

Solid quarter with signs of reduced demand

Third quarter of 2022

- Consolidated net sales increased by 13 percent to SEK 1,132 m (1,003), of which organic growth amounted to 4 percent, acquisitions 5 percent and currency effects 4 percent.
- Net sales in Product & Solutions amounted to SEK 831 m (746) and in Installation Services to SEK 337 m (281)
- Gross profit increased to SEK 317 m (298), Gross margin decreased to 28.0% (29.8%)
- EBITDA decreased to SEK 162 m (176), EBITDA margin decreased to 14.3% (17.5%)
- Operating profit (EBIT) decreased to SEK 128 m (140), EBIT margin decreased to 11.3% (14.0%)
- ROCE was unchanged 16.6 percent (16.6)
- Cash flow from operating activities amounted to SEK 244 m (101)
- Earnings per share before and after dilution were SEK 4.34 (3.58) and SEK 4.32 (3.56), respectively

January-September 2022

- Consolidated net sales increased by 19 percent to SEK 3,298 m (2,774), of which organic growth amounted to 10 percent, acquisitions with 5 percent and currency had an impact of 4 percent
- Net sales in Product & Solutions amounted to SEK 2,626 m (2,159) and in Installation Services to SEK 799 m (680)
- Gross profit increased to SEK 933 m (809), Gross margin decreased to 28.3% (29.2%)
- EBITDA increased to SEK 470 m (418), EBITDA margin decreased to 14.2% (15.1%)
- Operating profit (EBIT) increased to SEK 364 m (323), EBIT margin decreased to 11.0% (11.6%)
- Cash flow from operating activities amounted to SEK 266 m (127)
- Earnings per share before and after dilution were SEK 11.82 (8.89) and SEK 11.75 (8.83), respectively

Financial key ratios

Amounts in SEKm unless otherwise stated	Q3 2022	Q3 2021	Change	9M 2022	9M 2021	Change	R12 2022	12M 2021
Net sales	1,132	1,003	13%	3,298	2,774	19%	4,188	3,664
Gross profit	317	298	6%	933	809	15%	1,165	1,041
Gross margin %*	28.0%	29.8%	-1.8pp	28.3%	29.2%	-0.9pp	27.8%	28.4%
EBITDA*	162	176	-8%	470	418	12%	567	515
EBITDA margin, %*	14.3%	17.5%	-3.2pp	14.2%	15.1%	-0.8pp	13.5%	14.1%
EBIT	128	140	-9%	364	323	13%	423	382
EBIT margin, %*	11.3%	14.0%	-2.7pp	11.0%	11.6%	-0.6pp	10.1%	10.4%
Return on capital employed, %*	n/a	n/a	n/a	n/a	n/a	n/a	16.6%	16.6%
Net profit	104	86	21%	283	213	33%	327	256
Cash flow from operating activities	244	101	142%	266	127	109%	358	220
Net debt*	895	766	17%	895	766	17%	895	770
Earnings per share before dilution, SEK	4.34	3.58	21%	11.82	8.89	33%	13.64	10.71
Earnings per share after dilution, SEK	4.32	3.56	21%	11.75	8.83	33%	13.56	10.64

Conference call

A conference call for investors, analysts and media will be held today, 25 October 2022, at 10:00 a.m. CET and can be joined online at www.nordicwaterproofing.com. Presentation materials for the call will be available on the website one hour before the call.

To participate, please dial any of below numbers and use pin code 5813738#:

From the United Kingdom: +44 20 31 98 48 84
 From US: +1 412 317 6300
 From Sweden: +46 8 50 51 63 86

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 26.

Message from the CEO

Solid quarter with signs of reduced demand

Consolidated net sales in the third quarter increased by 13 percent compared to the previous year, from SEK 1,003 million to SEK 1,132 million. Organic growth was 4 percent of which 13 percent were sales price increases and volume development was -9 percent, the impact from acquisitions was 5 percent and currency translation effects were 4 percent. Organic growth was 5 percent in Products & Solutions and 3 percent in Installation Services.

EBIT for the third quarter amounted to SEK 128 million, compared to SEK 140 million last year. The negative development of the operating result is explained by few areas within Products & Solutions not matching the high margins they had previous year when the market situation was more favorable, while Installation Services had a profit well above third quarter last year.

Our ROCE at 16.6 percent (16.6) remains significantly above the threshold of 13 percent. Cash flow from operating activities amounted to a strong SEK 244 M (101), driven by improvements in both operating receivables and liabilities.

Within a relatively fluid macro environment, we are seeing a stabilization of input costs, in some cases a decrease. We have good availability of input materials and short-term see no risk of disturbances in the supply chain. Our forecast for new build on our main markets is now slightly negative, while demand for renovation seems to remain stable. In this macro economic situation there are more uncertainties for the future than normally. Contingency plans are in place to mitigate the consequences of any negative development.

During the quarter we made two acquisitions in Finland and one in Denmark.

The Products & Solutions operating segment grew by 11 percent (7). Organic growth was 5 percent (4) of which 15 percent were related to sales price increases and volume development was -9 percent, the impact from acquisitions was 2 percent and currency translation effects were 3 percent.

The Bitumen-based waterproofing business showed growth on all the four Nordic markets. SealEco, our synthetic rubber waterproofing business, also showed sales growth, however at a lower rate.

In our prefabricated wooden elements business, Taasinge group had a negative development of sales both in Denmark and Norway while Seikat in Finland had a strong positive sales development. We maintain strong order books in all three markets.

Sales development of our green infrastructure businesses, sold under the brands Veg Tech and Urban Green, was on the same level as the same period previous year.

The Installation Services operating segment grew by 20 percent (13) to a quarterly all-time high of SEK 337 M. Organic growth was 3 percent (-8), of which 6 percent was sales price increases and volume development was -3 percent, the impact from acquisitions was 12 percent and currency translation effects were 5 percent.



Martin Ellis,
President and CEO

Jan-Sep 2022

Net sales:
SEK 3,298 m (2,774)

EBITDA:
SEK 470 m (418)
14.2% (15.1%)

EBIT:
SEK 364 m (323)
11.0% (11.6%)

ROCE (R12):
16.6% (16.6%)

The majority of this business within Installation Services is conducted in Finland where we saw growth and improved margins for our roofing business.

Our roofing business in Norway had a strong double-digit growth.

Our Danish franchisees continue to experience a strong market and the third quarter EBIT contribution was above last year.

On 1 July we acquired 70 percent of the shares in the VKP Group, a group headquartered in Kajaani in northeast Finland providing roofing and waterproofing services. The acquisition goes towards completing our geographical coverage in Finland.

On 14 September we acquired Annebergs Limtrae A/S, a glulam component manufacturer in Lunde in Southwest Jutland. The acquisition allows us to upstream integrate the glulam supply to the Taasinge Group, and extend our presence in wood-based construction solutions.

On 3 October we acquired 70 percent of the shares in EG Trading, a company headquartered in Tammisaari in southern Finland growing sedum and offers a wide variety of different landscaping products. The acquisition extends our geographic presence in the green infrastructure solutions.

We continue to focus on organic growth, profitability, sustainability, and selective acquisitions. Our balance sheet is strong, and we continue to have the capacity to carry out acquisitions. We have a strategic focus to promote sustainable building solutions and enhance our service and product portfolio.

