INTERIM REPORT
OCTOBER–DECEMBER
2022

October–December 2022

- Net sales increased by 28 percent to SEK 7,945 million (6,218)
- The order backlog was SEK 16,881 million (16,519)
- EBITA rose by 7 percent to SEK 669 million (625)
- The EBITA margin was 8.4 percent (10.1)
- The EBITA margin was 8.4 (8.5) percent excluding an item affecting comparability related to repayment of a health insurance surplus
- Profit after tax was SEK 501 million (468)
- Cash flow from operating activities was SEK 1,110 million (1,115)
- Net debt amounted to SEK -1,304 million (-1,003)
- Basic earnings per share were SEK 2.43 (2.32) and diluted earnings per share were SEK 2.42 (2.31)

January–December 2022

- Net sales increased by 20 percent to SEK 26,303 million (21,876)
- EBITA rose by 12 percent to SEK 1,697 million (1,512)
- The EBITA margin was 6.5 percent (6.9)
- The EBITA margin was 6.5 (6.5) percent excluding an item affecting comparability related to repayment of a health insurance surplus
- Profit after tax was SEK 1,283 million (1,138)
- Cash flow from operating activities was SEK 1,592 million (1,437)
- 21 acquisitions were finalised in the period, adding annual sales of approximately SEK 1,565 million
- Basic earnings per share were SEK 6.22 (5.66) and diluted earnings per share were SEK 6.21 (5.64)

Financial overview

Amounts in SEK million	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Net sales	7,945	6,218	26,303	21,876
Operating profit (EBIT)	672	626	1,696	1,512
Operating margin (EBIT), %	8.5	10.1	6.4	6.9
EBITA	669	625	1,697	1,512
EBITA margin, %	8.4	10.1	6.5	6.9
Profit/loss after tax	501	468	1,283	1,138
Cash flow from operating activities	1,110	1,115	1,592	1,437
Cash conversion, %, 12 m	87	83	87	83
Net debt/EBITDA, 12 m	0.6	0.5	0.6	0.5
Order intake	6,816	7,251	25,803	24,237
Order backlog	16,881	16,519	16,881	16,519

We bring buildings to life

Continued strong growth with maintained margins

Total net sales increased by 28 percent, with 16 percent being organic growth. Earnings per share increased by 10 percent in 2022, despite major investments being made in the business. The Board proposes that the dividend is raised by approximately 8 percent, to SEK 3.25 per share. My assessment is that Bravida is well positioned for the coming quarter with a large service share and a good order backlog.

"Strong profitability in Sweden"

Net sales and EBITA

I am very pleased with the growth during the quarter and especially with the high organic growth of 16 percent. We continue to see good activity for service, which grew by 26 percent, and installation, which grew by 30 percent. Order intake rose in Sweden, Denmark and Finland. The reduced order intake in Norway is explained by a strong comparative figure. The Group's order backlog remains stable. EBITA increased by SEK 44 million to SEK 669 million, giving an EBITA margin in line with the previous year excluding the repayment of the surplus from the 2021 health insurance.

Growth was good in all countries during the quarter, both organically and through acquisitions, for both service and installation activities. Organic growth was particularly strong in the Danish and Norwegian businesses, and it is pleasing that Finland also grew organically in this quarter.

The total EBITA margin was 8.4 percent. The fact that we can perform at the same level as last year despite having a lower margin in Norway and costs for investments in IT systems and new business areas demonstrates the strength of our business. Sweden significantly improved its EBITA margin, excluding the above-mentioned repayment. The business in Norway had a more challenging quarter, and the EBITA margin there was negatively impacted by write downs in some projects. The Finnish business had a slightly lower margin in the quarter, but profitability improved for the year as a whole.

I am proud to say that in 2022, after the pandemic, and despite rising material prices and logistics challenges, we achieved 20 percent growth and still maintained our margin.

Strong cash flow and proposed higher dividend

Cash flow from operating activities was stable and in line with the previous year. Cash conversion improved slightly compared to 2021 and amounted to 87 (83) percent; average cash conversion over the last three years is above 100 percent. Debt levels remained low, at 0.6 (0.5). Bravida's Board of Directors proposes increasing the dividend by SEK 0.25 per share to SEK 3.25 per share, which corresponds to 52 percent of earnings per share.

Acquisitions

A total of 21 acquisitions were made during the year, adding approximately SEK 1,565 million in sales. After a high pace of acquisition in the first half of the year, it was quite natural that the second half of the year was quieter. Bravida has completed several acquisitions in early 2023.

We continue to work on potential acquisitions and also on expanding the number of acquisition candidates. We continue to see good opportunities to acquire companies, and this will be reflected in 2023.

Sustainability

Our employees' working environment is always our top priority, so it is very gratifying that LTIFR decreased by no less than 19 percent in 2022.

To reduce Bravida's direct carbon footprint, we continue to rapidly convert our fleet to fossil free vehicles. At year-end, 11 percent of Bravida's 8,300 vehicles were fully electric, and this figure will increase in 2023 as the ordering rate for electric vehicles is high. In 2022, 73 percent of the vehicles that were ordered were electric.

During the quarter, we continued to improve our services within energy efficiency and experienced an increased demand for our GreenHub concept – fossil free deliveries of real estate services in the city centers. Read more in the case section of the report.

Outlook

Macroeconomic factors such as high inflation, higher interest rates and a deteriorating economy make the market difficult to assess going forwards. For Bravida, however, I believe that the demand for service will remain good. Demand for installation work is more influenced by the macroeconomic environment, for example high interest rates and high inflation can postpone investment decisions.

Demand for installation work in new buildings is likely to decline, mainly because of a falling demand for newbuild residentials. New constructions of housing accounts for about 9 percent of Bravida's sales. However, I expect installation work in other types of properties to remain stable over the next few quarters.

The green transition is also creating opportunities for us. Electrification, digitalisation and the need for energy efficiency in buildings are creating a demand for our services, which means Bravida is well positioned for the future.

Mattias Johansson
Stockholm, February 2023

Consolidated earnings overview

Market

The market prospects for installation in the Nordic region are difficult to assess as the high inflation, higher interest rates and weaker development of the economy may affect investment decisions relating to real estate. External estimates point to a decrease in installation volume of around 5 percent in 2023, mainly due to lower production of newbuild residentials.

Service volumes are expected to remain stable in 2023. Positive effects are expected to result from an increased focus on sustainable investments and energy optimisation.

Net sales

October–December

Net sales increased by 28 percent to SEK 7,945 million (6,218). Organic growth was 16 percent, acquisitions boosted net sales by 9 percent and currency effects had a 3 percent impact. Net sales increased in all countries, both organically and through acquisitions. Net service sales increased by 26 percent and net installation sales increased by 30 percent compared to the same quarter in the previous year. The service business accounted for 46 percent (47) of total net sales. The order intake decreased by 6 percent to SEK 6,816 million (7,251). Order intake increased in Sweden, Denmark and Finland, but decreased in Norway. The order backlog totalled SEK 16,881 million (16,519), an increase of 2 percent compared to the corresponding period in 2021. The order backlog, including acquisitions, decreased by SEK 1,014 million in the quarter. The order backlog only includes installation projects.

January–December

Net sales increased by 20 percent to SEK 26,303 million (21,876). Organic growth was 11 percent, acquisitions boosted net sales by 7 percent and currency effects had a2 percent impact. Net sales increased in all countries. Net service sales increased by 19 percent and net installation sales increased by 21 percent compared to the same quarter in the previous year. The service business accounted for 47 percent (47) of total net sales. The order intake rose by 6 percent to SEK 25,803 million (24,237). Order intake increased in Sweden, Denmark and Finland, but decreased in Norway. The order backlog, including acquisitions, rose by SEK 362 million in the period.

Earnings

October–December

Operating profit was SEK 672 million (626). EBITA increased by 7 percent to SEK 669 million (625), resulting in an EBITA margin of 8.4 percent (10.1). In the previous year, the Swedish business received a refund of SEK 96 million from the AGS health insurance scheme in respect of a surplus. The EBITA margin excluding items affecting comparability was 8.4 (8.5) percent. The EBITA margin increased in Denmark but decreased in the other countries. Excluding the repayment of the surplus from the AGS health insurance scheme, the EBITA margin also increased in Sweden. Increased costs for investments in, for example, new business areas and new digital systems, have had an impact on earnings in all countries. Group-wide income was SEK -5 million (2). Net financial income/expense amounted to SEK -32 million (-19). Profit after financial items was SEK 640 million (608). Profit after tax was SEK 501 million (468). Basic earnings per share increased by 5 percent to SEK 2.43 (2.32) and diluted earnings were SEK 2.42 (2.31).

