

Nilfisk Q2 Interim Report 2022

Company Announcement
No. 11/2022



NILFISK



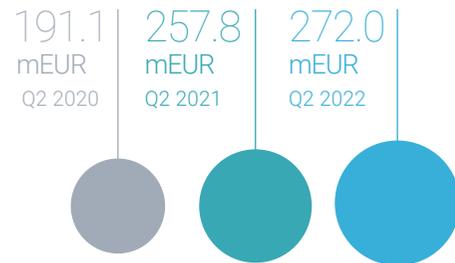
Financial highlights

Q2 2022

272.0mEUR

Revenue

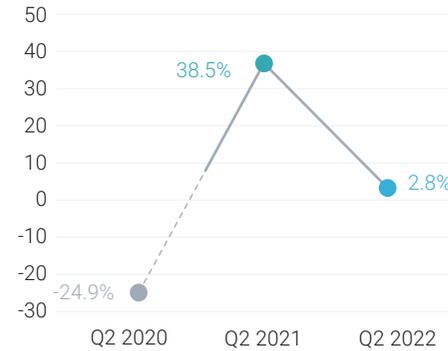
Up 14.2 mEUR from Q2 2021, corresponding to a reported growth of 5.5%. The tornado impact was partially mitigated by strong professional sales in Europe as well as a faster shipment recovery in the US. Positive currency effects, primarily on USD, contributed to the growth.



2.8%

Organic revenue growth

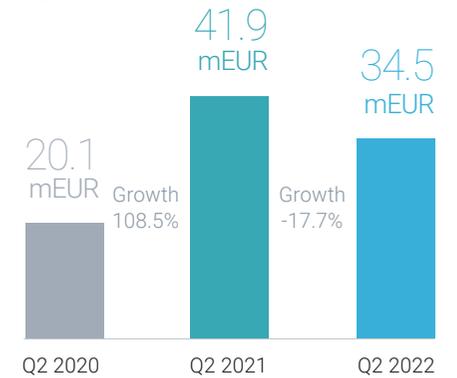
Growth of professional sales in Europe increased versus Q1 driven by pricing and strong demand. Americas growth was temporarily impacted by destruction of US Distribution Center. Supply chain challenges continued to limit growth in Q2.



34.5mEUR

EBITDA before special items (bsi)

Down 7.4 mEUR from Q2 2021 to 34.5 mEUR, a decline of 17.7% impacted by lower revenue due to the tornado destruction of the US Distribution Center, increased material cost and high freight costs.



12.7%

EBITDA margin bsi

Down 3.6 percentage points from Q2 2021, negatively impacted by a lower gross margin. Increasing materials costs and continued high freight rates were partially mitigated by Nilfisk's pricing actions. Additional impact from US Distribution Center tornado event.



10.4mEUR

Profit for the period

Down 7.1 mEUR from Q2 2021, driven by lower operating profit. Special items were lower but financial expenses rose in connection with hedging costs in April compared to Q2 2021.



11.1mEUR

Free cash flow

Down 8.1 mEUR compared to Q2 2021. Cash flow was negatively affected by increased working capital, higher investments into supply chain robustness and R&D projects.



367.5mEUR

Net interest-bearing debt (NIBD)

Increased by 7.6 mEUR from Q2 2021, driven by lower operating profit bsi, higher working capital, and increased investments. The development in NIBD in combination with trailing EBITDA that increased over the past 12 months led to an unchanged gearing at 2.7x.





Contents

Management review

- 4 Financial highlights for the Group
- 5 Business update
- 6 Group financials

Condensed interim consolidated financial statements

- 10 Condensed income statement
- 10 Condensed statement of comprehensive income
- 11 Condensed statement of financial position
- 12 Condensed cash flow statement
- 13 Condensed statement of changes in equity
- 14 Notes
- 21 Quarterly overview
- 22 Management's statement



Financial highlights for the Group

EUR million	Q2 2022	Q2 2021	H1 2022	H1 2021	Year 2021
Income statement					
Revenue	272.0	257.8	536.2	495.1	994.9
EBITDA before special items	34.5	41.9	72.1	78.3	144.3
EBITDA	33.3	38.2	68.3	74.4	139.9
Operating profit (EBIT) before special items	19.8	27.2	42.3	48.6	84.1
Operating profit (EBIT)	18.6	23.5	36.3	44.7	79.7
Special items, net	-1.2	-3.7	-6.0	-3.9	-4.4
Financial items, net	-5.5	-2.6	-8.7	-5.7	-11.6
Profit for the period	10.4	17.5	21.2	28.4	51.0
Cash flow statement					
Cash flow from operating activities	18.4	22.8	0.1	34.7	74.7
Cash flow from investing activities	-7.3	-3.6	-11.7	-6.3	-16.2
– hereof investments in property, plant and equipment	-2.9	-1.0	-4.4	-1.9	-5.8
– hereof investments in intangible assets	-3.5	-2.9	-7.2	-4.9	-11.7
Free cash flow	11.1	19.2	-11.6	28.4	58.5
Statement of financial position					
Total assets			910.8	828.7	841.2
Group equity			245.4	171.3	207.7
Working capital			244.1	154.3	175.7
Net interest-bearing debt			367.5	359.9	338.5
Capital employed			612.9	531.2	546.2
Financial ratios and employees					
Organic growth	2.8%	38.5%	5.9%	24.3%	20.7%
Organic growth Nilfisk branded professional business	5.2%	42.8%	8.0%	24.0%	20.1%
Gross margin	38.8%	40.9%	39.4%	41.2%	40.5%
EBITDA margin before special items	12.7%	16.3%	13.4%	15.8%	14.5%
EBITDA margin	12.2%	14.8%	12.7%	15.0%	14.1%
Operating profit (EBIT) margin before special items	7.3%	10.6%	7.9%	9.8%	8.5%
Operating profit (EBIT) margin	6.8%	9.1%	6.8%	9.0%	8.0%
Financial gearing			2.7	2.7	2.3
Overhead cost ratio	31.5%	30.3%	31.5%	31.4%	32.0%
CAPEX ratio	2.4%	1.5%	2.2%	1.4%	1.8%
Working capital ratio			18.6%	16.0%	15.4%
Return on Capital Employed (RoCE) LTM			13.8%	13.2%	15.8%
Basic earnings per share (EUR)	0.38	0.65	0.78	1.05	1.88
Diluted earnings per share (EUR)	0.38	0.65	0.78	1.05	1.88
Number of full-time employees, end of period			4,799	4,718	4,887

Please find definitions in Note 11.



Business update

Growth momentum continued

Q2 2022 saw continued revenue growth despite the negative impact from the temporary supply disruption following the destruction of the US Distribution Center by a tornado end-March. The Professional Business in Europe had a significant contribution to the growth in the quarter, based on strong demand. Despite continued strong customer demand in Americas, sales growth was temporarily muted following the tornado incident. COVID lockdowns in China continued to negatively impact growth in APAC. Overall, order intake in Q2 2022 surpassed sales growth and the order book value at June 30, 2022 further increased above the elevated Q1 2022 levels. Global supply chain challenges continued to constrain sales growth.

