

Solid finish to 2022

Fourth quarter of 2022

- Consolidated net sales increased by 17 percent to SEK 1,045 m (890), of which organic growth amounted to 6 percent, acquisitions 6 percent and currency effects 6 percent.
- Net sales in Product & Solutions amounted to SEK 756 m (658) and in Installation Services to SEK 325 m (249)
- Gross profit increased to SEK 252 m (232), Gross margin decreased to 24.1% (26.1%)
- EBITDA increased to SEK 114 m (97), EBITDA margin was unchanged 10.9% (10.9%)
- Operating profit (EBIT) increased to SEK 66 m (59), EBIT margin decreased to 6.3% (6.6%)
- ROCE amounted to 16.1 percent (16.6)
- Cash flow from operating activities amounted to SEK 93 m (92)
- Earnings per share before and after dilution were SEK 1.96 (1.82) and SEK 1.96 (1.81), respectively

January-December 2022

- Consolidated net sales increased by 19 percent to SEK 4,343 m (3,664), of which organic growth amounted to 9 percent, acquisitions with 5 percent and currency had an impact of 4 percent
- Net sales in Product & Solutions amounted to SEK 3,381 m (2,818) and in Installation Services to SEK 1,124 m (928)
- Gross profit increased to SEK 1,184 m (1,041), Gross margin decreased to 27.3% (28.4%)
- EBITDA increased to SEK 583 m (515), EBITDA margin decreased to 13.4% (14.1%)
- Operating profit (EBIT) increased to SEK 430 m (382), EBIT margin decreased to 9.9% (10.4%)
- Cash flow from operating activities amounted to SEK 360 m (220)
- Earnings per share before and after dilution were SEK 13.79 (10.71) and SEK 13.71 (10.64), respectively
- The board proposes a cash dividend of SEK 7.00 (6.00) per share

Financial key ratios

Amounts in SEKm unless otherwise stated	Q4 2022	Q4 2021	Change	12M 2022	12M 2021	Change
Net sales	1,045	890	17%	4,343	3,664	19%
Gross profit	252	232	8%	1,184	1,041	14%
Gross margin %*	24.1%	26.1%	-2.0pp	27.3%	28.4%	-1.2pp
EBITDA*	114	97	17%	583	515	13%
EBITDA margin, %*	10.9%	10.9%	0.0pp	13.4%	14.1%	-0.6pp
EBIT	66	59	12%	430	382	13%
EBIT margin, %*	6.3%	6.6%	-0.3pp	9.9%	10.4%	-0.5pp
Return on capital employed, %*	n/a	n/a	n/a	16.1%	16.6%	-0.5pp
Net profit	47	44	8%	330	256	29%
Cash flow from operating activities	93	92	1%	360	220	64%
Net debt*	912	770	18%	912	770	18%
Earnings per share before dilution, SEK	1.96	1.82	8%	13.79	10.71	29%
Earnings per share after dilution, SEK	1.96	1.81	8%	13.71	10.64	29%

Conference call

A conference call for investors, analysts and media will be held today, 7 February 2023, at 10:00 a.m. CET and can be joined online at <https://events.teams.microsoft.com/>. Presentation materials will be available on <https://www.nordicwaterproofing.com> one hour before the call.

To participate from computer, use link above. To participate via phone, please use conference id 594 299 331# on any of below numbers:

From Sweden: +46 8 502 428 90 From Denmark: +45 32 72 66 61
From United Kingdom: +44 20 7660 8326 From Finland: +358 9 85 626 548

Unless otherwise stated, figures within parentheses refer to the preceding year or the corresponding period in the preceding year in respect of income statement and/or cash flow items and the end of the preceding year in respect of balance sheet items. *For definitions and reconciliations of financial and alternative key performance indicators, please see page 26.

Message from the CEO

Solid finish to 2022

Consolidated net sales in the fourth quarter increased by 17 percent compared to the previous year, from SEK 890 million to SEK 1,045 million. Organic growth was 6 percent of which 13 percent were sales price increases and volume development was -7 percent, the impact from acquisitions was 6 percent and currency translation effects were 6 percent. Organic growth was 6 percent in Products & Solutions and 13 percent in Installation Services.

EBIT for the fourth quarter amounted to SEK 66 million, compared to SEK 59 million last year. The positive development in operating profit is explained by a strong improvement in all areas of Installation Services. At the same time, some areas within Products & Solutions had lower margins compared to the high levels of the fourth quarter 2021. Prefabricated wood elements still has not reached a satisfactory profit level while we have seen significant improvements in the green infrastructure business.

Our ROCE at 16.1 percent (16.6) remains significantly above the threshold of 13 percent. Cash flow from operating activities amounted to SEK 93 M (92), driven by reductions in both inventory and operating receivables.

We maintain a strong focus on sustainability throughout the Group and remain on track to reach our emission reduction targets. The Group has driven improved data collection and CO₂ footprint reduction initiatives. Our units have completed and published seven EPDs (Environmental Product Declarations). Our acquisition strategy has been squarely focused on sustainable construction solutions with Anneberg Limtrae, Playgreen and EG Trading joining our Group.

We have seen slightly deflated costs for our input materials while energy and transportation remain on a high level. Our expectation for residential new build development on our main markets is slightly negative in the short-term, 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 Sweden.

The Products & Solutions operating segment grew by 15 percent (13). Organic growth was 6 percent (8) of which 15 percent were related to sales price increases and volume development was -10 percent, the impact from acquisitions was 4 percent and currency translation effects were 5 percent.

The Bitumen-based waterproofing business showed growth on all the four Nordic markets. SealEco, our synthetic rubber waterproofing business, had a somewhat declining sales with maintained market share.

In our prefabricated wooden elements business, Taasinge group had a decline in sales in Denmark while Norway and 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, had a very strong growth compared to the fourth quarter 2021.



Martin Ellis,
President and CEO

Jan-Dec 2022

Net sales:

SEK 4,343 m (3,664)

EBITDA:

SEK 583 m (515)

13.4% (14.1%)

EBIT:

SEK 430 m (382)

9.9% (10.4%)

ROCE (R12):

16.1% (16.6%)

The Installation Services operating segment grew by 30 percent (21) to a quarterly all-time high of SEK 325 M. Organic growth was 13 percent (-7), of which 6 percent was sales price increases and volume development was 7 percent, the impact from acquisitions was 9 percent and currency translation effects were 8 percent.

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 and good improvement in Operating result.

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

We have maintained an active acquisition strategy.

