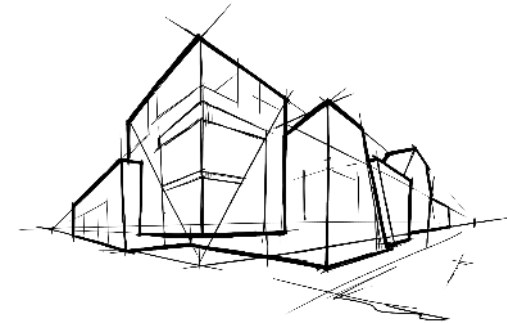




Q4/FY 2023 Financial results

8 February 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.



Full year highlights 2023

Sales

3620 MEUR

down 7% in reported figures

Sales decrease in local currencies

↓ **4%**

EBIT

518 MEUR

up 29%

This includes 27 MEUR donation*

EBIT margin

14.3%

up 4.0 percentage points

Net profit

389 MEUR

up 116 MEUR

Free cash flow

395 MEUR

up 335 MEUR

*) Donation to the Foundation for Ukrainian Reconstruction.



Q4 highlights 2023

Sales

934 MEUR

down 2% in reported figures

EBIT

135 MEUR

up 34 MEUR

Net profit

100 MEUR

down 3 MEUR

Sales increase in local currencies

↑ 2%

EBIT margin

14.4%

up 3.9 percentage points

Free cash flow

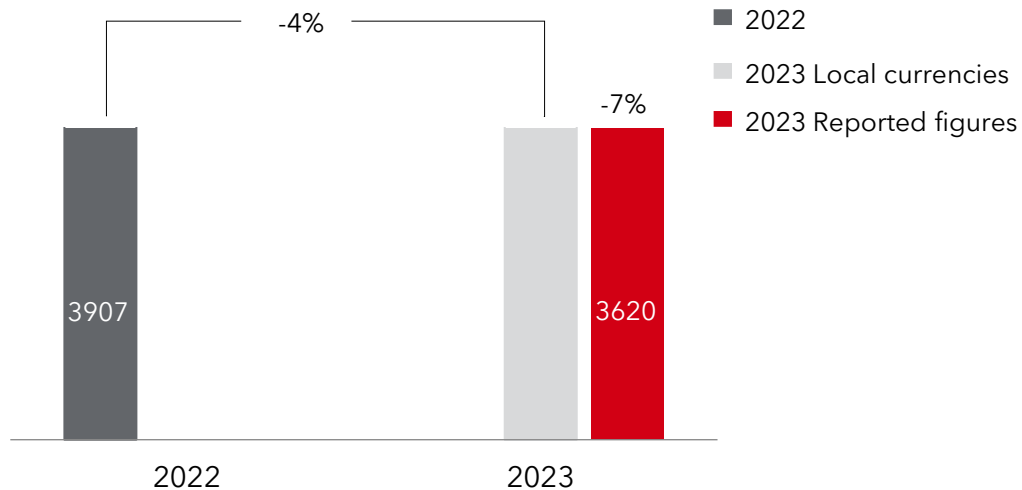
110 MEUR

up 61 MEUR



Full year 2023 sales down four percent driven by Europe

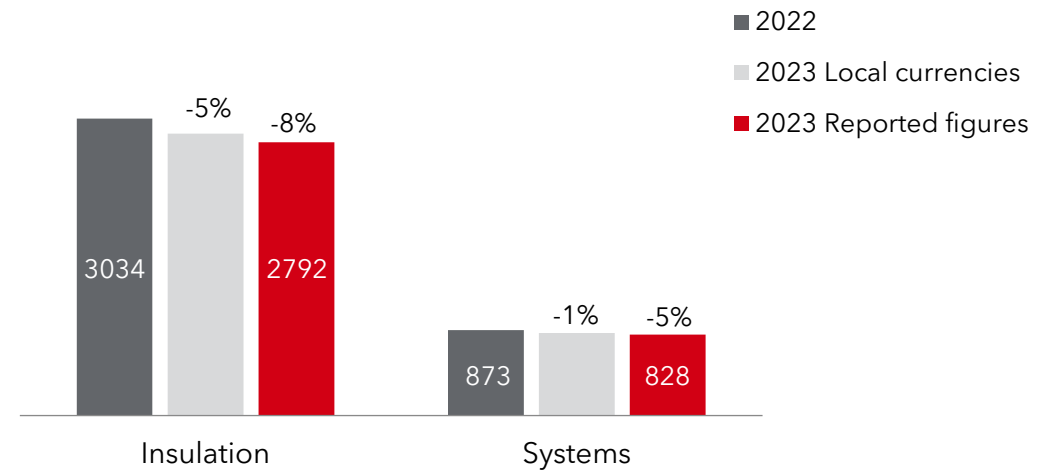
Net sales MEUR



Sales reached 3620 MEUR, down four percent in local currencies.

