

SECOND QUARTER IN LINE WITH EXPECTATIONS, SOLID PERFORMANCE IN DENMARK AND SWEDEN

SECOND QUARTER 2024

- Consolidated net sales decreased by -7 percent to SEK 1,196 m (1,292), of which acquisitions 1 percent, currency effects 0 percent and organic development -8 percent
- Net sales in Product & Solutions amounted to SEK 927 m (1,001) and in Installation Services to SEK 316 m (350)
- Gross profit decreased to SEK 337 m (349), gross margin increased to 28.2% (27.0%)
- EBITDA decreased to SEK 168 m (186), EBITDA margin decreased to 14.0% (14.4%)
- Operating profit (EBIT) decreased to SEK 131 m (143), EBIT margin decreased to 10.9% (11.0%)
- ROCE amounted to 9.7 percent (10.2)
- Cash flow from operating activities amounted to SEK 126 m (157)
- Earnings per share before and after dilution were SEK 3.70 (4.34) and SEK 3.69 (4.31), respectively

JANUARY - JUNE 2024

- Consolidated net sales decreased by -9 percent to SEK 1,999 m (2,203), of which acquisitions 1 percent, currency effects 0 percent and organic development -10 percent
- Net sales in Product & Solutions amounted to SEK 1,554 m (1,702) and in Installation Services to SEK 518 m (590)
- Gross profit decreased to SEK 528 m (550), gross margin increased to 26.4% (25.0%)
- EBITDA decreased to SEK 185 m (216), EBITDA margin decreased to 9.2% (9.8%)
- Operating profit (EBIT) decreased to SEK 110 m (131), EBIT margin decreased to 5.5% (5.9%)
- Cash flow from operating activities amounted to SEK 43 m (99)
- Earnings per share before and after dilution were SEK 2.66 (3.50) and SEK 2.65 (3.48), respectively

Amounts in SEKm unless otherwise stated	Q2 2024	Q2 2023	Change	6M 2024	6M 2023	Change	R12 2024	12M 2023
Net sales	1,196	1,292	-7%	1,999	2,203	-9%	4,259	4,463
Gross profit	337	349	-3%	528	550	-4%	1,092	1,114
Gross margin %*	28.2%	27.0%	1.2pp	26.4%	25.0%	1.4pp	25.6%	25.0%
EBITDA*	168	186	-10%	185	216	-15%	433	464
EBITDA margin, %*	14.0%	14.4%	-0.4pp	9.2%	9.8%	-0.6pp	10.2%	10.4%
EBIT	131	143	-8%	110	131	-16%	272	293
EBIT margin, %*	10.9%	11.0%	-0.1pp	5.5%	5.9%	-0.5pp	6.4%	6.6%
Return on capital employed, %*	n/a	n/a	n/a	n/a	n/a	n/a	9.7%	10.2%
Net profit	89	103	-14%	62	81	-24%	187	206
Cash flow from operating activities	126	157	-20%	43	99	-56%	447	503
Net debt*	881	1,131	-22%	881	1,131	-22%	881	749
Earnings per share before dilution, SEK	3.70	4.34	-15%	2.66	3.50	-24%	8.01	8.85
Earnings per share after dilution, SEK	3.69	4.31	-14%	2.65	3.48	-24%	7.98	8.80

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 23.



Conference call

A conference call for investors, analysts and media will be held today, 17 July 2024, at 10:00 am CEST and can be joined online on <https://events.teams.microsoft.com/event>. Presentation materials will be available on Nordic Waterproofing's website one hour before the call.

To participate from computer, use link above or via MS Teams with meeting id 317 002 736 141 and passcode: EZvcTM.

To participate via phone, please use conference id 537 439 893# 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

SECOND QUARTER IN LINE WITH EXPECTATIONS, SOLID PERFORMANCE IN DENMARK AND SWEDEN

Consolidated net sales in the second quarter decreased to SEK 1,196 million from SEK 1,292 million last year. Impact from acquisitions was 1 percent, currency had no impact and organic development was -8 percent. Organic development was -7 percent in Products & Solutions and -12 percent in Installation Services.

EBIT for the second quarter decreased to SEK 131 million, compared to SEK 143 million last year. Products & Solutions managed to maintain its operating profit and improve margins. Installation Services had a negative impact from the harder market situation in Finland.

ROCE now stands at 9.7 percent (10.2). Cash flow from operating activities amounted to SEK 126 M (157), the reduction from previous year is explained by a normal seasonal increase in inventory this year, versus a decrease last year when we started the year with high inventory levels.

Our expectation for commercial new build and renovation demand remains on current level for the remainder of this year. Residential new build will remain depressed in the near future with the exception of Denmark. In 2025 we expect more favorable market conditions on our main markets with the exception of Finland where overall market conditions are expected to be unchanged. We have continued to execute cost efficiency programs where applicable during the quarter.

PRODUCTS AND SOLUTIONS

The Products & Solutions operating segment decreased Net Sales by -7 percent (-2) to SEK 927 M (1,001). Impact from acquisitions was 0 percent (2), currency translation effects were 0 percent (3) and organic development was -7 percent (-8).

The Bitumen-based waterproofing business in Sweden had a 6 percent increase in Net Sales, Denmark managed to maintain sales on par with last year while Norway and Finland saw a negative development.

SealEco, our synthetic rubber waterproofing business, had a slight negative sales development with improved margins. Cost development has been closely monitored in the business unit and reductions made to adapt to the new market situation.

In our prefabricated wooden elements business, Taasinge Denmark had sales above last year's level while Norway had a negative sales development. Kerabit Kattoelementit in Finland had a slight negative sales development. The Taasinge group in total had a negative margin development. As part of the restructuring program, management changes have been made in March in the Norwegian entity and in July in the Danish main entity. Order books are on good levels in Denmark and Finland.

Sales development of our green infrastructure businesses, sold under the brand Veg Tech, had a negative development on all three markets mainly explained by weaker markets for roof parks, while operating result clearly improved over last year.

“ In 2025 we expect more favorable market conditions on our main markets with the exception of Finland where overall market conditions are expected to be unchanged. ”



*Martin Ellis,
President and CEO*

Jan-Jun 2024

Net sales:
SEK 1,999 m (2,203)

EBITDA:
SEK 185 m (216)
9.2% (9.8%)

EBIT:
SEK 110 m (131)
5.5% (5.9%)

ROCE (R12):
9.7% (10.2%)

INSTALLATION SERVICES

The Installation Services operating segment decreased by -10 percent (20) to SEK 316 M (350). The impact from acquisitions was 2 percent (24), currency translation effects were 0 percent (7), organic development was -12 percent (-11).

In Finland, which represents the largest part of our Installation Services, we saw lower margins as a consequence of the weaker market situation. The entity performing flooring on cruise ships and industries showed excellent performance.

In Norway we had a negative sales development while operational result improved.

In Denmark, our franchise companies reported lower operating profit, explained by weaker results from two units, while maintaining a strong order book. The entities in Sweden had a positive operating result in the quarter.

POSITIONED FOR EXPANSION

We continue to be well positioned with a solid balance sheet. As and when opportunities emerge, we shall be able to further expand the Group in accordance with our strategic plan.

Helsingborg, 17 July 2024



Martin Ellis,
President and CEO



THE GROUP

NET SALES

Consolidated net sales for the second quarter decreased with -7 percent to SEK 1,196 m (1,292). Organic development was -8 percent (-9), impact from acquisitions was 1 percent (8) and no currency translation effects (4).

Consolidated net sales for the period January - June decreased with -9 percent to SEK 1,999 m (2,203). Organic development was -10 percent, impact from acquisitions was 1 percent and no currency translation effects (4).

Sales in Denmark increased by 2 percent compared with the corresponding period in the preceding year, sales of bitumen based waterproofing had a slightly negative development and prefabricated wooden elements showed growth. Organic development was 2 percent, acquisitions and currency changes were neutral. In Sweden sales were neutral. Sales in Norway decreased by -24 percent whereof organic development was -24 percent and currency changes had a negative impact with 1 percent. In Finland sales decreased by -12 percent in the quarter whereof impact from acquisitions was 0 percent, organic development was -12 percent and currency translation effects were neutral. Sales to other countries in Europe decreased with -10 percent in the quarter.

