

H1 2023 webcast

1 January–30 June 2023

Lamor Corporation Plc



Lamor's team presented



Mika Pirneskoski
CEO



Timo Koponen
CFO



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Agenda

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Mika Pirneskoski
- 2 **Financial update and guidance**
Timo Koponen
- 3 **Lamורים implementing the strategy**
Johanna Grönroos
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Operational highlights

CEO Mika Pirneskoski

Large projects contributed to good results in Q2

Good performance in all the large projects

- Soil remediation project in Kuwait
- Port waste management technology delivery in Bangladesh
- Enhancement of oil spill response capabilities in Saudi Arabia
- The chemical plastic recycling facility in Finland

Revenue and profitability

- Lamor back to growth path in Q2

MEUR	Q2 2023	Q2 2022	1-6/2023	1-6/2022
Revenue	33.8	22.2	56.7	65.4
Adj EBIT	3.7	1.8	3.9	8.3



Soil remediation projects in Kuwait progressed well

- Two treatment technologies:
 - Biological cleanup, i.e. bioremediation, of less contaminated soil, and
 - Soil washing units for more contaminated material
- Remediation process proven successful
- Good committed team-work and co-operation with local parties

[See a video highlighting the progress in Kuwait](#)



Chemical recycling of plastics – part of Lamor's future growth

Kilpilahti, Porvoo pilot facility progressing as planned

- Building permit received
- Construction to commence shortly
- Estimated commissioning around mid-2024
- Increased ownership share in the project company

Strategic plan in chemical plastics recycling

- Medium-term: 40,000-tonne capacity in Finland
- Long-term: Portfolio of 200,000 tonnes by 2030



Bangladeshi port authorities on inspection trip in Porvoo

In June, the representatives of Port Mongla in Bangladesh came to inspect products ready for delivery.

In the first phase, we are shipping the oil spill recovery technology.

Later technology deliveries include

- the ships both for collecting waste directly from the vessels in the port, and for oil spill recovery
- the waste-treatment facility.



