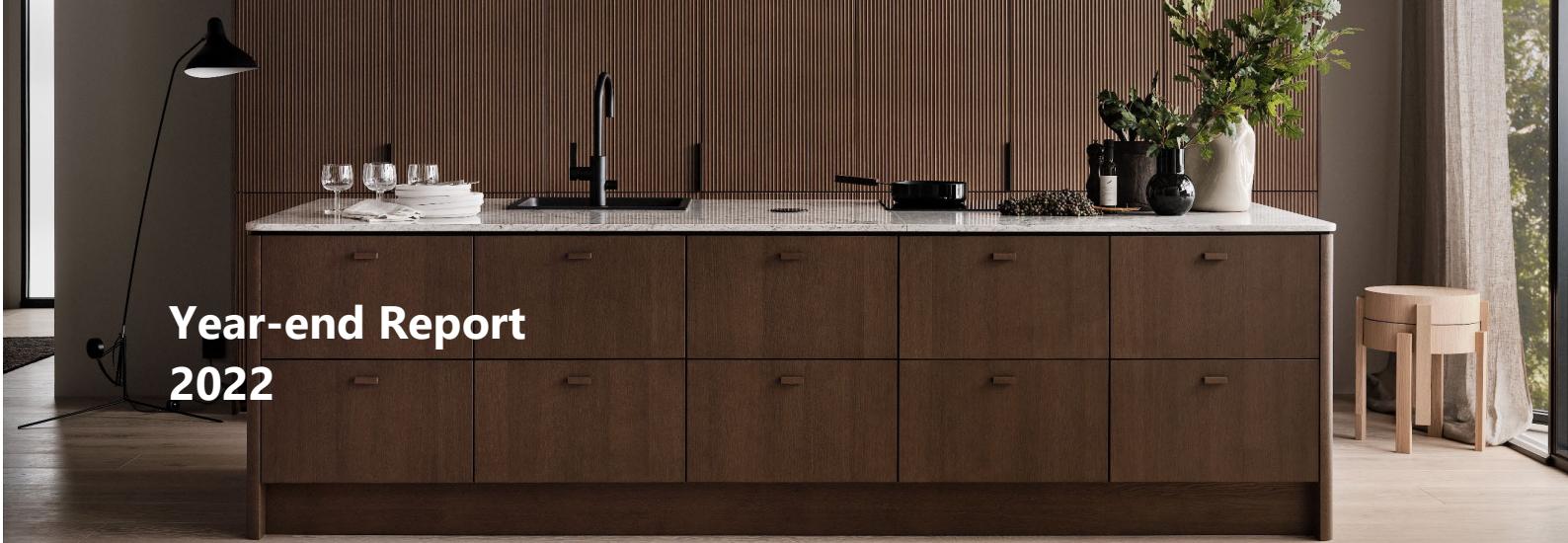


# nobia

Year-End Report  
2022





# Year-end Report 2022

## Fourth quarter 2022

- Net sales increased to SEK 3,780m (3,509) corresponding to organic sales growth of 2% (2).
- Operating profit, excl. items affecting comparability, decreased to SEK 25m (238), corresponding to an operating margin of 0.7% (6.8).
- Operating profit includes items affecting comparability of SEK -156m (0).
- Profit after tax amounted to SEK -166m (146), corresponding to earnings per share after dilution of SEK -0.98 (0.87).
- Operating cash flow amounted to SEK -81m (-2), including a temporarily high amount of investments in fixed assets due to the construction of the new factory.
- The results were pre-announced in conjunction with the communication of the cost-reduction programme in January, 2023.
- The Board of Directors proposes that no dividend be paid for 2022, considering the temporarily high investment level.

	Q4			Jan-Dec		
	2021	2022	Δ%	2021	2022	Δ%
Net sales, SEK m	3,509	3,780	8	13,719	14,929	9
Gross margin, %	37.5	33.4	–	38.5	35.9	–
<i>Gross margin excl. IAC, %</i>	<i>37.5</i>	<i>33.9</i>	<i>–</i>	<i>38.5</i>	<i>36.1</i>	<i>–</i>
Operating margin before depr./imp. (EBITDA), %	12.3	3.4	–	13.2	7.3	–
Operating profit (EBIT), SEK m	238	-131	n.a.	1,009	191	-81
<i>Operating profit (EBIT), excl IAC, SEK m</i>	<i>238</i>	<i>25</i>	<i>-89</i>	<i>1,009</i>	<i>497</i>	<i>-51</i>
Operating margin, %	6.8	-3.5	–	7.4	1.3	–
<i>Operating margin excl IAC, %</i>	<i>6.8</i>	<i>0.7</i>	<i>–</i>	<i>7.4</i>	<i>3.3</i>	<i>–</i>
Profit after financial items, SEK m	203	-184	n.a.	907	30	-97
Profit after tax, SEK m	146	-166	n.a.	706	-2	n.a.
<i>Profit/loss after tax, excl IAC, SEK m</i>	<i>146</i>	<i>-42</i>	<i>n.a.</i>	<i>706</i>	<i>241</i>	<i>-66</i>
Earnings per share, before dilution, SEK	0.87	-0.98	n.a.	4.19	-0.01	n.a.
<i>Earnings per share, before dilution excl IAC, SEK</i>	<i>0.87</i>	<i>-0.25</i>	<i>n.a.</i>	<i>4.19</i>	<i>1.43</i>	<i>n.a.</i>
Earnings per share, after dilution, SEK	0.87	-0.98	n.a.	4.18	-0.01	n.a.
<i>Earnings per share, after dilution excl IAC, SEK</i>	<i>0.87</i>	<i>-0.25</i>	<i>n.a.</i>	<i>4.18</i>	<i>1.43</i>	<i>n.a.</i>
Operating cash flow, SEK m	-2	-81	n.a.	670	-746	n.a.

## CEO comment

Organic sales growth was 2% in the fourth quarter, predominately driven by higher average order values and price increases. The UK region and Portfolio Business Units grew while the Nordic region was slightly down, -1%. The macroeconomic environment remains challenging and the geopolitical situation is unpredictable, which we see reflected in a slowdown for consumer demand and increasing uncertainty for housing construction.

At the beginning of the new year, we announced a major Group-wide restructuring programme aimed at improving operating profit by SEK 300m over the next 18 months. Restructuring of our UK operations, in particular the underperforming project business, is an important part of the programme. It includes exiting parts of the UK project sales that have insufficient profit, the closure of two manufacturing sites, staff reductions affecting most areas of the Group and discretionary spend reductions.

