Record-high order book, Q4/23 operating result increased

Financial Statement Release
January–December 2023

Kai Öistämö, President and CEO
Record-high order book, Q4/23 operating result increased

- Strong orders received, +14% Y/Y
- Operating result margin 11.0 (8.9) %
- Cash from operating activities 29.5 (22.7) MEUR
- Board proposes dividend of EUR 0.75 (0.72) per share

<table>
<thead>
<tr>
<th>Net sales</th>
<th>EBIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>147.4 (141.6) MEUR</td>
<td>16.3 (12.6) MEUR</td>
</tr>
</tbody>
</table>

+4%

Subscription sales excluded from orders received and order book as of the beginning of 2023
Highlights of 2023: technology leadership, engaged people, new ERP, and sustainability targets

New ERP system go-live early Jan 2024.

Airport surface observation system to Kuwait

Celebrating 50 years of HUMICAP® innovation

Science-based emission reduction targets submitted for validation.

66% less plastic

Product launches

Employee engagement 4.1/5
Q4/2023 orders received increased by 14%

- Orders received increased very strongly in Weather and Environment business area, aviation strongest market segment
- Orders received in Industrial Measurement business areas decreased Y/Y

Increase 16% in constant currencies
2019-2021 include subscription sales
Q4/2023 order book EUR 173 million

- Year-end order book record-high
- Order book increased in Weather and Environment business area while it decreased in Industrial Measurements business area

2019-2021 include subscription sales
Q4/2023 net sales increased by 4%

- Net sales increased in Weather and Environment business area and decreased in Industrial Measurements business area
- Net sales increased very strongly in aviation as well as in power and energy market segment, but on the other hand, decreased very strongly in life science market segment
Q4/2023 operating result increased Y/Y

- Gross margin improved to 54.3 (53.5) %
- Component spot purchases had a 0.1 (3.0) percentage point negative impact
- Operating expenses increased somewhat compared to previous year
Q4/23 orders received decreased by 8% Y/Y

- Orders received decreased in life science, industrial instruments and liquid measurements market segments
- Order book decreased to EUR 35.2 (41.8) million

Decrease 4% in constant currencies
Q4/23 operating result decreased

- Net sales decreased in life science market segment
- Gross margin improved to 60.7 (59.7) %
  - Additional material costs related to component spot purchases had a 0.0 (4.3) percentage point negative impact
  - Lower volume and price pressure burdened gross margin
- Operating result decreased compared to previous year to EUR 8.7 (10.8) million, 15.1 (17.9) % of net sales

![Net sales graph](image-url)
Q4/23 orders received grew very strongly

- Orders received increased in aviation, renewable energy and meteorology market segments
- Order book EUR 137.3 (112.8) million, +22%

Growth 37% in constant currencies

2019-2021 include subscription sales
Q4/23 operating result margin improved clearly

- Net sales grew in all market segments, very strongly in aviation and strongly in renewable energy market segment
- Gross margin improved to 50.3 (49.0) %
- Additional material costs related to component spot purchases had a 0.1 (2.0) percentage point negative impact
- Operating result increased to EUR 7.5 (1.8) million, 8.3 (2.2) % of net sales
1-12/2023 financials
1-12/2023 showed resilience

<table>
<thead>
<tr>
<th>MEUR</th>
<th>1-12/2023</th>
<th>1-12/2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>540.4</td>
<td>514.2</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>-238.8</td>
<td>-232.2</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td><strong>301.7</strong></td>
<td><strong>282.0</strong></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>-235.9</td>
<td>-219.7</td>
</tr>
<tr>
<td>Other operating income and expenses</td>
<td>0.9</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Operating result</strong></td>
<td><strong>66.6</strong></td>
<td><strong>62.5</strong></td>
</tr>
<tr>
<td>Share of result in associated company</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Financial income and expenses</td>
<td>-3.7</td>
<td>-3.1</td>
</tr>
<tr>
<td><strong>Result before taxes</strong></td>
<td><strong>63.1</strong></td>
<td><strong>59.6</strong></td>
</tr>
<tr>
<td>Income taxes</td>
<td>-14.2</td>
<td>-14.5</td>
</tr>
<tr>
<td><strong>Result for the period</strong></td>
<td><strong>48.9</strong></td>
<td><strong>45.1</strong></td>
</tr>
</tbody>
</table>

