

High growth and good profitability

October – December 2022

- Net sales increased by 35.6 percent and amounted to SEK 3,590 (2,648) million. Organic growth, adjusted for currency effects, amounted to 10.7 (7.0) percent.
- EBITA increased by 28.9 percent and amounted to SEK 292 (227) million.
- The EBITA margin was 8.1 (8.6) percent.
- The EBITA margin strengthened to 8.1 (7.7) percent, not excluding items affecting comparability of SEK 22 million from last year, which was related to the lump sum payment from AFA Försäkring.
- Depreciation/amortisation of property, plant and equipment and intangible assets increased by SEK 40 million and amounted to SEK 103 (63) million.
- Operating profit (EBIT) amounted to SEK 261 (212) million.
- Cash flow from operating activities for the period was SEK 376 (383) million.
- Earnings per share before dilution were SEK 0.67 (0.61) and after dilution were SEK 0.66 (0.60).
- Three acquisitions were made during the quarter, which, on an annual basis, contribute an estimated total sales of SEK 132 million.

January – December 2022

- Net sales increased by 35.7 percent and amounted to SEK 12,063 (8,890) million. Organic growth, adjusted for currency effects, amounted to 7.9 (4.2) percent.
- EBITA increased by 22.5 percent and amounted to SEK 916 (748) million.
- The EBITA margin was 7.6 (8.4) percent.
- The EBITA margin strengthened to 7.6 (8.2) percent, not excluding items affecting comparability of SEK 22 million from last year, which was related to the lump sum payment from AFA Försäkring.
- Depreciation/amortisation of property, plant and equipment and intangible assets increased by SEK 183 million and amounted to SEK 381 (198) million.
- Operating profit (EBIT) amounted to SEK 784 (722) million.
- Cash flow from operating activities for the period was SEK 753 (610) million.
- Earnings per share before dilution were SEK 1.99 (2.10) and after dilution were SEK 1.96 (2.06).
- A total of 16 acquisitions were made during the period, which on an annual basis contribute an estimated total sales of SEK 1,141 million.
- The Board proposes dividends of SEK 0.66 (0.65) per share.



Key figures ¹⁾

SEK m	Oct-Dec 2022	Oct-Dec 2021	Change, %	Jan-Dec 2022	Jan-Dec 2021	Change, %
Net sales	3,590	2,648	35.6	12,063	8,890	35.7
EBITA	292	227	28.9	916	748	22.5
EBITA margin, %	8.1	8.6		7.6	8.4	
Operating profit/loss (EBIT)	261	212	23.2	784	722	8.6
Earnings before taxes	230	205	12.0	697	699	-0.4
Cash flow from operating activities	376	383	-1.8	753	610	23.4
Net debt/EBITDA, times	2.1	1.8		2.1	1.8	
Cash conversion, (12 months rolling) % ²⁾	85	84		85	84	
Earnings per share before dilution, SEK ¹⁾	0.67	0.61	9.6	1.99	2.10	-5.0
Earnings per share after dilution, SEK ¹⁾	0.66	0.60	9.6	1.96	2.06	-5.0
Order backlog	8,376	6,795	23.3	8,376	6,795	23.3

¹⁾ All KPI calculations pertaining to SEK/share have been restated to reflect the 5:1 share split that was carried out in January 2022.

As of 1 January 2022, EBITA and EBITDA are no longer presented with an adjustment for revaluation of additional consideration and acquisition costs. For definitions of alternative key figures as per the ESMA guidelines, please see the definitions of key figures.

²⁾ A change in the cash conversion calculation was made during quarter 4, see the definitions on page 20.

CEO Comments

Net sales increased during the quarter by 35.6 percent to SEK 3,590 million, with organic growth of 10.7 percent. EBITA increased during the quarter and amounted to SEK 292 million, which corresponds to an EBITA margin of 8.1 percent. Despite the high inflationary pressure, we were able to defend our margins very well during the quarter. Our underlying margin for Q4 2022 was comparatively stronger after having adjusted for the lump sum payment from AFA Försäkring of SEK 22 million received in Q4 2021 (7.7%). We can see that there is a strong demand for our installation services and overall, investment willingness remains at a high level. The order backlog increased by 23.3 percent to SEK 8,376 million at year end.

We can sum up 2022 as a strong year, with total net sales of SEK 12,063 million and an EBITA margin of 7.6 percent, which is confirmation of our strength and resilience in difficult circumstances like those we faced this year.

Niche acquirer of quality companies

Instalco is a niche acquirer in the installation industry, exclusively focused on quality companies. Our direction is primarily to grow and widen our scope in the Industrial, Technical Consulting and Other Nordic segments. We made 16 acquisitions during the past year, of which nine were in Norway and Finland. In total, their assessed annual sales are SEK 1,141 million. We are comfortable with the rate of acquisitions and are maintaining both a balanced level of indebtedness and strong balance sheet.

During the last quarter of the year, all of the acquisitions we made were in the Other Nordic region. In Norway, we now have a full-range offering in the Lillehammer region having acquired Bakke El-Installasjon and we anticipate many synergy opportunities with our other companies in the area that offer heating & plumbing and ventilation solutions. We have also expanded our offering in the northern region of Norway with the acquisition of Imes in Tromsø. It is established in the niche of electrical installations for the fishing industry. During the quarter, we continued growing in the technology area in Finland with the acquisition of Dymont Installation. In collaboration with Dymont, we are now seriously building up our offering of industrial installations in Finland.

During the quarter, we also made several interesting add-on acquisitions and in Finland, we established our second start-up. In total, the acquisitions during the quarter contribute around SEK 132 million in sales.

Leading position in the hospital construction

For several years already, Instalco has been one of the leading providers of electrical, heating & plumbing and ventilation installations for hospital construction projects in Sweden. We solidified that position further during the quarter with our new, comprehensive assignment associated with the expansion of Falu Hospital. It is a partnering project involving Bygghuset, Regionfastigheter Dalarna and three of our Instalco companies. We have extensive experience with these types of projects and can offer the customer a complete solution, from design to installation.



New vision

During the year, there has been an interactive process within the Group to arrive at a new vision, which we have now launched. In conjunction with that, we developed a roadmap to 2027, where there is a clear focus on employees, customers, sustainability and continued growth. We are also taking the opportunity to adapt our organisation so that it is able to work in the most optimal way towards achieving the new vision.

The underlying driving forces for growth in the installation markets are quite strong. Nevertheless, we are impacted over the short term by business cycle fluctuations. Although the demand for our services is high, we remain cautious given all the uncertainty in the world around us. We have a strong order backlog and a good composition of both services and contract forms. We also continue growing in the service area. All of it provides us with good prerequisites for delivering continued stable profitability.

I am very proud that Instalco can sum up 2022 in such a positive way. Our decentralised model has enabled us to manage the circumstances we have faced extremely well and it is strong evidence that the Instalco model works well even in challenging times.

Robin Boheman
CEO

Performance of the Instalco Group

The Nordic market of installation services

There is a strong underlying demand for the industry's services and there is a growing interest and demand for energy-efficient and resource-saving installation services. The market outlook is, however, difficult to assess in light of the prevailing macroeconomic situation.

Energy prices have risen sharply over the last few months. The prices of raw materials have stagnated at a high level. Because of rising interest rates, the pace of production of new building construction will slow.

In general, the market is driven by a number of long-term trends and general societal development. Technology development, digitalisation, sustainability, ageing property holdings, urbanisation and a growing and ageing population are some of the biggest driving forces.

Net sales

Fourth quarter

Sales for the quarter amounted to SEK 3,590 (2,648) million, which is an increase of 35.6 percent. Adjusted for currency effects, organic growth amounted to 10.7 percent and acquired growth was 23.1 percent. Currency fluctuations had a positive impact on net sales of 1.3 percent.

