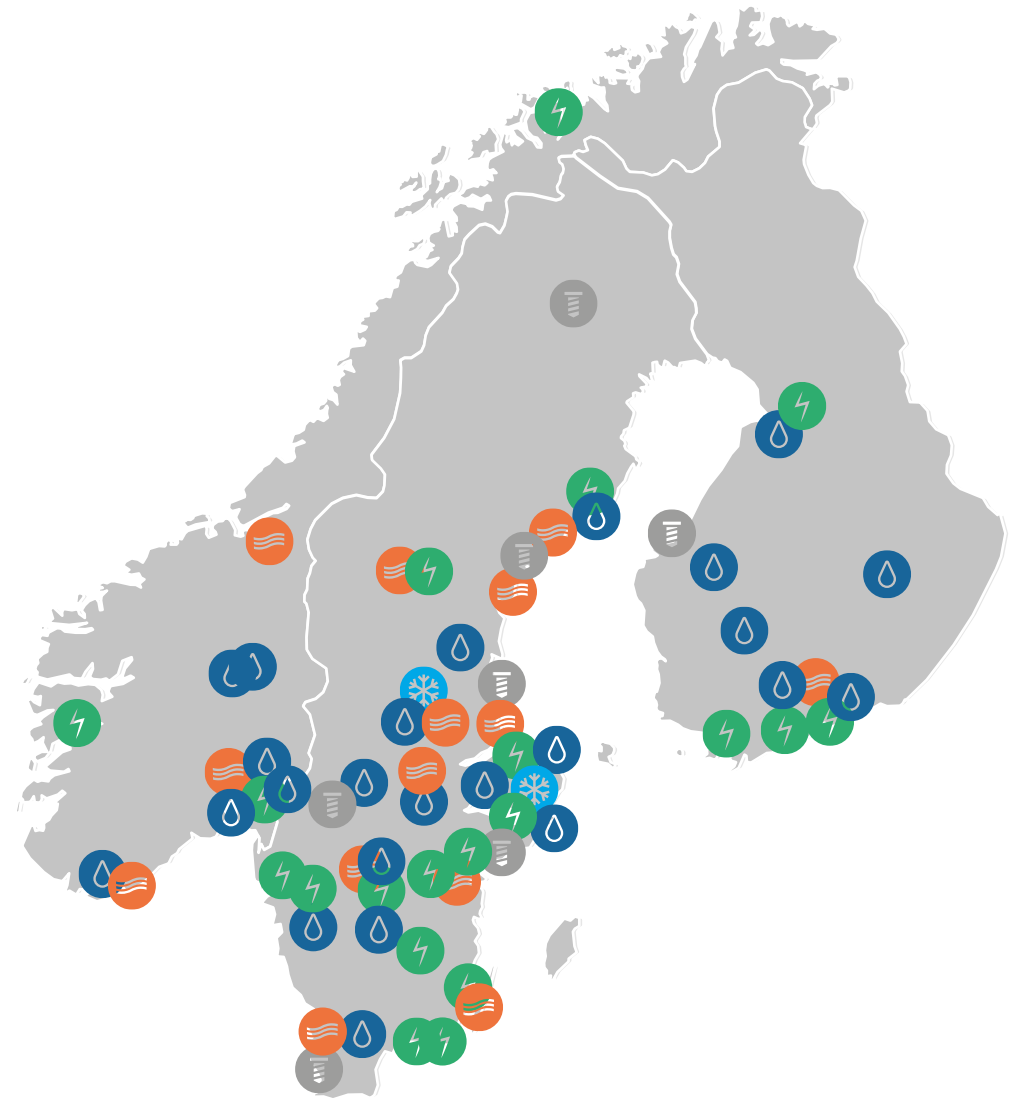


Instalco Q2 presentation

25 August 2022

This is Instalco

- A leading Nordic installation group within heating and plumbing, electrical, ventilation, cooling, industry and technical consulting
- 120 subsidiaries – highly specialised local companies
- 5 400 employees
- Highly decentralised structure
- Supported by a small central organisation
- Strong profitability with high margins over time



