

Flügger Group

Investor presentation Q3 23/24



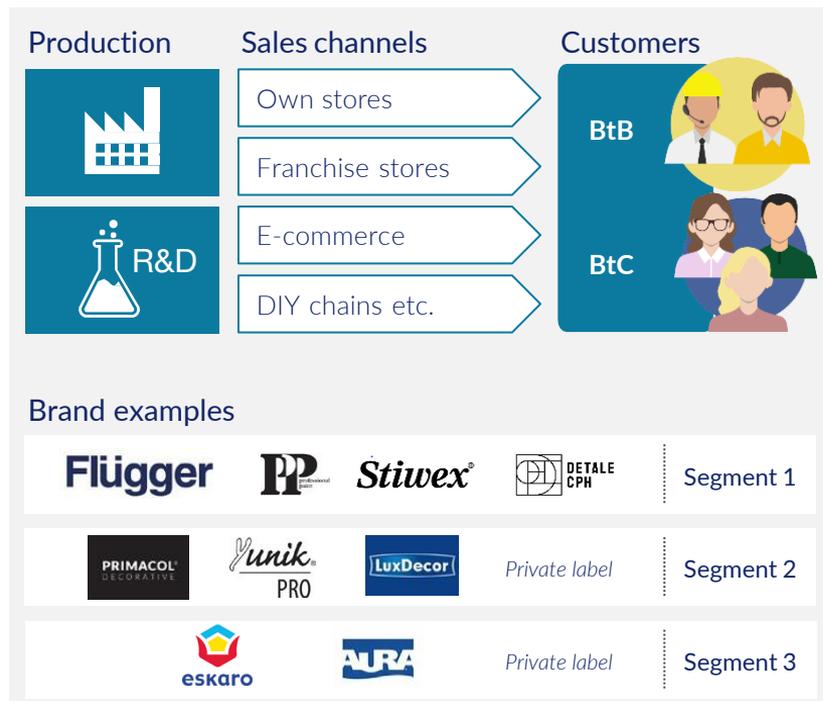
Flügger at a glance

The figures in this presentation are continuing operations (i.e. excl. recent divestment) unless stated differently

Key L12M figures Q3 2023/2024

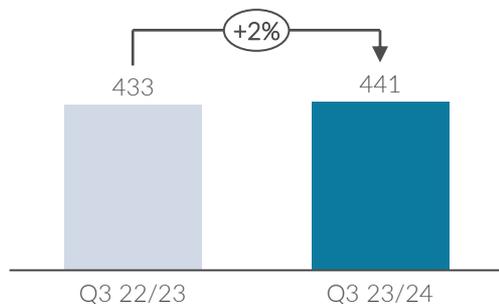
| | |
|---------------------|------------|
| Revenue mDKK | EBIT mDKK |
| 2.158 | 31 |
| Full-time employees | Markets |
| 1.672 | 14 |
| No. factories | No. stores |
| 7 | 338 |

Flügger's business model



Q3 23/24 highlights Positive low season quarter with 2% revenue growth and margin improvement. EBIT impacted by the slightly lower costs levels

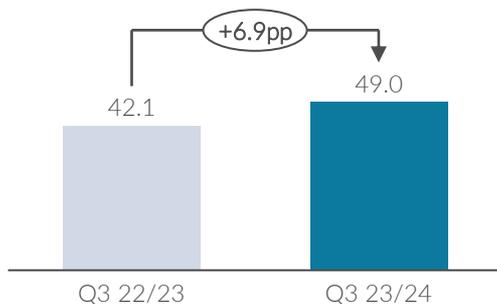
Revenue (mDKK)



Sales overall at a satisfactory level

- Currency neutral development driven mainly by favorable currency in Poland offset by unfavorable currency in Norway and Ukraine
- Growth driven by segment 2 & 3

Gross margin (%)

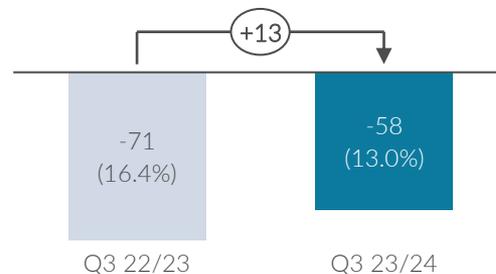


Gross margin slowly normalizes

- Gross margin is positively affected by a slight downward trend in raw materials, energy, and transportation cost
- Combined with the implemented price increases the overall gross margin moved towards a more normalized level

