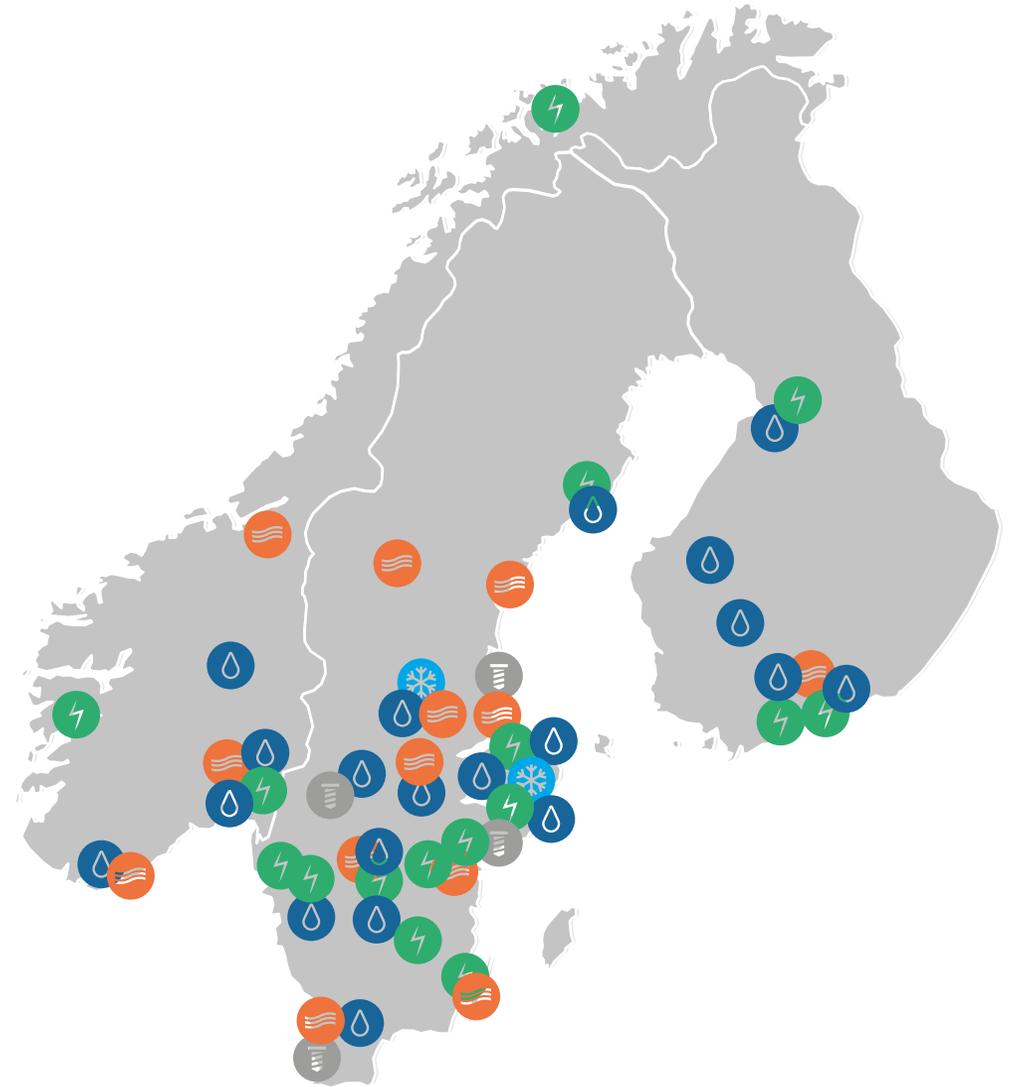


Instalco Q1 presentation

6 May 2021

This is Instalco

- A leading Nordic installation group within heating and plumbing, electrical, ventilation, cooling, industry and technical consulting
- 90 subsidiaries – highly specialised local companies
- 4 000 employees
- Highly decentralised structure
- Supported by a small central organisation
- Strong profitability with high margins over time



