



Q4 Fourth quarter 2023

8 February 2024

Jimmy Bengtsson, Group CEO | Jørgen Wiese Porsmyr, CFO

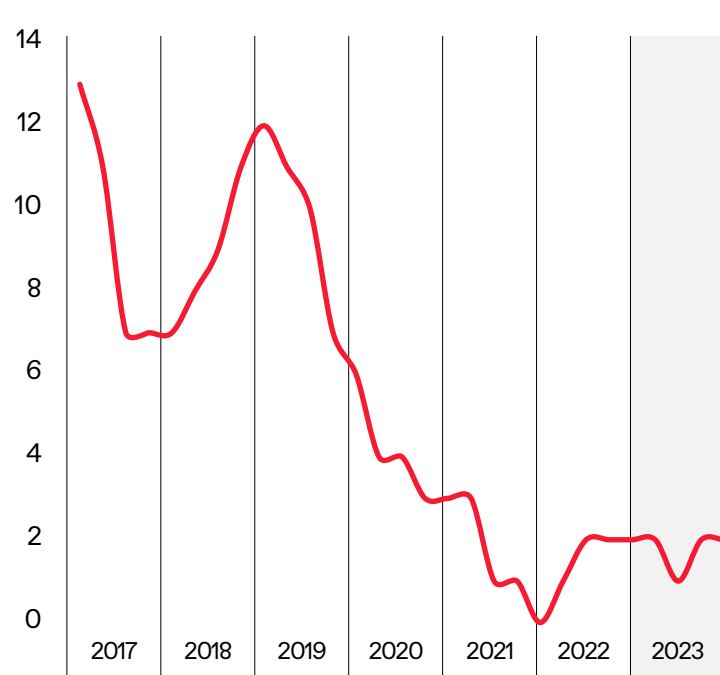
Questions? Email ir@veidekke.no

Occupational health and safety

Our primary priority

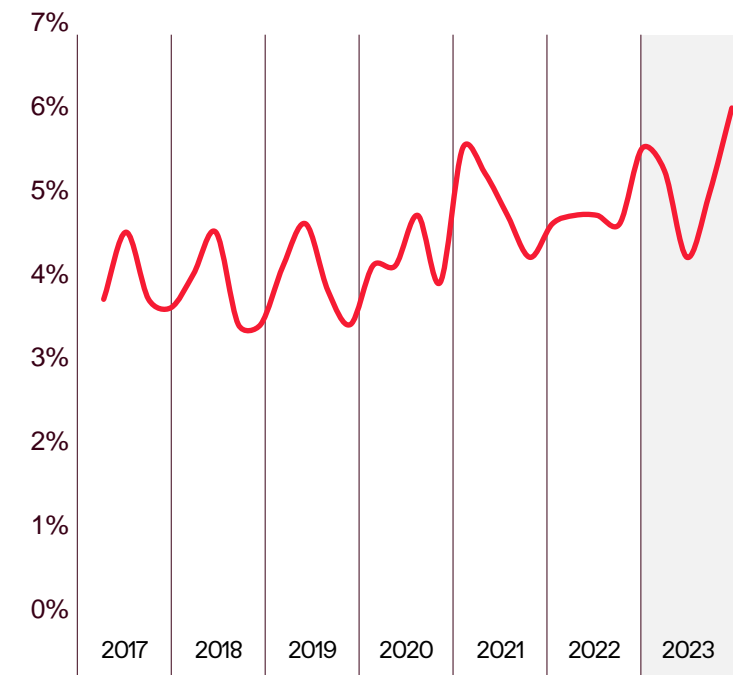
Number of serious injuries

12-month rolling, Veidekke employees, hired staff and sub-contractors



Sickness absence

Veidekke employees



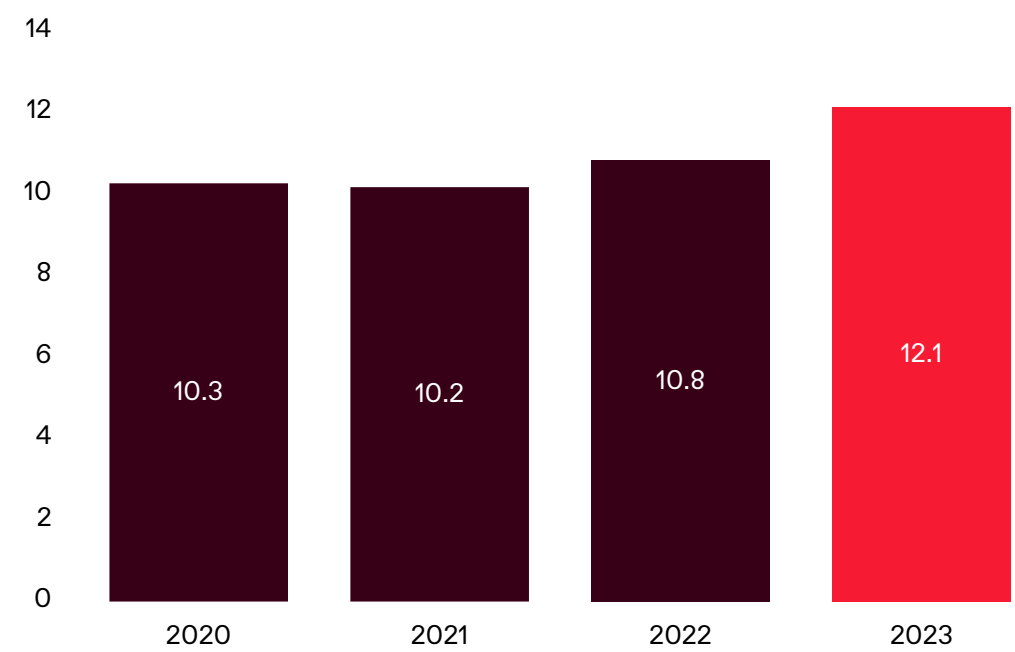
Highlights

- Revenue NOK 12.1 billion – up 12% on Q4 2022
- Profit before tax up 22%, adjusted for capital gain in Q4 2022
- Stable, high quality order book
- Revenue increase and solid profits for the year 2023
- Proposed dividend of NOK 7.90/share for 2023

