



# Second quarter

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CFO Per-Ola Holmström

July 20, 2023

Medical  
Solutions



Integrated  
Solutions



Industrial  
Solutions

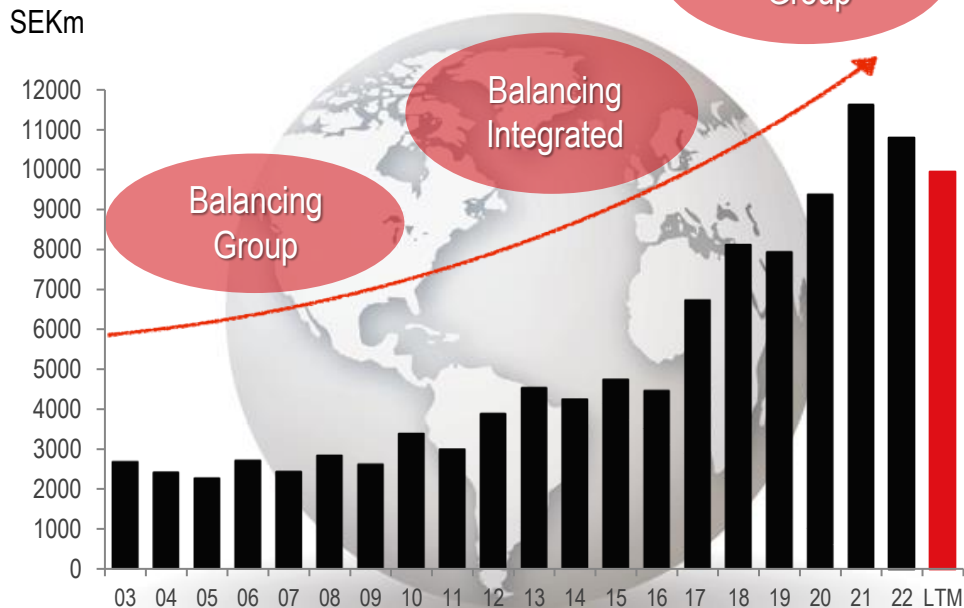


# Q2 summary

## Group

- Sales totaled SEK 2,478 million (2,905)
  - Positive currency effect; a 20% decrease, adjusted for currency
  - Positive performance by Medical and Industrial Solutions but low volumes for Integrated Solutions
- Operating profit (EBITA) was SEK 198 million (264)
- EBITA margin of 8.0% (9.1)
  - Impacted by lower volumes
- Cash flow after investments rose to SEK 224 million (71) excl. acquisitions
- Sustained strong financial position

A global solutions provider established on three continents



# One Group – three 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.

2,478

SALES  
SEKm  
Q2

198

EBITA  
SEKm  
Q2

8.0

EBITA MARGIN  
%  
Q2

## Medical Solutions

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

1,364

SALES  
SEKm  
Q2

138

EBITA  
SEKm  
Q2

10.1

EBITA MARGIN  
%  
Q2

## Integrated Solutions

Design, development and manufacture of advanced components, subsystems and ready-packaged products for consumer electronics, EMC & Thermal.

392

SALES  
SEKm  
Q2

16

EBITA  
SEKm  
Q2

4.1

EBITA MARGIN  
%  
Q2

## Industrial Solutions

Development and manufacture of products and product systems for customers in automotive, hygiene, packaging, gardening/forestry, domestic appliance, furniture and other selected industrial segments.

