

Nimbus Group fourth quarter report 2023

Trend for premium boats provides support for our strategy but non-recurring and restructuring costs burden the quarter



Alukin Ocean Air 8

Today's Presenters



Jan-Erik Lindström
CEO



Rasmus Alvemyr
CFO

Key takeaways from 2023 – A year of strategic shift

- Expansion in North America
 - Dealer network expanded in key boating districts
 - Acquisition of Edgewater
 - Consolidation of North American sales organisation
 - Preparations for local US production of Nimbus brand boats
 - Launch of Aquador brand
- Continued increased focus on premium boats
- Entering new segment with Nimbus 465 Coupe, 1st boat built
- Expansion of Lugnås factory finalized, enabling higher volumes and larger boats
- Softer market situation – especially for small boats in the Nordics
- Expanded footprint in new markets (e.g. UAE, Thailand, Japan)



Highlights of the fourth quarter 2023

- Sales increased by 7 % to 361 mSEK (338)
- EBITA amounted to -4,4 mSEK (10,3), including non-recurring costs of 10 mSEK
- EBITA margin -1,2 % (3,1 %), negative effected by currency as reported in Q3 (-14 mSEK)
- Order book at 759 mSEK (930), 96% referring to premium boats
- Non-recurring restructuring costs affected the quarter
- Sea-trials Alukin Ocean Air8
- Flipper 900 DC and Aquador 300 HT nominated for Motorboat Awards
- First 465 Coupé built
- Legal merger of the own Swedish dealers



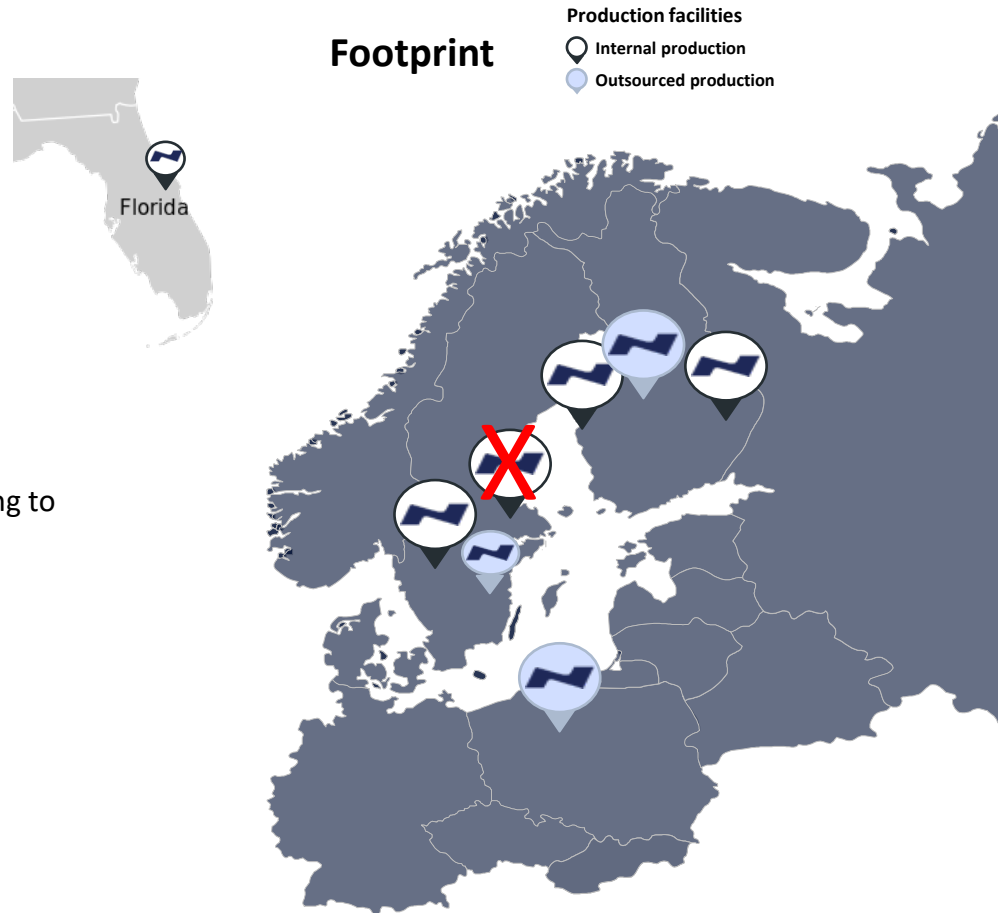
This is Nimbus Group

- 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



Productivity improvements and increased focus on premium segment

- Norrtälje production site:
 - Production of aluminum boats outsourced and consolidated to external partner
 - factory closed
- Lugnås production site:
 - Nimbus C11 outsourced
- Finland production:
 - Temporary lay-offs in small boat production according to finnish rules
 - Move of Nimbus TC 8 to Edgewater and Poland



