

# Assemblin Q1 2023

Investor presentation, May 5, 2023

Assemblin







**Mats Johansson**

*President and CEO, Assemblin*



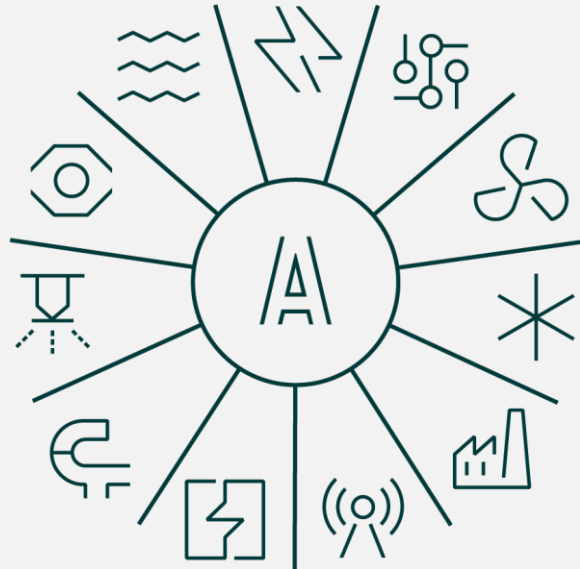
**Philip Carlsson**

*CFO, Assemblin*



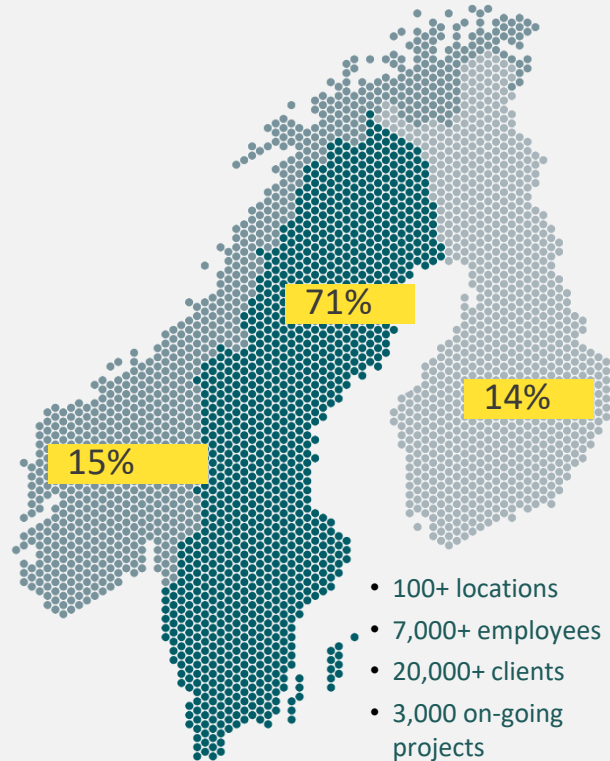
# A leading Nordic provider of smart & sustainable technical installation & service solutions

## Excellence in many areas of technology



- Electrical
- Heating & sanitation
- Ventilation
- BMS
- IMD
- Data and telecom
- Security
- Industrial pipes
- District heating
- Cooling
- Sprinklers
- Instruments
- Solar panels

## Strong local presence



- 100+ locations
- 7,000+ employees
- 20,000+ clients
- 3,000 on-going projects
- 100,000 service assignments

## Stable financial performance (LTM Q1 2023)

NET SALES	SEK 14.1 bn
ADJ. EBITA-MARGIN	7.1%
CASH CONVERSION	67%
ORDER BACKLOG	SEK 9.1 bn

### SALES PER BUSINESS AREA



- Sweden Electrical 36%
- Sweden H&S 24%
- Sweden Ventilation 12%
- Norway 15%
- Finland 14%

