



Nilfisk Investment Highlights

INVESTOR PRESENTATION
November 28th, 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.



Nilfisk at a glance

A market leader in the professional cleaning equipment industry



4,800 employees worldwide



40+ countries with sales companies

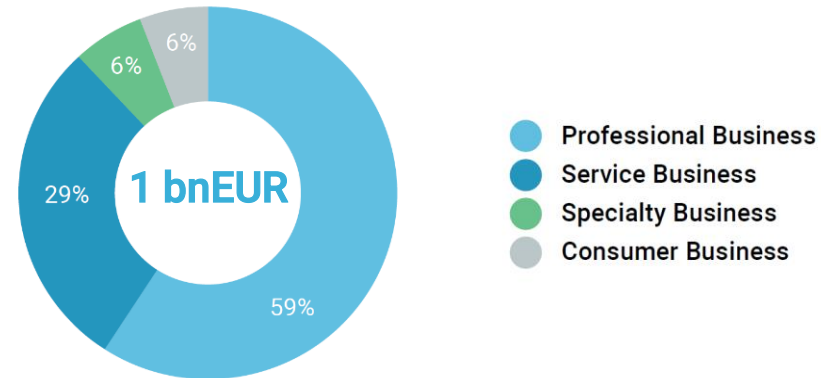


9 manufacturing sites in six countries

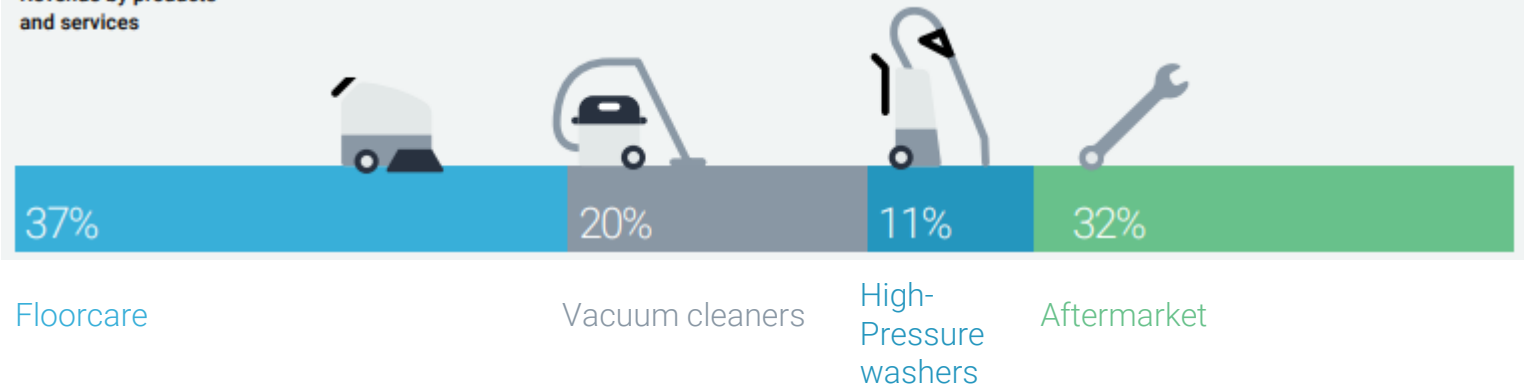


Nilfisk products are sold in more than **100** countries

Revenue breakdown (2023)

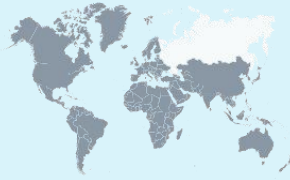


Revenue by products and services



Investment highlights

Strong market position supported by megatrends



Established over 100 years ago, Nilfisk is a top three global provider of professional cleaning products and services. Products are sold in over 100 countries, serving a broad range of customers in various industries and segments. Nilfisk operates in a growing market driven by increase in the population and living standards globally, increasing cleaning requirements, all of which drive demand for machine cleaning.

