

January–March 2021

- Net sales decreased by 3% to SEK 5,233 million (5,401)
- The order backlog was SEK 14,397 million (14,985)
- EBITA decreased by 2% to SEK 266 million (272)
- The EBITA margin was 5.1% (5.0)
- Profit after tax was SEK 202 million (196)
- Cash flow from operating activities was SEK 144 million (560)
- Net debt amounted to SEK -1,134 million (-1,698)
- Four acquisitions were completed in the quarter, adding annual sales of approximately SEK 300 million
- Basic earnings per share were SEK 1.02 (0.97) and diluted earnings per share were SEK 1.02 (0.96)

Financial overview

SEK MILLION	Jan–Mar 2021	Jan–Mar 2020	Jan–Dec 2020	Apr 2020– Mar 2021
Net sales	5,233	5,401	21,147	20,979
Operating profit (EBIT)	266	271	1,348	1,343
Operating margin (EBIT), %	5.1	5.0	6.4	6.4
EBITA	266	272	1,351	1,345
EBITA margin, %	5.1	5.0	6.4	6.4
Profit/loss after tax	202	196	997	1,004
Cash flow from operating activities	144	560	2,171	1,755
Cash conversion, % 12 m	121	127	153	121
Net debt/EBITDA, 12 m	0.6	1.0	0.6	0.6
Order intake	5,801	5,732	20,242	20,311
Order backlog	14,397	14,985	13,791	14,397

Improved EBITA margin and growing order backlog

The EBITA margin increased to 5.1 percent. Order intake improved and the order backlog increased by SEK 606 million in the quarter.

Net sales and EBITA margin

Given the conditions, I am satisfied with sales and profit for the quarter, and the result was better than I had expected in view of the shutdowns in the quarter. Net sales decreased by 3 percent in the quarter due to lower production in the Norwegian service and installation business. In Sweden and Denmark sales were stable, whereas they increased in Finland.

Net installation sales decreased in Norway and Denmark. Organic growth was -4 percent and acquisitions contributed 3 percent growth. Exchange rate fluctuations had a negative impact of -2 percent on growth.

In the quarter, service demand increased in Sweden and Denmark. However, the service business continued to be adversely affected by the pandemic, mainly 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, which was the reason for lower activity in the installation business.

We are seeing improved order levels in the installation business as a result of an increased order backlog in Norway and Sweden. The order backlog rose by SEK 606 million in the quarter, SEK 372 million of which was in Norway.

The EBITA margin improved in Denmark and Finland, contributing to an improved EBITA margin of 5.1 percent (5.0). This is despite the fact that, as planned, we had higher costs for starting to implement our new business plan and digital strategy, while the cost of our performance-based incentive programme, LTIP, increased due to the rise in the share price.

Solid cash conversion and low debt

Cash conversion was 121 percent, which is above our target of 100 percent. Bravida's net debt remains at a record low of 0.6x EBITDA and well below our target of 2.5x EBITDA. Cash flow in the quarter declined compared with last year, due to lower production and fewer newly started projects in the installation business. Cash flow is impacted positively by start-up of large projects.

Acquisitions continue to strengthen Bravida

In 2021, Bravida has so far completed five acquisitions with combined annual sales of more than SEK 300 million. We have also signed an agreement for two acquisitions in Sweden with a total sales of approximately SEK 125 million.

Our assessment is that acquisition opportunities remain very good.



"In the quarter, service demand increased in Sweden and Denmark."

Sustainability

Bravida has developed an end-to-end solution, Bravida Charge, to meet the growing need for electric-vehicle charging infrastructure for both corporate customers and private individuals. We make it easy to go fossil free by offering our customers an end-to-end charging and administration solution. Bravida Charge is one of the initiatives in Bravida's long-term strategy to reduce both our customers' and our own carbon footprint.

Outlook

My assessment is that demand in the Nordic service and installation market will gradually see a slight increase during 2021. As we return to a more normal situation, there will be a greater need for service that has been neglected during the pandemic. The installation business is seeing growing demand for new-builds and the refurbishment of residential, industrial and warehouse buildings, as well as the remodelling and upgrading of office space. We do not see any problems with the material supply at present, but we will be affected by rising raw material prices, which we take into account in the pricing of future customer deliveries.

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' ambitions to find sustainable, low-carbon solutions.

Mattias Johansson
Stockholm, April 2021

Consolidated earnings overview

Net sales

January–March

Net sales decreased by 3 percent to SEK 5,233 million (5,401). Organic growth was negative at -4 percent. Acquisitions boosted net sales by 3 percent and currency effects had a negative impact of -2 percent. Net sales rose in Sweden and Finland.

Compared with the first quarter of 2020, net service sales were unchanged while installation sales decreased by 6 percent. The service business accounted for 48 percent (46) of total net sales.

Order intake amounted to SEK 5,801 million (5,732), an increase of 1 percent. Compared with the same quarter last year, order intake was higher in Sweden and Norway, but was lower in Denmark and Finland. The order backlog was 4 percent lower than the same period last year and amounted to SEK 14,397 million (14,985). The order backlog, including acquisitions, rose by SEK 606 million in the quarter.

