



2Q Fiscal 2025

Webcast

May 29, 2025



Safe Harbor Statement

Under the Private Securities Litigation Reform Act of 1995



Certain statements contained in this release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by terminology such as “may,” “will,” “should,” “could,” “expects,” “anticipates,” “believes,” “projects,” “forecasts,” “outlook,” “guidance,” “continue,” “target,” or the negative of these terms or comparable terminology. These statements reflect management’s current expectations and involve a number of risks and uncertainties. These risks and uncertainties include, but are not limited to, U.S. and international economic conditions; financial and market conditions; currency exchange rates and devaluations; possible acquisitions, including the Company’s ability to successfully integrate acquisitions; the Company’s ability to successfully divest or dispose of businesses that are deemed not to fit with its strategic plan; the effects of changes in U.S. trade policy and trade agreements, including new or increased tariffs or trade restrictions; the effects of changes in tax law; and the possible effects of events beyond our control, such as political unrest, conflicts or wars between sovereign nations, acts of terror, natural disasters and pandemics, including the coronavirus (COVID-19) pandemic and the other factors discussed in Item 1A (Risk Factors) in the Company’s most recently filed Annual Report on Form 10-K and in its Forms 10-Q filed with the Securities and Exchange Commission, which should be reviewed carefully. The Company undertakes no obligation to update or revise any forward-looking statement in this presentation.

2Q 2025 Webcast – May 29, 2025

- 2nd Quarter Highlights
- Portfolio Update
- Sales Performance & Earnings Review
- Balance Sheet and Cash Flow
- Enterprise Performance
- 3Q 2025 Guidance
- Q&A



Sundaram Nagarajan

President &
Chief Executive Officer



Dan Hopgood

Executive Vice President &
Chief Financial Officer



Lara Mahoney

Vice President,
Investor Relations



2Q 2025 Highlights

Strong sales and operating performance in dynamic global environment

- Sales of \$683M, above the midpoint of guidance and up 5% year over year
- Order entry and backlog remains strong across all segments
- Adjusted EPS increased 3%, as operational excellence drove strong profit performance despite uncertainty in geopolitical environment
- Atrion acquisition continues to perform above valuation model expectations
- Balanced capital allocation

Focusing resources on differentiated technology

Divesting select portions of remaining design and development business

- Signed agreement to divest certain contract manufacturing product lines within our medical interventional solutions business
- Action improves growth outlook and is expected to be accretive to MFS segment EBITDA margins
- Expected to close in early 4Q fiscal 2025.

Prioritizing above-market growth in proprietary medical components

- Drive above market growth of remaining ~\$800M medical and fluid solutions product lines, including components and proprietary devices for minimally invasive procedures, such as balloons, catheters and nitinol devices
- Customer pipeline remains strong
- Aligns with Company commitment to focus on higher value growth opportunities



Total Company – 2Q 2025



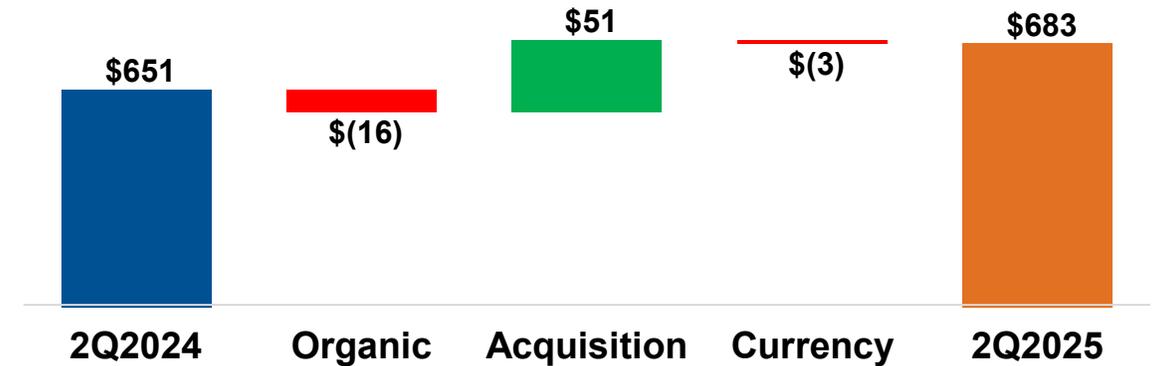
Sales

- Reported sales of \$683M, an increase of 5%, above the mid-point of prior guidance range
- 8% growth from the Atrion acquisition; unfavorable currency impact of 0.4%
- 2% organic sales decrease. Strength in electronics product lines offset by YOY weakness in polymer processing and industrial coatings systems, as well as select medical product lines.

