



Annual General Meeting of Shareholders

Euronext, Beursplein 5, Amsterdam

5 April 2022



Our team today



Carolina Wielinga
Chair Supervisory Board



Benno van Dongen
Member Supervisory Board



John Glorie
Member Supervisory Board



Michiel Staatsen
CEO

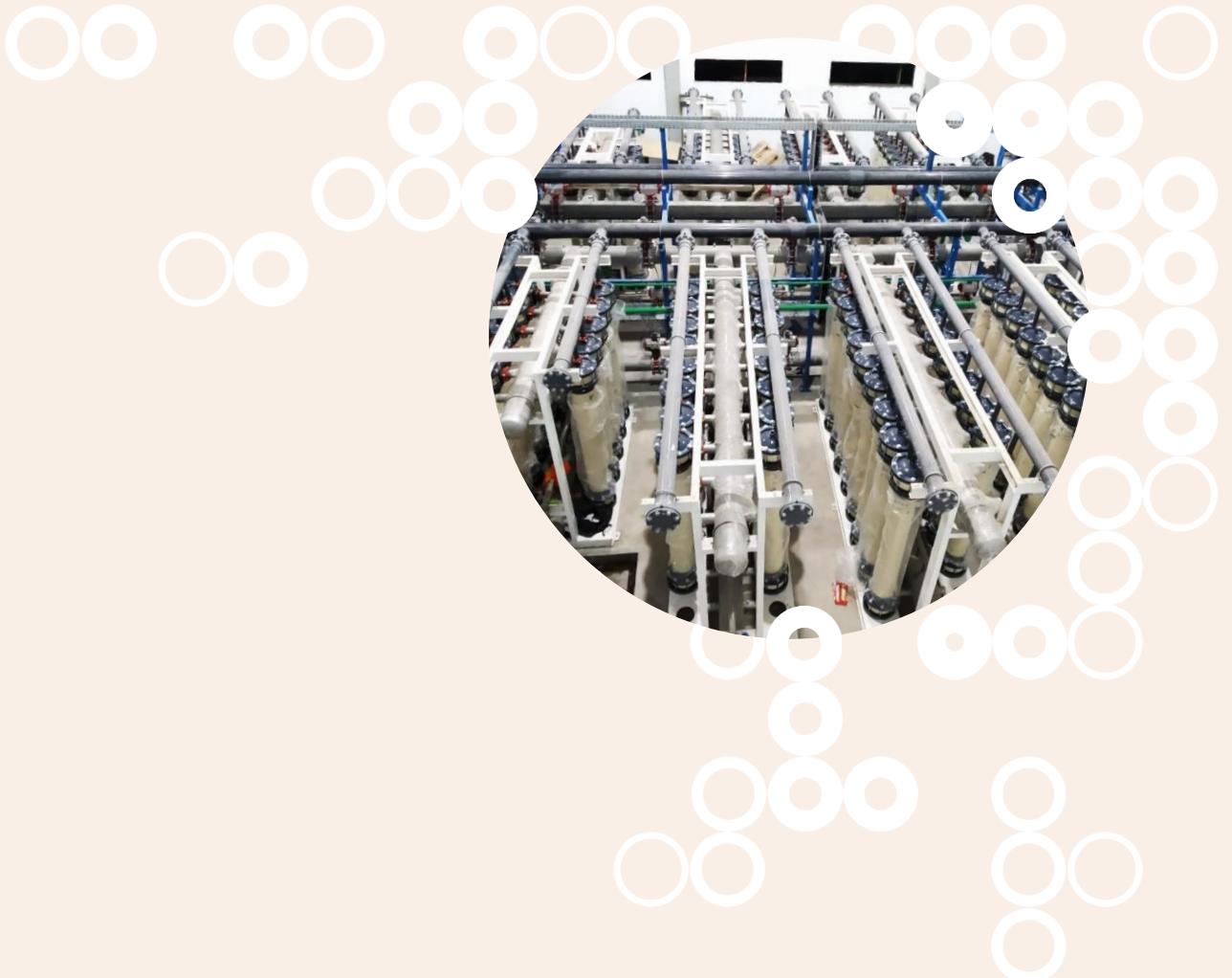


Erik Roesink
Founder and CTO

Agenda

- 1. Opening
- 2. Annual Report 2021
 - (a) Report of the Management Board for the financial year 2021
 - (b) Remuneration report for the financial year 2021 (advisory vote)
- 3. Proposal to adopt the financial statements for the financial year 2021 (resolution)
- 4. Discharge from liability
 - (a) Proposal to discharge the members of the Management Board from liability (resolution)
 - (b) Proposal to discharge the members of the Supervisory Board from liability (resolution)
- 5. Appointment of Mr Marc Luttkhuis as member of the Management Board (resolution)
- 6. Proposal to authorize the Management Board to resolve that the Company may acquire its own shares (resolution)
- 7. Proposal to designate the Management Board as competent body to issue shares and to limit or exclude pre-emptive rights (resolution)
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Key highlights 2021



2021, a year of strong focus on ESG...



