



Investor Presentation

August 22, 2023

Nasdaq: NDSN

Ascend
STRATEGY



NBS NEXT



OWNER MINDSET



WINNING TEAMS

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 such 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; the effects of changes in tax law; and the possible effects of events beyond our control, such as political unrest, including the conflict between Russia and Ukraine, acts of terror, natural disasters and pandemics, including the recent 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.



Nordson is an innovative precision technology company that leverages a scalable growth framework to deliver top tier growth with leading margins and returns.

Company Founded

1954

*Sales

\$2.6B

*EBITDA

\$807M

Employees

7,330+

Countries with
Direct Presence

35+

By the Numbers

Consistent Record
of Growth

5%

Sales Growth

Demonstrated
Value to
Customers

55%

Gross Margins

Disciplined focus
on profitability

29%

EBITDA Margins

Solid Returns

19%

ROIC

Differentiated
Product Portfolio*

2,000+

Global Patents
Held

Consistent value to
shareholders

60 yrs.

of Annual
Dividend
Increases

Commitment to ESG



Diversified Board of Directors

- 56% diverse board (3 gender and 2 racially or ethnically diverse)
- 8 out of 9 independent directors
- 7 years average tenure



Strong Culture and Values

- Nordson Impact – Invest 5% of domestic pretax earnings in communities
- Paid time off for volunteer hours
- Employee support programs, including special COVID-leave



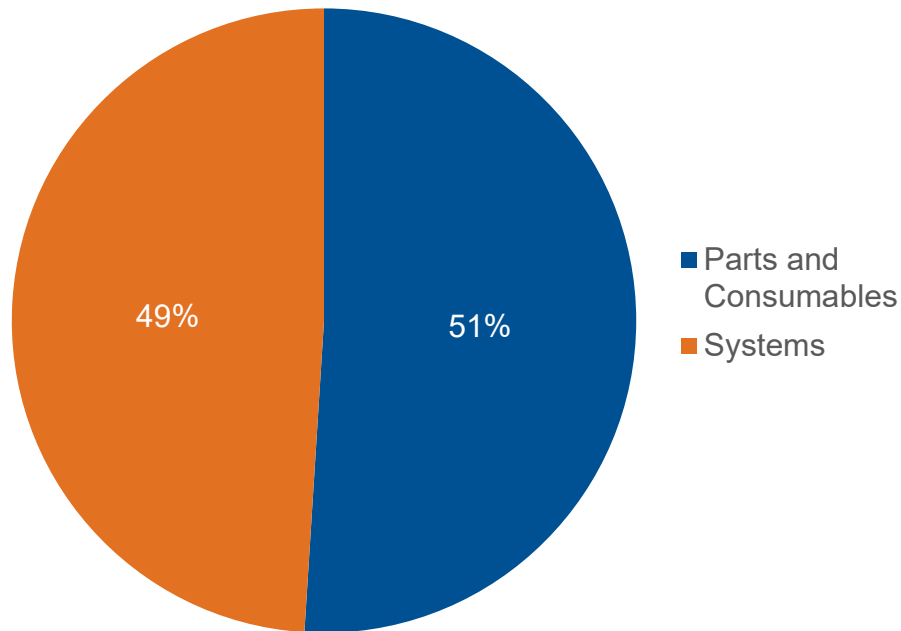
Environmental Stewardship

- Product design improvements focused on reducing customers' material utilization
- Journey to Zero adverse impacts to employees and community

Diversified Sources of Sales

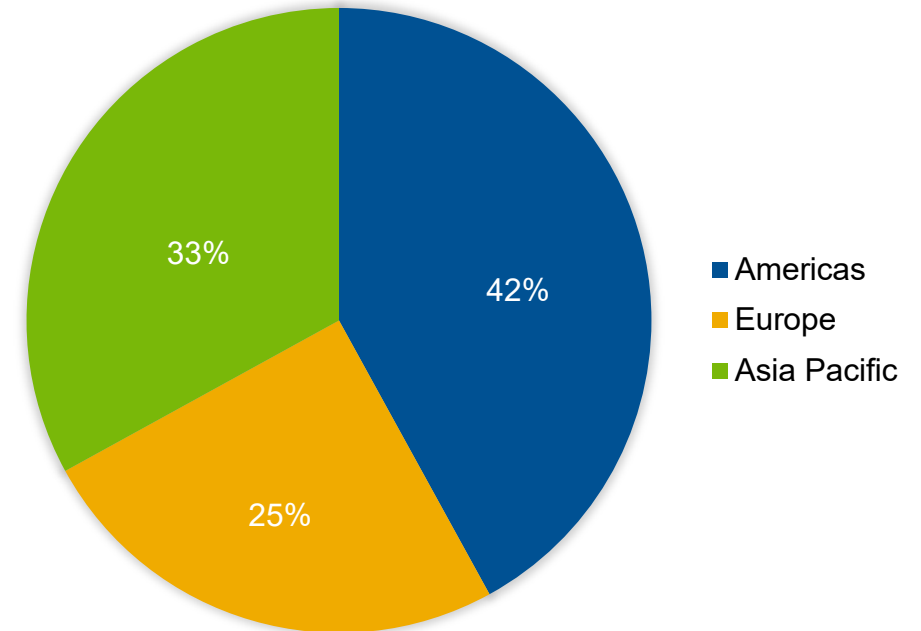
FY2022 Profile - \$2.6 Billion

Product Type



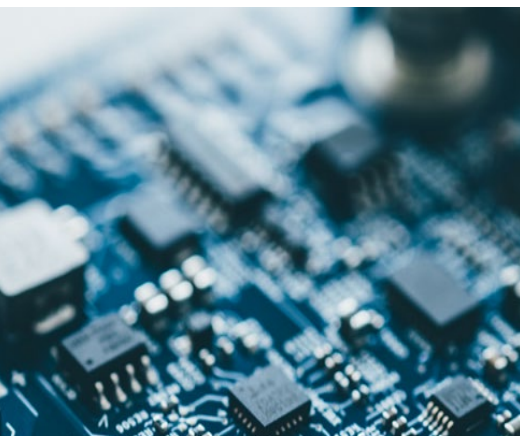
High percentage of recurring sales from parts and consumables.

Geographies



Diversified geographic footprint. Direct presence in over 35 countries.

Diversified End Markets



Electronics
30% of revenue



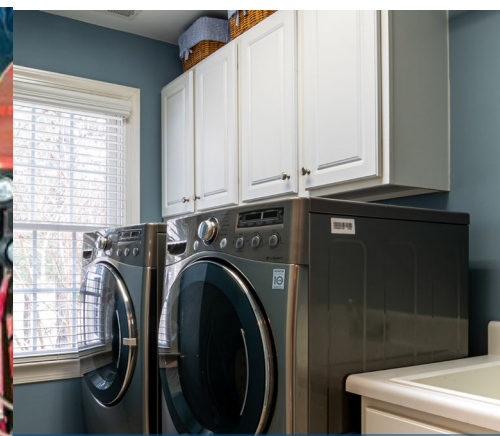
Consumer Non-Durables
23% of revenue



Medical
21% of revenue



Industrial
15% of revenue



Remaining Markets
12% of revenue

- Semiconductor packaging
- Wafer-level packaging
- Printed circuit boards
- Electronic component assembly – mobile phone, camera, ear buds, PC
- Automotive electronics

- Box sealing
- Baby diapers
- Convenience food packaging
- Beverage straw and spot attachment
- Container and bottle labeling

- Balloons, extrusions, delivery catheters and other minimally invasive devices
- Single-use fittings, connectors, fluid transfer components in medical equipment and surgical procedures
- Single-use specialty cannula for cardio-pulmonary procedures

- Farm, construction and industrial machinery
- Rigid container
- Aerospace
- Chemical
- Defense
- Energy