EBITDA*

- EBITDA was \$217 million, up 7% on higher sales volume and improved SG&A leverage
- Strong EBITDA margin of 32% slightly above prior year

2Q 2025 Sales Bridge**



	2Q 2024	2Q 2025		Δ
Sales	\$650.6	\$682.9	↑	5%
Operating Profit*	\$170.7	\$179.6	↑	5%
EBITDA*	\$203.4	\$217.2	↑	7%
EPS GAAP	\$2.05	\$1.97	↓	-4%
EPS Adjusted*	\$2.34	\$2.42	↑	3%

**Amounts may not add due to rounding.

*Non-GAAP numbers - See appendix for reconciliation. In millions except for per share data.

Sales

- Sales of \$319 million, a decrease of 8%
- While sequentially improving, YOY organic decreased 7%. Growth in nonwovens and precision agriculture product lines was offset by weaker systems demand in polymer processing and industrial coatings.

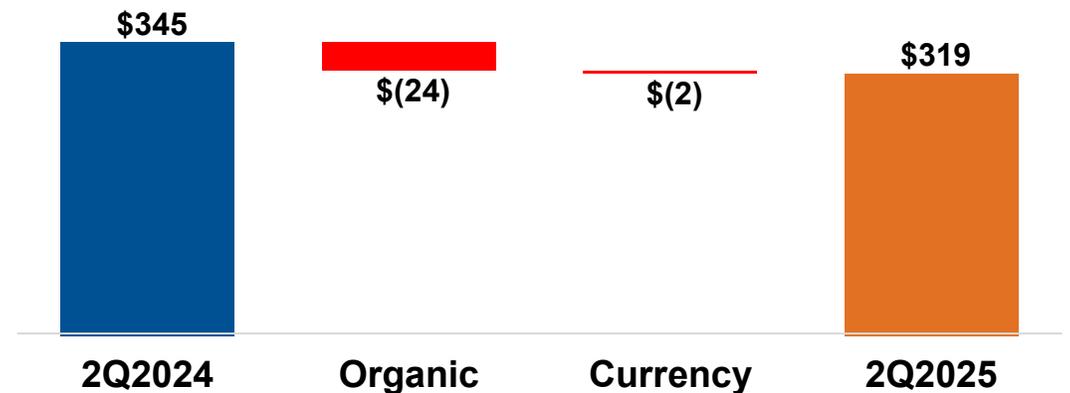
EBITDA*

- EBITDA was \$114 million, or 36% of sales, slightly below prior year
- EBITDA margin decline was driven by the decrease in sales volume

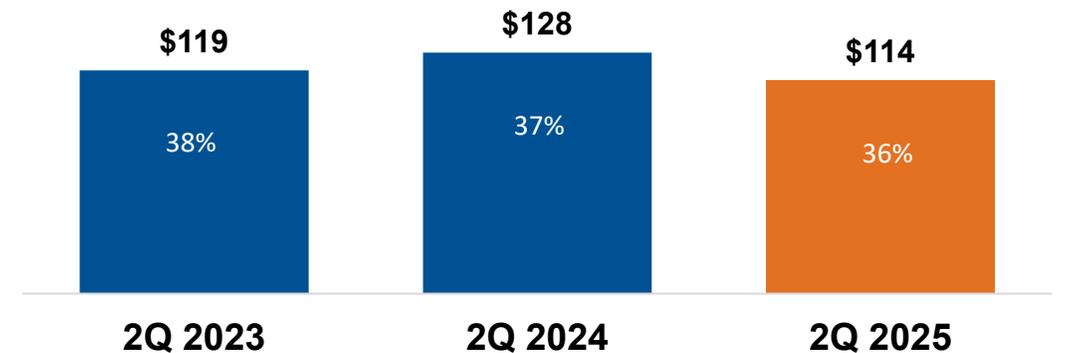
*Non-GAAP numbers – See appendix for reconciliation.