Key financial figures

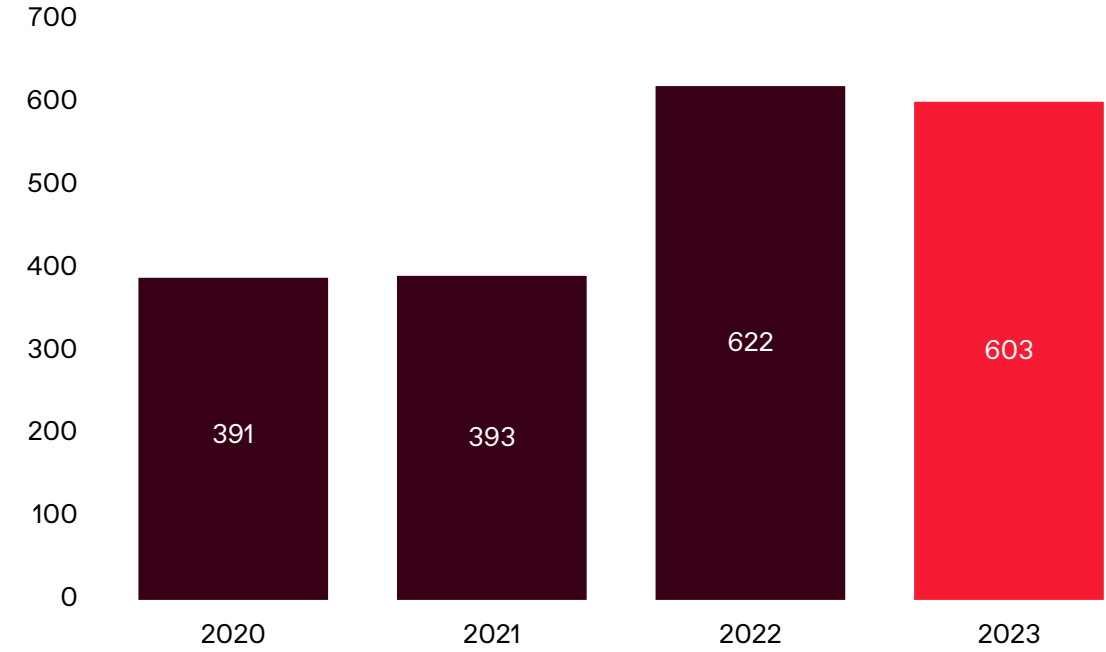
Q4 revenues

NOK billion



Q4 profit before tax

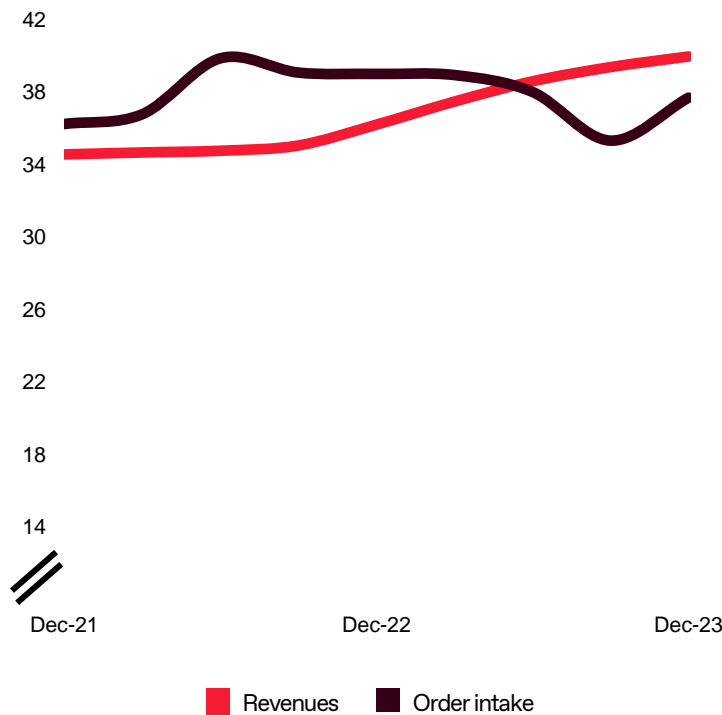
NOK million



Stable, high quality order book

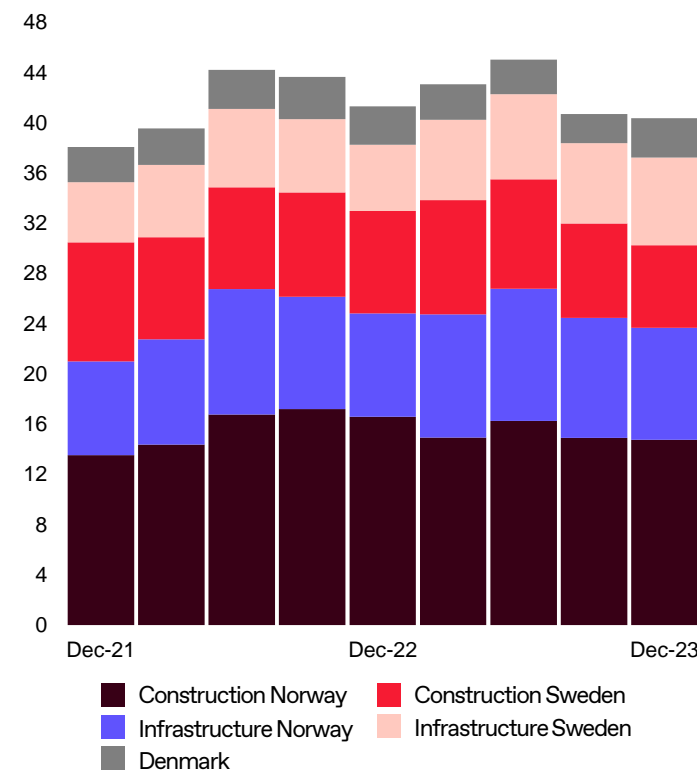
Revenues and order intake

12-month rolling, NOK billion



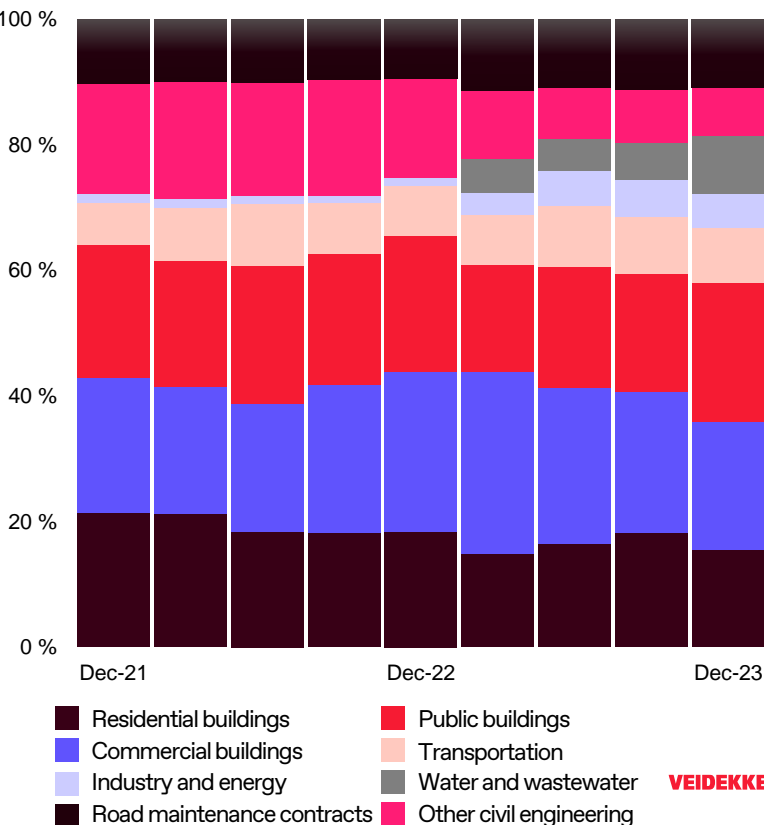
Order book

NOK billion



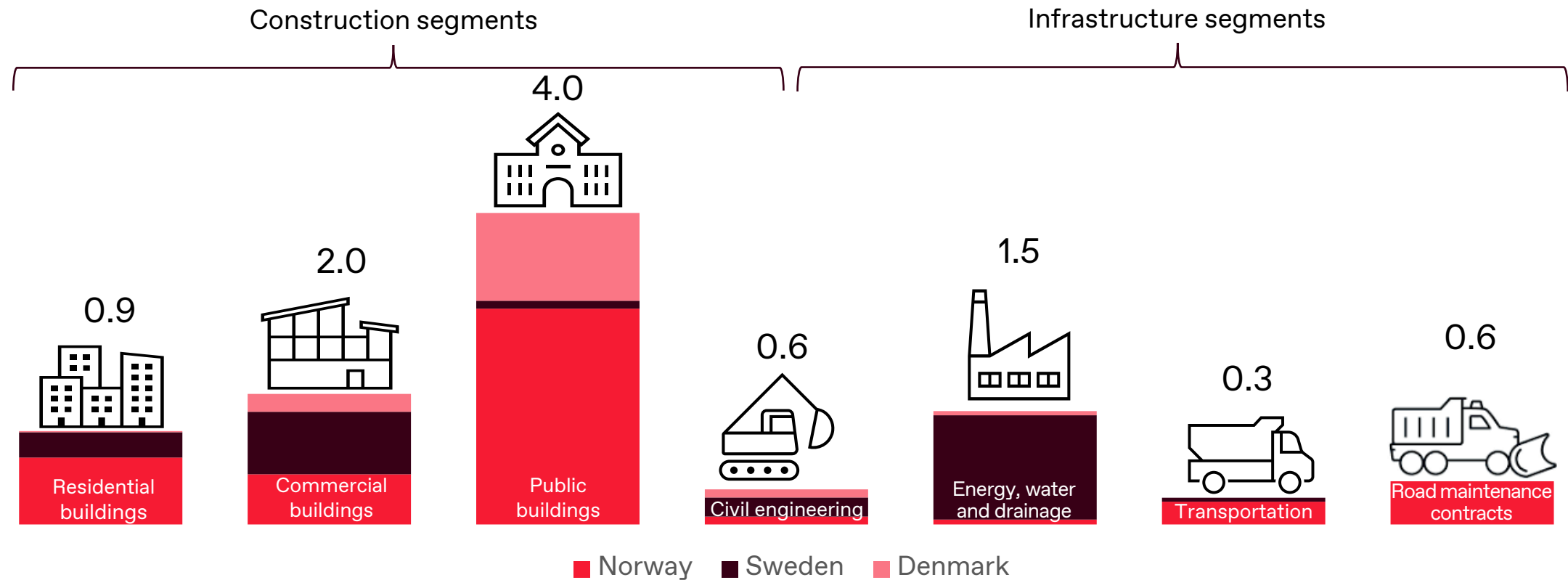
Order book per segment

Percent



Broad order intake; public sector dominance


Order intake Q4 2023
NOK billion



Veidekke is building the green shift

2023 projects





Q4

Results and financial status

Jørgen Wiese Porsmyr, CFO

Revenues, profits and profit margins

Group and business areas

	Q4 2023			Q4 2022 ¹		
Amounts in NOK million	Revenues	Profit before tax	Profit margin	Revenues	Profit before tax	Profit margin
Construction Norway	4 463	245	5.5 %	3 863	172	4.5 %