Our order books in the Nordics are at good levels, as housing completions remain solid. Sales in the Nordics declined organically by 1%, mainly due to the consumer segment. Supply chain efficiency remained unsatisfactory, although we do see improvements from the measures implemented. Combined with continued direct material cost pressure, margins were lower. The new Jönköping factory is being ramped up earlier for a select part of component manufacturing, which we will utilise to further stabilise the supply chain situation and insource component manufacturing to improve costs. The production building is almost completed and the installation of production equipment is continuing as per plan.

In the UK region, sales were up 5% organically, primarily driven by higher average order values. However, profit decreased into negative numbers due to heavy input cost inflation and a higher cost level reflecting activities to capture market share during the trade autumn campaign and winter sales period. A significant part of our UK projects business is running with insufficient profitability and continued slow markets. This is now being addressed



with the restructuring programme and in parallel we are continuing to press ahead with the long-term transformation plan for our UK operations focusing on the Magnet brand mass-premium position.

The Portfolio Business Units Austria and the Netherlands delivered solid growth and earnings.

Our restructuring, the UK transformation plan and the completion of our new factory are some initiatives that will enhance our competitiveness and provide resilience, which is especially important with the current macro development. To provide further profit protection, key focus areas are maintaining a strong pricing discipline, supply chain operational efficiency and leveraging our scale to improve sourcing efficiency.

Our cash-conversion going forward is expected to be good. However, in light of our temporarily high investment level, the Board finds it prudent to recommend no dividend for 2022.

There is clearly a macro headwind and uncertainty to manage. At the same time, we are making good progress and follow plan on the transformational initiatives. I would also like to take this opportunity to acknowledge and convey appreciation for our committed staff.

*Jon Sintorn,  
President and CEO*

## Fourth quarter consolidated

### Market overview

Overall market demand decreased in the Nordic region. Price increases are supporting the value of the market, although measured as number of kitchen cabinets sold a decline was reported. The project segment remained at a relatively healthy level on the back of a high number of new build housing completions, while consumer demand declined. The UK retail market is estimated to be slightly down due to lower spending on home improvements, and the project market remains considerably below pre-pandemic levels, especially for premium high-rise in central London. The kitchen markets in the Netherlands and Austria held up relatively well. All markets continued to be impacted by high price inflation, affecting both end-market sales prices and supply chain costs.

### Net sales, earnings and cash flow

The Group's net sales increased to SEK 3,780m (3,509) with organic growth of 2% (2). The UK region grew organically by 5%, Portfolio Business Units by 6% while the Nordic region declined by 1%.

The gross margin decreased to 33.4% (37.5) and gross profit was SEK 1,261m (1,315). Operating profit, excl. items affecting comparability, amounted to SEK 25m (238), corresponding to a margin of 0.7% (6.8). Price increases impacted positively, however offset by volume and mix effects as well as continued inflationary pressure in direct materials and other items such as transport and energy. Selling and administrative expenses were also higher. Changes in exchange rates positively impacted operating profit by SEK 10m.

Operating cash flow decreased to SEK -81m (-2), mainly as a result of the temporarily high level of investments in fixed assets due to the ongoing construction of the new factory in Jönköping, Sweden. Working capital impact was favourable, while cash flow from operating profit was lower, contributing to a cash flow from operating activities of SEK 398m (530). Net debt excl. IFRS16 leases increased to SEK 2,223m (199).

#### Analysis of net sales

	Q4	
	Δ%	SEK m
<b>2021</b>		<b>3,509</b>
Organic growth	2	70
-of which Nordic region	-1	-15
-of which UK region	5	54
-of which Portfolio BUs	6	31
Acquisitions	0	13
Currency effects	5	188
<b>2022</b>	<b>8</b>	<b>3,780</b>

#### Currency effect on operating profit

SEK m	Q4		
	Translati- on effect	Transacti- on effect	Total
Nordic region	15	-5	10
UK region	0	0	0
Portfolio BUs	0	0	0
<b>Group</b>	<b>15</b>	<b>-5</b>	<b>10</b>

SEKm	Group cost and										Δ%
	Nordic		UK		Portfolio BUs		eliminations		Group		
	Q4	Q4		Q4	2021	2022	2021	2022	2021	2022	Δ%
<b>Net sales</b>	<b>1,974</b>	<b>2,057</b>	<b>1,084</b>	<b>1,196</b>	<b>451</b>	<b>527</b>	<b>0</b>	<b>0</b>	<b>3,509</b>	<b>3,780</b>	<b>8</b>
Gross profit	726	632	469	481	138	148	-18	0	1,315	1,261	-4
Gross margin, %	36.8	30.7	43.3	40.2	30.6	28.1	-	-	37.5	33.4	-
<b>Operating profit</b>	<b>250</b>	<b>43</b>	<b>1</b>	<b>-72</b>	<b>41</b>	<b>27</b>	<b>-54</b>	<b>-129</b>	<b>238</b>	<b>-131</b>	<b>n.a</b>
Operating profit excl. IAC, SEKm	250	128	1	-72	41	27	-54	-58	238	25	-89
Operating margin, %	12.7	2.1	0.1	-6.0	9.1	5.1	-	-	6.8	-3.5	-
Operating margin excl IAC, %	12.7	6.2	0.1	-6.0	9.1	5.1	-	-	6.8	0.7	-

## Fourth quarter, the regions

### Nordic region

Net sales in the Nordic region increased to SEK 2,057m (1,974). On an organic basis, sales declined by -1% (+11).

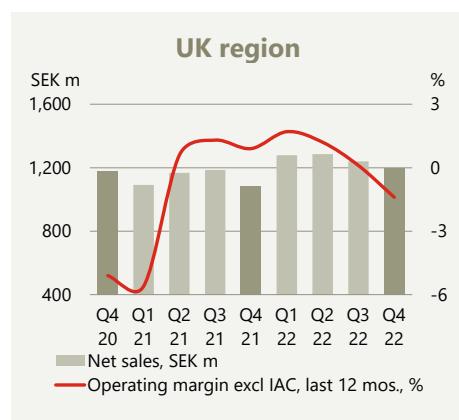
The gross margin decreased to 30.7% (36.8). Operating profit, excl. items affecting comparability, decreased to SEK 128m (250) and the corresponding operating margin was 6.2% (12.7). Although the impact from price increases was substantial, it was not enough to compensate for unfavourable volume and mix impact and the continued inflationary pressure in material and other cost items. In addition, profit was negatively affected by supply chain challenges and extraordinary costs for reduction of order backlog, mainly in Sweden. Changes in exchange rates positively impacted operating profit by SEK 10m.



