

Interim report January - June 2025

Continued good orders received

Quarter 2, 2025

- Orders received amounted to SEK 1,425m (1,415), equivalent to currency neutral growth of 8.4 percent compared with the same period last year.
- Net sales amounted to SEK 1,439m (1,467), equivalent to currency neutral growth of 5.3 percent compared with the same period last year.
- Adjusted EBITA was SEK 158.6m (187.7), giving an adjusted EBITA margin of 11.0 percent (12.8).
- Operating profit amounted to SEK 127.0m (159.6), corresponding to an operating margin of 8.8 percent (10.9).
- Adjusted operating profit amounted to SEK 130.6m (159.6), corresponding to an adjusted operating margin of 9.1 percent (10.9).
- Net profit was SEK 69.4m (97.2).
- Earnings per share were SEK 1.97 (2.77).
- Cash flow from operating activities amounted to SEK 59.1m (74.5).

January – June 2025

- Orders received amounted to SEK 2,925m (2,934), equivalent to currency neutral growth of 3.1 percent compared with the same period last year.
- Net sales amounted to SEK 2,845m (2,864), equivalent to currency neutral growth of 2.7 percent compared with the same period last year.
- Adjusted EBITA was SEK 301.1m (361.7), giving an adjusted EBITA margin of 10.6 percent (12.6).
- Operating profit amounted to SEK 236.2m (306.2), corresponding to an operating margin of 8.3 percent (10.7).
- Adjusted operating profit amounted to SEK 243.8m (306.2), corresponding to an adjusted operating margin of 8.6 percent (10.7).
- Net profit was SEK 128.6m (187.4).
- Earnings per share were SEK 3.66 (5.34).
- Cash flow from operating activities amounted to SEK 74.4m (169.6).

CEO's comments

"Growth and strengthened market leadership

In an uncertain world, we continue to advance our positions. Through focused investment in innovation and operational efficiency, we are strengthening our position as the leading player in industrial air filtration. During the second quarter, we recorded currency neutral growth in orders received and sales, with particularly strong development in our largest division, Extraction & Filtration Technology.

For the second quarter of the year, I can again conclude that there is reason to be satisfied with orders received, given the current uncertain market climate. While tariffs and other geopolitical factors continue to inhibit customers' decisions on large investments, we are seeing a strong trend in our base business, with many small and medium-sized orders being placed. Orders received for the quarter increased currency neutrally by 8.4 percent to SEK 1,425m (1,415), driven by our two largest divisions, while sales increased currency neutrally by 5.3 percent to SEK 1,439m (1,467). Acquisitions – most recently of the Spanish company Euro-Equip in March – contributed to this development. The gross margin remained at a high level, 40.2 percent (40.3), an effect of a higher service share and good capacity utilisation, among other factors, while the adjusted EBITA margin was 11.0 percent (12.8). This figure includes a negative earnings effect of SEK 18m attributable to currency, primarily a significantly weaker USD compared with the corresponding quarter in 2024.

We see a clear impact from outside factors on our development in the quarter, driven by tariff discussions as well as value change in the USD against most currencies. Managing tariffs and other trade barriers is part of a long-term strategy for a global business such as ours. As part of this, we have built up a presence with our own production in our most important sales markets. In the US, we have implemented comprehensive measures in recent years in the form of investments in production and logistics, as well as strategic acquisitions. This has given us security and stability in the current turbulent environment. At the same time, we are aware that the genuine uncertainty in the market is affecting demand in various customer industries, and several of our divisions have felt the effects of this. In addition, the exports previously conducted of our own products manufactured in the US to Canada and China, for example, have come to a halt. Naturally, we will monitor the situation closely and are prepared to take various forms of action, while continuing to invest in the long term in our production, logistics and product development.

As technology and market leader, we always have a particular focus on investments in innovation and product development, a core part of our Clean Air Journey. We can see that earlier investments have strengthened our market share and enhanced our customers' competitiveness. The products and solutions we launch not only clean the air in industries throughout the world, but also contribute to increased safety, higher operational efficiency and lower energy consumption. During the quarter, we launched Fume Eliminator GoMax, a highly efficient mobile welding fume extractor that sets a new standard for both manual and robotic welding. The launch occurred in conjunction with the annual Partner Royale event, which was held this year at our new facility in Helsingborg. 90 of our global distributors gained a deeper insight into the significance that our new innovation centre will have for future industrial air filtration solutions. We have also entered into a unique collaboration with the Swedish Design Association (Svensk Form), with the launch of a scholarship for industrial design. I regard technical excellence as being closely intertwined with good design.

MIXED PERFORMANCE IN OUR DIVISIONS

Extraction & Filtration Technology noted a new record quarter for orders received and captured market shares in Americas and EMEA, supported by new, innovative and energy-efficient products. Process Technology reversed the trend to positive order and sales growth, driven by acquisitions, orders in new segments and a strong service business. Duct & Filter Technology's performance was slowed in the short term by the growing uncertainty in the market, but profitability remained at a high level. Monitoring & Control Technology continued to strengthen its position in key segments in the face of a generally weaker market, with full focus on upgrading its offering and its production.

CONTINUED SHORT-TERM UNCERTAINTY

Although development in our divisions is positive, there is still a risk that customers may hold off on making larger investments in the current uncertain macro environment. Furthermore, there are growing concerns about geopolitical and trade policies that could lead to increased protectionism in the long term. Nederman stands strong, however, not least in terms of a healthy order backlog, investments in product development and the ability to expand its presence in structurally growing industries. In addition, the current situation gives us a greater opportunity to strengthen our market share. Despite uncertainty about developments in the coming quarters, we are convinced of continued favourable long-term prospects for our industry and for us as market leader.

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About Nederman

Nederman is an environmental technology company and a global leader in industrial air filtration dedicated to extracting, transporting and cleaning air to make industrial production more efficient, safe and sustainable. Based on industry leading products, solutions and services in combination with innovative IoT technology, we monitor and optimise performance and validate emissions compliance to protect people, planet and production.

The Nederman Group is listed on Nasdaq Stockholm. The Group has approximately 2,500 employees and a presence in more than 50 countries. Learn more at nedermangroup.com

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