Interim report

Q3 2023

CONSOLIS

INTERIM REPORT Q3 2023

The third quarter July to September

• Net sales amounted to € 240 million (317), corresponding to a decrease of 24 percent. Currency effects had a negative impact of 5 percent.

• Operating profit (EBIT) amounted to € -8.3 million (6.3)

• Adjusted EBITDA amounted to € 14.6 million (17.8), corresponding to a margin of 6.1 percent (5.6). Exchange rates had a negative impact of 13 percent.

• Order book decreased 6 percent to € 565 million, compared to € 600 million at the beginning of the quarter. Order intake in the quarter totaled € 190 million, and the book to bill ratio corresponded to 0.8 (0.7).

• Free cash flow in the quarter amounted to € 1.8 million (-2.8), primarily explained by working capital seasonality effects and the impact of inventory level reduction. LTM cash conversion was 80 percent.

• A sale and leaseback of two plants was completed during the quarter in Denmark. The proceeds from the sale amounted to € 16.5 million. Due to a repurchase clauses this was not considered to be a sale under IFRS 15. The real estate are kept on the balance sheet, and a financial liability amounting to € 16.5 million was recognized.

• As communicated in the Q2 report we are accelerating the adjustment of our operations to lower volumes from residential sales in the two Nordic segments. In the third quarter we have booked a restructuring charge of € 10.5 million in relation to this program. Out of this € 2.8 million relates to write down of assets as we have closed one factory and mothballed one factory. The rest, € 7.7 million, consists of € 1.2 million related to closure costs and € 6.3 million related to personnel reductions in the two regions. During the third quarter adjusted EBITDA was helped by € 1.4 million from this program. The majority of cash out from this program is expected in the coming two quarters and we expect to add some additional costs during Q4 with totality being in the previously communicated € 11-13 million range when completed.

The period January to September

• Net sales amounted to € 795 million (975), corresponding to a decrease of 18 percent. Currency effects had a negative impact of 4 percent.

• Operating profit (EBIT) amounted to € 2.2 million (23.0)

• Adjusted EBITDA amounted to € 52.7 million (54.8), corresponding to a margin of 6.6 percent (5.6). Exchange rates had a negative impact of 9 percent.

• Free cash flow in the period amounted to € -9.1 million (-11.1), primarily explained by working capital seasonality effects. LTM cash conversion was 80 percent.

Key metrics. Consolis Group

	Jul-Sep		Jan-Sep		Full year	
(€ in million)	2023	2022	2023	2022	LTM	2022
Net sales	240	317	795	975	1,116	1,295
Adjusted EBITDA	14.6	17.8	52.7	54.8	73.8	75.9
Adjusted EBITDA %	6.1%	5.6%	6.6%	5.6%	6.6%	5.9%
Operating profit (EBIT)	(8.3)	6.3	2.2	23.0	(2.4)	18.4
Free cash flow	1.8	(2.8)	(9.1)	(11.1)	36.1	34.1
Operating cash flow	4.4	0.9	8.5	(1.7)	59.1	48.9
Cash conversion %	30%	5%	16%	(3%)	80%	64%
Order book (end of period)	565	828	565	828	565	674
Order intake	190	223	674	883	861	1,070
Book to bill ratio	0.8	0.7	0.8	0.9	0.8	0.8

The Issuer Compact Bidco B.V. is a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) incorporated under the laws of the Netherlands. Compact Bidco B.V. is the direct parent company of Consolis Group. Figures in this report reflect the consolidated accounts of Consolis Holding S.A.S. Refer to p 7 for comparison between Compact Bidco B.V. and Consolis Holding S.A.S. figures

CEO COMMENTS

Consolis delivered a third quarter with adjusted EBITDA of € 14.6 million (17.8) and with an improved adjusted EBITDA margin of 6.1 percent (5.6) in a challenging market environment. Sales declined by 24 percent and book-to-bill ratio was 0.8 (0.7) in the quarter continuously impacted by very low volumes of new residential order intake and sales. As cash is a priority for us at Consolis we were happy to see our LTM cash conversion continue to improve in the third quarter at 80 percent (46).

RESILIENCE

In the third quarter Consolis net sales amounted to € 240 million (317) corresponding to a sales decline of 24 percent of which currency effect was minus 5 percent. These sales generated an adjusted EBITDA of € 14.6 million (17.8) corresponding to an adjusted EBITDA margin of 6.1 percent (5.6). The declining revenue is a direct consequence of the lower market activity also impacting absolute EBITDA. Despite significant headwinds on topline the cost measures we are taking partly helped us to mitigate the impact on EBITDA and we continued to improve margin compared to last year.

As we are experiencing tough times in the construction sector I was very pleased to see our free cash flow in Q3 improve at € 1.8 million (-2.8) and also cash conversion progress further during the quarter. By end of Q3 cash conversion was 30 percent with 80 percent on a last twelve month basis. To put this in perspective we at the same period last year had a cash conversion of 5 percent in the quarter and 46 percent on a LTM basis. We have improved cash conversion throughout 2023 as we focus on working capital in a slow market. We have seen inventories coming down significantly across our markets and are now operating at a good level for current market conditions. This, in combination with good control of capex investments drives the good development which is key in a challenging market environment.

During the third quarter we completed a sale and leaseback of two plants in Denmark with at a value of € 16.5 million adding € 12 million of liquidity to the group after repayments of existing loans. If current market conditions continues we assess that we have the optionality to execute on additional transactions similar to this one to inject further liquidity to the Group.

TURBULENT MARKET CONDITIONS

Order intake in the third quarter amounted € 190 million (223), corresponding to a book to bill ratio of 0.8 (0.7).

We continued to see low volumes of new order intake in the third quarter driven primarily by residential markets but also our non-residential demand was partly impacted by the overall economic sentiment. As a group the lower volumes are challenging but the picture varies in the different segments. In Emerging Markets we have good demand for our products driven by continued investments in infrastructure. In West Europe and East Europe we had during the third quarter a stable demand but at a slightly lower level than in recent years, in West Europe driven by the lower levels of residential order intake in the Netherlands and in East Europe by an overall slower market, although still good level. In the two Nordic segments we are challenged by the low volumes of residential orders, but are also experiencing that our non-residential clients are slower in their decision making process.

Order book by end of Q3 closed at € 565 million (828), a decline by 6 percent compared to last quarter. We continue to be firm on keeping commercial terms in contracts added to order book and being thorough on evaluating risks in these contracts as the market pressure for existing volumes are higher than historically.

As described last quarter we are accelerating our efforts to align our cost structure to the changing market dynamics by a restructuring program primarily addressing East- and West Nordics, but also, pursuant to consultation with relevant unions, some central cost. During the third quarter we booked a charge of € 10.5 million of which € 2.8 million related to write down of assets. We have in relation to this closed down one factory and mothballed one factory during the quarter and will continue execution in the coming quarter. We expect to add some additional costs to this program during Q4 and in total be within the previously communicated range of € 11-13 million when final.

POSITIONING FOR FUTURE RECOVERY

Short term we don't foresee a recovery in the residential segment as we are not yet seeing the shift in sentiment and rather a softening effecting our non-residential segment. To handle this, we are prioritizing our effort in adopting and adjusting the group to a challenging time focusing on generating cash and keeping costs under control.

