



Interim Report

First Quarter 2023

January - March

First quarter summary

- Net sales declined to SEK 3,660m (3,779) corresponding to an organic sales decline of -6% (6).
- Operating profit, excl. items affecting comparability, decreased to SEK 81m (182), corresponding to an operating margin of 2.2% (4.8).
- Operating profit includes items affecting comparability of SEK -298m (0) related to restructuring charges following the programme communicated in January.
- Profit after tax amounted to SEK -214m (128), corresponding to earnings per share after dilution of SEK -1.28 (0.76).
- Operating cash flow amounted to SEK -38m (-420).

	Q1			Jan-Dec 12 mos		
	2022	2023	Δ%	2022	rolling	Δ%
Net sales, SEK m	3,779	3,660	-3	14,929	14,810	-1
Gross margin, %	38.3	32.7	–	35.9	34.5	–
<i>Gross margin excl. IAC, %</i>	38.3	35.8	–	36.1	35.5	–
Operating margin before depr./imp. (EBITDA), %	10.2	-0.5	–	7.3	4.6	–
Operating profit (EBIT), SEK m	182	-217	n.a.	191	-208	n.a.
<i>Operating profit (EBIT), excl IAC, SEK m</i>	182	81	-55	497	396	-20
Operating margin, %	4.8	-5.9	–	1.3	-1.4	–
<i>Operating margin excl IAC, %</i>	4.8	2.2	–	3.3	2.7	–
Profit after financial items, SEK m	161	-270	n.a.	30	-401	n.a.
Profit after tax, SEK m	128	-214	n.a.	-2	-344	n.a.
<i>Profit/loss after tax, excl IAC, SEK m</i>	128	22	n.a.	241	135	-44
Earnings per share, before dilution, SEK	0.76	-1.28	n.a.	-0.01	-2.05	n.a.
<i>Earnings per share, before dilution excl IAC, SEK</i>	0.76	0.13	-83	1.43	0.80	-44
Earnings per share, after dilution, SEK	0.76	-1.28	n.a.	-0.01	-2.05	n.a.
<i>Earnings per share, after dilution excl IAC, SEK</i>	0.76	0.13	-83	1.43	0.80	-44
Operating cash flow, SEK m	-420	-38	n.a.	-746	-364	49

CEO comment

The macroeconomic situation with declining construction activity and lower disposable income for consumers continues to deteriorate for durable goods suppliers, which is reflected in the organic sales trend that was -6% in the quarter. The volume decline and continued inflationary pressure burdened operating profit that declined to SEK 81m (182), excluding items affecting comparability of SEK 298m related to restructuring measures.

Our short-term focus is to adapt resources, manage investments, working capital and pursue direct material price reductions. In January, we announced a restructuring programme aimed at improving operating profit by SEK 300m over the next 18 months. Restructuring of our UK operations is an important part of the programme, which includes exiting parts of the UK project sales, closure of two manufacturing sites, staff and discretionary spend reductions. Execution of the programme is running according to plan and the financial impact will gradually materialize.

Housing completions in the Nordics provided support for project sales that remained on par with prior year whilst consumer sales declined, resulting in total sales for the region decreasing -7% organically. Shift reductions in our largest factory have been implemented to adapt to the lower volume. Production equipment installations in the new factory continue and in parallel we use the factory for select component manufacturing to support our plant in Tidaholm and further improve the overall supply chain cost situation.

In the UK region, sales were down -5% organically, while profit was slightly better reflecting cost reductions. We are also pressing ahead with the long-term transformation plan for the UK that was communicated at the capital markets update in March. The plan includes shifting to more focus on value, differentiating to grow share in the more premium part of the mass segment, upgrading



stores and new product development at the same time as we pursue maximum cost efficiency and simplification across all operations,

Performance in Portfolio Business Units was mixed in the quarter. The Netherlands delivered solid growth while Austria and Commodore & CIE had lower sales. The unit is also part of the restructuring programme, in particular the UK, and will contribute with savings going forward.

We continue to see challenging market dynamics during 2023. A firm execution of announced restructuring measures is being carried out and we continuously assess further measures. Direct material costs are showing signs of decline for some commodities upstream in the supply chain. Ensuring that this decline will be realized also in our purchasing is a top priority. The fact that the economic downturn coincides with our planned high investment level has resulted in an increasing leverage. As communicated at the capital markets update, we explore different leverage reduction options such as sale and leasebacks of assets.

Jon Sintorn
President and CEO

First quarter consolidated

Market overview

All kitchen markets are negatively affected by macroeconomic downturn following the uncertain outlook driven by, amongst other things, high inflation, increasing interest rates and lower construction activity. Markets continued to be impacted by high price inflation, affecting both end-market sales prices and supply chain costs. Price increases are supporting the value of the kitchen markets, although measured as number of kitchen cabinets sold then markets are decreasing in size. The project segment has longer lead times thus providing some resilience on the back of ongoing new build housing completions, while the consumer segment, where lead times are shorter, is affected more quickly when consumer confidence declines and consumers react by cutting back on discretionary capital goods spending.

Net sales, earnings and cash flow

The Group's net sales decreased to SEK 3,660m (3,779) with organic decline of -6% (6). The Nordic region declined organically by -7% (8), the UK region by -5% (8), while Portfolio Business Units organic growth was flat (-7).

The gross margin decreased to 35.8% (38.3) and gross profit was SEK 1,311m (1,446), excluding items affecting comparability. Operating profit, excluding items affecting comparability, amounted to SEK 81m (182), corresponding to a margin of 2.2% (4.8). Items affecting comparability referring to restructuring costs amounting to SEK -298m (0). Price increases more than offset the negative impact from inflation, however volume and mix effects had a considerable negative effect. Selling and administrative expenses decreased on the back of lower marketing spend and headcount reductions. Changes in exchange rates negatively impacted operating profit by SEK -25m.

