




# SALES LAST 12 MONTHS ABOVE MILESTONE OF SEK 4 B FOR THE FIRST TIME

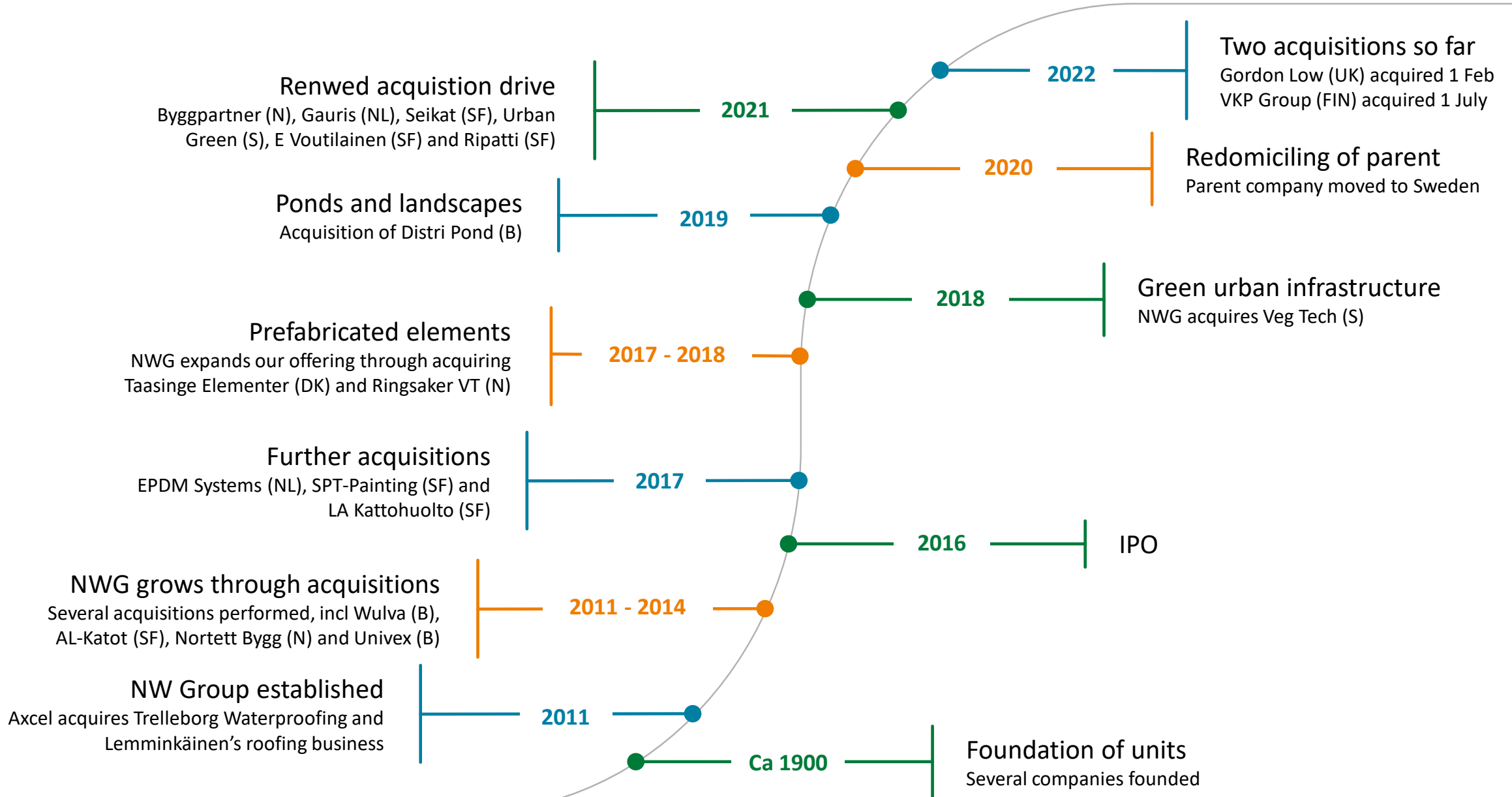
 Date 2022.09.13

**ABG Investor day**  
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.

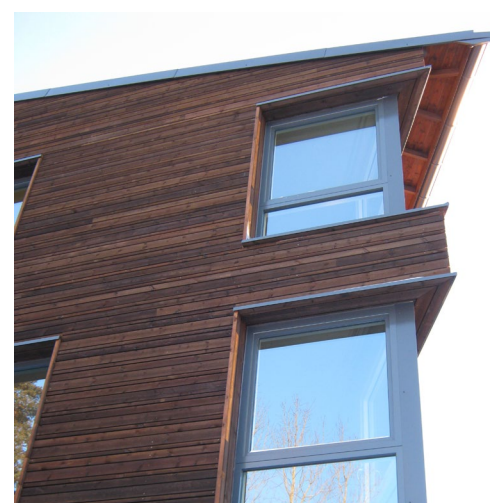
**NORDIC**   
**WATERPROOFING**

# Our story



# Our products

Wide range of application areas

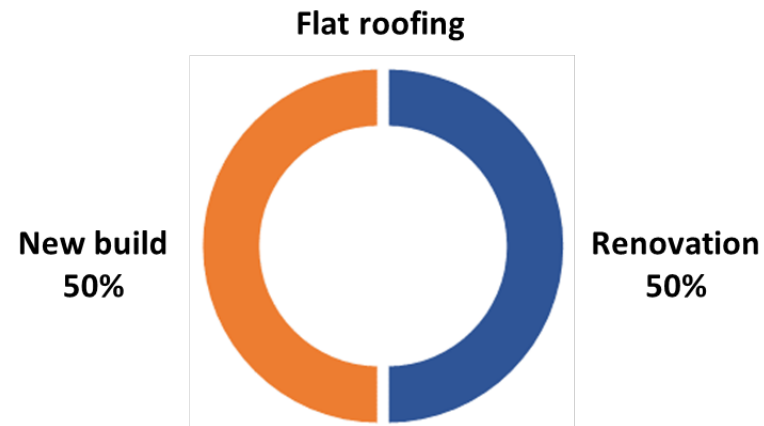


## Our services – installation, contracting and maintenance

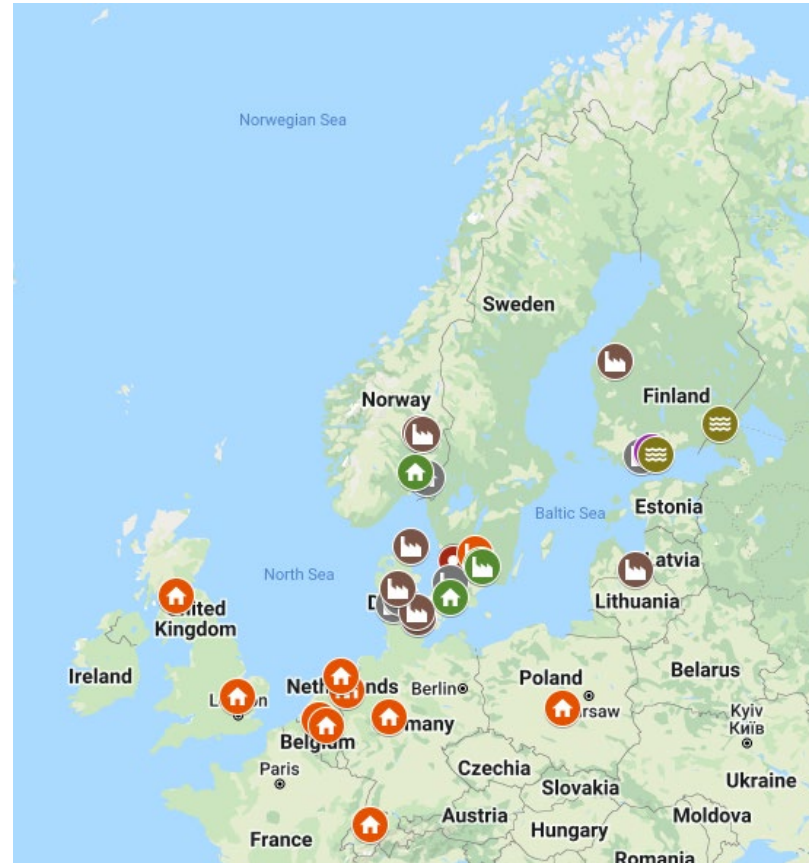
- Waterproofing material
- Pre-fabricated roof and facade elements
- Flooring
- Green infrastructure
- Metallic facades and eaves
- Solar panels



**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 CO<sub>2</sub>-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 and Finland)
- 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



## Acquisition of VKP Group (VKP)

- VKP provides roofing and waterproofing services and is headquartered in Kajaani in northeast Finland.
- VKP has 75 employees and an annual turnover of EUR 9 m.
- 70% of the shares in VKP was acquired 1 July 2022.
- The acquisition will, together with our existing Installation Services businesses, complete our geographical coverage of roofing services in the Finnish market.

