

KEY  
TO GROUP



Q3

Interim Report  
July – September 2024

KEYTO Group AB  
Org. No: 559328-3392

# Q3 SUMMARY

## GROUP OVERVIEW

- Pro forma Q3 net sales increased by 3% compared to the same quarter 2023, amounting to SEK 484 million (470). The growth was mainly driven by business areas Cleaning<sup>1</sup> and Flex Work.
- Pro forma Q3 2024 Adjusted EBITDA amounted to SEK 42 million (41). All business areas have demonstrated stable levels of profitability during the quarter, in line with Q3 2023.
- Pro forma YTD net sales amounted to SEK 1,491 million, somewhat above the corresponding period the previous year (1,472).
- Pro forma YTD Adjusted EBITDA grew by 11%, reaching SEK 117 million (106), driven by enhanced operational efficiency, particularly in business areas Cleaning and Flex Work.

## SIGNIFICANT EVENTS AND OPERATIONAL HIGHLIGHTS OF THE QUARTER

- KEYTO expanded the group by concluding the acquisition of *Fastighetstvätt i Umeå AB* during Q3. Financials for the acquired company are included in the pro forma financials.
- KEYTO has focused on targeted marketing efforts this quarter, resulting in an increase in the customer base for cleaning services. Further investments have been made in the tech back-end that will support the group's vision of unlocking people's quality of life through the power of a one-stop destination platform.

| Pro forma financials<br>MSEK | Q3 2024 | Q3 2023 | Jan-Sep<br>YTD 2024 | Jan-Sep<br>YTD 2023 | LTM Sep<br>2024 | Full year<br>2023 |
|------------------------------|---------|---------|---------------------|---------------------|-----------------|-------------------|
| Net sales                    | 484     | 470     | 1,491               | 1,472               | 2,020           | 2,001             |
| Gross profit                 | 150     | 142     | 447                 | 430                 | 609             | 591               |
| Gross margin %               | 31%     | 30%     | 30%                 | 29%                 | 30%             | 30%               |
| Adjusted EBITDA              | 42      | 41      | 117                 | 106                 | 164             | 153               |
| Adjusted EBITDA margin %     | 9%      | 9%      | 8%                  | 7%                  | 8%              | 8%                |

<sup>1</sup>Business areas "Recurring home cleaning" and "White appliances" are hereafter called "Cleaning" and "Appliances" respectively

# CEO COMMENTS

I am pleased to present our interim report for the third quarter of 2024. This quarter reflects our continued commitment to growth and resilience, where we have leveraged the slightly more positive consumer sentiment in the market, coupled with advancements in our service offerings and an increased customer reach. Over the last quarter, we have also focused on continuing to build towards our vision of unlocking people's quality of life through the power of our one stop destination.

In Q3 2024, net sales<sup>1</sup> amounted to SEK 484 million (470), reflecting our ability to generate growth in revenues despite a still challenging consumer market and reduced volumes for major domestic appliances compared to last year. Adjusted EBITDA<sup>1</sup> reached SEK 42 million (41), reflecting stable performance across all business areas. Notably, Cleaning experienced an increase in inflow for subscription customers, reinforcing the essential nature of our services and their relevance to our customers.

In line with our growth strategy, we completed one acquisition in business area Appliances during the quarter. This addition further strengthens our market position and enables us to better meet the needs of an expanding customer base with a broader service offering.

Looking ahead, we remain confident that the initiated easing of economic pressures will provide an environment conducive for increased organic growth. Our focus will be on capitalizing on these trends to drive profitable organic growth while pursuing strategic acquisitions to enhance our offering and geographical presence. By staying aligned with our vision and maintaining a steadfast commitment to operational excellence, we aim to deliver lasting value to our customers, employees, and stakeholders.

