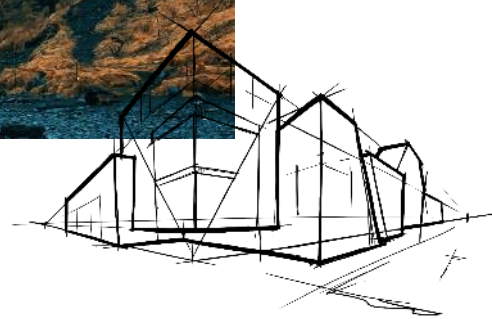




Q4/FY 2022 Financial results

9 February 2023



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.



Full year 2022 financial highlights

Sales

3907 MEUR

up 27% in reported figures

Sales increase in local currencies

↑ 23%

EBIT

402 MEUR

up 1 MEUR

EBIT margin

10.3%

down 2.7 percentage points

Adjusted EBIT*

415 MEUR

up 4%, with EBIT margin of 10.6%

Proposed dividend

35.00 DKK

per share, stable compared to 2021

*) Adjusted for costs of 13 MEUR to relief aid and reconstruction in Ukraine



Q4 highlights

Sales

955 MEUR

up 14% in reported figures

EBIT

101 MEUR

up 6%

Adjusted EBIT*

114 MEUR

up 21%, with EBIT margin of 11.9%

*) Adjusted for costs of 13 MEUR to relief aid and reconstruction in Ukraine

Sales increase in local currencies

↑ 11%

EBIT margin

10.5%

down 0.7 percentage points

Free cash flow

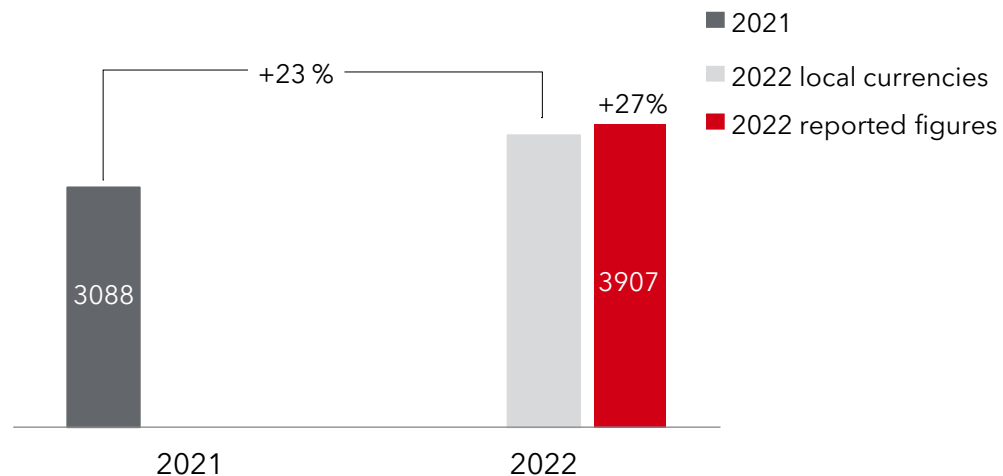
49 MEUR

up 49 MEUR



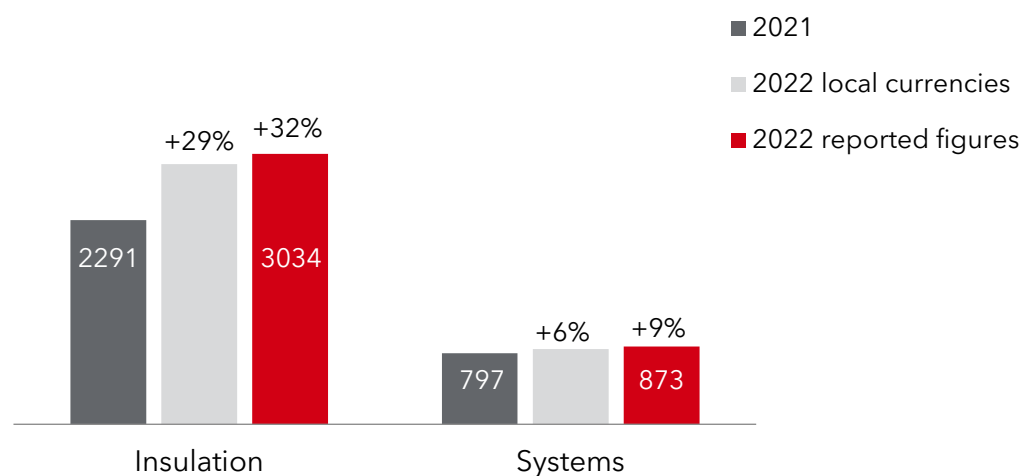
Full year 2022 sales up 23 percent in local currencies