**Amounts may not add due to rounding.

2Q 2025 IPS Sales Bridge**



EBITDA and Margin



Medical and Fluid Solutions – 2Q 2025



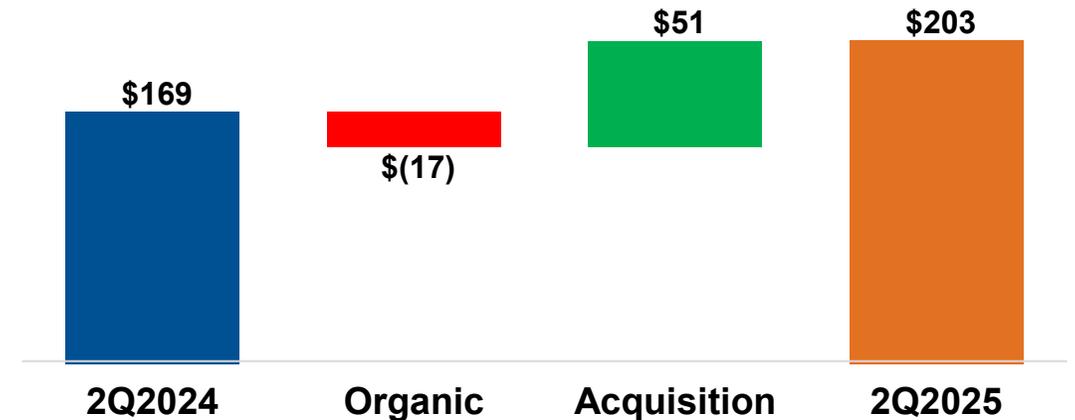
Sales

- Sales of \$203 million, an increase of 20%. Organic sales were down 10%.
- 30% growth from Atrion acquisition, continuing to outperform expectations
- Excluding the pending divestiture, organic sales were down 4% driven by ongoing destocking in medical interventional solutions

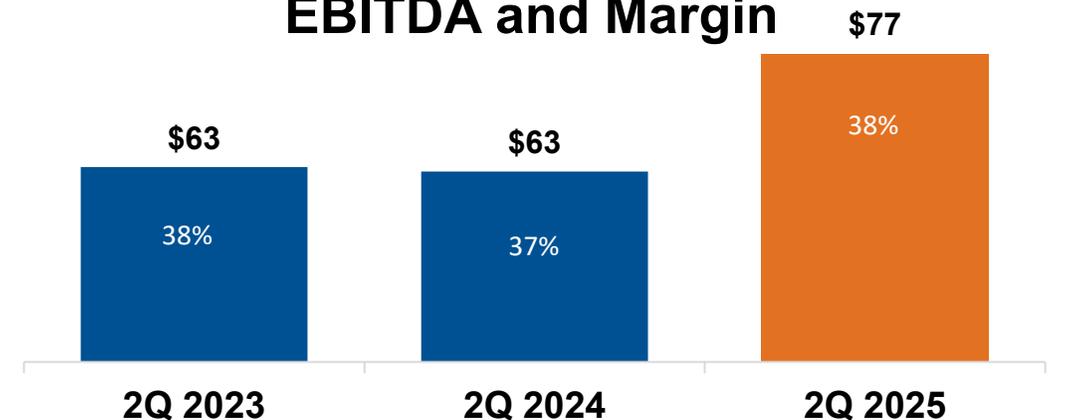
EBITDA*

- EBITDA was \$77 million, or 38% of sales, an increase of 22% compared to the prior year
- EBITDA margin improvement was driven by strong Atrion performance and solid execution of core business.

2Q 2025 MFS Sales Bridge**



EBITDA and Margin



8 *Non-GAAP numbers – See appendix for reconciliation.
**Amounts may not add due to rounding.