Helsingborg, 25 October 2022



Martin Ellis,
President and CEO

The Group

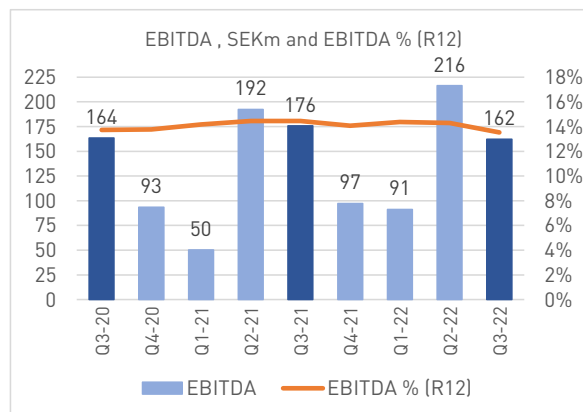
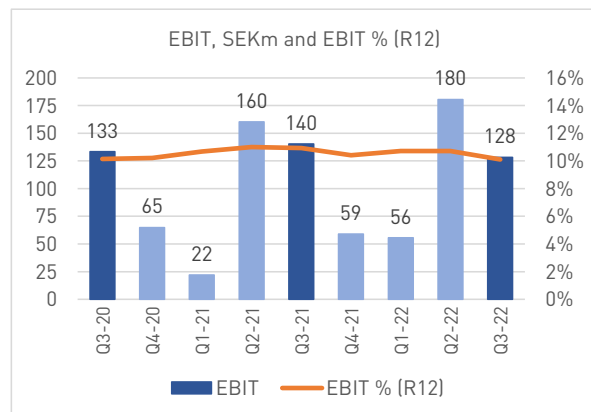
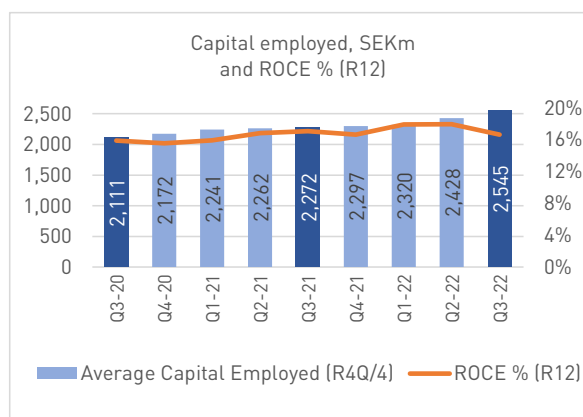
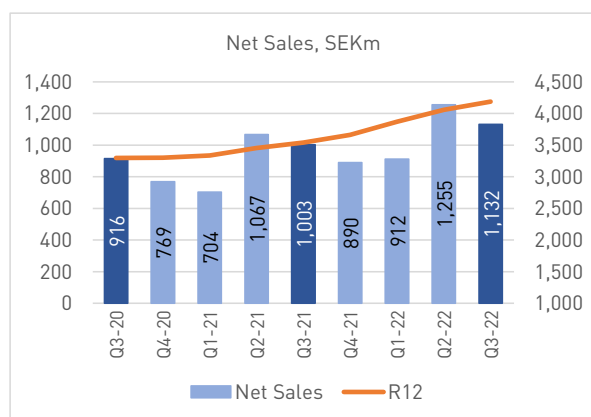
Net sales

Consolidated net sales for the third quarter increased by 13 percent to SEK 1,132 m (1,003). Organic growth was 4 percent, of which 13 percent was sales price increases and volume development was -9 percent, impact from acquisitions was 5 percent and currency translation effects were 4 percent.

Net sales for the period January – September increased by 19 percent to SEK 3,298 m (2,774). Organic growth was 10 percent, of which 12 percent was sales price increases and volume development was -2 percent, sales in acquired companies contributed by 5 percent and currency translation effects were affecting net sales by 4 percent.

Analysis of net sales	Q3 2022 (%)	Q3 2022 (SEK m)	9M 2022 (%)	9M 2022 (SEK m)
Previous period		1,003		2,774
Organic growth	4%	37	10%	289
Structural effects	5%	51	5%	135
Currency effects	4%	40	4%	100
Current period	13%	1,132	19%	3,298

Sales in Denmark increased by 11 percent in the third quarter compared with the corresponding period in the preceding year whereof organic growth was 6 percent, acquisitions 1 percent and currency changes had a positive impact with 5 percent. In Sweden sales was on same level as last year with a good development for the waterproofing membranes while weaker for other product areas. Sales in Norway increased by 23 percent whereof organic development was 15 percent and currency changes had a positive impact with 8 percent. In Finland sales increased by 23 percent in the quarter whereof impact from acquisitions was 12 percent, organic development was 6 percent and currency translation effects were positively affecting by 5 percent. Sales to other countries in Europe increased by 4 percent in the quarter.



Operating profit (EBIT), EBITDA and ROCE

Operating profit (EBIT) for the third quarter decreased to SEK 128 m (140) and the EBIT margin decreased to 11.3 percent (14.0).

Operating profit (EBIT) for the period January - September increased to SEK 364 m (323) and the EBIT margin decreased to 11.0 percent (11.6).

EBITDA for the third quarter decreased to SEK 162 m (176) and the EBITDA margin decreased to 14.3 percent (17.5). EBITDA for the period January - September increased to SEK 470 m (418) and the EBITDA margin decreased to 14.2 percent (15.1).

Return on capital employed (ROCE) on a rolling 12 months basis was 16.6 percent (16.6) after the third quarter, exceeding our long-term financial target of 13.0 percent. The increase is mainly explained by the improved profitability.

Net financial items

Net financial items for the third quarter of 2022 amounted to SEK 1 m (-28). The positive development is mainly explained by a positive impact from updates on earn-outs and valuations for the written put options to buy outstanding shares in not wholly owned subsidiaries versus a negative development last year and a negative impact from currency exchange rates. Increased interest cost has had a negative impact of SEK -2 M.

Net financial items for the period January - September amounted to SEK -9 m (-44). The positive development is mainly explained by a positive impact from updates on earn-outs and valuations for the written put options to buy outstanding shares in not wholly owned subsidiaries versus a negative development last year and a minor negative impact from currency exchange rates.

Profit or loss before and after tax

The profit before tax for the third quarter amounted to SEK 129 m (113) and profit after tax amounted to SEK 104 m (86). The effective tax rate was 19.2 percent in the quarter.

The profit before tax for the period January - September amounted to SEK 356 m (279) and profit after tax amounted to SEK 283 m (213). The effective tax rate was 20.4 percent.

Impact from Russian war on Ukraine

The direct impact on our Group from the Russian war on Ukraine has been limited. We have neither any subsidiaries nor any employees in these countries and sales in 2021 were insignificant. It is likely that there is an indirect impact through additional input cost inflation. The availability of input material has not yet been affected. It cannot be ruled out that we will see a negative impact from additional input cost inflation, as well as potential shortage of input materials creating direct or indirect disturbances of our supply chain.

The impact on the Group from turbulence in the financial markets and volatility in exchange rates has had only a limited impact. We have identified an increased risk of cyberattacks and have further strengthened our protection and preparedness against this type of attack against the Group.

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 Covid-19 pandemic is a continued risk and an uncertainty for the development of our business. Currently the consequences are mainly an increased cost inflation on input materials and an increased risk of shortage of material at work sites.

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 have appealed the court's decision, however one of them has been filed for bankruptcy in the meantime and is now under custody.

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 2021 Annual Report.

Cash flow

Cash flow from operating activities during the third quarter was SEK 244 m (101). The improved cash flow is mainly explained by a positive development for both operating receivables and liabilities due to increased focus on these areas. The inventory value has increased due to increased material prices, higher inventories of raw materials and finished goods to ensure our delivery capability.

