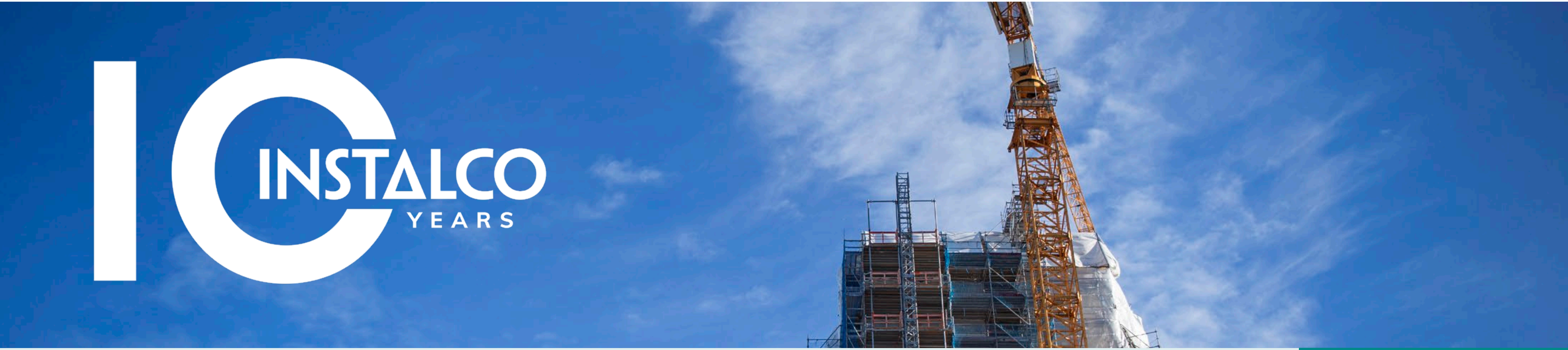
Annual and Sustainability Report 2024

INSTALCO

Full power installations from a powerful team

A decade with Instalco



2014
Instalco started its operations in 2014 by acquiring five different installation companies, all of which had extensive experience in the industry and good profitability.

2015
The business grew in Sweden, primarily within electrical, plumbing and ventilation, and the first multidisciplinary assignment was given where several Instalco companies were involved with the same project.

2016
Instalco established itself as a Nordic installation group after acquiring its first companies in Norway and Finland.

2017
Instalco's shares were listed on Nasdaq Stockholm in May 2017.

2018
The largest assignment in Instalco's ten-year history has been for NCC and region Sörmland when three hospitals in Sörmland needed to be renovated and expanded, and about 15 Instalco companies helped with the electrical and plumbing installations.

2019
Several acquisitions took place during 2019, and the expansion of the business area Industry was initiated.

2020
The beginning of the business area Technical Consulting through the new Intec subsidiary. Instalco's founder, Per Sjöstrand, left his role as CEO to become Chairman. Robin Boheman becomes the new CEO.

2021
Instalco passed the 100 subsidiaries milestone in October 2021.

2022
The Technical Consulting company Intec established itself in Norway, and the first acquisition of a scaffolding company within the business area Industry was made.

2023
Three major acquisitions were made at the beginning of 2023, and the expansion of Industry and Technical Consulting continued.

2024

Increased diversification in automation. Instalco also signed an agreement for a strategic minority acquisition of Fabri AG which means the entry into the German market.

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● SUSTAINABILITY REPORT

● DIRECTOR'S REPORT

The statutory sustainability report in accordance with the Swedish Annual Accounts Act is included on the following pages: social relations and staff questions, see pages 47–70. Environment, see pages 47–70. Human rights and anti-corruption, see pages 46 and 47–70. For the business model and goals, see pages 14 and 20. The management of material sustainability risks is described on page 43. For taxonomy tables, see pages 59–61.

The Board of Directors and the chief executive officer of Instalco AB (publ), organisation number 559015-8944, hereby present the Annual Report for fiscal year 2024 for the Parent Company and Group, which consists of the Director's Report pages 5, 16, 18, 20, 22-24, 32-46, 110-111 and the financial statements, notes and comments on pages 71–99. The Corporate Governance Report, which has been reviewed by the auditors, can be found on pages 32–39.

Instalco's annual and sustainability report is published in both Swedish and English. The Swedish version is the original version. This annual report is also available in English as a downloadable pdf on the company's website, www.instalco.se

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This is Instalco

Instalco is a leading installation group in Northern Europe that helps customers with more sustainable and efficient installations in the areas of electrical, plumbing, ventilation, industry and technical consulting. Today, the Group consists of over 150 subsidiaries that continuously develop sustainable solutions and energy-efficient installations. Instalco's decentralised model combines local entrepreneurship with the resources of a large company to create development and coordination advantages for entrepreneurs in the Group's subsidiaries.

Through a number of its subsidiaries, the Group is able to offer design, technical installation services via contracting, maintenance and service, which enables buildings and facilities to consume fewer resources.

Instalco's subsidiaries are active in various installation areas, which creates clear synergies and enables the Group to offer comprehensive solutions.

Instalco has a highly diversified customer base, which mainly consists of construction companies, real estate owners, industries, mining companies, electricity and power companies, as well as actors in the public sector such as municipalities, regions and state-owned enterprises. End users include schools, nurseries, retirement homes, care facilities and hospitals, as well as shippers, miners, actors within electricity and power, and the marine and fishing industry. By focusing on lowering the consumption of energy and other resources, Instalco creates the necessary conditions for a more sustainable and cost-effective society.

Vision

We enable our companies, employees and customers to grow by collaborating on installations for the transition to a green society for the next generation. We are the most competent and efficient partner for our customers.

The Instalco Spirit

Through courage, entrepreneurship, best practices and mature leadership, we harness the power of each other. We are down-to-earth, highly committed, promote creativity, and create a sense of well-being. We are the best in the business when everyone truly wants to develop and cooperate. Then we will succeed, together!

Business Model

Acquire and strengthen – for sustainable development. Our growth strategy is largely based on acquiring profitable, high-quality-companies with strong local ties. By bringing new companies into the Instalco Group, we create both synergies and cooperation opportunities. We want to enable our subsidiaries to grow stronger and maintain the same entrepreneurial spirit that made them successful.

ELECTRICAL

HEATING & PLUMBING

VENTILATION

INDUSTRIAL

TECHNICAL CONSULTING

13,690 m
SEK net sales

6,200
Employees

150+
Companies

4
Countries

The year in brief

Instalco has navigated a challenging market in 2024. The focus has been on defending profitability and adapting operations to meet local market conditions. Our decentralised business model has continued to allow us to be close to our customers and to react quickly to market changes, which has been crucial for us in 2024.

Highlights during the year:

- The start of automation as a new business area using Inmatiq as a key player
- Germany as a new market by agreeing to acquire a minority stake in the installation group Fabri AG
- Acquiring three new companies to the Group and founded 11 new companies
- Extension of a credit facility agreement totaling SEK 3.4 billion
- Strong employee satisfaction with an eNPS of 31
- Long-term climate targets and decisions to measure and report on greenhouse gas emissions and climate impact
- Internal health program in the form of The Instalco Workout
- Ten Year Anniversary
- Eight Instalco companies in a joint contract for the new Central Station in Gothenburg
- Installation assignment for Region Västmanlands new emergency hospital in Västerås
- Strong growth in the service business

KPI[1]

SEK m	2024	2023	Change, %
Net sales	13,690	14,279	-4
EBITA	879	1,085	-19
EBITA margin, %	6.4	7.6	
Operating profit (EBIT)	690	899	-23
Operating margin (EBIT), %	5.0	6.3	
Earnings before taxes	486	792	-38
Cash flow from operations	946	999	-5
Order backlog	9,002	8,437	7
Basic earnings per share (SEK)	1.31	2.29	-43
Diluted earnings per share (SEK)	1.31	2.26	-42
Dividend per share (SEK)	0.68	0.68	

1) For additional KPIs and fiscal years, see the Five-year summery on pages 105–107.

9,002
Order backlog, SEK m

6.9%
Adjusted EBITA-margin

89%
Cash conversions rate

3
Number of acquisitions

11
Number of new start-ups

35%
Service, share of revenues

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A year of adaptation and streamlining in preparation for the next growth cycle

Instalco's decentralised model has once again proven successful in enabling the company to adapt to market conditions. Thanks to our flexible organisation and dedicated employees, we managed to maintain a good operating margin and strong cash flow in 2024.

The underlying demand for resource-saving and energy-efficient installation solutions is strong. At the same time, the market conditions have remained challenging in 2024 due to the macroeconomic situation and high input costs. This has meant that we have had to adapt our operations during the year by working on profitability, improving efficiency and implementing cost reductions. Our decentralised model allows us to be flexible and act quickly – both locally and centrally.

One example is the ability of our subsidiaries to adapt to the economic downturn, with more and more of them shifting parts of their business towards services, which in 2024 grew from being 30 to 35 percent of our total sales.

In parallel to this work, we have also taken several major steps in Instalco's development with the entry into a new European market, and through several other important start-ups and acquisitions that strengthen our offering. Something I am very proud of.

Entry into Germany

The largest strategic step during the year has been our entry into Germany, where we initiated an acquisition of a minority stake in the German installation Group Fabri AG with the long-term plan of becoming a majority shareholder. The investment gives us a platform to grow in the German market where local expertise and contacts are crucial.

The German installation market is one of the largest in Europe and is estimated to be five times as big as our previous markets, Sweden, Norway, and Finland, combined. The German market is fragmented and we see great potential for future growth.

Fabri, which specialises in electrical, plumbing and ventilation, has a similar decentralised business model and the same values and culture as Instalco. The partnership gives us a unique opportunity to expand into Germany with limited risk.

New business area for automation

The second major strategic step during the year was the start of our new venture in building automation and putting the newly established subsidiary Inmatiq in a central role. Our continued development of Intec within the technical consultancy space has been successful. After four years we are now operational in three countries, and we are now using the same model to enter into the automation space with Inmatiq.

At pace with the digitalisation and requirements for resource efficiency for properties, the automation space has become increasingly important. Inmatiq's focus on this for both industry and other properties is right on time. The launch of Inmatiq is not only a natural step in our development, but it also increases our ability to offer our

"With the profitability measures we have taken and continue to take, we are confident that Instalco is well positioned to create value for our customers and shareholders when the market picks up again. The Instalco Spirit is unique and the foundation of our future and success."

INSTALCO

customers' end-to-end solutions, a crucial component in creating sustainable and energy-efficient buildings and industries.

Long-term climate targets

We want to contribute to the achievement of the Sustainable Development Goals. Instalco is therefore committed to the principles of the UN Global Compact. In the area of sustainability, we have also worked actively in 2024 to prepare for future reporting in accordance with the EU directive CSRD, which is now Swedish law. We are also seeing an increased number of requests from clients and investors for greenhouse gas emissions measurements and ESG data reporting, which we will now be able to provide. It will also make the offer to our customers even more attractive, as energy efficiency and lower resource consumption are the foundation of our services.

As we previously promised, we have decided on long-term climate targets during 2024. We are committed to achieving net-zero emissions across our entire value chain by 2045 and to reduce the intensity of greenhouse gas emission in Scope 1 and 2 by 50 percent by 2030, using 2020 as the base year.

Start-ups as a complement to acquisitions

After a high acquisition pace for the last ten years, the focus has been on efficiency and profitability during 2024. We have also been able to focus more clearly on our proven start-up model. During the year, we initiated several start-ups in Sweden, Norway and Finland. By partnering with local entrepreneurs and using their expertise as a starting point, we are able to create new entrepreneurial Instalco companies that are tailored to local needs, and to meet the untapped market potential.

Examples of new start-ups include the Norwegian companies Istech and Protek VVS, as well as the development of Intec and Inmatiq through organic growth.

Wide range of projects

During the year, Instalco also strengthened its position as one of the leading developers of hospitals in Sweden. Together with NCC, we are now in the final phase of the large project for Region Södermanland concerning the hospitals in Eskilstuna, Katrineholm and Nyköping. About 15 different Instalco companies have been involved in the project, which was initiated in 2018. During the year, we have also been entrusted with an extensive installation of ventilation and sprinklers in the new emergency hospital in Västerås. This too, is a partnering project together with NCC and Region Västmanland.

It is also gratifying to see how other projects, which involve everything from design to installation and service from several Instalco companies, are progressing. At Värtaverket in Stockholm, we have done extensive installations for Stockholm Exergi, involving six Instalco companies. Additionally, eight Instalco companies are involved with the construction of the new central station in Gothenburg. Here we assist our client Peab and the end-user Jernhusen in designing and installing electricity, plumbing, ventilation, sprinklers, and automation.

However, it is still the small and mid-sized projects that are the heart of Instalco's business. More than 80 percent of Instalco's revenue, excluding services, comes from projects in the SEK 1-75 million range.

Above all, we continue on our path to be selective with which orders we take and focus on winning the right project, for the right customer – where margin before volume remains our guiding principle.

Instalco is also characterised by long and good customer relationships. One such example is our subsidiary PoB:s Elektriska, which has had JM as a customer since the late 1980s.

For long-term competitiveness

Ever since its inception ten years ago, Instalco has focused on high profitability, which in recent years has been very challenging due to the economic environment. We adapted to the weaker market in 2024, mainly with selective cost-cutting programmes in those subsidiaries where it was necessary.

This work intensified in the fourth quarter and we implemented more extensive structural measures to strengthen our long-term competitiveness. In addition to the layoff notices we already gave in stages throughout the year, we also wrote down some projects and initiated mergers and closures of a number of loss-making subsidiaries. These are things we implemented in order to ensure Instalco's long-term growth and profitability.

Due of the diversity of Instalco's business, using industry and technical consulting as a complement to traditional installation, we are more resilient to economic changes and increased competition. Technical consultancy appear earlier in the cycle compared to traditional installation services, and we are now seeing that Intec is developing in a good way, with increased revenue and margins.

The Instalco Spirit is the foundation for the future.

The unique spirit of continuous improvements, having a profitability culture, and sharing best practices, has been the foundation of Instalco since its inception ten years ago.

With the profitability measures we have taken and continue to take, we are confident that Instalco is well-positioned to be able to create value for our customers and shareholders as the market picks up again. The Instalco Spirit is unique and the foundation of our future and success.

2025 has begun with the number of installation projects in the market increasing cautiously, which is reflected in our order book. With all the adjustments, streamlining, and strategic steps we have made in the business over the past year, we are more prepared than ever for the next growth cycle.

I would finally like to thank all the employees, customers, suppliers, shareholders, and other partners and stakeholders for their cooperation in 2024.

Robin Boheman, President and CEO

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Five reasons to invest in Instalco

Investing in Instalco means that you are investing in our belief in the green transition that is central to Instalco's business model as we reinstall to a sustainable world for the next generation.

1. Attractive and diversified positioning in the mid-size projects market, driven by global megatrends

- Leading position in our local markets in electrical, plumbing, ventilation, and industrial and technical consulting.
- Focus on the mid-market segment, mainly projects between SEK 1 and 75 million.
- Stable and diversified customer base. Market trends such as the green transition, digitalisation, housing shortages and an ageing property stock are driving demand for our services.

2. Focus on services that benefit society, and increase energy efficiency and sustainability

- Extensive experience, knowledge and technical expertise in climate-smart and resource-efficient installation services.
- Sustainable technical solutions that lower energy consumption and clean our air and water.
- Political regulations such as the Taxonomy, EPBD, and CSRD increase the demand for sustainable installations and highlight the value and societal benefits we create on a daily basis.

3. Decentralised model maintaining the entrepreneurial spirit, but with the financial muscles to provide an attractive offering to customers

- In our decentralised model the subsidiaries keep their brand and unique identity, with responsibility for strategy, implementation, customers, employees, skills and results.
- Collaboration between the companies provides access to larger, more complex, and comprehensive deals, boosting our market position and improving our ability to deliver added value to customers.

4. Proven track record of successful acquisitions and start-ups in a fragmented market with low multiples

- Over a decade of experience with successful acquisitions and founding profitable start-ups.
- Clear acquisition strategy and criteria ensure profitable and high-quality transactions, thereby strengthening our portfolio and promoting growth.
- The installation industry is still very fragmented in the Nordics and Germany, and we see good opportunities for future acquisitions.

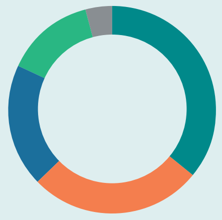
5. Combination of strong growth, industry-leading margins, and high cash conversion

- Average growth of about 20 percent per year over the past five years, corresponding to a CAGR of around 14 percent.
- Average EBITA margin of 7.7 percent over the past five years.
- Average cash conversion rate of about 91 percent over the past five years.
- Stable dividend over time.

Sales per project type

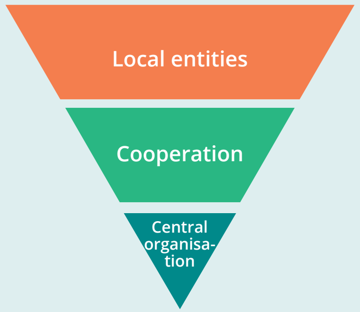
- New production, **33%**
- Renovation, **32%**
- Services, **35%**

Sales by discipline

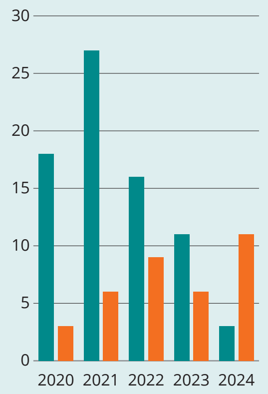


- Electricity, **36%**
- Plumbing, **27%**
- Industry, **19%**
- Ventilation, **14%**
- Technical consulting, **4%**

Local proximity with big business opportunities

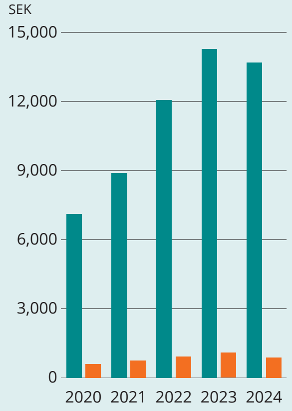


Number of acquisitions and start-ups



- Number of acquisitions
- Number of start-ups

Growth over 5 years



- Net sales
- EBITA

Strategy

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Market

Instalco is active in the technical installation and service market in Sweden, Norway, Finland and recently Germany, with most of the activities being concentrated within Sweden. The market consists of players that mainly provide technical installation and services in electrical installations, heating and sanitation, ventilation, industry and technical consulting.

Market size and segmentation

The size of the total installation market in Sweden, Norway, and Finland is estimated to be approximately SEK 214 billion and Instalco's market share amounts to 6.4 percent. The German installation market is many times larger than the other three combined. Market participants range from large corporations with a Nordic presence to smaller local entrepreneurs. The sector is divided into three main market categories: Projects with a value below SEK 1 million, projects between SEK 1 and 75 million, and projects above SEK 75 million. Instalco mainly focuses on the mid-market segment, which offers an optimal balance between cost-efficiency, manageable project sizes, and low risk.

Development

The market is constantly evolving and properties require more and more technology, which is driving the increased demand for electrical, plumbing, and ventilation services, industry and technical consulting, as well as climate-friendly solutions. Companies in the installation and services sector benefit from continued urbanisation and relocation, and an ageing real estate stock. This is due to the high demand being placed on both new construction and renovations in order to meet new capacity and quality requirements. The needs of the green transition and consequent green industry initiatives in the Nordic region are also significant drivers of the growing demand for Instalco's core offering.

An increased focus on more energy-efficient solutions with lower consumption also creates an increased demand for technical installation services. The overall market growth is driven by structural drivers that benefit the industry and create opportunities for Instalco to grow and evolve.

Affecting factors

The installation and service market is affected by both political decisions and economic cycles. Political decisions are driving sustainability requirements across society, and market participants are adapting their services and products to help customers meet these requirements. Economic cycles also have a significant impact on the market by changing the demand for services, which affects pricing. During economic booms, the market tends to show increased growth and profitability, while recessions can lead to reduced demand and create challenges.

2024

There is a strong underlying demand for Instalco's energy-efficient and resource-saving installation services. However, the Nordic market has been difficult to navigate in 2024. Weaker-than-normal demand, due to the economic downturn, has led to increased competition for projects, with significant regional differences in both demand and pricing.

Start dates for new residential construction have been particularly affected. However, Instalco's direct exposure to this area is low. Raw material and component prices have remained high over the past year but without the dramatic increases seen previously.

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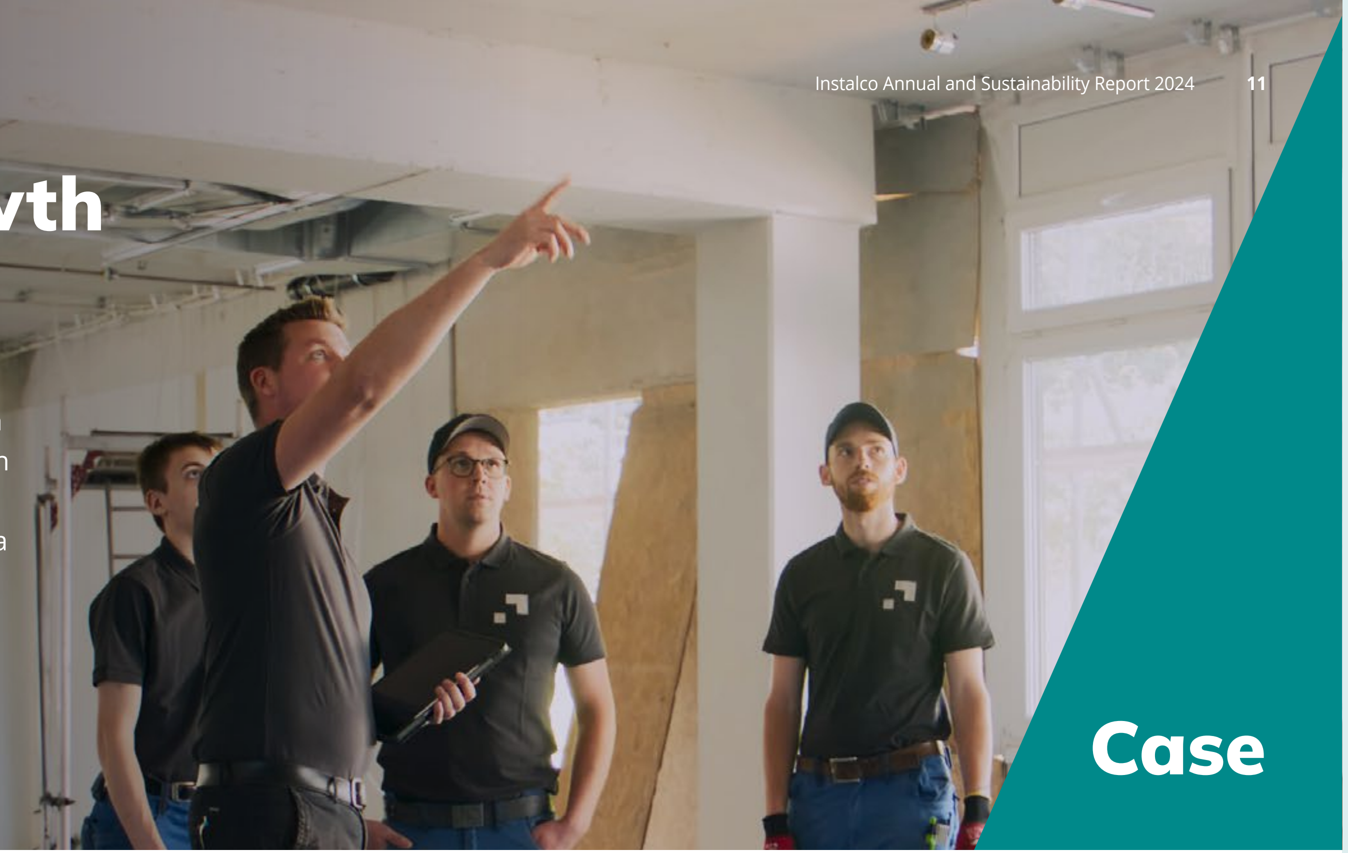

German Fabri for growth outside the Nordics

During the fourth quarter, Instalco announced the acquisition of 24 percent of the shares in the German installation group Fabri AG, with a long-term plan to become the majority shareholder. The acquisition is Instalco's first outside the Nordic region and lays the foundation for further expansion in Germany. Fabri creates an opportunity and a platform for continued growth through local expertise.

Fabri consists of about 15 companies, was founded in 2020, and is a fast-growing group focusing on electrical, plumbing, and ventilation installation services. Their growth has mainly been driven by acquisitions and at the time of Instalco's minority investment they had approximately EUR 70 million in sales.

Strategic cooperation

"It's no secret that Instalco was our role model when we started building Fabri in Germany. We work in the same successful way, with the same decentralised model, and with the same values as Instalco. The fact that we are now taking a big step towards cooperation and expansion into the fragmented German market feels extremely valuable for both parties," says Markus Zübert, CEO of Fabri AG.

The German market

The German installation market is among the largest in Europe and is estimated to be five times as large as Instalco's previous markets – Sweden, Norway and Finland – combined.

Like the Nordic market, the German market is fragmented with a large number of small and mid-sized companies competing on a local level. The southern and western regions of Germany have the highest demand for new construction because of the high urbanisation and capital investments being made within those regions. The forces, culture and trends driving this market are largely the same as in the Nordics, with an ageing real estate stock, a high demand for renovation and energy-efficient installation solutions, and fossil-free alternatives.

Expansion and incremental acquisition

Two key factors to achieve success in the German market are being German-speaking and an established actor. Instalco achieves both with Fabri.

"At Instalco we have always been convinced that our successful and decentralised model works equally well outside the Nordic region. The key has been to find the right local partners and entrepreneurs. Fabri is a good fit for Instalco and the partnership is an attractive way to expand into Germany with limited risk. With Fabri, we get a unique opportunity and platform for continued growth in Germany through their local expertise," says Robin Boheman, CEO of Instalco.

The acquisition of Fabri will be done in several stages, conditioned by Fabri's profit growth. At the end of the year, the initial step had not yet been completed, but is expected to be finalised during the first quarter of 2025. In the second stage, Instalco will step in as the majority shareholder by acquiring an additional 27 percent of the shares between 2026 and 2027. In the third stage, Instalco will acquire 17 percent of the shares in 2029 at the earliest. The acquisition will be finalised between 2030 and 2033, with Instalco acquiring the remaining shares.

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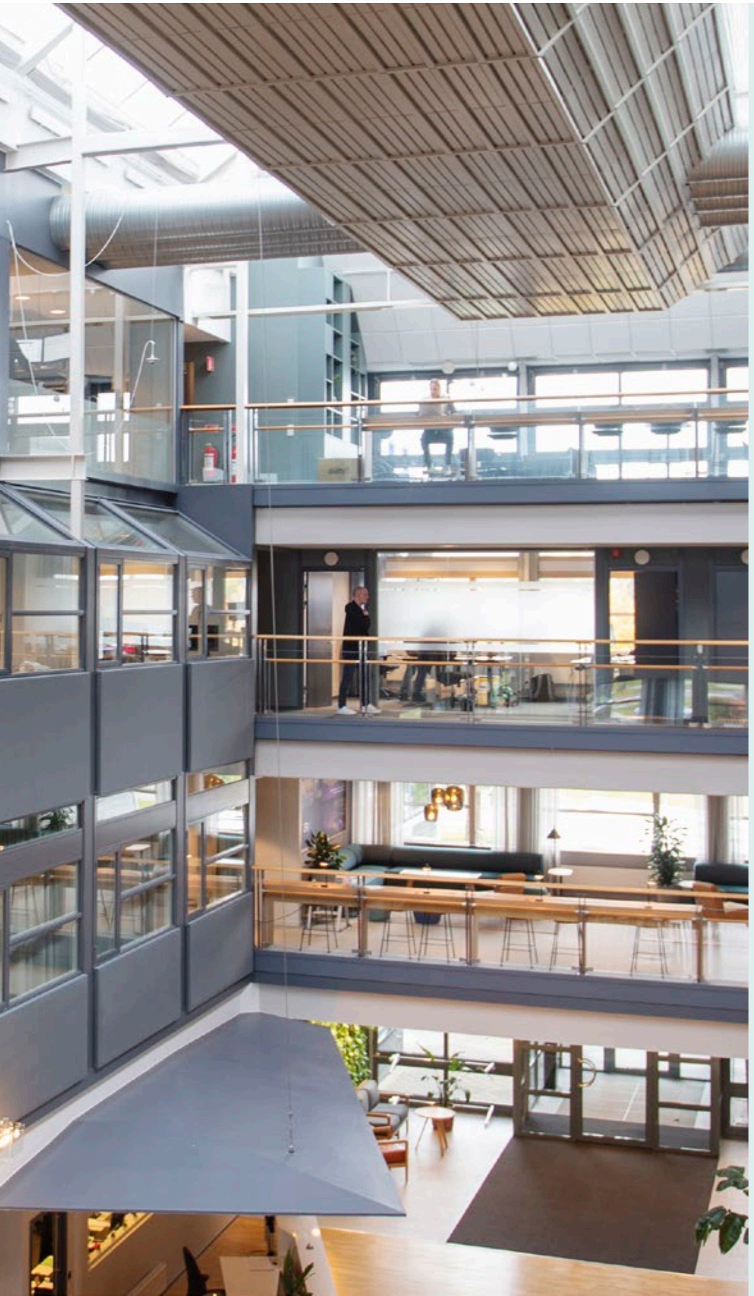
Market trends



Green transition and energy efficiency

General trends

The demand for energy-efficient solutions is increasing as energy prices rise and the environmental awareness increase. Energy shortages and climate change are driving the need for efficiency services. Environmental awareness is visible among clients and politicians through EU regulations such as Taxonomy, EPBD and CSRD. The Swedish industrial sector is investing in sustainable technologies, especially in the north of Sweden, where several large projects have already been implemented. The transition of basic industries requires more efficient energy solutions and investments in infrastructure.

How Instalco is responding

Instalco has extensive experience, knowledge and technical expertise in resource-saving electrical, heating and plumbing, ventilation and industrial installation services, as well as in technical consulting, and within closely related areas such as automation, cooling and security. Policy decisions such as the Taxonomy, EPBD and CSRD, are benefiting Instalco's business. They increase the demand for more sustainable installations and highlight the long-term value and societal benefits of the Group's sustainable and technical solutions, which reduce energy consumption and assist in cleaning air and water.

Digitalisation and increased building complexity

General trends

Modern construction projects and extensive renovations are becoming increasingly more technical through digitalisation and automation with things like online IT systems, alarm and security systems, and energy-efficiency systems, resulting in more complex installations. As a consequence, significant investments will be required in data centres and societal functions such as communication and security. The need for new water and electricity networks and a more stable supply of energy is increasing. Installations are thus becoming an increasingly important part of the construction process, and the share of installation services, as part of the total construction cost, is increasing every year.

How Instalco is responding

The digitalisation trend favours actors with a broad array of technical skills. Our subsidiaries keep up to date with the latest developments in their respective areas of technology and collaborate with the most innovative suppliers. The Instalco model enables us to use our multidisciplinary expertise to coordinate projects covering multiple areas of technology, which makes the work easier for the client. The new automation service enables an increased coordination of customer installations. The increased complexity may give rise to a greater need for maintenance, a demand which many subsidiaries are meeting by growing their service departments. Through the technical consulting business area, the Group is able to offer customers integrated project planning, technical execution and services.

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Ageing real estate stock and expansion

General trends

Many Nordic properties were built in the 1960s and 70s and now need to be renovated. This is particularly true in Sweden, where 25 percent of the housing stock was built during this period, commonly referred to as The Million Programme, as well as many healthcare facilities, schools, and daycare centres.

A major expansion of healthcare services is planned and ongoing, partly to make it more efficient and aligned with new care needs, and partly in response to the rapid pace of technological development within healthcare. A strengthened defence force, coupled with the needs of the prison system, requires renovations and the construction of new buildings and facilities. Several major infrastructure projects are underway, which in turn affect the possibility of new establishments and urban development.

How Instalco is responding

Instalco has special expertise in technical home installations within both renovation and new construction. Previous assignments in the public sector have contributed to, and developed, the Group's knowledge. This has aided Instalco in becoming a leading actor in installations in public spaces, such as hospitals and schools. With a climate-smart design and sustainability-adapted installations, Instalco ensures lower resource consumption and helps future-proof society.

Housing shortage and relocation

General trends

The population of Sweden is growing, with relocation between different regions, which constantly creates a need for new housing. There is a similar situation in Norway. Oslo has for several years been one of the fastest-growing cities in Europe. In Finland, urbanisation is a clear trend and the population of Helsinki, in particular, is growing. There is a general housing shortage in large parts of the Nordic region, with urbanisation and internal migration continually creating a demand for new community buildings and workplaces. Increased investments in defence and the prison system are leading to higher demand for installation services, both in terms of renovation and new construction of related properties and as a result of skills relocation. In the longer term, the recent slowdown in new residential construction will accelerate the housing shortage.

How Instalco is responding

Instalco has established a strong position in all the growth regions of Sweden, Norway and Finland. The Group is also represented in growing areas outside the major cities. By offering electrical, heating and plumbing, ventilation, industrial installation services, as well as automation and technical consulting, we make it easy for construction companies and property owners, in both the private and public sectors, to order complete technical solutions that meet their needs in new construction, renovation, remodelling and service.

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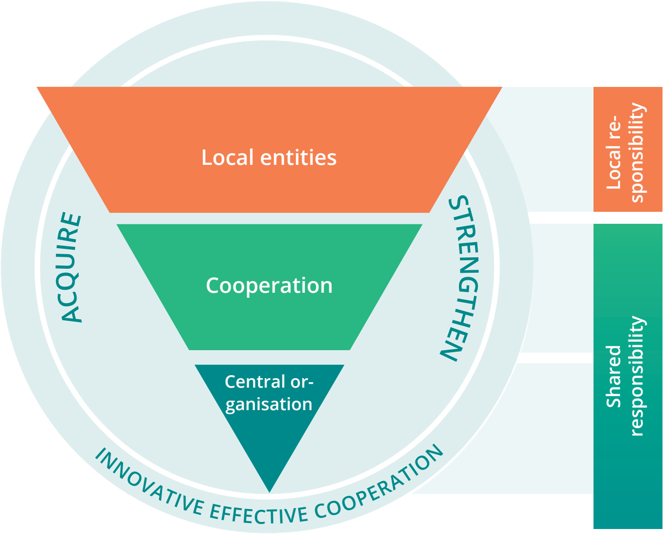
A value creating business model

Resources

- 150+ subsidiaries in four countries
- Five disciplines
- 6,200 qualified employees
- Specialist expertise in all technology areas
- Suppliers delivering sustainable products

Instalco has a strong and well-developed resource base that forms the foundation for the Group's value creation. With over 150 market-oriented subsidiaries in four countries, Instalco ensures a broad geographical presence and extensive opportunities to exchange expertise. Instalco has over 6,200 highly qualified employees who together drive the Group's future development. Sustainability is a long-term strategic approach that promotes quality and stability, and Instalco works with a variety of suppliers of sustainable products.

Model



- Customers and sales
- Production
- Staff responsibilities
- Profit responsibility

- Multidisciplinary projects and cross-selling
- Best practice sharing
- Developing talent
- Resource sharing
- Purchasing
- Strategy and business development
- Acquisitions
- Accounting & finance
- Communications/IR/sustainability

Local units play a crucial role in driving the business forward. The subsidiaries, which work closely with customers and are responsible for day-to-day operations, are the main point of contact with the market. This decentralised model allows local entities to adapt quickly to customer needs and local market conditions, while maintaining close and long-term customer relationships.

Cooperation is a core part of the Group's business model and a core part of Instalco's value-creation process. Cooperation contributes to the efficient sharing of knowledge, resources, and expertise within the Group, which creates synergies and strengthens the organisation's overall capabilities.

The small central organisation ensures strategy implementation and consistency by managing functions like procurement, sustainability, acquisitions, finance, business development, and communication/IR. This allows local entities to focus on their core business and to reach common targets.

Instalco's core values are an important part of the business model and value creation. Instalco uses three key words in its operations that create the Group's core values: "Innovative effective cooperation". Those core values make a clear promise to Instalco's customers and subsidiaries. They describe how Instalco works every day.

Value creation

- Attractive customer offerings
- Energy-efficient and sustainable solutions
- Competence development for employees
- Responsible business methods
- Increased resource efficiency and reduced climate footprint
- Profitable growth for shareholders

Instalco creates societal benefits through attractive customer offerings with energy-efficient and sustainable solutions that promote resource efficiency and a reduced climate footprint. The Group also offers competence development within the organisation in order to develop the business. At the same time, as a public company with a long-term sustainable and profitable business, anyone can become a shareholder in Instalco and benefit from an annual dividend.

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Strategic focus areas

The Group has a strong profitability culture based on high customer satisfaction and a strong market presence. With profitability as the starting point, Instalco has designed its strategy around four pillars: employees and leadership, customers, acquisitions and start-ups, and sustainable offerings.

Employees and leadership

To be an attractive employer and ensure long-term success, Instalco invests in the continuous development and training of key people within the Group's subsidiaries.

Despite a decentralised model, there is responsive leadership that promotes engagement, personal development and career opportunities within the organisation. Instalco offers both internal and external education, where the Instalco Academy serves as a central platform to prepare future leaders and ensure that the right skills are available to meet future needs.

Customers

High customer satisfaction and long-term customer relationships are key factors in Instalco's focus on profitability, while also paving the way for future growth opportunities. Acquired companies retain their brands after joining the group, which means that they can continue to maintain their established customer relationships and their often very local market presence. Instalco then creates the opportunity for subsidiaries to combine their offerings within the Group, allowing cross-selling and sharing their customer bases with other subsidiaries. This arrangement not only creates additional sales and a more powerful offering for individual companies, but it also contributes to customer satisfaction as customers can access additional services through a sister company within Instalco, which they have not had any contact with previously.

Acquisitions and start-ups

During Instalco's ten years of being in business, the Group has, through acquisitions, established a strong market presence and a comprehensive offering in a very fragmented market. Instalco has also developed and implemented a number of start-ups that complement the Group's portfolio companies.

The decentralised model allows our subsidiaries to grow stronger and maintain the entrepreneurial spirit that made them so successful. This approach is a strong reason for Instalco's competitiveness, industry-leading margins, and ability to create customised solutions in the Northern European market.

Sustainable offerings

The global trend towards a more sustainable society means new solutions that meet growing requirements. Regulations such as the EU Taxonomy, EPBD and CSRD have led companies to constantly evaluate their decisions from a sustainability perspective. This means that, in the long run, Instalco continuously adapts and develops the Group's offering to be able to provide installations, services and designs that are energy-efficient, resource-saving, and environmentally friendly.

Today, Instalco is a leader in sustainable solutions with its extensive experience, knowledge and technical expertise that meet the high expectations of its customers.

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INSTALCO

Acquisitions

Instalco's acquisition strategy is based on identifying, acquiring, and developing, high-quality companies that are profitable and have strong local roots and mature leadership. Acquisitions are usually initiated through the Group's own network with recommendations from existing subsidiaries, inquiries from other companies, or external actors. Instalco prioritises companies that can and want to contribute knowledge, profitability and complement the existing business.

Each acquisition is carefully evaluated to ensure that it fits into the Group's culture and decentralised model by allowing the subsidiaries to retain their brand and operational responsibilities. By offering centralised support in areas such as purchasing, communication, and business development, Instalco creates opportunities for the acquired companies to grow and improve their operations.

Instalco has completed the following acquisitions during the period January–December 2024

Entry date	Acquisitions	Technology area	Number of votes and shares	Net sales, SEK m[1]	Number of employees
Sweden					
February	Solyx AB	Electrical	70%	14	5
Rest of Nordics					
March	Lund Elektro AS	Electrical	100%	15	9
August	IT-Line Service Oy	Industrial	100%	40	33
Total				**69**	**47**

On November 13, Instalco announced that it had entered into an agreement for a 24 percent minority investment in Fabri Group, a German acquisition-driven installation group, with a long-term plan to achieve majority ownership. At the end of the year, the initial step had not yet been completed but is expected to be finalised in the first quarter of 2025.

Lund Elektro AS is active within electrical installations in Kristiansand, Norway The company offers a wide range of electricity and energy efficiency services, with a special focus on high quality and customised solutions. Lund Elektro has established itself as a reliable actor in the Norwegian market and works with customers in both the public and private sectors.

IT-Line Service Oy is based in Salo outside Turku, Finland and operates in the field of industrial installations and services. The company has extensive experience in the process industry, and provides technical solutions to optimise production and operations. With its strong market presence, IT-Line is an important partner for industrial companies in several sectors.

Solyx AB is located in Norrköping and specialises in energy solutions for properties and installations of solar cells. The company offers both maintenance and construction services, and has built a good reputation for reliability and high technical competence. Solyx works with customers in both the private and public sectors in Sweden. Solyx is a subsidiary of Vallacom.

Fabri AG is an installation group with operations across much of Germany. The Group's subsidiaries offer technical building installations, service and maintenance, mainly in electricity, plumbing and ventilation. Fabri AG has a strong customer base in the construction sector, where they contribute to more efficient and reliable operations.

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Developed an appreciation for the familial setting

Installationsservice AB is a service and contracting company with a focus on building services installations. The company, which operates in the Mälardalen region, is based in Eskilstuna and has been part of Instalco since 2021.

Case

Installationservice is in many ways a typical Instalco company: a family business that has been passed down through three generations. Nicklas Eriksson, who has been the CEO since 2003, is about to hand over the CEO role to his son Joakim, whose grandfather Folke Eriksson was part of the company when it was founded in 1989.

"In 2019, I got a call from a broker who said there was a company interested in acquiring us. I hadn't really thought about selling the company, but when I heard about Instalco's plan, it sounded interesting and we had a meeting," says Nicklas Eriksson.

