

CAPITAL MARKETS DAY 2024

7 NOVEMBER 2024

Fasadgruppen 

AGENDA

CAPITAL MARKETS DAY

- **CoB intro**, Ulrika Dellby
- **Strategic update**, Martin Jacobsson
- **Operational excellence**, Johan Claesson & Adrian Westman
- **Acquisition strategy**, Daniél Bergman
- ~14:40 Coffee break
- **Clear Line**, Ian Hagan & David Higgins
- **Cash flow and financing**, Casper Tamm
- ~16:00 **Closing remarks and Q&A**



Ulrika Dellby
Chair of the Board



Martin Jacobsson
Chief Executive Officer



Casper Tamm
Chief Financial Officer



Daniél Bergman
Head of Mergers & Acquisitions



Johan Claesson
Chief Operating Officer



Adrian Westman
Head of Communications & Sustainability

KEY MESSAGES

CAPITAL MARKETS DAY 2024

- The group has optimised its operations over the past year and is ready to capitalise on the market drivers ahead (macro recovery, energy performance, renovation needs) with a focus on **increasing margins and cash flow in existing businesses**
- With our strong cash flow profile, **we aim to take leverage down from current levels**
- We see plenty of growth opportunities **both organic and through M&A** in the Nordics and in the UK
- **Clear Line is a strategic acquisition** with a deep niche, experienced management team and an attractive financial profile

STRATEGIC UPDATE

A STRONGER FASADGRUPPEN

BUT FIRST, A LOOKBACK

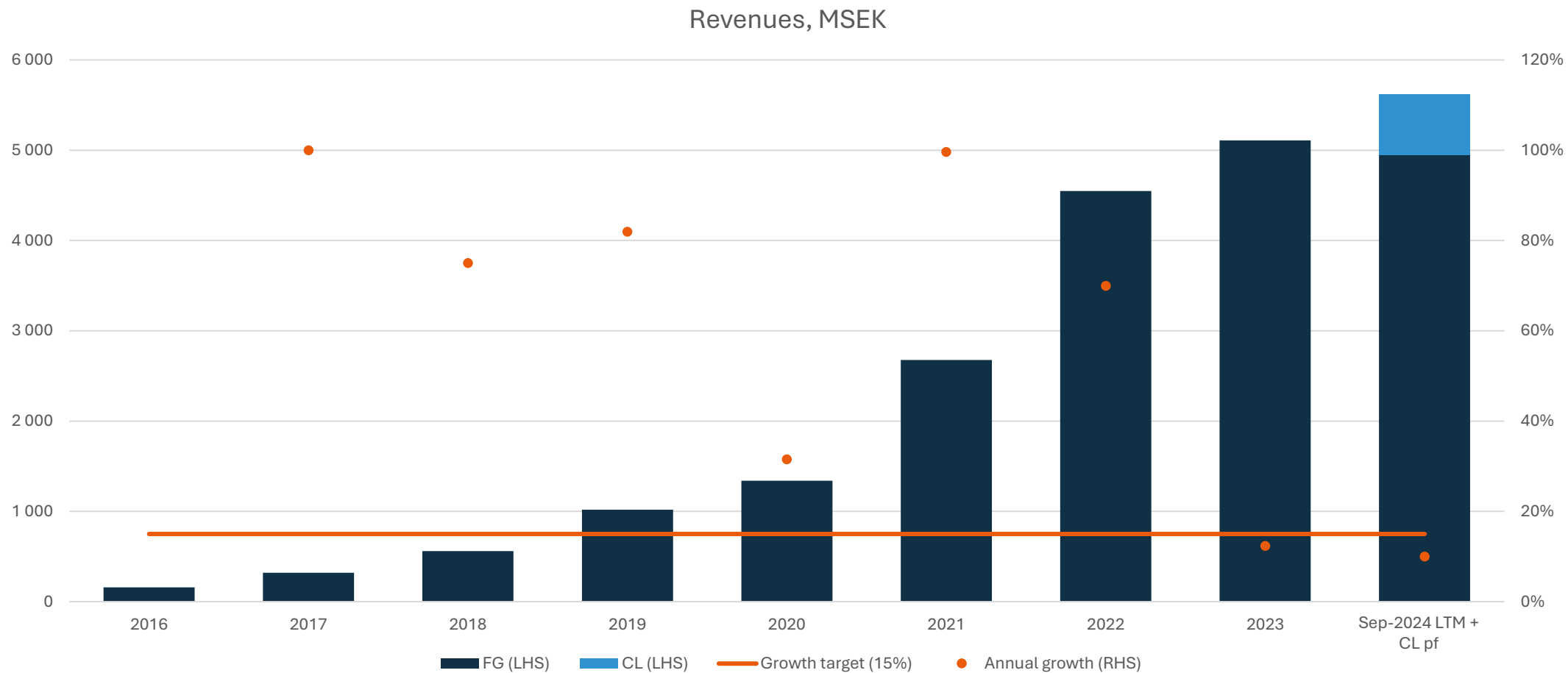
FOUR YEARS SINCE IPO

	FY19	GOALS	AVERAGE FY19-23	LTM SEPTEMBER 2024	CAGR
Revenue (SEKm)	1 019	Average net sales growth of at least 15% per year over a business cycle	-	4 949	39,5%
EBITA margin	12,7%	EBITA margin of at least 10% per year over a business cycle	10,5%	6,5%	-
Cash conversion	73,1%	100,0%	86,6%	103,7%	
Net debt / EBITDA	3,1x	<2,5x, can temporarily be higher		3,7x	
Dividend policy		30% of net income	33%		
EBITDA* (SEKm)	142	-	-	440	27%
EBITA* (SEKm)	129	-	-	322	21%
Operating cashflow	98	-	-	447	38%
EBITDA margin	14%	-	12%	9%	-
EPS (SEK)	3,67	-	-	2,54	-7%

*Adjusted in accordance with presented numbers in quarterly reports.