Net sales MEUR



Sales reached 3907 MEUR, up 23 percent in local currencies and 27 percent in reported figures. Strong growth driven by sales price increases.

Net sales per business segment MEUR

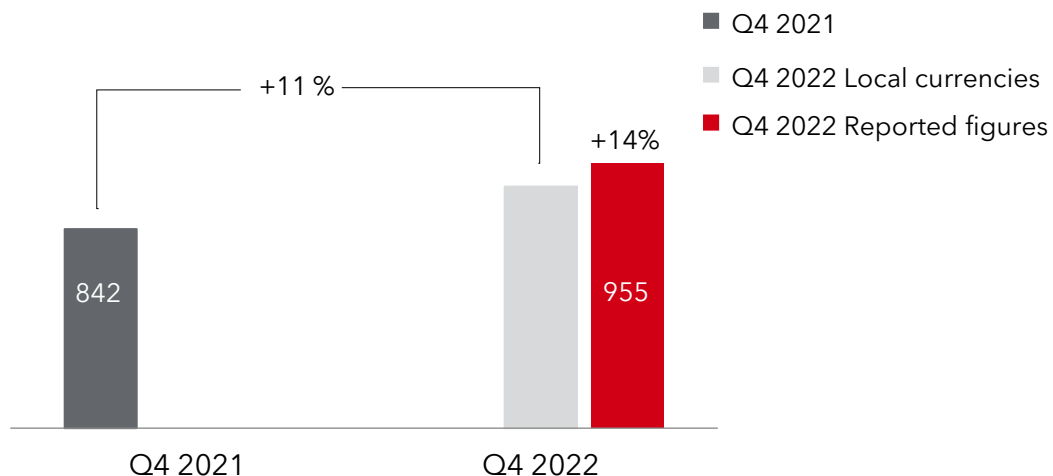


Insulation segment sales reached 3034 MEUR, up 29 percent in local currencies with good sales in most markets.

Systems segment sales reached 873 MEUR, up six percent in local currencies, with Rockfon and Rockpanel performing well.

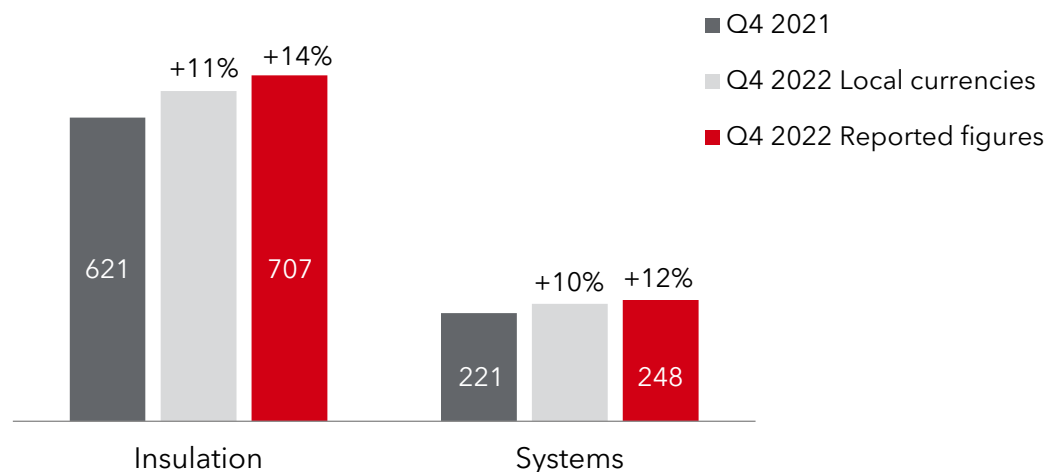
Q4 sales up 11 percent in local currencies

Net sales MEUR



Sales reached 955 MEUR, up 11 percent in local currencies and 14 percent in reported figures. Inflation-driven price increases fuelled the sales growth, as volumes started to decrease.

