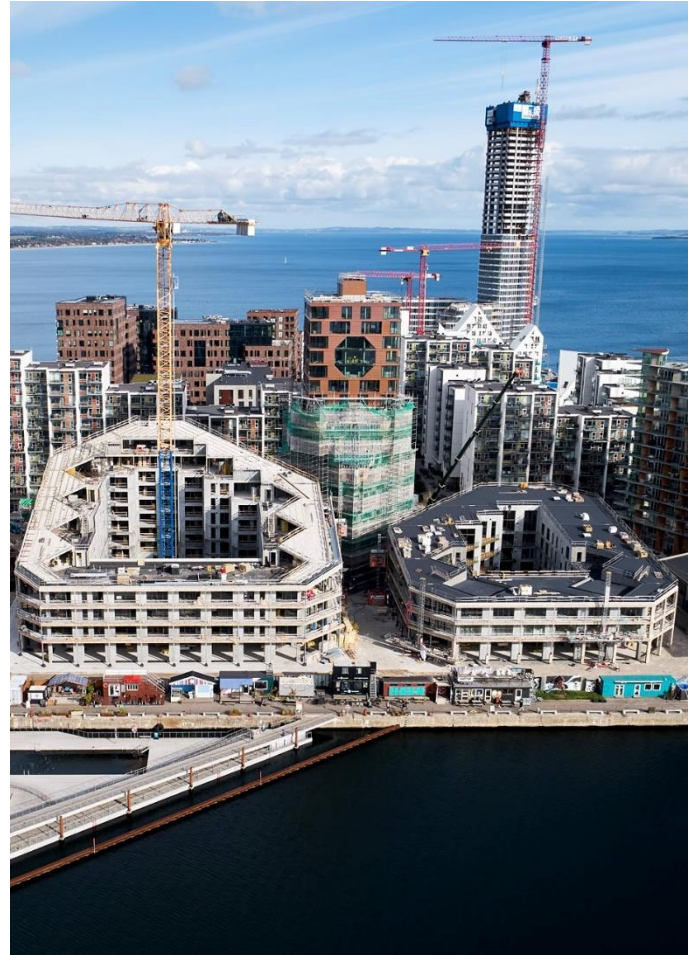


24 November 2021

High construction activity resulted in solid Q3 sales growth, with soaring energy prices requiring additional price increases.

Highlights

- Sales in the first nine months of 2021 reached 2 246 MEUR, an increase of 19 percent in local currencies and 18 percent in reported figures.
- Sales in Q3 2021 reached 797 MEUR, a growth of 18 percent in local currencies compared to Q3 2020, driven by high volume demand and sales price increases.
- EBITDA in the first nine months of 2021 reached 456 MEUR, with a 20.3 percent EBITDA margin, up 0.6 percentage points from last year. Strong leverage from sales growth contributed to the result.
- EBITDA in Q3 2021 reached 157 MEUR, with a 19.7 percent EBITDA margin, down 2.0 percentage points from Q3 2020. High inflation on production materials and energy prices were not fully compensated by sales price increases and cost actions in the quarter.
- EBIT in the first nine months of 2021 increased 29 percent to 306 MEUR, with a 13.6 percent EBIT margin, up 1.1 percentage points from last year.
- EBIT in Q3 2021 increased six percent to 105 MEUR, with a 13.2 percent EBIT margin, down 1.7 percentage points from Q3 2020.
- Investments excluding acquisitions reached 218 MEUR in the first nine months of 2021, down 44 MEUR compared to last year as the two large capacity expansions in Germany and the United States were completed.
- Annualised return on invested capital reached 19.7 percent compared to 17.7 percent last year, an increase due to higher earnings.



“With construction activity booming in many markets, we achieved double-digit sales growth in all business areas and good profitability despite soaring energy and input costs, a tight labour market and material shortages. We are working hard to meet customer demand and overall managing supply chain and logistics challenges well. Nevertheless, the high cost increases we are seeing on energy, production material and logistics are negatively affecting margins, necessitating additional and more rapid price increases, which are likely to continue in the coming months”.