### SALES PER TYPE OF ASSIGNMENT

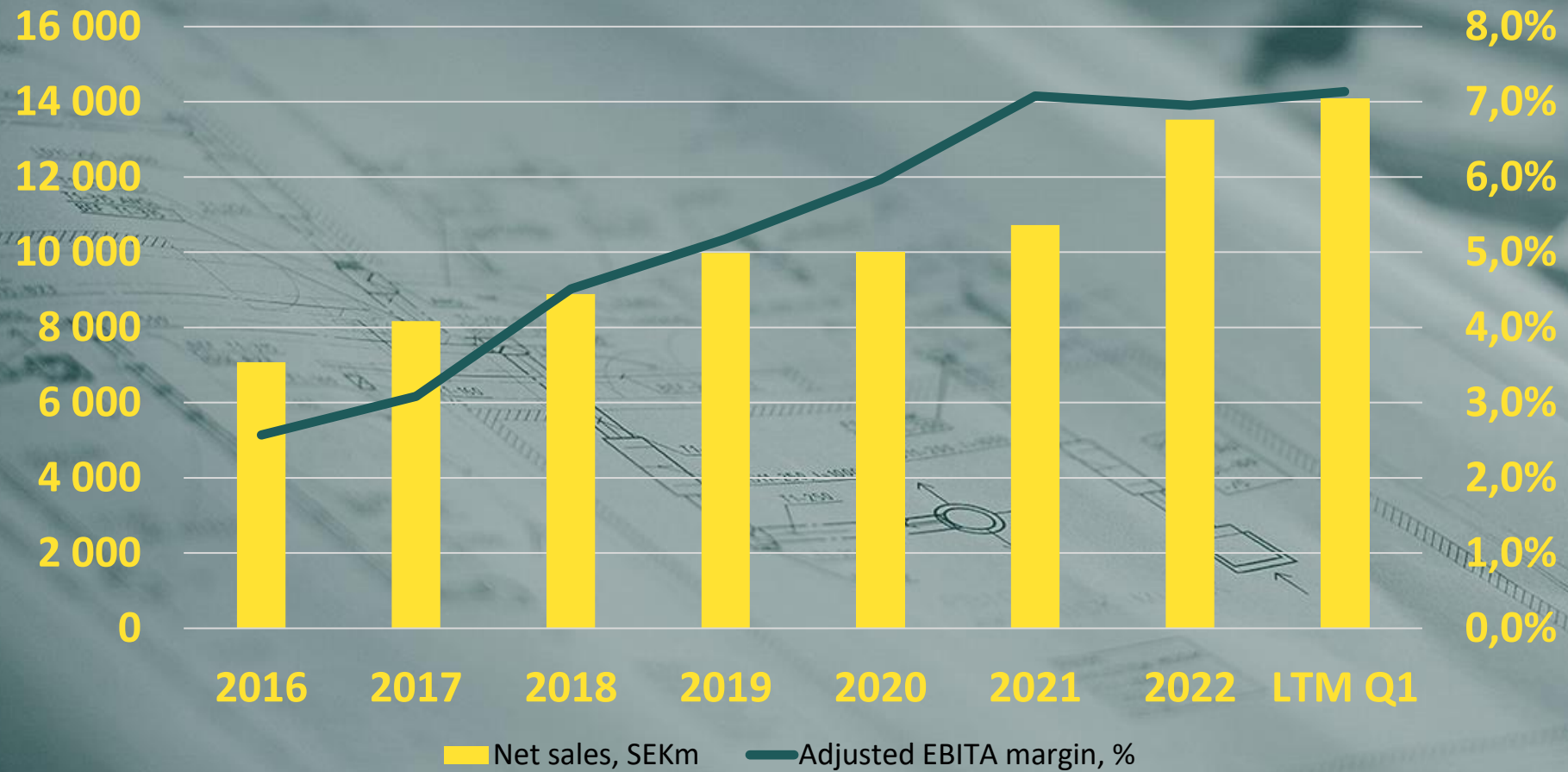


- Services 42%
- Projects 58%





# Our successful journey continues





# Our long term targets

## Growth

Nets Sales +8% per year organically and through acquisitions

## Profitability

Adj EBITA-margin +8%

## Cash conversion

Cash conversion +100%

## Climate neutrality\*

Climate neutral by 2040 and -50% (compared with 2020) by 2030

\* Scope 1, 2 + business trips







# Key highlights Q1 2023

”A strong first quarter with a continued positive market”

## FINANCIAL HIGHLIGHTS

- Net sales SEK 3,654 m +18.4%
- Order intake SEK 3,213 m -9.4%
- Adj EBITA SEK 241 m +65 m
- Adj EBITA margin 6.6% +0.9 pp
- Cash conversion LTM 67%