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

On December 1, we acquired 100 percent of the shares in Hagmans Tak Öst AB, a company that provides roofing and waterproofing services. The acquisition expands our offering to customers in Sweden and is part of our ambition to integrate downstream in the Swedish market.

On December 7, we acquired an additional 31 percent of the shares in Playgreen Oy, a Finnish company mainly active in the design, sales and installation of solar energy solutions, and now hold a total of 64 percent of the shares in the company with an option to acquire the remaining 36 percent.

We continue to focus on growth (organic and selective acquisitions), profitability and sustainability. 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, 7 February 2023



Martin Ellis,
President and CEO

Annual General Meeting 2023 and dividend proposal

The AGM of Nordic Waterproofing Holding AB will be held on 27 April 2023.

The Board of Directors will propose the Annual General Meeting to resolve to pay a cash dividend of SEK 7.00 per share, totaling SEK 169 m. This represents ca 51 percent of the net profit in 2022.

Nomination Committee for the 2023 Annual General Meeting

Information about the nomination committee is published on the Group's website:
www.nordicwaterproofing.com/en/nomination-committee.

Annual report 2022

The 2022 Annual Report will be available on Nordic Waterproofing's website and at the company's headquarters from 30 March 2023.

The Group

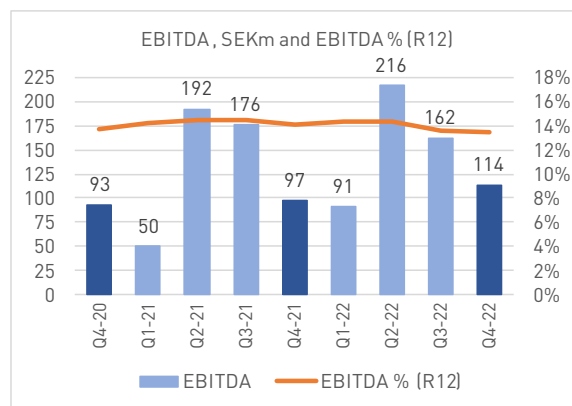
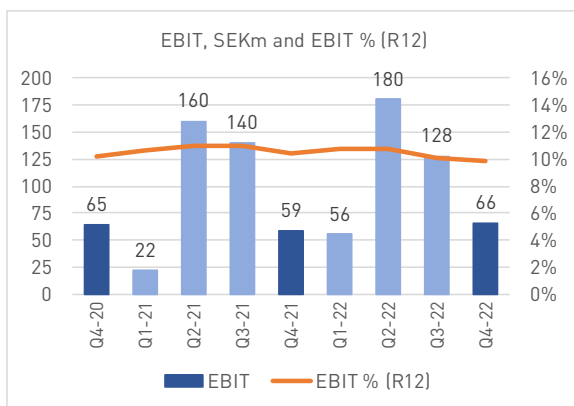
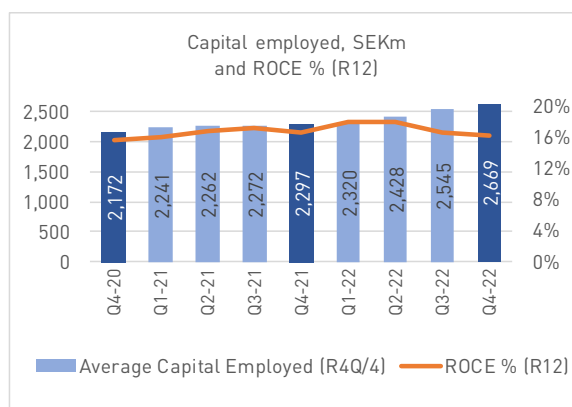
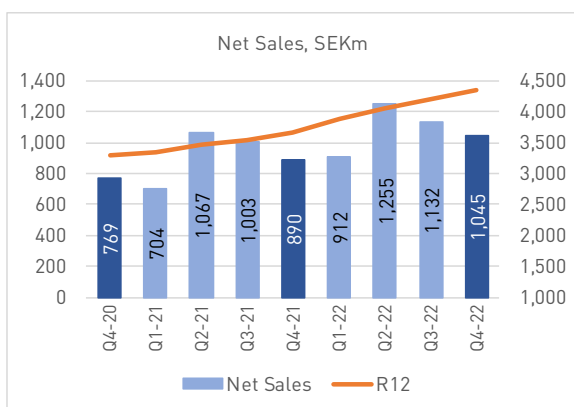
Net sales

Consolidated net sales for the fourth quarter increased by 17 percent to SEK 1,045 m (890). Organic growth was 6 percent, of which 13 percent was sales price increases and volume development was -7 percent, impact from acquisitions was 6 percent and currency translation effects were 6 percent.

Net sales for the period January – December increased by 19 percent to SEK 4,343 m (3,664). Organic growth was 9 percent, of which 14 percent was sales price increases and volume development was -5 percent, sales in acquired companies contributed by 5 percent and currency translation effects were affecting net sales by 4 percent.

Analysis of net sales	Q4 2022	Q4 2022	12M 2022	12M 2022
	(%)	SEK m)	(%)	(SEK m)
Previous period		890		3,664
Organic growth	6%	51	9%	340
Structural effects	6%	52	5%	187
Currency effects	6%	52	4%	153
Current period	17%	1,045	19%	4,343

Sales in Denmark were unchanged in the fourth quarter compared with the corresponding period in the preceding year whereof organic growth was -12 percent, acquisitions 4 percent and currency changes had a positive impact with 8 percent. In Sweden sales increased by 22 percent. Sales in Norway increased by 37 percent whereof organic development was 32 percent and currency changes had a positive impact with 5 percent. In Finland sales increased by 32 percent in the quarter whereof impact from acquisitions was 13 percent, organic development was 10 percent and currency translation effects were positively affecting by 9 percent. Sales to other countries in Europe decreased by -3 percent in the quarter.



Operating profit (EBIT), EBITDA and ROCE

Operating profit (EBIT) for the fourth quarter increased to SEK 66 m (59) and the EBIT margin decreased to 6.3 percent (6.6).

Operating profit (EBIT) for the period January - December increased to SEK 430 m (382) and the EBIT margin decreased to 9.9 percent (10.4).

EBITDA for the fourth quarter decreased to SEK 114 m (97) and the EBITDA margin is unchanged at 10.9 percent (10.9).

EBITDA for the period January - December increased to SEK 583 m (515) and the EBITDA margin decreased to 13.4 percent (14.1).

