



FY 2022 results Webcast

10 February 2023



1 Key highlights 2022

2 Continued strategic progress and momentum

3 Financials and outlook



Key highlights

More than doubling revenues and strong strategic progress

Strong growth and ESG impact

- **Total revenues¹⁾ of €8.4m, an increase of 105%** versus 2021. Revenue from sale of goods increased with **138%**
- **Gross margin of 57.2%** (55.0% in 2021), reflecting our strong technology position
- Expanding global footprint; **60% of revenues from sale of goods outside Europe**
- Strong ESG profile and impact underpinned by **Sustainalytics rating** and **science-based (SBTi) CO₂ reduction targets**

Strong platform for further growth

- **Further shaped our global organization** positioning us well for the substantial growth ahead of us
- **Expanded our fleet of pilot systems**, fully on track to reach our medium-term objective of 200 pilots
- **Continued commercial successes:** pilot conversions into full-scale projects (e.g. Hydraflux in Australia), repeat projects (e.g. PepsiCo in Poland and Ekopak in Belgium) and our first module replacement order (Hidrofilt in Hungary)

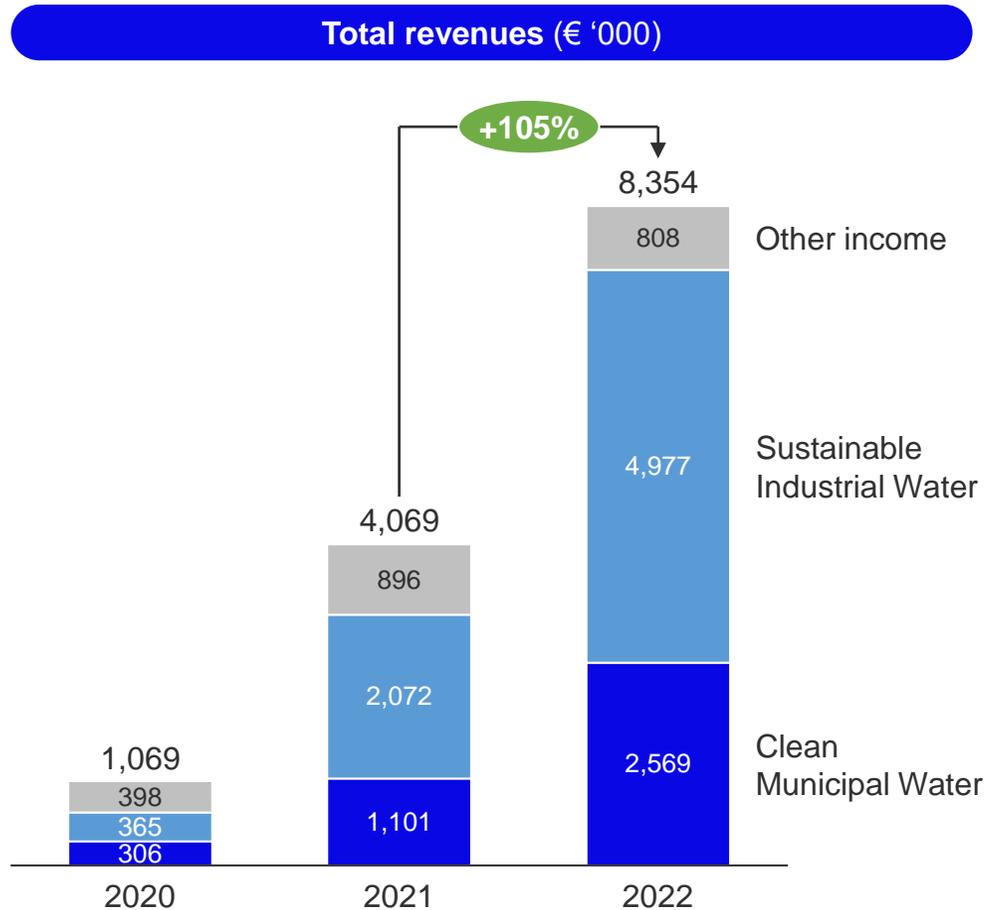
Capacity expansion

- **Started-up a second spinning line** in our current facilities at the beginning of 2022, resulting in higher capacity and production efficiency improvements
- **Upsized the design of our new megafactory:** higher initial capacity and more space for future capacity additions, creating optimal flexibility for further growth. **Construction started**, with completion anticipated by Q1 2024 and start-up in H1 2024, needed to meet expected demand from our **rapidly growing overall pipeline of opportunities**

Outlook 2023

- **Well positioned for further growth in 2023**, with various recent breakthrough orders with our dNF technology in, amongst others, Australia, China and Indonesia
- **Outlook on total revenues of €18m to €22m for 2023**, driven by strong market demand and expanding global sales presence, pilot projects that are converting into larger scale projects and by repeat business from our existing (OEM) clients

Strong topline performance



- **Total revenues grew 105%** versus 2021, driven by strong market demand, an increasing number of **pilot projects** and **full-scale projects** that resulted from preceding pilot projects, repeat projects from existing customers, as well as **sales force expansions** and a **growing number of OEM partners**
 - **140% growth in the Sustainable Industrial Water** business line, driven by strong traction with customers in, amongst others, the food & beverage and textile industries looking to reduce their water footprint and optimize their filtration systems in a sustainable way
 - **133% growth in the Clean Municipal Water** business line, primarily driven by projects in Asia. The focus in Europe and North America is on pilots with leading players (amongst whom Veolia, Aqualia and Suez), with larger municipal projects constituting an increasing part of our pipeline for future revenues
 - **Other income** in 2022 amounted to €808k and is comprised of rental income from pilots (growing from €192k in 2021 to €400k in 2022) and government grants for innovation projects and other income (declining from €704k in 2021 to €408k in 2022)

Increasing traction with global blue-chip customer base...