- Consumer durable
- Automotive
- Animal health & delivery systems

How We Are Organized



INDUSTRIAL PRECISION SOLUTIONS

Adhesives, Industrial Coatings Systems,
Measurement and Control Solutions & Polymer Processing Systems

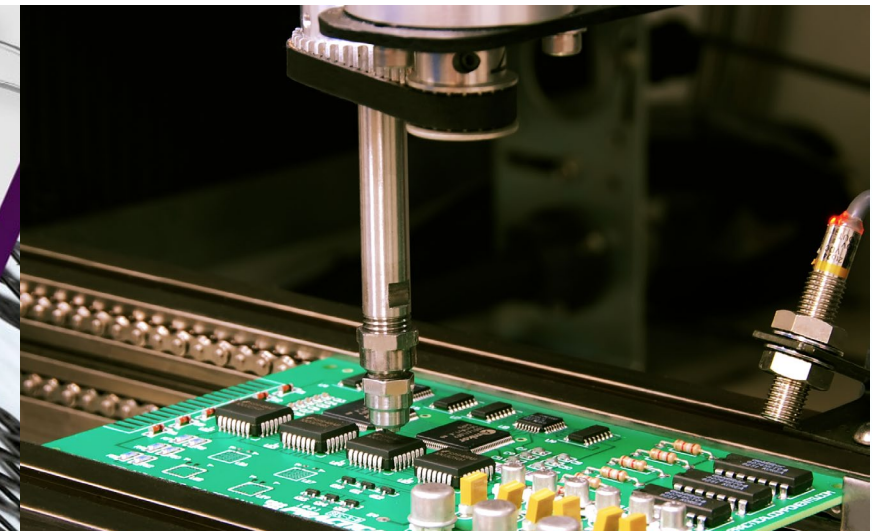
51%
REVENUE



MEDICAL FLUID SOLUTIONS

Medical &
Fluid Management

27%
REVENUE



ADVANCED TECHNOLOGY SOLUTIONS

Electronic Processing Systems
& Test and Inspection

22%
REVENUE

Industrial Precision Solutions

2022 Revenues

\$1,337M

2022
Operating
Margin*

33%

2022
EBITDA

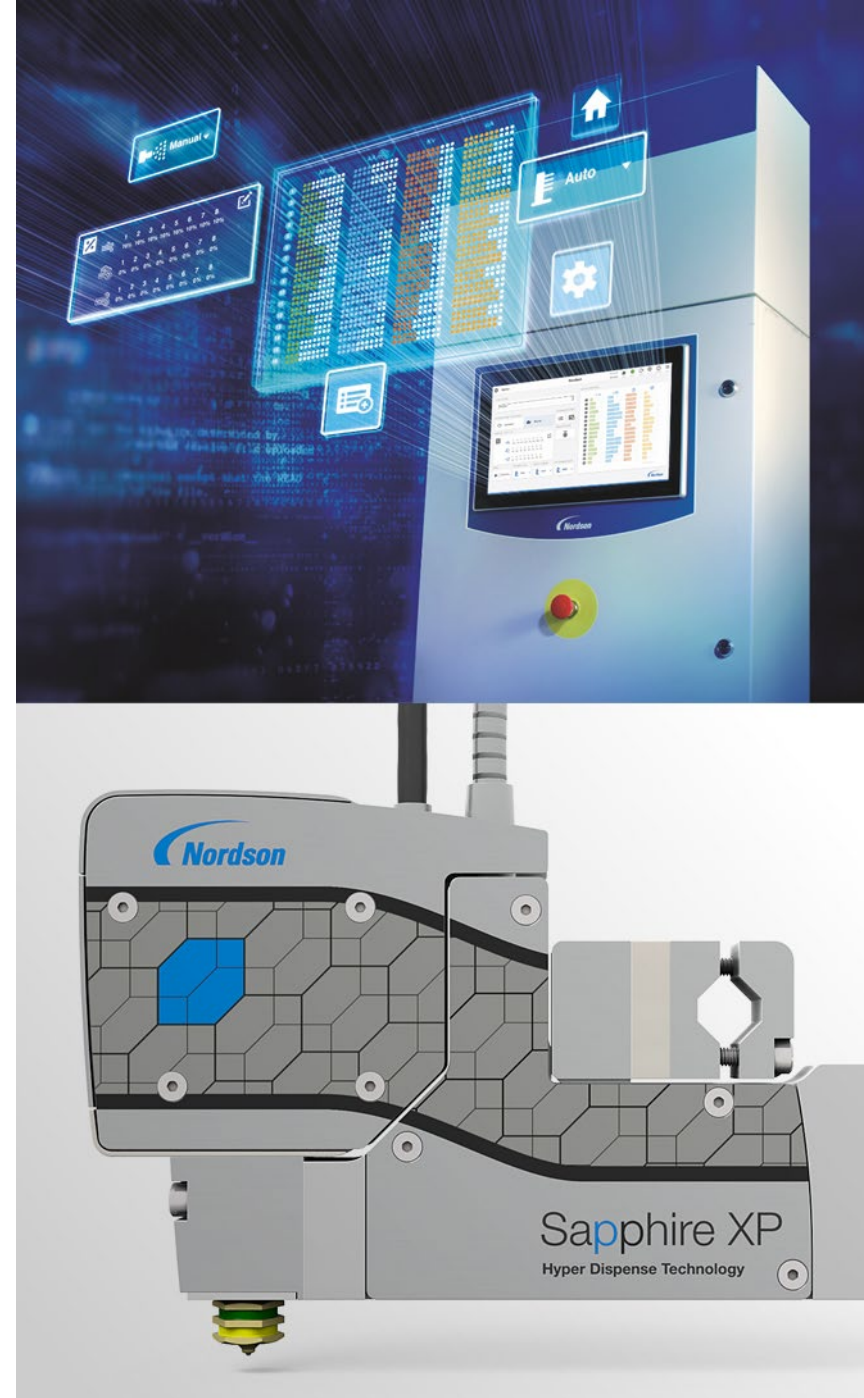
35%

What We Do

Product lines reduce material consumption, increase line efficiency, and enhance product brand and appearance. Components are used for dispensing adhesives, coatings, paint, finishes, sealants and other materials. This business primarily serves the industrial, consumer durables and non-durables markets.

3%+ CAGR Long-Term Growth Driven By:

- Material, machinery and process innovations
- Emerging markets and product tiering
- New applications, including electric vehicle battery, automotive electronics, and fabric bonding
- Recapitalization of large installed base
- Deploying NBS Next in our divisions



Medical Fluid Solutions

What We Do

Fluid management solutions for medical, high-tech industrial and other diverse end markets. Related plastic tubing, balloons, catheters, syringes, cartridges, tips, and fluid connection components are used to dispense or control fluids within customers' medical devices or products, as well as production processes.

5%+ Long-Term Growth Driven By:

- Aging population
- Trends toward non-invasive surgical techniques
- Medical OEM outsourcing
- Emerging markets
- Deploying NBS Next in our divisions

2022 Revenues

\$690M

2022
Operating
Margin*

32%

2022
EBITDA

40%



Advanced Technology Solutions

What We Do

Design and develop proprietary technologies found in progressive stages of an electronics customer's production processes, such as surface treatment, precisely controlled dispensing of material and test and inspection to ensure quality and reliability.

5%+ CAGR Long-Term Growth Driven By:

- Electronics - Broad solutions across the electronics supply chain
- 5G / AI / Big Data / Auto Electronics / Autonomous Vehicles / High-Perf Computing
- Emerging markets
- Deploying NBS Next in our divisions

2022 Revenues

\$563M

2022
Operating
Margin*

24%

2022
EBITDA

25%





Why Invest in Nordson?

