

Third quarter

CEO Christer Wahlquist
CFO Per-Ola Holmström

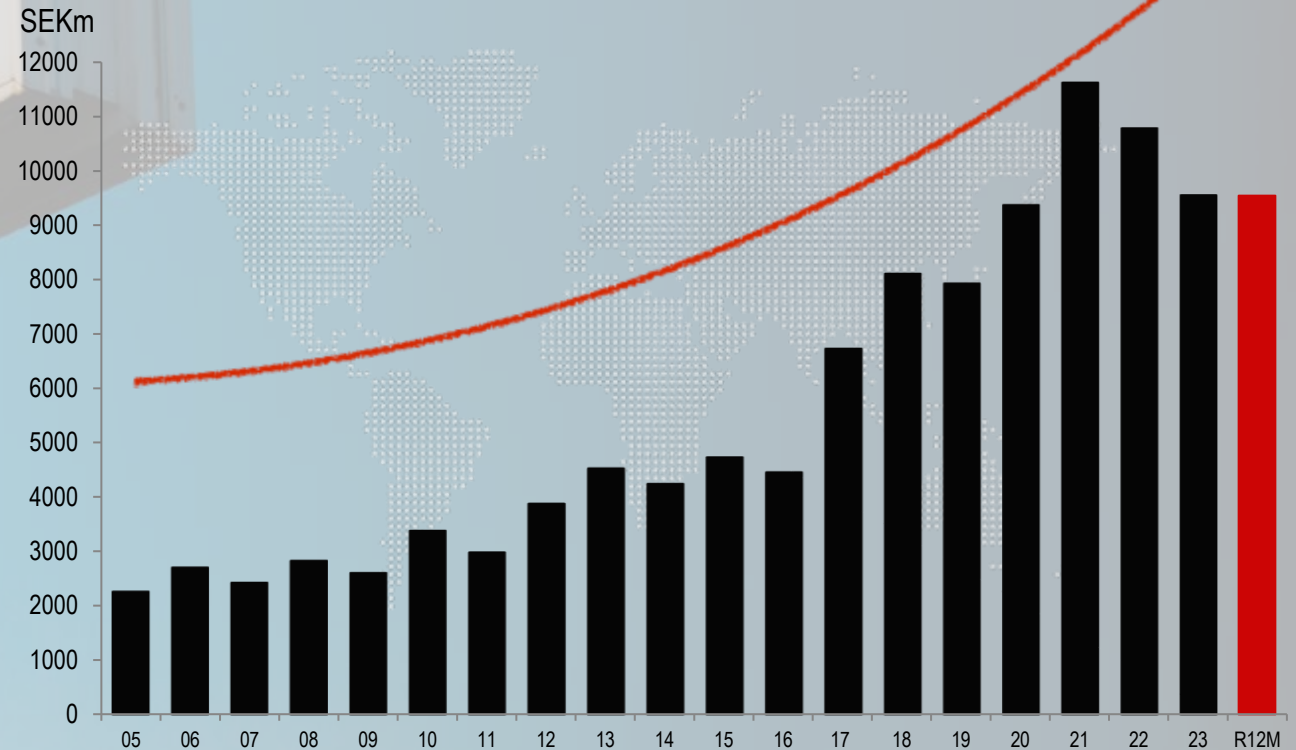
October 25, 2024



Q3 summary – Nolato Group

- Sales increased to SEK 2,401 million (2,340)
 - An increase of 5% adjusted for currency
 - Growth for both business areas
- Operating profit (EBITA) rose by 22% to SEK 235 million (193, excl. non-recurring item)
- EBITA margin increased to 9.8% (8.2 excl. non-recurring item)
 - Improved margins in both business areas
- Strong cash flow from operating activities, totaling SEK 327 million (280)
 - Improved profit and reduced working capital requirements
- Strong financial position
 - Net financial liabilities in relation to adjusted EBITDA totaled 0.6 times

A global solutions provider established on three continents



One Group – two business areas

Nolato

Our offering as a strategic partner for selected global customers comprises development and production, primarily in the field of polymers, along the entire value chain.