Advanced Technology Solutions – 2Q 2025



Sales

- Sales were \$161 million, an 18% increase
- 18% organic increase driven by broad based demand, notably in electronics dispense, optical and x-ray inspection systems all growing double-digits over the prior year

EBITDA*

- EBITDA was at \$40 million, or 25% of sales, an increase of 43% compared to the prior year
- EBITDA margin almost 500 bps above prior year due to strong cost management and manufacturing improvements in addition to increased sales

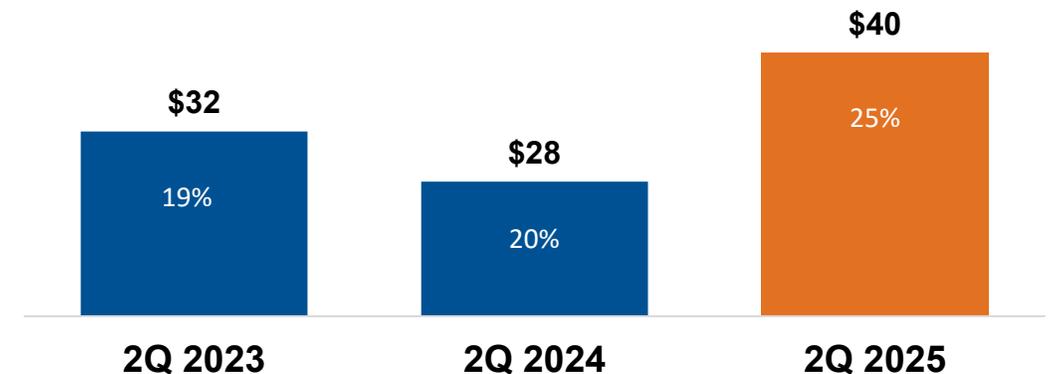
*Non-GAAP numbers – See appendix for reconciliation.

