



Interim Report

Third quarter 2023

January - September

Third quarter summary

- Net sales declined to SEK 3,101m (3,480).
- On an organic basis, sales declined by -18% (4).
- Operating profit amounted to SEK 132m (78).
- Operating profit excl. items affecting comparability (IAC) was SEK 51m (78).
- IAC amounted to SEK 81m and mainly refer to a capital gain from sale of the Dewsbury factory (SEK 112m) and factory transition cost in the Nordic region (SEK -27m).
- The decline in operating profit, excl. IAC, was largely due to the sales volume decline, which is estimated to be in line with market development.
- The operating margin amounted to 4.3% (2.2). Excl. items affecting comparability, the operating margin amounted to 1.6% (2.2).
- Profit after tax amounted to SEK 40m (19) corresponding to earnings per share after dilution of SEK 0.24 (0.11).
- Operating cash flow amounted to SEK -305m (-530).

	Q3			Jan-Sep			Jan-Dec	12 mos
	2022	2023	Δ%	2022	2023	Δ%	2022	rolling
Net sales, SEK m	3,480	3,101	-11	11,149	10,323	-7	14,929	14,103
Gross margin, %	35.7	35.8	-	36.8	34.6	-	35.9	34.3
<i>Gross margin excl. IAC, %</i>	<i>35.8</i>	<i>35.8</i>	<i>-</i>	<i>36.9</i>	<i>35.7</i>	<i>-</i>	<i>36.1</i>	<i>35.2</i>
Operating margin before depr./imp. (EBITDA), %	7.8	10.8	-	8.6	5.9	-	7.3	5.2
Operating profit (EBIT), SEK m	78	132	69	322	-24	n.a.	191	-155
<i>Operating profit (EBIT), excl IAC, SEK m</i>	<i>78</i>	<i>51</i>	<i>-35</i>	<i>472</i>	<i>215</i>	<i>-54</i>	<i>497</i>	<i>240</i>
Operating margin, %	2.2	4.3	-	2.9	-0.2	-	1.3	-1.1
<i>Operating margin excl IAC, %</i>	<i>2.2</i>	<i>1.6</i>	<i>-</i>	<i>4.2</i>	<i>2.1</i>	<i>-</i>	<i>3.3</i>	<i>1.7</i>
Profit after financial items, SEK m	31	50	61	214	-218	n.a.	30	-402
Profit after tax, SEK m	19	40	n.a.	164	-173	n.a.	-2	-339
<i>Profit/loss after tax, excl IAC, SEK m</i>	<i>19</i>	<i>-24</i>	<i>n.a.</i>	<i>283</i>	<i>17</i>	<i>-94</i>	<i>241</i>	<i>-25</i>
Earnings per share, before dilution, SEK	0.11	0.24	118	0.97	-1.03	n.a.	-0.01	-2.01
<i>Earnings per share, before dilution excl IAC, SEK</i>	<i>0.11</i>	<i>-0.14</i>	<i>-227</i>	<i>1.68</i>	<i>0.10</i>	<i>-94</i>	<i>1.43</i>	<i>-0.15</i>
Earnings per share, after dilution, SEK	0.11	0.24	118	0.97	-1.03	n.a.	-0.01	-2.01
<i>Earnings per share, after dilution exkl IAC, SEK</i>	<i>0.11</i>	<i>-0.14</i>	<i>-227</i>	<i>1.68</i>	<i>0.10</i>	<i>94</i>	<i>1.43</i>	<i>-0.15</i>
Operating cash flow, SEK m	-530	-305	42	-665	-621	-7	-746	-702

CEO comment

Nobia delivers a profitable third quarter despite a weak market, meeting the macro headwind with cost reductions and taking steps to strengthen the financial position. In this environment it is important to remember that the kitchen market has had and will return to good growth long term, and that Nobia has a very strong position in this market.

Group net sales decreased 18 percent on an organic basis, compared to the same quarter last year. The decline, however, reflects the market development and can thus be attributed to the macroeconomic situation. Both the consumer and project segments have been impacted, with a more pronounced effect for consumer sales. Despite the significant decline, our operating profit was similar to last year's.

Operationally, there are several positive developments to note. Firstly, we have decreased selling and administrative expenses in comparable currencies by SEK 140m in the quarter, whereof SEK 90m is related to the previously announced restructuring program. Year-to-date, the program has delivered cost savings of SEK 194m. At full effect in the second quarter 2024 the restructuring program will deliver annualized cost reductions of approximately SEK 350m. Furthermore, the cost of our input materials is starting to decrease slightly. Additionally, our manufacturing facility in Jönköping remains on track. We are already producing kitchen components there for assembly in the Tidaholm facility as well as starting the first flat-pack kitchen deliveries to customers. By the end of next year, we will have the full capability for kitchen manufacturing and order consolidation for complete kitchen orders.

Group operating profit for the quarter was SEK 51m (78), excluding items affecting comparability. The gross margin remains at a level similar to the previous year, despite the volume decline. Operating profit was supported by the above mentioned cost savings, which however was offset by the negative impact of the lower volumes. The operating cash flow was positive when excluding the temporarily elevated investment level due to the factory investment.

The Nordic region's operating profit was on par with the previous year and the margins were higher, despite the sales decline and unfavourable currency



impact. The higher margins were partly due to the supply chain inefficiencies from last year having been addressed, as well as cost savings.

The UK's performance has slightly decreased due to the substantial market downturn. Gross margin was positively impacted by our shift towards increased focus on the mass premium products and costs are being reduced following the restructuring program. During the quarter we announced the completion of the sale of the Dewsbury factory, which follows our earlier announcement to reposition and restructure the UK operations.

We pursue with a sale and leaseback of the Jönköping factory as a prioritized activity. The main manufacturing building will be granted a formal approval of completion in November. We are in parallel reviewing other strategic options for strengthening our balance sheet including, but not limited to, sale and leaseback transactions.

In summary, we recognize the challenges posed by the current market uncertainties affecting the demand for kitchens. Nonetheless, we know that, over time, the kitchen market is categorized by solid long-term growth. Nobia will be ready to capitalize on the delayed and new demand when it rebounds.

I cannot overstate the immense value of the hard work and dedication exhibited by all our employees.

