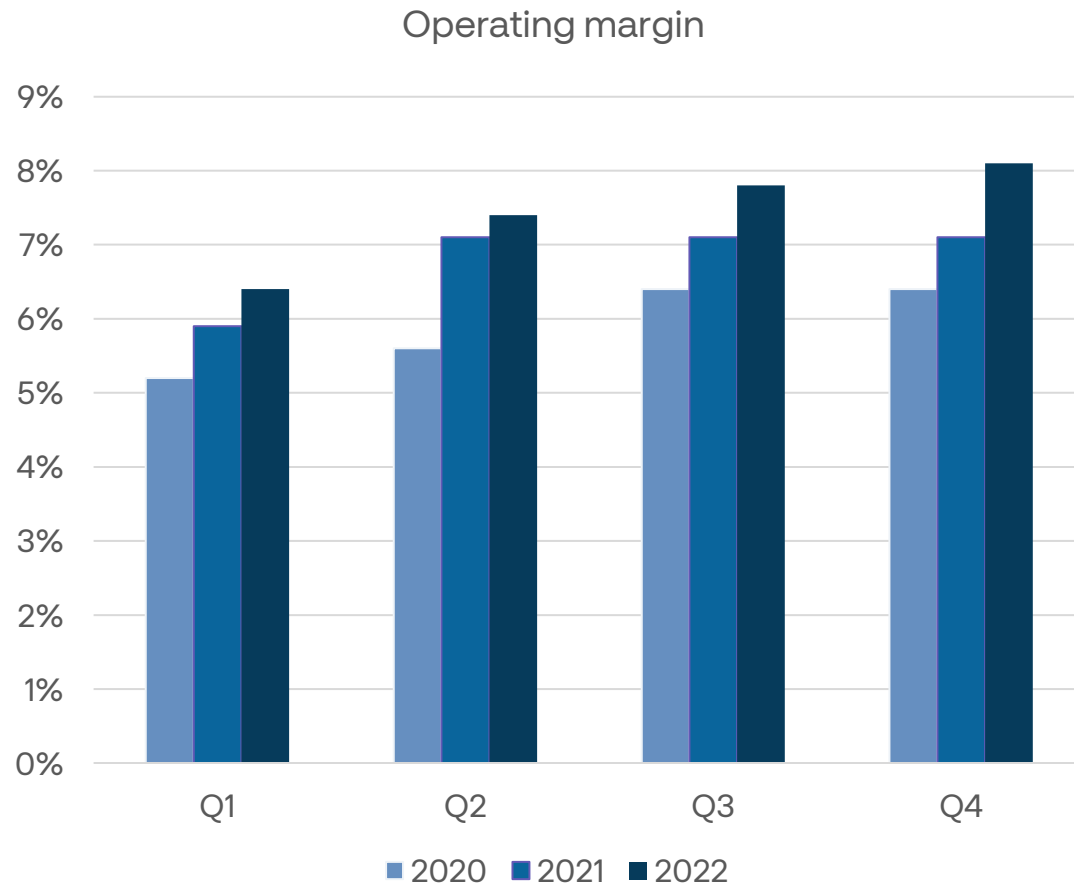
- Successful price increase campaigns and good commercial activity
- Installation business improved in Q4, still impacted by supply-chain issues and labor shortage
- Technology and solutions sales represented 31 percent (18) of total sales in Q4
- Client retention rate 85 percent (86)





Security Services North America

Strong operating margin of 8.1 percent in Q4



**Operating margin 8.1% (7.1)
in Q4, 7.5% (6.8) in FY**

- The improvement was primarily driven by Technology including the STANLEY Security business
- Pinkerton contributed with strong demand for corporate risk management services
- Guarding was solid with positive impacts from active portfolio management and the transformation program, but slightly hampered by year-end reconciliations





