



Overview of the year 2021

Annual General Meeting
28 March 2022

Operating environment 2021

Further growth in Services, while the corona pandemic still impacted the operating environment

Services 65.5% (63.3%) of Group revenue

- > Caverion experienced increased investment activity among several customer segments as of the second quarter.
- > As an example, certain annual industrial shutdowns in Finland postponed from 2020 took place in the second quarter of 2021.
- > Caverion has started to see a general increasing interest for services supporting sustainability.

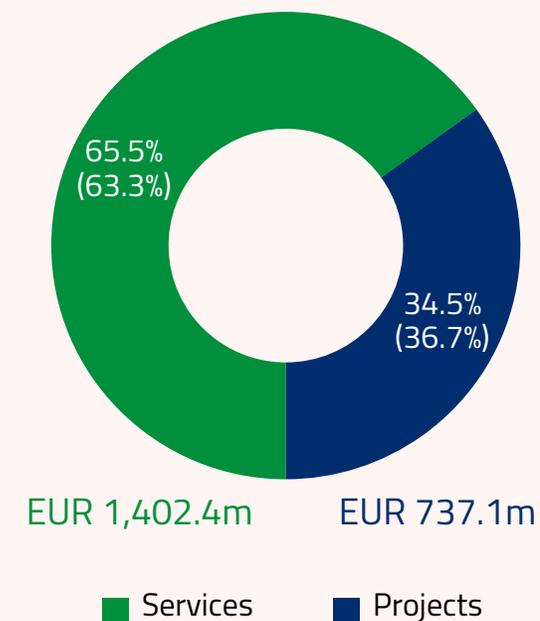
Projects 34.5% (36.7%) of Group revenue

- > There were clear signs of market stabilisation as of the end of Q2/2021. In Q3, market demand started to pick up and the trend continued until the end of 2021.
- > During the year, the market was impacted by increases in material prices.
- > Stimulus packages did not yet have a clear impact on general demand in 2021.

Revenue breakdown

2021 (2020)

(Total revenue 2021: EUR 2,139.5m)



Summary of the year 2021

Year 2021: Continued improvement in profitability and strong increase in order backlog

Order backlog

- › Up by 15.8% to EUR 1,863.8 (1,609.1) million from the end of 2020
- › Order backlog in Services up by 14.1% and in Projects up by 18.0% from the end of 2020

Profitability

- › Profitability improvement continued: Adjusted EBITA EUR 87.7 (60.6) million, up by 44.6%, 4.1 (2.8) percent of revenue
- › EBITA: EUR 59.4 (42.4) million
- › EPS: EUR 0.17 (0.05) per share



Revenue

- › EUR 2,139.5 (2 154.9) million, down by 0.7%
- › Services +2.7 % and Projects -6.7 %
- › Services 65.5% (63.3%) of Group revenue
- › Organic growth was -2.0%.

Cash flow and leverage

- › Operating cash flow before financial and tax items: EUR 103.8 (157.6) million
- › Cash conversion 91.2% (158.5%)
- › Cash at hand: EUR 130.9 (149.3) million
- › Net debt/EBITDA*: 1.1x (-0.2x)

