



9 February 2023

Anders Dahlblom, CEO

Päivi Lindqvist, CFO

**Strong profit and
cash flow in the
final quarter**

glaston
seeing it through®

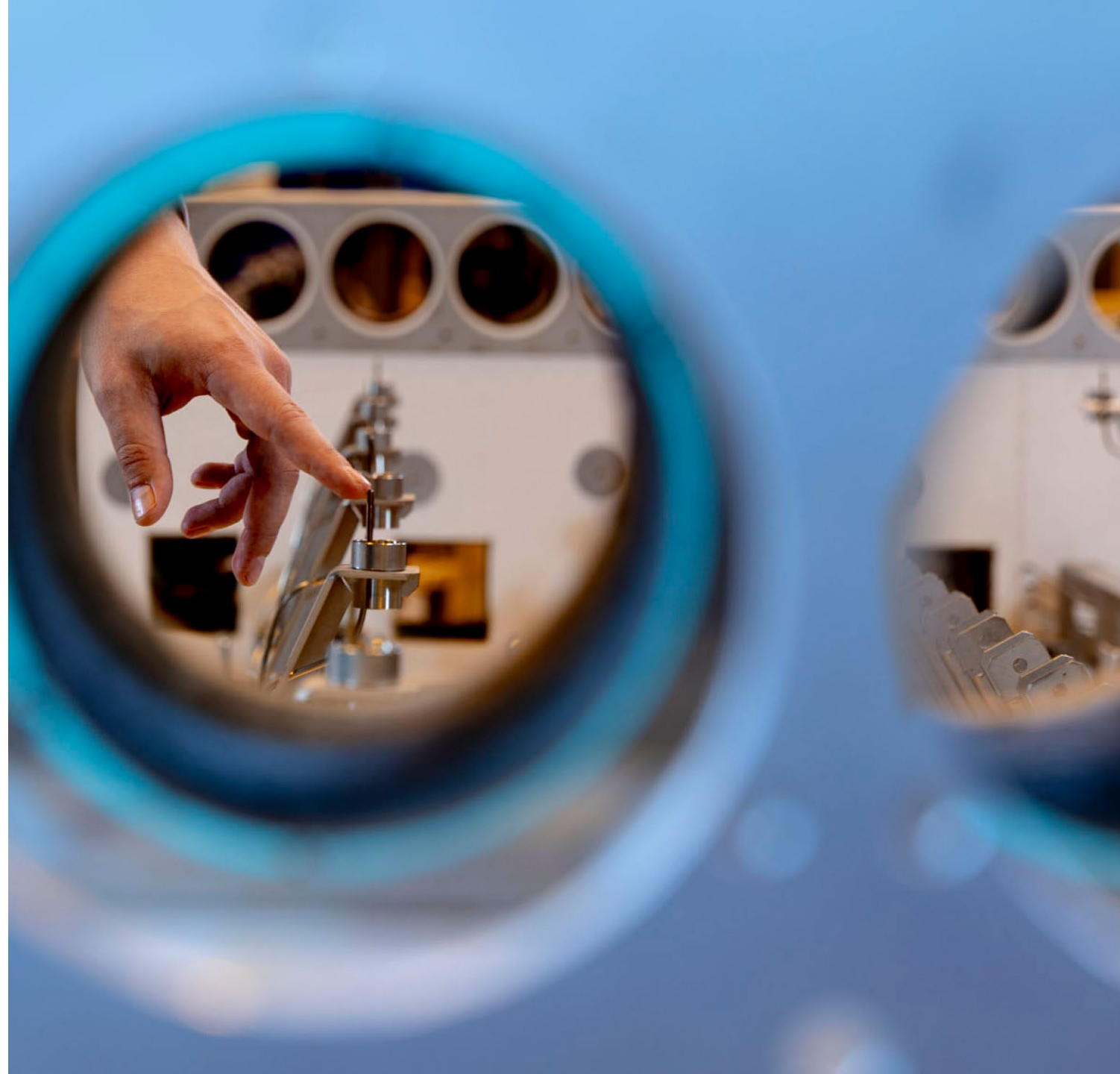
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Q4/2022 highlights and key figures

Strategy and sustainability

Financial development

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Q4 2022 highlights

- Continued strong demand for Glaston's products and services
- Good quarter for Services business with strong growth in spare parts and field services
- Net sales and profitability increased
- Strategy execution proceeding in line with plans
- Good progress in sustainability, CO2 emissions down 57 % compared to the baseline year 2020 and the strategic emissions target met
- 43% of Glaston's net sales are taxonomy aligned
- Proposal for capital return 0.04 euros per share



Key Figures

MEUR	10-12/2022	10-12/2021	Change%	1-12/2022	1-12/2021	Change%
Order intake	51.7	59.1	-12.5%	253.0	216.2	17.0%
Order backlog	138.3	94.8	45.8%	138.3	94.8	45.8%
Net sales	59.8	52.6	13.8%	213.5	182.7	16.9%
Comparable EBITA	4.2	3.5	20.6%	13.6	11.1	22.8%
EBITA%	7.0%	6.6%		6.4%	6.1%	

Market environment in Q4

EMEA

- For **Insulating Glass**, the strongest market, although a weaker quarter in order intake
- For **Heat Treatment**, demand continued at a good level
- For **Automotive**, the market in Europe was still very slow
- For **Services** markets, demand for daily services was strong whereas upgrade demand was weaker, but picked up from Q3

Americas

- For **Insulating Glass**, demand picked up
- For **Heat Treatment**, good demand continued, driven by the architectural business
- For **Automotive**, the market was good for special products such as recreational vehicles and heavy vehicles
- For **Services**, demand for daily services was strong, while demand for upgrades was low, however picking up from Q3

APAC

- In China, the architectural market slowed down
 - For **Insulating Glass**, demand for high-end machines was at a reasonable level
 - For **Heat Treatment**, the market continued to be soft
 - For **Automotive**, market activity continued at a good level
- Elsewhere in the APAC region, the markets for new machines were slow. In Services, demand for daily flow services was very high

