Interim Report

Q2 January—June 2021

This Interim Report consists of two sections. The first one is the regular Interim Report January—June 2021. The last section is an additional disclosure for holders of the Assemblin Senior Secured Notes issued on December 6, 2019.

Assemblin designs, installs and maintains technical systems for air, water and energy. We are present at more than 100 locations in Sweden, Norway and Finland which makes us one of the leading installation companies in the Nordics. Our vision is to create smart and sustainable installations - in both large and small assignments.

Assemblin

Interim Report

April—June 2021

Q2

Second quarter (April–June) 2021

- Net sales for the quarter amounted to SEK 2,640 million (2,597), of which -6.7 percentage points were negative organic growth, 8.1 were acquisition-driven and 0.3 were currency-driven.
- Adjusted EBITA increased to SEK 182 million (136). The adjusted EBITA margin increased to 6.9 per cent (5.2).
- EBITA increased to SEK 160 million (138).
- EBIT amounted to SEK 143 million (133).
- Profit after tax amounted to SEK 65 million (70).
- Order intake amounted to SEK 2,795 million (2,818).
- The order backlog at the end of the period increased to SEK 8,668 million (8,342).
- Three acquisitions were made in Sweden and Norway, adding 53 employees to the Group and combined annual sales of SEK 155 million. At the same time, our electrical workshops with 45 employees and annual sales of approximately SEK 90 million in Assemblin Electrical (Sweden) were divested.

First half of the year (January–June) 2021

- Net sales for the first half of the year amounted to SEK 5,082 million (5,109), of which -7.8 percentage points were negative organic growth, 7.5 were acquisition-driven and a negative -0.3 were currency-driven.
- Adjusted EBITA increased to SEK 312 million (250). The adjusted EBITA margin increased to 6.1 per cent (4.9).
- EBITA increased to SEK 256 million (241).
- EBIT amounted to SEK 225 million (229).
- Profit after tax amounted to SEK 79 million (101).
- Order intake amounted to SEK 5,320 million (5,264).

Key figures

	Quarter 2		The period Jan - Jun		Rolling	Full Year
	2021	2020	2021	2020	12 months	2020
Net sales, SEKm	2,640	2,597	5,082	5,109	9,983	10,009
Growth, %	1.6	3.8	-0.5	4.4	-2.0	0.3
Organic growth, %	-6.7	2.0	-7.8	1.9	-6.9	-2.1
Aquired growth, %	8.1	3.6	7.5	3.7	5.9	3.9
Currency effect, %	0.3	-1.8	-0.3	-1.2	-1.0	-1.5
Adjusted EBITA, SEKm	182	136	312	250	659	597
Adjusted EBITA margin, %	6.9	5.2	6.1	4.9	6.6	6.0
EBITA, SEKm	160	138	256	241	548	533
EBITA-margin, %	6.1	5.3	5.0	4.7	5.5	5.3
EBIT, SEKm	143	133	225	229	502	506
Profit for the period, SEKm	65	70	79	101	204	226
Order backlog, SEKm	8,668	8,342	8,668	8,342	8,668	8,148
Order intake, SEKm	2,795	2,818	5,320	5,264	9,959	9,903
Average number of employees, FTE	5,817	5,798	5,843	5,845	5,818	5,820

For definitions, refer to page 20. For reconciliation of key performance indicators not defined under IFRS, refer to page 15.

Unless otherwise indicated, the amounts in the report are in SEK million rounded to the nearest million, which may result in rounding differences.

Comments from the CEO
Further improved profitability

Our strong focus on profitability continues to yield results. In the second quarter of the year, we delivered an adjusted EBITA margin of 6.9 (5.2) percent. Sales were in line with the previous year and the order backlog increased.

Strong earnings improvement
For some time, we have consistently focused on increasing our profitability and strengthening our cash flow. Accordingly, it is with great satisfaction that I can state that we delivered an adjusted EBITA margin of 6.9 (5.2) percent for the quarter. This means that we have increased the margin compared with the preceding year for the 12th quarter in a row. For the same period, adjusted EBITA rose from SEK 136 million to SEK 182 million.

The strong second quarter contributed to strengthening the adjusted EBITA margin for the period 6.1 (4.9) percent and adjusted EBITA to SEK 312 million (250).

All business areas contributed to the strengthened margins. The main explanation for the improved profit for both the quarter and the period is that we have continually improved our business, including through discontinuation of unprofitable operations and good cost control, combined with previously completed acquisitions.

Sales and cash flow
Consolidated sales for the quarter were favourable and increased somewhat to SEK 2,640 million (2,597). Growth was positively affected by acquisitions and currency effects (8.1 and 0.3 percent, respectively), whilst partly offset by negative organic growth of -6.7 percent. The negative organic growth is partly due to a somewhat slower start to the year, that we restructured our Stockholm operations in 2020 and to our service operations still being negatively affected by the Corona pandemic. Towards the end of the quarter, however, we have seen improvements and expect the production in both project and service operations to gradually increase.

Sales for the period decreased by -0.5 percent to SEK 5,082 million (5,109), of which organic growth accounted for a negative -7.8 percentage points, acquisition-driven growth for 7.5 percentage points and currency fluctuations for a negative -0.3 percentage points.

Free cash flow amounted to SEK 311 (435) million in the period resulting in a cash conversion of 100 (174) per cent.

Well-filled order backlog in a brighter market
Although the market situation remains somewhat uncertain, we are seeing increasing signs of improvements. Industrial customers are increasing activity as well as additional investments being planned in housing, hospitals and infrastructure in Sweden, Finland and Norway. The service market also appears to be improving.

The stronger market situation meant that order intake has remained stable, despite our selective tender process. Order intake during the quarter amounted to SEK 2,795 million (2,818), driving order backlog to SEK 8,668 million (8,342). The business areas that performed best compared to the previous year were Assemblin Heating & Sanitation, Assemblin Ventilation and Assemblin Finland.

Complementary and strategic acquisitions
The on-going consolidation of the installation market represents an opportunity for strong companies, such as Assemblin. During the quarter, an additional three companies were acquired with a total of some 53 employees and annual sales of SEK 155 million. One of the acquisitions was made by Assemblin Heating & Sanitation in Sweden (J. Wretvall Rörservice AB), one by Assemblin Norway (Hemsedal VVS AS) and one by

Assemblin Electrical (Electrotec Energy AB). In addition, an acquisition agreement was signed for a group in Finland (Tom Allen Senera), with more than 90 employees and annual sales of SEK 300 million, which requires approval from the competition authorities.