Value creation through further growth in service



Nilfisk is committed to investing further in Service, which is a strong growth driver and contributes positively to the operational EBITDA margin. Future growth is expected to come from building and expanding upon close customer relationships, as well as growing Nilfisk's network of quality technicians to supply a broad service offer in key markets. Nilfisk's Service Business provides strong cash flow with recurring revenues and measurable progress.

Technology led innovation with sustainability at the core



Through technology led R&D, Nilfisk's next generation of products sets new standards in resource consumption and efficiency, improving customer performance. Nilfisk focuses on sustainable growth with ambitious and concrete targets that are verified by the Science Based Target initiative (SBTi) with low-emission products and sustainability firmly embedded within the business.

Leading product portfolio and global presence



Nilfisk provides premium products across addressable markets, including a full range of Professional Floorcare, High Pressure Washers and VACS, alongside a Consumer offering. Nilfisk makes continuous investments in product development to support product vitality and deliver a strong and modern offering to customers. Regional supply chains decrease external dependency and allow Nilfisk to balance risks posed by heightened global uncertainty.

Delivery of profitable growth and improved financial health



Through strong cash flow generation and disciplined capital allocation policies, Nilfisk has improved Operational EBITDA and free cash flow generation in recent years. This growth has enabled targeted reinvestment into R&D – including a new product pipeline – as well as efforts to increase the continued growth in Service. Since 2021, net interest-bearing debt has also been reduced, enabling stronger through-cycle financial health for Nilfisk.

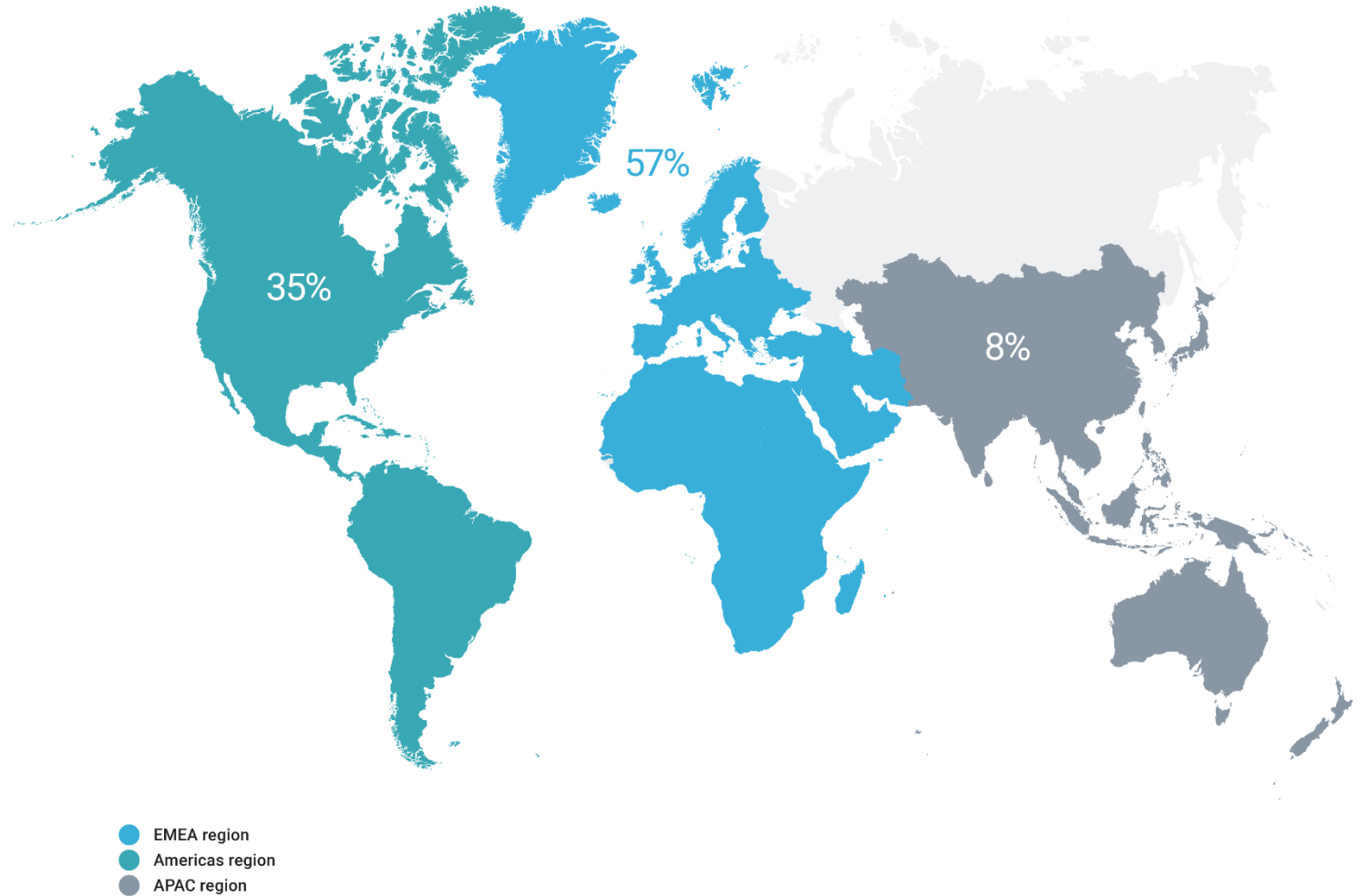
Resilient business model to drive sustainable capital allocation