High interest rates resulted in low new-building activities in most European markets. Energy efficiency renovation activities were more resilient.

Net sales per business segment MEUR

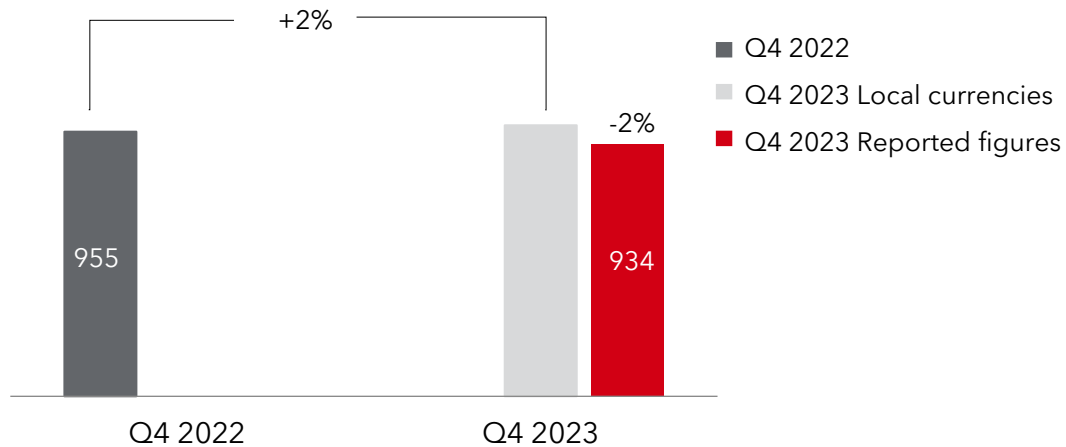


Insulation segment sales reached 2792 MEUR, down five percent in local currencies and down eight percent in reported figures.

Systems segment sales reached 828 MEUR, down one percent in local currencies and five percent in reported figures.

Q4 sales up two percent in local currencies

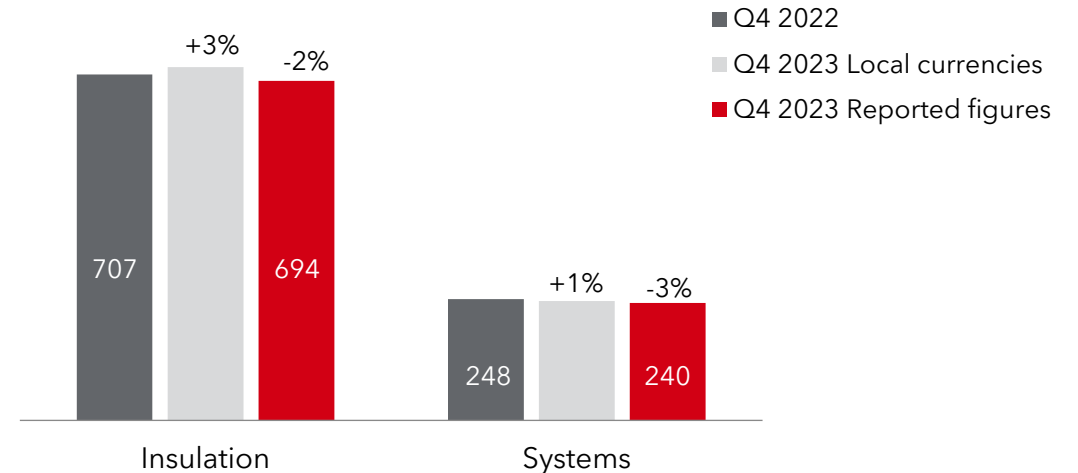
Net sales
MEUR



Sales reached 934 MEUR, up two percent in local currencies and down two percent in reported figures.