**Amounts may not add due to rounding.

2Q 2025 ATS Sales Bridge**



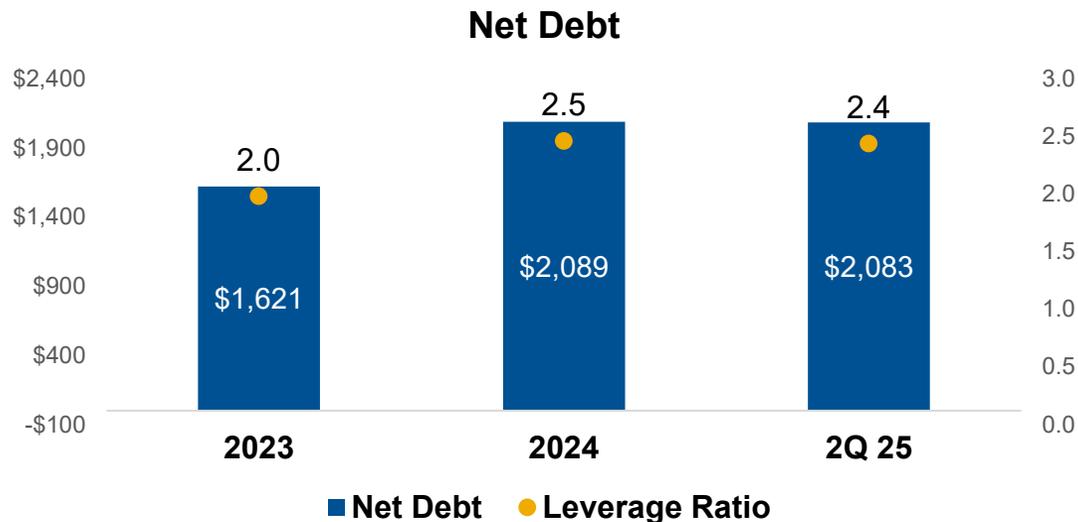
EBITDA and Margin



Balanced Capital Deployment Returning Value to Shareholders

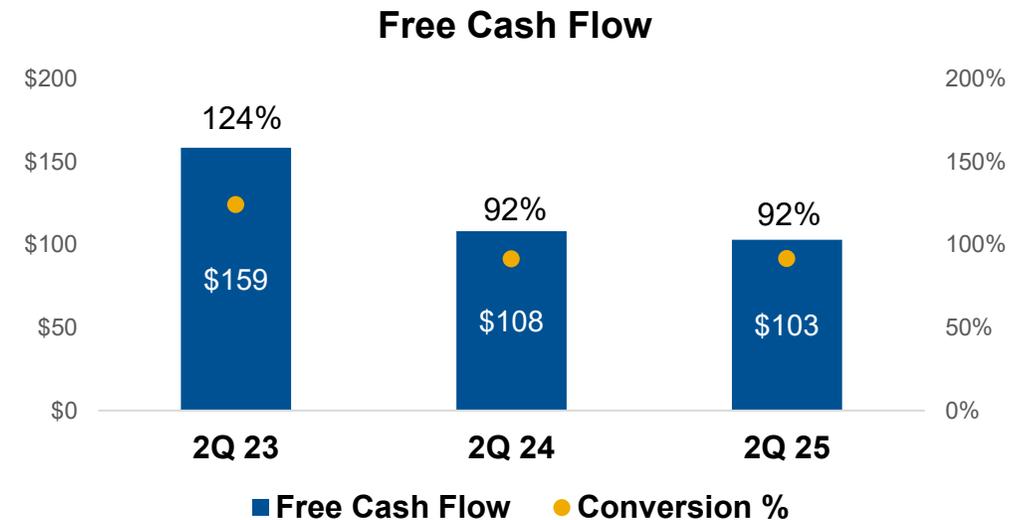
Net Debt

- Cash totaled \$130 million
- 2.4x net debt leverage ratio based on trailing 12-month EBITDA, a slight reduction from year end



Free Cash Flow*

- Cash flow of \$103 million, which is a conversion rate of 92% of net income, deployed toward:
 - Share repurchases of \$85M
 - Dividend payments of \$44M
 - Capital investments of \$16M



*Non-GAAP number – See appendix for reconciliation.

Executing in an Uncertain Environment



Close to the Customer Model

- In-region, for-region manufacturing strategy leads to growth with existing customers
- Orders continued to trend favorably, particularly within electronics, agriculture and certain medical product lines
- Backlog increased ~5% over Q1



Operational Excellence

- Implemented selective pricing actions to offset certain tariffs
- Initiated targeted reductions in force resulting in mature year savings of \$15-\$20 million
- New facility in South Carolina (ICS) and capacity expansion in India (EPS) are fully operational to timely serve increased regional customer needs



Capital Deployment

- In current environment, continued to favor share repurchases YTD \$141M
- Sustained investments in organic growth
- Target leverage remained within long term 2.0 to 2.5x range

