



Fasadgruppen

Company presentation

Fasadgruppen in brief

- Fasadgruppen has a leading position within façade work in Sweden. Façade work is a highly specialised and local market with a high level of craftsmanship
- The service offering consists of masonry and plastering, installation and renovation of balconies, roofs and windows, and scaffolding
- Fasadgruppen focuses on mid-size projects in the range of SEK 1–100m with an average project size of SEK 3–4m
- Fasadgruppen pursues an active M&A agenda with the aim to consolidate the Nordic façade industry
- The Group currently comprises 38 businesses across Sweden, Denmark and Norway in a decentralised structure, and has ~1,350 employees

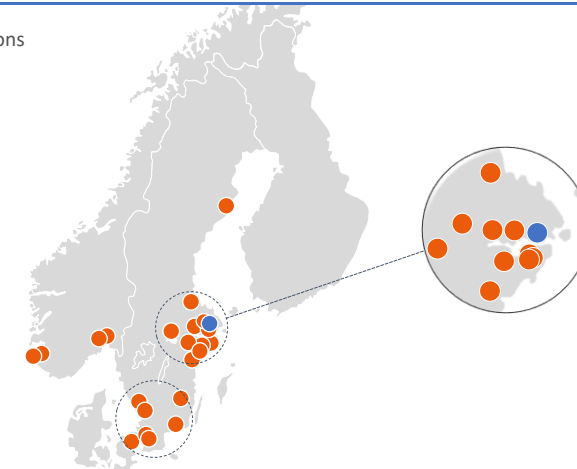
SERVICE OFFERING



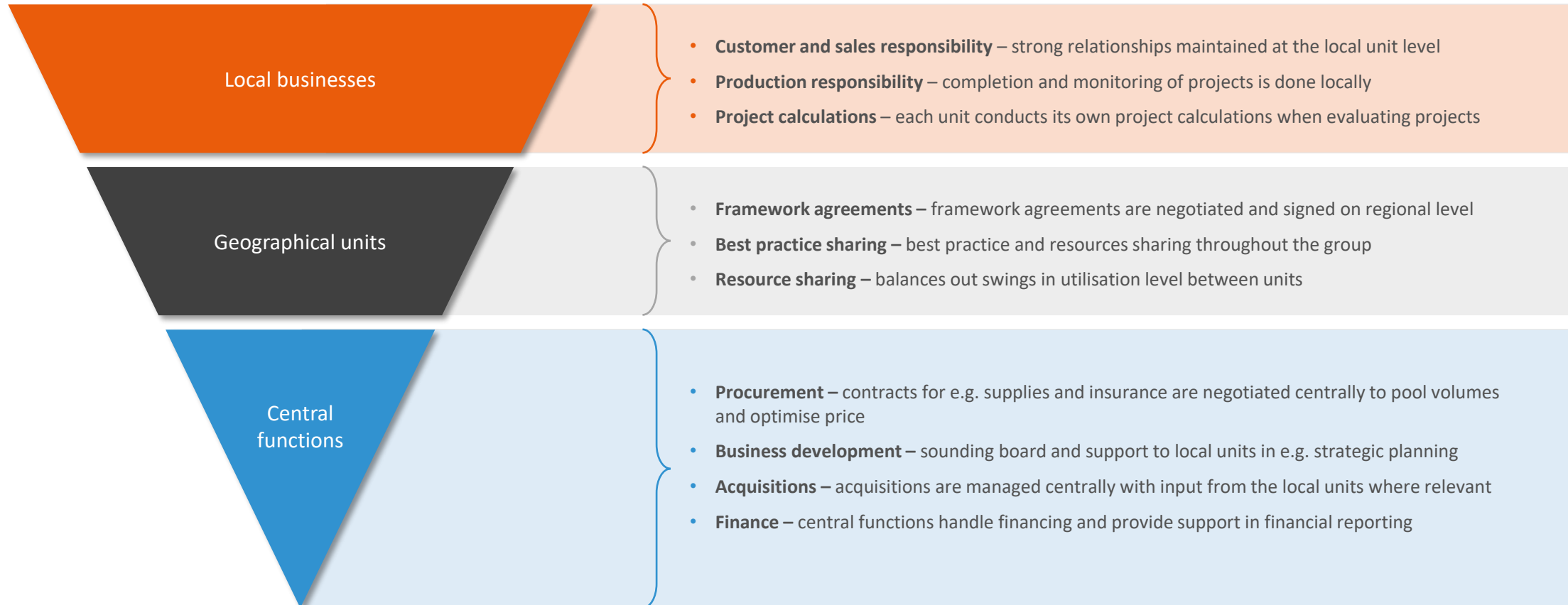
Years	Review every	Replace every
Masonry and plaster	15	30
Balconies	30	50
Roofs	15	30
Windows	20	40

