

NIMBUS GROUP



Interim report

1 January –30 June 2023

SECOND QUARTER APRIL – JUNE 2023

- **Net sales** for the second quarter increased 4 percent to MSEK 756 (724).
- **Organic growth** totaled -5.4 percent.
- **EBITA** amounted to MSEK 83 (132).
- **The EBITA margin** was 11.0 percent (18.2).
- **Operating cash flow** amounted to MSEK 96 (148).
- **The order book** totaled MSEK 1,103 (1,051).

FIRST 6 MONTHS JANUARY – JUNE 2023

- **Net sales** totaled MSEK 1,060 up 5 percent year-on-year (1,011).
- **Organic growth** totaled -2.9 percent.
- **EBITA** amounted to MSEK 91 (138).
- **The EBITA margin** was 8.6 percent (13.7).
- **Operating cash flow** amounted to MSEK -26 (45).
- **Earnings per share** amounted to SEK 2.95 (6.14).

Events during the second quarter of 2023

- Nimbus Group's acquisition of the shares in EdgeWater Power Boats LLC, was finalized on May 31 2023. In connection with the acquisition, a consideration of MSEK 87 was paid after deduction of normalized working capital and acquired cash. EdgeWater as acquired on a debt-free basis. The acquisition represents a strategically important next step in the North American market as it gives the company access to its own production capacity and a well-known brand.
- The company's premises in Långedrag, Göteborg, was divested through a sale and lease-back agreement. The divestment resulted in cash and cash equivalents amounting to MSEK 20 being provided to the company after the redemption of real estate loans and deduction of transaction-related costs.
- Nimbus Group has acquired the boat sales operations from Gressvik Marina AS in Østfold, Norway. The acquisition enables Nimbus Group to broaden its offering of the Group's various brands and strengthen its position in the attractive Norwegian market. Closing will take place on 1 September 2023.

	Second quarter			First 6 months			Last 12 months			Full year
	2023	2022	%	2023	2022	%	2023	2022	%	2022
Net sales, MSEK	755.7	723.8	4	1,060.0	1,010.9	5	1,800.3	1,636.9	10	1,751.2
Operating result, MSEK	83.2	131.7	-37	90.8	137.8	-34	145.2	185.9	-22	192.0
EBITA, MSEK	83.3	131.5	-37	91.0	138.1	-34	145,5	186.4	-22	192.5
EBITA-margin, %	11.0%	18.2 %	-7.2	8.6 %	13.7 %	-5.1	8.1%	11.4 %	-3.3	11.0 %
Result for the period, MSEK	61.2	115.8	-47	60.6	119.0	-49	91.2	159.1	-43	149.6
Operating cash flow, MSEK	95.7	147,9	-35	-26,0	44.9	-158	-217,2	-76.4	-184	-146.3
Earnings per share	2.87	5.98	-52	2.95	6.14	-52	4.57	8.21	-44	7.72

Decline in small motorboats offset by continued favorable demand for large boats

We had already noted signs of weaker demand for small motorboats in Sweden and across the Nordic region last autumn. In the second quarter of this year, the effects of this change were clear. That our sales increased during the quarter compared to last year, up from MSEK 724 to 756, was mainly attributable to currency effects and acquisitions. Organic growth during the quarter was negative, mainly due to the drop in demand for smaller boats.

Thanks to continued strong demand for large boats, not least due to increasing sales of our boats in North America, total sales for the first half of the year was slightly up on the preceding year, MSEK 1,060 versus MSEK 1,011. However, the weaker demand for small motorboats affected our profitability in terms of both EBITA and the EBITA margin. The order book was also affected by the weakening in the segment, but good demand for large boats compensated and resulted in an order book totaling MSEK 1,103 at the end of the quarter – an increase by 5 percent compared with the year-on-year quarter. In this context, however, it is worth remembering that the comparative quarter of 2022 was an exceptionally strong period that was still heavily characterized by the record-high demand during the pandemic.

To meet a lower demand, we implemented several measures during the quarter to reduce our cost levels within the part of the business that deals with smaller boats. At the same time, we are also conducting a general review of our other costs and taking a number of measures to cut back and adapt to the changing market.

In our first quarter report for this year, we announced that we had begun to shift production capacity from small motorboats to large boats where possible as part of our adaptation to a weaker market, and this process was completed in the past quarter. This is because this market segment is holding up well and is also one of the reasons why we are still able to meet last year's sales figures. Consequently, large boats now account for a higher share of our total sales in SEK, which in itself is positive as our aim is for the premium segment to represent a growing share of our business. The fact that we – despite a reduction in our dealer margin and higher investments in the US market organization, in addition to transaction-related non-recurring costs – achieved an EBITA margin of 8.6 percent (13.7) should therefore be considered a relatively good performance.

When it comes to recent years' product launches, I would like to highlight the new generation of boats from Aquador, that have been well received by the market and generated great interest. As always when new models are introduced, however, it takes a while before they are reflected in the

numbers since it takes time to ramp up production and reach full capacity. The new boats from Aquador includes 3 new models and represent the brand's biggest product renewal in 20 years. Continuously developing and launching new products is one of the cornerstones of our growth strategy, and if our brands are to benefit fully from belonging to a group, it is important that we maintain our ability to constantly innovate and improve our model program.

While demand for small motorboats in Sweden and across the Nordic region is weakening, the US market is still very strong. We can confirm that our acquisition of the US boat manufacturer EdgeWater Power Boats, with total sales of MSEK 480 in 2022, has made a positive contribution, despite the fact that we were only able to include one month of their sales in the second quarter due to a protracted closing process. The added sales from EdgeWater and a continued good demand for our other boats, resulted in total sales in North America of MSEK 152, up a full 245 percent, and measured on a full-year basis, the market is now our single largest. At the end of the quarter, the North American order book amounted to MSEK 614 (whereof EdgeWater MSEK 154) corresponding to more than half of our total order book. Our major investments in the North American market in recent years are increasingly appearing to be a very wise decision and it is obviously gratifying to see how our strategic initiatives for growing the company are having the desired effect. While North America is the major highlight at present, we also see great interest and potential in our other product launches over the past year, including the new Nimbus 465 Coupé and Nimbus W11.