CEO Jens Birgersson

Outlook 2021

- Growth in net sales around 17 percent in local currencies.
- EBIT margin above 13 percent.
- Investment level around 320 MEUR excluding acquisitions, changed from previously around 370 MEUR.

Conference call

ROCKWOOL Group will host an earnings call on 25 November 2021 at 11.00 CET. To attend the conference call dial +45 35445577, +44 3333000804 or +1 6319131422. Passcode 79533601#. The call will be transmitted live on www.rockwool.com/group/

Main figures / key figures for the Group

	Unaudited			Audited	
	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
Income statement items in MEUR					
Net sales	797	670	2 246	1 902	2 602
EBITDA	157	145	456	374	522
Amortisation, depreciation and write-downs	52	45	150	136	184
EBIT	105	100	306	238	338
Profit before tax	103	98	300	231	325
Profit for the period	79	77	231	178	251
Balance sheet items in MEUR					
Non-current assets			2 051	1 901	1 927
Current assets			927	895	817
Total assets			2 978	2 796	2 744
Equity			2 275	2 031	2 092
Non-current liabilities			185	168	158
Current liabilities			518	597	494
Net interest-bearing cash / (debt)			98	62	95
Net working capital			298	249	213
Invested capital			2 176	1 950	1 961
Cash flow items in MEUR					
Cash flow from operating activities	167	161	341	300	438
Cash flow from investing activities	74	72	225	262	362
Free cash flow	93	89	116	38	76
Others					
Number of full-time employees (end of period)			11 844	11 546	11 448
Ratios					
EBITDA margin	19.7%	21.7%	20.3%	19.7%	20.1%
EBIT margin	13.2%	14.9%	13.6%	12.5%	13.0%
ROIC (rolling 4 quarters)			19.7%	17.7%	17.6%
Return on equity (rolling 4 quarters)			14.1%	12.2%	11.9%
Equity ratio			76.3%	72.5%	76.1%
Stock market information (DKK)					
Earnings per share	27	26	79	60	86
Cash flow per share	58	55	118	103	150
Book value per share			781	687	707
Share capital (million)			216	220	220
Price per A share			2 349	2 159	2 075
Price per B share			2 753	2 447	2 296
Market cap (million)			54 860	49 626	47 062
Number of own shares			56 228	383 052	403 912

For definition of key figures and ratios see pg. 107 in the ROCKWOOL International A/S Annual Report 2020 available on our website: www.rockwool.com/group/

Management report for the period 1 January to 30 September 2021

Global sales development

The positive sales trend seen in many parts of the world continues as the rapid economic rebound is unfolding. Construction activity remains high. Strong demand for non-combustible insulation and our other stone wool products resulted in double-digit growth in all business areas in the Group. High activity levels have put a strain on the entire economy causing supply chain disruptions and inflationary pressure on production materials, energy prices and logistics. To meet customer demand most factories are running at high capacity into the winter season.

In the first nine months of 2021, ROCKWOOL Group generated net sales of 2 246 MEUR, an increase of 19 percent in local currencies, with all business areas achieving double-digit growth. Currency translation had a negative impact of one percent, which resulted in a sales growth of 18 percent in reported figures. Volume increases were the primary factor driving sales growth in the first nine months of the year.

**Group sales
+19%**

Q3 sales reached 797 MEUR, an increase of 18 percent in local currencies, driven by both volume and price increases. Exchange rates had a positive impact of one percent, and sales increased 19 percent in reported figures.

Despite sales price increases in Q3, the soaring inflation on input costs, in particular energy related costs, was not fully offset. Additional price increases have been initiated in the fourth quarter and further price increases will be also be introduced from January.

