



NORDIC WATERPROOFING GROUP PROTECTING BUILDINGS AND INFRASTRUCTURE

Durable and sustainable building solutions

 Date 2022.03.08

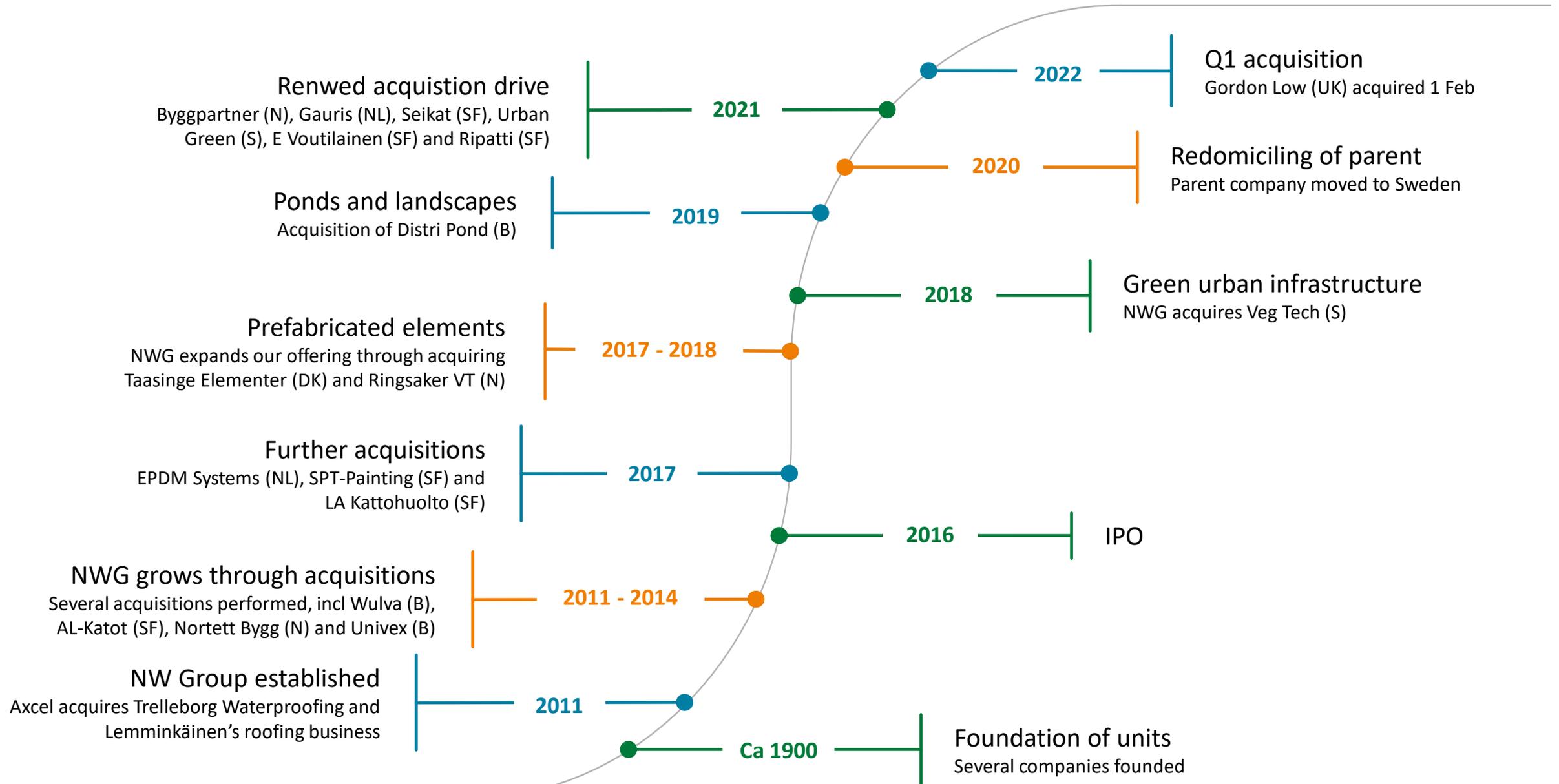
ABG Investor Day 8 March 2022

Martin Ellis (CEO)

