

nobia

Interim report  
January - June 2021



# Interim report January – June 2021

## Second quarter 2021

- Net sales increased to SEK 3,622m (2,741) corresponding to an organic sales growth of 35%.
- Operating profit increased to SEK 347m (-43), corresponding to an operating margin of 9.6% (-1.6).
- Changes in exchange rates negatively impacted operating profit by SEK 5m.
- Profit after tax amounted to SEK 258m (-56), corresponding to earnings per share after dilution of SEK 1.52 (-0.33).
- Operating cash flow amounted to SEK 618m (716).

	Q2		Ch.	Jan - Jun		Ch.	Jan - Dec	12 mos.
	2020	2021	%	2020	2021	%	2020	rolling
Net sales, SEK m	2,741	3,622	32	6,186	6,995	13	12,741	13,550
Gross margin, %	31.6	39.0	–	34.6	38.5	–	34.9	36.9
<i>Gross margin excl. IAC</i>	<i>31.6</i>	<i>39.0</i>	<i>–</i>	<i>34.6</i>	<i>38.5</i>	<i>–</i>	<i>35.7</i>	<i>37.6</i>
Operating margin before depreciation/impairment (EBITDA), %	7.0	15.2	–	8.8	13.6	–	11.2	13.5
Operating profit (EBIT), SEK m	-43	347	n.a.	91	543	n.a.	437	889
<i>Operating profit (EBIT), excl IAC, SEK m</i>	<i>-43</i>	<i>347</i>	<i>n.a.</i>	<i>91</i>	<i>543</i>	<i>n.a.</i>	<i>581</i>	<i>1,033</i>
Operating margin, %	-1.6	9.6	–	1.5	7.8	–	3.4	6.6
<i>Operating margin excl IAC, %</i>	<i>-1.6</i>	<i>9.6</i>	<i>–</i>	<i>1.5</i>	<i>7.8</i>	<i>–</i>	<i>4.6</i>	<i>7.6</i>
Profit after financial items, SEK m	-72	325	n.a.	41	491	n.a.	353	803
Profit/loss after tax, SEK m	-56	258	n.a.	32	390	n.a.	253	611
<i>Profit/loss after tax, excl IAC, SEK m</i>	<i>-56</i>	<i>258</i>	<i>n.a.</i>	<i>32</i>	<i>390</i>	<i>n.a.</i>	<i>382</i>	<i>740</i>
Earnings/loss per share, before dilution, SEK	-0.33	1.53	n.a.	0.19	2.31	n.a.	1.50	3.62
<i>Earnings/loss per share, before dilution excl IAC, SEK</i>	<i>-0.33</i>	<i>1.53</i>	<i>n.a.</i>	<i>0.19</i>	<i>2.31</i>	<i>n.a.</i>	<i>2.26</i>	<i>4.38</i>
Earnings/loss per share, after dilution, SEK	-0.33	1.52	n.a.	0.19	2.30	n.a.	1.50	3.61
<i>Earnings/loss per share, after dilution exkl IAC, SEK</i>	<i>-0.33</i>	<i>1.52</i>	<i>n.a.</i>	<i>0.19</i>	<i>2.30</i>	<i>n.a.</i>	<i>2.26</i>	<i>4.37</i>
Operating cash flow, SEK m	716	618	-14	928	549	-41	1,808	1,429

## Comments from the President and CEO

During the quarter we saw a gradual ease of restrictions in all markets and on April 12 we could finally reopen our retail stores in the UK. That meant that all our stores and manufacturing facilities across the Group were in full operation again after more than a year of hampered conditions.

Spending more time at home in the kitchen, coupled with a strong home refurbishment trend, has clearly impacted the market conditions favourably. We continue to have strong demand in the Nordics which resulted in organic growth of 13% (11% compared to 2019) and Central Europe of 29% (9% compared to 2019). The growth was predominantly driven by strong retail sales whilst project sales were flat in the Nordics and slightly growing in the Netherlands.

In the UK we are rebuilding the retail order book after having been closed during the very important Winter Sales in the first quarter. Organic growth in the region was 97% versus last year, however that corresponds to a decline of 15% compared to 2019. We expect retail sales to normalize in Q3, assuming no further lockdowns, whilst we anticipate it will take longer for the social housing segment and London property market to recuperate. On a positive note the growth in Magnet trade continues to perform well. We will continue to invest to strengthen the trade proposition further.

The global surge in demand for material has resulted in higher direct material cost also in our industry. As a consequence, we have adjusted our pricing already during the quarter, and anticipate further increases during the second half of the year.



As we are heading towards a new normal, we are really excited about the future. We have a strong underlying market, and the eased restrictions allow us to operate more efficiently to cater for the demand. We are also pushing on with several initiatives from our Tomorrow Together strategy. Initiatives such as trade growth in the UK, process harmonization and the K2020 aligned assortment are already starting to pay off. In June we partnered up with the construction company Wästbygg for the building of our state-of-the-art kitchen factory in Jönköping, which is progressing according to plan. Sustainability aspects are vital in designing the new factory and we continue to drive towards our Science Based Targets which were approved in December last year. We are also in the starting block of launching new beautiful kitchen designs. Exciting indeed!

President and CEO  
*Jon Sintorn*

# Second quarter consolidated

## Market overview

Consumer demand remains at an overall good level. Interest in home refurbishing such as kitchen investments has increased during the pandemic, as people are spending more time in their homes. However, restrictions to fight the spread of coronavirus negatively affected consumers' access to retail stores, especially in the UK where restrictions lasted until April 12. The trade market is deemed to be strong across all markets driven by increased demand for home renovations. The project markets in all countries but UK and Finland are growing on the back of pent-up demand and generally good activity in the house construction sector. The UK project market is still burdened by soft market conditions in London and in social housing.

## Net sales, earnings and cash flow

The Group's net sales increased to SEK 3,622m (2,741). Growth was impacted by the low comparables last year on the back of the corona lock down measures. Organic growth for the Group was 35%. Nordic region grew organically by 13%, the U.K by 97% and Central Europe by 29%.

Gross margin increased to 39.0% (31.6) and gross profit rose to SEK 1,412m (866). Operating margin increased to 9.6% (-1.6) and the operating profit increased to SEK 347m (-43). The increase was primarily a result of normalised sales volumes across all regions, higher average order values and favourable mix. Changes in exchange rates impacted negatively by SEK 5m. Furlough support amounted to SEK 18m (124) included in other operating income/expenses. Second quarter 2020 includes one-time restructuring charges and bad debt provisions of SEK -108m.

Operating cash flow amounted to SEK 618m (716). Higher income contributed positively but was offset by increase in account receivables on the back of higher sales. Prior year was positively impacted by temporary government support in the form of delayed collection of VAT and certain employee taxes. Net debt excl. IFRS16 leases amounted to SEK 159m (871).