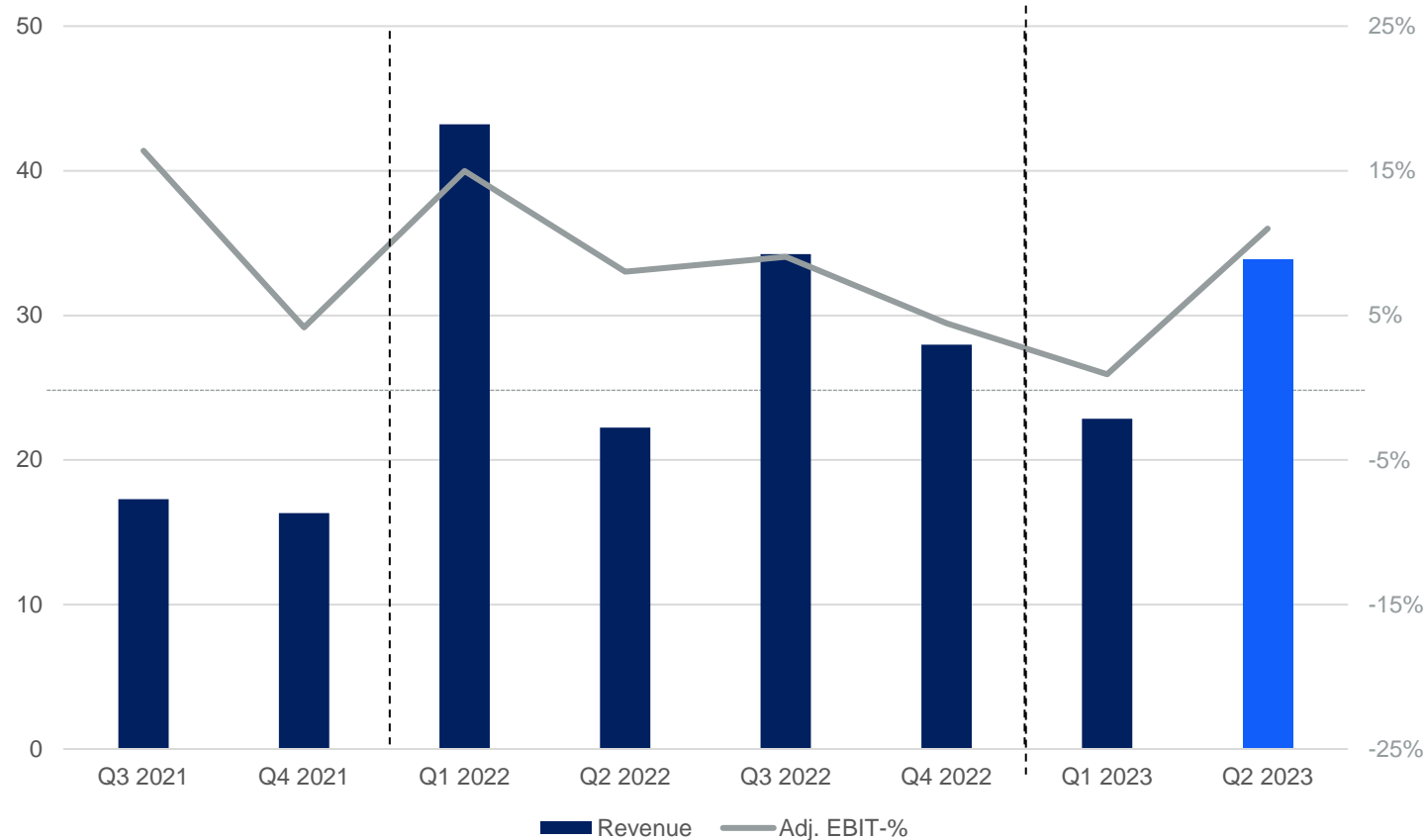
Financial update and guidance

CFO Timo Koponen

1 January–30 June 2023 in brief

EUR million unless otherwise noted	Q2 2023	Q2 2022	Change %	1-6/2023	1-6/2022	Change %	1–12/2022
Revenue	33.8	22.2	52.1%	56.7	65.4	-13.4%	127.7
Adjusted EBITDA	5.3	3.5	51.1%	7.2	11.4	-37.1%	19.0
Operating Profit (EBIT)	3.7	1.7	112.4%	3.8	6.2	-38.3%	10.0
Adjusted Operating Profit (EBIT)	3.7	1.8	108.5%	3.9	8.3	-52.4%	12.6
Adjusted EBIT margin %	11.0%	8.0%		6.9%	12.6%		9.9%
Earnings per share, EPS (basic), euros	0.09	0.01	519.7%	0.07	0.08	-15.2%	0.13
Orders received	9.6	7.3	31.3%	20.4	43.6	-53.1%	87.4
Number of employees at the period end	676	438		676	438		508
Number of employees on average	658	467		604	718		604

Quarterly development of revenue (EUR million) and adjusted EBIT-%



Q2 highlights



Revenue EUR **33.8** million
(YoY 52.1%)



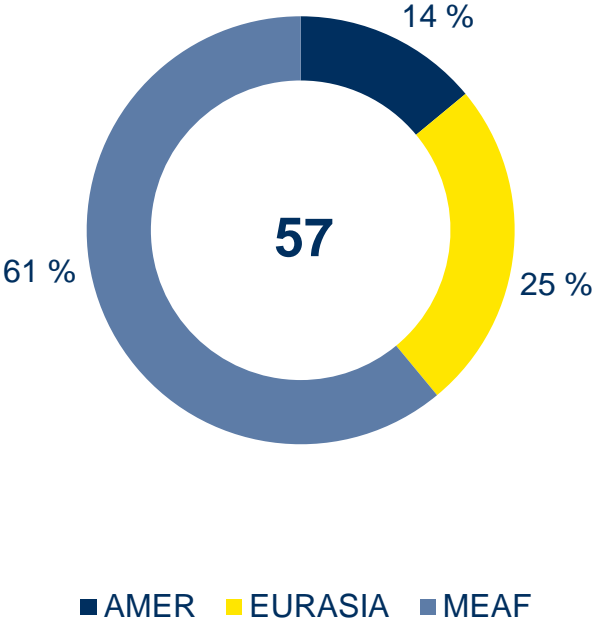
Adjusted EBIT EUR **3.7**
million (YoY 108.5%)



