

Another strong quarter

“Record turnover and a continued strong order backlog indicates a continued positive sales trend in the coming quarters.”

Read more in Sven Kristensson’s CEO’s comments on page 2.

Quarter 3, 2022

- Incoming orders amounted to SEK 1,294m (1,178), equivalent to currency neutral growth of 2.4 percent compared with the same period last year.
- Net sales amounted to SEK 1,398m (1,046), equivalent to currency neutral growth of 22.7 percent compared with the same period last year.
- Adjusted EBITA was SEK 165.3m (136.4), giving an adjusted EBITA-margin of 11.8 percent (13.0).
- Net profit was SEK 92.6m (81.0).
- Earnings per share were SEK 2.64 (2.31).
- Cash flow from operating activities amounted to SEK 118.2m (106.7).

January - September, 2022

- Incoming orders amounted to SEK 4,029m (3,271), equivalent to currency neutral growth of 15.6 percent compared with the same period last year.
- Net sales amounted to SEK 3,664m (2,890), equivalent to currency neutral growth of 17.8 percent compared with the same period last year.
- Adjusted EBITA was SEK 405.5m (350.7), giving an adjusted EBITA-margin of 11.1 percent (12.1).
- Net profit was SEK 237.8m (194.6*).
- Earnings per share were SEK 6.78 (5.55*).
- Cash flow from operating activities amounted to SEK 257.9m (360.8).

* The comparative figure shown exclude other operating income of SEK 26.3m, net after tax, which was recognised in the second quarter of 2021 and pertained to a Norwegian defined-benefit pension plan that was of a non-recurring nature. Including other operating income, net profit amounted to SEK 220.9m and earnings per share to SEK 6.29 for the period January to September 2021.



Sven Kristensson
CEO

CEO's comments

Sales record and a key acquisition

Despite increased uncertainty in the market, Nederman performed strongly during the quarter. Sales reached a new record level, with all divisions contributing high growth figures. Orders received increased currency neutrally. Nederman's position in the US in industrial air filtration was strengthened significantly through the acquisition of US company RoboVent.

The high level of orders received in the past year contributed to sales reaching a new record level in the third quarter of SEK 1,398m (1,046). Even when adjusted for currency and acquisitions, the trend was strong, with an increase of 15 percent. The challenges related component supply and high material costs continued to dampen profitability, primarily in the Nederman Monitoring & Control Technology Division. The Group's adjusted EBITA margin amounted to 11.8 percent (13.0), giving an adjusted EBITA of SEK 165.3m (136.4) the highest ever for a single quarter. We continued to generate healthy cash flow, which creates a stable financial position. An order backlog that is significantly higher than at the same point last year indicates a continued positive sales trend in the coming quarters. At the same time, we are seeing heightened caution in our customers' willingness to invest due to growing uncertainty in relation to a number of different external factors, which can be seen in a certain dampening in order intake.

Nederman is a world-leading environmental technology company in advanced air filtration. We offer digital solutions that support lower energy costs in production, providing enormous potential in a macro environment with high energy prices over an extended period. The need for energy-efficient solutions is extensive in all industries and in the third quarter, several orders were secured that directly address this need, including to the process industry. We also secured new orders for battery manufacturing and within the energy sector, two segments in which the rate of investment remains high.

During the quarter, we completed an important and significant acquisition that considerably strengthens our position in the US. With RoboVent, Nederman becomes the foremost supplier of industrial air filtration and air conditioning in the US welding market, entirely in line with our strategy of being the market leader in the markets in which we operate. We were already number one in Europe. RoboVent is being integrated into the Extraction & Filtration Technology Division and we foresee healthy growth opportunities on the customer and product side going forward.

HIGH SALES GROWTH IN ALL DIVISIONS

The trend in our divisions remained positive in the third quarter. Nederman Extraction & Filtration Technology demonstrated a solid improvement in sales, while orders received remained at a high level. The project to integrate the acquired business RoboVent was initiated and has already generated results. Nederman Process Technology increased sales significantly, driven by a record-level order backlog, at the same time as profitability reached one of the highest levels ever in the division's history. Nederman Duct & Filter Technology reported continued strong order and sales growth, again driven by the main market of the US. Nederman Monitoring & Control Technology's sales increased, but continued problems with component supplies and project deliveries, a result of such factors as the continued covid-19-related lockdowns in China, dampened profitability. At the same time, the order backlog is strong.

CAUTIOUS OPTIMISM BUT HIGHER UNCERTAINTY

Although the development in our divisions remains positive, we see that the challenges in our supply chain and the high prices of energy, materials and logistics are impacting our customers' investment decisions and the possibility of conducting business, as well as our own production and delivery capacity. In addition, the geopolitical uncertainty has increased. Nonetheless, we remain cautiously optimistic about future quarters in view of our strong order backlog, among other factors.



Q3 INTERVIEW WITH SVEN KRISTENSSON

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

Segment overview

Nederman is organised in four divisions, based on differences in business logic, customer structure and technology. The organisation is driven by simplicity and has the group's brands as its starting point. This means that the divisions are global and have an explicit focus on the customer. The work is conducted on the basis of 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 advanced filter solutions that are integrated into the customers' production processes where they catch harmful particles and gases. 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 large 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 wood-working, cement & concrete production, automotive, metalworking and recycling.

Nederman Monitoring & Control Technology offers advanced measurement technology and an IoT platform that consists of hardware and software that 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.

Order intake - External, SEKm	1Jul-30Sep 2022	1Jul-30Sep 2021	Currency neutral growth	Organic growth	1Jan-30Sep 2022	1Jan-30Sep 2021	Currency neutral growth	Organic growth	Full year 2021	Oct-Sep 12 months
Nederman Extraction & Filtration Technology	539.7	464.0	10.5%	-1.0%	1,647.0	1,370.1	14.1%	10.2%	1,780.9	2,057.8
Nederman Process Technology	404.2	435.9	-11.5%	-11.5%	1,387.5	1,139.2	16.0%	16.0%	1,785.5	2,033.8
Nederman Duct & Filter Technology	200.8	141.7	21.5%	8.3%	539.5	366.3	30.4%	22.0%	494.7	667.9
Nederman Monitoring & Control Technology	149.6	136.3	-0.8%	-0.8%	454.7	395.4	5.8%	4.2%	561.8	621.1
Total Nederman group	1,294.3	1,177.9	2.4%	-3.7%	4,028.7	3,271.0	15.6%	12.8%	4,622.9	5,380.6

Totalsales, SEKm	1Jul-30Sep 2022	1Jul-30Sep 2021	Currency neutral growth	Organic growth	1Jan-30Sep 2022	1Jan-30Sep 2021	Currency neutral growth	Organic growth	Full year 2021	Oct-Sep 12 months
Nederman Extraction & Filtration Technology	587.3	441.3	25.4%	10.8%	1,528.8	1,281.3	13.0%	8.0%	1,762.9	2,010.4
Nederman Process Technology	481.0	361.4	21.9%	21.9%	1,207.0	894.0	25.5%	25.5%	1,291.5	1,604.5
Nederman Duct & Filter Technology	212.0	143.3	27.8%	18.3%	578.4	403.0	27.4%	22.5%	540.8	716.2
Nederman Monitoring & Control Technology	147.9	123.1	7.9%	7.9%	429.1	381.5	3.3%	2.7%	537.3	584.9
Elimination	-30.5	-23.6			-79.6	-69.5			-90.7	-100.8
Total Nederman group	1,397.7	1,045.5	22.7%	15.2%	3,663.7	2,890.3	17.8%	14.8%	4,041.8	4,815.2