Return on capital employed (ROCE) on a rolling 12 months basis was 16.1 percent (16.6) after the fourth 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 fourth quarter of 2022 amounted to SEK -9 m (-3). The negative development is mainly explained by increased interest cost that had a negative impact of SEK -6 M.

Net financial items for the period January - December amounted to SEK -18 m (-47). 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. Increased interest cost had a negative impact of SEK -9 M.

Profit or loss before and after tax

The profit before tax for the fourth quarter amounted to SEK 57 m (56) and profit after tax amounted to SEK 47 m (44). The effective tax rate was 17.4 percent in the quarter.

The profit before tax for the period January - December amounted to SEK 413 m (335) and profit after tax amounted to SEK 330 m (256). The effective tax rate was 20.0 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 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 fourth quarter was SEK 93 m (92). The cash flow had a negative impact from higher income taxes paid, had a positive development from operating receivables and inventory while operating liabilities had a negative impact.

Cash flow from investing activities during the fourth quarter was SEK -50 m (-23).

Cash flow from financing activities during the fourth quarter was SEK -17 m (-38).

Investments and depreciations

Gross investments excluding acquisitions during the fourth quarter of 2022 amounted to SEK 43 m (22), while depreciation amounted to SEK -17 m (-15). Right-of-use depreciations relating to IFRS 16 amounts to SEK -22 m (-16). Amortizations of intangible assets amounted to SEK -9 m (-7), primarily consisting of amortizations of customer relations in the acquired companies.

Gross investments excluding acquisitions during January - December 2022 amounted to SEK 105 m (82), while depreciation amounted to SEK -61 m (-54). Right-of-use depreciations relating to IFRS 16 amounts to SEK -61 m (-54). Amortizations of intangible assets amounted to SEK -31 m (-26), 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 fourth quarter Nordic Waterproofing is compliant with the covenants as per the facility agreement.

The consolidated interest-bearing net debt amounted to SEK 844 m at the end of the period, compared with SEK 677 m at the end of 2021. The increase in net debt of SEK 167 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 260 m (227) at the end of the period. SEK 0 m (0) of the Group's total overdraft facility of SEK 160 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 1.4x (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 fourth quarter of 2022 (expressed as full-time equivalents) was 1,366 compared with 1,304 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 October 3, we acquired 70 percent of the shares in EG Trading Oy, a company that cultivates sedum and provides a wide range of different landscape solutions from its headquarters in Tammissaari in southern Finland. The acquisition expands our offering in green infrastructure to another country in the Nordic region.
- On December 1, we acquired 100 percent of the shares in Hagmans Tak Öst AB, a company that provides roofing and waterproofing services. The acquisition expands our offering to customers in Sweden and is part of our ambition to integrate downstream in the Swedish market.
- On December 7, we acquired an additional 31 percent of the shares in Playgreen Oy, a Finnish company mainly active in the design, sale and installation of solar energy solutions, and now hold a total of 64 percent of the shares in the company with an option to acquire the remaining 36 percent.

Significant events after the reporting period

- Nothing to report

Financial targets

Nordic Waterproofing's target for the return on capital employed (ROCE) is at least 13 percent. The outcome after the fourth quarter of 2022 on a rolling 12-month basis was 16.1 percent.

The interest-bearing net debt/EBITDA-ratio shall not exceed 3.0 times. The outcome after the fourth quarter of 2022 (R12) was 1.4 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

Our strategic goal is to reduce the Group's CO₂ emissions for scopes 1, 2 and 3. The work of compiling data for 2022 is ongoing and will be reported in our annual report. Our analysis of our impact of scope 3 CO₂ emissions is ongoing so that we can identify areas for improvement

Another goal is to enable our customers to decarbonize their projects and to do so, we work to know the CO₂ footprint of our products. We aim to have environmental product declarations (EPD's or LCA assessments) for 85 percent of our main product portfolio. During the quarter, our units completed and published seven EPDs (Environmental Product Declarations)

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 93,248, 69,758 and 78,227 respectively, considering persons having left the Company. As per 31 December 2022, Nordic Waterproofing Holding AB owns itself 84,097 (176,334) treasury shares

Shares and share capital

As per 31 December 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 31 December 2022, Nordic Waterproofing Holding AB had ca 6,300 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 during the second quarter 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 fourth quarter of 2022.

Ownership structure

The number of shareholders has during the quarter increased with ca 300, from 6.000 to ca 6.300 owners. The largest shareholders in Nordic Waterproofing Holding AB, as per 31 December 2022, are stated below.

Owner	Number of shares	Capital, %	Votes, %
Kingspan Group PLC	5,805,641	24.1%	24.2%
Handelsbanken Funds	1,797,132	7.5%	7.5%
Third Swedish National Pension Fund	1,350,000	5.6%	5.6%
Alcur Funds	1,230,816	5.1%	5.1%
Carnegie Funds	928,011	3.9%	3.9%
Danske Invest	725,407	3.0%	3.0%
Cliens Funds	713,200	3.0%	3.0%
Avanza Pension	582,675	2.4%	2.4%
ODDO BHF Asset Management	580,967	2.4%	2.4%
RAM Rational Asset Management	546,961	2.3%	2.3%
Total 10 largest shareholders	14,260,810	59.2%	59.4%
Other shareholders	9,739,028	40.4%	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

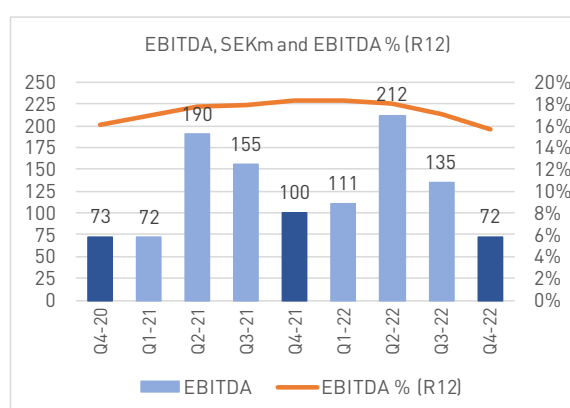
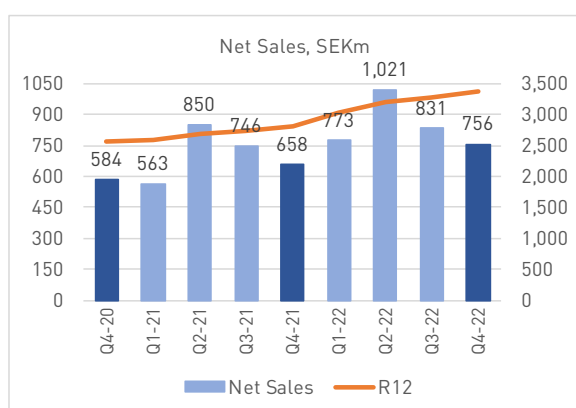
Net sales for the fourth quarter of 2022 increased by 15 percent compared with the corresponding period in the preceding year, amounting to SEK 756 m (658). Organic growth was 6 percent of which 15 percent were sales price increases and volume development was -10 percent, the impact from acquisitions was 4 percent and currency translation effects were 5 percent.