We are very pleased with the acquisitions we have made, and I would like to take this opportunity to welcome our new employees, customers and suppliers to Assemblin. The acquisitions all complement our existing operations and strengthen our market positions in selected areas. The acquisitions of Electrotec Energy and Tom Allen Senera, in particular, also strengthen our position as a credible installation partner in the ongoing transformation towards a more energy-efficient and sustainable society. Through Elecrotec Energy, we are taking an important step into the solar power market. Through Tom Allen Senera, Finland's leading system supplier of energy solutions for properties, we strengthen our expertise and capacity to design smart, energy-efficient and environmentally friendly solutions for retail, commercial and residential properties.

During the quarter, we were unable to complete the acquisition of Finnish automation group Fidelix as the processing by the competition authority has taken longer than expected. Although we still expect the transaction to close later this year, in preparing for a potential change in timing, we intend to request an extension of the long stop date on the bonds issued earlier this year.

In April, the sale of the three electromechanical workshops in Sweden was completed, with 45 employees and annual sales corresponding to SEK 90 million.

Prospects

Despite the uncertainty during the corona pandemic, we have succeeded in continuing our journey to become best in class driven by high ambitions and focused measures, skilled employees and the best offering in the market. Following a period in which the market has been slower with increased competition, we now see several signs of the situation brightening, which is encouraging. Although we have a strong order book, we have the capacity to accept additional assignments, and have therefore been intensifying our sales work.

In the short term, the greatest concern is the risk of material price increases and component shortages, as flagged by some of our suppliers, and that could temporarily affect our deliveries and costs. We have therefore taken certain precautionary measures and have a close dialogue with suppliers and customers alike.

In the longer term, however, we do not believe that purchasing-related problems will impact our operations as we are able to take increased material costs into account in our pricing over time. The underlying growth drivers are strong and we have a positive view of the future. Progressive installation companies like Assemblin have the capacity to meet the increased needs in our society for climate-smart and innovative technical products and systems, and therefore play an important role.

Stockholm, July 2021

Mats Johansson
President and CEO,
Assemblin

Overview, consolidated results

Net sales and order intake

Second quarter (April–June) 2021

For the second quarter, sales by Assemblin Heating and Sanitation, Assemblin Norway and Assemblin Finland rose, contributing to an increase of SEK 2,640 million (2,597) for the Group. Of the 1.6 per cent net growth, 8.1 percentage points were acquisition-driven, 0.3 percentage points were currency-driven and a negative -6.7 percentage points were organic. The negative organic growth was driven by a slightly weaker production rate in both project and service operations compared with the second quarter last year, as well as by reduced volumes following restructuring measures, primarily in the Stockholm operations.

The service share increased compared with the preceding year, amounting to 41 per cent (38) of the Group's sales.

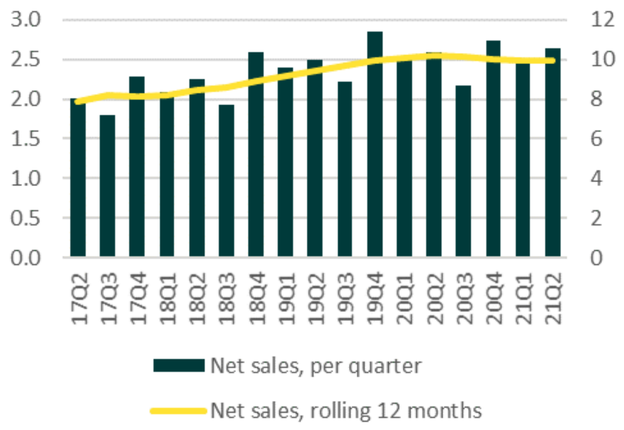
Order intake amounted to SEK 2,795 million (2,818), consisting primarily of small and medium-sized installation assignments.

First half of the year (January–June) 2021

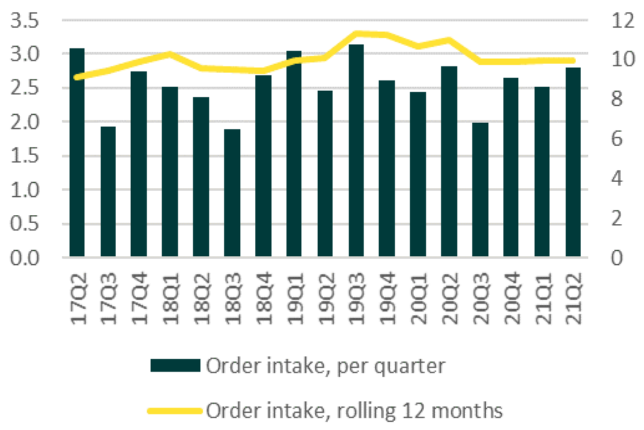
Sales for the period January–June amounted to SEK 5,082 million (5,109), entailing negative growth of -0.5 per cent, of which -7.8 percentage points were negative organic growth, 7.5 percentage points were acquisition-driven and a negative -0.3 percentage points were currency-driven. Compared with the previous period, the service share grew, amounting to 41 per cent (39) of Group sales.

Order intake remained favourable and amounted to SEK 5,320 million (5,264), contributing to the order backlog at the end of the period increasing to SEK 8,668 million (8,342).

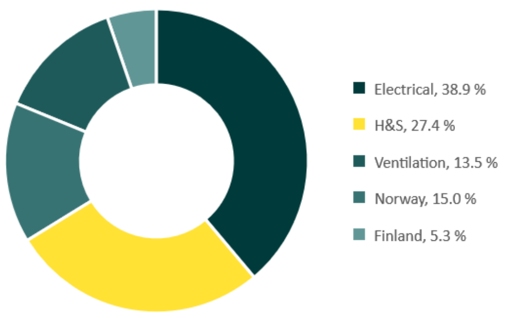
Net sales, SEK bn



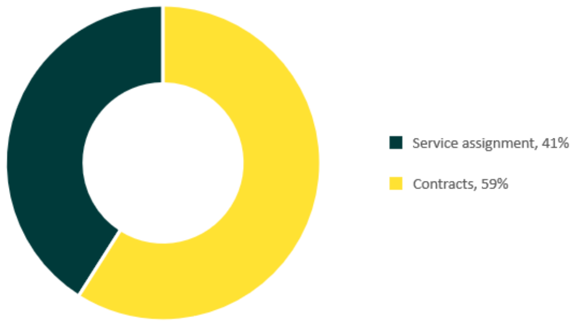
Order intake, SEK bn



Net sales per business area, rolling 12 months



Net sales per assignment, rolling 12 months



Earnings and profitability

Second quarter (April–June) 2021

Adjusted EBITA for the second quarter improved to SEK 182 million (136), meaning that profitability strengthened from 5.2 per cent to 6.9 compared with the preceding year. The improvement in profit is mainly explained by a strong focus on profitability combined with a flexible cost base, profitable acquisitions and the discontinuation of unprofitable operations. All of the business areas contributed to the strengthened profitability.

