

Third quarter of 2024 results

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BEW



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Third quarter 2024:

Improved earnings for downstream

Signs of recovery in several markets



- Positive indicators across markets
 - Low inflation and reduced interest rates
 - Signs of improvements, variations across regions
- Challenging conditions
 - Weak upstream results, initiated cost-reductions for RAW
 - Solid downstream results from cost discipline and margin management
- Positioning for growth
 - Operational, strategic and financial measures



Key figures for the third quarter of 2024

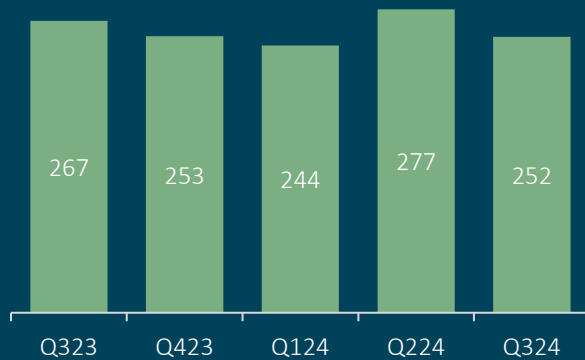
Revenue

EUR 252 million

-5%

Net sales

EUR million



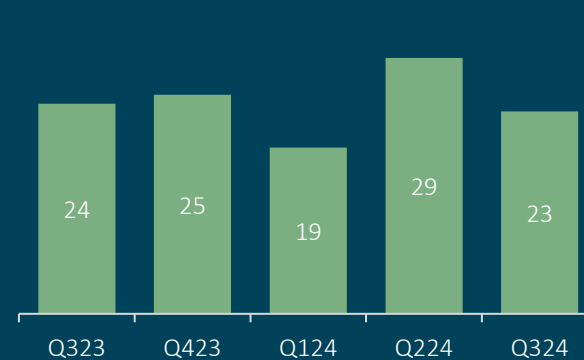
Adj. EBITDA

EUR 23 million

-4%

Adj. EBITDA

EUR million



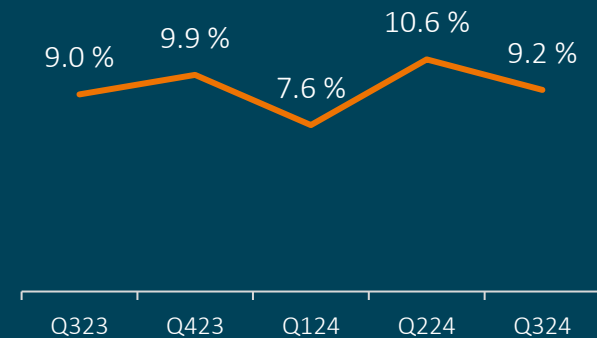
Adj. EBITDA margin

9.2%

0.2 pp

Adj. EBITDA

Percentage (%)



Third quarter 2024: Operational highlights



Upstream segments

RAW

- Cost reductions, savings of EUR 6 million from 2025
- Ramp-up of volumes from new line
- Certified white and grey EPS with recycled material

Circular

- Best collection quarter this year, ~9 000 tonnes
- Increased recycling capacity by 40% to ~35 000 tonnes



Third quarter 2024: Operational highlights



Downstream segments



Insulation & Construction

- Recovering markets
- Capacity increase of construction boards in Olen, Belgium
- Launch of bio-based construction boards



Packaging & Components

- Increased volumes of EPS fish boxes
- HVAC market slowly improving
- Strategic review of Automotive
- Merging traded packaging business with STOK Emballage

Merging traded packaging business with STOK

BEWI

Expanding customer offering and streamlining core packaging business



- Merging traded packaging business with STOK Emballage
 - Complementary offering and geographies
 - Strong synergy and growth potential
 - Strengthened focus on core packaging business
-
- Combined entity has EUR ~190 million sales
 - BEWI retains ~15% ownership
 - Receives EUR 20 million cash upon completion