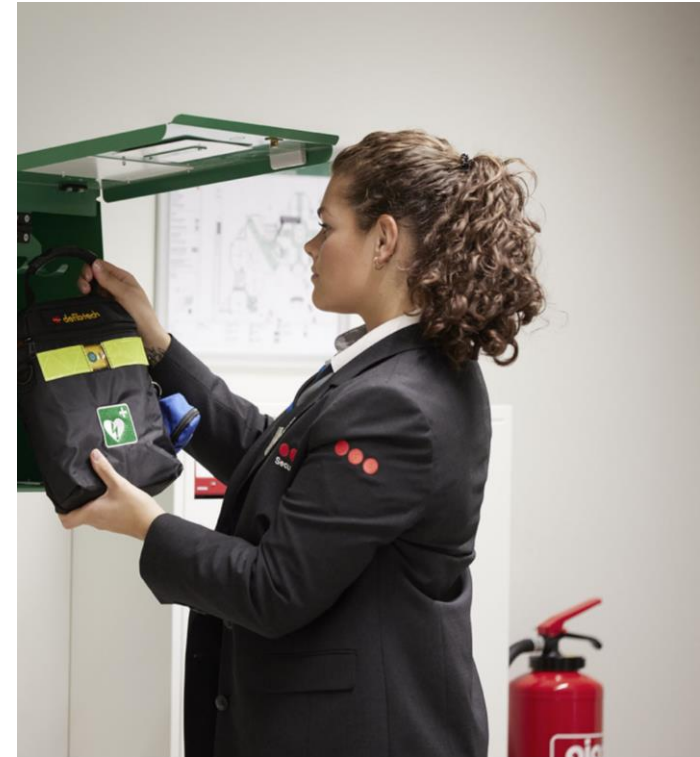
Security Services Europe

Substantial price increases and positive momentum within technology and solutions drove the development



Organic sales growth 11% (5) in Q4, 9% (5) in FY

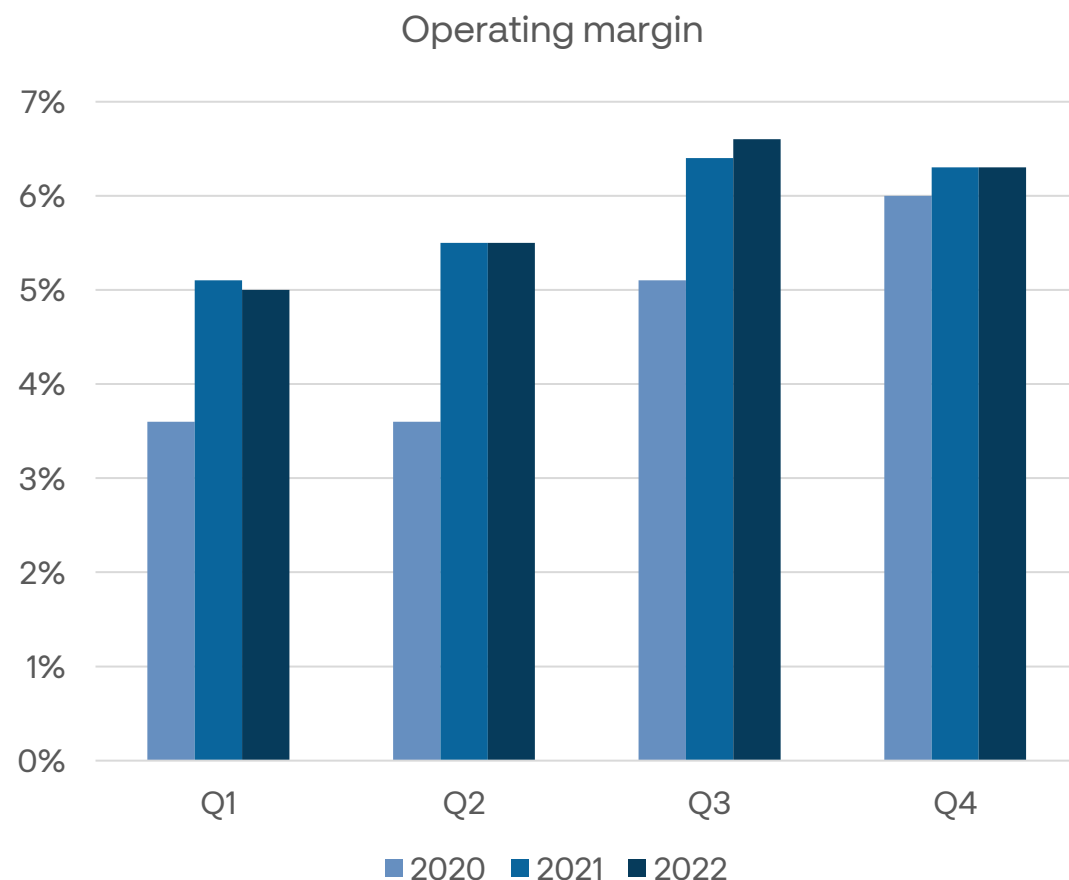
- High price increases supported organic sales growth including impacts from the hyperinflationary environment in Türkiye
- Good momentum within technology and solutions sales, represented 35 percent (26) of total sales in Q4
- Client retention rate 91 percent (92)