Infrastructure Norway	2 683	132	4.9 %	2 530	189	7.5 %
Construction Sweden	2 533	18	0.7 %	2 647	18	0.7 %
Infrastructure Sweden	1 823	99	5.4 %	1 678	186	11.1 %
Denmark/Hoffmann	722	118	16.3 %	783	83	10.7 %
Total business areas	12 225	612	5.0 %	11 502	648	5.6 %
Other	-91	-9		-666	-26	
Group	12 134	603	5.0 %	10 837	622	5.7 %

¹The Q4 2022 profit before tax for Infrastructure Sweden includes a NOK 130 million gain on the sale of a former landfill site outside Stockholm.

Construction Norway

High activity, as in previous 2023 quarters

- Revenue increase of 16% on Q4 2022
- Effect from high order intake in 2022

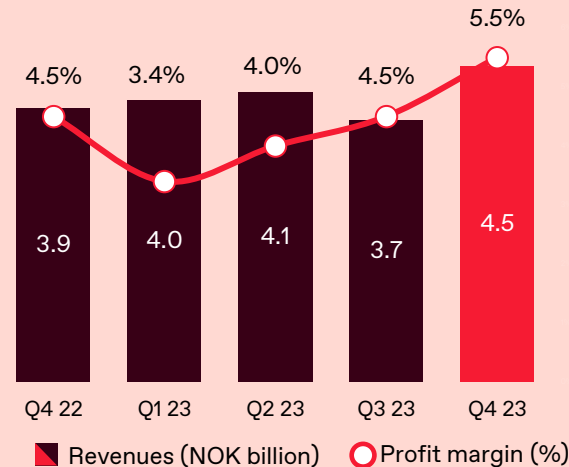
Profit improvement

- Robust, high quality project portfolio
- Profit increase due to higher revenue and good capacity utilisation
- The bulk of the business maintained solid profitability

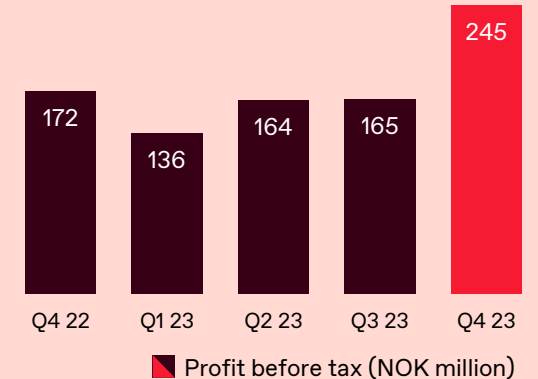
Order book maintained; -1% over the quarter

