

The Clean Air Company

Interim report
January - September 2024

Q3



High level of activity and good orders received

Quarter 3, 2024

- Orders received amounted to SEK 1,437m (1,488), equivalent to a currency neutral decline of 0.3 percent compared with the same period last year.
- Net sales amounted to SEK 1,416m (1,574), equivalent to a currency neutral decline of 6.8 percent compared with the same period last year.
- Adjusted EBITA was SEK 160.8m (175.4), giving an adjusted EBITA margin of 11.4 percent (11.1).
- Operating profit amounted to SEK 129.0m (148.0), corresponding to an operating margin of 9.1 percent (9.4).
- Net profit was SEK 70.4m (85.4).
- Earnings per share were SEK 2.00 (2.43).
- Cash flow from operating activities amounted to SEK 180.9m (137.4).

January - September 2024

- Orders received amounted to SEK 4,372m (4,538), equivalent to a currency neutral decline of 2.9 percent compared with the same period last year.
- Net sales amounted to SEK 4,280m (4,687), equivalent to a currency neutral decline of 7.8 percent compared with the same period last year.
- Adjusted EBITA was SEK 522.5m (543.3), giving an adjusted EBITA margin of 12.2 percent (11.6).
- Operating profit amounted to SEK 435.2m (443.6), corresponding to an operating margin of 10.2 percent (9.5).
- Net profit was SEK 257.8m (263.6).
- Earnings per share were SEK 7.34 (7.51).
- Cash flow from operating activities amounted to SEK 350.5m (364.0).



Sven Kristensson
CEO

CEO's comments

Continued investments in a more challenging market

With a strong focus on operational efficiency and high rate of innovation, we are advancing our positions further in a slightly weaker market climate. The third quarter was characterised by favourable profitability, strong cash flow and continued order growth in structurally growing industries throughout the world.

Uncertainty in the global economy is on the increase, driven by growing geopolitical concerns, squeezed margins for households and businesses that are holding off on making major investments. In this challenging environment, we are leveraging our market leadership and actively striving to strengthen our position in various regions and segments. This includes intensified efforts to identify new companies that could complement our range, which has to date resulted in the acquisition of Canadian company Duroair Technologies in August.

During the third quarter of the year, three of our four divisions reported a currency neutrally positive development in orders received and sales. For the group as a whole, orders received decreased currency neutrally by 0.3 percent to SEK 1,437m (1,488) and sales decreased currency neutrally by 6.8 percent to SEK 1,416m (1,574). The marginal decrease in orders received, which I am satisfied with considering the current market climate, and the lower sales, were mainly due to a drop in the number of major orders and fewer project deliveries in Process Technology. In addition, the fact that a significant number of orders were received at the end of the period meant that deliveries could not be completed before the end of the quarter. Finally, Hurricane Helene had a negative impact on sales during the quarter as a number of customers could not receive deliveries in the latter part of September. However, the strong orders received in September helped to increase order backlog, which supports sales in the current quarter. The adjusted EBITA margin was 11.4 percent (11.1), compared with our target of 14 percent. A growing service business is helping to boost margins. Qualified service to guarantee continuous operation among customers is becoming an increasingly important part of our business.

Despite dampened demand in certain industries and markets, we continued to invest in growth-enhancing activities. We are increasing capacity at several of our plants and investing in automation technology and more efficient deliveries to our customers. Our strength in product development is being fully utilised, with new investments in digital concepts and systems that help customers to improve air quality, reduce environmental impact and optimise their production processes. During the quarter, we gained access to our new, ultra-modern facility in Helsingborg, and we will gradually move operations into the prem-

ises over the coming months. As a leading global environmental technology company in advanced air filtration, we are building up further technical cutting-edge expertise to strengthen our position in structurally growing industries, where system solutions and digitalised processes are often central. The acquisition of Duroair Technologies complements our range with new solutions in growing sectors, such as the defence industry and aeronautics. During the quarter, we launched a new, mobile high-vacuum solution for explosive environments and continued the development of the next generation of Insight products.

HIGH LEVEL OF ACTIVITY IN OUR DIVISIONS

Our divisions continued to demonstrate a high level of activity during the quarter, with stronger positions in prioritised industries and markets. Extraction & Filtration Technology achieved its highest ever level of orders received, driven in part by large orders in service and the defence sector. Process Technology's orders received and sales declined, but included new major orders in aluminium recycling. Duct & Filter Technology's production and logistics initiatives in the US have led to faster deliveries, higher profitability and stronger positions in, for example, the high-capacity battery industry. Monitoring & Control Technology showed healthy order growth and advanced collaborations in the oil and gas industry and in strategic environmental projects.

STILL CAUTIOUSLY POSITIVE

Even if the performance of our divisions was largely positive, the risk remains that a weaker economic outlook will impact customers' investment decisions. Moreover, we believe that there is a risk that the growing geopolitical uncertainty could eventually lead to increased protectionism. However, Nederman stands strong in this macro environment. In view of our large order backlog and our ability to increase our share of sales in industries with good structural growth, we take a cautiously positive view of opportunities in the next few quarters.



Q3 INTERVIEW WITH SVEN KRISTENSSON

Watch the interview on Nederman's YouTube channel.
Playlist: Financial reports

Segment overview

Nederman is organised in four operating segments. This organisation is based on technology, customer structure and business logic with its starting point in the group's brands. This means that the operating segments are global. The organisation has four overriding priorities: strengthened profitability, improved efficiency, utilisation of all the possibilities offered by digitalisation and internal and external sustainability.

Nederman Extraction & Filtration Technology develops and sells a broad range of filters and monitoring services, capturing devices, fans, high-vacuum products and reels for the distribution of a variety of liquids and compressed air. Sales are conducted through a network of partners and through own sales companies. Customers operate in industries with various types of air emissions that must be dealt with in an efficient and safe manner.

Nederman Process Technology offers services and filter solutions that are often integrated into the customer companies' production processes, where they capture harmful particles and gases, and other process-critical equipment. Sales activities are conducted through the division's own sales organisation that has direct contact with the customers. The number of orders is low, but the individual order value is high. The customers comprise major companies in a large number of industries.

Nederman Duct & Filter Technology sells different types of ducting systems, valves and filter elements to ensure good air quality in a number of industries. Sales are mainly conducted through distributors, but there are also internal sales to Nederman's other divisions. The customers are found in a long line of industries, such as woodworking, cement & concrete production, automotive, metalworking and recycling.

Nederman Monitoring & Control Technology offers advanced measurement technology for gases and particles, and an IoT platform that consists of hardware and software that communicate with the cloud and provide customers with information and insight into critical parameters and processes. Sales are conducted through own companies, their networks of distributors and other divisions within Nederman. The division works with a broad spectrum of industries that need to continuously monitor and control their production and their processes.

External orders received, SEKm	1Jul-30Sep		Currency neutral growth	Organic growth	1Jan-30Sep		Currency neutral growth	Organic growth	Full year 2023	Oct-Sep 12 months
	2024	2023			2024	2023				
Nederman Extraction & Filtration Technology	673.7	676.6	2.5%	1.3%	1,962.1	1,930.8	2.4%	-0.2%	2,581.2	2,612.5
Nederman Process Technology	353.4	419.3	-13.3%	-13.3%	1,191.0	1,453.3	-17.5%	-17.5%	1,921.0	1,658.7
Nederman Duct & Filter Technology	202.7	195.2	7.4%	7.4%	592.2	581.6	2.7%	2.7%	762.7	773.3
Nederman Monitoring & Control Technology	207.6	196.5	10.1%	10.1%	626.2	572.4	10.7%	10.7%	739.7	793.5
Total Nederman group	1,437.4	1,487.6	-0.3%	-0.9%	4,371.5	4,538.1	-2.9%	-4.0%	6,004.6	5,838.0

Total sales, SEKm	1Jul-30Sep		Currency neutral growth	Organic growth	1Jan-30Sep		Currency neutral growth	Organic growth	Full year 2023	Oct-Sep 12 months
	2024	2023			2024	2023				
Nederman Extraction & Filtration Technology	633.4	652.8	0.3%	-0.9%	1,921.8	1,894.0	2.2%	-0.3%	2,582.5	2,610.3
Nederman Process Technology	402.7	554.6	-24.4%	-24.4%	1,205.1	1,711.8	-28.6%	-28.6%	2,146.6	1,639.9
Nederman Duct & Filter Technology	220.6	210.1	8.6%	8.6%	663.8	638.3	4.9%	4.9%	839.0	864.5
Nederman Monitoring & Control Technology	190.0	182.7	8.3%	8.3%	582.6	531.0	10.9%	10.9%	732.8	784.4
Elimination	-31.0	-25.8			-93.3	-87.8			-113.1	-118.6
Total Nederman group	1,415.7	1,574.4	-6.8%	-7.3%	4,280.0	4,687.3	-7.8%	-8.8%	6,187.8	5,780.5