Selected examples



Continuation and expansion of pilot program with Veolia, jointly working towards an increasing number of concrete project opportunities



Delivered ultrafiltration replacement modules to Evoqua for various water treatment plants around the world



Supplied our Mexpert pilot system for the European innovation project LIFE PRISTINE, an Acciona-led initiative to eliminate emerging pollutants from water sources



Repeat order from Ekopak to supply dNF membranes for the extension of a water treatment project in Belgium



Repeat project with Aquarius H2O Dynamics for textile industry wastewater treatment in India



Strong entry with our microfiltration membranes into Carlsberg's Fredericia brewery in Denmark that has the aim to have zero water waste by 2030



Repeat projects for Ecoazur for municipal drinking and wastewater treatment projects in Mexico



Pilot project with Suez in France on micropollutants removal with dNF technology



Replacement order for Hidrofilt, replacing dNF modules for industrial wastewater treatment at the site of an aerospace multinational in Hungary



Pilot project with Vitens, the largest drinking water utility in the Netherlands, to test IJssel river water as potential source for drinking water

...and various recent breakthrough orders providing a strong start for 2023

Selected examples

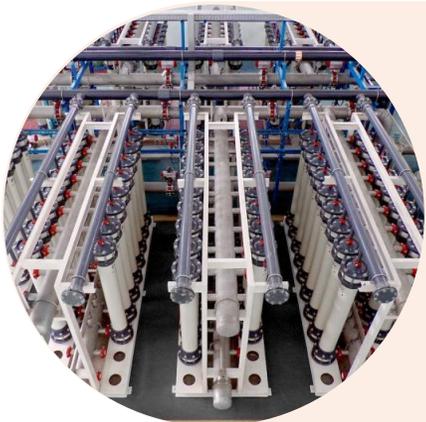


HYDROFLUX
WATER | SCIENCE | TECHNOLOGY

- Hydroflux is one of Australia's **fastest growing** water and wastewater technology and solutions businesses in the **municipal and industrial** markets
- Series of **pilot tests** throughout 2022 and **Channel Partnership Agreement** signed in October 2022



First orders for 2 full-scale industrial projects received for delivery in 2023, with pipeline of further projects



 **PT Bayu Surya Bakti**
Konstruksi

- PT. Bayu is an **Indonesian specialist** in **water and wastewater** treatment plants
- **Strong history of multiple full-scale dNF municipal projects** with PT. Bayu that have been operating successfully since 2020. **In H2 2022**, NX Filtration supplied its modules for a large **drinking water project** from a lake in Bengkalis



Order received from PT. Bayu for **first industrial wastewater project** in Indonesia, for delivery in 2023

1 Key highlights 2022

2 Continued strategic progress and momentum

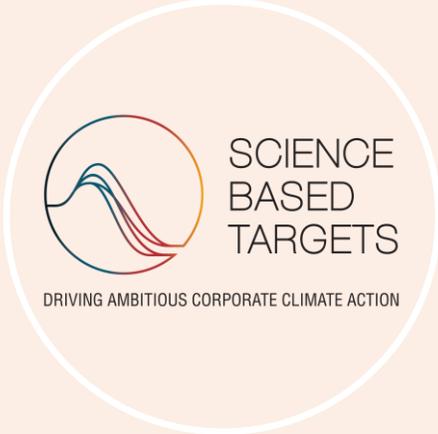
3 Financials and outlook



In 2022 we further professionalized our ESG profile...



Joined the **UN Global Compact initiative** for the development, implementation and disclosure of responsible business practices



Set externally validated **SBTi targets** to decrease absolute Scope 1 and 2 emissions with 42% by 2030



Ranked **best 13%** of the global subindustry¹⁾ peer group



Installed independent Supervisory Board **ESG committee**

¹⁾ Subindustry Industrial Machinery

...that underpins the measurable impact across our ESG framework

Clean water for all

- Our 2022 membrane sales could enable the production of **263 billion liter of clean water**¹⁾
- In 2022, NX Filtration enabled **clean water across 30 countries**