Cash flow from investing activities during the third quarter was SEK -109 m (-90).

Cash flow from financing activities during the third quarter was SEK -17 m (-13).

Investments and depreciations

Gross investments excluding acquisitions during the third quarter of 2022 amounted to SEK 16 m (24), while depreciation amounted to SEK -16 m (-14). Right-of-use depreciations relating to IFRS 16 amounts to SEK -10 m (-14). Amortizations of intangible assets amounted to SEK -8 m (-7), primarily consisting of amortizations of customer relations in the acquired companies.

Gross investments excluding acquisitions during January - September 2022 amounted to SEK 61 m (60), while depreciation amounted to SEK -44 m (-40). Right-of-use depreciations relating to IFRS 16 amounts to SEK -39 m (-38). Amortizations of intangible assets amounted to SEK -22 m (-18), 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. An option to extend the existing agreement with one year was utilised during the second quarter of 2022. 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. During the second quarter has a loan of SEK 160 m been utilized under this 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 third quarter Nordic Waterproofing is compliant with the covenants as per the facility agreement.

The consolidated interest-bearing net debt amounted to SEK 861 m at the end of the period, compared with SEK 677 m at the end of 2021 and SEK 675 m at the end of corresponding period in the preceding year. The increase in net debt of SEK 184 m compared to the end of 2021 is mainly explained by the additional loan utilized during the second quarter.

Consolidated cash and cash equivalents amounted to SEK 225 m (195) at the end of the period. SEK 0 m (0) of the Group's total overdraft facility of SEK 157 m (147) was utilized at the end of the quarter.

Indebtedness calculated as net interest-bearing debt/EBITDA during the most recent twelve-month period was 1.5x (1.3x) at the end of the period, and the net debt/equity ratio was 0.5x (0.5x).

Pledged assets and contingent liabilities

There were no significant changes during the period.

Employees

The average number of employees during the third quarter of 2022 (expressed as full-time equivalents) was 1,455 compared with 1,383 during the same period in the preceding year. The increase is driven by performed acquisitions.

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

Significant events during the period

- On 1 July 2022 it was announced Nordic Waterproofing Group had acquired 70 percent of the Finnish company VKP Holding Oy ("VKP"). The company carries out different kinds of roofing and waterproofing services and is specialized in all types of roof renovation and maintenance activities. The acquisition is expected to have a minor positive effect on Nordic Waterproofing's earnings per share in 2022.
- On 2 September 2022 it was communicated that Nordic Waterproofing group has signed an agreement to acquire 70 percent of the Finnish company EG-Trading Oy. A company growing sedum that 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.
- On 14 September Nordic Waterproofing Group acquired 100 percent of the Danish company Annebergs Limtræ A/S. With this acquisition, Taasinge Elementer strengthens its value chain through its own production of important components in glulam. Taasinge Elementer thus continues the strategic process that will equip the company to take advantage of the opportunities in a growing market for sustainable building solutions. The acquisition is expected to have a minor positive effect on Nordic Waterproofing's earnings per share in 2022.

Significant events after the reporting period

- As previously communicated on 2 September 2022, Nordic Waterproofing Group had signed an agreement to acquire 70 percent of the Finnish company EG-Trading Oy ("VKP") which was completed on 3 October.

Financial targets

Nordic Waterproofing's target for the return on capital employed (ROCE) is at least 13 percent. The outcome after the third quarter of 2022 on a rolling 12-month basis was 16.6 percent.

The interest-bearing net debt/EBITDA-ratio shall not exceed 3.0 times. The outcome after the third quarter of 2022 (R12) was 1.5 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 outperformed the market growth on our most relevant markets.

Sustainability within Nordic Waterproofing

We have a strategic goal to reduce the Group's CO₂ emission for scope 1, 2 and 3 and to follow the development an evaluation of 2021 was effectuated in the first six months of 2022. As this is for the first time, we do now have a bigger job to evaluate, revise and validate the figures to ensure that everything has been placed and calculated correctly before we can set the exact goals for scope 3.

Another goal is to enable our customers to decarbonize their projects, and to do so, we work to know our products CO₂-footprint. We strive to have Environmental Product Declarations (EPD's or LCA assessments) for 85 percent of our main product portfolio.

For the bitumen-based waterproofing products, Denmark has revised their EPD to include biogas and more recycling options which is valid for 85 percent of their product portfolio and will extend that for more products in the second half of 2022. Sweden has today EPD's for 75 percent of their product portfolio and Finland has prepared the first LCA-calculations. SealEco will finish their first EPD's next quarter and the Taasinge Group has applied for EPD's for their wooden prefabricated elements to be finished next year.

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 2020", "LTIP 2021" and "LTIP 2022"). The total cost, including social security charges, is estimated to be SEK 10-15 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 2020, LTIP 2021 and LTIP 2022 are 98,025, 72,607 and 80,544 respectively, considering persons having left the Company. As per 30 September 2022, Nordic Waterproofing Holding AB owns itself 84,097 (87,232) treasury shares

Shares and share capital

As per 30 September 2022, 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 September 2022, Nordic Waterproofing Holding AB had ca 6,000 shareholders and owns itself 84,097 treasury shares (0.3 percent of the total number of issued shares) following the share buyback program in connection with the long-term incentive programs. As the LTIP 2019 is being finalized shares are distributed to the participants and as a consequence the number of treasury shares held at the beginning of the year has reduced from 176,334 to 84,097.

There have not been any changes in number of issued shares and share capital during the third quarter of 2022.

Ownership structure

The number of shareholders has during the quarter remained stable with 6.000 owners.

The largest shareholders in Nordic Waterproofing Holding AB, as per 30 September 2022, are stated below.

Owner	Number of shares	Capital, %	Votes, %
Kingspan Group PLC	5,805,641	24.1%	24.2%
Handelsbanken Funds	1,827,969	7.6%	7.6%
Alcur Funds	1,298,620	5.4%	5.4%
Third Swedish National Pension Fund	1,200,000	5.0%	5.0%
Carnegie Funds	900,356	3.7%	3.8%
Cliens Funds	713,200	3.0%	3.0%
Danske Invest	710,407	2.9%	3.0%
ODDO BHF Asset Management	628,819	2.6%	2.6%
Avanza Pension	616,417	2.6%	2.6%
RAM Rational Asset Management	548,821	2.3%	2.3%
Total 10 largest shareholders	14,250,250	59.2%	59.4%
Other shareholders	9,749,588	40.5%	40.6%
Total number of votes	23,999,838	99.7%	100.0%
Treasury shares	84,097	0.3%	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".

