



Half Year Results

18th August 2023

Disclaimer

Forward Looking Statements

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H1 2023 in Summary

- Record performance in a testing environment, improving order intake trend overall in recent months versus a softer comparative
- Insulated Panels sales decrease of 10% driven by sluggish volumes particularly in Central and Eastern Europe with strong activity in France and the US
- Insulation sales behind by 5% driven by weak residential markets. Technical insulation continuing to advance reflecting ongoing demand for district heating. Extending the spectrum with planned acquisition of 51% in Steico and completion of HempFlax
- Roofing + Waterproofing sales of €239m. Further development step with the acquisition of CaPlast. Business integration plans fully on track in difficult end markets
- Significant progress at Light, Air + Water, with broader scale and margins progressing positively year on year
- Data + Flooring medium term pipeline is encouraging driven by Data with artificial intelligence applications starting to feature

Revenue

€4.1 bn

-2%

Trading Profit

€436m

=

EPS

175.2c

+3%

Emissions

Direct

GHG

-51%

Our Mission

To help accelerate a **net zero emissions future built environment** with the **wellbeing of people and planet** at its heart.



Ultra Energy-Efficient

173 million tonnes of CO₂e will be saved over the life of our insulation systems sold in 2022



Circular Materials

In 2022 alone we upcycled over 803 million waste plastic bottles



Natural Daylight & Ventilation

The capacity to enable 9 billion lumens of natural light annually through our daylighting systems

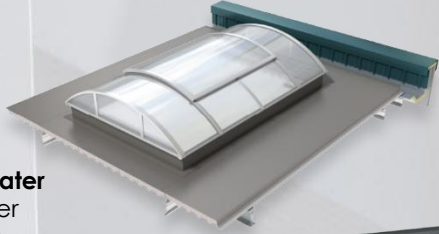


Conserved Water

Over 48 billion litres of rainwater can be harvested by our systems produced in 2022

Completing the Envelope

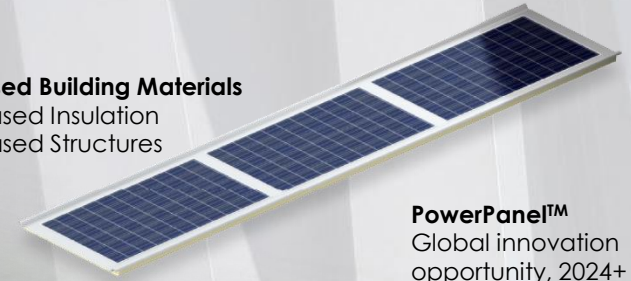
Light, Air + Water
Global Leader
11% Revenue



Roofing + Waterproofing
Platform established
Global scale opportunity
6% Revenue



Bio-based Building Materials
- Bio-based Insulation
- Bio-based Structures



PowerPanel™
Global innovation
opportunity, 2024+

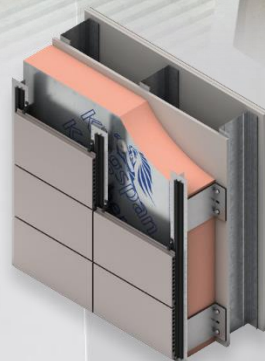
Insulated Panels
Global Leader
58% Revenue



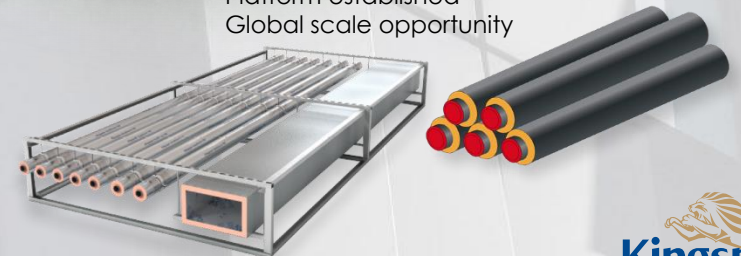
Data + Flooring
Global Leader
5% Revenue



Insulation
Global Leader
20% Revenue



Technical Insulation
Platform established
Global scale opportunity



Megatrends that Drive Us



Politics and Regulation

Averting a climate emergency

Paris Agreement goal to limit the temperature increase above pre-industrial levels to **1.5°C**



Market and Customers

Future proofing of asset values

9% increase in asset value of green buildings above the value of traditional buildings¹

Growth of new industry

3X Global electric car penetration was 14% in 2022, almost 3 times their market share in 2020²



Sustainability and Resilience

Resource Scarcity

No. 1 consumer of global raw materials is the construction industry

Sustainability requirements

50% of the solid waste in the United States is produced by the construction industry

Energy and Climate Change

39% of global greenhouse gas emissions are attributable to buildings



Society and Workforce

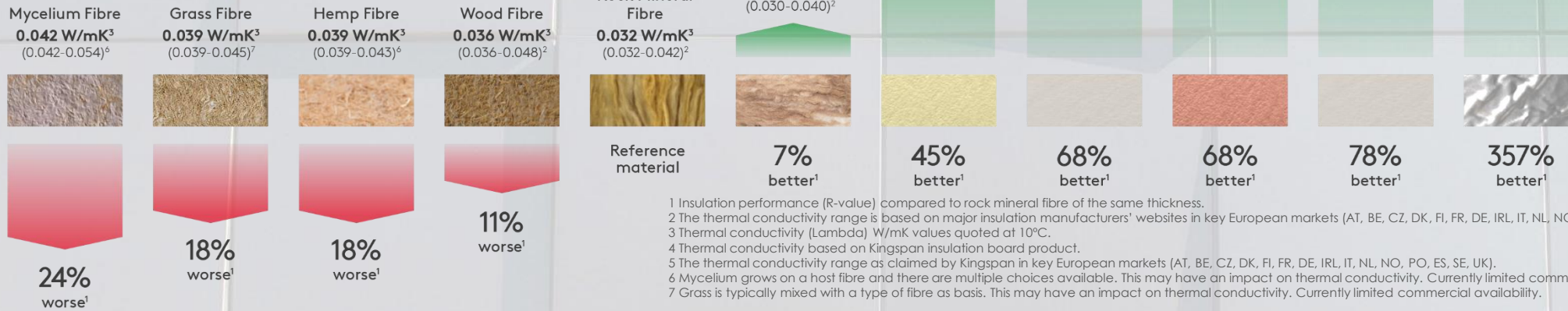
Health/comfort needs of citizens

8-11% productivity improvements are not uncommon as a result of better air quality³