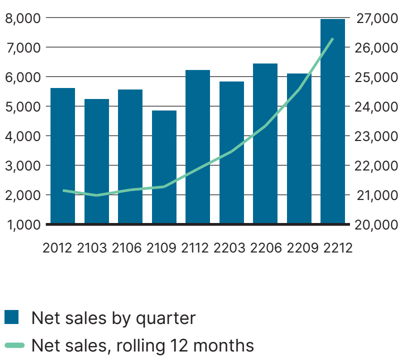
January–December

Operating profit was SEK 1,696 million (1,512). EBITA increased by 12 percent to SEK 1,697 million (1,512), resulting in an EBITA margin of 6.5 percent (6.9). The EBITA margin excluding items affecting comparability in the previous year was 6.5 (6.5) percent. The EBITA margin increased in Finland and decreased in the other countries. Excluding the repayment from the AGS health insurance scheme, the EBITA margin also increased in Sweden. Increased costs for investments in, for example, new business areas and new digital systems, have had an impact on earnings in all countries. Group-wide income was SEK -6 million (-7). Net financial income/expense amounted to SEK -64 million (-56). Profit after financial items was SEK 1,632 million (1,456). Profit after tax was SEK 1,283 million (1,138). Basic earnings per share increased by 10 percent to SEK 6.22 (5.66) and diluted earnings were SEK 6.21 (5.64).

Depreciation and amortisation

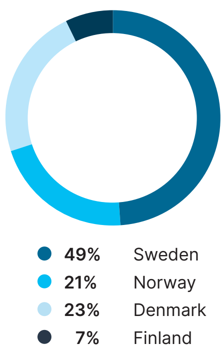
Depreciation in the quarter totalled SEK -122 million (-110), of which SEK -114 million (-102) was related to depreciation of right-of-use assets. Depreciation in the period January–December totalled SEK -468 million (-433), of which SEK -426 million (-398) was related to depreciation of right-of-use assets.

Net sales (SEK million)



Order intake (SEK million)

Net sales by country, Jan–Dec 2022



Tax

The tax expense for the quarter was SEK -139 million (-139). Profit before tax was SEK 640 million (608). Tax paid totalled SEK -67 million (-46). The tax expense for January to December was SEK -349 million (-318). Profit before tax was SEK 1,632 million (1,456). Taxes paid amounted to SEK -359 million (-210), with the increase mainly being explained by the making of supplementary payments.

Cash flow

October–December

Cash flow from operating activities before changes in working capital totalled SEK 895 million (778). Changes in working capital totalled SEK 215 million (337), inventories increased by SEK 10 million, current receivables increased by SEK 50 million and current liabilities increased by SEK 275 million. Cash flow from operating activities was SEK 1,110 million (1,115)

Cash flow from investing activities was SEK -130 million (-121), of which acquisitions of subsidiaries and businesses totalled SEK -82 million (-75). Cash flow from financing activities, which refers to new loans, amortisation of loans and lease liabilities, was SEK -761 million (-399). Cash flow for the quarter was SEK 219 million (595). 12-month cash conversion was 87 percent (83).

January–December

Cash flow from operating activities before changes in working capital totalled SEK 1,933 million (1,796). Changes in working capital totalled SEK -341 million (-359), inventories increased by SEK 70 million, current receivables increased by SEK 1,364 million and current liabilities increased by SEK 1,093 million. Cash flow from operating activities was SEK 1,592 million (1,437). Cash flow from investing activities was SEK -817 million (-509), of which acquisitions of subsidiaries and businesses totalled SEK -675 million (-421). Cash flow from financing activities, which refers to new loans, amortisation of loans and lease liabilities, and dividends, was SEK -1,078 million (-1,151). Cash flow for the period was SEK -304 million (-223).

Financial position

Net debt on 31 December was SEK -1,304 million (-1,003), corresponding to a capital structure ratio (net debt/EBITDA) of 0.6 (0.5). Consolidated cash and cash equivalents were SEK 1,308 million (1,594). Interest-bearing liabilities totalled SEK -2,613 million (-2,597), of which SEK -663 million (-1,103) were commercial paper and SEK -1,050 million (-994) were leases. Total credit facilities were SEK 2,500 million (2,500), of which SEK 2,100 million (2,500) was unused on 31 December. At the end of the period, equity totalled SEK 7,936 million (6,832). The equity/assets ratio was 35.3 percent (35.0).

Acquisitions

A total of 21 acquisitions were completed during the period January–December, adding total annual sales of approximately SEK 1,565 million.

Employees

The average number of employees at 31 December was 13,078 (11,864), an increase of 10 percent.

Parent company

Revenues for the quarter were SEK 74 million (59) and earnings after net financial items were SEK -34 million (-30). Revenues for the January–December period were SEK 232 million (198) and earnings after net financial items were SEK -36 million (-31).

Dividend

The Board of Directors proposes a dividend of SEK 3.25 (3.00) per share for 2022. The proposal represents an increase of 8,3 percent and corresponds to 52 percent (53) of net earnings per share. The proposed dividend totals SEK 662 million (610).

Shareholder information

Bravida Holding AB's ordinary shares are listed on the Nasdaq Stockholm Large Cap list. On 30 December Bravida had 11,434 shareholders. The five largest shareholders were Mawer Investment Management, Swedbank Robur Funds, the Fourth Swedish National Pension Fund (AP4), Didner & Gerge Funds and Handelsbanken Funds.

Net sales and growth

Amounts in SEK million	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Net sales	7,945	6,218	26,303	21,876
Change	1,727	604	4,427	729
Total growth, %	27.8	10.8	20.2	3.4
Of which				
Organic growth, %	16	6	11	0
Acquisition-based growth, %	9	4	7	3
Currency effects, %	3	1	2	0

Mawer Investment Management's holding amounted to just over 10 percent of the votes. The listed share price on 30 December was SEK 111.40, which corresponds to a market capitalisation of SEK 22,695 million based on the number of ordinary shares. Total shareholder return over the past 12 months was -10 percent. Share capital totals SEK 4 million, divided among 204,916,598 shares, of which 203,722,271 are ordinary shares and 1,194,327 are class C shares, which are held by Bravida Holding AB. Ordinary shares entitle holders to one vote and a dividend payment, while C shares entitle holders to one-tenth of a vote and no dividend.

Significant risks

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

Operating risks are related to day-to-day business operations such as tendering, price risks, capacity utilisation and revenue recognition. Management of these risks is part of Bravida's business process.

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

Developments in Ukraine are at the centre of the global situation. In addition to the tragedy of the war for the people affected, the situation risks dampening macroeconomic growth in the rest of the world. For Bravida, the industry may be affected by increased uncertainty and caution regarding investments, as well as continued high prices for materials and energy. Bravida has no direct exposure to Ukraine or Russia in terms of sales or purchases. We are closely monitoring developments in order to be able to continuously assess possible indirect impacts.

Transactions with related parties

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

Other events during the period

On 25 October the Board took the decision to perform a new issue and repurchase 500,000 class C shares to ensure the supply of ordinary shares for employees participating in the LTIP 2022 performance-based incentive programme.

Events since the end of the period

Four acquisitions have been completed in 2023. In January, an acquisition in Finland in the HVAC area and an acquisition in Sweden in the industrial hydraulics area were completed, each of which have sales of approximately SEK 40 million. In February, an acquisition in Norway in the area of security solutions, with sales of approximately SEK 23 million, and a business acquisition in Sweden in the area of industrial piping, with sales of approximately SEK 12 million, were completed.