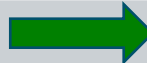

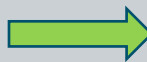
Strategy execution proceeding as planned

- New offering development making progress, research and product development expenditure increased to 4.3% (3.8%) of net sales
- Glaston entered the market of tempering technologies for solar panel production with a new product launch. Five solar lines will be delivered in the first half of 2023 from Tianjin
- Cross-selling strongly supported order intake development in 2022, prime example the biggest ever order for Insulating Glass in Q3
- Setting up the production of automotive standard pre-processing equipment in Tianjin proceeding in line with plans – enabling in China for China approach in the biggest automotive glass processing market



Strategic targets 2021–2025: performance in 2022

Financial targets		2022	2021
Annual average net sales clearly exceeding the addressable equipment market growth		+17%	+7%
EBITA 10%		6.4%	6.1%
ROCE 16%		10.5%	6.1%

Non-financial targets		2022	2021
Net Promoter Score >40		53	-
Lost Time Accidents zero, LTIFR		3.9	3.3
Employee engagement rate >75 (out of 100)		70	-
CO2* emissions in relation to net sales -50%	TARGET ACHIEVED	-57%	-13%

*scope 1 and 2

Sustainability highlights

- Group safety awareness continues to improve
- Glaston's first emission reduction target was achieved in 2022
 - investments in energy efficiency in manufacturing operations and increasing the share of renewable electricity
- Currently, Glaston working on setting a new emissions targets, covering upstream and downstream value chain
- Glaston started and will continue to invest in its own renewable electricity production
- Majority of main suppliers committed to Glaston's Supplier Code of Conduct
- Employee engagement measured for the first time



Close to 400 solar panels installed on the roof of the production unit in Switzerland

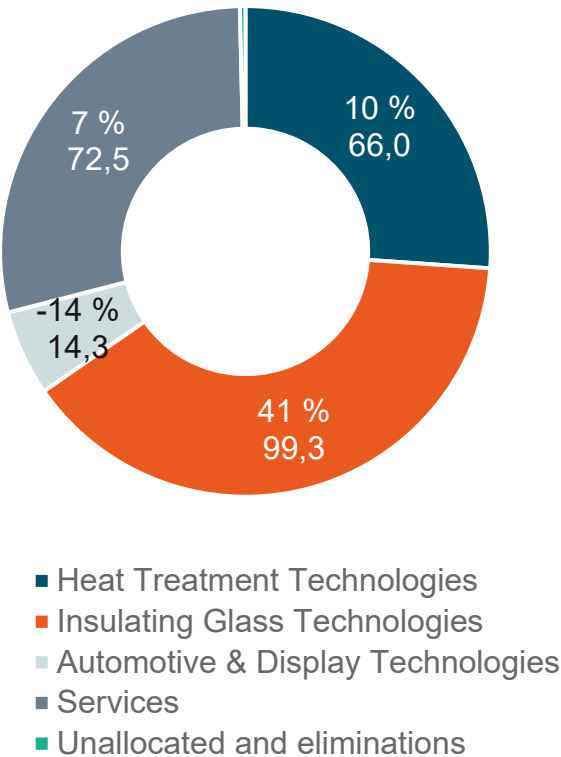
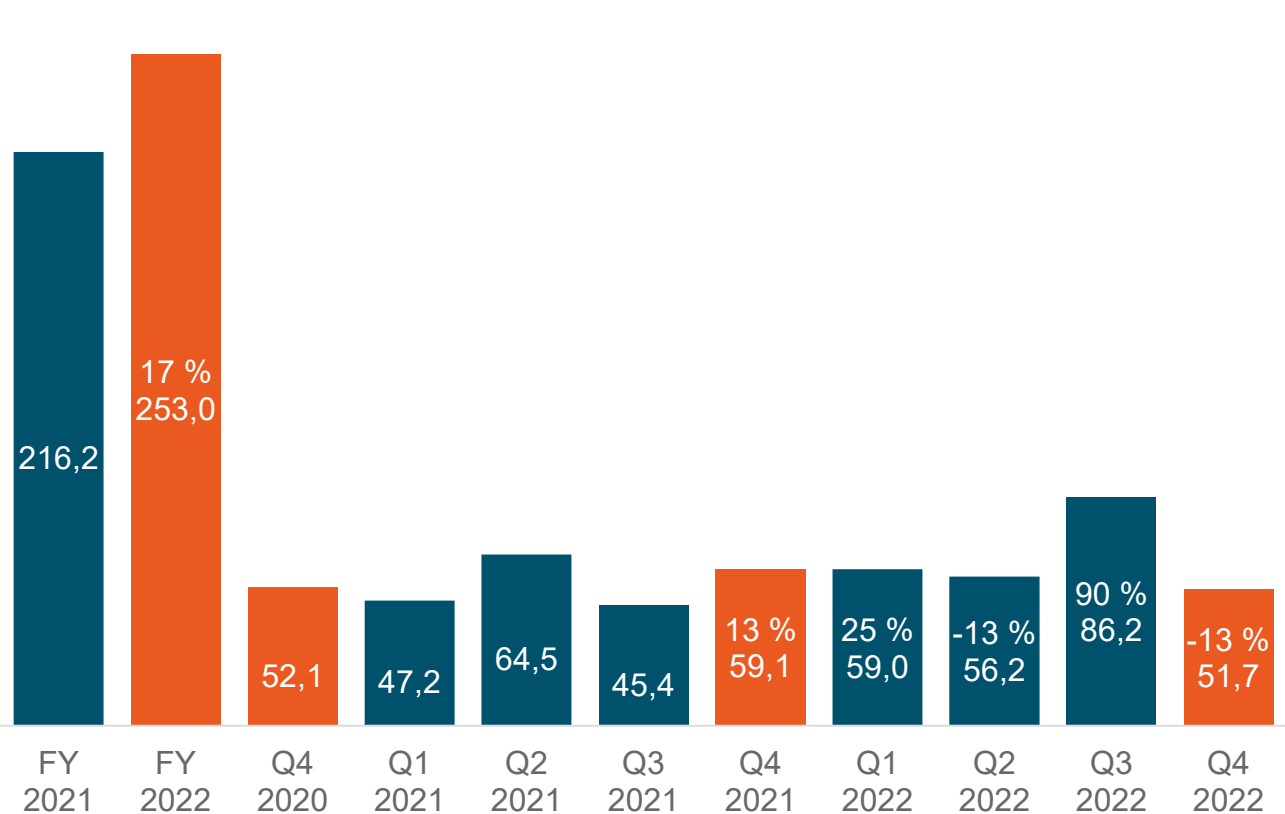
FINANCIAL DEVELOPMENT



