

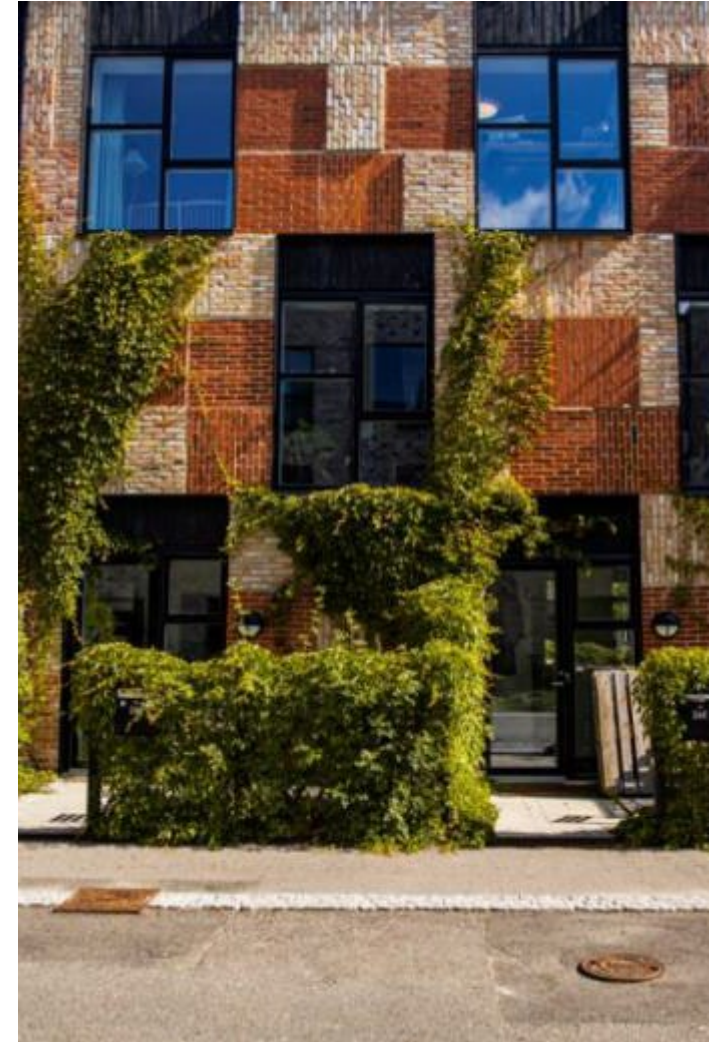
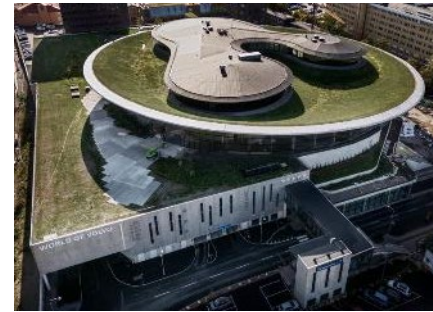


NORDIC WATERPROOFING ABG Investor Days

 23 May 2024

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

NORDIC WATERPROOFING AT A GLANCE

SUSTAINABLE WATERPROOFING AND BUILDING SOLUTIONS THAT PROTECT AND PRESERVE

COMPANY OVERVIEW

- Nordic Waterproofing is one of the leading providers in the waterproofing market in Northern Europe
- The group develops, manufactures and distributes a full range of products and solutions for the protection of buildings and infrastructure
- Ease of installation, energy and environmental optimisation are key components of the offer

1,318
EMPLOYEES⁴


OPERATIONS IN
10
COUNTRIES

LISTED SINCE
2016
NASDAQ STOCKHOLM


SALES IN 2023
4,463
(SEKm)

PORTFOLIO AND BRAND OVERVIEW

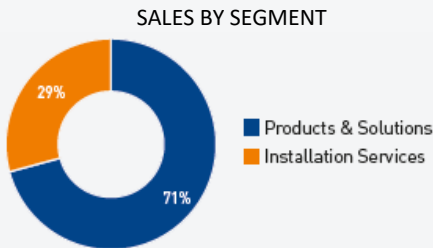
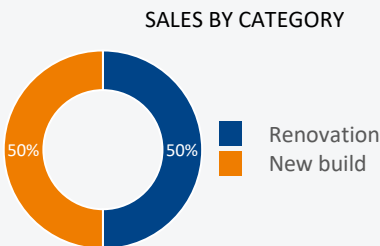
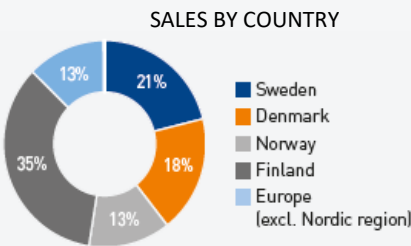
PRODUCTS AND SOLUTIONS



