



Nobia Capital Markets Day

March 25, 2021

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A few practicalities before we start

- Safety, please make sure you know the safety routines for wherever you are located
- Two options for asking questions
 1. Post a question in advance of the Q&A session. Please click the Q-icon located in the top right corner of the screen during the presentation to post your question
 2. Ask questions in the live Q&A session. Browse to www.nobia.com/ir for dial-in details



Moderator

Tobias Norrby, Head of Investor Relations

Today's team



Jon Sintorn
President & CEO



Kristoffer Ljungfelt
CFO



Ole Dalsbø
EVP Region Nordics



Dan Carr
EVP Region UK



Cecilia Forzelius
EVP People & Culture



Ola Carlsson
EVP Product Supply



Dan Josefsberg
EVP Marketing, Customer
Experience and Communication



Amanda Jackson
Head of Sustainability

Agenda

Nobia in brief	Jon Sintorn
Market and financials	Kristoffer Ljungfelt
Strategic plan	Jon Sintorn
Region Nordics	Ole Dalsbø
Region UK	Dan Carr
People and Culture	Cecilia Forzelius
Product Supply	Ola Carlsson
Sustainability and Design	Amanda Jackson & Dan Josefsberg
Additional growth initiatives	Jon Sintorn
Summary and financial targets	Jon Sintorn
Q&A	





Nobia in brief

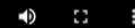
Jon Sintorn, President & CEO

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Film: Nobia purpose

▶ 2:18 / 2:23



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Nobia in brief

Net sales 12.7
BnSEK with
4.6% EBIT

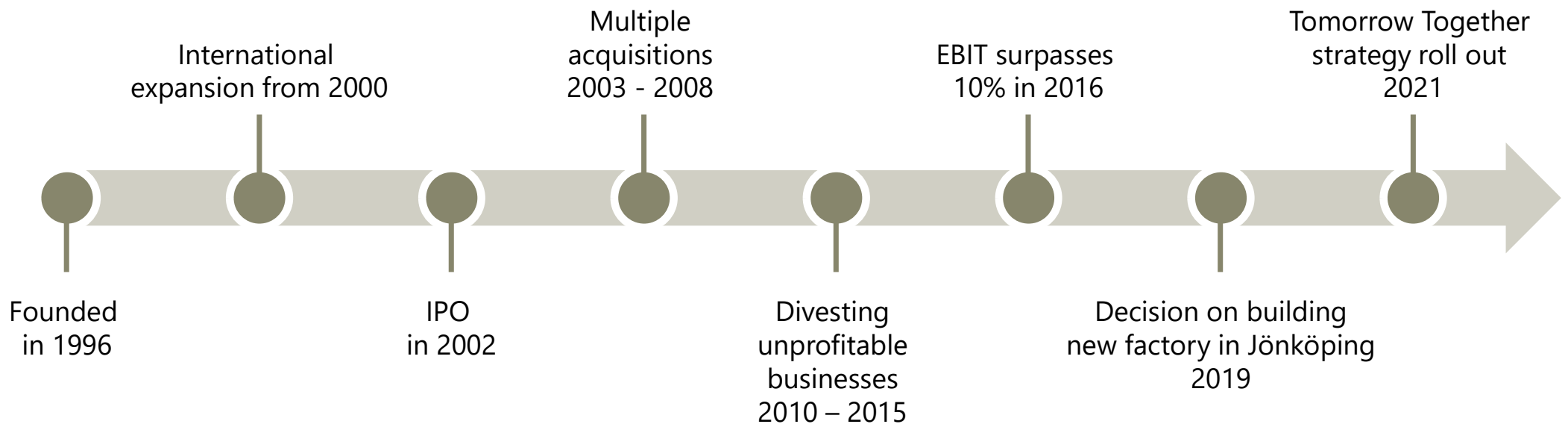
3 regions and
7 countries

~6,000
employees

Strong local
brands

14
production
units

Short history of Nobia



Three main sources of revenue



Kitchen furniture
64%



Appliances, worktops and other
30%

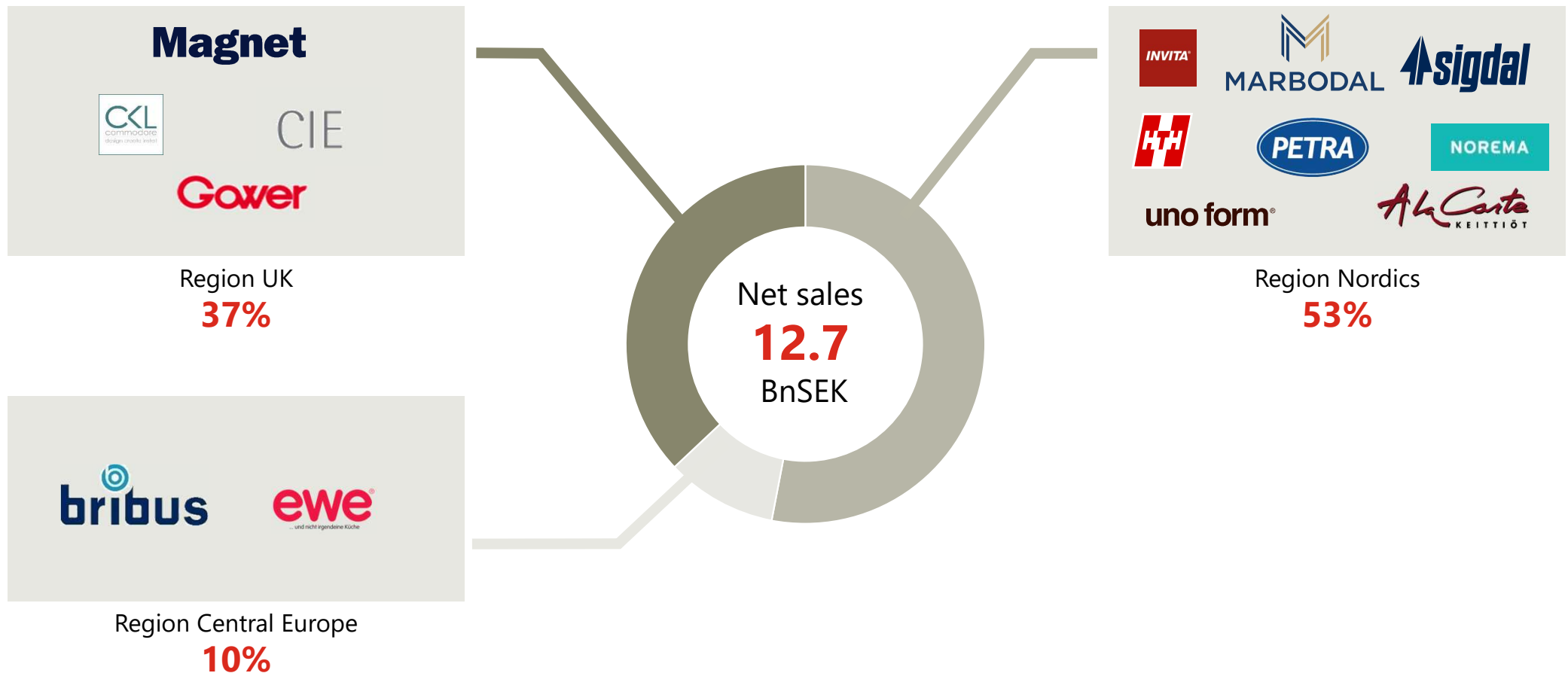


Installation services
6%

Net sales
12.7
BnSEK

~450k 5.3m
kitchens / year cabinets / year

Organised in three regions with strong local brands and businesses



Leveraging our brands across three market segments



Consumer

Well-known, high consideration brands...



Trade

...with positive knock-on effects in B2B

High level of customer intimacy built over many years

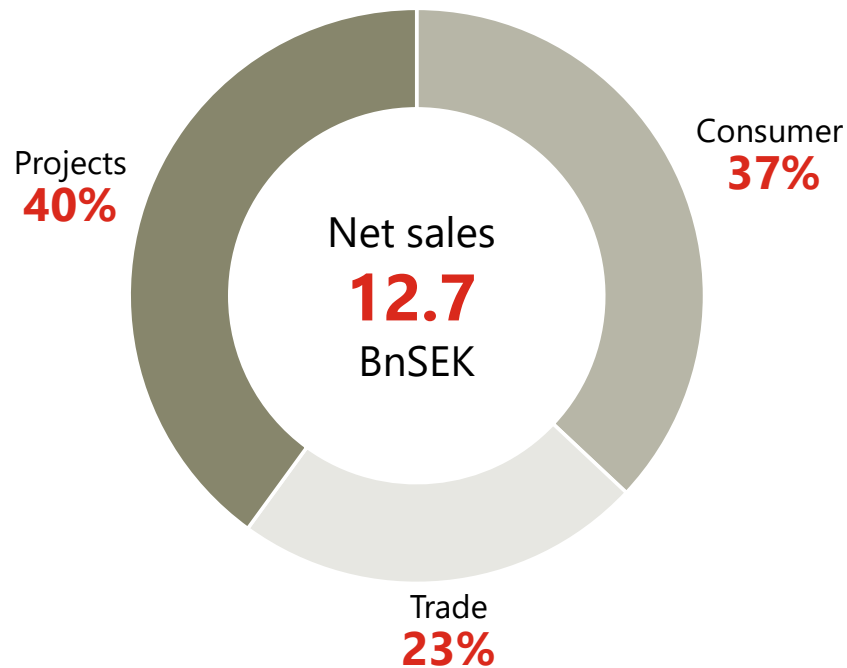


Projects

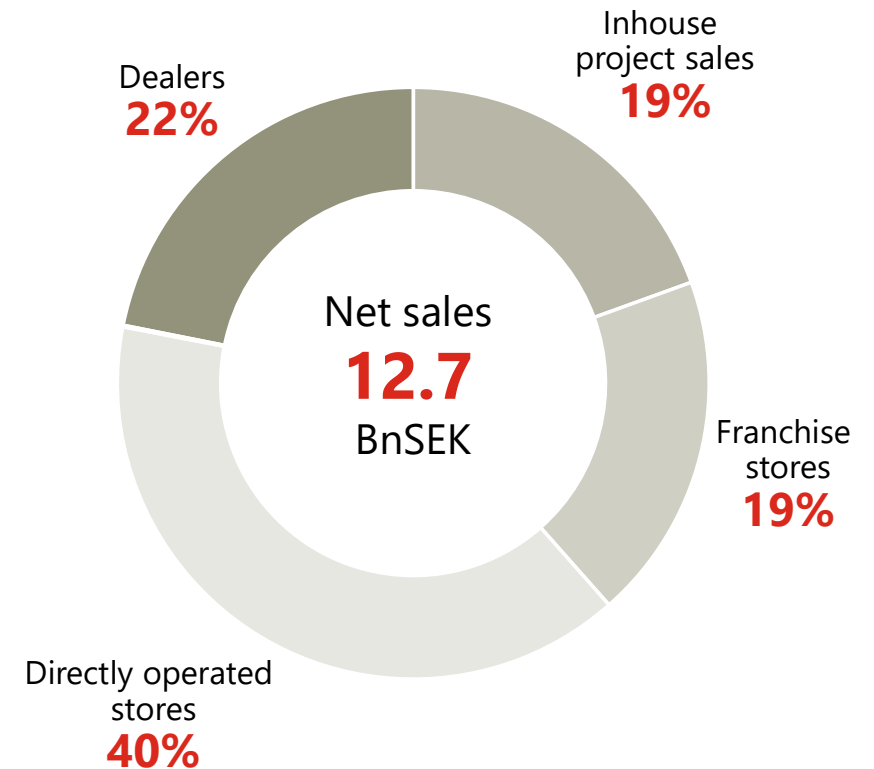
Mass-customisation and consolidation of customer-specific orders at scale

The market segments are served through four main sales channels

Split by market segment



Split by sales channel



Covid-19 impact on Nobia

- Temporary factory closures in UK and Central Europe in 2020
- Temporary store lockdowns in all regions
- Construction sites mostly open
- Limited supply chain disruptions
- Strong underlying market
 - Stay at home trend
 - Home refurbishments
- Change in buying behaviour





Market and financials

Kristoffer Ljungfelt, CFO

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The kitchen market is attractive

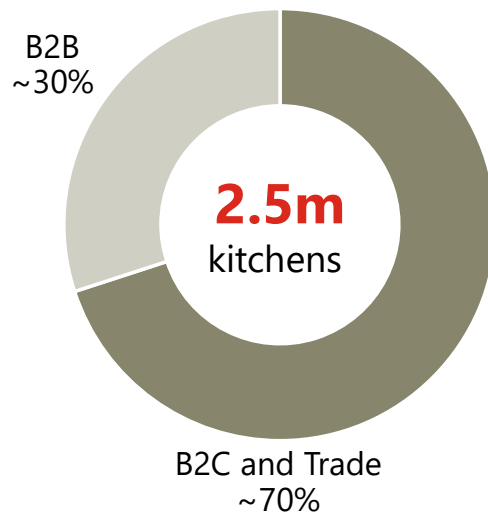
Large
addressable
market

Favourable
macro trends

Profitable
industry

Nobia operates in a large addressable market

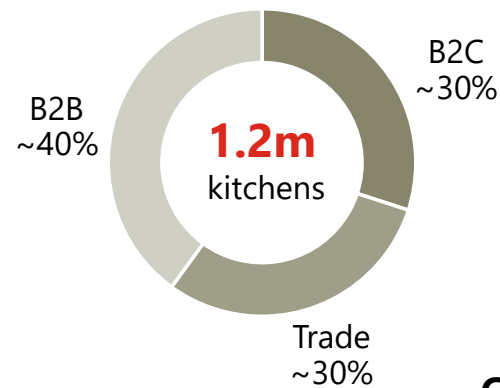
Total addressable market



~85 BnSEK
market value¹

2.5m
kitchens in total

Region UK

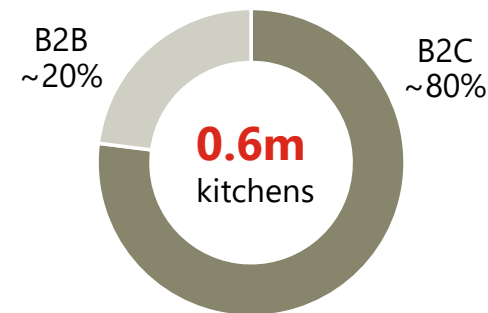


Region Nordics

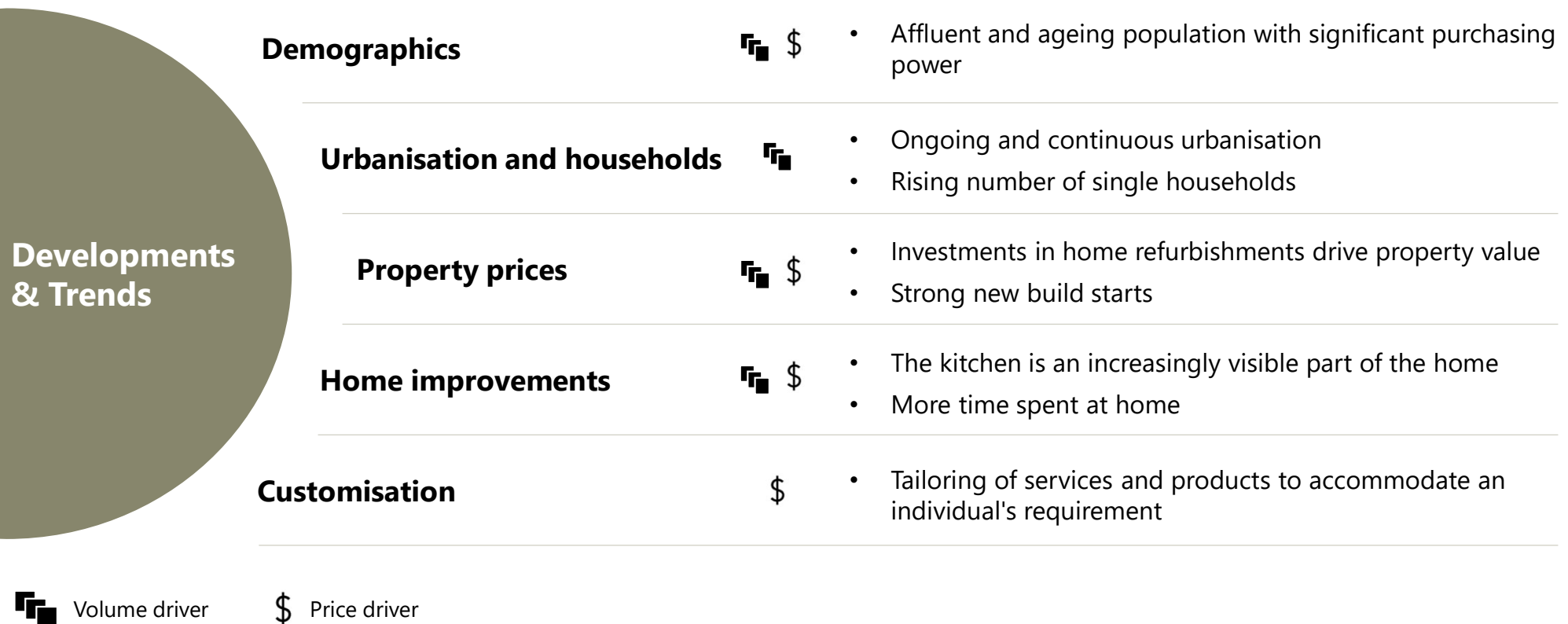


Region Central Europe

The Netherlands and Austria

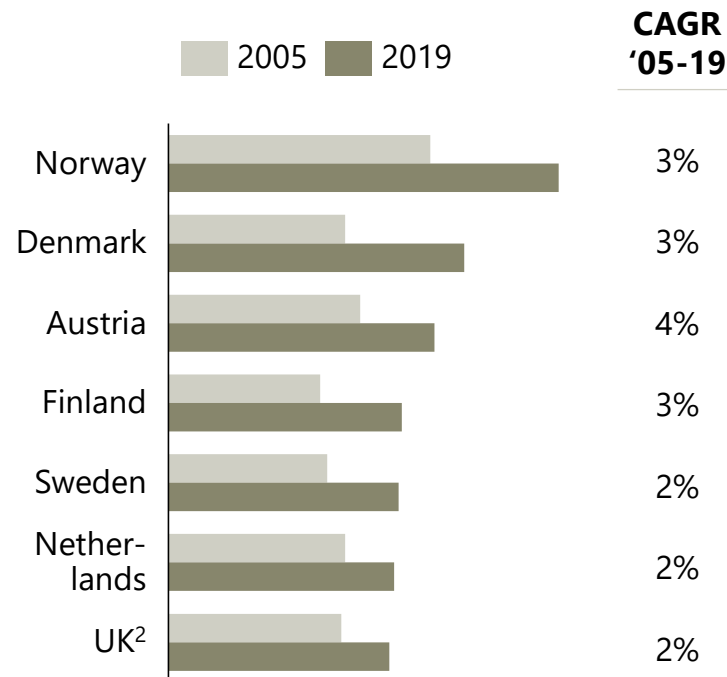


Several trends indicate future market growth above GDP

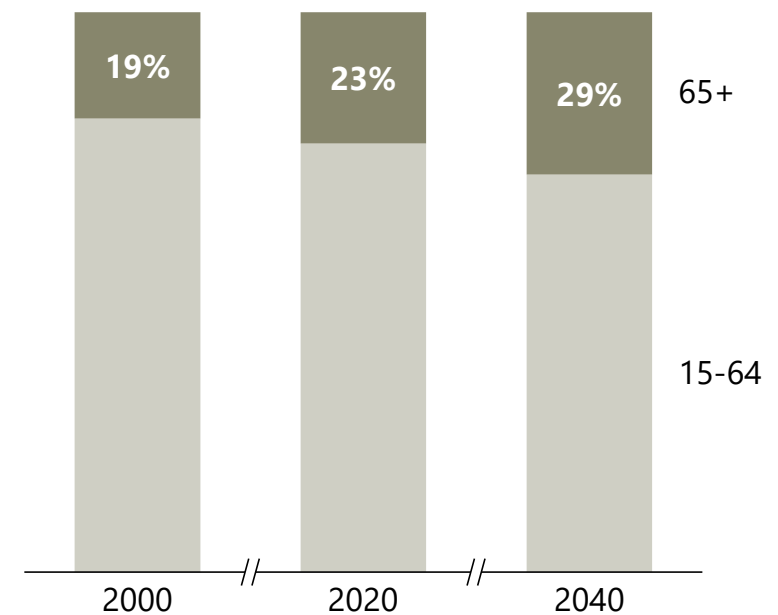


Demographics: A more affluent and aging population will drive value in the kitchen industry

