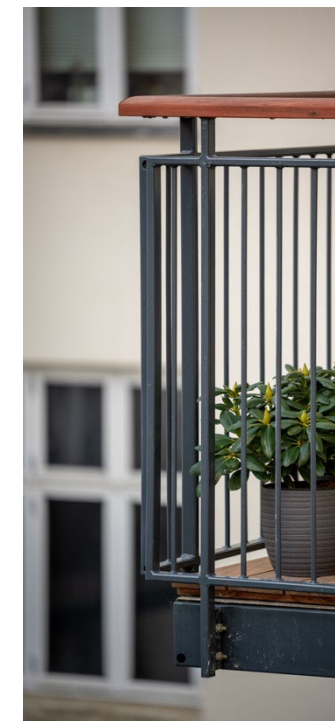
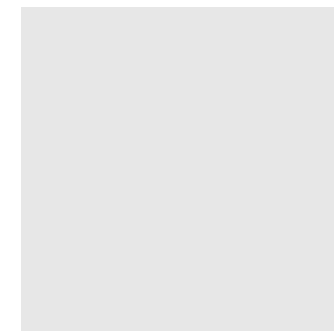


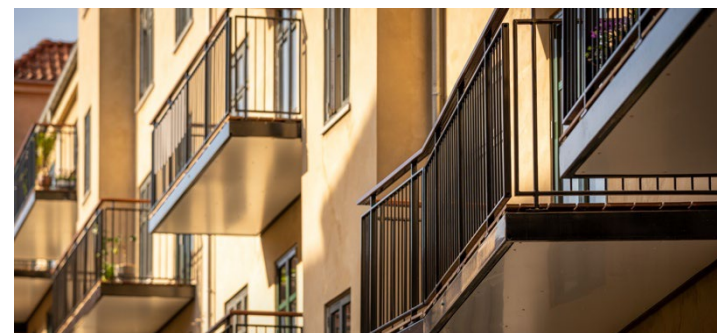


BALCO | GROUP

Q3 Report 2025

January - September

CAMILLA EKDAHL, CEO
MICHAEL GRINDBORN, CFO
CARIN BENGTSSON, interim 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 550 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.

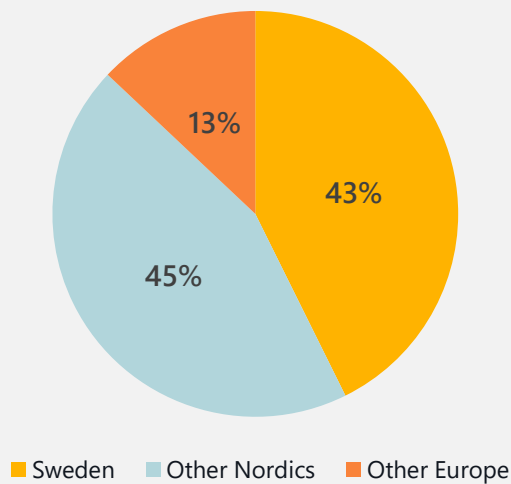
The market

- 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)



Highlights during the quarter

Order intake

Order intake in the quarter was 222 MSEK. This is lower than previous year, but the positive trend remains. The last two quarters together show an increase of 11 procent.

- First orders in Germany with glazing systems from Riikku.
- Order taken for balconies to a social housing project in The Netherlands.

Profitability and net sales

- Profitability in the quarter is not satisfactory. Delays in the start-up of projects still effects our sales.
- Net sales amounted to 277 MSEK .

Structural measures

- The structural measurements launched earlier in the year have been continued to be implemented according to our plan.
- The work to streamline and optimize our operations continues.