Cecilia Tosting  
**CEO, KEYTO Group**

<sup>1</sup>Pro forma financials

# FINANCIAL OVERVIEW

## GROUP FINANCIAL DEVELOPMENT<sup>1</sup>

- Q3 net sales for the group amounted to SEK 478 million (401), corresponding to a growth of 19%, with a reported EBITDA growth of 22%. The growth in net sales and reported EBITDA for group is driven by both acquisitions as well as operational improvements.
- YTD net sales for the group amounted to SEK 1,416 million (1,049) , corresponding to a growth of 35% with a reported EBITDA growth of 55%.
- Q3 cash flow from operating activities after capex for the period reached SEK -12 million (-23). The key driver for the negative cash flow is a seasonal buildup of working capital, similar to the cash flow pattern in Q3 2023. YTD cash flow from operating activities after capex ended at SEK 32 million (-22), primarily resulting from increased cash earnings compared to YTD 2023. The LTM development of net working capital, as well as full-year effect in 2023, is positive for cash flow.

## BUSINESS AREAS FINANCIAL DEVELOPMENT<sup>1</sup>

- **CLEANING:** Q3 net sales grew by 10%, while YTD sales grew by 8% compared to the corresponding period 2023. Growth was driven by one-time cleaning services, stable inflow of new recurring customers, and three acquisitions. A shift in consumer sentiment was observed during August and September, enabling increased positive inflow of new recurring home cleaning customers. Increased profitability primarily due to operational efficiency.
- **APPLIANCES<sup>2</sup>:** Q3 net sales grew by 54%, driven mainly by recent acquisitions. Revenues were negatively impacted by delayed project starts, but the increased geographical coverage through new subsidiaries has positioned the business area for growth as these projects commence. Expanded workforce investments, currently in training, have been made in anticipation of increased demand, temporarily impacting profitability due to higher personnel costs.
- **FLEX WORK:** Q3 net sales grew by 10%, while YTD net sales grew by 11%. Strong profitability improvement driven by topline growth from an improved commercial offering and cost containment efforts.

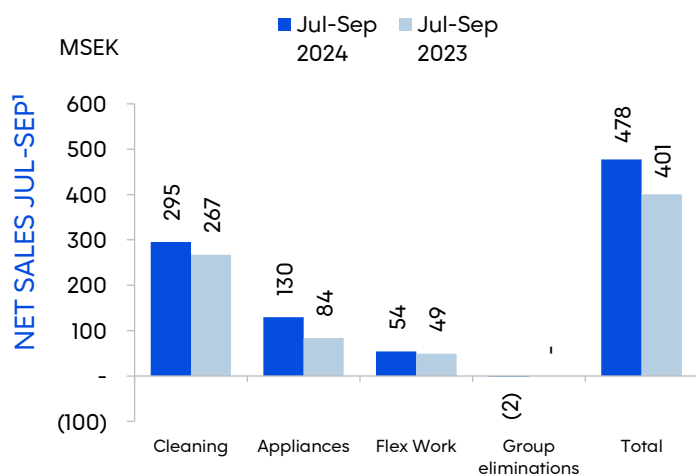
<sup>1</sup>Legal consolidation

<sup>2</sup>Financials for Appliances (previously called White appliances) included from Q3 2023