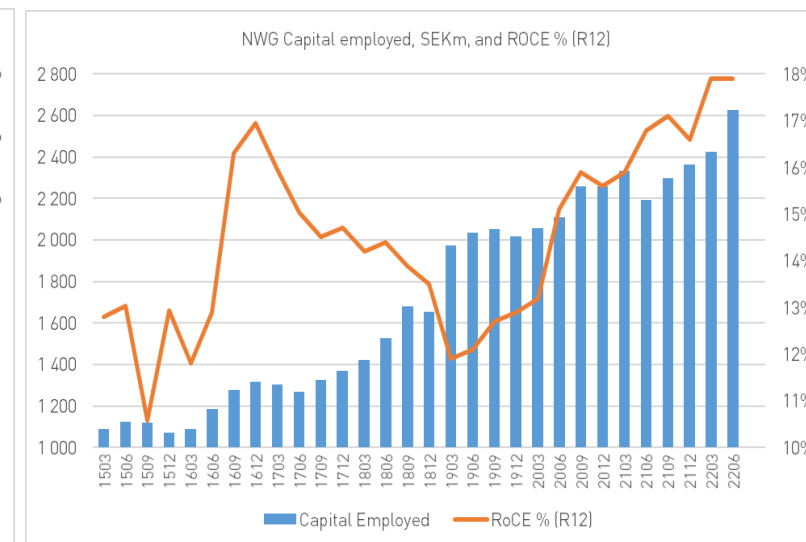
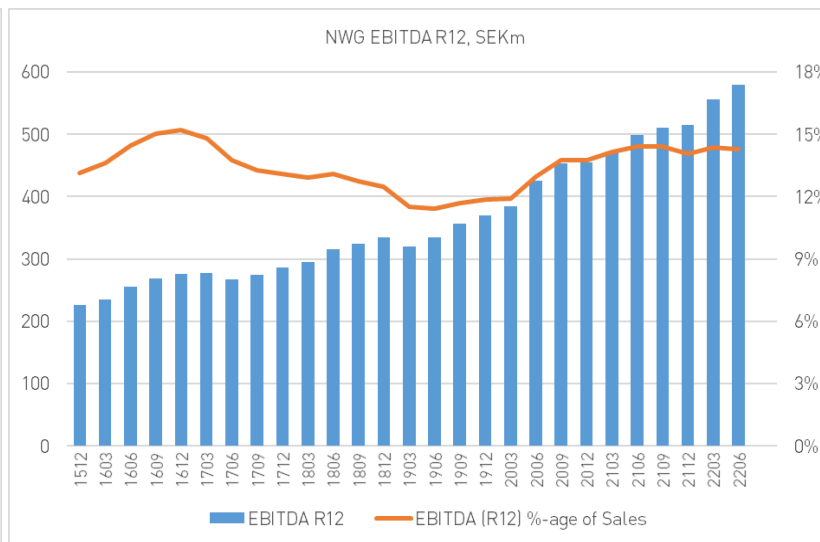
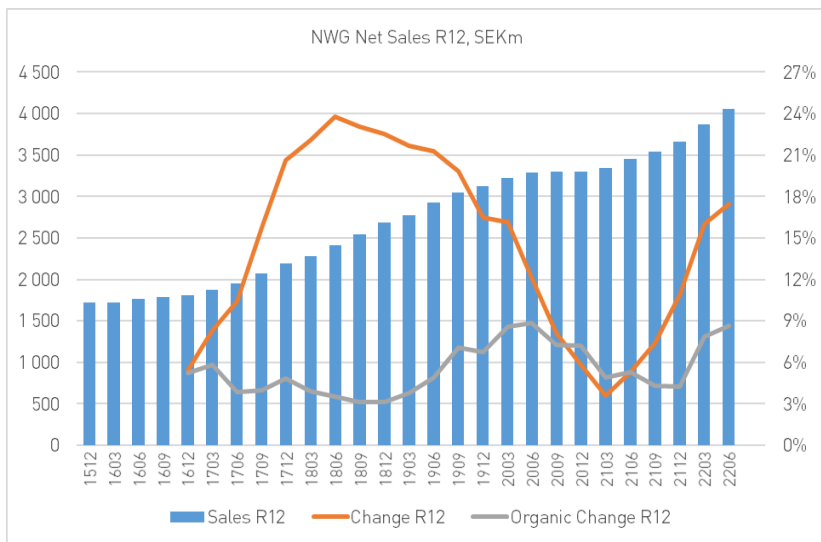




## Acquisition of EG-Trading

- EG-Trading is growing sedum and offers a wide variety of different landscaping products and is headquartered in Tammisaari in southern Finland
- EG-Trading has 15 employees and an annual turnover of EUR 3 m.
- 70% of the shares in VKP agreed to be acquired 1 October 2022.
- This acquisition will, together with our existing green infrastructure businesses, expand our geographical coverage of green infrastructure and landscaping solutions in the Nordic market.