Looking ahead, we note that economic uncertainty is still substantial, and that rising inflation and interest rates may have an even greater negative effect on us. As I have mentioned previously, due to our long experience in the industry, Nimbus has solid experience in dealing with cyclical fluctuations in the economy and we are following developments closely. With more than 50 years in the industry, we have respect for what might come, and the awareness and knowledge that is required to deal with it. Previous downturns have been tough but, overall, they have still strengthened us as a company. We are determined to emerge stronger from this downturn as well.



Jan-Erik Lindström
President and CEO

Nimbus Group's performance

Second quarter of 2023

Net sales

Net sales increased 4 percent to MSEK 756 (724). Organic growth totaled -5.4 percent, and the percentage difference compared with net sales growth was entirely related to currency effects and to the acquisition of EdgeWater Power Boats. EdgeWater Power Boats was consolidated in the company's accounts as of May 31 and contributed MSEK 55 in sales during the quarter. Sales of large boats increased by 10 percent in the quarter compared to the same quarter previous year while sales of smaller boats declined by approximately 35 percent.

Earnings

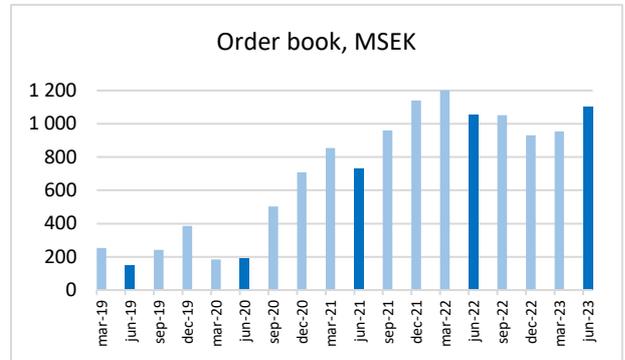
EBITA amounted to MSEK 88.2 which was a decrease by 37 percent compared to the same quarter last year (132). The EBIT margin decreased to 11.0 percent compared with 18.2 percent last year. Adjusted EBITA, after deduction of transaction-related costs, amounted to MSEK 89.6 and the EBITA margin to 11.9 percent.

Gross margin decreased by 5.2 percentage points and amounted to 17.0 percent (22.2). The decrease in margin is mainly explained by lower demand for smaller boats and which had a negative impact on prices and thus a deterioration in the gross margin for the dealers. Sales of own brands at own dealers decreased by 20 percent which had a negative effect on the consolidated margin. The gross margin was also affected by the sharp and rapid weakening of the krona against the Euro as we did not have time to fully pass on the costs to the dealers. In addition, gross margin was impacted negatively by the acquisition of EdgeWater, which has a lower gross margin compared to the Group's consolidated margin.

Operating expenses amounted to MSEK 49.9, an increase by MSEK 15.3 compared to the previous year (considered the re-classification made in the third quarter 2022 but that was related to the second quarter of 2022). The increase compared to last year is mainly explained by an increase of in non-recurrent transaction-related costs of MSEK 6.3, linked to the acquisition of EdgeWater Power Boats and the divestment of the premises in Långedrag. The increase in selling expenses was driven by investments in the market organization in North America and a higher participation rate at trade fairs after several years of pandemic hiatus.

Order book trend

The order book totaled MSEK 1,103, up 5 percent year-on-year (1,051).



The order book in North America increased by 305 percent to MSEK 614, corresponding to 56 percent of the total order book. EdgeWater orders amounting to MSEK 154 are included in that figure.

In comparison with last year, the order book decrease is explained by a significantly lower demand for smaller boats and the fact that sales in 2022 continued to be affected by supply chain delays which shifted sales of approximately MSEK 100 in terms of time (thereby increasing the order book). Demand for larger boats continue to be strong and the proportion of larger boats in the order book is significantly higher today than previously. Normalized inventories of demo boats at dealers compared to last year, also contributes to a lower order book.

The order book is limited to only include confirmed orders that, on the balance sheet date, were planned for production and that had been prepaid in accordance with the company's invoicing model. EdgeWater Power Boats has, in accordance with American industry standards, so far chosen not to apply advance payments on ordered boats, instead full payment is made upon delivery of the boat.

Prepayments from customers totaled MSEK 145, up 30 percent year-on-year (MSEK 112). The amount of the order book that has been prepaid is 13 percent (11).

Financial position

Cash flow

Operating cash flow amounted to MSEK 96 (148) where MSEK 180 (198) comes from operating activities with reduced inventories of MSEK 141 as the biggest change. Investments amounted to MSEK -84 (-50) and was mainly impacted by the MSEK -87 acquisition of EdgeWater Power Boats, and the divestment of the premises in Långedrag, which contributed to a positive cash flow effect of MSEK 20 after the redemption of real estate loan of MSEK 16. Investments in the production facility in Lugnås are ongoing and amounted to MSEK 6 in the quarter.

Production material inventory levels remain higher than normal but have decreased compared to the fourth quarter 2022 and the first quarter 2023.

Liquidity and financial position

At the end of the period, the Group had available cash and cash equivalents of MSEK 278, whereof available cash of MSEK 27 and an unused overdraft facility of MSEK 251. The Group's liquidity continues to be affected by capital tied up in moms (VAT) because of changes in how moms is handled in foreign operations. In the quarter, capital tied up decreased by MSEK 18 to MSEK 27 and a full normalization is not expected to take place until towards the middle of the second half of 2023.

Pledged accounts receivable amounted to MSEK 399 (46) and relate to receivables with reservation of title for financing of demo boats for dealers. Financing is conducted in the form of factoring and floor planning. The increase compared with the preceding year is due to unusually low dealer inventory levels in the second quarter following a significant shortage of boats. MSEK 343 of that amount was attributable to EdgeWater Power Boats.

Pledged accounts receivable are described in more detail in Note 2.

The equity ratio amounted to 43 percent compared to 48 percent the previous year.

Acquisition of EdgeWater Power Boats LLC

On 8 March Nimbus Group signed an agreement to acquire all of the shares in the American company EdgeWater Power Boats LLC. The shares were transferred on 31 May 2023. In connection with the acquisition, a consideration of MSEK 85.5 was paid after deduction of normalized working capital and acquired cash. In addition, a payment of SEK 1.4 million has been made regarding investments in the business that the seller has carried out on behalf of Nimbus Group to improve the production flow. A preliminary acquisition balance sheet has been established as reported in Note 4.

