Nordson

Investor Presentation

Ascend
STRATEGY

April 15, 2025

Nasdaq: NDSN

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 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.

Nordson



Nordson is a growth compounder with unique competitive advantages

Company Founded	2024 Revenue	2024 EBITDA%	Employees	Countries with Direct Presence
1954	$2.7B	32%	8,000+	35+



By the Numbers

Consistent Record of Growth	Demonstrated Value to Customers	Disciplined focus on profitability	Solid Returns	Differentiated Product Portfolio*	Consistent value to shareholders
6% Sales Growth	**55%** Gross Margins	**30%** EBITDA Margins	**13%** ROIC	**2,100+** Global Patents Held	**61 yrs.** of Annual Dividend Increases

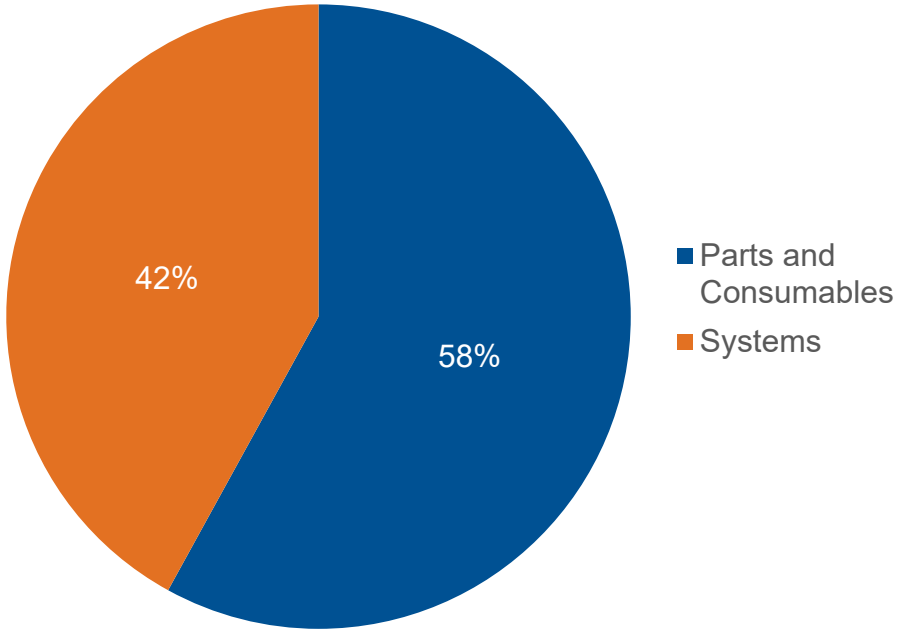
Note: Financial amounts presented are averages of 2019 – 2024, except ROIC, which is 2024, and dividends which updated August 2024

**Active Patents as of 10/31/24*

Diversified Sources of Sales

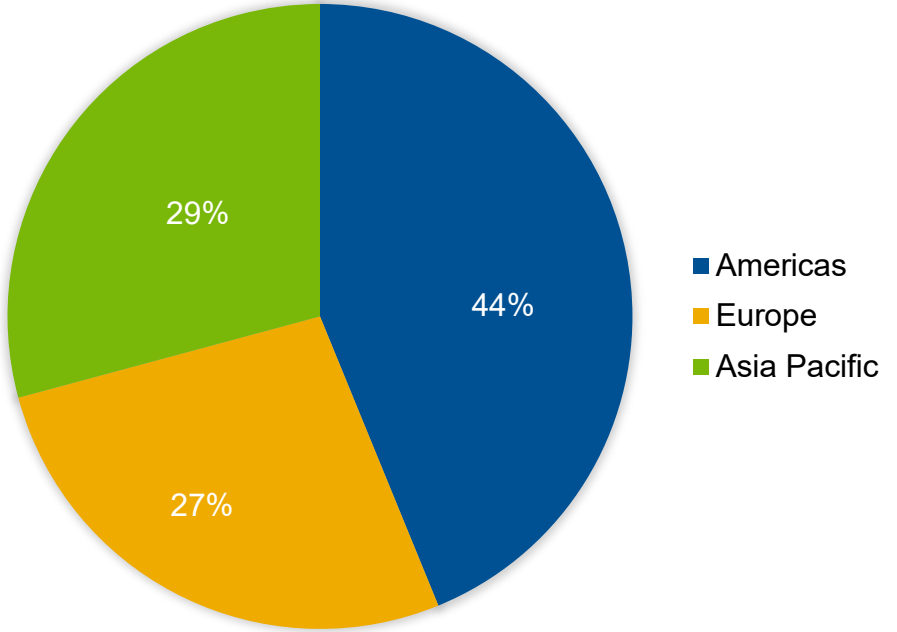
FY2024 Profile - $2.7 Billion

Product Type



High percentage of recurring sales from parts and consumables.

Geographies



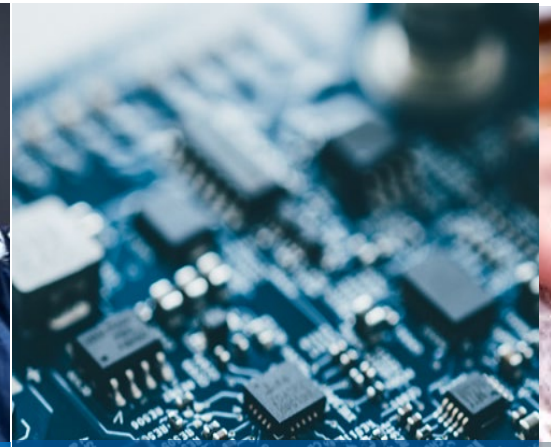
Diversified geographic footprint. Direct presence in over 35 countries.

Diversified End Markets



Medical
27% of revenue

- 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



Electronics
25% of revenue

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



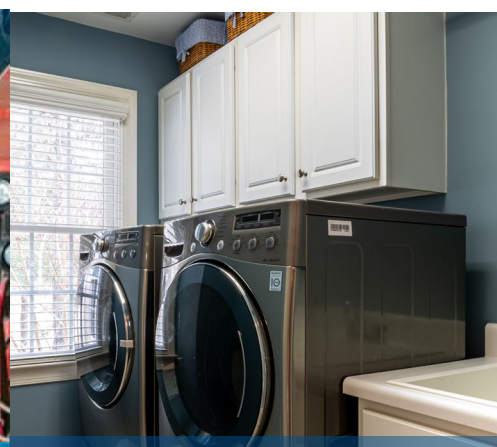
Consumer Non-Durable
21% of revenue

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



Industrial
14% of revenue

- Construction and industrial machinery
- Rigid container
- Aerospace
- Chemical
- Defense
- Energy



Remaining Markets
13% of revenue

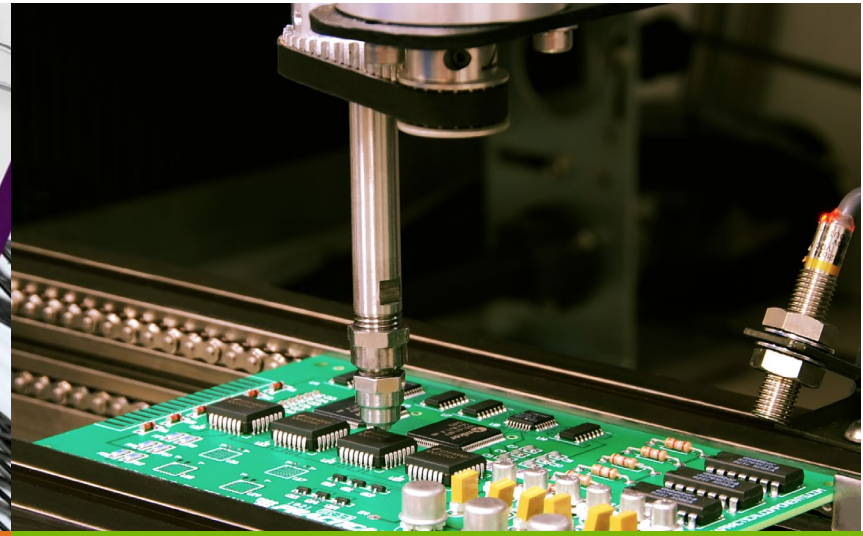
- Consumer durable
- Automotive
- Animal health and delivery systems

2024 revenue mix includes Atrion acquisition. Data is for directional use only.