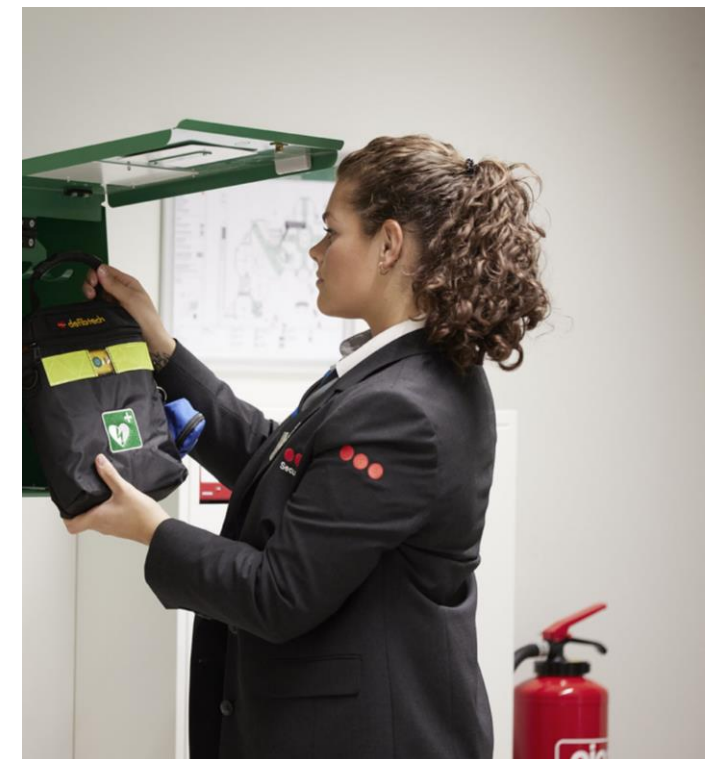
Security Services Europe

Operating margin supported by STANLEY



**Operating margin 6.3%
(6.3) in Q4, 5.9% (5.8) in FY**

- Positive impact from STANLEY Security and active portfolio management
- Negative impact from various effects related to labor shortage, such as higher costs for subcontracting and reduced capacity for high-margin extra sales





Security Services Ibero-America

High organic sales growth driven by inflation in Argentina



Organic sales growth 17% (11) in Q4, 16% (6) in FY

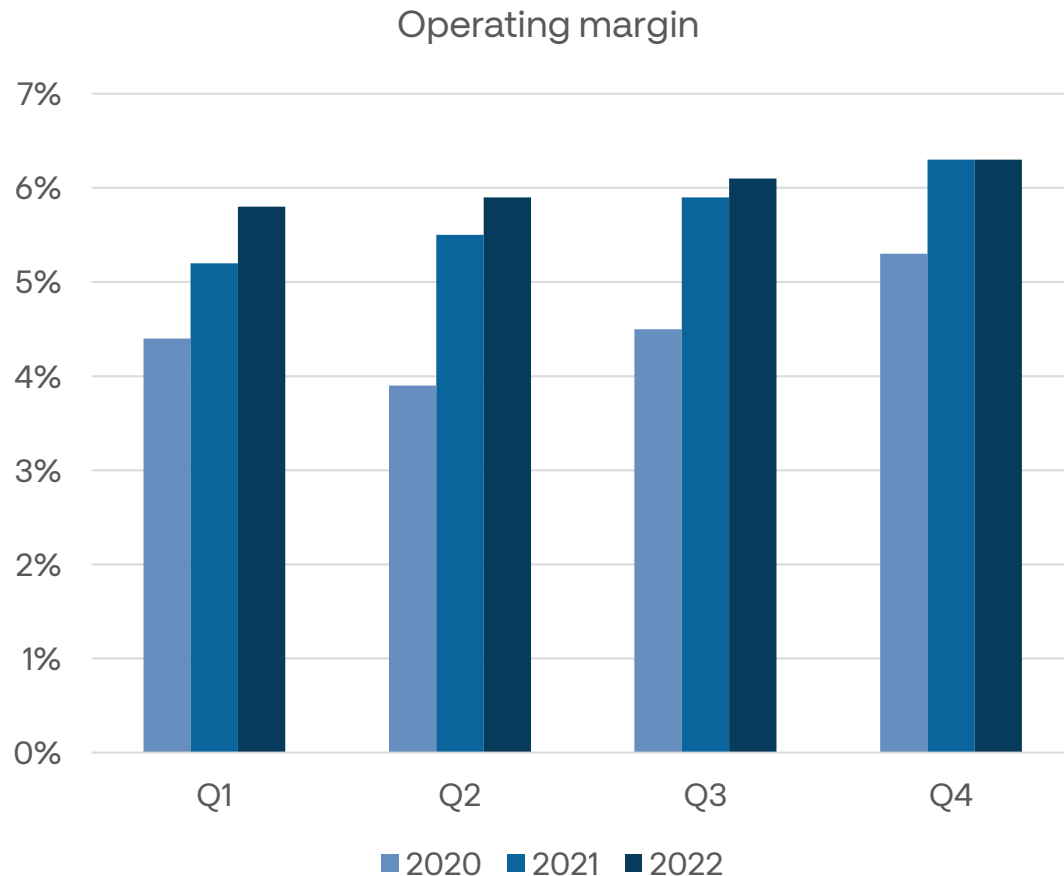
- Strong support from price increases, mainly in Argentina
- In Spain, organic sales growth was 4 percent (8) in Q4, a decline due to active portfolio management
- Good momentum of technology and solutions sales representing 31 percent (30) of total sales in Q4
- Client retention rate 92 percent (90)