The order backlog only includes installation projects.

Earnings

January–March

Operating profit was SEK 266 million (271). EBITA decreased by 2 percent to SEK 266 million (272), resulting in an EBITA margin of 5.1 percent (5.0). The EBITA margin improved in Denmark and Finland, whereas it was unchanged in Norway and lower in Sweden. Group-wide income was SEK 2 million (10). Net financial income/expense amounted to SEK -9 million (-21). Profit after financial items was SEK 256 million (250). Profit after tax was SEK 202 million (196). Basic earnings per share increased by 5 percent to SEK 1.02 (0.97) and diluted earnings per share were SEK 1.02 (0.96).

Depreciation and amortisation

Depreciation and amortisation in the quarter totalled SEK -107 million (-106), SEK -98 million (-97) of which related to the amortisation of right-of-use assets.

Tax

The tax expense for the quarter was SEK -54 million (-54). Profit before tax was SEK 256 million (250). Tax paid totalled SEK -65 million (-72).

Cash flow

January–March

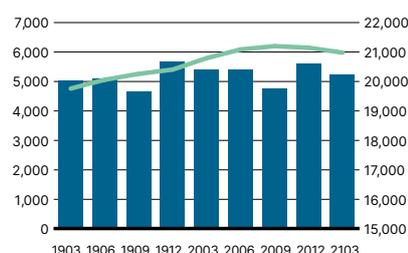
Cash flow from operating activities before changes in working capital totalled SEK 302 million (294). The change in working capital reduced cash flow by SEK -158 million (266). Current receivables increased by SEK 283 million (165), current liabilities rose by SEK 127 million (431) and inventory increased by SEK 2 million (0). Cash flow from operating activities was SEK 144 million (560).

Cash flow from investing activities was SEK -142 million (-81), of which acquisitions of subsidiaries and businesses totalled SEK -136 million (-78). Cash flow from financing activities, which refers to the net change in borrowing and amortisation of lease liabilities, was SEK -448 million (-270). Cash flow for the quarter was SEK -446 million (208). 12-month cash conversion was 121 percent (127).

Financial position

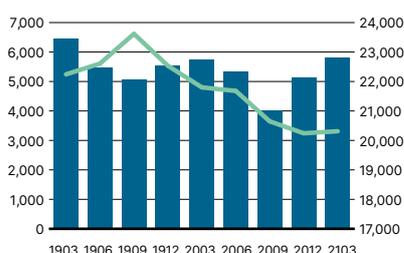
Bravida's net debt was SEK -1,134 million (-1,698), which corresponds to a capital-structure ratio (net debt/EBITDA) of 0.6 (1.0). Consolidated cash and cash equivalents were SEK 1,367

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–Mar 2021



● 54% Sweden
● 19% Norway
● 20% Denmark
● 7% Finland

million (1,131). Interest-bearing liabilities totalled SEK -2,501 million (-2,830), of which SEK -1,000 million (-820) was commercial paper and SEK -1,001 million (-1,010) was leases.

Total credit facilities amounted to SEK 2,500 million (2,500), of which SEK 2,500 million (2,000) was unused at 31 March. At the end of the period, equity totalled SEK 6,186 million (5,758). The equity/assets ratio was 35.8 percent (34.0).

Acquisitions

Four acquisitions were completed in the quarter, adding a total of SEK 300 million in annual sales. The acquired companies operate in the electrical, sprinklers, HVAC, and heating and plumbing segments.

Employees

The average number of employees was 11,731 (11,811), a decrease of 1 percent.

Occupational injuries

Reported occupational injuries in the first quarter resulting in at least one day's sick leave amounted to a LTIR (lost time injury rate) of 9.3 (9.4). The LTIR was 9.8 in Sweden, 2.8 in Norway, 14.3 in Denmark and 15.3 in Finland. Our target is a LTIR of <5.5, with an ultimate goal of zero workplace accidents.

Parent company

Revenues for the quarter were SEK 47 million (49) and income after net financial items was SEK 8 million (0).

Shareholder information

Bravida Holding AB's ordinary shares are listed on the Nasdaq Stockholm Large Cap. At 31 March Bravida had 9,606 shareholders. The five largest shareholders were Mawer Investment Management Funds, Swedbank Robur Funds, the Fourth Swedish National Pension Fund (AP4), Lannebo Funds and Didner & Gerge Funds. Mawer Investment Management funds hold 11.1 percent of the votes.

The listed share price at 31 March was SEK 120.30, which corresponds to a market capitalisation of SEK 24,418 million based on the number of ordinary shares. Total shareholder return over the past 12 months was just over 72 percent.

Share capital totals SEK 4 million, divided among 203,816,598 shares, of which 202,975,544 are ordinary shares and 841,054 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.

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

Net sales and growth

SEK MILLION	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Net sales	5,233	5,401	21,147
Change	-168	388	743
Change, %	-3.1	7.7	3.6
Of which			
Organic growth, %	-4	2	1
Acquisition-based growth, %	3	7	5
Currency effects, %	-2	-1	-2

Other events during the period

On 11 February the Board took the decision to issue and repurchase 500,000 C shares to ensure the supply of ordinary shares for employees participating in the LTIP 2020 performance-based incentive programme.

