

Q1 2024 Results Presentation

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Nobia Group, highlights Q1

- Organic sales decline driven by the project segment
- Continued gross margin improvement driven mainly by higher average order values
- Cost reduction program yielding good results
- Lower EBIT as cost reductions could not mitigate the large volume driven impact
- Cash flow seasonally weak
- Order intake improvement in consumer segment

Net debt reduction

- *Measures to improve the financial position successfully completed in Q1.*
- *Rights issue closed in Q2*

Comments and numbers relate to continuing operations, unless otherwise stated

	2023 Q1	2024 Q1
Net sales (SEKm)	3,241	2,615
Organic growth (%)	-6	-20
Gross margin* (%)	36.7	37.3
SG&A costs*	-944	-848
EBIT* (SEKm)	52	-27
EBIT-margin* (%)	1.6	-1.0
Operating cash flow	-38	-574

** Excl. Items affecting comparability*

Asset divestments, rights issue and debt refinancing

SEK ~1.4bn net debt reduction in Q1 2024:

- Sale and leaseback transaction of Jönköping factory property
- Divestments of non-core assets, ewe in Austria and Bribus in the Netherlands

SEK ~1.26bn rights issue completed in April 2024

Extended and amended credit agreement

- SEK 3,45bn credit facility with maturity in June 2027



Strategic priorities

Maximising cost efficiency and reduction of net debt

- Annualized fixed overhead cost reductions reached SEK 350m as of Q1 2024
- Divestment of non-core assets
- Sale and lease back of the Jönköping factory
- Share rights issue

Realise full Nordic potential

- Considerably strengthen Nordic supply chain
 - Jönköping factory completion
- Harmonized product platform for improved product range and cost efficiency
- Harmonized processes and systems

Transform UK

- Transition to an asset light go to market model
 - Closing of 9 underperforming own stores, external partnerships with leading builder merchants
 - Closure of manufacturing in Dewsbury and Grays in 2023. Closure of manufacturing in Halifax in May 2024
- Drive average order values through better products in higher price points
- Exit unprofitable segments, primarily social housing

Kitchen market development

Nordic region

Consumer segment; consumer confidence trending up, from low levels. Full-year market development estimated to be flat vs prior year.

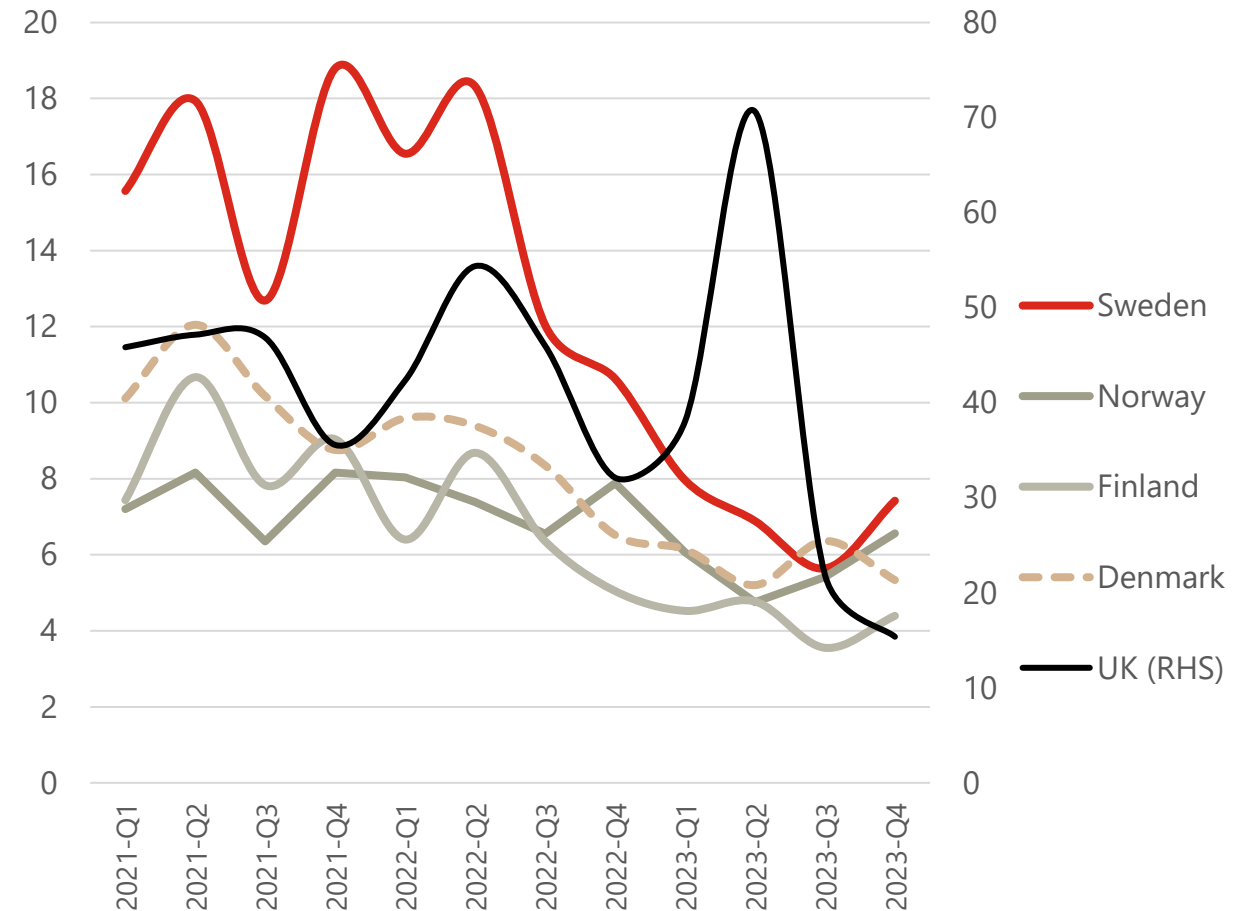
Project segment; housing new build starts on very low levels in all four countries. Full-year market development estimated to be significantly down vs prior year.