Adjusted EBITA, SEKm	1Jul-30Sep 2022	1Jul-30Sep 2021	1Jan-30Sep 2022	1Jan-30Sep 2021	Full year 2021	Oct-Sep 12 months
Nederman Extraction & Filtration Technology	103.4	81.5	264.9	226.6	308.7	347.0
Nederman Process Technology	36.3	19.5	61.2	27.9	50.9	84.2
Nederman Duct & Filter Technology	32.8	29.0	93.2	79.6	104.0	117.6
Nederman Monitoring & Control Technology	19.2	26.2	63.0	79.6	120.9	104.3
Other - non-allocated	-26.4	-19.8	-76.8	-63.0	-89.9	-103.7
Total Nederman group	165.3	136.4	405.5	350.7	494.6	549.4

Adjusted EBITA margin	1Jul-30Sep 2022	1Jul-30Sep 2021	1Jan-30Sep 2022	1Jan-30Sep 2021	Full year 2021	Oct-Sep 12 months
Nederman Extraction & Filtration Technology	17.6%	18.5%	17.3%	17.7%	17.5%	17.3%
Nederman Process Technology	7.5%	5.4%	5.1%	3.1%	3.9%	5.2%
Nederman Duct & Filter Technology	15.5%	20.2%	16.1%	19.8%	19.2%	16.4%
Nederman Monitoring & Control Technology	13.0%	21.3%	14.7%	20.9%	22.5%	17.8%
Total Nederman group	11.8%	13.0%	11.1%	12.1%	12.2%	11.4%

ABOUT THE DIVISION

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

Brand: Nederman, RoboVent

Nederman Extraction & Filtration Technology

The division displayed a continued positive trend. Compared with the corresponding quarter of 2021, sales increased currency neutrally by 25 percent and orders received grew by 11 percent. The adjusted EBITA margin was 17.6 percent (18.5). On 29 July, the North American company RoboVent was acquired, which was the most important event of the quarter.

DEVELOPMENT DURING THE QUARTER

Four major orders were registered in the quarter, compared with only one during the corresponding quarter last year. Orders received remain healthy and the order backlog is at a record-high level due to the acquisition of RoboVent. Sales in service and aftermarket continued to develop well and, together with the high level of orders received in the preceding quarter and efficient project installations, contributed to the increase in the division's sales for the quarter.

In EMEA, the division's largest region, the trend for orders received was positive in northern and western Europe, while southern and eastern Europe noted a slowdown. Two large orders were registered, one for a wood application for a university in the UK and one in Germany for an application within metal manufacturing. Sales developed well and increased in nearly all markets. Service and solutions displayed strong growth, while product sales declined.

Americas displayed strong growth, driven by, among other things, the acquisition of US company RoboVent. Sales grew in all markets. In local currencies, sales more than doubled. The increase was significant, even when adjusted for the acquisition and a strong US dollar. In the

US, two major orders were secured during the quarter, one in the wood industry and, through RoboVent, one in the food industry. Service displayed the strongest development, while solutions and product sales declined somewhat.

In APAC, Australia, Southeast Asia and the distributor markets noted both order and sales growth. However, the trend in China remained weak due to covid-19-related lockdowns in the country. Development was particularly weak for solutions. India also noted a poorer quarter compared with the preceding year. For the region as a whole, product sales and sales in service and aftermarket were strong.

KEY ACTIVITIES

- Acquisition of RoboVent, a North American leader in air filtration technology and solutions for control and filtration in the weld fume extraction segment.
- At the International Woodworking Fair (IWF) in Atlanta, the division launched the first interactive tool for wood applications, which enables customers to gain information about the products and their functions.

SEKm	Note	1Jul-30Sep 2022	1Jul-30Sep 2021	Currency neutral growth	Organic growth	1Jan-30Sep 2022	1Jan-30Sep 2021	Currency neutral growth	Organic growth	Full year 2021	Oct-Sep 12 months
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%



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

The division's strong development continued. Compared with the corresponding quarter of 2021, sales increased currency neutrally by 22 percent. Orders received remained at high levels, despite being lower than for last year's strong quarter. Higher sales and effective cost control contributed to a strengthening of the adjusted EBITA margin to 7.5 percent (5.4).

DEVELOPMENT DURING THE QUARTER

The strong orders received in the past year, which included all segments and markets, continue to gradually yield increased sales. The division's record order backlog level also provides a base for continued solid sales growth during the fourth quarter of 2022 and the beginning of 2023. The service business continued to grow during the quarter, which contributed to the division's strengthened profitability. At the same time, the increased uncertainty in the global economy involves a risk that customer willingness to invest will be dampened moving forward. The challenges in the supply and logistics chain remain, an effect of continued covid-19-related lockdowns in China, among other factors. Despite the challenges, the division was able to deliver on its projects during the quarter in line with or in excess of the budgeted margins.

The textile segment continued to perform well, driven by the continued recovery in demand after several years of being impacted by covid-19-related restrictions. Orders received were strong in all markets, except China. In India, the division continues to meet high demand by operating an extra shift in its local manufacturing. At the same time, the assessment is that higher raw materials prices and a weaker macro-economic trend could potentially lead to reduced textile investments moving forward.

In the foundry and smelter segment, the strong sustainability trend is contributing to a long-term increase in demand for the division's solutions in, for example, aluminium recycling. In the short term, high

energy prices risk dampening the aluminium producers' willingness to invest and thus also the market for recycling. At the same time, increased defence spending is leading to higher demand in foundries and, by extension, the division's solutions. During the quarter, a new major order was secured from a foundry customer in Turkey.

The segment for customised solutions is the most cyclical and often comprises large and relatively complex projects. During the quarter, several medium-sized orders were registered and there is a continued strong pipeline. Despite a challenging market with disruptions to the supply chain, project execution has been accelerated, which helped to improve the division's profitability in the quarter.

KEY ACTIVITIES

- The division further improved its working capital position, driven primarily by continued strong orders received with the resulting advance payments.
- The division has adjusted prices on selected products in order to defend the gross margin against continued cost pressure from rising materials and energy prices.

SEKm	Note	1Jul-30Sep 2022	1Jul-30Sep 2021	Currency neutral growth	Organic growth	1Jan-30Sep 2022	1Jan-30Sep 2021	Currency neutral growth	Organic growth	Full year 2021	Oct-Sep 12 months
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
Totalsales	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%

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

The division continued its stable development. Compared with the corresponding quarter of 2021, orders received increased currency neutrally by 22 percent, driven by a number of major orders in the US. Sales grew currency neutrally by 28 percent and the adjusted EBITA margin amounted to 15.5 percent (20.2).

DEVELOPMENT DURING THE QUARTER

The increased sales and orders received for the quarter, compared with the corresponding quarter of last year, were primarily due to the strong trend in the US, which is the division's largest market. The division's sales and orders received also grew compared with the immediately preceding quarter.

The division's ducting systems, under the Nordfab brand, recorded strong orders received. In the US, a major order was secured for a new battery plant and a supplementary order was received for a battery plant that the division made deliveries to during the first quarter. However, the number of small and medium-sized orders declined, and disruptions to the company's production contributed to a decrease in profitability. The price adjustments implemented in the US were well received and are expected to generate full effect in the upcoming quarters.

The European ducting systems business noted a slowdown in orders received following several quarters of healthy growth. The UK was an exception, with resellers there covered by framework agreements signed earlier making a positive contribution. A weak and uncertain trend in Northern and Central Europe has been followed up by intensified marketing activities.

