

Q3 2024

Financial results



28 November 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.

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Q3 YTD highlights

Sales

2885 MEUR

up 7% in reported figures

Sales increase in local currencies

↑ 7%

EBIT

514 MEUR

up 34%*

EBIT margin

17.8%

up 3.5 percentage points

Net profit

413 MEUR

up 124 MEUR

Free cash flow

358 MEUR

up 73 MEUR



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

Q3 highlights

Sales

957 MEUR

up 6% in reported figures

Sales increase in local currencies

↑ 5%

EBIT

173 MEUR

up 18%

EBIT margin

18.1%

up 1.9 percentage points

Net profit

155 MEUR

up 46 MEUR

Free cash flow

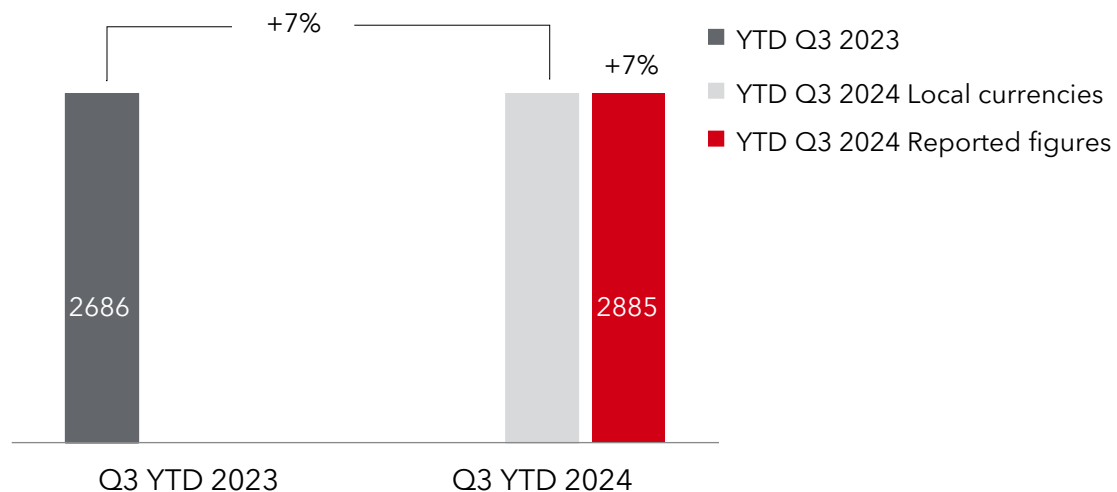
197 MEUR

up 19 MEUR



Q3 YTD sales up seven percent in local currencies

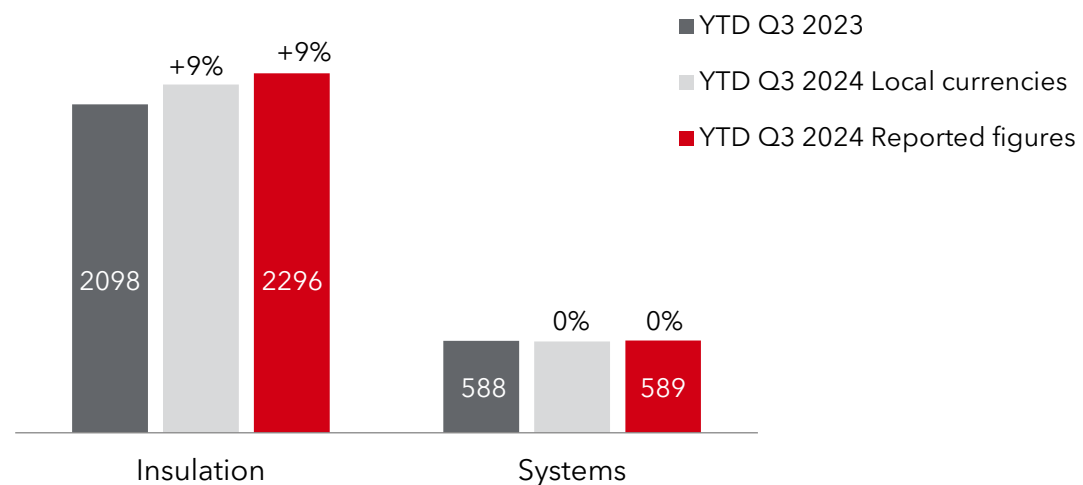
Net sales MEUR



Sales reached 2885 MEUR, up seven percent in both local currencies and reported figures.

