

# Interim Report

Q1 January—March 2021



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

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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**





## First quarter (January–March) 2021

- Net sales in the first quarter decreased by 2.7 per cent to SEK 2,442 million (2,511), of which a negative 8.9 percentage points were negative organic growth, 6.9 were acquisition-driven and a negative 0.8 were currency-driven.
- Adjusted EBITA increased to SEK 131 million (114). The adjusted EBITA margin increased to 5.3 per cent (4.5).
- EBITA amounted to SEK 96 million (102).
- EBIT amounted to SEK 82 million (96).
- Profit after tax amounted to SEK 14 million (31).
- Order intake increased to SEK 2,525 million (2,446).
- The order backlog at the end of the period increased to SEK 8,458 million (8,239).
- Five acquisitions were made in Sweden and Norway, adding 119 employees to the Group and combined annual sales of SEK 209 million.



### Key figures

	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2020
Net sales, SEKm	2,442	2,511	9,940	10,009
Growth, %	-2.7	4.9	-1.6	0.3
Organic growth, %	-8.9	1.7	-4.7	-2.1
Acquired growth, %	6.9	3.8	4.7	3.9
Currency effect, %	-0.8	-0.6	-1.5	-1.5
Adjusted EBITA, SEKm	131	114	613	597
Adjusted EBITA margin, %	5.3	4.5	6.2	6.0
EBITA, SEKm	96	102	526	533
EBITA-margin, %	3.9	4.1	5.3	5.3
EBIT, SEKm	82	96	492	506
Profit for the period, SEKm	14	31	209	226
Order backlog, SEKm	8,458	8,239	8,458	8,148
Order intake, SEKm	2,525	2,446	9,982	9,903
Average number of employees, FTE	5,869	5,884	5,814	5,820

For definitions, refer to page 21. For reconciliation of key performance indicators not defined under IFRS, refer to page 16.

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

### Continued strengthening of the margin

*In the first quarter of the year, a strong improvement in profitability was delivered throughout the operations. Although sales declined compared with the very strong start to 2020, the production rate in the contracting operations remained high and order intake was strong.*

#### With profitability and cash flow in focus

Profitability and cash flow are priority areas at Assemblin. In 2019, a comprehensive profitability improvement programme was implemented, which was followed up in 2020 with adjustments by profit centres with profitability issues. It is with great satisfaction that we can report that our determined efforts, combined with profitable acquisitions, have had the desired effect. Profitability continued to strengthen in the first quarter of the current year, resulting in an adjusted EBITA margin of 5.3 (4.5) per cent and an adjusted EBITA of SEK 131 million (114). It was particularly remarkable that profitability improved in all business areas, and this is highly gratifying.

Cash flow also remained strong. Seasonally, the first quarter is normally strong, as was also the case this year. Free cash flow for the quarter amounted to SEK 202 million (287).

#### Sales and five exciting acquisitions

Sales decreased slightly compared with the first quarter last year and amounted to SEK 2,442 million (2,511). Of the 2.7 per cent net decline, a negative 8.9 percentage points were organic, a positive 6.9 percentage points were acquisition-driven, and a negative 0.8 percentage points were currency-driven. The negative organic growth was mainly attributable to normal fluctuations in production but also to a continued subdued activity in the service operations due to restrictions in connection with the corona virus pandemic. Although the production rate in our contracting operations was high, sales decreased in certain locations where we have adapted our operations for structural reasons or to improve profitability, particularly in parts of Stockholm and Finland.

Acquisitions are a cornerstone of our growth strategy. We are highly selective with regard to acquisition candidates, increasing the chances that the companies we ultimately acquire will make a positive contribution. In early 2021, the acquisition rate remained at a high level. During the quarter, we acquired five medium-sized installation companies, of which three were electricity companies in Sweden (TIS El in Karlstad, Åby Eltjänst in Norrköping and EA Installationer in Trelleborg), one heating and sanitation company in Sweden (Vantec System AB in Götene) and one ventilation company in Norway (Nor-Klima in Drammen). In total, these companies contribute annual sales of SEK 209 million. They also bring 119 experienced employees into the Group, and I would like to take this opportunity to welcome them to Assemblin.

#### High order intake in a cautious market

As a consequence of the corona virus pandemic, we are experiencing generally some uncertainty and locally tougher competition, although forecasts in the construction market are now looking brighter. Despite the cautious market situation, we have been able to report an increased order intake of SEK 2,525 million (2,446) for the quarter, which has helped increase the order backlog at the end of the period to SEK 8,458 million (8,239). This is not a coincidence but is due to intensified customer processing and structured sales efforts. The fact that we are a stable player with a high degree of expertise, a good reference portfolio and strong local roots is also significant in explaining the outcome. In uncertain times, reliable, financially strong suppliers are at a premium.