Operating segments

Products & Solutions

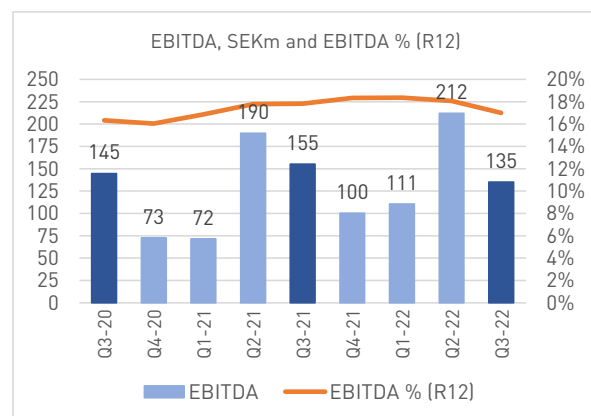
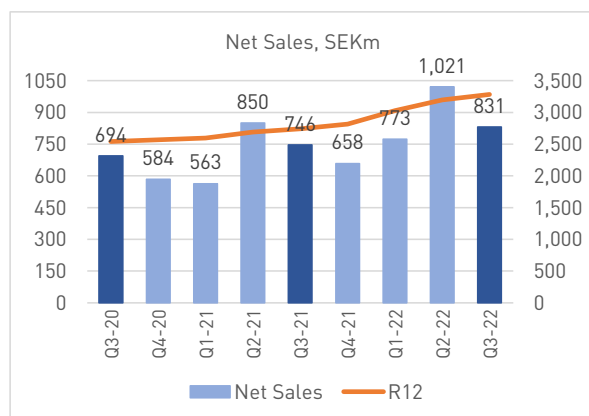
Net sales for the third quarter of 2022 increased by 11 percent compared with the corresponding period in the preceding year, amounting to SEK 831 m (746). Organic growth was 5 percent of which 15 percent were sales price increases and volume development was -9 percent, the impact from acquisitions was 2 percent and currency translation effects were 3 percent.

Sales in Denmark increased by 11 percent in the quarter from the corresponding period in the preceding year, whereof 6 percent organic, 1 percent from acquisitions and a positive currency effect of 5 percent. Sales in Finland increased by 21 percent in the third quarter, whereof organic increase was 16 percent and currency effects were positive with 5 percent. Sales in Sweden increased by 4 percent while sales in Norway increased by 20 percent whereof organic sales development was 12 percent and currency effects had a positive impact with 8 percent. Sales in other countries in Europe increased by 4 percent in the quarter.

Analysis of net sales, Product & Solutions	Q3 2022 (%)	Q3 2022 (SEK m)	9M 2022 (%)	9M 2022 (SEK m)
Previous period		746		2,159
Organic growth	5%	41	16%	338
Structural effects	2%	18	3%	57
Currency effects	3%	26	3%	71
Current period	11%	831	22%	2,626

Operating profit (EBIT) for Products & Solutions for the third quarter 2022 decreased and amounted to SEK 111 m (128). The EBIT margin was 13.4 percent (17.2). Operating profit (EBIT) for the period January - September 2022 increased and amounted to SEK 379 m (342). The EBIT margin was 14.4 percent (15.8).

EBITDA amounted to SEK 135 m (155) and the EBITDA margin was 16.3 percent (20.8) in the third quarter. EBITDA for period January - September 2022 amounted to SEK 458 m (417) and the EBITDA margin was 17.4 percent (19.3).



Installation Services

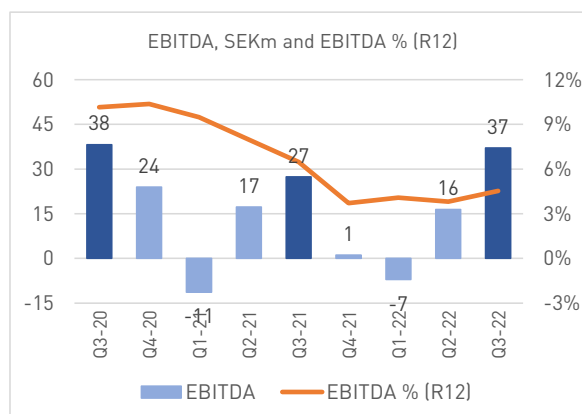
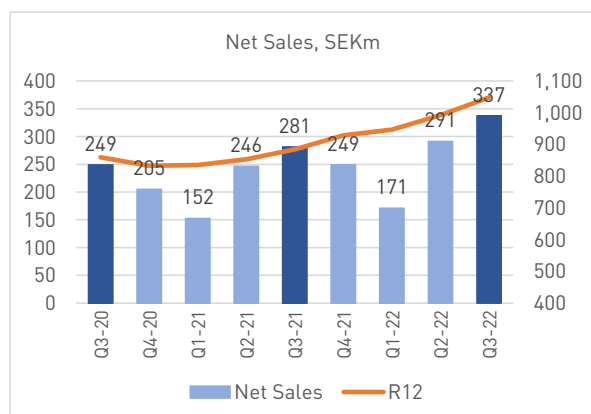
Business in this operating segment is primarily conducted in Finland, through a part-owned company in Norway and through the non-consolidated franchise companies in Denmark. Net sales for the third quarter of 2022 increased by 20 percent compared with the corresponding period in the preceding year, amounting to SEK 337 m (281). Organic growth was 3 percent of which 6 percent were sales price increases and volume development -3 percent, the impact from acquisitions was 12 percent and currency translation effects were 5 percent.

Sales in Finland increased with 23 percent consisting of 4 percent organic, 15 percent from acquisitions and positive currency effects with 5 percent.

	Q3 2022 (%)	Q3 2022 (SEK m)	9M 2022 (%)	9M 2022 (SEK m)
Analysis of net sales, Installation Services				
Previous period		281		680
Organic growth	3%	9	2%	12
Structural effects	12%	33	12%	79
Currency effects	5%	14	4%	29
Current period	20%	337	18%	799

Operating profit (EBIT) for Installation Services for the third quarter amounted to SEK 28 m (20). The EBIT margin was 8.4 percent (6.9) in the quarter. Operating profit (EBIT) for the period January - September amounted to SEK 22 m (16). The EBIT margin for the period January - September was 2.8 percent (2.3).

EBITDA amounted to SEK 37 m (27) and the EBITDA margin was 11.0 percent (9.7) in the third quarter. EBITDA for the period January - September amounted to SEK 46 m (33) and the EBITDA margin was 5.8 percent (4.9).



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

Quarterly data, IFRS and alternative measures

Key figures (SEKm)	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Net sales	1,132	1,255	912	890	1,003	1,067	704	769
EBITDA*	162	216	91	97	176	192	50	93
EBITDA margin, %*	14.3%	17.2%	10.0%	10.9%	17.5%	18.0%	7.1%	12.1%
Operating profit (EBIT)	128	180	56	59	140	161	22	65
EBIT margin, %*	11.3%	14.4%	6.1%	6.6%	14.0%	15.0%	3.1%	8.4%
ROCE (R12), %*	16.6%	17.9%	17.9%	16.6%	17.1%	16.8%	15.9%	15.6%
Net profit	104	140	39	44	86	116	11	56
Cash flow from operating activities	244	38	-15	92	101	114	-88	183
Cashflow from operating activities (R12)*	358	215	292	220	311	461	460	462
Operating cash conversion (R12), %*	63%	37%	52%	43%	61%	92%	97%	103%
Interest-bearing net debt*	861	976	762	677	675	662	463	238
Net debt*	895	1,009	855	770	766	720	515	274
Earnings per share before dilution, SEK	4.34	5.86	1.61	1.82	3.58	4.84	0.47	2.32
Earnings per share after dilution, SEK	4.32	5.82	1.60	1.81	3.56	4.80	0.47	2.30

Net sales by segment (SEKm)	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Products & Solutions	831	1,021	773	658	746	850	563	584
Installation Services	337	291	171	249	281	246	152	205
Group Items & Eliminations	-37	-57	-33	-17	-25	-29	-12	-21
Total	1,132	1,255	912	890	1,003	1,067	704	769

Net sales by country (SEKm)	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Sweden	203	254	138	158	203	221	98	128
Norway	177	180	136	132	144	171	135	101
Denmark	251	286	272	230	227	234	198	206
Finland	346	314	171	243	281	252	131	221
Europe	153	219	193	123	147	188	140	111
Rest of world	2	1	1	4	1	1	2	2
Total	1,132	1,255	912	890	1,003	1,067	704	769

EBITDA by segment (SEKm)	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Products & Solutions	135	212	111	100	155	190	72	73
Installation Services	37	16	-7	1	27	17	-11	24
Group Items & Eliminations	-10	-12	-12	-4	-7	-15	-10	-3
Total	162	216	91	97	176	192	50	93

EBIT by segment (SEKm)	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Products & Solutions	111	184	83	72	128	164	49	50
Installation Services	28	9	-15	-8	20	12	-16	19
Group Items & Eliminations	-11	-13	-13	-5	-8	-16	-11	-4
Total	128	180	56	59	140	161	22	65

*For definitions and reconciliations of financial and alternative key performance indicators, please see page 26.

