

Interim report

1 January – 30 September

Fasadgruppen 

“Strong cash flow and positive order backlog development”

Third quarter highlights

- Net sales increased to SEK 1,259.2 million (1,208.0), corresponding to growth of 4 percent. Organic growth was -2 percent in local currencies.
- EBITA amounted to SEK 113.2 million (148.9) and the EBITA margin was 9.0 percent (12.3).
- Items affecting comparability¹ impacted EBITA by SEK -5.3 million (9.4). Adjusted EBITA (excluding items affecting comparability) amounted to SEK 118.5 million (139.4).
- Earnings for the period amounted to SEK 60.5 million (105.4), earnings per share before and after dilution were SEK 1.22 (2.15).
- Operating cash flow rose to SEK 144.7 million (125.0).
- The order backlog increased to SEK 3,410.0 million (3,173.0).

Nine month highlights

- Net sales increased to SEK 3,712.2 million (3,162.6), corresponding to growth of 17 percent. Organic growth was 5 percent in local currencies.
- EBITA amounted to SEK 289.1 million (304.2) and the EBITA margin was 7.8 percent (9.6).
- Items affecting comparability¹ impacted EBITA by SEK -31.0 million (-2.2). Adjusted EBITA (excluding items affecting comparability) increased to SEK 320.1 million (306.4).
- Earnings for the period amounted to SEK 145.7 million (204.3), earnings per share before and after dilution were SEK 2.94 (4.26).
- Operating cash flow rose to SEK 337.8 million (191.7).

Significant events during the quarter

- Fasadgruppen has entered into a new financing agreement.
- Fasadgruppen has entered into agreements for the acquisition of façade contractor Rosborg Entreprenad and the bankrupt estate of balcony specialist Teknova.
- Fasadgruppen has joined the Science Based Targets initiative.

Events after the end of the period

- Fasadgruppen has entered into an agreement for the acquisition of Surface Byggställningar.
- Fasadgruppen has undergone a reorganisation, with a new operating unit led by a COO.
- Fasadgruppen initiates a share buy-back programme.

Key figures ^{1, 2}

SEKm	2023			2022			2023 Q3		2022	
	Jul-Sep	Jul-Sep	Δ	Jan-Sep	Jan-Sep	Δ	12M	Jan-Dec		
Net sales	1,259.2	1,208.0	4.2%	3,712.2	3,162.6	17.4%	5,097.3	4,547.7		
EBITA	113.2	148.9	-24.0%	289.1	304.2	-5.0%	406.8	421.9		
EBITA margin, %	9.0	12.3		7.8	9.6		8.0	9.3		
Adjusted EBITA	118.5	139.4	-15.0%	320.1	306.4	4.5%	445.3	431.6		
Adjusted EBITA margin, %	9.4	11.5		8.6	9.7		8.7	9.5		
Cash flow from operating activities	144.7	125.0	15.8%	337.8	191.7	76.2%	547.8	401.7		
Cash conversion, %	103.5	73.2		92.8	52.8		108.5	79.7		
Return on capital employed, %	10.1	13.0		10.1	13.0		10.1	12.6		
Return on shareholders' equity, %	10.3	16.7		10.3	16.7		10.3	16.2		
Net debt to equity ratio, %	61.9	68.7		61.9	68.7		61.9	69.8		
Profit/loss before tax	79.0	128.1	-38.3%	195.9	257.0	-23.8%	285.2	346.3		
Order backlog	3,410.0	3,173.0	7.5%	3,410.0	3,173.0	7.5%	3,410.0	2,983.3		

¹ For items affecting comparability in the respective period, see Note 7.

² Measures defined in accordance with IFRS are Net Sales and Profit/loss before tax. Other measures are Alternative performance measures. For definitions of Alternative performance measures, please see page 16.

Fasadgruppen is the largest complete provider of sustainable façades in the Nordics. The operations are based on local entrepreneurial companies with a clear focus on cooperation, commitment and know-how.

CEO comment

Performance

Sales during the period January to September totalled SEK 3,712 million, an increase of 17 percent, including organic growth of 5 percent, compared with the corresponding period last year. For the third quarter, the increase was 4 percent, of which -2 percent was organic growth compared to the corresponding quarter last year. Norway and Finland showed positive organic growth, while Sweden and Denmark exhibited a weaker development due to tougher market competition. We saw a positive development for projects related to energy efficiency in all markets, where Fasadgruppen has a strong and comprehensive offering. Our SmartFront method continues to grow and has tripled in 2023.

Adjusted EBITA for the first nine months of the year increased by 4 percent to SEK 320 million, while the adjusted EBITA margin decreased from 9.7 to 8.6 percent. For the third quarter, the margin decreased from 11.5 to 9.4 percent. It was a particularly challenging market for the business in the Stockholm area, which constitutes about 20 percent of Fasadgruppen, where competition intensified considerably. The margin has also been affected by a weaker development for the part of the business that mainly works with new build. In our decentralised model, each subsidiary is responsible for its own earnings, and they are used to working flexibly with a focus on costs. Several redundancy consultations have been announced during the autumn.

The order backlog has increased by 7 percent, of which organic growth of 5 percent, compared with the corresponding point last year and amounted to SEK 3,410 million at the end of the period. From a geographical perspective, the order backlog development was stable in Norway, declining in Sweden and positive in Denmark and Finland.

Cash flow from operating activities for the nine-month period strengthened by 76 percent compared with the same period last year. A number of activities were launched at the beginning of the year to improve tied-up capital within the group, and these have contributed to the development. Changes in working capital for the period January to September amounted to SEK 41 million, compared with SEK -127 million last year. Cash conversion for the last 12 months was 109 percent. It is pleasing that the measures taken to improve cash flow have been effective.

Net debt at the end of the period was SEK 1,335 million, which corresponds to 2.5x EBITDA on a rolling twelve-month basis. We are comfortable with the current level of debt.



“We are taking a careful approach to the current market situation and are following developments closely, and our subsidiaries are acting and adapting according to their market conditions. Our focus is on creating shareholder value through stable and profitable growth.”

Achieving more effective governance

On 1 November, we introduced a new organisational structure with the formation of an operating unit. The aim is to establish more effective governance with clearer responsibilities, in turn creating the conditions for higher profitability. Johan Claesson, previously Business Area Manager of SouthWest, has been appointed COO.

We consolidated four acquisitions during the year, which will have a positive impact on our results. Our strong cash flow and financial position give us the scope to continue making acquisitions.

We are also continuously working on organic sales initiatives based on our expertise in energy efficiency in particular. In this, we endeavour to be an obvious partner to all our customers.

In connection with this interim report, we have also decided to activate the Annual General Meeting's authorisation for share buy-backs in order to be able to access more value-creating tools in our capital allocation strategy.

We are taking a careful approach to the current market situation and are following developments closely, and our subsidiaries are acting and adapting according to their market conditions. Our focus is on creating shareholder value through stable and profitable growth.

