

## Installation Services EBIT further improves, mixed performance in Products & Solutions

### Second quarter of 2023

- Consolidated net sales increased by 3 percent to SEK 1,292 m (1,255), of which acquisitions 8 percent, currency effects 4 percent and organic development -9 percent
- Net sales in Product & Solutions amounted to SEK 1,001 m (1,021) and in Installation Services to SEK 350 m (291)
- Gross profit decreased to SEK 349 m (379) Gross margin decreased to 27.0% (30.2%)
- EBITDA decreased to SEK 186 m (261), EBITDA margin decreased to 14.4% (17.2%)
- Operating profit (EBIT) decreased to SEK 143 m (180), EBIT margin decreased to 11.0% (14.4%)
- ROCE amounted to 11.4 percent (16.1)
- Cash flow from operating activities amounted to SEK 157 m (38)
- Earnings per share before and after dilution were SEK 4.34 (5.84) and SEK 4.31 (5.80), respectively

### January-June 2023

- Consolidated net sales increased by 2 percent to SEK 2,203 m (2,167), of which acquisitions 7 percent, currency 4 percent and organic development -9 percent
- Net sales in Product & Solutions amounted to SEK 1,702 m (1,794) and in Installation Services to SEK 590 m (462)
- Gross profit decreased to SEK 550 m (616), Gross margin decreased to 25.0% (28.4%)
- EBITDA decreased to SEK 216 m (307), EBITDA margin decreased to 9.8% (14.2%)
- Operating profit (EBIT) decreased to SEK 131 m (236), EBIT margin decreased to 5.9% (10.9%)
- Cash flow from operating activities amounted to SEK 99 m (22)
- Earnings per share before and after dilution were SEK 3.50 (7.49) and SEK 3.48 (7.44), respectively

### Financial key ratios

Amounts in SEKm unless otherwise stated	Q2 2023	Q2 2022	Change	6M 2023	6M 2022	Change	R12 2023	12M 2022
Net sales	1,292	1,255	3%	2,203	2,168	2%	4,380	4,343
Gross profit	349	379	-8%	550	616	-11%	1,119	1,184
Gross margin %*	27.0%	30.2%	-3.2pp	25.0%	28.4%	-3.5pp	25.5%	27.3%
EBITDA*	186	216	-14%	216	307	-30%	492	583
EBITDA margin, %*	14.4%	17.2%	-2.8pp	9.8%	14.2%	-4.4pp	11.2%	13.4%
EBIT	143	180	-21%	131	236	-44%	325	430
EBIT margin, %*	11.0%	14.4%	-3.3pp	5.9%	10.9%	-4.9pp	7.4%	9.9%
Return on capital employed, %*	n/a	n/a	n/a	11.4%	16.1%	-4.7pp	11.4%	16.1%
Net profit	103	140	-26%	81	179	-55%	232	330
Cash flow from operating activities	157	38	318%	99	22	346%	437	360
Net debt*	1,131	1,009	12%	1,131	1,009	12%	1,131	912
Earnings per share before dilution, SEK	4.34	5.84	-26%	3.50	7.49	-53%	9.84	13.83
Earnings per share after dilution, SEK	4.31	5.80	-26%	3.48	7.44	-53%	9.79	13.76

### Conference call

A conference call for investors, analysts and media will be held today, 20 July 2023, at 10:00 am CEST and can be joined online at <https://events.teams.microsoft.com/>. Presentation materials will be available on <https://www.nordicwaterproofing.com> one hour before the call.

To participate from computer, use link above. To participate via phone, please use conference id 559 433 554# on any of below numbers:

From Sweden: +46 8 502 428 90 From Denmark: +45 32 72 66 61

From United Kingdom: +44 20 7660 8326 From Finland: +358 9 85 626 548

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 in respect of balance sheet items. \*For definitions and reconciliations of financial and alternative key performance indicators, please see page 25.

## Message from the CEO

Installation Services EBIT further improves,  
mixed performance in Products & Solutions

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Consolidated net sales in the second quarter increased to SEK 1,292 million compared to SEK 1,255 million last year, with an impact from acquisitions of 8 percent, currency translation of 4 percent and organic development of -9 percent, of which 5 percent were sales price increases and volume development was -14 percent. Organic development was -8 percent in Products & Solutions and -11 percent in Installation Services.

EBIT for the second quarter amounted to SEK 143 million, compared to SEK 180 million last year. The negative development in operating profit is mainly explained by increased competition in the market for synthetic rubber waterproofing membranes that has led to lower volumes and margins from last year's historically high levels. In addition, in our prefabricated wooden elements business that has a higher exposure to residential new build than the rest of our activities, lower volumes and operational challenges have led to lower operating result. Excluding these two businesses our Group has achieved an operating result on par with last year.

ROCE now stands at 11.4 percent (16.1). Cash flow from operating activities amounted to SEK 157 M (38), the positive development being explained by improved working capital.

We have seen continued slightly deflated costs for our input materials. Our expectation for commercial new build remains slightly negative while demand for renovation seems stable. Residential new build is expected to remain depressed in the short-term. We have effected cost reductions throughout our Group to adapt to the current business climate.

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The Products & Solutions operating segment decreased Net Sales by -2 percent (20). Organic development was -8 percent (15) of which 4 percent were related to sales price increases and volume development was -12 percent, the impact from acquisitions was 3 percent and currency translation effects were 3 percent.

The Bitumen-based waterproofing business in Sweden showed an increase in Net Sales while the other three Nordic markets had slightly negative development. The volume development, being mid-single digit negative, was almost compensated by the impact from price increases. SealEco, our synthetic rubber waterproofing business, had a decline in sales in all markets.

In our prefabricated wooden elements business, Taasinge group had a decline in sales in Denmark, Norway had a positive sales development while Seikat in Finland saw a good increase in sales. The Taasinge group has had a weak margin development and some operational challenges, a new CEO has been appointed. Order books are on good levels in all three markets, however somewhat lower than previous quarters.

Sales development of our green infrastructure businesses, sold under the brands Veg Tech and Urban Green, had a strong growth compared to the second quarter 2022.



President and CEO

### Jan-Jun 2023

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Net sales:  
**SEK 2,203 m (2,167)**

EBITDA:  
**SEK 216 m (307)**  
**9.8% (14.2%)**

EBIT:  
**SEK 131 m (236)**  
**5.9% (10.9%)**

ROCE (R12):  
**11.4% (16.1%)**

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The Installation Services operating segment grew by 20 percent (18) to SEK 350 M. Organic development was -11 percent (5), of which 7 percent was sales price increases and volume development was -19 percent, the impact from acquisitions was 24 percent and currency translation effects were 7 percent. In Finland, which represents the largest part of our Installation Services, we saw continued margin improvement. In Norway, where we face some operational challenges, we had a negative development in Net Sales and weaker margins. In Denmark our franchise network outperformed last year's EBIT.

We continue to focus on growth via organic market share gains and selective acquisitions which our balance sheet continues to allow for. We have a strategic focus to promote sustainable building solutions and enhance our service and product portfolio.