Sales during Q4 was the first growth quarter in 2023.

Net sales per business segment
MEUR



Insulation segment sales reached 694 MEUR, up three percent in local currencies. Slowdown in sales in some European insulation markets was offset by solid performance in North America, Eastern Europe and South Asia.

Systems segment sales reached 240 MEUR, up one percent in local currencies, driven by Grodan, while sales mainly in Rockfon North America and Rockpanel were down compared to last year.

Q4 regional sales development

Growth in local currencies

Western Europe

-4% ↓

-5 percent in reported figures

Eastern Europe and Russia

22% ↑

+5 percent in reported figures

North America, Asia & others

5% ↑

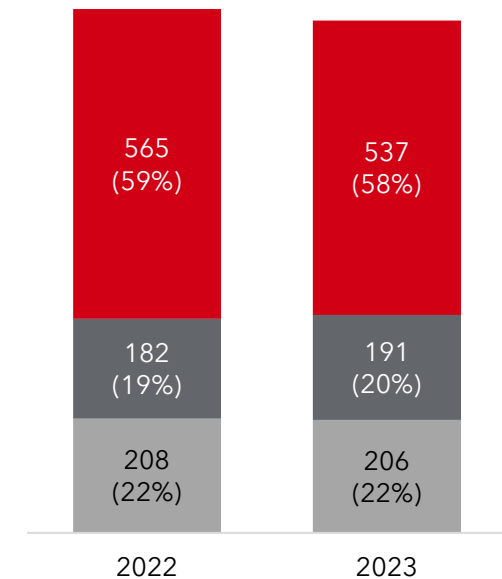
-1 percent in reported figures

Key developments

- In many markets, sales decreased compared to same period last year.
- Italy, the United Kingdom, Spain and Norway performed well in the quarter. Germany continued to struggle.
- All main markets performed well in the quarter.
- Poland, Russia, Hungary, Romania, and Ukraine grew well.
- North America was back to growth after a slow third quarter due to the strike in one of the Canadian factories.
- India, Malaysia and Japan showed good performance. China still slow.

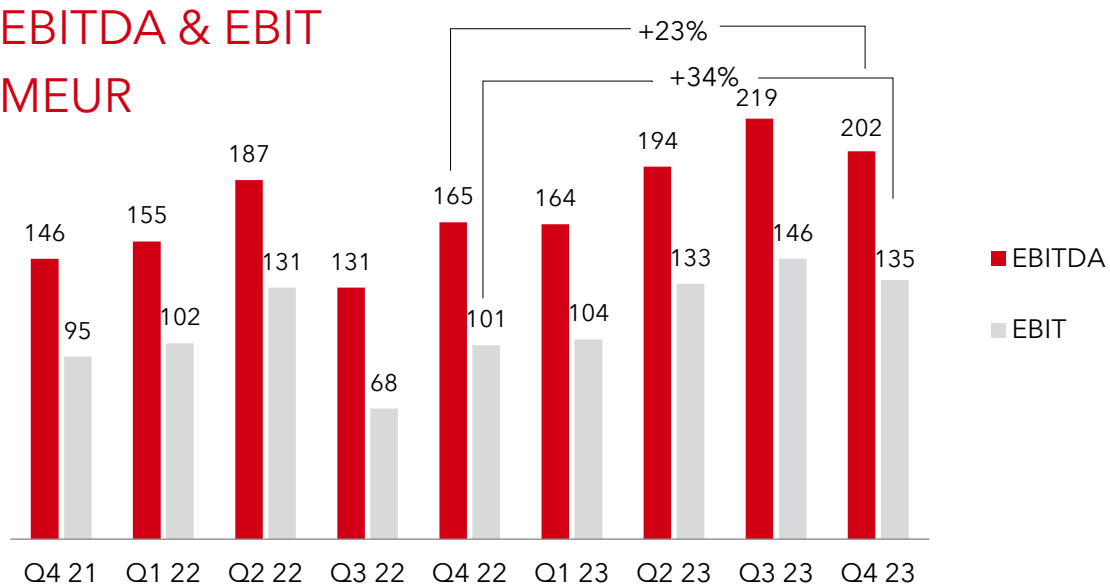
Geographic share of sales MEUR, reported figures

