



SUBDUED QUARTER DUE TO HARSH WEATHER AND WEAKER DEMAND IN FINLAND AND NORWAY

1 January – 31 March 2024

 Date 2024.04.25

Earnings conference call

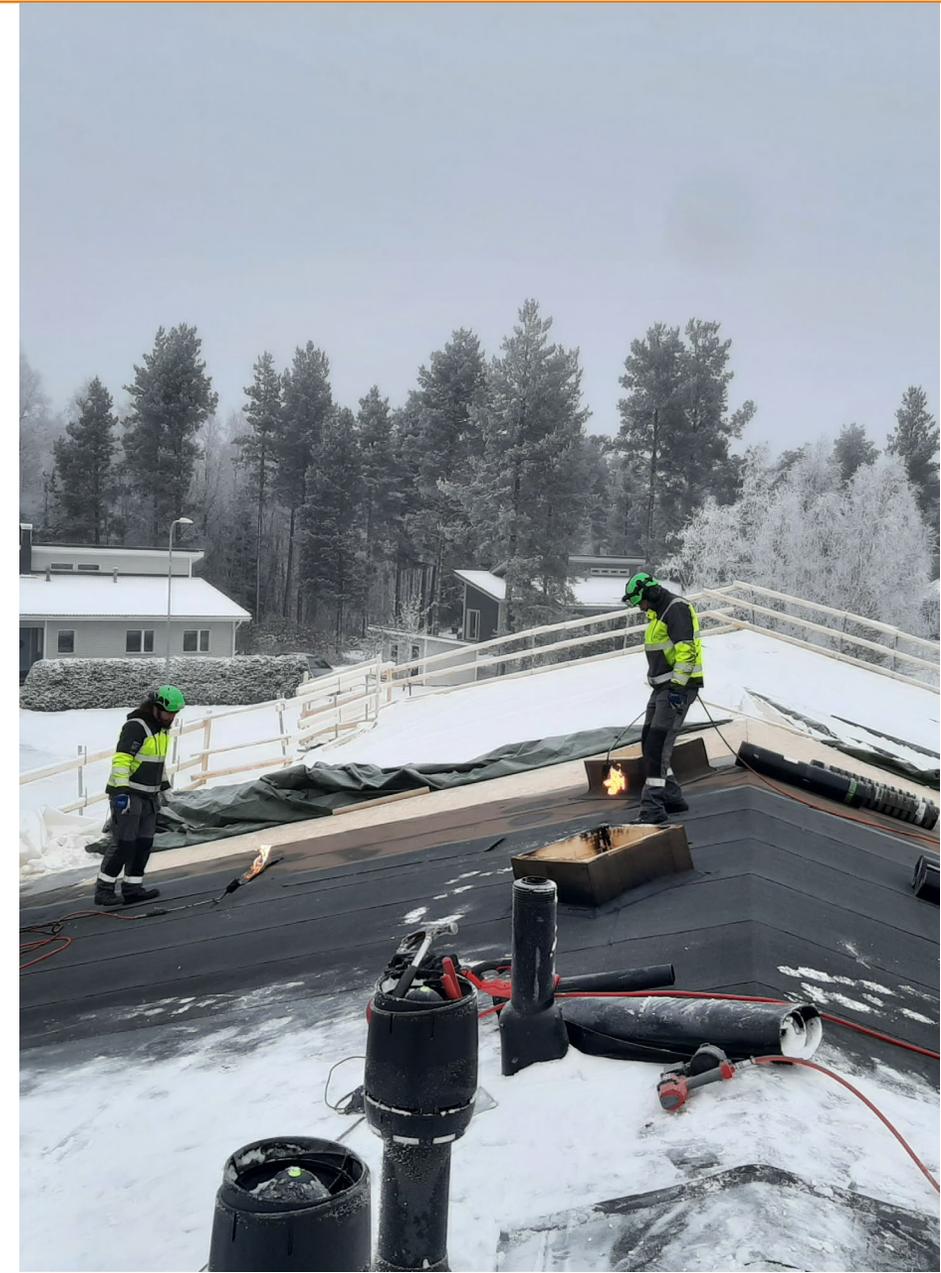
Martin Ellis (CEO) & Palle Schrewelius (CFO & IR)

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.