Favourable working capital development, primarily due to timing effects, more than offset lower cash flow due to the decreased profit, resulting in a cash flow from operating activities of SEK 318m (-42). Cashflow from investing activities, primarily related to the construction of the factory in Jönköping, amounted to SEK -353m (-437). Net debt excl. IFRS16 leases and pensions amounted to SEK 2,066m (604).

Analysis of net sales

	Q1	
	Δ%	SEK m
2022		3,779
Organic growth	-6	-220
-of which Nordic region	-7	-153
-of which UK region	-5	-66
-of which Portfolio BUs	0	-1
Currency effects	3	101
2023	-3	3,660

Currency effect on operating profit

SEK m	Q1		
	Translati- on effect	Transacti- on effect	Total
Nordic region	10	-20	-10
UK region	0	-15	-15
Portfolio BUs	0	0	0
Group	10	-35	-25

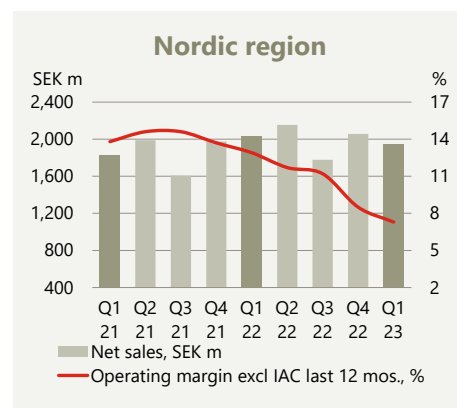
SEKm	Nordic		UK		Portfolio BUs		Group cost and eliminations		Group		Δ%
	Q1	Q1	Q1	Q1	Q1	Q1	Q1	Q1	Q1	Q1	
2022	2,040	1,948	1,279	1,227	460	485	0	0	3,779	3,660	-3
Gross profit	737	589	558	473	134	113	17	20	1,446	1,195	-17
Gross profit excl. IAC	737	625	558	533	134	133	17	20	1,446	1,311	-9
Gross margin, %	36.1	30.2	43.6	38.5	29.1	23.3	-	-	38.3	32.7	-
Gross margin excl. IAC, %	36.1	32.1	43.6	43.4	29.1	27.4	-	-	38.3	35.8	-
Operating profit	213	15	0	-165	20	-24	-51	-43	182	-217	-219
Operating profit excl. IAC, SEK m	213	105	0	5	20	12	-51	-41	182	81	-55
Operating margin, %	10.4	0.8	0.0	-13.4	4.3	-4.9	-	-	4.8	-5.9	-
Operating margin excl. IAC, %	10.4	5.4	0.0	0.4	4.3	2.5	-	-	4.8	2.2	-

First quarter, the regions

Nordic region

Net sales in the Nordic region decreased to SEK 1,948m (2,040). Sales declined by -7% (8) on an organic basis, primarily in the consumer (retail) segment.

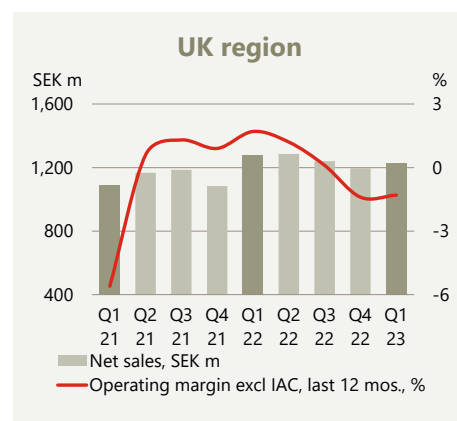
The gross margin decreased to 32.1% (36.1), excluding items affecting comparability. Operating profit excluding items affecting comparability decreased to SEK 105m (213) and the corresponding margin was 5.4% (10.4). Price increases continued to have good effect; however profit was burdened by the volume decline, mix impact and the continued inflationary pressure in direct material, energy and freight. Items affecting comparability, referring to restructuring measures, amounted to SEK -90m. Changes in exchange rates negatively impacted operating profit by SEK -10m.



UK region

Net sales in the UK region decreased to SEK 1,227m (1,279). Sales declined by -5% (8) on an organic basis. OEM sales increased.

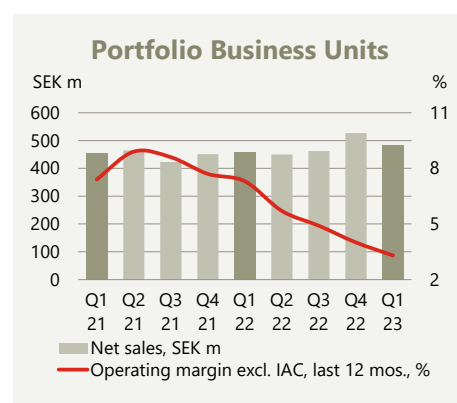
The gross margin was stable at 43.4% (43.6), excluding items affecting comparability. Operating profit improved to SEK 5m (0), and the operating margin was 0.4% (0), excluding items affecting comparability. Price increases and savings following the cost-out measures impacted positively, however offset by the volume decline, unfavourable mix and direct material cost inflation. Items affecting comparability, referring to restructuring measures, amounted to SEK -170m. Changes in exchange rates negatively impacted operating profit by SEK -15m.



Portfolio Business Units

Net sales increased to SEK 485m (460). Sales were in line with prior year on an organic basis (-7). Netherlands had good growth while Austria and Commodore and CIE in the UK reported lower sales. The performance in Commodore and CIE is being addressed with the restructuring program launched in January.

The gross margin decreased to 27.4% (29.1), excluding items affecting comparability. Operating profit decreased to SEK 12m (20), and the operating margin declined to 2.5% (4.3), excluding items affecting comparability. Performance in the Netherlands and Austria was in-line with prior year while Commodore & CIE were impacted further by continued weak markets. Items affecting comparability, referring to restructuring measures in Commodore & CIE, amounted to SEK -36m.