A significant decrease was noted in orders received in Thailand following a strong first half of the year. At the same time, the earlier strong orders received contributed to increased sales during the quarter. The new operations in Australia displayed stable order growth. During the second quarter, the assets of Ezi-Duct Pty Ltd were acquired and

Nordfab Pty Ltd was formed, providing a platform to grow operations in ducting systems in the Australian market.

The division's filter solutions, under the Menardi brand, displayed healthy but more modest order activity following a very strong trend in the past year. The operations in the US drove the trend and the pipeline remains strong. During the quarter, two large orders were secured, one in the food industry and one in the steel industry. The trend noted in recent years of gradually increasing profitability continued. The filter solutions business in Europe was stable and mainly comprises an after-market business. Overall, the earlier strong orders received resulted in a sharp increase in sales in the third quarter.

KEY ACTIVITIES

- Construction of the expanded factory and warehouse building in Thomasville, US, continued. The warehouse will enable the new Nordfab Now concept, with the aim of delivering to customers within 24 hours.
- In the UK, warehouse capacity was increased to meet the high demand. Investments are also being made to improve production efficiency.
- A major focus for the division is to renew and update older equipment, which is in certain instances critical, for the purpose of enhancing production efficiency and quality.
- The division's proactive work continued in terms of monitoring and adapting prices to meet and manage volatile material costs that are rising over the long term.

SEKm	Note	1Jul-30Sep 2022	1Jul-30Sep 2021	Currency neutral growth	Organic growth	1Jan-30Sep 2022	1Jan-30Sep 2021	Currency neutral growth	Organic growth	Full year 2021	Oct-Sep 12 months
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
Adjusted EBITA		32.8	29.0			93.2	79.6			104.0	117.6
Adjusted EBITA margin		15.5%	20.2%			16.1%	19.8%			19.2%	16.4%



ABOUT THE DIVISION

Nederman Monitoring & Control Technology offers advanced measurement technology 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

The division continues to develop in a continued challenging market situation. Compared with the corresponding quarter in 2021, orders received declined currency neutrally by 1 percent, while sales increased by 8 percent. The adjusted EBITA margin was 13.0 percent (21.3).

DEVELOPMENT DURING THE QUARTER

Interest in digital monitoring and control of production processes remains extensive. At the same time, covid-19-related restrictions and geopolitical uncertainty mean that customers are postponing major new investments. However, the division's strong order backlog provides conditions for continued sales growth in future quarters. Orders received remain strong in the process industry. Securing components and finished goods within a normal time frame remains a challenge. The division continues to work actively to ensure that customers' needs are met, while component shortages are also leading to increased costs of input goods and for personnel who are fully occupied dealing with supply issues.

In EMEA, orders received grew compared with the corresponding quarter of 2021, primarily driven by increased activity for NEO Monitors. For Gasmot, postponed projects and a slowdown in business activity were noted, largely as a consequence of the war in Ukraine. Sales declined during the quarter as a result of, among other things, certain bottlenecks in the company's own production.

In APAC, both orders received and sales declined compared with a strong corresponding quarter in 2021. Neo Monitors displayed a positive trend, mainly driven by a strong market position in the oil and gas industry. Gasmot continued to be negatively impacted by the low level of activity in China. The entire region is being held back in the wake of covid-19-related lockdowns, which have made it difficult to travel and visit customers to secure new business. The situation has also led to delays in project and component deliveries.

In Americas, sales were strengthened significantly compared with the corresponding quarter in 2021, while orders received increased marginally. NEO Monitors' process-related business noted strong growth, driven by investments in improved and to reduce the dependence on imported energy. It is clear that the review of the customer base in recent years has begun to generate results. Auburn Filter Sense benefited from the strong orders received earlier during the year, while Gasmot is growing according to plan.

KEY ACTIVITIES

- The division's products and solutions attracted a large amount of attention at the Achema trade fair in Germany, which targets a global audience and was held for the first time since 2019.

SEKm	Note	1Jul-30Sep 2022	1Jul-30Sep 2021	Currency neutral growth	Organic growth	1Jan-30Sep 2022	1Jan-30Sep 2021	Currency neutral growth	Organic growth	Full year 2021	Oct-Sep 12 months
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%

Quarter 3, 2022

INCOMING ORDERS AND SALES

Incoming orders during the quarter amounted to SEK 1,294m (1,178), equivalent to currency neutral growth of 2.4 percent compared with the corresponding period last year.

Sales for the quarter amounted to SEK 1,398m (1,046), equivalent to currency neutral growth of 22.7 percent compared with the corresponding period last year.

CASH FLOW

Cash flow from operating activities amounted to SEK 118.2m (106.7) and cash flow for the period amounted to SEK 31.3m (152.4).

PROFIT/LOSS

Adjusted EBITA amounted to SEK 165.3m (136.4). Adjusted EBITA margin was 11.8 percent (13.0).

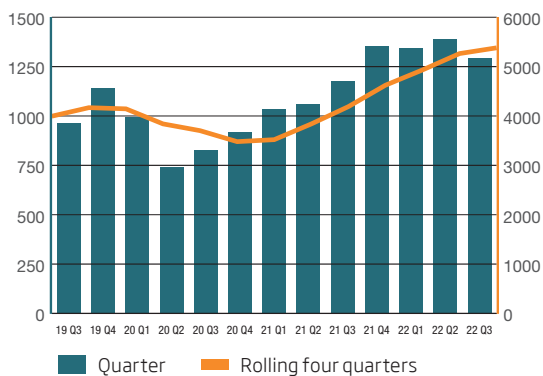
Operating profit amounted to SEK 138.0m (119.3) which gave an operating margin of 9.9 percent (11.4).

Profit before tax increased to SEK 123.8m (107.6). Net profit was SEK 92.6m (81.0), which gave earnings per share of SEK 2.64 (2.31).

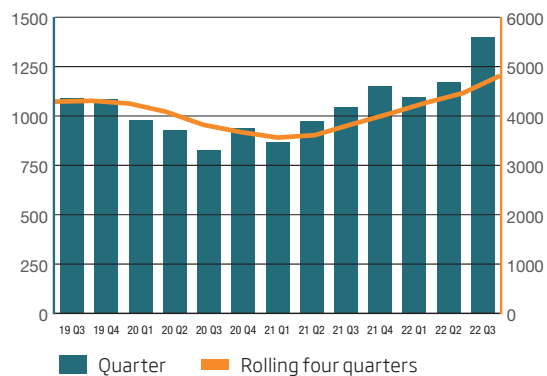
CAPITAL EXPENDITURE

Capital expenditure in intangible and tangible assets amounted to SEK 44.9m (20.5).

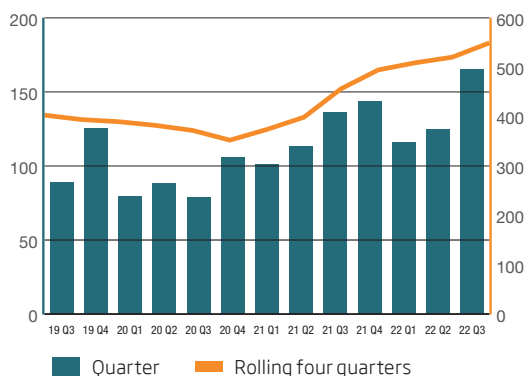
Incoming orders, SEKm



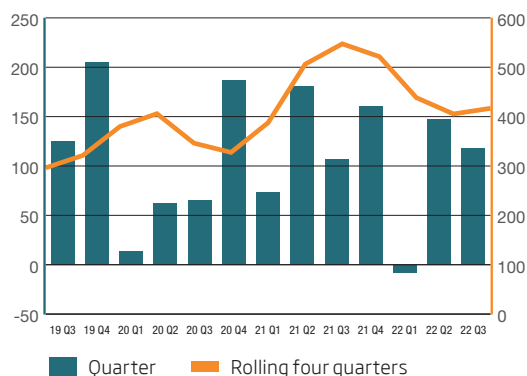
Sales, SEKm



Adjusted EBITA, SEKm



Cash flow from operating activities, SEKm



January - September 2022

INCOMING ORDERS AND SALES

Incoming orders were SEK 4,029m (3,271), equivalent to currency neutral growth of 15.6 percent compared with the same period last year.

