

# **NIBE**

## **Q4 and Full Year 2024**

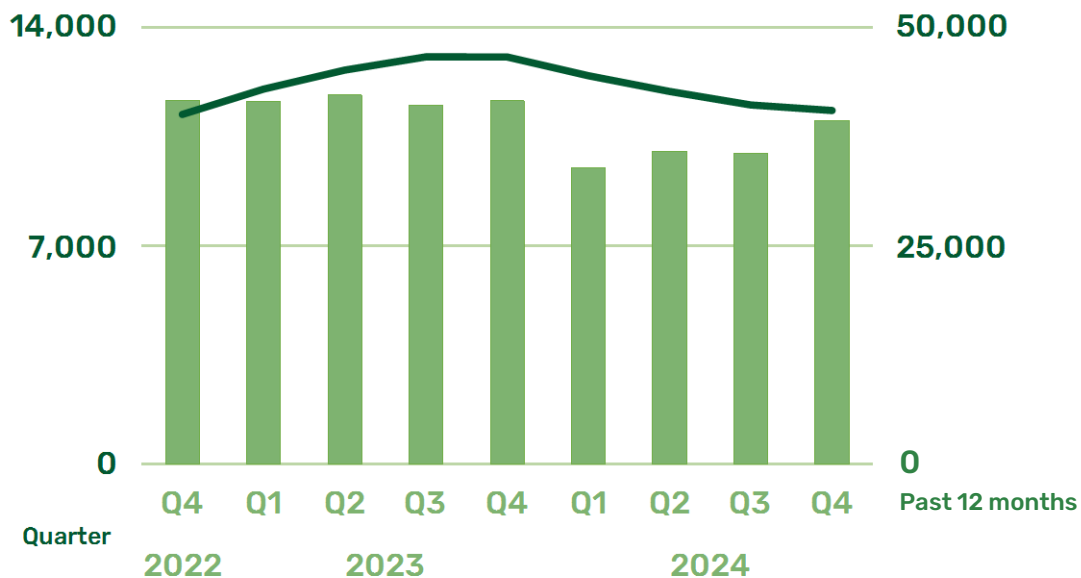
## A year characterized by several challenges, but with clear signs of improvements in a still somewhat cautious market

- The last quarter of the year **confirms the clear signs of improvements** we have seen after the turn of the year
- An **underlying healthy demand** from end customers has had a positive impact on distributors' inventories in most markets
- Inventories in the distribution chains at **acceptable levels in most of our main markets**
- The **action program is fully implemented** with expected full impact in 2025
- Falling **interest rates predicted to have positive impact** on the overall economy
- Positive impact from the **reevaluation of additional considerations**
- We expect a **gradual improvement in sales** in all three business areas going forward
- **Our ambition** is to be back at operating margin levels, within the historical range for each business area, during 2025

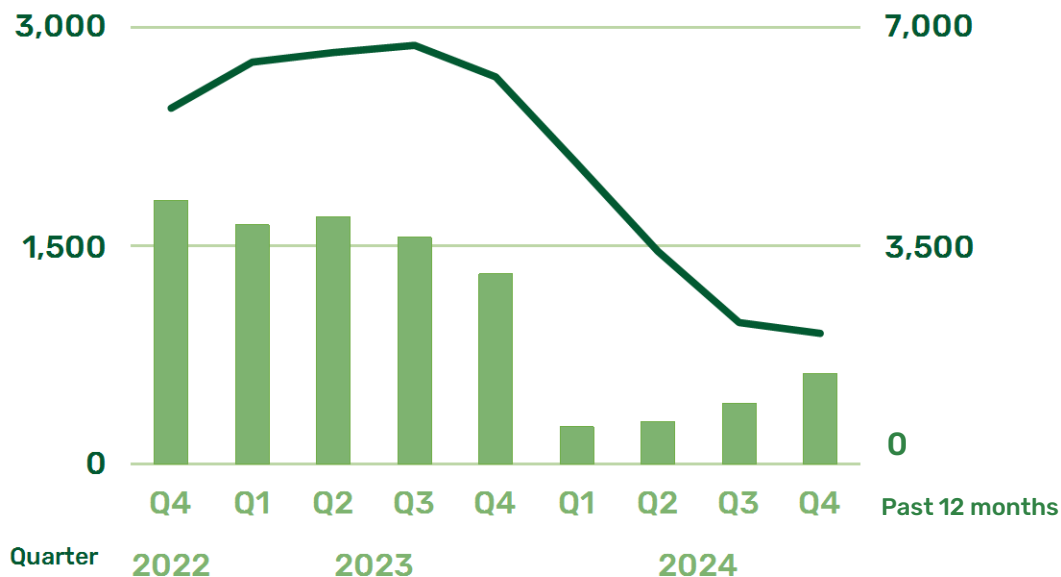
		<b>2024 Q4</b>	<b>2023 Q4</b>	<b>2024</b>	<b>2023</b>
<b>Invoiced sales</b>	MSEK	<b>11,025</b>	11,656	<b>40,521</b>	46,649
<b>Growth</b>	%	<b>-5.4</b>	-0.1	<b>-13.1</b>	+16.4
<b>of which acquired</b>	%	<b>+0.3</b>	+7.0	<b>+3.3</b>	+6.2
<b>Gross margin</b>	%	<b>30.2*</b>	33.4	<b>29.1*</b>	33.6
<b>Operating profit</b>	MSEK	<b>1,129*</b>	1,592	<b>3,226*</b>	6,973
<b>Growth</b>	%	<b>-29.1</b>	-15.7	<b>-53.7</b>	+18.9
<b>Operating margin</b>	%	<b>10.2*</b>	13.7	<b>8.0*</b>	14.9
<b>Profit after net financial items</b>	MSEK	<b>885*</b>	1,378	<b>2,091*</b>	6,331
<b>Growth</b>	%	<b>-35.8</b>	-22.2	<b>-67.0</b>	+11.6
<b>Net profit margin</b>	%	<b>8.0*</b>	11.8	<b>5.2*</b>	13.6

*\*Profit and key ratios have been calculated excluding items affecting comparability*