Sales in Denmark were unchanged in the quarter from the corresponding period in the preceding year, whereof -12 percent organic, 4 percent from acquisitions and a positive currency effect of 8 percent. Sales in Finland increased by 49 percent in the fourth quarter, whereof organic increase was 15 percent, 25 percent from acquisitions and currency effects were positive with 9 percent. Sales in Sweden increased by 22 percent while sales in Norway increased by 31 percent whereof organic sales development was 26 percent and currency effects had a positive impact with 5 percent. Sales in other countries in Europe decreased by -3 percent in the quarter.

Analysis of net sales, Product & Solutions	Q4 2022 (%)	Q4 2022 SEK m	12M 2022 (%)	12M 2022 (SEKm)
Previous period		658		2,818
Organic growth	6%	36	13%	374
Structural effects	4%	29	3%	86
Currency effects	5%	32	4%	103
Current period	15%	756	20%	3,381

Operating profit (EBIT) for Products & Solutions for the fourth quarter 2022 decreased and amounted to SEK 35 m (72). The EBIT margin was 4.6 percent (10.9). Operating profit (EBIT) for the period January - December 2022 amounted to SEK 413 m (413). The EBIT margin was 12.2 percent (14.7).

EBITDA amounted to SEK 72 m (100) and the EBITDA margin was 9.6 percent (15.2) in the fourth quarter. EBITDA for period January - December 2022 amounted to SEK 530 m (517) and the EBITDA margin was 15.7 percent (18.3).



Installation Services

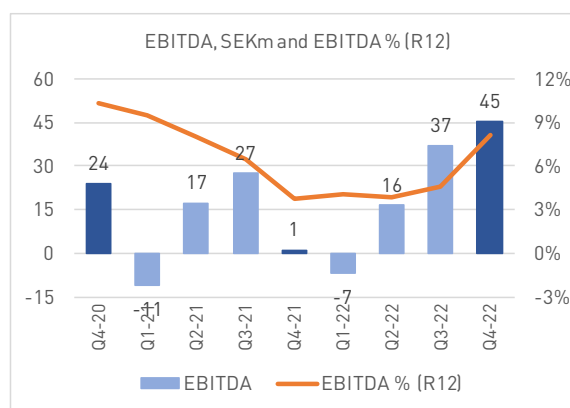
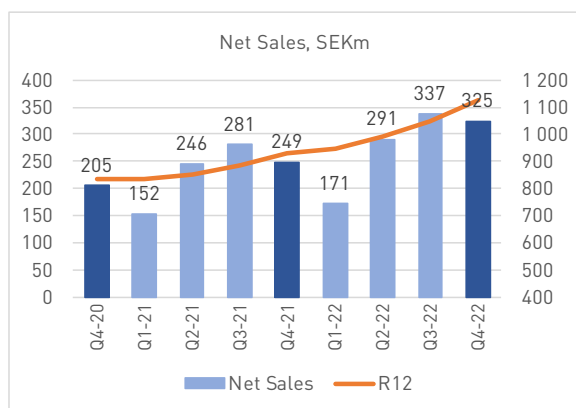
Business in this operating segment is primarily conducted in Finland, through a part-owned company in Norway and through the non-consolidated franchise companies in Denmark. Net sales for the fourth quarter of 2022 increased by 30 percent compared with the corresponding period in the preceding year, amounting to SEK 325 m (249). Organic growth was 13 percent of which 6 percent were sales price increases and volume development 7 percent, the impact from acquisitions was 9 percent and currency translation effects were 8 percent.

Sales in Finland increased with 29 percent consisting of 9 percent organic, 11 percent from acquisitions and positive currency effects with 9 percent. Sales in Norway increased with 54 percent consisting of 48 percent organic and positive currency effects with 6 percent.

Analysis of net sales, Installation Services	Q4 2022 (%)	Q4 2022 (SEK m)	12M 2022 (%)	12M 2022 (SEK m)
Previous period		249		928
Organic growth	13%	33	5%	45
Structural effects	9%	23	11%	102
Currency effects	8%	20	5%	49
Current period	30%	325	21%	1,124

Operating profit (EBIT) for Installation Services for the fourth quarter amounted to SEK 36 m (-8). The EBIT margin was 11.1 percent (-3.1) in the quarter. Operating profit (EBIT) for the period January - December increased to SEK 58 m (8). The EBIT margin for the period January - December increased to 5.2 percent (0.9).

EBITDA amounted to SEK 45 m (1) and the EBITDA margin was 13.9 percent (0.4) in the fourth quarter. EBITDA for the period January - December amounted to SEK 92 m (34) and the EBITDA margin was 8.2 percent (3.7).



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

Quarterly data, IFRS and alternative measures

Key figures (SEKm)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Net sales	1,045	1,132	1,255	912	890	1,003	1,067	704
EBITDA*	114	162	216	91	97	176	192	50
EBITDA margin, %*	10.9%	14.3%	17.2%	10.0%	10.9%	17.5%	18.0%	7.1%
Operating profit (EBIT)	66	128	180	56	59	140	161	22
EBIT margin, %*	6.3%	11.3%	14.4%	6.1%	6.6%	14.0%	15.0%	3.1%
ROCE (R12), %*	16.1%	16.6%	17.9%	17.9%	16.6%	17.1%	16.8%	15.9%
Net profit	47	104	140	39	44	86	116	11
Cash flow from operating activities	93	244	38	-15	92	101	114	-88
Cashflow from operating activities (R12)*	360	358	215	292	220	311	461	460
Operating cash conversion (R12), %*	62%	63%	37%	52%	43%	61%	92%	97%
Interest-bearing net debt*	844	861	976	762	677	675	662	463
Net debt*	912	895	1,009	855	770	766	720	515
Earnings per share before dilution, SEK	1.96	4.34	5.86	1.61	1.82	3.58	4.84	0.47
Earnings per share after dilution, SEK	1.96	4.32	5.82	1.60	1.81	3.56	4.80	0.47