Security Services Ibero-America

Strong performance in Spain and Portugal during the year



Operating margin 6.3% (6.3) in Q4, 6.0% (5.7) in FY

- The performance in Spain and Portugal was solid
- Latin America showed a mixed picture, with continued turn-around in Peru while market conditions in Argentina remained challenging





Financials

Andreas Lindback
CFO



Strong performance supported by STANLEY and legacy business

MSEK	Q4 2022	Q4 2021	FY 2022	FY 2021
Sales	38 091	28 049	133 237	107 700
<i>Organic sales growth, %</i>	9	4	7	4
Operating income before amort.	2 491	1 646	8 033	5 978
<i>Operating margin, %</i>	6.5	5.9	6.0	5.6
Amort. of acquisition-related intangible assets	-155	-99	-414	-290
Acquisition-related costs	-4	-49	-49	-122
Items affecting comparability	-312	-356	-1 086	-871
Operating income after amortization	2 020	1 142	6 484	4 695
Financial income and expenses	-336	-83	-758	-364
Income before taxes	1 684	1 059	5 726	4 331
<i>Tax, %</i>	18.4	29.7	24.6	27.6
Net income for the period	1 374	745	4 316	3 134
EPS, SEK*	2.47	1.70	9.20	7.14
EPS, SEK before IAC*	2.63	2.37	10.77	8.66

- Amortization of acquisition-related intangible assets MSEK -155 (-99) in Q4
 - whereof MSEK -91 (0) related to STANLEY Security
- IAC of MSEK -312 (-356) in Q4
 - whereof MSEK -158 (-62) related to STANLEY Security
 - whereof MSEK -154 (-145) related to the transformation programs related to Europe and Ibero-America
- Financial income and expenses were MSEK -336 (-83) in Q4
 - whereof MSEK -243 (0) related to the financing of the STANLEY Security acquisition
 - MSEK -16 related to the bridge to equity facility
 - MSEK -227 related to the bridge to debt facility
 - Remaining MSEK -93 slightly higher than last year
 - Increased interest cost of approximately MSEK -47 compensated by positive impacts mainly from IAS 29
- Estimated financial net Q1 2023 approximately MSEK -400 to -450
- Tax 24.6 percent for the FY
 - +2.6% FY tax rate impact from reversal of tax provisions of MSEK 151 related to Spanish tax cases won in Q4

* Before and after dilution. The number of shares have been adjusted for the rights issue completed on October 11, 2022



Items affecting comparability

- Three programs closed in Q4 2021 with solid value realization ongoing
- Europe and Ibero-America programs in execution mode
- Transaction and integration-related STANLEY Security cost according to announced plan

Full year 2022

IAC in Operating Income

Programs	MSEK	-632
STANLEY	MSEK	-454
Total	MSEK	-1 086

IAC in Financial Net

Bridge to equity	MSEK	-67
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IAC in Tax

Spanish tax	MSEK	+151
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Transformation programs – Europe and Ibero-America, announced in Q4 2020

- Total program cost announced: MSEK -1 400 over the period 2021-2023
- Cloud computing: MSEK ~250 CAPEX to IAC transfer (non-cash) over 2022-2023
- IAC: Q4 2022 MSEK -154 / FY 2022 MSEK -632 / Since program start MSEK -1 012

Remaining IAC in program approximately MSEK -700

STANLEY Security acquisition, announced in Q4 2021

- Total MUSD -135 (app. BSEK -1.4) acquisition-related cost, majority in 2022-2023
- IAC: Q4 2022 MSEK -158 / FY 2022 MSEK -454 / Since program start MSEK -516