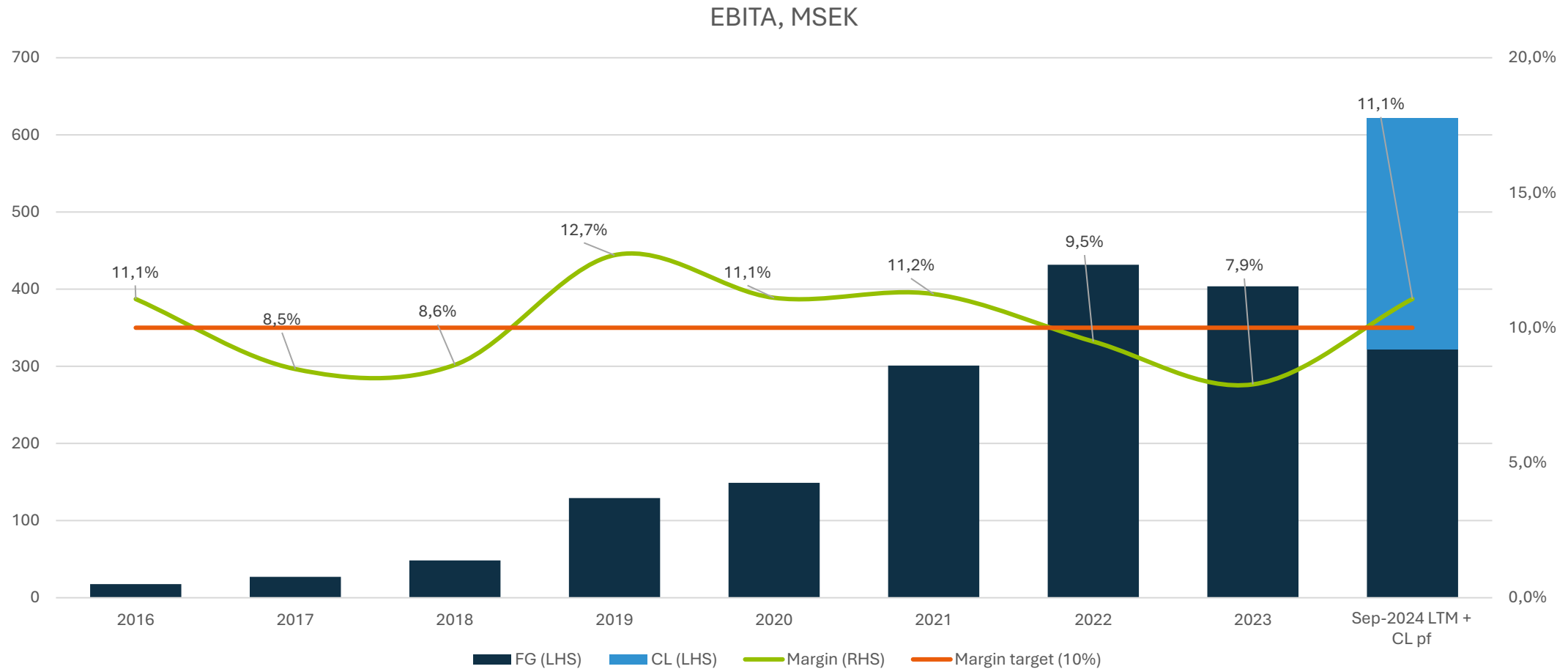
A HISTORY OF GROWTH

WELL ABOVE TARGET OF 15%



PROFITABILITY DEVELOPMENT OVER TIME

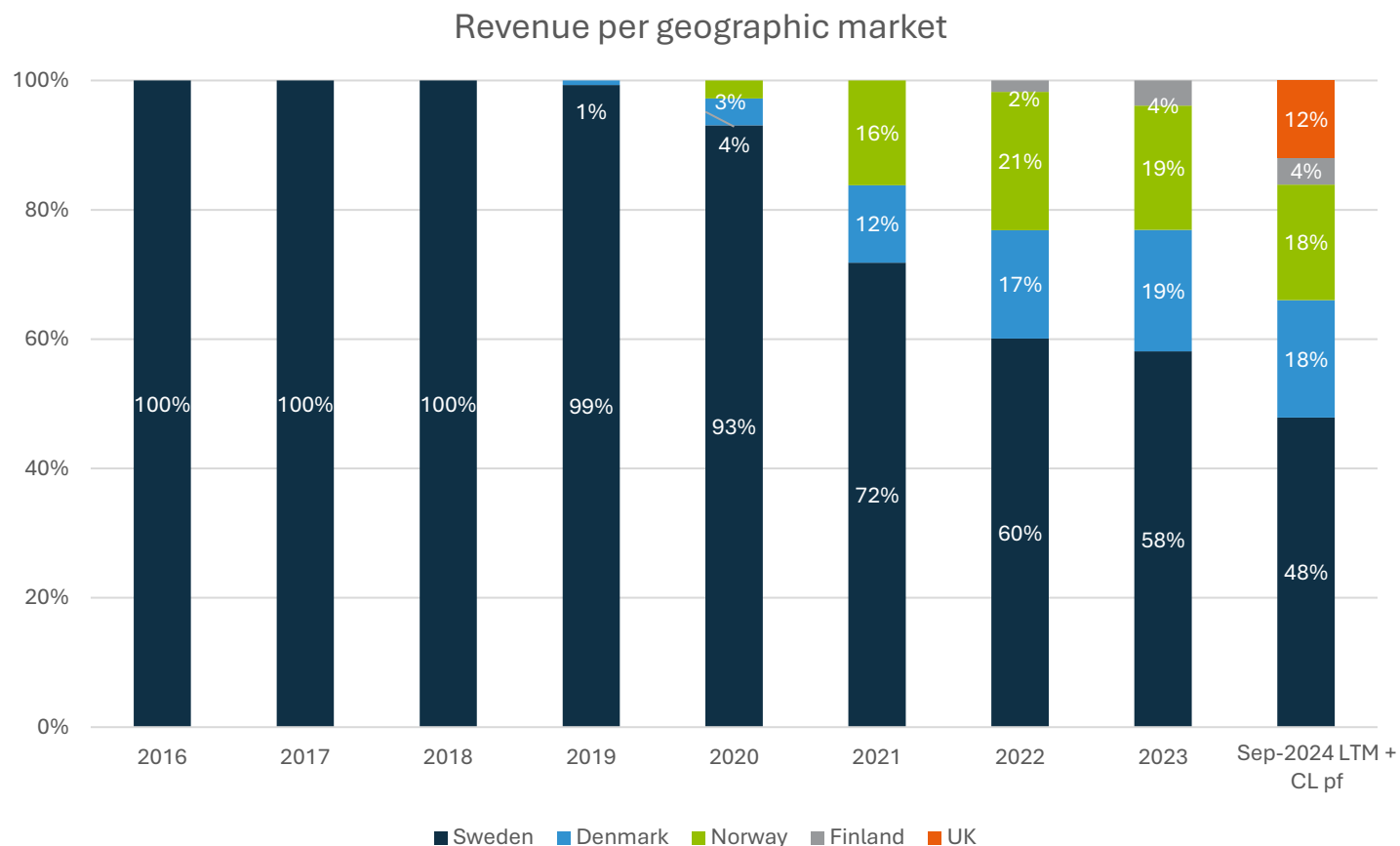
POISED FOR HIGHER MARGINS GOING FORWARD



DIVERSIFICATION STRATEGY

AN INTERNATIONAL EXPANSION

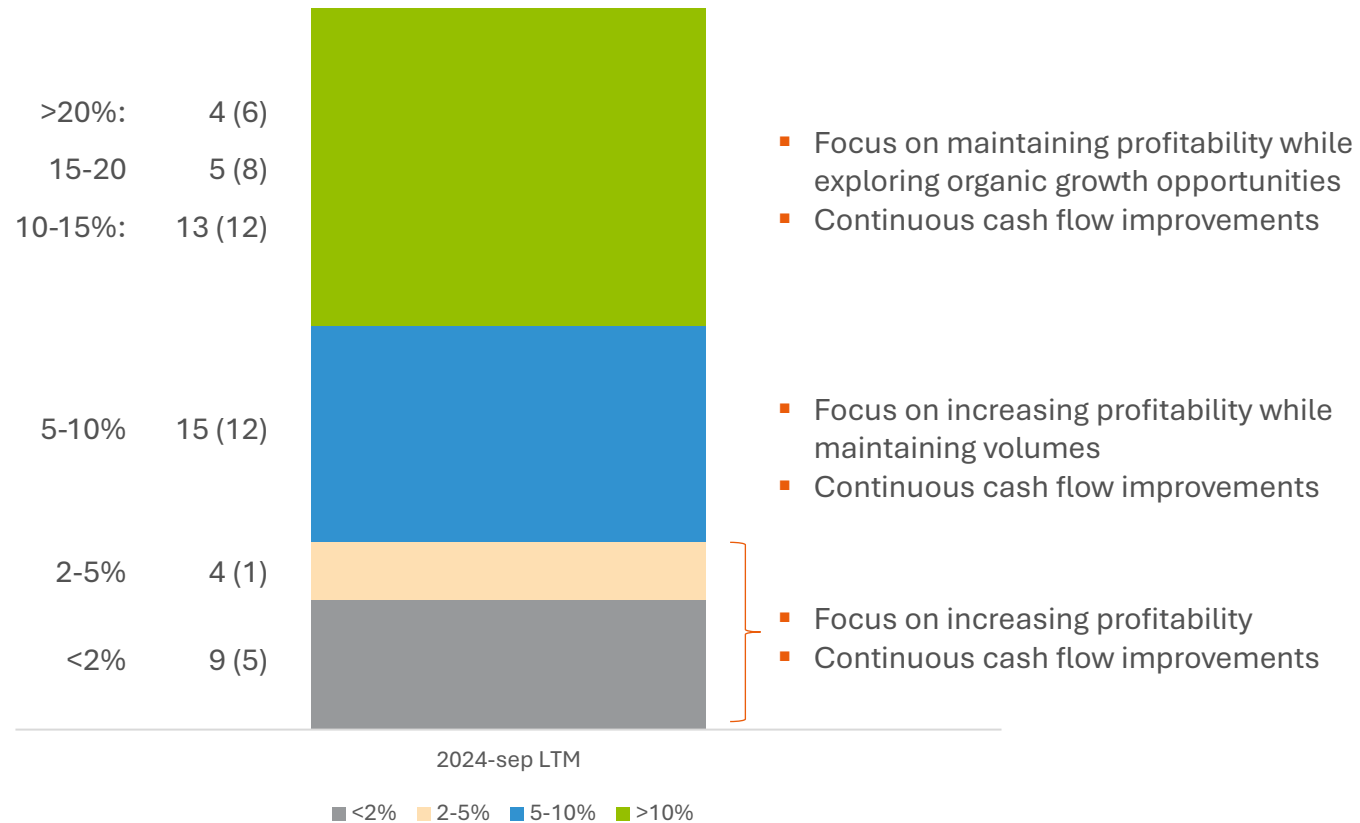
- Swedish operations from 100% to less than 50% of revenues in only 5 years
- Diversification will continue



MARGIN DISTRIBUTION BETWEEN COMPANIES

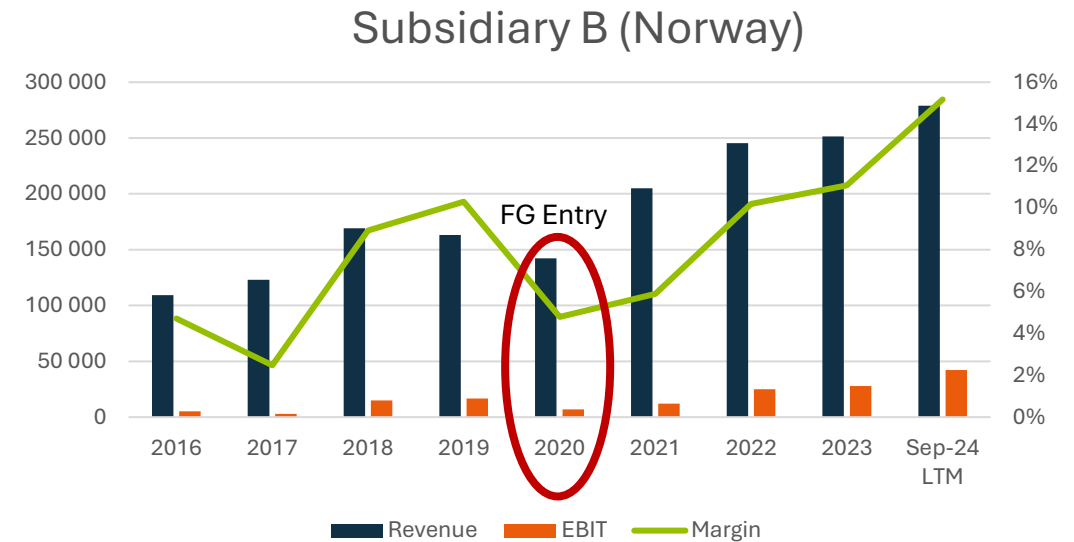
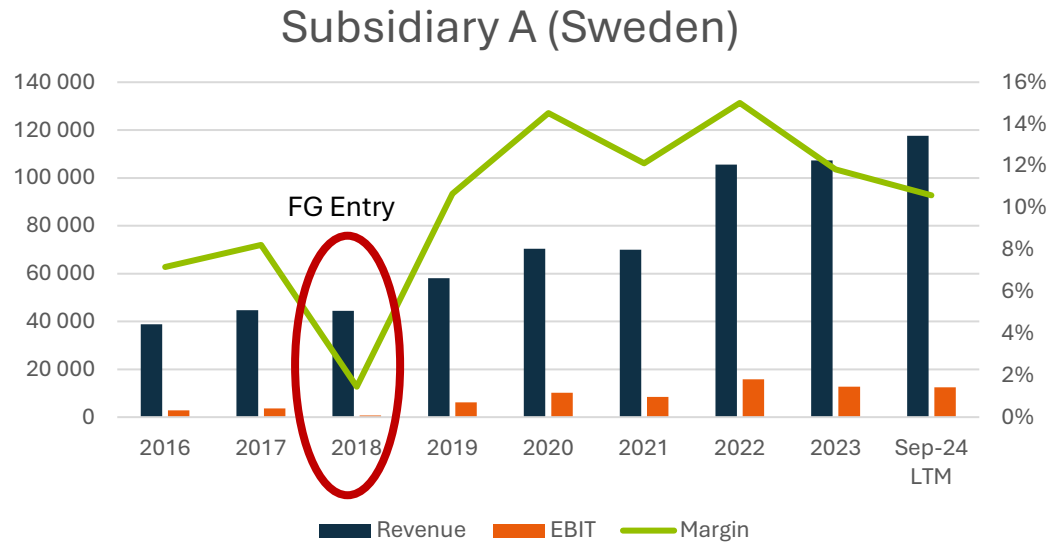
COMPARING AND CHALLENGING OUR COMPANIES TO IMPROVE

Margin profiles of subsidiaries (compared to 2023)



MARGIN-IMPROVING ACTIVITIES

PROJECT MANAGEMENT IS OFTEN KEY



- In both examples above, Fasadgruppen implemented strict project management including the percentage-of-completion model which enhanced profitability understanding and optimisation of resources; ultimately leading to **structurally higher efficiency and margins**

WHERE TO NOW?

THE ROAD TO 10-10

- In the summer of 2023, based on our financial targets, we stated an aim to achieve SEK 10 billion in sales with at least 10% margin by 2028
- We will capitalise on the market drivers ahead with a focus on increasing margins and cash flow in existing businesses, while also grasping organic opportunities
- We will continue to consolidate the Nordics and the UK

Vision

Sustainable properties and good living environments for all.

Mission

We acquire and develop entrepreneurial specialist companies that care for and create sustainable properties.

FOUR STRATEGIC FOCUS AREAS

FOUNDATION FOR PROFITABLE GROWTH

People & network development

- Leadership development
- Recruitment and onboarding
- Diversity and inclusion

Operational excellence

- Connecting and elevating the businesses
- Organic initiatives

M&A

- Value-adding acquisitions
- Organic start-ups

Sustainability

OUR INGREDIENTS TO VALUE CREATION

FASADGRUPPEN'S TRUE STRENGTH LIES WITHIN OUR PEOPLE AND CULTURE

- The ability to create lasting results
- Culture and leadership with clear accountability

Defined profitable
niche and sub-niches

Leading position in
selected markets

Leading full-service
offer

Diversified customer
base

Quality and craft
skills

Decentralised
business model

Asset light

Operational
excellence

Passionate and
committed people

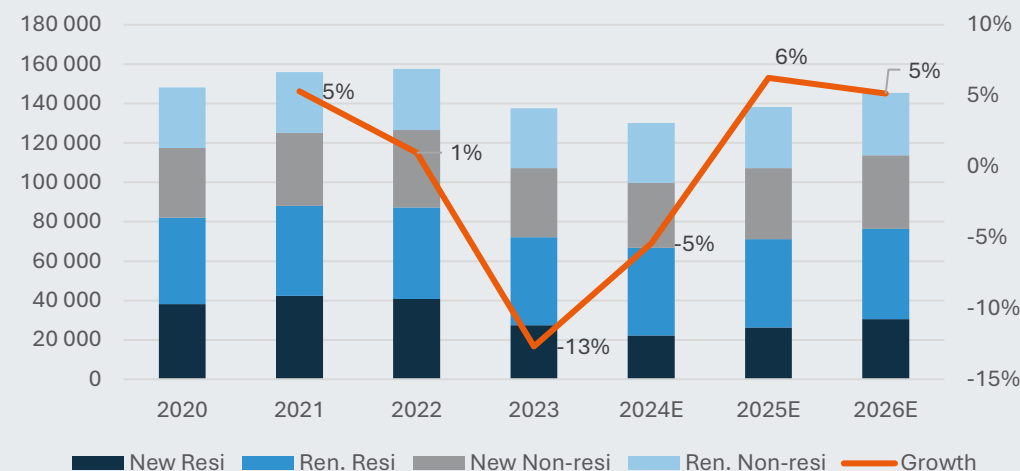
Focus on resilience

SEVERAL MARKET DISRUPTIONS IN PAST YEARS

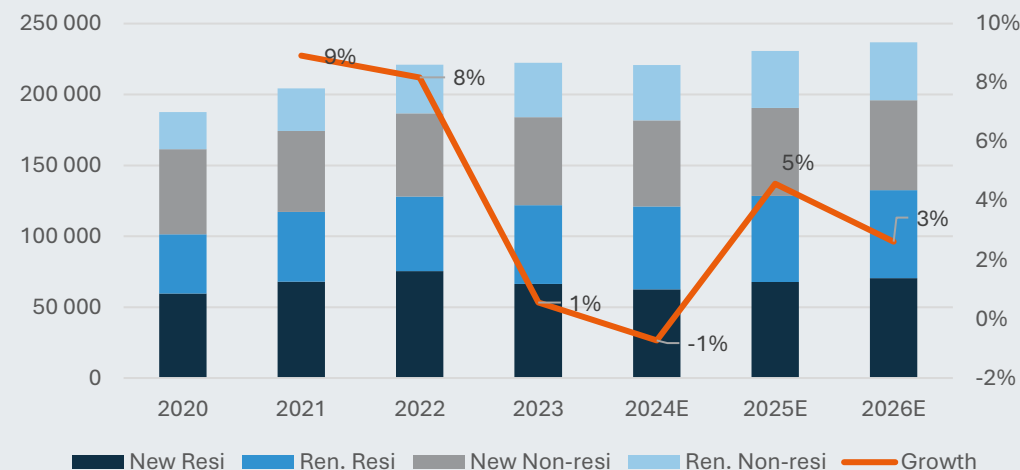
INCREASED COMPETITION FOLLOWING SLOPE IN NEW BUILD