Jon Sintorn
President and CEO

Third quarter consolidated

Market overview

All kitchen markets remain subdued by the challenging macroeconomic situation following a period of high inflation, continuously increasing interest rates and lower construction activity. As a consequence, consumers are postponing purchasing of capital goods including kitchens and demand from project customers is declining due to the decreasing housing construction activity, such as fewer housing construction starts, and an uncertain outlook. In general, the demand for kitchens, both from regular consumers and project customers, is lower now compared to a year ago.

Net sales, earnings and cash flow

The Group's net sales decreased to SEK 3,101m (3,480) with organic decline of -18% (4). The Nordic region declined organically by -21% (7), the UK region by -18% (1), and Portfolio Business Units by -3% (1).

The gross margin for the Group remained stable at 35.8% (35.7) and gross profit was SEK 1,109m (1,242). Operating profit amounted to SEK 132m (78). Excluding items affecting comparability amounting to SEK 81m (referring to a capital gain on the sale of the factory in Dewsbury of SEK 112m and factory transition cost in the Nordic region of SEK -27m), operating profit was SEK 51m (78). Price increases and restructuring savings had a positive impact. However, this was offset by the adverse effects of significantly lower sales volumes and unfavourable mix development, primarily attributed to the unfavourable market conditions. Restructuring savings were SEK 90m. Changes in exchange rates negatively impacted operating profit by approximately SEK -15m.

Operating cash flow amounted to SEK -305m (-530). Cash flow from operating activities was better mainly due to change in working capital. Investments in fixed assets, of which the majority relates to the construction of the factory in Jönköping, were slightly higher. Net debt excl. IFRS16 leases and pensions amounted to SEK 3,039m (1,594).

Analysis of net sales

	Q3	
	Δ%	SEK m
2022		3,480
Organic growth	-18	-665
-of which Nordic region	-21	-403
-of which UK region	-18	-248
-of which Portfolio BUs	-3	-14
Currency effects	7	286
2023	-11	3,101

Currency effect on operating profit

SEK m	Q3		
	Translati- on effect	Transacti- on effect	Total
Nordic region	10	-25	-15
UK region	0	0	0
Portfolio BUs	0	0	0
Group	10	-25	-15

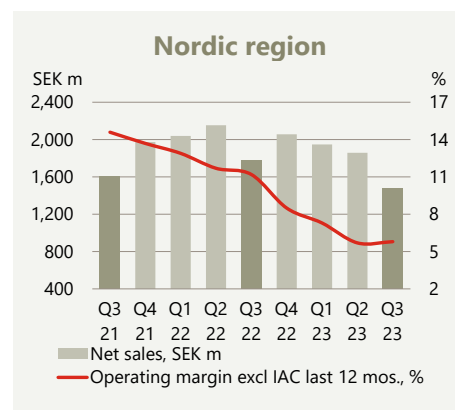
SEK m	Nordic		UK		Portfolio BUs		Group cost and eliminations		Group		Δ%
	Q3		Q3		Q3		Q3		Q3		
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	
Net sales	1,778	1,480	1,240	1,126	462	496	0	-1	3,480	3,101	-11
Gross profit	561	485	533	472	130	134	18	18	1,242	1,109	-11
<i>Gross profit excl. IAC</i>	<i>562</i>	<i>485</i>	<i>535</i>	<i>473</i>	<i>130</i>	<i>135</i>	<i>18</i>	<i>18</i>	<i>1,245</i>	<i>1,111</i>	-11
Gross margin, %	31.6	32.8	43.0	41.9	28.1	27.0	-	-	35.7	35.8	-
<i>Gross margin excl. IAC, %</i>	<i>31.6</i>	<i>32.8</i>	<i>43.1</i>	<i>42.0</i>	<i>28.1</i>	<i>27.2</i>	-	-	<i>35.8</i>	<i>35.8</i>	-
Operating profit	97	66	-11	80	20	20	-28	-34	78	132	69
<i>Operating profit excl. IAC, SEK m</i>	<i>97</i>	<i>93</i>	<i>-11</i>	<i>-28</i>	<i>20</i>	<i>20</i>	<i>-28</i>	<i>-34</i>	<i>78</i>	<i>51</i>	-35
Operating margin, %	5.5	4.5	-0.9	7.1	4.3	4.0	-	-	2.2	4.3	-
<i>Operating margin excl. IAC, %</i>	<i>5.5</i>	<i>6.3</i>	<i>-0.9</i>	<i>-2.5</i>	<i>4.3</i>	<i>4.0</i>	-	-	<i>2.2</i>	<i>1.6</i>	-

Third quarter, the regions

Nordic region

Net sales in the Nordic region decreased to SEK 1,480m (1,778). Sales declined by -21% (7) on an organic basis, with declines in all customer segments.

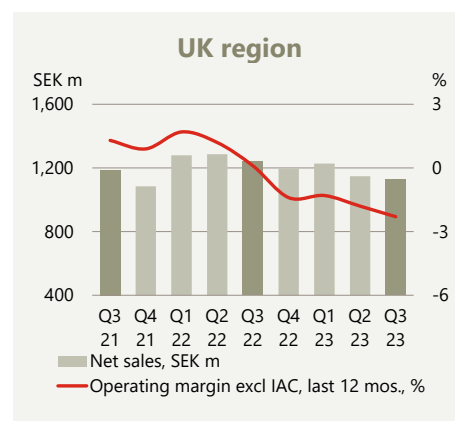
The gross margin improved to 32.8% (31.6) while gross profit declined to SEK 485m (561). Operating profit decreased to SEK 66m (97), and the corresponding margin declined to 4.5% (5.5). Excl. items affecting comparability related to factory transition cost of SEK -27m, operating profit was SEK 93m (97) and the operating margin rose to 6.3% (5.5). Price increases continued to have good effect, and selling and administrative expenses were lower. This was however offset mainly by the large volume decline and unfavourable mix impact on the back of a decrease of higher margin consumer sales. Changes in exchange rates impacted operating profit negatively with SEK -15m.



UK region

Net sales in the UK region decreased to SEK 1,126m (1,240). Sales declined by -18% (1) on an organic basis, mainly as a result of the lower demand. The ongoing exit of certain unprofitable parts of the project business also impacted.