Growth was driven by higher volume and overall stable sales prices. Especially North America and Central Europe achieved good growth.

Net sales per business segment MEUR

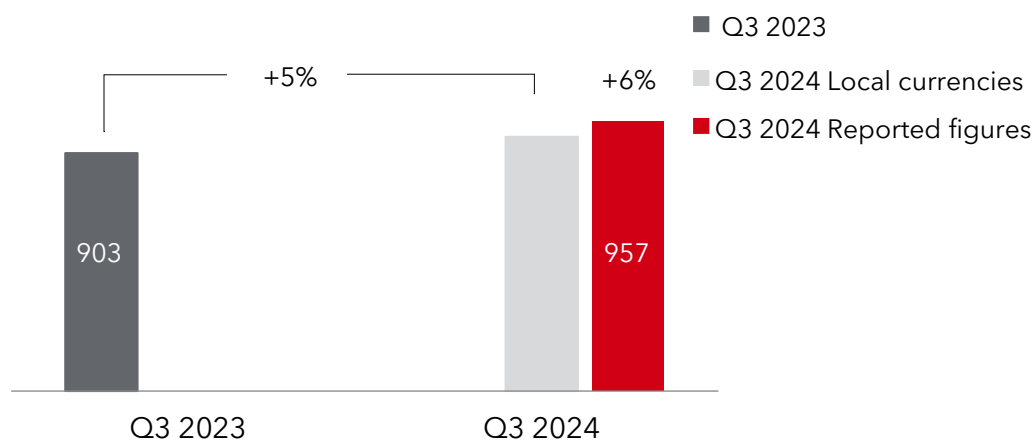


Insulation segment sales reached 2296 MEUR, up nine percent in both local currencies and reported figures.

Systems segment sales reached 589 MEUR, at level with last year. Adjusted for divestment of the distribution business Charles Wille in Q3 2023, like-for-like growth was two percent in local currencies.

Q3 sales up 5 percent in local currencies

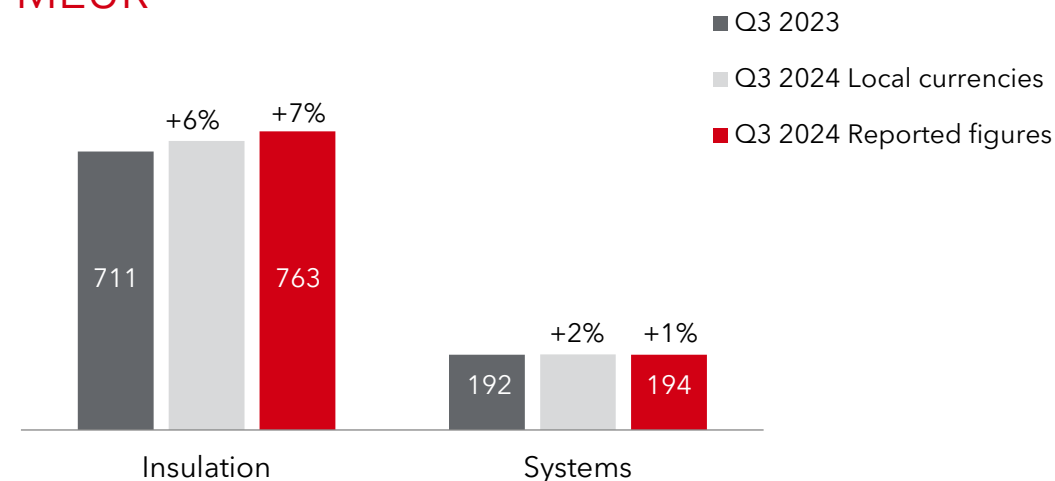
Net sales MEUR



Sales reached 957 MEUR, up five percent in local currencies and six percent in reported figures.

North America and Central Europe maintained the strong performance from Q2 2024.

Net sales per business segment MEUR



Insulation segment sales reached 763 MEUR, up six percent in local currencies.

Systems segment sales reached 194 MEUR, up two percent in local currencies or up four percent like-for-like adjusted for divestment of the distribution business Charles Wille in Q3 2023. Sales increased in all businesses except Grodan.

