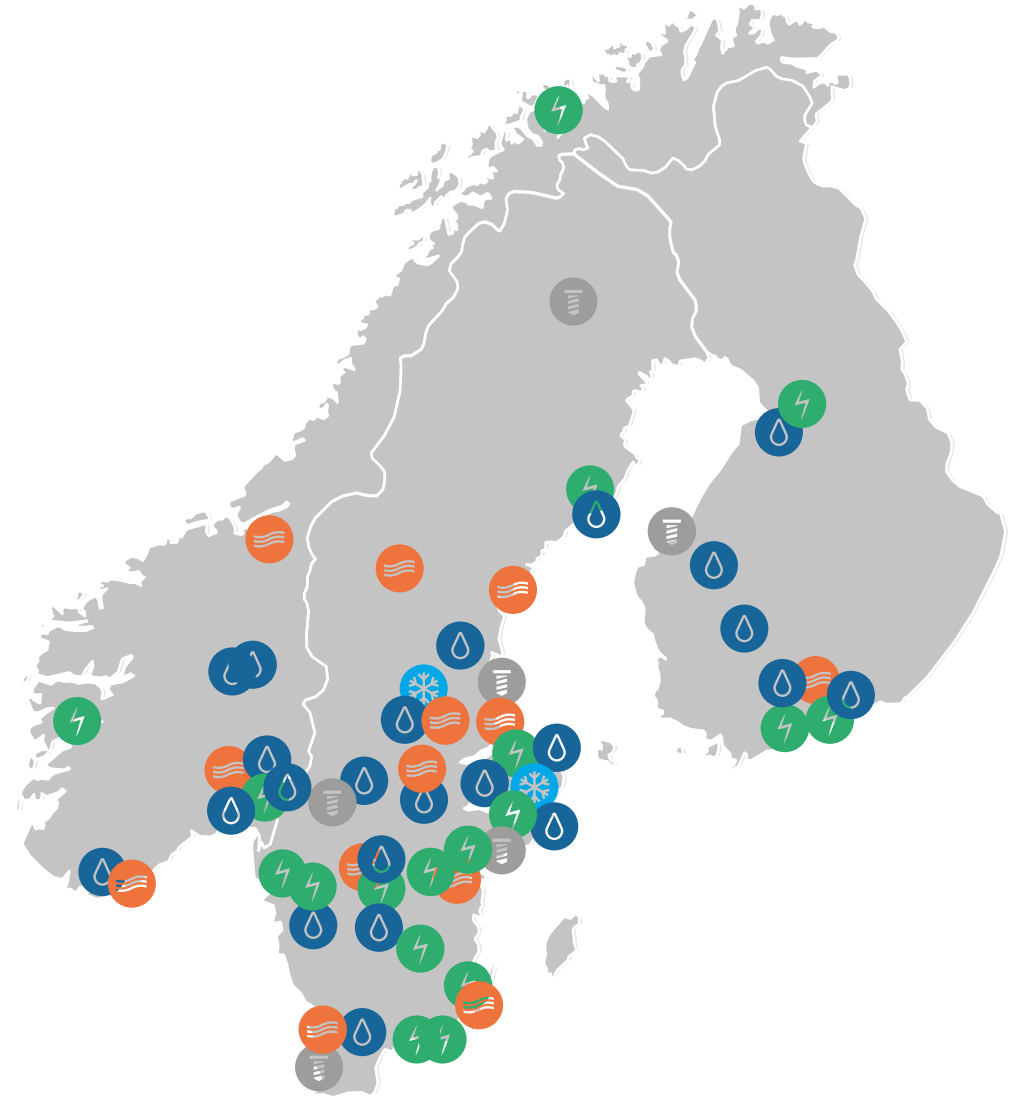


Instalco Q4 presentation

17 February 2022

This is Instalco

- A leading Nordic installation group within heating and plumbing, electrical, ventilation, cooling, industry and technical consulting
- 110 subsidiaries – highly specialised local companies
- 4 900 employees
- Highly decentralised structure
- Supported by a small central organisation
- Strong profitability with high margins over time



Q4 Highlights

- Stable quarter in overall results and margin
- High cash flow 383 million
- Net sales growth 27.5%
- Organic growth 7.0%
- Six acquisitions
- Higher sick leave than normal due to pandemic reasons

