



Nilfisk Q3 2024

CONFERENCE CALL PRESENTATION
November 15th, 2024

Forward-looking statements

This presentation contains forward-looking statements.

Any such statements are subject to risks and uncertainties, and several different factors, of which many are beyond the Group's control, can mean that the actual development and the actual result will differ significantly from the expectations contained in the Interim Report and this presentation.

Accordingly, forward-looking-statements should not be relied on as a prediction of actual results.





Key highlights Q3 2024

Q3 2024: Organic growth in Consumer and Specialty offset by Professional

- Organic growth in EMEA offset by a demand slowdown in Americas and continued market headwinds in APAC
- Business performance in the US was below expectations
- EBITDA bsi adversely affected by decreased revenue, partially offset by continued gross margin expansion
- EBITDA margin bsi maintained despite negative organic growth and slight increase in overhead costs

240.6 mEUR
Revenue

-0.8%
Organic growth

30.4 mEUR
EBITDA (bsi)

12.6%
EBITDA margin (bsi)



Revenue and EBITDA margin removed from financial targets for 2026

Update to 2026 financial targets

- Following a demand slowdown in the Americas, Nilfisk revised its outlook for the full year on October 24, 2024
 - Organic growth between 1% to 3%
 - EBITDA margin bsi in the range of 13% to 14%
- Financial performance through 2024 falls short of trajectory required to meet two financial targets for 2026
 - Financial targets for revenue and EBITDA margin before special items removed
- Given macroeconomic headwinds, Nilfisk will look for structural efficiency measures across the group
- An update will be provided in connection with the Annual Report for 2024 in February



High Pressure Washer Business impacted by extreme weather

Business operations temporarily disrupted, efforts to restore business continuity are ongoing

HPW business impacted by Hurricane Milton

- High pressure washer business in Fort Pierce, Florida damaged by Hurricane Milton
- No employees were injured by extreme weather
- Business operations were disrupted in Q4 2024, business continuity partially restored
- Nilfisk expects to incur a non-material loss of revenue around 6 mEUR as a result
- Insurance providers have been engaged regarding potential future claims



First sales and shipments of SC25 in EMEA in Q3 2024

Strengthened product roadmap during 2022 and 2023 showing first results



Lead with **sustainable products**

New product update

- **SC25:** New Autonomous solution OEM (available for sale in September)
 - First sales and shipments in EMEA recorded in Q3 2024
 - Positive customer feedback, rollout expected to continue through Q4 2024
- **SC550:** Next Gen WB Scrubber Dryer (available for sale in October)
 - First sales and shipments in November as planned
- Both products will be shown at ISSA in Las Vegas on November 17