Martin Jacobsson, *Group President and CEO*

Group development

Third quarter

Net sales

Net sales for the third quarter of 2023 amounted to SEK 1,259.2 million (1,208.0), a 4.2 percent increase compared with the same period in the previous year. The increase consists of organic growth of -2.0 percent, exchange rate changes of +1.7 percent and growth through acquisitions of +4.5 percent. The trends vary on the different Nordic markets and in local currency there was positive organic growth during the quarter in Norway in particular, but also in Finland, while the opposite was true of Sweden and Denmark. Fasadgruppen completed one business acquisition during the third quarter of 2023. For more information on acquisitions, please see page 5 and Note 8.

Earnings

EBITA for the current quarter amounted to SEK 113.2 million (148.9) and adjusted EBITA to SEK 118.5 million (139.4). Items affecting comparability in the quarter as a whole amounted to SEK -5.3 million (9.4); see also Note 7. The adjusted EBITA margin for the current quarter amounted to 9.4 percent (11.5). The margin trend during the quarter was mainly due to increased competition in Sweden, particularly in the metropolitan regions, which has had an impact on margins during the current period. Other operating income/expenses were significantly impacted by the revaluation of contingent earnouts during the current period, in the amount of SEK +31.0 million (+66.2) and SEK -31.6 million (-52.7) respectively, the items being treated as affecting comparability; see also Notes 6 and 7. Net financial items for the quarter amounted to SEK -32.2 million (-9.9). Interest expenses on loans from credit institutions amounted to SEK -27.7 million (-7.8). Accrued expenses from previous financing arrangements settled as part of the restructuring of financing in August had a negative impact on net financial items of SEK -2.7 million. Profit for the period amounted to SEK 60.5 million (105.4), corresponding to earnings per share of SEK 1.22 (2.15) before and after dilution. The effective tax rate was 23.4 percent (17.7). The difference in effective tax rate between the periods is mainly the result of a positive adjustment in deferred tax of SEK 3.0 million at one of our Norwegian subsidiaries, as well as additional net income from the revaluation of earnouts that are non-taxable, both in the comparison period.

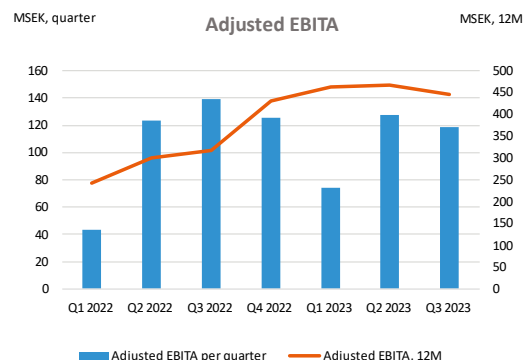
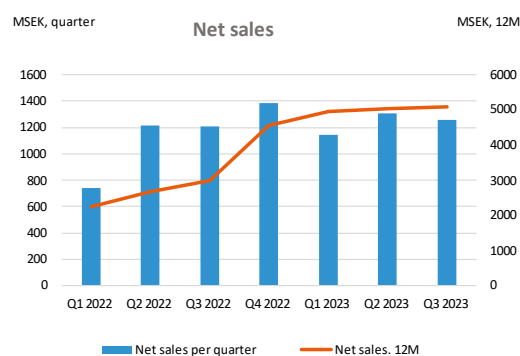
January–September

Net sales

Net sales for January to September 2023 amounted to SEK 3,712.2 million (3,162.6), a 17.4 percent increase compared with the same period in the previous year. The increase consists of organic growth of +5.0 percent, exchange rate changes of +0.7 percent and growth through acquisitions of +11.7 percent. Organic growth has otherwise been primarily affected by the impacts of the cost inflation of materials during the first quarter but also by real volume growth in relation to the comparison period in 2022. Fasadgruppen completed one business acquisition during the period January to September 2023. For more information on acquisitions, please see page 5 and Note 8.

Earnings

EBITA for the period January to September 2023 amounted to SEK 289.1 million (304.2) and adjusted EBITA to SEK 320.1 million (306.4). Items affecting comparability during the period totalled SEK -31.0 million (-2.2), see also Note 7, with an adjusted EBITA margin of 8.6 percent (9.7). Customer pricing could be managed satisfactorily during the first quarter, with positive effects on the margin, but was negatively affected by increased competition in Sweden, and in the metropolitan regions in particular, during the second and third quarters. Other operating income/expenses were significantly impacted by the revaluation of contingent earnouts during the period, in the amount of SEK +31.0 million (+67.1) and SEK -49.6 million (-52.7) respectively, the items being treated as affecting comparability; see also Notes 6 and 7. Net financial items for the period totalled SEK -76.0 million (-22.5). Interest expenses on loans from credit institutions amounted to SEK -65.8 million (-14.3). The discounting of earnouts had a negative impact on net financial items of SEK -4.4 million for the current period and accrued expenses from previous financing arrangements settled as part of the restructuring of financing in August had a further negative impact of SEK -2.7 million. Profit for the period amounted to SEK 145.7 million (204.3), corresponding to earnings per share of SEK 2.94 (4.26) before and after dilution. The effective tax rate was 25.6 percent (20.5). The difference in effective tax rate between the periods is mainly the result of differences in the net effects of the revaluation of earnouts that are non-taxable, as well as a positive adjustment in deferred tax in the comparison period of SEK 3.0 million at one of our Norwegian subsidiaries.



Order backlog

At the end of September 2023, the order backlog amounted to SEK 3,410.0 million (3,173.0), an increase of 7.5 percent. The increase consists of organic growth of +5.2 percent, exchange rate changes of +1.2 percent and growth through acquisitions of +1.1 percent. The order backlog has increased by 14.3 percent, SEK +426.7 million, since the beginning of 2023.

Financial position and financing

At the end of the period, shareholders' equity amounted to SEK 2,157.5 million (1,997.3). The change in shareholders' equity between the period ends can be attributed to warrant payments of SEK +4.3 million and dividends of SEK -84.4 million. The rest of the change in shareholders' equity is attributable to the comprehensive income for the period. Interest-bearing net debt on 30 September 2023 amounted to SEK 1,335.3 million (1,371.8). The interest-bearing net debt includes lease liabilities amounting to SEK 155.3 million (161.3). Earnouts are not included in interest-bearing net debt and on 30 September 2023 amounted to SEK 207.5 million (266.7). The fixed interest period for interest-bearing liabilities varies between 1 and 6 months and the average interest expense paid as a percentage for the period January–September 2023 was approximately 4.6 percent (1.7). The ratio of Fasadgruppen's interest-bearing net debt to adjusted EBITDA 12M (not on a proforma basis) was 2.5 (2.8) at the end of the period. On 30 September 2023, the Group held cash and cash equivalents and other short-term investments amounting to SEK 502.6 million (357.0). In addition to cash and cash equivalents and other short-term investments, there were unutilised credit facilities of around SEK 1,050 million at the end of the period. The Group's entire previous financing was refinanced in August and the facilities available increased by around SEK 600 million; see also Acquisitions on page 5.