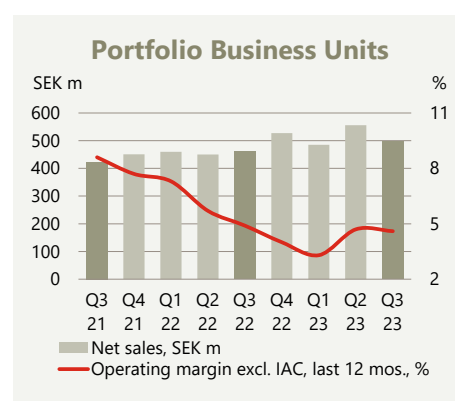
The gross margin amounted to 42.0% (43.1). Operating profit increased to SEK 80m (-11) due to a capital gain on the sale of the Dewsbury factory amounting to SEK 112m, which is recorded as an item affecting comparability. Excluding this item, operating profit decreased to SEK -28m (-11). The corresponding operating margin amounted to -2.5% (-0.9). Operating profit was supported by impact from price increases and reduced headcount as well as lower expenses following the implemented restructuring measures. The restructuring measures realized savings of SEK 59m. This was however offset mainly by negative effects from the substantially lower sales volume. Changes in exchange rates had a neutral impact on operating profit.



Portfolio Business Units

Net sales increased to SEK 496m (462). Sales declined -3% (1) on an organic basis. Sales in the Netherlands and Commodore & CIE in the UK had a positive development while Austria reported lower sales.

The gross margin decreased to 27.0% (28.1). Operating profit remained at SEK 20m (20), and the operating margin was 4.0% (4.3). Netherlands reported higher operating profit while Austria's was somewhat lower, impacted by the weaker market. The small loss in Commodore & CIE was unchanged. Changes in exchange rates had a neutral impact on operating profit.



January – September 2023, consolidated

- Net sales for the first nine months totalled SEK 10,323m (11,149).
- Sales declined by -12% (4) on an organic basis.
- Operating profit amounted to SEK -24m (322).
- Operating profit excl. items affecting comparability amounted to SEK 215m (472), corresponding to an operating margin of 2.1% (4.2).
- Items affecting comparability, net, amounted to SEK -239m (-150).
- Profit after tax amounted to SEK -173m (164), corresponding to earnings per share after dilution of -1.03 SEK (0.97).
- Operating cash flow was SEK -621m (-665).

Net sales, earnings and cash flow

The Group's net sales decreased to SEK 10,323m (11,149) with organic decline of -12% (4). The Nordic region declined organically by -15% (7), the UK region by -13% (4), while Portfolio Business Units grew organically by 4% (-5).

The gross margin decreased to 34.6% (36.8) and gross profit was SEK 3,572m (4,102). Operating profit amounted to SEK -24m (322). Operating profit, excluding items affecting comparability, amounted to SEK 215m (472), corresponding to a margin of 2.1% (4.2). Items affecting comparability mainly referring to restructuring costs and a capital gain from the sale of the Dewsbury factory in the UK amounted to -239m (-150), see page 15 for details.

Implemented price increases continued to have good effect and selling and administrative expenses were reduced. The volume decline had a considerable negative effect, resulting in a lower operating profit. Restructuring measures contributed with SEK 194m in savings. Changes in exchange rates negatively impacted operating profit by SEK -50m.

Operating cash flow for the first nine months amounted to SEK -621m (-665). A favourable development for cash flow from working capital was offset by the lower operating profit. Cashflow from investing activities remained on a high level primarily related to the ongoing construction of the factory in Jönköping.

Analysis of net sales

	Jan-Sep	
	Δ%	SEK m
2022		11,149
Organic growth	-12	-1,421
-of which Nordic region	-15	-939
-of which UK region	-13	-535
-of which Portfolio BUs	4	53
Currency effects	5	595
2023	-7	10,323

Currency effect on operating profit

SEK m	Jan-Sep		
	Translati- on effect	Transacti- on effect	Total
Nordic region	35	-60	-25
UK region	-5	-25	-30
Portfolio BUs	5	0	5
Group	35	-85	-50

SEK m	Nordic		UK		Portfolio BUs		Group cost and eliminations		Group		Δ%
	Jan-Sep		Jan-Sep		Jan-Sep		Jan-Sep		Jan-Sep		
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	
Net sales	5,973	5,286	3,805	3,501	1,372	1,537	-1	-1	11,149	10,323	-7
Gross profit	2,065	1,664	1,621	1,432	370	421	46	55	4,102	3,572	-13
<i>Gross profit excl. IAC</i>	<i>2,067</i>	<i>1,700</i>	<i>1,625</i>	<i>1,491</i>	<i>370</i>	<i>442</i>	<i>51</i>	<i>55</i>	<i>4,113</i>	<i>3,688</i>	-10
Gross margin, %	34.6	31.5	42.6	40.9	27.0	27.4	-	-	36.8	34.6	-
<i>Gross margin excl. IAC, %</i>	<i>34.6</i>	<i>32.2</i>	<i>42.7</i>	<i>42.6</i>	<i>27.0</i>	<i>28.8</i>	<i>-</i>	<i>-</i>	<i>36.9</i>	<i>35.7</i>	<i>-</i>
Operating profit	552	164	-112	-99	49	31	-167	-120	322	-24	-107
<i>Operating profit excl. IAC, SEK m</i>	<i>558</i>	<i>300</i>	<i>3</i>	<i>-34</i>	<i>49</i>	<i>68</i>	<i>-138</i>	<i>-119</i>	<i>472</i>	<i>215</i>	<i>-54</i>
Operating margin, %	9.2	3.1	-2.9	-2.8	3.6	2.0	-	-	2.9	-0.2	-
<i>Operating margin excl. IAC, %</i>	<i>9.3</i>	<i>5.7</i>	<i>0.1</i>	<i>-1.0</i>	<i>3.6</i>	<i>4.4</i>	<i>-</i>	<i>-</i>	<i>4.2</i>	<i>2.1</i>	<i>-</i>
Net financial items									-108	-194	-80
Profit after financial items									214	-218	-202

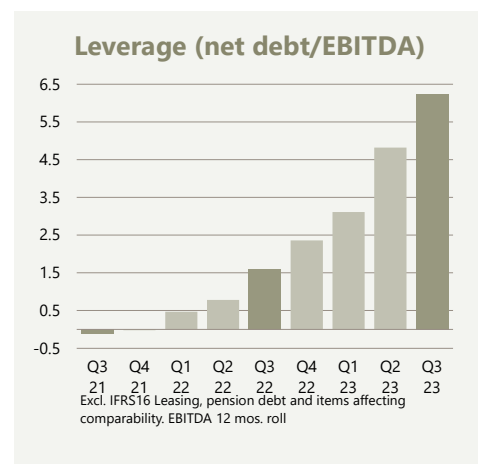
Other information

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 December 2025. The general terms and conditions, primarily related to covenants, for the financing facilities were re-negotiated during the second quarter. At end of September 2023, SEK 3,400m (2,000) of the facilities had been utilised. Group cash and cash equivalents at the end of September 2023 amounted to SEK 330m (387).