GEOGRAPHICAL PRESENCE

- Fasadgruppen's locations
- Group HQ



Business model that combines local entrepreneurship with economies of scale



Attractive position in the mid-size segment of the market

ATTRACTIVE POSITIONING IN THE MID-SIZE SEGMENT...

Large projects

- Large projects (SEK >100m), e.g.:
 - Large stadiums
 - Large shopping malls
 - Airports
- Key success factors:
 - Price and references
 - Workforce capacity
 - Financial strength

Mid-size projects

- Mid-size projects (SEK 1-100m), e.g.
 - Housing cooperatives
 - Tenant apartment buildings
 - Commercial buildings
 - Industrial buildings
- Key success factors:
 - Relationships
 - Process efficiency

Small projects

- Small standard projects (SEK <1m), e.g.
 - Single-family homes
 - Terraced houses
 - Villas
- Key success factors:
 - Cost structure
 - Local presence

...WITH SIGNIFICANT COMPETITIVE ADVANTAGES

Local relationships

- Strong local market position and customer relationships remain the most important factors for small and mid-sized projects

Reference projects

- Having a broad portfolio of reference projects composes a significant advantage

Network and operating platform

- Scale advantages in procurement, resource sharing and other common functions

Multi-disciplinary projects

- Ability to provide services in multiple fields poses a competitive advantage for contracts that require such competence

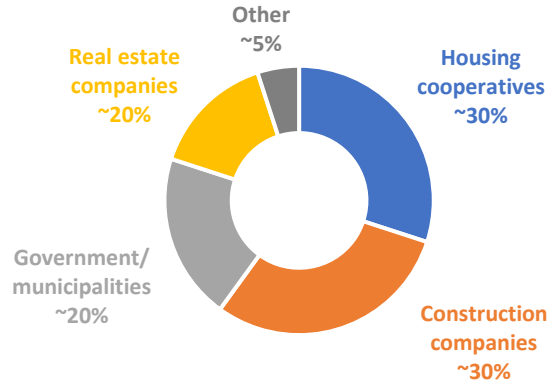
Certificates

- Requirements of certificates and compliance with working environment legislation
 - Especially important in public procurement
 - Competitive advantage towards foreign companies and foreign work force

Diversified customer base and project portfolio generating high revenue stability and visibility

DIVERSIFIED AND ESTABLISHED CUSTOMER BASE

Estimated sales split



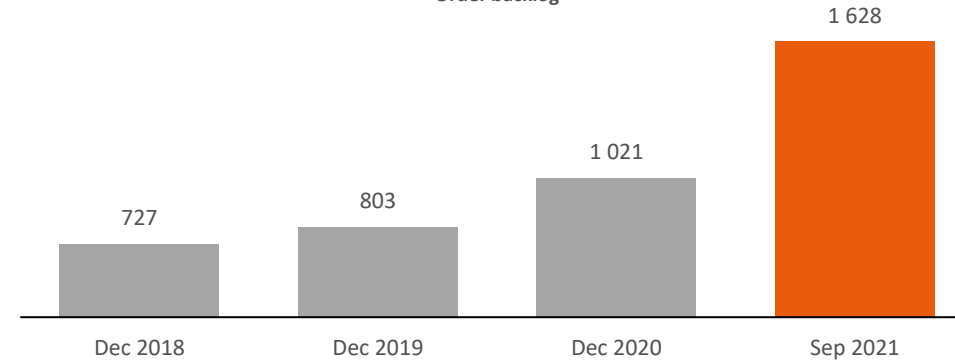
Examples of customers with framework agreements