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 service 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.

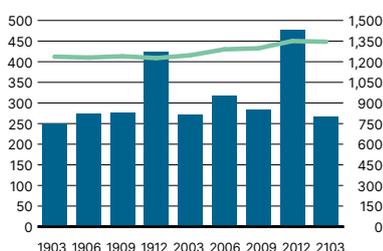
Transactions with related parties

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

Events since the end of the period

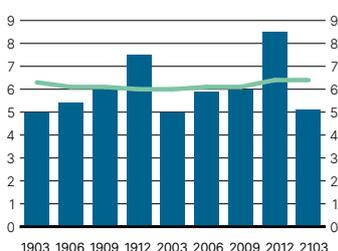
There are no material events to report.

EBITA (SEK MIL.)



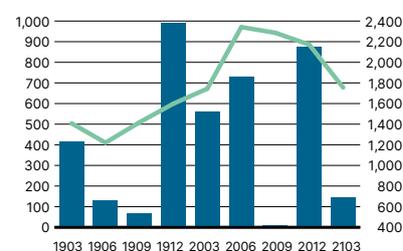
■ EBITA by quarter
— EBITA, rolling 12 months

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. External market assessments for 2021 indicate an improvement in the service market, a weaker installation market and a slight decrease in the overall market.

Net sales and earnings

January–March

Net sales in Sweden increased by 1 percent to SEK 2,839 million (2,806). The increase in net sales was attributable to both service and installation business. Organic growth was negative at -2 percent.

EBITA decreased by 1 percent to SEK 155 million (156). The EBITA margin decreased to 5.5 (5.6) percent.

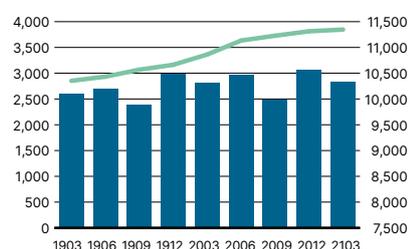
Order intake and order backlog

January–March

Order intake increased by 9 percent to SEK 3,154 million (2,897). Order intake related to small and medium-sized installation projects and service assignments.

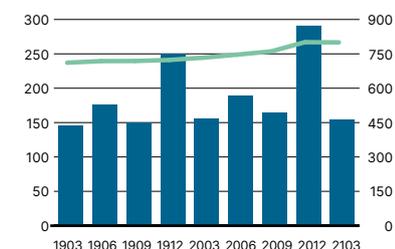
The order backlog at the end of the quarter was 4 percent lower than for the same period last year and amounted to SEK 8,715 million (9,111). The order backlog rose by SEK 315 million in the quarter.

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	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Net sales	2,839	2,806	11,313
EBITA	155	156	801
EBITA margin, %	5.5	5.6	7.1
Order intake	3,154	2,897	10,677
Order backlog	8,715	9,111	8,400
Average number of employees	5,635	5,885	5,831



Installations in Geely's new hotel in Gothenburg

The Lindholmen district is the location for a new meeting place with a real sense of innovation and technology. 'Uni3 by Geely' is part of Gothenburg's major urban development project, consisting of five buildings, including a hotel. The hotel will be 11 storeys high, with a total area of approximately 13,500 square metres. Bravida has been commissioned to fit heating and plumbing, HVAC and control systems in the project, which is expected to be completed by spring 2022.

Operations in Norway

Market

Pandemic-related infection control measures have reduced demand for both service and installation. 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.

Net sales and earnings

January–March

Net sales decreased by 19 percent to SEK 981 million (1,214). The decrease in net sales was attributable to both service and installation business. Currency fluctuations had a negative -3 percent impact on net sales. Organic growth was negative at -16 percent.

EBITA decreased by 19 percent to SEK 44 million (54). The EBITA margin was unchanged at 4.5 percent.

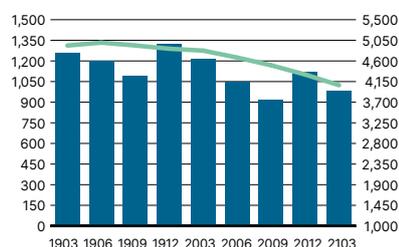
Order intake and order backlog

January–March

Order intake increased by 35 percent to SEK 1,353 million (1,001), while in local currency order intake was unchanged. Order intake mainly relates to small and medium-sized installation projects and service assignments.

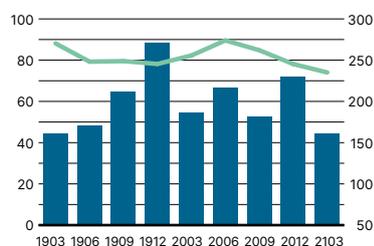
The order backlog at the end of the quarter was 6 percent higher than for the same period last year and amounted to SEK 2,469 million (2,339). The order backlog rose by SEK 372 million in the quarter.

