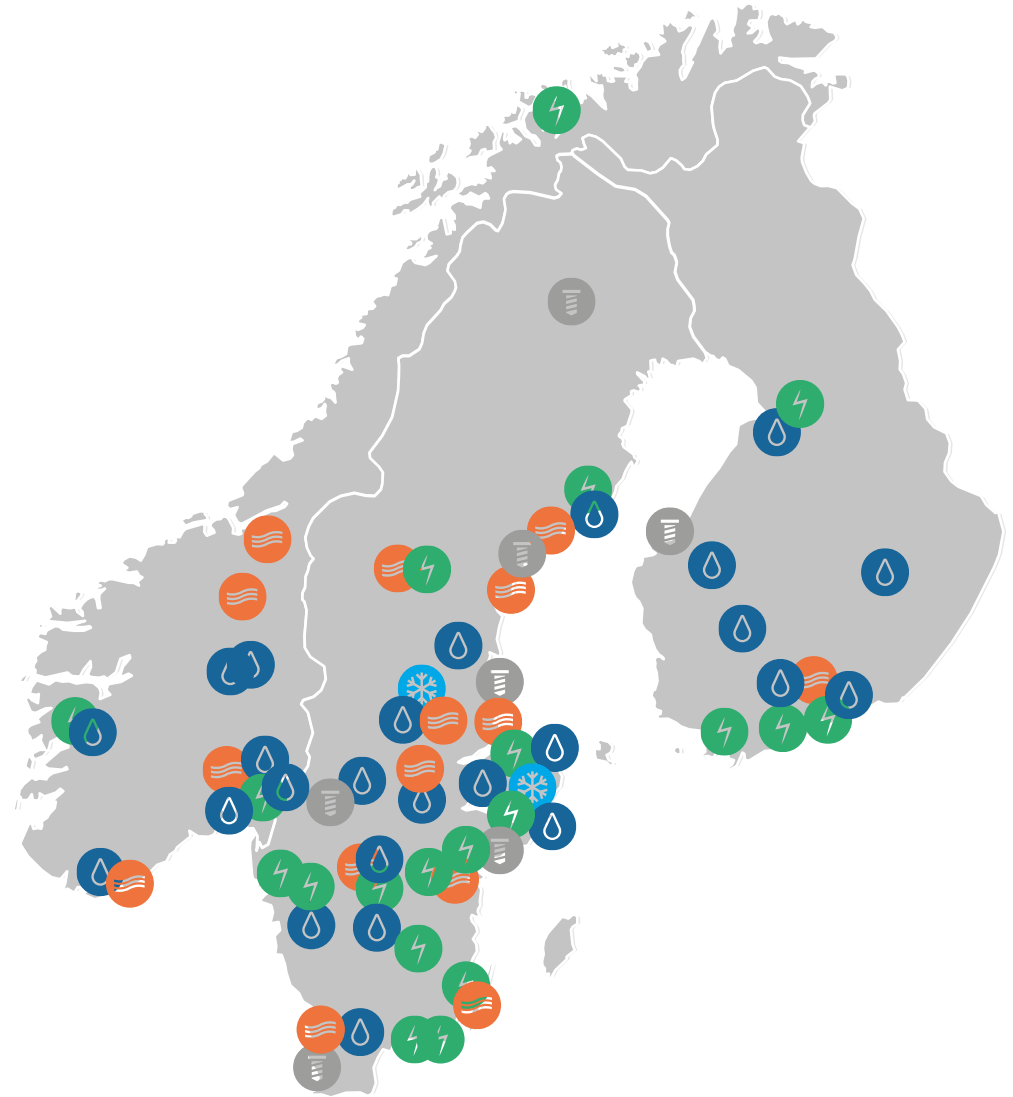


Instalco Q3 presentation

9 November 2022

This is Instalco

- A leading Nordic installation group within heating and plumbing, electrical, ventilation, cooling, industry and technical consulting
- Highly decentralised structure
- Supported by a small central organisation
- 120 subsidiaries – highly specialised local companies
- 5 500 employees
- Strong profitability with high margins over time



