

The Nederman logo is displayed in a white rectangular box with a blue border. The word "Nederman" is written in a bold, blue, sans-serif font.

Nederman

A close-up photograph of several dandelion seeds floating in the air against a warm, golden-orange background, likely a sunset or sunrise.

Nederman Interim report Q3 2022

CEO – Sven Kristensson
CFO – Matthew Cusick



Nederman Group, Q3 2022

Another strong quarter:

- Acquisition of RoboVent significantly strengthens our US position
- Record quarterly sales and profit for the Nederman group
- Continued strong order backlog indicates a positive sales trend in coming quarters
- Solid profitability with 11.8% EBITA
- Good cash flow development

Continued concerns:

- Continued uncertainty
- Order intake growth rate has clearly dampened
- Supply chain problems have impacted sales negatively
- Clear cost inflation
- Geopolitical concerns continue
- Chinese lockdowns continue to cause challenges

Aquisition of Robovent

- On 29 July Nederman acquired 100% of US based company RoboVent for 42m USD
- This significantly strengthens Nederman's position within the American weld fume extraction and filtration segment
- RoboVent is a leader in air pollution control solutions for industrial fume, dust and mist control applications
- Expected sales for 2022 are >35m USD
- HQ in Sterling Heights, Michigan - over 100 employees in the US, Canada and Mexico
- RoboVent is part of Nederman's Extraction & Filtration Technology Division



Key Financials

Nederman Group: Orders & Sales

A record quarter for sales but with some dampening in order intake

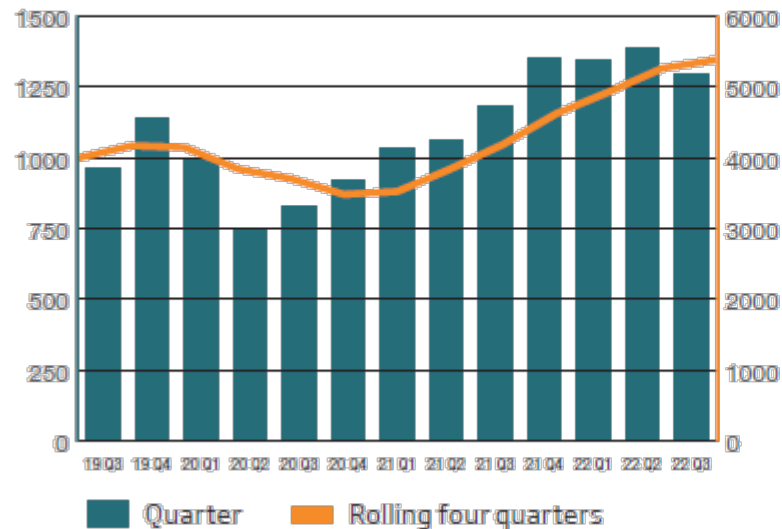
Quarter 3:

- Incoming orders were 1,294m SEK (1,178m)
 - Currency-neutral: +3% versus Q3 2021
- Sales were 1,398m SEK (1,046m)
 - Currency-neutral: +23% versus Q3 2021

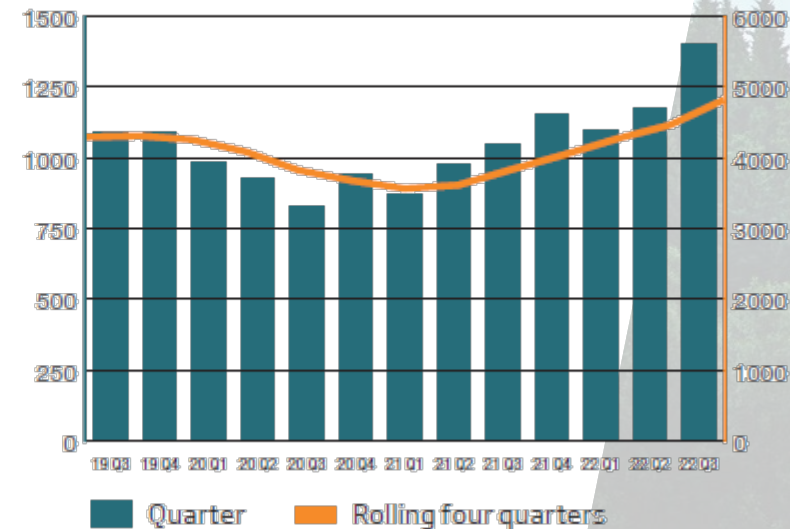
January - September:

- Incoming orders were 4,029m SEK (3,271m)
 - Currency-neutral: +16%
- Sales were 3,664m SEK (2,890m)
 - Currency-neutral: +18%

Incoming orders, SEKm



Sales, SEKm



Nederman Group: Profitability

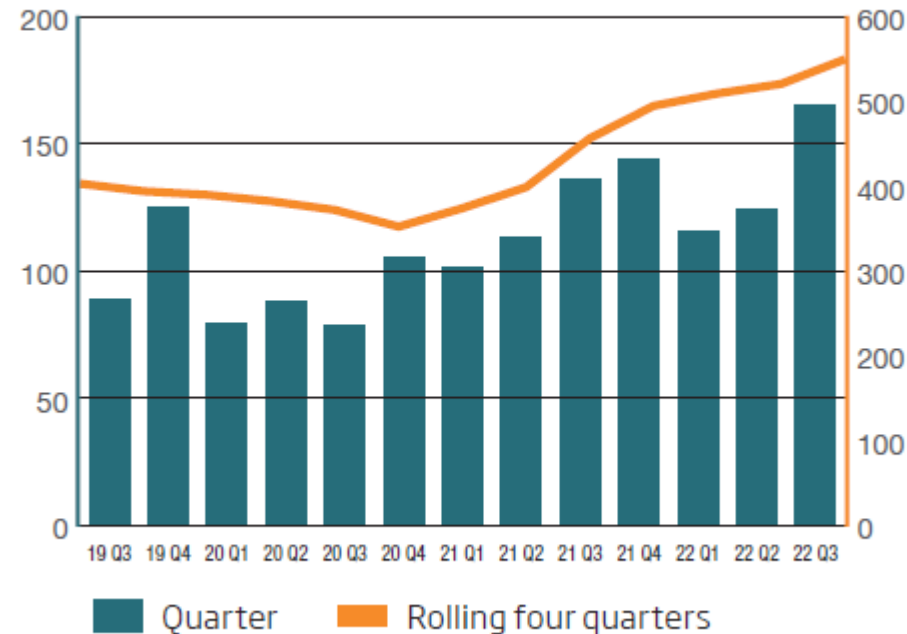
Quarter 3:

- Adjusted EBITA was 165m SEK (136m)
- Adjusted EBITA margin was 11.8% (13,0%)
- Profit after tax was 93m SEK (81m)
- Earnings per share was SEK 2.64 (2.31)

January-September:

- Adjusted EBITA was 406m SEK(351m)
- Adjusted EBITA margin was 11.1% (12.1%)
- Profit after tax was 238m SEK (195m*)
- Earnings per share was SEK 6.78 (5.55*)