STOK
Emballage



BEWI

Positioning to accelerate growth








Operational, strategic and financial measures in place

- Operational measures
 - Cost reductions and margin management
 - Working capital optimisation
 - Low CAPEX for 2024 and 2025
- Strategic partners
 - Re-allocate capital to accelerate growth in insulation
- Financing to fuel growth
 - New receivables financing agreement
 - More flexible financing
 - A source of capital to finance growth

Targeting EUR ~150 million in available liquidity



Delivering on key priorities for long-term growth

- 1 Increasing collection and use of recycled material 
- 2 Capacity and cost optimisation 
- 3 Capitalising on investments 
- 4 Strengthening financial position 
- 5 Evaluating strategic opportunities for growth 

Third quarter of 2024

Group financials



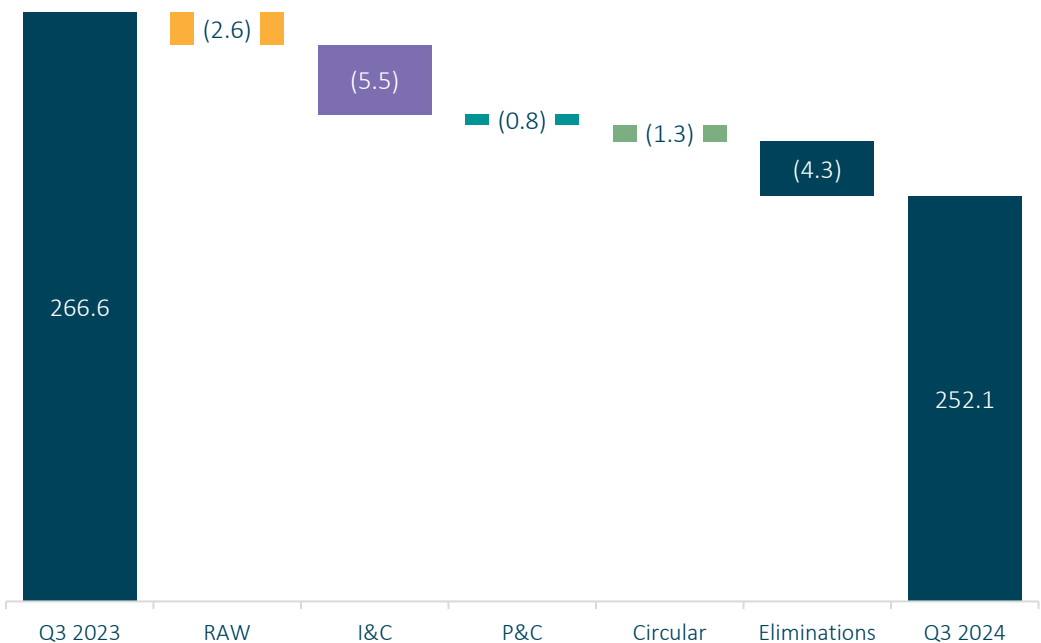
Financial overview for the third quarter of 2024