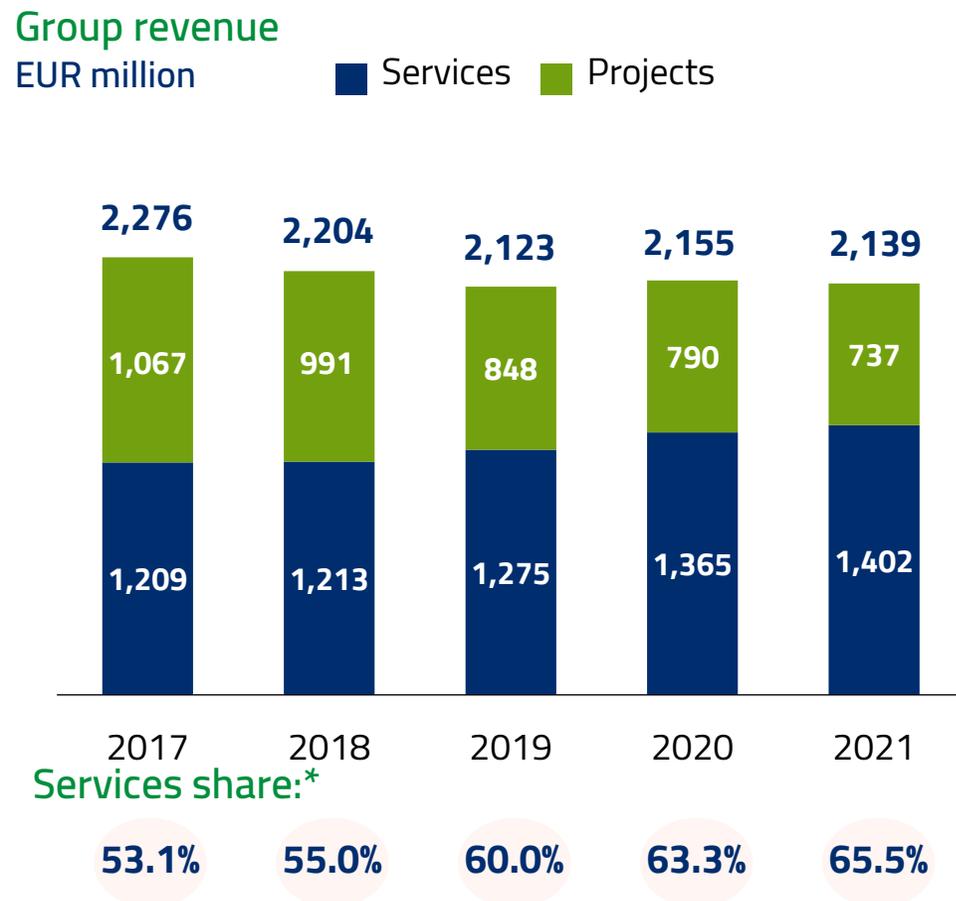
Other events

- › Divestment of the subsidiary in Russia
- › Seven bolt-on acquisitions completed in 2021.

* Based on calculation principles confirmed with the lending parties, containing certain agreed adjustments. The calculation principles take into account the impacts of the IFRS 16 standard as of Q4/2021, while prior to this period IFRS 16 standard impacts were not applicable.

Summary of 2021

Services growth continued

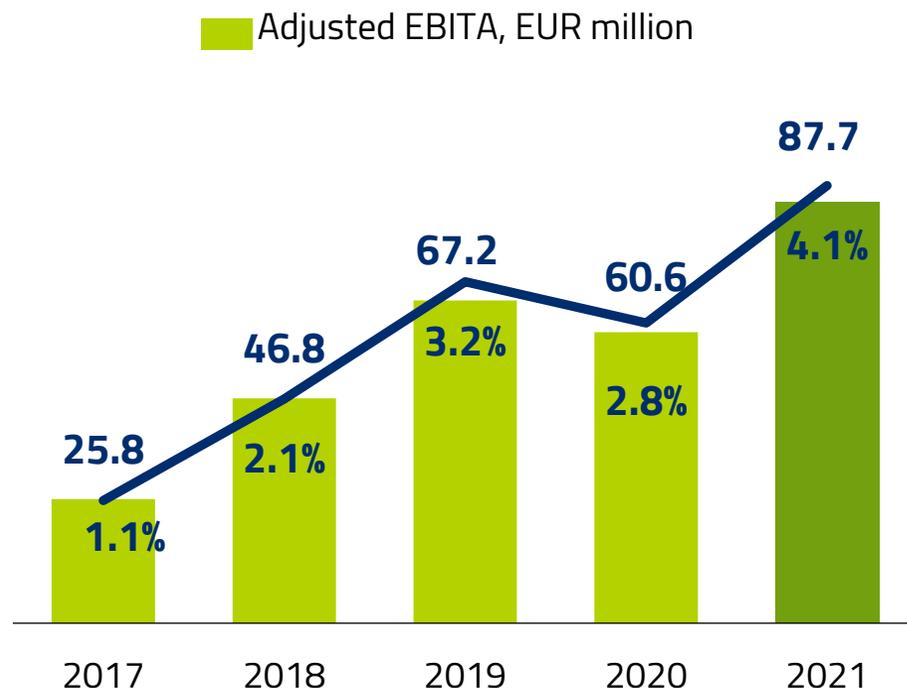


* Change in reporting of business unit revenue in 2018

- > Revenue amounted to EUR 2,139.5 (2,154.9) million, down by 0.7% (2.2% in locals).
 - > Organic growth was -2.0%
- > Services growth and business mix change seen in recent years continued
 - > Services +2.7%
 - > Projects -6.7%
- > Share of Services 65.5% at year-end
- > Divestment of the subsidiary in Russia
- > Seven bolt-on acquisitions completed