Adjusted EBITA, SEKm



Nederman Group: Cash Flow & Net Debt

Continued solid cash flow development

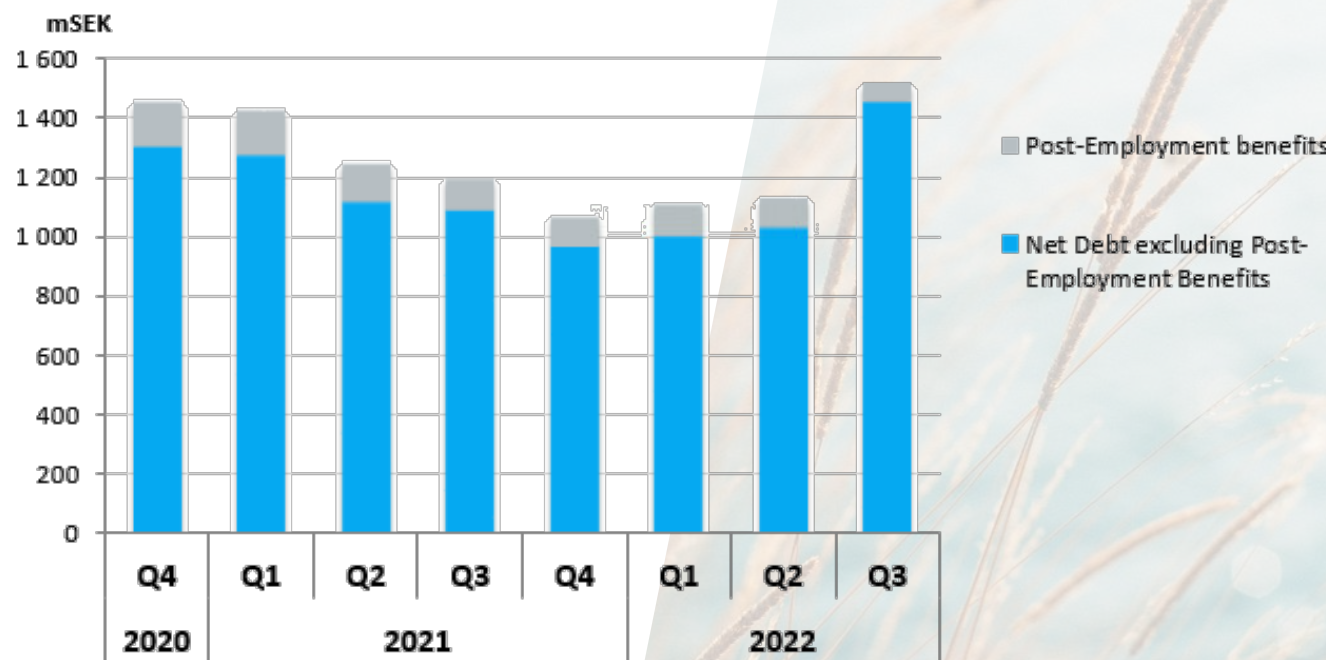
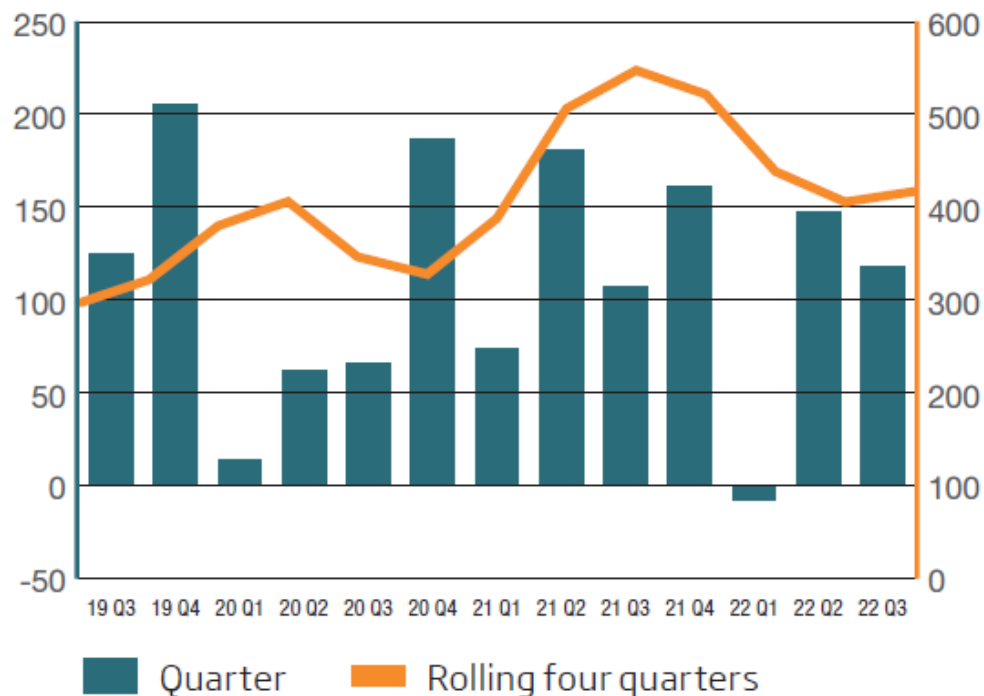
Cash flow from operations:

Q3 2022: 118m SEK (107m)
 Jan-Sep 2022: 258m SEK (361m)

Net Debt:

30 September 2021: 1,193m SEK
 30 September 2022: 1,516m SEK

Cash flow from operating activities, SEKm



The divisions

Extraction & Filtration Technology, Q3 2022

Development during the quarter

- RoboVent acquired
- Orders received remain healthy, though organic growth is negative
- Order backlog still at high level
- Service and aftermarket sales grew well

In EMEA:

- Order trend positive in northern and western Europe
- Some slowdown seen in southern and eastern Europe
- 2 large orders booked in wood and metal manufacturing
- Strong sales growth in nearly all markets