Regional sales development

In the first nine months of 2021, sales in Western Europe amounted to 1 344 MEUR, up 16 percent in both local currencies and reported figures. Sales in all markets increased compared to same period last year. In Q3 2021, sales amounted to 459 MEUR, an increase of 11 percent in local currencies and 12 percent in reported figures. In Q3, the sales growth was mainly driven by Germany, the United Kingdom, Italy, Denmark, and Sweden.

**Sales in Western Europe
+16%**

In Eastern Europe, sales for the first nine months of 2021 amounted to 395 MEUR, an increase of 25 percent in local currencies and 20 percent in reported figures due to a significant negative currency translation impact, primarily caused by depreciation of the Russian rouble. Sales in Q3 2021 amounted to 161 MEUR, up 36 percent in local currencies and 35 percent in reported figures. Sales in most countries experienced double-digit growth.

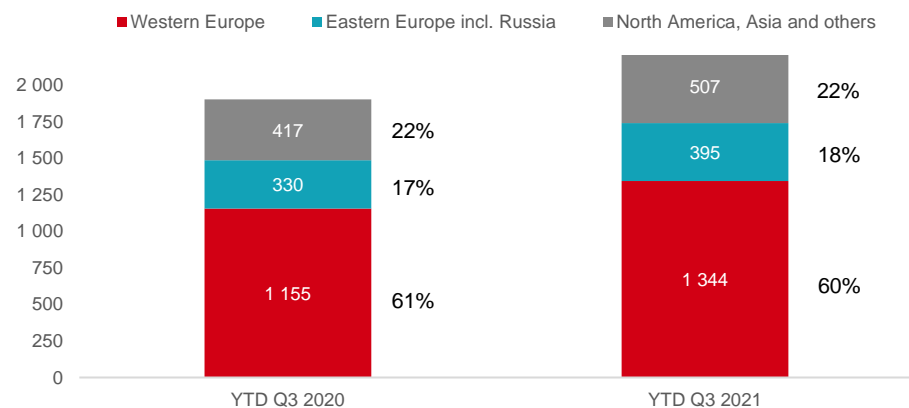
**Sales in Eastern Europe
+25%**

In the rest of the world, sales in the first nine months of 2021 amounted to 507 MEUR, an increase of 25 percent in local currencies and 21 percent in reported figures as primarily the U.S. dollar weakened against the euro. In Q3 2021, sales amounted to 177 MEUR, up 25 percent in local currencies and 27 percent in reported figures. North America experienced particularly good growth while China and other parts of Asia were still affected by COVID-19 with temporary close downs in some markets.

**Sales in rest of the world
+25%**

Regional sales

MEUR



Group profitability

During the first nine months of 2021, EBITDA increased 22 percent to 456 MEUR resulting in an EBITDA margin of 20.3 percent compared to 19.7 percent for same period last year. For Q3 2021, EBITDA amounted to 157 MEUR with an EBITDA margin of 19.7 percent, down 2.0 percentage points from same quarter last year. The EBITDA margin was highly impacted by accelerating inflation on production materials, energy and logistics, which sales price increases, costs leverage, and cost actions did not fully offset.