Three acquisitions were made during the quarter, with estimated annual net sales of SEK 132 million.

January – December

Net sales for the period amounted to SEK 12,063 (8,890) million, which is an increase of 35.7 percent. Adjusted for currency effects, organic growth amounted to 7.9 percent and acquired growth was 26.2 percent. Currency fluctuations had a positive impact on net sales of 1.2 percent. A total of 16 acquisitions were made during the quarter, with estimated annual net sales of SEK 1,141 million.

Earnings

Fourth quarter

Operating profit before amortisation of acquired intangible assets (EBITA) amounted to SEK 292 (227) million, which corresponds to an EBITA margin of 8.1 (8.6) percent. The EBITA margin strengthened to 8.1 (7.7) percent, not includ-

ing items affecting comparability of SEK 22 million from last year, which was related to the lump sum payment from AFA Försäkring.

Operating profit (EBIT) for the quarter amounted to SEK 261 (212) million. Amortisation of acquired intangible assets increased by SEK 16 million and amounted to SEK 31 (15) million. The increase is attributable to a high acquisition rate, with a larger portion of depreciable assets related to acquisitions.

Net financial items for the quarter amounted to SEK -31 (-6) million, of which unrealised value changes amounted to SEK -8 (-3) million and the interest expense on external loans amounted to SEK -20 (-6) million. The increase in interest costs stems from a mix of rate hikes from central banks and a higher level of borrowing.

Tax for the quarter was SEK -48 (-42) million, which corresponds to an effective interest rate of 21 (18) percent.

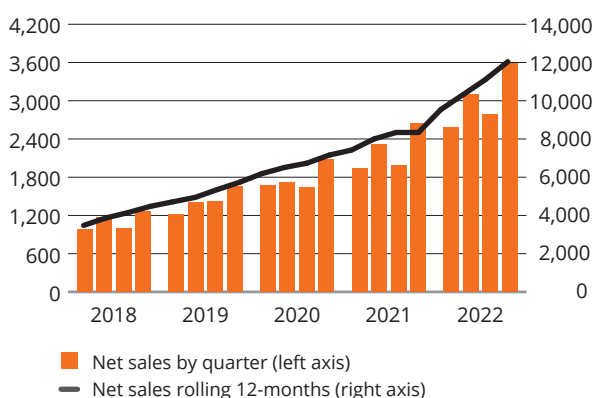
Earnings for the quarter were SEK 182 (164) million, which corresponds to earnings per share before dilution of SEK 0.67 (0.61) and earnings per share after dilution of SEK 0.66 (0.60).

January – December

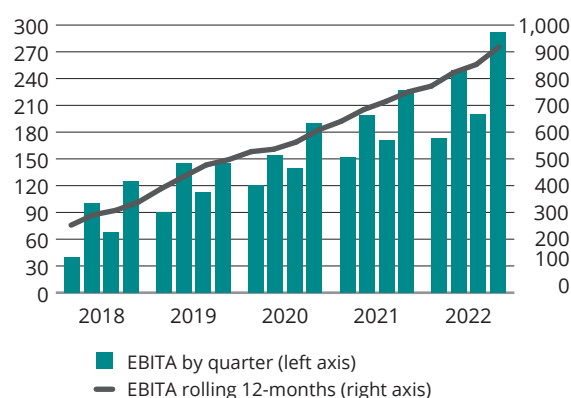
Operating profit before amortisation of acquired intangible assets (EBITA) for the period amounted to SEK 916 (748) million, which corresponds to an EBITA margin of 7.6 (8.4) percent. The EBITA margin amounted to 7.6 (8.2) percent, not excluding items affecting comparability of SEK 22 million from last year, which was related to the lump sum payment from AFA Försäkring. The lower margin is primarily attributable to higher absenteeism at the beginning of the year and high prices for materials, for which there is a delay before it can be passed on to customers or compensated for via streamlining measures.

Operating profit (EBIT) for the period amounted to SEK 784 (722) million. Amortisation of acquired intangible assets increased by SEK 106 million and amounted to SEK 132 (26) million. The increase is attributable to a high acquisition rate, with a larger portion of depreciable assets related to acquisitions.

NET SALES BY QUARTER, SEK M



EBITA BY QUARTER, SEK M



Net financial items for the period amounted to SEK –87 (–23) million, of which unrealised value changes amounted to SEK –26 (–7) million and the interest expense on external loans amounted to SEK –50 (–15) million.

Earnings for the period were SEK 551 (558) million, which corresponds to earnings per share before dilution of SEK 1.99 (2.10) and earnings per share after dilution of SEK 1.96 (2.06).

Order backlog

January – December

Order backlog at the end of the period amounted to SEK 8,376 (6,795) million, which is an increase of 23.3 percent. Organically, for comparable units, the order backlog grew, adjusted for currency effects, by 5.3 percent. The order backlog of acquired companies contributed with growth of 16.6 percent.

During the fourth quarter and via its subsidiary, Highcon, Instalco signed a new three-year framework agreement with LKAB. Highcon will be setting up scaffolding needed for upcoming work at LKAB's facilities. The framework agreement enables LKAB to place regular call-off orders for scaffolding at its facilities in Gällivare, Kiruna and Svappavaara.

Cash flow

Fourth quarter

Cash flow from operating activities amounted to SEK 376 (383) million, with a change in working capital of SEK 62

(124) million. The Group's working capital fluctuates from one quarter to the next primarily because of fluctuations in these line items: work-in-progress, accounts receivable and accounts payable.

Cash flow from investing activities amounted to SEK –123 (–358) million, of which acquisitions of subsidiaries and businesses amounted to SEK –117 (–359) million. Cash flow from financing activities amounted to SEK 81 (229) million, of which the net change in loans amounted to SEK 142 (241) million and amortisation of lease liabilities amounted to SEK –59 (–42) million.

January – December

Cash flow from operating activities amounted to SEK 753 (610) million, with a change in working capital of SEK –137 (–130) million. The Group's working capital fluctuates from one quarter to the next primarily because of fluctuations in these line items: work-in-progress, accounts receivable and accounts payable.

Cash flow from investing activities amounted to SEK –1,080 (–971) million, of which acquisitions of subsidiaries and businesses amounted to SEK –1,043 (–953) million. Cash flow from financing activities amounted to SEK 240 (658) million, of which the net change in loans amounted to SEK 624 (907) million and amortisation of lease liabilities amounted to SEK –205 (–151) million. Dividends to the Parent Company's shareholders amounted to SEK –169 (–141) million, which corresponds to SEK 0.65 (0.54) per share. The dividends were paid out in the second quarter.

Revenue by segment

SEK m	Oct-Dec 2022	Share	Oct-Dec 2021	Share	Jan-Dec 2022	Share	Jan-Dec 2021	Share
Sweden	2,686	75%	2,108	80%	9,220	76%	7,015	79%
Rest of Nordic	905	25%	540	20%	2,844	24%	1,875	21%
Total	3,590		2,648		12,063		8,890	

EBITA, EBITA margin and earnings before taxes, per segment

SEK m	Oct-Dec 2022	EBITA margin	Oct-Dec 2021	EBITA margin	Jan-Dec 2022	EBITA margin	Jan-Dec 2021	EBITA margin
Sweden	244	9.1%	200	9.5%	772	8.4%	640	9.1%
Rest of Nordic	50	5.5%	31	5.8%	151	5.3%	80	4.3%
Group-wide	–2		–5		–7		27	
EBITA	292	8.1%	227	8.6%	916	7.6%	748	8.4%
Amortisation of acquired intangible assets	–31		–15		–132		–26	
Net financial items	–31		–6		–87		–23	
Earnings before taxes	229		205		697		699	

Distribution of revenue

SEK m	Oct-Dec 2022			Oct-Dec 2021			Jan-Dec 2022			Jan-Dec 2021		
	Service	Contract	Total	Service	Contract	Total	Service	Contract	Total	Service	Contract	Total
Sweden	925	1,761	2,686	654	1,454	2,108	2,767	6,452	9,220	1,625	5,389	7,015
Rest of Nordic	281	623	905	161	379	540	857	1,987	2,844	457	1,418	1,875
Total	1,206	2,384	3,590	815	1,833	2,648	3,624	8,439	12,063	2,082	6,808	8,890

Operations in Sweden

Market

In general, the market for new construction, renovation and energy-efficiency measures is good in both the private and public sectors. The supply of installation projects in certain regions has temporarily declined somewhat, from a high level. For new production of residential property, we've noticed somewhat of a dampening effect, primarily due to uncertainty about the interest rate situation.