### Initiatives for a sustainable future

The construction and real estate markets are continuously changing and, to remain relevant as an installation company in the future, we are participating actively in the ongoing change process. Although several driving forces are at play, climate change and the digital transformation are among the strongest, offering Assemblin both challenges and opportunities. One of the areas in which we can contribute is the electrification of cities and communities. In February, we were the first installation company to launch a unique turnkey concept for electric car charging, Assemblin Charge, which uses a cloud platform to connect charging, billing and administration for electric car fleets. This was something we were lacking in our own efforts to realign our vehicle fleet – a solution that automates information between charging points, and payment and accounting systems.

### Outlook

Navigating uncertain times requires us to be responsive and flexible. With this insight, we have endured the corona crisis relatively well, without losing focus or notable speed. Our project portfolio is fundamentally strong and our order backlog is well-stocked. Our profitability is increasingly strong, as is our capacity to generate cash flow. In the short term, it is important that we continue to monitor developments and adapt to the market changes we encounter. At the same time, the underlying driving forces for long-term growth are strong, and we must therefore work in parallel to position ourselves for the future. With the market's best and most committed employees, we want to be involved in creating smart and sustainable installation solutions for the properties and cities of the future. For this reason, we are working tirelessly towards our long-term ambition of being the Nordic region's best installation company – for our employees, customers and shareholders alike.

Stockholm, May 2021

Mats Johansson  
President and CEO  
Assemblin



## Overview, consolidated results

### Net sales and order intake

#### First quarter (January–March)

Sales for the first quarter decreased by 2.7 per cent to SEK 2,442 million (2,511). The change compared with last year is explained by a lower production rate and by service operations having been affected negatively by the corona virus pandemic, resulting in organic growth falling by 8.9 percentage points. The decline in growth was reinforced by negative currency effects of 0.8 percentage points, although this was offset by previously completed acquisitions that contributed positively by 6.9 percentage points.

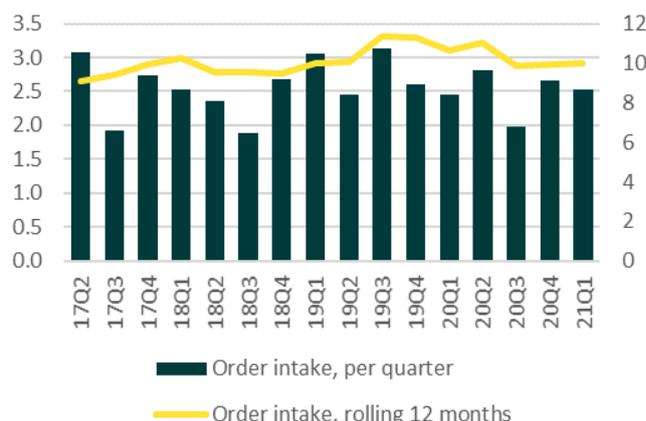
Over the quarter, services increased to account for 41 (40) per cent of consolidated sales.

Order intake for the quarter increased to SEK 2,525 million (2,446), consisting of predominantly small and medium-sized contracting assignments in all business areas. The strong order intake contributed to the order backlog for the Group increasing to SEK 8,458 million (8,239).