Adjusted EBITA, SEKm	1Jul-30Sep		1Jan-30Sep		Full year 2023	Oct-Sep 12 months
	2024	2023	2024	2023		
Nederman Extraction & Filtration Technology	78.4	82.7	259.5	256.1	339.5	342.9
Nederman Process Technology	46.1	50.6	132.0	166.9	209.0	174.1
Nederman Duct & Filter Technology	44.9	38.8	136.9	121.3	156.5	172.1
Nederman Monitoring & Control Technology	30.0	37.4	96.7	104.6	152.6	144.7
Other - non-allocated	-38.6	-34.1	-102.6	-105.6	-142.7	-139.7
Total Nederman group	160.8	175.4	522.5	543.3	714.9	694.1

Adjusted EBITA margin	1Jul-30Sep		1Jan-30Sep		Full year 2023	Oct-Sep 12 months
	2024	2023	2024	2023		
Nederman Extraction & Filtration Technology	12.4%	12.7%	13.5%	13.5%	13.1%	13.1%
Nederman Process Technology	11.4%	9.1%	11.0%	9.7%	9.7%	10.6%
Nederman Duct & Filter Technology	20.4%	18.5%	20.6%	19.0%	18.7%	19.9%
Nederman Monitoring & Control Technology	15.8%	20.5%	16.6%	19.7%	20.8%	18.4%
Total Nederman group	11.4%	11.1%	12.2%	11.6%	11.6%	12.0%



ABOUT THE DIVISION

Nederman Extraction & Filtration Technology develops and sells a broad range of filters and monitoring services, capturing devices, fans, high-vacuum products and reels for the distribution of a variety of liquids and compressed air.

Brands: Nederman, RoboVent, Aagaard and Duroair

Nederman Extraction & Filtration Technology

In the third quarter, orders received increased currency neutrally by 2.5 percent and sales increased currency neutrally by 0.3 percent. The adjusted EBITA margin was 12.4 percent (12.7).

DEVELOPMENT DURING THE QUARTER

Adjusted for currency, orders received reached its highest ever level for a single quarter, primarily driven by strong growth in major orders, a solid base business and increasing activity during the quarter in mid-sized orders. Together with the contribution from the acquisition in August of the Canadian company Duroair Technologies, the quarter ended with a record-level order backlog, supporting good sales in the coming quarters. Service continued to post high sales growth, and product sales also developed well. Sales of solutions decreased due to fewer mid-sized orders in the backlog of orders at the beginning of the quarter. Investments increased during the quarter in the US organisation and this, together with the delivery of fewer mid-sized orders, as well as delivery delays connected to hurricane Helene, led to a slightly lower result.

During the quarter, nine major orders were registered, of which six were in Americas and three in EMEA. Three of the orders in Americas were in the welding segment and one in woodworking. Major orders were also registered in service and the defence sector. All three major orders in EMEA were secured through distributor channels. The quarter was also characterised by strong orders received for solutions in structurally growing industries such as food, healthcare, defence, green energy and waste management, distributed between a large number of markets worldwide.

During the quarter, orders received gradually strengthened in EMEA, which resulted in a record-high order backlog by the end of the quarter. This development was primarily driven by the distributor channels, with three major orders, including one from an electric car manufacturer in Germany. The UK performed strongly, with increased activity in mid-sized orders for solutions and healthy growth in service. Activity in the EU was robust in the defence industry sector, with orders

in the Netherlands and Belgium. The wood products and automotive industries displayed increased uncertainty and lower demand in certain markets.

Orders received in Americas was the strongest ever for a single quarter, driven by a new record for the number of major orders. RoboVent played a key role in this development, with major orders in the welding segment in the US and Mexico, as well as one major order from the defence technology industry. Other activities in Americas reported a stable trend with several mid-sized orders. The acquisition of Duroair strengthens the division's position in the US and Canada, particularly in the defence and aerospace industry.

APAC noted a recovery in orders received with healthy growth in Southeast Asia and Australia. One order was received in Australia in the defence industry and several orders in the welding segment, driven by new legislation for safe working environments. Despite this positive development, challenges remain in the region where large markets, such as India and China, continue to display weak growth.

KEY ACTIVITIES

- Acquisition of the Canadian company Duroair Technologies, active in climate-controlled air filtration with the US and Canada as its main markets.
- Access to the new production and logistics facility in Helsingborg, with occupancy scheduled to take place over the coming quarters.
- Launch of the new ATEX Mobile high-vacuum series, which meets the latest standards for explosive environments.
- Participation at the International Woodworking Fair (IWF), the largest trade fair for the woodworking industry in North America.
- RoboVent's new plant in the US is now fully operational.

SEKm	Note	1Jul-30Sep		Currency neutral growth	Organic growth	1Jan-30Sep		Currency neutral growth	Organic growth	Full year 2023	Oct-Sep 12 months
		2024	2023			2024	2023				
External orders received		673.7	676.6	2.5%	1.3%	1,962.1	1,930.8	2.4%	-0.2%	2,581.2	2,612.5
Total sales	3	633.4	652.8	0.3%	-0.9%	1,921.8	1,894.0	2.2%	-0.3%	2,582.5	2,610.3
Adjusted EBITA		78.4	82.7			259.5	256.1			339.5	342.9
Adjusted EBITA margin		12.4%	12.7%			13.5%	13.5%			13.1%	13.1%

ABOUT THE DIVISION

Nederman Process Technology offers services and advanced filter solutions that are integrated into the customers' production processes where they catch harmful particles and gases.

Brands: MikroPul, Luwa, Pneumafil and LCI

Nederman Process Technology

In the third quarter, orders received decreased currency neutrally by 13.3 percent and sales decreased currency neutrally by 24.4 percent. The adjusted EBITA margin increased to 11.4 percent (9.1).

DEVELOPMENT DURING THE QUARTER

Despite substantially lower sales than the same quarter last year, a clear increase in profit margin resulted in a strong EBITA for the quarter. A limited number of major orders together with the continued slow-down in cyclical industries contributed to lower orders received for the quarter. The decrease in sales for the quarter was expected in terms of planned project deliveries. Service continued its stable development and increased its share of the division's sales. A better sales mix and continued high efficiency in manufacturing and project execution supported continued favourable profitability. A deterioration in the global economy in the wake of geopolitical turmoil and weakness in certain markets and segments is expected to lead to continued lower orders received over the next few quarters. At the same time, the division's long-term potential remains considerable, with investments in new segments and new markets expected to generate healthy returns. The quotation pipeline also includes several major projects that could make a strong contribution to the order backlog.

The textile segment remained challenging with a weak trend in Turkey and China and low capacity utilisation at spinning mills that is curbing demand. The division has a high market share in the segment and is affected by overall weaker demand, but despite this it has gained market share. A number of major orders were secured during the quarter. The innovative and energy-efficient fan system, which was launched in 2023, continues to attract a large amount of interest from customers. In addition, the division further strengthened its position in the adjacent non-woven segment.

In the foundry and smelter segment, a strong underlying sustainability trend is contributing to a long-term increase in demand for the division's solutions in, for example, metal recycling. The division increased orders received for the quarter, driven by such factors as several major orders in aluminium recycling. The strategic initiatives to grow in Americas with the same offering and with favourable profitability, such as in EMEA, continued with undiminished energy and the pipeline was filled during the quarter with a number of interesting projects. Despite short-term uncertainty related to the global economic trend, the potential within the segment is considerable, particularly in aluminium recycling.

The customised solutions segment recorded both lower orders received and sales for the quarter, in part due to reduced activity in the European chemicals industry. The division's projects often represent minor parts of major capital investments, which brings a risk of dampened demand in the event of increased economic uncertainty. Nonetheless, the division is optimistic, as strategic and sustainability-oriented investments in the mining and petrochemical industries, for example, are expected to favour demand for the division's equipment in the long term.

KEY ACTIVITIES

- The investment in a new sandblasting and paint line in the division's plant in Germany has contributed to increased production capacity and lower manufacturing costs.
- The rollout continued of the division's new energy-efficient fan for the textile industry.

SEKm	Note	1Jul-30Sep 2024	1Jul-30Sep 2023	Currency neutral growth	Organic growth	1Jan-30Sep 2024	1Jan-30Sep 2023	Currency neutral growth	Organic growth	Full year 2023	Oct-Sep 12 months
External orders received		353.4	419.3	-13.3%	-13.3%	1,191.0	1,453.3	-17.5%	-17.5%	1,921.0	1,658.7
Total sales	3	402.7	554.6	-24.4%	-24.4%	1,205.1	1,711.8	-28.6%	-28.6%	2,146.6	1,639.9
Adjusted EBITA		46.1	50.6			132.0	166.9			209.0	174.1
Adjusted EBITA margin		11.4%	9.1%			11.0%	9.7%			9.7%	10.6%

ABOUT THE DIVISION

Nederman Duct & Filter Technology sells different types of ducting systems, valves and filter elements to ensure good air quality in a number of industries.

Brands: Nordfab and Menardi

Nederman Duct & Filter Technology

In the third quarter, orders received increased currency neutrally by 7.4 percent and sales increased currency neutrally by 8.6 percent. The adjusted EBITA margin increased to 20.4 percent (18.5).