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

Our story



Our products

Wide range of application areas

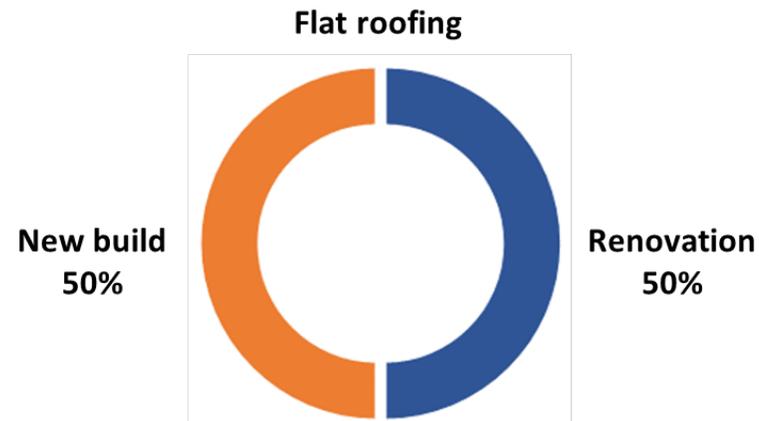


Our services – installation, contracting and maintenance

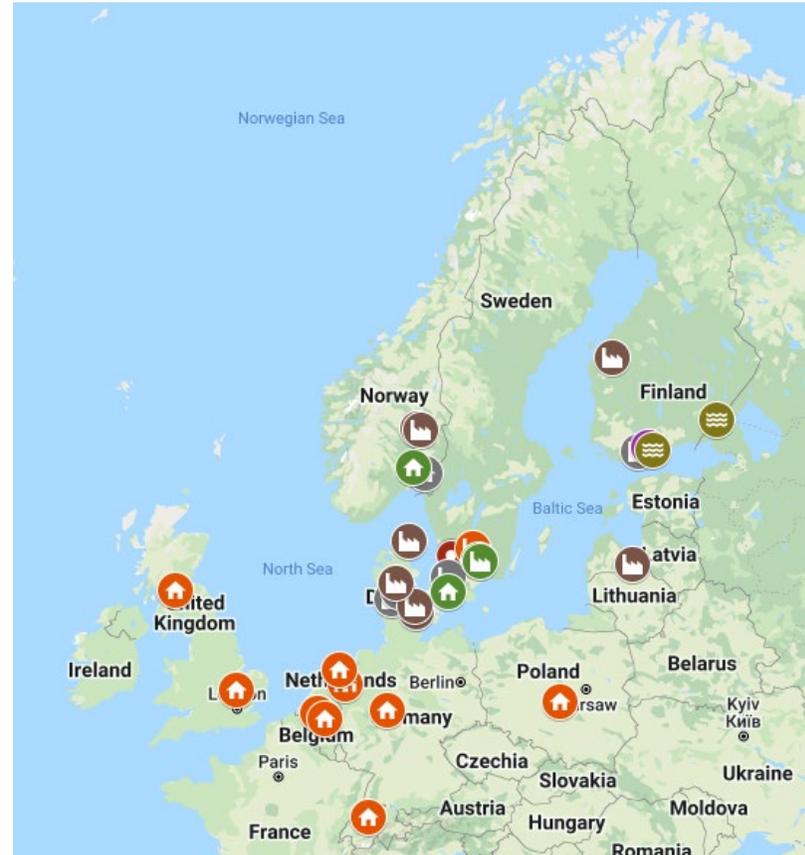
- Waterproofing material
- Pre-fabricated roof and facade elements
- Flooring
- Green infrastructure
- Metallic facades and eaves
- Solar panels



Low exposure to cyclicity
Even distribution between new build and renovation



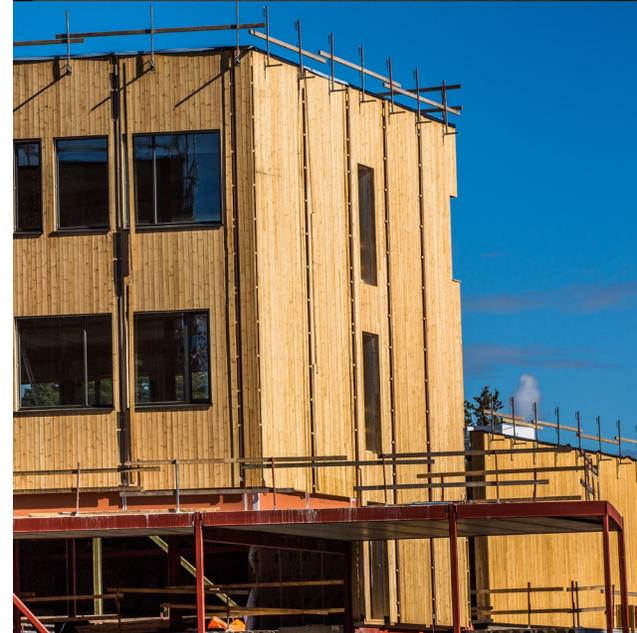
Our footprint



Our focus is on Northern Europe with generally stable demand levels

Our business case is built on sustainability

- Durability of our materials (50+ years)
- Improved CO₂-balance with wood-based solutions
- Biodiversity through green infrastructure
- Clean energy solutions: solar panels