Whilst customers' decision-making processes remain slower, we continue to see good tender activity in our markets. We are still firm that the underlying trend for our market is strong with a pent-up demand for residential housing in our major markets, requests for lower carbon dioxide building products and attractive precast industry tailwinds. In November we signed a cooperation agreement with one of our large clients in Sweden, NCC, where we together will expand cooperation to develop climate-improved products.
By prioritizing our Green Spine Line® concept and the area of low carbon concrete also in a downturn market we aim to secure that we long-term are in a place to capitalize from the unquestionable demand for low carbon precast concrete elements.

Stockholm
16 November, 2023

Mikael Stöhr
President Consolis

CONSOLIS GROUP

Key metrics, Consolis Group

	Jul-Sep			Jan-Sep			Full year		
(€ in million)	2023	2022	Δ%	2023	2022	Δ%	LTM	2022	Δ%
Net sales	240	317	(24%)	795	975	(18%)	1,116	1,295	(14%)
Adjusted EBITDA	14.6	17.8	(18%)	52.7	54.8	(4%)	73.8	75.9	(3%)
Adjusted EBITDA %	6.1%	5.6%		6.6%	5.6%		6.6%	5.9%	
Operating profit (EBIT)	(8.3)	6.3	(231%)	2.2	23.0	(90%)	(2.4)	18.4	(113%)
Free cash flow	1.8	(2.8)	(166%)	(9.1)	(11.1)	(19%)	36.1	34.1	6%
Operating cash flow	4.4	0.9	397%	8.5	(1.7)	(594%)	59.1	48.9	21%
Cash conversion %	30%	5%		16%	(3%)		80%	64%	
Order book (end of period)	565	828	(32%)	565	828	(32%)	565	674	(16%)
Order intake	190	223	(15%)	674	883	(24%)	861	1,070	(20%)
Book to bill ratio	0.8	0.7		0.8	0.9		0.8	0.8	

GROUP DEVELOPMENT

July to September

Net sales amounted to € 240 million (317), corresponding to 24 percent sales decline. All segments declined on top line compared to same quarter last year with FX effects impacting by negative 5 percent. In Western and Eastern Europe this decline was explained by a softening in the market together with a strong quarter last year. In Emerging Markets we are still impacted by currency effects and in West and East Nordic segment we continue to see the impact from a weak residential market.

Order intake amounted to € 190 million, down 15 percent vs. last year and corresponding to a book-to-bill ratio of 0.8. The order intake development varies across the group. In East Europe and Emerging Markets order intake is holding up well thanks to good non-residential development. In West Europe we are challenged by the lower residential demand in the Netherlands but apart from this the non-residential segment is stable in the region. In West and East Nordics we see residential order intake stabilizing but at a clearly lower level than historically. Overall, we continue to be challenged in the residential market whereas the non-residential market is mostly stable although with some signs of weakness.

Consolis order book declined 6 percent in the quarter and by end of Q3 order book amounted € 565 millions worth of sales. We continue to experience shorter lead times in most markets from order placement to production as decision making takes longer. Current order book gives good visibility for the remainder of 2023 and orders added to the order book is now mostly impacting in 2024.

Adjusted EBITDA for Q3 was € 14.6 million (17.8), 18.2 percent below last year. The adjusted EBITDA-margin was 6.1 percent (5.6) helped by a good quarter in Emerging Markets where we during the quarter received a retroactive payment of compensation from previously experienced FX devaluation and raw material price increases in Egypt adding € 4 million to the Emerging Markets result in the quarter. West Nordics also continued to improve compared to last year but are challenged by the lower volumes. East and West Europe was stable but lower than last year as the economic climate slowed down. East Nordics continued to be challenging driven by the lower volumes in mainly residential segment. The Group´s adjusted EBITDA margin also benefited from the change in mix of contribution from the regions in the quarter.

As communicated in the second quarter we are pursuing a restructuring program across our two Nordic segments in order to adapt cost base to changing market conditions. During Q3 we have booked a charge of € 10.5 million relating to the previously communicated actions regarding close down and mothballing of excess capacity and locations together with reduction of personnel. Part of the restructuring cost in the quarter related to write down of assets of € 2.8 million and € 6.3 million related to personnel. The impact on adjusted EBITDA was € 1.4 million and expected effect was somewhat off-set by the continuously low volumes. We plan to, pursuant to consultations with relevant unions in local markets, add some additional costs to this program during the fourth quarter and totality will be in the range as previously communicated. We expect the majority of cash out in relation to this program will happen in the coming two quarters.

Free cash flow in the quarter amounted to € 1.8 million (-2.8), helped by improved working capital as we continue to take inventories down. The Capital expenditures in the quarter amounted to € 3.7 million (3.5).

As of September 30, 2023, the Consolis Group's liquidity amounted to € 52.6 million, consisting of € 43.6 million of cash and cash equivalents, and € 9 million available for drawing under the super senior revolving credit facility. During the quarter Consolis Danish subsidiary Spæncom A/S completed a sale and leaseback transaction for two of its factories for an amount of € 16.5 million. The transaction added € 12 millions of liquidity to the group after payback of existing loans. The annual rent for these facilities is € 1.5 million and paid quarterly in advance.

January to September

Net sales amounted to € 795 million (975), corresponding to 18 percent decline in sales. Exchange rates had a negative impact of 4 percent. The demand for new residential buildings continues to be weak and is the main explanation for decreasing sales, but we are also noting an overall slowdown in the economy across Consolis segments. Order intake during the period amounted to € 674 million (883), down 23 percent vs. last year.

Adjusted EBITDA amounted to € 52.7 million (54.8), a decrease by 4 percent vs. last year, of which the mix of exchange rates had a negative impact of 9 percent. The adjusted EBITDA-margin was 6.6 percent (5.6).

Reconciliation Adjusted EBITDA to result before taxes

	Jul-Sep		Jan-Sep		Full year	
(€ In million)	2023	2022	2023	2022	LTM	2022
Adjusted EBITDA	**14.6**	**17.8**	**52.7**	**54.8**	**73.8**	**75.9**
Depreciation and amortization	(10.2)	(11.3)	(31.5)	(32.5)	(43.1)	(44.2)
Profit/(loss) from sales of fixed assets	0.0	0.4	2.0	1.1	1.6	0.7
Impairment (loss) / reversal	(4.7)	-	(4.7)	0.2	(12.3)	(7.4)
Adjustments and restructuring costs	(8.0)	(0.5)	(16.3)	(0.5)	(22.5)	(6.7)
Operating income	**(8.3)**	**6.3**	**2.2**	**23.0**	**(2.5)**	**18.4**
Financial items, net	(11.5)	(8.4)	(31.4)	(24.7)	(44.9)	(38.2)
Result before taxes	**(19.8)**	**(2.1)**	**(29.3)**	**(1.7)**	**(47.3)**	**(19.8)**

DEVELOPMENT PER SEGMENT

	Net Sales				Adj. EBITDA				Adj. EBITDA %			
	Jul-Sep		Full year		Jul-Sep		Full year		Jul-Sep		Full year	
(€ in million)	2023	2022	LTM	2022	2023	2022	LTM	2022	2023	2022	LTM	2022
West Nordic	63	98	374	436	(1.1)	(2.1)	9.7	(3.8)	(1.8%)	(2.1%)	3.8%	(0.9%)
East Nordic	50	84	221	329	0.5	3.8	1.4	15.3	1.1%	4.5%	(1.1%)	4.6%
Western Europe	63	74	307	310	4.6	6.2	38.4	33.8	7.4%	8.4%	13.1%	10.9%
Eastern Europe	27	30	100	109	3.6	4.2	11.6	12.5	13.2%	13.9%	11.8%	11.4%
Emerging markets	38	38	124	136	6.4	7.4	12.9	20.4	17.1%	19.7%	9.4%	15.0%
Elimination/Unallocated	(1)	(7)	(10)	(25)	0.5	(1.8)	(0.2)	(2.2)				
Consolis Group	**240**	**317**	**1,116**	**1,295**	**14.6**	**17.8**	**73.8**	**75.9**	**6.1%**	**5.6%**	**6.6%**	**5.9%**

WEST NORDIC

July to September

Net sales in West Nordics amounted to € 63 million (98). Sales decline was 36 percent, of which organic sales decline represented 28 percent and currency effects minus 8 percent. In the quarter sales declined across all three markets impacted by the lower demand for residential buildings across the region, with Denmark declining slightly less then Sweden and Norway.