STRONG ORDER BACKLOG PROVIDING HIGH REVENUE VISIBILITY

SEKm

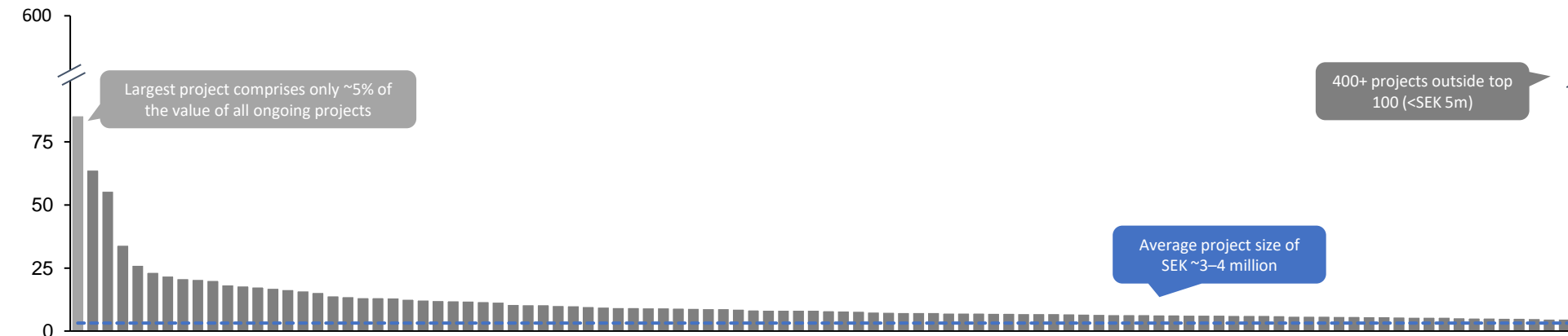
Order backlog



SEVERAL SMALL TO MEDIUM SIZED PROJECTS PROVIDING HIGH REVENUE DIVERSIFICATION

SEKm

Total project value of ongoing projects – illustrative



Clear exposure to underlying long-term market drivers

SEVERAL UNDERLYING DRIVERS...



Urbanisation and housing shortage



Ageing properties, especially in the 'million programs'

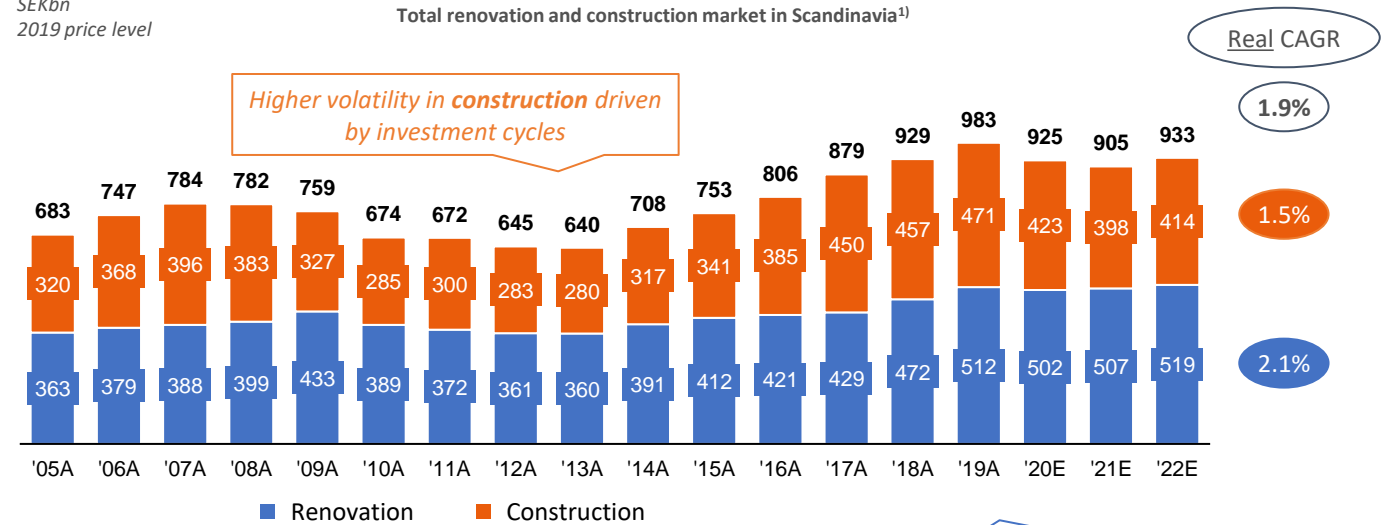


Increased requirements on sustainability and energy performance

...LEADING TO STABLE DEMAND WITH LOW VOLATILITY WITHIN RENOVATION...