Nilfisk's capital structure is constructed to ensure the financial flexibility required to execute on its business strategy. Going forward, the main objective is a continued reduction of net interest-bearing debt and further strengthening of the balance sheet. After financial gearing is sustainably within the target range between 1.5x and 2.0x, distributions by way of dividends or through the repurchase of shares are expected at around one-third of adjusted profit after tax.

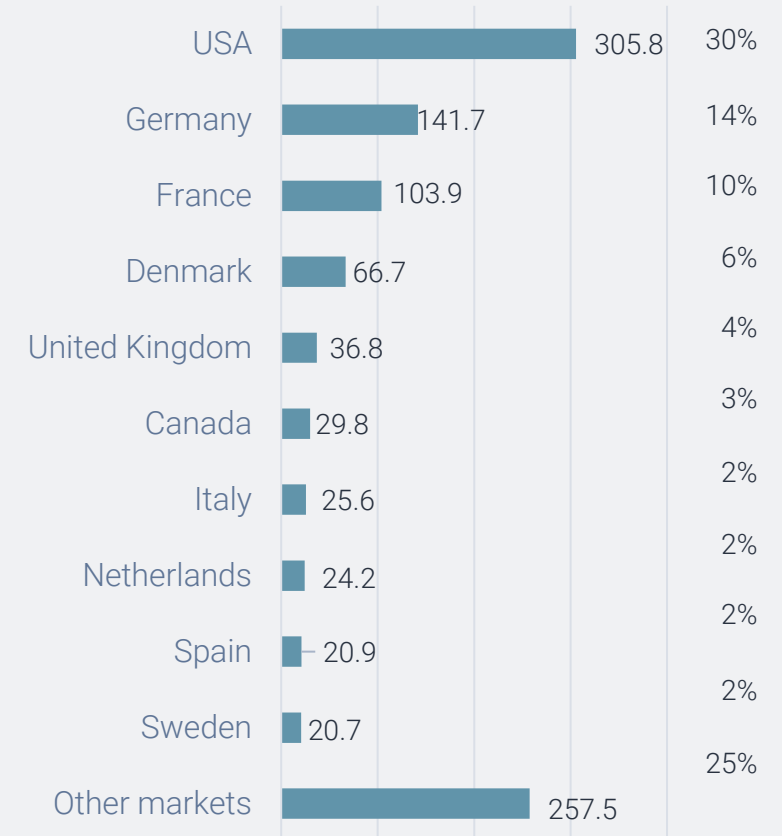
Strong market position

Nilfisk is a top three global player in the professional cleaning space



Annual revenue: 1,034 mEUR (2023)