How We Are Organized







INDUSTRIAL PRECISION SOLUTIONS

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

55%
REVENUE

MEDICAL FLUID SOLUTIONS

Interventional Solutions, Fluid Components
& Engineered Fluid Dispensing

26%
REVENUE

ADVANCED TECHNOLOGY SOLUTIONS

Electronic Processing Systems
& Test and Inspection

19%
REVENUE

Segment average mix for the full fiscal year ended 10/31/24

Industrial Precision Solutions (IPS)

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.*

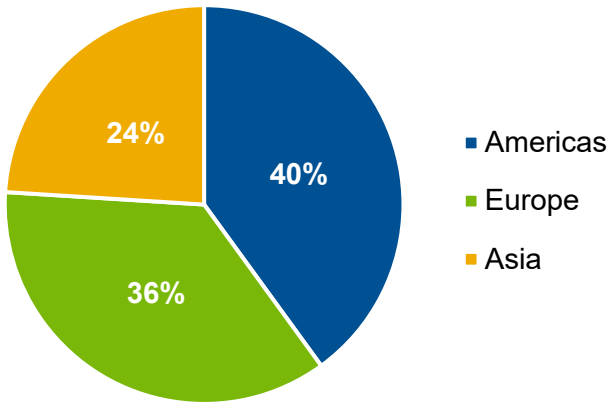
Fiscal 2024 Revenue

$1.4M

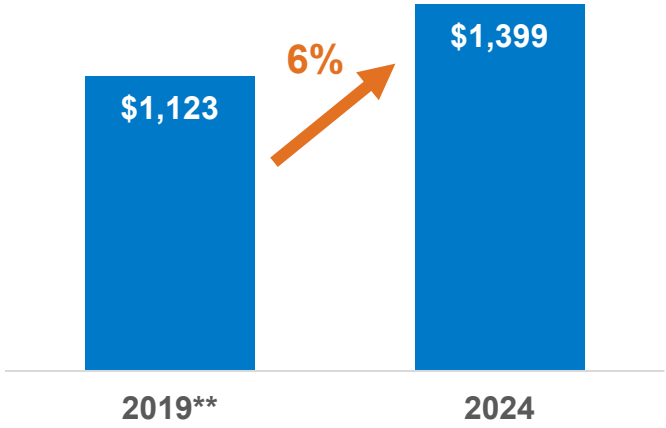
Fiscal 2024 EBITDA

37%

Geographic Diversification



Historical 5 Yr. Sales CAGR



Strategic Focus

- New applications for secular trends, including electric vehicle battery, advanced packaging, automotive electronics and solar
- Material, machinery and process innovations
- Leverage aftermarket opportunity with the large systems installed base

***2019 revenue number excludes Xaloy screws and barrels business.*

IPS End Markets

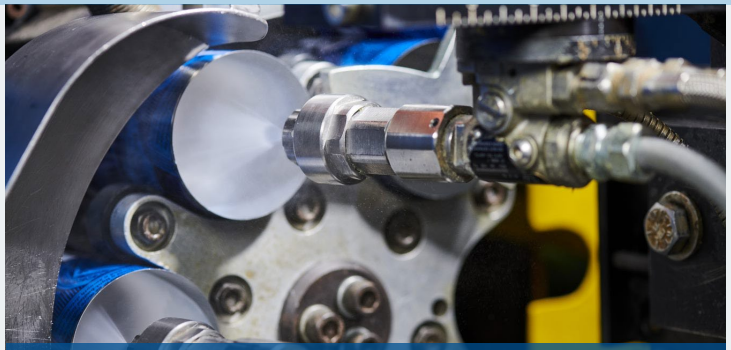
% of Revenue / Applications / Growth Rates



CONSUMER NONDURABLE
40% of IPS Sales

- Corrugated and carton packaging
- Food and beverage packaging
- Disposable hygiene
- Disposable medical garments

Market Growth Rate
1-3%



INDUSTRIAL
35% of IPS Sales

- Industrial manufacturing machinery
- Plastic processing and recycling
- Metallic container and can coating
- Building and construction

Market Growth Rate
1-3%



OTHER
25% of IPS Sales

- Consumer durable (appliance / wood)
- Agricultural
- Automotive
- Solar and electric battery

Market Growth Rate
2-4%

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Medical Fluid Solutions (MFS)

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.*

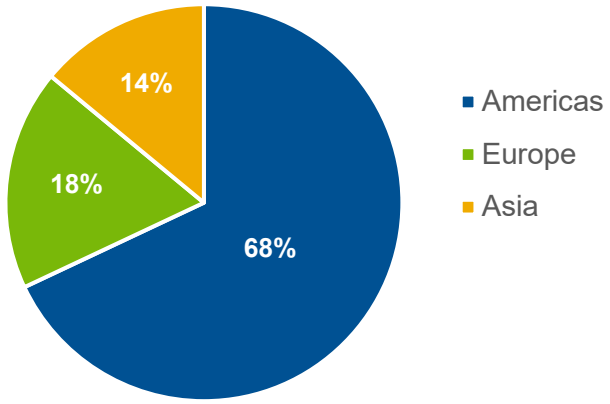
Fiscal 2024 Revenue

$696M

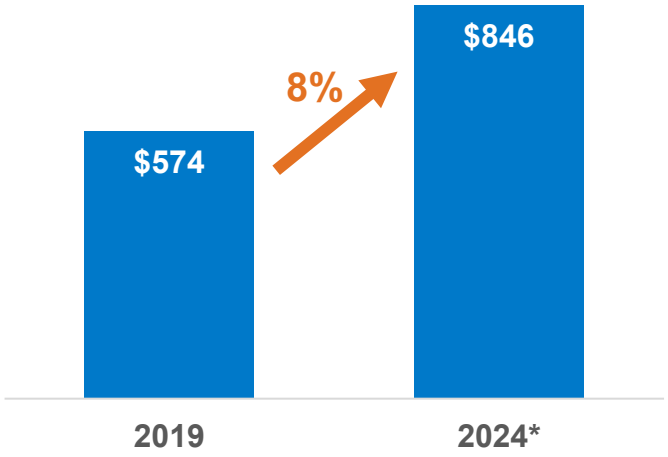
Fiscal 2024 EBITDA

37%

Geographic Diversification



Historical 5 Yr. Sales CAGR (including 2024 Atrion acquisition)*



Strategic Focus

- Differentiated single-use component solutions and devices:
  - Surgical solutions, including minimally invasive
  - Medical fluid management components
  - Medical device manufacturing
  - Industrial technologies
- Driving growth through differentiated products in defined market niches
- Scaling through M&A, both platform and technology tuck-in

**2024 includes Atrion acquisition contribution*

MFS End Markets

% of Revenue / Applications / Growth Rates

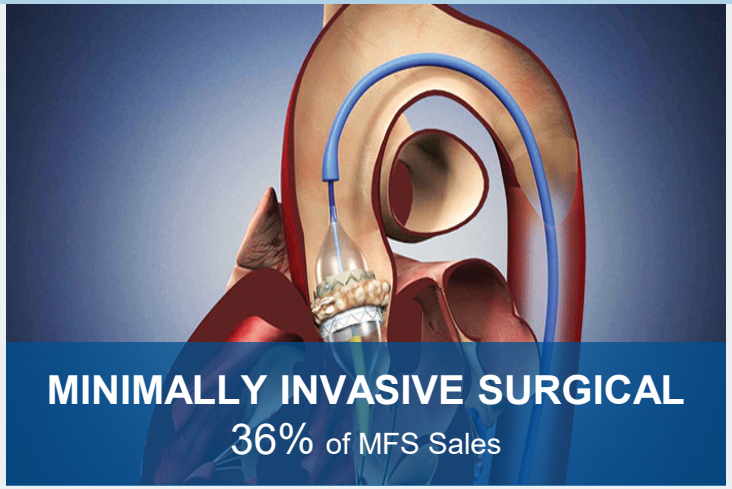


SPECIALTY MEDICAL
40% of MFS Sales

Surgical, ECMO, Biopharma, Patient Care, Animal Health and Device Manufacturing

Market Growth Rate

5-7%



MINIMALLY INVASIVE SURGICAL
36% of MFS Sales

Cardiovascular, Structural Heart, Neurovascular and Gastroenterology

Market Growth Rate

8%+



INDUSTRIAL TECHNOLOGY
24% of MFS Sales

Electronics and Wireless, EV, Industrial, Aviation and Marine Safety

Market Growth Rate

3-4%

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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, inspection and measurement to ensure quality and reliability.*

