



# Assemblin Q4 2019

Investor presentation, February 21, 2019



## Today's presenters



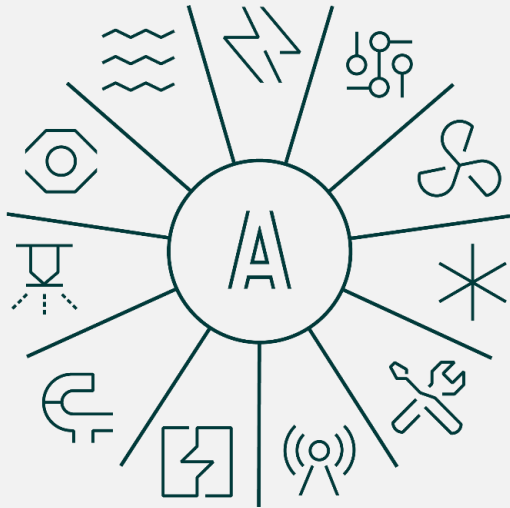
**Mats Johansson**  
*President and CEO, Assemblin*



**Philip Carlsson**  
*CFO, Assemblin*

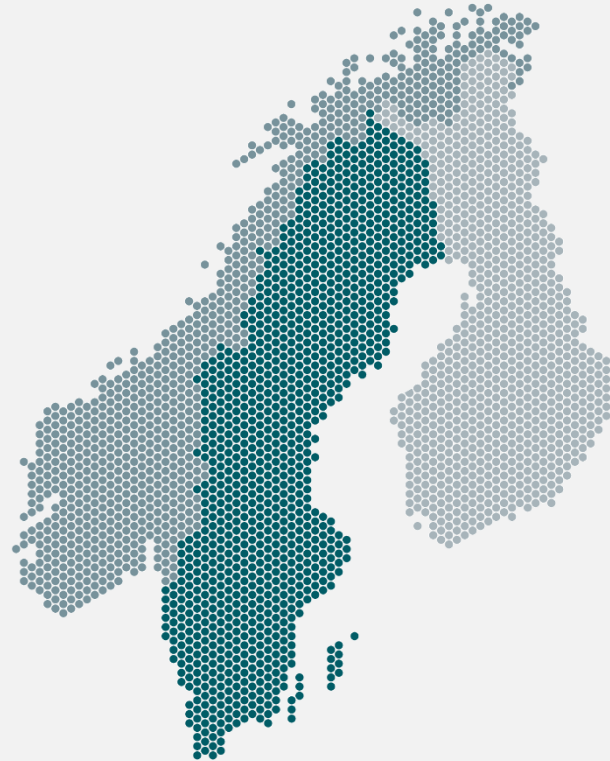
# Assemblin is a complete Nordic installation and service partner

## Excellence in many areas of technology



- Electrical
- Heating and sanitation
- Ventilation
- Automation
- Data and telecom
- Security
- Industrial pipes
- District heating
- Cooling
- Sprinklers
- Electrical workshop and field service

## Strong local presence in 100 Nordic locations



## Financial performance, FY 2019

<b>NET SALES</b>	<b>SEK 10 bn</b>
<b>EMPLOYEES</b>	<b>5,900</b>
<b>Adj. EBITA-MARGIN</b>	<b>5.2%</b>
<b>CASH CONVERSION</b>	<b>&gt; 100</b>