Cash flow and investments

The change in working capital for the period January to September 2023 was significantly better than the comparison period and amounted to SEK 41.4 million (-127.3). The strong development for working capital is considered to be partly due to the subsidiaries returning to purchasing materials closer to project implementation, as opposed to the earlier purchases that were made in order to protect margins during the material cost inflation in 2022. It is also partly due to the measures implemented since the turn of the year to improve tied-up working capital within the Group, which are now beginning to bear fruit. Operating cash flow totalled SEK 337.8 million (191.7) as a direct result of the positive development in working capital during the current period. Group net investments in tangible non-current assets amounted to SEK -67.7 million (-44.4) for the period January to September 2023. The increase between the periods is mainly attributable to a major investment in scaffolding during the second quarter



totalling SEK 22.2 million in scaffolding company Rapid. Depreciation on non-current assets for the period amounted to SEK -92.1 million (-83.9), of which depreciation on acquired intangible assets, such as customer relationships, amounted to SEK -17.2 million (-24.7). Investments in company acquisitions for the period January to September 2023 amounted to SEK -31.2 million (-848.1). Contingent earnouts were paid in relation to acquisitions made in previous years at a net amount of SEK 99.8 million during the period January to September 2023; see also Note 6.

Personnel

The Group had 2,007 employees (1,969) on 30 September 2023, of whom 88 were women (76). The average number of employees for the period January–September 2023 was 1,966 (1,740). The change relative to the comparison period is primarily attributable to new acquisitions between the periods.

Parent Company

Fasadgruppen Group AB acts as a holding company for the Group and provides head office functions such as Group-wide management, administration and a finance department. Income comprises management fees from Group companies for Group-wide services and costs covered by the Parent Company. Net financial items mainly comprise dividends and interest income from Group companies, as well as interest expenses from external financing. Profit/loss for the period January to September amounted to SEK 29.0 million (-21.9). Assets, primarily consisting of participations in and receivables from Group company Fasadgruppen Norden AB, amounted to SEK 3,160.4 million (3,024.4) at the end of the period. Shareholders' equity amounted to SEK 1,473.2 million (1,459.1) on the balance sheet date. The number of employees at the parent company at the end of the period was 2 (3).

Acquisitions

In the period October 2022 to September 2023, Fasadgruppen acquired two new businesses. These acquisitions are a key part of the Group's growth strategy and are carefully chosen based on selective criteria that are defined in the Fasadgruppen growth strategy.

During the period October 2022 to September 2023, the Group has acquired an estimated SEK 111 million in annual sales and added around 26 new employees to the workforce, bringing new know-how and working capacity to the Group.

Goodwill totalling SEK 2,882.1 million within the Group is a result of continuous and consciously targeted acquisitions over a number of years. Accumulated goodwill primarily relates to growth expectations, expected future profitability, the significant knowledge and expertise possessed by subsidiary company personnel and expected synergies on the costs side.

One new acquisition was closed during January–September, Danish balcony manufacturer Weldmatic A/S. In September, agreements were entered into for the acquisition of façade contractor Rosborg Entreprenad AB and the bankrupt estate of balcony specialist Teknova Byggsystem AB, which were both closed in October. After the end of the quarter, the acquisition of Surface Byggställningar AB was also announced and closed.

In August, Fasadgruppen entered into a new financing agreement for a total of SEK 2,700 million, comprising a revolving credit facility of SEK 1,600 million and two credit facilities for a total of SEK 1,100 million. The agreement has a term of three years, with the option to extend for a further year on two occasions, giving a maximum term of five years. This agreement increases the Group's total available credit facilities by around SEK 600 million.

Company acquisitions

Fasadgruppen has closed the following acquisitions over the last twelve months and in the period between the end of the reporting period and the publication of this interim report.

Closing	Acquisitions	Country	Estimated annual sales at time of acquisition, SEKm	No. of employees
October 2023	Surface Byggställningar AB	Sweden	114	69
October 2023	Teknova Byggsystem AB (asset acquisition, bankruptcy)	Sweden	-	-
October 2023	Rosborg Entreprenad AB	Sweden	58	45
July 2023	Weldmatic A/S	Denmark	41	11
November 2022	Sydskiffer AB	Sweden	70	15
			283	140

The Fasadgruppen M&A strategy

Fasadgruppen has an active M&A strategy. Acquisitions are primarily completed with the aim of broadening the Group geographically and strengthening its offering. As well as adding new companies to the Group, add-on acquisitions are also made to existing companies with the aim of adding expertise, framework agreements and critical mass.

Fasadgruppen has defined a number of acquisition criteria with requirements such as good profitability, geographic locations and long-term management. Potential acquisitions are identified primarily through internal networks and references from existing subsidiaries, which generate a continuous flow of candidates. When a new acquisition has been completed, an established model is used to ensure a smooth integration where the subsidiary can quickly benefit from Fasadgruppen's economies of scale and can begin to contribute to the value creation in the Group.

Other information

Risks and uncertainties

Fasadgruppen's business is affected by a number of risks whose effects on earnings and financial position can be managed to varying degrees. When assessing the Group's future development, it is important to consider the risk factors in addition to possible opportunities for earnings growth. The Group is exposed to different types of risk in its business and these are categorised as operational risks, financial risks and external risks. External risks are primarily related to factors outside Fasadgruppen's own businesses, such as macroeconomic growth on the Group's main markets. Operational risks are related to day-to-day operations such as tendering, capacity utilisation, percentage of completion and price risks. The financial risks include liquidity and loan financing risks. Risk management is clearly defined in the Fasadgruppen management system, which is designed to prevent and reduce the Group's risk exposure. Risk management in the Group aims to identify, measure, control and limit risks in the business.

The demand for raw materials and energy, which combined with production and delivery issues caused a shortage of materials in several industries in 2022, has continued to have a limited impact on Fasadgruppen's operations. The Group continues to work purposefully with its suppliers to ensure the supply of materials and manage price changes. The longer-term consequences of the rising interest rate levels, which are mostly considered to be of a general cyclical nature, remain hard to predict. The Group continues to monitor developments closely as part of its ongoing risk management work, making adjustments when necessary.

No additional risks and uncertainties, beyond those presented, are deemed to have arisen during the period. For further information on the Group's risks, please see the 2022 Annual Report.

Seasonal variations

Fasadgruppen's activities and markets are affected by seasonal variations to a certain degree. As a rule, the first quarter of the year is weaker than the remaining nine-month period as the winter conditions can make roof work and other outdoor services, for example, more difficult. Low temperatures mean it is more difficult for rendering and masonry work to be cured to the expected compressive strength and therefore larger projects involving rendering and masonry are avoided during winter months. The Group's diversified structure, with regard to both market offering and geographic presence, limits exposure to seasonal variations to a certain extent, however.