°C
CICERO
Shades of
Green



- **Green labelled IPO**, externally certified by CICERO Green
- **95%+ dark green shading**, which is allocated to projects and solutions that correspond to the long-term vision of a low carbon and climate resilient future

- **Alignment with UN Sustainable Development Goals (SDGs)**
- Central to our strategy is **SDG 6 (clean water and sanitation)**, with our products contributing to global water scarcity and quality issues, incl:
 - By 2025, approximately two-thirds of the world's population may face water shortages
 - 80% of the world's wastewater flows back in nature without being treated



- **Already strongly anticipating on EU Taxonomy requirements and European Green Deal**
- **All dNF sales contribute to EU Taxonomy objective 1** on climate change mitigation¹⁾
- **Committed to maximize contribution** to other objectives once screening criteria become available²⁾:
 - Objective 3 on water and marine resources
 - Objective 4 on circular economy
 - Objective 5 on pollution prevention
 - Objective 6 on biodiversity and ecosystems

...with measurable impact across our ESG framework



Clean water for all

- Our 2021 membrane sales could enable the production of **121 billion liters of clean water¹⁾...**
- ...which is equivalent to the **drinking water supply for 22 million persons during 1 year**
- In 2021, NX Filtration enabled **clean water across 28 countries**



Avoiding emissions at our customers

- NX Filtration's emissions²⁾ amounted to 170 ton CO₂e...
- ...compared with **2,127 ton CO₂e savings** enabled during the deployment of NX Filtration's membrane modules
 - **avoidance of 3.9 million kg of chemicals**
 - **49 GWh energy savings**

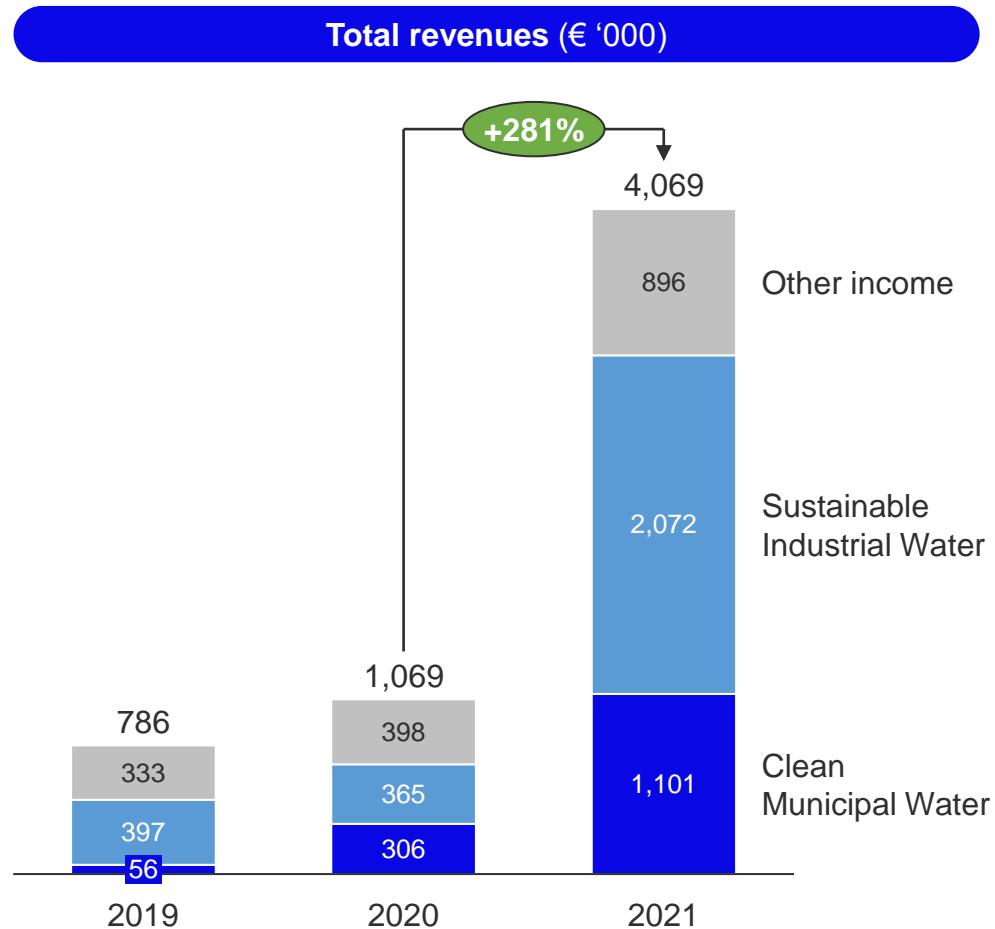


Our internal initiatives (examples)

- **>100%** growth in the number of employees
- **0** lost time injuries in 2021
- **>95%** adherence to NX Filtration's Supplier Code of Conduct