Talent and ageing workforce

50% of general contractors are concerned about finding experienced crafts workers for their workforce

Better Insulation is the Cornerstone of Envelope First



Performance needs



Bio-based Materials



Legacy Materials



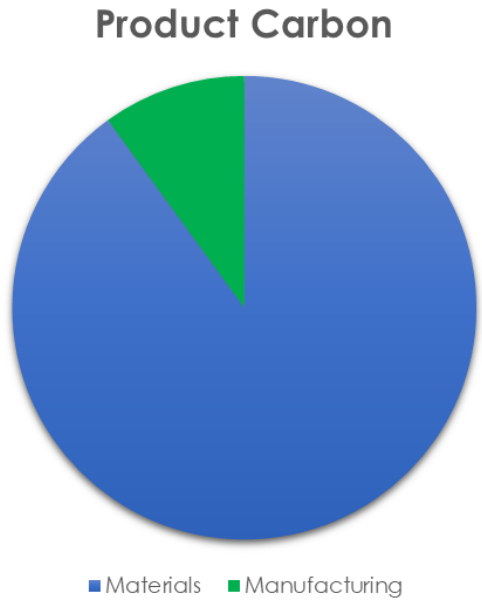
Advanced Materials



Decarbonisation strategy

2020

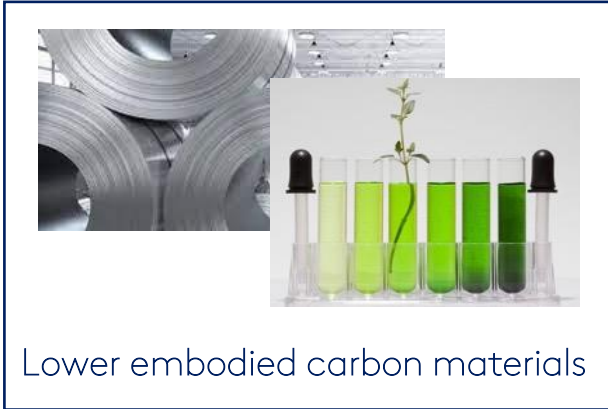
2030







Key Suppliers



Operations



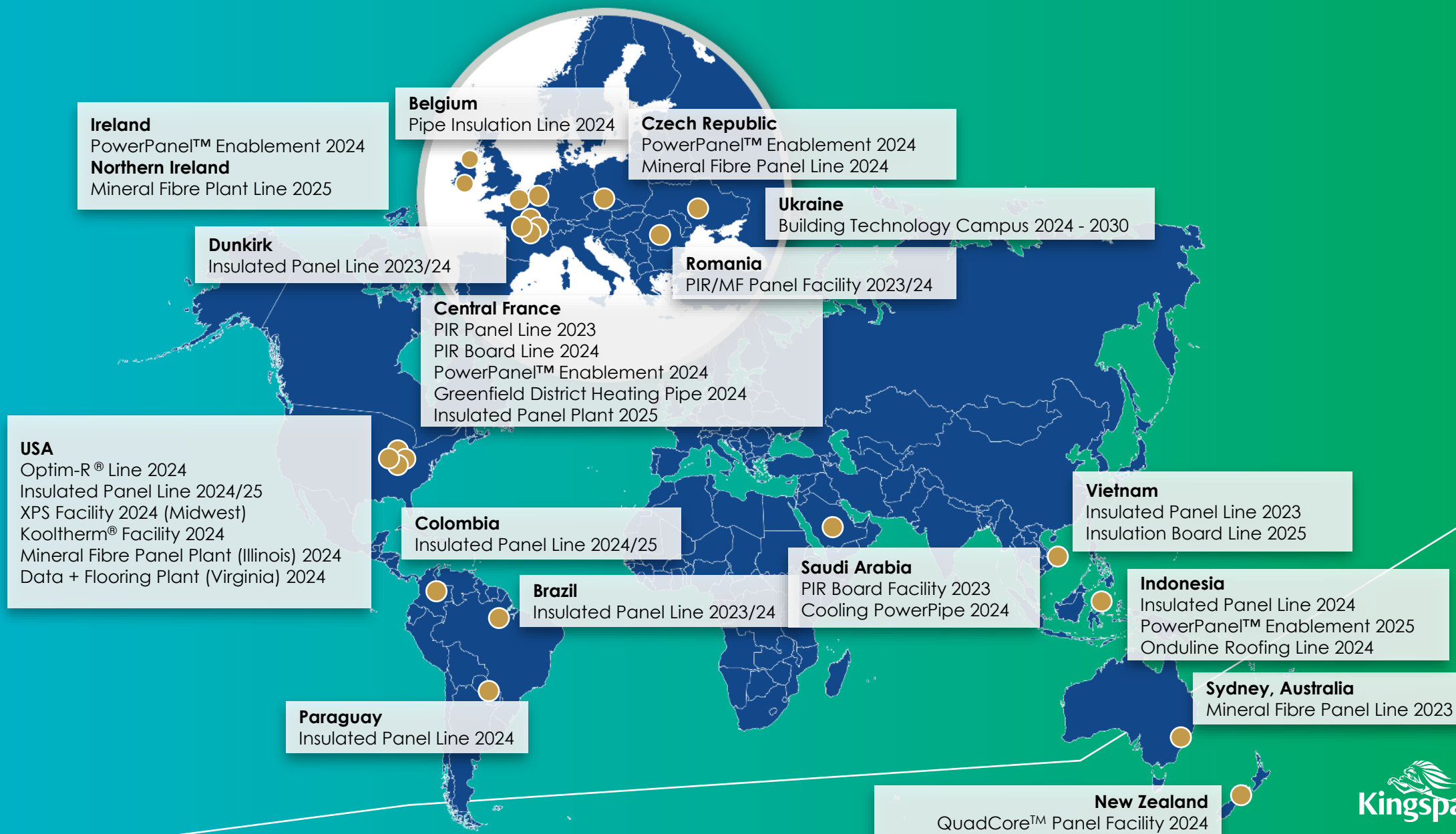
2023 Planet Passionate Progress

TOPIC	TARGET	TARGET YEAR	UNDERLYING BUSINESS		PROGRESS TOWARDS	WHOLE BUSINESS	
			FY2020	FY2023(f)	TARGET	FY2020	FY2023(f) ⁴
CARBON 	Net Zero Carbon Manufacturing (scope 1 & 2 GHG emissions ¹ - tCO ₂ e)	2030	410k ²	140k	65.9%	518k ^{2,3}	206k
	50% reduction in product CO ₂ e intensity from primary supply partners (%)	2030	-	Not forecast at half year		-	Not forecast at half year
	Zero emissions company funded cars - annual replacement (%)	2025	11	40	40%	11	40 ⁴