Ascend

STRATEGY

A Diversified Precision
Technology Company

REVENUE

\$3B+

EBITDA

30%

Long-term 2025 financial targets

Top tier growth with leading margins and returns



NBS
Next

GROWTH FRAMEWORK

- Sustained organic growth
- Accelerate acquisitions



Owner
Mindset

DIVISION-LED

- Data drives action
- Entrepreneurial, accountable



Winning
Teams

TALENT STRATEGY

- Enhance depth and diversity
- Enrich inclusive culture

Culture & Values



NBS Next

GROWTH FRAMEWORK



Driving profitable growth by selecting
and investing disproportionately in the
best growth opportunities





Owner Mindset

DIVISION-LED

Entrepreneurial division-led organization:

- **Decisions close to the customer**
- **Autonomy + Accountability**
- **Clear line of sight to deploying NBS Next**



Winning Teams

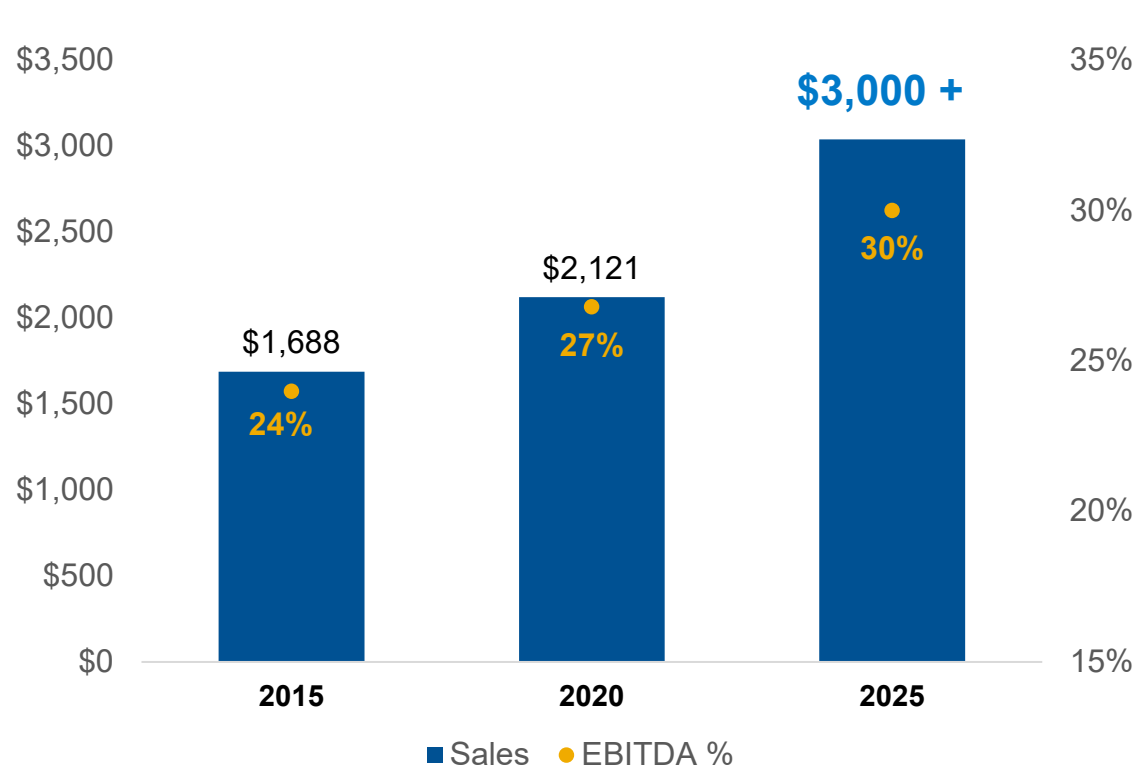
TALENT STRATEGY

A key ingredient to successful execution of the Ascend strategy:

- **Leaders inspiring trust and building followership in the organization**
- **Focus on inclusion and diversity in everything we do**
- **Create an engaging culture that attracts and retains top talent**

Ascend Long-Term Financial Targets

Top-tier growth with attractive margins and returns



	2015 - 2020	2020 - 2025
Sales CAGR	5%	7%+
EBITDA CAGR	7%	10%
Ending ROIC %	13%	13%+

Disciplined M&A Strategy



Strategic Criteria

- Differentiated precision technology based product portfolio
- Serving attractive high-growth end market applications
- Customer-centric business model



Financial Criteria

- Attractive organic growth rate with Nordson-like gross margins
- EBITDA ~20% with clear margin expansion opportunities
- ROIC > cost of capital in 3-5 years

ACQUISITION FEATURES:

- Strategic fit for test and inspection division, which includes x-ray, acoustic and optical applications
- Expands Nordson's optical portfolio into sensor technology

CORE TECHNOLOGIES:

- **Precision 3D optical sensors and systems** for semiconductor and PCBA inspection
Key differentiator = ability to suppress multiple reflections, an inherent issue in optical sensing → significantly higher speed, resolution, accuracy, precision
- **WaferSense Wireless sensors** for semiconductor manufacturing equipment health & process monitoring/calibration

Systems

Metrology and Inspection
Systems for Wafer-Level and
Advanced Packaging
(incorporating MRS Sensor)



Sensors

Ultra
high-resolution
3D optical sensor
(MRS)



Wireless
semiconductor
measurement
device



ARAG Acquisition

Announced June 26, 2023



ACQUISITION FEATURES

- Expands Nordson's core dispense capabilities into high-growth precision agriculture end market
- Strong growth drivers
- Customer-centric business model

CORE TECHNOLOGIES

- Differentiated technology generates Nordson-like gross margins
- Proprietary software and data management providing complete, smart and interconnected solutions

Fluid components

(Selected products)

Multistage
Centrifugal Pumps

Chemical
Hopper

Tank
Lids

Manual
Ball Valves



Injection molded mechanical parts in direct contact with fluids, including fittings, filters, nozzles, etc

Control systems

(Selected products)
Monitors
& Displays

Rate
Controllers

Visio
Displays

IOT
Technology



Electronic parts, not in contact with the fluid, including control systems and electronic accessories

Smart components

(Selected products)

Electromagnetic
Flowmeters

Paddlewheel
Flowmeters

Batch
Controls

Electric
Valves



Electronically enabled components that manage fluid dispensing, including valves, pumps, actuators, sensors



Capital Allocation Priorities

1

SUSTAINED INVESTMENT TO DRIVE ORGANIC GROWTH

- Increased R&D investment
- Sustained investment in direct sales model
- Capital investment for capacity expansion, efficiency improvements and base maintenance

2

DISCIPLINED M&A

- Differentiated precision technologies
- Financially disciplined
- Significant core competencies and competitive advantages to lever for ROIC & value creation

3

RETURN OF CAPITAL

- Strong history with 57-year of paying and increasing the annual dividend
- Offset compensation plan dilution
- Alternative measures will be routinely assessed to manage priorities

Investment Thesis

1. **Strong growth drivers** enabling Nordson's future profitable growth performance
2. **Proprietary precision technologies** remain a competitive advantage
3. **NBS Next** is the framework driving our profitable growth
4. **Ascend Strategy** will deliver top tier financial performance
 - Sustained organic growth
 - Accelerate acquisitive growth
 - Clear financial measures of success



