

BTS Group Q1 2020



Henrik Ekelund, President and CEO
May 14, 2020

Q1 summary

- Many physical deliveries cancelled or postponed on short notice
- Revenues of 372 MSEK (376)
- Major resources allocated to grow digital and virtual deliveries
- New business wins of over 350 MSEK for more than 150 customer projects from March 1st until now for digital and virtual delivery from Q2 and onwards
- Actions to strengthen the already strong cash position combined with selective cost reductions



Q1 2020 Revenue and result

	Jan – Mar 2020	Jan – Mar 2019	Change
Total revenue, MSEK	372	376	-4%*
EBITA	12	30	-59%
EBIT	6	25	-75%
Profit before tax	4	23	-82%
Profit after tax	3	16	-82%
EPS	0.15	0.85	-82%
EBITA margin	3.2%	7.9%	-
EBIT margin	1.7%	6.8%	-

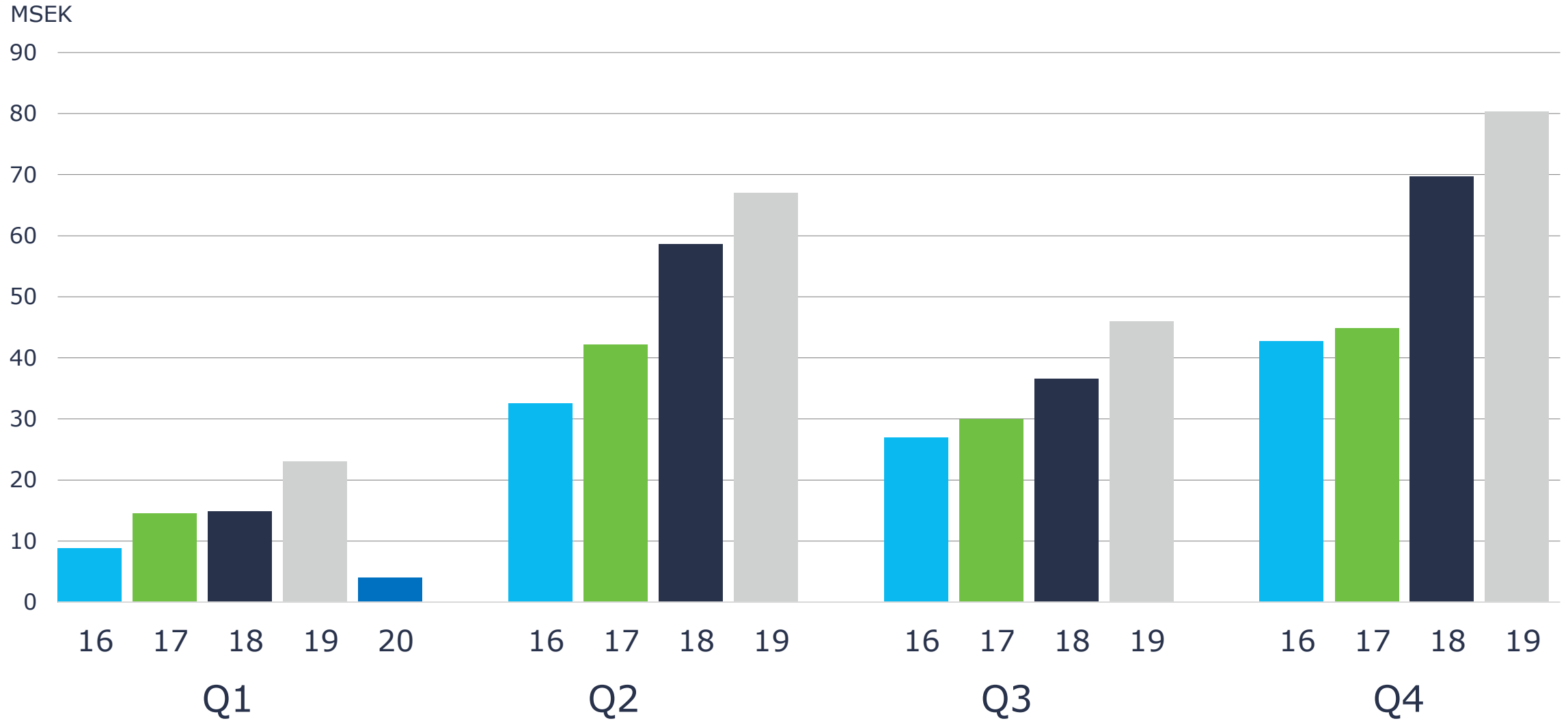
*Currency adjusted

Q1 2020 Revenue and margin per business unit

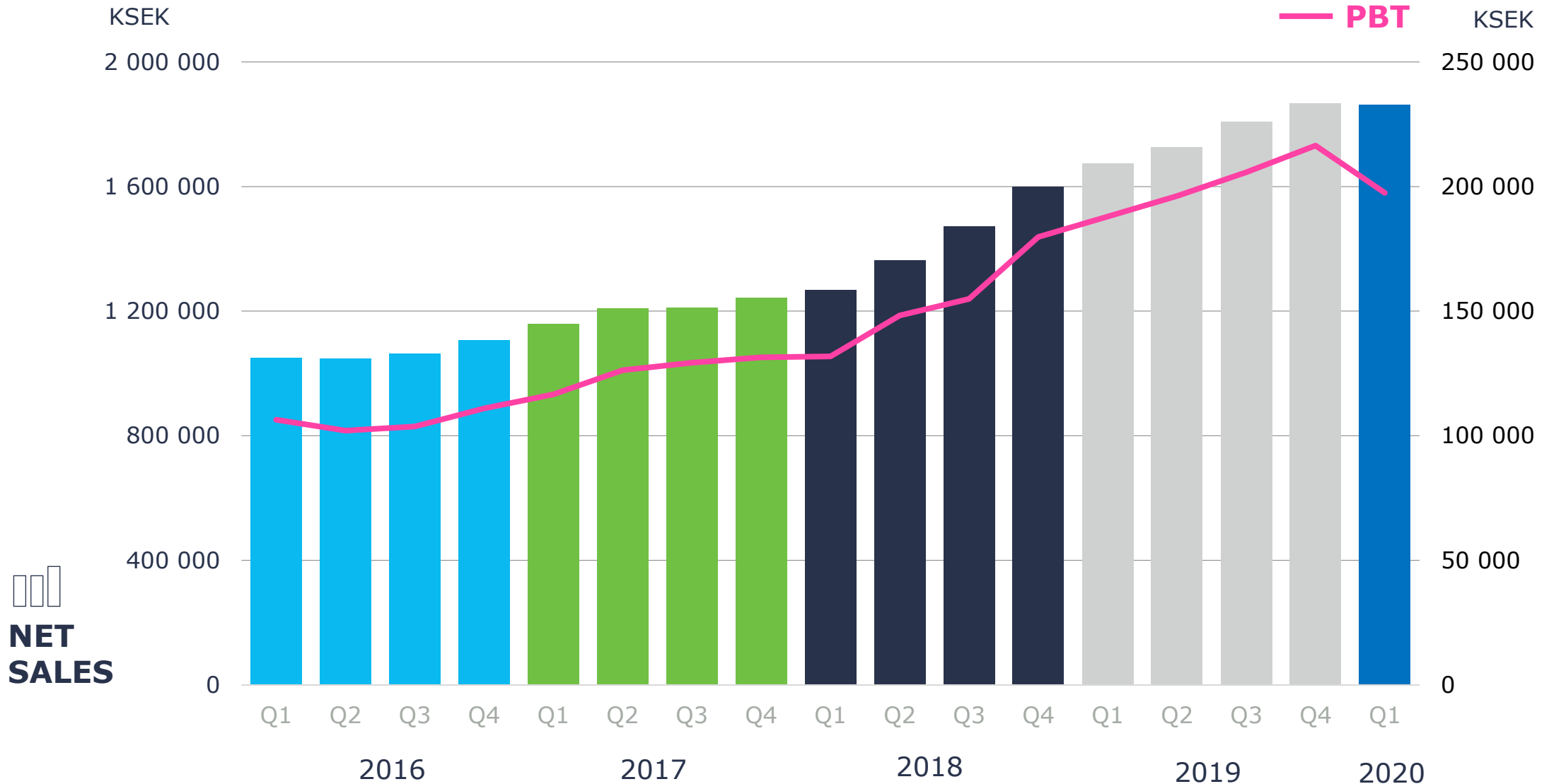
	Jan-Mar 2020 MSEK	Jan-Mar 2019 MSEK	Change*	EBITA Margin
BTS North America	188	179	0%	7.0% (13.7)
BTS Europe	86	73	16%	10.1% (5.3)
BTS Other Markets	70	97	-27%	-15.5% (1.0)
APG	27	27	-2%	-1.5% (-2.0)
Total Revenue, change % and margin %	372	376	-4%	3.2% (7.9)