Summary of 2021

Profitability improvement continued throughout the year



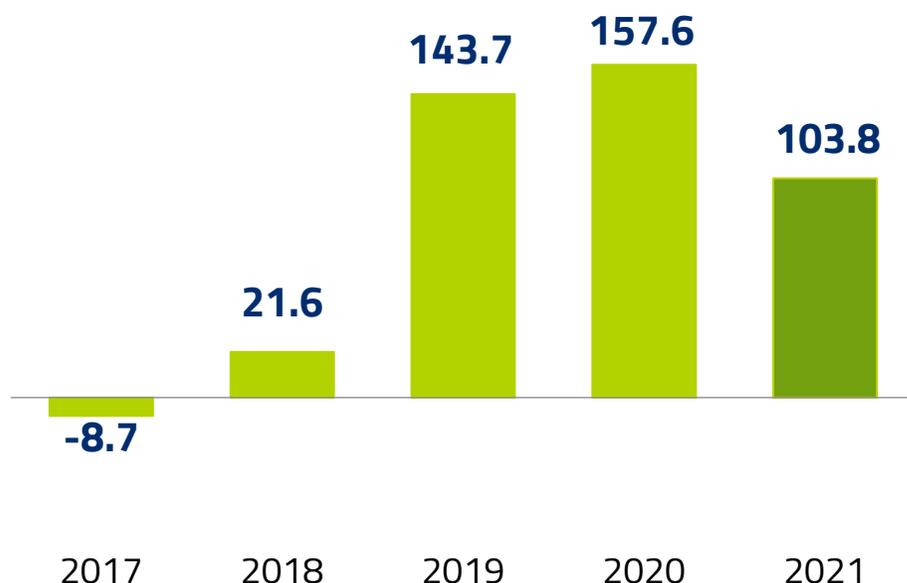
- > Adjusted EBITA 87.7 (60.6) m€, margin 4.1% (2.8)
- > Particularly divisions Sweden, Germany, Norway, Industry and Austria progressed well.
- > Division Finland continued its already strong performance.
- > EBITA 59.4 (42.4) m€, margin 2.8% (2.0)
- > EPS EUR 0.17 (0.05) per share

Note! 2017 Adjusted EBITDA; 2018-2021: Adjusted EBITA. The same figures have been used for the presentation of the respective margins. Comparative figures for 2018 (or prior periods) have not been restated according to IFRS 16.
Adjusted EBITA = EBITA before items affecting comparability (IAC)

Summary of 2021

Strong focus on cash flow generation

Operating cash flow before financial and tax items EUR million



- > Operating cash flow before financial and tax items was EUR 103.8 (157.6) million
 - > Cash conversion 91.2% (158.5%).
 - > Change in working capital of EUR -21.0m (EUR +54.0m), impacted by higher receivables.

- > Strong liquidity at year-end: Cash and cash equivalents 130.9 (149.3) m€

- > Low leverage level provides a strong position for M&A going forward:
 - > Net debt/EBITDA 1.1x (-0.2x) at year-end

As of 2019 figures according to IFRS16

Operating cash flow before financial and tax items = adjusted results for the period + change in working capital

Cash conversion = Operating cash flow before financial and tax items (LTM) x100 / EBITDA (LTM)