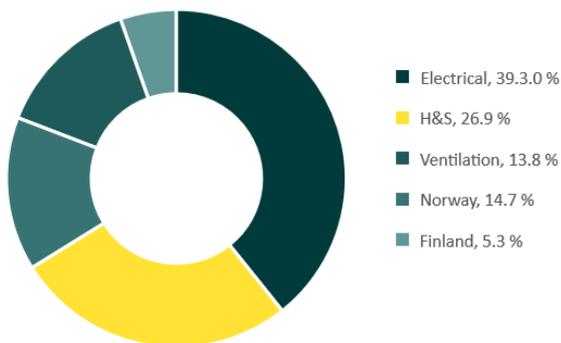
#### Net sales, SEK bn



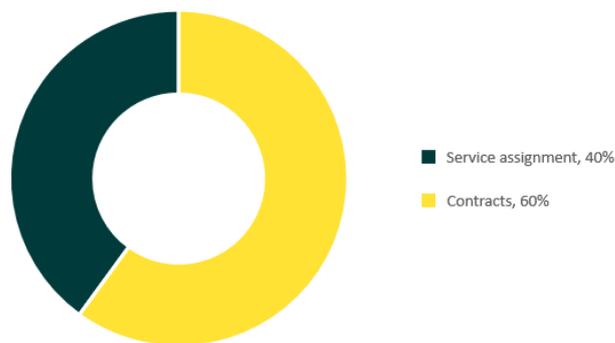
#### Order intake, SEK bn



#### Net sales per business area, rolling 12 months



#### Net sales per assignment, rolling 12 months



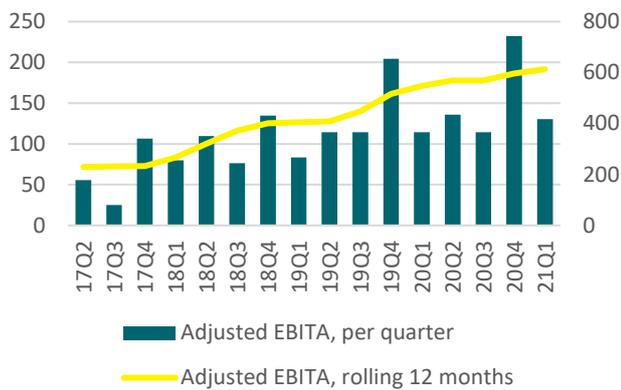
## Earnings and profitability

### First quarter (January–March)

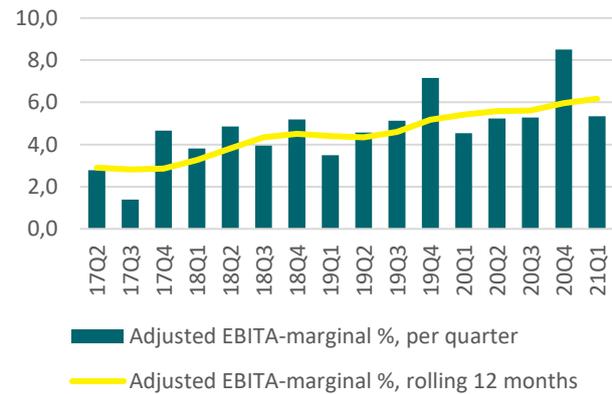
Profitability strengthened in all business areas and the Group's adjusted EBITA margin increased to 5.3 (4.5) per cent. In addition to profitable acquisitions, the increase was mainly driven by our having wound up and restructured unprofitable profit centres, particularly in parts of Stockholm and Finland over a period.

The adjusted EBITA for the quarter rose to SEK 131 million (114). The EBITA for the quarter amounted to SEK 96 million (102). The difference between adjusted EBITA and EBITA is due to items affecting comparability, primarily related to the bond issue (refer to note 3).

### Adjusted EBITA, SEK m



### Adjusted EBITA margin, %



## Net financial items and profit/loss after tax

Net financial items for the quarter changed by SEK 15 million to a negative net of SEK 64 million (48), driven by the increase in the bond debt during the quarter. Tax for the quarter amounted to SEK 4 million (16), corresponding to 21 per cent (35) of profit. Profit after tax for the period amounted to SEK 14 million (31).

## Cash flow and financial position

Cash flow from operations amounted to SEK 120 million (241) for the first quarter. Net debt at the end of the period was SEK 2,726 million (2,767).

Cash and cash equivalents amounted to SEK 1,679 million (586). Unutilised available credit facilities at the end of the period totalled SEK 450 million (450).

## Organization and employees

In the first quarter, the average number of employees, restated in full-time equivalents, was 5,869 (5,884).

## Significant events during the period

- In early January, Assemblin Norway acquired the ventilation company Nor-Klima T. Svendsen AS, with ventilation operations in Drammen (Oslo) and annual sales of approximately SEK 30 million.
- Assemblin Electrical Engineering made three acquisitions (TIS EI in Karlstad, Åby Eltjänst in Norrköping and EA Installationer in Trelleborg) with combined annual sales of approximately SEK 129 million and 100 employees.
- Assemblin Heating and Sanitation acquired Vantec System AB in Götene, with annual sales of approximately SEK 50 million 16 employees.
- In early January 2021, Assemblin issued additional bonds, for an amount equivalent to EUR 100 million and on unchanged terms compared with previous bonds, to finance the Fidelix acquisition, for example, and to secure continued favourable liquidity. The acquisition requires the approval of the Finnish Competition and Consumer Authority. Assemblin's principal shareholder also plans to provide a shareholder contribution of an amount equivalent to EUR 20 million.
- In February, we launched Assemblin Charge, a unique turnkey solution for charging, billing and administrating electric car fleets.
- In mid-February, it was proposed that Per-Ingemar Persson be elected as a new Board Member in Assemblin at the AGM on 11 May.