- Inflation, rate hikes, high building costs and general halt in new build have caused a construction crisis in Sweden in particular, but all Nordic markets have been affected
- Whereas new build has a stronger cyclicality, renovation needs always exist; you can only postpone a building envelope renovation for a certain amount of time
- The fragmented construction market is both an opportunity and a challenge in the current economy; **key is to focus on quality**

Nordic total construction market (EURm)



UK total construction market (EURm)



ORGANIC OPPORTUNITIES

SUBSIDIARIES' SERVICE OFFERING A STRUCTURAL GROWTH STORY

- Based on company-specific conditions, the **subsidiaries will drive organic initiatives**
- With an **increasing demand for energy renovations**, the organic opportunities will be larger than in the past
- Historically, **organic growth has been 1-2% more than GDP growth** (3% last five years)
- Main bottleneck is skilled workforce but **we see Fasadgruppen as a more attractive employer**
- In addition to market-driven organic growth, we also have an opportunistic approach to **start-ups in attractive niches**

ACTIONS TAKEN TO BE IN POLE POSITION

ENSURING MAXIMUM VALUE CREATION

Group level

- New organisation with an Operations unit introduced in November 2023
- Improvement of core processes; Identify – Connect – Elevate
- Strengthen position toward energy renovations and property upgrades
- Selective acquisitions as part of our DNA

Subsidiary level

- Adapting to local conditions, but not participating in a race to the bottom
- Continuous improvements of cash flow management
- More focus on internal cooperation
- Redundancies without losing core competence
- Grasping market opportunities through M&A

UK MARKET A NEW GROWTH OPPORTUNITY

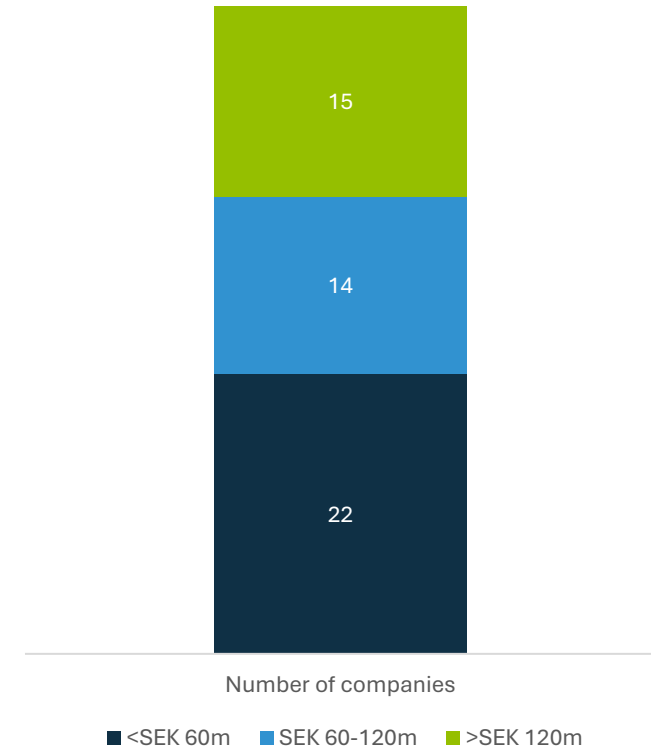
FACADE FIRE REMEDIATION IN ADDITION TO RENOVATION AND ENERGY EFFICIENCY

- Overall size of UK building envelope and facades market estimated at **GBP 10.5bn**, with an expected annual growth of 4.5% in the next few years
- For façade fire remediation, total market spend of **GBP 24bn is expected over the next 14 years**
- Replacement cycle in renovation is roughly 35 years but may accelerate due to **drive to net zero**
- UK government has introduced **minimum energy standards for commercial property**; the stock comprises 1.5m buildings with >60% pre-date 1970

FASADGRUPPEN FOLLOWING CLEAR LINE ACQUISITION

A STRONGER GROUP

- Combined order backlog of approximately **SEK 3.9 billion** (up from approx. SEK 2.8 billion)
- Clear Line has approximately 20 ongoing projects with an average order value of GBP 7.3 million; Project length on average 9 months
- Total number of projects with a value above SEK 50 million rising from 9 to 22 in total within Fasadgruppen; average project size in total at approx. **SEK 4 million**
- 15 companies with revenue above 120 MSEK, 14 companies with revenue between 60-120 MSEK and 22 companies with revenue below 60 MSEK



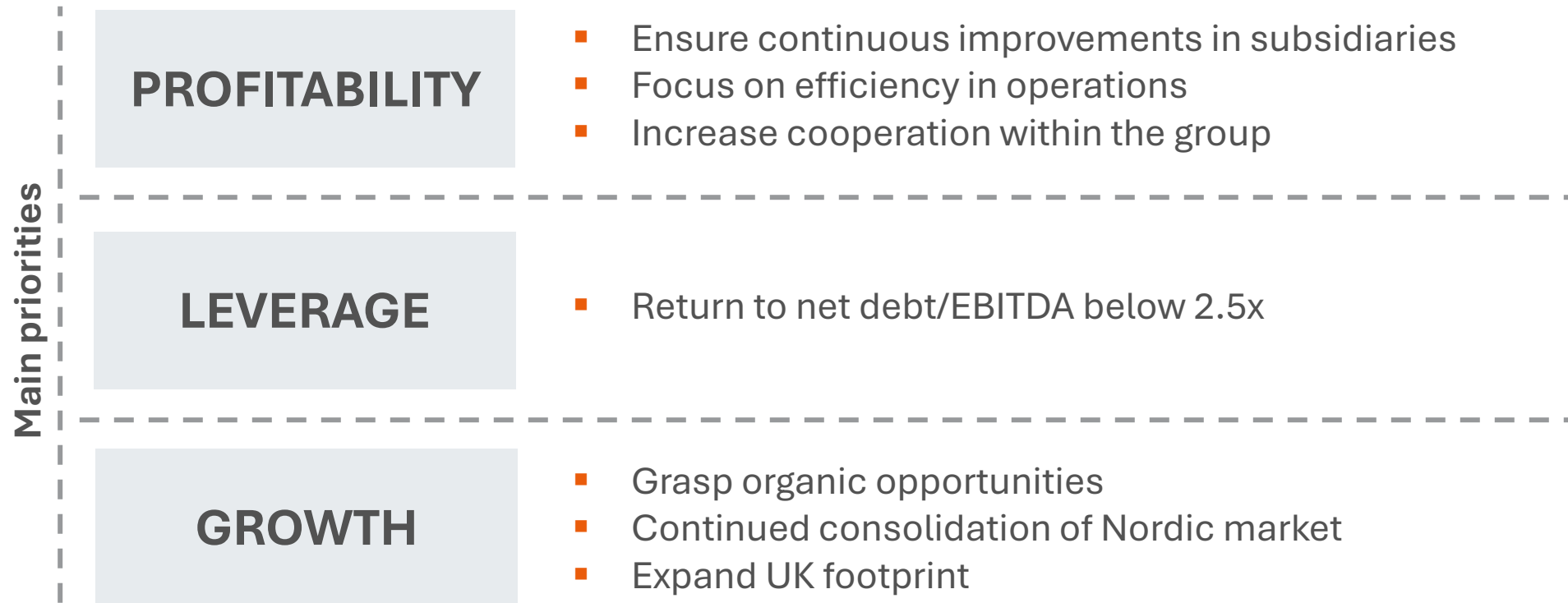
FINANCIAL TARGETS REITERATED

LONG-TERM VALUE CREATION

- **Net sales growth:** An average net sales growth of at least 15 percent per year over a business cycle. The growth should be achieved organically as well as through acquisitions.
- **Profitability:** EBITA margin of at least 10 percent per year over a business cycle.
- **Cash conversion:** Cash conversion of 100 percent.
- **Capital structure:** The net debt in relation to adjusted EBITDA shall not exceed a ratio of 2.5. Leverage can temporarily be higher, for example in connection with larger acquisitions.
- **Dividend policy:** Fasadgruppen's target is to distribute 30 percent of the Group's consolidated net income, taking into consideration other factors such as financial position, cash flow and growth opportunities.

PRIORITIES 2025-2028

FOCUSING ON PROFITABLE GROWTH

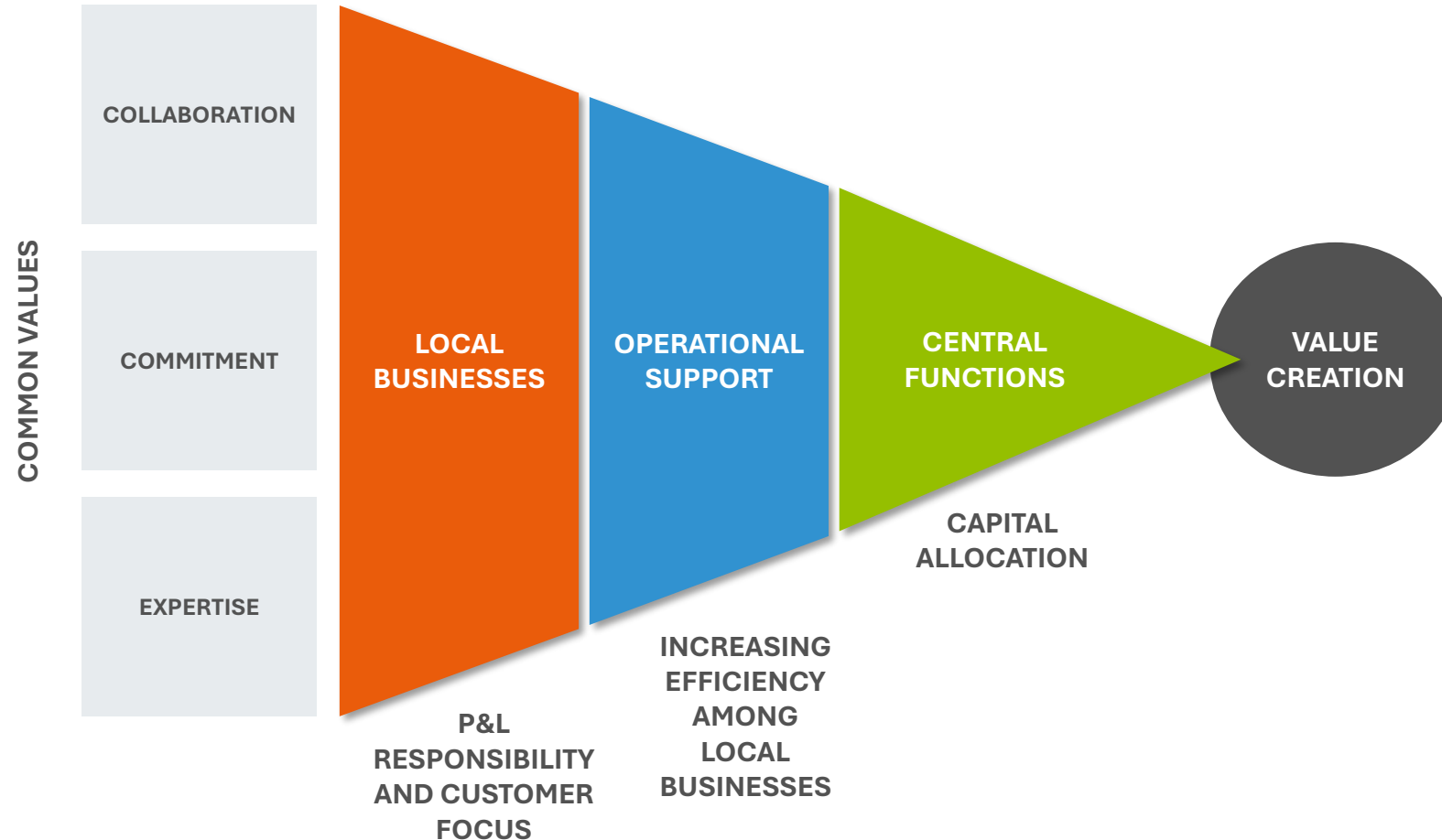


OPERATIONAL EXCELLENCE

ENABLING BETTER BUSINESSES
THROUGH EFFICIENCY

FASADGRUPPEN'S DECENTRALISED BUSINESS MODEL

ENSURING EFFICIENCY AND ACCOUNTABILITY



COMPETITIVE ADVANTAGES WITH OUR MODEL

BRINGING VALUE TO THE CUSTOMER



Local relationships

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



Reference projects

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



Network and operating platform

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



Multi-disciplinary projects

- To develop an organisation that can provide services in multiple fields is costly and time-consuming, therefore benefiting Fasadgruppen's established cross-selling abilities