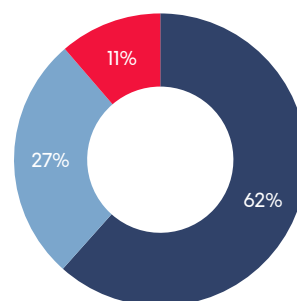
# FINANCIAL OVERVIEW

continued

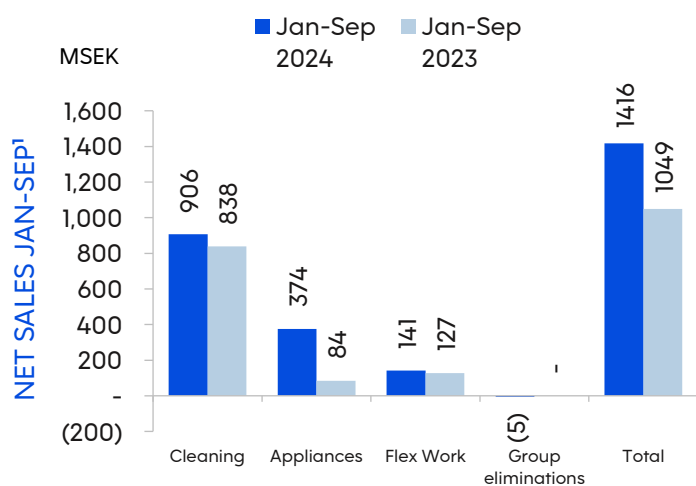
## BUSINESS AREAS FINANCIAL DEVELOPMENT<sup>1</sup> - CONTINUED



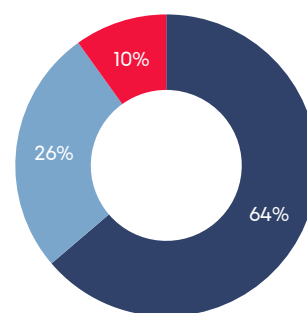
Share of Q3 2024 Net sales



■ Cleaning ■ Appliances ■ Flex Work



Share of YTD 2024 Net Sales



■ Cleaning ■ Appliances ■ Flex Work

<sup>1</sup>Legal consolidation

# OTHER INFORMATION

## SEASONALITY

- Seasonal trends in revenue and earnings vary across KEYTO Group's three business areas. Cleaning and Appliances typically experience a stronger second half of the year, with autumn historically being a particularly strong period for sales. In contrast, Flex Work, which provides handyman services and gardening, normally shows growth during the January to June period, driven by consumer demand for gardening services.

## SUSTAINABILITY

- Sustainability drives our decision-making, fostering ethical standards and responsible business practices.
- We aim to lead in sustainability, viewing it as both essential and a competitive advantage. In our acquisition-driven growth, we ensure that acquired companies share our sustainability values.
- In 2024, we are focused on refining sustainability processes, improving target setting, and enhancing reporting to meet new regulations and maintain stakeholder trust.
- Looking ahead to 2025, we remain committed to preparing for ESRS-aligned reporting, while focusing on targeted initiatives to enhance the well-being of our employees and delivering outstanding services to our customers, improving their quality of life.

## DISTRIBUTED BY

**Monica Lindstedt**  
Chairman of the Board

**Cecilia Tosting**  
Chief Executive Officer

Stockholm, November 18<sup>th</sup>, 2024

The report has not been subject to review by the Company's Auditors.