**Net sales**  
**Past nine quarters (in millions of SEK)**



## Profit after financial items Past nine quarters (in millions of SEK)\*



\*Profit and key ratios for 2024 have been calculated excluding items affecting comparability

## Healthy demand and more acceptable inventory levels in the distribution chains, but still an overall cautious market

- An **underlying healthy demand** for heat pumps from end consumers in both the EU and North America, but the total **European heat pump production still at relatively low levels**
- **Acceptable inventory levels** in the distribution chains in most markets, except Germany where another quarter of adjustments might be needed
- **Better resilience** in the commercial business segment
- The **action program is fully implemented** with expected full impact in 2025
- We expect a **gradual improvement in sales** going forward
- **Our ambition** is to be back at an operating margin level, within our historical range, during 2025

		2024	2023
Net sales	MSEK	26,037	31,373
Operating profit	MSEK	2,425*	5,596
Operating margin	%	9.3*	17.8

*\*Profit and key ratios have been calculated excluding items affecting comparability*

## More acceptable inventory levels among our customers – big variations between business segments

- Continued **significant variations between different segments** in the business area
- A movement towards **more acceptable inventory levels** among our customers, but still a challenging business climate, especially for white goods and the heat pump industry
- **Continued positive indications** from the commercial vehicle sector, rail and the semiconductor industry
- A generally **weaker climate in the industrial segment**
- Continued **low new construction** and low investments in wind power have a negative impact
- The **action program is fully implemented** with expected full impact in 2025
- We expect a **continuous improvement in sales** going forward, but in a slightly deferred business cycle compared to HVAC and white goods segments
- **Our ambition** is to be back at an operating margin level, within the historical range, during 2025



		2024	2023
Net sales	MSEK	11,092	11,898
Operating profit	MSEK	629*	942
Operating margin	%	5.7*	7.9

*\*Profit and key ratios have been calculated excluding items affecting comparability*

## Acceptable inventory levels among our customers, and return to a traditional seasonal pattern

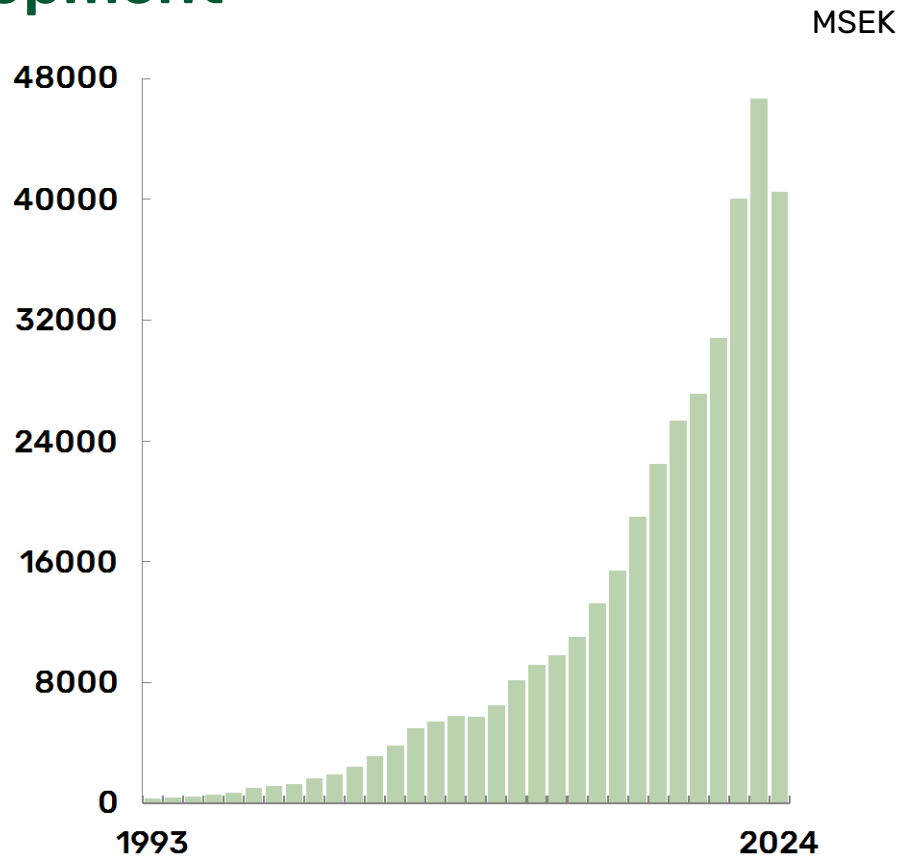
- **Acceptable inventory levels** among our customers in all major markets
- **Clear return to a traditional seasonal pattern** where autumn and winter represent stronger sales
- **Still low level of new construction and renovation** continue to create a challenging market
- The **action program is fully implemented** with expected full impact in 2025
- We expect a **gradual improvement in sales going forward** due to lower interest rates and an overall improved economy
- **Our ambition** is to be back at an operating margin level, within the historical range, during 2025

		2024	2023
Net sales	MSEK	3,864	4,758
Operating profit	MSEK	203*	533
Operating margin	%	5.3*	11.2

*\*Profit and key ratios have been calculated excluding items affecting comparability*