Q3 regional sales development

Growth in local currencies

Western Europe

3% ↑

three percent up in reported figures

Eastern Europe and Russia

1% ↑

five percent up in reported figures

North America, Asia & others

16% ↑

14 percent up in reported figures

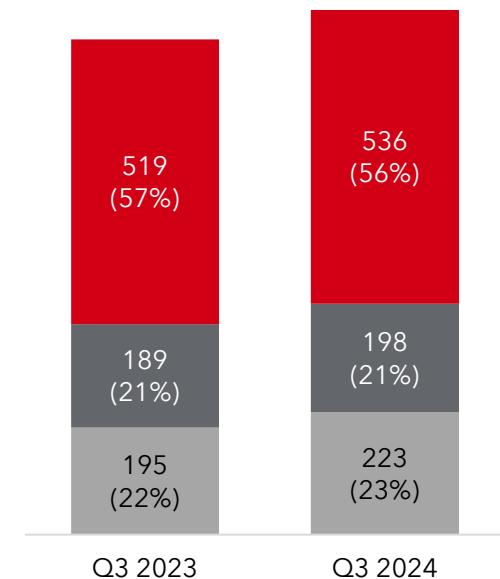
Key developments

- Sales increased in several markets in the region. Market stagnation in France.
- Germany and Spain showed solid growth.
- Several countries experienced double-digit growth, including Russia.
- Sales in Poland and Hungary decreased.
- North America reported double-digit sales growth.
- Asia was mixed with double-digit growth in India and Japan and declines in most other markets.

