Q3 2023 Presentation

Presenting today:

Group CEO, Mikael Stöhr

Group CFO, Daniel Warnholtz

CONSOLIS

Business highlights and significant events

Q3 2023

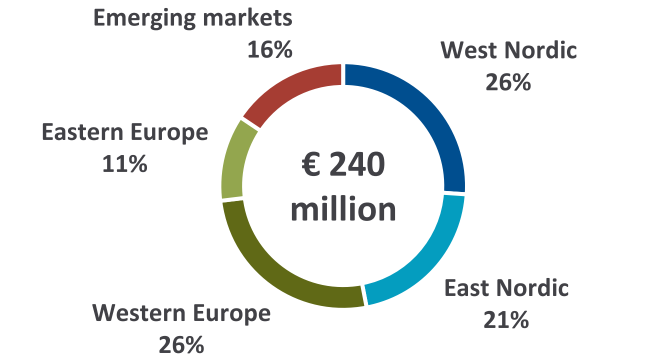
Order book (m€)	Book-to-bill ratio	Sales (m€)	Adj. EBITDA (m€)	Free Cash Flow (m€)
565	0.8	240	14.6	1.8

- Continuously low demand for new residential buildings with some softening also in the non-residential segment - book-to bill of 0.8 in Q3
- Order book of € 565 million worth of orders by end of the quarter
- Adjusted EBITDA margin improved to 6.1 % in a challenging market environment with net sales dropping 24 % compared to 2022 amounting € 240 million
- Free cash flow of € 1.8 million
- Acceleration of cost cutting measures communicated in Q2 across the Nordics. Despite significant headwinds on topline the cost measures taken partly helped in mitigating impact on adjusted EBITDA in Q3
- In a challenging market environment, we continued to put efforts in cash generation and good cost control short term whiles building on the Green Spine Line® concept securing our long-term competitiveness