Financial and sustainability targets

Financial targets	Outcome 31/12/2022	Outcome 31/12/2021	Target
Sales growth, 12 m	20%	3.4%	> 5%
EBITA margin, 12 m	6.5	6.9%	> 7%
Cash conversion, 12 m	87%	83%	> 100%
Net debt/EBITDA, 12 m	0.6 times	0.5 times	< 2.5 times
Dividend	52%	53%	> 50%

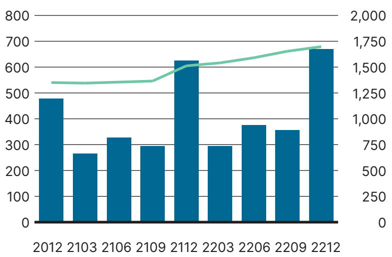
Sustainability targets	Outcome 31/12/2022	Outcome 31/12/2021	Target
LTIFR, 12 months	6.8	8.4	< 5.5 target 2023
Change in CO_2e emissions, vehicles [1], 12 months	3.6%	0.0% [3]	30% reduction by 2025 (compared to 2020)
% change in tonnes of CO_2e vehicles/net sales, 12 months	-13.8%	-3.4%	n/a
Electric vehicles ordered [2] of total vehicles ordered during the year	73%	33%	KPI to ensure target achievement CO_2e emissions

1) Accounts for the most significant part of Bravida's total CO_2e emissions according to scope 1 & 2.
2) Fully electric vehicles.
3) In 2022, we continued improving our emissions data, which led to some changes in reported emissions from 2021.

Reported occupational injuries that led to at least one day of sickness absence decreased by 19 percent over the past 12 months to an LTIFR of 6.8 (8.4). LTIR decreased in all countries during the year. LTIFR was 7.0 (8.6) in Sweden, 2.5 (2.8) in Norway, 8.9 (11.4) in Denmark and 13.5 (18.6) in Finland.

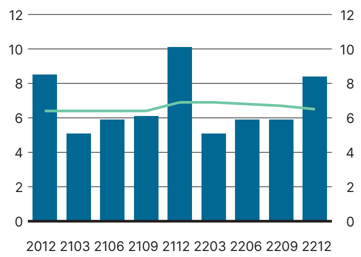
The number of electric vehicles ordered is better than expected and amounts to approximately 1,700 so far this year. Due to the long delivery times, it will take time for this to have an impact with regard to reducing carbon emissions.

EBITA (SEK million)



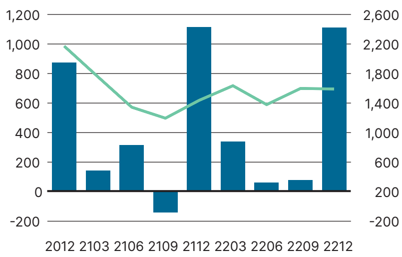
EBITA by quarter
EBITA, rolling 12 months

EBITA margin, %



EBITA margin per quarter
EBITA margin, rolling 12 months

Cash flow from operating activities (SEK million)



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

Operations in Sweden

Net sales and earnings

October–December

Net sales rose by 15 percent to SEK 3,856 million (3,355). The increase in net sales was attributable to both service and installation activities. The service area increased its share of sales and accounted for 52 percent (47) of total net sales. Organic growth was 7 percent, with acquisitions increasing net sales by 8 percent. EBITA rose by 5 percent to SEK 439 million (418). The EBITA margin was 11.4 percent (12.5). In the previous year, the Swedish business received a refund of SEK 96 million from the AGS health insurance scheme in respect of a surplus. The EBITA margin excluding items affecting comparability increased to 11.4 (9.6) percent.

January–December

Net sales rose by 10 percent to SEK 13,040 million (11,894). The increase in net sales was attributable to both service and installation activities. The service area accounted for 50 percent (48) of total net sales. Organic growth was 3 percent, with acquisitions increasing net sales by 7 percent. EBITA rose by 7 percent to SEK 1,017 million (954). The EBITA margin was 7.8 percent (8.0). The EBITA margin excluding items affecting comparability increased to 7.8 (7.2) percent.

Increased costs for investments in new digital systems, new business areas and the integration of major acquisitions negatively impacted the EBITA margin.

Order intake and order backlog

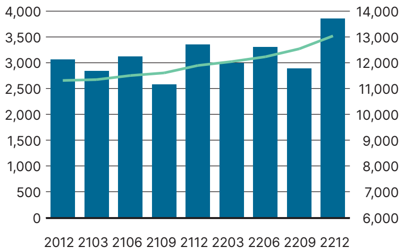
October–December

The order intake rose by 1 percent to SEK 3,246 million (3,213). The order intake relates to small and medium-sized installation projects and service assignments. The order backlog at the end of the quarter was 2 percent lower than for the same period in the previous year and amounted to SEK 9,045 million (9,228). The order backlog decreased by SEK 610 million in the quarter.

January–December

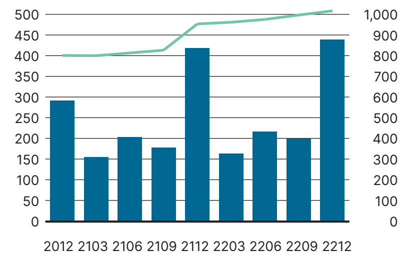
The order intake rose by 1 percent to SEK 12,756 million (12,615).

Net sales (SEK million)



Net sales by quarter
Net sales, rolling 12 months

EBITA (SEK million)



EBITA by quarter
EBITA, rolling 12 months

Operations in Sweden

Amounts in SEK million	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Net sales	3,856	3,355	13,040	11,894
EBITA	439	418	1,017	954
EBITA margin, %	11.4	12.5	7.8	8.0
Order intake	3,246	3,213	12,756	12,615
Order backlog	9,045	9,228	9,045	9,228
Average number of employees	6,098	5,672	6,098	5,672

Photo Bravida

Bravida GreenHub reduces energy consumption for Clarion Hotel Post. Bravida GreenHub in Gothenburg signed a service agreement with Clarion Hotel Post in central Gothenburg in December for the delivery of energy-efficient property services in electricity, HVAC and cooling.

The focus is on fossil free transport combined with sustainable material choices and energy-efficient solutions. Bravida's goal is to achieve the lowest possible energy use for the hotel. We are now helping Clarion Hotel Post to take another step in its already successful sustainability efforts through our focus on sustainable and energy efficient property services.

Operations in Norway

Net sales and earnings

October–December

Net sales increased by 37 percent to SEK 1,622 million (1,188). Net sales increased for both the service and installation business areas during the quarter. However, the service area's share of sales decreased and accounted for 52 percent (56) of total net sales.

Organic growth was 27 percent, with acquisitions increasing net sales by 4 percent. EBITA decreased by 16 percent to SEK 78 million (92). The EBITA margin decreased to 4.8 percent (7.8). The decreased of the EBITA margin is explained by a change in the sales mix, towards more installation, which generally has lower margins, and write-downs in some projects.

January–December

Net sales increased by 37 percent to SEK 5,555 million (4,066). Net sales increased in both the installation and service business areas during the period. However, the service area's share of sales decreased and accounted for 51 percent (56) of total net sales.

Organic growth was 25 percent, with acquisitions increasing net sales by 4 percent. EBITA rose by 12 percent to SEK 283 million (253). The EBITA margin decreased to 5.1 percent (6.2). The lower EBITA margin is explained by a change in the sales mix, towards more installation, which generally has lower margins, and write-downs in some projects, as well as a high level of sickness absence early in the year.

Order intake and order backlog

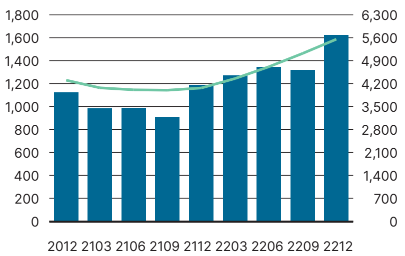
October–December

Order intake decreased by 40 percent to SEK 1,430 million (2,390). The decrease in order intake is explained by very strong comparative, figures as several large orders were received in the fourth quarter of 2021. The order intake relates to small and medium-sized installation projects and service assignments. The order backlog at the end of the quarter was 7 percent lower than for the same period in the previous year and amounted to SEK 3,431 million (3,694). The order backlog decreased by SEK 145 million in the quarter.

