

30 August 2023

## Strong results in a depressed construction market

### Highlights

- Sales in H1 2023 reached 1783 MEUR, a decrease of seven percent in local currencies and eight percent in reported figures compared to last year, driven by lower sales in many European markets.
- Sales in Q2 2023 reached 917 MEUR, a decrease of seven percent in local currencies and 10 percent in reported figures compared to last year.
- EBITDA in H1 2023 reached 358 MEUR, up four percent, yielding a 20.1 percent EBITDA margin. Sales prices were maintained while energy costs decreased bringing earnings back to a normalised and satisfactory level.
- EBITDA in Q2 2023 reached 194 MEUR, an increase of three percent. The EBITDA margin was 21.2 percent.
- EBIT in H1 2023 increased two percent to 237 MEUR, with a 13.3 percent EBIT margin. Excluding the 27 MEUR donation to the Foundation for Ukrainian Reconstruction\*, EBIT margin in H1 2023 was 14.8 percent.
- EBIT in Q2 2023 increased one percent to 133 MEUR, with a 14.5 percent EBIT margin, up 1.6 percentage points. Excluding the 13 MEUR donation to the Foundation for Ukrainian Reconstruction in Q2, EBIT margin was 16.0 percent.
- Investments reached 131 MEUR in H1 2023, including expansion for Rockpanel and Grodan and electrical melter conversion in Flumroc.
- Cash flow from operations before financial items and tax amounted to 290 MEUR for the first half of 2023 almost a doubling of same period last year.
- Shareholders may from 30 August 2023 until 13 September 2023 request conversion of A shares to B shares. For further information please refer to <https://www.rockwool.com/group/about-us/investors/conversion-shares/>.

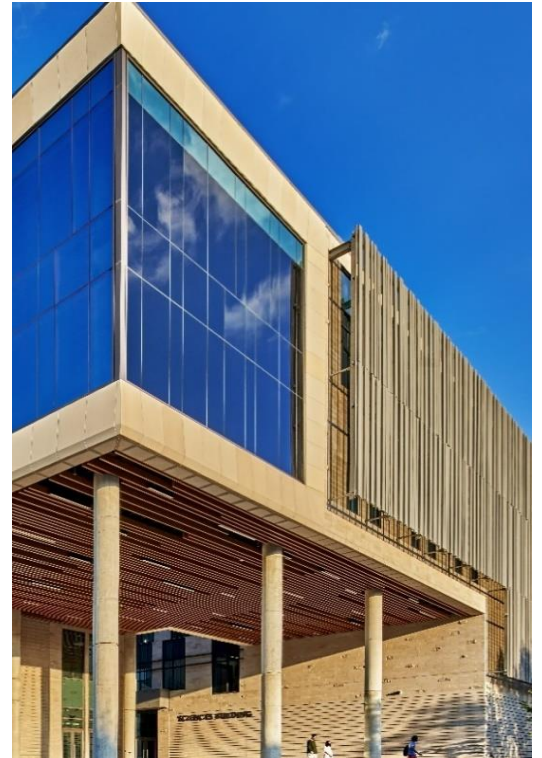
\*) Of which 100 MDKK was approved at the EGM on 31 August 2022 and the remaining 100 MDKK at the AGM on 29 March 2023. Together they constitute the 27 MEUR donation.

### Outlook 2023

- Sales decline up to eight percent in local currencies, changed from previously up to 10 percent decline.
- EBIT margin around 13 percent, changed from previously around 12 percent.
- Investment level around 325 MEUR excluding acquisitions, changed from previously 400 MEUR.

### Earnings call

ROCKWOOL Group will host an earnings call on 31 August 2023 at 14.00 CEST. The call will be transmitted live on [www.rockwool.com](https://www.rockwool.com).



*"In line with the sluggish market, sales declined overall in the second quarter, though unevenly across our main geographies. The slowdown in construction activity hit sales hardest in Eastern Europe, less so in Western Europe, while sales in North America and parts of Asia regained momentum and growth. Importantly, profitability returned to more satisfactory levels, largely owing to prices holding steady in an inflationary environment, energy costs declining, and operational efficiency remaining solid. Operational cash flow improved, primarily the result of our teams' agility in adapting to changing market conditions".*