Financial Update

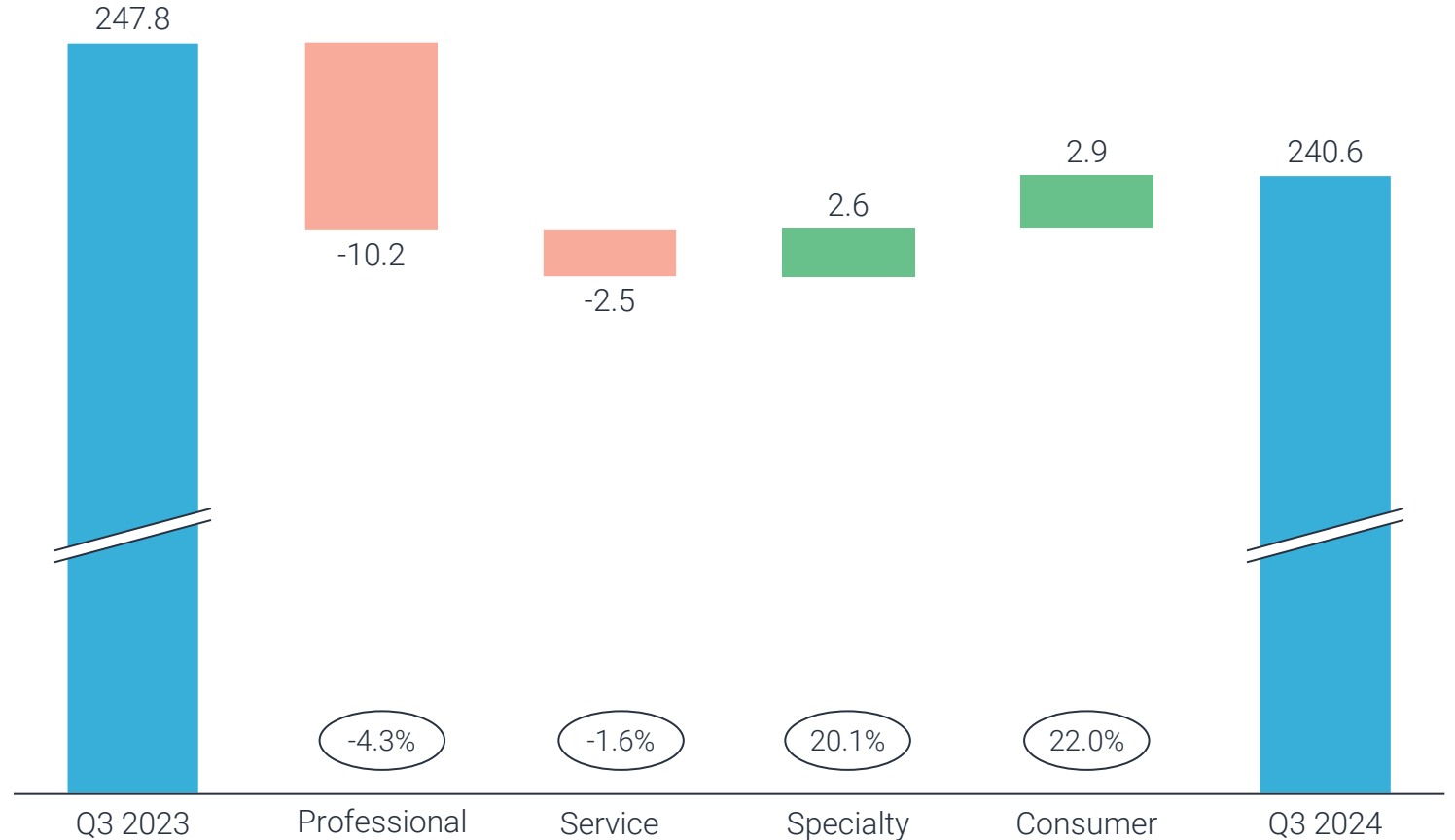
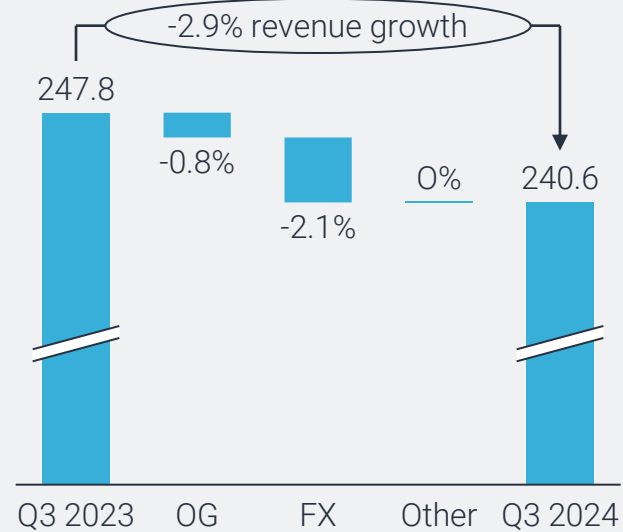
Q3 2024: Specialty and Consumer offset by Professional and Service

Revenue (mEUR), organic revenue growth (%)

○ Organic growth (%)