*Currency adjusted

Profit before tax by quarter



Net sales and profit before tax, rolling 12 m



Financial position

- Q1 cash flow of 67 MSEK (5)
- Cash and cash equivalents of 429 MSEK (259) and strong balance sheet
- Strengthening of the cash position and selective cost savings
- Equity ratio of 45 percent (48) at March 31st



Stronger digital and virtual capabilities

- Investments in a digital and virtual organization since 2010
- Acquisitions of SwissVBS and Rapid Learning Institute in 2019
 - A virtual business school
 - Digital libraries and content
- Transformation of our organization to enable virtual and digital solutions to all our customers
- New business wins of over 350 MSEK for more than 150 customer projects from March 1st until now for digital and virtual delivery from Q2 and onwards



Well positioned and strong track record

1

BTS strong position in a large, growing and fragmented market



2

A long track record of double digit growth and stable margins



3

Long-term financial goals remain



Unchanged dividend policy

- The board has withdrawn its previous dividend proposal of 4.20 SEK per share for 2019
- An extraordinary general meeting may be convened in the autumn for a new dividend decision
- The long-term goal to distribute 40-65% of the profit after tax remains unchanged



2020 strategy – come out stronger

➤ Our plan

- Security – keep our people safe
- Revenues – protect and refocus
- Cash – build a war chest
- Use all resources for progress and up-skilling of the organization

➤ How we come out stronger

1. With a much larger business within digital and virtual, combined with satisfying the built up demand for physical delivery
2. A larger customer base and broader key customer relationships
3. A stronger organization, maintaining our talents as well as recruiting new top talents





Outlook 2020

- No financial outlook due to major uncertainty
- Expect to see growing demand of virtually and digitally delivered services
- Focus on growing stronger during the recession
- Move forward with an offering with more growth potential, a larger customer base and a stronger organization
- Focus on selected industries and market niches

10 Largest shareholders March 31, 2020

Name	A Shares	B Shares	Total holding	Capital %	Votes %
Henrik Ekelund, incl. companies	816,000	3,189,034	4,005,034	20.7	42.0
Nordea Group, incl. Luxemburg funds	0	2,374,658	2,374,658	12.3	8.0
Stefan af Petersens, incl. companies	37,800	2,292,195	2,329,995	12.1	9.9
Swedbank Robur funds	0	1,874,873	1,874,873	9.7	7.0
Lannebo funds	0	1,431,884	1,431,884	7.4	5.3
SEB funds	0	953,528	953,528	4.9	3.5
Third Swedish National Pension Fund (AP3)	0	947,803	947,803	4.9	3.5
Stefan Hellberg, incl. Companies	0	612,797	612,797	3.2	2.3
Fourth Swedish National Pension Fund	0	507,964	507,964	2.6	1.9
AMF	0	364,007	364,007	1.9	1.4
10 largest shareholders	853,800	14,548,743	15,402,543	79,7	84,8
Other shareholders	0	3,915,749	3,915,749	20,3	15,2
Total	853,800	18,464,492	19,318,292	100.0	100.0

Strategy made personal

We create powerful experiences that help leaders build the future of their business



Thank you.

 **bts**