

Lamor's new orders were at a high level in Q3

Interim Report Q3/2024



Agenda

- 1 Key takeaways from Q3/2024
- 2 Business review
- 3 Financials and outlook
- 4 Two new market area SVPs appointed
- 5 Focuses in Q4/2024
- 6 Q&A



Today's presenters



Johan Grön
CEO



Vesa Leino
CFO (interim), until 31 Oct 2024*



Tapio Pesola
Director, IR & Communications

** Mikko Forsell will assume his role as the new CFO of Lamor as of 1 November 2024.*

Q3/2024 in brief

New orders at a high level

- EUR 35 million worth of new orders received during Q3/2024, including two significant long-term service projects in Peru and Ecuador, and minor orders in all geographical areas.
- Lamor is negotiating tenders of various sizes in the Middle East, Africa, and South America.

Financials continued to sequentially improve from Q2

- At comparable currencies, revenue was at previous year's level. Profitability continued to improve from Q2/2024 but remains below our targeted level.
- Continued focus on operational efficiency & profitability.

Exploiting Lamor's extensive portfolio

- Revenue excluding our major service projects was higher than in the comparison period, both in the third quarter and in January-September as a whole, highlighting the potential of our portfolio.

Business update Q3



Environmental protection

- The 3,5-year project with the **Saudi Arabian** National Center for Environmental Compliance (NCEC) successfully completed. Responsibility for oil spill response transferred to a state-owned local entity.
- Lamor announced a three-year agreement worth EUR 12 million in **Peru**.
- Preparations for deliveries and the delivery capability of the service was ensured for the NEOM project. Negotiations currently ongoing, during which the Company will not provide detailed estimates of when the delivery of the contract will begin.
- Three minor clean-up projects related to incidents (Peru and Ecuador) and technology deliveries, especially in **Singapore**.

Remediation & restoration

- Most of the revenue was generated in **Kuwait**. On-going soil remediation projects also in **Oman** and **Chile** and Ecuador.
- Good operational progress in Kuwait. Bioremediation has continued efficiently, and in the southern site, the soil washing process reached the target level in the third quarter. As for the northern soil washing facility, the finalization of the ramp-up was still ongoing.
- Other projects also progressed as planned.
- Lamor announced a two-year agreement worth at least EUR 8 million in **Ecuador**.

Material Recycling

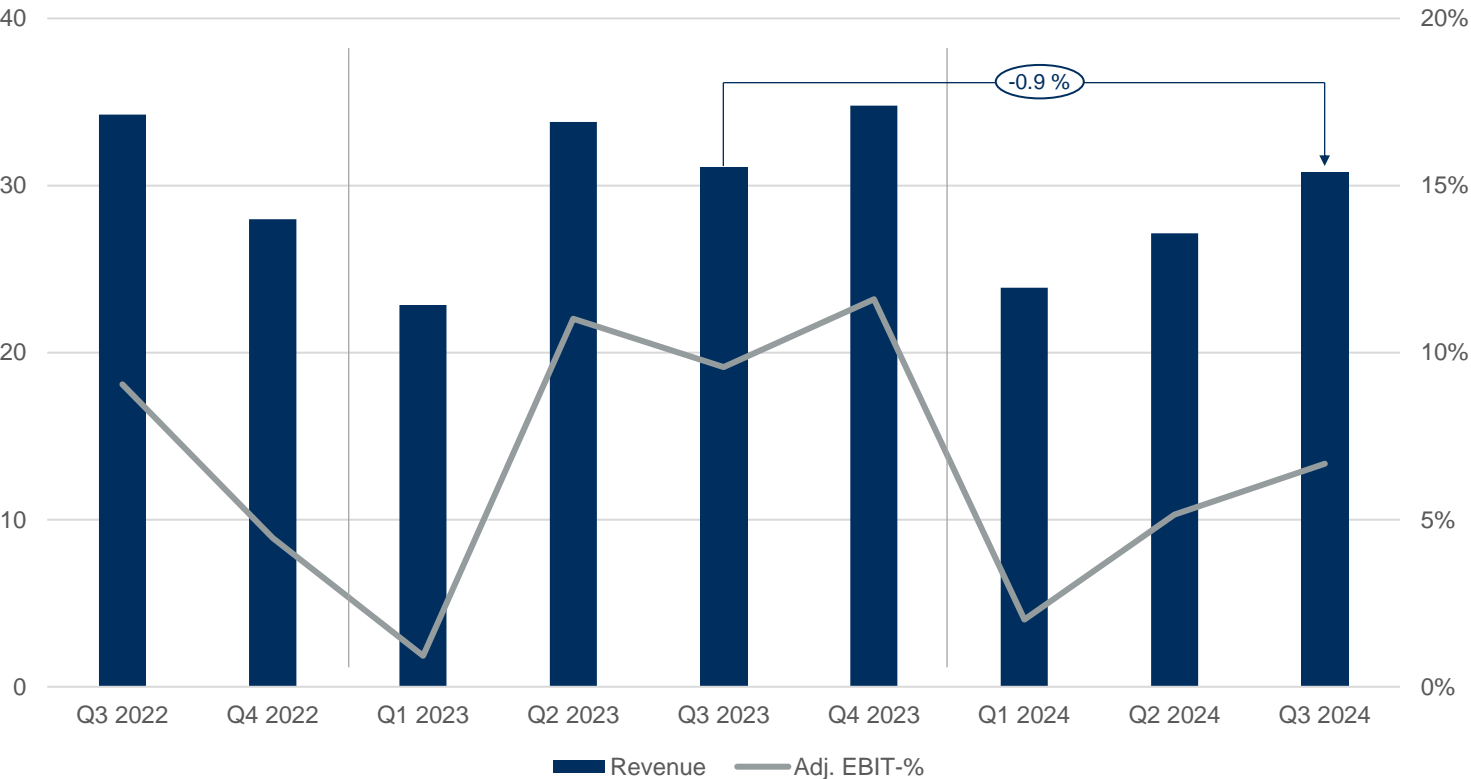
- Revenue increase mainly driven by the water treatment equipment deliveries to the **Norwegian** shipping company Frøy.
- Overall, the **Bangladesh** project has progressed well, considering the exceptionally challenging circumstances. Installation of the final facility estimated in the first half of 2025, due to political instability's impact on infrastructure work.
- Lamor and Greenflow, announced joining forces to enhance the availability of MARPOL compliant waste systems.
- Start of production at Kilpilahti currently estimated in early 2025. Ramp-up gradual, expected revenue from this first concept plant during 2025 is limited.