240.6_{mEUR}

Revenue Q3 2024



Q3 2024: Organic growth in EMEA offset by Americas and APAC

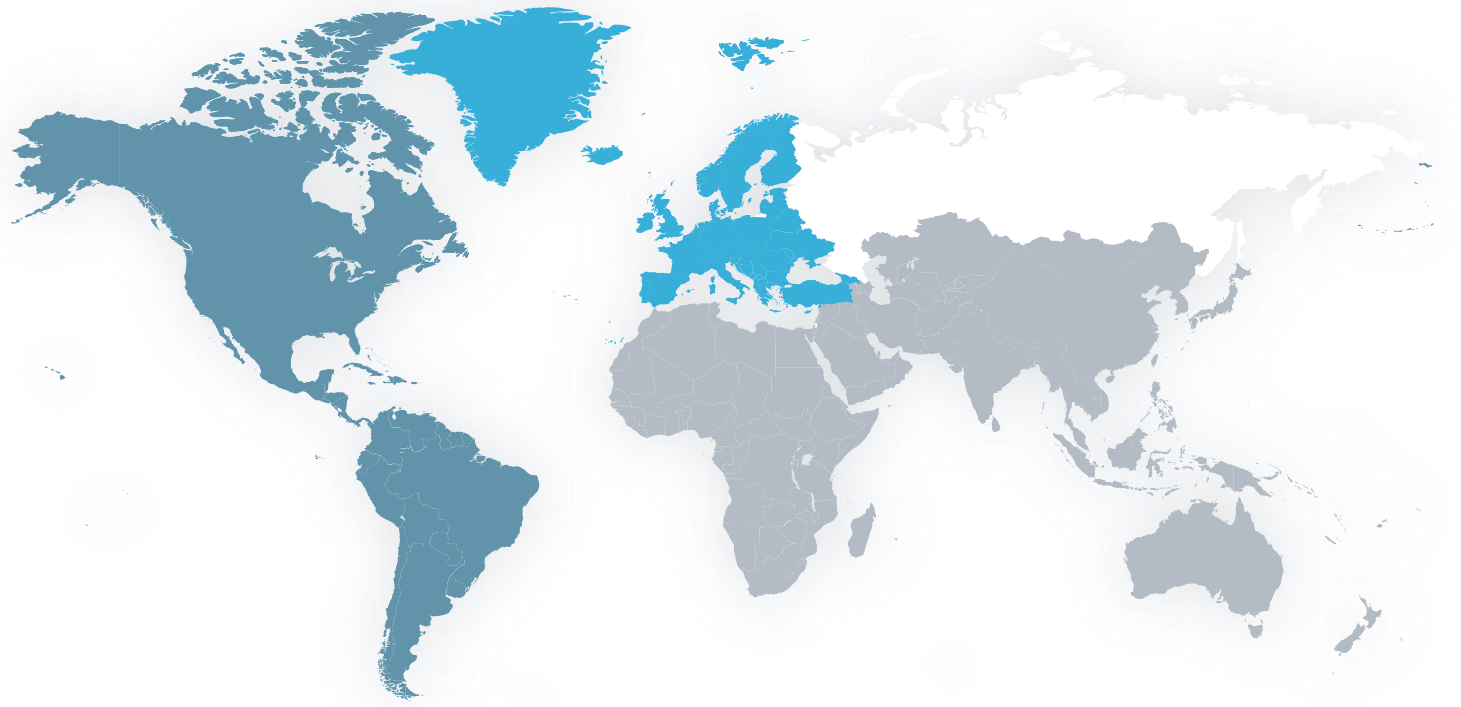
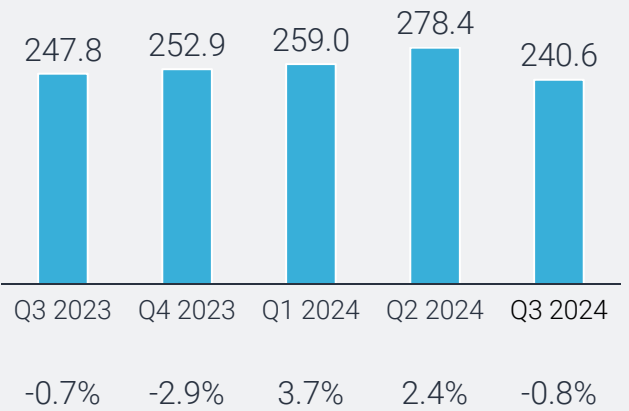
Revenue (mEUR), organic revenue growth (%)

-0.8%

Organic revenue growth Q3 2024

1.9%

