

# Nimbus Group third quarter report 2023

**Continued sales growth for premium boats and improved geographic mix  
in line with our strategy**

**NIMBUS**  
**W11**

# Today's Presenters

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**Jan-Erik Lindström**  
CEO



**Rasmus Alvemyr**  
CFO

# Highlights of the third quarter 2023

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- Sales increase by 18 % to 475 mSEK (402)
- EBITA amounted to 13.0 mSEK (44.8)
- EBITA margin 2,7 % (11,1 %)
- Order book decreased to 946 mSEK (1 051)
- Strong order book development in North America, now representing 58%, i.e. our no. 1 market
- Production adjustments and initiatives to increase focus on premium boats have been started
- Cost-out initiatives expected to gradually kick in
- Negative impact from currency effects
- Organic sales of premium boats increased by 19%
- Continued softening demand for small boats in Nordics





# This is Nimbus Group

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**Founded in 1968**

**Long history of international sales**

**True house of well-known brands**

**2021, May - acquisition of Marine Store**

**2022, Feb - acquisition of Herholdt Andersen**

**2022, June - Own establishment in North America**

**2022, Aug – Launch of new Aquador series**

**2023, Jan – Presentation of Nimbus 465 Coupe, entering a new segment with the Nimbus brand**

**2023, May – Acquisition of EdgeWater Power Boats LLC**



**ALUKIN**

  
**AQUADOR**

**BELLA**

 **EdgeWater**

**FALCON**

**FLIPPER**

  
**NIMBUS**

**PARAGON  
YACHTS**

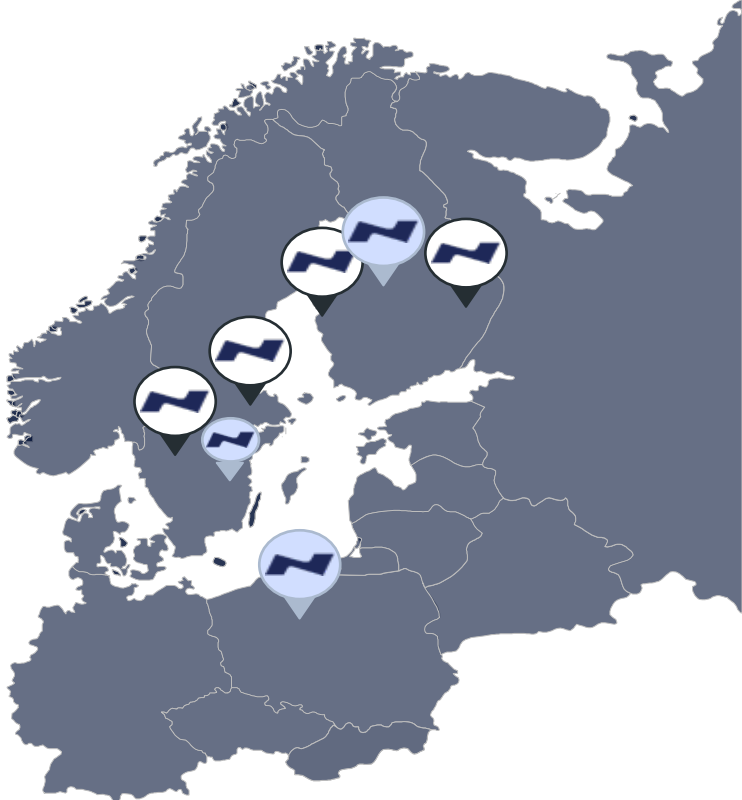
# Productivity improvements and increased focus on premium segment

- Norrtälje production site:
  - Production of aluminum boats outsourced and consolidated to external partner
- Lugnås production site:
  - Nimbus C11 outsourced
  - 465 Coupe production ramp-up
- Finland production:
  - Lay-offs in small boat production according to finish rules
- Merger of Swedish legal dealership entities into one company
- Restructuring with the aim of increased focus on premium boats







