

An aerial photograph of a rugged coastline. The water is a deep turquoise color, and the rocks are light grey and jagged. A small boat is visible in the water. The sky is a deep blue. A yellow diagonal line is on the left side of the image.

Let's clean the world

Lamor Corporation Plc
Interim Report
1 January – 31 March 2022

Lamor's team presented



Mika Pirneskoski
CEO



Timo Koponen
CFO



Johanna Grönroos
CDO

Record quarter: Revenue more than six times higher than in the comparison period

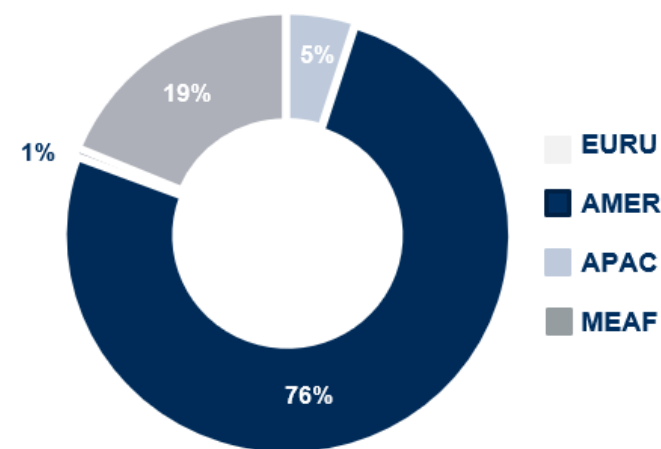
- Peru environmental clean-up project – aiming to minimise the environmental impact
- Kuwait soil remediation project proceeds as planned – temporary site offices established and UXO activities on-going
- Sales in Russia ceased and an impairment of EUR 2 million recorded for Q1



January - March in brief

| EUR thousand unless otherwise noted | Q1 2022 | Q1 2021 | Change % | 1-12/2021 |
|--|---------|---------|----------|-----------|
| Orders received | 36,293 | 6,289 | 477.1 % | 260,831 |
| Revenue | 43,211 | 6,584 | 556.3% | 51,517 |
| Adjusted EBITDA | 7,906 | -509 | N/A | 6,692 |
| Operating profit or loss (EBIT) | 4,463 | -1,243 | N/A | 1,941 |
| Adjusted Operating Profit (EBIT) | 6,478 | -1,190 | N/A | 2,831 |
| Earnings per share, EPS (basic), euros | 0.07 | -0.06 | N/A | 0.05 |
| Number of employees at the period end | 1,177 | 230 | 411.7% | 290 |
| Number of employees on average | 968 | 232 | 317.2% | 250 |

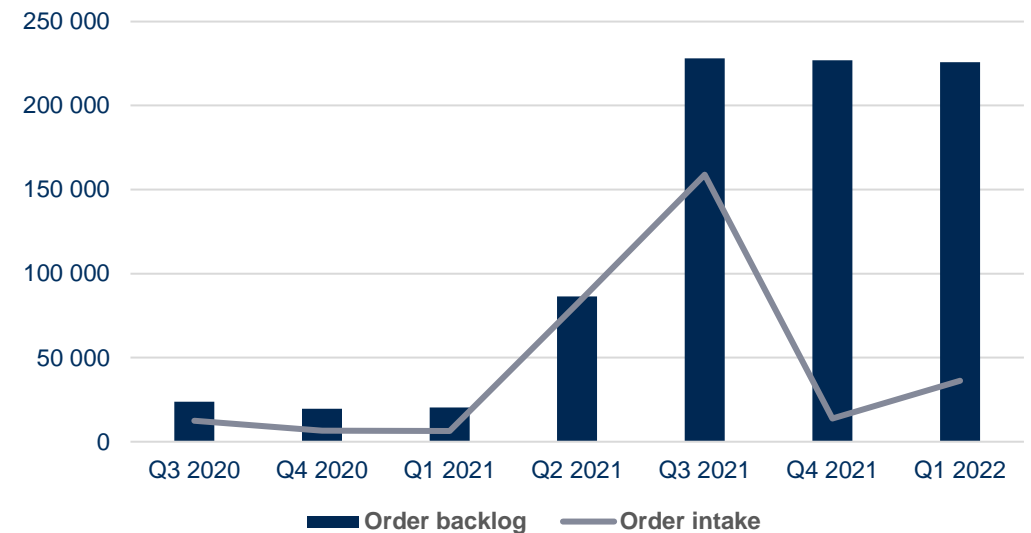
Revenue split January – March 2022 per area