- Sales at SEK 4,060 m R12 Q2 2022, more than doubled since IPO
  - Ca 1/3 of growth organic
  - Ca 2/3's of growth from acquisitions
- 85% of sales in the Nordic countries

- EBITDA at SEK 580 m R12 Q2 2022
- Profitability lower in 2017-19 due to input prices on material and lower result initially from acquisitions
- Higher profitability in 2020-22 due to positive impact from the pandemic, well managed cost inflation and operational improvements

- RoCE at the end of Q2 2022 at 17.9%, 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.

## 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.



**Q2 2022**

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## Sales last 12 months above milestone of SEK 4 B for the first time

- Net sales of SEK 1,255 m (1,067), increase of 18%
  - 11% organic growth (whereof price 13%)
  - 4% from acquisitions
  - 3% from currency effects
- EBITDA increased to SEK 216 m (192), up 13%
- Operating profit (EBIT) increased to SEK 180 m (160), up 13%
- Cash flow from operating activities was SEK 38 m (114).
- Earnings per share SEK 5.82 (4.80)



## Q2 Highlights and comments 1 (2)

- **Demand** has remained stable but limited signs of slowdown in new build have appeared
  - On a good level for the **roofing business** on all markets
  - Order books for **Installation Services** continues to be on a high level
  - Weaker demand from new build expected to impact 2023
- The **bitumen-based** waterproofing business as well as **SealEco** showed double-digit growth.
- **Prefabricated elements** had a flat development in sales compared to last year with a stronger development on the Danish market.
- Our **Green infrastructure** showed strong positive organic growth in the quarter.
- In the **Installation Services** operating segment, where sales are mainly generated in Finland, net sales increased organically by 5 percent.



## Q2 Highlights and comments 2 (2)

- Dramatic input cost inflation has had an effect on both business segments.
  - In Products & Solutions we have to a large extent 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.
  - Within a relatively fluid macro environment, we are seeing a stabilization of input costs and additional signs of somewhat slower construction demand
- We have been able to increase our market share in most of our business units.
- Continued active acquisition drive:
  - **VKP Group (FIN):** A roofing and waterproofing services contractor and service provider located in Kajaani, northeast Finland, was acquired 1 July 2022.
  - Remaining 33% of the shares in SealEco B.V. acquired in April, first tranche acquired in 2017.
  - Remaining 16% of the shares in E. Voutilainen Oy acquired in May, first tranche acquired in 2021.