Construction investments in the industry remain at a high level, particularly in northern Sweden, where major investments will be made in the years ahead. Rising electricity prices and investments in Swedish basic industry are increasing the need for energy-efficiency and investments in the grid. For technical consulting, short-term demand is good, primarily for the logistics, industrial, ROT (a tax relief scheme for repairs, conversion, and extensions) and energy segments where significant needs exist.

Rising inflation and higher material prices is impacting the industry's profitability. Long delivery times and component shortages could delay installations.

Net sales

Fourth quarter

Net sales for the quarter amounted to SEK 2,686 (2,108) million, which is an increase of SEK 578 million. Organic growth amounted to 10.7 percent and acquired growth was 16.7 percent.

January - December

Net sales for the period amounted to SEK 9,220 (7,015) million, which is an increase of SEK 2,205 million. Organic growth amounted to 9.1 percent and acquired growth was 22.4 percent.

Earnings

Fourth quarter

EBITA for the quarter was SEK 244 (200) million, which corresponds to a EBITA margin of 9.1 (9.5) percent. The EBITA mar-

gin strengthened to 9.1 (8.4) percent, not excluding items affecting comparability of SEK 22 million from last year, which was related to the lump sum payment from AFA Försäkring. Operating profit/loss was SEK 233 (178) million. Operating profit/loss was SEK 233 (178) million.

January - December

EBITA for the period was SEK 772 (640) million, which corresponds to a EBITA margin of 8.4 (9.1) percent. The EBITA margin amounted to 8.4 (8.8) percent, not excluding items affecting comparability of SEK 22 million from last year, which was related to the lump sum payment from AFA Försäkring. The lower margin is primarily attributable to higher absenteeism at the beginning of the year and high prices for materials, for which there is a delay before it can be passed on to customers or compensated for via streamlining measures. Operating profit/loss was SEK 699 (617) million.

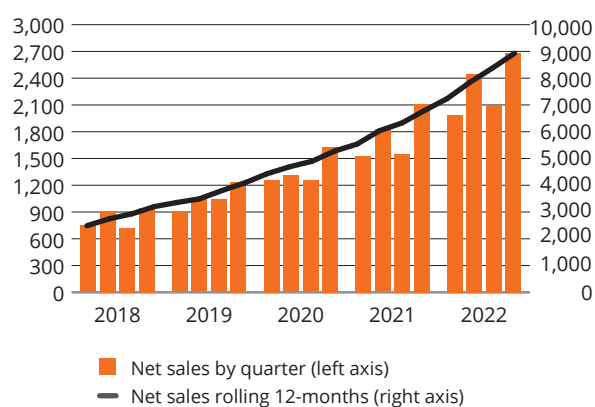
Order backlog

January - December

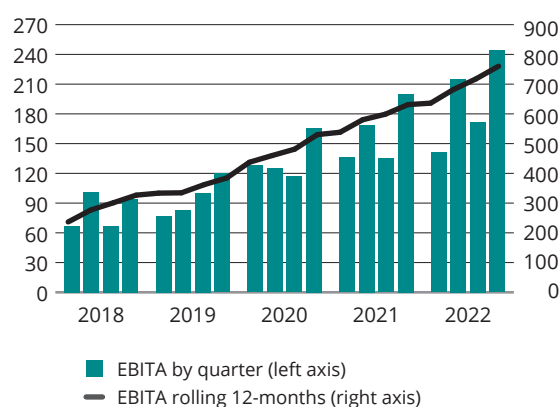
Order backlog at the end of the period amounted to SEK 6,355 (5,363) million, which is an increase of 18.5 percent. Organically, for comparable units, order backlog increased by 4.9 percent. The order backlog of acquired companies contributed with growth of 13.6 percent.

Among other things, during the fourth quarter and via its subsidiary, Nihlén Elmontage, Instalco was contracted by the City of Gothenburg to modernise the street lighting system at the Redbergsplatsen tram stop. The old luminaries will be replaced with modern lighting and energy-saving control systems. Much of the lighting in the Gothenburg tram network is outdated, hanging street lighting and at Redbergsplatsen, Nihlén's will be dismantling the old lighting and replacing it with new poles and modern LED fixtures.

NET SALES BY QUARTER, SEK M



EBITA BY QUARTER, SEK M



Key figures for Sweden

SEK m	Oct-Dec 2022	Oct-Dec 2021	Change, %	Jan-Dec 2022	Jan-Dec 2021	Change, %
Net sales	2,686	2,108	27.4	9,220	7,015	31.4
EBITA	244	200	21.8	772	640	20.6
EBITA margin, %	9.1	9.5		8.4	9.1	
Order backlog	6,355	5,363	18.5	6,355	5,363	18.5

Operations in Rest of Nordic

Market

The market in Norway remains stable in terms of both construction and renovation. For new production of residential property, we've noticed a dampening effect, at a high level, primarily due to uncertainty about the interest rate situation and high construction costs. The demand for energy efficient installations is increasing in line with rising energy prices. The major driving forces are continued major investments in the public sector, such as schools and hospitals, along with private initiatives to develop industrial, office and commercial facilities.

The market in Finland fell during the pandemic and has still not fully recovered. The financial situation in the market is causing a delay in its recovery. The existing market is primarily being driven by investments in the major metropolitan regions.

Net sales

Fourth quarter

Net sales for the quarter amounted to SEK 905 (540) million, which is an increase of SEK 365 million. Organic growth, adjusted for currency effects, amounted to 10.7 percent and acquired growth was 48.1 percent.

January - December

Net sales for the period amounted to SEK 2,844 (1,875) million, which is an increase of SEK 969 million. Organic growth, adjusted for currency effects, amounted to 3.3 percent and acquired growth was 40.5 percent.

Earnings

Fourth quarter

EBITA for the quarter was SEK 50 (31) million, which corresponds to a EBITA margin of 5.5 (5.8) percent. Operating profit/loss was SEK 30 (29) million. The lower margin is primarily attributable to higher prices for materials.

January - December

EBITA for the period was SEK 151 (80) million, which corresponds to an EBITA margin of 5.3 (4.3) percent. Operating profit/loss was SEK 92 (79) million. The higher margin is mainly attributable to stabilisation of the Norwegian market and a positive earnings effect from acquired companies.

