

NOT FOR RELEASE, DISTRIBUTION OR PUBLICATION IN THE UNITED STATES, AUSTRALIA, HONG KONG, JAPAN, CANADA, NEW ZEALAND, SOUTH AFRICA, SWITZERLAND OR ANY OTHER JURISDICTION IN WHICH THE RELEASE, DISTRIBUTION OR PUBLICATION WOULD BE UNLAWFUL OR REQUIRE REGISTRATION OF ANY OTHER MEASURE IN ACCORDANCE WITH APPLICABLE LAW.

Press release, 20 February 2024

## Nobia strengthens its financial position through a fully guaranteed rights issue of approximately SEK 1,250 million and extends credit facilities

**The Board of Directors of Nobia AB (publ) ("Nobia" or the "Company") (i) has today resolved on a fully guaranteed rights issue of new shares of approximately SEK 1,250 million with preferential rights for existing shareholders (the "Rights Issue"), and (ii) announces that the Company has reached an agreement with its lenders regarding an amendment and extension of the Company's revolving credit facilities. The purpose of the Rights Issue is to finance remaining investments for the Jönköping factory and to strengthen the balance sheet allowing for operational and financial flexibility.**

*"We have now taken several actions to strengthen our financial position, including divesting non-core assets, the sale and leaseback arrangement for our new factory, and now, resolving on a rights issue and extending our credit facilities. We can now continue to execute on our strategy and finalise the important Jönköping factory that will render us superior product and manufacturing capabilities. By leveraging the full potential of our Nordic operations and drive transformation in our UK business, we are committed to delivering value to shareholders and customers.",* says Nobia's President and CEO, Jon Sintorn.

### Summary:

- The Rights Issue with preferential rights for existing shareholders will comprise of new shares entailing proceeds of approximately SEK 1,250 million before deduction of transaction costs.
- The Board of Directors' resolution regarding the Rights Issue is subject to approval by an extraordinary general meeting (the "**EGM**"). The EGM is scheduled to be held on or about 26 March 2024.
- The purpose of the Rights Issue is to finance the completion of the Jönköping factory of approximately SEK one billion and to strengthen the balance sheet.
- Nobia's largest shareholders, Nordstjernan Aktiebolag ("**Nordstjernan**"), If Skadeförsäkring AB ("**If Skadeförsäkring**") and the Fourth Swedish National Pension Fund ("**AP4**"), together representing approximately 44.9<sup>1</sup> per cent of the capital and votes in Nobia, have undertaken to subscribe for their respective pro rata shares of the Rights Issue.

---

<sup>1</sup> Based on total number of shares issued. In total, there are 170,293,458 shares issued in Nobia, of which Nobia holds 2,040,637 shares.

- Nordstjernen, If Skadeförsäkring and AP4 have further entered into guarantee undertakings for the remaining part of the Rights Issue. Thus, the Rights Issue is covered in its entirety by subscription and guarantee undertakings.
- Nordstjernen, If Skadeförsäkring and AP4 have also undertaken to vote in favour of the Rights Issue at the EGM.
- The final terms of the Rights Issue will be determined by the Board of Directors on or about 20 March 2024.
- Provided that the Rights Issue is approved by the EGM, the record date for the Rights Issue is expected to be 28 March 2024 and the subscription period is expected to run from 3 April 2024 to 17 April 2024.
- To ensure the Company's access to long-term financing to allow for operational and financial flexibility for the Company, Nobia has negotiated an amendment and extension of Nobia's current SEK five billion revolving credit facilities with its lenders. The current facilities will be partly repaid and reduced to SEK 3,450 million using proceeds from the previously communicated asset divestments and the Rights Issue. The remaining facilities will be extended to 30 June 2027. The amended and restated facilities agreement requires that the Rights Issue is fully subscribed and completed by no later than 30 April 2024.