Americas revenue postponed to H2 2022

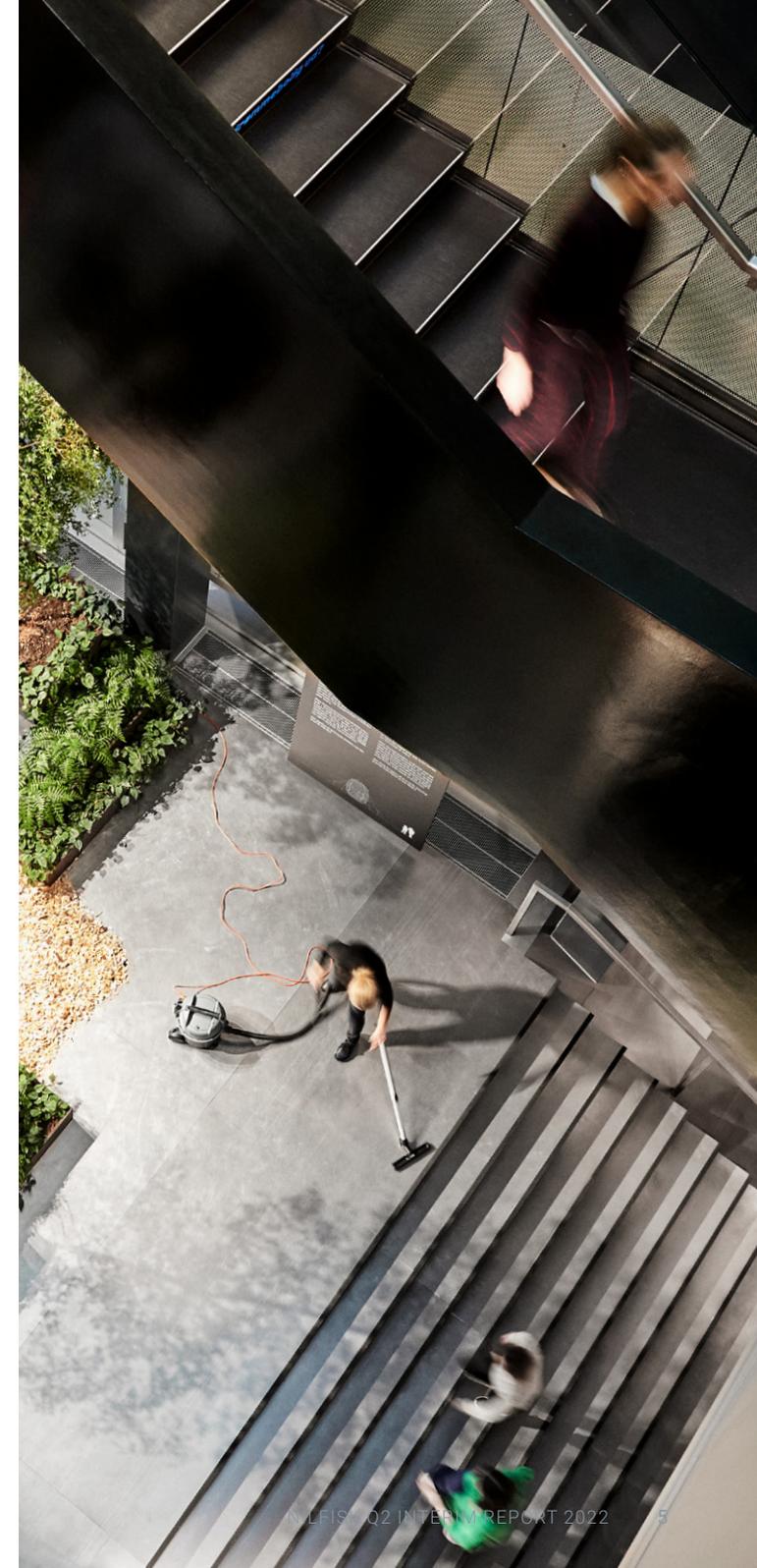
Nilfisk's US Distribution Center in Springdale, Arkansas, was destroyed by a tornado on March 30. In early April, business resumed at a new facility and stock was replenished during Q2 2022. The tornado event resulted in longer delivery times, leading to revenue being postponed from Q2 2022 to H2 2022. Due to a faster than expected ramp up of activity in the new US Distribution Center, deliveries reached almost normal level as from June. We now expect about 10-12 mEUR of revenue to be delayed from Q2 2022 to H2 2022.

Supply chain constraints and margin implications

The supply chain constraints impacting Nilfisk's output and delivery times continued during Q2 2022. Freight costs remained high and even increased in certain markets. Raw material cost inflation increased during the quarter, and supplier capacity for certain components and parts remained limited. The strategic work to enhance the robustness of our supply chain continues, as we diversify the supplier base and invest in production capacity. In addition, we announced further adjustments to our pricing towards the end of Q2 2022 to mitigate the margin impact of inflationary pressures.

Roll-out of Business Plan 2026 on track

Nilfisk's Business Plan 2026 is focused on long-term sustainable growth. Roll-out continued during the quarter, with strategy implementation, specific projects, and a focus on new ways of working.



Demand in branded professional business drove organic growth in Q2 2022

EUR million	Q2 2022	Q2 2021	H1 2022	H1 2021
Revenue	272.0	257.8	536.2	495.1
Gross profit	105.4	105.4	211.0	204.1
Overhead costs	85.6	78.2	168.7	155.5
EBITDA before special items	34.5	41.9	72.1	78.3
Profit for the period	10.4	17.5	21.2	28.4
Financial ratios:				
Organic growth	2.8%	38.5%	5.9%	24.3%
Gross margin	38.8%	40.9%	39.4%	41.2%
EBITDA margin before special items	12.7%	16.3%	13.4%	15.8%
Overhead cost ratio	31.5%	30.3%	31.5%	31.4%
CAPEX ratio	2.4%	1.5%	2.2%	1.4%

Revenue

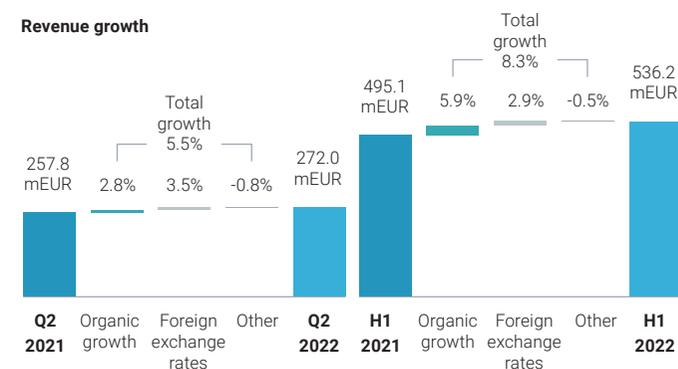
For the total business, revenue in Q2 came to 272.0 mEUR (Q2 2021: 257.8 mEUR), corresponding to organic growth of 2.8%. Foreign exchange rates had a positive impact of 3.5%. Closing down Nilfisk Russia resulted in -0.8% impact in the 'other' category. As a result, total reported growth in Q2 2022 was 5.5%.

For the first six months of 2022, revenue for the total business came to 536.2 mEUR compared to 495.1 mEUR in the first six months of 2021, corresponding to organic growth of 5.9%. Foreign exchange rates had an impact of 2.9% on total reported growth mainly due to appreciation of USD compared to last year. As a result, total reported growth in the first six months of 2022 was 8.3%.

The growth in Q2 2022 was driven primarily by the Europe Professional business, with Americas also delivering organic growth but limited by the tornado destruction of the US Distribution Center at the end of Q1 2022. Consumer and Private Label experienced negative growth due to a market slowdown compared to significant 2021 growth, while APAC has been affected by COVID lockdowns in China and global supply chain challenges. Price increases have been a growth driver across all markets, while the supply chain constraints limited revenue growth in Q2.

In Europe, revenue in Q2 amounted to 126.7 mEUR (Q2 2021: 119.5 mEUR) corresponding to organic growth of 9.4%. Solid customer demand continued across Europe and in combination with strategic initiatives drove revenue growth. Countries such as Turkey, Italy and Spain continued to outperform in Europe South, offsetting France where we benefited from the autonomous deal with a large retailer last year. Europe North saw growth across all countries, supported by strong performance from Norway and Sweden.