Sales amounted to SEK 3,664m (2,890), equivalent to currency neutral growth of 17.8 percent compared with the same period last year.

PROFIT/LOSS

Adjusted EBITA amounted to SEK 405.5m (350.7). Adjusted EBITA margin was 11.1 percent (12.1).

Operating profit amounted to SEK 343.4.0m (303.8*) which gave an operating margin of 9.4 percent (10.5*).

Profit before tax increased to SEK 318.2m (268.7*). Net profit was SEK 237.8m (194.6*), which gave earnings per share of SEK 6.78 (5.55*).

CASH FLOW

Cash flow from operating activities amounted to SEK 257.9m (360.8) and cash flow for the period was SEK 130.5m (-3.8). Cash flow remains strong, which is primarily attributable to advance payments from customers in major projects. Inventory levels have risen further, mainly due to increased raw material prices and, to a certain extent, inventory accumulation to meet the high order backlog, which had a negative impact on cash flow. Other changes significantly impacting cash flow were attributable to the acquisition of RoboVent and higher investments in fixed assets.

CAPITAL EXPENDITURE

Capital expenditure in intangible and tangible assets amounted to SEK 111.2m (68.7), of which capitalised development expenses amounted to SEK 37.7m (29.3).

FINANCIAL POSITION AND FINANCING

Liquidity: At the end of the period the group had SEK 732.0m in cash and cash equivalents as well as SEK 107.8m in available but unutilised overdraft facilities. In addition, there was a credit facility of SEK 528.5m within the framework of Nederman's loan agreement with SEB and SHB.

The equity in the group as of 30 September 2022 amounted to SEK 2,115.1m (1,587.2). The total number of shares outstanding was 35,093,096 at the end of the period.

The equity ratio for the group was 33.5 percent (34.6) as of 30 September 2022. The net debt/equity ratio was 71.7 percent (75.2).

NUMBER OF EMPLOYEES

The average number of employees during the period was 2,240 (2,065). The number of employees at the end of the period was 2,429 (2,169).

* The comparative figure is given excluding other operating income of SEK 26.3m, net after tax, which was recognised in the second quarter of 2021 and pertained to a Norwegian defined-benefit pension plan that was of a non-recurring nature. Including other operating income, operating profit amounted to SEK 332.8m, profit before tax to SEK 297.7m, net profit to SEK 220.9m and earnings per share to SEK 6.29.

Key figures, Group

SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear	Oct-Sep
	2022	2021	2022	2021	2021	12months
Orders received	1,294.3	1,177.9	4,028.7	3,271.0	4,622.9	5,380.6
Netsales	1,397.7	1,045.5	3,663.7	2,890.3	4,041.8	4,815.2
EBITA	158.3	136.2	398.3	379.2	522.3	541.4
EBITA-margin	11.3%	13.0%	10.9%	13.1%	12.9%	11.2%
Adjusted EBITA	165.3	136.4	405.5	350.7	494.6	549.4
Adjusted EBITA margin	11.8%	13.0%	11.1%	12.1%	12.2%	11.4%
Adjusted EBITDA	197.5	164.9	495.5	432.1	605.5	668.9
Adjusted EBITDA margin	14.1%	15.8%	13.5%	15.0%	15.0%	13.9%
Operating profit	138.0	119.3	343.4	332.8	458.9	469.5
Operating margin	9.9%	11.4%	9.4%	11.5%	11.4%	9.8%
Adjusted operating profit	145.0	119.5	350.6	304.3	431.2	477.5
Adjusted operating margin	10.4%	11.4%	9.6%	10.5%	10.7%	9.9%
Profit before tax	123.8	107.6	318.2	297.7	417.1	437.6
Net profit	92.6	81.0	237.8	220.9	305.3	322.2
Earnings per share, SEK	2.64	2.31	6.78	6.29	8.70	9.18
Return on equity	18.5%	21.0%	16.5%	20.4%	20.2%	17.4%
Return on operating capital	17.4%	17.3%	14.6%	14.7%	15.6%	14.9%
Net debt					1,067.8	1,516.2
Net debt/equity ratio					62.2%	71.7%
Net debt/Adjusted EBITDA, multiple					1.8	2.3
Interest cover ratio, multiple					9.6	10.0

Regions

External order intake, SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear	Oct-Sep
	2022	2021	2022	2021	2021	12months
Americas	506.9	387.1	1,367.5	995.4	1,359.0	1,731.1
EMEA	547.9	559.5	1,878.5	1,614.8	2,348.3	2,612.0
APAC	239.5	231.3	782.7	660.8	915.6	1,037.5
Total Nederman group	1,294.3	1,177.9	4,028.7	3,271.0	4,622.9	5,380.6

External netsales, SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear	Oct-Sep
	2022	2021	2022	2021	2021	12months
Americas	501.7	315.3	1,229.4	887.3	1,219.7	1,561.8
EMEA	569.2	521.2	1,647.9	1,447.8	2,020.2	2,220.3
APAC	326.8	209.0	786.4	555.2	801.9	1,033.1
Total Nederman group	1,397.7	1,045.5	3,663.7	2,890.3	4,041.8	4,815.2



Outlook

Demand and orders received in the third quarter were healthy, although organic growth declined somewhat. Our base business and strong digital offering enable us to assert ourselves well in the current market. In parallel, we see that the problems in our supply chain and the shortage in component supplies, combined with rising inflation are impacting customers' investment decisions and the possibility of conducting business, as well as our own production and ability to deliver. In addition, the continued geopolitical uncertainty had a negative effect. However, we remain cautiously optimistic about future quarters in view of, for example, our continued strong order backlog.

Aquisition

ROBOVENT

On 29 July 2022, Nederman acquired 100 percent of the shares in the North American company RoboVent. As a result, Nederman significantly strengthening its North American position by becoming the number one player within the U.S. weld fume extraction segment.

RoboVent is a North American leader in air pollution control solutions for industrial fume, dust and mist control applications. Their unique sales approach, strong equipment range, and turn-key capabilities

Although various factors may temporarily combine to dampen the outlook in our industry, 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 and good possibilities for growth. What is needed and missing is 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.

have built a strong brand and reputation with global manufacturers that is a differentiator within the market. Combining these strengths with Nederman's global footprint, complimentary products, solutions and digital technology will further enhance Nederman's ability to deliver clean air solutions within our served industrial segments. RoboVent is headquartered in Sterling Heights, Michigan, with over 100 employees located throughout the U.S., Canada and Mexico. RoboVent is part of Nederman's Extraction & Filtration Technology Division.

Statement

The Board and CEO confirm that the interim report provides a true and fair overview of the parent company and the group's operations, position and earnings and describes the material risks and uncertainty factors faced by the parent company and the group.

