



# H1/Q2 2024

Financial results

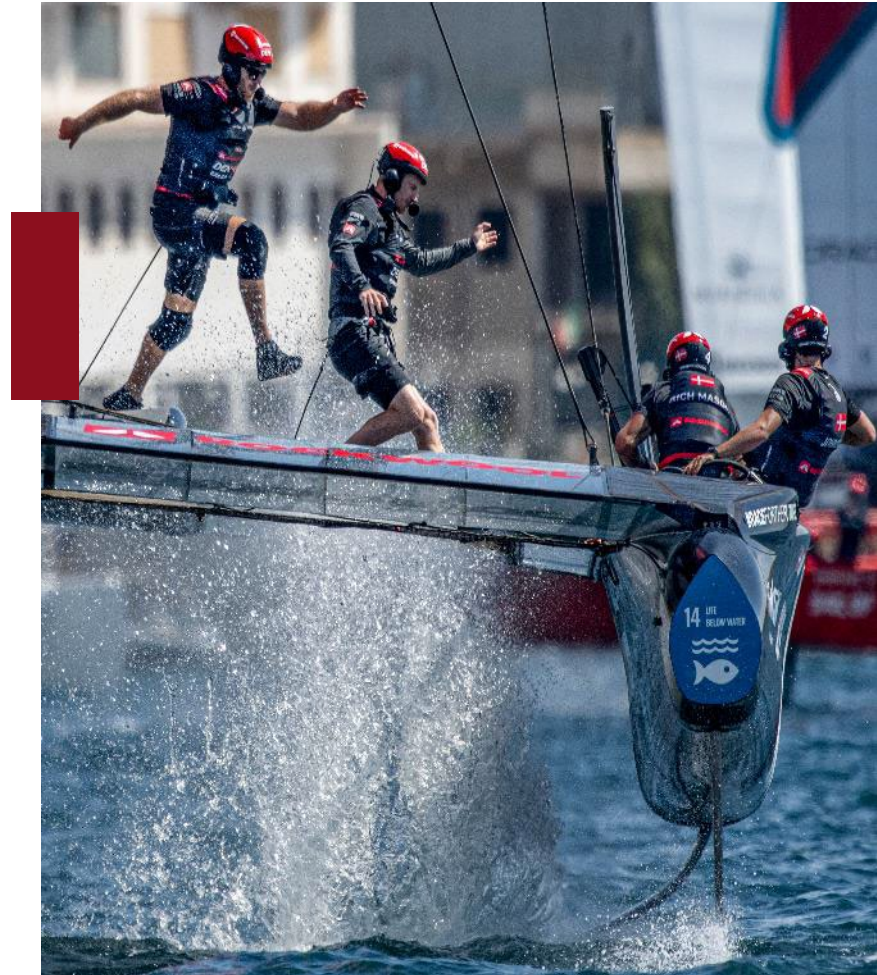


22 August 2024

# Forward-looking statement

The statements on the future in this presentation, including expected sales and earnings, are associated with risks and uncertainties and may be affected by factors influencing the activities of the Group, e.g. the global economic environment, including interest and exchange rate developments, the raw material situation, production and distribution-related issues, breach of contract or unexpected termination of contract, price reductions due to market-driven price reductions, market acceptance of new products, launches of competitive products and other unforeseen factors.

In no event shall ROCKWOOL A/S be liable for any direct, indirect or consequential damages or any other damages whatsoever resulting from loss of use, data or profits, whether in an action of contract, negligence or other action, arising out of or in connection with the use of information in this presentation.



# H1 highlights

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Sales

**1928 MEUR**

up 8% in reported figures

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EBIT

**341 MEUR**

up 44%\*

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Net profit

**258 MEUR**

up 78 MEUR

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Sales increase in local currencies