Geographic share of sales

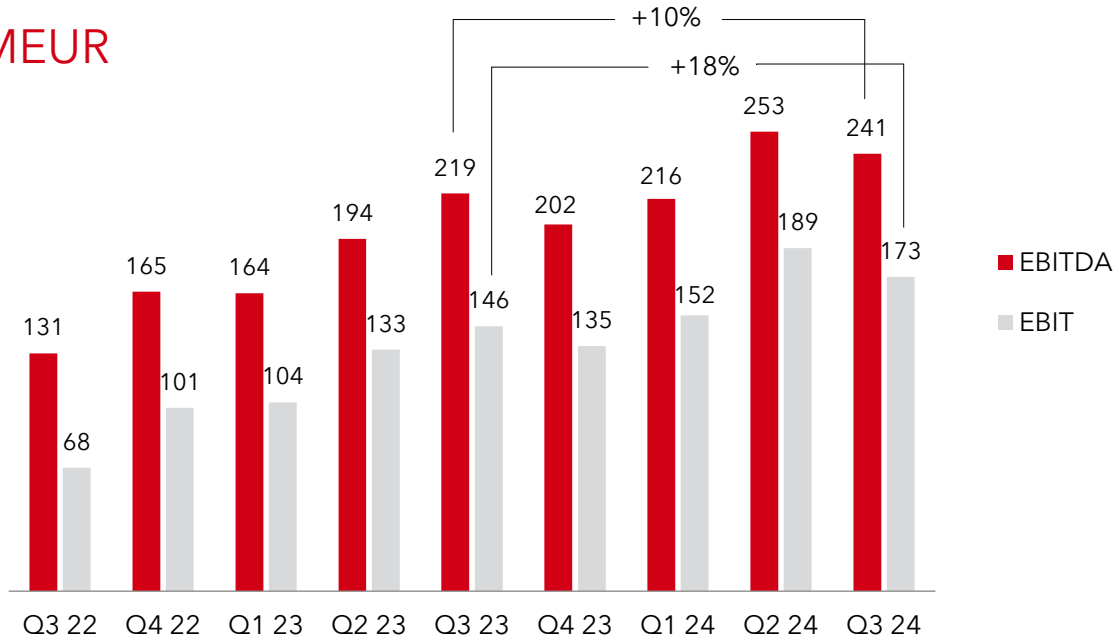
MEUR, reported figures

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

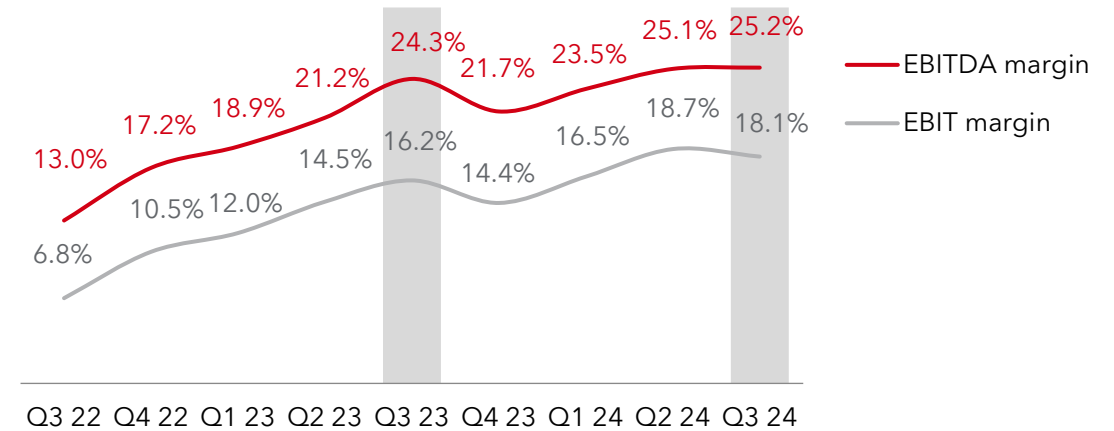


Q3 profitability improved

EBITDA & EBIT MEUR



EBITDA / EBIT margin (%)



EBITDA reached 241 MEUR, up 10 percent.

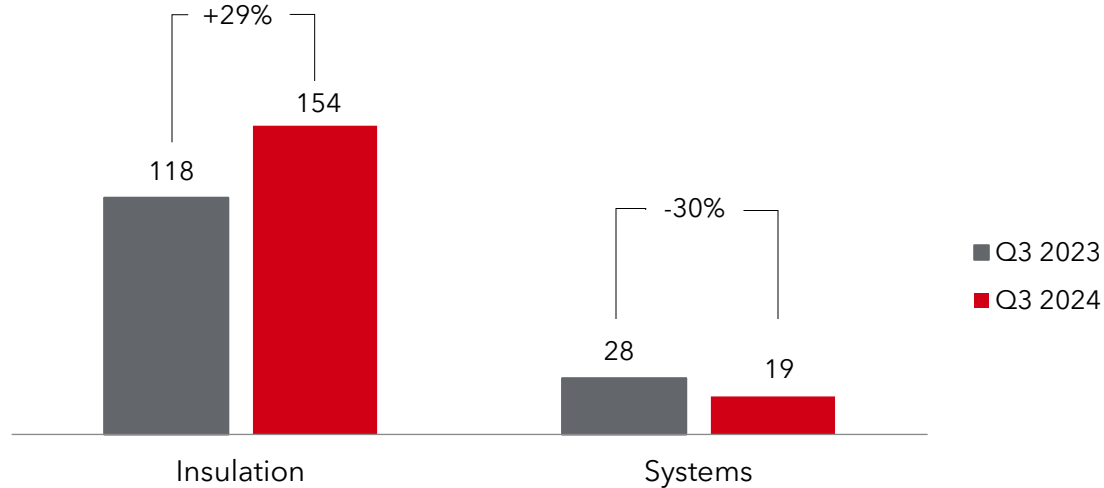
- EBITDA margin of 25.2 percent compared to 24.3 percent last year.

EBIT amounted to 173 MEUR, up 18 percent.

- EBIT margin of 18.1 percent, up 1.9 percentage points.
- Profitability is driven by volume growth combined with overall stable sales prices and high productivity as well as lower than expected input costs.
- Impacted by a 5 MEUR write down from one-off adjustment of useful life for customer relationship assets.