OPERATING PROFIT (EBIT), EBITDA AND ROCE

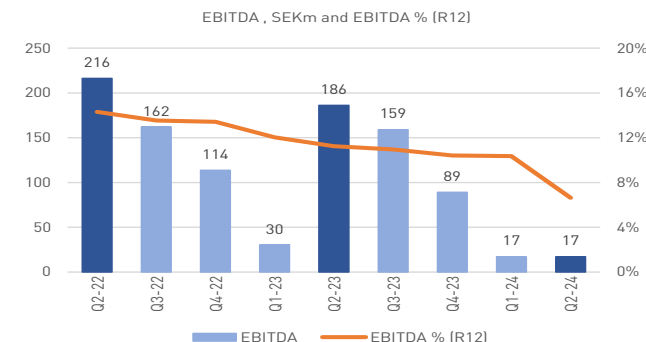
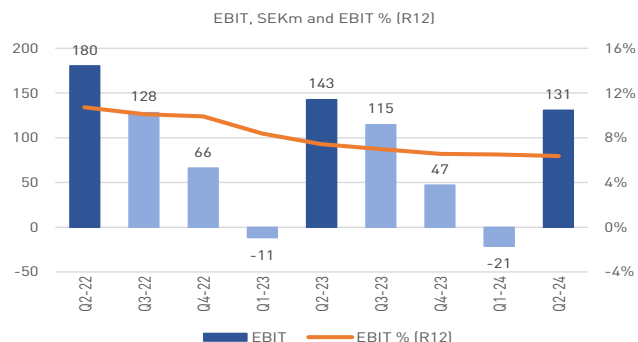
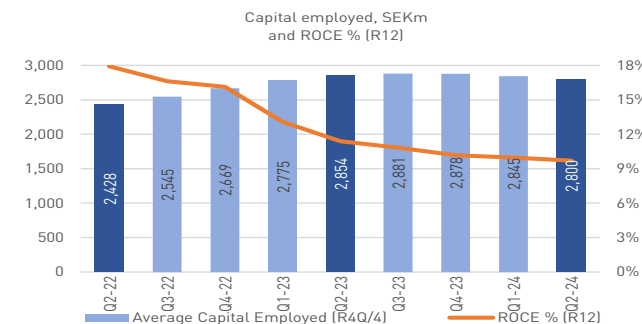
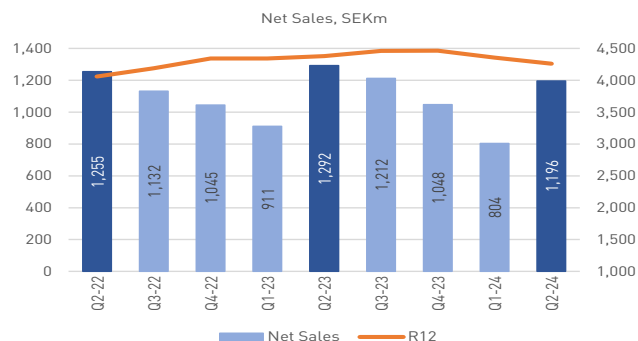
Operating profit (EBIT) for the second quarter decreased to SEK 131 m (143) and the EBIT margin decreased to 10.9 percent (11.0).

The decline in operating profit is mainly explained by lower volumes. The EBIT margin is overall at an unchanged level, but improved in Product & Solutions, while it decreased in Installation Services. Operating profit (EBIT) for the period January - June decreased to SEK 110 m (131) and the EBIT margin decreased to 5.5 percent (5.9).

EBITDA for the second quarter decreased to SEK 168 m (186) and the EBITDA margin decreased to 14.0 percent (14.4). EBITDA for the period January - June decreased to SEK 185 m (216) and the EBIT margin decreased to 9.2 percent (9.8).

Return on capital employed (ROCE) on a rolling 12 months basis was 9.7 percent (10.2) after the first second, being below our long-term financial target of 13.0 percent. The reduction is mainly explained by the decreased profitability.

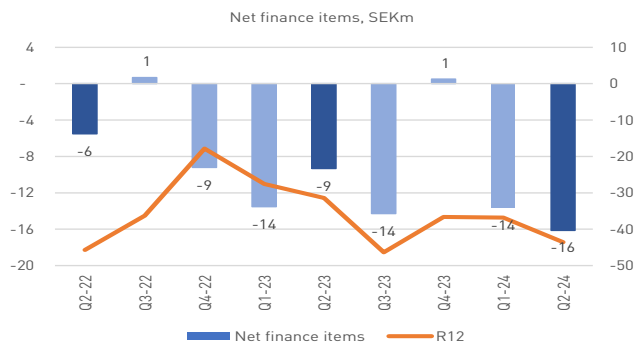
Analysis of net sales	Q2 2024	Q2 2024	Q2 2023	Q2 2023	6M 2024	6M 2024	6M 2023	6M 2023
	(%)	(MSEK)	(%)	(MSEK)	(%)	(MSEK)	(%)	(MSEK)
Previous period		1,292		1,255		2,203		2,167
Organic growth	-8%	-107	-9%	-112	-10%	-228	-9%	-204
Structural effects	1%	8	8%	95	1%	19	7%	161
Currency effects	0%	3	4%	54	0%	5	4%	80
Current period	-7%	1,196	3%	1,292	-9%	1,999	2%	2,203



NET FINANCIAL ITEMS

Net financial items for the second quarter of 2024 amounted to SEK -16 m (-9). The negative development is mainly explained by increased interest cost that had a negative impact of SEK -13 M (-11).

Net financial items for the period January - June amounted to SEK -30 m (-23). The negative development is mainly explained by increased interest cost that had a negative impact of SEK -24 M (-20).



PROFIT OR LOSS BEFORE AND AFTER TAX

The profit before tax for the second quarter amounted to SEK 115 m (133) and profit after tax amounted to SEK 89 m (103). The effective tax rate was 22.8 percent in the quarter.

The profit before tax for the period January - June amounted to SEK 80 m (108) and profit after tax amounted to SEK 62 m (81). The effective tax rate was 22.7 percent.

CASH FLOW

Cashflow from operating activities during the second quarter was SEK 126 m (157). The cash flow was negatively affected by a changes in working capital.

Cash flow from investing activities during the second quarter was -19 m (-41).

Cash flow from financing activities during the second quarter was SEK-34 m (-104). During the second quarter a cash dividend was paid to the shareholders in the amount of SEK -120 m (-167) and a loan of SEK 100 m (90) was established. No options for shares in subsidiaries were paid out during the quarter (-15).

INVESTMENTS AND DEPRECIATIONS

Gross investments excluding acquisitions during the second quarter of 2024 amounted to SEK 22 m (22), while depreciation amounted to SEK -14 m (-15). Right-of-use depreciations relating to IFRS 16 amounts to SEK -14 m (-17). Amortizations of intangible assets amounted to SEK -9 m (-11), primarily consisting of amortizations of customer relations in the acquired companies.

Gross investments excluding acquisitions during January - June 2024 amounted to SEK 41 m (44), while depreciation amounted to SEK -27 m (-29). Right-of-use depreciations relating to IFRS 16 amounts to SEK -28 m (-33). Amortizations of intangible assets amounted to SEK -20 m (-22), primarily consisting of amortizations of customer relations in the acquired companies.

FINANCIAL POSITION AND LIQUIDITY

Nordic Waterproofing's principal external financing agreement was extended during the quarter by 12 months and runs until June 2026. It contains a EUR 75.0 m (75.0) term loan facility and a EUR 40.0 m (40.0) revolving loan facility, of which EUR 14.4 m is allocated to the Group cash pool overdraft facility. The loan and credit facilities bear variable interest and run without requiring repayment in instalments. The financing agreement contains financial covenants that are monitored and followed up on a quarterly basis. At the end of the second quarter Nordic Waterproofing is compliant with the covenants as per the facility agreement.