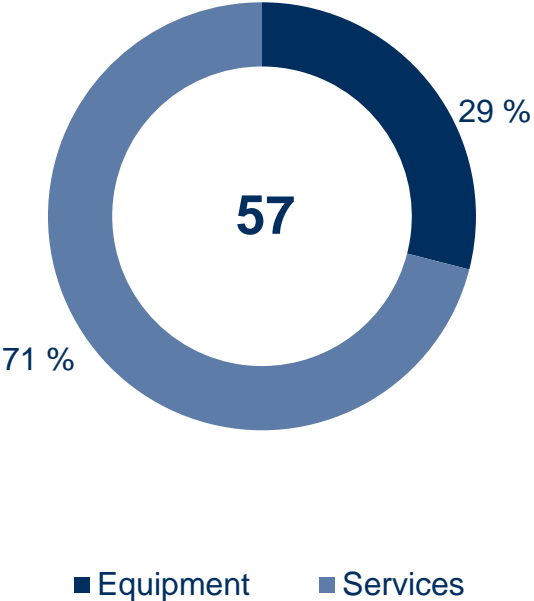
Adjusted EBIT margin
11.0%

Revenue and solution split H1 2023

Revenue split H1 2023

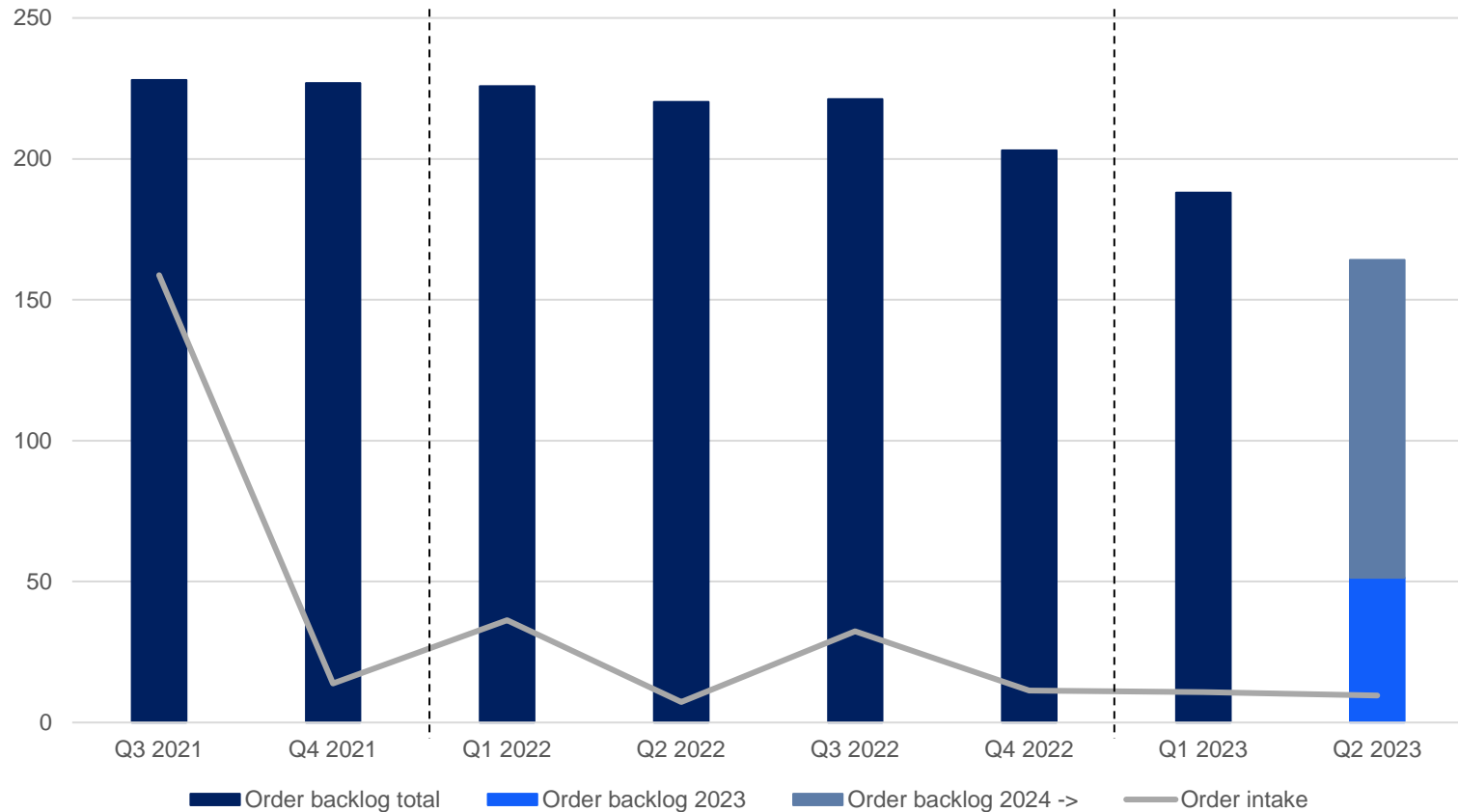


Solution split H1 2023