Future projections

The Nordic market is expected to continue to have stable underlying renovation requirements in the future. Underlying driving forces, such as urbanisation, housing shortages, the tough Nordic weather climate and increased focus on improving energy efficiency in buildings, are considered to lead to a continuing willingness to invest among the Group's customer groups, which points to continued long-term growth potential for Fasadgruppen. The Group has a well underpinned acquisition strategy and future acquisition opportunities are considered to remain good. The Group's financial base creates the stability that aids both investments and acquisitions. Fasadgruppen continues to develop its sustainability work with the focus on profitability and those products that are being developed for the sustainable façade solutions of the future that will boost the competitiveness of customers. The Group is firmly resolved to drive both daily improvement work in its business and the transformation of the façade sector towards safe and more sustainable solutions.

You can also read about how the Group is working to counter possible risks as a consequence of the shortage of materials and energy in several industries and rising interest rates in the section on Risks and uncertainties.

Incentive programme

The Annual General Meetings of 2021, 2022 and 2023 resolved to implement long-term incentive programmes for employees in the Group, consisting of warrants. Each warrant entitles the holder to subscribe for one new share in the Company at a predetermined price and within a specified subscription period. The subscription price corresponds to 125 percent of the volume-weighted average price for the Company's shares on Nasdaq Stockholm during the last ten trading days prior to the respective Annual General Meeting that approved the incentive programme.

Warrants have been transferred to employees at a market price calculated in accordance with the Black–Scholes model. Warrants not transferred to employees have been transferred to the company's wholly owned subsidiary Fasadgruppen Norden AB free of charge.

Under certain circumstances, the Company is entitled to repurchase warrants from holders whose employment in the Group is terminated or who wish to transfer their warrants to a third party. Further information on the terms and conditions for the warrants is available on the Company's website.

The share and share capital

The number of shares and votes is unchanged during the period January to September 2023. As at 30 September 2023, the number of shares and votes amounted to 49,623,830 with a share capital of SEK 2.5 million, corresponding to a quotient value of SEK 0.05 per share. The three largest shareholders in the company at the end of September 2023 were Capital Group, Connecting Capital and Swedbank Robur Fonder.

Events after the end of the period

- In October, Fasadgruppen closed the acquisition of Surface Byggställningar AB, a turnkey supplier of

scaffolding and weather protection with five local branches in Jönköping, Trollhättan, Skara, Örebro and Västerås. Surface has 69 full-time employees and achieved sales of around SEK 114 million in the 2022 financial year. Fasadgruppen is financing the acquisition using its own cash and available credit facilities.

- On 1 November, Fasadgruppen formed a new operating unit that combines all its geographical business areas, as well as a number of central specialist functions that support the operations of its subsidiaries. Johan Claesson has been appointed COO with responsibility for the new unit. The reorganisation has altered the composition of the Group management. As of 1 November, Fasadgruppen's Group management comprises CEO Martin Jacobsson, CFO Casper Tamm, Head of M&A Daniél Bergman, COO Johan Claesson and Head of Communications and Sustainability Adrian Westman.
- The board of directors of Fasadgruppen Group AB (publ) has, based on the authorisation from the annual general meeting on 11 May 2023, decided to initiate a share buy-back programme of up to SEK 50 million. The purpose of the buy-back programme is to enable Fasadgruppen to use repurchased own shares to finance future acquisitions and to optimise the company's capital structure and create value for the company's shareholders.

Presentation of interim report

The interim report will be presented in a conference call and webcast on 14 November 2023 at 8.15 a.m. CET via <https://ir.financialhearings.com/fasadgruppen-group-q3-report-2023>. To participate via telephone, register at <https://conference.financialhearings.com/teleconference/?id=5005485>.

The table shows a summary of the current warrant programmes.

Warrant series	Max. number of warrants	Number of warrants transferred to employees	Number of employees who have acquired warrants	Warrant premium paid (SEKm)	Subscription period	Subscription price (SEK)
2023/2026	500,000	213,410	68	4.3	June 2026	104.0
2022/2025	484,000	236,196	46	1.7	June 2025	179.8
2021/2024	923,010	501,472	65	7.9	June 2024	164.1

Financial reports

Condensed consolidated income statement and statement of comprehensive income

SEKm	2023 Jul–Sep	2022 Jul–Sep	2023 Jan–Sep	2022 Jan–Sep	2023 Q3 12M	2022 Jan–Dec
Net sales	1,259.2	1,208.0	3,712.2	3,162.6	5,097.3	4,547.7
Other operating income	33.4	70.6	42.3	84.9	137.3	179.9
Operating income	1,292.6	1,278.6	3,754.5	3,247.4	5,234.7	4,727.6
Materials and consumables	-682.8	-660.3	-1,966.3	-1,672.7	-2,722.1	-2,428.5
Remuneration to employees	-360.0	-314.9	-1,125.1	-938.8	-1,533.4	-1,347.1
Depreciation and impairments of tangible and intangible non-current assets	-28.6	-32.8	-92.1	-83.9	-127.7	-119.4
Other operating costs	-110.0	-132.6	-299.1	-272.6	-474.5	-448.0
Total operating costs	-1,181.4	-1,140.6	-3,482.6	-2,967.9	-4,857.7	-4,343.0
Operating profit/loss	111.2	138.0	271.9	279.5	377.0	384.6
Net financial items	-32.2	-9.9	-76.0	-22.5	-91.7	-38.2
Profit/loss after financial items	79.0	128.1	195.9	257.0	285.2	346.3
Tax on profit for the period	-18.5	-22.7	-50.2	-52.7	-71.9	-74.4
Profit/loss for the period	60.5	105.4	145.7	204.3	213.3	271.9
Other comprehensive income for the period:						
<i>Items that will not be reclassified to profit or loss:</i>	-	-	-	-	-	-
<i>Items that can be reclassified to profit or loss:</i>						
Exchange rate differences on translation of foreign operations	-23.6	29.0	7.8	45.8	34.9	72.9
Hedging of net investments	4.8	-	-10.4	-	-10.4	-
Income tax attributable to components in other comprehensive income	-1.0	-	2.1	-	2.1	-
Other comprehensive income for the period, net after tax	-19.8	29.0	-0.5	45.8	26.6	72.9
Comprehensive income for the period	40.8	134.4	145.2	250.1	240.0	344.8
<i>Comprehensive income for the period attributable to:</i>						
Shareholders in the Parent Company	40.8	134.4	145.2	250.1	240.0	344.8
Holdings without controlling interest	-	-	-	-	-	-
Earnings per share for the period before dilution, SEK	1.22	2.15	2.94	4.26	4.30	5.62
Earnings per share for the period after dilution, SEK	1.22	2.15	2.94	4.26	4.30	5.62
Average no. of shares before dilution	49,623,830	49,117,106	49,623,830	47,938,856	49,623,830	48,360,099
Average no. of shares after dilution	49,623,830	49,117,106	49,623,830	47,938,856	49,623,830	48,360,099
Actual no. of shares at the end of the period	49,623,830	49,623,830	49,623,830	49,623,830	49,623,830	49,623,830