Helsingborg, 20 July 2023



Martin Ellis,  
President and CEO

## The Group

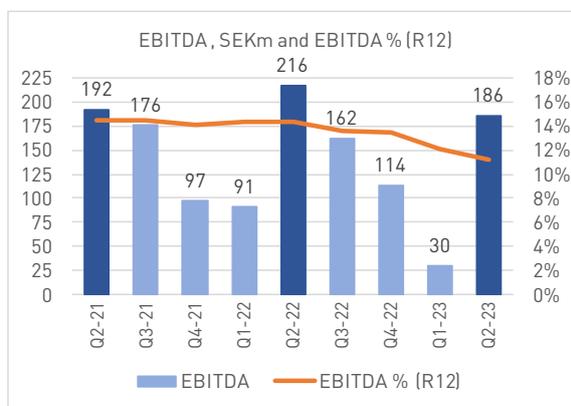
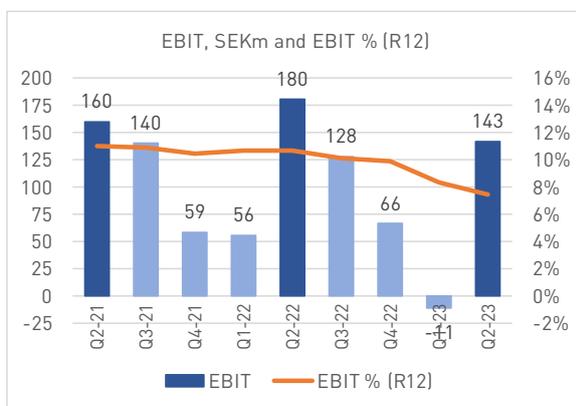
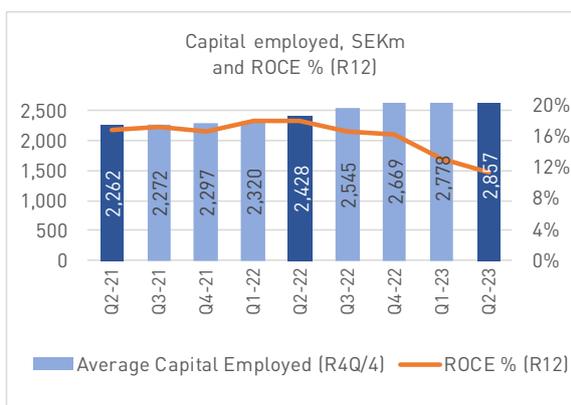
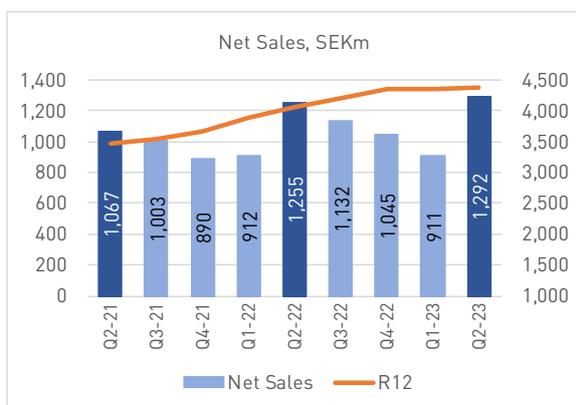
### Net sales

Consolidated net sales for the second quarter increased with 3 percent to SEK 1,292 m (1,255), a new all-time high for a single quarter. Organic development was -9 percent, of which 5 percent was sales price increases and volume development was -14 percent, impact from acquisitions was 8 percent and currency translation effects were 4 percent.

Consolidated net sales for the period January – June increased with 2 percent to SEK 2,203 m (2,167). Organic development was -9 percent, of which 7 percent was sales price increases and volume development was -16 percent, impact from acquisitions was 7 percent and currency translation effects were 4 percent.

Analysis of net sales	Q2 2023 (%)	Q2 2023 (SEK m)	6M 2023 (%)	6M 2023 (SEK m)
Previous period		1,255		2,167
Organic growth	-9%	-112	-9%	-204
Structural effects	8%	95	7%	161
Currency effects	4%	54	4%	80
<b>Current period</b>	<b>3%</b>	<b>1,292</b>	<b>2%</b>	<b>2,203</b>

Sales in Denmark decreased by -6 percent compared with the corresponding period in the preceding year, sales of both bitumen based waterproofing and prefabricated wooden elements had a negative development. Organic development was -18 percent, acquisitions 4 percent and currency changes had a positive impact with 8 percent. In Sweden sales increased by 7 percent. Sales in Norway decreased by -10 percent whereof organic development was -4 percent and currency changes had a negative impact with -5 percent. In Finland sales increased by 28 percent in the quarter whereof impact from acquisitions was 26 percent, organic development was -7 percent and currency translation effects were positively affecting by 9 percent. Sales to other countries in Europe decreased with -14 percent in the quarter.



## Operating profit (EBIT), EBITDA and ROCE

Operating profit (EBIT) for the second quarter decreased to SEK 143 m (180) and the EBIT margin decreased to 11.0 percent (14.4). The negative development in gross profit and operating profit is mainly explained by decreasing volumes and lower margins for our synthetic rubber waterproofing and prefabricated wooden element businesses. The profitability for our synthetic rubber waterproofing membranes is on a satisfactory level, however lower than last year. In total the other business units have an EBIT on the same level as last year, however with some variances. Operating profit (EBIT) for the period January - June decreased to SEK 131 m (236) and the EBIT margin decreased to 5.9 percent (10.9).

EBITDA for the second quarter decreased to SEK 186 m (216) and the EBITDA margin is decreased to 14.4 percent (17.2).

EBITDA for the period January - June decreased to SEK 216 m (307) and the EBITDA margin decreased to 9.8 percent (14.2).

Return on capital employed (ROCE) on a rolling 12 months basis was 11.4 percent (16.1) after the second quarter, being below our long-term financial target of 13.0 percent. The reduction is mainly explained by the decreased profitability.

## Net financial items

Net financial items for the second quarter of 2023 amounted to SEK -9 m (-6). The negative development is mainly explained by increased interest cost that had a negative impact of SEK -11 M (-3).

Net financial items for the period January - June amounted to SEK -23 m (-9). The negative development is mainly explained by increased interest cost that had a negative impact of SEK -20 M (-6).

## Profit or loss before and after tax

The profit before tax for the second quarter amounted to SEK 133 m (175) and profit after tax amounted to SEK 103 m (140). The effective tax rate was 22.4 percent in the quarter.

The profit before tax for the period January - June amounted to SEK 108 m (227) and profit after tax amounted to SEK 81 m (179). The effective tax rate was 25.0 percent.

## 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.

The consequences of the continued cost inflation, increased interest rates and a potential decrease in the market for new built is being closely followed by the company to mitigate the impact from these events as much as possible.

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.

On the 29 April 2020 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 closed the whole matter without taking any further steps. Related to this, three local competitors have raised claims for financial losses allegedly

incurred by them. The first case was up in court in December 2021 and verdict was delivered on 16 February 2022 in favour of Nordic Waterproofing. Verdict in the remaining two cases was delivered on 7 May 2022 in favour of Nordic Waterproofing. Both latter two losing parties appealed the court's decision, however one of them has been closed due to bankruptcy and only one counterpart remains.

In the opinion Nordic Waterproofing, the situation remains that there are no grounds for these claims and no provisions have been made.

The risks are further described in the Group's 2022 Annual Report.

## Cash flow

Cash flow from operating activities during the second quarter was SEK 157 m (38). The cash flow had a negative impact from a lower operating profit and increase in operating receivables while a reduced inventory and higher operating liabilities had a positive impact.

Cash flow from investing activities during the second quarter was SEK -41 m (-27).

Cash flow from financing activities during the second quarter was SEK -104 m (-55). During the second quarter a cash dividend was paid to the shareholders in the amount of SEK 167 m (-143), a loan of SEK 90 m was established and options for shares in subsidiaries of SEK 8,8 m were paid.

## Investments and depreciations

Gross investments excluding acquisitions during the second quarter of 2023 amounted to SEK 22 m (26), while depreciation amounted to SEK -15 m (-14). Right-of-use depreciations relating to IFRS 16 amounts to SEK -17 m (-15). Amortizations of intangible assets amounted to SEK -11 m (-7), primarily consisting of amortizations of customer relations in the acquired companies.

Gross investments excluding acquisitions during January - June 2023 amounted to SEK 44 m (46), while depreciation amounted to SEK -29 m (-28). Right-of-use depreciations relating to IFRS 16 amounts to SEK -33 m (-29). Amortizations of intangible assets amounted to SEK -22 m (-15), primarily consisting of amortizations of customer relations in the acquired companies.

## Financial position and liquidity

Nordic Waterproofing's principal external financing agreement has final maturity date in June 2025. It contains a EUR 75.0 m (75.0) term loan facility and a EUR 40.0 m (40.0) 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. At the end of the second quarter Nordic Waterproofing is compliant with the covenants as per the facility agreement.

The consolidated interest-bearing net debt amounted to SEK 1,081 m at the end of the period, compared with SEK 844 m at the end of 2022 and SEK 976 m at the end of corresponding period in the preceding year. The increase in net debt of SEK 237 m compared to the end of 2022 is mainly explained by a seasonally weak cash flow and that dividend of SEK 167 M has been distributed to our shareholders.

Consolidated cash and cash equivalents amounted to SEK 136 m (260) at the end of the period. SEK 0 m (0) of the Group's total overdraft facility of SEK 170 m (160) was utilized at the end of the quarter.

Indebtedness calculated as net interest-bearing debt/EBITDA during the most recent twelve-month period was 2.2x (1.4x) at the end of the period, and the net debt/equity ratio was 0.6x (0.5x).

### Pledged assets and contingent liabilities

There were no significant changes during the period.

