



Good order intake

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

Quarter 3, 2023

- Orders received amounted to SEK 1,488m (1,294), equivalent to currency neutral growth of 11.0 percent compared with the same period last year.
- Net sales amounted to SEK 1,574m (1,398), equivalent to currency neutral growth of 7.7 percent compared with the same period last year.
- Adjusted EBITA was SEK 175.4m (165.3), giving an adjusted EBITA margin of 11.1 percent (11.8).
- Operating profit amounted to SEK 148.0m (138.0), corresponding to an operating margin of 9.4 percent (9.9).
- Net profit was SEK 85.4m (92.6).
- Earnings per share were SEK 2.43 (2.64).
- Cash flow from operating activities amounted to SEK 137.4m (118.2).

January - September 2023

- Orders received amounted to SEK 4,538m (4,029), equivalent to currency neutral growth of 7.4 percent compared with the same period last year.
- Net sales amounted to SEK 4,687m (3,664), equivalent to currency neutral growth of 21.3 percent compared with the same period last year.
- Adjusted EBITA was SEK 543.3m (405.5), giving an adjusted EBITA margin of 11.6 percent (11.1).
- Operating profit amounted to SEK 443.6m (343.4), corresponding to an operating margin of 9.5 percent (9.4).
- Net profit was SEK 263.6m (237.8).
- Earnings per share were SEK 7.51 (6.78).
- Cash flow from operating activities amounted to SEK 364.0m (257.9).



Sven Kristensson
CEO

CEO's comments

Stable performance and advancing positions

During the year's third quarter, we again reported strong growth in sales and orders received, together with continued stable profitability and strong cash flow. In an environment showing signs of weaker demand in certain markets and segments, all of our divisions are advancing their positions by rolling out new products, strong presence in expanding industries and investments in improved efficiency and digitalisation.

Successes continue for environmental technology company Nederman. During the third quarter of 2023, we noted the second highest sales ever for a single quarter, SEK 1,574m (1,398), while currency neutral order intake increased by a full 11.0 percent, which will support sales in the quarters ahead. The adjusted EBITA margin amounted to 11.1 percent (11.8) and in absolute terms adjusted EBITA rose by 6 percent. We are continuing to invest in our digital solutions and in our production and logistics, while we are also implementing measures to increase profitability in underperforming markets, such as China. Taken together, this strengthens our competitiveness in a market with a fragmented competitive situation. As the global market leader, with strong finances, the current environment offers us good opportunities to continue to advance our positions.

Developments in 2023, and not least the third quarter of the year, show that our long-term and ambitious initiatives are producing results. A focus on profitability, in every individual segment and market, is a prerequisite for sustainable growth in a global industry. It is in this context that the extensive investments of recent years aimed at upgrading our production and logistics should be seen, as well as our digital initiatives that enable our customers to future-proof their production regardless of industry or region. During the quarter, we were again made acutely aware that our range addresses important needs when we took part in leading trade fairs in various parts of the world. We are rolling out new products with the common overall aim of contributing to cleaner air and reduced emissions in industries around the world - a need that was again highlighted by international media and various institutes in the past quarter. In line with our long-term strategy, we have increased our presence through the acquisition during the quarter of Danish Aagaard, which means the Extraction & Filtration Technology division strengthened its position in Europe in the woodworking segment. We also continued to increase our share of sales in growing segments where

investments are being made in new technology, such as renewable energy, food, metal recycling and battery manufacturing. In the third quarter, we secured several orders in these segments, which applied to all regions and also meant several new and exciting customers.

OUR DIVISIONS ARE STRENGTHENING THEIR POSITIONS

Despite various market challenges, I am pleased to note that our four divisions strengthened their positions during the quarter. Nederman Extraction & Filtration Technology continues to capitalise on the acquisition of RoboVent just over a year ago and increased its exposure to growing segments, but also met rising price competition in certain markets. The performance of Nederman Process Technology remained strong with successful ventures in new segments and geographic markets, which resulted in increased profitability and returns. Although Nederman Duct & Filter Technology reported lower growth, investments in production and logistics, and initiatives in new segments, continue to drive profitability. The positive development in 2023 for Nederman Monitoring & Control Technology continued during the quarter, with a growing order backlog and higher profitability.

CAUTIOUS OPTIMISM IN AN INCREASINGLY UNCERTAIN WORLD

Even if the performance of our divisions remains positive, the risk remains that challenges in our supply chain, inflation and a weaker economic outlook will impact customers' investment decisions. Moreover, geopolitical uncertainty is growing with a risk of increased protectionism in the long term. Nederman, however, stands strong in this macro environment. In terms of our large order backlog and our ability to increase our share of sales in industries with good structural growth, we take a positive view for the next quarter, but are somewhat more uncertain regarding development in the medium term.



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, which are 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 2023	2022	Currency neutral growth	Organic growth	1Jan-30Sep 2023	2022	Currency neutral growth	Organic growth	Full year 2022	Oct-Sep 12 months
Nederman Extraction & Filtration Technology	676.6	539.7	18.4%	13.2%	1,930.8	1,647.0	11.5%	-2.4%	2,238.4	2,522.2
Nederman Process Technology	419.3	404.2	4.0%	4.0%	1,453.3	1,387.5	0.7%	0.7%	1,824.6	1,890.4
Nederman Duct & Filter Technology	195.2	200.8	-6.6%	-6.6%	581.6	539.5	0.4%	-3.0%	704.4	746.5
Nederman Monitoring & Control Technology	196.5	149.6	27.2%	21.3%	572.4	454.7	21.3%	16.9%	657.4	775.1
Total Nederman group	1,487.6	1,294.3	11.0%	8.2%	4,538.1	4,028.7	7.4%	0.8%	5,424.8	5,934.2

Totalsales, SEKm	1Jul-30Sep 2023	2022	Currency neutral growth	Organic growth	1Jan-30Sep 2023	2022	Currency neutral growth	Organic growth	Full year 2022	Oct-Sep 12 months
Nederman Extraction & Filtration Technology	652.8	587.3	5.0%	-4.2%	1,894.0	1,528.8	18.0%	0.6%	2,165.4	2,530.6
Nederman Process Technology	554.6	481.0	11.5%	11.5%	1,711.8	1,207.0	34.2%	34.2%	1,721.9	2,226.7
Nederman Duct & Filter Technology	210.1	212.0	-5.1%	-5.1%	638.3	578.4	2.6%	0.3%	790.8	850.7
Nederman Monitoring & Control Technology	182.7	147.9	18.4%	13.4%	531.0	429.1	18.6%	14.2%	605.9	707.8
Elimination	-25.8	-30.5			-87.8	-79.6			-105.1	-113.3
Total Nederman group	1,574.4	1,397.7	7.7%	3.3%	4,687.3	3,663.7	21.3%	13.2%	5,178.9	6,202.5

