

The Nederman logo is located in the top right corner of the slide. It consists of the word "Nederman" in a bold, blue, sans-serif font, set against a white rectangular background.

Nederman

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

Nederman Year end report 2022

CEO – Sven Kristensson
CFO – Matthew Cusick



Nederman Group, Q4 2022

Stable end to the year:

- Record year for sales and profit for the Nederman group
- Three of four divisions reported **order intake growth** vs Q4 2021
- We continue to deliver on a **high order backlog** – Q4 saw record quarterly sales
- Quarter 4 2022 saw second highest quarterly EBITA level ever
- **EBITA margin** lower than Quarter 3 – Inflationary pressure and some operational challenges
- **MBE AG acquired** in quarter – Distributor for M&CT division

Continued concerns:

- Continued uncertainty
- **Order intake** growth rate is slower
- Clear cost inflation
- **Geopolitical concerns** continue
- **Chinese situation** continues to cause challenges

Dividend

- The Board of Directors proposes a dividend of SEK 3.75 per share (3.50)

Key Financials

Nederman Group: Orders received

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Organic order intake growth in 3 of 4 divisions

Quarter 4:

Incoming orders 1,396m SEK (1,352m)

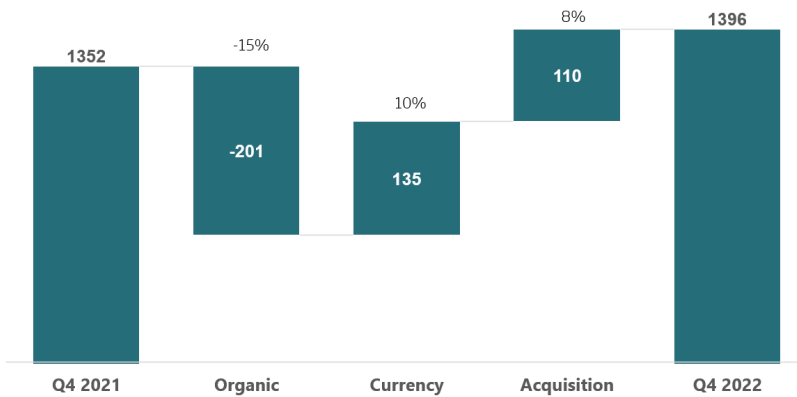
- Currency-neutral: -7% versus Q4 2021
- Positive in 3 of 4 divisions

January - December:

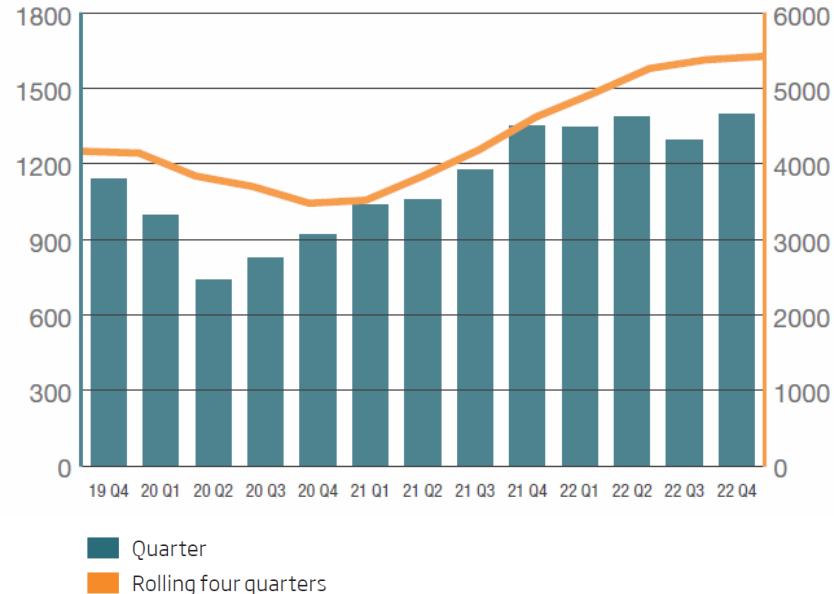
Incoming orders 5,425m SEK (4,623m)