- 1-12/2023 net sales growth 5%
- Growth in constant currencies 8%
- Gross margin improved to 55.8 (54.8) %
- Additional material costs related to component spot purchases had a 0.7 (2.7) percentage point negative impact
- Operating result margin at previous year’s level 12.3 (12.2) % following investments in R&D and S&M as well as IT system renewal
- EPS 1.35 (1.24) EUR
- Cash conversion 130%
# 1-12/2023 cash flow from operating activities strong

<table>
<thead>
<tr>
<th>Category</th>
<th>1-12/23</th>
<th>1-12/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Result for the period</td>
<td>48.9 MEUR</td>
<td>45.1 MEUR</td>
</tr>
<tr>
<td>Non-cash expenses</td>
<td>41,141.3 MEUR</td>
<td>36.0 MEUR</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>-38.0</td>
<td>-2.8</td>
</tr>
<tr>
<td>Financial items</td>
<td>-4.9</td>
<td>-4.9</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-12,913.6</td>
<td>-13.7</td>
</tr>
<tr>
<td>Investing activities</td>
<td>-36.8</td>
<td>-36.8</td>
</tr>
<tr>
<td>Financing activities</td>
<td>-34.1</td>
<td>-15.1</td>
</tr>
<tr>
<td>Change in cash</td>
<td>-22.1</td>
<td>-22.1</td>
</tr>
</tbody>
</table>

Cash and cash equivalents:
- End Q4/2023: 90.3 MEUR
- End Q4/2022: 55.5 MEUR
- Net working capital decreased mainly due to decrease in trade receivables

**Financial Statement Release January-December 2023**
Dividend development 2014–2023

*Boards’ proposal
All dividends have been adjusted to reflect increased number of shares after the share issue without payment in April 2018.
### Strong financial position

<table>
<thead>
<tr>
<th></th>
<th>MEUR</th>
<th>1-12/2023</th>
<th>1-12/2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity per share</td>
<td>7.39</td>
<td>6.91</td>
<td></td>
</tr>
<tr>
<td>Return on equity %</td>
<td>18.9</td>
<td>18.7</td>
<td></td>
</tr>
<tr>
<td>Solvency ratio %</td>
<td>61.3</td>
<td>58.1</td>
<td></td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>13.9</td>
<td>13.7</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>90.3</td>
<td>55.5</td>
<td></td>
</tr>
<tr>
<td>Interest-bearing liabilities</td>
<td>62.1</td>
<td>63.4</td>
<td></td>
</tr>
<tr>
<td>Gearing %</td>
<td>-10.5</td>
<td>3.2</td>
<td></td>
</tr>
</tbody>
</table>
Market and business outlook
Market outlook for 2024

**Growth**
- Power and energy
- Liquid measurements
- Renewable energy

**Stable**
- Industrial instruments
- Life science
- Meteorology
- Aviation
- Roads
Business outlook for 2024

Net sales
Vaisala estimates that its full-year 2024 net sales will be in the range of EUR 530–570 million

Operating result (EBIT)
Vaisala estimates that its full-year 2024 operating result (EBIT) will be in the range of EUR 63–78 million
Record-high order book, Q4/23 operating result increased

- Strong orders received, +14% Y/Y
- Operating result margin 11.0 (8.9) %
- Cash from operating activities 29.5 (22.7) MEUR
- Board proposes dividend of EUR 0.75 (0.72) per share

<table>
<thead>
<tr>
<th>Net sales</th>
<th>EBIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>147.4 (141.6) MEUR</td>
<td>16.3 (12.6) MEUR</td>
</tr>
</tbody>
</table>

+4%

Subscription sales excluded from orders received and order book as of the beginning of 2023
VAISALA