**↑ 8%**

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EBIT margin

**17.7%**

up 4.4 percentage points

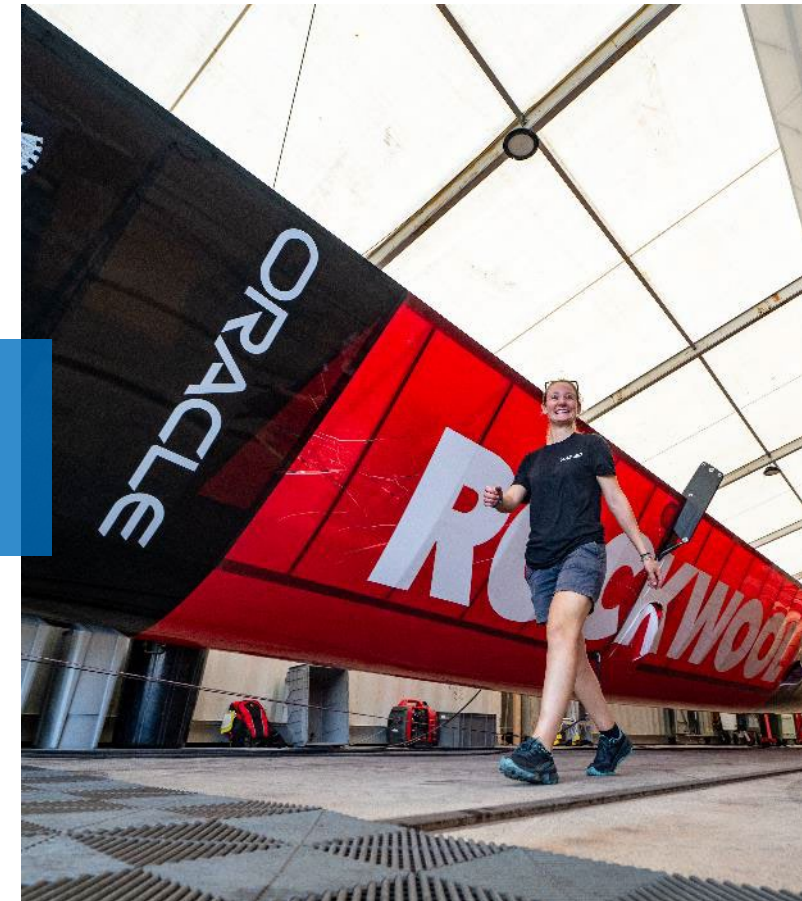
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Free cash flow

**161 MEUR**

up 54 MEUR

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\*) This includes a donation of 13.4 MEUR to the Foundation for Ukrainian Reconstruction in H1 2024, compared to 26.8 MEUR in the same period last year.

# Q2 highlights

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Sales

**1010 MEUR**

up 10% in reported figures

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EBIT

**189 MEUR**

up 42%\*

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Net profit

**142 MEUR**

up 40 MEUR

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Sales increase in local currencies

**↑ 10%**

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EBIT margin

**18.7%**

up 4.2 percentage points

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Free cash flow

**146 MEUR**

up 27 MEUR

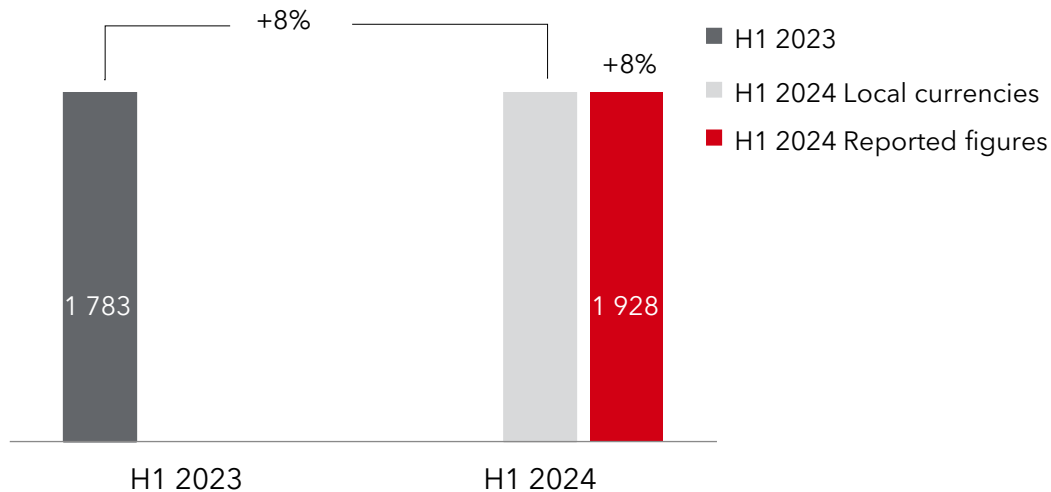
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\*) This includes a donation of 7.4 MEUR to the Foundation for Ukrainian Reconstruction in Q2 2024, compared to 13.4 MEUR in the same period last year.