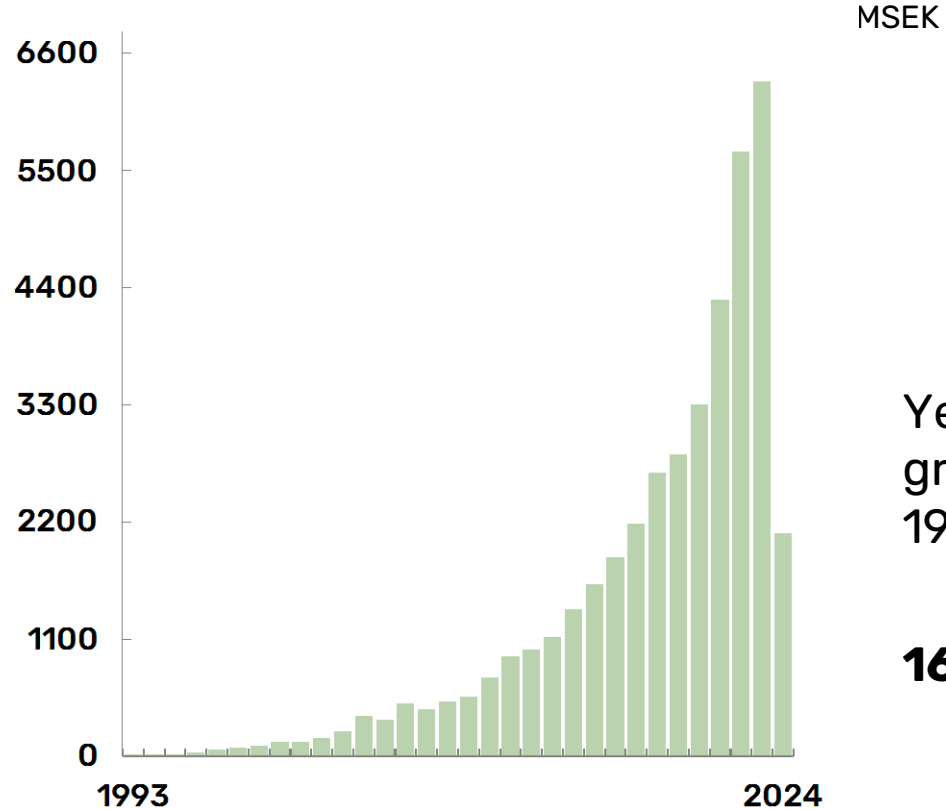
# Turnover development

**NIBE**



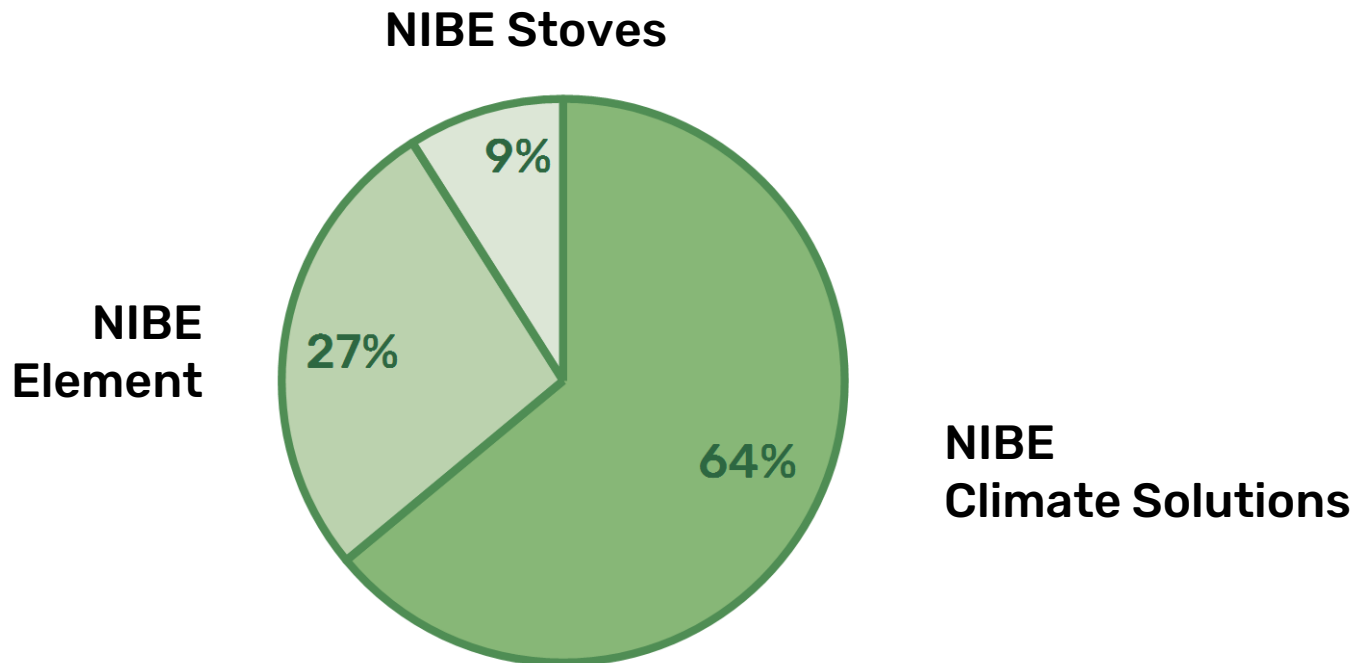
**NIBE** GROUP

# Development of profit after financial items

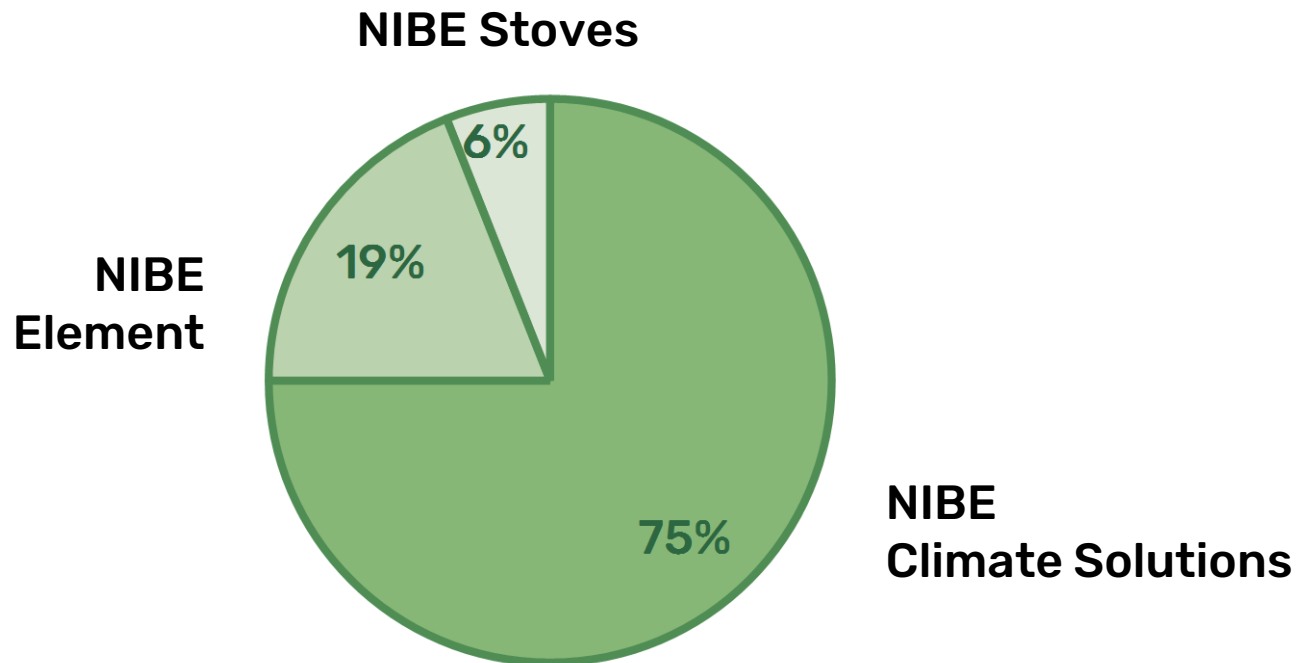


*\*Profit for 2024 has been calculated excluding items affecting comparability*

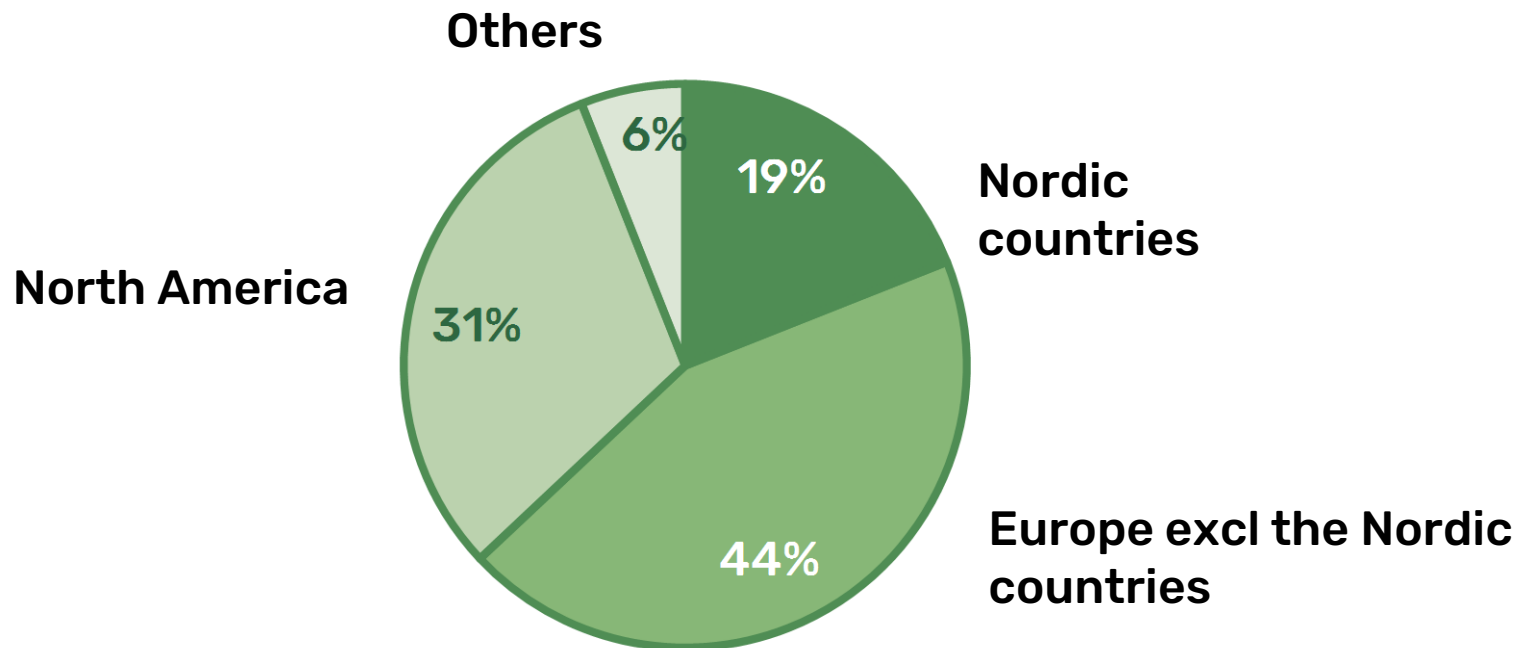
## Distribution of net sales



## Distribution of adjusted operating profit



## Geographical distribution of Group sales

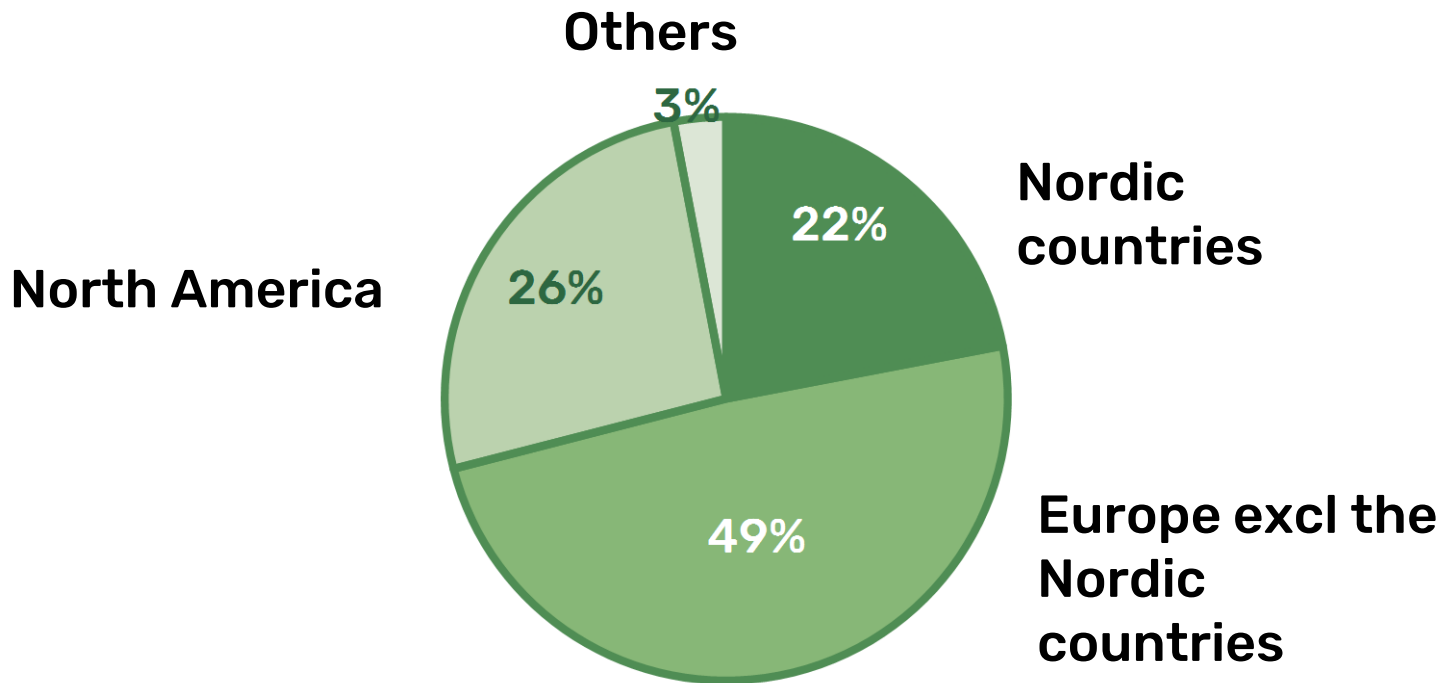




		2024 Q4	2023 Q4	2024	2023
Net sales	MSEK	7,185	7,676	26,037	31,373
Growth	%	-6.4	-1.4	-17.0	+20.3
of which acquired	%	0	+8.0	+4.2	+5.9
Gross margin	%	32.1*	37.0	31.6*	36.7
Operating profit	MSEK	861*	1,221	2,425*	5,596
Growth	%	-29.4	-18.7	-56.7	+29.0
Operating margin	%	12.0*	15.9	9.3*	17.8

*\*Profit and key ratios have been calculated excluding items affecting comparability*

