Year End Report

January—December 2021

Q4

A year of strong margin improvement ended with increased order intake

Fourth quarter (October–December) 2021

- Net sales for the quarter increased by 22.3 per cent to SEK 3,342 million (2,732), of which 4.8 percentage points were organic growth, 16.7 were acquisition-driven and 0.8 were currency-driven.
- EBITA increased to SEK 298 million (219), and the EBITA margin increased to 8.9 per cent (8.0).
- The adjusted EBITA increased to SEK 286 million (232), and the adjusted EBITA margin increased to 8.6 per cent (8.5). Items affecting comparability amounted to SEK +12 million (-13).
- EBIT strengthened to SEK 272 million (212).
- Profit for the quarter increased to SEK 160 million (114).
- Order intake increased to SEK 3,439 million (2,651).
- Two acquisitions were completed with 45 employees and estimated combined annual sales of SEK 66 million.

Full year (January–December) 2021

- Net sales for the full year increased by 7.1 per cent to SEK 10,721 million (10,009), of which -3.6 percentage points were organic growth, 10.6 were acquisition-driven and 0.1 were currency-driven.
- EBITA increased to SEK 728 million (533), and the EBITA margin increased to 6.8 per cent (5.3).
- Adjusted EBITA increased to SEK 758 million (597), and the adjusted EBITA margin increased to 7.1 per cent (6.0). Items affecting comparability amounted to SEK -31 million (- 64).
- EBIT strengthened to SEK 659 million (506).
- Profit for the year increased to SEK 322 million (226).
- Order intake increased to SEK 11,258 million (9,903).
- At year-end, the order backlog had increased to SEK 9,370 million (8,148).

Key figures	Quarter 4		Full Year	
	2021	2020	2021	2020
Net sales, SEKm	3,342	2,732	10,721	10,009
Growth, %	22.3	-4.4	7.1	0.3
Organic growth, %	4.8	-7.0	-3.6	-2.1
Aquired growth, %	16.7	4.4	10.6	3.9
Currency effect, %	0.8	-1.7	0.1	-1.5
EBITA, SEKm	298	219	728	533
EBITA-margin, %	8.9	8.0	6.8	5.3
Operating profit, EBIT, SEKm	272	212	659	506
Adjusted EBITA, SEKm	286	232	758	597
Adjusted EBITA margin, %	8.6	8.5	7.1	6.0
Profit for the period, SEKm	160	114	322	226
Order backlog, SEKm	9,370	8,148	9,370	8,148
Order intake, SEKm	3,439	2,651	11,258	9,903
Average number of employees, FTE	6,318	5,809	5,962	5,820

For definitions, refer to page 24. For reconciliation of key performance indicators not defined in accordance with IFRS, refer to page 15.

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

Comments from the CEO

A year of strong margin improvement ended with increased order intake

The year 2021 ended well with further margin improvement, strong growth, stable cash flows and strong order intake. It was particularly gratifying that we could once again report organic growth in the fourth quarter.

Strong order intake and growth

The recovery we noted in the third quarter was further strengthened at the end of the year with high order intake and organic growth in the fourth quarter. For the full year, order intake increased by 13.7 per cent, which contributed to a record order backlog of SEK 9,370 million (8,148) by year-end. New assignments included several major projects in Norway and a good influx of smaller projects in all business areas.

Consolidated sales for the quarter increased by 22.3 per cent and for the full year by 7.1 per cent. Growth for the quarter was mainly driven by acquisitions, particularly in Finland, and we were also able to report organic growth of 4.8 per cent (negative 7.0) despite previous downsizing and selective tendering at the beginning of the year. For the full year, the proportion of services increased to SEK 41 per cent (40).

Focus and commitment boost profit

Again, this quarter, we increased profitability and reported an adjusted EBITA margin of 8.6 per cent (8.5), mainly driven by previously completed acquisitions and a sound project portfolio. The adjusted EBITA margin for the full year increased by more than 1 per cent to 7.1 per cent (6.0), bringing us closer to our ambition of an 8 per cent margin.

That we have succeeded in improving our adjusted EBITA margin for another quarter is an effect of a number of measures taken to improve profitability and of having prioritised appropriately, although the structure and culture that we have built up are equally important. I feel that we have a strong and highly ambitious team with strong commitment, which is essential if we are to achieve good results. I am extremely proud that we reported an improved outcome in the year’s employee survey, despite facing numerous challenges and not being able to meet as previously because of the covid pandemic. One of the areas that showed the greatest improvement was the leadership index, which was highly gratifying since this has been an area on which we have focused for many years. In operations like ours, which provide services, leadership is essential for continued success.

Strong cash flow enables acquisitions

We strive to show a cash conversion rate of in excess of 100 per cent on a rolling 12-month basis. Following a strong year-end close, we achieved 113 per cent (149) for the full year, providing us a continued strong capacity to make acquisitions.

The recovery that we noted in the third quarter was further strengthened towards the end of the year with high order intake in the fourth quarter.

Market and outlook

After a weaker period, the market has now recovered throughout the Nordic region, which is particularly evident in the strong order intake. Late in the year, however, short-term absence associated with the covid virus increased again, temporarily reducing production capacity and disrupting some production. The reversal of covid restrictions in February 2022 improved the situation, but we still face continued challenges in shortages of certain components, disrupting deliveries locally and increasing expenses, although we have, overall, coped well through good planning. Although we perceive them as transient, we nonetheless take these problems very seriously.

In the Nordic region, the underlying driving forces for long-term growth in the installation markets remain strong. Assemblin is well positioned for continued growth, not least through the major investments we have made in green property technology and attractive growth segments, such as security, sprinklers, district heating, geothermal and automation solutions. Today, we have a strong offer for sustainable and smart properties, allowing us to contribute to our customers’ and to society’s climate realignment. Accordingly, we see the prospects for continued growth, good profitability and stable cash flows to be favourable.

Stockholm, February 2022

Mats Johansson
President and CEO, Assemblin

Overview, consolidated results

Net sales and order intake

Fourth quarter (October–December) 2021

The year 2021 ended strongly, and net sales in the fourth quarter increased in all business areas, but particularly in Finland, driven by previously completed acquisitions. In total, consolidated sales increased by 22.3 per cent (- 4.4) to SEK 3,342 million (2,732). Of that growth, 16.7 percentage points were acquisition-driven, 0.8 percentage points currency-related and 4.8 percentage points organic. Organic growth strengthened despite earlier downsizing and selective tendering in previous periods. The proportion of services amounted to 40 per cent (41) of consolidated sales.