January–December

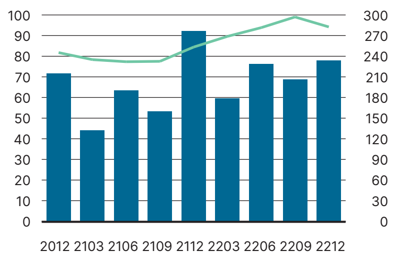
Order intake decreased by 9 percent to SEK 5,179 million (5,663).

Net sales (SEK million)



Net sales by quarter
Net sales, rolling 12 months

EBITA (SEK million)



EBITA by quarter
EBITA, rolling 12 months

Operations in Norway

Amounts in SEK million	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Net sales	1,622	1,188	5,555	4,066
EBITA	78	92	283	253
EBITA margin, %	4.8	7.8	5.1	6.2
Order intake	1,430	2,390	5,179	5,663
Order backlog	3,431	3,694	3,431	3,694
Average number of employees	3,165	2,931	3,165	2,931

Photo: Bravida

Fossil free services for the exclusive Britannia Hotel. In December, Bravida signed an agreement with Britannia Hotel in Trondheim, one of the most exclusive hotels in the Nordic region. The agreement covers the servicing of all technical areas of the hotel building with regard to electrics, plumbing, ventilation, refrigeration and security solutions, such as: fire alarms, voice alarms, emergency lighting and locks. The main reason for EC Dahls Eiendom choosing Bravida as a service provider was GreenHub, our fossil free concept with service activities provided via electric bicycle, electric moped or on foot.

Operations in Denmark

Net sales and earnings

October–December

Net sales increased by 61 percent to SEK 1,953 million (1,211). Net sales increased for both the service and installation businesses during the quarter. The service area's share of sales decreased and accounted for 33 percent (44) of total net sales.

Organic growth was 34 percent, with acquisitions increasing net sales by 17 percent. EBITA increased by 67 percent to SEK 117 million (70), while the EBITA margin increased to 6.0 percent (5.8), due to a higher margin in the installation business.

January–December

Net sales increased by 38 percent to SEK 6,038 million (4,381). The increase in net sales was attributable to both service and installation activities. The service area's share of sales decreased and accounted for 38 percent (43) of total net sales.

Organic growth was 22 percent, with acquisitions increasing net sales by 10 percent. EBITA increased by 34 percent to SEK 308 million (230), and the EBITA margin decreased to 5.1 (5.3) percent, which is explained by project write-downs and high sickness absence at the beginning of the year, which had a negative impact on the margin in the service business area. The margin was also negatively impacted by increased costs for the integration of acquired companies.

Order intake and order backlog

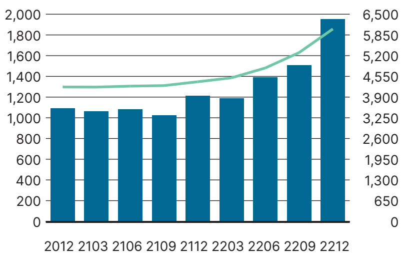
October–December

The order intake increased by 13 percent to SEK 1,530 million (1,358). Order intake related to small and medium-sized installation projects and service assignments. The order backlog at the end of the quarter was 16 percent higher than for the same period in the previous year and amounted to SEK 3,229 million (2,773). The order backlog decreased by SEK 377 million in the quarter.

January–December

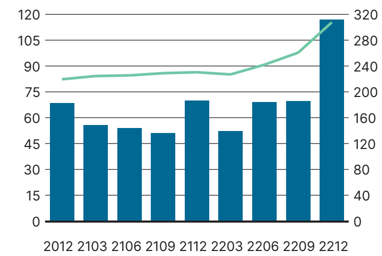
The order intake increased by 26 percent to SEK 5,930 million (4,695).

Net sales (SEK million)



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

EBITA (SEK million)



- EBITA by quarter
- EBITA, rolling 12 months

Operations in Denmark

Amounts in SEK million	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Net sales	1,953	1,211	6,038	4,381
EBITA	117	70	308	230
EBITA margin, %	6.0	5.8	5.1	5.3
Order intake	1,530	1,358	5,930	4,695
Order backlog	3,229	2,773	3,229	2,773
Average number of employees	2,908	2,429	2,908	2,429

Photo: Bravida

Nationwide service agreements make historic buildings energy efficient. Bravida has a service agreement with the Danish Building and Property Agency with regard to electrics, ventilation, HVAC and energy optimisation in many of their buildings.

The assignment covers around one million square metres of buildings across the country, mainly courts of law, police stations and ministries, and involves around 450 Bravida employees. Pursuing the green transformation is important for the Building and Property Agency, and Bravida's assignment includes developing optimal energy solutions for achieving reduced energy use. As a further step in the agency's sustainability efforts, we now also offer service activities with our fossil free GreenHub concept.

Operations in Finland

Net sales and earnings

October–December

Net sales increased by 17 percent to SEK 581 million (496). The increase in net sales was attributable to both service and installation activities. The service area increased its share of sales and accounted for 33 percent (25) of total net sales.

Organic growth was 4 percent, with acquisitions increasing net sales by 6 percent. EBITA decreased by 5 percent to SEK 40 million (43). The EBITA margin decreased to 6.9 percent (8.6), due to a lower margin for both service and installation activities.

January–December

Net sales increased by 12 percent to SEK 1,812 million (1,622). The increase in net sales was attributable to both service and installation activities. The service area increased its share of sales and accounted for 32 percent (28) of total net sales.

Organic growth was negative, at -7 percent, with acquisitions increasing net sales by 14 percent. The negative organic growth is explained in particular by high production in a large project in 2021 and good project selection with the aim of improving profitability. EBITA rose by 18 percent to SEK 96 million (82). The EBITA margin increased to 5.3 percent (5.0), due to higher sales and an improved margin for service activities.

Order intake and order backlog

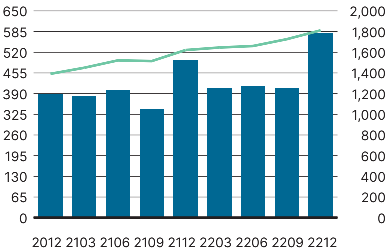
October–December

The order intake rose by 110 percent to SEK 677 million (323). Three medium-sized orders of approximately SEK 190 million were received for installations in a hospital, a school and a hotel. The order intake otherwise involved small installation projects and service assignments. The order backlog at the end of the quarter was 43 percent higher than for the same period in the previous year and amounted to SEK 1,177 million (824). The order backlog rose by SEK 118 million during the quarter.

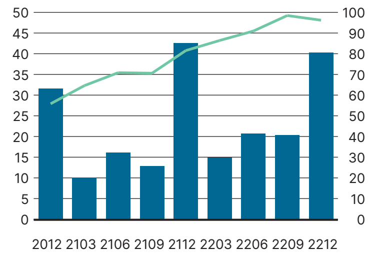
January–December

The order intake rose by 54 percent to SEK 2,081 million (1,352).

Net sales (SEK million)



EBITA (SEK million)



Operations in Finland

Amounts in SEK million	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Net sales	581	496	1,812	1,622
EBITA	40	43	96	82
EBITA margin, %	6.9	8.6	5.3	5.0
Order intake	677	323	2,081	1,352
Order backlog	1,177	824	1,177	824
Average number of employees	752	704	752	704

Photo: Arkkitehdit NRT Oy

Bravida automates the historic Finlandia Hall. Bravida has been awarded a contract to install automation solutions in the historic Finlandia Hall, a 9,000 square metre conference centre and concert hall designed by Alvar Aalto in 1971. The assignment includes connecting all the technical subsystems, such as heating and ventilation, to a central system. The building is protected by the Law on the Protection of Buildings.

During the work, the focus has been on respecting the special character of the building while at the same time complying with legal requirements. Once the installations are in place, the property can be controlled remotely, making the whole building more energy efficient. The assignment is scheduled for completion at the end of June 2023.