Net income 65 years or over [kEUR/year]

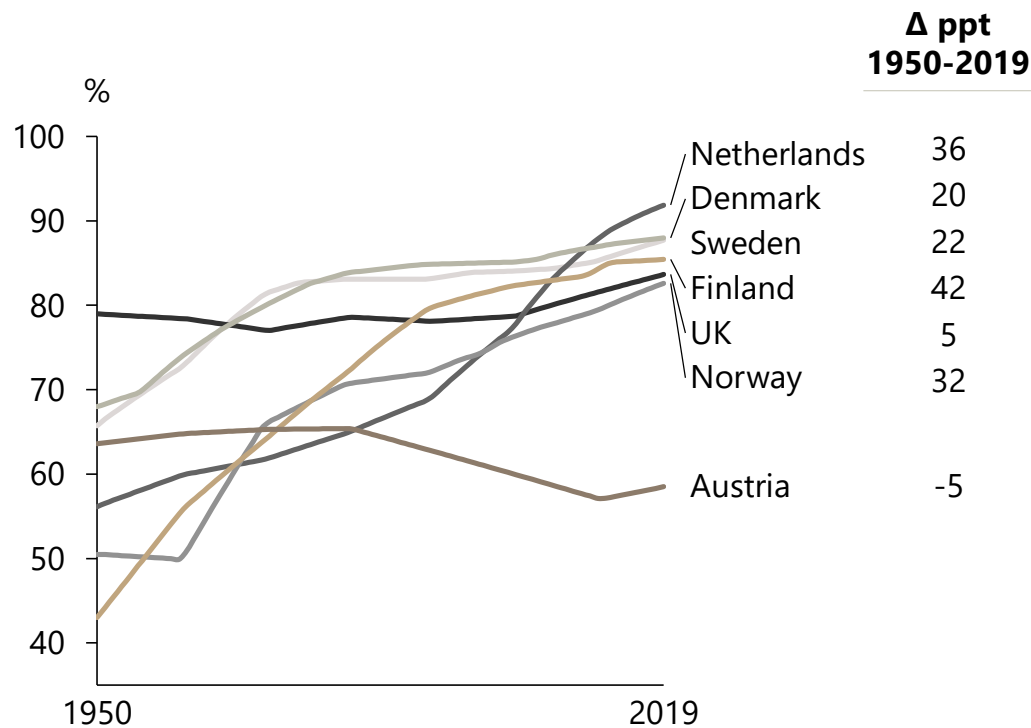


Aging population [% of population > 15 years]¹

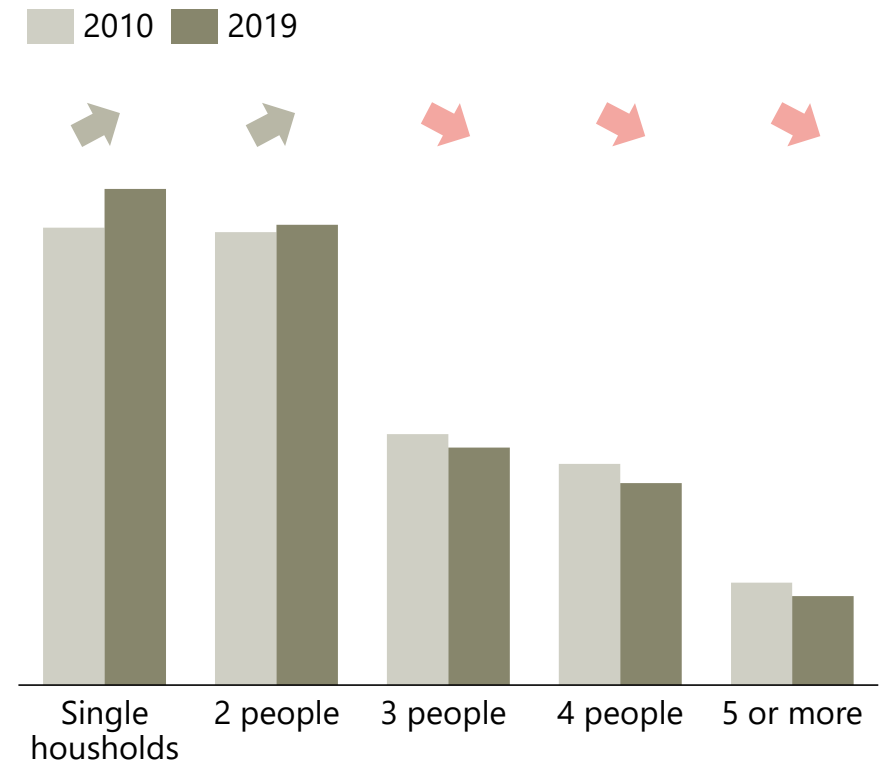


Urbanisation and households: Increasing urbanisation and smaller households increase the demand for kitchens

Urban population as percent of total [%]

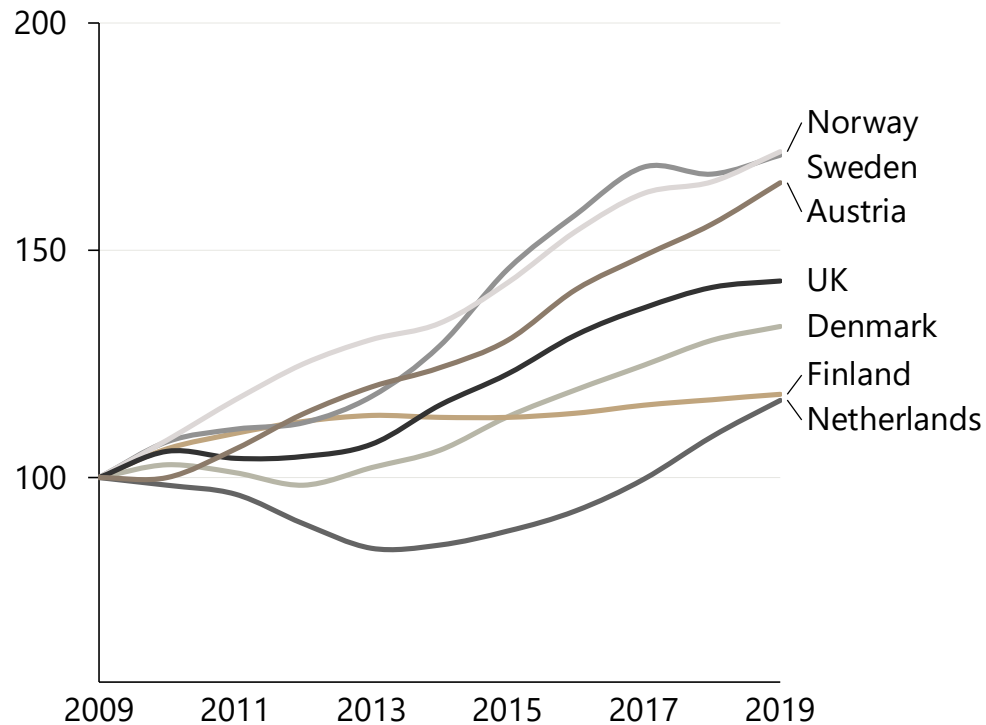


Households by number occupants, EU28 [% of households]

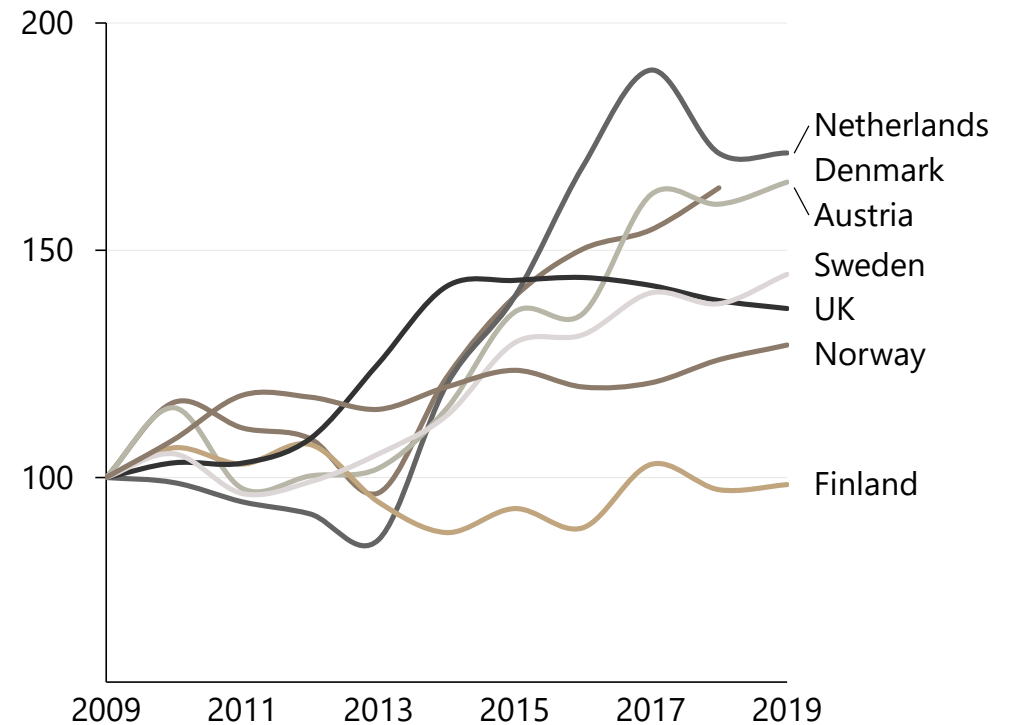


Property prices: Home improvement benefits from rising housing prices and increasing number of property transactions

House price index [2009 = 100]

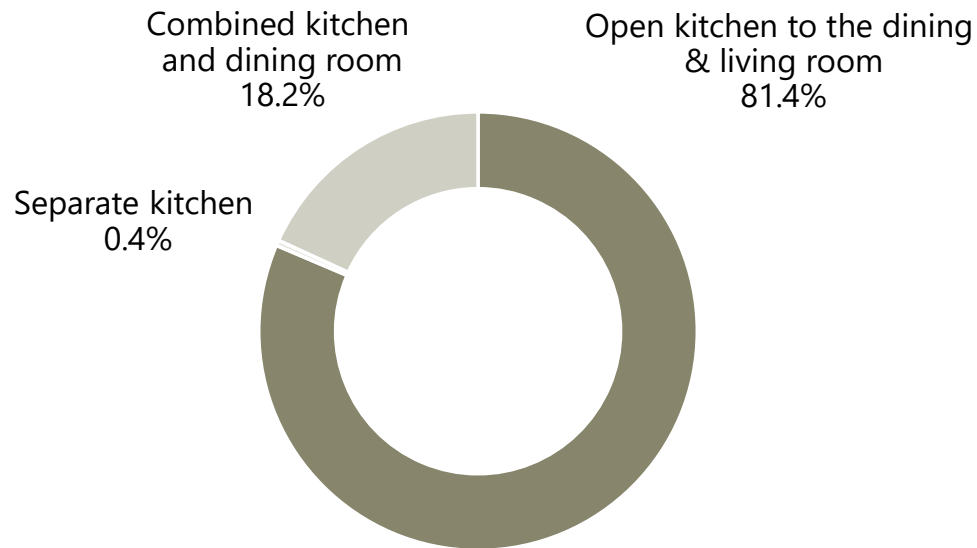


Property sales index [# of transactions, 2009 = 100]



Home improvements: The kitchen is an increasingly visible part of the home and we spend more on home improvements

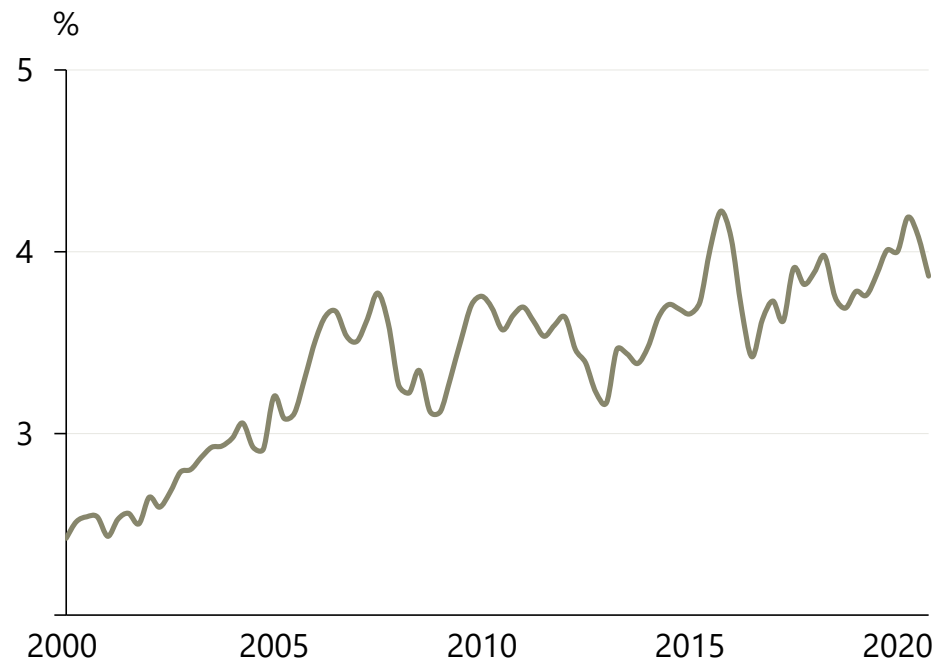
What will the kitchen layout be like in 20 years' time?



Survey among 842 kitchen/bathroom store professionals in Australia, Brazil, Italy, Portugal, Spain, Sweden, UK and USA

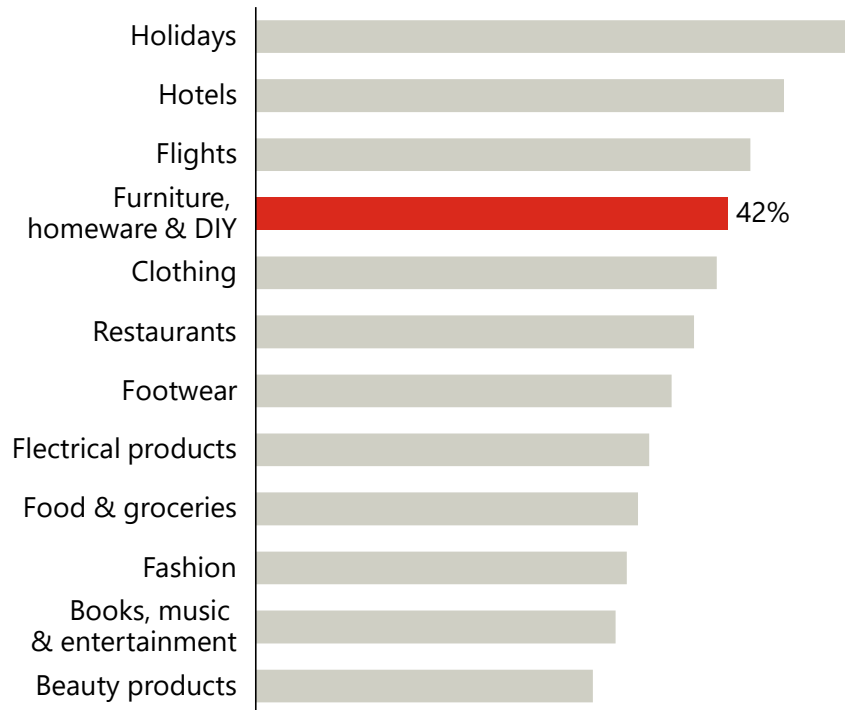
Share of households' disposable income spent on home improvements

Case example Sweden

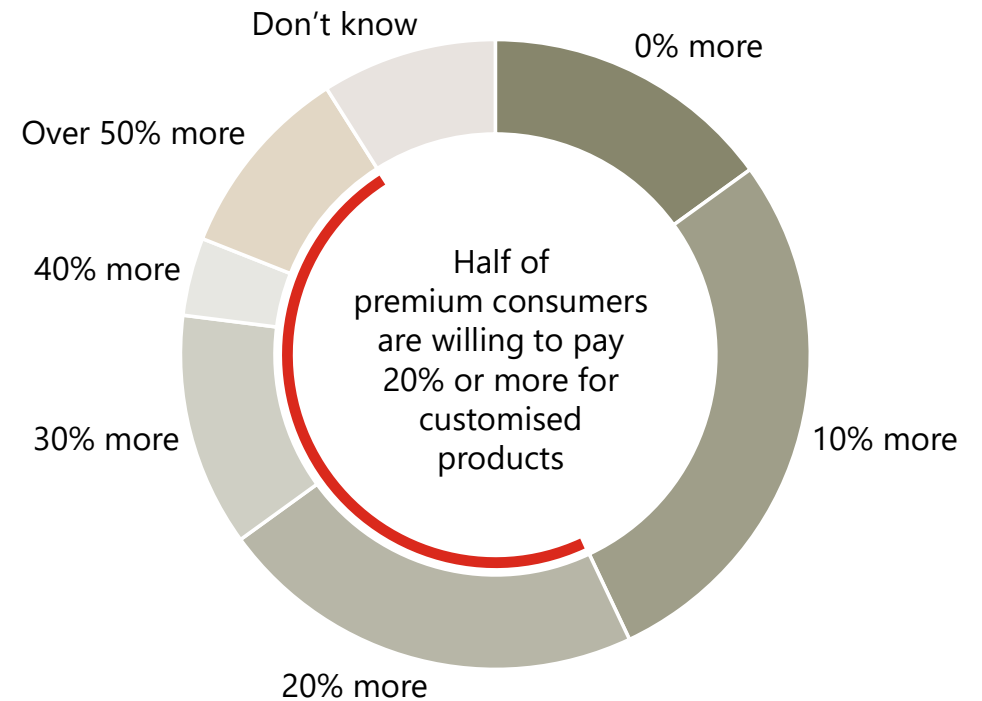


Customisation: Recent research confirms the increased willingness to pay for customised products