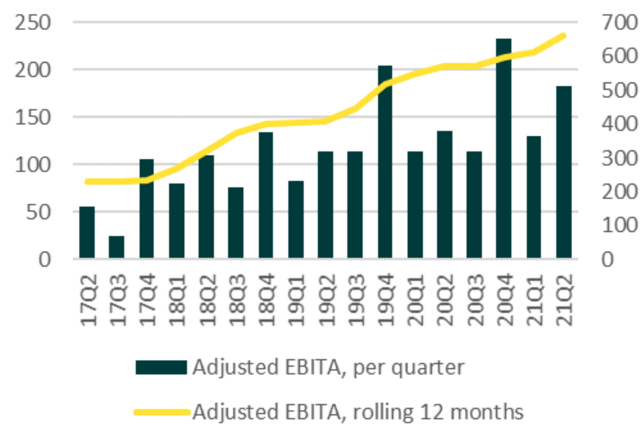
EBITA for the quarter increased to SEK 160 million (138), and the EBITA margin strengthened from 5.3 per cent to 6.1 per cent compared with the second quarter last year. The difference between adjusted EBITA and EBITA is primarily attributable to costs related to the merger control filing for the Fidelix acquisition (see note 3).

First half of the year (January–June) 2021

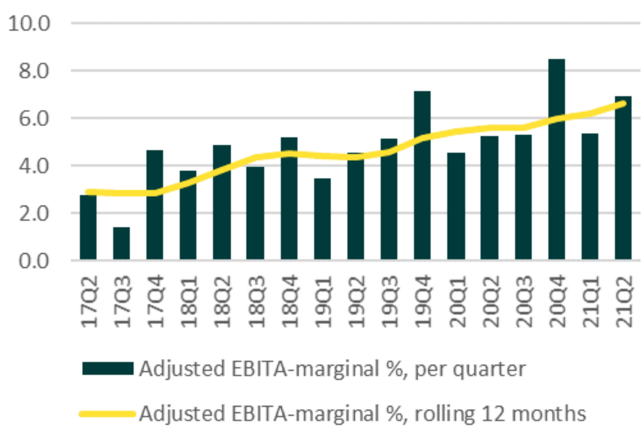
For the first half of the year, the Group's adjusted EBITA rose to SEK 312 million (250). The adjusted EBITA margin increased in all business areas, to total 6.1 per cent (4.9).

EBITA for the period increased to SEK 256 million (241), and the EBITA margin improved from 4.7 per cent to 5.0 per cent compared with the first half of the preceding year.

Adjusted EBITA, SEK m



Adjusted EBITA margin, %



Net financial items and profit/loss after tax

Net financial items for the quarter changed by SEK 14 million to a negative SEK -61 million (-47), driven by the increase in the bond debt during the first half of the year. Tax for the quarter amounted to SEK -17 million (-17), corresponding to 21 per cent (21) of profit. Profit after tax for the period amounted to SEK 65 million (70).

Cash flow and financial position

Cash flow from operations amounted to SEK 35 million (150) for the second quarter. Net debt at the end of the period was SEK 2,839 million (2,685).

Cash and cash equivalents amounted to SEK 1,542 million (679). Unutilised available credit facilities at the end of the period totalled SEK 450 million (450).

Organization and employees

In the second quarter, the average number of employees, restated in full-time equivalents (FTEs), was 5,817 (5,798).

Significant events during the period

- On 1 April, the sale of three electromechanical workshops in Sweden was completed, with 45 employees and annual sales of SEK 90 million.
- At the end of April/start of May, Assemblin Heating and Sanitation acquired J. Wretvall Rörservice AB in Stockholm, with 31 employees and annual sales of SEK 96 million.
- In early May, it was announced that Assemblin Norway had acquired Hemsedal VVS AS with annual sales of SEK 35 million, 12 employees and operations in the area of Hemsedalen, northwest of Oslo.
- In May, an agreement was signed for the acquisition of Tom Allen Senera, Finland's leading systems supplier of energy solutions for properties. Tom Allen Senera has slightly more than 90 employees and annual sales of approximately SEK 300 million. To be completed, the acquisition requires the approval of the Finnish competition authorities.
- At the end of the quarter, the solar cell company Electrotec Energy was acquired, with some 10 employees and annual sales of SEK 24 million.
- At the Annual General Meeting on 12 May, Leif Gustafsson was replaced as ordinary Board member by Per-Ingemar Persson. The other ordinary members were re-elected.
- At the beginning of June, it was announced that Magnus Eriksson would leave his role as CEO of Assemblin in Finland. He will be replaced by Mats Johansson, President and CEO of Assemblin until further notice.

Significant events after the period

- In July, it was announced that Assemblin Norway had acquired Hallingdal Varme og Sanitær AS with 24 employees and annual sales corresponding to SEK 45 million.
- In July, available credit facilities were increased from SEK 450 million to SEK 567 million.

Risks and uncertainties

The Group’s material risks and uncertainties comprise strategic risks associated with the market and business cycle and operational risks related to customer contracts. Furthermore, the Group is exposed to different financial risks, such as currency, interest rate and liquidity risks. The Group’s and Parent Company’s risks are described in Assemblin’s Annual Report, which can be found on Assemblin’s website. No significant risks are deemed to have arisen since the publication of the 2020 Annual Report.

Parent Company

The parent company provides management and administrative services that are indirectly exposed to the same risks and uncertainties as the overall group. The Parent Company’s loss after tax for the quarter totalled SEK -40 million (-21). At 30 June 2021, the Parent Company’s asset base totalled SEK 7,752 million (6,706). Equity in the Parent Company amounted to SEK 3,933 million (4,039).

Related party transactions

No transactions that substantially impacted the company’s financial position and earnings took place between Assemblin and related parties during the period.

The share and shareholders

Since 2015, Assemblin has been owned primarily by the private equity house Triton. Share capital amounts to SEK 500,000, with a quotient value of SEK 1 per share.

Business areas

Business Area Assemblin Electrical (Sweden)

Net sales and order intake

Sales for the second quarter amounted to SEK 1,039 million (1,056) and for the first half of the year to SEK 2,027 million (2,092). Order intake for the quarter was temporarily lower with fewer major projects and amounted to SEK 826 million (1,230). The order intake for the first half of the year amounted to SEK 1,685 million (2,154) and the order backlog at the end of the period was SEK 2,961 million (3,077).