- Currency-neutral: +9%

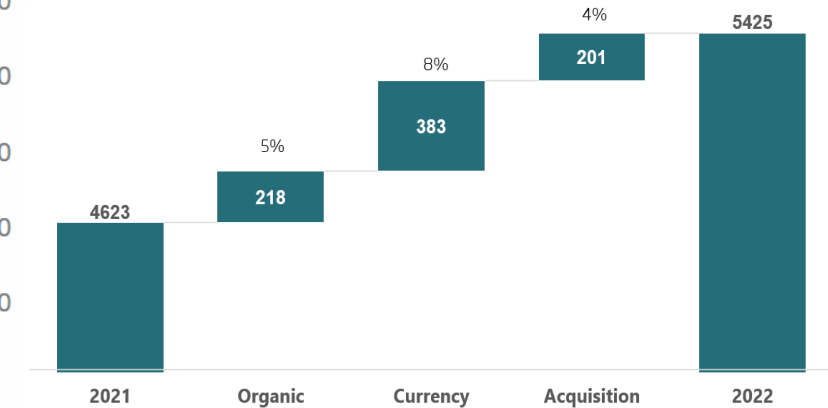
Bridge - Orders received Quarter, SEKm



Incoming orders, SEKm



Bridge - Orders received YTD, SEKm



Nederman Group: Sales

A record quarter for sales, organic growth in 3 of 4 divisions

Quarter 4:

Sales 1,515m SEK (1,152m)

- Currency-neutral: +20% versus Q4 2021

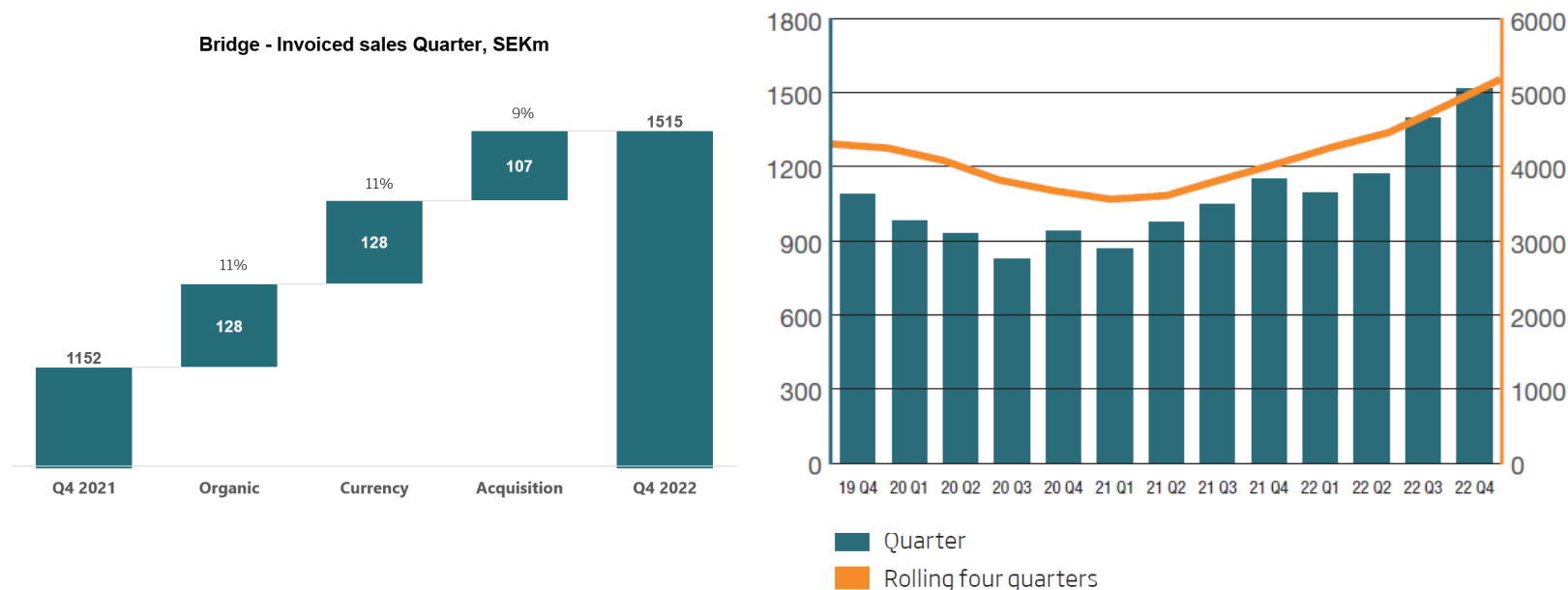
January - December:

Sales 5,179m SEK (4,042m)