Condensed consolidated balance sheet

SEKm	30 Sep 2023	30 Sep 2022	31 Dec 2022
ASSETS			
Brand	411.4	395.5	406.7
Customer relationships	0.2	27.5	17.0
Goodwill	2,882.1	2,763.3	2,842.3
Other intangible assets	1.6	2.3	1.8
<i>Total intangible assets</i>	<i>3,295.4</i>	<i>3,188.7</i>	<i>3,267.8</i>
Right-of-use assets	156.4	146.2	163.3
Tangible non-current assets	128.9	137.0	118.7
<i>Total property, plant and equipment</i>	<i>285.3</i>	<i>283.2</i>	<i>282.0</i>
Financial non-current assets	7.4	4.9	4.3
Total non-current assets	3,588.0	3,476.8	3,554.1
Inventories	28.3	27.3	25.5
Accounts receivable	788.9	709.8	702.3
Revenues from contracts with customers and similar receivables	271.1	289.5	211.3
Prepaid expenses and accrued income	36.8	32.9	36.1
Other receivables	67.0	39.1	67.6
Cash and cash equivalents	502.6	357.0	452.6
Total current assets	1,694.7	1,455.5	1,495.4
TOTAL ASSETS	5,282.7	4,932.3	5,049.5
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	2,157.5	1,997.3	2,092.5
Non-current interest-bearing liabilities	1,574.3	1,447.1	1,421.0
Non-current lease liabilities	94.4	105.3	102.1
Deferred tax liabilities	129.1	121.8	122.6
Other non-current liabilities	110.4	202.6	198.1
Total non-current liabilities	1,908.1	1,876.8	1,843.8
Current interest-bearing liabilities	108.3	120.4	139.1
Current lease liabilities	61.0	56.0	64.8
Accounts payable	461.5	413.2	356.4
Contract and similar liabilities	105.4	159.6	165.2
Accrued expenses and prepaid income	225.6	169.0	205.6
Other current liabilities	255.3	140.0	182.2
Total current liabilities	1,217.1	1,058.2	1,113.3
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	5,282.7	4,932.3	5,049.5

Condensed statement of changes in shareholders' equity

SEKm	Share capital	Other contributed capital	Retained earnings including profit/loss for the period	Reserves	Total shareholders' equity
Shareholders' equity					
01 Jan 2022	2.3	887.3	364.5	15.6	1,269.6
Profit/loss for the period	-	-	204.3	-	204.3
<i>Other comprehensive income:</i>					
Exchange rate differences on translation of foreign operations	-	-	-	45.8	45.8
Total comprehensive income	-	-	204.3	45.8	250.1
Dividend	-	-	-58.3	-	-58.3
Warrant payment	-	1.7	-	-	1.7
Directed new share issue	0.2	409.4	-	-	409.5
Offset share issue	0.1	124.7	-	-	124.8
Transactions with shareholders	0.2	535.8	-58.3	-	477.6
Shareholders' equity					
30 Sep 2022	2.5	1,423.1	510.4	61.4	1,997.3
Shareholders' equity					
01 Jan 2022	2.3	887.3	364.5	15.6	1,269.6
Profit/loss for the period	-	-	271.9	-	271.9
<i>Other comprehensive income:</i>					
Exchange rate differences on translation of foreign operations	-	-	-	72.9	72.9
Total comprehensive income	-	-	271.9	72.9	344.8
Dividend	-	-	-58.3	-	-58.3
Warrant payment	-	1.7	-	-	1.7
Directed new share issue	0.2	409.4	-	-	409.5
Offset share issue	0.1	125.1	-	-	125.2
Transactions with shareholders	0.2	536.1	-58.3	-	478.0
Shareholders' equity					
31 Dec 2022	2.5	1,423.4	578.1	88.5	2,092.5
Shareholders' equity					
01 Jan 2023	2.5	1,423.4	578.1	88.5	2,092.5
Profit/loss for the period	-	-	145.7	-	145.7
<i>Other comprehensive income:</i>					
Exchange rate differences on translation of foreign operations	-	-	-	7.8	7.8
Hedging of net investments	-	-	-	-10.4	-10.4
Income tax attributable to components in other comprehensive income	-	-	-	2.1	2.1
Total comprehensive income	-	-	145.7	-0.5	145.2
Dividend	-	-	-84.4	-	-84.4
Warrant payment	-	4.3	-	-	4.3
Transactions with shareholders	-	4.3	-84.4	-	-80.1
Shareholders' equity					
30 Sep 2023	2.5	1,427.7	639.4	88.0	2,157.5

Condensed consolidated statement of cash flows

SEKm	2023	2022	2023	2022	2023 Q3	2022
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	12M	Jan-Dec
Operating activities						
Profit/loss after financial items	79.0	128.1	195.9	257.0	285.2	346.3
Adjustment for non-cash items	55.5	16.0	175.8	69.3	223.8	117.2
Interest paid	-19.3	-6.9	-56.1	-17.7	-69.6	-31.2
Tax paid	-24.3	-3.7	-93.7	-62.5	-105.6	-74.3
Changes in working capital	17.5	-29.6	41.4	-127.3	123.5	-45.2
Cash flow from operating activities	108.6	103.9	263.3	118.9	457.3	312.8
Investing activities						
Acquisition of subsidiaries and businesses	-31.2	-433.5	-31.2	-848.1	-99.7	-916.6
Net investments in non-current assets	-12.7	-16.2	-67.7	-44.4	-80.4	-57.1
Net investments in financial assets	-0.4	0.7	-1.0	0.8	-1.0	0.7
Cash flow from investing activities	-44.3	-449.0	-99.9	-891.8	-181.1	-973.0
Financing activities						
New share issue	-	-	-	409.5	-0.0	409.5
Warrant payments	0.6	0.1	4.3	1.7	4.3	1.7
Dividend paid	-	-	-84.4	-58.3	-84.4	-58.3
Proceeds from financing	1,665.3	299.3	1,926.0	726.0	1,991.4	791.3
Amortisation of financing	-1,696.5	-12.5	-1,905.7	-187.5	-1,978.4	-260.3
Repayment of lease liability	-18.0	-13.4	-51.5	-37.2	-66.2	-51.9
Cash flow from financing activities	-48.6	273.4	-111.3	854.2	-133.4	832.0
Cash flow for the period	15.6	-71.7	52.2	81.3	142.8	171.8
Cash and cash equivalents at start of period	487.6	425.9	452.6	271.6	357.0	271.6
Translation difference in cash and cash equivalents	-0.5	2.8	-2.2	4.1	2.9	9.2
Cash and cash equivalents at end of period	502.6	357.0	502.6	357.0	502.6	452.6