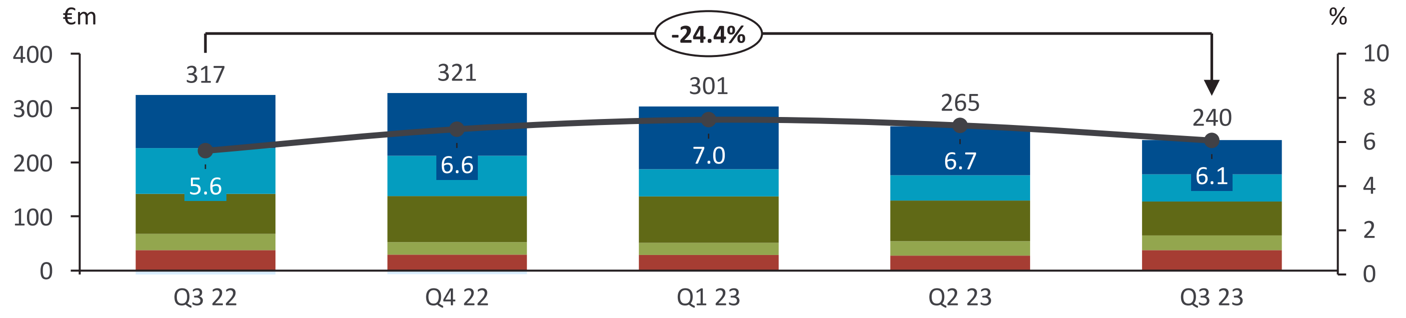
Financial overview

Q3 2023

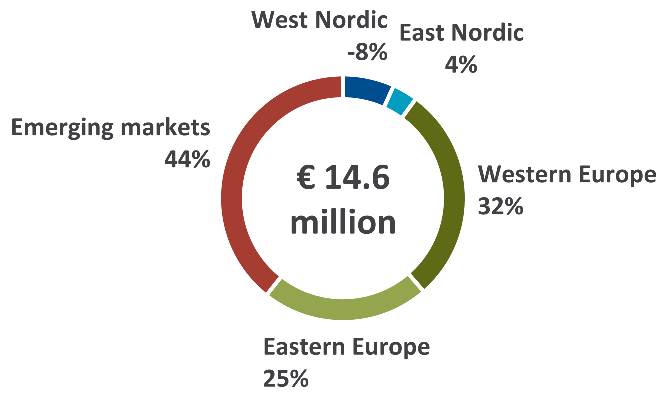
Segment share of Net Sales



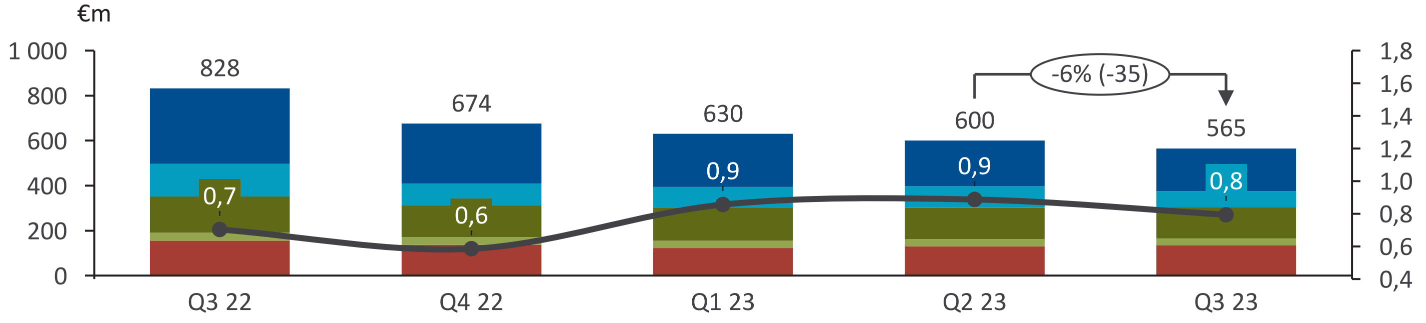
Net sales and adjusted EBITDA-margin



Segment share of Adjusted EBITDA



Order book and book-to-bill ratio



Margin % / Book to bill ratio West Nordic East Nordic Western Europe Eastern Europe Emerging markets

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Cost reduction programs in Nordics – progressing according to plan

As communicated in the Q2 report we aim at structure the two Nordic segments for lower residential sales

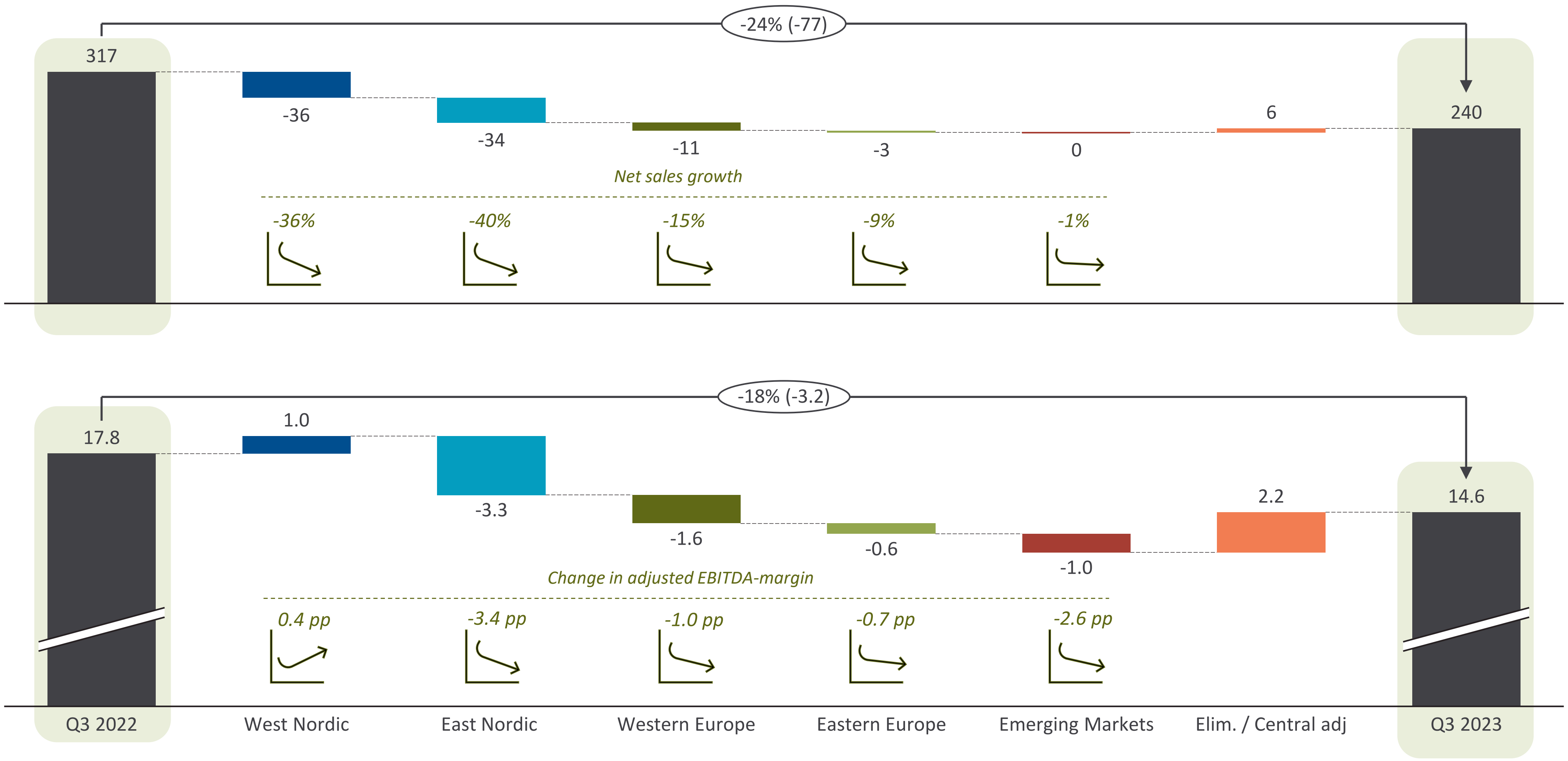
- As a response to the low volumes in new residential buildings across the Nordics we are executing on the restructuring program announced in the Q2 2023 report
- During the third quarter we have booked a restructuring charge of € 10.5 million
  - € 2.8 million relating to write down of assets from the closing of capacity
  - € 7.7 million in other costs of which € 1.4 million impacted adjusted EBITDA in the quarter
    - € 6.3 million relates to personnel cost
    - € 1.4 million relates to running expenses of the closed factories
- We expect the majority of cash-out from this program to happen during the coming two quarters
- We expect to add some additional cost to this program during Q4 and in total be within the previously communicated range of € 11-13 million when final