DEVELOPMENT DURING THE QUARTER

The improvement in orders received was driven by Nordfab, with high growth in EMEA, APAC and in the US. New orders were secured in growth segments, such as battery manufacturing, food and green energy. Profitability was positively impacted by improved production and inventory processes in the US, which are a result of earlier investments in Nordfab's plant in Thomasville. Menardi also continued to report good profitability.

The US accounts for the bulk of the division's sales, which encompass ducting systems, under the Nordfab brand, and the smaller filter solutions operations, under the Menardi brand. During the quarter, Nordfab's orders received and sales in the US grew strongly, compared with the corresponding quarter last year. New, major orders were secured in battery manufacturing, which highlighted the need to increase capacity for the division's production of ducting for heavy loads. A decision on this was taken during the quarter and also relates to the construction of a new warehouse facility in 2025. Nordfab Now, with delivery within 24 hours, continued to drive order volumes in Thomasville. Warehouse robots to increase automation will be delivered in November and the new solar panel installation generated approximately half of the electricity consumed by the plant in 2024. A slight slowdown in customer demand was indicated, including fewer projects for application development.

Orders received and sales also grew significantly in EMEA. In particular, a continued robust recovery in the UK business contributed to developments, after a weak start to the year. A large order was for example received from the country's defence sector. Development in the EU was more cautious in the quarter but indicated slight growth compared with the corresponding quarter in 2023.

In APAC, Australia demonstrated strong orders received, above all towards the end of the quarter, driven by a large order in pharmaceuticals secured via a reseller. In Thailand, orders received decreased compared with a strong corresponding quarter in 2023. Profitability remains weak but improved slightly as a result of cost-savings in operations in Australia and better pricing.

Orders received and sales for Menardi, the division's filter business, were in line with the corresponding quarter of 2023, meaning they remain at historically high levels. During the quarter, a new major order was secured from a larger metal manufacturer. Efficient deliveries and high production utilisation contributed to continued good profitability in the quarter, but was concurrently dampened by a major order with lower margins and the impact of the hurricane Helene on production in September.

KEY ACTIVITIES

- The roll-out of BIM Object, which was launched at trade shows in the US and Europe at the end of the second quarter, continued to customers and resellers and is generating a large number of product downloads.
- In response to a sharp increase in demand in the division's ducting during peak periods, the board resolved to strengthen production and storage capacity in Thomasville, in the US.
- A new laser welding system has been ordered for the facility in Thailand for installation in November and will help to raise product quality for the entire region, including Australia.

SEKm	Note	1Jul-30Sep 2024	1Jul-30Sep 2023	Currency neutral growth	Organic growth	1Jan-30Sep 2024	1Jan-30Sep 2023	Currency neutral growth	Organic growth	Full year 2023	Oct-Sep 12 months
External orders received		202.7	195.2	7.4%	7.4%	592.2	581.6	2.7%	2.7%	762.7	773.3
Total sales	3	220.6	210.1	8.6%	8.6%	663.8	638.3	4.9%	4.9%	839.0	864.5
Adjusted EBITA		44.9	38.8			136.9	121.3			156.5	172.1
Adjusted EBITA margin		20.4%	18.5%			20.6%	19.0%			18.7%	19.9%



ABOUT THE DIVISION

Nederman Monitoring & Control Technology offers advanced measurement technology of gases and particles and an IoT platform that consists of hardware and software that provide customers with information and insight into critical parameters and processes.

Brands: Nederman Insight, NEO Monitors, Auburn FilterSense and Gasmot

Nederman Monitoring & Control Technology

In the third quarter, orders received increased currency neutrally by 10.1 percent and sales increased currency neutrally by 8.3 percent. The adjusted EBITA margin declined to 15.8 percent (20.5).

DEVELOPMENT DURING THE QUARTER

The division's orders received gathered new momentum during the quarter, mainly as a result of new, major orders for NEO Monitors in the oil and gas industry in Americas. A large order backlog also helped to raise sales in the quarter. Here too, NEO Monitors reported the strongest performance, driven by continued investments to increase production capacity, closely followed by Gasmot with successful deliveries of its portable products. Sales declined for Auburn FilterSense compared with a strong corresponding quarter in 2023, which was impacted by project deliveries postponed from the second quarter of 2023.

The margin was dampened by a larger share of system sales, which usually has lower margins. Increased costs for investments in higher production capacity contributed to the lower profitability. In addition, delays to certain deliveries at the request of customers in APAC meant some sales were postponed to the fourth quarter, which had a negative impact on sales and earnings in the third quarter. The order backlog remains substantial and provides the conditions for positive sales development even in the quarters ahead. In parallel, there are signs of a weaker economy and price pressure in certain segments in some markets in Asia, which may dampen demand slightly going forward.

NEO Monitors strengthened its collaboration with existing customers in the oil and gas industry in several regions. For example, the largest ever individual order was secured for a major project in the US, and a large service contract in the same country. Even if Gasmot did not increase its orders received during the quarter, it continued to consolidate its leading position in emissions analysis. Its portable products, such as GT6000 Mobilis and Gasmot DX4000, showed continued success. During the quarter, an order was received from the United States Department of Agriculture (USDA) for an environmental research project. In India, an order was secured from a key environmental agency,

which strengthens Gasmot's position in the growing market for measurement of chimney emissions in the country. Strategically important orders were also secured in China and Switzerland. Auburn FilterSense won several important orders, particularly in energy technology and the tobacco industry in the US.

In the different regions, orders received increased sharply in Americas, driven by very strong development for NEO Monitors. Sales in the region decreased slightly, mainly due to strong comparative data linked to the ERP implementation at Auburn FilterSense in 2023. Both NEO Monitors and Gasmot increased sales in Americas during the quarter. In terms of sales, EMEA was otherwise the strongest region in the third quarter, with substantial contributions from successful project deliveries from NEO Monitors and Gasmot. Orders received in EMEA were, on the other hand, largely unchanged, though remained at a healthy level. In APAC, orders received declined during the quarter, in part linked to the weak performance of the Chinese economy, changes to Korean environment policy and political uncertainty in Thailand. Nonetheless, NEO Monitors and Gasmot received several strategically important orders in the region.

KEY ACTIVITIES

- Continued investments to increase production capacity for NEO Monitors.
- Ongoing preparation for the launch of the next generation of Insight products within the framework of OTC (Operational Technology Center).
- QAL1 MCERTS certificate obtained and launched for GT6000 Mobilis, which includes market analysis, training for sales and partners and external webinars.

SEKm	Note	1Jul-30Sep		Currency neutral growth	Organic growth	1Jan-30Sep		Currency neutral growth	Organic growth	Full year 2023	Oct-Sep 12 months
		2024	2023			2024	2023				
External orders received		207.6	196.5	10.1%	10.1%	626.2	572.4	10.7%	10.7%	739.7	793.5
Total sales	3	190.0	182.7	8.3%	8.3%	582.6	531.0	10.9%	10.9%	732.8	784.4
Adjusted EBITA		30.0	37.4			96.7	104.6			152.6	144.7
Adjusted EBITA margin		15.8%	20.5%			16.6%	19.7%			20.8%	18.4%

Quarter 3, 2024

ORDERS RECEIVED AND SALES

Orders received during the quarter amounted to SEK 1,437m (1,488), equivalent to a currency neutral decline of 0.3 percent compared with the same period last year.

Sales for the quarter amounted to SEK 1,416m (1,574), equivalent to a currency neutral decline of 6.8 percent compared with the same period last year.

CASH FLOW

Cash flow from operating activities amounted to SEK 180.9m (137.4) and cash flow for the period was SEK 129.7m (41.4).

The change in the quarter's working capital improved compared with last year at SEK 59.9m (22.7). This was primarily attributable to lower other receivables and higher accounts payable.

Cash flow from investing activities was SEK -79.4m (-76.4) and was primarily linked to investments in fixed assets at the new plants in Helsingborg and RoboVent in Detroit, US, as well as in production and warehouse equipment at Nordfab US in Thomasville, US. The impact of acquisitions during the quarter was SEK -35.9m, equivalent to the size of acquisitions in 2023 (-35.2).

Financial activities for the quarter amounted to SEK 28.2m (-19.6) and the main difference related to loans of SEK 51.8m drawn for acquisitions completed during the quarter.

PROFIT/LOSS

Adjusted EBITA amounted to SEK 160.8m (175.4). Adjusted EBITA margin was 11.4 percent (11.1).

Operating profit amounted to SEK 129.0m (148.0), corresponding to an operating margin of 9.1 percent (9.4).

Profit before tax decreased to SEK 96.5m (116.2). Net profit was SEK 70.4m (85.4), which yielded earnings per share of SEK 2.00 (2.43).

CAPITAL EXPENDITURE

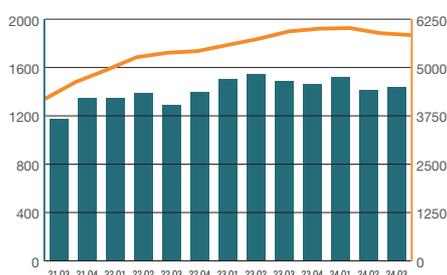
Capital expenditure in intangible and tangible assets amounted to SEK 42.0m (39.9).