### Analysis of net sales

	Q2	
	%	SEK m
<b>2020</b>		<b>2,741</b>
Organic growth	35	929
–of which Nordic	13	221
–of which UK region	97	628
–of which Central Europe	29	80
Currency effects	-2	-48
<b>2021</b>	<b>32</b>	<b>3,622</b>

### Currency effect on operating profit

SEK m	Q2		
	Translati- on effect	Transacti- on effect	Total effect
Nordic region	0	-15	-15
UK region	0	10	10
CE region	0	0	0
<b>Group</b>	<b>0</b>	<b>-5</b>	<b>-5</b>

### Store development

	Q2
Newly opened/closed, net	0
Number of own stores	224

SEK m	Nordic		UK		Central Europe		Group-wide and eliminations		Group		Ch. %
	Q2		Q2		Q2		Q2		Q2		
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	
<b>Net sales from external customers</b>	<b>1,804</b>	<b>1,989</b>	<b>645</b>	<b>1,274</b>	<b>292</b>	<b>359</b>	–	–	<b>2,741</b>	<b>3,622</b>	<b>32</b>
Net sales from other regions	0	0	–	–	0	0	0	0	–	–	–
<b>Net sales</b>	<b>1,804</b>	<b>1,989</b>	<b>645</b>	<b>1,274</b>	<b>292</b>	<b>359</b>	<b>0</b>	<b>0</b>	<b>2,741</b>	<b>3,622</b>	<b>32</b>
Gross profit	669	795	94	469	82	121	21	27	866	1,412	63
Gross margin, %	37.1	40.0	14.6	36.8	28.1	33.7	–	–	31.6	39.0	–
<b>Operating profit/loss</b>	<b>234</b>	<b>321</b>	<b>-239</b>	<b>31</b>	<b>25</b>	<b>42</b>	<b>-63</b>	<b>-47</b>	<b>-43</b>	<b>347</b>	<b>n.a</b>
Operating margin, %	13.0	16.1	-37.1	2.4	8.6	11.7	–	–	-1.6	9.6	–

# Second quarter, the regions

## Nordic region

Net sales in the Nordic region increased to SEK 1,989m (1,804m). Organic growth was 13% (-2) primarily driven by strong growth in Denmark and in retail across all countries. Project sales in Finland declined as a result of fewer housing completions compared to last year.

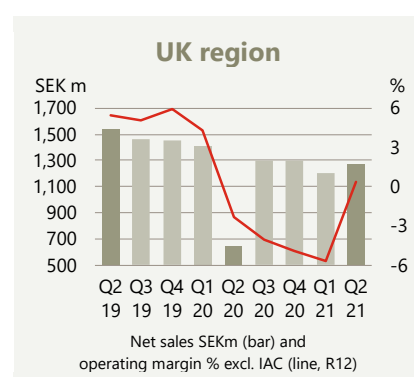
Gross margin increased to 40.0% (37.1). Operating profit increased to SEK 321m (234) and the operating margin rose to 16.1% (13.0). Improved profitability was mainly driven by volume increase, higher average sales values and favourable mix. Changes in exchange rates had a negative impact of SEK -15m. Last year's second quarter included one-time restructuring costs and bad debt provisions totalling SEK -24m.



## UK region

Net sales in the UK region rose to SEK 1,274m (645) compared with the second quarter 2020 which was heavily impacted by corona lockdowns. The organic growth was 97% (-56) with strong growth across most segments. Sales to London property developers and social housing continued to be hampered by slow recovery after the corona lock downs.

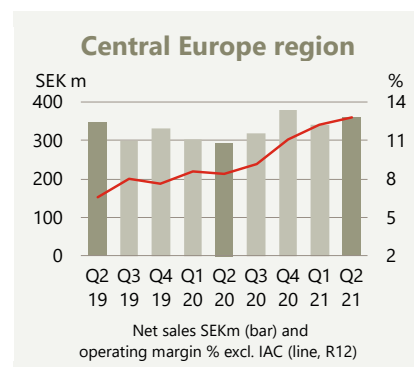
Gross margin increased to 36.8% (14.6). Operating profit increased to SEK 31m (-239) and the operating margin was 2.4% (-37.1). Currency impact on operating profit was positive SEK 10m. Furlough support amounted to SEK 18m (105). Prior year's second quarter was charged with one-time restructuring costs and bad debt provisions totalling SEK -57m.



## Central Europe region

Net sales in the Central Europe region increased to SEK 359m (292). Organic growth was 29% (-16), partly due to low comparative figures last year which was negatively impacted by corona restrictions. Sales in Austria was positively impacted by a strong consumer market. In the Netherlands, sales benefitted from pent-up demand in the housing construction sector.

Gross margin increased to 33.7% (28.1). Operating profit increased to SEK 42m (25) and the operating margin increased to 11.7% (8.6), driven mainly by the high growth rate and an improved productivity.



# January – June, consolidated

- Net sales for the first six months totalled SEK 6,995m (6,186).
- Operating profit amounted to SEK 543m (91), corresponding to an operating margin of 7.8% (1.5).
- Changes in exchange rates impacted operating profit positively by SEK 10m.
- Profit after tax amounted to SEK 390m (32), corresponding to earnings per share after dilution of SEK 2.30 (0.19).
- Operating cash flow increased to SEK 549m (928).
- Net debt, excluding IFRS16 lease liabilities, declined to SEK 159m (871).

## Analysis of net sales

	Jan - Jun	
	%	SEK m
<b>2020</b>		<b>6,186</b>
Organic growth	17	1,019
–of which Nordic	11	365
–of which UK	26	517
–of which Central Europe	24	137
Currency effects	-4	-210
<b>2021</b>	<b>13</b>	<b>6,995</b>

## Net sales, earnings and cash flow

Net sales for the first half-year increased by 13% to SEK 6,995m (6,186). The organic growth was 17% (-14), with increases in all regions, due to low comparative figures last year impacted by corona lockdowns.

Gross margin increased to 38.5% (34.6) and operating margin rose to 7.8% (1.5) mainly due to the large sales volume increase, higher average order values and a favourable mix development. Operating profit increased to SEK 543m (91). Changes in exchange rates impacted positively by SEK 10m. Furlough support was SEK 25m (124). Prior year includes one-time restructuring costs and bad debt provisions amounting to SEK -108m.

Operating cash flow declined to SEK 549m (928). Higher profit than prior year was offset by an increase in working capital on the back of growing sales.

