

NIBE

Q1-2 2025

A quarter of continued recovery and brighter outlook

- The second quarter confirms **the brighter outlook** we have seen since the end of last year
- **Customs duties, tariffs and politically unstable climate** have a negative impact on consumer confidence
- **Strong Swedish currency** obscures parts of the positive sales increase in the quarter
- **Increased sales, better productivity and good cost control**, main explanations for the positive earnings development in the quarter
- Positive momentum in consumers' **preference to invest in heat pumps** vs. fossil alternatives
- Difficult to assess the impact of the **global economic and political uncertainty**
- **We expect a gradual improvement in sales** in all three business areas going forward
- **Our ambition to be back at operating margin levels, within the historical range for each business area, during 2025 remains**, but we realize that the uncertain global situation and the strengthening of the Swedish currency will be troublesome factors

Improved performance



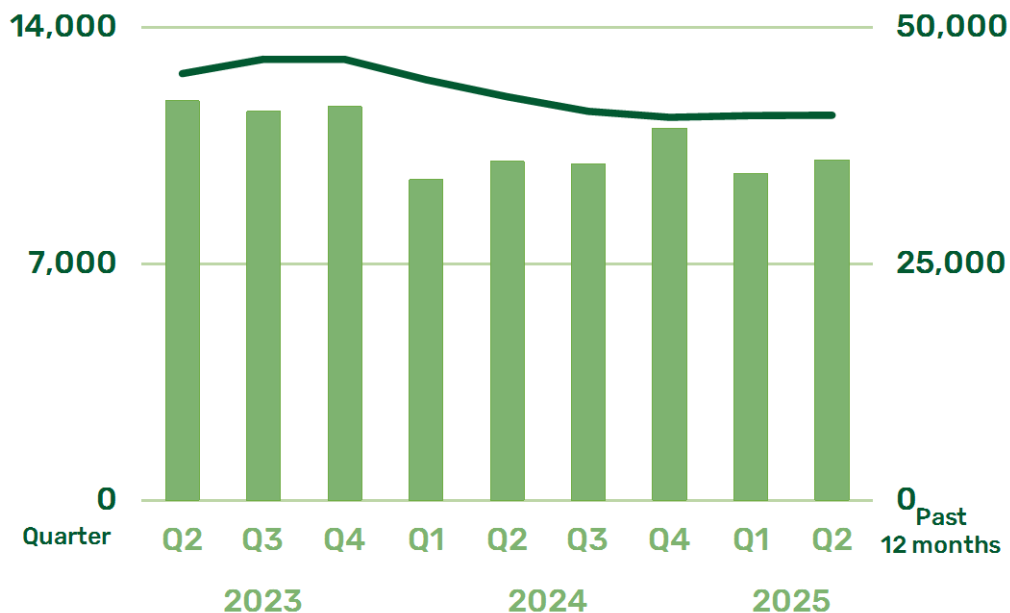
	2025 Q1-Q2	2024 Q1-Q2
REVENUE	+1.2%	(-16.8%)
OPERATING PROFIT	+45.7%	(-67.1*) adjusted
OPERATING MARGIN	+8.7%	(+6.1%*) adjusted

		2025 Q1-Q2	2024 Q1-Q2	Past 12 months	2024 Full year
Invoiced sales	MSEK	19,755	19,529	40,747	40,521
Growth	%	+1.2	-16.8	-4.6	-13.1
of which acquired	%	+0.2	+5.5	+0.6	+3.3
Gross margin	%	30.0	28.2*	30.0*	29.1*
Operating profit	MSEK	1,726	1,185*	3,767*	3,226*
Growth	%	+45.7	-67.1	+8.8	-53.7
Operating margin	%	8.7	6.1*	9.2*	8.0*
Profit after net financial items	MSEK	1,214	580*	2,725*	2,091*
Growth	%	+109.3	-82.7	+10.7	-67.0
Net profit margin	%	6.1	3.0*	6.7*	5.2*

*Key ratios have been calculated excluding items affecting comparability

		2025 Q2	2024 Q2
Invoiced sales	MSEK	10,082	10,035
Growth	%	0.5	-15.2
of which acquired	%	+0.2	+5.5
Gross margin	%	30.3	29.0
Operating profit	MSEK	944	669
Growth	%	+41.1	-63.7
Operating margin	%	9.4	6.7
Profit after net financial items	MSEK	700	396
Growth	%	+76.8	-76.7
Net profit margin	%	6.9	3.9