Net sales by segment (SEKm)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Products & Solutions	756	831	1,021	773	658	746	850	563
Installation Services	325	337	291	171	249	281	246	152
Group Items & Eliminations	-35	-37	-57	-33	-17	-25	-29	-12
Total	1,045	1,132	1,255	912	890	1,003	1,067	704

Net sales by country (SEKm)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Sweden	193	203	254	138	158	203	221	98
Norway	181	177	180	136	132	144	171	135
Denmark	230	251	286	272	230	227	234	198
Finland	321	346	314	171	243	281	252	131
Europe	119	153	219	193	123	147	188	140
Rest of world	2	2	1	1	4	1	1	2
Total	1,045	1,132	1,255	912	890	1,003	1,067	704

EBITDA by segment (SEKm)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Products & Solutions	72	135	212	111	100	155	190	72
Installation Services	45	37	16	-7	1	27	17	-11
Group Items & Eliminations	-4	-10	-12	-12	-4	-7	-15	-10
Total	114	162	216	91	97	176	192	50

EBIT by segment (SEKm)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Products & Solutions	35	111	184	83	72	128	164	49
Installation Services	36	28	9	-15	-8	20	12	-16
Group Items & Eliminations	-5	-11	-13	-13	-5	-8	-16	-11
Total	66	128	180	56	59	140	161	22

*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 year-end 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, 7 February 2023

CEO

Martin Ellis
President & CEO

Board of Directors

Mats O. Paulsson
Chairman

Leena Arimo

Hannele Arvonen

Steffen Baungaard

Riitta Palomäki

Hannu Saastamoinen

This year-end report has not been reviewed by the company's auditor.

Condensed consolidated key figures

Amounts in SEKm

unless otherwise stated

	Q4 2022	Q4 2021	12M 2022	12M 2021
Net sales	1,045	890	4,343	3,664
Gross profit	252	232	1,184	1,041
EBITDA*	114	97	583	515
Operating profit (EBIT)	66	59	430	382
Net profit	47	44	330	256
Gross margin, %*	24.1%	26.1%	27.3%	28.4%
EBITDA margin, %*	10.9%	10.9%	13.4%	14.1%
EBIT margin, %*	6.3%	6.6%	9.9%	10.4%
Cash flow from operating activities	93	92	360	220
Operating cash conversion, %*	n/a	n/a	62%	43%
Investments in tangible & intangible assets	-43	-25	-105	-84
Total assets	3,724	3,158	3,724	3,158
Capital employed*	2,859	2,364	2,859	2,364
Equity	1,754	1,460	1,754	1,460
Interest-bearing net debt*	844	677	844	677
Interest-bearing net debt/EBITDA, multiple*	n/a	n/a	1.4x	1.3x
Net debt*	912	770	912	770
Net debt/EBITDA, multiple*	n/a	n/a	1.6x	1.5x
Interest coverage ratio, multiple*	6.4x	15.9x	17.3x	22.3x
Equity/assets ratio, %*	47.1%	46.2%	47.1%	46.2%
Net debt/equity ratio, multiple*	0.5x	0.5x	0.5x	0.5x
Return on shareholders' equity, %*	n/a	n/a	20.8%	18.1%
Return on capital employed, %*	n/a	n/a	16.1%	16.6%
Return on capital employed excluding goodwill, %*	n/a	n/a	27.9%	29.9%
Average number of shares before dilution	23,999,838	23,957,001	23,957,563	23,939,094
Average number of shares after dilution	24,083,935	24,083,935	24,083,935	24,083,935
Earnings per share before dilution, SEK	1.96	1.82	13.78	10.71
Earnings per share after dilution, SEK	1.96	1.81	13.71	10.64
Shareholders equity per share before dilution, SEK*	73.10	60.94	73.23	60.99
Shareholders equity per share after dilution, SEK*	72.84	60.62	72.84	60.62
Cash flow from operating activities per share before dilution, SEK*	3.89	3.85	14.99	9.20
Cash flow from operating activities per share after dilution, SEK*	3.88	3.82	14.94	9.13
Number of shares before dilution	23,999,838	23,907,601	23,999,838	23,907,601
Number of shares after dilution	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	Q4 2022	Q4 2021	12M 2022	12M 2021
Net sales	1,045.3	889.8	4,343.4	3,663.5
Cost of goods sold	-793.6	-657.5	-3,159.1	-2,622.4
Gross profit/loss	251.7	232.3	1,184.3	1,041.1
Selling expenses	-146.4	-122.2	-530.1	-439.9
Administrative expenses	-73.1	-60.8	-272.7	-244.3
Research and development expenses	-1.3	-1.3	-5.1	-4.7
Other operating income	9.7	3.6	19.0	11.0
Other operating expenses	-2.2	-1.4	-7.0	-2.5
Share of profit in associated companies	27.9	8.8	42.1	21.0
Operating profit/loss (EBIT)	66.2	59.0	430.4	381.7
Net finance items	-9.2	-3.2	-17.9	-47.0
Profit/loss before tax	57.0	55.8	412.6	334.6
Tax	-9.9	-12.2	-82.4	-78.3
Profit/loss after tax	47.1	43.6	330.1	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	25.3	6.7	100.1	27.8
Gains/losses on hedging of currency risk in foreign operations	0.0	0.0	0.0	0.0
Gains/losses on raw material hedging, net	0.0	0.0	0.0	1.7
Tax on gains/losses on comprehensive income	0.0	0.0	0.0	-0.4
Total other comprehensive income after tax	25.3	6.7	100.1	29.1
Total comprehensive income after tax	72.4	50.3	430.2	285.5
Profit/loss for the year, attributable to:				
Owners of the company	48.1	45.8	331.3	258.6
Non-controlling interests	-1.0	-2.2	-1.2	-2.3
Total comprehensive income for the year, attributable to:				
Owners of the company	73.0	52.3	430.8	287.1
Non-controlling interests	-0.5	-2.0	-0.5	-1.7
Average number of shares before dilution	23,999,838	23,957,001	23,957,563	23,939,094
Average number of shares after dilution	24,083,935	24,083,935	24,083,935	24,083,935
Earnings per share before dilution, SEK	1.96	1.82	13.78	10.71
Earnings per share after dilution, SEK	1.96	1.81	13.71	10.64