Q4 orders declined after record-high Q3, full-year +17%

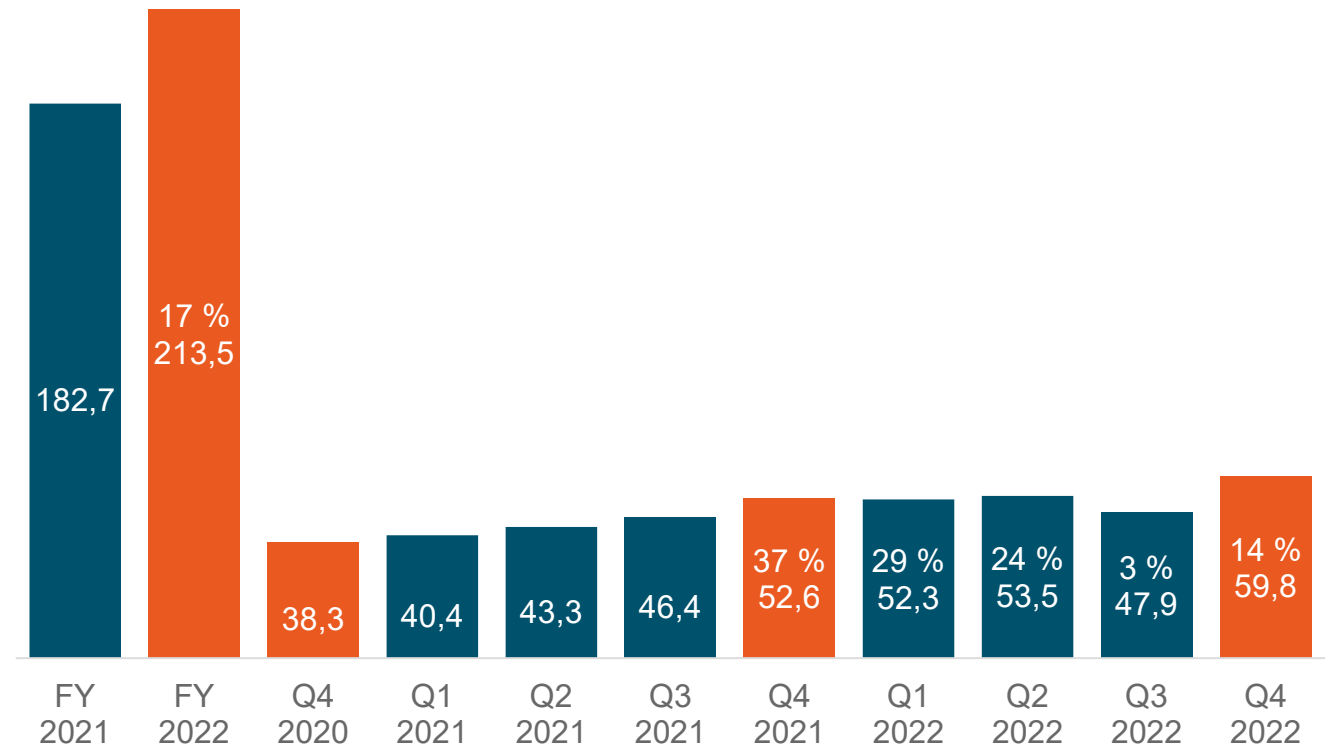
Group orders received, MEUR and yoy%

FY 2022 orders received by product area, MEUR and yoy%

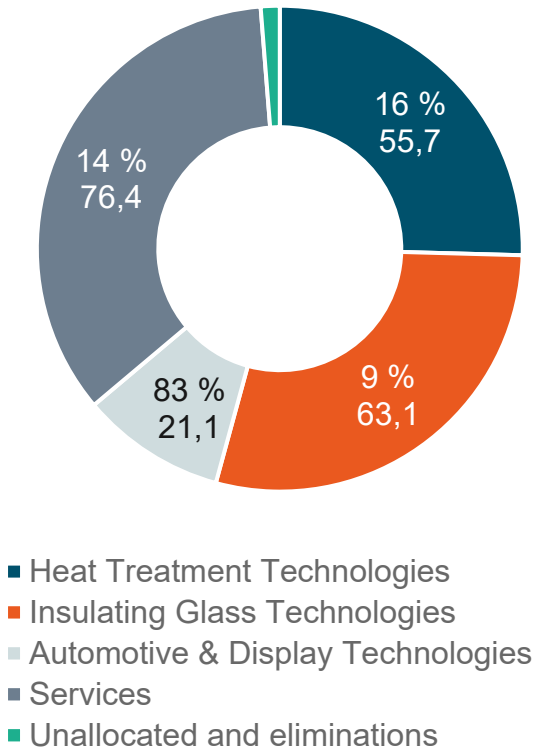


