



Annual General Meeting 2023

23 March 2023

NILFISK

Nilfisk Annual General Meeting 2023

Agenda

- 1** Report by the Board of Directors on the Company's activities in 2022
- 2** **Presentation of the audited Annual Report**, containing the annual and consolidated accounts, the statements of the Management and Board of Directors, the auditor's report, and reviews for the year
- 3** Adoption of the audited Annual Report
- 4** Proposal by the Board of Directors for the distribution of profits
- 5** Resolution regarding discharge of Management and Board of Directors from their liabilities
- 6** Adoption of the Remuneration Report
- 7** Remuneration of the Board of Directors
- 8** Election of Board members
- 9** Election of one or more public accountants
- 10** Proposals from the Board of Directors and the shareholders
- 11** Any other business

Agenda item 1

- 1** Report by the Board of Directors on the Company's activities in 2021
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 - a) The Board of Directors proposes that the general meeting approves an updated remuneration policy
 - b) The Board of Directors proposes to amend and extend the current authorization to issue new shares (with and without pre-emptive right for the existing shareholders) in Article 3 of the Articles of Association
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The work of the Board of Directors

Meetings in 2022

Board and committee	Members	Number of meetings
Board of Directors	Peter Nilsson (Chair), René Svendsen-Tune (Deputy Chair), Jutta af Rosenberg, Richard Bisson, Are Dragesund, Franck Falezan, Thomas Lau Schleicher, Gerner Raj Andersen, Claus Dalmoose, Nadia Roya Damiri, Marcus Faber Kappendrup	9
Audit Committee	Jutta af Rosenberg (Chair), Are Dragesund	5
Remuneration Committee	Peter Nilsson (Chair), Thomas Lau Schleicher	4
Nomination Committee	René Svendsen-Tune (Chair), Peter Nilsson, Franck Falezan	4

Board of Directors

Proposed re-elected



Peter Nilsson



René Svendsen-Tune



Jutta af Rosenberg



Are Dragesund



Franck Falezan

Not up for re-election



Richard Bisson



Thomas Lau Schleicher

Proposed elected



Ole Kristian Jödahl



Bengt Thorsson



Viveka Ekberg

Elected by the employees



Gerner Raj Andersen



Claus Dalmose



Nadia Roy Damiri



Marcus Faber Kappendrup



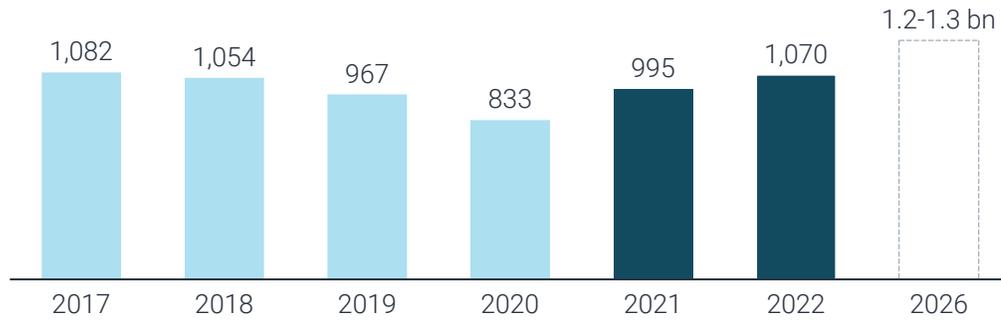
Resilient strategy execution fostering revenue growth in 2022

Nilfisk starting over with Business Plan 2026 (BP26)