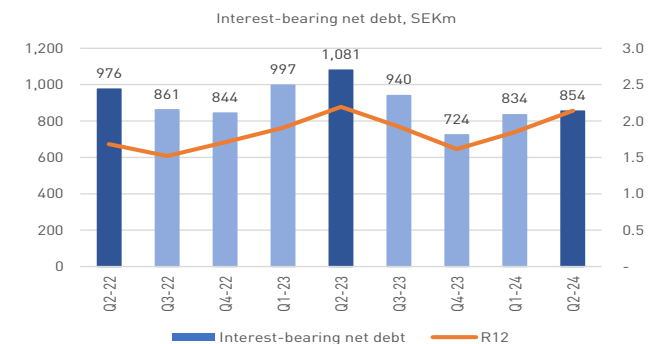
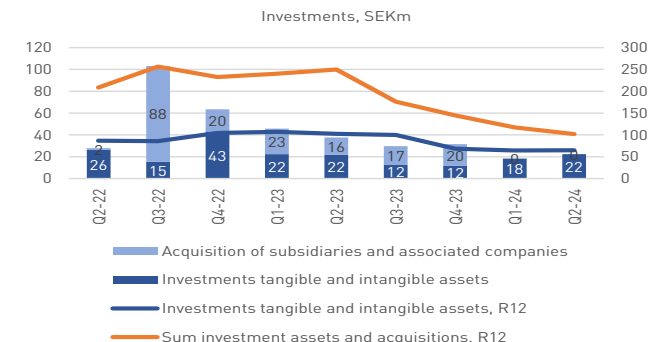
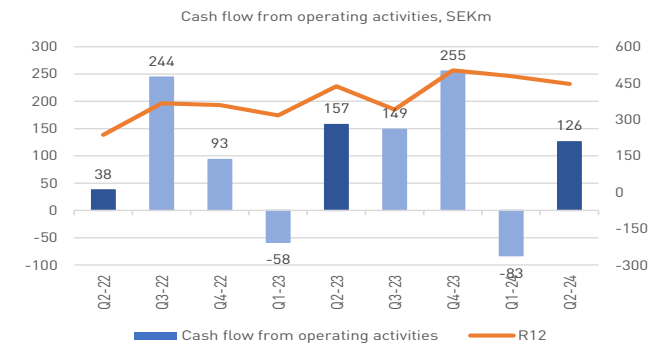
The consolidated interest-bearing net debt amounted to SEK 854 m at the end of the period, compared with SEK 724 m at the end of 2023 and SEK 1,081 m at the end of corresponding period in the preceding year. The increase in net debt of SEK 130 m compared to the end of 2023 is mainly explained by the fact that the first quarter has a seasonally weak cash flow from operating activities.

Consolidated cash and cash equivalents amounted to SEK 155 m (349) at the end of the period. SEK 0 m (0) of the Group's total overdraft facility of SEK 164 m (160) was utilized at the end of the quarter.

Indebtedness calculated as net interest-bearing debt/EBITDA during the most recent twelve-month period was 2.0x (1.6x) at the end of the period, and the net debt/equity ratio was 0.5x (0.4x).

PLEGDED ASSETS AND CONTINGENT LIABILITIES

There were no significant changes during the period.



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 increased interest rates and a decrease in the market for new built construction as well as maintenance is being closely followed by the company to mitigate the impact from these events as much as possible.

The management of risk at Nordic Waterproofing is based on a structured process for continually identifying and assessing risks, their likelihood, and their potential impact on the Group. The focus is on identifying controllable risks and managing the risks to reduce the overall risk level for the business.

On the 29 April 2020 the Danish Competition and Consumer Authority (Konkurrence- og Forbrugerstyrelsen) decided to finally close the investigation of the roofing felt market. By the decision, the Council closed the whole matter without taking any further steps. Related to this, three local competitors have raised claims for financial losses allegedly incurred by them. The first case was up in court in December 2021 and verdict was delivered on 16 February 2022 in favour of Nordic Waterproofing. Verdict in the remaining two cases was delivered on 7 May 2022 in favour of Nordic Waterproofing. Both latter two losing parties appealed the court's decision, however one of them has been closed due to bankruptcy and only one counterpart remains.

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

The risks are further described in the Group's 2023 Annual Report.

SIGNIFICANT EVENTS DURING THE PERIOD

- On 27 April the annual general meeting was held and decided to among other decisions, distribute a dividend of SEK 5.00 per share. More information about the meeting can be found on our webpage.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- No significant events have occurred since the end of the reporting period.

FINANCIAL TARGETS

Nordic Waterproofing's ambition is to create value for the society and the environment, but the Group's financial targets also aims to create value for shareholders and other stakeholders based on a business model with clear financial targets. The three financial targets growth, profitability and debt/equity ratio are approved by the Board, which will contribute to our fourth target; the dividend policy. The underlying objective of the targets is to create long-term value for our shareholders, strengthen our financial position and enable the Group's future strategic investments. In the spring of 2019, the Group's financial targets were revised, which were confirmed in December 2023. This resulted in the following financial targets adopted by the Board for the Group:

Financial targets	Outcome 6M 2024
Nordic Waterproofing aims to exceed the average growth in the group's current markets through organic growth. In addition, the group expects to grow through selective acquisitions.	In the first 6 months of 2024, organic growth amounted to -8 percent and growth through acquisitions was 1 percent. It is our view that this is in line with or above growth in our main markets.
Nordic Waterproofing's target is to generate a return on capital employed (ROCE) exceeding 13 percent for the financial year.	At the end of Q2 2024, the return on capital employed (ROCE) was 9.7%.
Interest-bearing net debt in relation to EBITDA must not exceed 3 times at the end of the year.	At the end of Q2 2024, this ratio was 2.0 times.
Nordic Waterproofing aims to have an annual dividend of more than 50 percent of its net profit. The dividend proposal is based on the group's financial position, investment needs, liquidity position and general economic and business conditions.	At the annual general meeting in April 2024, it was decided to pay an ordinary dividend of SEK 5.00 (58% of the year's profit in 2023).

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

INCENTIVE PROGRAMS

The Company has established three incentive programs ("LTIP 2022", "LTIP 2023" and "LTIP 2024"). The total cost, including social security charges, is estimated to be SEK 10-14 m for each program, during the period of the program, under the assumption of an average annual growth of operating profit (EBIT) before items affecting comparability of 10 percent. No new shares will be issued in the Company due to the programs. However, the Company will acquire treasury shares in order to secure the provision of shares and to secure and cover social security charges. The costs for the programs are expected to have a marginal effect on Nordic Waterproofing Group's key ratios. The maximum number of shares that can be granted under the LTIP 2022, LTIP 2023 and LTIP 2024 are 68,797, 74,151 and 87,647 respectively, considering persons having left the Company. During the quarter, LTIP 2021 has been completed and 18,874 shares have been distributed to the program's participants, 1,414 shares remain to be distributed. As per 30 June 2024, Nordic Waterproofing Holding AB owns itself 73,337 (95,723) treasury shares.

Treasury shares	2024	2023
Owned treasury shares as per 1 January	91,946	84,097
Distributed shares in LTIP 2021 (2020)	-18,609	-81,175
Acquired treasury shares	-	92,801
Treasury shares as per 30 June	73,337	95,723

SHARES AND SHARE CAPITAL

As per 30 June 2024, the share capital amounted to SEK 24,084 thousand and the total number of issued shares were 24,083,935 The Company has one (1) class of shares. Each share entitles the holder to one vote at general meetings.

As per 30 June 2024, Nordic Waterproofing Holding AB had ca 3 300 shareholders and owns itself 73,337 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.

There have not been any changes in number of issued shares and share capital during the first quarter of 2024. As a consequence of the distribution of shares from LTIP 2021 the number of treasury shares has been reduced from 91,946 to 73,337 shares.

OWNERSHIP STRUCTURE

The number of shareholders has during the quarter decreased with ca 300, from 3,600 to ca 3 300.

The largest shareholders in Nordic Waterproofing Holding AB, as per 30 June 2024, are stated below.

Owner	Number of shares	Capital, %	Votes, %
Kingspan Group PLC	8,597,950	35.7%	35.8%
Samson Rock Capital LLP	3,638,638	15.1%	15.2%
TFG Asset Management	3,000,000	12.5%	12.5%
Fidelity International (FIL)	1,203,072	5.0%	5.0%
Dimensional Fund Advisors	532,853	2.2%	2.2%
Carnegie Funds	454,530	1.9%	1.9%
Canaccord Genuity Wealth Management	402,471	1.7%	1.7%
DNCA Finance S.A	265,660	1.1%	1.1%
Avanza Pension	221,754	0.9%	0.9%
Martin Ellis	215,659	0.9%	0.9%
Total 10 largest shareholders	18,532,587	76.9%	77.2%
Other shareholders	5,478,011	22.7%	22.8%
Total number of votes	24,010,598	99.7%	100.0%
Treasury shares	73,337	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 AND SOLUTIONS

NET SALES

Net for the second quarter of 2024 decreased by -7 percent compared with the corresponding period in the preceding year, amounting to SEK 927 m (1,001). Organic development was -8 percent, the impact from acquisitions was 0 percent and currency translation effects were 0 percent.

Sales in Denmark increased by 2 percent compared to the corresponding period in the preceding year, whereof 2 percent organic, acquisitions and currency effects were neutral.

Sales in Finland decreased with -28 percent compared to corresponding period in the preceding year, whereof organic decrease was -28 percent, acquisitions and currency effects were neutral.