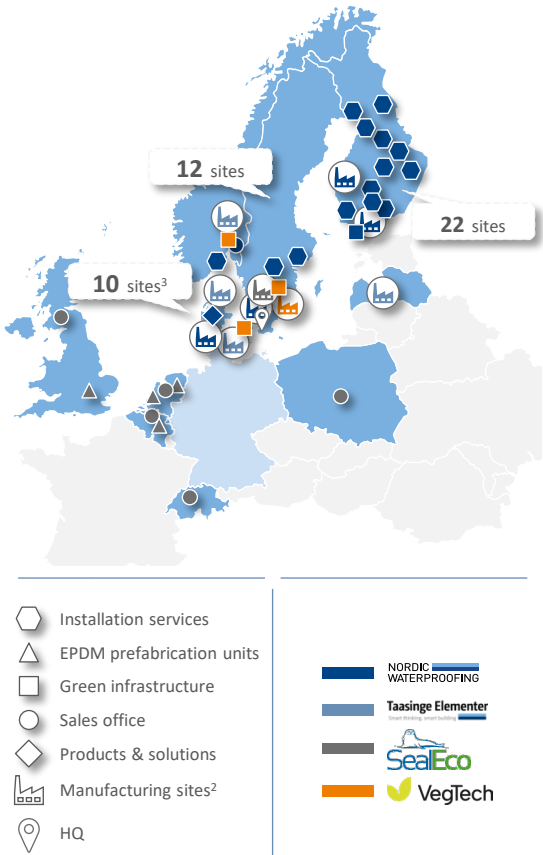
INSTALLATION SERVICES



SALES SPLIT

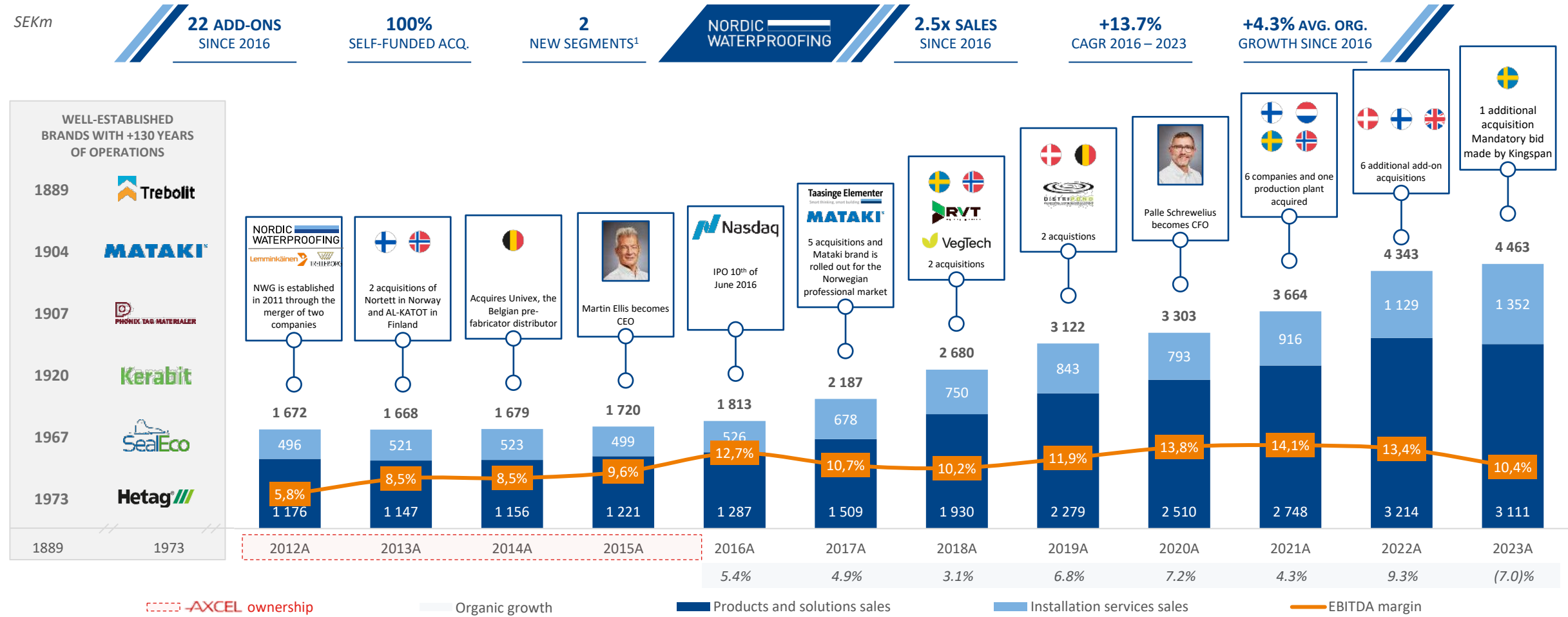


GEOGRAPHICAL PRESENCE¹



NOTE: 1) NOT INCLUDING ALL SITES. 2) MANUFACTURING SITES INCLUDE GREEN INFRASTRUCTURE CULTIVATION, PREFABRICATED WOODEN ELEMENTS, EPDM MANUFACTURING UNITS, METAL WORKS AND BITUMEN-BASED WATERPROOFING MATERIAL. 3) EXCLUDING FRANCHISE LOCATIONS. 4) AS OF 31/12 2023.

OVER 130 YEARS OF EXPERIENCE IN WATERPROOFING AND HARSH CLIMATE SOLUTIONS



OUR STRATEGIC FOCUS AREAS



CLEAR SUSTAINABILITY FOCUS WITHIN BUILDING PRODUCTS

- Mission critical product securing long-lasting protection
- Complemented with renewable and green infrastructure building products



FORWARD INTEGRATION VALUE CHAIN STRATEGY

- Further consolidation of market position in existing and access to new markets
- Continue to expand profitable installation business to drive product sales



CONTINUED PRODUCT PORTFOLIO EXPANSION

- Increased share of building materials market and broader offering to end-customer
- Synergistic opportunity to leverage existing distribution channels



M&A AN INTEGRATED PART ACROSS ALL STRATEGIC FOCUS AREAS

STRONG POSITION IN ATTRACTIVE MARKET WITH FAVORABLE CHARACTERISTICS

BARRIERS TO ENTRY

Local production capacity

- Low return on high initial investment
- Automated manufacturing process and low labour content
- Low price/weight ratio

Distribution network

- Local and fragmented customer base, as many independent contractors purchase from different manufacturers
- Distribution channels vary depending on complexity and on local standards and traditions in each market

Efficient logistics set-up

- Important to deliver right products at the right time and place
- Short delivery times

Full-service creates customer loyalty

- Education and technical support services for complex products
- Guarantee schemes
- Design support

Well-established brands

- Well-recognised professional and household brands with long heritage
- Local and reliable brands lead to long-standing customer relationships

Other entry barriers

Transportation cost

Local building traditions

Local building standards

DIFFICULT MARKET TO ENTER

MARKET FEATURES AND POSITION

Market features

Predictable market dynamics

Pricing features

Mission critical products

Fragmented customer base

Core geographies

Other key geographies

Powerful go-to-market with extensive direct distribution network established over the last 130 years