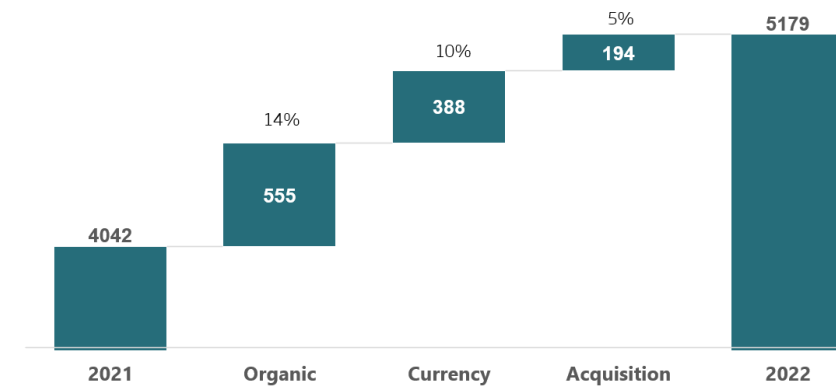
- Currency-neutral: +19%

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Sales, SEKm



Bridge - Invoiced sales YTD, SEKm



Nederman Group: Profitability

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Quarter 4:

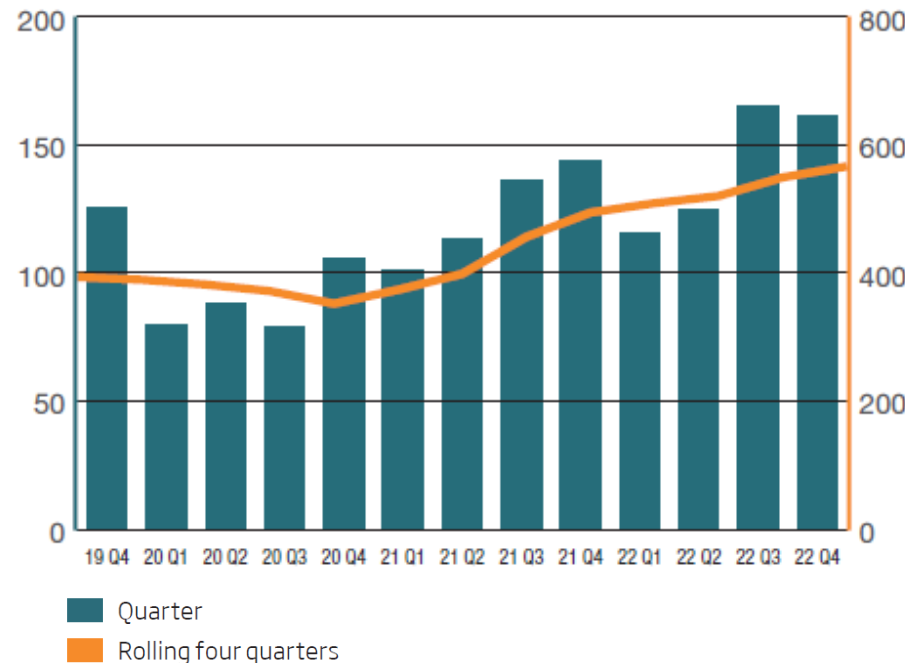
- Adjusted EBITA was 161m SEK (144m)
- Adjusted EBITA margin was 10.6% (12.5%)
- Profit after tax was 91m SEK (84m)
- Earnings per share was SEK 2.59 (2.41)

January-December:

- Adjusted EBITA was 567m SEK(495m)
- Adjusted EBITA margin was 10.9% (12.2%)
- Profit after tax was 329m SEK (279m*)
- Earnings per share was SEK 9.37 (7.95*)

* Excluding Norwegian pension

Adjusted EBITA, SEKm



Nederman Group: Cash Flow & Net Debt

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Continued positive cash flow development