3Q Fiscal 2025 Guidance

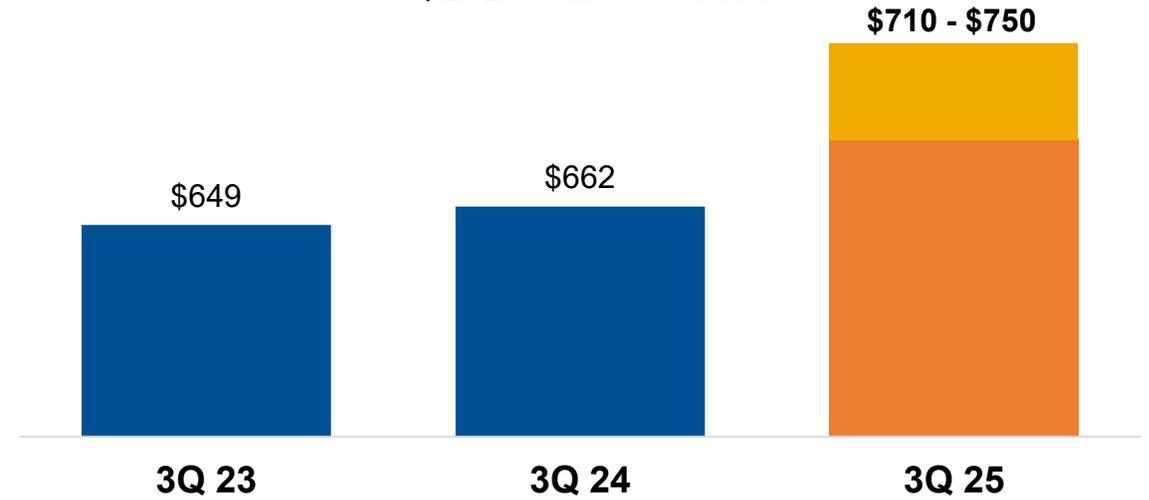


Solid order entry moving into 3Q

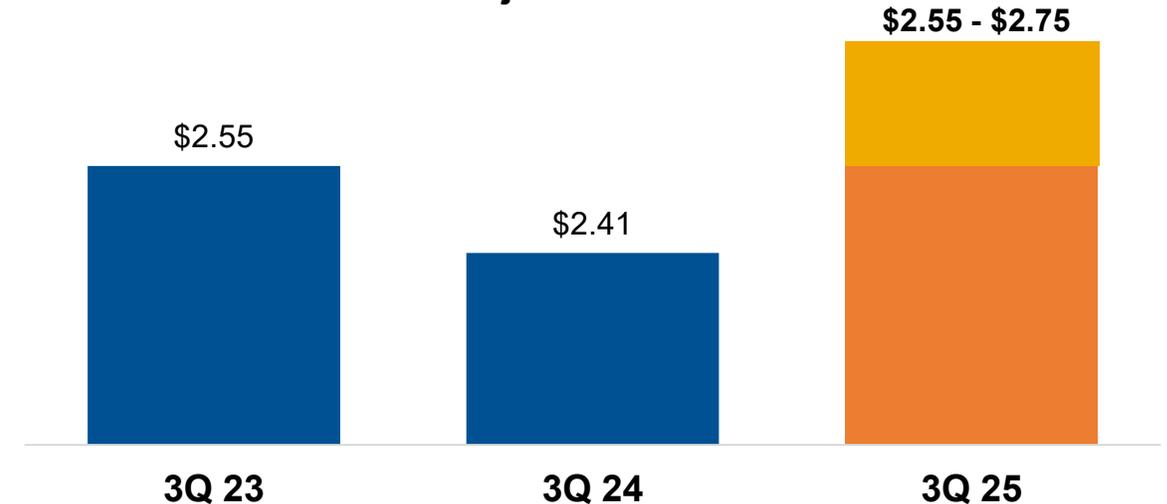
- Historical seasonality and current order entry trends support sequential and year-over-year increase in sales and earnings
- Order entry remained strong during the quarter across all segments
- Backlog grew by ~5% from the prior quarter

3Q in line with full-year 2025 guidance expectations

3Q 2025 Sales Guidance



3Q 2025 Adjusted EPS Guidance



Competitive Advantages



Strong Growth
Portfolio

High Recurring
Revenue

Diversified, Niche End
Markets

Close to Customer

Differentiated
Products

NBS Next Growth
Framework

**Continuously demonstrated resilience and
the ability to deliver best-in-class profitability
in varying market scenarios**

Questions?

Reconciliation of Non-GAAP Measures



Net Income to Adjusted EBITDA (Dollars in thousands)

NORDSON CORPORATION

RECONCILIATION OF NON-GAAP MEASURES - NET INCOME TO EBITDA (Unaudited)

(Dollars in thousands)

	Three Months Ended		Six Months Ended	
	April 30, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Net income	\$ 112,404	\$ 118,217	\$ 207,056	\$ 227,789
Income taxes	26,366	31,059	48,569	60,186
Interest expense - net	26,019	18,555	51,637	38,953
Other (income) expense - net	3,961	785	2,435	1,123
Depreciation and amortization	37,578	32,720	74,608	66,264
Inventory step-up amortization ⁽¹⁾	—	—	3,135	2,944
Severance and other ⁽¹⁾	10,313	2,078	16,274	2,078
Acquisition-related costs ⁽¹⁾	513	—	1,543	597
EBITDA (non-GAAP) ⁽²⁾	\$ 217,154	\$ 203,414	\$ 405,257	\$ 399,934

⁽¹⁾ Represents cost reduction actions as well as fees and non-cash inventory charges associated with acquisitions.