Q3 profitability by business segment

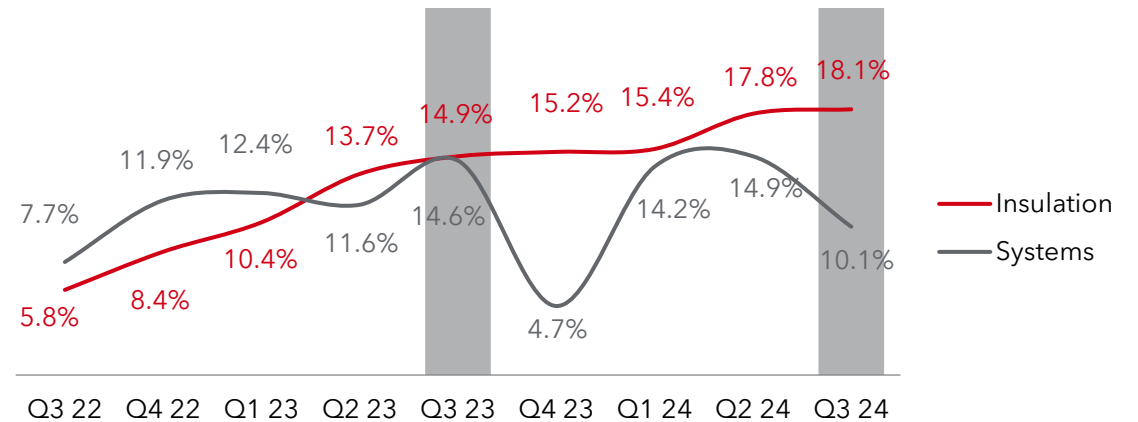
EBIT
MEUR



Insulation EBIT amounted to 154 MEUR, up 36 MEUR or 29 percent from last year.

- EBIT margin was 18.1 percent, up 3.2 percentage points compared to Q3 2023.

EBIT margin
(%)



Systems EBIT amounted to 19 MEUR in Q3 2024, down 9 MEUR or 30 percent from last year.

- EBIT margin was 10.1 percent, compared to 14.6 percent in Q3 2023.
- The result in Systems was negatively impacted by a 3 MEUR one-off due to re-evaluation of the useful life for customer relationship assets.

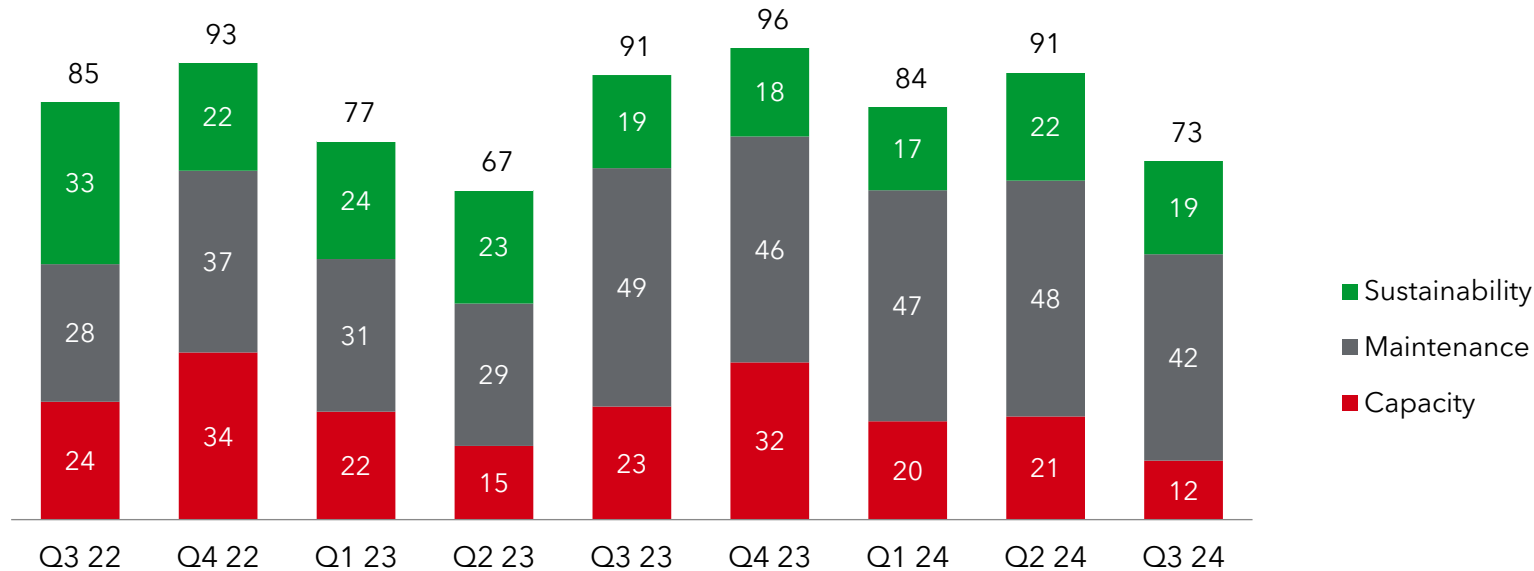
Q3 investment activities

Investments excluding acquisitions and grants totalled 73 MEUR in Q3 2024, down 18 MEUR compared to 91 MEUR in Q3 2023.

