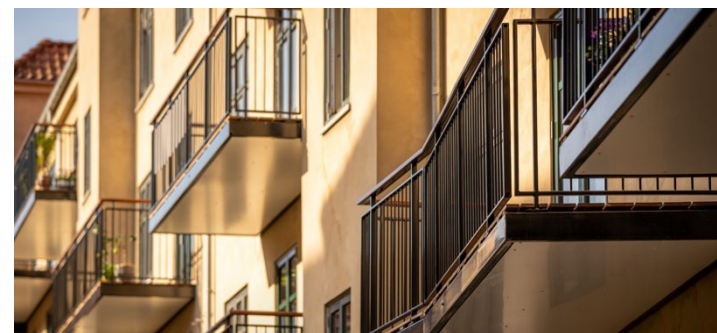


# BALCO | GROUP

**Q2 Report 2025**

January - June

**CAMILLA EKDAHL, CEO**  
**MICHAEL GRINDBORN, CFO**



BALCO / RIIKKU / BALCO ALTANER / RK TEKNIK / TBO-HAGLINDS /  
STORA FASAD / SÖDERÅSEN / SUOMEN OHUTLEVYASENNUS

# Snapshot of Balco Group

## The Group

- Balco Group was founded in 1987 and consists of the companies Balco, Riikku, RK Teknik, TBO-Haglinds, Balco Altaner, Stora Fasad, Söderåsens Mur & Kakel and Suomen ohutlevyasennus.
- The head office is in Växjö, and the group has approximately 600 employees.

## The offering

- Balco operates in two main segments: renovations and new build.
- The core expertise is supplying glazed balconies and balcony solutions, primarily on the renovation market and to tenant-owner associations and replacing existing balconies with new glazed balconies according to the Balco method.
- However, the group has a broad offering of balcony solutions, including both open and glazed balconies, as well as complementary offerings such as façade renovations.

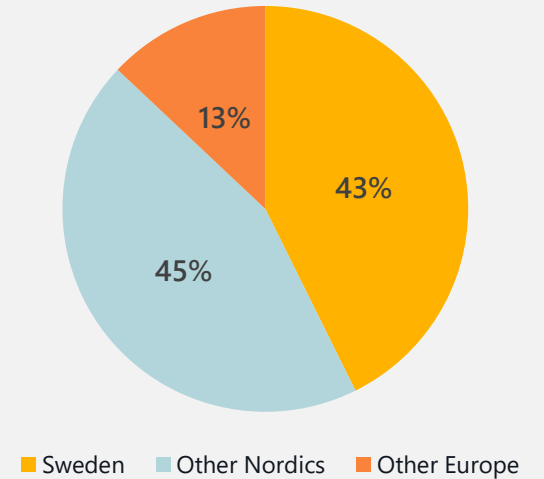
## The market

- Balco Group is the market leader in the Nordics with key markets being Sweden, Denmark, Norway and Finland.
- Strong challenger position on other northern European markets.

## Energy-savings

- All glazing of a balcony results in energy savings. Simpler glazing provides 5 to 10 percent energy savings, while Balco's patented glazing provides a documented energy saving of 20 to 30 percent.
- Facade renovation with additional insulation give energy savings of up to 10 percent.

REVENUE PER MARKET (2024)





# Record high order intake

## Order intake

Order intake in the quarter is the highest historically for Balco Group and amounted to 519 MSEK, which is an increase of 37 percent compared to the previous year.

- An order in the maritime segment worth approximately 80 MSEK to the French shipyard Chantiers de l'Atlantique has been received.
- Orders totaling approximately 180 MNOK have been received in Norwegian projects.
- The total increase in order intake for the Swedish balcony companies is 47 percent in the quarter.

## Profitability and net sales

- Profitability in the quarter is not satisfactory. Delays in the start-up of projects during the first half of the year amount to a value of approximately 100 MSEK. This has affected sales, cash flow and earnings.
- Net sales decreased by 12 percent to 331 MSEK (374) of which 5 percent was negative currency effect.

## Structural measures

- The production move from TBO Haglind in Arboga to Balco's factories in Växjö and Poland has been completed.
- Previously planned staff reductions have been implemented at our glazing company in Finland, which are within the structural costs taken in the first quarter..