## Geographical distribution of sales



# Operating margin

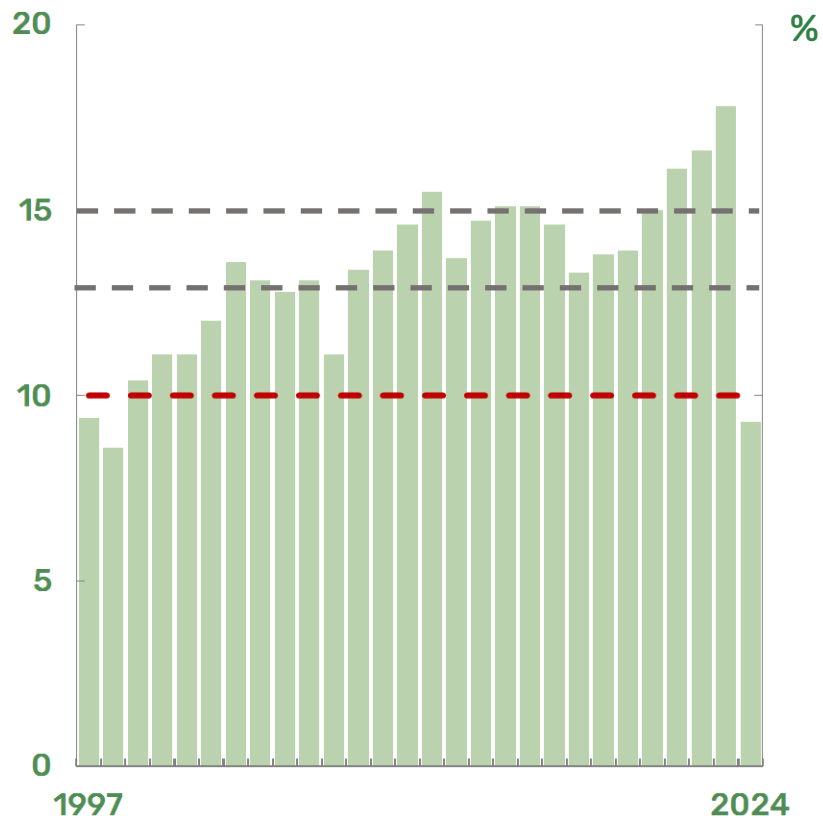
2024

Business Area

**NIBE Climate Solutions**



1997-2024

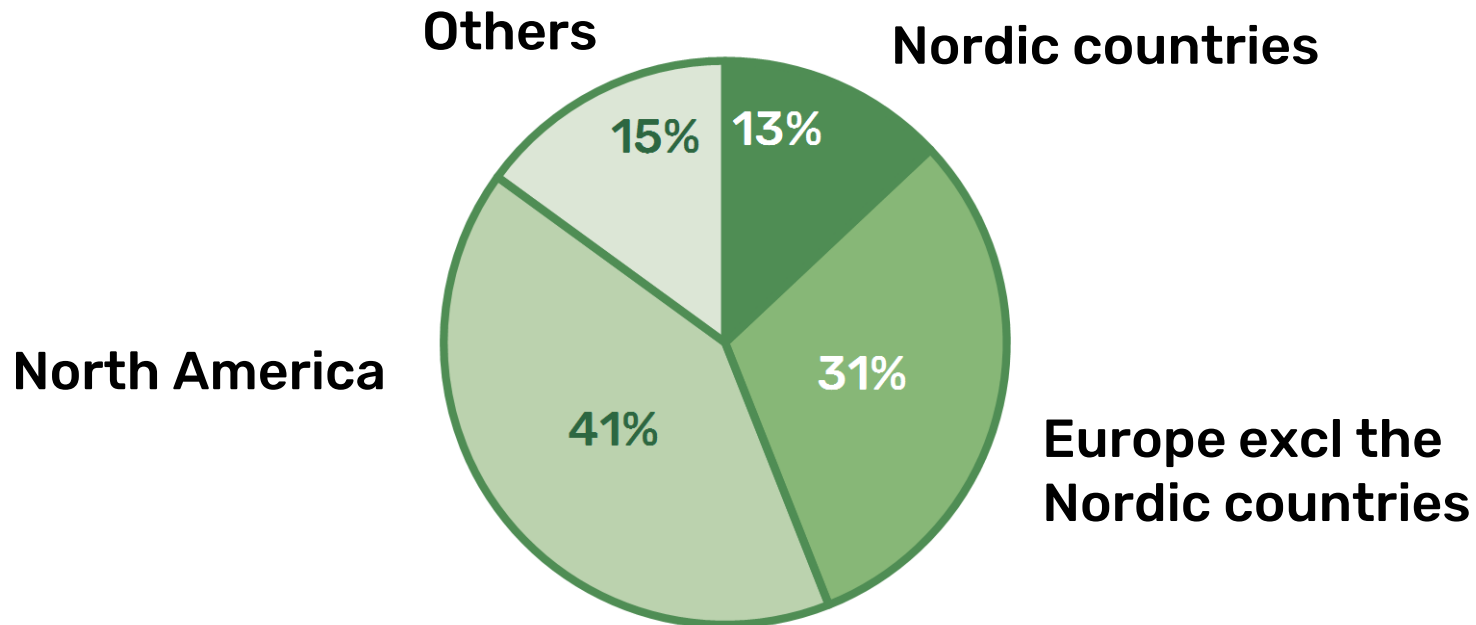


*\*Operating margin for 2024 has been calculated excluding items affecting comparability*

		2024 Q4	2023 Q4	2024	2023
Net sales	MSEK	2,851	2,983	11,092	11,898
Growth	%	-4.4	+1.5	-6.8	+8.9
of which acquired	%	+1.0	+1.0	+1.6	+2.6
Gross margin	%	21.5*	19.5	20.2*	20.6
Operating profit	MSEK	190*	184	629*	942
Growth	%	+3.3	-26.4	-33.2	-16.1
Operating margin	%	6.7*	6.2	5.7*	7.9

*\*Profit and key ratios have been calculated excluding items affecting comparability*