SEKbn
2019 price level

Total renovation and construction market in Scandinavia¹⁾



...AND A LARGE ADDRESSABLE MARKET

2019

Addressable façade work market in Scandinavia²⁾



SEK ~38bn



SEK ~31bn



SEK ~29bn

Improved energy performance is key in our offering

Case: Added thermal insulation to multi-dwelling houses



By incorporating added thermal insulation into the façades of buildings, substantial energy savings can be achieved



The energy savings are more substantial for old buildings and depends on the façade material used during construction and the utilised insulation



The energy savings are beneficial both from a sustainability and financial perspective, with increased energy efficiency being an integral part of achieving the EU's climate and energy goals

Examples of energy savings from added thermal insulation

Construction year of building	Construction type	Energy savings ¹⁾
1900–1940	Brick	54%
1955–1975	Lightweight concrete	47%
1965–1980	Pre-fabricated	23%



Estimated taxonomy eligible:

- ~40% thermal insulation
- ~10% change of windows
- ~1% sedum roof

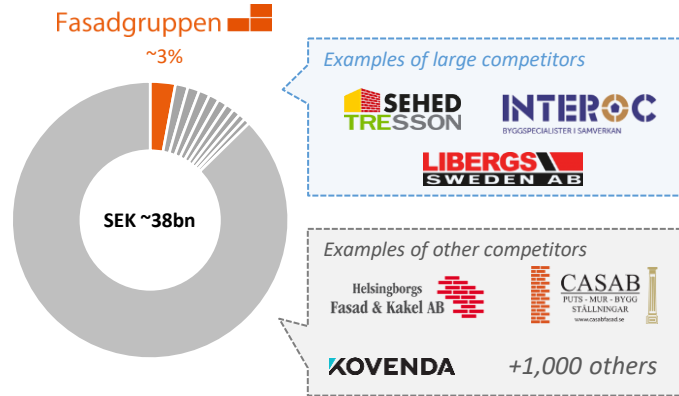


Acquisition strategy

Consolidation opportunity in a highly fragmented market

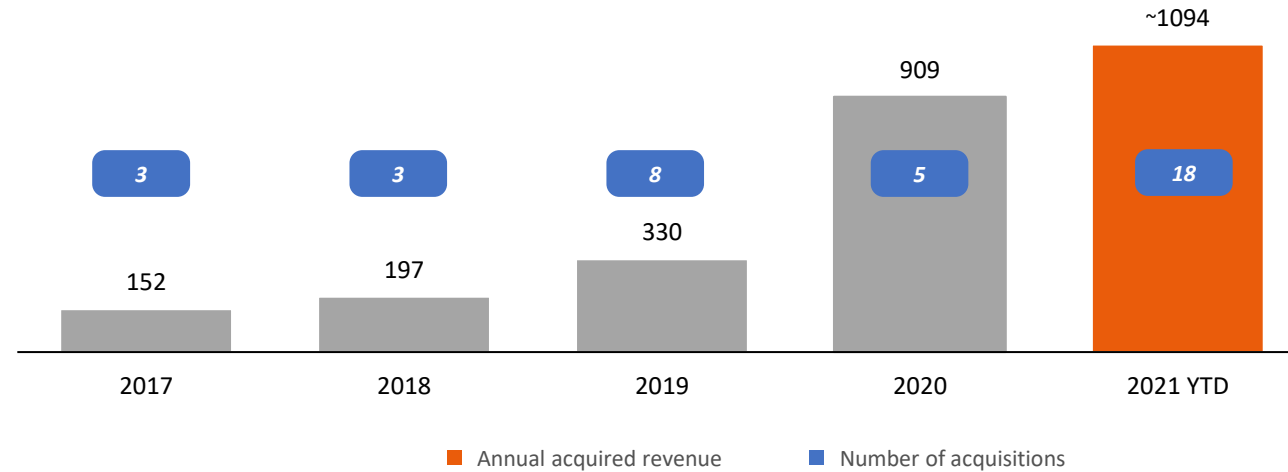
LEADER IN A FRAGMENTED MARKET

Company assessment of façade work market shares, Sweden 2019
Illustrative, market shares of competitors not to scale