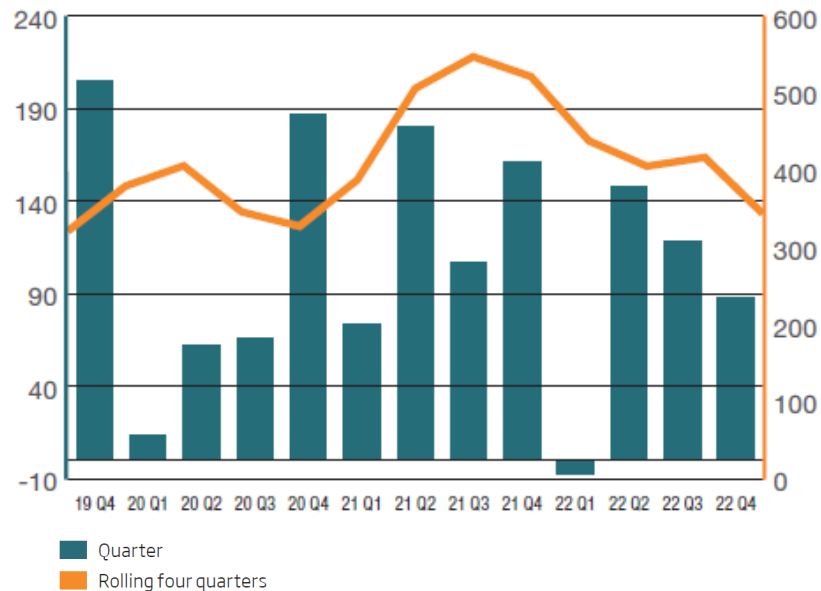
Cash flow from operations:

Q4 2022: 88m SEK (159m)
Jan-Dec 2022: 346m SEK (520m)

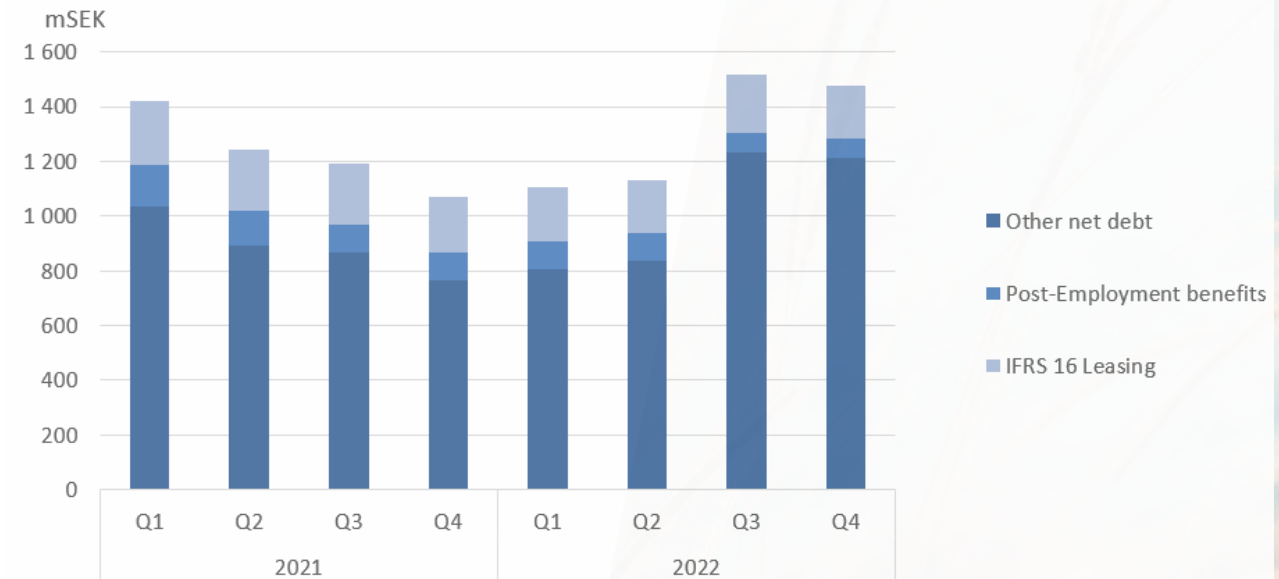
Net Debt:

31 December 2021: 1,068m SEK
31 December 2022: 1,477m SEK

Cash flow from operating activities, SEKm



Net Debt



The divisions

Extraction & Filtration Technology, Q4 2022

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Development during the quarter

Orders & Sales:

- 3 major orders >5m SEK were registered – None in Q4 2021.
- Order backlog at record year-end level
- Major orders:
 - Food in US and Brazil
 - RoboVent to the electric vehicle industry
- Increased orders from industries with anticipated long-term growth.