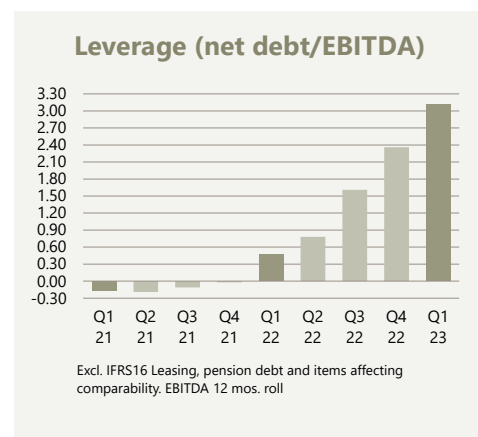
Other information

Financing

Nobia's long-term financing consists of two multicurrency revolving credit facilities totalling SEK 5 billion. A SEK 2 billion facility and one SEK 3 billion facility, both with maturity in 2025. The facilities have leverage (net debt / EBITDA) and interest cover (EBITDA to net interest expenses) covenants. At end of March 2023, SEK 2,800m (2,000) had been utilised. Group cash and cash equivalents amounted to SEK 715m (1,394).

Net debt excluding IFRS 16 lease liabilities and pensions amounted to SEK 2,066m (604). IFRS 16 lease liabilities amounted to SEK 1,753m (1,741) and pension provisions amounted to SEK 357m (97). The net debt/equity ratio, excluding IFRS 16 lease liabilities and pensions, was 45% (12). Leverage, (net debt/EBITDA, excluding IFRS 16 leases, pensions and items affecting comparability on 12 months rolling basis) was 3.1 times (0.5). The fact that the economic downturn coincides with our planned high investment level has resulted in an increasing leverage. As communicated at the capital markets update, we explore different leverage reduction options such as sale and leasebacks of assets.

Net financial items amounted to SEK -53m (-21), of which net of returns on pension assets and interest expense on pension liabilities was SEK -2m (0), interest on leases was SEK -12m (-9) and other net interest expense was SEK -39m (-12).



Annual General Meeting

Nobia's Annual General Meeting (AGM) will be held in Stockholm on 27 April 2023 at 13:00 CET. The notice and other related AGM information including Board proposals is available at <http://www.nobia.com>. Given Nobia's temporarily high investment level, primarily related to building the new Nordic factory, the Board decided that not paying any dividend for 2022 is a prudent recommendation.

Construction of the new factory in Jönköping

The factory building has been completed and the installation and testing of production machines is taking place gradually according to plan. The first commercial manufacturing of kitchen components has started at small scale. Machinery installations will continue during the year until the factory is fully operational in 2024. The total investment in the factory until completion will be around SEK 3.5bn, of which manufacturing equipment is approximately SEK 2bn and the factory building SEK 1.5bn, with the majority of the investments made between 2022 and 2023. Up until the end of March 2023, a total of SEK 1.9bn has been invested in the new factory.

Cost reduction programme

In January 2023, Nobia announced a cost reduction program aiming to realise annual savings in excess of SEK 300m, with a noticeable impact starting in the second quarter of 2023 and reaching full effect in the second quarter of 2024. The programme involves repositioning the UK project business, including consolidation of the manufacturing footprint whereby two factories will be closed, flattening of the central UK organisation and exiting select parts of the project business that are not deemed to have sufficient profitability. Furthermore, certain functions in the Nordic region and at Group level will be reduced in size. The first quarter 2023 includes costs of SEK 298m related to the programme, recorded as items affecting comparability. A total of around 500 employees will be affected by the programme. Approximately SEK 85m

of the items affecting comparability refers to non-cash items. Furthermore, the fourth quarter of 2022 also included restructuring cost for the programme, amounting to SEK 156m. All Items affecting comparability are specified on page 13.

Risks

Financial risks refer primarily to currency exchange rates, interest rates, financing, tax and credit risks. In the ordinary course of business, the Group is exposed to legal risks such as commercial, product liability and other disputes and provides for them as appropriate. A general economic downturn, cybersecurity, a widespread financial crisis or other macroeconomic disturbances may, directly or indirectly, affect the Group negatively both in terms of revenues and profitability. For a more detailed description of Nobia's risks and uncertainties, as well as risk management, refer to the 2022 Annual Report.

The macroeconomic turbulence in the global markets is and will continue to affect the Group's market environment. Increased inflation in the form of increased direct material prices, energy cost as well as transport, have resulted in higher production costs. Rising inflation and higher interest rates have had and can continue to have a short-term negative impact on market demand. Cost reduction activities are being implemented, manufacturing capacity has been adapted and the Group is continuously assessing if further measures need to be taken given the development of the market. Considering the planned high investments, the Group is closely monitoring the finance situation.

Stockholm, 27 April 2023

Jon Sintorn

President and CEO

Nobia AB, Corporate Registration Number 556528-2752

This interim report has not been subject to review by the company's auditors.

Consolidated income statement

SEK m	Q1		Jan-Dec	12 mos
	2022	2023	2022	rolling
Net sales	3,779	3,660	14,929	14,810
Cost of goods sold	-2,333	-2,465	-9,566	-9,698
Gross profit	1,446	1,195	5,363	5,112
Selling and administrative expenses	-1,287	-1,423	-5,317	-5,453
Other income/expenses	23	11	145	133
Operating profit	182	-217	191	-208
Net financial items	-21	-53	-161	-193
Profit after financial items	161	-270	30	-401
Tax	-33	56	-32	57
Profit after tax	128	-214	-2	-344
Total profit attributable to:				
Parent Company shareholders	128	-214	-2	-344
Earnings per share before dilution, SEK	0.76	-1.28	-0.01	-2.05
Earnings per share after dilution, SEK	0.76	-1.28	-0.01	-2.05

Consolidated statement of comprehensive income

SEK m	Q1		Jan-Dec	12 mos
	2022	2023	2022	rolling
Profit after tax	128	-214	-2	-344
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Exchange-rate differences attributable to translation of foreign operations	33	59	329	355
Cash flow hedges before tax (1)	-6	12	39	57
Tax attributable to change in hedging reserve for the period (2)	1	-4	-7	-12
	28	67	361	400
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit pension plans	118	16	-187	-289
Tax relating to remeasurements of defined benefit pension plans	-30	-5	46	71
	88	11	-141	-218
Other comprehensive income	116	78	220	182
Total comprehensive income	244	-136	218	-162
Total comprehensive income attributable to:				
Parent Company shareholders	244	-136	218	-162

(1) Reversal recognised in profit and loss amounts to a SEK 19m (4).