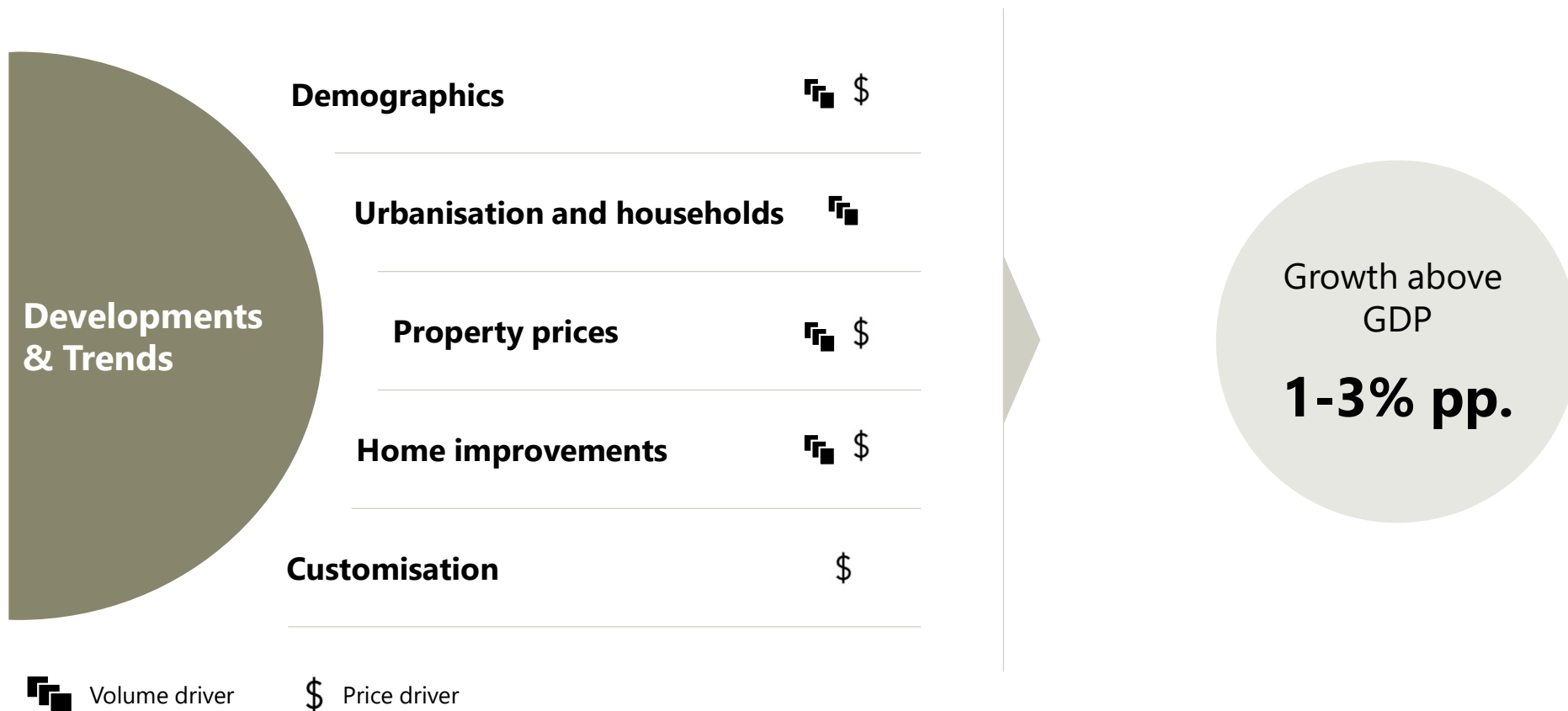
Consumer interest in customised products or services



Willingness to pay for customised products



Summary: Strong long-term outlook for the kitchen market, both in terms of volume and value



Nobia financial highlights

Strong market
position

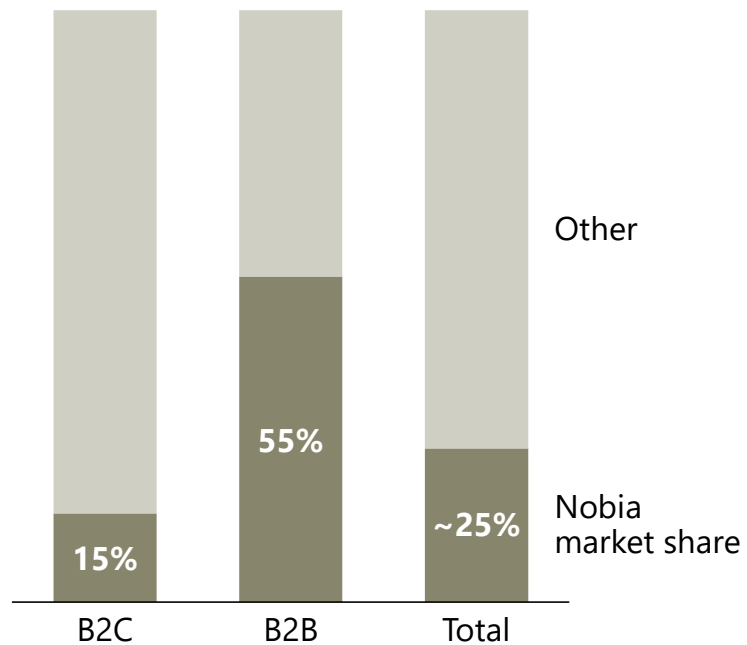
Stable
cash flow

Strong
balance sheet

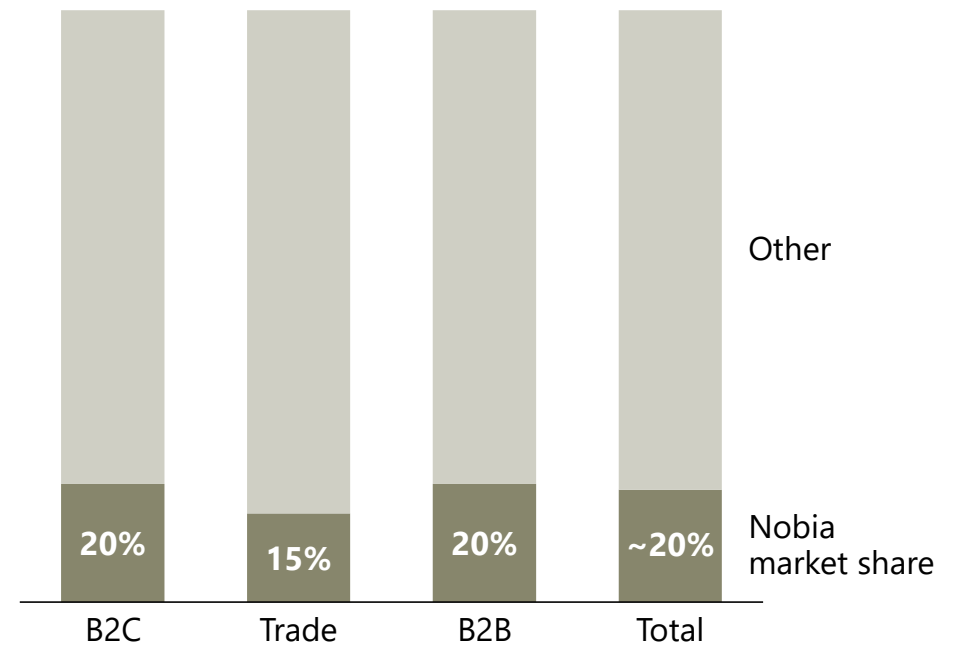
5 BnSEK
facilities
agreement

Nobia volume market share in the Nordics and the UK

**Nobia produced kitchens, market share volume Nordics
['000 kitchens]**



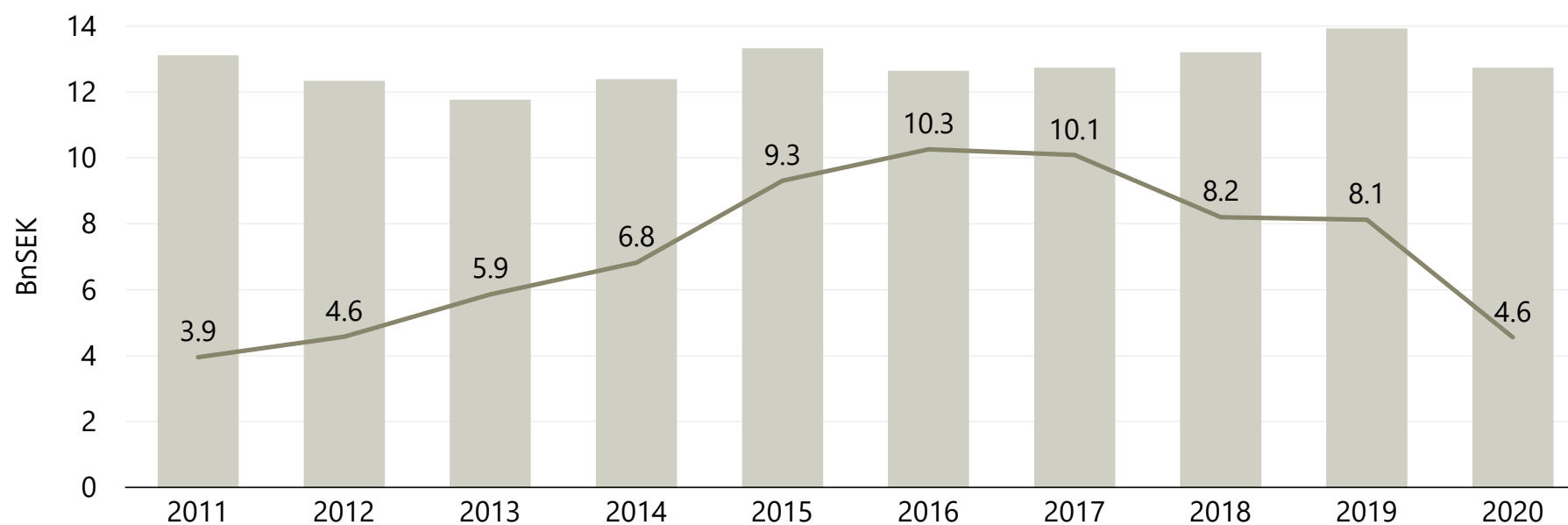
**Nobia produced kitchens, market share volume UK
['000 kitchens]**



Historic financial performance for the Group

Nobia net sales and EBIT development [BnSEK, %]

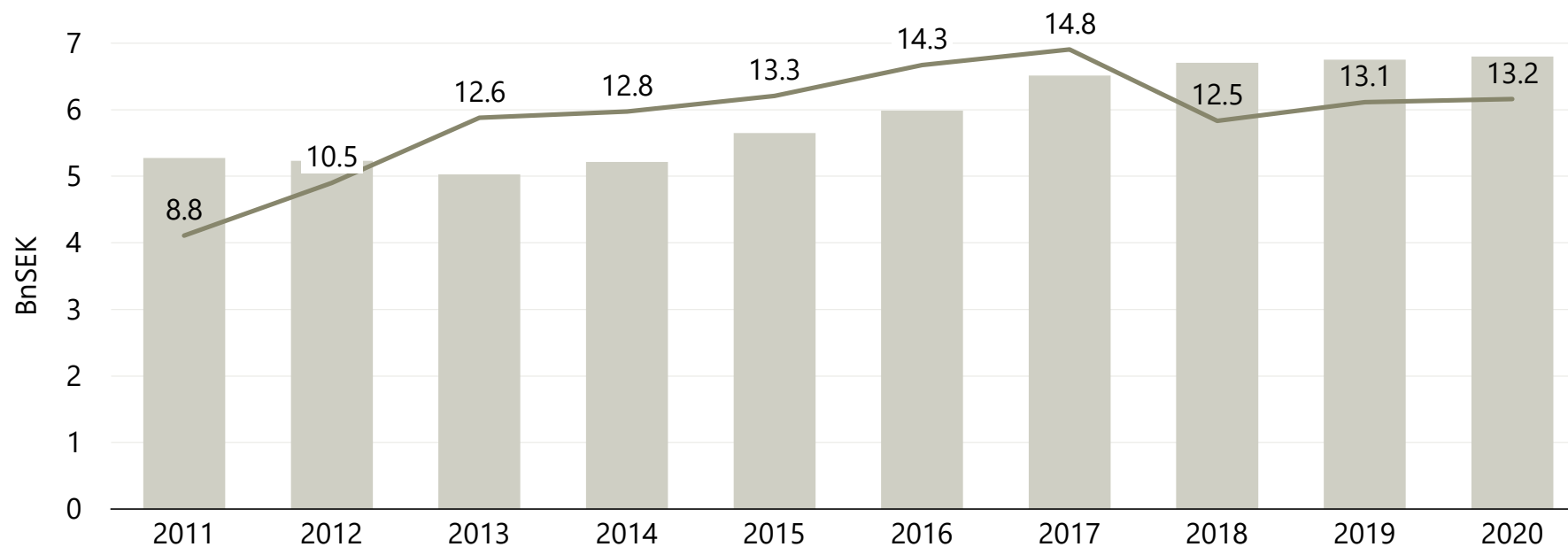
■ Net sales — EBIT-margin¹



Historic financial performance in Region Nordics

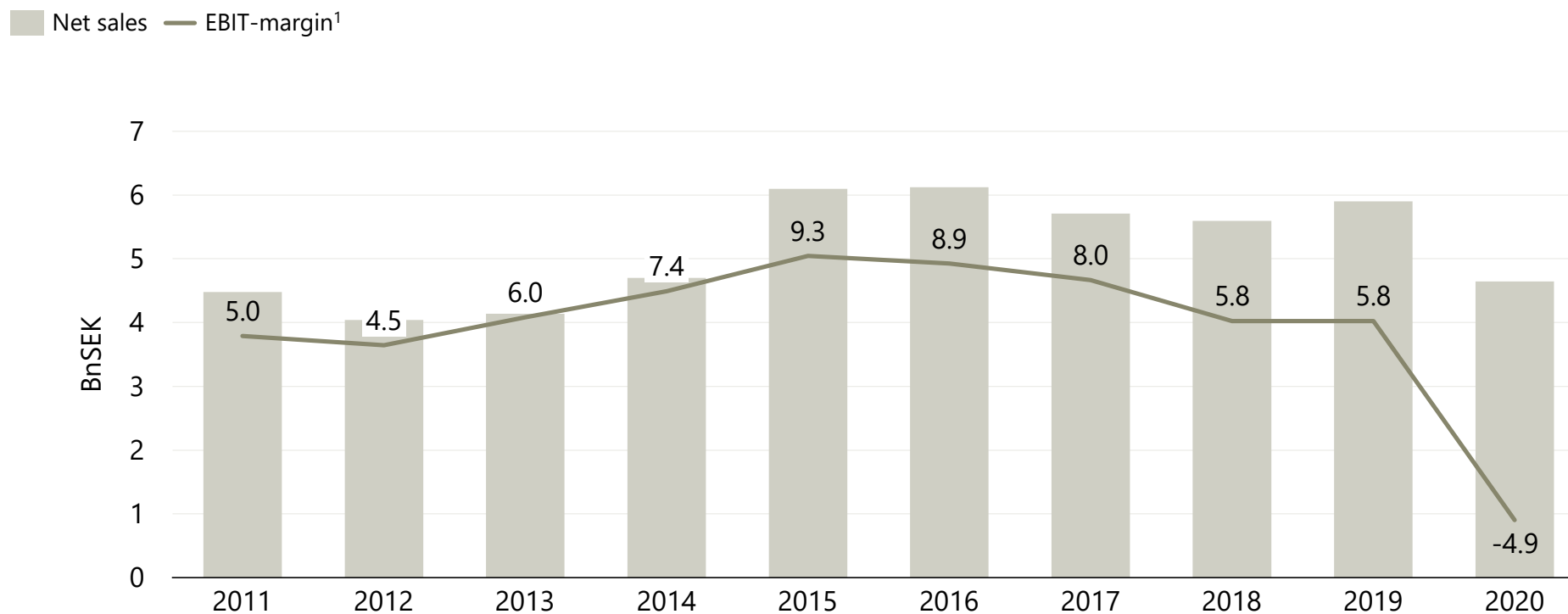
Region Nordics net sales and EBIT development [BnSEK, %]

■ Net sales — EBIT-margin¹



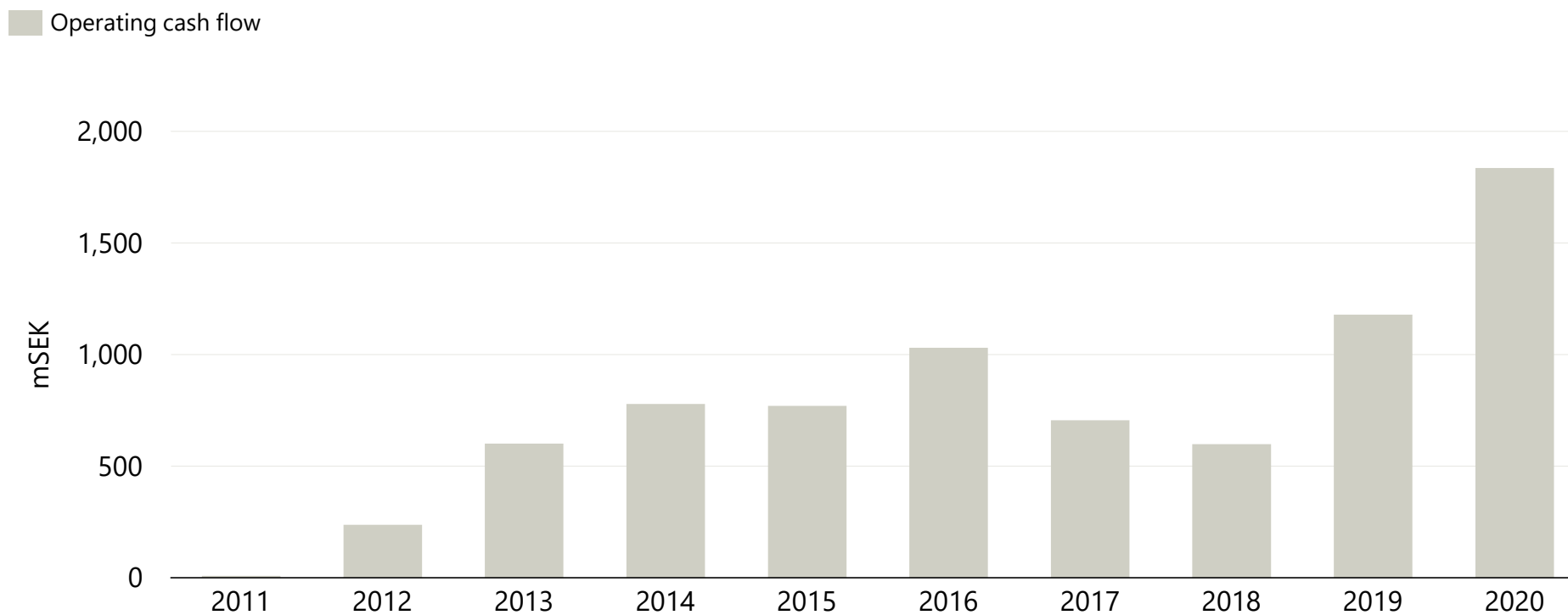
Historic financial performance in Region UK

Region UK net sales and EBIT development [BnSEK, %]



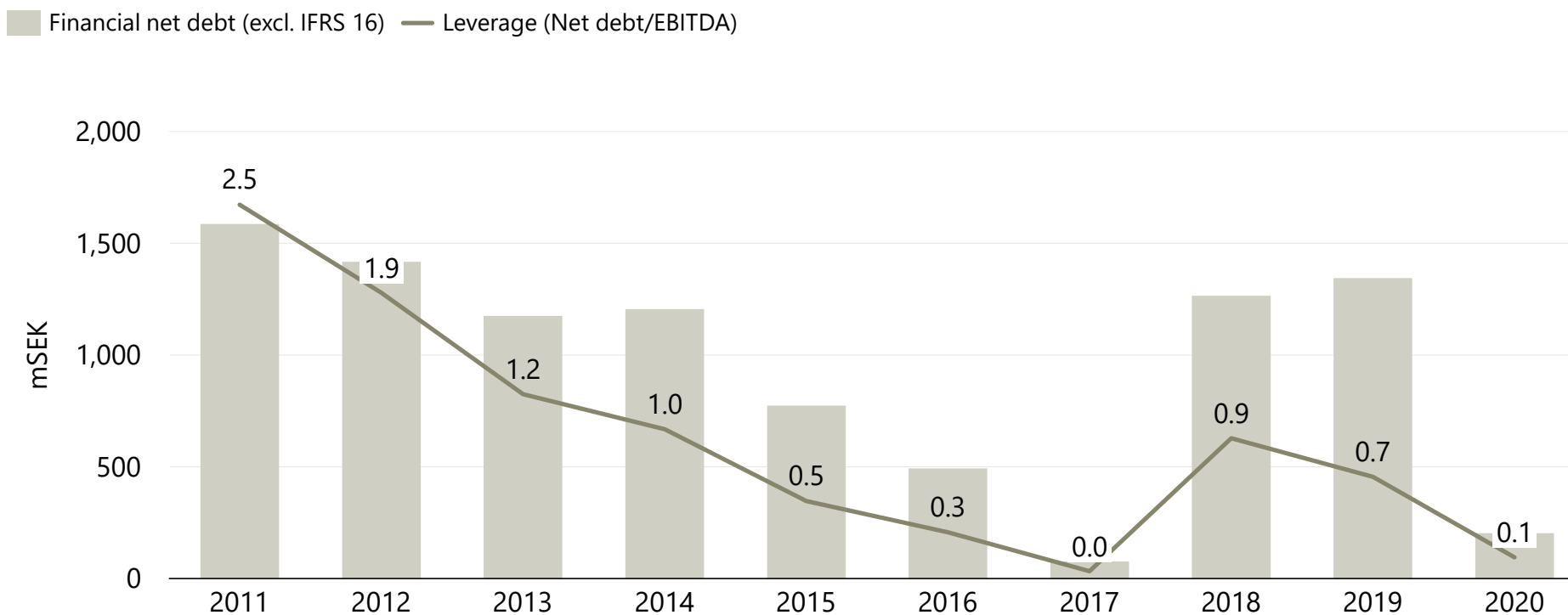
Group operating cash flow

Operating cash flow [mSEK]