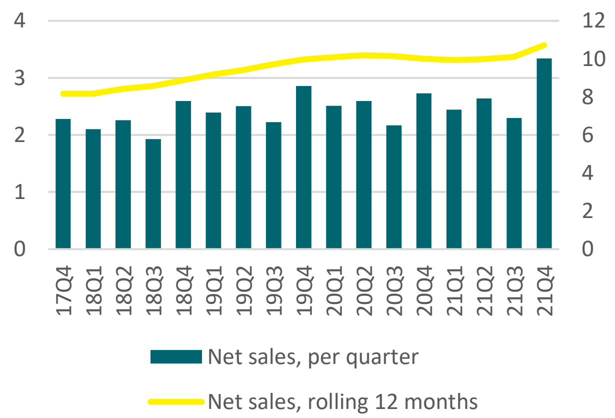
Order intake for the fourth quarter was strong and increased to SEK 3,439 million (2,651). Order intake increased in all business areas especially in Assemblin Norway and Assemblin Finland.

Full year (January–December) 2021

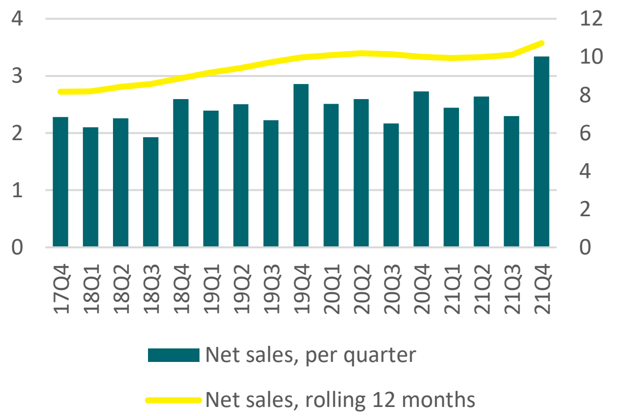
Net sales for the full year increased to SEK 10,721 million (10,009), implying a growth of 7.1 per cent, of which - 3.6 percentage points were organic, 10.6 percentage points acquisition-driven and 0.1 percentage points currency-driven. Sales increased in Norway and Finland, as well as in the Swedish heating & sanitation and electrical operations. The proportion of service amounted to 41 per cent (40) of consolidated sales.

Order intake remained favourable and increased to SEK 11,258 million (9,903), driving the year-end order backlog to a new record level of SEK 9,370 million (8,148).

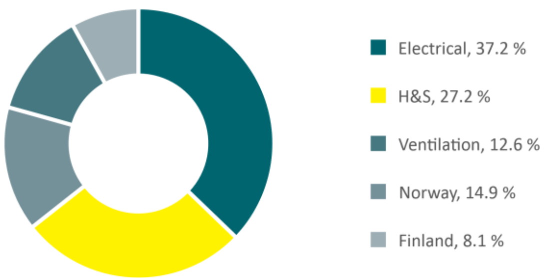
Net sales, SEK bn Net sales per business area, rolling 12 months



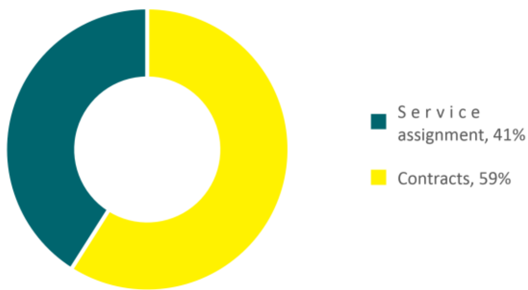
Order intake, SEK bn



Net sales per business area, rolling 12 months



Net sales per assignment, rolling 12 months



Earnings and profitability

Fourth quarter (October–December) 2021

EBITA for the quarter increased to SEK 298 million (219) and the EBITA margin to 8.9 per cent (8.0), whilst adjusted EBITA increased to SEK 287 million (232) and the adjusted EBITA margin strengthened to 8.6 per cent (8.5). The adjustments for items affecting comparability are mainly attributable to expenses for completing acquisitions and integrating acquired companies and expenses for the ongoing strategic review, as well as revaluations of contingent purchase considerations (see also Note 3).

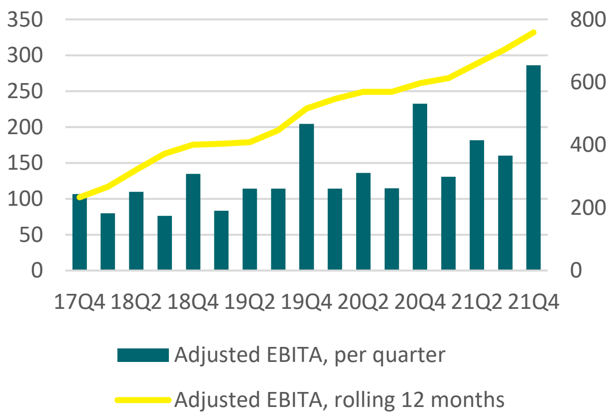
All business areas showed a good adjusted EBITA margin for the quarter, with Assemblin Electrical and Assemblin Finland contributing the most to the strengthened margins driven by profitability-enhancing measures and acquisitions.

Full year (January–December) 2021

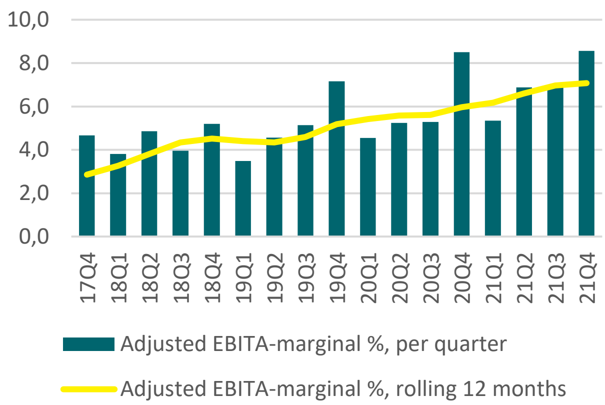
EBITA for the full year increased to SEK 728 million (533) and adjusted EBITA increased to SEK 759 million (597). Items affecting comparability consisted mainly of expenses associated with acquisitions and integration processes, expenses for the ongoing strategic review, expenses in connection with a bond issue in early 2021, non-recurring refund of pension funds, capital gains on operations divested in the third quarter, as well as the revaluation of contingent purchase considerations in the fourth quarter (see also Note 3).

The EBITA margin strengthened from 5.3 to 6.8 per cent and the adjusted EBITA margin from 6.0 to 7.1 per cent. All business areas contributed to the strengthened profitability for the full year. The strengthened full year adjusted EBITA margin, as for the quarter, is explained by measures to enhance profitability and acquisitions.