## Currency effect on operating income

SEK m	Jan - Jun		
	Translati- on effect	Transacti- on effect	Total effect
Nordic region	-5	10	5
UK region	0	5	5
CE region	0	0	0
<b>Group</b>	<b>-5</b>	<b>15</b>	<b>10</b>

## Store development

	Jan - Jun
Newly opened/closed, net	-1
Number of own stores	224

SEK m	Nordic		UK		Central Europe		Group-wide & eliminations		Group		Ch.
	Jan - Jun		Jan - Jun		Jan - Jun		Jan - Jun		Jan - Jun		
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	
<b>Net sales from external customers</b>	<b>3,543</b>	<b>3,815</b>	<b>2,050</b>	<b>2,479</b>	<b>593</b>	<b>701</b>	-	-	<b>6,186</b>	<b>6,995</b>	<b>13</b>
Net sales from other regions	0	0	-	-	0	0	0	0	-	-	-
<b>Net sales</b>	<b>3,543</b>	<b>3,815</b>	<b>2,050</b>	<b>2,479</b>	<b>593</b>	<b>701</b>	<b>0</b>	<b>0</b>	<b>6,186</b>	<b>6,995</b>	<b>13</b>
Gross profit	1,331	1,515	599	891	173	230	39	58	2,142	2,694	26
Gross profit excl. IAC	1,331	1,515	599	891	173	230	39	58	2,142	2,694	26
Gross margin, %	37.6	39.7	29.2	35.9	29.2	32.8	-	-	34.6	38.5	-
Gross margin excl. IAC, %	37.6	39.7	29.2	35.9	29.2	32.8	-	-	34.6	38.5	-
<b>Operating profit/loss</b>	<b>432</b>	<b>570</b>	<b>-260</b>	<b>-16</b>	<b>43</b>	<b>79</b>	<b>-124</b>	<b>-90</b>	<b>91</b>	<b>543</b>	<b>n.a.</b>
Operating profit/loss excl. IAC	432	570	-260	-16	43	79	-124	-90	91	543	n.a.
Operating margin, %	12.2	14.9	-12.7	-0.6	7.3	11.3	-	-	1.5	7.8	-
Operating margin excl. IAC, %	12.2	14.9	-12.7	-0.6	7.3	11.3	-	-	1.5	7.8	-
Net financial items									-50	-52	-4
<b>Profit after financial items</b>									<b>41</b>	<b>491</b>	<b>n.a.</b>

## Other information

### Financing

Nobia's long-term financing consists of two multicurrency revolving credit facilities totalling SEK 5 billion. A SEK 2 billion facility with a maturity in 2023 (with the option to request an extension of up to two years at the lenders' sole discretion) and a SEK 3 billion facility with maturity in 2025. The facilities have leverage (net debt / EBITDA) and interest cover (EBITDA to net interest expenses) covenants. At the end of June 2021, SEK 483m had been utilised. Group cash and cash equivalents amounted to SEK 737m (1,565).

Net debt excluding IFRS 16 lease liabilities and pensions amounted to SEK -255m (SEK 231). Net debt including IFRS 16 lease liabilities of SEK 1,889m (2,459) and pension provisions of SEK 414m (640), amounted to SEK 2,048m (3,330).

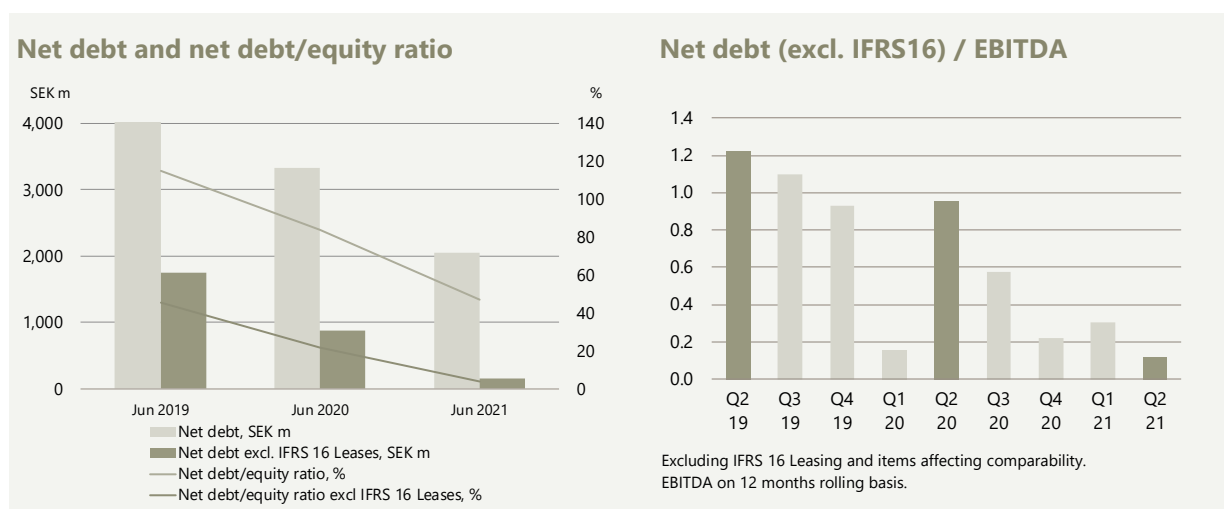
The net debt/equity ratio decreased to 4% (22) or 47% (84) if including IFRS16 Lease liabilities. Leverage, (excluding IFRS 16 leases and items affecting comparability on 12 months rolling basis) was 0.12 times (0.96).

Net financial items amounted to SEK -52m (-50), of which net of returns on pension assets and interest expense on pension liabilities was SEK -9m (-11), interest on leases was SEK -20m (-25) and other net interest expense was SEK -23m (-14).

### Items affecting comparability

Nobia recognises items affecting comparability separately to distinguish the performance of the underlying operations. Items affecting comparability refer to items that affect comparisons insofar as they do not recur with the same regularity as other items.

No items affecting comparability have been recognised in 2021. 2020 includes items affecting comparability in the fourth quarter referring to write down of machinery and building assets in the Tidaholm factory, which is to be replaced by a new factory in 2024, and a pension adjustment in the UK. See page 16 for details.



## Personnel

The number of employees on 30 June 2021 was 6,014 (5,958).

## Annual General Meeting

Nobia's Annual General Meeting 2021 (AGM) was held via postal voting without physical attendance on April 29. The AGM resolved to adopt all proposals, including a dividend of SEK 2 per share for the fiscal year 2020 which was paid to shareholders through Euroclear Sweden AB on May 6. Further information regarding decisions and proposals at the AGM is available on Nobia's website: [www.nobia.com/agm2021](http://www.nobia.com/agm2021)

## Agreement for construction of new factory building

Logistic Contractor, part of Wästbygg Group, has been contracted for the construction of the building for Nobia's new production facility in Jönköping that is to be in full operation by end of 2024. The building is to be handed over during summer 2022 and will be certified according to the BREEAM Very Good standard, which focuses strongly on sustainability in line with Nobia's high ambitions in this area.

## New member of Group management team

Philip Sköld was appointed EVP Strategy & Transformation and member of Nobia's Group Management as of May 1, 2021. Philip was previously Director Transformation Office Nordic Region.

## Nobia to repurchase own shares

The Annual General Meeting (AGM) resolved on April 29, 2021, to authorize the Board to decide on the repurchase of own shares. Based on this authorization, the Board has decided to initiate a repurchase program. The aim of the repurchase program is to meet the requirements arising under Nobia's outstanding Performance Share Plans, meaning securing delivery of Nobia shares to the participants and securing and covering the costs for social fees that may arise. A total maximum of 600,000 shares may be acquired, up until September 30, 2021. Refer to the Consolidated Income Statement on page 11 for the total number of shares in Nobia. Completed acquisitions of own shares will be disclosed and reported in accordance with applicable laws and regulations as well as Nasdaq Stockholm's Nordic Main Market Rulebook for Issuers of Shares. As of June 30, 70,000 shares had been repurchased.