## Background and reasons

Nobia is a leading European kitchen specialist with a long history of delivering high quality kitchens. The Company has strong market positions in the core Nordic and UK markets, which are underpinned by favourable long-term trends. Recent macroeconomic turbulence, such as rising interest rates, has negatively affected the Company's operating performance. Furthermore, the Company has undertaken significant investments in the new Jönköping factory which has increased the Company's net indebtedness. Together, these events have negatively impacted the Company's financial position. Consequently, the Board of Directors and management have identified a need for strategic actions and to strengthen the Company's capital structure, through asset divestments, the Rights Issue and an amendment and extension of the Company's revolving credit facilities, to allow for operational and financial flexibility.

The Company's strategic initiatives focus on maximising cost efficiency, realising the full potential of the Nordic region (e.g., through the new automated factory in Jönköping and harmonised product ranges) and executing the UK transformation program. As a response to the changed market conditions, Nobia announced a group wide cost savings program in January 2023 that is expected to generate full annualised effect of up to around SEK 350 million in the second quarter of 2024, with realised savings of approximately SEK 280 million during 2023. On 19 January 2024, Nobia signed an agreement to divest the new factory building currently being constructed in Jönköping and lease it back under a 20-year rental agreement, with an option for extension for additional 20 years. On 12 February 2024, Nobia announced the strategic decision to focus on its core Nordic and UK markets. In line with this decision, Nobia entered into an agreement to divest its Dutch subsidiary Bribus. On 19 February 2024, Nobia further announced its continued focus on its core markets, and the divestment of ewe in Austria.

The new custom-built 129,600 square meter factory in Jönköping is expected to have the capability to deliver complete kitchen orders by the end of 2024 and to enable competitive advantages for Nobia.

The advantages include a digitalised order flow from order to delivery, highly automated production, mass customisation at scale, higher service level and shorter lead times through logistic efficiencies. The factory enables further consolidation and flexibility in the Nordic supply chain network and provides capacity for future growth. The increased operational efficiency in the Jönköping factory is expected to improve EBITDA margin for the Nordic region by approximately 3.5 percentage points<sup>2</sup> with additional potential from increased volumes, footprint consolidation and improved customer offering.

Since December 2022, a new local management team has driven a strategic move in the UK to become a focused mass premium leader. The transformation in UK is underway with several cost savings and restructuring measures being undertaken in 2023 resulting in positive effects with a more attractive product mix and higher average order value. Furthermore, Nobia plans to broaden its distribution reach beyond its UK store network in a cost-effective manner, including initiatives such as the recent expansion of Magnet Kitchens' reach through a shop-in-shop concept in partnership with Selco, alongside other asset-light distribution models.

The Board of Directors and the management team of Nobia expect some stabilisation of the market in 2024 and the market to start recovering in 2025, led by the consumer segment. As a result, and in combination with estimated remaining cash outflow for the Jönköping factory of approximately SEK one billion, leverage levels are expected to increase during 2024 before they are expected to decrease towards the financial target of <2.5x net debt/EBITDA<sup>3</sup>.

To ensure the Company's access to long-term financing and allow for operational and financial flexibility for the Company, Nobia has negotiated an amendment and extension of the Company's current revolving credit facilities with its lenders, as further described below.

### **Agreements relating to credit facilities**

Nobia has held dialogues with the lenders under the existing facilities agreement to secure an amendment and extension of the revolving credit facilities until 30 June 2027, and Nobia and the lenders have entered into an amendment and restatement agreement in respect of the existing facilities agreement. The amended and restated facilities agreement entails that the Company's current SEK five billion facilities are partly repaid and reduced to SEK 3,450 million using proceeds from the previously communicated asset divestments and the Rights Issue. Further, the Company has also agreed with the lenders that new financial terms and conditions (covenants) shall apply. The new financial covenants include minimum liquidity and absolute adjusted consolidated EBITDA excluding IFRS 16. The Company will at a later date undertake to meet other financial covenants, in form of a leverage ratio and an interest coverage ratio, under the facilities arrangement. The amended and restated facilities agreement requires that the Rights Issue is fully subscribed and completed by no later than 30 April 2024.

### **The Rights Issue**

Against the above background, the Board of Directors of Nobia has resolved on an issue of new shares with preferential rights for Nobia's existing shareholders of approximately, SEK 1,250 million. As further

---

<sup>2</sup> Company estimate based on run-rate potential 2026 assuming 2023 volumes, compared to 2023 at constant exchange rates.