FAVORABLE MARKET TO BE IN

STRONG MARKET POSITION ESTABLISHED

NORDIC  WATERPROOFING

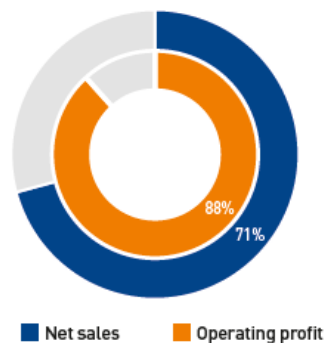
INSTALLATION SERVICES

BRANDS

-

SHARE OF GROUP'S NET SALES AND OPERATING PROFIT

741
FTEs



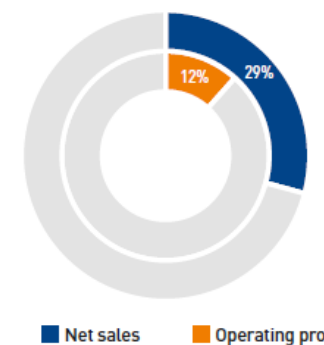
OFFERING

- ## BRANDS



SHARE OF GROUP'S NET SALES AND OPERATING PROFIT

508
FTEs




PRODUCTS & SOLUTIONS – CRITICAL PROTECTION, EXTENDING THE LIFE OF BUILDINGS AND INFRASTRUCTURE

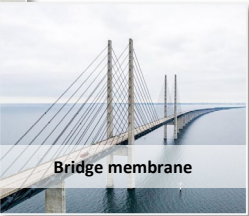
DETAILED BREAKDOWN OF PRODUCT GROUPS

BITUMEN


- Bitumen-based waterproofing products for flat roofing, pitched roofing, bridge membranes, as well as roofing accessories

Product examples

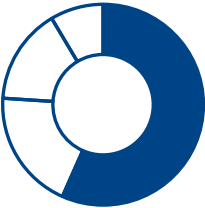
Bitumen flat roofing

Bridge membrane

Markets




Share of P&S sales





EPDM

- EPDM-based water and weather protection solutions for buildings and other types of constructions and lining applications


Product examples

EPDM-membrane


Façade systems

Liner Systems

Markets




Share of P&S sales




PREFAB ELEMENTS


- Prefab elements comprise façade elements, floors, walls, roofs and wood-based prefabricated roofing and cladding elements

Product examples

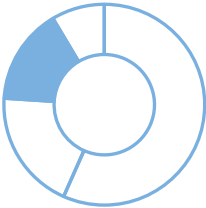
PREFAB construction

PREFAB wooden wall

Markets




Share of P&S sales




GREEN INFRASTRUCTURE


- Green infrastructure products of plant-based surfaces for roofs, façades, green areas in urban centres and vegetation for dams and reservoirs

Product examples


Sedum mats on roof

Green urban areas

Markets



Share of P&S sales



NORDIC WATERPROOFING OFFERS A WIDE RANGE OF PRODUCTS ACROSS MULTIPLE APPLICATION AREAS

INSTALLATION SERVICES – BRINGS THE GROUP’S PRODUCTS CLOSER TO THE END-USER

SEGMENT OVERVIEW

OVERALL VALUE PROPOSITION

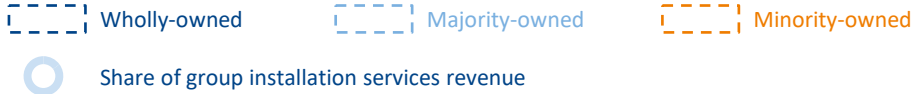
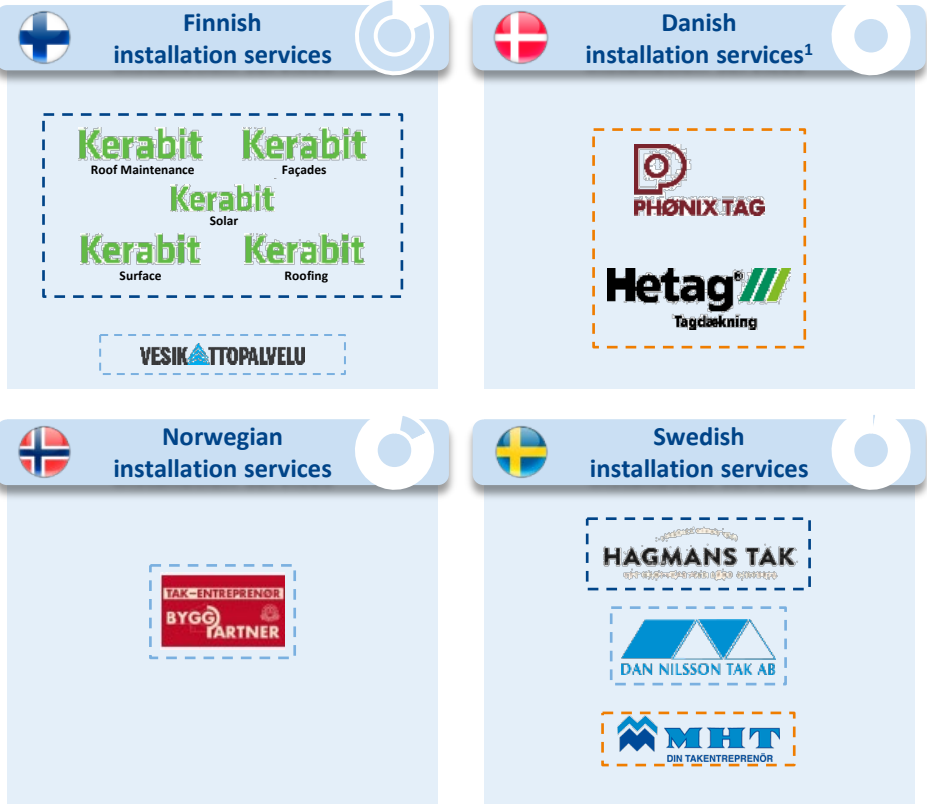
- Further understand customer needs & preferences through direct contact with end-users
- Educates market towards using high-quality products
- Protect and promotes market position and brand