2,401

SALES
SEKm
Q3

235

EBITA
SEKm
Q3

9.8

EBITA MARGIN
%
Q3

Medical Solutions

Development and manufacture of complex product systems and components for medical devices, the pharmaceutical industry and diagnostics.

1,355

SALES
SEKm
Q3

145

EBITA
SEKm
Q3

10.7

EBITA MARGIN
%
Q3

Engineered Solutions

Design, development, industrialization and manufacture of advanced components, subsystems and ready-packaged products for a range of industries, including offerings within EMC and thermal solutions.

1,046

SALES
SEKm
Q3

103

EBITA
SEKm
Q3

9.8

EBITA MARGIN
%
Q3

Medical Solutions – sustainable growth and global expansion

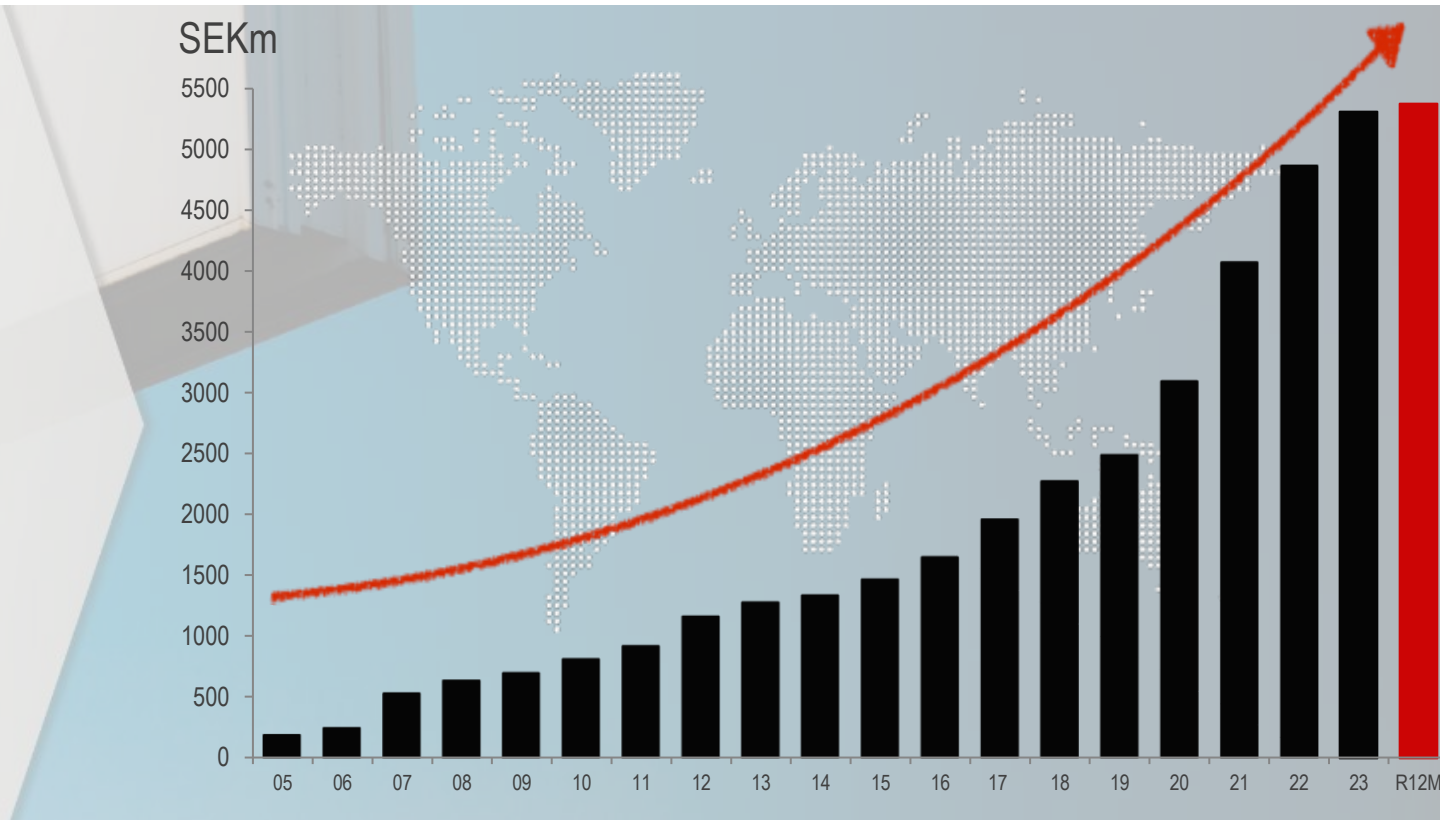


1,355
SALES
SEKm, Q3

145
EBITA-RESULT
SEKm, Q3

56
SHARE OF THE GROUP
%, Q3

10.7
EBITA-MARGIN
%, Q3

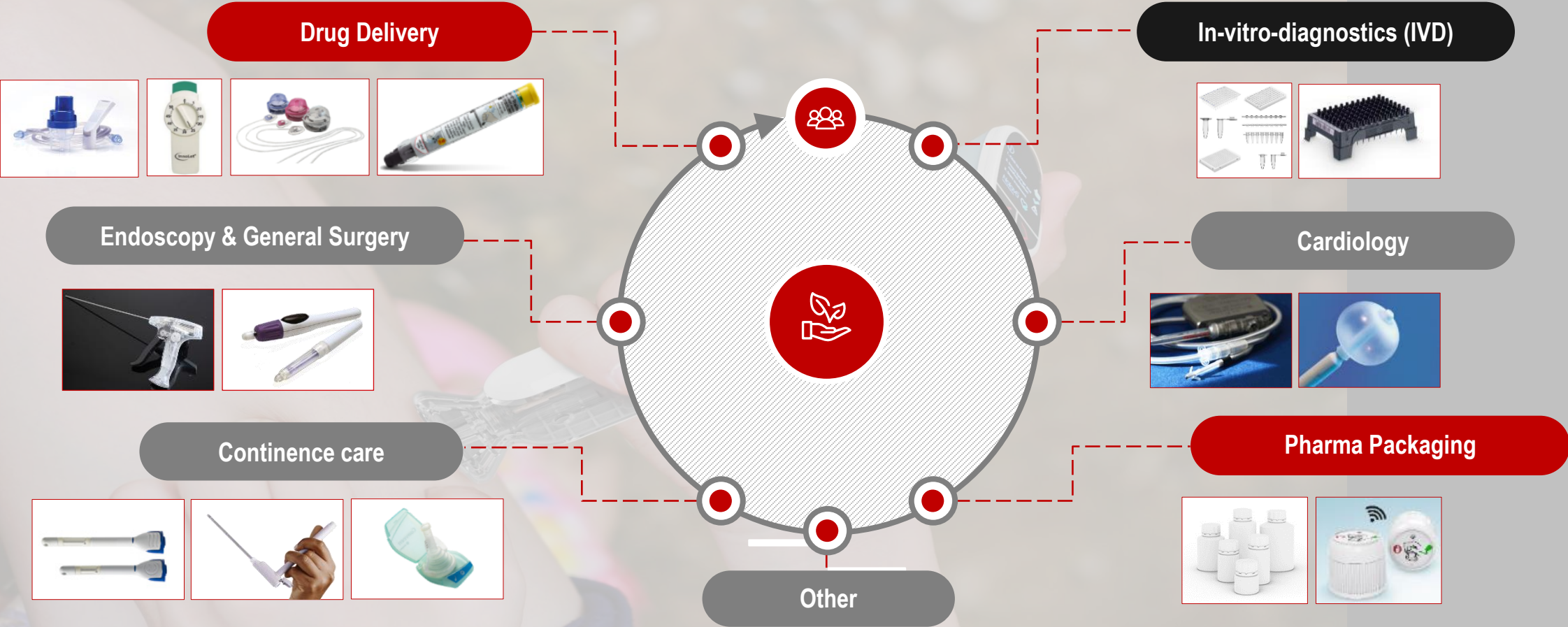