Summary of 2021

Strong focus on working capital management

Working capital
EUR million



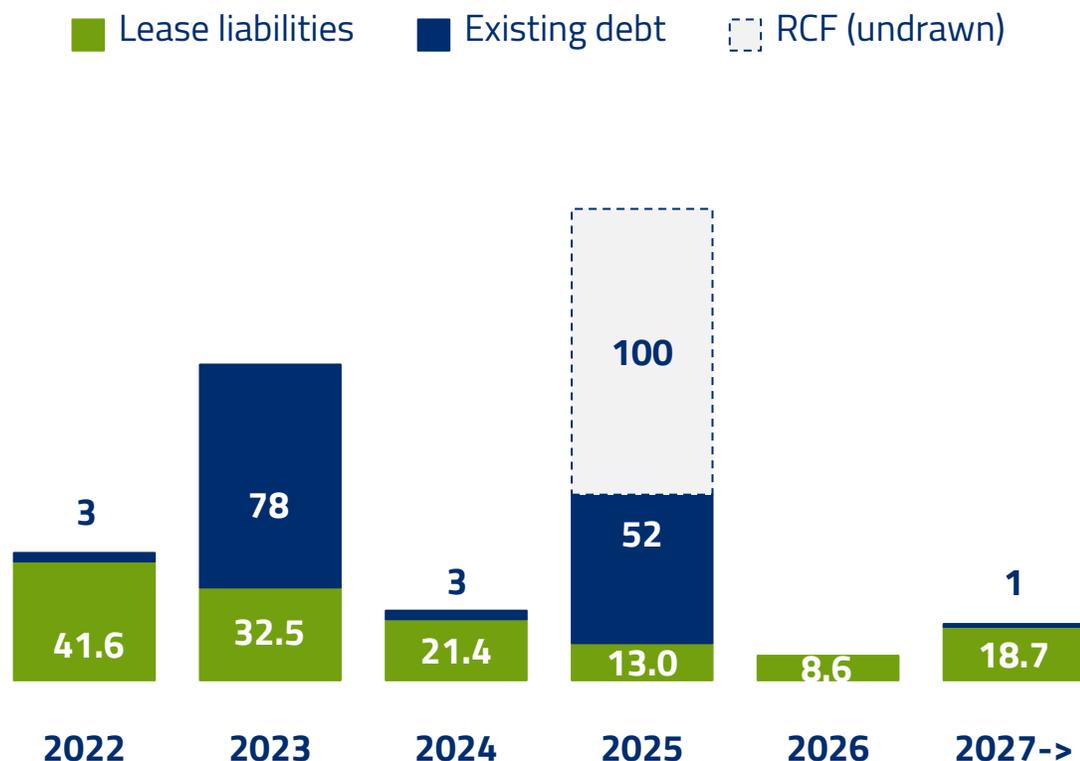
- > Working capital was at a good level of -7% of sales in 2021
 - > Working capital -144.7 (-160.4) m€ at the end of December
- > Actions completed in recent years:
 - > Tight weekly follow up of invoicing and receivables
 - > Negotiating improved payment terms in purchases and projects
 - > Focus on resolving old risk projects
 - > Invoicing related KPIs and competitions at various levels of the organisation, centralised management of invoicing

Debt maturity structure

Caverion prolonged its loan maturity and strengthened its long-term liquidity in Q4/2021