FULLY INTEGRATED PLATFORM

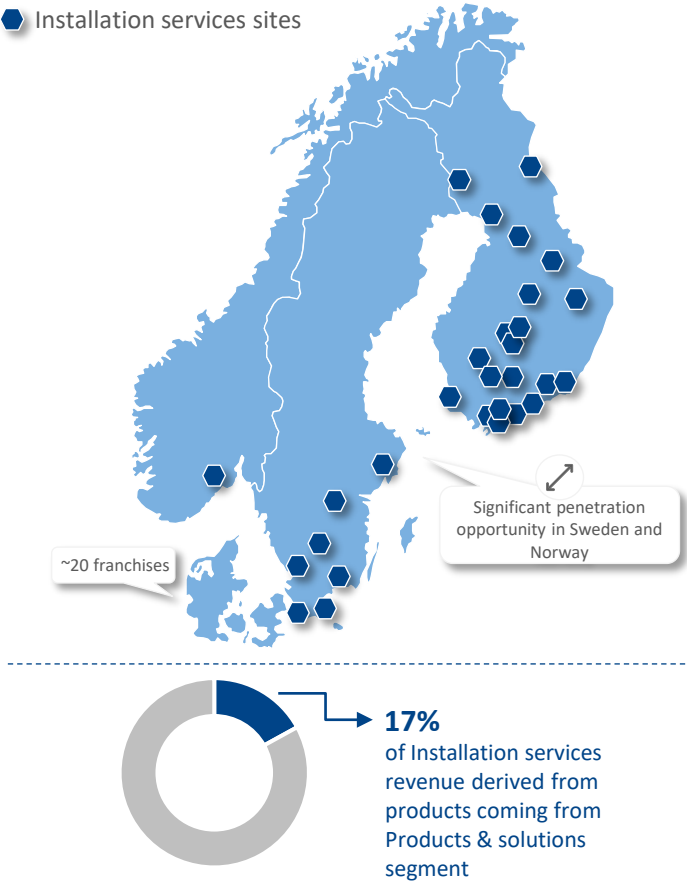
- Own contracting acts as a “third” captive sales channel
- Protects current market position
- Common industry practice – key competitors run their own installation services

FLAT ROOF CONTRACTING

- Generates captive turnover
- A profitable business with large captive customer base
- Serves as a barrier to entry due to captive turnover



REGIONAL PRESENCE AND P&S CONTRIBUTION



WELL-DEFINED ACQUISITION STRATEGY

M&A INTEGRAL PART OF GROUP STRATEGY



CLEAR SUSTAINABILITY FOCUS WITHIN BUILDING PRODUCTS

- Mission-critical product securing long-lasting protection
- Complemented with renewable and green infrastructure building products



FORWARD INTEGRATION VALUE CHAIN STRATEGY

- Further consolidation of market position in existing and access to new markets
- Continue to expand profitable installation business to drive product sales



CONTINUED PRODUCT PORTFOLIO EXPANSION

- Increased share of building materials market and broader offering to end-customer
- Synergistic opportunity to leverage existing distribution channels

DISCIPLINED AND PATIENT ACQUIRER OF CHOICE

Sourcing model



- **Targets typically well-known to NWG**
 - Deep and long-standing relationships



- **Specialised in generational shifts**



- **Bilateral processes**



Attractive acquisition multiples

Realising synergies up to 3.0x EBIT

Earn-out structure to retain and motivate as well as to mitigate downside

NORDIC WATERPROOFING

Acquirer of choice



- **Deep local relationships and reputation as employer**



- **Decentralised operations with opportunity to leverage central functions**



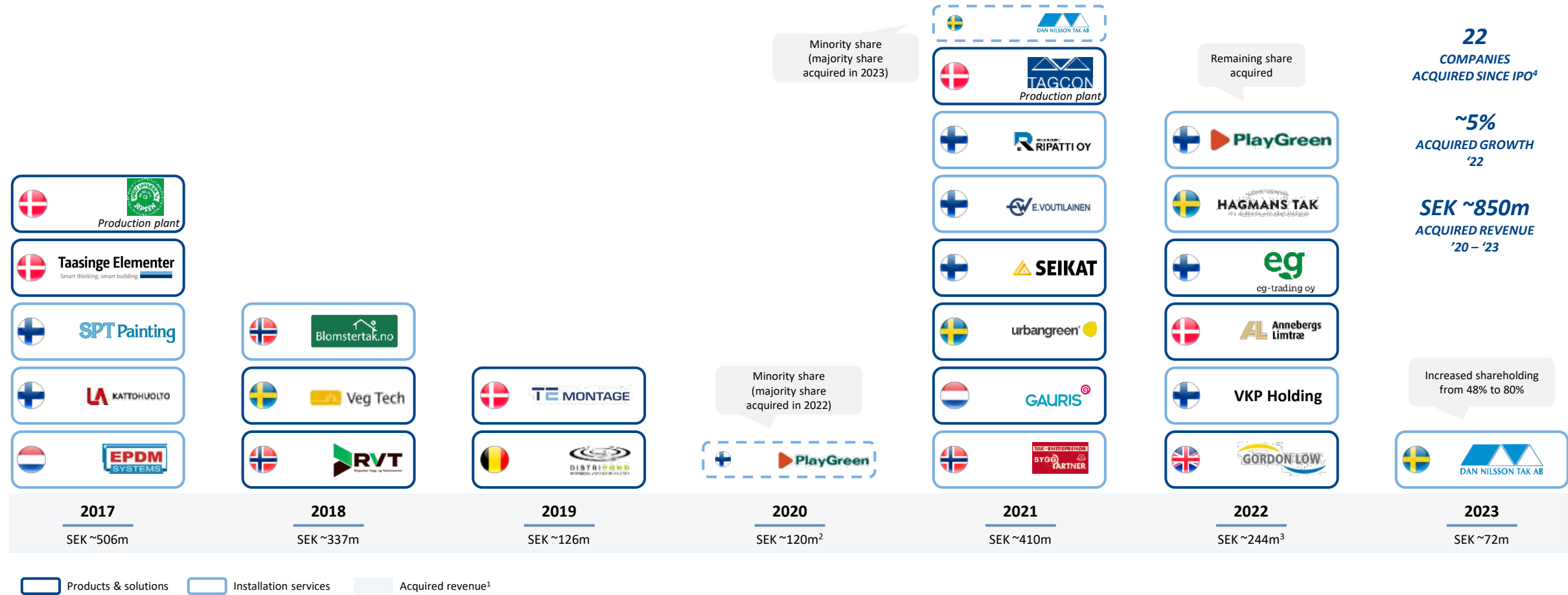
- **Extensive experience and strong operational capabilities**