Adjusted EBITA, SEK m



Adjusted EBITA margin, %



Net financial items and tax

Net financial items for the quarter changed by SEK 23 million to a SEK -72 million (- 49), driven by the increase in the bond debt in the first quarter. Tax for the quarter amounted to SEK -40 million (-49), corresponding to 20 (30) per cent of profit. Profit after tax for the quarter amounted to SEK 160 million (114).

Cash flow and financial position

Cash flow from operating activities for the quarter amounted to SEK 407 million (414), mainly driven by profit before tax. Cash flow for the quarter amounted to an inflow of SEK 39 million (215), where the difference compared with the preceding year is mainly explained by a loan repayment of SEK 320 million (0).

Net debt at the end of the full year was SEK 3,736 million (2,676). The change is explained by loans raised in connection with acquisitions of subsidiaries corresponding to SEK 1,626 million (300), as well as by shareholder contributions received of SEK 252 million (0) and cash flow from operating activities of SEK 620 million (823).

Cash and cash equivalents amounted to SEK 655 million (721). Unutilised available credit facilities at the end of the year totalled SEK 636 million (450).

Acquisitions and divestments

Two acquisitions were completed during the quarter, adding a total of 45 employees in Sweden and Finland and combined annual sales of SEK 66 million. For more information on acquisitions and divestments completed, see Note 4.

Organization and employees

In the fourth quarter, the average number of employees, restated in full-time equivalents (FTEs), increased to 6,318 (5,809). The corresponding figure for the full year was 5,962 (5,820). The increases in both periods are explained by acquisitions.

Significant events during the quarter

- In early October, the heat pump installer Grillby & F100 Rör AB was acquired with annual sales of about SEK 46 million and some 20 employees.
- At the end of October, Finnish electrical contractor Eltex Sähkö ja Automaatio Oy was acquired with annual sales of about SEK 20 million and 25 employees.
- At an Extraordinary General Meeting on 3 November, new Articles of Association were adopted that, among other things, changed the name of the Company to Assemblin Group AB.
- In the autumn of 2021, a Group-wide employee survey was conducted with an improved outcome and reflecting a high level of commitment. The indices that increased most compared with the corresponding survey in 2019 were the team efficiency index, the leadership index, and the work environment index.

Significant events following the quarter

- In January 2022, Assemblin Finland Oy acquired the operations of Sähköpalvelu J. Vainionpää in Turku, with annual sales of approximately SEK 15 million and about 10 employees.
- In January, Assemblin Ventilation acquired the ventilation and BMS company Ehlin & Larsson in Västerås, with about 24 employees and annual sales of approximately SEK 40 million.
- On 1 February, Tero Kosunen took over as Business Area Manager for Assemblin Finland, also making him a member of Assemblin’s Executive Management Team as of that date.

Risks and uncertainties

Assemblin's greatest *market and business risks* are cyclical changes, calculation risks and customer risks. The market for new projects correlates particularly strongly with the construction cycle, although with a certain delay, while service operations are more cyclically independent.

The Group's *operational risks* are mainly associated with project implementation, quality deficiencies, material price risks and component shortages, work environment risks and the risk of skills shortages. Well-structured work processes, qualified purchasing efforts, systematic work environment efforts and successful recruitment efforts are important measures in minimising these risks. Assemblin's greatest *financial risks* are currency, interest rate, financing and credit risks, which are controlled by means of a comprehensive internal regulatory framework. Major *other risks* include legal risks, trust-damaging risks, cyber risks, pandemics and environmental risks. These risks are closely monitored and controlled.

The Group's and Parent Company's foremost risks are described in Assemblin's Annual Report, which can be found on Assemblin's website. Compared with the end of 2020/beginning of 2021, the risk of a recession and the impact of the pandemic have abated, while the risk of component shortages, material price increases and skills shortages have increased.

Seasonal variations

Assemblin's operations are affected to some extent by seasonal variations. Due to the vacation period, the third quarter is normally the weakest quarter in terms of sales, margins and cash flow. During the first quarter of the year, sales and margins are usually lower due to reduced production caused by the winter weather, the large number of public holidays (New Year and sometimes Easter), as well as by calendar effects caused by numerous projects being completed in the fourth quarter. However, cash flow for the first quarter is normally affected positively by the stronger profits from the fourth quarter.

Parent Company

The Parent Company conducts performs and administration services that are affected indirectly by the same risks and uncertainties as the Group. The Parent Company's profit after tax for the quarter amounted to SEK 57 million (-1). At 31 December 2021, the Parent Company's asset base totalled SEK 8,121 million (6,740). The change is attributable to, among other things, a shareholder contribution in the third quarter. Equity in the Parent Company amounted to SEK 4,176 million (4,018).

Related party transactions

No transactions have occurred between Assemblin and related parties that substantially impacted the Company's financial position and earnings.

The share and shareholders

Since 2015, Assemblin's principal shareholder has been investment company Triton via Ignition MidCo S.á.r.l. (owned by Triton Fund IV). Share capital amounts to SEK 509,740, with a quotient value of SEK 0.0032 per share.

Business areas

Business area Assemblin Electrical (Sweden)

Net sales and order intake

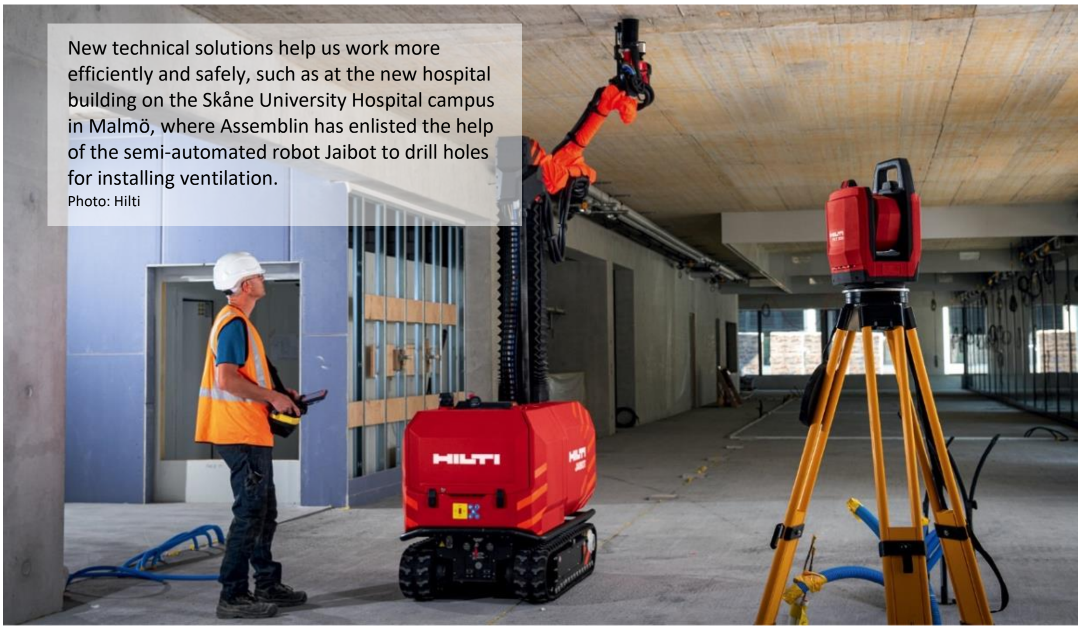
Fourth quarter sales increased to SEK 1,187 million (1,078), contributing to full-year sales of SEK 4,054 million (4,010). Sales for the full year were negatively affected by the previously completed restructuring of the Stockholm operations, which was, however, offset by completed acquisitions and growth in the fourth quarter. The proportion of services for the full year amounted to 48 per cent (47).