## Footprint

Production facilities  
○ Internal production  
● Outsourced production



# Strong long term underlying market development with drivers in the premium segment

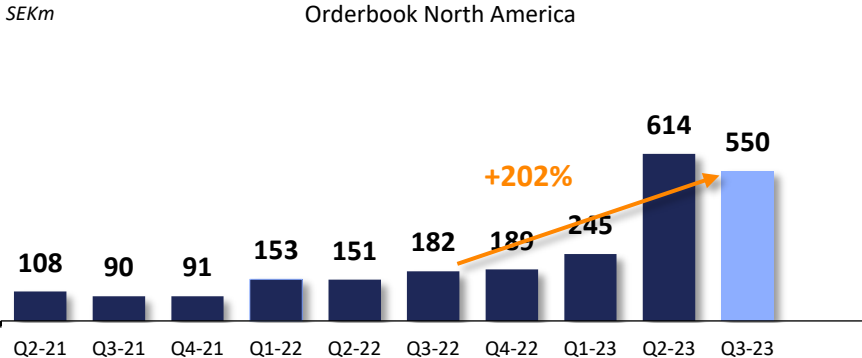
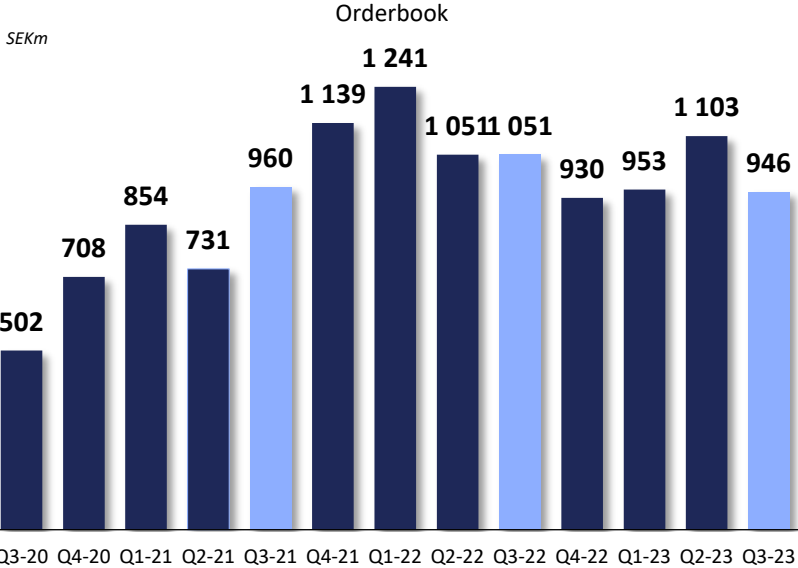
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-  Overall wealth is increasing
-  Increased popularity of "Staycation"
-  Ageing boat fleet
-  Technical development