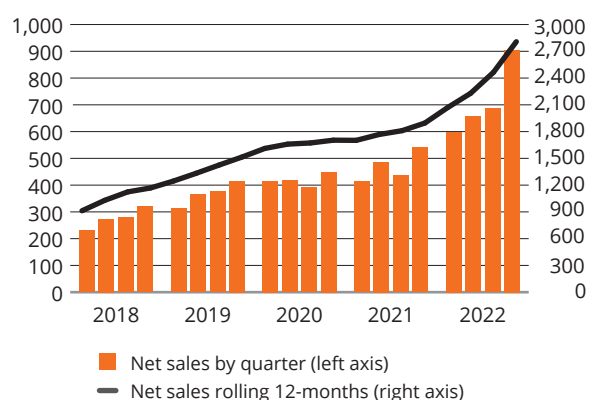
Order backlog

January - December

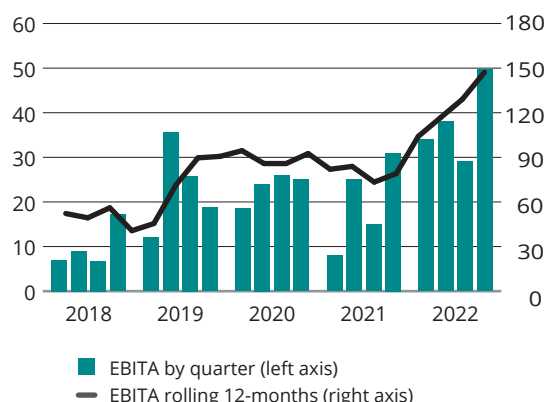
Order backlog at the end of the period amounted to SEK 1,925 (1,432) million, which is an increase of 34.4 percent, adjusted for currency effects. Organically, for comparable units, order backlog increased by 6.5 percent. The order backlog of acquired companies contributed with growth of 27.9 percent.

Among other things, during the fourth quarter, Instalco won an assignment involving two of its subsidiaries to participate in the development of a new trading area at Gardermoen Airport in Oslo. Instalco will be delivering heating & plumbing installations at a new warehouse for special logistics, along with the ventilation system for construction of a new logistics centre.

NET SALES BY QUARTER, SEK M



EBITA BY QUARTER, SEK M



Key figures, Rest of Nordic

SEK m	Oct-Dec 2022	Oct-Dec 2021	Change, %	Jan-Dec 2022	Jan-Dec 2021	Change, %
Net sales	905	540	67.5	2,844	1,875	51.6
EBITA	50	31	58.1	151	80	87.4
EBITA margin, %	5.5	5.8		5.3	4.3	
Order backlog	1,925	1,432	34.4	1,925	1,432	34.4

Acquisition

Instalco made 16 acquisitions during the period January through December. Acquisition costs for the period amount to SEK 12 (11) million and they are reported among Other operating expenses in the income statement.

Instalco typically applies an acquisition structure that consists of the purchase price and contingent consideration. Payment of contingent consideration is based on future results. Companies that achieve higher profits over a specified period of time will thus be paid a higher amount of contingent consideration. Contingent consideration is paid within three years of the acquisition date and there is a fixed maximum level.

In accordance with IFRS, contingent consideration has been measured at fair value. It is classified in Level 3 of the fair value hierarchy and reported under Non-current liabilities and Other current liabilities in the balance sheet. At the end of the period, the Group's estimated total amount of contingent consideration was SEK 454 million, of which SEK 167 million is for acquisitions made in 2022. The maximum, non-discounted amount that could be paid to prior owners is SEK 738 million, of which SEK 269 million pertains to acquisitions that were made in 2022.

Revaluation of contingent consideration had a positive net impact on the period of SEK 25 (31) million, which is

reported in Other operating income and Other operating expenses in the income statement.

The Group's goodwill stems from continuous, goal-oriented acquisition efforts over a period of many years. The amount allocated to goodwill on the acquisition date corresponds to the cost of acquisition less the fair value of the acquired net assets. The value of goodwill is motivated by the earnings capacity of our companies and it represents the future economic benefits of collaboration between subsidiaries, cross-selling and joint purchasing. The benefits have not, however, been individually identified or reported separately. Equity at the end of the period, the Groups total goodwill amounted to SEK 4,610 (3,847) million. Consolidated goodwill is tested each year for impairment by looking at each cash-generating unit. No impairment of goodwill was necessary during the period. Other identified goodwill, such as customer relations and the order backlog, have been measured at present value of future cash flows and as a rule, is amortised over a period of 3 to 10 years.

Instalco's acquired net sales over the last 12-month period (RTM), in accordance with the assessed situation on the acquisition date, amounted to SEK 1,141 million.

Company acquisitions

Instalco made the following company acquisitions during the period January – December 2022.

Access gained	Acquisition	Area of technology	Segment	Share of the votes and capital	Net sales, SEK million ¹⁾	Number of employees
January	Manglerud Rørleggerbedrift AS	Heating & plumbing	Rest of Nordic	100%	25	14
January	TC Kraft AB and Z-Signaler AB	Electricity	Sweden	100%	50	25
February	Kyrön Sähkö Oy	Electricity	Rest of Nordic	100%	77	50
April	Highcon AB	Industrial	Sweden	70%	325	120
May	Liab Instrumenteringar AB	Industrial	Sweden	100%	36	17
June	Kuopion LVI-Talo Oy	Heating & plumbing	Rest of Nordic	100%	65	30
June	Christiania AS-bolagen	Heating & plumbing	Rest of Nordic	100%	148	75
July	Inlands Luft AB	Ventilation	Sweden	100%	39	24
July	Keyvent AB	Ventilation	Sweden	100%	25	0
July	Melins Plåtslageri AB	Ventilation	Sweden	100%	29	11
July	Grums Rör AB	Heating & plumbing	Sweden	100%	32	14
August	Grevstad & Tvedt AS	Heating & plumbing	Rest of Nordic	100%	110	70
September	URD Klima AS companies	Ventilation	Rest of Nordic	100%	48	28
November	Imes AS	Electricity	Rest of Nordic	100%	50	30
November	Dymont Installation Oy	Electricity	Rest of Nordic	100%	52	57
December	Bakke El-Installasjon AS	Electricity	Rest of Nordic	100%	30	23
Total					1,141	588

1) Pertains to the assessed situation on a full-year basis at the acquisition date.

Impact of acquisitions

Acquisitions had the following impact on the Group's assets and liabilities. None of the acquisitions in the period have been assessed as individually significant, which is why the disclosures cover them as a whole. The acquisition analyses for companies acquired in 2022 are preliminary.

SEK m	Fair value of Group
Intangible assets	488
Deferred tax asset	1
Other non-current assets	78
Other current assets	400
Cash and cash equivalents	202
Deferred tax liability	-153
Current liabilities	-528
Total identifiable assets and liabilities (net)	488
Goodwill	676
Consideration paid	
Cash and cash equivalents	1,063
Contingent consideration	115
Total transferred consideration	1,178
Impact on cash and cash equivalents	
Cash consideration paid	1,063
Cash and cash equivalents of the acquired units	-197
Total impact on cash and cash equivalents	866
Settled contingent consideration attributable to acquisitions in the current year and prior years	173
Exchange rate difference	4
Total impact on cash and cash equivalents	1,043
Impact on net sales and operating profit/loss 2022	
Net sales	1,032
Operating profit/loss	170
Consolidated pro forma for net sales and operating profit/loss from 1 January 2022 until the acquisition date	
Net sales	654
Operating profit/loss	91

Financial and other information

Financial position

Equity at the end of the period amounted to SEK 3,152 (2,501) million, with an equity ratio of 32.9 (33.0) percent.

Cash and cash equivalents, together with its other short-term investments amounted to SEK 631 (695) million at the end of the period.

Interest-bearing debt including leasing at the end of the period amounted to SEK 3,135 (2,346) million, of which leasing amounts to SEK 552 (432) million. The increase in interest-bearing debt is attributable to funds transferred for the Group's acquisitions.

As of the end of the period, Instalco's total credit facility, including unutilised credit, amounted to a total of SEK 3,700 (2,001) million, of which SEK 2,550 (1,896) million had been utilised. The Group is meeting the stated covenants with a good margin.

As of the end of the period, interest-bearing net debt amounted to SEK 2,503 (1,651) million, with a gearing ratio of 85.1 (66.5) percent and net debt in relation to adjusted

EBITDA was 2.1 (1.8). Currency changes impacted interest-bearing net debt by SEK -13 (15) million.