Financial reporting

Consolidated income statement, summary

Amounts in SEK million	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Net sales	**7,945**	**6,218**	**26,303**	**21,876**
Production costs	-6,618	-5,112	-22,335	-18,577
Gross profit/loss	**1,328**	**1,106**	**3,968**	**3,299**
Sales costs and administrative expenses	-656	-480	-2,272	-1,787
Operating profit/loss	**672**	**626**	**1,696**	**1,512**
Net financial income/expense	-32	-19	-64	-56
Profit/loss before tax	**640**	**608**	**1,632**	**1,456**
Tax	-139	-139	-349	-318
Profit/loss for the period	**501**	**468**	**1,283**	**1,138**
Profit/loss for the period attributable to:				
Owners of the parent company	495	471	1,267	1,148
Non-controlling interests	6	-3	16	-10
Profit/loss for the period	**501**	**468**	**1,283**	**1,138**
Basic earnings per share, SEK				
Diluted earnings per share, SEK	2.43	2.32	6.22	5.66
	2.42	2.31	6.21	5.64

Consolidated statement of comprehensive income, summary

Amounts in SEK MILLION	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Profit/loss for the period	**501**	**468**	**1,283**	**1,138**
Other comprehensive income				
Items that have been or can be transferred to profit/loss for the year				
Translation differences for the period from the translation of foreign operations	50	31	142	98
Items that cannot be transferred to profit/loss for the year				
Revaluation of defined-benefit pensions	188	24	409	158
Tax attributable to the revaluation of pensions	-37	-4	-84	-32
Other comprehensive income for the period	**201**	**51**	**467**	**223**
Comprehensive income for the period	**702**	**519**	**1,750**	**1,361**
Comprehensive income for the period attributable to:				
Owners of the parent company	696	522	1,734	1,371
Non-controlling interests	6	-3	16	-10
Comprehensive income for the period	**702**	**519**	**1,750**	**1,361**

Consolidated balance sheet, summary

Amounts in SEK MILLION	31/12/2022	31/12/2021
Goodwill	10,439	9,530
Right-of-use assets	1,028	972
Other non-current assets	393	250
Total non-current assets	**11,860**	**10,752**
Trade receivables	5,210	4,446
Contract assets	3,225	2,019
Other current assets	867	705
Cash and cash equivalents	1,308	1,594
Total current assets	**10,611**	**8,764**
Total assets	**22,472**	**19,516**
Equity attributable to owners of the parent company	7,895	6,816
Non-controlling interests	40	16
Total equity	**7,936**	**6,832**
Non-current liabilities	1,679	1,159
Lease liabilities	666	638
Total non-current liabilities	**2,345**	**1,797**
Lease liabilities	384	356
Trade payables	3,259	2,534
Contract liabilities	3,938	3,144
Other current liabilities	4,610	4,854
Total current liabilities	**12,191**	**10,887**
Total liabilities	**14,536**	**12,684**
Total equity and liabilities	**22,472**	**19,516**
Of which interest-bearing liabilities	2,613	2,597

Changes in equity

Amounts in SEK million	Jan–Dec 2022	Jan–Dec 2021
Consolidated equity		
Amount at start of period	6,832	5,876
Comprehensive income for the period	1,750	1,361
Non-controlling interests' put option	-73	67
Dividend	-610	-507
Long-term incentive programme	37	35
Amount at end of period	**7,936**	**6,832**

Consolidated cash flow statement, summary

Amounts in SEK MILLION	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Cash flow from operating activities				
Profit/loss before tax	640	608	1,632	1,456
Adjustments for non-cash items	321	217	660	550
Income taxes paid	-67	-46	-359	-210
Change in operating profit	215	337	-341	-359
Cash flow from operating activities	**1,110**	**1,115**	**1,592**	**1,437**
Investing activities				
Acquisitions of subsidiaries and businesses	-82	-75	-675	-421
Other	-47	-46	-142	-88
Cash flow from investing activities	**-130**	**-121**	**-817**	**-509**
Financing activities				
Net change in borrowing	-647	-297	-42	-247
Repayment of lease liabilities	-114	-102	-426	-397
Dividend paid	–	–	-610	-507
Cash flow from financing activities	**-761**	**-399**	**-1,078**	**-1,151**
Cash flow for the period	**219**	**595**	**-304**	**-223**
Cash and cash equivalents at start of period	1,080	973	1,594	1,748
Translation difference on cash and cash equivalents	9	26	18	69
Cash and cash equivalents at end of period	**1,308**	**1,594**	**1,308**	**1,594**

Parent company income statement, summary

Amounts in SEK MILLION	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Net sales	**74**	**59**	**232**	**198**
Sales costs and administrative expenses	-90	-86	-238	-215
Operating profit/loss	**-15**	**-27**	**-6**	**-17**
Net financial income/expense	-19	-4	-30	-14
Profit/loss after net financial items	**-34**	**-30**	**-36**	**-31**
Net Group contributions	543	882	543	882
Appropriations	-15	-152	-15	-152
Profit/loss before tax	**494**	**699**	**492**	**699**
Tax	-105	-146	-105	-146
Profit/loss for the period	**389**	**553**	**386**	**552**

Parent company balance sheet, summary

Amounts in SEK MILLION	31/12/2022	31/12/2021
Shares in subsidiaries	7,341	7,341
Non-current receivables	1	1
Deferred tax asset	0	0
Total non-current assets	**7,343**	**7,342**
Receivables from Group companies	2,290	1,587
Current receivables	21	33
Total current receivables	**2,310**	**1,620**
Cash and bank balances	1,055	1,380
Total current assets	**3,366**	**3,001**
Total assets	**10,709**	**10,343**
Restricted equity	4	4
Non-restricted equity	3,989	4,175
Equity	**3,993**	**4,179**
Untaxed reserves	687	672
Liabilities to credit institutions	500	–
Provisions	4	2
Total non-current liabilities	**504**	**2**
Short-term loans	1,063	1,603
Liabilities to Group companies	4,406	3,738
Current liabilities	56	148
Total current liabilities	**5,525**	**5,489**
Total equity and liabilities	**10,709**	**10,343**
Of which interest-bearing liabilities	1,563	1,603

Quarterly data

INCOME STATEMENT	Oct–Dec 2022	Jul–Sep 2022	Apr–Jun 2022	Jan–Mar 2022	Oct–Dec 2021	Jul–Sep 2021	Apr–Jun 2021	Jan–Mar 2021
Net sales	7,945	6,097	6,434	5,826	6,218	4,854	5,570	5,233
Production costs	-6,618	-5,215	-5,488	-5,014	-5,112	-4,161	-4,784	-4,520
Gross profit/loss	**1,328**	**882**	**946**	**812**	**1,106**	**694**	**786**	**713**
Sales costs and administrative expenses	-656	-527	-572	-517	-480	-401	-459	-447
Operating profit/loss	**672**	**356**	**374**	**295**	**626**	**293**	**327**	**266**
Net financial income/expense	-32	-14	-12	-7	-19	-13	-15	-9
Profit/loss after financial items	**640**	**342**	**362**	**288**	**608**	**280**	**312**	**256**
Tax	-139	-72	-77	-61	-139	-59	-66	-54
Profit/loss for the period	**501**	**270**	**286**	**227**	**468**	**221**	**246**	**202**

BALANCE SHEET	31/12/2022	30/09/2022	30/06/2022	31/03/2022	31/12/2021	30/09/2021	30/06/2021	31/03/2021
Goodwill	10,439	10,287	9,930	9,707	9,530	9,291	9,223	9,081
Other non-current assets	1,421	1,348	1,214	1,228	1,222	1,175	1,182	1,183
Current assets	9,303	9,208	8,267	7,152	7,169	6,788	6,332	5,654
Cash and cash equivalents	1,308	1,080	1,067	1,186	1,594	973	1,302	1,367
Total assets	**22,472**	**21,924**	**20,478**	**19,273**	**19,516**	**18,227**	**18,039**	**17,285**
Equity	7,936	7,260	6,938	7,079	6,832	6,236	5,991	6,186
Borrowings	500	500	500	500	500	500	500	300
Non-current liabilities	1,845	1,734	1,608	1,851	1,797	1,336	1,841	1,950
Current liabilities	12,191	12,430	11,431	9,843	10,387	10,155	9,707	8,848
Total equity and liabilities	**22,472**	**21,924**	**20,478**	**19,273**	**19,516**	**18,227**	**18,039**	**17,285**

CASH FLOW	Oct–Dec 2022	Jul–Sep 2022	Apr–Jun 2022	Jan–Mar 2022	Oct–Dec 2021	Jul–Sep 2021	Apr–Jun 2021	Jan–Mar 2021
Cash flow from operating activities	1,110	78	62	341	1,115	-139	317	144
Cash flow from investing activities	-130	-259	-276	-153	-121	-98	-148	-142
Cash flow from financing activities	-761	192	140	-648	-399	-97	-207	-448
Cash flow for the period	**219**	**11**	**-74**	**-460**	**595**	**-335**	**-37**	**-446**