## Coronavirus, Brexit and its effects on Nobia

The corona pandemic has continued to hamper Nobia's ability to serve the market during 2021. Retail stores have been closed most of the first quarter and beginning of the second quarter 2021 in the UK, Denmark, and Norway. Even if the current risk for lockdowns have been reduced considerably on the back of lower infection rates, no predictions can be made of future measures that countries may take in response to the pandemic.

The pandemic has increased the demand for home renovations and kitchen refurbishments which has impacted Nobia's core markets positively. However, the higher demand has also resulted in capacity constraints and inflationary pressure in certain parts of the supply chain, such as the raw material supply, installation services and transport. To secure availability and mitigate higher input cost, price increases have been implemented during the first half of 2021, although there will be a lag due to the current order book, and are likely to be continued during the second half of the year.

UKs withdrawal from the EU has to date had very limited impact on Nobia's ability to operate normally. However, as EU nationals have restricted access to the UK labour market, the risk of capacity constraints in foremost transportation and installation services has increased.

## Risks

Nobia has a model for risk management, which aims to identify, control and manage risks. The identified risks and how they are managed are reported to the Nobia Board of Directors on a regular basis.

Nobia's financing and management of financial risks is centralised within the Nobia finance function and is conducted on the basis of a finance policy adopted by the Board of Directors. 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. The demand for Nobia's products is affected by changes in the customers' investment and production levels. A general economic downturn, a widespread financial crisis and 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 pages 50-57 in the 2020 Annual Report.

The Board of Directors and CEO assure that this six-month report provides a fair view of the Parent Company's and the Group's operations, financial position and profits, and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, 19 July 2021

Nora Førisdal Larssen  
*Chair*

George Adams  
*Board member*

Marlene Forsell  
*Board member*

Jan Svensson  
*Board member*

Arja Taaveniku  
*Board member*

Carsten Rasmussen  
*Board member*

Jon Sintorn  
*President & CEO*

Per Bergström  
*Employee representative*

Mats Karlsson  
*Employee representative*

This interim report has not been subject for review by the Group's auditors.

Nobia AB, Corporate Registration Number 556528-2752

## Consolidated income statement

SEK m	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
Net sales	2,741	3,622	6,186	6,995	12,741	13,550
Cost of goods sold	-1,875	-2,210	-4,044	-4,301	-8,297	-8,554
<b>Gross profit</b>	<b>866</b>	<b>1,412</b>	<b>2,142</b>	<b>2,694</b>	<b>4,444</b>	<b>4,996</b>
Selling and administrative expenses	-1,086	-1,099	-2,226	-2,212	-4,227	-4,213
Other income/expenses	177	34	175	61	220	106
<b>Operating profit</b>	<b>-43</b>	<b>347</b>	<b>91</b>	<b>543</b>	<b>437</b>	<b>889</b>
Net financial items	-29	-22	-50	-52	-84	-86
<b>Profit after financial items</b>	<b>-72</b>	<b>325</b>	<b>41</b>	<b>491</b>	<b>353</b>	<b>803</b>
Tax	16	-67	-9	-101	-100	-192
<b>Profit after tax</b>	<b>-56</b>	<b>258</b>	<b>32</b>	<b>390</b>	<b>253</b>	<b>611</b>
Total profit attributable to:						
Parent Company shareholders	-56	258	32	390	253	611
Total depreciation	-215	-202	-431	-406	-852	-827
Total impairment	-21	-	-21	-	-137	-116
Gross margin, %	31.6	39.0	34.6	38.5	34.9	36.9
Operating margin, %	-1.6	9.6	1.5	7.8	3.4	6.6
Return on operating capital, %	-	-	-	-	6.0	12.9
Return on shareholders equity, %	-	-	-	-	6.1	14.3
Earnings per share before dilution, SEK	-0.33	1.53	0.19	2.31	1.50	3.62
Earnings per share after dilution, SEK	-0.33	1.52	0.19	2.30	1.50	3.61
Number of shares at period end before dilution, <sup>1</sup>	168,853	168,853	168,853	168,853	168,853	168,853
Average number of shares before dilution, <sup>1</sup>	168,853	168,853	168,853	168,853	168,853	168,853
Number of shares after dilution at period end, <sup>1</sup>	169,290	169,394	169,257	169,390	169,293	169,387
Average number of shares after dilution, <sup>1</sup>	168,961	169,110	169,053	169,365	169,293	169,153

1) Excluding treasury shares

# Consolidated statement of comprehensive income

SEK m	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
Profit after tax	-56	258	32	390	253	611
<b>Other comprehensive income</b>						
<b>Items that may be reclassified subsequently to profit or loss</b>						
Exchange-rate differences attributable to translation of foreign operations	-334	-87	-191	184	-399	-24
Cash flow hedges before tax <sup>1</sup>	-28	16	24	11	1	-12
Tax attributable to change in hedging reserve for the period <sup>2</sup>	6	-3	-5	-2	-2	1
	<b>-356</b>	<b>-74</b>	<b>-172</b>	<b>193</b>	<b>-400</b>	<b>-35</b>
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of defined benefit pension plans	-219	10	-190	119	-135	173
Tax relating to remeasurements of defined benefit pension plans	37	0	32	-19	30	-21
	<b>-182</b>	<b>10</b>	<b>-158</b>	<b>100</b>	<b>-105</b>	<b>152</b>
<b>Other comprehensive income</b>	<b>-538</b>	<b>-64</b>	<b>-330</b>	<b>293</b>	<b>-505</b>	<b>117</b>
<b>Total comprehensive income</b>	<b>-595</b>	<b>194</b>	<b>-298</b>	<b>683</b>	<b>-252</b>	<b>728</b>
Total comprehensive income attributable to:						
Parent Company shareholders	-595	194	-298	683	-252	728

<sup>1</sup>) Reversal recognised in profit and loss amounts to a SEK 22m (15). New provision amounts to SEK -11m (10). (Jan-Dec 2020:-17)

<sup>2</sup>) Reversal recognised in profit and loss amounts to a SEK -5m (-3). New provision amounts to SEK 2m (-2). (Jan-Dec 2020: 4)