## OPERATIONAL HIGHLIGHTS

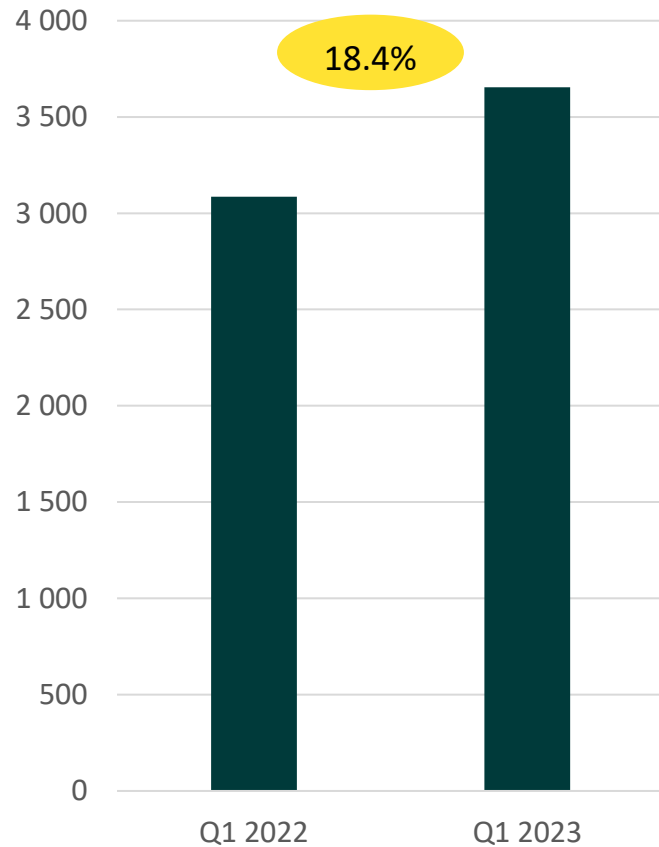
- Strong organic growth
- Increased profitability
- Cash conversion in the quarter seasonally strong but not as strong as Q1-2022. Lower cash conversion LTM due to increased NWC in later in 2022. Liquidity remains healthy.
- High order intake and a solid order backlog
- Five acquisitions, contributing with 254 employees and annual sales of SEK 347 m



