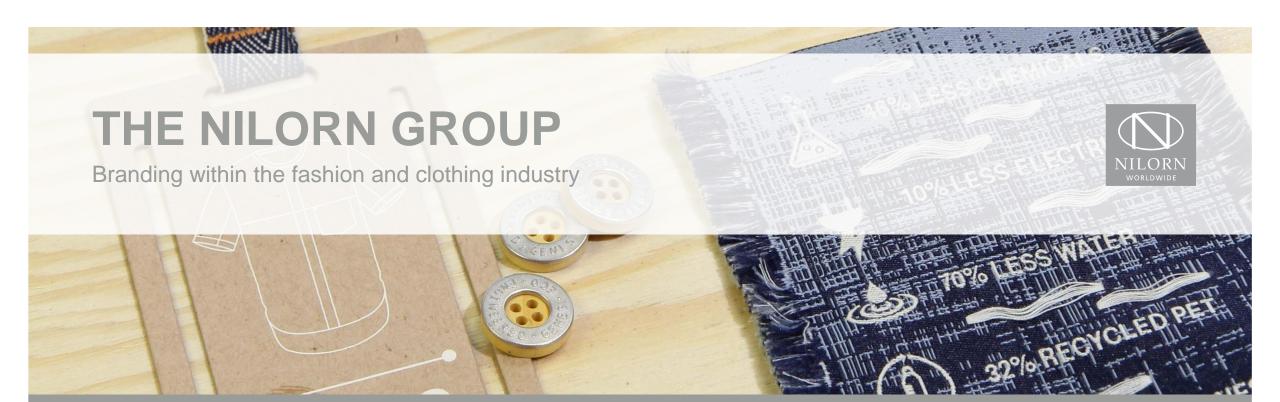




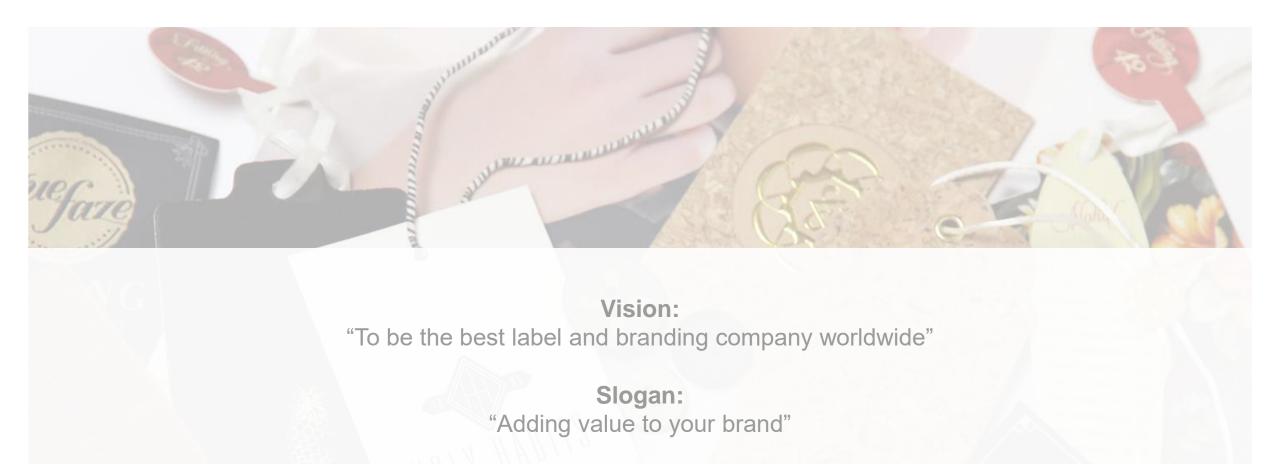
ADDING VALUE TO YOUR BRAND

BRANDING · DESIGN · PRODUCT DEVELOPMENT · LOGISTICS

NILÖRNGRUPPEN 2022



- Nilorn provides labels, packaging and accessories
- Value added by Branding & Design
- Global as well as cost and time effective solutions
- Complete service of branding including the design, manufacturing, logistics and service





HISTORICAL OVERVIEW

Operating with extensive experience



1980s • Design and production of labels

1990s • International expansion through acquisitions

• 1998 listed at Stockholm stock exchange

2000s • Continuing international expansion

- Closing production
- Establish in Turkey
- Increased focus on design, partners and logistic solutions