"There was a good and somehow familiar feeling in the meeting. They talked about being part of something bigger but at the same time remaining the same. It sounded appealing, but we were at the same time not quite ready."

Several other groups of companies contacted Installationsservice during the same year with different offers and proposed arrangements. Time passed and in 2021 the market changed a bit and, according to Nicklas, it became increasingly important to be a bigger player, especially for the customers.

"I felt that this is probably what we need and we decided to join Instalco. Since then, we have been able to go on living and minding our own business, while being part of the group. We have not been removed, and we have even been allowed to keep our work clothes, cars, name, and logo."

Focus on service contracts

Installationsservice currently has 33 employees and a turnover of just over 58 million. The company mainly works with service contracts in the ventilation, electricity, water, cooling, heating, and property maintenance sectors, but also to some extent with full projects and contracts. Most assignments are worth around SEK 2–3 million.

Customers are mainly various kinds of real estate companies and local industrial customers in Mälardalen.

"It is a relief for our customers that we are part of a larger group of companies, and it has been meaningful for us," says Nicklas Eriksson.

"We became part of something larger without losing our identity."

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INSTALCO

Start-ups

Instalco uses a proprietary start-up model as a strategic approach to complement acquisition-based growth. By partnering with local entrepreneurs and leveraging their expertise, Instalco creates new companies that are tailored to meet local needs and untapped market potential.

Start-ups are part of Instalco's long-term strategy to build a strong presence in geographic and technical areas where the Group sees potential for growth. The newly created companies will have access to the Group's resources such as financial support, business development, communication and centrally negotiated purchasing agreements, which gives them a solid foundation to grow from and an opportunity to quickly become competitive in their respective markets.

A strategic priority is to create cooperation and synergies between the new start-ups and the existing Instalco companies. This includes joint projects, cross-selling, and knowledge sharing, which strengthens both the start-up and the rest of the Group. By using the same decentralised model as for acquired companies, it allows start-ups to retain the strong local anchor and entrepreneurial spirit, while having access to Instalco's collective expertise and financial resources.

Instalco has founded the following start-ups during the period January – December 2024

Start-up	Technology area	Segment
Inmatiq Automation Nord AB	Technical Consulting	Sweden
Inmatiq Mitt AB	Technical Consulting	Sweden
Inmatiq Nordic AB	Technical Consulting	Sweden
Inmatiq Stockholm AB	Technical Consulting	Sweden
Inmatiq Syd AB	Technical Consulting	Sweden
Intec Energi och Miljö Syd AB	Technical Consulting	Sweden
Intec Uusimaa Oy	Technical Consulting	Rest of Nordics
Intec Structure Oy	Technical Consulting	Rest of Nordics
Intec Projektstyrning Syd AB	Technical Consulting	Sweden
Istech AS	Electrical	Rest of Nordics
Protek VVS AS	Heating & plumbing	Rest of Nordics

INMATIQ

Inmatiq AB offers technical automation solutions within real estate and industry. The company focuses on energy efficiency and technical automation solutions. The offering includes project planning, project management, inspection activities, and digitisation services. The company is involved in both contracting and system integration, as well as service. Inmatiq was launched in 2024 with five companies in Sweden.

INTEC

Intec AB is an engineering and technical consultancy, electricity, ventilation, plumbing, control technology, energy, industry and fire protection. The core business is project planning and management. The company provides other services such as inspection, installation coordination, environmental coordination, risk management, calculation and investigation. Intec expanded with four new companies during 2024.

ISTech AS

Istech AS in Lillehammer focuses on building automation, energy efficiency, and smart building technology. The company offers specialisation in energy savings and energy consulting, for both renovation and new construction.

PROTEK VVS

Protek VVS AS in Trondheim is a specialist in heating, cooling, sanitation, and sprinklers. The company focuses on medium-sized projects in both the private and public sectors. Protek VVS works with both new construction and renovation.

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INSTALCO

New business area built with Instalco's start-up model

Instalco started the new automation business area in 2024. The investment is made through the newly founded company Inmatiq, in accordance with Instalco's well-proven start-up model.

Case

At pace with digitalisation and resource-saving measures for properties, the automation space has become increasingly important. Inmatiq focuses on energy efficiency and technical automation solutions in real estate and industry.

Four years ago, Instalco used its start-up model to kick-start its engineering consultancy business, using its subsidiary Intec as the central player. Now, the automation business area and Inmatiq are being built up in the same way.

"Our development of Intec in the engineering consultancy field, where we currently have 450 consultants in three different countries, has proven successful. Now we are doing a similar organic development of Inmatiq, as we did with Intec. Instalco's model together with our experience, expertise and network is a very good combination to develop Inmatiq," says Anders Lundin, Division Manager Instalco Technical consultancy.

The start of Intec began with one company and only a few people. Today, it has grown to include 450 consultants over some 20 subsidiaries in three different countries. Like a "mini Instalco" in Instalco. Now, Inmatiq is being built through launching subsidiaries of its own.

Reduced energy consumption and increased comfort

"We see a high demand for automation services. Automation is a crucial component in creating sustainable and energy-efficient buildings and industries. By integrating advanced automation technology, we can offer solutions that reduce both energy consumption and improve our customers' comfort," says Fredrik Hautau, business area manager Instalco automation and CEO of Inmatiq.

Inmatiq's focus is on project planning and management, inspection activities, and digitalisation services. The offering includes contracting, system integration, service and analysis of data to create conditions for more efficient processes, and properties, industries and facilities. Inmatiq's customers are installation companies, construction companies, property owners, municipalities, and regions.

"Instalco's start-up model creates growth from scratch."

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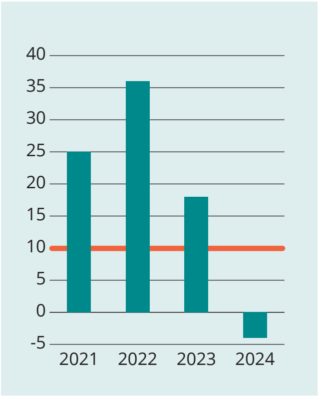
INSTALCO

Strategic targets

Growth

>10 %

annually over a business cycle



OUTCOME 2024

-4.1%

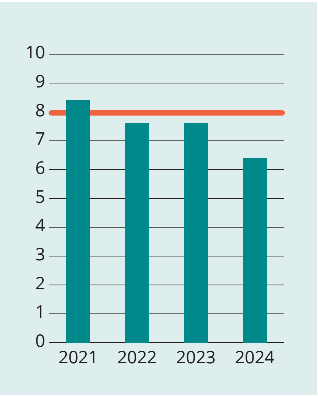
Sales growth amounted to -4.1 percent, of which -6.5 percent was organic. Over the last five years, the average growth rate is around 20 percent and the CAGR is approximately 14 percent.

Description

Demonstrates the company's ability to increase its market share via an attractive offering to customers utilising its full range of expertise.

EBITA margin

>8%



OUTCOME 2024

6.4%

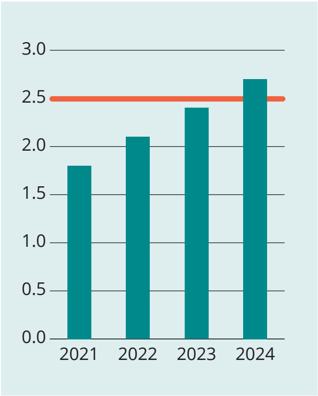
The EBITA margin amounted to 6.4 percent. Adjusting for non-recurring costs in the fourth quarter, the adjusted EBITA margin amounted to 6.9 percent. The average margin over a five-year period is 7.7 percent.

Description

Measures the company's ability to generate profit so that it can create long-term value for its shareholders, customers, employees and other stakeholders.

Capital structure

<2.5x



OUTCOME 2024

2.7x

Net debt/EBITDA amounted to 2.7x.

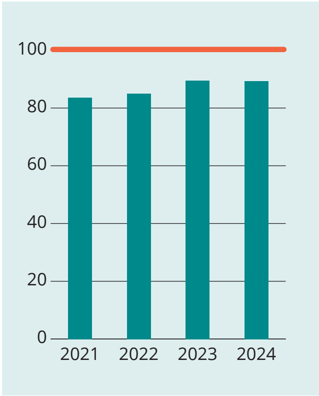
Description

A low net debt/EBITDA ratio is an indication of the company's ability to use its own funds for new acquisitions.

Cash conversion rate

100%

on a rolling 12-month basis over a business cycle



OUTCOME 2024

89%

Cash conversion rate was 89 percent.

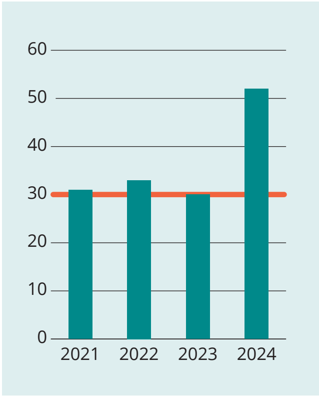
Description

Measures the company's ability to generate cash for making new acquisitions without taking on more debt.

Dividend Policy

30%

of net profit for the year after tax



OUTCOME 2024

52%

The proposed dividend is 0.68 (0.68) SEK per share, corresponding to a payout ratio of 52 (30) percent.

Description

Demonstrates the company's ability to generate returns.

Climate targets

50 %

achieve reduction in Scope 1 and 2 greenhouse gas (GHG) emission intensity by 2030, using 2020 as the baseline year.

Net zero

GHG emissions across our entire value chain by 2045.

OUTCOME 2024:

14%

reduction in GHG intensity since 2020.

Description

Instalco has set a long-term climate target of net-zero emissions across the entire value chain by 2045, and a medium-term target of halving the emissions intensity in Scope 1 and 2 by 2030, with 2020 as the baseline year. The targets are in line with the Paris Agreement and the construction sector's roadmap towards fossil-free competitiveness. As of 2025, the measurement and reporting of greenhouse gas emissions will begin in accordance with CSRD and Swedish law.

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INSTALCO

Business description

Instalco is a leading provider of technical installation and service solutions in Northern Europe. The Group's business includes project planning, installation, servicing and maintenance of buildings and facilities for customers in both the private and public sector. Through electricity, plumbing, ventilation, industry, automation and technical consultancy, the Group offers comprehensive energy- and cost-effective solutions for our customers.

Instalco's services include the remodelling, new installation, and renovation of technical systems, and services within all disciplines. The focus of all our services is to reduce operating costs and environmental impact.

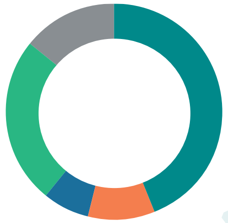
Sales by segment

- Sweden, **69%**
- Rest of Nordics, **31%**

Sales by end market

- Schools & hospitals, **16%**
- Residential new construction, **8%**
- Residential renovation, **9%**
- Commercial properties, **14%**
- Office, **12%**
- Industrial properties, **24%**
- Other, **17%**

Sales by customer group



- Construction companies, **44%**
- Public sector, **10%**
- Property companies, **7%**
- Industrial companies, **25%**
- Other, **14%**

EBITA per segment

- Sweden, **70%**
- Rest of Nordics, **30%**

Sales per contract type

- Fixed-price project, **44%**
- Partnering projects, **30%**
- Other contract types, **26%**

Sales per project type

- New production, **33%**
- Renovation, **32%**
- Service, **35%**

LARGEST CUSTOMERS 2024

- LKAB
- NCC
- Peab
- Skanska
- Stockholm Exergi

214
SEK billion
Size of Instalco's core markets (Sweden, Norway, Finland, sales 2024)

6.4
percent
Instalco's market share[1]

1) Source: Navet Analytics

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INSTALCO

Business concept

Complete technical solutions with the customer at the centre. Instalco offers complete technical solutions in electricity, plumbing, ventilation, industry, automation, and technical consulting for the Northern European market. We work closely with customers, combining all the advantages of a local company with efficient collaboration and mature leadership.

Geographical focus

Instalco operates mainly in Sweden, Norway and Finland, with a majority of the business in Sweden. Since signing the agreement to acquire Fabri AG in November 2024, Instalco has also established itself in the German market. The Group's business targets regions with an average of high growth, which are often characterised by housing shortages, an ageing real estate stock, and a high relocation rate. The increasing growth in the regions is leading to a strong underlying demand for Instalco's services.

Offering

Because of the close cooperation between all our subsidiaries in the different business areas, Instalco offers complete and integrated solutions that are sustainable in the long term. Instalco's energy-efficient solutions help to reduce the use of resources and optimise energy consumption. The subsidiaries are specialised in different fields and activities, allowing for cooperation, knowledge sharing and cross-selling, to deliver end-to-end solutions for the Group's customers. Due to its technical expertise and broad experience, Instalco is able to enter a construction process early by offering multi-disciplinary, sustainable, and customised solutions.

Organisation

Instalco's organisation consists of more than 150 subsidiaries under its own brands, organised in four divisions and under two segments: Sweden and Rest of Nordics. The divisions are: North, South, Technical Consulting, and Norway, and under each division there are 13 business areas in which the subsidiaries operate. The head office is located in Stockholm and supports the subsidiaries with matters such as financing, acquisitions, business development, purchasing, communication, IR, and sustainability.

Types of contracts

Instalco mainly concentrates on projects with a contract value of between SEK 1 million and SEK 75 million. More than 80 percent of the company's revenues from projects, excluding services, currently comes from projects in this range.

Instalco is engaged either to carry out an individual assignment or as a turnkey contractor. Turnkey contracts mean that the Group is responsible for and coordinates the project, and can consequently propose appropriate technical solutions. Remuneration is either at a fixed price for the whole contract or on a time and material basis, which is typically how it works for joint projects and partnering. About 44 percent of Instalco's projects are conducted as fixed-price projects, just over 30 percent are joint projects, and the remainder use other forms of remuneration and collaboration, such as service assignments.

Partnering

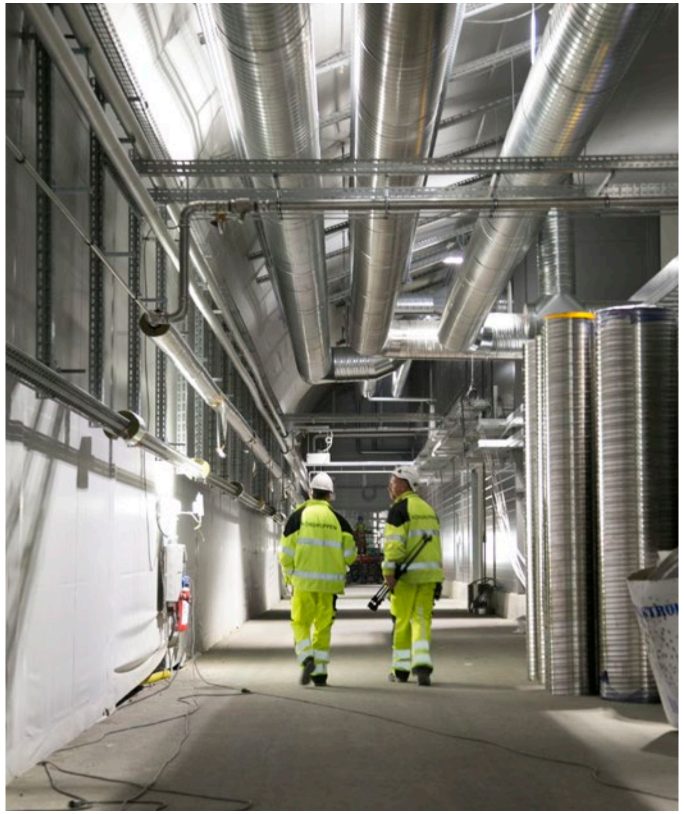
Joint contracts, also called partnering projects, are an arrangement where Instalco together with the client, end customer, suppliers, and other subcontractors form a team and work together on the project from start to finish. This method promotes synergies and all different competencies work together for the good of the project. With a common budget and a high level of cost transparency, the client gains visibility into the project, while the group secures remuneration through the mark-up or fixed price that is included in the partnership. Partnering is a form of collaboration that is growing throughout the Nordic region and virtually all of Instalco's major projects are carried out using some form of partnership.

Customers

Our main customer groups are construction companies, property companies, industrial companies and the public sector. Construction companies are the single largest customer group. Instalco has approximately 2,000 customers and the five largest accounted for about 11 percent of sales during 2024. The single largest customer accounted for less than 4 percent of sales.

Business development

Instalco continuously works to develop the business and to ensure profitable growth, both organically and by optimising the performance of the subsidiaries. The culture is permeated by the sharing of best practices. One example of this is GoGr8, an initiative that provides extra support to companies that need to strengthen their profitability. Through targeted interventions and support from the Group's central resources, these companies are given the opportunity to develop their businesses and improve their efficiency. GoGr8 is part of Instalco's strategic work to ensure a strong and sustainable business.



ELECTRICAL

Services

- Energy efficiency
- Construction, planning, assembly
- Alarms and monitoring
- Data networks and control of technical equipment
- Energy optimisation
- Charging ports for electrical vehicles
- Remote reading
- Control technology
- Service and maintenance
- Marine installations

Customers

- Construction firms
- Real estate companies
- Government agencies, municipalities and regions
- Housing companies
- Industrial companies
- Fishing industry

HEATING & PLUMBING

Services

- Installation of district heat, natural gas, heating pumps, comfort cooling
- Pipe replacement and preventive maintenance
- Water treatment and water consumption optimisation
- Sprinkler system
- New constructions
- Ongoing repairs
- Service and maintenance
- Repairs, conversions and extensions
- Project planning
- Energy efficiency measures

Customers

- Construction firms
- Real estate companies
- Government agencies, municipalities and regions
- Housing companies
- Industrial companies

VENTILATION

Services

- Installation and indoor climate solutions
- Air treatment
- Energy optimisation
- Mandatory ventilation inspection
- Control technology
- Property automation
- Service and maintenance
- Project planning

Customers

- Construction firms
- Real estate companies
- Government agencies, municipalities and regions
- Housing companies
- Industrial companies

INDUSTRY

Services

- Pipe installations
- Cooling installations
- Electrical power installations
- Infrastructure
- Automation
- Instrumentation
- Exhaust gas treatment
- Ballast water management
- Project planning
- Energy
- Safety
- Industrial scaffolding
- Compressors
- Composite solutions
- Steel assembly
- Mechanical installations
- Ground and mining

Customers

- Industrial companies
- Electricity and power companies
- Mining companies
- Shipping companies
- Maritime transportation companies
- Municipalities & regions
- Trusts

TECHNICAL CONSULTING

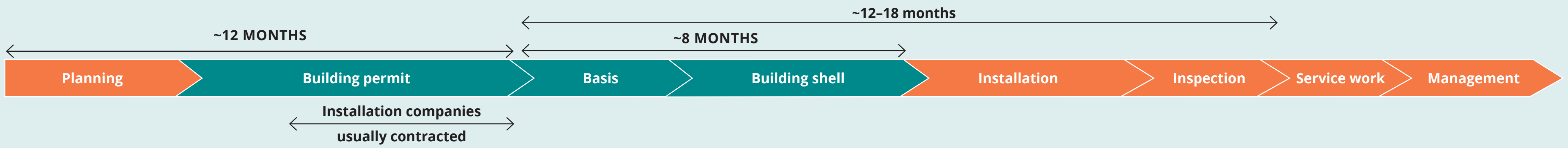
Services

- Electrical
- Communication
- Safety
- Heating & plumbing
- Cooling
- BIM
- Automation
- Ventilation
- Energy efficiency
- Fire and risk
- Sustainable construction
- Environmental certifications
- Simulation calculations to meet the consequences of future climate change

Customers

- Construction firms
- Government agencies, municipalities and regions
- Installation companies
- Property owners
- Industries
- Energy companies
- Industrial construction companies

The typical time-line of one construction gives a high visibility over future installation projects



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INSTALCO

Total technical collaborative projects – a winning concept

Herrhagsgården in Falun, Sweden, is a collaborative project where three Instalco companies in four different disciplines have worked closely with the customer and client. One of Instalco's strengths is to have an offering within all disciplines for the customer, from planning and installation to service. This is often done through joint contracts.

Case

Herrhagsgården is municipality Falun's largest nursing home. The property, which was built in the 1960s, has been in dire need of renovation, which began in spring 2023 and was finalised at the end of 2024. Instalco has delivered project planning through Intec, plumbing and ventilation through Dalab, and electricity through Henningsons El.

The market wants collaboration

Dalab's CEO, Henrik Ekgren, sees several positive synergies with multidisciplinary, total technical collaboration projects. Joint contracts or partnering projects are a form of collaboration where Instalco works together on a project with the client, end customer, suppliers and other subcontractors in a team with a transparent economy, from start to finish.

When Henrik Ekgren took over as CEO in 2013, he reorganised the company's work processes to suit the partnering model. Dalab has since then consciously focused on partnering and built business systems, procedures and routines around it.

"Our local market is demanding collaborative contracts. This results in a very good end product with satisfied customers who come back with new requests. For us, collaborative projects mean a secure economy at low risk."

Through these joint projects, Dalab has improved the cooperation and working climate between departments within the company as well as with the Instalco companies Henningsons El and Intec, which designed Herrhagsgården.

Collaboration on a personal level

"We have completed several projects together with Henningsons El and Intec. Over the years, we have found a well-functioning personalised cooperation that the end customer appreciates."

Henrik Ekgren believes that collaborative projects with other companies require you to think in a slightly broader perspective and not just on your own company's business.

"There is an opportunity for financial gain, with an increasing chance if you can bring friends from within the Instalco Group to projects," says Henrik Ekgren.

Herrhagsgården was procured by Dala Byggsamverkan with the end customer being the Falun Municipality. The construction project was a complete renovation, but the frame and exterior walls were kept. The assignment included, for example, adapting the rooms, replacing surfaces, ventilation, lighting, and adding new fire protection.

When the project was procured, Dala Byggsamverkan wanted a package with a party they could trust. They ended up choosing the Instalco companies, which they knew had a well-functioning collaboration and delivered well together.

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INSTALCO

Small and mid-sized projects are the basis of Instalco

Instalco's focus is on the middle segment of the market, mainly projects between SEK 1 and 75 million, and the majority of the Group's projects are in that range. OTK Klimatinstallationer AB is an Instalco company that works exclusively with these kinds of projects.

Case

The strategy behind choosing small and mid-sized projects is mainly because companies avoid the risks associated with large complex projects while limiting the difficulty with very small projects. More than 80 percent of Instalco's revenue from projects, excluding services, comes from projects in the SEK 1–75 million range.

OTK Klimatinstallationer in Enköping, Sweden, like most of Instalco's subsidiaries, specialises in small and medium-sized projects. The ventilation company has since 2016 carried out a large number of projects for NCC and Nacka Municipality, mainly in regard to schools and preschools. As a result of the Stockholm metro is being extended to Nacka, the municipality is in a phase of major expansion and renovation for both housing, nursing homes, and educational facilities.

Winning concept

"When NCC won a major procurement from Nacka Municipality in 2016, they chose us as one of their subcontractors. I believe that our routine and concept of using our own design, project managers, fitters, service department, and insulation is a winning concept, for both us and NCC," says Tomas Danielsson, CEO of OTK.

Since the start of the collaboration, OTK has been working closely with the main contractor NCC, the client Nacka Municipality, and other contractors. OTK's latest project involves the construction of a new school building for Sickla skola. OTK installs new FTX units with demand-controlled ventilation. The project, which is set to be completed in spring 2025, also includes the renovation of two buildings.

"We've done lots of smaller projects like Sickla skola over the years. We have developed a great deal of experience and know exactly how to carry them out in the best way possible, with the highest quality and good economy."

Collaboration in one place

All contractors and the NCC project managers working on Sickla skola are working together in the "NCC Project Studio" – a method for joint project planning. When projects start, the major contractors sit down together at the construction site for several days a week. This gradually decreases as the project progresses.

"This makes it easier to coordinate projects and discuss issues and problems that arise. Sitting together also makes for more efficient decision-making and a better structure. Another positive effect of frequent meetings is that everyone thinks about the project and not just their own house. Working so closely together also provides synergies where we bring the knowledge to the next project," says Jan Pettersson, project manager at OTK.

Sickla skola is one of many smaller projects that OTK has carried out over almost a decade of collaboration with NCC and Nacka Municipality. Together, the projects have been a winning concept.

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INSTALCO

Our segments

Instalco's business is organised into two geographical segments: Sweden and Rest of Nordics. The segments are similar, but are split up to effectively adapt the offering to the specific market needs of each region. This structure makes it easier to respond to local needs, while allowing the central organisation to maintain a global overview.

SWEDEN

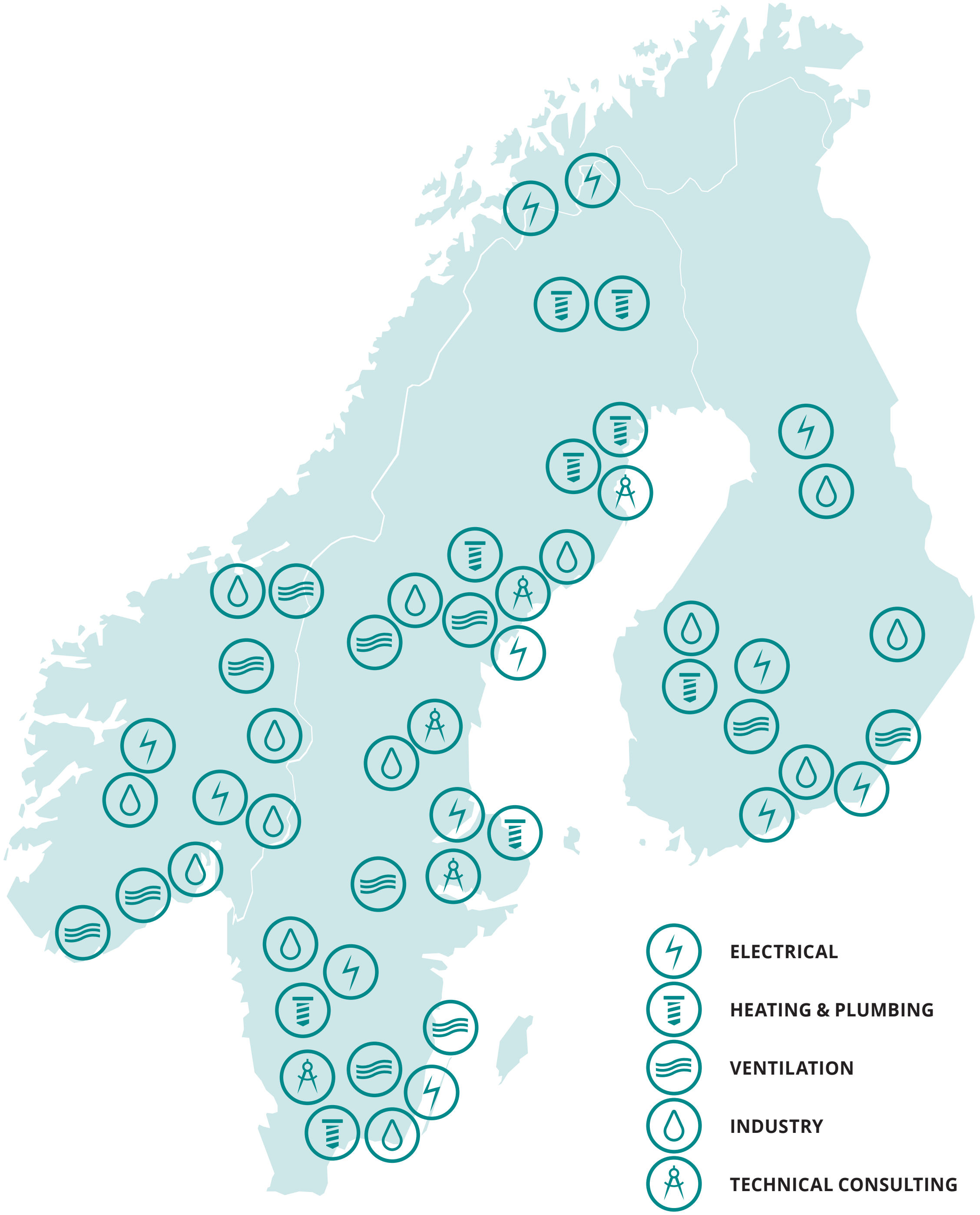
69%
of net sales

70%
of EBITA

REST OF NORDICS

31%
of net sales

30%
of EBITA



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Sweden

Operations

Segment Sweden is divided into three divisions, coordinated by a responsible manager, who together with the business area managers, is tasked with driving cooperation between the subsidiaries and ensuring the implementation of the Instalco--model. The heads of the divisions and business areas work closely with the subsidiaries and are responsible for supporting them to stimulate and develop the business. The segment offers all types of consulting, project management, installation, and services in electricity, plumbing, ventilation, industry, and technical consulting.

Customers

The Sweden segment has a broad customer base with a very high proportion of recurring customers. The most common services in this segment are project planning and installation services, often in connection with the renovation and construction of buildings. Customers in the industrial sector demand industrial system solutions services, such as the installation of process electronics and industrial piping. The need for the Group's services varies depending on customer groups, which also stabilises demand over a business cycle.

Development in 2024

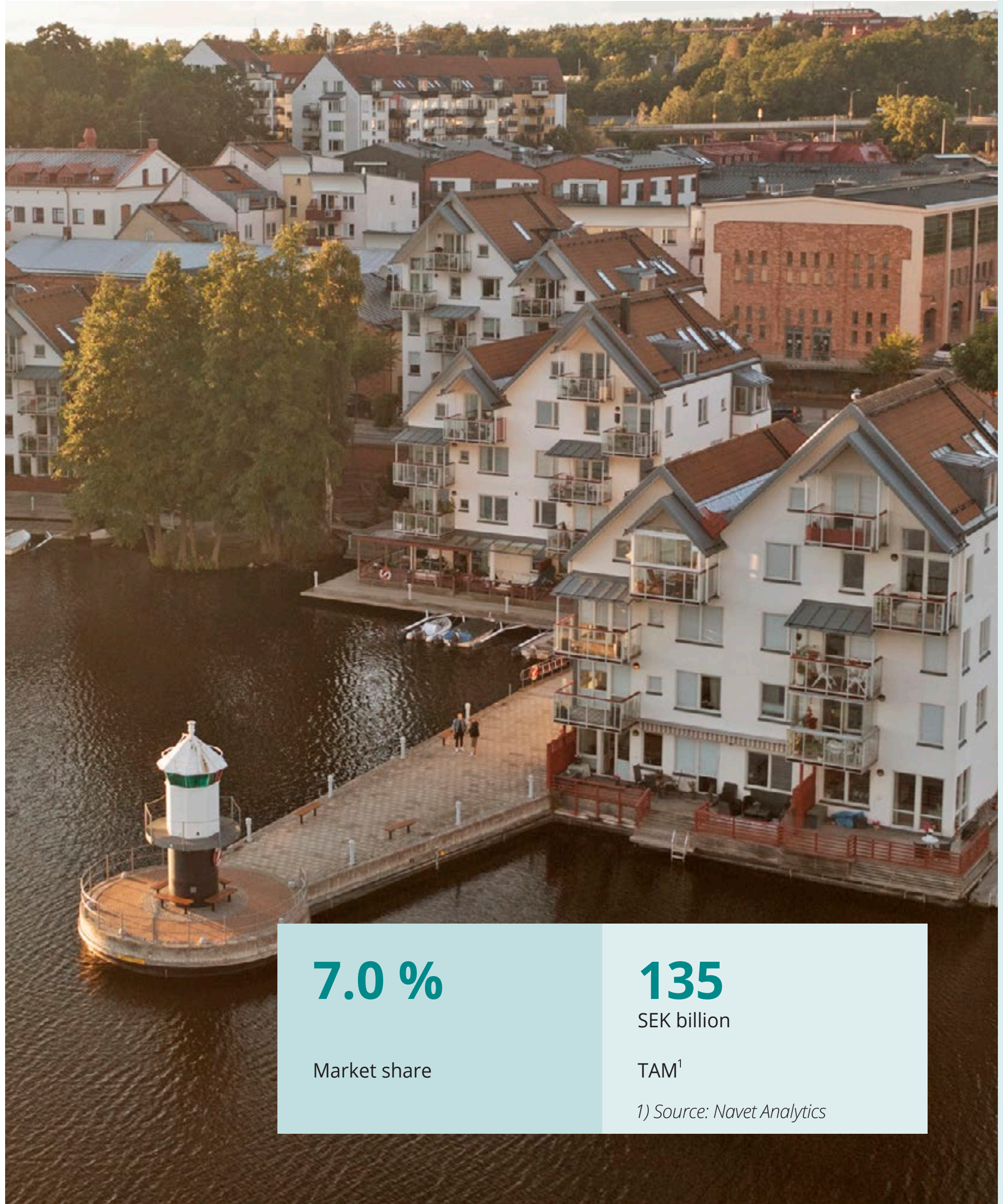
During the year, Instalco has increased the number of multidisciplinary projects, and we see more and more projects with more than three Instalco companies involved. During the year we have continued our intensive work on the subsidiaries' profitability culture, production improvements, and business acumen. This has been done systematically within the framework of our internal tools and programmes, such as GoGr8 and IFOKUS. We have continued to strengthen our technical consulting business Intec through increased cooperation within Instalco and by extending it to more locations in Sweden. We have also established automation as a new offering in the technology consulting business through our new subsidiary Inmatiq.

KPIs Sweden, SEK m

	2024	2023
Net sales	9,427	9,962
EBITA	613	833
EBITA margin, %	6.5%	8.4%
Order backlog	6,816	6,216

STRATEGIC PRIORITIES 2024

- New business area and offer in automation through the start-up Inmatiq
- More customer meetings and joint bids to the big players
- Best practices and development of multidisciplinary projects



7.0 %

Market share

135

SEK billion

TAM[1]

1) Source: Navet Analytics

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Rest of Nordics

Operations

Rest of Nordics consists of the Norwegian division and the business area Finland. The Technology Consultant division and the business area Industry work across both Sweden and Rest of Nordic segments. In this segment, Instalco's subsidiaries mainly offer electrical, plumbing, ventilation, industrial and engineering consultancy services, and mainly carry out projects in major cities. Collaboration between the companies takes place on a daily basis including the exchange of knowledge and experience, joint projects, resource sharing and shared use of premises.

Customers

Customers in new construction, maintenance, service, renovation of buildings and facilities, as well as in industrial installations, make up the majority of the segment's customer base. The customer base is broad with a high proportion of recurring customers. Companies in the construction sector demand installation services in connection with the construction and renovation of, for example, public buildings. Instalco has noted an increase in the demand for energy efficiency in all areas.

Development in 2024

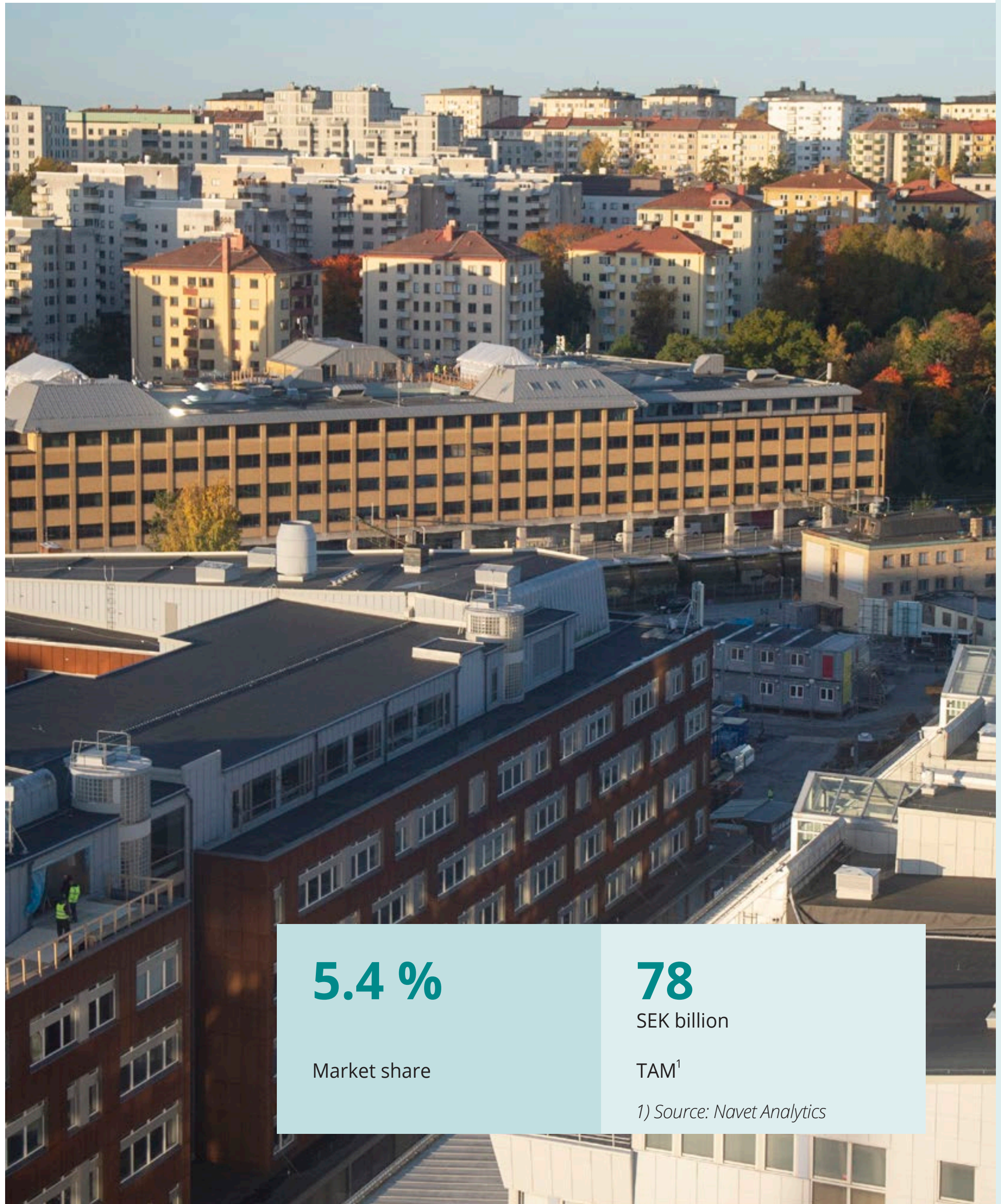
The work on the Group's internal profitability programmes, IFOKUS and GoGr8, has been intensified in order to provide companies with more support and resources to improve their profitability. Cooperation between the subsidiaries has been further strengthened through both work on best practices and the implementation of multi-disciplinary and end-to-end projects. During the year, we established ourselves in electricity in Kristiansand, in plumbing in Trondheim and in industry in Turku. In Norway, the Group has strengthened its central organisation through a clearer division of business areas. In Finland, we established the technical consulting business through Intec.

KPIs Rest of Nordics, SEK m

	2024	2023
Net sales	4,263	4,317
EBITA	265	253
EBITA margin, %	6.2%	5.9%
Order backlog	2,186	2,222

STRATEGIC PRIORITIES 2024

- Focused work on profitability in subsidiaries
- Strengthened industrial offering in Finland through the acquisition of IT-Line Service
- Automation offering in Norway through the Istech start-up



5.4 %

Market share

78

SEK billion

TAM[1]

1) Source: Navet Analytics

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Corporate Governance

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Comment from the Chairman

2024 has been one of the most challenging years in my long career in the construction industry. As has the year for Instalco.

The industry has been affected by a number of very challenging external factors. In addition to the macroeconomic crises caused by war, interest rate turmoil and inflation, it has also been followed by political crises. Sanctions and a change in energy policy are having a global impact, with energy and other costs skyrocketing. It also gives us opportunities. A shift in energy policy and the need for cost savings, together with emission reduction requirements, will pave the way for actors like Instalco.

Instalco has a competent and well-functioning Board with extensive experience from relevant industries and markets during challenging times. Over the years, the board members have experienced both ups and downs in the economic cycle. This experience is very valuable in a year where margin pressure and bankruptcies have been a factor in the construction industry. The Board has complemented each other in an excellent way.

During the year the Board has worked continually on strategic matters as well as decisions relating to interim reporting and company acquisitions. An area of particular importance has been work related to risk assessment and risk elimination in connection with major projects. The company has a robust model for approving project budgets, and the Board follows clearly established procedures for risk-assessing projects.

Profitability is an area that is always high on the Board's agenda and we welcome the company's efforts to improve profitability. We are very happy with the GoGr8 efficiency program. The program provides support to subsidiaries that are below the group's profitability targets in order to develop and improve their local operations.

The Board of Directors has the ultimate responsibility to take final decisions on company acquisitions. During the year, most of our efforts in this regard have been devoted to discussions and decisions relating to our entry into Germany.

The German market is significantly larger than the Nordic market and highly fragmented. Our assessment is that there is great potential for consolidation and growth. The market is very similar to the Nordic one in terms of company culture, need for energy solutions and renovation, as well as business opportunities.

While we are continuously adapting to the market and fending off external influences, Instalco's fundamental strategies and financial targets stand firm. The robust Instalco model gives us the confidence to continue working on consolidating the installation industry in Europe, while we are constantly looking to expand both our operations and geographies. After ten years with Instalco, we are well positioned and more than ready for the next decade.

Per Sjöstrand, Chairman of the Board

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Corporate Governance Report

As a Swedish public limited company listed on Nasdaq Stockholm, Instalco applies the Swedish Corporate Governance Code (the Code). The Code is available at www.bolagsstyrning.se, which also describes the corporate governance model in Sweden. This corporate governance report is submitted in accordance with the Annual Accounts Act and the Code and describes Instalco's corporate governance during the fiscal year 2024. Instalco has no deviations from the Code to report for 2024. Neither has it deviated from Nasdaq Stockholm's Rule Book for Issuers or good practice on the stock market. The Corporate Governance Report has been reviewed by Instalco's auditor, as stated in the Auditor's Report.