Recent Financial Results

Total Company – 3Q 2023



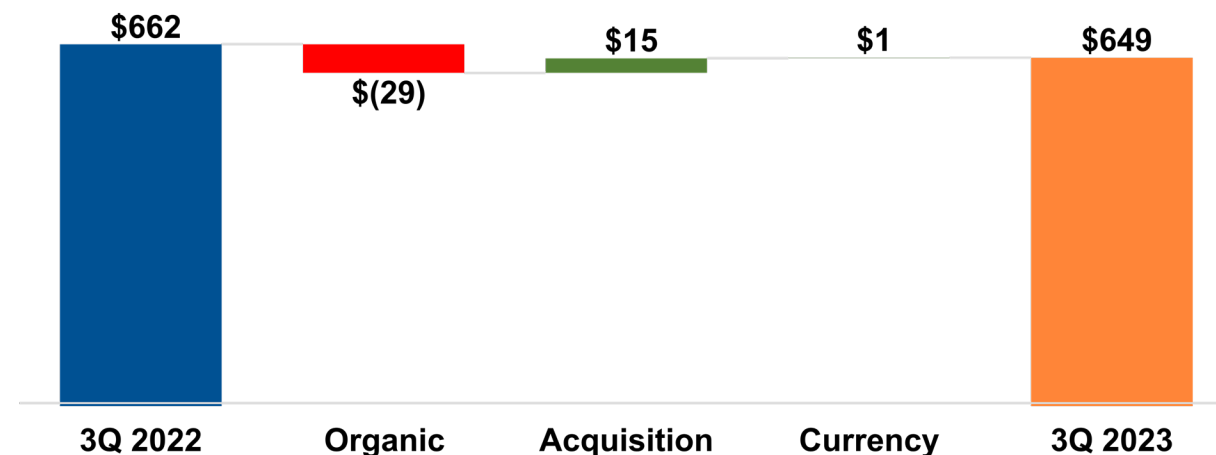
Sales

- Reported sales decreased 2%, inclusive of 5% organic decline; 2% acquisitive growth
- Ongoing pressure in electronics, primarily semiconductor, and biopharma end markets, partially offset by strong growth in medical interventional solutions and polymer processing product lines
- Organic sales decrease driven by volume pressure in Asia Pacific, which more than offset growth in Americas and Europe

EBITDA⁺

- EBITDA was \$208 million, 32% of sales; OP margin 28% of sales
- EBITDA decrease of 2% was driven by lower sales volume
- Decremental margins of 56% in line with company targeted performance

3Q 2023 Sales Bridge



	3Q 2022	3Q 2023	Δ
Sales	\$662.1	\$648.7	-2%
Operating Profit ⁺	\$188.3	\$180.8	-4%
EBITDA ⁺	\$213.2	\$207.9	-2%
EPS GAAP	\$2.45	\$2.22	-9%
EPS Adjusted ⁺	\$2.49	\$2.35	-6%

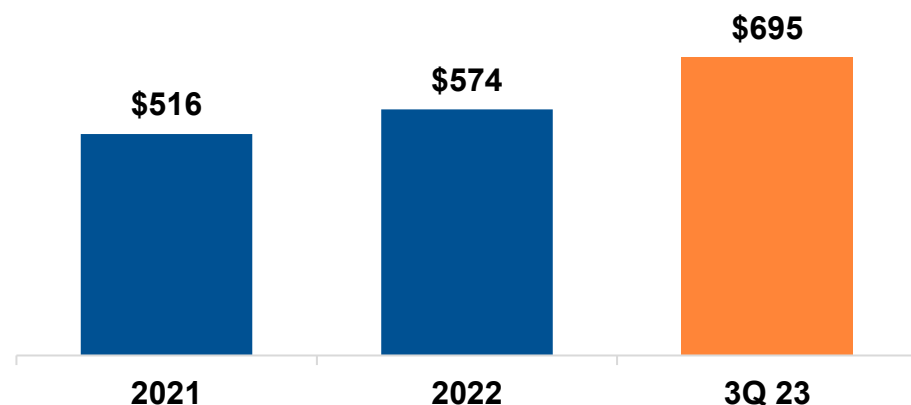
⁺Non-GAAP numbers - See appendix for reconciliation. In millions except for per share data.

Strong Cash Flow with Sufficient Liquidity to Invest in Strategic Initiatives

Net Debt

- Cash totaled \$143 million
- Net debt of \$695 million, reflective of \$111 million debt repayment in the quarter
- 0.9 net debt leverage ratio based on trailing 12-month EBITDA

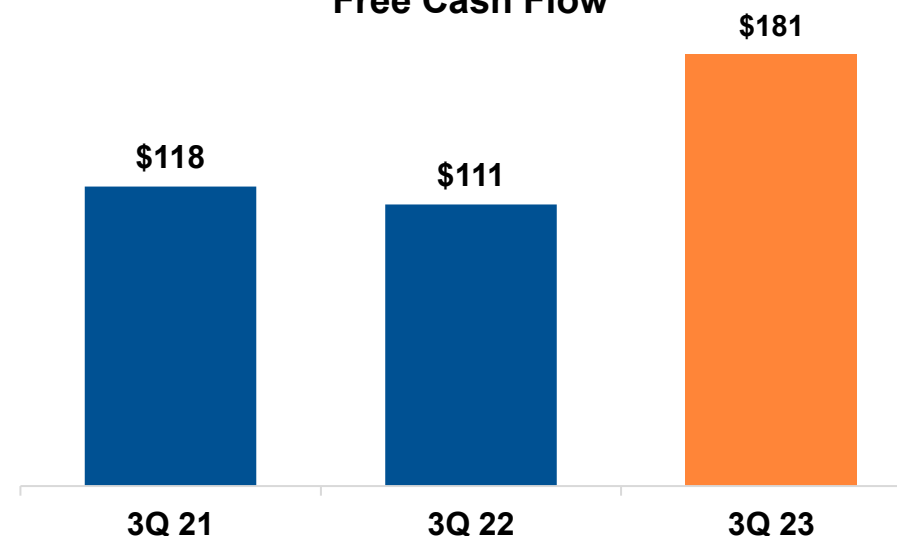
Net Debt



Free Cash Flow

- Strong free cash flow of \$181 million
- Year-to-date cash conversion rate on net income is 126%
- Marked 60 consecutive years of dividend increases