- In Q3 2024, the largest investments were related to the conversion to electrical melter in Flumroc (Switzerland), new melting technology in Roermond (Netherlands), and Rockpanel capacity in Roermond (Netherlands).

Two acquisitions completed in October 2024: Vietnam's leading stone wool producer Khai Hoan Insulation with 125 FTEs and the UK company Wetherby Building Systems Ltd.

Investments excl. acquisitions & grants MEUR



Q3 free cash flow

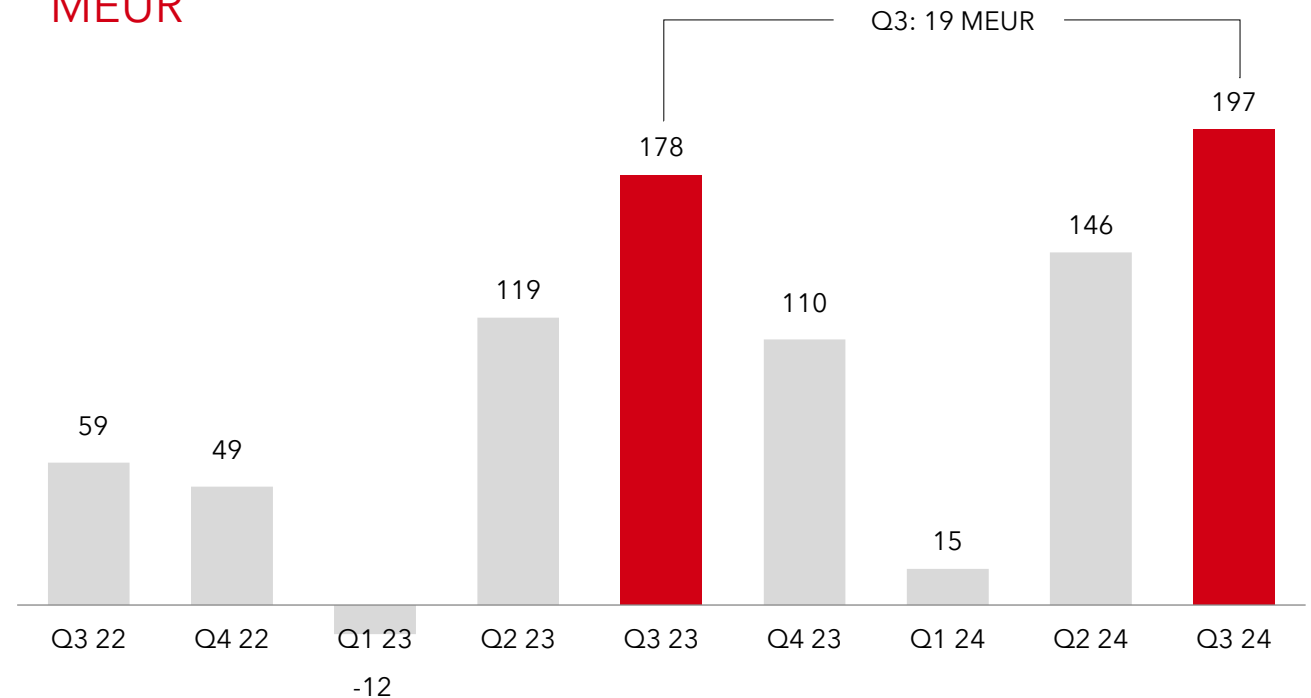
Q3 free cash flow was 197 MEUR, compared to 178 MEUR in Q3 2023.

Net working capital was 9.9 percent (Q3 2023: 11.5 percent) of net sales and ended at 376 MEUR, a decrease of 41 MEUR compared to Q3 2023.

Share buy-back programme Of the max. 160 MEUR total, 108 MEUR of own shares had been purchased at the end of Q3 2024.

Net cash position of 339 MEUR and unused credit facilities of 600 MEUR at the end of Q3 2024.

Free cash flow
MEUR



Growth opportunities in UK

- Birmingham land purchase, eye on future factory
 - Lays ground to meet growing demand for non-combustible insulation.
 - Supplements existing factory in Wales.
- Wetherby Buildings Systems acquisition
 - Expands ROCKWOOL presence in UK external façade market.
 - Supports our efforts to transform construction sector towards non-combustible façade solutions.
- Post-Grenfell Tower Inquiry report
 - Expect even greater focus on fire safety.
 - And higher demand for non-combustible façade solutions.