- Middle East driving the revenue with very good progress in Kuwait and Saudi Arabia
- The delivery projects in Bangladesh proceeding as planned

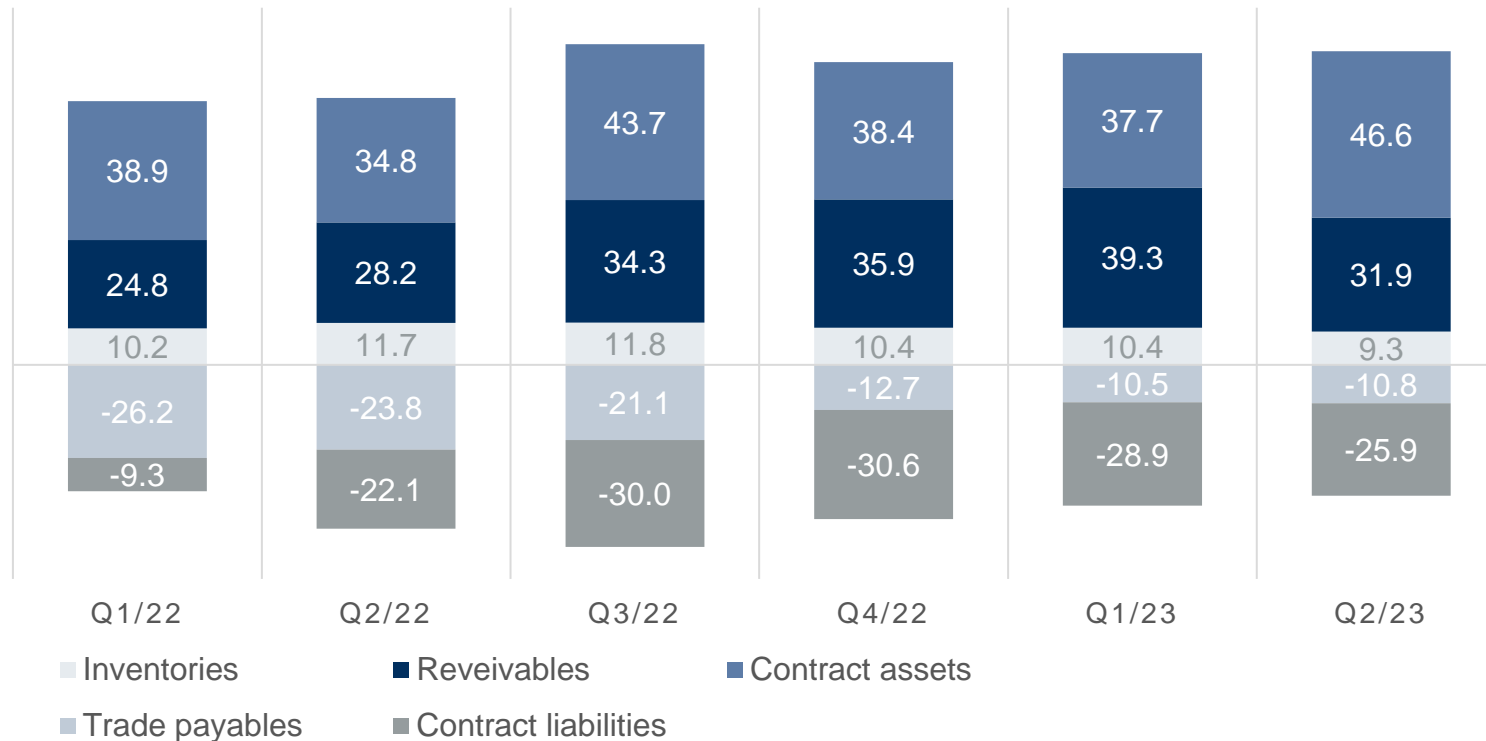
Order intake and backlog at the end of the quarter (EUR million)