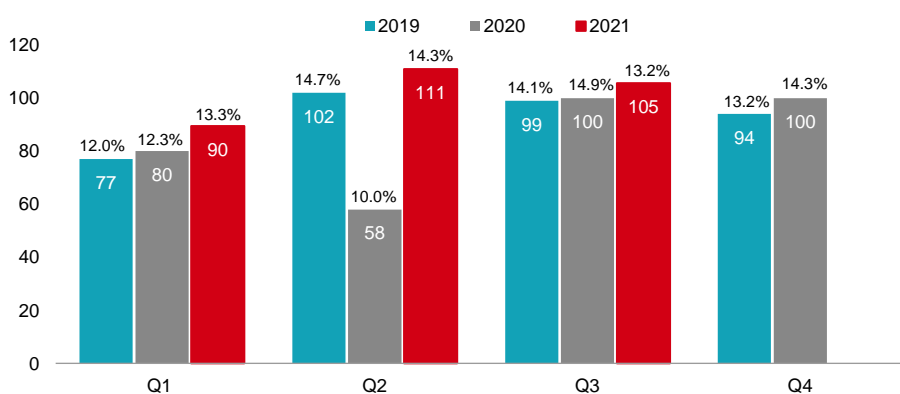
**EBITDA margin
+0.6%-points**

EBIT for the first nine months of 2021 increased 29 percent and reached 306 MEUR, corresponding to a 13.6 percent EBIT margin – an increase of 1.1 percentage points. In Q3 2021, EBIT amounted to 105 MEUR with an EBIT margin of 13.2 percent. EBIT was impacted by higher depreciation primarily from the new production capacity in the United States and Germany.

**EBIT margin
+1.1%-points**

EBIT & EBIT margin

MEUR



The effective tax rate was 23.0 percent for the first nine months of 2021, up 0.2 percentage points from the same period last year as well as full year 2020.

Net profit for the first nine months of 2021 amounted to 231 MEUR, an improvement of 53 MEUR compared to last year.

Balance sheet

Net working capital ended the first nine months of 2021 at 298 MEUR, an increase of 85 MEUR compared to year-end 2020, which follows the normal seasonality. The net working capital ratio ended at 10.1 percent, which was 0.6 percentage points higher than last year, due to higher trade receivables reflecting the sales growth and higher inventory value from higher cost prices.

Despite the higher invested capital, annualised return on invested capital was 19.7 percent compared to 17.7 percent for the same period last year, with the increase primarily linked to higher earnings.

Total assets at the end of the first nine months of 2021 amounted to 2 978 MEUR, an increase of 182 MEUR compared to last year mainly from the ongoing investments and increased trade receivables. The equity ratio at the end of the period was 76 percent.

Cash Flow

Cash flow from operations before financial items and tax in the first nine months of 2021 was 387 MEUR, up 19 MEUR from the same period last year.

Change in net working capital had a negative cash flow impact of 60 MEUR compared to same period last year, primarily due to higher inventories as well as higher trade receivables from the increased sales.

Capital expenditure excluding acquisitions during the first nine months of 2021 was 218 MEUR compared to 262 MEUR last year. The new factory in the United States, the electrical melter conversion in Moss, the new Rockfon line in Poland, and the relocation of one of the factories in China were the largest individual projects in first nine months of 2021. The new factory in the United States started commercial production in July 2021.

On 30 July 2021, ROCKWOOL Group closed the acquisition of a stone wool production facility north of Tokyo for 6 MEUR. The acquisition will have limited financial impact in 2021.

Free cash flow for the first nine months of the year was 116 MEUR, an improvement of 78 MEUR compared to the same period last year.

Cash flow from financing was -139 MEUR, a decrease of 110 MEUR due to a partial repayment of drawings on our credit facilities.

The Group remains cash positive with a net interest-bearing cash position of 98 MEUR, and unused credit facilities of 555 MEUR.

ROIC
+2.0%-points

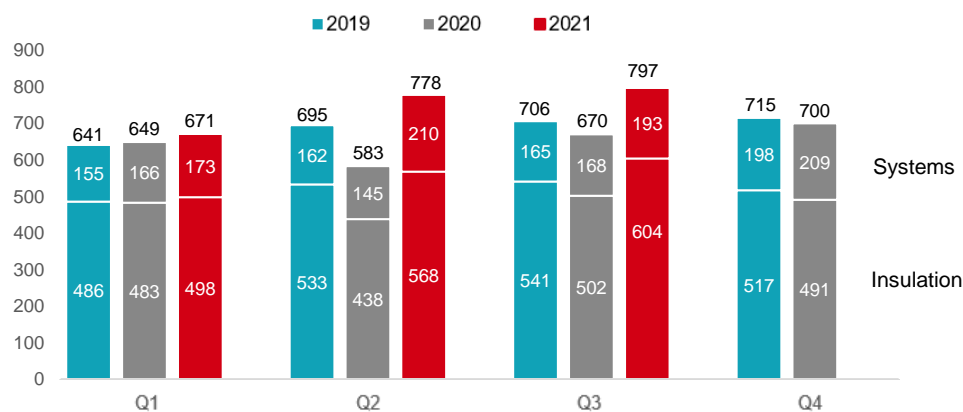
Operational cash flow before
financial items and tax
+19 MEUR