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	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Net sales	981	1,214	4,304
EBITA	44	54	245
EBITA margin, %	4.5	4.5	5.7
Order intake	1,353	1,001	3,848
Order backlog	2,469	2,339	2,097
Average number of employees	2,950	2,969	2,997



Installation work for the world's most sustainable building

Bravida was commissioned to fit heating and plumbing, HVAC and sprinkler installations in the ZEB laboratory in Trondheim, which opened in early March. The laboratory is the world's most sustainable building and will be used by the Norwegian University of Science and Technology ('NTNU') and the SINTEF research institute for research into and testing of new zero-emissions technology. Through our expertise, we developed cost-effective, reliable installation solutions with the smallest possible environmental and carbon footprint.

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.

Net sales and earnings

January–March

Net sales were virtually unchanged at SEK 1,064 million (1,067). Organic growth was 0 percent. Net sales increased in the service business and decreased in installation. Currency fluctuations had a negative -5 percent impact on net sales.

EBITA increased by 10 percent to SEK 56 million (51), while the EBITA margin rose to 5.2 percent (4.7).

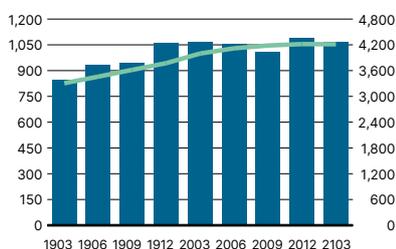
Order intake and order backlog

January–March

Order intake decreased by 17 percent to SEK 1,044 million (1,256). Order intake related to small and medium-sized installation projects and service assignments.

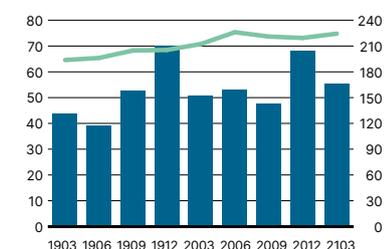
The order backlog at the end of the quarter was 5 percent lower than for the same period last year and amounted to SEK 2,431 million (2,555). The order backlog decreased by SEK 20 million in the quarter.

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	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Net sales	1,064	1,067	4,217
EBITA	56	51	220
EBITA margin, %	5.2	4.7	5.2
Order intake	1,044	1,256	4,277
Order backlog	2,431	2,555	2,451
Average number of employees	2,341	2,257	2,315



A national service agreement covering 240 fuel stations

At the beginning of the year, we won an extensive service and installation contract for electrical, heating and plumbing, cooling and HVAC at all Q8 and F24 stations in Denmark. These various projects are handled by technicians at our local branches and all cases go through Bravida's national service centre. The agreement runs until 2023.

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.

Net sales and earnings

January–March

Net sales increased by 18 percent to SEK 383 million (325). The increase in net sales was attributable to both service and installation business. Organic growth was 18 percent. Currency fluctuations had a negative -5 percent impact on net sales.

EBITA rose by SEK 9 million to SEK 10 million (1). The EBITA margin increased to 2.6 (0.4) percent.

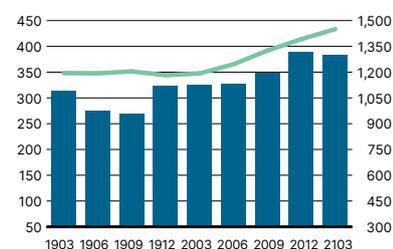
Order intake and order backlog

January–March

Order intake decreased by 52 percent to SEK 285 million (589). The lower order intake was due to Bravida receiving a large order from Wärtsilä last year. Order intake related to small and medium-sized installation projects and service assignments.

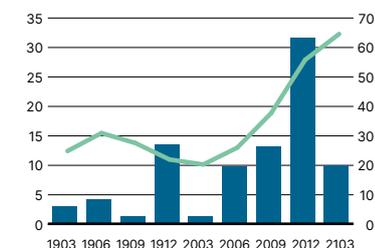
The order backlog at the end of the quarter was 20 percent lower than for the same period last year and amounted to SEK 783 million (980). The order backlog decreased by SEK 59 million in the quarter.

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	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Net sales	383	325	1,392
EBITA	10	1	56
EBITA margin, %	2.6	0.4	4.0
Order intake	285	589	1,518
Order backlog	783	980	842
Average number of employees	702	607	666



PHOTOS: ARKKITEHDIT KONTUKOSKI OY AND RAAAMI ARKKITEHDIT OY

Service and maintenance at Hatanpää Hospital in Tampere

During the quarter, Bravida was commissioned to service and maintain the electrical, HVAC and cooling systems at Hatanpää Hospital, which is part of Tampere University Hospital. In total, it includes 15 buildings with an area of 50,000 square meters. The agreement runs until February 2022.

