



Continued positive trend

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

Quarter 2, 2023

- Orders received amounted to SEK 1,546m (1,390), equivalent to currency neutral growth of 5.6 percent compared with the same period last year.
- Net sales amounted to SEK 1,631m (1,172), equivalent to currency neutral growth of 31.7 percent compared with the same period last year.
- Adjusted EBITA was SEK 195.2m (124.5), giving an adjusted EBITA margin of 12.0 percent (10.6).
- Operating profit amounted to SEK 168.5m (107.2), corresponding to an operating margin of 10.3 percent (9.1).
- Net profit was SEK 100.4m (74.7).
- Earnings per share were SEK 2.86 (2.13).
- Cash flow from operating activities amounted to SEK 97.9m (147.6).

January - June 2023

- Orders received amounted to SEK 3,051m (2,734), equivalent to currency neutral growth of 5.8 percent compared with the same period last year.
- Net sales amounted to SEK 3,113m (2,266), equivalent to currency neutral growth of 29.7 percent compared with the same period last year.
- Adjusted EBITA was SEK 367.9m (240.2), giving an adjusted EBITA margin of 11.8 percent (10.6).
- Operating profit amounted to SEK 295.6m (205.4), corresponding to an operating margin of 9.5 percent (9.1). Operating profit included a restructuring cost of SEK 20m.
- Net profit was SEK 178.2m (145.2).
- Earnings per share were SEK 5.08 (4.14).
- Cash flow from operating activities amounted to SEK 226.6m (139.7).



Sven Kristensson
CEO

CEO's comments

Strong sales growth and high activity

Nederman continues to advance its position. During the second quarter, new records were noted in absolute terms for sales, orders received and profitability. We see a high level of activity in our four divisions, with the roll-out of new products, establishment in new segments and a growing ability to capitalise on being part of a global Group that is the technology leader.

Once again, I can summarise a successful quarter for the environmental technology company Nederman. During the second quarter, all four divisions played a part in the Group's new sales record of SEK 1,631m (1,172), equivalent to currency neutral growth of 31.7 percent. The pleasing aspect is that orders received also developed well and were only slightly lower than the record sales during the quarter. This provides a solid foundation for sales in the coming quarters. Our efforts to increase operational efficiency continued, and together with higher sales volumes, helped us to further strengthen profitability during the quarter. The adjusted EBITA margin amounted to 12.0 percent (10.6), meaning that, step by step, we are moving towards our target of a margin of 14.0 percent. In absolute terms, adjusted EBITA increased by 57 percent. A high pace of product development, increased sales in growing segments, a higher share of service, investments in production and logistics, as well as measures to increase profitability in underperforming markets, such as China, are some factors that will support further improvements to our margin. At the same time, we are aware of a growing concern about and risk of a weaker economy going forward. As the global market leader in industrial air filtration and with strong finances, we have the possibility to advance our positions regardless of the macro-economic situation.

Investments in clean air are becoming increasingly important for industries the world over, and Nederman has and will have the best offering to facilitate this. We become even more aware of the expectations placed on us as a technology leader when we participate at various trade shows around the world, as we did at the world's largest textile fair, ITMA, which was held in Milan in June. For example, there is major interest in our digital initiatives, with a long-term goal of offering a fully digitally controlled air flow and being able to future-proof customers' production. We have a high pace of product development in the Group and see that the products that we continuously launch meet key needs in the market. In the second quarter, we launched products including new extraction systems for hazardous welding fumes, new highly efficient fans for textile production and simplified versions of Nederman SAVE, which meets the need for energy-efficient air filtration in various industries. We move solutions and technology around within our divisions to strengthen positions in a particular market, such as in Nederman Process Technology, where we are advancing in metal recycling in the US with our solutions for the same segment in Europe,

and in Nederman Monitoring & Control Technology, where we successfully launched Neo Monitors' solutions for laser-based measurement of gases in new markets. By being constantly relevant, we can increase our share of sales in growing sectors where investments are being made in new technology, such as renewable energy, food, metal recycling and battery manufacturing. Our orders received are strong in these segments.

STABLE AND POSITIVE IN OUR DIVISIONS

All of our divisions supported the Group's positive financial performance during the quarter, but to varying degrees. A strong base business, a well-filled order backlog and previous acquisitions gave Nederman Extraction & Filtration Technology a new boost in sales and income. Nederman Process Technology continued to deliver on its large order backlog and added further orders, mainly in recycling, and was able to report record-strong profitability. Nederman Duct & Filter Technology improved its sales and profitability, and secured new orders beyond its traditional industries. Nederman Monitoring & Control Technology continued its trend of higher orders received, sales and profitability. Joakim Ryrstedt, formerly Group CIO at Nederman, has been appointed as new head of the division, while Ketil Gorm Paulsen has become responsible for strategy and IP matters within the Nederman Group.

CONTINUED OPTIMISM IN AN UNCERTAIN BUSINESS ENVIRONMENT

Even if the performance of our divisions remains positive, the risk remains that challenges in our supply chain, high inflation and a weaker economic outlook will impact customers' investment decisions and possibility of conducting business. In addition, the geopolitical uncertainty remains. However, Nederman stands strong in this macro environment. In terms of our large order backlog and our ability to grow 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.



Q2 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 measuring 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	1 Apr-30 Jun 2023	1 Apr-30 Jun 2022	Currency neutral growth	Organic growth	1 Jan-30 Jun 2023	1 Jan-30 Jun 2022	Currency neutral growth	Organic growth	Full year 2022	Jul-Jun 12 months
Nederman Extraction & Filtration Technology	656.8	594.6	5.2%	-11.5%	1,254.2	1,107.3	8.2%	-10.0%	2,238.4	2,385.3
Nederman Process Technology	510.1	460.9	4.8%	4.8%	1,034.0	983.3	-0.6%	-0.6%	1,824.6	1,875.3
Nederman Duct & Filter Technology	193.4	173.5	2.7%	1.7%	386.4	338.7	4.5%	-0.8%	704.4	752.1
Nederman Monitoring & Control Technology	185.7	160.6	12.1%	8.3%	375.9	305.1	18.4%	14.8%	657.4	728.2
Total Nederman group	1,546.0	1,389.6	5.6%	-2.1%	3,050.5	2,734.4	5.8%	-2.6%	5,424.8	5,740.9