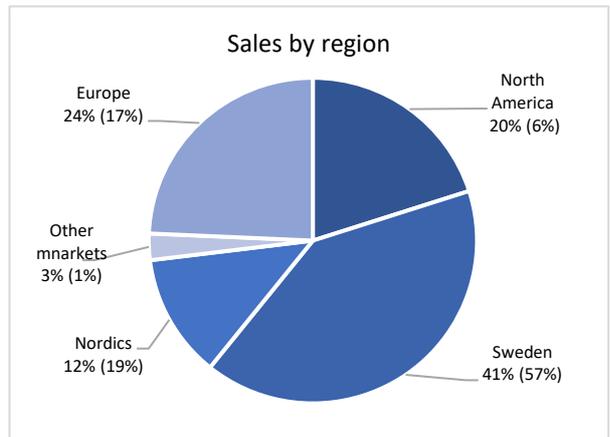
The acquisition is financed by equity through a directed share issue that was carried out on March 9 and which raised proceeds of approximately MSEK 79.4 before transaction costs.

Divestment of premises

The company's premises in Långedrag, Göteborg, was divested on April 17 through a sale and lease-back agreement. The sale was carried out through a divestment of 100 percent of the shares in the wholly owned subsidiary Göteborg Älvsborg 855:306 AB. In connection with the divestment, a lease agreement was signed. The divestment resulted in cash and cash equivalents amounting to MSEK 20 being provided to the company (after the redemption of real estate loans and deduction of transaction-related costs). The company can receive an earn-out of a maximum of MSEK 13.

Development by region

The Group's sales regions comprise North America, Sweden, Nordics (excluding Sweden), Europe (excluding Nordics) and other markets. In Sweden, the UK and Norway, Nimbus Group's operations are carried out through own as well as external dealers. Sales to other markets are solely through external dealers.



North America

North American sales developed positively and increased by 245 percent compared to the previous year and amounted to MSEK 152 (44). MSEK 55 of the increase in sales was attributable to the acquisition of EdgeWater Power Boats which was closed on May 31st. Excluding EdgeWater sales increased by 120 percent to MSEK 53. In quarter one it was reported that sales were temporarily negatively affected due to the introduction of a new invoicing model for boats in transit to North America. During the second quarter the flow has been normalized.

The order book in North America increased by 305 percent compared to previous year and amounted to MSEK 614.

After the acquisition of EdgeWater Power Boats, North America is the company's single largest market on a full-year basis.

Sweden

Swedish sales amounted to MSEK 308, a decrease by 25 percent compared with the year-earlier period (410). The decrease is a consequence of subdued market demand compared to the pandemic years. Due to seasonal effects, Swedish sales are dominated by the own dealers who, on a full-year basis, have a large proportion of small boat sales during the second quarter.

Nordics

Nordic sales amounted to MSEK 93 corresponding to a decrease by -32 percent compared to previous year (137). The change is largely due to decreased demand for smaller boats.

Europe

European sales increased by 47 percent year-on-year to MSEK 184 (125) and is distributed geographically to a number of countries, mainly in southern Europe.

Other markets

The trend in other markets was positive and while remaining comparatively low, sales grew by 148 percent to MSEK 20 (8).

Sales via our own and external dealers

Nimbus Group’s sales take place via our own and external dealers. Our own dealers are located in Sweden, the UK and Norway.



Own dealers sales decreased and amounted to MSEK 320 compared with MSEK 423 the previous year (including sales of external boat brands). Sales via external dealers increased by 45 percent to MSEK 436.

Nimbus Group's performance First Six Months 2023

Net sales

Net sales increased 5 percent to MSEK 1,060 (1,011). Organic growth totaled -2.9 percent, and the difference compared with net sales growth was entirely related to currency and the acquisition of EdgeWater Power Boats. EdgeWater Power Boats was consolidated from May 31 2023 and contributed with sales of MSEK 55. Sales of larger boats increased by approximately 3 percent compared to the previous year while sales of smaller boats decreased by approximately 30 percent.

Earnings

EBITA decreased by 34 percent to MSEK 91.0 (138). The EBITA margin amounted to 8.6 percent (13.7). Adjusted EBITA, after deduction of transaction related costs, amounted to MSEK 97.6 and EBITA margin to 9.2 percent.

Gross margin decreased by 3.4 percent to 16.7 percent. The decrease in margin is mainly explained by lower demand for smaller boats during the quarter which had a negative impact on prices and thus a deterioration in the gross margin for the dealers. Sales of own brands at own dealers decreased by approximately 13 percent which had a negative effect on the consolidated margin. In the second quarter, gross margin was also affected by the sharp and rapid weakening of the krona against the Euro as we did not have time to fully pass on the costs to the dealers. In addition, gross margin was impacted negatively by the acquisition of EdgeWater, which has a lower gross margin compared to the Group's consolidated margin.

Earnings for the period was impacted by non-recurrent costs of MSEK 6.6 linked to the acquisition of EdgeWater Power Boats and the divestment of the premises in Långedrag.

Transaction costs in conjunction with the directed share issue, amounting to MSEK 3.9, have been recognized in their entirety against the issue proceeds in shareholders' equity.

Financial position

Cash flow

Operating cash flow amounted to MSEK -26 (45), where MSEK 73 (102) comes from operating activities. Investments amounted to MSEK -99 (-56) and was mainly impacted by the MSEK -87 acquisition of PowerBoats LLC, and the divestment of the premises in Långedrag, which contributed to a positive cash flow effect of MSEK 20 after the redemption of real estate loan of MSEK 16. Investments in the production facility in Lugnås are ongoing and amounted to MSEK 12 in the period.

Liquidity and financial position

At the end of the period, the Group had available cash and cash equivalents of MSEK 278, whereof available cash of MSEK 27 and an unused overdraft facility of MSEK 251. The Group's liquidity continues to be affected by capital tied up in moms (VAT) because of changes in how moms is handled in foreign operations. On June 30, the company's VAT receivables amounted to MSEK 27.