Organic revenue growth Q3 2024 excluding temporary SAP impact



-10.5%
79.7 mEUR
Americas region

6.7%
141.9 mEUR
EMEA region

-6.0%
19.0 mEUR
APAC region

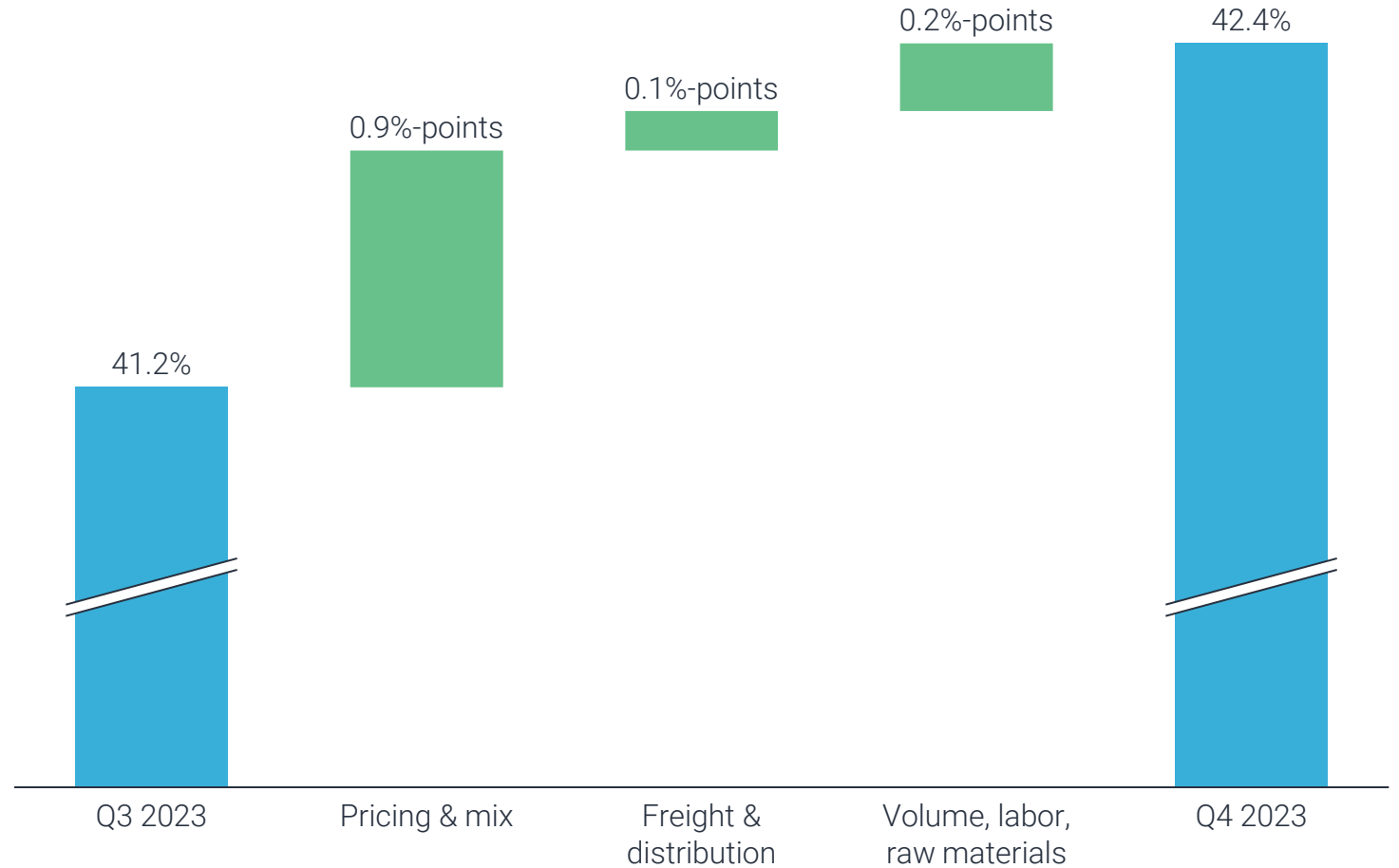
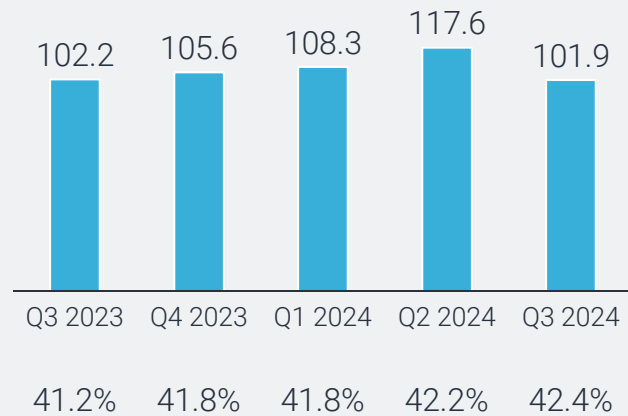
-3.4%
Excluding SAP impact