### Employees

The average number of employees during the second quarter of 2023 (expressed as full-time equivalents) was 1,353 compared with 1,386 during the same period in the preceding year. The decrease is driven by divested companies and reductions for increased efficiency.

The average number of employees in the parent company has been 1 (1).

### Significant events during the period

- On 27 April the AGM was held and decided to among other decisions, distribute a dividend of SEK 7.00 per share.

### Significant events after the reporting period

- Nothing to report

### Financial targets

Nordic Waterproofing's target for the return on capital employed (ROCE) is at least 13 percent. The outcome after the second quarter of 2023 on a rolling 12-month basis was 11.4 percent. The decrease is driven by reduced profitability.

The interest-bearing net debt/EBITDA-ratio shall not exceed 3.0 times. The outcome after the second quarter of 2023 (R12) was 2.2 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. It is the opinion of the Group that we have been on par with or outperformed the market growth on our most relevant markets with the exception of synthetic rubber membranes where we see a slight loss of market share.

### Sustainability within Nordic Waterproofing

Our strategic goal is to reduce the Group's CO<sub>2</sub> emissions for scopes 1, 2 and 3. During 2022 we reduced the Group's CO<sub>2</sub>-emission with -19 percent.

Other sustainability-related KPIs from 2022 include:

- Renewable electricity accounts for 81 per cent of the Group's electricity consumption (59 percent in 2021)
- 174 million recycled plastic bottles are used in the roofing felt's load-bearing cloth.
- 41,500 tonnes of CO<sub>2</sub> are locked annually in the bitumen-based waterproofing layers on roofs
- Installed green roofs in 2022 can potentially absorb up to 5200 m<sup>3</sup> of rainwater

Further information about the Group's sustainability work can be found in the Annual Report for 2022 and on our website.

## The parent Company

The parent Company, Nordic Waterproofing Holding AB, is a holding company that does not conduct any business. The parent company's earnings primarily reflect the revenues and costs 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 2021", "LTIP 2022" and "LTIP 2023"). The total cost, including social security charges, is estimated to be SEK 10-14 m for each program, during the period of the program, under the assumption of an average annual growth of operating profit (EBIT) before items affecting comparability of 10 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 2021, LTIP 2022 and LTIP 2023 are 63,569, 70,030 and 84,474 respectively, considering persons having left the Company. During the second quarter has the LTIP 2020 been finalised and 81,175 shares earned in the program has been distributed to the participants, 3,777 remains to be distributed. As per 30 June 2023, Nordic Waterproofing Holding AB owns itself 95,723 (84,097) treasury shares.

<b>Treasury shares</b>	<b>2023</b>	<b>2022</b>
Owned treasury shares as per 1 January	84,097	176,334
Distributed shares in LTIP 2019 (2018)	-	92,237
Distributed shares in LTIP 2020 (2019)	- 81,175	-
Acquired treasury shares	92,801	-
<b>Treasury shares as per 30 June</b>	<b>95,723</b>	<b>84,097</b>

## Shares and share capital

As per 30 June 2023, the share capital amounted to SEK 24,084 thousand and the total number of issued shares were 24,083,935. The Company has one (1) class of shares. Each share entitles the holder to one vote at general meetings.

As per 30 June 2023, Nordic Waterproofing Holding AB had ca 6,700 shareholders and owns itself 95,723 treasury shares (0.4 percent 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 number of issued shares and share capital during the second quarter of 2023. As a consequence of the distribution of shares from LTIP 2020 the number of treasury shares has been reduced from 176,334 to 95,723 shares.

## Ownership structure

The number of shareholders has during the quarter been unchanged and amounts to ca 6,700 owners. The largest shareholders in Nordic Waterproofing Holding AB, as per 30 June 2023, are stated below.

Owner	Number of shares	Capital, %	Votes, %
Kingspan Group PLC	5,805,641	24.1%	24.2%
Handelsbanken Fonder	1,458,249	6.1%	6.1%
Tredje AP-fonden	1,350,000	5.6%	5.6%
Lannebo Fonder	1,065,400	4.4%	4.4%
Cliens Fonder	713,200	3.0%	3.0%
Carnegie Fonder	674,530	2.8%	2.8%
Avanza Pension	673,214	2.8%	2.8%
Dimensional Fund Advisors	544,509	2.3%	2.3%
Canaccord Genuity Wealth Management	481,643	2.0%	2.0%
Futur Pension	464,657	1.9%	1.9%
<b>Total 10 largest shareholders</b>	<b>13,231,043</b>	<b>54.9%</b>	<b>55.2%</b>
Other shareholders	10,757,169	44.7%	44.8%
<b>Total number of votes</b>	<b>23,988,212</b>	<b>99.6%</b>	<b>100.0%</b>
Treasury shares	95,723	0.4%	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

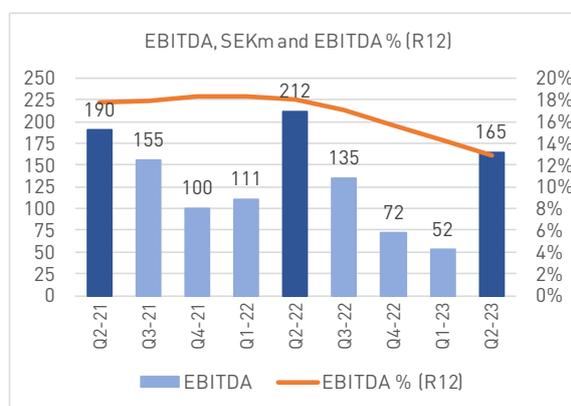
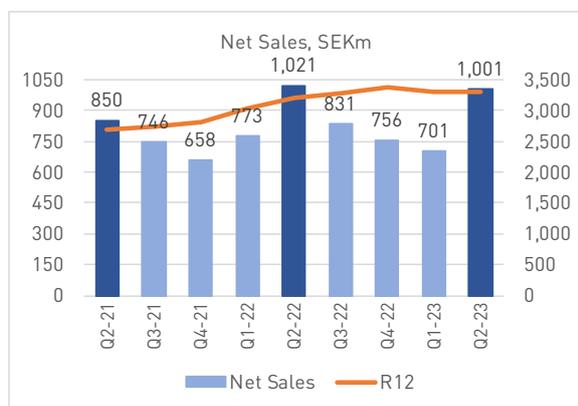
Net sales for the second quarter of 2023 decreased by -2 percent compared with the corresponding period in the preceding year, amounting to SEK 1,001 m (1,021). Organic development was -8 percent of which 4 percent were sales price increases and volume development were -12 percent, the impact from acquisitions was 2 percent and currency translation effects were 3 percent.

Sales in Denmark decreased by -6 percent compared to the corresponding period in the preceding year, whereof -18 percent organic, 4 percent from acquisitions and a positive currency effect of 8 percent. Sales in Finland increased with 15 percent compared to corresponding period in the preceding year, whereof organic decrease was -13 percent, 19 percent from acquisitions and currency effects were positive with 8 percent. Sales in Sweden increased by 7 percent while sales in Norway decreased by -3 percent whereof organic sales development was 3 percent and currency effects had a negative impact with -6 percent. Sales in other countries in Europe decreased by -14 percent in the quarter.

Analysis of net sales, Product & Solutions	Q2 2023 (%)	Q2 2023 (SEK m)	6M 2023 (%)	6M 2023 (SEKm)
Previous period		1,021		1,794
Organic growth	-8%	-79	-10%	-184
Structural effects	2%	25	2%	40
Currency effects	3%	33	3%	51
<b>Current period</b>	<b>-2%</b>	<b>1,001</b>	<b>-5%</b>	<b>1,702</b>

Operating profit (EBIT) for Products & Solutions for the second quarter 2023 decreased and amounted to SEK 132 m (184). The EBIT margin was 13.2 percent (18.1). Operating profit (EBIT) for the first six months 2023 decreased and amounted to SEK 154 m (268). The EBIT margin was 9.0 percent (14.9).

EBITDA amounted to SEK 165 m (212) and the EBITDA margin was 16.5 percent (20.8) in the second quarter. EBITDA for the first six months 2023 amounted to SEK 217 m (323) and the EBITDA margin was 12.8 percent (18.0).