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

Global drivers



Overall wealth is increasing



Increased popularity of “Staycation”



Ageing boat fleet



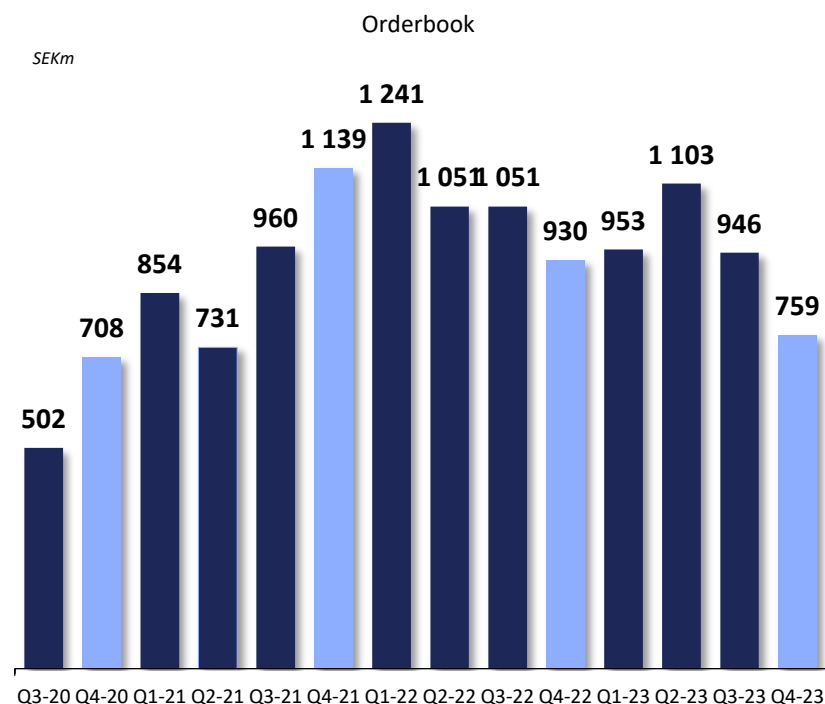
Technical development

Industrial drivers



Order book development

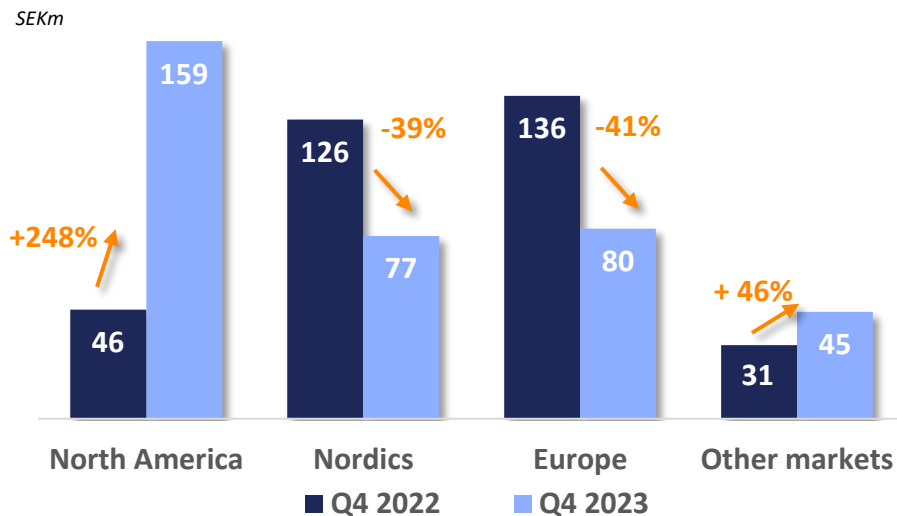
- Order book down 18% Y/Y mainly driven by small boats (-100 mSEK)
- Order book geographically well balanced in relation to world market, with North America representing 54%
- Higher share of premium boats in the order book (96%)
- Only confirmed orders in the order book