Order intake for the quarter amounted to SEK 1,111 million (1,115) and for the full year to SEK 3,864 million (4,153), driven mainly by large and small project and service assignments. At year-end, the order backlog amounted to SEK 3,149 million (3,131).

Earnings and profitability

Adjusted EBITA for the fourth quarter increased to SEK 106 million (85), strengthening the adjusted EBITA to 9.0 per cent (7.9). Combined with profitable acquisitions, the improvement in both profit and profitability was primarily driven by profitability-enhancing measures, particularly in the Stockholm operations and the increased growth of the fourth quarter. Adjusted EBITA for the full year increased to SEK 264 million (229), and the adjusted EBITA margin increased from 5.7 to 6.5 per cent.

Key figures	Quarter 4		Full Year	
	2021	2020	2021	2020
Net sales, SEKm	1,187	1,078	4,054	4,010
Growth, %	10.1	-11.4	1.1	-3.4
Adjusted EBITA, SEKm	106	85	264	229
Adjusted EBITA margin, %	9.0	7.9	6.5	5.7
Order intake, SEKm	1,111	1,115	3,864	4,153
Order Backlog, SEKm	3,149	3,131	3,149	3,131
Average number of employees, FTE	2,722	2,751	2,729	2,783



New technical solutions help us work more efficiently and safely, such as at the new hospital building on the Skåne University Hospital campus in Malmö, where Assemblin has enlisted the help of the semi-automated robot Jaibot to drill holes for installing ventilation.
Photo: Hilti

Business area Assemblin H&S (Sweden)

Net sales and order intake

Net sales in the quarter increased by 17.9 per cent to SEK 882 million (748), which contributed to full-year growth of 11.0 per cent to SEK 2,966 million (2,672). The proportion of services for the full year increased to 38 per cent (36).

Order intake for the quarter amounted to SEK 654 million (660), driven mainly by small and medium-sized project and service assignments. Order intake for the full year increased to SEK 2,811 million (2,624), contributing to an order backlog that amounted to SEK 1,912 million (2,048) at year-end.

Earnings and profitability

Adjusted EBITA for the quarter increased to SEK 76 million (68), resulting in an adjusted EBITA margin of 8.6 per cent (9.1). The improvement in profit was driven by strong growth and profitability-improving measures implemented previously, primarily in Stockholm. This contributed to the adjusted EBITA for the full year increasing to SEK 225 million (170) and the adjusted EBITA margin strengthening to 7.6 per cent (6.4).

Key figures

	Quarter 4		Full Year	
	2021	2020	2021	2020
Net sales, SEKm	882	748	2,966	2,672
Growth, %	17.9	2.0	11.0	1.2
Adjusted EBITA, SEKm	76	68	225	170
Adjusted EBITA margin, %	8.6	9.1	7.6	6.4
Order intake, SEKm	654	660	2,811	2,624
Order Backlog, SEKm	1,912	2,048	1,912	2,048
Average number of employees, FTE	1,451	1,431	1,438	1,406

Business area Ventilation (Sweden)

Net sales and order intake

Net sales for the quarter increased to SEK 411 million (402), contributing to sales for the full year of SEK 1,373 million (1,384). The proportion of services for the full year increased to 24 per cent (22).

Order intake for the quarter amounted to SEK 286 million (354). Order intake for the full year increased to SEK 1,385 million (1,192) and the order backlog at year-end amounted to SEK 1,627 million (1,633).

Earnings and profitability

Assemblin Ventilation delivered an adjusted EBITA of SEK 31 million (37) for the quarter. The difference from the previous year is mainly explained by the difference in project mix. The adjusted EBITA margin amounted to 7.6 per cent (9.2). For the full year, adjusted EBITA strengthened to SEK 85 million (80) and the adjusted EBITA margin to 6.2 per cent (5.8).

Key figures

	Quarter 4		Full Year	
	2021	2020	2021	2020
Net sales, SEKm	411	402	1,373	1,384
Growth, %	2.2	9.2	-0.8	1.2
Adjusted EBITA, SEKm	31	37	85	80
Adjusted EBITA margin, %	7.6	9.2	6.2	5.8
Order intake, SEKm	286	354	1,385	1,192
Order Backlog, SEKm	1,627	1,633	1,627	1,633
Average number of employees, FTE	528	549	541	553

Business area Norway

Net sales and order intake

Assemblin Norway had a strong year-end close, reporting growth of 25.4 per cent for the quarter, meaning sales of SEK 514 million (410) for the quarter and of SEK 1,628 million (1,496) for the full year. Exchange rate fluctuations had a positive effect on sales of 5.9 per cent for the quarter. The proportion of services for the full year increased to 48 per cent (45).

Order intake for the quarter increased to SEK 959 million (375), driven mainly by a number of major new projects. For the full year, order intake amounted to SEK 2,167 million (1,360). At year-end, the order backlog was SEK 1,875 million (1,103).

Earnings and profitability

Profitability remained strong in the quarter. The adjusted EBITA margin amounted to 10.3 per cent (11.8), driving an adjusted EBITA of SEK 53 million (48).

For the full year, the adjusted EBITA margin amounted to 8.3 per cent (8.3), while adjusted EBITA profit amounted to SEK 135 million (124), driven by the continued growth.

Key figures	Quarter 4		Full Year	
	2021	2020	2021	2020
Net sales, SEKm	514	410	1,628	1,493
Growth, %	25.4	7.6	9.1	16.2
Adjusted EBITA, SEKm	53	48	135	124
Adjusted EBITA margin, %	10.3	11.8	8.3	8.3
Order intake, SEKm	959	375	2,167	1,360
Order Backlog, SEKm	1,875	1,103	1,875	1,103
Average number of employees, FTE	832	747	790	735

Business area Finland

Net sales and order intake

Completed acquisitions contributed to sales increasing to SEK 401 million (142) for the quarter and to SEK 882 million (567) for the full year. Exchange rate fluctuations had a negative impact of 1.4 per cent on sales for the period. For the full year, the proportion of services amounted to 27 per cent (33), which is explained by the proportion of services being lower in the acquired companies.

