

## Strong start to 2020 Impact of Covid-19 to be expected

### First quarter of 2020

- Consolidated net sales increased by 18 percent to SEK 670 m (569), of which organic growth amounted to 14 percent. Acquisitions contributed by 3 percent and currency by 1 percent
- Net sales in Product & Solutions amounted to SEK 539 m (445) and in Installation Services to SEK 151 m (138)
- EBITDA increased to SEK 32 m (18)
- Operating profit (EBIT) increased to SEK 2 m (-7)
- ROCE increased to 13.2 percent (12.9)
- Cash flow from operating activities amounted to SEK -86 m (-61)
- Earnings per share before and after dilution were SEK -0.37 (-0.44)

### Financial key ratios

Amounts in SEKm unless otherwise stated	Q1 2020	Q1 2019	Change	R12 2020	12M 2019
Net sales	670	569	18%	3,222	3,122
Gross profit	158	132	20%	839	813
Gross margin %	23.6%	23.3%	0.4pp	26.0%	26.1%
EBITDA	32	18	80%	385	371
EBITDA margin, %	4.8%	3.1%	1.7pp	11.9%	11.9%
EBIT	2	-7	n/a	269	260
EBIT margin, %	0.4%	-1.2%	1.5pp	8.4%	8.3%
Return on capital employed, %	n/a	n/a	n/a	13.2%	12.9%
Net profit	-9	-10	n/a	197	196
Cash flow from operating activities	-86	-61	n/a	288	312
Net debt	793	830	-5%	793	665
Earnings per share before dilution, SEK	-0.37	-0.44	n/a	8.27	8.19
Earnings per share after dilution, SEK	-0.37	-0.44	n/a	8.20	8.13

### Expectations for financial year 2020

Update 27 March 2020: Nordic Waterproofing has the construction industry as its primary customer group. Sales are primarily affected by the activity in Northern Europe, with emphasis on the Nordic countries representing 84 percent of the Group's external sales in 2019. The impact from the outbreak of Covid-19 (the Corona virus) during the rest of the year is difficult to estimate, since we do not know how long each country's efforts will last, but it will likely have a dampening effect on sales if the pace of construction is slowing down as a result of the general economic development. As the potential impact of Covid-19, as described above is unknown at this time, it is currently not possible to provide further guidance on operating profit (EBIT).

From Year End report 2019: *For the financial year 2020, general demand is expected to be similar to that in 2019 in most markets. Nordic Waterproofing expects to meet its financial targets, and the Group's organic net sales growth is expected to exceed the general growth rate in the markets in which the Group operates. In addition to organic growth, the Group also expects to continue growing through selective acquisitions. Operating profit (EBIT) is expected to be in line with 2019, assuming comparable winter conditions during the fourth quarter.*

Unless otherwise stated, figures within parentheses refer to the preceding year or the corresponding period in the preceding year in respect of income statement and/or cash flow items and the end of the preceding year or the corresponding period in the preceding year in respect of balance sheet items. For definitions and reconciliations of financial and alternative key performance indicators, please see page 19-20.

## Message from the CEO

Strong start to 2020. Impact of Covid-19 to be expected.

**Nordic Waterproofing had a strong first quarter with good growth in both sales and financial results. Consolidated net sales for the first quarter rose by 18 percent compared with last year, from SEK 569 m to SEK 670 m. Organic growth was 14 percent, acquisitions contributed by 3 percent and currency exchange rate effects was 1 percent.**

**EBIT was positive in the quarter at SEK 2 m compared with a negative SEK -7 m previous year, mainly driven by the increased volume.**

**Although we had a strong start of the year with good increase in sales in the first quarter we have on March 27, 2020 revised our forward-looking statement for 2020. The impact on our Group from the Covid-19 outbreak is hard to predict but it will likely have a dampening effect on sales as a result of the general economic development. Currently we are not in a position to provide guidance on operating profit (EBIT) for this year.**

The consolidated net sales growth of 18 percent in the first quarter was driven by strong sales, in particular, from roofing in Sweden, Finland and Denmark but also from our Veg Tech business. While our Products & Solutions operating segment reported a sales increase of 21 percent, our Installation Services operating segment increased 9 percent.

As communicated earlier, a comprehensive profit improvement program is being implemented in the Taasinge Group, our prefabricated elements business. The effects from this program have not yet materialized. In both Taasinge Elementer in Denmark and RVT in Norway we have strong order books at the end of the quarter.

Distri Pond, part of the SealEco group and acquired in February 2019, started the year with slightly lower sales than last year due to the significant Covid-19 impact in Belgium.

The volumes in the legacy business within bitumen roofing were well above the first quarter of last year for the Nordic countries. We believe that we have seen market share gains in the Nordics and see a continued strong demand in these markets. Our SealEco rubber membrane business is the only one having seen Covid-19 impact so far, being exposed to the market slowdown in the UK and Belgium.

Within the Installation Services segment, activity was good in the flat roofing business. Our Danish franchise companies continue experiencing a strong market and performed very well in the first quarter, with strong order books and an EBIT contribution above the corresponding period last year.



**Martin Ellis,**  
*President and CEO*

### Jan-Mar 2020

Net sales:  
**SEK 670 m (569)**

EBITDA:  
**SEK 32 m (18)**  
**4.8% (3.1%)**

EBIT:  
**SEK 2 m (-7)**  
**0.4% (-1.2%)**

ROCE (R12):  
**13.2% (12.9%)**

We continue our focus on organic growth, profitability and selective acquisitions. Given the current uncertain situation regarding the impact from the Covid-19 outbreak, we have increased our focus on monitoring order intake, cost and customer credit control. We have also taken measures to safeguard access to raw material to guarantee supply capabilities to our customers. Our current acquisition projects are on hold in the very short-term, awaiting better visibility with respect to Covid-19.

We are monitoring the developments of the impact from Covid-19 carefully. Measures are taken daily to safeguard the health of our employees, to take responsibility for communities and for our customers. It is encouraging to see that all our larger production facilities are operating and that the supply chain has, to date, functioned without any significant disruption. I am proud of, and impressed by, the way our managers and employees have dealt with this challenge, which shows the strength in our decentralized business model.

Given the current difficulty in assessing the effects of Covid-19, we are not in a position to provide guidance for 2020. We have substantial preparedness for a rapidly changing situation in our operations. In these uncertain times, we are focusing on securing our capacity to deliver on in accordance with our customers' requirements, while preparing to immediately reduce our cost base should demand drop.

Vejen, 4 May 2020



Martin Ellis,  
President and CEO

### Conference call

A conference call for investors, analysts and media will be held today, 4 May 2020, at 10:00 a.m. CET and can be joined online at [www.nordicwaterproofing.com](http://www.nordicwaterproofing.com). Presentation materials for the call will be available on the website one hour before the call.