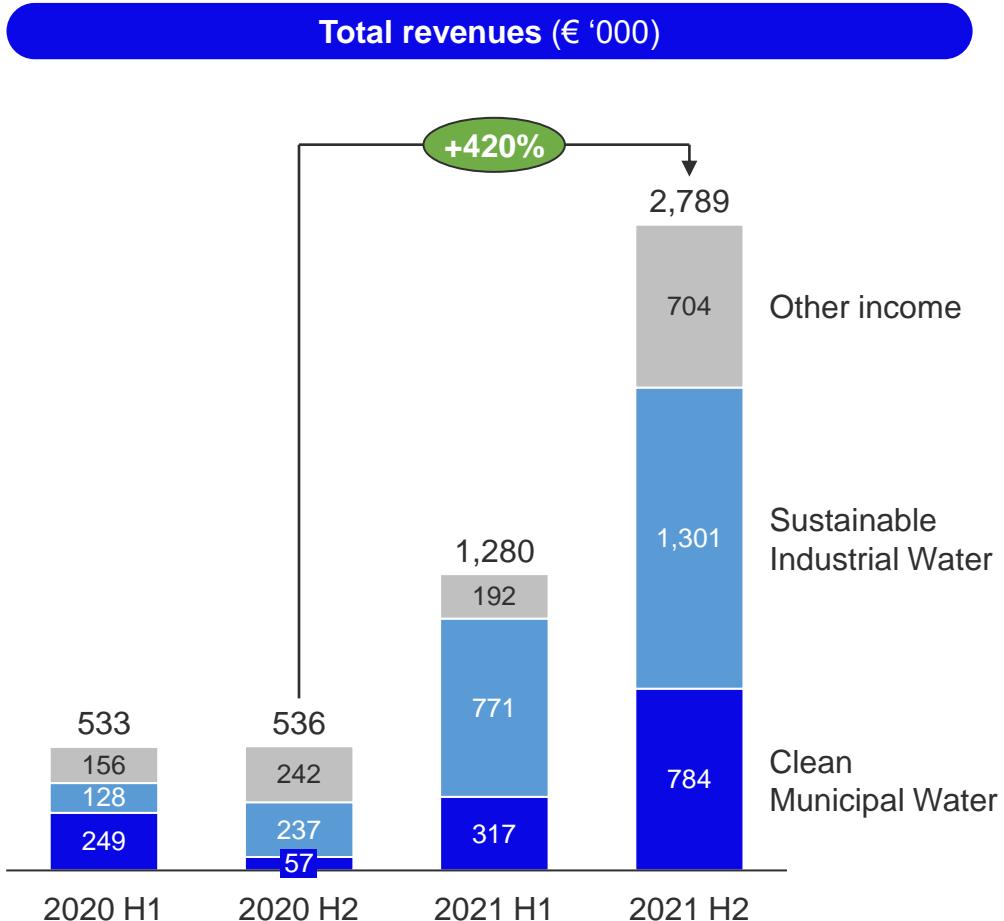
- **10** patents granted and **2** new patent family applications
- **30** peer reviewed scientific publications authored by NX Filtration employees since 2016 (**9** during 2021)
- **16** partnerships with universities and research institutes around the world

Strong topline dynamics...



- **Total revenues grew 281% versus 2020, driven by increasing number of pilot projects and full-scale projects that resulted from preceding pilot projects, as well as sales force expansion to new countries (Canada, USA, India, Singapore and UAE) and growing number of OEM relationships**
 - **468% growth in the Sustainable Industrial Water business line**, driven by strong traction with customers in, amongst others, the food & beverage, textile and paper industries looking to reduce their water footprint and optimize their water systems in a sustainable way
 - **260% 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 and Aqualia), with visibility on future large projects
 - **125% growth in other income** driven by rental income from a growing number of pilot projects and government grants for innovation projects

...with rapid acceleration in H2 2021



- **H2 year-on-year total revenues grew 420% versus H2 2020**
- **Acceleration** of growth driven by:
 - **Conversion of pilot projects** into full-scale projects
 - **Repeat business** from OEM customers
 - **Expanding global sales force**
 - **Growth in other income** driven by **rental income from a growing number of pilot projects** and government grants for **innovation projects**
- **Further growth anticipated** with outlook on **total revenues of €8m to €10m for 2022**, driven by strong market demand and expanding global sales presence, enabled by the increase in production capacity. Targeted growth largely driven by past and ongoing pilot projects that are converting into larger scale projects and by repeat business with our existing (OEM) relationships

Increasing traction with global blue-chip customer base

Selected examples



Research contract with PepsiCo to investigate additional opportunities for deployment of dNF membranes within PepsiCo's facilities, following previous use of dNF technology at **two facilities in North America**



Pilot project with Aigües de Barcelona to treat water from the Llobregat river in Barcelona, Spain, to **produce drinking water**



Expansion of pilot testing program with Veolia for the **reuse of effluent** from a municipal wastewater treatment plant as well as for the **treatment of surface water**



Pilot project with Service de l'Eau de Lausanne to **remove Chlorothalonil, an agricultural fungicide**, from its water sources in Switzerland



Repeat project with Nijhuis Saur Industries for an **industrial water treatment plant** in France



Cooperation between Grundfos and NX Filtration, focusing on **industrial water footprint reduction**, with first installations based on dNF technology



Pilot project through Jacobs, for the City of Melbourne (Florida, USA) for **drinking water production from colored surface water**



Next steps in pilot testing (full-scale Mexpert pilot vs. previous lab-scale Mexplorer in H1 2021) with Aqualia (the fourth largest water management company in Europe) for **drinking water applications** at the Canary Islands in Spain



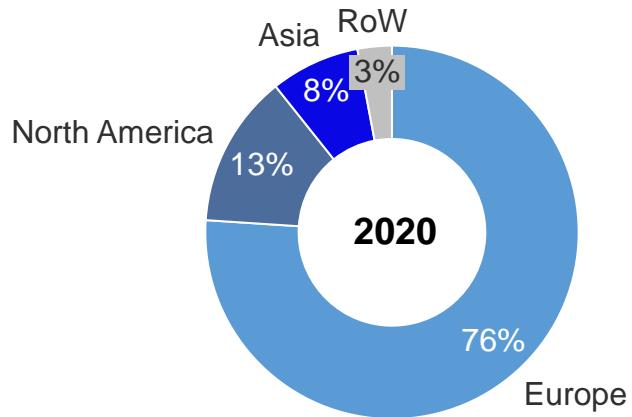
Pilot with GreenTech Environmental for the **production of drinking water** in the Chinese provinces of JiangSu and Zhejiang