Medical Solutions – focused product areas

Pharma

Diagnostics

Medical Devices

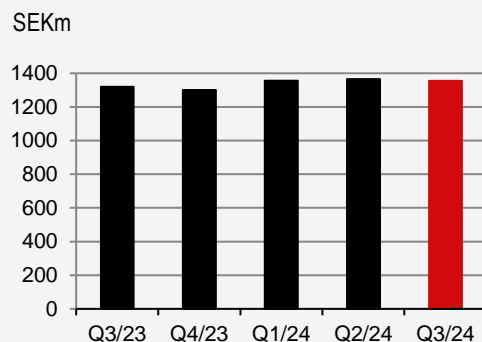


Medical Solutions – Q3

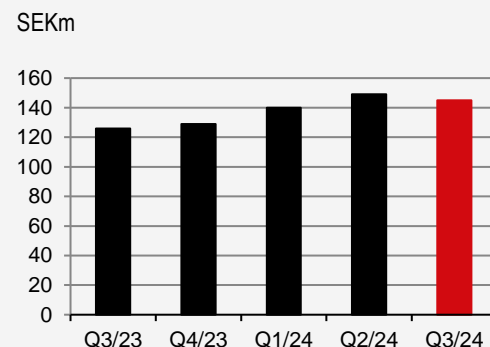
- **3% increase in sales**
 - An increase of 5% adjusted for currency
 - IVD grew compared with a weak quarter last year
 - Healthy volumes for Drug Delivery
 - Lower volumes in the Other category (customer product recall)
 - Pharmaceutical packaging experienced lower volumes (customer inventory adjustments and geopolitical effects)
- **EBITA margin of 10.7% (9.5)**
 - Continual focus on improving margin is generating results
 - Strategic price revisions and cost savings

SEKm	Q3		Acc. 9 months	
	2024	2023	2024	2023
Sales	1,355	1,320	4,075	4,008
Operating profit (EBITA)	145	126	434	396
EBITA margin (%)	10.7	9.5	10.7	9.9
Operating profit (EBIT)	137	118	410	372

