

Nobia AB (publ)
4 December 2019

Nobia to invest in highly automated production plant in Sweden

Nobia's Board of Directors has today made a directional decision to invest in a new production plant in Jönköping, Sweden, to replace Nobia's existing factory in Tidaholm in 2024. The investment in automation and other production equipment is estimated at SEK 2 billion. As a result of the decision, Nobia has started customary union negotiations.

Nobia has for some time reviewed the Group's strategy for the next few years. Growth opportunities have been identified in both Nobia's existing main markets in the Nordic countries and the UK, as well as in new markets, mainly in Central Europe. In light of this, Nobia requires higher production capacity and greater flexibility to realise profitable growth and further strengthen the Group's competitiveness. The volume at Nobia's factory in Tidaholm, Sweden, will be transferred to the new factory, as will parts of the volume in Ølgod, Denmark. The released capacity in Ølgod will be used for expansion opportunities in Central Europe. The new plant is proposed to be located in Jönköping to achieve the best possible transport and logistics efficiency and customer proximity. All employees in Tidaholm will be ensured a responsible transition period and offered employment at the new factory.

"The Board of Directors has today made a directional decision to build a new production facility in Sweden. The proposed investment is the largest in Nobia's history. The plant, which is planned to be in full operation by 2024, will be one of the most modern kitchen manufacturing factories in Europe. It will have a high degree of automation and digitalisation as well as industry leading environmental and sustainability performance. The lead time for made-to-order kitchen production will be significantly reduced, manufacturing and logistics efficiency will improve and Nobia will strengthen its position as Europe's leading kitchen specialist. Our capacity will increase considerably, which will support Nobia's future growth and market share opportunities," says Jon Sintorn, President and CEO of Nobia.

The total investment in automation and other production equipment is estimated at SEK 2 billion between 2020 and 2023 and will be debt financed. The factory building is expected to be leased on a long-term basis and will be recognised in the balance sheet in accordance with IFRS 16.

Nobia's fourth-quarter 2019 earnings will be charged with project costs, IT pre-studies and environmental certification related to the proposed investment. The total costs amount to about SEK 30 million and will be included in Group-wide costs.

Furthermore, Nobia's updated strategy will be outlined at a capital markets day in March 2020.



Webcast conference call for press and investors

Nobia invites investors and press to a webcast conference call today at 10:00 a.m. CET, 4 December, hosted by President and CEO Jon Sintorn and CFO Kristoffer Ljungfelt. The webcast can be followed live at <http://www.nobia.com/ir/reports-and-presentations/> or <https://edge.media-server.com/mmc/p/i6zrwmk>

To participate by phone and thus have the opportunity to ask questions:

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This information is information that Nobia is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person above, at 8.30 a.m. CET on 4 December 2019.

Nobia develops and sells kitchen solutions through a number of strong brands in Europe, including Magnet in the UK; HTH, Norema, Sigdal, Invita and Marbodal in Scandinavia; Petra and A la Carte in Finland; ewe, Intuo and FM in Austria as well as Bribus in the Netherlands. Nobia generates profitability by combining economies of scale with attractive kitchen offerings. The Group has approximately 6,100 employees and net sales of about SEK 13 billion. The share is listed on Nasdaq Stockholm under the ticker NOBI. Website: www.nobia.com