Condensed consolidated balance sheet

Amounts in SEKm unless otherwise stated	31 Dec 2022	31 Dec 2021
ASSETS		
Intangible assets	1,360.6	1,177.4
Tangible assets	571.5	490.8
Financial assets	146.2	121.5
Deferred tax assets	13.4	8.9
Other non-current assets	11.2	11.2
Total non-current assets	2,102.9	1,809.8
Inventories	786.6	609.4
Trade receivables	420.0	366.6
Receivables for on-going construction contracts	101.9	80.6
Tax assets	0.2	2.9
Other receivables	51.9	62.0
Cash and cash equivalents	260.5	226.6
Total current assets	1,621.1	1,348.0
TOTAL ASSETS	3,724.0	3,157.8
EQUITY AND LIABILITIES		
Share capital	24.1	24.1
Reserves	138.5	39.0
Retained earnings including profit for the year	1,573.9	1,387.9
Equity attributable to owners of the Company	1,736.4	1,451.0
Non-controlling interests	17.9	9.0
Total equity	1,754.3	1,460.0
Non-current interest-bearing liabilities	881.6	851.5
Other non-current liabilities	50.6	35.3
Provisions	5.1	6.0
Deferred tax liabilities	132.3	123.2
Total non-current liabilities	1,069.7	1,016.0
Current interest-bearing liabilities	223.3	52.2
Trade payable	242.6	211.5
Payables for on-going construction contracts	56.9	45.0
Tax liabilities	27.7	50.1
Other current liabilities	349.6	323.0
Total current liabilities	900.0	681.8
TOTAL EQUITY AND LIABILITIES	3,724.0	3,157.8

Condensed consolidated statement of changes in equity

Specification of changes in equity (SEKm)	31 Dec 2022	31 Dec 2021
<i>Equity attributable to owners of the Company</i>		
Opening balance	1,451.0	1,406.8
Profit for the period	331.3	258.6
Other comprehensive income	99.4	28.5
Transactions with non-controlling interest	-9.5	8.3
Dividend	-143.4	-239.1
Repurchase of treasury shares	0.0	-20.0
Costs for long-term incentive programs	7.5	7.8
Closing balance	1,736.4	1,451.0
<i>Equity attributable to non-controlling interest</i>		
Opening balance	9.0	11.2
Profit for the period	-1.2	-2.3
Other comprehensive income	0.6	0.6
Acquisitions	9.9	7.8
Dividend	-0.5	0.0
Transactions with the Group's owners	0.0	-8.3
Closing balance	17.9	9.0
SUM TOTAL EQUITY, CLOSING BALANCE	1,754.3	1,460.0

Condensed consolidated cash flow statement

Amounts in SEKm unless otherwise stated	Q4 2022	Q4 2021	12M 2022	12M 2021
Operating activities				
Operating profit (EBIT)	66.2	59.0	430.4	381.7
Adjustment for non-cash items etc	1.6	31.9	105.0	122.7
Interest received	0.2	0.2	0.8	0.5
Interest paid	-10.0	-3.3	-23.5	-13.9
Dividends received	3.7	0.1	24.6	31.6
Dividends received from entities valued according to IFRS 9	0.4	0.0	0.4	0.0
Income tax paid/received	-72.3	-13.6	-120.7	-42.9
Cash flow from operating activities before changes in working capital	-10.3	74.2	417.0	479.7
Changes in working capital				
Increase (-)/Decrease (+) in inventories	84.4	-87.8	-88.0	-171.2
Increase (-)/Decrease (+) in operating receivables	334.5	237.6	14.0	-120.0
Increase (+)/Decrease (-) in operating liabilities	-315.2	-131.9	16.8	31.1
Cash flow from operating activities	93.4	92.0	359.7	219.5
Investing activities				
Acquisition of intangible fixed assets	-0.1	-4.8	-1.5	-5.7
Acquisition of tangible fixed assets	-43.1	-17.2	-103.0	-76.5
Divestments of tangible fixed assets	4.2	0.0	4.2	0.0
Acquisition of business, net cash impact	-20.3	-1.6	-127.8	-180.6
Acquisition of participations in associated companies	0.0	-0.7	-0.3	-17.0
Divestments of participations in associated companies	1.0	2.6	1.0	2.6
Change in other financial assets	7.9	-1.4	-9.3	0.0
Cash flow from investing activities	-50.3	-23.2	-236.7	-277.3
Financing activities				
Amortization of loans	-16.9	-20.6	-62.3	-67.7
Proceeds from loans	0.5	2.4	160.5	11.8
Purchase of own shares	0.0	-20.0	0.0	-20.0
Dividend	0.0	0.0	-143.4	-239.1
Acquisition of participations in non-controlling interest	0.0	0.0	-56.0	-3.4
Divestment of participations in non-controlling interest	0.0	0.0	0.0	0.0
Dividend paid to non-controlling interests	-0.5	0.0	-0.5	-4.6
Cash flow from financing activities	-16.9	-38.1	-101.7	-322.9
Cash flow for the period	26.1	30.7	21.4	-380.7
Cash and cash equivalents at the beginning of the period	224.9	195.0	226.6	604.3
Exchange-rate differences in cash and cash equivalents	9.4	0.9	12.5	3.0
Cash and cash equivalents at the end of the period	260.5	226.6	260.5	226.6

The parent company's income statement in summary

Amounts in SEKm

unless otherwise stated

	Q4 2022	Q4 2021	12M 2022	12M 2021
Net sales	2.5	1.8	15.0	11.3
Gross profit/loss	2.5	1.8	15.0	11.3
Administrative expenses	-11.1	-14.4	-32.1	-29.3
Other operating expenses	0.0	0.0	-1.3	-0.5
Operating profit/loss (EBIT)	-8.7	-12.6	-18.4	-18.4
Result from financial items				
Result from shares in subsidiaries	0.0	200.0	150.0	200.0
Other financial items	-1.0	-0.3	-11.8	-4.9
Net finance items	-1.0	199.7	138.2	195.1
Result after financial items	-9.6	187.1	119.8	176.6
Appropriations	30.2	28.1	30.2	28.1
Profit before tax	20.6	215.2	150.0	204.7
Tax	-4.1	-3.4	-0.2	-1.4
Profit/loss after tax	16.5	211.8	149.8	203.4

Other comprehensive income in summary

	Q4 2022	Q4 2021	12M 2022	12M 2021
Other comprehensive income				
Profit for the period	16.5	211.8	149.8	203.4
Other comprehensive income	0.0	0.0	0.0	0.0
Total other comprehensive income after tax	16.5	211.8	149.8	203.4