- **Cultural compatibility favours integration**

TRACK-RECORD WITH 22 COMPLETED ACQUISITIONS SINCE IPO

COMPLETED ACQUISITIONS 2017 – 2023

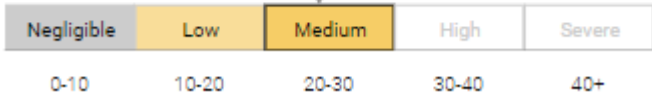


SUSTAINALYTICS ESG RISK RATING AND SCORE FOR NORDIC WATERPROOFING

ESG Risk rating

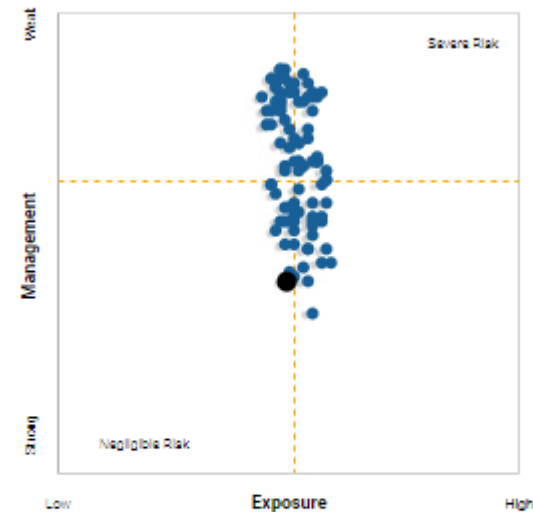
Score and Risk Category

23.9 Medium Risk



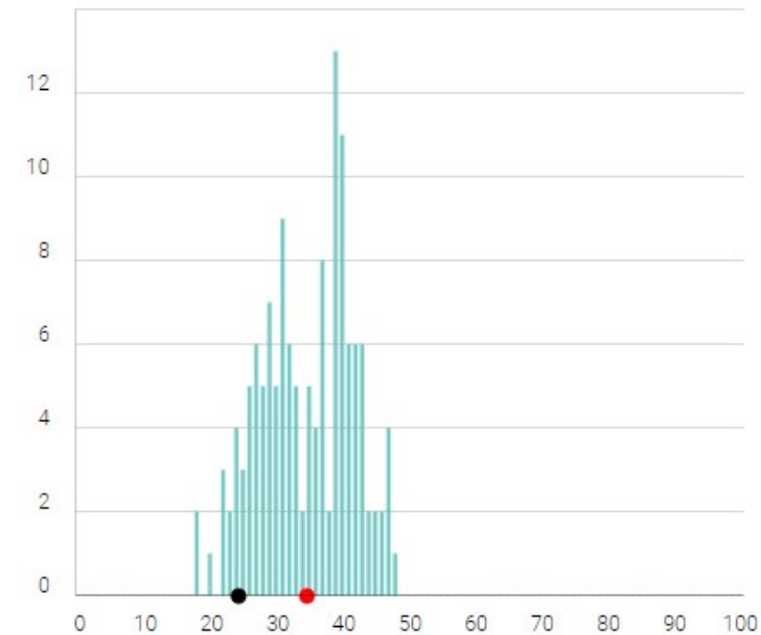
In consideration of the company's medium exposure and strong management, we view the company to be at medium risk of material financial impacts driven by ESG factors.

Exposure & Management Distribution



- Nordic Waterproofing Holding AB
- Construction Materials (Industry)
- Construction Materials (Subindustry)

ESG Risk score distribution



- Nordic Waterproofing Holding AB: 23.9
- Average: 34.5

An aerial photograph of a green roof. The roof is covered with a dense layer of red mulch and small green plants. Several rows of solar panels are installed on the roof, arranged in a grid pattern. A white gutter runs along the edge of the roof. In the background, other buildings and a parking lot are visible.