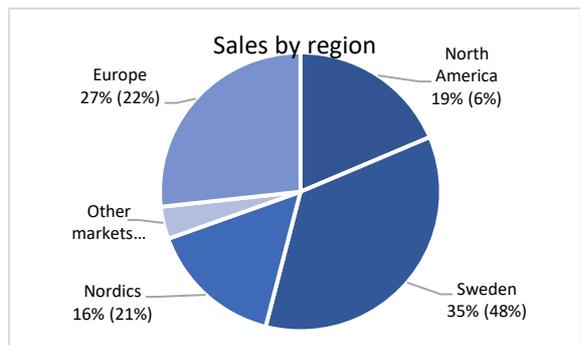
Pledged accounts receivable amounted to MSEK 399 (46) and relate to receivables with reservation of title for financing of demo boats for dealers. Financing is conducted in the form of factoring and floor planning. The increase compared with the preceding year is due to unusually low dealer inventory levels in the second quarter 2022 following a significant shortage of boats. MSEK 343 of that amount was attributable to EdgeWater Power Boats. Pledged accounts receivable are described in more detail in Note 2.

During quarter 1, the company's overdraft facility was extended from MSEK 200 to MSEK 300, so the overdraft facility is proportionate to the company's growth and development in North America.

The equity ratio amounted to 43 percent, compared with 48 percent previous year.

Development by region

The Group's sales regions comprise North America, Sweden, Nordics (excluding Sweden), Europe (excluding Nordic) and other markets. In Sweden, the UK and Norway, Nimbus Group's operations are carried out through own as well as external dealers. Sales to other markets are solely through external dealers.



North America

North American sales developed very positively and increased by 219 percent to MSEK 197 (62) whereof MSEK 55 in sales was attributable to the acquisition of EdgeWater Power Boats. Excluding EdgeWater Power Boats, sales increase by 129 percent to MSEK 142 (62). After the acquisition of EdgeWater, North America is the company's single largest market on a full-year basis.

Sweden

Swedish sales amounted to MSEK 375 which is a decrease of 22 percent compared with the year-earlier period (481). The change is a consequence of subdued market demand compared to the pandemic years, which has affected the sales of smaller boats negatively in particular.

Nordics

Nordic sales amounted to MSEK 165 (211), corresponding to a decrease of MSEK 46 (-22 percent) which is primarily attributable to smaller boats.

Europe

European sales displayed a positive trend and amounted to MSEK 283 (226), up MSEK 58 (+26 percent) year-on-year.

Other markets

Sales in other markets developed positively and increased by 27 percent to MSEK 40 (31).

Sales via our own and external dealers

Nimbus Group's sales take place via our own and external dealers.

Our own dealers are located in Sweden, the UK and Norway.



Own dealers sales decreased and amounted to MSEK 386 compared with MSEK 499 in the year-earlier period (including sales of external boat brands). Sales to external dealers increased by 32 percent to MSEK 674.

Other

Material risks and uncertainties

Through its operations, the Group is exposed to risks of both financial and operational nature, which the Group can influence to a greater or lesser extent. Continuous processes are ongoing in the Group to identify risks that arise and to assess how these should be managed.

Operational risks include the company's exposure to business risk in conjunction with fluctuations in demand and the business environment as well as customer preferences and relationships with the company. Furthermore, there are risks attributable to the production ability, capacity and workload of the company and the company's external manufacturers as well as the availability and price of raw materials. The company is also dependent on the continued trust of its employees and the ability to recruit competent employees.

As regards financial risks, these include the Group's exposure to currency risk, predominantly in the relationship between the USD, EUR and SEK, translation exposure with respect to the accounts receivable ledger and accounts payable ledger, and amounts recognized for assets, liabilities and net investments in operations. The Group is also exposed to other risks such as interest rate risk, credit risk and liquidity risk.

For additional information about the company's risks and uncertainties, refer to Nimbus Group's annual report for year 2022, pages 36-37.

Significant events during the financial year

First quarter

- Nimbus Group signed an agreement to acquire American boat manufacturer Edgewater Power Boats LLC for a consideration of MSEK 86.5. For the Nimbus Group, the acquisition represents a strategic next step in the North American market. Closing of the acquisition is expected to take place during the second quarter 2023. In connection with the announcement of the agreement, a directed share issue was carried out where the company received MSEK 79.4 before transaction costs of MSEK 3.9. To further strengthen the company's financial position, a decision was also made to withdraw the previously proposed dividend of SEK 1.50 per share.
- At the Boot Düsseldorf trade fair in January, Nimbus Group unveiled two new boats under the Nimbus brand – Nimbus W11 from the existing WTC series and Nimbus 465 Coupé, the largest Nimbus boat to date. Deliveries of the new boat models are expected to take place starting in the autumn of 2023 and in 2024 respectively. Nimbus Group also premiered the new Aquador 250 HT which was well received by the market.

NIMBUS GROUP

- The dealer network has been strengthened and expanded with several new dealers in important markets globally. In North America, four new dealers have been nominated, including the network of HMY Yacht Sales, Inc., which adds a total of 15 dealers mainly located in Florida. Additional important markets where dealers were appointed during the quarter includes Norway, Spain, Portugal, Norway, Greece, Croatia, Türkiye, Australia and New Zealand.

Second quarter

- The shares in EdgeWater Power Boats were transferred on 31 May 2023. In connection with the acquisition, a consideration MSEK 85.5 MSEK was paid after deduction of normalized working capital and acquired cash. In addition, a payment of SEK 1.4 million has been made regarding investments in the business that the seller has carried out on behalf of Nimbus Group to improve the production flow. In connection with the acquisition, excess value has been identified attributable to the company's property and production equipment totaling MSEK 26. No goodwill has been identified.
- Nimbus has signed an agreement to acquire the boat sales operations from Gressvik Marina AS in Østfold, Norway. The acquisition enables Nimbus Group to broaden its offering of the Group's various brands and strengthen its position in the attractive Norwegian market. Closing will take place on 1 September 2023.
- The dealership network in Europe was strengthened by the appointment of three new dealers in Scotland, Germany and Cyprus.
- The company's premises in Långedrag, Göteborg, was divested through a sale and lease-back agreement. The sale was made through a divestment of 100% of the shares in the wholly owned subsidiary Göteborg Älvsborg 855:306 AB. In connection with the divestment, a leasing agreement was signed. The sale has resulted in cash and cash equivalents amounting to MSEK 20 being provided to the company (after the redemption of real estate loans and deduction of transaction-related costs). The company can receive an earn-out of a maximum of MSEK 13.
- In order to simplify the administration, the subsidiary company Marine Store Båtservice AB has been divested and will be liquidated. The business has been moved to Marine Store Norrtälje AB and Marine Store Nynäshamn AB.
- Johanna Lundberg was elected new member of board at the annual general meeting on May 18. Johanna succeeded David Bourghardt who had declined re-election.