- Strong order intake in large parts of the business
- Revenues are expected to flatten

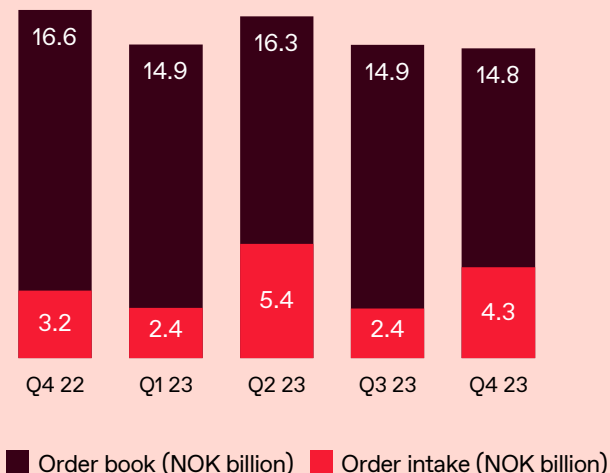
Revenues and profit margin



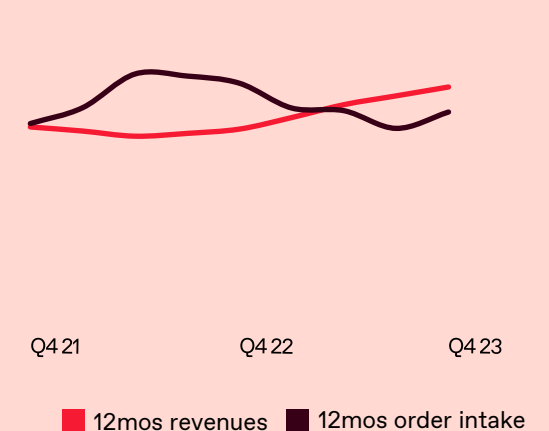
Profit before tax



Order intake and order book



Revenues and order intake



Infrastructure Norway

Revenue on a par with Q4 2022

- Stable revenue in civil engineering units
- Asphalt operation boosted revenue despite an early end to the season; stable volumes and some price increase

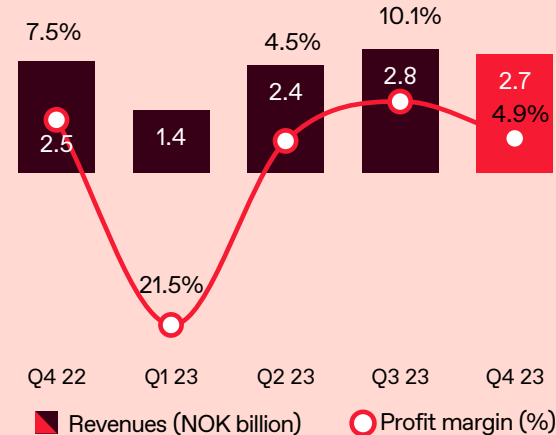
Total profit NOK 132 (189) million

- Solid project margins in large projects operation, but lower activity led to profit decline
- Road maintenance margins remain very strong, albeit below the previous year
- Asphalt operations saw clear profit improvement in the 2023 production season, but there is still great untapped potential

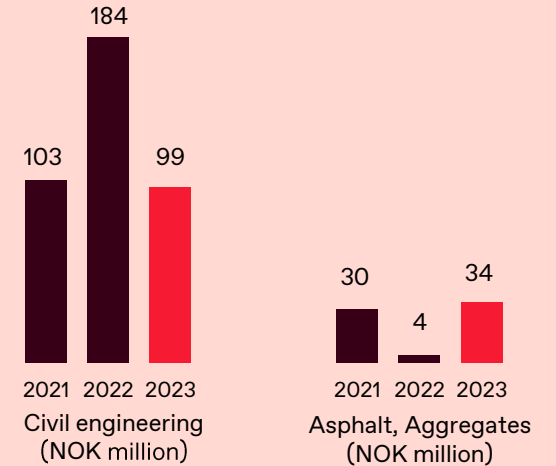
Order book down 7% from preceding quarter

- Several opportunities for large infrastructure projects

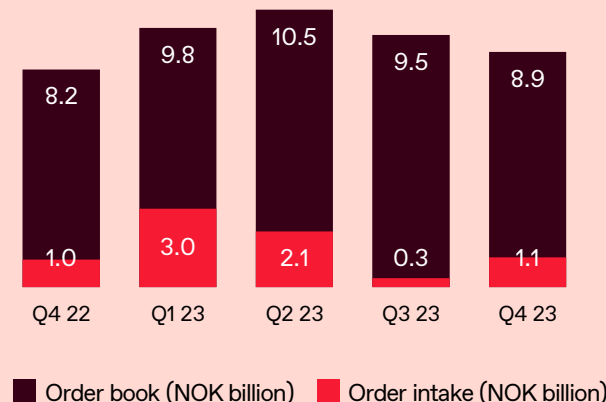
Revenues and profit margin



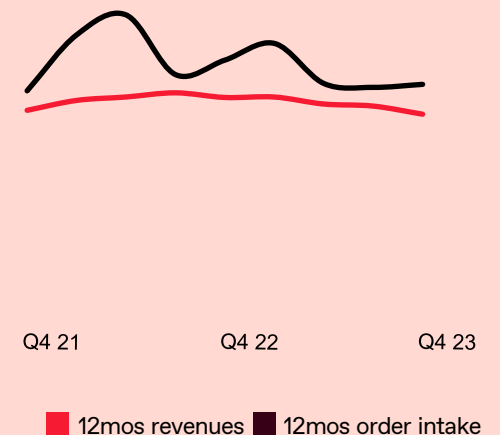
Profit before tax Q4



Order intake and order book



Revenues and order intake



Construction Sweden

Revenue down 10% on Q4 2022 in local currency

- Gothenburg-based BRA increased their activities
- Residential segment has seen a considerable drop

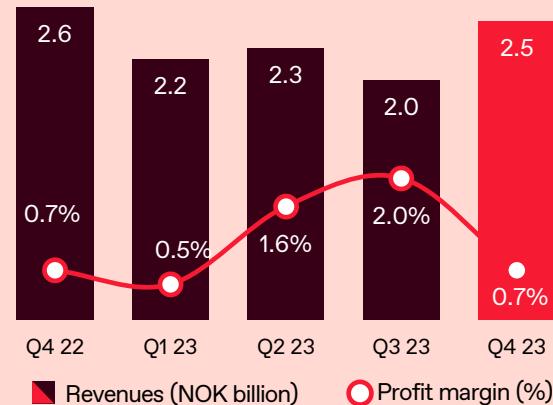
Profitability remains low

- Profitability in BRA is robust, while weak elsewhere
- Downsizing has been carried out, with NOK 13 million in restructuring costs and a NOK 8 million write-down of goodwill