Order intake in the quarter was down 25 percent vs. last year to € 43 million and the order book closed at € 189 million, down 7 percent vs. last quarter. The contraction in residential order intake continued to be visible in the quarter. The trend with shorter lead times from order intake to production and delivery also continued to impact the order book in the quarter.

The adjusted EBITDA-margin in the quarter was -1.8 percent (-2.1), 0.4 percentage points above same period last year. We continue to see margin recovery in West Nordics compared to a challenging last year with better underlying performance and control of ongoing projects but with a clear offset by weaker volumes.

We have during the quarter also launched a set of restructuring actions to protect profitability as the residential market continues to be weak. This includes both direct and indirect personnel reductions, and mothballing of one factory which was completed by end of the quarter. Impact on the segment from this restructuring actions on adjusted EBITDA was € 0.2 million in the quarter.

January to September

Net sales amounted to € 258 million (320), corresponding to a sales decline of 19 percent. The adjusted EBITDA-margin in the period was 2.5 percent (-2.2). Currency effects were 7 percent negative on net sales and 13 percent on adjusted EBITDA.

EAST NORDIC

July to September

Net sales in East Nordics amounted to € 50 million (84) corresponding to a sales decline of 40 percent. In Finland, the demand for new residential buildings continued to be low impacting sales negatively. Historically new residential construction has been a higher proportion of sales in Finland compared to Group. Sales in Baltics also declined due to increased local competition as previous cross border sales from Baltics to Nordics has decreased in competitiveness (primarily FX and transportation costs) keeping more capacity in local markets. However, for the segment, quarter on quarter net sales development was flat after four consecutive quarters with declining net sales.

Order intake declined 58 percent vs. last year and amounted € 22 million in the quarter. Trend from previous quarters in 2023 continued with residential order intake being at low levels which historically have been a strong segment for Finland and with low but stable order intake in Baltics. We are now also experiencing signs of slowdown in the non-residential segment.

The adjusted EBITDA-margin in the quarter was 1.1 percent (4.5), primarily driven by the drop in demand for residential buildings. During the quarter we have executed on savings by closing down one factory and are continuing our efforts to adjust cost base to the lower demand for especially new residential buildings. Impact on the segment from this restructuring actions on adjusted EBITDA was € 1.2 million in the quarter.

January to September

Net sales amounted to € 147 million (255) corresponding to a sales decline of 43 percent. The adjusted EBITDA-margin in the period was -0.7 percent (5.1).

WESTERN EUROPE

July to September

Net sales in Western Europe amounted to € 63 million (74). Sales decline was 15 percent. Spain continued to be stable whereas Netherlands were lower but stable driven by weaker demand in the residential segment.

Order intake increased by 27 percent in the quarter vs. last year at € 65 million, driven by a strong demand for our non-residential products in Spain, and with the rest of markets being slightly below last year. Order book by end of quarter was € 139 million, stable compared to last quarter and down 13 percent compared to last year. The adjusted EBITDA-margin in the quarter was 7.4 percent (8.4), and we see both Netherlands and Spain continue to be resilient in challenging market conditions.

January to September

Net Sales amounted to € 223 million (226), a decline of 1 percent. Adjusted EBITDA-margin in the period was 12.1 percent (9.9).

EASTERN EUROPE

July to September

Net sales in Eastern Europe amounted to € 27 million (30), corresponding to 9 percent sales decline, of which organic sales decline represented minus 12 percent and currency effects positive 4 percent. Compared to same quarter last year sales declined in Poland whereas Hungary and Romania continued to be stable with a small decrease. Order intake in the quarter declined by 15 percent vs. last year and amount to € 24 million in the quarter. Order book by end of Q3 2023 amounted € 29 million, a decrease by 13 percent compared to last quarter and a decline by 20 percent compared to a strong order book by end of same period last year. We continue to see stable demand for our non-residential construction in the segment but are noticing a slight slowdown.

The adjusted EBITDA-margin was 13.2 percent (13.9), 0.7 percentage points below last year driven by weaker performance in Poland whereas Hungary and Romania were slightly above same period last year.

January to September
Net Sales amounted to € 76 million (86) with a sales decline of 11 percent. Adjusted EBITDA-margin in the period was 12.9 percent (12.4). Currency effects were 1 percent positive on net sales and 1 percent positive also on adjusted EBITDA.

EMERGING MARKETS

July to September
Net sales in Emerging Markets amounted to € 38 million (38). Sales decline was 1 percent, of which organic growth was 24 percent and currency effects minus 25 percent. In local currencies both Egypt and Tunisia increased their topline compared to last year whereas we saw a moderate decline in France. Indonesia are in a period of low sales as expected due to cyclical nature of the local business. During the quarter Egypt received a retroactive payment from a customer for cost price increases and FX effects during 2023. The impact was € 4.8 million on net sales and € 4.0 million on EBITDA.
Order intake for the quarter amounted to € 37 million (35) driven by good order intake in Egypt and Tunisia. Order book by end of Q3 closed at € 136 million, up 5 percent vs. last quarter, in line with historical levels.
The adjusted EBITDA-margin was 17.1 percent (19.7) driven by the retroactive payment in Egypt together with good local performance in both Egypt and Tunisia. We are short term challenged by the devaluation of the Egyptian pound during Q4 last year impacting margins in Euro and the macro-economic environment continues to remain challenging, especially in Egypt and a bit more stable in Tunisia.

January to September
Net sales amounted to € 95 million (106), corresponding to a sales decline of 11 percent, of which 10 percent was organic growth and 21 percent decline due to currency effects. The adjusted EBITDA-margin in the period was 12.4 percent (18.1) and currency had a negative effect of 31 percent.

UNALLOCATED COSTS
In addition to our operating segments, we have unallocated costs and eliminations, which is the mechanism through which the central SG&A costs are charged to the operating segments. The charge rate is set in the budget, and hence there can be some differences if actual costs in the quarter are higher or lower than the charge out in the quarter. In Q3, we had a positive effect in allocated costs of € 0.5 million.

FINANCIAL NET

July to September
Net financial items for the period amounted to € -11.5 million, a increased loss of € 3.1 million compared to last year. The interest expenses were higher due to the term loan of € 30 million, that was fully drawn the entire period. In the quarter FX had negative impact of 0.6 million (0.1), mainly explained by Swedish kronor and Egyptian pound. Consolis Group's liquidity amounted to €52.6 million, consisting of €43.6 million of cash and cash equivalents, and € 9.0 million available for drawing under the super senior revolving credit facility.