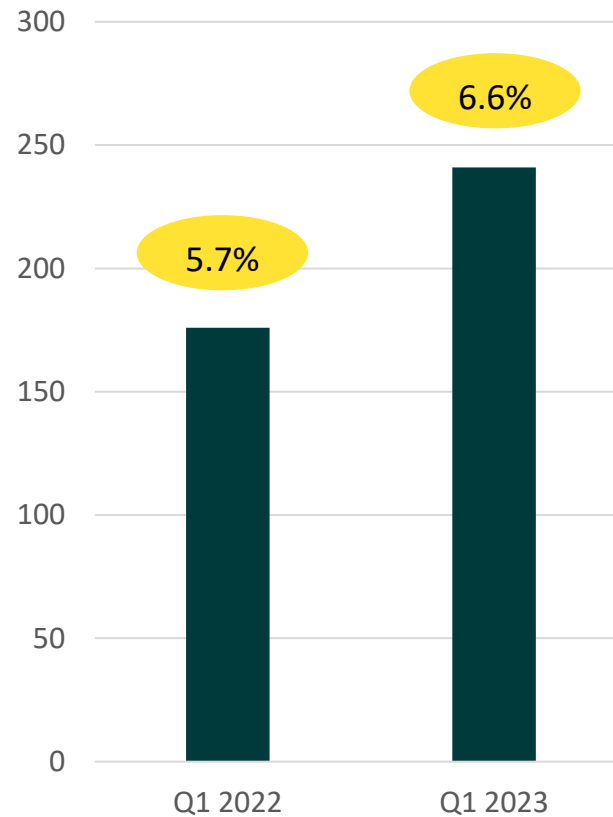


# Growth and profitability

## NET SALES SEKm / GROWTH %



## ADJ EBITA SEKm / EBITA MARGIN %



## COMMENTS TO Q1

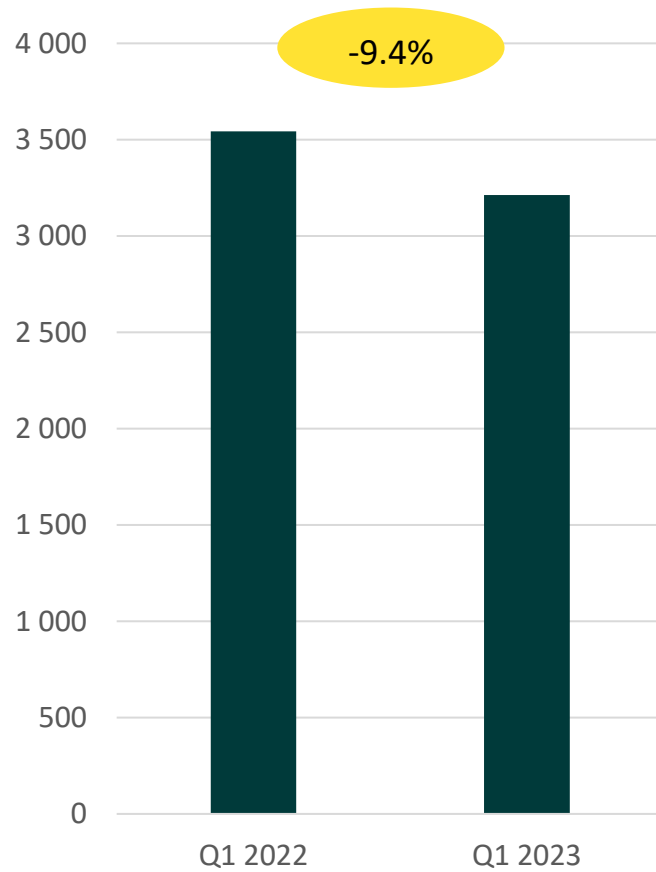
- Strong growth mostly driven by organic growth – in all Business Areas
  - +12.1 % organic (incl. inflation)
  - +5.9 % acquired
  - +0.4 % FX effect
- Share of service assignments LTM amounted to 42 (41) per cent
- Adjusted EBITA margin 6.6 (5.7) per cent
  - Strong performance in all Business Areas, including Assemblin Finland.



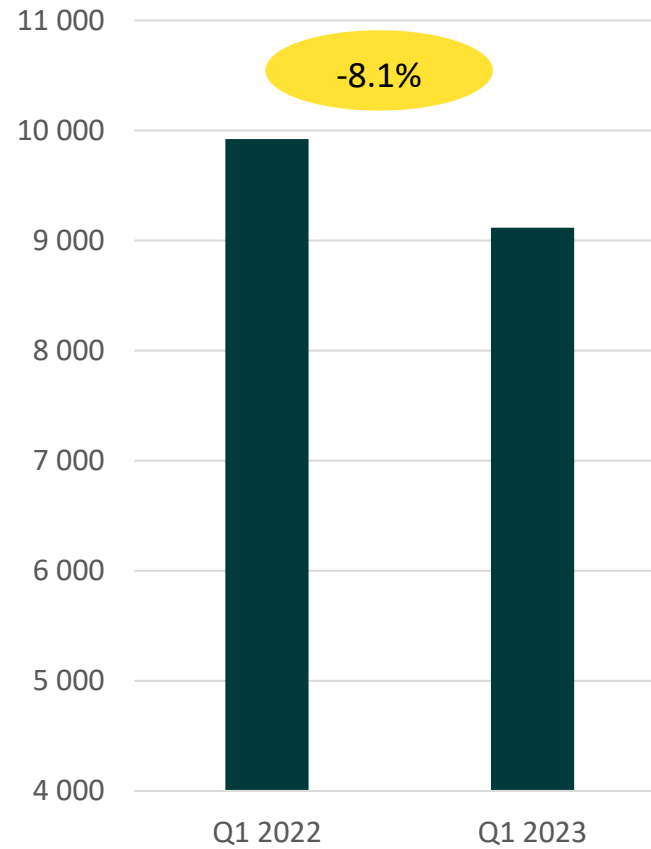


# Order intake and order backlog

ORDER INTAKE SEKm / GROWTH %



ORDER BACKLOG SEKm / GROWTH %



COMMENTS

- Continued stable demand, despite mixed market signals
- Strong but decreased order intake in Q1 amounting to SEK 3,213 (3,544) m, driven primarily by small- and mid-sized projects
- Decreased but solid order backlog to SEK 9,115 (9,922) m by end of March with a lower share of multi-year projects







# Complementary and strategic acquisitions contributing with annual sales of SEK 347 m and 254 skilled employees

## M&A Q1

- Drammen Ventilasjon AS (Assemblin Norway)
- Enexergi AB (Assemblin H&S)
- Ariemi AS (Assemblin Norway)
- MV Elektro AS (Assemblin Norway)
- RA Vision AB (Assemblin Electrical)