Financial update

Interim CFO Vesa Leino

Revenue and profitability increased from Q2

Revenue (EUR million) and adj. EBIT-%



1-9/2024 highlights

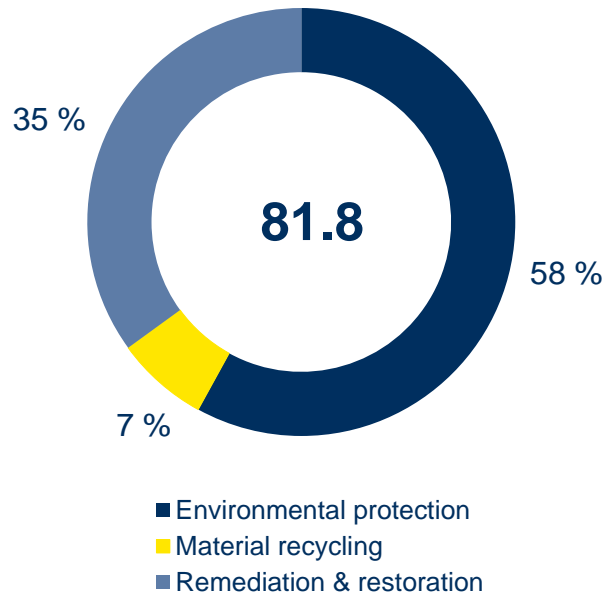
 Revenue EUR **81.8** million (YoY -6.8%)

 Adjusted EBIT EUR **3.9** million (YoY -43.0%)

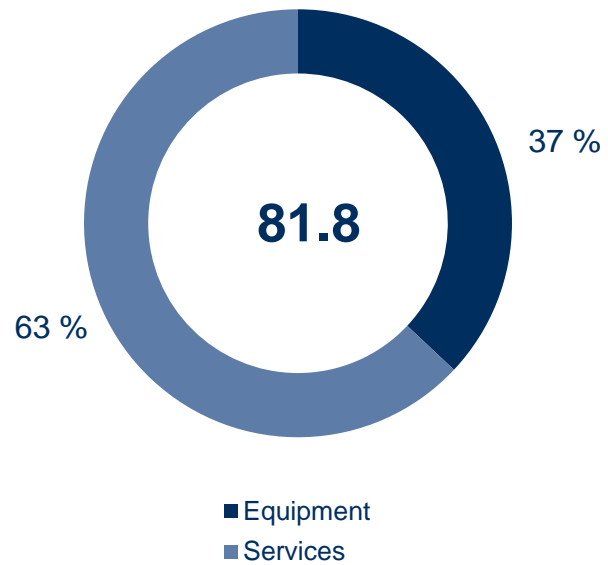
 Adjusted EBIT margin **4.8%** (7.9%)

