



Zengun Group AB (publ)

INTERIM REPORT FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2019

Q4

Zengun Group AB started its operations on 24 May 2019 when the company acquired all of the shares in Zengun Group Holding AB (Corp. Reg. No. 559050–0699) and its wholly owned subsidiaries from Segulah Fund V. Financial information for the former group (Zengun Group Holding AB) has been included as a basis for comparison.

ZENGUN GROUP AB (PUBL)

FOURTH QUARTER

- Net turnover amounted to MSEK 834,9.
- EBITDA totalled MSEK 45.6.

24 MAY 2019–31 DECEMBER 2019

- Net turnover amounted to MSEK 1,599.3.
- EBITDA totalled MSEK 78.5.
- Operating cash flow was negative MSEK 25.0.

ZENGUN GROUP HOLDING AB (former group)

FOURTH QUARTER

- Net turnover amounted to MSEK 834.9 (610.1), up 37% or MSEK 224.0
- EBITDA totalled MSEK 46.1 (29.8), corresponding to an EBITDA margin of 5.5% (4.9)
- Operating cash flow was MSEK 5.5 (negative: 19.3)

JANUARY–DECEMBER

- Net turnover amounted to MSEK 2,579.6 (2,152.3), up 20% or MSEK 427.3
- EBITDA totalled MSEK 121.9 (119.0), corresponding to an EBITDA margin of 4.7% (5.5)
- Operating cash flow was MSEK 94.3 (11.8)

SIGNIFICANT EVENTS IN THE FOURTH QUARTER

- In October, a turnkey agreement was signed with CA Fastigheter for the construction of a 19 storey high-rise together with an annex in Södermalm in Stockholm. Some 130 apartments are planned in the high-rise which will be ready for occupancy in autumn 2021.
- In October, a turnkey agreement was signed with the Vision trade union for the remodelling of its headquarters on Kungsgatan in Stockholm.

SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

- RA Bygg, a subsidiary of the Zengun Group, signed a contract in February for the construction of a school building together with a sports hall for Hemsö Fastighets AB.
- In February, Zengun AB signed an agreement with Atrium Ljungberg for a remodelling and extension project at Sickla Galleria encompassing new retail and parking areas.

The Zengun Group is one of the leading construction contractors in Stockholm and carries out construction projects on behalf of well-known customers in the real estate industry. While the main focus is on commercial properties, the portfolio also includes residential projects and projects in the public sector. The Zengun Group is a complete supplier and partner, with a customer-centric approach. The Group has approximately 220 employees and net turnover in 2019 amounted to SEK 2.6 billion. #zengunbuildingstockholm



KEY FIGURES

Amounts in MSEK, unless otherwise stated	Zengun Group AB		Zengun Group Holding AB (former group)			
	Oct-Dec	24 May	Oct-Dec		Jan-Dec	
		2019	- 31 Dec 2019	2019	2018	2019
Net turnover	834.9	1,599.3	834.9	610.1	2,579.7	2,152.3
EBITDA	45.6	78.5	46.1	29.8	121.9	119.0
EBITDA margin (%)	5.5	4.9	5.5	4.9	4.7	5.5
EBIT	41.1	68.0	42.8	28.0	108.8	111.9
EBIT margin (%)	4.9	4.3	5.1	4.6	4.2	5.2
Net profit for the period	20.5	27.4	33.1	18.4	72.4	68.0
Profit margin (%)	2.5	1.7	4.0	3.0	2.8	3.2
(SEK)	40,970	54,830	0.12	0.07	0.26	0.25
Operating cash flow	-3.2	-25.0	5.5	-19.3	94.3	11.8
Net debt	414					208
Net debt/EBITDA (LTM)	3.4					
Debt/equity ratio (%)	87.9					51.8
Equity ratio (%)	31.9					40.9
Order book	2,300.0					2,442.0

Statement by the CEO

A strong full year concluded with Zengun's best quarter ever

The Zengun Group closed the year strongly with the best fourth quarter in the Group's history. Turnover of MSEK 835 for the quarter entailed organic growth of a full 37%, at the same time as the Group's full-year turnover of MSEK 2,580 corresponded to year-on-year organic growth of 20%. During the year, the majority of our larger projects were at phases with high rates of production.

Profitability was also good. We posted healthy and stable underlying results with strong margins for both the quarter and the year. The initiated change program aimed at strengthening the property maintenance and construction services concept as well as improving profitability at RA Bygg has continued through the fourth quarter and will also continue in 2020.