# Q2 2025

## Order intake

**519** MSEK  
Apr – Jun 2025

**380** MSEK  
Apr – Jun 2024



**BALCO** | GROUP

# Market update

The trend of increased activity, especially in the Swedish and Norwegian renovation markets, is continuing.

Customers are becoming more willing to make investment decisions, even though the processes continue to be long.

The recovery in the market continues to be affected by uncertainty in the outside world.

There are some positive signals about the new build segment, but the increase comes from a very low level and it will take longer before it will be visible in an increased order intake for our façade and balcony companies in Sweden and Finland.

Order bookings for cruise ships to the shipyards have picked up again since the middle of last year, which has resulted in requests for quotations to Balco.

There continues to be a strained competitive situation for our Swedish façade companies and our balcony company in Denmark.

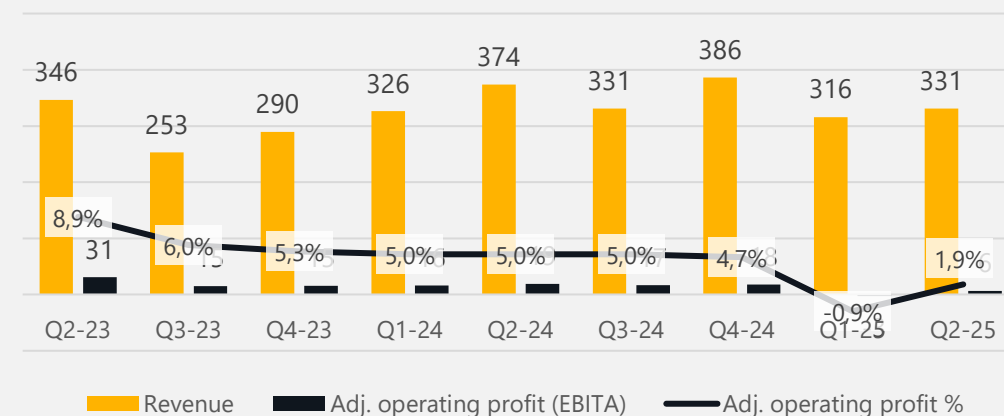
The competitive situation has also increased in Finland for both the renovation and new build market.



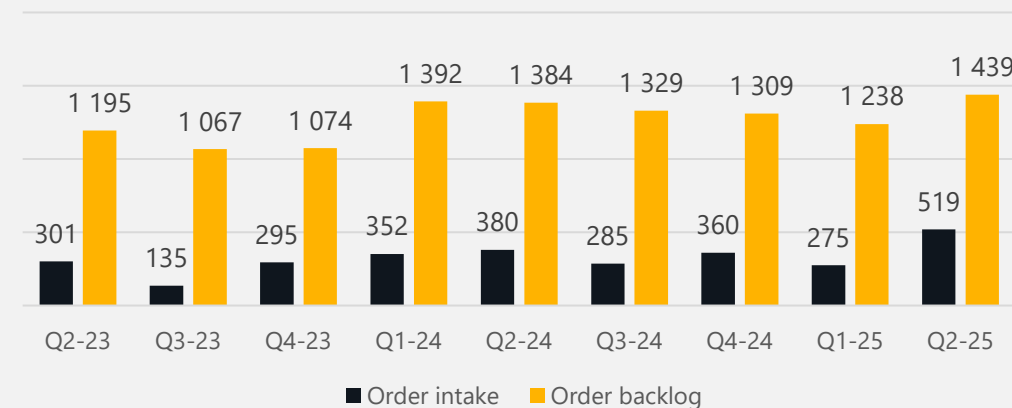
# Quarterly results

- **Net sales** amounted to 331 MSEK (374).  
Organic growth was -7 percent and currency effect was -5 percent.  
*Net sales YTD amounted to 647 MSEK (700).*
- **Adjusted operating result (EBITA)** amounted to 6 MSEK (19), corresponding to an adjusted EBITA-margin of 1.9 percent (5.0).  
*Adjusted operating profit (EBITA) YTD amounted to 3 MSEK (35), corresponding to an adjusted operating margin (EBITA-margin) of 0.5 percent (5.0).*
- **Order intake** increased by 37 percent to 519 MSEK (380).  
*Order intake YTD increased by 9 percent to 794 MSEK (732).*
- **Order backlog** increased by 4 percent to 1,439 MSEK (1,384).
- **Adjusted earnings per share** amounted to 0.01 SEK (0.36).  
*Adjusted earnings per share YTD amounted to -0.23 SEK (0.47).*  
**Earnings per share** amounted to 0.00 SEK (0.15).  
*Earnings per share YTD amounted to -1.30 SEK (0.15).*
- **Operating cash flow** amounted to -30 MSEK (48).  
*Operating cash flow YTD amounted to -29 MSEK (82).*