EBIT (mDKK)

(% margin)



Improvement in main segments

- Improvement in EBIT is driven by segments 1
- Slightly negative EBIT development in Segment 2 & 3, although revenue growth

Q3 23/24 segments – Segment 2 & 3 realized positive organic growth. Segment 1 delivered improved earnings. Recovering sales in Segment 3

Segment 1 Flügger

| mDKK | Q3 23/24 | YoY |
|--------------|----------|--------|
| Revenue | 354 | 0% |
| EBIT | -46 | n.m. |
| EBIT Margin% | -13% | +4.5pp |

Steady sales and cost discipline

- Organic growth of 1% driven by Poland and Norway, partly offset by Sweden
- Unfavorable currency in Sweden and Norway
- EBIT improved driven by price increases, declining costs, and cost initiatives

Segment 2 DIY

| mDKK | Q3 23/24 | YoY |
|--------------|----------|--------|
| Revenue | 69 | +5% |
| EBIT | -8 | n.m. |
| EBIT Margin% | -12% | -1.0pp |

Organic growth

- Organic growth of 1% and favorable currency of 4%
- Revenue positively impacted by new customers and increasing sales in Nordic
- EBIT declined from -7mDKK driven mainly by higher distribution costs

Segment 3 Eskaro

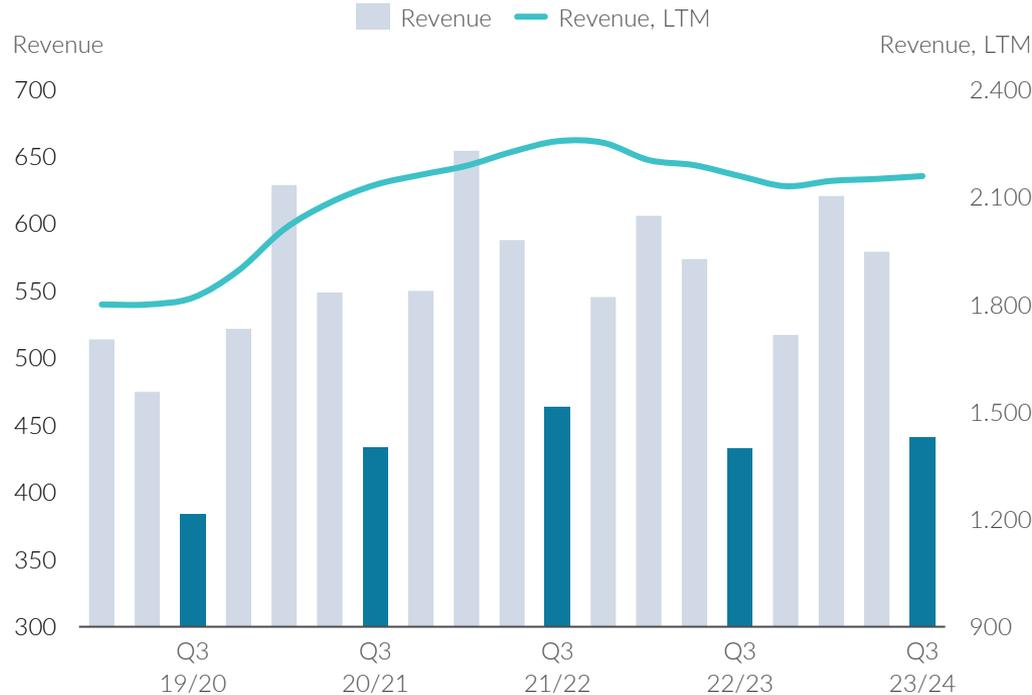
| mDKK | Q3 23/24 | YoY |
|--------------|----------|--------|
| Revenue | 18 | +31% |
| EBIT | -4 | n.m. |
| EBIT Margin% | -22% | -6.8pp |