IN TOTAL 5 acquisitions  
Acquired sales: SEK 347 m  
Employees: 254

## M&A Q2 (so far)

- Fjorden Elektro AS (Assemblin Norway)
- Elia AB (Assemblin Electrical)
- Divestment: Totalplåt (Assemblin Ventilation)

IN TOTAL 2 acquisitions, 1 divestment  
Acquired sales: SEK 190 m  
Divested sales: SEK 45 m  
Employees:  $86 - 26 = 60$



# Assemblin Solar



## Focused solar initiative through Assemblin Solar

In early 2023, Assemblin launched a new concept for solar panel installations, Assemblin Solar. The solar cell installations are performed in a newly established organization with a structure adapted to the business and its customer base.

## The market for solar cells is favorable and accelerating

- High energy costs drive demand  
Private home, housing associations, agriculture, sports facilities etc.
- There is a niche for a large, secure and nationwide player  
A lot of small players without track record in the market

Assemblin Solar targets customers who value secure capacity, in-depth technical knowledge, and experience.

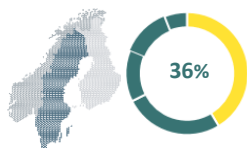




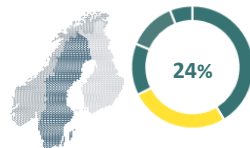
# Business area development in Q1

## SWEDEN

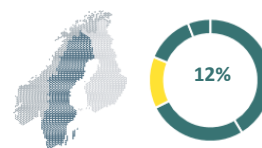
### ASSEMBLIN ELECTRICAL



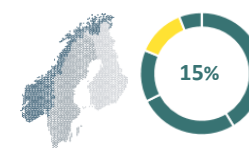
### ASSEMBLIN H&S



### ASSEMBLIN VENT.



### ASSEMBLIN NORWAY



### ASSEMBLIN FINLAND



	Q1 2023	LTM	Q1 2023	LTM	Q1 2023	LTM	Q1 2023	LTM	Q1 2023	LTM
Net sales, SEKm	1,326	5,123	904	3,372	401	1,646	522	2,080	558	2,069
Growth, %	20.9	23.0	13.3	9.8	7.6	15.2	8.8	19.5	45	81
Adj EBITA, SEKm	101	371	61	262	22	108	33	176	24	63
Adj EBITA margin, %	7.6	7.2	6.8	7.8	5.4	6.5	6.2	8.4	4.2	3.1
Order intake, SEKm	1,090	4,299	847	3,376	436	1,551	445	1,672	396	1,937
FTE	2,919	2,899	1,528	1,482	564	556	963	872	893	861

- Strong organic growth across all business areas in Sweden in both service and projects.
- Strong adj EBITA margin increase in BA Electrical, continued high margin in BA H&S and increased margin in BA Ventilation
- Order intake mainly smaller projects supporting continued performance.

- Continued strong growth with increased margins in our strongest business area

- Organic driven growth in the quarter
- Increased margins, but room for further improvements