Key financials Q4 2021

Net sales

SEK **2,648** million

EBITA

SEK **227** million

EBITA margin

SEK **8.6** %

Key financials, 2021

Net sales, million SEK

8.890

EBITA, million SEK

748

Net sales growth, %

24,8

Order backlog, million SEK

6.795

EBITA margin, %

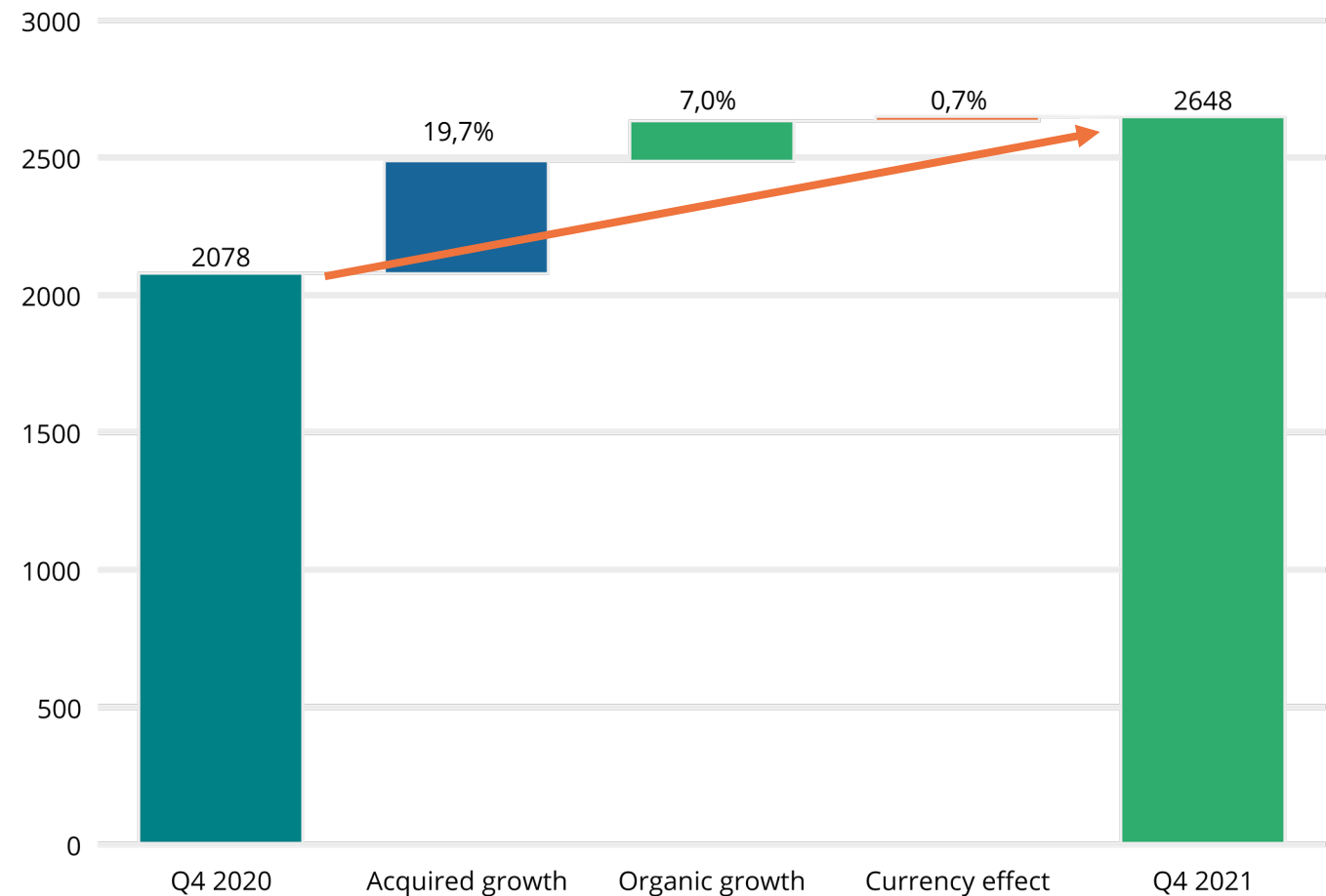
8,4

Acquired annual sales, million SEK