Order intake for the quarter increased to SEK 428 million (147) and, for the full year, to SEK 1,031 million (574) primarily driven by acquisitions. Order backlog at year-end increased to SEK 808 million (233).

Earnings and profitability

Combined with profitability-enhancing measures, good margins in the acquired units contributed to adjusted EBITA increasing to SEK 22 million (4) for the quarter, resulting in an adjusted EBITA margin of 5.6 per cent (2.7). The adjusted EBITA for the full year increased to SEK 49 million (3) and the adjusted EBITA margin to 5.6 per cent (0.6).

Key figures	Quarter 4		Full Year	
	2021	2020	2021	2020
Net sales, SEKm	401	142	882	567
Growth, %	183.2	-21.2	55.6	-5.2
Adjusted EBITA, SEKm	22	4	49	3
Adjusted EBITA margin, %	5.6	2.7	5.6	0.6
Order intake, SEKm	428	147	1,031	574
Order Backlog, SEKm	808	233	808	233
Average number of employees, FTE	761	307	439	319

Condensed consolidated statement of earnings

	Quarter 4		Full Year	
Amounts in SEKm	2021	2020	2021	2020
Net sales	3,342	2,732	10,721	10,009
Production cost	-2,587	-2,160	-8,526	-8,179
Gross profit	**755**	**572**	**2,195**	**1,830**
Sales and administrative expenses	-570	-359	-1,623	-1,324
Other operating income	87	-	87	-
Operating profit (EBIT)	**272**	**212**	**659**	**506**
Net financial items	-72	-49	-254	-196
Profit/loss before tax	**200**	**163**	**405**	**310**
Tax	-40	-49	-82	-84
Profit for the period	**160**	**114**	**322**	**226**
Profit for the year attributable to:				
Parent company owner	160	114	322	226
Holders without controlling influence	-	-	-	-
Profit for the period	**160**	**114**	**322**	**226**
Earnings per share before dilution, SEK	1.00	0.71	2.02	1.42
Earnings per share after dilution, SEK	1.00	0.71	2.02	1.42

Condensed comprehensive income

	Quarter 4		Full Year	
Amounts in SEKm	2021	2020	2021	2020
Profit for the period	**160**	**114**	**322**	**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	-5	59	-69
Changes in the fair value of hedge reserve	5	-11	15	-20
Tax attributable to items that can be transferred to profit/loss for the year	-3	2	-9	12
Items that cannot be transferred to profit/loss for the year				
Revaluation of defined-benefit pension plans	-39	-48	-12	-10
Tax attributable to items that cannot be transferred to profit/loss for the year	8	10	3	2
Other comprehensive income for the period	**-7**	**-52**	**55**	**-85**
Comprehensive income for the period	**152**	**61**	**377**	**141**
Attributable to:				
Parent Company owners	152	61	377	141
Holders without controlling influence	-	-	-	-
Comprehensive income for the period	**152**	**61**	**377**	**141**

Condensed consolidated statement of financial position

Amounts in SEKm	31-Dec-2021	31-Dec-2020
Assets		
Goodwill	4,774	2,970
Right-of-use assets	695	699
Other fixed assets	502	302
Total fixed assets	**5,972**	**3,971**
Contract assets	427	383
Trade receivables	1,643	1,278
Other receivables	490	330
Cash and cash equivalents	655	721
Total current assets	**3,214**	**2,711**
Total assets	**9,186**	**6,682**
Equity	**-22**	**-661**
Liabilities		
Long-term liabilities	4,820	3,652
Leasing debt	513	562
Total long-term liabilities	**5,333**	**4,215**
Leasing debt	247	207
Contract liabilities	946	833
Trade payables	1,081	780
Other current liabilities	1,602	1,308
Total current liabilities	**3,876**	**3,129**
Total liabilities	**9,208**	**7,343**
Total equity and liabilities	**9,186**	**6,682**
Where of interest-bearing liabilities	4,390	3,397

Condensed consolidated statement of changes in equity

Amounts in SEKm	Jan-Dec 2021	Jan-Dec 2020
Equity at the beginning of the period	**-661**	**-803**
Profit for the period	322	226
Other comprehensive income	55	-85
Comprehensive income for the period	**377**	**141**
New capital issue	262	-
Equity at end of period *	**-22**	**-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 4		Full Year	
Amounts in SEKm	2021	2020	2021	2020
Operating activities				
Profit/loss before tax	200	163	405	310
Adjustments for items not included in the cash flow	44	86	336	376
Tax paid	-24	9	-106	-8
	220	**258**	**634**	**678**
Changes in working capital				
Increase/decrease in inventories	-20	5	-8	6
Increase/decrease in operating receivables	-180	-31	-193	174
Increase/decrease in operating liabilities *	387	182	185	-35
Cash flow from operating activities	**407**	**414**	**619**	**823**
Investment activities				
Acquisitions of subsidiaries	-59	-148	-1 626	-300
Proceeds from sale of companies and shares	81	-	81	-
Net investment fixed assets	-13	-2	-14	-8
Dividend	0	0	22	0
Other	9	0	-2	0
Cash flow from investment activities	**19**	**-150**	**-1 538**	**-308**
Financing activities				
Shareholder contributions	6	-	252	-
Loans raised	1	-	1 328	-
Bank fee credit loan	0	0	-25	0
Repayment of loan	-340	0	-514	-2
Amortisation of lease debt	-53	-48	-202	-185
Cash flow from financing activities	**-386**	**-48**	**839**	**-188**
Cash flow for the period	**39**	**215**	**-81**	**327**
Cash and cash equivalents at the beginning of the	610	507	721	407
Exchange rate difference in cash and cash equivalents	5	-2	15	-13
Cash and cash equivalents at the end of the period	**655**	**721**	**655**	**721**
* Where of paid provisions	-27	-26	-100	-138