## Installation Services

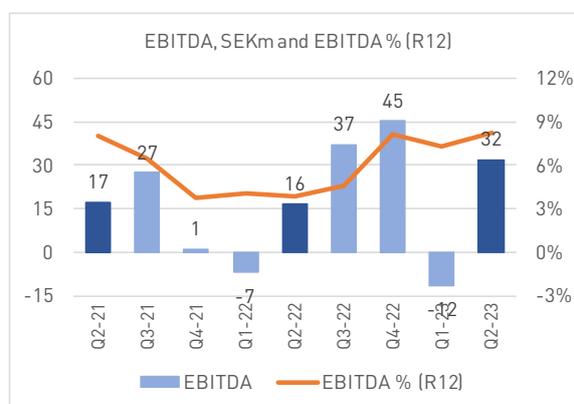
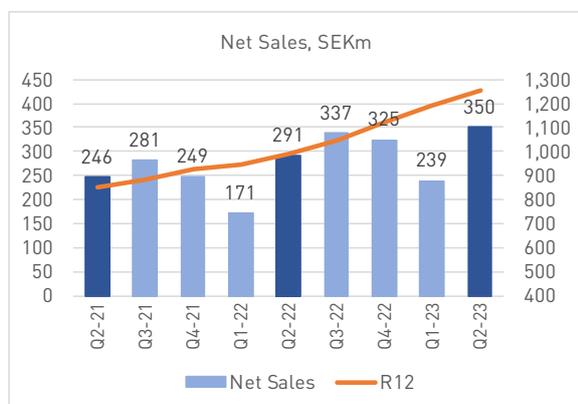
Business in this operating segment is primarily conducted in Finland, through a part-owned company in Norway, through the non-consolidated franchise companies in Denmark and through a wholly-owned subsidiary in Sweden. Net sales for the second quarter of 2023 increased by 20 percent compared with the corresponding period in the preceding year, amounting to SEK 350 m (291). Organic development was -11 percent of which 7 percent were sales price increases and volume development -19 percent, the impact from acquisitions was 24 percent and currency translation effects were 7 percent.

Sales in Finland increased with 32 percent consisting of -5 percent organic, 28 percent from acquisitions and positive currency effects with 9 percent. Sales in Norway decreased with -34 percent consisting of -31 percent organic and negative currency effects with -4 percent.

Analysis of net sales, Installation Services	Q2 2023 (%)	Q2 2023 (SEK m)	6M 2023 (%)	6M 2023 (SEK m)
Previous period		291		462
Organic growth	-11%	-32	-5%	-22
Structural effects	24%	70	26%	121
Currency effects	7%	21	6%	29
<b>Current period</b>	<b>20%</b>	<b>350</b>	<b>28%</b>	<b>590</b>

Operating profit (EBIT) for Installation Services for the second quarter amounted to SEK 22 m (9). The EBIT margin was 6.2 percent (3.0) in the quarter. Operating profit (EBIT) for the first six months 2023 amounted to SEK 0 m (-6). The EBIT margin for the first six months 2023 was 0.0 percent (-1.3).

EBITDA amounted to SEK 32 m (16) and the EBITDA margin was 9.1 percent (5.6) in the second quarter. EBITDA for the first six months 2023 amounted to SEK 20 m (9) and the EBITDA margin was 3.5 percent (1.9).



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

## Quarterly data, IFRS and alternative measures

Key figures (SEKm)	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Net sales	1,292	911	1,045	1,132	1,255	912	890	1,003
EBITDA*	186	30	114	162	216	91	97	176
EBITDA margin, %*	14.4%	3.3%	10.9%	14.3%	17.2%	10.0%	10.9%	17.5%
Operating profit (EBIT)	143	-11	66	128	180	56	59	140
EBIT margin, %*	11.0%	-1.3%	6.3%	11.3%	14.4%	6.1%	6.6%	14.0%
ROCE (R12), %*	11.4%	13.1%	16.1%	16.6%	17.9%	17.9%	16.6%	17.1%
Net profit	103	-22	47	104	140	39	44	86
Cash flow from operating activities	157	-58	93	244	38	-15	92	101
Cashflow from operating activities (R12)*	437	317	360	358	215	292	220	311
Operating cash conversion (R12), %*	89%	61%	62%	63%	37%	52%	43%	61%
Interest-bearing net debt*	1,081	997	844	861	976	762	677	675
Net debt*	1,131	1,058	912	895	1,009	855	770	766
Earnings per share before dilution, SEK	4.34	-0.84	2.00	4.34	5.84	1.65	1.91	3.57
Earnings per share after dilution, SEK	4.31	-0.83	2.00	4.32	5.80	1.64	1.90	3.56
<b>Net sales by segment (SEKm)</b>	<b>Q2 2023</b>	<b>Q1 2023</b>	<b>Q4 2022</b>	<b>Q3 2022</b>	<b>Q2 2022</b>	<b>Q1 2022</b>	<b>Q4 2021</b>	<b>Q3 2021</b>
Products & Solutions	1,001	701	756	831	1,021	773	658	746
Installation Services	350	239	325	337	291	171	249	281
Group Items & Eliminations	-59	-29	-35	-37	-57	-33	-17	-25
Total	1,292	911	1,045	1,132	1,255	912	890	1,003
<b>Net sales by country (SEKm)</b>	<b>Q2 2023</b>	<b>Q1 2023</b>	<b>Q4 2022</b>	<b>Q3 2022</b>	<b>Q2 2022</b>	<b>Q1 2022</b>	<b>Q4 2021</b>	<b>Q3 2021</b>
Sweden	272	146	193	203	254	138	158	203
Norway	162	146	181	177	180	136	132	144
Denmark	267	237	230	251	286	272	230	227
Finland	401	233	321	346	314	171	243	281
Europe	189	147	119	153	219	193	123	147
Rest of world	1	3	2	2	1	1	4	1
Total	1,292	911	1,045	1,132	1,255	912	890	1,003
<b>EBITDA by segment (SEKm)</b>	<b>Q2 2023</b>	<b>Q1 2023</b>	<b>Q4 2022</b>	<b>Q3 2022</b>	<b>Q2 2022</b>	<b>Q1 2022</b>	<b>Q4 2021</b>	<b>Q3 2021</b>
Products & Solutions	165	52	72	135	212	111	100	155
Installation Services	32	-12	45	37	16	-7	1	27
Group Items & Eliminations	-11	-11	-4	-10	-12	-12	-4	-7
Total	186	30	114	162	216	91	97	176
<b>EBIT by segment (SEKm)</b>	<b>Q2 2023</b>	<b>Q1 2023</b>	<b>Q4 2022</b>	<b>Q3 2022</b>	<b>Q2 2022</b>	<b>Q1 2022</b>	<b>Q4 2021</b>	<b>Q3 2021</b>
Products & Solutions	132	22	35	111	184	83	72	128
Installation Services	22	-22	36	28	9	-15	-8	20
Group Items & Eliminations	-11	-11	-5	-11	-13	-13	-5	-8
Total	143	-11	66	128	180	56	59	140

\*For definitions and reconciliations of financial and alternative key performance indicators, please see page 25.

## Management's statement

The Board of Directors and the President give their assurance that this interim report provides a true and fair view of the Group's and the Parent Company operations, position and earnings, as well as describing significant risks and uncertainties faced by the Parent Company and the other business units forming the Group.

Helsingborg, 20 July 2023

### CEO

Martin Ellis  
*President & CEO*

### Board of Directors

Mats O. Paulsson  
*Chairman*

Hannele Arvonen

Steffen Baungaard

Riitta Palomäki

Hannu Saastamoinen

This interim report has not been reviewed by the company's auditor.