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



Q4 profitability improved

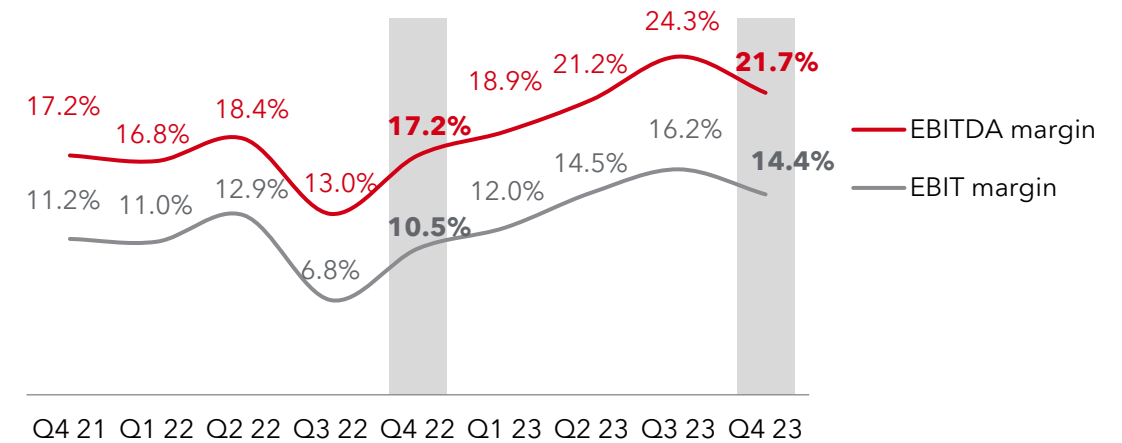
EBITDA & EBIT MEUR



EBITDA reached 202 MEUR, up 23 percent.

- EBITDA margin of 21.7 percent compared to 17.2 percent last year.
- Energy prices remained stable and at the same level as Q3, significantly lower than in Q4 2022.

EBITDA / EBIT margin (%)

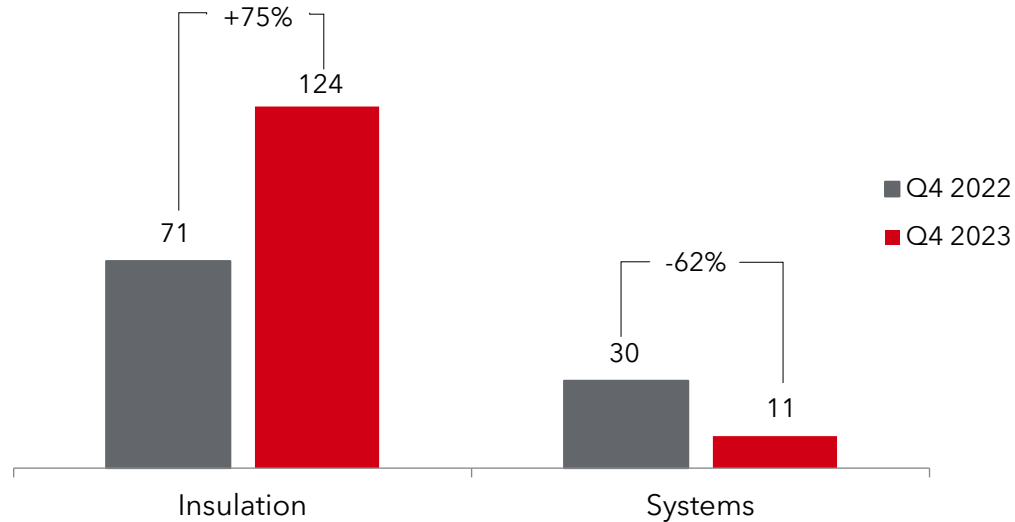


EBIT amounted to 135 MEUR, up 34 percent.

- EBIT margin of 14.4 percent compared to 10.5 percent last year.
- Lower input costs combined with stable sales prices kept profitability at a good level in the quarter.