Condensed Parent Company income statement

SEKm	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2023 Q3 12M	2022 Jan-Dec
Operating income	3.5	2.7	10.5	8.1	14.5	12.2
Operating expenses	-4.5	-3.3	-13.2	-15.4	-19.1	-21.3
Operating profit/loss	-1.0	-0.5	-2.7	-7.2	-4.6	-9.2
Net financial items	-22.8	-8.4	22.8	-14.7	7.4	-30.1
Profit/loss after net financial items	-23.8	-8.9	20.1	-21.9	2.7	-39.3
Appropriations	-1.7	-	-1.7	-	100.8	102.5
Profit/loss before tax	-25.5	-8.9	18.4	-21.9	103.5	63.2
Tax on profit for the period	5.2	-2.6	10.6	-	-4.7	-15.3
Profit/loss for the period*	-20.3	-11.6	29.0	-21.9	98.8	47.9

*There are no items recognised in other comprehensive income at the Parent Company and therefore the total comprehensive income is the same as the profit/loss for the period.

Condensed Parent Company balance sheet

SEKm	30 Sep 2023	30 Sep 2022	31 Dec 2022
ASSETS			
Tangible non-current assets	0.4	0.1	0.0
Financial non-current assets	3,153.7	3,018.1	3,101.9
Total non-current assets	3,154.2	3,018.3	3,102.1
Current receivables	6.2	6.2	1.7
Cash and bank	-	-	-
Total current assets	6.2	6.2	1.7
TOTAL ASSETS	3,160.4	3,024.4	3,103.8
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted shareholders' equity	2.5	2.5	2.5
Unrestricted shareholders' equity	1,470.7	1,456.6	1,521.9
Total shareholders' equity	1,473.2	1,459.1	1,524.3
Non-current liabilities	1,562.2	1,440.9	1,417.7
Accounts payable	1.6	0.7	0.3
Other current liabilities	108.6	119.6	157.3
Accrued expenses and prepaid income	14.7	4.1	4.1
Total liabilities	1,687.2	1,565.4	1,579.5
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,160.4	3,024.4	3,103.8

Notes

Note 1 Accounting policies

Fasadgruppen Group AB applies the International Financial Reporting Standards (IFRS) as adopted by the European Union. The consolidated accounts in this interim report have been prepared in accordance with IAS 34 Interim Financial Reporting plus applicable regulations in the Swedish Annual Accounts Act. The Parent Company accounts have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2, Accounting for Legal Entities. The interim report should be read together with the annual report for the financial year ending on 31 December 2022. The accounting policies and calculation bases are the same as those that were applied in the annual report for 2022. Information in accordance with IAS 34 16A also appears in other parts of the interim report in addition to the financial statements and associated notes.

The amounts are rounded to the nearest million (SEK million) to one decimal place, unless otherwise stated. As a consequence of rounding, figures presented in the financial reports may not add up to the exact total in certain cases and percentage figures can differ from the exact percentage figures. Amounts in parentheses refer to the comparison period.

Hedge accounting of foreign operations

Note 3 Allocation of income

Group, SEKm	2023 Jul–Sep	2022 Jul–Sep	2023 Jan–Sep	2022 Jan–Sep	2023 Q3 12M	2022 Jan–Dec
Sweden	674.2	687.8	2,163.8	1,905.5	2,990.0	2,731.7
Denmark	267.3	242.1	692.2	517.6	936.6	762.0
Norway	265.0	259.6	723.1	721.0	976.5	974.4
Finland	52.7	18.5	133.1	18.5	194.3	79.6
Total	1,259.2	1,208.0	3,712.2	3,162.6	5,097.3	4,547.7

Sales come from external customers, with no individual customer accounting for 10 percent or more of sales. Group Management identifies business operations as an operating segment, which is the division used by Fasadgruppen in its internal reporting. The operating segment is monitored by the Group's executive decision-makers and strategic decisions are made on the basis of the operating profit for the segment.

On 1 January 2023, Fasadgruppen began applying hedge accounting to parts of its net investments in foreign operations. The Group uses loans as hedging instruments. Hedging of net investments in foreign operations is recognised in a similar way to cash flow hedging. The proportion of gain or loss on the hedging instrument that is deemed to be an effective hedge is recognised in Other comprehensive income. The gain or loss attributable to the ineffective portion is recognised in the income statement. Accumulated gains and losses in shareholders' equity are recognised in the income statement when the foreign operations are divested in whole or in part.

IFRS 9 is not applied at the Parent Company and the accounting is therefore unaffected by the new accounting policies.

Note 2 Significant estimates and assessments

Preparation of the interim report requires Company Management to make assessments and estimates as well as assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expenses. The actual outcome may deviate from these estimates and assessments. The critical assessments and estimates made when preparing this interim report are the same as in the most recent annual report.

Income outside Sweden comprises 41.7 percent (39.7) of total income for the Group for the period January to September 2023. The Group applies the percentage of completion method.

Note 4 Related party transactions

The nature and scale of related party transactions are described in the Group Annual Report for 2022.

Transactions with related parties arise in current operations and are based on business terms and conditions and market prices. In addition to ordinary transactions between Group companies and remuneration to executives and directors, the following transactions with related parties have occurred during the period: During the

period 1 January to 30 September 2023, Fasadgruppen has bought and sold services from/to companies controlled by senior executives for amounts totalling SEK 1.2 million for purchased services and SEK 0.0 million for services sold linked to project-related work. As at 30 September 2023, Fasadgruppen's current liabilities to companies controlled by senior executives amounted to SEK 0.0 million and current receivables to SEK 0.0 million for project-related work.

Note 5 Pledged assets and contingent liabilities

Group, SEKm	30 Sep 2023	30 Sep 2022	31 Dec 2022
Pledged assets:			
Company mortgages	32.6	27.0	35.6
Other	55.6	71.2	51.8
Total	88.2	98.2	87.4
Contingent liabilities:			
Guarantees	541.5	416.7	451.6

Note 6 Fair value of financial instruments

The Group has financial instruments where level 3 has been used to determine the fair value. Financial liabilities measured at fair value through profit or loss pertain to earnouts not yet settled and amounted to SEK 271.5 million as at 01/01/2023. Earnouts were settled in the amount of SEK -99.8 million during the period January to September 2023. At the end of the period, earnouts not yet settled amounted to SEK 207.5 million. The earnout amounts are mostly based on either EBITDA, EBIT or post-tax profits for the years 2022, 2023, 2024, 2025 and/or 2026. The earnouts are valued on an ongoing basis using a probability assessment, where an evaluation is made of whether they will be paid at the agreed amounts. Management has considered here the risk for the outcome of the company's future profitability.