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, 25 October 2022

CEO

Martin Ellis
President & CEO

Board of Directors

Mats O. Paulsson
Chairman

Leena Arimo

Hannele Arvonen

Steffen Baungaard

Riitta Palomäki

Hannu Saastamoinen

This interim report has been reviewed by the company's auditor.

Review Report

To the shareholders in Nordic Waterproofing Holding AB

Introduction

We have reviewed the interim report for Nordic Waterproofing Holding AB (publ) for the period January 1–September 30, 2022. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act

Malmö 25 October 2022

Deloitte AB

Jeanette Roosberg
Authorized Public Accountant

Condensed consolidated key figures

Amounts in SEKm unless otherwise stated	Q3 2022	Q3 2021	9M 2022	9M 2021	R12 2022	12M 2021
Net sales	1,132	1,003	3,298	2,774	4,188	3,664
Gross profit	317	298	933	809	1,165	1,041
EBITDA*	162	176	470	418	567	515
Operating profit (EBIT)	128	140	364	323	423	382
Net profit	104	86	283	213	327	256
Gross margin, %*	28.0%	29.8%	28.3%	29.2%	27.8%	28.4%
EBITDA margin, %*	14.3%	17.5%	14.2%	15.1%	13.5%	14.1%
EBIT margin, %*	11.3%	14.0%	11.0%	11.6%	10.1%	10.4%
Cash flow from operating activities	244	101	266	127	358	220
Operating cash conversion, %*	n/a	n/a	n/a	n/a	63%	43%
Investments in tangible & intangible assets	-15	-23	-61	-59	-86	-84
Total assets	3,937	3,218	3,937	3,218	3,937	3,158
Capital employed*	2,767	2,298	2,767	2,298	2,767	2,364
Equity	1,680	1,428	1,680	1,428	1,680	1,460
Interest-bearing net debt*	861	675	861	675	861	677
Interest-bearing net debt/EBITDA, multiple*	n/a	n/a	n/a	n/a	1.5x	1.3x
Net debt*	895	766	895	766	895	770
Net debt/EBITDA, multiple*	n/a	n/a	n/a	n/a	1.6x	1.5x
Interest coverage ratio, multiple*	21.7x	26.9x	24.9x	24.3x	23.1x	22.3x
Equity/assets ratio, %*	42.7%	44.4%	42.7%	44.4%	42.7%	46.2%
Net debt/equity ratio, multiple*	0.5x	0.5x	0.5x	0.5x	0.5x	0.5x
Return on shareholders' equity, %*	n/a	n/a	n/a	n/a	21.4%	18.1%
Return on capital employed, %*	n/a	n/a	n/a	n/a	16.6%	16.6%
Return on capital employed excluding goodwill, %*	n/a	n/a	n/a	n/a	29.0%	29.9%
Average number of shares before dilution	23,999,838	23,975,346	23,943,471	23,933,125	23,946,853	23,939,094
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	3.58	11.82	8.89	13.64	10.71
Earnings per share after dilution, SEK	4.32	3.56	11.75	8.83	13.56	10.64
Shareholders equity per share before dilution, SEK*	70.01	59.54	70.18	59.65	70.17	60.99
Shareholders equity per share after dilution, SEK*	69.77	59.27	69.77	59.27	69.77	60.62
Cash flow from operating activities per share before dilution, SEK*	10.16	4.19	11.08	5.31	14.92	9.20
Cash flow from operating activities per share after dilution, SEK*	10.12	4.18	11.04	5.29	14.87	9.13
Number of shares before dilution	23,999,838	23,996,703	23,999,838	23,996,703	23,999,838	23,907,601
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 26.

Condensed financial statements

Condensed consolidated statement of profit or loss and other comprehensive income

Amounts in SEKm unless otherwise stated	Q3 2022	Q3 2021	9M 2022	9M 2021	R12 2022	12M 2021
Net sales	1,131.5	1,002.8	3,298.1	2,773.7	4,187.9	3,663.5
Cost of goods sold	-814.8	-704.4	-2,365.6	-1,964.9	-3,023.1	-2,622.4
Gross profit/loss	316.7	298.4	932.5	808.8	1,164.8	1,041.1
Selling expenses	-134.2	-108.4	-383.7	-317.7	-505.9	-439.9
Administrative expenses	-68.2	-57.3	-199.6	-183.5	-260.4	-244.3
Research and development expenses	-1.1	-1.0	-3.7	-3.4	-5.0	-4.7
Other operating income	3.7	1.8	9.3	7.4	12.9	11.0
Other operating expenses	-0.8	-0.2	-4.8	-1.1	-6.2	-2.5
Share of profit in associated companies	12.1	7.0	14.2	12.2	23.0	21.0
Operating profit/loss (EBIT)	128.2	140.3	364.2	322.7	423.2	381.7
Net finance items	0.7	-27.6	-8.7	-43.9	-11.8	-47.0
Profit/loss before tax	128.9	112.7	355.5	278.8	411.3	334.6
Tax	-24.7	-26.9	-72.5	-66.1	-84.7	-78.3
Profit/loss after tax	104.2	85.8	283.0	212.7	326.6	256.4
Other comprehensive income						
Items that are or may be reclassified to profit/loss for the year						
Translation differences for the year in translation of foreign operations	28.2	8.6	74.8	21.1	81.5	27.8
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	-2.1	0.0	1.7	0.0	1.7
Tax on gains/losses on comprehensive income	0.0	0.5	0.0	-0.4	0.0	-0.4
Total other comprehensive income after tax	28.2	7.0	74.8	22.4	81.5	29.1
Total comprehensive income after tax	132.4	92.8	357.8	235.1	408.1	285.5
Profit/loss for the year, attributable to:						
Owners of the company	104.1	85.6	283.2	212.8	329.0	258.6
Non-controlling interests	0.1	0.2	-0.2	-0.1	-2.4	-2.3
Total comprehensive income for the year, attributable to:						
Owners of the company	132.2	92.5	357.8	234.8	410.1	287.1
Non-controlling interests	0.1	0.3	0.0	0.3	-2.0	-1.7
Average number of shares before dilution	23,999,838	23,975,346	23,943,471	23,933,125	23,946,853	23,939,094
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	3.58	11.82	8.89	13.64	10.71
Earnings per share after dilution, SEK	4.33	3.56	11.75	8.83	13.56	10.64