Net debt excluding IFRS 16 lease liabilities and pensions amounted to SEK 3,039m (1,594). IFRS 16 lease liabilities amounted to SEK 1,688m (1,679) and pension provisions amounted to SEK 410 (405). The net debt/equity ratio, excluding IFRS 16 lease liabilities and pensions, was 65% (33). Leverage, (net debt/EBITDA, excluding IFRS 16 leases, pensions and items affecting comparability on 12 months rolling basis) was 6.24 times (1.61). The fact that the economic downturn coincides with the Group's planned high investment level has resulted in an increasing leverage. As previously communicated the Group continues to explore different strategic options including, but not limited to, sale and leaseback transactions for strengthening the balance sheet.

Net financial items amounted to SEK -194m (-112) for the first nine months, of which net of returns on pension assets and interest expense on pension liabilities was SEK -11m (-10), interest on leases was SEK -37m (-26) and other net interest expense was SEK -146m (-72).



Construction of the new factory in Jönköping

Installation and testing of production machines continue to run according to plan. The first commercial manufacturing of kitchen components has started, and the volume is gradually increasing. Machinery installations will continue during the year until the factory has full manufacturing capability of complete kitchens towards the end of 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. Up until the end of September 2023, a total of approximately SEK 2.5bn has been invested in the new factory.

Divestment of the factory in Dewsbury completed

The divestment of Nobia's factory in Dewsbury, a part of the consolidation of the manufacturing footprint in the UK, was completed in September 2023. The sales price was GBP 13.6 million, equivalent to approximately SEK 177m, as an all-cash transaction. Earlier in the year, it was announced to reposition part of the UK business to enhance margin performance. As part of this initiative, some unprofitable businesses are being exited, and manufacturing operations are being consolidated. Consequently, the production site in Dewsbury was closed and now divested. The sale resulted in a capital gain of SEK 112m, which is recognized in the income statement as other income.

Cost reduction programme

All initiatives in the programme are running according to plan and delivering expected savings. As of September 30, 2023, approximately SEK 194m of savings had been realized year-to-date.

In January 2023, Nobia announced a cost reduction program. Cost savings will be realized gradually, reaching full annualized effect of around SEK 350m in the second quarter of 2024. The programme involves repositioning the UK project business, including consolidation of the manufacturing footprint whereby two factories will be closed, flattening of the central UK organisation and exiting select parts of the project business that has insufficient profitability. Furthermore, certain functions in the Nordic region and at Group level have been reduced in size. The first quarter 2023 includes costs of SEK 298m related to the programme, recorded as items affecting comparability. Approximately SEK 85m of the items affecting comparability refers to non-cash items. A total of around 500 employees were affected by the programme.

Items affecting comparability

The third quarter 2023 includes items affecting comparability of SEK 81m (0). The items refer to factory transition cost related to the new factory that is being built in Jönköping amounting to SEK -27m, and a capital gain from the sale of the factory in Dewsbury, UK amounting to SEK 112m. The first quarter 2023 included items affecting comparability related to costs for the ongoing restructuring program amounting to SEK 298m (150) and the second quarter had items affecting comparability of SEK 22m. Items affecting comparability are specified on page 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 or other macroeconomic disturbances may, directly or indirectly, affect the Group negatively both in terms of revenues and profitability. For a more detailed description of Nobia's risks and uncertainties, as well as risk management, refer to the 2022 Annual Report.

The macroeconomic turbulence in the global markets is and continues to affect the Group's market environment. Increased inflation in the form of increased direct material prices, energy cost as well as transport, have resulted in higher production costs. Rising inflation and higher interest rates have had and continues to have a short-term negative impact on market demand.

Cost reduction activities are being implemented, manufacturing capacity has been adapted and the Group is continuously assessing if further measures need to be taken given the market development. Taking into account the high level of investments to complete the new factory in Jönköping by 2024, the Group is closely monitoring its financing situation.

Report of Review of Interim Financial Information

Nobia AB (publ). Corporate Registration no. 556528-2752

Introduction

We have reviewed the condensed interim financial information (interim report) of Nobia AB (publ.) as of 30 September 2023 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 2 November 2023
PricewaterhouseCoopers AB

Anna Rosendal
Authorized Public Accountant
Auditor-in-Charge

Eric Valfridsson
Authorized Public Accountant

Consolidated income statement

SEK m	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Net sales	3,480	3,101	11,149	10,323	14,929
Cost of goods sold	-2,238	-1,992	-7,047	-6,751	-9,566
Gross profit	1,242	1,109	4,102	3,572	5,363
Selling and administrative expenses*	-1,202	-1,141	-3,876	-3,850	-5,317
Other income/expenses*	38	164	96	254	145
Operating profit	78	132	322	-24	191
Net financial items	-47	-82	-108	-194	-161
Profit after financial items	31	50	214	-218	30
Tax	-12	-10	-50	45	-32
Profit after tax	19	40	164	-173	-2
Total profit attributable to:					
Parent Company shareholders	19	40	164	-173	-2
Earnings per share before dilution, SEK	0,11	0,24	0,97	-1,03	-0,01
Earnings per share after dilution, SEK	0,11	0,24	0,97	-1,03	-0,01

Consolidated statement of comprehensive income

SEK m	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Profit after tax	19	40	164	-173	-2
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Exchange-rate differences attributable to translation of foreign operations	67	-133	238	196	329
Cash flow hedges before tax (1)	5	-65	36	-33	39
Tax attributable to change in hedging reserve for the period (2)	-1	14	-8	6	-7
	71	-184	266	169	361
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit pension plans	-318	-44	-205	-54	-187
Tax relating to remeasurements of defined benefit pension plans	79	7	49	6	46
	-239	-37	-156	-48	-141
Other comprehensive income	-168	-221	110	121	220
Total comprehensive income	-149	-181	274	-52	218
Total comprehensive income attributable to:					
Parent Company shareholders	-149	-181	274	-52	218

(1) Reversal recognised in profit and loss amounts to a SEK 19m (4).
New provision amounts to SEK -9m (33). (Jan-Dec 2022; 25).