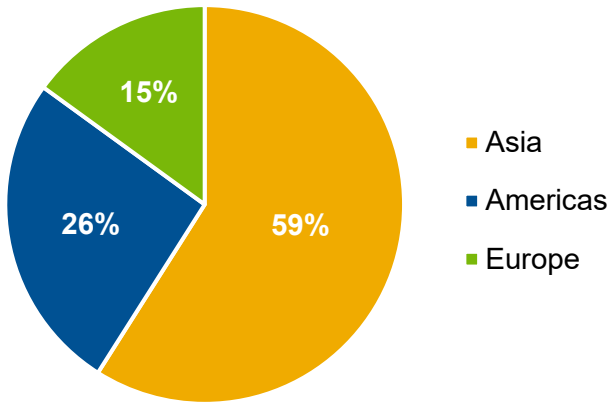
Fiscal 2024 Revenue

$596M

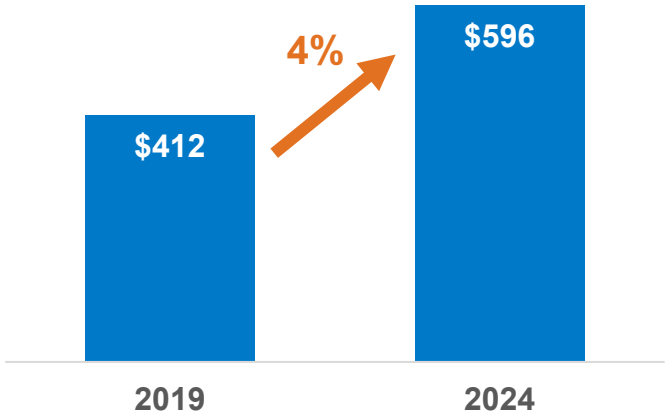
Fiscal 2024 EBITDA

22%

Geographic Diversification



Historical 5 Yr. Sales CAGR



Strategic Focus

- Semiconductor front-end manufacturing process
- Semiconductor advanced packaging process
- Automotive electronics market
- Deploy NBS Next to expand our margins and position us for growth

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ATS End Markets

% of Revenue / Applications / Growth Rates



SEMICONDUCTORS
50% of ATS Sales

- Process control for wafer processing
- Wafer level and chip level inspection and metrology
- Underfill dispense for advanced packaging

Market Growth Rate

6-8%

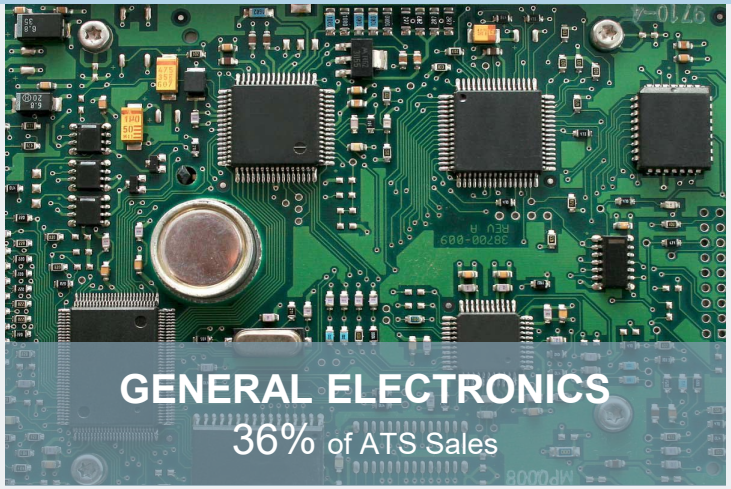


AUTOMOTIVE ELECTRONICS
14% of ATS Sales

- PCBA inspection and metrology for solder paste and component placement
- Precision dispense for surface mount applications
- Conformal coating of PCBA

Market Growth Rate

6-8%



GENERAL ELECTRONICS
36% of ATS Sales

- PCBA inspection and metrology for solder paste and component placement
- Precision dispense for surface mount applications

Market Growth Rate

3-5%

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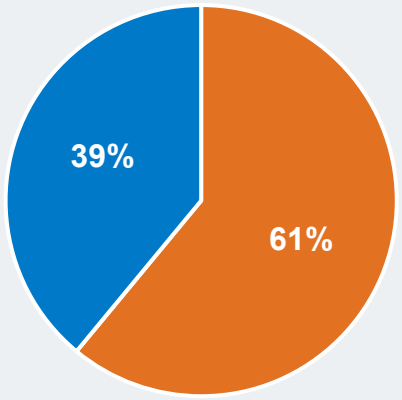
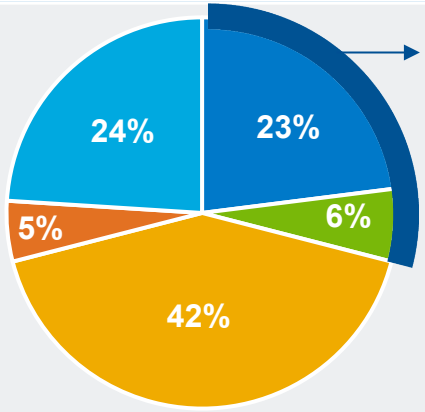
Why Invest in Nordson?

A Growth Portfolio Ready to Accelerate

2014 (FY Revenue $1.7B)



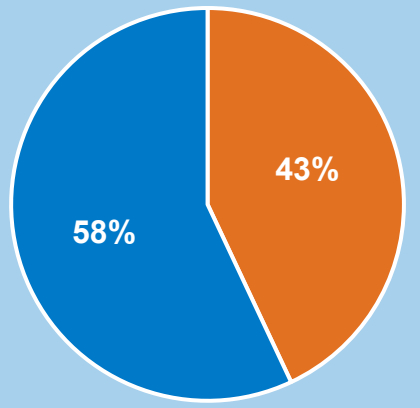
- Systems
- Parts / Service



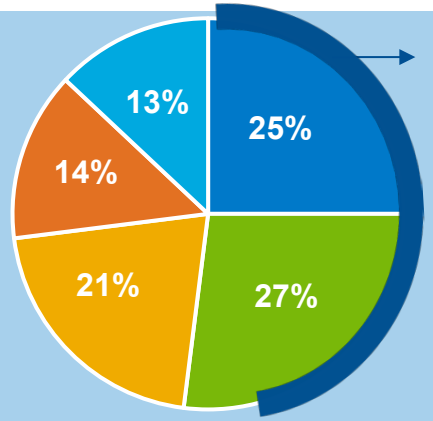
29% Growth End Markets

- Electronics
- Medical
- Nondurables
- Industrial
- Other

2024 (FY Revenue $2.7B)