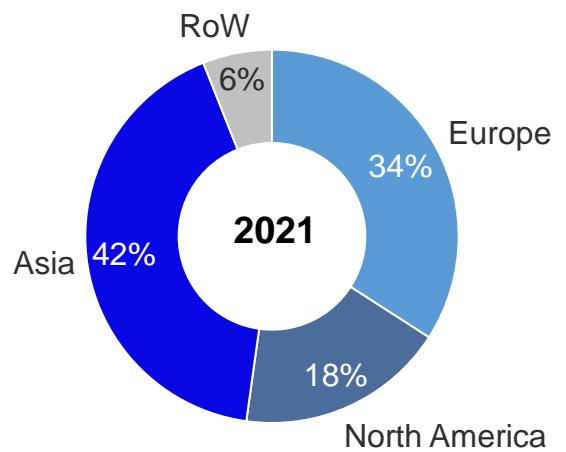
Pilot for Dutch drinking water company PWN for **drinking water production** from IJsselmeer surface water

Expanding global footprint

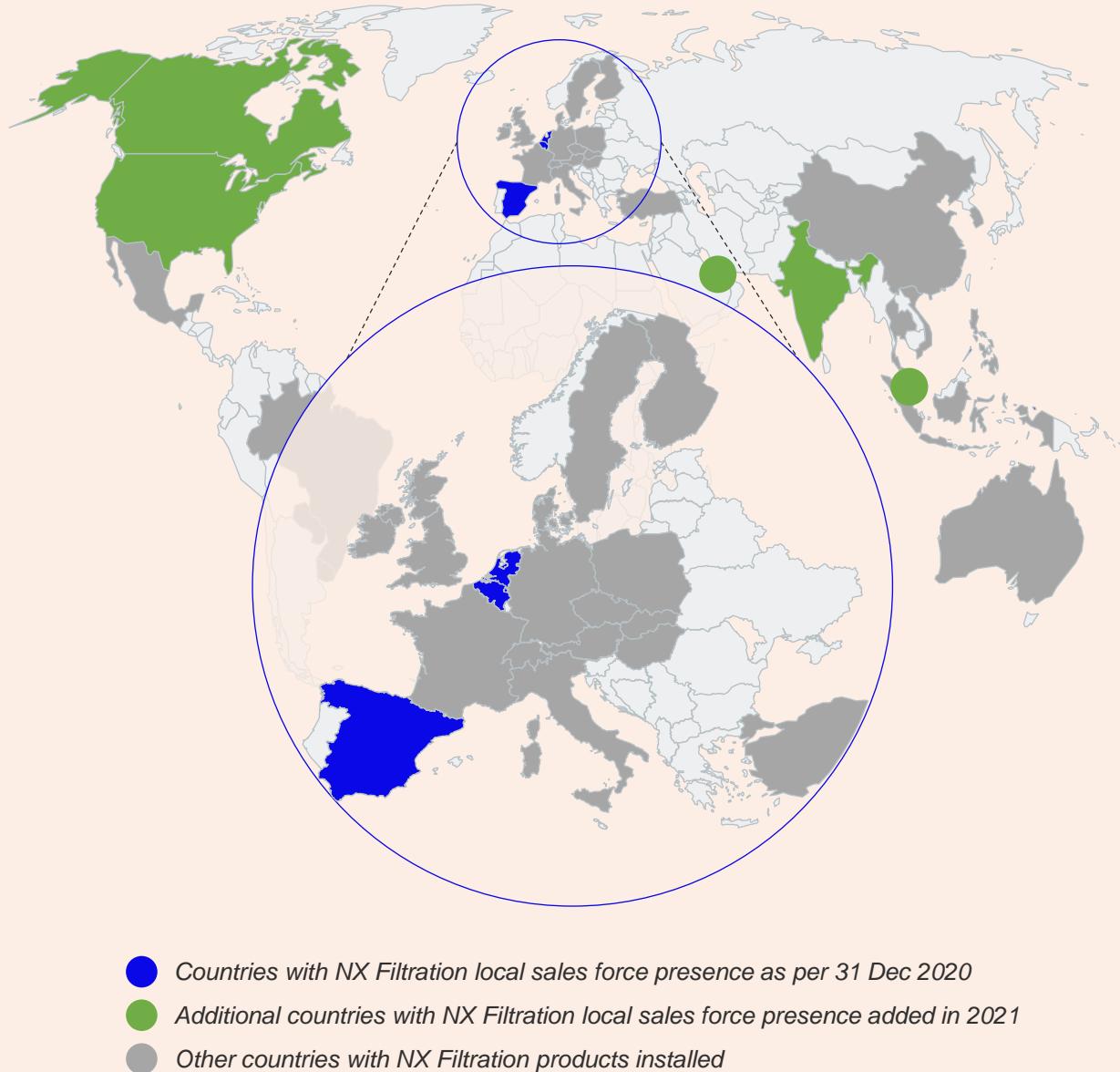