## Condensed consolidated key figures

Amounts in SEKm unless otherwise stated	Q2 2023	Q2 2022	6M 2023	6M 2022	R12 2023	12M 2022
Net sales	1,292	1,255	2,203	2,167	4,380	4,343
Gross profit	349	379	550	616	1,119	1,184
EBITDA*	186	216	216	307	492	583
Operating profit (EBIT)	143	180	131	236	325	430
Net profit	103	140	81	179	232	330
Gross margin, %*	27.0%	30.2%	25.0%	28.4%	25.5%	27.3%
EBITDA margin, %*	14.4%	17.2%	9.8%	14.2%	11.2%	13.4%
EBIT margin, %*	11.0%	14.4%	5.9%	10.9%	7.4%	9.9%
Cash flow from operating activities	157	38	99	22	437	360
Operating cash conversion, %*	n/a	n/a	n/a	n/a	89%	62%
Investments in tangible & intangible assets	-22	-27	-52	-45	-112	-105
Total assets	4,040	3,614	4,040	3,614	4,040	3,724
Capital employed*	2,942	2,626	2,942	2,626	2,942	2,859
Equity	1,726	1,545	1,726	1,545	1,726	1,754
Interest-bearing net debt*	1,081	976	1,081	976	1,081	844
Interest-bearing net debt/EBITDA, multiple*	n/a	n/a	n/a	n/a	2.2x	1.4x
Net debt*	1,131	1,009	1,131	1,009	1,131	912
Net debt/EBITDA, multiple*	n/a	n/a	n/a	n/a	2.3x	1.6x
Interest coverage ratio, multiple*	11.0x	39.4x	5.5x	27.3x	8.3x	17.3x
Equity/assets ratio, %*	42.8%	42.8%	42.8%	42.8%	42.8%	47.1%
Net debt/equity ratio, multiple*	0.6x	0.6x	0.6x	0.6x	0.6x	0.5x
Return on shareholders' equity, %*	n/a	n/a	n/a	n/a	14.6%	20.8%
Return on capital employed, %*	n/a	n/a	n/a	n/a	11.4%	16.1%
Return on capital employed excluding goodwill, %*	n/a	n/a	n/a	n/a	19.6%	27.9%
Average number of shares before dilution	23,920,566	23,922,974	23,952,469	23,915,287	23,976,153	23,957,563
Average number of shares after dilution	24,083,935	24,083,935	24,083,935	24,083,935	24,083,935	24,083,935
Earnings per share before dilution, SEK	4.34	5.84	3.50	7.49	9.84	13.83
Earnings per share after dilution, SEK	4.31	5.80	3.48	7.44	9.79	13.76
Shareholders equity per share before dilution, SEK*	72.16	64.60	72.06	64.62	71.99	73.23
Shareholders equity per share after dilution, SEK*	71.67	64.17	71.67	64.17	71.67	72.84
Cash flow from operating activities per share before dilution, SEK*	6.56	1.57	4.14	0.92	18.20	14.99
Cash flow from operating activities per share after dilution, SEK*	6.53	1.56	4.11	0.92	18.12	14.94
Number of shares before dilution	23,988,212	23,999,838	23,907,037	23,999,838	23,988,212	23,999,838
Number of shares after dilution	24,083,935	24,083,935	24,083,935	24,083,935	24,083,935	24,083,935

\*For definitions and reconciliations of financial and alternative key performance indicators, please see page 25.

# Condensed financial statements

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

Amounts in SEKm unless otherwise stated	Q2 2023	Q2 2022	6M 2023	6M 2022	R12 2023	12M 2022
Net sales	1,292.3	1,254.8	2,203.4	2,166.6	4,380.2	4,343.4
Cost of goods sold	-943.4	-876.2	-1,653.2	-1,550.7	-3,261.6	-3,159.1
<b>Gross profit/loss</b>	<b>348.9</b>	<b>378.6</b>	<b>550.2</b>	<b>615.8</b>	<b>1,118.6</b>	<b>1,184.3</b>
Selling expenses	-137.7	-131.4	-267.0	-249.5	-547.6	-530.1
Administrative expenses	-80.3	-67.3	-150.9	-131.4	-292.3	-272.7
Research and development expenses	-1.5	-1.2	-3.1	-2.6	-5.6	-5.1
Other operating income	3.1	2.8	6.8	5.6	20.2	19.0
Other operating expenses	-2.5	-2.8	-20.8	-4.0	-23.9	-7.0
Share of profit in associated companies	12.6	1.6	16.0	2.0	56.0	42.1
<b>Operating profit/loss (EBIT)</b>	<b>142.6</b>	<b>180.4</b>	<b>131.1</b>	<b>236.0</b>	<b>325.5</b>	<b>430.4</b>
Net finance items	-9.3	-5.5	-22.8	-9.3	-31.4	-17.9
<b>Profit/loss before tax</b>	<b>133.2</b>	<b>174.9</b>	<b>108.2</b>	<b>226.7</b>	<b>294.1</b>	<b>412.6</b>
Tax	-29.9	-34.6	-27.1	-47.8	-61.7	-82.4
<b>Profit/loss after tax</b>	<b>103.3</b>	<b>140.3</b>	<b>81.1</b>	<b>178.8</b>	<b>232.4</b>	<b>330.1</b>
<b>Other comprehensive income</b>						
<b>Items that are or may be reclassified to profit/loss for the year</b>						
Translation differences for the year in translation of foreign operations	58.5	32.8	69.2	46.6	122.7	100.1
Gains/losses on hedging of currency risk in foreign operations	0.0	0.0	0.0	0.0	0.0	0.0
Gains/losses on raw material hedging, net	0.0	0.0	0.0	0.0	0.0	0.0
Tax on gains/losses on comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total other comprehensive income after tax</b>	<b>58.5</b>	<b>32.8</b>	<b>69.2</b>	<b>46.6</b>	<b>122.7</b>	<b>100.1</b>
<b>Total comprehensive income after tax</b>	<b>161.8</b>	<b>173.1</b>	<b>150.3</b>	<b>225.4</b>	<b>355.1</b>	<b>430.2</b>
<b>Profit/loss for the year, attributable to:</b>						
Owners of the company	103.8	139.6	83.8	179.1	236.0	331.3
Non-controlling interests	-0.5	0.7	-2.6	-0.3	-3.5	-1.2
<b>Total comprehensive income for the year, attributable to:</b>						
Owners of the company	161.4	172.6	151.9	225.6	357.1	430.8
Non-controlling interests	0.4	0.5	-1.5	-0.1	-1.9	-0.5
Average number of shares before dilution	23,920,566	23,922,974	23,952,469	23,915,287	23,976,153	23,957,563
Average number of shares after dilution	24,083,935	24,083,935	24,083,935	24,083,935	24,083,935	24,083,935
Earnings per share before dilution, SEK	4.34	5.84	3.50	7.49	9.84	13.83
Earnings per share after dilution, SEK	4.31	5.80	3.48	7.44	9.80	13.76

## Condensed consolidated balance sheet

Amounts in SEKm unless otherwise stated	30 Jun 2023	30 Jun 2022	31 Dec 2022
<b>ASSETS</b>			
Intangible assets	1,391.3	1,203.1	1,360.6
Tangible assets	591.2	517.6	571.5
Financial assets	179.9	121.6	146.2
Deferred tax assets	13.5	11.7	13.4
Other non-current assets	13.6	22.6	11.2
<b>Total non-current assets</b>	<b>2,189.6</b>	<b>1,876.6</b>	<b>2,102.9</b>
Inventories	779.1	748.7	786.6
Trade receivables	710.0	675.9	420.0
Receivables for on-going construction contracts	111.5	124.6	101.9
Tax assets	25.8	0.8	0.2
Other receivables	87.9	82.8	51.9
Cash and cash equivalents	135.6	104.7	260.5
<b>Total current assets</b>	<b>1,849.9</b>	<b>1,737.5</b>	<b>1,621.1</b>
<b>TOTAL ASSETS</b>	<b>4,039.5</b>	<b>3,614.1</b>	<b>3,724.0</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	24.1	24.1	24.1
Reserves	206.6	85.5	138.5
Retained earnings including profit for the year	1,475.8	1,427.0	1,573.9
<b>Equity attributable to owners of the Company</b>	<b>1,706.4</b>	<b>1,536.6</b>	<b>1,736.4</b>
Non-controlling interests	19.7	8.9	17.9
<b>Total equity</b>	<b>1,726.1</b>	<b>1,545.4</b>	<b>1,754.3</b>
Non-current interest-bearing liabilities	904.5	867.0	881.6
Other non-current liabilities	43.9	32.4	50.6
Provisions	5.5	6.4	5.1
Deferred tax liabilities	128.6	116.3	132.3
<b>Total non-current liabilities</b>	<b>1,082.5</b>	<b>1,022.1</b>	<b>1,069.7</b>
Current interest-bearing liabilities	311.7	213.7	223.3
Trade payable	458.4	373.2	242.6
Payables for on-going construction contracts	58.6	43.7	56.9
Tax liabilities	41.3	65.2	27.7
Other current liabilities	361.0	350.7	349.6
<b>Total current liabilities</b>	<b>1,231.0</b>	<b>1,046.5</b>	<b>900.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,039.5</b>	<b>3,614.1</b>	<b>3,724.0</b>

