




IMPROVED PROFITABILITY ON STABLE TURNOVER

1 January – 30 September 2024

 Date 2024.10.24

Earnings conference call

Martin Ellis (CEO) & Palle Schrewelius (CFO & IR)

The statements about the future in this document contain an element of risk and uncertainty, both in general and specific terms, and this means that actual developments may diverge considerably from the statements about the future.

NORDIC 
WATERPROOFING

Recent changes in ownership

- On October 21 Kingspan announced it has acquired an additional 26.5 percent of the shares in Nordic Waterproofing. Together with the shares Kingspan previously owned, Kingspan's holding now amounts to 62.6 percent.
- The increased ownership does not trigger any obligation for Kingspan to make a mandatory public offer for the other outstanding shares in Nordic Waterproofing.
- The change in ownership structure does not affect Nordic Waterproofing's listing on Nasdaq Stockholm, but the company will continue to be listed on the Mid Cap list.

#	+ Owner →	→ NWG	→ Value (MSEK)	↓ Capital
1	+  Kingspan Group PLC	15,065,619 	2,467.7	62.55%
2	+  Dimensional Fund Advisors	525,857 	86.1	2.18%
3	+  Carnegie Fonder	454,530 	74.5	1.89%
4	+  Canaccord Genuity Wealth Management	402,471 	65.9	1.67%
5	+  DNCA Finance S.A	306,351 	50.2	1.27%
6	 Avanza Pension	223,284 	36.6	0.93%
7	+   Martin Ellis	215,659 	35.3	0.90%
8	+  Handelsbanken Fonder	174,239 	28.5	0.72%
9	+  KBC Asset Management	105,492 	17.3	0.44%
10	+  Storebrand Fonder	100,122 	16.4	0.42%
11	 Nordnet Pensionsförsäkring	86,457 	14.2	0.36%
12	 Swedbank Försäkring	85,330 	14.0	0.35%
13	+  Norges Bank Investment Management	76,486 	12.5	0.32%
14	+  Nordic Waterproofing Holding AB	72,757 	11.9	0.30%
15	+  SEB Investment Management	60,936 	10.0	0.25%

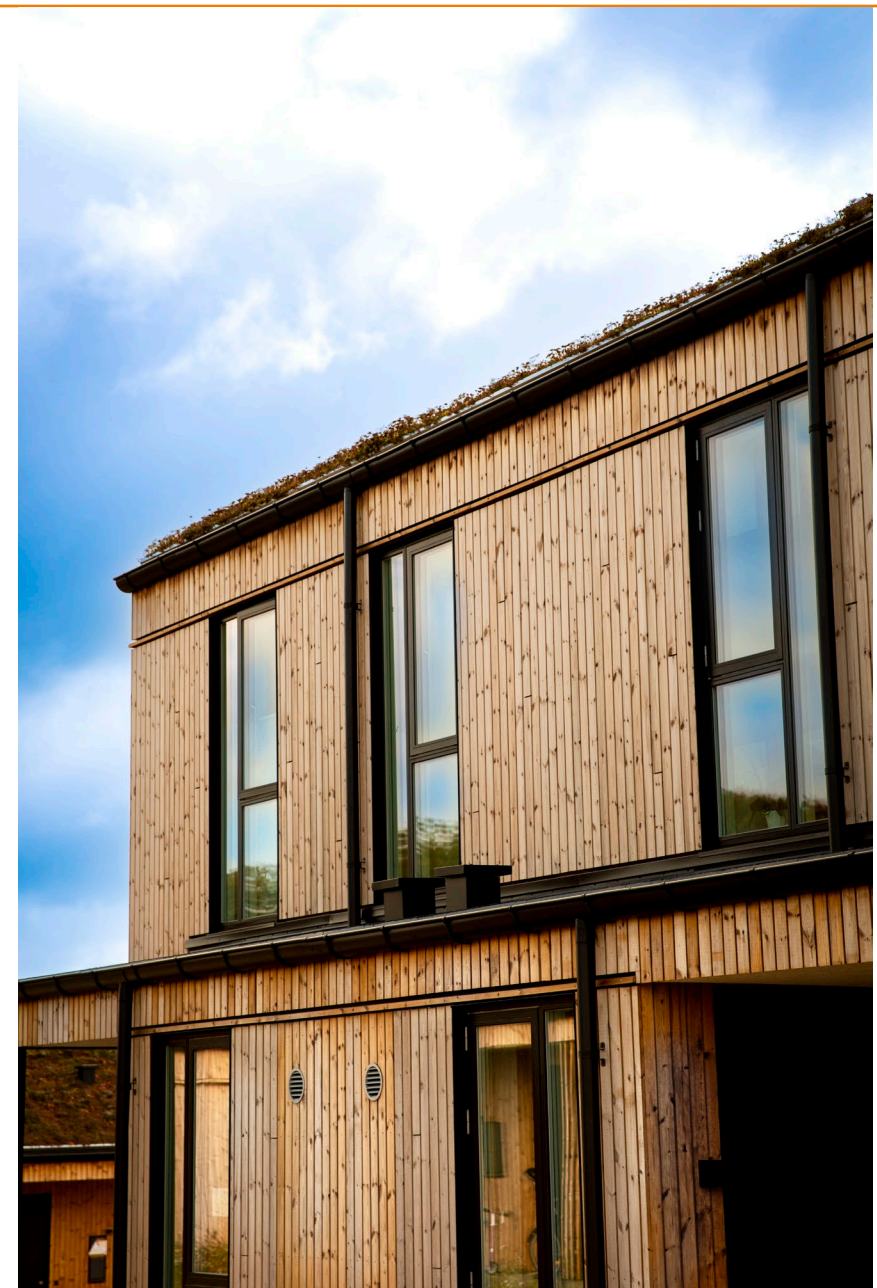
Improved profitability on stable turnover