Revenue growth



Organic growth by geographical regions

	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Europe region	4.6%	38.1%	4.1%	23.8%	19.4%
Americas region	1.6%	40.3%	12.0%	25.2%	23.7%
APAC & MEA region	-4.6%	34.9%	-1.5%	24.8%	19.6%
Total organic growth	2.8%	38.5%	5.9%	24.3%	20.7%

Organic growth by operating segment

	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Europe	9.4%	46.0%	7.5%	23.1%	17.8%
Americas	1.6%	40.4%	12.4%	25.3%	23.8%
APAC	-5.3%	35.0%	-4.2%	24.9%	19.7%
Nilfisk branded professional business	5.2%	42.8%	8.0%	24.0%	20.1%
Consumer	-11.5%	7.1%	-8.5%	19.6%	12.8%
Private label and other	-6.2%	46.6%	3.2%	37.1%	43.9%
Total organic growth	2.8%	38.5%	5.9%	24.3%	20.7%

In Americas, revenue in Q2 amounted to 86.7 mEUR (Q2 2021: 75.7 mEUR) corresponding to organic growth of 1.6%. Growth came from Canada and LATAM, partly offset by slight negative growth in US Floorcare as a result of the follow-on effects of the destruction of the US Distribution Center. Overall, US sales rose in Q2 as strategic initiatives and mitigating actions were able to more than offset the effects of the tornado event.

In APAC, revenue in Q2 amounted to 20.5 mEUR (Q2 2021: 20.4 mEUR) and organic growth was -5.3%. The ongoing “zero COVID” policy in China led to continuing negative impact from lockdowns. Most of rest of Asia experienced growth, with India growing strongly. Supply challenges again had a negative impact for the Pacific region in Q2.

For the first six months of 2022, revenue in the branded professional business amounted to 454.0 mEUR (H1 2021: 409.2 mEUR) corresponding to organic growth of 8.0%.

The Consumer business decreased in revenue compared to the same quarter in 2021, as high inflation and the war in Ukraine significantly reduced consumer confidence, which led to a reduction in demand and affected most consumer categories. Revenue for the Consumer business in Q2 amounted to 23.1 mEUR (Q2 2021: 26.3 mEUR) corresponding to organic growth of -11.5%. For the first six months of 2022, revenue in the Consumer business amounted to 49.6 mEUR (H1 2021: 54.3 mEUR) corresponding to organic growth of -8.5%.

In the Private Label and other business, revenue amounted to 15.0 mEUR (Q2 2021: 15.9 mEUR) corresponding to organic growth of -6.2% as demand from key customers slowed down after a strong prior year. For the first six months of 2022, revenue in the Private Label and other business amounted to 32.6 mEUR (H1 2021: 31.6 mEUR) corresponding to organic growth of 3.2%.

Gross margin

The gross margin was 38.8% in Q2 2022, compared to 40.9% in Q2 2021. The decline in gross margin was a result of the further negative impact from high freight rates and raw material costs, partly mitigated by the price increases executed.

For the first six months of 2022, the gross margin was 39.4% compared to 41.2% for the first six months of 2021. The price increase did not fully compensate for negative effects of freight rates and raw materials costs.

Overhead costs and ratio

For the first six months of 2022, total overhead costs amounted to 168.7 mEUR compared to 155.5 mEUR in the same period of 2021. The increase was due to higher activity, cost inflation, and unfavorable foreign exchange rates (mainly USD), as well as investments to support Business Plan 2026.

Overhead costs in Q2 grew by 7.4 mEUR compared to Q2 2021, coming to 85.6 mEUR. The overhead cost ratio increased slightly compared to the same period in 2021, but remained flat compared to Q1 2022 and lower than for full year 2021.

Total R&D spend in Q2 increased by 1.2 mEUR compared to Q2 2021 and came to 7.3 mEUR, corresponding to 2.7% of revenue compared to 2.4% in Q2 2021. Investments in strategic R&D projects continued. Out of the total spend of 7.3 mEUR, 4.4 mEUR was recognized as an expense in the income statement (Q2 2021: 3.7 mEUR), while 2.9 mEUR was capitalized (Q2 2021: 2.4 mEUR). In addition to expensed costs, total reported R&D costs for Q2 2022 of 7.2 mEUR (Q2 2021: 6.6 mEUR) also included amortization, depreciation, and impairment of 2.8 mEUR (Q2 2021: 2.9 mEUR).

Research and development costs

EUR million	Q2 2022	Q2 2021	H1 2022	H1 2021
Total R&D spend	7.3	6.1	14.3	11.4
Capitalized	2.9	2.4	5.8	4.1
Expensed in the P&L	4.4	3.7	8.5	7.3
R&D ratio (% of revenue)	2.7%	2.4%	2.7%	2.3%
Expensed R&D spend	4.4	3.7	8.5	7.3
Amortization, depreciation, and impairment	2.8	2.9	5.8	6.0
Total R&D expenses	7.2	6.6	14.3	13.3

Due to cost inflation and the increase in business activity, sales and distribution costs in the quarter increased by 4.4 mEUR to 61.1 mEUR.

Administration costs increased by 1.5 mEUR to 17.7 mEUR reflecting cost inflation and support of Business Plan 2026.

EBITDA and EBITDA margin

EBITDA before special items decreased by 7.4 mEUR compared to Q2 2021 and came to 34.5 mEUR in the quarter, corresponding to an EBITDA margin before special items of 12.7% compared to 16.3% in Q2 2021. The lower gross margin was the main driver behind the decrease in the EBITDA margin before special items.

EBITDA amounted to 33.3 mEUR compared to 38.2 mEUR in Q2 2021. The EBITDA margin came to 12.2% compared to 14.8% in Q2 2021 due to effects mentioned above, partly offset by lower special items.

For the first six months of 2022, EBITDA before special items amounted to 72.1 mEUR compared to 78.3 mEUR for the first six months of 2021. This corresponds to an EBITDA margin before special items of 13.4%, which is 2.4 percentage points lower than the same period last year.

EBITDA for the first six months of 2022 amounted to 68.3 mEUR compared to 74.4 mEUR for the first six months of 2021, corresponding to an EBITDA margin of 12.7% compared to 15.0% the year before.

Operating profit before special items and operating profit

Operating profit before special items amounted to 19.8 mEUR compared to 27.2 mEUR Q2 2021. This corresponded to an operating profit margin before special items of 7.3% compared to 10.6% in Q2 2021.

Operating profit amounted to 18.6 mEUR compared to 23.5 mEUR in Q2 2021. This corresponded to an operating profit margin of 6.8% compared to 9.1% in Q2 2021.

For the first six months of 2022, operating profit before special items amounted to 42.3 mEUR compared to 48.6 mEUR for the first six months of 2021. This corresponded to an operating profit margin before special items of 7.9% compared to 9.8% in 2021. Operating

profit amounted to 36.3 mEUR compared to 44.7 mEUR in the first six months of 2021. This corresponded to an operating profit margin of 6.8% compared to 9.0% the year before.

Special items

Special items amounted to 1.2 mEUR compared to 3.7 mEUR in Q2 2021. The special items mainly related to reorganization costs incurred from implementing Business Plan 2026 as well as the initiated liquidation of Nilfisk Russia.

For the first six months of 2022, special items amounted to 6.0 mEUR compared to 3.9 mEUR in the first six months of 2021. The first six months of 2022 were impacted by the decision to liquidate Nilfisk Russia, leading to a write-down of assets in Nilfisk Russia as well as reorganization costs in connection with the implementation of Business Plan 2026. The same period in 2021 was impacted by redundancy costs in connection with changes in the executive Management Board.

Details on special items are described in Note 6.