Net sales Past nine quarters (in millions of SEK)



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



*Profit has been calculated excluding items affecting comparability

Continued increase in sales and improved margins

- Second quarter shows **improvement in sales and margin**
- Confirmation of earlier **signs of recovery in heat pump sales**
- Implemented **cuts in interest rates** have had a positive impact
- **Assessed long-term positive growth** – despite consumer demand being significantly dampened by the uncertain global situation
- **Stable development** in both heating and cooling **in the commercial sector**
- Successful efforts for **increased joint product development and cross-selling** within the Group
- **Return to more traditional sales pattern** with expectation of a clear increase in sales in the second half of the year
- **Our ambition to be back at operating margin levels, within the historical range during 2025 remains**, however we are aware that the unpredictable external environment makes this harder

		2025	2024
		Q1-Q2	Q1-Q2
Net sales	MSEK	12,846	12,350
Operating profit	MSEK	1 397	838*
Operating margin	%	10.8	6.8*

**Profit and key ratios have been calculated excluding items effecting comparability*

Fluctuating demand in a turbulent environment

- **Relatively stable demand** in most product segments
- **Strong demand linked to electrification**
- Continued **positive indications from both the Rail- and Semiconductor industry**
- We expect **a continuous improvement in sales to the heat pump industry** going forward, but with a slightly deferred business cycle compared to our heat pump customers
- A generally **weaker climate in the industrial segment**
- Imminent risk that **trade conflicts and political uncertainty** will lead to a general slowdown in several product segments
- **Our ambition to be back at an operating margin level, within the historical range during 2025 remains**, but has been significantly hampered by currency developments, tariffs and turbulent political environment

		2025	2024
		Q1-Q2	Q1-Q2
Net sales	MSEK	5,680	5,530
Operating profit	MSEK	363	279*
Operating margin	%	6.4	5.0*

**Profit and key ratios have been calculated excluding items effecting comparability*

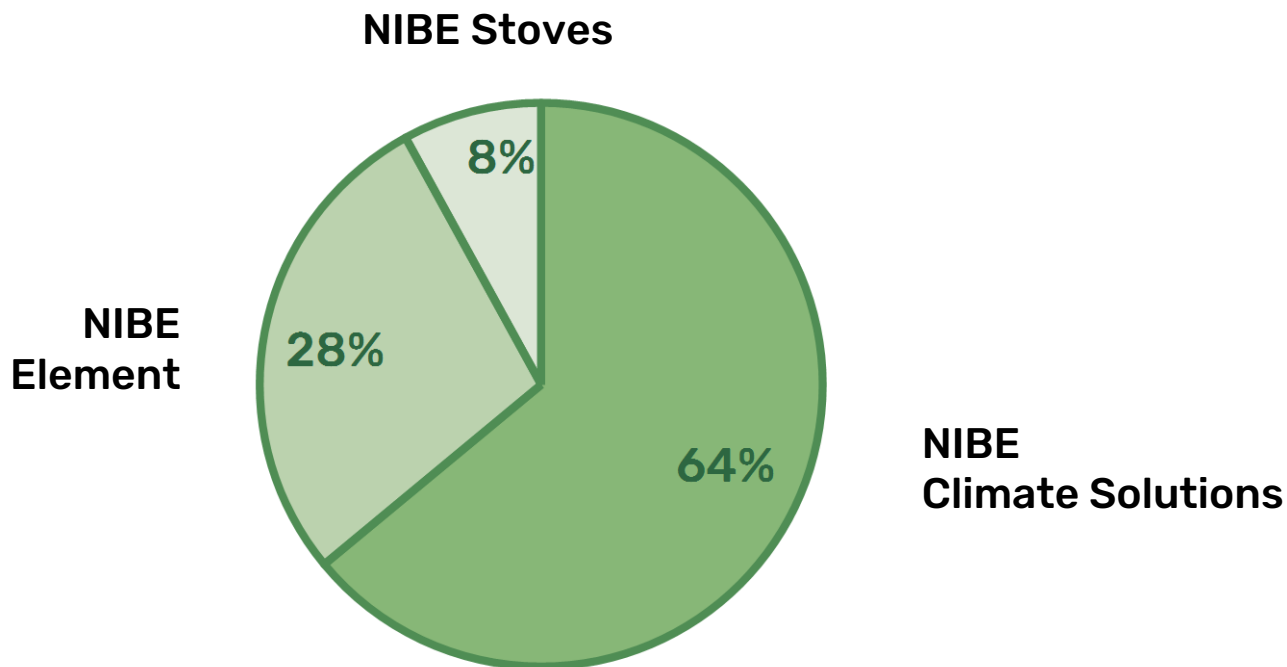
A continued challenging market but with future oriented initiatives