SIGNIFICANT REVENUE ACQUIRED EACH YEAR HISTORICALLY

SEKm

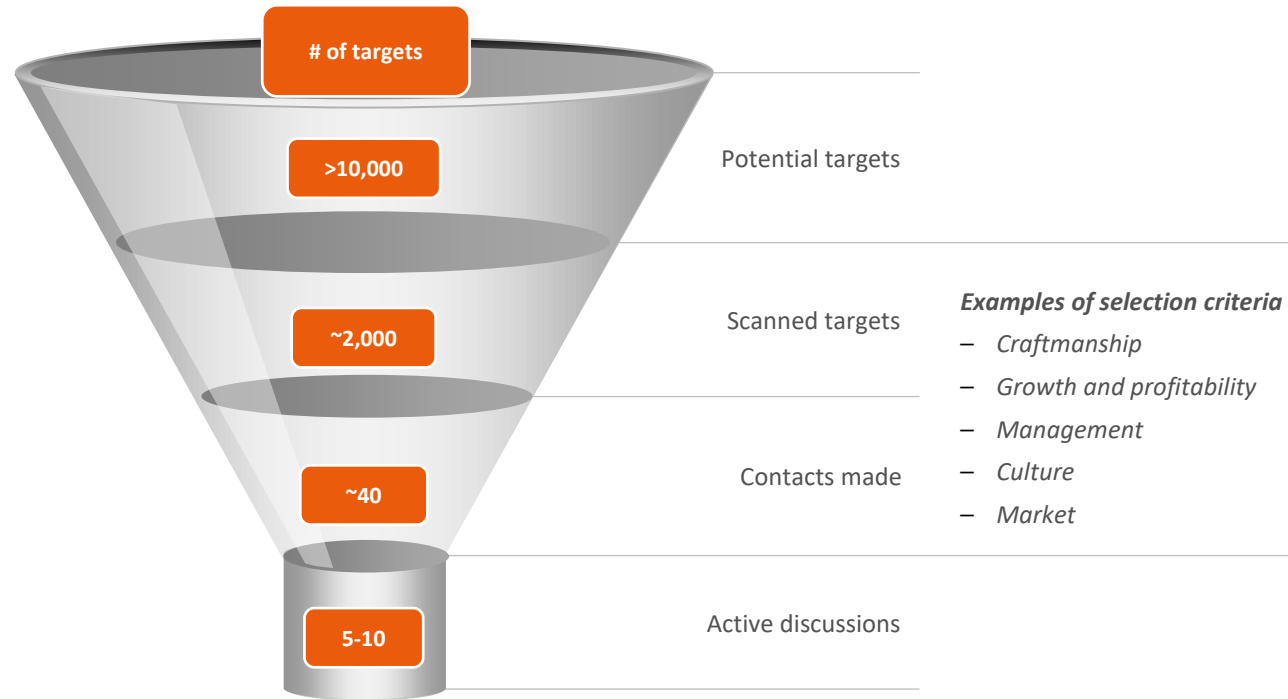


Fasadgruppen's acquisitions since 2017



Established model for M&A and best practice implementation

STRUCTURED APPROACH TO IDENTIFY TARGETS



Continuous screening and contacts with potential acquisition targets generating regular flow of targets

Majority of contacts stem from internal sources (Business Area Managers, subsidiary CEOs)

PROVEN SYNERGY MODEL THROUGH BEST PRACTICE SHARING



Clear model to ensure optimal integration and reap the benefits of scale



Financials

Financial targets and KPIs

FINANCIAL METRIC	FASADGRUPPEN'S TARGETS	
Revenue growth	<ul style="list-style-type: none">Fasadgruppen aims to achieve an average annual growth of 15% over a business cycle	15% p.a.
Profitability	<ul style="list-style-type: none">Fasadgruppen aims to achieve an EBITA margin of more than 10% over a business cycle	>10%
Cash conversion	<ul style="list-style-type: none">Fasadgruppen aims to achieve a cash conversion of 100%	100%
Capital structure	<ul style="list-style-type: none">Interest bearing net debt shall be less than 2.5x adjusted EBITDALeverage can temporarily exceed the target range, e.g., in relation to large acquisitions	<2.5x adj. EBITDA
Dividend policy	<ul style="list-style-type: none">Fasadgruppen's target is to pay out a minimum of 30 percent of the Group's consolidated net earnings while also taking account of other factors such as financial position, cash flow and growth opportunities	30%