Key financials, LTM

Net sales, million SEK

11.121

EBITA, million SEK

850

Cash flow, million SEK

760

Order backlog, million SEK

8.158

EBITA margin, %

7,6

Acquired annual sales, million SEK

1.752

Q3 Highlights

- High sales growth 40.2%
- Organic growth 7.8%
- Solid EBITA
- Dealing with high price levels on material
- New credit agreement with three banks of total SEK 3.4 billion
- Strong performance in segment Sweden
- Increased presence in Norway thanks to strong acquisitions
- Strong demand for energy efficient solutions

Key financials Q3 2022

Net sales

SEK **2,788** million

EBITA

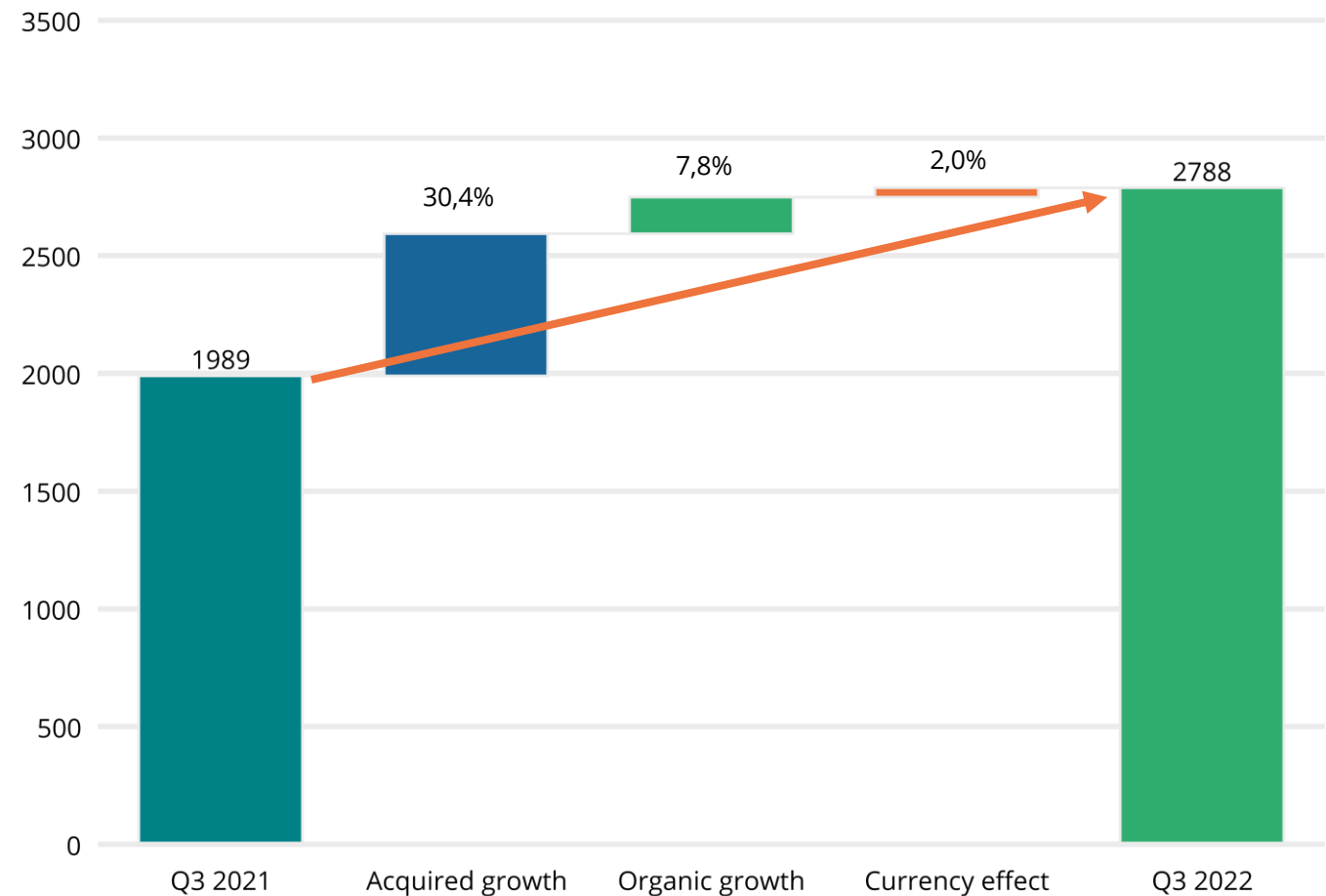
SEK **201** million

EBITA margin

SEK **7.2** %

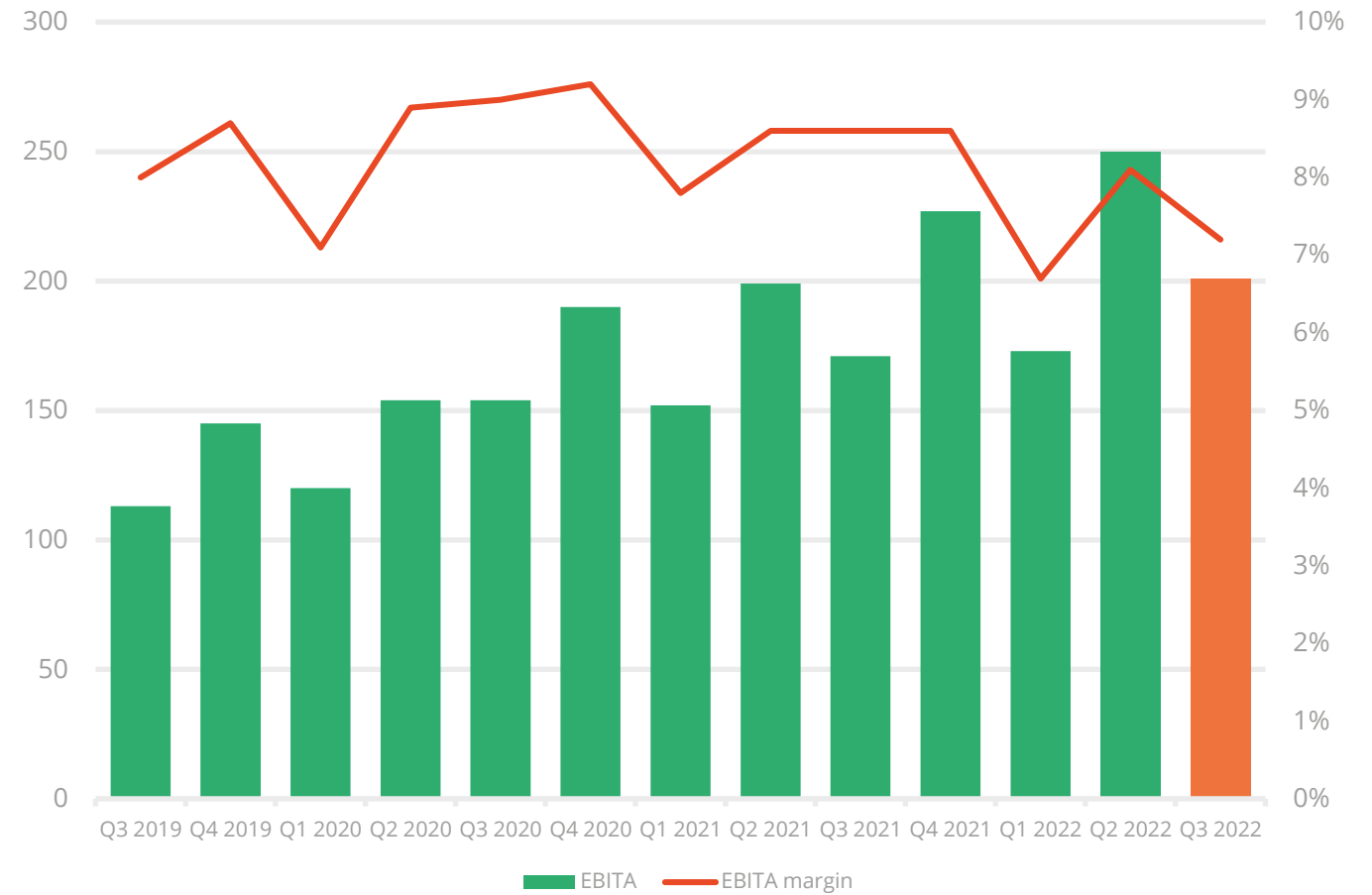
Net sales development (SEK million)

- Net sales growth 40.2% to SEK 2,788 (1,989) million
- Organic growth of 7.8%, a strong proof of the synergies, collaboration and cross-selling concept
- Acquired growth of 30.4%, an effect of the successful M&A agenda