(2) Reversal recognised in profit and loss amounts to a SEK -4m (-1).
New provision amounts to SEK 2m (-7). (Jan-Dec 2022; -5).

Consolidated balance sheet

SEK m	30 Sep 2022	30 Sep 2023	31 Dec 2022
ASSETS			
Goodwill	3,187	3,366	3,232
Other intangible fixed assets	390	524	418
Tangible fixed assets	2,786	3,983	3,131
Right-of-use assets	1,732	1,748	1,826
Long-term receivables, interest-bearing (IB)	0	0	0
Long-term receivables	85	85	86
Deferred tax assets	137	378	240
Total fixed assets	8,317	10,084	8,933
Inventories	1,516	1,347	1,478
Accounts receivable	1,791	1,505	1,495
Current receivables, interest-bearing (IB)	1	8	2
Other receivables	598	852	524
<i>Total current receivables</i>	<i>2,390</i>	<i>3,712</i>	<i>2,021</i>
Cash and cash equivalents (IB)	387	330	340
Total current assets	4,293	4,042	3,839
Total assets	12,610	14,126	12,772
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	57	57	57
Other capital contributions	1,460	1,461	1,460
Reserves	252	516	347
Profit brought forward	3,002	2,630	2,851
Total shareholders' equity attributable to Parent Company shareholders	4,771	4,664	4,715
Total shareholders' equity	4,771	4,664	4,715
Provisions for pensions (IB)	405	410	384
Other provisions	29	26	40
Deferred tax liabilities	73	64	60
Lease liabilities, interest-bearing (IB)	1,353	1,361	1,418
Other long-term liabilities, interest-bearing (IB)	1,982	3,377	2,181
Other long-term liabilities, non interest-bearing	8	4	4
Total long-term liabilities	3,850	5,242	4,087
Current lease liabilities, interest-bearing (IB)	323	327	339
Accounts payable	2,070	2,185	2,038
Current liabilities and provisions	1,596	1,708	1,593
Total current liabilities	3,989	4,220	3,970
Total shareholders' equity and liabilities	12,610	14,126	12,772

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	
SEK m						
Opening balance, 1 Jan 2022	57	1,465	-10	-4	3,415	4,923
Profit for the period	-	-	-	-	164	164
Other comprehensive income for the period	-	-	238	28	-156	110
Total comprehensive income for the period	-	-	238	28	8	274
Dividend	-	-	-	-	-421	-421
Allocation of share saving schemes	-	-5	-	-	-	-5
Closing balance, 30 Sep 2022	57	1,460	228	24	3,002	4,771
Opening balance, 1 Jan 2023	57	1,460	319	28	2,851	4,715
Profit for the period	-	-	-	-	-173	-173
Other comprehensive income/loss for the period	-	-	196	-27	-48	121
Total comprehensive income for the period	-	-	196	-27	-221	-52
Allocation of performance share plan	-	1	-	-	-	1
Closing balance, 30 Sep 2023	57	1,461	515	1	2,630	4,664

Number of Treasury shares: 2,040,637.

Key ratios, Group

SEK m	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Gross profit	1,242	1,109	4,102	3,572	5,363
Gross margin, %	35.7	35.8	36.8	34.6	35.9
EBITDA	272	336	961	609	1,090
EBITDA, %	7.8	10.8	8.6	5.9	7.3
Total depreciation	-193	-203	-596	-598	-804
Total impairment	-1	-1	-43	-35	-95
Operating profit	78	132	322	-24	191
<i>Excl. items affecting comparability</i>	<i>78</i>	<i>51</i>	<i>472</i>	<i>215</i>	<i>497</i>
Operating margin, %	2.2	4.3	2.9	-0.2	1.3
<i>Excl. items affecting comparability</i>	<i>2.2</i>	<i>1.6</i>	<i>4.2</i>	<i>2.1</i>	<i>3.3</i>
Return on operating capital, %	-	-	-	-	2.4
Return on shareholders equity, %	-	-	-	-	0,0
Operating cash flow	-530	-305	-665	-621	-746
Earnings per share before dilution, SEK	0,11	0,24	0,97	-1,03	-0,01
Earnings per share after dilution, SEK	0,11	0,24	0,97	-1,03	-0,01
Number of shares at period end before dilution, thousands (1)	168,253	168,253	168,253	168,253	168,253
Average number of shares before dilution, thousands (1)	168,253	168,253	168,253	168,253	168,253
Number of shares after dilution at period end, thousands (1)	168,253	168,253	168,474	168,253	168,471
Average number of shares after dilution, thousands (1)	168,253	168,253	168,277	168,253	168,380
Equity/assets ratio, %	-	-	38	33	37
Debt/equity ratio, %	-	-	77	110	84
Net debt, closing balance, SEK m	-	-	3,675	5,137	3,980
Operating capital, closing balance, SEK m	-	-	8,446	9,801	8,695
Capital employed, closing balance, SEK m	-	-	8,834	10,139	9,037
Number of employees	-	-	6,199	5,430	6,123

(1) Excluding treasury shares

Consolidated cash-flow statement

SEK m	Q3		Jan-Sep	Jan-Sep	Jan-Dec
	2022	2023	2022	2023	2022
Operating activities					
Operating profit	78	131	322	-24	191
Depreciation/Impairment	193	204	639 ¹	633 ²	899 ³
Adjustments for non-cash items	10	-5	39	15	48
Tax paid	-3	-10	-79	-102	-208
Change in working capital	-409	-143	-400	55	-11
Cash flow from operating activities	-131	177	521	577	919
Investing activities					
Investments in intangible and tangible fixed assets	-405	-484	-1,200	-1,208	-1,684
Other items in investing activities	6	2	14	10	19
Interest received	0	2	1	3	4
Change in interest-bearing assets	0	-7	0	-5	0
Acquisition of companies	-	-	-59	0	-59
Cash flow from investing activities	-399	-487	-1,244	-1,200	-1,720
Total cashflow from operating and investing activities	-530	-310	-723	-623	-801
Financing activities					
Interest paid	-43	-72	-80	-172	-125
Change in interest-bearing liabilities	50	52	1,159 ⁴	777 ⁵	1,204 ⁶
Dividend	-	-	-421	0	-421
Cash flow from financing activities	7	-20	658	605	658
Cash flow for the period excluding exchange-rate differences in cash and cash equivalents	-523	-330	-65	-18	-143
Cash and cash equivalents at beginning of the period	905	667	422	340	422
Cash flow for the period	-523	-330	-65	-18	-143
Exchange-rate differences in cash and cash equivalents	5	-7	30	8	61
Cash and cash equivalents at period-end	387	330	387	330	340

Operating Cash flow * SEK m	Q3		Jan-Sep	Jan-Sep	Jan-dec
	2022	2023	2022	2023	2022
Cash flow from operating activities	-131	177	521	577	919
Investments in fixed assets	-405	-484	-1,200	-1,208	-1,684
Other items in investing activities	6	2	14	10	19
Operating cash flow before acquisition/divestment of operations, interest, change in interest-bearing assets	-530	-305	-665	-621	-746

* Alternative Performance Measure, refer to "Definitions".