Certificates

- Requirements of certificates and compliance with working environment legislation
 - Especially important in public procurement

INTRODUCTION TO THE OPERATIONS UNIT

VALUE CREATION THROUGH OPERATIONAL EXCELLENCE

Example of central functions where we see clear synergies between our subsidiaries:

- Procurement
 - ✓ Central framework agreements
 - ✓ Delivery terms
 - ✓ Payment Terms
 - ✓ Sustainability
- QHSE
 - ✓ ISO Management
 - ✓ Continuous improvement
- Sales
 - ✓ Early stages
 - ✓ New business opportunities



**The decentralised organisation
requires a balance between
central and local initiatives**



LESSONS LEARNED

THE MARKET CHALLENGES HAVE CREATED AN OPPORTUNITY TO REFINE THE MODEL

Focus on goal and process driven development to ensure long-term success in a challenging market environment

Strengthen our competitiveness, necessary structural changes are required

Acquiring niche companies and diversifying within specific geographic areas

Clear goal-oriented approach based on the group's overarching strategy, still allowing local adaptations to fit each subsidiary's conditions

To attract talent, we need to develop new recruitment models while investing in leadership development to foster a strong and sustainable organisational culture



At the core of this approach is an emphasis on utilising the knowledge and experience available within the organisation. By tapping into our internal expertise, we aim to drive continuous improvement, strengthen collaboration, and create added value across all levels, enhancing our ability to meet future challenges effectively.

THREE CORE PROCESSES

ACHIEVING OPERATIONAL EXCELLENCE



IDENTIFYING VALUE-ADD AND NEEDS

ACQUIRING THE RIGHT TARGETS

1

IDENTIFY

- Sourcing leads through our internal network
- Due diligence involvement from support functions
- Leadership supply
- Identification of development areas
- Diversification within a geography

CONNECTING ACQUISITIONS WITH THE GROUP

GETTING NEW SUBSIDIARIES UP TO SPEED

2

CONNECT

- Clear processes and structure without losing focus on business
- Based on due diligence; focus on support where needed the most
- Convey the right level of expectations
- Continuous follow-up

Fasadgruppens operating model

Board meetings

At least 2 per year

Monthly project follow-up

Country managers and subsidiary representatives

Monthly performance review (FG Scorecard)

Revenue, EBITA, Cash flow, ESG KPIs

Network with Fasadgruppen companies

Exploring co-operation

Continuous leadership review

Four guiding principles

ELEVATING THE SUBSIDIARIES

ENABLING GOOD GOVERNANCE AND CONTINUOUS DEVELOPMENT

3

ELEVATE

- Right leadership for each business
- Ambitious objectives and strategy plans
- Access to knowledge and skills
- Follow-up on KPIs; coaching
- Persistence and long-term approach
- Automate and digitalise

Four guiding principles to create a strong and consistent leadership culture that is aligned with our specific needs and objectives:



SUSTAINABILITY FRAMEWORK

AMBITION TO PROFESSIONALISE AND DRIVE SUSTAINABLE DEVELOPMENT IN THE INDUSTRY

Focus areas

E **The industry's most ambitious climate action**
Reducing our own and our customers' footprint

S **The industry's best workplace**
Providing a safe and stimulating working environment

G **The industry's most stable partner**
Building and maintaining trust in every business relationship

Sub-areas

- Sustainable offering
- Sustainable purchasing
- Reduced climate impact

- Safe working environment
- Inclusion and diversity
- Skills supply and development

- Governance and control
- Sustainable acquisitions and financing
- Ethics and anti-corruption

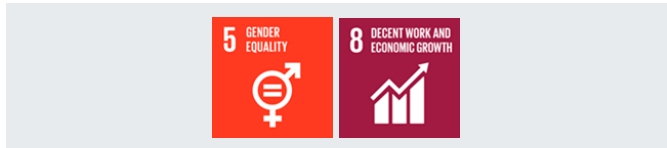
Group targets

- Previous targets of emissions scope 1, 2 and 3 (upstream) in relation to net sales (tCO2e / MSEK) to be replaced by Science Based Targets in 2024

- Employee Net Promoter Score (eNPS)
- Lost Time Incident Frequency (LTIF)
- The proportion of women in newly appointed leading positions, %

- Growth in net sales
- Adjusted EBITA margin
- Cash conversion
- Leverage (net debt/adjusted EBITDA)
- Dividend policy

UN SDGs



Framework fully integrated in strategy and targets

RENOVATION WAVE STILL AHEAD OF US IN THE NORDICS

REGULATION AND FINANCE REQUIREMENTS WILL PUT PRESSURE ON PROPERTY OWNERS

- The EU Energy Performance of Buildings Directive (EPBD) will increase the renovation rate in the Nordics, starting in 2025
- EPBD is likely to boost demand for multi-disciplinary projects
- Public Housing Sweden has estimated the cost for its members to SEK 565 billion over the next 25 years
- In addition to EPBD, Nordic lenders are increasing their pressure on property owners to improve the energy performance
- In addition to energy efficiency, climate change will also drive demand

First EPBD implementation in Sweden indicates:

- 16% of the worst-performing non-residential buildings until 2030 → **13,946 buildings** must undergo energy renovations
- 26% of the worst-performing non-residential buildings until 2033 → **22,632 buildings** must undergo energy renovations
- Implementation for residential buildings expected in 2025

READY TO SUPPORT IN THE NET ZERO TRANSITION

FASADGRUPPEN'S SERVICES ARE CORE FOR ENERGY EFFICIENCY



Different energy performance measures¹⁾

1. Façade insulation 20-25%
2. Attic insulation 8-15%
3. Window renovation 10-20%
4. Window replacement 20-25%
5. Balcony glazing 5-15%
6. New entrance and basement doors 6-7%
7. Adjustment of ventilation system 10-12%
8. Upgrade to FTX ventilation using the SmartFront method 60-65%
9. Installation of solar panels

In addition to the energy performance improvements, all measures contribute to better living environments and higher property value

CONCEPTUALISING ENERGY MEASURES

HELPING THE CUSTOMERS TO TAKE ACTION

Smart Energy Renovations



Good

~20% energy savings
22% CO2e savings



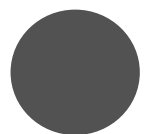
Better

~35% energy savings
29% CO2e savings



Best

50-70% energy savings
53% CO2e savings



No renovation

0% energy savings
0% CO2e savings

*Climate investment
with 5-6 years' payback time with
average energy mix,
or 6-8 years for net
zero 2045*

Customer testimonials

“We have reduced our energy costs by SEK 2.2 million and moved the property from an energy class E to B”

“We have increased the property value by 50%”

“The harmful radon levels we had before the renovation are down to lawful limits. It feels safe for us residents”

“We were able to preserve the appearance of our property while also improving energy performance”

CO-OPERATION IS KEY TO DRIVE TRANSITION

PART OF PROFESSIONALISATION

Some of the stakeholders that have an impact where cooperation will be of benefit to both customers and the parties involved:

- Banks
- Insurance companies
- Trading associations
- Co-operative associations
- Material suppliers

Fasadgruppen aims to be in the midst of the transition, partnering with stakeholders that share our vision of sustainable properties and good living environments for all

Fasadgruppen is also acting to improve our own footprint and have committed to the Science Based Targets initiative

- Targets are currently in audit phase
- Targets to reduce scope 1, 2 and 3 will be both short and long-term including net-zero and also include a supplier engagement target
- Targets will be similar to the KPIs in the group's sustainability linked loans

CREDIT FACILITIES CONVERTED INTO SLL'S

DEMONSTRATING CONNECTION BETWEEN FINANCING AND STRATEGY

- When evaluating the most relevant KPI's, focus was on the ongoing work within the areas of the Group's sustainability framework
- Targets linked to ongoing safety work and environmental efforts
- Interest rate margin impact is up to \pm 0.05% per annum if all three sustainability performance targets for the KPIs are met, with a 50/50 distribution between the E and the S

KPI 1: Reduction of Long-Term Injury Frequency, measured as workplace accidents (causing \geq 1 day of sick leave) per 1m hours worked

50% decrease between 2023-2030

KPI 2: Reduction of scope 1 and 2 market based GHG-emissions from a 2023 baseline, calculated according to GHG protocol

Decrease in line with the 1.5-degree ambition (40%)

KPI 3a): Reduction of scope 3 GHG-emission intensity from a 2023 baseline

Decrease in line with the well-below 2-degree ambition (34.6%)

KPI 3b): Increase of supplier with validated SBTs by share of spend purchased goods and services

80% coverage by 2029, also giving indirect effect of higher data quality

SUMMARY

OPERATIONAL EXCELLENCE TO FUEL MARGINS AND CASH FLOW

- Goal-oriented governance
- Optimised for the future
- Act on new business opportunities
- Leadership development
- Leveraging internal knowledge and experience
- Positioning towards energy renovations and upgrades

ACQUISITION STRATEGY

ADDING VALUE

M&A PHILOSOPHY

A SET-UP THAT ATTRACTS ENTREPRENEURS THAT STRIVE FOR MORE

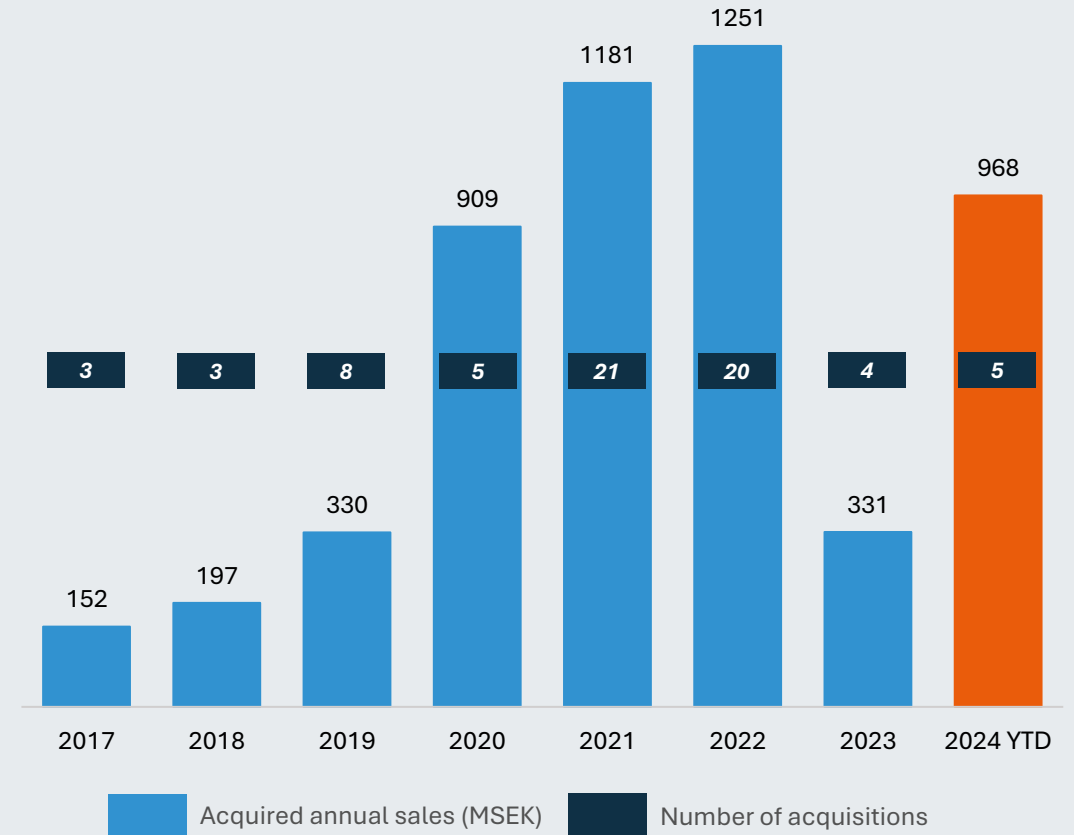
- **Decentralised model** – the companies retain a high degree of autonomy
- **Infinite ownership horizon** – we buy companies to own them indefinitely
- **Entrepreneurial context** – exchange of best practice, ideas and relationships
- **Win-win incentives** – structures that reward long-term performance