Q4 profitability by business segment

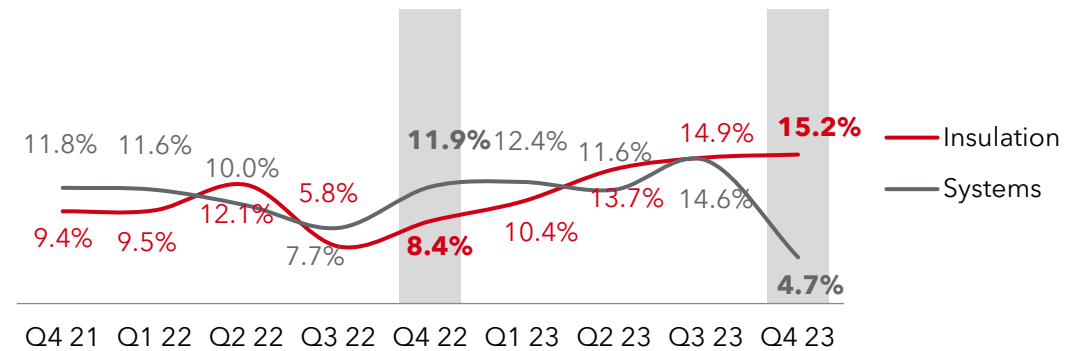
EBIT
MEUR



Insulation EBIT at 124 MEUR, up 53 MEUR or 75 percent.

- EBIT margin was 15.2 percent, up 6.8 percentage points compared to Q4 2022.
- Lower input costs combined with stable sales prices, kept profitability at a good level in the quarter.

EBIT margin (%)



Systems EBIT amounted to 11 MEUR in Q4 2023, down 19 MEUR, or 62 percent. EBIT in Q4 2023 was impacted by restructuring costs of 16 MEUR related to operational restructuring mainly in Rockfon in Sweden.

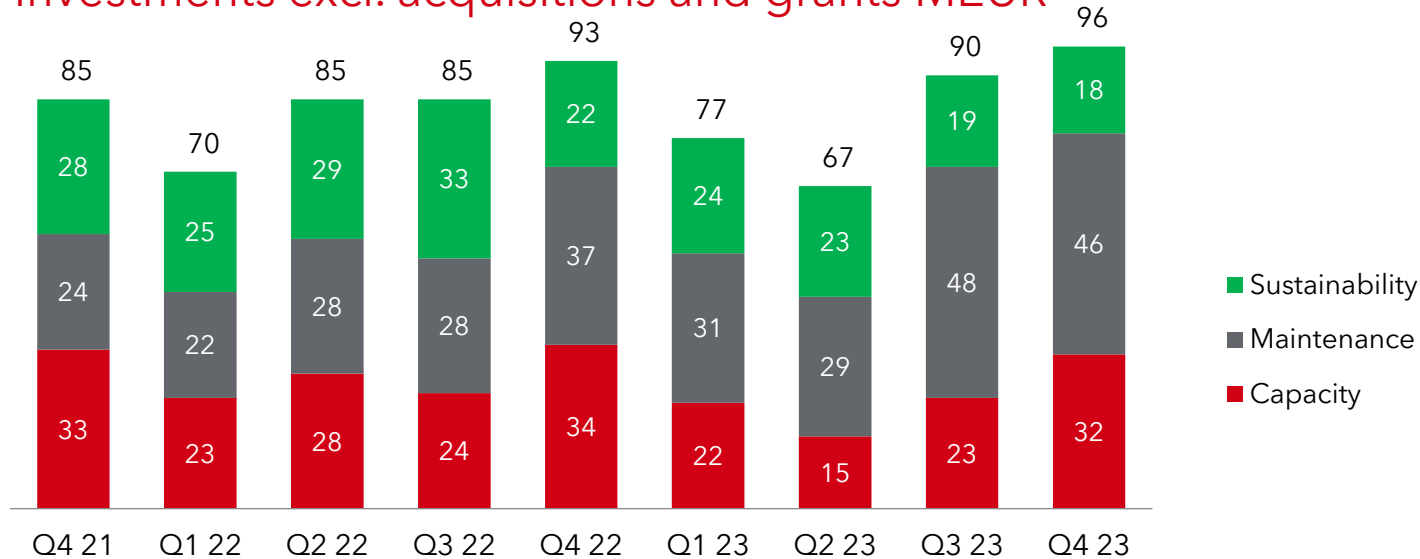
- EBIT margin was 4.7 percent, compared to 11.9 percent in Q4 2022. Excluding restructuring costs, EBIT margin was at level with Q4 2022.

Q4 investment activities

Investments excluding acquisitions and grants totalled 96 MEUR in Q4 2023, compared to 93 MEUR in Q4 2022.