## REVENUE AND ADJUSTED OPERATING PROFIT, MSEK



## ORDER INTAKE AND BACKLOG, MSEK

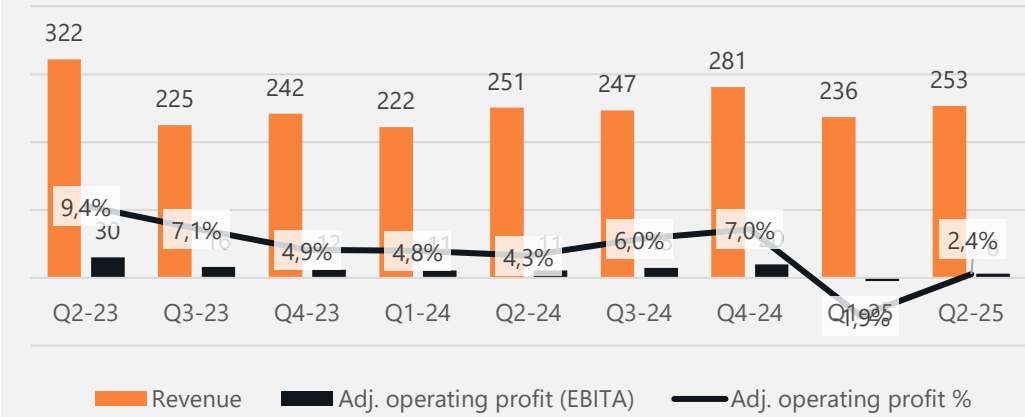


# Renovation

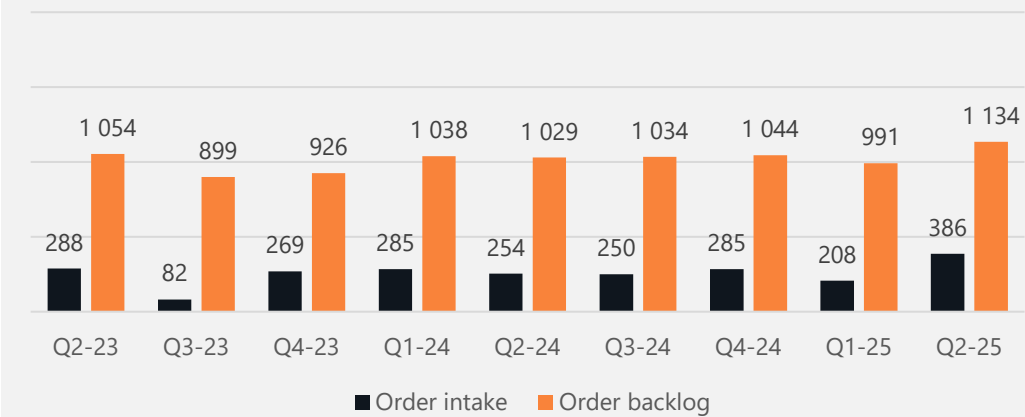
- Net sales** in the quarter amounted to 253 MSEK (251), which corresponds to 76 percent (67) of the total net sales.  
*Net sales YTD amounted to 490 MSEK (473).*
- Order intake** in the quarter increased by 52 percent to 386 MSEK (254), which corresponds to 74 percent (67) of the total order intake.  
*Order intake YTD increased by 10 percent to 594 MSEK (539).*
- Adjusted operating result (EBITA)** in the quarter amounted to 6 MSEK (11), corresponding to an adjusted operating margin of 2.4 percent (4.3).  
*Adjusted operating profit (EBITA) YTD amounted to 1 MSEK (21), corresponding to an adjusted operating margin (EBITA-margin) of 0.3 percent (4.5).*
- Order backlog** increased by 10 percent to 1,134 MSEK (1,029) which corresponds to 79 percent (74) of the total order backlog