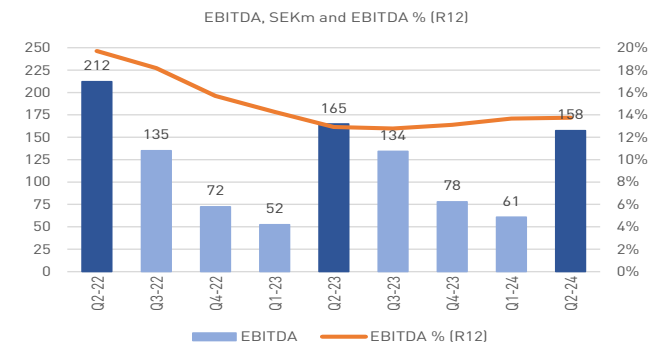
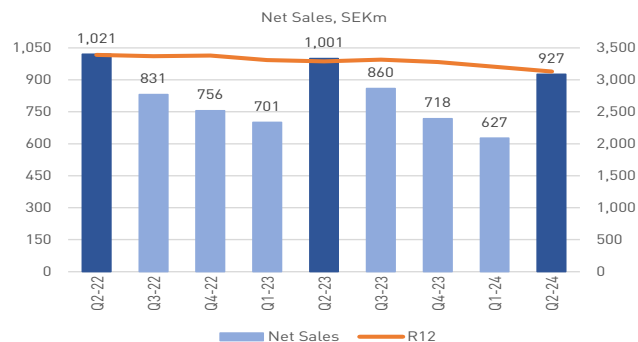
Sales in Sweden decreased by -3 percent while sales in Norway decreased by -19 percent whereof organic sales development was -20 percent and currency effects had an impact with 1 percent. Sales in other countries in Europe decreased by -10 percent in the quarter.

OPERATING PROFIT (EBIT) AND EBITDA

Operating profit (EBIT) for Products & Solutions for the second quarter 2024 decreased and amounted to SEK 129 m (132). The EBIT margin was 14.0 percent (13.2). Operating profit (EBIT) for the first six months 2024 increased and amounted to SEK 160 m (154). The EBIT margin was 10.3 percent (9.0).

EBITDA amounted to SEK 158 m (165) and the EBITDA margin was 17.0 percent (16.5) in the second quarter. EBITDA for the first six months 2024 amounted to SEK 218 m (217) and the EBITDA margin was 14.1 percent (12.8).

Analysis of net sales, Product & Solutions	Q2 2024 [%]	Q2 2024 [MSEK]	Q2 2023 [%]	Q2 2023 [MSEK]	6M 2024 [%]	6M 2024 [MSEK]	6M 2023 [%]	6M 2023 [MSEK]
Previous period		1,001		1,021		1,702		1,794
Organic growth	-8%	-76	-8%	-79	-9%	-152	-10%	-184
Structural effects	0%	0	2%	25	0%	0	2%	40
Currency effects	0%	2	3%	33	0%	4	3%	51
Current period	-7%	927	-2%	1,001	-9%	1,554	-5%	1,702



OPERATING SEGMENTS

INSTALLATION SERVICES

NET SALES

Business in this operating segment is primarily conducted in Finland, through a part-owned company in Norway, through the non-consolidated franchise companies in Denmark and through a wholly-owned subsidiary in Sweden. Net sales for the second quarter of 2024 decreased by -10 percent compared with the corresponding period in the preceding year, amounting to SEK 316 m (350). Organic development was -12 percent, the impact from acquisitions was 2 percent and currency translation effects were neutral.

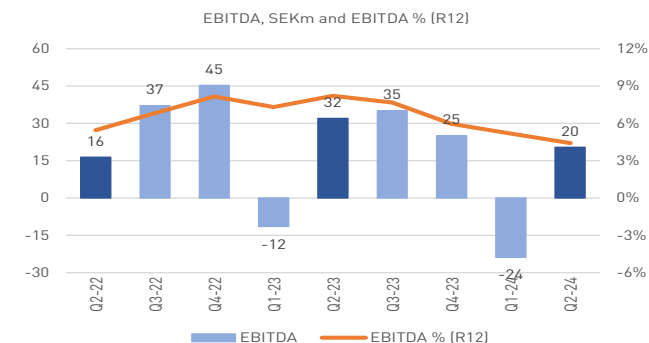
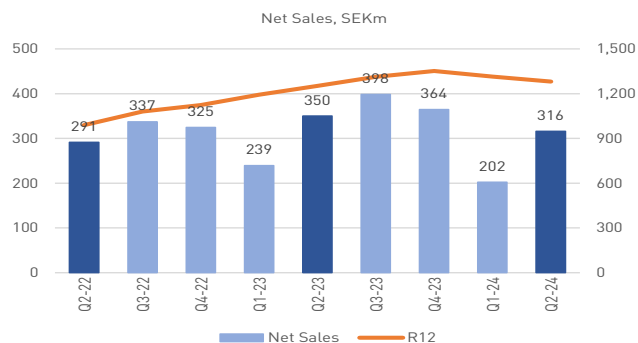
Sales in Finland decreased with -7 percent consisting of -7 percent organic, acquisitions and currency effects were neutral. Sales in Norway decreased with -47 percent consisting of -48 percent organic and positive currency effects with 1 percent. Sales in Sweden has mainly been generated from acquisitions.

OPERATING PROFIT (EBIT) AND EBITDA

Operating profit (EBIT) for Installation Services for the second quarter amounted to SEK 12 m (22). The EBIT margin was 3.9 percent (6.2) in the quarter. Operating profit (EBIT) for the first six months 2024 amounted to SEK -20 m (0). The EBIT margin for the first six months 2024 was -3.8 percent (0.0).

EBITDA amounted to SEK 20 m (32) and the EBITDA margin was 6.5 percent (9.1) in the second quarter. EBITDA for the first six months 2024 amounted to SEK -3 m (20) and the EBITDA margin was -0.7 percent (3.5).

Analysis of net sales, Installation Services	Q2 2024 (%)	Q2 2024 (MSEK)	Q2 2023 (%)	Q2 2023 (MSEK)	6M 2024 (%)	6M 2024 (MSEK)	6M 2023 (%)	6M 2023 (MSEK)
Previous period		350		291		590		462
Organic growth	-12%	-42	-11%	-32	-16%	-92	-5%	-22
Structural effects	2%	8	24%	70	3%	19	26%	121
Currency effects	0%	0	7%	21	0%	1	6%	29
Current period	-10%	316	20%	350	-12%	518	28%	590



SUSTAINABILITY WITHIN NORDIC WATERPROOFING

ENVIRONMENTAL

Climate change

Four students from IIIEE, Lunds University have finalized a study for Nordic Waterproofing AB on the topic: 'Achieving carbon neutrality'. With a focus on scope 1, 2 and 3, they examined our current work and our projects to give us good advises to be carbon neutrality in 2050. This has resulted in a report that confirmed to us that we are on the right track and have initiated the right measures for scope 1 and 2. Scope 3 containing raw materials and transport presents greater challenges. Here again, the students confirm that we are working on the right stuff, but it is challenging. This is the second projects in collaboration with LTH and Sustainalink.

Energy production

The installation of 115 MWh solar panels at the Kerabit factory in Finland is finalised. The installation will beside producing own energy also act as a case study to investigate if the colour of the roofing felt or a green roof has impact on the productivity. Thin solar film is also installed on the roof.

Energy consumption



The heat exchanger installed end last year in our Finnish Kerabit factory have shown savings in line with our expectations and makes us independent of gas for production of roofing felt. The savings in energy consumption from March to May were around 23%, expecting to decrease in summertime.

EPD – Environmental Product Declaration

Taasinge Elements published two new EPDs for roofing and facing elements in March. Kerabit published nine new EPDs from January to June. The Group has in total published 28 EPDs covering 54 products which represent close to 75% of our business in Products and Solutions.

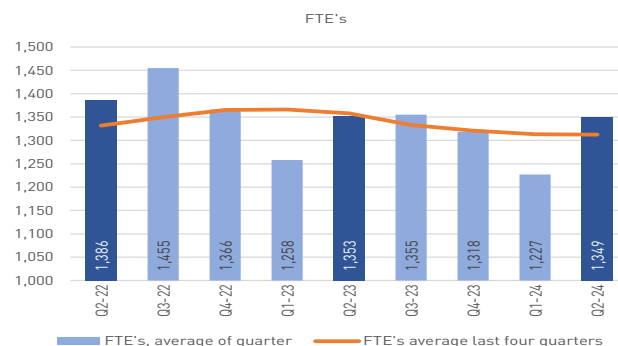
Climate mitigation

Distripod, a unit within SealEco, continues to replace all diesel forklifts by electrical ones.