Investments, depreciation and amortisation

Investments in company acquisitions amounted to SEK 1,043 (953) million during the period. The amount includes settled contingent consideration attributable to acquisitions made in the current and prior years equal to SEK 173 (51) million.

Net investments in fixed assets for the period amounted to SEK -37 (-18) million.

Depreciation/amortisation property, plant and equipment and intangible assets amounted to SEK 381 (198) million, of which SEK 249 (172) million was depreciation of PPE and SEK 132 (26) million was amortisation of acquired intangible assets. The increase in depreciation/amortisation is primarily attributable to a higher rate of investment and thus higher depreciation/amortisation according to plan.

Share Information

At the extraordinary general meeting on 13 January 2022, it was resolved that a 5:1 share split would be carried out. The new shares were registered in the shareholders' accounts on 27 January 2022. At the end of the period, the number of shares and votes in Instalco AB amounted to 260,564,020.

Instalco's ten largest shareholders, 2022-12-31	Number of shares	Share of capital and votes
Per Sjöstrand	26,901,860	10.3%
Swedbank Robur Fonder	24,799,827	9.5%
Capital Group	22,030,970	8.5%
AMF Pension & Fonder	16,555,164	6.4%
Odin Fonder	11,755,515	4.5%
SEB Fonder	11,000,294	4.2%
Wipunen Varainhallinta Oy	10,430,000	4.0%
Heikintorppa Oy	10,340,000	4.0%
Handelsbanken Fonder	9,701,602	3.7%
Vanguard	8,051,329	3.1%
Total, 10 largest shareholders	151,566,561	58.2%
Other	108,997,459	41.8%
Total	260,564,020	100.0%

The ten largest known shareholders (grouped) of Instalco AB as of 31 December 2022. Source: Monitor by Modular Finance AB. Compiled and processed data from Euroclear, Morningstar and FI.

Outstanding share-related incentive programs

Instalco has two outstanding warrants scheme corresponding to a total of 7,546,280 shares that are directed at the expanded Group management team, CEOs of subsidiaries and other key individuals of the Group. The warrants have been transferred on market terms at a price that was established based on an estimated market value using the Black & Scholes valuation model calculated by an independent valuation institute. Conditions for subscription price per share in both programmes correspond to 115 percent of the volume-weighted average price during the period of five trading days after each AGM.

Outstanding program	Number of options	Corresponding number of shares	Percentage of total shares	Price per option per option	Redemption rate per option	Redemption rate per share	Redemption period
2020/2023 ¹⁾	989,256	4,946,280	2.00%	SEK 24.56	SEK 157.78	SEK 31.56	22 May 2023 - 16 June 2023
2022/2025	2,600,000	2,600,000	1.00%	SEK 7.80	SEK 50.92	SEK 50.92	22 May 2025 - 16 June 2025

1) The 2020/2023 program has been restated to reflect the 5:1 share split that was carried out in January 2022.

Parent Company

The main operations of Instalco AB are head office activities like group-wide management and administration, along with finance and accounting. The comments below pertain to the period 1 January through 31 December 2022. Net sales for the Parent Company amounted to SEK 25 (22) million. Operating profit/loss was SEK -3 (-1) million. Net financial items amounted to SEK 130 (-2) million, primarily attributable to profit or loss from participations in Group companies. Earnings before taxes were SEK 133 (7) million and earnings for the period were SEK 132 (6) million. Cash and cash equivalents at the end of the period amounted to SEK 27 (54) million.

Transactions with related parties

Besides remuneration to senior executives, there were no transactions between Instalco and related parties that had a significant impact on the company's financial position or earnings during the period.

Risks and uncertainties

The Instalco Group is active in the Nordic market and it has a decentralised structure whereby each unit runs its own operations, with a large number of customers and suppliers. The business model limits the aggregated business and financial risks.

Instalco's earnings and financial position, as well as its strategic position, are affected by a number of internal factors that Instalco has control over, as well as a number of external factors where the ability to impact the outcome is limited. The most significant risk factors are the state of economy and market situation, including inflation and interest rates, along with structural changes and competition, which impact the demand for new construction of homes and offices, as well as investments from the public sector and industry. The demand for service and maintenance work is less impacted by these risk factors.

Instalco does not have any direct exposure to Ukraine and Russia with either sales or purchasing. Instalco's assessment is that the indirect effects are currently limited, although disruptions in logistics chains and higher prices

for raw materials where we are not able to compensate with a corresponding increase in our own prices impacts some of the Group's subsidiaries. We are monitoring developments carefully but it is currently difficult to assess what future consequences the conflict could have on the economic situation in Europe.

For more information, please see the section on Risks (pages 44-47) in the 2021 Annual Report.

The Parent Company is indirectly impacted by the aforementioned risks and uncertainties via its function in the Group.

Accounting policies

The interim report has been prepared in accordance with IFRS that have been adopted by the EU, with the application of IAS 34 Interim Financial Reporting. Disclosures as per IAS 34.16A are provided in the financial statements, notes and other parts of the interim report. The interim report for the Parent Company has been prepared in accordance with the Annual Accounts Act and the Swedish Securities Market Act, which is in accordance with RFR 2 Accounting for Legal Entities. The same accounting policies and bases of computation have been applied in this interim report as in the most recent annual report. New and revised IFRS and IFRIC pronouncements applicable as of the 2022 financial year have not had any significant impact on the consolidated financial statements.

Events after the end of the reporting period

During the first quarter of 2023, Instalco acquired Telepatrol Oy with expected sales of SEK 48 million and 30 employees and Rörprodukter Montage Sverige AB with expected sales of SEK 24 million and 12 employees. Preliminary acquisition analyses for these acquisitions have not yet been prepared.

An agreement has been signed to acquire Lysteknikk Elektroentreprenør AS, with anticipated sales of SEK 325 million and 120 employees. The acquisition is conditional, pending approval from the Norwegian Competition Authority, with anticipated completion of the acquisition in February.

Condensed consolidated income statement and statement of comprehensive income

AMOUNTS IN SEK M	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net sales	3,590	2,648	12,063	8,890
Other operating income	30	48	115	115
Operating income	3,620	2,696	12,179	9,005
Materials and purchased services	-1,806	-1,349	-6,186	-4,552
Other external services	-333	-178	-968	-521
Personnel costs	-1,112	-890	-3,805	-2,975
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets	-103	-63	-381	-198
Other operating expenses	-4	-4	-54	-37
Operating expenses	-3,359	-2,484	-11,395	-8,283
Operating profit/loss (EBIT)	261	212	784	722
Net financial items	-31	-6	-87	-23
Earnings before taxes	230	205	697	699
Tax on profit for the year	-48	-42	-145	-142
Earnings for the period	182	164	551	558
Other comprehensive income				
Translation difference	43	24	117	69
Comprehensive income for the period	225	188	668	627
<i>Comprehensive income for the period attributable to:</i>				
Parent Company's shareholders	218	183	636	615
Non-controlling interests	7	4	31	12
Earnings per share for the period, before dilution, SEK	0.67	0.61	1.99	2.10
Earnings per share for the period, after dilution, SEK	0.66	0.60	1.96	2.06
Average number of shares before dilution ^{1, 2)}	260,564,020	260,252,160	260,564,020	260,113,220
Average number of shares after dilution ^{1, 2)}	265,510,300	265,198,440	265,510,300	265,059,500

1) The number of shares has been restated to reflect the 5:1 share split that was carried out in January 2022.

2) Instalco has an outstanding warrants scheme corresponding to a total of 7,546,280 shares.