Our efforts to reduce tied-up working capital and increased focus on cash flow has delivered results. We posted satisfactory cash flow for the full year.

The order book level remains strong at a secure level for the fourth quarter. In our main segment, commercial properties, we have not noted any signs of a slowdown. We are maintaining dialogue with a number of property owners who remain firm on their ambitious plans and positive agendas. The need for efficient, modern office premises with flexible solutions and functions drives demand for the renovation and new construction of commercial properties. Similarly, the interest in environmentally-certified buildings also boosts market growth.

In the fourth quarter, we signed a phase-1 agreement with Fabege for project planning for the continued expansion of the Haga Norra city district. We are already established in the area, where we are currently running several major projects, including constructing new premises for Bilia and housing. The current phase-1 agreement mainly pertains to the extension of commercial premises.

We won two additional major assignments in the fourth quarter. For CA Fastigheter, we are now building the new Strato landmark building in Södermalm, a 19 storey high-rise with housing that is scheduled for occupancy in 2021, and we are also tasked with remodelling the Vision trade union's headquarters on Kungsgatan in central Stockholm.

I am brimming with confidence ahead of the forthcoming year. Our operations have a strong foundation with a broadened customer base, where several new projects will start during the year.

Stockholm, 20 February 2020

Sture Nilsson
Managing Director and CEO



"Our customers' plans remain ambitious"

Operations and financial performance

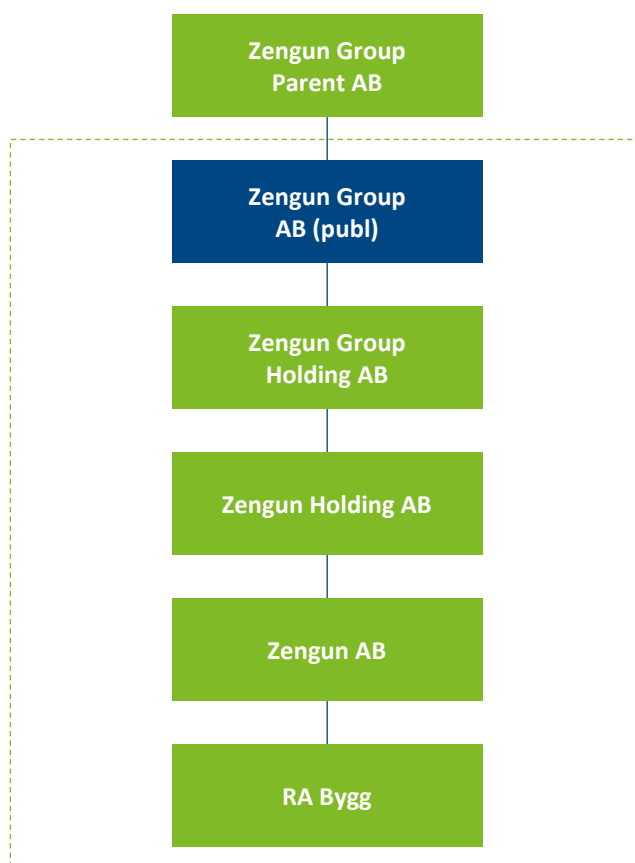
Zengun Group AB (publ) was founded on 25 October 2018, but conducted no operations during the period from 25 October 2018 to 23 May 2019.

The Group started its operations on 24 May 2019 when the company acquired all of the shares in Zengun Group Holding AB (Corp. Reg. No. 559050-0699) and its wholly owned subsidiaries from Segulah Fund V. The acquisition was financed through issuing bonds for MSEK 450, together with a non-cash share issue.

The funds raised through the bonds were used to repay existing loans with credit institutions.

Since 25 March 2019, the company is a wholly owned subsidiary of Zengun Group Parent AB (Corp. Reg. No. 559198-4629).

The ownership structure is illustrated in the following diagram, and all companies in the Group are wholly owned.



OPERATIONS

ZENGUN GROUP HOLDING (former group)

Operations are conducted in the Group's two wholly owned subsidiaries: Zengun AB and Roland Anderssons Bygg AB (RA Bygg).

Zengun AB is a leading contractor for major and complex construction projects in the Stockholm region. The projects are carried out on behalf of major, well-known customers in the real estate industry and are mainly conducted through a project partnering format. The typical duration of a project is three years. The company is active in new construction and the ROT (renovation, remodelling and extension) segment. While the majority of the projects comprise new construction or remodelling of commercial properties, the company also builds residential and public buildings.