# Consolidated balance sheet

SEK m	30 Jun		31 Dec
	2020	2021	2020
<b>ASSETS</b>			
Goodwill	2,933	2,941	2,830
Other intangible fixed assets	182	197	221
Tangible fixed assets	1,553	1,374	1,340
Right-of-use assets	2,485	1,912	2,200
Long-term receivables, interest-bearing	2	0	0
Long-term receivables	98	89	96
Deferred tax assets	94	93	119
<b>Total fixed assets</b>	<b>7,347</b>	<b>6,606</b>	<b>6,806</b>
Inventories	1,040	1,056	1,035
Accounts receivable	1,384	1,606	1,213
Current receivables, interest-bearing	7	1	2
Other receivables	385	452	394
<i>Total current receivables</i>	<i>1,776</i>	<i>2,059</i>	<i>1,609</i>
Cash and cash equivalents, interest-bearing	1,565	737	635
<b>Total current assets</b>	<b>4,381</b>	<b>3,852</b>	<b>3,279</b>
<b>Total assets</b>	<b>11,728</b>	<b>10,458</b>	<b>10,085</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Share capital	57	57	57
Other capital contributions	1,501	1,504	1,506
Reserves	-117	-152	-345
Profit brought forward	2,542	2,968	2,816
<i>Total shareholders' equity attributable to Parent Company shareholders</i>	<i>3,983</i>	<i>4,377</i>	<i>4,034</i>
<b>Total shareholders' equity</b>	<b>3,983</b>	<b>4,377</b>	<b>4,034</b>
Provisions for pensions, interest-bearing	640	414	556
Other provisions	56	55	45
Deferred tax liabilities	54	35	35
Lease liabilities, interest-bearing	2,041	1,509	1,778
Other long-term liabilities, interest-bearing	1,805	483	285
Other long-term liabilities, non interest-bearing	1	0	0
<b>Total long-term liabilities</b>	<b>4,597</b>	<b>2,496</b>	<b>2,699</b>
Current lease liabilities, interest-bearing	418	380	405
Current liabilities and provisions	2,730	3,205	2,947
<b>Total current liabilities</b>	<b>3,148</b>	<b>3,585</b>	<b>3,352</b>
<b>Total shareholders' equity and liabilities</b>	<b>11,728</b>	<b>10,458</b>	<b>10,085</b>
<b>BALANCE-SHEET RELATED KEY RATIOS</b>			
Equity/assets ratio, %	34	42	40
Debt/equity ratio, %	84	47	59
Net debt, closing balance, SEK m	3,330	2,048	2,387
Operating capital, closing balance, SEK m	7,313	6,425	6,421
Capital employed, closing balance, SEK m	8,887	7,163	7,058

## Changes in consolidated shareholders' equity

	Attributable to Parent Company shareholders					Total shareholders equity
	Share capital	Other capital contributions	Exchange-rate differences attributable to translation of foreign operations	Cash-flow hedges after tax	Profit brought forward	
<b>SEK m</b>						
Opening balance, 1 January 2020	57	1,497	68	-13	2,668	4,277
Profit for the period	-	-	-	-	32	32
Other comprehensive income for the period	-	-	-191	19	-158	-330
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-191</b>	<b>19</b>	<b>-126</b>	<b>-298</b>
Allocation of share saving schemes	-	4	-	-	-	4
<b>Closing balance, 30 June 2020</b>	<b>57</b>	<b>1,501</b>	<b>-123</b>	<b>6</b>	<b>2,542</b>	<b>3,983</b>
Opening balance, 1 January 2021	57	1,506	-331	-14	2,816	4,034
Profit for the period	-	-	-	-	390	390
Other comprehensive income/loss for the period	-	-	184	9	100	293
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>184</b>	<b>9</b>	<b>490</b>	<b>683</b>
Dividend	-	-	-	-	-338	-338
Allocation of performance share plan	-	-2	-	-	-	-2
<b>Closing balance, 30 June 2021</b>	<b>57</b>	<b>1,504</b>	<b>-147</b>	<b>-5</b>	<b>2,968</b>	<b>4,377</b>

# Consolidated cash-flow statement

SEK m	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<i>Operating activities</i>						
Operating profit	-43	347	91	543	437	889
Depreciation/Impairment	236	202	452 <sup>1</sup>	406 <sup>2</sup>	989 <sup>3</sup>	943
Adjustments for non-cash items	4	5	3	10	50	57
Tax paid	12	-16	-13	-57	-118	-162
Change in working capital	537	147	500	-239	710	-29
<b>Cash flow from operating activities</b>	<b>746</b>	<b>685</b>	<b>1,033</b>	<b>663</b>	<b>2,068</b>	<b>1,698</b>
<i>Investing activities</i>						
Investments in intangible and tangible fixed assets	-33	-73	-116	-128	-308	-320
Other items in investing activities	3	6	11	14	48	51
Interest received	-10	0	0	0	2	2
Change in interest-bearing assets	38	0	-3	1	5	9
<b>Cash flow from investing activities</b>	<b>-2</b>	<b>-67</b>	<b>-108</b>	<b>-113</b>	<b>-253</b>	<b>-258</b>
<b>Total cashflow from operating and investing activities</b>	<b>744</b>	<b>618</b>	<b>925</b>	<b>550</b>	<b>1,815</b>	<b>1,440</b>
<i>Financing activities</i>						
Interest paid	-8	-19	-35	-42	-63	-70
Change in interest-bearing liabilities	-80	8	454 <sup>4</sup>	-97 <sup>5</sup>	-1,360 <sup>6</sup>	-1,911
Dividend	-	-338	-	-338	-	-338
<b>Cash flow from financing activities</b>	<b>-88</b>	<b>-349</b>	<b>419</b>	<b>-477</b>	<b>-1,423</b>	<b>-2,319</b>
<b>Cash flow for the period excluding exchange-rate differences in cash and cash equivalents</b>	<b>656</b>	<b>269</b>	<b>1,344</b>	<b>73</b>	<b>392</b>	<b>-879</b>
Cash and cash equivalents at beginning of the period	958	476	257	635	257	1,565
Cash flow for the period	656	269	1,344	73	392	-879
Exchange-rate differences in cash and cash equivalents	-49	-8	-36	29	-14	51
<b>Cash and cash equivalents at period-end</b>	<b>1,565</b>	<b>737</b>	<b>1,565</b>	<b>737</b>	<b>635</b>	<b>737</b>

Operating Cash flow * SEK m	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
Cash flow from operating activities	746	685	1,033	663	2,068	1,698
Investments in fixed assets	-33	-73	-116	-128	-308	-320
Other items in investing activities	3	6	11	14	48	51
<b>Operating cash flow before acquisition/divestment of operations, interest, change in interest-bearing assets</b>	<b>716</b>	<b>618</b>	<b>928</b>	<b>549</b>	<b>1,808</b>	<b>1,429</b>

\* Alternative Performance Measure, refer to "Definitions".

<sup>1)</sup> Impairments during the period amounted to SEK 21m and pertained to other intangible assets.

<sup>2)</sup> No Impairments during the period

<sup>3)</sup> Impairments during the period amounted to SEK 137m and pertained to land and buildings by SEK 55m, machinery by SEK 48m and other intangible assets by SEK 34m.

<sup>4)</sup> Net of repayment and raising of loans amounted to SEK 671m. Amortisation of leasing amounted to SEK 205m

<sup>5)</sup> Net of repayment and raising of loans amounted to SEK 198m. Amortisation of leasing amounted to SEK 244m.

<sup>6)</sup> Net of repayment and raising of loans amounted to SEK -849m. Amortisation of leasing amounted to SEK 449m.