## Significant events after the period

- On 1 April, the sale of three electromechanical workshops in Sweden was completed, with 45 employees and annual sales corresponding to 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 90 million.
- In the beginning of May Assemblin Norway released the acquisition of Hemsedal VVS AS in Hemsedal, with annual sales of NOK 35 million and 12 employees.

## 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's loss after tax for the quarter totalled SEK 45 million (20). At 31 March 2021, the Parent Company's asset base totalled SEK 7,764 million (6,705). Equity in the Parent Company amounted to SEK 3,973 million (4,060), demonstrating the value that exists in the Group.

## 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 quarter totalled SEK 987 million (1,036). The change compared with the preceding year was mainly attributable to an unusually high production rate in certain regions around the end of 2019 and the start of 2020. Order intake was favourable and amounted to SEK 859 million (924), contributing to a strong order backlog of SEK 3,156 million (2,885).

#### Earnings and profitability

Profitability-enhancing measures, particularly in the operations in Stockholm, combined with acquisitions, contributed to the adjusted EBITA margin increasing to 5.6 per cent (5.3), which gave an adjusted EBITA profit of SEK 55 million (54).

#### Key figures

	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2020
Net sales, SEKm	987	1,036	3,961	4,010
Growth, %	-4.7	2.8	-5.2	-3.4
Adjusted EBITA, SEKm	55	54	225	225
Adjusted EBITA margin, %	5.6	5.3	5.7	5.6
Order intake	859	924	4,088	4,153
Order Backlog	3,156	2,885	3,156	3,131
Average number of employees, FTE	2,784	2,801	2,776	2,783



## Business Area Assemblin H&S (Sweden)

### Net sales and order intake

Net sales for the quarter rose to SEK 691 million (654). Order intake remained favourable and amounted to SEK 637 million (661). The order backlog at the end of the period increased to SEK 1,447 million (1,418).

### Earnings and profitability

The adjusted EBITA margin continued to strengthen and amounted to 5.7 per cent (5.0) for the quarter, while adjusted EBITA profit increased to SEK 39 million (33). The improvement in earnings was driven by previously implemented profitability-enhancing measures, combined with acquisitions.

Key figures	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2020
Net sales, SEKm	691	654	2,710	2,672
Growth, %	5.7	5.0	1.4	1.2
Adjusted EBITA, SEKm	39	33	173	166
Adjusted EBITA margin, %	5.7	5.0	6.4	6.2
Order intake	637	661	2,600	2,624
Order Backlog	1,995	2,001	1,995	2,048
Average number of employees, FTE	1,447	1,418	1,413	1,405

## Business Area Ventilation (Sweden)

### Net sales and order intake

Net sales for the quarter rose to SEK 317 million (309). Order intake also rose and amounted to SEK 307 million (293), contributing to an order backlog of SEK 1,626 million (1,771).

### Earnings and profitability

The adjusted operating profit (EBITA) for the quarter strengthened to SEK 13 million (11), and the adjusted operating margin (EBIT) rose to 4.0 per cent (3.5).

Key figures	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2020
Net sales, SEKm	317	309	1,392	1,384
Growth, %	2.4	-8.7	4.0	1.2
Adjusted EBITA, SEKm	13	11	80	78
Adjusted EBITA margin, %	4.0	3.5	5.7	5.6
Order intake	307	293	1,206	1,192
Order Backlog	1,626	1,771	1,626	1,633
Average number of employees, FTE	547	549	553	554

## Business Area Norway

### Net sales and order intake

Sales for the first quarter totalled SEK 368 million (378).

Order intake was strong at the beginning of the year and increased to SEK 486 million (377). The order backlog also increased to SEK 1,332 million (1,252).

### Earnings and profitability

Adjusted EBITA for the quarter amounted to SEK 18 million (18), and the adjusted EBITA margin strengthened to 4.9 per cent (4.7).

Key figures	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2020
Net sales, SEKm	368	378	1,483	1,493
Growth, %	-2.8	22.7	9.4	16.2
Adjusted EBITA, SEKm	18	18	120	119
Adjusted EBITA margin, %	4.9	4.7	8.1	8.0
Order intake	486	377	1,469	1,360
Order Backlog	1,332	1,252	1,332	1,103
Average number of employees, FTE	753	741	741	735

## Business Area Finland

### Net sales and order intake

Sales in the first quarter amounted to SEK 126 million (153), which is mainly explained by a liquidation of non-strategic and unprofitable profit centres.

Order intake was strong and increased to SEK 236 million (191). The order backlog at the end of the period increased to SEK 349 million (329).