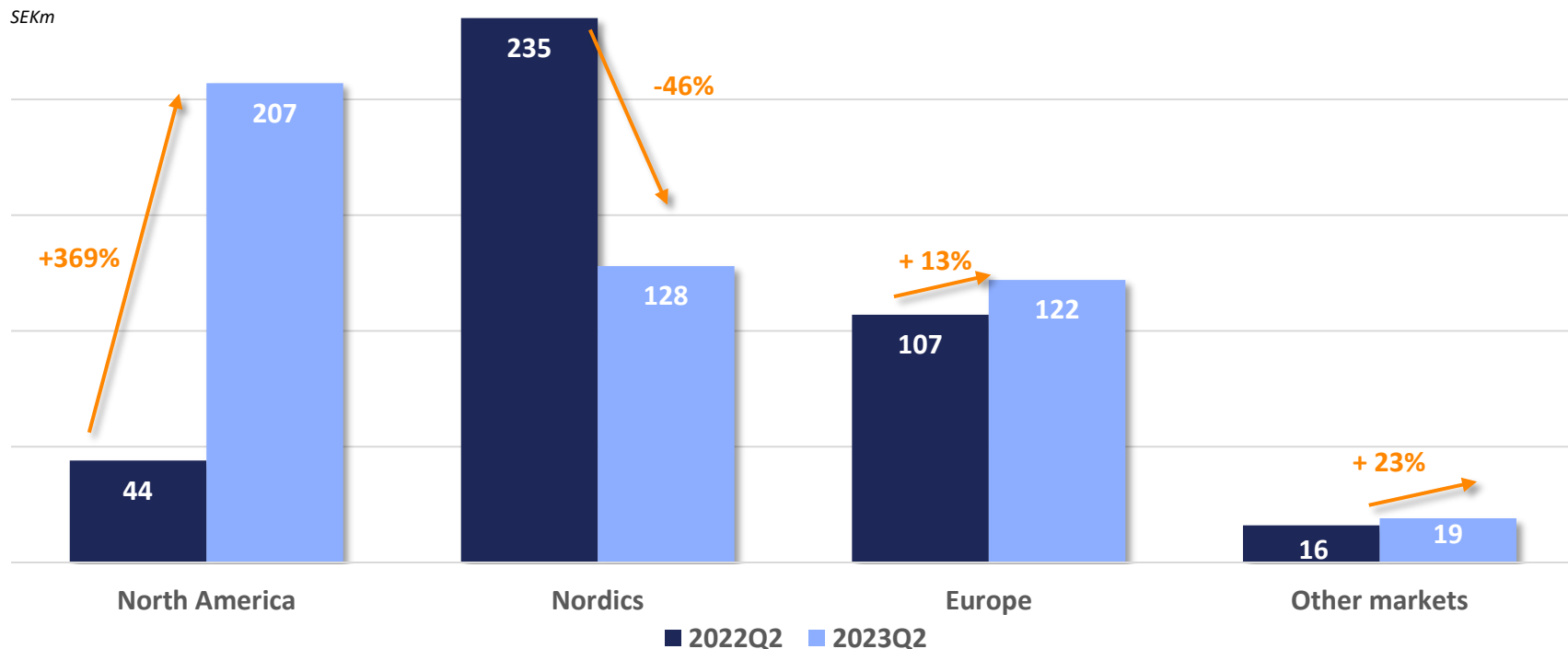
# Order book development

- Order book decreased by 10% Y/Y driven by small boats.
- Order book geographically well balanced in relation to world market, with North America representing 58%.
- Higher share of premium boats in the order book
- Only confirmed orders in the order book.
- Significant decrease in smaller boats due to softer market, from 201 to 45 mSEK (representing only 4.5 % of the orderbook)
- The order book in North America amounted to 550 MSEK, whereof EW 107 mSEK
- EdgeWater represents 107 mSEK with a shorter orderbook due to different order confirmation process.



# Sales development per market Q3 2023 vs Q3 2022

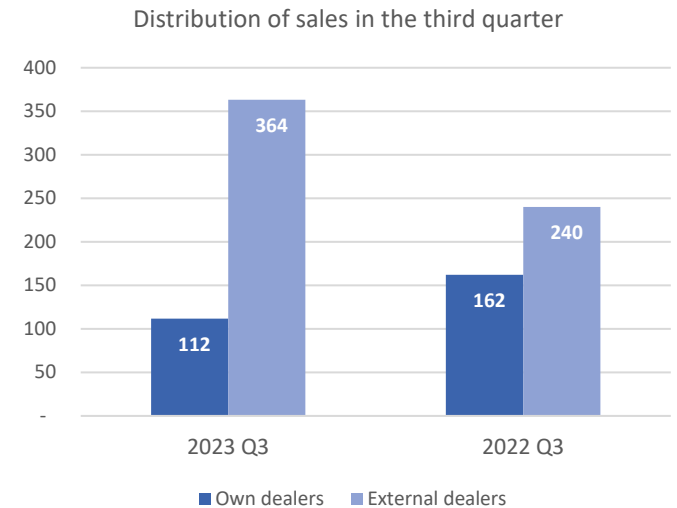
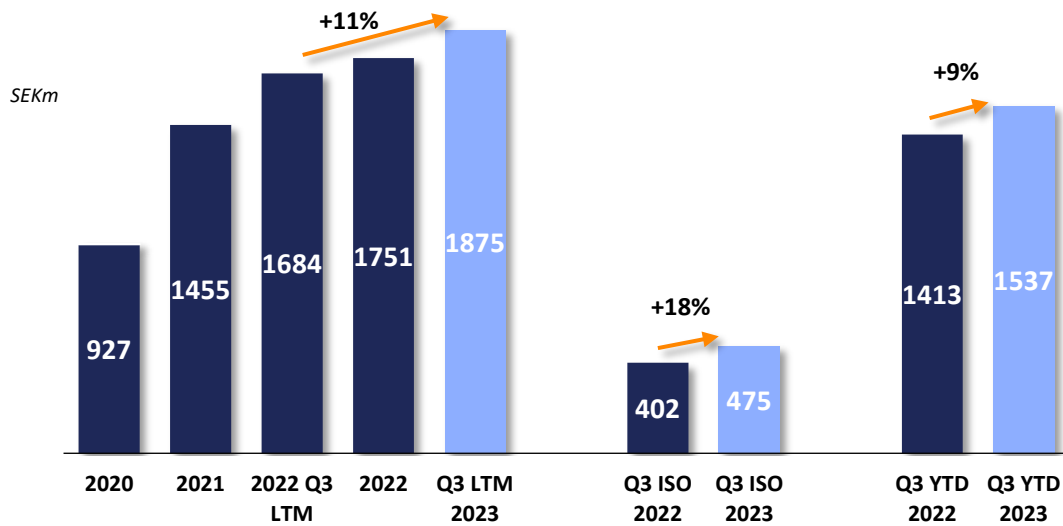
- Strong development in North America by 163 mSEK driven by premium boats, whereof EdgeWater 124 mSEK
- Europe and other markets develops well, also mainly attributable to large boats
- Nordics drops by 107 mSEK, driven by lower volumes at both own and external dealers