10 largest Nilfisk markets by revenue, mEUR



Leading product portfolio

New product update:

- Strengthened product pipeline from R&D in recent years, showing first results from Q3 2024
- **SC25:** New Autonomous solution OEM (available for sale in September)
 - First sales and shipments in EMEA in Q3 2024, rollout expected to continue through Q4
- **SC550:** Next Gen WB Scrubber Dryer (available for sale in October)
 - First sales and shipments in November as planned
- Positive feedback and sentiment from customers

Floorcare



Sweepers, scrubber dryers, combination riders, carpet extractors, and burnishers.

Vacuum cleaners



Commercial vacuum cleaners, wet & dry vacuum cleaners, industrial solutions, and vacuum cleaners for consumer market.

High-pressure washers



Professional pressure washers that use hot/cold water, stationary pressure washers, petrol/diesel driven pressure washers, and high-pressure washers for consumer market.

Aftermarket

- Service offering to maximize product uptime
- Worldwide service support – 800 field technicians worldwide handle service assistance to maintain and repair machines
- Maximum availability of critical spare parts
- Wide range of accessories and consumables

Service: introducing Nilfisk My Fleet

Nilfisk My Fleet is a unified platform providing **real-time** visibility, control, and optimization for both autonomous and manual cleaning equipment, with support for any brand to accommodate diverse fleets

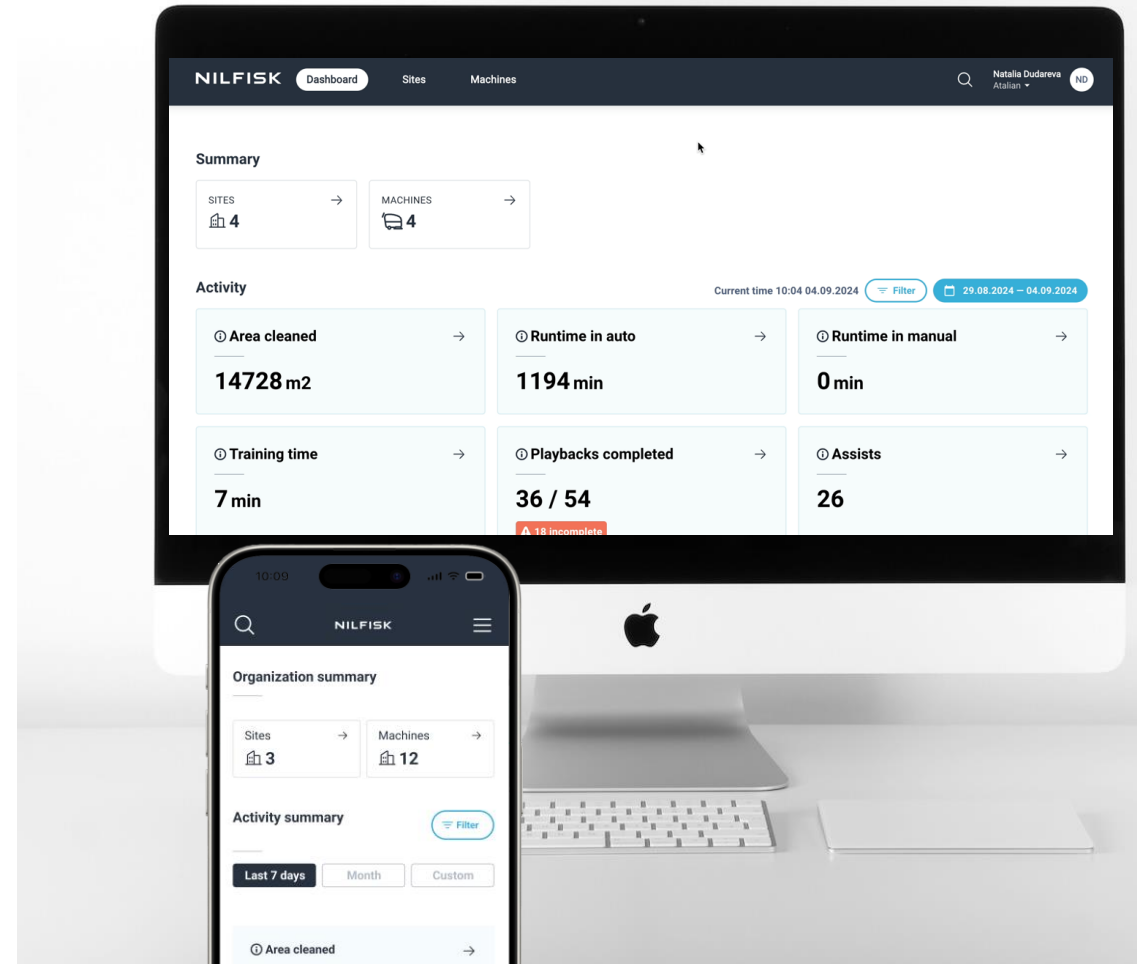
It is available to Nilfisk customers for free, with paid subscription plans offering enhanced features for more advanced and efficient fleet management