Focus on long-term sustainable growth and value creation

Revenue

mEUR

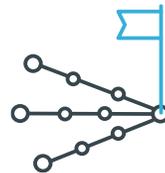
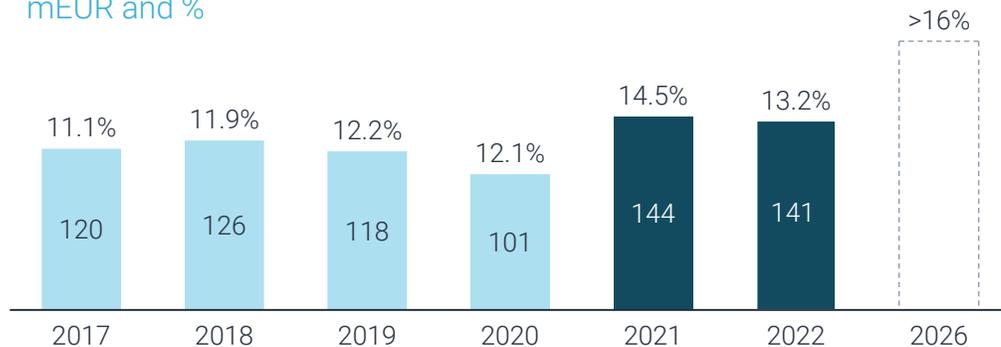


Achievements so far

- ✓ 2021 Strategy review & creation of BP26
- ✓ 2021 20.7% organic revenue growth
- ✓ 2022 4.9% organic revenue growth
- Higher sustainability scores

EBITDA bsi and EBITDA margin bsi

mEUR and %



Key actions

- ✓ New management team
- ✓ New Ways of Working (execution model)
- ✓ Inflation mitigating pricing
- ✓ Launch of Service-as-a-Business model

Q4: 12.1% ▶ 14.6%

Business Plan 2026 is focused on long-term sustainable growth

Business Plan 2026 roll-out mobilizing the organization and building value creating growth platforms



Business Plan 2026 helped weather challenges of the Year 2022

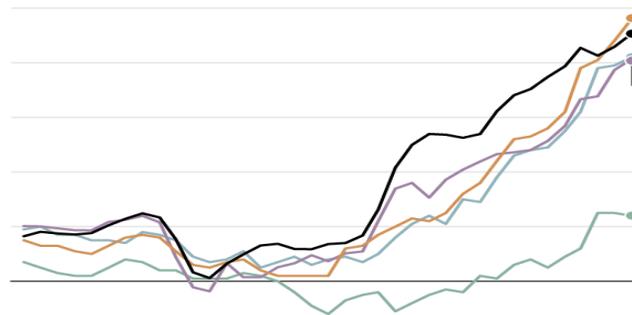
Business Plan 2026 provided guiding principles

Nilfisk leaving Russia

- Business suspended in March 2022 following Russian invasion on February 24, 2022
- Revenue loss of 10 mEUR after market exit
- 2022 revenue of 2.6 mEUR
- Significant liquidation costs

Unprecedented levels of inflation

- Rising energy costs
- High freight rates
- Cost inflation across most material categories



US Distribution Center destroyed

- Tornado destroying USDC on March 30, 2022
- No personnel injured
- Resumed operations in nearby building in April
- Impact on US growth



FY 2022 second consecutive year of substantial revenue growth

- Resilient strategy execution fostering revenue growth
- Organic revenue growth and an EBITDA margin bsi in line with the updated outlook provided on October 26, 2022

1,069.5 mEUR
Revenue

7.5%
Revenue growth

140.8 mEUR
EBITDA (bsi)

13.2%
EBITDA margin (bsi)