- Systems
- Parts / Service



52% Growth End Markets

- Electronics
- Medical
- Nondurables
- Industrial
- Other

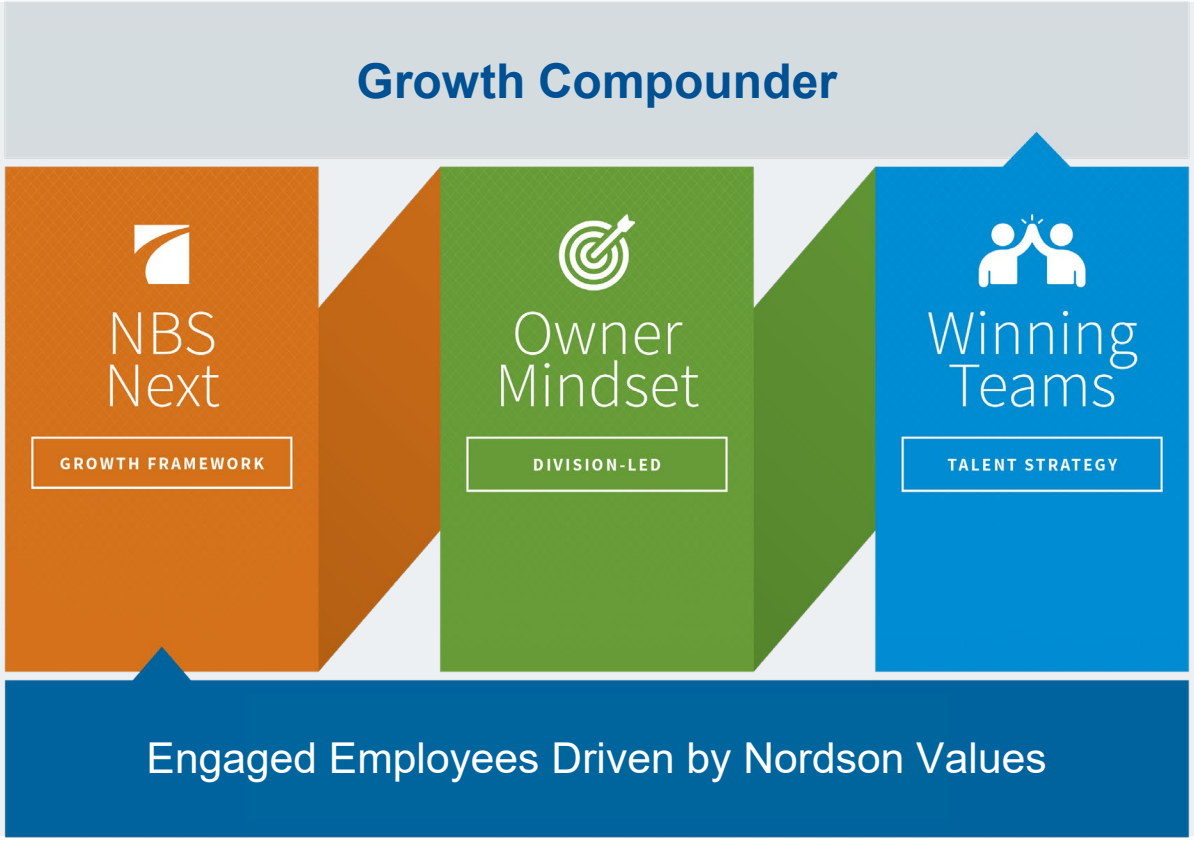
*Percentage mix includes Atrion acquisition. Information is for directional purposes only.

2025-2029 Financial Targets

Ascend
STRATEGY

Revenue Growth	Adjusted EPS Growth
6-8%	10-12%

Average annual growth



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NBS Next

GROWTH FRAMEWORK



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

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Owner Mindset

DIVISION-LED

Entrepreneurial division-led organization:

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

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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**

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Disciplined Approach to M&A



Strategic Criteria

- Serving attractive end market niches and applications
- Differentiated product technologies/solutions
- Additive to our growth focused portfolio



Financial Criteria

- Growth at or above market rates with Nordson-like gross margins
- EBITDA ~20+% with margin expansion opportunities
- Returns that sufficiently exceed our cost of capital

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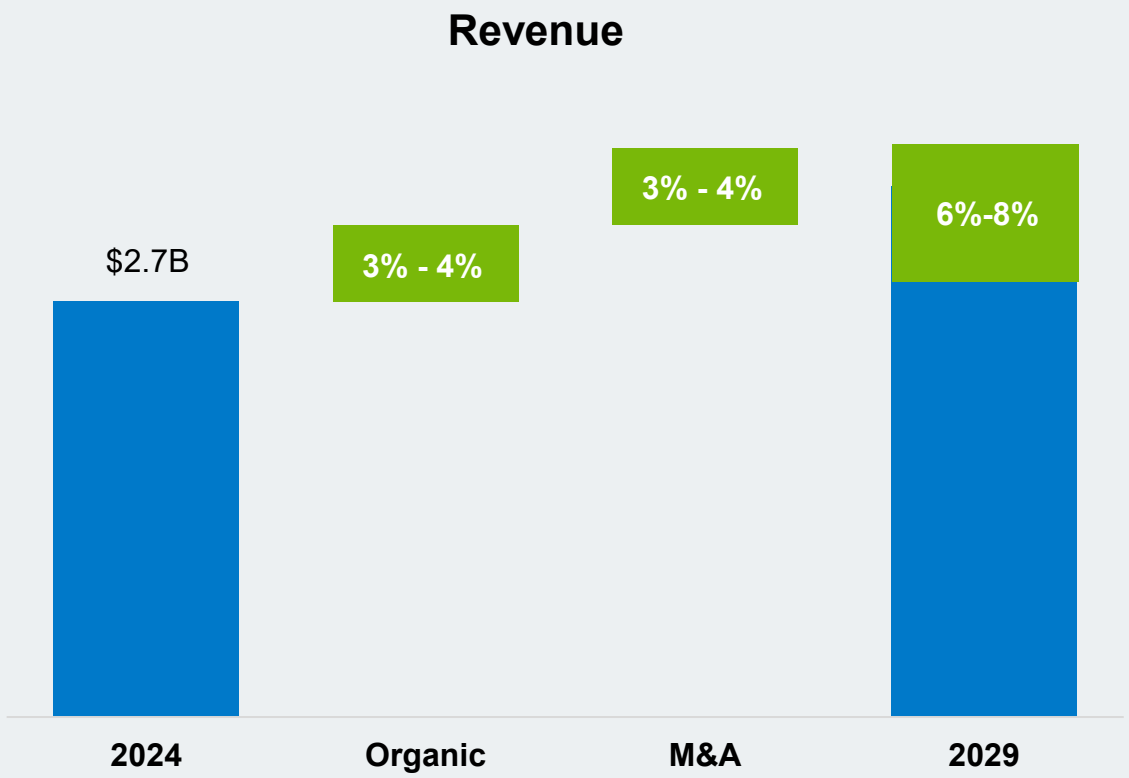
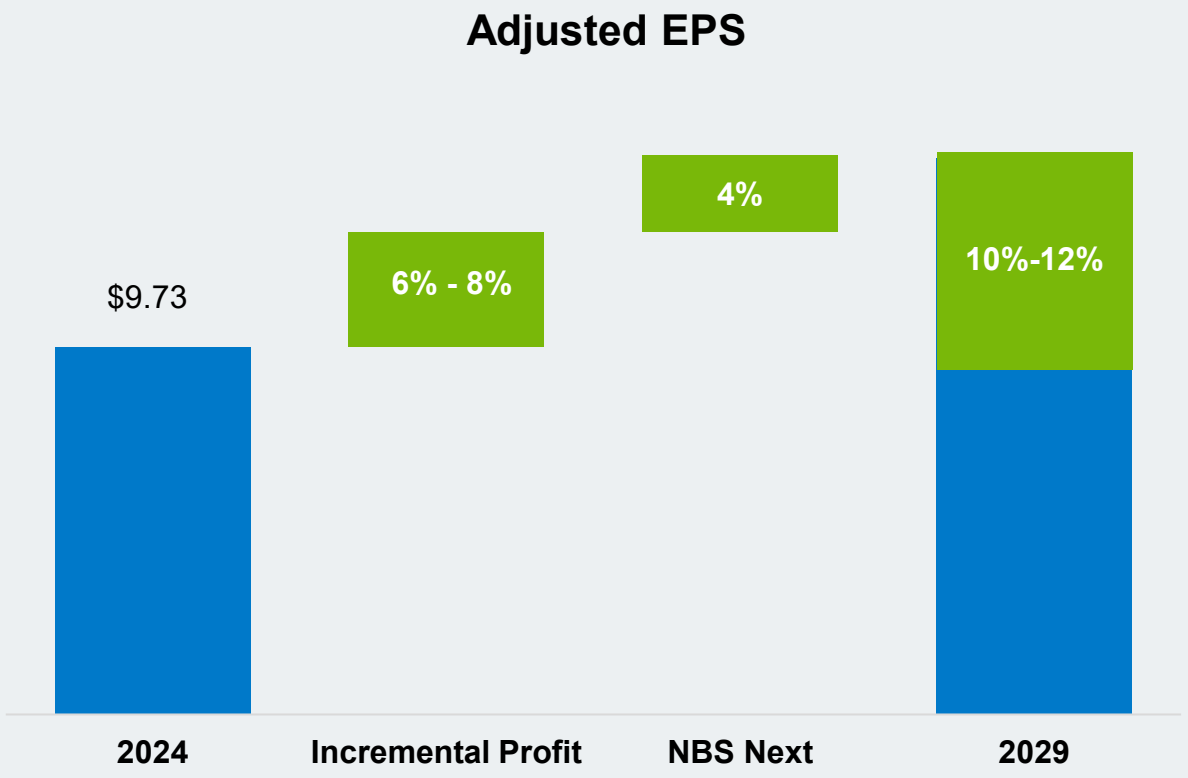
Growth Algorithm