- **Positive development in North America**, weaker consumer confidence in Europe
- Low energy prices, weak consumer confidence and continued low level of new construction and renovation contributes to creating a **challenging market**
- **Clear return to a traditional seasonal pattern** where the fall and winter represent stronger sales
- A first half-year with **significant product launches and marketing activities** in all markets
- **Lower total sales and increased trade tariffs** between the US and Canada negatively affected our margin
- **Our ambition to be back at an operating margin level, within the historical range during 2025 remains**, but the full recovery will likely take a few more quarters

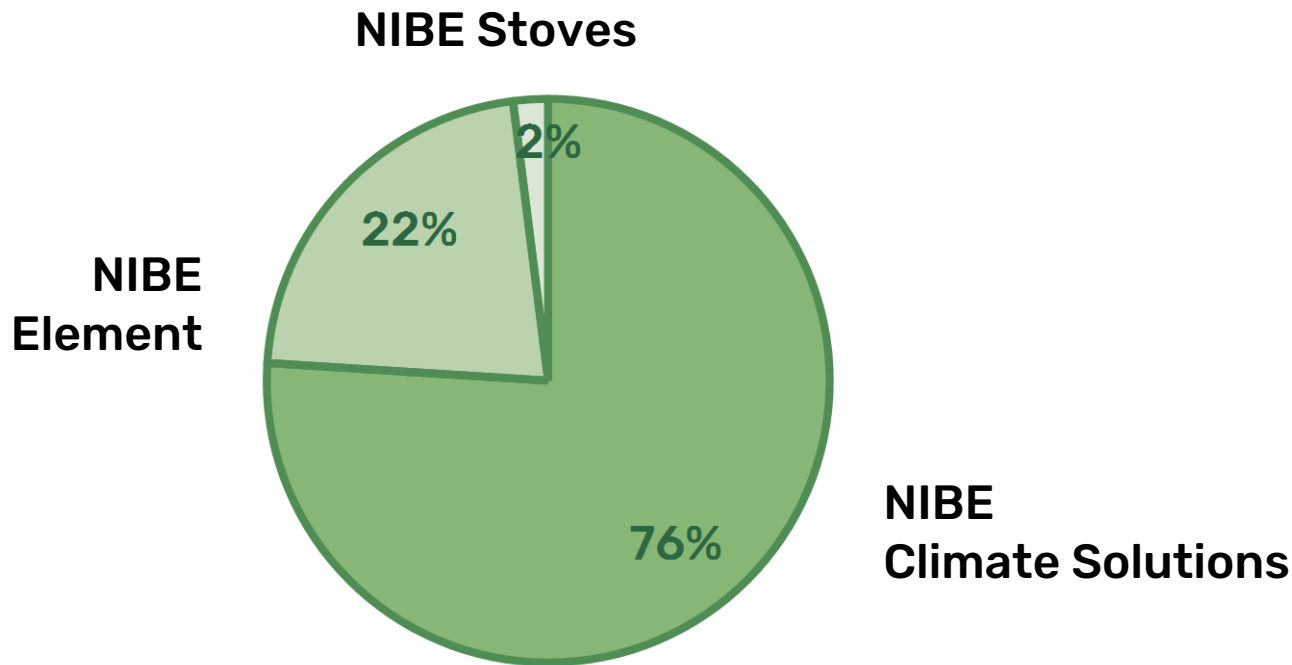
		2025 Q1-Q2	2024 Q1-Q2
Net sales	MSEK	1,604	1,854
Operating profit	MSEK	10	62*
Operating margin	%	0.6	3.3*