ENERGY 	60% Direct Renewable Energy (%)	2030	19.5	40.9	68.1%	19.5	38.7
	20% on-site renewable energy generation (%)	2030	4.9	8.5	42.5%	4.9	8.0
	Solar PV systems on all wholly owned sites(%)	2030	21.7	55.2	55.2%	21.7	48.5
CIRCULARITY 	Zero company waste to landfill (tonnes)	2030	18,642	6,000	68.5%	18,642	8,300
	Recycle 1 billion PET bottles into our manufacturing processes annually (million bottles)	2025	573	602	60.2%	573	602
	QuadCore™ products utilising recycled PET (no. of sites)	2025	1	8	42.1%	1	8
WATER 	Harvest 100 million litres of rainwater annually (million litres)	2030	20.1	42.1	42.1%	20.1	42.3
	Support 5 ocean clean-up projects (no. of projects)	2025	1	4	80%	1	4

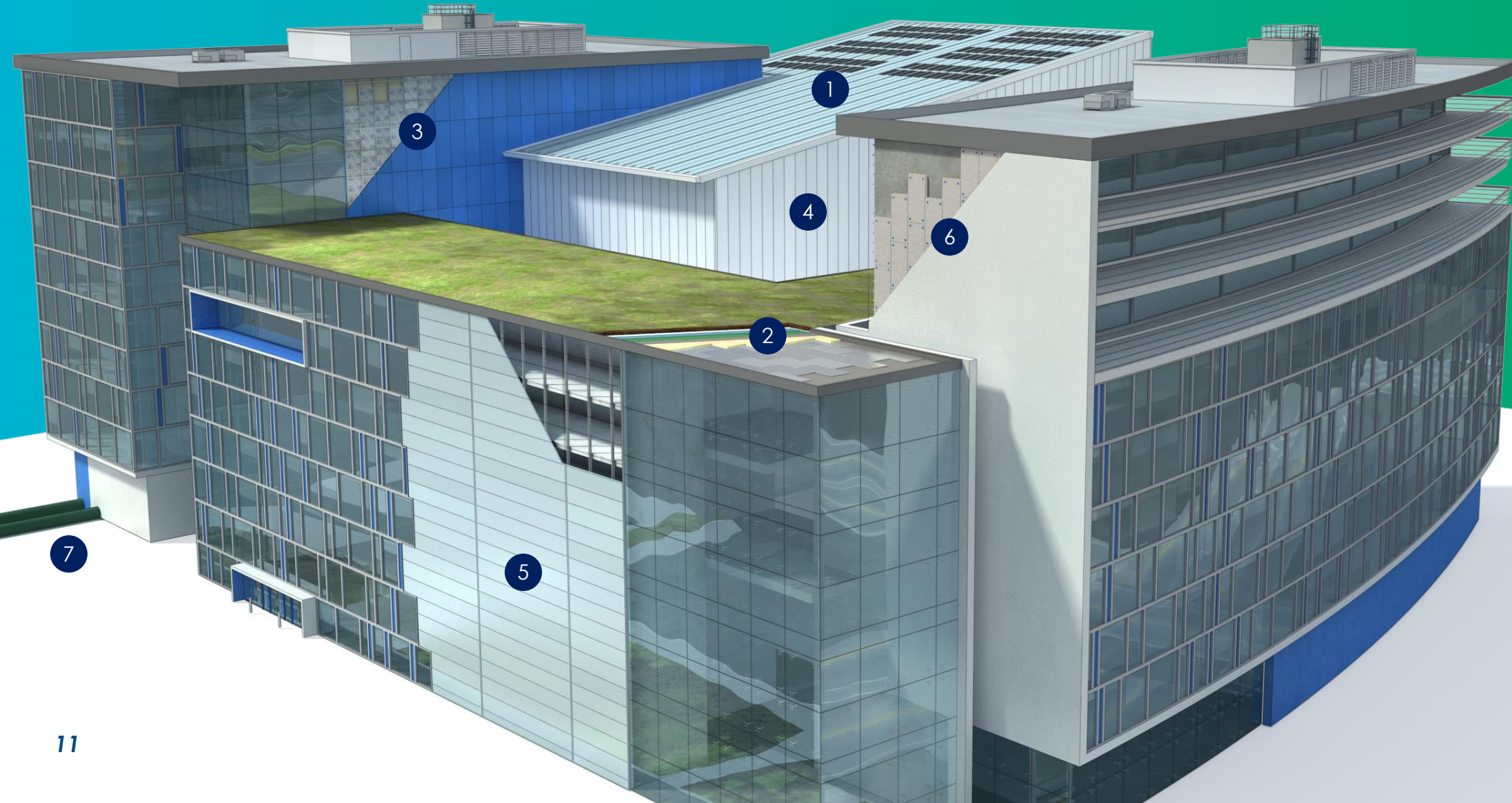
Underlying Business includes manufacturing, assembly and R&D sites within the Kingspan Group in 2020 plus all organic growth. Whole Business includes all manufacturing, assembly and R&D sites within the Kingspan Group, including additions since 2020.