Share capital and shareholders

According to Monitor's shareholder register, Instalco had 12,540 known shareholders at the end of 2024. All shares belong to the same class, with equal voting rights, share in the company's equity and profits. At the end of the year, no shareholder had a holding representing at least one tenth of the outstanding share capital and voting rights. The ten largest shareholders controlled 56.41 percent of the share capital at year-end and the proportion of shares owned by Swedish shareholders amounted to 50.4 percent of the share capital and voting rights. Instalco has three outstanding warrant programs totaling 7,300,000 shares, representing 2.8 percent of the total number of shares.

Since 2018, the Board of Directors has requested and received a mandate from the Annual General Meeting (AGM) to decide on the authorisation to issue shares. Since 2019, the Board has requested and received a mandate from the AGM to acquire and repurchase own shares. The 2025 AGM is proposed to authorise the Board of Directors to issue, buy back, and transfer own shares in the same way as was decided at the AGM 2024. For more information on the Instalco share and the largest shareholders, see section The Share.

In accordance with Chapter 6, Section 2 a of the Annual Accounts Act, listed companies must provide information about certain conditions that could affect the opportunity to take over the company by means of a public takeover bid for the shares in the company. In the event that the company is delisted from Nasdaq Stockholm or that a shareholder other than the current main shareholder achieves a holding of more than 50 percent of the capital or votes, the credit facility that has been granted will enter into a renegotiation.

Articles of Association

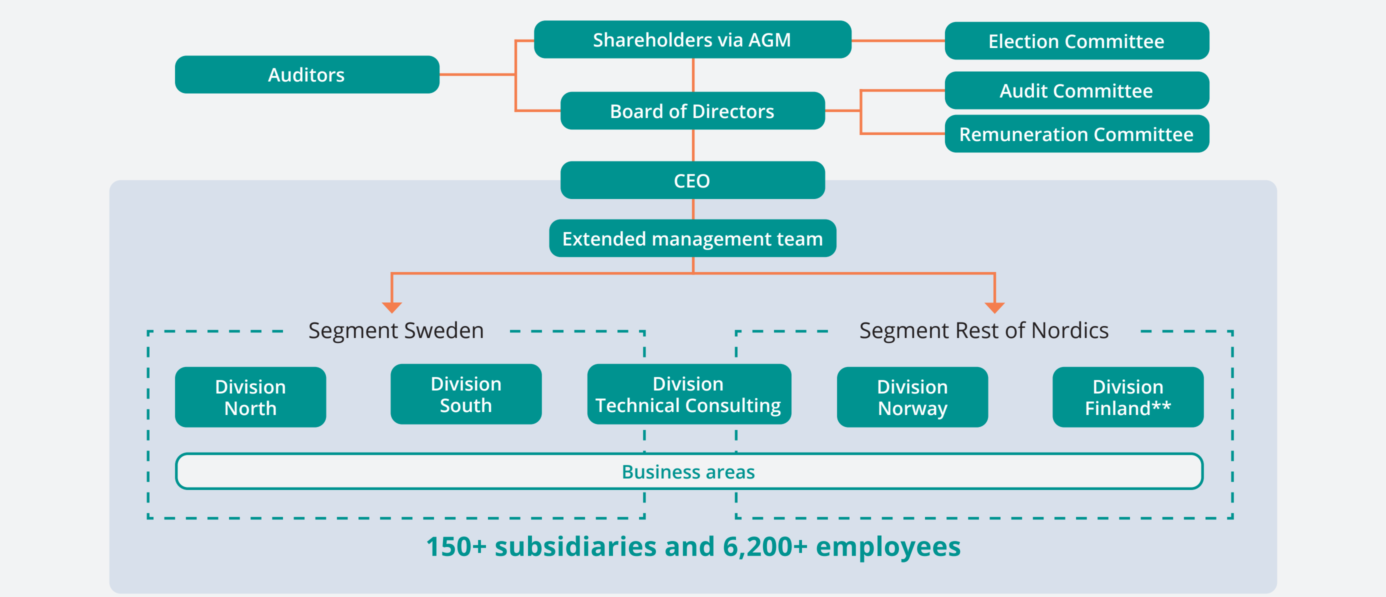
In addition to legislation and the regulations of Nasdaq Stockholm, the parent company's Articles of Association and its internal guidelines for corporate governance form the basis for corporate governance. The Articles of Association specify, among other things, the seats at the Board, the nature of the business, the limits on share capital and the number of shares, and the conditions for participation in the general meeting. There are no provisions in Instalco AB's Articles of Association that restrict the right to transfer shares. Neither do the Articles of Association contain any special provisions on the appointment and dismissal of board members or on amendment of the Articles of Association. For more information on the Articles of Association, see Instalco's website.

General meetings of shareholders

Shareholders exercise their influence at the Annual General Meeting (AGM) or, where relevant, at an Extraordinary General Meeting (EGM), which is the Parent Company's highest decision-making body. The AGM is to be held in Stockholm within six months of the end of the financial year.

At the AGM, resolutions are passed on the election of a Board of Directors and Chairman of the Board, election of auditor, adoption of the income statement and statement of financial position, appropriation of profits and discharge of liability for board members and the

GOVERNANCE STRUCTURE*



* Organisation per December 31, 2024
** Division Finland is since February 1, 2025 a business area in Division North

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CEO, on the Nominating Committee and its work, as well as guidelines for remuneration of senior executives. Resolutions at AGMs are normally passed by simple majority and in the case of elections, the person who has received the most votes is considered elected. For certain resolutions such as a change to the Articles of Association, a qualified majority is required.

In addition to shareholders' statutory right to participate in the AGM, Instalco's Articles of Association stipulate that shareholders must register their attendance at the AGM in advance, by a certain date specified in the notice, and where relevant, notification must also be given if the shareholder intends to bring assistance.

AGM documents and the minutes of AGMs are available on Instalco's website. It also contains information on the shareholders' right to have matters processed and when shareholders' requests for such matters must be received by Instalco.

Annual General Meeting 2024

The Annual General Meeting took place on May 6, 2024 in Stockholm. 193,015,849 shares and votes were represented, either in person or by postal vote, at the meeting. Per Sjöstrand, Chairman of the Board, was elected Chairman of the Meeting. Several Board members and Group managers attended the meeting. Authorised Public Accountant Camilla Nilsson, auditor in charge for Instalco, was also present.

The resolutions passed at the AGM were:

- Dividend of SEK 0.68 per share.
- Re-election of Members Per Sjöstrand, Johnny Alvarsson, Carina Qvarngård, Carina Edblad, Per Leopoldsson, Ulf Wretskog, and Camilla Öberg. Per Sjöstrand was re-elected as Chairman of the Board.
- Re-election of the registered auditing firm Grant Thornton Sweden AB for the period till the end of the next Annual General Meeting.
- The Annual General Meeting resolved, in accordance with the Board's proposal, to introduce an incentive program, a direct issuance of a maximum of 2,350,000 warrants.
- The Board was granted the authority to decide on new issues of shares, convertibles and warrants amounting up to 10 percent of the total number of shares in the company at the date of the resolution.
- The Board was granted the authority to decide on acquisitions of own shares and transfers of treasury shares amounting to up to 5 percent of the total number of shares in the company.

The AGM's other resolutions, as well as information about the meeting, are detailed in the minutes, which are available on Instalco's website.

Annual General Meeting 2025

The 2025 Annual General Meeting will be held on May 6. For further information on the 2025 Annual General Meeting, see our website.

Nominating Committee

The task of the Nomination Committee is to evaluate the composition and work of the Board of Directors, on behalf of the shareholders, and to submit proposals to the AGM on the Chairman of the AGM, the members of the Board of Directors, the Chairman of the Board of Directors, the remuneration of the Board of Directors, the appointment of a registered auditing firm and auditing fees, where applicable, and the principles for appointing members of the Nomination Committee. Members of the Nomination Committee do not receive remuneration from the company for their work on the committee. The Nominating Committee's full proposals to the AGM are detailed in the notice of the Annual General Meeting and published on the company's website.

According to the instructions adopted at Instalco AB's Annual General Meeting on May 6, 2021, the Nomination Committee shall consist of the Chairman of the Board and three members appointed by the three largest shareholders in the company in terms of voting rights. If any of these shareholders chooses to waive their right to appoint a member, the vote is passed on to the next largest shareholder in terms of voting rights. As Per Sjöstrand is the largest shareholder in Instalco and also the Chairman of the Board, the Nomination Committee for the 2025 Annual General Meeting will consist of three people. The composition of the Nominating Committee meets the requirements regarding independence of members. The Nominating Committee's documents for the AGM are available on the company's website.

The Nomination Committee for the 2025 Annual General Meeting will consist of the following members:

Name	Represented	Share of the votes, % 2024-09-30
Per Sjöstrand	Per Sjöstrand	8.70
Sophie Larsén	AMF Pension & Fonder	5.76
Roger Hedberg	Cliens Kapitalförvaltning	5.10
		19.56

The Board's responsibilities

The Board has ultimate responsibility for Instalco's organisation and administration. The Board handles and decides on Group-wide matters such as:

- Strategic orientation and targets.
- Matters relating to optimisation of capital structure, investments, acquisitions and divestments.
- Monitoring and control of the business, financial position, sustainability, provision of information and organisational matters, including evaluation of the Group's operational management.
- Overall responsibility for establishing effective systems of internal control and risk management.
- Important policies.

Composition of the Board of Directors

According to the Articles of Association, the Board is to comprise at least three and a maximum of ten members without any deputy members. Members serve on the Board as of the end of the AGM when they are elected and through to the end of the next AGM. There are no limits on how many consecutive terms a person may serve on the Board of Directors.

The Nomination Committee has applied Rule 4.1 of the Code as a diversity policy when preparing the proposal for the Board. The goal is to achieve a well-functioning board composition with regard to diversity and breadth in terms of factors including gender, nationality, age and industry experience. The current composition of the Board is the result of the Nomination Committee's work ahead of the AGM 2024. The Nominating Committee believes that the Board's composition and size are appropriate, and that it has breadth and diversity in terms of the members' expertise and experience in areas that are strategically important for Instalco. Women make up 43 percent of the Board of Directors.

Independence of the Board of Directors

Prior to the AGM, the Nominating Committee evaluates the independence of the members of the Board of Directors. All board members, except for Per Sjöstrand, are independent with respect to the company, its extended management team and its largest shareholder. The Board has thus been assessed as meeting the requirements concerning its independence.

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The Board's rules of procedure

In accordance with the Swedish Companies Act, the Board issues written rules of procedure for its work each year. The rules of procedure contain rules on how the work is to be distributed among members of the Board of Directors, including its committees, the number of scheduled board meetings, matters to be dealt with at scheduled board meetings and the duties of the Chairman of the Board. The Board has also issued written instructions setting out the procedure for financial reporting to the Board and how the work between the Board and CEO is distributed.

Responsibilities of the Chairman of the Board

The Chairman of the Board is responsible for ensuring that the Board's work is well organised, conducted efficiently, and that the Board fulfills its obligations. The Chairman monitors the business through dialogue with the CEO. The Chairman is also responsible for ensuring that the other board members receive the introduction, information and documentation necessary to sustain high-quality discussions and decisions, as well as confirmin that the Board's decisions are implemented.

The work of the Board 2024

The number of Board meetings in the fiscal year 2024 amounted to ten, of which three before the 2024 AGM and seven after the AGM, excluding per capsulam meetings. Instalco's CFO served as secretary at the meetings. Meetings during the year followed an approved agenda, which together with documentation for each item on the agenda was provided to each board member in advance. Typically, scheduled board meetings last for slightly more than half a day to allow time for presentations and discussions. The CEO and CFO participate in most board meetings and the entire Executive Board participates in the Board's Strategy Day. Each scheduled board meeting includes a review of the current business situation, the Group's results and financial position, and the outlook for the rest of the year.

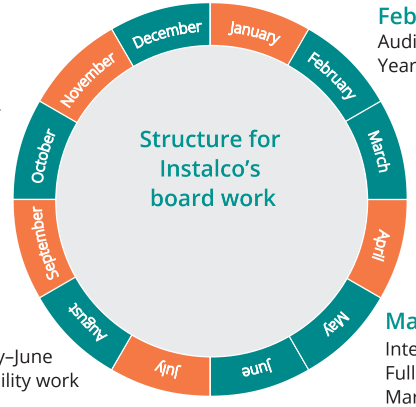
Items dealt with at the board meetings include:

- Strategic orientation and targets.
- Approval of interim reports, year-end report and annual report.
- Approval of policies.
- Important matters relating to optimisation of capital structure, financing, dividends, investments, acquisitions and sustainability.

December
Budget and operational goals for the coming year
Evaluation of work done by the Board and CEO
Evaluation of bonus qualification points and remuneration audit

February
Auditor's Report
Year-end Report

October
Interim Report January–September
Full-year forecast
Internal control, risk management
Policy compliance



March
Annual Report
Corporate Governance Report
Sustainability Report
Questions for AGM

August
Interim Report January–June
The Group's sustainability work

May
Interim Report January–March
Full-year forecast
Market and competitive situation
Annual General Meeting
Constitutive meeting
Establishing the Board's rules of procedure, instructions to the CEO, decision on authorisation hierarchy and policies

June
The Group's strategy and business plan

Board of Directors 2024

			Independent in relation to:		Participation out of total number of meetings			Fees as decided by the Annual General Meeting 2024, SEK 000s		
Member	**Position**	**Elected**	**Company and executive management**	**Major shareholders**	**Board meetings**[1]	**Audit Committee**	**Remuneration Committee**	**Board fee**	**Audit Committee fees**	**Total fee**
Per Sjöstrand	Chairman of the Board	2021	no	no	10/10	–	–	660		660
Johnny Alvarsson	Board member	2016	yes	yes	10/10	–	–	330	–	330
Carina Edblad	Board member	2018	yes	yes	10/10	–	–	330	–	330
Per Leopoldsson	Board member	2018	yes	yes	10/10	5/5	–	330	80	410
Carina Qvarngård	Board member	2018	yes	yes	10/10	5/5	–	330	80	410
Ulf Wretskog	Board member	2023	yes	yes	9/10	–	–	330		330
Camilla Öberg	Board member	2018	yes	yes	9/10	5/5	–	330	160	490
Total								**2,640**	**320**	**2,960**

1) Per capsulam not included.

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- The monitoring and control of business, risk analysis and management, financial development, communication and organisational issues.
- Review with and report from the company's external auditors.
- Review with the auditors, without Group management being present, to evaluate the performance of the CEO and Group management.
- Evaluation of the work done by the Board. The Chairman of the Board takes the initiative each year for the evaluation and leads the work.
- A presentation of the members of the Board of Directors can be found under the "Board of Directors" section and on the company's website.

Total board fees were set by the 2024 AGM at 2,960,000 kronor. Attendance at board meetings and fees paid to each board member are detailed in the table (see previous page).

Evaluation of the Board

The Board conducts an annual evaluation of its work. The Chairman of the Board takes the initiative each year to evaluate and lead the work. The purpose of the evaluation is to further develop working methods, dynamics, efficiency and the working climate, as well as the main focus of the Board's work. The evaluation in 2024 took the form of a questionnaire completed by each member. The evaluation also included interviews, group discussions and discussions between the Chairman and individual board members. The results of the evaluation were reported in writing to the members, who subsequently discussed them together at a board meeting. The Chairman of the Board also reported the results of the evaluation at a meeting with the Nominating Committee.

Remuneration Committee

The Board has set up a Remuneration Committee, which carries out its work as an integral part of the work of the board at scheduled board meetings. The main tasks of the Remuneration Committee are to:

- Prepare the Board's decisions on matters concerning remuneration principles, remuneration and other terms of employment for the extended management team
- monitor and evaluate ongoing programs and programs that were concluded during the year for variable remuneration for the corporate management team, and
- monitor and evaluate the application of any guidelines for remuneration to senior executives established by the AGM as well as applicable remuneration structures and remuneration levels.

Audit Committee

The Audit Committee follows rules of procedure in line with the applicable requirements and performs a supervisory role regarding the company's risk management, governance, control and financial reporting. The Audit Committee maintains regular contact with the company's auditor to ensure that the company's internal and external reporting meet the requirements of a listed company, and to discuss the scope and focus of the audit work. The Audit Committee evaluates the audit work performed and informs the company's Nominating Committee of the results of the evaluation, as well as assisting the Nominating Committee in drawing up proposals for auditors and remuneration of the audit work. The Audit Committee also evaluates the effectiveness of the internal control system, the Group's risk management, and monitors the financial structure.

In 2024 the Audit Committee comprised board members Camilla Öberg (Chair of the Audit Committee), Per Leopoldsson and Carina Qvarngård. The Audit Committee held five meetings at which minutes were taken. The individual board members' attendance at these meetings is detailed in the table. The external auditor in charge, Camilla Nilsson, and the CFO participated in all the meetings. Instalco's CFO served as secretary at the meetings. Items dealt with at the 2024 Audit Committee meetings includes:

- Review of interim reports, year-end report, and annual report. Scope and accuracy of the annual accounts.
- Review of the company's risk management, governance, and internal control.
- Significant accounting and sustainability issues.
- Review of reports from the company's auditor elected by the AGM, including the auditor's audit plan.

Auditor

Proposing an auditor to the AGM is one of the tasks of the Nomination Committee. The audit firm Grant Thornton Sweden AB (GT) was elected at the 2024 AGM to serve as the company's auditor through to the end of the 2024 AGM. Authorised Public Accountant Camilla Nilsson is the auditor in charge. GT continuously tests its independence in relation to the company and issues written assurance to the Board each year that the audit firm is independent in relation to Instalco. GT conducts the audit of Instalco AB and a majority of the subsidiaries. The independence of the external auditor is regulated in a special instruction adopted by the Board, which states in which areas the external auditor may be engaged in matters other than the standard audit work.

- The auditors work according to an audit plan and report their findings to the Audit Committee and the Board on an ongoing basis, both during the course of the audit and in connection with adoption of the Annual Report.
- The auditors also review one of the interim reports and the annual accounts to assess their accuracy, completeness and compliance with generally accepted accounting principles and other relevant accounting principles.
- The auditor in charge participates in the AGM, giving a presentation of the audit work and any findings.

CEO and Group management

The Board appoints the CEO and issues instructions for the CEO's work. The CEO is responsible for Instalco's day-to-day operations, such as acquisitions, organisation, accounting and financial matters as well as ongoing contact with Instalco's stakeholders and the financial market. The CEO ensures that the Board receives the information required to be able to make well-founded decisions. The CEO has appointed Group management and an extended management team to support the work on Instalco's operations.

The CEO and management are presented in the section Group management and extended management team and on the website.

Guidelines for remuneration of senior executives

The current guidelines for remuneration of the CEO and other senior executives were adopted at the 2022 AGM. These guidelines align with the principles previously applied.

To successfully implement the company's business strategy and safeguard the company's long-term interests, including its sustainability agenda, the company must be able to recruit and retain qualified employees. To do this, the company needs to be able to offer competitive remuneration. These guidelines enable senior executives to be offered competitive remuneration packages.

Contents

The proposal to at the 2025 AGM to continue to apply the guidelines adopted at the 2022 AGM. The most recently adopted remuneration guidelines are presented on page 40, and on the website.

The Board of Directors has prepared a Remuneration Report for submission to the 2025 AGM detailing the guidelines for remuneration, adopted at the 2022 AGM, The Remuneration Report also contains information on remuneration of the CEO and a summary of Instalco's outstanding programs for long-term variable remuneration. The Remuneration Report is available on the company's website.

Long-term incentive programs

At the end of the fiscal year, Instalco had two outstanding warrant programs corresponding to a total of 7,300,000 shares that are directed to the extended management team, CEOs of subsidiaries and other key individuals in the Group. The purpose of long-term share incentive programs is to create the conditions for boosting the motivation of key employees (individuals that the Group has identified as important and trusted) over the short and long term. The Board is of the opinion that an incentive program in line with the present proposal is advantageous to the Group and the company's shareholders.

The Board's report on internal control over financial reporting

In accordance with the Swedish Companies Act, the Board is responsible for internal control. The Board's responsibilities are further regulated in the Swedish Corporate Governance Code and the Annual Accounts Act. The financial reporting must be appropriate and apply current accounting rules and other requirements for listed companies. At Instalco, internal control over financial reporting focuses primarily on ensuring efficient and reliable controls when accounting for the acquisition of subsidiaries, and correct valuation and consolidation of the operating subsidiaries. The responsibility for the effectiveness of the subsidiaries' internal control structures, risk management and financial reporting lies with each subsidiary's board and management. The CFO reports annually to the Board on the Group's internal control work. Internal control includes environmental control, risk assessment, activity control, information and communication, and follow-up.

Control environment

Effective board work lays the foundations for good internal control. The Board's rules of procedure and instructions for the CEO and board committees ensure a clear division of roles and responsibilities to facilitate effective management of the organisation's risks. The Board has also established a number of basic guidelines and policies important for facilitating a strong control environment. These include the Code of Conduct, authorisation hierarchy and the Financial Policy. These policies are followed up and revised as needed.

Group management issues ongoing instructions concerning the financial reporting. Together with policies adopted by the Board, these form part of the Group's overall framework. The Group's financial manual contains principles, guidelines and process descriptions for accounting, financial reporting, project reporting and project management.

Instalco has organised its operations based on decentralised profitability and earnings responsibility. Each subsidiary has a board and CEO with responsibility for governance of local operations in accordance with guidelines and instructions from Group level. Each subsidiary has its own administration to handle day-to-day bookkeeping and financial reporting. The local entities primarily report to the Business Area Manager who also is the chairman of that unit's Board. Business Area Managers are responsible for monitoring their local units.

The Group uses a Group-wide reporting system as the basis for its monthly reporting, consolidation and follow-up.

Risk assessment and control activities

Within the Board, the Audit Committee is primarily responsible for continuously evaluating the parent company's risk situation, after which the Board conducts an annual review of the risk situation. The risk assessment includes identifying and evaluating the risk of material mistakes in the accounting and reporting at a Group and subsidiary level. Risk assessment includes identifying and evaluating the risk of material errors in the accounting and reporting at Group and subsidiary level.

GROUP-WIDE POLICIES

Code of Conduct
Aims to communicate our shared ethical values and business principles to employees, customers, suppliers, other business partners and shareholders, along with providing guidance for carrying out daily tasks.

Code of Conduct for Suppliers
Aims to provide suppliers with clear guidelines on how to act in joint projects.

Sustainability Policy
Aims to communicate that the business is run responsibly with a holistic approach to economic, environmental and social aspects. Instalco is to choose materials and methods that have a low impact on the internal and external environment, along with providing a safe and stimulating working environment.

Communication and insider policy
Aims to ensure accurate and high-quality information, and that information is managed both externally and internally, primarily with reference to applicable laws, regulations and other rules that apply to listed companies in Sweden and the Swedish Corporate Governance Code. Communication with all the company's stakeholders is to be open and helpful.

Financial Policy
Aims to set out rules and guidelines for financing activities, establish the division of responsibilities and create good control over financial risks. The financial organisation must manage the financial risks that arise in the business, secure both short-term and long-term financing, and minimise financing costs.

Internal Control Policy
Aims to provide a general approach that facilitates a uniform way of evaluating all parts of the internal control, along with clarifying Instalco's basic principles for internal control. A good internal control ensures appropriate, cost-effective, and safe operations, reliable financial reporting, and compliance with applicable laws and regulations.

GDPR Policy
Aims to ensure that personal data is managed in accordance with the General Data Protection Regulation (GDPR). The policy covers all registrations and processing in Instalco's IT systems where personal data is handled.

Dividend Policy
Aims to provide information on how much of the profit should be distributed to the company's shareholders as dividends. When proposing dividends, consideration is given to the Group's equity, long-term financing and investment needs, growth plans and other factors that the company's Board of Directors consider to be important.

Other policies
- Insurance
- Quality
- Employees
- Vehicles

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Risk assessment is carried out on an ongoing basis and in accordance with established guidelines with a focus on individual projects. Control activities aim to identify and mitigate risks. Examples of control activities include evaluation of ongoing projects, transaction-related controls such as rules governing authorisation and investments, clear payment procedures, as well as analytical controls performed by the Group's central accounting and finance function. The Group's central accounting and finance function together with the CFOs of the subsidiaries play a key role in creating the required environment for transparent and accurate financial reporting. Regular seminars are held for employees working on accounting and finance throughout the Group to facilitate exchange of knowledge and experience and discuss relevant topics.

One important overarching control activity is the monthly financial follow-up and project follow-up carried out via the internal reporting system. The subsidiaries' financial and project performance are monitored on an ongoing basis against targets set, forecasts and KPIs. All subsidiaries submit quarterly internal control reports, which are followed up. Other important components of internal control include the annual business planning and forecasting processes.

Training and frameworks to drive continuous development and improvement have been established in the form of the IFOKUS internal programme, the company-adapted GoGr8 programme and Instalco Academy. These cover fundamental processes, internal control and a culture of profitability.

Information and communication

Instalco's information and communication channels are designed to promote complete and accurate external information. The Board has adopted an Information and Communications Policy to ensure that the external information is accurate, complete and released at the right time. In addition, there are internal instructions on how financial information is to be communicated between the Board, management and subsidiaries. The Board's central accounting and finance function is responsible for ensuring uniform application of the Group's principles and instructions for financial reporting. The central accounting and finance function identifies and communicates areas for improvement in the financial reporting on an ongoing basis to all the subsidiaries that report to the Group.

Instalco is therefore intent on dealing with any irregularities affecting the company that could seriously damage the business, our employees or others, by making sure that they are identified and investigated as quickly as possible. Information on wrongdoings can be provided via a Whistleblowing Service on the website, which is provided by an external and independent actor. The function is encrypted and password protected. This service is also available to the Group's subsidiaries.

Monitoring activities

Each month, the Board and management follow up and evaluate the organisation's performance, earnings, financial position and cash flow using a reporting package that includes comments on the results and KPIs. The CEO and CFO also report on these matters at each board meeting. The Board, Group management and each subsidiary's board follow up on the quarterly internal control report. The Board is updated on the internal control work and the results of this on an annual basis.

The Audit Committee has a supervisory role over the company's financial reporting, risk management, governance and control. The Audit Committee meets regularly with the company's auditors to check that the company's internal and external reporting and related matters meet the requirements for listed companies, and to follow up on any audit findings.

Internal audit

Based on the risk assessment and format of the control activities described above, which includes internal control reporting and its follow-up, the Board has decided not to establish a separate internal audit function.

Board of Directors

Per Sjöstrand
Born 1958
Chairman of the Board, member since 2021

Other board positions
Chairman: Green Landscaping, Uniwater, Handverksgruppen AS, Eltel, ByggPartnerGruppen. Board member: Nordic Climate Group.

Work experience
Founder of Instalco and CEO 2014–2021. CEO of several companies and both director and manager of major projects at the Swedish Transport Authority.

Education
MSc Engineering, Chalmers University of Technology, Gothenburg

Not independent in relation to Instalco and its senior executives
Not independent in relation to major shareholders

Share ownership in i Instalco[1]
22,957,835

Johnny Alvarsson
Born 1950
Member since 2016

Other board positions
Chairman: FM Mattsson Mora Group and Llentab.
Board member: Beijer Alma, Sdiptech and Rotundagruppen.

Work experience
Extensive experience as senior executive at several listed companies including Indutrade.

Education
MSc Engineering, Management course

Independent in relation to Instalco and its senior executives
Independent in relation to major shareholders

Share ownership in i Instalco[1]
85,940

Carina Edblad
Born 1963
Member since 2018

Current position
CEO Thomas Betong

Other board positions
Board member of Sweden Green Building Council

Work experience
Extensive experience in the construction industry as CEO and in senior positions at international companies including Skanska. Several years' experience of board work in listed companies.

Education
MSc Engineering, Chalmers University of Technology, Gothenburg

Independent in relation to Instalco and its senior executives
Independent in relation to major shareholders

Share ownership in i Instalco[1]
6,496

Per Leopoldsson
Born 1960
Member since 2018

Current position
Driver Solavik Förvaltning AB

Other board positions
Boardmember of Layer Group AB, NAI Svefa, Vinga Group, Brandkontoret, fullmäktige för Fastighetsägarna in Stockholm.

Work experience
Long experience in the real estate and construction industry. CFO Fastighets AB Näckebro, Ramböll and Bravida.

Education
MBA, Stockholm School of Economics

Independent in relation to Instalco and its senior executives
Independent in relation to major shareholders

Share ownership in i Instalco[1]
30,000

Carina Qvarngård
Born 1959
Member since 2018

Other board positions
Board member of Sustera Oy

Work experience
More than 35 years' experience in senior positions at international companies including Ericsson, Sodexo Norden, Caverion, and senior consultant in sustainability and organisation and business development.

Education
MSc Engineering, KTH Royal Institute of Technology, Stockholm

Independent in relation to Instalco and its senior executives
Independent in relation to major shareholders

Share ownership in i Instalco[1]
1,200

Ulf Wretskog
Born 1967
Board member since 2023

Current position
CEO Sodexo Corporate Services in Continental Europe

Work experience
30 years of experience in Construction, Real Estate and Facility Management in leading positions in international companies such as Skanska, Coor, and Sodexo. Has also held several board assignments in PE-owned portfolio companies.

Education
MSc Engineering, LTH Lund University

Independent in relation to Instalco and its senior executives
Independent in relation to major shareholders

Share ownership in i Instalco[1]
6,000

Camilla Öberg
Born 1964
Member since 2018

Current position
CFO Yubico

Other board positions
Board member at Xvivo Perfusion.

Work experience
Extensive experience as CFO of international companies. CFO Cybercom Group, CFO Swegro Group, Head of Investor Relations WM-Data, CFO Logica.

Education
MBA, Stockholm School of Economics

Independent in relation to Instalco and its senior executives
Independent in relation to major shareholders

Share ownership in i Instalco[1]
4,485

1) Holdings as of December 31 2024. Includes related party holdings.

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Back row: Gustaf Larsson Ernefelt, Patrik Persson, Anders Lundin.
Front row: Christina Kassberg, Robin Boheman, Johan Larsson, Roger Aksnes, Fredrik Trahn.

Group management

Robin Boheman

Born 1984
CEO
Other significant positions: Member of the Board of Directors at Reledo AB
Work experience: CFO and Head of Acquisitions Instalco, Management Consultant M&A Integration and Carve-out PWC, Business Developer Scania
Education: Master's degree in accounting and financing, Uppsala University
Number of shares:[1] 1,778,955
Number of options: 50,000 options (2022/2025), 100,000 options (2023/2026), 50,000 options (2024/2027)

Christina Kassberg

Born 1968
CFO
Work experience: CFO Climeon, Addtech, Resurs Holding, Stim and Medivir. Auditor Öhrling Pricewater-houseCoopers
Education: Bachelor degree in economics , Stockholms University
Number of shares:[1] 31,550
Number of options: 70,000 options (2022/2025), 25,000 options (2023/2026), 50,000 options (2024/2027)

Fredrik Trahn

Born 1969
Head of Communications and Sustainability
Work experience: Journalist SvD, Head of Information Bristol Myers Squibb, Press Officer Electrolux, Press Officer Team SEB in Volvo Ocean Race, Head of Communications Swedish Athletics Association
Education: Degree from the Institute of Graphic Design (GI), studies in communications and Swedish language, Stockholm University
Number of shares:[1] 27,565
Number of options: 20,000 options (2022/2025), 50,000 options (2023/2026), 10,000 options (2024/2027)

1) Holdings as of December 31, 2024. Includes related party holdings.

Extended management team

Roger Aksnes

Born 1972
Head of Division Norway
Work experience: Project manager and head of department Bravida, CEO Andersen og Aksnes Rørleggerbedrift
Education: Plumbing and heating technician and master pipe layer, technical college
Number of shares:[1] 431,152
Number of options: 35,000 options (2022/2025), 35,000 options (2023/2026)

Gustaf Larsson Ernefelt

Born 1987
Head of M&A
Work experience: Acquisition and business development Werksta Group, Management consultant M&A Grant Thornton, finance/treasury Findus.
Education: Master's degree in Corporate Finance from Lund University
Number of shares:[1] 47,332
Number of options: 50,000 options (2022/2025), 25,000 options (2023/2026), 35,000 options (2024/2027)

Johan Larsson

Born 1976
Head of Division North
Work experience: CEO Dalab Dala Luftbehandling, CEO Dalab Group AB
Education: Upper secondary school and sheet metal and ventilation training
Number of shares:[1] 1,656,610
Number of options: 5,000 options (2022/2025), 35,000 options (2023/2026), 50,000 options (2024/2027)

Patrik Persson

Born 1964
Head of Division South
Work experience: Vice-CEO and CEO Rörläggaren
Education: Plumbing and heating technician, technical college
Number of shares:[1] 44,780
Number of options: 35,000 options (2022/2025), 35,000 options (2023/2026), 35,000 options (2024/2027)

Anders Lundin

Born 1966
Head of Division Technical Consulting
Work experience: 30 years of experience in a verity of positions in the consulting industry Regional Manager and Business Area President ÅF Buildings. CEO Intec Nordic
Education: Plumbing and Heating technician, Marketing and organisation theory at Linköping University
Number of shares:[1] 26,150
Number of options: 35,000 options (2022/2025), 20,000 options (2023/2026), 10,000 options (2024/2027)

Peter Hjerpe Head of Division Middle until 30 September 2024.

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Guidelines for remuneration of senior executives 2024

These guidelines were adopted by the 2022 AGM. They cover remuneration of board members, the CEO and other members of the extended management team (jointly referred to as "senior executives"). The guidelines are to be applied to remuneration that is agreed, and changes that are made to remuneration already agreed, after the guidelines were adopted at the 2022 AGM. The guidelines do not cover remuneration decided by the Annual General Meeting.

How the guidelines promote the company's business strategy, long-term interests and sustainability

To successfully implement the company's business strategy and safeguard the company's long-term interests, including its sustainability agenda, the company must be able to recruit and retain qualified employees. To do this, the company needs to offer competitive remuneration. These guidelines enable senior executives to be offered competitive remuneration packages.

Variable cash remuneration as described in these guidelines aims to promote the company's business strategy and long-term interests, including its sustainability agenda. This is executed via the financial and non-financial targets upon which variable cash remuneration is based and which are clearly linked to the business strategy and the company's sustainability agenda. Variable cash remuneration is described in more detail in the "Variable cash remuneration" section below.

For more information on the company's business strategy, visit the website (www.instalco.se).

Forms of remuneration etc.

The total remuneration of each senior executive must be competitive and may comprise fixed cash salary, variable cash remuneration, pension benefits and other benefits. In addition to this – and independent of these guidelines – the AGM may approve other components, such as share-based and share price-based remuneration. Fixed and variable remuneration is to be set in relation to the senior executive's responsibilities and authority.

Variable cash remuneration

Fulfilment of criteria for payment of variable cash remuneration must be able to be measured over a period of one year. The variable cash remuneration is to be capped, related to the fixed salary and may not exceed 50 percent of the fixed annual cash salary.

The variable cash remuneration is to be linked to predetermined measurable criteria, which may be financial or non-financial. Individual quantitative or qualitative targets may also be used. The outcome relative to these predetermined targets forms the basis for the total potential amount of variable cash remuneration. The criteria are to be designed in such a way that they promote the company's business strategy and long-term interests, including its sustainability agenda. For example, they must have a clear link to the business strategy or promote the senior executive's long-term development.

Once the measurement period for fulfilment of criteria for payment of variable cash remuneration has ended, an evaluation is carried out to determine the extent to which the criteria have been fulfilled. The Board is responsible for the evaluation concerning variable cash remuneration of the CEO. The CEO carries out the evaluation for other senior executives. For remuneration based on financial targets, the company's most recently published financial information is to be used.

Additional variable cash remuneration may be paid in extraordinary circumstances, provided that such arrangements are time-limited, at the individual level and aimed only at recruiting or retaining senior executives, or as remuneration for extraordinary work-related performance over and above the senior executive's regular duties. This form of remuneration may not exceed 100 percent of the fixed annual cash salary and, for each person, may only be paid out once a year. Decisions about this form of remuneration of the CEO are to be made by the Board, based on a proposal by the Remuneration Committee. Decisions about this form of remuneration of other senior executives are to be made by the Remuneration Committee, based on a proposal by the CEO.

Pension and insurance

Senior executives' pension benefits, incorporating health insurance, are to be in the form of defined contribution plans. Variable cash compensation is to be pensionable. The pension premiums for defined contribution pensions may not exceed 35 percent of the fixed and variable annual cash salary.

Other benefits

Other benefits may include life insurance, medical insurance and car allowance. Such benefits may not exceed a total of 15 percent of the fixed annual cash salary.

Regarding employment relationships governed by rules other than Swedish, as far as pension and other benefits are concerned, appropriate adjustments may be made to comply with what's mandatory from such rules or established local practice while taking into account, as far as possible, the overall purpose of these guidelines.

For senior executives who are stationed in a country other than their home country, reasonable additional remuneration and other benefits may be paid, taking into account the special circumstances associated with such postings abroad, whereby the overarching aim of these guidelines is to be met as far as possible. The total value of such benefits may not exceed 20 percent of the fixed annual cash salary.

Remuneration of board members in excess of board fees

Board members elected by the AGM who are not employed by the company may receive consultancy fees and other remuneration for work carried out on the company's behalf over and above their board duties. Decisions about consultancy fees and other remuneration of board members elected by the AGM who are not employed by the company are to be made by the Board.

Termination of employment

The maximum notice period for termination of employment is 12 months. The notice period is normally 6 months for the CEO and 3–6 months for other senior executives. For senior executives who wish to terminate their employment, the maximum notice period is 6 months, without any right to severance pay.

Fixed cash salary during the notice period and severance pay in total may not exceed an amount corresponding to 18 months' fixed cash salary.

Compensation for any non-compete clause may also be paid. This form of remuneration is intended to compensate any loss of income and is only to be paid to the extent to which the former senior executive is not entitled to severance pay. The maximum amount of the compensation is 100 percent of the fixed cash salary at the time of termination, unless otherwise provided by mandatory collective agreement provisions, and is payable for the period during which the non-compete clause applies, which is not to exceed 12 months after the termination of employment.

Salary and employment terms for employees

In preparing the Board's proposal for these remuneration guidelines, salary and employment conditions for the company's employees have been taken into account by including information on the employees' total remuneration, the components of the remuneration and the increase and growth rate over time as part of the Board's basis for decision when evaluating the reasonableness of the guidelines and the limitations that follow from them.

Decision process for establishing, reviewing and implementing the guidelines

The Board has set up a Remuneration Committee. The Remuneration Committee's duties include preparatory work for board decisions on proposed guidelines for remuneration of senior executives. The Board is to draw up proposals for new guidelines at least once every four years for adoption at the AGM. These guidelines are to apply until new guidelines have been adopted by the AGM.

The Remuneration Committee is also responsible for monitoring and evaluating programmes for variable remuneration of the extended management team, applying guidelines for remuneration of senior executives, as well as current remuneration structures and levels in the company.

Members of the Remuneration Committee are independent in relation to the company and the extended management team. Neither the CEO nor other members of the extended management team may be present when the Board discusses and decides on remuneration-related matters if the discussion concerns them.

Deviation from the guidelines

The Board may decide to temporarily deviate entirely or partly from the guidelines if there are special reasons for doing so in an individual case and deviation is necessary to serve the company's long-term interests, including its sustainability agenda, or to safeguard the company's financial strength. As stated above, the Remuneration Committee's duties include preparatory work for the Board's remuneration decisions, including decisions on deviating from the guidelines.

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Other information

Significant events after the end of the financial year

Nothing to report.

Employees and organisation

Instalco has a decentralised, dedicated organisation for driving the business forward. At the end of the financial year the number of staff amounted to 6,197, compared with 6,282 at the beginning of the financial year. Over the last 12-month period, the average number of employees amounted to 6,139 (5,986).

Research and development

Instalco does not carry out its own research and development, or does so only to a very limited degree.

Activities subject to permit and notification

Instalco's operations are not subject to permit requirements for environmentally hasardous activities. In cases where there is a notification or permit requirement, the organisation in each country is responsible for handling the procedure.

Sustainability Report

In accordance with Chapter 6, Section 11 of the Annual Accounts Act, Instalco has elected to prepare the statutory Sustainability Report separatately from the Annual Report. The Sustainability Report was submitted to the auditor at the same time as the Annual Report. The Sustainability Report is comprised of pages 14, 20, 47–70.

Expected future performance

Since it started in 2014, Instalco has grown by means of acquisitions, effective strategy implementation, and decentralised entrepreneurship. Instalco's strategy is to continue developing and acquiring companies in the installation industry and within technical consulting, thereby continuing its growth.

There is a strong underlying demand for Instalco's energy-efficient and resource-saving installation services. At the same time is the short-term market outlook uncertain due to macroeconomic conditions and large regional differences in demand and prices. In the medium term, however, the construction industry benefits from falling interest rates. Demand for services is more stable. The industrial segment is facing a generally good market with many large investments.

The market is driven by long-term trends such as electrification, digitalisation, ageing building stock, population growth, and energy shortages. The green transition, green industrial initiatives, and increased investments in defence as well as healthcare are also contributing to a growing need for Instalco's core offerings.

Ongoing geopolitical conflicts currently have no direct impact on Instalco in terms of sales or purchases. Indirect effects such as potential logistical disruptions and increased prices of raw materials that cannot be compensated by our own price increases, could affect some subsidiaries within the Group. The company is monitoring the situation closely and finds it currently difficult to assess the future impact of conflicts on the market and the economic cycle.

Proposed appropriation of profits

The following retained earnings are at the disposal of the AGM (SEK 000s):	
Share premium reserve	1,126,336
Retained earnings	64,001
Profit (loss) for the year	54,263
	1,244,600

The Board and CEO propose the following allocations:	
to be distributed as dividends, SEK 0.68 per share	179,382
carried forward	1,065,218
	1,244,600

The Board of Directors has decided to propose to the AGM in May 2025 a dividend of SEK 0.68 per share (corresponding to approximately SEK 180 million).