## Condensed consolidated statement of changes in equity

Specification of changes in equity (SEKm)	30 Jun 2023	30 Jun 2022	31 Dec 2022
<i>Equity attributable to owners of the Company</i>			
Opening balance	1,736.4	1,451.0	1,451.0
Profit for the period	83.8	179.1	331.3
Other comprehensive income	68.1	46.5	99.4
Transactions with non-controlling interest	-1.1	0.0	-9.5
Dividend	-167.3	-143.4	-143.4
Repurchase of treasury shares	Note 7	0.0	0.0
Costs for long-term incentive programs	1.6	3.4	7.5
<b>Closing balance</b>	<b>1,706.4</b>	<b>1,536.6</b>	<b>1,736.4</b>
<i>Equity attributable to non-controlling interest</i>			
Opening balance	17.9	9.0	9.0
Profit for the period	-2.6	-0.3	-1.2
Other comprehensive income	1.1	0.1	0.6
Acquisitions	3.4	0.0	9.9
Dividend	0.0	0.0	-0.5
Transactions with the Group's owners	0.0	0.0	0.0
<b>Closing balance</b>	<b>19.7</b>	<b>8.9</b>	<b>17.9</b>
<b>SUM TOTAL EQUITY, CLOSING BALANCE</b>	<b>1,726.1</b>	<b>1,545.4</b>	<b>1,754.3</b>

## Condensed consolidated cash flow statement

Amounts in SEKm unless otherwise stated	Q2 2023	Q2 2022	6M 2023	6M 2022	R12 2023	12M 2022
<b>Operating activities</b>						
Operating profit (EBIT)	142.6	180.4	131.1	236.0	325.5	430.4
Adjustment for non-cash items etc	15.4	36.9	70.2	71.7	103.5	105.0
Interest received	0.2	0.2	0.4	0.4	0.9	0.8
Interest paid	-12.8	-4.1	-22.9	-7.7	-38.7	-23.5
Dividends received	24.7	0.2	25.7	6.2	44.1	24.6
Dividends received from entities valued according to IFRS 9	1.2	0.0	1.2	0.0	1.6	0.4
Income tax paid/received	-10.7	-13.7	-52.2	-47.0	-125.8	-120.7
<b>Cash flow from operating activities before changes in working capital</b>	<b>160.5</b>	<b>199.9</b>	<b>153.6</b>	<b>259.5</b>	<b>311.0</b>	<b>417.0</b>
<b>Changes in working capital</b>						
Increase (-)/Decrease (+) in inventories	37.7	-86.3	31.2	-113.8	57.0	-88.0
Increase (-)/Decrease (+) in operating receivables	-209.2	-167.7	-300.1	-352.1	65.9	14.0
Increase (+)/Decrease (-) in operating liabilities	168.4	91.8	214.3	228.6	2.5	16.8
<b>Cash flow from operating activities</b>	<b>157.4</b>	<b>37.7</b>	<b>99.0</b>	<b>22.2</b>	<b>436.5</b>	<b>359.7</b>
<b>Investing activities</b>						
Acquisition of intangible fixed assets	-3.5	-1.0	-7.1	-1.7	-6.8	-1.5
Acquisition of tangible fixed assets	-18.2	-25.2	-37.0	-44.2	-95.9	-103.0
Divestments of tangible fixed assets	0.0	0.0	0.0	0.0	4.2	4.2
Acquisition of business, net cash impact	-4.9	-1.5	-10.4	-20.1	-118.0	-127.8
Divestments of business, net cash impact	0.0	0.0	9.1	0.0	9.1	0.0
Acquisition of participations in associated companies	-11.0	-0.1	-28.9	-0.1	-29.1	-0.3
Divestments of participations in associated companies	0.0	0.0	0.0	0.0	1.0	1.0
Change in other financial assets	-3.8	0.4	-11.5	-10.9	-9.8	-9.3
<b>Cash flow from investing activities</b>	<b>-41.4</b>	<b>-27.4</b>	<b>-85.7</b>	<b>-77.0</b>	<b>-245.3</b>	<b>-236.7</b>
<b>Financing activities</b>						
Amortization of loans	-27.5	-15.5	-49.6	-29.1	-82.8	-62.3
Proceeds from loans	91.0	160.0	91.0	160.0	91.5	160.5
Purchase of own shares	0.0	0.0	-15.0	0.0	-15.0	0.0
Dividend	-167.3	-143.4	-167.3	-143.4	-167.3	-143.4
Acquisition of participations in non-controlling interest	0.0	-55.6	0.0	-55.6	-0.3	-56.0
Divestment of participations in non-controlling interest	0.0	0.0	0.0	0.0	0.0	0.0
Dividend paid to non-controlling interests	0.0	0.0	0.0	0.0	-0.5	-0.5
<b>Cash flow from financing activities</b>	<b>-103.9</b>	<b>-54.5</b>	<b>-141.0</b>	<b>-68.1</b>	<b>-174.5</b>	<b>-101.7</b>
Cash flow for the period	12.1	-44.3	-127.7	-123.0	16.6	21.4
Cash and cash equivalents at the beginning of the period	121.1	148.3	260.5	226.6	104.7	226.6
Exchange-rate differences in cash and cash equivalents	2.4	0.7	2.9	1.1	14.3	12.5
<b>Cash and cash equivalents at the end of the period</b>	<b>135.6</b>	<b>104.7</b>	<b>135.6</b>	<b>104.7</b>	<b>135.6</b>	<b>260.5</b>

## The parent company's income statement in summary

Amounts in SEKm unless otherwise stated	Q2 2023	Q2 2022	6M 2023	6M 2022	R12 2023	12M 2022
Net sales	2.8	2.5	10.9	10.0	13.4	15.0
<b>Gross profit/loss</b>	<b>2.8</b>	<b>2.5</b>	<b>10.9</b>	<b>10.0</b>	<b>13.4</b>	<b>15.0</b>
Administrative expenses	-5.2	-5.1	-15.7	-14.6	-30.6	-32.1
Other operating expenses	0.0	0.0	-1.3	-1.2	-1.3	-1.3
<b>Operating profit/loss (EBIT)</b>	<b>-2.4</b>	<b>-2.6</b>	<b>-6.0</b>	<b>-5.8</b>	<b>-18.5</b>	<b>-18.4</b>
<b>Result from financial items</b>						
Result from shares in subsidiaries	0.0	0.0	0.0	0.0	150.0	150.0
Other financial items	-7.4	-5.8	-7.8	-7.0	-12.6	-11.8
<b>Net finance items</b>	<b>-7.4</b>	<b>-5.8</b>	<b>-7.8</b>	<b>-7.0</b>	<b>137.4</b>	<b>138.2</b>
<b>Result after financial items</b>	<b>-9.8</b>	<b>-8.4</b>	<b>-13.8</b>	<b>-12.9</b>	<b>118.9</b>	<b>119.8</b>
Appropriations	0.0	0.0	0.0	0.0	30.2	30.2
<b>Profit before tax</b>	<b>-9.8</b>	<b>-8.4</b>	<b>-13.8</b>	<b>-12.9</b>	<b>149.1</b>	<b>150.0</b>
Tax	2.0	1.7	2.5	2.3	0.0	-0.2
<b>Profit/loss after tax</b>	<b>-7.8</b>	<b>-6.7</b>	<b>-11.3</b>	<b>-10.5</b>	<b>149.1</b>	<b>149.8</b>

## Other comprehensive income in summary

Other comprehensive income	Q2 2023	Q2 2022	6M 2023	6M 2022	R12 2023	12M 2022
Profit for the period	-7.8	-6.7	-11.3	-10.5	149.1	149.8
Other comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total other comprehensive income after tax</b>	<b>-7.8</b>	<b>-6.7</b>	<b>-11.3</b>	<b>-10.5</b>	<b>149.1</b>	<b>149.8</b>

## The parent company's balance sheet in summary

Amounts in SEKm unless otherwise stated	30 Jun 2023	30 Jun 2022	31 Dec 2022
<b>ASSETS</b>			
Shares in subsidiaries	908.4	903.0	908.4
<b>Total non-current assets</b>	<b>908.4</b>	<b>903.0</b>	<b>908.4</b>
Other current receivables from Group companies	474.9	284.1	439.0
Current tax assets	26.5	25.5	15.7
Other short-term receivables	0.0	0.0	1.3
Prepaid expenses and accrued income	0.2	0.0	0.1
Cash and cash equivalents	40.6	51.0	133.0
<b>Total current assets</b>	<b>542.3</b>	<b>360.6</b>	<b>589.1</b>
<b>TOTAL ASSETS</b>	<b>1,450.7</b>	<b>1,263.6</b>	<b>1,497.5</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	24.1	24.1	24.1
Retained earnings including profit for the year	426.5	451.3	619.1
<b>Total equity</b>	<b>450.6</b>	<b>475.4</b>	<b>643.2</b>
Untaxed reserves	69.7	87.9	69.7
Long-term liabilities to credit institue	378.9	371.0	373.4
<b>Total non-current liabilities</b>	<b>378.9</b>	<b>371.0</b>	<b>373.4</b>
Current interest-bearing liabilities	250.0	160.0	160.0
Trade payable	0.2	0.1	0.1
Short-term liabilities to Group companies	286.1	164.6	242.0
Other current liabilities	15.2	4.6	9.2
<b>Total current liabilities</b>	<b>551.6</b>	<b>329.4</b>	<b>411.3</b>
<b>TOTAL EQUITY AND LIABILITES</b>	<b>1,450.7</b>	<b>1,263.6</b>	<b>1,497.5</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. Furthermore, The Group applies the Swedish Annual Accounts Act (ÅRL) and the Swedish Financial Reporting Board’s recommendation RFR 1 Supplementary Accounting Rules for Corporate Groups.