FY 2023 IAC estimated to a range of MSEK -500 to -600



Strong tailwind from FX

MSEK	Q4 2022	Q4 2021	Change	
			Total, %	Real*, %
Sales	38 091	28 049	36	25
Operating income	2 491	1 646	51	39
EPS, SEK**	2.47	1.70	45	28
EPS, SEK, before IAC**	2.63	2.37	11	-5
EPS, SEK, before IAC, constant shares***	2.56	1.81	41	20

MSEK	FY 2022	FY 2021	Change	
			Total, %	Real*, %
Sales	133 237	107 700	24	14
Operating income	8 033	5 978	34	22
EPS, SEK**	9.20	7.14	29	14
EPS, SEK, before IAC**	10.77	8.66	24	9
EPS, SEK, before IAC, constant shares***	8.80	6.63	33	17

FX SEK END-RATES			
	Q4 2022	Q4 2021	%
USD	10.48	9.05	16
EUR	11.14	10.24	9

* Including acquisitions and adjusted FX

** Before and after dilution. The number of shares have been adjusted for the rights issue completed on October 11, 2022

*** For illustrative purposes. Constant number of shares of 572 917 552



Solid cash flow in the fourth quarter

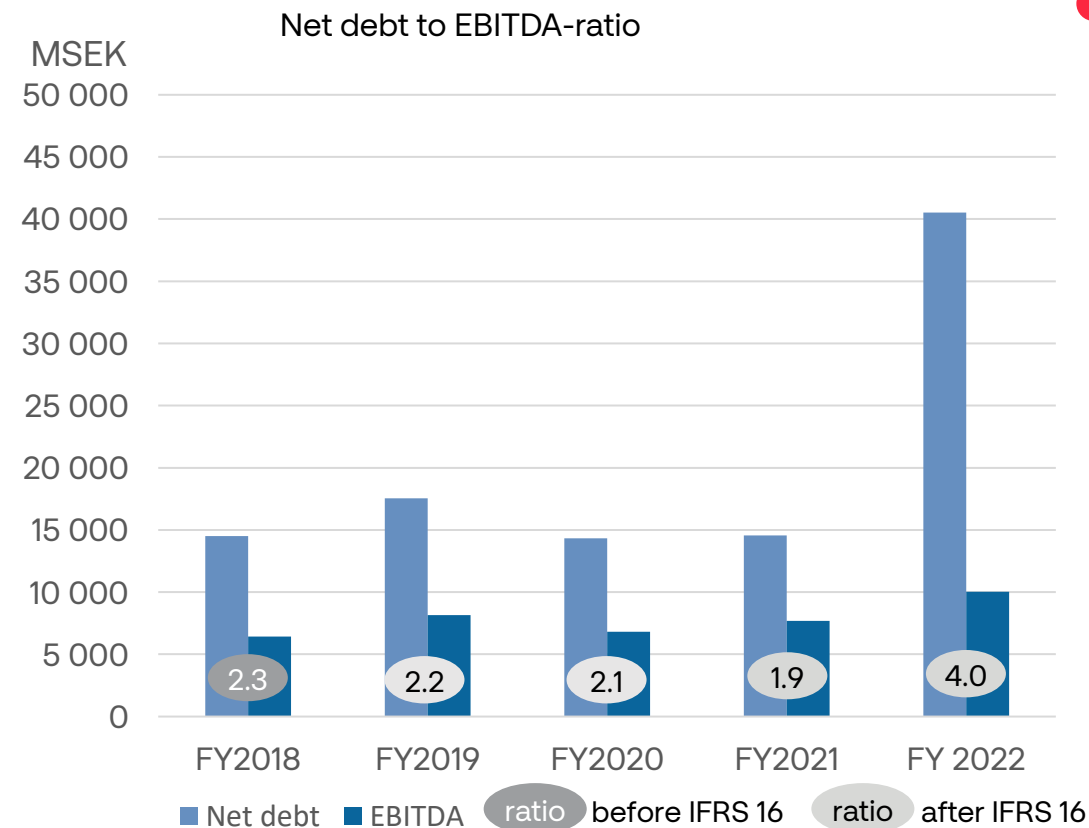
MSEK	Q4 2022	Q4 2021	FY 2022	FY 2021
Operating income before amortization	2 491	1 646	8 033	5 978
Net investments in non-current assets	-136	-90	-447	-120
Change in accounts receivable	-807	462	-1 943	117
Change in other operating capital employed	527	142	77	-399
Cash flow from operating activities	2 075	2 160	5 720	5 576
<i>Cash flow from operating activities, %</i>	<i>83</i>	<i>131</i>	<i>71</i>	<i>93</i>
Financial income and expenses paid	-243	-35	-657	-312
Current taxes paid	-657	-369	-1 641	-1 265
Free cash flow	1 175	1 756	3 422	3 999
<i>Free cash flow, %</i>	<i>59</i>	<i>152</i>	<i>57</i>	<i>95</i>