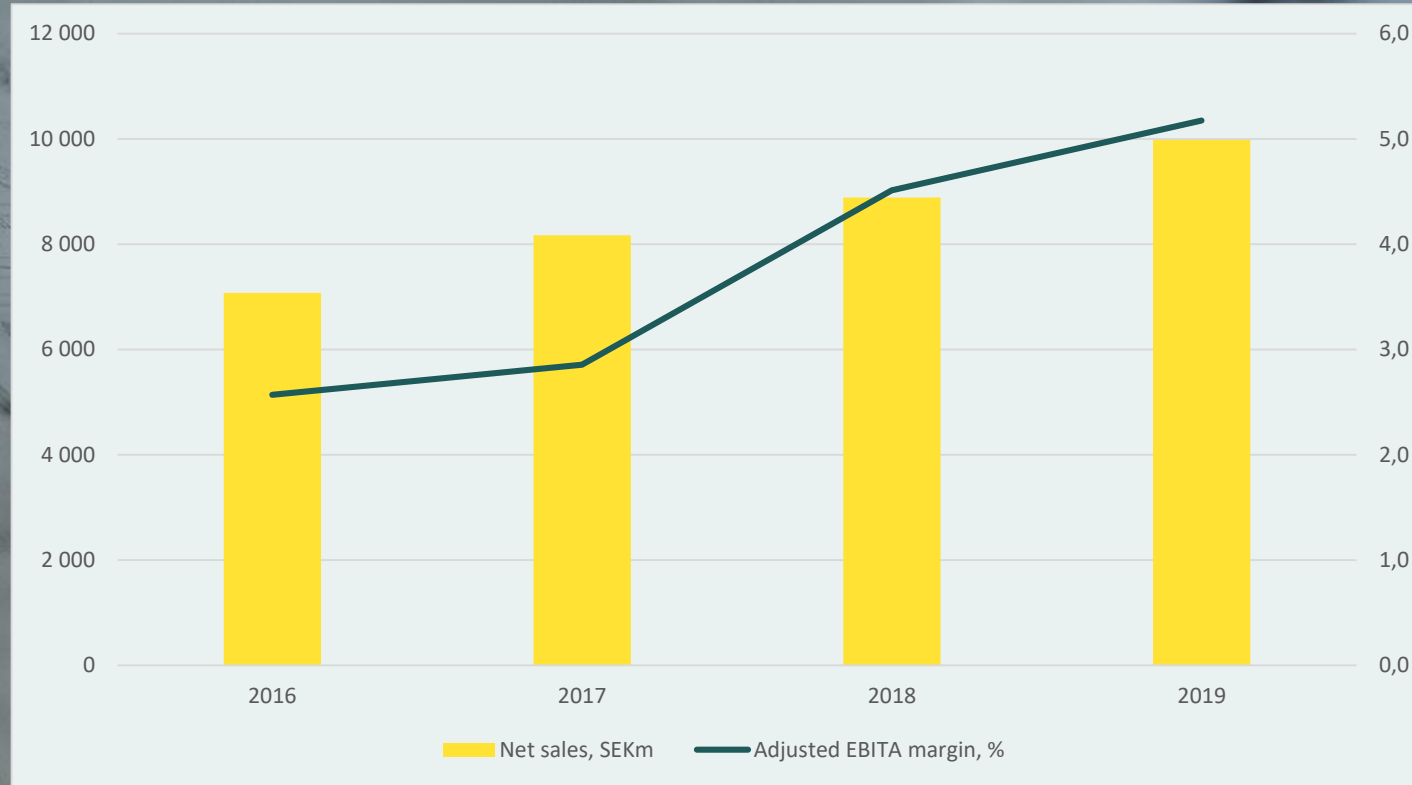
### SALES PER BUSINESS AREA



### SALES PER TYPE OF ASSIGNMENT



# Our journey so far



# Key highlights Q4 2019: "A strong end to a good year"

## FINANCIAL HIGHLIGHTS

- Net sales SEK 2,856 m **+10.0%**  
- organic growth 5.7 %
- Order intake SEK 2,607 m
- Adj EBITA SEK 204 m **+51.7%**
- Adj EBITA margin 7.2 % **+2.0 pp**
- Strong cash conversion