To participate, please dial:

From the United Kingdom: +44 33 3300 9268

From Denmark: +45 78 72 32 52

From Sweden: +46 8 505 583 58

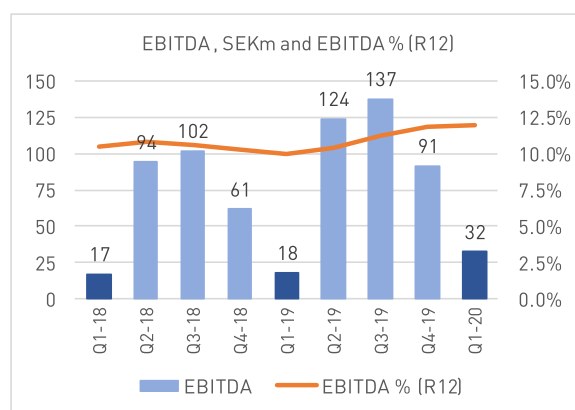
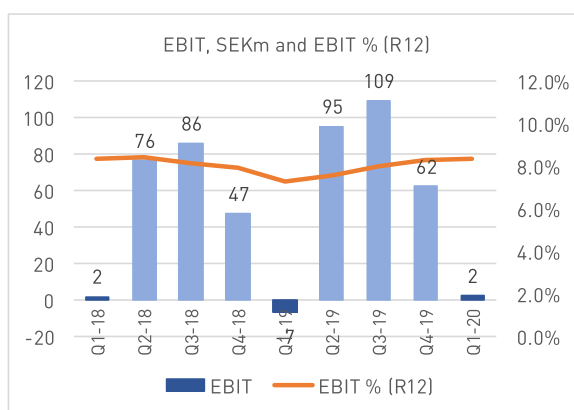
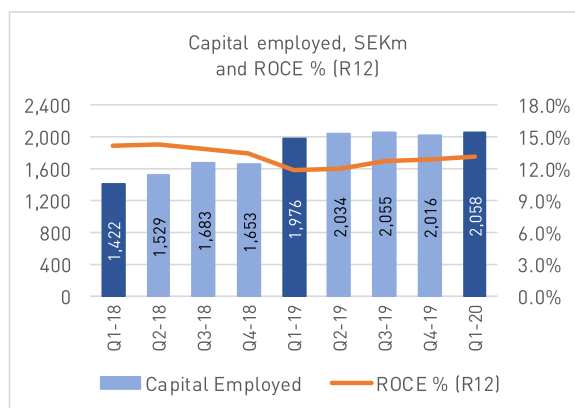
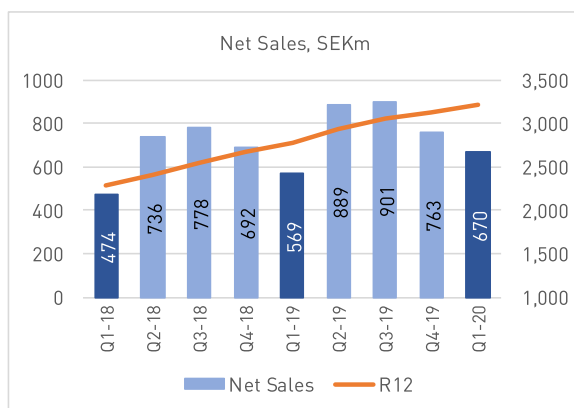
## The Group

### Net sales

Consolidated net sales for the first quarter increased by 18 percent to SEK 670 m (569). Organic growth was 14 percent, sales in acquired companies contributed by 3 percent and currency translation effects were positive affecting net sales by 1 percent.

	Q1 2020 [%]	Q1 2020 [SEKm]
<b>Analysis of net sales</b>		
Previous period		569
Organic growth	14%	80
Structural effects	3%	15
Currency effects	1%	5
<b>Current period</b>	<b>18%</b>	<b>670</b>

Sales in Sweden increased by 40 percent in the first quarter compared with the corresponding period in the preceding year. Sales in Denmark increased by 26 percent in the quarter, of which 3 percentage units were related to structural effects. Sales in Finland increased by 10 percent, while sales in Norway increased by 7 percent. The organic sales growth in Norway in local currency was 12 percent. Sales in other Europe increased by 10 percent in the quarter, of which 9 percentage units were related Distri Pond which was acquired in 2019.



## Operating profit (EBIT), EBITDA and ROCE

EBITDA for the first quarter increased to SEK 32 m (18) and the EBITDA margin increased to 4.8 percent (3.1), mainly driven by increased volumes. Operating profit (EBIT) for the first quarter increased to SEK 2 m (-7) and the EBIT margin increased to 0.4 percent (-1.2). Earnings were negatively affected by amortizations of customer relations in the acquired companies of SEK 5 m (4).

Return on capital employed (ROCE) on rolling 12 months basis was 13.2 percent (12.9) for the first quarter, exceeding our long-term financial target of 13 percent.

## Net financial items

Net financial items for the first quarter of 2020 amounted to SEK -13 m (-7). The difference is mainly explained by negative exchange rate differences.

## Profit or loss before and after tax

The loss before tax for the first quarter amounted to SEK -10 m (-13) and loss after tax amounted to SEK -9 m (-11).

## Cash flow

Cash flow from operating activities during the first quarter was SEK -86 m (-61). Higher accounts receivable, from strong sales, and higher inventory due to increasing safety stock to secure our capabilities to deliver contributed to the decrease.

Cash flow from investing activities during the first quarter was SEK -15 m (-62). During the first quarter previous year, the acquisition of Distri Pond was finalized with a net cash effect of SEK -47 m.

Cash flow from financing activities during the first quarter was SEK -8 m (97). The credit facilities were extended and restated in connection with the acquisition of Distri Pond during the first quarter previous year.

## Investments and depreciations

Gross investments excluding acquisitions during the first quarter of 2020 amounted to SEK 16 m (16), while depreciation amounted to SEK 12 m (10). Right-of-use depreciations relating to IFRS 16 amounts to SEK 12 m (10). Amortizations of intangible assets amounted to SEK 5 m (4), primarily consisting of amortizations of customer relations in the acquired companies.

## Financial position and liquidity

Nordic Waterproofing's principal external financing agreement is valid until June 2021 and contains a EUR 73.0 m term loan facility and a EUR 26.5 m revolving loan facility, of which EUR 14.4 m is allocated to the Group cash pool overdraft facility. The loan and credit facilities bear variable interest and run without requiring repayment in instalments. The financing agreement contains financial covenants that are monitored and followed up on a quarterly basis. Every quarter, Nordic Waterproofing has fulfilled the terms and conditions of the facility agreements.

The consolidated interest-bearing net debt amounted to SEK 736 m at the end of the period, compared with SEK 610 m at the end of 2019 and SEK 783 m at the end of the corresponding period in the preceding year. The reduction in net debt of SEK 47 m compared to same period previous year is mainly explained by cash flow from ordinary operations and no significant investments or acquisitions done last twelve months. The increase in net debt of SEK 126 m is mainly explained by ordinary seasonal variations. Consolidated cash and cash equivalents amounted to SEK 90 m (81) at the end of the period. Since no portion, SEK 0 m (26), of the Group's total overdraft facility of SEK

160 m (150) was utilized at the end of the quarter, the total cash and cash equivalents available amounted to SEK 250 m (205) at the end of the quarter.