Core capabilities:

- **Maintenance & alerts**
- **Tracking**
- **Reporting**
- **Proving job completion**

Target audience:

- **Facility managers**
- **Contract cleaners**
- **Operational teams responsible for managing large fleets**



Value creation through Service

Service Business is a barrier to entry, providing recurring revenue and a strong cash flow profile

Since 2021, Nilfisk has continued to develop Service as a Business with significant potential for future growth going forward

- Internal target of >40% contract attachment rate over coming years
- All new Autonomous machines are sold with service contracts

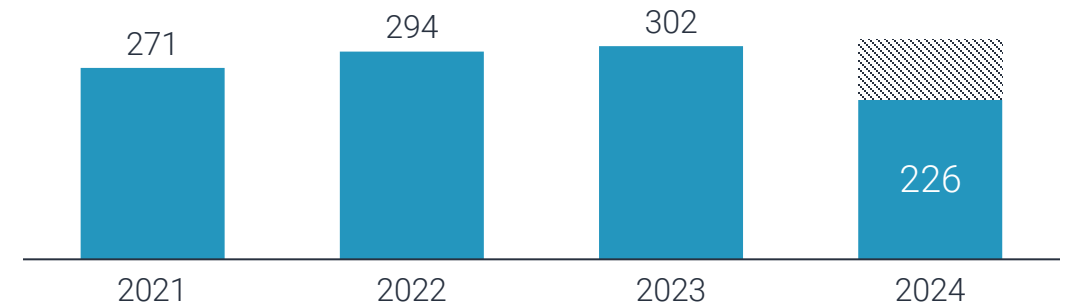
Enhancing Nilfisk's service platform and delivery will be integral to future success

- Service Business positively contributes to operational margins
- Service acts as a barrier to entry for low-cost competitors in various segments