Financial items

Net financial items amounted to a cost of 5.5 mEUR, compared to a cost of 2.6 mEUR in Q2 2021, driven by an increase in foreign exchange losses and unfavorable hedging, partly offset by lower interest expenses from lower interest rates and debt.

For the first six months of 2022, net financial items amounted to a cost of 8.7 mEUR, compared to a cost of 5.7 mEUR in the same period of 2021 impacted by the same factors as in the quarter.

Tax on profit for the period

Tax on profit was a cost of 3.5 mEUR compared to a cost of 4.9 mEUR in Q2 2021, driven by the decrease in profit before income taxes partly offset by a higher effective tax rate at 25.2% compared to 21.9% for the same period in 2021.

For the first six months of 2022, tax on profit amounted to a cost of 7.3 mEUR compared to a cost of 12.1 mEUR in the first six months

of 2021. The effective tax rate was 25.6% compared to 29.9% for the same period in 2021.

Profit for the period

Profit for the period amounted to 10.4 mEUR compared to 17.5 mEUR in Q2 2021.

For the first six months of 2021, profit for the period amounted to 21.2 mEUR compared to 28.4 mEUR in the same period of 2021.

Working capital

As of June 30, 2022 working capital was 244.1 mEUR, up by 89.8 mEUR compared to Q2 2021 and 68.4 mEUR up compared to end of 2021. The increase compared to Q2 2021 was driven mainly by an increase in operating working capital.

Trade receivables decreased by 0.5 mEUR driven by a decrease in receivables from associates, partly offset by higher trade receivables from the increase in revenue, especially in the branded professional business.

Inventories increased by 67.0 mEUR, a development driven by higher business activity and a management decision to ensure critical components and availability of the most used parts in production, as well as the impact of cost inflation. Supply chain constraints and continued difficulty in sourcing certain components also led to longer lead times in production. The inventory in Nilfisk's US Distribution Center has been replenished during Q2 2022 after it was partly damaged by a tornado at the end of Q1 2022.

Trade payables increased by 10.4 mEUR due to overall higher activities.

Other receivables increased by 20.9 mEUR of which approximately 10 mEUR was related to a remaining insurance recovery receivable for the estimated damaged inventory and other damaged assets in the distribution center in Springdale, Arkansas. During Q2 2022 approximately 6 mEUR has been received in insurance recovery. Please also see Note 9 contingent assets and liabilities.

Other current liabilities decreased by 10.7 mEUR primarily related to deferred revenue and variable costs impacted by higher revenue.

Compared to year-end 2021, the increase in working capital of 68.4 mEUR was primarily driven by increased inventory levels, trade receivables and the insurance receivable.

The 12-month average working capital ratio came to 18.6% at the end of Q2 2022 compared to 16.0% in Q2 2021, driven by the increases in the working capital level, partly offset by higher revenue.

Capital employed and RoCE

As of June 30, 2022, capital employed amounted to 612.9 mEUR, up by 81.7 mEUR compared to Q2 2021 and up by 66.7 mEUR compared to 546.2 mEUR at the end of 2021. The development in capital employed since Q2 2021 was due to the above-mentioned development in working capital.

The return on capital employed was 13.8%. This was up by 0.6 percentage point from Q2 2021 and down by 2.0 percentage points compared to end of 2021.

Cash flows

Cash flow from operating activities for Q2 2022 amounted to a net inflow of 18.4 mEUR compared to a net inflow of 22.8 mEUR in Q2 2021. The development compared to Q2 2021 was a result of lower operating profit. Cash flow from investing activities for Q2 2022 was a net outflow of 7.3 mEUR compared to 3.6 mEUR in Q2 2021, due to higher investments in strategic R&D projects.

Free cash flow decreased by 8.1 mEUR compared to Q2 2021 and amounted to an inflow of 11.1 mEUR.

For the first six months of 2022 cash flow from operating activities amounted to an inflow of 0.1 mEUR compared to an inflow of 34.7 mEUR for the same period 2021. Cash flow was negatively affected by the increase in working capital and the intentional increase of inventory levels to secure supply capability. Cash flow from investing activities for the first six months of 2022 was an outflow of 11.7 mEUR



compared to an outflow of 6.3 mEUR for the same period in 2021.

Free cash flow was an outflow of 11.6 mEUR for the first six months of 2022 compared to an inflow of 28.4 mEUR for the first six months of 2021.

Equity

Equity was 245.4 mEUR at the end of Q2 2022 against 207.7 mEUR at the end of 2021. The increase was related to the reported profit for the first six months of 2022, foreign exchange rate gain adjustments and value adjustment of hedging reserve.

Net interest-bearing debt

At the end of Q2 2022, net interest-bearing debt was 367.5 mEUR, up by 29.0 mEUR against end of 2021 from the increase in working capital. Compared to the end of Q2 2021, net interest-bearing debt was up by 7.6 mEUR.

The financial gearing at the end of Q2 2022 was 2.7 versus 2.3 at the end of 2021 and 2.7 at the end of Q2 2021.

Subsequent events

Purchase of additional shares in company M2H S.A.

On July 11, 2022 Nilfisk purchased additional 5% of the shares in company M2H S.A. taking Nilfisk share of M2H S.A. to 49%.

We are not aware of any other events after June 30, 2022, that potentially could have a material impact on the Group's financial position.

2022 Outlook

We maintain the full-year outlook as communicated in the Annual Report 2021 given current visibility of market demand, inflationary developments, profitability levels and impact from the tornado event at US Distribution Center.

We expect about 10-12 mEUR of revenue to be delayed from Q2 2022 to H2 2022 as a consequence of the tornado event at the US Distribution Center.

Therefore, for 2022 we continue to expect:

4% to 7%

Organic revenue growth

13.5% to 15.5%

EBITDA margin before special items

Statements made about the future in this report reflect the Executive Management Boards' current expectations with regard to future events and financial results. Statements about the future are by their nature subject to uncertainty, and the results achieved may therefore differ from the expectations, due to economic and financial market developments, legislative and regulatory changes in markets that Nilfisk operates in, development in product demand, competitive conditions, energy and raw material prices, and other risk factors. See also latest Annual Report for a more detailed description of risk factors. Nilfisk Holding A/S disclaims any liability to update or adjust statements about the future or the possible reasons for differences between actual and anticipated results except where required by legislation or other regulations.

Condensed income statement

for the period ended June 30

EUR million	Note	Q2 2022	Q2 2021	H1 2022	H1 2021
Revenue	4, 5	272.0	257.8	536.2	495.1
Cost of sales	9	-166.6	-152.4	-325.2	-291.0
Gross profit		105.4	105.4	211.0	204.1
Research and development costs	9	-7.2	-6.6	-14.3	-13.3
Sales and distribution costs	9	-61.1	-56.7	-119.9	-112.4
Administrative costs	9	-17.7	-16.2	-34.1	-31.3
Other operating income		0.7	2.0	1.1	2.4
Other operating expenses		-0.3	-0.7	-1.5	-0.9
Operating profit before special items		19.8	27.2	42.3	48.6
Special items, net	6	-1.2	-3.7	-6.0	-3.9
Operating profit		18.6	23.5	36.3	44.7
Share of profit from associates		0.8	1.5	0.9	1.5
Financial income		0.4	0.7	0.6	1.3
Financial expenses		-5.9	-3.3	-9.3	-7.0
Profit before income taxes		13.9	22.4	28.5	40.5
Tax on profit for the period		-3.5	-4.9	-7.3	-12.1
Profit for the period		10.4	17.5	21.2	28.4
<i>To be distributed as follows:</i>					
Profit attributable to shareholders of Nilfisk Holding A/S		10.4	17.5	21.2	28.4
Total		10.4	17.5	21.2	28.4
Earnings per share (based on 27,126,369 shares issued)					
Basic earnings per share (EUR)		0.38	0.65	0.78	1.05
Diluted earnings per share (EUR)		0.38	0.65	0.78	1.05