## OPERATIONAL HIGHLIGHTS

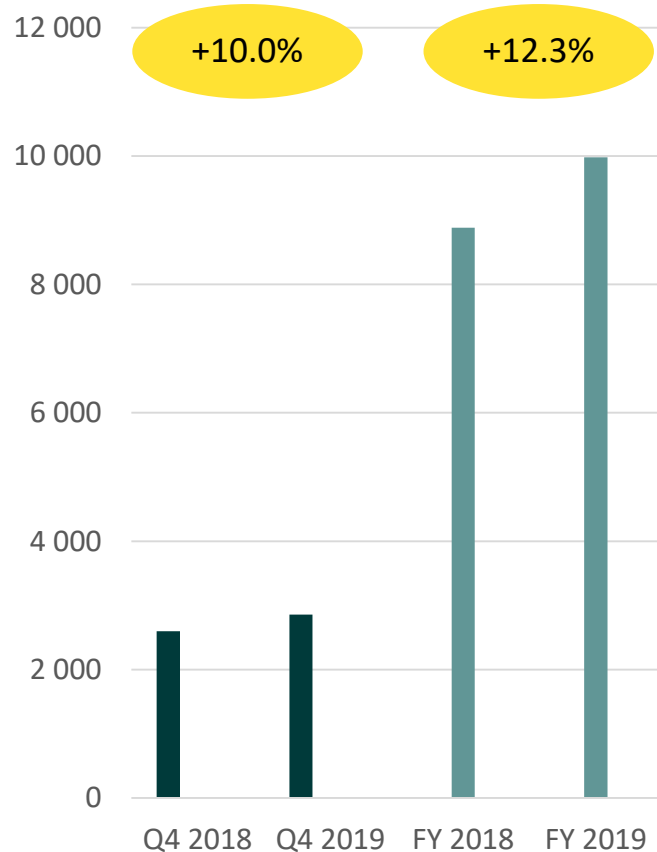
- Accelerated Profitability Programme implemented
- M&A: H&S companies in Norway (Arve Haged AS, Ramsoy AS and Gjorvik V&S AS), net sales tot. SEK 260 m
- Improved corporate governance framework to meet IPO-requirements
- Launch of the EUR 250 m senior secured floating rate notes