## CONTACT INFORMATION

Chief Financial Officer  
David Zytomierski  
david@keytogroup.com

# FINANCIAL STATEMENTS

## CONDENSED INCOME STATEMENT<sup>1</sup>

| MSEK  | Q3 2024     | Q3 2023     | Jan-Sep 2024 | Jan-Sep 2023 | Sep-24 LTM   | FY 2023      |
|---|-------------|-------------|--------------|--------------|--------------|--------------|
| <b>Net Sales</b>  | <b>478</b>  | <b>401</b>  | <b>1,416</b> | <b>1,049</b> | <b>1,883</b> | <b>1,516</b> |
| Other income  | 2           | 6           | 7            | 11           | 11           | 15           |
| <b>Total revenue</b>  | <b>479</b>  | <b>406</b>  | <b>1,423</b> | <b>1,060</b> | <b>1,894</b> | <b>1,531</b> |
| Cost of production  | (330)       | (279)       | (995)        | (730)        | (1,322)      | (1,056)      |
| <b>Gross profit</b>   | <b>150</b>  | <b>127</b>  | <b>428</b>   | <b>330</b>   | <b>572</b>   | <b>475</b>   |
| Total OPEX  | (113)       | (97)        | (336)        | (271)        | (453)        | (388)        |
| <b>EBITDA</b>   | <b>36</b>   | <b>30</b>   | <b>92</b>    | <b>59</b>    | <b>120</b>   | <b>87</b>    |
| Depreciation  | (2)         | (1)         | (4)          | (3)          | (6)          | (5)          |
| Depreciation leasing  | (6)         | (5)         | (17)         | (11)         | (22)         | (16)         |
| Amortizations   | (5)         | (2)         | (11)         | (7)          | (13)         | (9)          |
| <b>EBITA</b>  | <b>23</b>   | <b>22</b>   | <b>60</b>    | <b>38</b>    | <b>79</b>    | <b>57</b>    |
| Amortizations group intangibles (incl. GW)                  | (65)        | (61)        | (189)        | (169)        | (251)        | (230)        |
| <b>EBIT</b>   | <b>(42)</b> | <b>(39)</b> | <b>(129)</b> | <b>(131)</b> | <b>(176)</b> | <b>(178)</b> |
| Results from participations in group companies <sup>2</sup> | 18          | -           | 22           | -            | 22           | (0)          |
| Financial income  | 2           | 0           | 4            | 1            | 4            | 1            |
| Financial expenses  | (21)        | (11)        | (56)         | (30)         | (67)         | (41)         |
| <b>EBT</b>  | <b>(43)</b> | <b>(50)</b> | <b>(158)</b> | <b>(160)</b> | <b>(216)</b> | <b>(218)</b> |
| Tax   | (1)         | (4)         | (3)          | (4)          | 0            | (1)          |
| <b>Net result for the period</b>                            | <b>(45)</b> | <b>(54)</b> | <b>(162)</b> | <b>(164)</b> | <b>(216)</b> | <b>(219)</b> |

| Financial ratios            |       |       |       |        |       |        |
|-----------------------------|-------|-------|-------|--------|-------|--------|
| Y-o-y growth (net sales)    | 19.2% |       | 35.0% |        |       |        |
| Gross profit % of net sales | 31.3% | 31.8% | 30.2% | 31.4%  | 30.4% | 31.3%  |
| Total OPEX % of net sales   | 23.7% | 24.3% | 23.7% | 25.8%  | 24.1% | 25.6%  |
| EBITDA margin               | 7.6%  | 7.5%  | 6.5%  | 5.6%   | 6.3%  | 5.7%   |
| EBITA margin                | 4.9%  | 5.4%  | 4.3%  | 3.6%   | 4.2%  | 3.8%   |
| EBIT margin                 | -8.8% | -9.9% | -9.1% | -12.4% | -9.4% | -11.8% |