# Sales development

- Net sales in Q3 increased by +18% Y/Y, affected by currency and EW acquisition (179mSEK)
- Organic growth was –14% (currency and acquisition driven)
- L/Y was affected by delayed sales of 80 mSEK referring to Q2-22 (supply chain related disturbances).

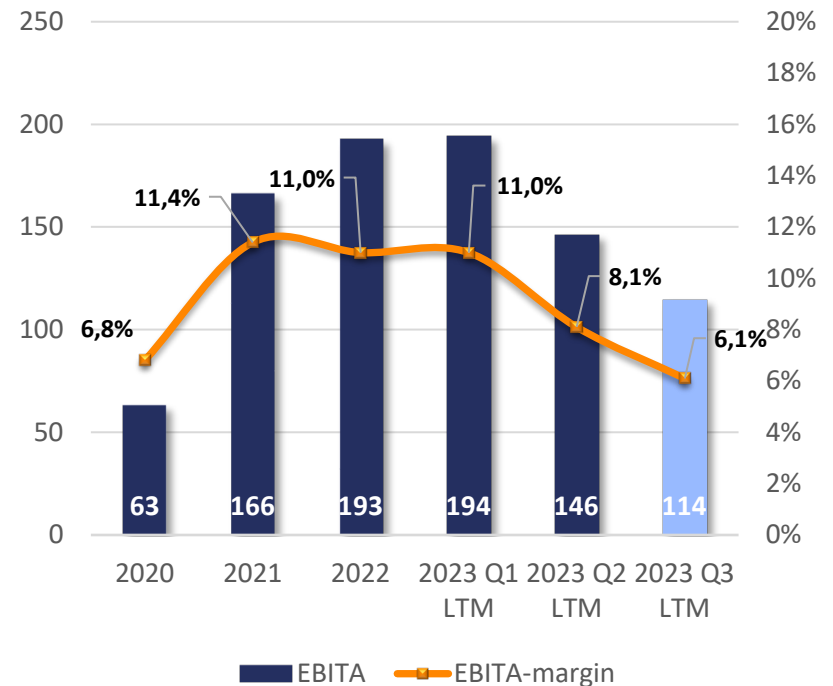
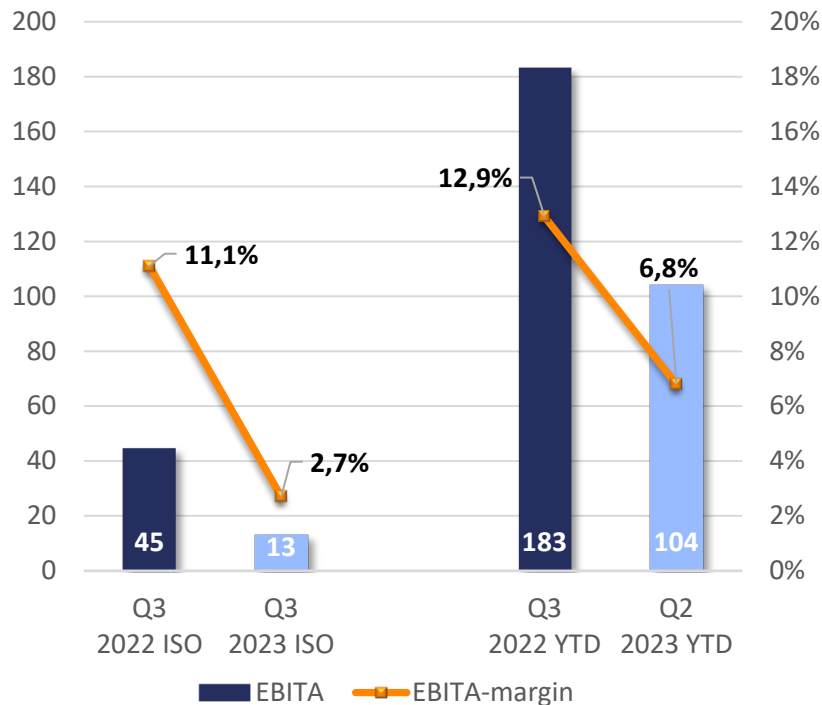