2010s • Focus on the clients

- Central European warehouse in Germany
- Establishment in Bangladesh, Shanghai, Hong Kong and Pakistan
- Good growth and increased profitability
- Relisted on Stockholm Stock exchange
- Sustainability is a focus area





PRODUCT DESCRIPTION

Labels





Labels are the core business and accounts for the bulk of sales

- Woven labels
- Textile labels
- Hang tags
- Embossed labels
- Barcode labels
- Labels with care instructions
- RFID
- Anti counterfeit



To strengthen the brand and convey a feeling it is important that the product is delivered in a attractive package

- Cartons, paper bags or plastic packaging
- Buttons, zippers, rivets, buckles, eyelets, molded plastic badges, etc...
- An emerging area: RFID

RADIO FREQUENCY IDENTIFICATION





Labels





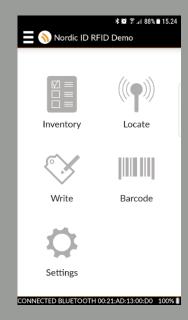




Hardware



Software



WHY IS RFID ESSENTIAL?





- > Increase stock accuracy
- Consumers want to buy whenever and wherever they are, and have it delivered anywhere
 - This becomes a huge logistical challenge for retailers and brand owners
- ➤ Next: Add on intelligent mirrors, security, self-checkout cashiers etc.



CUSTOMERS

Broad customer base



- A broad customer base and a number of leading fashion and apparel companies
- Nilorn customers have their production with external suppliers
- More than 1000 customers and 20 000 users on our Web Ordering System
- Nilorn delivered ca 1.5 Billion labels in 2019

MANUFACTURING/LOGISTICS

Key components of Nilorn's business





- Total solutions
- Local supply
- 85 percent from external production partners
- Wide network of producers
- An efficient logistics system

Nilorn's Unique Selling Points

An important part of our business



- 1. Sustainability and CSR
- 2. Innovation
 - a) Technical / Material
 - b) Design
- 3. Responsive
- 4. Distribution network
- 5. WOS











- 6. Unique staff "The workplace"
- 7. Consistency and good quality

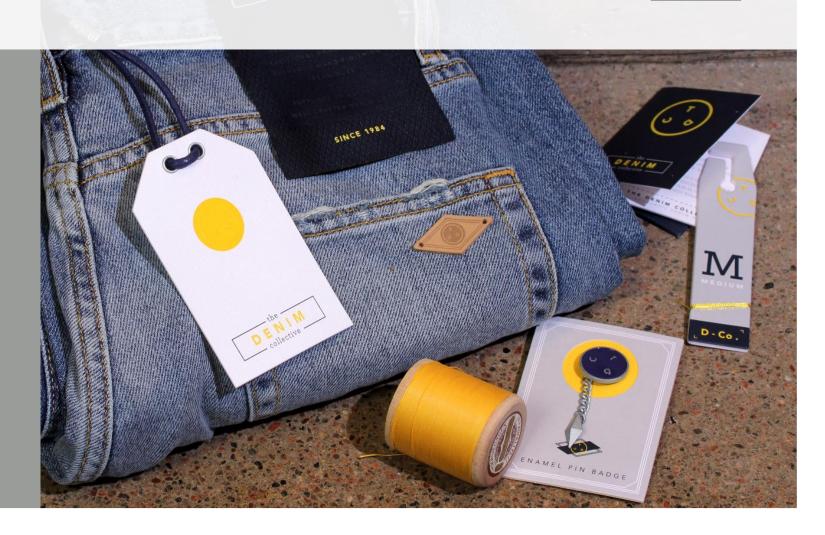


- Global
- Strategic decisions at headquarters
- Production often in low cost regions
- Mainly European branding and fashion companies
- Competitors: larger groups and many small private companies
- Fragmented

COMPETITORS

NILORN WORLDWIDE

- Avery Dennison (US)
- Trimco Group
- Checkpoint Systems (US)
- Cadica Group (IT)
- Byways Group (UK)
- LabelOn (UK)
- Rudholm & Haak (SWE)
- Mainietti (IT)





FINANCIAL PERFORMANCE



Q2-2022

NILORN WORLDWIDE

- Order Income +43% to MSEK 245 (171)
- Sales +54% to MSEK 269 (175)
- Sales excl currency effects +39 % to MSEK 243 (175)
- Operating profit MSEK 44,9 (23,1)
- Net Profit MSEK 36,0 (16,7)