Sales development per market

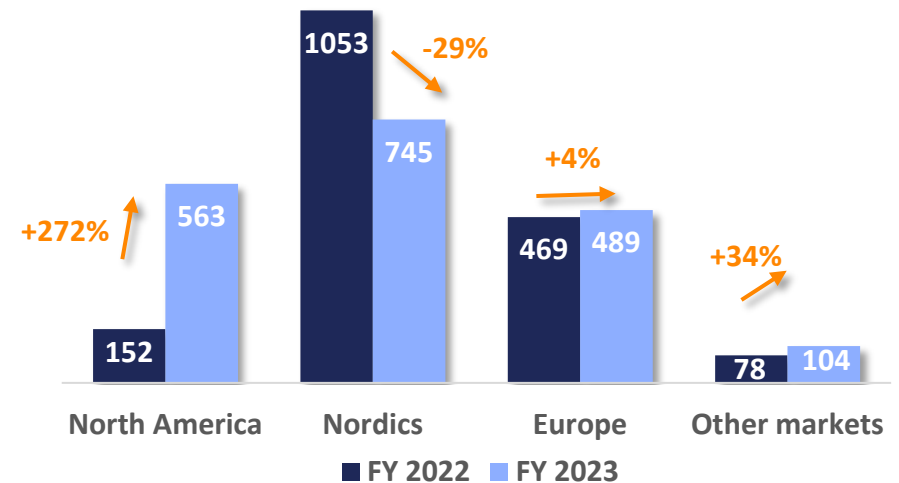
Q4

- Strong development in North America by 113 mSEK driven by premium boats, whereof EdgeWater 90 mSEK
- Continued soft market in the Nordics continues, -39%
- Europe drop by -41% due to positively affected sales L/Y from timing effects after supply chain disturbances
- Positive development on other markets



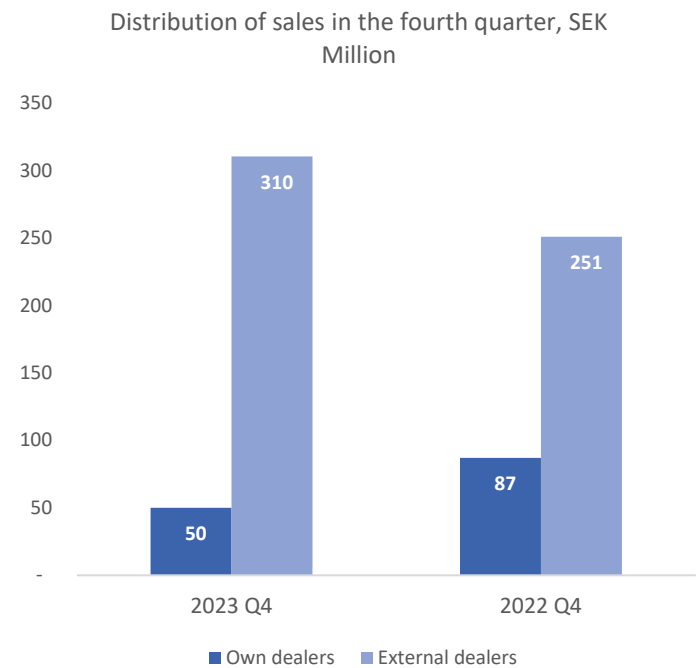
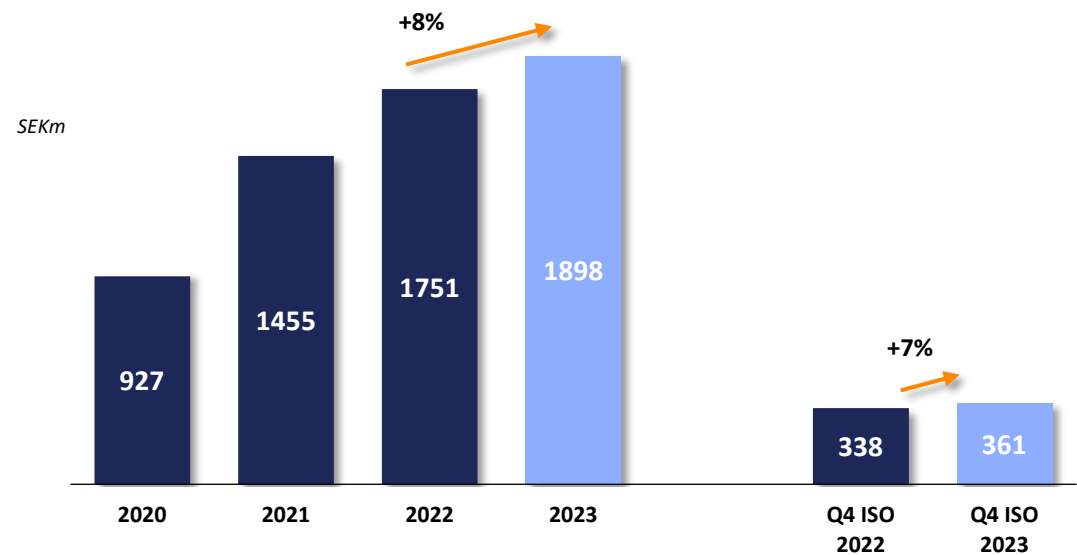
Full year