New provision amounts to SEK 38m (-10). (Jan-Dec 2022; 25).

(2) Reversal recognised in profit and loss amounts to a SEK -4m (-1).

New provision amounts to SEK -8m (2). (Jan-Dec 2022; -5).

Consolidated balance sheet

SEK m	31 Mar 2022	31 Mar 2023	31 Dec 2022
ASSETS			
Goodwill	3,093	3,275	3,232
Other intangible fixed assets	409	421	418
Tangible fixed assets	2,119	3,406	3,131
Right-of-use assets	1,795	1,808	1,826
Long-term receivables, interest-bearing (IB)	0	0	0
Long-term receivables	83	92	86
Deferred tax assets	70	330	240
Total fixed assets	7,569	9,332	8,933
Inventories	1,302	1,429	1,478
Accounts receivable	1,701	1,697	1,495
Current receivables, interest-bearing (IB)	2	2	2
Other receivables	505	599	524
<i>Total current receivables</i>	<i>2,208</i>	<i>2,298</i>	<i>2,021</i>
Cash and cash equivalents (IB)	1,394	715	340
Total current assets	4,904	4,442	3,839
Total assets	12,473	13,774	12,772
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	57	57	57
Other capital contributions	1,460	1,461	1,460
Reserves	14	414	347
Profit brought forward	3,631	2,648	2,851
Total shareholders' equity attributable to Parent Company shareholders	5,162	4,580	4,715
Total shareholders' equity	5,162	4,580	4,715
Provisions for pensions (IB)	97	357	384
Other provisions	43	23	40
Deferred tax liabilities	73	66	60
Lease liabilities, interest-bearing (IB)	1,400	1,407	1,418
Other long-term liabilities, interest-bearing (IB)	2,000	2,783	2,181
Other long-term liabilities, non interest-bearing	8	4	4
Total long-term liabilities	3,621	4,640	4,087
Current lease liabilities, interest-bearing (IB)	341	346	339
Accounts payable	1,744	2,465	2,038
Current liabilities and provisions	1,605	1,743	1,593
Total current liabilities	3,690	4,554	3,970
Total shareholders' equity and liabilities	12,473	13,774	12,772

Changes in consolidated shareholders' equity

	Attributable to Parent Company shareholders					Total share-holders equity
	Share capital	Other capital contributions	Exchange-rate differences attributable to translation of foreign operations	Cash-flow hedges after tax	Profit brought forward	
SEK m						
Opening balance, 1 Jan 2022	57	1,465	-10	-4	3,415	4,923
Profit for the period	–	–	–	–	128	128
Other comprehensive income for the period	–	–	33	-5	88	116
Total comprehensive income for the period	–	–	33	-5	216	244
Allocation of share saving schemes	–	-5	–	–	–	-5
Closing balance, 31 Mar 2022	57	1,460	23	-9	3,631	5,162
Opening balance, 1 Jan 2023	57	1,460	319	28	2,851	4,715
Profit for the period	–	–	–	–	-214	-214
Other comprehensive income/loss for the period	–	–	59	8	11	78
Total comprehensive income for the period	–	–	59	8	-203	-136
Allocation of performance share plan	–	1	–	–	–	1
Closing balance, 31 Mar 2023	57	1,461	378	36	2,648	4,580

Number of Treasury shares: 2,040,637.

Key ratios, Group

SEK m	Q1		Jan-Dec	12 mos
	2022	2023	2022	rolling
Gross profit	1,446	1,195	5,363	5,112
Gross margin, %	38.3	32.7	35.9	34.5
EBITDA	386	-18	1,090	686
EBITDA, %	10.2	-0.5	7.3	4.6
Total depreciation	-204	-199	-804	-799
Total impairment	–	–	-95	-95
Operating profit	182	-217	191	-208
<i>Excl. items affecting comparability</i>	<i>182</i>	<i>81</i>	<i>497</i>	<i>396</i>
Operating margin, %	4.8	-5.9	1.3	-1.4
<i>Excl. items affecting comparability</i>	<i>4.8</i>	<i>2.2</i>	<i>3.3</i>	<i>2.7</i>
Return on operating capital, %	–	–	2.4	-2.50
Return on shareholders equity, %	–	–	0.0	-7.08
Operating cash flow	-420	-38	-746	-364
Earnings per share before dilution, SEK	0.76	-1.28	-0.01	-2.05
Earnings per share after dilution, SEK	0.76	-1.28	-0.01	-2.05
Number of shares at period end before dilution, thousands (1)	168,253	168,253	168,253	168,253
Average number of shares before dilution, thousands (1)	168,253	168,253	168,253	168,253
Number of shares after dilution at period end, thousands (1)	168,434	168,253	168,471	168,290
Average number of shares after dilution, thousands (1)	168,298	168,253	168,380	168,335
Equity/assets ratio, %	41	33	37	–
Debt/equity ratio, %	47	91	84	–
Net debt, closing balance, SEK m	2,442	4,176	3,980	–
Operating capital, closing balance, SEK m	7,604	8,756	8,695	–
Capital employed, closing balance, SEK m	9,000	9,473	9,037	–
Number of employees	6,282	5,929	6,123	–

