



STEICO

July 2023





- Kingspan acquiring 51% of Steico SE, put/call option on additional 10.1%
- €35 per share upfront, up to €35 per share additional, contingent on achievement of specified profitability thresholds
- Initial consideration of approximately €251m, with 25% potentially being exchanged for new Kingspan shares [subject to Kingspan share price at completion]
- Steico net debt of €118m at 31 December 2022
- Steico FY 2022 EBITDA €90m, €65m EBIT
- As at June '23 company guided 2023 revenue c.€378m (FY22 €445.2m), EBIT margin 8-10% (FY22 14.6%)
- Kingspan EPS impact initially neutral based on Kingspan consensus EPS for 2023 and Steico guidance for 2023
- Acquisition expected to close early 2024
- Unique opportunity to leverage Kingspan's global building solutions position with the market leader in natural insulation

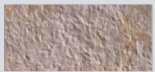
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- 4 large European manufacturing sites, 27 lines. Including significant invested growth capacity, additional – c.€200m of revenue
- Headquarters in Germany, supported by sales and distribution across EU



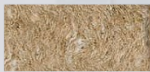
Expanding bio-based category

Mycelium Fibre
0.042 W/mK³
(0.042-0.054)⁶



24%
worse¹

Grass Fibre
0.039 W/mK³
(0.039-0.045)⁷



18%
worse¹

Hemp Fibre
0.039 W/mK³
(0.039-0.043)⁴



18%
worse¹

Wood Fibre
0.036 W/mK³
(0.036-0.048)²



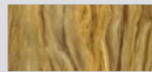
11%
worse¹

Troldekt



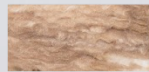
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Rock Mineral Fibre
0.032 W/mK³
(0.032-0.042)²



Reference material

Glass Mineral Fibre
0.030 W/mK³
(0.030-0.040)²



7%
better¹

Kingspan PIR
0.022 W/mK^{3,4}
(0.022-0.027)⁵



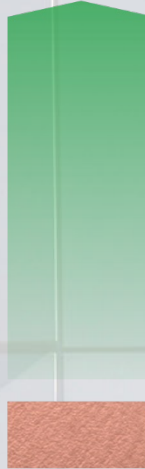
45%
better¹

AlphaCore™
0.019 W/mK³
(0.019-0.026)⁵



68%
better¹

Kooltherm®
Phenolic
0.019 W/mK³
(0.019-0.023)⁵



68%
better¹

QuadCore™
Hybrid
0.018 W/mK³
(0.018-0.020)⁵



78%
better¹

Optim-R®
0.007 W/mK³
(0.007 up to 0.010)⁵



357%
better¹

Performance needs



¹ Insulation performance (R-value) compared to rock mineral fibre of the same thickness.

² The thermal conductivity range is based on major insulation manufacturers' websites in key European markets (AT, BE, CZ, DK, FI, FR, DE, IRL, IT, NL, NO, PO, ES, SE, UK).

³ Thermal conductivity (Lambda) W/mK values quoted at 10°C.

⁴ Thermal conductivity based on Kingspan insulation board product.

⁵ The thermal conductivity range as claimed by Kingspan in key European markets (AT, BE, CZ, DK, FI, FR, DE, IRL, IT, NL, NO, PO, ES, SE, UK).

⁶ Mycelium grows on a host fibre and there are multiple choices available. This may have an impact on thermal conductivity. Currently limited commercial availability.

⁷ Grass is typically mixed with a type of fibre as basis. This may have an impact on thermal conductivity. Currently limited commercial availability.



Bio-based
Materials



Legacy
Materials



Advanced
Materials



Growth Drivers

- Global leader in natural insulation, complementing Kingspan's 'Full Spectrum' of insulation solutions strategy
- Significant channel opportunity when combined with Kingspan's global platform of high performance building solutions
- Revenue growth supported by invested capacity – up to €200m additional revenue capacity. In total 4 large European facilities with 27 manufacturing lines
- Steico achieved compounded revenue growth of 14% 2017-2022
- Future growth supported by regulatory requirements for bio-based materials as well as broader demands for sustainable solutions
- Meaningful innovation opportunity and overlap with our Planet Passionate strategy