Net sales per business segment MEUR



Insulation segment sales reached 707 MEUR, up 11 percent in local currencies driven by sales price increases.

Systems segment sales reached 248 MEUR, up 10 percent in local currencies, with all businesses showing good sales growth.

Q4 regional sales development

Growth in local currencies

Western Europe

16% ↑

16 percent in reported figures

Eastern Europe and Russia

2% ↑

9 percent in reported figures

North America, Asia & others

5% ↑

12 percent in reported figures

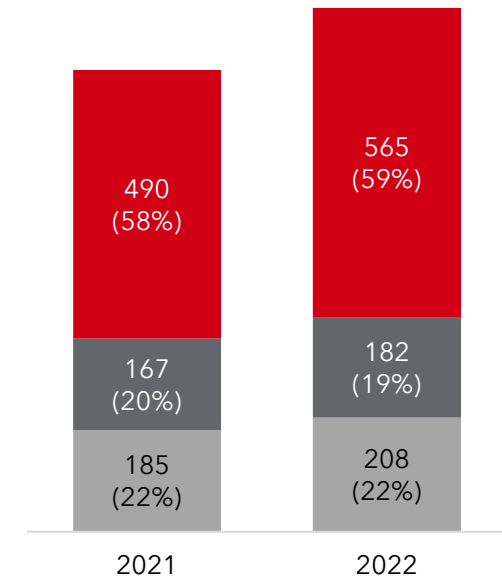
Key developments

- Many markets had double-digit growth.
- Especially France, Benelux and Nordics contributed to the growth.
- Strong quarter especially in Hungary, Czech Republic and Romania.
- Sales in Russia decreased.
- Sales in North America rebounded after a weak Q3.