Branded professional

6.7%
Europe

12.5%
Americas

4.6%
APAC

Segments

8.6%
Branded professional

-15.2%
Consumer

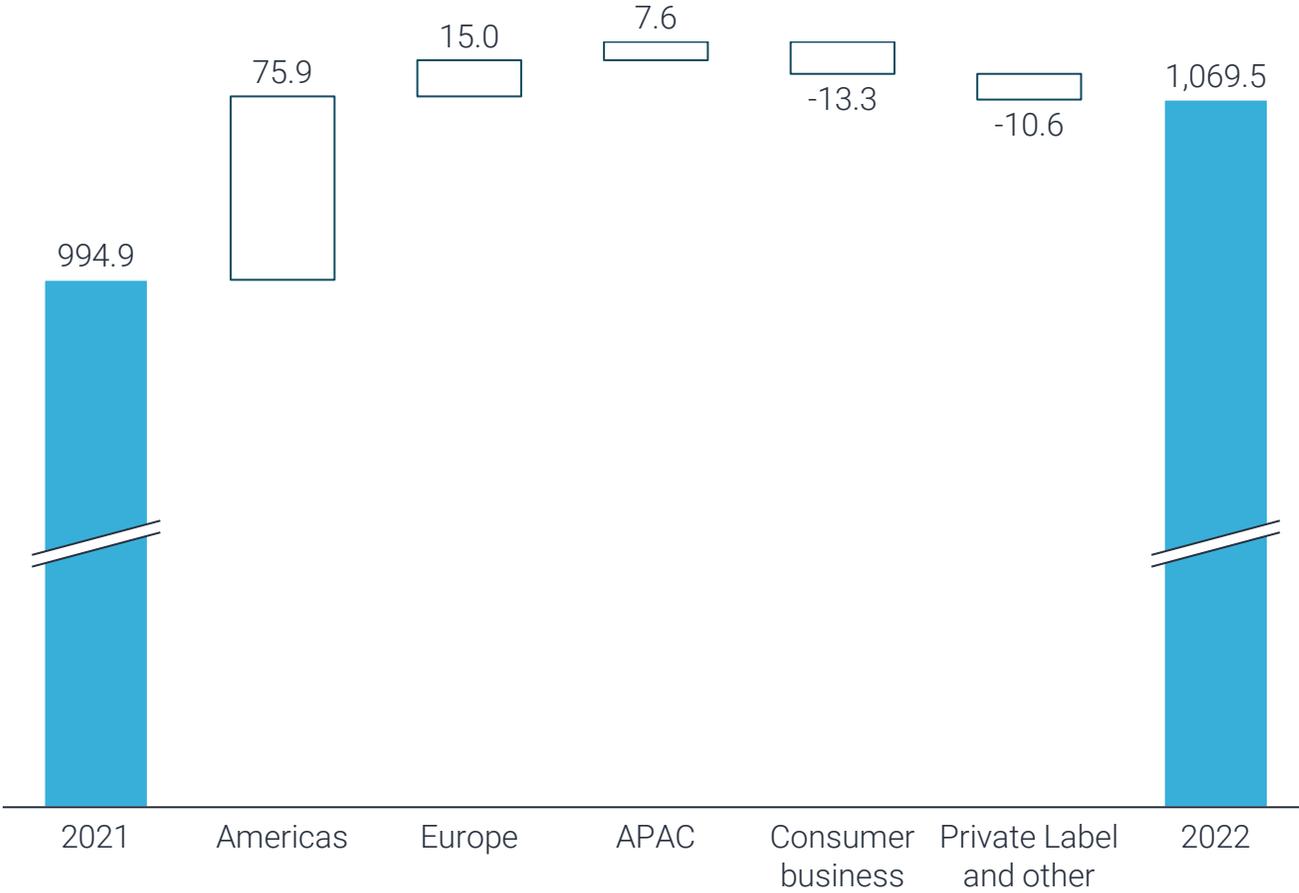
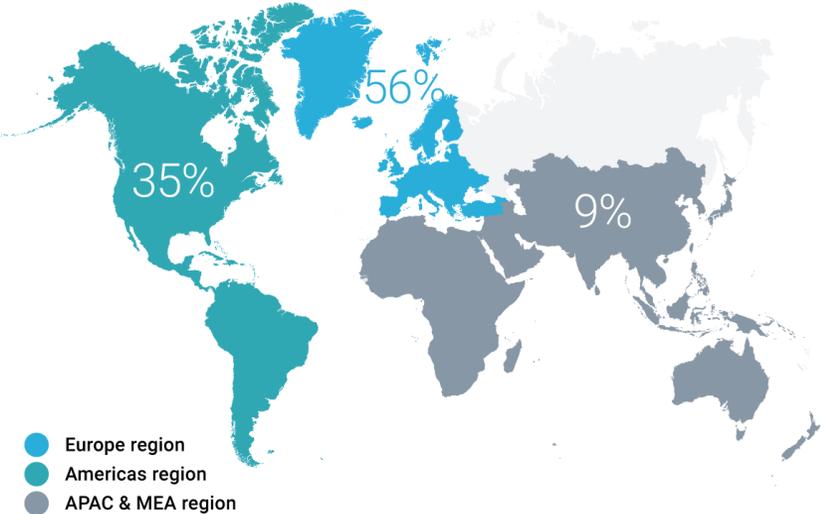
-15.7%
Private Label & Other