- Investments in sustainability were mainly related to conversion to electrical melter in Flumroc (Switzerland) and preparation for electrification of the existing factory in France.
- The largest capacity investments were related to Rockpanel capacity in Roermond (Netherlands), additional Grodan capacity in Toronto (Canada), and preparations for the new factory in France.

Investments excl. acquisitions and grants MEUR



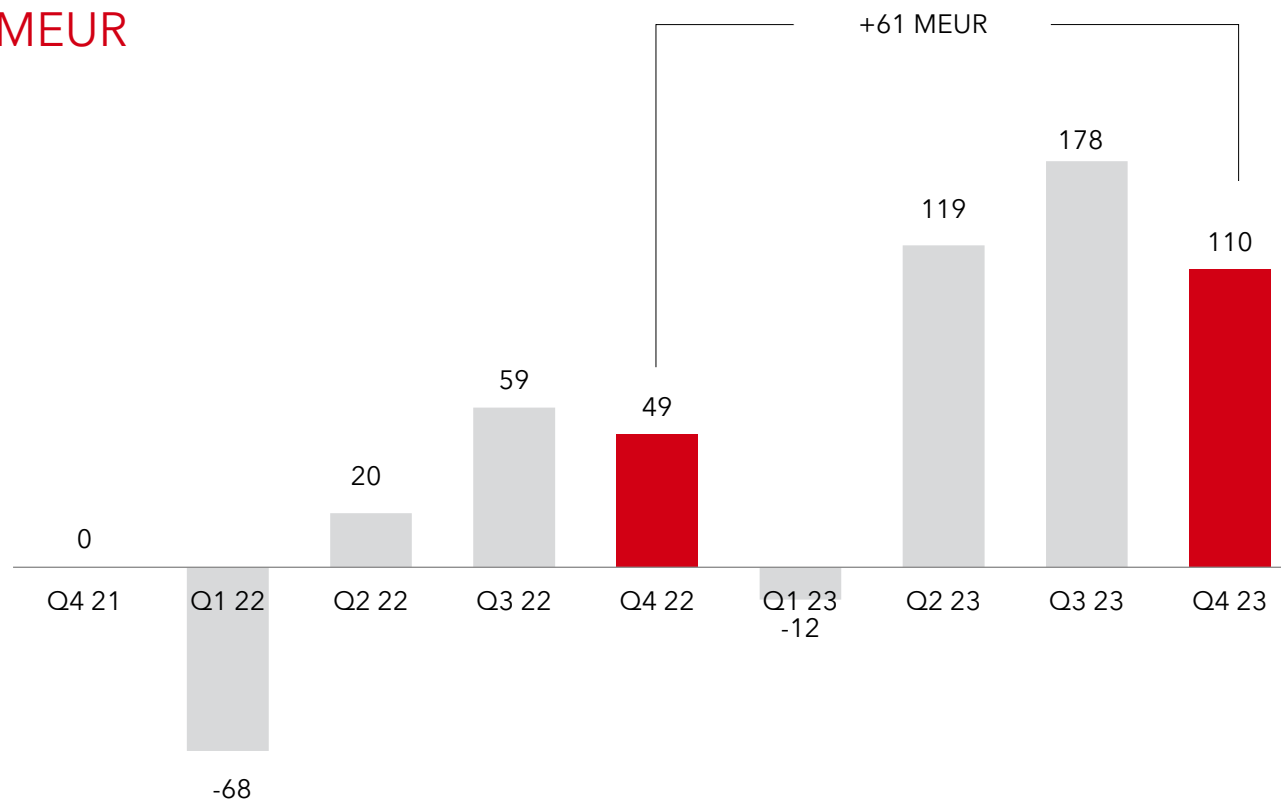
Q4 generated a solid free cash flow

Q4 free cash flow was 110 MEUR, compared to 49 MEUR in Q4 2022, generated by a strong operational result and reduced net working capital.

Net working capital was 9.9 percent (Q4 2022: 11.3 percent) of net sales and ended at 358 MEUR, down 83 MEUR compared to Q4 2022.

Net debt free with a net cash position of 239 MEUR and unused credit facilities of 600 MEUR end of Q4 2023.

