

Q1 2023 Results Presentation

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Nobia Group, highlights Q1

- Further deterioration of market fundamentals
- Price increases mitigate inflationary pressure, however negative volume impact burdens profit
- Cash flow improved, also driven by timing effects
- Cost reduction program in progress and according to plan
- Good development for Jönköping factory construction
- Sale and leaseback of assets actively explored

	2022 Q1	2023 Q1
Net sales (SEKm)	3,779	3,660
Organic growth (%)	6	-6
Gross margin* (%)	38.3	35.8
EBIT* (SEKm)	182	81
EBIT-margin* (%)	4.8	2.2
Operating cash flow	-420	-38

* Excl. Items affecting comparability

Cost reduction programme

- Annual run-rate cost savings of SEK 300m by mid 2024
- Restructuring of UK operations, rightsizing of certain Nordic and central Group functions
 - Exit of unprofitable parts of UK projects business
 - Closure of two UK manufacturing sites
 - Flattening/simplification of UK overhead structure
- Total cost SEK ~450m, recorded as items affecting comparability in Q4-22 and Q1-23
- *All activities associated with the program have been executed on according to plan*



Kitchen market development

Nordic market: Softer consumer/retail market. Project market in declining trend, but remained decent due to continued support from ongoing housing completions.

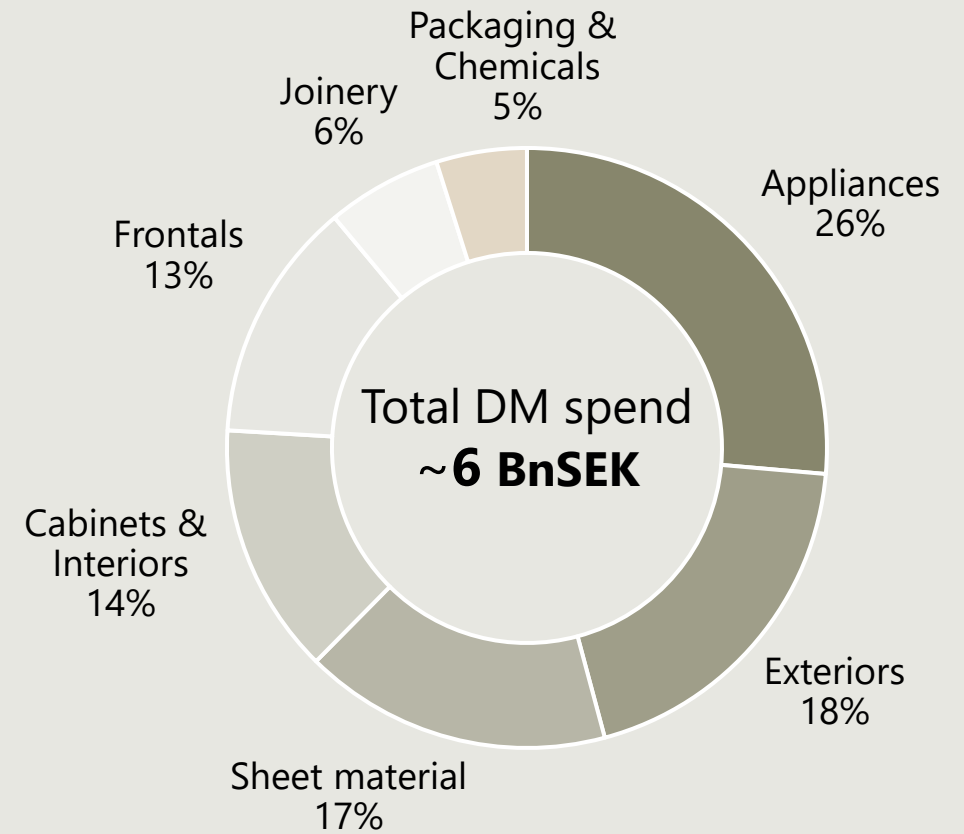
UK: Retail market softer. Trade market on par with last year. Project market remains weak.

Austria and Netherlands:
Retail market softer. Stable project market.



Direct material pricing impact update Q1

- Inflationary pressure continued
 - Sequentially; slight decrease from peak in Q4 2022
 - Year-on-year; still an increase in DM price
- Decline in material prices upstream should gradually begin to have a positive impact on Nobia's sourcing
- Total on-cost for material, energy and transport of approx. SEK 150m in Q1



Tomorrow Together Strategy addressed at Capital Markets Update in March

Three main themes in focus at the CMU:

1. New Nordic factory construction, progress and opportunities, including site visit.
2. Transformation plan for Region UK
3. Balance sheet and financing



Nordic region Q1

- Organic net sales declined -7% (8)
 - Project sales held up on back of housing construction completions, consumer sales in decline
- Margin impacted by the volume decline and mix. Price increases offset direct material cost inflation
- Supply chain efficiency improved
- EBIT amounted to SEK 105m* (213), margin 5.4% (10.4)