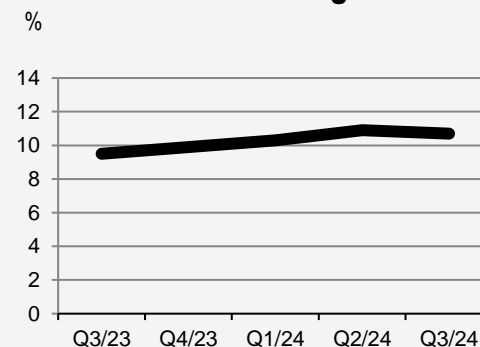
Sales



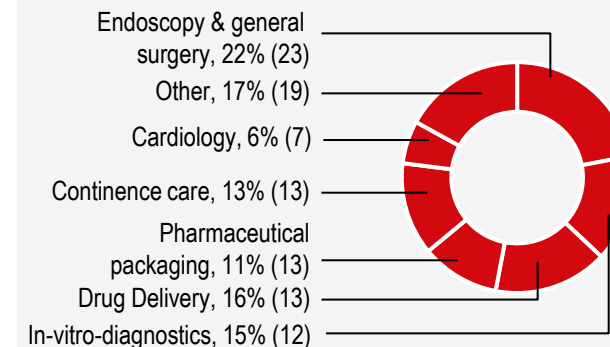
EBITA



EBITA margin



Sales per customer area



Engineered Solutions – advanced technology and high-productivity manufacturing