Earnings and profitability

Both profit and profitability strengthened, mainly as a result of profitability-enhancing measures, particularly in the Stockholm operations, combined with profitable acquisitions. Adjusted EBITA for the second quarter increased to SEK 62 million (56) and the adjusted EBITA margin rose to 6.0 per cent (5.3) compared with the preceding year. Adjusted EBITA for the first half of the year increased to SEK 117 million (111), and the adjusted EBITA margin increased from 5.3 per cent to 5.8.

Key figures	Quarter 2		The period Jan - Jun		Rolling	Full Year
	2021	2020	2021	2020	12 months	2020
Net sales, SEKm	1,039	1,056	2,027	2,092	3,944	4,010
Growth, %	-1.6	0.7	-3.1	1.7	-5.8	-3.4
Adjusted EBITA, SEKm	62	56	117	111	231	225
Adjusted EBITA margin, %	6.0	5.3	5.8	5.3	5.9	5.6
Order intake	826	1,230	1,685	2,154	3,684	4,153
Order Backlog	2,961	3,077	2,961	3,077	2,961	3,131
Average number of employees, FTE	2,704	2,800	2,744	2,807	2,752	2,783

Business Area Assemblin H&S (Sweden)

Net sales and order intake

Net sales for the quarter rose by 9.6 per cent to SEK 773 million (705). Sales for the first half of the year rose by 7.7 per cent to SEK 1,464 million (1,359). Order intake for the second quarter increased to SEK 923 million (677) and, for the period, to SEK 1,560 million (1,338). The order backlog at the end of the period amounted to SEK 2,179 million (1,963).

Earnings and profitability

Adjusted EBITA continued to strengthen and amounted to SEK 56 million (42) for the quarter and to SEK 95 million (75) for the period, driven by efficiency enhancement measures and profitable acquisitions. This meant that the adjusted EBITA margin strengthened to 7.3 per cent (6.0) for the quarter and to 6.5 per cent (5.5) for the period.

Key figures	Quarter 2		The period Jan - Jun		Rolling	Full Year
	2021	2020	2021	2020	12 months	2020
Net sales, SEKm	773	705	1,464	1,359	2,778	2,672
Growth, %	9.6	5.5	7.7	5.3	2.5	1.2
Adjusted EBITA, SEKm	56	42	95	75	187	166
Adjusted EBITA margin, %	7.3	6.0	6.5	5.5	6.7	6.2
Order intake	923	677	1,560	1,338	2,846	2,624
Order Backlog	2,179	1,963	2,179	1,963	2,179	2,048
Average number of employees, FTE	1,449	1,395	1,448	1,406	1,427	1,405

Business Area Ventilation (Sweden)

Net sales and order intake

Net sales for the quarter decreased somewhat to SEK 354 million (371), contributing to sales of SEK 671 million (681) for the first half of the year.

Order intake for the quarter increased to SEK 464 million (286), and to SEK 771 million (579) for the first half of the year. The order backlog at the end of the period amounted to SEK 1,741 million (1,672).

Earnings and profitability

For the second quarter, Assemblin Ventilation delivered an adjusted EBITA of SEK 22 million (22), which meant that the adjusted EBITA margin was strengthened to 6.3 per cent (5.8). Adjusted EBITA for the period totalled SEK 35 million (32) and the adjusted EBITA margin was 5.2 per cent (4.8).

Key figures	Quarter 2		The period Jan - Jun		Rolling	Full Year
	2021	2020	2021	2020	12 months	2020
Net sales, SEKm	354	371	671	681	1,375	1,384
Growth, %	-4.6	3.6	-1.4	-2.4	1.8	1.2
Adjusted EBITA, SEKm	22	22	35	32	80	78
Adjusted EBITA margin, %	6.3	5.8	5.2	4.8	5.9	5.6
Order intake	464	286	771	579	1,384	1,192
Order Backlog	1,741	1,672	1,741	1,672	1,741	1,633
Average number of employees, FTE	552	554	550	551	552	554

Business Area Norway

Net sales and order intake

Assemblin in Norway continued to report growth also in the second quarter of the year. Sales rose by 10.3 per cent to SEK 382 million (346), contributing to sales of SEK 750 million (725) for the first half of the year.

Order intake for the quarter amounted to SEK 338 million (474) and, for the first half of the year, to SEK 823 million (851). The order backlog at the end of the period increased to SEK 1,338 million (1,358).

Earnings and profitability

Profitability also strengthened, with the adjusted EBITA margin improving to 7.9 per cent (7.0) for the second quarter and to 6.4 per cent (5.8) for the first half of the year. Adjusted EBITA for the quarter improved from SEK 24 million to SEK 30 million and, for the first half of the year, from SEK 42 million to SEK 48 million.

Key figures	Quarter 2		The period Jan - Jun		Rolling	Full Year
	2021	2020	2021	2020	12 months	2020
Net sales, SEKm	382	346	750	725	1,518	1,493
Growth, %	10.3	12.0	3.5	17.3	9.0	16.2
Adjusted EBITA, SEKm	30	24	48	42	126	119
Adjusted EBITA margin, %	7.9	7.0	6.4	5.8	8.3	8.0
Order intake	338	474	823	851	1,332	1,360
Order Backlog	1,338	1,358	1,338	1,358	1,338	1,103
Average number of employees, FTE	772	721	762	725	754	735

Business Area Finland

Net sales and order intake

Assemblin Finland delivered sales for the quarter in line with the preceding year, amounting to SEK 140 million (144), contributing to sales of SEK 266 million (298) for the first half of the year.

Intensified sales efforts contributed to a strong order intake, which increased to SEK 244 million (150) for the quarter and to SEK 480 million (341) for the first half of the year. This contributed to the order backlog increasing to SEK 449 million (271) at the end of the period.

Earnings and profitability

In the second quarter, adjusted EBITA increased to SEK 5 million (0) and the adjusted EBITA margin to 3.6 per cent (-0.1) due to profitability-enhancing measures and acquisitions. Adjusted EBITA for the period totalled SEK 8 million (-1), resulting in an adjusted EBITA margin of 2.9 per cent (-0.3).