**CEO Jens Birgersson**

## Main figures / key figures for the Group

	Unaudited			Audited	
	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
<b>Income statement items in MEUR</b>					
Net sales	917	1 018	1 783	1 942	3 907
EBITDA	194	187	358	342	638
Amortisation, depreciation and write-downs	61	56	121	109	236
EBIT	133	131	237	233	402
Profit before tax	137	86	243	169	358
Profit for the period	102	62	180	125	273
<b>Balance sheet items in MEUR</b>					
Non-current assets			2 318	2 267	2 301
Current assets			1 172	1 305	1 127
Total assets			3 490	3 572	3 428
Equity			2 609	2 573	2 580
Non-current liabilities			218	195	206
Current liabilities			663	804	642
Net interest-bearing cash / (debt)			-37	-78	-23
Net working capital			502	505	441
Invested capital			2 662	2 645	2 596
<b>Cash flow items in MEUR</b>					
Cash flow from operating activities	173	105	238	107	394
Cash flow from investing activities	54	85	131	155	334
Free cash flow	119	20	107	-48	60
<b>Others</b>					
Number of full-time employees (end of period)			11 965	12 424	12 197
<b>Ratios</b>					
EBITDA margin	21.2%	18.4%	20.1%	17.6%	16.3%
EBIT margin	14.5%	12.9%	13.3%	12.0%	10.3%
ROIC (rolling 4 quarters)			15.3%	18.0%	16.4%
Return on equity (rolling 4 quarters)			12.7%	11.6%	11.0%
Equity ratio			74.8%	72.0%	75.3%
<b>Stock market information (DKK)</b>					
Earnings per share	35	21	62	43	93
Cash flow per share	59	36	82	37	136
Book value per share			899	885	887
Share capital (million)			216	216	216
Price per A share			1 744	1 579	1 636
Price per B share			1 754	1 584	1 637
Market cap (million)			37 729	34 104	35 311
Number of own shares			50 288	52 202	47 857

For definition of key figures and ratios see page 87 in the ROCKWOOL Group Annual Report 2022 available on our website: [www.rockwool.com/](http://www.rockwool.com/).

## Management report for the period 1 January to 30 June 2023

### General update

Continued high interest rates and building costs in H1 2023 reduced new-build construction activity in most European markets, in both residential and commercial building sectors. Many markets are affected by the lower demand. ROCKWOOL experienced lower sales during the first half of 2023 and continued the factory capacity reductions that began at the end of 2022.

Lower energy costs and stable sales prices normalised margins and earnings to a satisfactory level. Sales prices remained stable compared to year-end 2022, however we are diligently monitoring this to safeguard our market share.

### Global sales development

In the first half of 2023, ROCKWOOL generated net sales of 1783 MEUR, a decrease of seven percent in local currencies. Currency translation had a negative impact of one percentage point, which resulted in sales decline of eight percent in reported figures.

**Group sales**  
**-7%**

In Q2 2023, ROCKWOOL generated net sales of 917 MEUR. While this is a decrease of seven percent in local currencies compared to Q2 2022, the volume decline relative to last year was smaller than it was in Q1. Currency translation had a negative impact of three percentage points, which resulted in a sales decline of 10 percent in reported figures.

The focus on energy efficiency in the EU recovery and resilience plans has so far not resulted in a pick-up in renovation of existing European building stock. However, the regulatory requirements under the EU Energy Efficiency Directive and Energy Performance of Buildings Directive are encouraging and should in due course result in an increase in demand for insulation.

### Regional sales development

In the first half of the year, sales in Western Europe amounted to 1069 MEUR, down six percent in local currencies, and seven percent in reported figures. Sales in France, Spain and the United Kingdom performed well, while most other markets declined compared to same period last year. In Q2 2023, sales in Western Europe amounted to 541 MEUR, down eight percent in local currencies and down nine percent in reported figures compared to same period last year.

**Sales in Western Europe**  
**-6%**

In Eastern Europe, sales for the first half of 2023 amounted to 299 MEUR, a decrease of 22 percent in local currencies and 24 percent in reported figures. All main markets showed double-digit sales decreases compared to first half of 2022. Sales in Q2 2023 amounted to 161 MEUR, down 18 percent in local currencies and 26 percent in reported figures. Most countries experienced double-digit sales decline in the quarter.