Adjusted EBITA, SEKm	1Jul-30Sep 2023	2022			1Jan-30Sep 2023	2022			Full year 2022	Oct-Sep 12 months
Nederman Extraction & Filtration Technology	82.7	103.4			256.1	264.9			357.3	348.5
Nederman Process Technology	50.6	36.3			166.9	61.2			99.9	205.6
Nederman Duct & Filter Technology	38.8	32.8			121.3	93.2			127.4	155.5
Nederman Monitoring & Control Technology	37.4	19.2			104.6	63.0			96.6	138.2
Other - non-allocated	-34.1	-26.4			-105.6	-76.8			-114.6	-143.4
Total Nederman group	175.4	165.3			543.3	405.5			566.6	704.4

Adjusted EBITA margin	1Jul-30Sep 2023	2022			1Jan-30Sep 2023	2022			Full year 2022	Oct-Sep 12 months
Nederman Extraction & Filtration Technology	12.7%	17.6%			13.5%	17.3%			16.5%	13.8%
Nederman Process Technology	9.1%	7.5%			9.7%	5.1%			5.8%	9.2%
Nederman Duct & Filter Technology	18.5%	15.5%			19.0%	16.1%			16.1%	18.3%
Nederman Monitoring & Control Technology	20.5%	13.0%			19.7%	14.7%			15.9%	19.5%
Total Nederman group	11.1%	11.8%			11.6%	11.1%			10.9%	11.4%



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

Nederman Extraction & Filtration Technology

The division continues to grow. In the third quarter, orders received increased currency neutrally by 18.4 percent and sales by 5.0 percent, driven by, among other things, last year’s acquisition of RoboVent. The adjusted EBITA margin was 12.7 percent (17.6).

DEVELOPMENT DURING THE QUARTER

Orders received in the quarter were the highest ever recorded for a single quarter, with several major and medium-sized orders and a continued solid core business. Service again displayed an increase and both EMEA and Americas reported growth in orders received and sales. Higher volumes and stable project deliveries had a positive impact on earnings. At the same time the EBITA margin decreased partly due to the edition of RoboVent with margins below the average for the division, and also due to price pressure in certain segments which impacted the ability to fully compensate for inflationary pressure on the cost side.

Six major orders were registered during the quarter. Three were secured in region Americas, of which two for wood applications and one in the welding segment. Three major orders were also secured in EMEA, of which one in Spain for a battery producer, one in France in the welding segment and one in Denmark in food production, which moreover was the division’s largest ever order in EMEA. Orders received remained strong in the prioritised growth areas of food, transport, green energy and the defence industry. During the quarter, several orders were secured within solutions for these areas globally, including the aforementioned orders in Denmark and Spain, as well as in China, India and Brazil. Several orders were also secured for Nederman SAVE, the division’s energy-saving digitally controlled air flow system, which continues to have significant potential.

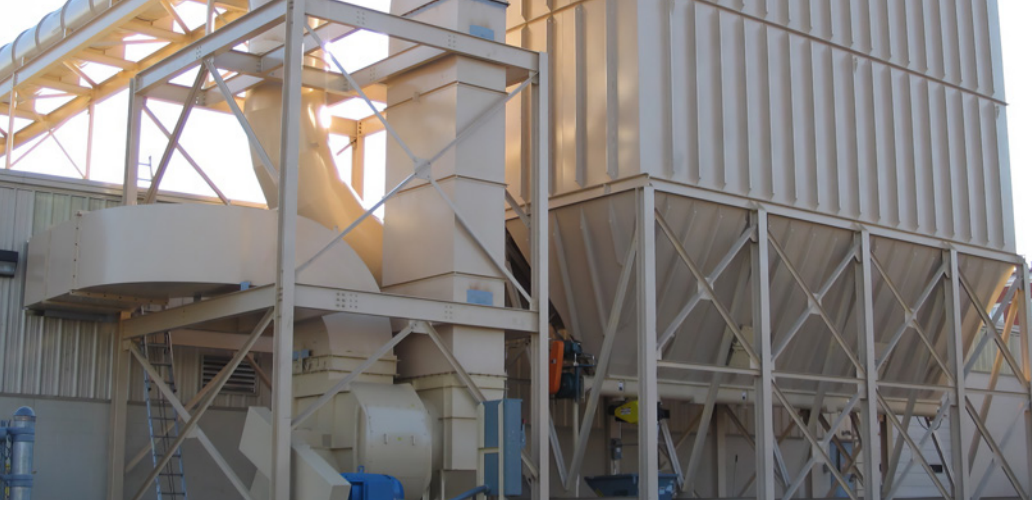
In terms of development in the various regions, EMEA recorded continued healthy activity and growth in sales and orders received. The three aforementioned major orders made a strong contribution to orders received and the order in Denmark also included an extension of a sig-

nificant service contract. The UK and Germany reported lower order activity compared with the corresponding quarter of 2022. During the quarter, Danish Aagaard was acquired, which strengthens the division’s position in the woodworking segment. Americas reported order growth despite a strong comparative quarter in the preceding year. One of the three major orders secured in the region included Nederman Save technology. Brazil noted good growth in orders received, with several orders in the food segment. Sales in Americas also developed well an effect of the acquisition of RoboVent last year. Major interest was shown in the mobile fume extractor, Fume Eliminator 840, which was launched in the US in September. APAC continued to develop weakly, with the exception of China which reported growth driven, for example, by new orders in battery manufacturing and food. Meanwhile, the project to relocate the operations in China is proceeding according to plan.

KEY ACTIVITIES

- Acquisition of Aagaard AS, a Danish company in the woodworking segment.
- Launch (in the US) of Fume Eliminator 840, a mobile fume extractor fitted with nano filters.
- Launch of LBR SmartFilter with upgraded control functions.
- Participation in two of the world’s largest trade shows in the industry, FABTECH in Chicago for the welding segment and Schweissen & Schneiden in Essen, Germany, for the metal industry.
- Nederman SAVE received the Visionary New Product Award at AFWS in Las Vegas, an international trade show for the woodworking industry.

SEKm	Note	1Jul-30Sep 2023	1Jul-30Sep 2022	Currency neutral growth	Organic growth	1Jan-30Sep 2023	1Jan-30Sep 2022	Currency neutral growth	Organic growth	Full year 2022	Oct-Sep 12 months
External orders received		676.6	539.7	18.4%	13.2%	1,930.8	1,647.0	11.5%	-2.4%	2,238.4	2,522.2
Totalsales	4	652.8	587.3	5.0%	-4.2%	1,894.0	1,528.8	18.0%	0.6%	2,165.4	2,530.6
Adjusted EBITA		82.7	103.4			256.1	264.9			357.3	348.5
Adjusted EBITA margin		12.7%	17.6%			13.5%	17.3%			16.5%	13.8%



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 continues to perform strongly. In the third quarter, sales increased currency neutrally by 11.5 percent and orders received increased by 4.0 percent compared with the corresponding quarter in 2022. The adjusted EBITA margin increased to 9.1 percent (7.5).