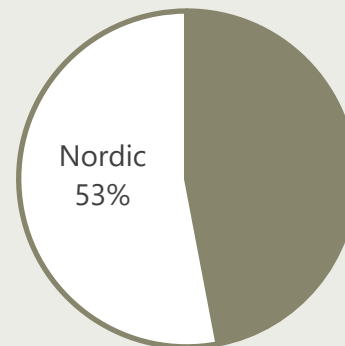


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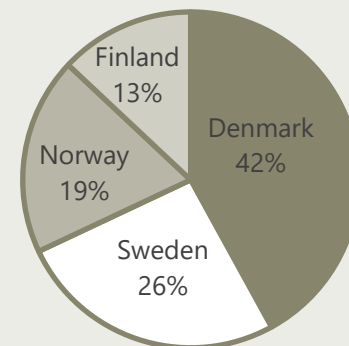
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Share of Group sales, %



Share of R12 sales by country



SEKm	2022 Q1	2023 Q1
Net sales	2,040	1,948
Organic growth (%)	8	-7
Gross margin* (%)	36.1	32.1
EBIT* (SEK m)	213	105
EBIT-margin* (%)	10.4	5.4

* Excl. Items affecting comparability

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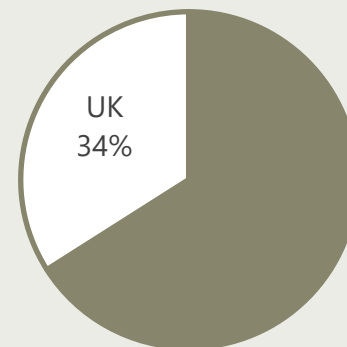
UK region Q1

- Organic growth decline -5% (8)
- Stable margins and profit
- Continued focus on higher average order values
- Price increases and SG&A spend reductions offset unfavourable volume, mix and direct material cost

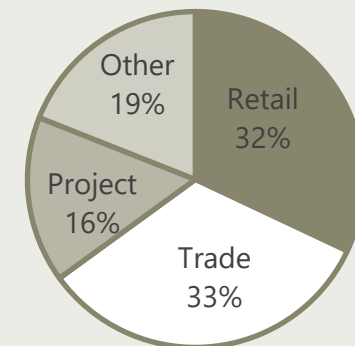
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Share of Group sales, %



Share of R12 sales by segment



SEKm	2022 Q1	2023 Q1
Net sales	1,279	1,227
Organic growth (%)	8	-5
Gross margin* (%)	43.6	43.4
EBIT* (SEK m)	0	5
EBIT-margin* (%)	0	0.4

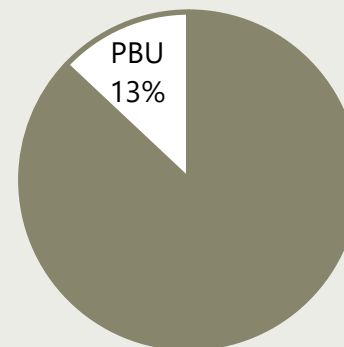
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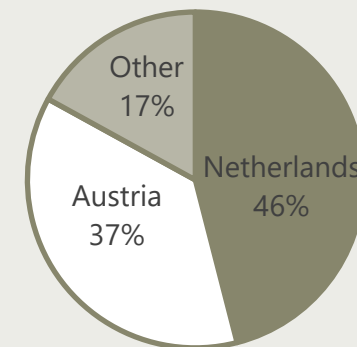
Portfolio Business Units Q1

- Organic net sales unchanged (-7% prior year Q1)
 - Good growth in Netherlands
 - Decline in Austria
 - Continued weak market for Commodore & CIE
- Price increases, offset by cost inflation, volume and mix impact
- Operating profit SEK 12m* (20)
- *Restructuring of Commodore/CIE operations in progress*

Share of Group sales, %



Share of R12 sales by country



SEKm	2022 Q1	2023 Q1
Net sales	460	485
Organic growth (%)	-7	0
Gross margin* (%)	29.1	27.4
EBIT* (SEK m)	20	12
EBIT-margin* (%)	4.3	2.5

* Excl. Items affecting comparability

Financial position

- Improved cash flow from operating activities, working capital impacted by positive timing effects
- Investments in fixed assets of SEK -351m, mainly related to Jönköping factory investment
- Financial net debt of SEK 2,066m (604)
- Leverage (Net debt/EBITDA*) amounted to 3.1 times excluding IFRS16 and pensions (0.5)
- Sale and leaseback of assets actively explored

*Financial net debt, rolling 12 months, excl. items affecting comparability

Cash flow	2022 Q1	2023 Q1
Cash flow from operating activities	-42	318
Operating cash flow	-420	-38
<i>Of w. operating profit*</i>	182	-217
<i>Of w. change in working capital</i>	-382	379
<i>Of w. investments in fixed assets</i>	-387	-351
Net debt	31 Mar, 2022	31 Mar, 2023
Borrowings	2,000	2,783
Net pension debt	97	357
Interest bearing assets	1,396	717
Financial Net Debt**	604	2,066
Financial Net Debt / Equity, %	12	45
IFRS 16 leasing liabilities	1,741	1,753
Net debt	2,442	4,176
Net debt/Equity, %	47	91

*Incl. Items affecting comparability

**Net debt excl. IFRS16 leasing and pension debt



Priorities going forward

- Drive towards higher average order values
- Direct material price reductions
- Execution of cost-out program and the re-positioning of UK
- Jönköping factory production machine installations
- Sale and leaseback options



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Designing Kitchens for Life