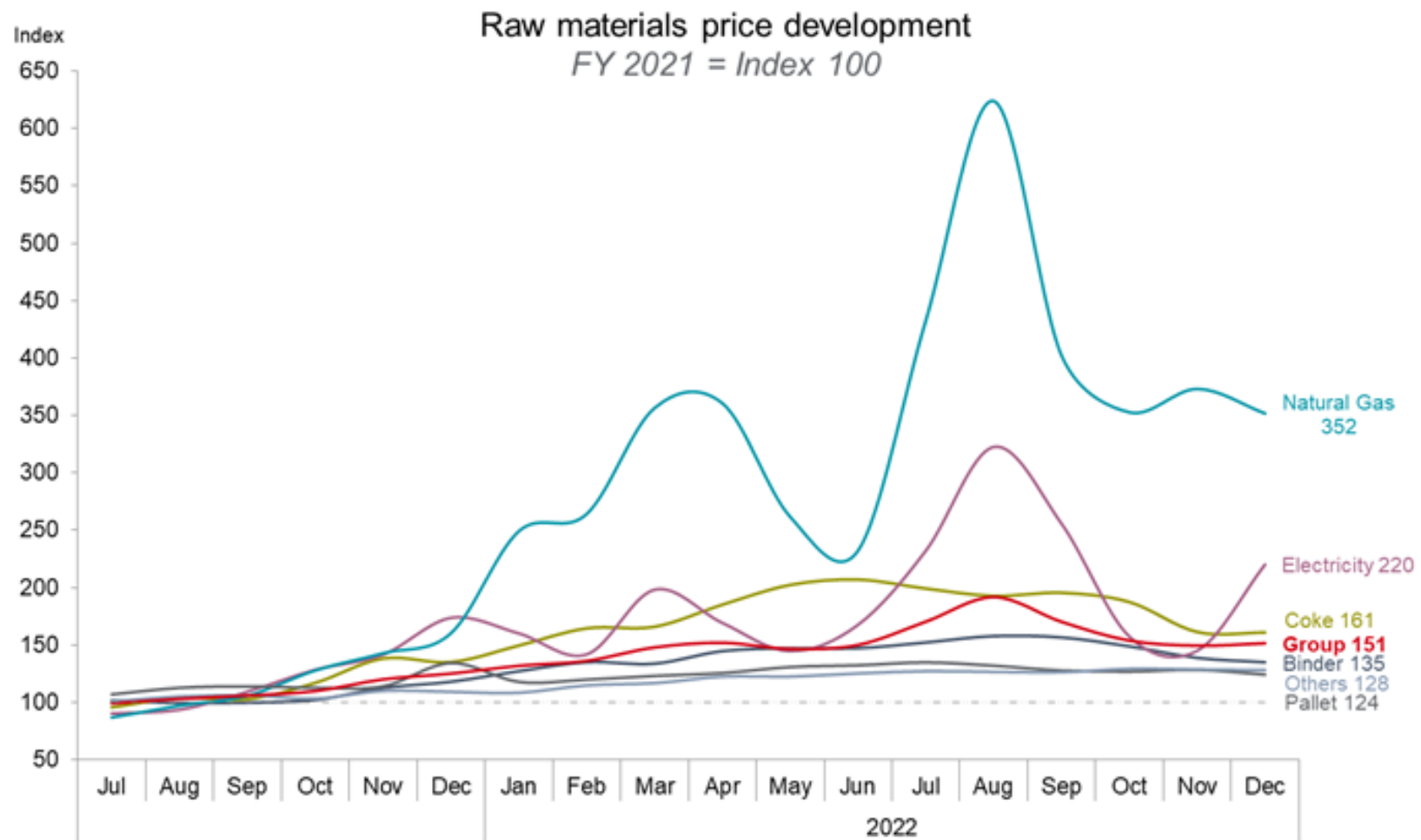
Geographic share of sales

MEUR, reported figures

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

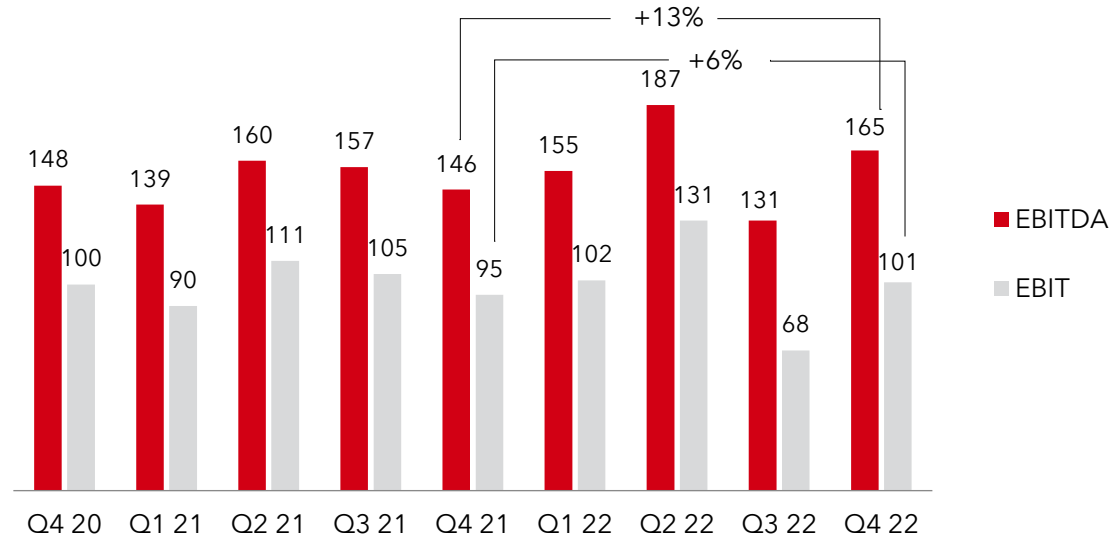


Energy costs remained high during Q4



Q4 profitability improved

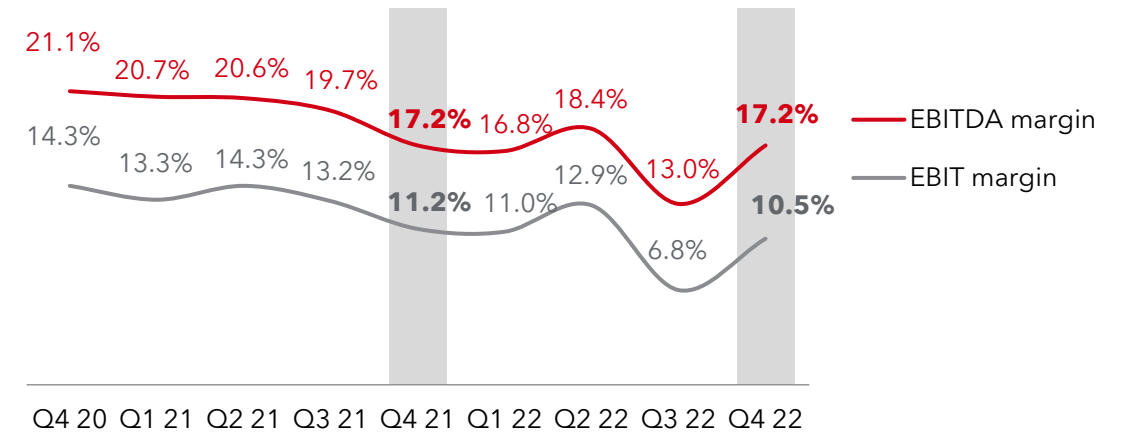
EBITDA & EBIT MEUR



EBITDA reached 165 MEUR, up 13 percent.

- EBITDA margin of 17.2 percent in line with last year.