Order backlog continues to stay on a high level

- Order backlog EUR **225.8** million (EUR 18.4m)
- Orders received EUR **36.3** million (EUR 6.3m)
- Order backlog strongly supporting the full year outlook

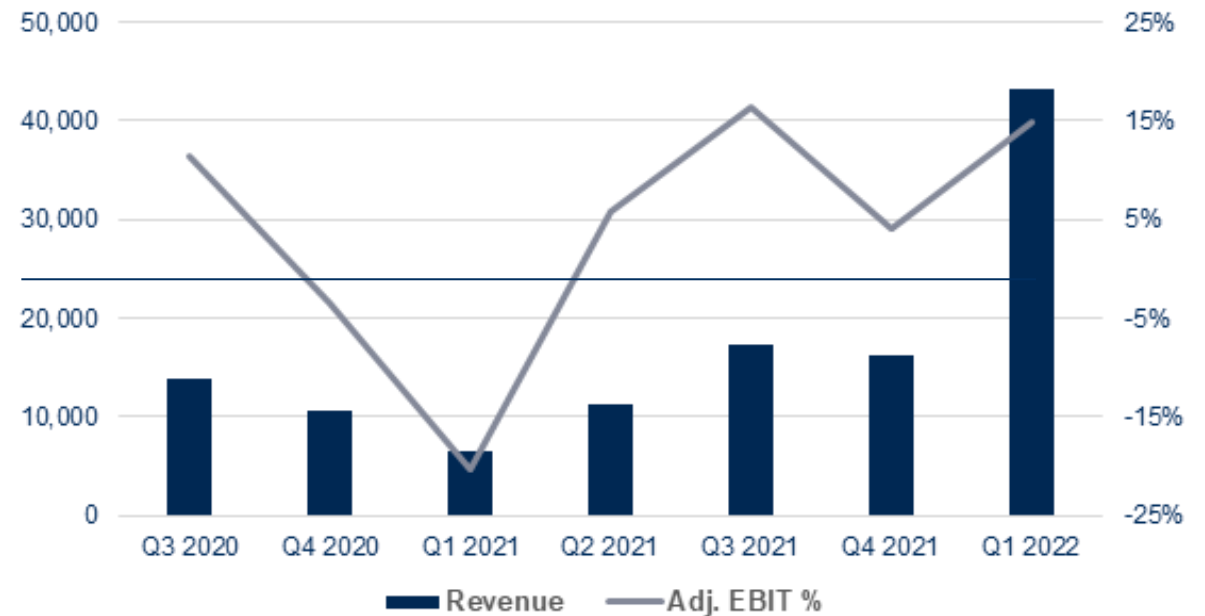
Order intake and backlog at the end of the quarter Q3 2020 – Q1 2022



Revenue more than six times higher than in the comparison period

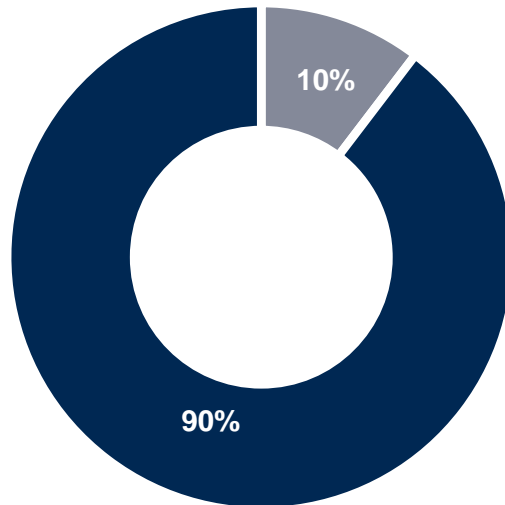
- Revenue EUR **43.2** million (EUR 6.5m)
- Annualised revenue reaching the EUR **100** million long-term financial target
- Adjusted EBIT EUR **6.5** million (EUR -1.2m)
- Adjusted EBIT margin **15.0%** (-18.1%)