The operations of RA Bygg encompass smaller contracts and construction services in the Stockholm region.

Since the consolidated income statement in this interim report only encompasses the period from 24 May 2019–31 December 2019, historical financial information for the former group (Zengun Group Holding AB) has been included below as a basis for comparison.

KEY FIGURES

TSEK	Oct-Dec		Jan-Dec	
	2019	2018	2019	2018
Net turnover	834,9	610,1	2 579,7	2 152,3
EBITDA	46,1	29,8	121,9	119,0
EBITDA margin (%)	5,5	4,9	4,7	5,5
Operating profit	42,8	28,0	108,8	111,9
EBIT margin (%)	5,1	4,6	4,2	5,2
Operating cash flow	5,5	-19,3	94,3	11,8

FINANCIAL PERFORMANCE FOR THE FOURTH QUARTER

Net turnover

Net turnover amounted to MSEK 834.9 (610.1), up MSEK 224.8 year-on-year. Organic growth corresponded to 37% and was primarily attributable to the Stora Frösunda, Kvarteret Nöten and Sabbatsberg 24 projects. The Tobaksmonopolet project on Södermalm, encompassing one 19-storey residential block together with an annex, was started during the quarter.

Earnings

EBITDA totalled MSEK 46.1 (29.8). The EBITDA margin was 5.5% as compared with 4.9% last year.

Sales and administrative expenses amounted to MSEK 13,0 (10,5). The expenses corresponded to 1,6 % (1,8) of net turnover.

The EBIT margin was 5.1% (4.6).

Cash flow

Operating cash flow was MSEK 5,5 (negative: 19.3) High activity levels during the quarter resulted in a significant portion of working capital being tied up in accounts receivable and work-in-progress. Despite the above, cash flow improved significantly year-on-year. The improvement was mainly driven by the healthy earnings trend.



FINANCIAL PERFORMANCE, JANUARY–DECEMBER

Net turnover

Net turnover amounted to MSEK 2,579.6 (2,152.3), up MSEK 426.3 year-on-year. Organic growth corresponded to 20% and was primarily attributable to the Stora Frösunda, Kvarteret Nöten and Sabbatsberg 24 projects.

Earnings

EBITDA totalled MSEK 121.9 (119.0), up MSEK 2.9 year-on-year. Earnings were impacted by a negative margin adjustment of MSEK 20.5 attributable to one project. In 2019, RA Bygg reported significantly lower earnings compared with the corresponding period last year. The work with change that started before the summer continued in the autumn.

Operating profit totalled MSEK 108.8 (111.9), down MSEK 3.1 year-on-year.

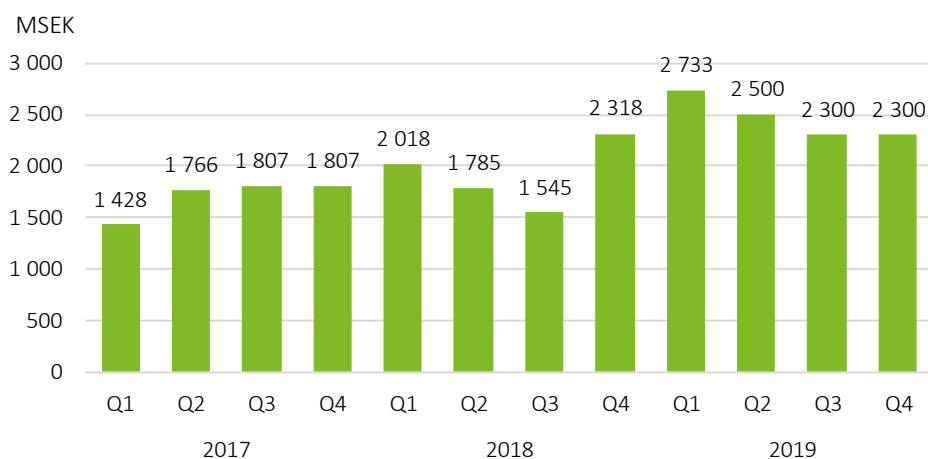
Sales and administrative expenses totalled MSEK 59,4 (42,6), up MSEK 16,8 year-on-year. The expenses corresponded to 2.3% (2.0) of net turnover.