### UK region

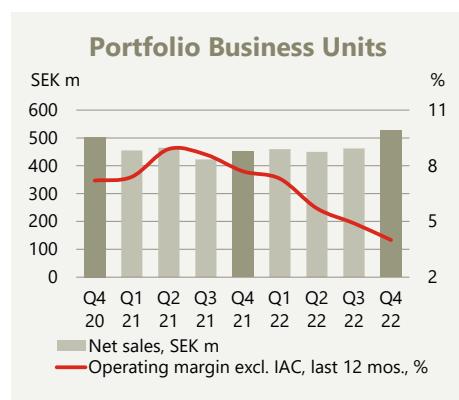
Following the organisational adjustments in the first quarter of 2022, the UK region includes Magnet brand sales to retail, trade and project customers, and the OEM sales to Wickes DIY. Net sales in the UK region increased to SEK 1,196m (1,084). Organic growth was 5% (-12), mainly as a result of growth in OEM sales.

The gross margin decreased to 40.2% (43.3). Operating loss decreased to SEK -72m (SEK 1m) and the operating margin was -6.0% (0.1). Price increases and savings following the cost-out programme from the second quarter impacted positively. Direct material cost inflation continued and selling and administrative spend increased due to higher number of sales staff and marketing investments.



### Portfolio Business Units

Following the organisational adjustments in the first quarter 2022, Portfolio Business Units include Bribus (the Netherlands), Ewe (Austria), Superfront (Sweden) and Commodore and CIE (the UK). Net sales increased to SEK 527m (451) and organic growth was 6% (-10). Organic growth rate was double-digit in the Netherlands and Austria, while Commodore and CIE decreased due to sustained weakness in the London super-premium property market. The performance in Commodore and CIE is being addressed with the restructuring program launched in the beginning of the new year, which includes closing the manufacturing site in Grays. Superfront that was acquired in January 2022, contributed SEK 13m in net sales.



The gross margin decreased to 28.1% (30.6). Performance in Austria and the Netherlands was good, following higher sales and price increases, while Commodore and CIE reported a loss. Operating profit decreased to SEK 27m (41) and the operating margin declined to 5.1% (9.1).

## January – December, consolidated

- Net sales for the full-year 2022 totalled SEK 14,929m (13,719).
- Operating profit amounted to SEK 191m (1,009) corresponding to an operating margin of 1.3% (7.4).
- Operating profit excl. items affecting comparability amounted to SEK 497m (1,009), corresponding to an operating margin of 3.3% (7.4).
- Items affecting comparability amounted to SEK -306m (0).
- Profit after tax amounted to SEK -2m (706), corresponding to earnings per share after dilution of SEK -0.01 (4.19).
- Operating cash flow was SEK -746m (670) including a temporary high amount of investments in fixed assets due to the construction of the new factory.

### Net sales, earnings and cash flow

Net sales for 2022 increased to SEK 14,929m (13,719). Organic growth was 4% (8). The Nordic and UK regions each grew by 5% and Portfolio Business Units fell -2% organically.

The gross margin decreased to 35.9 (38.5). The operating margin excl. items affecting comparability was 3.3% (7.4) and the corresponding operating profit was SEK 497m (1,009). Price increases had a major impact, but this was offset by cost increases driven by the inflationary environment across most cost items, including direct material, energy and transportation. Changes in exchange rates impacted operating profit positively by SEK 65m.

Operating cash flow declined to SEK -746m (670), including a temporarily high amount of investments in fixed assets of SEK -1,684m, including the ongoing construction of the new factory in Jönköping. Cash flow from operating activities was lower as a result of lower profit.

### Analysis of net sales

	Jan-Dec	
	Δ%	SEK m
<b>2021</b>		<b>13,719</b>
Organic growth	4	533
-of which Nordic region	5	364
-of which UK region	5	215
-of which Portfolio BUs	-2	-46
Acquisitions	0	62
Currency effects	5	615
<b>2022</b>	<b>9</b>	<b>14,929</b>

### Currency effect on operating profit

SEK m	Jan-Dec		
	Translati- on effect	Transacti- on effect	Total
Nordic region	40	5	45
UK region	0	15	15
Portfolio BUs	5	0	5
<b>Group</b>	<b>45</b>	<b>20</b>	<b>65</b>

SEKm	Group cost and eliminations										
	Nordic		UK		Portfolio BUs		Group		Δ%		
	Jan-Dec	2021	Jan-Dec	2021	Jan-Dec	2021	Jan-Dec	2021	2022		
<b>Net sales</b>	<b>7,396</b>	<b>8,030</b>	<b>4,530</b>	<b>5,001</b>	<b>1,794</b>	<b>1,899</b>	<b>-1</b>	<b>-1</b>	<b>13,719</b>	<b>14,929</b>	<b>9</b>
Gross profit	2,831	2,697	1,851	2,102	526	518	70	46	<b>5,278</b>	<b>5,363</b>	2
Gross margin, %	38.3	33.6	40.9	42.0	29.3	27.3	–	–	38.5	35.9	–
<b>Operating profit</b>	<b>1,016</b>	<b>595</b>	<b>41</b>	<b>-184</b>	<b>139</b>	<b>76</b>	<b>-187</b>	<b>-296</b>	<b>1,009</b>	<b>191</b>	<b>-81</b>
<i>Operating profit excl IAC, SEKm</i>	1,016	686	41	-69	139	76	-187	-196	1,009	497	-51
Operating margin, %	13.7	7.4	0.9	-3.7	7.7	4.0	–	–	7.4	1.3	–
<i>Operating margin excl IAC, %</i>	13.7	8.5	0.9	-1.4	7.7	4.0	–	–	7.4	3.3	–
Net financial items									-102	-161	-59
<b>Profit after financial items</b>									<b>907</b>	<b>30</b>	<b>-97</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 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 year-end 2022, SEK 2,200m had been utilised. Group cash and cash equivalents amounted to SEK 340m (422).

Net debt excluding IFRS 16 lease liabilities and pensions amounted to SEK 1,839m (-24). Net debt including IFRS 16 lease liabilities of SEK 1,757m (1,815) and pension provisions of SEK 384m (223), was SEK 3,980m (2,014). The net debt/equity ratio, excluding IFRS 16 lease liabilities and pensions, was 39.0% (-0.5%). Pension provisions increased due to changes in financial assumptions. Leverage, (net debt/EBITDA, excluding IFRS 16 leases and items affecting comparability on 12 months rolling basis) was 2.86 times (0.15).

Net financial items amounted to SEK -161m (-102), of which net of returns on pension assets and interest expense on pension liabilities was SEK -21m (-19), interest on leases was SEK -37m (-38) and other net interest expense was SEK -103m (-45).