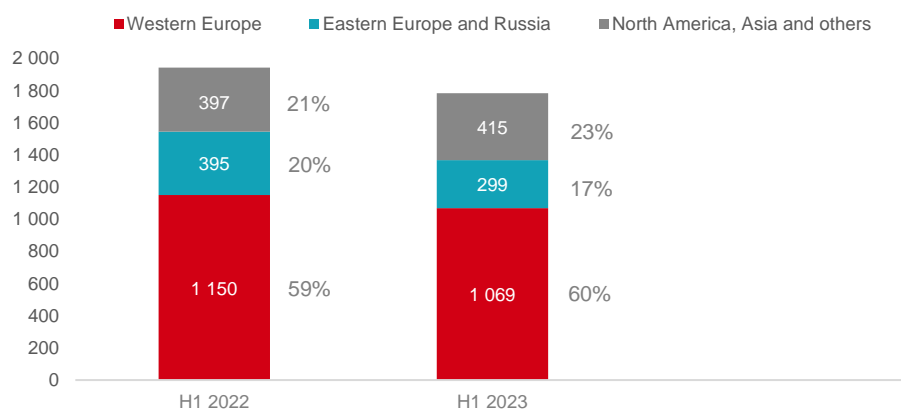
**Sales in Eastern Europe**  
**-22%**

In the rest of the world, H1 sales amounted to 415 MEUR, an increase of six percent in local currencies and five percent in reported figures. In Q2 2023, sales amounted to 215 MEUR, up eight percent in local figures and four percent in reported figures. Especially sales in North America and parts of Asia regained momentum, delivering double-digit growth.

**Sales in rest of the world  
+6%**

## Regional sales

MEUR



## Group profitability

During the first half of the year, EBITDA increased four percent to 358 MEUR resulting in an EBITDA margin of 20.1 percent compared to 17.6 percent for the same period last year. The increase in margin was driven by stable sales prices, lower although still high energy costs, operational efficiency, and a positive product mix. We have reduced the volatility in energy costs by hedging about half of our expected electricity and natural gas consumption for the second half of the year.

**EBITDA  
+4%**

In Q2 2023, EBITDA increased three percent to 194 MEUR resulting in an EBITDA margin of 21.2 percent compared to 18.4 percent for the same period last year. Margins are back to a satisfactory level in an environment where inflation remains high even with a decrease in energy costs.

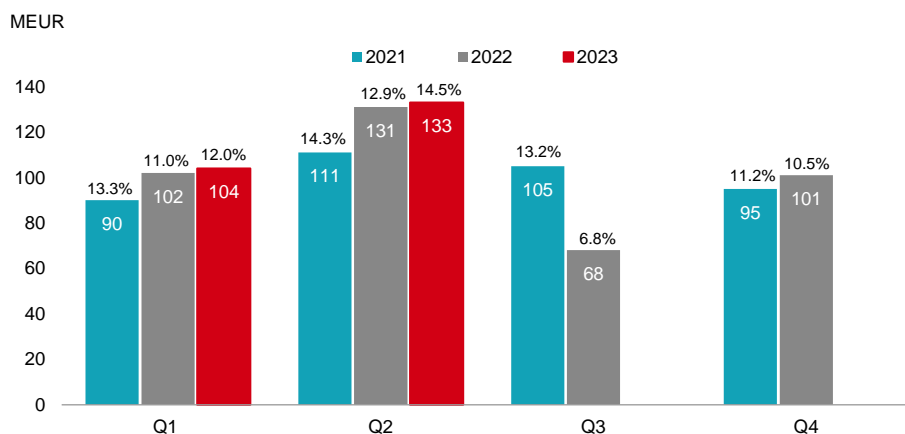
EBIT for the first half of 2023 increased two percent, reaching 237 MEUR, corresponding to an EBIT margin of 13.3 percent compared to 12.0 percent for the same period last year. The result for the first half of 2023 includes two donations to the Foundation for Ukrainian Reconstruction of 27 MEUR, of which 13.4 MEUR (100 MDKK) was approved at the EGM on 31 August 2022 and the remaining 13.4 MEUR (100 MDKK) at the AGM on 29 March 2023. Together they constitute the full donation approved by the general assembly. Excluding the 27 MEUR donation to the Foundation for Ukrainian Reconstruction, EBIT margin for the first half of 2023 was 14.8 percent, an increase of 2.8 percentage points compared to last year.

**EBIT margin  
+1.3%-points**

In Q2 2023, EBIT amounted to 133 MEUR with an EBIT margin of 14.5 percent. Excluding the donation to the Foundation for Ukrainian Reconstruction of 13.4

MEUR, EBIT margin for Q2 2023 was 16.0 percent, an increase of 3.1 percentage points compared to Q2 2022.

## EBIT & EBIT margin



Net financial items ended positive at 6 MEUR for H1 2023. Since March 2022 the foreign currency exposure on the intercompany balance between ROCKWOOL A/S and the subsidiary in Russia has not been hedged. Consequently we have recorded an unrealised exchange rate gain of 16 MEUR during H1 2023, partly recovering last year's unrealised exchange rate loss of 34 MEUR.

The effective tax rate was 26 percent for the first half of 2023, unchanged from the same period last year and up 2.3 percentage points from full year 2022. The increase compared to full year 2022 is driven by the non-deductible donations to the Foundation for Ukrainian Reconstruction.

Net profit for the first half of 2023 amounted to 180 MEUR, which is 55 MEUR higher than in the same period last year.