Indebtedness calculated as net interest-bearing debt/EBITDA during the most recent twelve-month period was 1.9x (2.8x) at the end of the period, and the net debt/equity ratio was 0.6x (0.7x).

### Pledged assets and contingent liabilities

There were no significant changes during the period.

### Employees

The average number of employees during the first quarter of 2020 (expressed as full-time equivalents) was 1,038 compared with 1,010 during the same period in the preceding year.

### Significant events during the period

- On the 27 March Nordic Waterproofing announced that as a result of the spread of the Corona virus (Covid-19) it has been decided to postpone the Annual General Meeting to a later date. During the time until the Annual General Meeting the Board of Directors will further analyze and assess the proposal for dividend.
- Nordic Waterproofing has revised the forward-looking statement for 2020. The impact on our Group from the Covid-19 outbreak is hard to predict but it will likely have a dampening effect on sales if the pace of construction is slowing down as a result of the general economic development. Currently we don't see it as possible to provide guidance on operating profit (EBIT) for this year.
- Nordic Waterproofing is, as other companies and the societies we are active in, currently faced with the challenge imposed by the spread of Covid-19. Measures are being taken across the globe to prevent communities and business operations alike from being affected. Nordic Waterproofing is actively working on an ongoing basis to minimize the disruptions entailed by the situation and implementing precautionary measures to be able to manage various future scenarios. The outbreak of the Covid-19 virus has not had any significant negative impact on the Group to date. However, with the current macroenvironment, uncertainty pertaining to any forthcoming effects arising from the spread of the virus remains high, and it is not possible at present to forecast the final impact that this may have for the Group.

### Significant events after the reporting period

- On 3 April Nynas, Nordic Waterproofing's main supplier of bitumen, has had their general license extended to enable doing business with them without breaking US sanctions. Time period for re-structuring has been extended to 15 June.
- On 29 April the Danish Competition and Consumer Authority (Konkurrence- og Forbrugerstyrelsen) decided to finally close the investigation of the roofing felt market. By the decision the Council has finally closed the whole matter without finding any wrongdoing.
- On 3 May the Nordic Waterproofing Board of Directors decided to host the AGM on 15 June in Helsingborg and to suggest the meeting to authorize the BoD in the period to the next AGM to distribute up to SEK 107 m, corresponding to SEK 4.50 per share, in dividend.

### Financial targets

Nordic Waterproofing's target for the return on capital employed (ROCE) is at least 13 percent. The interest-bearing net debt/EBITDA-ratio shall not exceed 3.0 times. The sales growth target to exceed the growth in the Group's current markets through organic growth, in addition to expected growth through selective acquisitions

## The Parent Company

The Parent Company, Nordic Waterproofing Holding A/S, is a holding company that does not conduct any business. The parent company's earnings primarily reflect the net revenues for joint Group services and deductions for salaries, other remuneration and compensation, and similar expenses.

## Incentive programs

The Company has established three incentive programs ("LTIP 2017", "LTIP 2018" and "LTIP 2019"). The total cost, including social security charges, is estimated to be at most SEK 10 m for each program under the assumption of an average annual growth of operating profit (EBIT) before items affecting comparability of 10-12 percent. No new shares will be issued in the Company due to the programs. However, the Company will acquire treasury shares in order to secure the provision of shares and to secure and cover social security charges. The costs for the programs are expected to have a marginal effect on Nordic Waterproofing Group's key ratios. The maximum number of shares that can be granted under the LTIP 2017, LTIP 2018 and LTIP 2019 are 22,430, 98,595 and 104,428 respectively, considering outcome for 2017 and persons having left the company. As of 31 March 2020, the Company has acquired and owns 200,000 (11,610) treasury shares.

## Shares and share capital

As per 31 March 2020, the share capital amounted to DKK 24,084 thousand and the total number of issued shares was 24,083,935. The Company has one (1) class of shares. Each share entitles the holder to one vote at general meetings. As per 31 March 2020, Nordic Waterproofing Holding A/S had more than 4,200 shareholders and owns itself 200,000 treasury shares (0.8% of the total number of issued shares) following the share buyback program in connection with the long-term incentive programs.

There have not been any changes in shares and share capital during the first quarter of 2020.

## Ownership structure

The number of shareholders has during the quarter increased with ca 400, from ca 3.800 to ca 4.200. The largest shareholders in Nordic Waterproofing Holding A/S, as per 31 March 2020, are stated below.

Owner	Number of shares	Capital, %	Votes, %
Svolder	3 119 000	13,0%	13,1%
Swedbank Robur Funds	2 187 095	9,1%	9,2%
Mawer Investment Management	2 138 342	8,9%	9,0%
Länsförsäkringar Funds	1 741 346	7,2%	7,3%
Carnegie Funds	1 703 931	7,1%	7,1%
Handelsbanken Funds	1 438 044	6,0%	6,0%
Third AP-fund	965 707	4,0%	4,0%
Prior & Nilsson Funds	858 717	3,6%	3,6%
Alcur Funds	711 450	3,0%	3,0%
Canaccord Genuity Wealth Management	563 723	2,3%	2,4%
<b>Total 10 largest shareholders</b>	<b>15 427 355</b>	<b>64,1%</b>	<b>64,6%</b>
Other shareholders	8 456 580	35,1%	35,4%
<b>Total number of votes</b>	<b>23 883 935</b>	<b>99,2%</b>	<b>100,0%</b>
Treasury shares	200 000	0,8%	n/a
<b>Total number of shares</b>	<b>24 083 935</b>	<b>100,0%</b>	<b>n/a</b>

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".

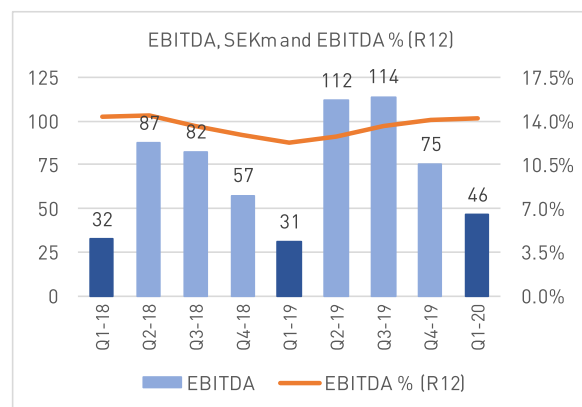
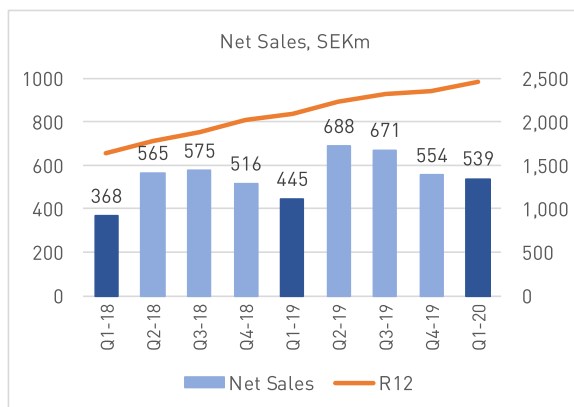
## Operating segments

### Products & Solutions

Net sales for the first quarter of 2020 increased by 21 percent compared with the corresponding period in the preceding year, amounting to SEK 539 m (445). Organic growth was 17 percent, while acquisitions contributed with 4 percent and the currency effects were neutral. Sales in Sweden increased by 40 percent in the first quarter and sales in Denmark increased by 26 percent. Sales in Finland increased by 25 percent. Sales in Norway increased by 7 percent and the organic sales growth in Norway in local currency was 12 percent. Sales in other Europe increased by 10 percent in the quarter, of which 9 percentage units were related to Distri Pond which was acquired in 2019.