KEY PERFORMANCE INDICATORS	Oct–Dec 2022	Jul–Sep 2022	Apr–Jun 2022	Jan–Mar 2022	Oct–Dec 2021	Jul–Sep 2021	Apr–Jun 2021	Jan–Mar 2021
Operating margin (EBIT), %	8.5	5.8	5.8	5.1	10.1	6.0	5.9	5.1
EBITA margin, %	8.4	5.9	5.9	5.1	10.1	6.1	5.9	5.1
Return on equity, %	16.9	17.6	17.1	16.7	17.4	16.7	16.6	16.6
Net debt	-1,304	-2,144	-1,760	-829	-1,003	-1,906	-1,600	-1,134
Net debt/EBITDA	0.6	1.0	0.9	0.4	0.5	1.1	0.9	0.6
Cash conversion*, %	87	88	80	92	83	80	90	114
Interest coverage, multiple	24.4	20.5	28.9	31.5	44.5	23.5	23.0	25.4
Equity/assets ratio, %	35.3	33.1	33.9	36.7	35.0	34.2	33.2	35.8
Order intake	6,816	5,900	6,534	6,553	7,251	5,212	5,973	5,801
Order backlog	16,881	17,895	17,436	17,334	16,519	15,269	14,908	14,397
Average number of employees	13,078	12,864	12,245	11,877	11,864	11,817	11,763	11,731
Administrative expenses as % of sales	8.3	8.6	8,9	8,9	7.7	8.3	8.2	8.5
Operating profit as % of sales	-3.8	-3.5	-4.9	-6.7	-6.7	-4.4	-6.8	-6.8
Basic earnings per share, SEK	2.43	1.29	1.39	1.12	2.32	1.09	1.23	1.02
Diluted earnings per share, SEK	2.42	1.29	1.38	1.11	2.31	1.09	1.23	1.02
Equity per share, SEK	38.76	35.47	33.93	34,69	33.52	30.60	29.39	30.40
Share price at balance sheet date, SEK	111.40	91.70	89.10	108.50	127.00	118.40	123.80	120.30

* A change in the cash conversion calculation was made during quarter 4 2021, see the definitions on page 21.

Reconciliation of key performance indicators, not defined under IFRS

The company presents certain financial measures in this quarterly report that are not defined under IFRS. The company considers that these indicators provide valuable additional information for investors and the company's management as they allow relevant trends to be assessed. Bravida's definitions of these indicators may differ from other companies' definitions of the same terms. These financial measures should therefore be regarded as complementary rather than replacing the measures defined under IFRS. See page 21 for the definitions of key performance indicators.

Reconciliation of key performance measures, not defined under IFRS

Amounts in SEK million	Oct–Dec 2022	Jul–Sep 2022	Apr–Jun 2022	Jan–Mar 2022	Oct–Dec 2021	Jul–Sep 2021	Apr–Jun 2021	Jan–Mar 2021
Interest-bearing liabilities								
Long-term loans	-500	-500	-500	-500	-500	-500	-500	-300
Short-term loans	-1,063	-1,710	-1,407	-557	-1,103	-1,400	-1,400	-1,200
Lease liability	-1,050	-1,014	-919	-958	-994	-979	-1,002	-1,001
Total interest-bearing liabilities	**-2,613**	**-3,224**	**-2,826**	**-2,014**	**-2,597**	**-2,879**	**-2,902**	**-2,501**
Net debt								
Interest-bearing liabilities	-2,613	-3,224	-2,826	-2,014	-2,597	-2,879	-2,902	-2,501
Cash and cash equivalents	1,308	1,080	1,067	1,186	1,594	973	1,302	1,367
Total net debt	**-1,304**	**-2,144**	**-1,760**	**-829**	**-1,003**	**-1,906**	**-1,600**	**-1,134**
EBITA								
Operating profit, EBIT	672	356	374	295	626	293	327	266
Amortisation and impairment of non-current intangible assets	-3	1	3	0	-1	1	1	0
EBITA	**669**	**357**	**376**	**295**	**625**	**294**	**327**	**266**
EBITDA								
Operating profit, EBIT	672	356	374	295	626	293	327	266
Depreciation and impairment	122	122	114	111	110	107	109	107
EBITDA	**794**	**477**	**488**	**406**	**736**	**400**	**435**	**372**
Working capital								
Current assets	10,611	10,288	9,334	8,339	8,764	7,761	7,634	7,021
Cash and cash equivalents	-1,308	-1,080	-1,067	-1,186	-1,594	-973	-1,302	-1,367
Current liabilities	-12,191	-12,430	-11,931	-10,343	-10,887	-10,155	-9,707	-8,848
Lease, current liability	384	359	337	350	356	333	340	339
Short-term loans	1,063	1,710	1,907	1,057	1,603	1,900	1,400	1,200
Provisions	434	282	275	282	287	199	206	220
Total working capital	**-1,007**	**-870**	**-1,145**	**-1,503**	**-1,471**	**-935**	**-1,429**	**-1,434**
Interest coverage ratio								
Profit/loss before tax	640	342	362	288	608	280	312	256
Interest expense	27	18	13	9	14	12	14	11
Total	**667**	**360**	**375**	**297**	**622**	**293**	**326**	**267**
Interest expense	27	18	13	9	14	12	14	11
Interest coverage, multiple	**24.4**	**20.5**	**28.9**	**31.5**	**44.5**	**23.5**	**23.0**	**25.4**
Cash conversion*								
Cash flow from operating activities, 12 months	1,592	1,597	1,380	1,635	1,437	1,195	1,344	1,755
Income taxes paid	359	339	332	239	210	232	238	237
Net interest income	64	51	50	53	56	65	64	63
Investments in machinery and equipment	-142	-141	-128	-111	-88	-52	-43	-36
Adjusted cash flow from operating activities, 12 months	1,874	1,846	1,633	1,816	1,615	1,440	1,603	2,019
EBITDA, 12 months	2 165	2,107	2,030	1,978	1,944	1,807	1,791	1,777
Cash conversion, %	**87**	**88**	**80**	**92**	**83**	**80**	**90**	**114**

* A change in the cash conversion calculation was made during quarter 4 2021, see the definitions on page 21.

Notes

NOTE 1. Accounting policies

This is a translation of the Swedish Interim Report of Bravida Holding AB. In the event of inconsistency between the English and the Swedish versions, the Swedish version shall prevail.

This interim report for the Group has been prepared in accordance with International Reporting Standards (IFRS) using IAS 34 Interim Reporting. The parent company applies Recommendation RFR 2 Accounting for Legal Entities and Chapter 9 of the Swedish Annual Accounts Act regarding interim reports.

The accounting policies applied are consistent with what is set out in the 2021 annual accounts.

The IASB has published supplements to standards effective from 1 January 2022 or later. Such supplements have not had any material impact on Bravida's financial statements.

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

NOTE 2. Segment reporting and revenue distribution

Net sales by country

Amounts in SEK million	Oct–Dec 2022	Distri-bution	Oct–Dec 2021	Distri-bution	Jan–Dec 2022	Distri-bution	Jan–Dec 2021	Distri-bution
Sweden	3,856	48%	3,355	54%	13,040	49%	11,894	54%
Norway	1,622	20%	1,188	19%	5,555	21%	4,066	19%
Denmark	1,953	25%	1,211	19%	6,038	23%	4,381	20%
Finland	581	7%	496	8%	1,812	7%	1,622	7%
Group-wide and eliminations	-67		-32		-142		-88	
Total	**7,945**		**6,218**		**26,303**		**21,876**	

EBITA, EBITA margin and profit/loss before tax

Amounts in SEK million	Oct–Dec 2022	EBITA margin	Oct–Dec 2021	EBITA margin	Jan–Dec 2022	EBITA margin	Jan–Dec 2021	EBITA margin
Sweden	439	11.4%	418	12.5%	1,017	7.8%	954	8.0%
Norway	78	4.8%	92	7.8%	283	5.1%	253	6.2%
Denmark	117	6.0%	70	5.8%	308	5.1%	230	5.3%
Finland	40	6.9%	43	8.6%	96	5.3%	82	5.0%
Group-wide	-5		2		-6		-7	
EBITA	**669**	**8.4%**	**625**	**10.1%**	**1,697**	**6.5%**	**1,512**	**6.9%**
Amortisation of intangible assets	3		1		-1		0	
Net financial income/expense	-32		-19		-64		-56	
Profit/loss before tax (EBT)	**640**		**608**		**1,632**		**1,456**	

NOTE 2. Segment reporting and revenue distribution, cont.

