

October–December 2020

- Net sales decreased by 1% to SEK 5,614 million (5,667)
- The order backlog decreased by 5% to SEK 13,791 million (14,485)
- EBITA increased by 13% to SEK 478 million (425)
- The EBITA margin was 8.5% (7.5)
- Profit after tax was SEK 351 million (303)
- Cash flow from operating activities was SEK 873 million (989)
- Net debt amounted to SEK -1,124 million (-2,063)
- Two acquisitions were completed in the quarter, adding annual sales of approximately SEK 57 million
- Basic and diluted earnings per share were SEK 1.73 (1.50)

January–December 2020

- Net sales increased by 4% to SEK 21,147 million (20,404)
- EBITA rose by 10% to SEK 1,351 million (1,226)
- The EBITA margin was 6.4% (6.0)
- Profit after tax was SEK 997 million (884)
- Cash flow from operating activities was SEK 2,171 million (1,599)
- 16 acquisitions were completed in the period, adding annual sales of approximately SEK 788 million
- Basic earnings per share were SEK 4.94 (4.36) and diluted earnings per share were SEK 4.93 (4.35)
- The Board of Directors proposes a dividend of SEK 2.50 (2.25) per share for 2020

Financial overview

SEK MILLION	Oct–Dec 2020	Oct–Dec 2019	Jan–Dec 2020	Jan–Dec 2019
Net sales	5,614	5,667	21,147	20,404
Operating profit (EBIT)	477	424	1,348	1,224
Operating margin (EBIT), %	8.5	7.5	6.4	6.0
EBITA	478	425	1,351	1,226
EBITA margin, %	8.5	7.5	6.4	6.0
Profit/loss after tax	351	303	997	884
Cash flow from operating activities	873	989	2,171	1,599
Cash conversion, % 12 m	153	115	153	115
Net debt/EBITDA, 12 m	0.6	1.3	0.6	1.3
Order intake	5,140	5,546	20,242	22,534
Order backlog	13,791	14,485	13,791	14,485

Improved EBITA margin and strong cash flow

Profit improved and the EBITA margin increased to 8.5 percent in the fourth quarter. Cash flow remained strong. The Board proposes an 11 percent increase in the dividend to SEK 2.50 per share.



“A strong finish to a challenging year”

Net sales and EBITA margin

Despite a highly challenging climate in 2020, I can conclude that our decentralised business model works very well. Our branch managers have taken significant responsibility for their businesses, enabling us to maintain growth, profitability and cash flow at a good level. Our growth in 2020 was 6 percent, adjusted for currency effects, our EBITA margin improved to 6.4 percent and operating cash flow rose by 36 percent.

In the fourth quarter, service demand continued to decrease, resulting in negative growth. A good order backlog contributed to positive growth in the installation business. Organic growth was -2 percent and acquisitions contributed 4 percent of growth. Exchange rate fluctuations had a negative 3 percent impact on growth.

The service business continued to be negatively affected by the pandemic, particularly in Norway and southern Sweden, as demand fell and in a number of cases we were unable to access service properties because of precautionary measures.

Demand for technical installations is stable, but the ongoing pandemic has led to customers postponing project planning and investment decisions.

The EBITA margin rose to 8.5 percent, with the margin improving in Sweden and Finland. The earnings improvement in Sweden was due to positive earnings performance in the Stockholm business, but also in Sweden overall. The restructuring of the Finnish business has allowed us to take on larger, more advanced assignments, which has contributed to the earnings improvement.

Strong cash flow and proposed higher dividend

Cash flow for the quarter was strong. Cash conversion was 153 percent, and our net debt remains at a record low.

The Board proposes raising the dividend by 11 percent to SEK 2.50 per share for 2020, which corresponds to 51 percent of earnings per share. Since listing publicly in 2015, Bravida has increased its dividend from SEK 1 to SEK 2.50 per share. Total dividends since the IPO amount to SEK 2,133 million, while debt has decreased from 3.4x EBITDA to 0.6x EBITDA.

Acquisitions continue to strengthen Bravida

Although the ongoing pandemic has resulted in a lower pace of acquisitions for a period of time, Bravida made 16 acquisitions in 2020. The acquisitions have added annual sales of approximately SEK 788 million.

In 2021, Bravida has so far entered into three acquisitions, with total annual sales of just under SEK 100 million.

We have signed an agreement in Norway for an acquisition in the electricity sector with a turnover of approximately SEK 600 million. In February, SKM Service Oy was acquired in Finland, which specialises in industrial pipes with a turnover of EUR 13 million. Our balance sheet is strong and I see continued opportunities for acquisitions in the future.

Sustainability

Our new business plan increases our emphasis on being a sustainable company that aims to take a leading position in priority areas. One of our highest priorities is a safe work environment. We take a systematic approach to preventing and reducing occupational injuries at our workplaces. The LTIR (lost time injury rate) remains high, but it is encouraging that it has improved by 17 percent over the past 12 months.

Our ultimate aim is to eliminate occupational injuries, while our medium-term goal is an LTIR of below 5.5.

Another priority area is reducing our own carbon footprint. As previously announced, we have started restructuring our vehicle fleet to ensure that at least 30 percent of our approximately 7 000 vehicles are fossil-free by 2025.

Outlook

Bravida is sticking to its strategy of margin always taking precedence over volume, even in worse market conditions; we do not take on unprofitable projects and we prioritise stable profitability. During times of uncertainty like the Covid-19 pandemic, customers prefer to sign service agreements with and commission installation projects from reliable suppliers, which could generate good business opportunities for Bravida. I believe that, despite the short-term market outlook remaining uncertain, there will always be demand for our services and our business will also benefit from our customers' sustainability efforts.

Mattias Johansson
Stockholm, February 2021

Consolidated earnings overview

Net sales

October–December

Net sales decreased by 1 percent to SEK 5,614 million (5,667). Organic growth was negative at -2 percent, acquisitions boosted net sales by 4 percent and currency effects had a negative impact of -3 percent. Net sales rose in Sweden, Denmark and Finland.

Compared with the fourth quarter of 2019, net service sales decreased by 7 percent, while net installation sales rose by 5 percent. The service business accounted for 45 percent (48) of total net sales.

Order intake amounted to SEK 5,140 million (5,546), a decrease of 7 percent. The lower order intake was due to Bravida receiving a large SEK 681 million order in Sweden in the previous year. Compared with the same quarter of the previous year, order intake was lower in Sweden and Norway, but was higher in Denmark and Finland. The order backlog at 31 December was 5 percent lower than at the same point in the previous year and amounted to SEK 13,791 million (14,485). The order backlog, including acquisitions, decreased by SEK 483 million in the quarter. The order backlog only includes installation projects.

January–December

Net sales increased by 4 percent to SEK 21,147 million (20,404). Organic growth was 1 percent, acquisitions boosted net sales by 5 percent and currency effects had a negative impact of -2 percent. Net sales rose in Sweden, Denmark and Finland.

Compared with same period in 2019, net service sales decreased by 1 percent and net installation sales increased by 8 percent. The service business accounted for 45 percent (47) of total net sales.

Order intake amounted to SEK 20,242 million (22,534), a decrease of 10 percent. The comparatively lower order intake was partly due to Bravida receiving two orders in Sweden worth a total of SEK 1,825 million in the previous year. Order intake was lower in Sweden and Norway, but was higher in Denmark and Finland. The order backlog, including acquisitions, decreased by SEK 694 million in the period.

Earnings

October–December

Operating profit was SEK 477 million (424). EBITA increased by 13 percent to SEK 478 million (425), resulting in an EBITA margin of 8.5 percent (7.5). The EBITA margin increased in Sweden and Finland, but was lower in Norway and Denmark. Group-wide income was SEK 15 million (2). Net financial items amounted to SEK -28 million (-17). Profit after financial items was SEK 449 million (407). Profit after tax was SEK 351 million (303). Basic and diluted earnings per share increased by 15 percent to SEK 1.73 (1.50).