### Annual General Meeting

Nobia's Annual General Meeting (AGM) will be held in Stockholm on 27 April 2023. Notice to the AGM will be published 22 March. The notice and other related information including Board proposals will be available at <http://www.nobia.com>

### Changes in management

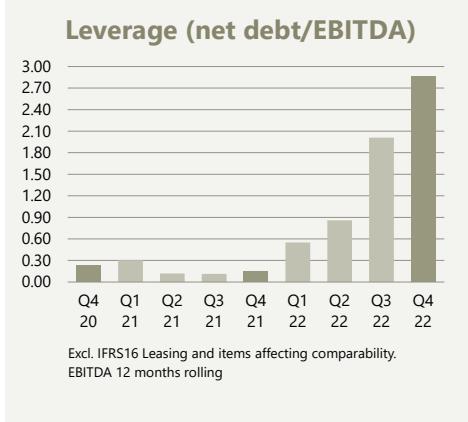
Samuel Dalén has served as the new Executive Vice President Supply Chain and member of the Group Executive Committee (EC) since December 2022, reporting to CEO Jon Sintorn. Samuel has extensive supply chain experience in an international environment. He holds a M.Sc. in Mechanical engineering from Lund University and most recently held the position as Chief Operating Officer (COO) at Kährs Group, a leading manufacturer and distributor of premium flooring.

Kristoffer Ljungfelt has been appointed EVP and Head of Region UK, and replaces Dan Carr who left Nobia. Henrik Skogsfors has been appointed Acting CFO. For the last three years, Henrik has been Nobia's Head of Group Business Control and Group Accounting.

### Construction of the new factory in Jönköping

The work of building the new factory is progressing according to plan. The factory building is almost completed. Installation and testing of the first production machinery is ongoing and the first commercial manufacturing of kitchen components has started. Production machinery installations will continue during the year before 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 December 31, 2022, a total of SEK 1.6bn has been invested in the new factory.



## **Items affecting comparability**

Operating income for the second quarter of 2022 includes a one-time cost of SEK -150m, accounted for as items affecting comparability, related to a cost reduction programme in the UK.

Operating income for the fourth quarter of 2022 includes a one-time cost of SEK -156m, accounted for as items affecting comparability. This mainly refers head-count reductions, write-down of intangible assets, costs related to the transition from Tidaholm to the new Jönköping factory and other costs. SEK -59m of the items affecting comparability refers to non-cash items.

For further information, see "Significant events after the close of the quarter" on page 8 and a specification "Items affecting comparability" on page 16.

## **Acquisition of Superfront**

On 14 January, 2022, Nobia acquired 100% of the shares in Superfront, a Sweden-based direct-to-consumer business that designs and sells kitchen and storage such as frontals, handles and legs. Superfront has built significant brand awareness since it was introduced in 2013, mainly through digital and social media marketing, with a strong focus on design and sustainability. Net sales in 2021 amounted to approximately SEK 65m with a double-digit operating margin. Products are sold almost entirely online across Europe. Superfront is included in Portfolio Business Units. Further information is provided in Note 5 on page 14-15.

## **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, pandemic-related restrictions 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 2021 Annual Report.

The current uncertainty and high inflationary environment in the global markets may affect Nobia's market environment. Russia's invasion of Ukraine has driven energy prices upwards and created supply chain disruptions for certain materials. Higher production costs and availability constraints of some raw materials have generated inflationary pressure in many markets. The risk of a broad general economic downturn has increased, and if materialised, it may negatively affect Nobia's operations and financial earnings.

To ensure availability and mitigate higher input cost, actions such as price increases on several occasions and supplier collaboration to reduce sourcing cost, have been implemented. Due to the maturity of the order book, there is a lag until the price increases have full effect.

## **Significant events after the close of the quarter**

### **Cost reduction programme**

In January 2023, Nobia announced the launch of a cost reduction program and that the Group's earnings for the fourth quarter 2022 were lower than expected. The target is to generate annual savings in excess of SEK 300m, with a noticeable impact in the second quarter of 2023 and reaching full effect in the second quarter of 2024. The programme involves the potential redundancy of 500 employees.

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 order to save costs and support earnings improvement.

Costs of SEK 156m are reported in the fourth quarter of 2022 and costs of approximately SEK 300m will be included in the first quarter of 2023. Of the first quarter 2023 cost, around SEK 170m is attributable to the UK region UK, SEK 35m to Portfolio Business Units (referring to the project business Commodore and CIE) and SEK 85m to the Nordic region. These costs will be recorded as items affecting comparability. Approximately SEK 143m (of which SEK 84m impacts Q1 2023) of total costs refers to non-cash items.

The first quarter 2023 charge refers to the forward-looking cost reduction programme, while the fourth quarter 2022 charge refers to already initiated measures. It also includes some of the costs related to the transition to the new factory under construction in Jönköping. As communicated in the press release in December 2020 announcing the investment in the new Jönköping factory, Nobia expects to incur transition-associated costs.

## **Dividend**

Given Nobia's temporarily high investment level, primarily related to building the new Nordic factory, the Board is of the opinion that not paying any dividend for 2022 is a prudent recommendation.

Stockholm, 9 February 2023

*Jon Sintorn*  
President and CEO

Nobia AB, Corporate Registration Number 556528-2752

*This year-end report has not been subject to review by the company's auditors.*

## Consolidated income statement

SEK m	Q4		Jan-Dec	
	2021	2022	2021	2022
Net sales	3,509	3,780	13,719	14,929
Cost of goods sold	-2,194	-2,519	-8,441	-9,566
<b>Gross profit</b>	<b>1,315</b>	<b>1,261</b>	<b>5,278</b>	<b>5,363</b>
Selling and administrative expenses	-1,106	-1,441	-4,367	-5,317
Other income/expenses	29	49	98	145
<b>Operating profit</b>	<b>238</b>	<b>-131</b>	<b>1,009</b>	<b>191</b>
Net financial items	-35	-53	-102	-161
<b>Profit after financial items</b>	<b>203</b>	<b>-184</b>	<b>907</b>	<b>30</b>
Tax	-57	18	-201	-32
<b>Profit after tax</b>	<b>146</b>	<b>-166</b>	<b>706</b>	<b>-2</b>
Total profit attributable to:				
Parent Company shareholders	146	-166	706	-2
Earnings per share before dilution, SEK	0.87	-0.98	4.19	-0.01
Earnings per share after dilution, SEK	0.87	-0.98	4.18	-0.01

## Consolidated statement of comprehensive income

SEK m	Q4		Jan-Dec	
	2021	2022	2021	2022
Profit after tax	146	-166	706	-2
<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	106	91	321	329
Cash flow hedges before tax (1)	1	3	13	39
Tax attributable to change in hedging reserve for the period (2)	0	1	-3	-7
	<b>107</b>	<b>95</b>	<b>331</b>	<b>361</b>
<b>Items that will not be reclassified to profit or loss</b>				
Remeasurements of defined benefit pension plans	74	18	286	-187
Tax relating to remeasurements of defined benefit pension plans	-19	-3	-55	46
	<b>55</b>	<b>15</b>	<b>231</b>	<b>-141</b>
<b>Other comprehensive income</b>	<b>162</b>	<b>110</b>	<b>562</b>	<b>220</b>
<b>Total comprehensive income</b>	<b>308</b>	<b>-56</b>	<b>1,268</b>	<b>218</b>
Total comprehensive income attributable to:				
Parent Company shareholders	308	-56	1,268	218

(1) Reversal recognised in profit and loss amounts to a SEK 4m (-12).