(1) Excluding treasury shares

Consolidated cash-flow statement

SEK m	Q1		Jan-Dec	12 mos
	2022	2023	2022	rolling
Operating activities				
Operating profit	182	-217	191	-208
Depreciation/Impairment	204 ¹	199 ²	899 ³	894
Adjustments for non-cash items	5	31	48	74
Tax paid	-51	-74	-208	-231
Change in working capital	-382	379	-11	750
Cash flow from operating activities	-42	318	919	1,279
Investing activities				
Investments in intangible and tangible fixed assets	-387	-351	-1,684	-1,648
Other items in investing activities	9	-5	19	5
Interest received	0	3	4	7
Change in interest-bearing assets	0	0	0	0
Acquisition of companies	-59	0	-59	0
Cash flow from investing activities	-437	-353	-1,720	-1,636
Total cashflow from operating and investing activities	-479	-35	-801	-357
Financing activities				
Interest paid	-23	-53	-125	-155
Change in interest-bearing liabilities	1,429 ⁴	471 ⁵	1,204 ⁶	246
Repurchase of shares	-	-	-	-
Dividend	-	-	-421	-421
Cash flow from financing activities	1,406	418	658	-330
Cash flow for the period excluding exchange-rate differences in cash and cash equivalents	927	383	-143	-687
Cash and cash equivalents at beginning of the period	422	340	422	340
Cash flow for the period	927	383	-143	-687
Exchange-rate differences in cash and cash equivalents	45	-8	61	8
Cash and cash equivalents at period-end	1,394	715	340	-339
Operating Cash flow *				
SEK m	2022	2023	2022	rolling
Cash flow from operating activities	-42	318	919	1,279
Investments in fixed assets	-387	-351	-1,684	-1,648
Other items in investing activities	9	-5	19	5
Operating cash flow before acquisition/divestment of operations, interest, change in interest-bearing assets	-420	-38	-746	-364

* Alternative Performance Measure, refer to "Definitions".

1) No impairments during the period.

2) No impairments during the period.

3) Impairments during the period amounted to SEK 95m and pertained to other intangible assets SEK 92m and machinery SEK 3m.

4) Net of repayment and raising of loans amounted to SEK 1 600m. Amortisation of leasing amounted to SEK 142m.

5) Net of repayment and raising of loans amounted to SEK 600m. Amortisation of leasing amounted to SEK 112m.

6) Net of repayment and raising of loans amounted to SEK 1 800m. Amortisation of leasing amounted to SEK 505m.

Analysis of net debt

SEK m	Q1		Jan-dec	12 mos
	2022	2023	2022	rolling
Opening balance, net debt	2,014	3,980	2,014	2,442
New leasing contracts/Closed leasing contracts in advance, net	55	85	353	383
Acquisition of operations	72	–	59	–13
Translation differences	–28	33	41	102
Operating cash flow	420	38	752	370
Interest paid, net	23	51	121	149
Remeasurements of defined benefit pension plans	–118	–16	187	289
Other change in pension liabilities	4	5	32	33
Treasury shares reissued	–	–	0	–
Dividend	–	–	421	421
Closing balance, net debt	2,442	4,176	3,980	4,176

Notes

Note 1 - Accounting policies

This interim report has been prepared in accordance with IFRS, with the application of IAS 34 Interim Financial Reporting. For the Parent Company, accounting policies are applied in accordance with Chapter 9, Interim Reports, of the Swedish Annual Accounts Act. Nobia has applied the same accounting policies in this interim report as were applied in the 2022 Annual Report. A description of new accounting policies in their entirety is provided in the 2022 Annual Report.

Note 2 - References

Segment information pages 4 and 5. Loan and shareholder's equity transactions, page 6.

Items affecting comparability, page 13. Net sales by product group, page 16.

Note 3 - Financial instruments - fair value

Nobia's financial assets essentially comprise non-interest-bearing and interest-bearing receivables whereby cash flows only represent payment for the initial investment and, where applicable, for the time value and interest. These are intended to be held to maturity and are recognised at amortised cost, which is a reasonable approximation of fair value. Financial liabilities are primarily recognised at amortised cost.

Financial instruments measured at fair value in the balance sheet are currency forward contracts comprised of assets at a value of SEK 49m (8) and liabilities at a value of SEK –5m (44). These items are measured according to level 2 of the fair value hierarchy, meaning based on indirect observable market data. Nobia's financial instruments are measured at fair value and included in the balance sheet on the rows "Other receivables" and "Current liabilities".

Note 4 - Related-party transactions

There is no sale and manufacturing of kitchens in the Parent Company. The Parent Company invoiced Group-wide services to subsidiaries in an amount of SEK 99m (86) during the first quarter of 2023. The Parent Company's reported dividends from participations in Group companies totalled SEK 0m (0).

Parent Company

Parent Company income statement

SEK m	Q1		Jan-Dec 12 mos	
	2022	2023	2022	rolling
Net sales	86	99	593	606
Administrative expenses	-127	-142	-694	-709
Other operating income	1	-1	2	0
Operating profit/loss	-40	-44	-99	-103
Financial items, net	747	9	990	252
Profit/loss after financial items	707	-35	891	149
Group contribution received	0	0	-101	-101
Tax on profit/loss for the period	0	0	41	41
Profit/loss for the period	707	-35	831	89

Parent Company balance sheet

SEK m	31 Mar 31 Mar	
	2022	2023
Total fixed assets	1,623	1,768
Total current assets	4,868	4,399
Total assets	6,491	6,167
Total shareholders' equity	3,828	3,496
Total long-term liabilities	46	54
Total current liabilities	2,617	2,617
Total shareholders' equity, provisions and liabilities	6,491	6,167

Items affecting comparability

Items affecting comparability per function, SEK m

	Q1		Jan-dec 12 mos	
	2022	2023	2022	rolling
Items affecting profitability in gross profit	-	-116	-31	-147
Items affecting profitability in operating profit	-	-298	-306	-604
Items affecting profitability in taxes	-	62	63	125
Items affecting profitability in profit after tax	-	-236	-243	-479