DEVELOPMENT DURING THE QUARTER

Sales increased in all segments and for both solutions and service. Orders received also increased following a recovery in the textile segment, which is the division's largest. Robust sales, strategic business decisions and a high level of manufacturing and delivery efficiency enabled the division to report improved profitability. In the long term, the potential remains considerable, with, among other things, investments in new segments and new markets, expected to generate healthy returns. There are, however, indications of a potential slow-down in demand over the next few quarters, an effect of a deterioration in the global economy in the wake of geopolitical factors and weakness in certain markets and segments.

The division's sales in the textile segment were unchanged while orders received again rose following a growing level of activity worldwide, for example in Turkey, offering good support to sales in forthcoming quarters. Weak demand in China, the world's largest textile market, gives cause for some concern, while India continues to perform well. It should be noted that capacity utilisation at spinning mills is low which, if the situation persists for an extended period, is expected to dampen demand for new equipment. The division's focus is to optimise profitability based on the prevailing market conditions. The new fan system for textile systems that the division launched during the second quarter continues to generate additional business, since it contributes to significant energy savings in new and existing facilities.

In the foundry and smelter segment, a strong sustainability trend is contributing to an increase in demand for the division's solutions in, for example, metal recycling, where several significant orders were secured during the quarter. The division already has a strong presence in EMEA and is now growing in Americas with the same range of solutions. Despite short-term uncertainty related to the global economic trend, the potential within the segment is considerable in the long term, particularly in aluminium recycling.

The segment for customised solutions displayed strong sales growth during the quarter, driven by, among other things, healthy activity in APAC. This segment is the most cyclical, with the division's projects constituting small parts of major capital investments, which brings a risk of dampened demand in the event of increased economic uncertainty. Nonetheless, the division is cautiously optimistic, as strategic investments in the petrochemical industry, for example, are expected to favour demand for the division's equipment.

KEY ACTIVITIES

- Healthy growth in service, demonstrating the division's ability to adapt its offering to market needs.
- The implementation of the restructuring programme in China continued and is expected to lead to profitability improvements in the years ahead.

SEKm	Note	1Jul-30Sep		Currency neutral growth	Organic growth	1Jan-30Sep		Currency neutral growth	Organic growth	Full year 2022	Oct-Sep 12 months
		2023	2022			2023	2022				
External orders received		419.3	404.2	4.0%	4.0%	1,453.3	1,387.5	0.7%	0.7%	1,824.6	1,890.4
Totalsales	4	554.6	481.0	11.5%	11.5%	1,711.8	1,207.0	34.2%	34.2%	1,721.9	2,226.7
Adjusted EBITA		50.6	36.3			166.9	61.2			99.9	205.6
Adjusted EBITA margin		9.1%	7.5%			9.7%	5.1%			5.8%	9.2%

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 demonstrated continued good profitability despite lower growth. Compared with the corresponding quarter of 2022, sales decreased currency neutrally by 5.1 percent and orders received decreased by 6.6 percent. The adjusted EBITA margin increased to 18.5 percent (15.5).

DEVELOPMENT DURING THE QUARTER

Sales and orders received during the quarter were lower compared with the corresponding quarter last year and the immediately preceding quarter. Profitability was positively impacted by primarily improved production and inventory processes in both the US and EMEA.

The division's ducting operations, under the Nordfab brand, displayed weaker orders received compared with the corresponding quarter in 2022. This was primarily due to fewer medium-sized orders in such core segments as the wood products and machine industries. However, a large number of orders of varying sizes were secured in such growing segments as aerospace, food, battery manufacturing and recycling.

In the US, orders received declined while sales increased. Larger volumes and higher production efficiency helped the business area maintain profitability at the same high level as during the first half of 2023 and was higher than the corresponding quarter of 2022. Operations were moved to the new warehouse building in Thomasville, where a warehouse management system is now being installed ahead of comprehensive automation of the warehouse and the new concept Nordfab Now with delivery on the same or following day.

Orders received increased in EMEA with the UK as the driving and main market. Otherwise, doubts surrounding major investment projects in traditional industries have continued to dampen order activity in the EU, though the pipeline strengthened in the quarter following the new recruitment of sales resources.

In APAC, orders received continued to recover in Thailand, partly as a result of extensive group orders from Australia. Nordfab's operations in Australia also demonstrated a sharp improvement in orders received compared with the immediately preceding quarter, while there was significant interest ahead of the launch of the ducting system Nordfab Quick Fit (QF) in the country in October.

The division's filter solutions operations under the Menardi brand and with the US as the dominant market, displayed continued healthy orders received. Many small improvements to sales activities combined to contribute to a strong increase in the number of orders in 2023. In the third quarter, one major order was secured in battery manufacturing and one for a major supplier to the aerospace industry. A high level of delivery reliability and high production utilisation led to a sharp strengthening of profitability during the quarter. Operations in Europe mainly comprise an aftersales business that has a stable performance.

KEY ACTIVITIES

- Preparations ahead of the launch of the ducting system Nordfab Quick Fit (QF) in Australia in October.
- Participation in the US trade shows FABTECH in Chicago and the Battery Show in Detroit.
- The work to renew and update older manufacturing machinery continued and produced results in the form of less production downtime compared with previous periods.

SEKm	Note	1Jul-30Sep 2023	1Jul-30Sep 2022	Currency neutral growth	Organic growth	1Jan-30Sep 2023	1Jan-30Sep 2022	Currency neutral growth	Organic growth	Full year 2022	Oct-Sep 12 months
External orders received		195.2	200.8	-6.6%	-6.6%	581.6	539.5	0.4%	-3.0%	704.4	746.5
Totalsales	4	210.1	212.0	-5.1%	-5.1%	638.3	578.4	2.6%	0.3%	790.8	850.7
Adjusted EBITA		38.8	32.8			121.3	93.2			127.4	155.5
Adjusted EBITA margin		18.5%	15.5%			19.0%	16.1%			16.1%	18.3%

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

The division displayed strong performance during the quarter. Compared with the corresponding quarter in 2022, orders received increased currency neutrally by 27.2 percent and sales grew by 18.4 percent. The adjusted EBITA margin improved to 20.5 percent (13.0).

DEVELOPMENT DURING THE QUARTER

The demand for digital monitoring and control of production processes increased further during the quarter, which had a positive impact on the division's orders received. All of the brands contributed to the growth, spearheaded by Gasmot, and with APAC as the strongest region. Profitability improved, mainly due to higher sales volumes, but also as a result of better component supplies. The strong order backlog provides favourable conditions for continued sales growth in future quarters.

In EMEA, orders received and sales increased compared with the corresponding quarter in 2022, driven by higher activity for both Gasmot and NEO Monitors. The main factor behind the sales increase during the quarter was a number of larger deliveries in the UK. The Swiss company MBE, acquired at the end of 2022, contributed to strengthening Gasmot's positive trend from the first half of the year.

In APAC, both orders received and sales grew strongly compared with the corresponding quarter of 2022. Gasmot reported a particularly strong quarter with new large orders in several countries in the region, as well as successful deliveries of previous orders. Orders received in China has gradually improved during the year, with a number of planned and executed deliveries during the quarter. NEO Monitors displayed

slightly higher sales compared with the corresponding quarter in 2022. Preparations to improve the division's distribution and sales organisation in China proceeded as planned.