1: Excluding biogenic emissions. Scope 2 GHG emissions calculated using market-based methodology.
 2: Restated figures due to improved data collection and change in calculation methodologies.
 3: GHG emissions were recalculated due to acquisitions in 2021 and 2022.
 4: Businesses acquired during the first half may not be fully reflected in the 2023 forecast.

Global Organic Expansion



Key Innovations



Rooftricity™
PowerPanel™ 2024

1

A-Class OPTIM-R® 2024

2

B-Class Kooltherm® 2023

3

QuadCore™ 2.0
Coldstore 2023

4

QuadCore™ LEC
(lower embodied
carbon) Insulated
Panel 2023

5

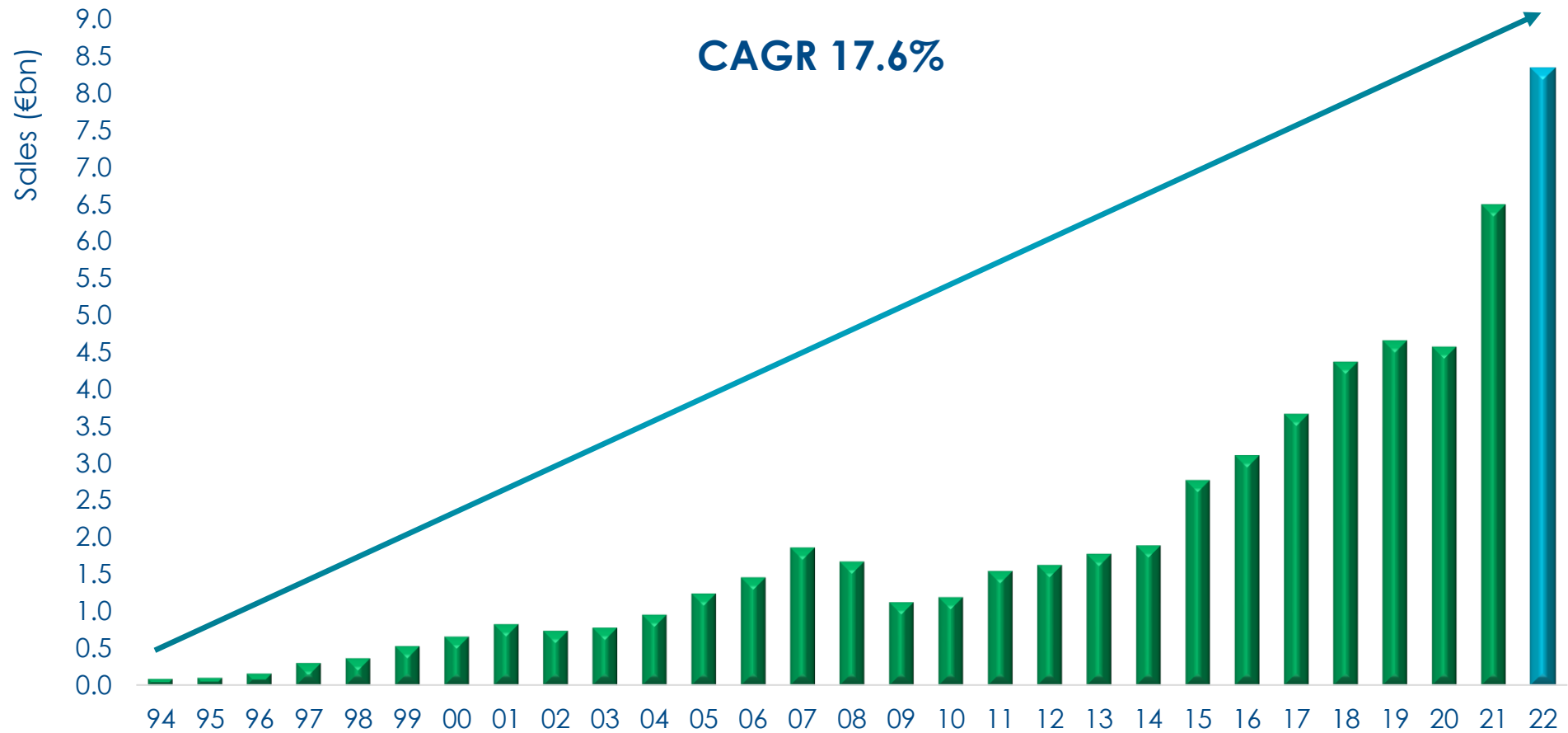
AlphaCore®
2023 (Cavity)