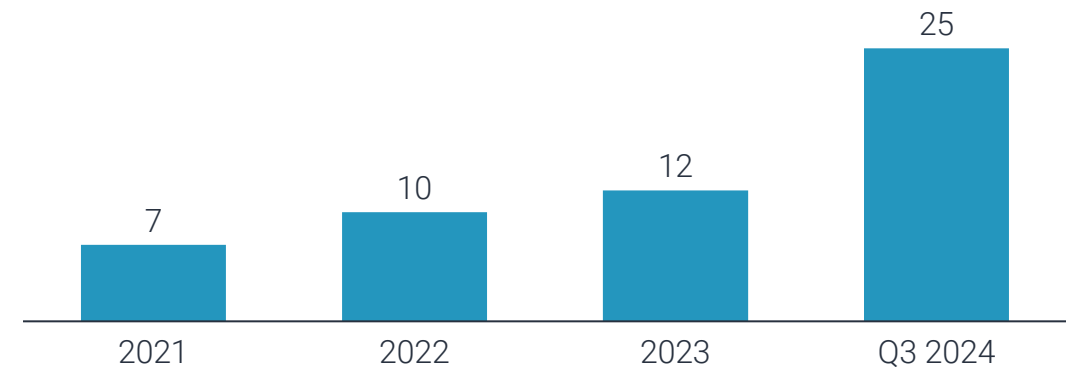
Growth has been driven by a commitment to continue to invest in Service capabilities

- Customer centric product offering revolves around efficient and reliable Service delivery
- Identified need to further develop base of quality technicians

Service revenue, mEUR



Contract Attachment Rate, %



Accelerating our sustainability efforts

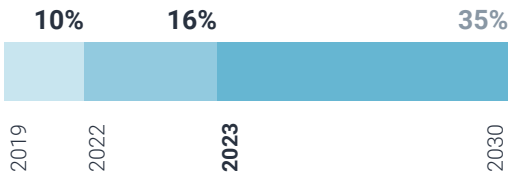
Strong progress on sustainability agenda, progressing well towards targets for 2030



16%



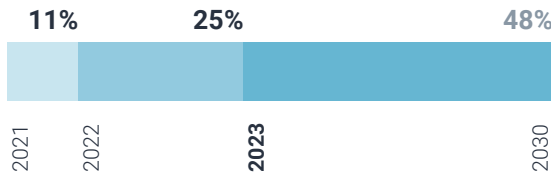
Reduction in Scope 1 and 2 greenhouse gas emissions



25%



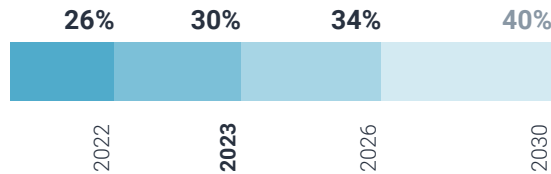
Reduction in Scope 3 greenhouse emission intensity