1) Impairments during the period amounted to 43 MSEK and pertained to other intangible assets.

2) Impairments during the period amounted to SEK 35m and pertained to other intangible assets SEK 16m and machinery and equipment SEK 19m.

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

4) Net of repayment and raising of loans amounted to SEK 1 600m. Amortisation of leasing amounted to SEK 377m.

5) Net of repayment and raising of loans amounted to SEK 1200m. Amortisation of leasing amounted to SEK 364m.

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

Analysis of net debt

SEK m	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Opening balance, net debt	2,668	4,606	2,014	3,980	2,014
New leasing contracts/Closed leasing contracts in advance, net	91	147	157	221	353
Acquisition of operations	-	-	59	-	59
Translation differences	19	-41	54	78	41
Operating cash flow	530	305	665	621	752
Interest paid, net	43	70	79	169	121
Remeasurements of defined benefit pension plans	318	44	205	54	187
Other change in pension liabilities	6	6	21	14	32
Treasury shares reissued	-	-	-	-	-
Dividend	-	-	421	-	421
Closing balance, net debt	3,675	5,137	3,675	5,137	3,980

Notes

Note 1 - Accounting policies

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

Note 2 - References

Segment information pages 4 and 5. Loan and shareholder's equity transactions, page 7. Items affecting comparability, page 15. Net sales by product group, page 16.

Note 3 - Financial instruments - fair value

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

Financial instruments measured at fair value in the balance sheet are currency forward contracts comprised of assets at a value of SEK 25m (58) and liabilities at a value of SEK -29m (0). 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 121m (192) during the third quarter of 2023. The Parent Company's dividends from participations in Group companies totalled SEK 0m (0).

Note 5 – Goodwill

Goodwill is the difference between the acquisition value and the group's share of the fair value of an acquired subsidiary's identifiable assets and liabilities on the acquisition date. At the time of acquisition, goodwill is reported at acquisition value and after the first accounting event it is valued at acquisition value. At each closing date, the company makes an assessment if there is any indication that the value of goodwill is lower than the reported value. If there is such an indication, the company calculates the recovery value for goodwill and prepares an impairment test. As stated in the annual report for 2022, the cash generating unit (CGU) Region UK is sensitive to high interest rates or a market decline. Nobia notes that the effects of the cost saving program initiated in 2022 and the

beginning of 2023 is running according to plan, and that the choice to exit certain unprofitable project segment business has contributed positively. Consequently, this means that management assesses there is no need for goodwill write-downs. The assessment is updated continuously and in case of so-called "triggering events". It is not precluded that reasonable changes in key assumptions could lead to an impairment.

Parent Company

Parent Company income statement SEK m	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Net sales	192	121	427	341	593
Administrative expenses	-178	-127	-500	-417	-694
Other operating income	2	0	3	0	2
Operating profit/loss	16	-6	-70	-76	-99
Financial items, net	59	-109	880	81	990
Profit/loss after financial items	75	-115	810	5	891
Group contribution received	-	-	-	-	-101
Tax on profit/loss for the period	-	-	-	-	41
Profit/loss for the period	75	-115	810	5	831

Parent Company balance sheet SEK m	30 Sep	30 Sep	31 Dec
	2022	2023	2022
Total fixed assets	1,653	1,856	1,760
Total current assets	4,490	4,101	4,494
Total assets	6,143	5,957	6,254
Total shareholders' equity	3,510	3,537	3,532
Total long-term liabilities	35	49	50
Total current liabilities	2,598	2,371	2,672
Total shareholders' equity, provisions and liabilities	6,143	5,957	6,254

Items affecting comparability

Items affecting comparability per function, SEK m	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
In gross profit	-3	-2	-11	-116	-31
In operating profit	-	81	-150	-239	-306
In taxes	-	-17	31	49	63
In profit after tax	0	64	-119	-190	-243

Items affecting comparability in gross profit per region, SEK m	Q3		Jan-Sep		Jan-dec
	2022	2023	2022	2023	2022
Nordic	-1	0	-2	-36	-22
UK	-2	-1	-4	-59	-4
Portfolio Business Units	-	-1	-	-21	-
Group-wide and eliminations	0	0	-5	0	-5
Group	-3	-2	-11	-116	-31

Items affecting comparability in operating profit per region, SEK m	Q3		Jan-Sep		Jan-dec
	2022	2023	2022	2023	2022
Nordic	-	-27	-6	-136	-91
UK	-	108	-115	-65	-115
Portfolio Business Units	-	0	-	-37	-
Group-wide and eliminations	-	0	-29	-1	-100
Group	-	81	-150	-239	-306

Items affecting comparability EBIT per type, SEK m	Q3		Jan-Sep		Jan-dec
	2022	2023	2022	2023	2022
Restructuring costs	-	-3	-107	-207	-131
Factory transition costs	-	-27	-	-73	-72
Capital gain	-	112	-	112	-
Impairments and writedown	-	-1	-43	-71	-103
Total	-	81	-150	-239	-306