January–December

Operating profit was SEK 1,348 million (1,224). EBITA increased by 10 percent to SEK 1,351 million (1,226), resulting in an EBITA margin of 6.4 percent (6.0). The EBITA margin increased in Sweden, Norway and Finland, but was lower in Denmark. Group-wide income was SEK 29 million (30). Net financial items amounted to SEK -74 million (-73). Profit after financial items was SEK 1,274 million (1,151). Profit after tax was SEK 997 million (884). Basic earnings per share increased by 13 percent to SEK 4.94 (4.36). Diluted earnings per share were SEK 4.93 (4.35).

Depreciation and amortisation

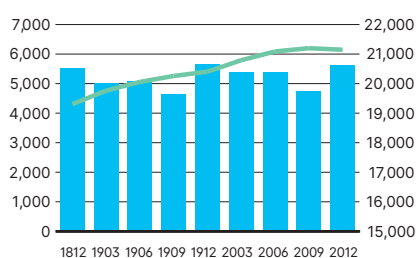
Depreciation and amortisation in the quarter totalled SEK -121 million (-111), SEK -112 million (-101) of which related to the amortisation of right-of-use assets. Depreciation and amortisation for January–December totalled SEK -434 million (-417), SEK -399 million (-382) of which related to the amortisation of right-of-use assets.

Tax

The tax expense for the quarter was SEK -99 million (-105). Profit before tax was SEK 449 million (407). Tax paid totalled SEK -68 million (-54).

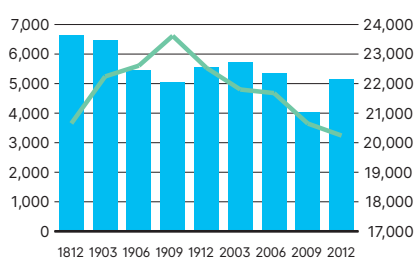
The tax expense for January to December was SEK -276 million (-267). Profit after tax was SEK 1,274 million (1,151). The effective tax rate was 22 percent (23). Tax paid totalled SEK -244 million (-154).

Net sales (SEK MIL.)



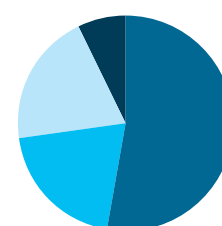
■ Net sales by quarter
— Net sales, rolling 12 months

Order intake (SEK MIL.)



■ Order intake by quarter
— Order intake, rolling 12 months

Net sales by country, Jan–Dec 2020



● 53% Sweden
● 20% Norway
● 20% Denmark
● 7% Finland

Cash flow**October–December**

Cash flow from operating activities before changes in working capital totalled SEK 585 million (473). The change in working capital increased cash flow by SEK 288 million (515). Current receivables decreased by SEK 384 million, current liabilities declined by SEK -112 million and inventory decreased by SEK 16 million.

Cash flow from operating activities was SEK 873 million (989).

Cash flow from investing activities was SEK -62 million (-79), of which acquisitions of subsidiaries and businesses totalled SEK -51 million (-62). Cash flow from financing activities, which refers to the net change in borrowing, the dividend and amortisation of lease liabilities, was SEK -172 million (-385).

Cash flow for the quarter was SEK 639 million (525). 12-month cash conversion was 153 percent (115).

January–December

Cash flow from operating activities before changes in working capital totalled SEK 1,599 million (1,420). The change in working capital increased cash flow by SEK 572 million (179). Current receivables decreased by SEK 342 million, current liabilities rose by SEK 218 million and inventory decreased by SEK 12 million. Bravida's operations in Denmark have been granted a temporary extension of time for the payment of taxes and charges because of the Covid-19 pandemic, with the total amounting to SEK 125 million at 31 December.

Cash flow from operating activities was SEK 2,171 million (1,599).

Cash flow from investing activities was SEK -316 million (-503), of which acquisitions of subsidiaries and businesses totalled SEK -281 million (-469).

Cash flow from financing activities, which refers to net repayment of borrowing, dividends and amortisation of lease liabilities, was SEK -990 million (-881). Cash flow for the period was SEK 866 million (215).

Financial position

Bravida's net debt at 31 December was SEK -1,124 million (-2,063), corresponding to a capital structure ratio (net debt/

EBITDA) of 0.6 (1.3). Net debt was positively affected by the temporary extension of time to pay taxes and charges in Denmark. Consolidated cash and cash equivalents were SEK 1,748 million (972). Interest-bearing liabilities totalled SEK -2,872 million (-3,035), of which SEK -1,150 million (-1,495) was commercial paper and SEK -1,022 million (-1,040) was leases.

Total credit facilities were SEK 3,000 million (3,000), of which SEK 2,300 million (1,900) was unused at 31 December.

At the end of the period, equity totalled SEK 5,876 million (5,596). The equity/assets ratio was 34.5 percent (33.9).

Acquisitions

During the quarter, two acquisitions were made in Sweden, adding SEK 57 million in annual sales. The acquired companies operate in the electrical segment.

During the period January to December 16 acquisitions were made; 9 in Sweden, 4 in Denmark, 2 in Norway, and 1 in Finland, adding total annual sales of approximately SEK 788 million.

Employees

The average number of employees at 31 December was 11,906 (11,722), an increase of 2 percent.

Occupational injuries

Reported occupational injuries that led to at least one day's sickness absence decreased by 17 percent over the past 12 months to a LTIR (lost time injury rate) of 8.6 (10.4).

In Sweden the LTIR was 8.8, in Norway it was 3.0, in Denmark 14.1 and in Finland 13.5. LTIR decreased in all countries. Our target is an LTIR of <5.5, with an ultimate goal of zero workplace accidents.

Parent company

Revenues for the quarter were SEK 52 million (52) and income after net financial items was SEK 11 million (9). Revenues for the January–December period were SEK 192 million (184) and earnings after net financial items were SEK 17 million (21).

Shareholder information

Bravida Holding AB's ordinary shares are listed on the Nasdaq Stockholm Large Cap list. At 31 December Bravida had 9,665

Net sales and growth

SEK MIL.	Oct–Dec 2020	Oct–Dec 2019	Jan–Dec 2020	Jan–Dec 2019
Net sales	5,614	5,667	21,147	20,404
Change	-52	146	743	1,099
Change, %	-0.9	2.6	3.6	5.7
Of which				
Organic growth, %	-2	-3	1	-
Acquisition-based growth, %	4	5	5	5
Currency effects, %	-3	1	-2	1

shareholders. The five largest shareholders were Mawer Investment Management Funds, Swedbank Robur Funds, the Fourth Swedish National Pension Fund (AP4), Lannebo Funds and SEB Funds. Mawer Investment Management funds hold 11 percent of the votes.

The listed share price at 31 December 2020 was SEK 109.50, which corresponds to a market capitalisation of SEK 22,226 million based on the number of ordinary shares. Total shareholder return over the past 12 months was just under 23 percent.

Share capital totals SEK 4 million, divided among 203,316,598 shares, of which 202,975,544 are ordinary shares and 341,054 are class C shares, which are held by Bravida Holding AB. Ordinary shares entitle holders to one vote and a dividend payment, while C shares entitle holders to one-tenth of a vote and no dividend.

Dividend

The Board of Directors proposes a dividend of SEK 2.50 (2.25) per share for 2020. The proposal represents an increase of 11 percent and corresponds to 51 percent (52) of net earnings per share. The proposed dividend totals SEK 507 million (457).

Financial goals

- Sales growth: over 5 percent a year
- EBITA margin: over 7 percent
- Cash conversion: over 100 percent
- Net debt/EBITDA: under 2.5x
- Dividend: over 50 percent of net profit

Other events during the period

The extraordinary shareholders' meeting of 23 October voted in line with the Board's proposals:

- to adopt the proposed dividend of SEK 2.25 per share
- to adopt a long-term incentive programme aimed at senior executives and other key personnel in the Bravida Group
- to authorise the Board to take decisions regarding a new issue of C shares
- to authorise the Board to take decisions regarding the buyback of C shares and the transfer of treasury shares

Significant risks

Changes in market conditions, financial turmoil and political decisions are the external factors that mainly affect demand for new construction of housing and commercial property, as well as investment from industry and the public sector. Demand for servicing and maintenance is less sensitive to economic fluctuations.