- Net sales decreased to SEK 1,167 m (1,212),
 - 1% from acquisitions
 - -2% currency effects
 - -2% organic development
- EBITDA increased to SEK 177 m (159)
- Operating profit (EBIT) increased to SEK 140 m (115)
- Cash flow from operating activities was SEK 101 m (149).
- Net Debt at SEK 815 m (985 at 30 Sept 2023 and 749 at 31 Dec 2023)



Q3 Highlights and comments 1 (2)

- **Demand** impacted by slowdown in commercial new build, renovation stable while residential new build continued weak.
- **Bitumen-based waterproofing** operations stable in Sweden and Denmark, market situation more challenging in Finland and Norway.
- Sales for our **EPDM products** slightly below last year, margins improving.
- **Prefabricated elements**, that has a higher exposure to residential new build, had a positive development in sales on the Danish market while it was negative in Norway. Profitability level unsatisfactory, restructuring programs accelerated.
- Our **Green infrastructure** had a flat development in sales while operating result clearly improved over last year.
- **Installation Services**; roofing in Finland had unchanged sales level with weaker margins. Operating result from franchise units in Denmark improved, hence operating result in total on same level.
- Order books for business units within **Installation Services** generally weaker compared to same time last year



Q3 Highlights and comments 2 (2)

- We continue to see flat or slightly deflated cost development for most of our input materials.
- We have a continued focus on our debt level. In a somewhat softer interest environment, we expect opportunities to emerge to further expand the Group in accordance with our strategic plan.
- Our expectation for commercial new build and renovation demand remains on current level for the remainder of this year. Residential new build will remain depressed in the near future with the exception of Denmark.
- In 2025 we expect more favorable market conditions on our main markets with the exception of Finland where overall market conditions are expected to be unchanged.