Growth across all regions in 2022

Macroeconomic climate and business dynamics

7.5%

Revenue growth



EBITDA supported by revenue, EBITDA margin affected by GM pressure

EBITDA bsi (mEUR), EBITDA margin bsi (%)

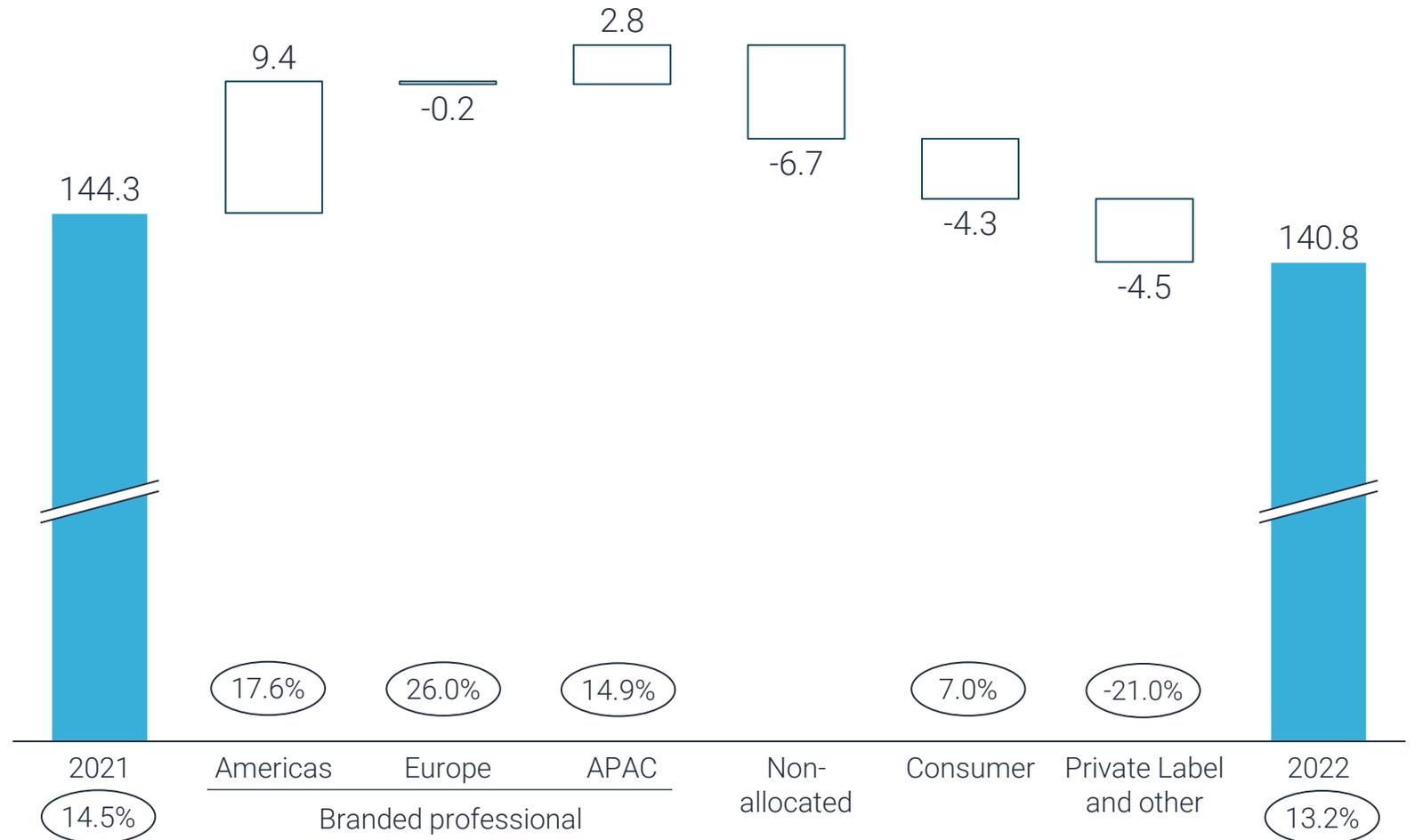
13.2%

EBITDA margin bsi

12.1%
2020

14.5%
2021

13.2%
2022



Capital structure and financial gearing

2022 financial highlights

2.3x

Financial gearing



54.5 mEUR

Free cash flow

73.5	58.5	54.5
mEUR	mEUR	mEUR
2020	2021	2022

324.7 mEUR

Net Interest Bearing Debt (NIBD)

382.0	338.5	324.7
mEUR	mEUR	mEUR
2020	2021	2022

0%

Dividend



26.4 mEUR

CAPEX

17.0	17.5	26.4
mEUR	mEUR	mEUR
2020	2021	2022

Business Plan 2026 implementation status

2022 status and highlights for growth platforms building towards long-term, sustainable growth

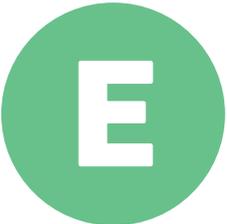


■ = Organic revenue growth ■ = R&D ratio (% of revenue) ■ = Global inflation (IMF world data) ■ = Growth

Accelerating our sustainability efforts in 2022

Sustainability results for 2022 and targets towards 2030

□ : 2022 results
○ : Targets towards 2030



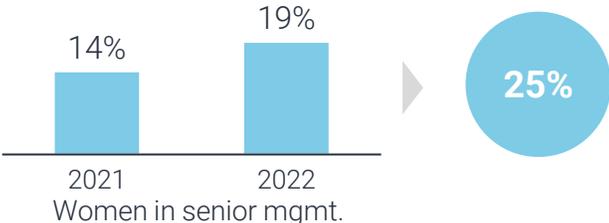
Scope 1 & 2 absolute emission reductions



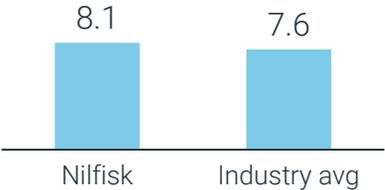
Scope 3 emission intensity reductions



Increased gender diversity



High engagement score



EcoVadis Gold rating



Human rights commitment



New Ways of Working to ensure successful strategy implementation

Mobilizing, enabling and empowering people for the long-term growth journey



Execution culture

Roll-out of Nilfisk Operating System



Digitally enabled

SAP implementation in Americas



Empowered people

More customer focused operating model

- Regions: Americas, Europe and APAC
- Innovation, Service, Customer Experience



Torsten Türling

CEO



Reinhard Mayer

CFO



Siam Schmidt

HR



Camilla Ramby

Marketing, CSR & Consumer



Anupam Bhargava

Innovation, Service & Customer Experience



Hans Flemming Jensen

Specialty Business & Corporate Affairs



Jamie O'Neill

GM Americas region



Petros Kapelles

COO

Towards long-term sustainable growth



Professional cleaning continues to be a growth market

Key trends and market drivers for the global professional cleaning equipment market

- 1 Labor shortage and rising **labor costs** in developed countries
- 2 Raising regulatory and **sustainability requirements**
- 3 Digital solutions enabling **productivity improvements** as part of a wider ecosystem
- 4 Increasing **importance of clean** securing healthier and safer environments