Condensed summary of the Parent Company's income statement

	Quarter 4		Full Year	
Amounts in SEKm	2021	2020	2021	2020
Net sales	25	8	38	21
Gross profit	**25**	**8**	**38**	**21**
Administrative expenses	-41	-16	-116	-45
Operating profit (EBIT)	**-16**	**-8**	**-78**	**-25**
Net financial items	-30	-15	-118	-64
Profit after financial items	**-46**	**-23**	**-197**	**-88**
Allocations	107	21	107	21
Profit/loss before tax	**61**	**-2**	**-90**	**-67**
Tax	-4	0	-4	0
Profit for the period	**57**	**-1**	**-94**	**-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	31-Dec-2021	31-Dec-2020
Assets		
Shares in Group companies	5,206	5,098
Receivables in Group companies	1,607	1,607
Other fixed assets	0	0
Total fixed assets	**6,814**	**6,705**
Short-term receivables, group companies	1,292	34
Other receivables	5	1
Cash and cash equivalents	1	1
Total current assets	**1,297**	**35**
Total assets	**8,111**	**6,740**
Equity		
Restricted equity	1	1
Unrestricted equity	4,186	4,017
Equity	**4,186**	**4,018**
Liabilities		
Long-term liabilities	3,627	2,625
Total long-term liabilities	**3,627**	**2,625**
Short-term payables, group companies	210	72
Other current liabilities	87	26
Total current liabilities	**297**	**98**
Total liabilities	**3,924**	**2,722**
Total equity and liabilities	**8,111**	**6,740**

Condensed statement of changes in equity for the Parent Company

Amounts in SEKm	Jan-Dec 2021	Jan-Dec 2020
Equity at the beginning of the period	**4,018**	**4,085**
Shareholder contribution	262	-
Profit for the period *	-94	-67
Equity at end of period	**4,186**	**4,018**

* Profit for the period corresponds to comprehensive income for the period.

Calculation of key performance indicators not defined under IFRS

The interim report presents financial measures not defined in accordance with IFRS but that provide, in Assemblin's view, valuable information about the Company's development. These key performance indicators are to be considered a complement to the financial measures defined in accordance with IFRS, and Assemblin's definitions of these measures may differ from other companies' definitions of the same concepts. A reconciliation of key performance indicators is provided below. For definitions of key performance indicators, see page 22.

	Quarter 4		Full Year	
Amounts in SEKm	2021	2020	2021	2020
Net debt				
Interest-bearing liabilities	4,390	3,397	4,390	3,397
Cash and cash equivalents	-655	-721	-655	-721
Net debt	**3,736**	**2,676**	**3,736**	**2,676**
Working capital				
Total current assets	3,214	2,711	3,214	2,711
- Cash and cash equivalents	-655	-721	-655	-721
- Tax assets *	-18	-14	-18	-14
Total current liabilities	-3,876	-3,129	-3,876	-3,129
- Short-term interest-bearing liabilities *	4	1	4	1
- Lease liabilities	247	207	247	207
- Current provision *	76	70	76	70
- Tax liabilities *	190	159	190	159
- Unpaid purchase consideration on acquisition of	134	13	134	13
- Accrued interest expenses *	10	8	10	8
Working capital	**-673**	**-694**	**-673**	**-694**
EBITA				
Profit for the period	160	114	322	226
Tax	40	49	82	84
Net financial items	72	49	254	196
Amortisation and impairment, intangible fixed assets	27	7	69	27
EBITA	**298**	**219**	**728**	**533**
Adjusted EBITA				
EBITA	298	219	728	533
Adjustments for Items Affecting Comparability **	-12	13	31	64
Adjusted EBITA	**286**	**232**	**758**	**597**
Adjusted EBITDA				
EBITA	298	219	728	533
Adjustments for Items Affecting Comparability **	-12	13	31	64
Depreciation of property, plant and equipment and right-of-use assets	61	47	222	206
Adjusted EBITDA	**347**	**280**	**980**	**802**
Changes in working capital				
Increase/decrease in inventories	-20	5	-8	6
Increase/decrease in operating receivables	-180	-31	-193	174
Increase/decrease in operating liabilities *	387	182	185	-35
Reversal of change in paid provisions	27	26	100	138
Changes in working capital	**213**	**182**	**85**	**283**
Free Cash Flow				
Adjusted EBITDA	347	280	980	802
Lease accounting adjustments	-34	-24	-124	-115
Changes in working capital	213	182	85	283
Net investment fixed assets	-13	-2	-14	-8
Net investments in leasing assets prior to the transition to IFRS16	-17	-27	-72	-72
Free Cash Flow	**497**	**408**	**855**	**890**
Cash Conversion				
Free Cash Flow	497	408	855	890
Adjusted EBITA	286	232	758	597
Cash Conversion (%)	**174%**	**176%**	**113%**	**149%**

** Derived from the balance sheet and Note in the Annual Report. ** Items affecting comparability are described in Note 3.*

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. The calculation of earnings per share is based on the Group's profit for the period attributable to the Parent Company's shareholders and on the weighted average number of shares outstanding during the period.

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

As of third quarter, effects of IFRS 16 have been allocated per operating segment. In the report, this has also been performed for the comparison periods.

Net sales per business area

	Quarter 4		Full Year	
SEKm	2021	2020	2021	2020
El	1,187	1,078	4,054	4,010
VS	882	748	2,966	2,672
Ventilation	411	402	1,373	1,384
Norway	514	410	1,628	1,493
Finland	401	142	882	567
Eliminations	-54	-48	-183	-118
Total	**3,342**	**2,732**	**10,721**	**10,009**

Net sales per assignment

	Quarter 4		Full Year	
SEKm	2021	2020	2021	2020
El, Service	576	523	1,944	1,882
El, Contracts	611	555	2,110	2,128
El, Total	**1,187**	**1,078**	**4,054**	**4,010**
VS, Service	332	280	1,135	961
VS, Contracts	550	468	1,831	1,711
VS, Total	**882**	**748**	**2,966**	**2,672**
Ventilation, Service	83	81	332	304
Ventilation, Contracts	328	320	1,040	1,081
Ventilation, Total	**411**	**402**	**1,373**	**1,384**
Norge, Service	256	187	788	671
Norge, Contracts	258	223	840	822
Norge, Total	**514**	**410**	**1,628**	**1,493**
Finland, Service	100	53	242	189
Finland, Contracts	301	89	641	378
Finland, Total	**401**	**142**	**882**	**567**
Eleminations, Service	-11	-16	-47	-35
Elimineations, Contracts	-43	-31	-136	-82
Elimineringar, Totalt	**-54**	**-48**	**-183**	**-118**
Total, Service	1,336	1,108	4,394	3,970
Total, Contracts	2,006	1,624	6,326	6,039
Totalt	**3,342**	**2,732**	**10,721**	**10,009**