Acquisition strategy

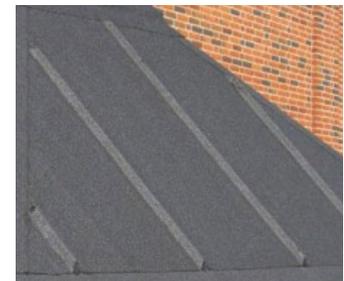
- Focus on sustainable solutions
- Enhance our product and service offering
- Added value through downstream integration

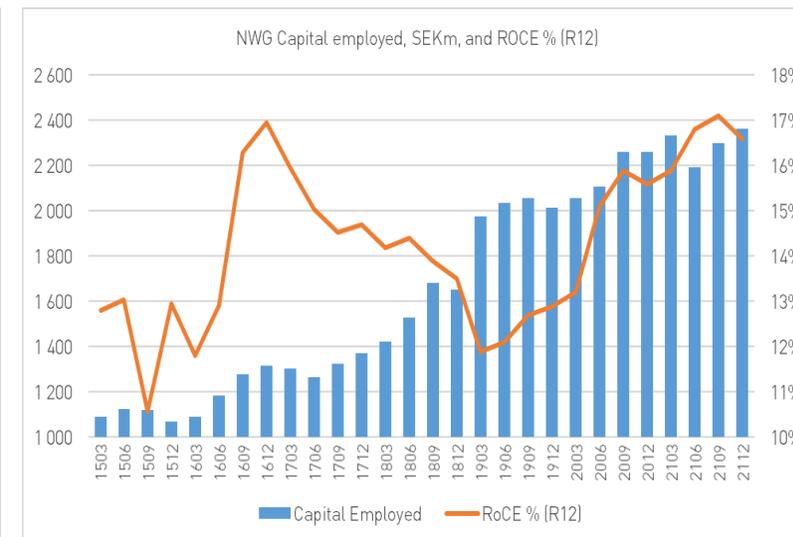
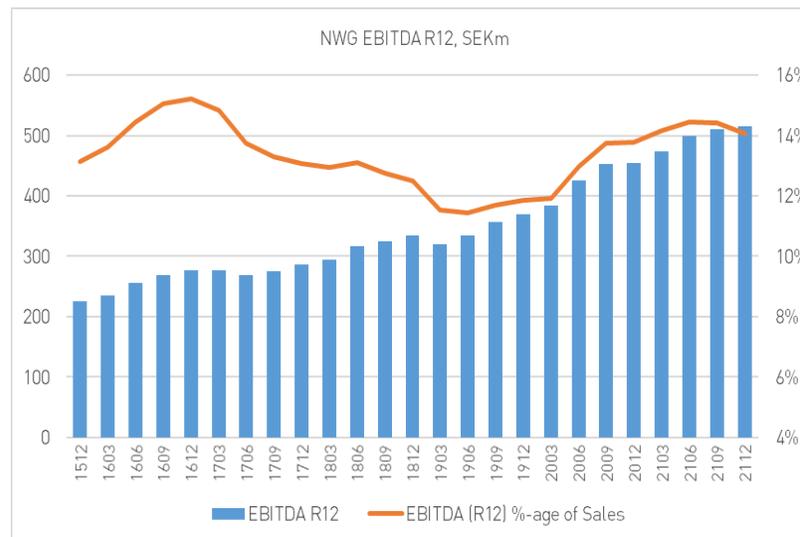
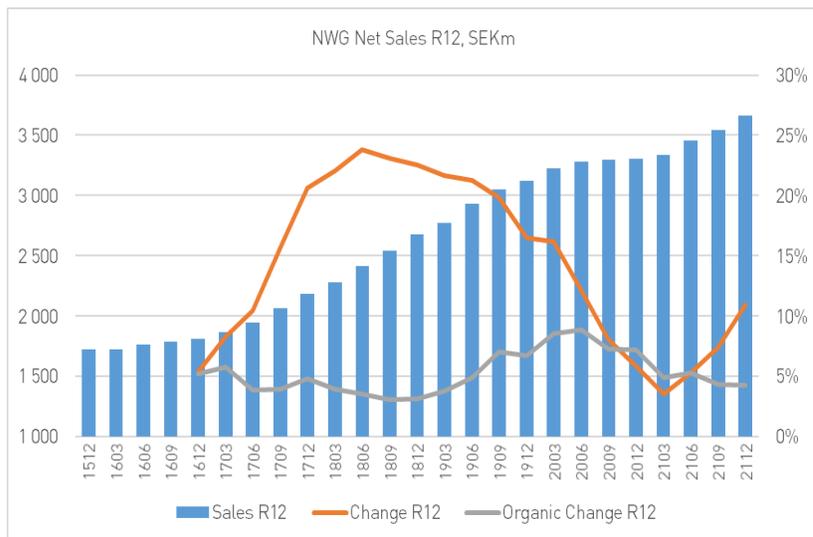
Renewed acquisition drive in 2021 and 2022