The Group applies IFRS (International Financial Reporting Standards), which have been adopted by the EU. In addition to the financial statements and their connected notes, disclosures in accordance with IAS 34.16A are also presented in other parts of the interim report. The Parent Company applies recommendation RFR 2, Accounting for Legal Entities of the Swedish Financial Reporting Board and Chapter 9 of the Swedish Annual Accounts Act, Interim Reports. The accounting policies applied by the Group and the 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 – 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 less than 20 per cent 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. Urban Green and Veg Tech is the most weather dependent and also the most seasonal businesses, as deliveries and installation rarely take place during the winter months.

### Note 3 – Effects of changes in accounting estimates and judgements

Significant estimates and judgements are described in Note 3 and Note 32 in the Annual Report for 2022. In the Group’s financial reports, an amended assessment has been made of the most probable outcome regarding earn-outs call/put options, as shown in Note 5 Financial instruments in this interim report. Otherwise, no essential changes have been made to these estimates or judgements which could have a material impact on the interim report.

### Note 4 – 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.

<b>Intangible assets, carrying amounts SEKm, unless otherwise stated</b>	<b>Goodwill</b>	<b>Trade- marks</b>	<b>Customer relations</b>	<b>Other</b>	<b>Total</b>
Opening balance, 1 January 2023	1,203	19	101	37	1,361
Investments	0	0	0	7	7
Acquisitions	10	0	0	1	11
Divestments and disposals	-10	0	0	0	-10
Reclassification	-15	0	11	8	4
Amortization	0	-1	-18	-7	-26
Exchange-rate differences	41	1	4	-1	44
<b>Closing balance, 30 June 2023</b>	<b>1,230</b>	<b>19</b>	<b>99</b>	<b>43</b>	<b>1,391</b>

## Note 5 – Financial instruments

Financial instruments measured at fair value in the balance sheet consist of call/put options and contingent considerations from acquisitions. Call/put options and contingent considerations are recognized in the balance sheet items "Other non-current liabilities" and "Other current liabilities". The fair value of the call/put options and contingent considerations is based on probability weighted payments discounted at its present value, see further description in the Group's 2022 Annual Report. The fair value measurements belong to level 3 in the fair value hierarchy in IFRS 13.

2023-06-30	At amortized cost	Fair value through profit or loss	Fair Value hedging instruments	Other <sup>1</sup>	Reported value	Fair value		
						Level 1	Level 2	Level 3
<b>Financial assets</b>								
Financial assets	27	-	-	153	180	-	-	-
Other non-current assets	14	-	-	-	14	-	-	-
Trade receivables	710	-	-	-	710	-	-	-
Other receivables <sup>2</sup>	-	-	-	88	88	-	-	-
Receivables for on-going construction	111	-	-	-	111	-	-	-
Cash and cash equivalents	136	-	-	-	136	-	-	-
<b>Total</b>	<b>998</b>	<b>-</b>	<b>-</b>	<b>241</b>	<b>1,239</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>								
Non-current interest-bearing liabilities	904	-	-	-	904	-	-	-
Other non-current liabilities	2	42	-	-	44	-	-	42
Trade payable	458	-	-	-	458	-	-	-
Current interest-bearing liabilities	312	-	-	-	312	-	-	-
Other current liabilities <sup>2</sup>	104	6	0	251	361	-	0	6
<b>Total</b>	<b>1,780</b>	<b>48</b>	<b>0</b>	<b>251</b>	<b>2,079</b>	<b>-</b>	<b>0</b>	<b>48</b>

2022-06-30	At amortized cost	Fair value through profit or loss	Fair Value hedging instruments	Other <sup>1</sup>	Reported value	Fair value		
						Level 1	Level 2	Level 3
<b>Financial assets</b>								
Financial assets	12	-	-	109	122	-	-	-
Other non-current assets	23	-	-	-	23	-	-	-
Trade receivables	676	-	-	-	676	-	-	-
Other receivables <sup>2</sup>	-	-	-	83	83	-	-	-
Receivables for on-going construction	125	-	-	-	125	-	-	-
Cash and cash equivalents	105	-	-	-	105	-	-	-
<b>Total</b>	<b>940</b>	<b>-</b>	<b>-</b>	<b>192</b>	<b>1,132</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>								
Non-current interest-bearing liabilities	867	-	-	-	867	-	-	-
Other non-current liabilities	2	31	-	-	32	-	-	31
Trade payable	373	-	-	-	373	-	-	-
Current interest-bearing liabilities	214	-	-	-	214	-	-	-
Other current liabilities <sup>2</sup>	125	0	-	226	351	-	-	0
<b>Total</b>	<b>1,580</b>	<b>31</b>	<b>-</b>	<b>226</b>	<b>1,837</b>	<b>-</b>	<b>-</b>	<b>31</b>

<sup>1</sup> To enable reconciliation against items in the balance sheet, items that do not constitute financial instruments that are valued at fair value as well as other assets and liabilities have been included in Other.

<sup>2</sup> At the time of publication of the report, the information was not fully available to categorize financial instruments correctly.

Financial instruments measured at level 3 per 30 June:

<b>MSEK</b>	<b>2023</b>	<b>2022</b>
Opening balance	66	91
Fair value movement in income statement	-5	-5
Acquisition	0	0
Paid	-15	-56
Exchange-rate differences	3	1
<b>Closing balance</b>	<b>48</b>	<b>31</b>

Fair value movement through income statement refers to the remeasurement of the put/call options and contingent considerations. For a description of valuation techniques and input data when valuing financial instruments at fair value, see note 32 in the Annual Report 2022. The remeasurement is attributable to a change in the assessment of forecasted EBITDA growth.

During the second quarter, Nordic Waterproofing has settled and paid call/put option regarding Seikat Oy, the remaining 16 percent of the shares has been acquired for SEK 8,8 million. The transaction had no effect on equity since the option has been treated as if it had been exercised upon the initial acquisition.

During the first quarter, Nordic Waterproofing settled part of the earn-out for Playgreen Oy in accordance with the agreement of SEK 5.4 million.