Financial reporting

Consolidated income statement, summary

SEK MILLION	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020	Apr 2020- Mar 2021
Net sales	5,233	5,401	21,147	20,979
Production costs	-4,520	-4,688	-18,093	-17,926
Gross profit/loss	713	713	3,054	3,053
Selling and administrative expenses	-447	-442	-1,706	-1,711
Operating profit/loss	266	271	1,348	1,343
Net financial income/expense	-9	-21	-74	-63
Profit/loss before tax	256	250	1,274	1,280
Tax	-54	-54	-276	-276
Profit/loss for the period	202	196	997	1,004
Profit/loss for the period attributable to:				
Owners of the parent company	207	196	1,002	1,013
Non-controlling interests	-4	0	-5	-10
Profit/loss for the period	202	196	997	1,004
Basic earnings per share, SEK	1.02	0.97	4.94	4.99
Diluted earnings per share, SEK	1.02	0.96	4.93	4.98

Consolidated statement of comprehensive income, summary

SEK MILLION	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020	Apr 2020- Mar 2021
Profit/loss for the period	202	196	997	1,004
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	98	-40	-150	-12
Items that cannot be transferred to profit/loss for the year				
Revaluation of defined-benefit pensions	-	-	10	10
Tax attributable to the revaluation of pensions	-	-	-2	-2
Other comprehensive income for the period	98	-40	-142	-4
Comprehensive income for the period	301	156	855	1,000
Comprehensive income for the period attributable to:				
Owners of the parent company	305	156	860	1,005
Non-controlling interests	-4	0	-5	-5
Comprehensive income for the period	301	156	855	1,000

Consolidated balance sheet, summary

SEK MILLION	31 Mar 2021	31 Mar 2020	31 Dec 2020
Goodwill	9,081	8,807	8,904
Right-of-use assets	980	998	1,002
Other non-current assets	203	184	179
Total non-current assets	10,264	9,989	10,084
Trade receivables	3,396	3,451	3,391
Contract assets	1,710	1,820	1,257
Other current assets	549	537	574
Cash and cash equivalents	1,367	1,131	1,748
Total current assets	7,021	6,938	6,969
Total assets	17,285	16,928	17,053
Equity attributable to owners of the parent company	6,170	5,748	5,855
Non-controlling interests	17	9	21
Total equity	6,186	5,758	5,876
Non-current liabilities	1,589	1,843	1,770
Lease liabilities	662	673	679
Total non-current liabilities	2,250	2,517	2,449
Lease liabilities	339	336	343
Trade payables	1,984	2,229	2,123
Contract liabilities	2,264	2,258	2,049
Other current liabilities	4,261	3,831	4,213
Total current liabilities	8,848	8,653	8,728
Total liabilities	11,099	11,170	11,177
Total equity and liabilities	17,285	16,928	17,053
Of which interest-bearing liabilities	2,501	2,830	2,872

Changes in equity

SEK MILLION	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Consolidated equity			
Amount at start of period	5,876	5,596	5,596
Comprehensive income for the period	438	156	855
Non-controlling interests' put option	-137	-	-136
Dividend	-	-	-457
Long-term incentive programme	9	5	17
Amount at end of period	6,186	5,758	5,876

Consolidated cash flow statement, summary

SEK MILLION	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Cash flow from operating activities			
Profit/loss before tax	256	250	1,274
Adjustments for non-cash items	111	116	569
Income taxes paid	-65	-72	-244
Change in working capital	-158	266	572
Cash flow from operating activities	144	560	2,171
Investing activities			
Acquisitions of subsidiaries and businesses	-136	-78	-281
Other	-6	-4	-34
Cash flow from investing activities	-142	-81	-316
Financing activities			
Net change in borrowing	-350	-175	-145
Repayment of lease liabilities	-98	-95	-388
Dividend paid	-	-	-457
Cash flow from financing activities	-448	-270	-990
Cash flow for the period	-446	208	866
Cash and cash equivalents at start of period	1,748	972	972
Translation difference on cash and cash equivalents	65	-49	-90
Cash and cash equivalents at end of period	1,367	1,131	1,748

Parent company income statement, summary

SEK MILLION	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Net sales	47	49	192
Selling and administrative expenses	-36	-40	-154
Operating profit/loss	10	9	38
Net financial income/expense	-2	-9	-21
Profit/loss after net financial items	8	0	17
Net Group contributions	-	-	140
Appropriations	-	-	-40
Profit/loss before tax	8	0	117
Tax	-	-	-26
Profit/loss for the period	8	0	91

Parent company balance sheet, summary

SEK MILLION	31 Mar 2021	31 Mar 2020	31 Dec 2020
Shares in subsidiaries	7,341	7,341	7,341
Deferred tax asset	0	0	0
Total non-current assets	7,341	7,341	7,341
Receivables from Group companies	1,679	1,790	1,225
Current receivables	37	38	45
Total current receivables	1,715	1,827	1,270
Cash and bank balances	1,221	987	1,626
Total current assets	2,936	2,814	2,897
Total assets	10,278	10,156	10,238
Restricted equity	4	4	4
Non-restricted equity	4,113	4,449	4,096
Equity	4,117	4,453	4,100
Untaxed reserves	520	480	520
Liabilities to credit institutions	300	800	500
Provisions	1	1	1
Total non-current liabilities	301	801	501
Short-term loans	1,200	1,020	1,350
Liabilities to Group companies	4,092	3,356	3,708
Current liabilities	47	46	60
Total current liabilities	5,339	4,422	5,118
Total equity and liabilities	10,278	10,156	10,238
Of which interest-bearing liabilities	1,500	1,820	1,850