Condensed consolidated balance sheet

Amounts in SEKm unless otherwise stated	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS			
Intangible assets	1,294.0	1,177.8	1,177.4
Tangible assets	530.0	449.7	490.8
Financial assets	133.9	113.0	121.5
Deferred tax assets	12.8	7.9	8.9
Other non-current assets	17.8	10.9	11.2
Total non-current assets	1,988.5	1,759.3	1,809.8
Inventories	839.5	518.6	609.4
Trade receivables	669.8	592.2	366.6
Receivables for on-going construction contracts	140.1	78.4	80.6
Tax assets	0.0	0.5	2.9
Other receivables	74.4	73.5	62.0
Cash and cash equivalents	224.9	195.1	226.6
Total current assets	1,948.7	1,458.4	1,348.0
TOTAL ASSETS	3,937.2	3,217.7	3,157.8
EQUITY AND LIABILITIES			
Share capital	24.1	24.1	24.1
Reserves	113.6	32.5	39.0
Retained earnings including profit for the year	1,533.6	1,352.8	1,387.9
Equity attributable to owners of the Company	1,671.3	1,409.4	1,451.0
Non-controlling interests	9.0	18.2	9.0
Total equity	1,680.3	1,427.6	1,460.0
Non-current interest-bearing liabilities	869.3	828.1	851.5
Other non-current liabilities	33.3	40.4	35.3
Provisions	5.8	6.0	6.0
Deferred tax liabilities	122.8	114.2	123.2
Total non-current liabilities	1,031.3	988.6	1,016.0
Current interest-bearing liabilities	216.9	42.5	52.2
Trade payable	502.8	281.2	211.5
Payables for on-going construction contracts	58.5	12.6	45.0
Tax liabilities	93.3	56.9	50.1
Other current liabilities	354.1	408.4	323.0
Total current liabilities	1,225.6	801.6	681.8
TOTAL EQUITY AND LIABILITIES	3,937.2	3,217.7	3,157.8

Condensed consolidated statement of changes in equity

Specification of changes in equity (SEKm)	30 Sep 2022	30 Sep 2021	31 Dec 2021
<i>Equity attributable to owners of the Company</i>			
Opening balance	1,451.0	1,406.8	1,406.8
Profit for the period	283.2	212.8	258.6
Other comprehensive income	74.6	22.0	28.5
Transactions with non-controlling interest	0.0	1.0	8.3
Dividend	-143.4	-239.1	-239.1
Repurchase of treasury shares	0.0	0.0	-20.0
Costs for long-term incentive programs	5.9	5.8	7.8
Closing balance	1,671.3	1,409.4	1,451.0
<i>Equity attributable to non-controlling interest</i>			0.0
Opening balance	9.0	11.2	11.2
Profit for the period	-0.2	-0.1	-2.3
Other comprehensive income	0.2	0.5	0.6
Acquisitions	0.0	7.7	7.8
Transactions with the Group's owners	0.0	-1.0	-8.3
Closing balance	9.0	18.2	9.0
SUM TOTAL EQUITY, CLOSING BALANCE	1,680.3	1,427.6	1,460.0

Condensed consolidated cash flow statement

Amounts in SEKm unless otherwise stated	Q3 2022	Q3 2021	9M 2022	9M 2021	R12 2022	12M 2021
Operating activities						
Operating profit (EBIT)	128.2	140.3	364.2	322.7	423.2	381.7
Adjustment for non-cash items etc	31.7	41.5	103.4	90.8	135.3	122.7
Interest received	0.2	0.1	0.6	0.3	0.8	0.5
Interest paid	-5.8	-3.9	-13.5	-10.6	-16.8	-13.9
Dividends received	14.7	0.2	20.9	31.5	21.0	31.6
Income tax paid/received	-1.3	-7.4	-48.3	-29.2	-62.0	-42.9
Cash flow from operating activities before changes in working capital	167.7	170.8	427.3	405.5	501.4	479.7
Changes in working capital						
Increase (-)/Decrease (+) in inventories	-58.5	-22.3	-172.4	-83.4	-260.2	-171.2
Increase (-)/Decrease (+) in operating receivables	31.6	-38.4	-320.5	-357.6	-82.9	-120.0
Increase (+)/Decrease (-) in operating liabilities	103.4	-9.5	332.0	163.0	200.0	31.1
Cash flow from operating activities	244.2	100.6	266.3	127.5	358.4	219.5
Investing activities						
Acquisition of intangible fixed assets	0.3	0.0	-1.4	-0.9	-6.2	-5.7
Acquisition of tangible fixed assets	-15.8	-24.4	-60.0	-59.3	-77.2	-76.5
Divestments of tangible fixed assets	0.0	0.0	0.0	0.0	0.0	0.0
Acquisition of business, net cash impact	-87.4	-62.0	-107.5	-179.0	-109.1	-180.6
Acquisition of participations in associated companies	-0.3	-1.2	-0.5	-16.3	-1.2	-17.0
Divestments of participations in associated companies	0.0	0.0	0.0	0.0	2.6	2.6
Change in other financial assets	-6.1	-2.1	-17.0	1.4	-18.5	0.0
Cash flow from investing activities	-109.3	-89.6	-186.3	-254.1	-209.6	-277.3
Financing activities						
Amortization of loans	-16.3	-15.0	-45.3	-47.1	-65.9	-67.7
Proceeds from loans	0.0	2.2	160.0	9.4	162.4	11.8
Purchase of own shares	0.0	0.0	0.0	0.0	-20.0	-20.0
Dividend	-0.3	0.0	-143.8	-239.1	-143.8	-239.1
Acquisition of participations in non-controlling interest	0.0	0.0	-55.6	-3.4	-55.6	-3.4
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	-4.6	0.0	-4.6
Cash flow from financing activities	-16.6	-12.9	-84.8	-284.8	-122.9	-322.9
Cash flow for the period	118.2	-1.8	-4.8	-411.4	26.0	-380.7
Cash and cash equivalents at the beginning of the period	104.7	197.7	226.6	604.3	195.0	604.3
Exchange-rate differences in cash and cash equivalents	2.0	-0.9	3.1	2.1	4.0	3.0
Cash and cash equivalents at the end of the period	224.9	195.0	224.9	195.0	224.9	226.6

The parent company's income statement in summary

Amounts in SEKm unless otherwise stated	Q3 2022	Q3 2021	9M 2022	9M 2021	R12 2022	12M 2021
Net sales	2.5	3.3	12.5	9.6	15.8	11.3
Gross profit/loss	2.5	3.3	12.5	9.6	15.8	11.3
Administrative expenses	-6.3	-5.0	-20.9	-14.9	-36.8	-29.3
Other operating expenses	0.0	0.0	-1.3	-0.5	-1.3	-0.5
Operating profit/loss (EBIT)	-3.9	-1.7	-9.7	-5.8	-22.3	-18.4
Result from financial items						
Result from shares in subsidiaries	150.0	0.0	150.0	0.0	350.0	200.0
Other financial items	-3.8	-1.8	-10.8	-4.6	-11.1	-4.9
Net finance items	146.2	-1.8	139.2	-4.6	338.9	195.1
Result after financial items	142.3	-3.6	129.5	-10.5	316.5	176.6
Appropriations	0.0	0.0	0.0	0.0	28.1	28.1
Profit before tax	142.3	-3.6	129.5	-10.5	344.7	204.7
Tax	1.6	0.7	3.9	2.0	0.5	-1.4
Profit/loss after tax	143.9	-2.8	133.3	-8.4	345.1	203.4

Other comprehensive income in summary

Other comprehensive income	Q3 2022	Q3 2021	9M 2022	9M 2021	R12 2022	12M 2021
Profit for the period	143.9	-2.8	133.3	-8.4	345.1	203.4
Other comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0
Total other comprehensive income after tax	143.9	-2.8	133.3	-8.4	345.1	203.4