⁽²⁾ EBITDA is a non-GAAP measure used by management to evaluate the Company's ongoing operations. EBITDA is defined as operating profit plus certain adjustments, such as cost reduction actions, fees and non-cash inventory charges associated with acquisitions, plus depreciation and amortization.

Reconciliation of Non-GAAP Measures

Adjusted Operating Profit and EBITDA (Dollars in thousands)



NORDSON CORPORATION

RECONCILIATION OF NON-GAAP MEASURES - EBITDA (Unaudited) (Dollars in thousands)

	Three Months Ended		Six Months Ended					
	April 30, 2025	April 30, 2024	April 30, 2025	April 30, 2024				
SALES BY SEGMENT								
Industrial Precision Solutions	\$ 318,847	\$ 344,978	\$ 619,295	\$ 682,720				
Medical and Fluid Solutions	202,809	168,966	396,418	328,492				
Advanced Technology Solutions	161,282	136,698	282,645	272,623				
Total sales	<u>\$ 682,938</u>	<u>\$ 650,642</u>	<u>\$1,298,358</u>	<u>\$1,283,835</u>				
OPERATING PROFIT								
Industrial Precision Solutions	\$ 95,722	\$ 115,922	\$ 191,434	\$ 225,020				
Medical and Fluid Solutions	56,805	48,993	97,741	95,093				
Advanced Technology Solutions	31,558	20,693	49,681	38,997				
Corporate	(15,335)	(16,992)	(29,159)	(31,059)				
Total operating profit	<u>\$ 168,750</u>	<u>\$ 168,616</u>	<u>\$ 309,697</u>	<u>\$ 328,051</u>				
OPERATING PROFIT ADJUSTMENTS ⁽¹⁾								
Industrial Precision Solutions	\$ 5,212	\$ —	\$ 9,823	\$ 3,541				
Medical and Fluid Solutions	1,366	—	6,621	—				
Advanced Technology Solutions	3,288	2,078	3,288	2,078				
Corporate	960	—	1,220	—				
Total adjustments	<u>\$ 10,826</u>	<u>\$ 2,078</u>	<u>\$ 20,952</u>	<u>\$ 5,619</u>				
DEPRECIATION & AMORTIZATION								
Industrial Precision Solutions	\$ 12,614	\$ 12,437	\$ 25,067	\$ 25,357				
Medical and Fluid Solutions	18,367	13,564	36,508	27,269				
Advanced Technology Solutions	4,670	4,767	9,318	9,668				
Corporate	1,927	1,952	3,715	3,970				
Total depreciation & amortization	<u>\$ 37,578</u>	<u>\$ 32,720</u>	<u>\$ 74,608</u>	<u>\$ 66,264</u>				
EBITDA (NON-GAAP) ⁽²⁾								
Industrial Precision Solutions	\$ 113,548	36%	\$ 128,359	37%	\$ 226,324	37%	\$ 253,918	37%
Medical and Fluid Solutions	76,538	38%	62,557	37%	140,870	36%	122,362	37%
Advanced Technology Solutions	39,516	25%	27,538	20%	62,287	22%	50,743	19%
Corporate	(12,448)		(15,040)		(24,224)		(27,089)	
Total EBITDA	<u>\$ 217,154</u>	32%	<u>\$ 203,414</u>	31%	<u>\$ 405,257</u>	31%	<u>\$ 399,934</u>	31%

⁽¹⁾ Represents cost reduction actions as well as fees and non-cash inventory charges associated with acquisitions.

⁽²⁾ EBITDA is a non-GAAP measure used by management to evaluate the Company's ongoing operations. EBITDA is defined as operating profit plus certain adjustments, such as cost reduction actions, fees and non-cash inventory charges associated with acquisitions, plus depreciation and amortization.