Q1 2024

NORDIC 
WATERPROOFING

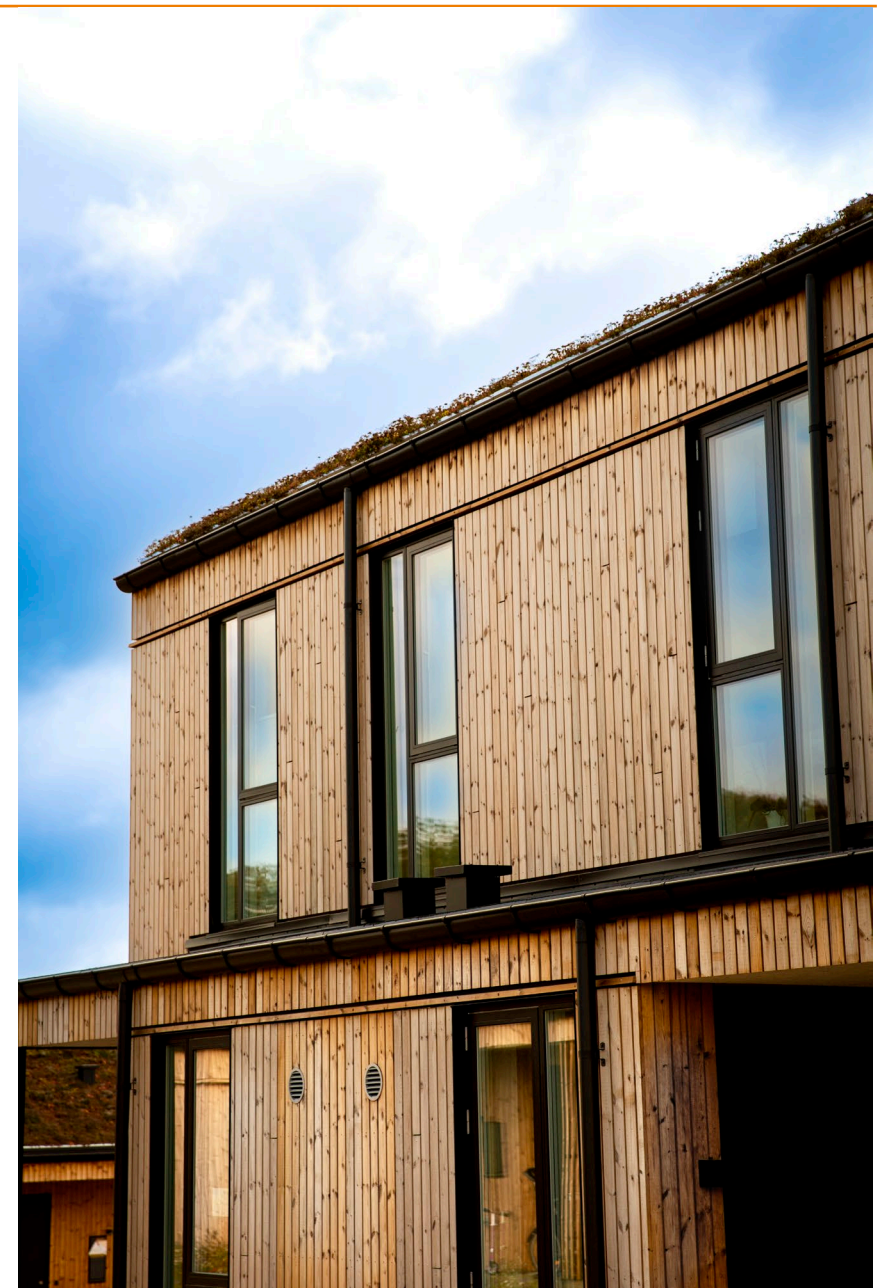
Subdued quarter due to harsh weather and weaker demand in Finland and Norway

- Net sales decrease to SEK 804 m (911),
 - 1% from acquisitions
 - no currency effects
 - -13% organic development
- EBITDA decreased to SEK 17 m (30)
- Operating profit (EBIT) decreased to SEK -21 m (-11)
 - Costs related to mandatory bid = SEK -6.4m
- Cash flow from operating activities was SEK -83 m (-58).
- Net Debt at SEK 861 m (1,058 31 March 2023 and 749 31 Dec 2023)



Q1 Highlights and comments 1 (2)

- **Demand** impacted by slowdown in commercial new build, renovation stable while residential new build continued depressed.
- **Bitumen-based waterproofing** operations heavily impacted by harsh weather conditions in the quarter. Market situation most challenging in Finland and Norway.
- Sales for our **EPDM products** on par with last year, Distripond having a positive development.
- **Prefabricated elements**, that has a higher exposure to residential new build, had a flat development in sales on the Danish market while Norway had a negative development. Profitability level improved.
- Our **Green infrastructure** had a decrease in sales due to less roof park projects this year, seasonally low quarter.
- **Installation Services**; roofing in Finland had lower sales and margins due to inefficiencies from harsh winter and weaker market conditions.
- Order books for **Installation Services** continue to be on a par with previous year in Finland and Denmark while weaker in Norway



Q1 Highlights and comments 2 (2)

- Contingency measures are continuously implemented in our operations to mitigate the consequences of the negative volume.
- We continue to see flat or slightly deflated costs for most of our input materials.
- In a higher interest environment, we have sharpened the focus on our debt level, and adjusted multiples we are prepared to pay for acquisitions.
- Our largest shareholder, Kingspan Group PLC, completed their mandatory offer of SEK 160 per share with an acceptance of 4.8%.



Q1 Interim report

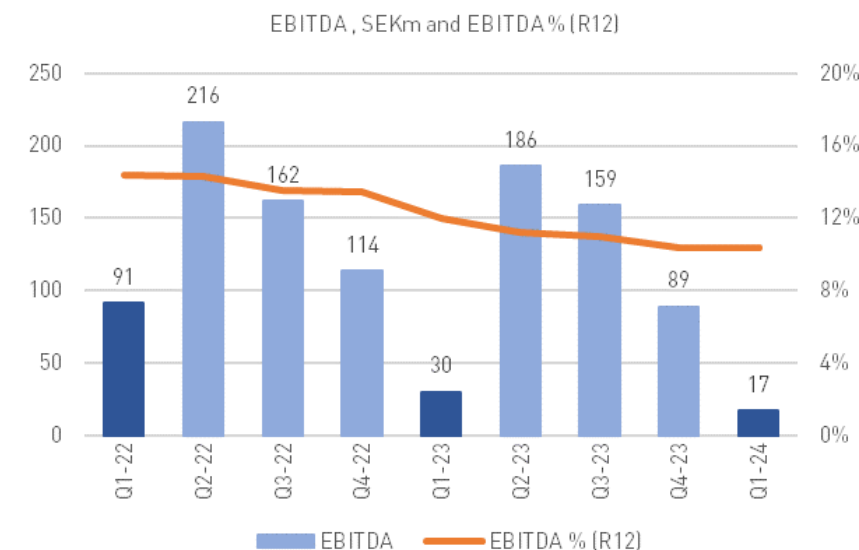
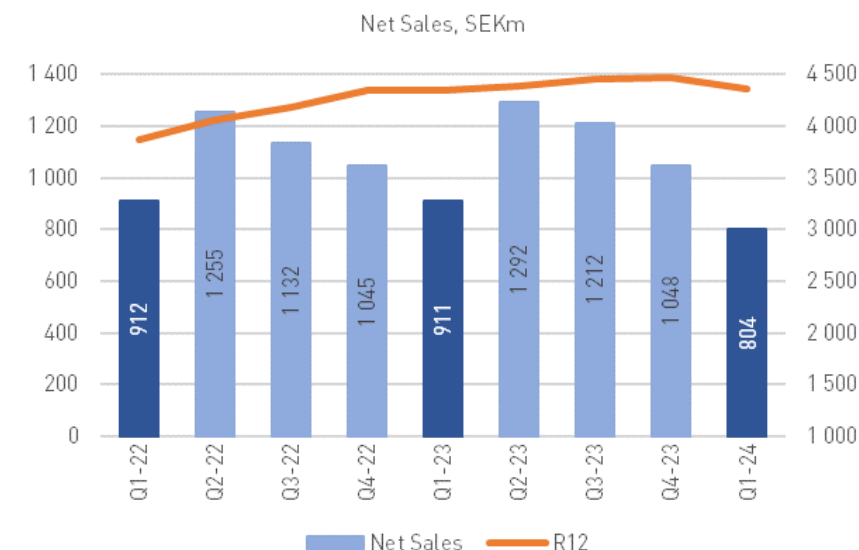
Net sales decreased to SEK 804 m (911)

