

Q2 2023 Results Presentation

Jon Sintorn, CEO

Henrik Skogsfors, CFO



Nobia Group, highlights Q2

- Market weakness continued
- Price increases mitigate inflationary pressure, however pressure on profit due to the volume decline
- Cost reduction program in progress and according to plan. SEK ~70m of savings in Q2
- Cash flow impacted by timing effects in working capital changes
- Leverage
 - Financing terms and conditions adjusted to reflect current situation
 - Sale and leaseback of assets actively explored
- Good development for Jönköping factory construction
- Henrik Skogsfors appointed CFO

	2022 Q2	2023 Q2
Net sales (SEKm)	3,890	3,562
Organic growth (%)	3	-13
Gross margin* (%)	36.6	35.5
EBIT* (SEKm)	212	83
EBIT-margin* (%)	5.4	2.3
Operating cash flow	286	-276

* Excl. Items affecting comparability

Kitchen market development

Nordic market: Softer consumer/retail market. Project market decline as housing starts decrease and housing completions taper off.

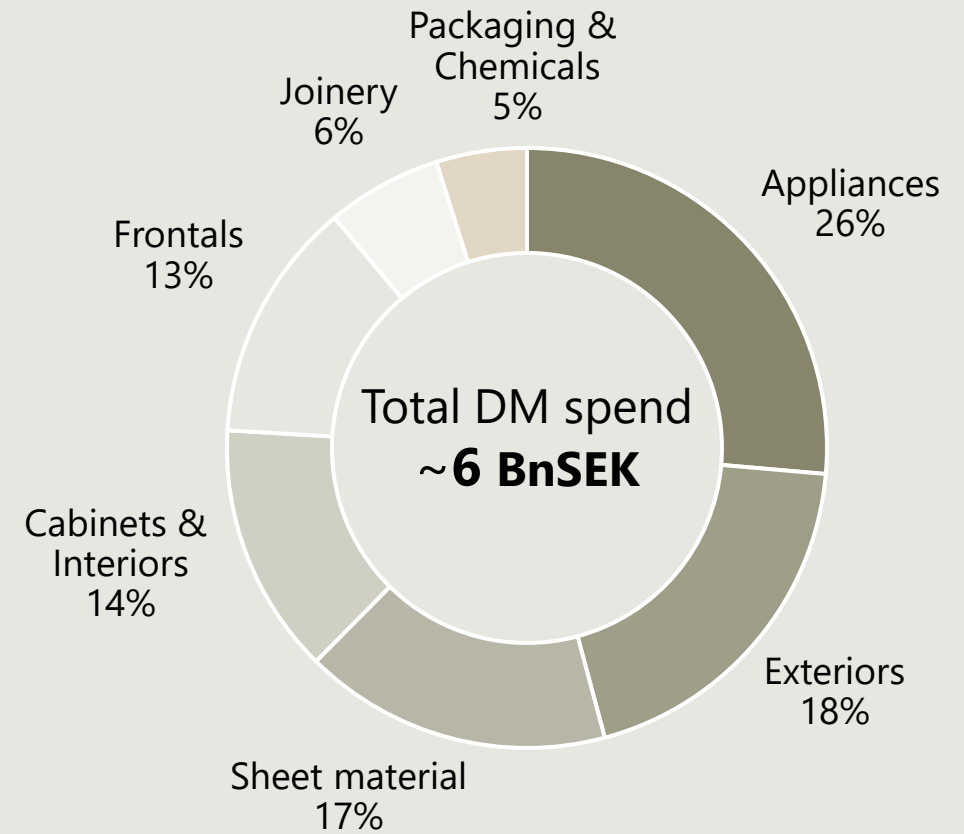
UK: Retail market softer. Trade market on par with last year. Project market remains weak.

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



Direct material pricing impact update Q2

- Inflationary pressure still high, but tapering off
 - Sequentially; decrease from peak in Q4 2022
 - Year-on-year; a slight 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 40m in Q2



Nordic region Q2

- Organic net sales declined -17% (6)
 - Declines across all customer segments, most in retail
- Volume decline and mix shift main explanations for EBIT and margin decline
- Price increases continue to have good impact
- Direct material price increases impact tapering off
- EBIT amounted to SEK 102m* (248), margin 5.5% (10.4)

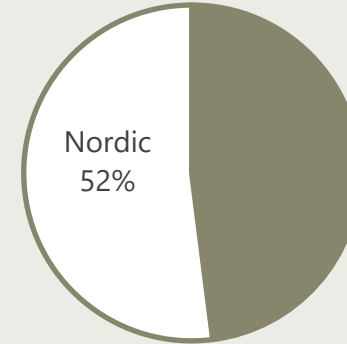


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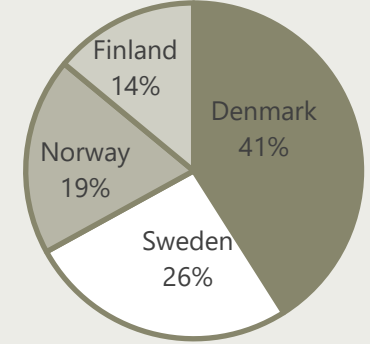
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Share of Group sales, %