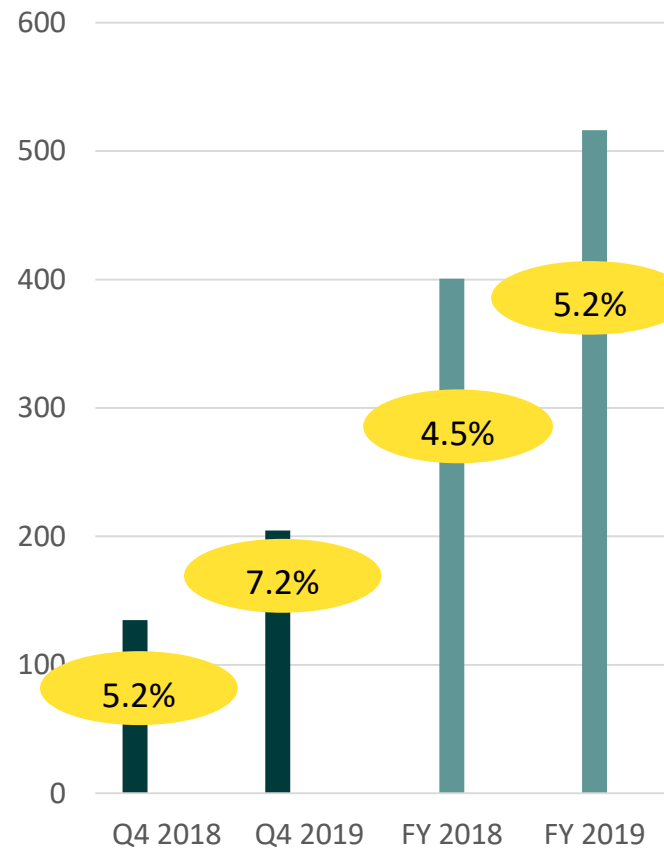
# Group development

## Net sales and adjusted EBITA margin

SALES SEKm / GROWTH %



ADJ EBITA SEKm / ADJ EBITA MARGIN %



COMMENTS

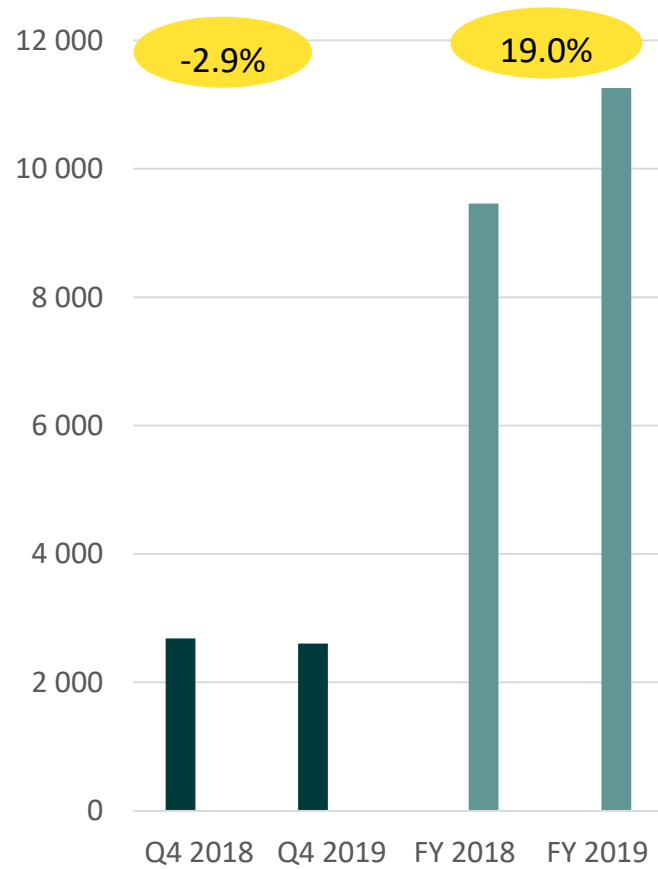
- Strong organic growth trend throughout 2019 with an increasing service share
- More emphasis on acquisitive growth in Q4
- Margin increase in Q4 driven by overall margin expansion and positive effects from the accelerated profitability programme



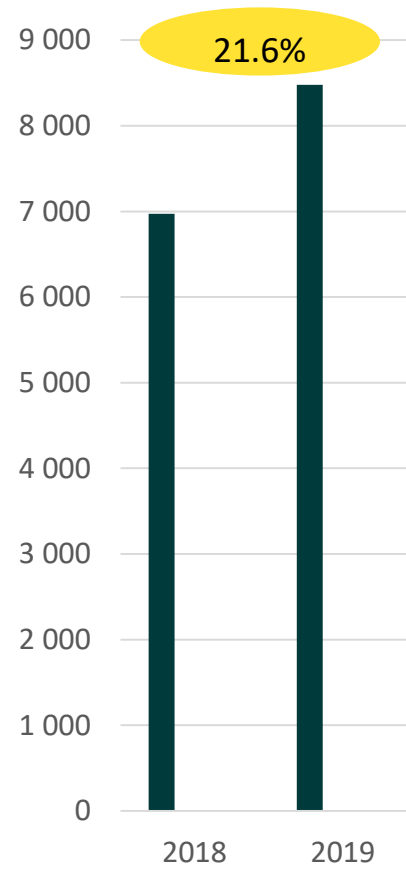
# Group development

## Order momentum

ORDER INTAKE SEKm / GROWTH %



ORDER BACKLOG SEKm / GROWTH %



COMMENTS

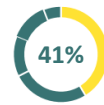
- Order intake in the fourth quarter in line with last year
- The order intake growth for the full year is supported by continued strong markets in 2019 as well as two large orders in Q1 and Q3 respectively
- Order backlog includes a very limited service share despite service growing more rapidly than projects



# Business area development

## SWEDEN

### ASSEMBLIN EL



### ASSEMBLIN VS



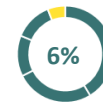
### ASSEMBLIN VENT.