Debt maturity structure on 31 December 2021

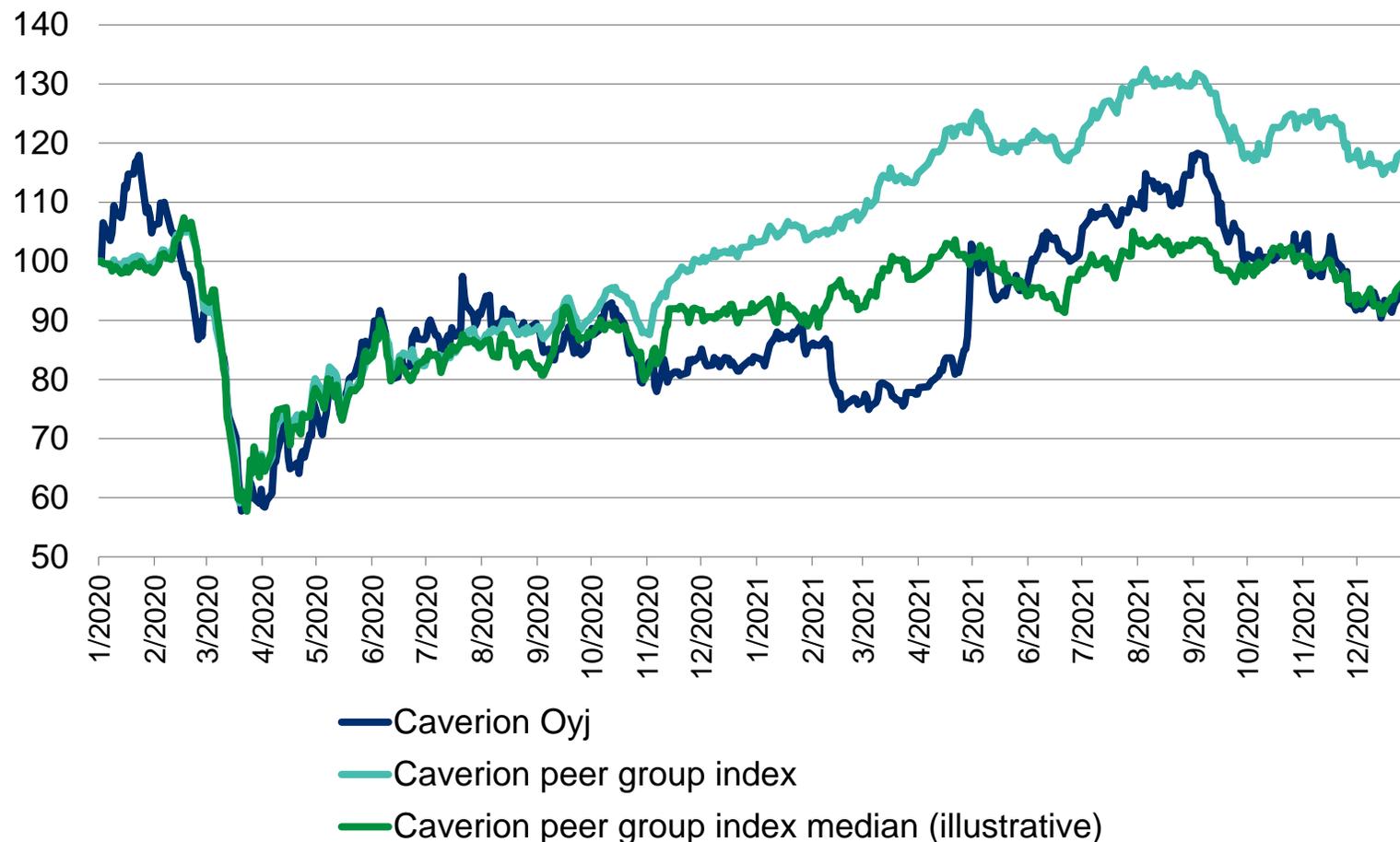
EUR million



- > In December 2021 Caverion refinanced its bank loans and revolving credit facility
 - > Term loan 50 m€
 - > Unutilised RCF 100 m€
- > The facilities mature in January 2025, with two one-year extension options (maturity 3+1+1)
- > At year-end 2021, 75 m€ senior unsecured maturing in March 2023.
 - > Cash tender offer made in February 2022: 71.5 m€ acceptance level.
 - > In February 2022, Caverion issued a new 75 m€ senior unsecured 5-year bond
- > 35 m€ hybrid bond has first call date in May 2023.
- > Interest-bearing net debt incl. lease liabilities: 140.7 (118.6) m€; excl. lease liabilities: 5.0 (-10.6) m€

Caverion's total return development vs. key peers in 2020-21

- > Total shareholder return was unsatisfactory towards the end of 2021, but developed still in line with the peer group median.
- > Caverion and most of its peers were hit to a certain extent by the pandemic.
- > Caverion's market capitalisation was EUR 872m at the end of 2021.
- > 28,956 shareholders at the end of February 2022



Note: Illustrative. Might differ from calculated TSR. Median includes peer companies operating in similar industries

Directly registered shareholders on 28 February 2022

Largest shareholders		Shares, pcs	% of shares	Change after 12/2020, pcs
1	Herlin Antti	21,054,392	15.2	550,000
2	Fennogens Investments SA (Ehrnrooth family)	14,169,850	10.2	-
3	Varma Mutual Pension Insurance Company	9,728,407	7.0	-
4	Mandatum companies	5,766,592	4.2	93,245
5	Säästöpankki funds	3,701,562	2.7	199,195
6	Ilmarinen Mutual Pension Insurance Company	3,602,955	2.6	-177,045
7	Elo Mutual Pension Insurance Company	3,047,005	2.2	-33,996
8	Caverion Oyj	2,447,447	1.8	-360,544
9	The State Pension Fund	2,050,000	1.5	-
10	Nordea funds	1,993,496	1.4	549,555
11	Brotherus Ilkka	1,803,765	1.3	400,000
12	OP funds	1,477,500	1.1	1,024,296
13	Aktia funds	1,050,000	0.8	-320,000
14	Kaleva Mutual Insurance Company	969,025	0.7	-
15	S-Bank funds	799,416	0.6	-
16	Sinituote Oy	772,400	0.6	100,000
17	Veritas Pension Insurance Company Ltd.	755,000	0.5	-
18	Fondita funds	490,000	0.4	-940,000
19	Lehtoranta Ari Tapio	356,891	0.3	-10,160
20	Pivosto Oy	326,416	0.2	147,480
20 largest, total		76,362,119	55.0	
All shares		138,920,092	100.00	