Continuing operations Ukraine

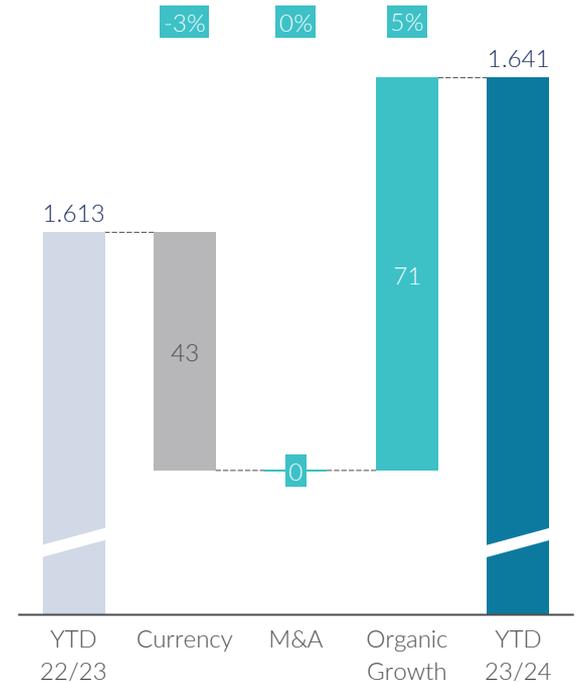
- Organic growth of 36%, partly offset by negative currency of -5%
- Recovering sales in Ukraine impacting earnings positively
- Segment 3 still subject to uncertainty

Revenue increased +2% YTD January compared to last year driven by organic growth of 5%, partly offset by negative currency effect of 3%

Revenue development (mDKK)

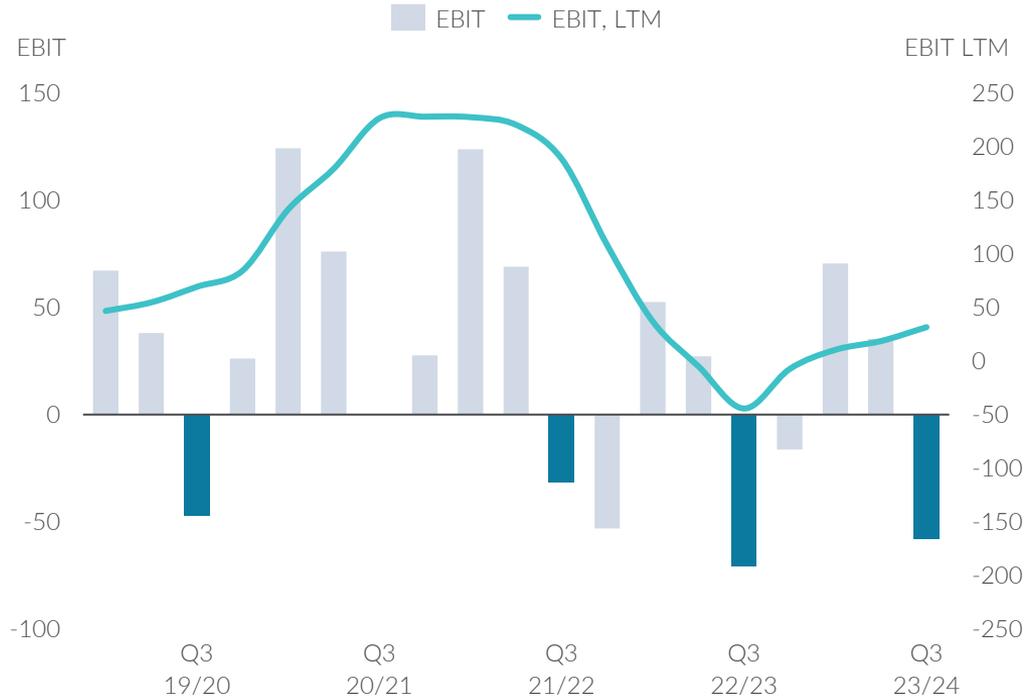


Revenue effects YTD January (mDKK)

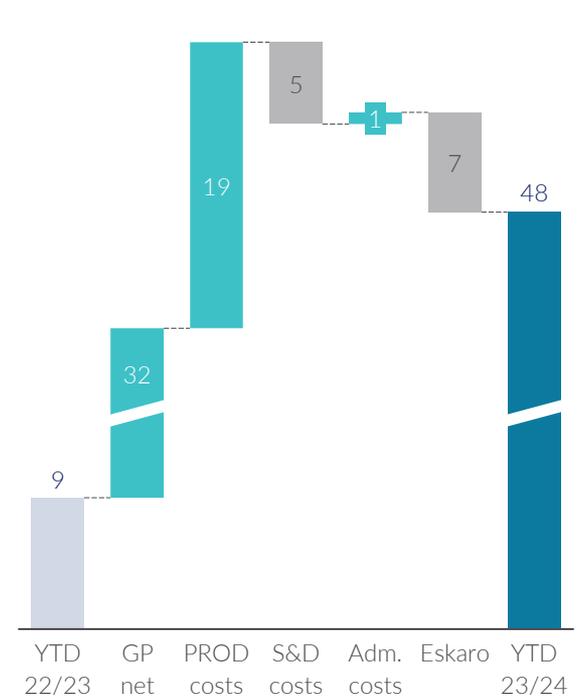


Improvement in EBIT YTD mainly driven by improved margins and positive development in raw material- and energy costs