Condensed statement of comprehensive income

for the period ended June 30

EUR million	Note	Q2 2022	Q2 2021	H1 2022	H1 2021
Profit for the period		10.4	17.5	21.2	28.4
Other comprehensive income					
<i>Items that may be reclassified to the income statement:</i>					
Exchange rate adjustments of subsidiaries		9.0	-2.0	13.3	6.6
Value adjustment of hedging instruments:					
Value adjustment for the period		-1.4	-0.4	0.6	1.4
Transferred to cost of sales		3.1	-	2.2	-
Transferred to financial income and expenses		-	0.4	-	0.4
Tax on value adjustment of hedging instruments		-0.3	-	-0.9	-0.3
<i>Items that may not be reclassified to income statement:</i>					
Value adjustment of hedging instruments transferred to inventory		-0.1	-0.2	1.3	-0.4
Comprehensive income for the period		20.7	15.3	37.7	36.1
<i>To be distributed as follows:</i>					
Comprehensive income attributable to shareholders of Nilfisk Holding A/S		20.7	15.3	37.7	36.1
Total		20.7	15.3	37.7	36.1



Condensed statement of financial position

EUR million	Note	June 30 2022	June 30 2021	December 31 2021
Assets				
Goodwill		171.7	167.3	169.1
Trademarks		7.0	7.6	7.3
Customer related assets		4.6	5.6	5.2
Development projects completed		23.2	21.1	25.8
Software, know-how, patents, and competition clauses		19.7	26.7	23.5
Development projects and software in progress		22.9	24.1	18.6
Total intangible assets		249.1	252.4	249.5
Land and buildings		8.4	8.1	8.3
Plant and machinery		4.5	3.3	4.0
Tools and equipment		28.8	29.2	28.5
Assets under construction incl. prepayments		3.6	2.7	3.1
Right-of-use assets		55.2	59.9	56.2
Total property, plant and equipment		100.5	103.2	100.1
Investments in associates		30.3	31.1	29.0
Interest-bearing receivables		2.9	1.3	2.0
Other investments and receivables	7	8.1	2.9	3.3
Deferred tax		14.6	19.3	15.7
Total other non-current assets		55.9	54.6	50.0
Total non-current assets		405.5	410.2	399.6
Inventories		242.4	175.4	220.1
Trade receivables		196.6	197.1	173.9
Interest-bearing receivables		0.6	3.0	0.6
Income tax receivable		2.9	6.5	4.6
Other receivables	7	45.7	24.8	27.4
Cash at bank and in hand		17.1	11.7	15.0
Total current assets		505.3	418.5	441.6
Total assets		910.8	828.7	841.2

EUR million	Note	June 30 2022	June 30 2021	December 31 2021
Equity and liabilities				
Share capital		72.9	72.9	72.9
Reserves		19.8	-8.1	3.3
Retained earnings		152.7	106.5	131.5
Total equity		245.4	171.3	207.7
Deferred tax		6.5	5.9	5.9
Pension liabilities		5.1	7.0	5.1
Provisions		9.2	1.9	2.3
Interest-bearing loans and borrowings		324.4	307.6	292.7
Lease liabilities		34.8	39.5	35.3
Other liabilities	7	2.4	1.7	5.4
Total non-current liabilities		382.4	363.6	346.7
Interest-bearing loans and borrowings		5.8	7.2	5.8
Lease liabilities		23.1	21.6	22.3
Trade payables		135.3	124.9	135.9
Income tax payable		4.7	11.1	7.5
Other liabilities	7	101.1	111.8	101.5
Provisions		13.0	17.2	13.8
Total current liabilities		283.0	293.8	286.8
Total liabilities		665.4	657.4	633.5
Total equity and liabilities		910.8	828.7	841.2



Condensed cash flow statement

for the period ended June 30

EUR million	Note	Q2 2022	Q2 2021	H1 2022	H1 2021
Operating profit		18.6	23.5	36.3	44.7
Depreciation, amortization, and impairment	8	14.7	14.7	32.0	29.7
Other non-cash adjustments		6.5	-1.9	3.9	-1.7
Changes in working capital		-14.6	-8.7	-62.4	-29.9
Cash flow from operations before financial items and income taxes		25.2	27.6	9.8	42.8
Financial income received		2.2	0.4	4.5	2.9
Financial expenses paid		-3.3	-3.3	-6.9	-7.1
Income tax paid		-5.7	-1.9	-7.3	-3.9
Cash flow from operating activities		18.4	22.8	0.1	34.7
Purchase of property, plant, and equipment		-2.9	-1.0	-4.4	-1.9
Sale/disposal of property, plant, and equipment		-	-	0.3	0.2
Purchase of intangible assets		-3.5	-2.9	-7.2	-4.9
Purchase of financial assets		-0.9	-	-0.9	-
Sale/disposal of financial assets		-	0.3	0.5	0.3
Cash flow from investing activities		-7.3	-3.6	-11.7	-6.3
Free cash flow		11.1	19.2	-11.6	28.4
Changes in current interest-bearing receivables		-	0.3	0.1	0.5
Changes in current interest-bearing loans and borrowings		-2.8	-96.4	-2.2	-99.6
Changes in non-current interest-bearing loans and borrowings		1.6	78.4	26.9	82.1
Payment of lease liabilities		-6.0	-6.6	-12.0	-12.7
Cash flow from financing activities		-7.2	-24.3	12.8	-29.7
Net cash flow for the period		3.9	-5.1	1.2	-1.3
Cash at bank and in hand, at the beginning of the period		12.5	17.0	15.0	13.1
Exchange rate adjustments		0.7	-0.2	0.9	-0.1
Net cash flow for the period		3.9	-5.1	1.2	-1.3
Cash at bank and in hand, June 30		17.1	11.7	17.1	11.7



Condensed statement of changes in equity

for the period ended June 30

EUR million	2022					2021				
	Share capital	Foreign exchange reserve	Hedging reserve	Retained earnings	Total equity	Share capital	Foreign exchange reserve	Hedging reserve	Retained earnings	Total equity
Equity, January 1	72.9	-0.7	4.0	131.5	207.7	72.9	-14.9	-0.9	77.7	134.8
Other comprehensive income										
Exchange rate adjustments	-	13.3	-	-	13.3	-	6.6	-	-	6.6
<i>Value adjustment of hedging instruments:</i>										
Value adjustment for the period	-	-	0.6	-	0.6	-	-	1.4	-	1.4
Transferred to cost of sales	-	-	2.2	-	2.2	-	-	-	-	-
Transferred to inventory	-	-	1.3	-	1.3	-	-	-0.4	-	-0.4
Transferred to financial income and expenses	-	-	-	-	-	-	-	0.4	-	0.4
Tax on value adjustment of hedging instruments	-	-	-0.9	-	-0.9	-	-	-0.3	-	-0.3
Total other comprehensive income	-	13.3	3.2	-	16.5	-	6.6	1.1	-	7.7
Profit for the period	-	-	-	21.2	21.2	-	-	-	28.4	28.4
Comprehensive income for the period	-	13.3	3.2	21.2	37.7	-	6.6	1.1	28.4	36.1
Share option program	-	-	-	-	-	-	-	-	0.4	0.4
Total changes in equity	-	13.3	3.2	21.2	37.7	-	6.6	1.1	28.8	36.5
Equity, June 30	72.9	12.6	7.2	152.7	245.4	72.9	-8.3	0.2	106.5	171.3

Note 1 Significant accounting policies

This Interim Report has been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for listed companies. The interim report contains condensed financial statements for the Group. No interim report has been prepared for the parent company.

The interim report follows the same accounting policies as the consolidated financial statements for 2021, which provide a full description of the significant accounting policies.