SOCIAL

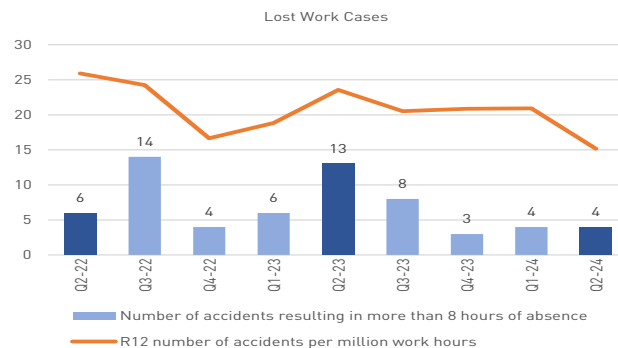
Employees

The average number of employees in the Group (expressed as full-time equivalents) amounted to 1,349 (1,353) in the second quarter of 2024.



Workplace accidents

During the second quarter, there were 4 (13) accidents resulting in more than eight hours of absence.



ESG education

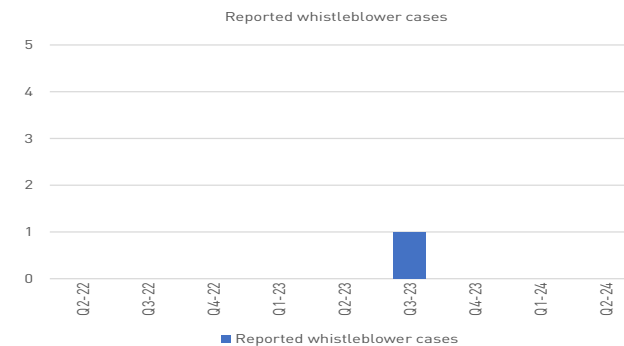
Taasinge Elements has increased the focus on ESG competences, and all relevant employees have been educated in EPDs and LCAs and followed Sustainability Lead in DGNB-courses (a certification system that evaluates and supports sustainable building projects in different phases of their life cycle).

GOVERNANCE

The Group has established a number of different policy documents at both central and local level. These are evaluated regularly and any need for updates is identified and implemented.

The Whistleblower function

The Group has an established whistleblower policy and information about this can be found on our website.



Further information about the Group's sustainability work can be found in the Annual Report for 2023 and on our website.

QUARTERLY DATA, IFRS AND ALTERNATIVE MEASURE

Key figures (SEKm)	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Net sales	1,196	804	1,048	1,212	1,292	911	1,045	1,132
EBITDA*	168	17	89	159	186	30	114	162
EBITDA margin, %*	14.0%	2.1%	8.5%	13.1%	14.4%	3.3%	10.9%	14.3%
Operating profit (EBIT)	131	-21	47	115	143	-11	66	128
EBIT margin, %*	10.9%	-2.6%	4.5%	9.5%	11.0%	-1.3%	6.3%	11.3%
ROCE (R12), %*	9.7%	10.0%	10.2%	10.8%	11.4%	13.1%	16.1%	16.6%
Net profit	89	-27	44	82	103	-22	47	104
Cash flow from operating activities	126	-83	255	149	157	-58	93	244
Cashflow from operating activities (R12)*	447	478	503	341	437	317	360	358
Operating cash conversion (R12), %*	103%	106%	108%	70%	89%	61%	62%	63%
Interest-bearing net debt*	854	834	724	940	1,081	997	844	861
Net debt*	881	861	749	985	1,131	1,058	912	895
Earnings per share before dilution, SEK	3.70	-1.04	1.86	3.49	4.34	-0.84	2.00	4.34
Earnings per share after dilution, SEK	3.69	-1.04	1.85	3.47	4.31	-0.83	2.00	4.32

* For definitions and reconciliations of financial and alternative key performance indicators, please see page 23

Net sales by segment (SEKm)	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Products & Solutions	927	627	718	860	1,001	701	756	831
Installation Services	316	202	364	398	350	239	325	337
Group Items & Eliminations	-47	-26	-34	-46	-59	-29	-35	-37
Total	1,196	804	1,048	1,212	1,292	911	1,045	1,132

Net sales by country (SEKm)	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Sweden	273	142	203	224	272	146	193	203
Norway	124	92	129	155	162	146	181	177
Denmark	273	229	231	242	267	237	230	251
Finland	353	200	375	453	401	233	321	346
Europe	170	138	110	137	189	147	119	153
Rest of world	2	3	-0	1	1	3	2	2
Total	1,196	804	1,048	1,212	1,292	911	1,045	1,132

EBITDA by segment (SEKm)	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Products & Solutions	158	61	78	134	165	52	72	135
Installation Services	20	-24	25	35	32	-12	45	37
Group Items & Eliminations	-10	-20	-14	-11	-11	-11	-4	-10
Total	168	17	89	159	186	30	114	162

EBIT by segment (SEKm)	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Products & Solutions	129	31	47	102	132	22	35	111
Installation Services	12	-32	16	24	22	-22	36	28
Group Items & Eliminations	-11	-20	-15	-11	-11	-11	-5	-11
Total	131	-21	47	115	143	-11	66	128

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, 17 July 2024

CEO

Martin Ellis
President and CEO

Board of Directors

Mats O. Paulsson
Chairman

Hannele Arvonen

Steffen Baungard

Riitta Palomäki

Hannu Saastamoinen

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

CONDENSED CONSOLIDATED KEY FIGURES

Amounts in SEKm unless otherwise stated	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
Net sales	1,196	1,292	1,999	2,203	4,259	4,463
Gross profit	337	349	528	550	1,092	1,114
EBITDA*	168	186	185	216	433	464
Operating profit (EBIT)	131	143	110	131	272	293
Net profit	89	103	62	81	187	206
Gross margin, %*	28.2%	27.0%	26.4%	25.0%	25.6%	25.0%
EBITDA margin, %*	14.0%	14.4%	9.2%	9.8%	10.2%	10.4%
EBIT margin, %*	10.9%	11.0%	5.5%	5.9%	6.4%	6.6%
Cash flow from operating activities	126	157	43	99	447	503
Operating cash conversion, %*	n/a	n/a	n/a	n/a	103%	108%
Investments in tangible & intangible assets	-22	-22	-40	-52	-56	-68
Total assets	3,769	4,040	3,769	4,040	3,769	3,634
Capital employed*	2,762	2,942	2,762	2,942	2,762	2,850
Equity	1,752	1,726	1,752	1,726	1,752	1,777
Interest-bearing net debt*	854	1,081	854	1,081	854	724
Interest-bearing net debt/EBITDA, multiple*	n/a	n/a	n/a	n/a	2.0x	1.6x
Net debt*	881	1,131	881	1,131	881	749
Net debt/EBITDA, multiple*	n/a	n/a	n/a	n/a	2.0x	1.6x
Interest coverage ratio, multiple*	8.9x	11.0x	3.9x	5.5x	4.7x	5.4x
Equity/assets ratio, %*	46.5%	42.7%	46.5%	42.7%	46.5%	48.9%
Net debt/equity ratio, multiple*	0.5x	0.6x	0.5x	0.6x	0.5x	0.4x
Return on shareholders' equity, %*	n/a	n/a	n/a	n/a	11.1%	12.1%
Return on capital employed, %*	n/a	n/a	n/a	n/a	9.7%	10.2%
Return on capital employed excluding goodwill, %*	n/a	n/a	n/a	n/a	17.2%	17.6%
Average number of shares before dilution	23,995,091	23,920,566	23,993,540	23,952,469	23,992,607	23,972,071
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	3.70	4.34	2.66	3.50	8.01	8.85
Earnings per share after dilution, SEK	3.69	4.31	2.65	3.48	7.98	8.80
Shareholders equity per share before dilution, SEK*	73.01	72.16	73.02	72.06	73.02	74.11
Shareholders equity per share after dilution, SEK*	72.74	71.67	72.74	71.67	72.74	73.77
Cash flow from operating activities per share before dilution, SEK*	5.25	6.55	1.80	4.12	18.63	20.96
Cash flow from operating activities per share after dilution, SEK*	5.23	6.53	1.79	4.11	18.56	20.88
Number of shares before dilution	23,991,989	24,010,598	23,991,989	24,010,598	23,991,989	23,991,989
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 23