The parent company's balance sheet in summary

Amounts in SEKm

unless otherwise stated

	31 Dec 2022	31 Dec 2021
ASSETS		
Shares in subsidiaries	908.4	903.0
Total non-current assets	908.4	903.0
Other current receivables from Group companies	439.0	249.3
Current tax assets	15.7	14.8
Other short-term receivables	1.3	1.6
Cash and cash equivalents	133.0	165.8
Total current assets	589.1	431.5
TOTAL ASSETS	1,497.5	1,334.5
EQUITY AND LIABILITIES		
Share capital	24.1	24.1
Retained earnings including profit for the year	619.1	605.1
Total equity	643.2	629.2
Untaxed reserves	69.7	87.9
Long-term liabilities to credit institue	373.4	367.0
Total non-current liabilities	373.4	367.0
Current interest-bearing liabilities	160.0	0.0
Trade payable	0.1	0.1
Short-term liabilities to Group companies	242.0	246.8
Other current liabilities	9.2	3.5
Total current liabilities	411.3	250.4
TOTAL EQUITY AND LIABILITES	1,497.5	1,334.5

Notes

Note 1 – Accounting principles

The year-end 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 year-end 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 year-end report. Otherwise, no essential changes have been made to these estimates or judgements which could have a material impact on the year-end 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	1	0	0	1	1
Acquisitions	102	8	32	7	149
Reclassification	0	0	0	5	5
Amortization	0	0	-29	-13	-42
Exchange-rate differences	59	0	5	6	70
Closing balance, 31 December 2022	1,203	19	101	37	1,361

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.

2022-12-31	At amortized cost	Fair value through profit or loss	Fair Value hedging instruments	Other ¹	Reported value	Level 1	Level 2	Level 3
Financial assets								
Financial assets	24	-	-	123	147	-	-	-
Other non-current assets	11	-	-	-	11	-	-	-
Trade receivables	420	-	-	-	420	-	-	-
Other receivables ²	-	-	-	52	52	-	-	-
Receivables for on-going construction	102	-	-	-	102	-	-	-
Cash and cash equivalents	260	-	-	-	260	-	-	-
Total	818	-	-	175	993	-	-	-
Financial liabilities								
Non-current interest-bearing liabilities	882	-	-	-	882	-	-	-
Other non-current liabilities	2	49	-	-	51	-	-	49
Trade payable	243	-	-	-	243	-	-	-
Current interest-bearing liabilities	223	-	-	-	223	-	-	-
Other current liabilities ²	80	17	0	252	350	-	0	17
Total	1,430	66	0	252	1,748	-	0	66

2021-12-31	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	12	-	-	109	122	-	-	-
Other non-current assets	11	-	-	-	11	-	-	-
Trade receivables	367	-	-	-	367	-	-	-
Other receivables ²	-	-	-	62	62	-	-	-
Receivables for on-going construction	81	-	-	-	81	-	-	-
Cash and cash equivalents	227	-	-	-	227	-	-	-
Total	697	-	-	171	868	-	-	-
Financial liabilities								
Non-current interest-bearing liabilities	852	-	-	-	852	-	-	-
Other non-current liabilities	1	34	-	-	35	-	-	34
Trade payable	211	-	-	-	211	-	-	-
Current interest-bearing liabilities	52	-	-	-	52	-	-	-
Other current liabilities ²	59	58	-	206	323	-	-	58
Total	1,176	91	-	206	1,473	-	-	91

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 31 December:

MSEK	2022	2021
Opening balance	91	34
Fair value movement in income statement	-7	31
Acquisition	36	32
Paid	-56	-5
Exchange-rate differences	1	-2
Closing balance	66	91

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	
	12M 2022	12M 2021	12M 2022	12M 2021	12M 2022	12M 2021	12M 2022	12M 2021
Allocation of revenues external/internal								
Revenues from external customers	3,222	2,735	1,121	928	0	0	4,343	3,664
Revenues from other segments	159	83	3	0	-162	-83	0	0
Revenues, total	3,381	2,818	1,124	928	-162	-83	4,343	3,663
Allocation per country								
Denmark	1,039	889	0	0	0	0	1,039	889
Sweden	757	629	31	50	0	0	787	679
Norway	528	432	167	150	-21	0	675	583
Finland	381	271	913	718	-142	-83	1,153	907
Europe (excluding Nordic region)	674	591	9	7	0	0	684	598
Other countries	5	5	1	3	0	0	6	8
Total	3,384	2,818	1,122	928	-162	-83	4,343	3,664
Significant types of income								
Sale of goods	2,873	2,347	0	0	-162	-83	2,711	2,264
Construction contracts	510	471	1,122	928	0	0	1,632	1,399
Total	3,384	2,818	1,122	928	-162	-83	4,343	3,664
Time of revenue recognition								
At a certain point in time	2,873	2,347	0	0	-162	-83	2,711	2,264
Over time	510	471	1,122	928	0	0	1,632	1,399
Total	3,384	2,818	1,122	928	-162	-83	4,343	3,664
EBITDA	530	517	92	34	-39	-36	583	515
Depreciation & Amortisation	-117	-104	-33	-26	-3	-3	-153	-133
Operating profit (EBIT)	413	413	58	8	-41	-40	430	382
Net finance items							-18	-47
Profit/loss after finance items but before tax (EBT)							413	335
Tax							-82	-78
Profit/loss for the year							330	256
<i>Assets</i>								
Intangible assets (goodwill & customer relations)	1,070	956	287	217	3	5	1,361	1,177
Property, plant and equipment	511	425	58	62	2	3	571	491
Participations in associated companies	0	0	120	107	0	0	120	107
Inventory	735	588	52	22	-1	0	787	609
Other assets	451	397	215	166	-81	-43	585	520
Non-allocated assets					300	253	300	253
Total assets	2,768	2,366	733	574	224	217	3,724	3,157
<i>Liabilities and Equity</i>								
Equity					1,754	1,460	1,754	1,460
Other liabilities	541	486	195	142	-82	-42	654	585
Non-allocated liabilities					1,316	1,112	1,316	1,112
Total liabilities and equity	541	486	195	142	2,987	2,530	3,724	3,157
Investments in tangible & intangible assets	100	82	6	2	0	0	105	84

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 fourth 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 12M 2022

During 2022, six subsidiary acquisitions has been closed. The purchase prices amounted to SEK 165.5 million and was financed through Nordic Waterproofing's existing credit facilities. Acquisition-related costs amounted to a total of SEK 6.9 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. The acquired business contributed net sales of SEK 97 m and net profit of SEK -0,4 m to the Group for during the year. If the acquisitions had occurred on 1 January 2022, consolidated proforma net sales and profit for the year ended 31 December 2022 would have been SEK 4,544 m and SEK 365 m. These amounts have been calculated using the subsidiary's results and adjusting them for:

- differences in accounting policies between the Group and the subsidiary, and
- the additional amortization that would have been charged assuming the fair value adjustments to intangible assets had applied from 1 January 2019, together with consequential tax effects.