Improved earnings in downstream segments

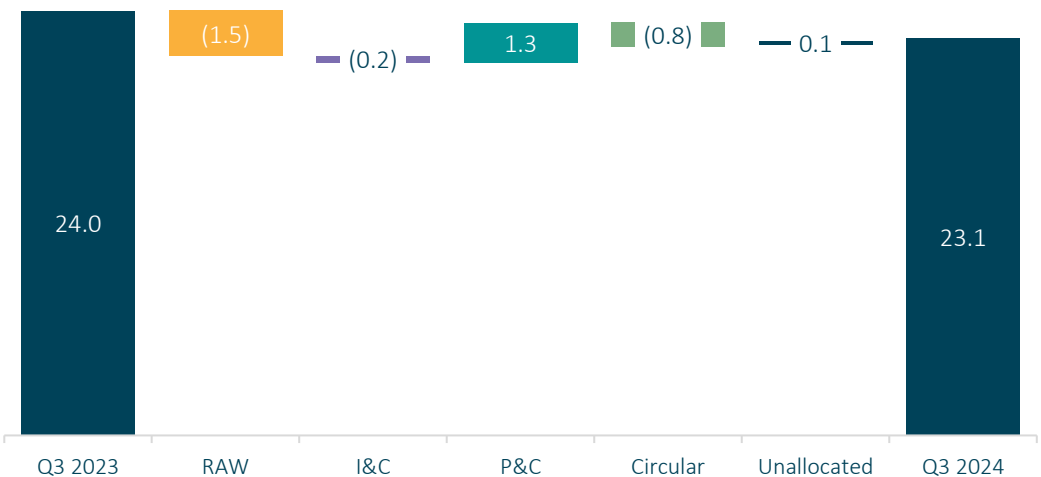
Net sales

EUR million



Adj. EBITDA

EUR million

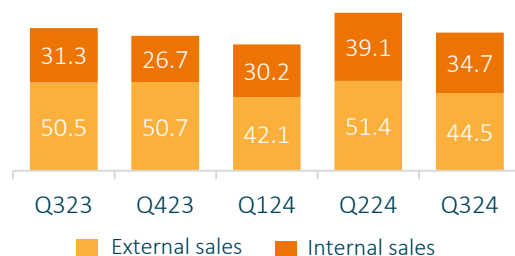


Third quarter of 2024: Financial highlights upstream segments



Net sales

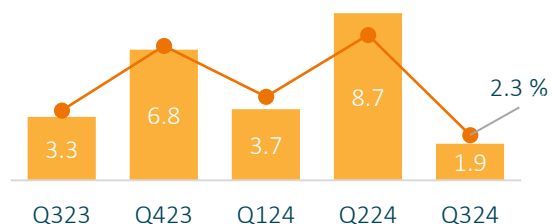
EUR million



- **Net sales** of EUR 79.2 million
 - 3% decrease from Q323
 - Higher sales prices
 - Lower volumes from stronger seasonal impact and customers expecting reduced prices in Oct

Adj. EBITDA

EUR million and %



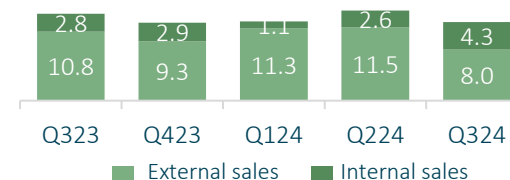
- **Adj. EBITDA** of EUR 1.9 million
 - Market prices for styrene and EPS up 11% and 3% causing reduced GAP
 - Reduced fixed cost
 - Improved cost structure for new production line



Circular

Net sales

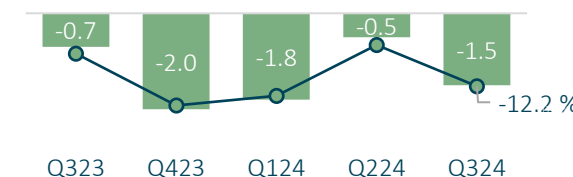
EUR million



- **Net sales** of EUR 12.3 million
 - 9% decrease from Q323
 - Lower sales prices
 - All-time high internal sales of recycled GPPS

Adj. EBITDA

EUR million and %



- **Adj. EBITDA** of EUR -1.5 million
 - Lower sales prices
 - Unfavourable market conditions

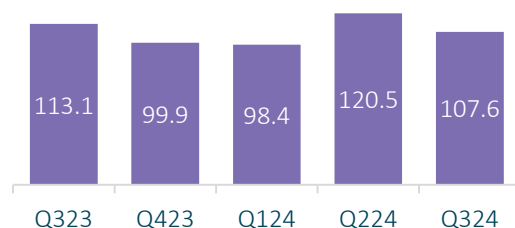
Third quarter of 2024: Financial highlights downstream segments



Insulation & Construction

Net sales

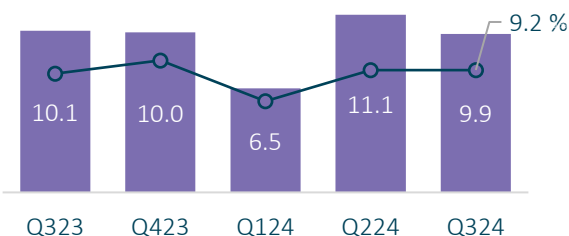
EUR million



- **Net sales** of EUR 107.6 million
 - 5% decrease from Q323
 - Higher prices
 - Lower volumes. Stronger seasonal impact