## Balance sheet

Net working capital ended H1 2023 at 502 MEUR, an increase of 61 MEUR compared to year-end 2022 but at the same level as H1 2022. The increase in the first half of 2023 compared to year-end was driven by the seasonal increase in trade receivables and inventory. The net working capital ratio ended at 13.4 percent, an improvement of 0.7 percentage points compared to end of H1 2022.

Due to higher invested capital and lower four quarters rolling EBIT, annualised return on invested capital ended at 15.3 percent compared to 18.0 percent for the same period last year.

**ROIC**  
**-2.7%-points**

At the end of H1 2023, total assets amounted to 3490 MEUR, an increase of 62 MEUR compared to year-end 2022 and a decrease of 82 MEUR compared to H1 2022. The development mainly related to receivables being very high last year due to sales growth and inflation-driven sales price increases while now having come down to a lower but still high level at the end of H1 2023.

At the end of the period, the equity ratio remained solid at 75 percent after dividend payment of 101 MEUR.

## Cash Flow

Cash flow from operations before financial items and tax amounted to 290 MEUR for the first half of 2023, compared to 154 MEUR in the same period last year. Operations continued to generate solid cash flow. The negative impact from increased net working capital was lower than in 2022, despite transfer of 38 MEUR to the newly established Foundation for Ukrainian Reconstruction in H1 2023. The transfer to the Foundation for Ukrainian Reconstruction covers the donations made in 2022 and 2023.

Capital expenditure excluding acquisitions was 131 MEUR in H1 2023 including the positive effect from grants of 13 MEUR received in China, compared to 155 MEUR in the same period last year. The conversion to the electrical melter in Flumroc (Switzerland), additional production capacity in Bohumin (Czech Republic), new Rockpanel capacity in Roermond (Netherlands), and additional Grodan capacity in Toronto (Canada) were the largest individual investment projects in H1 2023.

Free cash flow was 107 MEUR in H1 2023, compared to -48 MEUR in the same period last year mainly from strong operational cash flow.

In H1 2023 cash flow from financing was -95 MEUR, compared to 132 MEUR in H1 2022 mainly due to repayment of drawings on our credit facilities.

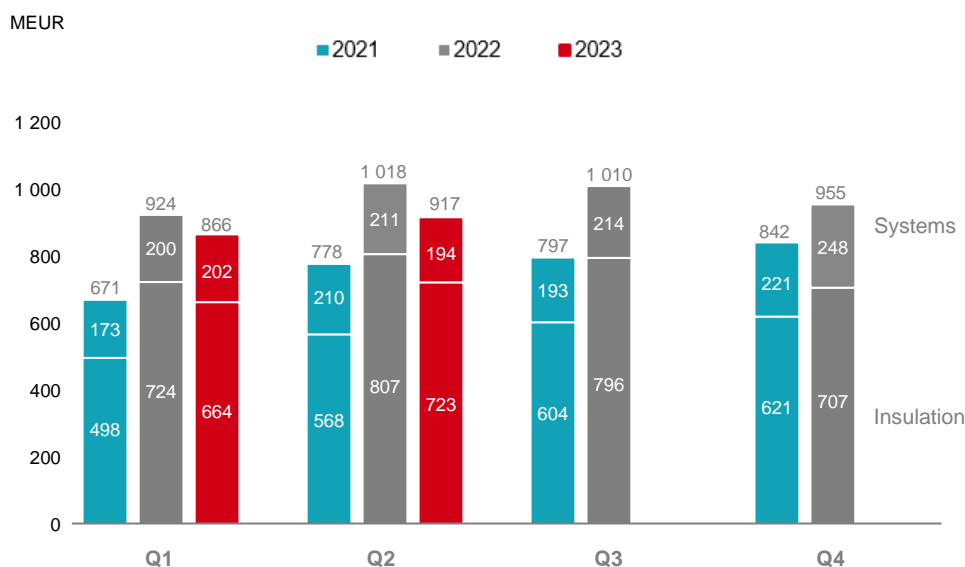
The Group's financial situation remains solid with a relatively small net interest-bearing debt of 37 MEUR end of H1 2023 and unused credit facilities of 475 MEUR.