Avoiding emissions at our customers

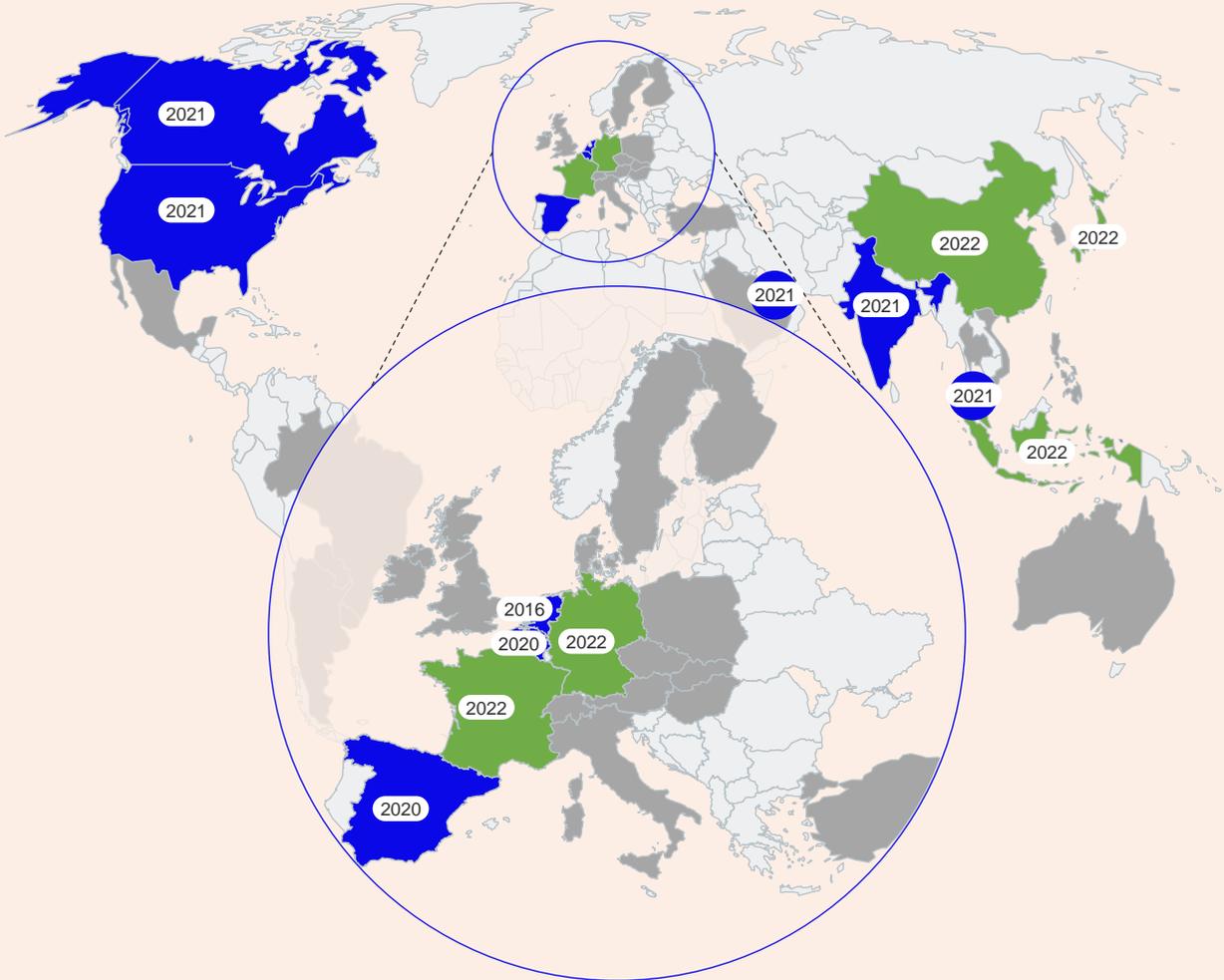
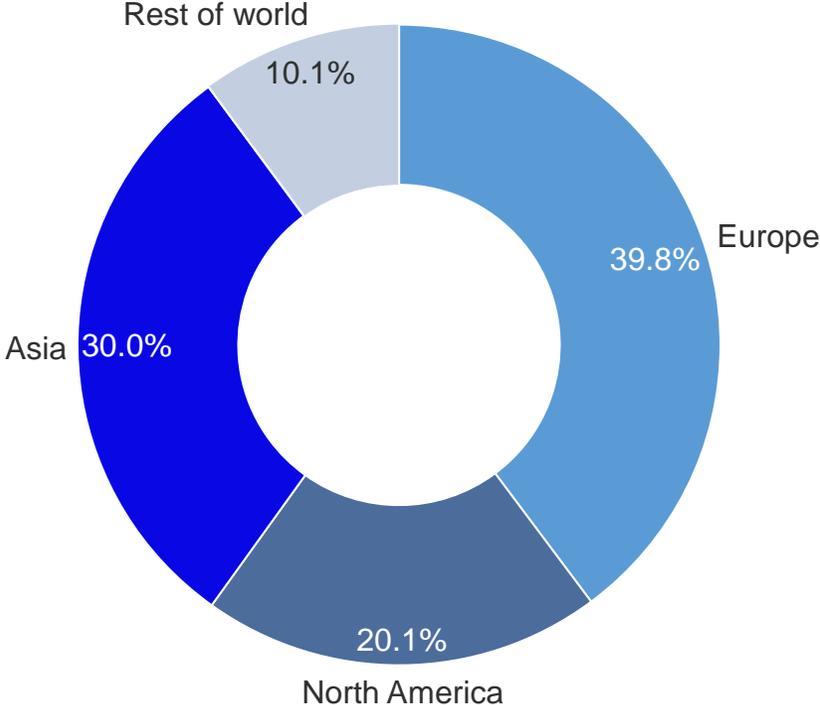
- NX Filtration's emissions²⁾ in 2022 amounted to 642 ton CO₂e...
- ...compared with **3,578 ton CO₂e savings** enabled during the deployment of NX Filtration's membrane modules sold in 2022
 - **avoidance of 6.7 million kg of chemicals**
 - **82 GWh energy savings**

Our internal initiatives (examples)