Key figures	Quarter 2		The period Jan - Jun		Rolling	Full Year
	2021	2020	2021	2020	12 months	2020
Net sales, SEKm	140	144	266	298	535	567
Growth, %	-3.1	5.3	-10.8	13.0	-15.4	-5.2
Adjusted EBITA, SEKm	5	0	8	-1	12	3
Adjusted EBITA margin, %	3.6	-0.1	2.9	-0.3	2.2	0.5
Order intake	244	150	480	341	713	574
Order Backlog	449	271	449	271	449	233
Average number of employees, FTE	315	304	315	332	310	319

Condensed consolidated statement of earnings

	Quarter 2		The period Jan - Jun		Rolling	Full Year
Amounts in SEKm	2021	2020	2021	2020	12 months	2021
Net sales	2,640	2,597	5,082	5,109	9,983	10,009
Production cost	-2,122	-2,150	-4,104	-4,235	-8,047	-8,179
Gross profit	**518**	**447**	**979**	**874**	**1,935**	**1,830**
Sales and administrative expenses	-375	-314	-754	-644	-1,434	-1,324
Operating profit (EBIT)	**143**	**133**	**225**	**229**	**502**	**506**
Net financial items	-61	-47	-125	-95	-225	-196
Profit/loss before tax	**82**	**86**	**100**	**134**	**276**	**310**
Tax	-17	-17	-21	-33	-72	-84
Profit for the period	**65**	**70**	**79**	**101**	**204**	**226**
Profit for the year attributable to:						
Parent company owner	65	70	79	101	204	226
Holders without controlling influence	-	-	-	-	-	-
Profit for the period	**65**	**70**	**79**	**101**	**204**	**226**

Condensed comprehensive income

	Quarter 2		The period Jan - Jun		Rolling	Full Year
Amounts in SEKm	2021	2020	2021	2020	12 months	2021
Profit for the period	**65**	**70**	**79**	**101**	**204**	**226**
Other comprehensive income						
Items that have been transferred or can be transferred to profit for the period						
Translation differences for the year in translation of foreign operations	-21	-9	28	-59	17	-69
Changes in the fair value of hedge reserve	-1	-19	7	-13	1	-20
Tax attributable to items that can be transferred to profit/loss for the year	2	4	-5	10	-3	12
Items that cannot be transferred to profit/loss for the year						
Revaluation of defined-benefit pension plans	26	39	26	39	-23	-10
Tax attributable to items that cannot be transferred to profit/loss for the year	-5	-8	-5	-8	5	2
Other comprehensive income for the period	**1**	**7**	**51**	**-31**	**-3**	**-85**
Comprehensive income for the period	**66**	**76**	**129**	**69**	**201**	**141**
Attributable to:						
Parent Company owners	66	76	129	69	201	141
Holders without controlling influence	-	-	-	-	-	-
Comprehensive income for the period	**66**	**76**	**129**	**69**	**201**	**141**

Condensed consolidated statement of financial position

Amounts in SEKm	30-Jun-2021	30-Jun-2020	31-Dec-2020
Assets			
Goodwill	3,276	2,604	2,970
Right-of-use assets	672	668	699
Other fixed assets	295	272	302
Total fixed assets	**4,243**	**3,544**	**3,971**
Contract assets	512	490	383
Trade receivables	1,262	1,267	1,278
Other receivables	415	357	330
Cash and cash equivalents	1,542	679	721
Total current assets	**3,731**	**2,793**	**2,711**
Total assets	**7,974**	**6,337**	**6,682**
Equity	**-532**	**-733**	**-661**
Liabilities			
Long-term liabilities	4,682	3,455	3,652
Leasing debt	550	567	562
Total long-term liabilities	**5,232**	**4,022**	**4,215**
Leasing debt	195	180	207
Contract liabilities	840	804	833
Trade payables	829	804	780
Other current liabilities	1,411	1,260	1,308
Total current liabilities	**3,274**	**3,048**	**3,129**
Total liabilities	**8,506**	**7,071**	**7,343**
Total equity and liabilities	**7,974**	**6,337**	**6,682**
Where of interest-bearing liabilities	4,382	3,365	3,397

Condensed consolidated statement of changes in equity

Amounts in SEKm	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Equity at the beginning of the period	**-661**	**-803**	**-803**
Profit for the period	79	101	226
Other comprehensive income	51	-31	-85
Comprehensive income for the period	**129**	**69**	**141**
Equity at end of period *	**-532**	**-733**	**-661**

** The negative equity is an accounting consequence of the restructuring of the group in 2019. The actual value of Assemblin's equity is better reflected in the equity of the parent company.*

Condensed consolidated statement of cash flow

	Quarter 2		The period Jan - Jun		Rolling	Full Year
Amounts in SEKm	2021	2020	2021	2020	12 months	2020
Operating activities						
Profit/loss before tax	82	86	100	134	276	310
Adjustments for items not included in the cash flow	74	85	188	160	404	376
Tax paid	-20	-3	-69	-16	-61	-8
Cash flow from operating activities before changes in working capital	**135**	**168**	**219**	**278**	**619**	**678**
Changes in working capital	-100	-18	-64	113	-32	145
Cash flow from operating activities	**35**	**150**	**155**	**391**	**587**	**823**
Investment activities						
Acquisitions of subsidiaries	-119	-6	-253	-17	-537	-300
Net investment fixed assets	3	-1	2	-5	-1	-8
Other	-1	0	-1	0	-1	0
Cash flow from investment activities	**-117**	**-7**	**-252**	**-22**	**-539**	**-308**
Financing activities						
Loans raised	-	-	1,009	-	1,009	-
Repayment of loan	0	0	0	0	-2	-2
Amortisation of lease debt	-51	-44	-99	-87	-198	-185
Cash flow from financing activities	**-51**	**-44**	**909**	**-87**	**809**	**-188**
Cash flow for the period	**-132**	**99**	**812**	**282**	**858**	**327**
Cash and cash equivalents at the beginning of the	1,679	586	721	407	679	407
Exchange rate difference in cash and cash equivalents	-4	-6	9	-9	5	-13
Cash and cash equivalents at the end of the period	**1,542**	**679**	**1,542**	**679**	**1,542**	**721**

Condensed summary of the Parent Company's income statement

	Quarter 2		The period Jan - Jun		Rolling	Full Year
Amounts in SEKm	2021	2020	2021	2020	12 months	2021
Net sales	0	4	0	9	12	21
Production Cost	-	-	-	-	-	-
Gross profit	**0**	**4**	**0**	**9**	**12**	**21**
Administrative expenses	-11	-9	-33	-22	-56	-45
Operating profit (EBIT)	**-11**	**-5**	**-33**	**-13**	**-44**	**-25**
Net financial items	-29	-16	-52	-33	-83	-64
Profit after financial items	**-40**	**-21**	**-85**	**-46**	**-127**	**-88**
Allocations	-	-	-	-	21	21
Profit/loss before tax	**-40**	**-21**	**-85**	**-46**	**-106**	**-67**
Tax	-	-			0	0
Profit for the period	**-40**	**-21**	**-85**	**-46**	**-106**	**-67**

The result for the period corresponds to the total result for the period.