# H1 sales up eight percent in local currencies

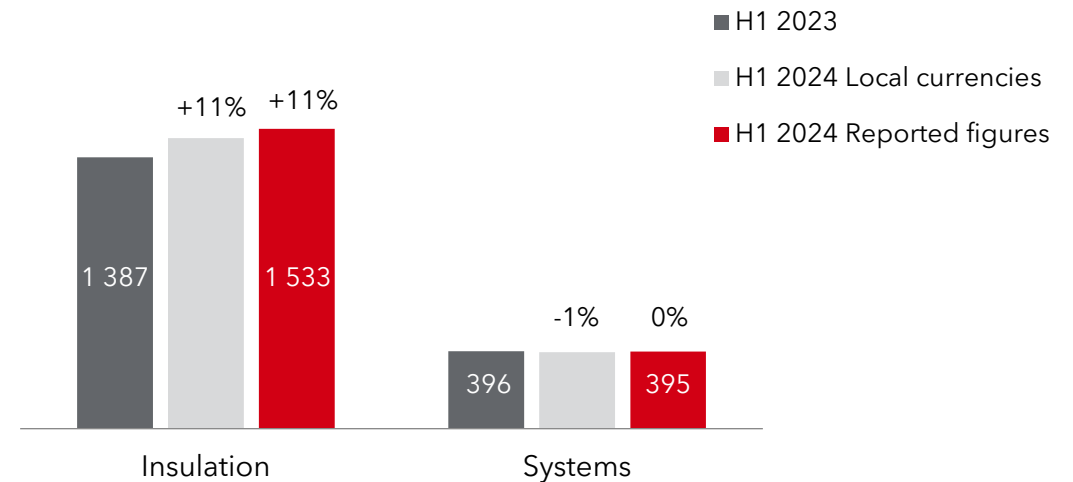
## Net sales MEUR



**Sales** reached 1928 MEUR, up eight percent in both local currencies and reported figures.

The increase was driven by higher volume across multiple regions combined with stable prices.

## Net sales per business segment MEUR

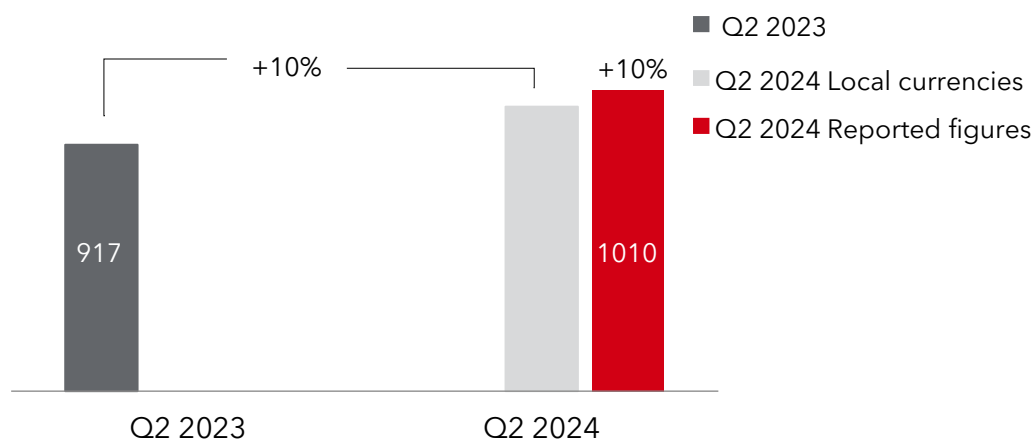


**Insulation** segment sales reached 1533 MEUR, up 11 percent in local currencies mainly related to higher volume especially in Central and Eastern Europe, and North America.

**Systems** segment sales reached 395 MEUR, down one percent in local currencies. Adjusted for divestment of the Rockfon distribution business Charles Wille in Q3 2023, like-for-like growth was two percent.