The financial statement figures are presented in EUR million rounded with one decimal.

Amendments to accounting standards that are mandatorily effective for the current reporting period

IASB has issued amended standards which apply for the first time in 2022. None of these amended standards and interpretations are expected to have any significant impact on our financial statements.

New and amended IFRS standards and interpretations not yet adopted by the EU

IASB have issued amended standards and interpretations which apply for the first time in 2022, but which have not yet been adopted by the EU. None of these amended standards and interpretations, not yet adopted by EU, are expected to have any significant impact on our financial statements.

Note 2 Key accounting estimates and judgments

When preparing the consolidated financial statements, the use of reasonable estimates and judgments is an essential part. Given the uncertainties inherent in our business activities, the Executive Management Board makes a number of accounting estimates and judgments. The estimates and judgments are based on assumptions which form the basis for recognition and measurement of our assets, liabilities, cash flows and related disclosures. Estimates and judgments are regularly reassessed.

Regarding accounting estimates and judgments, please refer to Note 1.2 of the 2021 Annual Report. Regarding risks please refer to Note 6.3 of the 2021 Annual Report and the information contained in the section on risk management of the 2021 Annual Report.

COVID-19

Compared to what was disclosed in the Annual Report 2021, the COVID-19 outbreak is considered to impose continuously less uncertainty on the financial statements. APAC is currently the region that continues to see the biggest impact from COVID-19.

We have realized no specific impairments of assets and no additional obligations or liabilities have been recognized as a direct result of COVID-19. Depending on the situation with COVID-19 in the future and thereby the long-term impact for Nilfisk, there is an inherent risk that the estimates and judgments made in Q2 2022 could change. Future changes in estimates and judgment may have an impact on the Group's result and financial position.

Russia

The Russian invasion of Ukraine in February 2022 led to a decision to suspend business in Russia March 4, 2022. On April 26, 2022 it was decided to initiate a liquidation of Nilfisk Russia.

We have written down trade receivables and other assets impacted in Q1 2022. During Q2 2022, a wind down of business in Russia and Belarus was initiated and later the liquidation as well.

The liquidation of Nilfisk Russia is considered to have an immaterial impact on Nilfisk Group. Please see note 6 Special items for further details.

Tornado impact on US Distribution Center

On March 30, 2022, Nilfisk's Distribution Center in Springdale, Arkansas, was hit by a tornado as stated in company announcement 8/2022. The final loss assessment has not been completed by the loss maker from the insurance company, and a dialogue is still ongoing with the landlord and the insurance company. There is therefore uncertainty to both the assessment of damaged inventory and the expected insurance recovery.

Please see note 9 Contingent assets and liabilities for further details.

Note 3 Seasonal fluctuations

Due to the composition of the Nilfisk business, some degree of seasonality in revenue should be expected. Factors which impact seasonality are among others; the market for consumer high-pressure washers, holiday season, etc.

Normally, the quarterly operating profit follows the seasonality in revenue.

Cash flow from operations is typically weaker in Q1 due to negative changes in working capital in Q1 and Q2 as inventories increase. Working capital normally improves during Q3 and Q4.

Note 4 Segment information

EUR million	Europe	Americas	APAC	Non-allocated	Total branded professional	Consumer	Private label and other	Group
Q2 2022								
Revenue	126.7	86.7	20.5	-	233.9	23.1	15.0	272.0
Gross profit	54.2	31.6	8.5	-	94.3	8.5	2.6	105.4
EBITDA before special items	32.0	14.0	2.6	-13.6	35.0	3.0	-3.5	34.5
<i>Reconciliation to profit before income taxes:</i>								
Special items								-1.2
Amortization, depreciation and impairment								-14.7
Share of profit from associates								0.8
Financial income								0.4
Financial expenses								-5.9
Profit before income taxes								13.9
Gross margin	42.8%	36.4%	41.5%	-	40.3%	36.8%	17.3%	38.8%
EBITDA margin before special items	25.3%	16.1%	12.7%	-	15.0%	13.0%	-23.3%	12.7%
Q2 2021								
Revenue	119.5	75.7	20.4	-	215.6	26.3	15.9	257.8
Gross profit	53.9	30.3	8.7	-	92.9	8.8	3.7	105.4
EBITDA before special items	33.0	15.8	3.3	-11.2	40.9	3.8	-2.8	41.9
<i>Reconciliation to profit before income taxes:</i>								
Special items								-3.7
Amortization, depreciation and impairment								-14.7
Share of profit from associates								1.5
Financial income								0.7
Financial expenses								-3.3
Profit before income taxes								22.4
Gross margin	45.1%	40.0%	42.6%	-	43.1%	33.5%	23.3%	40.9%
EBITDA margin before special items	27.6%	20.9%	16.2%	-	19.0%	14.4%	-17.6%	16.3%

Note 4 Segment information (continued)

EUR million	Europe	Americas	APAC	Non-allocated	Total branded professional	Consumer	Private label and other	Group
H1 2022								
Revenue	241.9	172.7	39.4	-	454.0	49.6	32.6	536.2
Gross profit	107.8	63.9	16.4	-	188.1	16.3	6.6	211.0
EBITDA before special items	63.1	29.9	4.5	-26.0	71.5	6.0	-5.4	72.1
<i>Reconciliation to profit before income taxes:</i>								
Special items								-6.0
Amortization, depreciation and impairment								-29.8
Share of profit from associates								0.9
Financial income								0.6
Financial expenses								-9.3
Profit before income taxes								28.5
Gross margin	44.6%	37.0%	41.6%	-	41.4%	32.9%	20.2%	39.4%
EBITDA margin before special items	26.1%	17.3%	11.4%	-	15.7%	12.1%	-16.6%	13.4%
H1 2021								
Revenue	230.5	139.5	39.2	-	409.2	54.3	31.6	495.1
Gross profit	104.4	57.4	16.5	-	178.3	18.0	7.8	204.1
EBITDA before special items	62.4	29.2	5.4	-23.1	73.9	7.5	-3.1	78.3
<i>Reconciliation to profit before income taxes:</i>								
Special items								-3.9
Amortization, depreciation and impairment								-29.7
Share of profit from associates								1.5
Financial income								1.3
Financial expenses								-7.0
Profit before income taxes								40.5
Gross margin	45.3%	41.1%	42.1%	-	43.6%	33.1%	24.7%	41.2%
EBITDA margin before special items	27.1%	20.9%	13.8%	-	18.1%	13.8%	-9.8%	15.8%

Note 5 Distribution of revenue

Revenue by product line and service offering

EUR million	2022	2021	Organic growth
Q2			
Floorcare	98.1	88.8	6.4%
Vacuum cleaners	54.5	53.4	1.0%
High-pressure washers	42.0	42.2	-3.3%
Aftermarket	77.4	73.4	3.4%
Total	272.0	257.8	2.8%
H1			
Floorcare	185.9	161.2	11.5%
Vacuum cleaners	109.6	103.8	4.8%
High-pressure washers	84.0	82.4	-0.4%
Aftermarket	156.7	147.7	4.2%
Total	536.2	495.1	5.9%

Aftermarket includes field service as well as sale of parts, consumables, and accessories. Depending on the type of contract, service revenue is recognized over time or at a point in time.

Revenue by geographical regions

EUR million	2022	2021	Organic growth
Q2			
Europe region	159.7	156.8	4.6%
Americas region	89.1	78.0	1.6%
APAC & MEA region	23.2	23.0	-4.6%
Total	272.0	257.8	2.8%
H1			
Europe region	314.0	307.5	4.1%
Americas region	176.9	143.8	12.0%
APAC & MEA region	45.3	43.8	-1.5%
Total	536.2	495.1	5.9%

For information on revenue recognition, see accounting policy described in the Annual Report 2021, Note 2.2.