Adj. EBITDA

EUR million and %



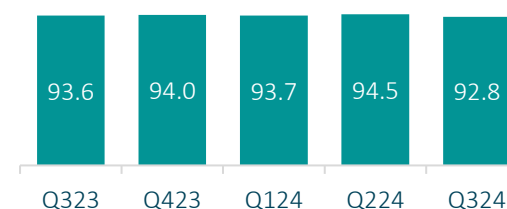
- **Adj. EBITDA** of EUR 9.9 million
 - EBITDA from underlying operations increase
 - Lower contribution from shares in associates
 - Improving margins



Packaging & Components

Net sales

EUR million



- **Net sales** of EUR 92.8 million
 - In line with Q323
 - Volume variances across products
 - Increased sales of fish boxes and automotive components

Adj. EBITDA

EUR million and %



- **Adj. EBITDA** of EUR 13.7 million
 - 11% increase in EBITDA
 - Positive impact from raw material prices and active measures

Financials



Consolidated income statement

Amounts in EUR million	Q3 2024	Q3 2023	9M 2024	9M 2023	2023
Net Sales	252.1	266.6	773.3	852.6	1 105.3
Other operating income	-	-	7.6	-	1.5
Total operating income	252.1	266.6	780.9	852.6	1 106.8
Raw materials and consumables	-102.6	-115.4	-313.4	-358.1	-455.3
Goods for resale	-23.9	-18.4	-74.8	-66.4	-95.3
Other external costs	-52.5	-59.6	-167.1	-195.5	-249.9
Personnel cost	-50.4	-52.0	-155.2	-154.5	-205.2
Depreciation/ amortisation/ impairment	-17.9	-18.3	-52.3	-52.0	-68.4
- attributable to operations	-8.3	-8.3	-25.1	-25.2	-33.7
- attributable to IFRS 16	-6.5	-6.5	-17.3	-16.0	-21.1
- attributable to fair value adjustments in business combinations	-3.2	-3.6	-10.0	-10.8	-13.7
Share of income from associated comp.	-0.6	0.3	-1.0	1.4	1.3
Capital gain/loss from sale of assets and other adjustments	0.2	0.5	3.5	0.2	-0.6
Operating income (EBIT)	4.5	3.7	20.6	27.7	33.5
Net financial items	-12.6	-11.3	-34.8	-31.0	-42.5
Income tax expense	-0.7	-0.7	-1.5	-2.8	-6.6
Profit/ loss for the period	-8.8	-8.3	-15.7	-6.1	-15.6

Third quarter of 2024

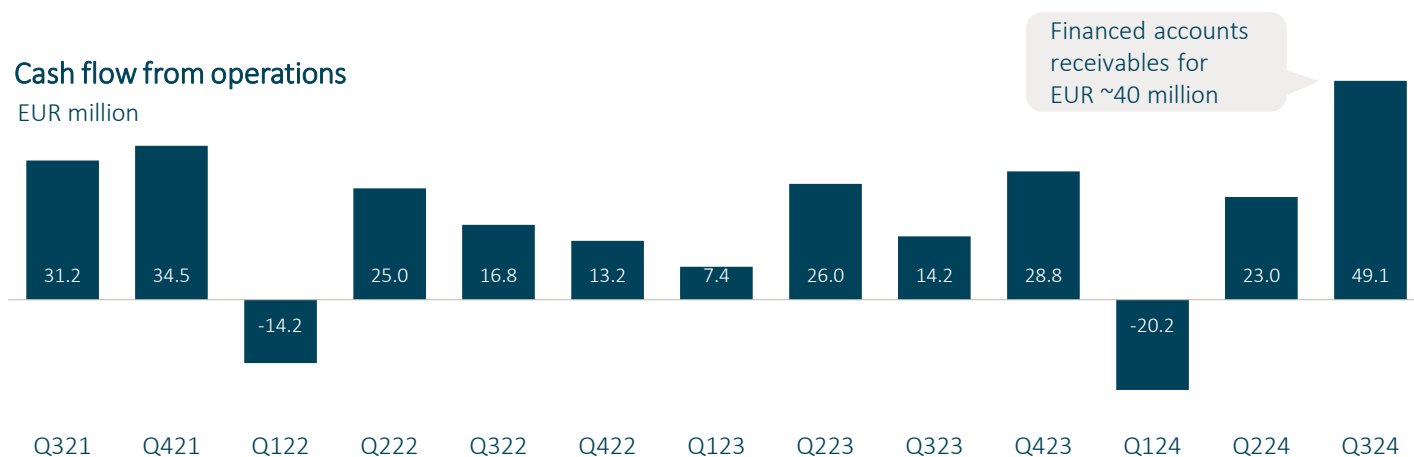
- Net sales of EUR 252.1 million, down 5%
- EBIT of EUR 4.5 million (3.7)
 - Raw materials incl. goods for resale ~50% of sales
 - External costs down by 12%
 - Cost reductions and lower volumes
 - Fixed cost down, despite inflation
 - Personnel costs down from Q3 last year
- Net financial items of EUR -12.6 million (-11.3)
 - Increased expense from additional leasing contracts
- Income tax expense of EUR 0.7 million (0.7)
- Net result of EUR -8.8 million (-8.3)