The Americas also noted another strong quarter, particularly in terms of sales. The main reason is that Auburn FilterSense was able to deliver on its major order backlog following earlier capacity limitations in conjunction with the implementation of a new ERP system. Gasmot also performed well, with continuing major interest in the market for their portable products for various applications. Neo Monitors' sales decreased due to the absence of large project deliveries.

KEY ACTIVITIES

- GT6000 Mobilis, Gasmot's unique portable and user-friendly emissions analyser, continues to generate a large amount of interest, with many orders, including in the field of carbon capture.
- Continued investments in the Insight Cloud and Insight Control digital solutions.
- Continued investments to increase production capacity for Neo Monitors.
- Auburn FilterSense's new ERP system is now operating and has led to greater production efficiency.

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External orders received		196.5	149.6	27.2%	21.3%	572.4	454.7	21.3%	16.9%	657.4	775.1
Totalsales	4	182.7	147.9	18.4%	13.4%	531.0	429.1	18.6%	14.2%	605.9	707.8
Adjusted EBITA		37.4	19.2			104.6	63.0			96.6	138.2
Adjusted EBITA margin		20.5%	13.0%			19.7%	14.7%			15.9%	19.5%

Quarter 3, 2023

ORDERS RECEIVED AND SALES

Orders received during the quarter amounted to SEK 1,488m (1,294), equivalent to currency neutral growth of 11.0 percent compared with the same period last year.

Sales for the quarter amounted to SEK 1,574m (1,398), equivalent to currency neutral growth of 7.7 percent compared with the same period last year.

CASH FLOW

Cash flow from operating activities amounted to SEK 137.4m (118.2) and cash flow for the period was SEK 41.4m (31.3).

During the quarter, cash flow from changes in working capital was positively impacted by a reduction in inventory value.

PROFIT/LOSS

Adjusted EBITA amounted to SEK 175.4m (165.3). Adjusted EBITA margin was 11.1 percent (11.8).

Operating profit amounted to SEK 148.0m (138.0), corresponding to an operating margin of 9.4 percent (9.9).

Profit before tax decreased to SEK 116.2m (123.8). Net profit was SEK 85.4m (92.6), which yielded earnings per share of SEK 2.43 (2.64).

CAPITAL EXPENDITURE

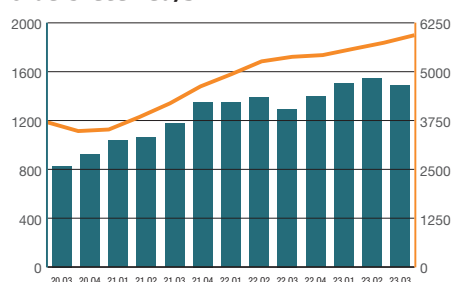
Capital expenditure in intangible and tangible assets amounted to SEK 39.9m (44.9).

ACQUISITIONS

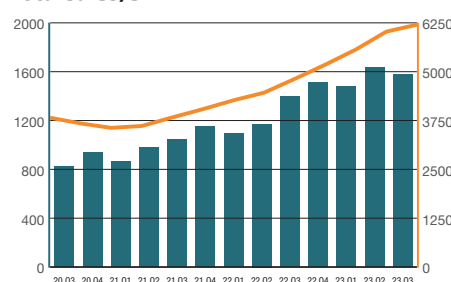
Aagaard A/S

On 21 July 2023, Nederman acquired 100 percent of shares in the Danish company Aagaard A/S. The acquisition price amounted to SEK 48.9m, of which SEK 8.7m comprised a deferred consideration and SEK 4.8m a conditional earn-out payment based on the adjusted operating profit for the April 2023 to March 2024 period. The acquisition analysis is preliminary. The acquired net assets amounted to SEK 22.9m and the transaction generated goodwill of SEK 26.0m.

Orders received, SEKm

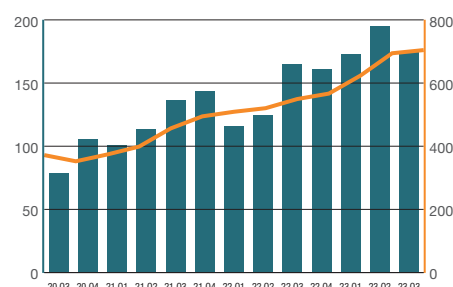


Total sales, SEKm

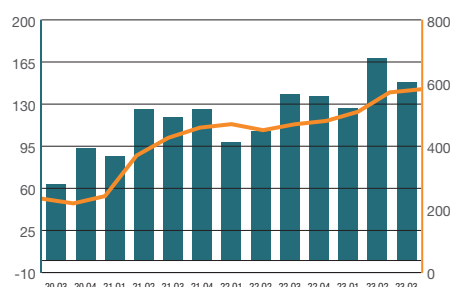


■ Quarter
 ■ Rolling four quarters

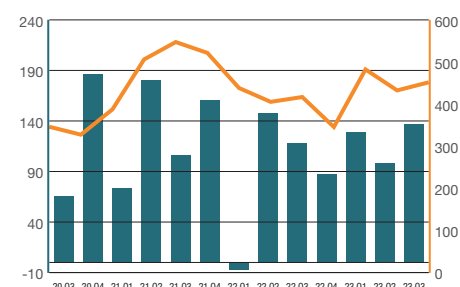
Adjusted EBITA, SEKm



Operating profit, SEKm



Cash flow from operating activities, SEKm



January – September 2023

ORDERS RECEIVED AND SALES

Orders received were SEK 4,538m (4,029), equivalent to currency neutral growth of 7.4 percent compared with the same period last year.

Sales amounted to SEK 4,687m (3,664), equivalent to currency neutral growth of 21.3 percent compared with the same period last year.

PROFIT/LOSS

Adjusted EBITA amounted to SEK 543.3m (405.5). Adjusted EBITA margin was 11.6 percent (11.1).

Operating profit amounted to SEK 443.6m (343.4), corresponding to an operating margin of 9.5 percent (9.4).

Profit before tax increased to SEK 358.5m (318.2). Net profit was SEK 263.6m (237.8), which yielded earnings per share of SEK 7.51 (6.78).

CASH FLOW

Cash flow from operating activities amounted to SEK 364.0m (257.9) and cash flow for the period was SEK -53.5m (130.5).

Cash flow for the year should be compared with an extremely strong cash flow in the preceding year, when a large share of advance payments had been received from customers in major projects and new loans had been raised in the amount of SEK 606m.

Inventory was maintained at good levels, which has been positive for the development of working capital. Investments in fixed assets continued but were slightly lower in Q3 2023 compared with Q3 2022. Investments primarily relate to factory and warehouse buildings in Thomasville, in the US.

Cash flow from financing activities was impacted by the Group repaying SEK 52.1m on loans and that new loans were raised in the amount of SEK 10.7m. During the period, a dividend was paid to shareholders in the amount of SEK 131.6m. Other non-cash adjustments pertained primarily to the restructuring programme in China.