Examples:

- Paper recycling in the Netherlands
- Battery recycling in Australia
- Chinese customer in the wind power industry
- Waste and plastic separation
- Electric vehicle industry
- Defence
- Sales increased in all regions and in all sales channels

Regions:

- Strongest regional trend was in Americas, not least due to RoboVent
- In EMEA, sales and orders received increased in most markets
- APAC had good growth in total but was negatively impacted by the covid-19 situation in China

Key activities

- Launch of Nederman SAVE, a solution comprising software and a package of services that enable significant energy savings for customers.
- Introduction of the division's online store to a number of APAC partners
- The integration of RoboVent continues - Nederman now has a leading position in the welding segment in both the US and Europe

SEKm	Note	1Oct-31Dec 2022	2021	Currency neutral growth	Organic growth	1Jan-31Dec 2022	2021	Currency neutral growth	Organic growth
Incoming orders - External		591.4	410.8	34.2%	11.1%	2,238.4	1,780.9	18.7%	10.4%
Total sales	4	636.6	481.6	23.8%	4.9%	2,165.4	1,762.9	16.0%	7.2%
Adjusted EBITA		92.4	82.1			357.3	308.7		
Adjusted EBITA margin		14.5%	17.0%			16.5%	17.5%		

Process Technology, Q4 2022

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Development during the quarter

- Good sales following strong orders received in previous quarters
- Order backlog heading into 2023 at record year-end level
- Service business continued to grow
- Concerns that global economic uncertainty will dampen customer willingness to invest
- Supply chain was again negatively impacted by the covid-19 situation in China

In Textile & Fibre:

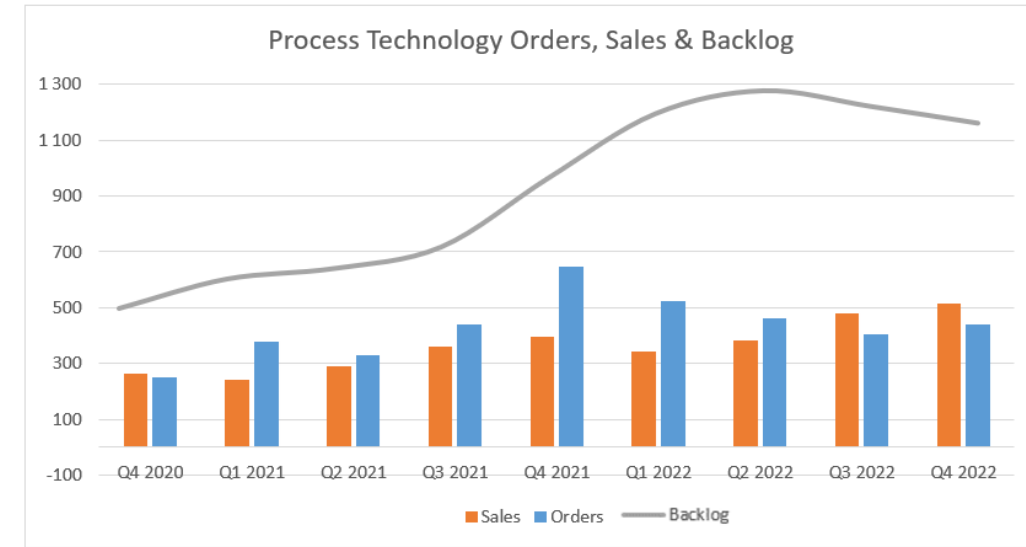
- Sales were strong with a slowdown in orders
- China continues to pose the greatest challenge
- Customers have been increasing investments in other markets, including India
- Higher raw material prices and a weaker macro-economic trend will likely lead to reduced textile investments moving forward

In Foundry & Smelter:

- Increased demand and positive trend in aluminium recycling
- Several major projects were registered in the segment
- Increased defence spending could increase foundry demand

In Customised Solutions:

- 2 major orders, for metal recycling and in the energy sector were booked
- Quotation pipeline is strong



Key activities

- Working capital position remains strong - healthy orders received with the resulting downpayments
- Selective price adjustments to defend margins against rising material and energy prices and general inflation

SEKm	Note	10Oct-31Dec		Currency neutral growth	Organic growth	1Jan-31Dec		Currency neutral growth	Organic growth
		2022	2021			2022	2021		
Incoming orders - External		437.1	646.3	-40.1%	-40.1%	1,824.6	1,785.5	-4.3%	-4.3%
Total sales	4	514.9	397.5	18.9%	18.9%	1,721.9	1,291.5	23.4%	23.4%
Adjusted EBITA		38.7	23.0			99.9	50.9		
Adjusted EBITA margin		7.5%	5.8%			5.8%	3.9%		