Q3 2025

Order intake

222 MSEK
Jul – Sep 2025

285 MSEK
Jul – Sep 2024



Market update

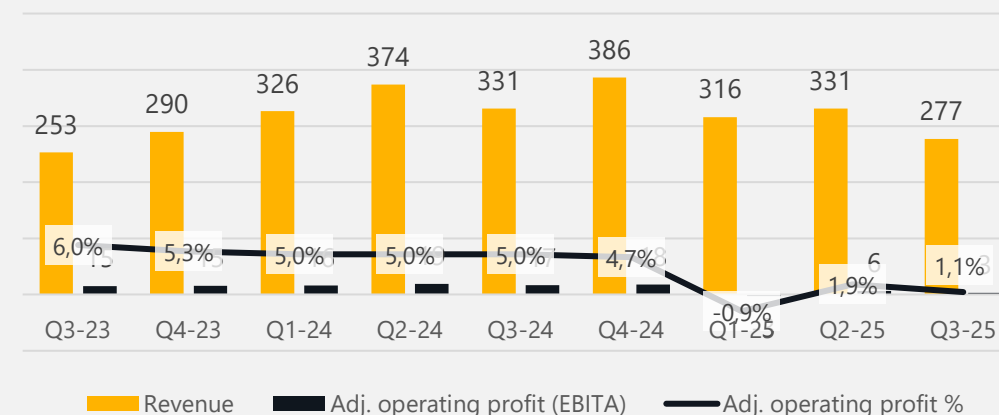
- The trend of increased activity, especially in the Swedish and Norwegian renovation markets, is continuing.
Customers are becoming more willing to make investment decisions, even though the processes continue to be long.
- The Danish market continues to be challenging.
The timeline from decision to start up is very long.
- The Finnish market is recovering in a slower pace than in Sweden, which effects our Finnish companies in both renovation and new construction.
- The balcony market potential for new construction in UK remains substantial.
- The renovation market in Germany continues to demonstrate strong underlying demand.
With the introduction of the Riikku system, Balco GmbH can now address new customer segments and increase market penetration.
The balcony market for new construction in Germany remains large.
- In the Netherlands, the drivers in the market are both for new build and renovation.
Here also specially transformation projects.
- 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 is visible in an increased order intake for our façade and balcony companies in Sweden and Finland.



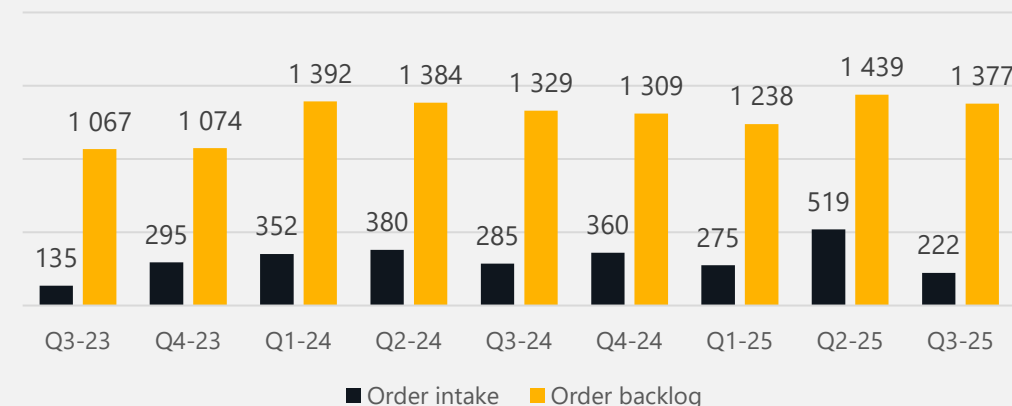
Quarterly results

- **Net sales** amounted to 277 MSEK (331).
Organic growth was -13 percent and currency effect was -3 percent.
Net sales YTD amounted to 924 MSEK (1,031).
- **Adjusted operating result (EBITA)** amounted to 3 MSEK (17), corresponding to an adjusted EBITA-margin of 1.1 percent (5.0).
Adjusted operating profit (EBITA) YTD amounted to 6 MSEK (52), corresponding to an adjusted operating margin (EBITA-margin) of 0.7 percent (5.0).
- **Order intake** amounted to 222 MSEK (285).
Order intake YTD amounted to 1,016 MSEK (1,017).
- **Order backlog** increased by 4 percent to 1,377 MSEK (1,329).
- **Adjusted earnings per share** amounted to -0.23 SEK (0.14).
Adjusted earnings per share YTD amounted to -0.46 SEK (0.61).
Earnings per share amounted to -0.23 SEK (-0.03).
Earnings per share YTD amounted to -1.53 SEK (0.12).
- **Operating cash flow** amounted to 3 MSEK (-1).
Operating cash flow YTD amounted to -26 MSEK (81).