Renovation, MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/25	Jan-Dec 2024
Net sales	253,1	250,8	489,6	472,9	1 016,9	1 000,2
Adjusted operating profit (EBITA)	6,0	10,7	1,4	21,4	35,9	55,8
Adjusted operating margin (EBITA), %	2,4	4,3	0,3	4,5	3,5	5,6
Order intake	386,2	254,2	594,1	539,1	1 129,2	1 074,2
Order backlog	1 133,8	1 029,4	1 133,8	1 029,4	1 133,8	1 044,3

REVENUE AND EBIT, MSEK



ORDER INTAKE AND BACKLOG, MSEK

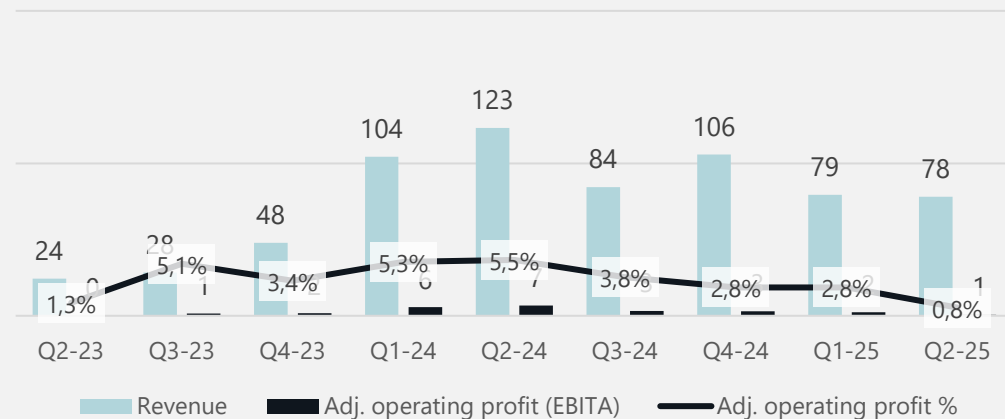


# New build

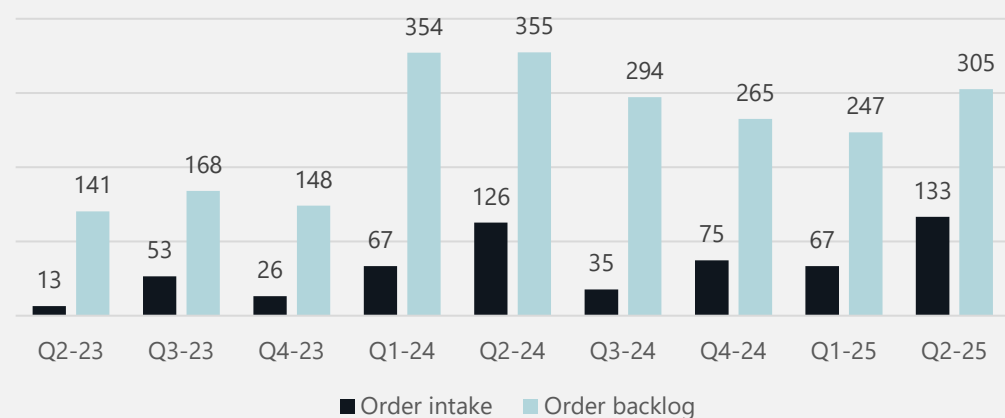
- **Net sales** in the quarter amounted to 78 MSEK (123), which corresponds to 24 percent (33) of the total net sales.  
*Net sales YTD amounted to 157 MSEK (228).*
- **Order intake** in the quarter increased by 6 percent to 133 MSEK (126), which corresponds to 26 percent (33) of the total order intake.  
*Order intake YTD increased by 4 percent to 200 MSEK (193).*
- **Adjusted operating result (EBITA)** in the quarter amounted to 1 MSEK (7), corresponding to an adjusted operating margin of 0.8 percent (5.5).  
*Adjusted operating profit (EBITA) YTD amounted to 3 MSEK (12), corresponding to an adjusted operating margin (EBITA-margin) of 1.8 percent (5.4).*
- **Order backlog** amounted to 305 MSEK (355) which corresponds to 21 percent (26) of the total order backlog.