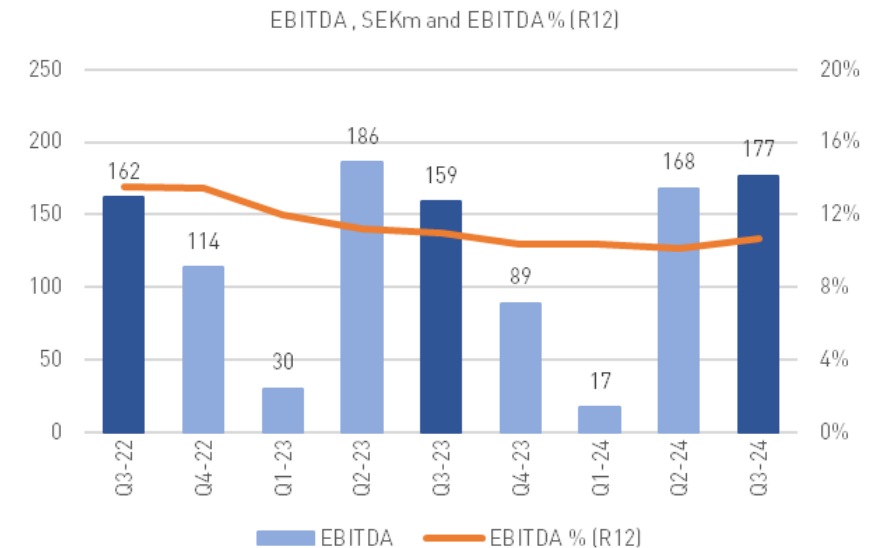
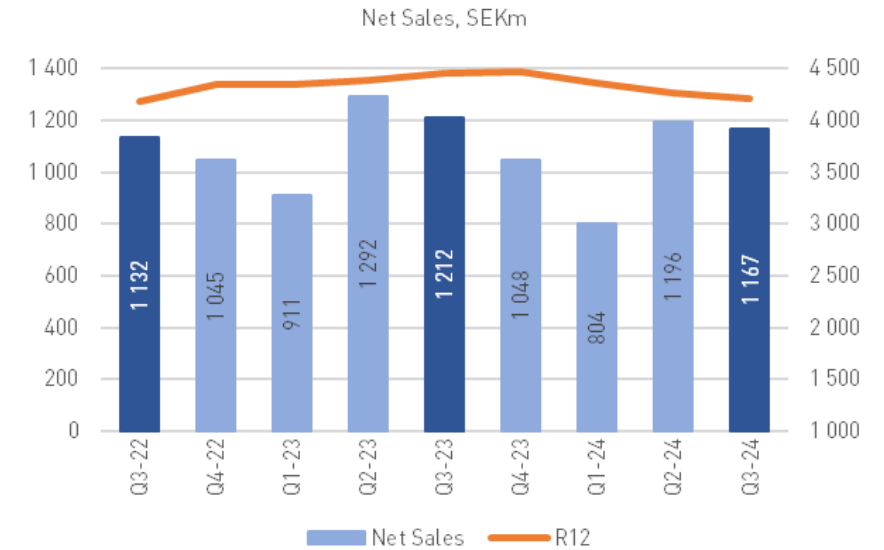
Q3 Interim report

Net sales decreased to SEK 1,167 m (1,212)
Net Sales R12 at SEK 4,215 m

- Organic development of -2%
- Acquisitions contributed with 1%
- Currency impact -2%

EBITDA increased to SEK 177 m (159) and
Operating profit (EBIT) increased to SEK 140 m (115)

- EBITDA margin increased to 15.1 percent (13.1) in the quarter.
 On a R12 basis EBITDA margin at 10.7%



Income statement

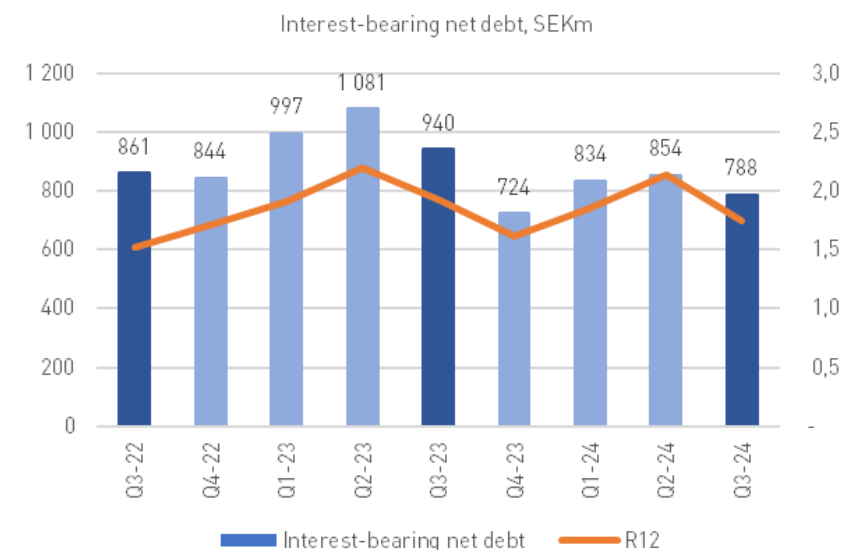
SEKm	Q3-'24	Q3-'23	Change, %	R12 2024	Full-year 2023
Net sales	1,167	1,212	-4%	4,215	4,463
Gross profit	327	306	7%	1,112	1,114
EBITDA	177	159	11%	451	464
Operating profit (EBIT)	140	115	22%	297	293
Net finance items	-18	-14	n/a	-48	-36
Profit before tax	121	100	21%	249	257
Tax	-28	-19	n/a	-51	-50
Profit for the period	93	82	14%	198	206