Q2-2022, accumulated



- Order Income +50% to MSEK 525 (351)
- Sales +46% to MSEK 511 (350)
- Sales excl currency effects +34 % to MSEK 468 (350)
- Operating profit MSEK 85,1 (50,1)
- Net Profit MSEK 63,9 (36,3)



INCOME 2022

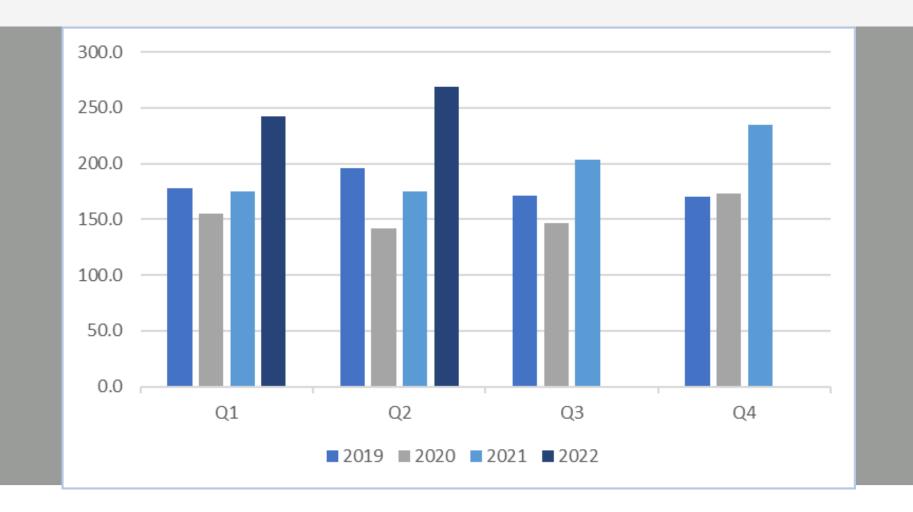


	3 months April - June							
				January - June				
Amounts in SEK thousand	2022		2021		2020		2019	
Net revenue	269 138		175 157		511 476		350 405	
Raw materials, supplies and goods for resale	-150 846		-91 778		-287 032		-185 640	
Gross profit	118 292	44.0%	83 379	47.6%	224 444	43.9%	164 765	47.0%
Other operating revenue	7 208		1 748		9 941		5 280	
Other external costs	-21 766	8.1%	-14 977	8.6%	-36 902	7.2%	-27 392	7.8%
Personnel costs	-48 717	18.1%	-39 675	22.7%	-94 484	18.5%	-78 124	22.3%
Depreciation, amortisation and impairment charges	-7 748		-6 257		-14 661		-12 457	
Other operating costs	-2 384		-1 127		-3 273		-1 942	
Operating profit	44 885	16.7%	23 091	13.2%	85 065	16.6%	50 130	14.3%
Net finance items	-606		-829		-1 563		-1 575	
Profit before taxes	44 279		22 262		83 502		48 555	
Taxes	-8 300	-3.1%	-5 556	-3.2%	-19 578	-3.8%	-12 229	-3.5%
Net profit for the period	35 979	13.4%	16 706	9.5%	63 924	12.5%	36 326	10.4%
Earnings per share, SEK	3.16		1.47		5.61		3.19	