We have four strategic themes in our new strategy 2025

More at our Capital Markets Day on 10 May 2022 in Helsinki



People



Customer experience



Digitalisation



Sustainability

**Sustainability targets
and offering**





~30%

of the human carbon footprint comes from buildings

40%

of EU's final energy is consumed in buildings

20%

of CO2 emissions can be reduced by digitalisation*

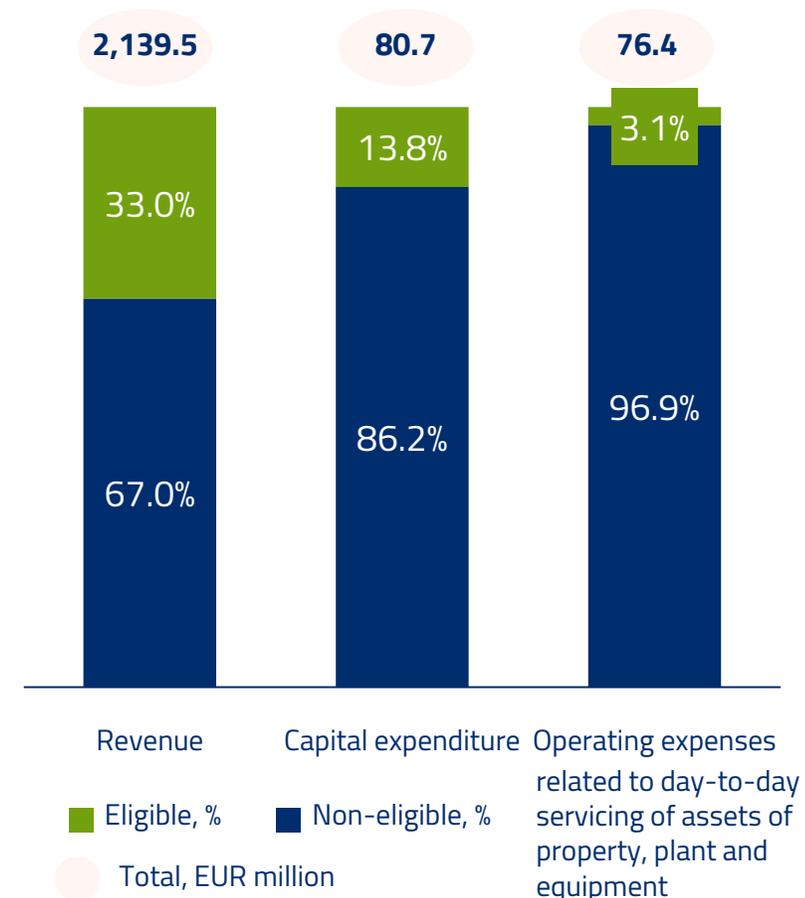
*By 2030, keeping emissions at the 2015 level.

EU Taxonomy reporting 2021 and SBTi commitment

Caverion is part of the solution for a green, low carbon transition

- > 33.0% of revenue considered eligible with EU Taxonomy in 2021.
- > 13.8% of capital expenditures and 3.1% of operating expenses resulting from services or products associated with economic activities considered taxonomy eligible in 2021.
- > Caverion's business model is asset-light and does not require large-scale investments to cope with EU taxonomy. Most of Caverion's investments are M&A or IT investments.
- > With these eligibility levels, Caverion demonstrates its strong position in environment and climate protection.
- > In February 2022, Caverion committed to the **Science Based Targets initiative (SBTi)** driving ambitious climate actions.

EU Taxonomy KPI's 2021



By 2030...