CAPITAL EXPENDITURE

Capital expenditure in intangible and tangible assets amounted to SEK 139.7m (111.2), of which capitalised development expenses amounted to SEK 36.7m (37.7).

FINANCIAL POSITION AND FINANCING

At the end of the period, the group had SEK 688.0m in cash and cash equivalents as well as SEK 109.5m in available but unutilised overdraft facilities.

In addition, there was a credit facility of SEK 596.5m within the framework of Nederman's loan agreement with SEB and SHB. In 2023, loans were raised in the amount of SEK 11m and repayments amounted to SEK 52m.

Equity in the group as of 30 September 2023 amounted to SEK 2,406.9m (2,115.1). Dividends to shareholders were made in the amount of SEK 3.50 per share, or a total of SEK 131.6m, and were paid out in the second quarter. The total number of shares outstanding was 35,105,421 at the end of the period.

The equity/assets ratio for the group was 36.5 percent (33.5) as of 30 September 2023. The net debt/equity ratio was 63.1 percent (71.7).

NUMBER OF EMPLOYEES

The average number of employees during the period was 2,339 (2,240). The number of employees at the end of the period was 2,472 (2,429).

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 18.0m (22.9) and is related to service revenue from subsidiaries. Net profit/loss for the period amounted to SEK -55.7m (34.0).

Key figures, Group

SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear	Oct-Sep
	2023	2022	2023	2022	2022	12months
Orders received	1,487.6	1,294.3	4,538.1	4,028.7	5,424.8	5,934.2
Net sales	1,574.4	1,397.7	4,687.3	3,663.7	5,178.9	6,202.5
Adjusted EBITA	175.4	165.3	543.3	405.5	566.6	704.4
Adjusted EBITA margin	11.1%	11.8%	11.6%	11.1%	10.9%	11.4%
Adjusted EBITDA	214.4	197.5	656.1	495.5	690.4	851.0
Adjusted EBITDA margin	13.6%	14.1%	14.0%	13.5%	13.3%	13.7%
Operating profit	148.0	138.0	443.6	343.4	480.2	580.4
Operating margin	9.4%	9.9%	9.5%	9.4%	9.3%	9.4%
Adjusted operating profit	149.4	145.0	465.8	350.6	488.6	603.8
Adjusted operating margin	9.5%	10.4%	9.9%	9.6%	9.4%	9.7%
Profit before tax	116.2	123.8	358.5	318.2	438.8	479.1
Net profit	85.4	92.6	263.6	237.8	328.7	354.5
Earnings per share, SEK	2.43	2.64	7.51	6.78	9.37	10.10
Return on equity	14.3%	18.5%	15.3%	16.5%	16.8%	15.7%
Return on operating capital	15.2%	17.4%	16.4%	14.6%	15.2%	16.0%
Net debt					1,477.1	1,518.6
Net debt/equity ratio					67.6%	63.1%
Net debt/Adjusted EBITDA, multiple					2.1	1.8
Interest-coverage ratio, multiple					7.9	4.9

Regions

External orders received, SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear	Oct-Sep
	2023	2022	2023	2022	2022	12months
Americas	549.6	506.9	1,800.7	1,367.5	1,960.1	2,393.3
EMEA	694.0	547.9	1,874.3	1,878.5	2,477.5	2,473.3
APAC	244.0	239.5	863.1	782.7	987.2	1,067.6
Total Nedermangroup	1,487.6	1,294.3	4,538.1	4,028.7	5,424.8	5,934.2

External net sales, SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear	Oct-Sep
	2023	2022	2023	2022	2022	12months
Americas	622.4	501.7	1,841.1	1,229.4	1,781.6	2,393.3
EMEA	684.0	569.2	2,078.3	1,647.9	2,315.6	2,746.0
APAC	268.0	326.8	767.9	786.4	1,081.7	1,063.2
Total Nedermangroup	1,574.4	1,397.7	4,687.3	3,663.7	5,178.9	6,202.5



Outlook

Demand and orders received remained good. Our base business and strong digital offering enable us to assert ourselves well in the current market. At the same time, there is a risk that problems in the supply chain, high inflationary pressure and weaker economic prospects will impact customers' investment decisions. In addition, the continued geopolitical uncertainty is having a negative effect, with a risk of increased protectionism in the long term. In terms of our large order backlog and our ability to increase our share of sales in industries with good structural growth, we take a positive view for the next quarter,

but are somewhat more uncertain regarding development in the subsequent quarters.

Although various factors may temporarily contribute to a dampened outlook in our industry, 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 and good possibilities for continued growth.

Consolidated statement of profit or loss in summary

SEKm	Note	1Jul-30Sep		1Jan-30Sep		Full year	Oct-Sep
		2023	2022	2023	2022	2022	12 months
Net sales	3.4	1,574.4	1,397.7	4,687.3	3,663.7	5,178.9	6,202.5
Cost of goods sold		-1,004.5	-906.7	-3,004.0	-2,344.4	-3,311.0	-3,970.6
Gross profit		569.9	491.0	1,683.3	1,319.3	1,867.9	2,231.9
Selling expenses		-271.6	-225.2	-796.4	-626.7	-877.8	-1,047.5
Administrative expenses		-114.8	-113.3	-351.5	-307.5	-429.9	-473.9
Research and development expenses		-20.4	-16.9	-59.0	-52.4	-72.5	-79.1
Restructuring costs		-	-	-20.0	-	-	-20.0
Other operating income/expenses		-15.1	2.4	-12.8	10.7	-7.5	-31.0
Operating profit		148.0	138.0	443.6	343.4	480.2	580.4
Financial income and expenses	5	-31.8	-14.2	-85.1	-25.2	-41.4	-101.3
Profit before tax		116.2	123.8	358.5	318.2	438.8	479.1
Taxes		-30.8	-31.2	-94.9	-80.4	-110.1	-124.6
Net profit		85.4	92.6	263.6	237.8	328.7	354.5
Net profit attributable to:							
The parent company's shareholders		85.4	92.6	263.6	237.8	328.7	354.5
Earnings per share (SEK)		2.43	2.64	7.51	6.78	9.37	10.10
Before dilution		2.43	2.64	7.51	6.78	9.37	10.10
After dilution		2.43	2.64	7.51	6.78	9.37	10.10

Consolidated statement of other comprehensive income in summary

SEKm	1Jul-30Sep		1Jan-30Sep		Full year	Oct-Sep
	2023	2022	2023	2022	2022	12 months
Net profit	85.4	92.6	263.6	237.8	328.7	354.5
Other comprehensive income						
Items that cannot be reclassified to net profit						
Revaluation of defined-benefit pension plans	2.6	33.9	2.6	33.9	35.3	4.0
Tax attributable to revaluation of defined-benefit pension plans	-0.8	-7.8	-0.8	-7.8	-8.0	-1.0
	1.8	26.1	1.8	26.1	27.3	3.0
Items that have been or can be reclassified to net profit						
Exchange differences arising on translation of foreign operations	-62.0	101.7	84.2	256.6	235.9	63.5
	-62.0	101.7	84.2	256.6	235.9	63.5
Other comprehensive income for the period, net of tax	-60.2	127.8	86.0	282.7	263.2	66.5
Total comprehensive income for the period	25.2	220.4	349.6	520.5	591.9	421.0
Total comprehensive income attributable to:						
The parent company's shareholders	25.2	220.4	349.6	520.5	591.9	421.0

