

Weak net sales in Q1, record-high order book

Interim Report January–March 2024

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VAISALA

Q1
2024

Weak net sales in Q1, record-high order book

Net sales

112.1 (131.8)

MEUR -15%

Order book

190.4

(Dec 31, 2023: 172.5)
MEUR +10% Q/Q

Q1/2024

- Slow start of the year, low market activity level continued.
- Industrial actions in Finland and ERP ramp-up affected Q1 net sales.
- ERP situation normalizing after expected slowness during ramp-up phase.
- Purpose, brand, and strategic priorities refined to mirror commitment to climate action.
- SBTi approves greenhouse gas emissions reduction targets.

Orders received

123.3

(132.0) MEUR -7%

Operating result margin

6.4% (10.1)

Instruments and intelligence for climate action

MEGATRENDS



Energy transition & decarbonization



AI & process optimization



Health & well-being

PURPOSE

Taking every measure for the planet

SUCCESS DRIVERS

Customer understanding and application know-how



Product and technology leadership



Excellence in supply chain



Purpose-driven culture and talent

STRATEGIC PRIORITIES

Grow in industrial measurements with breakthrough technologies

Expand in energy transition and build recurring revenue in data

Drive profitability as global leader in weather systems

Simplify and scale

VALUES

Customer focus



Innovation & renewal



Strong together



Integrity

Enabling climate action with our customers



Supporting the construction industry's decarbonization goals

Finland-based startup Carbonaide transforms concrete from emission source into a carbon storage sink.



Effectively managing winter weather conditions

City of Independence in Missouri improves its response to snowstorms with real-time weather data.



Reducing the environmental impact of shipping

Norsepower optimizes wind-assisted propulsion with accurate wind data, leading to 5–25% less fuel consumption.

Science Based Targets initiative approves our emission reduction targets

Our commitment:

- We will more than halve our direct greenhouse gas emissions (scope 1) and purchased-energy emissions (scope 2) from 2021 level by 2030.
- We will more than halve our other indirect emissions (scope 3) in relation to gross profit within the same timeframe.

Scope 3 emissions make up over

99%

of Vaisala's total emissions.

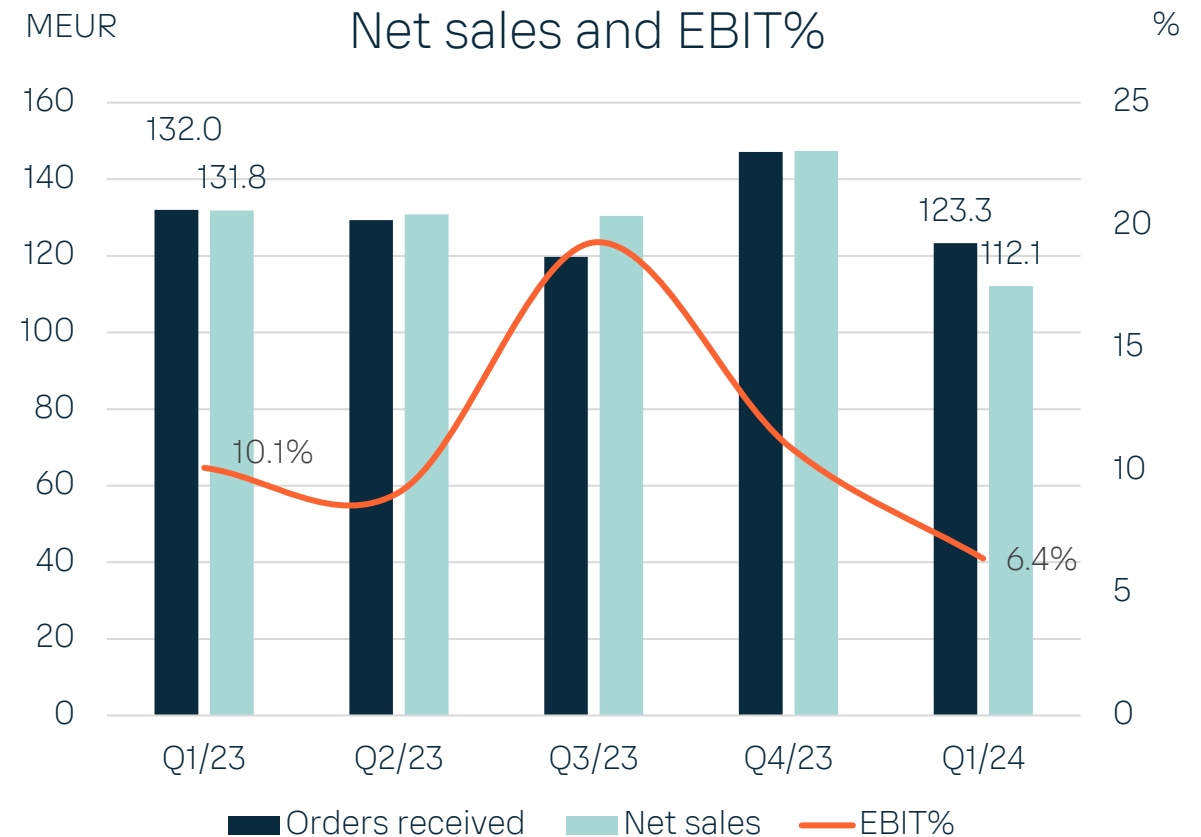
Use of sold products, purchased goods and services, and logistics play the biggest role.