The impact of the Covid-19 pandemic on our business remains uncertain, with a risk to the health of employees, customers and suppliers and of a decline in the financial position.

Operating risks are related to day-to-day business operations such as tendering, price risks, capacity utilisation and revenue recognition. Management of these risks is part of Bravida's business process. Recognition over time is applied and is based on the extent of completion of each project and the expected date of completion. A well-developed process for the monitoring of projects is essential in limiting the risk of incorrect revenue recognition. Bravida continually monitors the financial status of each project to ensure that individual project calculations are not exceeded. The Group is also exposed to impairment loss risks in fixed-price contracts and various types of financial risk such as currency, interest rate and credit risk.

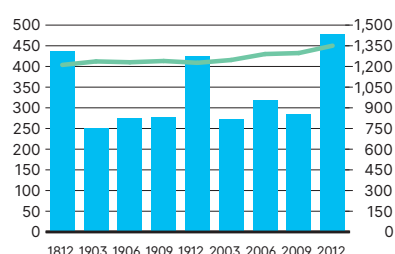
Transactions with related parties

No transactions with related parties outside the Group took place during the period.

Events since the end of the period

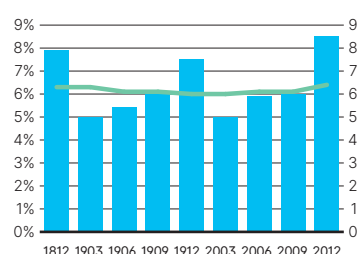
The acquisition of Profire Sprinkler AB was completed on 1 January. The acquisitions of J. Beese VVS & Blik A/S and Fiberkom ApS in Denmark were completed on 1 February and on 11 February, SKM Service Oy was acquired in Finland. On 11 February, the Board decided on the issue and repurchase of 500,000 class C shares. The aim of this is to ensure the provision of ordinary shares to employees participating in the LTIP 2020 performance-based incentive programme.

EBITA (SEK MIL.)



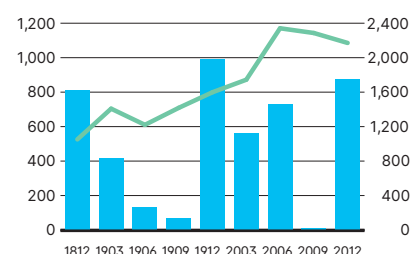
■ EBITA by quarter
— EBITA, rolling 12 months

EBITA margin



■ EBITA margin per quarter
— EBITA margin, rolling 12 months

Cash flow from operating activities (SEK MIL.)*



■ Cash flow from operating activities by quarter
— Cash flow from operating activities, rolling 12 months

*Cash flow affected by IFRS 16 from 1 January 2019.

Operations in Sweden

Market

The Covid-19 pandemic has resulted in lower service demand. The ongoing pandemic is making it hard to assess market development in the near term. The confidence indicator for the construction industry remains below normal but improved during the quarter. External market assessments for 2021 indicate an improvement in the service market, a weaker installation market and a slight decrease in the overall market. This market assessment is, however, based on the ongoing pandemic receding.

Net sales and earnings

October–December

Net sales in Sweden rose by 3 percent to SEK 3,066 million (2,981). The increase in net sales was attributable to the installation business, while net service sales decreased. Organic growth was 0 percent.

EBITA increased by 16 percent to SEK 291 million (251), while the EBITA margin rose to 9.5 percent (8.4). The improved EBITA margin was mainly due to improved earnings in the Stockholm business, and other parts of the business also contributed to a higher EBITA margin.

January–December

Net sales in Sweden rose by 6 percent to SEK 11,313 million (10,664). The increase in net sales was attributable to both

service and installation business. Organic growth was 2 percent.

EBITA increased by 11 percent to SEK 801 million (723), while the EBITA margin rose to 7.1 percent (6.8).

Order intake and order backlog

October–December

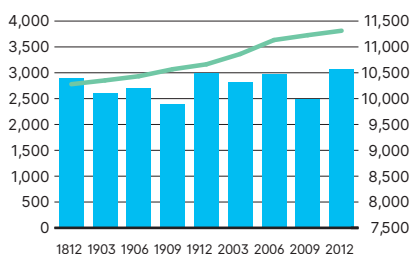
Order intake decreased by 24 percent to SEK 2,702 million (3,564). The decrease was partly due to a high comparative figure, as an order of SEK 681 million was received in the fourth quarter of 2019. Order intake mainly related to small and medium-sized installation projects and service assignments.

The order backlog at the end of the quarter was 7 percent lower than for the same period of the previous year and amounted to SEK 8,400 million (9,020). The order backlog decreased by SEK 364 million in the quarter.

January–December

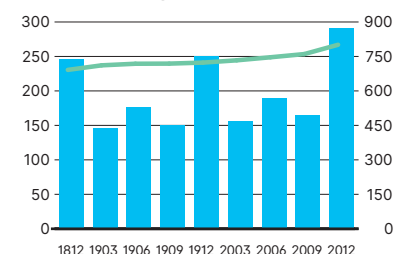
Order intake decreased by 14 percent to SEK 10,677 million (12,358). The decrease was partly due to a high comparative figure, as an order of SEK 1,144 million relating to the Stockholm Bypass Project was received in the first quarter of 2019 and an order of SEK 681 was received in the fourth quarter of 2019.

Net sales (SEK MIL.)



- Net sales by quarter
- Net sales, rolling 12 months

EBITA (SEK MIL.)



- EBITA by quarter
- EBITA, rolling 12 months

SEK MILLION	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net sales	3,066	2,981	11,313	10,664
EBITA	291	251	801	723
EBITA margin, %	9.5	8.4	7.1	6.8
Order intake	2,702	3,564	10,677	12,358
Order backlog	8,400	9,020	8,400	9,020
Average number of employees	5,831	5,887	5,831	5,887

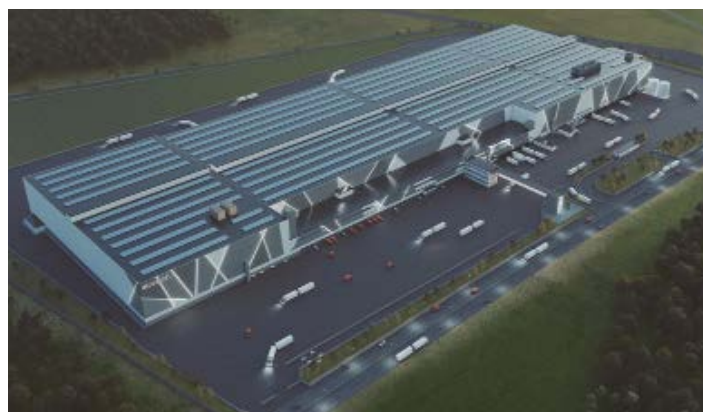


PHOTO: LOGICENTERS, KROOK & TJÄDER

We are carrying out installation work at a new logistics centre in Bålsta. When the Axfood Group decided to build one of Europe's most modern warehouses for both stores and online sales, Bravida was commissioned by NREP Logicenseters and Dagab to carry out planning and installation of all electrical, telecom and process cooling systems. The new warehouse is one of Axfood's largest ever investments and will have an area of around 100,000 square metres. The project is included in the order backlog for the second and third quarter and is due to be completed by the end of 2023. Bravida's assignment is expected to be concluded by 2022.

Operations in Norway

Market

The Covid-19 pandemic has resulted in lower service demand. The ongoing pandemic is making it hard to assess market development in the near term. External market assessments for 2021 indicate an improvement in the service market, a weaker installation market and a slight decrease in the overall market. This market assessment is, however, based on the ongoing pandemic receding.

Net sales and earnings

October–December

Net sales decreased by 15 percent to SEK 1,121 million (1,322). Net sales were 6 percent lower in local currency. Net sales decreased in both service and installation during the quarter. Currency fluctuations had a negative 10 percent impact on net sales. Organic growth was negative at -7 percent.