Items affecting comparability in gross profit per region, SEK m

	Q1		Jan-dec 12 mos	
	2022	2023	2022	rolling
Nordic	-	-36	-22	-58
UK	-	-60	-4	-64
Portfolio Business Units	-	-20	-	-20
Group-wide and eliminations	-	0	-5	-5
Group	-	-116	-31	-147

Items affecting comparability in operating profit per region, SEK m

	Q1		Jan-dec 12 mos	
	2022	2023	2022	rolling
Nordic	-	-90	-91	-181
UK	-	-170	-115	-285
Portfolio Business Units	-	-36	-	-36
Group-wide and eliminations	-	-2	-100	-102
Group	-	-298	-306	-604

Comparative data per region

	Jan-Mar		Jan-Dec	12 mos
	2022	2023	2022	rolling
Net sales, SEK m				
Nordic	2,040	1,948	8,030	7,938
UK	1,279	1,227	5,001	4,949
Portfolio Business Units	460	485	1,899	1,924
Group-wide and eliminations	0	0	-1	-1
Group	3,779	3,660	14,929	14,810
	Jan-Mar		Jan-Dec	12 mos
	2022	2023	2022	rolling
Gross profit, SEK m				
Nordic	737	589	2,697	2,549
UK	558	473	2,102	2,017
Portfolio Business Units	134	113	518	497
Group-wide and eliminations	17	20	46	49
Group	1,446	1,195	5,363	5,112
	Jan-Mar		Jan-Dec	12 mos
	2022	2023	2022	rolling
Gross profit excl. IAC, SEK m				
Nordic	737	625	2,719	2,607
UK	558	533	2,106	2,081
Central Europe	134	133	518	517
Group-wide and eliminations	17	20	51	54
Group	1,446	1,311	5,394	5,259
	Jan-Mar		Jan-Dec	12 mos
	2022	2023	2022	rolling
Gross margin, %				
Nordic	36.1	30.2	33.6	32.1
UK	43.6	38.5	42.0	40.8
Portfolio Business Units	29.1	23.3	27.3	25.8
Group	38.3	32.7	35.9	34.5
	Jan-Mar		Jan-Dec	12 mos
	2022	2023	2022	rolling
Gross margin excl. IAC, %				
Nordic	36.1	32.1	33.9	32.8
UK	43.6	43.4	42.1	42.0
Central Europe	29.1	27.4	27.3	26.9
Group	38.3	35.8	36.1	35.5
	Jan-Mar		Jan-Dec	12 mos
	2022	2023	2022	rolling
Operating profit, SEK m				
Nordic	213	15	595	397
UK	0	-165	-184	-349
Portfolio Business Units	20	-24	76	32
Group-wide and eliminations	-51	-43	-296	-288
Group	182	-217	191	-208
	Jan-Mar		Jan-Dec	12 mos
	2022	2023	2022	rolling
Operating profit excl IAC, SEK m				
Nordic	213	105	686	578
UK	0	5	-69	-64
Portfolio Business Units	20	12	76	68
Group-wide and eliminations	-51	-41	-196	-186
Group	182	81	497	396
	Jan-Mar		Jan-Dec	12 mos
	2022	2023	2022	rolling
Operating margin, %				
Nordic	10.4	0.8	7.4	5.0
UK	0.0	-13.4	-3.7	-7.1
Portfolio Business Units	4.3	-4.9	4.0	1.7
Group	4.8	-5.9	1.3	-1.4
	Jan-Mar		Jan-Dec	12 mos
	2022	2023	2022	rolling
Operating margin excl IAC, %				
Nordic	10.4	5.4	8.5	7.3
UK	0.0	0.4	-1.4	-1.3
Portfolio Business Units	4.3	2.5	4.0	3.5
Group	4.8	2.2	3.3	2.7

Quarterly data per region

Net sales, SEK m	2022				2023
	Q1	Q2	Q3	Q4	Q1
Nordic	2,040	2,155	1,778	2,057	1,948
UK	1,279	1,286	1,240	1,196	1,227
Portfolio Business Units	460	450	462	527	485
Group-wide and eliminations	0	-1	0	0	0
Group	3,779	3,890	3,480	3,780	3,660

Gross profit, SEK m	2022				2023
	Q1	Q2	Q3	Q4	Q1
Nordic	737	767	561	632	589
UK	558	530	533	481	473
Portfolio Business Units	134	106	130	148	113
Group-wide and eliminations	17	11	18	0	20
Group	1,446	1,414	1,242	1,261	1,195

Gross profit excl IAC, SEK m	2022				2023
	Q1	Q2	Q3	Q4	Q1
Nordic	737	768	562	652	625
UK	558	532	535	481	533
Central Europe	134	106	130	148	133
Group-wide and eliminations	17	16	18	0	20
Group	1,446	1,422	1,245	1,281	1,311

Gross margin, %	2022				2023
	Q1	Q2	Q3	Q4	Q1
Nordic	36.1	35.6	31.6	30.7	30.2
UK	43.6	41.2	43.0	40.2	38.5
Portfolio Business Units	29.1	23.6	28.1	28.1	23.3
Group	38.3	36.3	35.7	33.4	32.7

Gross margin excl IAC, %	2022				2023
	Q1	Q2	Q3	Q4	Q1
Nordic	36.1	35.6	31.6	31.7	32.1
UK	43.6	41.4	43.1	40.2	43.4
Central Europe	29.1	23.6	28.1	28.1	27.4
Group	38.3	36.6	35.8	33.9	35.8

Operating profit, SEK m	2022				2023
	Q1	Q2	Q3	Q4	Q1
Nordic	213	242	97	43	15
UK	0	-101	-11	-72	-165
Portfolio Business Units	20	9	20	27	-24
Group-wide and eliminations	-51	-88	-28	-129	-43
Group	182	62	78	-131	-217