EBIT development (mDKK)



EBIT effects YTD January (mDKK)



Q3 2023/24 business highlight – Flügger partnership with Graco in Poland

After 10 years collaboration, Flügger establishes a unique official partnership – the only partner in Poland with own paint



One-stop solution for professionals with paint and spray equipment



56 points of sales with Flügger



Facilitation of product support (maintenance, service etc.)



Ensuring product compatibility and know-how (use of paint in the equipment)



Q3 2023/24 business highlight – Ready with new colorcard and campaign

New long-lasting colorcard launched: 'Flügger 80'



Ready for high-season (exterior) with Spring Campaign

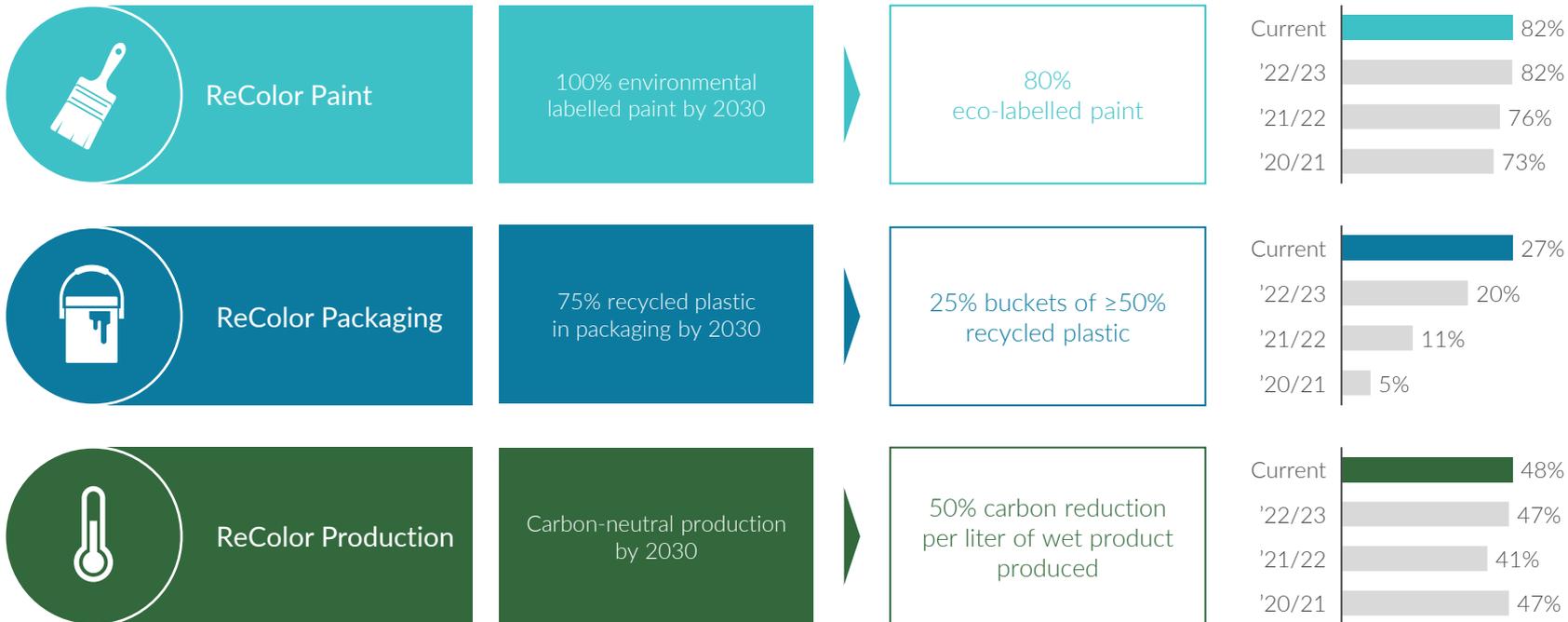


Going green strategy – selected CSR targets and status

Going Green sustainability focus areas and key selected targets

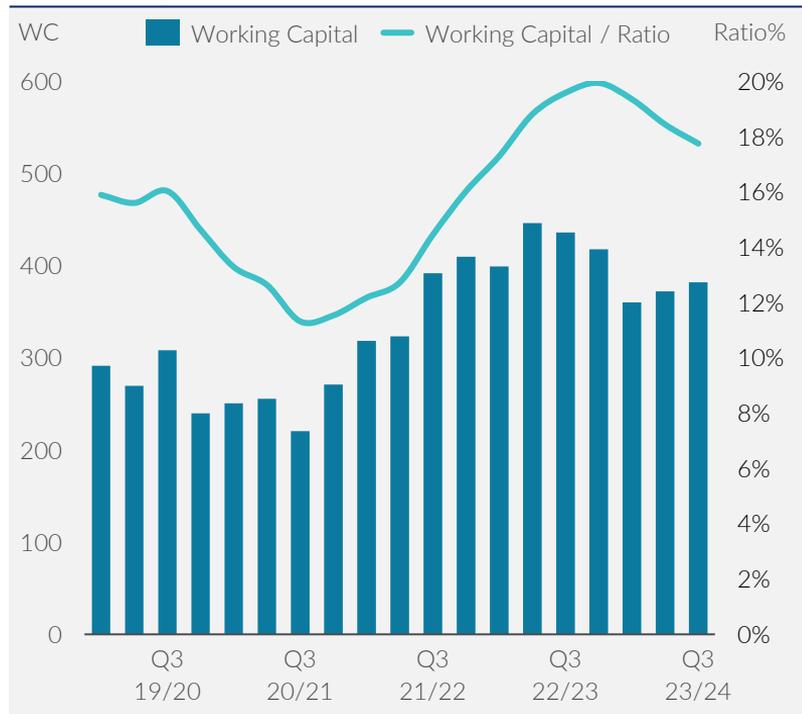
Selected target '23/24

Current achievement

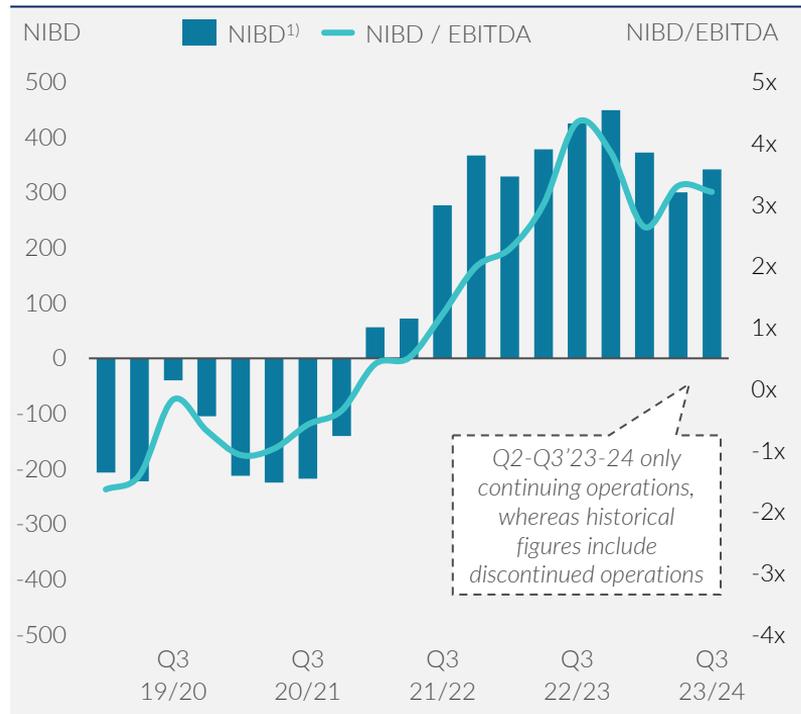


Solid inventory reduction maintain working capital and NIBD below LY

Net working capital (mDKK)



Financial solidity (mDKK)