Key financials, LTM

Net sales, million SEK

7.388

Adjusted EBITA, million SEK

648

No of employees (30 March)

3,993

Order backlog, million SEK

6.708

Adjusted EBITA margin, %

8,8

Acquired annual sales, million SEK

1.535

Q1 2021 Highlights

- Stable quarter
- Net sales growth 15.9%
- Strong cash flow, SEK 164 million
- Segment Sweden strong – segment Rest of Nordic weak
- Disturbances caused by the pandemic – especially in Norway and Finland
- Five acquisitions
- Changes in the management team
- ESG: Collaboration with Swedish Society for Nature Conservation

Key financials Q1 2021

Net sales

SEK **1,942** million

Adjusted EBITA

SEK **154** million

Adjusted EBITA margin

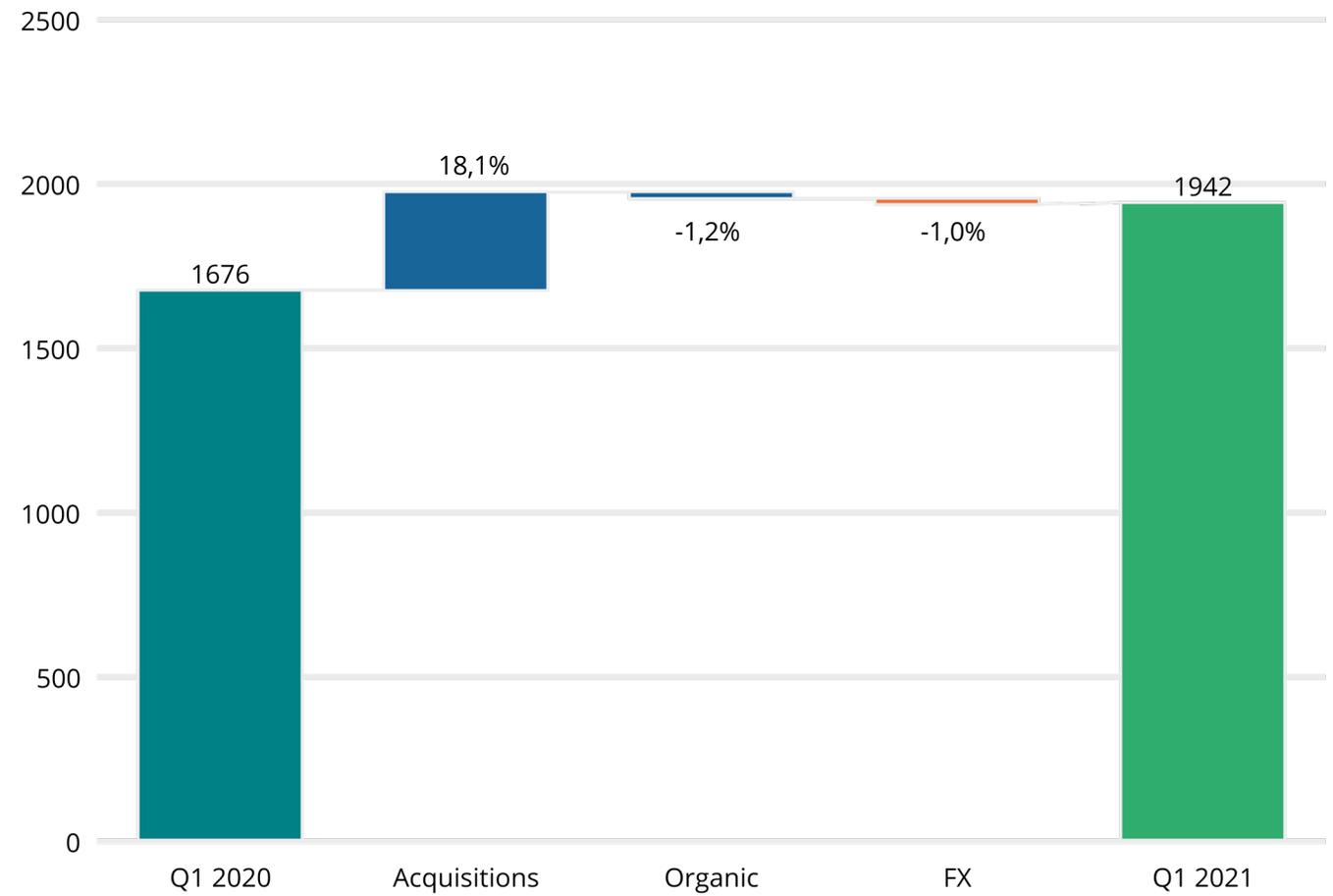
SEK **8.0** %

Changes in the management team



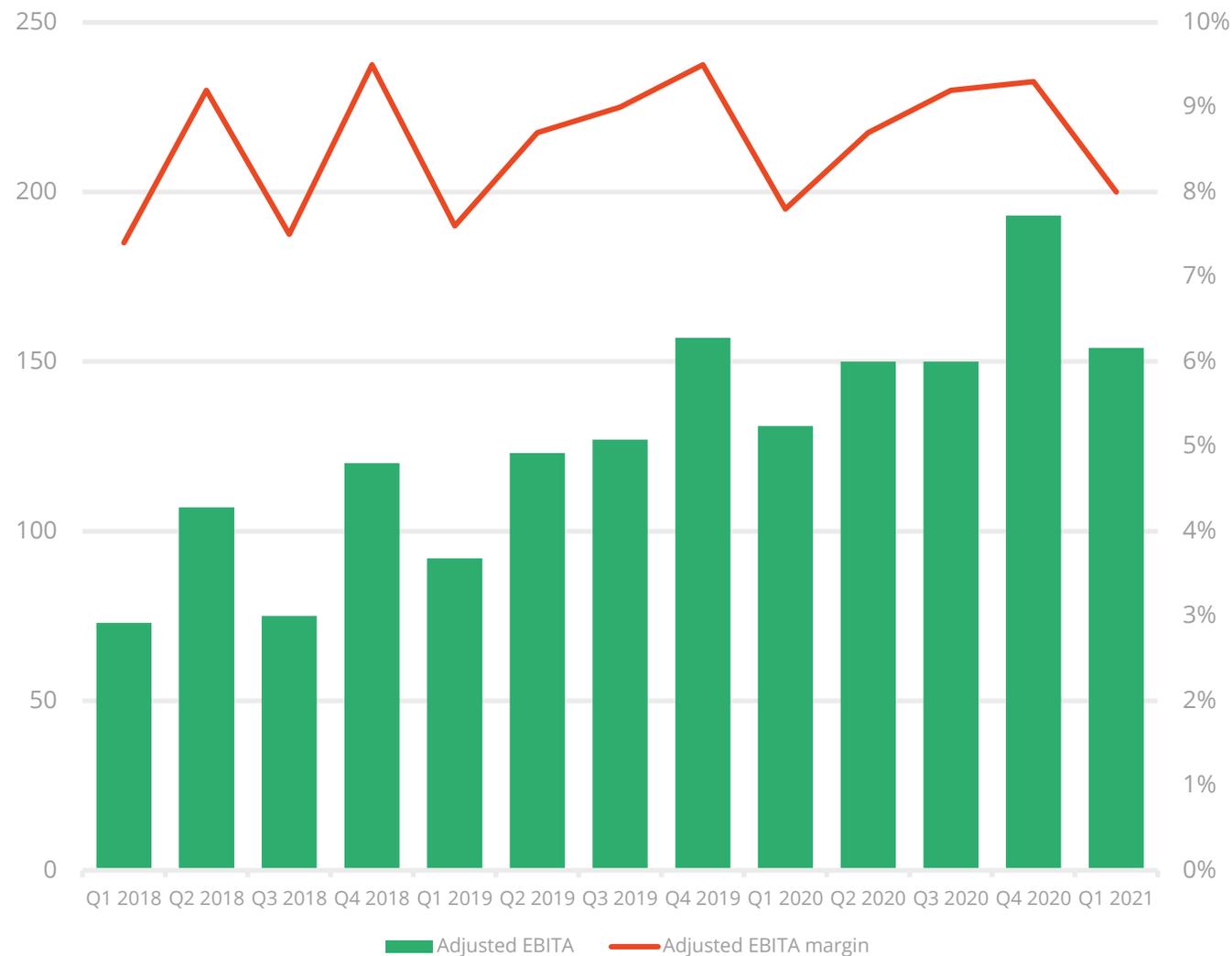
Net sales

- Net sales growth (SEK million)



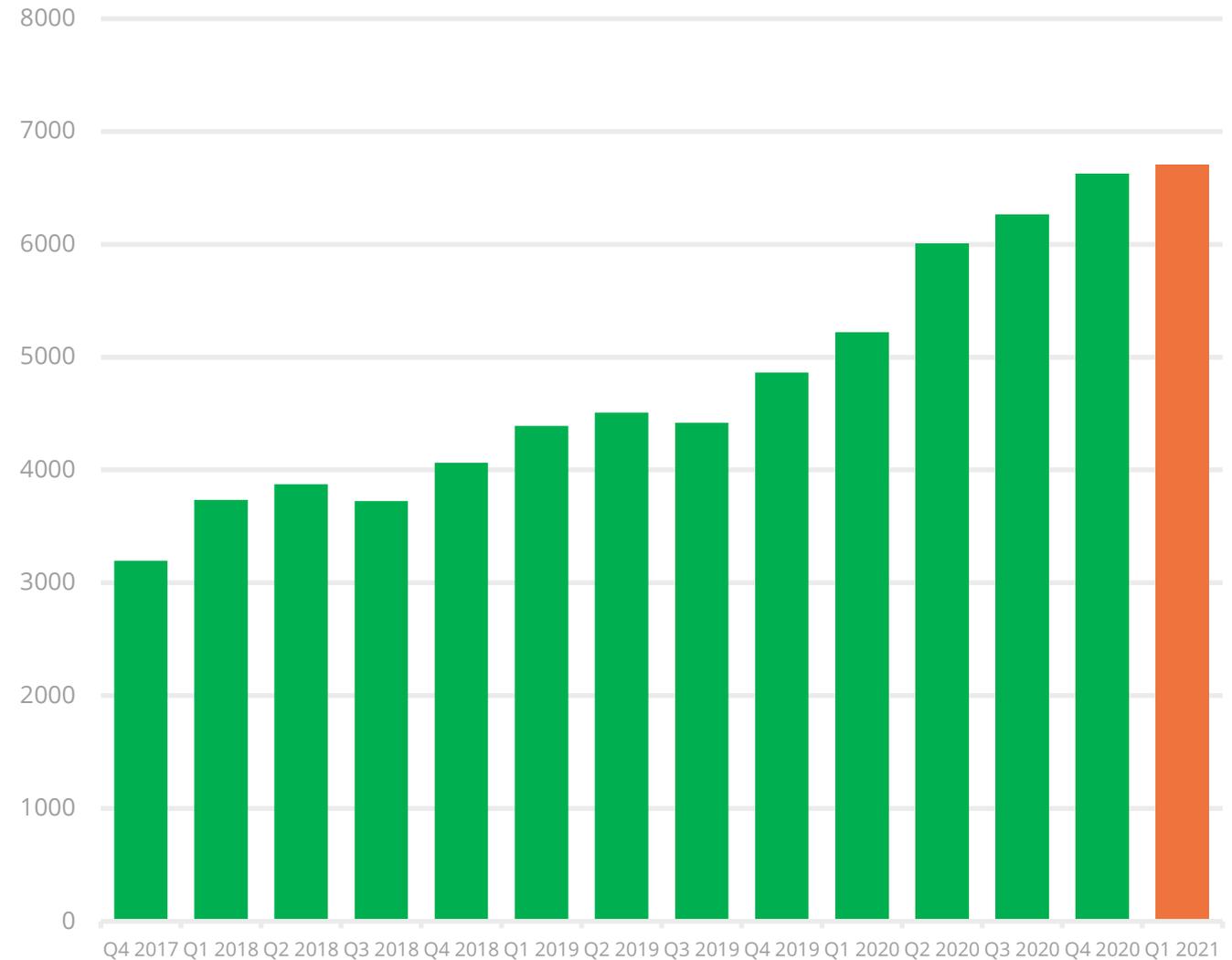
EBITA

- Adj. EBITA (SEK million) and adj. EBITA margin (%)