1.760

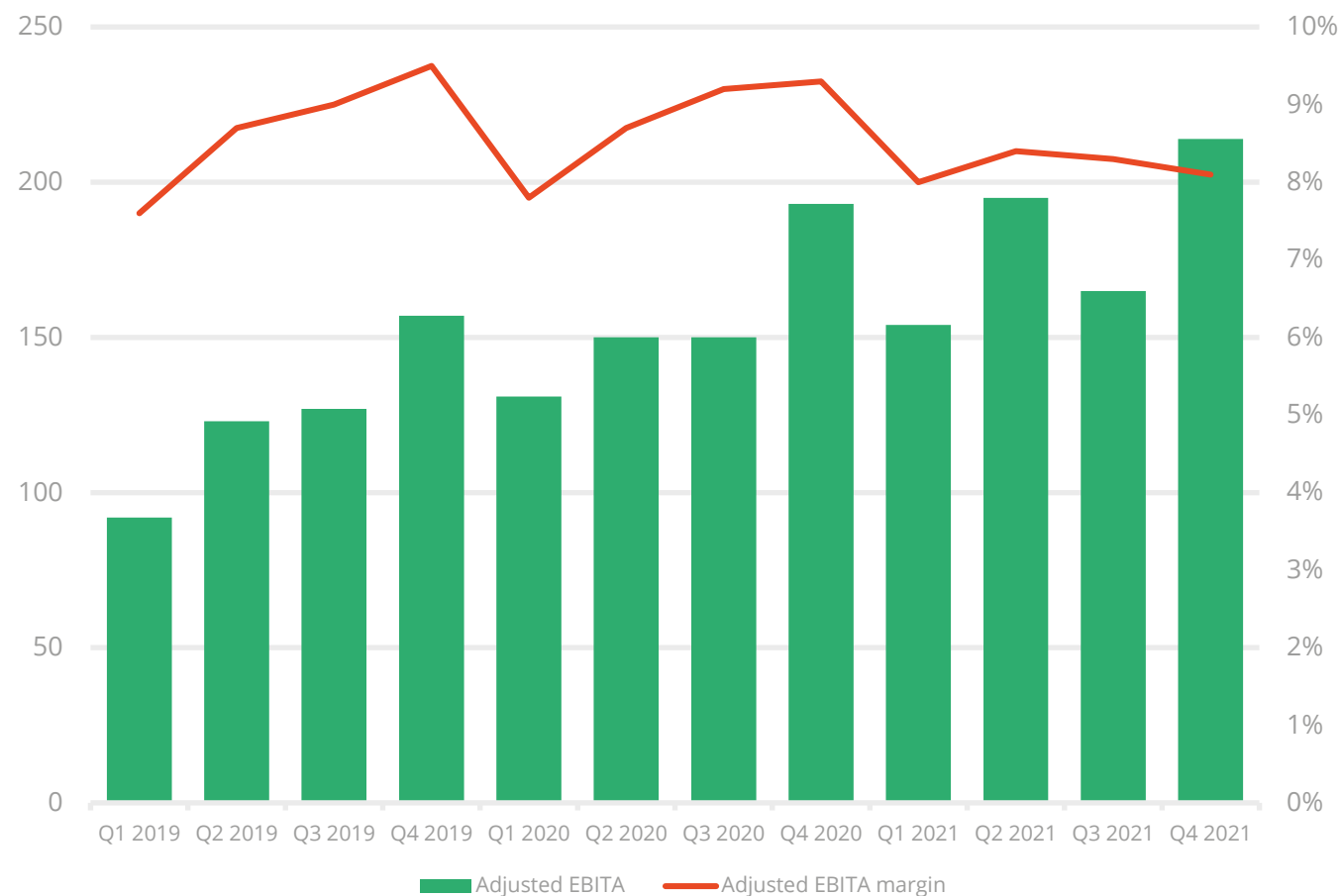
Net sales development (SEK million)

- High activity in Q4, net sales growth 27.5% to SEK 2,648 (2,078) million
- Acquired growth of 19.7%, an effect of the successful M&A agenda
- Organic growth of 7.0%, a strong proof of the synergies, collaboration and cross-selling concept