## Analysis of net debt

SEK m	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
Opening balance, net debt	3,865	2,408	3,819	2,387	3,819	3,330
New leasing contracts/Closed leasing contracts in advance, net	80	-62	264	-119	304	-79
Translation differences	-144	-28	-62	58	-163	-43
Operating cash flow	-716	-618	-928	-549	-1,808	-1,429
Interest paid, net	18	19	35	42	61	68
Remeasurements of defined benefit pension plans	217	-12	188	-121	147	-162
Other change in pension liabilities	10	3	14	12	27	25
Dividend	-	338	-	338	-	338
<b>Closing balance, net debt</b>	<b>3,330</b>	<b>2,048</b>	<b>3,330</b>	<b>2,048</b>	<b>2,387</b>	<b>2,048</b>

## Items affecting comparability

Items affecting comparability, SEK m	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
Decision closure Tidaholm factory 2024	-	-	-	-	136	136
Pension adjustment in UK	-	-	-	-	8	8
<b>Items affecting comparability in operating profit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>144</b>	<b>144</b>
Items affecting comparability in taxes	-	-	-	-	-15	-15
<b>Items affecting comparability, total loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129</b>	<b>129</b>

Items affecting comparability per function, SEK m	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
Items affecting profitability in gross profit	-	-	-	-	105	105
Items affecting profitability in in operating profit	-	-	-	-	144	144
Items affecting profitability in in taxes	-	-	-	-	-15	-15
<b>Items affecting profitability in in profit after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129</b>	<b>129</b>

Items affecting comparability in gross profit per region, SEK m	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
Nordic	-	-	-	-	112	112
UK	-	-	-	-	-	-
Central Europe	-	-	-	-	-	-
Group-wide and eliminations	-	-	-	-	-7	-7
<b>Group</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>105</b>	<b>105</b>

Items affecting comparability in operating profit per region, SEK m	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
Nordic	-	-	-	-	132	132
UK	-	-	-	-	8	8
Central Europe	-	-	-	-	-	-
Group-wide and eliminations	-	-	-	-	4	4
<b>Group</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>144</b>	<b>144</b>



**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 2020 Annual Report.

**Note 2 - References**

Segment information pages 4 and 5. Loan and shareholder's equity transactions, page 7. Items affecting comparability, page 16. Net sales by product group, page 24.

**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 5m (19) and liabilities at a value of SEK 14m (9). 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 88m (73) during the second quarter of 2021. The Parent Company's reported dividends from participations in Group companies totalled SEK 500m (0).

# Parent Company

Condensed Parent Company income statement SEK m	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
Net sales	73	88	151	177	337	363
Administrative expenses	-99	-117	-227	-236	-506	-515
Other operating income	3	0	5	1	8	4
Other operating expense	-4	1	-5	-1	-9	-5
<b>Operating loss</b>	<b>-27</b>	<b>-28</b>	<b>-76</b>	<b>-59</b>	<b>-170</b>	<b>-153</b>
Profit from shares in Group companies	-	500	-	500	-	500
Other financial income and expenses	-165	-59	-73	78	-191	-40
<b>Profit/loss after financial items</b>	<b>-192</b>	<b>413</b>	<b>-149</b>	<b>519</b>	<b>-361</b>	<b>307</b>
Group contribution received	-	-	-	-	155	155
Tax on profit/loss for the period	-	-	-	-	-1	-1
<b>Profit/loss for the period</b>	<b>-192</b>	<b>413</b>	<b>-149</b>	<b>519</b>	<b>-207</b>	<b>461</b>

Parent Company balance sheet SEK m	30 jun		31 Dec
	2020	2021	2020
<b>ASSETS</b>			
<b>Fixed assets</b>			
Tangible fixed assets	30	21	26
Shares and participations in Group companies	1,382	1,386	1,385
Deferred tax assets	5	4	5
<b>Total fixed assets</b>	<b>1,417</b>	<b>1,411</b>	<b>1,416</b>
<b>Current assets</b>			
<i>Current receivables</i>			
Accounts receivable	3	0	0
Receivables from Group companies	2,162	2,819	2,833
Other receivables	31	25	28
Prepaid expenses and accrued income	109	145	81
Cash and cash equivalents	651	498	436
<b>Total current assets</b>	<b>2,956</b>	<b>3,487</b>	<b>3,378</b>
<b>Total assets</b>	<b>4,373</b>	<b>4,898</b>	<b>4,794</b>
<b>SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
<i>Restricted shareholders' equity</i>			
Share capital	57	57	57
Statutory reserve	1,671	1,671	1,671
	<b>1,728</b>	<b>1,728</b>	<b>1,728</b>
<i>Non-restricted shareholders' equity</i>			
Share premium reserve	52	52	52
Buy-back of shares	-82	-88	-82
Profit brought forward	1,311	774	1,316
Profit/loss for the period	-149	519	-207
	<b>1,132</b>	<b>1,257</b>	<b>1,079</b>
<b>Total shareholders' equity</b>	<b>2,860</b>	<b>2,985</b>	<b>2,807</b>
<b>Long-term liabilities</b>			
Provisions for pensions	21	24	22
Deferred tax liabilities	5	3	5
Long term interest-bearing liabilities	21	14	17
<b>Total long-term liabilities</b>	<b>47</b>	<b>41</b>	<b>44</b>
<b>Current liabilities</b>			
Other interest-bearing liabilities	7	6	7
Accounts payable	31	68	31
Liabilities to Group companies	1,367	1,737	1,815
Current tax liabilities	-	-	-
Other liabilities	29	19	39
Accrued expenses and deferred income	32	42	51
<b>Total current liabilities</b>	<b>1,466</b>	<b>1,872</b>	<b>1,943</b>
<b>Total shareholders' equity, provisions and liabilities</b>	<b>4,373</b>	<b>4,898</b>	<b>4,794</b>

## Comparative data per region (1)

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Net sales, SEK m</b>						
Nordic	1,804	1,989	3,543	3,815	6,801	7,073
UK	645	1,274	2,050	2,479	4,649	5,078
Central Europe	292	359	593	701	1,291	1,399
Group-wide and eliminations	0	0	0	0	0	0
<b>Group</b>	<b>2,741</b>	<b>3,622</b>	<b>6,186</b>	<b>6,995</b>	<b>12,741</b>	<b>13,550</b>

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Gross profit, SEK m</b>						
Nordic	669	795	1,331	1,515	2,455	2,639
UK	94	469	599	891	1,509	1,801
Central Europe	82	121	173	230	419	476
Group-wide and eliminations	21	27	39	58	61	80
<b>Group</b>	<b>866</b>	<b>1,412</b>	<b>2,142</b>	<b>2,694</b>	<b>4,444</b>	<b>4,996</b>

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Gross profit excl. IAC, SEK m</b>						
Nordic	669	795	1,331	1,515	2,567	2,751
UK	94	469	599	891	1,509	1,801
Central Europe	82	121	173	230	419	476
Group-wide and eliminations	21	27	39	58	54	73
<b>Group</b>	<b>866</b>	<b>1,412</b>	<b>2,142</b>	<b>2,694</b>	<b>4,549</b>	<b>5,101</b>

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Gross margin, %</b>						
Nordic	37.1	40.0	37.6	39.7	36.1	37.3
UK	14.6	36.8	29.2	35.9	32.5	35.5
Central Europe	28.1	33.7	29.2	32.8	32.5	34.0
<b>Group</b>	<b>31.6</b>	<b>39.0</b>	<b>34.6</b>	<b>38.5</b>	<b>34.9</b>	<b>36.9</b>

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Gross margin excl. IAC, %</b>						
Nordic	37.1	40.0	37.6	39.7	37.7	38.9
UK	14.6	36.8	29.2	35.9	32.5	35.5
Central Europe	28.1	33.7	29.2	32.8	32.5	34.0
<b>Group</b>	<b>31.6</b>	<b>39.0</b>	<b>34.6</b>	<b>38.5</b>	<b>35.7</b>	<b>37.6</b>