The total dividend amount could change if the number of treasury shares repurchased changes or the number of shares changes as a result of new share issues prior to the dividend record date. On the closing date, the company's holdings of treasury shares amounted to 310,545, which reduces the total dividend amount by SEK 0.2 million.

The proposed dividend corresponds to approximately 52 percent of net profit after tax. If the AGM votes in accordance with the Board's dividend proposal, approximately SEK 1,065 million will be carried forward. The Board confirms that there is full coverage for the company's restricted equity after the proposed dividend. The Board's assessment is that the financial position after the proposed dividend remains strong and is sufficient for the company to be able to meet its obligations in both the short and long term, and to have the scope to make any necessary investments.

With reference to the above and other information that has come to the Board's attention, it is the Board's assessment that the proposed dividend is justified considering the demands that the nature, scope, and risks of the operations place on the level of equity in the Parent Company and the Group, and on the Parent Company's and the Group's consolidation level, liquidity, and position in general.

Risks and uncertainties

Every business is associated with risk. Instalco's earnings and financial position, as well as its strategic position, are affected by a number of internal factors that Instalco has control over, as well as a number of external factors where its ability to influence the course of events is limited.

Risk management

Effective risk assessment reconciles Instalco's business opportunities and earnings with the requirements of shareholders and other stakeholders for stable, long-term value growth and control. When assessing Instalco's future development, it is therefore important to consider various risks in the business as well as opportunities for growth. It is for obvious reasons not possible to describe all risk factors, which is why an overall evaluation must also include general environmental assessment.

Instalco works on risk management at both strategic and operational levels. Risk management involves identifying, measuring and preventing risks from materialising, along with continuously making improvements to reduce future risks. Instalco has policies, instructions and a management system in place to prevent and counteract risks. The risk level in the business is systematically monitored at Board meetings by identifying deviations or risks and taking the necessary action.

Uncertainties

The Instalco Group operates in the Nordic market and has a large number of customers and suppliers. Its decentralised structure means operations are run in the individual entities.

Instalco's earnings and financial position, as well as its strategic position, are affected by a number of internal factors that Instalco has control over, as well as a number of external factors where its ability to influence the course of events is limited. The most significant risk factors are the business climate and market situation combined with structural changes and the competitive situation. Macroeconomic factors such as inflation, volatility in the currency markets and interest rates can also affect demand, earnings and financial position. Ongoing geopolitical conflicts currently have no direct impact on Instalco in terms of sales or purchases. Instalco is monitoring the situation closely and finds it currently difficult to assess the future impact of conflicts on the market and the economic cycle.

The decentralised business model combined with diversification and geographical spread limit the aggregate business and financial risks.

Business risks

Description	Management
Projects The business is largely project-based with its main focus being on projects with an order value between SEK 1 and 75 million. Approximately 44 percent of Instalco's projects are run as fixed-price projects, approximately 30 percent as joint projects, and the remainder involve other types of collaboration and payment, such as service assignments. There is a risk that incorrect calculations, poor planning, execution and follow-up negatively affect the margin.	Instalco primarily focuses on medium-sized projects, which are typically low-risk and attract less competition than large projects, with the competitive factors being quality of work, long customer relationships and short lead times, rather than price. Steering groups are set up for larger or more complex projects. The steering group's task is to conduct risk analyses, monitor the project, share experiences and, if required, initiate concrete action plans and allocate the right resources. Larger projects are typically run as joint/partnering projects, using a cost-plus model to further limit the risk. A major focus is put on the execution phase, project manager training and follow-up. A clear authorisation hierarchy reduces the risk of miscalculation. One important control activity is the Group's monthly follow-up of projects in progress to identify and mitigate risks.
Customers and suppliers Being able to deliver the Group's services relies on suppliers fulfilling their contractual obligations in terms of, for example, volume, quality and delivery time. Incorrect, delayed or missing deliveries could have a negative impact on the Group's financial position and earnings. Agreements with customers vary in terms of their length, guarantees and limitations of liability. Interaction with customers or suppliers without a written agreement could result in legal or financial uncertainty.	Our main customer groups are construction companies, real estate companies, industrial companies, and the public sector. Instalco has around 2,000 customers and the five largest account for about 11 percent of sales. Instalco has a good risk spread in terms of geographical presence and customer segments. Customer and supplier relationships are often long-term and take place within the context of the local companies in the local market. The Group has a central purchasing function that supports the companies with purchase agreements, enhancing their competitiveness. The decentralised governance model makes the companies in the Group very agile, as decisions are taken quickly and close to the business.

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Description	Management
Attracting and retaining skilled employees Instalco's success is highly dependent on our ability to recruit, develop, motivate and retain skilled employees.	The Group's ambition is to offer a competitive compensation package, a workplace with interesting tasks, good leaders, short decision paths, and opportunities for influence and development. Developing skills is a priority, and Instalco Academy enables us to attract and retain skilled staff, and to train future leaders. The Group runs an apprenticeship scheme, as well as courses and programmes leading to qualifications and providing other necessary skills. The Group's regular employee surveys aim to investigate how employees feel about their employer and work situation, and what could be improved or developed to maintain and increase commitment and job satisfaction.
Liability, product liability and damages Instalco's projects and customer assignments are associated with risks in the area of liability, product liability and damages.	Instalco has comprehensive insurance coverage in place for the core business. The insurance includes elements such as contract works cover, property damage, business interruption, damage to third-party property and product liability insurance.
Structural changes Globalisation, digitisation and rapid technological development are driving structural change within our customers' businesses. The new construction projects we are seeing are characterised by increasing use of technical systems and digitalisation such as online IT systems, alarm and security systems, and systems for more efficient energy use. Accordingly, the installations themselves are becoming more complex. If the Group is unable to adapt to structural changes, there is a risk that its financial performance could weaken over time.	Structural changes benefit companies that have broad technical expertise, such as Instalco. Our entities keep up to date with the latest developments in their respective areas of technology. Instalco applies best practice, sharing successful concepts throughout the organisation. The Instalco model enables us to use our multidisciplinary expertise to coordinate projects covering multiple areas of technology, which makes the work easier for the client. Through the Technical Consulting business area, we are able to offer customers a leading supplier and an integrated array of system design, technical execution and services.
Cyber and information security risks Cyber and information security risks are an increasingly serious operational risk with an ever-changing threat landscape. Security incidents, cyberattacks, data breaches and information leaks could have a direct impact on the Group's business operations.	To ensure that its IT environments are stable and to prevent incidents, Instalco undertakes regular risk analyses as well as performing maintenance and reviewing IT security. A large number of decentralised small- and medium-sized companies with local IT environments reduces the risk of incidents in individual companies having a material financial effect on the Group.

Description	Management
Acquisitions and goodwill The risk in this area concerns acquired companies not living up to earnings expectations. There are also risks associated with the acquired company's relationships with customers, suppliers and key individuals. Acquiring companies with significant problems, for example regarding financial earnings capacity or important sustainability aspects, could compromise the Group's reputation or financial performance. There is a risk of goodwill being impaired if a segment underperforms relative to the assumptions made at the time of valuation, and any impairment could have a negative impact on the Group's financial position and earnings. Further risks associated with acquisitions include integration risks and exposure to unknown obligations.	Instalco has over the years made a large number of acquisitions. All potential acquisitions and their operations are carefully scrutinised with regard to legal, financial and sustainability aspects before the acquisition is carried out. There are well-established processes and structures in place for pricing and executing acquisitions, as well as for integrating new companies into the Group. When entering into contracts, efforts are made to obtain the requisite guarantees to limit the risk of unknown obligations. Future risk is shared with the vendors by means of acquisition contracts that include an additional contingent consideration. The large number of companies acquired means there is substantial risk diversification. Instalco's unique model enables the acquirers to continue running their business in a larger context where they can benefit from the economies of scale that a larger Group can offer. The CEOs of the respective companies retain a large part of their influence, for example in terms of choosing projects, staff and customers, but also have access to Instalco's internal programs to drive continuous improvements and spread best practice. A new board is appointed in all newly acquired companies, which are introduced at once to Instalco's financial and sustainability-related processes. Active board work takes place in every subsidiary in accordance with a Group-wide framework. All the companies are subject to monthly financial and continuous sustainability monitoring. Group-wide policies are implemented in material areas and an external channel for whistleblowers is in place and available to all Group companies.

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Industry and market-related risks

Description	Management
Macroeconomics and business cycle Economic fluctuations, inflation, changes in interest rates, changes in demand for new residential/commercial construction, and investments by industry and the public sector all affect the installation sector. Disruptions in logistics chains and higher raw material prices that cannot be compensated by increasing our own prices could affect the Group. Political decisions and instability affect the ability and propensity of existing and potential customers to invest. Demand for installation services is also affected by macroeconomic factors and events that are beyond the Group's control, such as war, pandemics, and geopolitical conflicts.	Instalco operates in the Nordic market and has a decentralised structure. Instalco's subsidiaries are focused on various niche markets and additional sales of technical services, support and consumables. This makes the Group less sensitive to economic fluctuations in individual industries, sectors or geographic areas. The business model limits the aggregate business and financial risks. Compared with the construction market, the market for technical installations and services is relatively less affected by the general economic situation. A large and increasing share of Instalco's revenue comes from regular smaller assignments such as renovation and services, which are not affected by the number of new construction projects started. The flexible cost base also allows rapid adjustments based on the market situation. Contracts for installation services are often entered into early in the development phase but carried out late in the project, making it possible to get a good overview and plan operations well in advance. Instalco carefully monitors events that could have negative consequences as a result of macroeconomic and political factors that impact the market and economic situation. Instalco works on continuity planning for the business on an ongoing basis, taking the potential consequences of various scenarios as a starting point. Instalco has a low level of dependence on individual customers and contracts but supports the subsidiaries with credit risk monitoring on an ongoing basis. By continuously acquiring companies in new niche markets, the Group can reduce market risks and better fend off economic fluctuations. Currently, Instalco has no direct exposure to geopolitical conflicts when it comes to sales or purchases. The risks related to the war have not had a material financial impact on the company's performance, but this cannot be precluded in the future.
Competitors Most of the Group's subsidiaries are active in industries that are exposed to competition. Moreover, consolidation in the industry could result in downward pressure on prices. Future competitive opportunities depend on the ability to be at the forefront and react quickly to new market requirements. Increased competition, a reduced ability to manage new market requirements, or component shortages and long lead times could have a negative impact on the Group's financial position and earnings.	Instalco offers system design, technical installation, other services and maintenance of buildings and facilities in Sweden, Norway and Finland, providing comprehensive electrical, heating, plumbing, ventilation and industrial solutions as well as technical consulting. The Group primarily focuses on medium-sized projects, which are typically low-risk and attract less competition than large projects, with the competitive factors being quality of work, long customer relationships and short lead times, rather than price. By working closely with customers and in partnerships, we continually develop our know-how and competitiveness. To reduce the competitive risk, the Group works consistently to ensure that collaboration with our companies offers the most profitable sales strategy. Close collaboration with customers and suppliers allows us to plan for guaranteed performance.

Financial risks

Description	Management
Liquidity risk Liquidity risk is the risk of not being able to meet the company's payment obligations in full or only being able to do so on significantly unfavourable terms due to a lack of cash.	The responsibility for the Group's financial transactions and risks is held centrally by the Parent Company, which operates in accordance with the Financial Policy adopted by the Board of Directors. Adequate payment readiness is to be ensured through agreed credit commitments. Excess liquidity is primarily to be used to repay outstanding loans.
Financing risks Financing risks refer to the risk that the financing of the Group's capital requirements and the refinancing of outstanding loans will become more difficult or more expensive.	In order to limit financing risk, the Group strives for an even maturity structure, a good liquidity reserve and diversified borrowing. This creates the conditions for taking the necessary alternative capital-raising measures if required. The financing consists of long-term credit agreements that secure the financing of operations. In order to limit the refinancing risk, the procurement of long-term credit lines is initiated well in advance of the maturity of the credit line. Instalco has a centralised approach to financing, which then finances the Group's subsidiaries in local currencies, both in and outside Sweden. A pool of cash is established in the currencies SEK, NOK and EUR. The Group strives for a reasonable balance between equity, debt financing and liquidity so that the Group can secure financing at a reasonable cost of capital.
Interest rate risks Interest rate risks refer to the risk that adverse changes in interest rates will have an excessive impact on the Group's net financial position and results.	Instalco has a centralised approach to the Group's financing, with virtually all external borrowing managed centrally through internal financing by the subsidiaries Instalco has well-established relationships with several Nordic financial institutions and strives for an even maturity structure of the external debt, a good liquidity reserve, and diversified borrowing. Continuous and frequent monitoring of the interest rate situation and continuous evaluation of the need to extend or repay existing loans is conducted.
Currency risk Currency risk is the risk that changes in exchange rates will adversely affect the income statement, balance sheet and cash flow.	Instalco's exchange exposure policy is that the currency is not hedged. Financing is conducted in SEK, NOK and EUR, thereby reducing exposure in the respective currency.
Credit and counterparty risks Credit risk is the risk that the counterparty to a transaction will not fulfil its financial obligations and that any collateral will not cover the company's claim.	The credit score is checked for all major customers. The Group has historically had relatively low credit losses but has further strengthened its credit monitoring and claims management during the year.

INSTALCO

Sustainability risks

Description	Management
Climate and environment Changes in the climate and environment from global heating may entail risks and negatively impact Instalco; for example, physical risks such as flooding can result from weather events and natural disasters. Extreme weather conditions can cause problems in the supply chain, leading to delays and disruptions. Economic risks include such things as resource shortages, changes to environmental legislation and taxes, and increased prices for materials and energy. Initially, only a few suppliers in the value chain will be able to deliver low-carbon products, which may pose a risk to Instalco.	Instalco's operations and services have a limited direct environmental impact, except for the Group's transport requirements. A part of the transportation fleet is powered by fossil fuels. Instalco makes extensive purchases of materials for its projects, and the value chain for these materials emits greenhouse gases. We are working to meet the growing requirements and expectations for more responsible and sustainable solutions in this area. Our assessment is that changes in the climate and environment do not pose a direct threat to our business in the immediate future, but could in the longer term. On the other hand, our installations can make an important positive difference, and we strive continually to further contribute to society in this way. Complex climate material reporting for customers and the increased reporting requirements around sustainability data can negatively impact the business if Instalco is unable to provide this data from its suppliers. Instalco has a close dialogue with the supply chain in regard to this. Instalco's transition risks are perceived to be limited as the company runs a flexible and adaptable business.
Compliance with regulations The installation industry is subject to extensive regulations, and it is of utmost importance for Instalco's confidence in the market that its work is carried out in accordance with current legislation and best practice.	One basic requirement for all Instalco employees is to comply with applicable environmental legislation, competition rules, labour legislation, tax legislation, safety requirements, and other regulations that set the framework for the business. Instalco also takes responsibility for applying high business ethics in all of its business activities and relationships. This is described in Instalco's Code of Conduct. The whistleblower function exists to take care of deviations linked to our Code of Conduct.
Health and safety A high level of workplace safety is key to Instalco's employees being able to carry out their work without risk of injury or accidents.	Instalco's goal is to ensure that no employee is exposed to risks that could cause physical or psychological injury. Preventive measures are implemented on an ongoing basis to ensure that no employee is exposed to risks in the internal working environment. Technical equipment, including personal protective equipment, is tailored to the requirements of each employee. The Safe Employee programme examines workplace matters from a psychosocial perspective and the rules and routines in order to prevent physical injury.
Working conditions Instalco's companies must comply with current labour legislation and provide attractive workplaces to safeguard employee wellbeing as well as Instalco's reputation in the market.	Assessing health and safety issues in the workplace is an integral part of Instalco's business. Instalco offers a stimulating working environment and opportunities to develop your competence depending on the business needs. The managers have the primary responsibility for creating a good working environment.

Description	Management
Corruption Instalco is to be awarded assignments in accordance with applicable procurement regulations and based on sound business ethics.	Instalco's Code of Conduct stipulates that the company's employees must never, directly or indirectly, offer, give or accept gifts, benefits, or other forms of compensation for improper purposes. Furthermore, Instalco's employees must follow the Code to prevent Corruption in Business established by the Swedish Anti-Corruption Institute, which supplements Swedish legislation in the area. Subsidiaries are required to sign the Code of Conduct each year.
Suppliers and subcontractors Instalco requires its suppliers and subcontractors to comply with the Instalco Code of Conduct and other applicable legislation.	As part of the supplier evaluation process, Instalco's suppliers and subcontractors must have a code of conduct accepted by Instalco or accept the principles set out in Instalco's Code of Conduct. Violations of the Code may lead to termination of the supplier's business relationship with Instalco. Instalco's Code of Conduct for Suppliers provides clear guidelines on how our suppliers are expected to act in our joint projects. The Code of Conduct for Suppliers applies without exception to all suppliers with which Instalco has a central contract.

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Sustainability Report

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INSTALCO

Contribution to sustainability

Instalco's ambition is to contribute to a sustainable world every day through local presence and technical and energy efficient solutions. The green transition is key to Instalco's business model of carrying out installations for a sustainable world for the next generation. The business is conducted responsibly and with a holistic approach towards economic, environmental and social factors.

Instalco's sustainability contribution

Instalco's contribution to a sustainable society includes project design and installation of, for example, solar cells and more energy-efficient and environmentally friendly heat pumps, geothermal heating systems, heat exchangers, cooling systems, LED lighting, charging stations and sprinkler systems. The company is also involved in air and water purification projects. New installations are more energy-efficient and use fewer resources than older, outdated systems and installations. Instalco supports construction projects by proposing a sustainable way of thinking at every stage and offers customers increased knowledge of environmental improvement opportunities in both new construction and renovation.

Providing safe, sustainable installations and a safe, stimulating working environment are high priorities for us. The company collaborates with customers and employees on a daily basis to generate benefits for society. In the Nordic region and Germany, Instalco designs and installs electrical, heating, sanitation, and ventilation systems in properties, industries, and facilities. Climate-smart installations reduce energy and resource consumption, helping to future-proof society. With its expertise and operations, Instalco strives to create a sustainable society. The company's projects support the continuous operation of schools, preschools, hospitals, elderly care facilities, and other critical public services year-round.

Instalco's climate targets

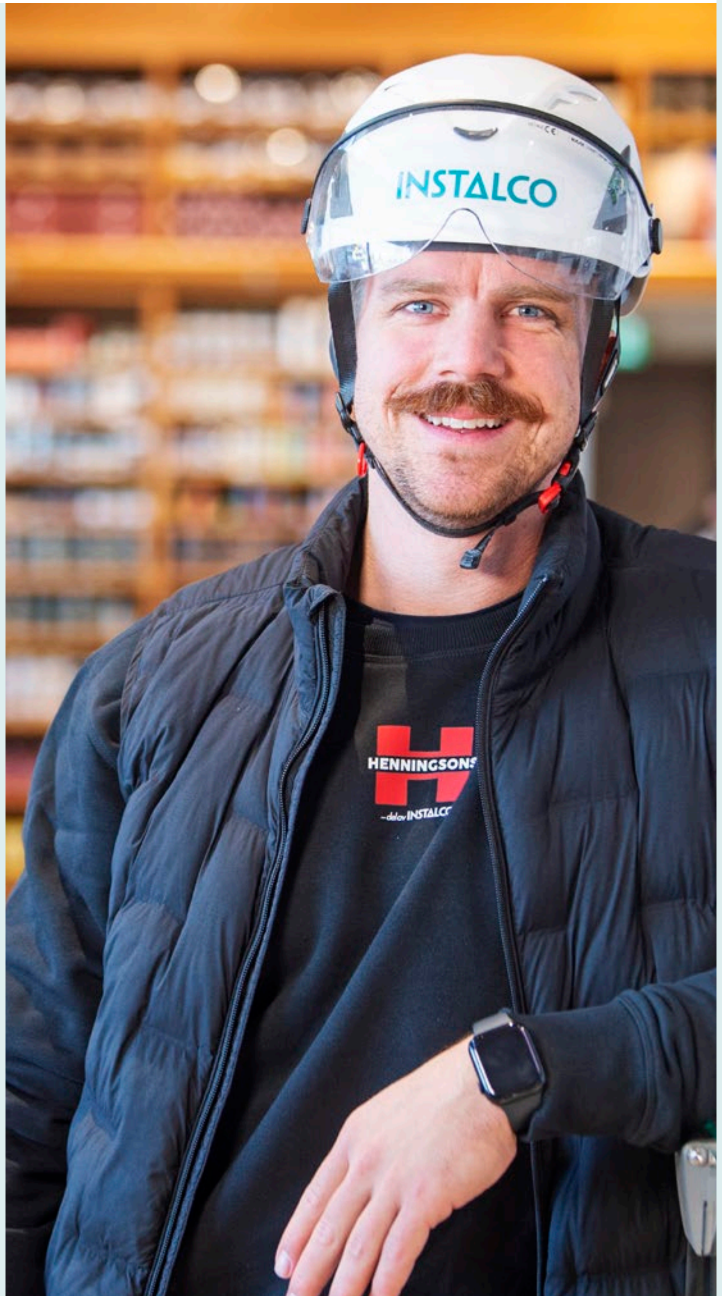
A key focus area of the sustainability work in 2024 has been to develop and adopt climate targets: Net zero emissions across the value chain by 2045 and a 50 percent reduction in Scope 1 and 2 greenhouse gas emission intensity by 2030, using 2020 as the base year.

In 2024 Instalco also signed the industry's joint roadmap, "Roadmap for fossil-free competitiveness: Construction and civil engineering". Instalco's climate targets are based on the industry's roadmap and are consistent with the Paris Agreement's goal to limit global warming to 1.5°C.

As of 2025, Instalco will measure and report GHG emissions and climate impact in Scope 1, 2, and 3 according to the GHG Protocol as well as other ESG data in accordance with the EU CSRD Directive and Swedish legislation.

Sustainability programme

Instalco's Group-wide sustainability programme, Sustainable Installations, focuses on three areas that explain and illustrate its sustainability work: Safe and stimulating working environment, Sustainable installations and Mature leadership. Within these focus areas, eight sustainability indicators are measured and tracked annually. Our ambition is to contribute to society every day through climate-smart, energy-efficient installations that lead to lower resource consumption and consequently, a more sustainable planet.



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Sustainable Instalco Project

A key component of our sustainability work is our in-house certification system, the Sustainable Instalco Project. This certification provides our customers with a guarantee that we have considered important sustainability factors in every aspect of the project's implementation. To achieve certification, a project must meet criteria related to work safety, transport and deliveries, climate benefits, waste sorting and recycling, and services provided through a sustainability contract. Suppliers are required to sign a code of conduct that addresses values such as equal treatment and anti-discrimination

Projects that correspond to at least 1 percent of the subsidiaries' sales or have a value of SEK 1 million or more are eligible for certification, which requires all six criteria to be met. The Sustainable Instalco Project certification serves as a stamp of quality for the project, benefiting both the customer and the Instalco subsidiary and its employees who carried out the work.

Criteria for a Sustainable Instalco Project

In 2024, we carried out and certified 476 (231) Sustainable Instalco Projects. To be certified as a Sustainable Instalco Project, a project must meet six criteria:

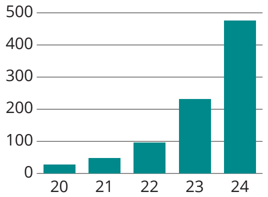
1. It must meet the requirements of Instalco's "Safe Employee" programme.
2. Suppliers are required to have signed the "Instalco Code of Conduct for Suppliers".
3. The project must contribute to climate benefits in accordance with the criteria established by Instalco.
4. It must have an established delivery plan setting up detailed transport and ordering procedures.
5. There must be adherence to the routines in place for waste sorting and management.
6. The customer must be offered a sustainability contract upon completion of the project.

Examples of Sustainable Instalco Projects

- Nihlén Elmontage has replaced 300 street lighting fixtures for the Urban Environment Administration in Göteborg. The change was made with new LED luminaires and adding adaptive control. The project will result in energy savings of around 50 percent.
- Dalab has installed and adjusted energy-efficient ventilation units in a new construction of a Willys grocery store.
- Norrtech VVS & Industri in Umeå carried out a project that saves 1,500 megawatt hours annually for the Biologigränd housing association. Norrtech's project included switching from a mechanical air exhaust to a modern FX system with air and wastewater recovery through ground source heat pumps.
- Teknisk Ventilasjon in Trondheim has designed and installed ventilation units and automation systems in a project at the World Seafood Center at Gardermoen Airport. The project was BREEAM-certified according to BREEAM-NOR 2016 vers 1.1 to the level Excellent.

KPI

Sustainable Instalco Project



OUTCOME 2024

476

DESCRIPTION

Projects classified as Sustainable Instalco Projects

The KPIs have been reviewed by the company's auditors in accordance with ISRS 4400

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The CSRD process

During the year, Instalco continued the preparation to report in accordance with the new EU Sustainability Directive (CSRD). The Board of Directors and the management team have decided on long- and medium-term climate targets and short-term sustainability KPIs. As of 2025, Instalco will measure and report GHG emissions and climate impact in Scope 1, 2 and 3 according to the GHG Protocol, along with other ESG data in compliance with CSRD and Swedish legislation.

The sustainability work and preparations are based on dialogues with stakeholders and a double materiality analysis, in which both Instalco's impact on the outside world and sustainability-related financial risks and opportunities are assessed. The analysis helps Instalco prioritise the most significant issues and strengthen their sustainability strategy.

Double materiality analysis

During the year, Instalco continued to update its materiality analysis, which serves as the foundation for the CSRD sustainability report.

As part of the double materiality analysis, Instalco conducted dialogues with stakeholder, a sample from the company's three key stakeholder groups: customers and suppliers, the capital market, and subsidiaries and employees. The aim was to understand how stakeholders perceive Instalco's existing and potential impacts, risks, and opportunities concerning the environment, social matters and governance, and how these factors may impact the company. The work identified potential material sustainability matters. In addition to ongoing dialogues, stakeholder groups were asked to validate sustainability issues through digital surveys, assessing actual and potential impacts—both negative and positive—as well as financial risks and opportunities. In addition, Instalco carried out an internal analysis of its context, operations and the value chain from the same dual perspective. Threshold values were used to assign scores in the double materiality analysis, yielding an aggregate result for impact and financial materiality categorised within the ESRS standards.

The outcome of the double materiality analysis for Instalco identified several standards within E, S and G of the CSRD. For these standards, a gap analysis has been conducted to ensure compliance, including calculation of climate impact, analysis of Scope 3 emissions, and development of new social KPIs. Additionally, Instalco is working to update and develop policies and risk analysis. The work is led by Instalco's CSRD team in collaboration with internal teams with expertise in HR and procurement, as well as with external experts.

Since CO_2e emissions were not previously calculated, this has been the most time-consuming part of the process. A back-calculation of Scopes 1 and 2 has been carried out to establish a base year for the climate targets, while the analysis of Scope 3 indicates that the largest impact occurs in categories 3.1 (Purchase of goods and services) and 3.11 (Use of products sold).

The outcome of the activities above will be presented in the 2025 Annual Report.

Collaboration initiatives

Universeum

Instalco and Universeum continue their collaboration and focus on sustainable development. Universeum, is Sweden's national science centre in Göteborg, and the collaboration aims to develop knowledge in the field of sustainability.

The cooperation with external partners such as Universeum is an important part of Instalco's sustainability work. Instalco focuses on collaborating with organisations and partners that contribute to a better and more sustainable society. For the Group, working with Universeum also provides subsidiaries with an opportunity to build relationships and hold meetings centered on sustainability.

Through the collaboration, Instalco supports Universeum's mission, which bolsters Sweden's competence in science, technology, engineering, and mathematics (STEM) while fostering operational skills in sustainable development.

Wayout International

Instalco and Wayout Water are collaborating on a sustainability project aimed at improving access to clean water in vulnerable areas around the world.

For many people around the world, clean drinking water is a scarce resource. Wayout International produces turnkey micro-purification plants for the local production and distribution of clean drinking water, which are deployed in these vulnerable regions. This partnership enhances Wayout International's efforts to develop, produce, and distribute micro-purification units to areas suffering from a shortage of clean drinking water.

Svenska Bussarna

For the past three years, Instalco has supported the organisation Svenska Bussarna in their relief efforts in Ukraine. The project has aided many people and a country in need.

Svenska Bussarna is a non-profit association dedicated to collecting and facilitating both monetary contributions and material donations of healthcare equipment, vehicles, and other essentials where they are needed most in war-torn Ukraine. The initiative was launched by a group of seven friends from Stockholm, one of whom works for Instalco. Svenska Bussarna collects and transports donations of essentials and healthcare equipment. The organisation maintains close contact with local aid organisations and authorities on the ground in Ukraine to ensure that donations reach those in greatest need.

Over the past year, Instalco has supported Svenska Bussarna by providing working hours from dedicated employees and donating office supplies such as computers and phones. Private fundraising efforts have also taken place within the Instalco Group.

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Instalco and the UN's global goals

The UN Sustainable Development Goals (SDGs)

The 2030 Agenda for Sustainable Development is an action plan to ensure freedom and prosperity for the planet and future generations. The plan has 17 concrete global sustainability goals that collectively express the ambition for desirable development. It acknowledges a shared responsibility for ensuring that the goals are achieved by 2030. The SDGs serve as a framework for national plans, international commitments, and initiatives within the private sector. Instalco has identified UN Sustainable Development Goals 5, 6, 7, 9, 11, and 17 as the most important for their business.

5 GENDER EQUALITY

Instalco is a values-based Group that fosters equal rights and opportunities for all employees. We contribute to SDG 5 by ensuring that all employees, regardless of gender, age, ethnicity, sexual orientation, or disability, have equal access to development opportunities, including continuing training and apprenticeships.

Examples of solutions from Instalco

Instalco Academy is an internal training programme aimed at strengthening individual development and training future leaders. Additionally, the Academy aims to ensure that all Instalco employees have the right skills and opportunities to excel in their respective rroles, aligned with our fundamental values. Instalco also offers an extensive apprenticeship programme.

6 CLEAN WATER AND SANITATION

Our core business includes air and water treatment, as well as reducing water and energy consumption. Through our resource-saving installations, we contribute to SDG 6, Clean Water and Sanitation, by enhancing water efficiency, safeguarding the water supply, improving wastewater treatment, and increasing reuse/recycling.

7 AFFORDABLE AND CLEAN ENERGY

Our core business involves installing solutions that treat air and water while saving energy. Our installations contribute to SDG 7, Affordable and Clean Energy, by providing access to electricity supply and modern energy, and to a higher percentage of renewable energy, as well as Target 7.3 on increasing the rate of improvement in energy efficiency.

Instalco offers technical consulting services such as system design and planning through our subsidiary, Intec. Intec carries out system design assignments for the installation sector aimed at offering customers the most sustainable and energy-efficient technical solutions.

The proposed solutions are then installed by Instalco's subsidiaries. In the area of heating and plumbing, Instalco offers installation of energy-optimised systems such as geothermal heat pumps and wastewater heat exchangers. In the electrical area, Instalco offers energy optimisation by means of integrated property automation and solar cells, as well as installation of charging posts and charging stations for electric and hybrid vehicles. Within ventilation, Instalco installs energy-saving cooling and ventilation systems, for example.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Through our values and technical installations, we contribute to sustainable industry, innovation and infrastructure. We contribute to SDG 9 by enabling more efficient use of resources and advocating for the use of environmentally friendly technologies in installations. Industrial is one of our five technological areas, focusing on sustainable technical installations for industry.

Examples of solutions from Instalco

Sustainable Instalco Project, which is Instalco's in-house certification system, incentivises our customers to choose solutions that benefit the climate. The certification is as a stamp of quality for the project, the customer, and the subsidiary that carried out the work. It also serves as a template in the industry for making environmentally friendly and long-term sustainable choices in connection with installations.

11 SUSTAINABLE CITIES AND COMMUNITIES

Every day, we install systems that treat air and water while saving energy. Our technical solutions contribute to SDG 11, Sustainable Cities and Communities. Our climate-smart, sustainable installations help reduce energy use in society.

Instalco serves towns and communities in Sweden, Norway, Finland, and Germany. Our subsidiaries' work in renovation and new construction projects, along with the services they offer, aims to make properties and facilities safe, resilient, energy-efficient and sustainable.

17 PARTNERSHIPS FOR THE GOALS

We believe that change is most easily achieved by working together, both internally and externally. This is why we believe that partnering and cooperating with other players in society (SDG 17) is the best way to contribute to SDGs 5, 6, 7, 9 and 11.

Collaboration takes place on a daily basis between subsidiaries and with customers and suppliers to build a more sustainable society. Instalco is a member of Håll Nollan, the building industry's forum for increased safety at the workplace. We are also a signatory to the UN Global Compact. In 2024, we continued our external collaborations with Universeum, Svenska Bussarna, and Wayout Water.

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Instalco's environmental responsibility

Instalco is a company with a strong focus on environmental responsibility, where all employees play a central role in integrating environmental considerations into daily operations. The environmental work is a natural part of the entire Group's operations – from the choice of products and suppliers to purchasing, logistics flows and, finally, offers that include installations, operation, and service.

Active and systematic environmental work is a crucial part of Instalco's long-term growth. Through our customer offering, we create the greatest opportunity to reduce climate and environmental impact.

All Instalco companies are required to select materials and choose working methods that have a low impact on the internal and external environment. We are also seeing a generally higher level of interest from customers and society concerning the reuse of materials, which opens up significant opportunities for us to deploy our solutions to reduce our customers' climate and environmental impacts.
Instalco will:

- Collaborate with customers and system designers to lower negative environmental impacts
- Increase employee knowledge of the environmental aspects of our work
- Comply with laws and other environmental requirements defined by the Group

Environmental certification system

Instalco participates in many projects where properties are being constructed with a view to achieving certification in accordance with various certification systems, including Miljöbyggnad, BREEAM, LEED, Sunda Hus, Svanen, NollCO2, and WELL Building Standard. The certification system that we work with the most is Miljöbyggnad, which was established by Sweden Green Building.

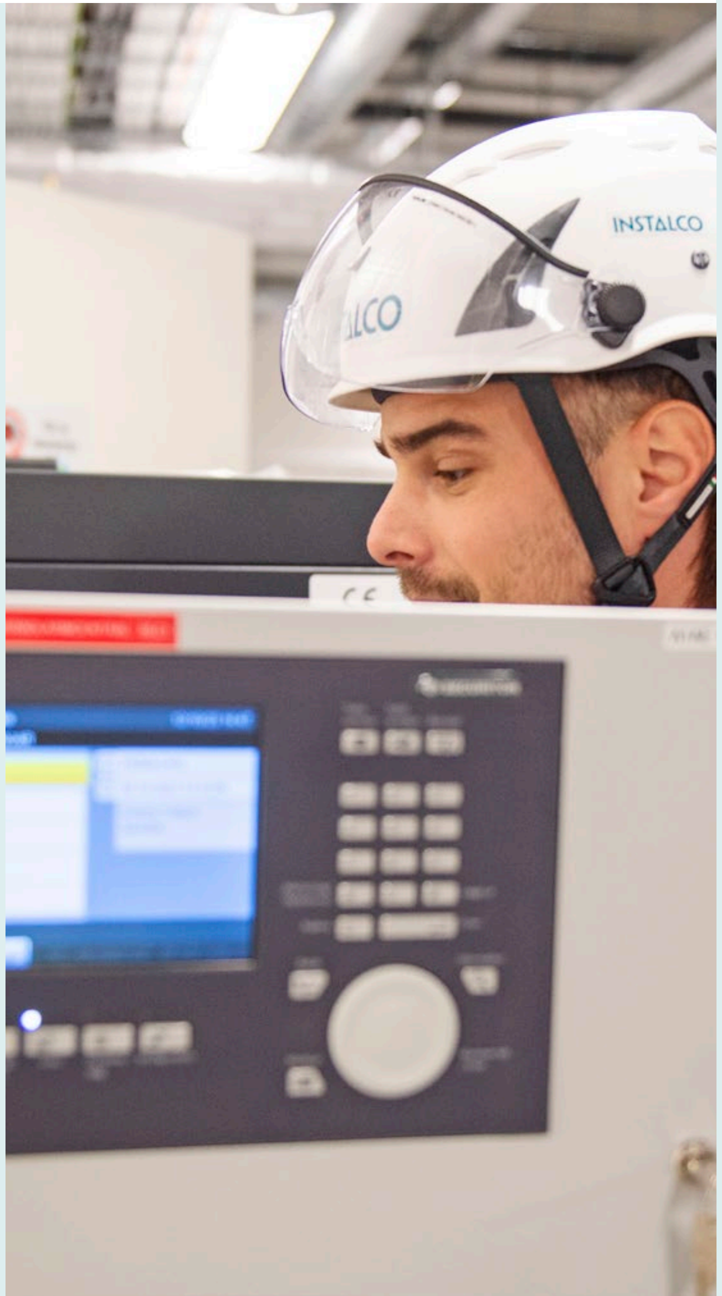
Achieving Miljöbyggnad certification requires the environmental efforts and the building's environmental performance to be evaluated by a third party. The areas assessed in this scheme include the building's energy use, choice of materials, and the perception of its indoor climate. Thanks to sustainable installations, Instalco is able to help buildings achieve the score required for certification. In addition to energy-efficient installations, we also help coordinate the overall certification process for buildings and ensure that all criteria are met in order for the building to achieve the desired score and be certified.

We are also often involved in BREEAM projects (BRE Environmental Assessment Method). BREEAM is a UK environmental certification system, developed and administered by the Building Research Establishment (BRE). The Sweden Green Building Council has adapted BREEAM to make it appropriate for Sweden, and Grønn Byggallianse has done the same in Norway. For BREEAM, too, building installations have a strong bearing on some of the areas assessed in the certification, providing Instalco with significant opportunities to contribute so that the buildings meet the criteria in the certification system.

The latest versions of BREEAM-SE and Miljöbyggnad have both adapted the criteria to meet the requirements of the EU Taxonomy.

Miljøfyrtårn

In Norway, Instalco works in accordance with the certification and eco-labelling system Miljøfyrtårn, where certified companies work systematically with environmental and climate reporting for their own company and its value chain. At the end of 2024, nine of Instalco's subsidiaries were certified according to Miljøfyrtårn. The goal is for all Instalco companies in Norway to achieve certification no later than 2025.



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Emissions

Instalco's core business is helping our customers reduce their energy consumption and environmental impact through resource- and energy-efficient installations. The company also strives continuously to lower its own environmental impact, including from energy consumption, travel, purchasing, waste management, and the handling of hazardous substances.

Management has identified carbon emissions as Instalco's most significant environmental aspect. In December 2024, Instalco signed and stands behind the industry's joint roadmap, "Roadmap to fossil-free competitiveness: Construction and civil engineering". Instalco announced at the same time its long-term climate targets, which are based on the industry's roadmap and are consistent with the Paris Agreement to limit global warming to 1.5°C.

Instalco's agreed climate targets are:
Long-term: Net zero greenhouse gas emissions across the entire value chain by 2045.
Medium-term: Reduce Scope 1 and 2 greenhouse gas emission intensity by 50 percent by 2030, using 2020 as the base year.

In order to establish a base year and follow up the new climate targets, Instalco has calculated its climate impact for the 2020 fiscal year according to the Greenhouse Gas Protocol, for Scope 1 and 2, with the ambition to eventually expand to Scope 3. The measurement included a representative sample of 42 subsidiaries, representing 33 percent of Instalco's sales during the year, and was extrapolated to estimate total climate impact of the entire Group.

The same back-calculation has also been used for the fiscal years 2021 to 2024, as shown in the table on the right.

The selection considered the company's size, country and discipline. The outcome on emissions intensity is in line with other major players in the industry. The reduction in climate intensity in 2024 compared to 2023, despite a decrease in sales, is mainly due to successful efforts in increasing the share of origin-labeled electricity and reducing the consumption of gas and diesel in the Group.

As of 2025, Instalco will measure and report GHG emissions and climate impact in Scope 1, 2 and 3 according to the GHG Protocol, as well as other ESG data in accordance with the EU CSRD Directive and Swedish legislation.

The company is continuously taking measures to reduce carbon emissions, including increasing the share of electric and plug-in hybrid vehicles in its fleet, introducing delivery schedules and using so-called transport hubs to coordinate transportation to construction sites.

The company has a large fleet of vehicles which, together with the purchase of materials and products, generate CO2 emissions during manufacturing and transportation. An area of priority is therefore to review the cars in the Group and how they are used. The vehicle fleet is gradually being made more efficient with the aim of lowering fuel-related carbon emissions on an annual basis. The total percentage of electric and hybrid vehicles in the Group at year-end 2024 was 40 (37) percent.

Greenhouse gas emissions, tons CO_2e, market-based

Year	Scope 1	Scope 2	Total	Emission intensity (CO_2E/SEK m)
2020	6,527	1,317	7,844	1.10
2021	8,385	1,751	10,137	1.14
2022	9,676	2,484	12,159	1.01
2023	10,854	3,243	14,097	0.99
2024	10,204	2,823	13,027	0.95

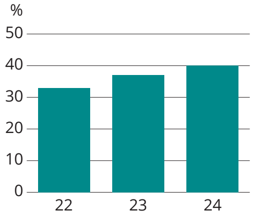
Scope 1 / Scope 2 for 2024

Instalco's emission calculations follow the Greenhouse Gas Protocol (GHG Protocol) guidelines and methodology.

Extrapolated data for 2020–2024 based on a representative sample of subsidiaries, see running text for more details on the methodology.