Key financials, LTM Q3 2021

Net sales, SEK million

2,243

Adjusted EBITA, SEK million

242.8

Adjusted EBITA margin, %

10.8

Operational cash flow, SEK million

218.6

Cash conversion, %

79.5

Net debt/adj. EBITDA, x

2.8

Acquired annual sales, SEK million

1,494

Order backlog, SEK million

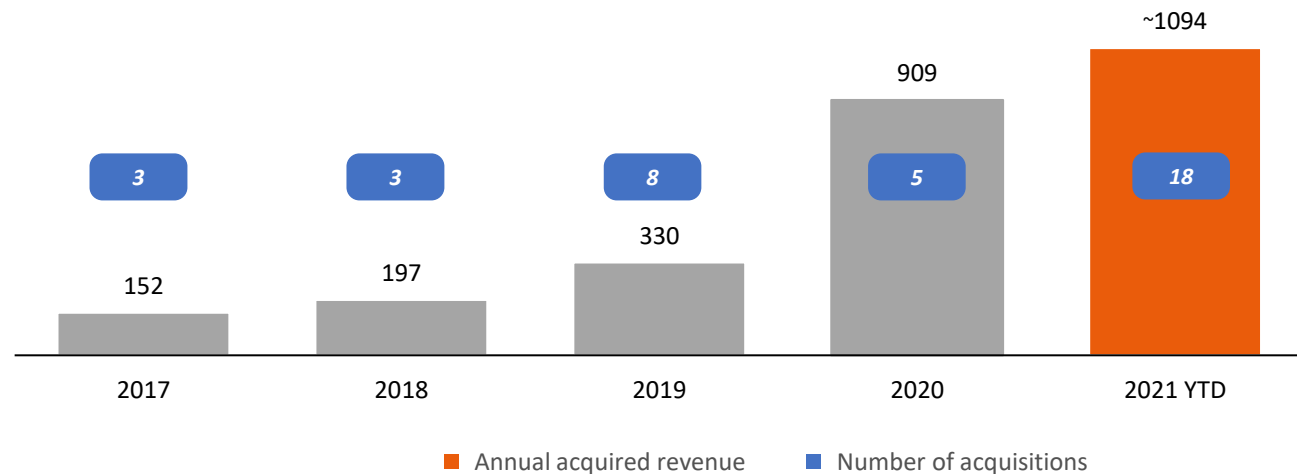
1,628

No of employees

1,350

Q3 in brief

- Strong and profitable growth
- Second quarter of organic growth since Covid outbreak, net sales +114.7% y/y of which 2.5% organic
- Adjusted EBITA margin of 13.2% well above financial target
- Strong M&A momentum in all markets – 18 acquisitions closed in 2021 with combined annual sales of SEK 1,094 million





Final remarks

Key takeaways



Fasadgruppen 

- Business model that combines local entrepreneurship with economies of scale
- Clear exposure to underlying long-term market drivers
- Service offering that contributes to the climate goals
- Consolidation opportunity in a highly fragmented market