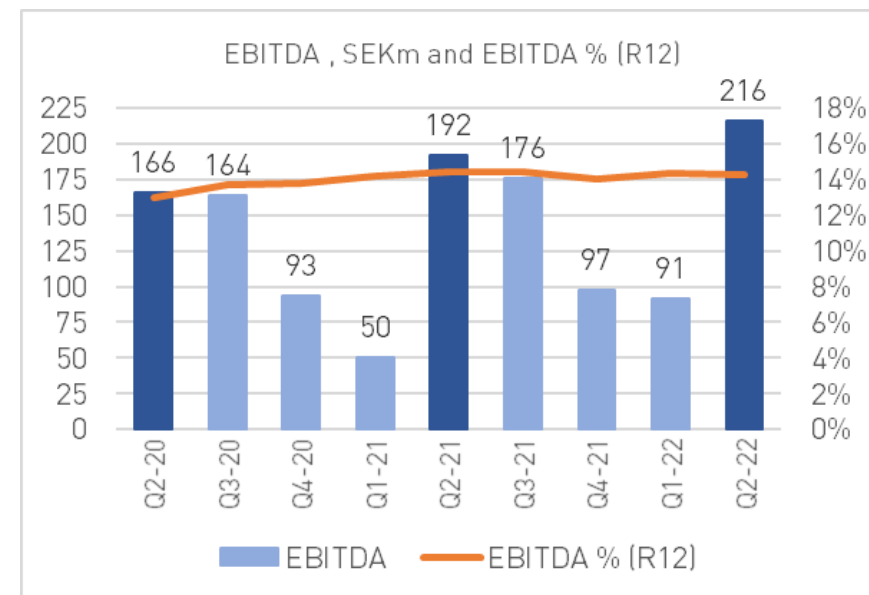
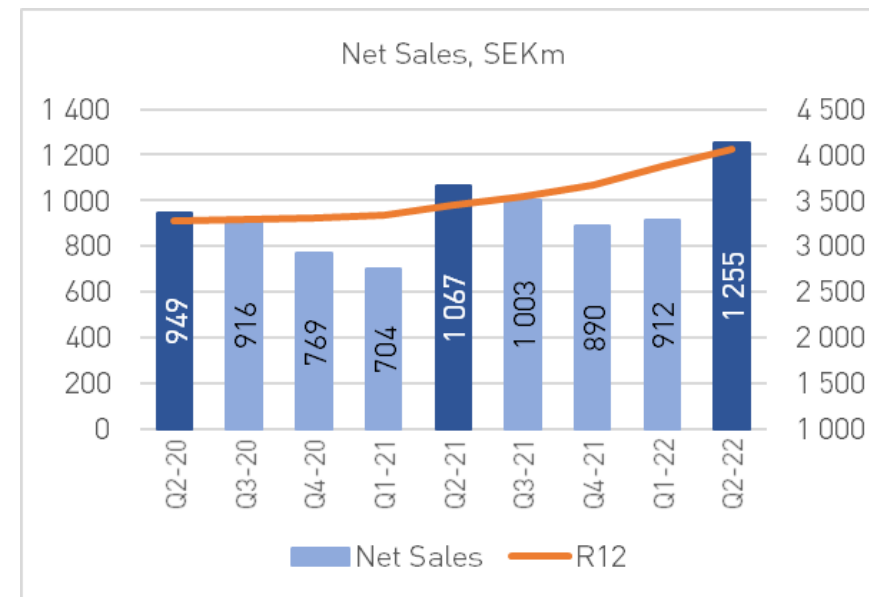
## Second quarter report

### Net sales of SEK 1,255 m (1,067) up 18%

- Organic growth of 11%, positive impact from price increases of 13% while volume -2%
- Acquisitions contributed with 4%
- Currency had an impact with 3%
- Net Sales on R12 basis SEK 4,059 M

### EBITDA increased to SEK 216 m (192) and Operating profit (EBIT) increased to SEK 180 m (160)

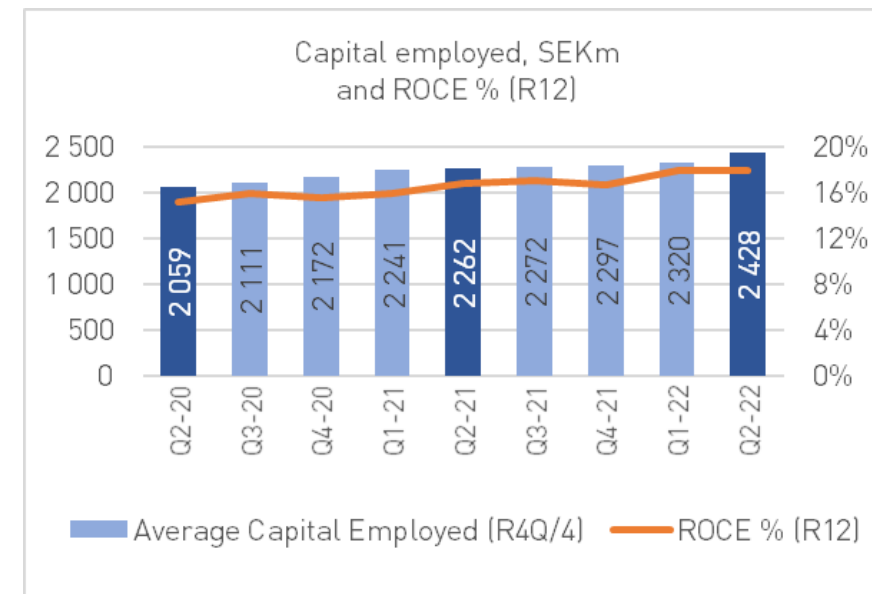
- EBITDA margin decreased to 17.2 percent (18.0) in the second quarter. On a R12-basis the margin is 14.3%.
- Increase in EBITDA explained by positive development within Products & Solutions, while the EBITDA for Installation Services was unchanged.