Distribution of revenues	Oct–Dec 2022			Oct–Dec 2021		
Revenue per category, SEK million	**Service**	**Installation**	**Total**	**Service**	**Installation**	**Total**
Sweden	1,997	1,858	3,856	1,578	1,776	3,355
Norway	845	777	1,622	662	527	1,188
Denmark	637	1,316	1,953	532	679	1,211
Finland	192	389	581	126	370	496
Eliminations	-32	-35	-67	0	-32	-32
Group	**3,639**	**4,306**	**7,945**	**2,899**	**3,319**	**6,218**

Distribution of revenues	Jan–Dec 2022			Jan–Dec 2021		
Revenue per category, SEK million	**Service**	**Installation**	**Total**	**Service**	**Installation**	**Total**
Sweden	6,534	6,506	13,040	5,658	6,237	11,894
Norway	2,861	2,694	5,555	2,294	1,772	4,066
Denmark	2,317	3,720	6,038	1,871	2,510	4,381
Finland	578	1,234	1,812	457	1,164	1,622
Eliminations	-39	-103	-142	-3	-84	-88
Group	**12,251**	**14,052**	**26,303**	**10,277**	**11,599**	**21,876**

Average number of employees	Jan–Dec 2022	Jan–Dec 2021
Sweden	6,098	5,672
Norway	3,165	2,931
Denmark	2,908	2,429
Finland	752	704
Group-wide	155	128
Total	**13,078**	**11,864**

NOTE 3. Acquisition of operations

Bravida made the following acquisitions in the year:

Acquired unit	Country	Technical area	Type	Date	Percentage of votes	Employees	Estimated annual sales, million SEK
Rotovent AS	Denmark	HVAC	Assets and liabilities	January	–	2	18
Z-Elektro AS	Norway	Electrical, service	Company	January	100%	20	18
Viva Energi AS	Denmark	Solar panels	Company	January	60%	13	48
Skoglund El & Tele AB	Sweden	Electrical	Company	January	100%	30	45
Langhus Rör AS	Norway	Heating & plumbing	Company	February	100%	14	19
AB Elektro AS	Norway	Electrical	Company	February	100%	32	69
Elmontage i Gällivare AB	Sweden	Electrical	Company	April	100%	11	11
LR-Installation AB	Sweden	Electrical, heating & plumbing	Company	May	100%	180	300
HNA Storköksservice AB	Sweden	Service	Company	May	100%	40	103
Elektro Entreprenören Arendal AS	Norway	Electrical	Company	May	100%	31	48
Karlstads Processrör AB	Sweden	Heating & plumbing	Company	June	100%	35	65
Bautec AS	Norway	Automation	Company	June	100%	13	18
Blaxmo Kraft AB	Sweden	Electrical, power	Assets and liabilities	June	–	1	6
EFAB Automation	Sweden	Automation	Assets and liabilities	June	–	10	20
Electrosec Elteknik i Östergötland AB	Sweden	Electrical	Company	June	100%	10	25
HP El-service A/S	Denmark	Electrical, cooling	Assets and liabilities	June	–	16	28
KT Elektric A/S	Denmark	Electrics, automation	Company	July	100%	250	375
JZ Elteknik AB	Sweden	Electrical	Assets and liabilities	July	–	10	12
Indupipe AB	Sweden	Heating & plumbing	Company	July	100%	85	270
Rörledningsfirman Werner Nilsson AB	Sweden	Heating & plumbing	Assets and liabilities	July	–	4	16
Polar 2000 Oy	Finland	Electrics, automation	Company	September	100%	44	51

Effects of acquisitions in 2022

Bravida normally uses an acquisition structure with a fixed purchase price and contingent consideration. The contingent consideration is initially valued at the likely final amount, which for the year's acquisitions is SEK 140 million. The contingent considerations are due for payment within three to five years. The acquisitions are reported in aggregate form in the table below as individually they are not of sufficient size to justify separate recognition of each acquisition.

The acquisition analyses of acquired companies in 2022 are preliminary.

Assets and liabilities included in acquisition	Fair value recognised in the Group, SEK million
Intangible assets	0
Property, plant and equipment	11
Trade receivables*	241
Income accrued but not invoiced	83
Other current assets	106
Cash and cash equivalents	115
Non-current liabilities	-39
Trade payables	-118
Income invoiced but not accrued	-20
Other current liabilities	-218
Net identifiable assets and liabilities	161
Consolidated goodwill	**720**
Consideration	**880**
Consideration recognised as a liability**	238
Cash consideration paid	642
Cash and cash equivalents, acquired	115
Net effect on cash and cash equivalents	**528**

Acquisitions after the end of the reporting period

Bravida has completed four acquisitions since the end of the period. In January, LVI-Press Oy was taken over in Finland and Vikblom Hydraulik & Rörteknik AB was taken over in Sweden, each of which has 20 employees and sales of approximately SEK 40 million. In February, Viste & Sömme AS, with 12 employees and sales of approximately SEK 23 million, was taken over in Norway, and the business operations of Nordic Montage Team AB, with 9 employees and sales of approximately SEK 12 million, were taken over in Sweden.

NOTE 4. Seasonal variations

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

Note 5. Financial instruments, fair value

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

* There are no material impairments of trade receivables.
** Of the total consideration recognised as a liability in the period, SEK 140 million consists of contingent consideration. In addition, non-controlling interests' option to sell shares held is recognised as a liability at the net present value of the expected amount to be paid upon exercise of the option, at an amount of SEK 89 million.

Stockholm, 14 February 2023
Bravida Holding AB

Mattias Johansson
CEO and Group President

Information

This information is information that Bravida Holding is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted, through the agency of the contact person set out below, for publication at 7.30 a.m. CET on 14 February 2023.

This interim report has not been reviewed by Bravida's auditors.

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

For further information, please contact:

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Financial reporting dates

Annual Report 2022	Calender week 13, 2023
2023 Annual General Meeting	28 April 2023
Interim Report January–March 2023	3 May 2023
Interim Report April–June 2023	14 July 2023
Interim Report July–September 2023	25 October 2023

Definitions

Financial definitions

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

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

EBITA margin*
EBITA as a percentage of net sales.

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

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

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

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

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

Capital structure (Net debt/EBITDA)
Net debt divided by EBITDA, based on a rolling 12-month calculation. A healthy capital structure provides a solid basis for continued business operations. The capital structure should enable a high degree of financial flexibility and provide scope for acquisitions.

Cash conversion*
Cash conversion, 12 months. Cash flow from operating activities adjusted for tax payments, net financial income/expense and investments in machinery and equipment in relation to EBITDA.

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

A change was made in the cash generation calculation during quarter 4 2021, so previous periods have been recalculated accordingly.

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

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

Operating cash flow*
Operating profit/loss adjusted for non-cash items, investments in machinery and equipment and changes in working capital.

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

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

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

Diluted earnings per share
Profit/loss for the period attributable to shareholders of the parent company divided by the average number of outstanding ordinary shares after dilution.

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

Interest coverage ratio*
Profit/loss after financial items plus interest expense, divided by interest expense. This key performance indicator is a measure of by how much earnings can fall without jeopardising interest payments or by how much interest on borrowing can increase without operating profit turning negative.

Operating profit*
Total current assets, excluding cash and cash equivalents, minus current liabilities excluding current provisions and interest-bearing short-term borrowing, and current lease liabilities. This measure shows how much operating profit is tied up in the business and may be set in relation to sales to understand how efficiently tied-up operating profit is being used.

Operating margin
Operating profit/loss as a percentage of net sales.

Operating profit/EBIT
Earnings net financial income/expense and tax.