EBITA decreased by 19 percent to SEK 72 million (88). The EBITA margin decreased to 6.4 percent (6.7) owing to lower sales and the correction of the margin in some projects.

January–December

Net sales decreased by 12 percent to SEK 4,304 million (4,867). Net sales were 3 percent lower in local currency. Net sales decreased in both the installation and service business during the period. Currency fluctuations had a negative 9 percent

impact on net sales. Organic growth was negative at -4 percent. EBITA was unchanged at SEK 245 million (245), while the EBITA margin rose to 5.7 percent (5.0).

Order intake and order backlog

October–December

Order intake decreased by 15 percent to 891 million (1,047), while in local currency order intake decreased by 12 percent. Order intake mainly related to small and medium-sized installation projects and service assignments.

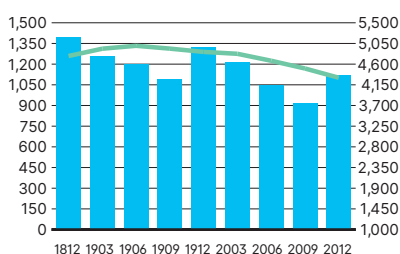
The order backlog at the end of the quarter was 18 percent lower than for the same period of the previous year and amounted to SEK 2,097 million (2,553). The order backlog decreased by 9 percent in local currency. The order backlog decreased by SEK 230 million in the quarter.

Bravida is working with a number of large partnering projects that are at the early planning stage, and these are not yet included in the order backlog.

January–December

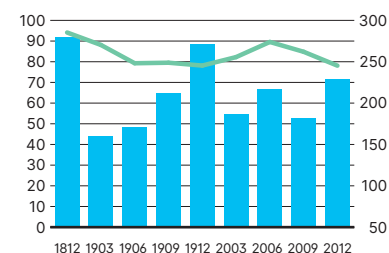
Order intake decreased by 21 percent to 3,848 million (4,867), while in local currency order intake decreased by 6 percent. Order intake mainly related to small and medium-sized installation projects and service assignments.

Net sales (SEK MIL.)



- Net sales by quarter
- Net sales, rolling 12 months

EBITA (SEK MIL.)



- EBITA by quarter
- EBITA, rolling 12 months

SEK MILLION	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net sales	1,121	1,322	4,304	4,867
EBITA	72	88	245	245
EBITA margin, %	6.4	6.7	5.7	5.0
Order intake	891	1,047	3,848	4,867
Order backlog	2,097	2,553	2,097	2,553
Average number of employees	2,997	2,975	2,997	2,975



Service and installation work at Norway's four largest airports. During the quarter Bravida signed a framework agreement with Avinor AS to provide service and installation work at the airports in Oslo, Bergen, Stavanger and Trondheim. The agreement is initially for two years and Bravida will operate on site locally with a branch at each airport. Bravida's expertise and know-how in low-carbon technical installations will provide Avinor AS with sustainable solutions for the airports of the future.

Operations in Denmark

Market

The Covid-19 pandemic has resulted in lower service demand. The ongoing pandemic is making it hard to assess market development in the near term. Demand for refurbishment work is expected to remain good, stabilising market performance. The confidence indicator for the construction industry remains below normal but improved during the quarter. External market assessments for 2021 indicate an improvement in the service market, a weaker installation market and a slight decrease in the overall market. This market assessment is, however, based on the ongoing pandemic receding.

Net sales and earnings

October–December

Net sales increased by 3 percent to SEK 1,091 million (1,058). The increase in net sales was attributable to both service and installation business.

Organic growth was negative at -3 percent. Currency fluctuations had a negative 3 percent impact on net sales.

EBITA decreased by 2 percent to SEK 68 million (70), while the EBITA margin decreased to 6.3 percent (6.6). The lower EBITA margin was due to lower earnings in some projects.

January–December

Net sales increased by 12 percent to SEK 4,217 million (3,773). The increase in net sales was attributable to installation business. Organic growth was 0 percent. Currency fluctuations had a negative 1 percent impact on net sales. EBITA increased by 7 percent to SEK 220 million (206), while the EBITA margin decreased to 5.2 percent (5.4).

Order intake and order backlog

October–December

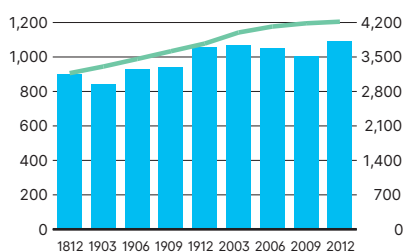
Order intake increased by 73 percent compared with the same period of the previous year, and amounted to SEK 1,221 million (706). Order intake related to small and medium-sized installation projects and service assignments.

The order backlog at the end of the quarter was 12 percent higher than for the same period of the previous year and amounted to SEK 2,451 million (2,196). The order backlog rose by SEK 121 million in the quarter.

January–December

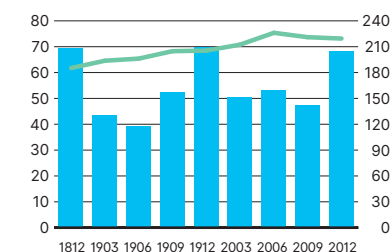
Order intake increased by 6 percent to SEK 4,277 million (4,049). Order intake related to small and medium-sized installation projects and service assignments.

Net sales (SEK MIL.)



- Net sales by quarter
- Net sales, rolling 12 months

EBITA (SEK MIL.)



- EBITA by quarter
- EBITA, rolling 12 months

SEK MILLION	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net sales	1,091	1,058	4,217	3,773
EBITA	68	70	220	206
EBITA margin, %	6.3	6.6	5.2	5.4
Order intake	1,221	706	4,277	4,049
Order backlog	2,451	2,196	2,451	2,196
Average number of employees	2,315	2,173	2,315	2,173



Agreement signed for servicing and maintaining a range of security solutions. In November Bravida's Fire & Security branch entered into an agreement with municipality association KomUdbud. The agreement covers the service and maintenance of automated fire alarms and door closers, and alert systems in 490 facilities across six municipalities. The agreement runs for four years from January 2021.

Operations in Finland

Market

The Covid-19 pandemic has resulted in lower service demand. The ongoing pandemic is making it hard to assess market development in the near term. The confidence indicator for the construction industry remains below normal. External market assessments for 2021 indicate an improvement in the service market, a weaker installation market and a slight decrease in the overall market. This market assessment is, however, based on the ongoing pandemic receding.

Net sales and earnings

October–December

Net sales increased by 21 percent to SEK 389 million (323). The increase in net sales was attributable to both service and installation business. Organic growth was 18 percent. Currency fluctuations had a negative 3 percent impact on net sales.

EBITA increased by SEK 18 million to SEK 32 million (14), while the EBITA margin rose to 8.1 percent (4.2). The earnings improvement was due to previously implemented restructuring, project selection and higher net sales.

January–December

Net sales increased by 18 percent to SEK 1,392 million (1,182). The increase in net sales was attributable to both service and installation business. Organic growth was 13 percent. Currency fluctuations had a negative 1 percent impact on net sales.

EBITA increased by SEK 34 million to SEK 56 million (22), while the EBITA margin rose to 4.0 percent (1.9).

Order intake and order backlog

October–December

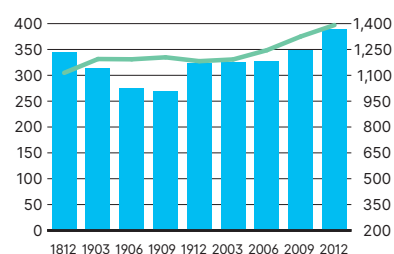
Order intake increased by 54 percent to SEK 379 million (246). Order intake related to small and medium-sized installation projects and service assignments.

The order backlog at the end of the quarter was 18 percent higher than for the same period of the previous year and amounted to SEK 842 million (716). The order backlog decreased by SEK 10 million in the quarter.