## Geographical distribution of sales

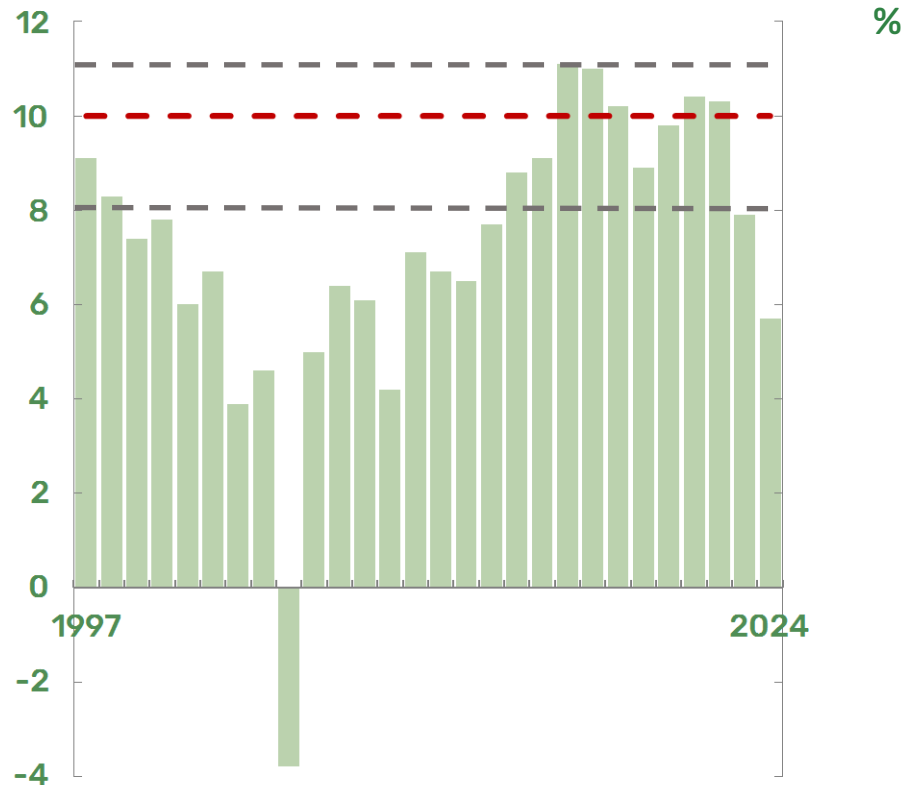


# Operating margin

2024

Business Area  
**NIBE Element**

1997-2024

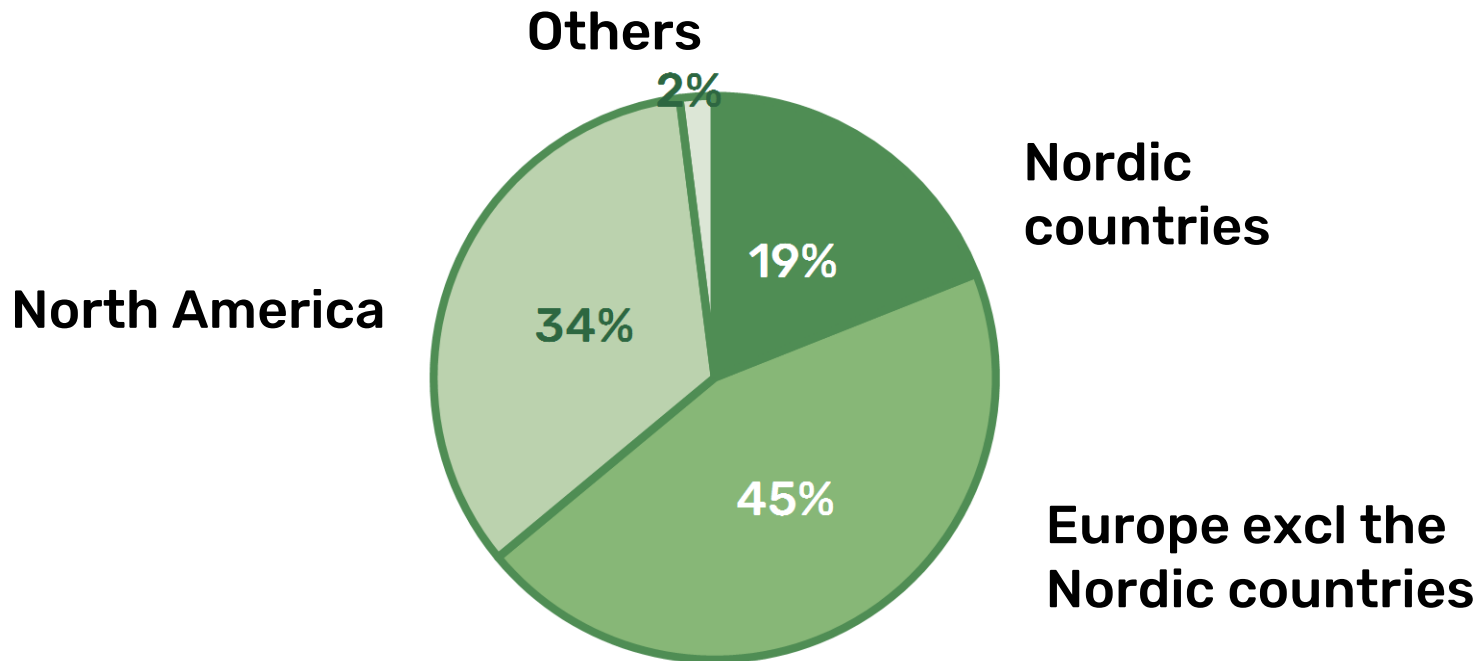


\*Operating margin for 2024 has been calculated excluding items affecting comparability

		2024 Q4	2023 Q4	2024	2023
<b>Net sales</b>	MSEK	<b>1,163</b>	1,326	<b>3,864</b>	4,758
<b>Growth</b>	%	<b>-12.3</b>	+7.0	<b>-18.8</b>	+18.6
<b>of which acquired</b>	%	<b>0</b>	+13.8	<b>+1.0</b>	+16.3
<b>Gross margin</b>	%	<b>34.8*</b>	36.1	<b>34.0*</b>	36.6
<b>Operating profit</b>	MSEK	<b>117*</b>	168	<b>203*</b>	533
<b>Growth</b>	%	<b>-30.5</b>	-21.4	<b>-61.9</b>	-3.3
<b>Operating margin</b>	%	<b>10.1*</b>	12.7	<b>5.3*</b>	11.2

*\*Profit and key ratios have been calculated excluding items affecting comparability*

## Geographical distribution of sales





# Operating margin

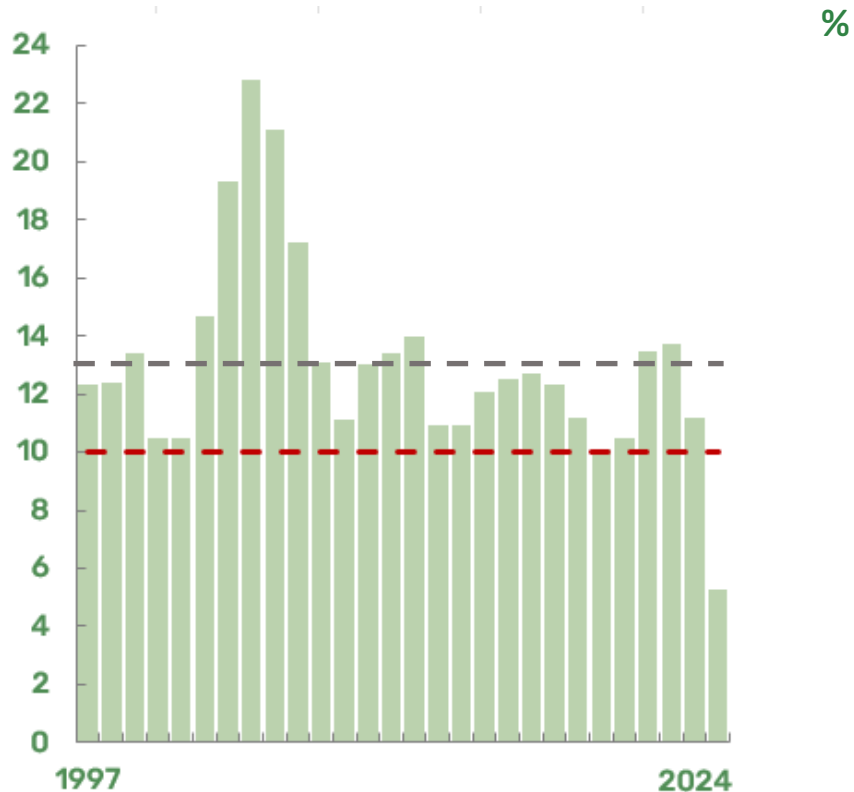
2024

Business Area

**NIBE Stoves**



1997-2024