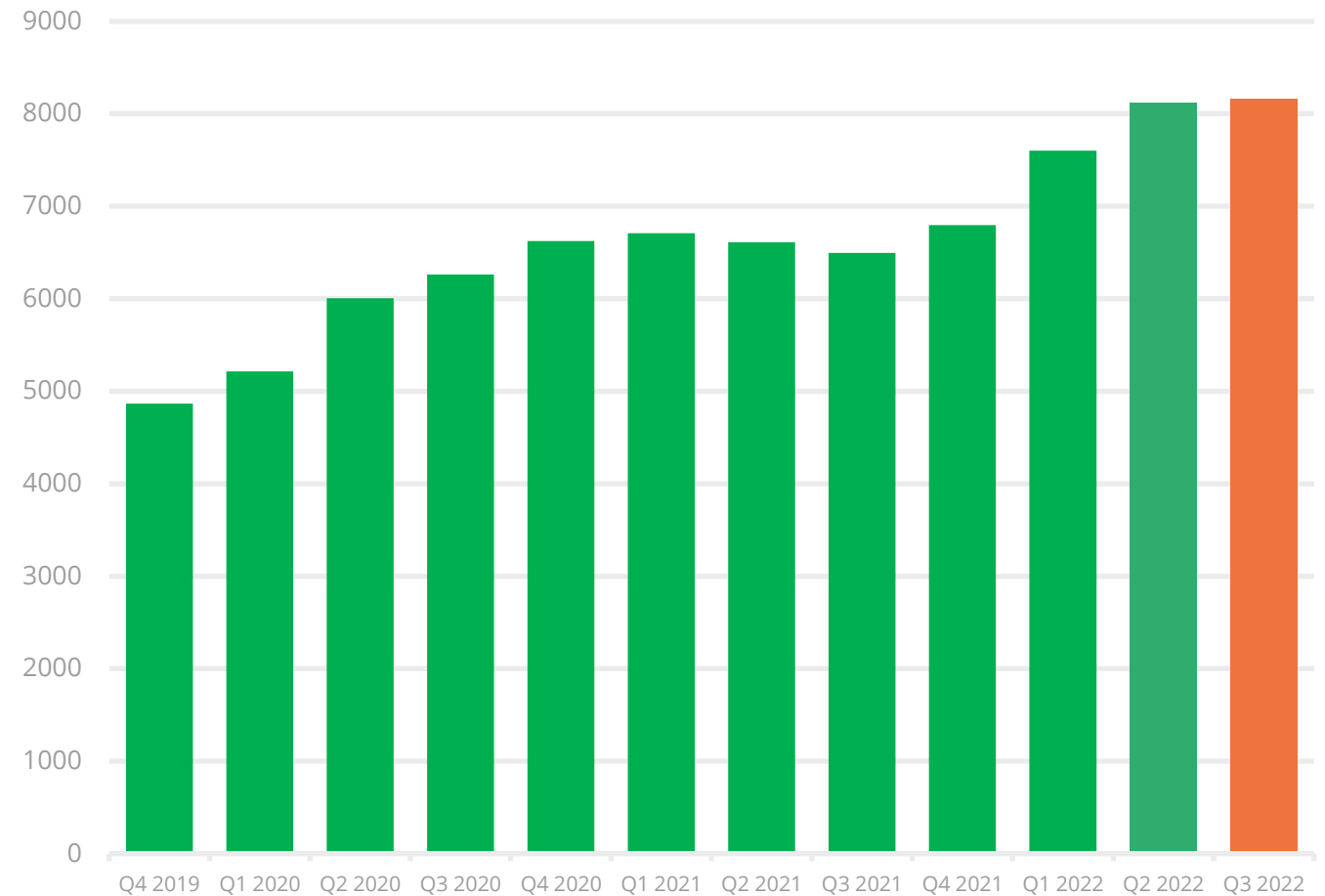
EBITA development (SEK million and margin %)

- EBITA 201 million
- EBITA margin 7,2%



Order backlog development (SEK million)

- Order backlog growth YoY of 25.6%, to SEK 8,158 (6,494) million
- Ratio of $\approx 0.7x$, relative to 12 months rolling net sales