Helsingborg 24 October 2022

The Board

Consolidated income statement in summary

SEK million	Note	1 Jul-30 Sep		1 Jan-30 Sep		Full year	Oct-Sep
		2022	2021	2022	2021	2021	12 months
Netsales	3.4	1,397.7	1,045.5	3,663.7	2,890.3	4,041.8	4,815.2
Cost of goods sold		-906.7	-663.3	-2,344.4	-1,799.0	-2,518.5	-3,063.9
Gross profit		491.0	382.2	1,319.3	1,091.3	1,523.3	1,751.3
Selling expenses		-225.2	-173.4	-626.7	-514.8	-702.1	-814.0
Administrative expenses		-106.3	-82.1	-300.3	-239.2	-335.1	-396.2
Research and development expenses		-16.9	-13.2	-52.4	-41.8	-57.0	-67.6
Acquisition costs	2	-7.0	-0.2	-7.2	-0.5	-1.3	-8.0
Other operating income/expenses		2.4	6.0	10.7	37.8	31.1	4.0
Operating profit		138.0	119.3	343.4	332.8	458.9	469.5
Financial income and expenses	5	-14.2	-11.7	-25.2	-35.1	-41.8	-31.9
Profit before tax		123.8	107.6	318.2	297.7	417.1	437.6
Taxes		-31.2	-26.6	-80.4	-76.8	-111.8	-115.4
Net profit		92.6	81.0	237.8	220.9	305.3	322.2
Net profit attributable to:							
The parent company's shareholders		92.6	81.0	237.8	220.9	305.3	322.2
Earnings per share		2.64	2.31	6.78	6.29	8.70	9.18

Consolidated statement of comprehensive income in summary

SEK million	1 Jul-30 Sep		1 Jan-30 Sep		Full year	Oct-Sep
	2022	2021	2022	2021	2021	12 months
Net profit	92.6	81.0	237.8	220.9	305.3	322.2
Other comprehensive income						
Items that cannot be reclassified to net profit						
Revaluation of defined-benefit pension plans	33.9	20.3	33.9	15.5	19.0	37.4
Tax attributable to revaluation of defined-benefit pension plans	-7.8	-4.0	-7.8	-2.9	-3.8	-8.7
	26.1	16.3	26.1	12.6	15.2	28.7
Items that have been or can be reclassified to net profit						
Exchange differences arising on translation of foreign operations	101.7	28.5	256.6	88.0	131.2	299.8
	101.7	28.5	256.6	88.0	131.2	299.8
Other comprehensive income for the period, net of tax	127.8	44.8	282.7	100.6	146.4	328.5
Total comprehensive income for the period	220.4	125.8	520.5	321.5	451.7	650.7
Total comprehensive income attributable to:						
The parent company's shareholders	220.4	125.8	520.5	321.5	451.7	650.7

Consolidated statement of financial position in summary

SEK million	Note	30 Sep 2022	30 Sep 2021	31 Dec 2021
Assets				
Goodwill		2,058.8	1,561.0	1,609.2
Other intangible assets		649.8	433.7	453.2
Tangible assets		385.4	299.2	316.8
Right-of-use assets		204.0	209.4	192.3
Long-term receivables		6.3	6.0	5.6
Deferred tax assets		72.3	66.6	68.5
Total fixed assets		3,376.6	2,575.9	2,645.6
Inventories		950.5	616.5	613.1
Accounts receivable	6	736.1	552.4	623.0
Other current receivables	6	510.2	361.3	305.7
Cash and cash equivalents	6	732.0	481.8	541.6
Total current assets		2,928.8	2,012.0	2,083.4
Total assets		6,305.4	4,587.9	4,729.0
Equity				
		2,115.1	1,587.2	1,717.4
Liabilities				
Long-term interest-bearing liabilities	6	1,965.2	1,345.6	1,304.6
Long-term lease liabilities	6	137.2	148.7	133.1
Other long-term liabilities	6	13.4	2.9	23.6
Pension liabilities		68.9	105.0	102.2
Other provisions		25.3	18.4	19.2
Deferred tax liabilities		120.7	70.7	71.5
Total long-term liabilities		2,330.7	1,691.3	1,654.2
Current lease liabilities	6	76.9	75.5	69.5
Accounts payable	6	534.2	410.2	411.9
Other current liabilities	6	1,200.9	781.1	835.0
Provisions		47.6	42.6	41.0
Total current liabilities		1,859.6	1,309.4	1,357.4
Total liabilities		4,190.3	3,000.7	3,011.6
Total equity and liabilities		6,305.4	4,587.9	4,729.0

Consolidated statement of changes in equity in summary

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Opening balance at beginning of period	1,717.4	1,300.8	1,300.8
Net profit	237.8	220.9	305.3
Other comprehensive income			
Change in translation reserve for the period	256.6	88.0	131.2
Revaluation of defined-benefit pension plans, net of tax	26.1	12.6	15.2
Total other comprehensive income for the period	282.7	100.6	146.4
Total comprehensive income for the period	520.5	321.5	451.7
Transactions with group owners			
Dividend paid	-122.8	-35.1	-35.1
Closing balance at end of period	2,115.1	1,587.2	1,717.4

Consolidated cash flow statement in summary

SEK million	Note	1 Jul-30 Sep		1 Jan-30 Sep		Full year	Oct-Sep
		2022	2021	2022	2021	2021	12 months
Operating profit		138.0	119.3	343.4	332.8	458.9	469.5
Adjustment for:							
Depreciation and amortisation of fixed assets		52.5	45.4	144.9	127.8	174.3	191.4
Other adjustments for non cash items		0.6	0.3	1.1	-38.1	-42.6	-3.4
Interest received and paid including other financial items		-17.8	-9.9	-41.6	-30.9	-40.1	-50.8
Taxes paid		-33.7	-18.3	-114.2	-70.9	-76.1	-119.4
Cash flow from operating activities before changes in working capital		139.6	136.8	333.6	320.7	474.4	487.3
Cash flow from changes in working capital		-21.4	-30.1	-75.7	40.1	45.4	-70.4
Cash flow from operating activities		118.2	106.7	257.9	360.8	519.8	416.9
Net investment in fixed assets		-46.6	-20.5	-113.5	-68.1	-107.1	-152.5
Acquisitions	2	-425.2	-	-438.4	-	-13.8	-452.2
Cash flow before financing activities		-353.6	86.2	-294.0	292.7	398.9	-187.8
Dividend paid		-	-35.1	-122.8	-35.1	-35.1	-122.8
Cash flow from other financing activities		384.9	101.3	547.3	-261.4	-321.7	487.0
Cash flow for the period		31.3	152.4	130.5	-3.8	42.1	176.4
Cash and cash equivalents at beginning of period		674.7	326.5	541.6	466.8	466.8	481.8
Translation differences		26.0	2.9	59.9	18.8	32.7	73.8
Cash and cash equivalents at end of period		732.0	481.8	732.0	481.8	541.6	732.0

Income statement for the parent company in summary

SEK million	1 Jul-30 Sep		1 Jan-30 Sep		Full year 2021	Oct-Sep 12 months
	2022	2021	2022	2021		
Netsales	7.4	6.3	22.9	18.8	26.4	30.5
Administrative expenses	-39.5	-37.0	-114.4	-100.3	-140.7	-154.8
Research and development expenses	-	0.2	-	-0.1	-0.4	-0.3
Other operating revenue and expenses	2.7	-	5.0	0.7	-0.3	4.0
Operating profit/loss	-29.4	-30.5	-86.5	-80.9	-115.0	-120.6
Result from investment in subsidiaries	48.1	100.0	129.3	183.2	212.8	158.9
Other financial items	0.1	-0.3	-5.4	-7.0	-13.1	-11.5
Profit/loss after financial items	18.8	69.2	37.4	95.3	84.7	26.8
Appropriations	-	-	-	-	127.5	127.5
Profit/loss before tax	18.8	69.2	37.4	95.3	212.2	154.3
Taxes	0.7	0.5	-3.4	2.3	-1.7	-7.4
Net profit/loss for the period	19.5	69.7	34.0	97.6	210.5	146.9