Revenue of sale of goods by region



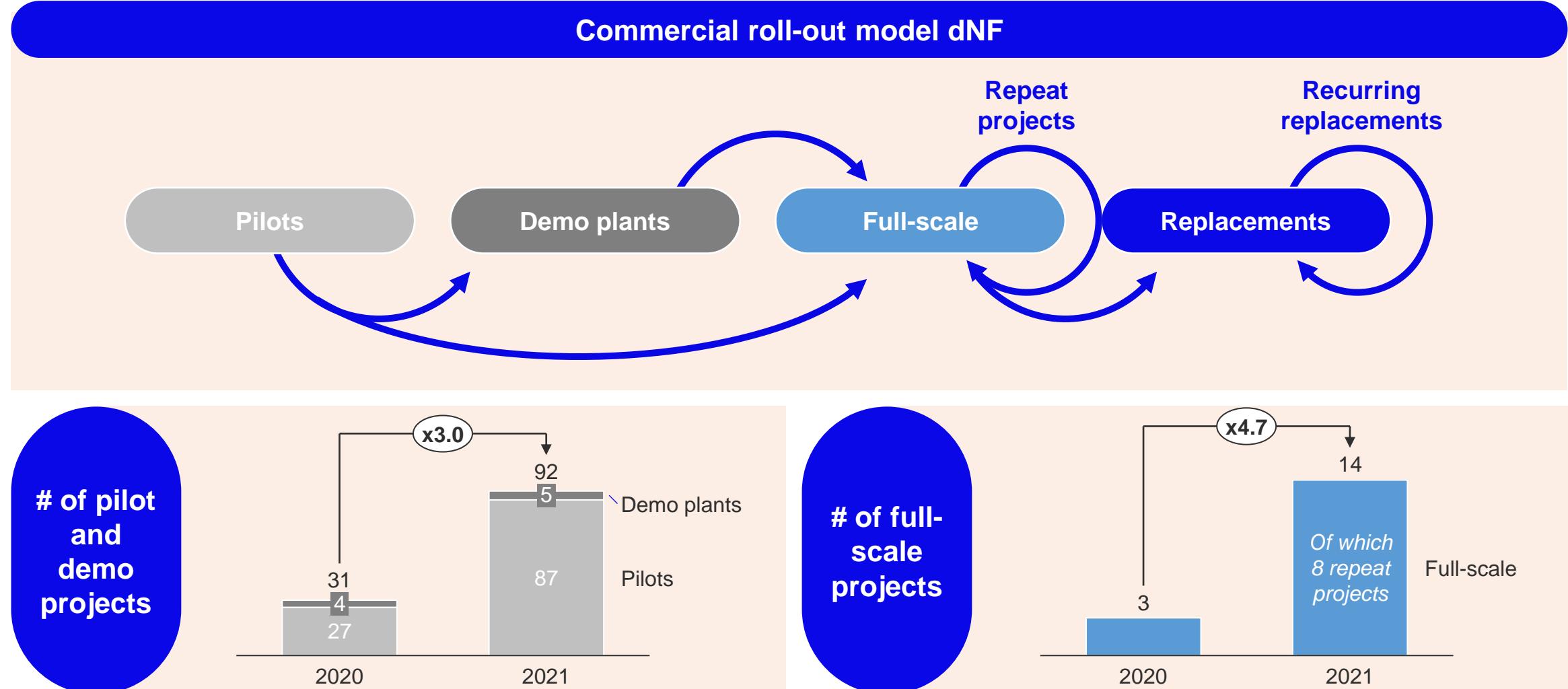
2020:
24% outside
Europe



2021:
66% outside
Europe

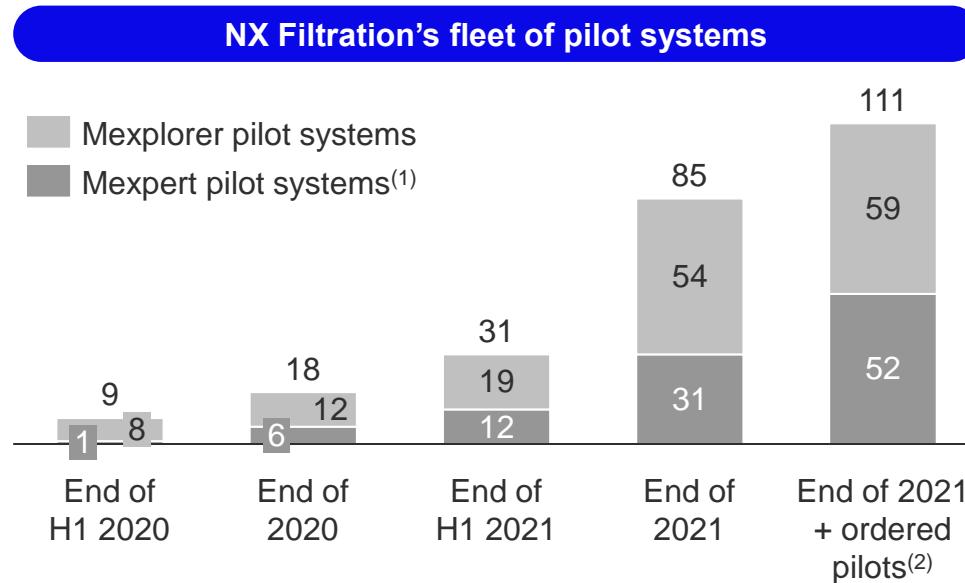
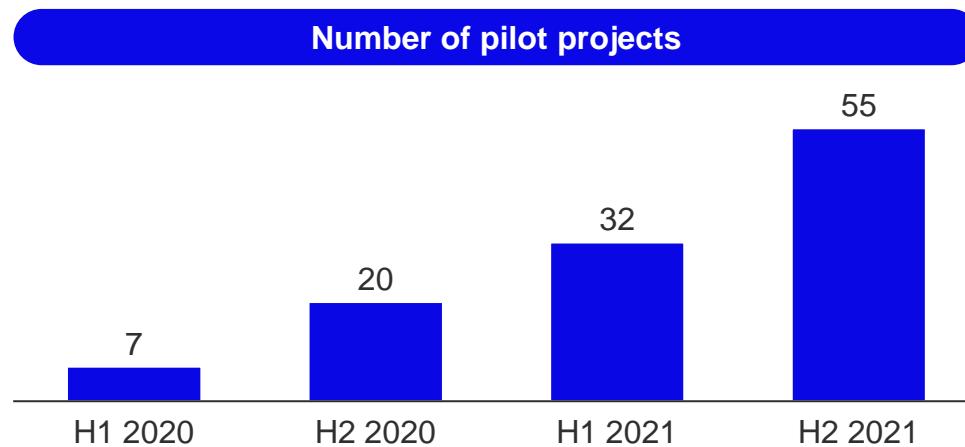