724

SALES  
SEKm  
Q2

56

EBITA  
SEKm  
Q2

7.7

EBITA MARGIN  
%  
Q2

# Medical Solutions – Sustainable Growth and Global expansion

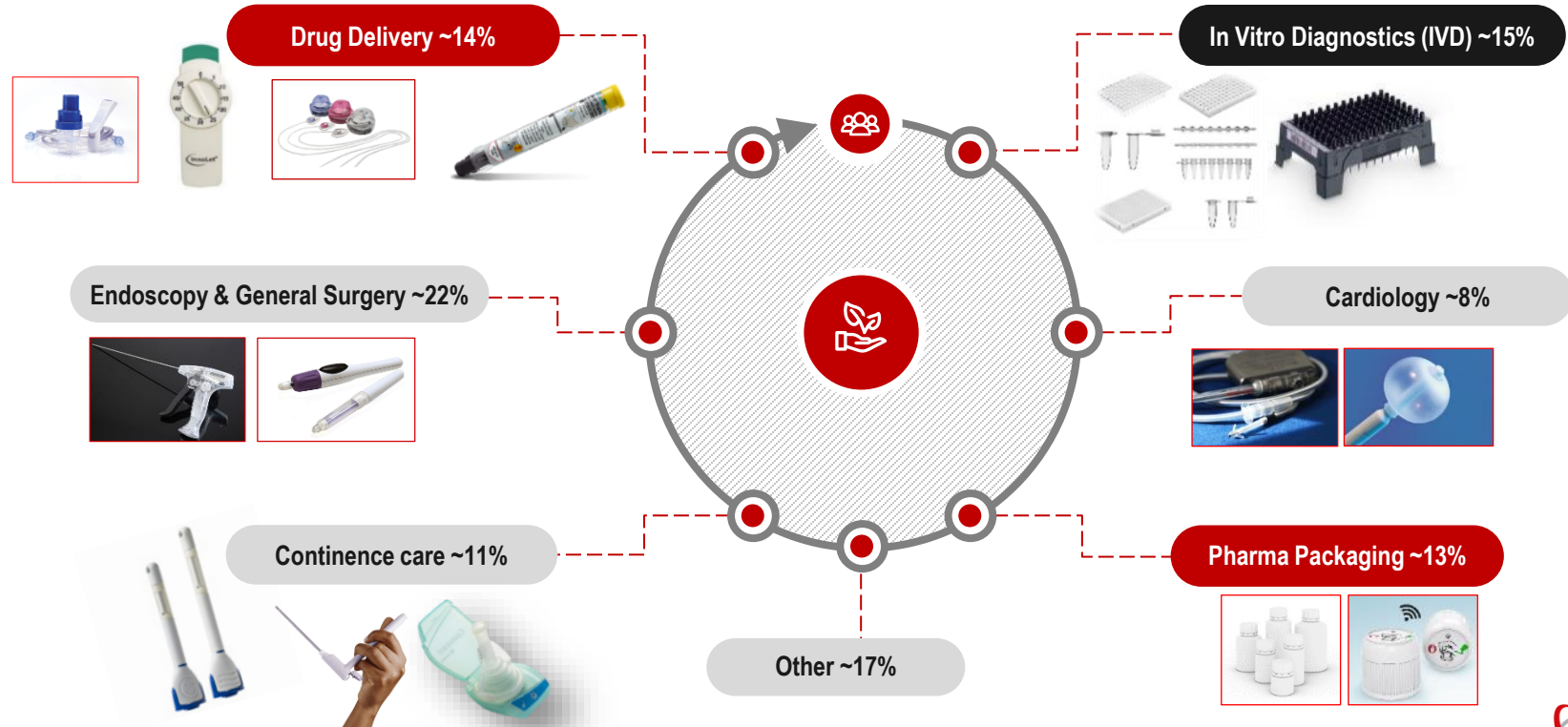


# Medical Solutions – Focused product areas

Pharma

Diagnostics

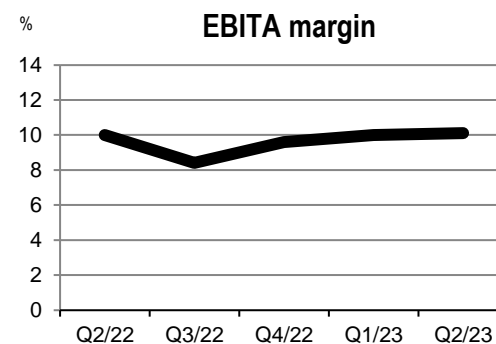
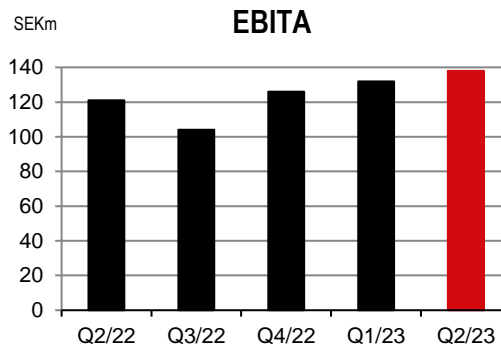
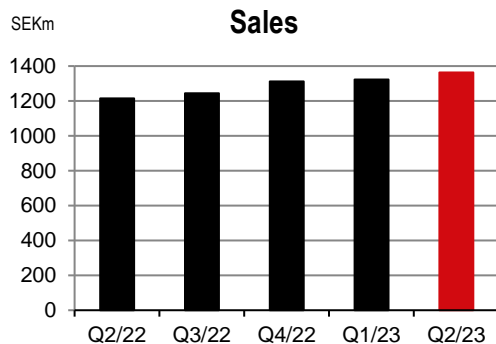
Medical Devices



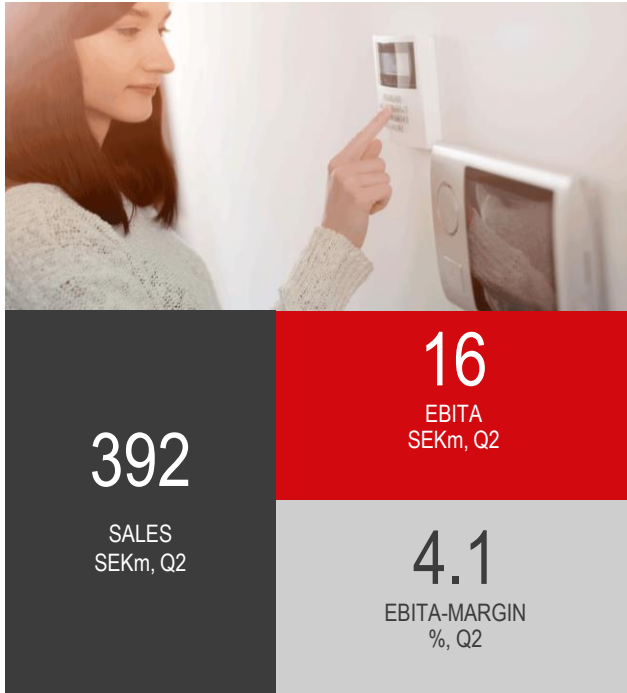
# Medical Solutions – Q2

- 12% increase in sales
  - 6% increase, adjusted for currency
  - Good growth in most market areas
  - IVD at unchanged level due to inventory adjustments in the value chain
- EBITA margin of 10.1% (10.0)

SEKm	Q2		Acc. 6 months	
	2023	2022	2023	2022
Sales	1,364	1,214	2,688	2,302
Operating profit (EBITA)	138	121	270	227
EBITA margin (%)	10.1	10.0	10.0	9.9
Operating profit (EBIT)	130	113	254	212