Monitoring & Control Technology, Q4 2022

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Development in the quarter

- Orders received increased, particularly in the process industry
- Order backlog heading into 2023 at record level
 - Clear base for continued sales growth in coming quarters
- China a concern:
 - Demands to allow only domestically produced products
 - Covid-19 related events
 - Reduced turnover not yet fully compensated for elsewhere
- Challenges remain in component supplies - negative impact on production capacity and profitability

In EMEA:

- Growth in orders received and sales
- Growth primarily driven by NEO Monitors
- Gasmet saw some delayed emissions monitoring projects and an overall slowdown, although UK performed well

In APAC:

- Orders and sales declined in total
- Gasmet still negatively impacted by the situation in China
- Neo Monitors had a more positive trend, driven by petrochemical

In Americas:

- Sales and orders grew significantly vs Q4 2021
- NEO Monitors' had strong growth - Driven by investments to improve efficiency and to reduce dependence on imported energy
- Auburn FilterSense's sales in particle monitoring increased well

Key activities

- Acquisition of MBE AG, selling gas measurement instruments in the Swiss market and has been a Gasmet distributor for many years

SEKm	Note	1 Oct-31 Dec 2022	1 Oct-31 Dec 2021	Currency neutral growth	Organic growth	1 Jan-31 Dec 2022	1 Jan-31 Dec 2021	Currency neutral growth	Organic growth
Incoming orders - External		202.7	166.4	10.4%	6.1%	657.4	561.8	7.2%	4.7%
Total sales	4	176.8	155.8	2.5%	1.2%	605.9	537.3	3.1%	2.3%
Adjusted EBITA		33.6	41.3			96.6	120.9		
Adjusted EBITA margin		19.0%	26.5%			15.9%	22.5%		

Duct & Filter Technology, Q4 2022

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Development in the quarter

- Growth in sales and orders vs Q4 2021
- Increase primarily from the strong performance in Europe
- Profitability positively affected by higher sales volumes
- Negative impact from some ducting production issues in the USA

In Nordfab:

- Continued healthy order growth
- Clear variation between the regions
- US orders received decreased vs Q3 2022 but strong growth for whole year
- Orders from battery production continued
- Good growth in Europe - New 2 metre ducting performing well including a major UK order
- Sales growth in Australia, Thailand declined slightly

In Menardi:

- Slowdown in orders received seen in Q3 continued
- Order backlog still good - continued healthy sales
- Quotation pipeline remains strong

Key activities

- Construction of the expanded Nordfab factory and warehouse building in the USA continued:
 - Opening scheduled for early April 2023
 - 9,000 m2 solar panels to generate 50% of energy needs
- Continued work to renew and upgrade older manufacturing equipment in Europe and the US.
 - Reducing risk of production bottlenecks
 - Improving efficiency and quality

SEKm	Note	1Oct-31Dec 2022	1Oct-31Dec 2021	Currency neutral growth	Organic growth	1Jan-31Dec 2022	1Jan-31Dec 2021	Currency neutral growth	Organic growth
Incoming orders - External		164.9	128.4	8.3%	1.6%	704.4	494.7	24.6%	16.7%
Total sales	4	212.4	137.8	31.3%	20.9%	790.8	540.8	28.4%	22.1%
Adjusted EBITA		34.2	24.4			127.4	104.0		
Adjusted EBITA margin		16.1%	17.7%			16.1%	19.2%		

Outlook

Short term

- Demand and orders received in the Q4 were generally good
- Rate of growth has slowed from first half of 2022
- Order backlog heading into 2023 is solid
- Challenges including inflationary pressure, and economic and geopolitical uncertainty are impacting customers' investment decisions
- We remain cautiously optimistic towards the coming quarters

Long term

- Nederman's long-term potential continues to strengthen
- In a world in which insight into the damage that poor air does to people is increasing, Nederman, with its leading industrial air filtration offering, has a key role to play
- Technological advances, centring around digitalisation, have led to completely new possibilities to streamline and optimise the air filtration process.
- Together with political insight and a willingness to set stricter limits and legislation, there is a basis for a viable future manufacturing industry that contributes to sustainable air quality around the world.



Financial Calendar

- Annual Report 2023 17 March 2023
- 2023 Q1 report and AGM 24 April 2023
- 2023 Q2 report 14 July 2023
- 2023 Q3 report 23 October 2023

We shape the future for clean air

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