The EBIT margin was 4.2 percent (5.2) and, adjusted for the negative margin adjustment attributable to one project, the EBIT margin amounted to 5.2% (5.9).

Cash flow

Operating cash flow for the period amounted to MSEK 94.3 (11.8). Internal efforts to reduce tied-up working capital are ongoing.

ORDER BOOK



ZENGUN GROUP AB (PUBL) KONCERNEN FOURTH QUARTER FINANCIAL PERFORMANCE

Net turnover and operating profit

Net turnover amounted to MSEK 834.9 and operating profit was MSEK 41.1. Sales and administrative expenses amounted to MSEK 12,9. The expenses corresponded to 1,6 % of net turnover.

Other expenses of MSEK 4.5 mainly pertained to amortisation of intangible assets. Costs of MSEK 2.1 pertaining to preparations for a possible stock exchange listing, which was discontinued in conjunction with the change of owner, were charged against earnings.

Net financial items

Net financial items for the period amounted to an expense of MSEK 12.0 and pertained primarily to interest expenses. The cost of the bond has been allocated over the tenor of the bond and is recognised as a financial cost in profit or loss.

Earnings before and after tax

Earnings before tax were MSEK 29.0 and after tax amounted to MSEK 20.5. From 1 January 2019, the corporate tax rate was lowered from 22.0% to 21.4%.

FINANCIAL PERFORMANCE FOR THE PERIOD FROM 24 MAY 2019–31 DECEMBER 2019

Net turnover and operating profit

Net turnover amounted to MSEK 1,599.3 and operating profit was MSEK 68.0. Sales and administrative expenses amounted to MSEK 33,7. The expenses corresponded to 2,1% of net turnover.

Other expenses of MSEK 10.4 mainly pertained to amortisation of intangible assets.

Net financial items

Net financial items for the period amounted to an expense of MSEK 28.0 and pertained primarily to interest expenses on bonds. The cost of the bond has been allocated over the tenor of the bond and is recognised as a financial cost in profit or loss.

Earnings before and after tax

Earnings before tax were MSEK 39.9 and after tax amounted to MSEK 27,4. From 1 January 2019, the corporate tax rate was lowered from 22.0% to 21.4%.

Liquidity and financial position at the balance-sheet date

Operating cash flow was negative MSEK 25.0, which was primarily attributable to the increase in capital tied up in accounts receivable and work-in-progress that negatively impacted cash flow.

The MSEK 450 bond issue had a net impact on total cash flow of MSEK 441 after fees to advisors.

Net debt amounted to MSEK 413.7. Cash and cash equivalents totalled MSEK 34.1. An approved overdraft facility of MSEK 50.0 had not been utilised as of the balance-sheet date.

Total assets at the end of the period amounted to MSEK 1,474,1, of which MSEK 815.5 pertained to intangible assets.

Current assets totalled MSEK 643.0, of which MSEK 326.1 pertained to accounts receivable.

At the balance-sheet date, the equity ratio was 31.9%.

At the end of the period, equity totalled MSEK 471.5, corresponding to SEK 943,132 per share.

PARENT COMPANY

The Parent Company has its registered office in Stockholm and conducts no business activities. The Parent Company reported earnings of MSEK 0 for the period.

EMPLOYEES

The Group is dependent on its ability to attract and retain highly skilled and experienced employees. At the close of the period, the Group had 220 employees of whom 50 were women.

The breakdown between white-collar and blue-collar workers was 145/75.

SHARE AND OWNERSHIP STRUCTURE*Related-party transactions in the Group and Parent Company*

No related-party transactions with a material impact on the Group's earnings or financial position took place during the period.

SEASONAL VARIATIONS

The operations are not subject to any seasonal impact, however, the Group is positively affected by months with many working days and no holiday periods.

MATERIAL RISKS AND UNCERTAINTIES

Through its operations, the Group is exposed to operational and strategic risk as well as financial risk. Operational and strategic risk can include, inter alia, operational and liability risk in the form of environmental risk and warranties on work performed. Zengun maintains ongoing dialogues with various stakeholders regarding environmental risk and warranties. Based on dialogues with these stakeholders and estimated probabilities, no provisions have been recognised to meet any future claims. Financial risk includes liquidity, interest-rate and currency risk. The company works continuously with risk identification and assessment.

OUTLOOK

The Group has not published any forecast for 2020.