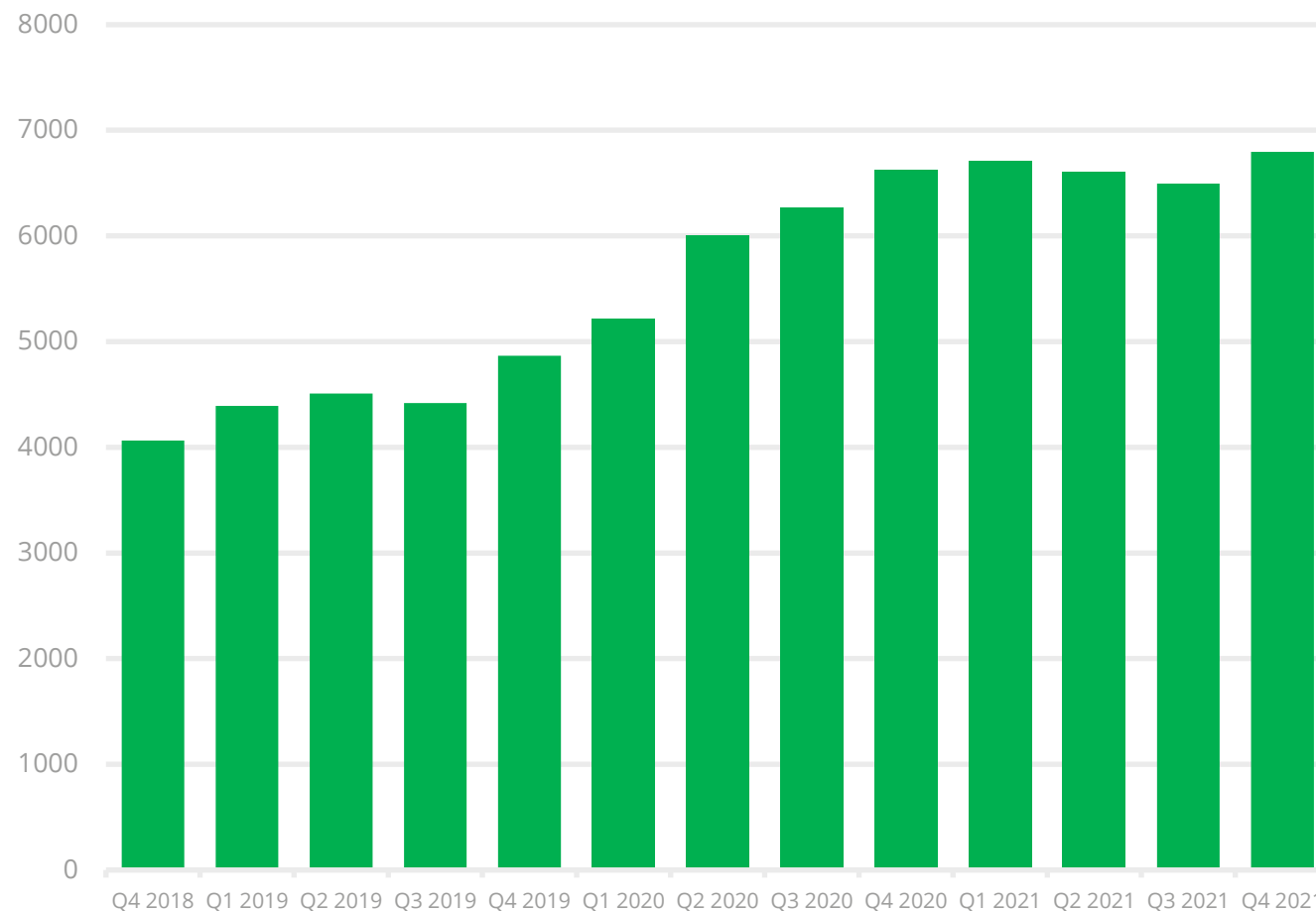
Adj. EBITA development (SEK million and margin %)

- Record high adj. EBITA in Q4, growth 10,6% to SEK 214 (193) million
- Adj. EBITA margin 8.1% (9.3), good level in challenging markets
- Strong position in strategically selected areas and geographies
- Strained supply chain handled well
- Several project deliveries during Q4



Order backlog development (SEK million)

- Order backlog growth YoY of 2.6%, to SEK 6,795 (6,625) million
- Ratio of 0.76x, relative to 12 months rolling net sales
- Organic development -9.5%, YoY, a comparison from a high level
- Acquired growth YoY +10.9%