The fair value of Group financial assets and liabilities is estimated as equal to their book value. The Group does not apply netting for any of its significant assets or liabilities. No transfers between levels or valuation categories occurred in the period.

Changes in contingent earnouts, SEKm

Opening contingent earnouts, 01/01/2023	271.5
Contingent earnouts added	12.8
Earnouts settled	-99.8
Earnouts settled at more than their assessed valuation	19.0
Revaluation of contingent earnouts	-0.3
Fixed interest time factor	4.4
Closing contingent earnouts 30/09/2023	207.5
Expected disbursements	
Expected disbursements in < 12 months	-113.3
Expected disbursements in > 12 months	-94.2

Note 7 Items affecting comparability

The table below presents items affecting comparability during the quarter and period.

Group, SEKm	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2023 Q3 12M	2022 Jan-Dec
Acquisition-related costs	-1.1	-2.8	-1.5	-14.5	-2.5	-15.5
Revaluation of earnouts	-0.7	13.5	-18.7	14.4	-22.1	11.0
Other	-3.5	-1.2	-10.9	-2.2	-13.9	-5.2
Total	-5.3	9.4	-31.0	-2.2	-38.5	-9.8

Note 8 Business acquisitions

Company acquisitions January–September 2023

During the period, Fasadgruppen completed the acquisition of all of the shares in Weldmatic A/S.

This acquisition was made to strengthen the Group's position geographically within balcony and forging work in Denmark. Weldmatic manufactures balconies for companies including Fasadgruppen's subsidiary Altana. At its production facility in Ringsted, the company combines traditional forging with robotics, which enables high productivity, good quality and a pleasant working environment to be achieved.

The acquired company reported total earnings of around SEK 42 million and EBITA amounted to approximately SEK 8 million for the 2022 calendar year. Since the time of acquisition and up to 30 September 2023, the company has contributed SEK 7.4 million to Group net sales and SEK 2.4 million to Group EBITA.

The combined purchase consideration amounted to SEK 46.5 million, of which SEK 33.7 million has been paid in cash and cash equivalents on closing and SEK 12.8 million constituted earnouts. The outcome of the earnouts that are dependent on future operating profits achieved by the company concerned has been valued via a probability assessment for different outcomes within the term of the earnout period, which is 1–3 years.

Acquisition costs totalling SEK 1.1 million are recognised as other operating expenses.

Earnouts settled

During the period, earnouts have been paid totalling SEK 99.8 million on the basis of performance up to the end of 2022 relating to the acquisitions of Karlaplans Plåtslageri, Er-Jill Byggnadsplåt, Husby Takplåtslageri & Ventilation, Kumla Fasadteam, DVS, Byens Tag og Facade, Engman Tak, Bruske Delér and two asset acquisitions. Earnouts settled are SEK 19.0 million higher than estimated.

Acquisition analyses – company acquisitions

Some of the surplus value in the preliminary acquisition analysis has been allocated to the company brand, while unallocated surplus value has been attributed to goodwill.

The brands consist of the acquired company brands that are retained and utilised indefinitely, which is a key part of the Fasadgruppen strategy. Goodwill is primarily attributable to the expected future profitability of the business, the significant knowledge and expertise possessed by the personnel and synergies on the cost side.

Goodwill and brands have an indeterminable useful life and are not amortised but are tested for impairment annually or if such is indicated.

Value according to acquisition analysis – Company acquisitions January–September 2023

SEKm	Carrying amount	Fair value adjustment	Fair value
Brand	-	4.7	4.7
Right-of-use assets	-	2.4	2.4
Tangible non-current assets	8.1	-	8.1
Inventories	1.3	-	1.3
Accounts receivable and other receivables	9.2	-	9.2
Cash and cash equivalents	2.5	-	2.5
Deferred tax liabilities	-0.8	-1.0	-1.8
Lease liabilities	-	-2.4	-2.4
Liabilities to credit institutions	-2.3	-	-2.3
Appropriations	-1.0	-	-1.0
Other liabilities	-2.6	-	-2.6
Accounts payable and other liabilities	-3.1	-	-3.1
Identifiable net assets	11.4	3.7	15.1
Goodwill			31.4
Consideration			46.5
Of which earnout			12.8
Of which cash and cash equivalents transferred			-33.7
Acquired cash and cash equivalents			2.5
Change in Group cash and cash equivalents			-31.2

Signatures

The Board of Directors and the Chief Executive Officer hereby confirm that the interim report gives a true and fair view of the Company's and the Group's operations, financial position and performance, and describes significant risks and uncertainties faced by the Company and the companies in the Group.

Stockholm, 13 November 2023

Fasadgruppen Group AB

Ulrika Dellby *Chair
of the Board*

Tomas Georgiadis
Board member

Mats Karlsson
Board member

Christina Lindbäck
Board member

Tomas Ståhl *Board
member*

Gunilla Öhman
Board member

Martin Jacobsson
*Group President and
CEO*

This interim report has been reviewed by the company's auditors.

The information in this report is such that Fasadgruppen Group AB (publ) is obliged to publish under the EU Market Abuse Regulation. The information was submitted for publication through the agency of the Chief Executive Officer on 14 November 2023 at 7.30 a.m. CET.

Auditor's Review Report

Introduction

We have reviewed the interim report for Fasadgruppen AB (publ) for the period January 1 - September 30, 2023. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm 13 November 2023

Deloitte AB

Richard Peters

Authorized Public Accountant

Definitions of alternative performance measures

Fasadgruppen reports performance figures to describe the underlying profitability of the business and to improve comparability. The Group applies the ESMA guidelines on alternative performance measures. A list of alternative performance measures is available at www.fasadgruppen.se

Growth in net sales

Change in net sales as a percentage of net sales during the comparison period, previous year.

The change in net sales reflects the sales growth achieved by the Group over time.

Organic growth

Change in net sales as a percentage of net sales during the comparison period, previous year, for the companies that were part of the Group throughout the comparison period and the current period unadjusted for any currency effects.

Organic growth reflects the Group's realised sales growth, excluding acquisitions, over the measurement period.

EBITA

Earnings before interest and taxes (EBIT) before amortisation and impairment of goodwill, brands and customer relationships.

EBITA provides a picture of earnings generated from operating activities.

EBITDA

Earnings before interest and taxes (EBIT) before depreciation, amortisation, write-downs and impairment of tangible and intangible non-current assets.

EBITDA provides a picture of a company's current operating profit before depreciation and amortisation.

EBIT margin

Earnings (EBIT) as a percentage of net sales.

The EBIT margin is used to measure operating profitability.

EBITA margin

EBITA as a percentage of net sales.

The EBITA margin is used to measure operating profitability.

Items affecting comparability

Items affecting comparability are property sales, acquisition-related costs, preparatory costs of floatation and floatation costs, issue costs, restructuring costs and revaluations of earnouts.