6

Green
PowerPipe 2023
(ZeroCarb steel,
50% recycled core,
100% recycled
jacket)

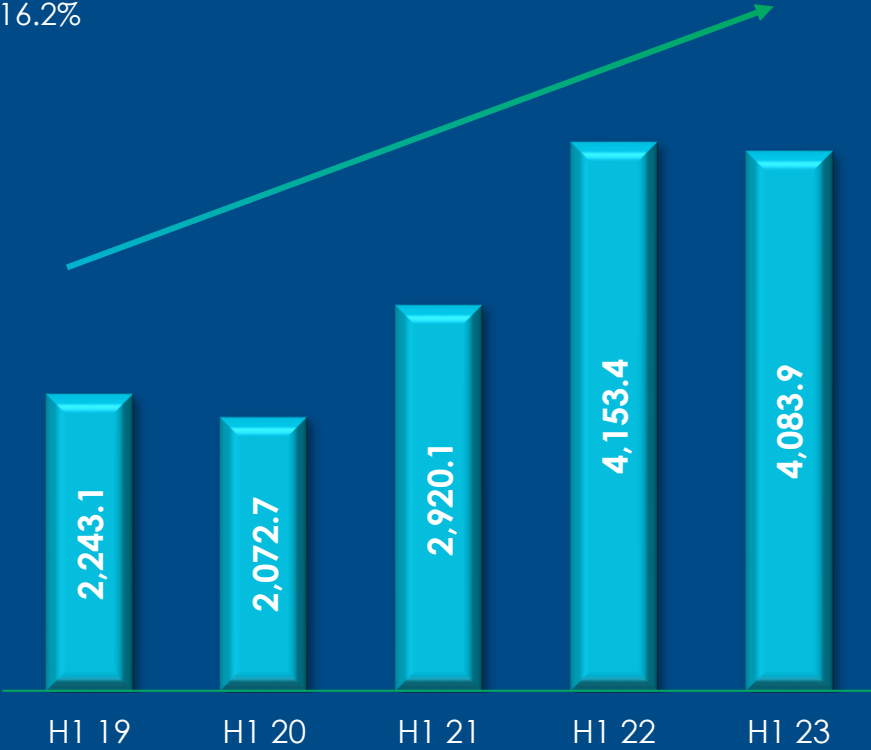
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Progress So Far

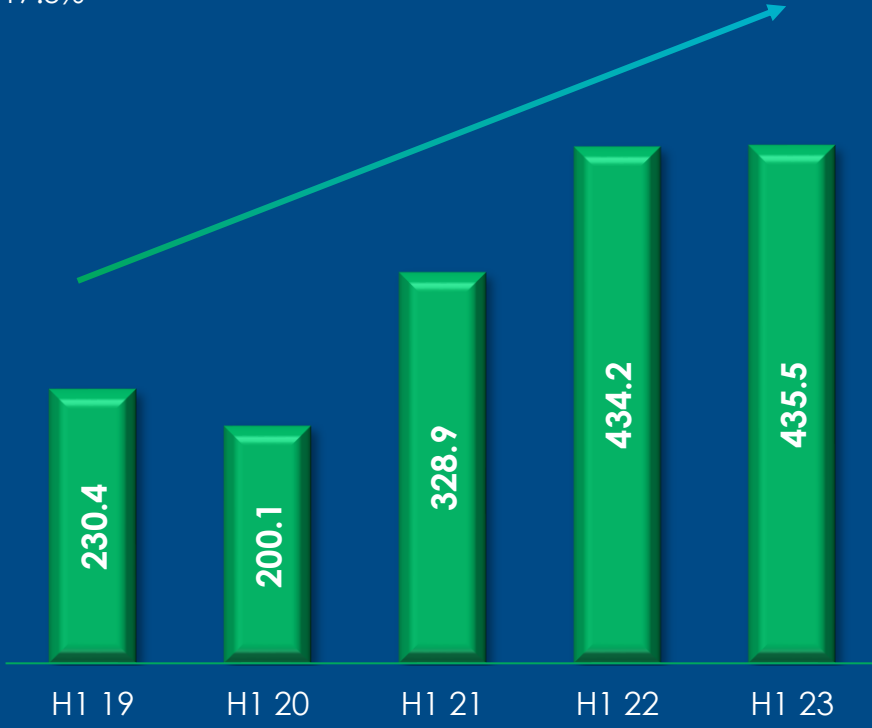


5 Year Financial Performance

REVENUE (€m)
CAGR 16.2%



TRADING PROFIT (€m)
CAGR 17.3%



Kingspan In a Nutshell



Financial Highlights

	H1 2023	H1 2022	YoY % Change	cc change ¹
Revenue (€m)	4,083.9	4,153.4	-2%	-1%
Trading Profit (€m)	435.5	434.2	-	+1%
Earnings per share (cent)	175.2	170.6	+3%	
Interim Dividend (cent)	26.3	25.6	+3%	
Free Cashflow (€m)	356.9	12.9		
Net Debt (€m)	1,372.7	1,206.6	+14%	
Trading Margin	10.7%	10.5%	+20bps	
Effective Tax Rate	17.5%	17.5%		
Net debt/EBITDA	1.43x	1.25x		
ROCE	15.8% ²	18.1%	-230bps	