Totalsales, SEKm	1 Apr-30 Jun 2023	1 Apr-30 Jun 2022	Currency neutral growth	Organic growth	1 Jan-30 Jun 2023	1 Jan-30 Jun 2022	Currency neutral growth	Organic growth	Full year 2022	Jul-Jun 12 months
Nederman Extraction & Filtration Technology	626.8	474.8	25.8%	2.6%	1,241.2	941.5	26.1%	3.6%	2,165.4	2,465.1
Nederman Process Technology	644.4	383.4	58.5%	58.5%	1,157.2	726.0	49.2%	49.2%	1,721.9	2,153.1
Nederman Duct & Filter Technology	216.2	190.4	4.8%	3.3%	428.2	366.4	7.0%	3.4%	790.8	852.6
Nederman Monitoring & Control Technology	177.4	148.8	14.4%	10.9%	348.3	281.2	18.6%	14.7%	605.9	673.0
Elimination	-33.9	-25.6			-62.0	-49.1			-105.1	-118.0
Total Nederman group	1,630.9	1,171.8	31.7%	21.6%	3,112.9	2,266.0	29.7%	19.3%	5,178.9	6,025.8

Adjusted EBITA, SEKm	1 Apr-30 Jun 2023	1 Apr-30 Jun 2022	1 Jan-30 Jun 2023	1 Jan-30 Jun 2022	Full year 2022	Jul-Jun 12 months
Nederman Extraction & Filtration Technology	84.5	80.4	173.4	161.5	357.3	369.2
Nederman Process Technology	73.9	14.4	116.3	24.9	99.9	191.3
Nederman Duct & Filter Technology	40.9	28.2	82.5	60.4	127.4	149.5
Nederman Monitoring & Control Technology	34.3	26.3	67.2	43.8	96.6	120.0
Other - non-allocated	-38.4	-24.8	-71.5	-50.4	-114.6	-135.7
Total Nederman group	195.2	124.5	367.9	240.2	566.6	694.3

Adjusted EBITA margin	1 Apr-30 Jun 2023	1 Apr-30 Jun 2022	1 Jan-30 Jun 2023	1 Jan-30 Jun 2022	Full year 2022	Jul-Jun 12 months
Nederman Extraction & Filtration Technology	13.5%	16.9%	14.0%	17.2%	16.5%	15.0%
Nederman Process Technology	11.5%	3.8%	10.1%	3.4%	5.8%	8.9%
Nederman Duct & Filter Technology	18.9%	14.8%	19.3%	16.5%	16.1%	17.5%
Nederman Monitoring & Control Technology	19.3%	17.7%	19.3%	15.6%	15.9%	17.8%
Total Nederman group	12.0%	10.6%	11.8%	10.6%	10.9%	11.5%

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.

Brand: Nederman, RoboVent

Nederman Extraction & Filtration Technology

The division delivered a stable performance. Compared with the corresponding quarter of 2022, sales increased currency neutrally by 25.8 percent. Orders received increased currency neutrally by 5.2 percent due to the preceding year's acquisition, but decreased organically by 11.5 percent. The adjusted EBITA margin was 13.5 percent (16.9).

DEVELOPMENT DURING THE QUARTER

The sales increase was driven by, among other things, a solid core business, earlier strong orders received and the contribution from RoboVent, which was acquired in July 2022. Service again displayed a significant increase and EMEA and Americas performed strongest among the regions. Lower organic order growth in the quarter should be viewed against the background that the corresponding quarter in 2022 was the division's strongest ever. Higher volumes and stable project deliveries had a positive impact on profitability and earnings, while profitability was dampened by a higher share of solutions, the addition of RoboVent with its lower margins, and higher inflation resulting in increased costs.

Five major orders were registered during the quarter. Four of these were secured in region Americas, of which three were for wood applications and one for the aerospace industry. The fifth order was secured in China for the manufacture of medical equipment. Orders received continued to increase 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 for a facility for waste recycling in Poland, for battery manufacturing in Spain and for solar panel manufacturing in the US.

In terms of development in the various regions, EMEA recorded a significant sales increase driven by strong product sales, while the absence of large orders for solutions contributed to a decrease in orders received. During the corresponding quarter of 2022, four large orders

were secured in the region. Americas also demonstrated a strong sales trend, driven primarily by RoboVent. The company has been a part of Nederman for nearly a year and is developing according to plan, including a gradual strengthening of profitability in its projects. RoboVent also contributed to an increase in orders received in the region during the quarter, but an organic decline was noted compared with the record quarter in the preceding year. In APAC, sales performed weakly as a result of a previous low level of orders received. However, orders received increased in the second quarter, primarily driven by China. In addition to the large orders in China mentioned previously, a number of medium-sized orders were secured in the region, distributed among several attractive segments and applications. The project to relocate the operations in China has begun and is proceeding to plan.

KEY ACTIVITIES

- The launch of the Fume Eliminator 860, a portable and highly effective solution for the extraction of welding fumes that meets the highest welding standards.
- Launch of the 865 ATEX 3G IIB hose reel in selected markets that meets the customers' needs for effective management of emissions from gas and hybrid operations in public transport.
- Continued roll-out of Nederman SAVE, including at the Ligna woodworking show in Germany.
- A new painting line has been brought into use at the division's plant in Poland.

SEKm	Note	1Apr-30Jun 2023	1Apr-30Jun 2022	Currency neutral growth	Organic growth	1Jan-30Jun 2023	1Jan-30Jun 2022	Currency neutral growth	Organic growth	Full year 2022	Jul-Jun 12 months
External orders received		656.8	594.6	5.2%	-11.5%	1,254.2	1,107.3	8.2%	-10.0%	2,238.4	2,385.3
Totalsales	4	626.8	474.8	25.8%	2.6%	1,241.2	941.5	26.1%	3.6%	2,165.4	2,465.1
Adjusted EBITA		84.5	80.4			173.4	161.5			357.3	369.2
Adjusted EBITA margin		13.5%	16.9%			14.0%	17.2%			16.5%	15.0%



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 is continuing to perform strongly. In the second quarter, sales increased currency neutrally by a full 58.5 percent and orders received increased by 4.8 percent compared with a strong corresponding quarter in 2022. The adjusted EBITA margin increased to 11.5 percent (3.8).

DEVELOPMENT DURING THE QUARTER

Sales growth during the quarter was significant in all segments and in both solutions and service. Lower orders received in the textile segment continued to be offset by strong performance in other segments. Robust sales, strategic business decisions and a high level of manufacturing and delivery efficiency enabled the division to report its most profitable quarter ever. In the long term, the potential remains considerable, with investments in new segments and new markets, for example, expected to generate healthy returns. However, there is concern about a potential slowdown in demand during the second half of 2023 due to a deterioration in the global economy.