REVENUE AND ADJUSTED OPERATING PROFIT, MSEK



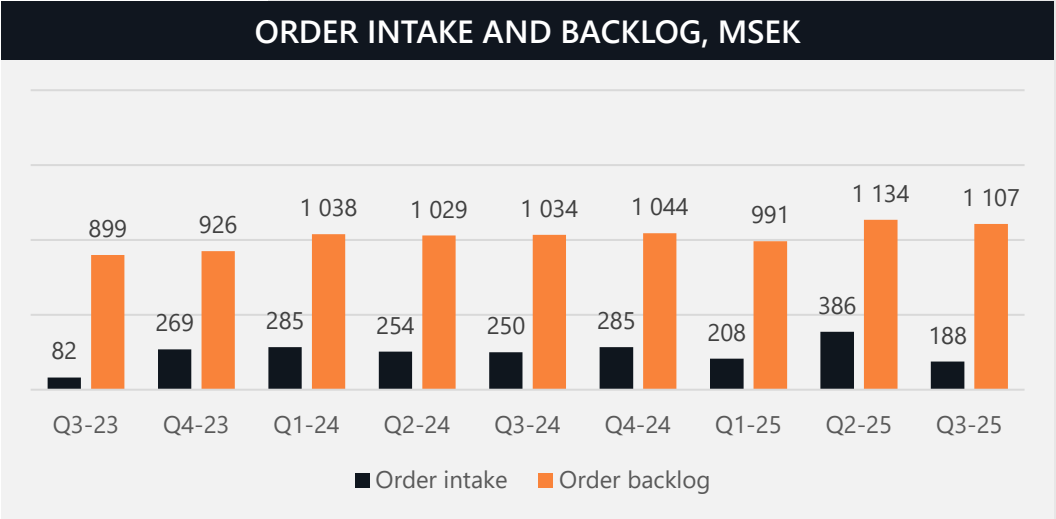
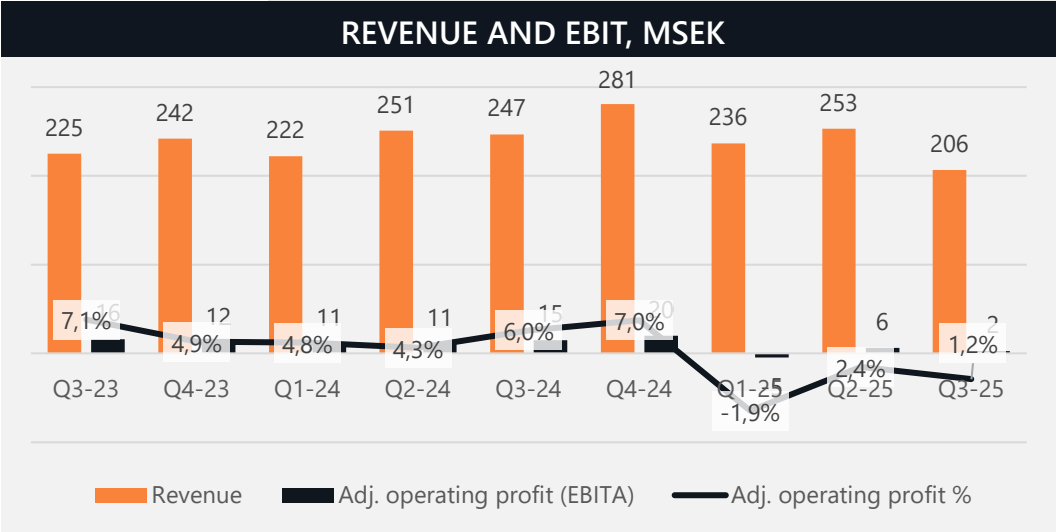
ORDER INTAKE AND BACKLOG, MSEK



Renovation

- Net sales** in the quarter amounted to 206 MSEK (247), which corresponds to 75 percent (75) of the total net sales.
Net sales YTD amounted to 696 MSEK (719).
- Order intake** in the quarter amounted to 188 MSEK (250), which corresponds to 85 percent (88) of the total order intake.
Order intake YTD decreased by 1 percent to 782 MSEK (789).
- Adjusted operating result (EBITA)** in the quarter amounted to 2 MSEK (15), corresponding to an adjusted operating margin of 1.2 percent (6.0).
Adjusted operating profit (EBITA) YTD amounted to 4 MSEK (36), corresponding to an adjusted operating margin (EBITA-margin) of 0.6 percent (5.0).
- Order backlog** increased by 7 percent to 1,107 MSEK (1,034) which corresponds to 80 percent (78) of the total order backlog

Renovation, MSEK	Jul-Sep 2025	Jul-Sep 2024	Jan-Sep 2025	Jan-Sep 2024	Oct-Sep 2024/25	Jan-Dec 2024
Net Sales	206,4	246,6	696,0	719,5	976,7	1 000,2
Adjusted operating profit (EBITA)	2,4	14,8	3,9	36,2	23,5	55,8
Adjusted operating profit (EBITA), %	1,2	6,0	0,6	5,0	2,4	5,6
Order intake	188,4	250,0	782,5	789,1	1 067,6	1 074,2
Order backlog	1 107,5	1 034,4	1 107,5	1 034,4	1 107,5	1 044,3