Financials



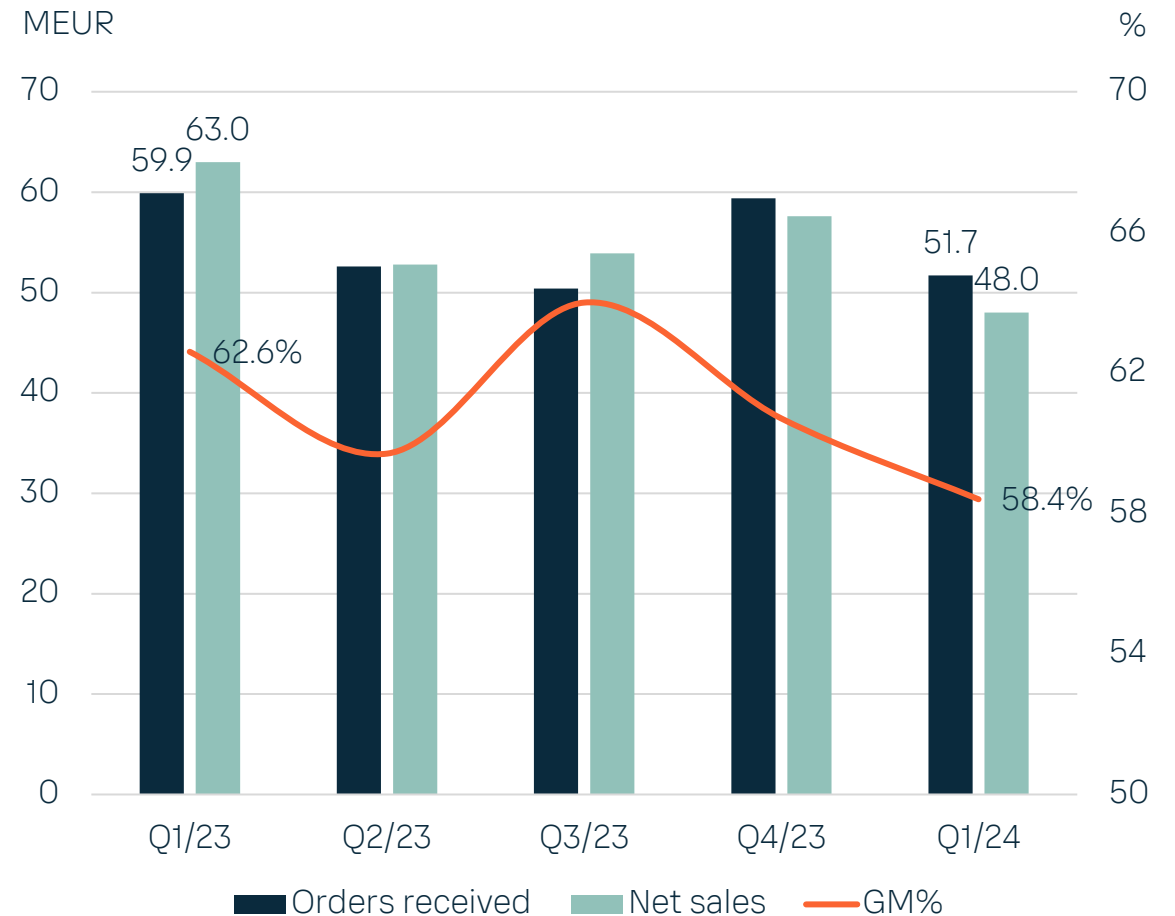
Slow start for the year

- Orders received reflect continued low market activity level
- Order book record-high EUR 190.4 million, up by 10% Q/Q
 - Order book for 2024 EUR 141.4 million
- Net sales decreased by 15% Y/Y
 - Slow market, industrial actions in Finland and ramp-up of the new ERP system
 - Decrease in net sales partly mitigated by temporarily lower operating expenses
- Gross margin 54.2 (56.1)