Project: Installation of Solar panel roof

- Vallacom in Linköping is installing Riksbyggens largest solar cell system in Sweden
- 5 200 sqm / 37 blocks
- Self-produced electricity for 647 apartments
- Installation of charging posts for electrical cars
- Sustainable Instalco Project



Project: Five companies in joint assignment

- Five Instalco companies contracted by Peab
- Design and installation of electrical, heating & plumbing, ventilation and sprinkler systems
- Renovation of property Entré in Malmö, office building
- Demand-driven installations for energy saving
- Sustainable Instalco Project





Segment Sweden Q4 development

- Net sales growth 29.4% to SEK 2,108 (1,629) million
 - Organic growth 7.4%, a very strong and solid performance
 - Acquired growth of 22.1%
- High level of synergies, collaboration and cross selling
- EBITA growth 20.2% to SEK 200 (166) million

Key financials Q4 2021

Net sales

SEK **2,108** million

EBITA

SEK **200** million

EBITA margin

9.5 %

Order backlog

SEK **5,363** million

Segment Rest of Nordic Q4 development



- Net sales growth 20.4% to SEK 540 (449) million
 - Organic growth 5.8%, a very strong and solid performance
 - Acquired growth of 11.3%
- High level of synergies, collaboration and cross selling
- EBITA growth 23.4% to SEK 31 (25) million. Results from action plan for higher margins in Norway

Key financials Q4 2021

Net sales

SEK **540** million

EBITA

SEK **31** million

EBITA margin

5.8 %

Order backlog

SEK **1,432** million

Acquisitions 2021

		Company	Discipline	Segment	Est. Sales (SEKm)
1	Q1	JB Elektro	Electrical	Rest of Nordic	40
2	Q1	Lincom	Electrical	Sweden	33
3	Q1	Nässjö Teknikprojektering	Technical consulting	Sweden	15
4	Q1	Stockholm Luftkompetens	Ventilation	Sweden	85
5	Q1	Kempes El	Electrical	Sweden	85
6	Q2	Inva Engineering	Heating & Plumbing	Rest of Nordic	6
7	Q2	Calmarsunds VVS	Heating & Plumbing	Sweden	68
8	Q2	Rörmokaren i Kolmården	Heating & Plumbing	Sweden	31
9	Q2	Lampans Einstallationer	Electrical	Sweden	55
10	Q2	Einstallationer i Karlshamn	Electrical	Sweden	40
11	Q2	KaVP och Karlskoga Tak	Ventilation	Sweden	30
12	Q2	Nordengen VVS	Heating & Plumbing	Rest of Nordic	13
13	Q2	PlanProj	Technical consulting	Sweden	17

Acquisitions 2021 cont.

14	Q2	Nihlén Elmontage	Electrical	Sweden	80
15	Q2	Industriprodukter	Electrical	Sweden	20
16	Q3	Klimateknikk	Ventilation	Rest of Nordic	40
17	Q3	Forsséns Elektriska	Electrical	Sweden	65
18	Q3	App-Startup	Industry	Sweden	97
19	Q3	PeMi Ventillation & Montage	Ventilation	Sweden	38
20	Q3	Nicklas Eriksson Instalationservice	Electrical	Sweden	59
21	Q3	SSE Elnstallation	Electrical	Sweden	100
22	Q4	Total VVS	Heating & Plumbing	Rest of Nordic	114
23	Q4	Kompressorteknik	Industry	Sweden	37
24	Q4	Blomquist	Heating & Plumbing	Sweden	160
25	Q4	MRM Mining / EPS Sweden	Industry	Sweden	75
26	Q4	Nordpipe Composite Engineering	Industry	Rest of Nordic	330
27	Q4	Lidingö Elektriska	Electrical	Sweden	27
		Total			1 760

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	24.8%	✓
Margin	<ul style="list-style-type: none">• Instalco aims to deliver an adjusted EBITA margin of 8.0%	8.2%	✓
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	1.8x	✓
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	84%	✓
Dividend policy	<ul style="list-style-type: none">• Instalco targets a dividend payout ratio of 30% of net profit	30%	✓

CEO's theme

Year
2021

Changes in the management team



Per Sjöstrand
COB



Robin Boheman
CEO



Christina Kassberg
CFO

Late cyclical pandemic disturbances

- Higher sick leave than normal
 - Increased raw material prices
 - Shortage of material and delivery delays
 - Close downs in Norway and Finland
 - Stop and go at construction sites
-
- Despite all the above Instalco manage to deliver strong result and margin