Key 2023 priorities in Business Plan 2026

Moving Nilfisk forward towards long-term sustainable growth



Accelerate growth of **Service business**



Overcome **supply chain bottlenecks** and margin dilution



Finalize development of **next generation products**



Further embed **new Ways of Working** and **growth mindset culture**



Outlook for 2023 provided and financial targets for 2026 maintained

Outlook for 2023

-2% to 2%

Organic revenue growth

12% to 14%

EBITDA margin bsi

Financial targets for 2026 maintained

1.2 to 1.3 bnEUR

Revenue

Above 16%

EBITDA margin bsi

1.5 to 2.0x

Financial gearing

Agenda item 2, 3 and 4

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Agenda item 5

5

Resolution regarding discharge of Management and Board of Directors from their liabilities

Agenda item 6

6

Adoption of the Remuneration Report

Remuneration of the Executive Management Board

- CEO's and CFO's total pay decreased in 2022 comparing to 2021
- Decrease in total pay of CEO and CFO comparing to 2021
- Decrease was due to lower awarded STI comparing to 2021
- STI model simplified (no of KPIs down from 5 to 3) – Revenue, EBITDA and Working Capital
- The total STI realization for the year was 33.6% (below target level - 50%)
- The Revenue target however was realized above target level for 2022 with 95.9%
- LTI for 2022: 89,405 contingent performance shares awarded to CEO, CFO, Nilfisk Leadership Team, and other selected key employees in 2022 (vesting in 2025)
- KPIs for LTI 2022 are: Total Shareholder Return (50%), EBITDA (30%) and ESG target focusing on Co2 emission reduction (20%)
- Average pay for Nilfisk employees grew 7% comparing to 2021
- CEO pay ratio decrease by 6% comparing to 2021

Agenda item 7

7

Remuneration of the Board of Directors

- The Board of Directors proposes to maintain the same level of remuneration for the Board of Directors in 2023 as in 2022 and thus that each ordinary member of the Board of Directors shall receive a base fee of DKK 325,000. The Chair shall receive 3 times the base fee and the Deputy Chair shall receive 2 times the base fee.
- Further, work in Board Committees shall be remunerated as follows:
 - The Chair of the Audit Committee receives 2/3 of the base fee;
 - The other member of the Audit Committee receives 1/3 of the base fee;
 - The Chairs of the Remuneration Committee and the Nomination Committee each receive 1/3 of the base fee;
 - The other members of the Remuneration Committee and the Nomination Committee each receive 1/6 of the base fee.

Agenda item 8

8

Election of Board members

- The Board of Directors proposes re-election for a one-year term of the shareholder-elected board members Peter Nilsson, René Svendsen-Tune, Jutta af Rosenborg, Are Dragesund and Franck Falezan.
- Thomas Lau Schleicher and Richard Bisson have decided to step down from the Board of Directors at the Annual General Meeting when their election period expires and will consequently not be up for re-election.
- The Board of Directors recommends that Ole Kristian Jödahl, Bengt Thorsson and Viveka Ekberg are elected by the General Meeting as new members of the Board of Directors.
- Are Dragesund and Franck Falezan are considered non-independent due to their affiliation with Ferd AS and PrimeStone Capital LLP, respectively. The rest of the nominated candidates are considered independent.
- A description of the background and other executive functions (CVs) held by the persons up for election is attached and is available on the Company's website, www.nilfisk.com.

Board of Directors

Proposed re-elected



Peter Nilsson



René Svendsen-Tune



Jutta af Rosenberg



Are Dragesund



Franck Falezan

Not up for re-election



Richard Bisson



Thomas Lau
Schleicher

Proposed elected



Ole Kristian Jödahl



Bengt Thorsson



Viveka Ekberg

Elected by the employees



Gerner Raj Andersen



Claus Dalmose



Nadia Roy Damiri



Marcus Faber
Kappendrup

Board of Directors

Proposed elected



Ole Kristian Jödahl

Selected positions and directorships:

- President and CEO of Alimak Group AB
- Member of the board of directors of Alimak Group AB

Candidate background:

Ole Kristian Jödahl is since June 2020 the President and CEO of Alimak Group AB, a global industrial company listed on the Stockholm stock exchange. Previously he was the CEO of Hultafors Group AB. Prior to that he worked 17 years in AB SKF and held several senior global management positions. Ole brings vast experience in management of global industrial businesses, including acquisitions, integrations, distribution and service business. Ole is a Norwegian but has worked most of his professional life out of Sweden. He has four years of economics studies at NHH, Norwegian School of Economics