January–December

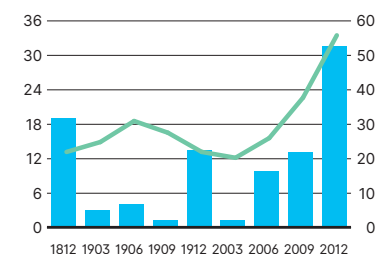
Order intake increased by 13 percent to SEK 1,518 million (1,340).

Net sales (SEK MIL.)



- Net sales by quarter
- Net sales, rolling 12 months

EBITA (SEK MIL.)



- EBITA by quarter
- EBITA, rolling 12 months

SEK MILLION	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net sales	389	323	1,392	1,182
EBITA	32	14	56	22
EBITA margin, %	8.1	4.2	4.0	1.9
Order intake	379	246	1,518	1,340
Order backlog	842	716	842	716
Average number of employees	666	596	666	596



We are conducting installation work at a new sustainable school in Lempää.

Bravida has won the contract to design and install electrical, HVAC, and heating and plumbing systems at the new Kanavaskolan, which has an area of 5,500 sqm. The work has a strong emphasis on sustainability and the use of recyclable materials, and on creating a modern, functional learning environment for 450 students when the school is completed in autumn 2021.

Financial reporting

Consolidated income statement, summary

SEK MILLION	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net sales	5,614	5,667	21,147	20,404
Production costs	-4,671	-4,743	-18,093	-17,503
Gross profit/loss	943	924	3,054	2,901
Selling and administrative expenses	-466	-500	-1,706	-1,678
Operating profit/loss	477	424	1,348	1,224
Net financial items	-28	-17	-74	-73
Profit/loss before tax	449	407	1,274	1,151
Tax	-99	-105	-276	-267
Profit/loss for the period	351	303	997	884
Profit/loss for the period attributable to:				
Owners of the parent company	351	304	1,002	882
Non-controlling interests	-	-1	-5	2
Profit/loss for the period	351	303	997	884
Basic earnings per share, SEK	1.73	1.50	4.94	4.36
Diluted earnings per share, SEK	1.73	1.50	4.93	4.35

Consolidated statement of comprehensive income, summary

SEK MILLION	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Profit/loss for the period	351	303	997	884
Other comprehensive income				
Items that have been or can be transferred to profit/loss for the year				
Translation differences for the period from the translation of foreign operations	-44	-83	-150	15
Items that cannot be transferred to profit/loss for the year				
Revaluation of defined-benefit pensions	-50	20	10	-204
Tax attributable to the revaluation of pensions	11	-4	-2	44
Other comprehensive income for the period	-83	-67	-142	-145
Comprehensive income for the period	268	235	855	739
Comprehensive income for the period attributable to:				
Owners of the parent company	268	236	853	737
Non-controlling interests	0	-1	2	2
Comprehensive income for the period	268	235	855	739

Consolidated balance sheet, summary

SEK MIL.	31/12/2020	31/12/2019
Goodwill	8,904	8,731
Right-of-use assets	1,002	1,029
Other non-current assets	179	179
Total non-current assets	10,084	9,939
Trade receivables	3,391	3,540
Contract assets	1,257	1,514
Other current assets	574	545
Cash and cash equivalents	1,748	972
Total current assets	6,969	6,571
Total assets	17,053	16,510
Equity attributable to owners of the parent company	5,855	5,587
Non-controlling interests	21	9
Total equity	5,876	5,596
Non-current liabilities	1,770	1,500
Lease liabilities	679	700
Total non-current liabilities	2,449	2,200
Lease liabilities	343	340
Trade payables	2,123	2,239
Contract liabilities	2,049	2,004
Other current liabilities	4,213	4,131
Total current liabilities	8,728	8,714
Total liabilities	11,177	10,914
Total equity and liabilities	17,053	16,510
Of which interest-bearing liabilities	2,872	3,035

Changes in equity

SEK MIL.	Jan-Dec 2020	Jan-Dec 2019
Consolidated equity		
Amount at start of period	5,596	5,238
Comprehensive income for the period	855	739
Non-controlling interests' put option	-136	-
Dividend	-457	-404
Cost of long-term incentive programmes	17	24
Amount at end of period	5,876	5,596

Consolidated cash flow statement, summary

SEK MILLION	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Cash flow from operating activities				
Profit/loss before tax	449	407	1,274	1,151
Adjustments for non-cash items	205	120	569	423
Income taxes paid	-68	-54	-244	-154
Change in working capital	288	515	572	179
Cash flow from operating activities	873	989	2,171	1,599
Investing activities				
Acquisitions of subsidiaries and businesses	-51	-62	-281	-469
Other	-11	-16	-34	-34
Cash flow from investing activities	-62	-79	-316	-503
Financing activities				
Net change in borrowing	390	-285	-145	-105
Repayment of lease liabilities	-106	-100	-388	-372
Dividend paid	-457	-	-457	-404
Cash flow from financing activities	-172	-385	-990	-881
Cash flow for the period	639	525	866	215
Cash and cash equivalents at start of period	1,129	467	972	735
Translation difference on cash and cash equivalents	-20	-20	-90	22
Cash and cash equivalents at end of period	1,748	972	1,748	972

Parent company income statement, summary

SEK MILLION	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net sales	52	52	192	184
Selling and administrative expenses	-31	-41	-154	-139
Operating profit/loss	21	11	38	46
Net financial items	-10	-1	-21	-25
Profit/loss after net financial items	11	9	17	21
Net Group contributions	140	11	140	11
Appropriations	-40	-9	-40	-6
Profit/loss before tax	111	11	117	26
Tax	-26	-6	-26	-7
Profit/loss for the period	85	5	91	20

Parent company balance sheet, summary

SEK MIL.	31/12/2020	31/12/2019
Shares in subsidiaries	7,341	7,341
Deferred tax asset	0	0
Total non-current assets	7,341	7,341
Receivables from Group companies	1,225	1,629
Current receivables	45	21
Total current receivables	1,270	1,650
Cash and bank balances	1,626	811
Total current assets	2,897	2,461
Total assets	10,238	9,803
Restricted equity	4	4
Non-restricted equity	4,096	4,444
Equity	4,100	4,448
Untaxed reserves	520	480
Liabilities to credit institutions	500	500
Provisions	1	1
Total non-current liabilities	501	501
Short-term loans	1,350	1,495
Liabilities to Group companies	3,708	2,838
Current liabilities	60	41
Total current liabilities	5,118	4,374
Total equity and liabilities	10,238	9,803
Of which interest-bearing liabilities	1,850	1,995

Quarterly data

	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019
INCOME STATEMENT, SEK MIL.								
Net sales	5,614	4,750	5,382	5,401	5,667	4,638	5,087	5,013
Production costs	-4,671	-4,103	-4,632	-4,688	-4,743	-4,004	-4,401	-4,355
Gross profit/loss	943	647	750	713	924	634	686	658
Selling and administrative expenses	-466	-364	-433	-442	-500	-358	-413	-407
Operating profit/loss	477	283	317	271	424	276	274	250
Net financial items	-28	-12	-13	-21	-17	-16	-16	-24
Profit/loss after financial items	449	271	303	250	407	259	257	227
Tax	-99	-58	-66	-54	-105	-58	-56	-49
Profit/loss for the period	351	213	238	196	303	202	201	178

	31/12/2020	30/09/2020	30/06/2020	31/03/2020	31/12/2019	30/09/2019	30/06/2019	31/03/2019
BALANCE SHEET, SEK MIL.								
Goodwill	8,904	8,957	8,908	8,807	8,731	8,743	8,586	8,347
Other non-current assets	1,180	1,045	1,110	1,182	1,208	1,085	1,120	1,149
Current assets	5,221	5,675	5,710	5,807	5,599	5,697	5,470	5,329
Cash and cash equivalents	1,748	1,129	1,103	1,131	972	467	545	595
Total assets	17,053	16,807	16,830	16,928	16,510	15,992	15,720	15,421
Equity	5,876	6,033	5,819	5,758	5,596	5,355	5,141	5,488
Borrowings	500	1,012	1,018	800	500	1,100	1,100	1,100
Non-current liabilities	1,949	1,717	1,760	1,717	1,700	1,548	1,568	1,347
Current liabilities	8,728	8,045	8,233	8,653	8,714	7,988	7,911	7,487
Total equity and liabilities	17,053	16,807	16,830	16,928	16,510	15,992	15,720	15,421