Operating profit excl IAC, SEK m	2022				2023
	Q1	Q2	Q3	Q4	Q1
Nordic	213	248	97	128	105
UK	0	14	-11	-72	5
Portfolio Business Units	20	9	20	27	12
Group-wide and eliminations	-51	-59	-28	-58	-41
Group	182	212	78	25	81

Operating margin, %	2022				2023
	Q1	Q2	Q3	Q4	Q1
Nordic	10.4	11.2	5.5	2.1	0.8
UK	0.0	-7.9	-0.9	-6.0	-13.4
Portfolio Business Units	4.3	2.0	4.3	5.1	-4.9
Group	4.8	1.6	2.2	-3.5	-5.9

Operating margin excl IAC, %	2022				2023
	Q1	Q2	Q3	Q4	Q1
Nordic	10.4	11.5	5.5	6.2	5.4
UK	0.0	1.1	-0.9	-6.0	0.4
Portfolio Business Units	4.3	2.0	4.3	5.1	2.5
Group	4.8	5.4	2.2	0.7	2.2

Operating capital per region

	31 Mar		31 dec
	2022	2023	2022
Operating capital Nordic region, SEK m			
Operating assets	3,272	5,464	3,463
Operating liabilities	1,773	2,420	2,051
Operating capital	1,499	3,044	1,412
	31 Mar		31 dec
	2022	2023	2022
Operating capital UK region, SEK m			
Operating assets	3,337	3,698	3,559
Operating liabilities	1,096	1,417	995
Operating capital	2,241	2,281	2,564
	31 Mar		31 dec
	2022	2023	2022
Operating capital Portfolio Business Units, SEK m			
Operating assets	956	1,006	967
Operating liabilities	297	327	324
Operating capital	659	679	643
	31 Mar		31 dec
	2022	2023	2022
Operating capital Group-wide and eliminations, SEK m			
Operating assets	3,511	2,890	4,441
Operating liabilities	306	138	365
Operating capital	3,205	2,752	4,076
	31 Mar		31 dec
	2022	2023	2022
Operating capital, SEK m			
Operating assets	11,076	13,058	12,430
Operating liabilities	3,472	4,302	3,735
Operating capital	7,604	8,756	8,695

Comparative data by product group

Net sales	Q1		Jan-dec	12 mos
Nordic by product group, %	2022	2023	2022	rolling
Kitchen furnitures	71	74	71	72
Installation services	4	4	5	4
Other products	25	22	24	23
Total	100	100	100	100
	Q1		Jan-dec	12 mos
	2022	2023	2022	rolling
UK by product group, %				
Kitchen furnitures	67	67	65	65
Installation services	3	3	4	4
Other products	30	29	31	31
Total	100	100	100	100
	Q1		Jan-dec	12 mos
	2022	2023	2022	rolling
Portfolio Business Units by product group, %				
Kitchen furnitures	60	59	61	61
Installation services	9	9	9	9
Other products	31	31	30	30
Total	100	100	100	100
	Q1		Jan-dec	12 mos
	2022	2023	2022	rolling
Group by product group, %				
Kitchen furnitures	68	70	68	68
Installation services	5	4	5	5
Other products	27	26	27	27
Total	100	100	100	100

Reconciliation of alternative performance measures (1)

Nobia presents certain financial performance measures in the interim report that are not defined according to IFRS, known as alternative performance measures. Nobia believes that these measures provide valuable complementary information to investors and the company's management since they facilitate assessments of trends and the company's performance. Because not all companies calculate performance measures in the same way, these are not always comparable with those measures used by other companies. Consequently, the performance measures are not to be seen as replacements for measures defined according to IFRS. For definitions of the performance measures that Nobia uses, see pages 19-20.

	Q1	
	%	SEK m
Analysis of external net sales Nordic Region		
2022		2,040
Organic growth	-7	-153
Currency effects	3	61
2023	-5	1,948

	Q1	
	%	SEK m
Analysis of external net sales UK Region		
2022		1,279
Organic growth	-5	-66
Currency effects	1	14
2023	-4	1,227

	Q1	
	%	SEK m
Analysis of external net sales Portfolio Business Units		
2022		460
Organic growth	0	-1
Currency effects	6	26
2023	6	485

	Q1		Jan-Dec	12 mos
	2022	2023	2022	rolling
Operating profit before depreciation and impairment (EBITDA), SEK m				
Operating profit	182	-217	191	-208
Depreciation and impairment	204	199	899	894
Operating profit before depreciation and impairment (EBITDA)	386	-18	1,090	686
Net Sales	3,779	3,660	14,929	14,810
% of sales	10.2	-0.5	7.3	4.6

	Q1		Jan-Dec	12 mos
	2022	2023	2022	rolling
EBITDA excl. IFRS16 and items affecting comparability				
EBITDA	386	-18	1,090	686
IFRS 16 leasing	-130	-137	-522	-529
EBITDA impact, items affecting comparability	-	298	210	508
EBITDA excl. IFRS16 and items affecting comparability	256	143	778	665

	Jan-Dec	12 mos
	2022	rolling
Average equity, SEK m		
OB Equity attributable to Parent Company shareholders	4,923	5,162
CB Equity attributable to Parent Company shareholders	4,715	4,580
Average equity	4,819	4,871

Reconciliation of alternative performance measures (2)

	31 Mar 2022	31 Mar 2023
Net debt, SEK m		
Provisions for pensions (IB)	97	357
Other long-term liabilities, interest-bearing (IB)	3,400	4,190
Current liabilities, interest-bearing (IB)	341	346
Interest-bearing liabilities	3,838	4,893
Long-term receivables, interest -bearing (IB)	0	0
Current receivables, interest-bearing (IB)	2	2
Cash and cash equivalents (IB)	1394	715
Interest-bearing assets	1,396	717
Net debt	2,442	4,176

	31 Mar 2022	31 Mar 2023
Net debt excl. IFRS 16 Leases and pension provisions, SEK m		
Net debt	2,442	4,176
Of which IFRS 16 Leases	1,741	1,753
Of which provisions for pensions	97	357
Net debt excl. IFRS 16 Leases	701	2,423
Net debt excl. IFRS 16 Leases and provision for pensions	604	2,066