- Gross margin for quarter was 28.0% (25.3%)
- Net financial items in quarter SEK -18 m (-14) whereof interest cost -14 (-16)
- EBIT margin for quarter was 12.0% (9.5%), for LTM 7.0%

Balance sheet

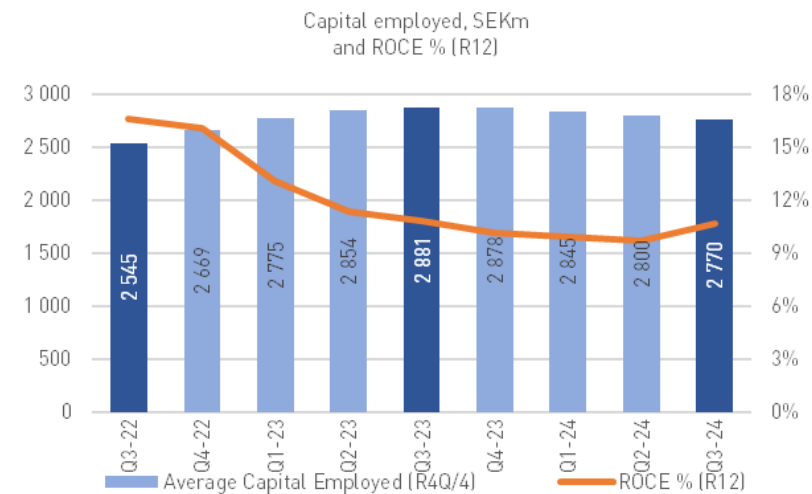
SEKm	2024-09-30	2023-09-30	2023-12-31
Non-current assets	2,065	2,122	2,092
Current assets	1,637	1,857	1,542
Total assets	3,702	3,979	3,634
Equity	1,839	1,777	1,777
Non-current liabilities	1,019	1,060	1,020
Current liabilities	844	1,142	837
Total equity and liabilities	3,702	3,979	3,634
Capital employed	2,752	2,872	2,850
ROCE (R12)	10.7%	10.8%	10.2%
Interest-bearing net debt	788	940	724
Equity/assets ratio	49.7%	44.7%	48.9%
Net debt/equity ratio	0.4x	0.5x	0.4x
Net debt/EBITDA	1.8x	2.0x	1.6x

- Continued solid balance sheet, allowing for selective acquisitions.
- Interest-bearing net debt decreased to SEK 788 m (724) in a seasonally strong quarter for cash-flow. Value 30 September 2023 at 940.
- Equity/asset ratio at 49.7%.
- Net debt/EBITDA-ratio at 1.8x (1.6x), remains well below covenant in financing agreement.



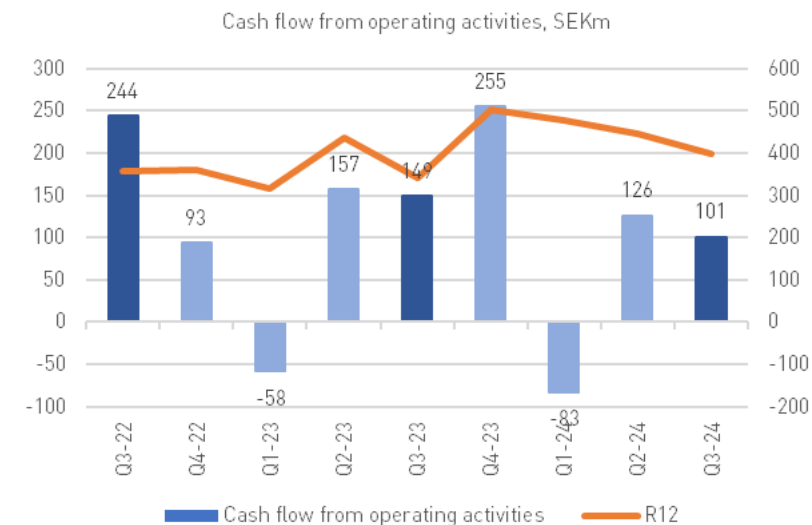
RoCE 10.7% (10.2%)