Significant events after the balance sheet date

- No significant events

Employees and organization

On the balance sheet date, the Group had 684 employees (415) in Sweden, Finland, USA, Norway, Poland, and the UK. EdgeWater had 190 employees per balance day.

Related-party transaction

In addition to his work on the Board, Board member Lars Hygrell has a consultancy agreement with Nimbus Group for advisory services and project management through his own company. The scope of this assignment is limited, and the invoiced fee has amounted to MSEK 0.5.

Parent Company

Net sales amounted to MSEK 482 (372). Result after financial items amounted to MSEK 26 (61).

Share data

On June 30, 2023, Nimbus Group had 21 315 591 shares. The share capital amounted to SEK 1,184,199 with a quotient value of SEK 0.0556. In March 2023, a directed share issue of 1,937,781 new shares was carried out at a subscription price of SEK 41.00 per share. The issue was carried out without a discount. Through the directed share issue, the company received MSEK 79.4 before transaction costs of MSEK 3.9. The board of directors decided in connection with the direct share issue to withdraw the previous proposed dividend of 1,50 SEK per share.

The Annual General Meeting on May 18, 2023, resolved to approve the Board's proposal to offer a share-based incentive scheme to senior executives and key individuals in the organization that encompasses a maximum of 193,761 warrants. The scheme has a term of 3 years.

There has already been an incentive program that was decided at the 2022 annual general meeting.

The Board of Directors' and CEO's assurance

The Board of Directors and the CEO give their assurance that the interim report provides a true and fair view of the development of the Group's and Parent Company's operations, profit and financial position and describes material risks and uncertainties faced by the Parent Company and the companies included in the Group.

This report has not been audited.

Göteborg, July 18, 2023

Mats Engblom
Chairman

Per Hesselmark
Board member

Eva Nilsagård
Board member

Göran Gummesson
Board member

Lars Hygrell
Board member

Johanna Lundberg
Board member

Jan-Erik Lindström
President and CEO

Financial calendar

The interim report for the period January 1–September 30, 2023, will be published on October 25, 2023

The interim report for the period January 1–December 31, 2023, will be published on February 6, 2024

The company's reports will be available on the company's website, www.nimbusgroup.se.

Telephone conference:

Nimbus Group will publish the interim report for the second quarter of 2023 on Tuesday, July 18 at 07:45 a.m. A webcast telephone conference will be held on the same date at 10:00 a.m. during which President and CEO Jan-Erik Lindström will present the report together with CFO Rasmus Alvemyr. The presentation will be followed by a Q&A session. The presentation will be held in English. Anyone wishing to take part in the telephone conference, please register using the following web link

<https://conference.financialhearings.com/teleconference/?id=2001312>. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference.

The presentation and conference can also be followed and listened to via the following link:

<https://ir.financialhearings.com/nimbus-group-q2-2023>

For further information, please contact:

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This information is of such a nature that Nimbus Group AB (publ) is legally required to disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the above contact people on July 18, 2023, at 08:00 a.m. CET.

About Nimbus Group

Nimbus Group manufactures and sells leisure powerboats under the Alukin, Aquador, Bella, EdgeWater, Falcon, Flipper, Nimbus and Paragon brands. Sales are conducted via a network of dealers and the main markets are the Nordics, Europe and the US. The Group reported sales of MSEK 1,751 in 2022 and had 424 employees. The operations are conducted in Sweden, Finland, Poland, the UK, Norway and the US.

For more information, see www.nimbusgroup.se

Nimbus Group AB (publ) Corp. Reg. No. 556903–6568

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NIMBUS GROUP

CONSOLIDATED INCOME STATEMENT

TSEK	Quarter 2 2023	Quarter 2 2022	First 6 months 2023	First 6 months 2022	2022-07-01 2023-06-30	2022-01-01 2022-12-31
Net sales	755,712	723,834	1,060,002	1,010,860	1,800,339	1,751,201
Cost of goods and services sold	-627,098	-563,093	-882,625	-807,219	-1,488,664	-1,414,969
Gross profit	128,614	160,741	177,377	203,641	311,675	336,232
Selling expenses ¹	-35,569	-16,213	-66,496	-42,492	-128,021	-103,391
Administration costs ¹	-14,309	-13,146	-26,889	-26,426	-51,871	-50,588
Other operating income	4,453	344	6,798	3,082	13,444	9,743
Other operating expenses	-	-2	-1	-6	-16	-20
Total operating expenses	-45,425	-29,016	-86,588	-65,842	-166,464	-144,256
Operating result	83,189	131,725	90,789	137,799	145,211	191,976
Result from financial items, net	-13,620	-7,986	-19,882	-10,318	-30,910	-21,101
Result after financial items	69,569	123,738	70,907	127,481	114,301	170,875
Tax on result for the period	-8,362	-7,893	-10,363	-8,490	-23,107	-21,234
RESULT FOR THE PERIOD	61,207	115,845	60,544	118,991	91,194	149,641
Other comprehensive income:	61,207	115,845	60,544	118,991	91,194	149,641
Items that may be transferred to result for the year:						
Exchange rate differences foreign operations	17,187	6,362	15,678	8,334	29,949	22,604
Total comprehensive income for the year	78,394	122,207	76,222	127,325	121,151	172,245
Basic earnings per share	2.87	5.98	2.95	6.14	4.57	7.72
Diluted earnings per share	2.87	5.98	2.95	6.14	4.57	7.72

Result for the year and total comprehensive income are, in their entirety, attributable to Parent Company shareholders.