CONDENSED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Amounts in SEKm unless otherwise stated	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
Net sales	1,195.6	1,292.3	1,999.1	2,203.4	4,259.2	4,463.4
Cost of goods sold	-858.4	-943.4	-1,471.4	-1,653.2	-3,167.6	-3,349.4
Gross profit/loss	337.1	348.9	527.7	550.2	1,091.6	1,114.1
Selling expenses	-146.9	-137.7	-280.9	-267.0	-561.9	-548.0
Administrative expenses	-71.0	-80.3	-141.6	-150.9	-285.7	-295.1
Research and development expenses	-1.5	-1.5	-3.5	-3.1	-6.0	-5.6
Other operating income	2.6	3.1	5.8	6.8	14.4	15.5
Other operating expenses	-0.2	-2.5	-9.2	-20.8	-21.9	-33.6
Share of profit in associated companies	10.6	12.6	11.3	16.0	41.0	45.7
Operating profit/loss (EBIT)	130.8	142.6	109.6	131.1	271.6	293.1
Net finance items	-16.1	-9.3	-29.8	-22.8	-43.6	-36.6
Profit/loss before tax	114.6	133.2	79.8	108.2	228.1	256.5
Tax	-26.1	-29.9	-18.1	-27.1	-41.0	-50.0
Profit/loss after tax	88.5	103.3	61.7	81.1	187.0	206.5
Profit/loss for the period, attributable to:						
Owners of the company	88.8	103.8	63.8	83.8	192.1	212.0
Non-controlling interests	-0.3	-0.5	-2.1	-2.6	-5.1	-5.6
	88.5	103.3	61.7	81.1	187.0	206.5
Average number of shares before dilution	23,995,091	23,920,566	23,993,540	23,952,469	23,992,607	23,972,071
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	3.70	4.34	2.66	3.50	8.01	8.85
Earnings per share after dilution, SEK	3.69	4.31	2.65	3.48	7.98	8.80

Amounts in SEKm unless otherwise stated	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
OTHER COMPREHENSIVE INCOME						
Items that are or may be reclassified to profit/loss for the period						
Translation differences for the year in translation of foreign operations	-17.8	58.5	29.5	69.2	-51.3	-11.7
Gains/losses on raw material hedging, net	0.0	0.0	0.0	0.0	0.0	0.0
Tax on gains/losses on comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0
Total other comprehensive income after tax	-17.8	58.5	29.5	69.2	-51.3	-11.7
Total comprehensive income after tax	70.7	161.8	91.2	150.3	135.7	194.8
Total comprehensive income after tax attributable to:						
Owners of the company	71.1	161.4	93.0	151.9	141.5	200.4
Non-controlling interests	-0.4	0.4	-1.8	-1.5	-5.9	-5.6
Total comprehensive income after tax	70.7	161.8	91.2	150.3	135.7	194.8

CONDENSED CONSOLIDATED BALANCE SHEET

Amounts in SEKm unless otherwise stated	30 Jun 2024	30 Jun 2023	31 Dec 2023
ASSETS			
Intangible assets	1,339.5	1,391.3	1,334.5
Tangible assets	538.2	591.2	533.8
Financial assets	154.0	179.9	184.5
Deferred tax assets	24.5	13.5	17.8
Other non-current assets	13.6	13.6	21.0
Total non-current assets	2,069.8	2,189.6	2,091.6
Inventories	698.9	779.1	618.7
Trade receivables	652.0	710.0	428.8
Receivables for on-going construction contracts	83.3	111.5	81.3
Tax assets	20.9	25.8	15.8
Other receivables	88.7	87.9	48.5
Cash and cash equivalents	155.2	135.6	349.3
Total current assets	1,698.9	1,849.9	1,542.3
TOTAL ASSETS	3,768.7	4,039.5	3,633.9
EQUITY AND LIABILITIES			
Share capital	24.1	24.1	24.1
Reserves	156.0	206.6	126.8
Retained earnings including profit for the period	1,563.9	1,475.8	1,613.0
Equity attributable to owners of the Company	1,744.0	1,706.4	1,763.8
Non-controlling interests	7.9	19.7	12.8
Total equity	1,751.9	1,726.1	1,776.7
Non-current interest-bearing liabilities	857.8	904.5	859.8
Other non-current liabilities	24.0	43.9	22.4
Provisions	5.7	5.5	6.5
Deferred tax liabilities	130.6	128.6	131.2
Total non-current liabilities	1,018.2	1,082.5	1,019.9
Current interest-bearing liabilities	151.8	311.7	213.7
Trade payable	443.4	458.4	246.2
Payables for on-going construction contracts	47.1	58.6	46.9
Tax liabilities	5.8	41.3	9.3
Other current liabilities	350.5	361.0	321.2
Total current liabilities	998.6	1,231.0	837.3
TOTAL EQUITY AND LIABILITIES	3,768.7	4,039.5	3,633.9

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in SEKm unless otherwise stated	30 Jun 2024	30 Jun 2023	31 Dec 2023
SPECIFICATION OF CHANGES IN EQUITY			
<i>Equity attributable to owners of the Company</i>			
Opening balance	1,763.8	1,736.4	1,736.4
Profit for the period	63.8	83.8	212.0
Other comprehensive income	29.2	68.1	-11.7
Transactions with non-controlling interest	2.7	-1.1	1.9
Dividend	-120.0	-167.3	-167.3
Repurchase of treasury shares Note 7	0.0	-15.0	-15.0
Costs for long-term incentive programs	4.4	1.6	7.5
Closing balance	1,744.0	1,706.4	1,763.8
<i>Equity attributable to non-controlling interest</i>			
Opening balance	12.8	17.9	17.9
Profit for the period	-2.1	-2.6	-5.6
Other comprehensive income	0.3	1.1	0.0
Acquisitions	0.0	3.4	0.5
Dividend	0.0	0.0	0.0
Transactions with the Group's owners	-3.1	0.0	0.0
Closing balance	7.9	19.7	12.8
SUM TOTAL EQUITY, CLOSING BALANCE	1,751.9	1,726.1	1,776.7

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Amounts in SEKm unless otherwise stated	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
OPERATING ACTIVITIES						
Operating profit (EBIT)	130.8	142.6	109.6	131.1	271.6	293.1
Adjustment for non-cash items etc	27.1	15.4	61.7	70.2	143.7	152.2
Interest received	0.7	0.2	1.5	0.4	5.4	4.2
Interest paid	-14.0	-12.8	-26.7	-22.9	-60.6	-56.8
Dividends received	15.9	24.7	41.9	25.7	54.9	38.8
Dividends received from entities valued according to IFRS 9	0.6	1.2	0.6	1.2	0.7	1.2
Income tax paid/received	-11.4	-10.7	-35.7	-52.2	-76.5	-92.9
Cash flow from operating activities before changes in working capital	149.6	160.5	152.9	153.6	339.0	339.7
CHANGES IN WORKING CAPITAL						
Increase (-)/Decrease (+) in inventories	-36.1	37.7	-70.2	31.2	62.1	163.5
Increase (-)/Decrease (+) in operating receivables	-123.8	-209.2	-255.6	-300.1	64.2	19.7
Increase (+)/Decrease (-) in operating liabilities	136.3	168.4	216.0	214.3	-18.4	-20.1
Cash flow from operating activities	125.9	157.4	43.1	99.0	446.9	502.8
INVESTING ACTIVITIES						
Acquisition of intangible fixed assets	-0.4	-3.5	-2.7	-7.1	-5.2	-9.6
Acquisition of tangible fixed assets	-21.8	-18.2	-37.8	-37.0	-59.5	-58.7
Divestments of tangible fixed assets	0.4	0.0	1.1	0.0	4.0	2.9
Acquisition of business, net cash impact	0.0	-4.9	0.0	-10.4	-3.3	-13.7
Divestments of business, net cash impact	0.0	0.0	0.0	9.1	0.0	9.1
Acquisition of participations in associated companies	0.0	-11.0	0.0	-28.9	-33.8	-62.7
Divestments of participations in associated companies	0.0	0.0	0.0	0.0	23.7	23.7
Change in other financial assets	3.2	-3.8	9.9	-11.5	2.2	-19.1
Cash flow from investing activities	-18.5	-41.4	-29.5	-85.7	-71.7	-127.9