The division's sales in the textile segment again increased sharply, driven by a record-high order backlog. At the same time, orders received declined during the quarter, which should be compared with a very strong comparative figure in 2022, but remained in line with the preceding quarter. Continued weak demand in China, the world's largest textile market, gives cause for some concern, while India continues to perform well. There is major interest in the division's solutions, clearly indicated by, for example, the key ITMA trade show in Milan in June. For the textile segment as a whole, the division forecasts sales in 2023 in line with last year, driven by the existing order backlog. The new fan system for textile plants that the division launched during the quarter is expected 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. The division already has a strong presence in EMEA and is now growing in Americas with the same offering. The

presence in Americas was nearly non-existent a few years ago, but if developments continue, it will become the largest region in the segment. Several significant orders were secured during the quarter. Despite short-term uncertainty related to the global economic trend, the division foresees considerable long-term potential within the segment for both metal recycling and for metal foundries in certain sectors.

The segment for customised solutions displayed healthy order growth during the quarter, driven, for example, by strong mining sector in Australia and continued healthy customer activity in Americas and EMEA. In addition, an order was secured in India in the petrochemical industry as a result of the division's globalisation strategy. The 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.

KEY ACTIVITIES

- Launch of CFB, the division's new high-performance and energy saving fan and air filtration system for the textile industry, with a clearly positive response from customers.
- Major interest in the division's digitalisation initiatives at the ITMA textile trade show in Milan in June, which is one of the most important in the industry.
- Investment in new painting line with supplementary equipment at the division's plant in Germany.
- The restructuring programme in China, in collaboration with the Extraction & Filtration Technology division, is under implementation and is expected to generate improvements going forward.

SEKm	Note	1Apr-30Jun 2023	2022	Currency neutral growth	Organic growth	1Jan-30Jun 2023	2022	Currency neutral growth	Organic growth	Full year 2022	Jul-Jun 12 months
External orders received		510.1	460.9	4.8%	4.8%	1,034.0	983.3	-0.6%	-0.6%	1,824.6	1,875.3
Totalsales	4	644.4	383.4	58.5%	58.5%	1,157.2	726.0	49.2%	49.2%	1,721.9	2,153.1
Adjusted EBITA		73.9	14.4			116.3	24.9			99.9	191.3
Adjusted EBITA margin		11.5%	3.8%			10.1%	3.4%			5.8%	8.9%

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 is demonstrating a continued solid trend. Compared with the corresponding quarter of 2022, sales increased currency neutrally by 4.8 percent and orders received increased by 2.7 percent. The adjusted EBITA margin strengthened to 18.9 percent (14.8).

DEVELOPMENT DURING THE QUARTER

Sales and orders received during the quarter were higher compared with the corresponding quarter last year and the immediately preceding quarter. Profitability was positively impacted by higher volumes, more orders with better margins and improved production and inventory processes.

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, several medium-sized and large orders were secured in such growing sectors as aerospace, food, battery manufacturing and recycling.

Sales increased in the US. Larger volumes, combined with improved production performance, underpinned a significant increase in profitability. Occupancy of the new warehouse building in Thomasville has commenced, with preparations now under way for comprehensive automation of the warehouse, which will enable even faster and more accurate deliveries. The 10,000 m² solar panel facility on the roof of the building has been installed and will be fully connected to the electricity grid in August.

In EMEA, a significant decline in orders received was noted, with the exception of the UK, which noted its best-ever quarter. A weak order trend in the EU was primarily due to increased hesitancy related to major investment projects in traditional industries. Some improvement in activity could be noted at the end of the quarter.

In APAC, Thailand displayed improved orders received compared with a weak first quarter, but at a level far below the corresponding quarter in 2022, which contained several significant export orders from Australia. In Australia, orders received halved compared with a very strong first quarter. Profitability continued to be affected by some bottlenecks and integration costs, but this is being addressed.

The division's filter solutions operations under the Menardi brand displayed record-high orders received in the second quarter. The US accounts for the bulk of operations, where many small improvements to sales activities combined to contribute to a strong increase in the number of orders. Operations in Europe mainly comprise an aftersales business that had stable performance.

KEY ACTIVITIES

- Pilot launch of Nordfab Damper Control, which is a simple, effective energy efficiency solution.
- The work to renew and update older manufacturing machinery continued and produced results in the form of less production downtime compared with previous periods.
- As part of the celebrations to mark 50 years for Nordfab and 110 years for Menardi, "The unexpected Superhero" campaign was launched to explain the concept of Fast, Friendly and Reliable.

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External orders received		193.4	173.5	2.7%	1.7%	386.4	338.7	4.5%	-0.8%	704.4	752.1
Totalsales	4	216.2	190.4	4.8%	3.3%	428.2	366.4	7.0%	3.4%	790.8	852.6
Adjusted EBITA		40.9	28.2			82.5	60.4			127.4	149.5
Adjusted EBITA margin		18.9%	14.8%			19.3%	16.5%			16.1%	17.5%

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 displayed continued improvement during the quarter. Compared with the corresponding quarter in 2022, orders received increased currency neutrally by 12.1 percent and sales grew by 14.4 percent. The adjusted EBITA margin strengthened to 19.3 percent (17.7).

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, with Americas and APAC as the strongest regions. Profitability was strengthened, mainly due to higher sales volumes, but also as a result of better functioning component supplies. Increased interest in digitalising processes in various industries, together with a growing order backlog, has provided favourable conditions for continued sales growth in the coming 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 Swiss company MBE, acquired at the end of 2022, contributed to Gasmot's sales growth and to strengthening Gasmot's positive trend from the first quarter. Orders received were healthy in all countries, except for Germany and Finland.

In APAC, the positive trend for both orders received and sales continued. Gasmot displayed a strong quarter with new large orders in several countries in the region, as well as successful deliveries of earlier orders. The division's recovery in the region is proceeding more rapidly than

expected, but it remains uncertain whether this is a long-term trend reversal. NEO Monitors displayed lower sales compared with a strong corresponding quarter in 2022. Plans to streamline the division's distribution and sales organisation in China are proceeding.

Americas noted a strong quarter for both sales and orders received. Neo Monitors more than doubled its sales in the wake of several major project deliveries to the petrochemical industry. Gasmot also performed well, with a large number of orders related to the increased interest in their portable products for various applications. There was a temporary negative impact on Auburn FilterSense's sales due to capacity limitations in conjunction with the implementation of a new ERP system.

KEY ACTIVITIES

- GT6000 Mobilis, Gasmot's unique portable and user-friendly emissions analyser, continues to generate a large amount of interest, with many orders.
- Working capital remains high, which is mainly an effect of inventory being maintained at a high level to ensure deliveries to customers. The division is working to reduce tied-up capital in a controlled manner.