	Q1 2020 (%)	Q1 2020 (SEKm)
<b>Analysis of net sales, Product &amp; Solutions</b>		
Previous period		445
Organic growth	17%	76
Structural effects	4%	15
Currency effects	0%	2
<b>Current period</b>	<b>21%</b>	<b>539</b>

EBITDA amounted to SEK 46 m (31) and the EBITDA margin was 8.6 percent (7.0) in the first quarter. Operating profit (EBIT) for Products & Solutions for the first quarter 2020 increased and amounted to SEK 22 m (10). The EBIT margin was 4.0 percent (2.3), mainly driven by increased volumes.



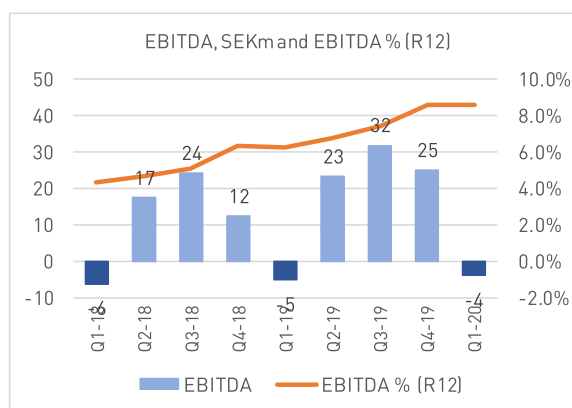
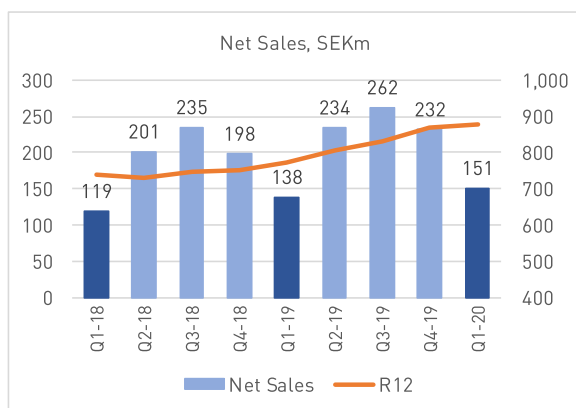


## Installation Services

Business in this operating segment is primarily conducted in Finland and through the non-consolidated franchise companies in Denmark. Net sales for the first quarter of 2020 increased by 9 percent compared with the corresponding period in the preceding year, amounting to SEK 151 m (138). Organic growth was 7 percent and the currency effects were positive affecting net sales by 2 percent.

Analysis of net sales, Installation Services	Q1 2020 (%)	Q1 2020 (SEKm)
Previous period		138
Organic growth	7%	9
Structural effects	0%	0
Currency effects	2%	3
<b>Current period</b>	<b>9%</b>	<b>151</b>

EBITDA amounted to SEK -4 m (-5) and the EBITDA margin was -2.7 percent (-3.8) in the first quarter. Operating profit (EBIT) for Installation Services for the first quarter amounted to SEK -8 m (-8). The EBIT margin was -5.3 percent (-6.0) in the quarter.



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

## Quarterly data, IFRS and alternative measures

Key figures (SEKm)	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018
Net sales	670	763	901	889	569	692	778	736
EBITDA	32	91	137	124	18	61	102	94
EBITDA margin, %	4.8%	12.0%	15.3%	13.9%	3.1%	8.9%	13.1%	12.8%
Operating profit (EBIT)	2	62	109	95	-7	47	86	76
EBIT margin, %	0.4%	8.2%	12.1%	10.7%	-1.2%	6.9%	11.1%	10.4%
ROCE (R12), %	13.2%	12.9%	12.7%	12.1%	11.9%	13.5%	13.9%	14.4%
Net profit	-9	61	78	67	-10	25	71	59
Cash flow from operating activities	-86	154	142	78	-61	90	123	41
Cashflow from operating activities (R12)	288	312	248	230	192	185	189	160
Operating cash conversion (R12), %	75%	84%	73%	75%	70%	67%	70%	61%
Interest-bearing net debt	736	610	745	970	783	442	493	430
Net debt	793	665	799	925	830	485	542	479
Earnings per share before dilution, SEK	-0.37	2.56	3.29	2.79	-0.44	1.03	2.97	2.43

Net sales by segment (SEKm)	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018
Products & Solutions	539	554	671	688	445	516	575	565
Installation Services	151	232	262	234	138	198	235	201
Group Items & Eliminations	-20	-22	-33	-34	-14	-22	-32	-30
Total	670	763	901	889	569	692	778	736

Net sales by country (SEKm)	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018
Sweden	105	124	164	171	75	121	140	122
Norway	85	99	111	122	79	88	92	86
Denmark	179	190	193	175	142	183	180	192
Finland	174	247	302	271	158	214	267	229
Europe	125	101	129	148	114	83	98	107
Rest of world	2	1	2	3	1	3	0	0
Total	670	763	901	889	569	692	778	736

EBITDA by segment (SEKm)	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018
Products & Solutions	46	75	114	112	31	57	82	87
Installation Services	-4	25	32	23	-5	12	24	17
Group Items & Eliminations	-10	-9	-8	-11	-8	-8	-5	-11
Total	32	91	137	124	18	61	102	94

EBIT by segment (SEKm)	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018
Products & Solutions	22	51	90	87	10	46	69	72
Installation Services	-8	21	27	19	-8	11	23	16
Group Items & Eliminations	-11	-10	-9	-12	-8	-9	-5	-11
Total	2	62	109	95	-7	47	86	76

## Management's statement

Today, the Group's Board of Directors and Executive Board have discussed and approved the interim report of Nordic Waterproofing Holding A/S for the period January–March 2020.

The interim report, which has not been audited or reviewed by the company's auditor, is presented in accordance with IAS 34 "Interim Financial Reporting" as approved by the EU and additional Danish requirements relating to the disclosure of information for interim reports of listed companies.