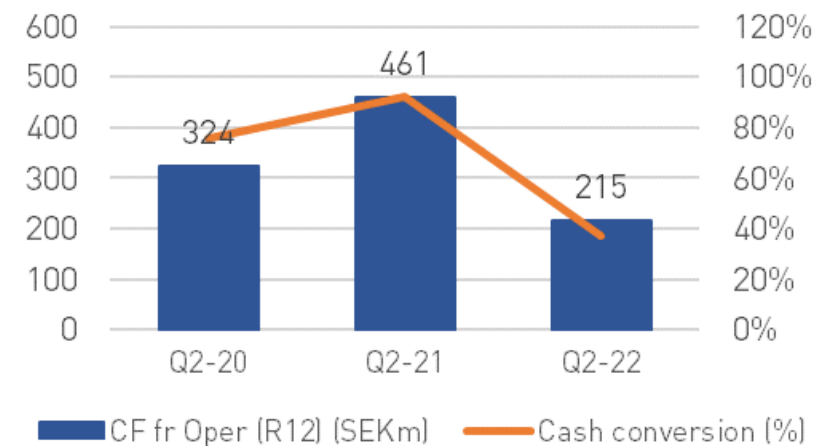
### RoCE 17.9% (16.8%) unchanged from Q1

- RoCE at all-time-high value
- Improvement in RoCE driven by improved operating result
- Increase in capital employed from higher cost and prices, increased activity and acquisitions



### Cash flow from Operations (R12) decreased to SEK 215 m (461) and Cash conversion decreased to 37% (92%)

- Decreased cash flow and cash conversion explained by
  - increased accounts receivable in line with price increases made
  - increased inventory due to securing raw material availability, higher input costs and higher finished product levels to secure our delivery capabilities.
  - Increase in inventory from same time last year of ca SEK 260 m consist of 135 from cost inflation, 85 from volume, 20 from acquisitions and 20 from currency effects.



## Questions

Further information:

**Per-Olof Schrewelius, CFO & IR**

- 25 October 2022; Interim report January-September '22

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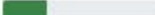


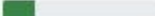


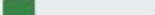


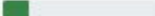


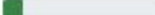





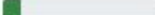


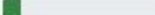


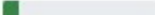


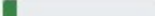


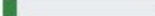


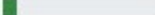


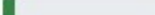


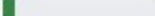
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# APPENDIX

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## Shareholders as per 31 August 2022

#	Ägare ↑	↑ NWG	↑ Värde (MSEK)	↑ Kapital
1	+  Kingspan Group PLC	5 805 641 	963,7	24,11% 
2	+  Handelsbanken Fonder	1 598 969 	265,4	6,64% 
3	+  Alcur Fonder	1 209 583 	200,8	5,02% 
4	+  Tredje AP-fonden	1 200 000 	199,2	4,98% 
5	+  Carnegie Fonder	964 932 	160,2	4,01% 
6	+  Cliens Fonder	713 200 	118,4	2,96% 
7	+  Danske Invest	710 407 	117,9	2,95% 
8	+  Länsförsäkringar Fonder	650 587 	108,0	2,70% 
9	+  ODDO BHF Asset Management	625 007 	103,8	2,60% 
10	+  RAM Rational Asset Management	548 821 	91,1	2,28% 
11	 Avanza Pension	519 293 	86,2	2,16% 
12	+  Dimensional Fund Advisors	490 714 	81,5	2,04% 
13	+  Canaccord Genuity Wealth Management	481 643 	80,0	2,00% 
14	+  Lannebo Fonder	446 112 	74,1	1,85% 
15	+  Futur Pension	428 625 	71,2	1,78% 

## Share details

- Ticker symbol NWG
- ISIN code SE0014731089
- Sector Construction & Materials
- Number of shares of SEK 1.00 24,083,935
- Treasury shares 84,097
- Voting & ownership restrictions None
- Current market cap SEK 4,100 million (9 September 2022)
- 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 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)



**Hannele Arvonen**  
Board member

Relevant experience:  
CEO and partner of Flooré AB, board member of Södra Skogsägarna  
Previously CEO of Sveaskog and Setra Group, different senior executive positions within Holmen and Metsä Board. (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 (237,936 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. (22,017 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 (23,926 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)



**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 (6,837 shares)



**Thomas Zipfel, Head of SealEco**

Joined NWG in 2009

Previous experience: 20 years of experience of managing positions including Trelleborg Waterproofing Polymeric Membranes (14,439 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 (20,433 shares)

\* Including related parties





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