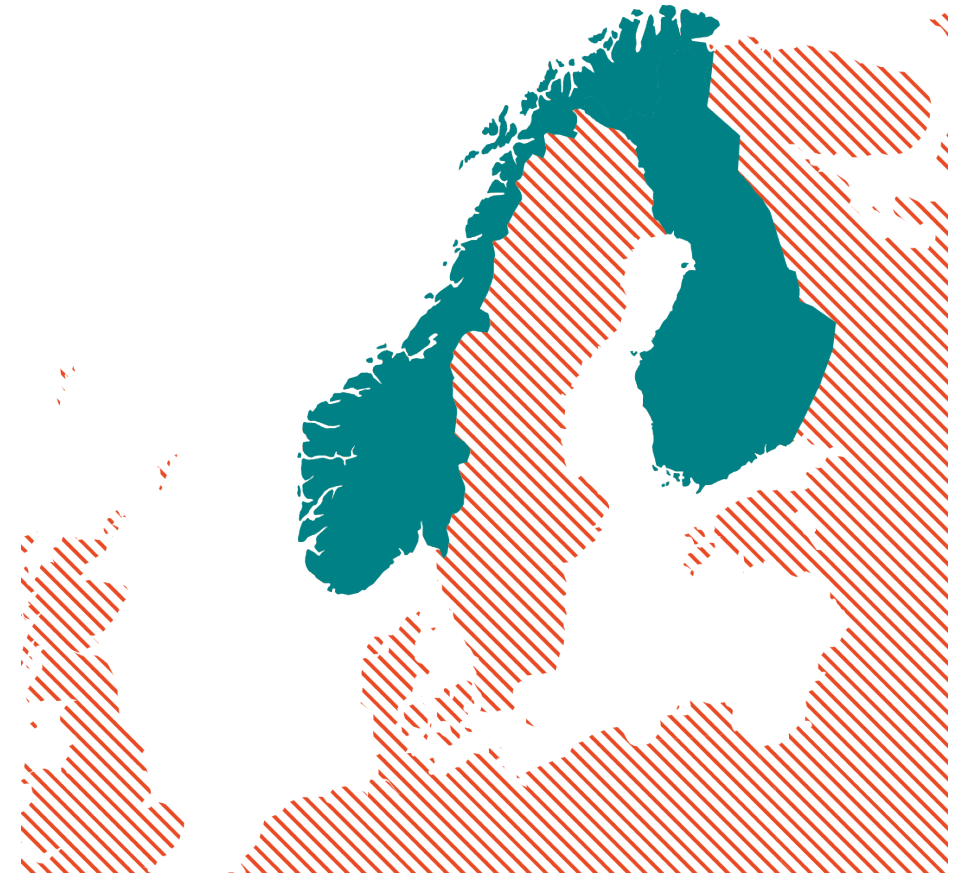
Milestone of 100 subsidiaries

- 100 subsidiaries in three countries
- Intense journey since 2014
- Creating synergies
- Continued acquisition agenda



2022: Expansion in Rest of Nordic

- Analys
- Action plan
 - Downsizing
 - Changes in management
 - Increased support
- Stronger regional organisation
- Strategy Norway
- Strategy Finland
- Broaden our base of companies



2022: Expansion of Industry Discipline

500
Employees

13
companies



Comments

Background

- Orab part of Instalco since 2014
- 13 companies today
- All over Sweden with focus in North

Why?

- Nearby business
- Strong growth
- Less competition

Last quarter:

- First companies in the district Norrbotten
- First company in Finland

2022: Expansion of Technical consulting

230
employees

11
companies



Comments

Intec – started in the end of 2020

- Engineers in electricity, plumbing, ventilation, energy, industry and fire protection.
- Project design, construction management, inspection, installation coordination, environmental coordination, risk management, calculation and investigation.

Why?

- Project design “where it belongs”
- Involvement earlier in the projects
- Complete solutions for the customers
- High profitability

Summary

Q4

Stable quarter

Focus on cash flow

Acquisitions in Norway and Finland

2021

Impressive result

Record high acquired growth

Strong business model

Large Cap Nasdaq Stockholm



Q&A - session

INSTALCO