EPBD: from deal to on-the-ground delivery

1. Trajectory for tens of millions of **renovations** in less than a decade

Countries have committed to renovating one in four non-residential buildings and about 25m homes by 2033.

2. Von der Leyen II Commission committed to **delivering 2030 goals**

Insulation drive fits with emphasis on competitiveness, support for industrial decarbonisation, energy security and energy costs.

3. EU-27 have until **May 2026** to transpose the EPBD into national law

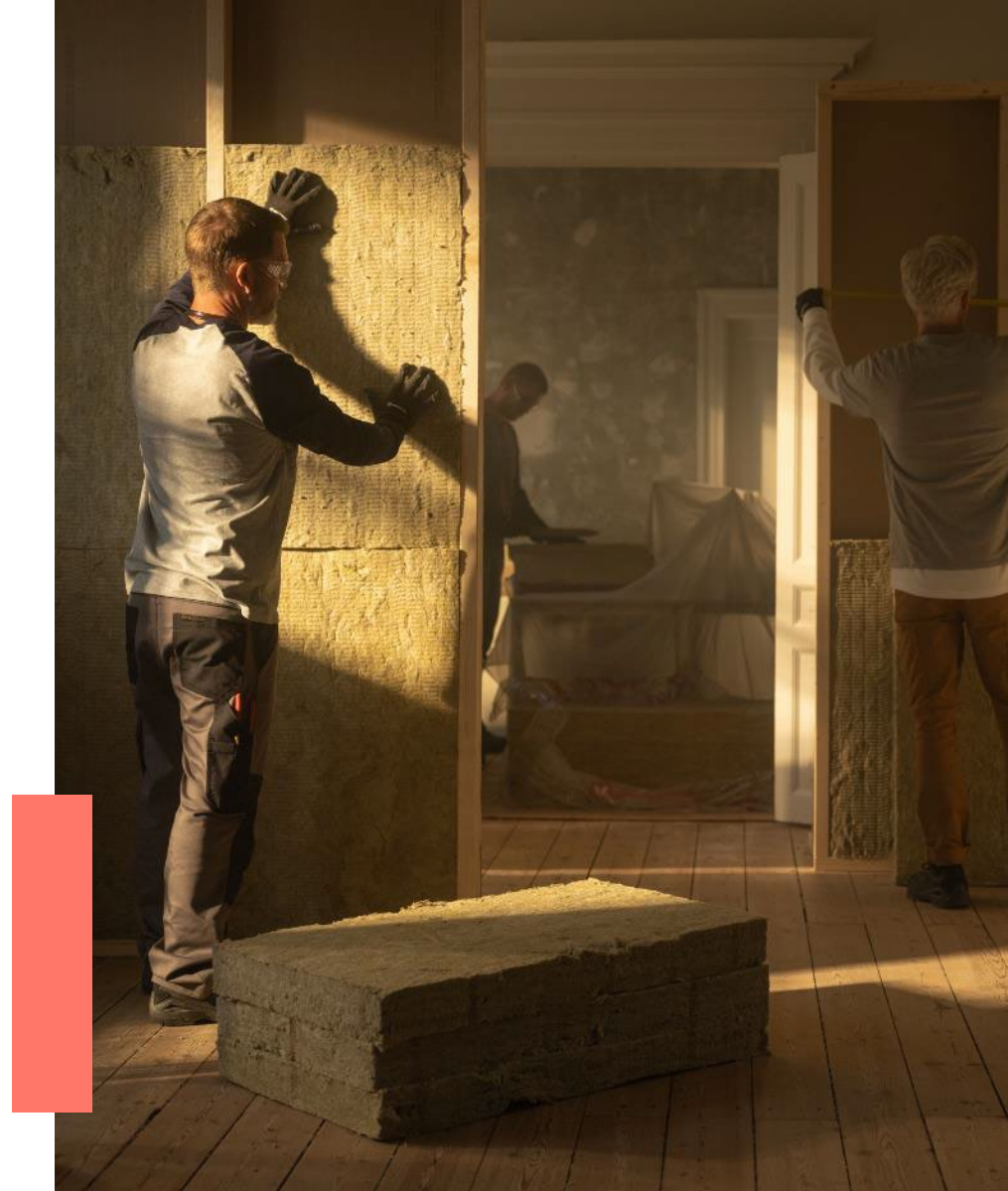
The essential first step is to decide which building types to prioritise and how best to reduce costs for vulnerable consumers.