Financial net debt

Nobia financial net debt (excl. IFRS 16) and leverage



5 BnSEK facilities agreement with Handelsbanken and Nordea

SEK 5,000,000,000 FACILITIES AGREEMENT

Dated 22 December 2020

for

NOBIA AB (PUBL)

as the Company

arranged by

HANDELSBANKEN CAPITAL MARKETS, SVENSKA HANDELSBANKEN
AB (PUBL) AND NORDEA BANK ABP, FILIAL I SVERIGE

as Bookrunners

with

NORDEA BANK ABP, FILIAL I SVERIGE

as EKN Agent

NORDEA BANK ABP, FILIAL I SVERIGE

as Agent and Security Agent



Strategic plan

Jon Sintorn, President & CEO

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Nobia Tomorrow Together Strategy

Recipe to win

Excellent customer responsiveness
"we care"

Unique mass-customisation capabilities
"we deliver"

Strong consumer brands
"we inspire"

Strategic priorities – "What to do"

Growth
Acceleration

Sustainability
and Design
Leadership
ambition

Structural
Efficiency

People
Engagement

Company goals



Become the customers' **preferred choice**,
in all markets and segments in which
we decide to compete



Earn a reputation for being a
truly responsible company



Be an **attractive
company** to work for,
partner with and invest in

Leverage Group scale to enhance local competitiveness

Detailing the strategic priorities

Sustainability and Design Leadership ambition:

Leading the industry through reduced environmental footprint and beautiful and purposeful design

Growth
Acceleration

Growth Acceleration initiatives:

- Catapult trade growth
- Revitalise consumer retail
- Reinforce project leadership
- Selective geographical expansion
- Digital and data excellence

Structural Efficiency initiatives:

- Manufacturing footprint transformation
- Product platform alignment (K2020)
- Business process harmonisation

Sustainability
and Design
Leadership
ambition

Structural
Efficiency

People
Engagement

People Engagement initiatives:

- Engage and empower our people
- A collaborative culture with shared purpose & direction
- Ensure winning capabilities
- Organised for strategy execution

Film: Nobia purpose



**Growth
Acceleration**

To facilitate this journey, we will substantially increase
our focus on people engagement,

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Region Nordics

Ole Dalsbø, EVP Region Nordics

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Well positioned for profitable growth with EBIT-margins > 15%

Strong brand
positions

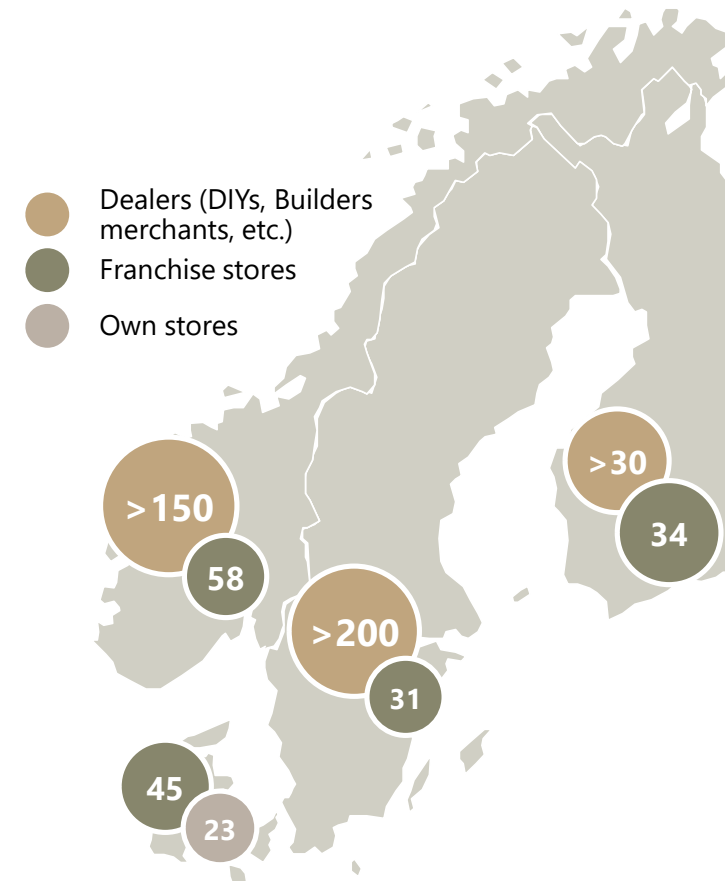
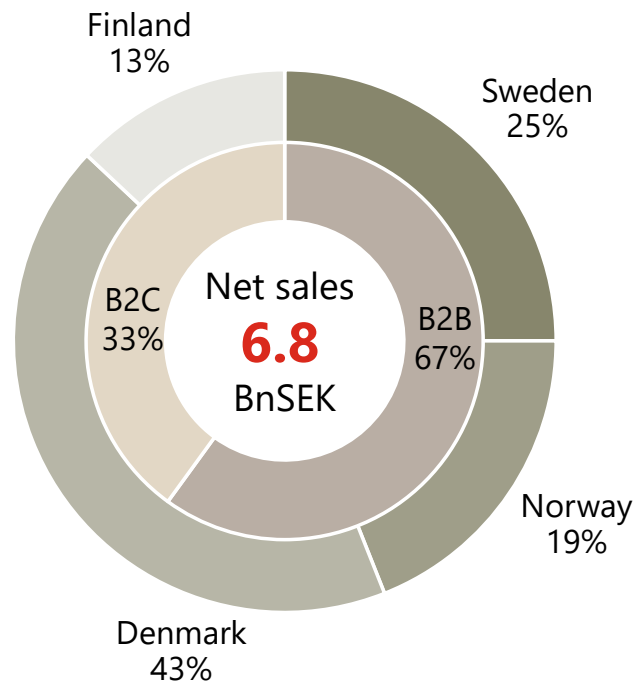
Extensive
distribution
network

Market leader
in the
professional
segment

Growth
potential in
the retail
segment

Organised to
get scale
benefits

Region Nordics is a 6.8 BnSEK business with strong brands and the largest distribution network in the region



Organisational setup to enable closer collaboration between countries and to realise synergies

- Moved from four countries to one regional organisation
- Enabling scale effects, improving structural efficiency and harmonised processes
- Four commercial units, each with a clear focus and strong local presence

Increased collaboration and realising synergies



Key strategic initiatives for the Nordics

Sustainability and Design leadership:

- Our new kitchen concepts will create customer value and drive sales

Growth Acceleration initiatives:

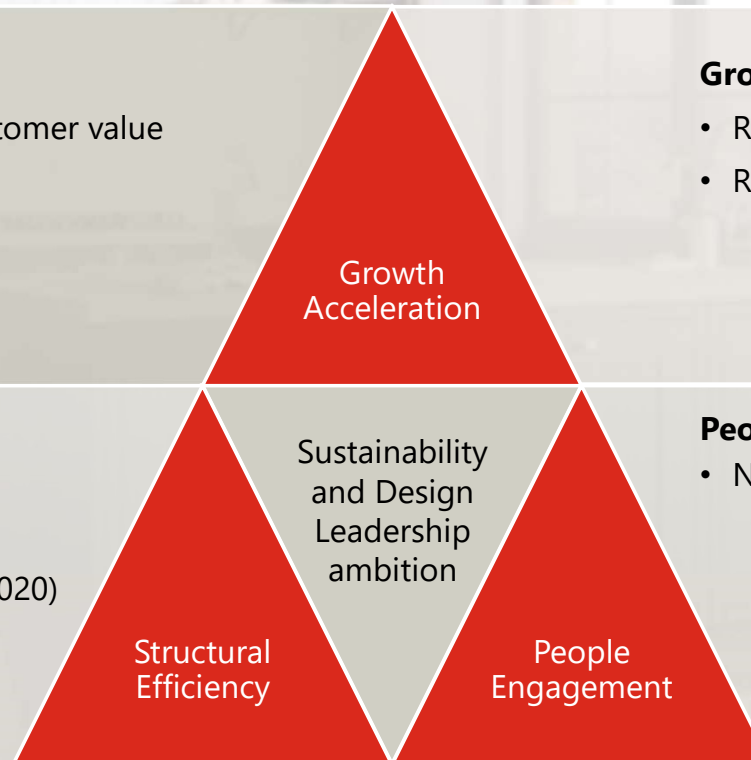
- Reinforce project leadership
- Revitalise consumer retail

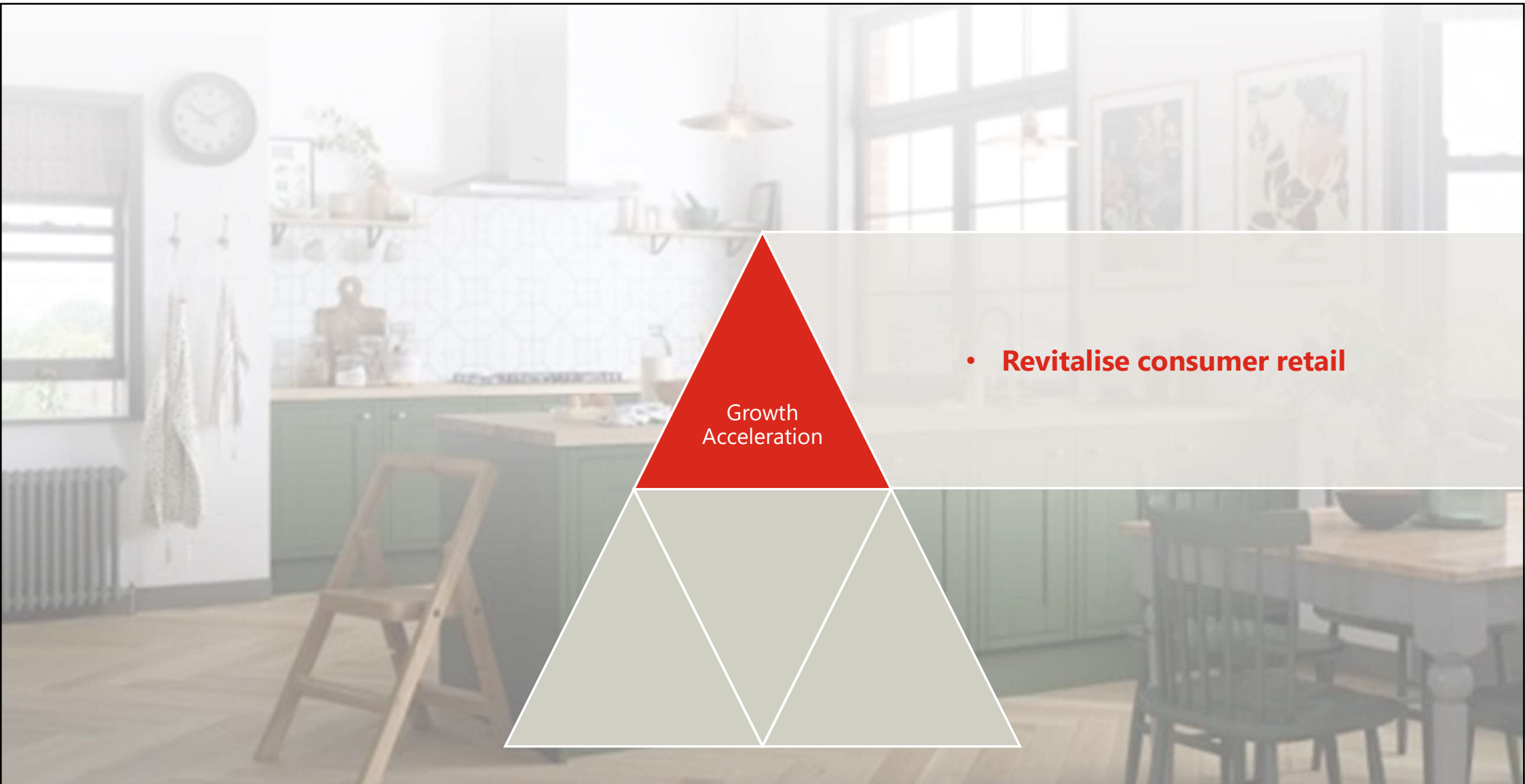
Structural Efficiency initiatives:

- Transform Finland
- New factory in Jönköping
- Harmonise the Nordic product range (K2020)
- Harmonise sales and admin processes

People Engagement initiatives:

- Nordic organisation





Growth
Acceleration

- **Revitalise consumer retail**

Key initiative to drive profitable growth and increase market share

- Launching relevant products and attractive design concepts
- Rolling out best practices and accelerating digitalisation
- Optimising the store network and formats

Capitalising on the trend
in home renovations



Launching attractive design concepts

Jordnära färger



Nordic Spirit



Nordic Creation



Rolling out best practices and accelerating digitalisations

Consumer
experience
vision

Sales
excellence
program

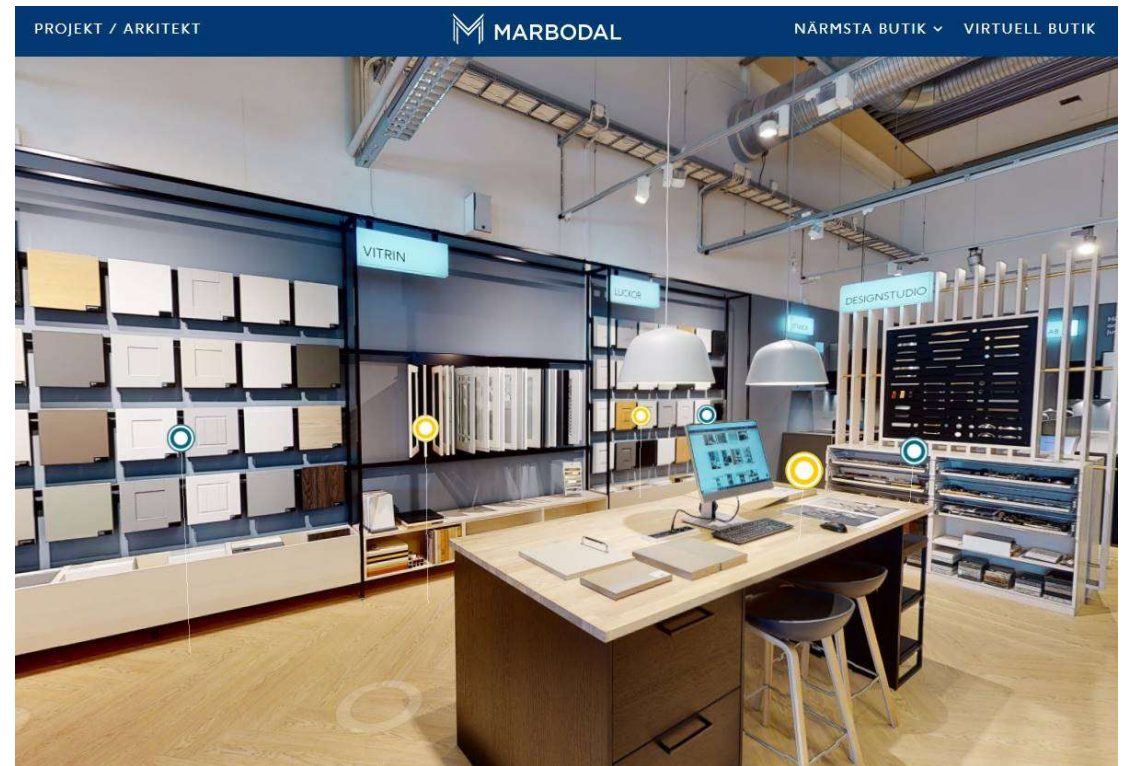
Best
practices

Accelerate
digitalisation

Optimising the store network by improving existing store formats and concepts as well as increasing coverage

- Enhanced in-store experience
- Strengthen in-store execution
- Expand franchise store network
- Omnichannel

Optimising our store network





Film: HTH Flagship store



Well positioned for profitable growth with EBIT-margin > 15%

Strong brand
positions

Extensive
distribution
network

Market leader
in the
professional
segment

Growth
potential in
the retail
segment

Organised to
get scale
benefits



Region UK

Dan Carr, EVP Region UK

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Transformation plan to reach double digit EBIT-margin during the strategic period

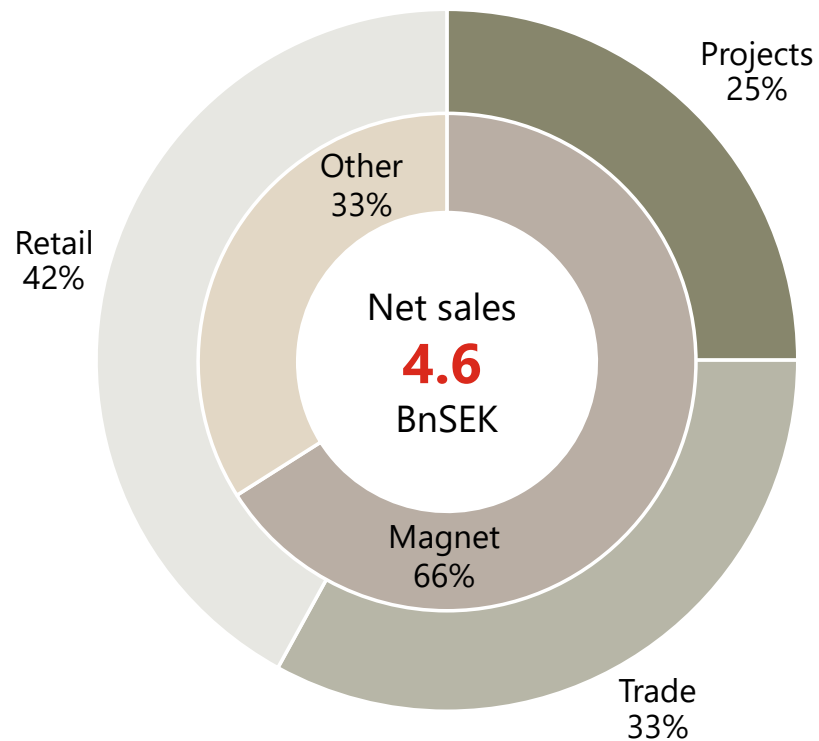
Brexit
uncertainty
removed

Leverage the
strength of
the Magnet
brand

Grow Magnet
presence in
the trade
segment

Propel digital
advancements

Our vision is to be a multi-segment kitchen specialist business with a power brand in Magnet

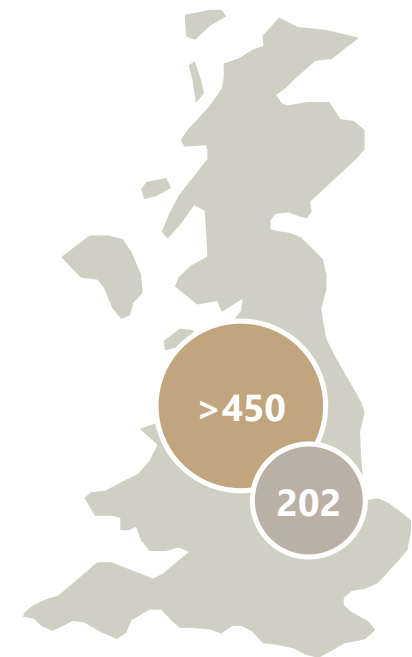


Magnet

Gower



CIE



- Dealers (DIYs, Builders merchants, etc.)
- Own stores

Key strategic initiatives for Region UK

Sustainability and Design leadership:

- Enriching the Magnet proposition with Scandinavian design
- Take a clear position as a sustainability leader

Growth Acceleration initiatives:

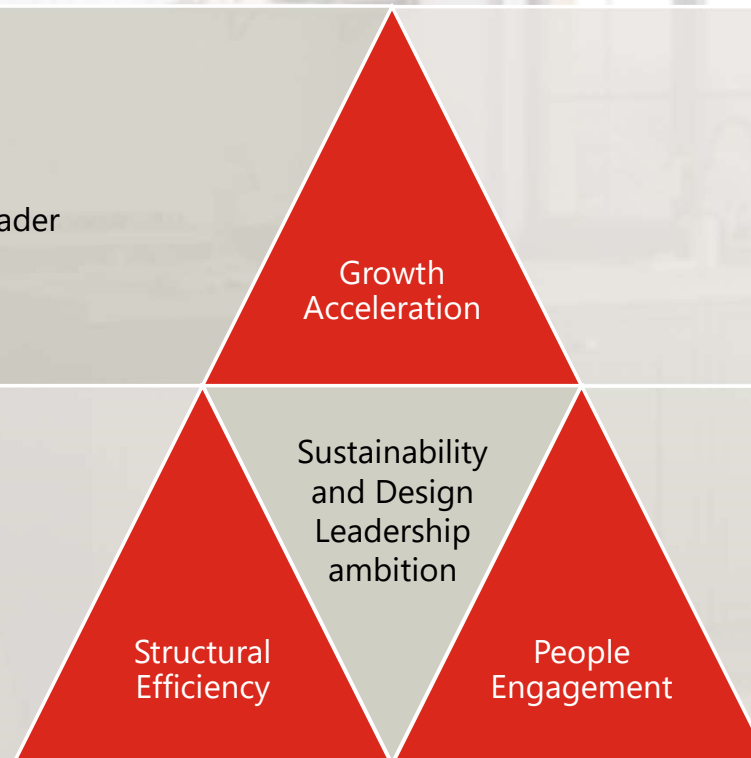
- Leverage Magnet as a power brand
- Catapult Trade
- Digital and data excellence

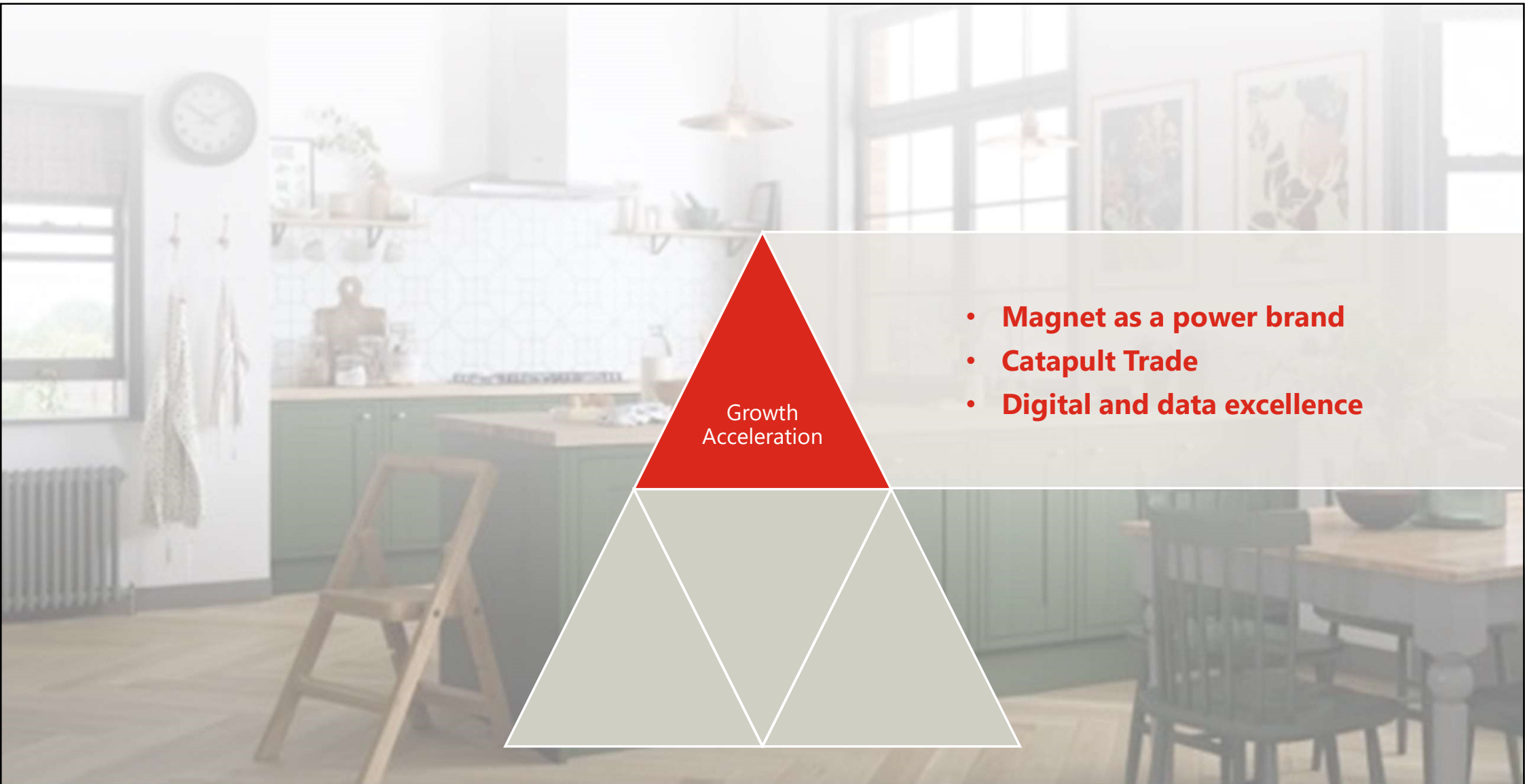
Structural Efficiency initiatives:

- Rationalise product portfolio (K2020)
- Develop Darlington as K2020 centre of excellence
- Regionalise supporting functions

People Engagement initiatives:

- Local empowerment
- Re-organise to focus on Magnet
- Diversity





Growth
Acceleration

- **Magnet as a power brand**
- **Catapult Trade**
- **Digital and data excellence**

We will leverage the strong Magnet brand across retail, trade and projects



Homeowners'
desired choice

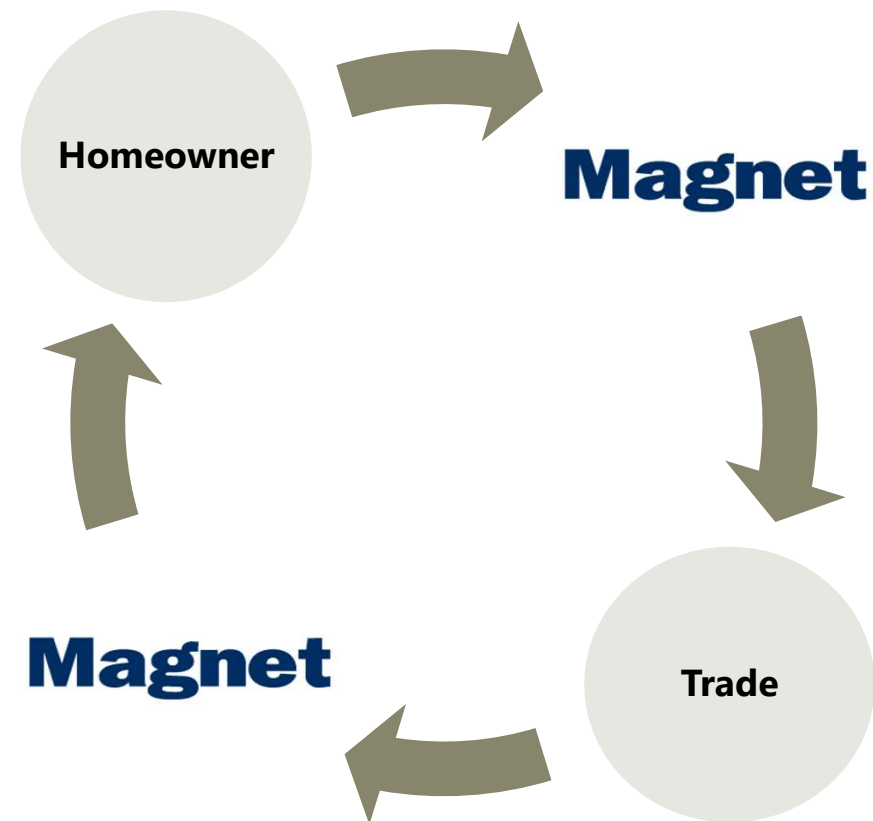
Trade professionals'
preferred partner

Add value and
convenience to
property
developers

Magnet has a significant untapped potential in the trade segment

- Attractive market segment
- Magnet brand creates a strong pull
- Strong asset in store network
- Strengthened proposition from 2019
- Increased focus and resources towards trade

Well positioned to connect
trade and homeowners



Strengthening the trade proposition in the UK

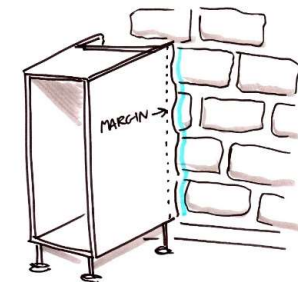
- Mass customisation to increase value for all stakeholders
- Improved store asset utilisation adds value
- Harmonised K2020 range facilitates installation speed
- Supply Chain improvements drive better availability

Target double digit growth rates

Store network



Easy and fast to fit



Stock availability



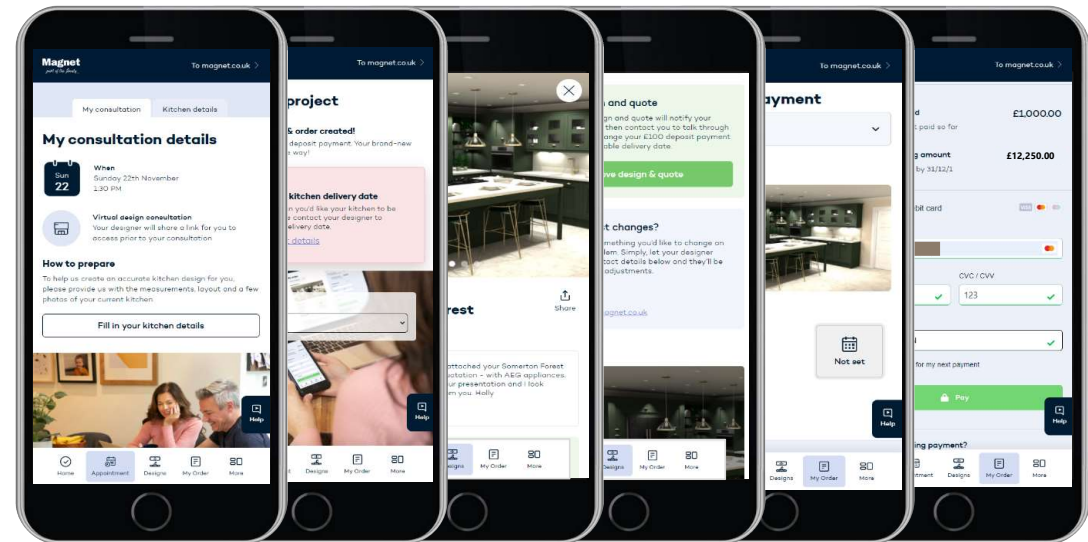
Digitalisation enables a wider reach, better conversion and improves our cost to serve

- Changing customer behaviour
- Improved online booking
- Video meetings introduced
- Virtual design hub established
- Digital customer/sales tool launched
- Improved platform for Trade

+168%
conversion to
appointments

>50,000
new accounts
in the digital tool

New digital customer / sales tool



Appointment

Design

My Order

Transformation plan to reach double digit EBIT-margin during the strategic period

Brexit
uncertainty
removed

Leverage the
strength of
the Magnet
brand

Grow Magnet
presence in
the trade
segment

Propel digital
advancements



People & Culture

Cecilia Forzelius, EVP People & Culture

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Three main drivers for rethinking our organisational setup

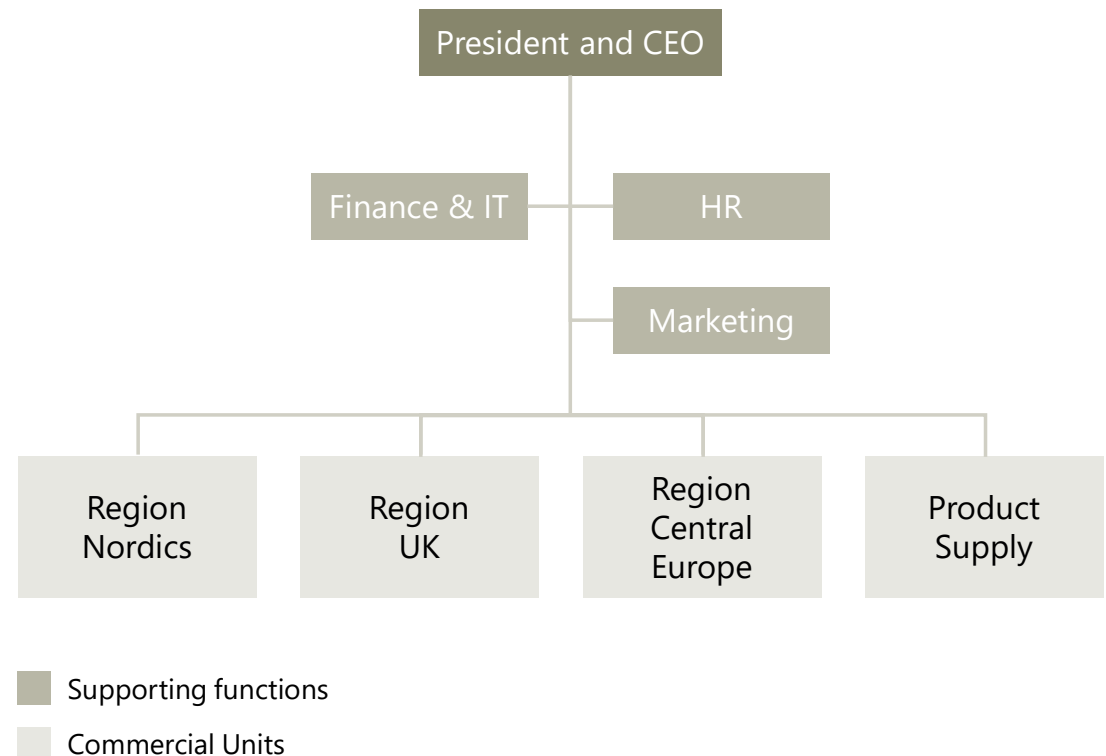
Evolving
customer
behaviour

Organisational
development

Tomorrow
Together
strategy

The new organisational structure enables us to leverage group scale to enhance local competitiveness

- Faster business decisions
- Local accountability close to customer
- Enable transformative investments on Group level to realise structural efficiency
- Process harmonisation and competence centres of excellence
- Wider range of career paths





People Engagement initiatives

A collaborative culture with shared purpose & direction

Ensure winning capabilities

Foster authentic and inspirational leaders

Engage and empower our people



Product Supply

Ola Carlsson, EVP Product Supply

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Product Supply will drive several initiatives to enable growth and run rate cost savings of 500 mSEK by 2025

Group wide
organisation
to leverage
scale

Harmonising
product
platforms

Sourcing
savings

State-of-the-
art factory in
Jönköping

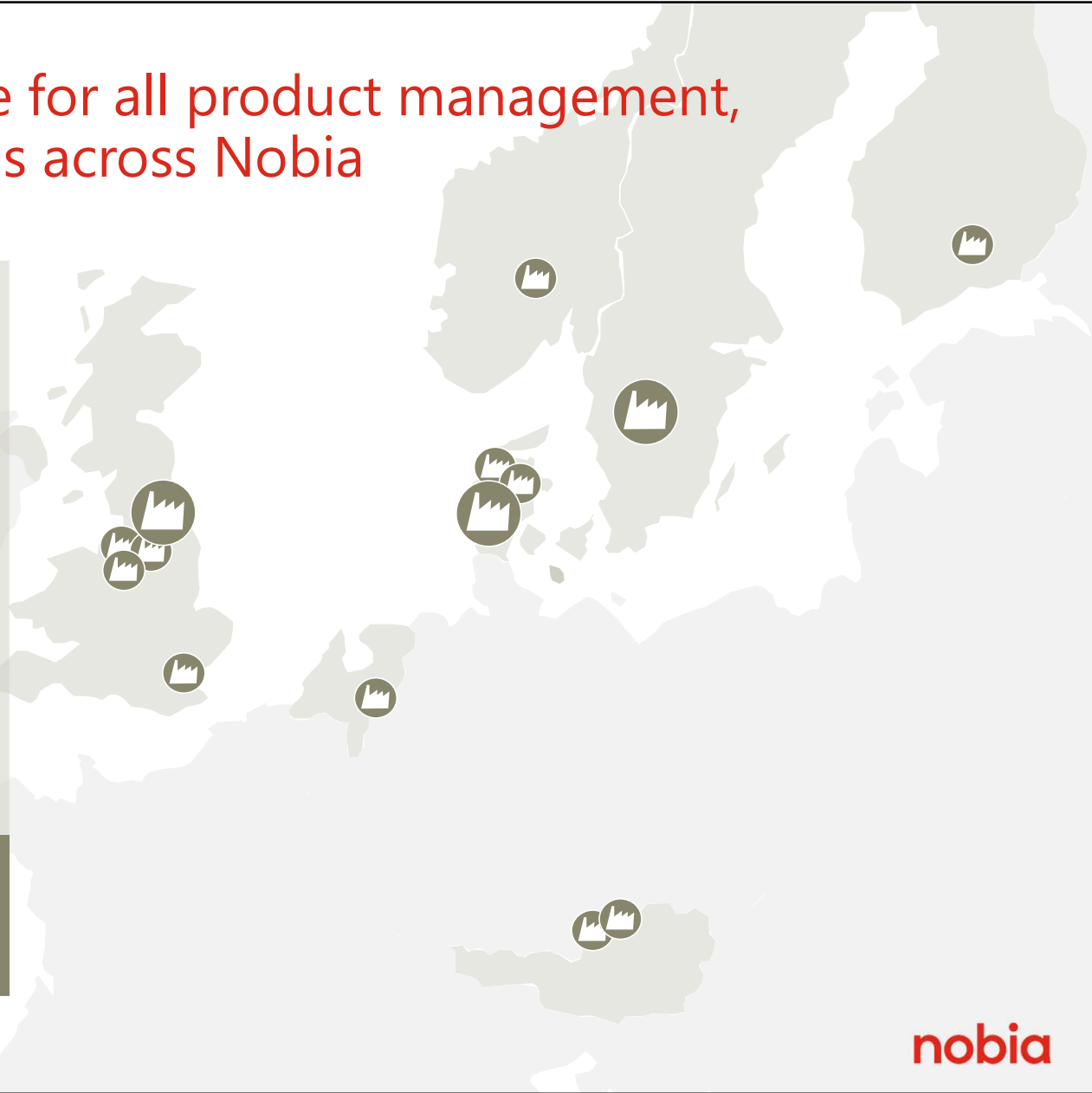
Support
group wide
growth
initiatives

Product Supply is responsible for all product management, R&D, sourcing and operations across Nobia

- 14 production facilities
- ~80% made-to-order production
- 620 suppliers, mainly Europe based
- 2 major product platforms
- 5 BnSEK in direct material spend
- 0.8 BnSEK outbound transportation

3,000
FTE

~5
kitchens per minute



Key strategic initiatives for Product Supply

Sustainability and Design initiatives:

- Comply with the approved science-based targets
- Product development for sustainable living

Growth Acceleration initiatives:

- Increase capability in mass customisation
- Faster speed to market with product concepts
- Support UK growth in Trade


Structural Efficiency initiatives:

- State-of-the-art factory in Jönköping
- Product platform alignment (K2020)
- Sourcing strategy and Value engineering

People Engagement initiatives:

- Health and safety
- Accident zero vision



- 
- **State-of-the-art factory in Jönköping**
 - **Product platform alignment (K2020)**
 - **Sourcing strategy and Value engineering**

Structural
Efficiency

New state-of-the-art factory in Jönköping – a quantum leap

- Enables strong growth across the Nordics and Central Europe
- Mass customisation abilities to accommodate individual preferences at scale
- Cost leadership through high level of automation and optimised distribution
- Facilitates specialisation and consolidation over time
- Industry leading sustainability footprint

50%
capacity
increase

>40%
reduction in conversion cost
through automation



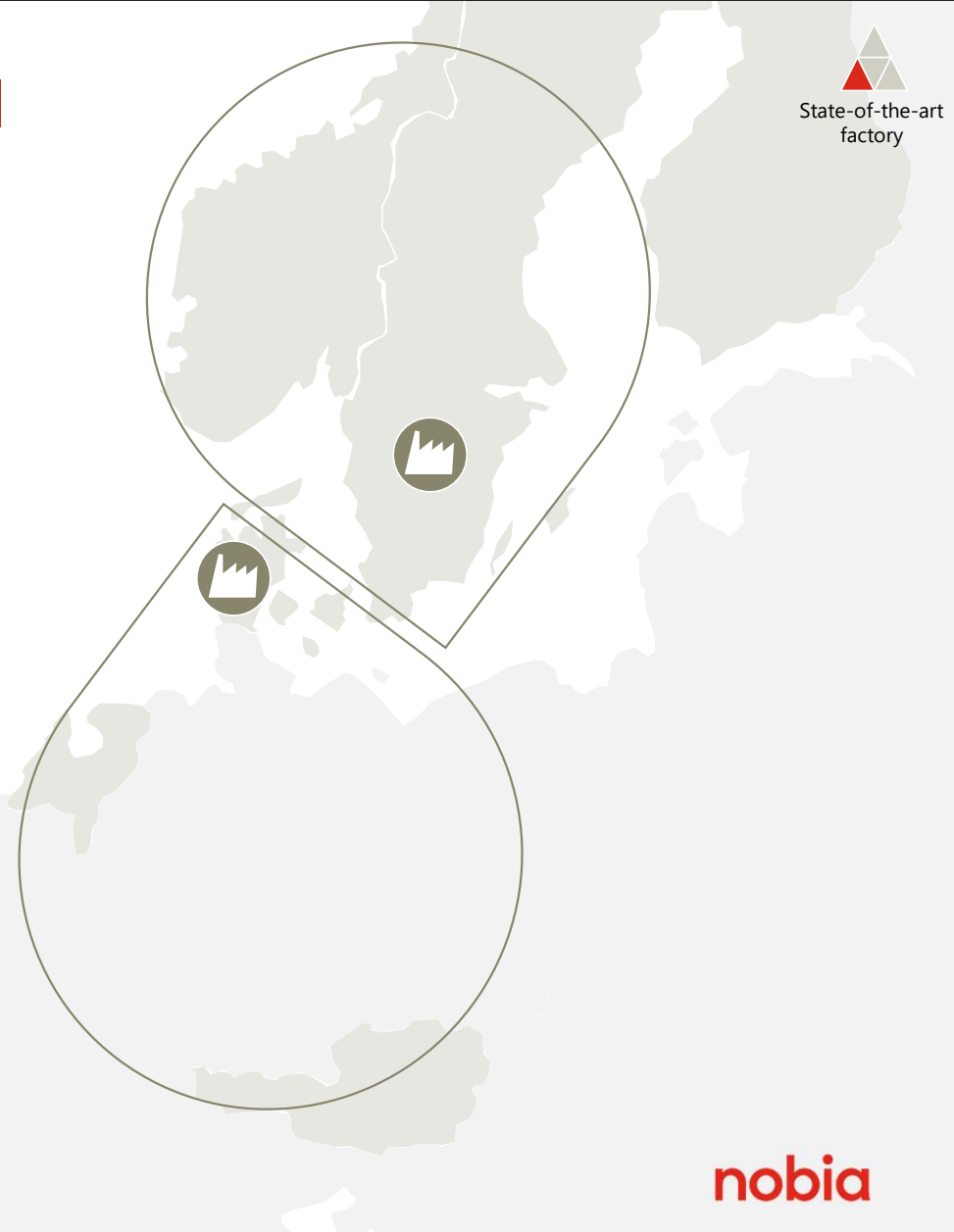
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The new factory will enable international expansion

- New factory in Jönköping frees up capacity in Ølgod
- Ølgod factory well positioned to Germany and the Netherlands
 - 1.5h to German boarder
 - 3h to Hamburg
 - 5h to Dutch border
 - 6h to Berlin
 - 6.5h to Düsseldorf and Dinxperlo (Bribus)
 - 8h Frankfurt am Main

Ølgod well positioned for distribution in Central Europe

State-of-the-art
factory

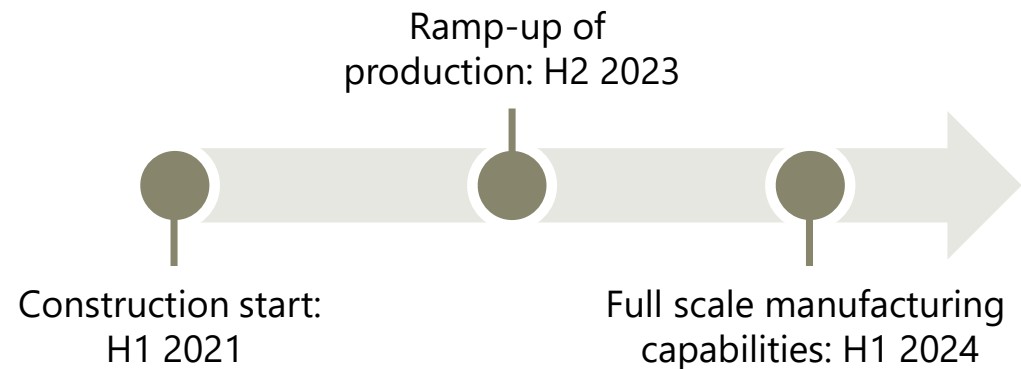


Reaching full capacity in 2024 the new factory will generate run rate savings of 0.3 BnSEK

- **Machine park investment:** 2.0 BnSEK
- **Project cost:** 0.2 BnSEK (CAPEX, cash)
- **Building:** 1.5 BnSEK (develop, sell & lease back)
- **Write down, non-cash:** 0.1 BnSEK

0.3 BnSEK
run rate savings

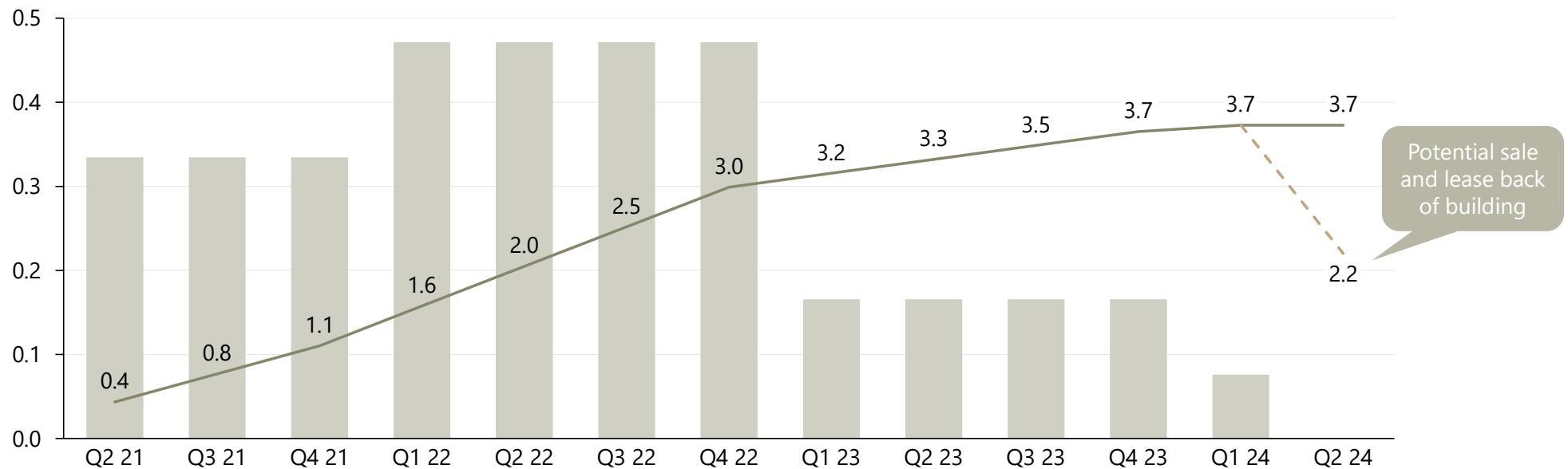
>0.5 BnSEK
value of capacity
increase



CAPEX spend for the new factory will be most intense during 2022

Indicative cash out profile for the new factory¹ [BnSEK]

■ Cash out — Accumulated

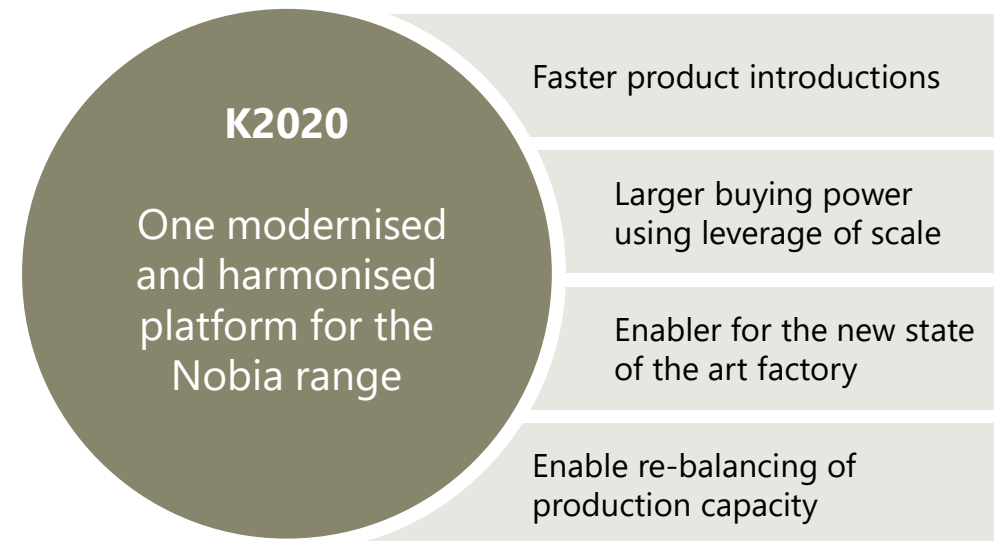


New and optimised product platform across the group (K2020)

- Harmonising the Nordic ranges into one competitive and fit for purpose range of products
- Includes all product categories and full ranges
- Embodies the ambition to enhance local competitiveness by leveraging group scale

-65%
of cabinet
dimensions

-62%
of sales articles



Develop Darlington as the K2020 centre of excellence in the UK

- Brand independent panel manufacturing and assembly of K2020
- Develop mass customisation abilities
- Improved distribution model supporting our trade proposition
- Develop capabilities for direct deliveries to trade and project sites
- Expand Darlington to support growth

Leverage brand
independent supply chain

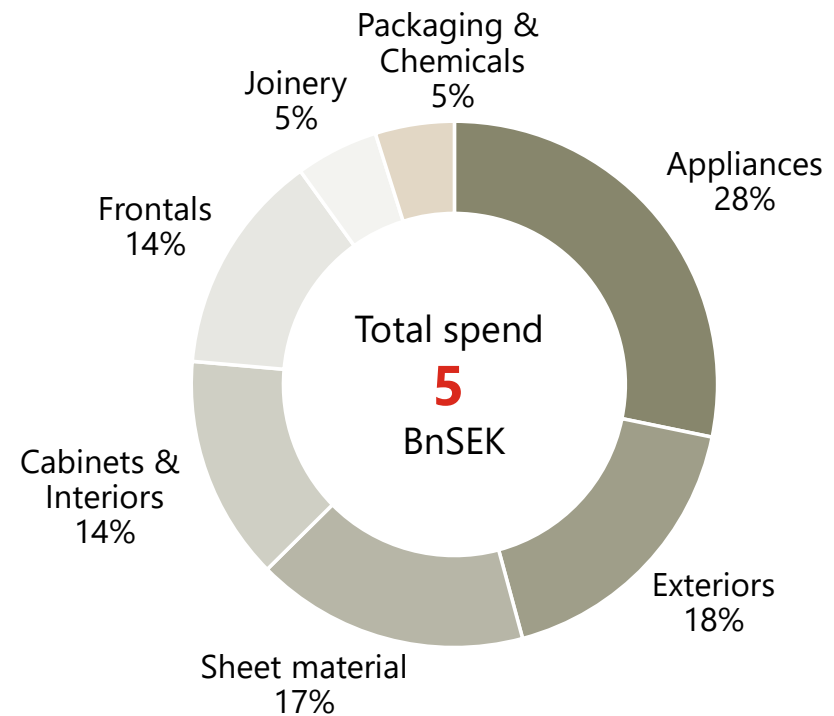


Sourcing savings through aligned product platform and range harmonisation across the group

- Centralised organisation to drive scale benefits
- Leverage on new optimised product platform (K2020)
- Consolidating supplier base
- Value engineering initiatives

5 BnSEK
direct material spend

620
suppliers



Product Supply will drive several initiatives to enable growth and run rate cost savings of 500 mSEK by 2025

Group wide
organisation
to leverage
scale

Harmonising
product
platforms

Accelerating
sourcing
savings

State-of-the-
art factory in
Jönköping

Support
group wide
growth
initiatives

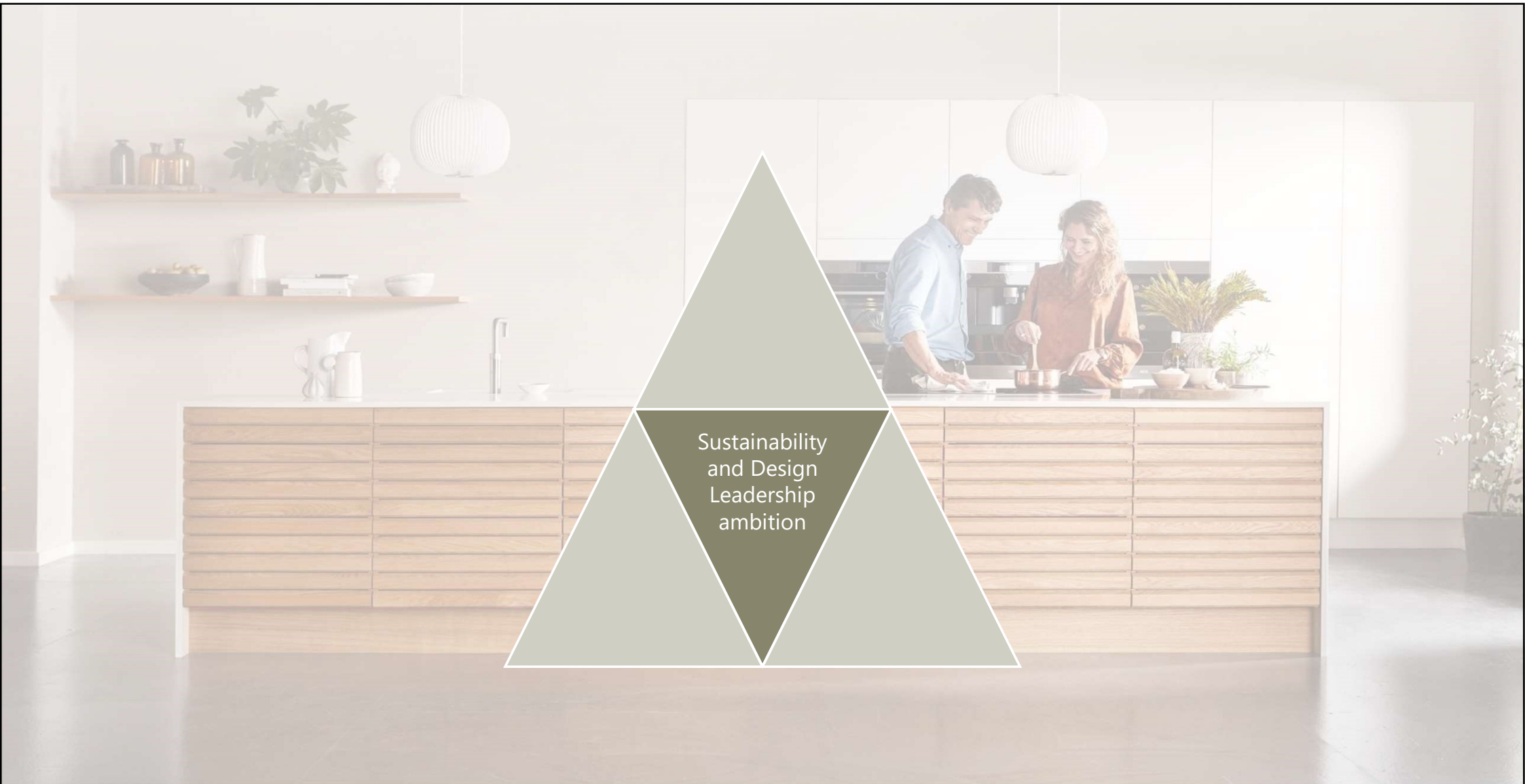


Sustainability and Design

Amanda Jackson, Head of Sustainability

Dan Josefsberg, EVP Marketing, Customer
Experience and Communication

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Sustainability and Design leadership is at the heart of Nobia's strategy



Responsibility throughout the value chain



Our results so far

100%

renewable
electricity in
production sites
& own stores

100%

wood waste to
material &
energy recovery

47%

net sales Nordic
Eco labelled in
Sweden &
Norway (2019)

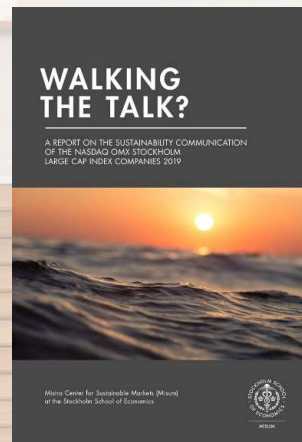
25%

CO₂ reduction
(scope 1 & 2) in
2019

294

suppliers in
program for
responsible
sourcing (2019)

A selection of awards and recognitions



Our new sustainability strategy is targeting four areas

Sustainable
materials and
circular
economy

Inspiring
sustainable
living

Nurturing a
sustainable
culture

Greenhouse
gas emissions

Executing on the strategy

Science based targets



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

- We have adopted a science-based targets
- Target to reduce the CO₂ emissions by 72%
- Collaborate with suppliers to reduce their carbon footprint

Inspiring sustainable living



- Helping customers reduce their carbon footprint in the kitchen
- Continue to expand our eco-labelled product range
- Designing kitchens for sustainable living

Why does design matter?