Amounts in SEKm unless otherwise stated	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
FINANCING ACTIVITIES						
Amortization of loans	-15.1	-27.5	-190.2	-49.6	-312.6	-156.8
Proceeds from loans	100.7	91.0	100.7	91.0	100.7	91.0
Purchase of own shares	0.0	0.0	0.0	-15.0	0.0	-15.0
Dividend	-120.0	-167.3	-120.0	-167.3	-120.0	-167.3
Acquisition of participations in non-controlling interest	0.0	0.0	0.0	0.0	-5.7	-21.0
Divestment of participations in non-controlling interest	0.0	0.0	0.0	0.0	0.0	0.0
Dividend paid to non-controlling interests	0.0	0.0	0.0	0.0	-0.8	-0.8
Cash flow from financing activities	-34.3	-103.9	-209.4	-141.0	-338.4	-269.9
Cash flow for the period	73.1	12.1	-195.9	-127.7	36.9	105.0
Cash and cash equivalents at the beginning of the period	82.7	121.1	349.3	260.5	135.6	260.5
Exchange-rate differences in cash and cash equivalents	-0.6	2.4	1.8	2.9	-17.3	-16.2
Cash and cash equivalents at the end of the period	155.2	135.6	155.2	135.6	155.2	349.3

THE PARENT COMPANY'S INCOME STATEMENT IN SUMMARY

Amounts in SEKm unless otherwise stated	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
Net sales	2.9	2.8	6.9	10.9	9.7	16.7
Gross profit/loss	2.9	2.8	6.9	10.9	9.7	16.7
Administrative expenses	-5.5	-5.2	-12.2	-15.7	-25.6	-32.0
Other operating income	0.0	0.0	0.0	0.0	0.7	0.7
Other operating expenses	0.0	0.0	-7.6	-1.3	-17.1	-10.9
Operating profit/loss (EBIT)	-2.6	-2.4	-12.9	-6.0	-32.3	-25.4
Result from financial items						
Result from shares in subsidiaries	0.0	0.0	0.0	0.0	150.0	150.0
Other financial items	-1.7	-7.4	-7.5	-7.8	-9.0	-9.4
Net finance items	-1.7	-7.4	-7.5	-7.8	141.0	140.6
Result after financial items	-4.2	-9.8	-20.3	-13.8	108.7	115.2
Appropriations	0.0	0.0	0.0	0.0	58.6	58.6
Profit before tax	-4.2	-9.8	-20.3	-13.8	167.3	173.8
Tax	-0.1	2.0	3.8	2.5	-4.3	-5.5
Profit/loss after tax	-4.3	-7.8	-16.6	-11.3	163.0	168.3

OTHER COMPREHENSIVE INCOME IN SUMMARY

Amounts in SEKm unless otherwise stated	Q2 2024	Q2 2023	6M 2024	6M 2023	R12 2024	12M 2023
OTHER COMPREHENSIVE INCOME						
Profit for the period	-4.3	-7.8	-16.6	-11.3	163.0	168.3
Other comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0
Total other comprehensive income after tax	-4.3	-7.8	-16.6	-11.3	163.0	168.3

THE PARENT COMPANY'S BALANCE SHEET IN SUMMARY

Amounts in SEKm unless otherwise stated	30 Jun 2024	30 Jun 2023	31 Dec 2023
ASSETS			
Shares in subsidiaries	914.2	908.4	913.6
Total non-current assets	914.2	908.4	913.6
Other current receivables from Group companies	415.4	474.9	449.5
Current tax assets	0.0	26.5	0.0
Other short-term receivables	5.3	0.0	1.5
Prepaid expenses and accrued income	0.2	0.2	0.1
Cash and cash equivalents	102.3	40.6	285.3
Total current assets	523.3	542.3	736.4
TOTAL ASSETS	1,437.5	1,450.7	1,649.9
EQUITY AND LIABILITIES			
Share capital	24.1	24.1	24.1
Retained earnings including profit for the year	477.7	426.5	612.5
Total equity	501.8	450.6	636.5
Untaxed reserves	56.1	69.7	56.1
Long-term liabilities to credit institue	375.7	378.9	374.9
Total non-current liabilities	375.7	378.9	374.9
Current interest-bearing liabilities	100.0	250.0	160.0
Trade payable	12.9	0.2	0.7
Short-term liabilities to Group companies	369.0	286.1	395.3
Current tax liabilities	0.2	0.0	4.2
Other current liabilities	21.7	15.2	22.1
Total current liabilities	503.9	551.6	582.4
TOTAL EQUITY AND LIABILITES	1,437.5	1,450.7	1,649.9

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. 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 2023. 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 2024	1,199	18	76	41	1,334
Investments	0	0	0	3	3
Acquisitions	0	0	0	0	0
Divestments and disposals	0	0	0	0	0
Reclassification	0	0	0	2	2
Amortization	0	-0	-13	-7	-21
Exchange-rate differences	18	0	1	1	21
Closing balance, 30 June 2024	1,217	18	65	40	1,339

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 2023 Annual Report. The fair value measurements belong to level 3 in the fair value hierarchy in IFRS 13.

Financial instruments measured at level 3 per 30 June:

MSEK	2024	2023
Opening balance	23	66
Fair value movement in income statement	1	-5
Acquisition	0	0
Paid	0	-15
Exchange-rate differences	1	3
Closing balance	25	48

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 2023. The remeasurement is attributable to a change in the assessment of forecasted EBITDA growth.

2024-06-30	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	30	-	-	124	154	-	-	-
Other non-current assets	14	-	-	-	14	-	-	-
Trade receivables	652	-	-	-	652	-	-	-
Other receivables ²	-	-	-	89	89	-	-	-
Receivables for on-going construction contracts	83	-	-	-	83	-	-	-
Cash and cash equivalents	155	-	-	-	155	-	-	-
Total	934	-	-	212	1,147	-	-	-
FINANCIAL LIABILITIES								
Non-current interest-bearing liabilities	858	-	-	-	858	-	-	-
Other non-current liabilities	2	22	-	-	24	-	-	22
Trade payable	443	-	-	-	443	-	-	-
Current interest-bearing liabilities	152	-	-	-	152	-	-	-
Other current liabilities ²	94	3	0	253	350	-	0	3
Total	1,549	25	0	253	1,828	-	0	25

2023-06-30	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	27	-	-	153	180	-	-	-
Other non-current assets	14	-	-	-	14	-	-	-
Trade receivables	710	-	-	-	710	-	-	-
Other receivables ²	-	-	-	88	88	-	-	-
Receivables for on-going construction contracts	111	-	-	-	111	-	-	-
Cash and cash equivalents	136	-	-	-	136	-	-	-
Total	998	-	-	241	1,239	-	-	-
FINANCIAL LIABILITIES								
Non-current interest-bearing liabilities	904	-	-	-	904	-	-	-
Other non-current liabilities	2	42	-	-	44	-	-	42
Trade payable	458	-	-	-	458	-	-	-
Current interest-bearing liabilities	312	-	-	-	312	-	-	-
Other current liabilities ²	104	6	0	251	361	-	-	6
Total	1,780	48	0	251	2,079	-	-	48

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.

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 comprises parent company functions, including the treasury function. Eliminations comprises 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 8-9.

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		Eliminations		Group	
	6M 2024	6M 2023	6M 2024	6M 2023	6M 2024	6M 2023	6M 2024	6M 2023	6M 2024	6M 2023
Allocation of revenues external/internal										
Revenues from external customers	1,481	1,614	518	590	0	0	0	0	1,999	2,203
Revenues from other segments	73	88	0	0	0	0	-73	-88	0	0
Revenues, total	1,554	1,702	518	590	0	0	-73	-88	1,999	2,203
EBITDA	218	217	-3	20	-30	-22	-1	1	185	216
Depreciation & Amortisation	-58	-63	-16	-21	-1	-1	0	0	-75	-85
Operating profit (EBIT)	160	154	-20	-0	-31	-24	-1	1	110	131
<i>Of which share of profit in associated companies</i>	<i>0</i>	<i>0</i>	<i>11</i>	<i>16</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>11</i>	<i>16</i>
Net finance items									-30	-23
Profit/loss after finance items but before tax (EBT)									80	108
Tax									-18	-27
Profit/loss for the year									62	81
ASSETS										
Intangible assets (goodwill & customer relations)	1,031	1,084	308	305	1	2	0	0	1,339	1,391
Property, plant and equipment	487	536	49	52	1	2	0	0	538	591
Participations in associated companies	0	0	121	150	0	0	0	0	121	150
Inventory	647	719	53	61	0	0	-1	-1	699	779
Other assets	691	751	252	304	18	9	-123	-140	838	923
Non-allocated assets					234	205			234	205
Total assets	2,856	3,090	783	871	253	218	-124	-141	3,769	4,039
LIABILITIES AND EQUITY										
Equity					1,752	1,726			1,752	1,726
Other liabilities	693	743	231	256	45	25	-123	-140	847	883
Non-allocated liabilities					1,170	1,430			1,170	1,430
Total liabilities and equity	693	743	231	256	2,967	3,181	-123	-140	3,769	4,039
Investments in tangible & intangible assets	35	39	6	5	0	0	0	0	40	44

NOTE 6 OPERATING SEGMENTS CONT.