<sup>3</sup> Net debt/EBITDA, excluding IFRS 16 leasing, pension debt and items affecting comparability on a 12-month rolling basis.

set out below, the Rights Issue is fully covered by subscription and guarantee undertakings by Nobia's largest shareholders, Nordstjernen, If Skadeförsäkring and AP4.

The proceeds from the Rights Issue will be used to finance remaining investments for the Jönköping factory and to strengthen the balance sheet. The Company's shareholders on the record date shall have the right to subscribe for new shares in the Rights Issue with preferential rights. The record date for the right to participate in the Rights Issue is expected to be 28 March 2024. Subscription for new shares can also be made without preferential rights. Final terms for the Rights Issue, including the amount by which the share capital in the Company is to be increased, the number of new shares to be issued and the subscription price are expected to be announced on or about 20 March 2024. The subscription period is expected to run between 3 April 2024 and 17 April 2024.

### **Voting, subscription and guarantee undertakings**

Nobia's largest shareholders, Nordstjernen, If Skadeförsäkring and AP4 have undertaken to subscribe for their respective pro rata shares of the Rights Issue. Such subscription undertakings comprise approximately 44.9 per cent of the Rights Issue. Nordstjernen, If Skadeförsäkring and AP4 have further entered into guarantee undertakings for the remaining part of the Rights Issue. Thus, the Rights Issue is covered in its entirety by subscription and guarantee undertakings.

A cash fee for the guarantee undertakings, determined based on current market conditions, of two per cent of the guaranteed amount will be paid to Nordstjernen and If Skadeförsäkring. No compensation is paid for the subscription undertakings, nor for AP4's guarantee undertaking.

Neither the subscription or guarantee undertakings have been secured by, for example, bank guarantees, blocked funds, pledges or similar arrangements.

### **Extra General Meeting (EGM)**

The Board of Directors will convene the shareholders to the EGM through a separate press release. The EGM is expected to take place on or around 26 March 2024.

### **Indicative timetable for the Rights Issue**

Publication of the final terms and conditions of the Rights Issue, including the subscription price and the maximum number of new shares to be issued	On or about 20 March 2024
Extraordinary General Meeting	On or about 26 March 2024
Last day of trading in the Company's shares including the right to receive subscription rights	On or about 26 March 2024
First day of trading in the Company's shares without the right to receive subscription rights	On or about 27 March 2024
Record date for the right to receive subscription rights in the Rights Issue	On or about 28 March 2024
Publication of the prospectus	On or about 2 April 2024

Trading in subscription rights on Nasdaq Stockholm	On or about 3 April 2024 - 12 April 2024
Subscription period	3 April 2024 - 17 April 2024
Trading in paid subscription shares on Nasdaq Stockholm (Sw. <i>Betalda tecknade aktier</i> )	On or about 3 April 2024 - 24 April 2024
Announcement of final outcome of the Rights Issue	On or about 19 April 2024

## Prospectus

Further information regarding the Rights Issue and the Company will be included in the prospectus, which is expected to be published on or about 2 April 2024.

## Advisors

Carnegie Investment Bank AB (publ) ("**Carnegie**") acts as financial advisor to Nobia in connection with the Rights Issue and in conjunction with the amendment and extension of the revolving credit facilities. Carnegie, Handelsbanken Capital Markets and Nordea Bank Abp, filial i Sverige act as Joint Global Coordinators and Joint Bookrunners (jointly the "**Joint Global Coordinators**") in connection with the Rights Issue. White & Case acts as legal advisor to Nobia in connection with the Rights Issue and in conjunction with the amendment and extension of the revolving credit facilities. Baker McKenzie acts as legal advisor to the Joint Global Coordinators in the Rights Issue.

### For further information:

Jon Sintorn, President & CEO  
+46 70 607 44 30  
jon.sintorn@nobias.com

Henrik Skogsfors, CFO  
+46 70 544 21 12  
henrik.skogsfors@nobias.com

Tobias Norrby, Head of Investor Relations  
+46 706647335  
tobias.norrby@nobias.com

*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 persons above, at 07:30 CET on 20 February 2024.*

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; Novart 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 Company has approximately 5,500 employees and net sales of about SEK 14 billion. The share is listed on Nasdaq Stockholm under the ticker NOBI.