The parent company's balance sheet in summary

Amounts in SEKm unless otherwise stated	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS			
Shares in subsidiaries	903.1	889.0	903.0
Total non-current assets	903.1	889.0	903.0
Other current receivables from Group companies	492.4	209.2	249.3
Current tax assets	15.6	35.2	14.8
Other short-term receivables	0.1	0.0	1.6
Cash and cash equivalents	126.7	122.1	165.8
Total current assets	634.9	366.5	431.5
TOTAL ASSETS	1,538.0	1,255.5	1,334.5
EQUITY AND LIABILITIES			
Share capital	24.1	24.1	24.1
Retained earnings including profit for the year	596.7	393.8	605.1
Total equity	620.8	417.9	629.2
Untaxed reserves	87.9	91.0	87.9
Long-term liabilities to credit institue	371.3	366.5	367.0
Total non-current liabilities	371.3	366.5	367.0
Current interest-bearing liabilities	160.0	0.6	0.0
Trade payable	1.4	0.1	0.1
Short-term liabilities to Group companies	291.4	375.7	246.8
Other current liabilities	5.2	3.7	3.5
Total current liabilities	458.0	380.1	250.4
TOTAL EQUITY AND LIABILITES	1,538.0	1,255.5	1,334.5

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 2021. 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.

Intangible assets, carrying amounts SEKm, unless otherwise stated	Goodwill	Trade- marks	Customer relations	Other	Total
Opening balance, 1 January 2022	1,041	11	93	33	1,177
Investments	0	0	0	1	1
Acquisitions	72	2	10	7	90
Reclassification	0	0	0	4	4
Amortization	0	0	-21	-10	-31
Exchange-rate differences	44	0	3	5	52
Closing balance, 30 September 2022	1,157	12	85	39	1,294

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 2021 Annual Report. The fair value measurements belong to level 3 in the fair value hierarchy in IFRS 13.

2022-09-30	At amortized cost	Fair value through profit or loss	Fair Value hedging instruments	Other ¹	Reported value	Fair value		
						Level 1	Level 2	Level 3
Financial assets								
Financial assets	24	-	-	110	134	-	-	-
Other non-current assets	18	-	-	-	18	-	-	-
Trade receivables	670	-	-	-	670	-	-	-
Other receivables ²	-	-	-	74	74	-	-	-
Receivables for on-going construction	140	-	-	-	140	-	-	-
Cash and cash equivalents	225	-	-	-	225	-	-	-
Total	1,077	-	-	184	1,261	-	-	-
Financial liabilities								
Non-current interest-bearing liabilities	869	-	-	-	869	-	-	-
Other non-current liabilities	2	32	-	-	33	-	-	32
Trade payable	503	-	-	-	503	-	-	-
Current interest-bearing liabilities	217	-	-	-	217	-	-	-
Other current liabilities ²	115	0	0	239	354	-	0	0
Total	1,706	32	0	239	1,976	-	0	32

2021-09-30	At amortized cost	Fair value through profit or loss	Fair Value hedging instruments	Other ¹	Reported value	Fair value		
						Level 1	Level 2	Level 3
Financial assets								
Financial assets	13	-	-	100	113	-	-	-
Other non-current assets	11	-	-	-	11	-	-	-
Trade receivables	592	-	-	-	592	-	-	-
Other receivables ²	-	-	-	73	73	-	-	-
Receivables for on-going construction	78	-	-	-	78	-	-	-
Cash and cash equivalents	195	-	-	-	195	-	-	-
Total	890	-	-	173	1,063	-	-	-
Financial liabilities								
Non-current interest-bearing liabilities	828	-	-	-	828	-	-	-
Other non-current liabilities	1	39	-	-	40	-	-	39
Trade payable	281	-	-	-	281	-	-	-
Current interest-bearing liabilities	42	-	-	-	42	-	-	-
Other current liabilities ²	113	50	-	245	408	-	-	50
Total	1,266	89	-	245	1,601	-	-	89

¹ 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.

² 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 September:

MSEK	2022	2021
Opening balance	91	34
Fair value movement in income statement	-9	28
Acquisition	5	32
Paid	-56	-5
Exchange-rate differences	1	-2
Closing balance	32	89

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 2021. The remeasurement is attributable to a change in the assessment of forecasted EBITDA growth. During the third quarter, Nordic Waterproofing has settled and paid call/put options regarding Gauris B.V.. The agreement to acquire the remaining 49 percent of the shares in Gauris B.V. has been renegotiated and Nordic Waterproofing has acquired the remaining shares 8 year's in advance for SEK 10 kronor. The transactions have had no effect on equity since the options has been treated as if they had been exercised upon the initial acquisition.

During the second quarter, Nordic Waterproofing has settled and paid call/put options regarding SealEco B.V. and E.Voutilainen Oy. In SealEco B.V. has the remaining 33 percent of the shares been acquired for SEK 52 million. The agreement to acquire the remaining 20 percent of the shares in E.Voutilainen Oy has been renegotiated and Nordic Waterproofing has acquired the remaining shares one year in advance for SEK 4 million. The transactions have had no effect on equity since the options has been treated as if they had been exercised upon the initial acquisition.

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	
	9M 2022	9M 2021	9M 2022	9M 2021	9M 2022	9M 2021	9M 2022	9M 2021
Allocation of revenues external/internal								
Revenues from external customers	2,501	2,094	797	680	0	0	3,298	2,774
Revenues from other segments	124	65	3	0	-127	-65	0	0
Revenues, total	2,626	2,159	799	680	-127	-65	3,298	2,774
Allocation per country								
Denmark	810	659	0	0	0	0	810	659
Sweden	568	475	27	46	0	0	595	521
Norway	398	336	112	115	-17	0	493	450
Finland	292	215	650	514	-110	-65	831	664
Europe (excluding Nordic region)	557	470	7	5	0	0	564	475
Other countries	4	5	0	0	0	0	5	5
Total	2,628	2,159	797	680	-127	-65	3,298	2,774
Significant types of income								
Sale of goods	2,234	1,801	0	0	-127	-65	2,107	1,735
Construction contracts	394	359	797	680	0	0	1,191	1,038
Total	2,628	2,159	797	680	-127	-65	3,298	2,774
Time of revenue recognition								
At a certain point in time	2,234	1,801	0	0	-127	-65	2,107	1,735
Over time	394	359	797	680	0	0	1,191	1,038
Total	2,628	2,159	797	680	-127	-65	3,298	2,774
EBITDA	458	417	46	33	-35	-32	470	418
Depreciation & Amortisation	-79	-75	-24	-18	-2	-3	-105	-95
Operating profit (EBIT)	379	342	22	16	-37	-35	364	323
Net finance items							-9	-44
Profit/loss after finance items but before tax (EBT)							355	279
Tax							-73	-66
Profit/loss for the year							283	213
<i>Assets</i>								
Intangible assets (goodwill & customer relations)	1,043	956	248	218	3	5	1,294	1,178
Property, plant and equipment	445	387	62	59	3	3	530	450
Participations in associated companies	0	0	108	98	0	0	108	98
Inventory	803	497	37	22	-1	0	839	519
Other assets	773	694	292	210	-162	-149	902	755
Non-allocated assets					264	219	264	219
Total assets	3,084	2,534	746	607	107	78	3,937	3,218
<i>Liabilities and Equity</i>								
Equity					1,670	1,428	1,680	1,428
Other liabilities	831	718	240	134	-150	-144	921	708
Non-allocated liabilities					1,336	1,082	1,336	1,082
Total liabilities and equity	831	718	240	134	2,855	2,366	3,937	3,218
Investments in tangible & intangible assets	56	57	5	2	0	0	61	59

Note 7 – Transactions with related parties

The Group has related party relationships with the associated companies as stated in Note 16 of the 2021 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 third quarter of 2022.