ACQUISITIONS

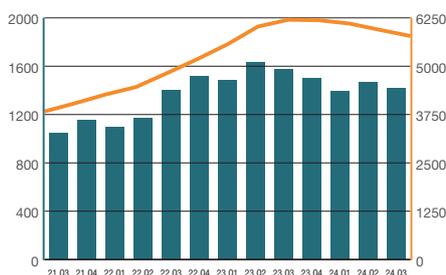
Duroair Technologies

On 30 August 2024, Nederman acquired 100 percent of the shares in the Canadian company Duroair Technologies Inc. and 100 percent of the shares in the US company Duroair Technologies USA, Inc. The acquisition price amounted to SEK 80.8m, of which SEK 44.0m comprised a deferred consideration. The acquisition analysis is preliminary. Acquired net assets amounted to SEK -14.9m and the transaction generated preliminary goodwill of SEK 95.7m.

Orders received, SEKm

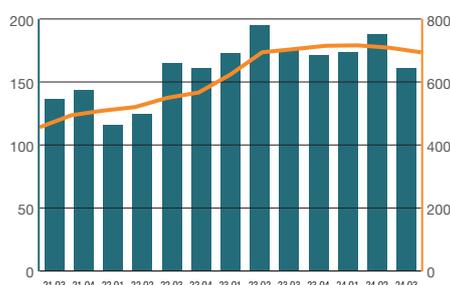


Total sales, SEKm

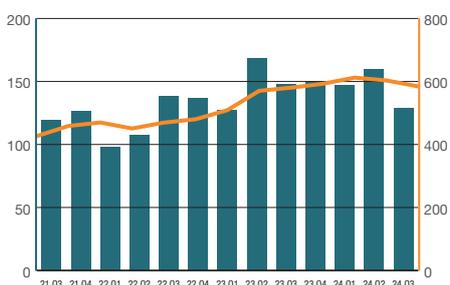


■ Quarter
 ■ Rolling four quarters

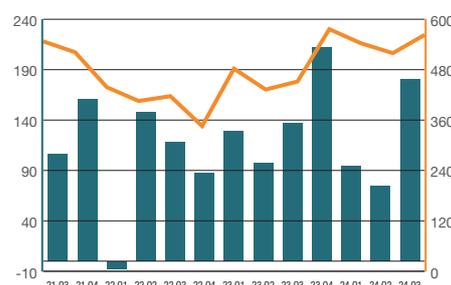
Adjusted EBITA, SEKm



Operating profit, SEKm



Cash flow from operating activities, SEKm



January – September 2024

ORDERS RECEIVED AND SALES

Orders received during the period amounted to SEK 4,372m (4,538), equivalent to a currency neutral decline of 2.9 percent compared with the same period last year.

Sales for the period amounted to SEK 4,280m (4,687), equivalent to a currency neutral decline of 7.8 percent compared with the same period last year.

PROFIT/LOSS

Adjusted EBITA amounted to SEK 522.5m (543.3). Adjusted EBITA margin was 12.2 percent (11.6).

Operating profit amounted to SEK 435.2m (443.6), corresponding to an operating margin of 10.2 percent (9.5).

Profit before tax decreased to SEK 353.2m (358.5). Net profit was SEK 257.8m (263.6), which yielded earnings per share of SEK 7.34 (7.51).

CASH FLOW

Cash flow from operating activities amounted to SEK 350.5m (364.0) and cash flow for the period was SEK -120.7m (-53.5).

The change in working capital was positive compared with the last year at SEK -32.6m (-75.7). This was primarily attributable to lower other receivables and higher accounts payable.

Cash flow from investing activities was SEK -189.8m (-178.9) and was primarily linked to higher investments in fixed assets of SEK -154.4m (140.5) at the new plants in Helsingborg and RoboVent in Detroit, US, as well as in production and warehouse equipment at Nordfab US in Thomasville, US. Corporate acquisitions completed during the year had an impact on cash flow of SEK -35.4m (-38.4).

Cash flow from financing activities of SEK -142.7m (-107.0) was impacted by the repayment of a previously utilised overdraft facility of SEK -33.2m and a higher dividend paid during the year. The net of drawn and repaid loans was SEK -3.2m.

CAPITAL EXPENDITURE

Capital expenditure in intangible and tangible assets amounted to SEK 161.0m (139.7), of which capitalised development expenses amounted to SEK 39.2m (36.7).

FINANCIAL POSITION AND FINANCING

At the end of the period, the group had SEK 700.3m in cash and cash equivalents as well as SEK 142.7m in available but unutilised overdraft facilities.

In addition, there was a credit facility of SEK 678.9m within the framework of Nederman's loan agreement with SEB and SHB. In 2024, repayments of SEK -45.0m were made.

Equity in the group as of 30 September 2024 amounted to SEK 2,506.7m (2,406.9). Dividends to shareholders were made in the amount of SEK 3.95 per share, or a total of SEK 138.7m, are were paid out in the second quarter. The total number of shares outstanding was 35,115,353 at the end of the period.

The equity/assets ratio for the group was 36.0 percent (36.5) as of 30 September 2024. The net debt/equity ratio was 70.2 percent (63.1).

SHARE-BASED REMUNERATION

The Annual General Meeting on 26 April 2024 resolved on the transfer of 11,668 own shares under the 2023 LTI programme. The transfer of 9,932 shares was carried out in the second quarter of 2024. The value of shares transferred corresponded to SEK 1.9m, which was reported as share-based remuneration in equity.

NUMBER OF EMPLOYEES

The average number of employees during the period was 2,387 (2,339). The number of employees at the end of the period was 2,487 (2,472).

PARENT COMPANY

The group's parent company, Nederman Holding AB, does not conduct any operating activities but has central head office functions. The parent company owns and manages shares in subsidiaries. The parent company's net sales for the period amounted to SEK 16.2m (18.0) and is related to service revenue from subsidiaries. Net profit/loss for the period amounted to SEK 79.5m (-55.7).

Key figures, group

SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear	Oct-Sep
	2024	2023	2024	2023	2023	12months
Orders received	1,437.4	1,487.6	4,371.5	4,538.1	6,004.6	5,838.0
Net sales	1,415.7	1,574.4	4,280.0	4,687.3	6,187.8	5,780.5
Adjusted EBITA	160.8	175.4	522.5	543.3	714.9	694.1
Adjusted EBITA margin	11.4%	11.1%	12.2%	11.6%	11.6%	12.0%
Adjusted EBITDA	202.5	214.4	641.1	656.1	867.5	852.5
Adjusted EBITDA margin	14.3%	13.6%	15.0%	14.0%	14.0%	14.7%
Operating profit	129.0	148.0	435.2	443.6	592.8	584.4
Operating margin	9.1%	9.4%	10.2%	9.5%	9.6%	10.1%
Adjusted operating profit	133.2	149.4	439.4	465.8	610.0	583.6
Adjusted operating margin	9.4%	9.5%	10.3%	9.9%	9.9%	10.1%
Profit before tax	96.5	116.2	353.2	358.5	476.2	470.9
Net profit	70.4	85.4	257.8	263.6	340.9	335.1
Earnings per share, SEK	2.00	2.43	7.34	7.51	9.71	9.54
Return on equity	11.2%	14.3%	14.1%	15.3%	15.0%	13.6%
Return on operating capital	12.7%	15.2%	14.7%	16.4%	16.6%	14.2%
Net debt					1,332.4	1,760.5
Net debt/equity ratio					56.2%	70.2%
Net debt/Adjusted EBITDA, multiple					1.5	2.1
Interest-coverage ratio, multiple					4.4	4.1

Regions

External orders received, SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear	Oct-Sep
	2024	2023	2024	2023	2023	12months
Americas	580.9	549.6	1,669.6	1,800.7	2,323.8	2,192.7
EMEA	647.5	694.0	1,993.9	1,874.3	2,613.3	2,732.9
APAC	209.0	244.0	708.0	863.1	1,067.5	912.4
Total Nederman group	1,437.4	1,487.6	4,371.5	4,538.1	6,004.6	5,838.0

External net sales, SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear	Oct-Sep
	2024	2023	2024	2023	2023	12months
Americas	558.8	622.4	1,696.3	1,841.1	2,423.4	2,278.6
EMEA	652.1	684.0	1,923.3	2,078.3	2,735.2	2,580.2
APAC	204.8	268.0	660.4	767.9	1,029.2	921.7
Total Nederman group	1,415.7	1,574.4	4,280.0	4,687.3	6,187.8	5,780.5



Outlook

Demand is slightly slower, but our base business and strong digital range enable us to assert ourselves well in the current market. Even if the performance of our divisions is largely positive, there is a risk that, for example, current interest rates and a weaker economic outlook will impact customers' investment decisions. Moreover, the growing geopolitical uncertainty could lead to increased protectionism. In view of our large order backlog and our ability to increase our share of sales in industries with good structural growth, we take a cautiously positive view of opportunities in the next few quarters.

Even if the outlook in our industry could be temporarily dampened by various external factors, the long-term potential remains. In a world with growing insight into the damage that poor air does to people, Nederman, with its leading industrial air filtration offering, has a key role to play and good possibilities for continued growth.