Financials

Improved financial flexibility from new receivables financing agreement

Cash flow from operations

EUR million

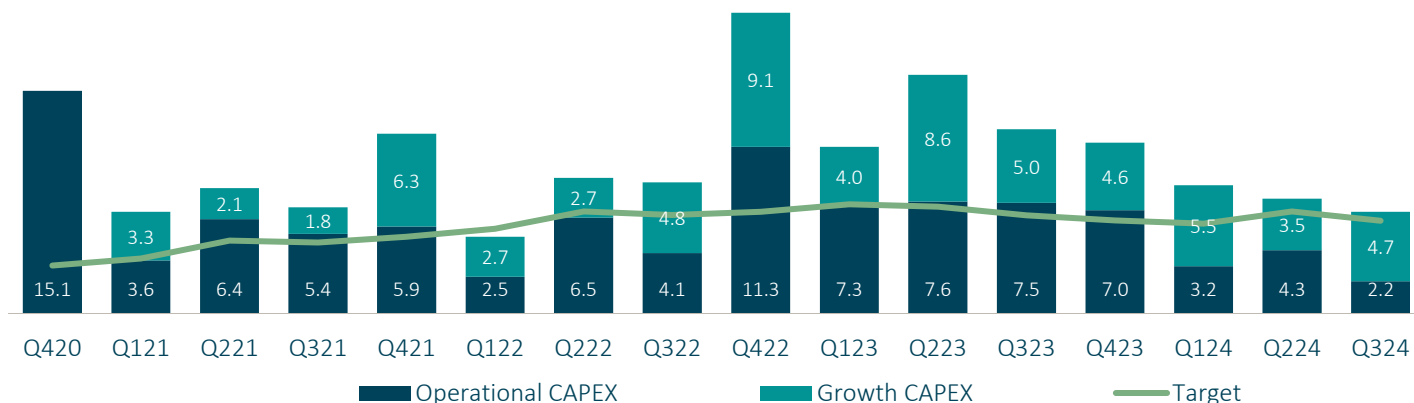


Cash flow

- Operating cash flow of EUR 49.1 million (14.2)
- Working capital down by EUR 38.3 million (-3.5), incl. financing of EUR 40.9 million AR
- Continue to optimise working capital