<sup>1</sup>Legal consolidation

<sup>2</sup>Change in earn-out provisions

# FINANCIAL STATEMENTS

continued

## CONDENSED BALANCE SHEET

| <b>Assets</b>                                     |               |               |               |
|---|---------------|---------------|---------------|
| <b>MSEK</b>                                       | <b>Sep-24</b> | <b>Sep-23</b> | <b>Dec-23</b> |
| Total intangible fixed assets                     | 1,944         | 2,051         | 2,019         |
| Total tangible fixed assets                       | 109           | 79            | 90            |
| Total financial fixed assets                      | 12            | 8             | 9             |
| <b>NON-CURRENT ASSETS</b>                         | <b>2,066</b>  | <b>2,138</b>  | <b>2,118</b>  |
| Inventory   | 37            | 23            | 20            |
| Accounts receivables                              | 171           | 168           | 144           |
| Tax account                                       | 3             | 1             | 18            |
| Other current assets                              | 288           | 160           | 121           |
| Cash & bank                                       | 182           | 54            | 48            |
| <b>TOTAL CURRENT ASSETS</b>                       | <b>681</b>    | <b>406</b>    | <b>351</b>    |
| <b>TOTAL ASSETS</b>                               | <b>2,747</b>  | <b>2,544</b>  | <b>2,469</b>  |
| <b>Equity &amp; Liabilities</b>                   |               |               |               |
| <b>MSEK</b>                                       | <b>Sep-24</b> | <b>Sep-23</b> | <b>Dec-23</b> |
| <b>TOTAL EQUITY</b>                               | <b>1,155</b>  | <b>1,315</b>  | <b>1,272</b>  |
| Earn-out provisions                               | 48            | 60            | 66            |
| Other provisions                                  | 47            | 55            | 53            |
| Other long term liabilities                       | 0             | (0)           | 0             |
| <b>TOTAL PROVISIONS AND LONG TERM LIABILITIES</b> | <b>95</b>     | <b>115</b>    | <b>118</b>    |
| Reinvestment loans                                | 8             | -             | 4             |
| Vendor loans                                      | 13            | 174           | 164           |
| <b>TOTAL SELLERS FINANCING</b>                    | <b>21</b>     | <b>174</b>    | <b>168</b>    |
| Bond and debenture loans                          | 900           | -             | -             |
| Bond - investment                                 | (90)          | -             | -             |
| Leasing debt                                      | 101           | 66            | 78            |
| Other financial liabilities (incl. term loans)    | (12)          | 467           | 428           |
| <b>TOTAL FINANCIAL LOANS</b>                      | <b>899</b>    | <b>533</b>    | <b>506</b>    |
| Accounts payable                                  | 65            | 67            | 64            |
| Accrued interest - bond                           | 10            | -             | -             |
| Other current liabilities                         | 223           | 78            | 77            |
| Other accrued expenses and deferred income        | 278           | 262           | 263           |
| <b>TOTAL CURRENT LIABILITIES</b>                  | <b>576</b>    | <b>407</b>    | <b>404</b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>               | <b>2,747</b>  | <b>2,544</b>  | <b>2,469</b>  |



# FINANCIAL STATEMENTS

continued

## CONDENSED CASH FLOW STATEMENT

| MSEK   | Q3 2024     | Q3 2023     | Jan-Sep<br>YTD 2024 | Jan-Sep<br>YTD 2023 | LTM<br>Sep-24 | FY<br>2023  |
|--|-------------|-------------|---------------------|---------------------|---------------|-------------|
| EBITDA (reported)  | 36          | 30          | 92                  | 59                  | 120           | 87          |
| Non-cash items   | (0)         | 6           | 2                   | 6                   | (3)           | 1           |
| Change in working capital                                  | (36)        | (38)        | (29)                | (33)                | 18            | 14          |
| Taxes paid   | (3)         | (7)         | (11)                | (23)                | (3)           | (15)        |
| <b>Cash flow from operating activities</b>                 | <b>(4)</b>  | <b>(9)</b>  | <b>54</b>           | <b>10</b>           | <b>131</b>    | <b>87</b>   |
| Capex intangibles (net)                                    | (8)         | (14)        | (20)                | (28)                | (22)          | (30)        |
| Capex tangibles (net)                                      | (0)         | (0)         | (3)                 | (4)                 | (5)           | (6)         |
| <b>Cash flow after investing activities, excl. M&amp;A</b> | <b>(12)</b> | <b>(23)</b> | <b>32</b>           | <b>(22)</b>         | <b>104</b>    | <b>50</b>   |
| Cash flow from external financing                          | (29)        | (6)         | 297                 | (26)                | 190           | (132)       |
| Cash flow from M&A and owner financing                     | (33)        | (20)        | (194)               | 12                  | (167)         | 40          |
| <b>Cash flow for the period</b>                            | <b>(74)</b> | <b>(50)</b> | <b>134</b>          | <b>(36)</b>         | <b>128</b>    | <b>(43)</b> |