**Operational cash flow before financial items and tax**  
**+136 MEUR**

**Free cash flow**  
**+155 MEUR**

## Business segments

### Sales per business



### Key figures Insulation segment

MEUR			YTD	YTD
	Q2 2023	Q2 2022	Q2 2023	Q2 2022
External net sales	723	807	1 387	1 531
EBIT	110	110	189	189
EBIT margin	13.7%	12.1%	12.1%	10.9%

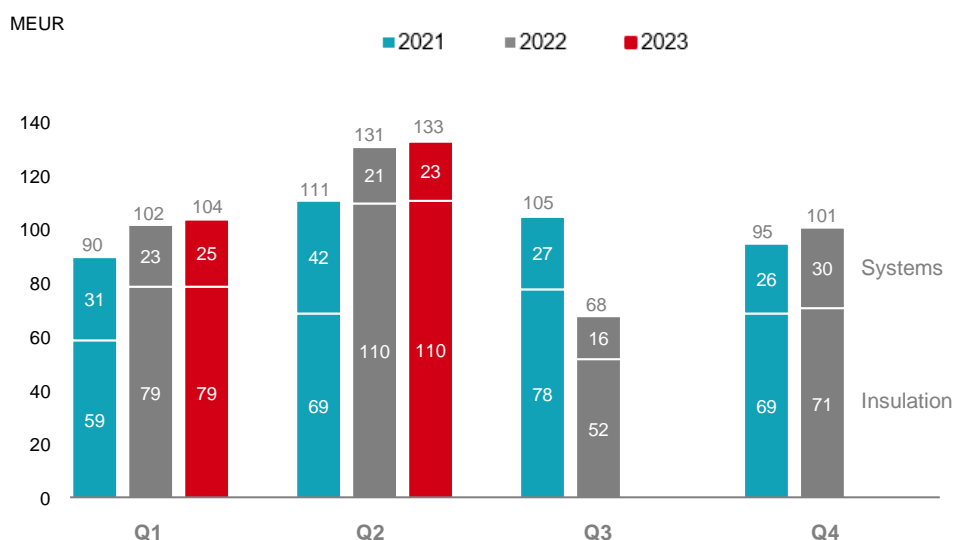
Insulation segment sales for the first half of 2023 reached 1387 MEUR, which is a decrease of nine percent in both local currencies and in reported figures. In Q2 2023, Insulation segment sales reached 723 MEUR, which is a decrease of eight percent in local currencies and 11 percent in reported figures compared to same quarter last year. Insulation sales in Europe were still subdued as a result of lower volume, especially in Eastern Europe, while sales in North America and Asia grew and now represent 23 percent of the Group's sales.

**Insulation sales**  
-9%

Insulation segment EBIT for the first half of 2023 reached 189 MEUR with an EBIT margin of 12.1 percent, an increase of 1.2 percentage points compared to the same period last year. Based on our commitment to support Ukraine reconstruction activities, a donation of 27 MEUR to the Foundation for Ukrainian Reconstruction was recognised in the Insulation segment – half in Q1 and half in Q2 2023. Excluding these donations, EBIT margin in H1 2023 was 13.8 percent, up 2.9 percentage points compared to H1 2022. In Q2 2023, EBIT was 110 MEUR resulting in an EBIT margin of 13.7 percent. Excluding the donation to Ukraine reconstruction activities, EBIT margin in Q2 2023 was 15.3 percent, up 3.2 percentage points compared to Q2 2022.

**Insulation EBIT margin**  
+1.2%-points

### EBIT per business



### Key figures Systems segment

MEUR			YTD	YTD
	Q2 2023	Q2 2022	Q2 2023	Q2 2022
External net sales	194	211	396	411
EBIT	23	21	48	44
EBIT margin	11.6%	10.0%	12.0%	10.8%

Systems segment sales for the first half of 2023 amounted to 396 MEUR, which is an increase of one percent in local currencies but a decrease of four percent in reported figures. In Q2 2023, sales amounted to 194 MEUR, which is a decrease of two percent in local currencies and eight percent in reported figures compared to Q2 2022. Sales in Rockfon and Rockpanel declined, especially for Rockfon in North America, while Grodan has now fully recovered from the previously overstocked supply chain in North America and achieved double-digit growth in the quarter.

**Systems sales**  
**+1%**

Systems segment EBIT was 48 MEUR in the first half of 2023, an increase of eight percent and an EBIT margin of 12.0 percent, an increase of 1.2 percentage points compared to the same period last year. In Q2 2023, EBIT amounted to 23 MEUR with an EBIT margin of 11.6 percent, up 1.6 percentage points. The improved margin relates mainly to lower input costs and solid performance especially in Grodan.

**Systems EBIT margin**  
**+1.2%-points**

## Sustainability

ROCKWOOL's commitment to contribute positively to society while at the same time reducing our operational footprint remains strong. In 2016, we set six sustainability goals covering safety, CO<sub>2</sub> emission intensity, water efficiency, landfill waste, reclaimed waste schemes and energy efficiency in owned offices that are aligned with the United Nations Sustainable Development Goals (SDGs). In 2020, we expanded our sustainability commitment, adding two science-based target goals related to absolute carbon emission reductions.