Net sales and adjusted EBITDA-bridge

Q3 2022 to Q3 2023

Net sales (€ million)

Adjusted EBITDA (€ million)



Financials per segment

WEST NORDIC

Share of Net Sales

26%

- Continuously low order intake across all three markets reflected in order book mainly impacted by the low levels of new residential buildings in the segment
- Significant sales declined in all three markets in the quarter
- Ongoing execution of restructuring program to adapt the segment to lower net sales and volumes

€ million	Q3 2023	Q3 2022	Change, %
Order intake	43	57	-25%
Order book	189	335	-44%
Book-to-bill	0.7	0.6	17%
Net sales	**63**	**98**	**-36%**
Organic			*-28%*
Currency			*-8%*
Adj. EBITDA	**(1.1)**	**(2.1)**	**47%**
Organic			*29%*
Currency			*17%*
Adj. EBITDA, %	**-1.8%**	**-2.1%**	**0.4 pp**

EAST NORDIC

Share of Net Sales

21%

- Continued slow order intake resulting in low order book. Primarily impacted by the low levels of residential buildings
- Net sales decline both in Baltics and Finland
- Ongoing execution of restructuring program to adapt the segment to a lower net sales and volumes

€ million	Q3 2023	Q3 2022	Change, %
Order intake	22	52	-58%
Order book	72	145	-50%
Book-to-bill	0.4	0.6	-30%
Net sales	**50**	**84**	**-40%**
Organic			*-40%*
Currency			*-*
Adj. EBITDA	**0.5**	**3.8**	**-86%**
Organic			*-86%*
Currency			*-*
Adj. EBITDA, %	**1.1%**	**4.5%**	**-3.4 pp**

WESTERN EUROPE

Share of Net Sales

26%

- Strong order intake in the quarter driven by development in Spain. Continued weaker residential order intake in Netherlands
- Lower order book and sales driven by decline of residential market in the Netherlands
- Stable profit margin despite the lower net sales with some effect of less operational leverage due lower volumes in primarily Netherlands