## CONDENSED STATEMENT OF CHANGES IN EQUITY

| MSEK                                       | Jan-Sep<br>YTD 2024 | Jan-Sep<br>YTD 2023 | FY<br>2023   |
|--|---------------------|---------------------|--------------|
| <b>Equity at the beginning of the year</b> | <b>1,272</b>        | <b>1,219</b>        | <b>1,219</b> |
| Net result for the period                  | (162)               | (164)               | (219)        |
| Shareholders contribution                  | 44                  | 259                 | 274          |
| Other                                      | (0)                 | 2                   | (2)          |
| <b>Closing equity</b>                      | <b>1,155</b>        | <b>1,315</b>        | <b>1,272</b> |

# NOTES

## NOTE 1. Accounting principles

KEYTO follows the Annual Accounts Act and BFNAR 2012:1 (K3) for its financial statements. The interim report is prepared accordingly. The same accounting policies and methods are used in the interim financial statements as in the latest Annual Financial Statements. There have been no changes since the KEYTO Group AB Annual Report 2023.

## NOTE 2. Net interest bearing debt calculation

Calculations according to Terms and Conditions for SEK 900 million senior secured callable floating rate bonds 2024/2029, issued 8 May 2024.

| MSEK  | Sep-24     |
|---|------------|
| <b>Interest bearing Financial Indebtedness</b>  |            |
| Bond and debenture loans                        | 810        |
| Leasing debt                                    | 101        |
| Vendor loans                                    | 13         |
| Other financial liabilities                     | 1          |
| <b>Less Cash and Cash Equivalents</b>           |            |
| Cash and Bank <sup>1</sup>                      | (185)      |
| Operating cash readily available within 30 days | (174)      |
| <b>Net Interest Bearing Debt</b>                | <b>566</b> |

<sup>1</sup>Including tax account

# DEFINITIONS

|                                  |  |
|----------------------------------|--|
| <b>Adjusted EBITDA</b>           | EBITDA adjusted for non-recurring items  |
| <b>Adjusted EBITDA margin</b>    | Adjusted EBITDA as a percentage of net sales   |
| <b>Capex</b>                     | Capital expenditures in tangible and intangible assets                                     |
| <b>EBT</b>                       | Earnings before Tax  |
| <b>EBIT</b>                      | Earnings before Interest and Taxes   |
| <b>EBITA</b>                     | Earnings before Interest, Taxes and Amortizations of group intangibles (incl. Goodwill)    |
| <b>EBITDA</b>                    | Earnings before Interest, Tax, Depreciation & Amortization                                 |
| <b>EBITDA margin</b>             | EBITDA as a percentage of net sales  |
| <b>LTM</b>                       | Last twelve months   |
| <b>Non-recurring items (NRI)</b> | Non-recurring income or expenses which are not recurring in normal operations              |
| <b>Operating cash flow</b>       | Cash flow from operating activities including changes in net working capital               |
| <b>Pro forma</b>                 | Hypothetical results as if all acquisitions were part of the group from the period's start |
| <b>Q3</b>                        | 3rd Quarter (1 July - 30 September)  |
| <b>YTD</b>                       | Year to date (1 January - 30 September)  |

# KEY TO

UNLOCK YOUR HOME.  
UNLOCK YOUR LIFE.

## ABOUT US

We are KEYTO. We unlock people's quality of life through the power of our one-stop destination. We promise ease of mind by providing easy access to outstanding home services. Through the various companies within KEYTO Group, we present a wide range of services, including appliance installation and maintenance, cleaning, gardening, and much more. Every day, our over 4000 employees strive to exceed expectations. Visit [keytogroup.com](http://keytogroup.com) for more information.

## OUR SERVICES

**CLEANING:** Services include various types of cleaning and moving assistance, provided as subscriptions or one-time services to residential households, as well as smaller offices and condominium associations.

**APPLIANCES:** Services include installation and service of appliances and operates as Sweden's only national independent provider to household residents, OEMs, real estate owners or co-ops.

**FLEX WORK:** Services include gardening, cleaning, office admin, facility management and more. Specialized on hiring pensioners/seniors for providing services to B2C and B2B customers.



[www.keytogroup.com](http://www.keytogroup.com)