Free cash flow
+78 MEUR

Business segments

Sales per business

MEUR



Key figures Insulation segment

MEUR	Q3		YTD	
	2021	2020	2021	2020
External net sales	604	502	1 670	1 423
EBIT	78	76	206	172
EBIT margin	11.2%	13.2%	10.7%	10.5%

Insulation segment sales for the first nine months of 2021 reached 1 670 MEUR, which is an increase of 18 percent in local currencies and 17 percent in reported figures. In Q3 2021, sales reached 604 MEUR, up 20 percent in both local currencies and in reported figures. All markets and businesses contributed positively.

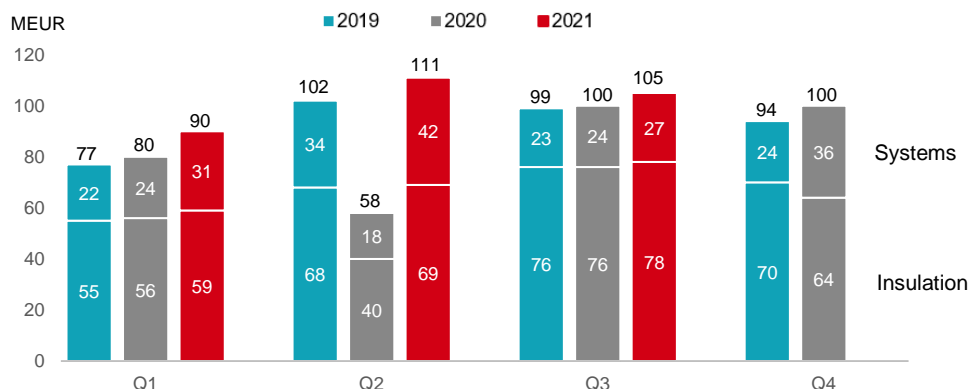
Insulation sales
+18%

Insulation segment EBIT for the first nine months of 2021 reached 206 MEUR with an EBIT margin of 10.7 percent, an increase of 0.2 percentage points compared to the same period last year. EBIT for Q3 2021 was 78 MEUR with an EBIT margin of 11.2 percent, down 2.0 percentage points from a favourable high level in Q3 2020. Sales price increases did not fully offset the accelerating inflation on production materials, energy and logistics costs. Start-up costs from the new factory in the United States also impacted the earnings level.

Insulation EBIT margin
+0.2%-points

EBIT per business

MEUR



Key figures Systems segment

MEUR			YTD	YTD
	Q3 2021	Q3 2020	Q3 2021	Q3 2020
External net sales	193	168	576	479
EBIT	27	24	100	66
EBIT margin	14.4%	14.3%	17.4%	13.8%

Systems segment sales for the first nine months of 2021 amounted to 576 MEUR, which is an increase of 22 percent in local currencies and 20 percent in reported figures. In Q3 2021, sales amounted to 193 MEUR, up 14 percent in local currencies and 15 percent in reported figures. All businesses contributed positively with double-digit growth.

In the first nine months of 2021, Systems segment generated an EBIT of 100 MEUR, an increase of 51 percent and an EBIT margin of 17.4 percent. In Q3 2021, EBIT amounted to 27 MEUR with an EBIT margin of 14.4 percent, at level with same period last year, but a decrease of 5.7 percentage-points compared to Q2 2021. The decrease mainly relates to an exceptional earnings level from favourable distributor sales in Q2 2021 and impact from increased material costs in Q3 2021 in Systems segment.