Consolidated statement of profit or loss in summary

SEKm	Note	1Jul-30Sep		1Jan-30Sep		Fullyear 2023	Oct-Sep 12months
		2024	2023	2024	2023		
Net sales	3.4	1,415.7	1,574.4	4,280.0	4,687.3	6,187.8	5,780.5
Cost of goods sold		-851.4	-1,004.5	-2,577.3	-3,004.0	-3,941.6	-3,514.9
Gross profit		564.3	569.9	1,702.7	1,683.3	2,246.2	2,265.6
Selling expenses		-289.3	-271.6	-842.3	-796.4	-1,075.2	-1,121.1
Administrative expenses		-127.3	-114.8	-372.3	-351.5	-472.4	-493.2
Research and development expenses		-23.9	-20.4	-71.5	-59.0	-78.6	-91.1
Restructuring costs		2.2	-	2.2	-20.0	-14.4	7.8
Other operating income/expenses		3.0	-15.1	16.4	-12.8	-12.8	16.4
Operating profit		129.0	148.0	435.2	443.6	592.8	584.4
Financial income and expenses	5	-32.5	-31.8	-82.0	-85.1	-116.6	-113.5
Profit before tax		96.5	116.2	353.2	358.5	476.2	470.9
Taxes		-26.1	-30.8	-95.4	-94.9	-135.3	-135.8
Net profit		70.4	85.4	257.8	263.6	340.9	335.1
Net profit attributable to:							
The parent company's shareholders		70.4	85.4	257.8	263.6	340.9	335.1
Earnings per share		2.00	2.43	7.34	7.51	9.71	9.54
before dilution (SEK)		2.00	2.43	7.34	7.51	9.71	9.54
after dilution (SEK)		2.00	2.43	7.34	7.51	9.71	9.54

Consolidated statement of other comprehensive income in summary

SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear 2023	Oct-Sep 12months
	2024	2023	2024	2023		
Net profit	70.4	85.4	257.8	263.6	340.9	335.1
Other comprehensive income						
Items that cannot be reclassified to net profit						
Revaluation of defined-benefit pension plans	-5.2	2.6	-5.2	2.6	35.0	27.2
Tax attributable to revaluation of defined-benefit pension plans	1.0	-0.8	1.0	-0.8	-7.0	-5.2
	-4.2	1.8	-4.2	1.8	28.0	22.0
Items that have been or can be reclassified to net profit						
Exchange differences arising on translation of foreign operations	-76.5	-62.0	17.9	84.2	-54.2	-120.5
	-76.5	-62.0	17.9	84.2	-54.2	-120.5
Other comprehensive income for the period, net of tax	-80.7	-60.2	13.7	86.0	-26.2	-98.5
Total comprehensive income for the period	-10.3	25.2	271.5	349.6	314.7	236.6
Total comprehensive income attributable to:						
The parent company's shareholders	-10.3	25.2	271.5	349.6	314.7	236.6

Consolidated statement of financial position in summary

SEKm	Note	30Sep 2024	30Sep 2023	31Dec 2023
Assets				
Goodwill		2,123.2	2,097.9	2,017.8
Other intangible assets		619.4	647.2	625.1
Tangible assets		484.7	453.3	443.5
Right-of-use assets		568.0	204.3	190.2
Long-term receivables		10.4	5.2	8.2
Deferred tax assets		150.4	135.2	127.7
Total fixed assets		3,956.1	3,543.1	3,412.5
Inventories		905.8	934.8	873.3
Accounts receivable	6	748.8	801.1	788.8
Other current receivables	6	647.9	630.5	532.6
Cash and cash equivalents	6	700.3	688.0	815.2
Total current assets		3,002.8	3,054.4	3,009.9
Total assets		6,958.9	6,597.5	6,422.4
Equity				
		2,506.7	2,406.9	2,372.0
Liabilities				
Long-term interest-bearing liabilities	6	1,315.6	1,897.4	1,862.6
Long-term lease liabilities	6	480.5	131.6	123.1
Other long-term liabilities	6	40.2	37.2	11.3
Pension liabilities		34.2	65.5	31.1
Other provisions		34.2	32.1	37.5
Deferred tax liabilities		115.0	124.4	120.0
Total long-term liabilities		2,019.7	2,288.2	2,185.6
Current interest-bearing liabilities	6	530.9	29.9	54.4
Current lease liabilities	6	99.6	82.2	76.4
Accounts payable	6	430.6	479.0	423.2
Other short-term liabilities	6	1,309.9	1,241.3	1,232.9
Provisions		61.5	70.0	77.9
Total short-term liabilities		2,432.5	1,902.4	1,864.8
Total liabilities		4,452.2	4,190.6	4,050.4
Total equity and liabilities		6,958.9	6,597.5	6,422.4

Consolidated statement of changes in equity in summary

SEKm	30Sep 2024	30Sep 2023	31Dec 2023
Opening balance at beginning of period	2,372.0	2,186.5	2,186.5
Net profit	257.8	263.6	340.9
Other comprehensive income			
Change in translation reserve for the period	17.9	84.2	-54.2
Revaluation of defined-benefit pension plans, net of tax	-4.2	1.8	28.0
Total other comprehensive income for the period	13.7	86.0	-26.2
Total comprehensive income for the period	271.5	349.6	314.7
Transactions with group owners			
Dividend paid	-138.7	-131.6	-131.6
Share-based remuneration	1.9	2.4	2.4
Closing balance at end of period	2,506.7	2,406.9	2,372.0

Consolidated statement of cash flows in summary

SEKm	Note	1Jul-30Sep		1Jan-30Sep		Fully year	Oct-Sep
		2024	2023	2024	2023	2023	12 months
Operating profit		129.0	148.0	435.2	443.6	592.8	584.4
Adjustment for:							
Depreciation and amortisation of fixed assets		69.6	65.3	202.0	191.0	258.5	269.5
Other adjustments for non-cash items		-23.7	-5.1	-59.9	23.6	29.1	-54.4
Interest received and paid including other financial items		-26.4	-25.0	-81.5	-54.3	-81.9	-109.1
Taxes paid		-27.5	-68.5	-112.7	-164.2	-214.3	-162.8
Cash flow from operating activities before changes in working capital		121.0	114.7	383.1	439.7	584.2	527.6
Cash flow from changes in working capital		59.9	22.7	-32.6	-75.7	-7.9	35.2
Cash flow from operating activities		180.9	137.4	350.5	364.0	576.3	562.8
Net investment in fixed assets		-43.5	-41.2	-154.4	-140.5	-198.3	-212.2
Acquisitions of business operations	2	-35.9	-35.2	-35.4	-38.4	-38.4	-35.4
Cash flow from investing activities		-79.4	-76.4	-189.8	-178.9	-236.7	-247.6
Dividend paid		-	-	-138.7	-131.6	-131.6	-138.7
Cash flow from other financing activities		28.2	-19.6	-142.7	-107.0	-92.6	-128.3
Cash flow from financing activities		28.2	-19.6	-281.4	-238.6	-224.2	-267.0
Cash flow for the period		129.7	41.4	-120.7	-53.5	115.4	48.2
Cash and cash equivalents at beginning of period		585.4	662.4	815.2	721.2	721.2	688.0
Translation differences		-14.8	-15.8	5.8	20.3	-21.4	-35.9
Cash and cash equivalents at end of period		700.3	688.0	700.3	688.0	815.2	700.3

Note 1: Accounting policies

This interim report for the group is prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions of the Swedish Annual Accounts Act. The interim report for the parent company has been prepared in accordance with Swedish Annual Accounts Act chapter 9 and RFR 2. The same accounting policies and valuation principles as described in the latest annual report, see also page 83 of the 2023 Annual Report, have been applied both to the group and the parent company. None of the new or revised standards, interpretations and improvements adopted by the EU have had any material impact on Nederman group.

Note 2: Acquisitions of business operations

DUROAIR TECHNOLOGIES

On 30 August 2024, Nederman acquired 100 percent of the shares in the Canadian company Duroair Technologies Inc. and 100 percent of the shares in the US company Duroair Technologies USA, Inc. The acquisition price amounted to SEK 80.8m, of which SEK 44.0m comprised a deferred consideration. Acquired net assets amounted to SEK -14.9m and the transaction generated preliminary goodwill of SEK 95.7m. The acquisition's impact on the group's cash and cash equivalents amounted to SEK 35.8m. The acquisition analysis is preliminary.

Note 3: Operating segment reporting

Segment reporting is based on reports submitted to the group's senior executives. Nederman group is divided into four operating segments; Nederman Extraction & Filtration Technology, Nederman Process Technology, Nederman Duct & Filter Technology and Nederman Monitoring & Control Technology, which are described further on pages 4-7. The division is based on technology, customers and business logic with the aim of increasing both growth and profitability through simple structures and clear focus. Non-allocated items refer mainly to costs relating to the parent company, Nederman Holding AB, which includes the central head office functions.