	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019
CASH FLOW, SEK MIL.								
Cash flow from operating activities	873	10	728	560	989	65	131	414
Cash flow from investing activities	-62	-27	-146	-81	-79	-130	-168	-127
Cash flow from financing activities	-172	43	-590	-270	-385	-12	-24	-460
Cash flow for the period	639	26	-8	208	525	-77	-61	-172

	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019
KEY FIGURES								
Operating margin (EBIT), %	8.5	6.0	5.9	5.0	7.5	6.0	5.4	5.0
EBITA margin, %	8.5	6.0	5.9	5.0	7.5	6.0	5.4	5.0
Return on equity, %	16.7	16.0	16.2	15.9	16.1	18.2	18.0	18.0
Net debt	-1,124	-1,230	-1,185	-1,698	-2,063	-2,735	-2,612	-2,115
Net debt/EBITDA:	0.6	0.7	0.7	1.0	1.3	1.8	1.8	1.6
Cash conversion, % 12 m	153	167	149	127	115	104	98	124
Interest coverage, multiple	32.9	29.8	24.5	25.0	34.6	19.7	19.9	20.9
Equity/assets ratio, %	34.5	35.9	34.6	34.0	33.9	33.5	32.7	35.6
Order intake	5,140	4,024	5,346	5,732	5,546	5,055	5,467	6,465
Order backlog	13,791	14,274	14,952	14,985	14,485	14,507	13,905	13,474
Average number of employees	11,906	11,972	11,940	11,811	11,722	11,584	11,339	11,252
Administrative expenses as % of sales	8.3	7.7	8.1	8.2	8.8	7.7	8.1	8.1
Working capital as % of sales	-7.5	-6.7	-8.1	-6.5	-5.6	-3.1	-4.3	-5.3
Basic earnings per share, SEK	1.73	1.07	1.17	0.97	1.50	0.99	0.99	0.88
Diluted earnings per share, SEK	1.73	1.07	1.17	0.96	1.50	0.99	0.99	0.88
Equity per share, SEK	28.85	29.72	28.64	28.37	27.57	26.34	25.29	27.07
Cash flow from operating activities per share, SEK	4.30	0.05	3.59	2.76	4.88	0.32	0.65	2.05
Share price at balance sheet date, SEK	109.50	109.20	89.05	70.15	90.95	86.35	82.30	81.95

Reconciliation of key ratios, not defined under IFRS.

The company presents certain financial measures in this interim report that are not defined under IFRS. The company considers that these indicators provide valuable additional information for investors and the company's management as they allow relevant trends to be assessed. Bravida's definitions of these indicators may differ from other companies' definitions of the same terms. These financial measures should therefore be regarded as complementary rather than replacing the measures defined under IFRS. See page 20 for definitions of key performance indicators.

Reconciliation of key performance measures, not defined under IFRS.	Oct- Dec 2020	Jul- Sep 2020	Apr- Jun 2020	Jan- Mar 2020	Oct- Dec 2019	Jul- Sep 2019	Apr- Jun 2019	Jan- Mar 2019
Net debt								
Interest-bearing liabilities	-2,872	-2,359	-2,288	-2,830	-3,035	-3,202	-3,157	-2,710
Cash and cash equivalents	1,748	1,129	1,103	1,131	972	467	545	595
Total net debt	-1,124	-1,230	-1,185	-1,698	-2,063	-2,735	-2,612	-2,115
EBITA								
Operating profit, EBIT	477	283	317	271	424	276	274	250
Amortisation and impairment of non-current intangible assets	0	1	1	1	1	1	1	1
EBITA	478	284	317	272	425	276	274	251
EBITDA								
Operating profit, EBIT	477	283	317	271	424	276	274	250
Depreciation, amortisation and impairment losses	121	102	104	106	111	105	101	101
EBITDA	599	385	421	377	535	380	374	351
Working capital								
Current assets	6,969	6,804	6,813	6,939	6,571	6,164	6,015	5,925
Cash and cash equivalents	-1,748	-1,129	-1,103	-1,131	-972	-467	-545	-595
Current liabilities	-8,728	-8,045	-8,233	-8,653	-8,714	-7,988	-7,911	-7,487
Lease, current liability	343	308	322	336	340	336	332	332
Short-term loans	1,350	465	320	1,020	1,495	1,180	1,100	630
Provisions	226	173	172	141	144	142	152	147
Total working capital	-1,587	-1,424	-1,709	-1,349	-1,136	-633	-858	-1,048
Interest coverage ratio								
Profit/loss before tax	449	271	303	250	407	259	257	227
Interest expense	14	9	13	10	12	14	14	11
Total	463	281	316	260	419	273	271	238
Interest expense	14	9	13	10	12	14	14	11
Interest coverage, multiple	32.9	29.8	24.5	25.0	34.6	19.7	19.9	20.9
Cash conversion*								
12-month EBITDA	1,363	1,316	1,308	1,264	1,244	1,258	1,253	1,263
Non-cash items in EBITDA in last 12 months.	135	55	50	30	-2	81	70	58
Change in working capital, last 12 months	572	800	560	298	179	-44	-108	218
Investments in machinery and equipment, last 12 months	-34	-40	-27	-28	-34	-23	-19	-18
Total operating cash flow	2,036	2,131	1,891	1,564	1,387	1,272	1,196	1,521
Operating profit/loss, last 12 months	1,328	1,279	1,272	1,228	1,209	1,223	1,219	1,229
Cash generation, last 12 months, %	153	167	149	127	115	104	98	124

*Excluding IFRS 16 Leases

Notes

NOTE 1. Accounting policies

This is a translation of the Swedish Interim Report of Bravida Holding AB. In the event of inconsistency between the English and the Swedish versions, the Swedish version shall prevail. This interim report for the Group has been prepared in accordance with International Reporting Standards (IFRS) using IAS 34 Interim Reporting. The parent company applies Recommendation RFR 2 Accounting for Legal Entities and Chapter 9 of the Swedish Annual Accounts Act regarding interim reports. The accounting policies applied are consistent with what is set out in the 2019 annual accounts.

The IASB has published supplements to standards effective from 1 January 2020 or later. Such supplements have not had any material impact on Bravida's financial statements.

All amounts in this interim report are stated in millions of Swedish kronor (SEK), unless specified otherwise, and rounding differences may therefore occur.

NOTE 2. Segment reporting and revenue distribution

Net sales by country

SEK MIL.	Oct-Dec 2020	distrib- ution	Oct-Dec 2019	distrib- ution	Jan-Dec 2020	distrib- ution	Jan-Dec 2019	distrib- ution
Sweden	3,066	55%	2,981	53%	11,313	53%	10,664	52%
Norway	1,121	20%	1,322	23%	4,304	20%	4,867	24%
Denmark	1,091	19%	1,058	19%	4,217	20%	3,773	18%
Finland	389	7%	323	6%	1,392	7%	1,182	6%
Groupwide and eliminations	-54		-17		-79		-81	
Total	5,614		5,667		21,147		20,404	

EBITA, EBITA MARGIN AND PROFIT/LOSS BEFORE TAX

SEK MIL.	Oct-Dec 2020	EBITA margin	Oct-Dec 2019	EBITA margin	Jan-Dec 2020	EBITA margin	Jan-Dec 2019	EBITA margin
Sweden	291	9.5%	251	8.4%	801	7.1%	723	6.8%
Norway	72	6.4%	88	6.7%	245	5.7%	245	5.0%
Denmark	68	6.3%	70	6.6%	220	5.2%	206	5.4%
Finland	32	8.1%	14	4.2%	56	4.0%	22	1.9%
Groupwide	15		2		29		30	
EBITA	478	8.5%	425	7.5%	1,351	6.4%	1,226	6.0%
Amortisation of intangible assets	0		-1		-2		-3	
Net financial items	-28		-17		-74		-73	
Profit/loss before tax (EBT)	449		407		1,274		1,151	

NOTE 2. Segment reporting and revenue distribution, cont.