Excluding items affecting comparability makes it easier to compare earnings between periods.

Adjusted EBIT

EBIT adjusted for items affecting comparability.

Adjusted EBIT improves comparability between periods.

Adjusted EBITA

EBITA adjusted for items affecting comparability.

Adjusted EBITA improves comparability between periods.

Adjusted EBITA margin

Adjusted EBITA as a percentage of net sales.

The adjusted EBITA margin is used to measure operating profitability.

Adjusted EBITDA

EBITDA adjusted for items affecting comparability.

Adjusted EBITDA improves comparability between periods.

Cash flow from operating activities

EBITDA less net investments in tangible and intangible non-current assets plus adjustments for cash flow from changes in working capital.

Cash flow from operating activities is used to monitor the cash flow generated by operating activities.

Cash conversion

Cash flow from operating activities as a percentage of EBITDA.

The cash conversion ratio is used to monitor how efficiently the Group manages investment activities and working capital.

Order backlog

The value of outstanding, not yet accrued project income from orders received at the end of the period.

The order backlog is an indicator of the Group's outstanding project income from orders already received.

Return on shareholders' equity

Total earnings for the last 12 months as a percentage of average shareholders' equity during the corresponding period (shareholders' equity at the start and end of the period respectively divided by two).

Return on equity is important for investors who want to be able to compare their investment with alternative investments.

Return on capital employed

Total earnings before tax plus financial expenses over the last 12 months as a percentage of capital employed during the corresponding period (sum of capital employed at the start and end of the period respectively, divided by two).

Return on capital employed is important for assessing profitability on externally financed capital and shareholders' equity.

Return on capital employed, excluding goodwill

Total earnings before tax plus financial expenses for the last 12 months as a percentage of capital employed with deductions for goodwill and other acquisition-related intangible non-current assets over the same period (the sum of capital employed minus goodwill and other acquisition-related intangible non-current assets at the start and end of the period, divided by two).

The return on capital employed, excluding goodwill and other acquisition-related intangible non-current assets is important for assessing profitability on externally financed capital and shareholders' equity adjusted for goodwill arising from acquisitions.

Capital employed

Total capital with or without goodwill minus non-interest-bearing liabilities and appropriations.

Capital employed shows by how much company assets are financed by the return on this capital.

Interest-bearing net debt

Current and non-current interest-bearing liabilities plus current and non-current lease liabilities minus cash and cash equivalents. Earnouts are not included in this performance measure.

Interest-bearing net debt is used as a measure showing the Group's total indebtedness.

Net debt to adjusted EBITDA ratio

Interest-bearing net debt at the end of the period divided by adjusted EBITDA for a rolling 12-month period.

The net debt to adjusted EBITDA ratio provides an estimate of the company's ability to reduce its debt. It represents the number of years it would take to repay the debt if the net debt and adjusted EBITDA were to remain constant, without taking into consideration cash flow related to interest, tax and investments.

Net debt to equity ratio

Interest-bearing net debt as a percentage of total shareholders' equity.

The net debt to equity ratio measures the extent to which the Group is financed by loans. As cash and cash equivalents and other current investments can be used to pay off debt at short notice, net debt is used instead of gross debt in the calculation.



Fasadgruppen in brief

Vision

A future with beautiful, sustainable buildings and good living environments for people.

Mission

With solid craftsmanship, we maintain and create buildings with sustainable exteriors.

Business model

The Fasadgruppen business model is based on a decentralised structure with extensively delegated responsibilities to entrepreneurial subsidiaries supported by a Group-wide organisation with purchasing, business development, acquisitions, finance and similar services. Three geographical business areas simplify regional coordination through the sharing of resources and best practice, identification of cross-selling opportunities and joint sales initiatives. In this way, the entrepreneurial endeavour, convenience and modest overheads of each local company are enhanced by Group opportunities to achieve economies of scale and offer comprehensive solutions to customers.

Offering

Fasadgruppen possesses expertise in all aspects of exterior work on properties. The offering includes services such as façade renovation, window renovation and window replacement, and balcony and roof renovation.

Projects and customers

Fasadgruppen mainly focuses on medium-sized projects with an order value of SEK 1–100 million. Our customers operate in the Nordic construction and renovation market and include owners of public and private properties, tenant-owner associations and construction companies.

Strategy

Acquire and develop local market leaders

Fasadgruppen strives to continue growing through its established acquisition model and develop local market leaders in façade work. Each subsidiary has a high degree of autonomy to ensure that the business can be run optimally based on its expertise, customer knowledge and local market.

Strong local entrepreneurship with economies of scale

Through Fasadgruppen's business model, local entrepreneurship is combined with economies of scale. Fasadgruppen's ambition is to provide an organisation that effectively shares resources, purchasing agreements and best practice.

A safe pair of hands through sustainable enterprise

As the biggest player in façade work in the Nordics, the Group works sustainably, locally and with a high level of craftsmanship when it comes to whole property exteriors. Thanks to well-established and energy-efficient working methods with short lead times and delivery precision, Fasadgruppen offers conscious customers personal commitment, competitive prices and a safe pair of hands throughout the project.

Financial targets

Fasadgruppen's financial targets aim to ensure long-term and stable profitability and growth in value to give our shareholders a good return.

Sales growth >15%

We aim to achieve an average growth in sales of at least 15 percent per year over an entire economic cycle. Growth should be both organic and via acquisitions.

EBITA margin >10%

Our EBITA margin should be at least 10 percent per year over an entire economic cycle.

Cash conversion ratio 100%

Our cash conversion ratio should be 100 percent.

For sustainable development

Sustainable enterprise is an integral part of Fasadgruppen's strategy and a necessity for sustainable, profitable growth. We work within three focus areas – The industry's best workplace, Leading the climate transition and The industry's most stable partner – which will contribute to both the Group's goals and the UN Sustainable Development Goals. Below are the global goals where Fasadgruppen believes it has the greatest opportunity to influence.



Fasadgruppen

Fasadgruppen Group AB
 Drottninggatan 81 A, SE-111 60 Stockholm
 info@fasadgruppen.se
 www.fasadgruppen.se
 Corp. ID No. 559158 – 4122

Contact information

Casper Tamm, CFO
 Tel.: +46 (0)73 820 00 07
 Email: casper.tamm@fasadgruppen.se

Adrian Westman, Head of Communications and Sustainability
 Tel.: +46 (0)73 509 04 00
 Email: adrian.westman@fasadgruppen.se

Financial calendar

Year-end report 2023	13 February 2024
Annual report 2023	Week 16, 2024
Interim report Jan–Mar 2024	8 May 2024
AGM 2024	15 May 2024
Interim report Jan–Jun 2024	15 August 2024
Interim report Jan–Sep 2024	12 November 2024
Year-end report 2024	11 February 2025