Net sales caught-up from weaker Q3, full-year +17%

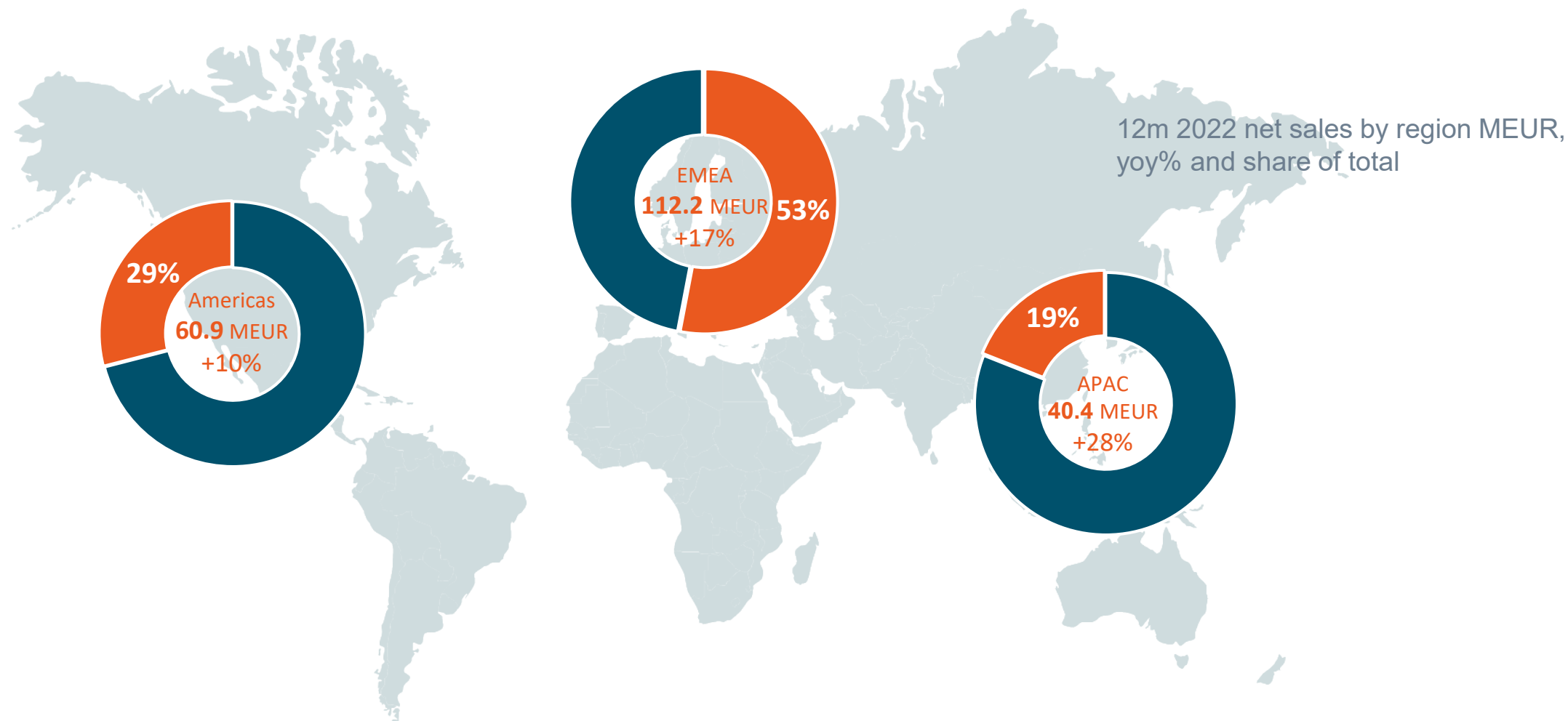
Group net sales, MEUR and yoy%



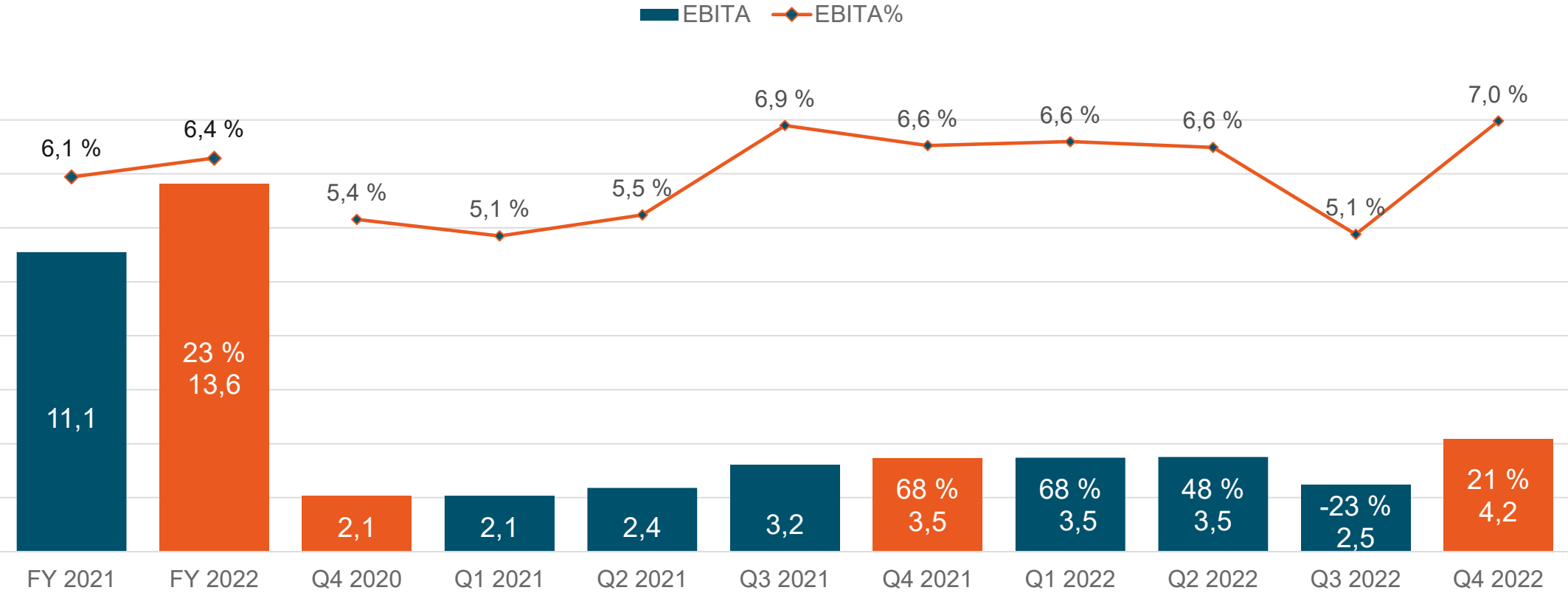
FY 2022 net sales by product area, MEUR and yoy%