# Q2 sales up 10 percent in local currencies

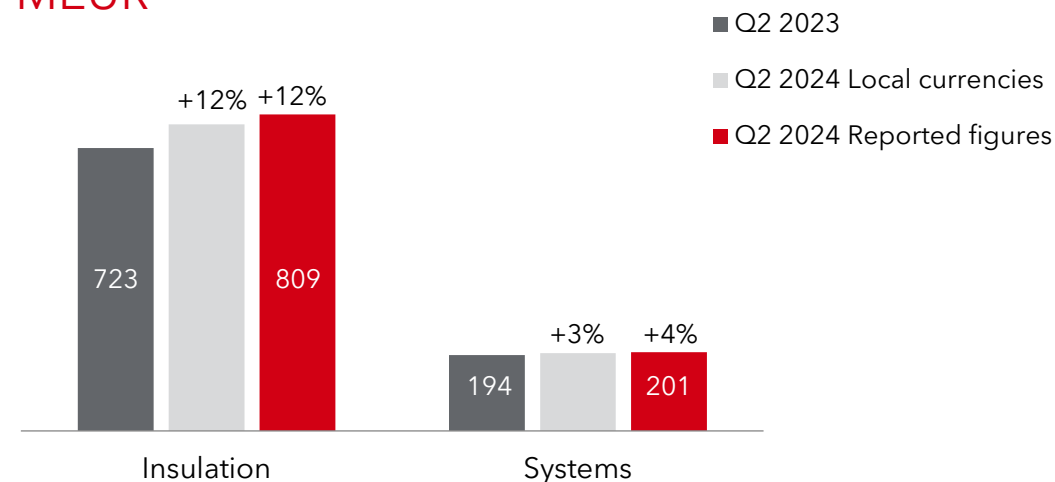
## Net sales MEUR



**Sales** reached 1010 MEUR, up 10 percent in both local currencies and reported figures.

The volume growth in Europe is partly a recovery of market shares from the lower sales volume in same period last year.

## Net sales per business segment MEUR



**Insulation** segment sales reached 809 MEUR, up 12 percent in local currencies mainly related to higher volume in especially North America, Central and Eastern Europe, including Russia.

**Systems** segment sales reached 201 MEUR, up three percent in local currencies. Sales in Rockfon North America declined, while sales in all other businesses improved.

# Q2 regional sales development

## Growth in local currencies

Western Europe

**2% ↑**

three percent up in reported figures

Eastern Europe and Russia

**25% ↑**

23 percent up in reported figures

North America, Asia & others

**19% ↑**

19 percent up in reported figures

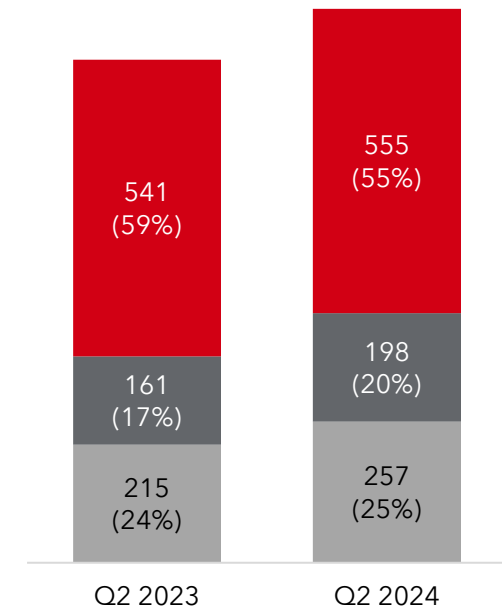
## Key developments

- Sales increase in many markets in the region.
- Especially Germany, Italy, and Sweden had a good quarter.
- Several countries in the region, including Russia, experienced double-digit growth in the quarter.
- North America reported good double-digit sales growth.
- Volume increased solidly in South Asia, driven by strong demand.