For the five of the six sustainability goals with baseline 2015 and time horizon 2030, we set intermediate goals for 2022 all of which were met.

In 2022, ROCKWOOL ranked 16<sup>th</sup> overall among the world's most sustainable companies and #1 globally among Building Products companies, according to the prestigious Corporate Knights Global 100 most sustainable companies index. One can read more about these commitments and recognitions in our annual and sustainability reports.

### Progress on sustainability goals

In the first half of 2023, our performance within the five sustainability goals that have a time horizon of 2030 remains on or ahead of schedule.

From 2023 onwards, we have modified the Group safety goal to be "zero fatalities and zero serious accidents". We will continue to prioritise and focus on a low frequency of Lost Time Incidents, but consider the updated safety goal to be more meaningful than the annual goal set in 2016 to reduce the Lost Time Incident (LTI) rate by at least 10 percent annually. In the first half of 2023, there were no fatalities and one serious accident.

In 2022, we offered reclaimed waste schemes in 19 countries. We are currently preparing to launch the schemes in two additional countries later in the year.

We continue to progress well on the conversion of our Swiss factory from coke to green electricity with planned completion in 2024, which will contribute positively to achieving our science-based targets.



## Conversion of shares

In accordance with ROCKWOOL's articles of association, shareholders may from 30 August 2023 (as per this announcement) until 13 September 2023 request conversion of A shares to B shares. Further information on how to submit a conversion request and on the terms and conditions can be found on the company's website:

<https://www.rockwool.com/group/about-us/investors/conversion-shares/>.

## Outlook for the full year 2023

We now expect a sales decline up to eight percent, changed from previously up to 10 percent decline.

We now expect EBIT margin to be around 13 percent, changed from previously around 12 percent. The improvement is mainly due to a higher degree of certainty for the earnings level into the autumn season resulting from greater stability in sales prices and energy costs.

We now expect the investments excluding acquisitions to amount to around 325 MEUR, changed from previously around 400 MEUR. The decrease mainly relates to delay in a few of the large factory projects.

## 2023 outlook overview

	8 February 2023	10 May 2023	6 July 2023	30 August 2023
Net sales in local currencies	Sales decline of up to 10 percent	Sales decline of up to 10 percent	Sales decline of up to 10 percent	Sales decline of up to eight percent
EBIT margin	Between 8-10 percent	Around 10 percent	Around 12 percent	Around 13 percent
Investments excluding acquisitions	Around 400 MEUR	Around 400 MEUR	Around 400 MEUR	Around 325 MEUR

### Further information:

Kim Junge Andersen, Chief Financial Officer  
ROCKWOOL A/S  
+45 46 56 03 00

*At ROCKWOOL Group, we are committed to enriching the lives of everyone who experiences our products and services. We help our customers and communities tackle many of today's biggest sustainability and development challenges, from energy consumption and noise pollution to fire resilience, water scarcity and flooding. Our product range reflects the diversity of the world's needs, while supporting our stakeholders in reducing their own carbon footprint.*

*Stone wool is a natural, fully recyclable, versatile material that forms the basis of all our businesses. With approximately 12 000 dedicated colleagues in 40 countries and sales in more than 120, we are the world leader in stone wool products, from building insulation to acoustic ceilings, external cladding systems to horticultural solutions, engineered fibres for industrial use to insulation for the process industry and marine & offshore.*

## Management statement

The Board of Directors and the Registered Directors have today considered and approved the interim report of ROCKWOOL A/S for the first half of 2023.

This interim report, which has not been audited or reviewed by the ROCKWOOL Group auditor, has been prepared in accordance with IAS 34 “Interim Financial Reporting”, as approved by the EU and additional Danish interim reporting requirements for listed companies.

In our opinion, the interim report presents a true and fair view of Group’s financial position at 30 June 2023 and of the result from Group’s operations and cash flow for the period 1 January to 30 June 2023.

Furthermore, we believe that the management report includes a true and fair presentation about the development in the Group’s operations and financial matters, the result for the period and the Group’s financial position overall as well as a description of the most significant risks and uncertainties faced by the Group.

Besides what has been disclosed in this interim report no changes in the Group’s most significant risks and uncertainties have occurred relative to what was disclosed in the consolidated Annual Report for 2022.