Bengt Thorsson

- CEO and President of Permobil Group
- Chair of the board of directors of GoodSolutions AB

Bengt Thorsson is currently the CEO and President of Permobil Group and Chair of the Board of GoodSolutions AB. Formerly he served as the President at Dometic Group and various senior leading positions within Scania Group. Bengt has a broad international background and a long experience in business and service transformation. Bengt is a Swedish national and holds a B.Sc. in Business Administration from Gothenburg School of Business, Economics and Law.



Viveka Ekberg

- Member of the board, chair of the audit committee of AutoStore Holdings Ltd, Lindab International AB, Dellner Couplers Group AB
- Member of the board of Cubera Private Equity AS, Skagen AS

Viveka Ekberg has extensive experience as chair and board member of listed and non-listed companies across multiple industries. Her current roles include chairing the audit committees of AutoStore Holdings, Lindab International and Dellner Couplers Group. She has a broad background as a senior manager and CEO in the financial industry. Viveka is a Swedish national and holds an M.Sc. in Accounting & Finance and International Business from the Stockholm School of Economics.

Agenda item 9

9

Election of one or more public accountants

- The Board of Directors proposes that Deloitte Statsautoriseret Revisionspartnerselskab, CVR-no. 33 96 35 56, is re-elected in accordance with the Audit Committee's recommendation. The Audit Committee is not influenced by any third parties and has not been subject to any agreement which limits the General Meeting's choice of auditor to certain auditors or audit firms.

Agenda item 10(a)

10

Proposals from the Board of Directors and the shareholders

The Board of Directors proposes that the General Meeting approves an updated remuneration policy, in order to allow for the use of variable instruments in the form of warrants.

As a part of this proposal, the Board of Directors proposes that the Board of Directors is authorized to issue warrants, and that the authorization is included as a new Article 4 in the Company's Articles of Association with the following wording:

Article 4

4.1 In the period up to March 24, 2027 the Board of Directors is authorized to issue warrants, in one or several transactions and without preemptive rights for existing shareholders, up to a nominal amount of DKK 20,000,000 (1,000,000 shares of nominally DKK 20 each) to the employees and management of the Company and companies consolidated with the Company and at an exercise price and with time limits for exercising which are determined by the Board of Directors. The Board of Directors is furthermore authorized to resolve a capital increase, in one or several transactions, without preferential right of subscription for existing shareholders and against

payment in cash, by up to a nominal amount of DKK 20,000,000 in connection with exercise of the warrants.

4.2 In the case of capital increases pursuant to the above, the new shares shall be negotiable instruments and shall be shares registered in the name of the shareholder and shall in all respects rank equally with the Company's existing shares, also with respect to redemption and restrictions in negotiability. The new shares shall carry a right to dividend from the time decided by the Board of Directors, but not later than from the financial year following the capital increase.

4.3 The Board of Directors shall determine the details of the conditions applicable to the warrants issued and the capital increases resolved in accordance with the authorization in this article 4.

4.4 The Board of Directors is authorized to reuse or reissue any expired warrants that have not been exercised, provided that the reuse or reissuance observes the terms and limitations in time which is set out in the authorization in this article 4.

Agenda item 10(b)

10

Proposals from the Board of Directors and the shareholders

- B. The Company's existing authorization to purchase treasury shares expires on March 22, 2023, and consequently the Board of Directors proposes that the Annual General Meeting authorize that the Company in the period up until and including March 24, 2027 may acquire treasury shares up to an aggregate nominal amount of DKK 54,252,720 (corresponding to 2,712,636 shares of nominally DKK 20 and almost 10% of the Company's current share capital) provided that the Company's holding of treasury shares at any time may not exceed 10% of the Company's issued share capital. The purchase price for the relevant shares may not deviate by more than 10% from the price quoted on Nasdaq Copenhagen A/S at the time of purchase.

Agenda item 11

11

Any other business

Thank you