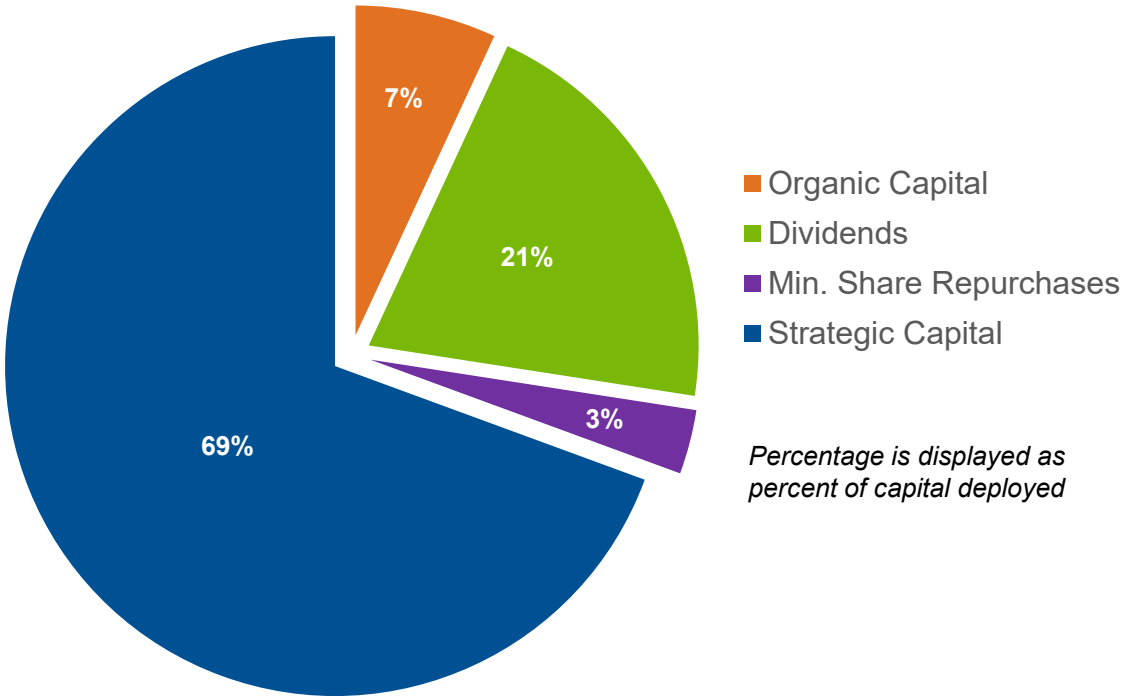




Superior Conversion / Deployment of Cash Flows

Generation of ~ $4.1B in operating cash flows through 2029

Capital Deployment through 2029



Percentage is displayed as percent of capital deployed

Cash Flow Deployment Priorities

- Fund organic growth
- Return to shareholders thru dividends and routine stock repurchases to offset dilution
- Strategic deployment of ~$2.8B for:
  - Strategic M&A
  - Debt service
  - Additional share repurchases

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Recent Financial Results

Total Company – 1Q 2025

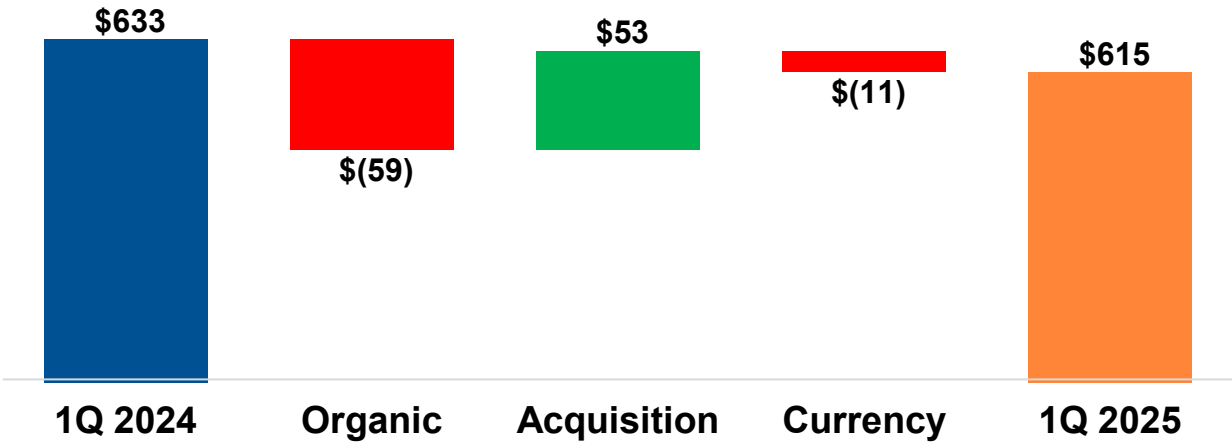
Sales

- Reported sales of $615M, a decrease of 3%, at the low end of prior guidance range
- 8% growth from the Atrion acquisition; unfavorable currency impact of 2%
- 9% organic decrease driven by weakness in polymer processing, industrial coatings, electronics dispense, and select medical product lines

EBITDA*

- EBITDA was $188 million, down 4% on lower sales volume
- Strong EBITDA margin of 31% in line with prior year

1Q 2025 Sales Bridge**



	1Q 2024	1Q 2025	Δ
Sales	$633.2	$615.4	-3%
Operating Profit*	$163.0	$151.1	-7%
EBITDA*	$196.5	$188.1	-4%
EPS GAAP	$1.90	$1.65	-14%
EPS Adjusted*	$2.21	$2.06	-7%

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

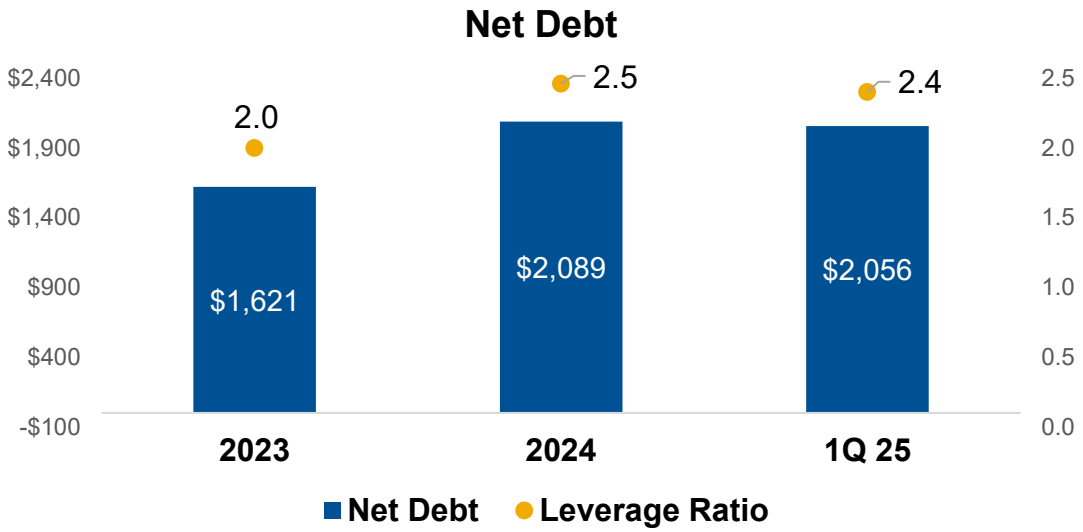
**Amounts may not add due to rounding.