New Build, MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/25	Jan-Dec 2024
Net sales	78,0	123,2	157,4	227,6	347,6	417,7
Adjusted operating profit (EBITA)	0,7	6,8	2,9	12,4	9,1	18,6
Adjusted operating margin (EBITA), %	0,8	5,5	1,8	5,4	2,6	4,5
Order intake	133,3	125,5	200,3	192,6	310,2	302,6
Order backlog	305,3	354,8	305,3	354,8	305,3	265,0

## REVENUE AND EBIT, MSEK



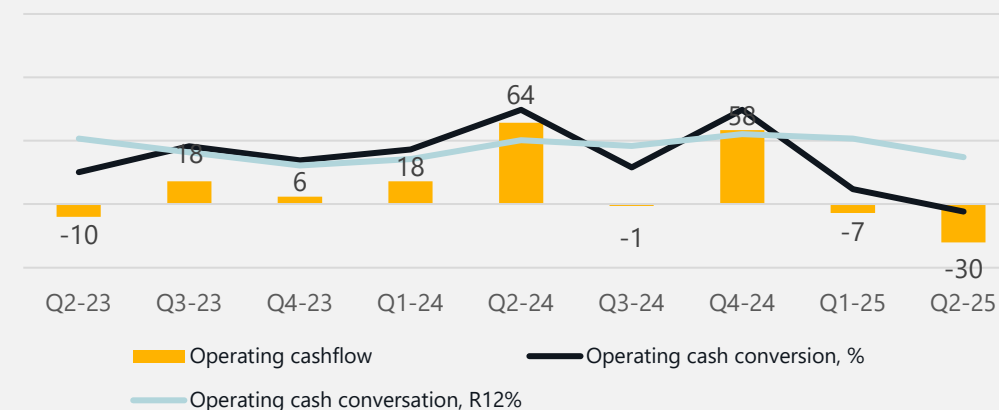
## ORDER INTAKE AND BACKLOG, MSEK



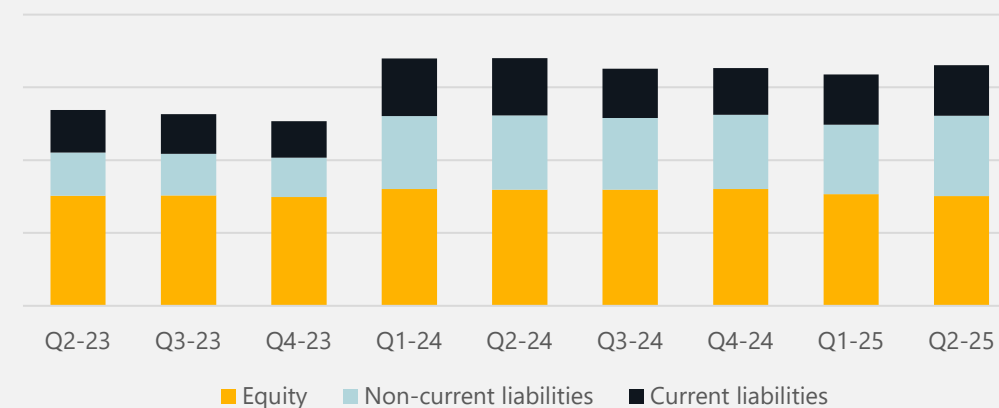
# Financial position

- At the end of the quarter, the Group's equity amounted to 753 MSEK (798). Equity/assets ratio at 45 percent (47).
- Interest-bearing net debt including leasing debt in relation to adjusted EBITDA amounted to 5.6 times (3.3).
- A waiver with the bank has been obtained that is valid until the end of the year. The covenants are well within this agreement.
- The banking agreement with Danske Bank with a sustainability-linked credit facility of 510 MSEK and an overdraft facility of 75 MSEK is valid until March 31, 2028, with an option for a further two-year extension.

## OPERATING CASH FLOW, MSEK



## EQUITY, LIABILITIES AND NET DEBT





# Concluding remarks

## Outlook

- We are cautiously optimistic for the rest of the year regarding order intake for renovation projects.
- For the new build segment in the Nordic countries, we see that the recovery will take longer.
- The recovery in the market continues to be affected by uncertainty in the outside world.
- There continues to be a strained competitive situation for our Swedish façade companies, our balcony company in Denmark and both the renovation and new build market in Finland.
- The assessment is that the coming quarters will be affected in terms of sales and earnings.
- There is a continued focus on profitability-improving measures and work on structural measures and cost savings is ongoing.



*Balco Group has  
a strong market  
position with high  
quality and long  
durability.*



Q&A

**BALCO**  

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GROUP