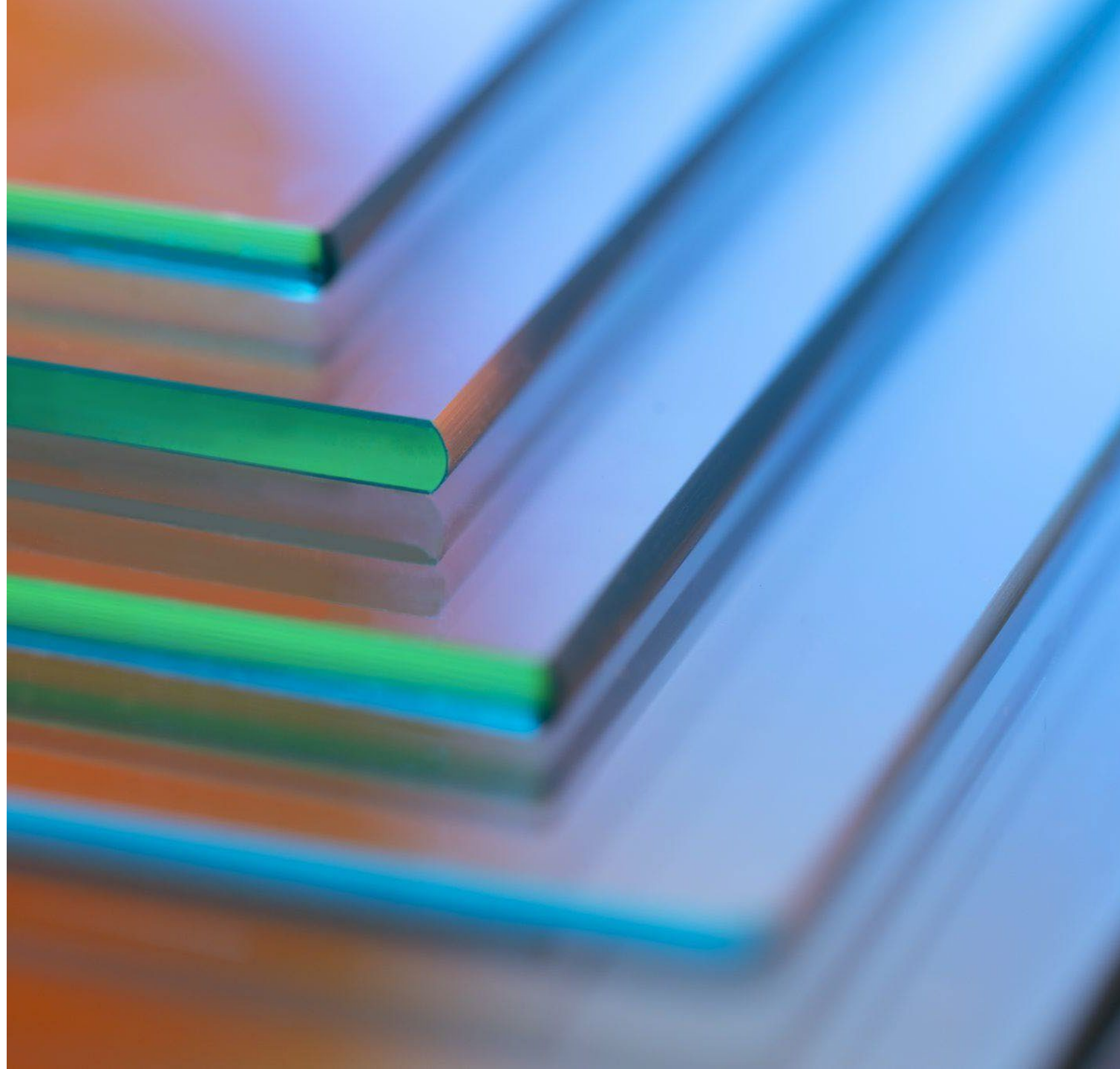
All regions growing over 10% year-on-year



EBITA margin reached first time 7% in Q4



Reporting segments



Heat Treatment – step-up in volume & margins

Q4 2022

- Strong demand in the final quarter, orders up 8%
- Q4 net sales recovered back to a good level
- Strong growth in spares and field service boosted services share and margin

FY 2022

- Healthy demand throughout the year, orders up by 7%
- Volume growth and margin improvement both in machines & services resulted in clear progress in profitability
- Upgrade orders lower in H2 2022, will impact net sales & profitability in early part of 2023

MEUR	FY 2022	Chg*	Q4 2022	Chg*
Order intake	95.1	6.9%	25.4	8.0%
Order backlog	54.1	18.5%	54.1	18.5%
Net sales	85.0	13.9%	21.8	-1.6%
Comparable EBITA	5.1	52.4%	1.1	48.8%
Comparable EBITA%	6.1%	4.5%	4.8%	3.2%

*Yoy% change and for EBITA% comparison figure same period previous year

Insulating Glass – excellent end of the year again

Q4 2022

- Q4 order intake was down 23% mainly due to weaker EMEA after record-high Q3
- Excellent project execution leading to high net sales and +10% growth
- Strong profitability with over 10% EBITA margin
- **FY 2022**
- Record orders with +33% yoy
- Net sales increased 10% with some impact from component shortages during the year
- Profitability somewhat lower as volume increase did not compensate for the increase in fixed costs

MEUR	FY 2022	Chg*	Q4 2022	Chg*
Order intake	126.6	33.3%	19.4	-22.9%
Order backlog	78.7	104.4%	78.7	104.4%
Net sales	90.1	10.4%	25.7	11.3%
Comparable EBITA	6.8	4.3%	2.6	6.6%
Comparable EBITA%	7.5%	8.0%	10.1%	10.5%