Consolidated statement of financial position in summary

SEKm	Note	30 Sep 2023	30 Sep 2022	31 Dec 2022
Assets				
Goodwill		2,097.9	2,058.8	2,027.5
Other intangible assets		647.2	649.8	646.8
Tangible assets		453.3	385.4	390.1
Right-of-use assets		204.3	204.0	186.2
Long-term receivables		5.2	6.3	4.2
Deferred tax assets		135.2	72.3	104.0
Total fixed assets		3,543.1	3,376.6	3,358.8
Inventories		934.8	950.5	890.8
Accounts receivable	6	801.1	736.1	814.8
Other current receivables	6	630.5	510.2	434.5
Cash and cash equivalents	6	688.0	732.0	721.2
Total current assets		3,054.4	2,928.8	2,861.3
Total assets		6,597.5	6,305.4	6,220.1
Equity				
		2,406.9	2,115.1	2,186.5
Liabilities				
Long-term interest-bearing liabilities	6	1,897.4	1,965.2	1,931.9
Long-term lease liabilities	6	131.6	137.2	122.0
Other long-term liabilities	6	37.2	13.4	28.0
Pension liabilities		65.5	68.9	70.5
Other provisions		32.1	25.3	28.3
Deferred tax liabilities		124.4	120.7	119.0
Total long-term liabilities		2,288.2	2,330.7	2,299.7
Current interest-bearing liabilities	6	29.9	-	-
Current lease liabilities	6	82.2	76.9	73.9
Accounts payable	6	479.0	534.2	498.2
Other current liabilities	6	1,241.3	1,200.9	1,118.7
Provisions		70.0	47.6	43.1
Total current liabilities		1,902.4	1,859.6	1,733.9
Total liabilities		4,190.6	4,190.3	4,033.6
Total equity and liabilities		6,597.5	6,305.4	6,220.1

Consolidated statement of changes in equity in summary

SEKm	30 Sep 2023	30 Sep 2022	31 Dec 2022
Opening balance at beginning of period	2,186.5	1,717.4	1,717.4
Net profit	263.6	237.8	328.7
Other comprehensive income			
Change in translation reserve for the period	84.2	256.6	235.9
Revaluation of defined-benefit pension plans, net of tax	1.8	26.1	27.3
Total other comprehensive income for the period	86.0	282.7	263.2
Total comprehensive income for the period	349.6	520.5	591.9
Transactions with group owners			
Dividend paid	-131.6	-122.8	-122.8
Share-based remuneration	2.4	-	-
Closing balance at end of period	2,406.9	2,115.1	2,186.5

Consolidated statement of cash flows in summary

SEKm	Note	1 Jul-30 Sep		1 Jan-30 Sep		Fully year	Oct-Sep
		2023	2022	2023	2022	2022	12 months
Operating profit		148.0	138.0	443.6	343.4	480.2	580.4
Adjustment for:							
Depreciation, amortisation and write-down of fixed assets		65.3	52.5	191.0	144.9	201.8	247.9
Other adjustments for non-cash items		-5.1	0.6	23.6	1.1	0.7	23.2
Interest received and paid including other financial items		-25.0	-17.8	-54.3	-41.6	-53.1	-65.8
Taxes paid		-68.5	-33.7	-164.2	-114.2	-134.9	-184.9
Cash flow from operating activities before changes in working capital		114.7	139.6	439.7	333.6	494.7	600.8
Cash flow from changes in working capital		22.7	-21.4	-75.7	-75.7	-149.0	-149.0
Cash flow from operating activities		137.4	118.2	364.0	257.9	345.7	451.8
Net investment in fixed assets		-41.2	-46.6	-140.5	-113.5	-170.0	-197.0
Acquisitions	2	-35.2	-425.2	-38.4	-438.4	-445.3	-45.3
Cash flow from investing activities		-76.4	-471.8	-178.9	-551.9	-615.3	-242.3
Dividend paid		-	-	-131.6	-122.8	-122.8	-131.6
Cash flow from other financing activities		-19.6	384.9	-107.0	547.3	525.5	-128.8
Cash flow from financing activities		-19.6	384.9	-238.6	424.5	402.7	-260.4
Cash flow for the period		41.4	31.3	-53.5	130.5	133.1	-50.9
Cash and cash equivalents at beginning of period		662.4	674.7	721.2	541.6	541.6	732.0
Translation differences		-15.8	26.0	20.3	59.9	46.5	6.9
Cash and cash equivalents at end of period		688.0	732.0	688.0	732.0	721.2	688.0

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 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 99 of the 2022 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

AAGAARD A/S

On 21 July 2023, Nederman acquired 100 percent of shares in the Danish company Aagaard A/S. The acquisition price amounted to SEK 48.9m, of which SEK 8.7m comprised a deferred consideration and SEK 4.8m a conditional earn-out payment based on the adjusted operating profit for the April 2023 to March 2024 period. Acquired net assets amounted to SEK 22.9m and the transaction generated goodwill of SEK 26.0m. The acquisition's impact on the group's cash and cash equivalents amounted to SEK 35.2m. 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		Full year	Oct-Sep
	2023	2022	2023	2022	2022	12 months
Nederman Extraction & Filtration Technology	676.6	539.7	1,930.8	1,647.0	2,238.4	2,522.2
Nederman Process Technology	419.3	404.2	1,453.3	1,387.5	1,824.6	1,890.4
Nederman Duct & Filter Technology	195.2	200.8	581.6	539.5	704.4	746.5
Nederman Monitoring & Control Technology	196.5	149.6	572.4	454.7	657.4	775.1
Total Nederman group	1,487.6	1,294.3	4,538.1	4,028.7	5,424.8	5,934.2

Total sales, SEKm	1Jul-30Sep		1Jan-30Sep		Full year	Oct-Sep
	2023	2022	2023	2022	2022	12 months
Nederman Extraction & Filtration Technology	652.8	587.3	1,894.0	1,528.8	2,165.4	2,530.6
Nederman Process Technology	554.6	481.0	1,711.8	1,207.0	1,721.9	2,226.7
Nederman Duct & Filter Technology	210.1	212.0	638.3	578.4	790.8	850.7
Nederman Monitoring & Control Technology	182.7	147.9	531.0	429.1	605.9	707.8
Elimination	-25.8	-30.5	-87.8	-79.6	-105.1	-113.3
Total Nederman group	1,574.4	1,397.7	4,687.3	3,663.7	5,178.9	6,202.5