Systems sales
+22%

Systems EBIT margin
+3.6%-points

Outlook for the full year 2021

Market conditions for the full year are expected to remain favourable. We see a broad-based improvement in our larger European stone wool markets such as Germany, Poland, France, and the United Kingdom as well as North America. Sales in Systems segment is expected to show solid full year growth, although the growth is forecasted to be moderate in fourth quarter.

We maintain our full year outlook for sales growth at around 17 percent, expecting a growth for the last quarter above 10 percent.

We see continued soaring inflationary pressures on several input costs items such as energy, packaging materials and logistics that put pressure on margins. This necessitates additional price increases above the initial planned levels to restore earnings levels. We maintain the outlook for EBIT margin at above 13 percent for the full year.

We expect that the full year investment level excluding acquisitions will be around 320 MEUR, changed from previously around 370 MEUR. This is primarily due to postponement of a number of smaller investment projects in the current heated business environment.

2021 outlook overview

	10 February 2021	6 May 2021	19 May 2021	13 August 2021	18 August 2021	24 November 2021
Net sales in local currencies	Sales growth of 3-5 percent	Sales growth of 10-12 percent	Sales growth of 10-12 percent	Sales growth around 17 percent	Sales growth around 17 percent	Sales growth around 17 percent
EBIT margin	Around 11 percent	Around 12 percent	Around 12 percent	Above 13 percent	Above 13 percent	Above 13 percent
Investments excluding acquisitions	Around 370 MEUR	Around 370 MEUR	Around 370 MEUR	Around 370 MEUR	Around 370 MEUR	Around 320 MEUR

Further information:

Kim Junge Andersen, Chief Financial Officer
 ROCKWOOL International A/S
 +45 46 56 03 00

At ROCKWOOL Group, we are committed to enriching the lives of everyone who experiences our products. Our expertise is perfectly suited to tackle many of today's biggest sustainability and development challenges, from energy consumption to noise pollution and water scarcity to flooding. Our range of products reflects the diversity of the world's needs, supporting our stakeholders in reducing their own carbon footprint along the way.

Stone wool is a versatile material and forms the basis of all our businesses. With more than 11 800 passionate colleagues in 39 countries, we are the world leader in stone wool solutions, from building insulation to acoustic ceilings, external cladding systems to horticultural solutions, engineered fibres for industrial use to insulation for the process industry and marine & offshore.

Management statement

The Board of Directors and the Registered Directors have today considered and approved the interim report of ROCKWOOL International A/S for the first nine months of 2021.

This interim report, which has not been audited or reviewed by the ROCKWOOL Group auditor, has been prepared in accordance with IAS 34 “Interim Financial Reporting”, as approved by the EU and additional Danish interim reporting requirements for listed companies.

In our opinion, the interim report presents a true and fair view of Group’s financial position at 30 September 2021 and of the result from Group’s operations and cash flow for the period 1 January to 30 September 2021.

Furthermore, we believe that the management report includes a true and fair presentation about the development in the Group’s operations and financial matters, the result for the period and the Group’s financial position overall as well as a description of the most significant risks and uncertainties faced by the Group.

Besides what has been disclosed in this interim report no changes in the Group’s most significant risks and uncertainties have occurred relative to what was disclosed in the consolidated Annual Report for 2020.