NIMBUS GROUP

CONSOLIDATED BALANCE SHEET TSEK	June 30, 2023	December 31, 2022	June 30, 2022
ASSETS			
<i>Non-current assets</i>			
Intangible assets			
Goodwill	253,203	256,401	254,665
Capitalized development expenditure and similar rights	56,306	80,588	65,033
Concessions, patents, licenses, brands and similar rights	4,760	5,018	5,275
Development projects in progress	99,115	62,829	61,868
Total intangible assets	413,384	404,836	386,841
Property, plant and equipment			
Land and buildings	54,664	39,186	37,813
Construction in progress and advance payments for Property, plant and equipment	205	28	5,563
Plant and machinery	18,872	8,177	1,731
Total property, plant and equipment	73,741	47,391	45,107
Right-of-use assets			
Right-of-use assets	161,031	144,343	133,842
Total right-of-use assets	161,031	144,343	133,842
Financial assets			
Holdings recognized using the equity method	11,229	10,751	8,203
Other long-term securities holdings	166	156	150
Other non-current receivables	5,051	5,069	4,865
Deferred tax assets	18,090	18,077	21,178
Total financial assets	34,536	34,053	34,396
Total non-current assets	682,692	630,623	600,186
<i>Current assets</i>			
Inventories	721,012	610,845	452,325
Accounts receivable	199,453	166,021	103,794
Pledged accounts receivable (see Note 2)	399,273	75,930	46,152
Advance payments to suppliers	8,007	13,249	7,936
Other receivables/prepaid expenses	43,462	74,070	62,133
Cash and cash equivalents	27,015	0	190,875
Total current assets	1,398,222	940,115	863,215
TOTAL ASSETS	2,080,914	1,570,738	1,463,401

NIMBUS GROUP

CONSOLIDATED BALANCE SHEET TSEK	June 30, 2023	December 31, 2022	June 30, 2022
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders			
Share capital	1,184	1,077	1,077
Other contributed capital	193,827	118,474	207,374
Reserves	35,223	19,545	-
Retained earnings including result for the period	670,252	609,439	494,931
Total equity attributable to Parent Company shareholders	900,486	748,535	703,382
Non-controlling interests	-	-	-
-Total equity	900,486	748,535	703,382
Non-current liabilities			
Liabilities to credit institutions	1,510	16,792	17,441
Provisions	9,670	12,972	15,154
Deferred tax liability	15,615	10,980	5,815
Lease liabilities	177,557	167,232	155,486
Total non-current liabilities	204,352	207,976	193,896
Current liabilities			
Advance payments from customers	145,528	144,421	112,144
Liabilities to credit institutions	49,401	51,686	8,143
Accounts payable	198,460	196,892	203,278
Current tax liabilities	12,906	18,296	20,174
Lease liabilities	33,559	22,117	20,908
Liabilities attributable to pledged accounts receivable (see Note 2)	399,273	75,930	46,152
Other liabilities	34,803	21,062	91,733
Accrued expenses and deferred income	102,146	83,823	63,591
Total current liabilities	976,076	614,227	566,123
Total liabilities	1,180,428	822,203	760,019
TOTAL EQUITY AND LIABILITIES	2,080,914	1,570,738	1,463,401

NIMBUS GROUP

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY					Retained earnings	Total
TSEK	Share capital	Other contributed capital	Reserves	including result for the period	equity	
OPENING BALANCE AS OF Jan 1, 2022	1,077	118,474	-3,059	488,593	605,085	
Result for the year	-	-	-	149,641	149,641	
Other comprehensive income for the year	-	-	22,604	-	22,604	
Total comprehensive income	1,077	118,474	19,545	638,234	777,330	
Transactions with shareholders in their role as owners						
Dividends paid	-	-	-	-29,067	-29,067	
Share-based payments	-	-	-	271	271	
CLOSING BALANCE AS OF Dec 31, 2022	1,077	118,474	19,545	609,439	748,535	
OPENING BALANCE AS OF Jan 1, 2023	1,077	118,474	19,545	609,439	748,535	
Result for the year	-	-	-	60,544	60,544	
Other comprehensive income for the year	-	-	15,678	-	15,678	
Total comprehensive income	1,077	118,474	35,223	669,983	824,757	
Transactions with shareholders in their role as owners						
New share issue	107	75,353	-	-	75,460	
Share-based payments	-	-	-	269	269	
CLOSING BALANCE AS OF JUNE 30, 2023	1,184	193,827	35,223	670,252	900,486	

The number of shares on the balance sheet date amounted to 21,315,591.

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CONSOLIDATED STATEMENT OF CASH FLOWS						
TSEK	Quarter 2 2023	Quarter 2 2022	First 6 months 2023	First 6 months 2022	2022-07-01 2023-06-30	2022-01-01 2022-12-31
OPERATING ACTIVITIES						
Operating result before financial items	83,189	131,725	90,789	137,799	145,211	191,976
Depreciation/amortization	14,641	12,956	27,328	24,493	50,458	47,623
Other items not affecting liquidity	6,676	-10,478	6,434	-11,152	-2,507	-19,848
	104,506	134,203	124,551	151,140	193,162	219,751
Interest received, etc.	385	434	649	91	1,226	668
Interest paid, etc.	-8,000	-6,153	-10,943	-6,874	-15,568	-11,499
Income tax paid	-4,199	-11,619	-19,032	-12,273	-25,439	-18,680
	92,692	116,865	95,225	132,084	153,381	190,240
Increase/decrease in inventories	141,068	90,022	-5,627	-47,839	-160,925	-203,137
Increase/decrease in accounts receivable	38,598	67,207	-13,785	17,050	-49,077	-18,242
Increase/decrease in other current receivables	22,706	7,130	23,270	-845	11,624	-12,491
Increase/decrease in accounts payable	-85,599	31,413	-40,249	102,572	-95,249	47,572
Increase/decrease in other current operating liabilities	-29,716	-114,535	14,278	-101,466	50,125	-65,619
Cash flow from operating activities	179,749	198,102	73,112	101,555	-90,121	-61,677
INVESTING ACTIVITIES						
Investments in intangible assets	-10,308	-22,114	-18,430	-31,359	-49,820	-53,748
Investments in property, plant and equipment	-7,359	-3,859	-12,410	-7,562	-16,948	-12,102
Divestment of property, plant and equipment	30	716	156	716	238	802
Investments in subsidiaries	-86,767	-90,592	-86,932	-82,698	-86,932	-82,698
Divestment of subsidiaries	20,373	65,635	20,373	65,635	20,373	65,635
Investments in associated companies	-	-	-2,300	-1,400	-3,400	-2,500
Divestment of/investments in other financial assets	-	34	426	34	426	34
Cash flow from investing activities	-84,029	-50,180	-99,117	-56,634	-127,063	-84,577
FINANCING ACTIVITIES						
New share issue	-	-	75,460	-	75,460	-
Dividend	-	-29,067	-	-29,067	-	-29,067
Borrowings from credit institutions	3,162	-	3,162	-	3,162	-
Repayment of liabilities (leases)	-8,318	-6,388	-14,159	-10,885	-24,407	-21,133
Change in interest-bearing liabilities	-730	-1,484	-1,096	-8,397	-8,507	-15,808
Change in current liabilities	-1,130	7,181	-1,409	34,730	-36,140	-
Change in bank overdraft facility	-50,987	3,941	2,133	5,746	53,750	57,358
Cash flow from financing activities	-58,003	-25,817	64,091	-7,873	63,318	-8,650
Cash flow for the period	37,717	122,105	37,163	37,048	-153,866	-154,904
Opening cash and cash equivalents	0	68,819	0	153,860	190,875	153,860
Exchange rate difference in cash and cash equivalents	10,702	-49	-11,071	-33	-9,994	1,044
Closing cash and cash equivalents	27,015	190,875	27,015	190,875	27,015	0