	31 Mar 2022	31 Mar 2023
Operating capital, SEK m		
Total assets	12,473	13,774
Other provisions	-43	-23
Deferred tax liabilities	-73	-66
Other long-term liabilities, non interest-bearing	-8	-4
Current liabilities, non interest-bearing	-3,349	-4,208
Non-interest-bearing liabilities	-3,473	-4,301
Capital employed	9,000	9,473
Interest-bearing assets	-1,396	-717
Operating capital	7,604	8,756

	Jan-Dec 2022	12 mos rolling
Average operating capital, SEK m		
OB Operating capital	6,937	7,604
CB Operating capital	8,695	8,756
Average operating capital	7,816	8,180

Definitions

Performance measure	Calculation	Purpose
Return on shareholders' equity	Net profit for the period as a percentage of average shareholders' equity attributable to Parent Company shareholders based on opening and closing balances for the period. The calculation of average shareholders' equity has been adjusted for increases and decreases in capital.	Return on shareholders' equity shows the total return on shareholders' capital in accounting terms and reflects the effects of both the operational profitability and financial gearing. The measure is primarily used to analyse shareholder profitability over time.
Return on operating capital	Operating profit as a percentage of average operating capital based on opening and closing balances for the period excl. net assets attributable to discontinued operations. The calculation of average operating capital has been adjusted for acquisitions and divestments.	Return on operating capital shows how well the operations use net capital that is tied up in the company. It reflects how both cost and capital-efficient net sales are generated, meaning the combined effect of the operating margin and the turnover rate of operating capital. The measure is used in profitability comparisons between operations in the Group and to assess the Group's profitability over time.
Gross margin	Gross profit as a percentage of sales.	This measure reflects the efficiency of the part of the operations that is primarily linked to production and logistics. It is used to measure cost efficiency in this part of the operations.
EBITDA	Earnings before depreciation/amortisation and impairment.	To simplify, the measure shows the earnings-generating cash flow in the operations. It provides a view of the ability of the operations, in absolute terms, to generate resources for investment and payment to financiers and is used for comparisons over time.
Items affecting comparability	Items that affect comparability in so far as they do not reoccur with the same regularity as other items.	Reporting items affecting comparability separately clearly shows the performance of the underlying operations.
Net debt	Interest-bearing liabilities less interest-bearing assets. Interest-bearing liabilities include provisions for pensions and leases.	Net debt is a liquidity metric used to determine how well a company can pay all of its debts, pension liabilities and leasing obligations if they were due immediately. The measure is used as a component in the debt/equity ratio.
Operating capital	Capital employed excl. interest-bearing assets.	Operating capital shows the amount of capital required by the operations to conduct its core operations. It is mainly used to calculate the return on operating capital.
Operating cash flow	Cash flow from operating activities including cash flow from investing activities, excl. cash flow from acquisitions/divestments of operations, interest received, and increase/decrease in interest-bearing assets.	This measure comprises the cash flow generated by the underlying operations. The measure is used to show the amount of funds at the company's disposal for paying financiers of loans and equity or for use in growth through acquisitions.

Performance measure	Calculation	Purpose
Organic growth	Change in net sales, excl. acquisitions, divestments and changes in exchange rates.	Organic growth facilitates a comparison of sales over time by comparing the same operations and excl. currency effects.
Region	Region corresponds to an operating segment under IFRS 8.	
Earnings per share	Net profit for the period divided by a weighted average number of outstanding shares during the period.	
Operating margin	Operating profit as a percentage of net sales.	This measure reflects the operating profitability of the operations. It is used to monitor the flexibility and efficiency of the operations before taking into account capital tied up. The performance measure is used both internally in governance and monitoring of the operation, and for benchmarking with other companies in the industry.
Debt/equity ratio	Net debt as a percentage of shareholders' equity including non-controlling interests.	A measure of the ratio between the Group's two forms of financing. The measure shows the percentage of the loan capital in relation to capital invested by the owners, and is thus a measure of financial strength but also the gearing effect of lending. A higher debt/equity ratio means a higher financial risk and higher financial gearing.
Equity/assets	Shareholders' equity including non-controlling interests as a percentage of balance-sheet total.	This measure reflects the financial position and thus the long-term solvency. A healthy equity ratio/strong financial position provides preparedness for managing periods of economic downturn and financial preparedness for growth. It also provides a minor advantage in the form of financial gearing.
Capital employed	Balance-sheet total less non-interest-bearing provisions and liabilities.	The capital that shareholders and lenders have placed at the company's disposal. It shows the net capital invested in the operations, such as operating capital, with additions for financial assets.
Currency effects	"Translation effects" refers to the currency effects arising when foreign results and balance sheets are translated to SEK. "Transaction effects" refers to the currency effects arising when purchases or sales are made in currency other than the currency of the producing country (functional currency).	



For further information

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- Henrik Skogsfors, Acting CFO
- Tobias Norrby, Head of Investor Relations

Presentation

The interim report will be presented on Thursday, April 27 at 10:00 CET in a webcast teleconference that can be followed on <https://edge.media-server.com/mmc/p/szfzdg4z>

To participate by telephone and have the possibility to ask questions

Register in advance of the conference using the link below. Upon registering, each participant will be provided with Participant Dial In Numbers, and a unique Personal PIN:

<https://register.vevent.com/register/BI147046e368d14769b9f0bf34c7b7b4f3>

In the 10 minutes prior to the call start time, use the Participant Dial In Numbers and your unique Personal PIN provided in the e-mail received at the point of registering.

Financial calendar

July 20, Interim report January - June 2023.

November 2, Interim report January - September 2023.

The Annual General Meeting 2023 will be held in Stockholm on April 27.

This interim report is information such that Nobia is obliged to make public pursuant to the EU's Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on 27 April, 2023 at 08:30 CET.