KPI

Electric and plug-in hybrid vehicles



OUTCOME 2024

40%

DESCRIPTION

Electric and plug-in hybrid vehicles in the Group's fleet

The KPIs have been reviewed by the company's auditors in accordance with ISRS 4400

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Purchasing and materials selection

The Instalco model is designed to leverage the benefits of both strong local ties and shared central functions. Instalco's purchasing activities are based on this decentralized structure, with the core business carried out through close customer relationships in the respective subsidiaries, supported by a small central organisation.

From a sustainability perspective, this means that the operating subsidiaries actively work on efficient and climate-smart logistics solutions for passenger transport and material deliveries in their production.

Furthermore, in consultation with customers, the subsidiaries choose products and working methods that result in more energy-efficient and climate-smart solutions from a life cycle perspective for both products and properties. Production is simultaneously cost-effective, ergonomic, and safe. The green transition, combined with a safe and healthy production process, is a natural part of Instalco's market offering. The Group is continuously working to help its customers reduce their environmental impact through lower energy consumption and improved energy efficiency, while also focusing on protecting and promoting the life and health of its employees to maintain an attractive and healthy workforce.

The purchase of materials and services is central to Instalco achieving its high ambitions regarding sustainability in its offerings. Instalco's selected priority suppliers are at the forefront of this development, holding strong positions in the economic network and conducting successful sustainability initiatives. As part of our strategic and operational purchasing efforts, Instalco collaborates with these suppliers to develop solutions that enable our customers to make informed product choices for more energy-efficient solutions and a reduction in the climate impact of production logistics. To safeguard deliveries and foster long-term collaboration with these key suppliers, we formalise these relationships through framework agreements and mandatory undertakings in Instalco's Code of Conduct.

Instalco continuously strives to promote its own certification system, the Sustainable Instalco Project, where sustainability efforts are particularly realised.

To facilitate the development of climate-smart solutions incorporating the right product choices, and by extension, to guide customers and clients in this regard, our subsidiaries require a continuous flow of product-specific information. The new EU Taxonomy Regulation, which classifies many product groups relevant to Instalco, along with forthcoming requirements for environmental product declarations (EPDs) for installation products, are therefore important. These regulations help accelerate the transition to a higher share of sustainable products in installation projects.

In 2024, the work on taxonomy and EPD, including collaborations with suppliers and the installer companies, has been further developed. In connection with the alignment of the EU legislation CSRD and CSDDD, Instalco is also conducting out a comprehensive review of several sustainability-related documents, including the Code of Conduct for Suppliers, with a new version set to be introduced in 2025.

Transport

Instalco's operations require significant transport flows. The Group therefore works with companies that offer efficient, environmentally conscious logistical solutions. Instalco is also lowering its environmental impact through more efficient planning and execution of internal logistics. One criterion for certifying projects as Sustainable Instalco Projects is having a delivery plan in place from the project start, with the goal of minimising material deliveries.

Taxonomy

In addition to the statutory sustainability reporting, Instalco is also required to report against the EU Taxonomy, a classification system designed to identify sustainable economic activities. The aim is to help investors identify, classify, and compare sustainable investments. The Taxonomy is also an important tool for achieving the EU's environmental goals and those of the Paris Agreement. Sustainability reporting requirements increase year on year. The EU is proactively driving efforts to achieve a more sustainable world by reducing climate impact and adapting to climate change. In addition to the Taxonomy, the EU has introduced new directives covering the energy performance of buildings (EPBD) and energy efficiency (EED), which align closely with Instalco's operations. The EU is in the process of adding further sustainability reporting requirements (CSRD).

Instalco views these drivers and tools positively, as they increase the level of ambition and efforts to achieve the EU's environmental goals while creating additional business opportunities for our offering of resource-saving and energy-efficient installations. The reporting requirements present opportunities to highlight our sustainability work and provide decision-making support for us, our customers and investors.

Instalco has reported its business taxonomy values since 2021. Instalco continuously monitors the revisions and updates that the EU makes to the taxonomy framework, which can affect how and to what extent Instalco should report. Revisions, updates, and additions have not meaningfully changed since the fiscal year 2022.

Deciding which activities are relevant for Instalco, how the wording of these activities should be interpreted, and how Taxonomy values should be calculated has been the work of internal and industry-wide working groups, coordinated by the trade association (IN) Installatörsföretagen. Most categories are governed by specific product choices in defined product categories (such as energy-efficient light sources), while others are more general in the form of types of installation projects (such as solar cell systems). The information by activity in the Taxonomy is not always clear, complete, or exhaustive, which leaves considerable scope for interpretation. Because of this, and the fact that the Taxonomy is still evolving, the figures reported by Instalco could significantly change (upwards or downwards) in the coming years, even if the underlying activities do not change.

In the fiscal year 2024, Instalco has increased its activity in several areas covered by the taxonomy, mainly automation (chapter 7.5 of the taxonomy) from the newly started business area Inmatiq, and technologies in renewable energy (chapter 7.6 of the taxonomy), which are driven by market demand. However, the increases in these areas are currently relatively small in the context of Instalco's overall operations, and they will not have a significant impact on the final taxonomy values.

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Turnover

Instalco has reported Group turnover in accordance with the Taxonomy. For each selected activity, turnover is reported for both Taxonomy-eligible and Taxonomy-aligned activities. Instalco has used the NACE codes to select which Taxonomy activities to report. Instalco's main activities can be linked to NACE codes F43 (Specialised construction activities) and M71 (Architectural and engineering activities; technical testing and analysis). For the amount pertaining to Taxonomy-eligible activities, turnover that can be classified under one of the selected activities is included in the numerator, while the company's total turnover is included in the denominator. For the amount pertaining to Taxonomy-aligned activities, the selected turnover that meets the criteria listed for each activity is included in the numerator, and the company's total turnover is included in the denominator.

Operational expenditure (OpEx)

Relevant operational expenditure refers to Taxonomy-aligned assets and economic activities that generate turnover, and includes all direct development costs necessary to operate the asset that can be separated out. Salary costs for employees who carry out repairs, maintenance, and servicing on the relevant fixed assets are not included. The amount in the denominator includes the Group's total short-term leases (in accordance with IFRS 16) as well as other materials and services related to operation and maintenance. The distribution of Taxonomy-aligned operational expenditure (numerator) is determined based on the external turnover generated. Relevant operational expenditure has primarily been allocated in proportion to the Taxonomy-aligned operational expenditure. Instalco's business model is easily accessible and does not require large-scale operational expenditure to meet the requirements of the EU Taxonomy Regulation. The expenditure is evenly distributed between the selected activities based on turnover.

Capital expenditure (CapEx)

Relevant capital expenditure refers to Taxonomy-aligned assets and economic activities that generate turnover, projects where turnover is expected within the next few years, and activities that mitigate or adapt to climate change by reducing greenhouse gas emissions. The denominator is the Group's total investments in 2024 as reported in the annexes. Instalco's investments primarily pertain to acquisitions of companies, which are not Taxonomy-aligned. Relevant capital expenditure has been allocated in proportion to the Taxonomy-aligned investments. Instalco's business model is easily accessible and does not require large-scale investments to meet the requirements of the EU Taxonomy Regulation. The expenditure is evenly distributed between the selected activities based on turnover.

		Proportion of environmentally sustainable activities (Taxonomy-aligned)		Proportion of Taxonomy-eligible activities		Proportion of Taxonomy-non-eligible economic activities	
	Total SEK m	**%**	**SEK m**	**%**	**SEK m**	**%**	**SEK m**
Net sales	13,690	6.0	823	6.3	866	93.7	12,825
Operational expenditure (OpEx)	368	2.6	9.4	2.7	9.9	97.3	357
Capital expenditure (CapEx)	412	11.4	47	12.0	49.4	88.0	363

The complete Taxonomy tables are provided on pages a 102–104.

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Taxonomy-aligned activities

Below is a list of the activities that Instalco included in the Taxonomy calculation, along with a brief description of the boundaries and approach applied:

7.3 Installation, maintenance, and repair of energy efficiency equipment. For Instalco, this includes energy-efficient light sources (light sources with an EU energy rating, excluding fittings or light sources integrated into fittings), air conditioning systems (domestic units with an EU energy rating), water heating systems (water heaters and storage tanks with an EU energy rating, excluding peripheral equipment), and kitchen and bathroom mixer taps. Calculations are based on turnover related to installation of individual included products. Products in the light sources, air conditioning systems, and water heating systems category that do not have an EU energy rating have not been included in the data.

7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings). For Instalco, this encompasses all projects and parts of projects where charging boxes for electric vehicles have been installed. Calculations are based on turnover related to charging boxes and all enabling activities and materials.

7.5 Installation, maintenance, and repair of instruments and devices for measuring, regulating, and controlling the energy performance of buildings. For Instalco, this includes all projects and parts of projects having to do with automation, measurement, regulation, and control of equipment that impacts energy use. Calculations are based on turnover related to all relevant products and services linked to the specified categories.

7.6 Installation, maintenance, and repair of renewable energy technologies. For Instalco, this includes all projects and parts of projects involving the installation of solar cell systems, solar panels, and heat pumps. Calculations are based on turnover related to all relevant products from the specified categories and all enabling activities and materials.

9.3 Professional services related to the energy performance of buildings. For Instalco, this includes all turnover associated with consulting services for projects directly related to energy performance of buildings (such as energy consultation, energy simulations, and energy measurements). Other technical consultation not directly related to the energy performance of buildings has not been included.

Taxonomy tables

Turnover

Economic activities (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Substantial contribution criteria: Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	DNSH criteria ('Does Not Significantly Harm'): Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of turnover, 2024 (18)	Taxonomy-aligned proportion of turnover, 2023 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
		SEK m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	%	Enabling	Transition
A. ACTIVITIES COVERED BY THE TAXONOMY																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Installation, maintenance and repair of energy efficiency equipment	7.3	82	0.6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	Yes	N/A	Yes	0.6%	0.7%	Yes	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	59	0.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	N/A	N/A	Yes	0.4%	0.5%	Yes	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	420	3.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	N/A	N/A	Yes	3.1%	2.9%	Yes	
Installation, maintenance and repair of renewable energy technologies	7.6	239	1.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	N/A	N/A	Yes	1.7%	1.4%	Yes	
Professional services related to energy performance of buildings	9.3	23	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	N/A	N/A	Yes	0.2%	0.1%	Yes	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		823	6.0%																	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Installation, maintenance and repair of energy efficiency equipment	7.3	39	0.3%																	
Installation, maintenance and repair of renewable energy technologies	7.6	3	0.0%																	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		42	0.3%																	
Total (A.1 + A.2)		866	6.3%																	
B. ACTIVITIES NOT COVERED BY THE TAXONOMY																				
Turnover of Taxonomy-non-eligible activities (B)		12,825	93.7%																	
Total (A + B)		13,690	100.0%																	

Y – Yes, the business is covered by and aligned with the taxonomy for the relevant environmental objective
N – No, the business is covered by but not aligned with the taxonomy for the relevant environmental objective
N/EL – Not covered, the business is not covered by the taxonomy for the relevant environmental objective

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Operational expenditure (OpEx)

Economic activities (1)	Code(s) (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')								
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-compatible share of operational expenditure, 2024 (18)	Taxonomy-compatible share of operational expenditure, 2023 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
		SEK m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	%	Enabling	Transition
A. ACTIVITIES COVERED BY THE TAXONOMY																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Installation, maintenance and repair of energy efficiency equipment	7.3	0.9	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	Yes	N/A	Yes	0.3%	0.2%	Yes	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	0.7	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	N/A	N/A	Yes	0.2%	0.1%	Yes	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	4.8	1.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	N/A	N/A	Yes	1.3%	0.8%	Yes	
Installation, maintenance and repair of renewable energy technologies	7.6	2.7	0.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	N/A	N/A	Yes	0.7%	0.4%	Yes	
Professional services related to energy performance of buildings	9.3	0.3	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	N/A	N/A	Yes	0.1%	0.0%	Yes	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		9.4	2.6%																	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Installation, maintenance and repair of energy efficiency equipment	7.3	0.4	0.1%																	
Installation, maintenance and repair of renewable energy technologies	7.6	0.0	0.0%																	
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.5	0.1%																	
Total (A.1 + A.2)		9.9	2.7%																	
B. ACTIVITIES NOT COVERED BY THE TAXONOMY																				
OpEx of Taxonomy-non-eligible activities (B)		357	97.3%																	
Total (A + B)		367	100.0%																	

Y – Yes, the business is covered by and aligned with the taxonomy for the relevant environmental objective
N – No, the business is covered by but not aligned with the taxonomy for the relevant environmental objective
N/EL – Not covered, the business is not covered by the taxonomy for the relevant environmental objective

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Capital expenditure (CapEx)

				Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')									
Economic activities (1)	Code(s) (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-compatible share of capital expenditure, 2024 (18)	Taxonomy-compatible share of capital expenditure, 2023 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
		SEK m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	%	%	Enabling	Transition
A. ACTIVITIES COVERED BY THE TAXONOMY																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Installation, maintenance and repair of energy efficiency equipment	7.3	4.7	1.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	Yes	N/A	Yes	1.1%	0.6%	Yes	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	3.4	0.8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	N/A	N/A	Yes	0.8%	0.5%	Yes	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	24.0	5.8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	N/A	N/A	Yes	5.8%	2.5%	Yes	
Installation, maintenance and repair of renewable energy technologies	7.6	13.6	3.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	N/A	N/A	Yes	3.3%	1.2%	Yes	
Professional services related to energy performance of buildings	9.3	1.3	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Yes	N/A	N/A	N/A	N/A	Yes	0.3%	0.1%	Yes	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		47.0	11.4%																	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Installation, maintenance and repair of energy efficiency equipment	7.3	2.2	0.5%																	
Installation, maintenance and repair of renewable energy technologies	7.6	0.2	0.0%																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2.4	0.6%																	
Total (A.1 + A.2)		49.4	12.0%																	
B. ACTIVITIES NOT COVERED BY THE TAXONOMY																				
CapEx of Taxonomy-non-eligible activities (B)		363	88.0%																	
Total (A + B)		412	100.0%																	

Y – Yes, the business is covered by and aligned with the taxonomy for the relevant environmental objective
N – No, the business is covered by but not aligned with the taxonomy for the relevant environmental objective
N/EL – Not covered, the business is not covered by the taxonomy for the relevant environmental objective

Nuclear and fossil gas related activities

Nuclear energy related activities

1.	The company carries out, funds, or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The company carries out, funds, or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using the best available technologies.	NO
3.	The company carries out, funds, or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

Fossil gas related activities

4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The company carries out, funds, or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

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Instalco's social responsibility

Instalco shall provide a secure, safe, and healthy work environment free from drugs and the risks of ill health or accidents. Working at Instalco should be developmental and contribute to strengthening employees' competencies. Employees should have the opportunity to grow through work tasks and training that offer both challenge and stimulation.

An equal and inclusive workplace

Instalco strives to recruit employees from a wide spectrum of society. Regardless of gender, age, ethnicity, sexual orientation, religion, or other beliefs, the company must offer everyone the same opportunities for career and skills development. Instalco's employees must respect and support the UN Declaration of Human Rights and comply with international agreements in this area.

The company works actively to ensure that no employee or job applicant encounters discrimination. Instalco has zero tolerance for any form of offensive behaviour, lack of respect, or sexual harassment. One of the ways we monitor this is through the annual employee survey, which is sent out to all employees in the Group. The 2024 survey had a response rate of 65 (69) percent. Among the respondents, 58 percent were installers and 42 percent were white-collar workers.

2024 was the second year for Instalco to measure employee satisfaction according to the Employee Net Promoter Score (eNPS) standard, as part of the sustainability area of Well-being and Health and Safety. The outcome showed an improvement with a score of 31 at group level, compared to the first year's measurement in 2023, which was 30. Each subsidiary also receives a report on its specific outcome. The eNPS scale goes from –100 to +100 and a score over 20 is generally considered very good. The results of the employee survey are used to drive improvements and implement measures, with responsibility assigned to the CEOs of the respective subsidiaries.

Diversity and equality are active components of our day-to-day work, particularly in connection with recruitment, skills development, and setting salaries. As Instalco operates in a traditionally male-dominated industry, our ambition is to increase the representation of women and diversity in our business. Initiatives within this area are implemented by our subsidiaries and through collaboration with external parties such as schools, employers' organisations, and trade associations. In 2024, the percentage of women working at Instalco was 7 (7) percent. 8 (8) subsidiaries had female CEOs at the end of the year.

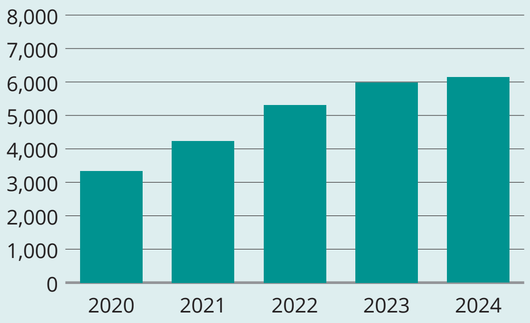
Diversity promotes inclusion, innovation, and creativity. Bringing together different perspectives and experiences leads to better decisions and more comprehensive solutions. Diversity helps create a fairer environment where everyone has the opportunity to participate and be valued equally.

KPI
Employee satisfaction

OUTCOME 2024
31 (eNPS)

DESCRIPTION
Employees who are satisfied with their work situation overall (eNPS)

Average number of employees



Development opportunities

Instalco strives to be an attractive employer that offers interesting tasks, skilled leaders, short decision-making paths, and opportunities for influence and individual development. There should be an open atmosphere that stimulates creativity and new ways of thinking in line with Instalco's values. Continuing training is also important, along with the sharing of expertise to promote best practices throughout the organisation.

The Instalco Club

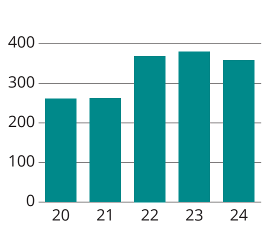
The Instalco Club is an internal staff fund for employee-driven activities. Its purpose is to stimulate and reward activities that promote social cohesion and the health and wellbeing of the Group's employees. Through the Instalco Club, employees can apply for funds for activities that contribute to social cohesion and a healthy lifestyle. The activities are determined by the applicant(s) for the Fund. Activities encouraged and funded by the Instalco Club are to be initiated and executed by employees, with everyone working in the respective subsidiaries having the opportunity to participate.

In 2024, 80 (80) applications were received, all of which were granted. A total of around 1,200 (1,450) staff members participated in Club activities during the year. One of the many popular events was the Holmenkollen relay race, in which several of the Norwegian subsidiaries participated, creating a strong team spirit. The Instalco Club continues to contribute to a positive work environment by giving employees the opportunity to meet, socialise, and develop a stronger sense of community.

Apprenticeship programme

As a leading player in the installation sector, Instalco carries significant social responsibility, which is also part of the company's sustainability targets. The Group measures performance in this area through the number of apprentices in Instalco's industry-unique apprenticeship programme. Instalco's apprenticeship programme is an important element of our existing operations but also a way of safeguarding our long-term skills pipeline. Instalco seeks to work closely with upper secondary schools and vocational training providers to ensure that students study relevant subjects consistent with the latest technology, while also gaining hands-on experience. In 2024, the number of apprentices was 358 (380).

KPI
Apprentices

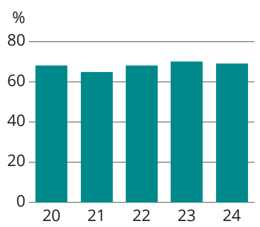


OUTCOME 2024
358

DESCRIPTION
Apprentices in the Group

The KPIs have been reviewed by the company's auditors in accordance with ISRS 4400

KPI
Development opportunities



OUTCOME 2024
69%

DESCRIPTION
Employees who feel that they have been offered development opportunities

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INSTALCO

Health, Safety and Wellbeing in focus

Sustainability is a central part of Instalco's business model, encompassing both environmental and social sustainability. An important aspect of this work is to promote culture building, community, and well-being. The company wants all our employees to be happy at work and for everyone to be in good physical and mental health.

In 2024, Instalco developed a common training opportunity adapted to the decentralised business model: The Instalco training. As Instalco celebrated its 10th anniversary in 2024, the possibilities of this training model, now called the 10-year training, were developed. All employees in the Group were invited to join a digital fitness programme via an app that enables us to walk, jog, or run together, wherever we are. The initiative offered a different way of exercising while strengthening ties between colleagues, from CEO to staff. It has also been possible to participate in exercise sessions such as strength training, yoga, mobility training, tabata and mindfulness sessions. The aim has been to build health, well-being, and community across the entire Group.

Employee turnover

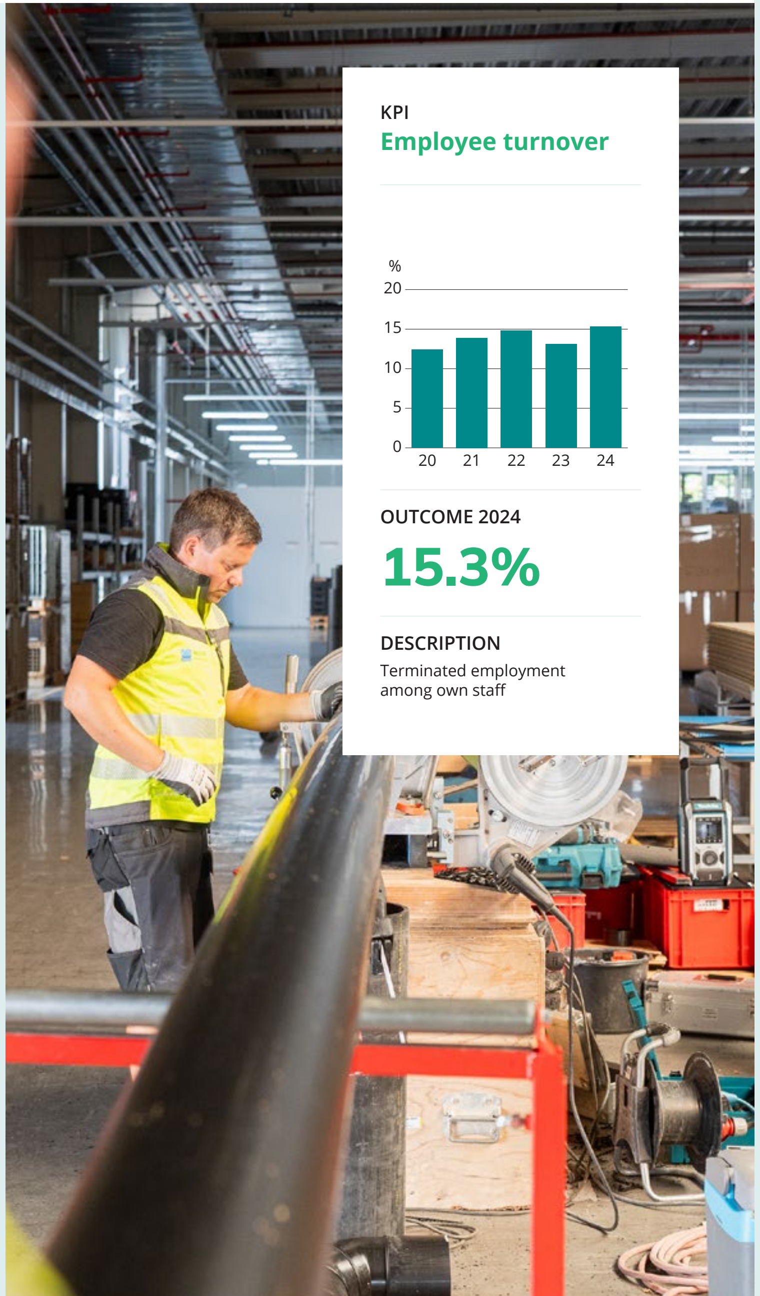
Employees are the most important resource at Instalco, and the Group therefore works actively to create a working environment where our staff thrive, develop, and want to stay. We aim to maintain a low and stable staff turnover by offering opportunities for skills development, clear career paths, and a positive company culture. When new employees are hired, they bring fresh perspectives and ideas that help us continue to grow and develop. Instalco's goal is to balance stability with renewal, focusing on building long-term relationships and creating a workplace where people feel valued and motivated.

Safe Employee

Working environment matters are an integral part of operations, and the Group consciously and systematically strives to offer a good physical and psychosocial working environment. The overarching goal is to provide a safe, secure, and healthy workplace that helps both our employees and the company thrive. Issues regarding the work environment should be natural to raise and discuss for both employees and managers in their daily work.

Instalco strives for a good working climate that supports cooperation and counteracts bullying and harassment. Cooperation in the workplace should be characterised by respect and understanding for each other and our differences. The company emphasises the importance of working together, caring for and supporting each other, especially during problems and crises. The majority of the companies belonging to the Instalco Group have collective agreements in place and comply with national labour legislation, including the right of association. All employees are entitled to join and be active in trade unions.

As part of the sustainability programme,, managers are required to review the Safe Employee introductory course with their employees at the start of each new project that will be certified as a Sustainable Instalco Project. The course covers the social aspects of the workplace and rules and procedures to avoid physical injuries.



KPI
Employee turnover

OUTCOME 2024

15.3%

DESCRIPTION

Terminated employment among own staff

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INSTALCO

Working environment

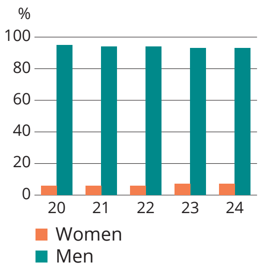
Instalco works consciously and systematically to ensure a good working environment, both physical and psychosocial. The overarching goal is to achieve a safe and healthy workplace that helps both our employees and the company thrive. Instalco aims to provide all employees with a sustainable working life by striving to reduce stress, promote a healthy work-life balance, and maintain a positive working environment, both physically and psychosocially.

The Group's employees share the responsibility to ensure that no one is exposed to risks that could lead to serious physical or psychological injury. The Safe Employee programme emphasises the importance of reporting concerns about the working environment to a supervisor or manager. Instalco has a zero vision for workplace accidents. In 2024, the number of reported occupational injuries was 222 (187), corresponding to 3.5 (2.9) percent in relation to the total number of employees. There were no serious personal injuries or fatalities in the workplace during the year. Established procedures are in place for actions and follow-up in the event of a workplace accident.

Håll Nollan

Instalco is a member of Håll Nollan, the building industry's forum for increased safety in the workplace. Membership means that Instalco is involved in developing workplace safety and, together with other members, collects existing knowledge, develops it, and shares it with all relevant stakeholders. It is important that we identify and remedy any knowledge gaps concerning the working environment and safety in all phases of a construction project. Håll Nollan has a zero vision for injuries at construction sites.

KPI
Gender distribution



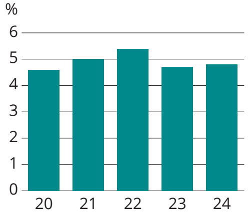
OUTCOME 2024

7% 93%

DESCRIPTION

Women and men in the Group, respectively

KPI
Absence due to illness



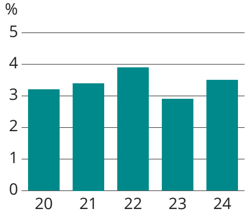
OUTCOME 2024

4.8%

DESCRIPTION

Sickness leave among own staff

KPI
Accidents at the workplace



OUTCOME 2024

3.5%

DESCRIPTION

Reported accidents at the workplace resulting in absence

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INSTALCO

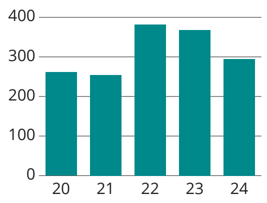
The Instalco Academy

Instalco is committed to providing a stimulating work environment and opportunities for personal and professional development. An important part of this commitment is the Instalco Academy -an internal training platform that prepares future leaders and creates conditions for career advancement within the Group. When appointing key roles in the subsidiaries, Instalco follows a clear strategy of primarily recruiting from within. The Instalco Academy also aims to ensure that all Instalco employees have the right skills and the best conditions to perform effectively in their respective roles.

In 2024, the training focused on leadership and profitability, particularly in the context of our new programme in economics, Economics 2.0, which is aimed at both economists and business leaders. The aim is to strengthen the understanding of financial processes and create a clearer link between the daily work of the business and long-term business success.

KPI

The Instalco Academy



OUTCOME 2024

295 [1)]

DESCRIPTION

Employees who have participated in the Instalco Academy

1) Represents 7 264 hours of education.

Courses in the Instalco Academy

Lead installers receive training in project collaboration, risks, communication, leadership, and legal aspects of contract work.

Project managers undergo more comprehensive training that also covers project management, project accounting, procurement, working environment, and negotiation and presentation techniques.

Senior management receive enhanced training in business acumen, leadership, customer relationships, sustainability, working environment, and sales.

Service managers are trained in behavioural change, business economics, personal development, planning, sales, and adding value for customers.

Finance managerrs and business leaders have participated in Economy 2.0, where the training focused on profitability, economic relationships, and successive revenue recognition.

Sales and negotiation with a focus on strategic and tactical sales work, goal management, sales planning, and negotiation techniques.

Through the Instalco Academy, the Group is building a strong corporate culture, developing future leaders, and ensuring the long-term success of both our employees and Instalco as a whole.

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Instalco's responsibility for financial and governance matters

Sustainable business and sustainable communities are increasingly important for both companies and consumers. This requires companies to take responsibility, as social actors, by generating long-term benefits to society and minimising climate and environmental impacts.

Instalco's Board of Directors is responsible for the Group's strategic direction, financial targets, and sustainability agenda. The sustainability targets are set by the management team, with the CEO having ultimate responsibility. In accordance with the Swedish Companies Act, the Board is responsible for internal control. The Board's responsibilities are regulated in the Swedish Corporate Governance Code and the Annual Accounts Act. Responsibility for the effectiveness of the subsidiaries' internal control structure, risk management and financial reporting lies with each subsidiary's board and management.

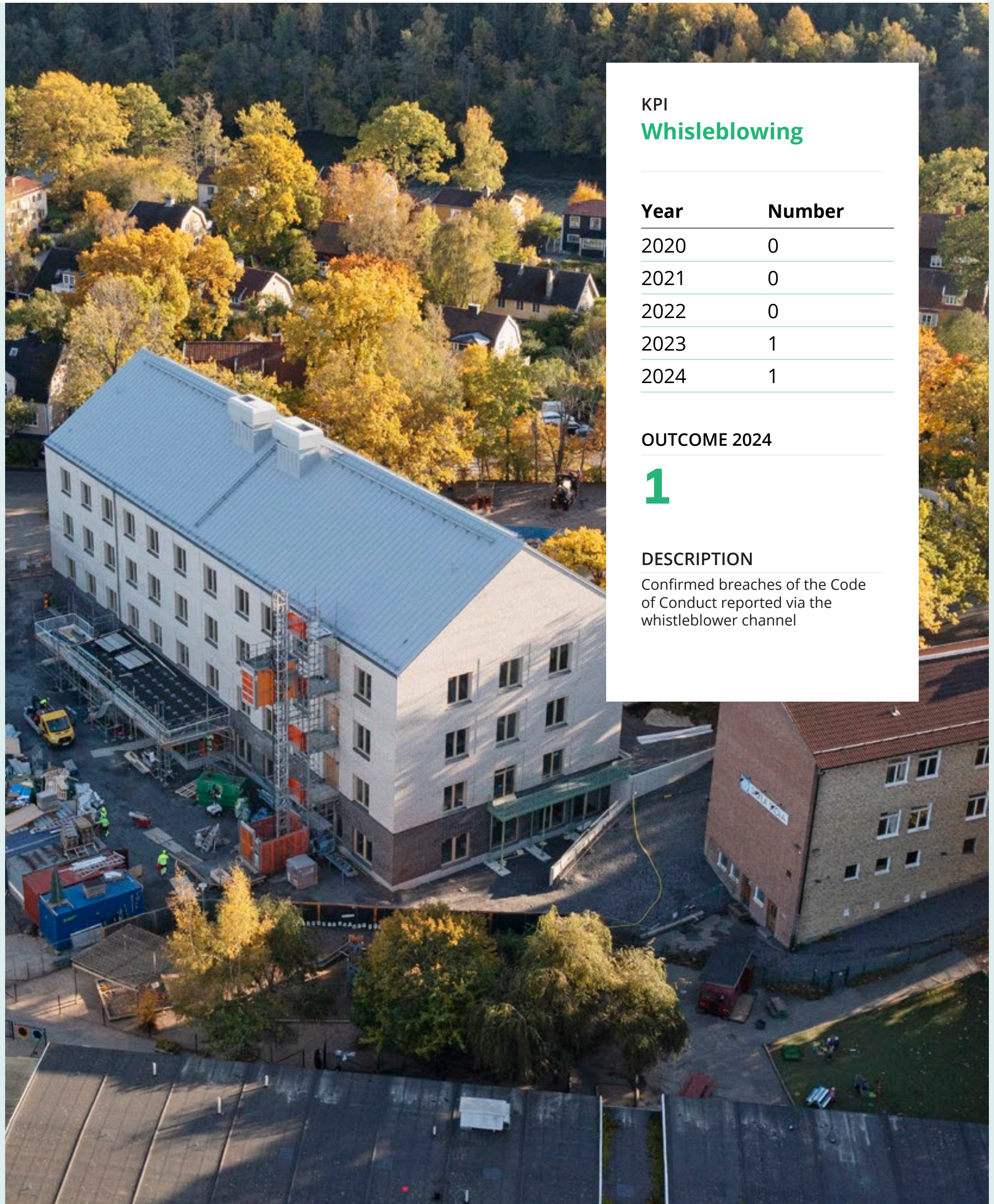
Instalco's Sustainability Council draws up and develops the Group's sustainability programme. The council is assisted in this by a number of internal teams that are responsible for the work in areas such as the Taxonomy, CSRD, and Sustainable Instalco Project, the company's in-house certification system. There is a Group-wide Code of Conduct, along with policies and guidelines covering areas such as the environment, sustainability, and working environment, as well as a Code of Conduct for Suppliers. These are reviewed annually and adopted by the Board of Directors. The Group CEO has ultimate responsibility for ensuring that all subsidiaries are familiar with Group-wide policies, and initiatives. The CEO of each subsidiary is responsible for implementing these policies at their company, with support from the Head of Division or Business Area Manager. All the companies in the Group work proactively to reduce their negative environmental impact. In addition, each individual company has the scope to introduce its own initiatives and set its own goals to further contribute to the local community and create attractive workplaces. Instalco's Code of Conduct, Group-wide policies and values underpin the Group's operations and strategies.

Sustainable growth

There is a strong underlying demand for Instalco's energy-efficient and resource-saving installation services. Owners of both newly constructed and older properties are placing increasing focus on investing in resource- and energy-efficient installations with a view to lowering operating costs and meeting the ever more stringent sustainability and energy-saving requirements set by the market and customers. Instalco is convinced that these services will strengthen the Group's competitiveness and drive long-term growth.

Quality and customer satisfaction

Instalco works closely with customers to design and install future-proofed, energy-saving systems. Proposed technical solutions are reliable, energy efficient, and environmentally friendly, with low life cycle costs, a high level of personal safety, and high quality. Instalco and its subsidiaries have long relationships with their customers, many of whom are repeat customers. Instalco sees increased interest from its customers in leveraging Instalco's expertise in sustainability, energy efficiency improvements and complex multidisciplinary projects.



KPI

Whisleblowing

Year	Number
2020	0
2021	0
2022	0
2023	1
2024	1

OUTCOME 2024

1

DESCRIPTION

Confirmed breaches of the Code of Conduct reported via the whistleblower channel

Contents

CSDDD and the Norwegian Transparency Act

In 2024, we continued aligning our Norwegian operations with the new Transparency Act, which is Norway's implementation of the EU's Corporate Social Due Diligence Directive (CSDDD) for more sustainable business. The new Norwegian legislation requires assessment, mapping, and reporting of risks within the areas of human rights and working conditions. The aim is to prevent and mitigate negative impacts within these areas, both in our subsidiaries and in our supply chain. 2024 marks Instalco's third year reporting under the Transparency Act, and we continue our work to improve, cooperate, and share knowledge aboutour efforts regarding human rights.

Code of Conduct

Instalco's Code of Conduct describes the Group's shared values. It communicates the Group's ethical values and business principles to all employees, customers, suppliers, other business partners, and shareholders, as well as providing guidance in their daily work. Areas covered include conflicts of interest, gifts, bribery, anti-corruption and corporate hospitality. The Code of Conduct has been adopted by Instalco's Board of Directors. The Group CEO has delegated responsibility to the head of each subsidiary to ensure that the Code is implemented and followed.

Code of Conduct for Suppliers

Instalco's Code of Conduct for Suppliers provides clear guidelines on how our suppliers are expected to act in our joint projects. The Code of Conduct for Suppliers applies without exception to all suppliers with whom, Instalco has a central contract. Even suppliers without central contracts, but who are involved in Sustainable Instalco Projects, commit to complying with this Code of Conduct. In the event of suspected violations of the Code of Conduct, an investigation will be carried out.

In connection with the alignment of the EU legislation CSRD and CSDDD, Instalco is also conducting out a comprehensive review of several sustainability-related documents, including the Code of Conduct for Suppliers, with a new version scheduled for introduction in 2025

Instalco's Code of Conduct for Suppliers is based on the UN Declaration of Human Rights, the UN Convention on the Rights of the Child, the UN Convention against Corruption, and the eight fundamental Conventions of the ILO. As Instalco's business promotes sustainable development, it is crucial that suppliers meet the requirements that products supplied to Instalco are produced under sustainable and responsible conditions.

Ethics and business

Instalco does not accept any form of discrimination. One basic requirement is that everyone must comply with the laws and regulations that are in force. Instalco also takes responsibility for applying high ethical standards and business ethics in all its business activities and relationships. The Group strives to run the business in a long-term, sustainable way that is consistent with our values and Code of Conduct.

The Whistleblower channel

Instalco is committed to addressing any irregularities affecting the company that could seriously damage the business, our employees, or others. Information on wrongdoing may be submitted anonymously via our whistleblower channel, which is managed by an independent external party. The whistleblower channel is part of Instalco's preventive efforts to tackle corruption, irregularities, and wrongdoing. During 2024, six matters were reported and dealt with through the whistleblower channel, of which one concerned a breach of the Code of Conduct.

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Continual improvement efforts

Instalco and all its companies are continuously working to develop and improve, both in the current structure and market, as well as to meet future changes in the market, customer requirements, technology, and general industry developments. In addition to the developmental work driven by the Group's management, there are several internal forums at different organisational intersections and levels to identify challenges and opportunities for improvement. A strong company culture that encourages suggestions and ideas is key to continual improvement efforts. Opportunities for improvements that impact more than one company are elevated to the business area or central level, where a decision can be made as to whether to implement improvements on a wider scale. A working group with the relevant expertise will be established in such instances to plan and implement the initiative. For example, improvement initiatives might lead to structural changes, new working methods, training measures, or internal knowledge sharing. Most of the working methods, tools, and other resources currently used by several Instalco companies originally stemmed from an idea or development in a single company.

GoGr8

Furthermore, Instalco has an internal programme called GoGr8, which includes a number of dedicated central resources working together with division managers, business area managers, and the subsidiaries. The programme is based on the Group's work on best practices. Within GoGr8, individual subsidiaries that are below the Group's profitability targets, or that wish or need to develop their business for any other reason, can receive support to help them change and improve. The work is carried out through projects related to each subsidiary, where the company assists in identifying areas for improvement, drawing up action plans, and implementing change.

Group-wide policies

Instalco has a number of generic policies that apply to the entire Group. The Group CEO is responsible for ensuring compliance with all policies and for their annual review. Each subsidiary's CEO has similar responsibilities for compliance with the policies within their company. All employees must be informed of the current policies and any changes made to them. New employees should receive information about Instalco's policies upon starting their employment. Instalco's group-wide policies are described on page 36.

Structure for follow-up and control

Instalco's routines for internal control, follow-up, and evaluation are clearly regulated and described in the Internal Control Policy. Twice a year, each subsidiary reviews its risk profile at a meeting of its Board of Directors. The CEOs of the subsidiaries hold monthly project reviews with their respective project managers, business area managers, and heads of divisions. Three times a year, the heads of divisions and business area managers meet with their companies to review forecasts. Each quarter, the CEO of each subsidiary provides feedback and confirmation that project reviews and reporting have been carried out in accordance with the instructions.

The heads of divisions and business area managers are responsible for supporting and coaching the CEOs of the respective subsidiaries. Other formalised meetings at Instalco include group management meetings, which are monthly meetings that the Group CEO holds with all the CEOs of subsidiaries, as well as meetings for heads of divisions and business area managers, and management team meetings between the CEOs of subsidiaries and their respective heads of divisions and business area managers. Additionally, there are segment conferences for each area of technology and strategy meetings where the Group management team, head offices, CEOs, and Deputy CEOs of all subsidiaries convene.

UN Global Compact

As part of the sustainability programme, Instalco is a signatory to the UN Global Compact, the world's largest corporate sustainability initiative. Signatories pledge to actively work on sustainability, starting with the Ten Principles of the UN Global Compact, which are based on international conventions.

The Board's report on internal control over financial reporting

In accordance with the Swedish Companies Act and the Swedish Code of Corporate Governance, the Board of Directors has overall responsibility for sustainability efforts. The sustainability reporting must be appropriate and comply with the applicable requirements for listed companies. At Instalco, the internal control for sustainability reporting is integrated into the company's overall control structure and follows the same principles as the financial reporting.

Control environment and organisation

The management team, with the CEO as the ultimate leader, set strategies and objectives for sustainability efforts. Instalco's Sustainability Council drives the development of the Group's sustainability programme with the support of specialist groups in areas such as taxonomy, CSRD, and the company's certification system, Sustainable Instalco Project. Governance is based on the Group's common framework, which includes the Code of Conduct, Sustainability Policy, and other relevant policies that are reviewed annually by the Board.

As with financial reporting, the control ofsustainability efforts is based on a decentralised structure where the Group CEO is responsible for ensuring that all subsidiaries participate in common policies and initiatives. The CEO of each subsidiary is responsible for implementing these policies within their company, with support from the Head of Division or Business Area Manager.