Condensed consolidated balance sheet

AMOUNTS IN SEK M	31 Dec 2022	31 Dec 2021
ASSETS		
Goodwill	4,610	3,847
Right-of-use assets	568	446
Other non-current assets	759	300
Total non-current assets	5,938	4,593
Accounts receivable	1,891	1,448
Contract assets	620	519
Other current assets	493	334
Cash and cash equivalents	631	695
Total current assets	3,636	2,996
TOTAL ASSETS	9,573	7,589
Equity and liabilities		
Equity	2,944	2,482
Non-controlling interests	208	19
Total equity	3,152	2,501
Non-current liabilities	3,188	2,095
Lease liabilities	372	295
Total non-current liabilities	3,559	2,390
Lease liabilities	181	137
Accounts payable	1,042	788
Contract liabilities	461	403
Other current liabilities	1,178	1,370
Total current liabilities	2,862	2,698
Total liabilities	6,421	5,088
TOTAL EQUITY AND LIABILITIES	9,573	7,589
Of which interest-bearing liabilities	3,135	2,345
<i>Equity attributable to:</i>		
Parent Company shareholders	2,944	2,482
Non-controlling interests	208	19

Statement of changes in equity

AMOUNTS IN SEK M	Share capital	Other contributed capital	Translation reserve	Accumulated profit or loss incl. profit (loss) for the year	Total	Non-controlling interests	Total equity
Opening balance 2022-01-01	1	996	1	1,485	2,483	19	2,501
Earnings for the period	-	-	-	520	520	31	551
Translation effect for the year of foreign operations	-	-	116	-	116	1	117
Comprehensive income for the year	-	-	116	520	636	32	668
<i>Transactions with owners</i>							
Dividends	-	-	-	-169	-169	-2	-171
Change in non-controlling interests	-	-	-	-19	-19	159	140
Issue warrants	-	-	-	14	14	-	14
Total transactions with owners	-	-	-	-174	-174	157	-17
Closing balance 2022-12-31	1	996	117	1,830	2,944	208	3,152
Opening balance 2021-01-01	1	942	-68	1,085	1,960	12	1,973
Earnings for the period	-	-	-	546	546	12	558
Translation effect for the year of foreign operations	-	-	69	-	69	-	69
Total comprehensive income for the year	-	-	69	546	615	12	627
<i>Transactions with owners</i>							
Dividends	-	-	-	-140	-140	-1	-141
Change in non-controlling interests	-	-	-	-10	-10	-5	-15
New issue	-	53	-	-	53	-	53
Issue warrants	-	-	-	3	3	-	3
Total transactions with owners	-	53	-	-147	-94	-5	-99
Closing balance 2021-12-31	1	996	1	1,485	2,483	19	2,501

Condensed consolidated cash flow statement

AMOUNTS IN SEK M	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Cash flow from operating activities				
Earnings before taxes	230	205	697	699
Adjustment for items not included in cash flow	109	66	407	190
Tax paid	-25	-12	-214	-150
Changes in working capital	62	124	-137	-130
Cash flow from operating activities	376	383	753	610
Investing activities				
Acquisition of subsidiaries and businesses	-117	-359	-1,043	-953
Other non-current assets	-6	0	-37	-18
Cash flow from investing activities	-123	-358	-1,080	-971
Financing activities				
New issue	-	30	-	53
Warrants	-	0	14	3
Change in non-controlling interests	-2	0	-22	-15
Dividends	-	-	-171	-141
Net change of loan	142	241	624	907
Amortisation of lease liabilities	-59	-42	-205	-151
Cash flow from financing activities	81	229	240	658
Cash flow for the period	334	254	-87	297
Cash and cash equivalents at the beginning of the period	288	438	695	386
Translation differences in cash and cash equivalents	9	4	22	12
Cash and cash equivalents at the end of the period	631	695	631	695

Condensed Parent Company income statement

AMOUNTS IN SEK M	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net sales	7	2	25	22
Operating expenses	-8	-5	-28	-22
Operating profit/loss	-1	-2	-3	-1
Net financial items	-1	-1	130	-2
Profit/loss after net financial items	-2	-3	126	-3
Group contributions received	7	10	7	10
Earnings before taxes	5	7	133	7
Tax	-1	-2	-1	-2
Earnings for the period	4	6	132	6

Condensed Parent Company balance sheet

AMOUNTS IN SEK M	31 Dec 2022	31 Dec 2021
ASSETS		
Shares in subsidiaries	1,375	1,375
Total non-current assets	1,375	1,375
Other current assets	7	10
Cash and cash equivalents	27	54
Total current assets	35	64
TOTAL ASSETS	1,410	1,440
Equity and liabilities		
Equity	1,250	1,287
Total equity	1,250	1,287
Non-current liabilities	149	143
Current liabilities	11	10
Total liabilities	160	152
TOTAL EQUITY AND LIABILITIES	1,410	1,440

Quarterly data

AMOUNTS IN SEK M	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Net sales	3,590	2,788	3,102	2,583	2,648	1,989	2,311	1,942
Growth in net sales, %	35.6	40.2	34.2	33.0	27.5	21.0	33.9	15.9
EBITDA	364	275	303	223	275	214	241	189
EBITDA margin, %	10.2	9.9	9.8	8.6	10.4	10.8	10.4	9.7
EBITA	292	201	250	173	227	171	199	152
EBITA margin, %	8.1	7.2	8.1	6.7	8.6	8.6	8.6	7.8
Operating profit/loss (EBIT)	261	156	215	151	212	163	197	150
Operating profit/loss (EBIT), %	7.3	5.6	6.9	5.9	8.0	8.2	8.5	7.7
Earnings before taxes	230	131	209	126	205	158	197	140
Earnings for the period	182	77	191	101	164	129	154	110
Working capital	341	352	141	-257	-255	-15	-156	-216
Interest-bearing net debt	2,503	2,668	2,365	1,710	1,650	1,620	1,219	911
Gearing ratio, %	85.0	97.4	90.3	64.8	66.5	71.4	57.2	42.4
Net debt/EBITDA, times	2.1	2.5	2.3	1.8	1.8	1.9	1.5	1.2
Cash conversion (rolling 12 months), % ²⁾	85	90	88	88	84	77	97	113
Cash flow from operating activities	376	16	151	210	383	-42	104	164
Equity ratio, %	32.9	32.2	31.7	32.6	33.0	34.6	36.5	39.3
Return on equity, %	20.1	20.3	23.4	23.0	24.7	25.8	26.0	26.0
Return on capital employed, %	14.9	14.7	15.7	17.0	18.8	20.2	21.2	21.3
Order backlog	8,376	8,158	8,120	7,602	6,795	6,494	6,610	6,708
Average number of employees	5,431	5,341	5,115	4,860	4,642	4,335	4,085	3,876
Number of employees at the end of the period	5,611	5,517	5,386	5,027	4,887	4,597	4,256	3,993
Acquisition-related items	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Revaluation of contingent consideration	11	-	8	6	16	10	5	0
Acquisition costs	-2	-3	-4	-3	-4	-4	-1	-3
Total acquisition-related items	9	-3	4	3	13	6	4	-3
Key figures per share SEK ¹⁾	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Average number of shares before dilution	260,564,020	260,564,020	260,564,020	260,564,020	260,252,160	260,122,655	260,104,835	259,973,235
Average number of shares after dilution	265,510,300	265,510,300	265,510,300	265,510,300	265,198,440	265,068,935	265,051,115	264,919,515
Earnings for the period attributable to the Parent Company's shareholders, SEK million	175	70	175	100	159	128	151	108
Earnings per share for the period, before dilution, SEK	0.67	0.27	0.67	0.38	0.61	0.49	0.58	0.41
Earnings per share for the period, after dilution, SEK	0.66	0.26	0.66	0.37	0.60	0.48	0.57	0.41
Cash flow from operating activities per share, SEK	1.4	0.06	0.57	0.79	1.45	-0.16	0.39	0.62
Equity per share, SEK	11.09	10.32	9.86	9.95	9.36	8.56	8.04	8.10
Share price at the end of the period, SEK	39.63	44.84	42.30	70.84	86.88	80.40	71.00	63.90

1) The number of shares has been restated to reflect the 5:1 share split that was carried out in January 2022.