External orders received, SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear 2023	Oct-Sep 12months
	2024	2023	2024	2023		
Nederman Extraction & Filtration Technology	673.7	676.6	1,962.1	1,930.8	2,581.2	2,612.5
Nederman Process Technology	353.4	419.3	1,191.0	1,453.3	1,921.0	1,658.7
Nederman Duct & Filter Technology	202.7	195.2	592.2	581.6	762.7	773.3
Nederman Monitoring & Control Technology	207.6	196.5	626.2	572.4	739.7	793.5
Total Nederman group	1,437.4	1,487.6	4,371.5	4,538.1	6,004.6	5,838.0

Total sales, SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear 2023	Oct-Sep 12months
	2024	2023	2024	2023		
Nederman Extraction & Filtration Technology	633.4	652.8	1,921.8	1,894.0	2,582.5	2,610.3
Nederman Process Technology	402.7	554.6	1,205.1	1,711.8	2,146.6	1,639.9
Nederman Duct & Filter Technology	220.6	210.1	663.8	638.3	839.0	864.5
Nederman Monitoring & Control Technology	190.0	182.7	582.6	531.0	732.8	784.4
Elimination	-31.0	-25.8	-93.3	-87.8	-113.1	-118.6
Total Nederman group	1,415.7	1,574.4	4,280.0	4,687.3	6,187.8	5,780.5

Adjusted EBITA, SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear 2023	Oct-Sep 12months
	2024	2023	2024	2023		
Nederman Extraction & Filtration Technology	78.4	82.7	259.5	256.1	339.5	342.9
Nederman Process Technology	46.1	50.6	132.0	166.9	209.0	174.1
Nederman Duct & Filter Technology	44.9	38.8	136.9	121.3	156.5	172.1
Nederman Monitoring & Control Technology	30.0	37.4	96.7	104.6	152.6	144.7
Other - non-allocated	-38.6	-34.1	-102.6	-105.6	-142.7	-139.7
Total Nederman group	160.8	175.4	522.5	543.3	714.9	694.1

Adjusted EBITA margin	1Jul-30Sep		1Jan-30Sep		Fullyear 2023	Oct-Sep 12months
	2024	2023	2024	2023		
Nederman Extraction & Filtration Technology	12.4%	12.7%	13.5%	13.5%	13.1%	13.1%
Nederman Process Technology	11.4%	9.1%	11.0%	9.7%	9.7%	10.6%
Nederman Duct & Filter Technology	20.4%	18.5%	20.6%	19.0%	18.7%	19.9%
Nederman Monitoring & Control Technology	15.8%	20.5%	16.6%	19.7%	20.8%	18.4%
Total Nederman group	11.4%	11.1%	12.2%	11.6%	11.6%	12.0%

Note 4: Revenue from customer contracts

Total sales by segment and sales type, SEKm	Productsales	Solutionsales	1Jul-30Sep2024	
			Serviceand aftermarket	Total
Nederman Extraction & Filtration Technology	201.8	286.7	144.9	633.4
Nederman Process Technology	-	288.4	114.3	402.7
Nederman Duct & Filter Technology	205.3	14.4	0.9	220.6
Nederman Monitoring & Control Technology	145.6	16.1	28.3	190.0
Elimination	-14.5	-14.2	-2.3	-31.0
Total Nederman group	538.2	591.4	286.1	1,415.7

Total sales by segment and sales type, SEKm	Productsales	Solutionsales	1Jul-30Sep2023	
			Serviceand aftermarket	Total
Nederman Extraction & Filtration Technology	200.2	320.5	132.1	652.8
Nederman Process Technology	-	418.8	135.8	554.6
Nederman Duct & Filter Technology	201.3	11.9	-3.1	210.1
Nederman Monitoring & Control Technology	136.1	7.9	38.7	182.7
Elimination	-19.0	-8.4	1.6	-25.8
Total Nederman group	518.6	750.7	305.1	1,574.4

Total sales by segment and sales type, SEKm	Productsales	Solutionsales	1Jan-30Sep2024	
			Serviceand aftermarket	Total
Nederman Extraction & Filtration Technology	635.7	860.8	425.3	1,921.8
Nederman Process Technology	-	841.8	363.3	1,205.1
Nederman Duct & Filter Technology	617.4	43.5	2.9	663.8
Nederman Monitoring & Control Technology	458.2	32.8	91.6	582.6
Elimination	-41.4	-46.0	-5.9	-93.3
Total Nederman group	1,669.9	1,732.9	877.2	4,280.0

Total sales by segment and sales type, SEKm	Productsales	Solutionsales	1Jan-30Sep2023	
			Serviceand aftermarket	Total
Nederman Extraction & Filtration Technology	625.1	881.4	387.5	1,894.0
Nederman Process Technology	-	1,311.7	400.1	1,711.8
Nederman Duct & Filter Technology	584.9	46.7	6.7	638.3
Nederman Monitoring & Control Technology	409.7	26.3	95.0	531.0
Elimination	-38.6	-39.4	-9.8	-87.8
Total Nederman group	1,581.1	2,226.7	879.5	4,687.3

Total sales by segment and sales type, SEKm	Productsales	Solutionsales	Fullyear2023	
			Serviceand aftermarket	Total
Nederman Extraction & Filtration Technology	829.8	1,229.1	523.6	2,582.5
Nederman Process Technology	-	1,624.9	521.7	2,146.6
Nederman Duct & Filter Technology	772.4	59.1	7.5	839.0
Nederman Monitoring & Control Technology	583.3	47.2	102.3	732.8
Elimination	-53.8	-47.8	-11.5	-113.1
Total Nederman group	2,131.7	2,912.5	1,143.6	6,187.8

Revenue recognition - Performance obligations

Product sales	Sales are satisfied at the point in time.
Solution sales	Performance obligations are satisfied over time. Revenue is recognised according to the project's rate of progression towards completion.
Service and aftermarket	Sales are satisfied at the point in time.

Note 5: Financial reporting in hyperinflationary economies

The Nederman group has subsidiaries in Turkey where the functional currency is Turkish Lira, which is classified as a hyperinflationary currency. This means that assets and liabilities, including goodwill and other consolidated surplus values and deficits, in Turkish Lira must be adjusted for inflation in order to reflect changes in purchasing power. Inflation and its effect on the group is monitored and assessed continually.

Pursuant to IAS 29, Nederman's subsidiary in Turkey was recognised after remeasurement for hyperinflation in the Group's financial statements. Assets and liabilities in Turkish Lira are based on cost. The index used for remeasurement of the financial statements is the consumer price index (CPI), which increased by 35.8 percent during the year. At the balance sheet date, the SEK-TRY exchange rate was 0.30.

Monetary net profit was recognised in net financial items in the consolidated income statement and amounted to an immaterial amount for the group.

Note 6: Fair value and reported value in the statement of financial position

SEKm	Measured at fair value via income statement	Derivatives that are used for hedge accounting	Financial instruments not reported at fair value	30 Sep 2024 Total carrying amount
Accounts receivable	-	-	748.8	748.8
Other current receivables	-	-	347.2	347.2
Cash and cash equivalents	-	-	700.3	700.3
Total	-	-	1,796.3	1,796.3
Bank loans	-	-	1,846.5	1,846.5
Other long-term liabilities	34.3	-	5.9	40.2
Lease liabilities	-	-	580.1	580.1
Accounts payable	-	-	430.6	430.6
Other short-term liabilities	22.2	-	1,091.0	1,113.2
Total	56.5	-	3,954.1	4,010.6

Note 7: Related party transactions

No member of the Board of Directors or senior executives have or have had any direct or indirect participation in any business transaction with Group companies which is or was of an exceptional character with regard to terms and conditions that occurred during the year or in any previous financial year. Further, no group company has provided any loan, given any guarantees or entered into any surety relationships for any of the members of the Board of Directors or senior executives.

Note 8: Alternative performance measures

In addition to information on our reported IFRS results, we provide certain information on an underlying business performance basis. We believe that our underlying business performance measures provide meaningful supplemental information to both management, investors and other stakeholders. These underlying business performance measures should not be viewed in isolation or as substitutes to the equivalent IFRS measures, but should be used in conjunction with the most directly comparable IFRS measures in the reported results. This is a consistent application compared to previous periods. See page 26 for definitions.

SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear	Oct-Sep
	2024	2023	2024	2023	2023	12months
Operating profit	129.0	148.0	435.2	443.6	592.8	584.4
Acquisition cost	6.4	1.4	6.4	2.2	2.8	7.0
Restructuring costs	-2.2	-	-2.2	20.0	14.4	-7.8
Adjusted operating profit	133.2	149.4	439.4	465.8	610.0	583.6
Adjusted operating profit	133.2	149.4	439.4	465.8	610.0	583.6
Net sales	1,415.7	1,574.4	4,280.0	4,687.3	6,187.8	5,780.5
Adjusted operating margin	9.4%	9.5%	10.3%	9.9%	9.9%	10.1%
Operating profit	129.0	148.0	435.2	443.6	592.8	584.4
Amortisation of intangible assets	27.6	26.0	83.1	77.5	104.9	110.5
Acquisition cost	6.4	1.4	6.4	2.2	2.8	7.0
Restructuring costs	-2.2	-	-2.2	20.0	14.4	-7.8
Adjusted EBITA	160.8	175.4	522.5	543.3	714.9	694.1
Adjusted EBITA	160.8	175.4	522.5	543.3	714.9	694.1
Net sales	1,415.7	1,574.4	4,280.0	4,687.3	6,187.8	5,780.5
Adjusted EBITA margin	11.4%	11.1%	12.2%	11.6%	11.6%	12.0%
Operating profit	129.0	148.0	435.2	443.6	592.8	584.4
Depreciation and amortisation	69.3	65.0	201.7	190.3	257.5	268.9
EBITDA	198.3	213.0	636.9	633.9	850.3	853.3
EBITDA	198.3	213.0	636.9	633.9	850.3	853.3
Acquisition cost	6.4	1.4	6.4	2.2	2.8	7.0
Restructuring costs	-2.2	-	-2.2	20.0	14.4	-7.8
Adjusted EBITDA	202.5	214.4	641.1	656.1	867.5	852.5
Adjusted EBITDA	202.5	214.4	641.1	656.1	867.5	852.5
Net sales	1,415.7	1,574.4	4,280.0	4,687.3	6,187.8	5,780.5
Adjusted EBITDA margin	14.3%	13.6%	15.0%	14.0%	14.0%	14.7%
Equity - closing balance					2,372.0	2,506.7
Total assets (balance sheet total)					6,422.4	6,958.9
Equity/assets ratio					36.9%	36.0%
Cash and cash equivalents					815.2	700.3
Long-term interest-bearing liabilities					1,862.6	1,315.6
Long-term lease liabilities					123.1	480.5
Pension liabilities					31.1	34.2
Current interest-bearing liabilities					54.4	530.9
Current lease liabilities					76.4	99.6
Net debt					1,332.4	1,760.5
Net debt					1,332.4	1,760.5
Equity - closing balance					2,372.0	2,506.7
Net debt/equity ratio					56.2%	70.2%
Equity - opening balance	2,517.0	2,381.7	2,372.0	2,186.5	2,186.5	2,406.9
Equity - closing balance	2,506.7	2,406.9	2,506.7	2,406.9	2,372.0	2,506.7
Equity - average	2,511.9	2,394.3	2,439.3	2,296.7	2,279.3	2,456.8
Net profit	70.4	85.4	257.8	263.6	340.9	335.1
Return on equity	11.2%	14.3%	14.1%	15.3%	15.0%	13.6%

Note 8: Alternative performance measures, cont'd

SEKm	1Jul-30Sep 2024		1Jan-30Sep 2023		Fullyyear 2023	Oct-Sep 12months
Equity - average	2,511.9	2,394.3	2,439.3	2,296.7	2,279.3	2,456.8
Net debt - opening balance	1,588.7	1,539.6	1,332.4	1,477.1	1,477.1	1,518.6
Net debt - closing balance	1,760.5	1,518.6	1,760.5	1,518.6	1,332.4	1,760.5
Net debt - average	1,674.6	1,529.1	1,546.5	1,497.9	1,404.8	1,639.6
Operating capital - average	4,186.5	3,923.4	3,985.8	3,794.6	3,684.1	4,096.4
Adjusted operating profit	133.2	149.4	439.4	465.8	610.0	583.6
Return on operating capital	12.7%	15.2%	14.7%	16.4%	16.6%	14.2%
Net debt					1,332.4	1,760.5
Adjusted EBITDA					867.5	852.5
Net debt/Adjusted EBITDA, multiple					1.5	2.1
Profit before tax					476.2	470.9
Financial expense					147.1	150.5
Acquisition cost					2.8	7.0
Restructuring costs					14.4	-7.8
EBT excluding financial expenses, acquisition costs and restructuring costs					640.5	620.6
Financial expense					147.1	150.5
Interest-coverage ratio, multiple					4.4	4.1
Orders received, same period in previous year	1,487.6	1,294.3	4,538.1	4,028.7	5,424.8	
Change in orders received, organic	-12.9	106.0	-180.9	32.1	80.7	
Change in orders received, currency effects	-45.6	50.7	-36.6	210.0	214.0	
Change in orders received, acquisitions	8.3	36.6	50.9	267.3	285.1	
Orders received	1,437.4	1,487.6	4,371.5	4,538.1	6,004.6	
Order growth, organic	-0.9%	8.2%	-4.0%	0.8%	1.5%	
Order growth, currency effects	-3.1%	3.9%	-0.8%	5.2%	3.9%	
Order growth, acquisitions	0.6%	2.8%	1.1%	6.6%	5.3%	
Order growth	-3.4%	14.9%	-3.7%	12.6%	10.7%	
Net sales, comparative period previous year	1,574.4	1,397.7	4,687.3	3,663.7	5,178.9	
Change in net sales, organic	-114.4	46.2	-412.1	483.3	452.1	
Change in net sales, currency effects	-52.1	69.2	-42.8	242.7	239.4	
Change in net sales, acquisitions	7.8	61.3	47.6	297.6	317.4	
Net sales	1,415.7	1,574.4	4,280.0	4,687.3	6,187.8	
Sales growth, organic	-7.3%	3.3%	-8.8%	13.2%	8.8%	
Sales growth, currency effects	-3.3%	4.9%	-0.9%	6.6%	4.6%	
Sales growth, acquisitions	0.5%	4.4%	1.0%	8.1%	6.1%	
Sales growth	-10.1%	12.6%	-8.7%	27.9%	19.5%	

Note 9: Risks and uncertainties

Nederman is exposed to a number of risks that could significantly impact the group's operations, earnings and financial position. Nederman conducts continuous risk assessments that include identifying the risks that impact the group and taking measures to manage these risks. Nederman does not calculate the economic value of all risks because many of them are highly complex and interrelated. However, the practical management of these risks is facilitated in several different ways, including through group-wide policies, business processes, training, internal controls, and processes for the audit and approval of reports. Nederman group's risks are organised into five categories: Strategic risks, Operating risks, Compliance risks, Financial risks and Cyber and information risks. For a more detailed description of these risks, refer to the Risk management section on pages 66-67 and in note 3 of the Nederman group's 2023 Annual and Sustainability Report.

Note 10: Events after the end of the reporting period

No significant events have occurred after the end of the reporting period.

Income statement for the parent company in summary

SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear 2023	Oct-Sep 12months
	2024	2023	2024	2023		
Net sales	5.4	6.3	16.2	18.0	21.2	19.4
Administrative expenses	-45.8	-42.2	-143.5	-132.8	-185.3	-196.0
Research and development expenses	-0.2	-0.1	-0.3	-0.1	-0.1	-0.3
Other operating income and expenses	0.3	-0.2	1.0	-0.6	-2.5	-0.9
Operating profit/loss	-40.3	-36.2	-126.6	-115.5	-166.7	-177.8
Result from investment in subsidiaries	62.9	34.1	219.8	71.6	98.2	246.4
Other financial items	-	0.9	-30.1	-23.6	-49.7	-56.2
Profit/loss after financial items	22.6	-1.2	63.1	-67.5	-118.2	12.4
Appropriations	-	-	-	-	111.9	111.9
Profit before tax	22.6	-1.2	63.1	-67.5	-6.3	124.3
Taxes	4.7	6.6	16.4	11.8	9.7	14.3
Net profit/loss	27.3	5.4	79.5	-55.7	3.4	138.6

Other comprehensive income for the parent company in summary

SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear 2023	Oct-Sep 12months
	2024	2023	2024	2023		
Net profit/loss	27.3	5.4	79.5	-55.7	3.4	138.6
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	27.3	5.4	79.5	-55.7	3.4	138.6

Balance sheet for the parent company in summary

SEKm	30Sep 2024	30Sep 2023	31Dec 2023
Assets			
Total fixed assets	2,407.5	2,408.1	2,393.6
Total current assets	121.3	91.0	260.5
Total assets	2,528.8	2,499.1	2,654.1
Equity	839.7	837.9	897.0
Liabilities			
Total long-term liabilities	1,081.1	1,114.1	1,089.2
Total short-term liabilities	608.0	547.1	667.9
Total liabilities	1,689.1	1,661.2	1,757.1
Total equity and liabilities	2,528.8	2,499.1	2,654.1

Changes in parent company shareholders' equity in summary

SEKm	30Sep 2024	30Sep 2023	31Dec 2023
Opening balance at beginning of period	897.0	1,022.8	1,022.8
Net profit/loss	79.5	-55.7	3.4
Other comprehensive income			
Total other comprehensive income for the period	-	-	-
Total comprehensive income for the period	79.5	-55.7	3.4
Transactions with owners			
Dividend paid	-138.7	-131.6	-131.6
Share-based remuneration	1.9	2.4	2.4
Closing balance at end of period	839.7	837.9	897.0

Note 1: Pledged assets and contingent liabilities for the parent company

SEKm	30Sep 2024	30Sep 2023	31Dec 2023
Contingent liabilities	162.7	145.9	162.7

Helsingborg, 22 October 2024

The Board of Directors

Review report

Nederman Holding AB (publ), corporate identity number 556576-4205

TO THE BOARD OF DIRECTORS

Introduction

We have reviewed the condensed interim report for Nederman Holding AB (publ) as at September 30, 2024 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and

other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Helsingborg, October 22, 2024
Ernst & Young AB