Adjusted EBITA and profit before tax	Quarter 4		Full Year	
SEKm	2021	2020	2021	2020
El	106	85	264	229
VS	76	68	225	170
Ventilation	31	37	85	80
Norway	53	48	135	124
Finland	22	4	49	3
Group-wide	-6	-11	-3	-11
Eliminations and other	2	0	3	1
Adjusted EBITA	**286**	**232**	**758**	**597**
Adjusted EBITA margin, %	*8.6*	*8.5*	*7.1*	*6.0*
Items Affecting Comparability	12	-13	-31	-64
Amortisation and impairment, intangible fixed assets	-27	-7	-69	-27
Net financial items	-72	-49	-254	-196
Profit/loss before tax	**200**	**163**	**405**	**310**

Average number of employees, FTE	Quarter 4		Full Year	
	2021	2020	2021	2020
El	2,722	2,751	2,729	2,783
VS	1,451	1,431	1,438	1,406
Ventilation	528	549	541	553
Norge	832	747	790	735
Finland	761	307	439	319
Group shared functions	24	24	24	24
Total	**6,318**	**5,809**	**5,962**	**5,820**

3. Items affecting comparability

The Group reported items affecting comparability of a SEK- 12 million (13) for the fourth quarter, and of SEK 31 million (64) for the full year. Income and expense items affecting comparability are reported separately due to their nature and amounts and are described in greater detail below.

Items Affecting Comparability	Quarter 4		Full Year	
	2021	2020	2021	2020
Acquisition, integration and start-up costs [(a)]	34	-12	-23	-21
Restructuring costs [(b)]	-2	0	33	-34
Transformation cost [(c)]	-33	-	-65	-
Other adjustments [(d)]	14	0	24	-10
Summa	**12**	**-13**	**-31**	**-64**

a) Comprise (i) expenses incurred in connection with acquisitions (including anti-trust processes), (i) integration expenses attributable to acquisitions and (iii) losses for newly established branches in the first 12 months of operation, during which start-up expenses arise attributable to training, tools and the building-up of order backlogs/customer relationships, as well as (iv) revaluations of contingent purchase considerations.

b) Comprise expenses for restructuring, including personnel redundancies and phasing-out of operations, as well as capital gains on the divestment of operations in Finland in the third quarter of 2021.

c) Expenses incurred during the financial year comprise transformation expenses attributable to the Company’s principal shareholders’ previous announcement of initiating a process for assessing strategic alternatives for their Assemblin holdings.

d) Items arising over the financial year comprise expenses in connection with debt facilities being expanded, expenses for external advisory services and a non-recurring refund of previously paid pension premiums.

In the table above the plus and minus signs have been reversed compared to previous quarterly reports.

4. Acquisition of business

During the period January–December 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
Hallingdal Värme & Sanitaer AS	Norway	Company	July	100%	24	45
Soumen Teollisuuskylmä Oy	Finland	Company	August	100%	25	90
Norrköpings Låsverkstad AB	Sweden	Company	September	100%	4	9
Senera Oy**	Finland	Company	September	100%	92	340
Fidelix Holding Oy***	Finland	Company	September	100%	330	547
Säkra Fastigheter i Sverige AB	Sweden	Company	September	100%	15	28
Roslagens Värmemontage AB	Sweden	Company	September	100%	48	85
Grillby & F100 Rör AB	Sweden	Company	October	100%	20	46
Eltex Sähkö ja Automaatio Oy	Finland	Company	October	100%	25	20

**Undergoing change of name to Assemblin Ventilasjon AS*
***Including subsidiaries Tom Allen Senera Oy, Maalämpöhuoltokeskus Oy and Suomen Lämpöpumppuverkkokauppa Oy*
**** Including subsidiaries Säätölaitehuolto Oy, SLH-Kiinteistötekniikka Oy, EcoGuard AB, Fidelix Oy, Fidelix Sverige AB, Larmia Control AB and Zynergi AS, as well as the associated company Lansen Systems AB (40%)*

In early October, heat pump installer Grillby & F100 Rör AB was acquired with annual sales of about SEK 46 million and some 20 employees. At the end of October, Finnish electrical contractor Eltex Sähkö ja Automaatio Oy was acquired with annual sales of about SEK 20 million and 25 employees.

Effects of acquisitions in 2021

In the period January–December, Assemblin completed 17 acquisitions. Acquisition analyses regarding the acquired companies are preliminary. The acquisitions are reported in aggregate form in the table below as they are not individually of such a size that separate reporting of each acquisition is justified.

The business combinations hade the following effects on the Group's assets and liabilities:	Fair value reported in the Group, SEKm per Q4
Intangible assets	65
Other intangible assets	167
Property, plant and equipment	25
Right of use assets	51
Other non-current assets	152
Trade receivables	192
Contracts assets	59
Other current assets	292
Provisions	-15
Non-current liabilities	-352
Deferred tax on surplus values	-36
Trade payables	-84
Contract liabilities	-34
Current liabilities	-239
Net identifiable assets and liabilities	244
Group Goodwill	**1,727**
Consideration settled, cash	1,706
Consideration entered as liability*	265
Consideration	**1,970**
Purchase consideration paid	-1,706
Cash and cash equivalents acquired	121
Adjusted purchase prices attributable to previous years	-11
Acquistion expenses	-29
Translation differences	-1
Net effect on cash and cash equivalents	**-1,626**

**SEK 242 million is contingent puchase consideration liabilities and SEK 23 million is fixed purchase consideration liabilities.*

Additional purchase prices

Amounts in SEKm	31-dec-2021
Opening balance	155
Consideration settled, cash*	-84
Additional considerations**	301
Closing balance	372

**Pertains to Kalmar VVS & EL-montage AB, Industri och Värmemontage Werme AB, KP Svets och & Smide AB, Vantec System AB, Electrotec Energy AB, Norrköpings Låsverkstad AB, FBI Fastighet o Butiksinstallationer AB, Soumen Teollisuuskylmä Oy, Senera Oy, Assemblin Innlandet AS and KK-Kylmäpalvelu Oy*

*** Pertains to Vantec System AB, NOR Klima T. Svendsen AS, EA Installationer AB, Åby Eltjänst AB, TIS Tervell Installation och Service AB, J. Wretvall Rörservice AB, Hemsedal VVS AS, Electrotec Energy AB, Senera Oy, Hallingdal Varme & Sanitær AS, Säkra Fastigheter i Sverige AB, Suomen Teollisuuskylmä Oy, Norrköpings Låsverkstad AB, Roslagens Värmemontage AB and Fidelix Oy.*

Purchase consideration liabilities are recorded to the maximum amount payable per 31 December 2021.

5. Financial assets

Shareholdings in Elajo are reported at fair value. The shares are attributed to level 3 in the fair value hierarchy 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 amounted to SEK 30 million and, at the end of the fourth quarter of 2021, fair value amounted to SEK 30 million (30).

