A modern kitchen interior featuring grey shaker-style cabinetry and a white marble countertop. The countertop is adorned with fresh vegetables, including leeks, pumpkins, and cabbages. A large window on the left side of the image provides natural light. A dark semi-transparent box is overlaid on the left side of the image, containing white text. The floor is made of light-colored wood planks. In the background, there are more kitchen items like a hanging plant, a broom, and a net of onions.

Jon Sintorn, CEO  
Kristoffer Ljungfelt, CFO

Q1, 2020  
May 5, 2020

# Highlights Q1

- Health and safety first
- Governmental lockdown measures had significant negative market impact
  - All factories and stores in UK and Austria closed in second half of March
  - Order book postponed; focus on safeguarding business short term
- Measures to reduce cost, improve cash flow and find new ways to reach customers
  - Furlough programme, less consultants and discretionary spend, capex reduction, new digital and online selling tools, dividend proposal withdrawn etc.
- Solid performance by Nordic region and continued stable financial position for the Group



# Nobia Group, Q1

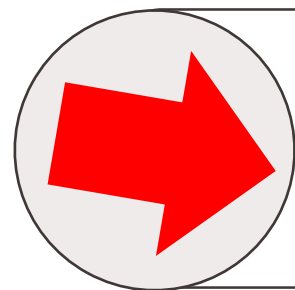
- Organic net sales declined by 2%
  - Organic growth in Nordic region, while UK region lost sales due to corona lockdown measures
- Solid earnings in Nordic and Central Europe regions offset by decline in UK
  - UK region earnings impacted by temporary store and factory closures and supply chain footprint changes
  - Currency headwind SEK ~35m
- Stable financial position

	2019 Q1	2020 Q1
Net sales (SEKm)	3,469	3,445
Organic growth	-1%	-2%
Gross margin	38.0%	37.0%
EBIT (SEKm)	260	134
EBIT margin	7.5%	3.9%

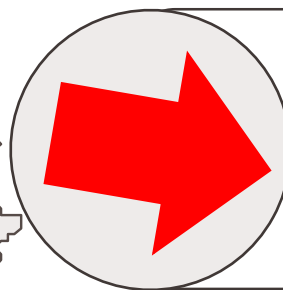


# Kitchen market trend, Q1

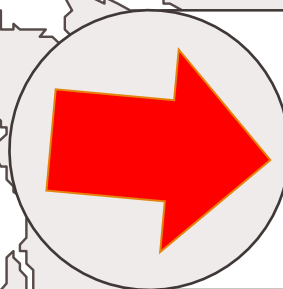
Difficult to provide an accurate market view due to coronavirus impact



The **UK market** is estimated to be down on prior year. Lockdown measures end of March had immediate impact on demand.



The **Nordic market** is deemed to be slightly down on previous year. A slightly growing market in Denmark hampered by softer conditions in the other countries. Market held up quite well despite the corona situation



The **Central Europe region market** was estimated to be almost on par with previous year until the lockdown in Austria in March

# Financial targets

Growth  
**>5%**  
organic and  
acquired

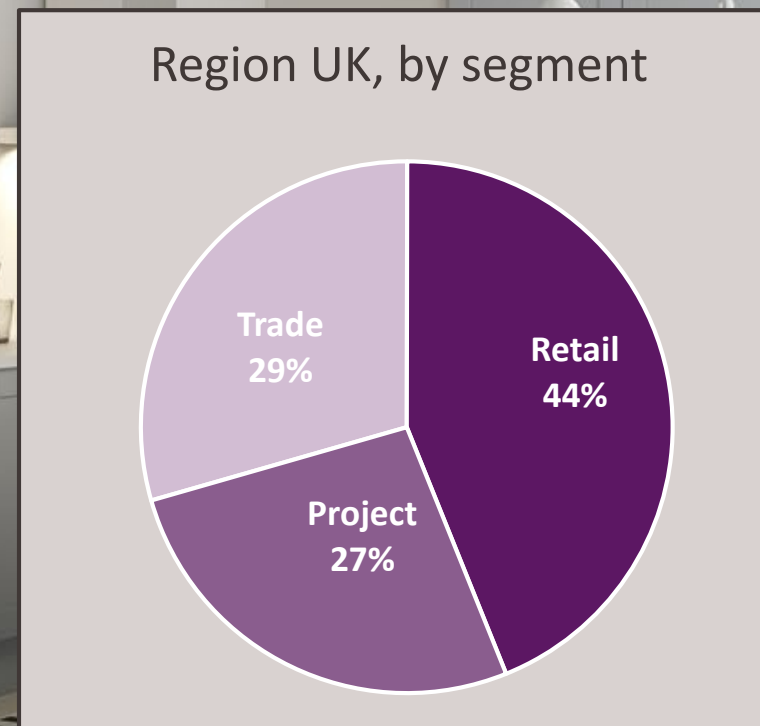
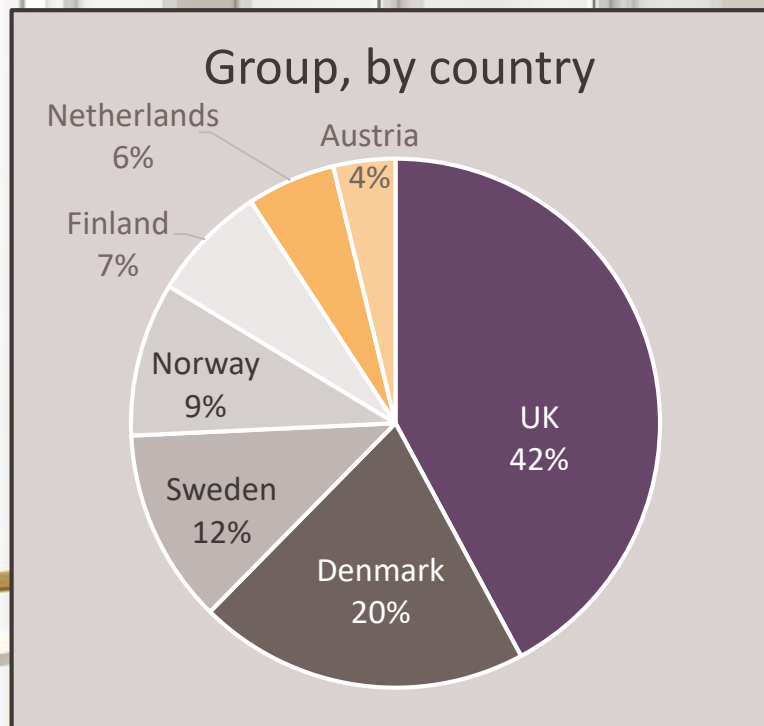
Profitability  
**>10%**  
EBIT margin