EVENTS DURING AND AFTER THE FOURTH QUARTER

- In October, a turnkey agreement was signed with CA Fastigheter for the construction of a 19 storey high-rise together with an annex in Södermalm in Stockholm. Some 130 apartments are planned in the high-rise which will be ready for occupancy in autumn 2021.
- In October, a turnkey agreement was signed with the Vision trade union for the remodelling of its headquarters on Kungsgatan in Stockholm.
- RA Bygg, a subsidiary of the Zengun Group, signed a contract in February for the construction of a school together with a sports hall for Hemsö Fastighets AB.
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Stockholm, 20 February 2020

Sture Nilsson
Managing Director and CEO

This interim report has not been subject to review by the company's auditors.

Consolidated income statement

Amounts in SEK 000 (TSEK)	Note	Oct-Dec	24 May - 31 Dec
Net turnover	2	834 930	1 599 280
Production costs		-776 427	-1 487 385
Gross profit		58 503	111 895
Sales and administrative expenses		-12 956	-33 747
Other revenue		44	356
Other expenses		-4 484	-10 459
Operating profit		41 107	68 045
Financial income		6	9
Financial costs		-12 063	-28 102
Result from financial items		-12 057	-28 093
Earnings before tax		29 050	39 952
Income tax		-8 565	-12 536
Net profit for the period		20 485	27 415

Consolidated statement of comprehensive income

Amounts in SEK 000 (TSEK)	Note	Oct-Dec	24 May - 31 Dec
Net profit for the period		20 485	27 415
Other		-	-
Translation differences		-	-
Total other comprehensive income for the period		20 485	27 415
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		20 485	27 415
Net profit for the period attributable to:			
Parent company's shareholders		20 485	27 415
Non-controlling interests		-	-
Earnings per share before and after dilution (SEK)	3	40 970	54 830
No. Of shares outstanding, opening balance		500	500
No. Of shares outstanding, closing balance		500	500

Consolidated statement of financial position

Assets

Amounts in SEK 000 (TSEK)	Note	31 Dec 2019
Fixed assets		
<i>Intangible assets</i>		
Customer relations		111 964
Trademarks		152 100
Goodwill		551 299
<i>Property, plant and equipment (PPE)</i>		
Maskiner och inventarier		149
Right-of-use assets		9 376
<i>Financial fixed assets</i>		
Other long-term securities holdings		1 950
Other long-term receivables		864
Deferred tax assets		3 436
Total fixed assets		831 138
Current assets		
Receivables due from customers under construction contracts		261 161
Accounts receivable		326 136
Deferred tax assets		7 160
Other receivables		1 700
Prepaid expenses and accrued income		12 686
Cash and Cash equivalents		34 118
Total current assets		642 961
TOTAL ASSETS		1 474 099

Consolidated statement of financial position, Cont.

EQUITY AND LIABILITIES

Amounts in SEK 000 (TSEK)

Note 31 Dec 2019

EQUITY

Equity attributable to Parent Company's shareholders

Share capital	500
Other capital contributions	443 595
Retained earnings	-
Periodens resultat	27 415
Total equity	471 510

LIABILITIES

Long-term liabilities

Liabilities to credit institutions	411 408
Liabilities pertaining to right-of-use assets	2 959
Deferred tax liabilities	56 545
Other provisions	4 400
Total long-term liabilities	475 312

Current liabilities

Liabilities to credit institutions	35 000
Liabilities pertaining to right-of-use assets	5 611
Accounts payable	291 379
Other current liabilities	41 310
Invoiced, unearned revenue	90 554
Accrued expenses and deferred income	63 423
Total current liabilities	527 277
TOTAL EQUITY AND LIABILITIES	1 474 099

Consolidated statement of changes in equity

Attributable to Parent Company's shareholders

Amounts in SEK 000 (TSEK)	Share capital	Other capital contributions	Retained earnings, including net profit	Total	Total equity
Group formed, 24 May 2019	500			500	500
Comprehensive income					
Net profit for the period			27 415	27 415	27 415
Other comprehensive income					
Total comprehensive income			27 415	27 415	27 415
Transactions with shareholders					
Shareholders' contributions		443 595		443 595	443 595
Total transactions with shareholders		443 595		443 595	443 595
Closing balance at 31 December 2019	500	443 595	27 415	471 510	471 510