- **96%** growth in FTEs in 2022, **>15** nationalities
- **0** lost time injuries in 2022
- **100%** adherence to NX Filtration's Supplier Code of Conduct by all material suppliers and contractors for new megafactory
- **8** patent families (of which 1 added in 2022) with **36** patents granted (of which **1** in 2022)
- **17** partnerships with universities and research institutes

Expanding global footprint

2022 revenue of sale of goods by region



- Countries with NX Filtration local sales force presence as per 31 Dec 2021
- Additional countries with NX Filtration local sales force presence added in 2022
- Other countries with NX Filtration products installed

In 2022, we further shaped our global organization positioning us well for the substantial growth ahead of us

HQ in the Netherlands with R&D, technology support and production teams

- **Strong executive team**, with Founder and CTO Erik Roesink, CEO/COO Michiel Staatsen, CFO Marc Luttkhuis and CCO Alejandro Roman
- **Very experienced operations and technology team**, with unique membrane knowledge
- **Total team in our headquarters grew to 101 FTE at the end of 2022** from 52 FTE at the end of 2021



A key addition was **Geert-Henk Koops**, who joined as new **Technology Director** in June 2022 and was previously Global Technology Leader Equipment & Systems at Suez

Regional sales and application teams in EMEA (incl. global support), Americas and Asia

- During 2022, we **significantly strengthened our sales and application engineering teams**, expanding the global team to **34 FTE at the end of 2022** from 17 FTE at the end of 2021
- We established **strong regional clusters** across all continents **headed by strong new industry hires**:



New Sales Director Asia Pacific per April 2022:
Tsunenobu Katsura, former Chairman of Hydranautics



New Sales Director Americas per May 2022:
Tony Fuhrman, former Commercial Director of LG Water Solutions

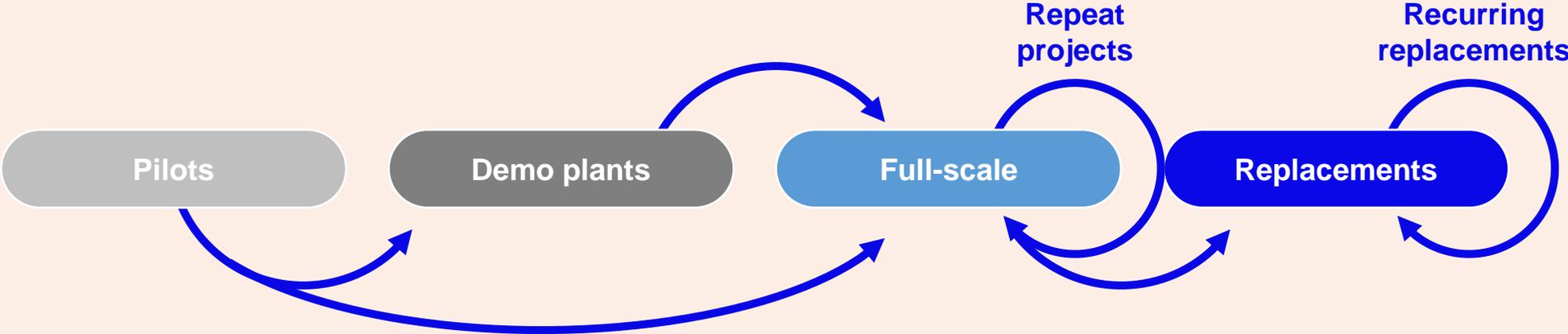


New Sales Director EMEA per January 2023:
Jelena Flokstra, former sales and business development EMEA at Hubs (3D printing)

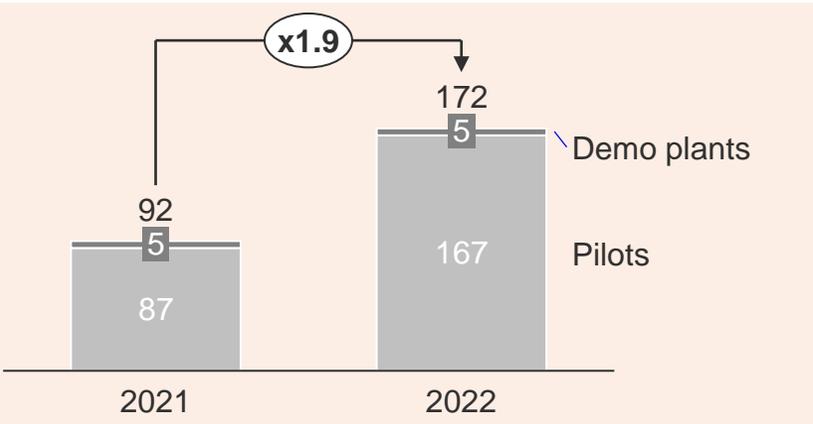
Strong tangible growth throughout the business development funnel