\*Operating margin for 2024 has been calculated excluding items affecting comparability

## Balance sheet

		<b>2024</b> <b>31 Dec</b>	<b>2023</b> <b>31 Dec</b>
<b>Intangible assets</b>	MSEK	<b>32,241</b>	31,014
<b>Tangible assets</b>	MSEK	<b>13,214</b>	11,568
<b>Financial assets</b>	MSEK	<b>1,524</b>	1,324
<b>Non-financial current assets</b>	MSEK	<b>17,820</b>	19,915
<b>Financial current assets</b>	MSEK	<b>5,607</b>	4,283
<b>Total assets</b>	MSEK	<b>70,406</b>	68,104

## Balance sheet

		<b>2024</b>	<b>2023</b>
		<b>31 Dec</b>	<b>31 Dec</b>
<b>Equity</b>	MSEK	<b>32,140</b>	30,207
<b>Long term liabilities- Non interest-bearing</b>	MSEK	<b>4,990</b>	5,410
<b>Long term liabilities- Interest-bearing</b>	MSEK	<b>17,625</b>	16,922
<b>Current liabilities- Non interest-bearing</b>	MSEK	<b>8,565</b>	9,716
<b>Current liabilities- Interest-bearing</b>	MSEK	<b>7,086</b>	5,849
<b>Total equity and liabilities</b>	MSEK	<b>70,406</b>	68,104