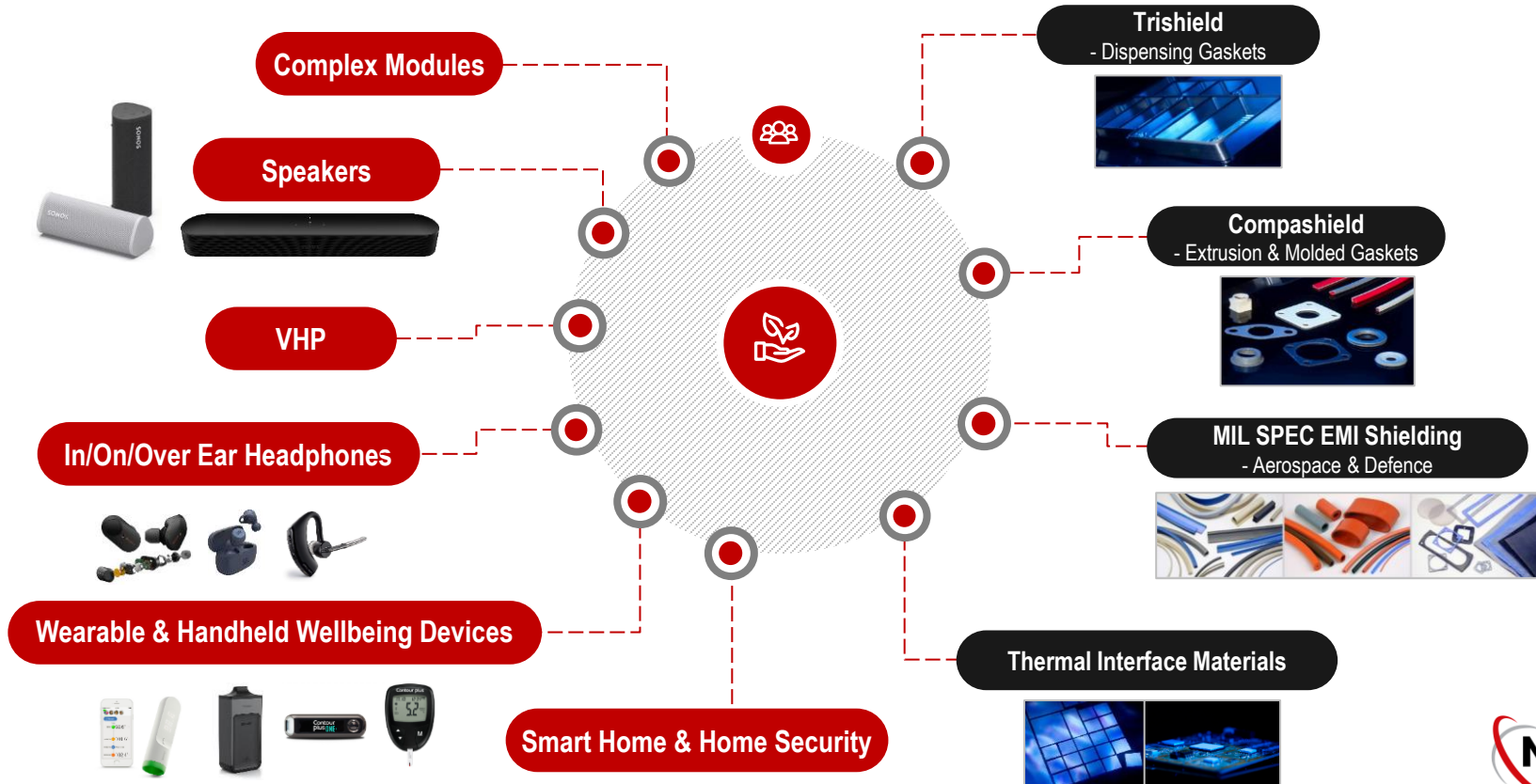
# Integrated Solutions – Expansion into new market segments



# Integrated Solutions – Focused product areas

Consumer Electronics

EMC & Thermal

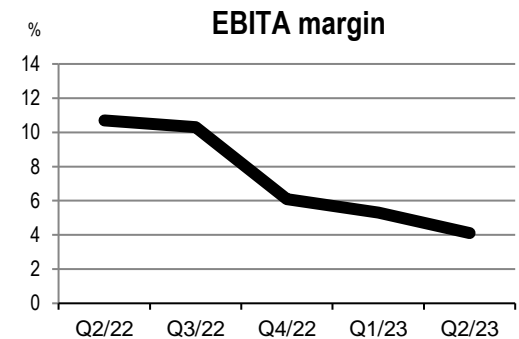
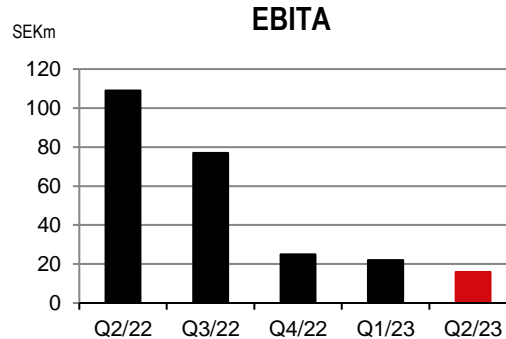
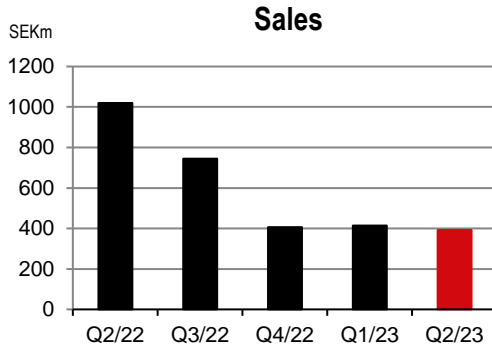