Financial net

	Jul-Sep		Jan-Sep		Full year	
(€ in million)	2023	2022	2023	2022	LTM	2022
FINANCIAL INCOME						
Interest income	(0.1)	0.5	0.5	1.2	0.3	1.0
Other financial income	0.9	0.5	4.9	1.5	5.7	2.2
FINANCIAL EXPENSES						
Interest expenses	(10.3)	(8.5)	(29.8)	(21.7)	(38.1)	(30.0)
Currency exchange losses/ gains	(0.6)	0.1	(1.7)	(2.1)	(4.3)	(4.7)
Other financial expenses	(1.4)	(1.0)	(5.4)	(3.7)	(8.4)	(6.6)
Financial items, net	**(11.5)**	**(8.4)**	**(31.4)**	**(24.7)**	**(44.8)**	**(38.2)**

CASH FLOW

July to September
Free cash flow in the quarter amounted to € 1.8 million (-2.8), primarily explained by working capital seasonality effects and the impact of inventory level reduction. Capital expenditures amounted to € 3.7 million (3.5).

Operating Cash flow, cash conversion

	Jul-Sep		Jan-Sep		Full year	
(€ in million)	2023	2022	2023	2022	LTM	2022
Adjusted EBITDA	14.6	17.8	52.7	54.8	73.8	75.9
Change in NWC	(6.4)	(13.4)	(34.4)	(45.7)	1.4	(9.9)
Capex	(3.7)	(3.5)	(9.9)	(10.9)	(16.1)	(17.1)
Operating cash flow	**4.4**	**0.9**	**8.5**	**(1.7)**	**59.1**	**48.9**
Cash conversion	**30%**	**5%**	**16%**	**(3%)**	**80%**	**64%**

Free cash flow

	Jul-Sep		Jan-Sep		Full year	
(€ in million)	2023	2022	2023	2022	LTM	2022
Cash flow from operating activities – continued operations	5.4	(0.5)	(1.7)	(2.6)	49.7	48.8
Capex	(3.7)	(3.5)	(9.9)	(10.9)	(16.1)	(17.1)
Proceeds from fixed assets	0.2	1.1	2.6	2.4	2.5	2.3
Free cash flow	**1.8**	**(2.8)**	**(9.1)**	**(11.1)**	**36.1**	**34.1**

NET DEBT

The table shows Net Debt and leverage from the Issuers perspective (Compact Bidco). Compact Bidco is the direct parent company of Consolis Group. Net debt for the issuer amounted to € 468.4 million for the quarter ended September 30, 2023, corresponding to a leverage of 6.3. The difference in net debt of the issuer compared to figures in note 6 (Consolis Group) is the Shareholder loan from Compact Bidco to Consolis Holding S.A.S. and subsidiaries, and also accrued interest in Compact Bidco.

We have made a change in the table from previous published reports regarding accrued interest. Accrued interest is now presented as a separate item line. In previous reports accrued interest was included in Other debt. Accrued interest reflect the total accrued interest at the level of Compact Bidco. In previous reports the part included in net debt reflected the position of long term accrued interest on the level of Consolis holding.

Net Debt

	Sep 30		Dec 31
(€ in million)	2023	2022	2022
Cash & Cash equivalents	(43.6)	(56.8)	(46.0)
Revolving credit facilities	66.0	40.0	15.0
Senior secured notes	300.0	300.0	300.0
Total Net senior secured debt of the issuer	**322.4**	**283.2**	**269.0**
Other debt	78.3	87.6	80.4
Accrued interest	11.3	8.4	4.2
Lease Liabilities	56.3	65.6	70.5
Total Net Debt of the issuer	**468.4**	**444.8**	**424.1**
Adjusted EBITDA (LTM)	73.8	75.5	75.9
Leverage	**6.3x**	**5.9x**	**5.6x**

OTHER INFORMATION

Compact Bidco B.V.

The Issuer is a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) incorporated under the laws of the Netherlands, registered with the Kamer van Koophandel with number 67537715 and has its registered office since new year 2023 at JA. van Leeuwenhoekweg 38 D 2, 2408 AN Alphen aan den Rijn, the Netherlands. The Issuer is the direct parent company of Consolis Holding S.A.S. and a holding company with no revenue-generating activities of its own, and no business operations, material assets or liabilities other than those acquired or incurred in connection with its status as a holding company. As per September 30, 2023, the material differences between Compact Bidco and Consolis group were the PIK loan cascaded down from Compact Midco 2 as a equity injection to Compact Bidco, and further down from Compact Bidco to Consolis Holding S.A.S. as a capital injection and shareholder loan. Compact Bidco holds the senior secured notes, cascaded down as shareholder loans.

About Consolis

Consolis is a European leader in precast concrete solutions providing highly engineered and sustainable solutions for the building and utilities sectors. Together with our customers we create beautiful buildings and infrastructure with the qualities to serve local communities for centuries to come. Well-built for Well-being, that is our reason to be.

We believe in responsible industry leadership, and we are committed to lead the sustainable transformation of our industry.

Consolis Holding S.A.S is the parent company of Consolis Group.

Significant risks and uncertainties

Consolis significant risks and uncertainties consist of strategic risks related to changes in market and economic conditions as well as sustainability and operational risks related to customer contracts. For management estimates and accounting estimates for such uncertainties, refer to Note 2 in Annual report 2022. The Group is also exposed to various kinds of financial risks, such as currency, interest and liquidity risks. For further information on financial risks, refer to note 29 Annual report 2022.

The war in Ukraine has had a key impact on the world around us. In addition to the human tragedy for the people the war touches, the situation risks macroeconomic growth in the world. For Consolis this can affect the construction industry through greater uncertainty and cautiousness concerning investments, continued high raw material and energy prices and material shortages and delivery problems. Consolis is continuously following up on risks and mitigating activities to reduce the impacts on the Group. Consolis does not have any revenue derived from Russia or Ukraine.

During 2022 Consolis have faced an inflationary environment in most markets, together with increased interest levels. In the majority of new contracts, index clauses have been included to pass on cost increase to the costumers. While the majority of the financing (senior secured notes) are fixed at 5.75 the interest risk is somewhat levered due to the new term loan that was entered during 2022, as this is based on EURIBOR 6m.

Related party transactions

The related parties of Consolis Group are its shareholders and their subsidiaries and its associates and joint ventures. Significant balances consists of shareholder loans, further described in note 31 in Annual report 2022. All transactions with related parties are executed at arms length.

Seasonal variations

Changes in working capital are impacted by order cycle and manufacturing operations with build-up of working capital typically occurring in the first and second quarters as post-winter holiday production is ramped up in anticipation of higher spring demand and rolling factory holiday and scheduled maintenance closures typically for two to three weeks in July and August in core European markets. Working capital tends to decline in the fourth quarter with the lowest level of working capital expected at year-end due to the winter holiday closures and stepped up cash collection efforts. Occasionally, we may also experience negative working capital as a result of customer advances which we require prior to starting larger projects.