New provision amounts to SEK 25m (-4).

(2) Reversal recognised in profit and loss amounts to a SEK -1m (3).

New provision amounts to SEK -5m (1).

## Consolidated balance sheet

	31 Dec 2021	31 Dec 2022
<b>SEK m</b>		
<b>ASSETS</b>		
Goodwill	3,014	3,232
Other intangible fixed assets	354	418
Tangible fixed assets	1,847	3,131
Right-of-use assets	1,848	1,826
Long-term receivables, interest-bearing (IB)	0	0
Long-term receivables	88	86
Deferred tax assets	61	240
<b>Total fixed assets</b>	<b>7,212</b>	<b>8,933</b>
Inventories	1,211	1,478
Accounts receivable	1,325	1,495
Current receivables, interest-bearing (IB)	2	2
Other receivables	457	524
<i>Total current receivables</i>	<i>1,784</i>	<i>2,021</i>
Cash and cash equivalents (IB)	422	340
<b>Total current assets</b>	<b>3,417</b>	<b>3,839</b>
<b>Total assets</b>	<b>10,629</b>	<b>12,772</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
Share capital	57	57
Other capital contributions	1,465	1,460
Reserves	-14	347
Profit brought forward	3,415	2,851
Total shareholders' equity attributable to Parent Company shareholders	4,923	4,715
<b>Total shareholders' equity</b>	<b>4,923</b>	<b>4,715</b>
Provisions for pensions (IB)	223	384
Other provisions	46	40
Deferred tax liabilities	31	60
Lease liabilities, interest-bearing (IB)	1,444	1,418
Other long-term liabilities, interest-bearing (IB)	400	2,181
Other long-term liabilities, non interest-bearing	0	4
<b>Total long-term liabilities</b>	<b>2,144</b>	<b>4,087</b>
Current lease liabilities, interest-bearing (IB)	371	339
Accounts payable	1,604	2,038
Current liabilities and provisions	1,587	1,593
<b>Total current liabilities</b>	<b>3,562</b>	<b>3,970</b>
<b>Total shareholders' equity and liabilities</b>	<b>10,629</b>	<b>12,772</b>

## Changes in consolidated shareholders' equity

	Attributable to Parent Company shareholders					
	Share capital	Other capital	Exchange-rate differences attributable to translation of foreign operations	Cash-flow hedges	Profit brought forward	Total share-holders equity
<b>SEK m</b>						
Opening balance, 1 Jan 2021	57	1,506	-331	-14	2,816	4,034
Profit for the period	-	-	-	-	706	706
Other comprehensive income for the period			321	10	231	562
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>321</b>	<b>10</b>	<b>937</b>	<b>1,268</b>
Dividend	-	-	-	-	-338	-338
Treasury share purchased	-	-43	-	-	-	-43
Allocation of share saving schemes	-	2	-	-	-	2
<b>Closing balance, 31 Dec 2021</b>	<b>57</b>	<b>1,465</b>	<b>-10</b>	<b>-4</b>	<b>3,415</b>	<b>4,923</b>
Opening balance, 1 January 2022	57	1,465	-10	-4	3,415	4,923
Profit for the period	-	-	-	-	-2	-2
Other comprehensive income/loss for the period	-	-	329	32	-141	220
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>329</b>	<b>32</b>	<b>-143</b>	<b>218</b>
Dividend	-	-	-	-	-421	-421
Allocation of performance share plan	-	-5	-	-	-	-5
<b>Closing balance, 31 Dec 2022</b>	<b>57</b>	<b>1,460</b>	<b>319</b>	<b>28</b>	<b>2,851</b>	<b>4,715</b>

Number of Treasury shares: 2,040,637.

## Key ratios, Group

SEK m	Q4		Jan-Dec	
	2021	2022	2021	2022
Gross profit	1,315	1,261	5,278	5,363
Gross margin, %	37.5	33.4	38.5	35.9
EBITDA	431	129	1,809	1,090
EBITDA, %	12.3	3.4	13.2	7.3
Total depreciation	-193	-208	-800	-804
Total impairment	-	-52	-	-95
Operating profit	238	-131	1,009	191
<i>Excl. items affecting comparability</i>	238	25	1,009	497
Operating margin, %	6.8	-3.5	7.4	1.3
<i>Excl. items affecting comparability</i>	6.8	0.7	7.4	3.3
Return on operating capital, %	-	-	15.1	2,4
Return on shareholders equity, %	-	-	15.9	0,0
Operating cash flow	-2	-81	670	-746
Earnings per share before dilution, SEK	0.87	-0.98	4.19	-0.01
Earnings per share after dilution, SEK	0.87	-0.98	4.18	-0.01
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	168,597	168,253
Number of shares after dilution at period end, thousands (1)	168,633	168,253	168,635	168,471
Average number of shares after dilution, thousands (1)	168,349	168,253	169,979	168,380
Equity/assets ratio, %	-	-	46	37
Debt/equity ratio, %	-	-	41	84
Net debt, closing balance, SEK m	-	-	2,014	3,980
Operating capital, closing balance, SEK m	-	-	6,937	8,695
Capital employed, closing balance, SEK m	-	-	7,361	9,037
Number of employees	-	-	6,052	6,123

(1) Excluding treasury shares

## Consolidated cash-flow statement

SEK m	Q4		Jan-Dec	
	2021	2022	2021	2022
<i>Operating activities</i>				
Operating profit	238	-131	1,009	191
Depreciation/Impairment	193	260	800 <sup>1</sup>	899 <sup>2</sup>
Adjustments for non-cash items	10	9	30	48
Tax paid	-105	-129	-182	-208
Change in working capital	194	389	-117	-11
<b>Cash flow from operating activities</b>	<b>530</b>	<b>398</b>	<b>1,540</b>	<b>919</b>
<i>Investing activities</i>				
Investments in intangible and tangible fixed assets	-534	-484	-892	-1,684
Other items in investing activities	2	5	22	19
Interest received	2	3	2	4
Change in interest-bearing assets	1	0	0	0
Acquisition of companies	-	-	-	-59
<b>Cash flow from investing activities</b>	<b>-529</b>	<b>-476</b>	<b>-868</b>	<b>-1,720</b>
<b>Total cashflow from operating and investing activities</b>	<b>1</b>	<b>-78</b>	<b>672</b>	<b>-801</b>
<i>Financing activities</i>				
Interest paid	-20	-45	-82	-125
Change in interest-bearing liabilities	76	45	-469 <sup>3</sup>	1,204 <sup>4</sup>
Repurchase of shares	-	-	-43	-
Dividend	-	-	-338	-421
<b>Cash flow from financing activities</b>	<b>56</b>	<b>0</b>	<b>-932</b>	<b>658</b>
<b>Cash flow for the period excluding exchange-rate differences in cash and cash equivalents</b>	<b>57</b>	<b>-78</b>	<b>-260</b>	<b>-143</b>
Cash and cash equivalents at beginning of the period	359	387	635	422
Cash flow for the period	57	-78	-260	-143
Exchange-rate differences in cash and cash equivalents	6	31	47	61
<b>Cash and cash equivalents at period-end</b>	<b>422</b>	<b>340</b>	<b>422</b>	<b>340</b>