- North America expanded by 411 mSEK, whereof EdgeWater 269 mSEK, organic growth of +94%
- Drop in the Nordics of -29%, soft market on mainly small boats
- Europe slightly higher, main driven by southern Europe



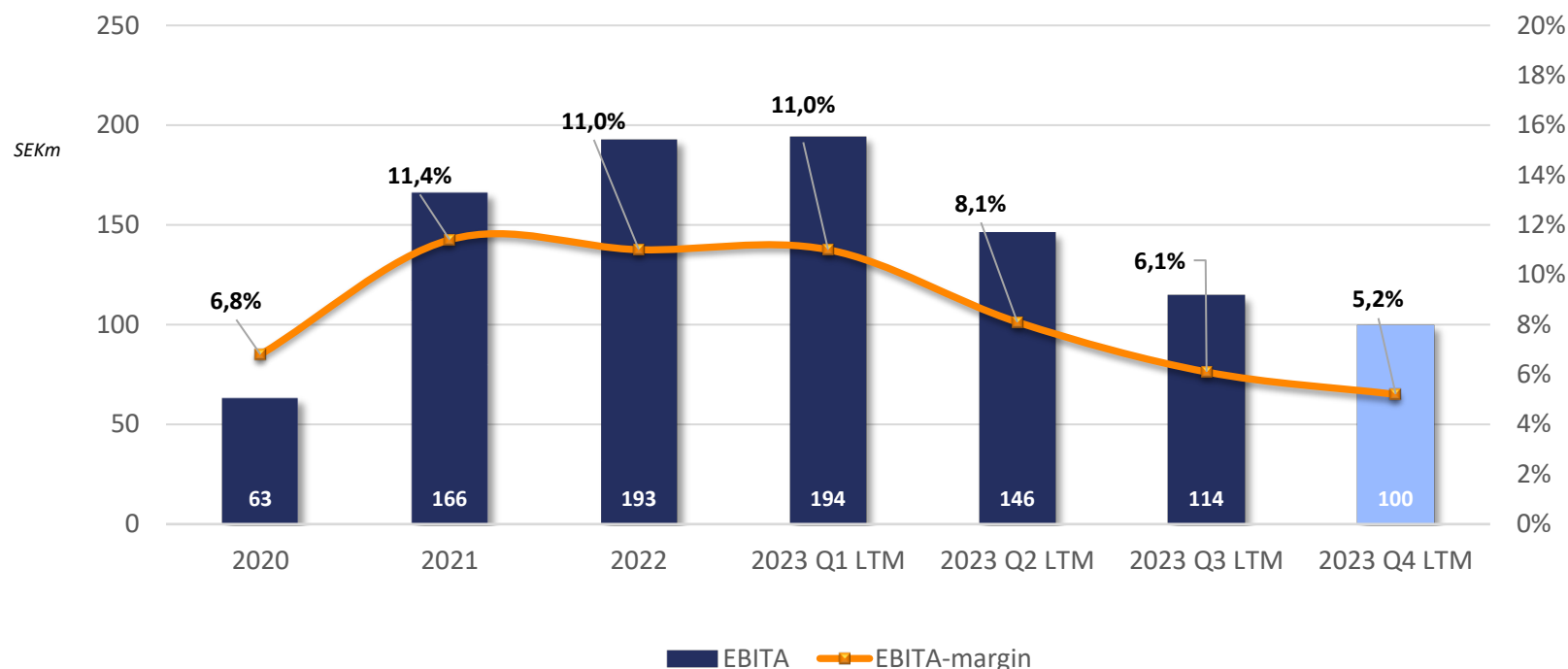
Sales development

- Net sales in Q4 increased by +8% Y/Y, affected by currency and EW acquisition (90 mSEK)
- Organic growth in Q4 was –20%, fully explained by drop in small boats



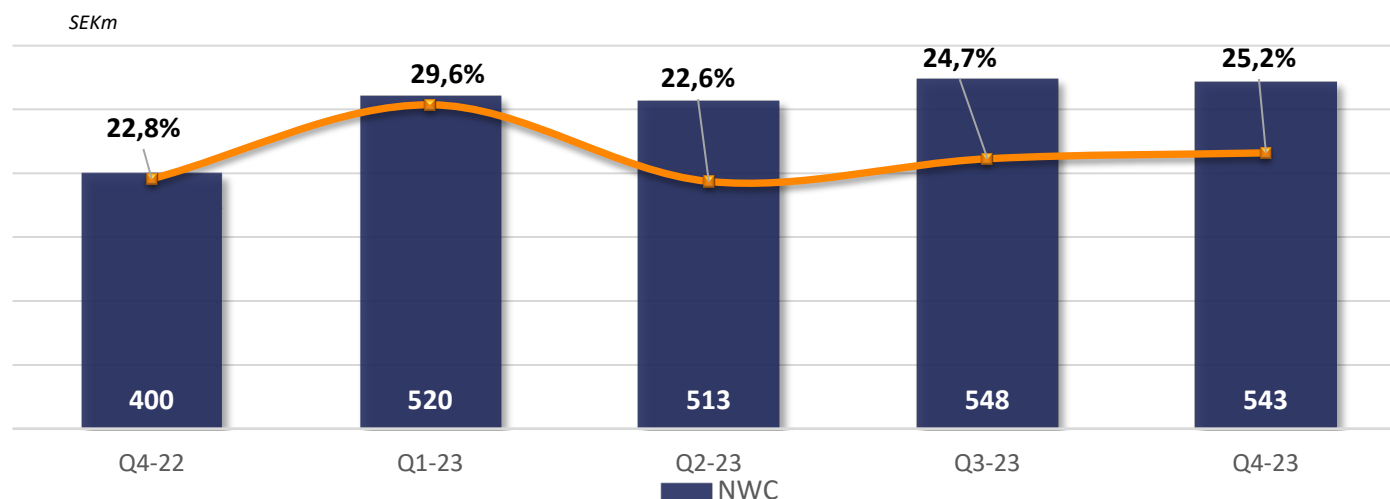
EBITA Development

- Lower EBITA-margin in Q4 down to -1,2% (L/Y 3,1%), mainly effected by:
 - SEK currency development: Negative effect of about -14 mSEK on GM (effecting EBITA approx -4 pp)
 - Non-recurring costs referring to restructuring and reserves of -10 mSEK (effecting EBITA by -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



Working Capital

- NWC in Q4 amounted to 543 mSEK compared with 548 in Q3.
- Stock levels increased by 56 mSEK, driven by higher levels of finished goods and lower levels of WIP and Raw material. The increase follows seasonality trends.
- Level of demo boats at own dealers are filled up and well balanced compared with L/Y and pandemic
- Floor-plan financing for own demo boats amounts to 53 mSEK.
- NWC / LTM amounts to 25 % (L/Y 23%); incl EdgeWater proforma assumption of 525 mSEK (based on FY 2022)



Strategic CAPEX investments done in 2023

- CAPEX 2023 amount to 61 mSEK (66)
 - Investments in Lugnås Factory by -17 mSEK
 - Product development 44 mSEK (34) , dominated by Nimbus 465 Coupe



Financial Targets

Growth >10%

EBITA margin 10%

Capital structure - No Financial debt

Dividend policy 30%

Q & A

Financial calendar:

April 26th

Q1 report