## Cash flow analysis

		<b>2024</b>	<b>2023</b>
		<b>31 Dec</b>	<b>31 Dec</b>
<b>Cash flow – operating activities</b>	MSEK	<b>3,826</b>	6,473
<b>Change in working capital</b>	MSEK	<b>180</b>	-3,893
<b>Investments – current operations</b>	MSEK	<b>-2,224</b>	-3,852
<b>Operating cash flow</b>	MSEK	<b>1,782</b>	-1,272
<b>Acquisitions</b>	MSEK	<b>-621</b>	-8,752
<b>Financing activities</b>	MSEK	<b>-64</b>	9,602
<b>Exchange rate difference in liquid assets</b>	MSEK	<b>226</b>	-112
<b>Change in liquid assets</b>	MSEK	<b>1,323</b>	-534

## Key financial figures

		<b>2024</b> <b>Jan-Dec</b>	<b>2023</b> <b>Jan-Dec</b>
<b>Investments</b>	MSEK	<b>2,328</b>	13,038
<b>of which in current operations</b>	MSEK	<b>2,224</b>	3,852
<b>Unappropriated liq, assets</b>	MSEK	<b>6,177</b>	4,979
<b>Interest bearing liabilities/Equity</b>	%	<b>76.9</b>	75.4
<b>Net debt/EBITDA</b>	times	<b>3.5*</b>	2.1
<b>Equity/assets ratio</b>	%	<b>45.6</b>	44.4

*\* Net debt/EBITDA only adjusted for the action program amounts to 3,2*

## Key financial figures

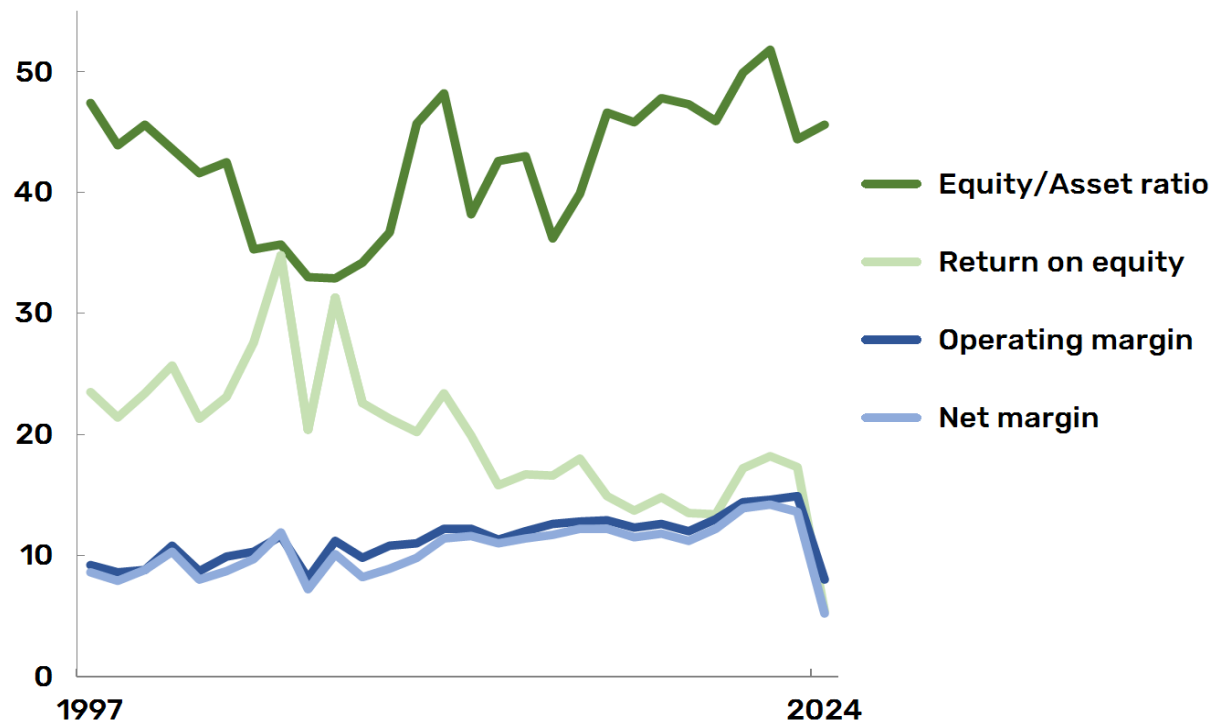
		<b>2024</b> <b>Jan-Dec</b>	<b>2023</b> <b>Jan-Dec</b>
<b>Working capital incl cash and bank</b>	MSEK	<b>14,862</b>	14,482
<b>Working capital incl cash and bank</b>	MSEK	<b>36.7</b>	31.0
<b>Working capital excl cash and bank</b>	MSEK	<b>9,255</b>	10,199
<b>Working capital excl cash and bank</b>	MSEK	<b>22.8</b>	21.9

## Key financial figures

		<b>2024</b> <b>Jan-Dec</b>	2023 Jan-Dec
Return on capital employed	%	<b>6.8*</b>	16.1
Return on equity	%	<b>5.4*</b>	17.3
Net profit/share	SEK	<b>0.80*</b>	2.37
Equity/share	SEK	<b>15.92</b>	14.96
Closing day share price	SEK	<b>43.24</b>	70.80

*\*Key ratios have been calculated excluding items affecting comparability*

## Development of key financial figures



\*Key ratios for 2024 have been calculated excluding items affecting comparability



- In conjunction with the year-end report on February 16, we announced an action program costing around SEK 900 million, with the aim to achieve annual savings of around SEK 600 million.
- Three months later, after more detailed analysis, the program was estimated to cost SEK 1 095 million with expected annual savings of around SEK 750 million.
- When the program was finalized by the end of 2024, the total costs amounted to SEK 1 152 million with expected annual savings of around SEK 800 million.

		<b>NIBE Climate Solutions</b>	<b>NIBE Element</b>	<b>NIBE Stoves</b>	<b>Total</b>
Operating profit	MSEK	1 600	362	143	
Items affecting comparability	MSEK	825	267	60	1 152
Adjusted operating profit	MSEK	2 425	629	203	
Expected full year earnings	MSEK	585	105	110	800

# Q & A

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