Entering the phase of recurring module replacements in 2022

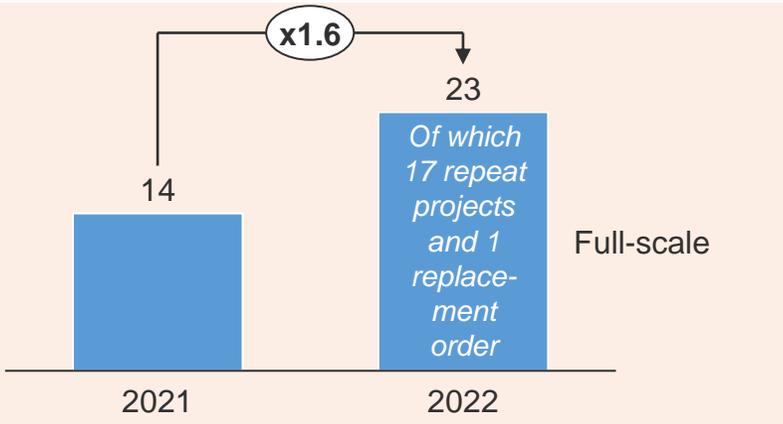
Commercial roll-out model direct nanofiltration (dNF)



of pilot and demo projects



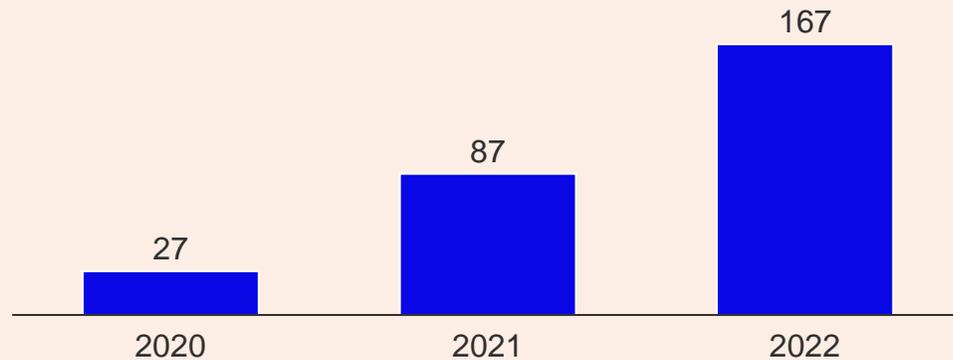
of full-scale dNF projects



Increasing number of pilot projects based on expanding pilot fleet

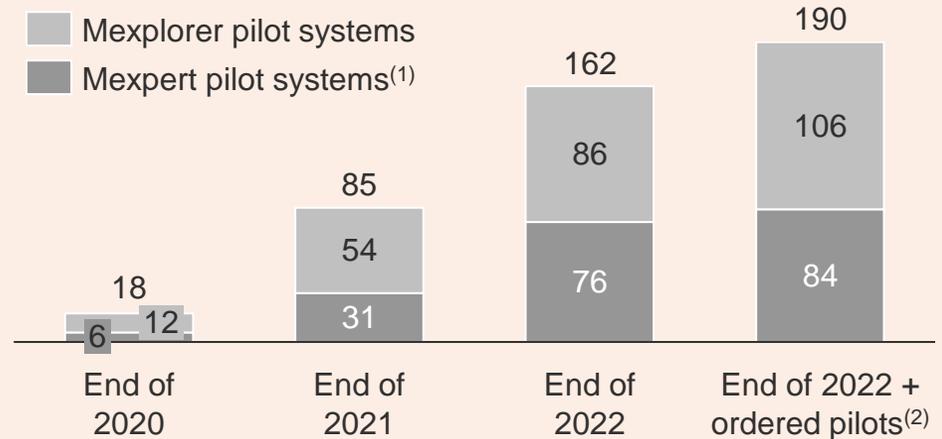
Fully on track to reach our medium-term objective of 200 pilot systems

Number of pilot projects



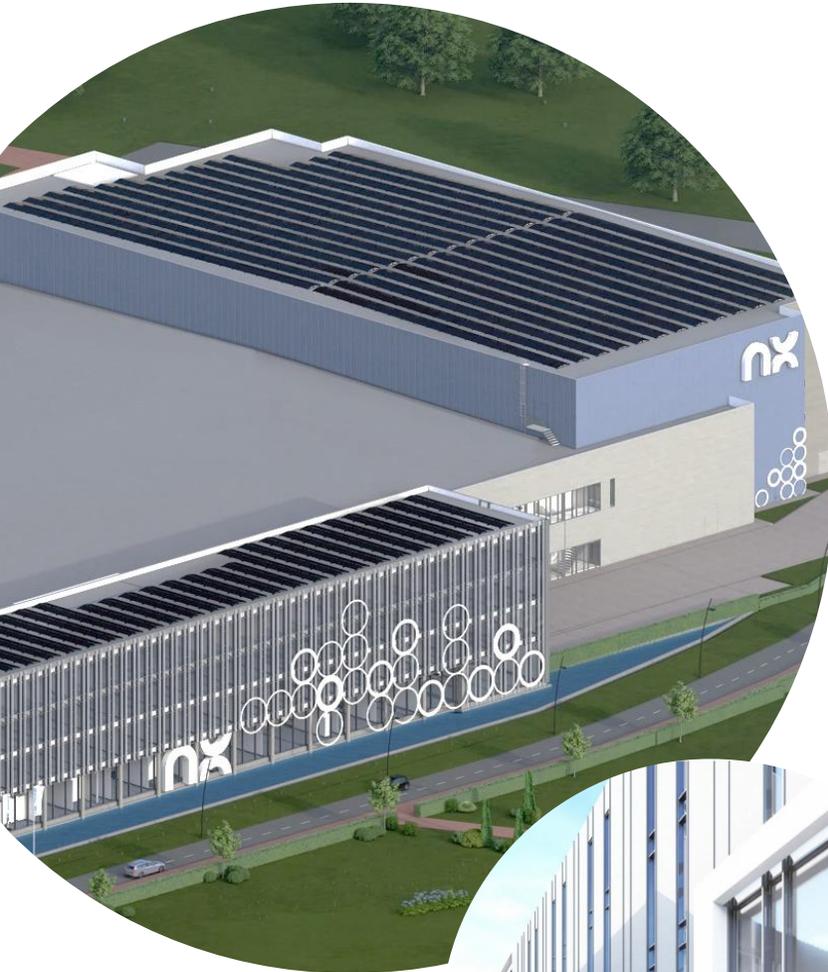
- **167 pilot projects initiated in 2022** across industries, applications and geographies, **outperforming ambition of >160 pilot projects**
 - 106 industrial and 61 municipal pilot projects in 2022
 - 53 pilot projects in Europe, Middle East and Africa, 29 in the Americas and 85 in Asia