Revenue split 1-9/2024

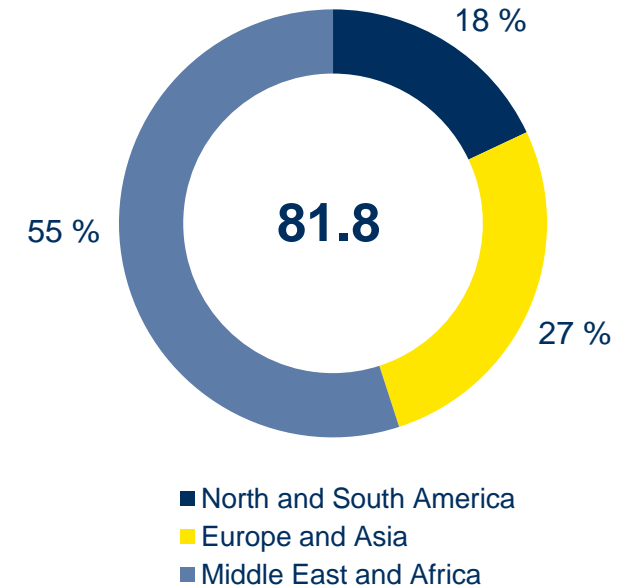
Product portfolio



Equipment and services

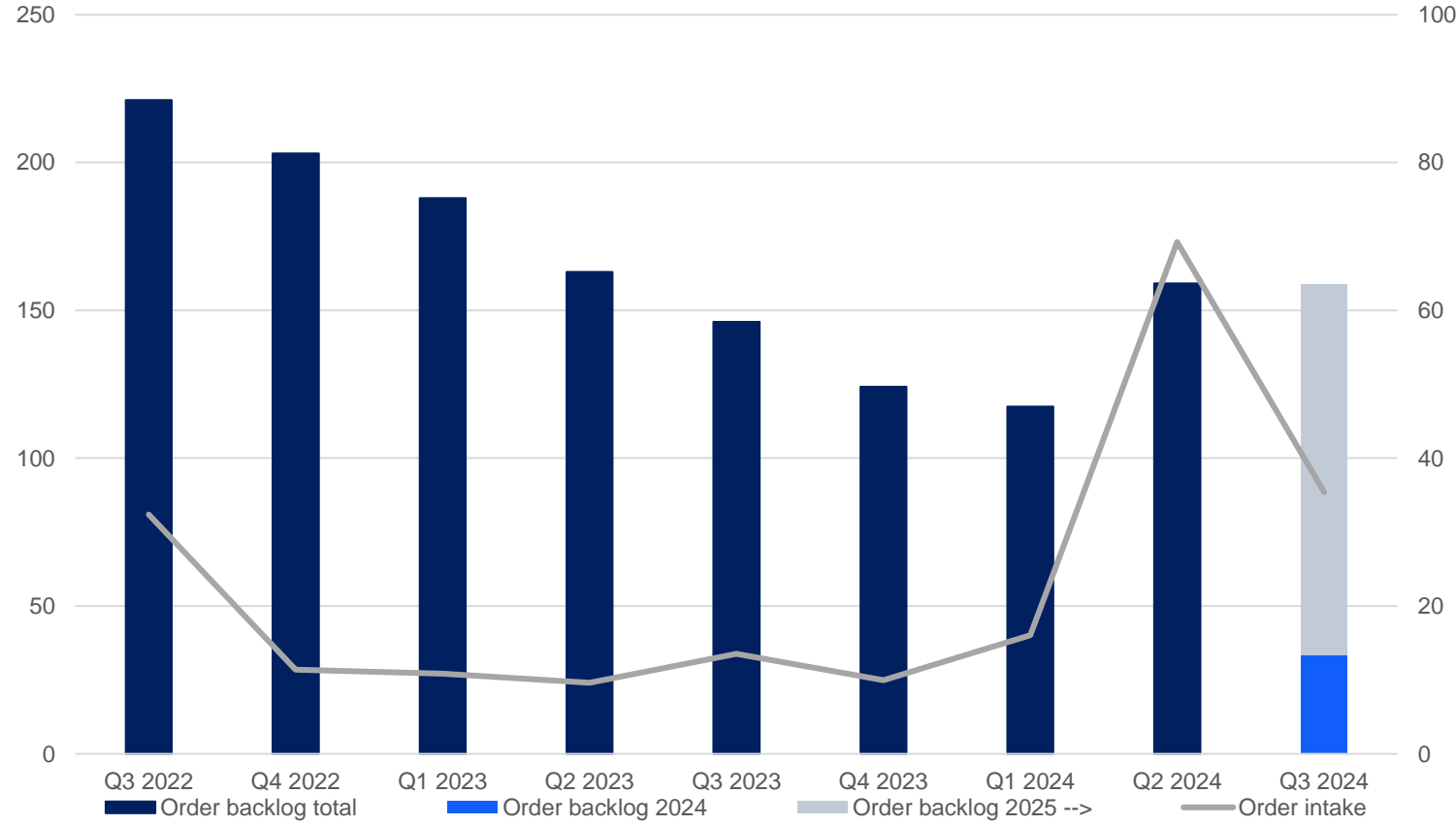


Areas



Q3 order intake on a high level

Order intake and order backlog (EUR million)