24 November 2021

Registered Directors

Jens Birgersson
CEO

Kim Junge Andersen
CFO

Board of Directors

Thomas Kähler
Chairman

Carsten Bjerg
Deputy Chairman

Rebekka Glasser Herlofsen

Carsten Kähler

Andreas Ronken

Jørgen Tang-Jensen

Connie Enghus Theisen

Christian Westerberg

Income statement

MEUR	Unaudited			Audited	
	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
Net sales	797	670	2 246	1 902	2 602
Other operating income	2	2	4	4	6
Operating income	799	672	2 250	1 906	2 608
Raw material costs and production material costs	289	215	787	608	845
Delivery costs and indirect costs	117	93	315	266	363
Other external costs	51	47	150	141	184
Personnel costs	185	172	542	517	694
Operating costs	642	527	1 794	1 532	2 086
EBITDA	157	145	456	374	522
Amortisation, depreciation and write-downs	52	45	150	136	184
EBIT	105	100	306	238	338
Income from investments in associated companies	0	0	0	0	1
Financial items	-2	-2	-6	-7	-14
Profit before tax	103	98	300	231	325
Tax on profit for the period	24	21	69	53	74
Profit for the period	79	77	231	178	251
<i>Profit for the period attributable to:</i>					
Non-controlling interests	0	0	0	0	0
Shareholders of ROCKWOOL International A/S	79	77	231	178	251
Earnings per share of DKK 10 (EUR 1.3)	3.7	3.5	10.7	8.1	11.5
Diluted earnings per share of DKK 10 (EUR 1.3)	3.7	3.5	10.7	8.1	11.5

Statement of comprehensive income

MEUR	Unaudited			Audited	
	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
Profit for the period	79	77	231	178	251
<i>Items that will not be reclassified to income statement:</i>					
Actuarial gains and losses of pension obligations	0	0	0	0	-3
Tax on other comprehensive income	0	0	0	0	4
<i>Items that may be subsequently reclassified to income statement:</i>					
Currency adjustment from translation of entities	11	-48	49	-104	-108
Hedging instruments, value adjustments	2	0	0	2	2
Tax on other comprehensive income	-1	0	-1	0	-2
Other comprehensive income	12	-48	48	-102	-107
Comprehensive income for the period	91	29	279	76	144
<i>Comprehensive income for the period attributable to:</i>					
Non-controlling interests	0	0	-1	0	0
Shareholders of ROCKWOOL International A/S	91	29	280	76	144

Business segments and sales reporting

YTD Q3	Unaudited							
	Insulation segment		Systems segment		Eliminations		ROCKWOOL Group	
MEUR	2021	2020	2021	2020	2021	2020	2021	2020
External net sales	1 670	1 423	576	479	-	-	2 246	1 902
Internal net sales	249	208	-	-	-249	-208	-	-
EBIT	206	172	100	66	-	-	306	238
<i>EBIT margin</i>	<i>10.7%</i>	<i>10.5%</i>	<i>17.4%</i>	<i>13.8%</i>			<i>13.6%</i>	<i>12.5%</i>
Goods transferred at a point in time	1 670	1 423	576	479			2 246	1 902

Geographical split of net sales

MEUR			YTD	YTD	
	Q3 2021	Q3 2020	Q3 2021	Q3 2020	FY 2020
Western Europe	459	411	1 344	1 155	1 575
Eastern Europe and Russia	161	120	395	330	449
North America, Asia and others	177	139	507	417	578
Total net sales	797	670	2 246	1 902	2 602

Balance sheet

(condensed)	Unaudited		Audited
MEUR	Q3 2021	Q3 2020	FY 2020
Assets			
Intangible assets	170	188	181
Tangible assets	1 766	1 591	1 632
Right-of-use assets	49	44	44
Other financial assets	9	21	16
Deferred tax assets	57	57	54
Non-current assets	2 051	1 901	1 927
Inventories	274	244	216
Receivables	438	389	360
Cash	215	262	241
Current assets	927	895	817
Total assets	2 978	2 796	2 744
Equity and liabilities			
Share capital	29	29	29
Currency translation adjustments	-163	-207	-212
Proposed dividend	0	0	94
Retained earnings	2 407	2 204	2 178
Hedging	-1	1	-1
Non-controlling interests	3	4	4
Total equity	2 275	2 031	2 092
Non-current liabilities	185	168	158
Current liabilities	518	597	494
Total liabilities	703	765	652
Total equity and liabilities	2 978	2 796	2 744