Consolidated statement of cash flows

Amounts in SEK 000 (TSEK)	Note	Oct-Dec	24 May - 31 Dec
Operating cash flow			
Operating profit		41 107	68 045
Adjustment för non-cash items			
Reversal of amortisation		4 484	10 458
Other non-cash items		3 004	3 933
Interest received		7	9
Interest paid		-10 380	-20 249
Tax paid		-3 451	-16 284
Operating cash flow before change in working capital		34 771	45 912
Change in working capital			
Increase/decrease from customers under construction contracts		-104 507	-105 322
Increase/decrease accounts payable		-27 304	4 883
Increase/decrease other current receivables		10 840	7 832
Increase/decrease othercurrent liabilities		-2 774	-52 340
Increase/decrease other provisions		-	-
Increase/decrease accounts payable		85 731	73 992
Operating cash flow		-3 243	-25 043
Cash flow from investing activities			
Acquisition of subsidiaries, net of cash acquired		-	-317 351
Investeringar i materiella anläggningstillgångar		-153	-153
Cash flow from investing activities		-153	-317 504
Cash flow from financing activities			
New share issue		-	-
Borrowings		-	441 000
Repayment of borrowings		-1 491	-64 334
Cash flow from financing activities		-1 491	376 666
Cash flow for the period		-4 887	34 119
Opening cash and cash equivalents		39 006	-
Closing cash and cash equivalents		34 119	34 119

Parent Company income statement

Amounts in SEK 000 (TSEK)	Oct-Dec	Jan-Dec
Total operating revenue	-	-
Other external expenses	-518	-787
Operating profit/loss	-518	-787
Resultat från andelar i koncernföretag	10,000	10,000
Ränteintäkter och liknande resultatposter	10,000	3,478
Interest expenses and similar profit and loss items	-11,607	-25,002
Income från financial items	-11,607	-11,525
Earnings before tax	-1,607	-12,311
Actual tax	-143	1,371
NET PROFIT/LOSS FOR THE PERIOD	-2,267	-10,940

Parent Company balance sheet

Amounts in SEK 1000 (TSEK)	Note	31 Dec 2019
ASSETS		
Fixed assets		
<i>Financial fixed assets</i>		
Participation in Group companies		684,918
Deferred tax assets		1,372
Receivables from Group companies		179,679
Total financial fixed assets		865,969
Total fixed assets		865,969
Current assets		
Current receivables		
Fordringar hos koncernföretag		3,977
Prepaid expenses and income		3,267
		7,244
Cash and cash equivalents		6,407
Total current assets		13,651
TOTAL ASSETS		879,620
EQUITY AND LIABILITIES		
Equity		
<i>Restricted equity</i>		
Share capital		500
Total restricted equity		500
<i>Unrestricted equity</i>		
Share premium reserve		443,595
Retained earnings		-
Net loss for the period		-10,940
Total unrestricted equity		432,655
Total equity		433,155
Long-term liabilities		
Liabilities to credit institutions		446,408
Total long-term liabilities		446,408
Current liabilities		
Accounts payable		57
Total current liabilities		57
TOTAL EQUITY AND LIABILITIES		879,620

Parent Company statement of cash flows

Amounts in SEK 000 (TSEK)	Note	Oct-Dec	24 May - 31 Dec
Operating cash flow			
Operating profit		-518	-787
Adjustments for non-cash items			
Interest paid		-9 924	-19 594
Erhållen utdelning		10 000	10 000
Operating cash flow before change in working capital		-442	-10 381
Change in working capital			
Increase/decrease current receivables		694	-3 267
Increase/decrease current liabilities			
Increase/decrease accounts payable		-256	57
Operating cash flow		-4	-13 591
Cash flow from investing activities			
Acquisition of Group companies, net of cash acquired			-360 556
Cash flow from investing activities		-	-360 556
Cash flow from financing activities			
Borrowings			441 000
Repayment of loans			-60 446
Cash flow from financing activities		-	380 554
Cash flow for the period		-4	6 407
Opening cash and cash equivalents		6 411	-
Closing cash and cash equivalents		6 407	6 407

Notes

NOTE 1. ACCOUNTING POLICIES

Zengun applies the International Financial Reporting Standards (IFRS) as adopted by the EU.

This condensed interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the appropriate provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company was prepared in accordance with recommendation RFR 2, Accounting for Legal Entities issued by the Swedish Financial Reporting Board and Chapter 9 of the Swedish Annual Accounts Act. The same accounting and calculation policies have been applied for the Group and the Parent Company as in the latest annual report for Zengun Group Holding AB.