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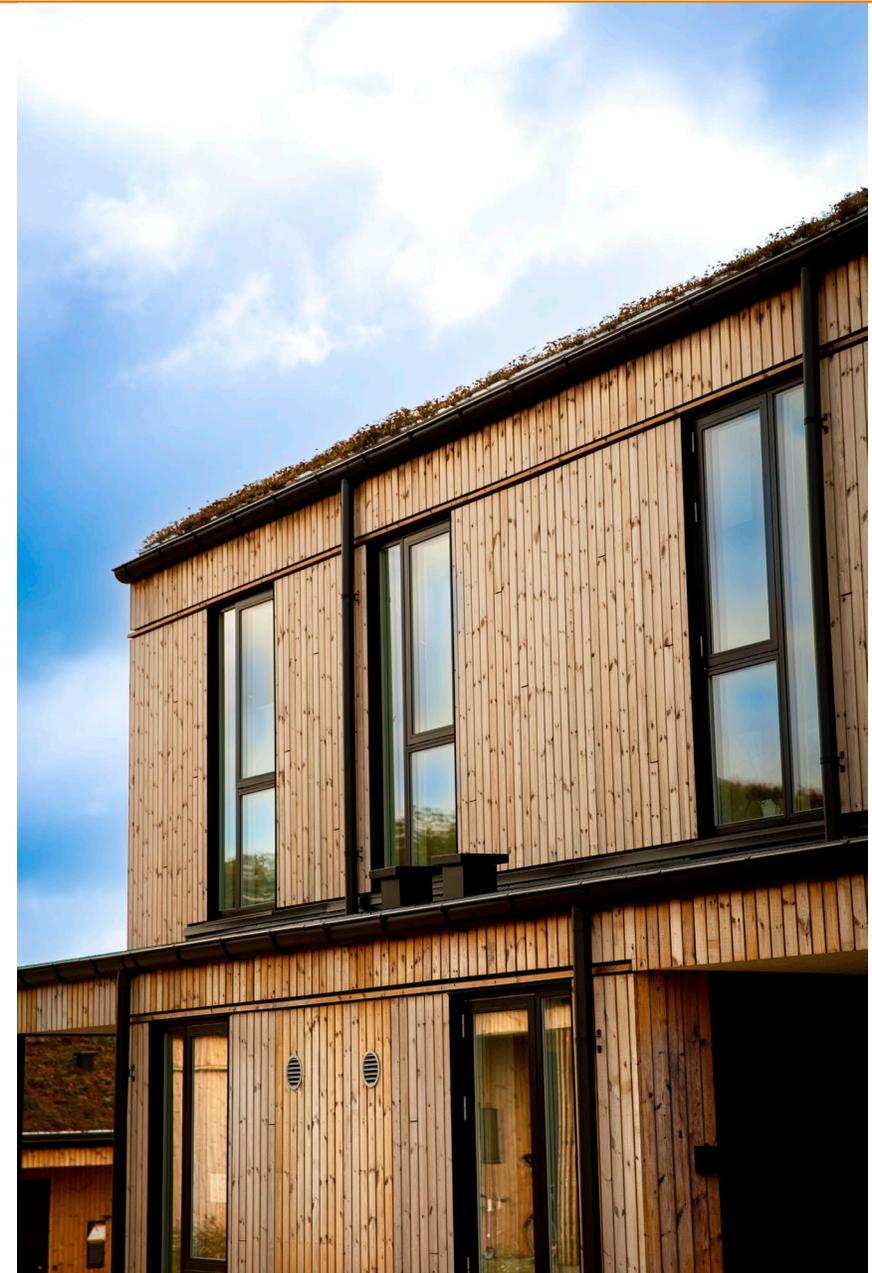
Subdued quarter due to harsh weather and weaker demand in Finland and Norway

- 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

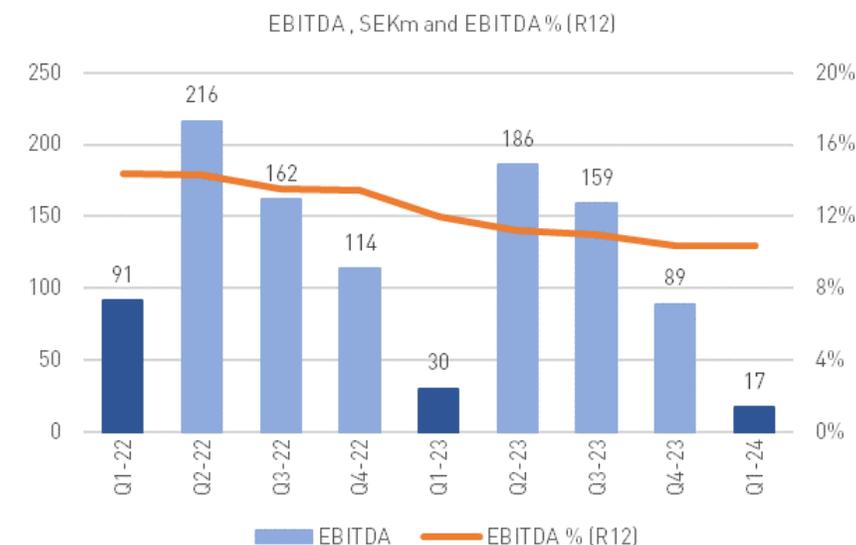
Net sales decreased to SEK 804 m (911)