Condensed consolidated statement of the Parent Company's financial position

Amounts in SEKm	30-Jun-2021	30-Jun-2020	31-Dec-2020
Assets			
Shares in Group companies	5,098	5,081	5,098
Receivables in Group companies	1,607	1,616	1,607
Other fixed assets	0	0	0
Total fixed assets	**6,705**	**6,697**	**6,705**
Other receivables	1	0	1
Short-term receivables, group companies	25	8	34
Cash and cash equivalents	1,021	1	1
Total current assets	**1,047**	**8**	**35**
Total assets	**7,752**	**6,706**	**6,740**
Equity			
Restricted equity	1	1	1
Unrestricted equity	3,933	4,038	4,017
Equity	**3,933**	**4,039**	**4,018**
Liabilities			
Long-term interest-bearing liabilities	3,639	2,623	2,625
Total long-term liabilities	**3,639**	**2,623**	**2,625**
Short-term payables, group companies	149	20	72
Other current liabilities	31	25	26
Total current liabilities	**180**	**44**	**98**
Total liabilities	**3,819**	**2,667**	**2,722**
Total equity and liabilities	**7,752**	**6,706**	**6,740**

Condensed statement of changes in equity for the Parent Company

Amounts in SEKm	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Equity at the beginning of the period	**4,018**	**4,085**	**4,085**
Profit for the period *	-85	-46	-67
Equity at end of period	**3,933**	**4,039**	**4,018**

The result for the period corresponds to the total result for the period.

Calculation of key performance indicators not defined under IFRS

This interim report presents certain financial measures that are not fully defined under IFRS. Assemblin believes that these measures provide valuable information about the company's performance, but they should be regarded as a supplement to the measures defined under IFRS. Assemblin's definitions of these measures may differ from other companies' definitions of the same terms. A reconciliation of these measures follows below. For definitions of key performance indicators, refer to page 20.

Reconciliation of key figures

	Quarter 2		The period Jan - Jun		Rolling	Full Year
Amounts in SEKm	2021	2020	2021	2020	12 months	2020
Net debt						
Interest-bearing liabilities	4,382	3,365	4,382	3,365	4,382	3,397
Cash and cash equivalents	-1,542	-679	-1,542	-679	-1,542	-721
Net debt	**2,840**	**2,685**	**2,840**	**2,685**	**2,840**	**2,676**
EBITA						
Operating profit/loss (EBIT)	143	133	225	229	502	506
Amortisation and impairment, intangible fixed assets	17	5	31	11	46	27
EBITA	**160**	**138**	**256**	**241**	**548**	**533**
Adjusted EBITA						
EBITA	160	138	256	241	548	533
Adjustments for Items Affecting Comparability *	21	-2	56	9	111	64
Adjusted EBITA	**182**	**136**	**312**	**250**	**659**	**597**
Adjusted EBITDA						
Adjusted EBITA	182	136	312	250	659	597
Depreciation of property, plant and equipment and right-of-use assets	53	49	111	97	220	206
Lease accounting adjustments	-30	-26	-64	-52	-127	-115
Adjusted EBITDA	**205**	**158**	**360**	**295**	**752**	**687**
Free Cash Flow						
Adjusted EBITDA	205	158	360	295	752	687
Changes in working capital	-100	-18	-64	113	-32	145
Excluding changes in provisions	25	24	53	69	123	138
Net investment fixed assets	3	-1	2	-5	-1	-8
Net vehicle leases capex	-23	-15	-40	-37	-76	-72
Free Cash Flow	**110**	**148**	**311**	**435**	**766**	**890**
Cash Conversion (%)	**60%**	**109%**	**100%**	**174%**	**116%**	**149%**

**Items affecting comparability are described in Note 3 below*

Notes

1. Accounting policies

This summary interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions in the Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, Interim Reports.

For the Group and the Parent Company, the same accounting principles and calculation bases have been applied as in the most recent annual report. Besides appearing in the financial statements and their accompanying notes, disclosures in accordance with IAS 34.16A also appear in other parts of the interim report.

During the period, the Group received government support and cost reductions that, combined, did not total a significant amount. These have been reported as cost reductions in the Condensed consolidated statement of earnings.

2. Operating segments

Net sales per business area	Quarter 2		The period Jan - Jun		Rolling	Full Year
SEKm	2021	2020	2021	2020	12 months	2020
El	1,039	1,056	2,027	2,092	3,944	4,010
VS	773	705	1,464	1,359	2,778	2,672
Ventilation	354	371	671	681	1,375	1,384
Norway	382	346	750	725	1,518	1,493
Finland	140	144	266	298	535	567
Eliminations	-48	-25	-95	-46	-167	-118
Total	**2,640**	**2,597**	**5,082**	**5,109**	**9,983**	**10,009**
Of which service,%	*41*	*38*	*41*	*39*	*41*	*40*

Adjusted EBITA and profit before tax	Quarter 2		The period Jan - Jun		Rolling	Full Year
SEKm	2021	2020	2021	2020	12 months	2020
El	62	56	117	111	231	225
VS	56	42	95	75	187	166
Ventilation	22	22	35	32	80	78
Norway	30	24	48	42	126	119
Finland	5	0	8	-1	12	3
Group adjustments	6	-8	9	-9	23	5
Adjusted EBITA	**182**	**136**	**312**	**250**	**659**	**597**
Adjusted EBITA margin, %	*6.9*	*5.2*	*6.1*	*4.9*	*6.6*	*6.0*
Items Affecting Comparability	-21	2	-56	-9	-111	-64
Amortisation and impairment, intangible fixed assets	-17	-5	-31	-11	-46	-27
Net financial items	-61	-47	-125	-95	-225	-196
Profit/loss before tax	**82**	**86**	**100**	**134**	**276**	**310**

Average number of employees, FTE	Quarter 2		The period Jan - Jun		Rolling	Full Year
	2021	2020	2021	2020	12 months	2020
El	2,704	2,800	2,744	2,807	2,752	2,783
VS	1,449	1,395	1,448	1,406	1,427	1,405
Ventilation	552	554	550	551	552	554
Norge	772	721	762	725	754	735
Finland	315	304	315	332	310	319
Group shared functions	25	24	24	24	24	24
Total	**5,817**	**5,798**	**5,843**	**5,845**	**5,818**	**5,820**

3. Items affecting comparability

In the second quarter, the Group recognised SEK 21 million (-2) and SEK 56 million (9) for the period as items affecting comparability. Items affecting comparability are attributable to acquisitions, integration and restructuring costs, and other non-recurring items, including costs relating to raising additional financing such as bond issuance. In the second quarter, items affecting comparability primarily are attributable to costs related to the merger control filing for the Fidelix acquisition and costs for other acquisitions.

