

Press Release 16 December 2024 20:16:00 CET

Instalco initiates cost-saving measures and announces one-off costs

In 2024, Instalco has undertaken extensive cost-saving measures to address a more challenging market environment. These actions include reorganizations, reduced overhead costs, layoff notices, and terminations.

Throughout the year, Instalco has also conducted a thorough review and is now initiating additional measures to strengthen margins while enhancing the company's long-term profitability and competitiveness. During the fourth quarter, Instalco has issued additional layoff notices for approximately 110 employees, terminated contracts for around 100 individuals among its contracted staff, made certain project write-downs, and initiated mergers and closures of eight underperforming subsidiaries.

"We have taken measures during the year to ensure Instalco's continued profitability and competitiveness in a challenging market environment. However, I am not satisfied with our development in 2024, and we are now taking steps to prepare the company for profitable growth," says Robin Boheman, CEO of Instalco.

The subsidiaries set for closure generated a combined accumulated revenue of approximately 250 MSEK and an EBITA of around -30 MSEK between January and November 2024.

In total, the above-mentioned measures will result in one-off costs of approximately 65 MSEK, which will impact EBITA in the fourth quarter. Additionally, goodwill and other related intangible assets will be written down by approximately 25 MSEK.

Instalco has been a supplier to Northvolt, which recently filed for Chapter 11 in the United States. Following the aforementioned review, Instalco's remaining exposure to Northvolt amounts to approximately 60 MSEK. Whether this will impact Instalco's earnings remains too early to determine.

For further information:

Robin Boheman, CEO

Mathilda Eriksson, Head of IR, mathilda.eriksson@instalco.se +46 (0)70-972 34 29

Instalco is one of the leading installation companies in the Nordic region for electrical, heating & plumbing, ventilation, industrial solutions and technical consulting. We offer system design, installation and service & maintenance of buildings and facilities in Sweden, Norway and Finland. The business is run through our 150+ subsidiaries, with support from a small, central organisation. Instalco is listed on Nasdaq Stockholm under the ticker INSTAL. For more information, visit www.instalco.se.

Press Release 16 December 2024 20:16:00 CET

This information is information that Instalco is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-12-16 20:16 CET.