Review

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

Confirmation

The CEO confirms that this report provides a fair overview of the Company's business, position and results and describes the significant risks and uncertainties facing the Company and its subsidiaries

Stockholm
November 16, 2023

Mikael Stöhr
CEO Consolis

Contact details

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Financial calendar

Year end report on February 22, 2024
Annual report and sustainability report on April 25, 2024

CONSOLIDATED STATEMENT OF INCOME

		Jul-Sep		Jan-Sep		Full year	
(€ in million)	Notes	2023	2022	2023	2022	LTM	2022
Net sales	2)	240	317	795	975	1,116	1,295
Cost of goods sold		(194.2)	(264.2)	(644.1)	(806.1)	(902.7)	(1,064.7)
Production overheads		(15.9)	(18.1)	(46.7)	(62.3)	(70.9)	(86.5)
Gross Profit		**29.9**	**35.0**	**104.4**	**106.1**	**142.4**	**144.2**
Sales and marketing expenses		(5.3)	(5.5)	(18.1)	(19.3)	(24.8)	(26.0)
Administrative expenses		(18.5)	(21.3)	(59.3)	(59.3)	(79.9)	(79.9)
Research and development expenses		(1.7)	(1.7)	(5.7)	(5.3)	(6.9)	(6.6)
Other income and expenses	3)	(12.7)	(0.1)	(19.1)	0.8	(33.2)	(13.4)
Operating profit		**(8.3)**	**6.3**	**2.2**	**23.0**	**(2.4)**	**18.4**
Financial items, net	5)	(11.5)	(8.4)	(31.4)	(24.7)	(44.9)	(38.2)
Profit after financial items		**(19.8)**	**(2.1)**	**(29.2)**	**(1.7)**	**(47.3)**	**(19.8)**
Income tax		(2.6)	(2.4)	(6.6)	(7.5)	(9.9)	(10.8)
Net profit/(loss) from continued operations		**(22.4)**	**(4.5)**	**(35.9)**	**(9.3)**	**(57.2)**	**(30.6)**
Net profit/(loss) from discontinued operations	4)	-	-	-	10.0	6.2	16.1
Net profit/(loss)		**(22.4)**	**(4.5)**	**(35.9)**	**0.7**	**(51.0)**	**(14.5)**
Net profit/(loss) for the period attributable to:							
Equity holders of the Parent Company		(23.9)	(6.2)	(38.0)	(3.8)	(52.1)	(17.9)
Non-controlling interest		1.4	1.7	2.1	4.5	1.0	3.5

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Jul-Sep		Jan-Sep		Full year	
(€ in million)	2023	2022	2023	2022	LTM	2022
From continued operations:						
Net profit/(loss)	**(22.4)**	**(4.5)**	**(35.9)**	**(9.3)**	**(57.2)**	**(30.6)**
Other comprehensive income/(loss)						
Items that will not be reclassified to the income statement:						
Remeasurement of defined benefit pension plans	(0.0)	0.0	(0.0)	0.0	2.9	2.9
Tax	0.0	(0.0)	0.0	(0.0)	(0.7)	(0.7)
Total items that will not be reclassified to the income statement, net of tax	**(0.0)**	**0.0**	**(0.0)**	**0.0**	**2.2**	**2.2**
Items that subsequently may be reclassified to the income statement:						
Currency translation differences	(0.4)	(0.2)	(5.1)	(4.5)	(17.2)	(16.5)
Total items that subsequently may be reclassified to the income statement, net of tax	**(0.4)**	**(0.2)**	**(5.1)**	**(4.5)**	**(17.2)**	**(16.5)**
Other comprehensive income, net of tax	**(0.4)**	**(0.1)**	**(5.1)**	**(4.4)**	**(15.0)**	**(14.3)**
Total comprehensive income from continued operations	**(22.8)**	**(4.6)**	**(41.0)**	**(13.7)**	**(72.2)**	**(44.9)**
From discontinued operations:						
Net profit/(loss)	-	-	-	10.0	6.2	16.1
Total comprehensive income from discontinued operations	**-**	**-**	**-**	**10.0**	**6.2**	**16.1**
Total comprehensive income	**(22.8)**	**(4.6)**	**(41.0)**	**(3.7)**	**(66.0)**	**(28.8)**
Total comprehensive income attributable to:						
Equity holders of the Parent Company	(24.5)	(6.1)	(41.4)	(5.4)	(63.8)	(27.8)
Non-controlling interest	1.7	1.4	0.3	1.7	(2.3)	(0.9)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Sep 30		Dec 31
(€ in million)	Notes	2023	2022	2022
ASSETS				
Non-current assets				
Goodwill		188.4	200.3	191.1
Other intangible assets		51.2	55.2	53.4
Property, plant and equipment		140.7	156.8	152.9
Rights-of-use assets		58.0	65.9	71.4
Deferred tax assets		1.5	4.4	2.3
Other assets		16.7	14.8	14.4
Total non current assets		**456.4**	**497.4**	**485.5**
Current assets				
Inventories		53.4	80.4	66.0
Accounts receivables		142.1	158.8	137.5
Accrued income		40.1	84.3	56.5
Current tax receivables		3.9	2.6	1.7
Prepaid expenses		10.1	11.8	8.2
Other receivables		36.8	34.2	40.9
Cash and cash equivalents		43.6	56.8	46.0
Total current assets		**330.0**	**428.9**	**356.8**
Total assets		**786.5**	**926.3**	**842.2**
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Parent Company		(75.6)	(14.5)	(34.2)
Non-controlling interests		11.0	18.4	11.0
Total equity		**(64.6)**	**3.9**	**(23.2)**
Non-current liabilities				
Interest-bearing liabilities	6)	357.9	342.2	338.8
Lease liabilities	6)	41.3	50.0	53.2
Employee benefit obligations		16.6	20.6	16.3
Provisions		10.4	10.4	10.7
Deferred tax liabilities		10.9	11.8	11.0
Other liabilities		1.1	1.0	1.0
Total non current liabilities		**438.1**	**436.0**	**431.1**
Current liabilities				
Interest-bearing liabilities	6)	103.7	99.8	66.9
Lease liabilities	6)	15.1	15.6	17.3
Accounts payable		102.4	145.8	127.2
Advances from customers		59.4	79.1	78.7
Provisions		10.4	2.9	5.4
Income tax payables		5.6	5.6	8.0
Accrued expenses		31.4	36.2	35.3
Other liabilities		84.9	101.3	95.6
Total current liabilities		**413.0**	**486.3**	**434.4**
Total equity and liabilities		**786.5**	**926.3**	**842.2**