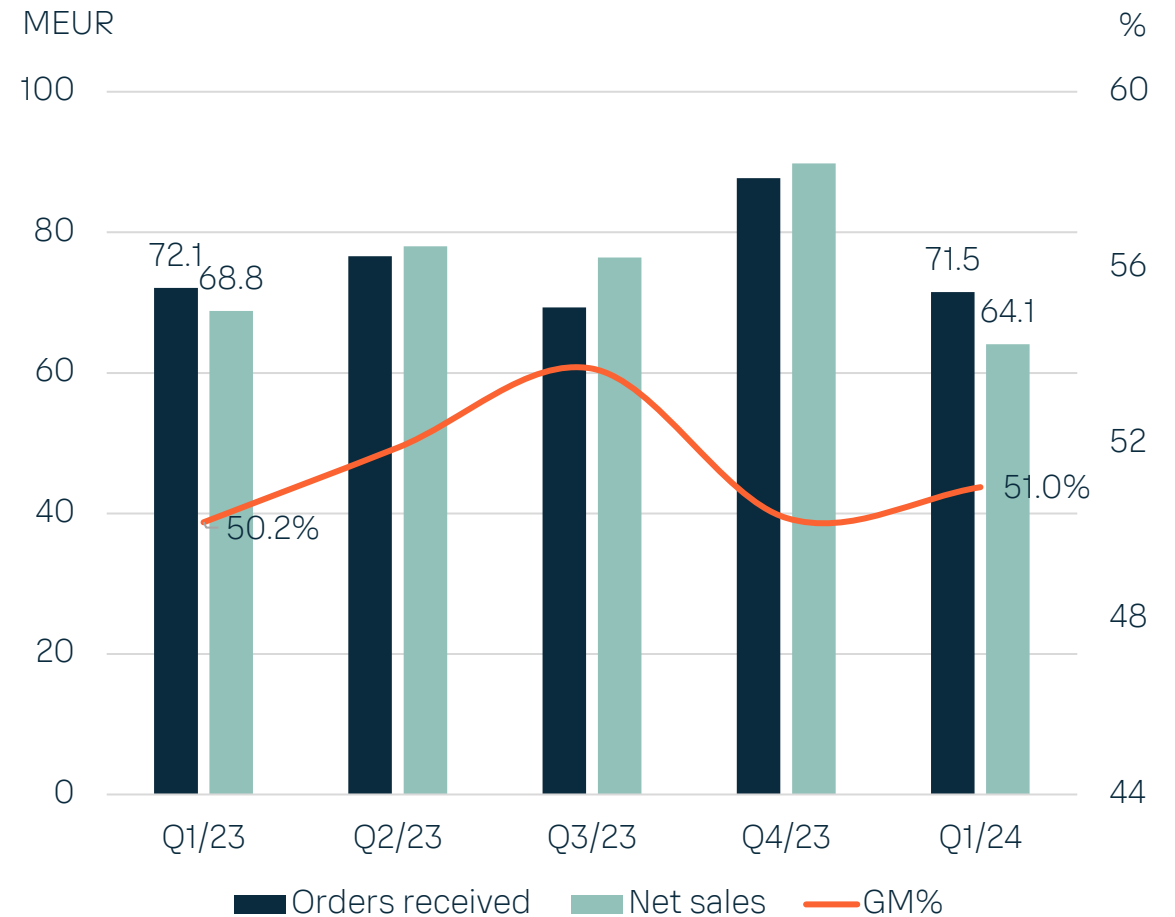
Industrial Measurements: EBIT margin 13.5% despite low net sales

- Orders received decreased by 14% Y/Y
- Order book up by 5% Q/Q
- Net sales decreased by 24% Y/Y
 - Slow market, industrial actions in Finland, and ramp-up of the new ERP system
 - Strong comparison period
 - Service sales grew by 30%
- Low delivery volumes, hence, low utilization rate at the factory burdened gross margin
- EBIT% 13.5 (23.8)