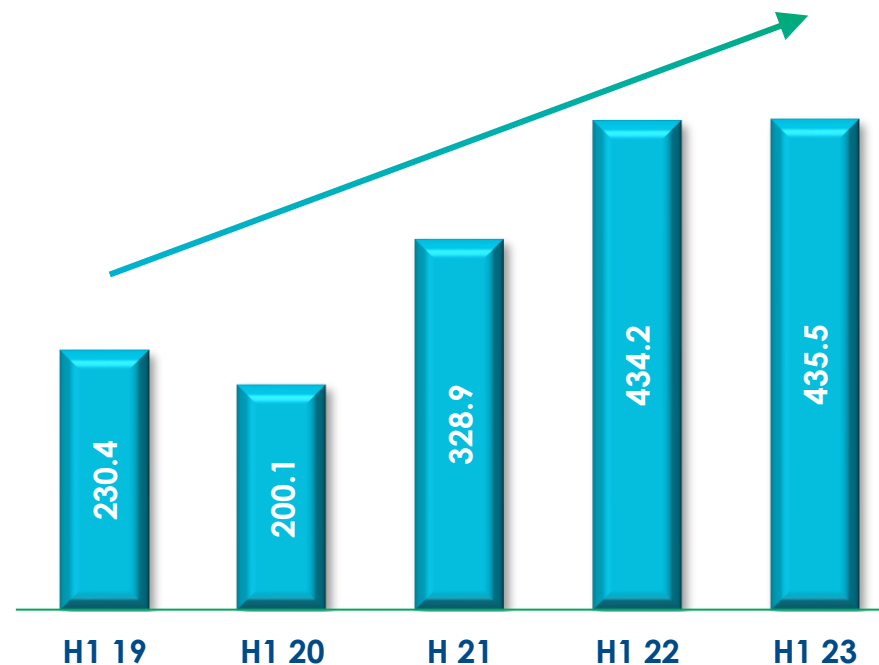
¹ Constant currency change

² 16.3% after annualised impact of acquisitions

Trading Profit & Margin

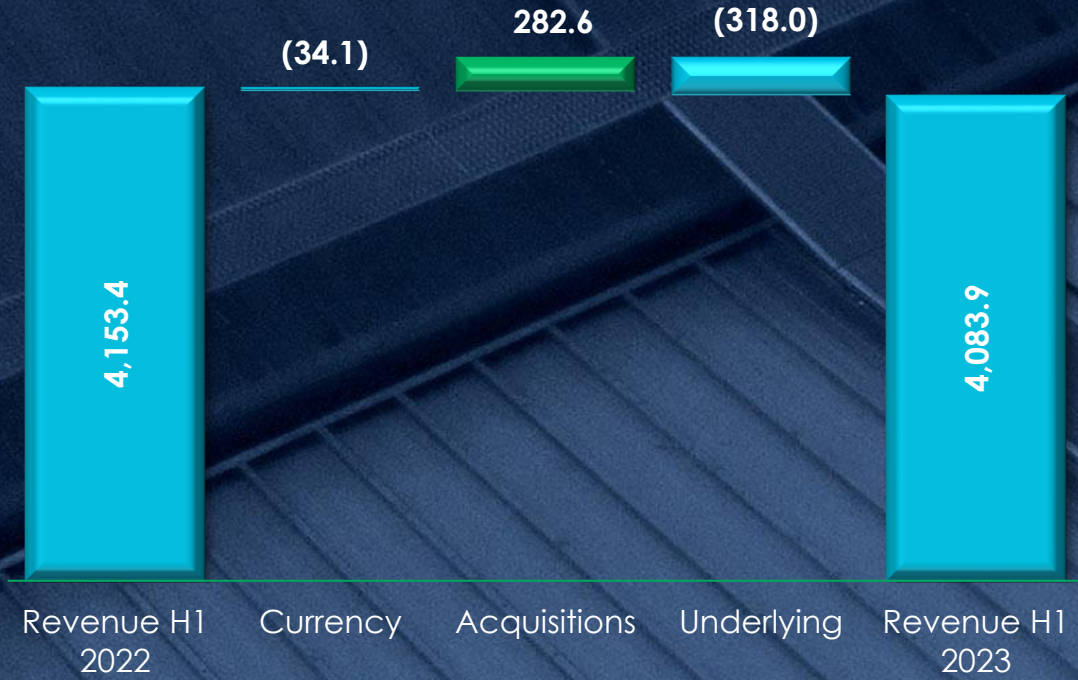
Trading Margin	FY 22	H1 22	H1 23
Insulated Panels	10.6%	11.2%	12.2%
Insulation	10.0%	10.5%	9.5%
Roofing + Waterproofing	5.5%	-	4.5%
Light, Air + Water	6.9%	5.2%	6.4%
Data + Flooring	12.0%	12.7%	14.7%
Group	10.0%	10.5%	10.7%

TRADING PROFIT (€m)