2) A change in the cash conversion calculation was made during quarter 4, see the definitions on page 20.

Reconciliation of key figures not defined in accordance with IFRS

The Company presents certain financial measures in the interim report, which are not defined under IFRS. The Company believes that these measures provide useful supplemental information to investors and the company's management, since they allow for the evaluation relevant trends. Instalco's definitions of these measures may differ from other companies using the same terms. These financial measures should therefore be viewed as a supplement, rather than as a replacement for measures defined under IFRS. Presented below are definitions of measures that are not defined under IFRS and which are not mentioned elsewhere in the interim report. Reconciliation of these measures is provided in the table, below. For definitions of key figures, see page 20-21. As of 1 January 2022, EBITA and EBITDA are no longer presented with an adjustment for revaluation of additional consideration and acquisition costs.

Earnings measures and margin measures

AMOUNTS IN SEK M	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
(A) Net sales	3,590	2,788	3,102	2,583	2,648	1,989	2,311	1,942
(B) EBITDA	364	275	303	223	275	214	241	189
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets (not acquired)	-72	-74	-53	-50	-49	-44	-42	-37
(C) EBITDA	292	201	250	173	227	171	199	152
Depreciation/amortisation and impairment of acquired intangible assets	-31	-44	-34	-22	-15	-7	-2	-2
(D) Operating profit/loss (EBIT)	261	156	215	151	212	163	197	150
<i>(B/A) EBITDA margin, %</i>	<i>10.2</i>	<i>9.9</i>	<i>9.8</i>	<i>8.6</i>	<i>10.4</i>	<i>10.8</i>	<i>10.4</i>	<i>9.7</i>
<i>(C/A) EBITA margin, %</i>	<i>8.1</i>	<i>7.2</i>	<i>8.1</i>	<i>6.7</i>	<i>8.6</i>	<i>8.6</i>	<i>8.6</i>	<i>7.8</i>
<i>(D/A) Operating profit/loss, (EBIT), %</i>	<i>7.3</i>	<i>5.6</i>	<i>6.9</i>	<i>5.9</i>	<i>8.0</i>	<i>8.2</i>	<i>8.5</i>	<i>7.7</i>

Capital structure

AMOUNTS IN SEK M	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Calculation of working capital and working capital in relation to net sales								
Inventories	159	132	119	115	104	76	76	68
Accounts receivable	1,891	1,724	1,589	1,348	1,448	1,176	1,093	900
Contract assets	620	857	862	677	519	637	565	570
Prepaid expenses and accrued income	158	120	98	77	101	93	67	54
Other current assets	177	161	151	147	127	118	111	99
Accounts payable	-1,042	-1,077	-987	-865	-788	-754	-755	-677
Contract liabilities	-461	-506	-581	-449	-403	-322	-296	-344
Other current liabilities	-473	-466	-458	-684	-784	-549	-489	-399
Accrued expenses and deferred income, including provisions	-687	-592	-651	-623	-580	-490	-529	-487
(A) Working capital	341	352	141	-257	-255	-15	-156	-216
(B) Net sales (12-months rolling)	12,063	11,121	10,322	9,531	8,890	8,319	7,973	7,388
(A/B) Working capital as a percentage of net sales, %	2.8	3.2	1.4	-2.7	-2.9	-0.2	-2.0	-2.9

AMOUNTS IN SEK M	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Calculation of interest-bearing net debt and gearing ratio								
Non-current, interest-bearing financial liabilities	2,950	2,783	2,718	2,544	2,209	1,935	1,423	1,204
Current, interest-bearing financial liabilities	185	174	143	139	137	123	120	112
Cash and cash equivalents	-631	-288	-497	-973	-695	-438	-323	-404
(C) Interest-bearing net debt	2,503	2,668	2,365	1,710	1,650	1,620	1,219	911
(D) Equity	2,944	2,739	2,618	2,641	2,482	2,269	2,130	2,147
(C/D) Gearing ratio, %	85.0	97.4	90.3	64.8	66.5	71.4	57.2	42.4
(E) EBITDA (12-months rolling)	1,165	1,076	1,015	954	920	876	833	778
(C/E) Interest-bearing net debt in relation to EBITDA (12-months rolling)	2.1 times	2.5 times	2.3 times	1.8 times	1.8 times	1.9 times	1.5 times	1.2 times
Calculation of operating cash flow and cash conversion (12-months rolling)								
(F) EBITDA	1 165	1 076	1 015	954	920	876	833	778
Net investments in property, plant and equipment and intangible assets	-37	-30	-16	-27	-18	-19	-16	-5
Changes in working capital	-137	-74	-109	-84	-130	-181	-13	105
(G) Operating cash flow (12-months rolling)	99	972	890	843	772	676	804	878
(G/F) Cash conversion % (12-months rolling) ¹⁾	85	90	88	88	84	77	97	113
(H) Earnings for the period (12-months rolling)	551	533	585	548	558	548	523	489
(H/D) Return on equity, %	20.1	20.3	23.4	23.0	24.7	25.8	26.0	26.0
(I) EBIT	261	156	215	151	212	163	197	150
(J) Financial income	38	34	16	8	23	12	8	2
(K) Total assets	9,573	9,088	8,840	8,154	7,589	6,594	5,880	5,496
(L) Interest-free liabilities	3,286	3,202	3,176	2,812	2,742	2,253	2,193	2,024
(I+J)/(K-L) Return on capital employed, %	14.9	14.9	15.7	17.0	18.8	20.2	21.2	21.3

1) A change in the cash conversion calculation was made during quarter 4, see the definitions on page 20.

Signatures

Future reporting dates

Annual Report 2022	Published on the company's website during week of 21 March 2023
Interim report January – March 2023	4 May 2023
AGM 2023	5 May 2023
Interim report January – June 2023	22 August 2023
Interim Report January – September 2023	27 October 2023

Board of Directors' assurance

The Board of Directors and CEO ensure that the year-end report provides a fair view of the Group's operations, position and earnings, and describes significant risks and uncertainties faced by company and the companies belonging to the Group.

Stockholm 16 February 2023

Instalco AB (publ)

Per Sjöstrand
Chairman of the Board

Johnny Alvarsson
Board member

Camilla Öberg
Board member

Carina Qvarngård
Board member

Per Leopoldsson
Board member

Carina Edblad
Board member

Robin Boheman
CEO

This report has not been reviewed by the company's auditors.

Presentation of the report

The report will be presented in a telephone conference/audiocast today, 16 February at 09:30 CET via

<https://ir.financialhearings.com/instalco-q4-2022>

To participate by phone, register via

<https://conference.financialhearings.com/teleconference/?id=500512>

Note

This information is information that Instalco is required to disclose under the EU Market Abuse Regulation.

The information was made public by the contact person listed below, on 16 February 2023 at 07:30 CET.