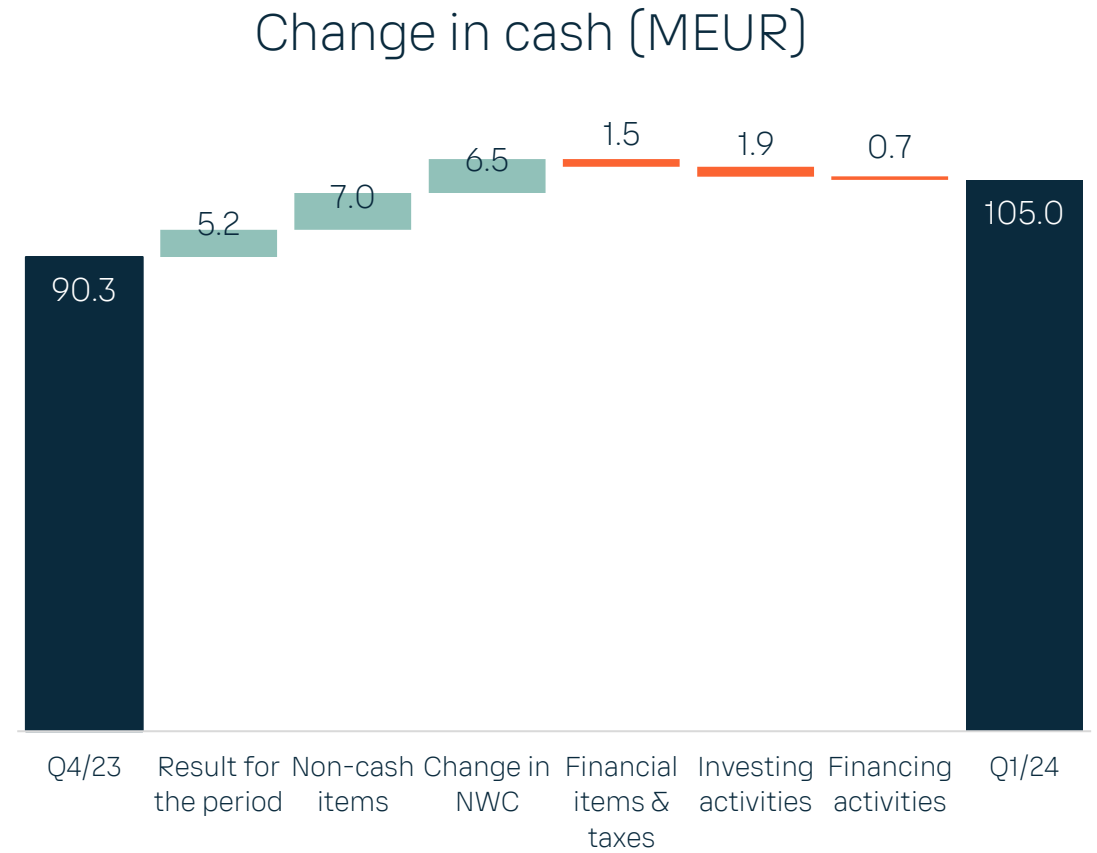
Weather and Environment: Timing of project deliveries impacted net sales

- Orders received at previous year's level
- Order book up by 12% Q/Q
- Net sales decreased by 7% Y/Y
 - Growth of subscription sales 15%
- Gross margin improved to 51.0 (50.2) %
 - Favorable business mix
- EBIT% 1.0 (-2.5)



Cash flow continued on good level

- Cash flow from operating activities decreased to EUR 17.1 (26.9) million
 - Lower result for the period
 - Decrease in net working capital
- Increase in trade and other payables drive decrease in net working capital
- Cash conversion 2.4
- Free cash flow ~EUR 15 million



Strong financial position

- Low leverage in the balance sheet
- Asset light business model
- Dividend liability EUR 27.2 million
 - 2023 dividends (EUR 0.75 per outstanding share) were paid in April 2024
- New ~EUR 10 million CAPEX investment into automated logistics center in Vantaa, Finland in 2024–2025
 - Estimated start in Q2/24

MEUR	Q1/2024	Q1/2023	2023
Equity per share	6.76	6.33	7.39
Return on equity, %	8.0	16.0	18.9
Solvency ratio, %	53.8	52.7	61.3
CAPEX	2.0	3.1	13.9
Cash and cash equivalents	105.0	75.4	90.3
Interest-bearing liabilities	61.4	60.4	62.1
Gearing, %	-17.8	-6.5	-10.5

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

Vaisala estimates that its full-year 2024 operating result (EBIT) will be in the range of **EUR 63–78 million**.

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