Fleet of pilot systems



- **162 pilot systems at the end of 2022** following an accelerated expansion of our fleet of pilot systems, and exceeding our guidance of >140 pilot systems
- **Nearing closely to our medium-term objective** of 200 pilot systems, and therewith gradually shifting our focus from rapid expansion of our pilot fleet towards optimal deployment for near, medium and long-term commercial opportunities

We started the construction of our upsized megafactory combining ultra-modern production techniques in a state-of-the-art facility



Upsized the design of our new megafactory: higher initial capacity and more space for future capacity additions, creating optimal flexibility for further growth

- **>26,500 m2 production and >6,000 m2 office space** at the High Tech Systems Park Twente, the high-tech company hub in the Hengelo (Netherlands) region and very close to our current facilities
- Enabling **significant increase in production capacity**, from 10k membrane modules per year today to approximately 50k in the initial phase in 2024 with **room to expand** to >120k in the same facility
- **Total expected capex** for the initial phase is higher than foreseen at IPO as a result of a larger plant design and current views on costs, but estimated capex **per module capacity remains in line with previous estimates**
- **Construction started** and completion is anticipated by Q1 2024 and start-up in H1 2024



We further strengthened our technology position

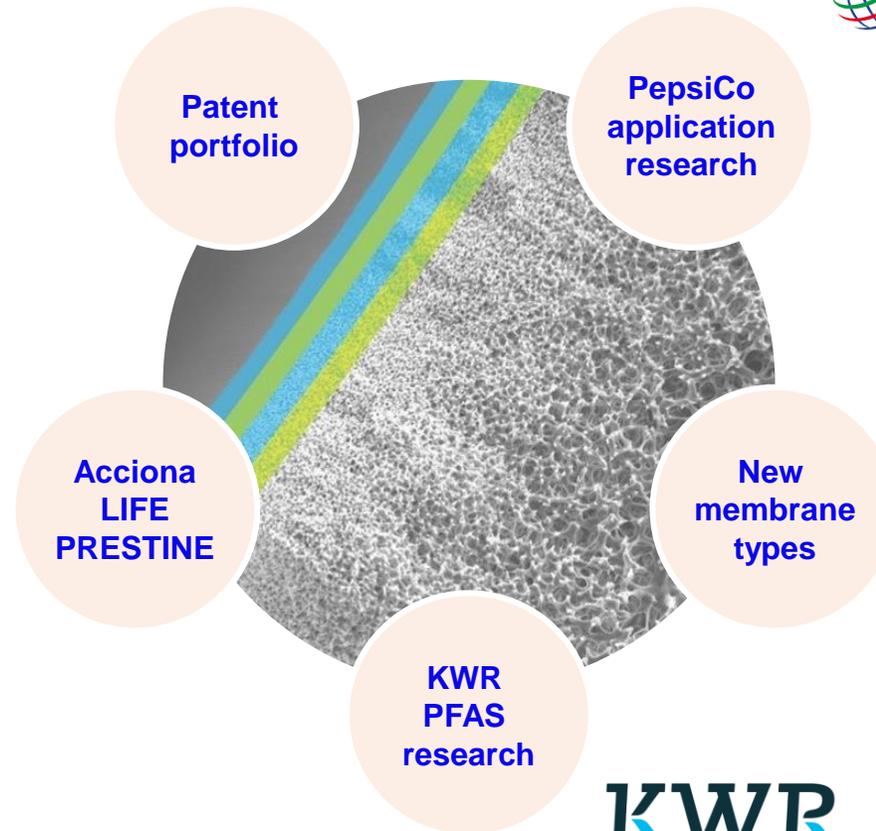
- **Patent grant** for our 'Positively charged membranes' patent family in India
- **New patent family addition** around innovative application of nanolayers on membranes



PRISTINE



- Participation in the **European innovation project LIFE PRISTINE**, led by Acciona, to **eliminate emerging pollutants** (e.g. PFAS) from water sources
- **Sustainable alternative** for the elimination of emerging pollutants in the water cycle



PEPSICO

- **Research with PepsiCo** around additional opportunities for dNF membranes within PepsiCo's facilities

- **Continued progress on more open dNF membrane** in addition to mainstream dNF40 and dNF80 products
- **Longer-term research program on tighter dNF membranes**, to further penetrate applications concerning brackish waters

KWR

- **Tests by independent Dutch water research institute KWR** to demonstrate NX Filtration's membranes' **high retention of PFAS**

Our breakthrough dNF technology continues to be recognized by the industry



dNF membranes at Reolab, Sweden

“Reolab is the largest source-separated sanitation plant in the world using circular treatment”

“an energy-efficient, circular sanitation process [...] that recycle[s] wastewater to drinking water quality.”