SEK m	Q4		Jan-Dec	
	2021	2022	2021	2022
<b>Operating Cash flow *</b>				
Cash flow from operating activities	530	398	1,540	919
Investments in fixed assets	-534	-484	-892	-1,684
Other items in investing activities	2	5	22	19
<b>Operating cash flow before acquisition/divestment of operations, interest, change in interest-bearing assets</b>	<b>-2</b>	<b>-81</b>	<b>670</b>	<b>-746</b>

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

1) No impairments during the period.

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

3) Net of repayment and raising of loans amounted to SEK 114m. Amortisation of leasing amounted to SEK 493m.

4) 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	Q4		Jan-Dec	
	2021	2022	2021	2022
Opening balance, net debt	2,040	3,675	2,387	2,014
New leasing contracts/Closed leasing contracts in advance, net	17	196	19	353
Acquisition of operations	–	–	–	59
Translation differences	24	-13	81	41
Operating cash flow	2	87	-670	752
Interest paid, net	18	42	80	121
Remeasurements of defined benefit pension plans	-71	-18	-298	187
Other change in pension liabilities	-16	11	34	32
Treasury shares reissued	–	–	43	0
Dividend	–	–	338	421
<b>Closing balance, net debt</b>	<b>2,014</b>	<b>3,980</b>	<b>2,014</b>	<b>3,980</b>

## 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 2021 Annual Report. A description of new accounting policies in their entirety is provided in the 2021 Annual Report.

### Note 2 - References

Segment information pages 4, 5 and 6. Loan and shareholder's equity transactions, page 7.

Items affecting comparability, page 8. Net sales by product group, page 19.

### 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 44m (5) and liabilities at a value of SEK 13m (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 166m (124) during the fourth quarter of 2022, and SEK 593m (390) for full year 2022. The Parent Company's reported dividends from participations in Group companies totalled SEK 0m (0).

### Note 5 – Acquisition of operations

On January 14, 2022, Nobia acquired 100 percent of the share capital in Superfront, a Sweden-based company that designs and sells kitchens and storage such as doors, handles and legs directly to consumers. The acquisition has been reported through the application of the acquisition method. Superfront has built up a significant brand awareness since it was introduced in 2013, mainly through marketing in digital and social media, with a strong focus on design and sustainability. The products are sold almost exclusively online throughout Europe. Net sales in 2021 amounted to approximately SEK 65 million with an operating margin in excess of ten percent. Following the acquisition, Superfront had sales of SEK 62 million and the operating margin was lower full year 2022 compared with the full year 2021. Transaction costs for the acquisition amounted to SEK 2 million and are reported in the Group's operating profit. Additional purchase consideration consisting of two components, which are conditional on the development of the business for the financial years 2022, 2023 and 2024, can be paid in three annual instalments with the first payment in 2023. No payment of additional purchase consideration was made during fiscal year 2022. Nobia's assessment is that remaining additional purchase consideration to an estimated fair value of SEK 8 million will be paid. The acquisition analysis below is preliminary as the acquisition values at fair value have not been definitively determined.

<b>Net assets and goodwill acquired, SEK m</b>	<b>2021</b>	<b>2022</b>
Cash purchase price	-	72
Additional purchase price	-	8
Fair value of net assets acquired	-	-20
<b>Goodwill</b>	<b>-</b>	<b>60</b>

Goodwill is attributable to Superfront's underlying earnings, the expected growth of the company in the coming years, and to synergies that are expected to be achieved through coordination of, for example, purchasing and administration. Goodwill is not expected to be tax deductible. In fair value of acquired net asset years Intellectual property in the form of design to a net value of SEK 12m.

<b>Fair value of net assets acquired, SEK m</b>	<b>2021</b>	<b>2022</b>
Cash	-	13
Tangible fixed assets	-	1
Intangible fixed assets	-	16
Right of use assets, IFRS 16	-	3
Stock	-	4
Receivables	-	4
Liabilities, non interest bearing	-	-14
Lease liabilities, interest bearing	-	-3
Tax	-	-1
Net deferred tax	-	-3
<b>Fair value of net assets acquired</b>	<b>-</b>	<b>20</b>

<b>SEK m</b>	<b>2021</b>	<b>2022</b>
Cash statutory purchase price	-	72
Cash and cash equivalents in acquired subsidiary	-	13
<b>Reduction of Group's liquid assets upon acquisition</b>	<b>-</b>	<b>59</b>

## Parent Company

Parent Company income statement SEK m	Q4		Jan-Dec	
	2021	2022	2021	2022
Net sales	124	166	390	593
Administrative expenses	-161	-194	-517	-694
Other operating income	-1	1	1	2
<b>Operating profit/loss</b>	<b>-37</b>	<b>-29</b>	<b>-125</b>	<b>-99</b>
Financial items, net	54	110	653	990
<b>Profit/loss after financial items</b>	<b>17</b>	<b>81</b>	<b>528</b>	<b>891</b>
Group contribution received	180	-101	180	-101
Tax on profit/loss for the period	-1	41	-1	41
<b>Profit/loss for the period</b>	<b>195</b>	<b>21</b>	<b>707</b>	<b>831</b>

Parent Company balance sheet SEK m	31 Dec		31 Dec	
	2021	2022	2021	2022
Total fixed assets	1,572	1,760		
Total current assets	3,583	4,494		
<b>Total assets</b>	<b>5,155</b>	<b>6,254</b>		
<b>Total shareholders' equity</b>	<b>3,128</b>	<b>3,532</b>		
<b>Total long-term liabilities</b>	<b>40</b>	<b>50</b>		
Total current liabilities	1,988	2,672		
<b>Total shareholders' equity, provisions and liabilities</b>	<b>5,155</b>	<b>6,254</b>		