Caverion
Building Performance

Our positive carbon handprint is **10x** greater than our own carbon footprint





Caverion sustainability strategy focus areas & targets by 2025

Caring for our people

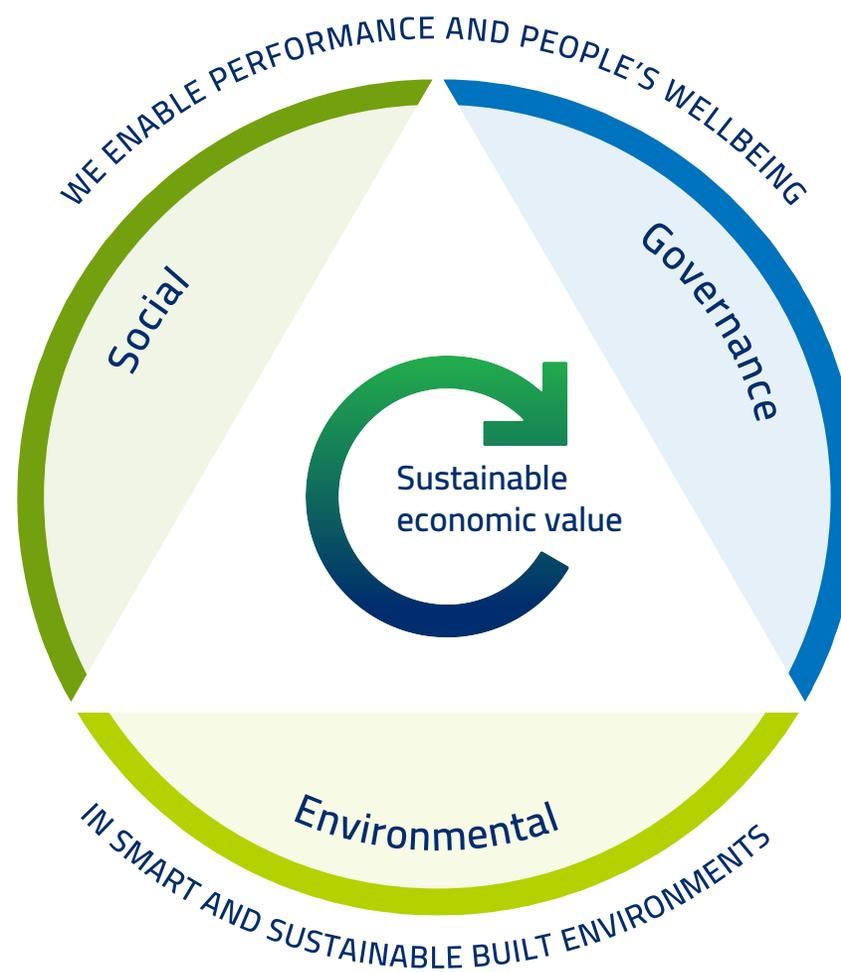
We provide our people a **safe and sustainable environment with diversity, equity and inclusion**, backed up by training and processes.

- > Lost Time Injury Frequency Rate (LTIFR) <2
- > All employees trained in sustainability
- > Share of female employees 15%

Increasing our handprint

We maximize our positive **handprint** with a directed effort on identifying and developing smart sustainable offerings, designs and solutions to **advise** our customers.

- > 5 times carbon handprint over footprint (Scope 1-2)
- > All of our offering has a defined carbon handprint



Ensuring sustainable value chain operations

We **comply with legal requirements and Caverion policies** supported by meaningful **reporting and supplier engagement**.

- > Supplier Code of Conduct sign-off rate >90%
- > All tender requests include sustainability criteria

Decreasing our footprint

We develop detailed targets and **emission reduction plans** for our footprint while engaging our suppliers and customers to reduce the emissions throughout our value chain.

- > Total carbon footprint defined and measured

Clear progress in sustainability target achievement

Sustainability targets

2019 Baseline 2021 Actual 2025 Target

Our business makes sustainable impact			
Total carbon footprint defined and measured	66%	80%	100%
All of our offering has a defined carbon handprint	-	20%	100%
5 times carbon handprint over footprint (Scope 1-2)	>1x	>2x	5x
We care for our employees			
Lost Time Injury Frequency Rate (LTIFR) <2	5.3	4.0	<2
All employees trained in sustainability	50%	50%	100%
Share of female employees %	11%	11%	15%
We ensure efficient and high-quality implementation of sustainability			
Supplier Code of Conduct sign-off rate (%)	55%	66%	>90%
All tender requests include sustainability criteria	-	-	100%

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By 2030, our positive carbon handprint is 10x greater than our own carbon footprint

Caverion's solutions along the lifecycle create sustainable impact

Direct sustainability impact through:

- > **Lifecycle engagement** via outcome-based contracts, Energy Performance Contracting (EPC) etc.
- > **Solution projects with smart tech**, e.g. refrigeration, security, automation; upgrades and modernisations
- > **Advisory services**, e.g. Smart readiness indicator, energy advice, sourcing of subsidies
- > **Digital services**, e.g. remote center, analytics (Caverion SmartView)
- > **Financing solutions**, e.g. including PPP and leasing solutions

Digital, data-driven, analytics focused integrated solutions



Traditional project & service business and technical discipline expertise

Financial targets and dividend proposal

Financial targets and results so far

Cash conversion (LTM)¹

> 100%

2021: 91.2%

Profitability
(Adjusted EBITA-%)

> 5.5%

2021: 4.1%

Leverage²
(Net debt/EBITDA)