- Waterproofing contracting (Norway)
- Ponds and landscaping (Netherlands and UK)
- Prefabricated wooden elements (Finland)
- Urban green landscaping (Sweden)
- Rounding out the product portfolio (2x Finland, 1x Denmark)

Sustained growth since the IPO (2016)

- 25+ acquisitions since IPO
- Turnover doubled





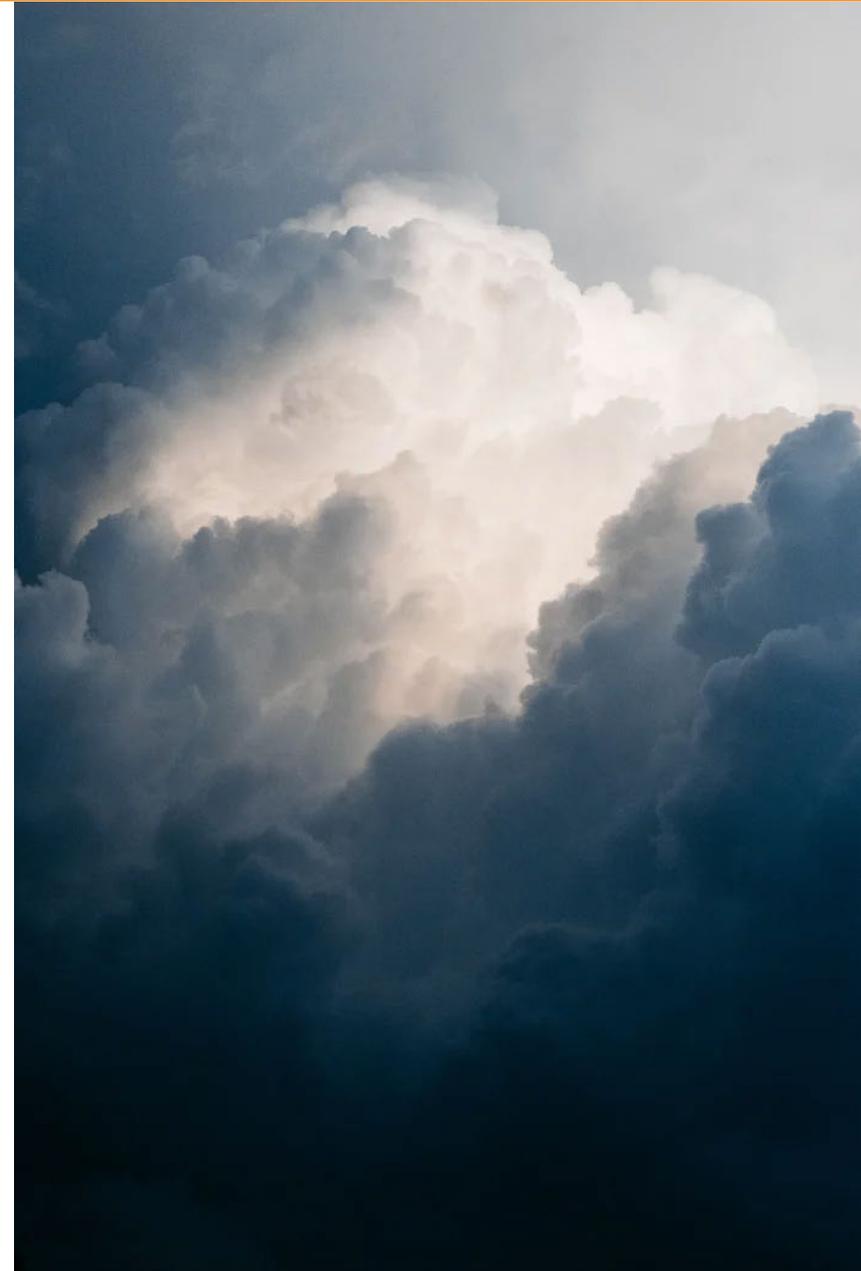
- Sales at SEK 3,663 m in 2021, doubled since IPO
 - Ca 1/3 of growth organic
 - Ca 2/3's of growth from acquisitions
- 85% of sales are to the Nordic countries