CONSOLIDATED STATEMENT OF CASH FLOWS

	Jul-Sep		Jan-Sep		Full year	
(€ in million)	2023	2022	2023	2022	LTM	2022
Cash flow from operating activities						
Profit after financial items	(19.8)	(2.1)	(29.2)	(1.7)	(47.3)	(19.8)
Non cash items	34.8	17.5	71.5	52.7	105.7	86.8
Depreciation/amortization and impairment	14.9	11.4	36.2	32.3	55.4	51.6
Financial items, net	11.5	8.4	31.4	24.7	44.9	38.2
Other non-cash items	8.4	(2.2)	3.9	(4.4)	5.3	(2.9)
Taxes paid	(3.1)	(2.5)	(9.7)	(7.9)	(10.0)	(8.3)
Cash flow from working capital	(6.4)	(13.4)	(34.4)	(45.7)	1.4	(9.9)
Cash flow from operating activities – continued operations	**5.4**	**(0.5)**	**(1.8)**	**(2.6)**	**49.7**	**48.8**
Cash flow from operating activities – discontinued operations	-	-	-	(10.1)	-	(10.1)
Cash flow from operating activities	**5.4**	**(0.5)**	**(1.8)**	**(12.7)**	**49.7**	**38.7**
Investing activities						
Investments in property, plant and equipment	(3.6)	(3.5)	(9.6)	(10.1)	(14.8)	(15.3)
Investments in intangible assets	(0.1)	(0.0)	(0.3)	(0.8)	(1.4)	(1.8)
Sale of non current assets	0.2	1.1	2.6	2.4	2.5	2.3
Divestments of subsidiaries/operations	0.0	4.0	0.0	1.3	(9.7)	(8.4)
Interest received	(0.1)	0.6	0.5	1.5	(0.0)	1.0
Cash flow from investing activities – continued operations	**(3.7)**	**2.3**	**(6.8)**	**(5.7)**	**(23.3)**	**(22.2)**
Cash flow from investing activities – discontinued operations	-	-	-	(0.1)	-	(0.1)
Cash flow from investing activities	**(3.7)**	**2.3**	**(6.8)**	**(5.8)**	**(23.3)**	**(22.3)**
Financing activities						
Proceeds from borrowings	23.8	31.9	89.7	122.6	88.3	121.2
Repayment of borrowings	(8.5)	(20.9)	(26.1)	(53.7)	(50.0)	(77.6)
Repayment of lease liabilities	(5.2)	(5.1)	(15.4)	(14.7)	(20.6)	(20.0)
Net proceeds from factoring	(5.2)	(6.8)	(14.9)	0.6	(19.6)	(4.1)
Change in other financial liabilities	1.0	(1.6)	(2.8)	(4.6)	(6.5)	(8.3)
Interests paid	(5.5)	(2.9)	(24.0)	(16.3)	(36.7)	(28.9)
Dividends paid to non-controlling interests	0.0	(0.3)	(0.6)	(3.1)	0.1	(2.4)
Cash flow from financing activities – continued operations	**0.4**	**(5.7)**	**6.0**	**30.8**	**(44.9)**	**(20.2)**
Cash flow from financing activities – discontinued operations	-	-	-	0.5	-	0.5
Cash flow from financing activities	**0.4**	**(5.7)**	**6.0**	**31.2**	**(44.9)**	**(19.7)**
Cash flow for the year	**2.1**	**(3.8)**	**(2.6)**	**12.6**	**(18.5)**	**(3.3)**
Cash and cash equivalents at beginning of period	**40.8**	**59.9**	**46.0**	**51.8**	**56.8**	**51.8**
Cash flow for the year – continued operations	2.1	(3.8)	(2.6)	22.4	(18.5)	6.5
Cash flow for the year – discontinued operations	-	-	-	(9.8)	(0.0)	(9.8)
Cash classified as held for sale	-	-	-	(10.6)	10.6	-
Exchange rate differences on cash and cash equivalent	(0.1)	(0.0)	(1.4)	(0.8)	(4.0)	(3.5)
Bank overdraft	0.8	0.8	1.5	3.8	(1.3)	1.1
Cash and cash equivalents at end of the period	**43.6**	**56.8**	**43.6**	**56.8**	**43.6**	**46.0**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(€ in million)	Equity attributable to equity holders of the Parent Company	Non-controlling interests	Total equity
Opening balance January 1, 2022	**(24.3)**	**17.4**	**(6.9)**
Net profit/(loss)	(17.9)	3.5	(14.5)
Other comprehensive income/(loss)	(9.9)	(4.4)	(14.3)
Total comprehensive income/(loss)	**(27.8)**	**(0.9)**	**(28.8)**
Transaction with owners			
Dividend	-	(5.5)	(5.5)
Capital contribution	18.0	-	18.0
Closing balance December 31, 2022	**(34.2)**	**11.0**	**(23.2)**
Opening balance January 1, 2023	**(34.2)**	**11.0**	**(23.2)**
Net profit/(loss)	(38.0)	2.1	(35.9)
Other comprehensive income/(loss)	(3.4)	(1.7)	(5.1)
Total comprehensive income/(loss)	**(41.4)**	**0.3**	**(41.0)**
Transaction with owners			
Dividend	-	(0.4)	(0.4)
Closing balance September 30, 2023	**(75.6)**	**11.0**	**(64.6)**

NOTES

1. ACCOUNTING PRINCIPLES

The consolidated financial statements comprise Consolis Holding S.A.S. and its subsidiaries. The consolidated financial statements of Consolis are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU. The interim report is prepared in accordance with IAS 34 Interim financial reporting. The accounting principles applied in the preparation of this interim report apply to all periods and comply with the accounting principles presented in the Annual report for 2022. No new and revised standards and interpretations effective from January 1, 2023 are considered to have any material impact on the financial statements.

Amounts and dates

Unless otherwise stated, amounts are indicated in million of Euros (€ million) and reflect the continued operations of the group. Order intake, Order book and Net sales are presented without decimal. Comparative figures in this report refer to the corresponding period of the previous year for income statement and cash flow items, and to year end 2022 for balance sheet items. Rounding differences may occur.

2. SEGMENT INFORMATION

Within Consolis, the segments are grouped on a geographical basis, where smaller countries/markets are grouped together with larger countries that share characteristics and/or management. The segments reflect the internal reporting that is used for review by the Chief Executive Officer in his role as CODM for determining the allocation of resources and assessing performance.

West Nordic

Building operations in Sweden, Denmark and Norway. Segment products include hollow core floors, structural elements, stairs, walls and façades. The main activities of the operating segment comprise the design, manufacturing and assembly of non-residential (public buildings, offices, industrial and logistics sites) and residential (multi-family housing) building solutions.

East Nordic

Building operations in Finland and the Baltics. Segment products include hollow core floors, structural elements, stairs, walls and façades. The main activities of the operating segment comprise the design, manufacturing and assembly of non-residential (public buildings, offices, industrial and logistics sites) and residential (multi-family housing) building solutions. There are cross border trade from Baltics to West Nordic segment.

Western Europe

Building operations in the Netherlands, Germany and Spain. Segment products include hollow core floors and structural elements, stairs, walls and façades. The main activities of the operating segment comprise the design, manufacturing (the Netherlands) and assembly of non-residential (public buildings, offices, industrial and logistics sites) building solutions.

Eastern Europe

Building operations in Poland, Romania and Hungary. Segment products include hollow core floors, structural elements, walls and façades. The main activities of the operating segment comprise the design, manufacturing and assembly of non-residential (public buildings, offices, industrial and logistics sites) building solutions.

Emerging Markets

Utilities operations such as pressure pipes used in water supply, irrigation and sewerage systems as well as in power stations. Operations are based in Tunisia, Egypt, Indonesia and France. In Egypt and Indonesia, operations are managed with local partners.