Note 6 Special items

Special items represent income and expenses that have a non-recurring and special nature against normal operating income and costs.

Special items recognized in Q2 2022 mainly related to costs for business restructuring related to reorganization costs incurred as part of implementing Business Plan 2026. Divestment costs in Q2 2022 was related to income and costs directly incurred related to winding down the business activities in Russia and initiating the liquidation of Nilfisk Russia.

Following the tornado hit on Nilfisk's US Distribution Center in Springdale, Arkansas, estimated damaged inventory and other damaged assets have been written down and offset by a corresponding expected insurance recovery receivable. Please also refer to Note 9 Contingent asset and liabilities.

Special items recognized in Q2 2021, were mainly related to redundancy costs in connection with changes in the executive Management Board.

For the first six months of 2022 special items amounted to 6.0 mEUR compared to 3.9 mEUR for the first six months of 2021.

For more information regarding special items, please refer to Note 2.4 in the 2021 Annual Report.

EUR million	Q2 2022	Q2 2021	H1 2022	H1 2021
Divestment	0.4	-0.6	3.7	-0.7
Business restructuring	0.8	4.3	2.3	4.6
Total	1.2	3.7	6.0	3.9

EUR million	2022	Special items	2022 adjusted	2021	Special items	2021 adjusted
Q2						
Revenue	272.0	0.8	272.8	257.8	-	257.8
Cost of sales	-166.6	-0.2	-166.8	-152.4	0.6	-151.8
Gross profit	105.4	0.6	106.0	105.4	0.6	106.0
Research and development costs	-7.2	-	-7.2	-6.6	-	-6.6
Sales and distribution costs	-61.1	-	-61.1	-56.7	-3.4	-60.1
Administrative costs	-17.7	-2.8	-20.5	-16.2	-0.9	-17.1
Other operating income	0.7	0.7	1.4	2.0	-	2.0
Other operating expenses	-0.3	-	-0.3	-0.7	-	-0.7
Special items, net	-1.2	1.2	-	-3.7	3.7	-
Operating profit	18.6	-0.3	18.3	23.5	-	23.5
Share of profit from associates	0.8	-	0.8	1.5	-	1.5
Financial income	0.4	0.3	0.7	0.7	-	0.7
Financial expenses	-5.9	-	-5.9	-3.3	-	-3.3
Profit before income taxes	13.9	-	13.9	22.4	-	22.4
Tax on profit for the period	-3.5	-	-3.5	-4.9	-	-4.9
Profit for the period	10.4	-	10.4	17.5	-	17.5

Note 6 Special items (continued)

EUR million	2022	Special items	2022 adjusted	2021	Special items	2021 adjusted
H1						
Revenue	536.2	0.8	537.0	495.1	-	495.1
Cost of sales	-325.2	-1.7	-326.9	-291.0	0.5	-290.5
Gross profit	211.0	-0.9	210.1	204.1	0.5	204.6
Research and development costs	-14.3	-	-14.3	-13.3	-	-13.3
Sales and distribution costs	-119.9	-0.8	-120.7	-112.4	-3.2	-115.6
Administrative costs	-34.1	-4.3	-38.4	-31.3	-1.2	-32.5
Other operating income	1.1	0.7	1.8	2.4	-	2.4
Other operating expenses	-1.5	-0.8	-2.3	-0.9	-	-0.9
Special items, net	-6.0	6.0	-	-3.9	3.9	-
Operating profit	36.3	-0.1	36.2	44.7	-	44.7
Share of profit from associates	0.9	-	0.9	1.5	-	1.5
Financial income	0.6	0.3	0.9	1.3	-	1.3
Financial expenses	-9.3	-	-9.3	-7.0	-	-7.0
Profit before income taxes	28.5	0.2	28.7	40.5	-	40.5
Tax on profit for the period	-7.3	-0.2	-7.5	-12.1	-	-12.1
Profit for the period	21.2	-	21.2	28.4	-	28.4

Note 7 Financial instruments measured at fair value

Financial instruments measured at fair value in the balance sheet are designated as belonging to one of the following three categories (the 'fair value hierarchy'):

- Level 1: Listed prices (unadjusted) in active markets for identical assets and liabilities
- Level 2: Input, other than listed prices on Level 1, which is observable for the asset or liability either directly (as prices) or indirectly (derived from prices)
- Level 3: Input for the asset or liability which is not based on observable market data (non-observable input)

Financial instruments measured at fair value have been categorized into level 2 as addressed in the Annual report 2021, Note 6.3. There have been no significant new items compared to December 31, 2021.

EUR million	June 30, 2022	June 30, 2021
<i>Financial assets:</i>		
Derivative financial instruments	14.2	1.6
Fair value through other comprehensive income	14.2	1.6
Derivative financial instruments	3.0	0.9
Fair value through profit and loss	3.0	0.9
<i>Financial liabilities:</i>		
Derivative financial instruments	5.0	1.3
Fair value through other comprehensive income	5.0	1.3
Derivative financial instruments	1.2	0.6
Fair value through profit and loss	1.2	0.6
Financial instruments, net	11.0	0.6

Note 8 Amortization, depreciation, and impairment

This note shows the split of amortization, depreciation, and impairment for the Nilfisk Group in the condensed income statement.

EUR million	Q2						H1					
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Intangible assets		Property, plant and equipment		Total		Intangible assets		Property, plant and equipment		Total	
Amortization and depreciation:												
Cost of sales	0.1	0.1	4.2	4.4	4.3	4.5	0.1	0.1	8.8	8.7	8.9	8.8
Research and development costs	2.6	2.8	0.2	0.1	2.8	2.9	5.2	5.7	0.3	0.3	5.5	6.0
Sales and distribution costs	0.8	0.8	2.7	2.4	3.5	3.2	1.6	1.6	4.8	4.9	6.4	6.5
Administrative costs	1.8	1.8	2.3	2.3	4.1	4.1	3.7	3.7	4.7	4.7	8.4	8.4
Total	5.3	5.5	9.4	9.2	14.7	14.7	10.6	11.1	18.6	18.6	29.2	29.7
Impairment:												
Cost of sales	-	-	-	-	-	-	-	-	0.3	-	0.3	-
Research and development costs	-	-	-	-	-	-	0.3	-	-	-	0.3	-
Special items	-	-	-	-	-	-	-	-	2.2	-	2.2	-
Total impairment	-	-	-	-	-	-	0.3	-	2.5	-	2.8	-
Total amortization, depreciation, and impairment	5.3	5.5	9.4	9.2	14.7	14.7	10.9	11.1	21.1	18.6	32.0	29.7

No impairments were realized in Q2 2022 in line with Q2 2021.

In H1 2022, impairment costs of 2.8 mEUR in total was realized. Hereof, 1.7 mEUR was related to damaged assets in Nilfisk's US Distribution Center in Springdale, Arkansas, 0.5 mEUR related to the close down of activities in Russia and 0.6 mEUR impairment of assets related to a consumer product being outphased.

Note 9 Contingent assets and liabilities

Assets

Following the tornado hit on Nilfisk's US Distribution Center in Springdale, Arkansas end of March 2022, Nilfisk is in dialogue with the insurance partner around insurance coverage. The final loss assessment is still ongoing.

Approximately 6 mEUR has been received in cash for insurance recoveries. 10 mEUR is included as other receivables in the statement of financial position as of June 30, 2022 for outstanding expected insurance recoveries corresponding to the remaining estimated damaged inventory.

Liabilities

Nilfisk is in discussion with the owner of the US Distribution Center building with respect to contractual obligations related to terminating the contract. The resulting costs may exceed the insurance coverage. Due to the uncertainty related to the potential costs no liability has been recognized in the statement of financial position as of June 30, 2022.