Risk assessment and control activities

Risk assessment and control activities follow the same structure as the financial reporting. Board meetings are held in each subsidiary twice a year to review the company's risk profile. Monitoring activities include monthly project reviews and quarterly feedback from the subsidiaries' CEOs. Follow-up is conducted through regular forecast reviews and formalised meetings at different levels of the organisation.

Information and communication

All policies and any changes are communicated to employees, with a particular focus on informing new recruits. Instalco has signed the UN Global Compact and is thus committed to actively working on sustainability issues in line with the initiative's ten basic principles.

For more details on the overall control structure, please refer to the corresponding section in the report on internal control over financial reporting, as these processes are integrated into the company's overall governance model.

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Instalco AB (publ), corporate identity number 559015–8944

Engagement and responsibility

The board of directors is responsible for the statutory sustainability report for the year 2024, found on pages 14, 20, and 46–70m and for ensuring that it has been prepared in accordance with the Annual Accounts Act, as per the previous wording that applied before 1 July 2024.

The scope of the audit

Our review has been conducted in accordance with FAR's recommendation RevR 12, regarding the auditor's opinion on the statutory sustainability report. This means that our review of the sustainability report has a different focus and a significantly smaller scope compared to the focus and scope of an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides us with a sufficient basis for our statement.

Opinion

A statutory sustainability report has been prepared.

Stockholm, date of digital signature

Grant Thornton Sweden AB

Camilla Nilsson

Authorized Public Accountant

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Financial information

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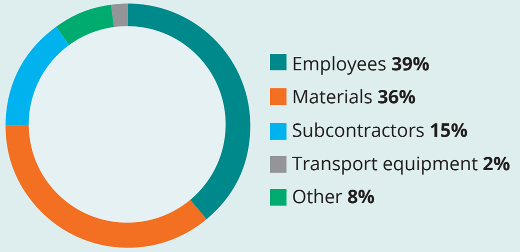
Consolidated income statement

AMOUNTS IN SEK M	Note	2024	2023
Operating income			
Net sales	2, 3	13,690	14,279
Other operating income		132	117
Total operating income		**13,822**	**14,396**
Operating expenses			
Materials and purchased services		−6,456	−7,215
Other external costs	4	−1,161	−1,069
Employee benefit costs	5	−4,916	−4,673
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets		−589	−517
Other operating expenses		−11	−23
Total operating expenses		**−13,133**	**−13,497**
Operating profit (loss) (EBIT)		**690**	**899**
Profit (loss) from financial items			
Financial income		51	93
Financial expenses	7	−255	−199
Earnings before taxes		**486**	**792**
Income tax	8	−122	−177
Profit (loss) for the year		**364**	**615**
Profit (loss) attributable to:			
Parent Company's shareholders		345	601
Non-controlling interests		19	14
Earnings per share	9		
Basic earnings per share, SEK		1.31	2.29
Diluted earnings per share, SEK		1.31	2.26

Consolidated statement of comprehensive income

AMOUNTS IN SEK M	Note	2024	2023
Profit (loss) for the year		**364**	**615**
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		11	−118
Other comprehensive income after tax		**11**	**−118**
Total comprehensive income for the year		**375**	**497**
Comprehensive income attributable to:			
Non-controlling interests		19	14
Parent Company's shareholders		356	483

COST STRUCTURE



Comments on the consolidated income statement

Net sales

Net sales for the year amounted to SEK 13,690 (14,279) million, a decrease of 4.1 percent. Adjusted for currency effects, organic growth amounted to -6.5 percent and acquired growth amounted to 3.1 percent. Currency fluctuations had a marginal impact on net sales.

Earnings

Operating profit before amortisation of intangible assets (EBITA) for the period amounted to SEK 879 (1,085) million, which corresponds to an EBITA margin of 6.4 (7.6) percent. Adjusting for non-recurring costs totalling SEK 94 million, the EBITA margin amounted to 6.9 percent. The non-recurring costs relate to the impairment of goodwill of SEK 29 million and costs related to the mergers and closures of eight loss-making subsidiaries, totaling SEK 65 million.

Operating profit (EBIT) for the period amounted to SEK 690 (899) million. Amortisation and impairment of acquired intangible assets increased by SEK 3 million and amounting to SEK 189 (186) million. The net change includes a lower depreciation and amortisation of SEK 26 million as a result of a lower share of identified depreciable assets and a non-recurring effect of SEK 29 million related to impairment of goodwill and other related intangible assets as a result of closure of subsidiaries. Adjusting for non-recurring costs totalling SEK 94 million, EBIT amounted to SEK 784 million.

Net financial items for the period amounted to SEK -204 (-107) million, of which unrealised value changes amounted to SEK -3 (30) million and the interest expense on external loans amounted to SEK -162 (-151) million. In the reference year, net financial items were positively affected by a divestment of subsidiaries of SEK 24 million.

Tax for the year amounted to SEK -122 (-177) million and the effective tax rate was 25 (22) percent.

Earnings for the period were SEK 364 (615) million, which corresponds to basic earnings per share of SEK 1.31 (2.29) and diluted earnings per share of SEK 1.31 (2.26) .

Consolidated balance sheet

AMOUNTS IN SEK M	Note	31/12/2024	31/12/2023
ASSETS			
Non-current assets			
Intangible assets	10		
Goodwill		5,301	5,288
Other intangible assets		451	596
Total intangible assets		**5,752**	**5,883**
Property, plant and equipment	11		
Other non-current assets		392	351
Right-of-use assets		697	762
Total property, plant and equipment		**1,089**	**1,113**
Financial assets	12		
Shares in associated companies and jointly controlled entities		6	14
Receivables from associated companies and jointly run companies		1	1
Non-current security holdings		33	49
Non-current receivables		7	8
Total financial assets		**47**	**72**
Deferred tax asset	8	53	22
Total non-current assets		**6,941**	**7,089**
Current assets			
Finished goods and goods for resale		209	202
Total inventories		**209**	**202**
Current receivables	12		
Accounts receivable	14	1,943	2,091
Current tax asset		90	81
Other receivables		68	87
Contract assets	15	648	628
Prepaid expenses and accrued income		204	271
Cash and cash equivalents	16	208	267
Total current receivables		**3,159**	**3,426**
Total current assets		**3,368**	**3,627**
TOTAL ASSETS		**10,310**	**10,716**

AMOUNTS IN SEK M	Note	31/12/2024	31/12/2023
EQUITY AND LIABILITIES			
Equity	17		
Share capital		1	1
Other paid-in capital		1,126	1,126
Reserve		10	–1
Retained earnings incl. profit (loss) for the year		2,072	2,080
Equity attributable to the Parent Company's shareholders		3,209	3,207
Non-controlling interests		173	183
Total equity		**3,382**	**3,390**
Non-current liabilities	12		
Liabilities tocredit institutions	19	2,977	2,972
Lease liabilities	19	411	507
Deferred tax liabilities	8	358	385
Other liabilities	26	41	163
Total non-current liabilities		**3,786**	**4,028**
Current liabilities	12		
Provisions	18	28	25
Liabilities to credit institutions	19	6	6
Lease liabilities	19	263	232
Accounts payable	20	905	1,052
Current tax liabilities		82	71
Other liabilities		522	569
Contract liabilities	15	528	549
Accrued expenses and deferred income	21	808	795
Total current liabilities		**3,142**	**3,298**
Total liabilities		**6,928**	**7,326**
TOTAL EQUITY AND LIABILITIES		**10,310**	**10,716**

Comments on the consolidated balance sheet

Financial position
Equity at the end of the period amounted to SEK 3,382 (3,390) million, with an equity ratio of 32.8 (31.6) percent. Cash and cash equivalents at the end of the period amounted to SEK 208 (267) million. Interest-bearing debt at the end of the period amounted to SEK 3,665 (3,728) million, of which leasing amounted to SEK 674 (739) million. At the end of the period, Instalco's total credit facilities, including unused credit, amounted to SEK 3,850 (3,950) million, of which SEK 2,950 (2,950) million have been utilised. At the end of the financial year, the Group was well within the covenants, which are the ratio of EBITDA to net financial income and interest coverage. Interest-bearing net debt at the end of the period amounted to SEK 3,458 (3,461) million with a gearing ratio of 107.8 (107.9) percent. Net debt in relation to EBITDA amounted to 2.7 (2.4), slightly higher than the target of 2.5. Currency fluctuations impacted net debt for the period by SEK 2 (17) million.

Investments and depreciations
Investments in acquisitions during the period amounted to 197 SEK (1,188) million. The amount includes settled contingent considerations attributable to acquisitions in the current and previous years of SEK 151 (199) million.

Net investments in fixed assets amounted to SEK 100 (102) million during the year.

Depreciation, amortisation and impairment of tangible and intangible fixed assets amounted to SEK 589 (517) million, of which depreciation of tangible fixed assets amounted to SEK 400 (331) million and amortisation and impairment of acquired intangible fixed assets amounted to SEK 189 (186) million.

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Consolidated statement of changes in equity

AMOUNTS IN SEK M	Note	Share capital	Other paid-in capital	Reserve	Retained earnings incl. profit (loss) for the year	Total	Non-controlling interests	Total equity
Opening balance 01/01/2024		**1**	**1,126**	**-1**	**2,080**	**3,207**	**183**	**3,390**
Profit (loss) for the year		–	–	–	345	345	19	364
Exchange differences on translation of foreign operations		–	–	11	–	11	-1	11
Total comprehensive income for the year		**–**	**–**	**11**	**345**	**356**	**18**	**375**
Transactions with owners								
Dividends		–	–	–	–179	–179	–	–179
New share issues		–	–	–	–	–	–	–
Change in non-controlling interests	25	–	–	–	–184	–184	–27	–211
Issue of warrants		–	–	–	9	9	–	9
Buyback of warrants		–	–	–	–	–	–	–
Total transactions with owners		**–**	**–**	**–**	**–354**	**–354**	**–27**	**–381**
Closing balance 31/12/2024	**17**	**1**	**1,126**	**10**	**2,072**	**3,209**	**173**	**3,382**
Opening balance 01/01/2023		**1**	**996**	**117**	**1,830**	**2,944**	**208**	**3,152**
Profit (loss) for the year		–	–	–	601	601	14	615
Exchange differences on translation of foreign operations		–	–	-118	–	–118	1	–118
Total comprehensive income for the year		**–**	**–**	**-118**	**601**	**482**	**15**	**497**
Transactions with owners								
Dividends		–	–	–	–172	–172	–	–172
New share issues		0	130	–	–	130	–	130
Change in non-controlling interests	25	–	–	–	–156	–156	–41	–197
Issue of warrants		–	–	–	10	10	–	10
Buyback of warrants		–	–	–	–31	–31	–	–31
Total transactions with owners		**0**	**130**	**–**	**–349**	**–219**	**–41**	**–260**
Closing balance 31/12/2023	**17**	**1**	**1,126**	**-1**	**2,080**	**3,207**	**183**	**3,390**

INSTALCO

Consolidated cash flow statement

AMOUNTS IN SEK M	Note	2024	2023
Operating activities			
Earnings before taxes		486	792
Adjustment for items not included in cash flow etc.	24	654	445
Income tax paid		–157	–191
Cash flow from operating activities before changes in working capital		**983**	**1,046**
Changes in working capital:			
Change in inventories		–4	–36
Change in accounts receivable and other receivables		150	–67
Change in accounts payable and other liabilities		-182	56
Cash flow from operating activities		**946**	**999**
Investing activities			
Acquisition of shares in subsidiaries, after deducting cash and cash equivalents	25	–197	–1,188
Acquisition of intangible assets		–4	–27
Acquisition of property, plant and equipment		–121	–82
Disposal of property, plant and equipment		21	22
Decrease/increase in financial assets		4	–14
Cash flow from investing activities		**–297**	**–1,289**
Financing activities			
New share issue		0	80
Issue of warrants		9	10
Buyback of warrants		–	–31
Acquisition of non-controlling interests		–200	–
Dividends		–179	–172
Borrowings	12	600	650
Repayment of loans	12	–618	–361
Repayment of lease liabilities		–318	–260
Cash flow from financing activities		**–706**	**–85**
CASH FLOW FOR THE YEAR		**–57**	**–375**

AMOUNTS IN SEK M	Note	2024	2023
Cash and cash equivalents at beginning of year		267	631
Exchange difference in cash and cash equivalents		-3	11
Cash and cash equivalents at end of year		**208**	**267**
Cash and cash equivalents from continuing operations		**208**	**267**
Cash flow for the year from interest:			
Interest paid		–191	–164
Interest received		12	10

Interest paid is attributable to financing activities and is accounted for within the current operations. Interest received is attributable to operating activities.

Comments on the consolidated cash flow statement

Cash flow

Cash flow from operating activities amounted to SEK 946 (999) million, of which changes in working capital were SEK -37 (-47) million. The Group's working capital fluctuates from one year to the next, primarily because of fluctuations in these line items: work in progress, accounts receivable, and accounts payable.

Cash flow from investing activities amounted to SEK -297 (-1,289) million, of which acquisitions of subsidiaries and businesses amounted to SEK -197 (-1,188) million. Cash flow from financing activities amounted to SEK -706 (-85) million, of which the net change in loans amounted to SEK -18 (289) million, acquisitions of non-controlling interests amounted to SEK -200 (0) million, and amortisation of leasing liabilities amounted to SEK -318 (-260) million.

Acquisitions of non-controlling interests refer to the purchase of shares in existing subsidiaries where minority interests exist. A dividend of SEK 0.68 (0.66) per share was paid during the period, corresponding to SEK 179 (172) million. Furthermore, the change in warrants amounted to SEK 9 (-21) million and SEK 0 (80) million was raised by issuing shares.

INSTALCO

Parent Company income statement

AMOUNTS IN SEK M	Note	2024	2023
Operating income			
Net sales		21	32
Total operating income		**21**	**32**
Operating expenses			
Other external costs	4	–8	–13
Personnel costs	5	–13	–23
Total operating expenses		**–21**	**–36**
Operating profit (loss)		**0**	**–3**
Profit (loss) from financial items			
Income from shares in Group companies	6	55	175
Interest income and similar profit or loss items		1	1
Interest expense and similar profit or loss items	7	–10	–6
Profit (loss) after financial items		**46**	**165**
Group contributions received		9	9
Earnings before taxes		**54**	**174**
Tax on profit (loss) for the year	8	0	1
Profit (loss) for the year		**54**	**174**

Earnings for the year is consistent with overall earnings for the year.

Comments on the Parent Company

Instalco AB's principal operations are head office functions such as Group-wide management, administration and financial functions.

Net sales amounted to SEK 21 (32) million. The operating result amounted to SEK 0 (–3) million. Earnings after financial items amounted to SEK 46 (165) million, mainly attributable to income from shares in Group companies. Earnings before tax amounted to SEK 54 (174) million, and net earnings for the period amounted to SEK 54 (174) million.

Cash and cash equivalents at the end of the period amounted to SEK 13 (37) million.

Parent Company balance sheet

AMOUNTS IN SEK M	Note	31/12/2024	31/12/2023
ASSETS			
Non-current assets			
Financial assets			
Shares in Group companies	13	1,375	1,375
Deferred tax asset		3	2
Total financial assets		**1,378**	**1,377**
Total non-current assets		**1,378**	**1,377**
Current assets			
Current receivables			
Other receivables		9	109
Total current receivables		**9**	**109**
Cash and bank balances		13	37
Total current assets		**22**	**146**
TOTAL ASSETS		**1,400**	**1,523**

AMOUNTS IN SEK M	Note	31/12/2024	31/12/2023
EQUITY AND LIABILITIES			
Equity	17		
Restricted equity			
Share capital		1	1
		1	**1**
Non-restricted equity	27		
Share premium reserve		1,249	1,240
Retained earnings		-59	-54
Profit (loss) for the year		54	174
		1,244	**1,360**
Total equity		**1,245**	**1,361**
Non-current liabilities			
Liabilities to credit institutions	19	145	146
Total non-current liabilities		**145**	**146**
Current liabilities			
Accounts payable	20	0	1
Other liabilities		4	5
Accrued expenses and deferred income	21	7	10
Total current liabilities		**11**	**16**
Total liabilities		**155**	**162**
TOTAL EQUITY AND LIABILITIES		**1,400**	**1,523**

Parent Company statement of changes in equity

AMOUNTS IN SEK M	Note	Share capital	Share premium reserve	Retained earnings	Profit (loss) for the year	Total equity
Opening balance 01/01/2024		1	1,240	–54	174	1,361
Dividends		–	–	–179		–179
Transfer of previous year's earnings		–	–	174	–174	0
Issue of warrants		–	9	–	–	9
Change in warrants		–	–	–	–	–
Profit (loss) for the year		–	–	–	54	54
Closing balance 31/12/2024	**17**	**1**	**1,249**	**–59**	**54**	**1,245**
Opening balance 01/01/2023		**1**	**1,131**	**–14**	**132**	**1,250**
Dividends		–	–	–172		–172
Transfer of previous year's earnings		–	–	132	–132	0
New share issue		–	130	–	–	130
Issue of warrants		–	10	–	–	10
Change in warrants		–	-31	–	–	–31
Profit (loss) for the year		–	–	–	174	174
Closing balance 31/12/2023	**17**	**1**	**1,240**	**–54**	**174**	**1,361**

Parent Company cash flow statement

AMOUNTS IN SEK M	Note	2024	2023
OPERATING ACTIVITIES			
Profit (loss) after financial items		46	165
Adjustment for items not included in cash flow	24	0	0
Income tax paid		-1	–1
Cash flow from operating activities before changes in working capital		**46**	**165**
Changes in working capital:			
Change in accounts receivable and other receivables		109	–74
Change in accounts payable and other liabilities		-6	5
Net cash flow from continuing operations		**–102**	**–70**
Net cash flow from operating activities		148	**95**
Investing activities			
Shareholder contributions made/repaid	13	0	0
Cash flow from investing activities		**0**	**0**
Financing activities			
New share issue		0	80
Dividends		–179	–172
Repayment of loans		–2	–3
Change in warrants		9	10
Cash flow from financing activities		**–172**	**–85**
CASH FLOW FOR THE YEAR		-24	**10**
Cash and cash equivalents at beginning of year		37	27
Cash and cash equivalents at end of year		**13**	**37**
Cash flow for the year from interest			
Interest paid		–8	–7
Interest received		1	1

Notes

Note 1. Recognition and measurement principles

General information

The consolidated financial statements have been prepared in accordance with EU-approved International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee.

The recommendations by the Swedish Financial Reporting Board in RFR 1 Supplementary Accounting Rules for Groups have also been applied.

The annual accounts for the Parent Company have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and recommendation RFR 2 Accounting for Legal Entities issued by the Swedish Financial Reporting Board. Where the Parent Company applies different principles to the Group this is stated under the heading "Parent Company" below. The consolidated financial statements are presented in SEK, which is the Parent Company's reporting currency.

The Parent Company's annual accounts and the consolidated financial statements were approved for issuance by the Board on 14 March 2024. The Parent Company's and the Group's income statements and balance sheets will be presented for adoption by the AGM on 6 May 2025.

New and updated standards entering into force for financial years starting on or after 1 January 2023

BEPS Pillar Two is effective from 1 January 2024, relating to rules on global minimum tax. Instalco has sales exceeding EUR 750 million and these rules will consequently apply to Instalco. In 2024, Instalco conducted a project to assess the effects of the new rules on global minimum tax. The conclusion is that no supplementary tax is payable and, in accordance with IAS 12, Instalco does not recognise any deferred tax as a result of the supplementary tax from BEPS Pillar 2.

Other changes are not assessed to impact the Group's principles to any material extent.

Standards, amendments and interpretations of existing standards that have not yet entered into force and are not being early adopted by the Group

The introduction of IFRS 18, which is replacing IAS 1 on January 1 2027, will result in changes to the presentation and disclosure in the financial statements.

As at the date that these financial statements were approved, no other standards, amendments or interpretations of existing standards that have not yet entered into force or been published by the IASB have been early adopted by the Group.

The Board of Directors and CEO assume that all relevant statements will be incorporated into the Group's accounting principles when the statement enters into force. New standards, amendments and clarifications that have not been applied are not expected to have any material impact on the Group's financial statements.

Basis for consolidation

Subsidiaries that are under the direct or indirect control of the Parent Company are included in the consolidated financial statements. The Group controls a company when it is exposed to, or is entitled to, variable returns resulting from its holding in the company and is able to influence the return through its influence in the company. Subsidiaries are included in the consolidated financial statements from the date on which the controlling influence is transferred to the Group. Subsidiaries are removed from the consolidated financial statements on the date when the Group no longer has a controlling influence.

Earnings and other comprehensive income for subsidiaries that were acquired or sold during the year are reported from the date that the acquisition or disposal takes effect, as applicable.

The Group attributes comprehensive income from its subsidiaries to the Parent Company's shareholders and non-controlling interests based on their respective ownership shares.

Business combinations

The acquisition method is used for reporting the Group's business combinations. The remuneration transferred by the Group to obtain a controlling influence over a subsidiary is calculated as the sum of the fair values at the acquisition date of the transferred assets, the assumed liabilities and the equity shares issued by the Group, which includes the fair value of an asset or liability that arose in conjunction with an agreement on contingent consideration.

Subsequent changes in the fair value of contingent consideration that has been classified as a financial liability are recognised in profit or loss (as a component of other operating expenses); see also the section on financial liabilities.

Acquisition-related costs are expensed as incurred and reported in other operating expenses.

Acquired assets and assumed liabilities are measured at fair value as at the acquisition date.

Functional currency and presentation currency

The consolidated financial statements are presented in SEK, which is also the Parent Company's functional currency.

Foreign operations

In the consolidated financial statements all assets, liabilities and transactions in Group companies that have a different functional currency than SEK (the Group's reporting currency) are translated to SEK upon consolidation. The functional currency of Group companies remained unchanged during the reporting period.

At the time of consolidation, assets and liabilities have been restated at the closing day rate. Adjustments to goodwill and fair value arising from the acquisition of a foreign operation have been reported as assets and liabilities in the foreign operation and translated to SEK at the closing day rate. Revenue and expenses have been translated to SEK at an average rate for the reporting period. Exchange rate differences are recognised directly in other comprehensive income and are reported in the currency exchange reserve under equity. Upon disposal of a foreign operation, the attributable accumulated translation differences that have been recognised under equity are transferred to profit or loss and recognised as part of the gain or loss on disposal.

Segment reporting » Note 3

The Group is organised into two segments: Sweden and Rest of Nordics. When identifying operating segments, Group management typically considers the Group's geographic business areas, which are its main segments. The operating segments follow the internal reporting that the Group's chief decision maker monitors in the business.

Each operating segment is managed separately, since they require different types of resources and marketing methods. All transactions between the segments are carried out on a commercial basis and are based on prices charged to customers who are not related parties in connection with independent sales of identical goods or services.

Note 1, cont.

The Group applies the same measurement principles in its segment reporting according to IFRS 8 as in its financial statements.

Corporate assets that are not directly attributable to a business segment are not distributed but instead are allocated to Group-wide income and expenses. This applies primarily to the Group's head office.

Revenue

Revenue primarily stems from sales involving the execution of installations, and from construction contracts and service contracts.

Contracts with customers

A contract is defined by the Group as a verbal or written agreement between two or more parties. In cases where the Group has two or more contracts with the same customer the contracts are analysed and, in certain situations, combined such that they are reported as a single larger contract. This applies if it is the same customer (counterparty), even if the contracts relate to different projects.

Contract work

Revenue must be recognised at a specific point in time or over time, depending on when control over the item sold is transferred to the customer. The Group recognises revenue when its performance creates or improves an asset that the customer controls, which is the case with contract work, since the work is performed on a property or facility owned by the customer. The customer thus benefits from the company's performance gradually, as the work is performed. This means that the Group fulfills its obligations gradually and reports revenue over time using the "percentage of completion" method. A project's percentage of completion is calculated based on the expenses incurred as at the closing date in relation to the total estimated expenses that will be incurred in order to complete the assignment. This serves as the basis for earned revenue based on project costings. There may be a risk that final project results may deviate from the results that has been reported over time.

Service work

The revenue from service work is recognised when the services have been provided based on the percentage of completion of the work at the closing date. Revenue recognition for service work is based on a forecast of the percentage of completion for each individual project and the profit or loss is gradually recognised against the expenses thus far incurred in the project.

Rental income

Income from the rental of building scaffolding is distributed evenly over the rental period.

Contract modifications (changes and additions)

If there is a change or addition to an existing contract, how the change is reported depends on its substance. Modifications to contracts frequently occur within the Group. One example is a change in the contract's scope (e.g. adding more product/services or changing the existing products/services), modification of the agreed price, or both. The modification to the contract is reported as either:

- part of the original contract; or
- a new separate contract.

The assessment of whether a change or addition is a new contract or is part of an existing contract is made on a case-by-case basis. Where a change or addition is deemed to be part of an existing contract, the total contract amount is adjusted at the time the change is made.

Performance obligations

The Group enters into agreements with customers under which the Group provides a combination of products and services, e.g. installation work and associated service agreements. An assessment is then made of the agreement to determine whether it contains one performance obligation or several performance obligations. The Group has identified the following separate performance obligations:

- Installation work including system design together with associated goods and materials.
- Service work. The kind of service Instalco's companies perform relates tooccasional needs that arise for the customer and is not contractually bound.

Transaction price and allocation

The transaction price for an assignment is established at the inception of the contract. The Group's assignments are typically fixed-price contracts, but sometimes it also has cost-plus/partnering contracts. Cost-plus contracts are reported in accordance with the expected value method, by calculating the sum of probability-weighted amounts of contracts with similar terms. Typically, the Group does not have any variable components in its contracts, except for fines. The Group updates its assessments of the transaction price at the end of each reporting period and adjusts revenues in accordance with those assessments.

Contract balances

The Group recognises a contract liability for remuneration it has received pertaining to unfulfilled performance obligations and reports those amounts as "Other liabilities" in the consolidated statement of financial position. If the Group meets a performance obligation before receiving compensation for it, the Group will report a contract asset in the consolidated statement of financial position provided that nothing other than the time aspect is decisive for when that compensation is due.

Interest and dividends » Note 7

Interest income and interest expense are recognised as incurred in each reporting period by applying the effective interest method.

Dividends, besides those derived from holdings in associated companies, are recognised when the right to receive payment has been established.

Goodwill » Note 10

Goodwill represents the future economic benefits arising from a business combination which are not individually identified and reported separately. Goodwill is the difference between the cost of a business combination and the fair value of the acquired identifiable assets, assumed liabilities and contingent liabilities. Goodwill has an indefinite useful life and is measured at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units or groups of cash-generating units (CGUs). It is not amortised but instead is tested annually for impairment. More information on this is provided in the description of the method for impairment testing.

Other intangible assets » Note 10

Other intangible assets are recognised within the Group at cost minus accumulated amortisation and any impairment losses. Cost includes the purchase price and any expenditure directly attributable to the asset.

Additional expenses are added to the asset's carrying amount only when it is probable that the future economic benefits associated with the asset will flow to the Group and the asset's cost can be measured reliably.

Other intangible assets are amortised over their estimated useful life. The following amortisation periods are applied:

- Computer systems, licences 3–5 years
- Right-of-use assets 3–10 years
- Customer relations 3–10 years

Property, plant, and equipment » Note 11

Property, plant and equipment are recognised within the Group at cost minus accumulated depreciation and any impairment losses. Cost includes the purchase price and any expenditure directly attributable to bringing the asset to its intended location and condition for its intended use.

Additional expenses are added to the asset's carrying amount or recognised as a separate asset, whichever is appropriate, only when it is probable that the future economic benefits associated with the asset will flow to the Group and the asset's cost can be measured reliably. The carrying amount for assets that has been disposed of is removed from the balance sheet. All other forms of repair and maintenance are expensed as incurred in the income statement. Gains or losses arising from the disposal of property, plant and equipment are calculated as the difference between what has been received and the carrying amount of the asset. The gain or loss is then recognised in the income statement as part of "Other operating income" or "Other operating expenses" respectively.

Property, plant and equipment is depreciated over its estimated useful life. The following amortisation periods are applied:

- Machinery and tools 3–5 years
- Equipment, installations and other technical facilities 3–5 years
- Scaffolding 10–20 years

Note 1, cont.

Impairment testing of goodwill, other intangible assets and property, plant and equipment

For impairment testing, assets are grouped together as cash generating units (CGUs) which is the smallest identifiable group of assets that generates largely independent cash inflows. Goodwill is allocated to the CGUs that are expected to benefit from synergy effects in related business combinations. Impairment testing for the CGUs to which goodwill has been attributed corresponds to the Group's operating segments, Sweden and Rest of Nordics, since goodwill is not monitored internally at any lower level. The Sweden segment is the dominant market and the growth in the Rest of Nordics segment has taken place using the same business model and utilising experience gained in the Sweden segment. Instalco's subsidiaries are integrated into the Group's business model, collaborative culture and values such that assets and cash flows cannot be distinguished at a lower level. In many cases more than one company works on the same project, and companies also submit joint tenders and share resources.

All other individual assets or CGUs are tested for impairment whenever there are events or changes of circumstances indicating that the carrying amount is not recoverable.

An impairment loss is recognised for the amount by which the asset's (or CGU's) carrying amount exceeds its recoverable amount, which is the higher of the fair value less cost of disposal and the value in use. In the Group, the recoverable amount consists of the value in use. In order to determine the value in use, Group management estimates the expected future cash flows from each CGU and determines an appropriate discount rate in order to calculate the present value of these cash flows. The information used for impairment testing is directly linked to the Group's most recently approved budget, adjusted as needed to exclude the effects of future reorganisations and improvements of assets. A discount rate is established for each CGU which reflects current market assessments of the time value of money, along with risk factors specific to the asset type.

Impairment of a CGU first lowers the carrying amount of any goodwill that has been recognised and allocated to it. Any remaining impairment is deducted proportionally from the other assets in the CGU. With the exception of goodwill, a new assessment is made of all assets to determine whether any impairment loss recognised previously is no longer justified. An impairment loss is reversed (but not for goodwill) if the asset's or CGU's recoverable amount exceeds its carrying amount.

Leases

The Group's lease agreements include properties (rent of premises), vehicle rentals, tools and machinery. Leases are reported in the balance sheet, except for short-term leases (duration of 12 months or less) and leases where the underlying asset is of low value.

When entering into an agreement the Group assesses whether the agreement carries with it the right to control the use of an identified asset for a period of time in exchange for payment; if it does, the agreement is classified as a lease.

The Group reports a right-of-use (lease asset) and a lease liability at the start date of the lease. The right-of-use asset is initially measured at cost, which includes the initial amount of the lease liability adjusted for any lease payments paid before the start date plus any initial direct costs and an estimate of costs for restoring the underlying asset, less any discounts received.

The right-of-use asset is thereafter depreciated on a straight-line basis over its useful life, which is considered to correspond to the lease term. The duration of the Group's lease agreements is typically 3–5 years, except for a limited number of leases for premises, which have a longer duration. The carrying amount of the right-of-use asset is periodically adjusted for certain revaluations of the leasing liability or to recognise any impairment.

The lease liability is initially estimated as the present value of the remaining lease fees, discounted using the rate implicit in the lease or, if it is not possible to determine that rate, using the Group's marginal lending rate. In most cases, the Group uses its marginal lending rate as the discount rate, with the addition of a risk premium for each asset category.

The leasing liability is measured at amortised cost using the effective interest method and is remeasured when changes in future lease payments arise as a result of changes in the index or if the Group changes its assessment of whether it will constitute a purchase, extension or termination of the lease. A corresponding adjustment is made to the reported amount of the value in use, with any surplus over the asset's carrying amount recognised as profit or loss.

The Group has chosen to report short-term leases (agreements with a contract period of less than 12 months) and leases for which the underlying asset has a low value by utilising the practical expedient found in IFRS 16. These are lease agreements for such things as office equipment and certain types of IT equipment. Rather than reporting a right-of-use asset and a lease liability, the lease fees for these types of leases are expensed on a straight-line basis over the lease term.

The Group makes use of extension options in cases where the leases on premises are shorter than three years. The basis for assessment of each lease is each company's marketing plan, which extends for a maximum of three years. The Group considers it reasonably certain that the extension option will be utilised in leases with a duration shorter than three years.

FINANCIAL INSTRUMENTS

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contract for the financial instrument. At initial recognition, a financial asset or a financial liability is measured at its fair value plus or minus transaction costs, with the exception of financial assets or financial liabilities measured at fair value through profit or loss. These are measured at fair value at initial recognition. Subsequent measurement of financial assets and financial liabilities is explained below.

Financial assets are removed from the statement of financial position when the contractual rights associated with the financial asset no longer exist, or when the financial asset and all of the significant risks and advantages have been transferred. A financial liability is removed from the statement of financial position when it has been extinguished, fulfilled or cancelled.

Classification and subsequent valuation of financial assets » Note 12

Subsequent measurement of financial assets is based on the category in which the asset was initially classified. The Group has the following categories of financial assets:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through profit or loss

All financial assets, except those measured at fair value through profit or loss, must be tested for impairment at least at the end of each reporting period to determine whether there is objective evidence of impairment of the financial asset or group of financial assets. Various criteria are used for each category of financial assets to determine whether it is necessary to recognise an impairment loss. This is explained below.

All income and expenses relating to financial assets recognised in profit or loss are classified as "Financial expenses" or "Financial income" except for impairment of accounts receivable, which is recognised within "Other external costs".

Financial assets measured at amortised cost

Financial assets held within the scope of the Group's business model for the purpose of collecting their contractual cash flows (consisting of the principal amount and interest on the principal amount) are classified as financial assets at amortised cost. Loan receivables and accounts receivable are financial assets that are not derivative instruments, with fixed or determinable payments and which are not listed on an active market. After initial recognition they are measured at amortised cost using the effective interest method, after deductions for any impairment. No discounting is applied if the effect of discounting is immaterial. The Group's cash and cash equivalents, accounts receivable and most of its other receivables belong to this category of financial instruments.

For accounts receivable and contract assets, an expected credit loss is applied to calculate the expected credit loss.

Classification and subsequent measurement of financial liabilities

The Group's financial liabilities include loans, accounts payable and other liabilities.

After initial recognition, financial liabilities are measured at amortised cost using the effective interest method. However, this does not apply to financial liabilities measured at fair value through profit or loss. These are recognised at fair value, with any gains or losses recognised in profit or loss after initial recognition. The Group is party to agreements concerning contingent consid-

Note 1, cont.

eration arising in conjunction with acquisitions that are reported at fair value through profit or loss.

The additional consideration to be paid is a contingent consideration typically based on the results of the acquired company over the next few years, either as a binary outcome if a certain level of results is met or as a ladder where the outcome is higher the higher the profit level achieved by the acquired entity over a predetermined future accounting period. Usually the additional consideration is triggered if the conditions are met after one to three years from the acquisition date. At the time of the transaction the additional consideration is measured at fair value by discounting the present value of the likely outcome. The likely outcome is based on the Group's forecasts for each entity and depends on future results achieved in the companies, with a predetermined maximum level.

All interest-related fees and, where applicable, changes in an instrument's fair value that are recognised in profit or loss are included in "Financial expenses" or "Financial income".

Income taxes

The tax expense reported in the income statement consists of the sum of deferred tax and current tax that is not reported in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax rules that have been enacted or substantively enacted at the end of the reporting period. Deferred tax is calculated on all temporary differences in accordance with the balance sheet approach method. The Group does not recognise deferred tax on temporary differences arising from goodwill or investments in subsidiaries.

Equity, reserves and dividends

Share capital represents the nominal value of issued shares. Issued options are classified as equity if they are not mandatorily redeemable, or contain agreements on mandatory payments to the holder.

The share premium reserve includes any premiums received in connection with a new share issue. Any transaction costs associated with the issue of new shares are deducted from the premium, taking into account any income tax effects.

Buyback of treasury shares includes the value of the share at the time of purchase and the amount is reported as a deduction in equity.

Other components of equity include:

- Retained earnings are all capitalised gains and share-based payments for current and previous periods.
- All transactions with owners of the Parent Company are reported separately under equity.

The translation reserve includes all foreign exchange differences arising from the translation of financial statements of foreign operations that have prepared their financial statements in a different currency than the currency in which the consolidated financial statements are presented.

Post-employment benefits

The Group provides post-employment benefits through various pension plans. These are essentially defined contribution plans.

A few employees who are not senior executives have a pension solution in the form of endowment insurance that has been pledged for pension obligations. The asset is defined as a financial instrument measured at fair value through profit or loss (see the separate section on financial instruments). The liability, i.e. the pension obligation, has the same value as the asset, plus additional special payroll tax. The commitment is netted in the consolidated financial statements.

Short-term employee benefits

Short-term employee benefits, including holiday pay, are current liabilities measured at the undiscounted amount that the Group is expected to pay as a result of the unused entitlement. Short-term benefits are expensed as they are earned.

Provisions and contingent liabilities » Note 22

Provisions for product warranties, legal proceedings, loss-making contracts or other claims are recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required and the amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain. Contracts contain warranties for the work that is performed, in accordance with industry practice. The warranty is never a revenue-generating transaction. Warranties are managed by making a provision to a warranty reserve that is the average of the last three years' costs for warranty work. If a major claim arises, it is immediately recognised.

Provisions are measured at the estimated amount required to settle the present obligation, based on the most reliable information available on the closing date, including the risks and uncertainties associated with the present obligation. In cases where there are a number of similar obligations, the probability of an outflow is determined by making an overall assessment of the obligations. Provisions are discounted to their present value whenever the time value of money is material.

No liability is recognised if an outflow of economic resources as a result of present obligations is unlikely. Such situations are recognised as contingent liabilities unless the probability of an outflow of resources is extremely low. For more information on contingent liabilities, see » Note 22.

SIGNIFICANT ESTIMATES AND JUDGMENTS WHEN APPLYING ACCOUNTING PRINCIPLES

Estimates and judgments are continuously evaluated and based on historical experience and other factors, including expectations of future events that are considered reasonable in the current circumstances.

Significant assessments by the Group's management » Note 26

When preparing the financial statements the Group's Board of Directors and CEO make a number of judgments, estimates and assumptions concerning the recognition and measurement of assets, liabilities, income and expenses.

Information about the estimates and assumptions that have the most significant impact on the recognition and measurement of assets, liabilities, revenue and expenses is provided below. The actual outcome may deviate significantly. Assessments made by the Group's management when applying IFRS that have a significant impact on the financial statements and estimates that entail material adjustments in subsequent financial statements are described in more detail in » Note 26.

Impairment of non-financial assets and goodwill » Note 10

When testing for impairment, Group management must calculate the recoverable amount for each asset or cash-generating unit based on expected future cash flows and using an appropriate discount rate for the future cash flows. Uncertainty exists in the assumptions concerning future operating profit and when establishing an appropriate discount rate. For more information on impairment testing, see » Note 10.

Business combinations and fair value measurement » Note 25

The Group is continually acquiring companies, these primarily being small companies individually. No single acquisition is therefore considered material. For each acquisition the acquired company is looked at and assessed based on, among other things, IFRS 3 Business Combinations and IAS 38 Intangible Assets, to identify whether there are acquired intangible assets that should be assigned a value. According to IAS 38, an intangible asset is one that has an intangible value, such as customer relations or order backlog. However, an item with intangible value will not always meet the definition of an intangible asset as per IAS 38. If this is the case, the value is instead included in goodwill. The Group carefully assesses the likelihood of expected future economic benefits based on reasonable, well-founded assumptions that constitute the best assessment of the economic circumstances.

When calculating fair values various measurement techniques are used for the specific assets and liabilities acquired in a business combination. In particular, the fair value of any contingent consideration will depend on the outcome of certain variables such as the acquired company's future profitability.

The Group uses measurement models to calculate the fair value of financial instruments (whenever prices are not available on active markets) and for non-financial assets. This involves making estimates and assumptions that are consistent with how the instrument would be priced in the market. As far as possible, assumptions are based on observable data. However, such data is not always available. Where observable data is not available, the best information that is available is used instead. An estimated fair value may differ from the actual price that could be achieved in a transaction on business terms on the closing date.

Note 1, cont.

For acquisitions, an acquisition structure is typically applied that consists of the basic purchase price and additional contingent consideration. Payment of any additional contingent consideration is based on future results. A higher amount of contingent consideration will thus be paid for companies that achieve higher profits over a specified period of time. The additional contingent consideration is payable within three years of the acquisition date and there is a fixed maximum level. Additional contingent consideration has been measured at fair value. It is classified at Level 3 in the fair value hierarchy and is reported under “Non-current liabilities” and “Other current liabilities” in the balance sheet. For more information on these contingent consideration and business combinations » Note 25

Revenue from construction contracts » Note 15
Recognition of revenue from construction contracts requires management to make material judgments when determining the actual degree of completion, the anticipated costs for completing the work and monitoring the forecast final outcome.

The amount of recognised revenue and associated contract assets for clients reflects Group management’s best assessment of the outcome and percentage of completion for each contract. In more complex contracts there is a considerable amount of uncertainty when assessing the costs for completion and profitability. The Group recognises revenue in its projects over time in accordance with the percentage of completion method. This involves comparing actual expenditure to the total expected expenditure at any given time. The Group has a well-established process for following up on the percentage of completion and total expected costs of each project. This includes monitoring and assessing the risk of losses that could occur in the project.

Environmental and climate-related matters
Risks caused by climate change may have future negative effects on the Group’s operations and activities. These risks include transition risks (e.g. regulatory changes and reputational risks) and physical risks (although the risk of physical damage is low, due to the company’s operations and geographical locations); see also page 46. Society’s green transition to counteract climate change may also have a positive impact on the Group’s operations and activities, as it drives demand for resource-saving installations.

During the year no environmental or climate-related risks have had a material impact on Instalco’s accounting principles or on the financial statements. Management continuously evaluates the effects of climate-related matters.