1,046

SALES
SEKm, Q3

103

EBITA-RESULT
SEKm, Q3

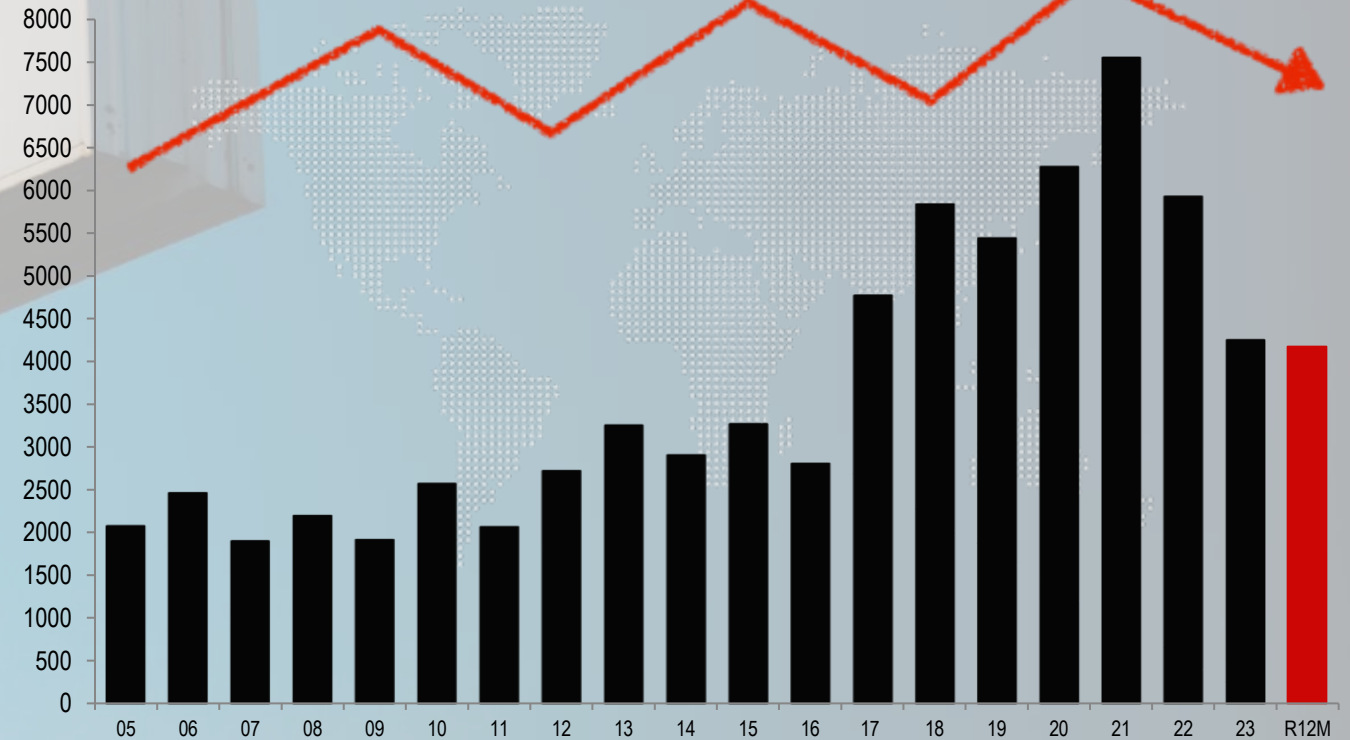
44

SHARE OF THE GROUP
%, Q3

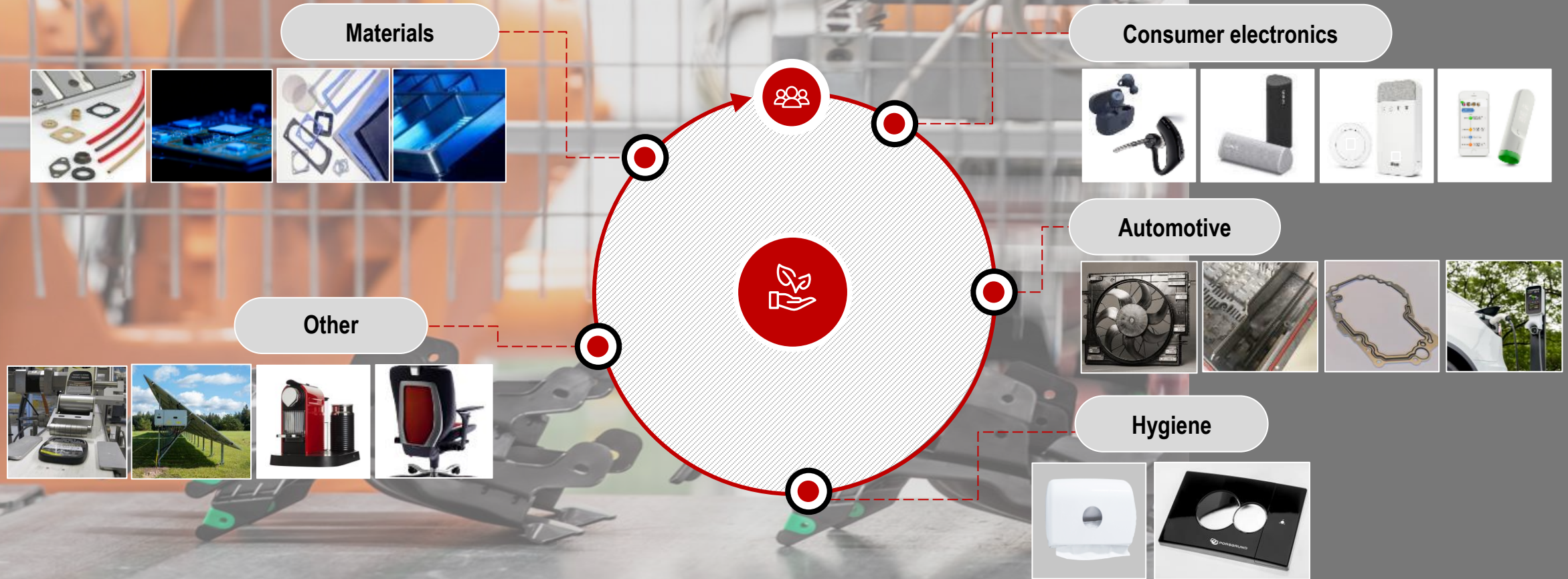
9.8

EBITA-MARGIN
%, Q3

SEKm