Segment Sweden Q3 development

- Solid performance
- Good profitability and strong growth
- High order backlog
- Net sales growth 35.4% to SEK 2,103 (1,553) million
 - Organic growth 10.3%
 - Acquired growth of 25.1%

Key financials Q3 2022

Net sales

SEK **2,103** million

EBITA

SEK **172** million

EBITA margin

8.2 %

Order backlog

SEK **6,287** million

Segment Rest of Nordic Q3 development



- Strong increase of net sales, EBITA and order backlog
- Increased presence in Norway thanks to strong acquisitions
- Net sales growth 57.3% to SEK 686 (436) million
 - Organic growth -0.9%
 - Acquired growth of 49.2%

Key financials Q3 2022

Net sales

SEK **686** million

EBITA

SEK **29** million

EBITA margin

4.3 %

Order backlog

SEK **1,870** 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 	35.7% YTD	✓
Margin	<ul style="list-style-type: none"> • Instalco aims to deliver an EBITA margin of 8.0% 	7,6% LTM	✓
Capital structure	<ul style="list-style-type: none"> • Instalco's net debt in relation to EBITDA shall not exceed a ratio of 2.5 	2.5x	✓
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 	89% LTM	✓
Dividend policy	<ul style="list-style-type: none"> • Instalco targets a dividend payout ratio of 30% of net profit 	30%	✓

New credit agreement

- New credit agreement with three banks: Danske Bank, SEB and Svensk Exportkredit.
- Total amount of SEK 3.4 billion.
- Strengthen Instalco's position for pursuing additional acquisitions.



Project: New assignment for LKAB

- Two Instalco companies MRM Mining, and EPS Sweden engaged by mining company LKAB.
- New construction of two properties at Vitåfors industrial area.
- Foundation work and underlying pipes work for heating & plumbing.
- Budget for order: SEK 70 to 80 million.



Acquisitions 2022

		Company	Discipline	Segment	Est. Sales (SEKm)
1	Q1	Manglerud AS	Heating & Plumbing	Rest of Nordic	25
2	Q1	TC-Kraft AB / Z-Signaler AB	Electrical	Sweden	50
3	Q1	Kyrön Sähkö Oy	Electrical	Rest of Nordic	77
4	Q2	Highcon AB	Industry	Sweden	325
5	Q2	Liab Instrumenteringar AB	Industry	Sweden	36
6	Q2	Kuopion LVI-Talo Oy	Heating & Plumbing	Rest of Nordic	65
7	Q2	Christiania Rörleggerbedrift AS	Heating & Plumbing	Rest of Nordic	148
8	Q3	Inlands Luft AB	Ventilation	Sweden	39
9	Q3	Keyvent AB	Ventilation	Sweden	25
10	Q3	Melins Plåtslageri AB	Ventilation	Sweden	29
11	Q3	Grums Rör AB	Heating & Plumbing	Sweden	32
12	Q3	Grevstad & Tvedt AS	Heating & Plumbing	Rest of Nordic	110
13	Q3	URD Klima AS companies	Ventilation	Rest of Nordic	48
		Total			1 009

CEO's theme

Energy efficient solutions

The transition to a sustainable society

Energy crisis and increased energy prices are hot topics

Even stronger demand for energy saving installations and solutions

Energy efficiency is the key to lower electricity bills



Suggesting, designing and installing energy efficient solutions

- Solar panels
- Energy saving programs
- Property automation
- Heat pumps
- Geothermal heating
- Low consuming water systems
- Air heat exchangers
- Wastewater heat exchanges
- LED lighting
- Charging stations, charging poles
- Water and air cleaning systems

Energy savings through technical installations

FTX ventilation

New FTX ventilation system installed by Aircano at two properties in Stockholm

Reduced energy consumption by:

50%



Geothermal heating

VVS Kraft installing geothermal heating solution in apartment building in Stockholm.

Reduced energy consumption by:

40%



Solar panels

Vallacom installing solar cell system for 650 apartments in Linköping.

5 200 sqm self produced electricity:

100%



INSTALCO

sustainable installations

Summary

- Solid performance in uncertain macro environment.
- Dealing with high price levels on material
- Strong acquisitions and good pipeline
- Record high order backlog



Q&A - session

INSTALCO