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

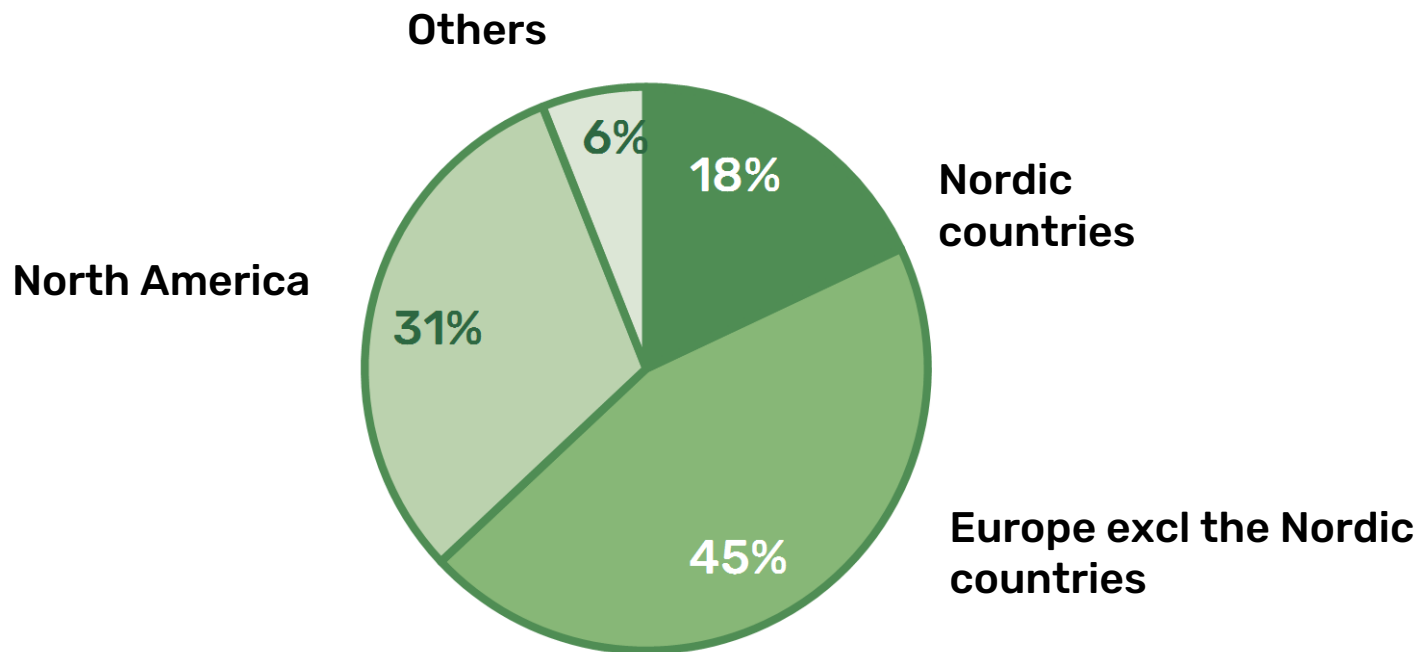
Distribution of Net sales



Distribution of operating profit



Geographical distribution of Group sales

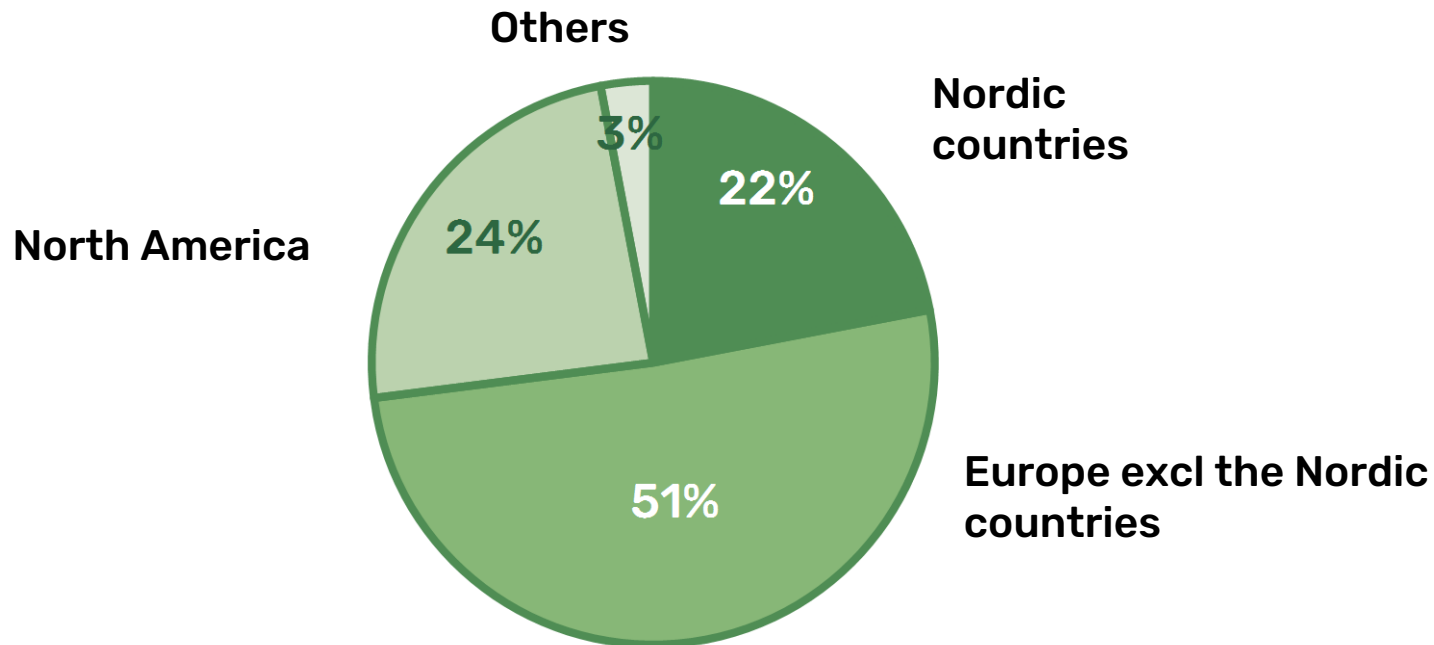


		2025 Q1-Q2	2024 Q1-Q2	Past 12 months	2024 Full year
Net sales	MSEK	12,846	12,350	26,534	26,037
Growth	%	+4.0	-22.1	-4.8	-17.0
of which acquired	%	0	+7.2	+0.6	+4.2
Gross margin	%	32.6	30.9*	32.4*	31.6*
Operating profit	MSEK	1,397	838*	2,984*	2,425*
Growth	%	+66.7	-71.0	+7.4	-56.7
Operating margin	%	10.9	6.8*	11.2*	9.3*

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

		2025 Q2	2024 Q2
Net sales	MSEK	6,824	6,516
Growth	%	+4.7	-19.8
of which acquired	%	0.0	7.1
Gross margin	%	33.0	31.9
Operating profit	MSEK	842	506
Growth	%	+66.4	-67.1
Operating margin	%	12.3	7.8