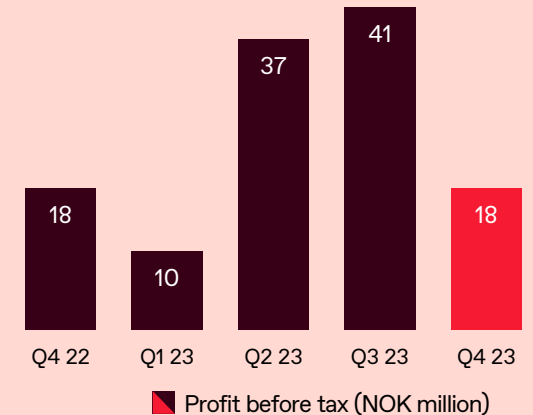
Order book dropped 16% in Q4 in local currency

- BRA order book is solid; clear drop in the other units
- Residential projects in the order book are nearly all completed
- Revenue expected to decline in 2024

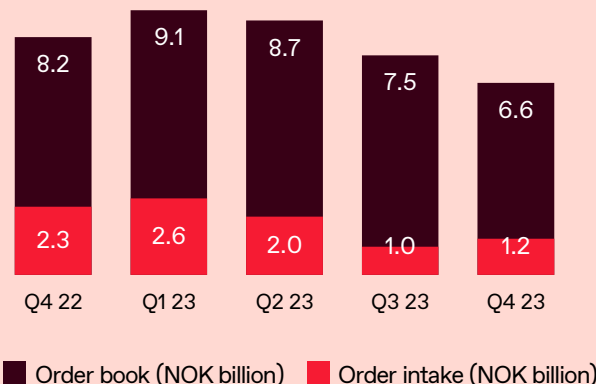
Revenues and profit margin



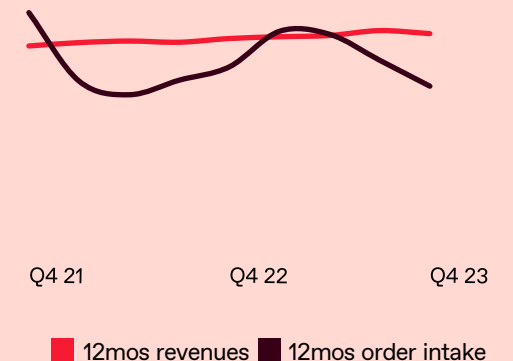
Profit before tax



Order intake and order book



Revenues and order intake



Infrastructure Sweden

2% revenue increase from Q4 2022 in local currency

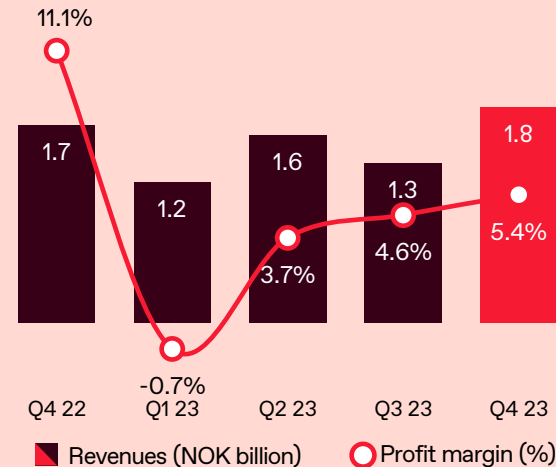
- High activity in large parts of the business

Robust profits and improved profitability in Q4

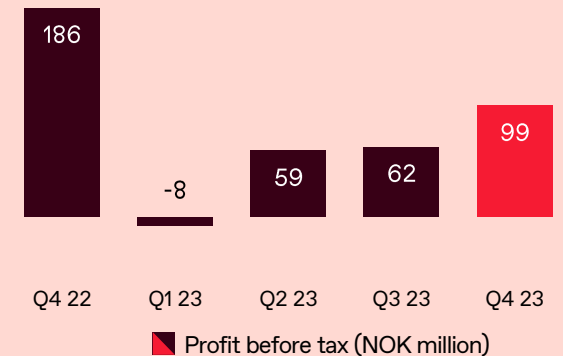
- Increased profitability in large parts of the business
- Parts of industrial operations produced somewhat weaker results

Order book saw 5% boost in Q4 in local currency

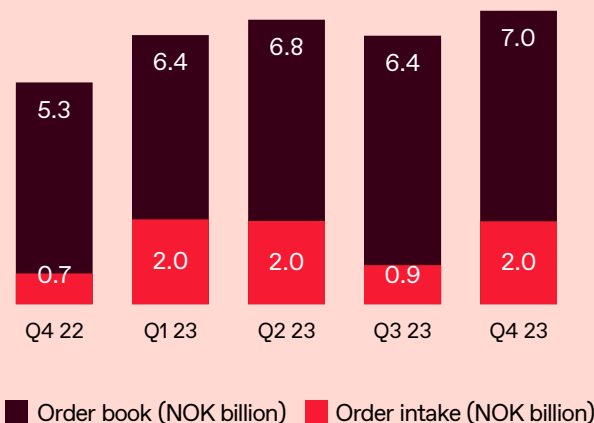
Revenues and profit margin



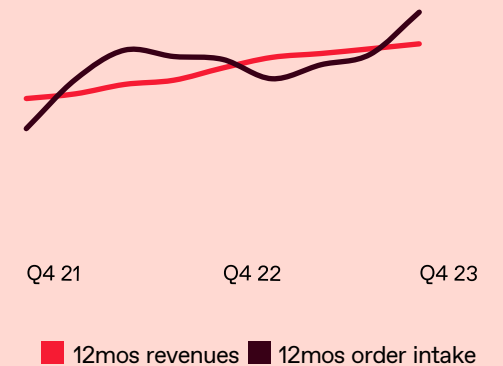
Profit before tax



Order intake and order book



Revenues and order intake



Denmark

Revenue down 18% from Q4 2022 in local currency

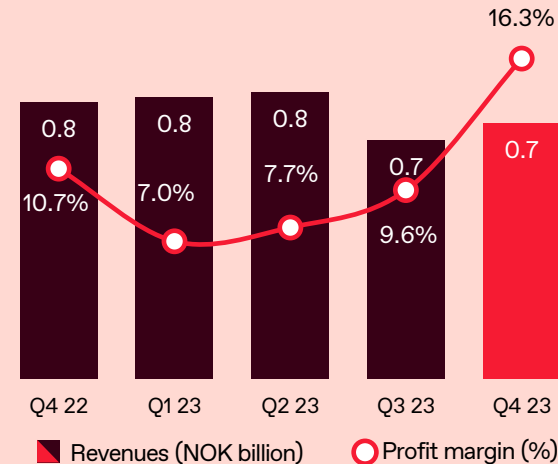
Strong results and solid profitability

- Consistently robust project profitability
- High contribution from projects in the final phase