CAPEX

EUR million



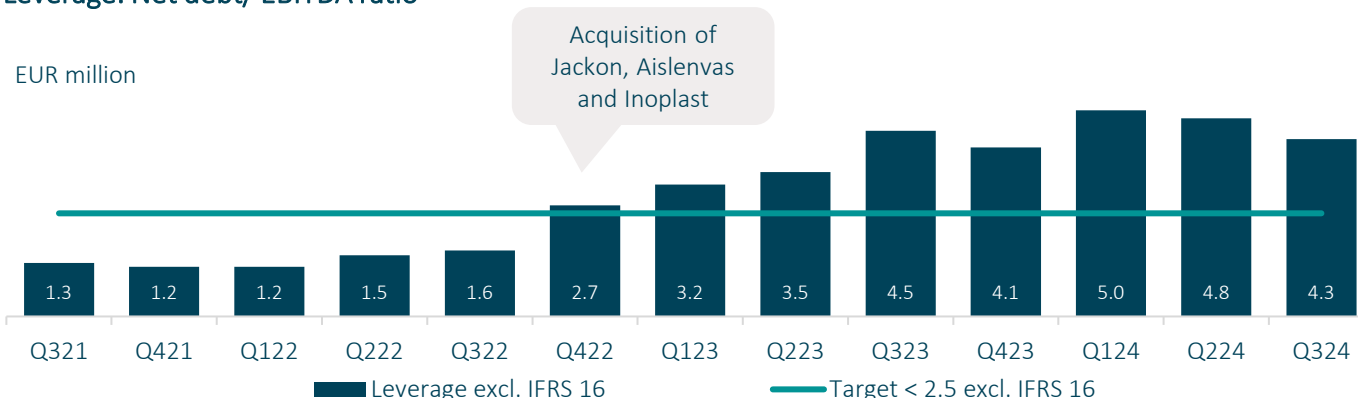
CAPEX

- CAPEX of EUR 6.9 million (12.6) in Q324
- YTD CAPEX of EUR 23.4 million
 - EUR 6.0 million relate to Izoblok
- 2024 CAPEX target of EUR ~20 million

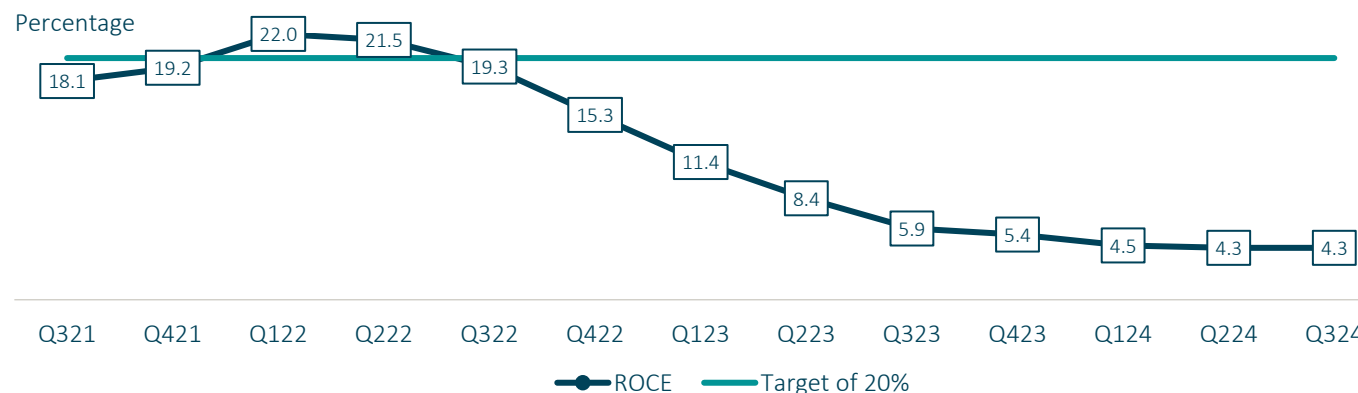
Financials

Strengthening of financial position a prioritised task

Leverage: Net debt/ EBITDA ratio⁽¹⁾



ROCE



(1) EBITDA ratio: adjusted EBITDA rolling 12-months pro-forma acquired entities,

(2) ROCE: Rolling 12 months adjusted EBITA as a percentage of average capital employed during the same period. Capital employed is defined as total equity plus net debt

- Available cash and credit EUR ~95 million
 - EUR 16 million unutilized available credit facility
- Receivables purchase agreement (RPA)
 - Frame of EUR 75 million
- Net debt excl. IFRS 16 of EUR 285 million
 - Reduction of EUR ~35 million in Q3
 - A priority to strengthen financial position
 - Low CAPEX for 2024 and 2025

EUR million	30.09.24	31.12.23	30.09.23
Cash and Cash equivalents	79.2	63.6	43.1
Non-current liabilities excl. IFRS 16	352.8	381.6	385.5
Current liabilities excl. IFRS 16	11.6	13.1	24.7
Net debt excl. IFRS 16	285.2	331.1	367.1
Debt related to IFRS 16	239.7	216.6	195.8
Net debt in total	524.9	547.6	562.9