The Parent Company’s recognition and measurement principles
The Parent Company’s annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. RFR 2 states that, in its annual accounts for the legal entity, the Parent Company is to apply all EU-approved IFRS and opinions to the extent possible without deviating from the Annual Accounts Act and taking into consideration the relationship between accounting and taxation. The recommendation states which exceptions and additions shall be made to IFRS.

The Parent Company’s annual report and financial statements are presented in the company’s reporting currency, which is SEK.

The Parent Company’s recognition and measurement principles are the same as those of the Group, except for what is stated below.

Presentation of the financial statements
The income statement and balance sheet are presented as required by the Annual Accounts Act. Presentation of the statement of changes in equity is the same as for the Group, but must contain the columns specified in the Annual Accounts Act. There are furthermore differences in certain terminology compared to the consolidated financial statements, primarily for financial income and expenses and for equity.

Shares in subsidiaries
Shares in subsidiaries are recognised at cost less any impairment losses. Cost includes acquisition-related expenses and any additional consideration.

Where there is an indication that shares in subsidiaries have decreased in value, a calculation is made of the recoverable amount. An impairment loss is recognised if the recoverable amount is lower than the carrying amount. Impairment losses are recognised in “Income from shares in Group companies”.

Group contributions
All Group contributions made and received are reported as appropriations.

Financial instruments
Financial instruments are recognised at cost. At each closing date the Parent Company assesses whether there is any indication of impairment for any of its financial assets.

An impairment loss is recognised if the decline in value is expected to be lasting. Impairment losses on interest-bearing financial assets reported at amortised cost are calculated as the difference between the asset’s carrying amount and the present value of management’s best estimate of the future cash flows, discounted using the asset’s original effective interest rate. The amount of impairment loss for other financial assets is calculated as the difference between the carrying amount and either the fair value less costs to sell and the present value of management’s best estimation of future cash flows.

Note 2. Revenue breakdown[1]

	2024		
Revenue by significant category	**Contract work**	**Service work**	**Total**
Sweden	6,056	3,371	9,427
Rest of Nordics	2,848	1,415	4,263
Net sales	**8,905**	**4,786**	**13,690**

	2023		
Revenue by significant category	**Contract work**	**Service work**	**Total**
Sweden	6,829	3,134	9,962
Rest of Nordics	3,120	1,197	4,317
Net sales	**9,949**	**4,330**	**14,279**

1) For more detailed information see Note 1 Recognition and measurement principles, under the heading Revenue. For information on contract assets and contract liabilities, see Note 15

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Note 3. Segment reporting

A business segment is a unit in the Group with operations which generate revenue and incur costs, and for which independent financial information is available. The Group's operations are divided into segments based on the companies' geographic location. These segments are Sweden and Rest of Nordics, which are the reportable segments for the Group. The market segmentation carried out reflects a natural delineation, with equivalent revenue streams and cost structures within the Group. The CEO of the Group, who is the company's chief operating decision-maker, monitors the performance of the operations and decides on resource allocation based on the services performed and the goods sold within each segment and geography. Internal pricing within the Group is on market terms.

The segments are evaluated based on net sales and EBITA. Net sales consist of external revenue from customers, most of which is recognised over time.

The part of the operations that does not meet the definition of a business segment is referred to as "Group-wide". At Instalco this consists of the Parent Company and the two holding companies that are at the highest level of the Group.

The breakdown of segments is as follows for the current reporting periods:

2024	Sweden	Rest of Nordics	Other	Total
Net sales	9,427	4,263	–	13,690
EBITA	613	265	0	879
Amortisation and impairment of intangible assets	-71	-118	–	-189
Net financial income	-11	-9	-184	-204
Earnings before taxes	**531**	**139**	**-184**	**486**
Other information				
Goodwill	3,495	1,806	–	5,301
Other tangible and intangible assets	1,000	533	8	1,540
Total tangible and intangible assets	**4,495**	**2,339**	**8**	**6,841**

2023	Sweden	Rest of Nordics	Other	Total
Net sales	9,962	4,317	–	14,279
EBITA	833	253	–	1,085
Amortisation and impairment of intangible assets	-88	-98	-	-186
Net financial income	-11	-	-96	-107
Earnings before taxes	**734**	**154**	**-96**	**792**
Other information				
Goodwill	3,488	1,799	-	5,287
Other tangible and intangible assets	1,123	574	3	1,700
Total tangible and intangible assets	**4,611**	**2,373**	**3**	**6,987**

Revenue from external customers by country, based on where the companies are located:

	2024	2023
Sweden	9,427	9,962
Norway	2,671	2,767
Finland	1,592	1,549
Total	**13,690**	**14,279**

Property, plant and equipment, which does not include financial instruments or deferred tax assets (there are no assets in connection with post-employment benefits or rights under insurance contracts), are distributed by country as follows:

	31/12/2024	31/12/2023
Sweden	733	565
Norway	193	154
Finland	163	174
Total	**1,089**	**893**

The Instalco Group does not have revenue from any single customer amounting to 10 percent or more, which is why no information has been provided on this.

Note 4. Remuneration of auditor

Expensed amount and other remuneration amounts to:	Group		Parent Company	
	2024	**2023**	**2024**	**2023**
Grant Thornton				
Audit engagement	20	19	2	2
Audit activities in addition to the auditing engagement	1	1	0	0
Tax advice	0	0	0	0
Other services	0	1	0	0
Other audit companies				
Audit engagement	0	1	–	–
Audit activities in addition to the auditing engagement	0	0	–	–
Tax advice	0	0	–	–
Other services	1	1	–	–
Total	**23**	**23**	**2**	**2**

The audit engagement refers to the fees for the statutory audit, that is, such work that has been necessary to issue the auditor's report, as well as so-called audit advice provided in connection with the audit engagement. Other audit firms consist of several audit firms where none accounts for a material item in 2024 or the previous year.

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Note 5. Personnel costs and employees

The breakdown of costs recognised for remuneration of employees is as follows:

	Group		Parent Company	
	2024	2023	2024	2023
Salaries – Board and CEO	9	9	9	9
Salaries – other employees	3,502	3,333	–	6
Pensions, defined contribution – CEO	2	2	2	2
Pensions, defined contribution – other employees	318	296	0	1
Other social security contributions	903	858	3	5
Total	**4,734**	**4,498**	**14**	**23**

Expensed remuneration and other benefits to the Board of Directors, CEO and other senior executives:

	2024				2023			
SEK 000s	Basic salary/ Board fee[1]	Variable remuneration	Other benefits[2]	Total	Basic salary/ Board fee[1]	Variable remuneration	Other benefits[2]	Total
Per Sjöstrand, Chairman of the Board[3]	543	–	37	580	633	–	89	722
Jonny Alvarsson	325	–	–	325	315	–	–	315
Camilla Öberg	480	–	–	480	465	–	–	465
Per Leopoldsson	403	–	–	403	390	–	–	390
Carina Qvarngård	403	–	–	403	390	–	–	390
Carina Edblad	325	–	–	325	315	–	–	315
Ulf Wretskog, joined the Board on 11 May 2023	325	–	–	325	160	–	–	160
Robin Boheman, CEO	4,631	1,134	78	5,843	4,408	1,700	86	6,194
Other senior executives[4]	16,066	3,725	618	20,409	16,099	3,900	676	20,675
Total	**23,501**	**4,859**	**733**	**29,093**	**23,175**	**5,600**	**851**	**29,626**

1) Board fee was paid as salary.
2) Other benefits consist of car allowance, fuel subsidy and health insurance.
3) In addition to Board fees, previously agreed upon consulting fees were paid to Kreativo AB (Per Sjöstrand) amounting to SEK 515,000.
4) At the end of the period other senior executives consisted of 7 (8) individuals, which includes 1 (1) woman.

Number of employees

	Group		Parent Company	
	2024	2023	2024	2023
Average number of employees	6,145	5,986	1	3
Of which women	427	434	1	1
Of which women, %	7	7	–	33

Average number of employees by country is as follows:

	The Group 2024		The Group 2023	
	Total	Of which women	Total	Of which women
Sweden	4,201	309	4,391	311
Norway	1,222	76	937	56
Finland	722	49	658	67
Total	**6,145**	**434**	**5,986**	**434**

Remuneration of the Board, CEO and other senior executives along with information about preparatory and decision processes

The guidelines for remuneration of senior executives that was applicable for the 2024 financial year were adopted at the 2022 AGM.

The principle for remuneration of the Board of Directors, CEO and Group management is that it must be competitive. The Nominating Committee submits a proposal to the AGM on Board fees. Board fees are then based on the AGM decision.

For remuneration of the CEO, Group management and other senior executives at the Group, the Board has set up a Remuneration Committee which performs its duties as an integral part of the work on the Board work. Remuneration of the CEO and other senior executives consists of fixed salary, variable remuneration and customary employment benefits. In addition, there are pension benefits and incentive programmes as described below. The Remuneration Committee takes into consideration the guidelines for remuneration of senior executives that were decided by the Instalco AB AGM

In 2024, the company followed the applicable guidelines without deviation. Neither was there any deviation from the decision process specified by the guidelines for establishing remuneration. The guidelines are published in full on Instalco's website.

Board of Directors

At the end of the period the Board consisted of 7 (7) ordinary members, of which 3 (3) women. The total Board fees set by the AGM, amounting to SEK 2,960,000 (2,860,000) , are distributed in accordance with the AGM's decision. In addition to Board fees, consulting fees amounting to SEK 0 (515,000) were paid to Kreativo AB (Per Sjöstrand) in accordance with the agreement.

CEO and Group management

Salary and other remuneration of the CEO and Group management during the financial year is presented in the table. Severance pay of up to 12 months' salary may be paid to the Chief Executive Officer, of which up to half is non-offsettable. Besides the obligations to pay ongoing remuneration in the form of salary, pension and other benefits, there are no other previously decided benefits that have not fallen due for payment.

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Note 5, cont.

Outstanding long-term share-related incentive programmes

At the end of the financial year, Instalco had three outstanding warrant programs corresponding to a total of 7,300,000 shares that are directed to the extended management team, CEOs of subsidiaries and other key individuals in the Group. The purpose of long-term share incentive programmes is to create the conditions for boosting the motivation of key employees (individuals that the Group has identified as important and trusted) over the short and long term. The Board is of the opinion that an incentive program in line with the present proposal is advantageous to the Group and the company's shareholders.

LTI 2024

The Instalco AGM on 5 May 2024 resolved to implement an incentive program for the Group's senior executives and other key individuals by issuing warrants providing the right to subscribe for new shares in the company. If all the warrants are fully subscribed, a maximum of 2,350,000 new shares may be issued, corresponding to a dilutive effect of around 0.9 percent of both the current number of shares outstanding and the maximum number of additional shares from previous programs, subject to any recalculation of the number of shares that each warrant entitles the holder to subscribe for. Each warrant entitles the holder to subscribe for one new share in the company at an exercise price corresponding to 115 percent of the volume-weighted average price according to Nasdaq Stockholm's official listed prices for the share over the five banking days following the 2024 AGM.

The warrants have been transferred on market terms at a price (premium) that was based on an estimated market value of the warrants as established by an independent valuation institute using the Black–Scholes calculation model.

Warrant holders may notify their intent to subscribe for shares during the period 24 May 2027 to 18 June 2027, or an earlier date that could arise in certain circumstances as explained in the terms and conditions that apply to the warrants.

LTI 2023

The Instalco AGM on 5 May 2023 resolved to implement an incentive program for the Group's senior executives and other key individuals by issuing warrants providing the right to subscribe for new shares in the company. If all the warrants are fully subscribed, a maximum of 2 350 000 new shares may be issued, corresponding to a dilutive effect of around 0.9 percent of both the current number of shares outstanding and the maximum number of additional shares from previous programs, subject to any recalculation of the number of shares that each warrant entitles the holder to subscribe for. Each warrant entitles the holder to subscribe for one new share in the company at an exercise price corresponding to 115 percent of the volume-weighted average price according to Nasdaq Stockholm's official listed prices for the share over the five banking days following the 2023 AGM.

The warrants have been transferred on market terms at a price (premium) that was based on an estimated market value of the warrants as established by an independent valuation institute using the Black–Scholes calculation model.

Warrant holders may notify their intent to subscribe for shares during the period 22 May 2026 to 16 June 2026, or an earlier date that could arise in certain circumstances as explained in the terms and conditions that apply to the warrants.

LTI 2022

The Instalco AGM on 5 May 2022 resolved to implement an incentive program for the Group's senior executives and other key individuals by issuing warrants providing the right to subscribe for new shares in the company. If all 2,600,000 warrants are fully subscribed, a maximum of 2,600,000 new shares may be issued, corresponding to a dilutive effect of around 1 percent of the number of shares outstanding and the maximum number of additional shares from previous programs based on the share capital and votes at the time of the decision, subject to any recalculation of the number of shares that each warrant entitles the holder to subscribe for. Each warrant entitles the holder to subscribe for one new share in the company at an exercise price corresponding to 115 percent of the volume-weighted average price according to Nasdaq Stockholm's official listed prices for the share over the five banking days following the 2022 AGM. The warrants have been transferred on market terms at a price (premium) that was based on an estimated market value of the warrants as established by an independent valuation institute using the Black–Scholes calculation model.

Warrant holders may notify their intent to subscribe for shares during the period 22 May 2025 to 16 June 2025, or an earlier date that could arise in certain circumstances as explained in the terms and conditions that apply to the warrants.

Outstanding share-related incentive programmes:

Outstanding programme	Number of options	Corresponding number of shares	Percentage of total number of shares	Price per option	Exercise price per option	Exercise period
2022/2025	2,600,000	2,600,000	1.00	SEK 7.80	SEK 50.92	22 May 2025–16 June 2025
2023/2026	2,350,000	2,350,000	0.90	SEK 2.09/7.27	SEK 64.90	22 May 2026–16 June 2026
2024/2027	2,350,000	2,350,000	0.90	SEK 7.74	SEK 44.32	24 May 2027–18 june 2027

Note 6. Income from shares in Group companies

	Parent Company	
	2024	2023
Dividends	55	175
Total	**55**	**175**

Note 7. Financial expenses/Interest expense and similar profit or loss items

	Group		Parent Company	
	2024	2023	2024	2023
Interest expense, external	162	151	8	7
Exchange losses	34	20	–	–
Other	39	28	2	1
Total	**235**	**199**	**10**	**8**

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Note 8. Taxes

The most important components of the tax expense for the financial year and the relationship between the expected tax expense based on the Swedish effective tax rate of 20.6 (20.6) percent and the reported tax expense in the income statement are as follows:

	Group		Parent Company	
	2024	2023	2024	2023
Earnings before taxes	486	**792**	54	**174**
Tax according to the current tax rate in Sweden, 20.6%	–100	–163	–11	–36
Difference attributable to foreign tax rates	–1	–1	–	–
Adjustment of prior years' tax	1	1	–	–
Adjustment tax expense acquired companies	0	0	–	–
Non-taxable income	8	26	11	36
Non-deductible expenses	–10	–22	–2	–1
Losses for the year for which no deferred tax asset has been recognised	–24	–17	–	–
Value of prior years' loss carryforwards	–	–	–	–
Loss carryforward utilised during the year, not previously recognised as an asset	0	2	–	–
Other	5	–3	1	2
Reported tax in the income statement	**–122**	**–177**	**0**	**1**

Tax for the year amounted to SEK -122 (-177) million and the effective tax rate was 25 (22) percent. The total tax loss for which no deferred tax asset is recognised amounts to SEK 117 million.

Tax expense comprises the following components:

	Group		Parent Company	
	2024	2023	2024	2023
Current tax				
On profit (loss) for the year	–178	–220	0	1
Adjustment of prior years' tax	0	–1	–	–
Deferred tax expense/ income				
Change in temporary differences	27	43	–	–
Untaxed reserves	–	–	–	–
Change in tax loss carryforwards	29	1	–	–
Reported tax in the income statement	**–122**	**–177**	**0**	**1**

For the Group and the Parent Company, there is no deferred tax expense (income) in other comprehensive income.

Reported deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to:

	31/12/2024		31/12/2023	
Change during the year:	**Deferred tax asset**	**Deferred tax liability**	**Deferred tax asset**	**Deferred tax liability**
Intangible assets	–	–92	–	–123
Property, plant and equipment	0	–4	0	–5
Financial assets	0	–	0	–
Inventories	1	–	0	–
Current receivables	2	–	2	–
Project provisions	–	–82	–	–72
Warranty provisions	2	–	2	–
Untaxed reserves	–	–180	–	–185
Unutilised loss carryforwards	47	–	18	–
Other	0	0	0	0
Total	**53**	**–358**	**22**	**–386**
Tax assets and liabilities, net		**–305**		**–364**

		Reported in			
Change during the year:	**01/01/2024**	**Income statement**	**Equity**	**Associated with acquisitions**	**31/12/2024**
Intangible assets	–121	33	–	–3	–92
Property, plant and equipment	–5	1	–	–	–4
Financial assets	0	0	–	–	0
Inventories	0	1	–	–	0
Current receivables	2	0	–	–	2
Project provisions	–73	–16	7	–	–83
Warranty provisions	2	0	–	–	2
Untaxed reserves	–187	7	–	–	–180
Unutilised loss carryforwards	18	29	–	2	47
Other	–	–	–	–	–
Total	**–364**	**56**	**–**	**–3**	**–304**

		Reported in			
Change during the year:	**01/01/2023**	**Income statement**	**Equity**	**Associated with acquisitions**	**31/12/2023**
Intangible assets	–108	39	–	–52	–121
Property, plant and equipment	–6	1	–	–	–5
Financial assets	0	0	–	–	0
Inventories	0	0	–	–	0
Current receivables	0	2	–	–	2
Project provisions	–32	–13	–	–28	–73
Warranty provisions	1	1	–	0	2
Untaxed reserves	–174	2	–	–14	–187
Unutilised loss carryforwards	1	15	–	2	18
Other	3	–3	–	–	–
Total	**–315**	**44**	**–**	**–93**	**–364**

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Note 9. Earnings per share

Earnings per share

Both basic and diluted earnings per share have been calculated using the profit attributable to the shareholders of the Parent Company as the numerator, i.e. no adjustments to the profit needed to be made in 2024 or 2023.

The weighted average number of shares used to calculate diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

Earnings attributable to owners of ordinary shares	2024	2023
Earnings attributable to Parent Company shareholders as per the income statement	345	601
Earnings attributable to owners of ordinary shares, baisc and after dilution	345	601

Number of shares, 000s	2024	2023
Weighted average number of shares used in the calculation for basic earnings per share	264,107	262,539
Weighted average number of shares used in the calculation for diluted earnings per share	264,107	265,726

Note 10. Goodwill and other intangible assets

	Group			
31/12/2024	**Goodwill**	**Customer relations**	**Other intangible assets**	**Total**
Opening accumulated cost	5,310	934	17	6,261
Investments for the year	1	0	3	4
Acquisition of subsidiaries	26	15	–	41
Sales/disposals	–24	–	–	–24
Impairments	–29	–	–	–29
Reclassifications	9	–	–	9
Exchange differences	8	0	0	8
Closing accumulated cost	**5,301**	**949**	**20**	**6,270**
Opening accumulated amortisation	–23	–346	–10	–378
Amortisation for the year	–	–159	–3	–191
Impairments	22			22
Exchange differences	1	0	0	1
Closing accumulated amortisations	**0**	**–505**	**–13**	**–518**
Carrying amount	**5,301**	**444**	**7**	**5,752**

	Group			
31/12/2023	**Goodwill**	**Customer relations**	**Other intangible assets**	**Total**
Opening accumulated cost	4,649	700	12	5,361
Investments for the year	19	0	5	24
Acquisition of subsidiaries	763	254	0	1,017
Sales/disposals	–51	–	–	–51
Reclassifications	1	–	–	1
Exchange differences	–71	–20	0	–91
Closing accumulated cost	**5,310**	**934**	**17**	**6,261**
Opening accumulated amortisations	–39	–163	–7	–209
Amortisation for the year	0	–188	–3	–191
Sales/disposals	15	–	–	15
Reclassifications	1	–	–	1
Exchange differences	0	5	0	5
Closing accumulated amortisations	**–23**	**–346**	**–10**	**–379**
Carrying amount	**5,288**	**588**	**7**	**5,882**

Impairment testing of goodwill

The Group's reported goodwill amounts to SEK 5,301 (5,288) million. Goodwill within the Group is not monitored at levels lower than the two geographic business areas, which are Sweden and Rest of Nordics. Impairment testing is thus at this level. These geographic markets coincide with the Group's business segments. Instalco started its growth in the Sweden segment, which is also the dominant market. Growth in the Rest of Nordics segment has taken place using the same business model and utilising experience gained in the Sweden segment.

Impairment testing is carried out on a segment level since Instalco's subsidiaries are integrated into the Group's business model, collaborative culture and values to such an extent that assets and cash flows cannot be distinguished at a lower level. Within the segments there is close collaboration and a sharing of knowledge and experience. The companies have opportunity to reach new customers and projects that an individual company would not have been able to win or carry out on its own. In many cases more than one company works on the same multidisciplinary project, and companies also submit joint tenders and share resources. Goodwill is distributed as follows: SEK 3,495 (3,488) million Sweden and SEK 1,806 (1,799) million Rest of Nordics.

An impairment loss of SEK 29 million was recognised during the period. The impairment is a result of closing down underperforming companies in the fourth quarter. No other impairment losses were identified during the period. The most recent impairment testing was done December 2024.

The recoverable amount has been calculated based on the value in use, the starting point being a current assessment of the cash flows for the coming years. Forecasted earnings and investments in working capital and fixed assets for the next financial year, 2025, are based on previous outcomes and experiences. The forecast is prepared on the basis of a relatively detailed budgeting process for the various parts of the Group. The main components of the cash flow are sales, various operating expenses and investments in working capital.

Material assumptions made when calculating value in use are described below:

- The sales forecast is based on assessments using factors such as the order book, business climate and market situation. The operating margins are based on historical operating margins.
- The forecast for operating expenses is based on current salary agreements and previous years' levels of gross margin and overheads, adapted to an

Note 10, cont.

- expectation for the coming year based on aspects such as those mentioned for the sales forecast.
- The annual growth volume for year 1 is assessed using the subsidiaries' forecasts and for the years after that using a constant rate of 2 (2) percent. These calculations are based on estimated future cash flows before tax according to financial forecasts approved by the management which cover a five-year period and have a significant effect on the valuation.
- The discount rate before tax used to calculate the present value of estimated future cash flows is 10.2 (11.6) percent for segment Sweden and 10.2 (11.6) percent for the Rest of Nordics segment.

The significant assumptions with the greatest effect on the recoverable amount are gross margin, discount rate and long-term growth rate, the gross margin being most important. No reasonably possible change in key assumptions would cause the carrying amount of any of the above CGUs for them to exceed their recoverable amount. Neither a 1 percentage point increase in the discount rate, a 1 percentage point reduction in long-term growth, nor a 1 percentage point lower margin would result in any impairment. The margin to impairment is thus acceptable for the geographic business areas and no reasonably possible changes in the above-mentioned input data are judged to result in impairment.

Other impairment testing

When warranted, other intangible assets are tested for impairment according to the same principles as for goodwill. No events or changes in circumstances have been identified that indicate impairment of other intangible assets that are amortised.

Note 11. Property, plant and equipment

	Group		
31/12/2024	**Other non-current assets**	**Right-of-use assets**	**Total**
Opening accumulated cost	434	1,323	1,757
Investments for the year	121	291	412
Acquisition of subsidiaries	8	1	8
Sales/disposals	–25	–217	–242
Reclassifications	-19	–	-19
Exchange differences	3	1	4
Closing accumulated cost	**522**	**1,399**	**1,920**
Opening accumulated depreciation	–84	–560	–645
Depreciation for the year	–74	-323	-397
Sales/disposals	19	181	200
Reclassifications	12	–	12
Exchange differences	-2	0	-1
Closing accumulated depreciation	**–130**	**–701**	**–831**
Carrying amount	**392**	**698**	**1,089**

	Group		
31/12/2023	**Other non-current assets**	**Right-of-use assets**	**Total**
Opening accumulated cost	221	985	1,207
Investments for the year	82	488	570
Acquisition of subsidiaries	165	1	166
Sales/disposals	–28	–136	–164
Reclassifications	0	0	0
Exchange differences	–6	–16	–21
Closing accumulated cost	**434**	**1,322**	**1,756**
Opening accumulated depreciation	–44	–417	–461
Depreciation for the year	–64	–263	–326
Sales/disposals	20	114	134
Reclassifications	0	–	0
Exchange differences	3	5	9
Closing accumulated depreciation	**–84**	**–560**	**–645**
Carrying amount	**350**	**762**	**1,112**

The carrying amount of other tangible assets consists of equipment and tools SEK 309 (277) million, vehicles at SEK 67 (59) million, and buildings at SEK 16 (14) million.

Right-of-use assets refers to leased assets in accordance with IFRS 16, consisting of buildings (rental premises) of SEK 402 (494) million, vehicles of SEK 262 (208) million and other (tools/machinery) at SEK 34 (61) million. The year's depreciation of right-of-use assets was SEK 149 (119) million for buildings, SEK 135 (106) million for vehicles and SEK 38 (38) million for tther (tools/machinery). Total interest expense amounted to SEK 27 (17) million. The Group has excluded short-term leases and leases where the underlying asset is low value; these total SEK 56 (67) million. For information on options to extend, see Note 1 Accounting principles, Leases.

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Note 12. Financial assets and liabilities

Categories of financial assets and liabilities

The information on accounting principles contains a description of each category of financial assets and liabilities, along with the associated accounting principles. The carrying amounts for financial assets and liabilities are as follows:

Financial assets

	Group		
31/12/2024	Fair value through profit or loss	Amortised cost	Total
Securities held as non-current assets	33	–	33
Non-current receivables	–	7	7
Accounts receivable	–	1,943	1,943
Current receivables (portion of)	–	245	245
Cash and cash equivalents	–	208	208
Total	**33**	**2,402**	**2,435**

Financial liabilities

	Group		
31/12/2024	Fair value through profit or loss	Amortised cost	Total
Long-term borrowing	–	2,977	2,977
Short-term borrowing	–	6	6
Accounts payable and other liabilities	–	905	905
Contingent consideration	180	–	180
Lease liabilities	–	674	674
Current payables (portion of)	–	12	12
Total	**180**	**4,573**	**4,753**

1) The liability measured at fair value through profit or loss refers to contingent consideration. For more information, see Note 25.

Financial assets

	Group		
31/12/2023	Fair value through profit or loss	Amortised cost	Total
Securities held as non-current assets	49	–	49
Non-current receivables	–	8	8
Accounts receivable	–	2,091	2,091
Current receivables (portion of)	–	306	306
Cash and cash equivalents	–	267	267
Total	**49**	**2,673**	**2,722**

Financial liabilities

	Group		
31/12/2023	Fair value through profit or loss	Amortised cost	Total
Long-term borrowing	–	2,972	2,972
Short-term borrowing	–	6	6
Accounts payable and other liabilities	–	1,052	1,052
Contingent consideration	349	–	349
Lease liabilities	–	739	739
Current payables (portion of)	–	13	13
Total	**349**	**4,782**	**5,131**

1) The liability measured at fair value through profit or loss refers to contingent consideration. For more information, see Note 25.

Borrowing

Borrowing includes the following financial liabilities:

	Group	
Long-term borrowing	**31/12/2024**	**31/12/2023**
Liabilities to credit institutions	2,977	2,972
	2,977	**2,972**

	Group	
Short-term borrowing	**31/12/2024**	**31/12/2023**
Liabilities to credit institutions	6	6
	6	**6**

At the closing date the Group's credit facilities amounted to SEK 3,850 (3,950) million, consisting of a bank overdraft of SEK 450 (550) million and other agreed credit facilities of SEK 3,400 (3,400) million. During the year the bank overdraft increased by SEK -100 (250) million and other agreed credit facilities increased by SEK 0 (0) million. At the closing date the Group had utilised SEK 0 (0) million of the bank overdraft and SEK 2,950 (2,950) million of the other credit facilities. Unutilised overdraft facilities and other credit facilities amounted to SEK 900 (1,000) million.

The Group's credit facility of SEK 3,400 million was extended in Q3 2024 on unchanged terms, with a duration of two years until 2026. At year-end the maximum remaining time until maturity was 20 (32) months. The credit facility has an underlying base rate with a margin step-up based on net debt. Instalco has two KPIs as covenants, these being EBITDA/net financial items and interest coverage, both of which have been met with a margin. The facility is linked to Instalco's sustainability program and the three key metrics, the number of Sustainable Instalco Project, apprentices, and electric and plug-in hybrid vehicles.

Fair value

Financial instruments measured at fair value are classified in a fair value hierarchy. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as quoted prices) or indirectly (i.e. derived from quoted prices) (Level 2).
- Data for the asset or liability that is not based on observable market data (i.e. unobservable inputs) (Level 3).

Financial instruments measured at fair value in the balance sheet and classified at Level 2 in the fair value hierarchy include other securities held as non-current assets.

Contingent consideration that has been measured at fair value in the balance sheet is classified at Level 3 in the fair value hierarchy. For information on measurement models and changes in fair value. » Note 25

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Note 12, cont.

Fair value for long-term borrowing as below:

	Group	
Long-term borrowing	**31/12/2024**	**31/12/2023**
Fair value	3,085	3,231
	3,085	**3,231**

Fair value is based on discounted cash flows using a discount rate based on the lending rate and is at Level 3 in the fair value hierarchy.

The fair value of short-term borrowing and other financial instruments is essentially the same as the carrying amounts.

Reconciliation of liabilities to credit institutions arising from financing activities

	Group		
	Non-current liabilities	**Current liabilities**	**Total**
01/01/2024	**2,972**	**4**	**2,976**
Affecting cash flow			
New loans	600	2	602
Repayment of loans	–618	–	-618
Not affecting cash flow:			
Acquisitions	2	–	2
Exchange differences	21	–	21
31/12/2024	**2,977**	**6**	**2,983**

Reconciliation of lease liabilities arising from financing activities

	Group		
	Non-current liabilities	**Current liabilities**	**Total**
01/01/2024	**510**	**233**	**744**
Changes during the year			
Cash flow	–	–318	-318
New agreements	–	278	278
Acquired agreements	–	–1	–1
Other changes	–14	-16	-30
Exchange differences	2	0	2
Transfer between current and non-current liabilities	-86	86	–
31/12/2024	**411**	**263**	**674**

Reconciliation of liabilities to credit institutions arising from financing activities

	Group		
	Non-current liabilities	**Current liabilities**	**Total**
01/01/2023	**2,569**	**4**	**2,573**
Affecting cash flow			
New loans	650	–	650
Repayment of loans	–361	–	–361
Not affecting cash flow:			
Acquisitions	107	–	107
Exchange differences	7	–	7
31/12/2023	**2,972**	**4**	**2,976**

Reconciliation of lease liabilities arising from financing activities

	Group		
	Non-current liabilities	**Current liabilities**	**Total**
01/01/2023	**371**	**180**	**551**
Changes during the year			
Cash flow	–	–264	–264
New agreements	–	480	480
Acquired agreements	–3	–1	–4
Other changes	–11	–9	–20
Exchange differences	–	1	1
Transfer between current and non-current liabilities	155	–155	–
31/12/2023	**511**	**233**	**744**

Note 13. Shares in Group companies

Instalco AB owns 203 (194) legal entities, either directly or indirectly. Included in the Group is the direct holding in the subsidiary Instalco Holding AB with a carrying amount of SEK 1,375 (1,375) million.

			Parent Company	
Name/registered office	**Segment**	**Number of shares**	**Holding, % 2024**	**Holding, % 2023**
Instalco Holding AB, Stockholm	Other	437,730	100	100

All of the subsidiaries run operations in the installation industry.

	Parent Company	
Change during the year:	**31/12/2024**	**31/12/2023**
Opening accumulated cost	1,375	1,375
Closing accumulated cost	1,375	1,375
Carrying amount	**1,375**	**1,375**

Note 14. Accounts receivable

Ageing analysis of accounts receivable and expected credit losses on doubtful debts.

	Group	
	31/12/2024	31/12/2023
Accounts receivable, gross	2,015	2,115
Provision for doubtful debts	–72	–24
Accounts receivable	**1,943**	**2,091**

	Group	
	31/12/2024	31/12/2023
Accounts receivable, not yet due for payment	1,538	1,617
Accounts receivable, 0–3 months past due	334	396
Accounts receivable, more than 3 months past due	143	102
Expected credit losses	–72	–24
Total	**1,943**	**2,091**

Changes in provision for doubtful debts for the Group are as follows:

	Group	
	31/12/2024	31/12/2023
At 1 January	24	32
Acquired doubtful debts	0	1
Provision for doubtful debts	58	6
Receivables written off during the year as bad debts	–8	–17
Reversal of unutilised amount	–2	2
At 31 December	**72**	**24**

Carrying amounts for the Group's accounts receivable, by currency:

	Group	
	31/12/2024	31/12/2023
SEK	1,350	1,458
NOK	435	500
EUR	158	134
Total	**1,943**	**2,091**

For more information » Note 26.

Note 15. Contract assets and contract liabilities

	Group	
	31/12/2024	31/12/2023
Contract assets – Receivables from clients	648	628
Contract liabilities – Liabilities to clients	–528	–549
Net amount in the balance sheet	**120**	**79**

Contract assets primarily relate to the Group's right to compensation for work performed but not invoiced at the balance sheet date for service and installation contracts.

Contract assets are transferred to accounts receivable when the right to invoice exists.

Contract liabilities primarily refer to advances that have been received from customers for future services and installation work, for which revenue is recognised over time. All contract liabilities recognised as a contract liability at the start of the period have been recognised as revenue in 2024.

Performance commitments not met at year-end amounted to SEK 9,002 (8,437) million, of which 69 (68) percent of the revenue is expected to be recognised within 12 months, 30 (22) percent in the following 12 months and 2 (7) percent thereafter.

Note 16. Cash and cash equivalents and short-term investments

	Group	
Cash and cash equivalents consist of:	**31/12/2024**	**31/12/2023**
Cash at banks and on hand:		
– SEK	–361	–286
– EUR	179	355
– NOK	386	194
– Other	3	5
Short-term investments	–	–
Total	**208**	**267**

Cash and cash equivalents

Cash and cash equivalents consist of cash and available balances at banks and equivalent institutions, together with other short-term liquid investments maturing within 90 days of the acquisition which can easily be converted into known amounts of cash and which are exposed to only a minor risk of value change.

Note 17. Equity – share capital

At year-end the number of shares amounted to 264,107,025 (264,107,025) with a nominal value of SEK 0.003 per share. All shares belong to the same class, with equal voting rights and shares in the company's equity and profits. At year-end the company's holdings of treasury shares amounted to 310,545 (310,545). The net number of Class B shares, after deducting repurchased shares, is 263,796,480 (263,796,480). Share buybacks are recognised as a deduction from equity. Any transaction costs are recognised directly in equity.

Subscribed and paid-up shares (000s):	31/12/2024	31/12/2023
At the beginning of the year	264,107	260,564
New share issue in connection with acquisitions and conversions of warrants	–	3,543
Total at year-end	**264,107**	**264,107**

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Note 18. Provisions

All provisions are reported as current in the Group and Parent Company in the item "Provisions". The carrying amounts and changes in provisions are as follows:

	Group	
Change during the year:	**31/12/2024**	**31/12/2023**
Opening carrying amount	25	24
Additional provisions	3	1
Closing carrying amount	**28**	**25**

Parent Company	
Carrying amount on 31 December 2023	0
Carrying amount by 31 December 2024	0

Provisions reported as at the acquisition date in a business combination are included in "Additional provisions" above.

Provisions relate to various legal and other claims from customers, such as guarantees under which customers are compensated for repair costs.

Typically, these claims are settled within 3 to 18 months of when they are made, depending on the claims settlement process for each type of claim. As the settlement dates of these claims largely depend on how quickly negotiations with the various counterparties and legal authorities progress, the Group is not able to reliably assess the amounts that will eventually be paid out more than 12 months from the closing date. For this reason, the amount is classified as "current" in the consolidated financial statements.

Note 19. Liabilities to credit institutions/lease liabilities

Of the liability items listed below, the amounts owed to credit institutions and most of the lease liabilities fall due for payment within five years. Of the total lease liabilities, SEK 51 million falls due for payment after more than five years. A table showing the maturity structure is provided in Note 26.

	Group		Parent Company	
	31/12/2024	**31/12/2023**	**31/12/2024**	**31/12/2023**
Non-current				
Liabilities to credit institutions	2,977	2,972	145	146
Lease liabilities	411	507	–	–
Total	**3,388**	**3,480**	**145**	**149**
Current				
Liabilities to credit institutions	6	6	–	–
Lease liabilities	263	232	–	–
Total	**269**	**238**	**–**	**–**

Note 20. Accounts payable

Carrying amounts for accounts payable categorised by currency are as follows:

	Group		Parent Company	
	31/12/2024	**31/12/2023**	**31/12/2024**	**31/12/2023**
SEK	670	777	0	1
NOK	146	182	–	–
EUR	89	92	–	–
Total	**905**	**1,052**	**0**	**1**

Note 21. Accrued expenses and deferred income

	Group		Parent Company	
	31/12/2024	**31/12/2023**	**31/12/2024**	**31/12/2023**
Employee-related costs	724	729	5	7
Interest	12	13	1	1
Other items	75	55	1	2
Carrying amount	**811**	**796**	**7**	**10**

Note 22. Pledged assets and contingent liabilities

	Group	
Pledged assets	**31/12/2024**	**31/12/2023**
For own provisions and liabilities:		
Liabilities to credit institutions		
Chattel mortgages	46	66
Pledged accounts receivable	5	–
Other pledged assets	64	64
Pledged assets for Group companies:		
Other pledged assets	2	1
Other pledged assets:		
Chattel mortgages	51	67
	168	**198**
Contingent liabilities		
Performance guarantees	1,000	886
	1,000	**886**

The parent company Instalco AB has provided guarantees on behalf of subsidiaries amounting to SEK 2,800 (2,800) million. Performance guarantees include parent company guarantees of SEK 966 (869) million. Parent company guarantees refer to guarantees for subsidiaries' contracts.

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Note 23. Transactions with related parties

The Instalco Group's related parties are primarily its senior executives. For information on remuneration of senior executives, see » **Note 5**. There have been no transactions with related parties that have had a material impact on the Group's financial position or earnings.

Investments with, and borrowing from, Group companies have been on market terms.

The Parent Company Instalco AB (publ) is a related party of other companies in the Group. For more information on material transactions that have impacted the Parent Company, see » **Note 6**.

Note 24. Adjustments not impacting cash flow and changes in working capital

The following adjustments not impacting cash flow and adjustments for changes in working capital have been made to earnings before tax in order to arrive at the cash flow from operating activities:

Depreciations/amortisations and impairments of non-financial items	Group		Parent Company	
	2024	2023	2024	2023
Depreciation/amortisation	560	517	–	–
Goodwill impairment	29	–	–	–
Change in accrued interest	-1	4	0	0
Provisions	5	–1	–	–
Impairment of accounts receivables	69	12	–	–
Unrealised effects from exchange rates	27	–35	–	–
Capital gain (loss) from financial items	7	–31	–	–
Capital gain (loss) from non-financial items	–30	–21	–	–
Other adjustments	-12	0	0	0
Total	**654**	**445**	**0**	**0**

Note 25. Business acquisitions

Instalco made the following acquisitions in 2024:

Entity acquired (divested)	Area of technology	Segment	Date of acquisition	Share of equity, %	Assessed annual sales, SEK m	Number of employees
Lund Elektro AS	Electrical	Rest of Nordics	March	100%	15	9
IT-Line Service Oy	Industrial	Rest of Nordics	August	100%	40	33
Add-on acquisitions						
Solyx AB	Electrical	Sweden	February	70%	14	5
Total					**69**	**47**

On November 13, Instalco announced that it had entered into an agreement for a 24 percent minority investment in Fabri Gruppe, a German acquisition-driven installation group, with a long-term plan to achieve majority ownership. The investment had not been completed by the end of December 2024, however, it is expected to take place during the first quarter of 2025.

Instalco completed the following acquisitions (divestments) of companies in 2023:

Entity acquired (divested)	Area of technology	Segment	Date of acquisition	Share of equity, %	Assessed annual sales, SEK m	Number of employees
TelePatrol Oy	Electrical	Rest of Nordics	January	100%	48	30
Rörprodukter Montage Sverige AB	Heating & plumbing	Sweden	January	100%	24	12
Lysteknikk Elektroentreprenør AS	Electrical	Rest of Nordics	February	100%	325	120
Processus AB	Industrial	Sweden	March	100%	193	65
SMT Norrbotten AB	Industrial	Sweden	March	100%	40	17
Enter Ställningar AB	Industrial	Sweden	March	100%	340	120
Halvard Thorsen AS	Heating & plumbing	Rest of Nordics	April	100%	42	20
Elektro Västerbotten AB	Electrical	Sweden	May	100%	50	23
(Tim Kyla AB)	(Cooling)	(Sweden)	(July)	(100%)	(89)	(38)
URD Klima Sandnes AS	Heating & plumbing	Rest of Nordics	September	100%	85	25
Boas Industriservice AB	Industrial	Sweden	October	100%	73	50
Sähkö Äijat Teollisuus	Industrial	Rest of Nordics	November	100%	24	24
Total					**1,155**	**468**

As a result of the acquisitions the Group expects to increase its presence in these domestic and international markets. The purchase price allocations showing the value of assets and liabilities for the companies acquired up to and including December 2023 have now been finalised. No material adjustments to the allocations have been made. The purchase price allocations for acquisitions made in 2024 are still preliminary. Instalco regards the allocations as preliminary until final figures pertaining to the acquired entities have been received.

None of the acquisitions is individually material for the Group; consequently, the disclosures are given collectively below.