QUARTERLY COMPARISON - Sales

Q2 and Q4 are historically the strongest revenue quarters

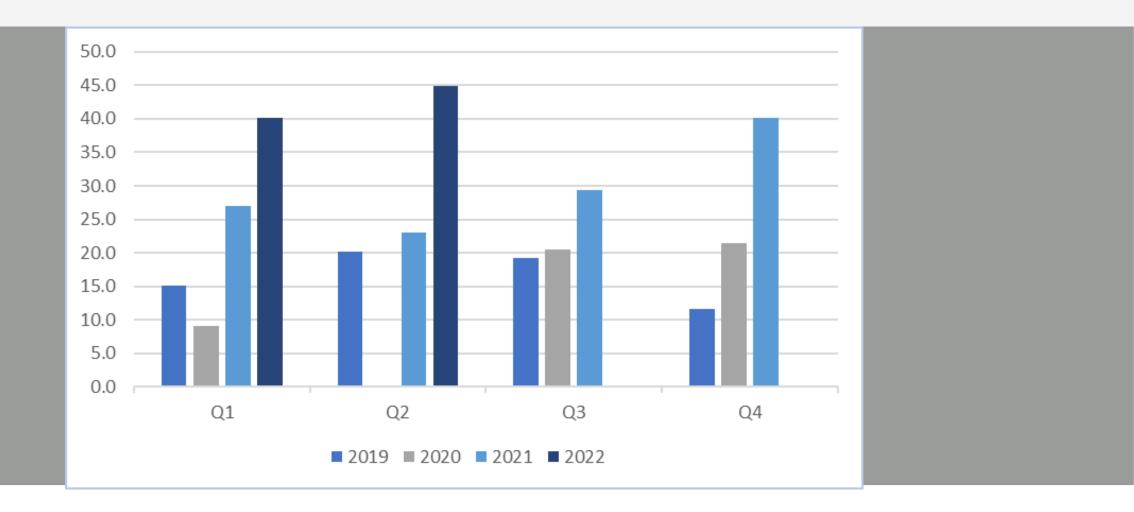




QUARTERLY COMPARISON - Operating Profit



Q2 and Q4 are historically the strongest revenue quarters



CASH FLOW



Consolidated Cash Flow Statement	April-	June	January	y-June	
Amounts in SEK thousand	2022	2021	2022	2021	
Cash flow from operating activities before changes in working capital	41 946	20 497	80 882	48 353	
Cash from changes in working capital	-18 259	4 300	-64 151	-10 668	
Cash flow from operating activities	23 687	24 797	16 731	37 685	
Cash flow from investment activities	-3 609	-1 444	-7 050	-5 688	
Cash flow from financing activities	-19 346	-26 119	-20 240	-22 151	
Cash flow for the year	732	-2 766	-10 559	9 846	

BALANCE SHEET



Consolidated Balance Sheet				
Amounts in SEK thousand	2022-06	2021-06	2021-12	2020-12
Assets				
Intangible non-current assets	26 595	24 296	25 617	23 486
Other non-current assets	130 638	136 832	133 320	132 597
Inventories	206 031	114 698	145 917	106 648
Trade receiveables	148 406	79 090	114 216	72 012
Other current assets	32 185	23 910	20 748	21 323
Cash and cash equivalents	112 505	78 205	116 367	66 276
Total assets	656 360	457 031	556 185	422 342
Equity and liabilities				
Equity	297 088	224 730	278 258	209 809
Long-term interest-bearing liabilites	43 266	52 694	46078	51 274
Long-term non-interest-bearing liabilities	5 648	4 989	5 766	4 601
Current interest-bearing liabilities	64 609	28 636	29 583	28 179
Current non-interest-bearing liabilities	245 749	145 982	196 500	128 479
Total equity and liabilities	656 360	457 031	556 185	422 342