In our opinion, the interim report gives a true and fair presentation of the Group's assets, shareholders' equity and liabilities, and financial position as at 31 March 2020, as well as of the results of the Group's activities and cash flow for the period January-March 2020.

Furthermore, in our opinion, the review by management provides a true and fair statement of the development of the Group's activities, financial position and profit or loss for the period, and describes the most significant risks and uncertainties faced by the Group.

Vejen, 4 May 2020

## Executive Board

Martin Ellis  
President & CEO

## Board of Directors

Ulf Gundemark  
*Chairman*

Steffen Baungaard

Allan Jørgensen

Riitta Palomäki

Mats O. Paulsson

Kristina Willgård

## Condensed consolidated key figures

Amounts in SEKm

unless otherwise stated

	Q1 2020	Q1 2019	R12 2020	12M 2019
Net sales	670	569	3,222	3,122
Gross profit	158	132	839	813
EBITDA	32	18	385	371
Operating profit (EBIT)	2	-7	269	260
Net profit	-9	-10	197	196
Gross margin, %	23.6%	23.3%	26.0%	26.1%
EBITDA margin, %	4.8%	3.1%	11.9%	11.9%
EBIT margin, %	0.4%	-1.2%	8.4%	8.3%
Cash flow from operating activities	-86	-61	288	312
Operating cash conversion, %	n/a	n/a	75%	84%
Investments in tangible & intangible assets	-16	-16	-50	-65
Total assets	2,686	2,513	2,686	2,536
Capital employed	2,058	1,976	2,058	2,016
Equity	1,232	1,112	1,232	1,210
Interest-bearing net debt	736	783	736	610
Interest-bearing net debt/EBITDA, multiple	n/a	n/a	1.9x	1.6x
Net debt	793	830	793	665
Net debt/EBITDA, multiple	n/a	n/a	2.1x	1.8x
Interest coverage ratio, multiple	-0.8x	-1.3x	10.5x	10.4x
Equity/assets ratio, %	45.9%	44.3%	45.9%	47.7%
Net debt/equity ratio, multiple	0.6x	0.7x	0.6x	0.5x
Return on shareholders' equity, %	n/a	n/a	17.4%	17.3%
Return on capital employed, %	n/a	n/a	13.2%	12.9%
Return on capital employed excluding goodwill, %	n/a	n/a	25.1%	24.5%
Average number of shares before dilution	23,883,935	23,972,774	23,883,935	23,906,145
Average number of shares after dilution	24,083,935	24,083,935	24,083,935	24,083,935
Earnings per share before dilution, SEK	-0.37	-0.44	8.27	8.19
Earnings per share after dilution, SEK	-0.37	-0.44	8.20	8.13
Shareholders equity per share before dilution, SEK	51.58	46.40	51.58	50.60
Shareholders equity per share after dilution, SEK	51.16	46.19	51.16	50.23
Cash flow from operating activities per share before dilution, SEK	-3.58	-2.57	12.06	13.07
Cash flow from operating activities per share after dilution, SEK	-3.55	-2.55	11.96	12.96
Number of shares before dilution	23,883,935	23,883,935	23,883,935	23,883,935
Number of shares after dilution	24,083,935	24,083,935	24,083,935	24,083,935

## Condensed financial statements

### Condensed consolidated statement of profit or loss and other comprehensive income

Amounts in SEKm unless otherwise stated	Q1 2020	Q1 2019	R12 2020	12M 2019
Net sales	669.8	569.3	3,222.2	3,121.6
Cost of goods sold	-511.3	-436.8	-2,382.2	-2,308.3
Gross profit/loss	158.5	132.4	839.9	813.3
Selling expenses	-104.4	-94.7	-401.3	-391.6
Administrative expenses	-52.8	-44.5	-194.0	-185.6
Research and development expenses	-1.4	-1.6	-6.0	-5.6
Other operating income	2.8	1.9	11.5	10.5
Other operating expenses	-1.9	-0.9	-5.4	-4.5
Share of profit in associated companies	1.7	0.8	24.7	23.8
Operating profit/loss (EBIT)	2.5	-6.6	269.4	260.3
Net finance items	-12.7	-6.6	-33.8	-27.7
Profit/loss before tax	-10.2	-13.2	235.6	232.6
Tax	1.3	2.7	-38.2	-36.9
Profit/loss after tax	-8.8	-10.5	197.4	195.8
Other comprehensive income				
Items that are or may be reclassified to profit/loss for the year				
Translation differences for the year in translation of foreign operations	52.6	16.1	49.7	13.2
Gains/losses on hedging of currency risk in foreign operations	0.0	-2.3	0.0	-2.3
Gains/losses on raw material hedging	-28.2	22.6	-50.7	0.1
Tax on gains/losses on comprehensive income	6.0	-4.3	10.8	0.5
Total other comprehensive income after tax	30.4	32.0	9.8	11.4
Total comprehensive income after tax	21.6	21.5	207.2	207.2
Profit/loss for the year, attributable to:				
Owners of the company	-6.8	-10.1	201.2	197.9
Non-controlling interests	-2.0	-0.4	-3.8	-2.1
Total comprehensive income for the year, attributable to:				
Owners of the company	23.3	21.5	210.8	209.0
Non-controlling interests	-1.7	0.0	-3.6	-1.8
Average number of shares before dilution	23,883,935	23,972,774	23,883,935	23,906,145
Average number of shares after dilution	24,083,935	24,083,935	24,083,935	24,083,935
Earnings per share before dilution, SEK	-0.37	-0.44	8.27	8.19
Earnings per share after dilution, SEK	-0.37	-0.44	8.20	8.13

## Condensed consolidated balance sheet

Amounts in SEKm unless otherwise stated	31 Mar 2020	31 Mar 2019	31 Dec 2019
<b>ASSETS</b>			
Intangible assets	1,119.2	1,059.4	1,085.0
Tangible assets	403.2	417.6	388.9
Financial assets	104.2	55.5	102.3
Deferred tax assets	0.7	0.0	0.8
Other non-current assets	22.7	15.8	21.4
<b>Total non-current assets</b>	<b>1,650.0</b>	<b>1,548.4</b>	<b>1,598.4</b>
Inventories	432.5	407.6	382.5
Trade receivables	396.7	339.3	273.5
Receivables for on-going construction contracts	58.4	68.4	51.5
Tax assets	7.8	8.0	1.5
Other receivables	50.7	60.1	32.0
Cash and cash equivalents	89.9	80.8	196.9
<b>Total current assets</b>	<b>1,035.9</b>	<b>964.2</b>	<b>937.9</b>
<b>TOTAL ASSETS</b>	<b>2,685.9</b>	<b>2,512.6</b>	<b>2,536.2</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	30.0	30.0	30.0
Treasury shares	-15.6	-15.6	-15.6
Reserves	92.1	82.5	61.9
Retained earnings including profit for the year	1,113.2	999.8	1,119.2
<b>Equity attributable to owners of the Company</b>	<b>1,219.6</b>	<b>1,096.7</b>	<b>1,195.5</b>
Non-controlling interests	12.4	15.7	14.1
<b>Total equity</b>	<b>1,232.0</b>	<b>1,112.3</b>	<b>1,209.6</b>
Non-current interest-bearing liabilities	778.8	793.5	762.7
Other non-current liabilities	44.9	42.5	43.2
Provisions	5.8	5.8	5.8
Deferred tax liabilities	81.7	69.4	91.1
<b>Total non-current liabilities</b>	<b>911.2</b>	<b>911.3</b>	<b>902.8</b>
Current interest-bearing liabilities	46.8	70.6	44.2
Trade payable	217.1	191.5	130.1
Payables for on-going construction contracts	18.4	14.5	20.3
Tax liabilities	6.0	17.8	5.7
Other current liabilities	254.4	194.8	223.4
<b>Total current liabilities</b>	<b>542.7</b>	<b>489.0</b>	<b>423.8</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,685.9</b>	<b>2,512.6</b>	<b>2,536.2</b>