Net Sales R12 at SEK 4,356 m

- Organic development of -13%
- Acquisitions contributed with 1%
- Currency had no impact

**EBITDA decreased to SEK 17 m (30) and
Operating profit (EBIT) decreased to SEK -21 m (-11)**

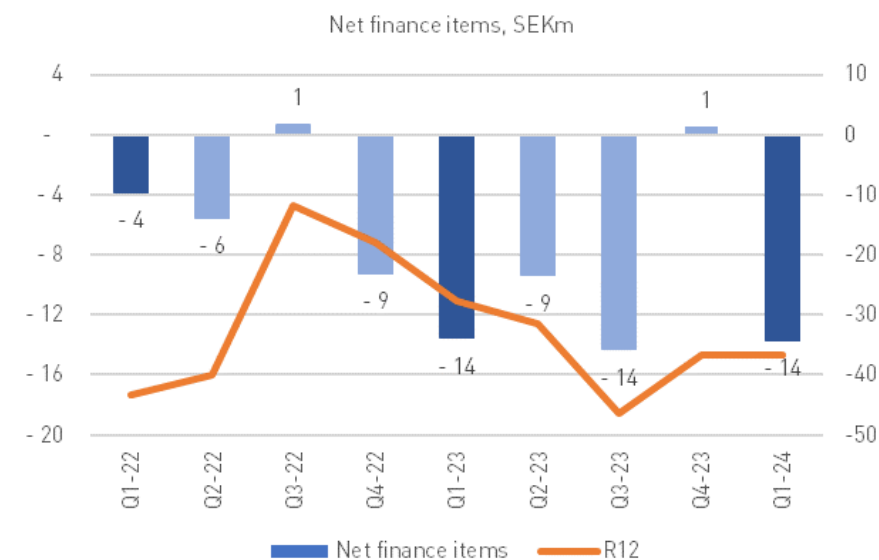
- EBITDA margin decreased to 2.1 percent (3.3) in the first quarter. On a R12 basis EBITDA margin at 10.4%
- Advisory costs related to mandatory offer of SEK -6.4 m



Income statement

SEKm	Q1-'24	Q1-'23	Change, %	R12 2024	Full-year 2023
Net sales	804	911	-12%	4,356	4,463
Gross profit	191	201	-5%	1,103	1,114
EBITDA	17	30	-43%	451	464
Operating profit (EBIT)	-21	-11	-%	283	293
Net finance items	-14	-14	n/a	-37	-36
Profit/loss before tax	-35	-25	n/a	247	257
Tax	8	3	n/a	-45	-50
Profit/loss for the period	-27	-22	n/a	202	206

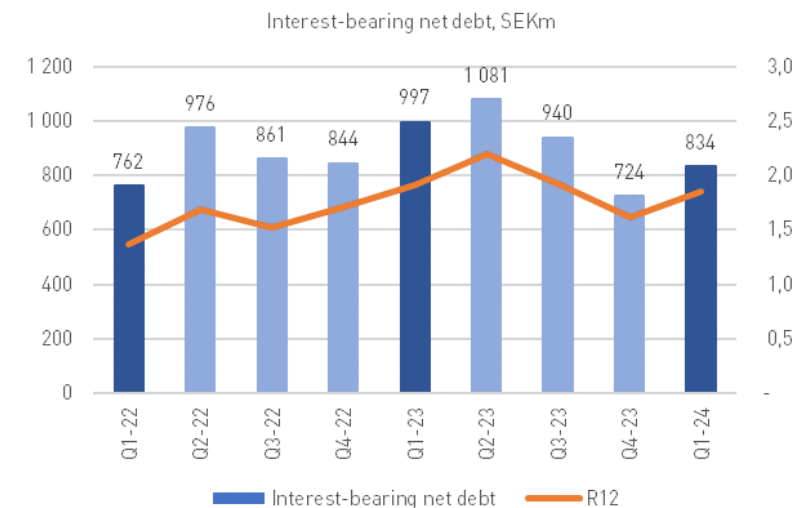
- Gross margin for quarter was 23.7% (22.1%)
- Net financial items in quarter SEK -14 m (-14) whereof interest cost -13 (-10)
- EBIT margin for quarter was -2.6% (-1.3%), for LTM 6.5%