Quarterly development of revenue and adjusted EBIT

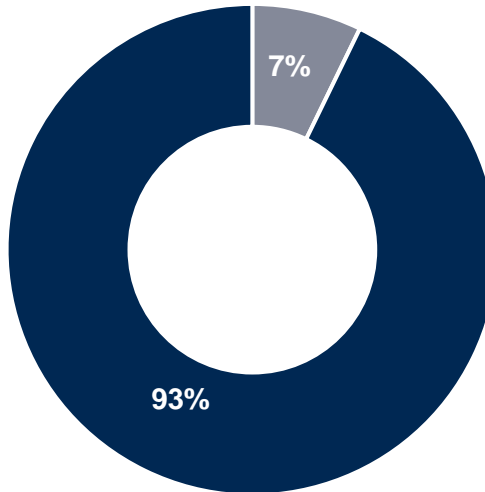


Share of long-term service projects is increasing

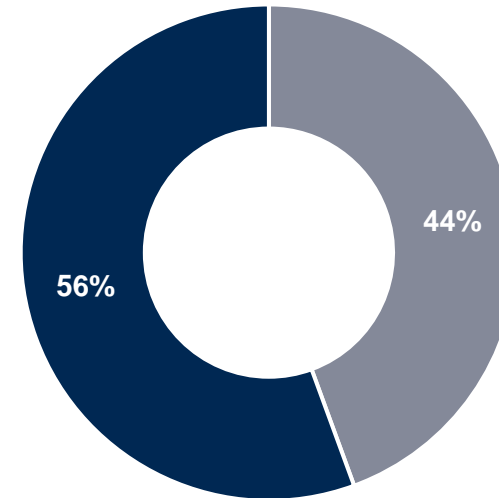
Revenue split
Jan – Mar 2022



Order backlog split
at 31 Mar 2022



Revenue split
Jan – Dec 2021



■ Services ■ Equipment

Diego Echeverri: Significant oil spill clean-up project in Peru

“At Lamor, human talent is the basis on which all response capabilities and strategies are built on.”



An aerial photograph of a large, white, jagged iceberg floating in dark blue water. The iceberg's surface is highly textured with numerous cracks and ridges. A bright yellow diagonal line originates from the top left corner and points towards the title text.

Financial position and targets

Financial position remained strong

- Repayment of loans EUR **6.6** million in Q1
- Net cash flow from operations in Q1 EUR **-7.7** million (EUR -1.0m)
 - Response projects in South America tied working capital due to invoice timing
 - Service project delivery in Saudi Arabia continued to tie working capital
- Equity ratio **50.4%** (45.8%)
- Net gearing **15.5%** (55.8%)



Long-term financial targets and dividend policy

Growth



- Increase of annualised revenue to over EUR **100** million as soon as possible, and after achieving this, annual growth significantly faster than the market.

Profitability



- Adjusted EBITDA margin over **16** per cent
- Adjusted operating profit (EBIT) margin over **14** per cent.

Capital structure



- Achieve a capital structure suitable for the company's strategy, targets and risk profile by maintaining a strong balance sheet

Dividend policy



- The company aims to distribute annual dividends, while keeping growth as the Company's most important target.

Guidance for 2022

Updated on May 10, 2022: Positive profit warning



Lamor estimates its revenue to be at least **120** million for the full year 2022.



Adjusted EBIT is estimated to be at least EUR **14** million.

- Lamor has a strong order backlog for 2022. Since a significant part of the revenue is generated by large service project deliveries, any major delay in the project progress would have a negative impact on revenue and profit for 2022.
- Lamor closely follows how the Russian invasion of Ukraine is affecting company's operating environment. Due to the war, Lamor has ceased the sales activities of the products and services in Russia. War related global cost inflation as well as the shortage of raw materials and components is having an effect also on Lamor's business. Lamor will continue to monitor the situation carefully.
- In addition, any potential virus variant of the COVID-19 could have a negative impact on Lamor's revenue and result in 2022 by impacting Lamor's capabilities to deliver projects efficiently.



Focus on future growth

Megatrends and business transformation

Lamor cleaning the largest global anthropogenic oil spill in Kuwait

- The world's largest anthropogenic oil spill happened in Kuwait in 1991 during the Gulf war.
- The Kuwait Environmental Remediation Program (KERP), which is managed by the United Nations, was established for the aftercare of the catastrophe, aiming to clean, remediate and revegetate the affected area.
- Lamor providing soil remediation services in northern and southern Kuwait
- Two similar tendering phases included in the program



Two treatment centers will be constructed to provide the services

Treatment capacity of 150 tonnes per hour

Clear strategy for profitable growth



Technological and international expansion of the business areas



Optimisation of resource usage



Winning significant new long-term service agreements



Continuous improvement of operational efficiency and profitability

\ Q&A

MISSION



Let's clean the world!

VISION



A world with
clean waters
and soil during
our lifetime

VALUES



Passion, innovation
and trust

LAMOR

An aerial photograph of a coastline. On the right, a rugged, light-colored rock formation is covered with green and yellow trees. The water is a deep turquoise color. A small, light-colored boat is visible in the water near the rocks. The background is a solid dark blue.

Thank you.

 Let's clean the world

LAMOR