- Adjusted for 13 MEUR cost to relief aid and reconstruction in Ukraine, the EBITDA is up 23 percent with a margin in reported currencies at 18.6 percent.

EBITDA / EBIT margin (%)

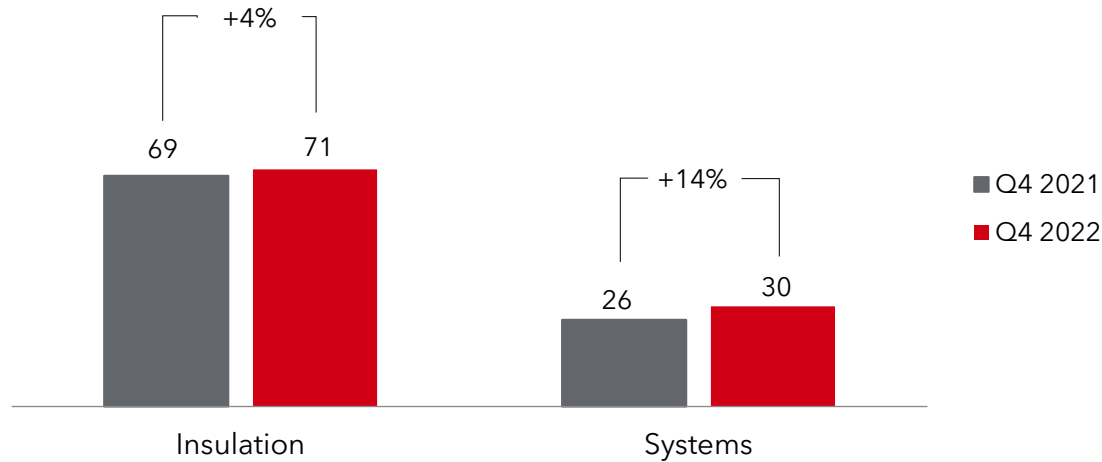


EBIT amounted to 101 MEUR, up six percent.

- Adjusted for 13 MEUR costs to relief aid and reconstruction in Ukraine, EBIT was 114 MEUR with an EBIT margin of 11.9 percent.