Distribution of revenues	Oct-Dec 2020			Oct-Dec 2019		
	Service	Installation	Total	Service	Installation	Total
Revenue per category, SEK MIL.						
Sweden	1,422	1,645	3,066	1,497	1,483	2,981
Norway	607	514	1,121	705	617	1,322
Denmark	441	650	1,091	433	625	1,058
Finland	93	296	389	73	250	323
Eliminations	-43	-10	-54	-2	-15	-17
Group	2,519	3,095	5,614	2,707	2,960	5,667
	Jan-Dec 2020			Jan-Dec 2019		
Revenue per category, SEK MIL.	Service	Installation	Total	Service	Installation	Total
Sweden	5,439	5,874	11,313	5,285	5,378	10,664
Norway	2,176	2,128	4,304	2,452	2,414	4,867
Denmark	1,557	2,660	4,217	1,592	2,180	3,773
Finland	329	1,063	1,392	282	900	1,182
Eliminations	-49	-30	-79	-40	-41	-81
Group	9,452	11,695	21,147	9,572	10,832	20,404
Average number of employees				Jan-Dec 2020	Jan-Dec 2019	
Sweden				5,831	5,887	
Norway				2,997	2,975	
Denmark				2,315	2,173	
Finland				666	596	
Groupwide				98	91	
Total				11,906	11,722	

NOTE 3. Acquisition of operations

Bravida made the following acquisitions in the year:

Acquired unit	Country	Technical area	Type	Date	Percentage of votes	Employees	Estimated annual sales, SEK MIL.
ICS Industrial Cooling Systems A/S	Denmark	Cooling	Company	January	100%	67	171
Rakkestad Energi	Norway	Electrical	Assets and liabilities	January	-	10	21
Rörteamet Själevad AB	Sweden	Heating and plumbing, ventilation	Company	March	100%	18	32
Ventilationskontroll & Plåt i Kiruna	Sweden	HVAC	Assets and liabilities	March	-	13	15
Kylteknik i Bohuslän AB	Sweden	Cooling	Company	April	100%	13	21
Solkraft EMK AB	Sweden	Solar panels	Company	May	51%	100	172
Direct Larm Bergslagen AB	Sweden	Security	Company	May	100%	16	17
Ventfyran i Göteborg AB	Sweden	HVAC	Company	June	100%	13	34
Flysta Elservice AB	Sweden	Electrical	Company	June	100%	13	23
Savon Aurinkoenergia Oy	Finland	Solar panels	Company	June	65%	63	96
Gjøl VVS A/S	Denmark	Heating and plumbing, ventilation	Company	July	100%	44	87
Vesthimmerlands VVS A/S	Denmark	Heating and plumbing, ventilation	Company	July	100%	18	28
Nielsen & Brostrøm A/S	Denmark	Heating and plumbing, ventilation	Company	July	100%	8	8
Energibyg AS	Norway	Energy consulting	Company	September	100%	5	6
Svagströmsinstallationer i Norrköping AB	Sweden	Electrical	Company	October	100%	23	45
Källströms EI & Entreprenad	Sweden	Electrical	Assets and liabilities	December	-	8	12

NOTE 3. Acquisition of operations, cont.

Effects of acquisitions in 2020

Bravida normally uses an acquisition structure with a fixed purchase price and contingent consideration. The contingent consideration is initially valued at the likely final amount, which for the year's acquisitions is SEK 60 million. The contingent considerations are due for payment within three to five years. The acquisitions are reported in aggregate form in the table below as individually they are not of sufficient size to justify separate recognition of each acquisition.

The acquisition analyses of acquired companies in 2020 are preliminary.

Assets and liabilities included in acquisition	Fair value recognised in the Group, SEK MIL.
Intangible assets	0
Property, plant and equipment	12
Trade receivables*	112
Contract assets	15
Other current assets	53
Cash and cash equivalents	41
Non-current liabilities	-46
Trade payables	-56
Contract liabilities	-17
Other current liabilities	-86
Net identifiable assets and liabilities	29
Consolidated goodwill	263
Consideration	292
Cash and cash equivalents, acquired	41
Net effect on cash and cash equivalents	251
Cash consideration paid	212
Consideration recognised as a liability**	80
Consideration	292

*There were no material impairments of trade receivables. **Of the total consideration recognised as a liability for acquisitions in the year, SEK 60 million is contingent consideration. In addition to the total consideration recognised as a liability for the year's acquisitions, non-controlling interests' option to sell shares held is recognised as a liability at the net present value of the expected amount to be paid upon exercise of the option, at an amount of SEK 136 million.

Acquisitions after the end of the reporting period

Bravida has made four acquisitions since the end of the period. In January it acquired Profire Sprinkler AB in Sweden with 35 employees and sales of approximately SEK 70 million. In February Bravida acquired J. Beese VVS & Blik A/S in Denmark with 12 employees and sales of around SEK 14 million, as well as Fiberkom ApS with 8 employees and sales of around SEK 11 million. On 11 February, Bravida acquired SKM Service Oy in Finland, with 20 employees and sales of EUR 13 million.

NOTE 4. Seasonal variations

Bravida's business is affected by seasonal variations in the construction industry and employees' annual holiday. Bravida usually has a lower level of activity in the third quarter as it is the main holiday period. The fourth quarter normally has the highest earnings because many projects are completed during this period.

NOTE 5. Financial instruments, fair value

The fair value of the Group's financial assets and liabilities is not materially different from carrying amounts. No items other than the contingent consideration are recognised at fair value in the balance sheet.

Stockholm, 12 February 2021
Bravida Holding AB

Mattias Johansson
CEO and Group President

Information

This information is information that Bravida Holding AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, at 07:30 CET on 12 February 2021.

This interim report has not been reviewed by Bravida's auditors. This report contains information and opinions on future prospects

for Bravida's business activities. The information is based on Group management's current expectations and estimates. Actual future outcomes may vary considerably from the forward-looking statements in this report, partly because of changes in economic, market and competitive conditions.

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Financial reporting dates

Annual Report 2020	Week 12, 2021
Interim Report January–March 2021	26 April 2021
Interim Report April–June 2021	16 July 2021
Interim Report July–September 2021	26 October 2021

Financial definitions

Number of employees

Calculated as the average number of employees during the year, taking account of the percentage of full-time employment.

Return on equity

12-month rolling net profit/loss as a percentage of average equity.

EBITA*

Operating profit excluding amortisation and impairment of non-current intangible assets. EBITA is the key ratio and performance indicator that is used for internal operational monitoring. EBITA provides an overall view of profit generated by operating activities.

EBITA margin*

EBITA as a percentage of net sales.

EBITDA*

Earnings before interest, taxes, depreciation, and amortisation. EBITDA is a measure that the Group regards as relevant for investors who want to understand earnings generation before investments in non-current assets.

Effective tax rate

Recognised tax expense as a percentage of profit/loss before tax.

Equity per share, SEK

Equity attributable to equity holders of the parent company divided by the number of ordinary shares outstanding at period end.

Net financial items

Total exchange differences on borrowing and cash and cash equivalents in foreign currency, other financial revenue and other finance costs.

Capital structure (Net debt/ EBITDA)

Average net debt divided by EBITDA excluding specific costs, based on a rolling 12-month calculation.

Cash flow from operating activities per share

Cash flow from operating activities for the period, divided by the number of shares at period end.

Cash conversion (excluding IFRS 16 Leases)*

The sum of 12-month EBITDA +/-, the change in working capital and investment in machinery and equipment and adjustment for non-cash items in EBITDA in relation to 12-month EBIT (operating profit/loss).