Total order backlog*
EUR **158.7** million



Q3 orders received
EUR **35.4** million and total
for 1-9/2024 EUR **120.7**
million*



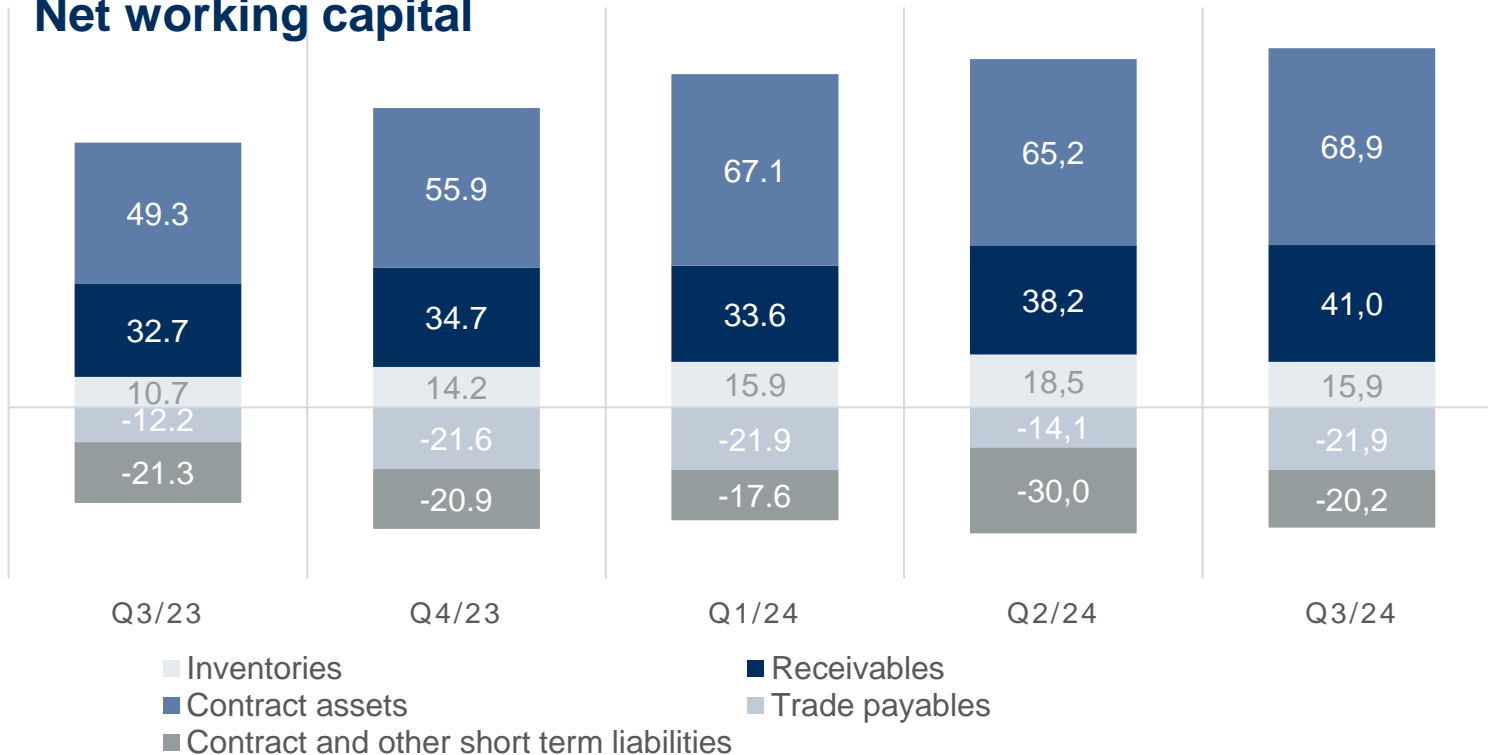
Full year order intake 2023
EUR **44.0** million