Balance Sheet and Cash Flow

Balanced Capital Deployment Returning Value to Shareholders

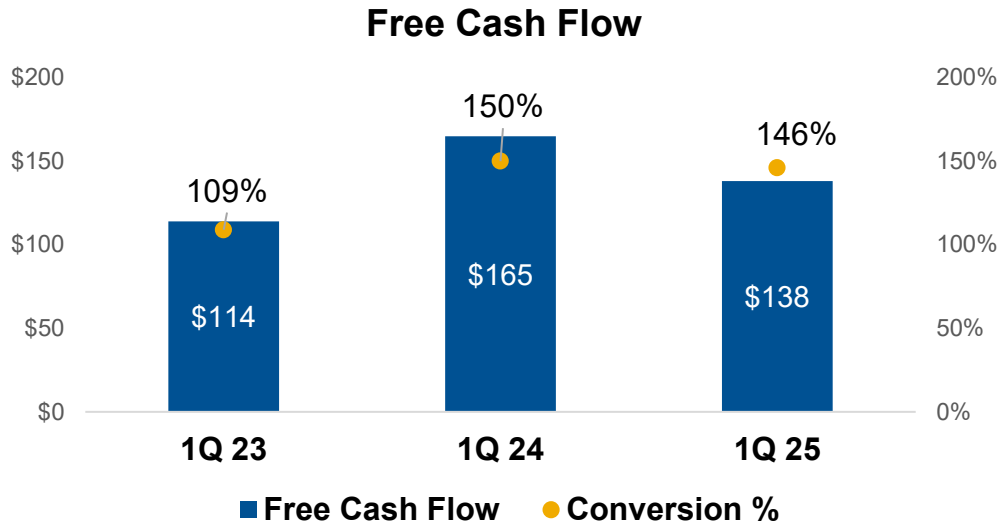
Net Debt

- Cash totaled $130 million
- 2.4x net debt leverage ratio based on trailing 12-month EBITDA, a reduction from prior quarter



Free Cash Flow*

- Cash flow of $138 million, which is a conversion rate of 146% of net income, deployed toward:
  - Share repurchases of $60M
  - Dividend payments of $45M
  - Capital investments of $21M



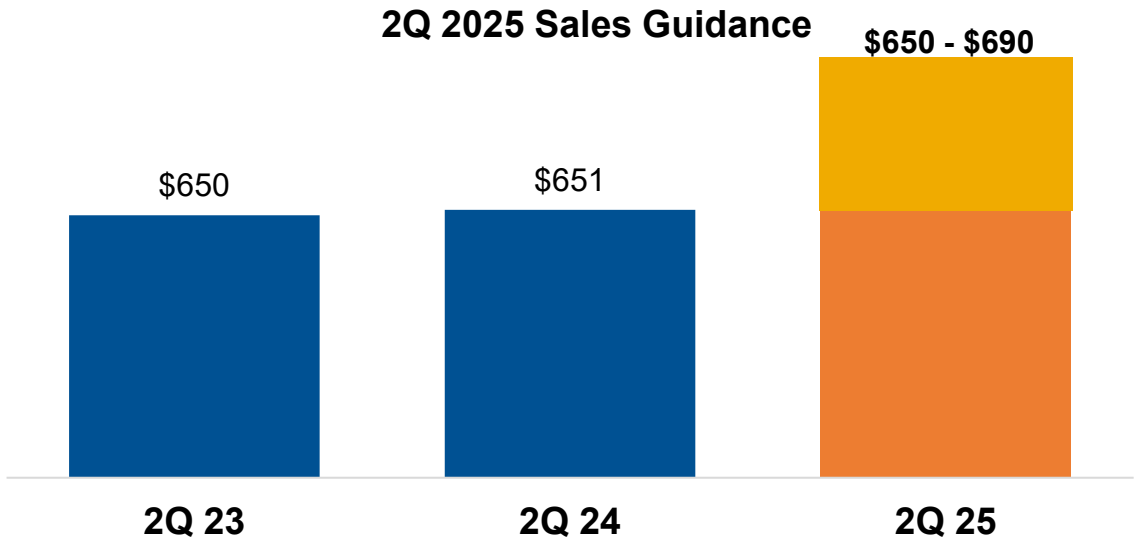
*Non-GAAP number – See appendix for reconciliation.

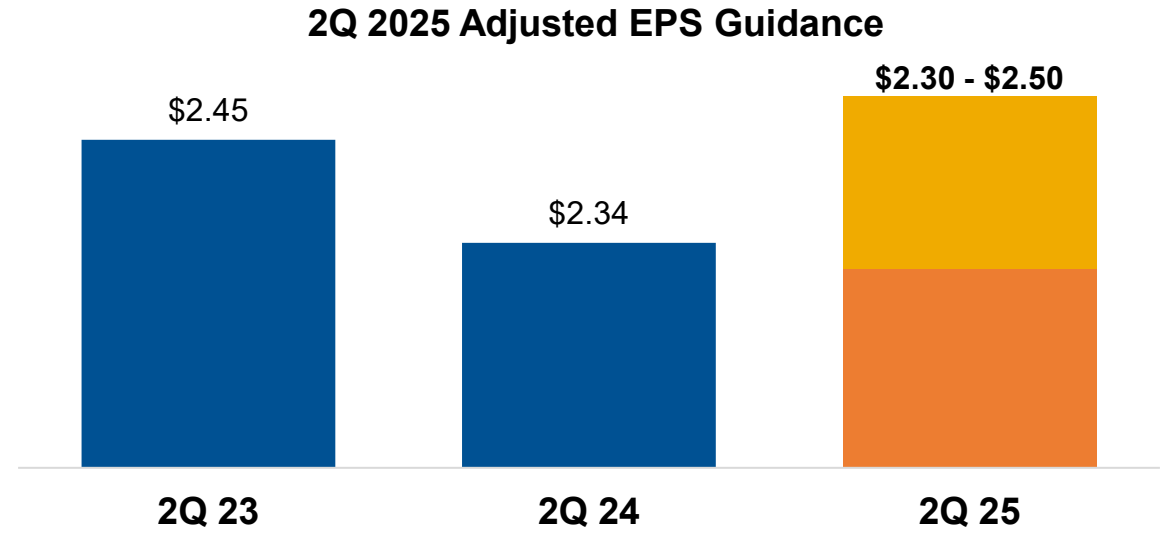
2Q Fiscal 2025 Guidance

Steady performance moving into 2Q

- Historical seasonality and order entry trends support moderate increases in sales and earnings sequentially
- Backlog grew by ~$85 million or 15% in the first quarter, ending at approximately $670 million
- Order entry progressively improved throughout the quarter across all segments

Maintaining full-year guidance ranges, with sales expected to be toward the low end