- EBITDA at SEK 515 m in 2021
- Profitability lower in 2017-19 due to input prices on material and lower result initially from acquisitions
- Higher profitability in 2020-21 due to positiv impact from the pandemic, well managed cost inflation and operational improvements

- RoCE at the end of 2021 at 16.6%, well above the Group threshold of 13.0%
- Capital employed has increased due to acquisitions made and investment in inventory during the pandemic to secure capability to deliver.

NWG and the RU vs UA war

- We have no subsidiaries or employees in either country
- Our sales exposure to the area was limited (0.4% of total sales) in 2021 and we have cut exports at this time
- Input material supplies relying on Russian raw material discontinued
- We don't expect any impact on our supply chain and capability to deliver to our customers at this time.
- We expect an acceleration of input cost inflation which in the medium term might lead to softer demand for construction.
- Supporting refugees from Ukraine by donations from employees and subsidiaries



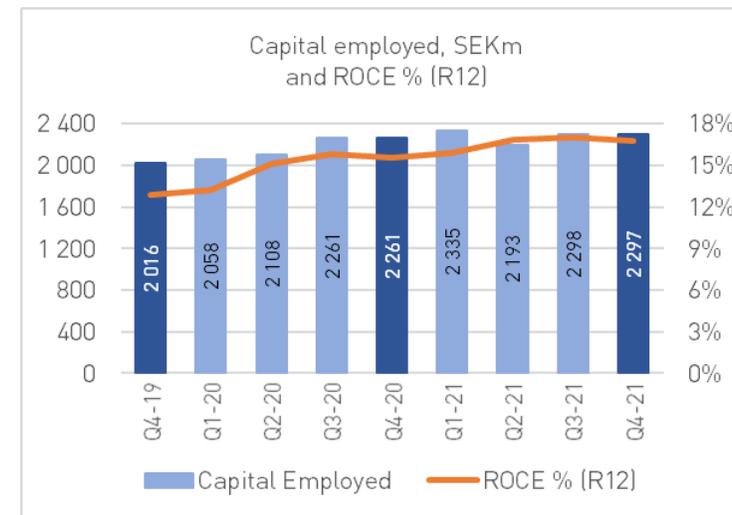
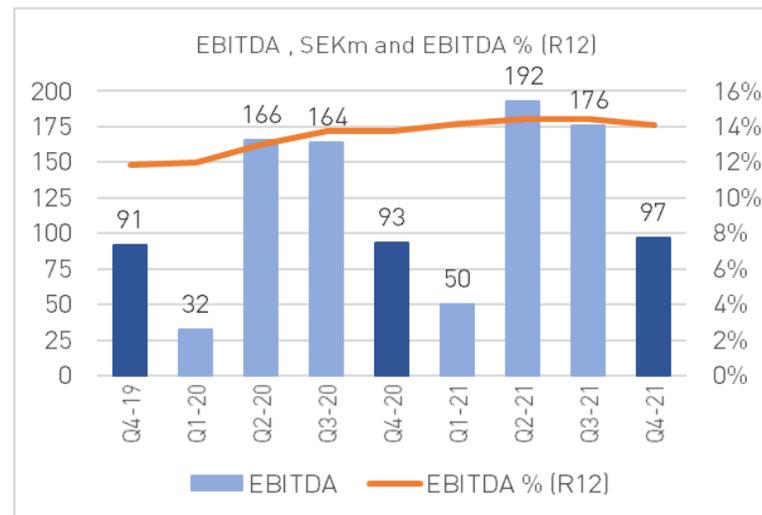
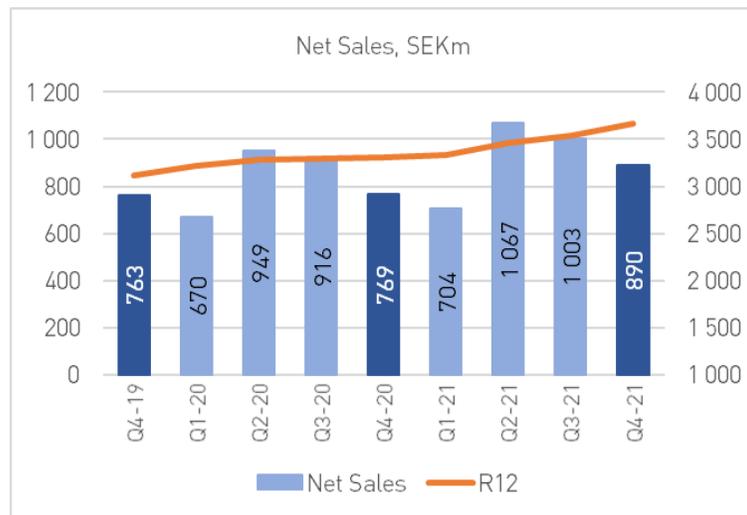
Q4 2021