## Geographic share of sales

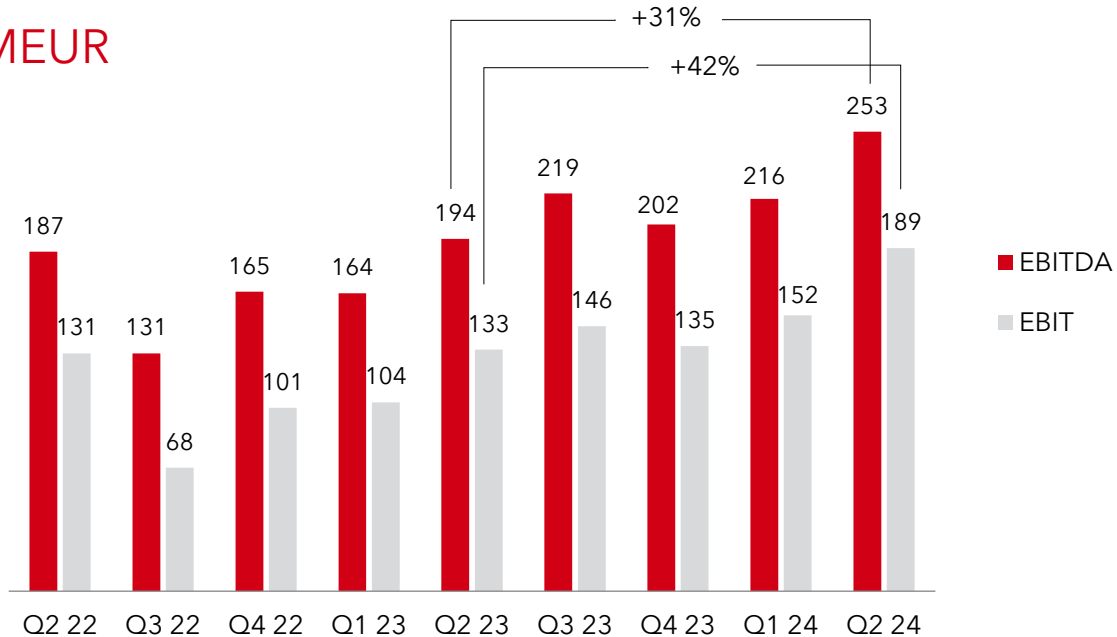
MEUR, reported figures

- Western Europe
- Eastern Europe and Russia
- North America, Asia and others



# Q2 profitability improved

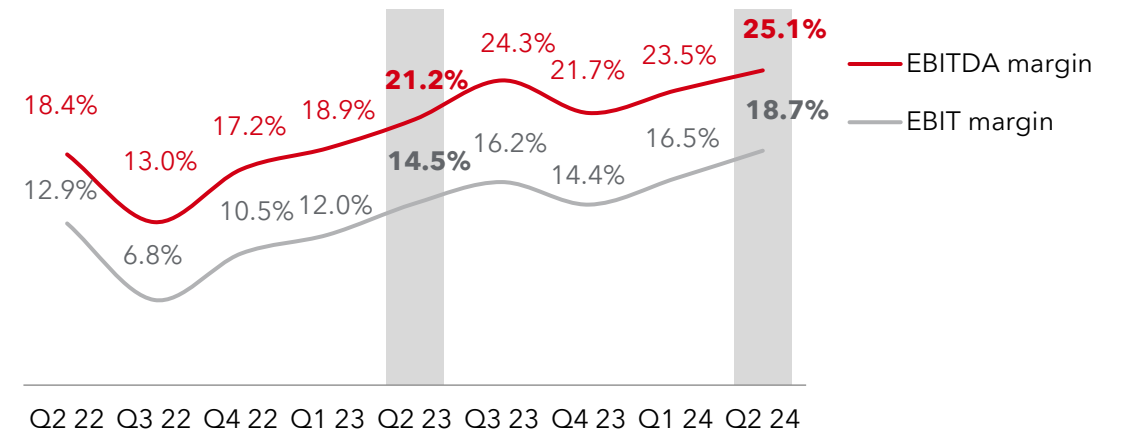
## EBITDA & EBIT MEUR



**EBITDA** reached 253 MEUR, up 31 percent.

- EBITDA margin of 25.1 percent compared to 21.2 percent last year.
- Margin increase driven by volume growth, stable sales prices, higher productivity and lower than expected input cost, mainly stable energy prices.