Seamless teamwork between the central functions and resources in getting the transactions over the finish line

A HISTORY OF M&A

BUILDING THE GROUP

- From a merger of two Swedish companies to a northern European market-leading group
- Entrepreneurs/former owners are strong ambassadors
- Same management in more than 80% of all our companies



RUNWAY AND MARKET DRIVERS

LARGE MARKET WITH PLENTY OF OPPORTUNITIES

- Fasadgruppen's current addressable markets have a combined size of more than **SEK 275 billion** with many growth drivers ahead



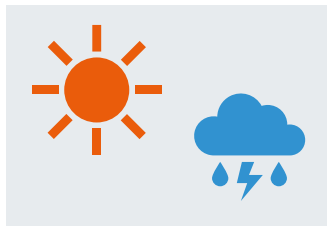
Technical debt



Energy efficiency



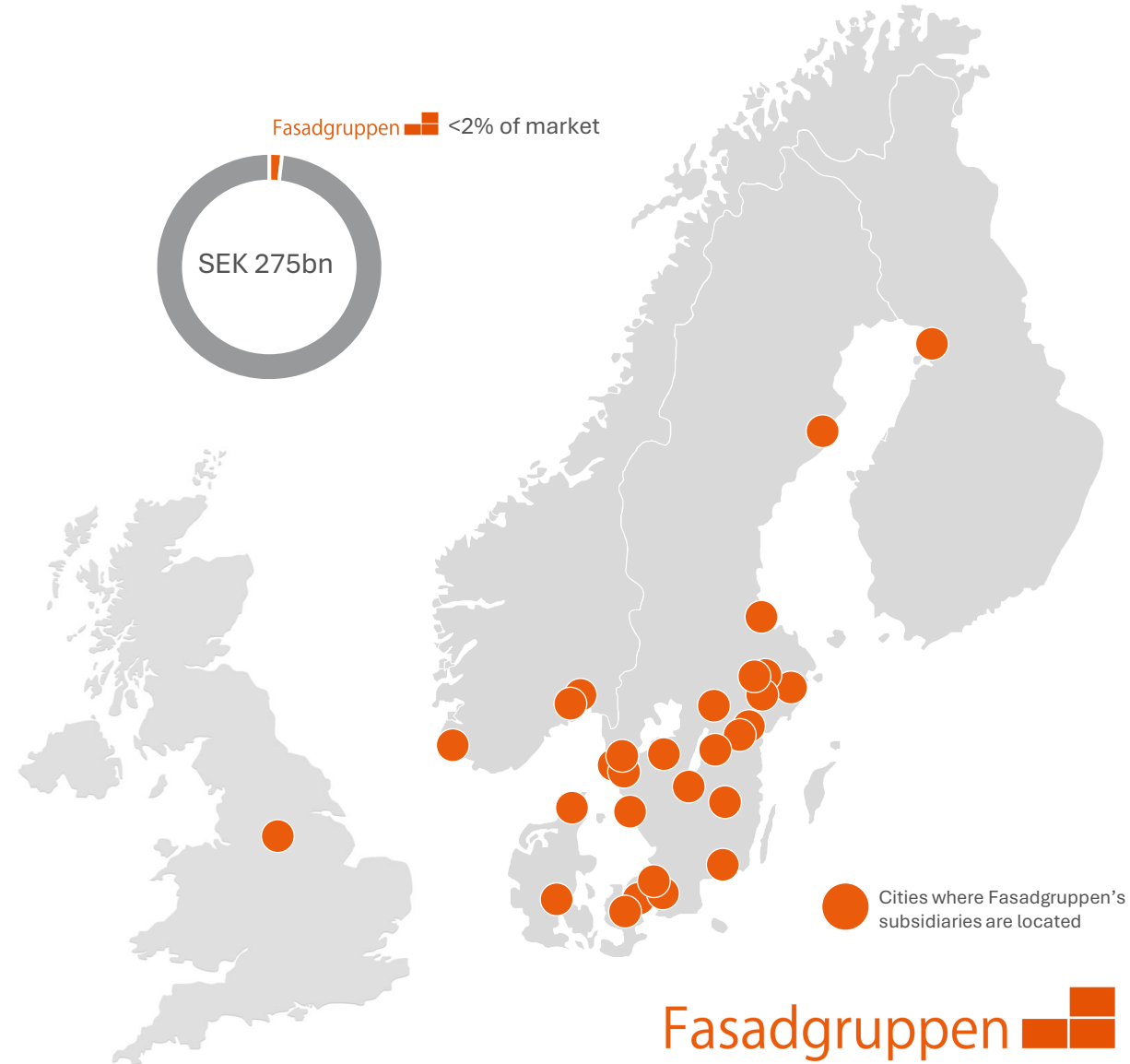
Cultural heritage



Extreme weather



Changing demographics



GROWING OUR OWN NICHE

BUILDING ENVELOPES AND BUILDING EXTERIORS

Façade

- Insulation
- Render
- Masonry
- Cladding
- Glazing



Roofing

- Insulation
- Tinsmiths
- Bitumen roofing
- Tile roofing



Windows

- Installation
- Renovation



Balconies

- Assembly
- Installation
- Renovation
- Glazing



Speciality

- Deep-niche services
- Forging
- Steel structures
- Scaffolding
- Solar



VALUE-ADDING ACQUISITION CRITERIA

A CHECKLIST WHEN SOURCING TARGETS

Company

- ✓ Clear niche
- ✓ Strong reputation
- ✓ Net sales of roughly SEK 50-500 million
- ✓ >10% EBITA margin over a business cycle
- ✓ Asset light
- ✓ Majority renovation
- ✓ Sustainable business model

Management

- ✓ Entrepreneur led with solid management team
- ✓ High level of integrity and sound business practices
- ✓ Cultural fit and commitment to the journey

Market

- ✓ Strong local market position
- ✓ Active in growing region and/or market
- ✓ Diversifying service offer in existing market

ACQUISITIONS IN 2024

ALIGNING WITH STRATEGIC AGENDA

- All acquisitions carried out in 2024 tick the boxes in terms of company, management and market criteria
- ✓ Clear niches and strong market positions
- ✓ Margins above 10%
- ✓ Majority of revenues from renovation
- ✓ Active in growing regions
- ✓ Commitment to the journey ahead

Alument^{dk}



BRENDEN & CO
STILLASUTLEIE AS



Examples of acquisitions

START-UPS AS A COMPLEMENT TO M&A

LEVERAGING OUR KNOW-HOW AND IMPLEMENTING SIMILAR CRITERIA

A mix of company, management and market criteria with an opportunistic approach

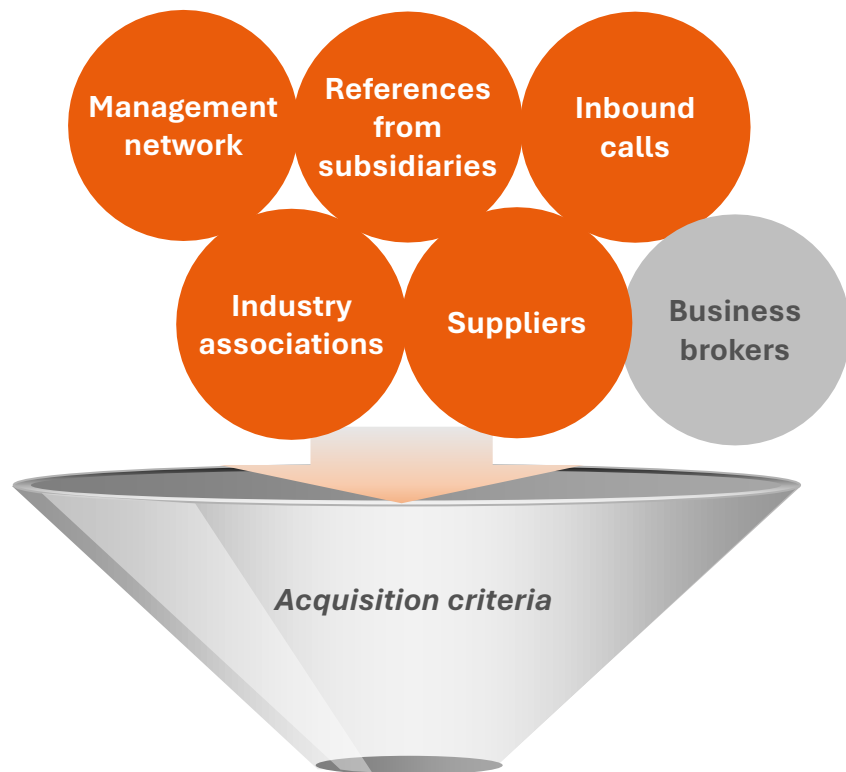
- ✓ Clear niche
- ✓ Entrepreneur led
- ✓ Cultural fit
- ✓ Growing market
- ✓ Complementing the existing businesses



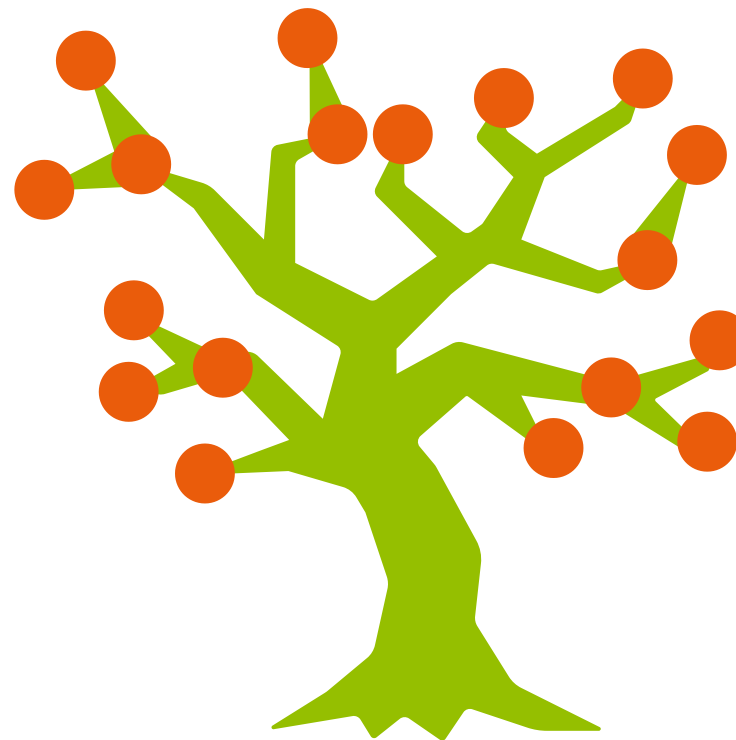
DEAL SOURCING WITH ORGANIC APPROACH

PIPELINE GROWS FOR EVERY ACQUISITION

A majority of organic leads...