4. **Making renovation easy** for building owners and businesses

EU renovation targets are a driver for better use of EU funds, more planning capacity, work force training and one stop shops.

5. EPBD legislation gives EU industries **investment certainty**

Renovation goals enable ROCKWOOL Group to accelerate investments in new-build and electrification of existing factories.

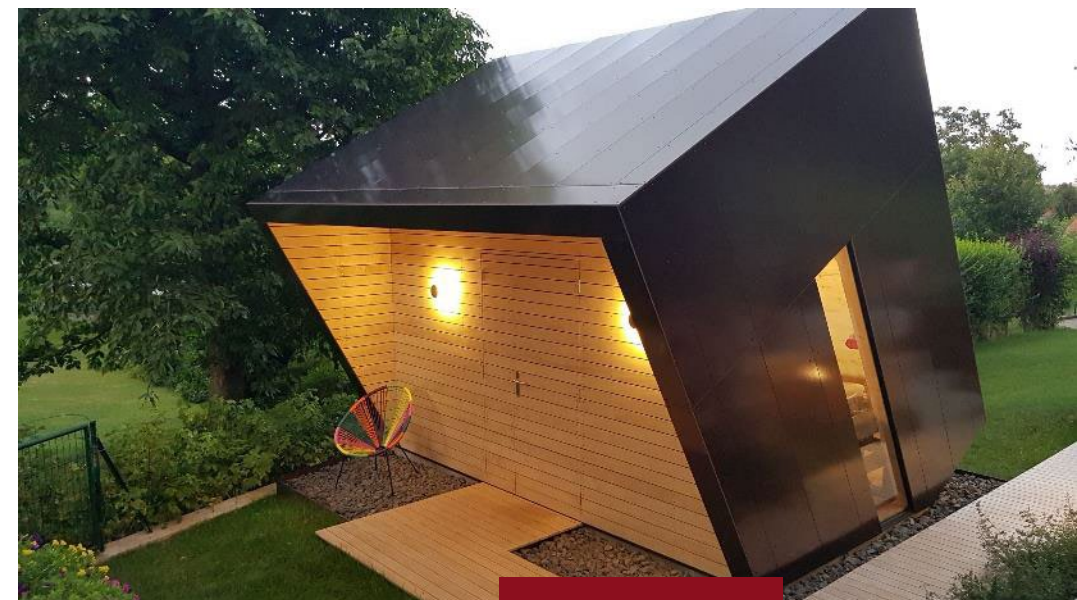


Outlook 2024



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 | 18 July 2024 | 27 November 2024 |
|---------------------------------------|--|---|---|---|
| Net sales in local currencies | 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 |
| EBIT margin | Around 13 percent | Around 15 percent | Around 17 percent | Around 17 percent |
| Investments excl. acquisitions | Around 375 MEUR | Around 375 MEUR | Around 375 MEUR | Around 375 MEUR |

Key figures for the Group

| MEUR | Q3 2024 | Q3 2023 | YoY (%) | Q3 YTD 2024 | Q3 YTD 2023 | YoY (%) | FY 2023 |
|-------------------------|------------|------------|---------|-------------------|-------------------|---------|------------|
| Income statement | | | | | | | |
| Net sales | 957 | 903 | 6.0% | 2885 | 2 686 | 7.4% | 3620 |
| EBITDA | 241 | 219 | 9.9% | 710 | 577 | 23.0% | 779 |
| EBIT | 173 | 146 | 18.2% | 514 | 383 | 34.1% | 518 |
| Profit before tax | 183 | 148 | 23.6% | 522 | 391 | 33.5% | 522 |
| Profit for the period | 155 | 109 | 41.3% | 413 | 289 | 42.5% | 389 |
| Balance sheet | | | | | | | |
| Total assets | | | | 3740 | 3476 | 7.6% | 3554 |
| Equity | | | | 2963 | 2698 | 9.8% | 2804 |
| Equity ratio | | | | 79.2% | 77.6% | 1.6pp | 78.9% |

Questions?

Thank you

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