10 billion

Net sales, LTM



Key financials, LTM

Net sales, million SEK

10.322

EBITA, million SEK

820

Cash flow, million SEK

907

Order backlog, million SEK

8.120

EBITA margin, %

7,9

Acquired annual sales, million SEK

1.868

Q2 Highlights

- High cash flow 163 million
- Net sales growth 34.2%
- Organic growth 6.2%
- Record high order book
- Margin back on the Instalco level
- Dealing with price increase on material and raw material
- Solid performance in segment Sweden
- Strong acquired growth in segment Rest of Nordic
- Strong demand for project design and sustainable installations

Key financials Q2 2022

Net sales

SEK **3,102** million

EBITA

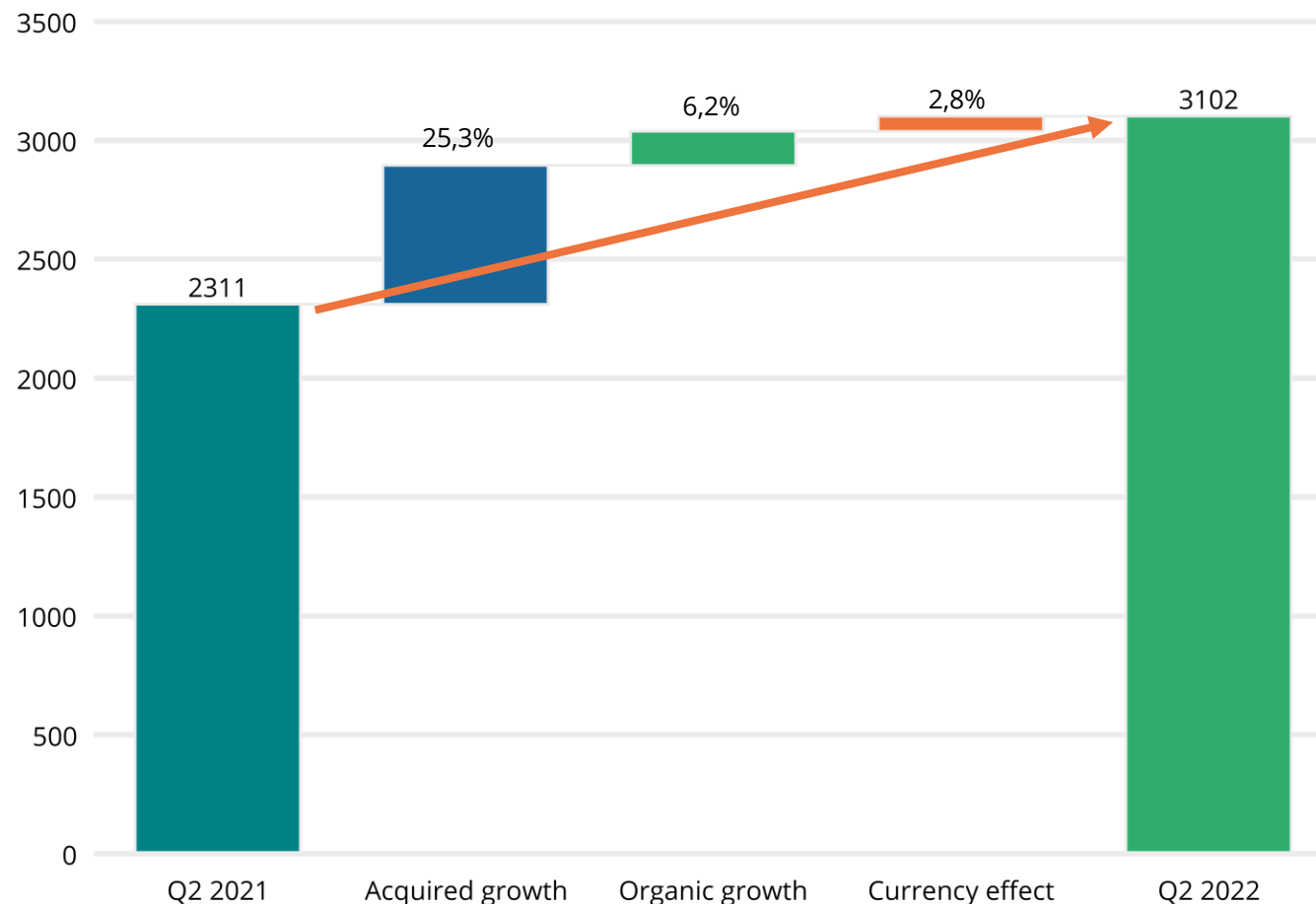
SEK **250** million

EBITA margin

SEK **8.1** %

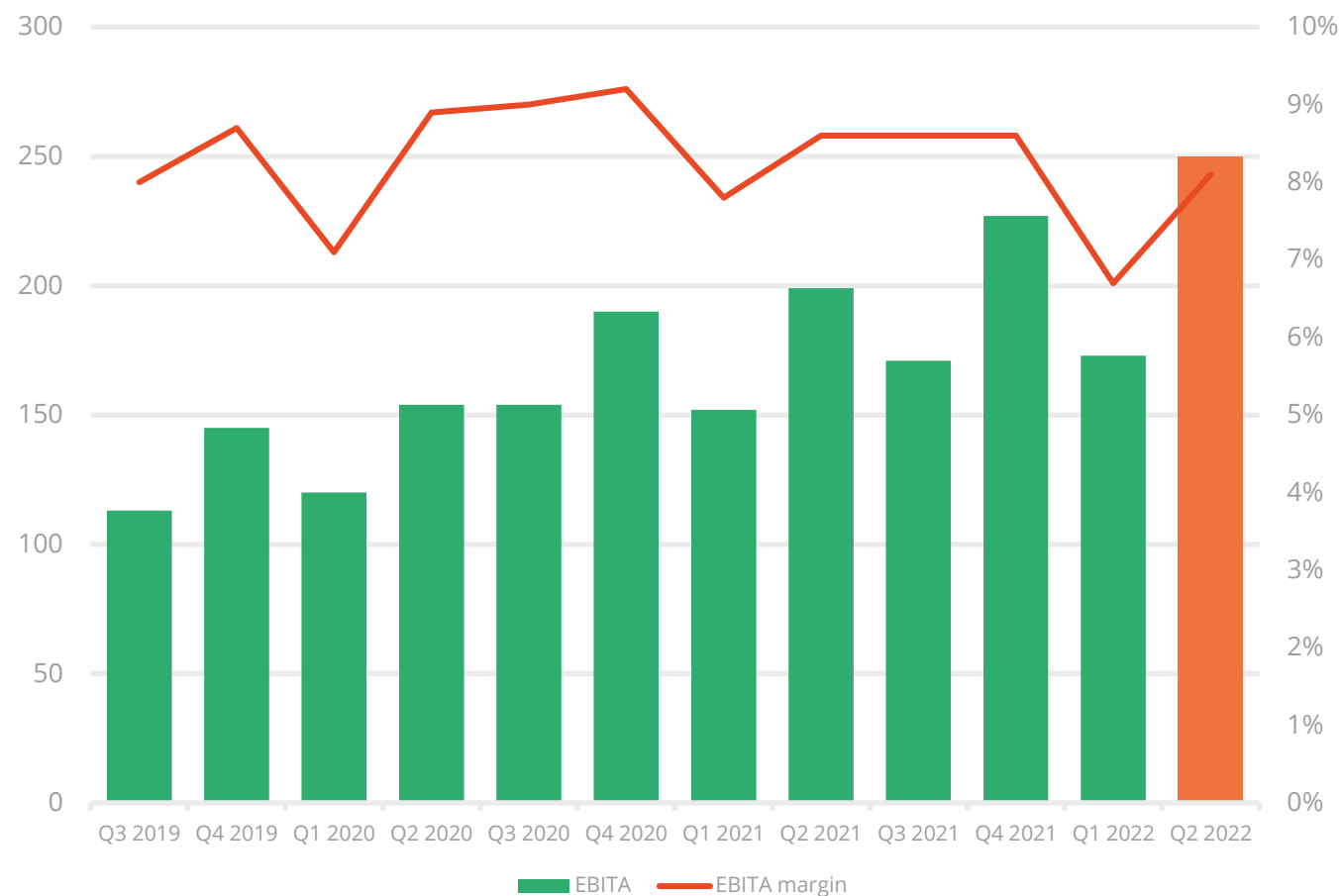
Net sales development (SEK million)