Amounts entered as liabilities that may come to be paid out to previous owners (contingent purchase considerations) amount to SEK 372 million and are classified in accordance with level 3 in the fair value hierarchy. The Group's derivatives consist of currency interest rate swaps whose fair value is determined by discounting the future cash flows attributable to the instruments. The amount entered as a liability amounts to SEK 84 million and is classified in accordance with level 2 in the fair value hierarchy. The additional issue of EUR 100 million in January 2021 has not been hedged. 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 December 2021, non-current liabilities included pension provisions of SEK 788 million (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. Assumptions regarding inflation and future wage increases have increased since the beginning of the year, increasing the liability at the same time as the discount rate has been raised, which lowers it. The key assumptions for defined benefit obligations are:

	31-dec-2021	31-dec-2019
Discount rate	1.80%	1.10%
Wage increase	2.70%	2.00%
Inflation	2.20%	1.50%

7. Events after the balance-sheet date

In January, Assemblin Oy acquired electrical contractor Sähköpalvelu J. Vainionpää through a transfer of assets. The Company generates annual sales of approximately SEK 15 million with 11 employees in Turku. In January, Assemblin Ventilation AB also acquired all of the shares in ventilation and automation company Ehlin & Larsson in Västerås, with some 24 employees and annual sales of approximately SEK 40 million. On 1 February, Tero Kosunen took over as Business Area Manager for Assemblin Finland, also thus becoming a member of Assemblin's Executive Management Team as of that date. Following the balance sheet date, no other significant events of a company-specific nature have occurred.

Signature

Stockholm, 22 February, 2022

For the Board of Directors of Assemblin Financing AB (publ), undergoing change of name to Assemblin Group AB

Mats Johansson
President and CEO

The report for the period has not been audited.

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 23 February, at 10:00 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=60B3FE3A-BC95-4A34-9F14-99A667E6AE63

To listen to the presentation by telephone, dial +46 856642651 (Sweden), +44 3333000804 (UK) or any other international dial in numbers at https://events-ftp.arkadin.com/ev/docs/NE_W2_TF_Events_International_Access_List.pdf and use the PIN code **84548000#** (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

Q1 Interim Report	January–March 2022	4 May 2022
Q2 Interim Report	January–June 2022	14 July 2022
Q3 Interim Report	January–September 2022	3 November 2022
Year-End Report	January–December 2022	23 February 2023

Definitions

Financial definitions

Adjusted EBITA Profit for the period before tax, net financial items, and amortisation and impairment of intangible assets, adjusted for items affecting comparability. Adjusted EBITA simplifies comparison over time.

Adjusted EBITDA EBITA before depreciation, amortisation and impairment, adjusted for items affecting comparability. Adjusted EBITDA simplifies comparison over time.

Adjusted EBITA margin, % Adjusted EBITA divided by net sales. Adjusted EBITA margin, % excludes the effect of items affecting comparability, simplifying comparisons over time.

Average number of employees (FTE) Calculated as the average number of employees over the year, taking the percentage of full-time employment into account. This indicates the personnel density in the operations.

Cash Conversion, % Free cash flow divided by adjusted EBITA. Cash conversion shows the proportion of profit converted into cash and cash equivalents.

Free cash flow Adjusted EBITDA with additions or deductions for changes in working capital adjusted for non-cash items with deductions for net investments in fixed assets, as well as net investments in leasing assets prior to the transition to IFRS16. Free cash flow is used to monitor the cash flow generated by the current operations before items affecting comparability.

Items affecting comparability Income or expenses that are separately disclosed due to their nature or amount. Primarily expenses for acquisitions and integration of acquisitions, as well as more comprehensive restructuring programmes and new establishments, as well as other irregular items. Accordingly, these items make comparison over time difficult.

Net sales/Sales Sales recorded in accordance with the Group's accounting policies as described in Assemblin's most recent Annual Report.

Net debt Interest-bearing liabilities, excluding pension liabilities, less cash and cash equivalents at the end of the period. This key performance indicator is a measure of the Group's total interest-bearing indebtedness.

Order intake The value of projects and service assignments received and changes to existing projects and service assignments in the period concerned. Order intake drives the change over time in the order backlog.

Order backlog Remaining production value in all assignments not completed at the end of the period. The order backlog is an indicator of the revenue remaining from orders that the Group has secured.

Working capital The sum of current assets, reduced by current tax assets and cash and cash equivalents less the sum of current liabilities, reduced by current provisions, current interest-bearing liabilities, current tax liability, accrued interest and unpaid purchase considerations in connection with acquisitions of subsidiaries. This key performance indicator shows the level of working capital in the operations.

EBITA Profit for the period before tax, net financial items, and amortisation and impairment of intangible fixed assets. EBITA is a key profit indicator used in monitoring the operations.

EBITA-margin EBITA divided by net sales. This shows the relative proportion between EBITA and net sales.

Operating profit (EBIT) Earnings before tax and net financial items. EBIT is a key profit indicator used in monitoring the operations.

EBITDA EBITA before depreciation and impairment of property, plant and equipment. EBITDA is a key profit indicator used in monitoring the operations.

Growth Change in net sales for the period in relation to net sales for the corresponding period in the preceding year. This reflects sales growth over time.

Growth via acquisitions, % The first 12 months' net sales from acquired units less the last 12 months from divested units divided by net sales for the corresponding period in the preceding year. This reflects the impact on net sales of the acquired or divested units.

Organic growth, % Growth excluding currency effects less acquired growth. This allows net sales to be compared over time.

Growth, currency effect, % Growth attributable to the currency effect of the translation of net sales in foreign operations. This reflects the translational impact of currency fluctuations on net sales.

Profit margin Profit for the period, divided by net sales for the period. Profit margin shows the comparability of the Group's profits over time

Other definitions

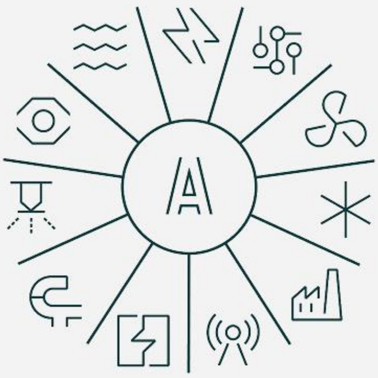
Installations/Installation assignments New construction and renovation of technical systems in buildings, facilities and infrastructure.

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

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.

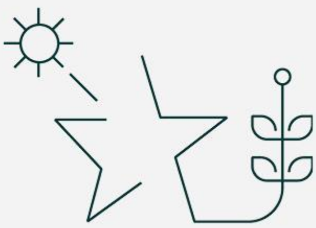
We act as a responsible and value-adding company in relation to all our stakeholders.

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.