Strong tangible growth throughout the business development funnel



Increasing number of pilot projects based on expanding pilot fleet

Reaching the halfway point towards medium-term objective of 200 pilot systems



- Pilots play an important role in NX Filtration's commercial roll-out strategy
- Pilot projects comprise of small pilots (typically with Mexplorers) and larger pilots (typically with Mexperts) based on NX Filtration's own pilot fleet as well as pilots owned (and/or developed) by NX Filtration's OEM customers
- To facilitate a growing demand for pilot systems, NX Filtration is:
 - Expanding its fleet of pilot systems from 31 at the end of H1 2021 to 85 at the end of 2021, with an additional 26 systems in order as per the end of 2021
 - Broadening its fleet to other geographies (dedicated systems for North America and Asia) and sizes (order outstanding for large demo system based on 10 modules)



Our capacity expansion is on track

Major milestone with second membrane spinning line commissioned

Second spinning line at current facilities



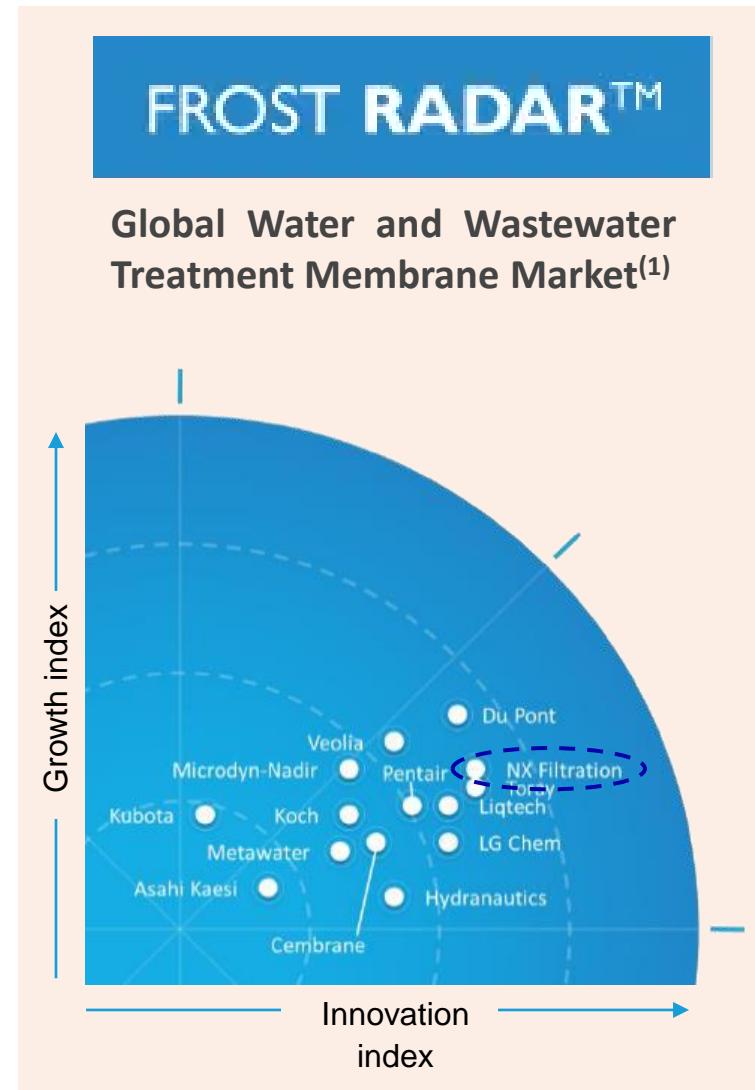
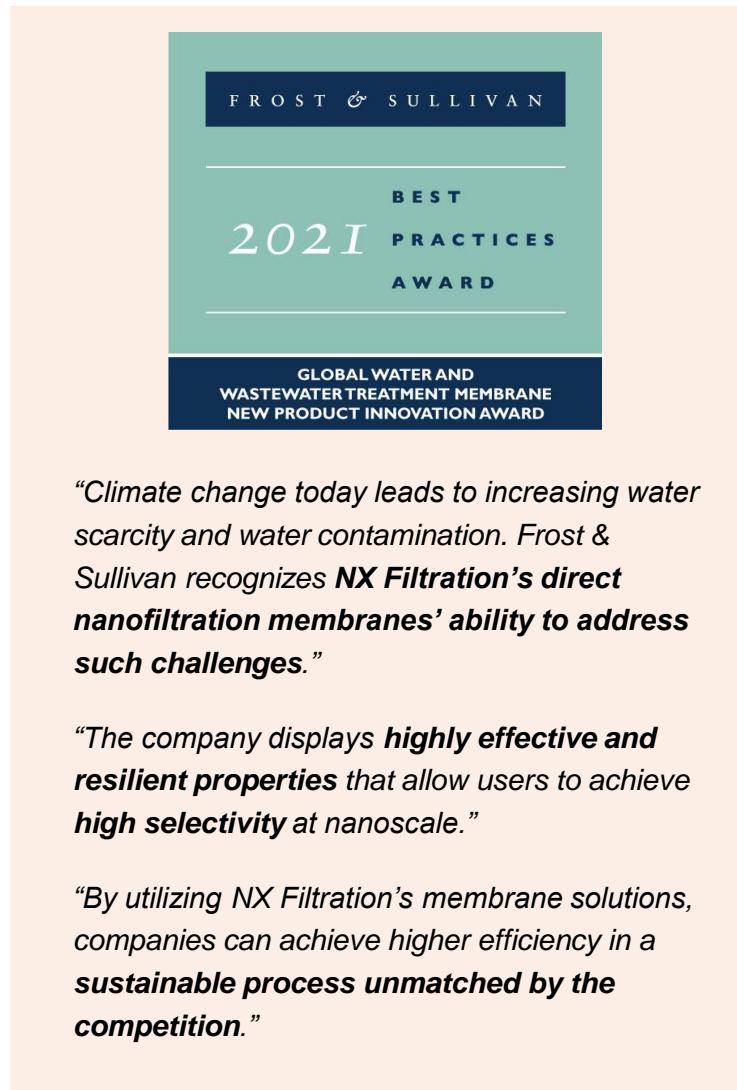
- Second high-capacity spinning line for the production of direct nanofiltration membranes was commissioned in Q4 2021, resulting in a combined (for both spinning lines) total capacity⁽¹⁾ of ~10,000 modules per year (compared to the capacity of approximately 2,500 membrane modules per year in 2020)⁽²⁾
- Production output expected to be gradually ramped up during 2022