- Net investments of MSEK -136 (-90) in Q4
 - CAPEX of MSEK -1 011 and reversal of depreciation of MSEK 875
 - CAPEX <3% of Group sales annually
- Strong organic growth hampers account receivables in Q4 and FY, mitigated by good collections and working capital management across all segments in Q4
- Negative impact from payment of the corona-related government relief measures in North America of close to MSEK 700. No further payments remaining
- Full year operating cash flow MSEK 5 720 or 71 percent (80 percent excluding corona-related government relief payments)

Adjusted net debt to EBITDA-ratio improved to 3.7x from 4.0x in Q3

MSEK

Net debt January 1, 2022	-14 551
Free cash flow	3 422
Acquisitions/Divestitures	-32 274
IAC	-1 171
Rights issue, net	9 512
Dividend paid	-1 604
Lease liabilities	-1 274
Change in net debt	-23 389
Revaluation	-50
Translation	-2 544
Net debt December 31, 2022	-40 534

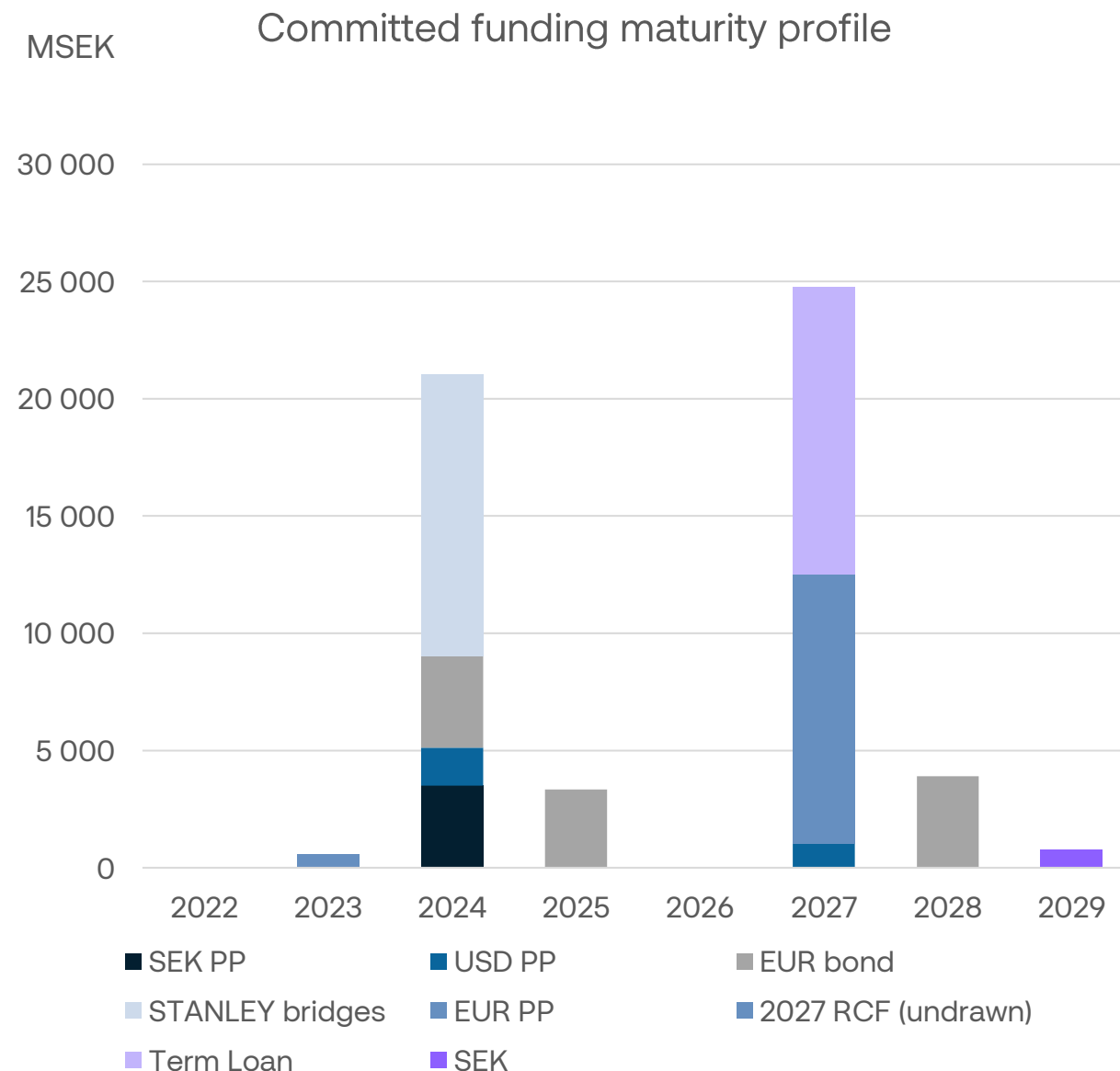


Q4 2022	Net debt to EBITDA-ratio
As reported	4.0
Adjusted net debt to EBITDA Including adjusted estimated STANLEY 12 months EBITDA	3.7
Adjusted net debt to EBITDA excluding IAC	3.3



Financing overview

- No financial covenants
- Strong liquidity at end of Q4: BSEK 6.3
- MEUR 1 029 RCF matures in 2027 and is fully undrawn
- Bridge facilities related to BUSD 3.3 STANLEY Security acquisition
 - MUSD 915 bridge to equity facility fully repaid after successful completion of BSEK 9.6 rights issue in October
 - Bridge to debt facility with maturity in July 2024. Initial amount MUSD 2 385. As per February 1, 2023, remaining amount is MUSD 1 146
 - MUSD 75, 6-year Private Placement with SEK drawn on January 10, 2023
 - 4+1 years term loan of MEUR 1 100 completed on January 18, 2023, with 9 relationship banks
 - Remaining bridge to debt facility to be refinanced through a mix of long-term debt financing
- S&P credit rating BBB- with stable outlook, unchanged from Q3
- Remain committed to investment grade rating