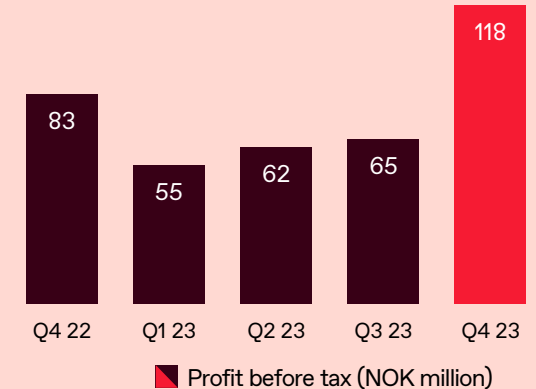
Order book increased by 36% in Q4 in local currency

- Demanding market; difficult to solve the customer's business case and achieve satisfactory profitability
- The order book indicates temporary revenue drop (up to 20%) in 1H 2024, especially in Q1

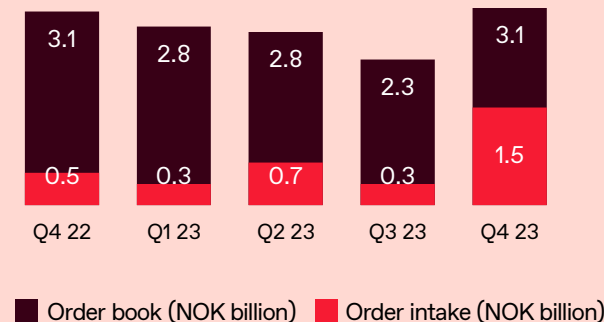
Revenues and profit margin



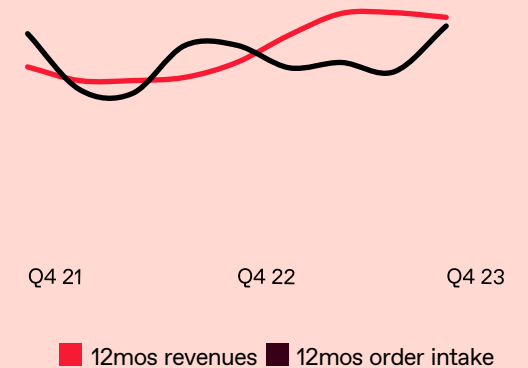
Profit before tax



Order intake and order book



Revenues and order intake



Financial position

Balance sheet

Amounts in NOK million	31 December 2023	31 December 2022
Fixed assets	7 317	6 901
Current assets (excluding cash, cash equivalents and financial investments)	7 906	7 507
Cash, cash equivalents and financial investments	2 989	3 237
Assets	18 212	17 644
Equity	3 099	2 995
Long-term debt	2 380	2 313
Short-term debt	12 733	12 336
Equity and debt	18 212	17 644
Equity ratio	17 %	17 %
Return on equity (12mos)	41 %	43 %
Net interest-bearing position	2 776	2 840

Financial position

Highlights Q4 2023

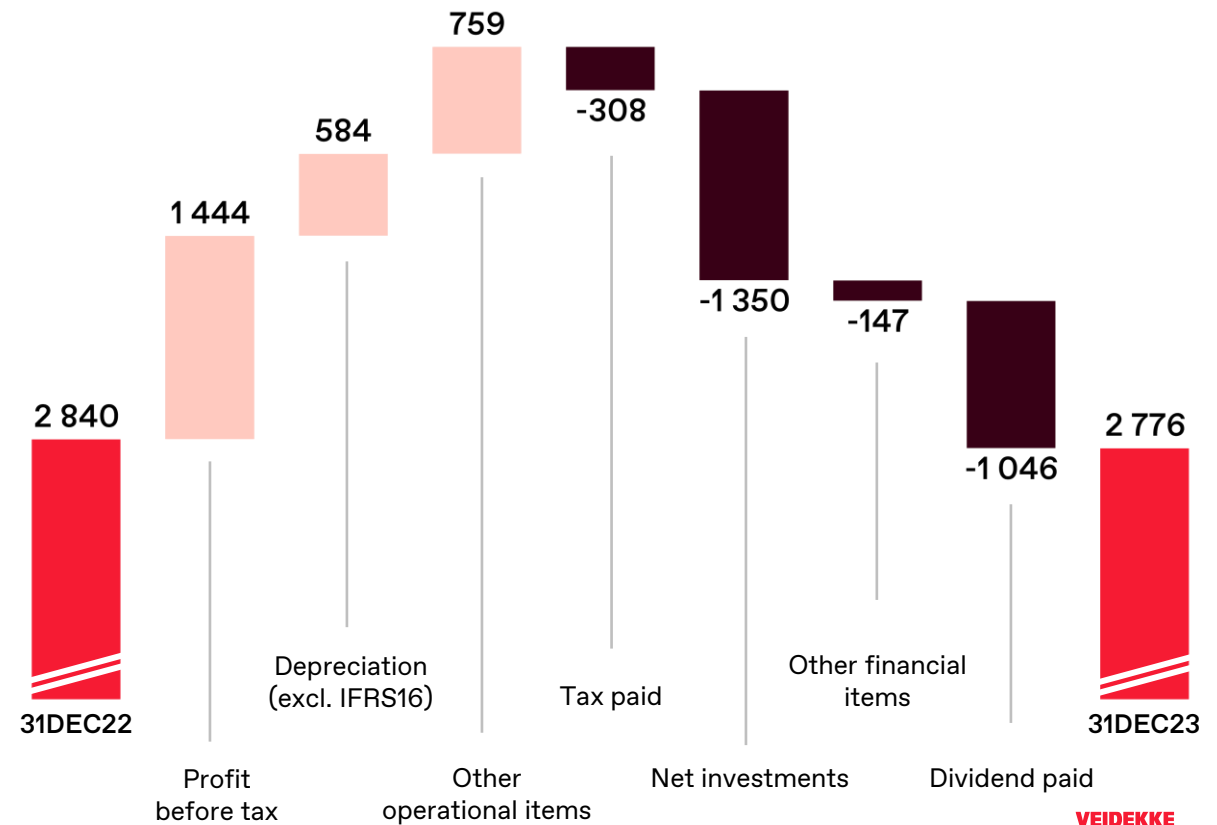
- Strong seasonal development in working capital
- Otherwise only minor changes from Q3

Highlights YTD 2023

- Strong project liquidity
- Settlement of shares in Gothenburg-based subsidiary BRA of approx. NOK 640 million. Veidekke retains 70% ownership (Q1)
- Buyout of a minority in the Norw. construction business (Q2)