## Note 6 – 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 10-11.

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	
	6M 2023	6M 2022	6M 2023	6M 2022	6M 2023	6M 2022	6M 2023	6M 2022
<b>Allocation of revenues external/internal</b>								
Revenues from external customers	1,614	1,705	590	461	0	0	2,203	2,167
Revenues from other segments	88	89	0	2	-88	-90	0	0
<b>Revenues, total</b>	<b>1,702</b>	<b>1,794</b>	<b>590</b>	<b>462</b>	<b>-88</b>	<b>-90</b>	<b>2,203</b>	<b>2,167</b>
<b>Allocation per country</b>								
Denmark	505	558	0	0	0	0	505	558
Sweden	411	377	7	16	0	0	417	392
Norway	256	256	59	68	-7	-9	308	316
Finland	206	196	507	371	-80	-81	633	486
Europe (excluding Nordic region)	319	406	17	6	0	0	336	412
Other countries	4	2	0	0	0	0	4	2
<b>Total</b>	<b>1,701</b>	<b>1,795</b>	<b>590</b>	<b>461</b>	<b>-87</b>	<b>-90</b>	<b>2,203</b>	<b>2,167</b>
<b>Significant types of income</b>								
Sale of goods	1,447	1,533	0	0	-87	-90	1,360	1,443
Construction contracts	254	263	590	461	0	0	843	724
<b>Total</b>	<b>1,701</b>	<b>1,795</b>	<b>590</b>	<b>461</b>	<b>-87</b>	<b>-90</b>	<b>2,203</b>	<b>2,167</b>
<b>Time of revenue recognition</b>								
At a certain point in time	1,447	1,533	0	0	-87	-90	1,360	1,443
Over time	254	263	590	461	0	0	843	724
<b>Total</b>	<b>1,701</b>	<b>1,795</b>	<b>590</b>	<b>461</b>	<b>-87</b>	<b>-90</b>	<b>2,203</b>	<b>2,167</b>
<b>EBITDA</b>	<b>217</b>	<b>323</b>	<b>20</b>	<b>9</b>	<b>-21</b>	<b>-25</b>	<b>216</b>	<b>307</b>
Depreciation & Amortisation	-63	-55	-21	-15	-1	-1	-85	-71
<b>Operating profit (EBIT)</b>	<b>154</b>	<b>268</b>	<b>0</b>	<b>-6</b>	<b>-23</b>	<b>-26</b>	<b>131</b>	<b>236</b>
<i>Of which share of profit in associated companies</i>	<i>0</i>	<i>0</i>	<i>16</i>	<i>2</i>	<i>0</i>	<i>0</i>	<i>16</i>	<i>2</i>
Net finance items							-23	-9
<b>Profit/loss after finance items but before tax (EBT)</b>							<b>108</b>	<b>227</b>
Tax							-27	-48
<b>Profit/loss for the year</b>							<b>81</b>	<b>179</b>
<i>Assets</i>								
Intangible assets (goodwill & customer relations)	1,084	982	305	217	2	4	1,391	1,203
Property, plant and equipment	536	458	52	57	2	3	591	518
Participations in associated companies	0	0	150	107	0	0	150	107
Inventory	719	723	61	26	0	0	779	749
Other assets	751	751	304	270	-131	-115	923	906
Non-allocated assets					205	132	205	132
<b>Total assets</b>	<b>3,090</b>	<b>2,913</b>	<b>871</b>	<b>677</b>	<b>78</b>	<b>23</b>	<b>4,039</b>	<b>3,614</b>
<i>Liabilities and Equity</i>								
Equity					1,726	1,545	1,726	1,545
Other liabilities	743	710	256	174	-115	-110	883	774
Non-allocated liabilities					1,430	1,295	1,430	1,295
<b>Total liabilities and equity</b>	<b>743</b>	<b>710</b>	<b>256</b>	<b>174</b>	<b>3,041</b>	<b>2,730</b>	<b>4,039</b>	<b>3,614</b>
Investments in tangible & intangible assets	39	41	5	4	0	0	44	45

## Note 7 – Transactions with related parties

The Group has related party relationships with the associated companies as stated in Note 16 of the 2022 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 second quarter of 2023.

As also stated in Note 16 of the 2022 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, and distribution of shares from, the Group's incentive programs. During the second quarter 2023 have shares from the LTIP 2020 been distributed free of charge to key persons in management positions.

## Note 8 – Acquisitions of businesses

### Acquisitions during second quarter 2023

During the first six month, a phased acquisition of subsidiaries was carried out without any change in control. Some adjustments have been made to acquisition analyses attributable to acquisitions made in 2022.

#### Blomstertak A/S

On 3 February 2023, Veg Tech AB acquired an additional 40 percent of the shares in Blomstertak A/S for a purchase price of NOK 1 and increased its ownership to 100 percent. The acquisition is handled as an owner-to-owner transaction. Before the acquisition, the carrying value of the existing holding without determination of 40 percent amounted to approximately SEK -1.1 million. The Group reports an increase in non-controlling interests of approximately SEK 1.1 million and a decrease in equity attributable to the parent company's owners of the corresponding amount.

#### Acquisitions after the reporting period

No acquisitions have been made after the reporting period.

#### Acquisitions during the prior year

During the first six month 2022, a total of one acquisition was made; On February 1, 100 percent of Gordon Low Limited was acquired. The acquisition analysis for the acquisition of Gordon Low Limited is deemed to have been established. For information about the acquisition, related conditional purchase prices and issued call and put options, please refer to Note 14 in the Group's Annual Report for 2022.

The acquired companies' net assets in total on the respective acquisition dates:

<b>Purchase consideration</b>	<b>6M</b>	<b>6M</b>	<b>12M</b>
<b>SEK m</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
Cash paid	10.4	27.7	146.4
Call/put option	0.0	-	17.1
Vendor note and earn-out	0.0	-	8.5
<b>Total purchase consideration</b>	<b>10.4</b>	<b>27.7</b>	<b>172.0</b>

<b>Acquisition analysis</b>	<b>6M</b>	<b>6M</b>	<b>12M</b>
<b>SEK m, unless otherwise stated</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
Intangible assets	19.0	0.0	48.9
Tangible assets	0.0	0.5	10.4
Financial assets	0.0	0.0	0.4
Inventories	2.7	9.5	50.4
Trade and other receivables	0.0	7.1	49.4
Deferred tax asset	-0.6	0.0	0.1
Cash and equivalents	0.0	7.7	46.8
Provisions	0.0	0.0	0.0
Other non-interest bearing liabilities	0.0	-4.9	-68.7
Interest bearing liabilities	0.0	0.0	-35.1
Deferred tax liabilities	-3.8	0.0	-9.7
<b>Net assets and liabilities</b>	<b>17.4</b>	<b>19.9</b>	<b>92.9</b>
Non-controlling interests	-2.5	0.0	-9.9
Fair value of earlier holdings	0.0	0.0	-12.9
Goodwill	-4.5	7.9	101.9
<b>Consideration</b>	<b>10.4</b>	<b>27.7</b>	<b>172.0</b>

<b>Acquisition of business - net cash impact,</b>	<b>6M</b>	<b>6M</b>	<b>12M</b>
<b>SEK m</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
Cash consideration	10.4	27.7	146.4
Less cash balances acquired	0.0	-7.7	-46.8
Less redemption of loans	0.0	0.0	28.2
<b>Net cash impact - investing activities</b>	<b>10.4</b>	<b>20.1</b>	<b>127.8</b>

The acquisition analysis is preliminary, meaning that the fair value and the final purchase price allocation analysis has not been conclusively determined for all items. Compared with the previously preliminary acquisition analysis, the goodwill decreased while intangible assets and deferred tax liabilities increased due to the recognition of customer relations and trademark. The final analysis is expected to in all material aspects, be in line with the preliminary.

### Divestments and disposals

During the first quarter, the wholly owned subsidiary Nordic Takvård AB was closed. The capital loss has been reported in other operating expenses and amounts to SEK -5.3 million. The closure has no material effects on the Group's sales or earnings.

During the first quarter, operations in the wholly owned subsidiary Nordic Build A/S were divested. The capital loss has been reported in other operating expenses and amounts to SEK -8.9 million. The closure has no material effects on the Group's sales or earnings.

### Call/put options

The fair value of options is based on probability weighted payments discounted at its present value. For more information see Note 5 – Financial Instruments. Material non-observable input comprise:

- average EBITDA for 2022-2024
- average EBITDA for 2025-2026
- discount rate of 14,6%
- average EBITDA for 2022-2024
- discount rate of 10,8%
- average EBITDA for 2023-2024
- discount rate of 11,3%

The estimated fair value increases the higher the growth in EBIT, EBITDA and lower discount rate. A 2 percent increase (decrease) in the discount rate would not have any significant impact on the fair value of the call/put options.

## Definitions and reconciliations

### Key performance indicators not defined according to IFRS

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.

For a complete file with definitions and reconciliations of KPI's, see

<https://www.nordicwaterproofing.com/en/section/investors/interim-reports/>



## 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, through part-owned companies in Norway and Sweden 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, Byggpartner, SealEco, Distri Pond, Taasinge Elementer, RVT, EG-Trading, Vesikattopalvelu, Gordon Low, Annebergs Limtrae, Urban Green and Veg Tech. Nordic Waterproofing Holding AB 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

Interim report, January-September 2023

26 October 2023

### Further information can be obtained from

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This interim report is information that Nordic Waterproofing Holding AB 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, on 20 July 2023, 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.

The English version is a translation of the Swedish original. In the event of any differences, the Swedish version applies.