€ million	Q3 2023	Q3 2022	Change, %
Order intake	65	51	27%
Order book	139	161	-13%
Book-to-bill	1.0	0.7	49%
Net sales	**63**	**74**	**-15%**
Organic			*-15%*
Currency			*-*
Adj. EBITDA	**4.6**	**6.2**	**-25%**
Organic			*-25%*
Currency			*-*
Adj. EBITDA, %	**7.4%**	**8.4%**	**-1 pp**

EASTERN EUROPE

Share of Net Sales

11%

- Reduced order intake and order backlog due to softening in non-residential demand
- Sales decline driven by Poland, while Hungary and Romania being just below last year
- Continuously good margin driven by Romania and Hungary improving from last year whiles Poland was weaker

€ million	Q3 2023	Q3 2022	Change, %
Order intake	24	28	-15%
Order book	29	36	-20%
Book-to-bill	0.9	0.9	-7%
Net sales	**27**	**30**	**-9%**
Organic			*-12%*
Currency			*4%*
Adj. EBITDA	**3.6**	**4.2**	**-14%**
Organic			*-16%*
Currency			*3%*
Adj. EBITDA, %	**13.2%**	**13.9%**	**-0.7 pp**

EM. MARKETS

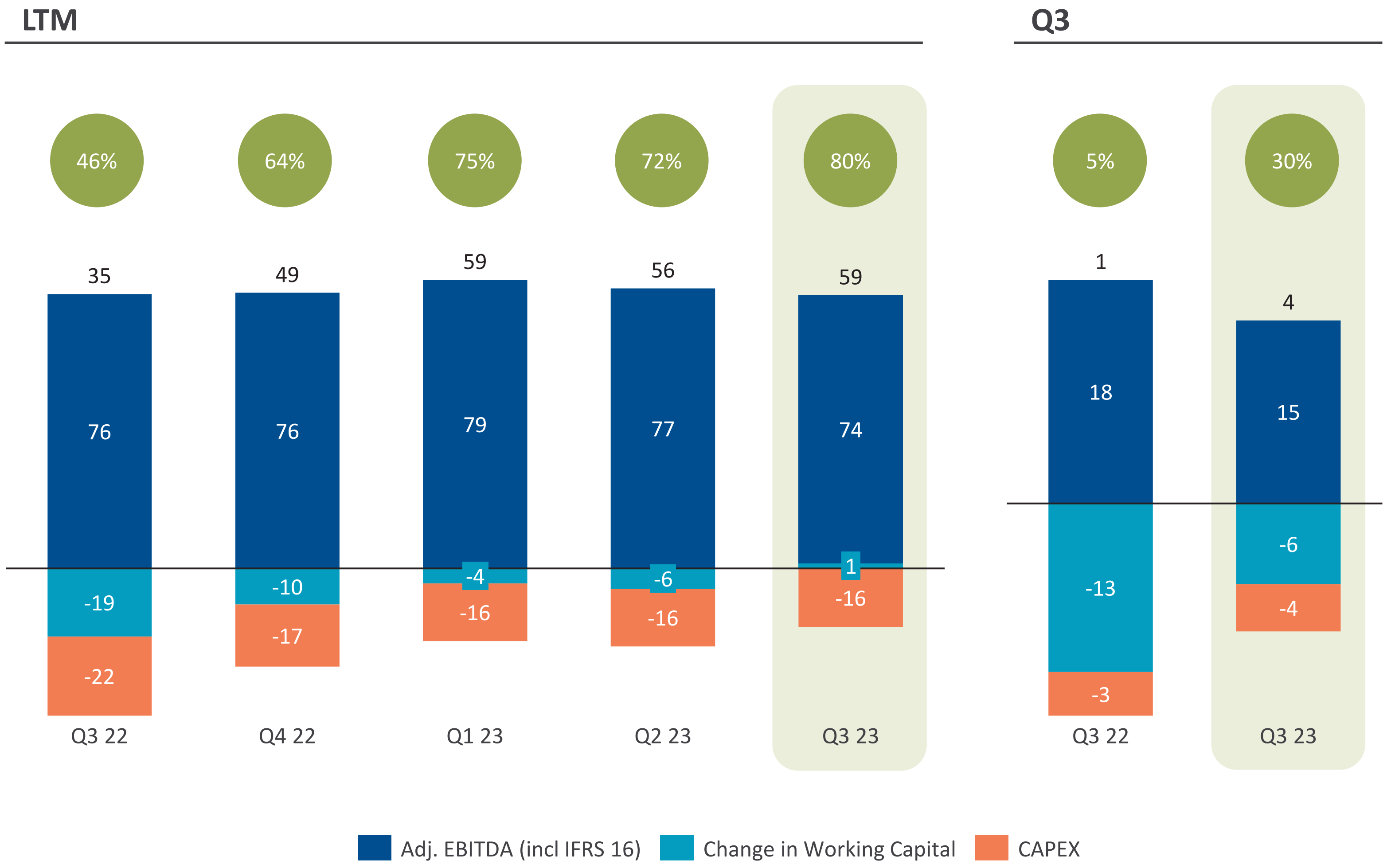
Share of Net Sales

16%

- Good order intake in the quarter thanks to strong order intake in Tunisia and stable in Egypt
- Sales decline driven by currency effects and the slowdown of Indonesia. Tunisia and Egypt with good growth in local currency
- Positive one-off at € 4 million on adjusted EBITDA in Egypt due to retroactive compensation of FX and cost price increases during 2023

€ million	Q3 2023	Q3 2022	Change, %
Order intake	37	35	6%
Order book	136	155	-13%
Book-to-bill	1.0	0.9	7%
Net sales	**38**	**38**	**-1%**
Organic			*24%*
Currency			*-25%*
Adj. EBITDA	**6.4**	**7.4**	**-14%**
Organic			*24%*
Currency			*-37%*
Adj. EBITDA, %	**17.1%**	**19.7%**	**-2.6 pp**