Q4 Highlights and comments

- **Demand** remains strong
 - On a stable level for the **roofing business** on all markets
 - **Installation Services** decreased due to delays on job sites due to component shortages from other suppliers, outlook remains positive
 - In the medium term dramatic cost inflation might weigh on demand
- Input cost inflation has had an effect on both business segments.
 - In Products & Solutions we have absorbed these through a series of sales price increases.
 - In Installation Services, we expect a degree of margin compression to remain in the foreseeable future.
- The **bitumen-based** waterproofing business as well as **SealEco** showed double-digit growth.
- **Prefabricated elements** had slightly lower sales than last year due to the Norwegian entity. Strong order books on all markets.
- Our **Green infrastructure** showed positive organic growth



Q4 2021 results: Continued good level on returns



- SEK 890 m (769 m)
- Growth +16%
 - Organic: +5%
 - Acquisitions: +11%
 - Currency: neutral

- SEK 97 m (93 m)
- RoS 10.9% (12.1%)
- RoS (R12) 14.1%

- 16.6% (15.6%)
- Improvement driven by improved profitability
- Solid balance sheet and cash position

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.





Reasons to invest in NWG:

- Strong market position
- Sustainable solutions
- Low cyclical sensitivity
- Strong financial position
- Attractive yield



We make waterproofing easy

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Shareholders as per 31 December 2021

Owner	Number of shares	Capital, %	Votes, %
Svolder	3,742,952	15.5%	15.7%
Swedbank Robur Funds	1,925,641	8.0%	8.1%
Handelsbanken Funds	1,687,788	7.0%	7.1%
Third AP-fund	1,200,000	5.0%	5.0%
Alcur Funds	1,164,987	4.8%	4.9%
Länsförsäkringar Funds	1,044,108	4.3%	4.4%
Carnegie Funds	939,191	3.9%	3.9%
Oddo BHF Asset Management	616,070	2.6%	2.6%
Danske Invest (Lux)	555,000	2.3%	2.3%
Avanza Pension Fund	507,093	2.1%	2.1%
Total 10 largest shareholders	13,382,830	55.6%	56.0%
Other shareholders	10,524,771	43.7%	44.0%
Total number of votes	23,907,601	99.3%	100.0%
Treasury shares	176,334	0.7%	n/a
Total number of shares	24,083,935	100.0%	n/a

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 176,334
- Voting & ownership restrictions None
- Current market cap SEK 3,000 million (4 March 2022)
- Contact Per-Olof 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 Caverion, Nordisk Bergteknik and Svevia. Board member of BE Group. Previously board member of Acandao, Paroc, Ramirent, BTH Bygg, KEWAB, AKEAB, Mark & Energi byggarna and WinGroup. CEO of Bravida, Strabag, PEAB Industri. (15,000 shares)



Leena Arimo
Board member

Relevant experience:
CFO of the Finnish subsidiary of the listed Swedish group Bravida, which provides installation and service of systems in properties and facilities
Previously Senior Vice President, Finance, at Lemminkäinen, Managing Director at Lemcon Network (0 shares)



Steffen Baungaard
Board member

Relevant experience:
Board member of Arkil Holding, Carl Ras and M.B. Packaging. Previously CEO and President of Hus-Compagniet. (0 shares)



Allan Jørgensen
Board member

Relevant experience:
CEO of Dovista. Board member of OH Industri and Pankas. Previously board member of Hus-Compagniet, CEO of Kemp & Lauritzen. (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:
CEO of the indoor climate group Swegon, a wholly owned subsidiary of the listed Swedish investment company Investment AB Latour. External board positions in VEHO Group, Rototec Oy, MTC Flextek Oy.
Previously 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

(211,402 shares)



P-O 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

(9,000 shares)



Mats Lindborg, Head of NW Sweden

Joined NWG in 1986

Previous experience: 30 years of experience of sales and marketing including Trelleborg Waterproofing

(14,877 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.