Quarterly data

	Jan-Mar 2021	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019
INCOME STATEMENT, SEK MILLION								
Net sales	5,233	5,614	4,750	5,382	5,401	5,667	4,638	5,087
Production costs	-4,520	-4,671	-4,103	-4,632	-4,688	-4,743	-4,004	-4,401
Gross profit/loss	713	943	647	750	713	924	634	686
Selling and administrative expenses	-447	-466	-364	-433	-442	-500	-358	-413
Operating profit/loss	266	477	283	317	271	424	276	274
Net financial income/expense	-9	-28	-12	-13	-21	-17	-16	-16
Profit/loss after financial items	256	449	271	303	250	407	259	257
Tax	-54	-99	-58	-66	-54	-105	-58	-56
Profit/loss for the period	202	351	213	238	196	303	202	201
BALANCE SHEET								
	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019
Goodwill	9,081	8,904	8,957	8,908	8,807	8,731	8,743	8,586
Other non-current assets	1,183	1,180	1,045	1,110	1,182	1,208	1,085	1,120
Current assets	5,654	5,221	5,675	5,710	5,807	5,599	5,697	5,470
Cash and cash equivalents	1,367	1,748	1,129	1 103	1,131	972	467	545
Total assets	17,285	17,053	16,807	16,830	16,928	16,510	15,992	15,720
Equity	6,186	5,876	6,033	5,819	5,758	5,596	5,355	5,141
Borrowings	300	500	1,012	1,018	800	500	1,100	1,100
Non-current liabilities	1,950	1,949	1,717	1,760	1,717	1,700	1,548	1,568
Current liabilities	8,848	8,728	8,045	8,233	8,653	8,714	7,988	7,911
Total equity and liabilities	17,285	17,053	16,807	16,830	16,928	16,510	15,992	15,720
CASH FLOW								
	Jan-Mar 2021	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019
Cash flow from operating activities	144	873	10	728	560	989	65	131
Cash flow from investing activities	-142	-62	-27	-146	-81	-79	-130	-168
Cash flow from financing activities	-448	-172	43	-590	-270	-385	-12	-24
Cash flow for the period	-446	639	26	-8	208	525	-77	-61
KEY RATIOS								
	Jan-Mar 2021	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019
Operating margin (EBIT), %	5.1	8.5	6.0	5.9	5.0	7.5	6.0	5.4
EBITA margin, %	5.1	8.5	6.0	5.9	5.0	7.5	6.0	5.4
Return on equity, %	16.6	16.7	16.0	16.2	15.9	16.1	18.2	18.0
Net debt	-1,134	-1,124	-1,230	-1,185	-1,698	-2,063	-2,735	-2,612
Net debt/EBITDA	0.6	0.6	0.7	0.7	1.0	1.3	1.8	1.8
Cash conversion*, %	121	153	167	149	127	115	104	98
Interest coverage, multiple	25.4	32.9	29.8	24.5	25.0	34.6	19.7	19.9
Equity/assets ratio, %	35.8	34.5	35.9	34.6	34.0	33.9	33.5	32.7
Order intake	5,801	5,140	4,024	5,346	5,732	5,546	5,055	5,467
Order backlog	14,397	13,791	14,274	14,952	14,985	14,485	14,507	13,905
Average number of employees	11,731	11,906	11,972	11,940	11,811	11,722	11,584	11,339
Administrative expenses as % of sales	8.5	8.3	7.7	8.1	8.2	8.8	7.7	8.1
Working capital as % of sales	-6.8	-7.5	-6.7	-8.1	-6.5	-5.6	-3.1	-4.3
Basic earnings per share, SEK	1.02	1.73	1.07	1.17	0.97	1.50	0.99	0.99
Diluted earnings per share, SEK	1.02	1.73	1.07	1.17	0.96	1.50	0.99	0.99
Equity per share, SEK	30.40	28.85	29.72	28.64	28.37	27.57	26.34	25.29
Cash flow from operating activities per share, SEK	0.71	4.30	0.05	3.59	2.76	4.88	0.32	0.65
Share price at balance sheet date, SEK	120.30	109.50	109.20	89.05	70.15	90.95	86.35	82.30