## EBITDA / EBIT margin (%)

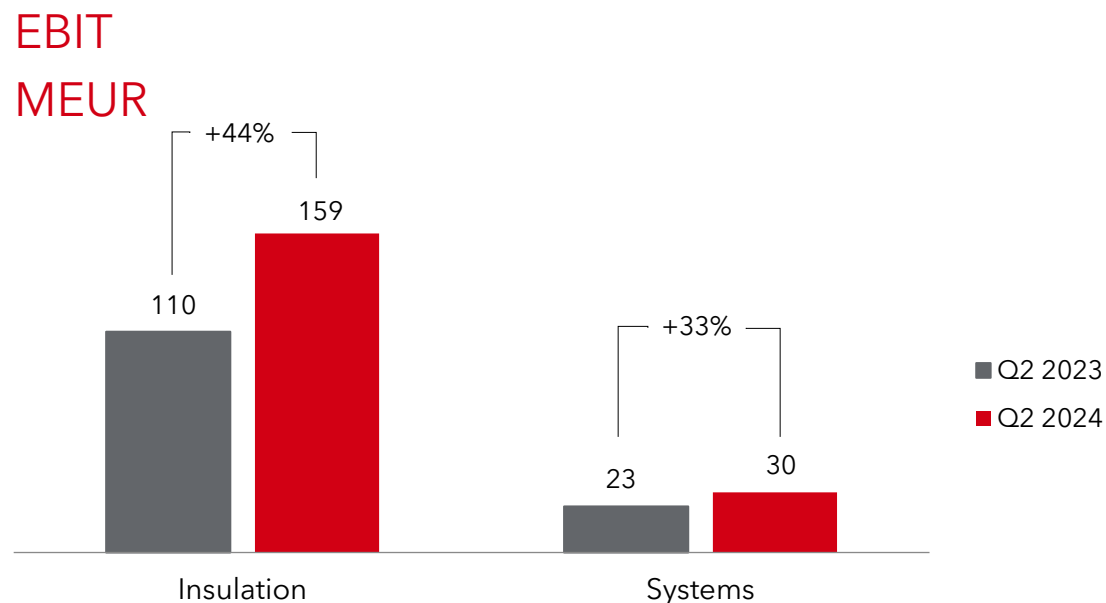


**EBIT** amounted to 189 MEUR, up 42 percent.

- EBIT margin of 18.7 percent, up 4.2 percentage points.
- EBIT includes a 7.4 MEUR provision for donation to the Foundation for Ukrainian Reconstruction compared to a 13.4 MEUR donation in Q2 2023.

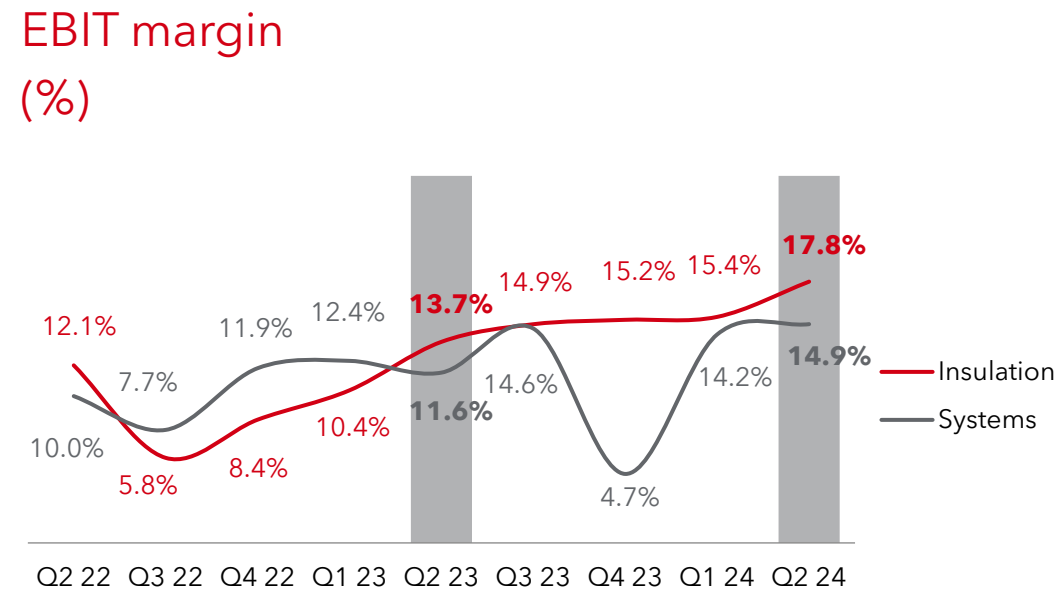


# Q2 profitability by business segment



**Insulation** EBIT amounted to 159 MEUR, up 49 MEUR or 44 percent from last year.

- EBIT margin was 17.8 percent, up 4.1 percentage points compared to Q2 2023.



**Systems** EBIT amounted to 30 MEUR in Q2 2024, up 7 MEUR or 33 percent from last year.

- EBIT margin was 14.9 percent, compared to 11.6 percent in Q2 2023.