Statement of comprehensive income for the parent company in summary

SEK million	1 Jul-30 Sep		1 Jan-30 Sep		Full year 2021	Oct-Sep 12 months
	2022	2021	2022	2021		
Net profit/loss	19.5	69.7	34.0	97.6	210.5	146.9
Other comprehensive income	-	-	-	-	-	-
Items that cannot be reclassified to net profit/loss	-	-	-	-	-	-
Items that have been or can be reclassified to net profit/loss	-	-	-	-	-	-
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	19.5	69.7	34.0	97.6	210.5	146.9

Balance sheet for the parent company in summary

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Assets			
Total fixed assets	2,313.5	2,283.9	2,314.5
Total current assets	123.6	210.5	248.3
Total assets	2,437.1	2,494.4	2,562.8
Shareholders' Equity	947.0	922.9	1,035.8
Liabilities			
Total long-term liabilities	1,114.5	1,118.9	1,122.0
Total current liabilities	375.6	452.6	405.0
Total liabilities	1,490.1	1,571.5	1,527.0
Total equity and liabilities	2,437.1	2,494.4	2,562.8

Statement of changes in parent company shareholders' equity in summary

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Opening balance at beginning of period	1,035.8	860.4	860.4
Net profit/loss	34.0	97.6	210.5
Other comprehensive income	-	-	-
Total other comprehensive income for the period	-	-	-
Total comprehensive income for the period	34.0	97.6	210.5
Transactions with owners			
Dividend paid	-122.8	-35.1	-35.1
Closing balance at end of period	947.0	922.9	1,035.8

Pledged assets and contingent liabilities for the parent company

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Pledged assets	none	none	none
Contingent liabilities	352.4	355.2	366.7

Note 1: Accounting policies

This interim report is prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions of the Swedish Annual Accounts Act. The 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 85 of the 2021 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: Acquisition of business

On 29 July 2022, Nederman acquired 100 percent of the shares in the North American company RoboVent. RoboVent is a leader in air pollution control solutions for industrial fume, dust and mist control applications. Their unique sales approach, strong equipment range, and turn-key capabilities have built a strong brand and reputation with global manufacturers that is a differentiator within the market. RoboVent is headquartered in Sterling Heights, Michigan with approximately 100 employees. RoboVent is part of Nederman's Extraction & Filtration Technology Division.

The acquisition price amounted to SEK 440.8m, funded by cash and existing bank facilities. Acquired net assets amounted to SEK 51.5m and the transaction resulted in an increased goodwill of SEK 285.8m. Effect of the acquisition on the Group's cash and cash equivalents was SEK 425.2m. The acquisition analysis is preliminary.

Of the total intangible fixed assets, SEK 134.8m relates to customer contracts and SEK 5.1m relates to the RoboVent brand. Acquisition related costs amounted to SEK 7.0m and relate to fees paid to consultants in connection with the transaction, including due diligence and legal advice. These expenses have been charged to operating profit.

Acquisition price, SEKm

Acquisition price	440.8
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Identifiable acquired assets and liabilities, SEKm

	Fairvalue/Total
Intangible fixed assets	140.8
Tangible fixed assets	4.0
Right-of-use assets	7.7
Deferred tax assets	4.8
Inventory	22.0
Accounts receivables and other receivables	110.0
Cash and cash equivalent	15.6
Lease liabilities	-7.7
Accounts payable and other operating liabilities	-101.0
Deferred tax liabilities	-36.4
Provisions	-4.8
Total identifiable net assets	155.0
Goodwill	285.8
Total	440.8
Transferred remuneration	-440.8
Acquired cash and cash equivalents	15.6
Effect on consolidated cash and cash equivalents	-425.2
Net sales during holding time	61.7
Net sales 2022 before acquisition	205.6
Net profit during holding time	3.3
Net profit 2022 before acquisition	6.6

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.

	1 Jul-30 Sep		1 Jan-30 Sep		Fully year 2021	Oct-Sep 12 months
	2022	2021	2022	2021		
Order intake - External, SEKm						
Nederman Extraction & Filtration Technology	539.7	464.0	1,647.0	1,370.1	1,780.9	2,057.8
Nederman Process Technology	404.2	435.9	1,387.5	1,139.2	1,785.5	2,033.8
Nederman Duct & Filter Technology	200.8	141.7	539.5	366.3	494.7	667.9
Nederman Monitoring & Control Technology	149.6	136.3	454.7	395.4	561.8	621.1
Total Nederman group	1,294.3	1,177.9	4,028.7	3,271.0	4,622.9	5,380.6

	1 Jul-30 Sep		1 Jan-30 Sep		Fully year 2021	Oct-Sep 12 months
	2022	2021	2022	2021		
Total sales, SEKm						
Nederman Extraction & Filtration Technology	587.3	441.3	1,528.8	1,281.3	1,762.9	2,010.4
Nederman Process Technology	481.0	361.4	1,207.0	894.0	1,291.5	1,604.5
Nederman Duct & Filter Technology	212.0	143.3	578.4	403.0	540.8	716.2
Nederman Monitoring & Control Technology	147.9	123.1	429.1	381.5	537.3	584.9
Elimination	-30.5	-23.6	-79.6	-69.5	-90.7	-100.8
Total Nederman group	1,397.7	1,045.5	3,663.7	2,890.3	4,041.8	4,815.2

	1 Jul-30 Sep		1 Jan-30 Sep		Fully year 2021	Oct-Sep 12 months
	2022	2021	2022	2021		
Adjusted EBITA, SEKm						
Nederman Extraction & Filtration Technology	103.4	81.5	264.9	226.6	308.7	347.0
Nederman Process Technology	36.3	19.5	61.2	27.9	50.9	84.2
Nederman Duct & Filter Technology	32.8	29.0	93.2	79.6	104.0	117.6
Nederman Monitoring & Control Technology	19.2	26.2	63.0	79.6	120.9	104.3
Other - non-allocated	-26.4	-19.8	-76.8	-63.0	-89.9	-103.7
Total Nederman group	165.3	136.4	405.5	350.7	494.6	549.4

	1 Jul-30 Sep		1 Jan-30 Sep		Fully year 2021	Oct-Sep 12 months
	2022	2021	2022	2021		
Adjusted EBITA margin						
Nederman Extraction & Filtration Technology	17.6%	18.5%	17.3%	17.7%	17.5%	17.3%
Nederman Process Technology	7.5%	5.4%	5.1%	3.1%	3.9%	5.2%
Nederman Duct & Filter Technology	15.5%	20.2%	16.1%	19.8%	19.2%	16.4%
Nederman Monitoring & Control Technology	13.0%	21.3%	14.7%	20.9%	22.5%	17.8%
Total Nederman group	11.8%	13.0%	11.1%	12.1%	12.2%	11.4%