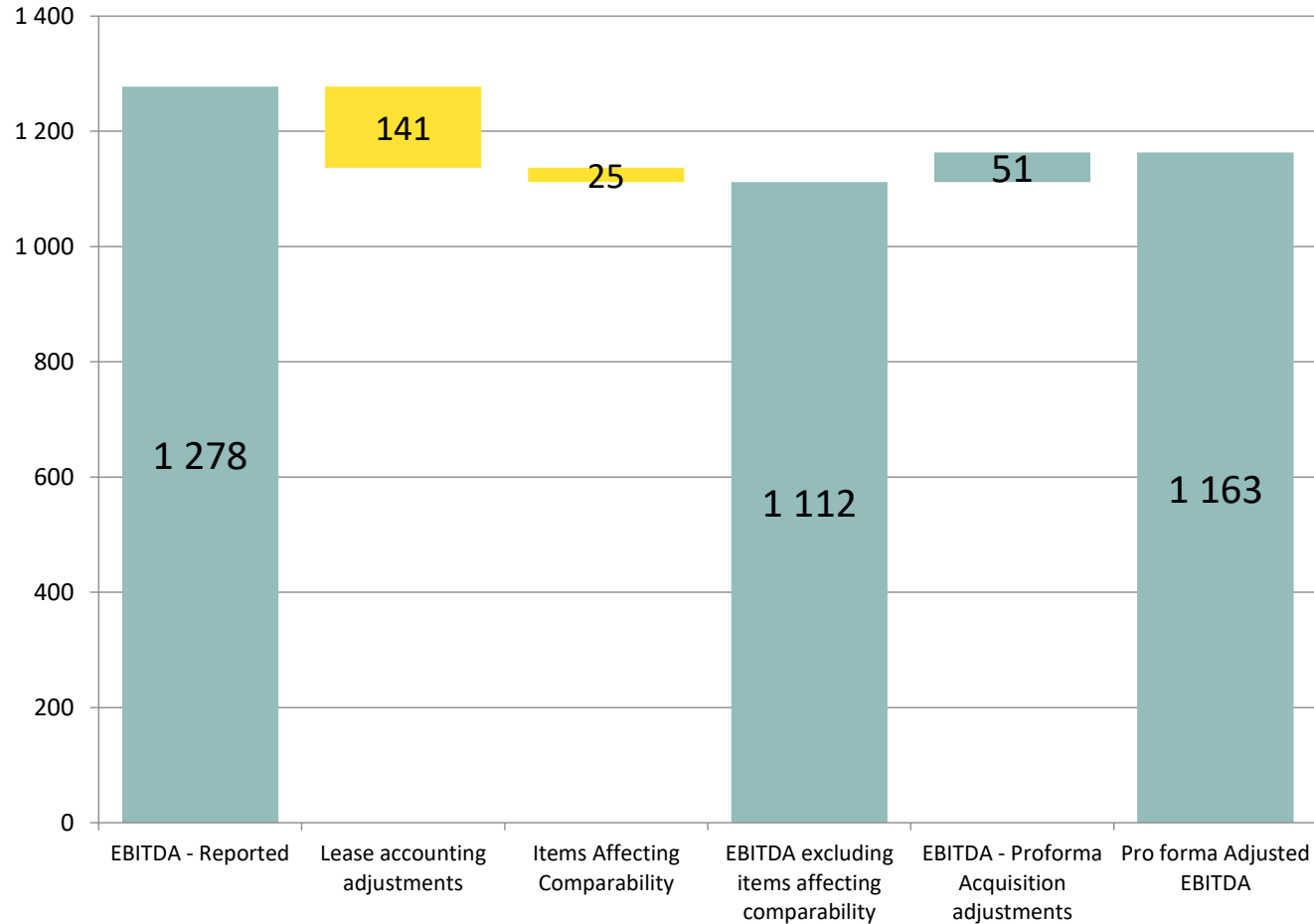




# LTM Pro forma adjusted EBITDA

Consolidated net leverage ratio

3.2x



## COMMENTS

- Reported EBITDA adjusted to exclude the effect of implementing IFRS16 although financial leases under previous IFRS standard (IAS17) not adjusted for
- Items affecting comparability decrease EBITDA
- Acquisition adjustments reflects the full twelve-month estimated impact of M&A completed prior to 1 March 2023







# Cash flow and net debt

SEK m	LTM Q1 2023
<b>Adjusted EBITDA</b>	<b>1,253</b>
Lease accounting adjustments	-141
Change to NWC adj for non cash items	-234
Net Capex, incl vehicle leasing capex	-203
<b>Free Cash Flow</b>	<b>675</b>
<b><i>Cash conversion (FCF / Adj. EBITA)</i></b>	<b>67%</b>
<hr/>	
Consolidated net leverage	3,748
Pro forma Adjusted EBITDA	1,163
<b>Consolidated Net Leverage Ratio</b>	<b>3.2x</b>

COMMENTS
<ul style="list-style-type: none"><li>LTM Q1-23 cash conversion (free cash flow over adjusted EBITA) is 67 per cent as working capital increased in the latter half of 2022</li><li>Consolidated leverage decreased from 3.4x year-end 2022 to 3.2x as EBITDA increased and working capital seasonally decreased</li></ul>





## Conclusion and outlook

**”A strong first quarter with a continued positive market”**

- Strong organic growth – in all Business Areas
- Increased profitability
- Strong liquidity position
- High order intake and solid order backlog
- Five acquisitions, contributing with 254 employees and annual sales of SEK 347m
- Continued stable demand, despite mixed market signals
- Well positioned for increased demand for green tech and energy efficiency services

Assemblin







# Q&A

Assemblin





**Assemblin. So that life runs smoothly everyday.**

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 vision is to create smart and sustainable installation solutions, for people and by people.