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External orders received		185.7	160.6	12.1%	8.3%	375.9	305.1	18.4%	14.8%	657.4	728.2
Totalsales	4	177.4	148.8	14.4%	10.9%	348.3	281.2	18.6%	14.7%	605.9	673.0
Adjusted EBITA		34.3	26.3			67.2	43.8			96.6	120.0
Adjusted EBITA margin		19.3%	17.7%			19.3%	15.6%			15.9%	17.8%

Quarter 2, 2023

ORDERS RECEIVED AND SALES

Orders received during the quarter amounted to SEK 1,546m (1,390), equivalent to currency neutral growth of 5.6 percent compared with the same period last year.

Sales for the quarter amounted to SEK 1,631m (1,172), equivalent to currency neutral growth of 31.7 percent compared with the same period last year.

CASH FLOW

Cash flow from operating activities amounted to SEK 97.9 (147.6) and cash flow for the period was SEK -112.4 (155.3).

Cash flow for the quarter 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 200m.

Inventory was maintained at good levels, which has been positive for the development of working capital. However, the position for operating receivables and liabilities was less favourable, which negatively impacted cash flow from operating activities. During the quarter, a dividend was paid to shareholders in the amount of SEK 131.6m.

PROFIT/LOSS

Adjusted EBITA amounted to SEK 195.2m (124.5). Adjusted EBITA margin was 12.0 percent (10.6).

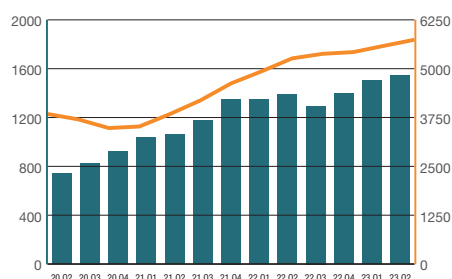
Operating profit amounted to SEK 168.5m (107.2), which yielded an operating margin of 10.3 percent (9.1).

Profit before tax increased to SEK 138.1m (100.4). Net profit was SEK 100.4m (74.7), which yielded earnings per share of SEK 2.86 (2.13).

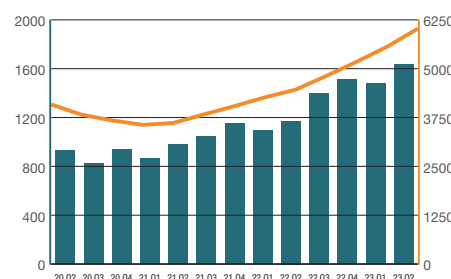
CAPITAL EXPENDITURE

Capital expenditure in intangible and tangible assets amounted to SEK 52.6m (36.6).

Orders received, SEKm

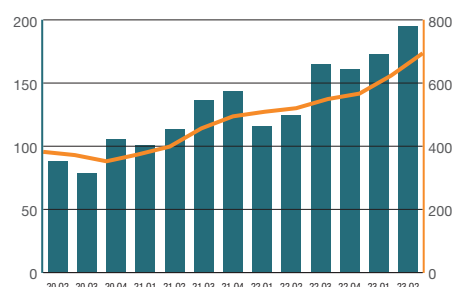


Total sales, SEKm

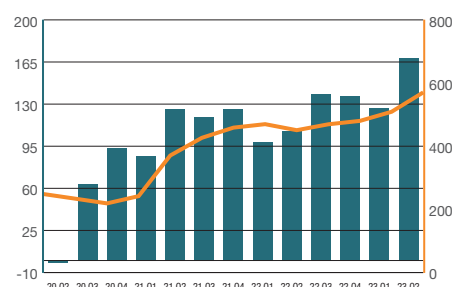


■ Quarter
■ Rolling four quarters

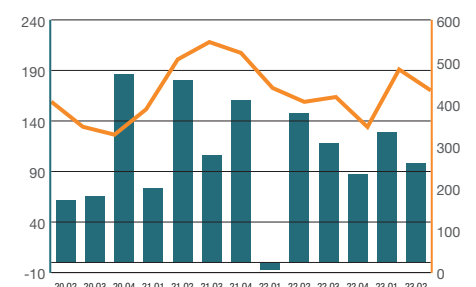
Adjusted EBITA, SEKm



Operating profit, SEKm



Cash flow from operating activities, SEKm



January - June 2023

ORDERS RECEIVED AND SALES

Orders received were SEK 3,051m (2,734), equivalent to currency neutral growth of 5.8 percent compared with the same period last year.

Sales amounted to SEK 3,113m (2,266), equivalent to currency neutral growth of 29.7 percent compared with the same period last year.

PROFIT/LOSS

Adjusted EBITA amounted to SEK 367.9m (240.2). Adjusted EBITA margin was 11.8 percent (10.6).

Operating profit amounted to SEK 295.6m (205.4), which yielded an operating margin of 9.5 percent (9.1).

Profit before tax increased to SEK 242.3m (194.4). Net profit was SEK 178.2m (145.2), which yielded earnings per share of SEK 5.08 (4.14).

CASH FLOW

Cash flow from operating activities amounted to SEK 226.6m (139.7) and cash flow for the period was SEK -94.9m (99.2).

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 200m.

Inventory was maintained at good levels, which has been positive for the development of working capital. Compared with the corresponding period in 2022, investments in fixed assets increased, which is primarily attributable to the expansion of 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 99.8m (66.3), of which capitalised development expenses amounted to SEK 25.6m (24.3).

FINANCIAL POSITION AND FINANCING

At the end of the period, the group had SEK 662.4m in cash and cash equivalents as well as SEK 110.4m in available but unutilised overdraft facilities. In addition, there was a credit facility of SEK 596.1m 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 June 2023 amounted to SEK 2,381.7m (1,894.7). Dividends to shareholders were made in the amount of SEK 3.50 per share, or a total of SEK 131.6, are 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 (35.4) as of 30 June 2023. The net debt/equity ratio was 64.6 percent (59.8).

SHARE-BASED REMUNERATION

The Annual General Meeting on 24 April 2023 resolved on the transfer of 14,436 own shares under the 2021-2022 LTI programme. The transfer was carried out in the second quarter of 2023. The value of shares transferred corresponded to SEK 2.4m, which was reported as share-based remuneration in equity.

NUMBER OF EMPLOYEES

The average number of employees during the period was 2,334 (2,220). The number of employees at the end of the period was 2,454 (2,323).

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 11.7m (15.5) and is related to service revenue from subsidiaries. Net profit for the period amounted to SEK -61.2m (14.5).