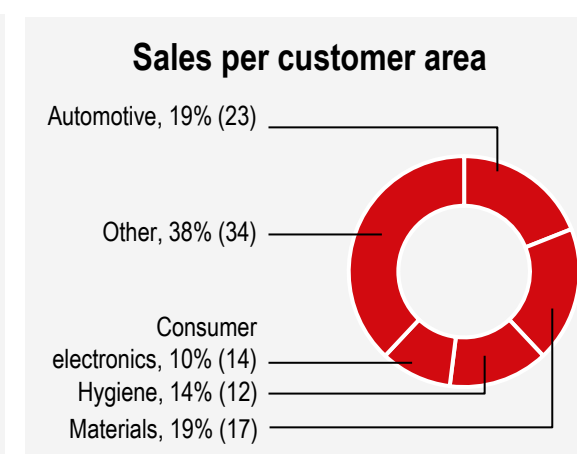
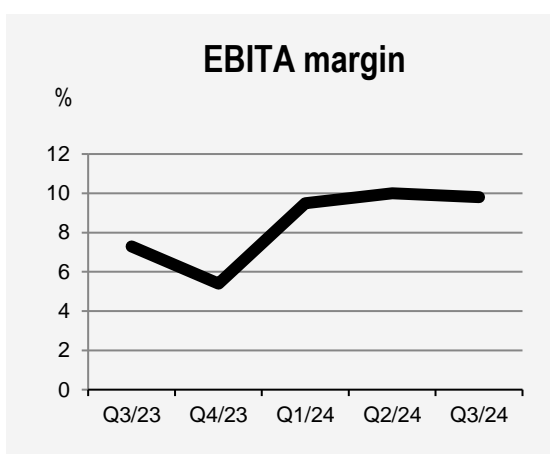
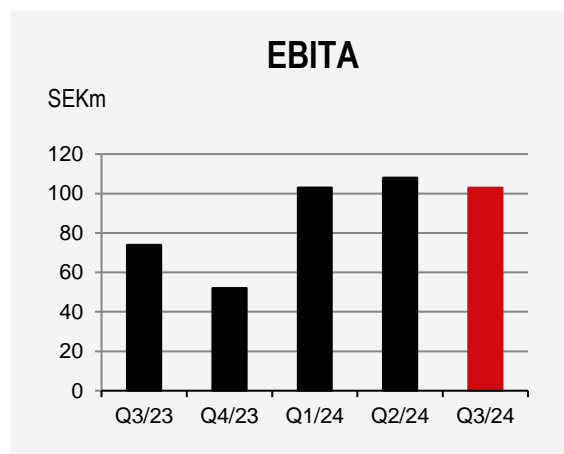
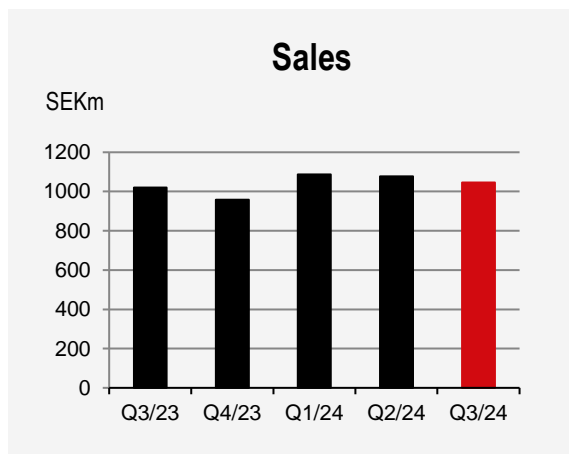
Engineered Solutions – focused product areas