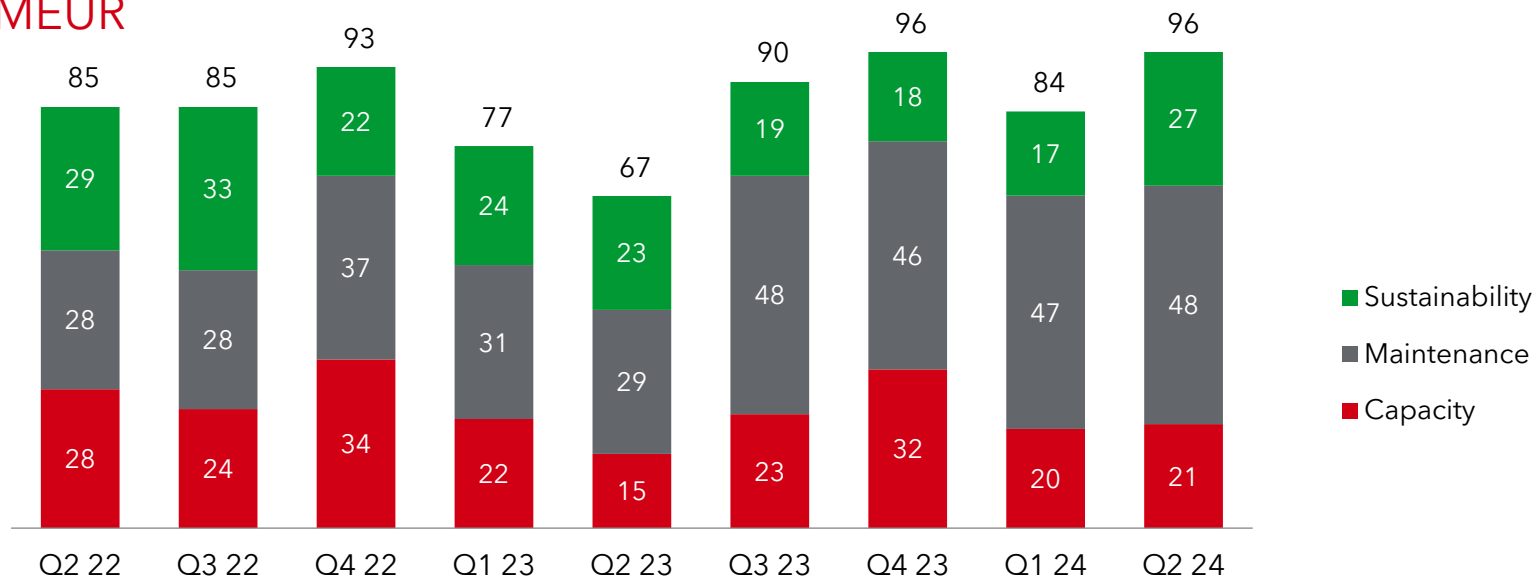
# Q2 investment activities

**Investments** excluding acquisitions and grants totalled 96 MEUR in Q2 2024, up 29 MEUR compared to 67 MEUR in Q2 2023.

- In Q2 2024, the largest investments were related to the conversion to electrical melter in Flumroc (Switzerland), additional Grodan capacity in Toronto (Canada), and new power lines in France and Spain. In the process of acquiring Vietnam's leading stone wool producer, with 125 FTEs.

## Investments excl. acquisitions & grants

MEUR



# Q2 free cash flow

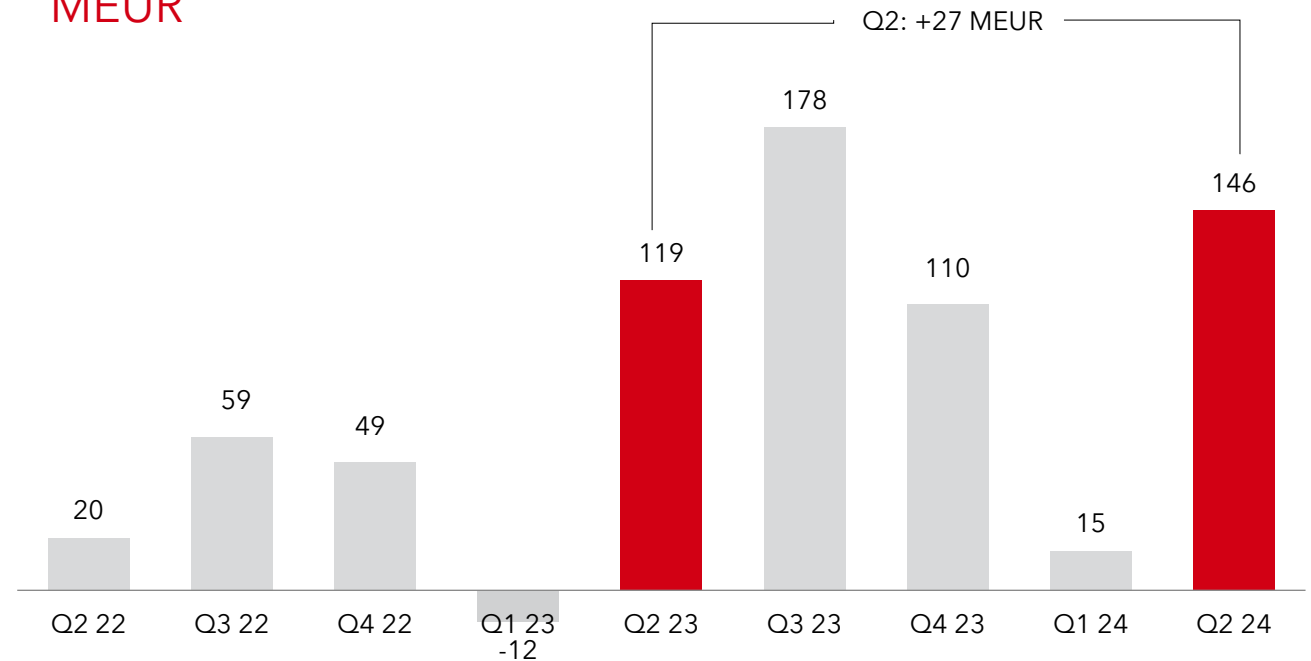
**Q2 free cash flow** was 146 MEUR, compared to 119 MEUR in Q2 2023.