Key figures, Group

SEKm	1Apr-30Jun		1Jan-30Jun		Fullyear	Jul-Jun
	2023	2022	2023	2022	2022	12months
Orders received	1,546.0	1,389.6	3,050.5	2,734.4	5,424.8	5,740.9
Net sales	1,630.9	1,171.8	3,112.9	2,266.0	5,178.9	6,025.8
Adjusted EBITA	195.2	124.5	367.9	240.2	566.6	694.3
Adjusted EBITA margin	12.0%	10.6%	11.8%	10.6%	10.9%	11.5%
Adjusted EBITDA	231.7	153.5	441.7	298.0	690.4	834.1
Adjusted EBITDA margin	14.2%	13.1%	14.2%	13.2%	13.3%	13.8%
Operating profit	168.5	107.2	295.6	205.4	480.2	570.4
Operating margin	10.3%	9.1%	9.5%	9.1%	9.3%	9.5%
Adjusted operating profit	168.9	107.3	316.4	205.6	488.6	599.4
Adjusted operating margin	10.4%	9.2%	10.2%	9.1%	9.4%	9.9%
Profit before tax	138.1	100.4	242.3	194.4	438.8	486.7
Net profit	100.4	74.7	178.2	145.2	328.7	361.7
Earnings per share, SEK	2.86	2.13	5.08	4.14	9.37	10.30
Return on equity	17.3%	16.0%	15.6%	16.1%	16.8%	16.9%
Return on operating capital	17.8%	14.4%	16.7%	14.1%	15.2%	17.3%
Net debt					1,477.1	1,539.6
Net debt/equity ratio					67.6%	64.6%
Net debt/Adjusted EBITDA, multiple					2.1	1.8
Interest-coverage ratio, multiple					7.9	5.6

Regions

External orders received, SEKm	1Apr-30Jun		1Jan-30Jun		Fullyear	Jul-Jun
	2023	2022	2023	2022	2022	12months
Americas	649.1	481.8	1,251.1	860.6	1,960.1	2,350.6
EMEA	562.9	638.1	1,180.3	1,330.6	2,477.5	2,327.2
APAC	334.0	269.7	619.1	543.2	987.2	1,063.1
Total Nedermangroup	1,546.0	1,389.6	3,050.5	2,734.4	5,424.8	5,740.9

External netsales, SEKm	1Apr-30Jun		1Jan-30Jun		Fullyear	Jul-Jun
	2023	2022	2023	2022	2022	12months
Americas	651.3	379.5	1,218.7	727.7	1,781.6	2,272.6
EMEA	715.8	541.7	1,394.3	1,078.7	2,315.6	2,631.2
APAC	263.8	250.6	499.9	459.6	1,081.7	1,122.0
Total Nedermangroup	1,630.9	1,171.8	3,112.9	2,266.0	5,178.9	6,025.8



Outlook

Demand and orders received remained good, although organic growth declined somewhat in the second quarter. 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. Nederman's own production and delivery capacity can also be affected in such a scenario. In addition, the continued geopolitical uncertainty is having a negative effect. In terms of our large order backlog and our ability to grow 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.

Other information

ORGANISATIONAL CHANGES

Joakim Ryrstedt, formerly Group CIO, assumed the position of SVP for Nederman Monitoring & Control Technology as of 1 May 2023 and Ketil Gorm Paulsen assumed the position of SVP, Corporate Strategy & Intellectual Property for the Nederman group as of the same date.

Consolidated statement of profit or loss in summary

SEKm	Note	1 Apr-30 Jun		1 Jan-30 Jun		Full year	Jul-Jun
		2023	2022	2023	2022	2022	12 months
Net sales	3.4	1,630.9	1,171.8	3,112.9	2,266.0	5,178.9	6,025.8
Cost of goods sold		-1,057.9	-748.7	-1,999.5	-1,437.7	-3,311.0	-3,872.8
Gross profit		573.0	423.1	1,113.4	828.3	1,867.9	2,153.0
Selling expenses		-267.9	-204.7	-524.8	-401.5	-877.8	-1,001.1
Administrative expenses		-124.0	-99.6	-236.7	-194.2	-429.9	-472.4
Research and development expenses		-14.7	-16.5	-38.6	-35.5	-72.5	-75.6
Restructuring costs		-	-	-20.0	-	-	-20.0
Other operating income/expenses		2.1	4.9	2.3	8.3	-7.5	-13.5
Operating profit		168.5	107.2	295.6	205.4	480.2	570.4
Financial income and expenses	5	-30.4	-6.8	-53.3	-11.0	-41.4	-83.7
Profit before tax		138.1	100.4	242.3	194.4	438.8	486.7
Taxes		-37.7	-25.7	-64.1	-49.2	-110.1	-125.0
Net profit		100.4	74.7	178.2	145.2	328.7	361.7
Net profit attributable to:							
The parent company's shareholders		100.4	74.7	178.2	145.2	328.7	361.7
Earnings per share (SEK)							
Before dilution		2.86	2.13	5.08	4.14	9.37	10.30
After dilution		2.86	2.13	5.08	4.14	9.37	10.30

Consolidated statement of other comprehensive income in summary

SEKm	1 Apr-30 Jun		1 Jan-30 Jun		Full year	Jul-Jun
	2023	2022	2023	2022	2022	12 months
Net profit	100.4	74.7	178.2	145.2	328.7	361.7
Other comprehensive income						
Items that cannot be reclassified to net profit						
Revaluation of defined-benefit pension plans	-	-	-	-	35.3	35.3
Tax attributable to revaluation of defined-benefit pension plans	-	-	-	-	-8.0	-8.0
	-	-	-	-	27.3	27.3
Items that have been or can be reclassified to net profit						
Exchange differences arising on translation of foreign operations	157.3	103.4	146.2	154.9	235.9	227.2
	157.3	103.4	146.2	154.9	235.9	227.2
Other comprehensive income for the period, net of tax	157.3	103.4	146.2	154.9	263.2	254.5
Total comprehensive income for the period	257.7	178.1	324.4	300.1	591.9	616.2
Total comprehensive income attributable to:						
The parent company's shareholders	257.7	178.1	324.4	300.1	591.9	616.2

Consolidated statement of financial position in summary

SEKm	Note	30 June 2023	30 June 2022	31 Dec 2022
Assets				
Goodwill		2,092.8	1,691.6	2,027.5
Other intangible assets		657.8	484.3	646.8
Tangible assets		431.0	348.9	390.1
Right-of-use assets		214.1	182.7	186.2
Long-term receivables		4.9	6.9	4.2
Deferred tax assets		131.3	69.4	104.0
Total fixed assets		3,531.9	2,783.8	3,358.8
Inventories		961.6	808.8	890.8
Accounts receivable	6	852.2	664.6	814.8
Other current receivables	6	515.2	420.4	434.5
Cash and cash equivalents	6	662.4	674.7	721.2
Total current assets		2,991.4	2,568.5	2,861.3
Total assets		6,523.3	5,352.3	6,220.1
Equity				
Equity		2,381.7	1,894.7	2,186.5
Liabilities				
Long-term interest-bearing liabilities	6	1,897.3	1,510.0	1,931.9
Long-term lease liabilities	6	137.9	122.5	122.0
Other long-term liabilities	6	29.5	14.3	28.0
Pension liabilities		70.5	104.1	70.5
Other provisions		29.7	20.0	28.3
Deferred tax liabilities		119.9	74.2	119.0
Total long-term liabilities		2,284.8	1,845.1	2,299.7
Current interest-bearing liabilities	6	10.5	-	-
Current lease liabilities	6	85.8	70.4	73.9
Accounts payable	6	520.4	433.4	498.2
Other current liabilities	6	1,168.2	1,064.1	1,118.7
Provisions		71.9	44.6	43.1
Total current liabilities		1,856.8	1,612.5	1,733.9
Total liabilities		4,141.6	3,457.6	4,033.6
Total equity and liabilities		6,523.3	5,352.3	6,220.1