## IMPORTANT INFORMATION

None of the securities referred to herein have been or will be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state or other jurisdiction in the United States, and may not be offered, pledged, sold, delivered or otherwise transferred, directly or indirectly, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable other securities laws. There will not be any public offering of any of the securities in the United States.

In the United Kingdom, this press release is directed only at, and communicated only to, persons who are qualified investors within the meaning of article 2(e) of the Prospectus Regulation (2017/1129) of the European Parliament and of the Council of 14 June 2017 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 who are (i) persons who fall within the definition of "investment professional" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), or (ii) persons who fall within article 49(2)(a) to (d) of the Order, or (iii) persons to whom it may otherwise be lawfully communicated (all such persons referred to in (i), (ii) and (iii) above together being referred to as "**Relevant Persons**"). This press release must not be acted on or relied on by persons in the UK who are not Relevant Persons.

This press release and the information herein is not for publication, release or distribution, in whole or in part, directly or indirectly, in or into the United States, Australia, Hong Kong, Japan, Canada, New Zealand, South Africa, Switzerland, or any other state or jurisdiction in which publication, release or distribution would be unlawful or where such action would require additional prospectuses, filings or other measures in addition to those required under Swedish law.

The press release is for informational purposes only and does not constitute an offer to sell or issue, or the solicitation of an offer to buy or acquire, or subscribe for, any of the securities mentioned herein (collectively, the "**Securities**") or any other financial instruments in Nobia AB (publ). Any offer in respect of any of the Securities will only be made through the prospectus that Nobia AB (publ) expects to publish in due course. Offers will not be made to, and application forms will not be approved from, subscribers (including shareholders), or persons acting on behalf of subscribers, in any jurisdiction where applications for such subscription would contravene applicable laws or regulations, or would require additional prospectuses, filings, or other measures in addition to those required under Swedish law. Measures in violation of the restrictions may constitute a breach of relevant securities laws.

Carnegie, Handelsbanken Capital Markets and Nordea Bank Abp, filial i Sverige are acting for Nobia in connection with the Rights Issue and no one else and will not be responsible to anyone other than Nobia for providing the protections afforded to its clients nor for giving advice in relation to the transaction or any other matter referred to herein.

This press release contains forward-looking statements that reflect Nobia AB (publ)'s current view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "estimate" and other expressions involving indications or predictions regarding future development or trends, not based on historical facts, identify forward-looking statements and reflect Nobia AB (publ)'s beliefs and expectations and involve a number of risks, uncertainties and assumptions which could cause actual events and performance to differ materially from any expected

future events or performance expressed or implied by the forward-looking statement. The information contained in this press release is subject to change without notice and, except as required by applicable law, Nobia AB (publ) does not assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained in it and nor does it intend to. You should not place undue reliance on forward-looking statements, which speak only as of the date of this press release. As a result of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual future events or otherwise.

This announcement does not constitute an investment recommendation. The price and value of securities and any income from them can go down as well as up and you could lose your entire investment. Past performance is not a guide to future performance. Information in this announcement cannot be relied upon as a guide to future performance.

The securities mentioned in this press release have not been registered and will not be registered under any applicable securities law in United States, Australia, Hong Kong, Japan, Canada, New Zealand, South Africa, Switzerland and may, with certain exceptions, not be offered or sold within, or on behalf of a person or for the benefit of a person who is registered in, these countries. The Company has not made an offer to the public in to subscribe for or acquire the securities mentioned in this press release other than in Sweden.

In the EEA Member States, with the exception of Sweden, (each such EEA Member State, a “**Relevant State**”), this press release and the information contained herein are intended only for and directed to qualified investors as defined in Article 2 (e) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the “**Prospectus Regulation**”). The securities mentioned in this press release are not intended to be offered to the public in any Relevant State and are only available to qualified investors except in accordance with exceptions in the Prospectus Regulation. Persons in any Relevant State who are not qualified investors should not take any actions based on this press release, nor rely on it.