Jul - Sep	West Nordic		East Nordic		Western Europe		Eastern Europe		Emerging Markets		Central and unallocated		Eliminations		Consolis Group	
(€ in million)	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net sales	63	98	50	84	63	74	27	30	38	38			(1)	(7)	240	317
Adjusted EBITDA	(1.1)	(2.1)	0.5	3.8	4.6	6.2	3.6	4.2	6.4	7.4	0.5	(1.8)			14.6	17.8
Depreciation and amortization											(10.2)	(11.3)			(10.2)	(11.3)
Profit (loss) from sales of fixed assets											0.0	0.4			0.0	0.4
Impairment											(4.7)	-			(4.7)	-
Adjustments and restructuring costs											(8.0)	(0.5)			(8.0)	(0.5)
Operating profit															**(8.3)**	**6.3**
Financial items, net											(11.5)	(8.4)			(11.5)	(8.4)
Profit after financial items															**(19.9)**	**(2.1)**
Capex	(0.5)	(0.4)	(0.2)	(0.6)	(2.2)	(1.3)	(0.3)	(0.5)	(0.5)	(0.7)	(0.1)	(0.0)	-	-	(3.7)	(3.5)

Jan - Sep	West Nordic		East Nordic		Western Europe		Eastern Europe		Emerging Markets		Central and unallocated		Eliminations		Consolis Group	
(€ in million)	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net sales	258	320	147	255	223	226	76	86	95	106			(4)	(19)	795	975
Adjusted EBITDA	6.5	(7.0)	(1.0)	12.9	27.0	22.3	9.8	10.7	11.7	19.2	(1.2)	(3.3)			52.7	54.8
Depreciation an amortization											(31.5)	(32.5)			(31.5)	(32.5)
Profit (loss) from sales of fixed assets											2.0	1.1			2.0	1.1
Impairment											(4.7)	0.2			(4.7)	0.2
Adjustments and restructuring costs											(16.3)	(0.5)			(16.3)	(0.5)
Operating profit															**2.2**	**23.0**
Financial items, net											(31.4)	(24.7)			(31.4)	(24.7)
Profit after financial items															**(29.3)**	**(1.7)**
Capex	(2.7)	(2.2)	(1.0)	(1.9)	(4.0)	(3.7)	(1.2)	(0.8)	(0.8)	(1.5)	(0.3)	(0.7)	-	-	(9.9)	(10.9)

Quarterly data

(€ in million)	2021				2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Net sales											
West Nordic	101	108	84	108	108	114	98	116	105	90	63
East Nordic	56	62	72	77	83	87	84	74	50	46	50
Western Europe	58	69	60	69	70	82	73	85	85	75	63
Eastern Europe	17	21	27	23	29	28	29	23	23	27	27
Emerging markets	27	28	30	38	33	35	38	29	29	28	38
Adjusted EBITDA											
West Nordic	3.9	4.8	0.3	(1.4)	(3.3)	(1.6)	(2.1)	3.2	4.3	3.2	(1.1)
East Nordic	0.8	2.8	3.8	5.0	5.6	3.5	3.8	2.3	(0.9)	(0.6)	0.5
Western Europe	8.4	11.2	7.3	6.7	6.4	9.7	6.2	11.4	11.5	10.8	4.6
Eastern Europe	1.3	2.1	2.6	0.8	3.5	3.0	4.2	1.8	2.4	3.8	3.6
Emerging markets	4.3	3.7	5.5	7.5	6.0	5.8	7.4	1.2	3.8	1.5	6.4
Adjusted EBITDA %											
West Nordic	3.8%	4.4%	0.4%	(1.3%)	(3.1%)	(1.4%)	(2.1%)	2.8%	4.1%	3.6%	(1.8%)
East Nordic	1.4%	4.6%	5.3%	6.6%	6.8%	4.0%	4.5%	3.2%	(1.8%)	(1.4%)	1.1%
Western Europe	14.4%	16.1%	12.2%	9.6%	9.0%	11.9%	8.4%	13.5%	13.5%	14.5%	7.4%
Eastern Europe	7.2%	9.6%	9.7%	3.3%	12.2%	10.9%	13.9%	7.7%	10.8%	14.3%	13.2%
Emerging markets	16.2%	13.4%	18.3%	19.8%	18.0%	16.5%	19.7%	4.1%	13.0%	5.5%	17.1%
Order book											
West Nordic	318	346	376	391	406	374	335	267	235	203	189
East Nordic	122	165	191	210	205	177	145	97	91	96	72
Western Europe	132	134	130	137	177	181	161	141	149	139	139
Eastern Europe	20	27	31	34	35	39	36	33	33	33	29
Emerging markets	133	149	168	178	162	153	155	137	122	129	136
Order intake											
West Nordic	113	134	109	121	124	91	57	44	73	58	43
East Nordic	60	104	83	92	76	63	52	29	44	48	22
Western Europe	79	70	54	75	106	88	51	65	90	67	65
Eastern Europe	15	28	32	26	29	34	28	19	21	27	24
Emerging markets	50	45	47	44	26	22	35	32	21	36	37
Book to bill ratio											
West Nordic	1.1	1.2	1.3	1.1	1.2	0.8	0.6	0.4	0.7	0.6	0.7
East Nordic	1.1	1.7	1.2	1.2	0.9	0.7	0.6	0.4	0.9	1.0	0.4
Western Europe	1.4	1.0	0.9	1.1	1.5	1.1	0.7	0.8	1.1	0.9	1.0
Eastern Europe	0.9	1.3	1.2	1.2	1.0	1.2	0.9	0.8	0.9	1.0	0.9
Emerging markets	1.9	1.6	1.6	1.2	0.8	0.6	0.9	1.1	0.7	1.3	1.0

3. OTHER INCOME AND EXPENSES

	Jul-Sep		Jan-Sep		Full year	
(€ in million)	2023	2022	2023	2022	LTM	2022
Profit/(loss) from sale of fixed assets	0.0	0.4	2.0	1.1	1.6	0.7
Restructuring costs	(8.0)	(0.5)	(9.3)	(0.5)	(15.5)	(6.7)
Impairment (charge)/ reversal	(4.7)	-	(4.7)	0.2	(12.3)	(7.4)
Other items	0.0	(0.0)	(7.1)	(0.0)	(7.1)	(0.0)
Other income and expenses from operations	**(12.7)**	**(0.1)**	**(19.1)**	**0.8**	**(33.2)**	**(13.4)**

Profit/(loss) from sale of fixed assets
No material sale of fixed assets were made during the third quarter. During the second quarter Consolis divested a real estate asset located in Meiningen, Germany. Proceeds from the sale amounted to € 2.3 million.

Restructuring cost
Restructuring costs in the quarter mainly comprises charge for the restructuring programs launched in West and East Nordic. The charge amounted to € 7.7 million, whereof € 1.4 million were cash out during the quarter. Out of the € 7.7 million, 6.3 are related to personnel, while the rest mainly comprises running expenses for closed factories and costs associated to the operational reorganization in West and East Nordic.

Impairment charge
Impairment charges during the quarter are mainly related to write down of buildings and IFRS16 leasing contracts in East- and West Nordics, amounting to € 2.8 million. We have closed one factory and one offices permanently and also mothballed one factory. Remaining part comprises write down of various fixed assets in Baltics.

As part of year end closing 2022 we performed an impairment test. The methodology was unchanged compared to previous year, for further description of applied CGU refer to note 14 in the Annual report for 2022. The outcome of the test indicated a need for impairment in Norway and France. An impairment charge was recorded of € 5.4 million in Norway and € 0.5 million on France, affecting the value on goodwill. Apart from this we have also recorded an impairment charge amounting to € 1.7 million related to other intangible assets, where we have written off the value for an internally developed tool for optimizing hollow core design. The triggering event was that the Netherlands decided to not roll out the application, which changed the business case significantly.

4. DISCONTINUED OPERATIONS

Civil works France disposal
Consolis completed the sale of its Civil Works France business to EIM Capital on January 31, 2022, through the disposal of Bonna Sabla S.A. and its subsidiaries.