Fasadgrupper



Q&A





Appendix

Acquisition overview

- 18 businesses acquired in 2021 with assessed annual sales of SEK 1,094 million

Completion	Acquisition	Market	Assessed annual sales (SEKm)	No of employees
November 2021	Kumla Fasadteam AB	Sweden	65	25
October 2021	OPN Entreprise A/S	Denmark	41	31
October 2021	SH-Bygg AS (incl SH Tømmer AS & SH-Bygg Tegl AS)	Norway	74	43
October 2021	Stilpro AB (asset acquisition)	Sweden	4	2
October 2021	Solid Fasad Stockholm AB	Sweden	50	16
July 2021	Husby Takplåtslageri & Ventilation AB	Sweden	58	38
July 2021	Er-Jill Byggnadsplåt AB (incl. Er-Jill Service AB)	Sweden	27	20
July 2021	Hans Eklund Glasmästeri AB	Sweden	44	26
July 2021	Åby Fasad i Sverige AB	Sweden	55	44
May 2021	Byens Tag & Façade A/S	Denmark	220	69
May 2021	Engman Tak AB	Sweden	59	29
May 2021	Rogaland Blikk AS	Norway	18	10
May 2021	RSM Fasade AS	Norway	49	19
March 2021	Mur & Puts i Örebro AB	Sweden	23	18
February 2021	Tello Service Partner AB	Sweden	60	22
February 2021	Bruske/Delér Fönsterrenovering AB	Sweden	60	38
January 2021	Mjøndalen Mur & Puss	Norway	175	95
January 2021	Mölnlycke Mur & Puts (asset acquisition)	Sweden	12	11

Q3 figures in summary

- Revenues were SEK 713.7 million (332.3), organic growth of 2.5%*
- Adjusted EBITA at SEK 94.3 million (49.9), margin of 13.2% (15.0)
- Order backlog was SEK 1,628 million (988)
- Profit for the period was SEK 72.0 million (30.2)
- Basic earnings per share were SEK 1.59 (0.80**)
- Operating cash flow was SEK 66.7 million (20.7)

Q3 2021 (Q3 2020)

Net sales, SEK million

713.7
(332.3)

Adjusted EBITA, SEK million

94.3
(49.9)

Adjusted EBITA margin, %

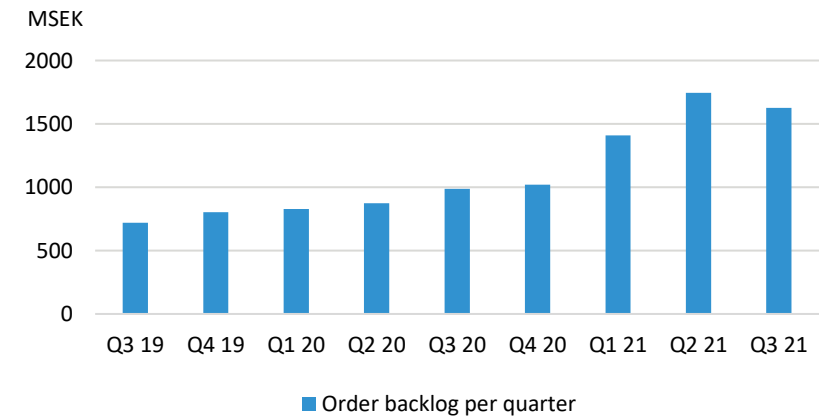
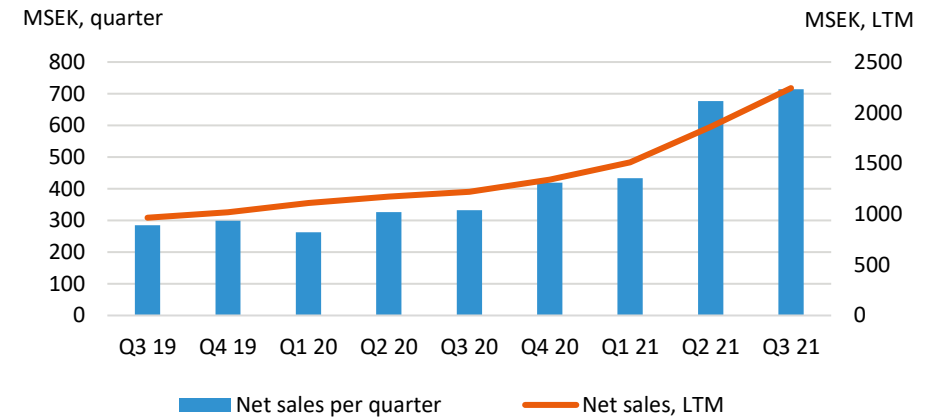
13.2
(15.0)

**19 companies included in organic growth calculations*

***Not adjusted for newly issued shares in 2020*

Net sales and order backlog Q3-2021

- Net sales increase of 114.7% y/y
 - Organic +2.5%
 - Acquired +112.2%
- Order backlog increase of 64.8% y/y
 - Organic -0.6%
 - Acquired +65.4%