30 August 2023

## Registered Directors

Jens Birgersson  
CEO

Kim Junge Andersen  
CFO

## Board of Directors

Thomas Kähler  
Chairman

Jørgen Tang-Jensen  
Deputy Chairman

Rebekka Glasser Herlofsen

Carsten Kähler

Ilse Irene Henne

Jes Carøe Munk Hansen

Connie Enghus Theisen

Christian Westerberg

Berit Anette Kjerulf

## Income statement

MEUR	Unaudited			Audited	
	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Net sales	917	1 018	1 783	1 942	3 907
Other operating income	7	2	13	3	15
<b>Operating income</b>	<b>924</b>	<b>1 020</b>	<b>1 796</b>	<b>1 945</b>	<b>3 922</b>
Raw material costs and production material costs	327	424	653	816	1 682
Delivery costs and indirect costs	114	141	220	269	518
Other external costs	85	62	162	117	273
Personnel costs	204	206	403	401	811
<b>Operating costs</b>	<b>730</b>	<b>833</b>	<b>1 438</b>	<b>1 603</b>	<b>3 284</b>
<b>EBITDA</b>	<b>194</b>	<b>187</b>	<b>358</b>	<b>342</b>	<b>638</b>
Amortisation, depreciation and write-downs	61	56	121	109	236
<b>EBIT</b>	<b>133</b>	<b>131</b>	<b>237</b>	<b>233</b>	<b>402</b>
Income from investments in associated companies	-	-	-	-	1
Financial items	4	-45	6	-64	-45
<b>Profit before tax</b>	<b>137</b>	<b>86</b>	<b>243</b>	<b>169</b>	<b>358</b>
Tax on profit for the period	35	24	63	44	85
<b>Profit for the period</b>	<b>102</b>	<b>62</b>	<b>180</b>	<b>125</b>	<b>273</b>
EUR					
Earnings per share of 10 DKK (1.3 EUR)	4.7	2.9	8.3	5.8	12.7
Diluted earnings per share of 10 DKK (1.3 EUR)	4.7	2.9	8.3	5.8	12.6

## Statement of comprehensive income

MEUR	Unaudited			Audited	
	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
<b>Profit for the period</b>	<b>102</b>	<b>62</b>	<b>180</b>	<b>125</b>	<b>273</b>
<i>Items that will not be reclassified to income statement:</i>					
Tax on other comprehensive income	-	-	-	-	-4
<i>Items that may be subsequently reclassified to income statement:</i>					
Currency adjustment from translation of entities	-8	154	-51	154	17
Hedging instruments, value adjustments	-1	2	3	2	1
Tax on other comprehensive income	-	-	-	-	-1
<b>Other comprehensive income</b>	<b>-9</b>	<b>156</b>	<b>-48</b>	<b>156</b>	<b>13</b>
<b>Comprehensive income for the period</b>	<b>93</b>	<b>218</b>	<b>132</b>	<b>281</b>	<b>286</b>

## Business segments and sales reporting

YTD Q2	Unaudited						ROCKWOOL Group	
	Insulation segment		Systems segment		Eliminations		2023	2022
MEUR	2023	2022	2023	2022	2023	2022	2023	2022
External net sales	1 387	1 531	396	411	-	-	1 783	1 942
Internal net sales	182	203	-	-	-182	-203	-	-
<b>EBIT</b>	<b>189</b>	<b>189</b>	<b>48</b>	<b>44</b>	<b>-</b>	<b>-</b>	<b>237</b>	<b>233</b>
<i>EBIT margin</i>	12.1%	10.9%	12.0%	10.8%			13.3%	12.0%
Goods transferred at a point in time	1 387	1 531	396	411			1 783	1 942

## Geographical split of net sales

MEUR	Unaudited				Audited
	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Western Europe	541	593	1 069	1 150	2 290
Eastern Europe and Russia	161	217	299	395	813
North America, Asia and others	215	208	415	397	804
<b>Total net sales</b>	<b>917</b>	<b>1 018</b>	<b>1 783</b>	<b>1 942</b>	<b>3 907</b>

## Balance sheet

(condensed)	Unaudited		Audited
MEUR	Q2 2023	Q2 2022	FY 2022
<b>Assets</b>			
Intangible assets	158	171	165
Tangible assets	2 011	1 974	1 987
Right-of-use assets	85	59	88
Other financial assets	15	11	13
Deferred tax assets	49	52	48
<b>Non-current assets</b>	<b>2 318</b>	<b>2 267</b>	<b>2 301</b>
Inventories	409	433	433
Receivables	544	613	485
Cash	219	259	209
<b>Current assets</b>	<b>1 172</b>	<b>1 305</b>	<b>1 127</b>
<b>Total assets</b>	<b>3 490</b>	<b>3 572</b>	<b>3 428</b>
<b>Equity and liabilities</b>			
Share capital	29	29	29
Currency translation adjustments	-168	20	-117
Proposed dividend	-	-	102
Retained earnings	2 746	2 523	2 567
Hedging	2	1	-1
<b>Total equity</b>	<b>2 609</b>	<b>2 573</b>	<b>2 580</b>
Non-current liabilities	218	195	206
Current liabilities	663	804	642
<b>Total liabilities</b>	<b>881</b>	<b>999</b>	<b>848</b>
<b>Total equity and liabilities</b>	<b>3 490</b>	<b>3 572</b>	<b>3 428</b>