Q3 2024: Margin increase driven by continued price management

Gross profit (mEUR), gross margin (%)

42.4%

Gross margin Q3 2024

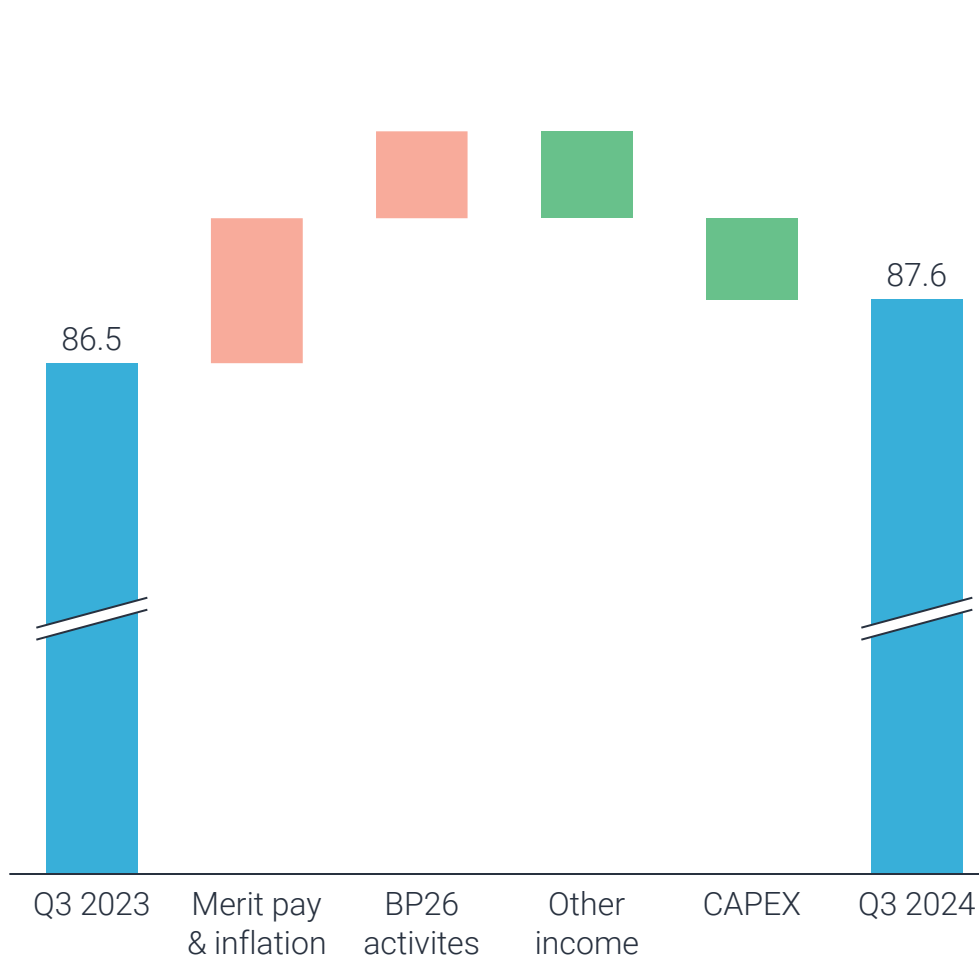
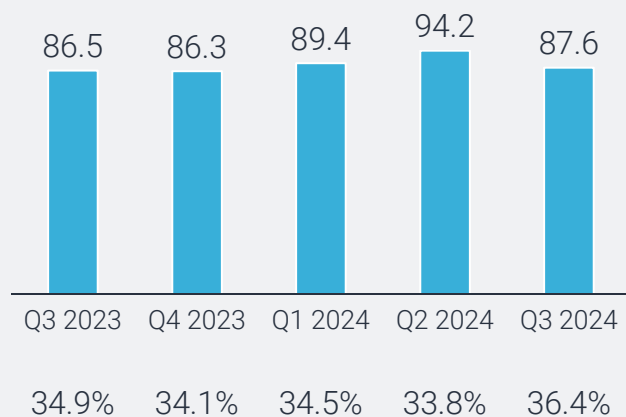