In Americas:

- Strong sales growth in all markets including Robovent
- Negative organic order intake growth but orders still at solid level
- 2 major orders booked in the wood and food industries.
- Strong growth in service

In APAC:

- Growth in Australia and distributor market countries
- Trend in China remained weak due to lockdowns

Key activities

- Acquisition of RoboVent
- Interactive tool for wood applications launched at International Woodworking Fair (IWF) in Atlanta

SEKm	Note	1Jul-30Sep		Currency neutral growth	Organic growth	1Jan-30Sep		Currency neutral growth	Organic growth	Fullyear 2021	Oct-Sep 12months
		2022	2021			2022	2021				
Incoming orders - External		539.7	464.0	10.5%	-1.0%	1,647.0	1,370.1	14.1%	10.2%	1,780.9	2,057.8
Totalsales	4	587.3	441.3	25.4%	10.8%	1,528.8	1,281.3	13.0%	8.0%	1,762.9	2,010.4
Adjusted EBITA		103.4	81.5			264.9	226.6			308.7	347.0
Adjusted EBITA margin		17.6%	18.5%			17.3%	17.7%			17.5%	17.3%

Process Technology, Q3 2022

Development during the quarter

- Significant increase in sales
- Some dampening in order intake levels
- Strong order backlog bodes well for coming quarters
- Service business continues to grow
- Strengthened profitability

In Textile & Fibre:

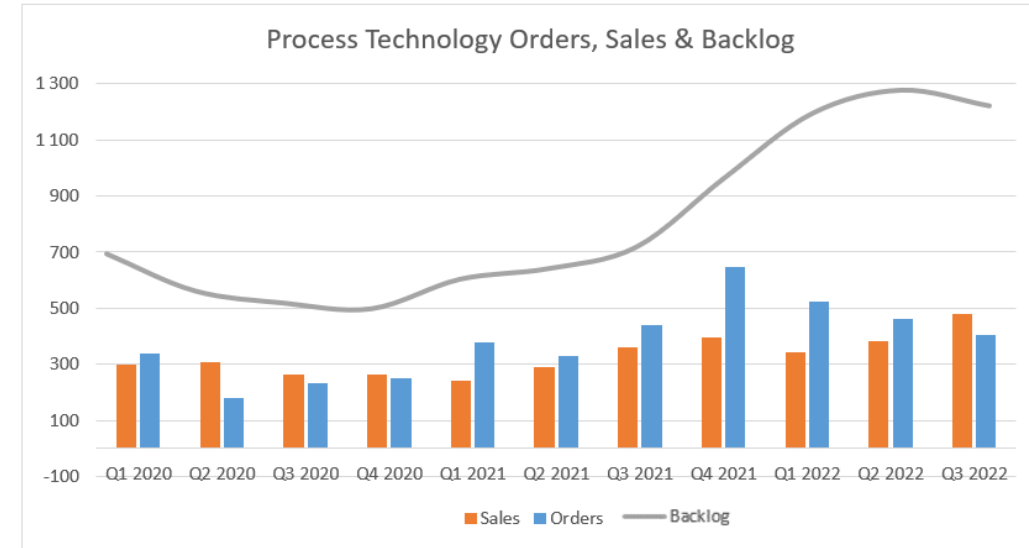
- Orders received were again strong in all markets except China
- Extra shift continues in Indian plant
- Sales increasing significantly
- Some indicators of reduced textile investments moving forward

In Foundry & Smelter:

- High energy prices risk dampening aluminium producers' willingness to invest
- Increased defence spending = higher demand from foundries
- Major order booked from a foundry customer in Turkey

In Customised Solutions:

- Several medium-sized orders were booked
- Project execution is accelerating



Key activities

- Focus on project execution
- Price adjustments to counter continued cost inflation

SEKm	Note	1Jul-30Sep 2022	2021	Currency neutral growth	Organic growth	1Jan-30Sep 2022	2021	Currency neutral growth	Organic growth	Fullyear 2021	Oct-Sep 12months
Incoming orders - External		404.2	435.9	-11.5%	-11.5%	1,387.5	1,139.2	16.0%	16.0%	1,785.5	2,033.8
Total sales	4	481.0	361.4	21.9%	21.9%	1,207.0	894.0	25.5%	25.5%	1,291.5	1,604.5
Adjusted EBITA		36.3	19.5			61.2	27.9			50.9	84.2
Adjusted EBITA margin		7.5%	5.4%			5.1%	3.1%			3.9%	5.2%