Share of R12 sales by country



SEKm	2022 Q2	2023 Q2
Net sales	2,155	1,858
Organic growth (%)	6	-17
Gross margin* (%)	35.6	31.8
EBIT* (SEK m)	248	102
EBIT-margin* (%)	11.5	5.5

* Excl. Items affecting comparability

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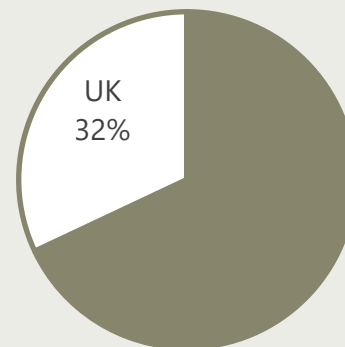
UK region Q2

- Organic growth decline of -16% (5)
- Volume decline has large impact on earning
- Favourable impact from higher average order values and restructuring measures
- Restructuring progressing according to plan
 - Headcount and cost reductions
 - Exit of unprofitable volumes in project business
 - Product range adaptations and incentives for growth in mass premium segment

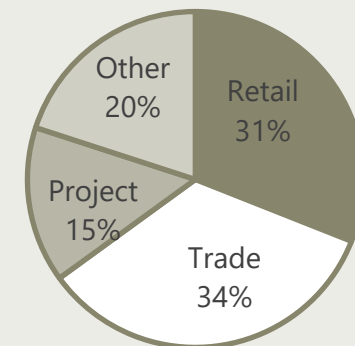
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Share of Group sales, %



Share of R12 sales by segment



SEKm	2022 Q2	2023 Q2
Net sales	1,286	1,148
Organic growth (%)	5	-16
Gross margin* (%)	41.2	42.4
EBIT* (SEK m)	14	-11
EBIT-margin* (%)	1.1	-1.0

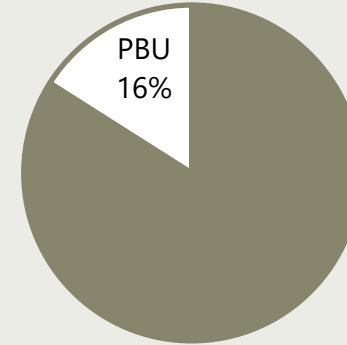
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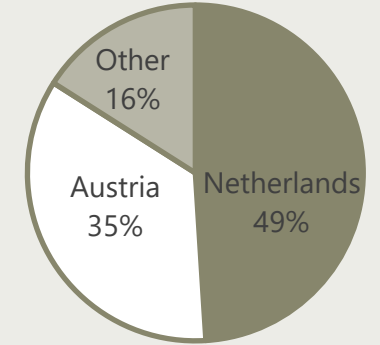
Portfolio Business Units Q2

- Organic net sales growth 14% (-11% prior year Q1)
- Prior year Q2 impacted by the cyber security incident in the Netherlands that limited production and shipments
- Single-digit sales declines in Austria and for Commodore & CIE
- EBIT improvement driven by the Netherlands
- Operating profit SEK 36m* (9)
- *Restructuring of Commodore/CIE operations in progress*

Share of Group sales, %



Share of R12 sales by country



SEKm	2022 Q2	2023 Q2
Net sales	450	556
Organic growth (%)	-11	14
Gross margin* (%)	23.6	31.3
EBIT* (SEK m)	9	36
EBIT-margin* (%)	2.0	6.5

* Excl. Items affecting comparability

Financial position

- Lower cash flow from operating activities mainly due to working capital timing and mix effects
- Investments in fixed assets of SEK -356m, mainly related to Jönköping factory investment
- Financial net debt of SEK 2,505m (894)
- Leverage (Net debt/EBITDA*) amounted to 4.8 times excluding IFRS16 and pensions (0.8)
- Sale and leaseback of assets actively explored

*Financial net debt, rolling 12 months, excl. items affecting comparability and IFRS 16

Cash flow	2022 Q2	2023 Q2
Cash flow from operating activities	694	66
Operating cash flow	286	-276
<i>Of w. operating profit*</i>	62	61
<i>Of w. change in working capital</i>	391	-153
<i>Of w. investments in fixed assets</i>	-408	-356
Net debt	30 June, 2022	30 June, 2023
Borrowings	1,800	3,137
Net pension debt	95	383
Interest bearing assets	906	668
Financial Net Debt**	894	2,505
Financial Net Debt / Equity, %	18	52
IFRS 16 leasing liabilities	1,679	1,718
Net debt	2,668	4,606
Net debt/Equity, %	54	95

*Incl. Items affecting comparability

**Net debt excl. IFRS16 leasing and pension debt



Priorities going forward

- Even further intensified sales activities
- Continued capacity adjustments
- Direct material price reductions
- Continue execution of cost-out program
- Leverage reduction
- Jönköping factory



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Designing Kitchens for Life