### Earnings and profitability

After a weak 2020, Assemblin Finland again delivered positive results. The adjusted operating profit (EBITA) for the quarter strengthened to SEK 3 million (loss 1), and the adjusted EBITA margin rose to 2.2 per cent (negative 0.6).

Key figures	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2020
Net sales, SEKm	126	153	539	567
Growth, %	-18.1	21.4	-13.7	-5.2
Adjusted EBITA, SEKm	3	-1	6	3
Adjusted EBITA margin, %	2.2	-0.6	1.2	0.5
Order intake	236	191	619	574
Order Backlog	349	329	349	233
Average number of employees, FTE	315	351	307	319

## Condensed consolidated statement of earnings

Amounts in SEKm	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2021
Net sales	2,442	2,511	9,940	10,009
Production cost	-1,982	-2,085	-8,075	-8,179
<b>Gross profit</b>	<b>461</b>	<b>426</b>	<b>1,865</b>	<b>1,830</b>
Sales and administrative expenses	-379	-330	-1,373	-1,324
<b>Operating profit (EBIT)</b>	<b>82</b>	<b>96</b>	<b>492</b>	<b>506</b>
Net financial items	-64	-48	-211	-196
<b>Profit/loss before tax</b>	<b>18</b>	<b>48</b>	<b>281</b>	<b>310</b>
Tax	-4	-16	-71	-84
<b>Profit for the period</b>	<b>14</b>	<b>31</b>	<b>209</b>	<b>226</b>
Profit for the year attributable to:				
Parent company owner	14	31	209	226
Holders without controlling influence	-	-	-	-
<b>Profit for the period</b>	<b>14</b>	<b>31</b>	<b>209</b>	<b>226</b>

## Condensed comprehensive income

Amounts in SEKm	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2021
<b>Profit for the period</b>	<b>14</b>	<b>31</b>	<b>209</b>	<b>226</b>
<b>Other comprehensive income</b>				
<b>Items that have been transferred or can be transferred to profit for the period</b>				
Translation differences for the year in translation of foreign operations	48	-50	29	-69
Changes in the fair value of hedge reserve	8	6	-17	-20
Tax attributable to items that can be transferred to profit/loss for the year	-7	7	-2	12
<b>Items that cannot be transferred to profit/loss for the year</b>				
Revaluation of defined-benefit pension plans	0	-	-10	-10
Tax attributable to items that cannot be transferred to profit/loss for the year	0	-0	2	2
<b>Other comprehensive income for the period</b>	<b>50</b>	<b>-38</b>	<b>3</b>	<b>-85</b>
<b>Comprehensive income for the period</b>	<b>64</b>	<b>-7</b>	<b>212</b>	<b>141</b>
Attributable to:				
Parent Company owners	64	-7	212	141
Holders without controlling influence	-	-	-	-
<b>Comprehensive income for the period</b>	<b>64</b>	<b>-7</b>	<b>212</b>	<b>141</b>

## Condensed consolidated statement of financial position

Amounts in SEKm	31-Mar-2021	31-Mar-2020	31-Dec-2020
<b>Assets</b>			
Goodwill	3,147	2,596	2,970
Right-of-use assets	685	677	699
Other fixed assets	302	285	302
<b>Total fixed assets</b>	<b>4,133</b>	<b>3,558</b>	<b>3,971</b>
Contract assets	506	478	383
Trade receivables	1,153	1,318	1,278
Other receivables	373	302	330
Cash and cash equivalents	1,679	586	721
<b>Total current assets</b>	<b>3,711</b>	<b>2,684</b>	<b>2,711</b>
<b>Total assets</b>	<b>7,844</b>	<b>6,242</b>	<b>6,681</b>
<b>Equity</b>	<b>-598</b>	<b>-810</b>	<b>-661</b>
<b>Liabilities</b>			
Long-term liabilities	4,684	3,481	3,652
Leasing debt	560	578	562
<b>Total long-term liabilities</b>	<b>5,244</b>	<b>4,059</b>	<b>4,215</b>
Leasing debt	200	179	207
Contract liabilities	792	748	833
Trade payables	808	867	780
Other current liabilities	1,398	1,199	1,308
<b>Total current liabilities</b>	<b>3,197</b>	<b>2,993</b>	<b>3,128</b>
<b>Total liabilities</b>	<b>8,442</b>	<b>7,052</b>	<b>7,343</b>
<b>Total equity and liabilities</b>	<b>7,844</b>	<b>6,242</b>	<b>6,681</b>
Where of interest-bearing liabilities	4,405	3,353	3,397