Consolidated statement of changes in equity in summary

SEKm	30 June 2023	30 June 2022	31 Dec 2022
Opening balance at beginning of period	2,186.5	1,717.4	1,717.4
Net profit	178.2	145.2	328.7
Other comprehensive income			
Change in translation reserve for the period	146.2	154.9	235.9
Revaluation of defined-benefit pension plans, net of tax	-	-	27.3
Total other comprehensive income for the period	146.2	154.9	263.2
Total comprehensive income for the period	324.4	300.1	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	2,381.7	1,894.7	2,186.5

Consolidated statement of cash flows in summary

SEKm	Note	1 Apr-30 Jun		1 Jan-30 Jun		Full year	Jul-Jun
		2023	2022	2023	2022	2022	12 months
Operating profit		168.5	107.2	295.6	205.4	480.2	570.4
Adjustment for:							
Depreciation, amortisation and write-down of fixed assets		63.2	46.2	125.7	92.4	201.8	235.1
Other adjustments for non-cash items		10.3	-0.2	28.7	0.5	0.7	28.9
Interest received and paid including other financial items		-17.4	-9.8	-29.3	-23.8	-53.1	-58.6
Taxes paid		-52.7	-32.6	-95.7	-80.5	-134.9	-150.1
Cash flow from operating activities before changes in working capital		171.9	110.8	325.0	194.0	494.7	625.7
Cash flow from changes in working capital		-74.0	36.8	-98.4	-54.3	-149.0	-193.1
Cash flow from operating activities		97.9	147.6	226.6	139.7	345.7	432.6
Net investment in fixed assets		-52.0	-37.5	-99.3	-66.9	-170.0	-202.4
Acquisitions	2	-3.2	-13.2	-3.2	-13.2	-445.3	-435.3
Cash flow from investing activities		-55.2	-50.7	-102.5	-80.1	-615.3	-637.7
Dividend paid		-131.6	-122.8	-131.6	-122.8	-122.8	-131.6
Cash flow from other financing activities		-23.5	181.2	-87.4	162.4	525.5	275.7
Cash flow from financing activities		-155.1	58.4	-219.0	39.6	402.7	144.1
Cash flow for the period		-112.4	155.3	-94.9	99.2	133.1	-61.0
Cash and cash equivalents at beginning of period		740.8	494.1	721.2	541.6	541.6	674.7
Translation differences		34.0	25.3	36.1	33.9	46.5	48.7
Cash and cash equivalents at end of period		662.4	674.7	662.4	674.7	721.2	662.4

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

NORDFAB PTY LTD

On 28 April 2022, Nederman acquired the business of the Australian company Ezi-Duct Pty Ltd. In conjunction with the acquisition, the company Nordfab Pty Ltd was formed. The acquisition price amounted to SEK 18.0m, of which SEK 4.8m constituted a conditional payment. The deferred payment was related to the valuation of inventory and tangible fixed assets. In April 2023, the valuation was completed, resulting in an increase in the fair value of inventory of SEK 7.6m and a decrease in tangible fixed assets of SEK 5.1m. Upon final calculation of the fair value of identified acquired assets and liabilities, pension-related liabilities also increased by SEK 0.9m. Accordingly, the fair value of acquired net assets was adjusted by SEK 1.6m, thus amounting to SEK 16.1m. The adjustment has meant that the value of goodwill has decreased by the corresponding amount. In April 2023, the contingent deferred payment was also paid, which totalled SEK 3.2m. The acquisition analysis is final.

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	1 Apr-30 Jun		1 Jan-30 Jun		Full year	Jul-Jun
	2023	2022	2023	2022	2022	12 months
Nederman Extraction & Filtration Technology	656.8	594.6	1,254.2	1,107.3	2,238.4	2,385.3
Nederman Process Technology	510.1	460.9	1,034.0	983.3	1,824.6	1,875.3
Nederman Duct & Filter Technology	193.4	173.5	386.4	338.7	704.4	752.1
Nederman Monitoring & Control Technology	185.7	160.6	375.9	305.1	657.4	728.2
Total Nederman group	1,546.0	1,389.6	3,050.5	2,734.4	5,424.8	5,740.9

Total sales, SEKm	1 Apr-30 Jun		1 Jan-30 Jun		Full year	Jul-Jun
	2023	2022	2023	2022	2022	12 months
Nederman Extraction & Filtration Technology	626.8	474.8	1,241.2	941.5	2,165.4	2,465.1
Nederman Process Technology	644.4	383.4	1,157.2	726.0	1,721.9	2,153.1
Nederman Duct & Filter Technology	216.2	190.4	428.2	366.4	790.8	852.6
Nederman Monitoring & Control Technology	177.4	148.8	348.3	281.2	605.9	673.0
Elimination	-33.9	-25.6	-62.0	-49.1	-105.1	-118.0
Total Nederman group	1,630.9	1,171.8	3,112.9	2,266.0	5,178.9	6,025.8

Adjusted EBITA, SEKm	1 Apr-30 Jun		1 Jan-30 Jun		Full year	Jul-Jun
	2023	2022	2023	2022	2022	12 months
Nederman Extraction & Filtration Technology	84.5	80.4	173.4	161.5	357.3	369.2
Nederman Process Technology	73.9	14.4	116.3	24.9	99.9	191.3
Nederman Duct & Filter Technology	40.9	28.2	82.5	60.4	127.4	149.5
Nederman Monitoring & Control Technology	34.3	26.3	67.2	43.8	96.6	120.0
Other - non-allocated	-38.4	-24.8	-71.5	-50.4	-114.6	-135.7
Total Nederman group	195.2	124.5	367.9	240.2	566.6	694.3