Order backlog

- Growth of 28.6% (compared with Q1 2020)
- Continued stable order backlog ratio of 0.91x (relative to 12 months rolling net sales)



Segment development - Sweden

- Strong and solid results by the Swedish operations
- Stable demand for technical installations
- Organic growth 2.9%
- Net sales growth 21.3%
- Order backlog growth of 33.4% whereof 18.6% in comparable units

Key financials Q1 2021

Net sales

SEK **1,529** million

EBITA

SEK **136** million

EBITA margin

8.9 %

Order backlog

SEK **5,380** million

Segment development – Rest of Nordic

- Order backlog growth of 10.5%
- Weak result - mainly due to Corona pandemic
- Continued work with action plan for higher margins

Key financials Q1 2021

Net sales

SEK **413** million

EBITA

SEK **8** million

EBITA margin

2.0 %

Order backlog

SEK **1,328** million

Acquisitions 2021

Acquisition	Discipline	Segment	Estimated yearly sales (SEKm)	Acquired
JB Elektro AS	Electrical	Rest of Nordic	40	Q1
Lincom AB	Electrical	Sweden	33	Q1
Nässjö Teknikprojektering AB	Technical consulting	Sweden	15	Q1
Stockholm Luftkompetens AB	Ventilation	Sweden	85	Q1
Kempes El AB	Electrical	Sweden	85	Q1
Total			258	

Examples of acquired companies in Q1

JB Elektro, Tromsø, Norway

- First company in northernmost region of Norway
- Specialist in road lightning
- Future plans for fishing industry
- Annual sales of approx. SEK 40 million

Kempes El, Kramfors, Sweden

- 90 years old electrical company
- Strengthen our position along the north-east coast of Sweden
- Offices in five cities
- Annual sales of approx. SEK 85 million

Financial targets and dividend policy

Area	Target	Comment	Status
Growth	<ul style="list-style-type: none"> Average sales growth should be at least 10% per year over a business cycle Growth will take place both organically and through acquisitions 	15.9% YTD, 20,1% LTM	✓
Margin	<ul style="list-style-type: none"> Instalco aims to deliver an adjusted EBITA margin of 8.0% 	8.0% YTD, 8,8 LTM	✓
Capital structure	<ul style="list-style-type: none"> Instalco's net debt in relation to adjusted EBITDA shall not exceed a ratio of 2.5 	1.2x	✓
Cash conversion	<ul style="list-style-type: none"> Instalco aims to achieve a cash conversion ratio of 100%, measured over a rolling twelve-month period over a business cycle 	117% YTD	✓
Dividend policy	<ul style="list-style-type: none"> Instalco targets a dividend payout ratio of 30% of net profit 	30% - 2.70 SEK/share	✓

Examples of projects in Q1

Gjuteriet, office, Malmö, Sweden

- Four Instalco companies
- Electrical, heating & plumbing, sprinkler, ventilation
- New built office
- Partnering project with Peab

Remeo, waste center Vanda, Finland

- Two Instalco companies
- Electrical, heating & plumbing
- Environmental project – new built waste management center

Druvan, parking garage Linköping, Sweden

- Vallacom
- Transparent solar panel system on parking garage
- Certified as a Sustainable Instalco project



**Swedish Society
for Nature Conservation**

Summary

Stable quarter

Affected by pandemic – slow start in Norway, Finland and in industry discipline

Five acquisitions

Changes in management team