Development of new plant



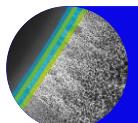
- On track for realizing a new production facility, which, upon completion, can gradually be expanded to a targeted total capacity⁽¹⁾ of ~80,000 modules per year
 - Project team staffed: construction, installation and automation
 - 24,000 m² plot of land secured at High Tech Systems Park Twente (approx. 10 km from current facilities)
 - Expected start of construction in H2 2022 (on schedule)
 - Expected completion end of 2023

Our membrane technology is already leading today...



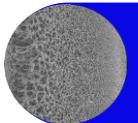
...with a strong focus on innovations for the future

Updates to patent portfolio during 2021: from 25 to 35 granted patents during 2021 and 2 new patent family applications



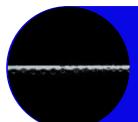
Positively charged membranes

First 4 patent grants in 2021 (US, Australia, Japan and China)



Hollow-fibre membrane

1 additional patent grant in 2021 (Brazil)



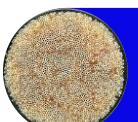
PEM membranes

First 5 patent grants in 2021 (US, Australia, China, Singapore and South Korea)



Forming a membrane holder

Patents already granted across all relevant jurisdictions



Membrane holder

Patents already granted across all relevant jurisdictions



New in 2021: dNF regeneration

New patent family application related to further performance improvements on dNF technology (June 2021)



New in 2021: Innovative membrane holder

New patent family application for innovative membrane holder (December 2021)

Launch of projection tool 3.0 in H2 2021

Release of 3rd generation projection tool, allowing our customers to **optimally design their system parameters**

Key features include accurate estimations of micropollutants retention, predictions of design parameters and calculations of energy consumption, process flows and cleaning intervals

Anticipated introduction of new more open membrane in 2022

In addition to dNF40 and dNF80, **introduction of more open dNF membrane** to broaden application possibilities, ideally suited for processes where primarily color and pathogens need to be removed

NX Filtration's dNF40 and dNF80 membranes offer the highest selectivity in the market and are therefore uniquely suited to remove small micropollutants such as PFAS in a sustainable process

The new more open dNF membrane offers higher flow rates than the dNF40 and dNF80 membranes, with better selectivity than conventional technologies such as ultrafiltration

In line with NX Filtration's existing products, the **new dNF product enables operational simplicity and sustainable processes**, reducing energy consumption and preventing the use of pretreatment chemicals

Summary P&L

In € '000	2020	2021
Total revenues¹⁾	1,069	4,069
Clean Municipal Water	306	1,101
Sustainable Industrial Water	365	2,072
Other income	398	896
Gross margin (excl. other income)	382	1,745
as % of revenue from sale of goods	56.9%	55.0%
Personnel costs	1,781	3,833
Other operating costs (excl. IPO costs)	971	2,546
EBITDA (excl. IPO costs)	-1,972	-3,738
Net profit (excl. IPO costs)	-2,092	-4,103

Total revenues grew 281% (420% in H2 y-o-y) driven by increasing number of **full-scale dNF projects, start of **HYDRACap contract** in January 2021 with gradual ramp-up during 2021, **sales force expansion** to new countries (Canada, USA, India, Singapore and UAE) and growing number of **OEM relationships**. Growth in other income driven by a **growing number of pilot projects** and government grants for innovation projects**

Gross margin increased from 47.9% in H1 2021 to 58.7% in H2 2021. H1 2021 gross margin was a.o. impacted by waste resulting from the HYDRACap UF product introduction at the start of the year. Overall gross margin slightly lower than in 2020 as a result of a.o. a changing product mix with a growing share of UF products and production inefficiencies related to more product switches on a single spinning line

Increase in FTEs from 34 at 31 December 2020 to 69 at 31 December 2021 (43 at June 30 2021). Key additions in sales force, pilot engineers, R&D employees and production personnel

Other operating costs, EBITDA and net profit exclude €9.6m IPO related costs (and corresponding tax effect)²⁾

Balance sheet

In € '000	31 Dec 2020	31 Dec 2021
Non-current assets	6,631	18,043
Current assets (excl. cash)	2,703	6,016
Cash and cash equivalents	6,599	133,433
Total assets	15,933	157,492
Non-current liabilities	979	1,076
Current liabilities (excl. overdrafts)	1,610	5,272
Equity	13,344	151,144
Total equity and liabilities	15,933	157,492

Capex amounted to €8,616k and included investments in the ongoing **capacity expansion** (new production facility for module production and expansion of the production facility for membrane production) and the expansion of NX Filtration's **fleet of pilot systems** (from 18 at the end of 2020 to 85 at the end of 2021). Additionally, NX Filtration capitalised €741k of **development costs** which demonstrates the company's continued efforts to invest in innovations for the future