Additional information

Robin Boheman, CEO

Christina Kassberg, CFO, christina.kassberg@instalco.se

Fredrik Trahn, IR, fredrik.trahn@instalco.se +46 (0)70 913 67 96

Definitions with explanation

General

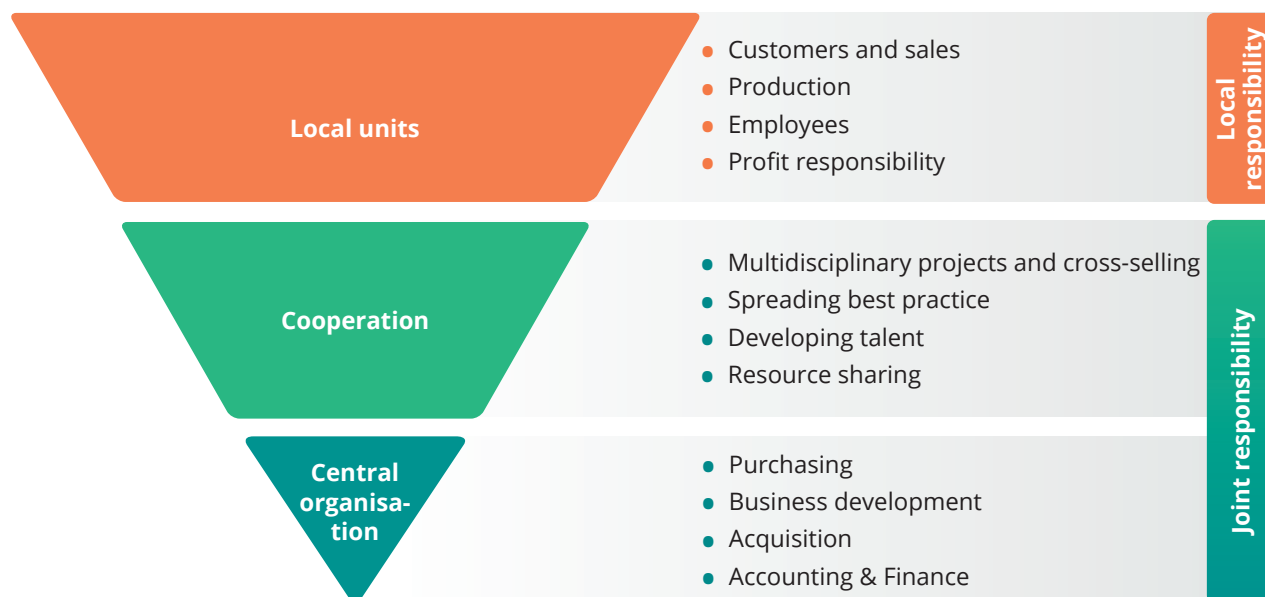
Unless otherwise indicated, all amounts in the report and tables are in SEK m. All amounts in parentheses () are comparison figures for the same period in the prior year, unless otherwise indicated.

Key figures	Definition/calculation	Purpose
Acquired growth in net sales	Change in net sales as a percentage of net sales during the comparable period, fuelled by acquisitions. Acquired net sales is defined as net sales during the period that are attributable to companies that were acquired during the last 12-month period and for these companies, the only amounts that are considered as acquired net sales are their sales up until 12 months after the acquisition date.	Acquired net sales growth reflects the acquired units' impact on net sales.
Cash conversion	Operating cash flow, 12-months rolling, as a percentage of EBITDA, 12-months rolling. A change in the calculation of cash conversion occurred in Q4 2022 and prior periods have been restated.	Cash conversion is used to monitor how effective the Group is in managing ongoing investments and working capital.
Change in exchange rates	The period's change in net sales that is attributable to the change in exchange rates (start of the period compared to the end of the period), as a percentage of net sales during the comparison period.	The change in exchange rates reflects the impact that exchange rate fluctuations has had on net sales during the period.
EBIT margin	Earnings before interest and taxes, as a percentage of net sales.	EBIT margin is used to measure operational profitability.
EBITA	Operating profit/loss (EBIT) before depreciation/amortisation and impairment of acquired intangible assets.	EBITA provides an overall picture of the profit generated from operating activities.
EBITA margin	Operating profit/loss (EBIT) before depreciation/amortisation and impairment of acquired intangible assets, as a percentage of net sales.	EBIT margin is used to measure operational profitability.
EBITDA	Operating profit/loss (EBIT) before depreciation/amortisation and impairment of acquired intangible assets and depreciation/amortisation and impairment of property, plant and equipment and intangible assets	EBITDA, together with EBITA provides an overall picture of the profit generated from operating activities.
EBITDA margin	Operating profit/loss (EBIT) before depreciation/amortisation and impairment of acquired intangible assets and depreciation/amortisation and impairment of property, plant and equipment and intangible assets, as a percentage of net sales.	EBITDA margin is used to measure operational profitability.
Equity ratio	Equity including non-controlling interests, expressed as a percentage of total assets.	Equity ratio is used to show the proportion of assets that are financed by equity.
Gearing ratio	Interest-bearing net debt as a percentage of total equity.	Gearing ratio measures the extent to which the Group is financed by loans. Because cash and other short-term investments can be used to pay off the debt on short notice, net debt is used instead of gross debt in the calculation.
Growth in net sales	Change in net sales as a percentage of net sales in the comparable period, prior year.	The change in net sales reflects the Groups realised sales growth over time.
Interest-bearing net debt	Non-current and current interest bearing liabilities less cash and other short-term investments.	Interest-bearing net debt is used as a measure that shows the Groups total debt.
Net debt in relation to adjusted EBITDA	Interest-bearing net debt compared to EBITDA provides a measure of liquidity for net liabilities in relation to cash-generating earnings in the business. Net debt on the closing date and EBITDA are calculated as the most recent 12-month period.	The measure provides an indication of the organisation's ability to pay its debts.
Operating cash flow	EBITDA less investments in property, plant and equipment and intangible assets, along with an adjustment for cash flow from change in working capital.	Operating cash flow is used to monitor the cash flow generated from operating activities.
Operating profit/loss (EBIT)	Earnings before interest and taxes.	Operating profit/loss (EBIT) provides an overall picture of the profit generated from operating activities.

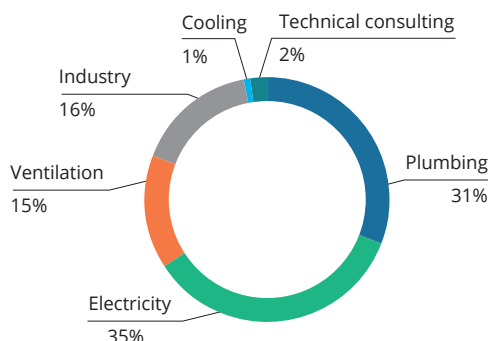
Key figures	Definition/calculation	Purpose
Order backlog	The value of outstanding, not yet accrued project revenue from received orders.	Order backlog provides an indication of the Group's remaining project revenue from orders already received.
Organic growth adjusted for currency effects	The change in net sales for comparable units after adjustment for acquisition and currency effects, as a percentage of net sales during the comparison period.	Organic growth in net sales does not include the effects of changes in the Group's structure and exchange rates, which enables a comparison of net sales over time.
Return on capital employed	Operating profit/loss (EBIT) plus financial income divided by capital employed (total assets less interest-free liabilities). The components are calculated as the average over the last 12 months.	The purpose is to analyse profitability in relation to capital employed.
Return on equity	Earnings for the period on a rolling 12-month basis divided by average total equity at the end of the period.	Return on equity is used to analyse profitability, based on how much equity is used.
Working capital	Inventories, accounts receivable, earned but not yet invoiced income, prepaid expenses and accrued income and other current assets, less accounts payable, invoiced but not yet earned income, accrued expenses and deferred income and other current liabilities.	Working capital is used to measure the company's ability to meet short-term capital requirements.
Working capital as a percentage of net sales	Working capital at the end of the period as a percentage of net sales on a 12-month rolling basis.	Working capital as a percentage of net sales is used to measure the extent to which working capital is tied up.

Instalco in brief

Instalco has a decentralised structure, where operations are conducted in each unit, in close cooperation with customers and with the support of a very streamlined central organisation. The Instalco model is designed to benefit from the advantages of both strong local ties and joint functions.



NET SALES BY AREA OF OPERATION



NET SALES BY MARKET AREA