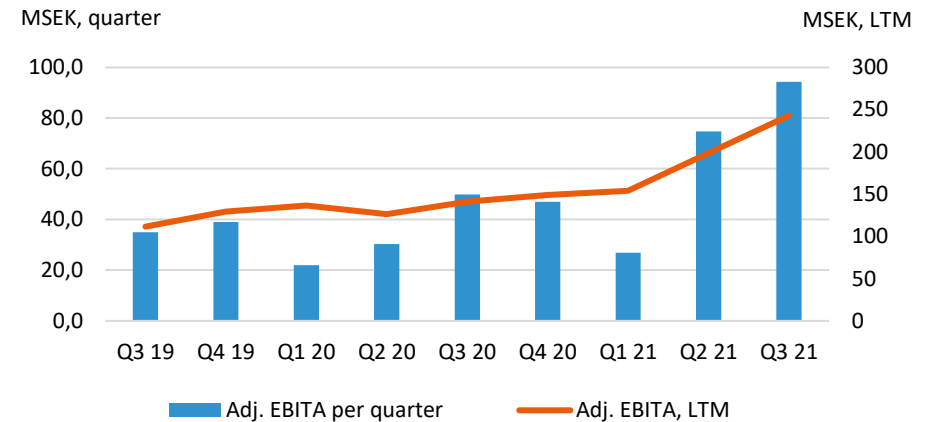
Adjusted EBITA Q3-2021

- Adjusted EBITA increase of 89.1% y/y
- Adjusted EBITA margin 13.2% (15.0)
- NRI of SEK +8.5 million include:
 - M&A costs SEK -1.5m
 - Earnout revaluation SEK +10.0

Q3 2021 (Q3 2020)

Adjusted EBITA, SEK million

94.3 (49.9)



P&L detail

	2021	2020	2021	2020	2021 Q3	2020
SEK million	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	LTM	Jan-Dec
Net sales	713,7	332,3	1 823,7	921,3	2 242,7	1340.4
Other revenues	13,7	6,0	22,7	21,1	38,5	36.8
Total operating revenues	727,3	338,3	1 846,4	942,4	2 281,2	1 377.2
Raw materials and consumables	-369,2	-172,6	-932,2	-465,3	-1 139,4	-672.5
Personnel costs	-197,0	-90,5	-563,7	-291,3	-704,4	-432
Depreciation and amortisation	-19,3	-5,3	-51,8	-14,8	-65,5	-28.5
Other operating expenses	-44,9	-28,0	-127,9	-82,3	-162,4	-116.8
Total operating expenses	-630,5	-296,4	-1 675,6	-853,7	-2 071,7	-1 249.8
Operating profit	96,8	41,8	170,8	88,7	209,5	127.4
Financial net income/expenses	-4,4	-4,3	-11,1	-8,4	-15,9	-13.2
Profit before tax	92,4	37,5	159,7	80,3	193,6	114.2
Income tax	-20,5	-7,3	-35,3	-16,7	-43,1	-24.6
Net profit for the period	72,0	30,2	124,4	63,6	150,5	89.6

Balance sheet and leverage

SEK million	30 Sep 2021	30 Sep 2020
Non-current assets	2,171.7	1,211.8
-Brand	227.4	70.0
-Customer relationships	9.8	-
-Goodwill	1,749.1	1,050.6
Current receivables	602.9	380.8
Cash and cash equivalents	159.0	41.8
Total assets	2,933.7	1,634.4
Equity	1,190.8	673.0
Non-current liabilities	1,075.0	300.0
Current liabilities	667.9	661.3
Total equity and liabilities	2,933.7	1,634.4

SEK million	30 Sep 2021	30 Sep 2020
Total interest-bearing net debt*	794.0	486.2
Net debt / adjusted EBITDA (x)	2.8x	3.0x

*The definition of interest-bearing net debt has been changed compared to 2020 and now includes leasing liabilities (SEK 112,2 million). The comparison figure has been recalculated.

Cash flow and cash conversion

SEK million	Jul-Sep 2021	Jul-Sep 2020	LTM Q3 2021
EBITDA	116.2	47.1	275.0
ΔNWC	-38.2	-16.3	-28.6
Net tangible and intangible capital expenditure (excl. M&A)	-11.3	-10.1	-27.8
Operating cash flow	66.7	20.7	218.6
Cash conversion	57.4%	43.9%	79.5%