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. SEK MILLION	Jan-Mar 2021	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019
Net debt								
Interest-bearing liabilities	-2,501	-2,872	-2,359	-2,288	-2,830	-3,035	-3,202	-3,157
Cash and cash equivalents	1,367	1,748	1,129	1,103	1,131	972	467	545
Total net debt	-1,134	-1,124	-1,230	-1,185	-1,698	-2,063	-2,735	-2,612
EBITA								
Operating profit, EBIT	266	477	283	317	271	424	276	274
Amortisation and impairment of non-current intangible assets	0	0	1	1	1	1	1	1
EBITA	266	478	284	317	272	425	276	274
EBITDA								
Operating profit, EBIT	266	477	283	317	271	424	276	274
Depreciation, amortisation and impairment losses	107	121	102	104	106	111	105	101
EBITDA	372	599	385	421	377	535	380	374
Working capital								
Current assets	7,021	6,969	6,804	6,813	6,938	6,571	6,164	6,015
Cash and cash equivalents	-1,367	-1,748	-1,129	-1,103	-1,131	-972	-467	-545
Current liabilities	-8,848	-8,728	-8,045	-8,233	-8,653	-8,714	-7,988	-7,911
Lease, current liability	339	343	308	322	336	340	336	332
Short-term loans	1,200	1,350	465	320	1,020	1,495	1,180	1,100
Provisions	220	226	173	172	141	144	142	152
Total working capital	-1,434	-1,587	-1,424	-1,709	-1,349	-1,136	-633	-858
Interest coverage ratio								
Profit/loss before tax	256	449	271	303	250	407	259	257
Interest expense	11	14	9	13	10	12	14	14
Total	267	463	281	316	260	419	273	271
Interest expense	11	14	9	13	10	12	14	14
Interest coverage, multiple	25.4	32.9	29.8	24.5	25.0	34.6	19.7	19.9
Cash conversion*								
12-month EBITDA	1,357	1,363	1,316	1,308	1,264	1,244	1,258	1,253
Non-cash items in EBITDA, last 12 months	130	135	55	50	30	-2	81	70
Change in working capital, last 12 months	148	572	800	560	298	179	-44	-108
Investments in machinery and equipment, last 12 months	-36	-34	-40	-27	-28	-34	-23	-19
Total operating cash flow	1,599	2,036	2,131	1,891	1,564	1,387	1,272	1,196
Operating profit/loss, last 12 months	1,321	1,328	1,279	1,272	1,228	1,209	1,223	1,219
Cash generation, last 12 months, %	121	153	167	149	127	115	104	98

*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 2020 annual report.

The IASB has published supplements to standards effective from 1 January 2021 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 MILLION	Jan-Mar 2021	distrib- ution	Jan-Mar 2020	distrib- ution	Jan-Dec 2020	distrib- ution
Sweden	2,839	54%	2,806	52%	11,313	53%
Norway	981	19%	1,214	22%	4,304	20%
Denmark	1,064	20%	1,067	20%	4,217	20%
Finland	383	7%	325	6%	1,392	7%
Group-wide and eliminations	-35		-12		-79	
Total	5,233		5,401		21,147	

EBITA, EBITA margin and profit/loss before tax

SEK MILLION	Jan-Mar 2021	EBITA margin	Jan-Mar 2020	EBITA margin	Jan-Dec 2020	EBITA margin
Sweden	155	5.5%	156	5.6%	801	7.1%
Norway	44	4.5%	54	4.5%	245	5.7%
Denmark	56	5.2%	51	4.7%	220	5.2%
Finland	10	2.6%	1	0.4%	56	4.0%
Group-wide	2		10		29	
EBITA	266	5.1%	272	5.0%	1,351	6.4%
Amortisation of intangible assets	0		-1		-2	
Net financial income/expense	-9		-21		-74	
Profit/loss before tax (EBT)	256		250		1,274	

NOTE 2. Segment reporting and revenue distribution, cont.

Distribution of revenues	Jan-Mar 2021			Jan-Mar 2020		
	Service	Installation	Total	Service	Installation	Total
Revenue per category, SEK MIL.						
Sweden	1,429	1,410	2,839	1,404	1,403	2,806
Norway	551	430	981	600	615	1,214
Denmark	442	622	1,064	423	644	1,067
Finland	91	292	383	66	259	325
Eliminations	-8	-27	-35	-3	-9	-12
Group	2,505	2,728	5,233	2,490	2,911	5,401

Average number of employees	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Sweden	5,635	5,885	5,831
Norway	2,950	2,969	2,997
Denmark	2,341	2,257	2,315
Finland	702	607	666
Group-wide	103	103	98
Total	11,731	11,811	11,906

NOTE 3. Acquisition of operations

Bravida made the following acquisitions in the January-March period:

Acquired unit	Country	Technical area	Type	Date	Percentage of votes	Employees	Estimated annual sales, SEK million
Profire Sprinkler AB	Sweden	Sprinklers	Company	January	100%	35	70
J Beese VVS & Blik	Denmark	Heating and plumbing, ventilation	Assets and liabilities	February	-	12	14
Fiberkom ApS	Denmark	Electrical	Company	February	100%	8	11
SKM Service Oy	Finland	Heating & plumbing	Company	March	100%	20	205

NOTE 3. Acquisition of operations, cont.

Effects of acquisitions in 2021

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 14 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 2021 are preliminary.

Assets and liabilities included in acquisition	Fair value recognised in the Group, SEK million
Intangible assets	2
Property, plant and equipment	4
Trade receivables*	27
Income accrued but not invoiced	2
Other current assets	20
Cash and cash equivalents	44
Non-current liabilities	-3
Trade payables	-14
Income invoiced but not accrued	-3
Other current liabilities	-14
Net identifiable assets and liabilities	66
Consolidated goodwill	111
Consideration	176
Cash and cash equivalents, acquired	43
Net effect on cash and cash equivalents	133
Cash consideration paid	125
Consideration recognised as a liability**	51
Consideration	176

*There are no material impairments of trade receivables.