Financing  
**<100%**  
debt/equity

Dividend  
**40-60%**  
of net profit  
after tax



# Net sales, rolling 12 months



# Nordic region, Q1

- Organic growth 1%
  - Organic growth was 4% excluding the impact from conversion of own stores to franchise
  - Retail sales up in Finland, Norway and Denmark
- Limited corona impact in Q1
- Currency impacted EBIT by SEK -40m
- Higher sales values and lower costs for materials

50% of Group net sales in Q1

	2019 Q1	2020 Q1
Net sales (SEKm)	1,724	1,739
Organic growth	-1%	1%
Gross margin	38.0%	38.1%
EBIT (SEKm)	214	198
EBIT margin	12.4%	11.4%



uno form®



# UK region, Q1

- Substantial corona impact as of end March
- Organic growth was -6% (0)
  - Continued growth in Magnet Trade
  - Retail market remained soft
  - Lower property development activity impacted project sales
- Lower EBIT and margin
  - Corona lockdown impact SEK ~-50m
  - Supply chain changes SEK ~-30m

41% of Group net sales in Q1

	2019 Q1	2020 Q1
Net sales (SEKm)	1,448	1,405
Organic growth	0%	-6%
Gross margin	39.4%	35.9%
EBIT (SEKm)	73	-21
EBIT margin	5.0%	-1.5%

**Magnet**

**Gower**

**ck** commodore  
kitchens

**rixonway**  
kitchens



# Restructuring of the UK supply chain

Activities to increase capacity, leverage scale and enable future simplification / product rationalisation ...creating potential for mass customisation

- Capacity expansion at the Darlington Factory
- Dewsbury site transformed into an Assembly and Distribution unit for the project market
- Closure of stand alone distribution hub
- Manufacturing benefits expected for Q3 2020



# Central Europe region, Q1

- Organic growth -1%
  - Sales in the Netherlands increased on delayed projects from Q4
  - Lower sales in Austria due to corona lockdown in March
- Improved EBIT and margins
  - Favourable sales mix

9% of Group net sales in Q1

	2019 Q1	2020 Q1
Net sales (SEKm)	297	301
Organic growth	-7%	-1%
Gross margin	25.6%	30.2%
EBIT (SEKm)	5	18
EBIT margin	1.7%	6.0%

# Financial position

## Operating cash flow improved

- Operating cash flow was SEK 212m (241)
- Positively impacted by working capital and tax

## Strong balance sheet

- Net debt SEK 1,241m (1,209), excl. leasing liabilities
- Net debt / equity excluding of 27% (28), excl. leasing liabilities
- SEK 1.3bn in cash and unutilized credit commitments

Cash flow	2019 Q1	2020 Q1
<b>Operating cash flow</b>	<b>241</b>	<b>212</b>
<i>Of w. operating profit</i>	260	134
<i>Of w. change in working capital</i>	-61	-37
<i>Of w. investments in fixed assets</i>	-80	-83
<b>Net debt</b>	<b>2019 31 Mar</b>	<b>2020 31 Mar</b>
IFRS 16 leasing liabilities	2,810	2,624
Net pension debt	571	443
Borrowings	864	1,803
Interest bearing assets	-227	-1,005
<b>Net debt</b>	<b>4,019</b>	<b>3,865</b>
Net debt/Equity, %	95	84





# Market update

*High level of uncertainty due to corona pandemic remains*

## Nordic region

- Markets to a large extent open. Campaigns and digital initiatives to mitigate lower store footfall
- Solid project orderbook, most construction sites are open

## UK region

- Full scale manufacturing not estimated before mid-June
- Magnet Trade partially open for call and collect
- Project orderbook delayed as many construction sites remain closed

## Central Europe region

- Austria: manufacturing gradually restarting as of end of April and retail stores reopened
- The Netherlands functioning well



# Q & A