## Condensed consolidated statement of changes in equity

Specification of changes in equity (SEKm)	3M 2020	3M 2019	12M 2019
<i>Equity attributable to owners of the Company</i>			
Opening balance	1 195,5	1 090,0	1 090,0
Total comprehensive income	23,3	21,5	209,0
Dividend	0,0	0,0	-95,5
Repurchase of treasury shares	0,0	-14,8	-14,8
Provision for long-term incentive programs	0,8	0,0	6,9
<b>Closing balance</b>	<b>1 219,6</b>	<b>1 096,7</b>	<b>1 195,5</b>
<i>Equity attributable to non-controlling interest</i>			
Opening balance	14,1	15,6	15,6
Total comprehensive income	-1,7	0,1	-1,8
Acquisitions	0,0	0,0	0,3
Dividend	0,0	0,0	-0,7
Shareholder contribution	0,0	0,0	0,6
<b>Closing balance</b>	<b>12,4</b>	<b>15,7</b>	<b>14,1</b>
<b>SUM TOTAL EQUITY, CLOSING BALANCE</b>	<b>1 232,0</b>	<b>1 112,3</b>	<b>1 209,6</b>

## Condensed consolidated cash flow statement

Amounts in SEKm unless otherwise stated	Q1 2020	Q1 2019	R12 2020	12M 2019
<b>Operating activities</b>				
Operating profit (EBIT)	2.5	-6.6	269.4	260.3
Adjustment for non-cash items etc	16.2	17.1	88.9	89.7
Interest received	0.0	0.3	0.6	0.8
Interest paid	-5.2	-4.9	-22.7	-22.4
Dividends received	5.4	11.1	13.1	18.9
Income tax paid/received	-11.1	-6.7	-44.9	-40.5
<b>Cash flow from operating activities before changes in working capital</b>	<b>7.8</b>	<b>10.3</b>	<b>304.3</b>	<b>306.8</b>
<b>Changes in working capital</b>				
Increase (-)/Decrease (+) in inventories	-39.1	-29.7	-14.3	-4.9
Increase (-)/Decrease (+) in operating receivables	-137.8	-74.2	-52.3	11.3
Increase (+)/Decrease (-) in operating liabilities	83.7	32.3	50.3	-1.0
<b>Cash flow from operating activities</b>	<b>-85.5</b>	<b>-61.4</b>	<b>288.0</b>	<b>312.2</b>
<b>Investing activities</b>				
Acquisition of intangible fixed assets	-3.1	-3.3	-19.3	-19.5
Acquisition of tangible fixed assets	-12.4	-12.5	-45.3	-45.3
Divestments of tangible fixed assets	0.0	1.1	0.6	1.6
Acquisition of business, net cash impact	0.0	-46.8	-1.8	-48.6
Acquisition of participations in associated companies	0.0	-0.2	-31.0	-31.2
Divestments of participations in associated companies	0.0	0.0	1.0	1.0
Change in other financial assets	0.1	0.0	0.1	0.0
<b>Cash flow from investing activities</b>	<b>-15.4</b>	<b>-61.7</b>	<b>-95.8</b>	<b>-142.0</b>
<b>Financing activities</b>				
Amortization of loans	-12.6	-158.9	-193.8	-340.2
Proceeds from loans	4.9	270.4	105.0	370.5
Purchase of own shares	0.0	-14.8	0.0	-14.8
Dividend	0.0	0.0	-95.5	-95.5
Dividend paid to non-controlling interests	0.0	0.0	-0.7	-0.7
<b>Cash flow from financing activities</b>	<b>-7.7</b>	<b>96.7</b>	<b>-184.4</b>	<b>-80.0</b>
Cash flow for the period	-108.6	-26.4	7.9	90.1
Cash and cash equivalents at the beginning of the period	196.9	105.6	80.8	105.6
Exchange-rate differences in cash and cash equivalents	1.6	1.6	1.2	1.1
<b>Cash and cash equivalents at the end of the period</b>	<b>89.9</b>	<b>80.8</b>	<b>89.9</b>	<b>196.9</b>

## Notes

### Note 1 – Accounting principles

The interim report is presented in accordance with IAS 34 “Interim Financial Reporting”, which has been approved by the EU, and additional Danish requirements relating to the disclosure of information for quarterly reports by listed companies.

The Group applies IFRS (International Financial Reporting Standards), which have been adopted by the EU, and the Danish Annual Reports Act. In addition to the financial statements, disclosures in accordance with IAS 34.16A are also presented in other parts of the interim report. The accounting policies applied by the Group and Parent Company correspond to the accounting policies applied in the preparation of the most recent annual report.

The financial statements are presented in SEK, rounded off to the nearest hundred thousand, unless otherwise stated. This rounding off process may mean that the total sum of the sub-items in one or more rows or columns does not match the total sum for the row or column.

### Note 2 – Alternative key ratios

The Group presents certain financial measures in the interim report which are not defined according to IFRS. The Group considers these measures to provide valuable supplementary information for investors and the Company’s management as they enable the assessment of relevant trends. Nordic Waterproofing’s definitions of these measures may differ from other companies’ definitions of the same terms. These financial measures should therefore be seen as a supplement rather than as a replacement for measures defined according to IFRS. Definitions of measures which are not defined according to IFRS and which are not mentioned elsewhere in the interim report are presented in the section “Definitions; Key performance indicators not defined according to IFRS”.

### Note 3 – Seasonality

Nordic Waterproofing’s business is significantly affected by seasonal variations in the construction industry, where almost 60 percent of annual sales generally occur during the second and third quarters. The weakest period is the first quarter of the year, which, due to the winter, has accounted for approximately one-fifth of annual sales for the past three financial years. There is generally a planned inventory build-up, primarily of finished products, during the first six months of the year, which translates into a stock reduction during the third and fourth quarters as a result of increased activity in the market during the autumn. Veg Tech is the most weather dependent and also the most seasonal business, as deliveries and installation rarely take place during the winter months.