	2024	2023
Fair value of consideration at date of acquisition		
Contingent consideration	10	175
Cash and cash equivalents	65	1,199
Total consideration	**75**	**1,374**

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Note 25, cont.

	2024	2023
Carrying amount of identifiable net assets		
Intangible assets	15	254
Property, plant and equipment	2	179
Deferred tax assets	-	1
Other current assets	13	332
Cash and cash equivalents	24	186
Deferred tax liabilities	-0	–68
Other liabilities	-5	–410
Total identifiable net assets	**49**	**473**
Goodwill from acquisitions	26	**763**
Transfer of remuneration in cash and cash equivalents	65	1,199
Cash and cash equivalents in acquired entities	–24	–186
Net cash flow from acquisitions	**41**	**1,013**
Adjusted contingent consideration attributable to acquisitions in current and prior years	154	215
Exchange rate differences	2	2
Total impact on cash and cash equivalents	**197**	**1,230**

Acquisition-related costs of SEK 9 (12) million are included in "Other operating expenses" in the consolidated income statement.

In accordance with agreements on contingent consideration, the Group must make a cash payment of additional consideration based on future earnings. The maximum non-discounted amount that could be paid to prior owners is SEK 422 million, of which SEK 23 million relates to acquisitions made in 2024. The fair value of the contingent consideration is at Level 3 in the fair value hierarchy.

Contingent considerations are included in "Other liabilities" and "Other non-current liabilities" in the balance sheet and amounted to SEK 180 (349) million at 31 December 2024.

The table below shows changes in carrying amounts of contingent consideration:

	2024	2023
At 1 January	**349**	**454**
Gains and losses recognised in the income statement	-35	-23
Paid contingent consideration	–151	–199
Added through acquisitions made during the year	15	119
Exchange rate differences	2	–2
At 31 December	**180**	**349**

The intangible assets of SEK 41 (1,017) million acquired in 2024 are attributable to goodwill of SEK 26 (763) million and to customer relations and order backlog of SEK 15 (254) million.

The Group's goodwill at the date of acquisition is the amount by which the consideration exceeds the fair value of expected net assets. Recognition of goodwill is based on the companies' future earnings capacity, the know-how and expertise of their employees and synergy effects that are expected to be able to be achieved through further coordination of purchasing and central expenses. Consolidated goodwill is tested for impairment annually at the level of each cash-generating unit. Impairments worth SEK 29 million were made during 2024. The impairment is a result of closing down underperforming companies during the year. No other impairment losses were identified during the year.

The amounts allocated to intangible assets such as customer relations were measured at the discounted value of future cash flows. The amortisation period is based on assessment of each asset; see » Note 1 and Note 10.

Net sales from acquisitions made in 2024 that are included in the consolidated income statement as of the date of each acquisition amounted to SEK 28 million. The acquired entities contributed to an operating profit of SEK 5 million for 2024. Pro forma from January 1, 2024 corresponds to net sales of SEK 52 million from the acquisitions and an operating profit of SEK 8 million.

Note 26. Risk associated with financial instruments

Goals and policy for financial risk management

Instalco strives to manage its financial risks arising from the running of the business in a structured, effective way, which is expressed in the Financial Policy that has been adopted by the Board. The goal is to maintain a good financial position which contributes to maintaining investor, lender and market confidence and forms a basis for continued development of the business. The Financial Policy describes the types of financial risks that Instalco has identified, along with how responsibility for managing those risks has been allocated within the organisation. The risk categories are: transaction exposure, translation exposure, refinancing risk, interest rate risk, liquidity risk and issuer/borrower risk. Operating risk, i.e. the financial risks associated with operating activities, is managed by the management team of each subsidiary in accordance with the principles set out in the Financial Policy and subordinate descriptions of procedures, as approved by the Group's Board of Directors and management. Risks such as translation exposure, refinancing risk and interest rate risk are managed by the Parent Company, with the goal of securing the Group's short- to medium-term cash flows by minimising exposure to the volatile financial markets. Long-term financial investments are managed with the aim of generating lasting returns.

The most significant financial risks that the Group is exposed to are described below. All figures are undiscounted amounts.

Market risk

Market risk is the Group's risk that the fair value of financial instruments or future cash flows from financial instruments will fluctuate because of changes in market prices. The Group's main market risks are interest rate risk and currency risk.

Currency risk

Currency risk is defined as the risk that the Group's income statement and cash flow will be adversely affected by changes in exchange rates. Transaction risk arises when future business transactions are in a currency other than the company's functional currency. The companies belonging to the Group do not have material transactions in currencies other than their functional currency, which is why the Group's transaction risk is immaterial. Translation exposure arises when assets and liabilities are denominated in different currencies and when foreign subsidiaries' results and net are translated into Swedish kronor. Currency derivatives are rarely used in the Group and hedge accounting is therefore not applied. For the Group, translation risks arise for all subsidiaries in Norway and Finland. Assets and liabilities denominated in foreign currencies are translated using the closing rate at year-end.

The table below shows a sensitivity analysis of translation differences in other comprehensive income, included in the item "Translation reserve" in equity, based on assumptions concerning strengthening or weakening of SEK against EUR and NOK.

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Note 26, cont.

	Group	
	2024	**2023**
EUR/SEK +/– 10%	37	37
NOK/SEK +/–10%	57	57

Interest rate risk

Interest rate risk is the risk that changes in interest rates will have a negative impact on the Group's future earnings and cash flow. In the Group, it is mainly cash and cash equivalents and interest-bearing borrowings that expose the Group to interest rate risk. The Group's credit facility has an underlying base rate with a margin step-up based on the net debt. The table below shows the effect on the Group’s profit after tax resulting from a reasonably possible change in the interest rate for its loans in SEK, holding all other variables constant. All effects on earnings refer to the effect of higher or lower interest costs. There is no additional impact on equity.

	Group	
	2024	**2023**
100 base points higher/lower	30	27

For more information on the Group’s borrowing, see Note 12.

Credit and counterparty risk

Credit risk is the risk that a counterparty will not meet its obligations to the Group. Credit risk in financial management arises in the placement of cash and cash equivalents; this risk is limited by using counterparties approved in accordance with the guidelines set out in the Financial Policy. Large Nordic commercial banks have mainly been used. The Group is also exposed to credit risk in its commercial operations, in connection with accounts receivable and advance payments to suppliers. The Group’s maximum exposure to credit risk is limited to the carrying amount of financial assets on the closing date, as summarised below:

	Group	
Type of financial asset – carrying amount	**2024**	**2023**
Cash and cash equivalents	208	267
Accounts receivable	1,943	2,091
Total	**2,150**	**2,358**

Instalco applies the simplified approach in IFRS 9 when reporting the expected credit losses over the remaining term for all accounts receivable since these items do not have any significant financing component. When assessing the expected credit losses, accounts receivable have been assessed collectively because they have the same credit risk characteristics. They have been grouped based on the number of days past due.

The risk that the Group’s customers will not fulfil their obligations, i.e. that payment will not be received from the customers, is a customer credit risk. Credit losses are normally small thanks to a very large number of projects and customers where invoicing takes place continuously during the production period. No customer accounts for more than 6 percent of sales. The Group's customers have had their credit checked, whereby information on the customers' financial position is obtained from various credit agencies. The Group operates in Sweden, Norway and Finland, which means that the customer credit risk is spread over several geographical areas. For sales by geographic area, see Note 3.

The Group writes off a receivable when no further cash flows are expected. At the end of the period, the Group had certain account receivables that had not been settled by the agreed upon due date. Grouping is by number of days past due:

Maturity structure of accounts receivable

	Group			
31/12/2024	**Not yet due**	**More than 0 days**	**More than 90 days past due**	**Total**
Expected credit loss (%)	0	1	4	
Carrying amount, gross	1,538	334	143	2,015
Expected credit loss for remaining term	5	2	6	12

	Group			
31/12/2023	**Not yet due**	**More than 0 days**	**More than 90 days past due**	**Total**
Expected credit loss (%)	0	1	4	
Carrying amount, gross	1,617	396	102	2,115
Expected credit loss for remaining term	1	0	0	1

Contract assets refers to accrued but unbilled revenue and are considered to have the same characteristics as already billed revenue. The same weighted loss rate is thus used for contract assets as is used for account receivables.

The credit risk on cash and cash equivalents is considered to be negligible, as the counterparties are reputable banks with high credit ratings assigned by international rating agencies.

Capital, financing and liquidity risk

The overall objective is to maintain a sound financial position, which helps to maintain the confidence of shareholders, lenders and the market, and to provide a basis for the business continued development.

The goal of Instalco’s financing and debt management is to secure financing for the business in both the short and long term, and to minimise borrowing costs. The capital requirement is to be secured through active and professional borrowing arrangements in the form of bank overdrafts and other credit facilities. Raising external financing is centralised. Adequate payment readiness is to be ensured through agreed credit commitments. Excess liquidity is primarily to be used to repay outstanding loans. The Parent Company is responsible for both the Group’s long-term financing and its liquidity. The Group has a shared cash pool and an internal bank for loans made and received between Group companies.

Liquidity risk is the risk that the Group will not be able to meet its obligations. The Group manages its liquidity needs by monitoring planned payments on its non-current financial liabilities, along with forecasted payments to be made and received as part of daily operations. Information that is used to analyse these cash flows is consistent with what is used in the analysis of agreed maturities below. Liquidity needs are monitored for various periods of time, which includes daily, weekly and rolling forecasts. The net cash requirements are compared with available credit facilities in order to establish the safety margin or any shortfalls. This analysis shows that available credit facilities are expected to be adequate during this period.

The Group’s goal is to have cash, cash equivalents and marketable securities that meet its liquidity requirements for a period of at least 30 days. This goal was fulfilled during the reporting periods. Financing of long-term liquidity needs is also met by having an adequate amount of granted credit facilities and the possibility of selling non-current financial assets.

The Group considers expected cash flows from financial assets when assessing and managing liquidity risk, particularly cash reserves and accounts receivable. The Group’s existing cash reserves and accounts receivable exceed its current payment obligations by a wide margin. Most of the cash flow from accounts receivable and other receivables falls due for payment within one month, and all of it within six months. In most cases is accounts payable due for payment within one month, but longer payment periods may also occur. The Group's SEK 3,400 million credit facility was extended on unchanged terms in the third quarter of 2024, with a duration of two years until 2026. At year-end the maximum remaining time until maturity was 20 (32) months. The credit facility has an underlying base rate with a margin step-up based on net debt. Instalco has two KPIs as covenants, these being EBITDA/net financial items and interest coverage, both of which have been met with a wide margin. The interest rate for the credit facility is linked to Instalco’s sustainability programme.

Note 26, cont.

At the end of the period the Group's financial liabilities other than derivatives (including interest payments, where applicable) had the following agreed maturities:

	Group					
	Current		Non-current			
31/12/2024	**Within 6 months**	**6–12 months**	**1–5 years**	**Later than 5 years**	**Total contractual cash flows**	**Carrying amount receivables/ payables**
Liabilities to credit institutions	–	–	3,085	–	3,085	2,977
Lease liabilities	170	141	352	51	715	674
Contingent consideration	–	139	41	–	180	180
Accounts payable	905	–	–	–	905	905
Total	**1,075**	**280**	**3,478**	**51**	**4,884**	**4,735**

A comparison of the same for prior years is as follows:

	Group					
	Current		Non-current			
31/12/2023	**Within 6 months**	**6–12 months**	**1–5 years**	**Later than 5 years**	**Total contractual cash flows**	**Carrying amount receivables/ payables**
Liabilities to credit institutions	–	–	3,231	–	3,231	2,972
Lease liabilities	153	126	445	52	776	744
Contingent consideration	–	186	163	–	349	349
Accounts payable	1,052	–	–	–	1,052	1,052
Total	**1,205**	**312**	**3,839**	**52**	**5,408**	**5,112**

Refinancing risk

Refinancing risk is the risk that Instalco, at any given time, does not have access to sufficient financing. Refinancing risk increases if Instalco's creditworthiness worsens or if the Group becomes overly reliant on any single source of financing. If all or a substantial part of the debt portfolio falls due at the same time, or a few specific times, it could result in a large proportion of the debt volume having to be replaced or refinanced with terms and interest rates that are unfavourable. To limit refinancing risk, procurement of long-term credit commitments is initiated in good time ahead of the expiry of current commitments.

Note 27. Proposed appropriation of the Parent Company's profit or loss

The following retained earnings are at the disposal of the AGM (SEK 000s):

	31/12/2024
Share premium reserve	1,126,336
Retained earnings	64,001
Profit (loss) for the year	54,263
	1,244 600
The Board and CEO propose the following allocations:	
0.68 SEK per share is to be distributed as dividends.	179,382
carried forward	1,065,218
	1,244,600

The dividend amount has been calculated based on the number of outstanding shares by year-end, 264,107,025, less shares held in the Group's treasury, 310,545. No dividend will be paid for repurchased shares. The total dividend amount may change up to and including the record date.

Note 28. Subsequent events

Nothing to report.

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Approval of the financial statements

The consolidated financial statements for the reporting period ending 31 December 2024 (including comparative figures) were approved by the Board of Directors on 14 March 2025.

The Board of Directors' assurance:
The consolidated financial statements and annual report have been prepared in accordance with the International Financial Reporting Standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on application of IFRS and with generally accepted accounting principles, respectively, and provide a true and fair view of the Group's and the Parent Company's position and earnings.

The Directors' Report for the Group and Parent Company provides a fair overview of the Group's and the Parent Company's operations, position and earnings, and describes material risks and uncertainties faced by the Parent Company and the companies included in the Group.

The Group's and the Parent Company's general earnings and position are disclosed in the income statements and balance sheets, cash flow statements, and notes.

Stockholm, 14 March 2024

Per Sjöstrand
Chairman of the Board

Johnny Alvarsson
Board member

Carina Edblad
Board member

Per Leopoldsson
Board member

Carina Qvarngård
Board member

Ulf Wretskog
Board member

Camilla Öberg
Board member

Robin Boheman
Chief Executive Officer

Our auditor's report was submitted March 2025

Grant Thornton Sweden AB

Camilla Nilsson
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of Instalco AB (publ)
Corporate identity number 559015-8944

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Instalco AB (publ) for the year 2024 except for the corporate governance statement on pages 32–39 and the sustainability report on pages 14, 20 and 46–70.

The annual accounts and consolidated accounts of the company are included on pages 5, 16, 18, 20, 22–24, 32–46, 71–99 and 110–111 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 32–39 and the sustainability report on pages 14, 20 and 46–70.

The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period, and include, among other things, the most important assessed risks of material misstatement. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Revenues from installation contracts

The Group recognise revenues from installation contracts over time, which means that revenues and costs are reported as the assignments are fulfilled. Revenues are recognised in relation to the percentage of completion based on actual costs at year end in relation to the total projected cost for completing the project. Anticipated customer losses are recognised as soon as they are known.

Revenue recognition is based on assessments of actual cost, estimated costs to complete the work and follow-up against the forecast of final outcome. A good control environment with ongoing forecast follow-ups of the project's final outcome is thus of great importance to the Group. Changes in assessments during the implementation of the assignment may give rise to a significant impact on the Group's earnings and financial position. The project forecasts are regularly evaluated by the Group during the term of each project and adjusted if necessary.

For further information and description of the area, please see Note 2, Note 15 and accounting and valuation principles in Note 1 in the annual accounts and consolidated accounts.

Response in the audit

As part of our audit related to revenue recognition of installation contracts, we have performed a number of audit procedures. Our audit procedures included, but were not limited to, the following:

- Audit of the accounting principles and evaluation of the management's processes for review assignments, including routines for identifying loss projects, and the process for assessing revenues and costs, including assessment of alternations and additional work.
- Review and assessment of the Group's forecasting ability by evaluating the actual outcome against calculation and budget. We have assessed whether revenue recognition of installation assignments from the projects is reflected and provides a true and fair view of the accounts.
- Audit of information provided in the annual report and that these are in all material respects in accordance with the requirements of the Annual Accounts Act and IFRS.

Valuation of goodwill (group)

The Group's carrying amount for intangible fixed assets in the form of goodwill as of 31 December 2024 amounts to SEK 5,301 million, which corresponds approximately 51 percent of total assets. Intangible assets with an indefinite useful life shall be subject to impairment testing annually. Testing for impairment involves calculations that are based on assumptions and assessments of

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N.B. The English text is a translation of the official version in Swedish. In the event of any conflict between the Swedish and English version, the Swedish shall prevail.

such things as discount rates, growth factors, operating margins and forecasted cash flows. A test of impairment is complex and contains significant elements of assessments and assumptions about future operating profit and an appropriate discount rate.

For further information and a description of the area, please see Note 10 and accounting and valuation principles in Note 1 in the annual accounts and consolidated accounts.

Response in the audit

As part of our audit related to valuation of goodwill in the Group we have performed a number of audit procedures. Our audit procedures included, but were not limited to, the following:

- Assessment of the reasonableness of future cash flows and assumed discount rate by taking note of and evaluating Group management's assumptions and forecasts as well as previous years' assessments in relation to actual results.
- Engagement of our own valuation specialists in terms of methodology and discount rates as well as macroeconomic aspects.
- Assessment of the Group's sensitivity analysis based on reasonably possible changes in the Group's assumptions.
- Audit of information provided in the annual report and that these are in all material respects in accordance with the requirements of the Annual Accounts Act and IFRS.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–4, 6–15, 17, 19, 21, 25–31, 47–70, 104–109 and 112–113. The remuneration report for the financial year 2024, which will be submitted after the date of this auditor's report, also constitutes of other information. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information

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of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

The auditor's audit of the administration of the Board of Directors and the Managing Director and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Instalco AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organisation and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organisation is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Instalco AB (publ) for the year 2024. Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent

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of Instalco AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), based on the procedures performed. RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements. Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report. The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHMTL format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts. Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 32–39 has been prepared in accordance with the Annual Accounts Act. Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Grant Thornton Sweden AB, Kungsgatan 57, 103 94 Stockholm, was appointed auditor of Instalco AB (publ) by the general meeting of the shareholders on the 6 May 2024 and has been the company's auditor since the 7 September 2015.

Stockholm, according to the date indicated by the electronic signature.

Grant Thornton Sweden AB

Camilla Nilsson
Authorised Public Accountant

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Other information

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Five-year overview

	2024	2023	2022	2021	2020
Income statement, SEK m					
Net sales	13,690	14,279	12,063	8,890	7,122
Growth in net sales, %	-4	18	36	25	25
EBITDA	1,278	1,416	1,165	920	739
EBITDA margin %	9.3	9.9	9.6	10.3	10.4
EBITA	879	1,085	916	748	605
EBITA margin %	6.4	7.6	7.6	8.4	8.5
Operating profit (loss) (EBIT)	690	899	784	722	604
Operating margin (EBIT), %	5.0	6.3	6.5	8.1	8.5
Earnings before taxes	486	792	697	699	594
Tax on profit (loss) for the year	-122	–177	–145	–142	–133
Profit (loss) for the year	364	615	551	558	462
Profit (loss) for the period attributable to Parent Company shareholders	345	601	520	546	456
Equity, provisions and liabilities, SEK m					
Total equity	3,382	3,390	3,152	2,501	1,973
Return on equity before tax, %	14	23	22	28	30
Total assets	10,310	10,716	9,573	7,589	5,228
Net interest-bearing debt	3,457	3,461	2,503	1,650	912
Gearing ratio, %	107.8	107.9	85.1	66.5	46.5
Net interest-bearing debt in relation to EBITDA, multiple	2.7	2.4	2.1	1.8	1.2
Return on equity, %	11.3	19.6	19.2	24.6	26.5
Return on capital employed, %	10.1	14.1	14.9	18.8	21.7
Key financial performance indicators					
Equity ratio, %	32.8	31.6	32.9	33.0	37.7
Cash flow from operating activities	946	999	753	610	689
Working capital	314	322	341	–255	–176
Cash conversion, %	89.3	89.5	85.0	83.6	109.3
Order backlog, SEK m					
Order backlog	9,002	8,437	8,376	6,795	6,625

	2024	2023	2022	2021	2020
Acquisition-related items					
Remeasurement of additional contingent consideration	34	23	25	31	–9
Acquisition costs	–2	–8	–12	–11	–10
Total acquisition-related items	33	15	13	20	–20
Key figures, employees					
Average number of employees	6,139	5,986	5,316	4,235	3,340
Number of employees at year-end	6,197	6,282	5,611	4,887	3,856
Per share data					
Share price at 31 December, SEK	32,96	40.90	39.63	86.88	50.20
Market capitalisation at 31 December, SEK m	8,705	10,802	10,326	22,599	12,703
Dividend, SEK	0.68	0.68	0.66	0.65	0.54
Profit (loss) (attributable to Parent Company shareholders), SEK	1.31	2.31	1.99	2.10	1.80
Equity, SEK	12.9	12.1	12.1	9.6	7.8
Cash flow from operating activities, SEK	3.6	1.6	2.7	2.3	2.7
Average number of shares, basic, 000s	264,107	262,539	260,564	260,113	253,049
Average number of shares, diluted, 000s	264,107	265,726	265,510	265,060	259,173
Number of shareholders at 31 December	12,540	14,130	14,879	14,606	11,756
Number of shares outstanding, 000s	264,107	264,107	260,253	260,253	259,739
12M high, SEK	53.45	61.45	88.84	98.64	51.70
12M low, SEK	28.68	26.90	38.28	50.60	16.20
Sustainability					
Employee satisfaction	eNPS 31[1)]	eNPS 30[1)]	85%	84%	85%
Sickness absence, %	4,8	4.7	5.4	5.0	4.6
Employee turnover, %	15.3	13.1	14.8	13.9	12.4
Number of occupational injuries	222	187	210	142	107
Women in Group management, %	12.5	12.5	10.0	9.1	0
Women on Board of Directors, %	42.9	42.9	50.0	42.9	50.0
Overall percentage of women in the Group, %	7.1	7.3	6.4	5.9	5.5
Number of employees at year-end	6,197	6,282	5,611	4,887	3,856
Number of businesses at year-end	156	135	125	106	84

1) From 2023 onwards is employee satisfaction measured using the Employee Net Promoter Score (eNPS) standard. Data from previous years is consequently not comparable.

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Reconciliation of performance measures not defined in accordance with IFRS

The company presents certain financial measures in the Annual Report that are not defined according to IFRS. The company believes that these measures provide useful supplementary information to investors and the company's management since they allow relevant trends to be evaluated. Instalco's definitions of these measures may differ from other companies' definitions of the same terms. These financial measures should therefore be viewed as supplementary metrics rather than as a replacement for measures defined according to IFRS. Presented below are definitions of measures that are not defined under IFRS and that are not mentioned elsewhere in the Annual Report. A reconciliation of these measures is provided in the table below. For definitions of key performance indicators, see pages 108–109. As of 1 January 2022 EBITA and EBITDA are no longer presented with adjustment for additional consideration and acquisition costs.

Calculation of organic growth in net sales	**2024**	**2023**	**2022**	**2021**	**2020**
Net sales	13,690	14,279	12,063	8,890	7,122
Acquired net sales	–1,470	–1,729	–2,328	–1,470	–1,211
Changes in exchange rates	0	–15	–146	0	101
A) Figure for comparison with previous year	**12,220**	**12,535**	**9,589**	**7,419**	**6,011**
B) Net sales for the previous year	14,279	12,063	8,890	7,122	5,692
(A/B) Organic growth in net sales, %	**-6.5**	**4.6**	**7.9**	**4.2**	**5.6**

KPIs for earnings and margins					
(A) EBITDA	**1,278**	**1,416**	**1,165**	**920**	**739**
Depreciations and impairments of property, plant and equipment and non-acquired intangible assets	589	331	249	172	135
(B) EBITA	**879**	**1,085**	**916**	**748**	**605**
Depreciation/amortisation and impairment of acquired intangible assets	189	186	131	26	1
(C) Operating profit (loss) (EBIT)	**690**	**899**	**784**	**722**	**604**
(D) Net sales	**13,690**	**14,279**	**12,063**	**8,890**	**7,122**
(A/D) EBITDA margin, %	9.3	9.9	9.6	10.3	10.4
(B/D) EBITA margin, %	6.4	7.6	7.6	8.4	8.5
(C/D) EBIT margin, %	5.0	6.3	6.4	8.1	8.5

KPIs for cash flow and returns

Calculation of operating cash flow and cash conversion	**2024**	**2023**	**2022**	**2021**	**2020**
(A) EBITDA	1,278	1,416	1,165	920	739
Net investments in property, plant & equipment, financial assets and intangible assets	–100	–102	–27	–18	–2
Changes in working capital	–37	–47	–137	–130	73
(B) Operating cash flow	**1,142**	**1,267**	**1,000**	**772**	**810**
(B/A) Cash conversion, %	**89.3**	**89.5**	**85.9**	**83.9**	**109.6**

Calculation of return on equity					
(A) Profit (loss) for the year	364	615	551	558	462
Equity at beginning of period	3,207	2,944	2,482	1,960	1,483
Equity at end of period	3,209	3,207	2,944	2,482	1,960
(B) Average total equity	3,208	3,131	2,713	2,221	1,722
(A/B) Return on total equity, %	**11.3**	**19.6**	**20.3**	**25.1**	**26.8**

Return on capital employed					
(A) EBIT	690	899	784	722	604
(B) Financial income	27	93	38	23	23
(C) Average total assets	10,432	10,777	8,914	6,390	4,674
(D) Interest-free liabilities	3,262	3,598	3,010	2,303	1,707
(A+B/(C-D)) Return on capital employed, %	**10.0**	**13.8**	**13.9**	**18.2**	**21.1**

INSTALCO

Capital structure

Calculation of working capital and working capital in relation to net sales	2024	2023	2022	2021	2020
Inventories	209	202	159	104	62
Accounts receivable	1,943	2,091	1,891	1,448	995
Contract assets	648	628	620	519	407
Prepaid expenses and accrued income	204	271	158	101	107
Other current assets	157	168	177	127	96
Accounts payable	–905	–1,052	–1,042	–788	–588
Contract liabilities	–528	–549	–461	–403	–349
Other current liabilities	–606	–642	–473	–784	–431
Accrued expenses and deferred income, including provisions	–808	–795	–687	–580	–476
(A) Working capital	**314**	**322**	**341**	**–255**	**–176**
(B) Net sales	13,690	14,279	12,063	8,890	7,122
(A/B) Working capital as a percentage of net sales, %	**2.3**	**2.3**	**2.8**	**–2.9**	**–2.5**

Calculation of net interest-bearing debt, gearing ratio and interest-bearing net debt as a percentage of EBITDA					
Non-current interest-bearing financial liabilities	3,396	3,492	2,950	2,209	1,196
Current interest-bearing financial liabilities	269	236	185	137	103
Cash and cash equivalents	–208	–267	–631	–695	–386
(A) Net interest-bearing debt	**3,458**	**3,461**	**2,503**	**1,650**	**912**
(B) Equity	3,209	3,207	2,944	2,482	1,960
(A/B) Gearing ratio, %	**107.8**	**107.9**	**85.0**	**66.5**	**46.5**
(C) EBITDA	1,278	1,416	1,165	920	739
(A/C) Net interest-bearing debt in relation to EBITDA, multiple	**2.7**	**2.4**	**2.1**	**1.8**	**1.2**

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Definitions

General	Unless otherwise indicated, all amounts in the tables are in SEK m. All amounts in parentheses () are comparison figures for the same period last year, unless otherwise indicated.	
Key performance indicators	**Definition/calculation**	**Purpose**
Return on equity	Profit for the year on a rolling 12-month basis divided by average total equity at the end of the period.	Return on equity is used to analyse profitability, based on how much equity is used.
Return on capital employed	Operating profit (EBIT) plus financial income divided by capital employed (total assets less interest-free liabilities). The components are calculated as the average over the last 12 months.	The purpose is to analyse profitability in relation to capital employed.
EBITA	Operating profit (EBIT) before depreciation/amortisation and impairment of acquisition-related intangible assets.	EBITA provides an overall picture of the profit generated from operating activities.
EBITDA	Operating profit (EBIT) before depreciation/amortisation and impairment of acquisition-related intangible assets and depreciation/amortisation and impairment of property, plant and equipment and intangible assets.	Together with EBITA, EBITDA provides an overall picture of the profit generated from operating activities.
EBITA margin	Operating profit (EBIT) before depreciation/amortisation and impairment of acquisition-related intangible assets, as a percentage of net sales.	EBITA margin is used to measure operational profitability.
EBITDA margin	Operating profit (EBIT) before depreciation/amortisation and impairment of acquisition-related intangible assets and depreciation/amortisation and impairment of property, plant and equipment and intangible assets, as a percentage of net sales.	EBITDA margin is used to measure operational profitability.
Changes in exchange rates	The period's change in net sales that is attributable to the change in exchange rates (start of the period compared to the end of the period), as a percentage of net sales during the comparison period.	The change in exchange rates reflects the impact that exchange rate fluctuations have had on net sales during the period.
Acquired net sales growth	Change in net sales as a percentage of net sales during the comparable period, fuelled by acquisitions. Acquired net sales are defined as net sales during the period that are attributable to companies that were acquired during the last 12-month period and for these companies, only their sales up until 12 months after the acquisition date are considered as acquired net sales.	Acquired net sales growth reflects the acquired entities' impact on net sales.
Cash conversions	Operating cash flow for the rolling 12 months as a percentage of EBITDA for the rolling 12 months. The calculation of cash conversion was changed during the year and prior periods have been restated.	Cash conversion is used to monitor how effective the Group is in managing ongoing investments and working capital.
Net sales growth	Change in net sales as a percentage of net sales in the comparable period, prior year.	The change in net sales reflects the Group's realised sales growth over time.
Net interest-bearing debt in relation to EBITDA	Net interest-bearing debt at end of period divided by EBITDA, on a rolling 12-month basis.	Net debt in relation to EBITDA provides an estimate of the company's ability to reduce its debt. It represents the number of years it would take to pay back the debt if the net debt and EBITDA are kept constant, without taking into account the cash flows relating to interest, taxes and investments.

Key performance indicators	Definition/calculation	Purpose
Net debt/equity ratio	Net interest-bearing debt as a percentage of total equity.	The net debt/equity ratio measures the extent to which the Group is financed by loans. Since cash and cash equivalents and other short-term investments can be used to pay off the debt at short notice, net debt is used instead of gross debt in the calculation.
Operating cash flow	EBITDA less net investments in property, plant and equipment and intangible assets, along with an adjustment for cash flow from change in working capital.	Operating cash flow is used to monitor the cash flow generated from operating activities.
Order backlog	The value of outstanding, not yet accrued project revenue from received orders at the end of the period.	Order backlog provides an indication of the Group's remaining project revenue from orders already received.
Organic growth, adjusted for currency effects	The change in net sales for comparable units after adjustment for acquisition and currency effects, as a percentage of net sales during the comparison period.	Organic growth in net sales does not include the effects of changes in the Group's structure and exchange rates, which enables a comparison of net sales over time.
Items affecting comparability	Non-recurring items, such as restructuring costs and costs related to action programs.	The exclusion of items affecting comparability increases the comparability of results between periods.
Return on equity before tax	Earnings before taxes divided by adjusted equity.	Return on equity before tax is used to create an efficient organisation and rational capital structure. It also shows the return provided by the Group on shareholders' capital.
Net interest-bearing debt	Non-current and current interest-bearing liabilities less cash and cash equivalents and other short-term investments.	Net interest-bearing debt is used as a measure of the Group's total debt.
Working capital	Inventories, accounts receivable, earned but not yet invoiced income, prepaid expenses and accrued income and other current assets, less accounts payable, invoiced but not yet earned income, accrued expenses and deferred income and other current liabilities.	Working capital is used to measure the company's ability to meet short-term capital requirements.
Working capital as a percentage of net sales	Working capital at the end of the period as a percentage of net sales on a rolling 12-month basis.	Working capital as a percentage of net sales is used to measure the extent to which working capital is tied up.
Operating profit (loss) (EBIT)	Earnings before interest and taxes.	Operating profit (EBIT) provides an overall picture of the profit generated from operating activities.
Equity ratio	Equity including non-controlling interests expressed as a percentage of total assets.	The equity ratio is used to show the proportion of assets financed by equity.

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INSTALCO

Share information

Instalco AB is listed on Nasdaq Stockholm Large Cap under the ticker INSTAL.

Share capital

The share capital at year-end amounted to SEK 0.8 (0.8) million, distributed across a total of 262,539,447 (260,564,020) shares each with a nominal value of SEK 0.003 (0.003). All shares belong to the same class, with equal voting rights and share of the company's equity and profits.

Buyback of treasury shares and new share issues

Since 2019, the Board has requested and received a mandate from the AGM to acquire and buy back treasury shares, provided that the treasury holding does not exceed 5 percent of the total number of shares in the Parent Company. No treasury shares were acquired or bought back in 2024. At the end of the period, the holding of treasury shares totalled 310,545 (310,545). Since 2018, the Board has requested and received a mandate from the AGM to decide on new share issues. The table shows the change in the number of shares between 01/01/2023–31/12/2024.

Date	Reason	Change	Number of shares
01/01/2023			260,564,020
05/04/2023	New share issue, acquisition	1,011,880	261,575,900
05/07/2023	New share issue, warrant programme	2,531,125	264,107,025
31/12/2024			264,107,025

Outstanding share-related incentive programmes

Instalco has three outstanding warrant programs corresponding to a total of 7,300,000 shares for the extended Group management, the CEO of the subsidiaries, and other key employees in the Group. The terms of the exercise price per share in both programs correspond to 115 percent of the volume-weighted average price during the five trading days after the respective AGM. For more information on the programmes, see Note 5.

Shareholders

At the end of the period, Instalco had 12,540 (14,132) known shareholders. The company's 10 largest shareholders accounted for 56.41 (58.60) percent of the share capital and votes. Shareholders based in Sweden accounted for 50.40 (52.49) percent of the share capital.

Share price development and trading

The closing price on 31 December 2024 was 32.96 (40.90) SEK, corresponding to a market capitalisation of approximately 8.7 (10.8) billion SEK. 114.6 (107.6) million shares were traded in total in 2024, corresponding to a value of 4.5 (4.6) billion SEK. The average number of shares traded on the primary market per trading day was 456,725 (428,869). Instalco's share price fell by 8.04 SEK during the period, corresponding to a decrease of 19.4 (+3.2) percent. Nasdaq Stockholm's broad index rose by 5.7 (+15) percent in 2024.

Other

Highest share price during 2024: 53.45 (61.45) SEK
Lowest share price during 2024: 28.68 (26.90) SEK

The proportion of shares owned by Swedish institutional investors at year-end amounted to 32.34 percent of the share capital and votes. Foreign institutional investors accounted for 41.91 percent of the sharecapital and votes.

Outstanding program	Number of options	Corresponding number of shares	Percentage of tot. shares	Price per option	Exercise price per option	Exercise price per share	Exercise period
2022/2025	2,600,000	2,600,000	1.00	SEK 7.80	SEK 50.92	SEK 50.92	22 May 2025–16 June 2025
2023/2026	2,350,000	2,350,000	0.90	SEK 2.09/7.27	SEK 64.90	SEK 64.90	22 May 2026–16 June 2026
2024/2027	2,350,000	2,350,000	0.90	SEK 7.74	SEK 44.32	SEK 44.32	24 May 2027–18 June 2027

Instalcos ten largest shareholders, 31/12/2024	Number of shares	Share of the capital, %	Share of the votes, %
Capital Group	23,462,871	8.88	8.88
Per Sjöstrand	22,957,835	8.69	8.69
AMF Pension & Fonder	18,402,859	6.97	6.97
Cliens Fonder	13,865,978	5.25	5.25
Wipunen varainhallinta	13,100,000	4.96	4.96
Heikintorppa	12,800,000	4.85	4.85
Första AP-fonden	11,870,356	4.49	4.49
Odin Fonder	11,755,515	4.45	4.45
Swedbank Robur Fonder	11,587,243	4.39	4.39
Vanguard	9,190,018	3.48	3.48
The 10 largest shareholders	**148,992,675**	**56.41**	**56.41**
Other	115,114,350	43.59	43.59
Total	**264,107,025**	**100.00**	**100.00**

Source: Modular Finance AB

Number of shares, sorted by size, 12/31/2024	Number of known shareholders	Share of the capital, %	Share of the votes, %
1–1,000	10,456	0.84	0.84
1,001–10,000	1,659	1.91	1.91
10,001–100,000	308	3.91	3.91
100,001–500,000	77	6.20	6.20
500,001–1,000,000	12	3.42	3.42
≥1,000,001	28	78.36	78.36
Unknown holding size	0	5.37	5.37
Total	**12,540**	**100.00**	**100.00**

Source: Modular Finance AB

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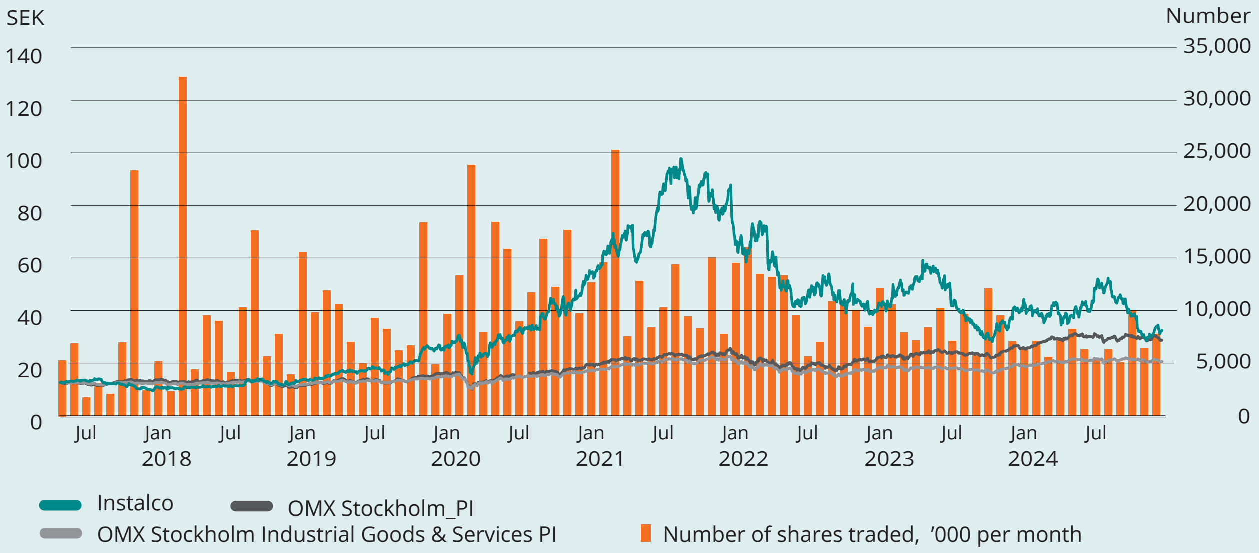
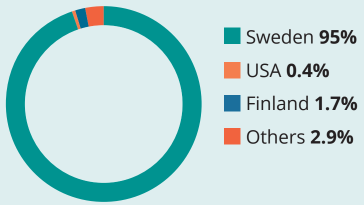
Per share data	2024	2023
Share price at 31 December, SEK	32.96	40.90
Market capitalisation at 31 December, SEK m	8,705	10,802
Dividend, SEK	0.68	0.68
Profit (loss) (attributable to Parent Company shareholders), SEK	1.31	2.31
Equity, SEK	12.9	12.1
Cash flow from operating activities, SEK	3.6	1.6
Average number of shares, basic (000s)	262,539	262,539
Average number of shares, diluted (000s)	265,726	265,726
Basic earnings per share (SEK)	1.31	2.29
Diluted earnings per share (SEK)	1.31	2.26
Number of shareholders at 31 December	12,540	14,132
Outstanding number of shares at 31 December (000s)	264,107	264,107
12M high, SEK	53.45	61.45
12M low, SEK	28.68	26.90

SHARE PRICE DEVELOPMENT 2017-05-11– 2024-12-31

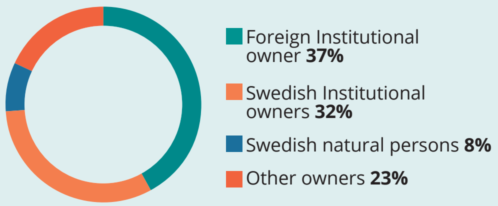


Source:Monitor by Modular Finance AB

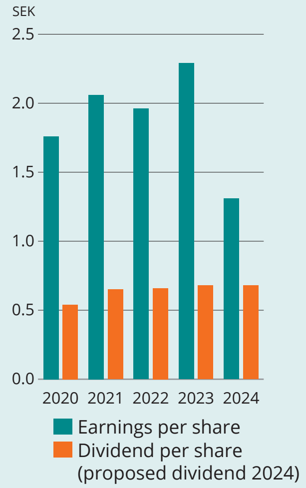
OWNERSHIP PER COUNTRY



OWNERSHIP PER CATEGORY



EARNINGS AND DIVIDEND PER SHARE



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Shareholder information

Additional information

Robin Boheman, CEO
Christina Kassberg, CFO, christina.kassberg@instalco.se
Mathilda Eriksson, Head of IR, mathilda.eriksson@instalco.se 070-972 34 29

Financial calendar

Interim Report for January-March	29 April 2025
Annual General Meeting	6 May 2025
Interim Report for January-June	18 July 2025
Interim Report for January-September	24 October2025

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Subsidiaries

Subsidiaries per 31 December 2024.

Sweden

Rest of Nordics

Norway

Finland

Germany

FABRI 1)

1) On November 13, Instalco announced that it had entered into an agreement for a 25 percent minority investment in Fabri Gruppe, a German acquisition-driven installation group, with a long-term plan to achieve majority ownership. The investment had not been completed by the end of December 2024.

INSTALCO

Instalco AB
Sveavägen 56 C
111 34 Stockholm
Sweden
info@instalco.se