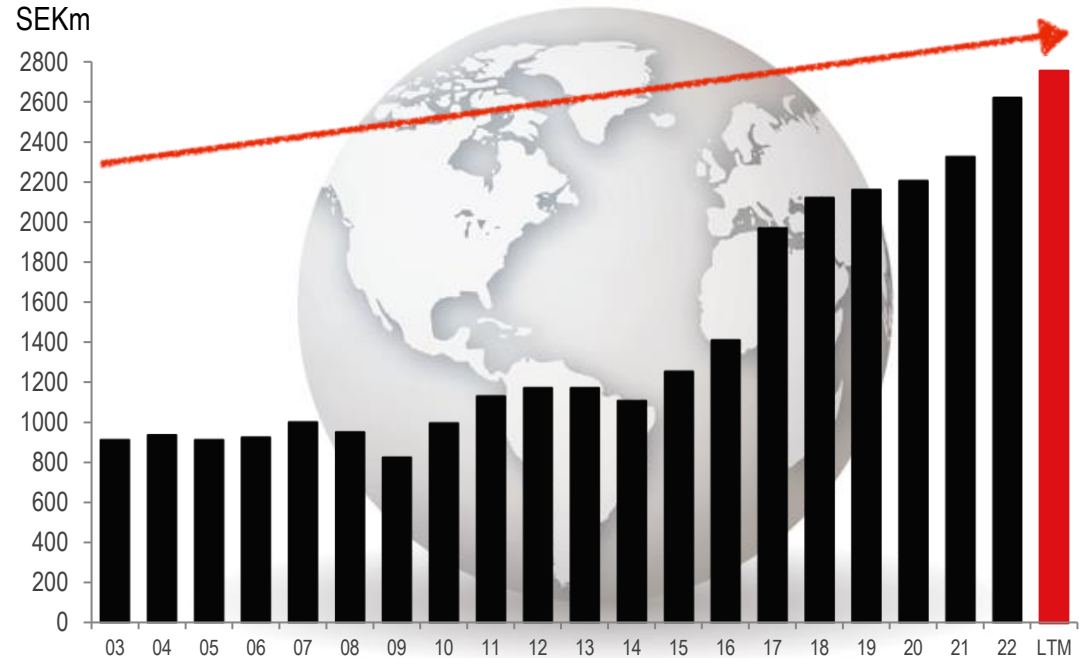
# Integrated Solutions – Q2

- 62% decrease in sales
  - 63% decline, adjusted for currency
  - Low volumes and a change in sourcing strategy at a previously significant customer had a negative impact
  - EMC sales increased to SEK 174 million (170)
  - The automotive area increased significantly, while the telecom area had lower volumes
- EBITA margin of 4.1% (10.7)
  - The margin was affected by lower volumes