**The kitchen is often one of the largest
investments in the home**

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It's where we spend more and more quality
time with friends and family

> 50%

of people socialise with friends in the kitchen



It's where many of us spend our
working days

90%

of HR leaders plan to allow employees to work remotely
at least part of the time, even after the pandemic



The kitchen is an increasingly visible part of the home



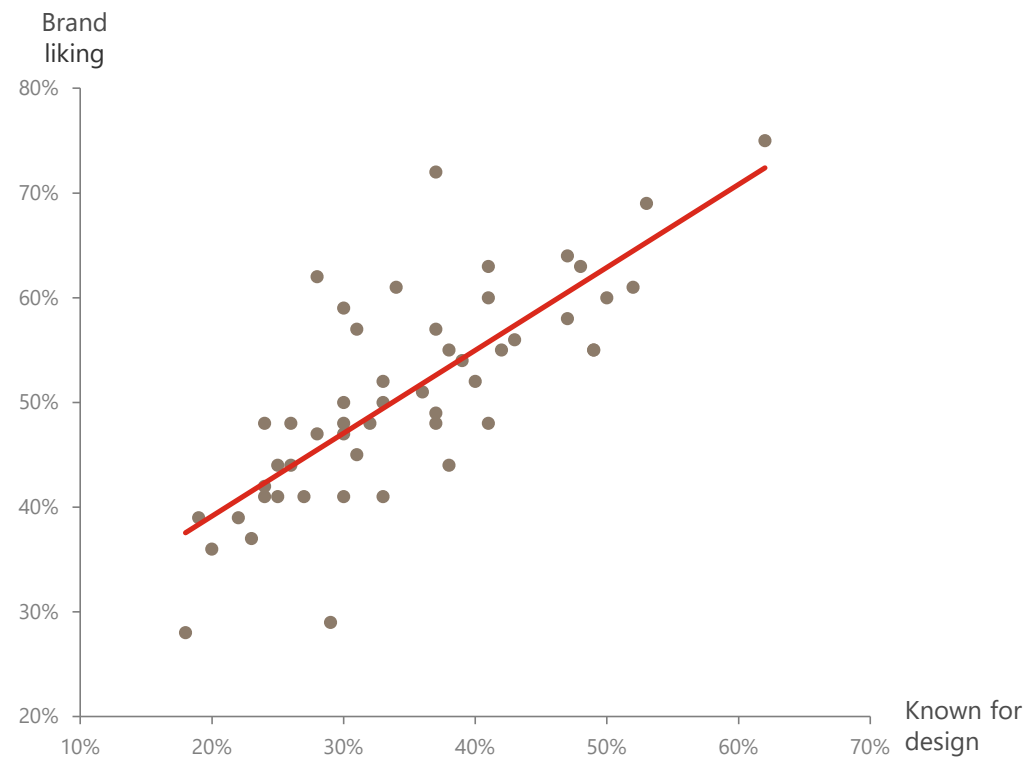
**What will the kitchen be like
in 20 years' time?**

80%

Open kitchen onto
dining room and
living room

*Survey among 842 kitchen/bathroom store professionals UK,
Sweden, Italy, Spain, Portugal, USA, Australia and Brazil*

Design matters to kitchen consumers...



During 2020 we have intensified our design efforts

Nordic Spirit



Jordnära färger



Nordic Creation



To guide all our group design work and achieve our portfolio design goals, we have defined a number of design principles



Intentional



Holistic



Supporting



Uncomplicated

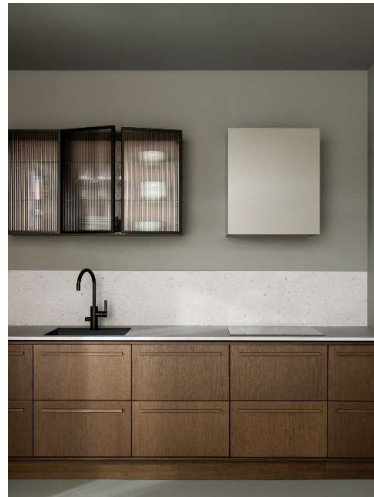


Balanced



Unique

Putting our principles to action – Our **Nordic Nature** 2021 design launch



Intentional
with a mid tone
warm oak inspired
wooden concept

Holistic
design potential
within our
portfolio

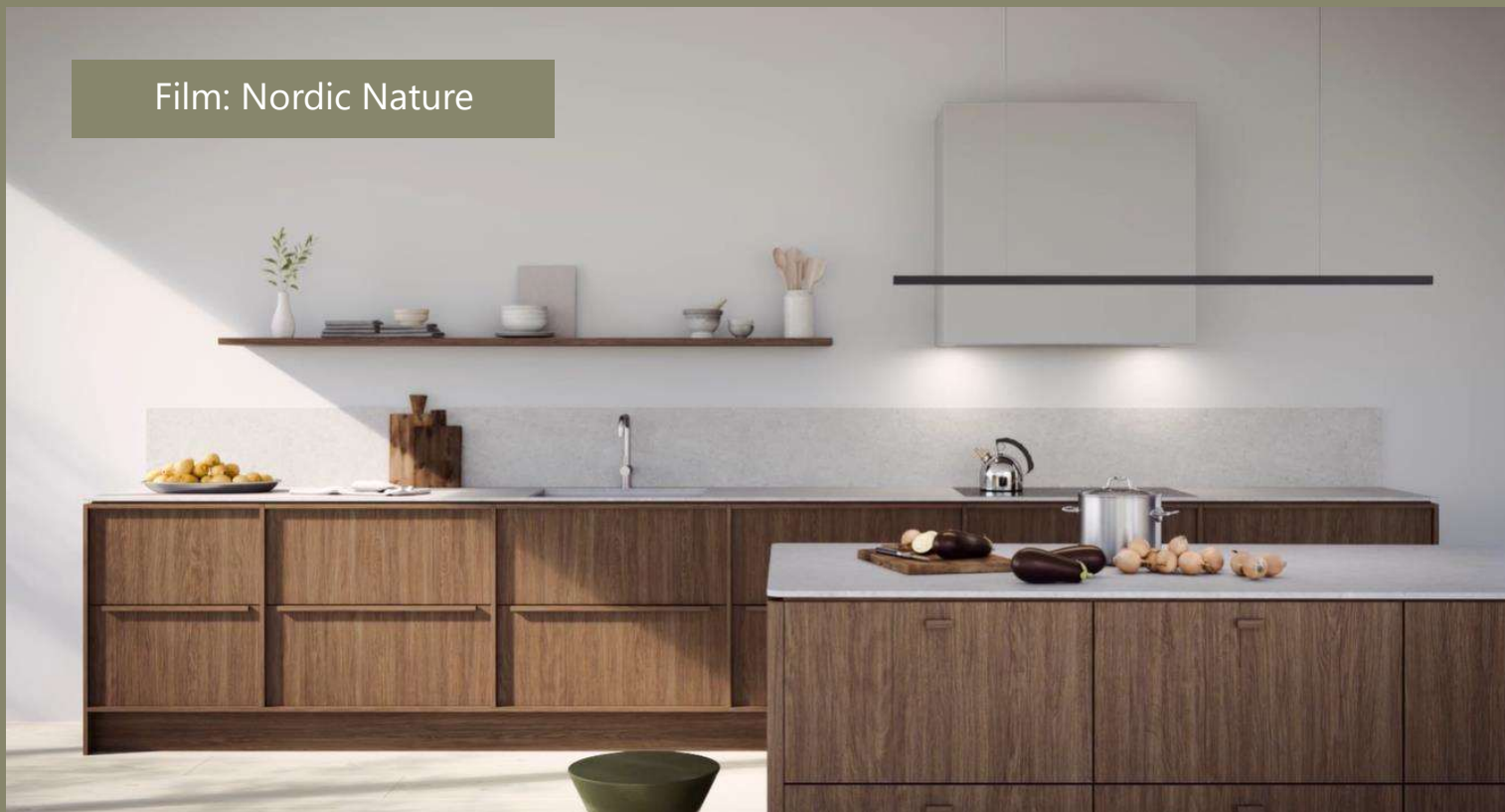
Supporting
sustainable
design with
FSC certified
wood

Uncomplicated
with a few
distinct design
elements

Balanced
with functional,
tactile and
visual
elements

Unique
details such as
rounded corners,
fluted wood
and glass

Film: Nordic Nature



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Additional growth initiatives

Jon Sintorn, President & CEO

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Additional growth opportunities

Grow with our
existing brands
Ewe & Bribus

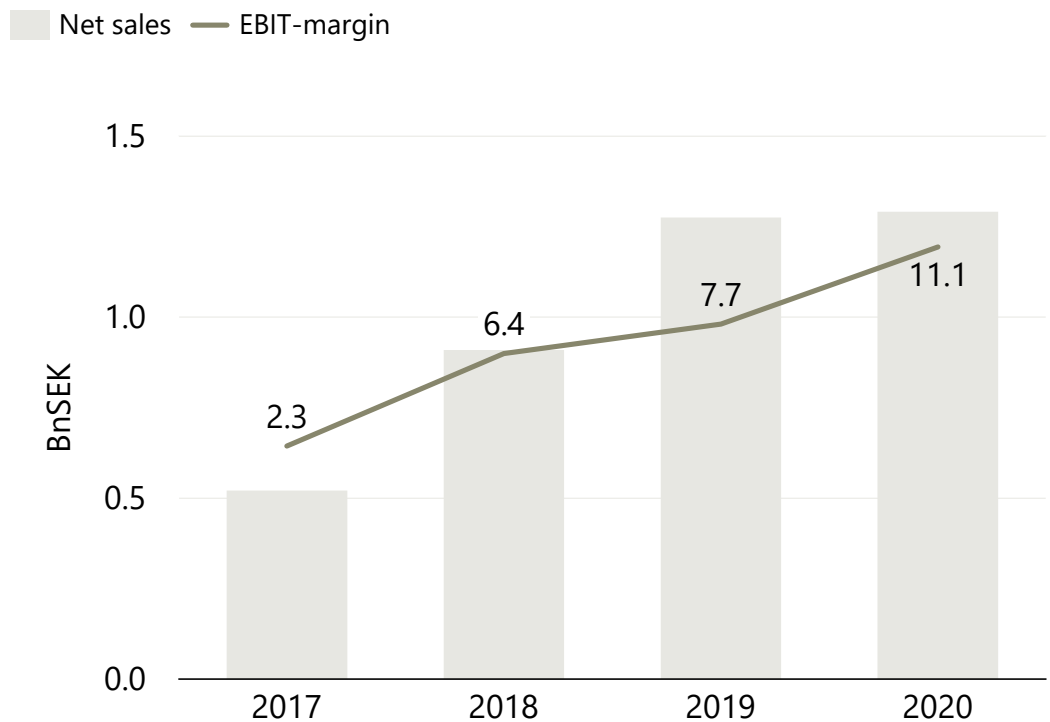
Establish HTH
selectively in
new markets

M&A of companies
that fit our model

Grow with our existing brands Ewe & Bribus

- Bribus in the Netherlands
 - Strong momentum since the acquisition
 - Realising synergies
 - Expanding presence in other segments
- Ewe in Austria
 - Turnaround completed
 - Targeting profitable growth in the retail segment
 - Introduction of Danish design products from Unoform

Region Central Europe net sales and EBIT development
[BnSEK, %]



International expansion with the HTH brand

- Nobia's most valuable brand
- Capitalise on Danish design and Scandinavian heritage
- International customers
- Asset light franchise model

Opportunity to expand presence
in Central Europe



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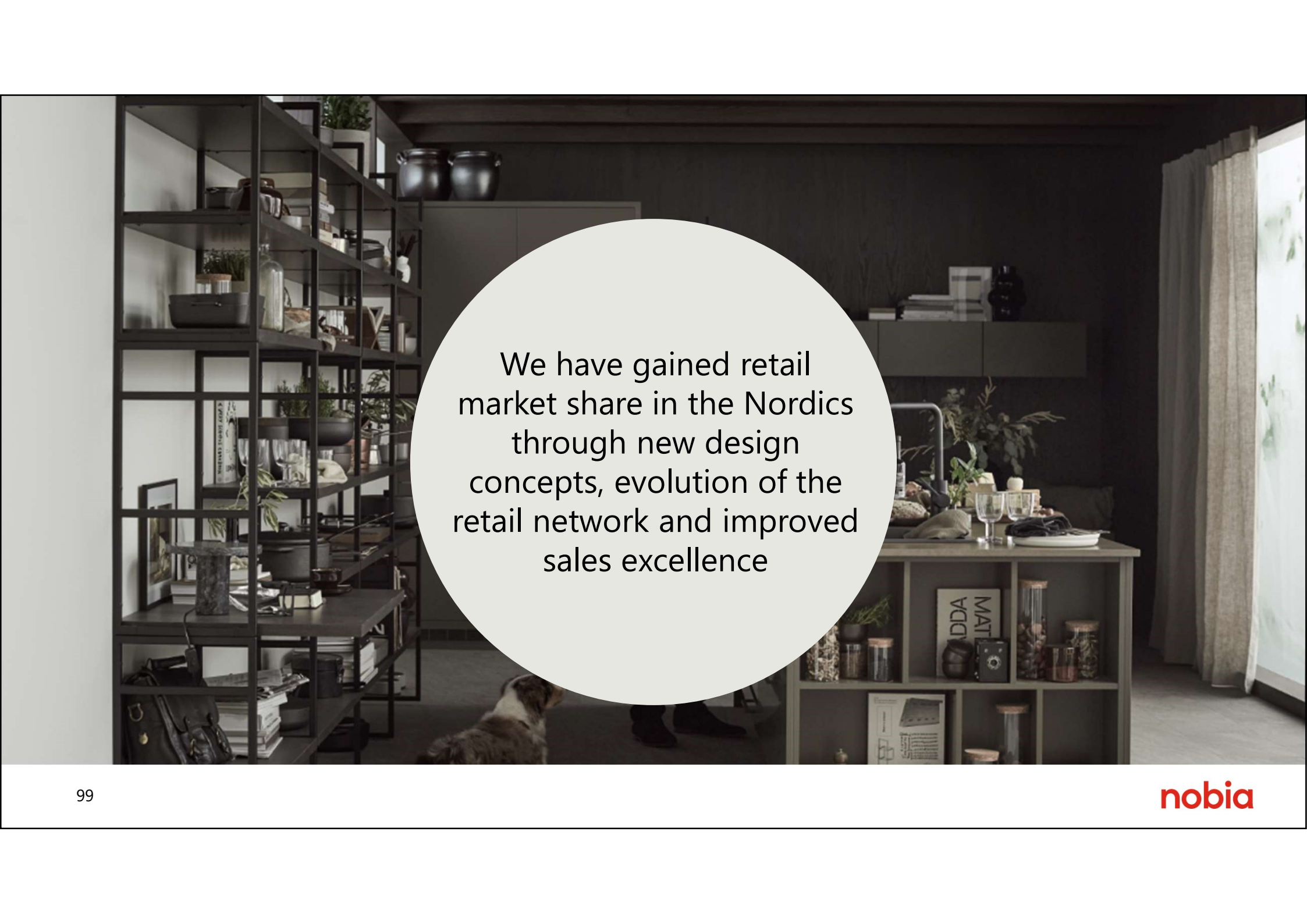


Summary and financial targets

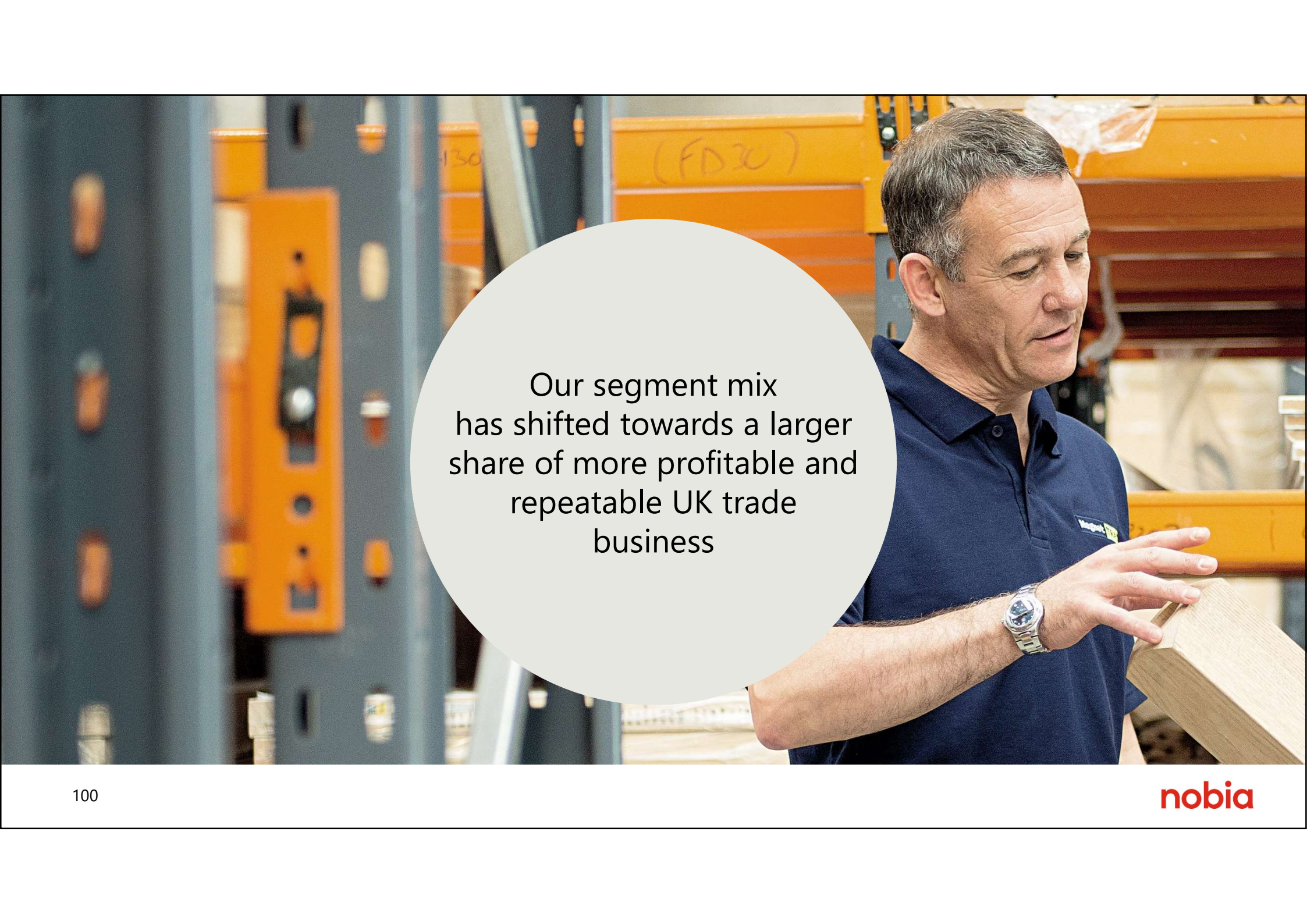
Jon Sintorn, President & CEO

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With our Tomorrow Together strategy, 5 years out, we envision a Nobia significantly different from today...