4. Acquisition of business

In the period January–June 2021, Assemblin completed the following acquisitions:

Acquired unit	Country	Type	Time	Percentage of votes	Employees	Estimated annual sales in SEKm
Åby Eltjänst AB	Sweden	Company	January	100%	34	50
EA Installationer AB	Sweden	Company	January	100%	43	49
TIS Tervell Installation och Service AB	Sweden	Company	January	100%	23	30
Vantec System AB	Sweden	Company	January	100%	16	50
NOR Klima T. Svendsen AS*	Norway	Company	January	100%	3	30
J.Wretvall Rörservice AB	Sweden	Company	April	100%	31	96
Hemsedal VVS AS	Norway	Company	April	100%	12	35
Electrotec Energy AB	Sweden	Company	June	100%	10	24

*Under name change to, Assemblin Ventilasjon AS

Effects of acquisitions 2021

Assemblin completed eight acquisitions during the period January to June. Acquisition analyses for 2021 regarding the acquired company are preliminary as little time has elapsed since the acquisition. The acquisitions are not considered significant either individually or combined.

5. Financial assets

Holdings Shareholdings in Elajo are reported at fair value. The shares are classified as level 3 assets because they are not listed on a regulated market and no observable transactions have been made in the company recently. As of 31 December 2020, fair value amounts to SEK 30 million and, at the end of the second quarter of 2021, fair value amounted to SEK 30 million.

Amounts owed that may be paid to previous owners (contingent purchase considerations) amount to SEK 225 million and are classified in accordance with level 3 in the fair value hierarchy. When calculating the fair value of a currency swap, the closing rate for each swap counterparty has been applied. The amount owed amounts to SEK 124 million and is classified in accordance with level 2 in the fair value hierarchy. The fair values of the Group's long-term assets and liabilities do not differ significantly from the reported values.

6. Non-current liabilities

As of 30 June 2021, non-current liabilities included pension provisions of SEK 734 million (SEK 681 million in the corresponding quarter in 2020, and SEK 746 million as of 31 December 2020). The present value of the pension obligations is determined by an independent actuary applying a number of financial assumptions. The main assumptions for defined benefit obligations are shown below:

	30-jun-2021	30-jun-2020	31-dec-2020
Discount rate	1,80%	1,30%	1,10%
Wage increase	2,40%	1,80%	2,00%
Inflation	1,90%	1,30%	1,50%

At the end of January, Assemblin issued additional bonds, for an amount equivalent to EUR 100 million (totalling EUR 350 million as of 30 June 2021) and on unchanged terms compared with previous bonds, to finance the Fidelix acquisition, for example, and to secure continued favourable liquidity. Assemblin's principal shareholder also plans to provide a shareholder contribution of an amount equivalent to EUR 20 million.

7. Events occurring after the balance sheet date

On 1 July, Assemblin AS acquired Hallingdal Varme og Sanitaer AS in Norway, with 24 employees and annual sales of SEK 45 million. In July, available credit facilities were increased from SEK 450 million to SEK 567 million. Following the balance sheet date, no other significant events of a company-specific nature have occurred.

Assurance

The Board of Directors and the CEO give their assurance that this interim report provides a true and fair account of the Group's operations, sales and financial position, and describes the material risks and uncertainties faced by the Parent Company and the companies that form the Group. The disclosures presented are in agreement with the facts, and nothing of material significance that could impact the account of the Group and Parent Company in their financial statements has been omitted.

This report for the period has not been audited.

Stockholm, July 16, 2021

Matts Väppling *Chairman of the Board*	Susanne Ekblom *Board member*	Mats Johansson *President and CEO*	
Mats Jönsson *Board member*	Per-Ingemar Persson *Board member*	Young Kim *Board member*	Anders Thulin *Board member*

For more information

For questions concerning this report, please contact CFO Philip Carlsson (tel: +46 10 475 39 50). For questions concerning operations in general, contact President and CEO Mats Johansson (tel: +46 10 475 39 60) or Head of Communications and Sustainability Åsvor Brynnel (tel: +46 10 475 39 48).

More information is also available on our website: www.assemblin.com

Invitation to an investor presentation

On 16 July, at 13:00 CET, the company's President and CFO will present developments in the quarter in a webcast.
To participate in the webcast, please register in advance using the following link:
https://onlinexperiences.com/Launch/QReg/ShowUUID=D18495AB-87AB-4C33-A745-62BE6E9CECD0

To listen to the presentation by telephone, dial +46 856642651 (Sweden), +44 3333000804 (UK) or any other internationa l dial in numbers at https://event.sharefile.com/d-s84220495bb4b47b2abfff950788bcd35 and use the **PIN code 11907070#** (all participants).

The presentation material, and a recording of the webcast, will be published on the company's website www.assemblin.com under the "Investors" tab after the meeting.

Future reporting dates

Q3 Interim Report	January–September 2021	November 4, 2021
Year-End Report	January–December 2021	February 2022
Q1 Interim Report	January–March 2022	May 2022
Q2 Interim Report	January–June 2021	July 2022

Definitions

Financial definitions

Acquired growth Net sales from units acquired during the period and the preceding period, less net sales from units acquired in the preceding period, divided by net sales for the equivalent period of the preceding year.

Adjusted EBITA Earnings before tax, net financial items, and amortisation and impairment of intangible assets, adjusted for items affecting comparability. Adjusted EBITA improves comparison over time by excluding non-recurring items.

Adjusted EBITDA Adjusted EBITA adjusted for Depreciation of property, plant and equipment and right-of-use assets.
Assets excluding the effect of applying IFRS 16. Adjusted EBITDA improves comparison over time by excluding non-recurring items.

Adjusted EBITA margin (EBITA, %) Earnings before tax, net financial items, and amortisation and impairment of intangible assets, adjusted for items affecting comparability and divided by net sales. Adjusted EBITA margin, % excludes the effect of non-recurring items, thereby improving the possibility of comparisons over time.

Average number of employees, FTE Average number of employees during the period, taking full or part-time employment into account.

Cash Conversion, % Free cashflow divided by Adjusted EBITA. Cash conversion provides a measure of the ability to convert profits to cash.

Free Cash Flow Adjusted EBITDA adding or subtracting any changes in working capital adjusted for changes from non-cash items less net investment in fixed assets adjusted for net vehicle leases capex. Free cash flow shows the cash generation before costs related to items affecting comparability and capital structure, e.g. tax, financing activities and acquisitions.

Items affecting comparability Primarily costs for acquisitions and integration of acquisitions, as well as more comprehensive restructuring programmes and new establishments. These occur on an irregular basis, and thus make comparison over time difficult.