- Total order backlog EUR **163** million of which EUR **50** million for 2023
- Orders received 1-6/2023 EUR **20,4** million
- Promising sales funnel

Significant reduction in receivables during Q2

NET WORKING CAPITAL



- Kuwaiti projects continue to tie up working capital – invoicing to accelerate in H2/23
- Significant reduction in Saudi receivables
- Net cash flow from operations
 - 1-6/2023: EUR **-7.7** million (EUR -1.4m)
 - Q2/23: EUR **1.1** million (EUR 6.4m)
- Financial position continues very strong
 - Equity ratio **47.5%** (52.1%)
 - Net gearing **36.1%** (10.3%)

Guidance for 2023

Lamor estimates that its **revenue** for 2023 will be in the range of **EUR 120–135 million** and that the **adjusted operating profit (EBIT)** margin for the full year 2023 will be in the range of **8–11%**.

- Lamor has a strong order backlog for 2023. Since a significant part of the revenue is generated by large service project deliveries, any major changes in the project progress would have an impact on revenue and profit for 2023.
- Lamor is participating in several major tendering related discussions and expects requests for tendering to open and the decisions in the tenders to be made during 2023. The timing of the tenders as well as Lamor's success in the processes will have an impact on the revenue and profitability in 2023.
- Lamor has recruited a significant number of new professionals in 2022. This will support reaching the company's long-term financial targets but will increase the relative share of fixed expenses in 2023.
- Lamor follows closely the changes in the geopolitical environment in its operating countries. These changes may have either a negative or a positive impact on Lamor's business, for instance through changes in the schedules or cost structures of the projects.

Lamorians implementing the strategy

CDO Johanna Grönroos

Strategy and Vision 2025



No.1 partner in selected strategic markets



3 new markets to create a positive environmental impact



5 new projects to solve significant environmental challenges



Plastics recycling with 100 ktn project portfolio to support solving the global plastics problem



Efficient and effective solutions to our customers with our globally local operating model

**PREFERRED PARTNER DURING THE JOURNEY
TOWARDS A CLEANER TOMORROW**

What we focus on to be successful

Continuously developing our offering to help our customers

Enhancing the "Lamor way of working"

Building capabilities and competences for business diversification

VALUES

Solutions built on shared values
Passion • Innovation • Trust

CULTURE

Lamorians solving problems together
Purpose-driven culture



LAMOR

Q&A

MISSION



Let's clean the world!

VISION



A world with
clean waters
and soil
during our
lifetime

VALUES



Passion,
innovation and
trust

Thank you.

All reports and
presentations are available
on our investor website at
lamor.com/investors.

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Let's clean the world