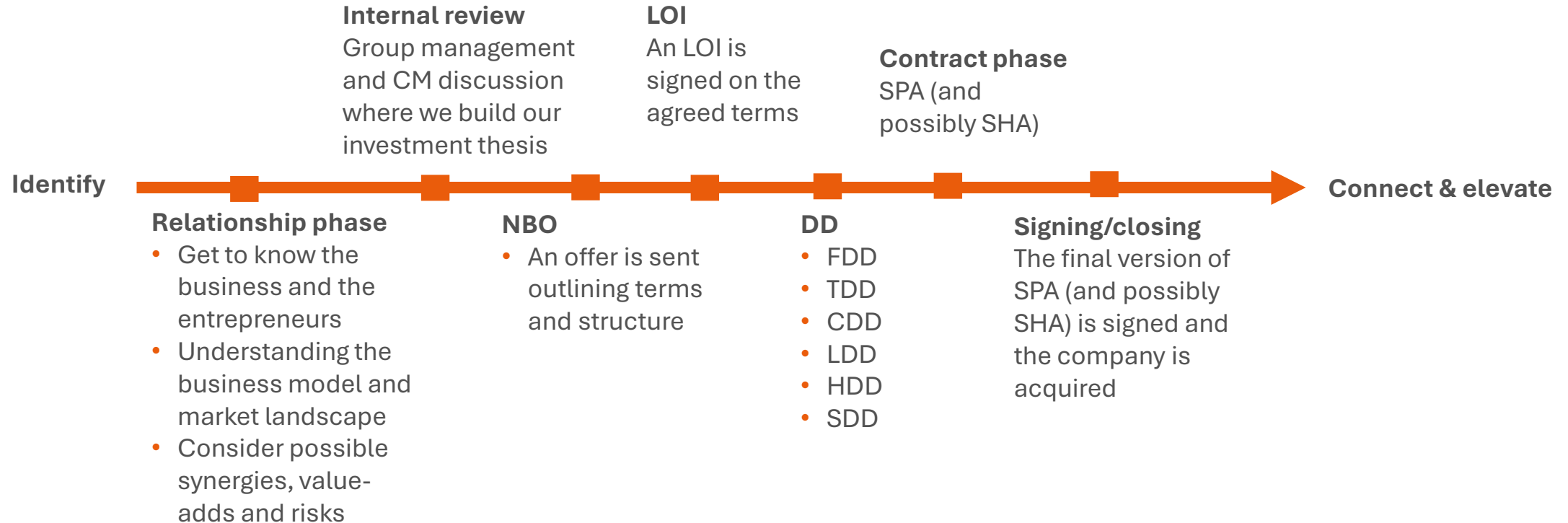
...generates a strong pipeline...



...and every new acquisition adds more leads

THE M&A PROCESS

GETTING TO KNOW THE COMPANY AND THE ENTREPRENEUR BEHIND IT



No typical timeline, a process may take any time from 4 months to 4 years

CREATING STRUCTURES TO PERFORM

DEAL STRUCTURE CORE FOR VALUE CREATION

Deal structure components

- Majority ownership - 51-100% acquisitions
- Earn-outs
- Put/call options
- Profit sharing through preference shares
- Re-investment in Fasadgruppen shares, either through own purchase or share issue

SUMMARY

M&A IS A CLEAR DRIVER FOR PROFITABLE GROWTH

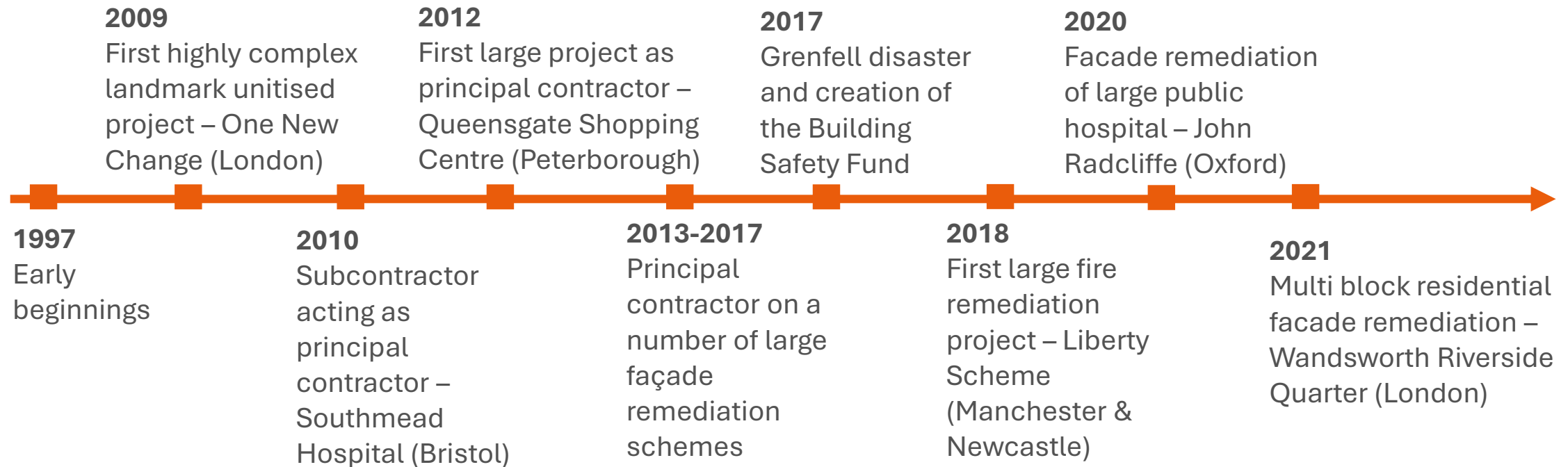
- Fasadgruppen offers an attractive model to entrepreneurs
- Large fragmented market with many growth drivers
- A continuous flow of new targets thanks to our size and network
- M&A is in our DNA

CLEAR LINE

BUILDING ENVELOPE SOLUTIONS IN THE UK

HISTORY OF CLEAR LINE

BUILDING A LEADING POSITION AS SPECIALIST PRINCIPAL CONTRACTOR



THE CLEAR LINE PROPOSITION

UK'S LEADING SPECIALIST PRINCIPAL CONTRACTOR

- 'Total solution' from self-delivery construction model
 - Design, delivered in-house,
 - PCSA, gives client certainty and secures the project,
 - Contract delivery and execution.
- Innovative approach to complex solutions
- Expertise across entire building envelope
- Secure relationships with property owners, developers, agents and building contractors
- Established referrer network – typically Uks leading Façade Consultancies (Arup, Wintech etc.)
- Continuous flow of new opportunities allows selective approach to new projects
- Flawless track record
 - Offer £10m professional indemnity insurance cover – not typically available to specialist principle contractors

PROJECT OFFERING

COVERING THE ENTIRE BUILDING ENVELOPE

Fire safety and cladding remediation

- Government Backed Building Safety Fund
- Private Developer Building Safety pledge
- Government Backed Cladding Safety Scheme

Façade design, supply, installation, and maintenance

- Unitised and gridwork curtain walling, structural and fire rated glazing, windows and doors
- Broad range of material types
- Maintenance, modification, restorative and cleaning



PROJECT OFFERING

COVERING THE ENTIRE BUILDING ENVELOPE

Atria and roof glazing

- Glazed rooflight installation, remediation and replacement
- From pitched roof structures to complex gridshell rooflight structures
- Commercial buildings, universities & colleges, shopping centres



Specialist minor works

- Complex glazing replacement
- Annual façade inspection
- Façade surveys
- Roof guttering and coping leak remediation
- Glass polishing
- Servicing
- Reactive maintenance



PERSONNEL

PERMANENT STAFF COMBINED WITH POOL OF SKILLED INDIVIDUALS

- 60 permanent staff
 - Industry leading specialist in-house design team
 - Project management
 - Site management
 - Estimation team
 - Materials specialists
- Second tier management team
 - Heads of design, QS, QA, recruitment, H&S & IT
- Subcontractor operatives
 - ‘Bank’ of c400 skilled individuals
 - Maintain quality and control
 - Scoring matrix to select the ‘right’ people
 - Procured and managed through in-house recruiters
- Staff development and retention



HIGHLY SUCCESSFUL BUSINESS MODEL

FOCUSING ON THE RIGHT PROJECTS

- Selective project acceptance strategy,
 - Customer audit, we only work for the ‘right customer’,
 - Project audit, we only work on the ‘right project’,
- Not involved in a ‘race to the bottom’ on price,
 - Clear with Clients that our approach is quality and service driven, not price driven,
 - If during Tender projects become price driven we politely remove ourselves from the process, to protect the business,
- Complex projects = requires higher specialty skills and attracts premium rates
- Premium service valued by trusted customers
- Prudent approach to revenue and profit recognition
- Project performance and cash flows managed on a project-by-project basis

GROWTH OPPORTUNITIES

LONG-TERM DRIVERS

Fire remediation

- High-rise buildings (18m+)
- Medium-rise buildings (11-18m)

Net zero

- Remediation of inefficient and out-dated building stock
- Minimum energy standards for commercial property

The key factor for Clear Line to find new ownership was to realise the full potential – **new scale**
will open many doors ahead

CASH FLOW, BALANCE SHEET AND FINANCIAL CAPACITY

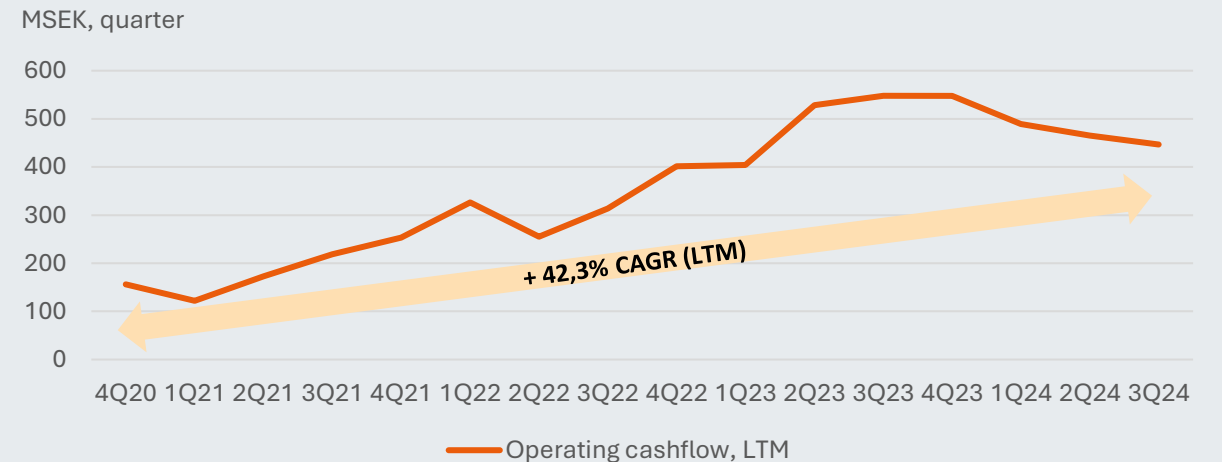
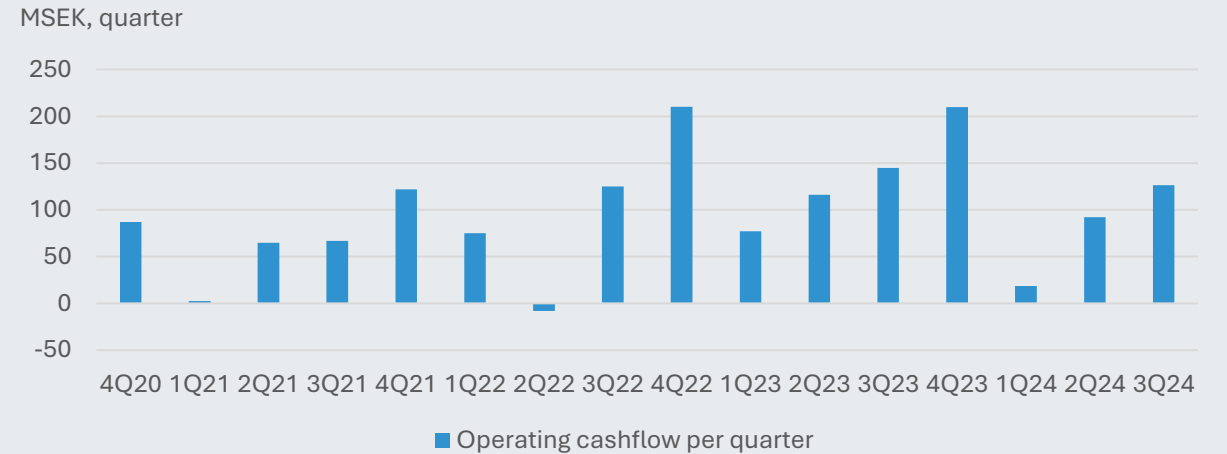
MAXIMISING VALUE CREATION