Free cash flow
MEUR



Share buy-back programme of EUR 160 MEUR

- Share buy-back programme led by Danske Bank.
- 160 MEUR total size, with maximum monthly amount of 20 MEUR.
- Starts 8 February 2024 and runs for 12 months.
- Covers B shares only.
- Maximum number of shares under the programme is 1 200 000 B shares.
- At the AGM in 2025, the Board of Directors will propose that shares repurchased under the programme be cancelled.

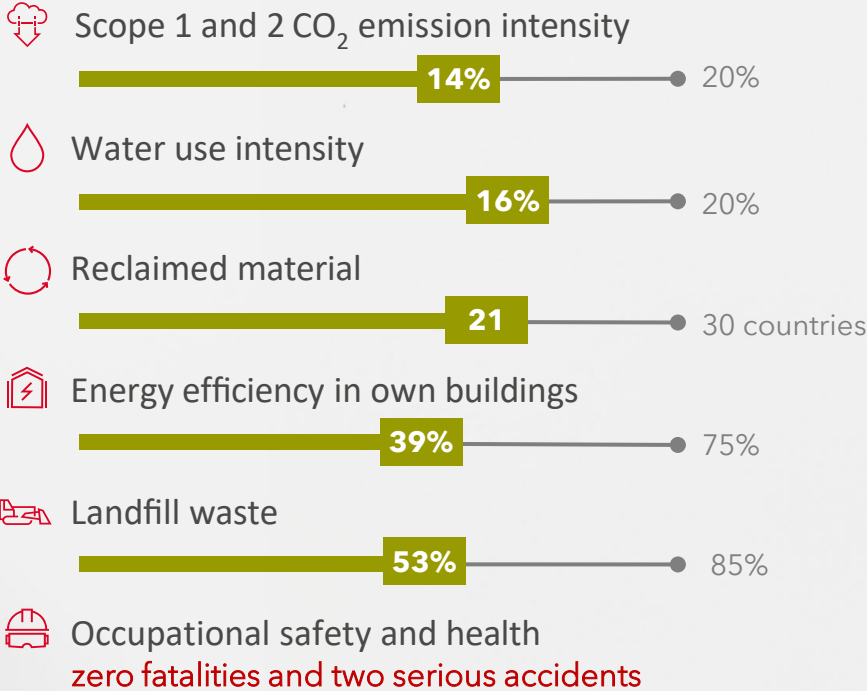


Good progress on sustainability goals

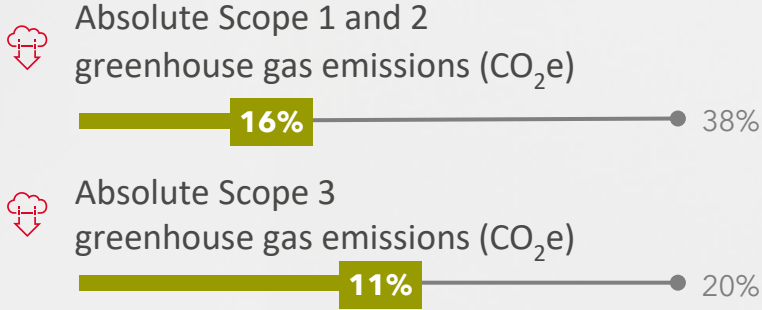


ROCKWOOL
commits to achieve
net zero
 greenhouse gas
 (GHG) emissions
by 2050

Baseline year 2015 (goal 2030)*



Baseline year 2019 (goal 2034)



*ROCKWOOL exceeded all 2022 intermediate goals

Outlook 2024



Outlook full year 2024

1 Sales

Sales **roughly at the same level** as in 2023 in local currencies.

2 EBIT

EBIT margin **around 13 percent**.

3 Investments

Investments **around 375 MEUR** excluding acquisitions.



Key figures for the Group

MEUR	Q4 2023	Q4 2022	YoY (%)	FY 2023	FY 2022	YoY (%)
Income statement						
Net sales	934	955	-2.3%	3 620	3 907	-7.4%
EBITDA	202	165	22.9%	779	638	22.1%
EBIT	135	101	34.4%	518	402	29.0%
Profit before tax	131	126	3.6%	522	358	45.7%
Profit for the period	100	103	-3.7%	389	273	42.4%
Balance sheet						
Total assets				3 554	3 428	3.7%
Equity				2 804	2 580	8.7%
Equity ratio				78.9%	75.3%	3.6pp

Questions?

Thank you

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