*Yoy% change and for EBITA% comparison figure same period previous year

Automotive & Display – mix impacts weakened profitability

Q4 2022

- Very low machine orders as customers postponed decisions, services strong +52% against weak comparison
- Machines with 87% net sales growth on the back of earlier orders, also services strong +30%
- Profitability declined as services share went down and machines margin was weaker due to regional mix

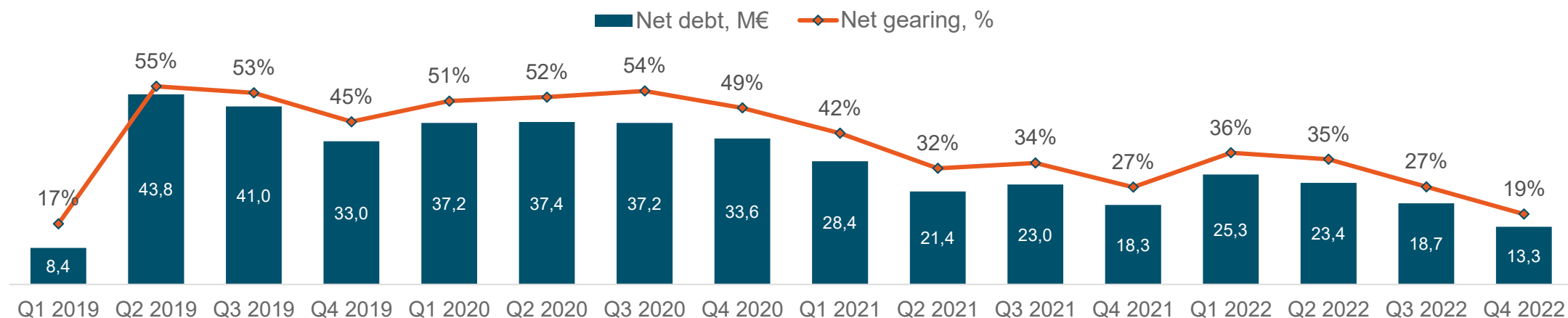
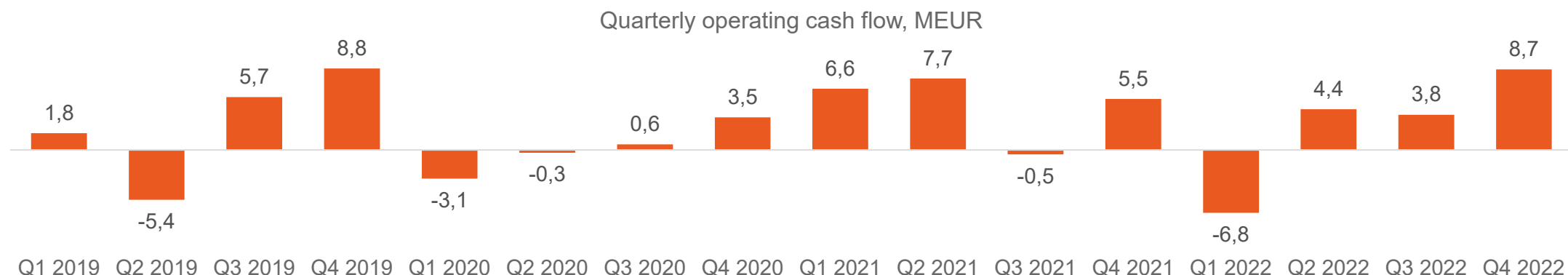
FY 2022

- Orders slightly behind previous year
- Machine net sales almost doubled, services growth 19%
- Profitability somewhat weaker as services share clearly lower driving gross margin down

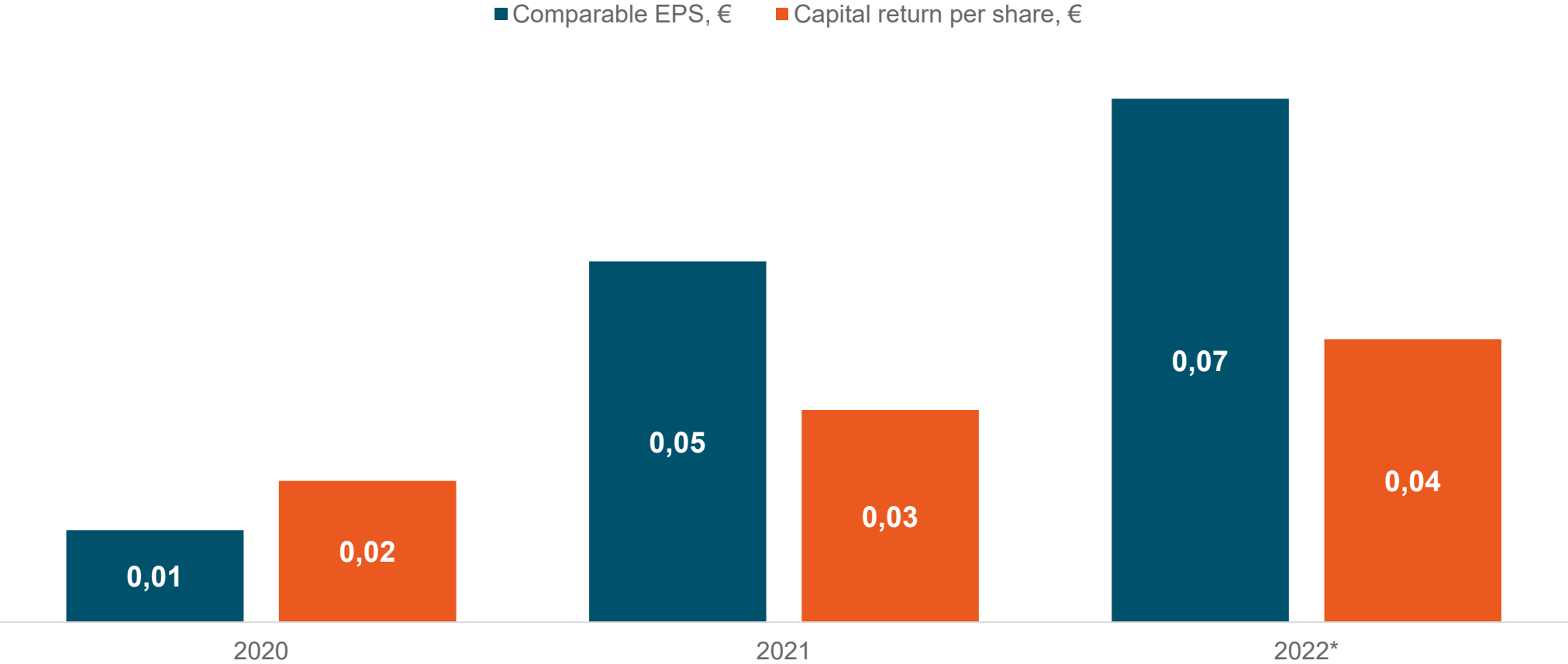
MEUR	FY 2022	Chg*	Q4 2022	Chg*
Order intake	30.4	-2.4%	6.6	-34.2%
Order backlog	5.5	-48.5%	5.5	-48.5%
Net sales	37.5	46.4%	12.0	65.5%
Comparable EBITA	1.5	28.0%	0.4	1.9%
Comparable EBITA%	4.1%	4.7%	3.1%	5.2%