Adjusted EBITA, SEKm	1Jul-30Sep		1Jan-30Sep		Full year	Oct-Sep
	2023	2022	2023	2022	2022	12 months
Nederman Extraction & Filtration Technology	82.7	103.4	256.1	264.9	357.3	348.5
Nederman Process Technology	50.6	36.3	166.9	61.2	99.9	205.6
Nederman Duct & Filter Technology	38.8	32.8	121.3	93.2	127.4	155.5
Nederman Monitoring & Control Technology	37.4	19.2	104.6	63.0	96.6	138.2
Other - non-allocated	-34.1	-26.4	-105.6	-76.8	-114.6	-143.4
Total Nederman group	175.4	165.3	543.3	405.5	566.6	704.4

Adjusted EBITA margin	1Jul-30Sep		1Jan-30Sep		Full year	Oct-Sep
	2023	2022	2023	2022	2022	12 months
Nederman Extraction & Filtration Technology	12.7%	17.6%	13.5%	17.3%	16.5%	13.8%
Nederman Process Technology	9.1%	7.5%	9.7%	5.1%	5.8%	9.2%
Nederman Duct & Filter Technology	18.5%	15.5%	19.0%	16.1%	16.1%	18.3%
Nederman Monitoring & Control Technology	20.5%	13.0%	19.7%	14.7%	15.9%	19.5%
Total Nederman group	11.1%	11.8%	11.6%	11.1%	10.9%	11.4%

Note 4: Revenue from customer contracts

Totalsalesbysegmentandsalestype,SEKm	1Jul-30Sep2023			Total
	Productsales	Solutionsales	Serviceand aftermarket	
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
TotalNedermangroup	518.6	750.7	305.1	1,574.4

Totalsalesbysegmentandsalestype,SEKm	1Jul-30Sep2022			Total
	Productsales	Solutionsales	Serviceand aftermarket	
Nederman Extraction & Filtration Technology	207.2	269.3	110.8	587.3
Nederman Process Technology	-	356.8	124.2	481.0
Nederman Duct & Filter Technology	191.0	16.1	4.9	212.0
Nederman Monitoring & Control Technology	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,SEKm	1Jan-30Sep2023			Total
	Productsales	Solutionsales	Serviceand aftermarket	
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
TotalNedermangroup	1,581.1	2,226.7	879.5	4,687.3

Totalsalesbysegmentandsalestype,SEKm	1Jan-30Sep2022			Total
	Productsales	Solutionsales	Serviceand aftermarket	
Nederman Extraction & Filtration Technology	605.8	636.7	286.3	1,528.8
Nederman Process Technology	-	880.5	326.5	1,207.0
Nederman Duct & Filter Technology	531.2	35.9	11.3	578.4
Nederman Monitoring & Control Technology	363.8	10.5	54.8	429.1
Elimination	-29.2	-35.0	-15.4	-79.6
TotalNedermangroup	1,472.6	1,528.6	663.5	3,663.7

Totalsalesbysegmentandsalestype,SEKm	Fullyear2022			Total
	Productsales	Solutionsales	Serviceand aftermarket	
Nederman Extraction & Filtration Technology	826.5	918.9	420.0	2,165.4
Nederman Process Technology	-	1,282.6	439.3	1,721.9
Nederman Duct & Filter Technology	722.1	53.9	14.8	790.8
Nederman Monitoring & Control Technology	512.2	19.5	74.2	605.9
Elimination	-36.7	-46.6	-21.8	-105.1
TotalNedermangroup	2,024.1	2,228.3	926.5	5,178.9

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 49.9 percent during the year. At the balance sheet date, the SEK-TRY exchange rate was 0.39.

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

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

SEKm	30 Sep 2023			
	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	-	-	801.1	801.1
Other current receivables	-	-	352.6	352.6
Cash and cash equivalents	-	-	688.0	688.0
Total	-	-	1,841.7	1,841.7
Bank loans	-	-	1,927.3	1,927.3
Other long-term liabilities	-	-	37.2	37.2
Lease liabilities	-	-	213.8	213.8
Accounts payable	-	-	479.0	479.0
Other current liabilities	-	-	1,076.4	1,076.4
Total	-	-	3,733.7	3,733.7

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 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 25 for definitions.

SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear	Oct-Sep
	2023	2022	2023	2022	2022	12 months
Operating profit	148.0	138.0	443.6	343.4	480.2	580.4
Acquisition cost	1.4	7.0	2.2	7.2	8.4	3.4
Restructuring costs	-	-	20.0	-	-	20.0
Adjusted operating profit	149.4	145.0	465.8	350.6	488.6	603.8
Adjusted operating profit	149.4	145.0	465.8	350.6	488.6	603.8
Net sales	1,574.4	1,397.7	4,687.3	3,663.7	5,178.9	6,202.5
Adjusted operating margin	9.5%	10.4%	9.9%	9.6%	9.4%	9.7%
Operating profit	148.0	138.0	443.6	343.4	480.2	580.4
Amortisation of intangible assets	26.0	20.3	77.5	54.9	78.0	100.6
Acquisition cost	1.4	7.0	2.2	7.2	8.4	3.4
Restructuring costs	-	-	20.0	-	-	20.0
Adjusted EBITA	175.4	165.3	543.3	405.5	566.6	704.4
Adjusted EBITA	175.4	165.3	543.3	405.5	566.6	704.4
Net sales	1,574.4	1,397.7	4,687.3	3,663.7	5,178.9	6,202.5
Adjusted EBITA margin	11.1%	11.8%	11.6%	11.1%	10.9%	11.4%
Operating profit	148.0	138.0	443.6	343.4	480.2	580.4
Depreciation and amortisation	65.0	52.5	190.3	144.9	201.8	247.2
EBITDA	213.0	190.5	633.9	488.3	682.0	827.6
EBITDA	213.0	190.5	633.9	488.3	682.0	827.6
Acquisition cost	1.4	7.0	2.2	7.2	8.4	3.4
Restructuring costs	-	-	20.0	-	-	20.0
Adjusted EBITDA	214.4	197.5	656.1	495.5	690.4	851.0
Adjusted EBITDA	214.4	197.5	656.1	495.5	690.4	851.0
Net sales	1,574.4	1,397.7	4,687.3	3,663.7	5,178.9	6,202.5
Adjusted EBITDA margin	13.6%	14.1%	14.0%	13.5%	13.3%	13.7%
Equity - closing balance					2,186.5	2,406.9
Total assets (balance sheet total)					6,220.1	6,597.5
Equity/assets ratio					35.2%	36.5%
Cash and cash equivalents					721.2	688.0
Long-term interest-bearing liabilities					1,931.9	1,897.4
Long-term lease liabilities					122.0	131.6
Pension liabilities					70.5	65.5
Current interest-bearing liabilities					-	29.9
Current lease liabilities					73.9	82.2
Net debt					1,477.1	1,518.6
Net debt					1,477.1	1,518.6
Equity - closing balance					2,186.5	2,406.9
Net debt/equity ratio					67.6%	63.1%
Equity - opening balance	2,381.7	1,894.7	2,186.5	1,717.4	1,717.4	2,115.1
Equity - closing balance	2,406.9	2,115.1	2,406.9	2,115.1	2,186.5	2,406.9
Equity - average	2,394.3	2,004.9	2,296.7	1,916.3	1,952.0	2,261.0
Net profit	85.4	92.6	263.6	237.8	328.7	354.5
Return on equity	14.3%	18.5%	15.3%	16.5%	16.8%	15.7%