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

Operational definitions

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

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

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

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

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

Other
Refers to other technical areas such as power, security, cooling, solar panels, energy optimisation, sprinklers, building automation and technical facility management.

Sustainability definitions

Please note that newly acquired companies are not included in the reporting of sustainability indicators.

LTIFR
(Lost Time Injury Frequency Rate)
Occupational injuries that lead to at least one day of sickness absence per million working hours. The reporting includes employed staff and the definition of occupational injuries is based on the 'Håll nollan' initiative.

Change in CO2e emissions, vehicles
Refers to scope 1 emissions from vehicles either leased or owned by Group companies and includes both service vehicles and company cars. Emissions are calculated in accordance with the GHG Protocol and emission factors for petrol and diesel (Well To Wheel) are based on data from the Swedish Energy Agency.

*See page 16 for reconciliation of key performance indicators

This is Bravida

Our mission

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

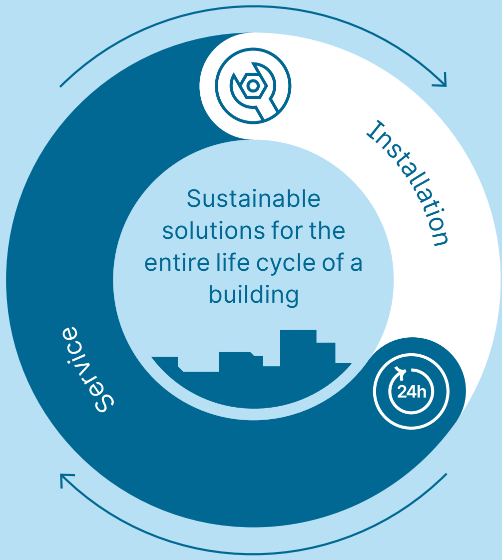
Our vision

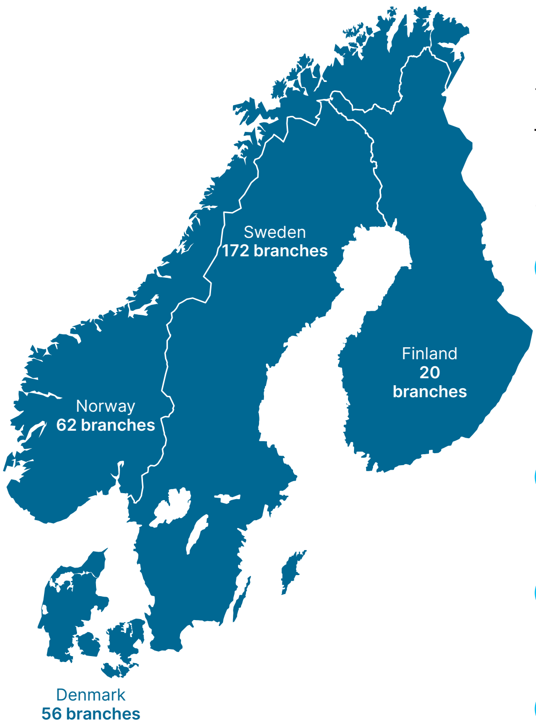
Bravida helps customers develop the full potential of their properties. Through service and installation, we bring buildings to life, and are leading the way to a sustainable and resilient society.

Target

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

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





The Bravida Way

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

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

We approach and interact with our customers on local markets. Through Bravida's shared culture, work methods and strategy, each branch creates the best customer offer on the market – and a profitable business.

2 Shared culture

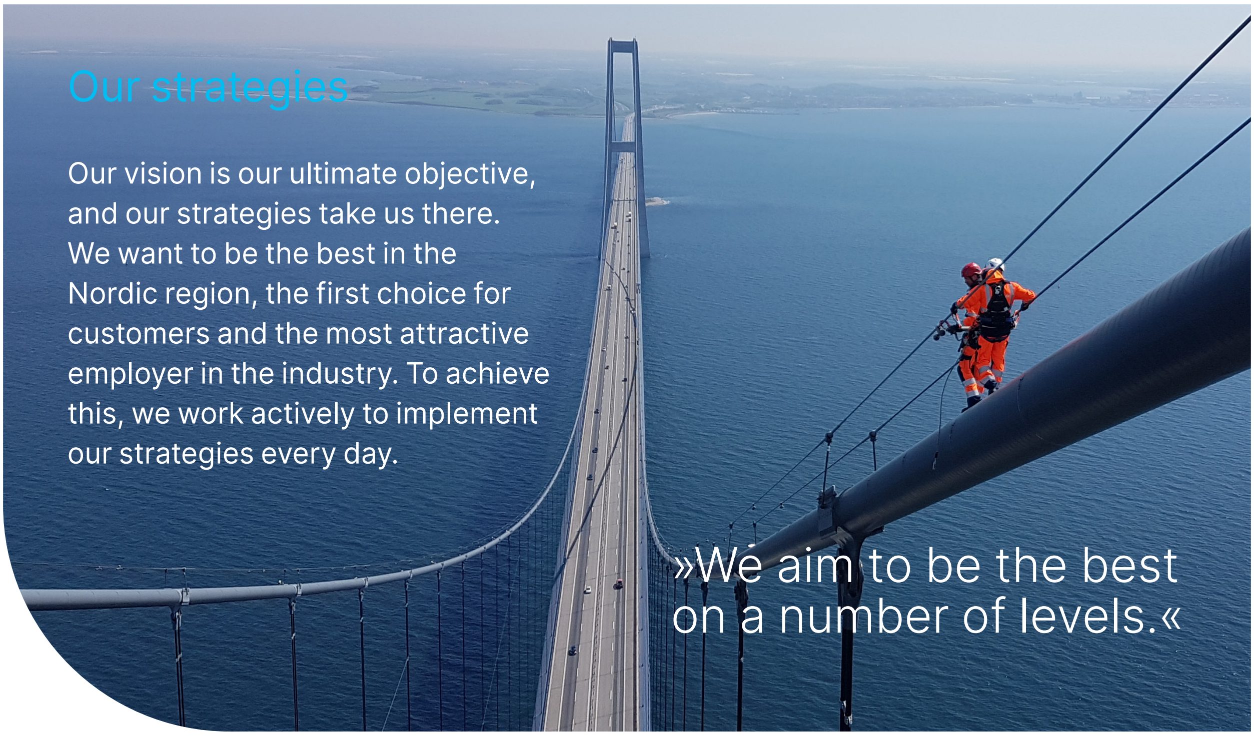
Together, we are Bravida. Our entire company shares the same corporate culture, values and leadership.

3 Shared working methods and tools

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

4 Group-wide strategy

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



Our strategies

Our vision is our ultimate objective, and our strategies take us there. We want to be the best in the Nordic region, the first choice for customers and the most attractive employer in the industry. To achieve this, we work actively to implement our strategies every day.

»We aim to be the best on a number of levels.«

+ Best customer offering

Bravida has the best customer offering on the market. Our customers choose us because we create comprehensive solutions that make complex matters simple. We listen to our customers and proactively suggest solutions for the entire life cycle of the building. We facilitate the making of sustainable choices and create sustainable solutions. We provide customers with feedback after completing the assignment, and always ask if we can help with anything else. And above all – we keep our promises, take responsibility for our work and care about our customers.

+ The best team

Bravida has the best team in the industry. What unites us is our passion to achieve constant improvement. That is why the best managers and employees choose to work for us. We promote gender equality and diversity so that we can become a stronger company. We have a passion for service and are experts in project management and delivering assignments. We work as a team, we help each other and we enjoy working together. And there are also lots of opportunities to grow and develop within the company.

+ Efficient delivery

At Bravida, we are professionals who do the job properly. Every employee works to create a great customer experience – every single day. We work efficiently, are cost-conscious and make sure to keep our workplaces in order. We always use our shared working methods and make purchases in the right way. We also plan thoroughly, monitor our productivity and maintain good control of every aspect of our assignments.

+ Sustainable business

We take responsibility for our business operations and have a proactive approach to long-term sustainability. Our vision is to eliminate occupational injuries entirely, and every branch works systematically to create a safe, pleasant working environment. We endeavour to achieve sustainable use of resources and a small climate footprint. We set high standards for both our suppliers and ourselves on business ethics, legal requirements and human rights.

+ Profitable growth – margin rather than volume

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

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

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

We bring buildings to life

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