KEY FINANCIAL INDICATORS

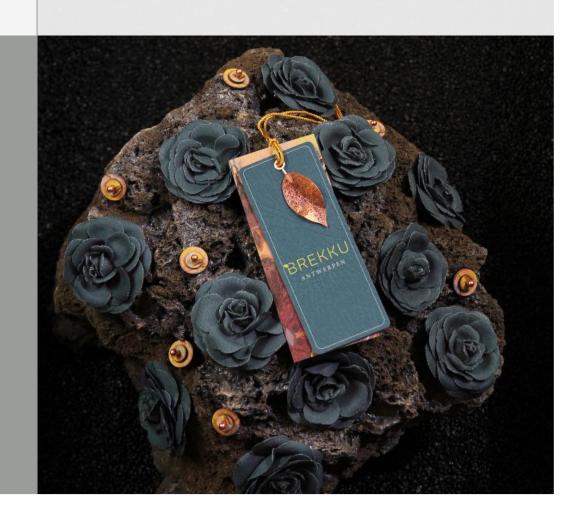


	1 January –	uary – 30 June 1 January – 31 Dece			ry – 31 Decembe	nber		
KEY FINANCIAL INDICATORS	2022	2021	2021	2020	2019	2018	2017	
Revenue growth, %	46	18	28	-14	1	7	12	
Organtic growth %, (local currencies)	34	29	33	-9	4	8	13	
Operating margin, %	16.6	14.3	15.2	8.2	9.3	12.0	12.1	
Profit margin, %	16.3	13.9	14.7	7.6	8.8	11.8	12.1	
Average equity	287.7	217.3	244.0	198.3	183.7	167.3	145.9	
Return on equity, %	22.2	16.7	35.8	16.9	25.7	42.3	44.6	
Equity ratio, %	45.3	49.2	50.0	51.3	45.3	53.0	49.2	
Interest-bearing net cash (liabilities –), MSEK*	4.6	-3.1	40.7	-13.2	-89.6	-2.5	9.2	
Earnings per share, SEK	5.61	3.19	7.67	2.94	4.14	6.20	5.70	
Equity per share, SEK	26.06	19.71	24.40	18.40	16.37	15.85	13.50	
Dividend per share, SEK	5.00	2.00	2.00	0.00	4.00	4.00	3.60	
Average number of shares outstanding	11 401 988	11 401 988	11 401 988	11 401 988	11 401 988	11 401 988	11 401 988	
Number of shares outstanding at end of period	11 401 988	11 401 988	11 401 988	11 401 988	11 401 988	11 401 988	11 401 988	
Average number of employees	578	531	553	502	482	446	358	

CEO'S SUMMARY



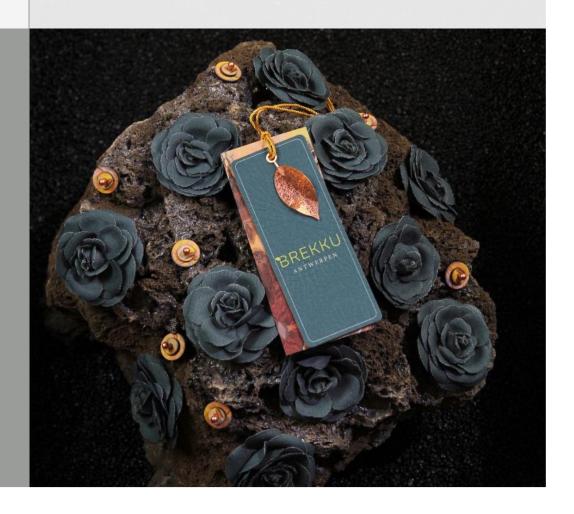
- An underlying organic growth of 39 % and operating profit of SEK45m.
- Challenges has been in Hong Kong / Shanghai due to current lock down
- 12-months rolling:
 - TO MSEK 949 (788)
 - OP MSEK 154 (120)
- Increased sales and good margins, even though higher cost
- Increase prices in raw material, energy and freight
- Germany, Italy, France, Spain and now USA
- Production perform well (Portugal, Bangladesh, Hong Kong, UK)
- Future hard to predict, recession and retail, but order income is up 43 % in Q2



CEO'S SUMMARY



- Structural improvements within:
 - CSR
 - Sourcing
 - Purchase
 - Compliance
 - Material
 - IT.
- Fantastic job among our employees to cope with increased volumes, delivery challenges and at the same time organizational changes.



FINANCIAL TARGETS

Aim to grow faster than the market



Nilorn strives for sustainable and profitable growth.

- Revenue growth in excess of 7 percent
- Operating margin of at least 10 percent
- Net debt should not exceed 2 * EBITDA

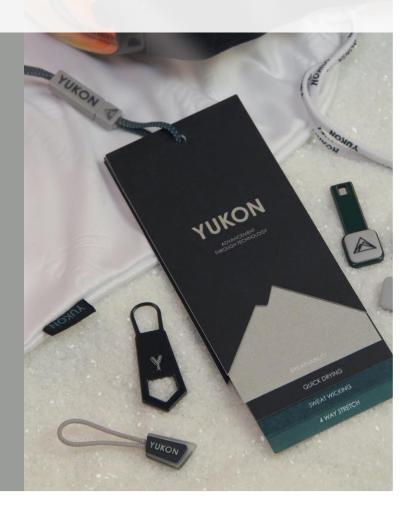
Result 2021-12

- Revenue increase of 32 percent
- Operating margin 15 percent

Result 2020-12

- Revenue decline of 9 percent
- Operating margin 8 percent

Nilörngruppen's goal is that 60-90 percent of profit after tax to be distributed





The goal is that all our customers are satisfied with our creativity, products and services.

If you invest in Nilörngruppen we promise to take care of your investment through long-term thinking, growth, stability and hard work!