< 2.5x

2021: 1.1x

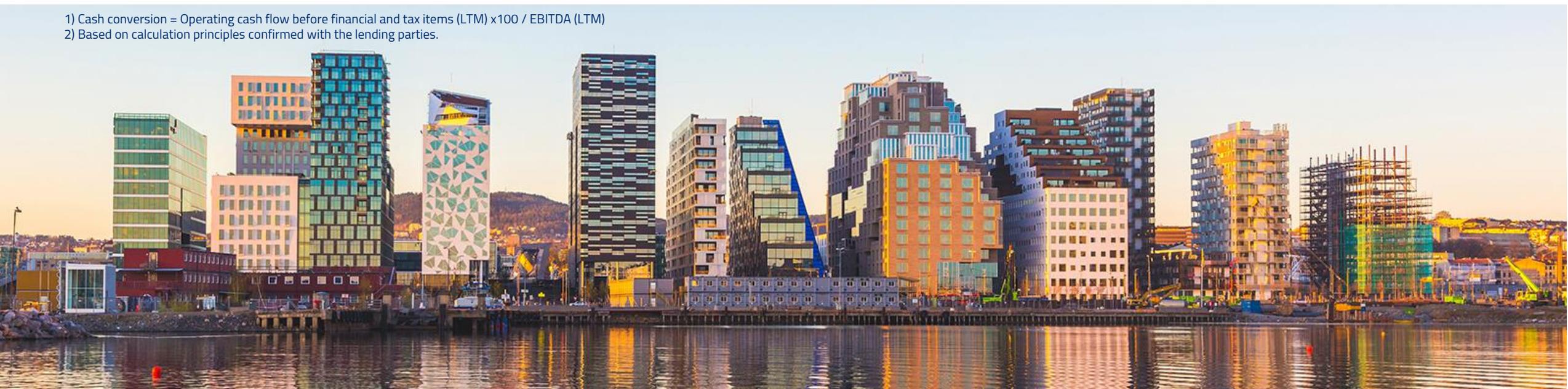
Growth
Organic growth

> 4% p.a.

2021: Services growth 1.0%
in local currencies, share of
Services 65.5%

1) Cash conversion = Operating cash flow before financial and tax items (LTM) x100 / EBITDA (LTM)

2) Based on calculation principles confirmed with the lending parties.



Focus on sustainable growth while increasing interaction with customers

Good progress in strategy

- › We are on a good track to improve performance going forward.
- › We have continued to invest in our technology and digital platform, capabilities – as well as the business platform and SmartTech via M&A.
- › Our purpose is built around sustainability. We see an increased interest towards those parts of our lifecycle offering that help customers make their operations more efficient and predictable as well as improving their sustainability.

Focus remains also on efficiency improvement

- › Further optimising and transforming our operating model



Guidance and dividends

Guidance for 2022

- > In 2022, Caverion Group's revenue (2021: EUR 2,139.5 million) and adjusted EBITA (2021: EUR 87.7 million) will grow compared to 2021.

Dividend

- > Board's dividend proposal for the AGM: Dividend of EUR 0.17 per share for the year 2021.





Appendix

Key figures

EUR million	10-12/21	10-12/20	Change	1-12/21	1-12/20	Change
Order backlog	1,863.8	1,609.1	15.8%	1,863.8	1,609.1	15.8%
Revenue	585.3	579.3	1.0%	2,139.5	2,154.9	-0.7%
Organic growth, %	-1.1	-5.6		-2.0	-4.1	
Adjusted EBITDA	44.5	36.9	20.4%	142.1	116.5	21.9%
Adjusted EBITDA margin, %	7.6	6.4		6.6	5.4	
EBITDA	23.0	21.8	5.8%	113.8	99.4	14.4%
EBITDA margin, %	3.9	3.8		5.3	4.6	
Adjusted EBITA	30.1	22.5	33.6%	87.7	60.6	44.6%
Adjusted EBITA margin, %	5.1	3.9		4.1	2.8	
EBITA	8.6	6.3	36.9%	59.4	42.4	40.1%
EBITA margin, %	1.5	1.1		2.8	2.0	
Operating profit	5.1	1.9	171.0%	43.5	27.2	59.9%
Operating profit margin, %	0.9	0.3		2.0	1.3	
Earnings per share, undiluted, EUR	0.01	-0.03	126.8%	0.17	0.05	265.2%
Operating cash flow before financial and tax items	76.7	81.3	-5.7%	103.8	157.6	-34.2%
Cash conversion (LTM), %				91.2	158.5	
Working capital				-144.7	-160.4	9.8%
Interest-bearing net debt				140.7	118.6	18.6%
Net debt/EBITDA*				1.1	-0.2	
Gearing, %				69.8	60.4	
Equity ratio, %				19,0	18,9	
Number of personnel at the end of the period				14 298	15 163	-5,7%

* Based on calculation principles confirmed with the lending parties, containing certain agreed adjustments. The calculation principles take into account the impacts of the IFRS 16 standard as of Q4/2021, while prior to this period IFRS 16 standard impacts were not applicable.