30%



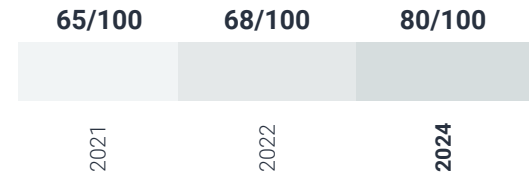
Women in top management



80/100



Points by EcoVadis

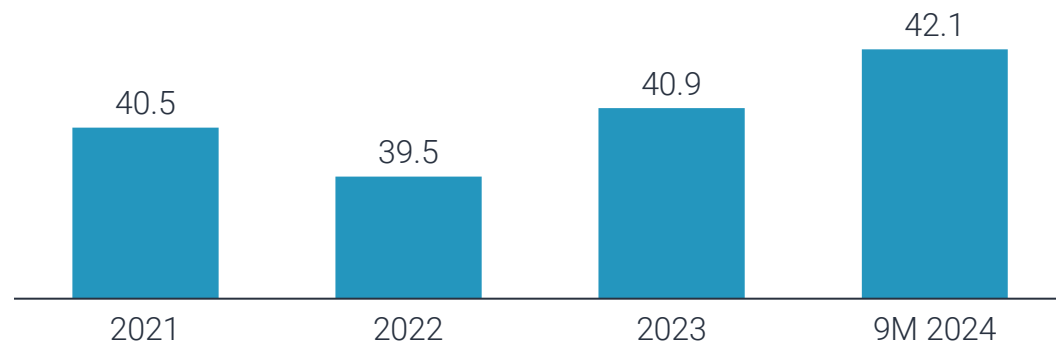


Code of conduct training

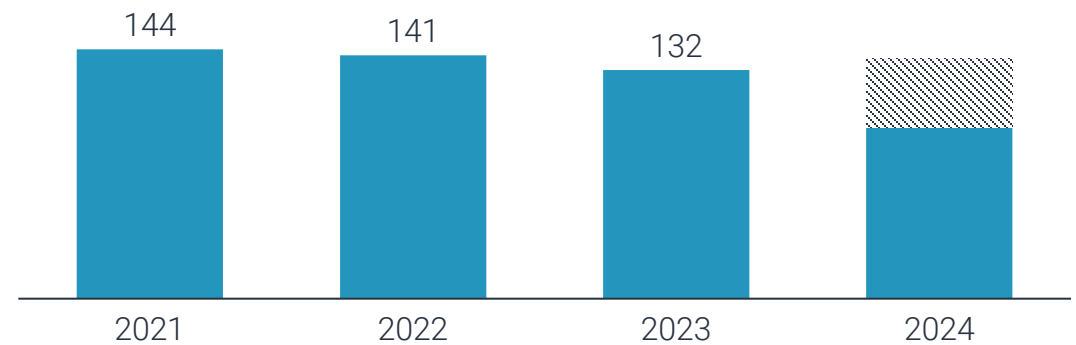
Delivery of profitable growth and disciplined capital allocation

Positive free cash flow directed towards deleveraging, steady gross margin growth despite challenges