Q3 2024: Slight increase in overhead costs versus Q3 2023

Overhead cost (mEUR), overhead cost ratio (%)

36.4%

Overhead costs ratio Q3 2024



Sales and distribution

Up 2.7 mEUR from Q3 2023, driven primarily by merit increases across the salesforce and increased marketing activities

Administration

Administration costs increased by 0.8 mEUR from Q3 2023, primarily driven by merit increases

R&D

R&D spend was 8.5 mEUR, flat compared to Q3 2023. In Q3 2024, 3.8 mEUR was expensed and 4.7 mEUR was capitalized

Other

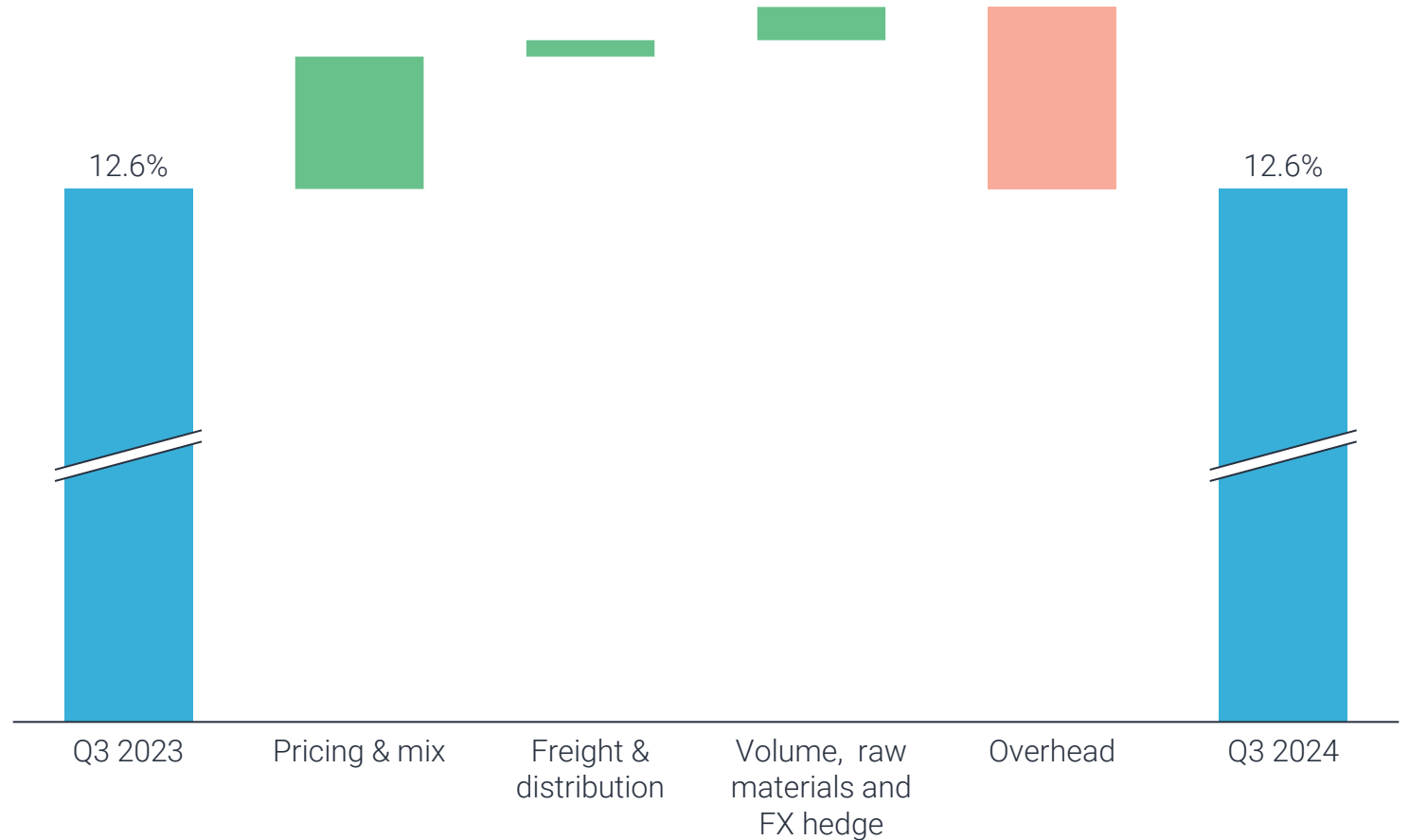
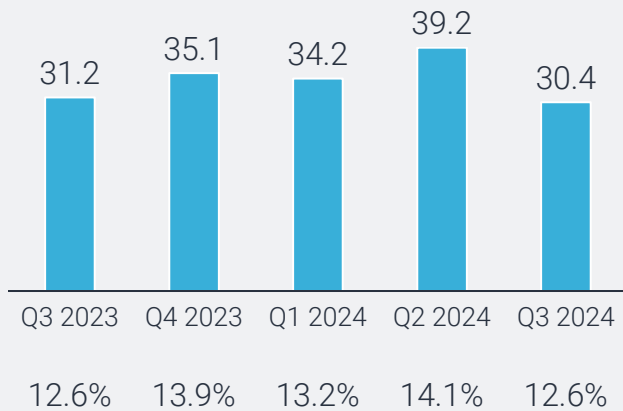
Other operating income and expenses net was 2.1 mEUR income in Q3 2024, an increase of 1.7 mEUR. This was primarily driven by a positive impact from a lower provision regarding bad debt