## Items affecting comparability

Items affecting comparability per function, SEK m	Q4		Jan-Dec	
	2021	2022	2021	2022
Items affecting profitability in gross profit	-	-20	-	-31
Items affecting profitability in operating profit	-	-156	-	-306
Items affecting profitability in taxes	-	32	-	63
<b>Items affecting profitability in profit after tax</b>	<b>-</b>	<b>-124</b>	<b>-</b>	<b>-243</b>
Items affecting comparability in gross profit per region, SEK m	Q4		Jan-Dec	
	2021	2022	2021	2022
Nordic	-	-20	-	-22
UK	-	-	-	-4
Portfolio Business Units	-	-	-	-
Group-wide and eliminations	-	-	-	-5
<b>Group</b>	<b>-</b>	<b>-20</b>	<b>-</b>	<b>-31</b>
Items affecting comparability in operating profit per region, SEK m	Q4		Jan-Dec	
	2021	2022	2021	2022
Nordic	-	-85	-	-91
UK	-	-	-	-115
Portfolio Business Units	-	-	-	-
Group-wide and eliminations	-	-71	-	-100
<b>Group</b>	<b>-</b>	<b>-156</b>	<b>-</b>	<b>-306</b>

## Comparative data per region\*

	Jan-Dec	
	2021	2022
<b>Net sales, SEK m</b>		
Nordic	7,396	8,030
UK	4,530	5,001
Portfolio Business Units	1,794	1,899
Group-wide and eliminations	-1	-1
<b>Group</b>	<b>13,719</b>	<b>14,929</b>
	Jan-Dec	
	2021	2022
<b>Gross profit, SEK m</b>		
Nordic	2,831	2,697
UK	1,851	2,102
Portfolio Business Units	526	518
Group-wide and eliminations	70	46
<b>Group</b>	<b>5,278</b>	<b>5,363</b>
	Jan-Dec	
	2021	2022
<b>Gross margin, %</b>		
Nordic	38,3	33,6
UK	40,9	42,0
Portfolio Business Units	29,3	27,3
<b>Group</b>	<b>38,5</b>	<b>35,9</b>
	Jan-Dec	
	2021	2022
<b>Operating profit, SEK m</b>		
Nordic	1,016	595
UK	41	-184
Portfolio Business Units	139	76
Group-wide and eliminations	-187	-296
<b>Group</b>	<b>1,009</b>	<b>191</b>
	Jan-Dec	
	2021	2022
<b>Operating profit excl IAC, SEK m</b>		
Nordic	1,016	686
UK	41	-69
Portfolio Business Units	139	76
Group-wide and eliminations	-187	-196
<b>Group</b>	<b>1,009</b>	<b>497</b>
	Jan-Dec	
	2021	2022
<b>Operating margin, %</b>		
Nordic	13,7	7,4
UK	0,9	-3,7
Portfolio Business Units	7,7	4,0
<b>Group</b>	<b>7,4</b>	<b>1,3</b>
	Jan-Dec	
	2021	2022
<b>Operating margin excl IAC, %</b>		
Nordic	13,7	8,5
UK	0,9	-1,4
Portfolio Business Units	7,7	4,0
<b>Group</b>	<b>7,4</b>	<b>3,3</b>

### \*Adjusted segment reporting

As of the first quarter 2022, the London-based operations Commodore and CIE have been transferred from the UK region to the Central Europe region. At the same time, the Central Europe region was renamed to "Portfolio Business Units".

Comparative numbers in this report have been restated to reflect the change.

## Quarterly data per region

	2021				2022			
<b>Net sales, SEK m</b>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	1,826	1,989	1,607	1,974	2,040	2,155	1,778	2,057
UK	1,092	1,168	1,186	1,084	1,279	1,286	1,240	1,196
Portfolio Business Units	455	465	423	451	460	450	462	527
Group-wide and eliminations	0	0	-1	0	0	-1	0	0
<b>Group</b>	<b>3,373</b>	<b>3,622</b>	<b>3,215</b>	<b>3,509</b>	<b>3,779</b>	<b>3,890</b>	<b>3,480</b>	<b>3,780</b>
	2021				2022			
<b>Gross profit, SEK m</b>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	720	795	590	726	737	767	561	632
UK	410	450	522	469	558	530	533	481
Portfolio Business Units	121	140	127	138	134	106	130	148
Group-wide and eliminations	31	27	30	-18	17	11	18	0
<b>Group</b>	<b>1,282</b>	<b>1,412</b>	<b>1,269</b>	<b>1,315</b>	<b>1,446</b>	<b>1,414</b>	<b>1,242</b>	<b>1,261</b>
	2021				2022			
<b>Gross margin, %</b>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	39.4	40.0	36.7	36.8	36.1	35.6	31.6	30.7
UK	37.5	38.5	44.0	43.3	43.6	41.2	43.0	40.2
Portfolio Business Units	26.6	30.1	30.0	30.6	29.1	23.6	28.1	28.1
<b>Group</b>	<b>38.0</b>	<b>39.0</b>	<b>39.5</b>	<b>37.5</b>	<b>38.3</b>	<b>36.3</b>	<b>35.7</b>	<b>33.4</b>
	2021				2022			
<b>Operating profit, SEK m</b>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	249	321	196	250	213	242	97	43
UK	-38	34	44	1	0	-101	-11	-72
Portfolio Business Units	28	39	31	41	20	9	20	27
Group-wide and eliminations	-43	-47	-43	-54	-51	-88	-28	-129
<b>Group</b>	<b>196</b>	<b>347</b>	<b>228</b>	<b>238</b>	<b>182</b>	<b>62</b>	<b>78</b>	<b>-131</b>
	2021				2022			
<b>Operating profit excl IAC, SEK m</b>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	249	321	196	250	213	248	97	128
UK	-38	34	44	1	0	14	-11	-72
Portfolio Business Units	28	39	31	41	20	9	20	27
Group-wide and eliminations	-43	-47	-43	-54	-51	-59	-28	-58
<b>Group</b>	<b>196</b>	<b>347</b>	<b>228</b>	<b>238</b>	<b>182</b>	<b>212</b>	<b>78</b>	<b>25</b>
	2021				2022			
<b>Operating margin, %</b>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	13.6	16.1	12.2	12.7	10.4	11.2	5.5	2.1
UK	-3.5	2.9	3.7	0.1	0.0	-7.9	-0.9	-6.0
Portfolio Business Units	6.2	8.4	7.3	9.1	4.3	2.0	4.3	5.1
<b>Group</b>	<b>5.8</b>	<b>9.6</b>	<b>7.1</b>	<b>6.8</b>	<b>4.8</b>	<b>1.6</b>	<b>2.2</b>	<b>-3.5</b>
	2021				2022			
<b>Operating margin excl IAC, %</b>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	13.6	16.1	12.2	12.7	10.4	11.5	5.5	6.2
UK	-3.5	2.9	3.7	0.1	0.0	1.1	-0.9	-6.0
Portfolio Business Units	6.2	8.4	7.3	9.1	4.3	2.0	4.3	5.1
<b>Group</b>	<b>5.8</b>	<b>9.6</b>	<b>7.1</b>	<b>6.8</b>	<b>4.8</b>	<b>5.4</b>	<b>2.2</b>	<b>0.7</b>