The debt maturity chart shows the position as per December 31, 2022, adjusted for the MUSD 75 private placement agreed December 8, 2022, and the MEUR 1 100 term loan agreement completed on January 18, 2023.



Building the new Securitas



Securitas' financial targets

Superior growth

8-10%

Technology & Solutions annual average real sales growth ⁽¹⁾

- A leading global Technology & Solutions provider with strong position in key geographical markets
- Compelling solutions and cross-selling opportunities
- Attractive M&A opportunities after deleveraging phase

Higher margins

8%

Group EBITA margin by year-end 2025

>10%

Long-term EBITA margin ambition

- Increased exposure to high-margin Technology & Solutions market
- Strong cost synergies with STANLEY (MUSD 50)
- Margin enhancement through business transformation programs
- Active portfolio management and continuous review of non-performing contracts

Operating cash flow

70-80%

of operating income before amortization

Capital structure

<3x

Net debt to EBITDA-ratio

Dividend policy

50-60%

of annual net income over time

New additional disclosure from beginning of 2023:

Sales and operating income for **guarding**, **technology & solutions** and **other operations**

(1) For the 2022-26 period. Sales growth adjusted for changes in exchange rates



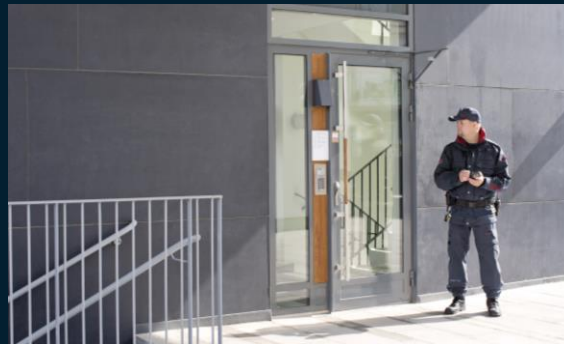
Securitas is positioned to deliver superior growth and higher margins

Taking the lead within Technology...



- Outstanding position in the technology market by teaming up with STANLEY Security to deliver superior growth
- High recurring revenue, with technology platform further driving shift to cloud and subscription-based business models and growing recurring revenue

...with quality guarding services focused on profitability...



- Profitability focus in stable high recurring revenue guarding business
- Scale, transparency and efficiency gains with digital leadership and acceleration towards solutions

...to become a global security solutions partner...