- RoCE at 10.7%, improved from Q4 2023 of 10.2%
- Capital employed development has decreased in recent quarters
- Increase in RoCE driven by improvements in both operating result capital employed



Cash flow from Operations (R12) at SEK 399 m (341) Cash conversion at a high 89% (70%)

- Solid cash flow from operations in quarter. Normal seasonal changes in working capital this year, last years decrease in inventories not repeated.
- We continue to closely monitor operating receivables



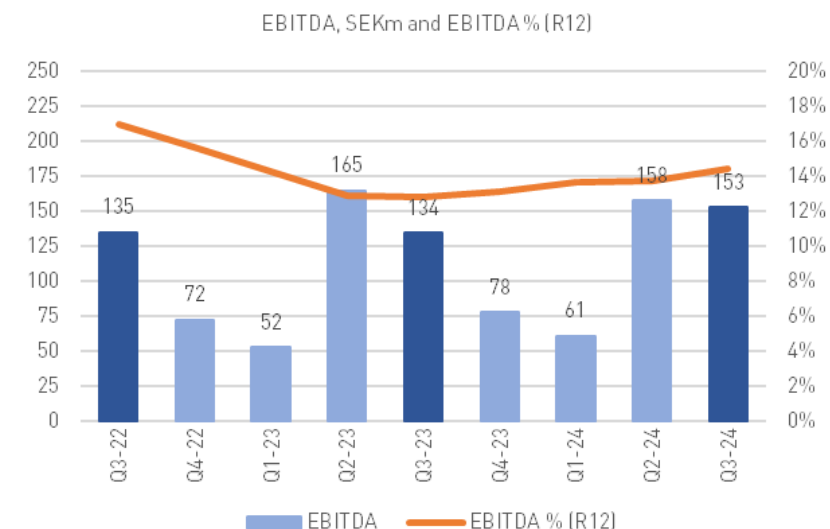
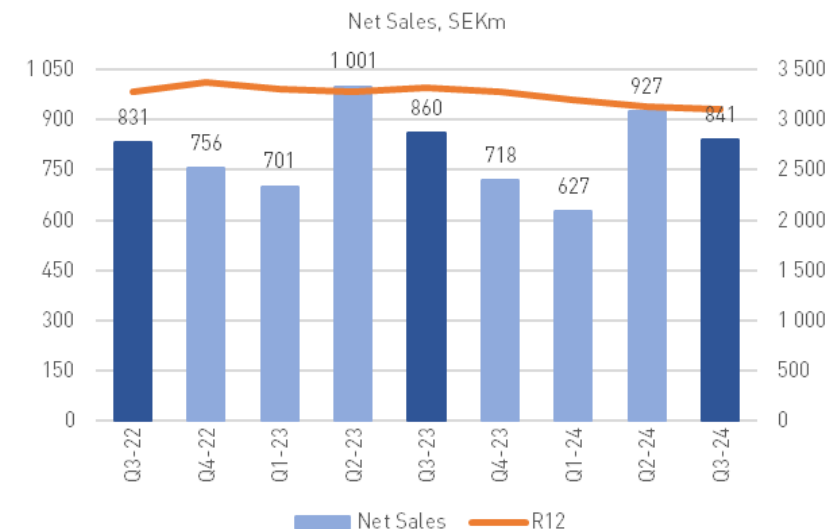
Products & Solutions

Net sales of SEK 841 m (860), decrease by -2%

- All development from currency, organic development flat and no acquisitions
- Sales in Finland and Denmark increased, Sweden was on par with last year while development in Norway was negative
- Net Sales R12 at SEK 3,113 M

EBITDA increased to SEK 153 m (134) while Operating profit (EBIT) increased to SEK 125 m (102)

- EBITDA margin increased to 18.2 percent (15.6) in the quarter.
- Generally, the businesses maintained or improved margins
- Continued unsatisfactory profitability for the Taasinge group, re-structuring initiatives being accelerated
- For the latest 12 months the EBITDA margin is 14.4% (12.8).