## Comparative data per region (2)

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Operating profit, SEK m</b>						
Nordic	234	321	432	570	765	903
UK	-239	31	-260	-16	-234	10
Central Europe	25	42	43	79	143	179
Group-wide and eliminations	-63	-47	-124	-90	-237	-203
<b>Group</b>	<b>-43</b>	<b>347</b>	<b>91</b>	<b>543</b>	<b>437</b>	<b>889</b>

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Operating profit excl IAC, SEK m</b>						
Nordic	234	321	432	570	897	1,035
UK	-239	31	-260	-16	-226	18
Central Europe	25	42	43	79	143	179
Group-wide and eliminations	-63	-47	-124	-90	-233	-199
<b>Group</b>	<b>-43</b>	<b>347</b>	<b>91</b>	<b>543</b>	<b>581</b>	<b>1,033</b>

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Operating margin, %</b>						
Nordic	13.0	16.1	12.2	14.9	11.2	12.8
UK	-37.1	2.4	-12.7	-0.6	-5.0	0.2
Central Europe	8.6	11.7	7.3	11.3	11.1	12.8
<b>Group</b>	<b>-1.6</b>	<b>9.6</b>	<b>1.5</b>	<b>7.8</b>	<b>3.4</b>	<b>6.6</b>

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Operating margin excl IAC, %</b>						
Nordic	13.0	16.1	12.2	14.9	13.2	14.6
UK	-37.1	2.4	-12.7	-0.6	-4.9	0.4
Central Europe	8.6	11.7	7.3	11.3	11.1	12.8
<b>Group</b>	<b>-1.6</b>	<b>9.6</b>	<b>1.5</b>	<b>7.8</b>	<b>4.6</b>	<b>7.6</b>

## Quarterly data per region (1)

Net sales, SEK m	2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2
Nordic	1,739	1,804	1,491	1,767	1,826	1,989
UK	1,405	645	1,295	1,304	1,205	1,274
Central Europe	301	292	319	379	342	359
Group-wide and eliminations	0	0	0	0	0	0
<b>Group</b>	<b>3,445</b>	<b>2,741</b>	<b>3,105</b>	<b>3,450</b>	<b>3,373</b>	<b>3,622</b>

Gross profit, SEK m	2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2
Nordic	662	669	538	586	720	795
UK	505	94	442	468	422	469
Central Europe	91	82	108	138	109	121
Group-wide and eliminations	18	21	20	2	31	27
<b>Group</b>	<b>1,276</b>	<b>866</b>	<b>1,108</b>	<b>1,194</b>	<b>1,282</b>	<b>1,412</b>

Gross profit excl IAC, SEK m	2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2
Nordic	662	669	538	698	720	795
UK	505	94	442	468	422	469
Central Europe	91	82	108	138	109	121
Group-wide and eliminations	18	21	20	-5	31	27
<b>Group</b>	<b>1,276</b>	<b>866</b>	<b>1,108</b>	<b>1,299</b>	<b>1,282</b>	<b>1,412</b>

Gross margin, %	2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2
Nordic	38.1	37.1	36.1	33.2	39.4	40.0
UK	35.9	14.6	34.1	35.9	35.0	36.8
Central Europe	30.2	28.1	33.9	36.4	31.9	33.7
<b>Group</b>	<b>37.0</b>	<b>31.6</b>	<b>35.7</b>	<b>34.6</b>	<b>38.0</b>	<b>39.0</b>

Gross margin excl IAC, %	2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2
Nordic	38.1	37.1	36.1	39.5	39.4	40.0
UK	35.9	14.6	34.1	35.9	35.0	36.8
Central Europe	30.2	28.1	33.9	36.4	31.9	33.7
<b>Group</b>	<b>37.0</b>	<b>31.6</b>	<b>35.7</b>	<b>37.7</b>	<b>38.0</b>	<b>39.0</b>

## Quarterly data per region (2)

Operating profit, SEK m	2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2
Nordic	198	234	183	150	249	321
UK	-21	-239	13	13	-47	31
Central Europe	18	25	38	62	37	42
Group-wide and eliminations	-61	-63	-39	-74	-43	-47
<b>Group</b>	<b>134</b>	<b>-43</b>	<b>195</b>	<b>151</b>	<b>196</b>	<b>347</b>

Operating profit excl IAC, SEK m	2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2
Nordic	198	234	183	282	249	321
UK	-21	-239	13	21	-47	31
Central Europe	18	25	38	62	37	42
Group-wide and eliminations	-61	-63	-39	-70	-43	-47
<b>Group</b>	<b>134</b>	<b>-43</b>	<b>195</b>	<b>295</b>	<b>196</b>	<b>347</b>

Operating margin, %	2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2
Nordic	11.4	13.0	12.3	8.5	13.6	16.1
UK	-1.5	-37.1	1.0	1.0	-3.9	2.4
Central Europe	6.0	8.6	11.9	16.4	10.8	11.7
<b>Group</b>	<b>3.9</b>	<b>-1.6</b>	<b>6.3</b>	<b>4.4</b>	<b>5.8</b>	<b>9.6</b>

Operating margin excl IAC, %	2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2
Nordic	11.4	13.0	12.3	16.0	13.6	16.1
UK	-1.5	-37.1	1.0	1.6	-3.9	2.4
Central Europe	6.0	8.6	11.9	16.4	10.8	11.7
<b>Group</b>	<b>3.9</b>	<b>-1.6</b>	<b>6.3</b>	<b>8.6</b>	<b>5.8</b>	<b>9.6</b>

## Operating capital per region

	30 Jun		31 Dec
	2020	2021	2020
<b>Operating capital Nordic region, SEK m</b>			
Operating assets	3,440	2,991	2,939
Operating liabilities	1,581	1,725	1,544
<b>Operating capital</b>	<b>1,859</b>	<b>1,266</b>	<b>1,395</b>

	30 Jun		31 Dec
	2020	2021	2020
<b>Operating capital UK region, SEK m</b>			
Operating assets	3,686	3,559	3,590
Operating liabilities	948	1,144	1,133
<b>Operating capital</b>	<b>2,738</b>	<b>2,415</b>	<b>2,457</b>

	30 Jun		31 Dec
	2020	2021	2020
<b>Operating capital Central Europe region, SEK m</b>			
Operating assets	628	636	558
Operating liabilities	204	244	198
<b>Operating capital</b>	<b>424</b>	<b>392</b>	<b>360</b>

	30 Jun		31 Dec
	2020	2021	2020
<b>Operating capital Group-wide and eliminations, SEK m</b>			
Operating assets	2,398	2,535	2,361
Operating liabilities	106	183	152
<b>Operating capital</b>	<b>2,292</b>	<b>2,352</b>	<b>2,209</b>

	30 Jun		31 Dec
	2020	2021	2020
<b>Operating capital, SEK m</b>			
Operating assets	10,152	9,721	9,448
Operating liabilities	2,839	3,296	3,027
<b>Operating capital</b>	<b>7,313</b>	<b>6,425</b>	<b>6,421</b>