“The project sets the standard for sustainable, circular water and waste management”

Total BlueTruffle score: 5 out of 5

Large addressable market	1 out of 1
Strong management team	1 out of 1
Strong IP position	1 out of 1
Innovative technology	1 out of 1
BlueTech opinion	1 out of 1

Disrupt-o-Meter Breakdown

- Inclusion in the new **Euronext Tech Leaders initiative** for high-growth and leading tech companies
- **NX Filtration is the only water technology company** out of the 100+ companies included in Euronext’s Tech Leaders initiative

1 Key highlights 2022

2 Continued strategic progress and momentum

3 Financials and outlook



Summary P&L

In € '000	2021	2022
Total revenues¹⁾	4,069	8,354
<i>Clean Municipal Water</i>	<i>1,101</i>	<i>2,569</i>
<i>Sustainable Industrial Water</i>	<i>2,072</i>	<i>4,977</i>
<i>Other income</i>	<i>896</i>	<i>808</i>
Gross margin (excl. other income)	1,745	4,317
<i>as % of revenue from sale of goods</i>	<i>55.0%</i>	<i>57.2%</i>
Personnel costs	3,833	8,363
Other operating costs (excl. IPO costs)	2,546 ²⁾	5,311
EBITDA (excl. IPO costs)	-3,738²⁾	-8,549
Net profit (excl. IPO costs and corresponding tax effect)	-4,103²⁾	-8,642

○ **Total revenues grew 105%** driven by strong market demand, an increasing number of **full-scale projects**, **sales force expansion** in existing and new countries and growing number of **OEM relationships**. Growth in other income from pilot projects (growing from €192k in 2021 to €400k in 2022) was offset by a decline in government grants for innovation projects and other income (declining from €704k in 2021 to €408k in 2022)

○ **Gross margin** increased from 55.0% in 2021 to 57.2% in 2022, driven by efficiencies resulting from the second spinning line that started-up during H1 2022 and positive product mix effects

○ **Ahead-of-the-curve investments in the organization**, with an increase in FTEs from 69 at 31 December 2021 to 135 at 31 December 2022, further shaping our global organization positioning us well for the growth ahead of us. Key additions in sales force, management, pilot engineers, R&D employees and production personnel

Balance sheet

In € '000	31 Dec 2021	31 Dec 2022
Non-current assets	18,043	31,601
Current assets (excl. cash)	6,016	13,459
Cash and cash equivalents	133,433	104,274
Total assets	157,492	149,334
Non-current liabilities	1,076	1,311
Current liabilities (excl. overdrafts)	5,272	5,485
Equity	151,144	142,538
Total equity and liabilities	157,492	149,334

- **Capex** amounted to €12,670k (€8,616k in 2021) and included investments in the ongoing **capacity expansion** at the existing locations, the purchase of land and development cost for the **new megafactory** and additions to NX Filtration's **fleet of pilot systems** (from 85 at the end of 2021 to 162 at the end of 2022). Additionally, NX Filtration capitalized €914k of **development costs** which demonstrates our continued efforts to invest in innovations for the future
- **Working capital**¹⁾ amounted to €8,471k versus €1,062k at 31 December 2021, as a result of higher account receivables due to increasing sales volumes as well as increased inventory levels to meet the growing demand in 2023

Key priorities and outlook for 2023

People

- Build further on the strong global organization that we established over the past years

Commercial roll-out

- Continue focus on rolling-out pilot projects and converting pilots into demo- and full-scale projects
- Well positioned for further growth in 2023, with various recent breakthrough orders with our dNF technology in, amongst others, Australia, China and Indonesia

Capacity

- Fully benefit from second spinning line that has been started-up in H1 2022 and ramped-up during the year
- Key year for the construction of our new megafactory, with completion anticipated by Q1 2024 and start-up in H1 2024

ESG

- The growth that NX Filtration is currently experiencing provides many opportunities to continue to make strong ESG impact

Outlook

- Outlook on total revenues of €18m to €22m for 2023, driven by strong market demand and expanding global sales presence, pilot projects that are converting into larger scale projects and by repeat business from our existing (OEM) clients