Note 4: Allocation of sales

Totalsalesbysegmentandsalestype				1Jul-30Sep2022	
	Productsales	Solutionsales	Serviceand aftermarket	Total	
NedermanExtraction&FiltrationTechnology	207.2	269.3	110.8	587.3	
NedermanProcessTechnology	-	356.8	124.2	481.0	
NedermanDuct&FilterTechnology	191.0	16.1	4.9	212.0	
NedermanMonitoring&ControlTechnology	124.3	4.6	19.0	147.9	
Elimination	-10.2	-13.9	-6.4	-30.5	
TotalNedermangroup	512.3	632.9	252.5	1,397.7	

Totalsalesbysegmentandsalestype				1Jul-30Sep2021	
	Productsales	Solutionsales	Serviceand aftermarket	Total	
NedermanExtraction&FiltrationTechnology	180.5	181.7	79.1	441.3	
NedermanProcessTechnology	-	266.7	94.7	361.4	
NedermanDuct&FilterTechnology	133.9	7.2	2.2	143.3	
NedermanMonitoring&ControlTechnology	107.3	0.3	15.5	123.1	
Elimination	-10.0	-10.7	-2.9	-23.6	
TotalNedermangroup	411.7	445.2	188.6	1,045.5	

Totalsalesbysegmentandsalestype				1Jan-30Sep2022	
	Productsales	Solutionsales	Serviceand aftermarket	Total	
NedermanExtraction&FiltrationTechnology	605.8	636.7	286.3	1,528.8	
NedermanProcessTechnology	-	880.5	326.5	1,207.0	
NedermanDuct&FilterTechnology	531.2	35.9	11.3	578.4	
NedermanMonitoring&ControlTechnology	363.8	10.5	54.8	429.1	
Elimination	-29.2	-35.0	-15.4	-79.6	
TotalNedermangroup	1,471.6	1,528.6	663.5	3,663.7	

Totalsalesbysegmentandsalestype				1Jan-30Sep2021	
	Productsales	Solutionsales	Serviceand aftermarket	Total	
NedermanExtraction&FiltrationTechnology	521.9	516.9	242.5	1,281.3	
NedermanProcessTechnology	-	636.8	257.2	894.0	
NedermanDuct&FilterTechnology	372.8	22.5	7.7	403.0	
NedermanMonitoring&ControlTechnology	335.2	3.6	42.7	381.5	
Elimination	-28.8	-29.9	-10.8	-69.5	
TotalNedermangroup	1,202.1	1,149.9	539.3	2,890.3	

Totalsalesbysegmentandsalestype				Full year 2021	
	Productsales	Solutionsales	Serviceand aftermarket	Total	
NedermanExtraction&FiltrationTechnology	719.1	717.3	326.5	1,762.9	
NedermanProcessTechnology	-	949.9	341.6	1,291.5	
NedermanDuct&FilterTechnology	502.1	28.6	10.1	540.8	
NedermanMonitoring&ControlTechnology	476.4	7.7	53.2	537.3	
Elimination	-37.5	-39.1	-14.1	-90.7	
TotalNedermangroup	1,660.1	1,664.4	717.3	4,041.8	

Performance obligations for sales of products and service and aftermarket are satisfied at the point in time at which the customer obtains control. Performance obligations from sales of solutions, in terms of project sales, are satisfied over time. Revenue is recognised according to the project's rate of progression towards completion.

Note 5: Financial reporting in hyperinflationary Economies

The Nederman group has subsidiaries in Turkey where the functional currency is Turkish Lira, which as of the second quarter of 2022 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 has increased by 52 percent during the year. At the balance sheet date, the SEK-TRY exchange rate was 0.60.

Monetary net profit was recognised in net financial items in the consolidated income statement and amounted to SEK 0.7m.

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

				30 Sep 2022
SEK million	Measured at fair value via income statement	Derivatives that are used for hedge accounting	Financial instruments not reported at fair value	Total carrying amount
Accounts receivable	-	-	736.1	736.1
Other current receivables	-	-	348.2	348.2
Cash and cash equivalents	-	-	732.0	732.0
Total	-	-	1,816.3	1,816.3
Leasing liabilities	-	-	214.1	214.1
Bank loans	-	-	1,965.2	1,965.2
Accounts payable	-	-	534.2	534.2
Other long-term liabilities	-	-	13.4	13.4
Other current liabilities	-	-	1,108.1	1,108.1
Total	-	-	3,835.0	3,835.0

Note 7: Transactions with related parties

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 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 25 for definitions.

SEK million	1 Jul-30 Sep		1 Jan-30 Sep		Full year	Oct-Sep
	2022	2021	2022	2021	2021	12 months
Operating profit	138.0	119.3	343.4	332.8	458.9	469.5
Acquisition cost	7.0	0.2	7.2	0.5	1.3	8.0
Discontinuation of defined-benefit pension plan	-	-	-	-29.0	-29.0	-
Adjusted operating profit	145.0	119.5	350.6	304.3	431.2	477.5
Adjusted operating profit	145.0	119.5	350.6	304.3	431.2	477.5
Netsales	1,397.7	1,045.5	3,663.7	2,890.3	4,041.8	4,815.2
Adjusted operating margin	10.4%	11.4%	9.6%	10.5%	10.7%	9.9%
Operating profit	138.0	119.3	343.4	332.8	458.9	469.5
Amortisation intangible assets	20.3	16.9	54.9	46.4	63.4	71.9
EBITA	158.3	136.2	398.3	379.2	522.3	541.4
EBITA	158.3	136.2	398.3	379.2	522.3	541.4
Acquisition cost	7.0	0.2	7.2	0.5	1.3	8.0
Discontinuation of defined-benefit pension plan	-	-	-	-29.0	-29.0	-
Adjusted EBITA	165.3	136.4	405.5	350.7	494.6	549.4
Adjusted EBITA	165.3	136.4	405.5	350.7	494.6	549.4
Netsales	1,397.7	1,045.5	3,663.7	2,890.3	4,041.8	4,815.2
Adjusted EBITA margin	11.8%	13.0%	11.1%	12.1%	12.2%	11.4%
Operating profit	138.0	119.3	343.4	332.8	458.9	469.5
Depreciation and amortisation	52.5	45.4	144.9	127.8	174.3	191.4
EBITDA	190.5	164.7	488.3	460.6	633.2	660.9
EBITDA	190.5	164.7	488.3	460.6	633.2	660.9
Acquisition cost	7.0	0.2	7.2	0.5	1.3	8.0
Discontinuation of defined-benefit pension plan	-	-	-	-29.0	-29.0	-
Adjusted EBITDA	197.5	164.9	495.5	432.1	605.5	668.9
Adjusted EBITDA	197.5	164.9	495.5	432.1	605.5	668.9
Netsales	1,397.7	1,045.5	3,663.7	2,890.3	4,041.8	4,815.2
Adjusted EBITDA margin	14.1%	15.8%	13.5%	15.0%	15.0%	13.9%
Equity - Closing balance					1,717.4	2,115.1
Total assets (balance sheet total)					4,729.0	6,305.4
Equity/asset ratio					36.3%	33.5%
Cash and cash equivalents					541.6	732.0
Long-term interest-bearing liabilities					1,304.6	1,965.2
Long-term lease liabilities					133.1	137.2
Pension liabilities					102.2	68.9
Current lease liabilities					69.5	76.9
Net debt					1,067.8	1,516.2
Net debt					1,067.8	1,516.2
Equity - Closing balance					1,717.4	2,115.1
Net debt/equity ratio					62.2%	71.7%