Engineered Solutions – Q3

- 3% increase in sales
 - An increase of 4% adjusted for currency
 - Significant temporary rise within Hygiene in the quarter
 - Automotive showed decline in volumes, and lower end-customer demand will likely have a negative impact in the fourth quarter
 - Operations within Materials generated increased volumes and growth of 17%, adjusted for currency, due to healthy growth for Telecom
- EBITA margin of 9.8% (7.3)
 - Favorable product mix
 - Cost adjustments

SEKm	Q3		Acc. 9 months	
	2024	2023	2024	2023
Sales	1,046	1,020	3,210	3,287
Operating profit (EBITA)	103	74	314	214
EBITA margin (%)	9.8	7.3	9.8	6.5
Operating profit (EBIT)	100	72	305	206

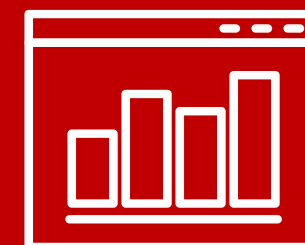


Group financial highlights

SEKm	Q3		Acc. 9 months		R12M	Full year 2023
	2024	2023	2024	2023		
Net sales	2,401	2,340	7,282	7,294	9,534	9,546
Operating profit (EBITA)*	235	133	718	524	895	701
Operating profit (EBITA), excl. non-recurring item in 2023	235	193	718	584	895	761
EBITA margin (%), excl. non-recurring item in 2023	9.8	8.2	9.9	8.0	9.4	8.0
Profit after financial income and expenses*	209	102	633	467	782	616
Profit after tax* **	164	69	495	360	570	435
Effective tax (%), excl. non-recurring items 2023	21.5	20.4	21.8	20.3	20.7	19.4
Cash flow from operating activities	327	280	897	595	1,083	781
Net investments affecting cash flow, excl. acquisitions and disposals	136	92	464	319	570	425
Cash flow after investments, excl. acquisitions and disposals	191	188	433	366	513	446
Earnings per share (SEK)* **	0.61	0.26	1.84	1.34	2.12	1.61
Adjusted earnings per share (SEK)	0.61	0.48	1.84	1.56	2.30	2.02
Equity/assets ratio (%)	–	–	56	54	56	56
Net financial liabilities, excl. pension & lease liabilities	–	–	913	1,003	913	895
Return on capital employed (%)	–	–	11.5	9.4	11.5	9.0
Operating profit (EBIT)*	224	123	685	492	850	657
Cash conversion (%)	–	–	–	–	68	65

* Non-recurring costs for concentration of the Chinese business had a SEK –60 million impact on earnings for Q3, acc. 9 months and full year 2023.

** Non-recurring costs for the impairment of a tax asset in China had a SEK –50 million impact on profit after tax for full year 2023 and rolling 12 months.



Key performance indicators Group



Current situation

Medical Solutions



- Maintained growth strategy – but temporarily sluggish market activity
- Focus on margin – cost adjustments, pricing strategy and efficiency
- Innovation and sustainability
- Broad customer base with long-standing, close customer relationships
- New, significant customer contract validates overall strategy

Engineered Solutions



- VHP effects phased out from Q3 2024
- Advanced market positions
- Established position in new product areas
- Focus on innovative and sustainable solutions
- Success in automotive area positive for Materials (EMC)



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