Operating capital per region

	30 Sep		31 Dec
Operating capital Nordic region, SEK m	2022	2023	2022
Operating assets	3,576	5,856	3,463
Operating liabilities	1,945	2,352	2,051
Operating capital	1,631	3,504	1,412
	30 Sep		31 Dec
Operating capital UK region, SEK m	2022	2023	2022
Operating assets	3,380	3,877	3,559
Operating liabilities	1,147	1,159	995
Operating capital	2,233	2,718	2,564
	30 Sep		31 Dec
Operating capital Portfolio Business Units, SEK m	2022	2023	2022
Operating assets	1,049	979	967
Operating liabilities	352	346	324
Operating capital	697	633	643
	30 Sep		31 Dec
Operating capital Group-wide and eliminations, SEK m	2022	2023	2022
Operating assets	4,142	3,075	4,441
Operating liabilities	257	129	365
Operating capital	3,885	2,946	4,076
	30 Sep		31 Dec
Operating capital, SEK m	2022	2023	2022
Operating assets	12,147	13,787	12,430
Operating liabilities	3,701	3,986	3,735
Operating capital	8,446	9,801	8,695

Comparative data by product group

Net sales	Q3		Jan-Sep		Jan-dec
Nordic by product group, %	2022	2023	2022	2023	2022
Kitchen furnitures	72	82	71	77	71
Installation services	5	3	5	4	5
Other products	23	15	24	19	24
Total	100	100	100	100	100

Net sales	Q3		Jan-Sep		Jan-dec
UK by product group, %	2022	2023	2022	2023	2022
Kitchen furnitures	64	66	65	67	65
Installation services	4	4	4	4	4
Other products	32	30	31	29	31
Total	100	100	100	100	100

Net sales	Q3		Jan-Sep		Jan-dec
Portfolio Business Units by product group, %	2022	2023	2022	2023	2022
Kitchen furnitures	62	61	62	59	61
Installation services	8	9	8	10	9
Other products	30	30	30	31	30
Total	100	100	100	100	100

Net sales	Q3		Jan-Sep		Jan-dec
Group by product group, %	2022	2023	2022	2023	2022
Kitchen furnitures	68	73	68	71	68
Installation services	5	5	5	5	5
Other products	27	22	27	24	27
Total	100	100	100	100	100

Reconciliation of alternative performance measures

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 21-22.

Analysis of net sales

Analysis of external net sales Nordic Region	Q3		Jan-Sep	
	%	SEK m	%	SEK m
2022		1,778		5,973
Organic growth	-21	-403	-15	-939
Currency effects	5	105	4	252
2023	-17	1,480	-12	5,286

Analysis of external net sales UK Region	Q3		Jan-Sep	
	%	SEK m	%	SEK m
2022		1,240		3,804
Organic growth	-18	-248	-13	-535
Currency effects	9	133	5	231
2023	-9	1,125	-8	3,500

Analysis of external net sales Portfolio Business Units	Q3		Jan-Sep	
	%	SEK m	%	SEK m
2022		462		1,372
Organic growth	-3	-14	4	53
Currency effects	10	48	9	112
2023	7	496	12	1,537

EBITDA

SEK m	Q3		Jan-Sep		Jan-Dec	12 mos
	2022	2023	2022	2023	2022	rolling
Operating profit	78	132	322	-24	191	-155
Depreciation and impairment	194	204	639	633	899	893
EBITDA	272	336	961	609	1,090	738
Net Sales	3,480	3,101	11,149	10,323	14,929	14,103
% of sales	7.8	10.8	8.6	5.9	7.3	5.2

EBITDA excl. IFRS16 and items affecting comparability*	Q3		Jan-Sep		Jan-Dec	12 mos
	2022	2023	2022	2023	2022	rolling
EBITDA	272	336	961	609	1,090	738
IFRS 16 leasing	-125	-141	-380	-415	-522	-557
EBITDA impact, items affecting comparability	-	-81	107	204	210	307
EBITDA excl. IFRS16 and items affecting comparability	147	114	688	398	778	488

*Used for calculation of leverage on page 7.

EQUITY

Average equity, SEK m	Jan-Sep	Jan-Sep	Jan-Dec	12 mos
	2022	2023	2022	rolling
OB Equity attributable to Parent Company shareholders	4,923	4,715	4,923	4,771
CB Equity attributable to Parent Company shareholders	4,771	4,664	4,715	4,664
Average equity	4,847	4,690	4,819	4,718

Net debt

	30 Sep 2022	30 Sep 2023	31 Dec 2022
Net debt, SEK m			
Provisions for pensions (IB)	405	410	384
Other long-term liabilities, interest-bearing (IB)	3,335	4,738	3,599
Current liabilities, interest-bearing (IB)	323	327	339
Interest-bearing liabilities	4,063	5,475	4,322
Long-term receivables, interest-bearing (IB)	0	0	0
Current receivables, interest-bearing (IB)	1	8	2
Cash and cash equivalents (IB)	387	330	340
Interest-bearing assets	388	338	342
Net debt	3,675	5,137	3,980
	30 Sep 2022	30 Sep 2023	31 Dec 2022
Net debt excl. IFRS 16 Leases and pension provisions, SEK m			
Net debt	3,675	5,137	3,980
Of which IFRS 16 Leases	1,676	1,688	1,757
Of which provisions for pensions	405	410	384
Net debt excl. IFRS 16 Leases	1,999	3,449	2,223
Net debt excl. IFRS 16 Leases and provision for pensions	1,594	3,039	1,839

Operating capital

	30 Sep 2022	30 Sep 2023	31 Dec 2022
Operating capital, SEK m			
Total assets	12,610	14,126	12,772
Other provisions	-29	-26	-40
Deferred tax liabilities	-73	-64	-60
Other long-term liabilities, non interest-bearing	-8	-4	-4
Current liabilities, non interest-bearing	-3,666	-3,893	-3,631
Non-interest-bearing liabilities	-3,776	-3,987	-3,735
Capital employed	8,834	10,139	9,037
Interest-bearing assets	-388	-338	-342
Operating capital	8,446	9,801	8,695
	Jan-Dec 2022	12 mos rolling	
Average capital employed, SEK m			
OB capital employed	7,361	8,834	
CB capital employed	9,037	10,139	
Average capital employed	8,199	9,487	
	Jan-Dec 2022	12 mos rolling	
Average operating capital, SEK m			
OB Operating capital	6,937	8,446	
CB Operating capital	8,695	9,801	
Average operating capital	7,816	9,124	

Operating profit and margin excl. items affecting comparability

	Q3		Jan-Sep		Jan-Dec	12 mos
SEK m	2022	2023	2022	2023	2022	rolling
Operating profit	78	132	322	-24	191	-155
Items affecting comparability	0	81	-150	-239	-306	-395
Operating profit excl. items affecting comparability*	78	51	472	215	497	240
	Q3		Jan-Sep		Jan-Dec	12 mos
Operating margin excl. items affecting comparability*, %	2022	2023	2022	2023	2022	rolling
Operating margin	2.2	4.3	2.9	-0.2	1.3	-1.1
Margin impact when items affecting comparability* excluded	0.0	-2.7	1.3	2.3	2.0	2.8
Operating margin excl. items affecting comparability*, %	2.2	1.6	4.2	2.1	3.3	1.7

*Items affecting comparability, are specified on page 15.