Note 8: Alternative performance measures, cont'd

SEK million	1Jul-30Sep		1Jan-30Sep		Full year	Oct-Sep
	2022	2021	2022	2021	2021	12 months
Equity - Opening balance	1,894.7	1,496.5	1,717.4	1,300.8	1,300.8	1,587.2
Equity - Closing balance	2,115.1	1,587.2	2,115.1	1,587.2	1,717.4	2,115.1
Equity - average	2,004.9	1,541.9	1,916.3	1,444.0	1,509.1	1,851.2
Net profit	92.6	81.0	237.8	220.9	305.3	322.2
Return on equity	18.5%	21.0%	16.5%	20.4%	20.2%	17.4%
Equity - average	2,004.9	1,541.9	1,916.3	1,444.0	1,509.1	1,851.2
Net Debt - opening balance	1,132.3	1,242.5	1,067.8	1,450.5	1,450.5	1,193.0
Net Debt - closing balance	1,516.2	1,193.0	1,516.2	1,193.0	1,067.8	1,516.2
Net Debt - average	1,324.3	1,217.8	1,292.0	1,321.8	1,259.2	1,354.6
Operating capital - average	3,329.2	2,759.7	3,208.3	2,765.8	2,768.3	3,205.8
Adjusted operating profit	145.0	119.5	350.6	304.3	431.2	477.5
Return on operating capital	17.4%	17.3%	14.6%	14.7%	15.6%	14.9%
Net debt					1,067.8	1,516.2
Adjusted EBITDA					605.5	668.9
Net debt/Adjusted EBITDA, multiple					1.8	2.3
Profit before tax					417.1	437.6
Financial expense					45.2	49.4
Acquisition cost					1.3	8.0
Discontinuation of defined-benefit pension plan					-29.0	-
EBT excluding financial expenses, acquisition costs and discontinuation of defined-benefit pension plan					434.6	495.0
Financial expense					45.2	49.4
Interest cover ratio, multiple					9.6	10.0
Incoming orders, same period in previous year	1,177.9	827.3	3,271.0	2,561.9	3,480.2	
Change in incoming orders, organic	-44.0	373.1	419.3	914.5	1,352.8	
Change in incoming orders, currency effects	88.5	-22.5	248.1	-205.4	-211.2	
Change in incoming orders, acquisitions	71.9	-	90.3	-	1.1	
Incoming orders	1,294.3	1,177.9	4,028.7	3,271.0	4,622.9	
Order growth, organic	-3.7%	45.1%	12.8%	35.7%	38.9%	
Order growth, currency effects	7.5%	-2.7%	7.6%	-8.0%	-6.1%	
Order growth, acquisitions	6.1%	-	2.8%	-	0.0%	
Order growth	9.9%	42.4%	23.2%	27.7%	32.8%	
Net sales, comparative period previous year	1,045.5	825.8	2,890.3	2,734.7	3,674.8	
Change in net sales, organic	158.5	233.7	427.0	335.3	547.5	
Change in net sales, currency effects	115.4	-14.0	259.8	-179.7	-181.5	
Change in net sales, acquisitions	78.3	-	86.6	-	1.0	
Net sales	1,397.7	1,045.5	3,663.7	2,890.3	4,041.8	
Sales growth, organic	15.2%	28.3%	14.8%	12.3%	14.9%	
Sales growth, currency effects	11.0%	-1.7%	9.0%	-6.6%	-4.9%	
Sales growth, acquisitions	7.5%	-	3.0%	-	0.0%	
Sales growth	33.7%	26.6%	26.8%	5.7%	10.0%	

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 four categories: Strategic risks, Operating risks, Compliance risks and Financial risks. For a more detailed description of these risks, refer to the Risk management section on pages 70-71 and in note 3 of the Nederman group's 2021 Annual and Sustainability Report. Risks that the Nederman Group is exposed to are also described in Outlook on page 11.

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, 2022 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 24, 2022

Ernst & Young AB

Andreas Mast

Authorized Public Accountant

Definitions

ADJUSTED EBITA

Operating profit before amortisation and impairment loss of intangible assets, excluding acquisition and restructuring costs.

ADJUSTED EBITA MARGIN

Adjusted EBITA as percentage of net sales.

ADJUSTED EBITDA

Operating profit before depreciation/amortisation and impairment loss, excluding acquisition and restructuring costs.

ADJUSTED EBITDA MARGIN

Adjusted EBITDA as percentage of net sales.

ADJUSTED OPERATING MARGIN

Adjusted operating profit as percentage of net sales.

ADJUSTED OPERATING PROFIT

Operating profit excluding acquisition and restructuring costs.

ANNUAL AVERAGE

Average of opening and closing balance.

CURRENCY-NEUTRAL GROWTH

Currency-neutral growth is the growth rate that does not come from currency effects, compared with the corresponding period in the previous year.

EARNINGS PER SHARE (AFTER DILUTION)

Net profit attributable to Parent Company shareholders in relation to average number of share outstanding plus average number of convertibles and options, as calculated in accordance with IAS 33.

EARNINGS PER SHARE (BEFORE DILUTION)

Net profit attributable to Parent Company shareholders divided by average number of shares outstanding.

EBITA

Operating profit before amortisation and impairment loss of intangible assets.

EBITA MARGIN

EBITA in percentage of sales.

EBITDA

Operating profit before depreciation/amortisation and impairment loss.

EBITDA MARGIN

EBITDA as a percentage of net sales.

EQUITY RATIO

Equity divided by total assets (balance sheet total).

INTEREST COVER RATIO

Profit before tax with return of financial expenses in relation to financial expenses.

NET DEBT

Interest-bearing liabilities (including pensions) minus cash and cash equivalents.

NET DEBT/EQUITY RATIO

Net debt divided by shareholders' equity.

OPERATING CAPITAL

Shareholders' equity plus net debt.

OPERATING MARGIN

Operating profit as percentage of net sales.

OPERATING PROFIT/LOSS

Operating profit after depreciation/amortisation and impairment loss.

ORGANIC GROWTH

Organic growth is the growth rate that does not come from acquisitions and currency effects, compared with the corresponding period in the previous year.

RETURN ON EQUITY

Net profit for the period divided by average shareholders' equity.

RETURN ON OPERATING CAPITAL

Adjusted operating profit as a percentage of average operating capital.

Financial calendar

INVITATION TO TELEPHONE CONFERENCE

A telephone conference regarding the report will be held, in English, today, Monday 24 October 2022 at 10.00. Nederman's President and CEO, Sven Kristensson and CFO, Matthew Cusick will present the report and answer questions

To participate in the conference please call

SE: +46 8 566 426 95

UK: +44 333 300 9035

US: +1 646 722 4904

To participate in the webcast

The conference will also be streamed over the internet.

Visit our website to participate in the webcast.

www.nedermangroup.com/en/investors/reports/webcast

FINANCIAL CALENDAR

- | | |
|--------------------------|------------------|
| • Year-end report | 16 February 2023 |
| • Interim report 1 | 24 April 2023 |
| • Annual General Meeting | 24 April 2023 |
| • Interim report 2 | 14 July 2023 |
| • Interim report 3 | 23 October 2023 |

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 08.00 CET on 24 October 2022.

FURTHER INFORMATION CAN BE OBTAINED FROM

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For further information, see Nederman's website

www.nedermangroup.com

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Swedish corporate identity no.: 556576-4205

FOLLOW US



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A global technology company

Nederman is a world-leading environmental technology company that develops products and systems for advanced air filtration. Our products and solutions protect people, planet and production from the harmful effects of industrial processes. Our offering comprises individual products, complete future-proof IIoT solutions, project design, installation, commissioning and service.

Our head office is located in Helsingborg and we currently have about 2,400 employees, with manufacturing in 13 countries and sales in more than 50 markets through our own sales organisation, agents or resellers.

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.