*Yoy% change and for EBITA% comparison figure same period previous year

Excellent operating cash flow, gearing down to 19%



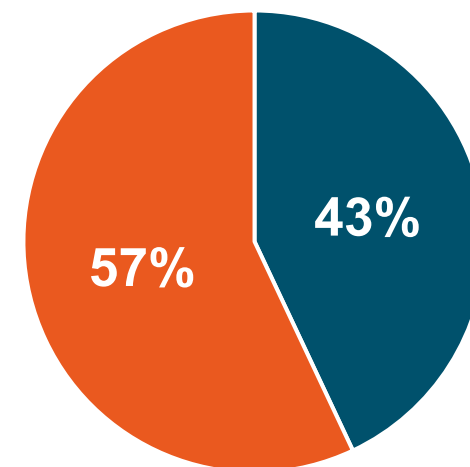
Continued progress in EPS and capital return



Glaston taxonomy alignment 2022

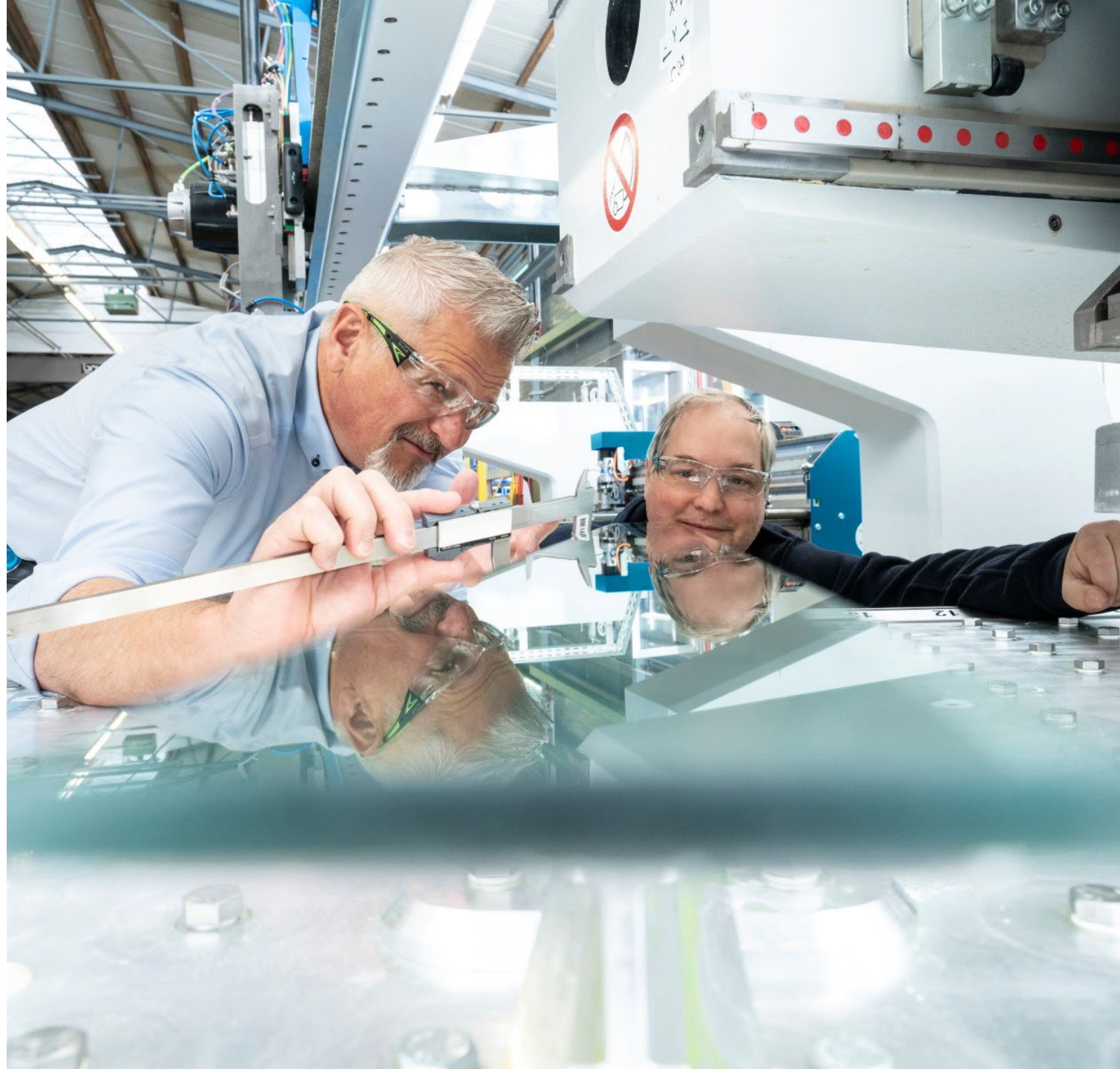
- Glaston's businesses **enabling climate change mitigation** are:
 - **Insulating glass technologies** and related services, which enable energy efficiency of buildings
 - **Glass processing technologies** and related services **for photovoltaic (PV) glass** that enable the production of renewable electricity
- The **EU taxonomy** is a classification system, which establishes a list of environmentally sustainable economic activities in order to scale up sustainable investment and implement the European green deal
- For 2022 companies report taxonomy alignment in addition to taxonomy eligibility
- **Taxonomy alignment** requires that the business fulfils strict technical screening criteria to prove that it has a role in reaching EU's environmental objectives
- Glaston meets Do No Significant Harm (DNSH) and Minimum Safeguards (MS) requirements
- More information to be available in Glaston Annual Review 2022