- High activity in Q2, net sales growth 34.2% to SEK 3,102 (2,311) million
- Acquired growth of 25.3%, an effect of the successful M&A agenda
- Organic growth of 6.2%, a strong proof of the synergies, collaboration and cross-selling concept



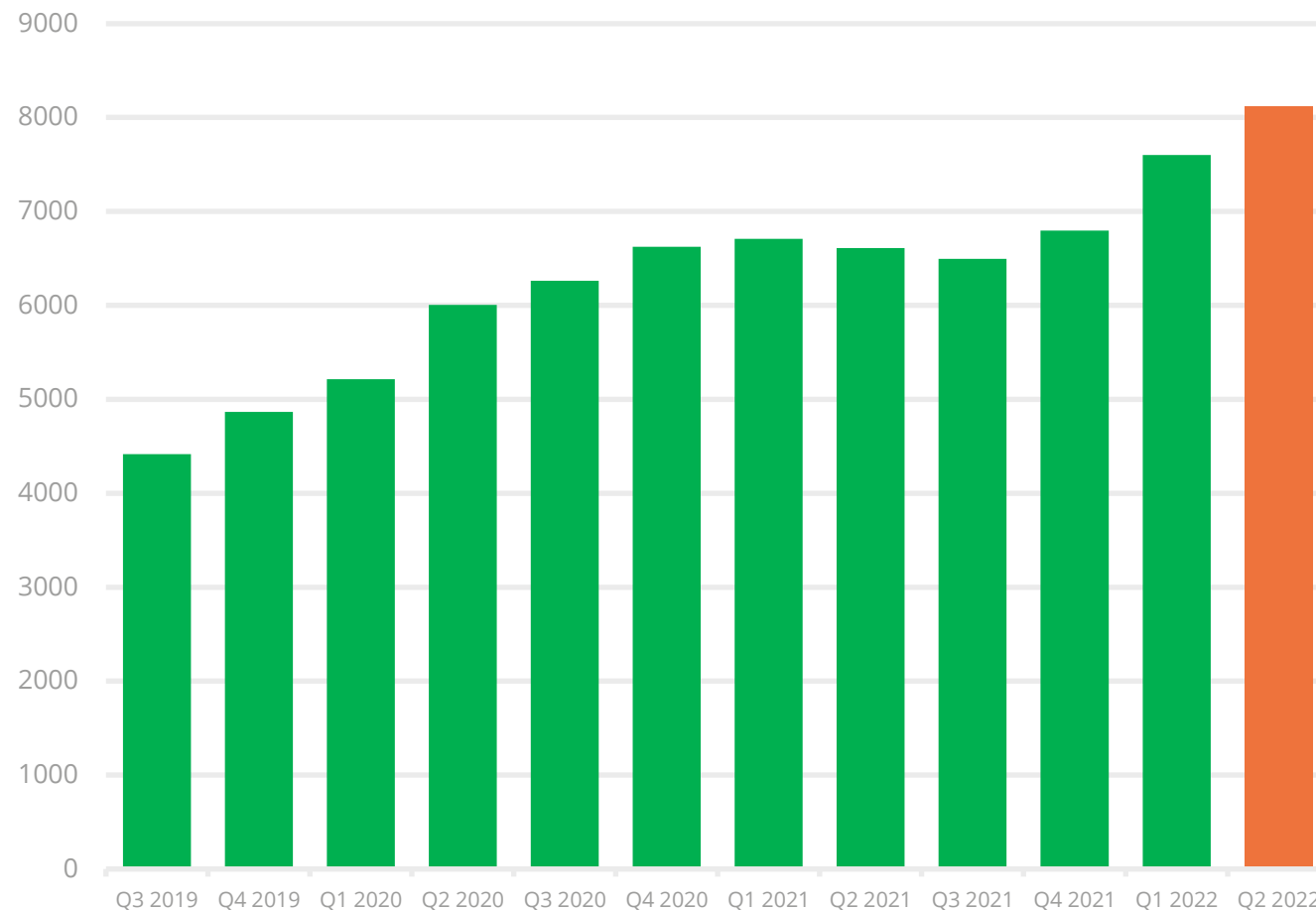
EBITA development (SEK million and margin %)