Lease payments have been divided into interest and repayment on transition to IFRS 16.

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PARENT COMPANY INCOME STATEMENT						
TSEK	Quarter 2 2023	Quarter 2 2022	First 6 months 2023	First 6 months 2022	2022-07-01 2023-06-30	2022-01-01 2022-12-31
Net sales	257,961	233,680	481,733	371,104	851,123	740,494
Cost of goods sold	-223,821	-178,799	-414,767	-307,171	-733,683	-626,087
Gross profit	34,140	44,881	-66,966	63,933	117,440	114,407
Selling expenses	-13,554	-10,208	-25,332	-20,354	-45,707	-40,729
Administration costs	-8,800	-8,472	-16,315	-15,767	-30,484	-29,934
Other operating income	846	-591	1,718	-360	5,749	3,671
Total operating expenses	-21,508	-19,271	-39,929	-36,481	-70,442	-66,992
Operating result	12,632	25,610	27,037	27,452	46,998	47,415
Result from financial items, net	-1,962	32,146	-1,472	33,563	-5,718	29,316
Result after financial items	-10,670	57,756	25,565	61,015	41,280	76,731
Group contributions received	-	-	-	-	-	-
Group contributions paid	-	-	-	-	-	-
Appropriations	-	5,345	-	5,345	-9,358	-4,013
Result before tax	10,670	63,100	25,565	66,361	31,922	72,718
Tax on the result for the period	36	-1,648	-3,089	-1,648	-3,858	-2,417
RESULT FOR THE PERIOD	10,706	61,452	22,476	64,712	28,064	70,301

Result for the period correspond with total comprehensive income.

NIMBUS GROUP

PARENT COMPANY BALANCE SHEET TSEK	June 30, 2023	December 31, 2022	June 30, 2022
ASSETS			
Intangible assets	104,358	98,778	91,540
Property, plant and equipment	11,927	2,206	626
Holdings in associated companies	16,891	11,785	9,358
Participations in Group companies	441,256	458,528	458,528
Long term receivables from Group companies	114,161		
Deferred tax assets	-	-	-
Total non-current assets	688,593	571,297	560,052
<i>Current assets</i>			
Inventories	126,347	139,638	123,007
Accounts receivable	56,720	66,583	24,199
Pledged accounts receivable (see Note 2)	39,312	47,882	34,730
Receivables from Group companies	42,608	15,684	89,438
Tax receivables	-	-	-
Advance payments to suppliers	3,104	5,370	-
Other receivables	53,663	69,369	59,013
Cash and cash equivalents	0	41	126
Total current assets	321,754	344,567	330,513
TOTAL ASSETS	1,010,347	915,864	890,565
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	1,184	1,077	1,077
Fund for development expenditure	95,397	90,305	79,046
	96,581	91,382	80,123
<i>Non-restricted equity</i>			
Share premium reserve	53,917	53,917	53,917
Retained earnings	418,291	277,460	288,487
Profit for the year	22,476	70,301	64,712
	494,684	401,678	407,116
Total equity	591,265	493,060	487,239
Untaxed reserves	15,509	15,509	6,151
Provisions	5,700	5,700	4,580
<i>Long-term liabilities</i>			
Other long-term liabilities	-	-	-
<i>Current liabilities</i>			
Advance payments from customers	97,063	86,436	49,507
Liabilities to credit institutions	132,996	117,495	189,358
Liabilities to Group companies	4,483	8,908	11,088
Accounts payable	64,147	84,527	62,370
Tax liabilities	3,839	1,980	2,827
Liabilities attributable to pledged accounts receivable (see Note 2)	39,312	47,882	34,730
Other liabilities	15,685	13,206	13,290
Accrued expenses and deferred income	40,348	41,161	29,425
Total current liabilities	397,873	401,595	392,595
Total liabilities	419,082	422,804	403,326
TOTAL EQUITY AND LIABILITIES	1,010,347	915,864	890,565