As also stated in Note 16 of the 2021 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 2022 have shares from the LTIP 2019 been distributed free of charge to key persons in management positions. Treasury shares has been credited with SEK 10.4 million and profit loss brought forward has been debited with the corresponding amount.

Note 8 – Acquisitions of businesses

Acquisitions during the first nine months 2022

During the first nine months, three subsidiary acquisitions has been closed. The purchase prices amounted to SEK 107.0 million and was financed through Nordic Waterproofing's existing credit facilities. Acquisition-related costs amounted to a total of SEK 3.2 m in the form of consulting fees in connection with the acquisition process. These consulting expenses have been recognized as administrative expenses in the consolidated statement of profit or loss.

Gordon Low LTD

On the 1 February the Group through SealEco LTD acquired 100 percent of the British company Gordon Low LTD ("Gordon Low"). The acquisition is financed through Nordic Waterproofing's existing credit facilities and no future contingent purchase prices have been agreed. The company is headquartered in Bedfordshire and is a leading specialist fabricator and distributor of pond liners and other waterproof membranes for the aquatic, landscaping, commercial water containment and agriculture sector. Gordon Low has ca 20 employees and an annual turnover of GBP 5 m. Through the acquisition, the Group can expand the business of ponds and pools with Distripod products to more markets than Benelux. Gordon Low will be reported in the segment Products and Solutions.

VKP Holding Oy

On 17 June 2022 the Group through Nordic Waterproofing Oy signed an agreement to acquire 70 per cent of the Finnish company VKP Holding Oy on July 1, 2022. The purchase was financed within Nordic Waterproofing's existing credit facilities. Nordic Waterproofing has a binding agreement to purchase the remaining 30 percent in two installments, 18,7 per cent 2025 and 10,6 per cent in 2027. For accounting purposes, the forward-purchase debt has been classified as a financial liability, and consequently, no non-controlling interest has been recognized. The liability regarding the forward-purchase debt is recognized at fair value as long-term liability level 3 and changes in fair value are reported among financial items in the income statement. The company is headquartered in Kajaani and carries out different kinds of roofing and waterproofing services and is specialized in all types of roof renovation and maintenance activities. VKP has 75 employees and an annual turnover of ca EUR 9 million. The acquisition will, together with our existing Installation Services businesses, expand our geographical coverage of roofing services in the Finnish market.

Anneberg Limtræ A/S

On 14 September 2022 the Group through Taasinge Elementer A/S acquired 100 per cent of the shares in the Danish company Anneberg Limtræ A/S. The purchase was financed within Nordic Waterproofing's existing credit facilities. The company is headquartered in Lunde in Southwest Jutland and is a manufacturer of glulam, beams, columns and small glulam houses. Anneberg Limtræ has 16 employees and an annual turnover of ca DKK 40 million. The acquisition will strengthen the value chain of Taasinge Elementer and increases the Group's contribution to sustainable construction. Anneberg Limtræ A/S will be reported in the segment Products and Solutions.

Acquisitions after the reporting period

EG-Trading Oy

On 2 September 2022 the Group through Nordic Waterproofing Oy signed an agreement to acquire 70 per cent of the Finnish company EG-Trading Oy on October 1, 2022. After the end of the third quarter, on October 1, the acquisition of 70 percent of EG-Trading has, as planned, been completed. The purchase was financed within Nordic Waterproofing's existing credit facilities. Nordic Waterproofing has an option to acquire remaining 30 percent of the shares in 2025. The company is headquartered in Tammisaari in Southern Finland and offers a wide variety of different landscaping products, both their own sedum mats but also products from other suppliers to mainly the Finnish market. EG-Trading has 15 employees and an annual turnover of ca EUR 3 million. The acquisition will, together with our existing green infrastructure businesses, expand our geographical coverage of

green infrastructure and landscaping solutions in the Nordic market. EG-Trading Oy will be reported in the Segment Products and Solutions. At the time of the publication of the report, the presentation of the acquisition was incomplete.

Acquisitions during the prior year

During the first nine months of 2021, a total of seven acquisitions were made; On January 28, 70 percent of Byggpartner A/S was acquired, on February 4, 51 percent of Gauris B.V. was acquired, on March 18, 100 percent of Urban Green AB was acquired, on April 1, 84 percent of Seikat Oy was acquired, on May 20, 80 percent of E.Voutilainen was acquired, on July 1, 76 percent of Rakennusliike Ripatti Oy and on July 8 Tagcon.DK ApS. The acquisition analyzes for these acquisitions are considered finished. No more acquisitions were made later during 2021. For information on these acquisitions, related contingent purchase prices and written call/put options, see Note 14 in the Group's Annual report for 2021.

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

Purchase consideration SEK m	9M 2022	9M 2021	12M 2021
Cash paid	107.0	203.1	204.8
Call/put option	4.7	30.1	30.1
Vendor note and earn-out	-	2.3	2.3
Total purchase consideration	111.8	235.6	237.2

Acquisition analysis SEKm, unless otherwise stated	9M 2022	9M 2021	12M 2021
Intangible assets	20.2	63.3	63.3
Tangible assets	8.3	30.4	30.4
Financial assets	0.0	0.2	0.2
Inventories	29.5	37.4	37.4
Trade and other receivables	28.6	56.9	56.9
Deferred tax asset	0.1	2.1	2.1
Cash and equivalents	27.8	28.9	28.9
Provisions	0.0	-0.2	-0.2
Other non-interest bearing liabilities	-40.8	-46.4	-46.4
Interest bearing liabilities	-29.7	-8.8	-8.8
Deferred tax liabilities	-3.5	-15.6	-15.6
Net assets and liabilities	40.5	148.3	148.3
Non-controlling interests	0.0	-10.8	-10.8
Goodwill	71.2	98.1	99.7
Consideration	111.8	235.6	237.2

Acquisition of business - net cash impact, SEK m	9M 2022	9M 2021	12M 2021
Cash consideration	107.0	203.1	204.8
Less cash balances acquired	-27.8	-28.9	-28.9
Less redemption of loans	28.2	4.8	4.8
Net cash impact - investing activities	107.4	179.0	180.6

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, inventory and deferred tax liabilities increased due to the

recognition of customer relations, trademark and inventory. The final analysis is expected to in all material aspects, be in line with the preliminary.

Call/put options

The fair value of options is based on probability weighted payments discounted at its present value. Material non-observable input comprise:

- average EBITDA for 2022-2024
- average EBITDA for 2025-2026
- discount rate of 14,6%

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 a part-owned company in Norway 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 Matak, Trebolit, Phønix Tag Materialer, Kerabit, Byggpartner, Nortett, SealEco, Distri Pond, SPT-Painting, Taasinge Elementer, RVT, 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

Year-end report, January-December 2022	7 February 2023
Annual report 2022	30 March 2023
Interim report, January-March 2023	25 April 2023
Annual General Meeting 2023	27 April 2023
Interim report, January-June 2023	20 July 2023
Interim report, January-September 2023	26 October 2023

Further information can be obtained from

Martin Ellis, President and CEO	phone: +45 31 21 36 69
Per-Olof Schrewelius, CFO & Investor Relations	phone: +46 707 82 79 58

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 25 October 2022, 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.