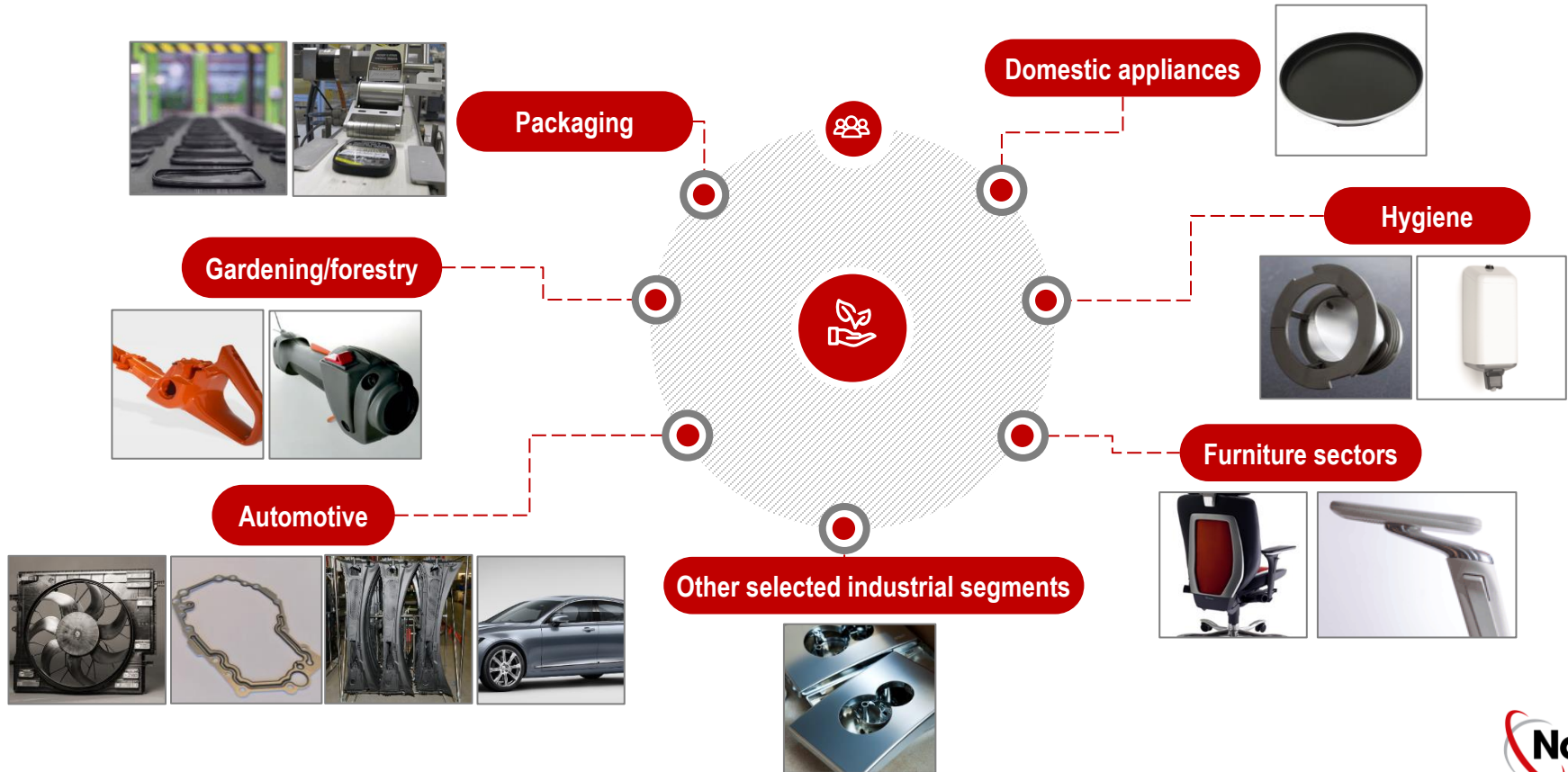
SEKm	Q2		Acc. 6 months	
	2023	2022	2023	2022
Sales	392	1,019	806	2,159
Operating profit (EBITA)	16	109	38	232
EBITA margin (%)	4.1	10.7	4.7	10.7
Operating profit (EBIT)	15	108	37	231