Q4 profitability by business segment

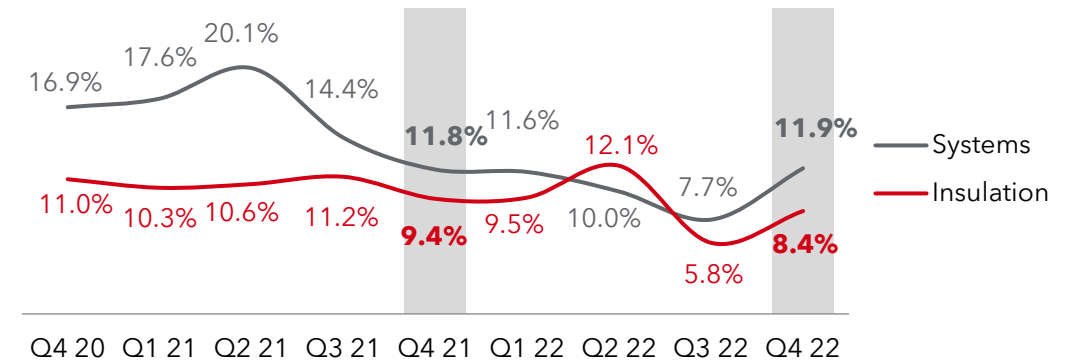
EBIT MEUR



Insulation EBIT at 71 MEUR, up 4 percent compared to last year.

- EBIT margin was 8.4 percent, down 1.0 percentage points compared to Q4 2021.
- Adjusted for 13 MEUR cost to relief aid and reconstruction in Ukraine, EBIT margin in Q4 2022 was 10.0 percent, up 0.6 percentage points

EBIT margin (%)



Systems EBIT amounted to 30 MEUR in Q4 2022.

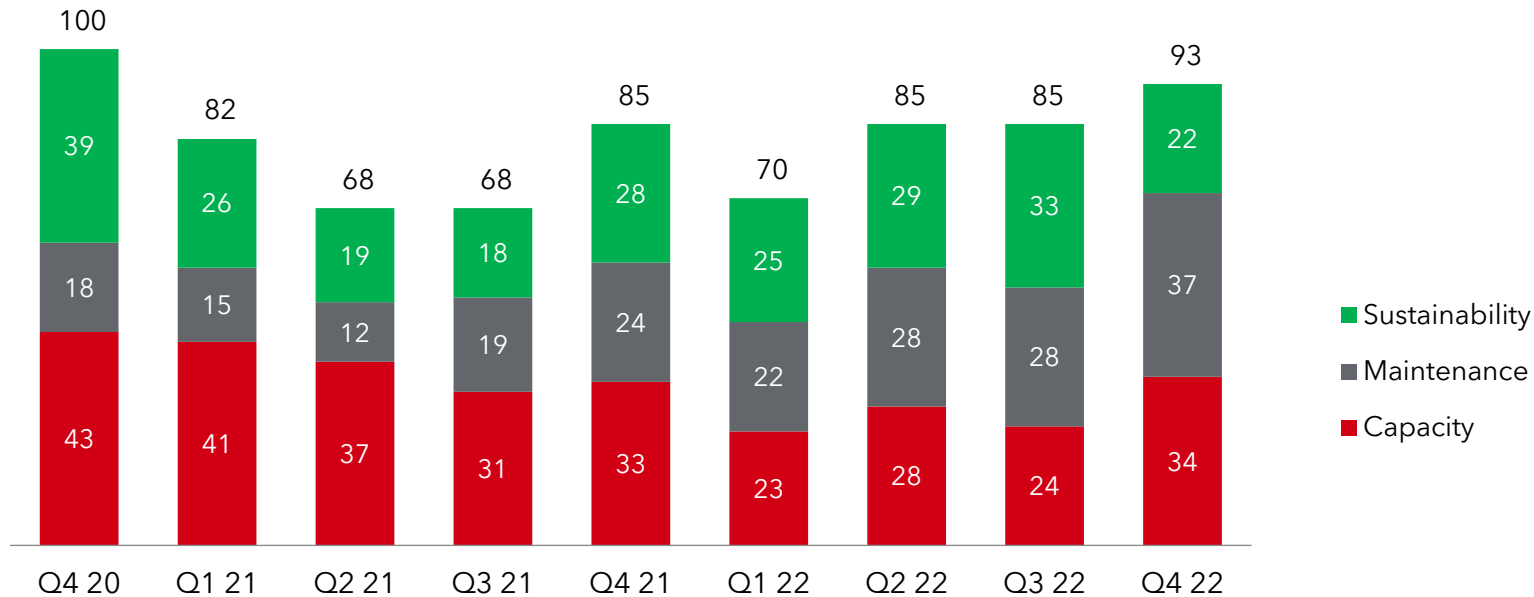
- EBIT margin was 11.9 percent, compared to 11.8 percent in Q4 2021.