Group Sales & Profit Bridge

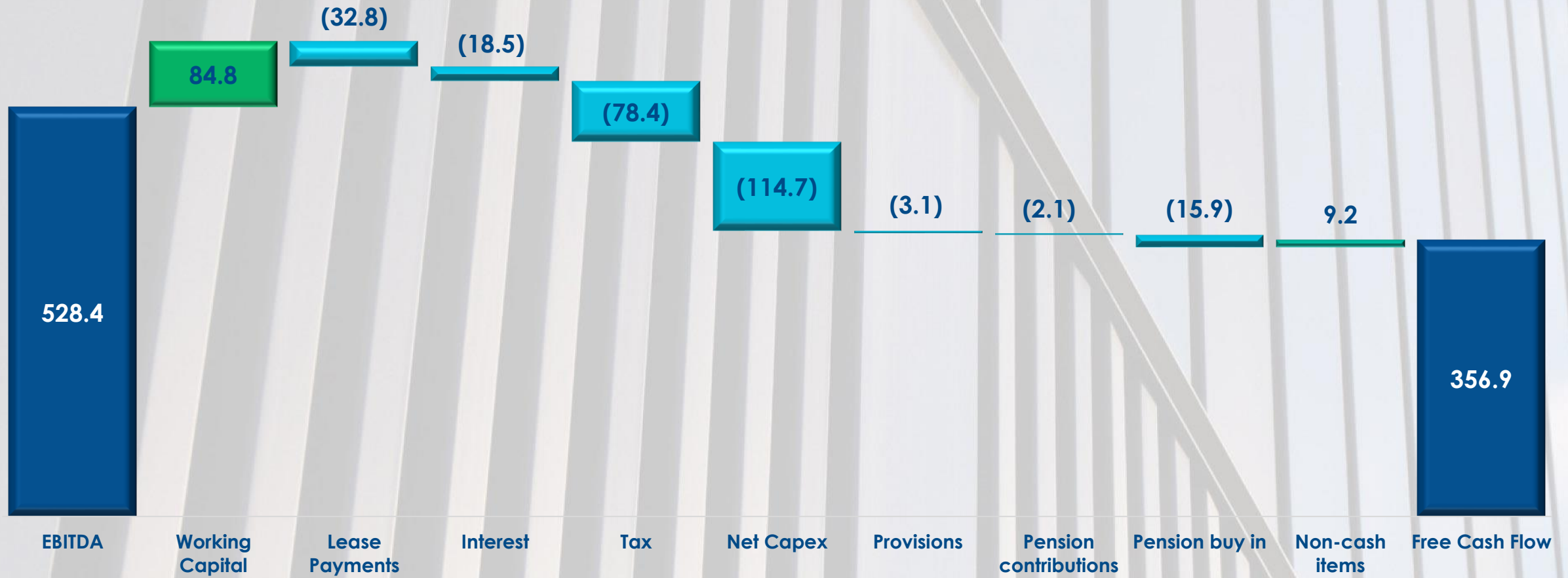
REVENUE (€m)



TRADING PROFIT (€m)



Free Cash Flow (€m)



Net Debt Reconciliation (€m)

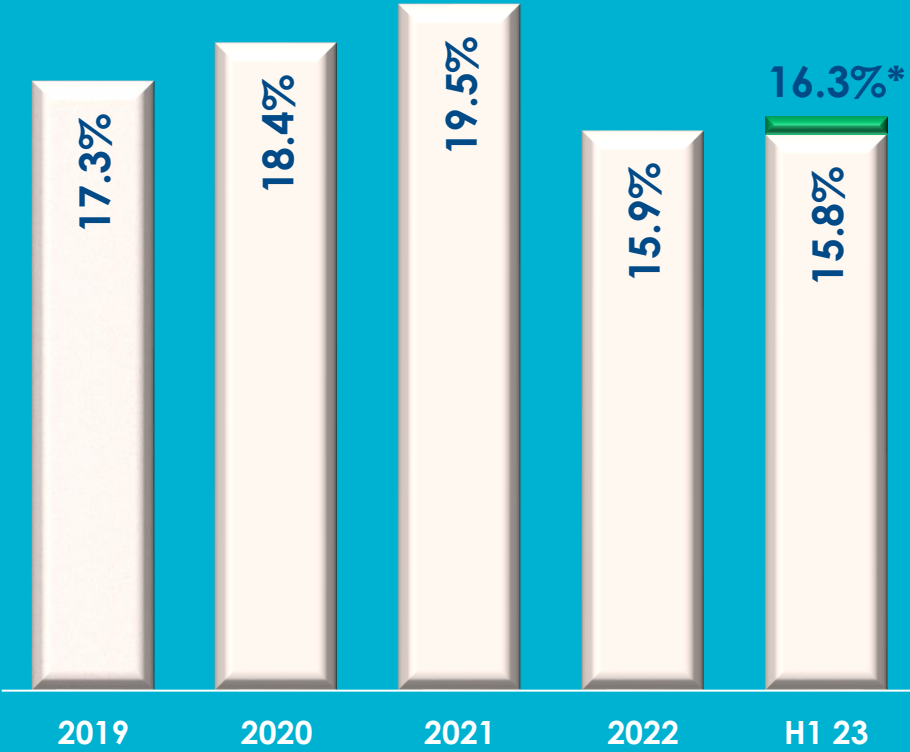


Strong Balance Sheet

- Net debt to EBITDA 1.43x as at 30 June 2023
- Total available liquidity as at 30 June 2023 of €1.56 billion
- New Private Placement issuance of €319m in June 2023 with a 6 year maturity
- Weighted average maturity of all drawn debt facilities of 4.4 years