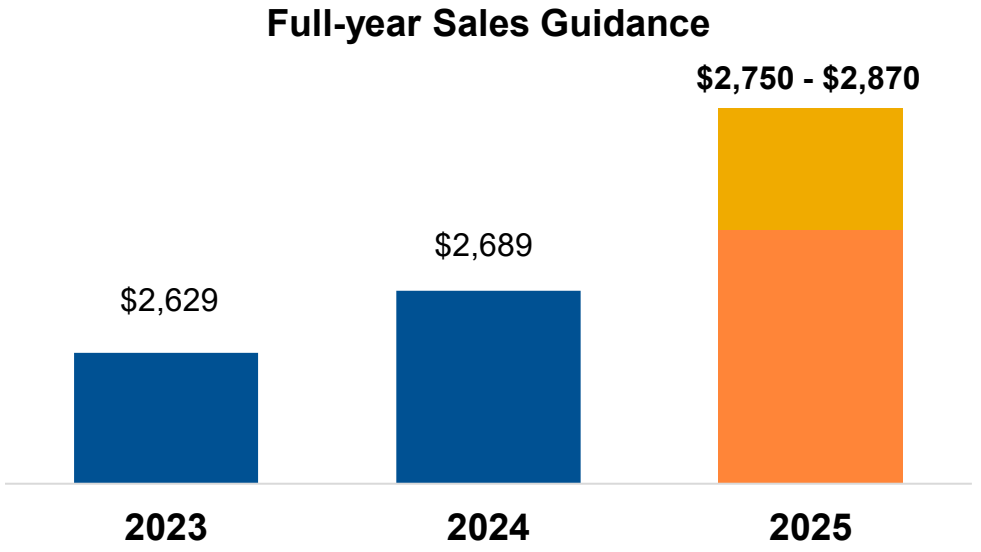


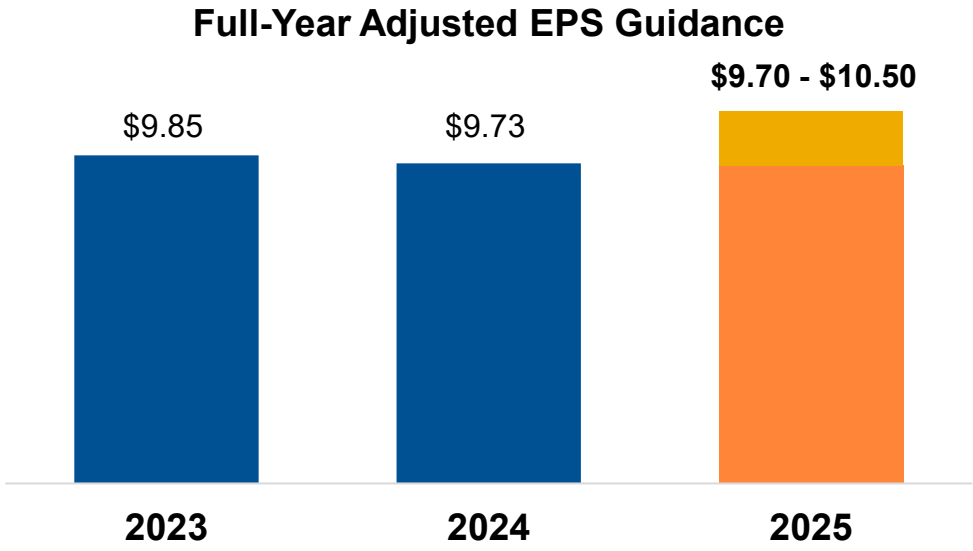
2025 Fiscal Full-Year Guidance

Full-Year Growth from Record 2024

- Ascend strategy is advancing and delivering results
- Backlog, including Atrion, is ~$670 million as of 1/31/25
- Fiscal 2025 sales growth of 2% to 7%, inclusive of FX headwind of (1.5)%
- Adjusted earnings in the range of neutral to 8% growth
- For modeling purposes, consider:

	FY2025 Range
Effective tax rate	19-21%
Cap-ex	$50-60 million
Interest	$95-$105 million





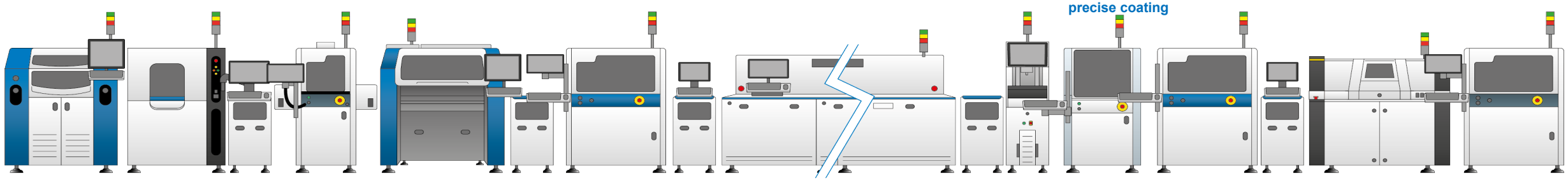
Appendix 1:

Product Innovation

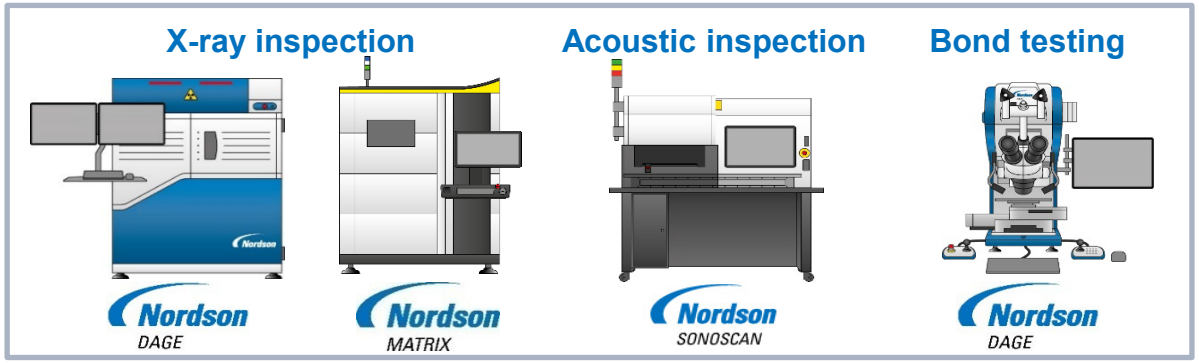
Our Electronics Industry Position

Surface Mount Manufacturing

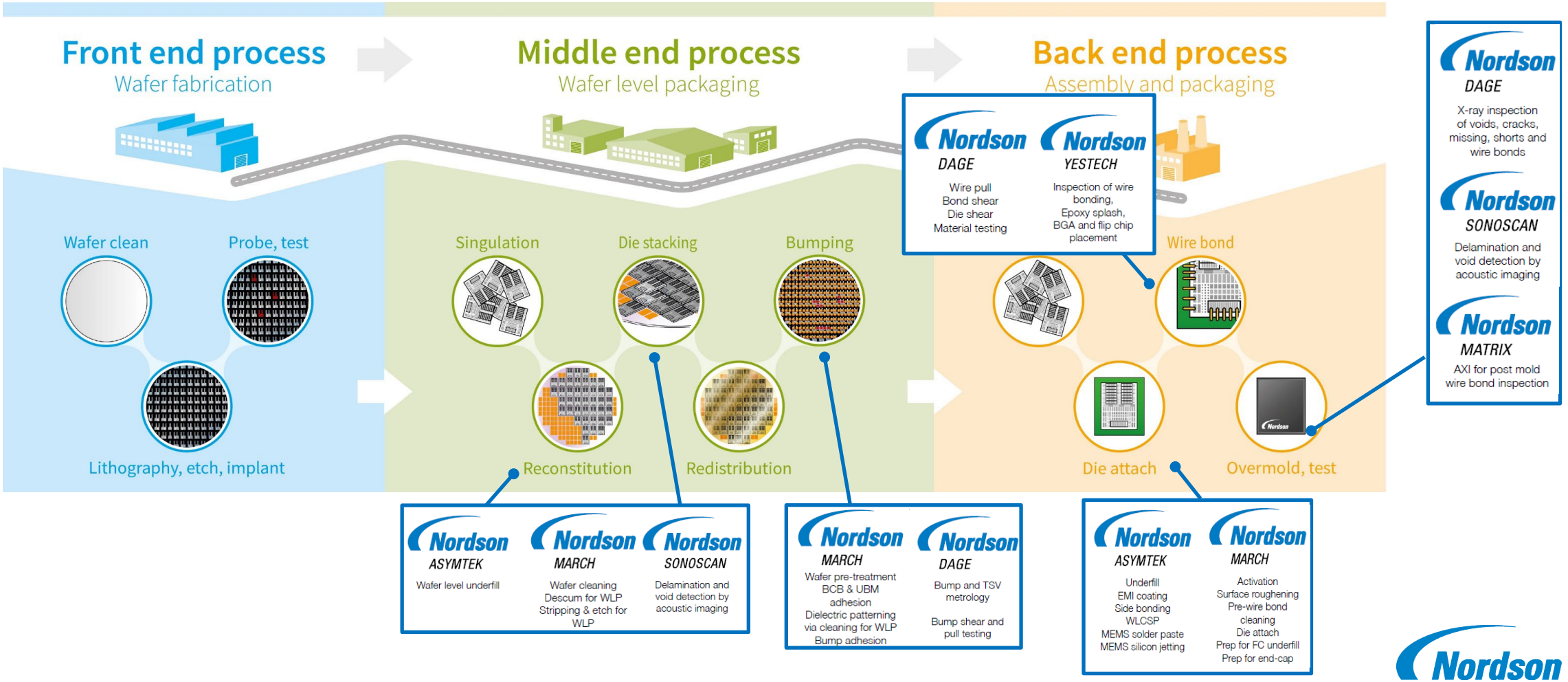
Inline Systems



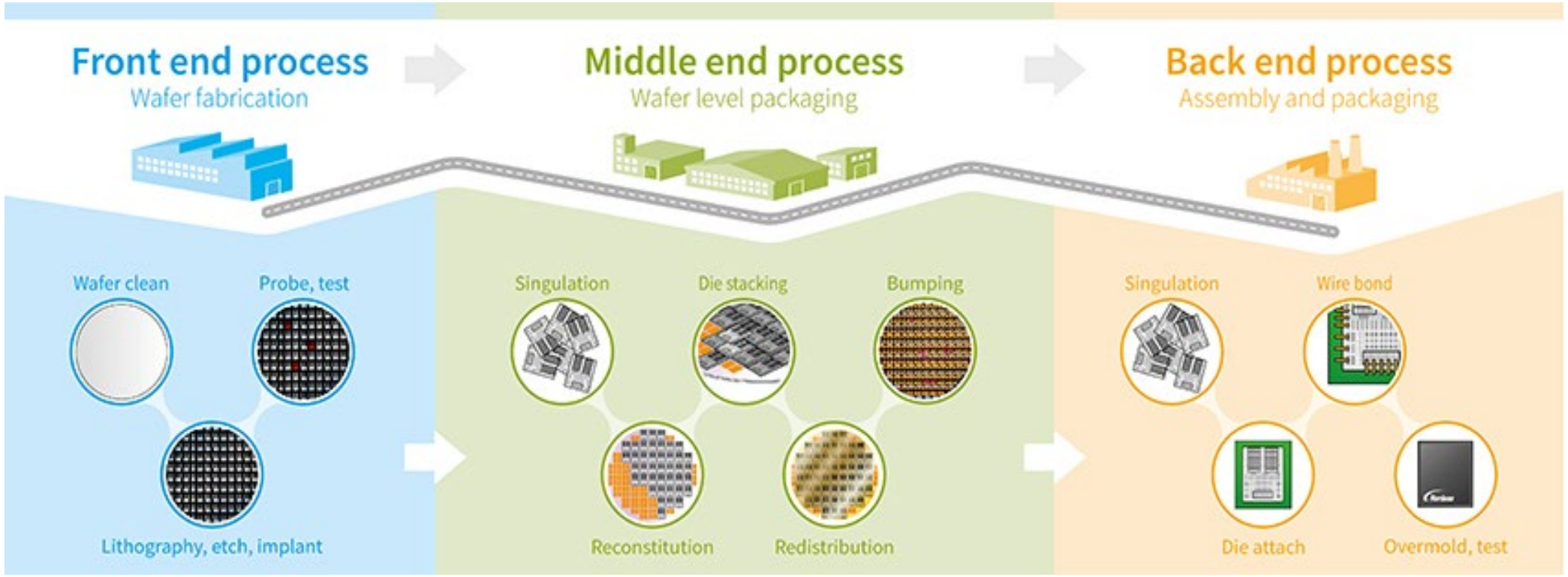
QA Lab / Island of Automation



Our Role in the Semiconductor Process



CyberOptics expands market opportunities



Nordson T&I Division

CyberOptics Optical Sensors & Systems

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

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.



Interventional Solutions
Medical balloons, catheters, cannulas

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



Fluid Components
Single-use components

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

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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

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:

- EBITDA is defined as operating profit plus certain adjustments, such as severance, fees and non-cash inventory charges associated with acquisitions, 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.
- Organic sales defined as sales growth excluding the impacts of changes in foreign currencies and acquisitions. We express period over period revenue variances 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 fourth quarter and full-year ended January 31, 2025, for a reconciliation of the non-GAAP measures Adjusted Operating Profit and EBITDA.

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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	
	January 31, 2025	January 31, 2024
Net income	$ 94,652	$ 109,572
Income taxes	22,203	29,127
Interest expense - net	25,618	20,398
Other income (expense) - net	(1,526)	338
Depreciation and amortization	37,030	33,544
Inventory step-up amortization [1]	3,135	2,944
Severance and other	5,961	—
Acquisition-related costs [1]	1,030	597
EBITDA (non-GAAP) [2]	$ 188,103	$ 196,520

[1] Represents fees, severance 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 severance, 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			
	January 31, 2025		January 31, 2024	
SALES BY SEGMENT				
Industrial Precision Solutions	$ 300,448		$ 337,742	
Medical and Fluid Solutions	193,609		159,526	
Advanced Technology Solutions	121,363		135,925	
Total sales	$ 615,420		$ 633,193	
OPERATING PROFIT				
Industrial Precision Solutions	$ 95,712		$ 109,098	
Medical and Fluid Solutions	40,936		46,100	
Advanced Technology Solutions	18,123		18,304	
Corporate	(13,824)		(14,067)	
Total operating profit	$ 140,947		$ 159,435	
OPERATING PROFIT ADJUSTMENTS [1]				
Industrial Precision Solutions	$ 4,611		$ 3,541	
Medical and Fluid Solutions	5,255		—	
Corporate	260		—	
Total adjustments	$ 10,126		$ 3,541	
DEPRECIATION & AMORTIZATION				
Industrial Precision Solutions	$ 12,453		$ 12,920	
Medical and Fluid Solutions	18,141		13,705	
Advanced Technology Solutions	4,648		4,901	
Corporate	1,788		2,018	
Total depreciation & amortization	$ 37,030		$ 33,544	
EBITDA (NON-GAAP) [2]				
Industrial Precision Solutions	$ 112,776	38%	$ 125,559	37%
Medical and Fluid Solutions	64,332	33%	59,805	37%
Advanced Technology Solutions	22,771	19%	23,205	17%
Corporate	(11,776)		(12,049)	
Total EBITDA	$ 188,103	31%	$ 196,520	31%

[1] Represents severance 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 severance, 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	
	January 31, 2025	January 31, 2024
GAAP AS REPORTED		
Operating profit	$ 140,947	$ 159,435
Other / interest expense - net	(24,092)	(20,736)
Net income	94,652	109,572
Diluted earnings per share	$ 1.65	$ 1.90
Shares outstanding - diluted	57,486	57,555
OPERATING PROFIT ADJUSTMENTS		
Inventory step-up amortization	$ 3,135	$ 2,944
Acquisition costs	1,030	597
Severance and other	5,961	—
ACQUISITION AMORTIZATION OF INTANGIBLES	$ 19,311	$ 19,387
INTEREST		
Total adjustments	$ 29,437	$ 22,928
Adjustments net of tax	$ 23,844	$ 18,113
EPS effect of adjustments and other discrete tax items	$ 0.41	$ 0.31
NON-GAAP MEASURES-ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE		
Adjusted Net income [1]	$ 118,496	$ 127,685
Adjusted Diluted earnings per share [2]	$ 2.06	$ 2.21

[1] Adjusted net income is a non-GAAP measure defined as net income plus tax effected adjustments and other discrete tax items.

[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 January 31, 2025
Net cash provided by operating activities	$ 159,122
Additions to property, plant and equipment	(21,399)
Free Cash Flow - Year to Date [1]	137,723
Net Income - Year to Date	$ 94,652
Free Cash Flow Conversion [2]	146 %

	Year to Date January 31, 2024
Net cash provided by operating activities	$ 172,356
Additions to property, plant and equipment	(7,530)
Free Cash Flow - Year to Date [1]	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.