In preparing the financial statements pursuant to IFRS, the Board of Directors and the Group management make assessments and assumptions that affect the Group's earnings and financial position, as well as published information in other respects. Assessments and assumptions are based on historical experience and are subject to regular review.

NOTE 2. OPERATING SEGMENTS

The operating segments have been determined based on the information reviewed by the Group management, and which is used for allocating resources to the segments. The Group management monitors data regarding turnover and operating profit for each operating company. These comprise the Group's operating segments.

	Zengun Group AB	Zengun Group Holding AB (former group)			
	24 May - 31 Dec	Oct-Dec		Jan-Dec	
TSEK	2019	2019	2018	2019	2018
Net turnover					
Project Partnering and Construction	1 398 867	740 793	502 747	2 248 338	1 799 220
Property Maintenance and Construction Services	200 414	96 290	118 795	333 750	364 470
Intra-group	-	-2 153	-11 393	-2 429	-11 393
Total	1 599 280	834 930	610 149	2 579 658	2 152 297
Operating profit (EBIT)					
Project Partnering and Construction	67 075	44 105	31 042	109 119	93 705
Property Maintenance and Construction Services	970	861	6 390	2 073	27 631
Intra-group		-2 153	-9 429	-2 429	-9 429
Total	68 045	42 812	28 003	108 762	111 907

NOTE 3. EARNINGS PER SHARE

TSEK	Zengun Group AB Oct-Dec	24 May - 31 Dec
Net profit/loss for the period attributable to the Parent company's shareholders	20 485	27 415
No. of shares outstanding, opening balance	500	500
No. Of shares outstanding, closing balance	500	500
Average number of shares	500	500
Earnings per share before and after dilution	40 970	54 830

NOTE 4. ACQUISITIONS**ZENGUN GROUP AB (PUBL)**

24 May 2019

Details of acquired net assets and goodwill:

Purchase consideration		684 918
paid in cash		360 556
shareholders' contribution		324 362
Total purchase consideration		684 918
Fair value of acquired net assets		131 451
Goodwill		553 467
		-
	Fair value amount,acquisitio	
The assets and liabilities recognised as a result of the acquisition		
Cash and cash equivalents	43 204	43 204
Trademarks	152 100	
Customer contracts and customer relationships	118 900	
Property, plant en equipment (PPE)	12 896	12 896
Financial fixed assets	2 814	2 814
Accounts receivable and other receivables	515 735	515 735
Borrowings	-189 693	-189 693
Deferred tax liabilities, net	-59 025	-31 182
Other provisions	-467	-467
Accounts payable and other liabilities	-465 014	-465 014
Fair value of net assets	131 450	-111 707
Non- controlling interest		
Goodwill	553 467	-
Total purchase consideration	684 917	
Cash consideration	360 556	
Cash and cash equivalents in subsidiaries	-43 204	
Change in the group's cash and cash equivalents from acquisition	317 352	

Acquisition costs amounted to MSEK 0,5.

NOTE 5. USE OF ALTERNATIVE PERFORMANCE MEASURES

Zengun presents certain financial metrics in the interim report that are not defined in accordance with IFRS. These are known as alternative performance measures. Zengun's considered opinion is that these metrics provide useful supplemental information to shareholders and the Group management, since they enable the evaluation of trends and the Group's performance. Since not all companies calculate financial metrics in the same manner, these metrics are not always comparable. Definitions of these metrics are provided in Zengun Group Holding AB's Annual and Sustainability Report 2018.



#zengunbuildingstockholm

The Zengun Group is one of the leading construction contractors in the Stockholm region and carries out construction projects on behalf of well-known customers in the real estate industry. While the main focus is on commercial properties, the portfolio also includes residential projects and projects in the public sector. The Group is a complete supplier and partner, with a customer-centric approach. The Group has approximately 220 employees and net turnover in 2019 amounted to SEK 2.6 billion.

FINANCIAL CALENDAR 2020

Annual Report 2019	22 April
Interim Report January–March	14 May
Interim Report January–June	27 August
Interim Report January–September	11 November

FOR MORE INFORMATION, PLEASE CONTACT:

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Prior to publication, this information constituted insider information. This information is of such a kind that Zengun Group AB (publ) is legally required to disclose pursuant to the EU's Market Abuse Regulation. This information was submitted through the agency of the above contacts for publication on 21 February 2020 at 7:30 a.m. (CET).