## Condensed consolidated statement of changes in equity

Amounts in SEKm	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Equity at the beginning of the period	-661	-803	-803
Profit for the period	14	31	226
Other comprehensive income	50	-38	-85
<b>Comprehensive income for the period</b>	<b>64</b>	<b>-7</b>	<b>141</b>
<b>Equity at end of period *</b>	<b>-598</b>	<b>-810</b>	<b>-661</b>

\* 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

Amounts in SEKm	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2020
<b>Operating activities</b>				
Profit/loss before tax	18	48	281	310
Adjustments for items not included in the cash flow	114	75	415	376
Tax paid	-49	-12	-44	-8
<b>Cash flow from operating activities before changes in working capital</b>	<b>84</b>	<b>110</b>	<b>651</b>	<b>678</b>
Changes in working capital	36	131	50	145
<b>Cash flow from operating activities</b>	<b>120</b>	<b>241</b>	<b>702</b>	<b>823</b>
<b>Investment activities</b>				
Acquisitions of subsidiaries	-134	-11	-423	-300
Net investment fixed assets	-1	-4	-5	-8
Other	0	0	0	0
<b>Cash flow from investment activities</b>	<b>-135</b>	<b>-15</b>	<b>-429</b>	<b>-308</b>
<b>Financing activities</b>				
Loans raised	1,009	0	1,009	0
Repayment of loan	-1	0	-3	-2
Amortisation of lease debt	-48	-43	-190	-185
<b>Cash flow from financing activities</b>	<b>961</b>	<b>-43</b>	<b>816</b>	<b>-188</b>
<b>Cash flow for the period</b>	<b>945</b>	<b>183</b>	<b>1,089</b>	<b>327</b>
Cash and cash equivalents at the beginning of the	721	407	586	407
Exchange rate difference in cash and cash equivalents	13	-4	4	-13
<b>Cash and cash equivalents at the end of the period</b>	<b>1,679</b>	<b>586</b>	<b>1,679</b>	<b>721</b>

## Condensed summary of the Parent Company's income statement

Amounts in SEKm	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2021
Net sales	0	4	17	21
Production Cost	-	-	-	-
<b>Gross profit</b>	<b>0</b>	<b>4</b>	<b>17</b>	<b>21</b>
Administrative expenses	-22	-13	-54	-45
<b>Operating profit (EBIT)</b>	<b>-22</b>	<b>-9</b>	<b>-37</b>	<b>-25</b>
Net financial items	-23	-17	-70	-64
<b>Profit after financial items</b>	<b>-45</b>	<b>-25</b>	<b>-108</b>	<b>-88</b>
Allocations	-	-	21	21
<b>Profit/loss before tax</b>	<b>-45</b>	<b>-25</b>	<b>-87</b>	<b>-67</b>
Tax	-	-	0	0
<b>Profit for the period</b>	<b>-45</b>	<b>-25</b>	<b>-86</b>	<b>-67</b>

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	31-Mar-2021	31-Mar-2020	31-Dec-2020
<b>Assets</b>			
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
<b>Total fixed assets</b>	<b>6,705</b>	<b>6,697</b>	<b>6,705</b>
Other receivables	1	-12	0
Short-term receivables, group companies	26	9	34
Cash and cash equivalents	1,033	8	-54
<b>Total current assets</b>	<b>1,059</b>	<b>17</b>	<b>-20</b>
<b>Total assets</b>	<b>7,764</b>	<b>6,705</b>	<b>6,740</b>
<b>Equity</b>			
Restricted equity	1	1	1
Unrestricted equity	3,973	4,059	4,017
<b>Equity</b>	<b>3,973</b>	<b>4,060</b>	<b>4,018</b>
<b>Liabilities</b>			
Long-term interest-bearing liabilities	3,649	2,622	2,624
<b>Total long-term liabilities</b>	<b>3,649</b>	<b>2,622</b>	<b>2,625</b>
Short-term payables, group companies	108	3	72
Other current liabilities	33	21	25
<b>Total current liabilities</b>	<b>141</b>	<b>24</b>	<b>97</b>
<b>Total liabilities</b>	<b>3,790</b>	<b>2,645</b>	<b>2,722</b>
<b>Total equity and liabilities</b>	<b>7,764</b>	<b>6,705</b>	<b>6,740</b>

## Condensed statement of changes in equity for the Parent Company

Amounts in SEKm	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Equity at the beginning of the period	<b>4,018</b>	<b>4,085</b>	<b>4,085</b>
Profit for the period *	-45	-25	-67
<b>Equity at end of period</b>	<b>3,973</b>	<b>4,060</b>	<b>4,018</b>

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 21.