NIMBUS GROUP

PARENT COMPANY CASH FLOW STATEMENT	Quarter 2 2023	Quarter 2 2022	First 6 months 2023	First 6 months 2022	2022-07-01 2023-06-30	2022-01-01 2022-12-31
TSEK						
OPERATING ACTIVITIES						
Operating result before financial items	12,632	25,610	27,037	27,452	46,998	47,415
Depreciation/amortization	3,210	3,592	6,678	7,265	13,876	14,463
Other items not affecting liquidity	3,896	-8,218	3,387	-6,572	2,273	-7,690
	19,738	20,984	37,102	28,145	63,147	54,188
Interest received, etc.	1,402	2,631	1,595	860	1,841	1,106
Interest paid, etc.	-3,268	-1,244	-4,666	-1,673	-7,593	-4,600
Income tax paid	-1,049	-839	-1,219	-797	-2,833	-2,413
	16,823	21,532	32,812	26,535	54,562	48,280
Increase/decrease in inventories	19,466	12,205	15,557	-16,756	-6,444	-38,756
Increase/decrease in accounts receivable	12,869	34,407	10,418	12,713	-19,135	-16,840
Increase/decrease in other current receivables	26,210	-19,041	-23,102	-24,506	40,294	38,891
Increase/decrease in accounts payable	-20,651	-3,964	-20,380	8,020	1,777	30,177
Increase/decrease in other current operating liabilities	-30,277	-44,922	7,195	-58,712	75,068	9,161
Cash flow from operating activities	24,440	217	22,500	-52,706	146,122	70,913
INVESTING ACTIVITIES						
Investments in intangible assets	-7,160	-7,388	-12,089	-11,348	-26,270	-25,529
Investments in property, plant and equipment	-5,616	976	-9,890	976	-11,725	-859
Divestment of property, plant and equipment	-	716	122	716	124	720
Investments in subsidiaries	-	-90,592	-	-90,592	-	-90,592
Divestment of subsidiaries	20,373	65,706	20,373	65,706	20,373	65,706
Investments in associated companies	-2,206	-	-5,106	-1,400	-6,206	-2,500
Divestment/amortization of other financial fixed assets	-114,161	-	-114,161	-	-114,161	-
Cash flow from investing activities	-108,770	-30,582	-120,751	-35,942	-137,865	-53,053
FINANCING ACTIVITIES						
New share issue	-	-	75,460	-	75,460	-
Dividend	7,250	-29,067	7,250	-25,767	7,250	-25,767
Loans from credit institutions	-	4,159	-	34,730	-34,730	-
Bank overdraft facility	78,963	58,563	15,500	86,112	-49,696	20,916
Repayment of liabilities to credit institutions	-	-3,333	-	-6,667	-6,667	-13,333
Group contribution	-	-	-	-	-	-
Cash flow from financing activities	86,213	30,322	98,210	88,408	-8,383	-18,184
Cash flow for the period	1,883	-43	-41	-240	-126	-324
Opening cash and cash equivalents	0	169	41	366	126	365
Exchange rate difference in cash and cash equivalents	-1,883	-	-	-	-	-
Closing cash and cash equivalents	0	126	0	126	0	41

NIMBUS GROUP

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY	Share capital	Fund for development expenditure	Share premium reserve	Non-restricted equity excl. result for the year	Result for the year	Total equity
EQUITY Jan 1, 2022	1,077	68,560	53,917	302,576	25,425	451,555
Transfer of development fund	-	21,745	-	-21,745	-	-
Transfer of last year's result	-	-	-	25,425	-25,425	-
Dividend paid	-	-	-	-29,067	-	-29,067
Share-based payments	-	-	-	271	-	271
Result for the year	-	-	-	-	70,301	70,301
EQUITY Dec 31, 2022	1,077	90,305	53,917	277,460	70,301	493,060
Transfer of development fund	-	5,092	-	-5,092	-	-
Transfer of last year's result	-	-	-	70,301	-70,301	-
New share issue	107	-	-	75,353	-	75,460
Share-based payments	-	-	-	269	-	269
Result for the year	-	-	-	-	22,476	22,476
EQUITY June 30, 2023	1,184	95,397	53,917	418,291	22,476	591,265

The number of shares on the balance sheet date amounted to 21,315,591.

NIMBUS GROUP

Note 1

Nimbus Group AB ("Nimbus"), Corp. Reg. No. 556903-6568, is a parent company registered in Sweden with its registered office in Gothenburg Municipality at Talattagatan 10. Unless otherwise specifically stated, all amounts are recognized in thousands of kronor (SEK thousand). Figures in parentheses refer to comparative periods.

Note 2

Nimbus Group offers dealers the opportunity to use financing solutions for demonstration boats and boat inventory. Invoices approved by the finance companies are paid by the finance company in close connection with the invoices being issued. In accordance with the agreements that exist between the finance companies and the company, the company is committed to a repurchase the boats from the finance company if retailers themselves do not fulfill their obligations to repay the debt to the finance company. Payment of the invoice means that ownership of the product passes to the finance company. But since the financial risk remains with the company during the entire period that the financial contract runs between the retailer and the finance company, the company has made the assessment that the financial repurchase risk must be reported as a financial liability in the balance sheet (Liabilities attributable to pledged accounts receivable) together with a claim (Pledged accounts receivable). The maturity of the claim and the debt are the same. Historically, the company has not reported any credit losses as a result of this financing solution.

Note 3

This Interim Report has been prepared in accordance with the Swedish Annual Accounts Act and IAS 34 Interim Financial Reporting. The consolidated accounts were prepared pursuant to the Swedish Annual Accounts Act and the International Financial Reporting Standards (IFRS) as approved by the EU as well as the Swedish Financial Reporting Board (RFR 1 Supplementary Financial Reporting Rules for Corporate Groups). The Parent Company accounts were prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board (RFR 2 Accounting for Legal Entities). These policies have been consistently applied to all the periods presented, unless otherwise stated. For more detailed information about the Group's accounting policies, refer to the 2022 Annual Report, which is available on the company's website www.nimbusgroup.se.

Definition of key ratios

Operating cash flow:	Cash flow from operating activities and investing activities
Gross profit margin:	Gross profit as a percentage of net sales
EBIT:	Operating profit, profit from net sales and cost of goods and services sold
EBITA:	Profit before tax, interest and amortization of goodwill and brands
EBITA margin:	EBITA/Net sales
Equity/assets ratio:	Adjusted equity/Balance sheet total
Earnings per share:	Consolidated profit for the year before recognition of deferred tax assets attributable to loss carryforwards/number of shares in the Parent Company
Organic growth:	Change in net sales compared with the preceding period excluding currency fluctuations and acquisitions (with the exception of dealers)

Note 4

The shares in the American company EdgeWater Power Boats were acquired on 31 May 2023. In connection with the acquisition, a consideration of MSEK 86,9 was paid after deduction of normalized working capital and acquired cash. The company was acquired on debt-free basis. No transaction-related costs are reported in connection with the acquisition.

May 31, 2023

Preliminary identified assets and liabilities from purchase price allocation	
Intangible assets	0,1
Tangible assets	49,3
Inventory	83,2
Cash and cash equivalents	8,0
Other receivables	18,3
Other debts	-64,0
Sum of identified assets in purchase price allocation	94,9
Goodwill	-
Acquired net assets	94,9
Paid purchase price	-102,9
Adjustment of purchase price for net working capital	+8,0
Net purchase price	-94,9
Acquired cash and equivalents	8,0
Net impact on Nimbus Group cash and equivalents from the acquisition	-86,9