Amounts in SEKm unless stated otherwise	Products & Solutions		Installation Services		Group Items		Eliminations		Group	
	6M 2024	6M 2023	6M 2024	6M 2023	6M 2024	6M 2023	6M 2024	6M 2023	6M 2024	6M 2023
ALLOCATION PER COUNTRY										
Denmark	502	505	0	0	0	0	0	0	502	505
Sweden	393	412	29	7	0	0	-7	-1	415	417
Norway	194	256	25	59	0	0	-3	-7	216	308
Finland	153	206	464	507	0	0	-63	-80	554	633
Europe (excluding Nordic region)	308	319	0	17	0	0	0	0	308	336
Other countries	5	4	0	0	0	0	0	0	5	4
Total	1,554	1,702	518	590	0	0	-73	-88	1,999	2,203
ALLOCATION PER PRODUCT TYPE										
Bitumen-based products	893	974	0	0	0	0	-59	-81	834	895
Bitumen installations	0	0	380	418	0	0	0	0	380	418
EPDM membranes	317	329	0	0	0	0	0	0	317	329
Prefabricated elements	250	262	0	0	0	0	-14	-9	236	254
Green infrastructure	94	136	0	0	0	0	-0	-1	94	136
Liquid floor coating	0	0	92	62	0	0	0	0	92	62
Roofing maintenance	0	0	35	30	0	0	0	0	35	30
Solar panels	0	0	11	80	0	0	0	0	11	80
Total	1,554	1,702	518	590	0	0	-73	-90	1,999	2,203
SIGNIFICANT TYPES OF INCOME										
Sale of goods	1,317	1,449	0	0	0	0	-73	-88	1,245	1,360
Construction contracts	236	254	518	590	0	0	0	0	754	843
Total	1,554	1,702	518	590	0	0	-73	-88	1,999	2,203
TIME OF REVENUE RECOGNITION										
At a certain point in time	1,317	1,449	0	0	0	0	-73	-88	1,245	1,360
Over time	236	254	518	590	0	0	0	0	754	843
Total	1,554	1,702	518	590	0	0	-73	-88	1,999	2,203

NOTE 7 TRANSACTIONS WITH RELATED PARTIES

The Group has related party relationships with the associated companies as stated in Note 16 of the 2023 Annual Report. Transactions with related parties are priced on market terms. No transactions have taken place between Nordic Waterproofing and related parties that have materially affected the Group's financial position and results in the second quarter of 2024.

As also stated in Note 16 of the 2023 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. Nordic Waterproofing has during the fourth quarter 2023 signed an agreement with the member of the group management, Thomas Zipfel, through his own company, regarding group management and CEO services within SealEco. The pricing is market-based. For the second quarter this implies a cost of SEK 1.0 m (-) and for January - June SEK 1.9 m (-). During the second quarter 2024 have shares from the LTIP 2021 been distributed free of charge to key persons in management positions. Treasury shares has been credited with SEK 2.6 million and profit loss brought forward has been debited with the corresponding amount.

NOTE 8 ACQUISITIONS OF BUSINESSES

ACQUISITIONS DURING THE FIRST 6 MONTHS 2024

During the first six months, a partial step acquisition of a subsidiary was made without any change in control.

RVT AS

On February 28, 2024, Taasinge Elementer A/S acquired an additional 1.4 percent of the shares in RVT AS free of charge and increased its ownership to 93.6 percent. The partial step acquisition has been made without any change in control and has been reported as a transaction between owners. Before the acquisition, the carrying value of the existing holding without determination of 7.4 percent amounted to approximately SEK 2.6 million. The Group reports an decrease in non-controlling interests of approximately SEK 0.5 million and an increase in equity attributable to the parent company's owners of the corresponding amount.

On March 5, 2024, Taasinge Elementer A/S acquired the remaining 6.4 percent of the shares in RVT AS free of charge and increased its ownership to 100 percent. The partial step acquisition has been made without any change in control and has been reported as a transaction between owners. Before the acquisition, the carrying value of the existing holding without determination of 6.4 percent amounted to approximately SEK 2.1 million. The Group reports an increase in non-controlling interests of approximately SEK 2.2 million and a decrease in equity attributable to the parent company's owners of the corresponding amount.

ACQUISITIONS AFTER THE REPORTING PERIOD

No acquisitions have been made after the reporting period.

ACQUISITIONS DURING THE PRIOR YEAR

During the first quarter of 2023, a partial step acquisition of the remaining 40% of the shares in Blomstertak AS was made without any change in control. For information about the acquisition, refer to note 14 in the group's annual report for 2023. Some adjustments to acquisition analyzes were carried out related to acquisitions made in 2022.

CALL/PUT OPTIONS AND EARN-OUTS

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

- Average EBIT for 2022-2025.
- discount rate of 10.0 percent.
- Average EBITDA for 2022-2024
- Average EBITDA for 2025-2026
- discount rate of 14.6 percent.
- 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 or the earn-outs. The maximum amount for payment is unlimited.

Purchase consideration SEK m	6M 2024	6M 2023	12M 2023
Cash paid	-	10.4	16.7
Call/put option	-	-	-
Vendor note and earn-out	-	-	1.6
Total purchase consideration	-	10.4	18.3

Acquisition analysis SEK m, unless otherwise stated	6M 2024	6M 2023	12M 2023
Intangible assets	-	19.0	19.0
Tangible assets	-	0.0	0.3
Financial assets	-	0.0	0.0
Inventories	-	2.7	3.8
Trade and other receivables	-	0.0	17.1
Deferred tax asset	-	-0.6	-0.6
Cash and equivalents	-	0.0	3.0
Provisions	-	0.0	0.0
Other non-interest bearing liabilities	-	0.0	-18.1
Interest bearing liabilities	-	0.0	0.0
Deferred tax liabilities	-	-3.8	-3.8
Net assets and liabilities	-	17.4	20.8
Non-controlling interests	-	-2.5	-3.4
Fair value of earlier holdings	-	0.0	-11.9
Goodwill	-	-4.5	12.8
Consideration	-	10.4	18.3

Acquisition of business - net cash impact,	6M 2024	6M 2023	12M 2023
Cash consideration	-	10.4	16.7
Less cash balances acquired	-	0.0	-3.0
Less redemption of loans	-	0.0	0.0
Net cash impact - investing activities	-	10.4	13.7

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. The final analysis is expected to decrease goodwill while intangible assets and deferred tax liabilities will increase due to the recognition of customer relations.

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 the respective report at <https://www.nordicwaterproofing.com/en/section/investors/interim-reports/>

ABOUT NORDIC WATERPROOFING GROUP

Nordic Waterproofing is one of the leading providers in the waterproofing market in northern Europe. The Company provides high-quality products and solutions for waterproofing in Sweden, Finland, Denmark, Norway, Belgium, the Netherlands, Poland, the United Kingdom and Germany. Nordic Waterproofing also provides installation services through wholly owned subsidiaries in Finland, through part-owned companies in Norway and Sweden and through part-owned franchise companies in Denmark. The Company markets its products and solutions under several brands, all with an extensive heritage, most of which are among the most established and well-recognized brands in waterproofing in their respective markets, such as Matakki, Trebolit, Phønix Tag Materialer, Kerabit, Byggpartner, SealEco, Distri Pond, Taasinge Elementer, RVT, EG-Trading, Vesikattopalvelu, Gordon Low, Annebergs Limtrae and Veg Tech. Nordic Waterproofing Holding AB is listed in the Mid Cap segment on Nasdaq Stockholm with the stock ticker NWG.

Nordic Waterproofing Holding AB is a Swedish public limited liability company domiciled in Helsingborg, Sweden. Corporate registration number: 556839-3168. LEI code: 549300T8MZ5GQREJW94.

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 17 July 2024, 08:00 a.m. CEST.

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.

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.

FINANCIAL CALENDER 2024

24 October Interim report, January–September 2024

FURTHER INFORMATION CAN BE OBTAINED FROM

Martin Ellis, President and CEO

phone: +45 31 21 36 69

Palle Schrewelius, CFO & Investor Relations

phone: +46 707 82 79 58

Nordic Waterproofing Holding AB
Rönnowsgatan 12, 252 25 Helsingborg
+46 42-36 22 40
contact@nordicwaterproofing.com

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