### ASSEMBLIN NORWAY



### ASSEMBLIN FINLAND



	ASSEMBLIN EL		ASSEMBLIN VS		ASSEMBLIN VENT.		ASSEMBLIN NORWAY		ASSEMBLIN FINLAND	
	Q4 2019	FY 2019	Q4 2019	FY 2019	Q4 2019	FY 2019	Q4 2019	FY 2019	Q4 2019	FY 2019
Net sales, SEK m	1,215	4,146	730	2,629	368	1,367	381	1,285	180	598
Growth, %	17.3	15.5	15.3	10.5	-7.9	3.9	7.8	19.8	7.5	10.8
Adj EBITA, SEK m	94	222	50	139	37	73	26	70	7	12
Adj EBITA margin, %	7.8	5.4	6.9	5.3	10.0	5.3	6.8	5.4	3.9	1.9
FTE	2,827	2,796	1,512	1,508	543	544	648	704	362	357

- Strong organic growth and Q4 margin improvement
- Market outlook healthy

- Growth both organic and by acquired with significant Q4 margin improvement
- Market outlook healthy

- Flat organic growth for the full year due to delays in large projects in fourth quarter
- Market outlook healthy

- Growth both organic and acquired with margins growing after Q1 write-downs
- Strong market

- Growth with flat margins and stable market
- Focus on internal stability

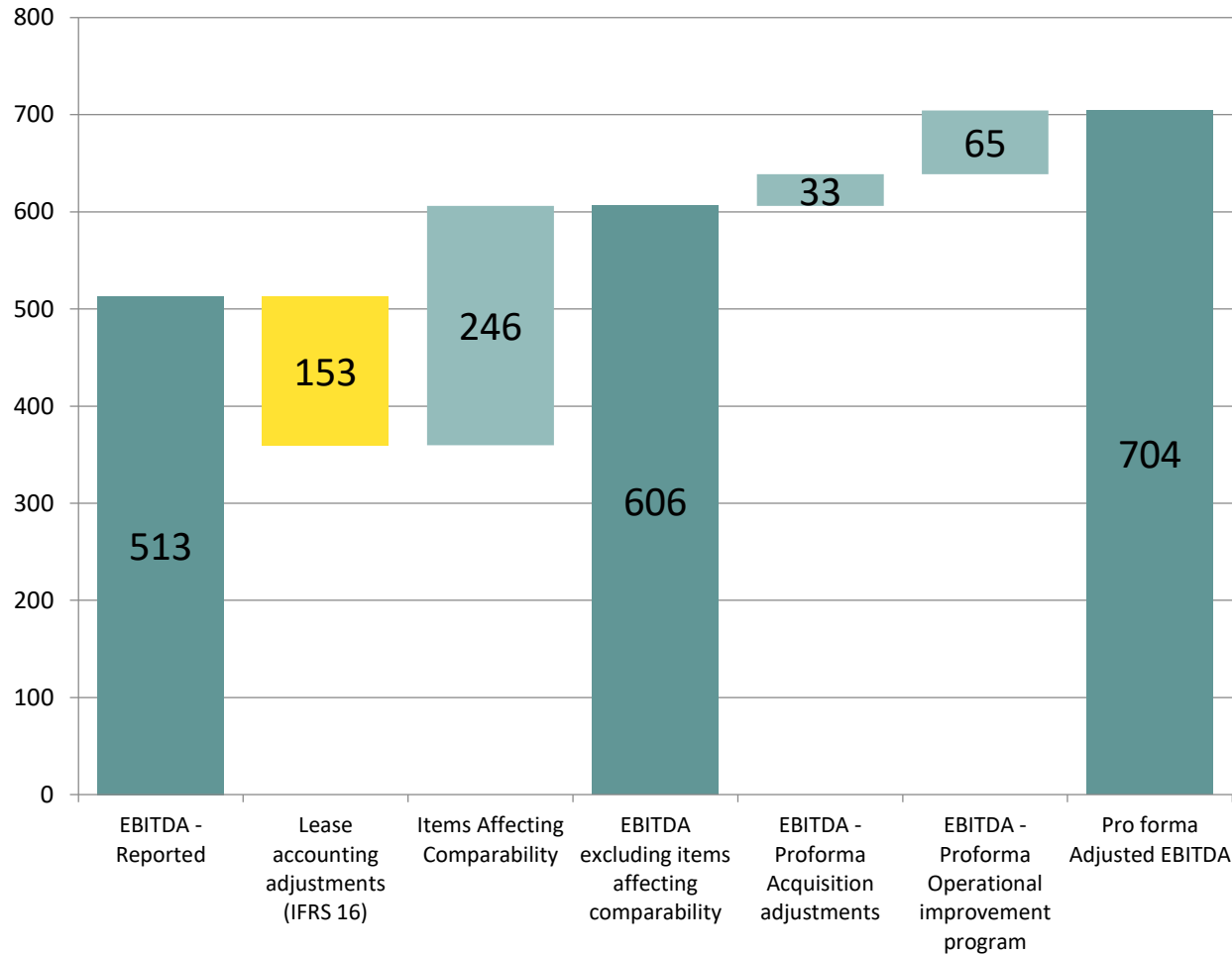




# Pro forma adjusted EBITDA bridge

Consolidated  
net leverage  
ratio

3.7x



## COMMENTS

- Reported EBITDA is adjusted to exclude the effect of implementing IFRS16
- Items affecting comparability discussed on next slide
- Pro forma acquisition adjustments reflects an estimate of the full twelve-month impact of acquisitions completed prior to Dec 2019
- The full year effect of the accelerated profitability programme is SEK 65 million



## Items affecting comparability

Items Affecting Comparability Breakdown	Full Year 2019
Items Affecting Comparability YTD Q3	31
APP - initial estimate	127
APP - additional branch closures	15
APP - overrun	21
Fees - refinancing	31
IPO readiness	12
Acquisition and new branch costs Q4	9
<b>Total Items Affecting Comparability 2019</b>	<b>246</b>

COMMENTS