## Cash flow statement

(condensed)	Unaudited				Audited
MEUR	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
EBIT	133	131	237	233	402
Adjustments for amortisation, depreciation and write-downs	61	56	121	109	236
Adjustments of non-cash operating items	1	-1	-4	-4	4
Changes in net working capital	8	-70	-64	-184	-148
<b>Cash flow from operations before financial items and tax</b>	<b>203</b>	<b>116</b>	<b>290</b>	<b>154</b>	<b>494</b>
<b>Cash flow from operating activities</b>	<b>173</b>	<b>105</b>	<b>238</b>	<b>107</b>	<b>394</b>
<b>Cash flow from investing activities excluding acquisitions</b>	<b>-54</b>	<b>-85</b>	<b>-131</b>	<b>-155</b>	<b>-333</b>
Business acquisitions, net of cash	-	-	-	-	-1
<b>Free cash flow</b>	<b>119</b>	<b>20</b>	<b>107</b>	<b>-48</b>	<b>60</b>
Cash flow from financing activities	-234	-4	-95	132	-14
<b>Net cash flow</b>	<b>-115</b>	<b>16</b>	<b>12</b>	<b>84</b>	<b>46</b>
Cash available – beginning of period	326	228	202	165	165
Exchange rate adjustments on cash available	-2	13	-5	8	-9
<b>Cash available – end of period</b>	<b>209</b>	<b>257</b>	<b>209</b>	<b>257</b>	<b>202</b>
<b>Unutilised, committed credit facilities</b>			<b>475</b>	<b>375</b>	<b>500</b>

## Statement of changes in equity

	Unaudited					
	Shareholders of ROCKWOOL A/S					
MEUR	Share capital	Currency translation adjustments	Proposed dividend	Retained earnings	Hedging	Total equity
<b>Equity 1 January 2023</b>	<b>29</b>	<b>-117</b>	<b>102</b>	<b>2 567</b>	<b>-1</b>	<b>2 580</b>
Profit for the period				180		180
Other comprehensive income		-51			3	-48
Comprehensive income for the period	-	-51	-	180	3	132
Purchase of own shares				-3		-3
Expensed value of Restricted Share Units issued				1		1
Dividend paid			-102	1		-101
<b>Equity 30 June 2023</b>	<b>29</b>	<b>-168</b>	<b>-</b>	<b>2 746</b>	<b>2</b>	<b>2 609</b>
<b>Equity 1 January 2022</b>	<b>29</b>	<b>-134</b>	<b>102</b>	<b>2 398</b>	<b>-1</b>	<b>2 394</b>
Profit for the period				125		125
Other comprehensive income		154			2	156
Comprehensive income for the period	-	154	-	125	2	281
Purchase of own shares				-2		-2
Expensed value of Restricted Share Units issued				1		1
Dividend paid			-102	1		-101
<b>Equity 30 June 2022</b>	<b>29</b>	<b>20</b>	<b>-</b>	<b>2 523</b>	<b>1</b>	<b>2 573</b>

## Main figures in DKK million

MDKK	Unaudited			Audited	
	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Net sales	6 835	7 574	13 282	14 447	29 068
Amortisation, depreciation and write-downs	453	416	901	814	1 760
EBIT	992	978	1 764	1 735	2 988
Profit before tax	1 025	644	1 811	1 257	2 664
Profit for the period	758	464	1 340	930	2 031
Total assets			25 989	26 572	25 493
Equity			19 430	19 137	19 186
Cash flow from operating activities	1 289	776	1 774	794	2 929
Cash flow from investing activities	399	631	973	1 154	2 481
Exchange rate	7.45	7.44	7.45	7.44	7.44

### Accounting policies

This unaudited interim report has been prepared in accordance with IAS 34 and additional Danish regulations for the presentation of quarterly interim reports by listed companies. The interim report has been prepared in accordance with the accounting policies set out in the Annual Report for 2022 with no significant changes.

### Significant accounting estimates and assumptions

In preparing this interim report Management has made various accounting estimates and judgements that may significantly influence the amounts recognised in the Consolidated Financial Statement and related information at the reporting date. The accounting estimates and judgements which Management considers to be material for the preparation and understanding of the interim report are stated in Note 1.1 in the Annual Report 2022 and primarily relates to impairment testing, expected lifetime for tangible assets, deferred tax assets and uncertain tax positions.

### Disclaimer

The statements on the future in this report, 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.