(15,384 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

(16,374 shares)



Martin Tholstrup, Head of Taasinge Elementer

Joined NWG in 2017

Previous experience: 20 years of experience from development, sales and prefabrication within the construction industry

(22,740 shares*)



Thomas Zipfel, Head of SealEco

Joined NWG in 2009

Previous experience: 20 years of experience of managing positions including Trelleborg Waterproofing Polymeric Membranes

(8,848 shares)

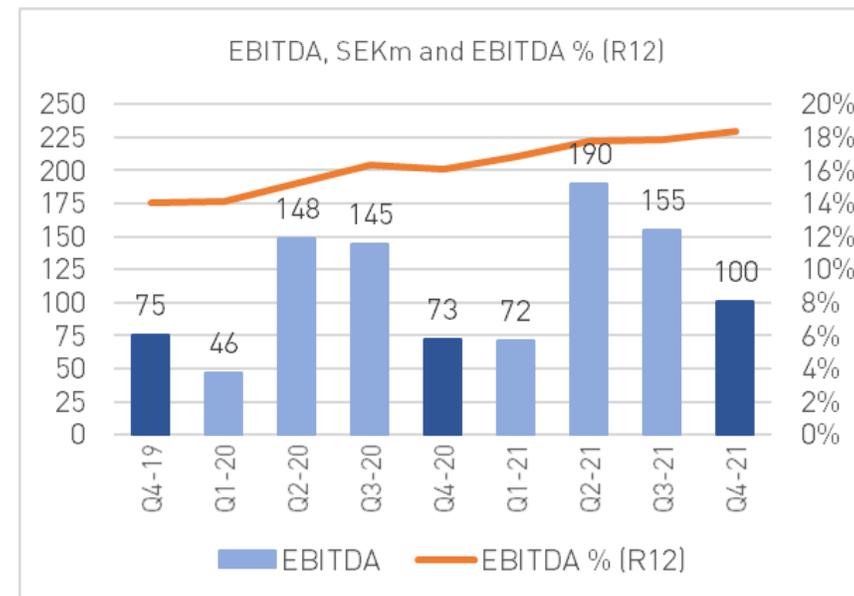
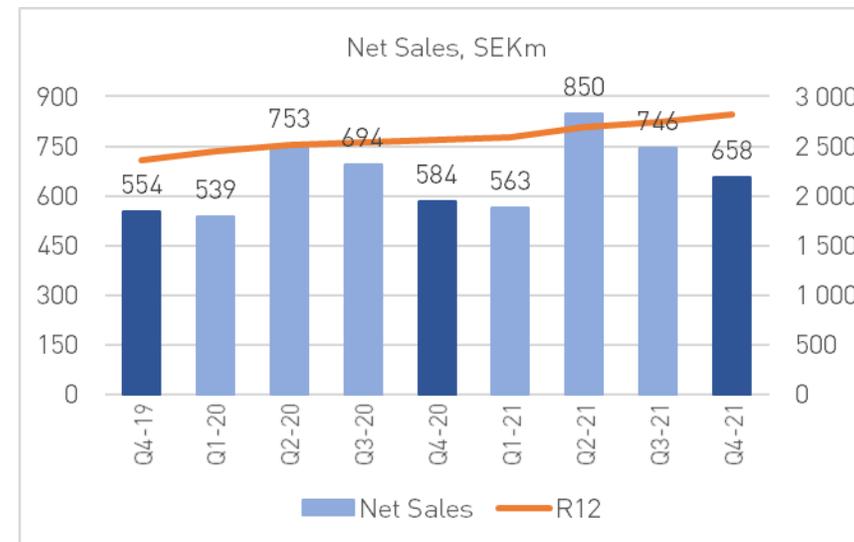
Products & Solutions

Net sales of SEK 658 m (584) up 13%

- Organic growth was 8%, acquisitions contributed with 5% and the impact from currency was neutral in the quarter
 - Finland: +10%, acquisitions contributed with 17%
 - Denmark +12%: strong in all areas
 - Sweden +23%, strong development in the market
 - Norway -4%: currency impact +6%
 - Other Europe +11%: good development on most markets
- Organic growth due to price increases