Free Cash Flow



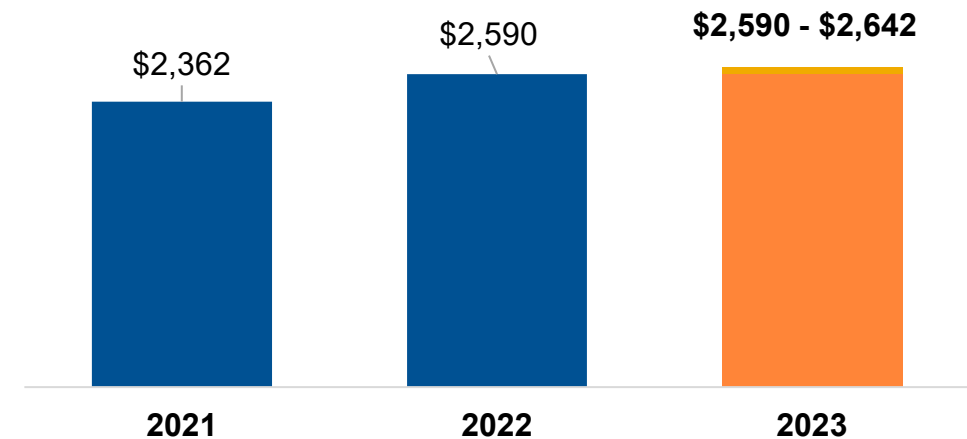
Full-Year Fiscal 2023 Guidance



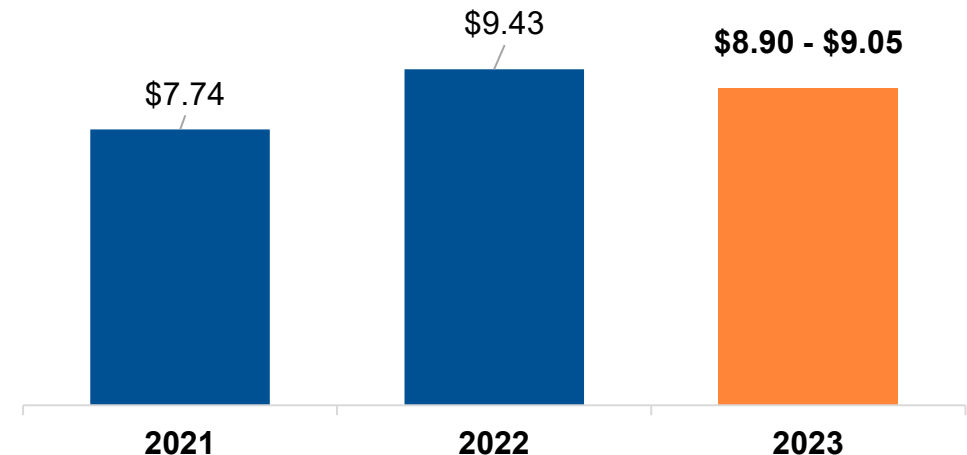
Narrowing guidance, sustaining record 2022 sales performance

- Narrowing fiscal 2023 sales growth guidance of 0% - 2%, inclusive of \$20-\$30 million from ARAG
- Narrowing adjusted earnings range to \$8.90 to \$9.05
- Full-year interest expense increased \$30 million, or \$0.41 per share.
- Sustaining 2022 record sales performance is a testament to our dedicated employees, diversification of products and geographies, and solid execution of Ascend strategy

Full-Year Sales Guidance



Full-Year Adjusted EPS Guidance

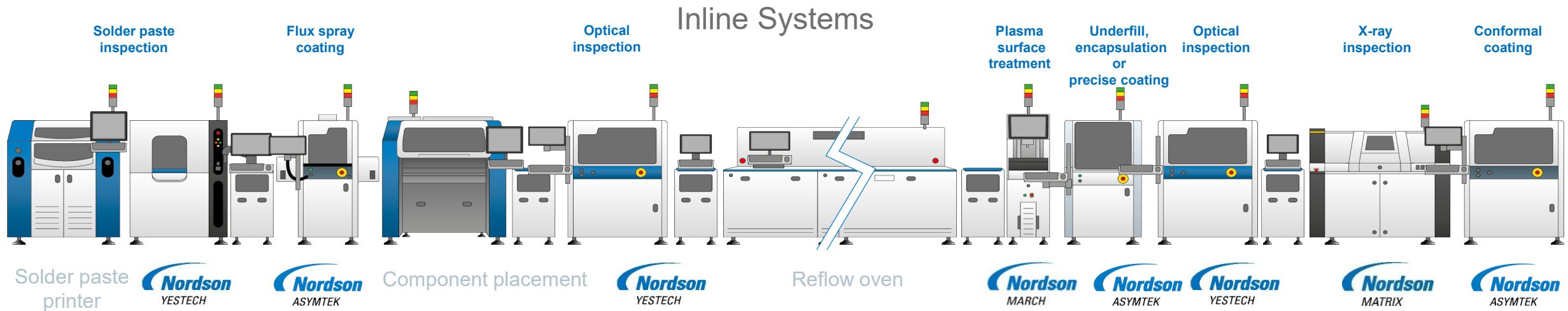


Appendix 1:

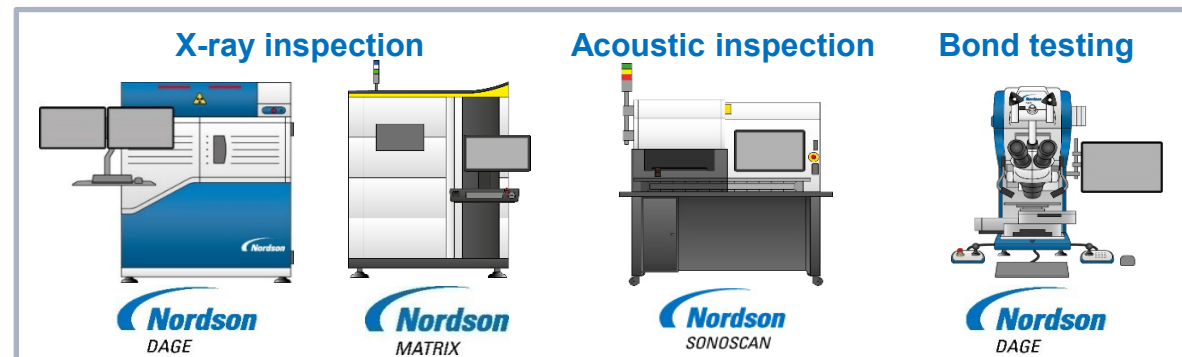
Product Innovation

Our Electronics Industry Position

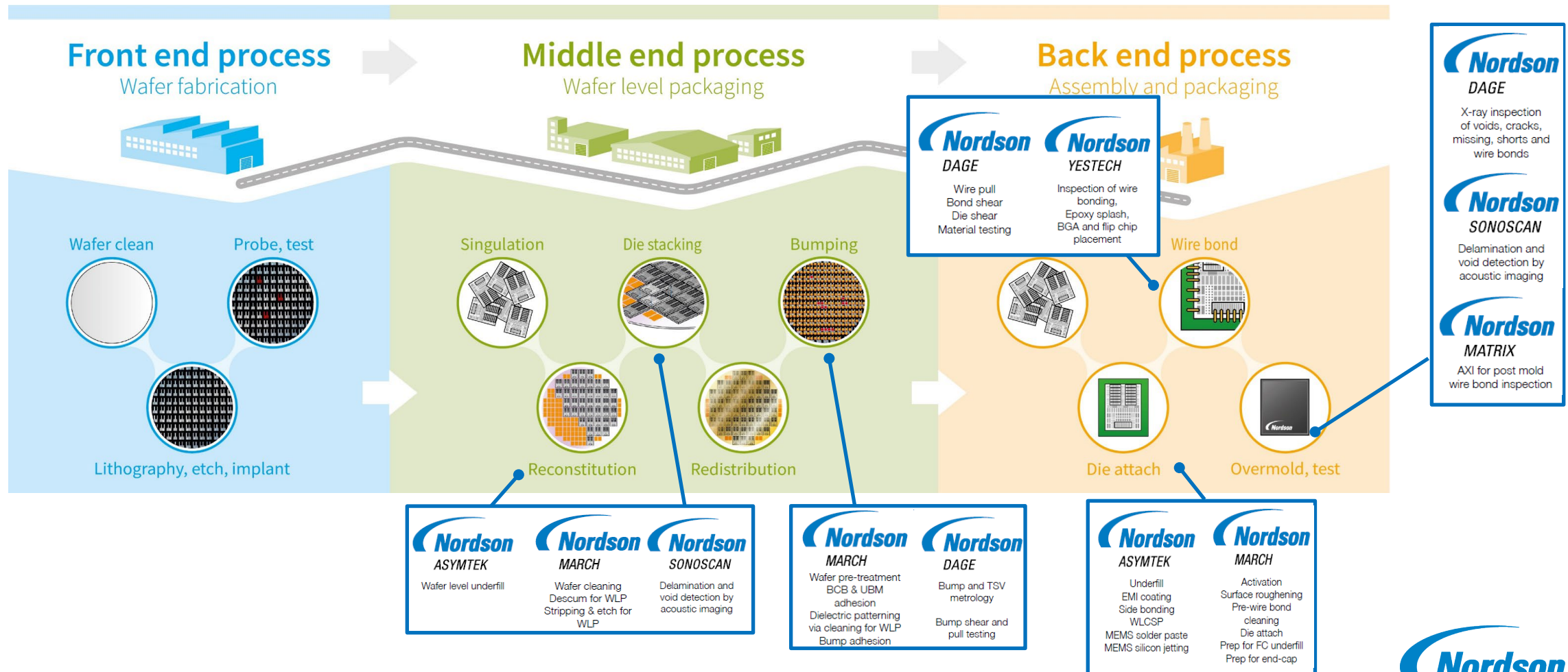
Surface Mount Manufacturing



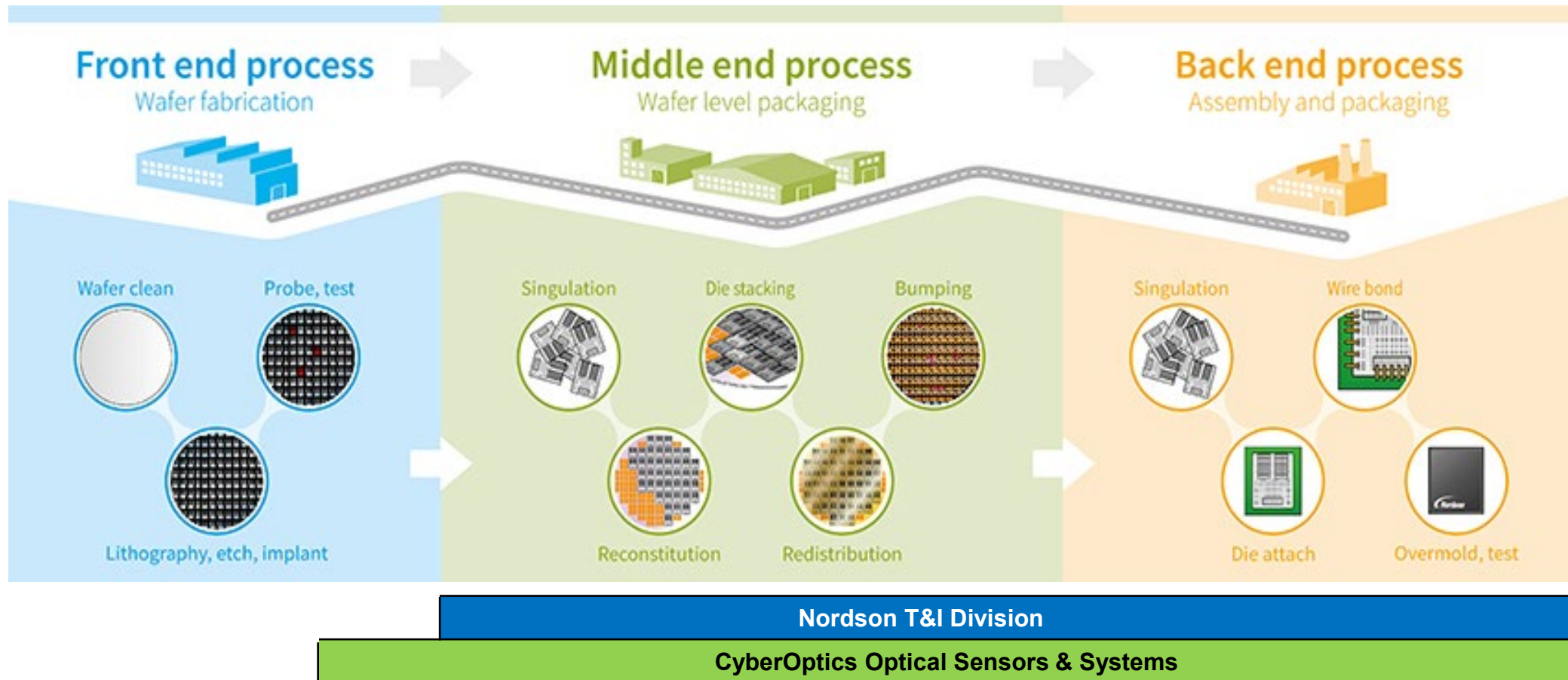
QA Lab / Island of Automation



Our Role in the Semiconductor Process



CyberOptics expands market opportunities

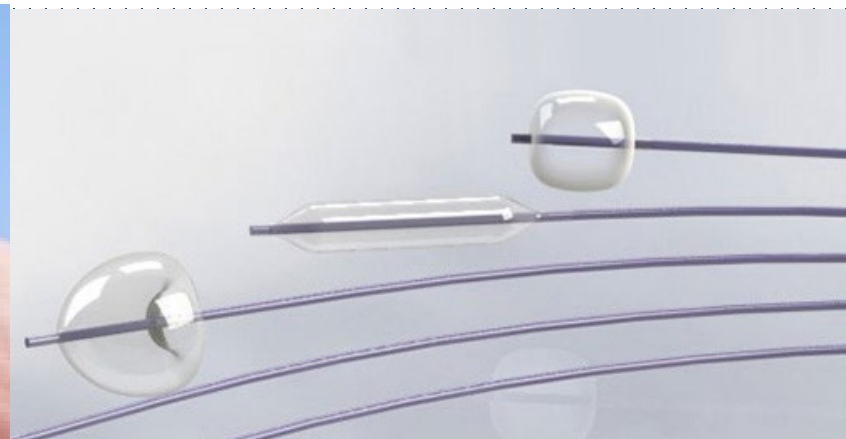


*3D Optical semi market expected to grow ~15%+,
exceeding the broader 'Wafer Fab Equipment' market LSD '23 – '25 growth*

Medical and Fluid Solutions



Fluid Solutions
Precision Low-Volume Dispensing



Interventional Solutions
Medical balloons, catheters, cannulas

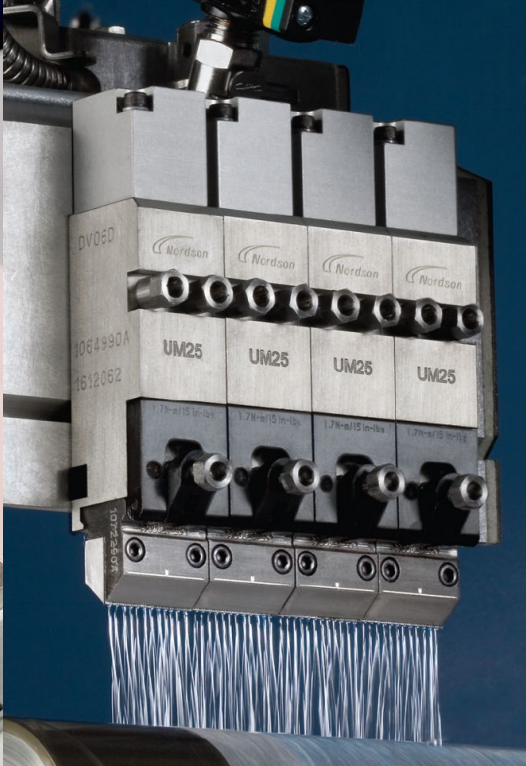
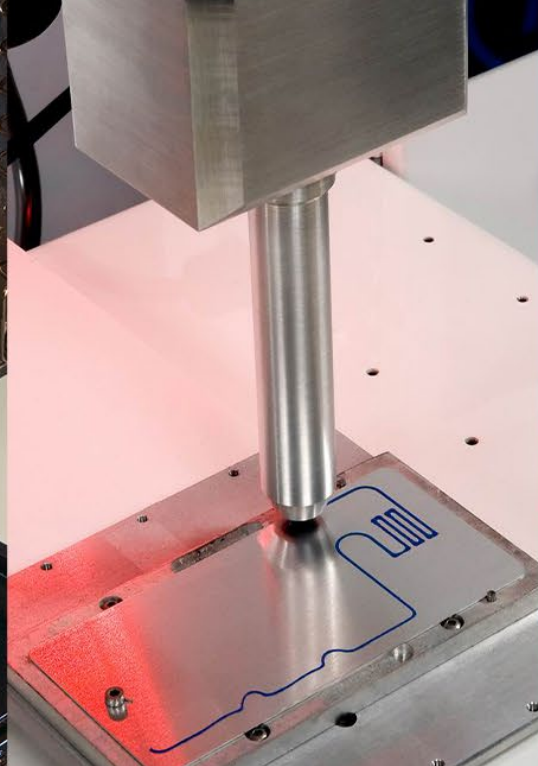
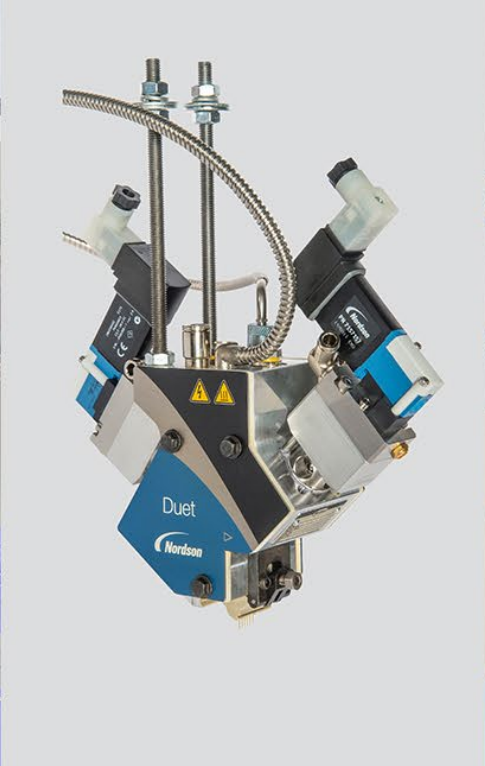