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)**

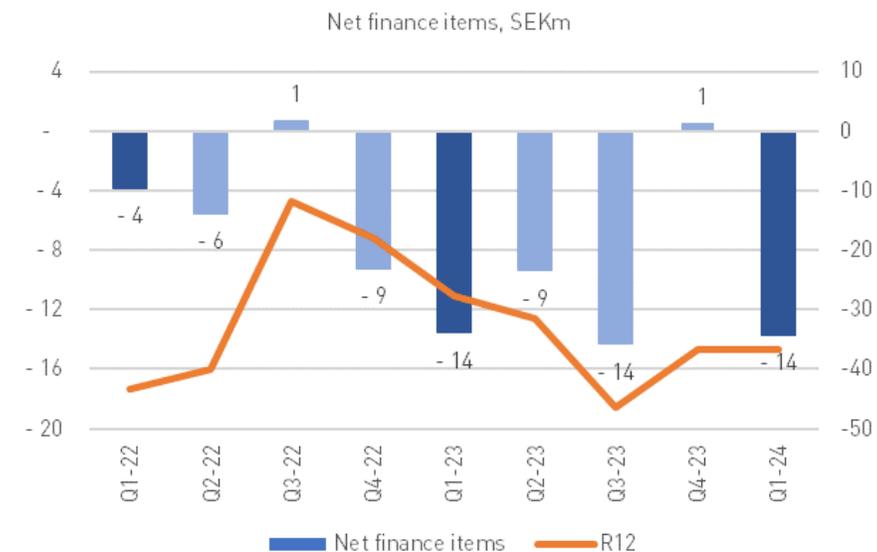
- EBITDA margin decreased to 2.1 percent (3.3) in the first quarter. On a R12 basis EBITDA margin at 10.4%
- Advisory costs related to mandatory offer of SEK -6.4 m



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

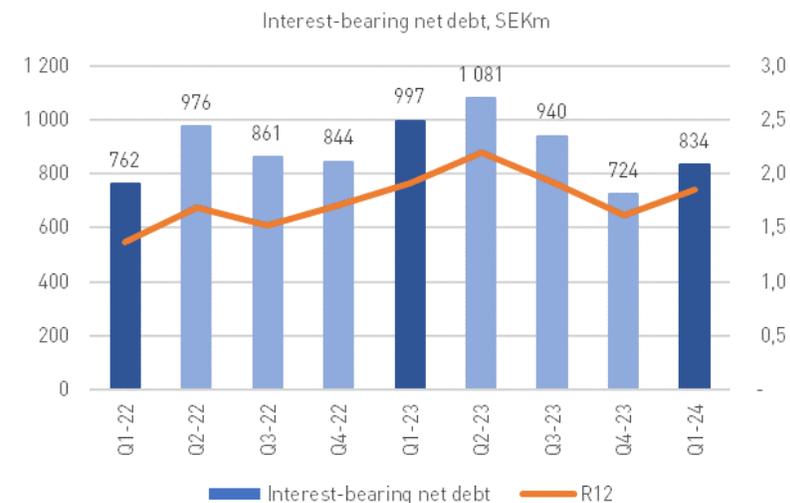
- Gross margin for quarter was 23.7% (22.1%)
- Net financial items in quarter SEK -14 m (-14) whereof interest cost -13 (-10)
- EBIT margin for quarter was -2.6% (-1.3%), for LTM 6.5%