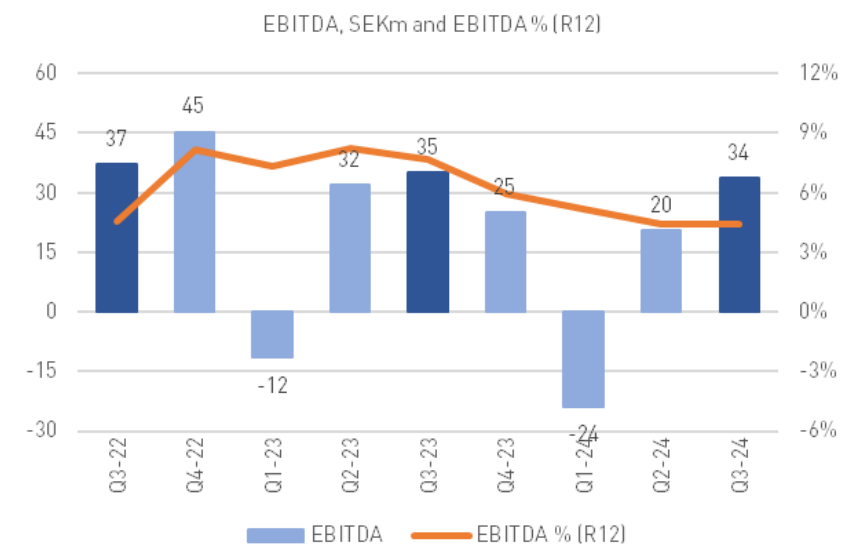
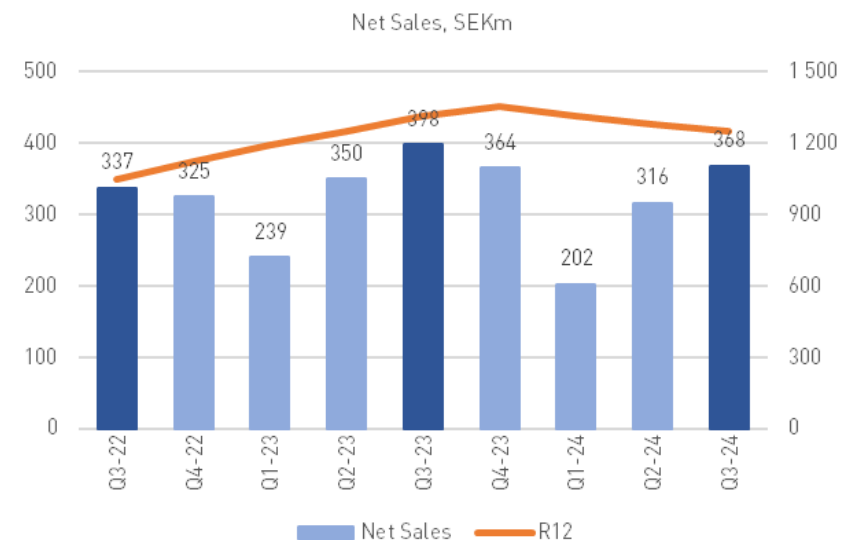
Installation Services

Net sales at SEK 368 m (398), decrease by -8%

- Organic development of -8%
- Impact from acquisitions 3%
- Currency effects -3%

EBITDA decreased slightly to SEK 34 m (35) while Operating profit (EBIT) increased slightly to SEK 25 m (24)

- EBITDA margin increased to 9.2 percent (8.8) in the quarter. For the latest 12 months the margin is at 4.4% (7.7).
- Our roofing activities in Finland saw reduced profit levels due to a weaker market.
- Result from the Norwegian entity improved from last year, however still unsatisfactory.
- Improved result from Danish franchise network.



Note: both EBITDA and EBITDA % include the share of profit in associated companies in Denmark

Financial targets

Sales growth

NWG's goal is to exceed the growth in the Group's current markets through organic growth.

In addition, the Group expects to grow through selective acquisitions.



Profitability

NWG's goal is to generate a return on capital employed (ROCE) exceeding 13 percent for the financial year

Capital structure

Net interest-bearing debt in relation to EBITDA shall not exceed 3 times at year-end



Dividend policy

NWG' aims to distribute an annual dividend of more that 50 percent of its net profit. The pay out decision will be based on the Group's financial position, investment needs, liquidity position as well as general economic and business conditions.