Geographical distribution of Group sales

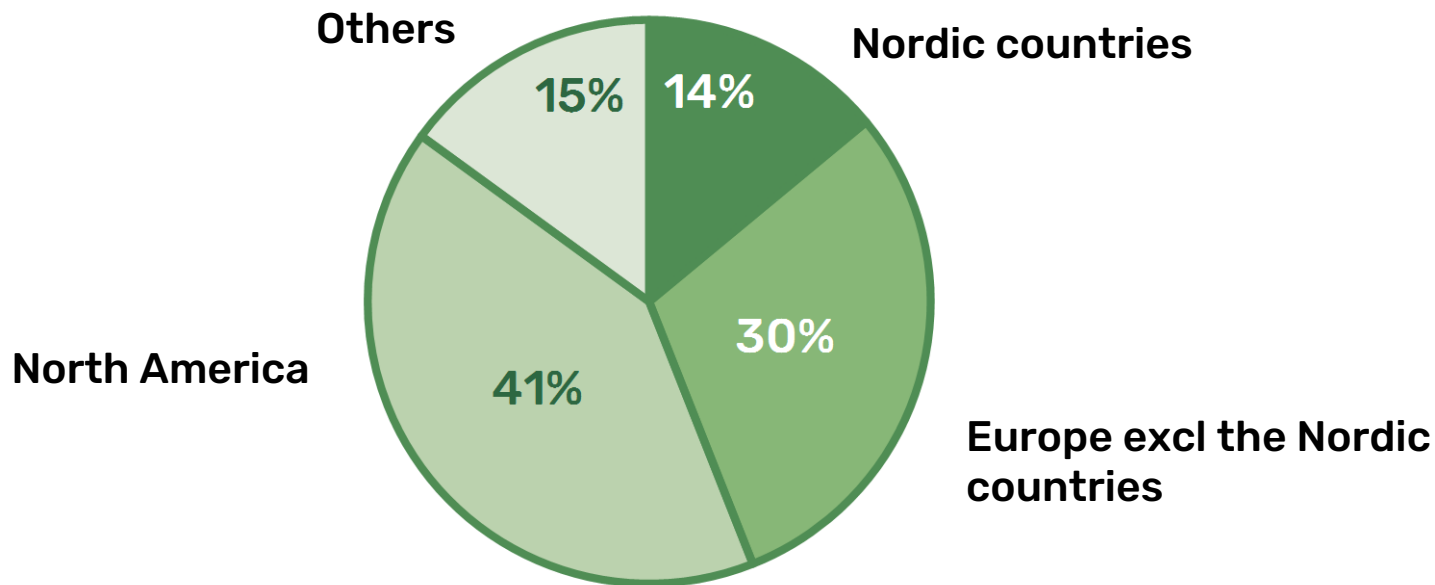


		2025 Q1-Q2	2024 Q1-Q2	Past 12 months	2024 Full year
Net sales	MSEK	5,680	5,530	11,241	11,092
Growth	%	+2.7	-7.4	-1.9	-6.8
of which acquired	%	+0.5	+1.9	+0.9	+1.6
Gross margin	%	20.7	19.2*	20.9*	20.2*
Operating profit	MSEK	363	279*	713*	629*
Growth	%	+30.1	-46.7	+64.5	-33.2
Operating margin	%	6.4	5.0*	6.3*	5.7*

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

		2025 Q2	2024 Q2
Net sales	MSEK	2,792	2,819
Growth	%	-1.0	-4.6
of which acquired	%	+0.6	+1.9
Gross margin	%	21.1	20.3
Operating profit	MSEK	184	142
Growth	%	+29.6	-41.6
Operating margin	%	6.6	5.0