**Net working capital** was 11.5 percent (Q2 2023: 13.4 percent) of net sales and ended at 433 MEUR, a decrease of 69 MEUR compared to Q2 2023.

**Share buy-back programme** of the max. 160 MEUR total, 71 MEUR of own shares had been purchased at the end of H1 2024.

**Net cash position** of 188 MEUR and unused credit facilities of 600 MEUR at the end of H1 2024.

## Free cash flow MEUR



# Sustainability performance

- Performance related to the five sustainability goals with 2030 time horizon remains on or ahead of schedule.
- Three percent CO<sub>2</sub> emission intensity reduction in H1 2024, an important improvement over H1 2023. Index for H1 2024 ended at 84 compared to base year 2015 (index 100). Results mainly from higher production efficiency, E-melter conversion in Flumroc (CH), and use of green energy.
- Double-digit H1 2024 volume growth led to only six percent increase in absolute Scope 1 and Scope 2 CO<sub>2</sub>e emissions; need to continue the already good progress converting coke-fuelled melting processes to green electricity instead.
- With addition of Poland, we now offer reclaimed waste schemes in 22 countries (goal is 30 by 2030).
- For H1 2024, achieved our Group safety goal of “zero fatalities and zero serious accidents”.



# Outlook 2024



# Outlook full year 2024

- 1 **Sales** growth of **around mid-single-digit** percent in local currencies.
- 2 **EBIT** margin **around 17 percent**.
- 3 **Investments** **around 375 MEUR** excluding acquisitions.



2024 Outlook overview	7 February 2024	3 May 2024	15 May 2024	18 July 2024	22 August 2024
<b>Net sales in local currencies</b>	Sales roughly at the same level as in 2023	Sales growth of around mid-single-digit percent	Sales growth of around mid-single-digit percent	Sales growth of around mid-single-digit percent	Sales growth of around mid-single-digit percent
<b>EBIT margin</b>	Around 13 percent	Around 15 percent	Around 15 percent	Around 17 percent	Around 17 percent
<b>Investments excl. acquisitions</b>	Around 375 MEUR	Around 375 MEUR	Around 375 MEUR	Around 375 MEUR	Around 375 MEUR

# Key figures for the Group

MEUR	Q2 2024	Q2 2023	YoY (%)	H1 2024	H1 2023	YoY (%)	FY 2023
<b>Income statement</b>							
Net sales	1 010	917	10.1%	1 928	1 783	8.1%	3 620
EBITDA	253	194	30.6%	469	358	31.1%	779
EBIT	189	133	41.9%	341	237	43.9%	518
Profit before tax	184	137	33.8%	339	243	39.5%	522
Profit for the period	142	102	39.7%	258	180	43.3%	389
<b>Balance sheet</b>							
Total assets				3 693	3 490	5.8%	3 554
Equity				2 894	2 609	10.9%	2 804
Equity ratio				78.4%	74.8%	3.6pp	78.9%

# Questions?



# Thank you

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