Questions

Further information:

Martin Ellis, CEO

Palle Schrewelius, CFO & IR

- 4 February Year-end report, January–December 2024
- 28 March Annual report 2024
- 23 April Interim report, January–March 2025
- 29 April Annual General Meeting 2025
- 18 July Interim report, January–July 2025
- 28 October Interim report, January–September 2025

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APPENDIX

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WATERPROOFING

Shareholders as per 22 October 2024

#	+ Owner →	→ NWG	→ Value (MSEK)	↓ Capital
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Source: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority. Holdings with depositories are reported as "other shareholders".

Share details

- Ticker symbol NWG
- ISIN code SE0014731089
- Sector Construction & Materials
- Number of shares of SEK 1.00 24,083,935
- Treasury shares 72,757
- Voting & ownership restrictions None
- Current market cap SEK 3,900 million (22 October 2024)
- Contact Palle Schrewelius, CFO & investor relations
+46 707 82 79 58
per-olof.schrewelius@nordicwaterproofing.com

Experienced board of directors



Mats O. Paulsson
Chairman

Relevant experience:
Chairman of the board of Nordisk Bergteknik, Svevia, Xpartners Samhällsbyggnad AB and Constech AB. Board member of BE Group. Previously board member of Acandao, Caverion, Paroc, Ramirent, BTH Bygg, KEWAB, AKEAB, Mark & Energi byggarna and WinGroup. CEO of Bravida, Strabag, PEAB Industri.
(15,000 shares)



Hannele Arvonen
Board member

Relevant experience:
Chairman of the board of Silvestica Green Forest AB. Board member of Södra Skogsägarna, Plantvation AB, A Ahlström Oy and Svensk husproduktion AB. Previously CEO and partner of Flooré AB, CEO of Sveaskog and Setra Group, different senior executive positions within Holmen and Metsä Board.
(0 shares)



Steffen Baungard
Board member

Relevant experience:
Chairman of the board of MB Packaging A/S, Frederikshøj Ejendomme A/S, EBK Huse A/S, Enemærke & Petersen A/S and MT Højgaard Danmark A/S
Board member of Durapor A/S
Previously CEO of MT Højgaard Holding A/S, CEO and President of Hus-Compagniet. CEO and President NCC Denmark
(0 shares)



Riitta Palomäki
Board member

Relevant experience:
Member of the supervisory committee and deputy chair of the audit committee at OP Cooperative.
Previously member of the board of directors, chair of the audit committee and member of the remuneration committee at HKScan Oyj, and CFO of Uponor.
(5,000 shares)



Hannu Saastamoinen
Board member

Relevant experience:
Senior advisor Investment AB Latour i Finland. Owner and CEO of Sandbacka Advisory Services Oy.
Previously CEO Swegon Group. Senior positions in, among others, Munters, Huurre Group, TAC Svenska, Carrier Refrigeration and Electrolux
(0 shares)

* Including related parties

Experienced management team



Martin Ellis, CEO

Joined NWG in 2011

Previous experience: CEO of NWG 2011-2012 and Chairman 2011-2015. 30 years experience as CEO and other leading positions including Icopal and Saint Gobain
(215,659 shares)



Mats Lindborg, Head of NW Sweden and Norway

Joined NWG in 1986

Previous experience: 30 years of experience of sales and marketing including Trelleborg Waterproofing
(26,805 shares)



Esa Mäki, Head of NW Finland

Joined NWG in 2017

Previous experience: CEO of Nesco Group and various managerial positions of Icopal Finland and other companies in the building material industry.
(27,416 shares)



Palle Schrewelius, CFO & Investor Relations

Joined NWG in 2020

Previous experience: Different CFO and Finance Manager positions in various industries at, among others, Alligator Bioscience AB, the Getinge group and the Sandvik group
(17,364 shares)



Paul Erik Rask, Head of NW Denmark

Joined NWG in 1992

Previous experience: 30 years of experience of leading positions and sales and marketing including Trelleborg Phønix A/S
(16,050 shares)



Thomas Zipfel, Head of SealEco

Joined NWG in 2009

Previous experience: 20 years of experience of managing positions including Trelleborg Waterproofing Polymeric Membranes
(19,748 shares)



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