This key ratio measures the percentage of profit that is converted into cash flow. The purpose is to analyse what percentage of earnings can be converted into cash and cash equivalents and, in the longer term, the opportunity for investments, acquisitions and dividends, with the exception of interest-related cash flows.

Net sales

Net sales are recognised in accordance with the principle of recognition over time, rather than using the previous percentage-of-completion method. These revenues are recognised in proportion to the degree of completion of projects.

Net debt*

Interest-bearing liabilities (including lease liabilities, excluding pension liabilities), less cash and cash equivalents. This key figure is a measure to show the Group's total interest-bearing debt.

Organic growth

The change in sales adjusted for currency effects, as well as acquisitions and disposals compared with the same period of the previous year. Sales from acquisition and divestments are eliminated for a period of 12 months from the date of acquisition or divestment.

Operating cash flow*

EBITDA adjusted for non-cash items, investments in machinery and equipment and changes in working capital.

Order intake

The value of new projects and contracts received, and changes in existing projects and contracts over the period in question. Includes both installation and service business.

Order backlog

The value of remaining, not yet accrued project revenues from orders on hand at the end of the period. Order backlog does not include service operations, only installation projects.

Diluted earnings per share

Profit/loss for the period attributable to owners of the parent company divided by the average number of outstanding ordinary shares after dilution.

Basic earnings per share

Profit/loss for the period attributable to owners of the parent company divided by the average number of outstanding ordinary shares.

Interest coverage ratio*

Profit/loss after financial items plus interest expense, divided by interest expense. This key ratio is a measure of how much earnings may fall by without interest payments being jeopardised or how much interest on borrowing may increase without operating profit turning negative.

Working capital*

Total current assets, excluding cash and cash equivalents, minus current liabilities excluding current provisions and borrowing, and current lease liabilities. This measure shows how much working capital is tied up in the business and may be set in relation to sales to understand how efficiently tied-up working capital is being used.

Operating margin

Operating profit/loss as a percentage of net sales.

Operating profit/EBIT

Earnings net financial income/expense and tax.

Equity/assets ratio

Equity including non-controlling interests as a percentage of total assets.

*See page 15 for reconciliation of performance measures.

Operational definitions

Installation/contracting

The installation and refurbishment of technical systems in properties, facilities and infrastructure.

Service

Operation and maintenance, as well as minor refurbishment of installations in buildings and facilities.

Electrical

Power supply, lighting, heating, control and surveillance systems. Telecom and other low-voltage installations. Fire and intruder alarm products and systems, access control systems, CCTV and integrated security systems.

HVAC (heating, ventilation and air conditioning)

Comfort ventilation and comfort cooling through air treatment, air conditioning and climate control. Commercial cooling in freezer and cold rooms. Process ventilation control systems. Energy audits and energy efficiency through heat recovery, heat pumps, etc.

Heating & Plumbing

Water, waste water, heating, sanitation, cooling and sprinkler systems. District heating and cooling. Industrial piping with expertise in all types of pipe welding. Energy saving through integrated energy systems.

Other

Relates to other technical areas such as safety, sprinklers, cooling, power, lifts, and services in project management and technical property management.

Other definitions

LTIR (lost time incident rate)

The number of occupational injuries that lead to at least one day of sickness absence per million working hours.

This is Bravida

⊕ Our mission

We offer technical end-to-end solutions over the life of a property, from consulting and design to installation and service. We are a large company with a local presence across the Nordics. We meet customers locally and take long-term responsibility for our work. Our employees are our most important resource. With shared values, working methods and tools, together we create a sustainable and profitable business for us and our customers.

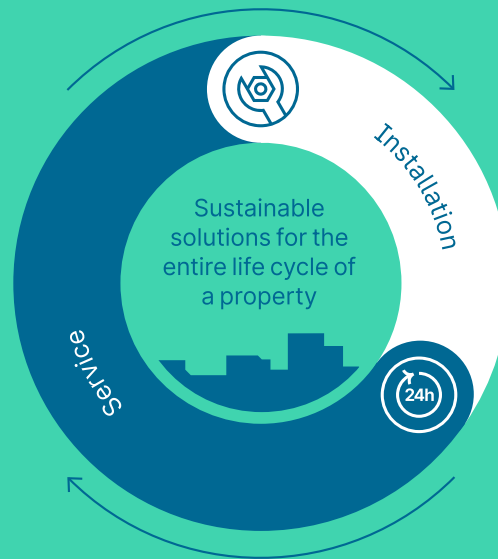
⊕ Our vision

Bravida helps customers develop the full potential of their properties. We bring properties to life through service and installation and are leading the way to a sustainable, resilient society.

⊕ Targets

We manage our business according to a number of key goals that reflect our aims regarding sustainable growth, stability and leadership in the sector.

Bravida helps customers with the service and installation of technical functions in properties and industrial facilities. Our aim is for each service and installation project to make a property better and more energy efficient.



The Bravida Way

Bravida is a large company with a local presence throughout the Nordics. We operate as ONE company, with the same corporate culture, working methods and strategies. Together we provide the market's best customer experience.

① We have a local presence, but we are ONE company

We approach and interact with our customers on local markets. Bravida's group-wide corporate culture, working methods and strategy ensure each branch creates the market's best customer offering and a profitable business.

② Group-wide corporate culture

Together we are Bravida. Our entire company shares the same corporate culture, values and leadership.

③ Shared working methods and tools

Bravida develops group-wide working methods and tools that all branches use to lead and enhance their business.

④ Group-wide strategy

Our managers' most important task is to implement Bravida's strategy. Each branch is proactive in creating the best customer offering, the best team, efficient operations and a sustainable business.



Our strategies

Our vision represents our ultimate objective and our strategies set out how we get there. We aim to be the best in the Nordic region, the first choice for customers and the most attractive employer in the industry. To achieve this, we actively implement our strategies every day.

“We aim to be the best on a number of levels.”

+ The best customer offering

Bravida has the best customer offering on the market. Our customers choose us because we create end-to-end solutions that make the complex simple. We listen to our customers and proactively propose solutions for the entire life cycle of a property. We help them make sustainable choices and create sustainable solutions. We feed back to customers after completing an assignment and always ask if there is anything else we can help with. And above all, we keep our promises, we take responsibility for our work and look after our customers.

+ Sustainable business

We take responsibility for our business and take a proactive approach to long-term sustainability. We ultimately aim to eliminate all occupational injuries, and each branch works systematically to create a safe, pleasant work environment. We endeavour to achieve sustainable use of resources and a small carbon footprint. We set high standards for both our suppliers and ourselves on business ethics, legal requirements and human rights.

+ The best team

Bravida has the best team in the industry. What unites us is our drive to constantly improve. So we choose the best managers and employees to work with us. We value diversity and gender equality in making us a stronger company. We are passionate about service and are experts in project management and delivering assignments. We work as a team, we help each other and we enjoy working together. And there are lots of opportunities to grow and develop professionally within the company.

+ Profitable growth: margin over volume

Margin over volume. Bravida constantly endeavours to improve profitability and achieve the full potential of each branch. We do this by ensuring we create the best customer offering, the best team, efficient operations and a sustainable business. We only take on assignments and projects with a good margin. We keep costs down and use resources efficiently. We always use Bravida's group-wide resources and systems and aim to achieve low fixed costs.

+ Efficient delivery

Bravida takes a highly professional approach to everything it does. All our employees do their utmost every day to provide a great customer experience. We are efficient, cost-effective and ensure our workplaces are well run. We always apply our group-wide working methods and ensure purchasing is carried out correctly. We also plan meticulously, monitor our productivity and have control over all aspects of our assignments.

Licence to grow. When a branch is profitable and has firm foundations in place, we focus on growth. We grow organically by developing our offering and increasing our emphasis on sales and recruitment. We also grow through acquisitions. Our profitable branches and regions are always on the lookout for good local businesses, and we acquire companies that we would like to be part of our own business. Bravida also makes strategic acquisitions to establish itself on new markets or in new technical areas.

Bravida's objective is to be the largest or second-largest player in all the locations where we choose to operate.

We bring buildings to life

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