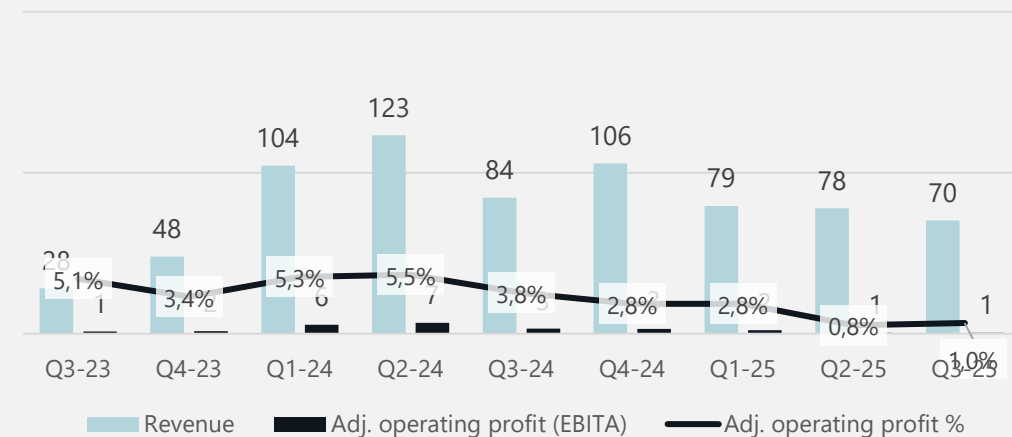


New build

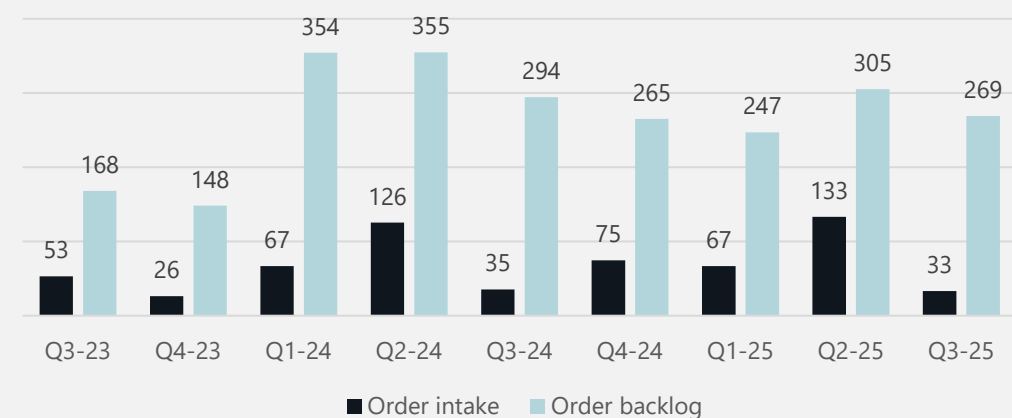
- **Net sales** in the quarter amounted to 70 MSEK (84), which corresponds to 25 percent (25) of the total net sales.
Net sales YTD amounted to 228 MSEK (312).
- **Order intake** in the quarter amounted to 33 MSEK (35), which corresponds to 15 percent (12) of the total order intake.
Order intake YTD increased by 2 percent to 234 MSEK (228).
- **Adjusted operating result (EBITA)** in the quarter amounted to 1 MSEK (3), corresponding to an adjusted operating margin of 1.0 percent (3.8).
Adjusted operating profit (EBITA) YTD amounted to 4 MSEK (16), corresponding to an adjusted operating margin (EBITA-margin) of 1.6 percent (5.0).
- **Order backlog** amounted to 269 MSEK (294) which corresponds to 20 percent (22) of the total order backlog.