Note 10 Subsequent events

Purchase of additional shares in company M2H S.A.

On July 11, 2022 Nilfisk purchased additional 5% of the shares in company M2H S.A. taking Nilfisk share of M2H S.A. to 49%.

We are not aware of any other events after June 30, 2022, that potentially could have a material impact on the Group's financial position.

Note 11 Definitions

Item	Key figures and ratios	Definition
1	Cash conversion	Cash flow from operations before financial items and income taxes as a percentage of EBITDA
2	Capital employed	Non-current assets less interest-bearing receivables, provisions, pensions, and deferred tax liabilities and working capital
3	CAPEX	Capital expenditure (investments in property, plant, and equipment and intangible assets)
4	CAPEX ratio	CAPEX as a percentage of revenue
5	Days sales outstanding	Accounts receivables (excluding VAT) minus bad debt provision divided with latest three months net sales accumulated up to twelve months and multiplied by 365
6	Diluted earnings per share	Profit (loss) attributable to shareholders of Nilfisk Holding A/S as a percentage of diluted average number of outstanding shares
7	EBITDA before special items	Earnings (profit) before interest, tax, depreciation, amortization, impairment, and special items
8	EBITDA	Earnings (profit) before interest, tax, depreciation, amortization, and impairment
9	EBITDA margin before special items	EBITDA before special items as a percentage of revenue
10	EBITDA margin	EBITDA as a percentage of revenue
11	EBIT before special items	Earnings before interest, tax, and special items (operating profit before special items)
12	EBIT	Earnings before interest and tax (operating profit)
13	EBIT margin before special items	EBIT before special items as a percentage of revenue
14	EBIT margin	EBIT as a percentage of revenue
15	Earnings per outstanding share (EPS)	Profit (loss) attributable to shareholders of Nilfisk Holding A/S relative to average number of outstanding shares
16	Equity value per outstanding share	Equity attributable to shareholders of Nilfisk Holding A/S per outstanding share at December 31
17	Financial gearing	Net interest-bearing debt divided by EBITDA before special items LTM
18	Free cash flow	Cash flow from operating activities less cash flow from investing activities
19	Free cash flow excluding acquisitions and divestments	Free cash flow plus cash flow from acquisition of businesses and less cash flow from divestment of businesses
20	Gross margin	Gross profit as a percentage of revenue
21	Inventory days	Gross inventory divided by latest three months cost of sales excluding amortizations and service department costs accumulated up to twelve months and multiplied by 365
22	Investment ratio	Additions as a percentage of depreciations/amortizations
23	LTM	Latest twelve months
24	Net interest-bearing debt	Current and non-current interest-bearing loans and borrowings less interest-bearing receivables and cash
25	OCI	Other comprehensive income
26	Organic growth	Organic growth in local currency excluding acquisitions and divestments and foreign exchange rates
27	Overhead cost ratio	Overhead costs as a percentage of revenue
28	R&D ratio	Research and development spend as a percentage of revenue
29	Return on capital employed (RoCE)	EBIT before special items LTM as a percentage of average capital employed, calculated by taking the capital employed at December 31 and at the end of the preceding four quarters
30	Working capital	Current assets minus current and non-current liabilities (excluding interest-bearing items and provisions)
31	Working capital ratio	Average working capital LTM as a percentage of revenue

Quarterly overview

EUR million	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Income statement					
Revenue	272.0	264.2	260.6	239.2	257.8
EBITDA before special items	34.5	37.6	31.5	34.5	41.9
EBITDA	33.3	35.0	31.5	34.0	38.2
Operating profit (EBIT) before special items	19.8	22.5	15.5	20.0	27.2
Operating profit (EBIT)	18.6	17.7	15.5	19.5	23.5
Special items, net	-1.2	-4.8	-	-0.5	-3.7
Financial items, net	-5.5	-3.2	-3.2	-2.7	-2.6
Profit for the period	10.4	10.8	11.5	11.1	17.5
Cash flow					
Cash flow from operating activities	18.4	-18.3	20.9	19.1	22.8
Cash flow from investing activities	-7.3	-4.4	-5.4	-4.5	-3.6
– hereof investments in property, plant and equipment	-2.9	-1.5	-2.6	-1.7	-1.0
– hereof investments in intangible assets	-3.5	-3.7	-4.2	-2.6	-2.9
Free cash flow	11.1	-22.7	15.5	14.6	19.2
Statement of financial position					
Total assets	910.8	896.1	841.2	831.1	828.7
Group equity	245.4	224.8	207.7	187.6	171.3
Working capital	244.1	226.6	175.7	159.7	154.3
Net interest-bearing debt	367.5	372.4	338.5	346.1	359.9
Capital employed	612.9	597.2	546.2	533.7	531.2
Financial ratios and employees					
Organic growth	2.8%	9.3%	16.7%	17.9%	38.5%
Organic growth Nilfisk branded professional business	5.2%	11.2%	16.6%	16.1%	42.8%
Gross margin	38.8%	40.0%	38.8%	40.7%	40.9%
EBITDA margin before special items	12.7%	14.2%	12.1%	14.4%	16.3%
EBITDA margin	12.2%	13.2%	12.1%	14.2%	14.8%
Operating profit (EBIT) margin before special items	7.3%	8.5%	5.9%	8.4%	10.6%
Operating profit (EBIT) margin	6.8%	6.7%	5.9%	8.2%	9.1%
Financial gearing	2.7	2.6	2.3	2.4	2.7
Overhead costs ratio	31.5%	31.5%	32.9%	32.4%	30.3%
CAPEX ratio	2.4%	2.0%	2.6%	1.8%	1.5%
Working capital ratio	18.6%	16.7%	15.4%	15.5%	16.0%
Return on Capital Employed (RoCE)	13.8%	15.5%	15.8%	15.2%	13.2%
Basic earnings per share (EUR)	0.38	0.40	0.42	0.41	0.65
Diluted earnings per share (EUR)	0.38	0.40	0.42	0.41	0.65
Number of full-time employees, end of period	4,799	4,930	4,887	4,796	4,718



Management's statement

The Board of Directors and the Executive Management Board have today discussed and approved the Q2 Interim Report of Nilfisk Holding A/S for the period January 1 - June 30, 2022.

The Interim consolidated financial statements, which have not been audited or reviewed by the Group's independent auditor, have been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU. The Interim consolidated financial statements have been prepared in accordance with additional Danish requirements.

In our opinion, the Interim Report gives a true and fair view of the Group's assets, liabilities and financial position on June 30, 2022, and the results of the Group's activities and cash flow for the period January 1 - June 30, 2022.

We also believe that the Management's review provides a fair statement of developments in the activities and financial situation of the Group, financial results for the period, and the general financial position of the Group.

In our opinion, the Q2 Interim Report of Nilfisk Holding A/S for the period January 1 - June 30, 2022 identified as 529900FSU45YYVLKB451-2022-06-30.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

Brøndby, August 18, 2022

Executive Management Board

Torsten Türling
President and CEO

Reinhard Josef Mayer
CFO

Board of Directors

Göran Peter Nilsson
Chair

René Svendsen-Tune

Richard Parker Bisson

Are Dragesund

Franck Falezan

Jutta af Rosenborg

Thomas Schleicher

Gerner Raj Andersen

Claus Dalmose

Marcus Faber Kappendrup

Nadia Roya Damiri

Nilfisk's Interim Report Q2 2022 was published on August 18, 2022.
The report is also available at www.nilfisk.com.

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Company reg. no. 38 99 88 70.

Investor Relations contact IR@nilfisk.com

A photograph of a modern wooden play structure with a large ramp and rope climbing elements. Three children are playing on the structure. The image is overlaid with a dark blue tint.

NILFISK