UK region

Consumer segment; consumer confidence low, but improvement over the past 12 months

Project segment: housing new build starts down significantly, partly as an effect of new construction brought forward due to changes to building regulations

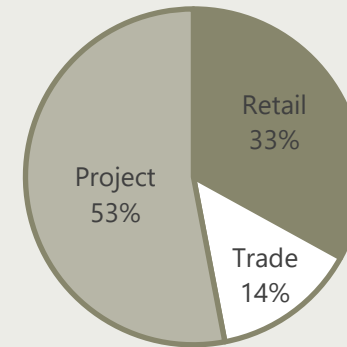
Housing starts per quarter (thousands)



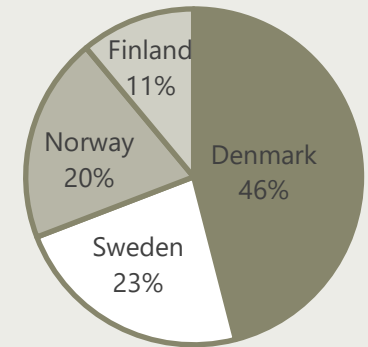
Nordic region Q1

- Organic net sales declined -25% (-7), impacted primarily by a large decline in the project segment
- Continued gross margin improvement, driven by price increases, mix and material cost
- EBIT and margin heavily impacted by the volume decline, and unfavorable FX impact
- Items affecting comparability (SEK -17m) related to transition cost for the new Jönköping factory

Share of R12 sales by segment



Share of R12 sales by country



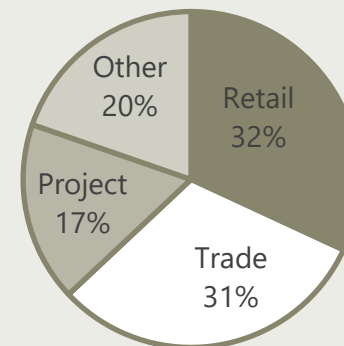
SEKm	2023 Q1	2024 Q1
Net sales	1,959	1,464
Organic growth (%)	-7	-25
Gross margin* (%)	32.3	33.9
SG&A cost*	-394	-373
EBIT* (SEK m)	103	23
EBIT-margin* (%)	5.3	1.6

* Excl. Items affecting comparability

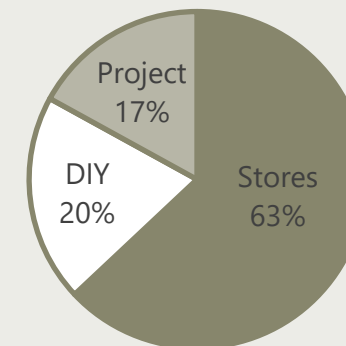
UK region Q1

- Organic net sales decline of -14% (-6)
- Gross margin remains on high level
- Operating loss on same level, despite the tough market and sales decline
- Transformation activities yielding results, offset by the market driven net sales decline
- Lower SG&A spend following cost reductions

Share of R12 sales by segment



Share of R12 sales by channel



SEKm	2023 Q1	2024 Q1
Net sales	1,282	1,151
Organic growth (%)	-6	-14
Gross margin* (%)	42.0	40.9
SG&A cost*	-489	-429
EBIT* (SEK m)	-10	-11
EBIT-margin* (%)	-0.8	-1.0

* Excl. Items affecting comparability

Financial position

- Cash flow is normally low in the first quarter due to seasonality
- Investments in Jönköping factory SEK 241m (261)
- Financial net debt of SEK 2.8bn (2.1)
- Measures to improve the financial position successfully completed, resulting in a net cash flow of SEK 1.4bn
 - Sale and leaseback of Jönköping factory building, sale of Bribus (The Netherlands) and ewe (Austria)
- Amendment and extension of credit facilities
- *Rights issue of SEK 1.26bn successfully completed in April*

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

Cash flow	2023 Q1	2024 Q1
Cash flow from operating activities	335	-258
Operating cash flow	-38	-574
<i>Of w. operating profit*</i>	-246	-44
<i>Of w. change in working capital</i>	379	-403
<i>Of w. investments in fixed assets</i>	-368	-324
Net debt	31 Mar, 2023	31 Mar, 2024
Borrowings	2,783	3,138
Interest bearing assets	717	304
<i>Financial Net Debt**</i>	2,066	2,834
Financial Net Debt / Equity, %	45	68
IFRS 16 leasing liabilities	1,753	2,441
Net pension debt	357	324
Net debt	4,176	5,599
Net debt/Equity, %	92	135

*Incl. Items affecting comparability

**Net debt excl. IFRS16 leasing and pension debt



Priorities going forward

- Capitalize on the somewhat improving retail market
- Investigate further opportunities for cost out measures to compensate for weak project market
- Focus on completing our strategic initiatives
 - Get the Jönköping factory operational
 - Complete harmonization of the Nordic product portfolio for the mass premium segment
 - Continue transition to an asset light operating model in the UK



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