In the case of acquisitions of less than 100 per cent, non-controlling interests have been valued at proportionate share of the holding on two occasions and for the remaining acquisitions, no controlling interest has been reported by applying the anticipated acquisition method. Goodwill from acquisitions is attributable to employees and expected synergy effects. None of the goodwill recognized is expected to be deductible for income tax purposes.

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. In the agreement there is a conditional purchase price to the previous owners. The conditional purchase price of DKK 5 M is payable on September 14, 2025, provided that the previous owners are still employed as of September 1, 2025. From an accounting perspective based on the criterion of continued employment, the conditional purchase price is reported as accrued salary within administrative expenses as earnings occur until the criterion is met. 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.

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 a call option, and the minority of shareholders has a put option on the remaining 30 percent of the shares during 2025. The minority of shareholders can, until April 30, 2024, call to retain up to 5.6 percent of the shares. For accounting reasons, the combined call and put option has been classified as a financial liability, but as the combined call and put option is not equal, a non-controlling interest has been recognized as well and the call/put option has been recognized within profit loss brought forward by applying the present access method. Non-controlling interests have been valued at the holding's proportionate share of the fair value of identifiable net assets. The call and put option is reported 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 Tammissaari 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.

Hagmans Tak Öst AB

On 1 December 2022 the Group through Nordic Waterproofing AB acquired 100 per cent of the shares in the Swedish company Hagmans Tak Öst AB. The purchase was financed within Nordic Waterproofing's existing credit facilities. In the agreement there is a conditional purchase price to the previous owners. In the agreement there is a conditional purchase price to the previous owners. Part of the conditional purchase price amounting to SEK 3.2 M falls due after December 31, 2025, provided that one of the previous owners is still employed as of December 31, 2025. From an accounting perspective based on the criterion of continued employment, the conditional purchase price is reported as accrued salary within administration costs as earnings occur until the criterion is met. The company is headquartered in Motala in Östergötland and performs installations of bitumen-based roofings products. Hagmans Tak Öst AB has 10 employees and an annual turnover of ca SEK 15 million. The acquisition will strengthen Nordic Waterproofing AB's position on the local waterproofing market and secure a certain share of the market for products originating from Nordic Waterproofing. Hagmans Tak Öst AB will be reported in the Segment Installations Services.

Playgreen Finland Oy

On 7 December 2022 the Group through Nordic Waterproofing Oy signed an agreement to acquire an additional 31 per cent of the Finnish company Playgreen Finland Oy ("Playgreen"). In 2020, Nordic Waterproofing Oy acquired 33 percent of the shares in Playgreen and now owns a total of 64.31 percent of the shares with options to acquire the remaining 35.69 percent of the shares. Through this partial step acquisition, Playgreen became a subsidiary of Nordic Waterproofing Oy when Nordic Waterproofing gained control of Playgreen. The fair value at the time of acquisition of Nordic Waterproofing Oy's holding of equity shares amounted to SEK 13.2 M, and as a result of revaluation to fair value, a profit of SEK 7.0 M within the segment Installation Services is reported within profit from shares in associated companies. The purchase was financed within Nordic Waterproofing's existing credit facilities. Nordic Waterproofing has a call option, and the minority of shareholders has a put option on 19.22 percent of the shares during 2025. For accounting purposes, the call and put option has been classified as a financial liability and no non-controlling interest has been recognized. For the remaining non-controlling interest of 16.47 percent of the shares, the non-controlling interest have been valued at the holding's proportionate share of the fair value of

identifiable net assets. The call/put option is reported at fair value as long-term debt level 3 and changes in fair value are reported among financial items in the income statement. The company is headquartered in Vaanta in Finland and offers environmentally friendly tailor-made renewable energy solutions to their customers to be installed on public buildings, industries, farms or private houses. Playgreen has 20 employees and an annual turnover 2022 of ca EUR 7 million. The acquisition will, together with our roofing businesses, realize synergies in terms of marketing and market expansion as well as in installation services and solution development. Playgreen will be reported in the Segment Installation Services.

Acquisitions after the reporting period

On 3 February 2023, Veg Tech AB acquired an additional 40 percent of the shares in Blomstertak A/S to a purchase price of NOK 1 and increased the ownership to 100 percent. The acquisition will be reported as a transaction between owners. Before the acquisition, the recognized value for the non-controlling interest of 40 percent preliminary amounted to SEK -0.5 m. The Group will preliminarily recognize an increase in non-controlling interest of SEK -0.5 m and an decrease of equity attributable to Parent Company shareholders to a corresponding amount.

Acquisitions during the prior year

During 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	12M	12M
SEK m	2022	2021
Cash paid	146.4	204.8
Call/put option	27.61	30.1
Vendor note and earn-out	8.53	2.3
Total purchase consideration	182.6	237.2

Acquisition analysis	12M	12M
SEK m, unless otherwise stated	2022	2021
Intangible assets	48.9	63.3
Tangible assets	10.4	30.4
Financial assets	0.4	0.2
Inventories	50.4	37.4
Trade and other receivables	49.4	56.9
Deferred tax asset	0.1	2.1
Cash and equivalents	46.8	28.9
Provisions	0.0	-0.2
Other non-interest bearing liabilities	-68.7	-46.4
Interest bearing liabilities	-35.1	-8.8
Deferred tax liabilities	-9.7	-15.6
Net assets and liabilities	92.9	148.3
Non-controlling interests	-9.9	-10.8
Fair value of earlier holdings	-12.9	0.0
Goodwill	101.9	99.7
Consideration	182.6	237.2

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

Call/put options

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

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

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

Definitions and reconciliations

Key performance indicators not defined according to IFRS

The Group presents certain financial measures in the year-end 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 Mataki, Trebolit, Phønix Tag Materialer, Kerabit, Byggpartner, 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

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

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This year-end 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 7 February 2023, 08:00 a.m. CET.

This report contains forward-looking statements which are based on the current expectations of the management of Nordic Waterproofing. Even though management believes that the expectations reflected in these forward-looking statements are reasonable, no assurances can be given that these expectations will be realized. Therefore, the financial results may differ significantly from those indicated in the forward-looking statements due to, among other things, changes in economic, market-related and competition-related conditions, changes to rules and regulations and other governmental measures, exchange rate fluctuations and other factors.

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