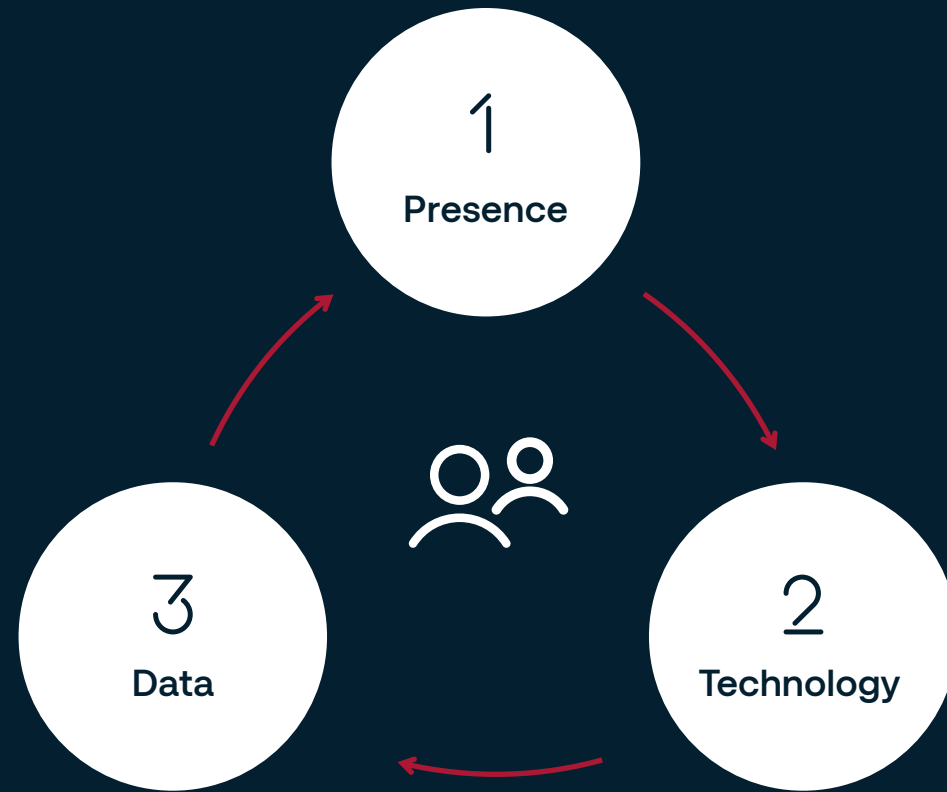
- A security solutions partner with leading technology and expertise
- Well positioned to serve the comprehensive and increasingly complex needs from global clients to SMEs, through client-specific combination of six protective services

...leveraging our global platform to drive innovation



- A strong global technology platform future proofing the business for next-generation solutions
- Strengthened proposition and profitability upside by scaling Technology & Solutions (>10%)

The future security solutions combines presence, technology and data





The global client lens: Feedback last six months and commercial synergies

Client quotes:

“Excited to see the combined footprint of Stanley Security and Securitas come together in the new Securitas Technology – this gives a considerably enhanced footprint and technical capability to serve our business in locations across our Global footprint”

“Security and safety, and operational resilience, is becoming increasingly complex. Securitas is uniquely positioned today as a strategic partner in everything from corporate risk management, technology solutions to daily operation of our security program”



The global client lens: Feedback last six months and commercial synergies

Commercial synergies

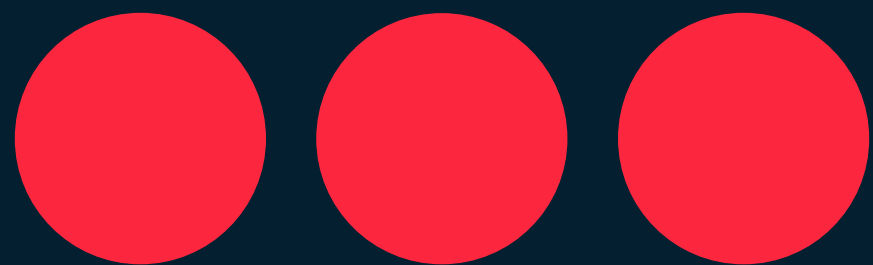
- Technology engagement has increased with all our major Global clients
- The new combined Securitas Technology business has won back previously lost Stanley clients
- Securitas clients expanding into new regions based on Stanley presence
- Global Technology pipeline has grown significantly in last 6 months
- 1st major Global tech client to contract across all Securitas' regions



Executing on our strategy is generating results

- Increased operating result by 39 percent real change, and solid operating margin at 6.5 percent (5.9) in Q4
- Good momentum in technology and solutions sales across all segments
- Maintaining a positive price and wage balance in an inflationary environment
- **Strategic milestones in 2022:**
 - Transforming acquisition of STANLEY Security
 - First security company to commit to SBTi
 - Solid progress of digitization and modernization of our systems and applications
 - New financial targets





Securitas