<ul style="list-style-type: none"> <li>The total cost of the accelerated profitability programme in Q4 was SEK 163 million Exceeding our initial estimate by SEK 36 million due to additional branch closures as well as higher costs than initially projected of SEK 21 million</li> <li>Costs for issuance of senior secured notes amounted to SEK 31 million.</li> <li>IPO readiness activities mainly related to strengthening the internal control environment to equity-listing standards cost SEK 12 million.</li> </ul>



# Cash flow and net debt

SEK m	Q4 2019	FY 2019
<b>Adjusted EBITDA</b>	<b>228</b>	<b>606</b>
Change to NWC adj for non cash items	235	37
Net Capex, incl vehicle leasing capex	-33	-120
Free Cash Flow	430	523
<b>Cash conversion (FCF / Adj. EBITA)</b>	<b>210%</b>	<b>101%</b>
		<b>Dec 2019</b>
Consolidated net lev		2,590
Pro forma Adjusted EBITDA		704
<b>Consolidated Net Leverage Ratio</b>		<b>3.7x</b>

COMMENTS
<ul style="list-style-type: none"> <li>Free cash flow seasonally strong in fourth quarter</li> <li>Full year cash conversion (free cash flow over adjusted EBITA) is 101%</li> <li>Consolidated leverage decreasing from 4.3x LTM Q3-2019 to 3.7x due to strong cash flow and increasing EBITDA</li> </ul>



## To conclude:

### A strong end to a good year

- Continued stable markets, especially in Sweden and Norway
- Increased market share driven by strong organic growth, especially within service
- Record high order backlog with a steady stream of small/mid projects and service assignments plus a couple of large projects
- Successfully concluded accelerated profitability programme supports competitiveness and further margin expansion
- Cash conversion >100 per cent





# Q&A

Assemblin



**Assemblin. So that everyday life  
can run smoothly.**

We use air, energy and water to make buildings work and make people feel comfortable. That is our mission and our driving force in all our assignments – big and small.



# Our expertise and our commitment are our strengths

- High technical skills
- Geographical diversification – close to our customers
- Coordination of installations
- From design and installation to service
- 5,900 dedicated employees
- Proven processes and methods







Our vision is to create sustainable and smart installations, for people and by people.