## Operating capital per region

	31 Dec	
	2021	2022
<b>Operating capital Nordic region, SEK m</b>		
Operating assets	3,049	3,463
Operating liabilities	1,794	2,051
<b>Operating capital</b>	<b>1,255</b>	<b>1,412</b>
	31 Dec	
	2021	2022
<b>Operating capital UK region, SEK m</b>		
Operating assets	3,241	3,559
Operating liabilities	928	995
<b>Operating capital</b>	<b>2,313</b>	<b>2,564</b>
	31 Dec	
	2021	2022
<b>Operating capital Portfolio Business Units, SEK m</b>		
Operating assets	850	967
Operating liabilities	291	324
<b>Operating capital</b>	<b>559</b>	<b>643</b>
	31 Dec	
	2021	2022
<b>Operating capital Group-wide and eliminations, SEK m</b>		
Operating assets	3,065	4,441
Operating liabilities	256	365
<b>Operating capital</b>	<b>2,809</b>	<b>4,076</b>
	31 Dec	
	2021	2022
<b>Operating capital, SEK m</b>		
Operating assets	10,205	12,430
Operating liabilities	3,268	3,735
<b>Operating capital</b>	<b>6,937</b>	<b>8,695</b>

## Comparative data by product group

Net sales <b>Nordic by product group, %</b>	Q4		Jan-Dec	
	2021	2022	2021	2022
Kitchen furnitures	69	72	69	71
Installation services	7	4	5	5
Other products	24	24	26	24
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Net sales <b>UK by product group, %</b>	Q4		Jan-Dec	
	2021	2022	2021	2022
Kitchen furnitures	61	65	63	65
Installation services	5	4	4	4
Other products	34	31	33	31
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Net sales <b>Portfolio Business Units by product group, %</b>	Q4		Jan-Dec	
	2021	2022	2021	2022
Kitchen furnitures	57	60	57	61
Installation services	10	9	10	9
Other products	33	31	33	30
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Net sales <b>Group by product group, %</b>	Q4		Jan-Dec	
	2021	2022	2021	2022
Kitchen furnitures	65	68	66	68
Installation services	7	5	5	5
Other products	28	27	29	27
<b>Total</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 22-23.

<b>Analysis of external net sales Nordic Region</b>		Q4	
	%	SEK m	
2021		1,974	
Organic growth	0	-15	
Currency effects	5	98	
<b>2022</b>	<b>4</b>	<b>2,057</b>	

<b>Analysis of external net sales UK Region</b>		Q4	
	%	SEK m	
2021		1,084	
Organic growth	5	54	
Currency effects	6	58	
<b>2022</b>	<b>10</b>	<b>1,196</b>	

<b>Analysis of external net sales Portfolio Business Units</b>		Q4	
	%	SEK m	
2021		451	
Organic growth	6	31	
Acquisition of companies	3	13	
Currency effects	33	32	
<b>2022</b>	<b>17</b>	<b>527</b>	

<b>Operating profit before depreciation and impairment (EBITDA), SEK m</b>	Q4		Jan-Dec	
	2021	2022	2021	2022
Operating profit	238	-131	1,009	191
Depreciation and impairment	193	260	800	899
<b>Operating profit before depreciation and impairment (EBITDA)</b>	<b>431</b>	<b>129</b>	<b>1,809</b>	<b>1,090</b>
Net Sales	3,509	3,780	13,719	14,929
<b>% of sales</b>	<b>12.3</b>	<b>3.4</b>	<b>13.2</b>	<b>7.3</b>

<b>Average equity, SEK m</b>	Jan-Dec		Jan-Dec	
	2021	2022	2021	2022
OB Equity attributable to Parent Company shareholders			4,034	4,923
CB Equity attributable to Parent Company shareholders			4,923	4,715
<b>Average equity</b>	<b>4,479</b>	<b>4,819</b>		

## Reconciliation of alternative performance measures (2)

	31 Dec 2021	31 Dec 2022
<b>Net debt, SEK m</b>		
Provisions for pensions (IB)	223	384
Other long-term liabilities, interest-bearing (IB)	1,844	3,599
Current liabilities, interest-bearing (IB)	371	339
<b>Interest-bearing liabilities</b>	<b>2,438</b>	<b>4,322</b>
Long-term receivables, interest -bearing (IB)	0	0
Current receivables, interest-bearing (IB)	2	2
Cash and cash equivalents (IB)	422	340
<b>Interest-bearing assets</b>	<b>424</b>	<b>342</b>
<b>Net debt</b>	<b>2,014</b>	<b>3,980</b>

	31 Dec 2021	31 Dec 2022
<b>Net debt excl. IFRS 16 Leases and pension provisions, SEK m</b>		
<b>Net debt</b>	<b>2,014</b>	<b>3,980</b>
Of which IFRS 16 Leases	1,815	1,757
Of which provisions for pensions	223	384
<b>Net debt excl. IFRS 16 Leases</b>	<b>199</b>	<b>2,223</b>
<b>Net debt excl. IFRS 16 Leases and provision for pensions</b>	<b>-24</b>	<b>1,839</b>

	31 Dec 2021	31 Dec 2022
<b>Operating capital, SEK m</b>		
<b>Total assets</b>	<b>10,629</b>	<b>12,772</b>
Other provisions	-46	-40
Deferred tax liabilities	-31	-60
Other long-term liabilities, non interest-bearing	0	-4
Current liabilities, non interest-bearing	-3,191	-3,631
<b>Non-interest-bearing liabilities</b>	<b>-3,268</b>	<b>-3,735</b>
<b>Capital employed</b>	<b>7,361</b>	<b>9,037</b>
Interest-bearing assets	-424	-342
<b>Operating capital</b>	<b>6,937</b>	<b>8,695</b>

	Jan-Dec 2021	Jan-Dec 2022
<b>Average operating capital, SEK m</b>		
OB Operating capital	6,421	6,937
CB Operating capital	6,937	8,695
<b>Average operating capital</b>	<b>6,679</b>	<b>7,816</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 financers 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 financers 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, February 9 at 10:00 CET in a webcast teleconference that can be followed on Nobia's website or on <https://edge.media-server.com/mmc/p/kh7fvo9y>

### ***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.event.com/register/B142ccc784e7514b2f8be47b2ddf2a8593>

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

April 27, Interim report January – March 2023.

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.

Nobia's Annual Report 2022 will be published during week 14.

*This year-end report is information such that Nobia is obliged to make public pursuant to the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact person set out above, on 9 February 2023 at 08:30 CET.*