### Reconciliation of key figures

Amounts in SEKm	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2020
<b>Net debt</b>				
Interest-bearing liabilities	4,405	3,353	4,405	3,397
Cash and cash equivalents	-1,679	-586	-1,679	-721
<b>Net debt</b>	<b>2,726</b>	<b>2,767</b>	<b>2,726</b>	<b>2,676</b>
<b>EBITA</b>				
Operating profit/loss (EBIT)	82	96	492	506
Amortisation and impairment, intangible fixed assets	14	6	34	27
<b>EBITA</b>	<b>96</b>	<b>102</b>	<b>526</b>	<b>533</b>
<b>Adjusted EBITA</b>				
EBITA	96	102	526	533
Adjustments for Items Affecting Comparability *	35	12	87	64
<b>Adjusted EBITA</b>	<b>131</b>	<b>114</b>	<b>613</b>	<b>597</b>
<b>Adjusted EBITDA</b>				
Adjusted EBITA	131	114	613	597
Depreciation of property, plant and equipment and right-of-use assets	58	48	209	200
Lease accounting adjustments	-34	-26	-117	-109
<b>Adjusted EBITDA</b>	<b>155</b>	<b>137</b>	<b>705</b>	<b>687</b>
<b>Free Cash Flow</b>				
Adjusted EBITDA	155	137	705	687
Changes in working capital	36	131	50	145
Excluding changes in provisions	28	45	122	138
Net investment fixed assets	-1	-4	-5	-8
Net vehicle leases capex	-17	-21	-68	-72
<b>Free Cash Flow</b>	<b>202</b>	<b>287</b>	<b>804</b>	<b>890</b>
<b>Cash Conversion (%)</b>	<b>154%</b>	<b>251%</b>	<b>131%</b>	<b>149%</b>

## 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 1		Rolling	Full Year
	2021	2020	12 months	2020
SEKm				
El	987	1,036	3,961	4,010
VS	691	654	2,710	2,672
Ventilation	317	309	1,392	1,384
Norway	368	378	1,483	1,493
Finland	126	153	539	567
Eliminations	-46	-20	-144	-118
<b>Total</b>	<b>2,442</b>	<b>2,511</b>	<b>9,940</b>	<b>10,009</b>
<i>Of which service,%</i>	<i>41</i>	<i>40</i>	<i>40</i>	<i>40</i>

Adjusted EBITA and profit before tax	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2020
SEKm				
El	55	54	225	225
VS	39	33	173	166
Ventilation	13	11	80	78
Norway	18	18	120	119
Finland	3	-1	6	3
Group adjustments	3	-1	9	5
<b>Adjusted EBITA</b>	<b>131</b>	<b>114</b>	<b>613</b>	<b>597</b>
<i>Adjusted EBITA margin, %</i>	<i>5.3</i>	<i>4.5</i>	<i>6.2</i>	<i>6.0</i>
Items Affecting Comparability	-35	-12	-87	-64
Amortisation and impairment, intangible fixed assets	-14	-6	-34	-27
Net financial items	-64	-48	-211	-196
<b>Profit/loss before tax</b>	<b>18</b>	<b>48</b>	<b>281</b>	<b>310</b>

Average number of employees, FTE	Quarter 1		Rolling	Full Year
	2021	2020	12 months	2020
El	2,784	2,801	2,776	2,783
VS	1,447	1,418	1,413	1,405
Ventilation	547	549	553	554
Norge	753	741	741	735
Finland	315	351	307	319
Group shared functions	24	24	24	24
<b>Total</b>	<b>5,869</b>	<b>5,884</b>	<b>5,814</b>	<b>5,820</b>

### 3. Items affecting comparability

In the first quarter, the Group recognised SEK 35 million (SEK 64 million for full-year 2020 and SEK 12 million for the first quarter of 2020) as items affecting comparability attributable to acquisitions, integration and restructuring costs, and other non-recurring items, including costs relating to raising additional financing such as bond issuance.

### 4. Acquisition of business

In the period January–March 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%	30	23
Vantec System AB	Sweden	Company	January	100%	16	50
NOR Klima T. Svendsen AS*	Norway	Company	January	100%	3	30

\*Under name change to, Assemblin Ventilation AS

#### Effects of acquisitions 2021

Assemblin completed five acquisitions during the period January to March. 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 first 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 180 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 97 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 31 March 2021, non-current liabilities included pension provisions of SEK 753 million (SEK 711 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:

	31-mar-2021	31-mar-2020	31-dec-2020
Discount rate	1.10%	1.40%	1.10%
Wage increase	2.00%	2.20%	2.00%
Inflation	1.50%	1.70%	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 31 March 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

The previously announced transfer of assets took place on 1 April 2021, whereby Assemblin EI AB transferred three electromechanical workshops, 45 employees and annual sales of approximately SEK 90 million to external buyers.