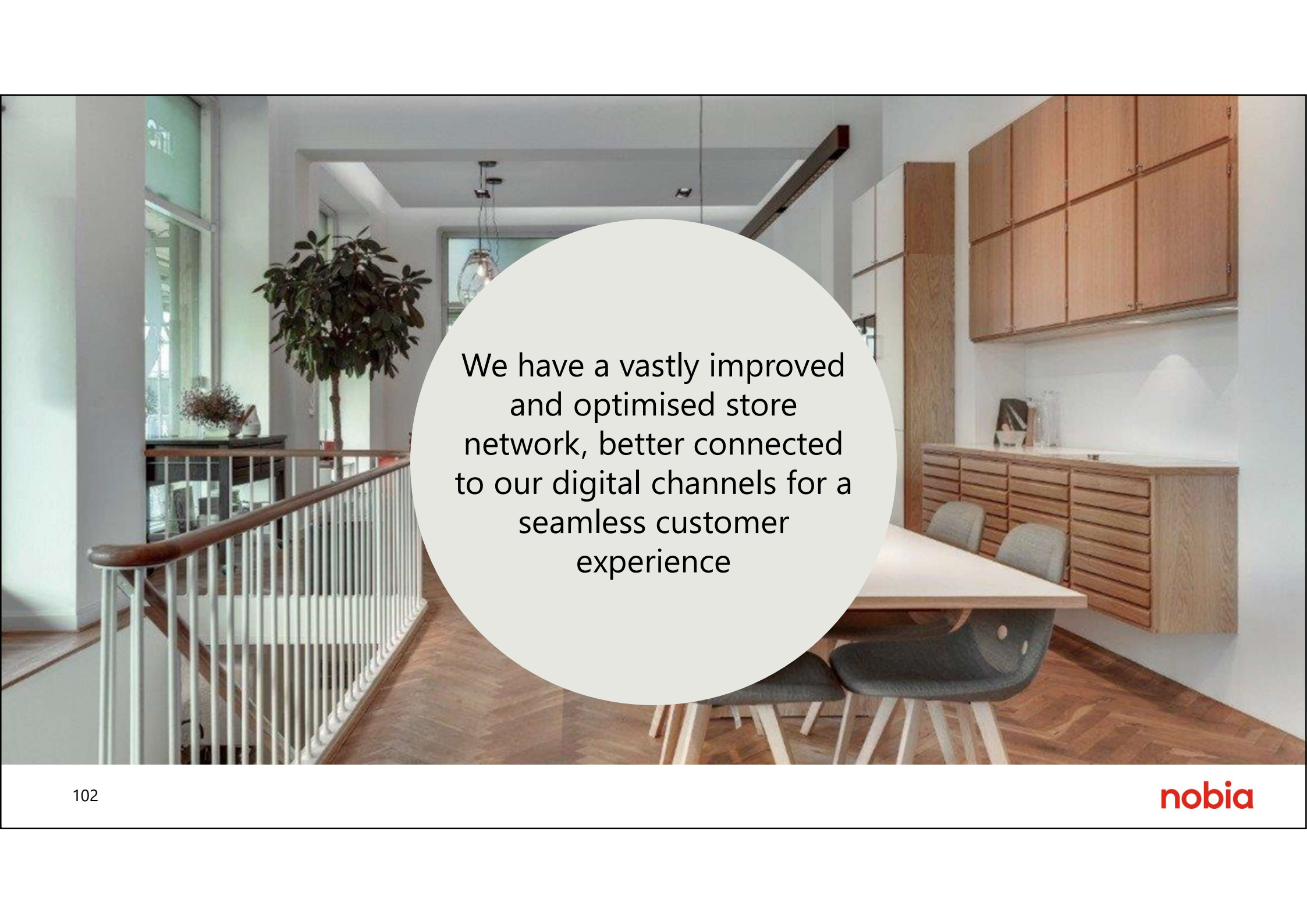
We have gained retail
market share in the Nordics
through new design
concepts, evolution of the
retail network and improved
sales excellence



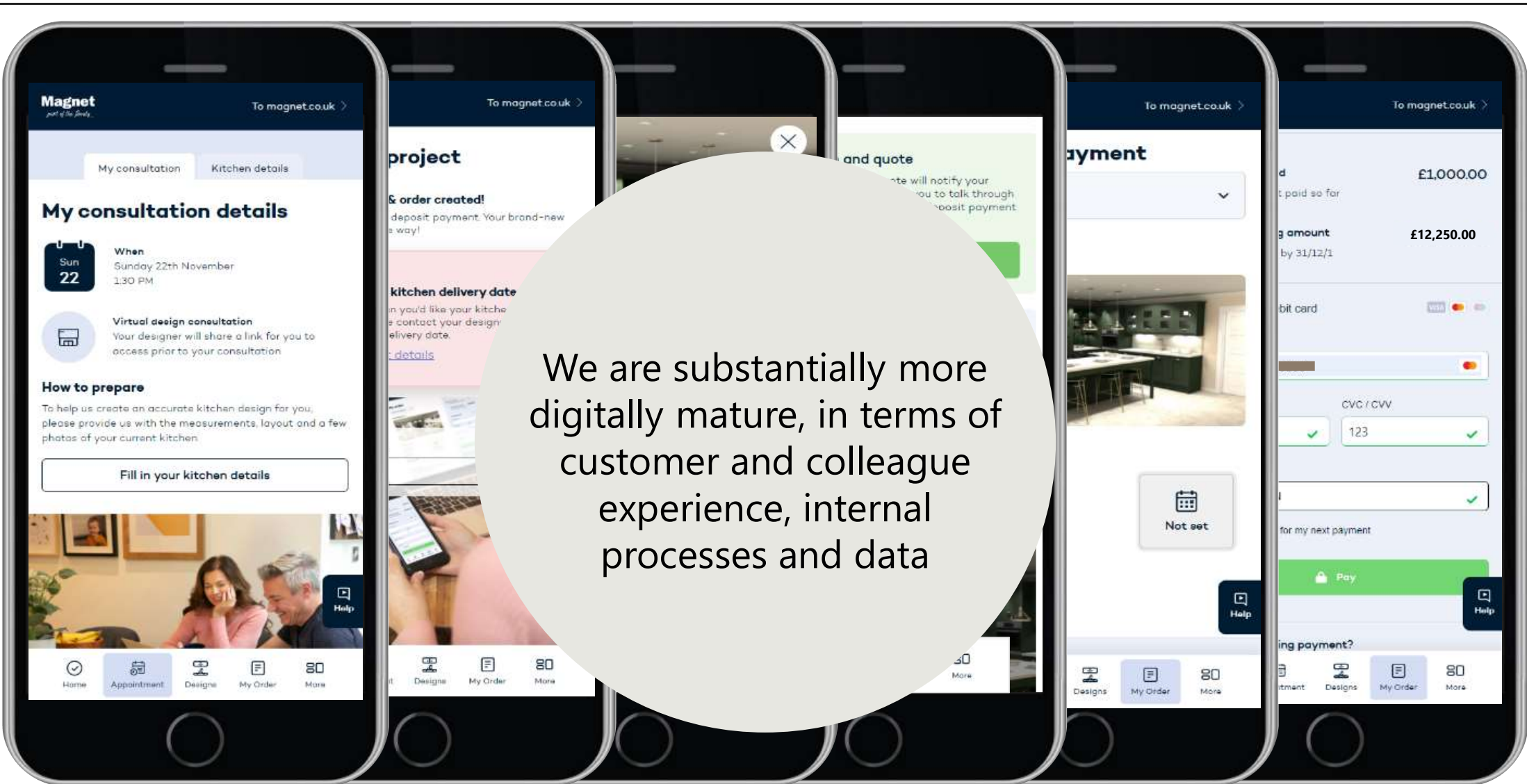
Our segment mix
has shifted towards a larger
share of more profitable and
repeatable UK trade
business

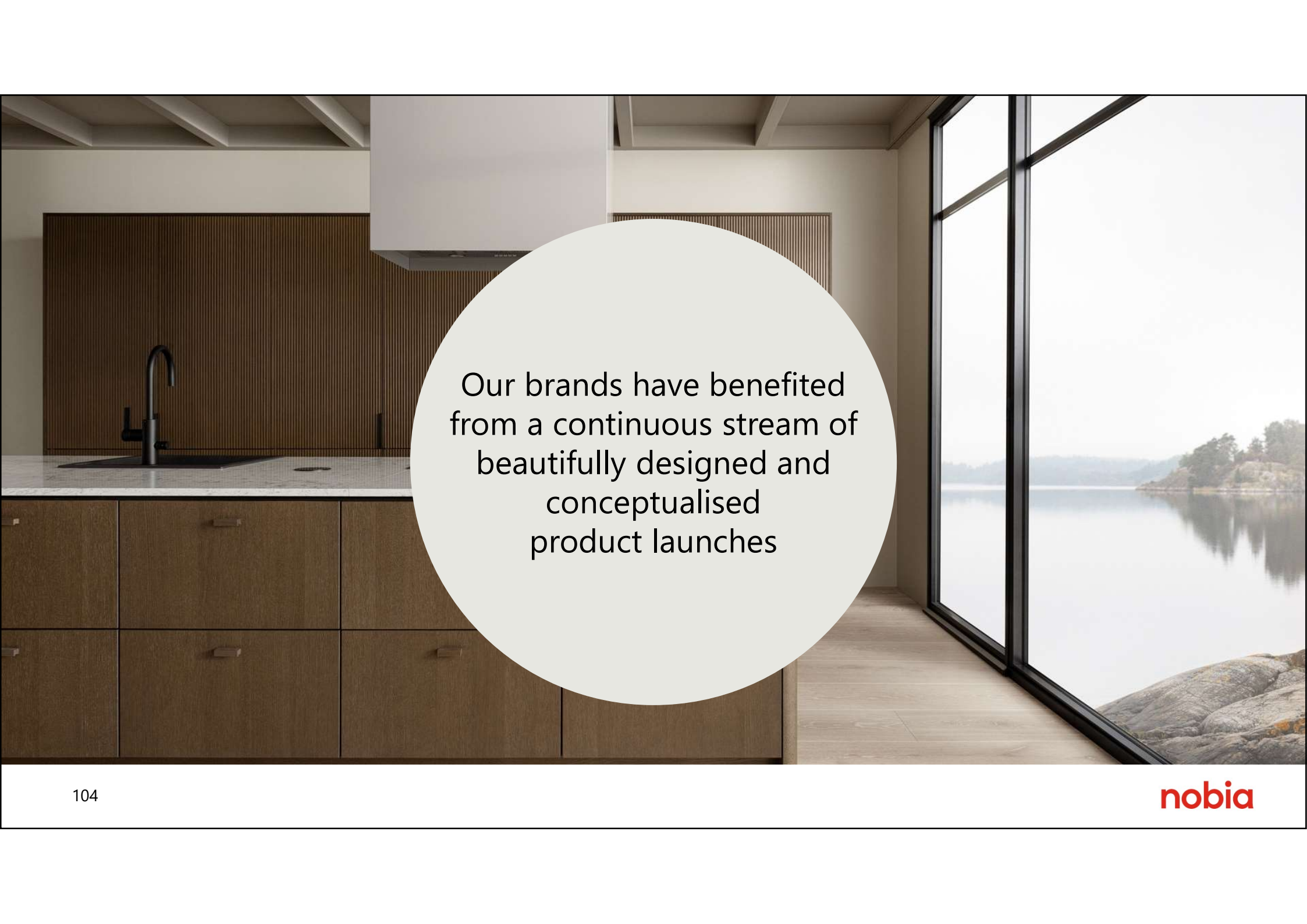
A photograph of a modern kitchen unit with light wood upper cabinets and a glass display door showing four white plates. The lower cabinets are a solid light color. The unit is set in a room with rough, peeling concrete walls and a wooden plank floor. Two large, white, dome-shaped pendant lights hang from the ceiling. A window with a metal frame is visible on the right, and a folding chair is in the background.

In Central Europe we have
selectively established our
HTH brand and grown our
footholds in Austria and the
Netherlands

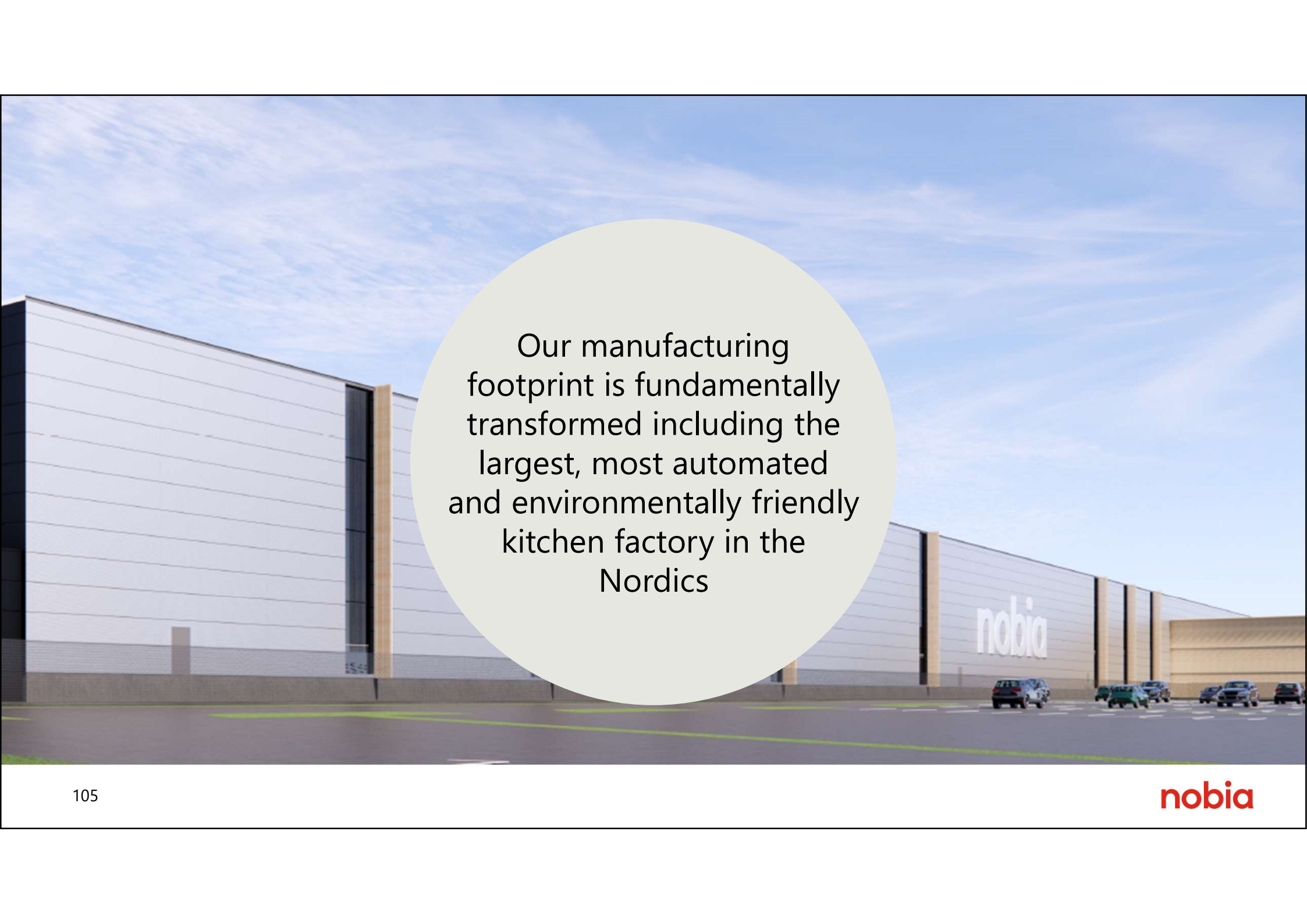
A photograph of a modern interior space, likely a store or office. On the left, there is a staircase with a white metal railing and a wooden handrail. A large potted plant stands near the stairs. In the center, a large white circle contains text. To the right, there is a dining area with a light-colored wooden table and several grey chairs. The background features extensive wooden cabinetry and a white wall. The floor is made of light-colored wood in a herringbone pattern.

We have a vastly improved
and optimised store
network, better connected
to our digital channels for a
seamless customer
experience

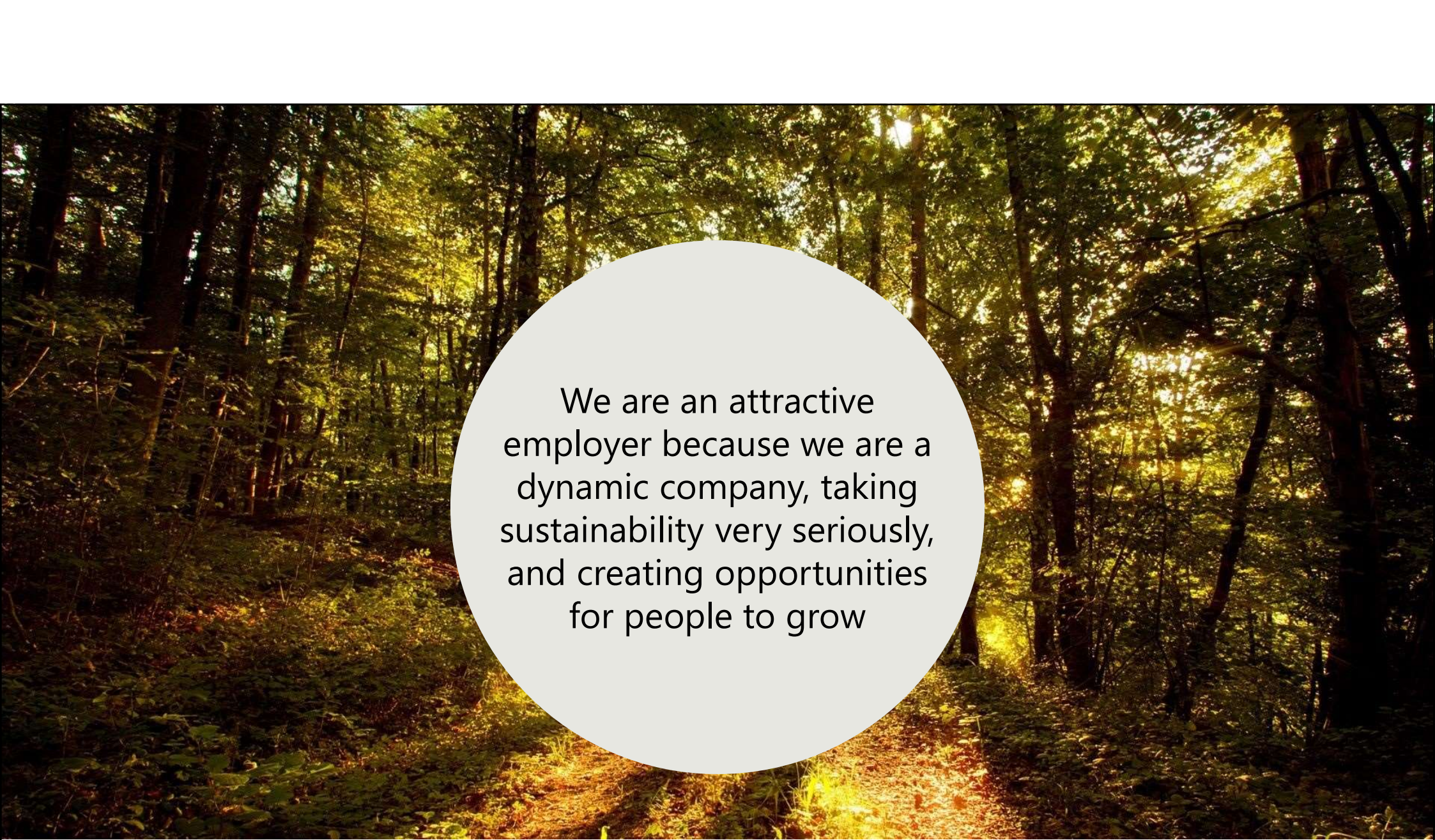


A modern kitchen interior featuring dark wood cabinetry, a white countertop, and a black faucet. A large window on the right side offers a view of a calm lake and distant hills. A large white circle is overlaid on the image, containing text.

Our brands have benefited
from a continuous stream of
beautifully designed and
conceptualised
product launches



Our manufacturing footprint is fundamentally transformed including the largest, most automated and environmentally friendly kitchen factory in the Nordics

A photograph of a forest path with sunlight filtering through the trees, creating a warm, golden glow. A large white circle is centered over the image, containing text.

We are an attractive
employer because we are a
dynamic company, taking
sustainability very seriously,
and creating opportunities
for people to grow

...and we have strengthened our financials further

Financial targets

Growth
3-5%
organic

Profitability
> 10%
EBIT margin

Financing
< 2.5
Financial net debt/
EBITDA

Dividend
> 40%
of net profit
after tax

Nobia Tomorrow Together Strategy

Recipe to win

Excellent customer responsiveness
"we care"

Unique mass-customisation capabilities
"we deliver"

Strong consumer brands
"we inspire"

Strategic priorities – "What to do"

Growth
Acceleration

Sustainability
and Design
Leadership
ambition

Structural
Efficiency

People
Engagement

...sustainably

...successfully

...leverage Group scale to enhance local competitiveness

Company goals



Become the customers' **preferred choice**,
in all markets and segments in which
we decide to compete



Earn a reputation for being a
truly responsible company



Be an **attractive
company** to work for,
partner with and invest in

nobia