Working capital decreased to €1,062k versus €1,300k at 31 December 2020

Increase in equity is the result of the **equity capital that NX Filtration raised at its IPO in June 2021** with net proceeds of €155.4m (net of IPO related cost)

Outlook

Pilots

- Further ramp-up pilot program, initiating new pilots across industries, applications and geographies. Ambition to grow number of pilots projects from 87 in 2021 (27 in 2020) to over 160 in 2022
- Further expansion of fleet of pilot systems from 85 at the end of 2021 to over 140 at the end of 2022, driven by strong customer demand for such systems

Capacity expansion

- Second high-capacity membrane spinning line commissioned in Q4 2021, resulting in a combined total capacity⁽¹⁾ of ~10,000 modules per year
- On-track with new nanofiltration membrane megafactory: construction expected to start in H2 2022

People

- Strong focus on further growing international sales force, pilot engineers, R&D capacity and production personnel

Outlook

- Outlook on total revenues of €8m to €10m for 2022, driven by strong market demand and expanding global sales presence and enabled by increase in production capacity. Targeted growth largely driven by past and ongoing pilots converting into larger scale projects and repeat business with existing (OEM) relationships

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Disclaimer

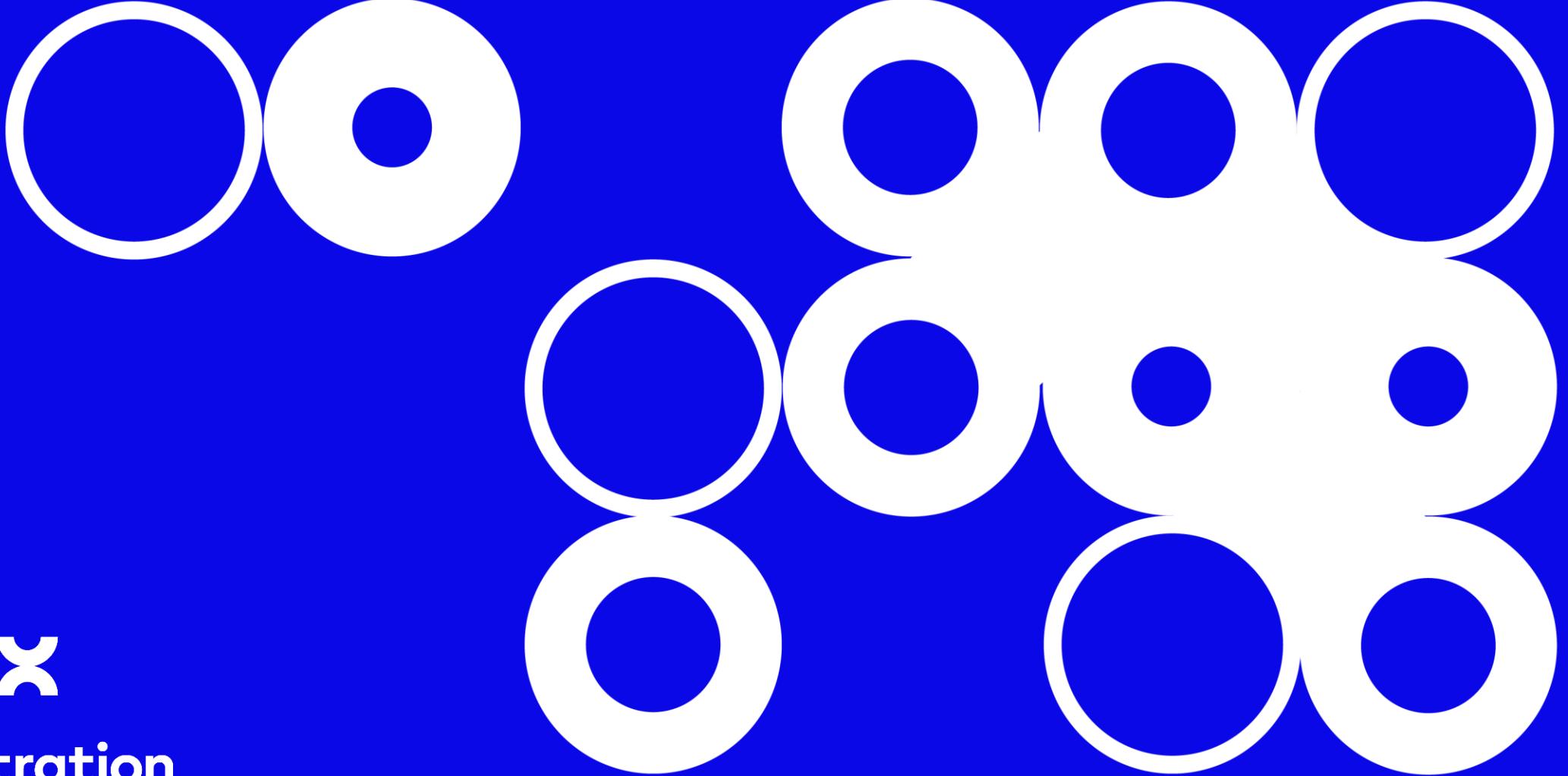
IMPORTANT: The information set out herein (the **Information**) does not constitute or form part of, and should not be construed as an offer or the solicitation of an offer to subscribe for or purchase securities of NX Filtration.

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, developments in the ongoing COVID-19 pandemic, related government measures, customer acceptance of our technology and costs of raw materials. These and other risk factors are detailed in our publicly filed 2021 annual report.

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 FY 2021 performance can be found in the 2021 annual report and the FY 2021 results press release.



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