Cash flow statement

(condensed)	Unaudited				Audited
MEUR	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
EBIT	105	100	306	238	338
Adjustments for amortisation, depreciation and write-downs	52	45	150	136	184
Adjustments of non-cash operating items	1	6	3	6	7
Changes in net working capital	27	27	-72	-12	27
Cash flow from operations before financial items and tax	185	178	387	368	556
Cash flow from operating activities	167	161	341	300	438
Cash flow from investing activities	-68	-67	-218	-262	-362
Received investment grants	0	0	0	19	19
Business acquisitions, net of cash	-6	-5	-7	-19	-19
Free cash flow	93	89	116	38	76
Cash flow from financing activities	-44	-30	-139	-29	-92
Net cash flow	49	59	-23	9	-16
Cash available – beginning of period	169	207	240	269	269
Exchange rate adjustments on cash available	-3	-4	-2	-16	-13
Cash available – end of period	215	262	215	262	240
Unutilised, committed credit facilities			555	630	630

Statement of changes in the equity

	Unaudited							
MEUR	Shareholders of ROCKWOOL International A/S						Non-controlling interests	Total equity
	Share capital	Currency translation adjustments	Proposed dividend	Retained earnings	Hedging	Total		
Equity 1 January 2021	29	-212	94	2 178	-1	2 088	4	2 092
Profit for the period				231		231		231
Other comprehensive income		49				49	-1	48
Comprehensive income for the period	-	49	-	231	-	280	-1	279
Share buy-back programme				-3		-3		-3
Purchase of own shares				-3		-3		-3
Sale of own shares				1		1		1
Expensed value of Restricted Share Units issued				1		1		1
Dividend paid			-94	2		-92		-92
Equity 30 September 2021	29	-163	0	2 407	-1	2 272	3	2 275
Equity 1 January 2020	29	-104	94	2 096	-1	2 114	4	2 118
Profit for the period				178		178		178
Other comprehensive income		-104			2	-102		-102
Comprehensive income for the period	0	-104	0	178	2	76	0	76
Share buy-back programme				-70		-70		-70
Purchase of own shares				-3		-3		-3
Sale of own shares				2		2		2
Expensed value of Restricted Share Units issued				1		1		1
Dividend paid		1	-94			-93		-93
Equity 30 September 2020	29	-207	0	2 204	1	2 027	4	2 031

Main figures in DKK million

MDKK	Unaudited				Audited
	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
Net sales	5 931	4 968	16 706	14 162	19 397
Amortisation, depreciation and write-downs	382	341	1 114	1 016	1 370
EBIT	786	741	2 280	1 771	2 519
Profit before tax	773	726	2 233	1 717	2 422
Profit for the period	592	573	1 719	1 325	1 871
Total assets			22 146	20 819	20 410
Equity			16 914	15 123	15 566
Cash flow from operating activities	1 239	1 201	2 537	2 236	3 261
Cash flow from investing activities	550	533	1 675	1 948	2 690
Exchange rate	7.44	7.44	7.44	7.45	7.45

Accounting policies

This unaudited interim report has been prepared in accordance with IAS 34 and additional Danish regulations for the presentation of quarterly interim reports by listed companies. The interim report has been prepared in accordance with the accounting policies set out in the Annual Report for 2020 with no significant changes.

Significant accounting estimates and assumptions

In preparing this interim report Management has made various accounting estimates and assumptions that may significantly influence the amounts recognised in the Consolidated Financial Statement and related information at the reporting date. The accounting estimates and assumptions which Management considers to be material for the preparation and understanding of the interim report are stated in Note 5.5 in the Annual Report 2020 and primarily relates to impairment testing, expected lifetime for tangible assets, deferred tax assets and uncertain tax positions and pension obligations.

Disclaimer

The statements on the future in this report, including expected sales and earnings, are associated with risks and uncertainties and may be affected by factors influencing the activities of the Group, e.g. the global economic environment, including interest and exchange rate developments, the raw material situation, production and distribution-related issues, breach of contract or unexpected termination of contract, price reductions due to market-driven price reductions, market acceptance of new products, launches of competitive products and other unforeseen factors.