Change in net interest-bearing assets

NOK million

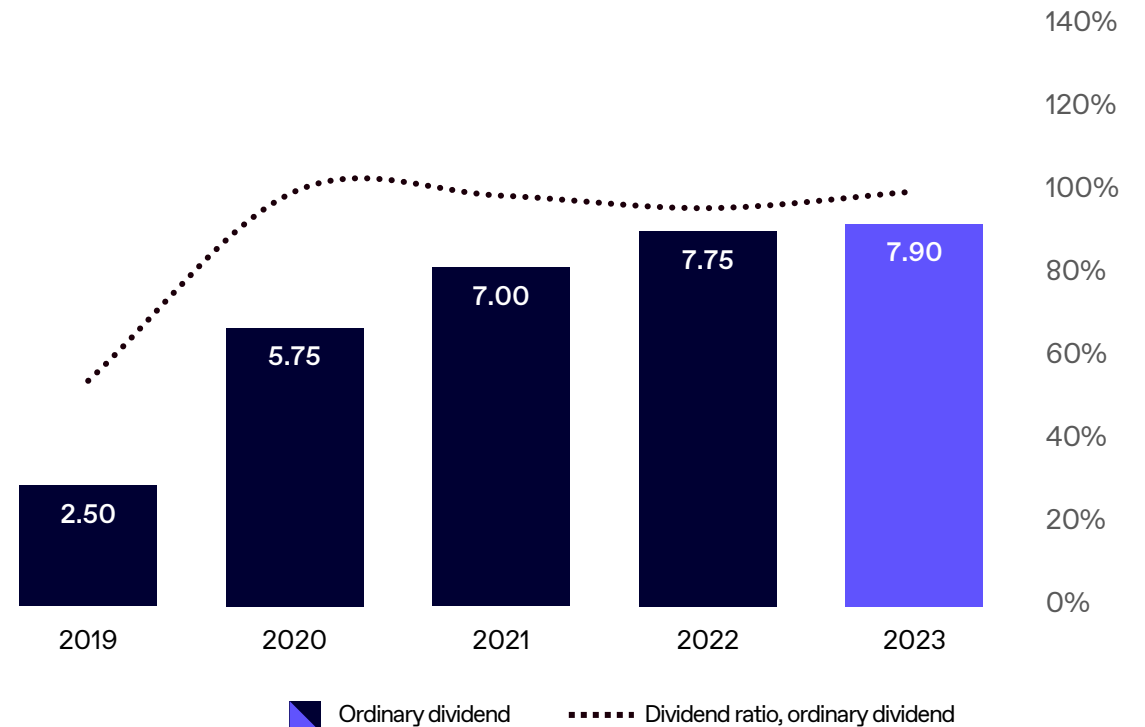


Proposed dividend of NOK 7.90 per share for 2023

Corresponds to 100% payout ratio

- Proposed dividend: NOK 7.90
- Earnings per share: NOK 7.9
- Dividend ratio: 100%