At with end of April/start of May, Assemblin VS AB acquired J. Wretvall Rörservice AB in Stockholm, with 31 employees and annual sales of SEK 90 million. In the beginning of May Assemblin Norway released the aquisition of Hemsedal VVS AS in Hemsedal, with annual sales of NOK 35 million and 12 employees.

At the Annual General Meeting in May, Per-Ingemar Persson will be elected as a new member of Assemblin's Board of Directors. Following the balance sheet date, no other significant events of a company-specific nature have occurred. Nonetheless, the situation caused by Covid-19 is contributing to greater uncertainty than would otherwise have been the case.

## Signature

Stockholm, May 11, 2021

For the Board of Directors of Assemblin Financing AB (publ)

Mats Johansson  
*President and CEO*

This report has not been reviewed by the company's auditors.

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## 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 Brynne!](#) (tel: +46 10 475 39 48).

More information is also available on our website: [www.assemblin.com](http://www.assemblin.com)

## Invitation to an investor presentation

On 11 May, at 14:00 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=903FB174-2999-42D9-9531-BFAFEDD1EAF>

To listen to the presentation by telephone, dial +46 856642651 (Sweden), +44 3333000804 (UK) or any other international dial in numbers at <https://event.sharefile.com/d-s84220495bb4b47b2abfff950788bcd35> and use the **PIN code 58722834#** (all participants).

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

## Future reporting dates

Q2 Interim Report	January–June 2021	July 2021
Q3 Interim Report	January–September 2021	November 2021
Year-End Report	January–December 2021	February 2022
Q1 Interim Report	January–March 2022	May 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	31-mar-2021
<b>Ratios:</b>	
Consolidated Net Leverage Ratio	3.1x
Fixed Charge Coverage Ratio	4.3x
<b>Reconciliations:</b>	
Cash and cash equivalents	-1,679
Senior Secured Floating Rate Notes	3,664
Other long-term debt	1
Market value currency agreement <sup>(1)</sup>	17
Lease liabilities <sup>(2)</sup>	334
<b>Indebtedness</b>	<b>4,016</b>
<b>Consolidated Net Leverage</b>	<b>2,337</b>
<b>EBITA - reported</b>	<b>526</b>
Depreciation of property, plant and equipment and right-of-use assets	209
<b>EBITDA - Reported</b>	<b>735</b>
Lease accounting adjustments (2)	-117
Items Affecting Comparability (3)	87
<b>EBITDA excluding items affecting comparability</b>	<b>705</b>
EBITDA - Proforma Acquisition adjustments (4)	51
<b>Consolidated EBITDA - (Pro forma Adjusted EBITDA)<sup>(5)</sup></b>	<b>757</b>
Consolidated Interest Expense	-177
Dividends	0
<b>Fixed Charges</b>	<b>-177</b>

## Comments

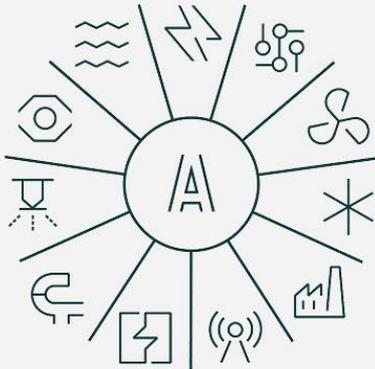
1. Market value currency agreements refers to mark-to-market changes in value of derivative instruments used to hedged EUR senior secured notes to SEK.
2. Lease liabilities refer to lease liabilities as defined in the Offering Memorandum for EUR 250,000,000 Senior Secured Floating Rate Notes due 2025, 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 first quarter 2021 Items Affecting Comparability of SEK 35 million consist primarily of fees related to acquisition and financing costs relating to the acquisition of Fidelix and, to a lesser degree acquisition and start-up costs.

4. EBITDA - Pro forma Acquisition adjustments reflects an estimate of the pro forma full twelve-month impact of acquisitions that were completed prior to March 31, 2021 as if such acquisitions had completed on April 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.

### Asemblin as a supplier

Innovative and sustainable installations that make buildings work and people feel comfortable.

### Asemblin as an employer

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

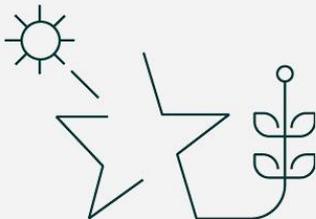


### Asemblin as a social player

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.

### Asemblin 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. Asemblin shall show great environmental consideration in all our activities.