Balance sheet

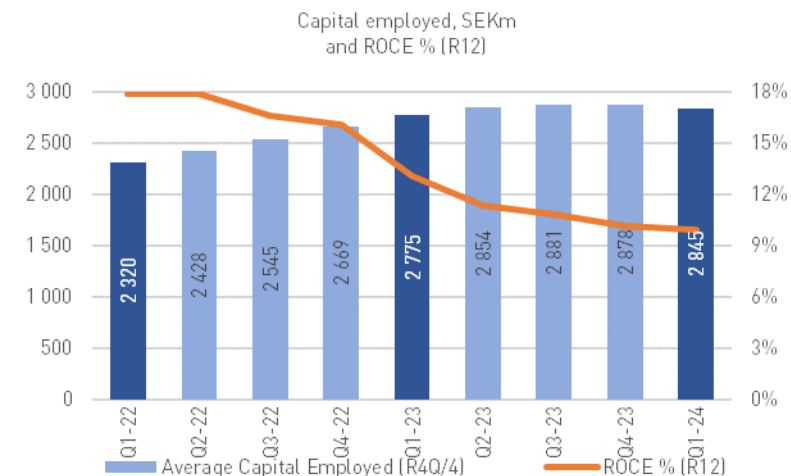
SEKm	2024-03-31	2023-03-31	2023-12-31
Non-current assets	2,100	2,142	2,092
Current assets	1,487	1,594	1,542
Total assets	3,586	3,736	3,634
Equity	1,799	1,731	1,777
Non-current liabilities	1,027	1,079	1,020
Current liabilities	760	925	837
Total equity and liabilities	3,586	3,736	3,634
Capital employed	2,716	2,850	2,850
ROCE (R12)	10.0%	13.1%	10.2%
Interest-bearing net debt	834	997	724
Equity/assets ratio	50.2%	46.4%	48.9%
Net debt/equity ratio	0.5x	0.6x	0.4x
Net debt/EBITDA	1.9x	2.0x	1.6x

- Continued solid balance sheet, allowing for selective acquisitions.
- Interest-bearing net debt increased to SEK 834 m (724) in a seasonally weak quarter for cash-flow. Below value 31 March 2023 of 997.
- Equity/asset ratio at a strong 50.2%.
- Net debt/EBITDA-ratio at 1.9x (1.6x), remains well below covenant for financing agreement.



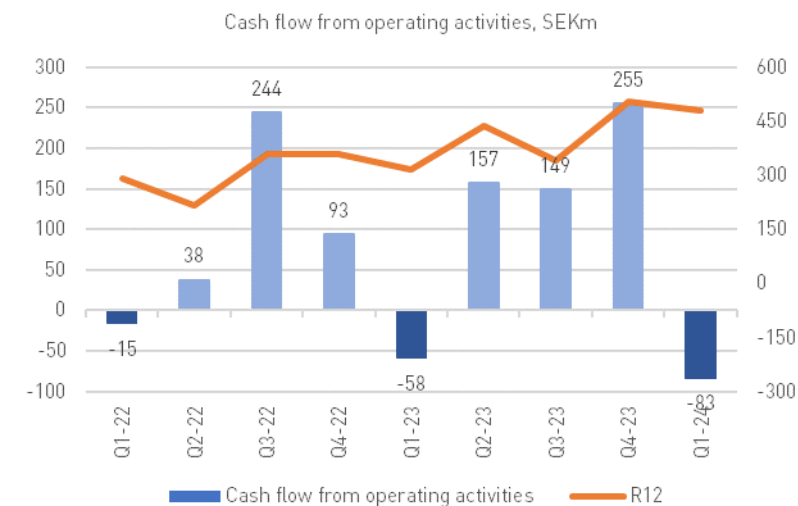
RoCE 10.0% (10.2%)

- RoCE at 10.0%, on par with Q4 2023 of 10.2%
- Capital employed development has flattened out in recent quarters
- Decrease in RoCE driven by lower operating result



Cash flow from Operations (R12) at SEK 478 m (317) and Cash conversion on par at 106% (108%)

- Negative cash flow in a seasonally weak quarter
- Cash conversion on par at 106% (108%)
- Going forward we closely monitor operating receivables



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:

Palle Schrewelius, CFO & IR

- 17 July 2024; Interim report January – June 2024
- 24 October 2024; Interim report January – September 2024

We make waterproofing easy



FOUR REASONS TO INVEST IN NORDIC WATERPROOFING



STRONG MARKET POSITION

Strong market position with established brands in the Northern European region

NORDIC
WATERPROOFING



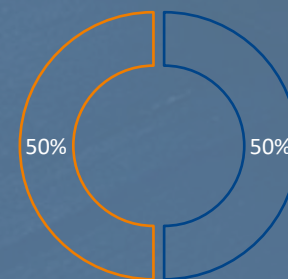
SUSTAINABLE & DURABLE SOLUTION

Contributing to a sustainable society by preserving buildings and infrastructure with long lasting products



LOW CYCLICALITY SENSITIVITY

Offers are in demand throughout a business cycle, both in construction as in renovations

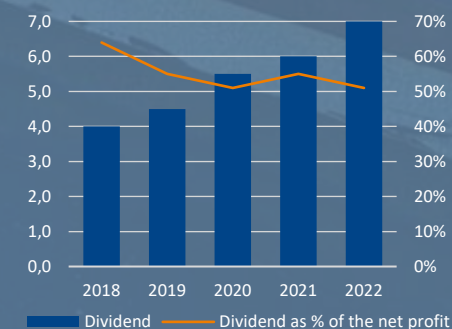


New build
Renovation



STRONG POSITIVE CASH FLOW WITH HIGH YIELD

Dividend policy stipulates an annual dividend of more than 50 percent of net income



We make waterproofing easy

APPENDIX

NORDIC 
WATERPROOFING

Shareholders as per 31 March 2024

Owner	Number of shares	Capital, %	Votes, %
Kingspan Group PLC	8,597,950	35.7%	35.8%
Samson Rock Capital LLP	3,635,505	15.1%	15.2%
TFG Asset Management	3,000,000	12.5%	12.5%
Fidelity International (FIL)	1,203,072	5.0%	5.0%
Dimensional Fund Advisors	532,723	2.2%	2.2%
Carnegie Funds	454,530	1.9%	1.9%
Canaccord Genuity Wealth Management	402,471	1.7%	1.7%
DNCA Finance S.A	265,831	1.1%	1.1%
Avanza Pension	233,111	1.0%	1.0%
Evli Fund Management	225,000	0.9%	0.9%
Total 10 largest shareholders	18,550,193	77.0%	77.3%
Other shareholders	5,441,796	22.6%	22.7%
Total number of votes	23,991,989	99.6%	100.0%
Treasury shares	91,946	0.4%	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 91,946
- Voting & ownership restrictions None
- Current market cap SEK 3,900 million (21 May 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 Baungaard
Board member

Relevant experience:
CEO of MT Højgaard Holding A/S. 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 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. (26,174 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)



We make waterproofing easy