### Note 4 – Risks and uncertainties

Nordic Waterproofing’s business is subject to various risks, which can be divided into operating, financial and external risks. Operating risks include liability under warranties and product liability, key employees, disruptions in production, IT systems, intellectual property rights, product development, restructuring, acquisitions and integration, insurance, and corporate governance. Financial risks primarily include changes in exchange rates and interest rates, and risks relating to losses in respect of accounts receivable, liquidity risk, the capacity to raise capital, financial credit risk and risks relating to goodwill. External risks include risks relating to market trends, competition, prices of raw materials, political decisions, legal disputes, tax risks, environmental risks and weather conditions. Apart from these risks, the recent development with the Covid-19 pandemic having an impact on the economies in our markets, our customers and the construction business is a risk and an uncertainty for the development of our business.

The management of risk at Nordic Waterproofing is based on a structured process for continually identifying and assessing risks, their likelihood and their potential impact on the Group. The focus is on identifying controllable risks



and managing the risks to reduce the overall risk level for the business. The risks are described in the Group's 2019 Annual Report. Other than these risks and uncertainties, no significant additional risks or uncertainties have arisen.

## Note 5 – Intangible assets

The Group's intangible assets have primarily arisen in connection with business acquisitions. Other intangible assets primarily include capitalized expenses for software and R&D-projects.

Immateriella anläggningstillgångar, redovisat värde Belopp i MSEK, om inte annat anges	Goodwill	Kund- relationer	Övrigt	Totalt
Ingående balans, 1 januari 2020	952	92	41	1,085
Investeringar	0	0	3	3
Förvärv	0	0	0	0
Avskrivningar	0	-5	-3	-8
Valutakursdifferenser	33	4	2	39
Utgående balans, 31 mars 2020	985	91	43	1,119

## Note 6 – Financial instruments

Financial instruments measured at fair value in the balance sheet consist of financial derivatives used to hedge the price risk arising from highly probable future purchases of bitumen products. These are recognized in the balance sheet items "Other receivables" and "Other liabilities", and hedge accounting is applied. The fair value of these commodity derivatives has been established through a discount of the difference between the agreed price and future prices at the reporting date for the remaining contract period. As at 31 March 2020, no hedges are in place for Q2 2020. The expected purchases of bitumen for delivery during July 2020 to June 2021 were hedged by means of derivatives, equivalent to 21,900 tons or approximately 55% of the expected purchasing volume 2020 and equivalent to 19,000 tons or approximately 46% of the expected annual purchasing volume 2021. At the corresponding period the preceding year, the expected purchases of bitumen for delivery during April to December 2019 were hedged by means of derivatives, equivalent to 23,160 tons or approximately 58 percent of the expected annual purchasing volume). The fair value measurements belong to level 2 in the fair value hierarchy in IFRS 13.

Financial instruments SEKm, unless otherwise stated	Carrying amount		Fair value	
	31 Mar 2020	31 Mar 2019	31 Mar 2019	31 Mar 2018
<b>Measurement level 2:</b>				
Assets at fair value	0	26	0	26
Assets at amortized cost	518	449	518	449
Liabilities at fair value	24	0	24	0
Liabilities at amortized cost	1,136	1,119	1,136	1,119
<b>Measurement level 3:</b>				
Liabilities at amortized cost	16	9	16	9
Liabilities at fair value	35	32	35	32

## Note 7 – Operating segments

Nordic Waterproofing's business and the basis for division into segments are the various products or services delivered by each segment. The Group's operating segments consist of Products & Solutions and Installation Services. Products & Solutions relates to sales of both internally produced and externally purchased products and related services, and Installation Services comprises the Group's wholly-owned and partly-owned contracting operations within roofing. Group Items and Eliminations comprises parent company functions, including the treasury function, as well as the elimination of intra-group sales from Products & Solutions to Installation Services.

Information regarding net sales from external customers, EBITDA and operating profit (EBIT) broken down by segment is set out in the tables on pages 8-9.

Inter-segment transfer pricing is determined on an arm's length basis, i.e. between parties that are independent of one another, are well informed and have an interest in the implementation of the transaction. Assets and investments are reported based on where the assets are located.

Amounts in SEKm unless stated otherwise	Products & Solutions		Installation Services		Group Items and Eliminations		Nordic Waterproofing Group	
	3M 2020	3M 2019	3M 2020	3M 2019	3M 2020	3M 2019	3M 2020	3M 2019
Revenues from external customers	519	431	151	138	0	0	670	569
Revenues from other segments	20	14	0	0	-20	-14	0	0
<b>Revenues, total</b>	<b>539</b>	<b>445</b>	<b>151</b>	<b>138</b>	<b>-20</b>	<b>-14</b>	<b>670</b>	<b>569</b>
EBITDA	46	31	-4	-5	-10	-8	32	18
Depreciation & Amortisation	-25	-21	-4	-3	-1	-1	-30	-24
<b>Operating profit (EBIT)</b>	<b>22</b>	<b>10</b>	<b>-8</b>	<b>-8</b>	<b>-11</b>	<b>-8</b>	<b>2</b>	<b>-7</b>
Net finance items							-13	-7
<b>Profit/loss after finance items but before tax (EBT)</b>							<b>-10</b>	<b>-13</b>
Tax							1	3
<b>Profit/loss for the year</b>							<b>-9</b>	<b>-11</b>
<i>Assets</i>								
Intangible assets (goodwill & customer relations)	973	920	137	128	9	10	1,119	1,059
Property, plant and equipment	367	382	31	33	5	2	403	418
Participations in associated companies	0	0	93	46	0	0	93	46
Inventory	427	401	6	6	0	0	432	408
Other assets	497	404	116	117	-84	-37	528	484
Non-allocated assets					109	99	109	99
<b>Total assets</b>	<b>2,262</b>	<b>2,108</b>	<b>384</b>	<b>331</b>	<b>40</b>	<b>74</b>	<b>2,686</b>	<b>2,513</b>
<i>Liabilities and Equity</i>								
Equity					1,232	1,112	1,232	1,112
Other liabilities	454	388	92	76	-50	-57	496	406
Non-allocated liabilities					958	994	958	994
<b>Total liabilities and equity</b>	<b>454</b>	<b>388</b>	<b>92</b>	<b>76</b>	<b>2,140</b>	<b>2,049</b>	<b>2,686</b>	<b>2,513</b>
Investments in tangible & intangible assets	11	12	4	3	0	1	16	16

## Note 8 – Transactions with related parties

The Group has related party relationships with the associated companies as stated in Note 16 of the 2019 Annual Report. Transactions with related parties are priced on market terms. No transactions have taken place between Nordic Waterproofing and related parties that have materially affected the Group's financial position and results in the first quarter of 2020. As also stated in Note 16 of the 2019 Annual Report, the Group has transactions with key persons in management positions. These transactions comprise salaries, benefits and pension commitments, as well as participation in the Group's incentive programs.