	Jul-Sep		Jan-Sep		Full year	
(€ in million)	2023	2022	2023	2022	LTM	2022
Net result from Civil Works France operations	-	-	-	(0.6)	-	(0.6)
Net gain from Civil Works France divestment	-	-	-	10.6	6.2	16.7
Result from discontinued operations	**-**	**-**	**-**	**10.0**	**6.2**	**16.1**

5. FINANCIAL (LOSS)/INCOME

	Jul-Sep		Jan-Sep		Full year	
(€ in million)	2023	2022	2023	2022	LTM	2022
Financial income						
Interest income	(0.1)	0.5	0.5	1.2	0.3	1.0
Other financial income	0.9	0.5	4.9	1.5	5.7	2.2
Financial expenses						
Interest expenses	(10.3)	(8.5)	(29.8)	(21.7)	(38.1)	(30.0)
Currency exchange losses	(0.6)	0.1	(1.7)	(2.1)	(4.3)	(4.7)
Other financial expenses	(1.4)	(1.0)	(5.4)	(3.7)	(8.4)	(6.6)
Financial items, net	**(11.5)**	**(8.4)**	**(31.4)**	**(24.7)**	**(44.8)**	**(38.2)**

6. INTEREST-BEARING LIABILITIES

	Sep 30		Dec 31
(€ in million)	2023	2022	2022
Non-current interest-bearing liabilities			
Shareholder loan	305.7	306.0	305.8
Lease liabilities	41.3	50.0	53.2
Other loans	45.5	32.6	33.0
Accrued interests	6.7	3.6	(0.1)
Total non-current interest-bearing liabilities	**399.2**	**392.2**	**392.0**
Current interest-bearing liabilities			
Factoring - net liability [1]	28.5	49.5	45.5
Accrued interests	5.7	5.5	4.7
Revolving credit facilities	66.0	40.0	15.0
Current portion of long-term loans	0.2	0.6	0.6
Lease liabilities	15.1	15.6	17.3
Bank overdrafts	2.6	3.8	1.1
Other loans	0.6	0.2	-
Total current interest-bearing liabilities	**118.7**	**115.4**	**84.1**
Total interest-bearing liabilities	**517.9**	**507.6**	**476.1**

[1] Factoring is presented net of guarantee reserve

Factoring
Consolis factoring agreement includes a non-recourse mechanism which offers a protection in case of a non-payment of the receivables that have been assigned to the factor. When the Group considers it has transferred substantially all the associated risks and rewards to the factor, both the receivables that are covered by the credit insurance policy and the corresponding debts are derecognized from the consolidated statement of financial position. Note that advance payments, interim billings and cash withheld for warranty retention cannot be deconsolidated as per the factoring agreement.
As of September 30, 2023, the factoring liability amount is € 69.0 million out of which € 40.5 million were derecognized.

A guarantee fund (to guarantee the repayment of the amounts of which Consolis may become debtor with CALF) was constituted at the beginning of the factoring contract. The guarantee fund is defined as a percentage of the total amount of financed receivables and doesn't generate interest. For the period ended September 30, 2023, the guarantee fund amounted to € 3.5 million with a remaining portion of the guarantee fund netted with the factoring liability of € 4.3 million.

Sale and leaseback
During the third quarter we completed a sale and leaseback of two plants in Denmark. Due to prevalance of certain repurchase clauses this was not considered to be a sale under IFRS 15. The real estates are kept on the balance sheet, and a financial liability amounting to € 16.5 million was recognized. This financial debt is included on the line item Other loans.

7. ALTERNATIVE PERFORMANCE MEASURES

Consolis presents certain financial measures in the interim report that are not defined according to IFRS and qualifies as non-GAAP measures. The Company believes that these measures provide valuable supplemental information to stakeholders and the Company's management as they allow for evaluation of trends and the Company's performance. Since all companies do not calculate financial measures in the same way these are not always comparable to measures used by other companies. These financial measures should therefore not be considered as a replacement for measurements as defined under IFRS.

Metric	Definition	Purpose
Order book	Orders agreed with costumers, not yet delivered	The key figure used to monitor revenues expectation for the coming periods
Order intake	Signed contracts in the period	The key figure used to monitor revenues expectation for the coming periods
Book-to-bill ratio	Ratio between the period's order intake and sales	The key figure used to monitor revenues expectation on evaluation of the order book. A ratio of 1 or more indicates a growing order book, where a ratio below 1 indicates that we "consume" more orders than we take in
Growth (%)	Growth consists of the increase in sales in relation to the comparative period. The period's increase in net sales/Net sales in the period of comparison	This key figure is used to follow up the company's sales increase
Acquired growth (%)	The period's net sales growth from acquisitions/the comparative period's net sales	The key figure used to monitor the proportion of the company's sales growth generated through acquisitions
Foreign exchange (fx) effect on growth (%)	The increase in net sales for the period attributable to change in exchange rates/Net sales in the comparative period	The key figure used to monitor the proportion of the company's sales growth generated through exchange-rate fluctuations
Organic growth (%)	The increase in net sales for the period adjusted for acquisitions, divestments and currency/Net sales in the comparative period	This key figure is used when analysing underlying sales growth driven by comparable operations between different periods
Operating profit (EBIT)	Profit for the period before financial items and tax Total operating income – Operating expenses	The key figure used to monitor the company's profit generated by operating activities. This key figure enables comparisons of profitability between companies/industries
Items affecting comparability	Items related to events in the company's operations that impact comparability with profit during other periods	The key figure of Items affecting comparability is used to achieve a fair comparison of the underlying development of business operations
EBITDA	Operating profit before depreciation, amortization and impairment of intangible and tangible assets Operating profit (EBIT) + Depreciation, amortization and impairment of tangible and intangible assets	The key figure used to follow up the company's profit generated by operating activities. This key figure enables comparisons of profitability between companies/ industries
Adjusted EBITDA	Operating profit before depreciation/amortization and impairment of intangible and tangible assets adjusted for items from such events in the company's operations that affect comparisons with profit from other periods EBITDA + Items affecting comparability	The key figure of Items affecting comparability is used to achieve a fair comparison of the underlying development of business operations
Operating cash flow	Total cash flow from operating activities excluding tax, net financial items and items affecting comparability, as well as cash flow used in investing activities excluding divestments Adjusted EBITDA + Changes in working capital + Cash flow from investing activities excl. acquisitions and divestments of subsidiaries	This key figure shows the cash flow from the company's operations excluding business combinations, company divestments, financing, tax and items affecting comparability and is used to follow up whether the company is able to generate a sufficiently positive cash flow to maintain and expand its operations
Free cash flow	Total cash flow from operating activities and cash flow from investing activities excluding acquisitions and divestments of operations Cash flow from operating activities + Cash flow from investing activities excluding acquisitions and sales of subsidiaries	This key figure shows cash flow from operating activities including cash flow from investing activities excluding acquisitions and divestments of operations and is used because it is a relevant measure for investors to be able to understand the Group's cash flow from operating activities
Cash conversion (%)	Cash conversion as a percentage is defined as operating cash flow divided by adjusted EBITDA Operating cash flow/Adjusted EBITDA	The key figure used as an efficiency measure of the proportion of a company's profit that is converted to cash. Cash conversion is mainly followed on a twelve-month basis
Net debt	The Group's interest-bearing liabilities excluding pension provisions adjusted for cash and cash equivalents Interest-bearing liabilities – cash and cash equivalents	This key figure is a measure of the company's debt/ equity ratio and is used by the company to assess its capacity to meet its financial commitments
Net debt / Adjusted EBITDA LTM	Net debt/Adjusted EBITDA LTM is a measure of the debt/equity ratio defined as the closing balance for net debt in relation to last twelve months adjusted EBITDA	The key figure used to monitor the level of the company's indebtedness

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