EBITDA increased to SEK 100 m (73) while Operating profit (EBIT) increased to SEK 72 m (50)

- EBITDA margin increased to 15.2 percent (12.4) in the fourth quarter. For the full year the margin is 18.3%.
- Increase in EBITDA mainly explained by having managed price increases on input materials



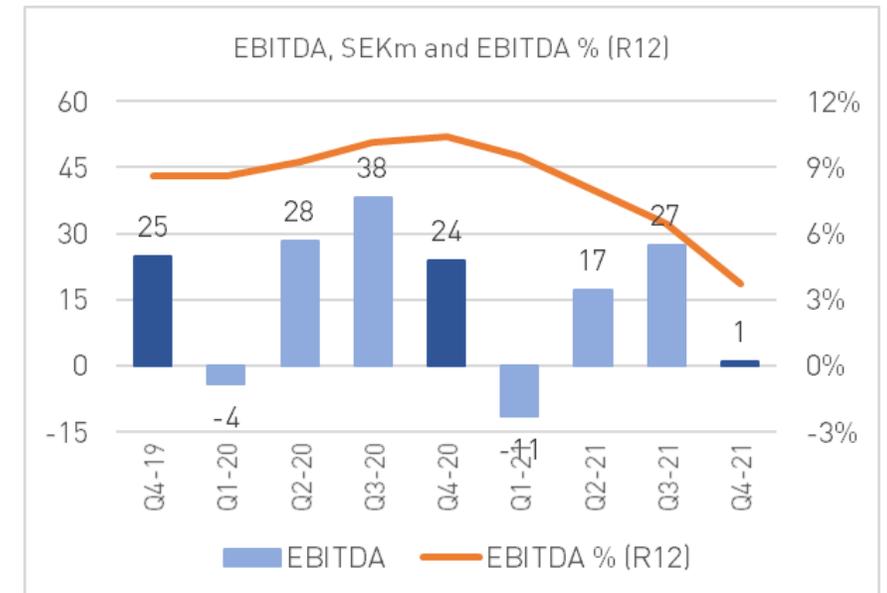
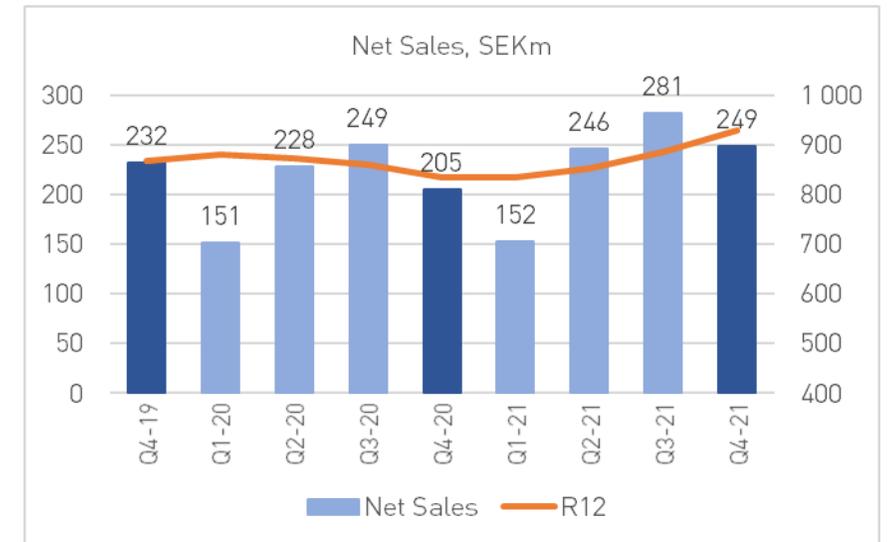
Installation Services

Net sales of SEK 249 m (205) increase with 21%

- Organic development of -7%, mainly caused by delays on job sites due to component shortages from other suppliers, and a disciplined approach towards not accepting lower margin business.
- Impact from acquisitions 30% and currency effects were negative with -2%.

EBITDA decreased to SEK 1 m (24) while Operating profit (EBIT) decreased to SEK -8 m (19)

- EBITDA margin decreased to 0.4 percent (11.7) in the fourth quarter. For the full year the margin is 3.7%.
- EBITDA decreased because of input cost inflation, lower volumes due to job site delays and a disciplined approach towards low margin business, as well as operational issues in two recently integrated companies.



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



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