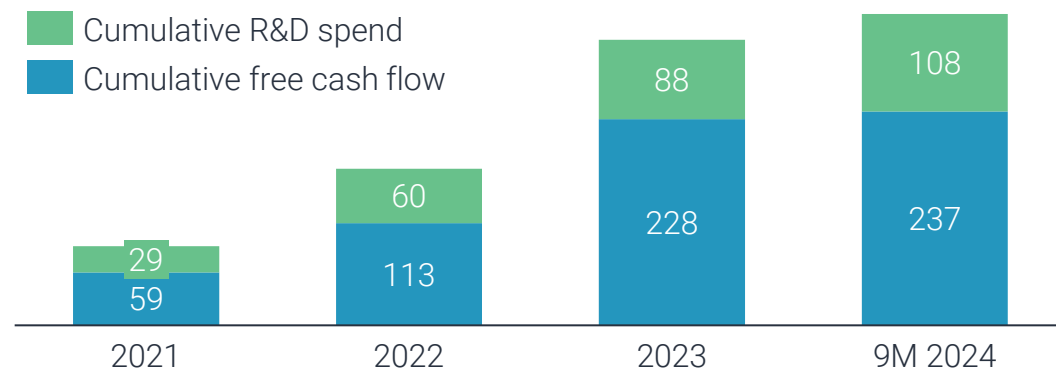
Gross margin, %



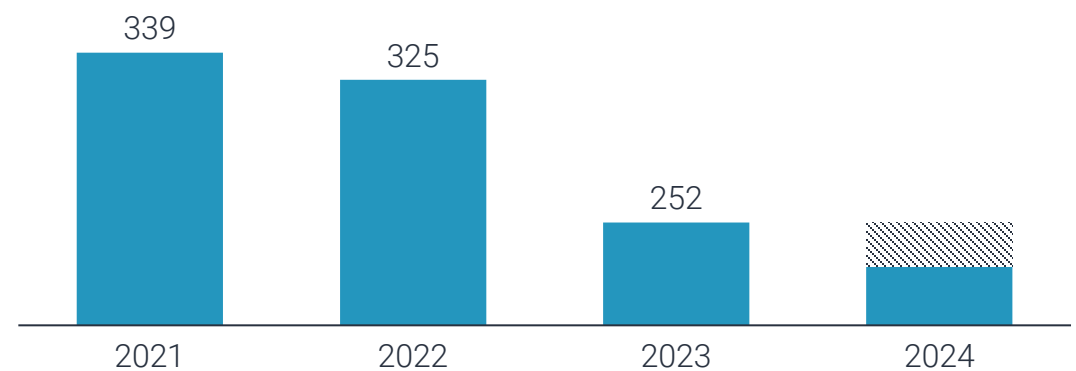
EBITDA (bsi), mEUR



Free cash flow, mEUR



Net interest-bearing debt, mEUR



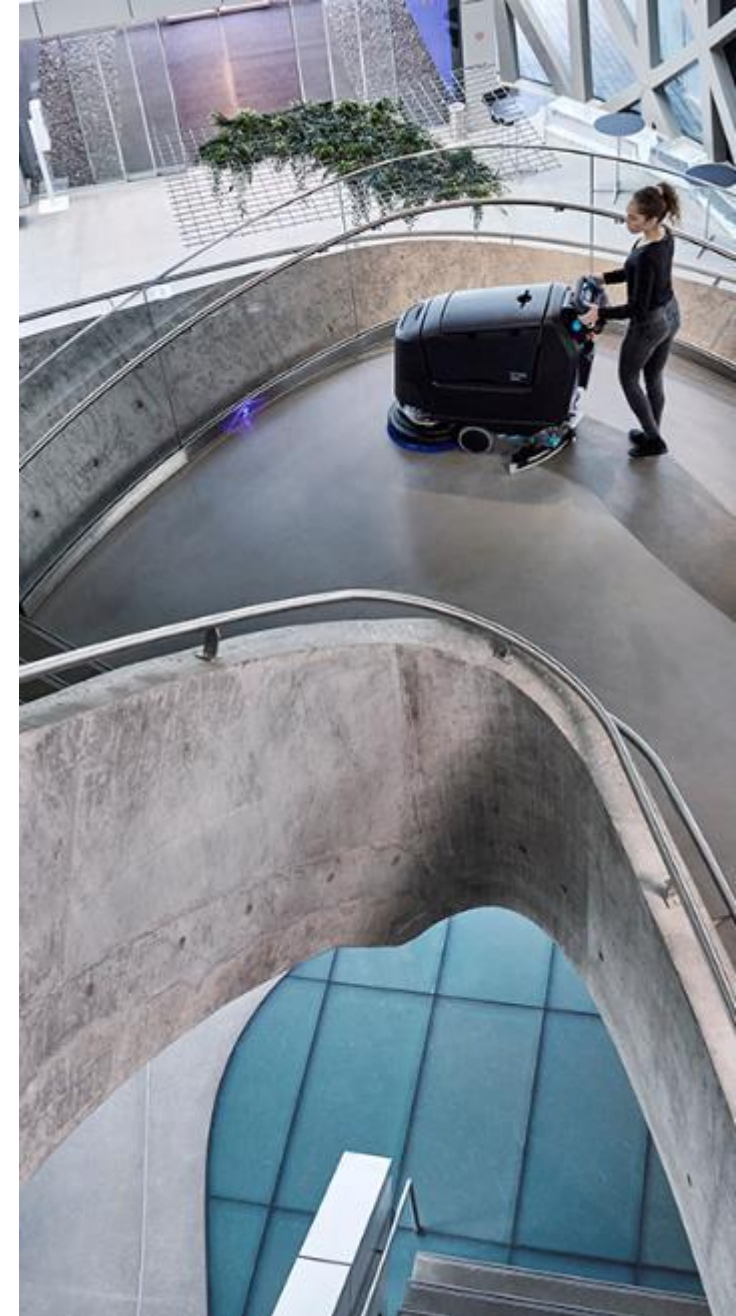
Outlook for 2024

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

Organic revenue growth
1% to 3%

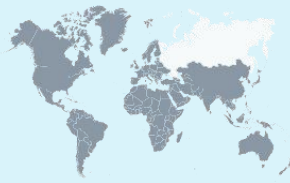
EBITDA margin before special items
13% to 14%



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