Q3 2024: EBITDA margin maintained despite revenue decrease

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

12.6%

EBITDA margin bsi Q3 2024



Q3 2024: Continued deleveraging driven by positive free cash flow

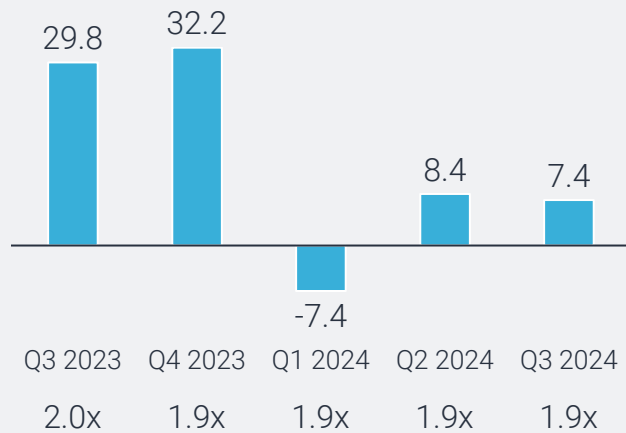
Working capital, CAPEX, cash flow, NIBD (mEUR), and gearing ratio

7.4 mEUR

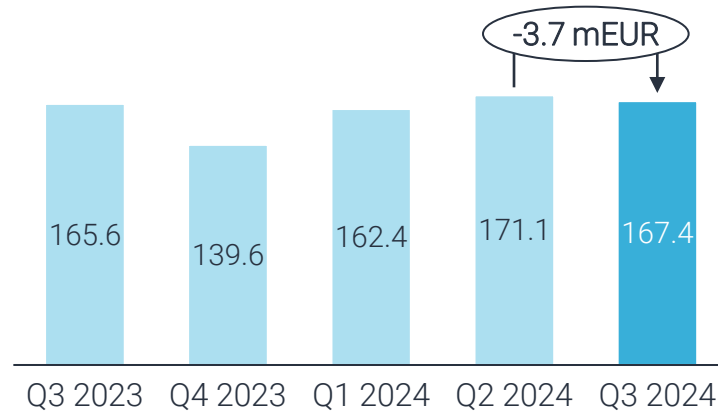
Free cash flow Q3 2024

1.9x

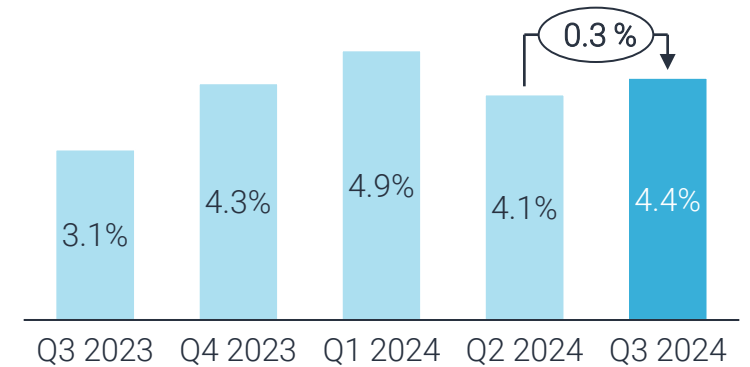
Gearing Q3 2024



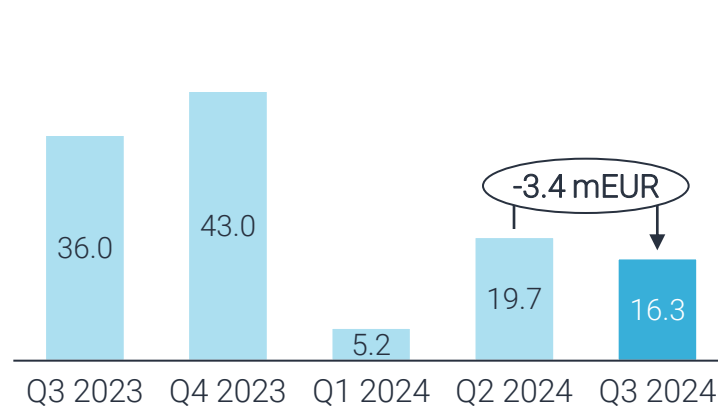
Working capital



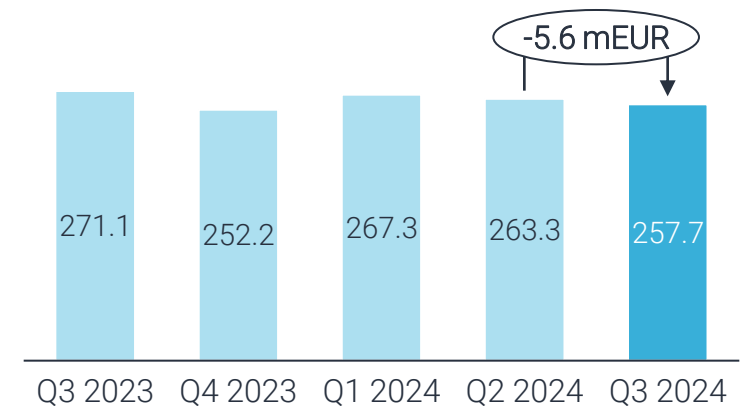
CAPEX ratio



Operating cash flow



NIBD



Outlook for 2024

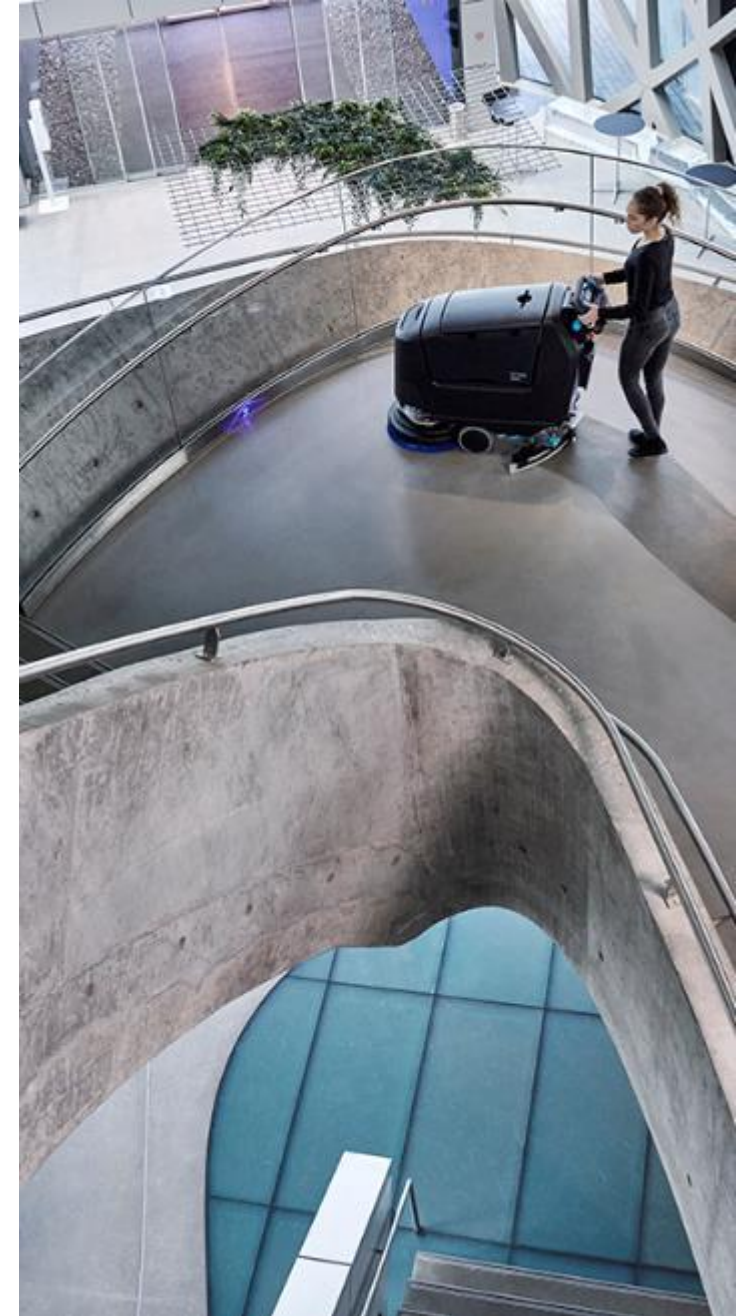
The financial outlook was updated in Company announcement No. 22 on 24 October 2024:

- Organic revenue growth is expected to be between 1% and 3%
- The EBITDA margin before special items is expected to be between 13% and 14%
- CAPEX spend is expected to remain around 4% of revenue with more than half directed towards product investments
- Special items are expected to be around mid-single digit mEUR (previously low to mid-single digit mEUR)

The outlook was updated following performance in Q3 2024 and continued uncertainty in the Americas

Organic revenue growth
1% to 3%
(Previously 3% to 6%)

EBITDA margin before special items
13% to 14%
(Previously 13% to 15%)

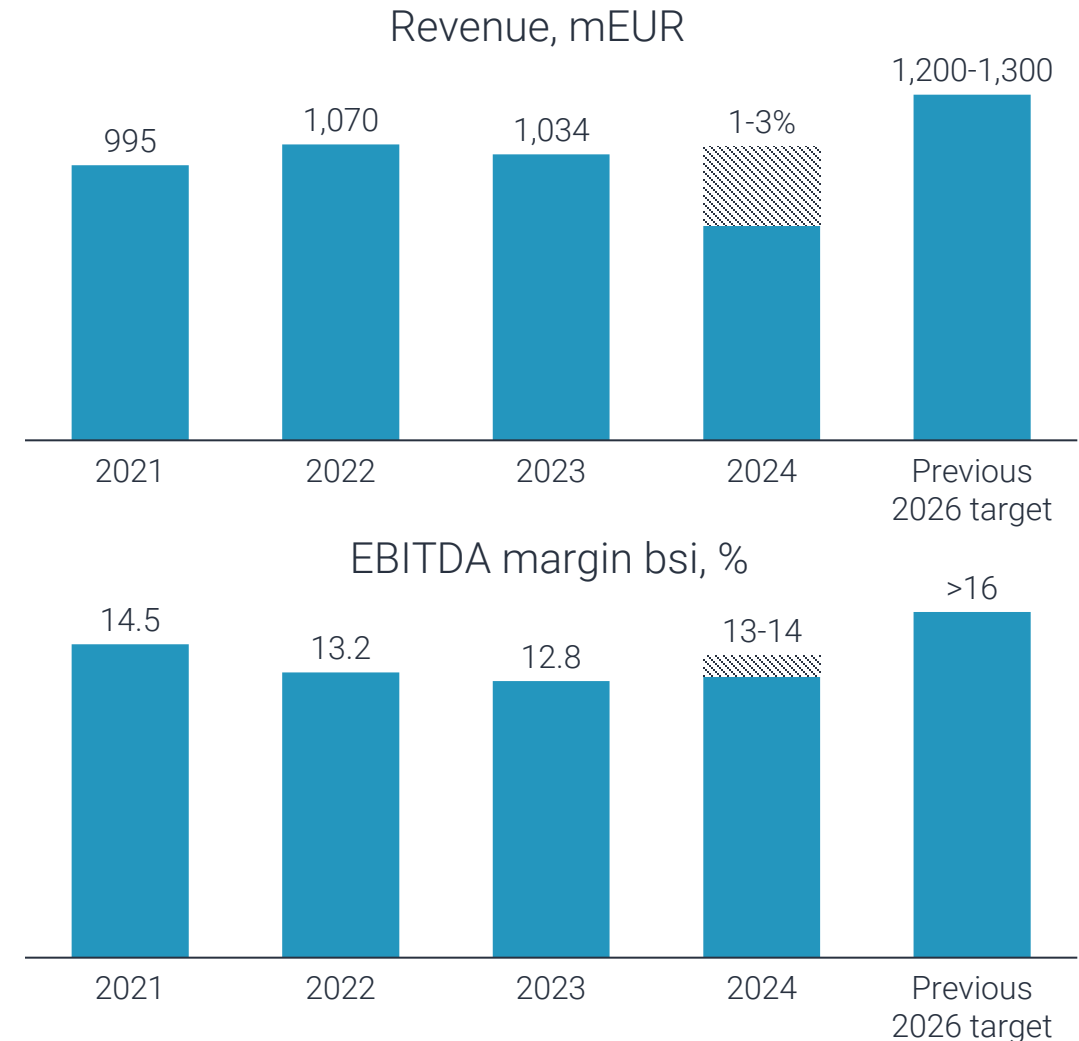


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Revenue and EBITDA margin removed from financial targets for 2026

Update to 2026 financial targets

- Progress has been achieved under Business Plan 2026 despite business and macroeconomic challenges
 - Service as a business has grown since 2022
 - Leadership position expanded within sustainable products
 - Substantial improvement in supply chain robustness
 - Strengthened financial position
- Financial performance through 2024 falls short of trajectory required to meet financial targets for 2026
 - Financial targets for revenue and EBITDA margin before special items removed
 - Target for financial gearing remains unchanged
- Nilfisk will look for structural efficiency improvements across the group
- Update on efficiency improvements will be provided in February 2025





Q&A