- EBITA 250 million
- EBITA margin 8,1%



Order backlog development (SEK million)

- Order backlog growth YoY of 22.8%, to SEK 8,120 (6,610) million
- Ratio of 0.79x, relative to 12 months rolling net sales





Segment Sweden Q2 development

- Net sales growth 34.1% to SEK 2,447 (1,825) million
 - Organic growth 8.9%, a strong and solid performance
 - Acquired growth of 25.2%

Key financials Q2 2022

Net sales

SEK **2,447** million

EBITA

SEK **215** million

EBITA margin

8.8 %

Order backlog

SEK **6,336** million

Segment Rest of Nordic Q2 development



- Net sales growth 34.8% to SEK 655 (486) million
 - Organic growth -3.9%
 - Acquired growth of 25.5%

Key financials Q2 2022

Net sales

SEK **655** million

EBITA

SEK **38** million

EBITA margin

5.8 %

Order backlog

SEK **1,782** 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 	33.7% YTD	✓
Margin	<ul style="list-style-type: none"> Instalco aims to deliver an EBITA margin of 8.0% 	7,9% 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 	2.3x	✓
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 	88% LTM	✓
Dividend policy	<ul style="list-style-type: none"> Instalco targets a dividend payout ratio of 30% of net profit 	30%	✓

Project: Installation orders in the cruise sector

- New major projects for Mesab
- Comprehensive technical installations on five international cruise ships
- Installation of flue gas treatment plants and technical updates
- Study, design and installation of complete systems
- Collaboration with two other Instalco companies; HP Welding and NCE



Project: Electrical installations in university

- Electrical installation in new building at University of Gothenburg.
- Elektro-Centralen in partnering project with Akademiska Hus and Serneke.
- Phase 1 and construction.
- Focus on sustainability and the environment, with high requirement levels.



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
		Total			726

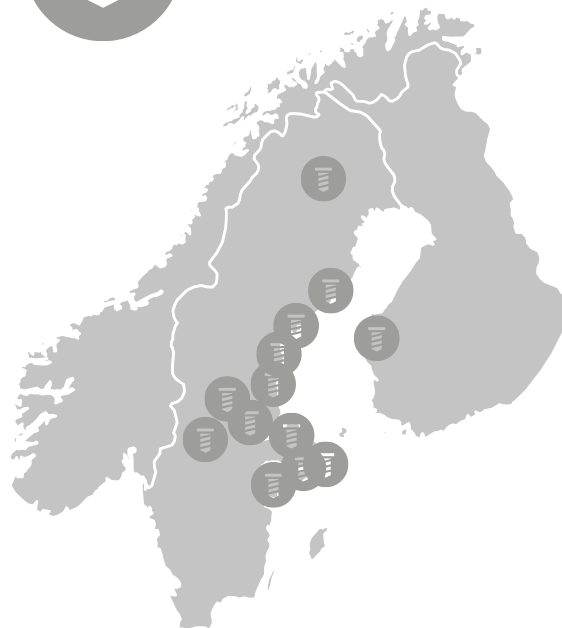
CEO's theme

Industry

Industry discipline

500
Employees

15
Companies



Comments

Background

- Orab joined in 2014
- Today 15 companies
- Focused in the northern business area but established nationwide in Sweden

Lately

- Establishment in Norrbotten in the mining industry and maintenance of electricity distribution
- NCE - first industrial company in Finland
- Highcon - leasing and installation of scaffolding structures

Companies

- Orab
- ETKK
- Teampipe
- Mesab
- Selek
- HP Welding
- Start-Up
- Kompressortechnik
- MRM Mining
- EPS Sweden
- NCE
- Highcon
- Liab
- + 3 Additional companies



Strategy

- Nearby business
- Strong growth
- Less competition
- Collaboration



Outlook

- Growth of industrial market, specially in northern Sweden
- Opportunity for acquisitions and consolidation
- The Instalco model



Summary

Strong quarter in challenging makro situation

Record high order book

Surpassed the 10 billion limit for 12-months rolling



Q&A - session

INSTALCO