In 2022 taxonomy
aligned businesses
43% of total net sales
28% of Capex and Opex



■ Aligned ■ Not aligned

OUTLOOK 2023



Outlook 2023

Glaston entered 2023 with an order backlog 46% higher than in the previous year. This provides a strong starting point for 2023 and supports the company's net sales and profitability development.

Glaston Corporation estimates that its **net sales and comparable EBITA will improve in 2023 from the levels reported for 2022**. As is typical, Glaston expects the first quarter of 2023 to be the weakest of the year, additionally impacted by low upgrade net sales and a higher share of new products.

In 2022, Group full-year net sales totaled EUR 213.5 million and comparable EBITA was EUR 13.6 million.

QUESTIONS

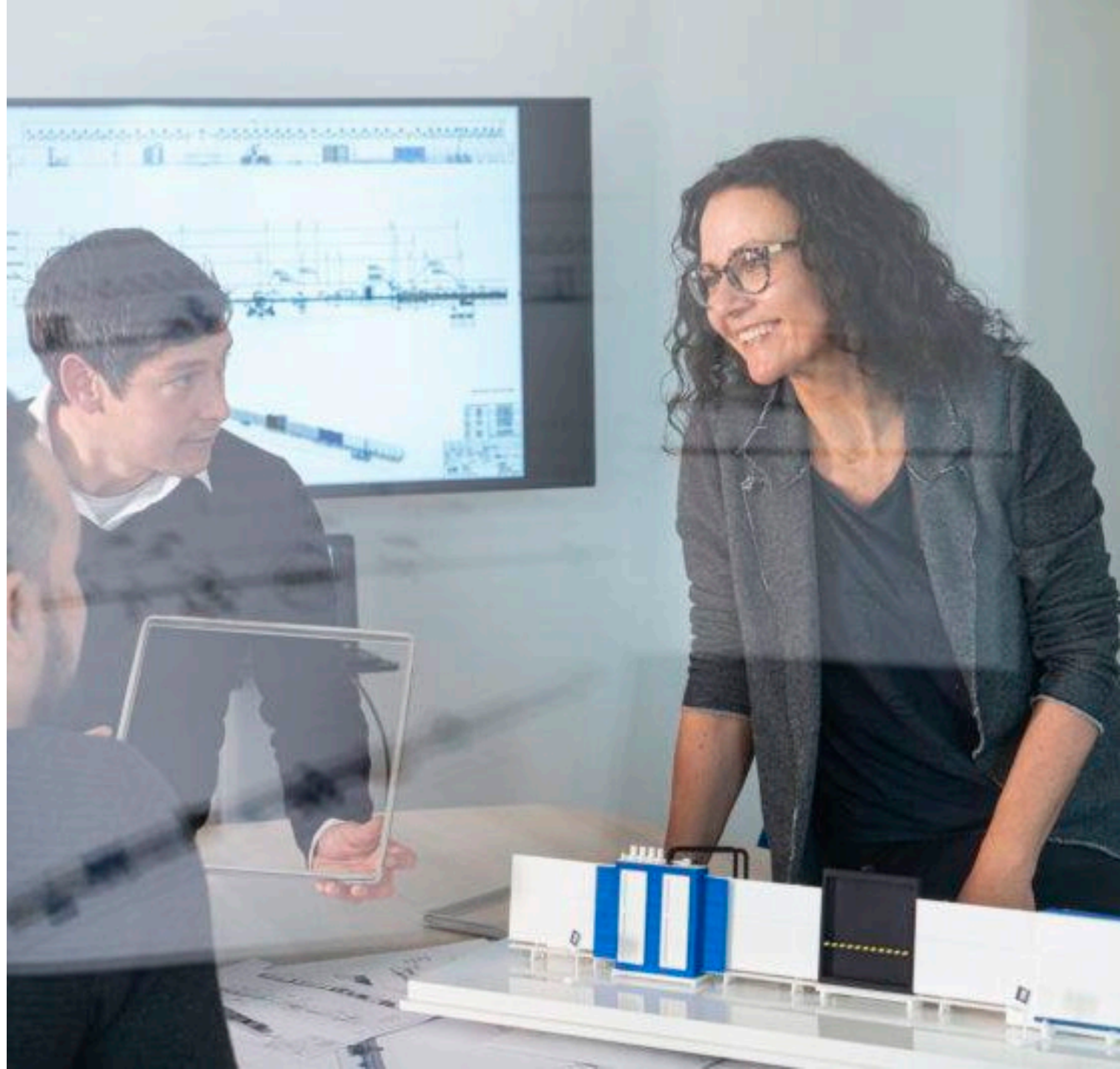


Financial reports in 2023

Interim report January-March 2023,
on 26 April 2023

Half year financial report January-June 2023,
on 1 August 2023

Interim report January-September 2023,
on 26 October 2023



This interim report provides future prospects involving risk and uncertainty factors, and other factors as a result of which the performance, operation, or achievements of Glaston may substantially deviate from the estimates.

Forward-looking statements relating to future prospects are subject to risks, uncertainties and assumptions, the implementation of which depends on the future business environment and other circumstances.



> www.glaston.net

Thank you!

IR-contact: pia.posio@glaston.net