## Comparative data by product group

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Net sales Nordic by product group, %</b>						
Kitchen furnitures	68	70	67	69	67	68
Installation services	5	5	6	5	6	5
Other products	27	25	27	26	27	27
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Net sales UK by product group, %</b>						
Kitchen furnitures	61	62	62	62	62	62
Installation services	6	5	6	5	6	6
Other products	33	33	32	33	32	32
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Net sales Central Europe by product group, %</b>						
Kitchen furnitures	56	61	56	60	58	59
Installation services	11	9	11	9	10	10
Other products	33	30	33	31	32	31
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
<b>Net sales Group by product group, %</b>						
Kitchen furnitures	65	66	65	66	64	65
Installation services	6	6	6	5	6	6
Other products	29	28	29	29	30	29
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>



# 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 27-28.

<b>Analysis of external net sales Nordic Region</b>	Q2		Jan - Jun	
	%	SEK m	%	SEK m
<b>2020</b>		<b>1,804</b>		<b>3,543</b>
Organic growth	13	221	11	365
Currency effects	-2	-36	-3	-93
<b>2021</b>	<b>10</b>	<b>1,989</b>	<b>8</b>	<b>3,815</b>

<b>Analysis of external net sales UK Region</b>	Q2		Jan - Jun	
	%	SEK m	%	SEK m
<b>2020</b>		<b>645</b>		<b>2,050</b>
Organic growth	97	628	26	517
Currency effects	0	1	-5	-88
<b>2021</b>	<b>97</b>	<b>1,274</b>	<b>21</b>	<b>2,479</b>

<b>Analysis of external net sales Central Europe Region</b>	Q2		Jan - Jun	
	%	SEK m	%	SEK m
<b>2020</b>		<b>292</b>		<b>593</b>
Organic growth	29	80	24	137
Currency effects	-6	-13	-6	-29
<b>2021</b>	<b>23</b>	<b>359</b>	<b>18</b>	<b>701</b>

<b>Operating profit before depreciation and impairment (EBITDA), SEK m</b>	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
Operating profit	-43	347	91	543	437	889
Depreciation and impairment	236	202	452	406	989	943
<b>Operating profit before depreciation and impairment (EBITDA)</b>	<b>193</b>	<b>549</b>	<b>543</b>	<b>949</b>	<b>1,426</b>	<b>1,832</b>
Net Sales	2,741	3,622	6,186	6,995	12,741	13,550
<b>% of sales</b>	<b>7.0%</b>	<b>15.2%</b>	<b>8.8%</b>	<b>13.6%</b>	<b>11.2%</b>	<b>13.5%</b>

<b>Profit/loss after tax excluding IAC, SEK m</b>	Q2		Jan - Jun		Jan - Dec	12 mos.
	2020	2021	2020	2021	2020	rolling
Profit/loss after tax	-56	258	32	390	253	611
Items affecting comparability net after tax	-	-	-	-	129	129
<b>Profit/loss after tax excluding IAC</b>	<b>-56</b>	<b>258</b>	<b>32</b>	<b>390</b>	<b>382</b>	<b>740</b>

<b>Average equity, SEK m</b>	Jan - Dec	12 mos.
	2020	rolling
OB Equity attributable to Parent Company shareholders	4,277	3,983
CB Equity attributable to Parent Company shareholders	4,034	4,377
<b>Average equity before adjustment of increases and decreases in capital</b>	<b>4,156</b>	<b>4,180</b>
<b>Adjustment for increases and decreases in capital not occurred in the middle of the period</b>	<b>-</b>	<b>-</b>
<b>Average equity</b>	<b>4,156</b>	<b>4,180</b>

## Reconciliation of alternative performance measures (2)

	30 Jun		31 Dec
	2020	2021	2020
<b>Net debt, SEK m</b>			
Provisions for pensions, interest-bearing	640	414	556
Other long-term liabilities, interest-bearing	3,846	1,992	2,063
Current liabilities, interest-bearing	418	380	405
<b>Interest-bearing liabilities</b>	<b>4,904</b>	<b>2,786</b>	<b>3,024</b>
Long-term receivables, interest-bearing	-2	0	0
Current receivables, interest-bearing	-7	-1	-2
Cash and cash equivalents, interest-bearing	-1,565	-737	-635
<b>Interest-bearing assets</b>	<b>-1,574</b>	<b>-738</b>	<b>-637</b>
<b>Net debt</b>	<b>3,330</b>	<b>2,048</b>	<b>2,387</b>

	30 Jun		31 Dec
	2020	2021	2020
<b>Net debt excl. IFRS 16 Leases and pension provisions, SEK m</b>			
<b>Net debt</b>	<b>3,330</b>	<b>2,048</b>	<b>2,387</b>
Of which IFRS 16 Leases	2,459	1,889	2,183
Of which provisions for pensions	640	414	556
<b>Net debt excl. IFRS 16 Leases</b>	<b>871</b>	<b>159</b>	<b>204</b>
<b>Net debt excl. IFRS 16 Leases and provision for pensions</b>	<b>231</b>	<b>-255</b>	<b>-352</b>

	30 Jun		31 Dec
	2020	2021	2020
<b>Operating capital, SEK m</b>			
<b>Total assets</b>	<b>11,728</b>	<b>10,458</b>	<b>10,085</b>
Other provisions	-56	-55	-45
Deferred tax liabilities	-54	-35	-35
Other long-term liabilities, non interest-bearing	-1	-	0
Current liabilities, non interest-bearing	-2,730	-3,205	-2,947
<b>Non-interest-bearing liabilities</b>	<b>-2,841</b>	<b>-3,295</b>	<b>-3,027</b>
<b>Capital employed</b>	<b>8,887</b>	<b>7,163</b>	<b>7,058</b>
Interest-bearing assets	-1,574	-738	-637
<b>Operating capital</b>	<b>7,313</b>	<b>6,425</b>	<b>6,421</b>

	Jan - Dec	12 mos.
	2020	rolling
<b>Average operating capital, SEK m</b>		
OB Operating capital	8,096	7,313
CB Operating capital	6,421	6,425
<b>Average operating capital before adjustments of acquisitions and divestments</b>	<b>7,259</b>	<b>6,869</b>
<b>Average operating capital</b>	<b>7,259</b>	<b>6,869</b>

# 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	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

Performance measure	Calculation	Purpose
	increase/decrease in interest-bearing assets.	
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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- Kristoffer Ljungfelt, CFO
- Tobias Norrby, Head of Investor Relations

## Presentation

The interim report will be presented on Monday July 19 at 14:00 CET in a webcast teleconference that can be followed on Nobia's website or on <https://edge.media-server.com/mmc/p/geq8de3p>

To participate in the teleconference, and thus have the possibility to ask questions, call one of the following numbers:

Sweden: +46 8 56 64 26 51  
UK: +44 33 33 00 08 04  
USA: +1 631 913 1422  
Pin code: 28105271#

## Financial calendar

October 26: Interim report for January-September 2021.

*This interim report is information such that Nobia is obliged to make public pursuant to the EU's Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact person set out above, on 19 July 2021 at 12:00 CET.*