New Build, MSEK	Jul-Sep 2025	Jul-Sep 2024	Jan-Sep 2025	Jan-Sep 2024	Oct-Sep 2024/25	Jan-Dec 2024
Net Sales	70,4	84,4	227,8	312,0	333,6	417,7
Adjusted operating profit (EBITA)	0,7	3,2	3,6	15,6	6,6	18,6
Adjusted operating profit (EBITA), %	1,0	3,8	1,6	5,0	2,0	4,5
Order intake	33,4	35,4	233,7	228,1	308,2	302,6
Order backlog	269,2	294,4	269,2	294,4	269,2	265,0

REVENUE AND EBIT, MSEK



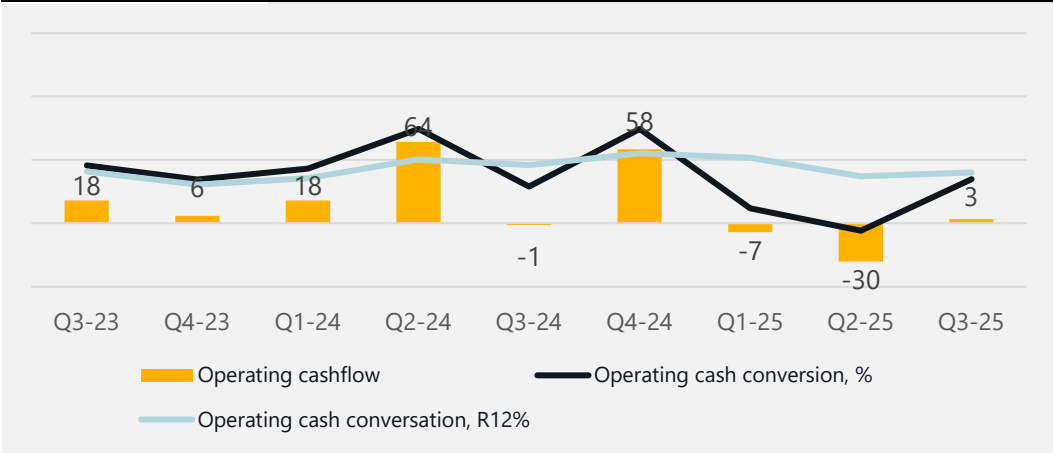
ORDER INTAKE AND BACKLOG, MSEK



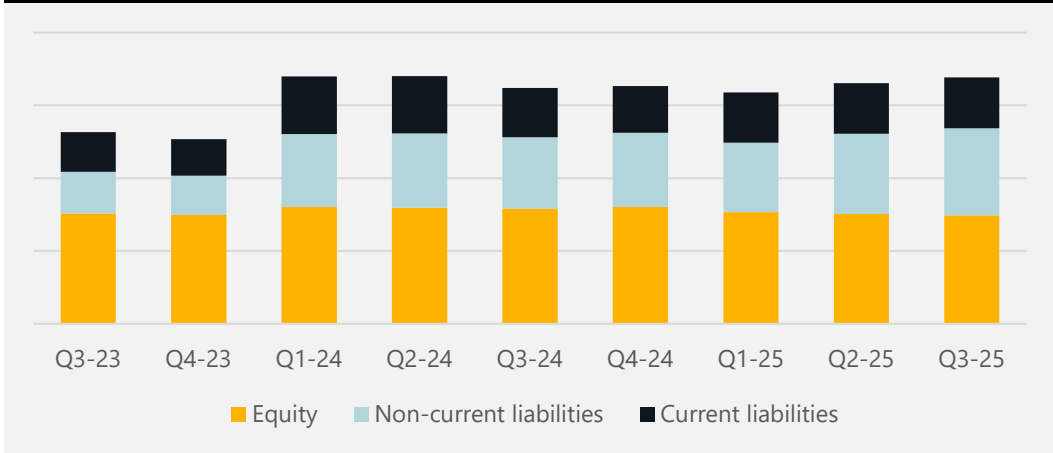
Financial position

- At the end of the quarter, the Group's equity amounted to 744 MSEK (791). Equity/assets ratio at 44 percent (49).
- Interest-bearing net debt including leasing debt in relation to adjusted EBITDA amounted to 6.8 times (2.8).
- A waiver with the bank was obtained in June, that is valid until the end of the year. The covenants are within this agreement.

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.
The renovation market remains – timing.
- For the new build segment in the Nordic countries, we see that the recovery will take longer.
- It continues to be a strained competitive situation for our Swedish facade companies, our balcony company in Denmark and both the renovation and new build market in Finland.
- There is a continued focus on profitability-improving measures and cost savings.
- Changes in Group management:
 - Andreas Lindberg, Director of Business Development & Head of IT, starts 1st of Nov
 - Viktor Arvidsson, new CFO and Head of IR, starts 23rd Feb
 - Michael Grindborn, CFO and Head of IR, leaves 31st of Oct
 - Carin Bengtsson, interim CFO, is on board since Sept
 - Joakim Petersen-Dyggve, CEO of Riikku Rakenteet Oy, ends his employment 30th of Nov. A successor has been recruited.



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



Q&A

BALCO

GROUP