Andreas Mast

Authorized Public Accountant

Definitions

PERFORMANCE MEASURE	DEFINITION	PURPOSE
Return on equity	Net profit for the year after tax divided by average equity.	Return on equity shows the return on owners' capital in accounting terms. This measure is primarily used to analyse owner profitability over time.
Return on operating capital	Adjusted operating profit as a percentage of average operating capital.	A profitability measure that shows the return on the capital used to operate the core business. Return on operating capital is one of Nederman group's long-term financial targets.
EBITA	Operating profit before amortisation and impairment of intangible assets.	EBITA is reported because this is a measure often monitored by investors, analysts and other stakeholders to measure the company's financial results. The measure excludes the amortisation and impairment of intangible assets.
EBITA margin	EBITA as a percentage of sales.	
EBITDA	Operating profit before depreciation, amortisation and impairment.	EBITDA is reported because this is a measure often monitored by investors, analysts and other stakeholders to measure the company's financial results. The measure excludes depreciation, amortisation and impairment, thereby showing the business's capacity to generate resources for investments and payment to financiers.
EBITDA margin	EBITDA as a percentage of net sales.	
Equity per share	Equity divided by the average number of shares outstanding.	This measure shows how much equity is represented by each share.
Adjusted EBITA	Operating profit before amortisation and impairment of intangible assets, excluding acquisition and restructuring costs.	Adjusted EBITA is deemed to provide a fair view of the underlying operation's earnings, whereby earnings exclude amortisation and impairment of intangible assets and non-recurring items. This is a primary performance measure within the Nederman group in the internal control of the group and the segments.
Adjusted EBITA margin	Adjusted EBITA as a percentage of sales.	The adjusted EBITA margin is one of the Nederman group's long-term profitability targets. Adjusted EBITA margin is deemed to provide a fair view of the underlying operation's profitability, when this profitability excludes depreciation, amortisation and impairment, as well as income items that are non-recurring. This is a primary performance measure within the Nederman group in the internal control of the group and the segments.
Adjusted EBITDA	Operating profit before depreciation, amortisation and impairment, excluding acquisition and restructuring costs.	Adjusted EBITDA is recognised because this is a measure often monitored by investors, analysts and other stakeholders to measure the company's financial results. The measure excludes depreciation, amortisation and impairment, as well as non-recurring items. The measure shows the business's capacity for investments and payment to financiers.
Adjusted EBITDA margin	Adjusted EBITDA as percentage of sales.	
Adjusted EBITDA/ Net financial items	Adjusted EBITDA divided by net financial items	The performance measure shows how many times current earnings (adjusted EBITDA) covers the company's net financial items.
Adjusted operating profit	Operating profit excluding acquisition and restructuring cost.	Shows the result from operational activities excluding non-recurring items.
Adjusted operating margin	Adjusted operating profit as a percentage of net sales.	
Capital turnover rate	Net sales divided by average operating capital.	Shows the efficiency of the use of operating capital.
Net debt	Interest-bearing liabilities (including pensions) less cash and cash equivalents.	The measurement shows debt and is used to monitor the debt trend and to identify the need for refinancing. This measure comprises a component of the debt ratio.
Net debt/ adjusted EBITDA	Net debt divided by adjusted EBITDA.	The performance measure shows how many times greater net debt is in relation to adjusted EBITDA. This is a performance measure monitored by investors, analysts and other stakeholders.
Net debt /equity ratio	Net debt divided by equity.	A measure that shows the loan-to-value ratio, which comprises the correlation between debt and equity. This makes it a measure of financial position and stability. A good level of net debt/equity ratio provides favourable conditions for growth opportunities, while the dividend policy can be upheld.
Operating capital	Equity plus net debt.	Operating capital shows how much capital there is in the operation. This measure is mainly used to calculate the return on operating capital.
Organic growth	Growth rate that does not come from acquisitions or currency effects, compared with the corresponding period in the preceding year.	Organic growth enables a comparison over time for the companies that have been a part of the Nederman group for more than 12 months, excluding effects of changed exchange rates. The measure is used to show the ability to generate growth in existing operations.
Earnings per share (before dilution)	Net profit for the year attributable to parent company shareholders in relation to the average number of shares outstanding.	Earnings per share shows how much of the period's earnings that each share provides entitlement to.
Earnings per share (after dilution)	Net profit for the year attributable to parent company shareholders in relation to the average number of shares outstanding plus the average number of convertibles and warrants, as calculated in accordance with IAS 33.	
Interest-coverage ratio	Profit before tax with a reversal of financial expenses and acquisition costs in relation to financial expenses.	The performance measure shows the capacity to cover the financial expenses. The performance measure states how many times the group's earnings cover the financial expenses.
Operating profit	Operating profit after depreciation, amortisation and impairment.	Shows the earnings from operational activities.
Operating margin	Operating profit as a percentage of net sales.	
Equity/assets ratio	Equity divided by total assets (balance sheet total).	This performance measure reflects the company's financial position and thus its long-term payment capacity. A healthy equity/assets ratio, in other words, a strong financial position, provides the requirements to be able to manage weak economic periods and to capitalise on future growth opportunities.
Currency neutral growth	Currency neutral growth is the growth rate that does not come from currency effects, compared with the corresponding period in the preceding year.	Currency neutral growth comprises organic growth plus growth from acquired subsidiaries, which are deemed to provide a fair view of the operations' development. Currency neutral growth is one of Nederman group's long-term financial targets.
Annual average	Average of the balance at the beginning and end of the year.	

INVITATION TO TELEPHONE CONFERENCE

A telephone conference regarding the report will be held, in English, Tuesday 22 October 2024 at 10:00 a.m. CEST. Nederman's President and CEO, Sven Kristensson and CFO, Matthew Cusick will present the report and answer questions.

Teleconference

Please register on the link below if you wish to participate via teleconference. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference.

conference.financialhearings.com/teleconference/?id=50048541

Webcast

If you wish to participate via webcast please use the link below.

ir.financialhearings.com/nederman-holding-q3-report-2024

FINANCIAL CALENDAR

- Year-end report 13 February 2025 8:00 a.m.
- Interim report 1 25 April 2025 8:00 a.m.
- Annual General Meeting 29 April 2025 4:00 p.m.
- Interim report 2 15 July 2025 8:00 a.m.
- Interim report 3 23 October 2025 8:00 a.m.

This report contains forward-looking statements that are based on the current expectations of Nederman's management. Although management believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions, fluctuations in exchange rates and other factors.

Nederman is required to disclose the information provided herein according to the Swedish Securities Exchange and Clearing Operations Act and/or the Financial Instrument Trading Act. The information has been made public at 8:00 a.m. CEST on 22 October.

AUDITOR'S REVIEW

The interim report has been subject to a review by the company's auditor, see page 25 for the auditor's review report.

FURTHER INFORMATION CAN BE OBTAINED FROM

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A global technology company

Nederman is an environmental technology company and a global leader in industrial air filtration dedicated to extracting, transporting and cleaning air to make industrial production more efficient, safe and sustainable. Based on industry leading products, solutions and services in combination with innovative IoT technology, we monitor and optimise performance and validate emissions compliance to protect people, planet and production.

The Nederman Group is listed on Nasdaq Stockholm. The Group has approximately 2,500 employees and a presence in more than 50 countries. Learn more at nedermangroup.com

COMPETITIVE PRODUCTS

All of Nederman's products are designed to promote health and safety, enhance production efficiency and minimise the customers' environmental impact. We lead the development of digital products and solutions that future-proof our customers' operations in terms of energy use, recycling and compliance with regulatory requirements. Sales of individual products, small and medium-sized systems, and major system solutions with a high degree of customisation comprise the majority of the Group's sales. The sale of products and solutions provides a broad customer base that drives our service sales.

FULL-SERVICE OFFERING

A key feature of our offering is the ability to guarantee our customers the highest possible availability for their solutions. Our starting point is that we must be the alternative that offers the customer the lowest total cost over the life cycle of the solution. In addition to high-quality products, this means that we offer qualified service with a high level of availability to ensure continuous operation. The offering includes technical service, service contracts, spare parts and consumables.

MARKET-LEADING POSITIONS

Since the start, Nederman has developed a broad and competitive product programme. This programme, combined with a comprehensive sales network and significant investments in new technology, is the foundation for our leading position in a global market. Size and market breadth give us economies of scale in terms of product development, purchasing and production. Nederman is already the segment leader in EMEA, but is now also second-largest in the vital Americas market and in the top five in APAC. This provides a strong platform on which to build further.

STRONG BRANDS

Today, Nederman addresses its market with a strong portfolio of brands. Our strategy is that each individual brand is to bring cutting-edge competence to the Group in a specific product area or market segment. Accordingly, we have the possibility to meet many different customer needs and market segments, in both mature and emerging markets. The brand portfolio is continuously evaluated, while we simultaneously actively analyse potential acquisitions.