Fluid Components
Single-use components

From benchtop dispensers to industry-best jetting valves and automated dispensing robots, Nordson fluid solutions systems deliver accurate, repeatable deposits of glues, greases, and other industrial fluids in precise, low-volume applications.

From specialty tubing, catheters, medical balloons, Nordson is an expert in the design, development and manufacture of complex medical devices and component technologies.

Proprietary single-use plastic connectors, stopcocks, valves, clamps, etc., used for patient care (IV's and blood pressure cuffs), biopharma and gene therapy applications.



Core Adhesives Innovative Technology

Auto-fill Tankless Technology

Adhesive fill systems monitor and maintain optimum adhesive levels

Variable Dispense Technology

Delivering different add-on rates with one applicator

Foaming Technology

Maintains bond strength while reducing volume of adhesive required

Jetting Technology

Dispenses adhesive using non-contact jetting into channels as small as 0.3mm or 300 micron per second

Precision dispense technology

Increases production efficiency for nonwovens manufacturing process



ARAG at a Glance

Leading in precision agricultural spraying with control systems and smart fluid components

Company Founded

1976

2023E Revenue

~€155M

Gross Margins

Nordson-like

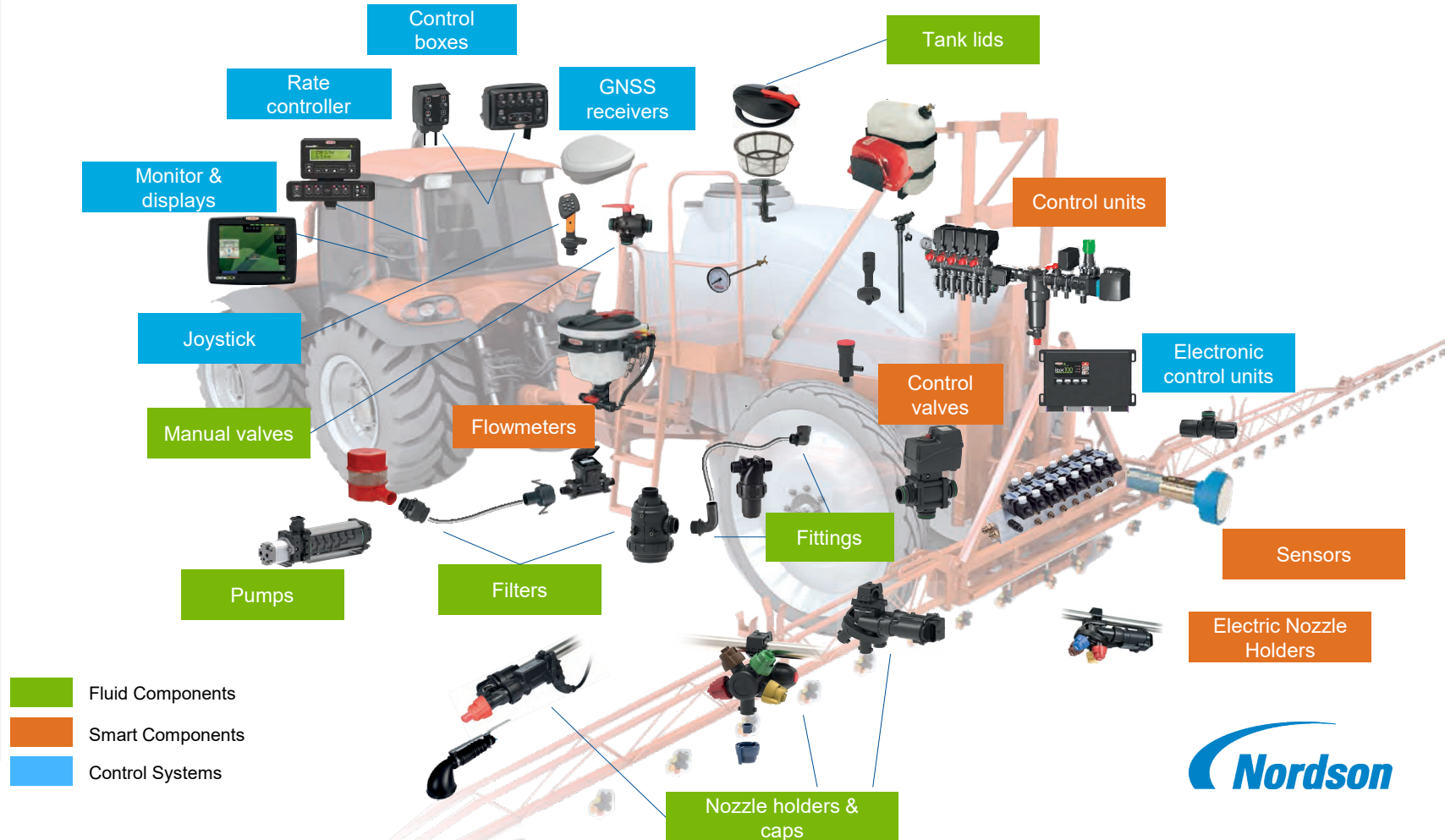
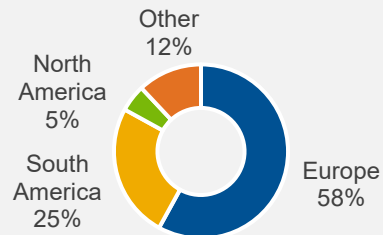
2023E EBITDA
Margin

~38%

Employees

~700

Revenue by
Geography (2022)



Appendix 2:

Financial Exhibits

Non-GAAP Definitions

This presentation contains references to non-GAAP financial information. Although these are non-GAAP measures, we believe that they are useful to an investor in evaluating the company performance for the period presented. These non-GAAP definitions include:

- Adjusted operating profit is defined as operating profit plus certain adjustments, such as severance, fees and non-cash inventory charges related to acquisitions.
- EBITDA is defined as adjusted operating profit plus depreciation and amortization.
- Return on Invested Capital is defined as adjusted operating profit after tax as a percentage of the sum of average debt (net of cash) plus average shareholders' equity.
- Constant currency sales is defined as sales growth excluding the impacts of changes in foreign currencies. We express period over period revenue variances that are calculated in constant currency as a percentage.
- Free cash flow is defined as cash flow provided by operating activities less additions to property, plant and equipment.
- Net debt is defined as total long-term debt less cash and cash equivalents.