Adjusted EBITA margin	1 Apr-30 Jun		1 Jan-30 Jun		Full year	Jul-Jun
	2023	2022	2023	2022	2022	12 months
Nederman Extraction & Filtration Technology	13.5%	16.9%	14.0%	17.2%	16.5%	15.0%
Nederman Process Technology	11.5%	3.8%	10.1%	3.4%	5.8%	8.9%
Nederman Duct & Filter Technology	18.9%	14.8%	19.3%	16.5%	16.1%	17.5%
Nederman Monitoring & Control Technology	19.3%	17.7%	19.3%	15.6%	15.9%	17.8%
Total Nederman group	12.0%	10.6%	11.8%	10.6%	10.9%	11.5%

Note 4: Revenue from customer contracts

1 Apr-30 Jun 2023

Total sales by segment and sales type, SEKm	Productsales	Solutionsales	Service and aftermarket	Total
Nederman Extraction & Filtration Technology	198.8	297.4	130.6	626.8
Nederman Process Technology	-	500.0	144.4	644.4
Nederman Duct & Filter Technology	193.7	19.1	3.4	216.2
Nederman Monitoring & Control Technology	133.6	12.8	31.0	177.4
Elimination	-10.6	-17.3	-6.0	-33.9
Total Nederman group	515.5	812.0	303.4	1,630.9

1 Apr-30 Jun 2022

Total sales by segment and sales type, SEKm	Productsales	Solutionsales	Service and aftermarket	Total
Nederman Extraction & Filtration Technology	196.8	187.5	90.5	474.8
Nederman Process Technology	-	281.9	101.5	383.4
Nederman Duct & Filter Technology	176.0	11.3	3.1	190.4
Nederman Monitoring & Control Technology	127.3	2.0	19.5	148.8
Elimination	-9.0	-12.3	-4.3	-25.6
Total Nederman group	491.1	470.4	210.3	1,171.8

1 Jan-30 Jun 2023

Total sales by segment and sales type, SEKm	Productsales	Solutionsales	Service and aftermarket	Total
Nederman Extraction & Filtration Technology	424.9	560.9	255.4	1,241.2
Nederman Process Technology	-	892.9	264.3	1,157.2
Nederman Duct & Filter Technology	383.6	34.8	9.8	428.2
Nederman Monitoring & Control Technology	273.6	18.4	56.3	348.3
Elimination	-19.6	-31.0	-11.4	-62.0
Total Nederman group	1,062.5	1,476.0	574.4	3,112.9

1 Jan-30 Jun 2022

Total sales by segment and sales type, SEKm	Productsales	Solutionsales	Service and aftermarket	Total
Nederman Extraction & Filtration Technology	398.6	367.4	175.5	941.5
Nederman Process Technology	-	523.7	202.3	726.0
Nederman Duct & Filter Technology	340.2	19.8	6.4	366.4
Nederman Monitoring & Control Technology	239.5	5.9	35.8	281.2
Elimination	-19.0	-21.1	-9.0	-49.1
Total Nederman group	959.3	895.7	411.0	2,266.0

Full year 2022

Total sales by segment and sales type, SEKm	Productsales	Solutionsales	Service and aftermarket	Total
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
Total Nederman group	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 19.8 percent during the year. At the balance sheet date, the SEK-TRY exchange rate was 0.42.

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

30 June 2023

SEKm	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	-	-	852.2	852.2
Other current receivables	-	-	277.9	277.9
Cash and cash equivalents	-	-	662.4	662.4
Total	-	-	1,792.5	1,792.5
Bank loans	-	-	1,907.8	1,907.8
Other long-term liabilities	4.8	-	24.7	29.5
Lease liabilities	-	-	223.7	223.7
Accounts payable	-	-	520.4	520.4
Other current liabilities	20.6	-	992.3	1,012.9
Total	25.4	-	3,668.9	3,694.3

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 24 for definitions.

SEKm	1 Apr-30 Jun		1 Jan-30 Jun		Full year	Jul-Jun
	2023	2022	2023	2022	2022	12 months
Operating profit	168.5	107.2	295.6	205.4	480.2	570.4
Acquisition cost	0.4	0.1	0.8	0.2	8.4	9.0
Restructuring costs	-	-	20.0	-	-	20.0
Adjusted operating profit	168.9	107.3	316.4	205.6	488.6	599.4
Adjusted operating profit	168.9	107.3	316.4	205.6	488.6	599.4
Net sales	1,630.9	1,171.8	3,112.9	2,266.0	5,178.9	6,025.8
Adjusted operating margin	10.4%	9.2%	10.2%	9.1%	9.4%	9.9%
Operating profit	168.5	107.2	295.6	205.4	480.2	570.4
Amortisation of intangible assets	26.3	17.2	51.5	34.6	78.0	94.9
Acquisition cost	0.4	0.1	0.8	0.2	8.4	9.0
Restructuring costs	-	-	20.0	-	-	20.0
Adjusted EBITA	195.2	124.5	367.9	240.2	566.6	694.3
Adjusted EBITA	195.2	124.5	367.9	240.2	566.6	694.3
Net sales	1,630.9	1,171.8	3,112.9	2,266.0	5,178.9	6,025.8
Adjusted EBITA margin	12.0%	10.6%	11.8%	10.6%	10.9%	11.5%
Operating profit	168.5	107.2	295.6	205.4	480.2	570.4
Depreciation and amortisation	62.8	46.2	125.3	92.4	201.8	234.7
EBITDA	231.3	153.4	420.9	297.8	682.0	805.1
EBITDA	231.3	153.4	420.9	297.8	682.0	805.1
Acquisition cost	0.4	0.1	0.8	0.2	8.4	9.0
Restructuring costs	-	-	20.0	-	-	20.0
Adjusted EBITDA	231.7	153.5	441.7	298.0	690.4	834.1
Adjusted EBITDA	231.7	153.5	441.7	298.0	690.4	834.1
Net sales	1,630.9	1,171.8	3,112.9	2,266.0	5,178.9	6,025.8
Adjusted EBITDA margin	14.2%	13.1%	14.2%	13.2%	13.3%	13.8%
Equity - closing balance					2,186.5	2,381.7
Total assets (balance sheet total)					6,220.1	6,523.3
Equity/asset ratio					35.2%	36.5%
Cash and cash equivalents					721.2	662.4
Long-term interest-bearing liabilities					1,931.9	1,897.3
Long-term lease liabilities					122.0	137.9
Pension liabilities					70.5	70.5
Current interest-bearing liabilities					-	10.5
Current lease liabilities					73.9	85.8
Net debt					1,477.1	1,539.6
Net debt					1,477.1	1,539.6
Equity - closing balance					2,186.5	2,381.7
Net debt/equity ratio					67.6%	64.6%
Equity - opening balance	2,253.2	1,839.4	2,186.5	1,717.4	1,717.4	1,894.7
Equity - closing balance	2,381.7	1,894.7	2,381.7	1,894.7	2,186.5	2,381.7
Equity - average	2,317.5	1,867.1	2,284.1	1,806.1	1,952.0	2,138.2
Net profit	100.4	74.7	178.2	145.2	328.7	361.7
Return on equity	17.3%	16.0%	15.6%	16.1%	16.8%	16.9%