Monitoring & Control Technology, Q3 2022

Development in the quarter

- Challenges in component sourcing continue but starting to ease
- Reduced order intake in China has clear impact on figures for whole division
- Sales growth but turnover behind expectations
- Strong order backlog moving into Quarter 4

In EMEA:

- Orders intake growth in quarter
- NEO Monitors particularly strong
- Sales declined versus Q3 2021 with component issues and production bottlenecks

In APAC:

- Orders and sales declined versus a strong Q3 2021
- Low level of activity in China is single biggest factor
- Chinese lockdowns hampering sourcing and business development

In Americas:

- Increase in orders and sales
- One growth factor is energy production related investments

Key activities

- Achema trade fair in Germany
 - An opportunity to attract attention to the division's products and solutions from a global audience
 - First fair since 2019

SEKm	Note	1Jul-30Sep		Currency neutral growth	Organic growth	1Jan-30Sep		Currency neutral growth	Organic growth	Fullyear 2021	Oct-Sep 12months
		2022	2021			2022	2021				
Incoming orders - External		149.6	136.3	-0.8%	-0.8%	454.7	395.4	5.8%	4.2%	561.8	621.1
Totalsales	4	147.9	123.1	7.9%	7.9%	429.1	381.5	3.3%	2.7%	537.3	584.9
Adjusted EBITA		19.2	26.2			63.0	79.6			120.9	104.3
Adjusted EBITA margin		13.0%	21.3%			14.7%	20.9%			22.5%	17.8%



Duct & Filter Technology, Q3 2022

Development in the quarter

- Strong growth in orders and sales versus Q3 2021 and Q2 2022
- US business particularly strong
- Gross profit margin challenges due to material and energy prices
- Increased profit

In Nordfab:

- Strong order intake
- Major US order was secured for a new lithium-ion battery plant
- The number of small and medium-sized orders declined
- European ducting business noted a slowdown - UK was an exception
- Marketing activities intensified
- New business in Australia had stable order growth

In Menardi:

- Healthy but more modest order intake after very strong trend in the past year
- 2 large orders were secured to the food and steel industries
- Profitability continues to increase

Key activities

- Construction of the US factory/warehouse extension continued
- Warehouse capacity in the UK was increased to meet higher demand
- Focus on updating critical older equipment to improve production efficiency and quality

SEKm	Note	1Jul-30Sep		Currency neutral growth	Organic growth	1Jan-30Sep		Currency neutral growth	Organic growth	Fullyear 2021	Oct-Sep 12months
		2022	2021			2022	2021				
Incoming orders - External		200.8	141.7	21.5%	8.3%	539.5	366.3	30.4%	22.0%	494.7	667.9
Totalsales	4	212.0	143.3	27.8%	18.3%	578.4	403.0	27.4%	22.5%	540.8	716.2
AdjustedEBITA		32.8	29.0			93.2	79.6			104.0	117.6
AdjustedEBITAmargin		15.5%	20.2%			16.1%	19.8%			19.2%	16.4%

Outlook

Short term

- Demand and orders received in the third quarter were still healthy
- Strong order backlog moving into quarter 4
- Some dampening in demand is seen
- Challenges with component supplies, continued geopolitical uncertainty and rising inflation are impacting customers' investment decisions
- We remain cautiously optimistic about coming quarters

Long term

- Nederman's long-term potential continues to strengthen.
- In a world in which the insight into the damage that poor air does to people is increasing, Nederman, with its leading offering within industrial air filtration, has a key role to play
- We still need even more political will throughout the world, to use regulations and incentives to work to reduce the risk that millions of people need to die prematurely each year from breathing in dirty and hazardous air



Financial Calendar

- Year-end report 16 February 2023
- 2023 Q1 report and AGM 24 April 2023
- 2023 Q2 report 14 July 2023
- 2023 Q3 report 23 October 2023

A woman with long, dark hair is seen from the back, looking out over a vast ocean at sunset. The sky is a mix of orange, yellow, and blue, with the sun low on the horizon. The woman's hair is slightly blowing in the wind. The overall mood is serene and contemplative.

Nederman

We shape the future for clean air

We protect people, planet and production
from harmful effects of industrial processes