Balance sheet

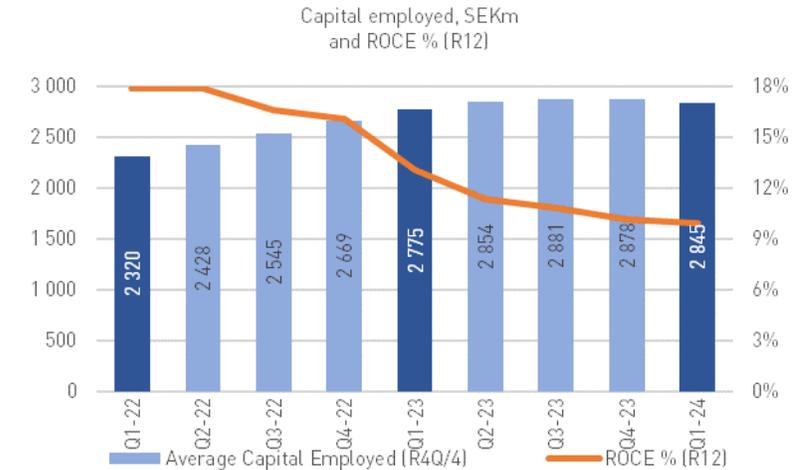
SEKm	2024-03-31	2023-03-31	2023-12-31
Non-current assets	2,100	2,142	2,092
Current assets	1,487	1,594	1,542
Total assets	3,586	3,736	3,634
Equity	1,799	1,731	1,777
Non-current liabilities	1,027	1,079	1,020
Current liabilities	760	925	837
Total equity and liabilities	3,586	3,736	3,634
Capital employed	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.



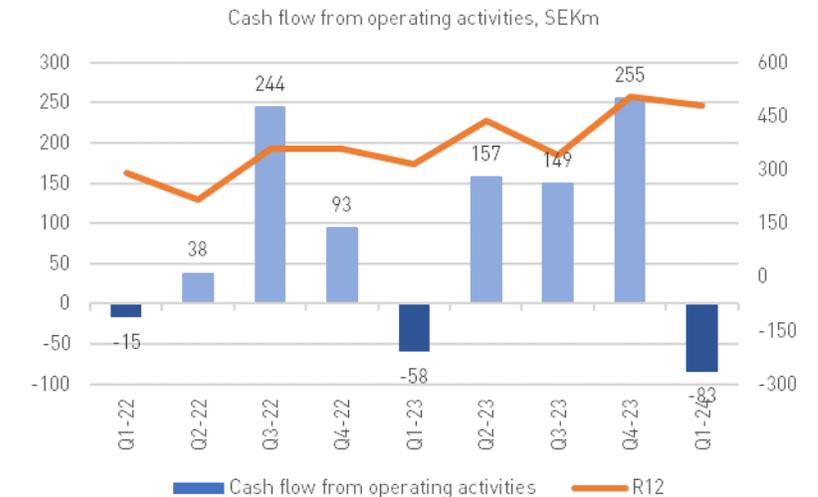
RoCE 10.0% (10.2%)

- 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 increased to 108% (62%)

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



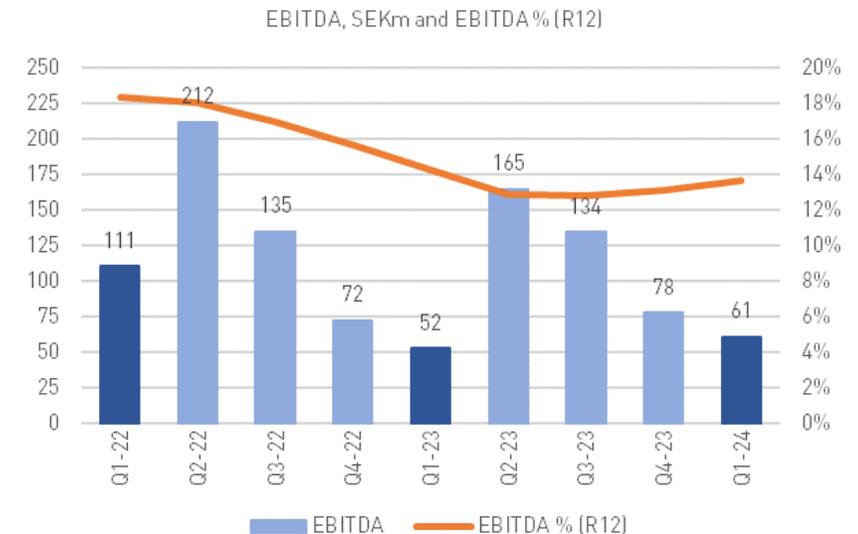
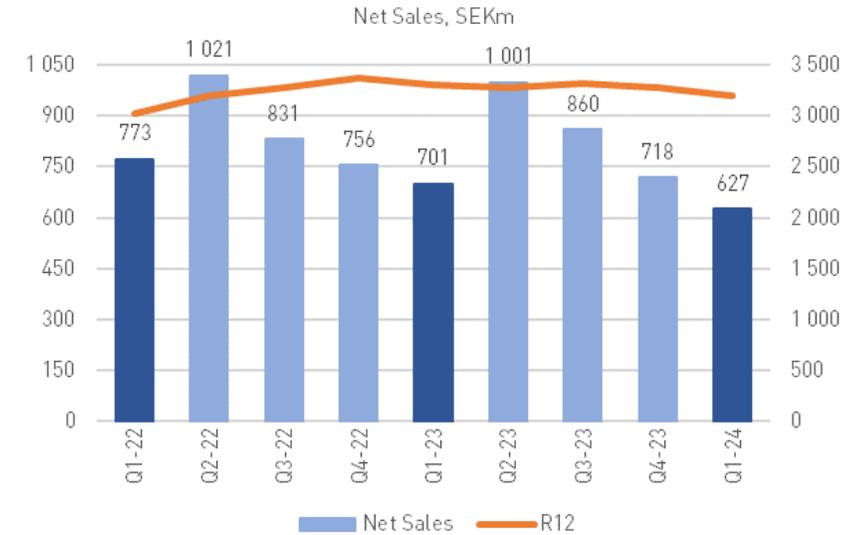
Products & Solutions