**Of the total consideration recognised as a liability, SEK 14 million consists of contingent consideration.

Acquisitions after the end of the reporting period

Bravida has made three acquisitions since the end of the period. In April, Volt Elektro AS was acquired in Norway with 6 employees and sales of approximately SEK 11 million. April also saw the acquisition in Sweden of Sverige IEAB with 23 employees and annual sales of around SEK 75 million, and Runevads VVS Teknik AB with 30 employees and annual sales of approximately SEK 50 million, with completion in May and June respectively.

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, 26 April 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 12:00 CET on 26 April 2021.

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

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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.

Financial reporting dates

Interim Report April–June 2021	16 July 2021
Interim Report July–September 2021	26 October 2021

Financial definitions

Average 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 income/expense

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)

Net debt divided by EBITDA excluding specific costs, based on a rolling 12-month calculation. A good capital structure provides a solid basis for continued business operations. The capital structure should provide a high degree of financial flexibility and enable acquisitions.

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)

Total 12-month EBITDA, change in working capital and investment in plant and equipment, as well as adjustment for non-cash items in EBITDA in relation to 12-month EBIT (operating profit).

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 acquisitions and divestments are eliminated for a period of 12 months from the date of acquisition or divestment.

Operating cash flow*

Operating profit/loss 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 only includes installation projects, not service operations.

Diluted earnings per share

Profit/loss for the period attributable to shareholders 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 interest-bearing short-term 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.

Specific costs

Transactions and items that are irregular in occurrence and size and consequently have an impact on earnings and key ratios.

*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 work through heat recovery, heat pumps, etc.

Heating & Plumbing

Water, wastewater, 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

Refers to other technical areas such as power, security, cooling, solar panels, energy optimisation, sprinklers and technical service management.

Other definitions

LTIR (Lost Time Incident Rate)

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

This is Bravida

+ Vision

Bravida enables customers leverage the full potential of their buildings. Through service and installation, we bring buildings to life – leading the way towards sustainable and resilient society.

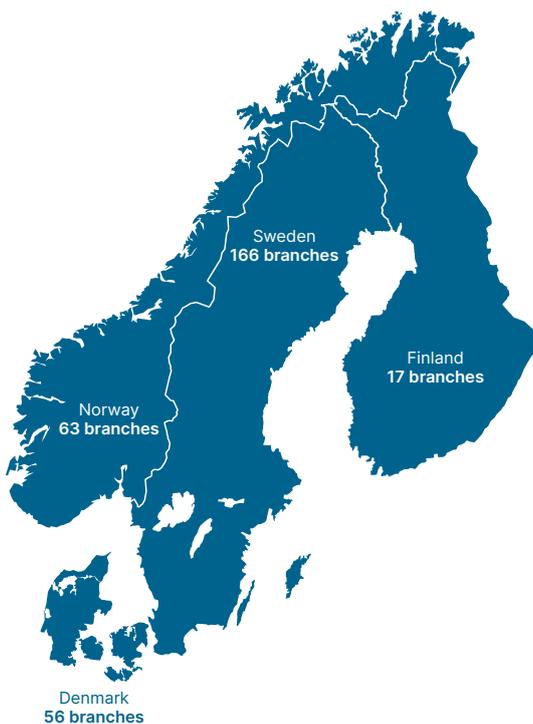
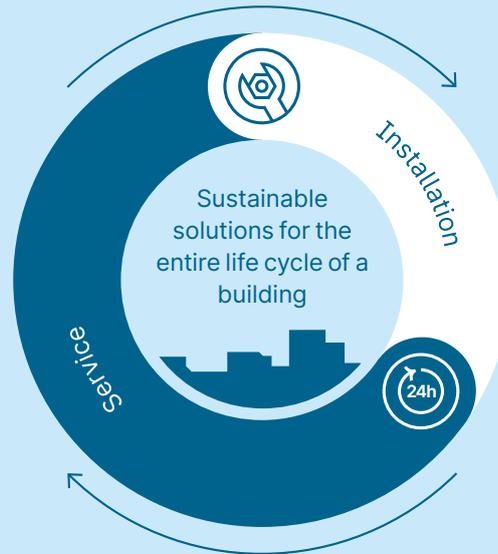
+ Mission

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

+ Target

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, drawing on the same 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 Shared 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 is our ultimate objective, and our strategies help us get there. Our aim is 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 work actively to implement our strategies every day.

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

+ 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 suggest solutions for the entire life cycle of a property. We assist in making sustainable choices and creating sustainable solutions. We provide customers with feedback after completing assignments, and always ask if we can help with anything else. Above all, we keep our promises, take responsibility for our work and care about our customers.

+ The best team

Bravida has the best team in the industry. What unites us is our passion for constant improvement. That is why the best managers and employees choose to work with us. We actively promote gender equality and diversity with a view to becoming 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.

+ Efficient delivery

Bravida takes a highly professional approach to everything it does. All our employees work hard every day to provide a great customer experience. We are efficient, cost conscious 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.

+ 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.

+ 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 provide the best customer offering, the best team, efficient delivery of assignments and a sustainable business. We only take on assignments and projects with a good margin. We are cost conscious and use resources efficiently. We always use Bravida's group-wide resources and systems, and aim to achieve low fixed costs.

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 by 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 those places where we choose to operate.

We bring
buildings
to life

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