Note 8: Alternative performance measures, cont'd

SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear 2022	Oct-Sep 12 months
	2023	2022	2023	2022		
Equity - average	2,394.3	2,004.9	2,296.7	1,916.3	1,952.0	2,261.0
Net debt - opening balance	1,539.6	1,132.3	1,477.1	1,067.8	1,067.8	1,516.2
Net debt - closing balance	1,518.6	1,516.2	1,518.6	1,516.2	1,477.1	1,518.6
Net debt - average	1,529.1	1,324.3	1,497.9	1,292.0	1,272.5	1,517.4
Operating capital - average	3,923.4	3,329.2	3,794.6	3,208.3	3,224.5	3,778.4
Adjusted operating profit	149.4	145.0	465.8	350.6	488.6	603.8
Return on operating capital	15.2%	17.4%	16.4%	14.6%	15.2%	16.0%
Net debt					1,477.1	1,518.6
Adjusted EBITDA					690.4	851.0
Net debt/Adjusted EBITDA, multiple					2.1	1.8
Profit before tax					438.8	479.1
Financial expense					64.4	130.1
Acquisition cost					8.4	3.4
Restructuring costs					-	20.0
EBT excluding financial expenses, acquisition costs and restructuring costs					511.6	632.6
Financial expense					64.4	130.1
Interest-coverage ratio, multiple					7.9	4.9
Orders received, same period in previous year	1,294.3	1,177.9	4,028.7	3,271.0	4,622.9	
Change in orders received, organic	106.0	-44.0	32.1	419.3	218.2	
Change in orders received, currency effects	50.7	88.5	210.0	248.1	382.9	
Change in orders received, acquisitions	36.6	71.9	267.3	90.3	200.8	
Orders received	1,487.6	1,294.3	4,538.1	4,028.7	5,424.8	
Order growth, organic	8.2%	-3.7%	0.8%	12.8%	4.8%	
Order growth, currency effects	3.9%	7.5%	5.2%	7.6%	8.2%	
Order growth, acquisitions	2.8%	6.1%	6.6%	2.8%	4.3%	
Order growth	14.9%	9.9%	12.6%	23.2%	17.3%	
Net sales, comparative period previous year	1,397.7	1,045.5	3,663.7	2,890.3	4,041.8	
Change in net sales, organic	46.2	158.5	483.3	427.0	555.0	
Change in net sales, currency effects	69.2	115.4	242.7	259.8	388.2	
Change in net sales, acquisitions	61.3	78.3	297.6	86.6	193.9	
Netsales	1,574.4	1,397.7	4,687.3	3,663.7	5,178.9	
Sales growth, organic	3.3%	15.2%	13.2%	14.8%	13.7%	
Sales growth, currency effects	4.9%	11.0%	6.6%	9.0%	9.6%	
Sales growth, acquisitions	4.4%	7.5%	8.1%	3.0%	4.8%	
Sales growth	12.6%	33.7%	27.9%	26.8%	28.1%	

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 84-85 and in note 3 of the Nederman group's 2022 Annual and Sustainability Report.

Income statement for the parent company in summary

SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear 2022	Oct-Sep 12months
	2023	2022	2023	2022		
Net sales	6.3	7.4	18.0	22.9	19.4	14.5
Administrative expenses	-42.2	-39.5	-132.8	-114.4	-162.3	-180.7
Research and development expenses	-0.1	-	-0.1	-	-0.1	-0.2
Other operating revenue and expenses	-0.2	2.7	-0.6	5.0	3.9	-1.7
Operating profit/loss	-36.2	-29.4	-115.5	-86.5	-139.1	-168.1
Result from investment in subsidiaries	34.1	48.1	71.6	129.3	129.3	71.6
Other financial items	0.9	0.1	-23.6	-5.4	-10.9	-29.1
Profit/loss after financial items	-1.2	18.8	-67.5	37.4	-20.7	-125.6
Appropriations	-	-	-	-	131.1	131.1
Profit/loss before tax	-1.2	18.8	-67.5	37.4	110.4	5.5
Taxes	6.6	0.7	11.8	-3.4	-0.6	14.6
Net profit/loss	5.4	19.5	-55.7	34.0	109.8	20.1

Other comprehensive income for the parent company in summary

SEKm	1Jul-30Sep		1Jan-30Sep		Fullyear 2022	Oct-Sep 12months
	2023	2022	2023	2022		
Net profit/loss	5.4	19.5	-55.7	34.0	109.8	20.1
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	5.4	19.5	-55.7	34.0	109.8	20.1

Balance sheet for the parent company in summary

SEKm	30Sep 2023	30Sep 2022	31Dec 2022
Assets			
Total fixed assets	2,408.1	2,313.5	2,326.6
Total current assets	91.0	123.6	240.1
Total assets	2,499.1	2,437.1	2,566.7
Equity	837.9	947.0	1,022.8
Liabilities			
Total long-term liabilities	1,114.1	1,114.5	1,104.5
Total current liabilities	547.1	375.6	439.4
Total liabilities	1,661.2	1,490.1	1,543.9
Total equity and liabilities	2,499.1	2,437.1	2,566.7

Changes in parent company shareholders' equity in summary

SEKm	30Sep 2023	30Sep 2022	31Dec 2022
Opening balance at beginning of period	1,022.8	1,035.8	1,035.8
Net profit/loss	-55.7	34.0	109.8
Other comprehensive income			
Total other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-55.7	34.0	109.8
Transactions with owners			
Dividend paid	-131.6	-122.8	-122.8
Share-based remuneration	2.4	-	-
Closing balance at end of period	837.9	947.0	1,022.8

Note 1: Contingent liabilities for the parent company

SEKm	30Sep 2023	30Sep 2022	31Dec 2022
Contingent liabilities	145.9	122.6	102.8

Helsingborg, 23 October 2023

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, 2023 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 23, 2023
Ernst & Young AB

Andreas Mast
Authorised 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, Monday 23 October 2023 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=5001319

Webcast

If you wish to participate via webcast please use the link below.
ir.financialhearings.com/nederman-holding-q3-report-2023

FINANCIAL CALENDAR

- Year-end report 15 February 2024
- Interim report 1 25 April 2024
- Annual General Meeting 26 April 2024
- Interim report 2 12 July 2024
- Interim report 3 22 October 2024

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 23 October 2023.

AUDITOR'S REVIEW

The interim report has been subject to a review by the company's auditor, see page 24 for the auditor's review report.

FURTHER INFORMATION CAN BE OBTAINED FROM

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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.