CASH FLOW

STRONG OPERATING CASH FLOW

- Seasonal operating cash flow
- Internal focus area to improve cash flow management sharing best practice
 - Central support
 - KPI
 - Extended payment terms
 - More consistent invoicing

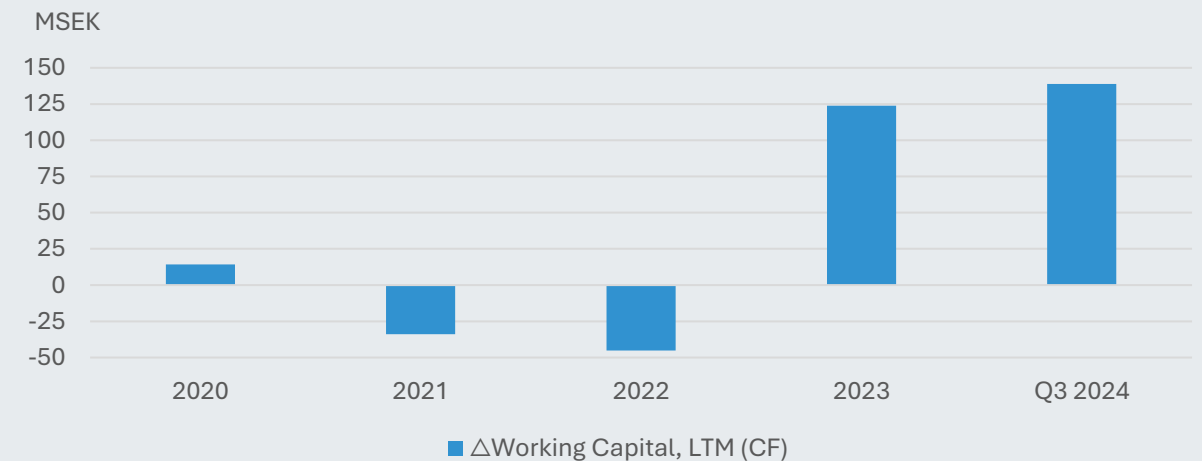
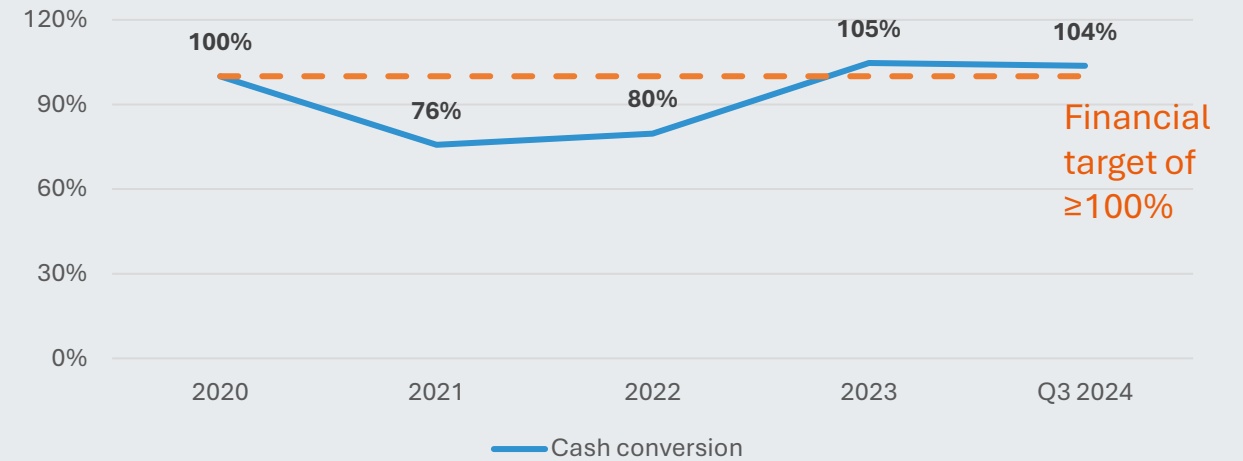
MSEK	2024 Q3	2023 Q3	Δ	2024Q3 12m	2023 12m	Δ
Operating cash flow	126.3	144.7	-12.7%	446.7	547.6	-18.4%
Δ Working capital	39.4	17.5		138.8	123.9	
Cash conversion	109.1%	103.5%		103.7%	104.7%	



CASH FLOW

CASH CONVERSION

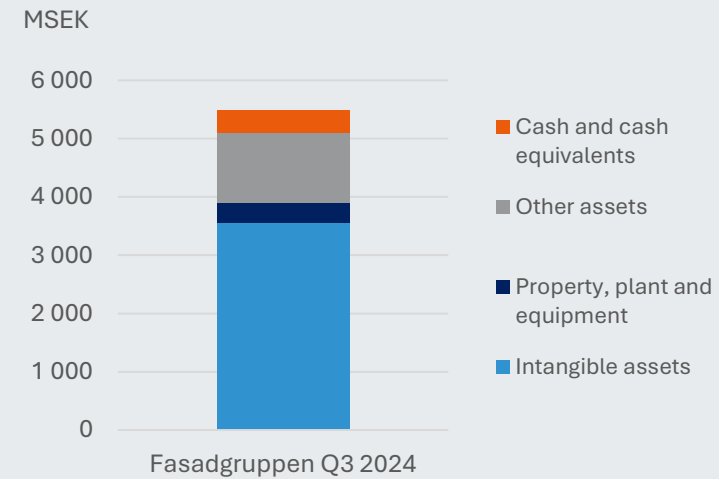
- Cash conversion above target of 100% LTM
- Released capital through working capital improvements
- Activities to improve cash flow continues
 - Important focus for newly acquired companies
- New acquisition Clear Line has a strong cash flow profile



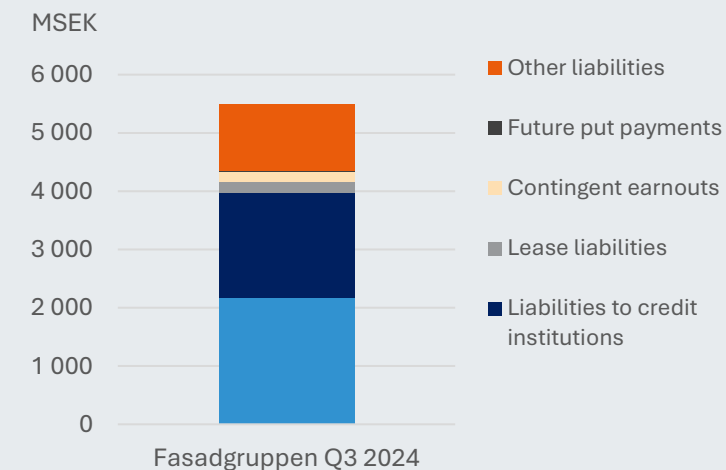
BALANCE SHEET

ASSET LIGHT MODEL

- Asset light operation in general
- Interest-bearing net debt includes lease liabilities
- Acquisition related financial liabilities are not included in interest-bearing net debt
- Short term earnout MSEK 73 (long term 93)



Assets	30 Sep 2024
Intangible assets	3,546.7
Property, plant and equipment	355.6
Other assets	1,204.4
Cash and cash equivalents	382.5
TOTAL ASSETS	5,489.2

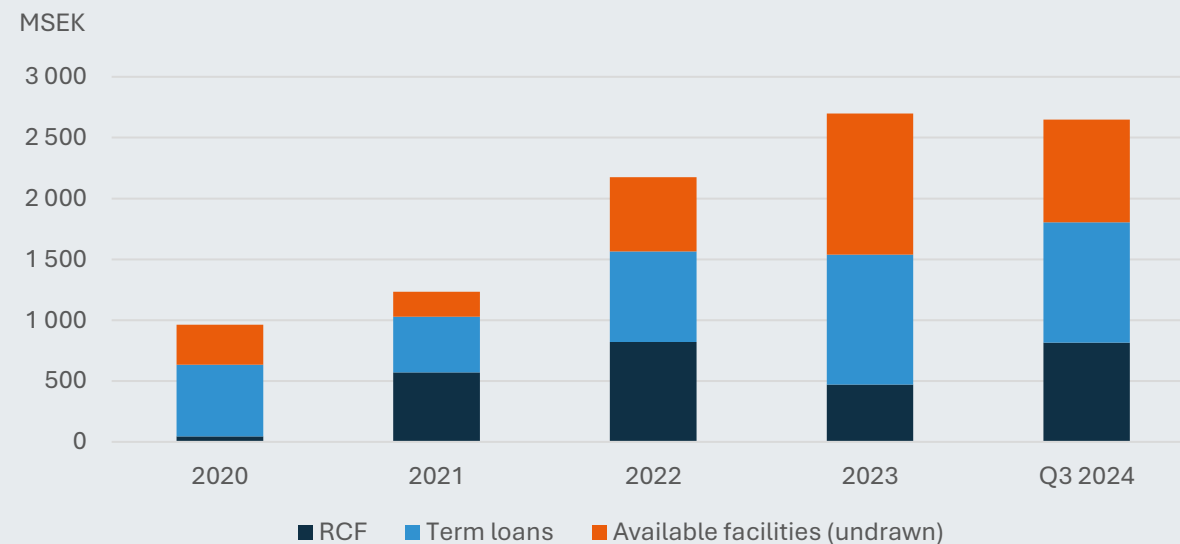


Shareholders' equity and liabilities	30 Sep 2024
Shareholder's equity	2,159.3
Liabilities to credit institutions	1,820.4
Lease liabilities	190.9
Contingent earnouts	165.7
Future put payments	3.1
Other liabilities	1,149.8
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES	5,489.2

FINANCIAL CAPACITY

SEK 2 700 MILLION SENIOR FACILITIES AGREEMENT

- Financing agreement with SEB, Nordea and SEK from August 2023
- The agreement has a term of 3 years, with option to extend for a further year on two occasions, giving a maximum term of 5 years
- One extension called according to agreement giving a term of 4 years at present
- The financing is at present subject to a covenant requiring that the debt ratio (net debt to adjusted EBITDA) LTM does not exceed a multiple of 3.5x on a pro forma basis and that the interest coverage ratio LTM does not fall below a multiple of 3.0x on a pro forma basis.