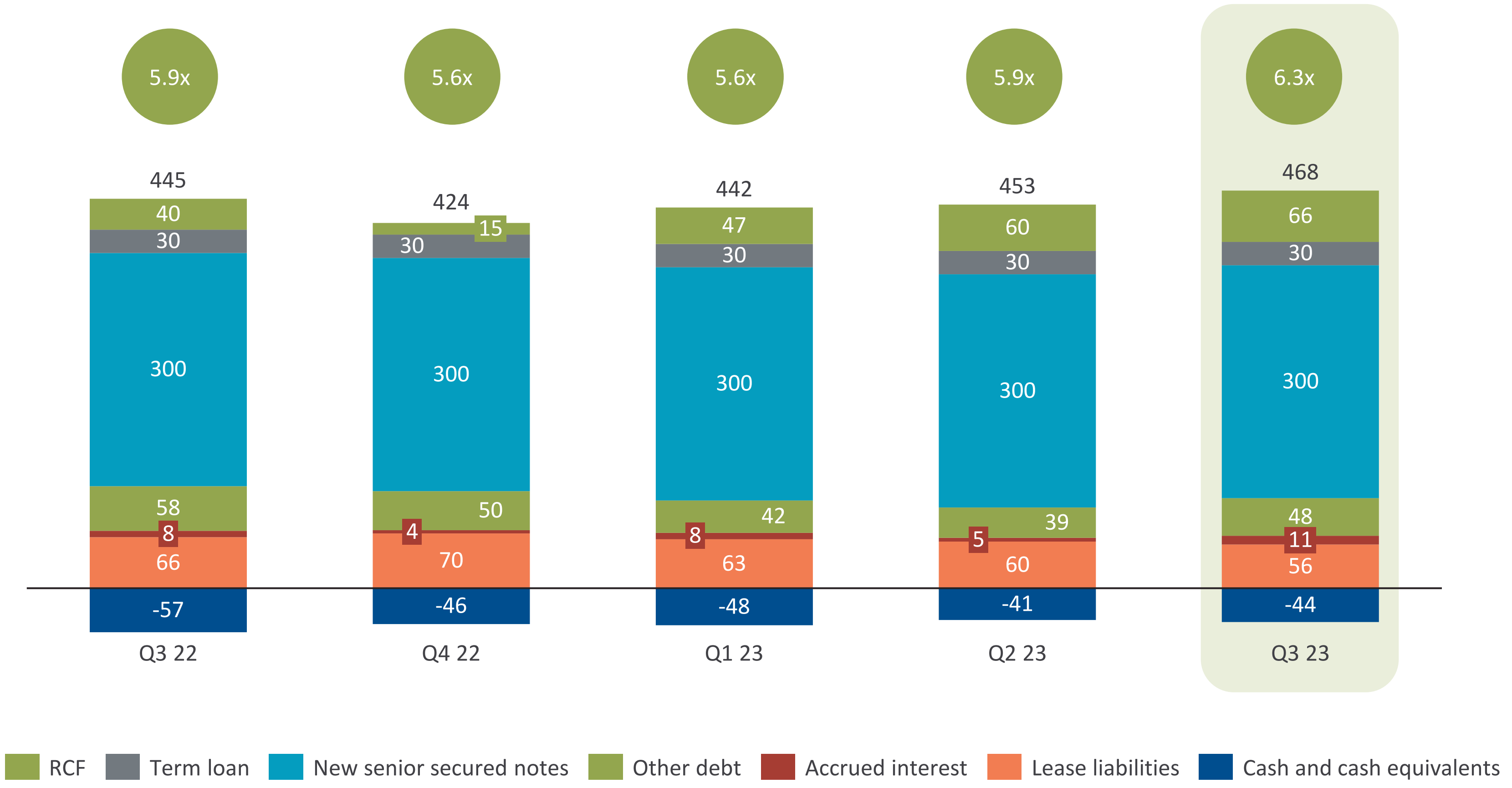
Cash flow and cash conversion



- LTM cash conversion: 80%
- LTM operating cash flow: € 59 million
- Improvement in working capital compared to last year
- Inventory levels continued to decrease during Q3 and is now operating at a good level for current market environment

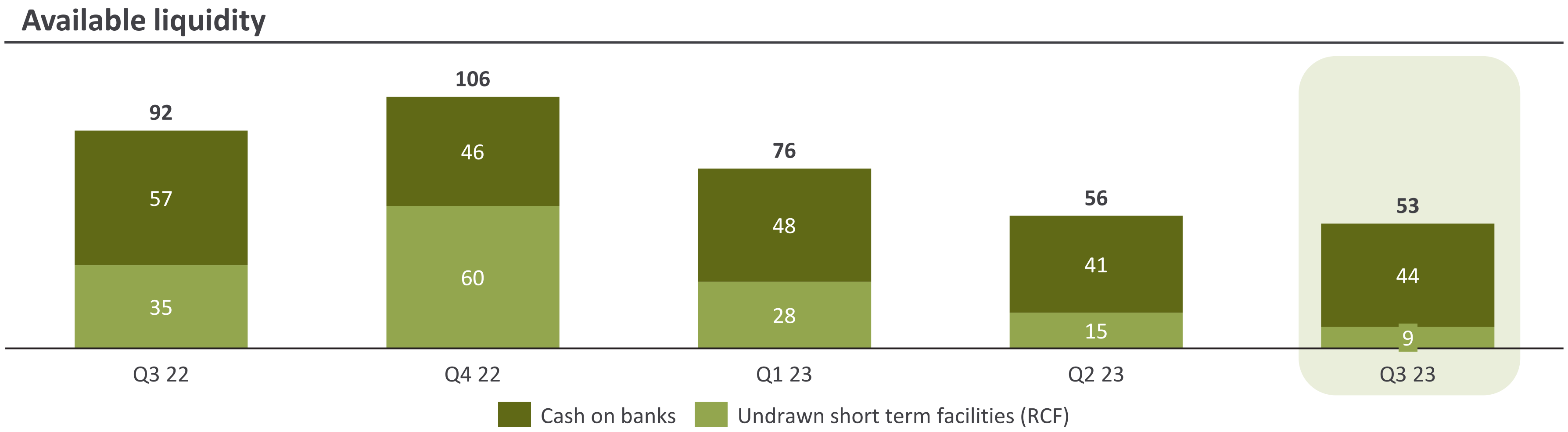
Financing and leverage

Net debt and leverage



- €6 million of RCF drawn during Q3 to finance the seasonal working capital need
- €9 million available on RCF as end of Q3
- Higher use of RCF than same period last year driven by decrease in both EBITDA and working capital. Q3 is the Groups seasonality low point for working capital leading to high drawing on RCF

Liquidity



- Liquidity by end of Q3 at € 53 million with € 44 million being cash on bank and € 9 million available under the RCF

Concluding remarks

- Stable margin in a challenging market environment with significantly lower volumes
- Ongoing cost cutting measures in Nordics to mitigate impact from lower volumes
- Strong cash flow in the quarter driven by improved working capital
- Continuously good results from our focus on cash collection and cost control
- Firm belief that the long-term underlying trend for our market is strong with pent-up residential demand, request for lower CO_2 products and attractive precast industry tailwinds

Q&A