

Press release  
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## Cost reduction programme including restructuring in the UK and update on fourth quarter financial performance

In order to drive efficiencies and margin improvement, Nobia has in addition to existing strategic and cost initiatives, decided on a cost reduction program including a repositioning of part of the UK business. The programme aims to generate annual savings in excess of SEK 300m, with a noticeable impact in the second quarter of 2023 and reaching full effect in the second quarter of 2024. The programme involves the potential redundancy of 500 employees.

Organic growth for the Group in the fourth quarter of 2022 was low single digit, with support from price increases. The Group's preliminary operating profit for the fourth quarter, excluding items affecting comparability, declined to SEK 25m (238), impacted by continued higher supply chain costs in the Nordics and a weaker performance in the UK.

In the UK we will reposition and exit unprofitable projects business to drive necessary profitability improvement and increase competitiveness. The proposed changes, subject to customary union negotiations, include consolidation of the manufacturing footprint and flattening of the UK central organisation. It is proposed that the production sites in Dewsbury and Grays in the UK be closed.

Furthermore, certain functions in the Nordic region and at Group level will be reduced in order to save costs and support earnings improvement.

Costs of SEK 156m will be reported in the fourth quarter of 2022 and costs of approximately SEK 300m in the first quarter of 2023. These costs will be recorded as items affecting comparability. Approximately SEK 143m of total costs refers to non-cash items. The first quarter 2023 charge refers to the forward-looking cost reduction program, while the fourth quarter 2022 charge refers to already initiated measures. It also includes some of the costs related to the transition to the new factory under construction in Jönköping. As communicated in the press release in December 2020 announcing the investment in the new Jönköping factory, Nobia expects to incur transition-associated costs.

"We are addressing several areas in order to achieve significant and sustainable margin improvement. Regrettably, some of the necessary actions we are taking will result in redundancies. In the UK, the proposed changes will make us a better business partner for our customers and cater for an improved profitability level. In parallel, we are continuing to focus on completing the construction

of our new Nordic factory in Jönköping, which will be the most modern and efficient in our industry. I expect the measures that we are now implementing will deliver annual cost savings in excess of SEK 300m, as well as further margin improvement from strong pricing discipline and operational efficiencies in our supply chain.”, says Jon Sintorn, President and CEO.

*Further details will be communicated when Nobia reports its full-year results on 9 February.*

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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 6,000 employees and net sales of about SEK 14 billion. The share is listed on Nasdaq Stockholm under the ticker NOBI.