Ordinary dividend
NOK per share





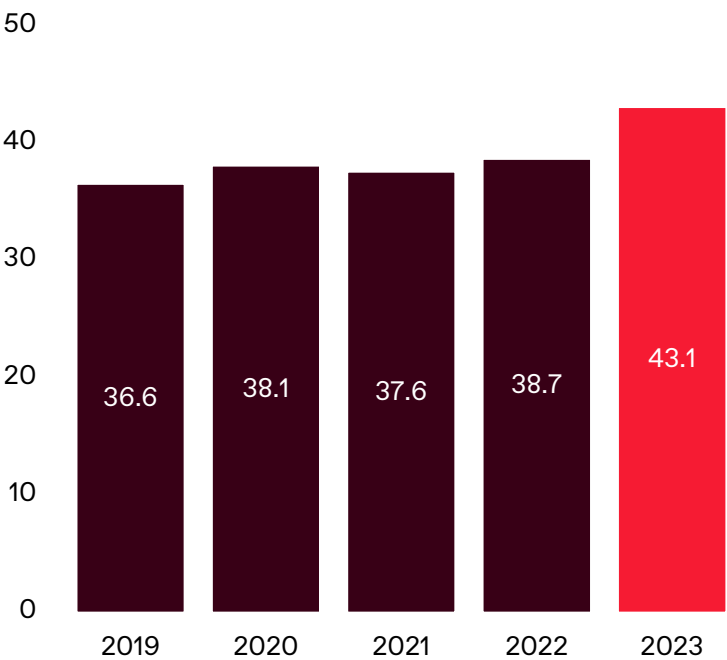
Q4 Closing comments

Jimmy Bengtsson, Group CEO

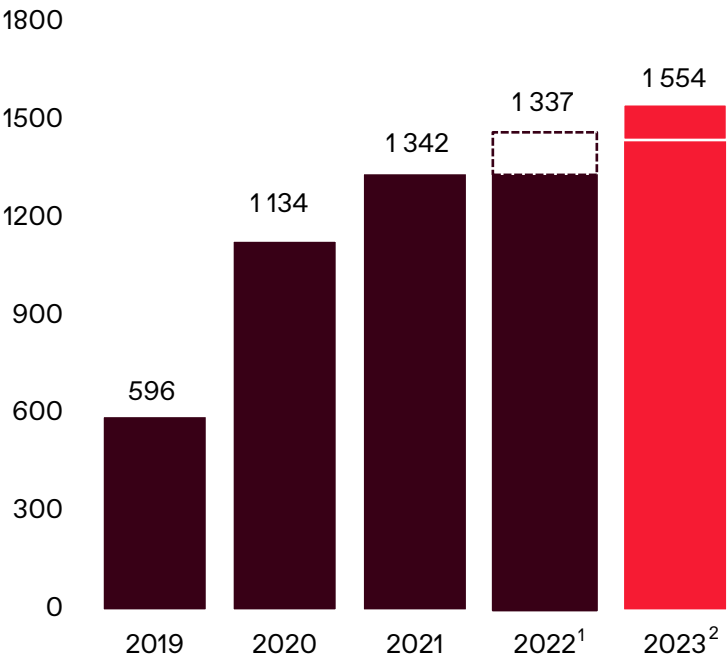
Key financial figures, year 2023

Underlying results improved

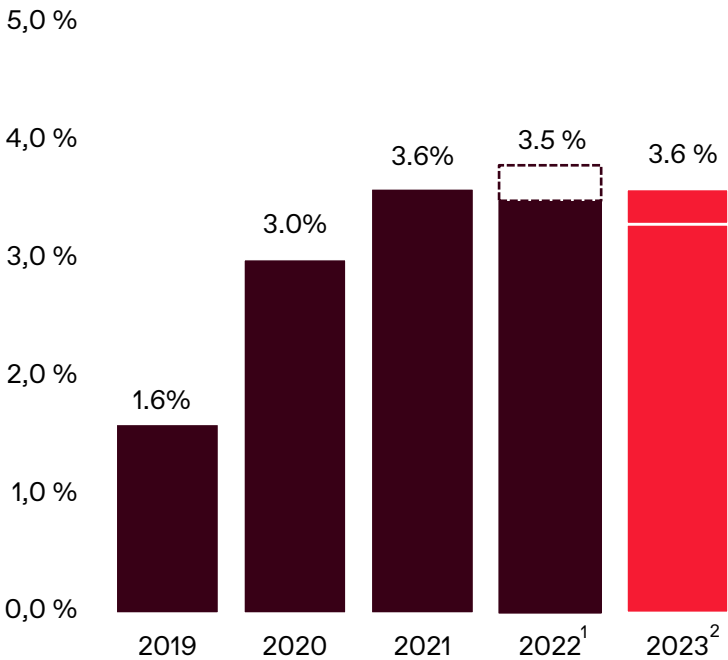
Revenue
NOK billion



Profit before tax
NOK million

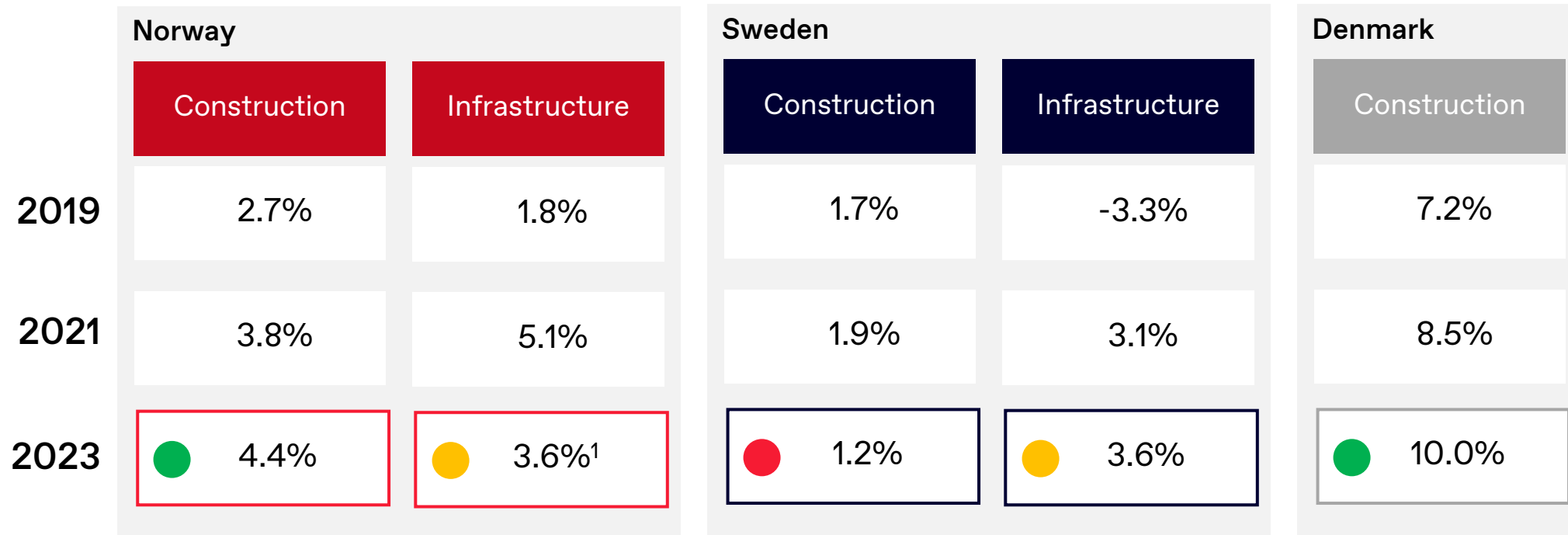


Profit margin
Percent



Historical figures for 2019 and 2020 have been revised to reflect the spin-off of the property development business.
¹ Profit before tax 2022 for Infrastructure Sweden includes a NOK 130 million gain on the sale of a former landfill site.
² Profit before tax 2023 for Infrastructure Norway includes a NOK -110 million loss related to the settlement reached in an older dispute pertaining to the civil engineering business.

Still considerable potential



¹The figure for Infrastructure Norway has been adjusted for the NOK -110 million settlement reached in an older dispute pertaining to the civil engineering business.

The road to further improvement

According to plan and step-by-step

Focus on the things we can influence

Diversified and distributed



- Handle various geographies and markets with unique drivers
- Adjust capacity to demand

Flexible cost structure



- Large share of costs are related to project deliveries
- Flexibility to adapt cost structure to order book

Selectivity and portfolio



- Selectivity and market adaptation
- Manage risk in calculations and implementation

VEIDEKKE



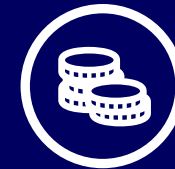
Selection

New projects priced right in the current market



Implementation

In accordance with plans or better, with risk management



Cost base

Organisation and joint costs



Improvements

To turn tide in weak units and maintain in strong units

Summary

1

Growth and increased profitability in Q4

- Strong revenue growth in several units
- Provides profit increase in NOK

2

Solid and stable order book

- Strong order intake in a demanding market
- Good predictability over next 12 months

3

Entire profits to be distributed as dividends

- Solid balance sheet and good financial capacity
- To take advantage of opportunities for expansion





GoCo
Health
Innovation
City

GoCo
Health
Innovation
City

Available
office space
for rent

GoCo.se

GoCo
Health
Innovation
City

HÄR BYGGER BALDER
HYRESRÄTTER I EN
INNOVATIV STADSDEL

BALDERSE/SPINA

o BAL
DER

Sustainability
throughout

GoCo
Health
Innovation
City

Available space at the
new life science hotspot

goco.se

Revenues, profits and profit margins

Year 2023

	2023 ¹			2022 ²		
Amounts in NOK million	Revenue	Profit before tax	Profit margin	Revenue	Profit before tax	Profit margin
Construction Norway	16 225	710	4.4 %	13 370	530	4.0 %
Infrastructure Norway	9 325	222	2.4 %	9 583	496	5.2 %
Construction Sweden	9 078	106	1.2 %	8 858	140	1.6 %
Infrastructure Sweden	5 958	213	3.6 %	5 247	290	5.5 %
Denmark	3 002	300	10.0 %	2 420	213	8.8 %
Total business areas	43 588	1 551	3.6 %	39 478	1 669	4.2 %
Other	-442	-107		-821	-203	
Group	43 146	1 444	3.3 %	38 658	1 467	3.8 %

¹The 2023 profit before tax for Infrastructure Norway includes a NOK -110 million loss related to the settlement reached in an older dispute pertaining to the civil engineering business.

²The 2022 profit before tax for Infrastructure Sweden includes a NOK 130 million gain on the sale of a former landfill site.