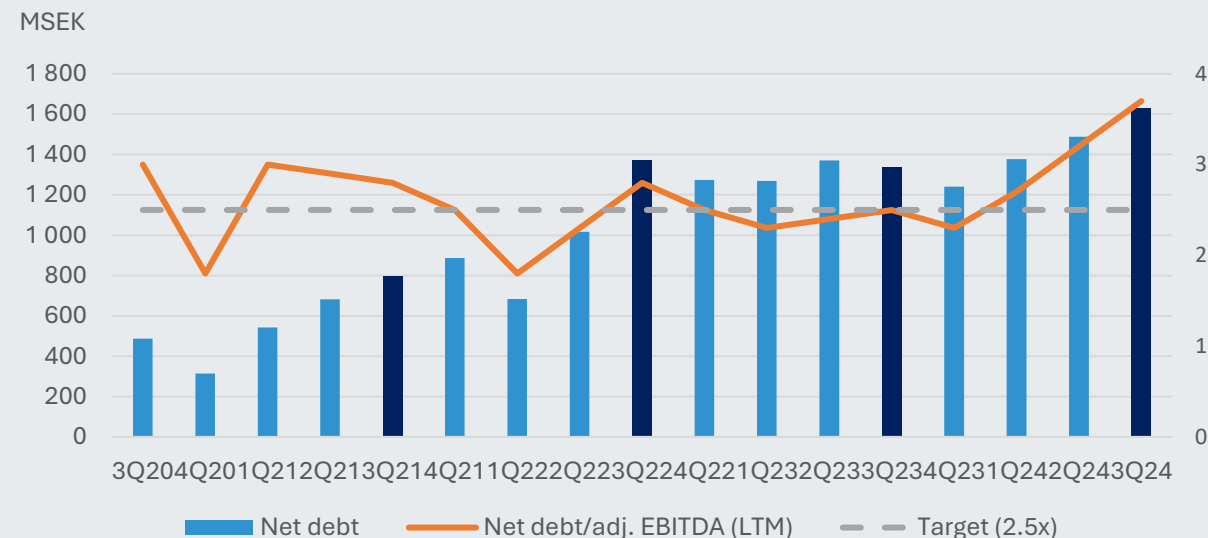
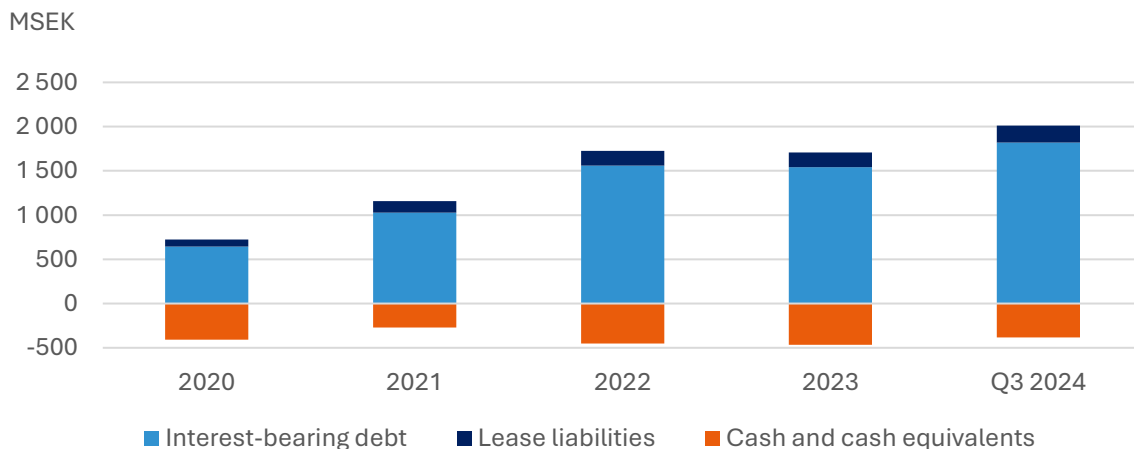


Type	Amount (MSEK)
Revolving credit facilities (SEK, NOK, DKK, EUR)	815.0
Term loans	990.0
Total current facilities 30 Sep 2024	1,805.0
Available facilities (undrawn)	842.5

NET DEBT AND LEVERAGE

SEASONALLY STRONG CASH FLOWS IN Q4

- For Q3 2024 the covenant for the debt ratio was just below the level of 3.5x on a pro forma basis
- Based on historical seasonal patterns of cash flow and net debt in the status quo, the debt ratio is expected to show a declining trend starting from Q4



MSEK	30 Sep 2024
Interest-bearing debt (+)	1,820.4
Lease liabilities (+)	190.9
Cash and cash equivalents (-)	382.5
Total interest-bearing net debt	1,628.8
Net debt / adjusted EBITDA (x)	3.7x

ACQUISITION OF CLEAR LINE

ESTIMATED IMPACT ON PRO FORMA

BALANCE SHEET | ESTIMATED PRO FORMA

CLEAR LINE ACQUISITION

Assets, MSEK	Fasadgruppen 30 Sep 2024	Estimated Pro forma FG+CL
Intangible assets	3,546.7	5,040
Property, plant and equipment	355.6	382
Other assets	1,204.4	1,328
Cash and cash equivalents	382.5	500
TOTAL ASSETS	5,489.2	7,250

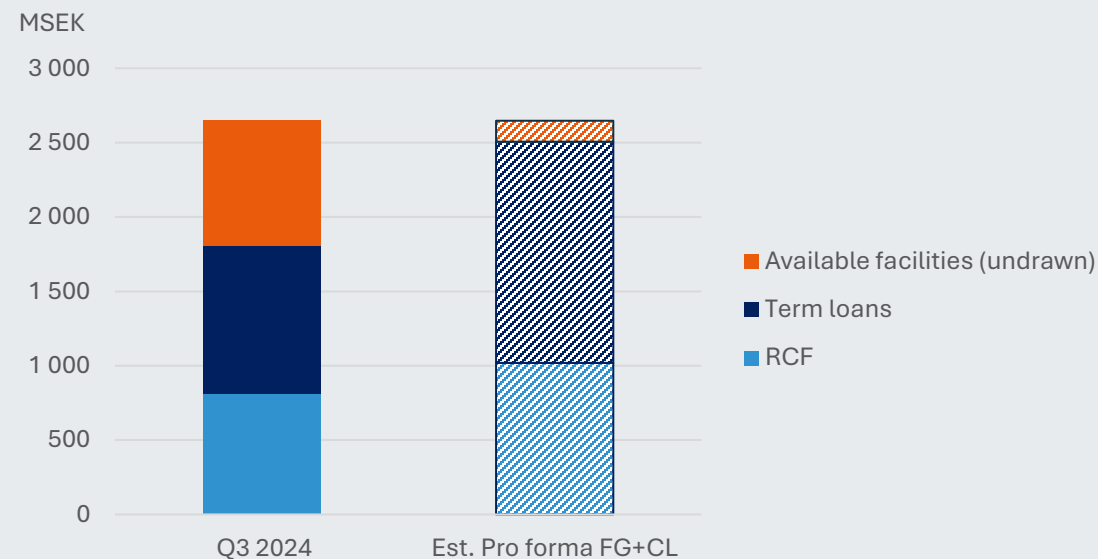
Shareholders' equity and liabilities, MSEK	Fasadgruppen 30 Sep 2024	Estimated Pro forma FG+CL
Shareholder's equity	2,159.3	2,550
Liabilities to credit institutions	1,820.4	2,520
Lease liabilities	190.9	212
Contingent earnouts	165.7	166
Future put payments	3.1	552
Other liabilities	1,149.8	1,250
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES	5,489.2	7,250

- Purchase price appr. MGBP 120 (appr. SEK 1,65 billion)
 - Cash consideration appr. MGBP 51 (appr. MSEK 700)
 - New FG shares appr. MGBP 15 (appr. MSEK 205)
 - Bidco pref. shares appr. MGBP 54 (appr. MSEK 740)
 - Goodwill/brand appr. SEK 1,45 billion
 - Asset light operation
 - New bank financing appr. MSEK 700
 - Valuation of sellers put option appr. 75% of pref. share value due to possible future payment in new FG shares for 25%
- Attractive financing term through pref. shares
 - First major payment possibly due in 2029 (appr. 95%)
 - Ongoing valuation of put option against equity

FINANCIAL CAPACITY | ESTIMATED PRO FORMA

CLEAR LINE ACQUISITION

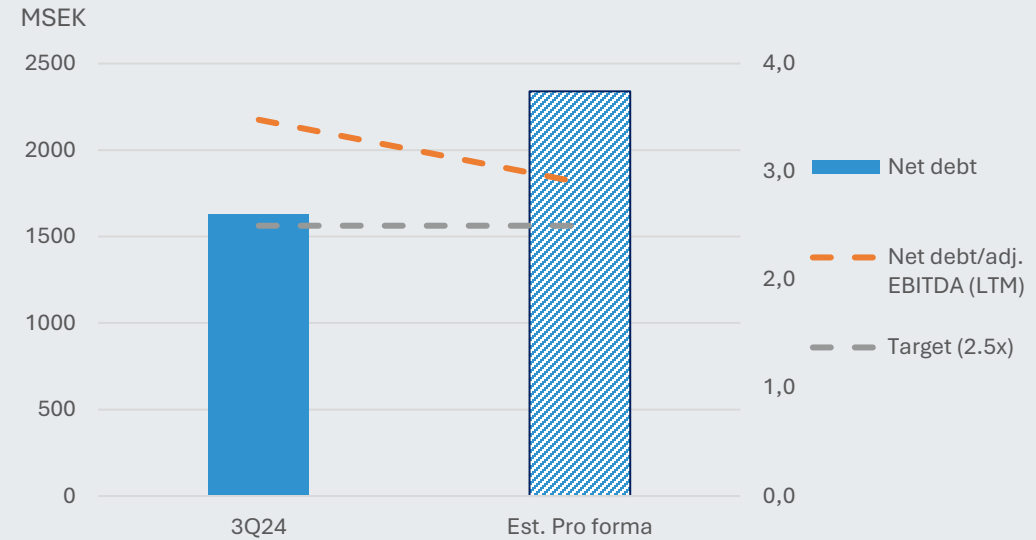
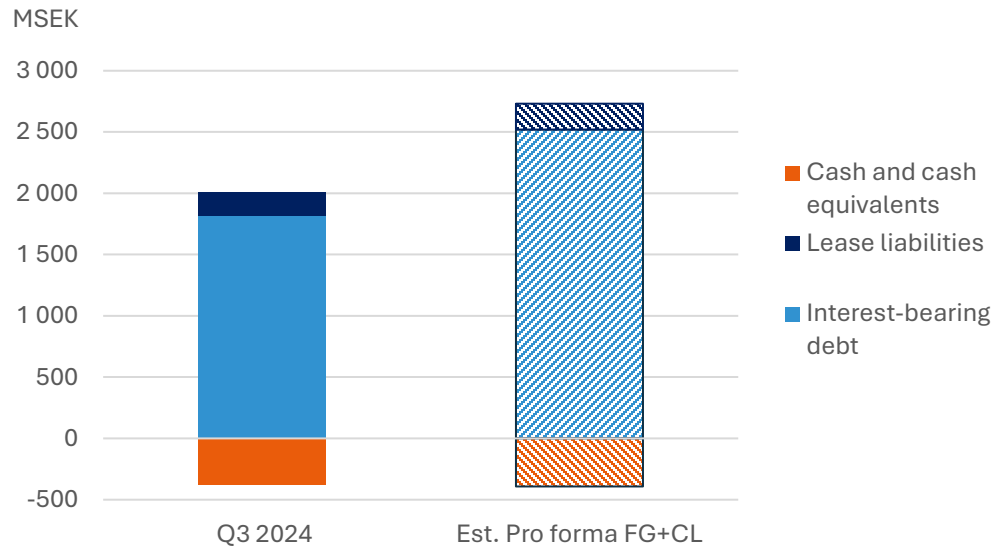
- Existing senior facilities agreement used for the financing of the cash consideration of appr. MSEK 700 in GBP
- Possible extension option of MSEK 500 in financing agreement in combination with a strong cash flow will enable continued M&A going forwards
- Interest period of 1-3 months
- Average interest rate Jan-Sep 2024: ~6.0%



Type	Fasadgruppen 30 Sep 2024	Estimated Pro forma FG+CL
Revolving credit facilities (SEK, NOK, DKK & GBP)	815.0	1,019
Term loans (SEK & GBP)	990.0	1,487
Total current facilities	1,805.0	2,506
Available facilities (undrawn)	842.0	141

NET DEBT AND LEVERAGE | ESTIMATED PRO FORMA

CLEAR LINE ACQUISITION



- With the acquisition of Clear Line and its financial profile, the conditions for a positive development of the covenants in 2025 are significantly improved.
- Priority to return to net debt/EBITDA below 2.5x

MSEK	Fasadgruppen 30 Sep 2024	Estimated Pro forma FG+CL
Interest-bearing debt (+)	1,820.4	2,520
Lease liabilities (+)	190.9	212
Cash and cash equivalents (-)	382.5	500
Total interest-bearing net debt	1,628.8	2,232
Net debt / adjusted EBITDA pro forma LTM (x)	< 3.5x	approx. 3.0x

SUMMARY

POSITIONED FOR STRONGER BALANCE SHEET WHILE PURSUING M&A STRATEGY

- Activities to improve cash flow continue
- Priority to return to net debt/EBITDA below 2.5x
- Extension option of SEK 500 million in combination with improved cash flow will enable continued M&A

Q&A

CAPITAL MARKETS DAY 2024



CLOSING REMARKS

A STRONGER FASADGRUPPEN

SUMMARY

A STRONGER FASADGRUPPEN

- The group has optimised its operations over the past year and is ready to capitalise on the market drivers ahead (macro recovery, energy performance, renovation needs) with a focus on **increasing margins and cash flow in existing businesses**
- With our strong cash flow profile, **we aim to take leverage down from current levels**
- We see plenty of growth opportunities **both organic and through M&A** in the Nordics and in the UK
- **Clear Line is a strategic acquisition** with a deep niche, experienced management team and an attractive financial profile