Net sales Sales recorded in accordance with the Group's accounting policies as described in Note 1 of Assemblin's 2019 Annual Report.

Net debt Long- and short-term interest-bearing liabilities, excluding pension liabilities, less cash and cash equivalents at the end of the period. This key metric is a measurement showing the Group's total interest-bearing debt.

Organic growth Growth less currency effect less acquired growth.

Order intake The value of projects received and changes to existing projects in the current period.

Order backlog The value of the remaining production value in all projects not generated at the end of the period.

Working capital The sum of current assets, reduced by cash and cash equivalents minus the sum of current liabilities, reduced by current provisions and short-term interest-bearing liabilities. This key metric shows how much working capital is tied up in the operations, and can be set in relation to sales to show how efficiently tied-up capital working capital is being used.

EBITA Earnings before tax, net financial items, and amortisation and impairment of intangible assets. EBITA is used as the primary key earnings figure in the operational monitoring of the Group.

EBITA, % Earnings before tax, net financial items, and amortisation and impairment of intangible assets, divided by net sales.

EBIT Earnings before tax and net financial items.

EBITDA EBITA before planned depreciation, amortisation and impairment. EBITDA is a measurement the Group considers relevant for an investor who wishes to understand earnings generation before making investments in fixed assets.

Growth Changes to net sales for the period, divided by net sales from the year-earlier period (including currency effects).

Profit margin Earnings for the period, divided by net sales for the period.

Other definitions

Installations/Installation assignments New construction and reconstruction of technical systems in buildings, facilities and infrastructure.

Service/Service assignments Operation and maintenance assignments, including maintenance-related reconstruction of technical systems in buildings, facilities and infrastructure.

Additional disclosure

Information for holders of Assemblin Senior Secured Notes issued on December 6, 2019

Amounts in SEKm	30-jun-2021
Ratios:	
Consolidated Net Leverage Ratio	3.1x
Fixed Charge Coverage Ratio	4.2x
Reconciliations:	
Cash and cash equivalents	**-1,542**
Senior Secured Floating Rate Notes	3,653
Other long-term debt	1
Market value currency agreement[1]	19
Lease liabilities [2]	333
Indebtedness	**4,006**
Consolidated Net Leverage	**2,464**
EBITA - reported	**548**
Depreciation of property, plant and equipment and right-of-use assets	220
EBITDA - Reported	**768**
Lease accounting adjustments (2)	-127
Items Affecting Comparability (3)	111
EBITDA excluding items affecting comparability	**752**
EBITDA - Proforma Acquisition adjustments (4)	44
Consolidated EBITDA - (*Pro forma Adjusted EBITDA*) [5]	**796**
Consolidated Interest Expense	-188
Dividends	0
Fixed Charges	**-188**

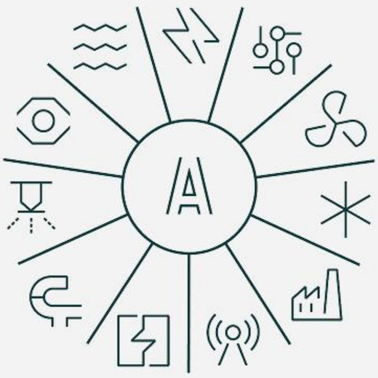
Comments

1. Market value currency agreements refers to mark-to-market changes in value of derivative instruments used to hedged EUR senior secured notes to SEK.
2. Lease liabilities refer to lease liabilities as defined in the Offering Memorandum for EUR 250,000,000 Senior Secured Floating Rate Notes due 2025, i.e. excluding additional lease liabilities recognised as a consequence of implementing IFRS16. Lease accounting adjustments is the effect on EBITDA of implementing IFRS16 compared to previous IFRS.
3. Items Affecting Comparability include acquisition, integration and start-up costs, restructuring costs, transformation costs and other adjustments. In the second quarter 2021 Items Affecting Comparability of SEK 21 million consist primarily of fees related to costs relating to the acquisition and financing of Fidelix acquisition.
4. EBITDA - Pro forma Acquisition adjustments reflects an estimate of the pro forma full twelve-month impact of acquisitions that were completed prior to June 30, 2021 as if such acquisitions had completed on July 1, 2020. The adjustments are based on each target's historical EBITDA derived from its management accounts, as adjusted for its actual contribution to our results of operations since the date of its acquisition and as further adjusted in a manner consistent with our Adjusted EBITDA to the extent applicable and the application of our accounting policies and other items.
5. The pro forma adjustments to EBITDA presented above are for informational purposes only and do not purport to present what our results of operations would have been, nor do they purport to project our results of operations for any future period. Moreover, the assumptions underlying the pro forma adjustments to EBITDA presented above are based on our current estimates, and they involve risks, uncertainties, assumptions and other factors that may cause actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by such pro forma financial information. Please refer to the Offering Memorandum for EUR 250,000,000 Senior Secured Floating Rate Notes due 2025 section *"Risk Factors—Risks Related to Our Business—Benefits from our accelerated profitability programme and anticipated pro forma adjustments to our financial information may not materialize as anticipated."*

It's the inside that matters.

In every building, there are people living and working who depend on functioning air, water and energy every day, year-round. Our skilled and committed employees make this a reality. With full focus on the inside, we'll take your construction project all the way from start to finish.

A complete installation and service partner



Electrical, Heating and sanitation, Ventilation, Automation, Data and telecom, Security, Industrial pipes, District heating, Cooling, Sprinklers and Instrumentation.

Our common platform

Vision
Smart and sustainable installations.
By people, for people.

Mission
We use air, energy and water to make buildings work and make people feel comfortable.

Business concept
We design, install and maintain technical systems for buildings.

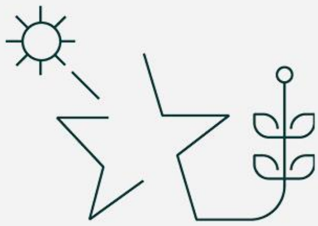
We act as a responsible and value-adding company in relation to all our stakeholders.

Assemblin as a supplier
Innovative and sustainable installations that make buildings work and people feel comfortable.

Assemblin as an employer
A developing and responsible employer who offers exciting assignments in a good, safe and non-discriminatory work environment.

Assemblin as a social player
We create prosperous citizens in buildings with good indoor climate and carry out our activities with care for the environment and the community around us.

Assemblin as an investment
A good return through stable economic development with controlled risk and a sound business ethics approach.



Our view of sustainability.

We try to take responsibility for the impact that our services and installations give rise to. Our objective is to run a profitable and sound business with respect for the world around us and manage our own and other's resources efficiently. Assemblin shall show great environmental consideration in all our activities.