Q4 investment activities

Investments excluding acquisitions totalled 93 MEUR in Q4 2022, making full year CAPEX 333 MEUR.

- The largest individual projects were the conversion to electrical melter in Flumroc (Switzerland), additional Grodan capacity in Canada, and Rockfon capacity in Poland.

Investments excl. acquisitions MEUR



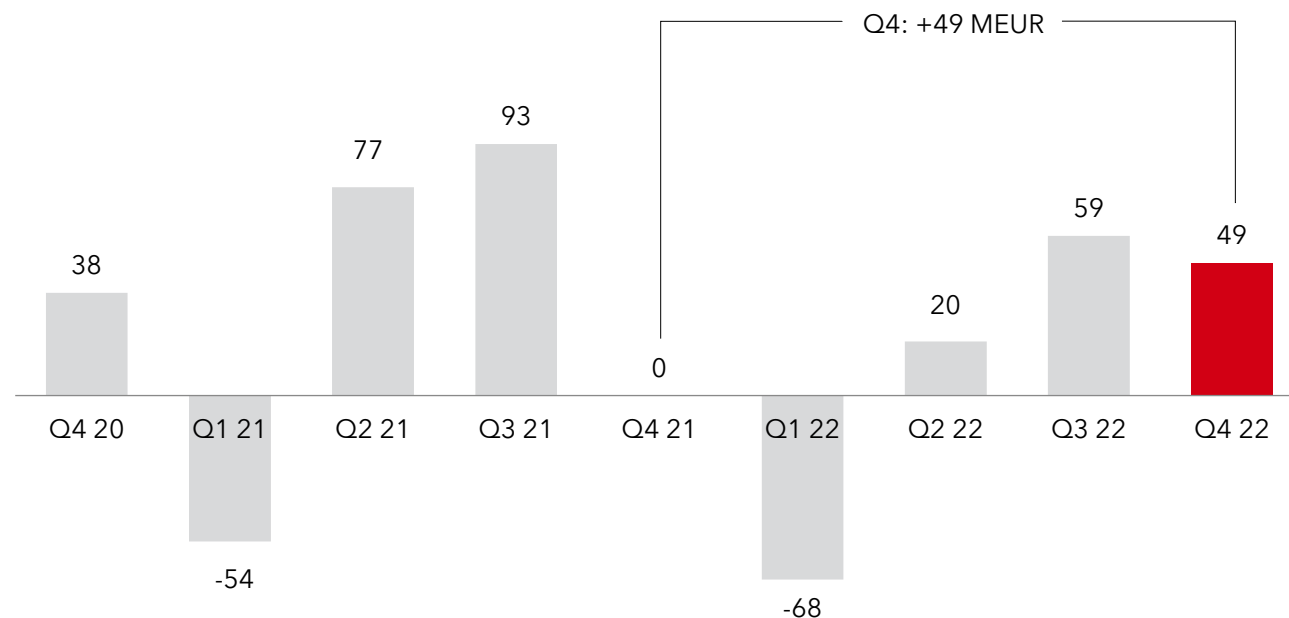
Q4 free cash flow

Q4 free cash flow was 49 MEUR, up 49 MEUR compared to Q4 2021, from higher earnings and lower tax payments.

Net working capital was 11.3 percent (Q4 2021: 9.9 percent) of net sales and ended at 441 MEUR, an increase of 135 MEUR compared to Q4 2021. This mainly reflects higher inventory values from higher input costs and increased trade receivables.

Net debt position of 23 MEUR end of Q4 2022.