Geographical distribution of Group sales

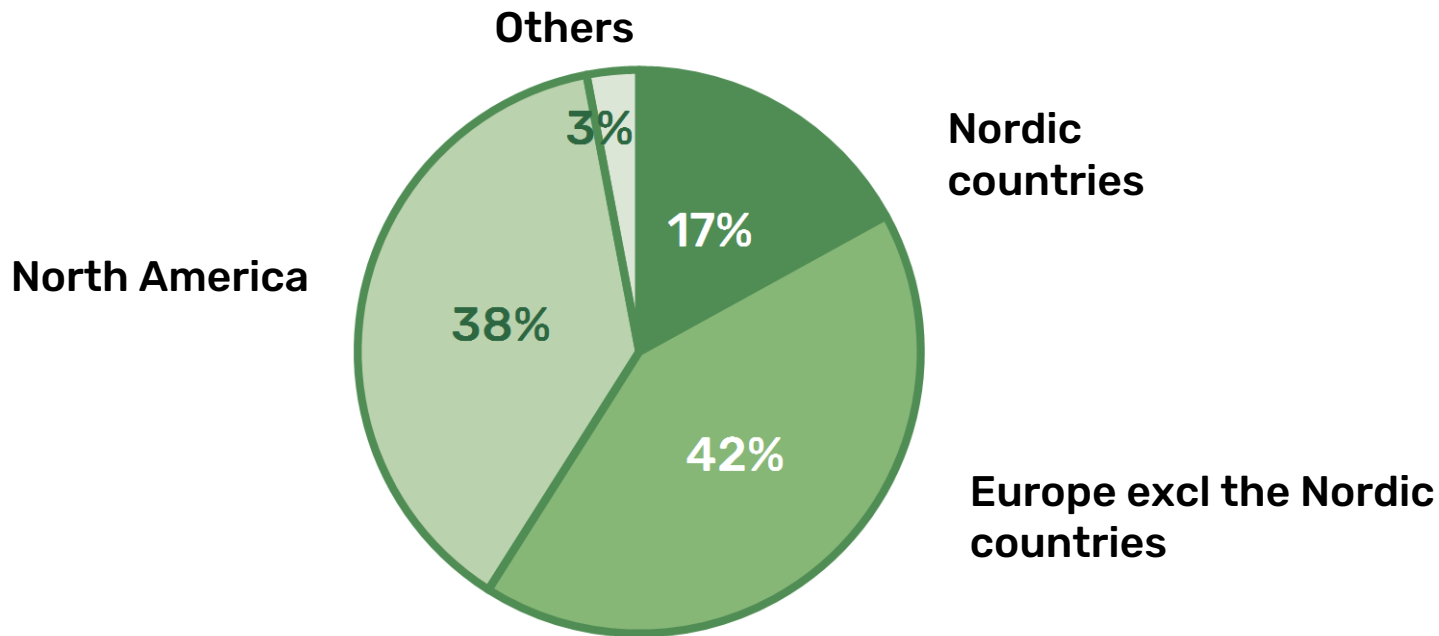


		2025 Q1-Q2	2024 Q1-Q2	Past 12 months	2024 Full year
Net sales	MSEK	1,604	1,854	3,614	3,864
Growth	%	-13.5	-20.6	-15.5	-18.8
of which acquired	%	0	+1.7	+0.1	+1.0
Gross margin	%	34.0	33.5*	34.3*	34.0*
Operating profit	MSEK	10	62*	151*	203*
Growth	%	-83.9	-76.7	-48.1	-61.9
Operating margin	%	0.6	3.3*	4.2*	5.3*

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

		2025 Q2	2024 Q2
Net sales	MSEK	678	802
Growth	%	-15.5	-26.1
of which acquired	%	0	+1.5
Gross margin	%	30.0	31.6
Operating profit	MSEK	-51	-3
Growth	%	-1600.0	-103.0
Operating margin	%	-7.5	-0.3

Geographical distribution of Group sales



Balance sheet

		2025 30 Jun	2024 30 Jun	2024 31 Dec
Intangible assets	MSEK	30,067	31,856	32,241
Tangible assets	MSEK	12,687	12,389	13,214
Financial assets	MSEK	1,708	1,383	1,524
Non-financial current assets	MSEK	17,799	19,522	17,820
Financial current assets	MSEK	5,623	4,081	5,607
Total assets	MSEK	67,884	69,231	70,406

Balance sheet

		2025 30 Jun	2024 30 Jun	2024 31 Dec
Equity	MSEK	29,863	29,458	32,140
Long term liabilities– Non interest-bearing	MSEK	4,327	5,393	4,990
Long term liabilities– Interest-bearing	MSEK	17,195	19,906	17,625
Current liabilities– Non interest-bearing	MSEK	7,886	8,864	8,565
Current liabilities– Interest-bearing	MSEK	8,613	5,610	7,086
Total equity and liabilities	MSEK	67,884	69,231	70,406

Cash flow analysis

		2025 Jan-Jun	2024 Jan-Jun	2024 Jan-Dec
Cash flow – operating activities	MSEK	1,615	721	3,826
Change in working capital	MSEK	-1,006	-374	180
Investments – current operations	MSEK	-1,101	-1,234	-2,224
Operating cash flow	MSEK	-492	-887	1,782
Acquisitions	MSEK	0	-536	-621
Financing activities	MSEK	933	1,088	-64
Exchange rate difference in liquid assets	MSEK	-425	133	227
Change in liquid assets	MSEK	16	-202	1,324

Key financial figures

		2025 Jan-Jun	2024 Jan-Jun	2024 Jan-Dec
Investments	MSEK	1,101	1,263	2,328
of which in current operations	MSEK	1,101	1,234	2,224
Unappropriated liq. assets	MSEK	6,033	4,643	6,177
Interest bearing liabilities/Equity	%	86.4	86.6	76.9
Net debt/EBITDA	times	3.2	3.1*	3.5*
Equity/assets ratio	%	44.0	42.6	45.6

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

Key financial figures

		2025 Jan-Jun	2024 Jan-Jun	2024 Jan-Dec
Working capital incl cash and bank	MSEK	15,536	14,739	14,862
Working capital incl cash and bank	%	38.1	34.5	36.7
Working capital excl cash and bank	MSEK	9,913	10,658	9,255
Working capital excl cash and bank	%	24.3	25.0	22.8

Key financial figures

		2025 Jan-Jun	2024 Jan-Jun	2024 Jan-Dec
Return on capital employed	%	8.5	9.3*	6.8*
Return on equity	%	8.4	9.5*	5.4*
Net profit/share	SEK	0.44	0.13*	0.80*
Equity/share	SEK	14.79	14.59	15.92
Closing day share price	SEK	40.34	44.94	43.24

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

Q & A

Thank your for your attention.

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