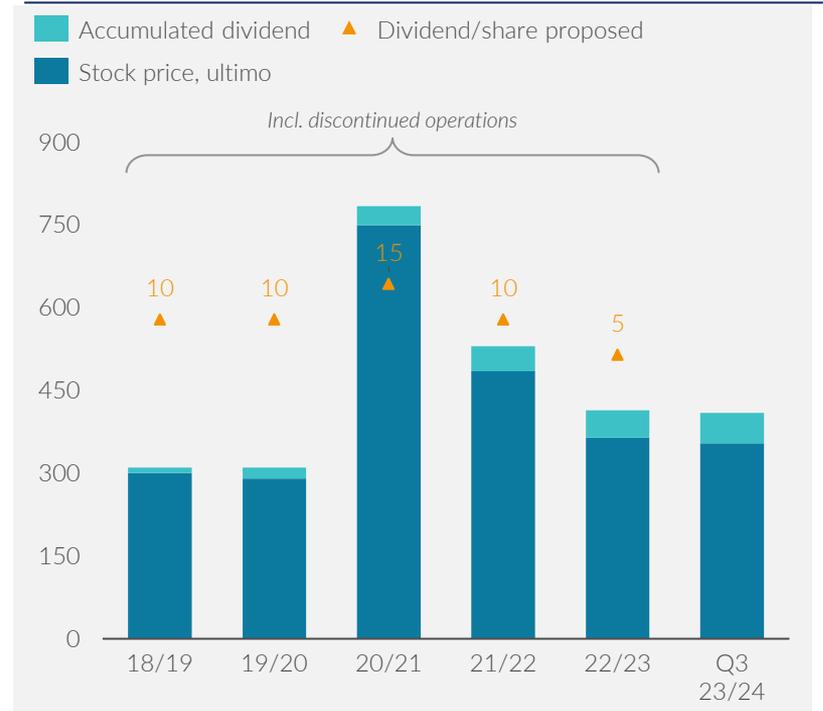


Improved earnings in continuing operations LTM drives price/earnings ratio

Price/earnings development



Share price development incl. reinvested dividends

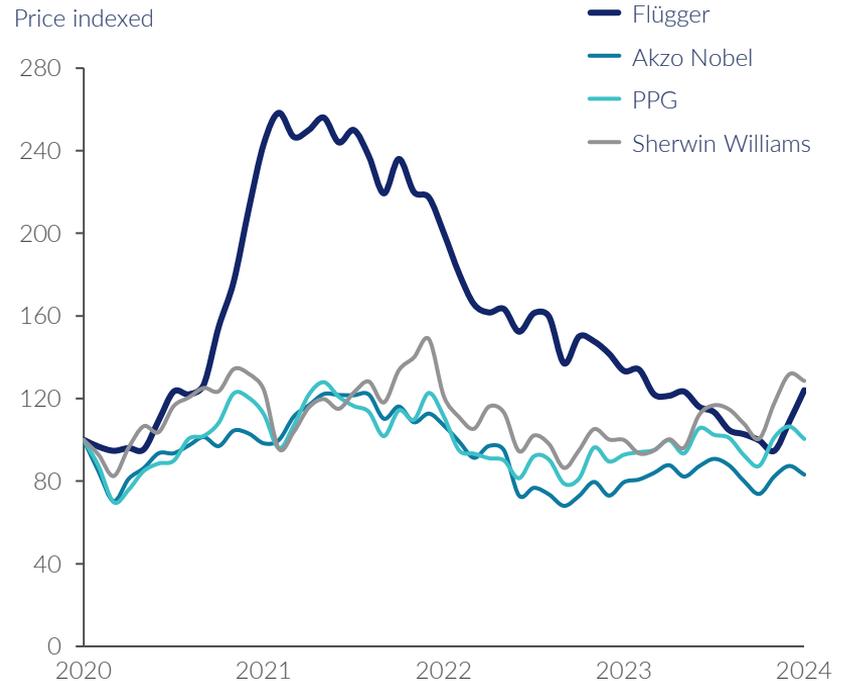


Share price development

Flügger's share price development



Flügger's relative share price development (indexed)



2023/24 Outlook & Financial guidance

2023/24 Outlook and priorities

- The outlook for the future is cautiously optimistic with expectations of continued normalizing cost levels

2023/24 priorities

- 1 Developing new products and services
- 2 Value creation with sustainability and quality
- 3 Setting the right market prices
- 4 Further reduction of debt and NWC level

Financial guidance 2023/24 – Continuing operations

Updated guidance 10 November 2023

Revenue

2,100m – 2,200m

Previous range 2.500m-2.700m
(which included discontinuing activities)

EBIT

55m – 75m

Previous range 60m-120m
(which included discontinuing activities)



Thank you for listening

Flügger

Please contact IR@flugger.com for any further questions or visit flugger.com/investor