* At the time of reporting, a EUR 55 million order related to NEOM Company is included in accordance with the original agreement.



Working capital remained on high level

Net working capital



- Key drivers continue to be projects in Kuwait and Saudi-Arabia
- Net cash flow from operations
 - 1-9/2024: EUR **-15.6** million (EUR -15.0m)
- Financial position
 - Equity ratio **34.8%** (46.1%)
 - Net gearing **109.1%** (51.9%)

Key figures

EUR thousand, unless otherwise noted	Q3/2024	Q3/2023	Change %	1-9/2024	1-9/2023	Change %	2023
Revenue	30,793	31,086	-0.9%	81,821	87,745	-6.8%	122,520
Adjusted EBITDA	3,736	4,625	-19.2%	8,982	11,819	-24.0%	18,464
Operating Profit (EBIT)	1,971	1,570	25.5%	3,658	5,387	-32.1%	8,426
Adjusted Operating Profit (EBIT)	2,056	2,975	-30.9%	3,936	6,910	-43.0%	10,943
Adjusted EBIT margin %	6.7%	9.6%		4.8%	7.9%		8.9%
Earnings per share, EPS (basic), euros	-0,01	0.01		-0,04	0.08		0.09
Orders received	35,411	13,532	161.7%	120,703*	33,980	255.2%	43,950
Number of employees at the period end	593	660	-10.2%	593	660	-10.2%	840
Number of employees on average	604	682	-11.4%	641	630	1.7%	658

Guidance for 2024 (unchanged)

In accordance with the guidance published on 16 February 2024, Lamor estimates that its revenue for the financial year 2024 will be at least at the same level as in 2023 (2023: EUR 122.5 million).

Due to the uncertain market situation and uncertainty regarding the schedule of large tenders, Lamor does not provide guidance for profitability.

Focuses in Q4/2024

CEO Johan Grön

Strengthening customer relationships and more focused sales in all Lamor's markets



**More precisely select
focus areas**
within each product line and
geographical market area



**Strengthen
relationships with
key customers**



**Strengthen
understanding of
our local markets
and cultures**

Two new SVPs appointed with extensive experience from Lamor's industry



Rob James
SVP, Europe and Asia

Joins Lamor from his own oil spill response and incident management consulting firm. He has previously held director positions at Oil Spill Response Ltd, Cleanaway (now part of Veolia) and British Nuclear Fuels. James has also served as chairman of the British Oil Spill Response Association and as the long-time chairman of the international Interspill event.



Aziz Al-Othman
SVP, Middle East and Africa

Joins Lamor from his own startup focused on the commercialization of innovations. He has previously held executive director positions at NEOM Company and the Saudi Environmental Authority NCEC, and leadership positions at Gulf Industrial Technology and Saudi Aramco.

Östen Lindell (current SVP, Europe and Asia) and Pentti Korhonen (current SVP, Middle East and Africa) will leave their positions in the company. Santiago Gonzalez, who has led the South and North America market area, has also expressed his interest in retirement, and the recruitment of his successor is on-going.

Focuses in Q4/2024

Q4 deliveries and order intake

- Executing current deliveries
- Lamor is involved in tenders of various sizes in the Middle East, Africa and South America.
- Reaching our guidance requires good performance in Q4.

Reduce working capital

- Continued diligent follow-up of payments in close cooperation with the customer and joint venture partner.
- Efforts to reduce working capital are expected to start reducing working capital employed from the last quarter of the year.

Growth strategy update

- Sales efforts to be further focused within each product line and market area.
- Increased internal efficiency.
- New market area leadership to drive area sales efforts

Questions & Answers

Additional information

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Q3/24

24 Oct 2024

MISSION



**Let's clean
the world!**

VISION



**A world with clean waters
and soil during our lifetime**

Thank you.

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



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