# EBITA Development

Decreased EBITA-margin in Q3 to 2.7% (L/Y 11.1%), mainly effected by:

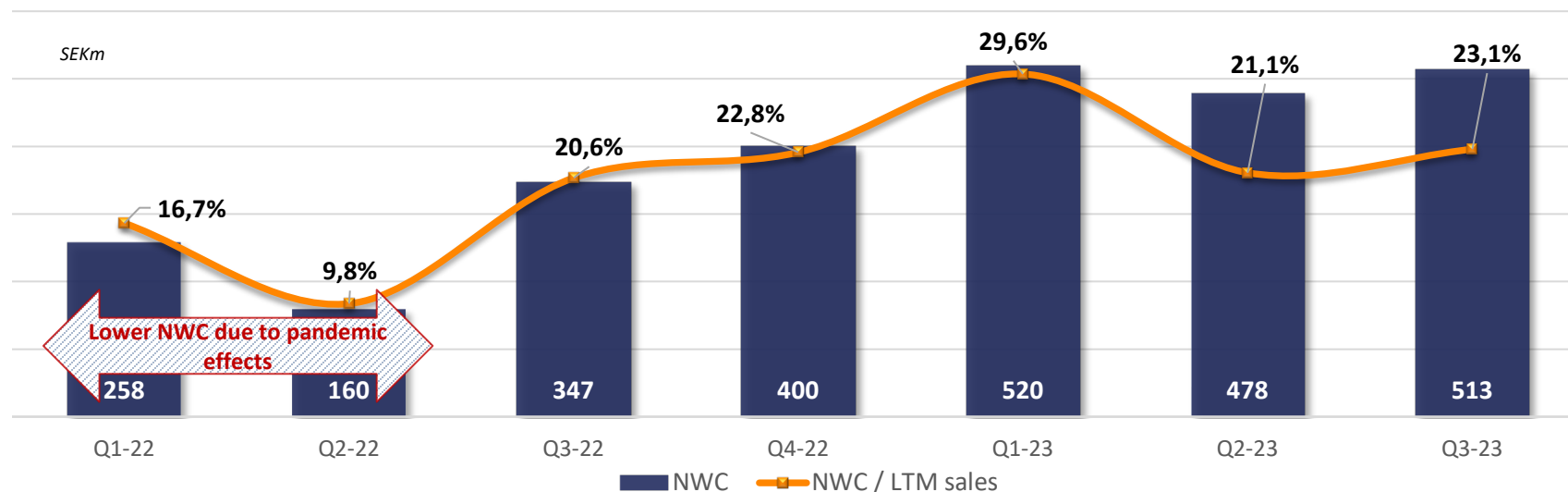
- SEK currency development: Negative effect of about -14 mSEK on GM (Effecting GM and EBITA approx -3 pp)
- Cost under-absorption effect from production restructuring and significantly lower volumes of smaller boats
- Lower share of double margin sales of own brands at own dealerships

SEKm



# Working Capital

- NWC amounted to 513 mSEK compared with 478 in Q2.
- Stock levels decreased by 56 mSEK, driven by lower WIP and finished goods. Still higher level of safety-stocks but improvements has been made.
- Level of demo boats are filled up and correctly balanced compared with L/Y and pandemic
- Normalization of previous temporary effect from foreign VAT
- NWC / LTM amounts to 23 % (L/Y 21%); incl EdgeWater proforma assumption of 525 mSEK (based on FY 2022)



# Financial Targets

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**Growth >10%**

**EBITA margin 10%**

**Capital structure - No Financial debt**

**Dividend policy 30%**

# Great achievements but more to do

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## US – good traction

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- Strengthened group presence with local HQ and organisation
- Acquisition of EdgeWater Power Boats
- New products launched supporting the expansion
- Gradually strengthened dealership network with high quality dealers
- US sales organisation consolidated (Q4 2023)

## More potential

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- Increased focus on premium boats
- Expand and densify dealership network on white spots in Europe
- Updated product portfolio well suited for further expansion



# Q & A

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**Financial calendar:**

**February 6<sup>th</sup>**

**Q4 report**