Net sales of SEK 627 m (701), decrease by -11%

- All development organic, no impact from currency or acquisitions
- Some areas managed a flat development of sales, like SealEco, Taasinge Denmark and the membrane business in Sweden
- Net Sales R12 at SEK 3,206 M

EBITDA increased to SEK 61 m (52) while Operating profit (EBIT) increased to SEK 31 m (22)

- EBITDA margin increased to 9.7 percent (7.5) in the first quarter.
- Generally, the businesses maintained or improved margins
- Improved EBITDA for the Taasinge group, impact of one-off in Q1 2023
- For the latest 12 months the margin is 13.7% (14.3).



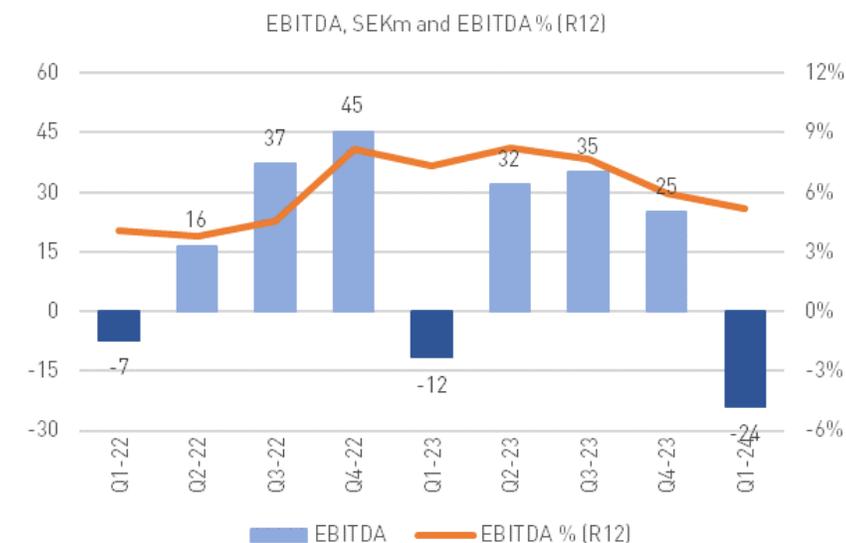
Installation Services

Net sales at SEK 202 m (239) decrease by -16%

- Organic development of -21%
- Impact from acquisitions 5%
- No currency effects.

EBITDA decreased to SEK -24 m (-12) while Operating profit (EBIT) decreased to SEK -32 m (-22)

- EBITDA margin decreased to -11.8 percent (-4.8) in the first quarter. For the latest 12 months the margin is at 5.2% (7.3).
- Our roofing activities in Finland saw reduced profit levels due to operational inefficiency from a harsh winter and weaker market.
- Result from the Norwegian entity on par with last year.
- Good result from Danish franchise network, however below a strong first quarter last year.



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

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:

Martin Ellis, CEO

Palle Schrewelius, CFO & IR

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

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APPENDIX

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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 4,000 million (23 April 2024)
- Contact Palle Schrewelius, CFO & investor relations
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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
(211,106 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
(25,742 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
(16,309 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
(19,748 shares)



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