Free cash flow MEUR

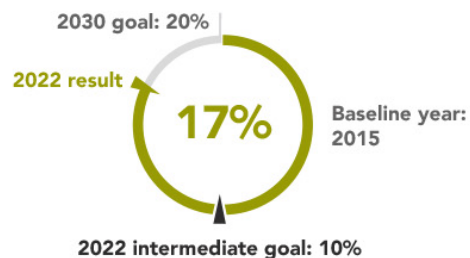


Good progress on sustainability goals

Have met **all five** 2022 intermediate sustainability goals



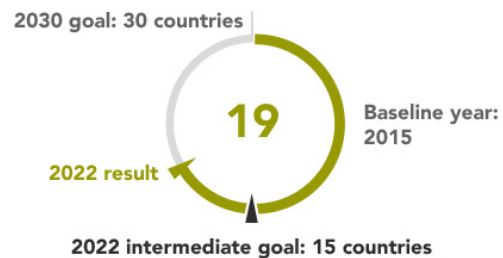
CO₂ emission intensity*



Reduce CO₂/t stone wool from our stone wool facilities by 20%



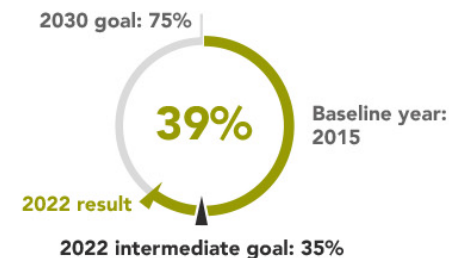
Reclaimed material*



Increase the number of countries where we offer recycling services for our products to 30 countries



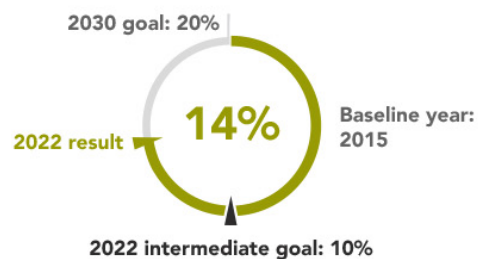
Energy efficiency in owned offices*



kWh/m² reduction within owned (non-renovated) offices by 75%



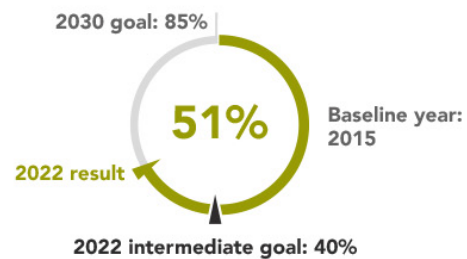
Water use intensity*



Reduce water use intensity (m³/t stone wool) from our stone wool production facilities by 20%



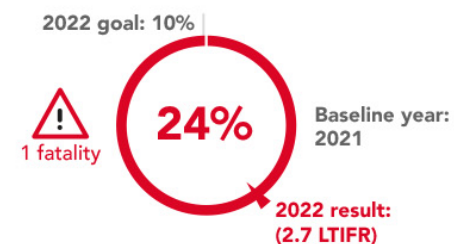
Landfill waste*



Reduce landfill waste (tonnes) from our stone wool production facilities by 85%



Safety, health and wellbeing*



Reduce LTI frequency rate by 10% and ensure zero fatalities annually

Advancing our decarbonisation commitment



* In scope of limited assurance.

Outlook 2023

Outlook full year 2023

1 Sales

Sales **decline** of up to **10 percent** in local currencies.

2 EBIT

EBIT margin in the range of **8-10 percent**.

3 Investment

Investment level **around 400 MEUR** excluding acquisitions.



Key figures for the Group

MEUR	Q4 2022	Q4 2021	YoY (%)	FY 2022	FY 2021	YoY (%)
Income statement						
Net sales	955	842	13.5%	3 907	3 088	26.5%
EBITDA	165	146	13.4%	638	602	6.1%
EBIT	101	95	6.4%	402	401	0.3%
Profit before tax	126	93	35.7%	358	393	-8.9%
Profit for the period	103	72	44.2%	273	303	-9.8%
Balance sheet						
Total assets				3 428	3 080	11.3%
Equity				2 580	2 394	7.8%
Equity ratio				75.3%	77.7%	-2.4pp

Questions?

Thank you

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