Medical Centre, France
Insulated Panels

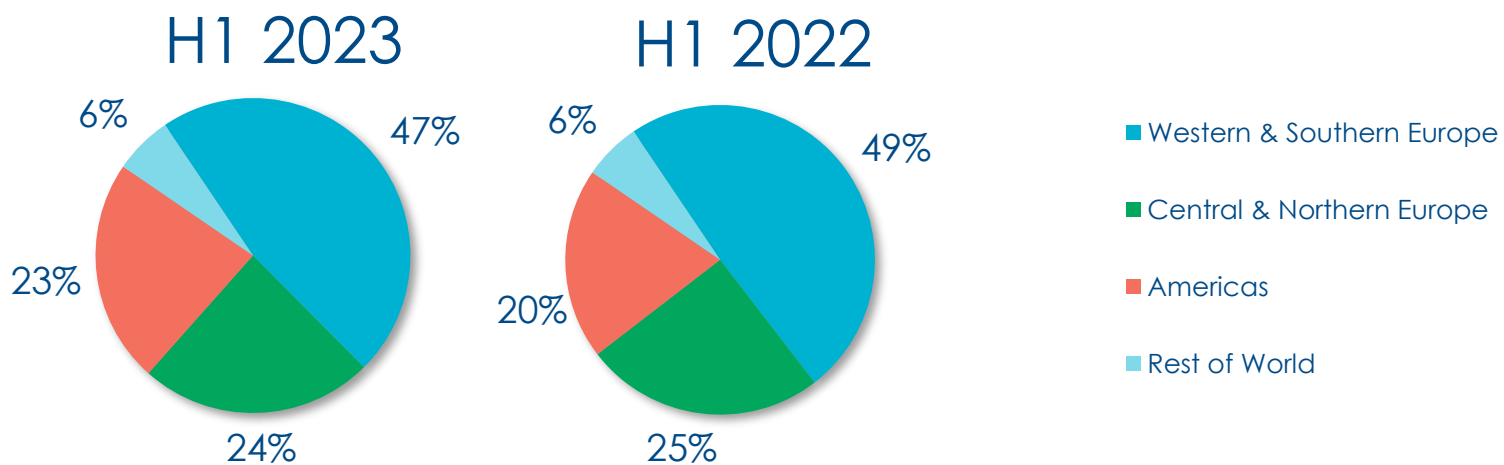
ROCE Performance



* After annualised impact of acquisitions

Sales by Geography

	H1 23	H1 22	YoY % Change	cc change*
Western & Southern Europe	1,933.6	2,019.2	-4%	-3%
Central & Northern Europe	979.2	1,022.1	-4%	-4%
Americas	916.5	846.6	+8%	+8%
Rest of World	254.6	265.5	-4%	-1%
Total	4,083.9	4,153.4	-2%	-1%



Insulated Panels

- Trading relatively positive, albeit reflective of the regional variability in economic conditions.
- Global revenue trailed last year owing to weaker volume in some markets and a degree of price deflation, particularly in Continental Europe.
- North America delivered a stellar performance as conversion continued and the forward project pipeline is extremely encouraging.
- Order intake, which had been lumpy due to economic unpredictability, improved versus prior year as the months progressed.
- QuadCore™ sales represented 19% of the total insulated panel volume and continues to advance in the specifier and end-user market.

	H1 23	H1 22
Sales (€m)	2,386.7	2,665.2
% of Group Sales	58%	64%

Analysis of YoY % Change

Underlying	Currency	Acquisition	Total
-10%	-1%	+1%	-10%

Deane Roofing & Cladding Systems, Ireland
Insulated Panels

Insulation

- Global sales across the various insulation solutions fell back in the first half with a corresponding reduction in trading profit.
- Margin performance progressed during Q2 following a weaker first quarter as we defended prices at the cost of short term volume.
- Demand in Western Europe has been notably weak for the board businesses as the residential segment in particular feels the pressure.
- Raw material costs have been reducing with a consequential pricing impact in many markets. A program of structural operating cost reduction measures is underway in the PIR board businesses.
- In contrast, the technical insulation segment has powered forward with revenue in the district heating product set growing by 17%. The growth rate may ease in the near term but the forward project pipeline is significantly ahead of prior year.

	H1 23	H1 22
Sales (€m)	798.8	842.0
% of Group Sales	20%	20%

Analysis of YoY % Change			
Underlying	Currency	Acquisition	Total
-7%	-1%	+3%	-5%

Light, Air + Water

- Total revenue broadly flat for the period.
- Mixed performances by geography and end-market.
- France, Benelux and Germany performed well as commercial measures executed during 2022 took effect with positive margin performance.
- North American performance was in line with prior year and the Middle East somewhat weaker.
- Water applications continue to perform well with resource scarcity on the minds of many.

	H1 23	H1 22
Sales (€m)	470.6	474.2
% of Group Sales	11%	12%

Analysis of YoY % Change

Underlying	Currency	Acquisition	Total
-	-1%	-	-1%

Matrix Innovation Centre, The Netherlands
Light, Air + Water

Roofing + Waterproofing

- Assembling this new platform over the past year.
- Predominantly European based and occupies positions in three key categories of flat roofing, rigid pitched roofing and flexible pitched roofing.
- Rigid pitch roofing performed robustly in the period, as did the flexible category to which we added the CaPlast acquisition earlier this year.
- Flat roofing business has been weakest, reflecting a difficult trading environment in Benelux and Germany.
- Insulation pull-through, operational efficiency and product range expansion are the key priorities at present.



	H1 23	H1 22
Sales (€m)	238.6	-
% of Group Sales	6%	-

Farmhouse, Indonesia
Roofing + Waterproofing

Data + Flooring

- Data segment has been an important end market given focus on energy efficiency, emissions conservation and lower carbon.
- Data segment expected to grow meaningfully in the near and medium term as we expand internal air management offering in projects across the US, Europe and South East Asia.
- New manufacturing facility in North Eastern US to become operational in early 2024.

	H1 23	H1 22
Sales (€m)	189.2	172.0
% of Group Sales	5%	4%

Analysis of YoY % Change

Underlying	Currency	Acquisition	Total
+11%	-1%	-	+10%

NFL Los Angeles, USA
Data + Flooring

Outlook

- Our end markets are not uniform with varying activity levels in different regions and applications.
- Our spectrum of high-performance insulation solutions continues to progress apace with natural and bio-based materials the latest milestone.
- In recent months order intake volumes have been trending positively overall albeit with less demanding comparatives as we trade through the second half.
- Raw material pricing, which experienced some level of inflation in the second quarter, could see some deflation in Q3.
- The Group's balance sheet is strong which is important given the backdrop of a strong development pipeline.
- Kingspan's solutions are at the vanguard of energy efficiency, and driving lower carbon in the built environment, which ought to position the Group well in the years ahead.



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