Reconciliation of Non-GAAP Measures



Profitability (Dollars in thousands)

NORDSON CORPORATION

RECONCILIATION OF NON-GAAP MEASURES - ADJUSTED NET INCOME AND EARNINGS PER SHARE (Unaudited) (Dollars in thousands)

	Three Months Ended		Six Months Ended	
	April 30, 2025	April 30, 2024	April 30, 2025	April 30, 2024
<u>GAAPAS REPORTED</u>				
Operating profit	\$ 168,750	\$ 168,616	\$ 309,697	\$ 328,051
Other / interest expense - net	(29,980)	(19,340)	(54,072)	(40,076)
Net income	112,404	118,217	207,056	227,789
Diluted earnings per share	\$ 1.97	\$ 2.05	\$ 3.62	\$ 3.95
Shares outstanding - diluted	57,038	57,681	57,265	57,617
<u>OPERATING PROFIT ADJUSTMENTS</u>				
Inventory step-up amortization	\$ —	\$ —	\$ 3,135	\$ 2,944
Acquisition costs	513	—	1,543	597
Severance and other	10,313	2,078	16,274	2,078
<u>ACQUISITION AMORTIZATION OF INTANGIBLES</u>				
	\$ 19,696	\$ 18,823	39,007	38,210
<u>NON-OPERATING EXPENSE ADJUSTMENTS</u>				
Entity liquidation	\$ 988	\$ —	\$ 988	\$ —
Total adjustments	\$ 31,510	\$ 20,901	\$ 60,947	\$ 43,829
Adjustments net of tax	\$ 25,523	\$ 16,556	\$ 49,367	\$ 34,669
Other discrete tax items	\$ —	\$ —	\$ —	\$ —
EPS effect of adjustments and other discrete tax items	\$ 0.45	\$ 0.29	\$ 0.86	\$ 0.60
<u>NON-GAAP MEASURES-ADJUSTED OPERATING PROFIT, NET INCOME AND ADJUSTED EARNINGS PER SHARE</u>				
Operating profit ⁽¹⁾	\$ 179,576	\$ 170,694	\$ 330,649	\$ 333,670
Operating profit % of sales	26.3 %	26.2 %	25.5 %	26.0 %
Net income ⁽¹⁾	\$ 137,927	\$ 134,773	\$ 256,423	\$ 262,458
Diluted earnings per share ⁽²⁾	\$ 2.42	\$ 2.34	\$ 4.48	\$ 4.55

⁽¹⁾ Adjusted net income is a non-GAAP measure defined as net income plus tax effected adjustments and other discrete tax items. Refer to the "Reconciliation of Non-GAAP measures - EBITDA" table for definition of adjustments to operating income.

⁽²⁾ Adjusted earnings per share is a non-GAAP measure defined as GAAP EPS adjusted for tax effected adjustments and other discrete tax items.

Reconciliation of Non-GAAP Measures

Operating Cash Flow to Free Cash Flow



NORDSON CORPORATION

RECONCILIATION OF NON-GAAP MEASURES - OPERATING CASH FLOW TO FREE CASH FLOW (Unaudited) (Dollars in thousands)

	Year to Date	
	April 30, 2025	January 31, 2025
Net cash provided by operating activities	278,292	\$ 159,122
Additions to property, plant and equipment	(37,439)	(21,399)
Free Cash Flow - Year to Date ⁽¹⁾	240,853	137,723
Net Income - Year to Date	\$ 207,056	\$ 94,652
Free Cash Flow Conversion ⁽²⁾	116 %	146 %

	Year to Date	
	April 30, 2024	January 31, 2024
Net cash provided by operating activities	\$ 294,964	\$ 172,356
Additions to property, plant and equipment	(21,907)	(7,530)
Free Cash Flow - Year to Date ⁽¹⁾	273,057	164,826

⁽¹⁾ Free Cash Flow - Year to Date is a non-GAAP measure used by management to evaluate the Company's ongoing operations and is defined as Net cash provided by operating activities minus Additions to property, plant and equipment.

⁽²⁾ Free Cash Flow Conversion - Year to Date is a non-GAAP measure used by management to evaluate the Company's ongoing operations and is defined as Free Cash Flow - Year to Date divided by Net Income - Year to Date.