# Industrial Solutions – Technological and geographical expansion



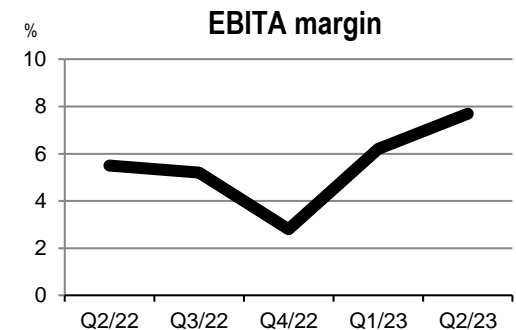
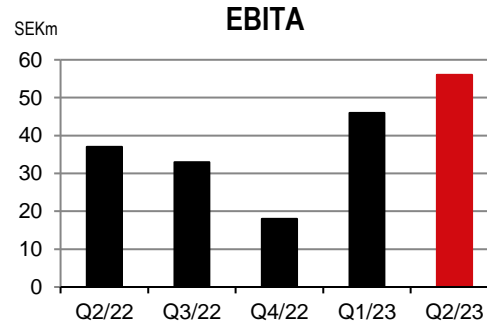
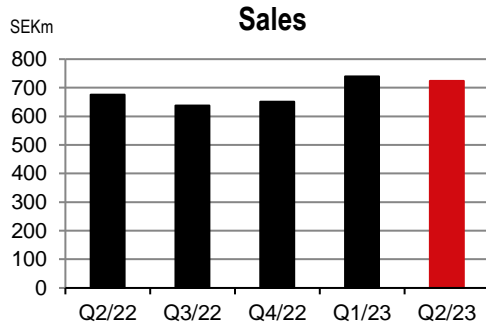
# Industrial Solutions – Focused product areas



# Industrial Solutions – Q2

- 7% increase in sales
  - 1% increase, adjusted for currency
  - Volumes in automotive have risen and disruptions in the supply chain have had less of an impact than previously
  - Demand for products in consumer discretionary sector slightly lower due to a weaker economy
- EBITA margin of 7.7% (5.5)
  - Less disruption in the supply chain for automotive meant more efficient production

SEKm	Q2		Acc. 6 months	
	2023	2022	2023	2022
Sales	724	676	1,464	1,329
Operating profit (EBITA)	56	37	102	77
EBITA margin (%)	7.7	5.5	7.0	5.8
Operating profit (EBIT)	53	34	97	72



# Group financial highlights

SEKm	Q2		Acc. 6 months		R-12	Full year 2022
	2023	2022	2023	2022		
Net sales	2,478	2,905	4,954	5,784	9,944	10,774
Operating profit (EBITA)	198	264	391	531	768	908
EBITA margin (%)	8.0	9.1	7.9	9.2	7.7	8.4
Profit after financial income and expense	192	241	365	492	748	875
Profit after tax	155	190	291	391	597	697
Effective tax (%)	-	-	20.3	20.5	20.2	20.3
Cash flow after investments, excl. acquisitions and disposals	224	71	178	30	156	8
Net investments affecting cash flow, excl. acquisitions and disposals	106	113	227	243	435	451
Earnings per share (SEK)	0.58	0.71	1.08	1.45	2.22	2.59
Adjusted earnings per share (SEK)	0.61	0.74	1.14	1.51	2.34	2.70
Equity/assets ratio (%)	-	-	52	49	52	54
Net financial liabilities (-)/net financial assets (+)	-	-	-1,163	-640	-1,163	-708
Return on capital employed (%)	-	-	10.7	19.4	10.7	12.8
Operating profit (EBIT)	186	252	369	510	726	867
Cash conversion (%)	-	-	-	-	21	1



# Current situation

## Medical Solutions



- Maintained growth strategy
- Focus on innovation
- Strong customer relationships

## Integrated Solutions



- Established position in new product areas
- Flexible production structure
- Success in automotive area positive for EMC, but lower volumes in telecom area
- Geopolitical concerns

## Industrial Solutions



- Advanced market positions
- Emphasis on sustainable solutions
- Generally weaker economy

# Thank you.



This presentation may contain forward-looking statements. When used in this presentation, words such as “anticipate”, “believe”, “estimate”, “expect”, “plan” and “project” are intended to identify forward-looking statements. Such statements could encompass risks and uncertainties pertaining to product demand, market acceptance, effects of economic conditions, impact of competitive products and pricing, foreign currency exchange rates and other risks. These forward-looking statements reflect the views of Nolato’s management as of the date made with respect to future events but are subject to risks and uncertainties. While all of these forward-looking statements are based on estimates and assumptions made by Nolato’s management and are believed to be reasonable, they are inherently uncertain and difficult to predict. Actual results and experience could differ materially from the forward-looking statements. Nolato disclaims any intention or obligation to update these forward-looking statements.