Note 8: Alternative performance measures, cont'd

SEKm	1Apr-30Jun		1Jan-30Jun		Fullyear 2022	Jul-Jun 12 months
	2023	2022	2023	2022		
Equity - average	2,317.5	1,867.1	2,284.1	1,806.1	1,952.0	2,138.2
Net debt - opening balance	1,408.3	1,105.9	1,477.1	1,067.8	1,067.8	1,132.3
Net debt - closing balance	1,539.6	1,132.3	1,539.6	1,132.3	1,477.1	1,539.6
Net debt - average	1,473.9	1,119.1	1,508.3	1,100.1	1,272.5	1,336.0
Operating capital - average	3,791.4	2,986.2	3,792.5	2,906.2	3,224.5	3,474.2
Adjusted operating profit	168.9	107.3	316.4	205.6	488.6	599.4
Return on operating capital	17.8%	14.4%	16.7%	14.1%	15.2%	17.3%
Net debt					1,477.1	1,539.6
Adjusted EBITDA					690.4	834.1
Net debt/Adjusted EBITDA, multiple					2.1	1.8
Profit before tax					438.8	486.7
Financial expense					64.4	111.0
Acquisition cost					8.4	9.0
Restructuring costs					-	20.0
EBT excluding financial expenses, acquisition costs and restructuring costs					511.6	626.7
Financial expense					64.4	111.0
Interest-coverage ratio, multiple					7.9	5.6
Orders received, same period in previous year	1,389.6	1,057.9	2,734.4	2,093.1	4,622.9	
Change in orders received, organic	-29.9	229.4	-73.9	463.3	218.2	
Change in orders received, currency effects	79.0	86.1	159.3	159.6	382.9	
Change in orders received, acquisitions	107.3	16.2	230.7	18.4	200.8	
Orders received	1,546.0	1,389.6	3,050.5	2,734.4	5,424.8	
Order growth, organic	-2.1%	21.7%	-2.6%	22.1%	4.8%	
Order growth, currency effects	5.7%	8.2%	5.8%	7.6%	8.2%	
Order growth, acquisitions	7.7%	1.5%	8.4%	0.9%	4.3%	
Order growth	11.3%	31.4%	11.6%	30.6%	17.3%	
Net sales, comparative period previous year	1,171.8	976.8	2,266.0	1,844.8	4,041.8	
Change in net sales, organic	253.0	108.8	437.1	268.5	555.0	
Change in net sales, currency effects	87.8	79.1	173.5	144.4	388.2	
Change in net sales, acquisitions	118.3	7.1	236.3	8.3	193.9	
Netsales	1,630.9	1,171.8	3,112.9	2,266.0	5,178.9	
Sales growth, organic	21.6%	11.2%	19.3%	14.6%	13.7%	
Sales growth, currency effects	7.5%	8.0%	7.7%	7.8%	9.6%	
Sales growth, acquisitions	10.1%	0.7%	10.4%	0.4%	4.8%	
Sales growth	39.2%	20.0%	37.4%	22.8%	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	1 Apr-30 Jun		1 Jan-30 Jun		Full year	Jul-Jun
	2023	2022	2023	2022	2022	12 months
Net sales	6.3	7.8	11.7	15.5	19.4	15.6
Administrative expenses	-46.9	-38.7	-90.6	-74.9	-162.3	-178.0
Research and development expenses	3.0	-	-0.0	-	-0.1	-0.1
Other operating revenue and expenses	0.1	2.1	-0.4	2.3	3.9	1.2
Operating profit/loss	-37.5	-28.8	-79.3	-57.1	-139.1	-161.3
Result from investment in subsidiaries	37.5	81.2	37.5	81.2	129.3	85.6
Other financial items	-24.8	-5.8	-24.5	-5.5	-10.9	-29.9
Profit/loss after financial items	-24.8	46.6	-66.3	18.6	-20.7	-105.6
Appropriations	-	-	-	-	131.1	131.1
Profit/loss before tax	-24.8	46.6	-66.3	18.6	110.4	25.5
Taxes	1.6	-3.8	5.1	-4.1	-0.6	8.6
Net profit/loss	-23.2	42.8	-61.2	14.5	109.8	34.1

Other comprehensive income for the parent company in summary

SEKm	1 Apr-30 Jun		1 Jan-30 Jun		Full year	Jul-Jun
	2023	2022	2023	2022	2022	12 months
Net profit	-23.2	42.8	-61.2	14.5	109.8	34.1
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-23.2	42.8	-61.2	14.5	109.8	34.1

Balance sheet for the parent company in summary

SEKm	30 June 2023	30 June 2022	31 Dec 2022
Assets			
Total fixed assets	2,351.0	2,322.3	2,326.6
Total current assets	92.0	121.6	240.1
Total assets	2,443.0	2,443.9	2,566.7
Equity	832.4	927.5	1,022.8
Liabilities			
Total long-term liabilities	1,106.4	1,114.0	1,104.5
Total current liabilities	504.2	402.4	439.4
Total liabilities	1,610.6	1,516.4	1,543.9
Total equity and liabilities	2,443.0	2,443.9	2,566.7

Changes in parent company shareholders' equity in summary

SEKm	30 June 2023	30 June 2022	31 Dec 2022
Opening balance at beginning of period	1,022.8	1,035.8	1,035.8
Net profit/loss	-61.2	14.5	109.8
Other comprehensive income			
Total other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-61.2	14.5	109.8
Transactions with owners			
Dividend paid	-131.6	-122.8	-122.8
Share-based remuneration	2.4	-	-
Closing balance at end of period	832.4	927.5	1,022.8

Note 1: Contingent liabilities for the parent company

SEKm	30 June 2023	30 June 2022	31 Dec 2022
Contingent liabilities	102.7	119.2	102.8

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, 14 July 2023

Johan Menckel
Chairman

Anders Borg
Board member

Gunilla Fransson
Board member

Ylva op den Velde Hammargren
Board member

Sam Strömerstén
Board member

Sven Kristensson
Board member and
CEO

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, today, Friday 14 July 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.
<https://conference.financialhearings.com/teleconference/?id=200833>

Webcast

If you wish to participate via webcast please use the link below.
<https://ir.financialhearings.com/nederman-holding-q2-2023>

FINANCIAL CALENDAR

- Interim report 3 23 October 2023
- Year-end report 15 February 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 14 July 2023.

AUDITOR'S REVIEW

The report has not been reviewed by the company's auditor.

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.