

## Company announcement

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## Nilfisk Holding A/S

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## Nilfisk reports first quarter 2022 results

Nilfisk, a leading global provider of professional cleaning equipment and services, reported its Q1 2022 results today. Commenting on the results, Torsten Türling, CEO of Nilfisk said:

*Nilfisk is continuing the positive development from 2021, with higher revenue and continued growth momentum in the first quarter of 2022.*

*In February, we presented our Business Plan 2026 focused on long-term sustainable growth. The results for the first quarter present sustainable growth with our strategically important US market as the leading driver. We achieved revenue growth and EBITDA improvement despite continued supply chain challenges and rising inflationary cost pressures.*

*End March, our US distribution center was partially destroyed by a tornado. We resumed operations in a nearby building in record time. We expect the impact on our US sales to be limited to around 20 mEUR being delayed from Q2 to the second half of 2022. We continue to expect the full-year 2022 to land in line with our prior guidance."*

## Q1 2022 results

- Revenue for the total business amounted to 264.2 mEUR, corresponding to reported growth of 11.3% from Q1 last year. Organic revenue growth was 9.3%.
- The Gross Margin came in at 40% compared to 41.6% prior year, caused primarily by a negative impact from increasing material costs and continued high freight rates, partly offset by a positive impact from pricing effects and higher revenue.
- EBITDA before special items increased by 1.2 mEUR compared to Q1 2021 and came to 37.6 mEUR. This corresponds to an EBITDA margin before special items (bsi) of 14.2% compared to 15.3% in Q1 2021. The lower gross margin contributed to the decrease in the EBITDA margin bsi.
- In the branded professional business, organic growth was 11.2% with strong demand and solid execution across all regions. Americas, led by the strategically important US market, showed the strongest organic growth at 25.3%, while organic growth in Europe came to 5.4%.
- The Consumer business declined organically with 5.8% compared to Q1 2021.

- Private label and other showed organic growth of 12.7%, driven by continued high demand from key customers.
- Higher sales in Q1 2022, alongside continued cost control led to a reduction in the overhead cost ratio of 1.1 percentage points to 31.5% from 32.6% in Q1 2021. Overhead costs grew 5.8 mEUR compared to Q1 2021 due to higher business activity and came to 83.1 mEUR.
- Special items amounted to 4.2 mEUR compared to 0.2 mEUR in Q1 2021. The special items mainly related to write-down of assets in Nilfisk Russia and other costs incurred as a direct result of the decision to suspend business activities in Russia, as well as reorganization costs incurred from implementing Business Plan 2026.
- Free cash flow came to an outflow of 22.7 mEUR compared to 9.2 mEUR in Q1 2021. Cash flow was negatively affected by the increase in working capital driven by higher inventory levels to secure supply capability.

### Key figures

mEUR	Q1 2022	Q1 2021
Revenue	264.2	237.3
Organic growth	9.3%	11.9%
Gross margin	40.0%	41.6%
EBITDA before special items	37.6	36.4
EBITDA margin before special items	14.2%	15.3%
Free cash flow	-22.7	9.2
Financial gearing	2.6	3.4

### Outlook for 2022

We maintain the full-year outlook communicated in the Annual Report 2021 given the current visibility of market demand, inflationary developments, and profitability levels.

For 2022, we expect organic revenue growth of 4% to 7% and an EBITDA margin before special items between 13.5% to 15.5%.

	Outlook 2022
Revenue growth	4% to 7%
EBITDA margin before special items	13.5% to 15.5%

## Conference call

Nilfisk will host a conference call today at 10:00 CET. Please visit [investor.nilfisk.com](https://investor.nilfisk.com) or use the dial in information below to access the call. Presentation materials will be available on the website prior to the conference call.

To dial in, please use the following numbers:

DK: +45 3544 5577

UK: +44 3333 000804

US: +1 631 913 1422

The event will be broadcasted live via:

<https://getvisualtv.net/stream/?nilfisk-q1-2022-vxpz8v9ooq>

Participant code: 49032198#

The video will be available for viewing after the event along with the presentation from the day on:

<https://investor.nilfisk.com/>

## Forward-looking statements

Statements made about the future in this report reflect the Executive Management Board's 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 the Nilfisk Group operates in, development in product demand, competitive conditions, energy and raw material prices, and other 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.

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