## Definitions

### Key performance indicator according to IFRS

Earnings per share	Profit after tax for the period attributable to parent company shareholders divided by the average number of outstanding shares for the period
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### Key performance indicators not defined according to IFRS

Capital employed	Total assets less non-interest-bearing provisions and liabilities
EBIT	Operating profit
EBIT margin	EBIT as a percentage of net sales
EBITDA	Operating profit before depreciation, amortization and impairment of tangible and intangible assets
EBITDA margin	Operating profit before depreciation, amortization and impairment of tangible and intangible assets as a percentage of net sales
Equity/assets ratio	Shareholders' equity, including non-controlling interests, as a percentage of total assets
Gross margin	Gross profit as a percentage of net sales
Interest cover ratio	Profit after net financial items plus interest expenses in relation to interest expenses
Interest-bearing net debt*	Interest-bearing liabilities less cash and cash equivalents
Interest-bearing net debt/EBITDA*	Net interest-bearing debt in relation to EBITDA
Net debt*	Interest-bearing and non-interest-bearing liabilities less cash and cash equivalents
Net debt/EBITDA	Net debt in relation to EBITDA
Net debt/equity ratio	Net debt in relation to shareholders' equity
Operating cash conversion*	Cash flow from operating activities as a percentage of EBITDA
Organic growth	Net sales growth adjusted for enterprises acquired and sold off and any exchange rate changes. No adjustments have been made for number of working days
R12	The most recent twelve months/rolling twelve-month period
R4Q/4	Average value of the latest four quarter's closing balance
Return on capital employed*	EBIT as a percentage of average capital employed, calculated as the average of the last four quarter's closing balances
Return on capital employed excluding goodwill*	Operating profit (EBIT) as a percentage of average capital employed, excluding goodwill, calculated as the average of the latest four quarter's closing balances
Return on shareholders' equity	Profit after tax attributable to parent company shareholders as a percentage of average shareholders' equity, excluding non-controlling interests

\* Key performance indicators marked with \* are either new or has a changed definition

## Reconciliations

Key performance indicators not defined according to IFRS

	Q1 2020	Q1 2019	R12 2020	12M 2019
<b>Capital employed</b>				
Total assets	2,686	2,513	2,686	2,536
Other non-current liabilities	-45	-43	-45	-43
Provisions	-6	-6	-6	-6
Deferred tax liabilities	-82	-69	-82	-91
Trade payable	-217	-191	-217	-130
Payables for on-going construction contracts	-18	-14	-18	-20
Tax liabilities	-6	-18	-6	-6
Other current liabilities	-254	-195	-254	-223
<b>Capital employed</b>	<b>2,058</b>	<b>1,976</b>	<b>2,058</b>	<b>2,016</b>
<b>EBITDA</b>				
EBIT	2	-7	269	260
Depreciation	25	21	95	91
Amortization	5	4	21	19
Impairment	-	-	-	-
<b>EBITDA</b>	<b>32</b>	<b>18</b>	<b>385</b>	<b>371</b>
<b>Interest cover ratio</b>				
Profit/loss before tax	-10	-13	236	233
Interest expenses	6	6	25	25
Total	-4	-8	260	257
Interest expenses	6	6	25	25
<b>Interest cover ratio, multiple</b>	<b>-0.8x</b>	<b>-1.3x</b>	<b>10.5x</b>	<b>10.4x</b>
<b>Interest-bearing net debt</b>				
Non-current interest-bearing liabilities	779	793	779	763
Current interest-bearing liabilities	47	71	47	44
Minus: Cash and cash equivalents	-90	-81	-90	-197
<b>Interest-bearing net debt</b>	<b>736</b>	<b>783</b>	<b>736</b>	<b>610</b>
<b>Net debt</b>				
Non-current interest-bearing liabilities	779	793	779	763
Non-current non-interest-bearing liabilities	45	43	45	43
Current interest-bearing liabilities	47	71	47	44
Current non-interest-bearing liabilities	12	4	12	12
Minus: Cash and cash equivalents	-90	-81	-90	-197
<b>Net debt</b>	<b>793</b>	<b>830</b>	<b>793</b>	<b>665</b>
<b>Return on capital employed (ROCE)</b>				
EBIT (R12)			269	260
Average capital employed (R4Q/4)			2,041	2,020
<b>Return on capital employed (ROCE), %</b>	<b>n/a</b>	<b>n/a</b>	<b>13.2%</b>	<b>12.9%</b>
<b>Return on capital employed (ROCE) excl goodwill</b>				
EBIT (R12)			269	260
Average capital employed (R4Q/4)			2,041	2,020
Goodwill (R4Q/4)			965	960
<b>Return on capital employed (ROCE) excl goodwill, %</b>	<b>n/a</b>	<b>n/a</b>	<b>25.1%</b>	<b>24.5%</b>
<b>Return on shareholders' equity</b>				
Profit after tax attributable to parent company shareholders (R12)			201	198
Average shareholders' equity [(OB+CB)/2]			1,158	1,143
<b>Return on shareholders' equity, %</b>	<b>n/a</b>	<b>n/a</b>	<b>17.4%</b>	<b>17.3%</b>



## About Nordic Waterproofing Group

Nordic Waterproofing is one of the leading providers in the waterproofing market in northern Europe. The Company provides high-quality products and solutions for waterproofing in Sweden, Finland, Denmark, Norway, Belgium, the Netherlands, Poland, the United Kingdom and Germany. Nordic Waterproofing also provides installation services through wholly-owned subsidiaries in Finland and through part-owned franchise companies in Denmark. The Company markets its products and solutions under several brands, all with an extensive heritage, most of which are among the most established and well-recognized brands in waterproofing in their respective markets, such as Mataki, Trebolit, Phønix Tag Materialer, Kerabit, Nortett, SealEco, Distri Pond, SPT-Painting, Taasinge Elementer, RVT and Veg Tech. Nordic Waterproofing Holding A/S is listed in the Mid Cap segment on Nasdaq Stockholm with the stock ticker NWG.

### Business concept

Nordic Waterproofing develops, manufactures and distributes a full range of products and solutions for the protection of buildings and infrastructure.

Our products are characterized by high-quality design adapted to local climate conditions and building standards. Ease of installation, energy and environmental optimization are key components of our offer.

Our excellence in customer service builds on smart logistics, understanding our customers' present and future needs, and the exceptional responsiveness delivered by our team of highly motivated employees.

### Financial calendar

Annual General Meeting, in Helsingborg	15 June 2020
Interim report, January-June 2020	24 July 2020
Interim report, January-September 2020	3 November 2020

### Further information can be obtained from

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This information is information that Nordic Waterproofing Holding A/S is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 4 May 2020, 08:00 a.m. CET.

This report contains forward-looking statements which are based on the current expectations of the management of Nordic Waterproofing. Even though management believes that the expectations reflected in these forward-looking statements are reasonable, no assurances can be given that these expectations will be realized. Therefore, the financial results may differ significantly from those indicated in the forward-looking statements due to, among other things, changes in economic, market-related and competition-related conditions, changes to rules and regulations and other governmental measures, exchange rate fluctuations and other factors.