Amounts may be rounded.

See the company's earnings release for the third quarter ended July 31, 2023, for a reconciliation of the non-GAAP measures Adjusted Operating Profit and EBITDA.

Reconciliation of Non-GAAP Measures

Adjusted Operating Profit and EBITDA (Dollars in thousands)



NORDSON CORPORATION

RECONCILIATION OF NON-GAAP MEASURES - ADJUSTED OPERATING PROFIT AND EBITDA (Unaudited)

(Dollars in thousands)

	Three Months Ended		Nine Months Ended	
	July 31, 2023	July 31, 2022	July 31, 2023	July 31, 2022
SALES BY SEGMENT				
Industrial Precision Solutions	\$ 338,257	\$ 341,215	\$ 985,610	\$ 981,582
Medical and Fluid Solutions	170,871	177,840	491,683	508,836
Advanced Technology Solutions	139,549	143,073	432,026	416,279
Total sales	\$ 648,677	\$ 662,128	\$1,909,319	\$1,906,697
OPERATING PROFIT				
Industrial Precision Solutions	\$ 115,346	\$ 119,706	\$ 329,439	\$ 324,089
Medical and Fluid Solutions	54,019	58,103	141,326	165,510
Advanced Technology Solutions	27,083	28,155	70,136	95,533
Corporate	(25,452)	(21,046)	(53,179)	(60,381)
Total operating profit	\$ 170,996	\$ 184,918	\$ 487,722	\$ 524,751
OPERATING PROFIT ADJUSTMENTS ⁽¹⁾				
Industrial Precision Solutions	\$ —	\$ —	\$ —	\$ 1,563
Medical and Fluid Solutions	—	2,498	1,479	2,498
Advanced Technology Solutions	2,049	—	14,304	—
Corporate	7,732	897	7,731	897
Total adjustments	\$ 9,781	\$ 3,395	\$ 23,514	\$ 4,958
ADJUSTED OPERATING PROFIT (NON-GAAP) ⁽²⁾				
		% of Sales		% of Sales
Industrial Precision Solutions	\$ 115,346	34%	\$ 119,706	35%
Medical and Fluid Solutions	54,019	32%	60,601	34%
Advanced Technology Solutions	29,132	21%	28,155	20%
Corporate	(17,720)		(20,149)	
Total operating profit - adjusted	\$ 180,777	28%	\$ 188,313	28%
				% of Sales
Industrial Precision Solutions	\$ 329,439	33%	\$ 325,652	33%
Medical and Fluid Solutions	142,805	29%	168,008	33%
Advanced Technology Solutions	84,440	20%	95,533	23%
Corporate	(45,448)		(59,484)	
Total operating profit - adjusted	\$ 511,236	27%	\$ 529,709	28%
DEPRECIATION & AMORTIZATION				
Industrial Precision Solutions	\$ 7,036	\$ 6,347	\$ 21,166	\$ 20,705
Medical and Fluid Solutions	14,133	15,021	41,441	42,146
Advanced Technology Solutions	3,834	2,195	11,656	6,705
Corporate	2,099	1,324	6,374	5,686
Total depreciation & amortization	\$ 27,102	\$ 24,887	\$ 80,637	\$ 75,242
EBITDA (NON-GAAP) ⁽²⁾				
Industrial Precision Solutions	\$ 122,382	36%	\$ 126,053	37%
Medical and Fluid Solutions	68,152	40%	75,622	43%
Advanced Technology Solutions	32,966	24%	30,350	21%
Corporate	(15,621)		(18,825)	
Total EBITDA	\$ 207,879	32%	\$ 213,200	32%
				% of Sales
Industrial Precision Solutions	\$ 350,605	36%	\$ 346,357	35%
Medical and Fluid Solutions	184,246	37%	210,154	41%
Advanced Technology Solutions	96,096	22%	102,238	25%
Corporate	(39,074)		(53,798)	
Total EBITDA	\$ 591,873	31%	\$ 604,951	32%

⁽¹⁾ Represents severance, as well as fees and non-cash inventory charges associated with acquisitions.

⁽²⁾ Adjusted operating profit and EBITDA are non-GAAP measures used by management to evaluate the Company's ongoing operations. Adjusted operating profit is defined as operating profit plus certain adjustments, such as severance, fees and non-cash inventory charges associated with acquisitions. EBITDA is defined as adjusted operating profit plus depreciation and amortization.

Reconciliation of Non-GAAP Measures

Profitability (Dollars in thousands)



NORDSON CORPORATION				
RECONCILIATION OF NON-GAAP MEASURES - PROFITABILITY (Unaudited)				
(Dollars in thousands)				
	Three Months Ended		Nine Months Ended	
	July 31, 2023	July 31, 2022	July 31, 2023	July 31, 2022
GAAP AS REPORTED				
Operating profit	\$ 170,996	\$ 184,918	\$ 487,722	\$ 524,751
Other / interest expense - net	(8,944)	(4,413)	(32,963)	(53,012)
Net income	127,891	141,811	359,715	371,854
Diluted earnings per share	\$ 2.22	\$ 2.45	\$ 6.24	\$ 6.37
Shares outstanding - diluted	57,530	57,969	57,657	58,392
OPERATING PROFIT ADJUSTMENTS				
Inventory step-up amortization	\$ —	\$ —	\$ 4,306	\$ 1,563
Acquisition Costs	7,732	—	13,721	—
Severance and other	2,049	3,395	5,487	3,395
NON-OPERATING EXPENSE ADJUSTMENTS				
Pension settlement loss	\$ —	\$ —	\$ —	\$ 41,221
Total adjustments	\$ 9,781	\$ 3,395	\$ 23,514	\$ 46,179
Adjustments net of tax	\$ 7,719	\$ 2,667	\$ 18,600	\$ 36,401
EPS effect of adjustments and other discrete tax items	\$ 0.13	\$ 0.04	\$ 0.32	\$ 0.62
NON-GAAP MEASURES-ADJUSTED PROFITABILITY				
Operating profit ⁽¹⁾	\$ 180,777	\$ 188,313	\$ 511,236	\$ 529,709
Operating profit % of sales	27.9 %	28.4 %	26.8 %	27.8 %
Net income ⁽²⁾	\$ 135,610	\$ 144,478	\$ 378,315	\$ 408,255
Diluted earnings per share ⁽³⁾	\$ 2.35	\$ 2.49	\$ 6.56	\$ 6.99

⁽¹⁾ Adjusted operating profit is defined as operating profit plus certain adjustments, such as severance, fees and non-cash inventory charges related to acquisitions. Adjusted operating profit as a percentage of sales is defined as adjusted operating profit divided by sales.

⁽²⁾ Adjusted net income is defined as net income plus tax effected adjustments and other discrete tax items.

⁽³⁾ Adjusted earnings per share is defined as GAAP EPS adjusted for tax effected adjustments and other discrete tax items.

Management uses these non-GAAP measures internally to make strategic decisions, forecast future results, and evaluate the Company's current performance. Given management's use of these non-GAAP measures, the Company believes these measures are important to investors in understanding the Company's current and future operating results as seen through the eyes of management. In addition, management believes these non-GAAP measures are useful to investors in enabling them to better assess changes in the Company's core business across different time periods. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures to other companies' non-GAAP financial measures, even if they have similar names. Amounts may not add due to rounding.