Disclaimer

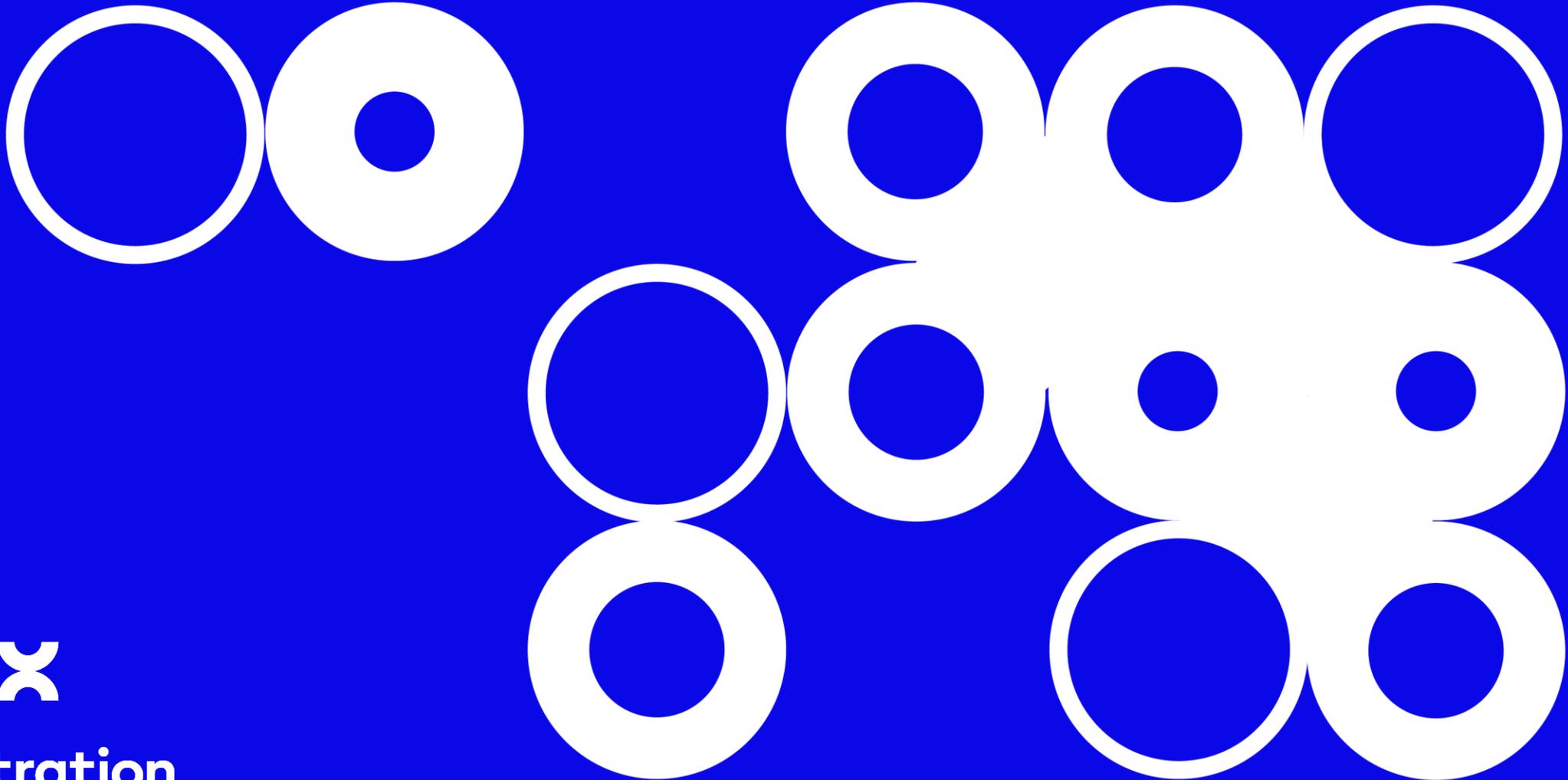
IMPORTANT: The information set out herein (the **Information**) does not constitute or form part of, and should not be construed as an offer or the solicitation of an offer to subscribe for or purchase securities of NX Filtration. NX Filtration does not accept any responsibility whatsoever, or makes any representation or warranty, express or implied, for the contents of the Information, including its accuracy, completeness or verification or for any other statement made or purported to be made in connection with NX Filtration, and nothing in this document or at the presentation shall be relied upon as a promise or representation in this respect, whether as to the past or the future, except to the extent required by law or regulation.

The Information contains forward-looking statements. All statements other than statements of historical facts may be forward-looking statements. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms such as guidance, expected, step up, announced, continued, incremental, on track, accelerating, ongoing, innovation, drives, growth, optimising, new, to develop, further, strengthening, implementing, well positioned, roll-out, expanding, improvements, promising, to offer, more, to be or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect NX Filtration's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to NX Filtration's business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward looking statements reflect the current views of NX Filtration and assumptions based on information currently available to NX Filtration. Forward-looking statements speak only as of the date they are made, and NX Filtration does not assume any obligation to update such statements, except as required by law. NX Filtration's total revenues outlook estimates are management estimates resulting from NX Filtration's pursuit of its strategy. NX Filtration can provide no assurances that the estimated future total revenues will be realised. Expectations have also been determined based on assumptions and estimates that NX Filtration considered reasonable at the date these were made. These estimates and assumptions are inherently uncertain and reflect management's views which are also based on its historic success of being assigned projects, which may materially differ from the success rates for any future projects. These estimates and assumptions may change as a result of uncertainties related to the economic, financial or competitive environment and as a result of future business decisions of NX Filtration or its clients, such as cancellations or delays, as well as the occurrence of certain other events.

Many of the risks and uncertainties that NX Filtration faces relate to factors that are beyond NX Filtration's ability to control or estimate precisely, such as future market and economic conditions, customer acceptance of our technology and costs of raw materials.

Some figures in this presentation are unaudited and are subject to change. Certain figures contained in this presentation, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this presentation may not conform exactly to the total figure given. In presenting and discussing the NX Filtration's financial position, operating results and cash flows, management uses certain non-IFRS financial measures. These non-IFRS financial measures should not be viewed in isolation as alternatives to the equivalent IFRS measure and should be used in conjunction with the most directly comparable IFRS measures. Non-IFRS financial measures do not have standardised meaning under IFRS and therefore may not be comparable to similar measures presented by other companies.

More details on NX Filtration's full year 2022 performance can be found in the 2022 annual report and the full year 2022 results press release, published together with this presentation.



nx

filtration