Third quarter of 2024

Strategy recap and outlook

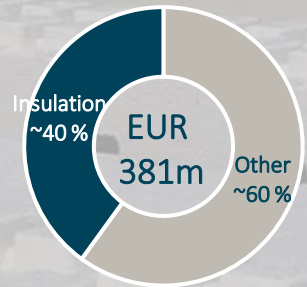


The new circular hub in Norrköping, Sweden, increases EPS recycling capacity by 40%

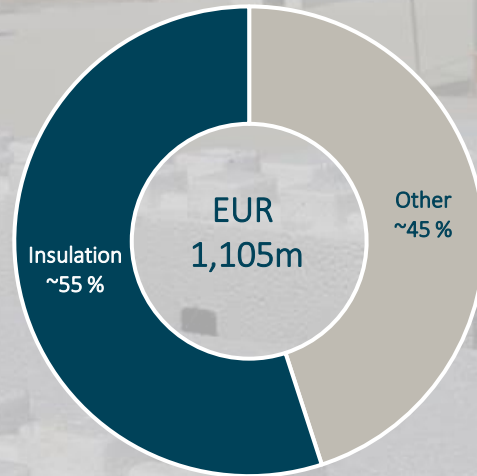
Strong ambitions for further growth

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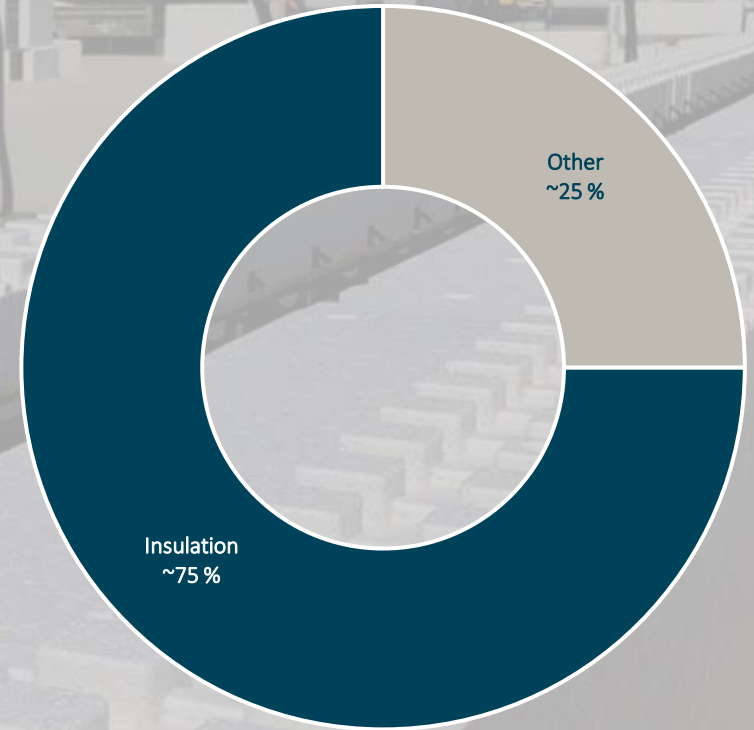
Need for improved energy efficiency makes insulation solutions key growth driver



2018



2023



3-5 years

Ambition to double revenue next 3-5 years with increased exposure to insulation



*Construction project
with PIR Insulation*

Positioning to accelerate growth when market rebounds

- ✓ Strong market fundamentals
- ✓ Adjusting cost and capacity
- ✓ Room for production ramp-up on existing base
- ✓ Competitive advantage of certified recycled EPS
- ✓ Strengthening financial position
- ✓ Clear growth strategy
- ✓ Growing M&A pipeline

Summary and outlook

Well-positioned for growth

- Slow, but recovering markets
- Improved contribution from downstream
- Cost reductions initiated in RAW
- Strengthened focus on core packaging business

- Strong fundamentals and growth opportunities
- Positioned to capitalise on higher volumes when market rebounds



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