Data per region

Net sales, SEK m	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Nordic	1,778	1,480	5,973	5,286	8,030
UK	1,240	1,126	3,805	3,501	5,001
Portfolio Business Units	462	496	1,372	1,537	1,899
Group-wide and eliminations	0	-1	-1	-1	-1
Net sales, Group	3,480	3,101	11,149	10,323	14,929

Gross profit, SEK m	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Nordic	561	485	2,065	1,664	2,697
UK	533	472	1,621	1,432	2,102
Portfolio Business Units	130	134	370	421	518
Group-wide and eliminations	18	18	46	55	46
Gross profit, Group	1,242	1,109	4,102	3,572	5,363

Gross profit excl IAC*, SEK m	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Nordic	562	485	2,067	1,700	2,719
UK	535	473	1,625	1,491	2,106
Portfolio Business Units	130	135	370	442	518
Group-wide and eliminations	18	18	51	55	51
Gross profit Group excl. IAC*	1,245	1,111	4,113	3,688	5,394

Gross margin, %	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Nordic	31.6	32.8	34.6	31.5	33.6
UK	43.0	41.9	42.6	40.9	42.0
Portfolio Business Units	28.1	27.0	27.0	27.4	27.3
Gross margin Group	35.7	35.8	36.8	34.6	35.9

Gross margin excl IAC*, %	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Nordic	31.6	32.8	34.6	32.2	33.9
UK	43.1	42.0	42.7	42.6	42.1
Central Europe	28.1	27.2	27.0	28.8	27.3
Gross margin Group excl IAC*	35.8	35.8	36.9	35.7	36.1

Operating profit, SEK m	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Nordic	97	66	552	164	595
UK	-11	80	-112	-99	-184
Portfolio Business Units	20	20	49	31	76
Group-wide and eliminations	-28	-34	-167	-120	-296
Operating profit Group	78	132	322	-24	191

Operating profit excl IAC*, SEK m	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Nordic	97	93	558	300	686
UK	-11	-28	3	-34	-69
Portfolio Business Units	20	20	49	68	76
Group-wide and eliminations	-28	-34	-138	-119	-196
Operating profit Group, excl IAC*	78	51	472	215	497

Operating margin, %	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Nordic	5.5	4.5	9.2	3.1	7.4
UK	-0.9	7.1	-2.9	-2.8	-3.7
Portfolio Business Units	4.3	4.0	3.6	2.0	4.0
Operating margin Group	2.2	4.3	2.9	-0.2	1.3

Operating margin excl IAC*, %	Q3		Jan-Sep		Jan-Dec
	2022	2023	2022	2023	2022
Nordic	5.5	6.3	9.3	5.7	8.5
UK	-0.9	-2.5	0.1	-1.0	-1.4
Portfolio Business Units	4.3	4.0	3.6	4.4	4.0
Operating margin Group, excl. IAC*	2.2	1.6	4.2	2.1	3.3

*IAC, items affecting comparability, are specified on page 15.

Net sales, SEK m	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Nordic	2,040	2,155	1,778	2,057	1,948	1,858	1,480
UK	1,279	1,286	1,240	1,196	1,227	1,148	1,126
Portfolio Business Units	460	450	462	527	485	556	496
Group-wide and eliminations	0	-1	0	0	0	0	-1
Net sales, Group	3,779	3,890	3,480	3,780	3,660	3,562	3,101

Gross profit, SEK m	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Nordic	737	767	561	632	589	590	485
UK	558	530	533	481	473	487	472
Portfolio Business Units	134	106	130	148	113	174	134
Group-wide and eliminations	17	11	18	0	20	17	18
Gross profit, Group	1,446	1,414	1,242	1,261	1,195	1,268	1,109

Gross profit excl IAC*, SEK m	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Nordic	737	768	562	652	625	590	485
UK	558	532	535	481	533	485	473
Portfolio Business Units	134	106	130	148	133	174	135
Group-wide and eliminations	17	16	18	0	20	17	18
Gross profit Group excl. IAC*	1,446	1,422	1,245	1,281	1,311	1,266	1,111

Gross margin, %	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Nordic	36.1	35.6	31.6	30.7	30.2	31.8	32.8
UK	43.6	41.2	43.0	40.2	38.5	42.4	41.9
Portfolio Business Units	29.1	23.6	28.1	28.1	23.3	31.3	27.0
Gross margin Group	38.3	36.3	35.7	33.4	32.7	35.6	35.8

Gross margin excl IAC*, %	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Nordic	36.1	35.6	31.6	31.7	32.1	31.8	32.8
UK	43.6	41.4	43.1	40.2	43.4	42.2	42.0
Central Europe	29.1	23.6	28.1	28.1	27.4	31.3	27.2
Gross margin Group excl IAC*	38.3	36.6	35.8	33.9	35.8	35.5	35.8

Operating profit, SEK m	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Nordic	213	242	97	43	15	83	66
UK	0	-101	-11	-72	-165	-14	80
Portfolio Business Units	20	9	20	27	-24	35	20
Group-wide and eliminations	-51	-88	-28	-129	-43	-43	-34
Operating profit Group	182	62	78	-131	-217	61	132

Operating profit excl IAC*, SEK m	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Nordic	213	248	97	128	105	102	93
UK	0	14	-11	-72	5	-11	-28
Portfolio Business Units	20	9	20	27	12	36	20
Group-wide and eliminations	-51	-59	-28	-58	-41	-44	-34
Operating profit Group, excl IAC*	182	212	78	25	81	83	51

Operating margin, %	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Nordic	10.4	11.2	5.5	2.1	0.8	4.5	4.5
UK	0.0	-7.9	-0.9	-6.0	-13.4	-1.2	7.1
Portfolio Business Units	4.3	2.0	4.3	5.1	-4.9	6.3	4.0
Operating margin Group	4.8	1.6	2.2	-3.5	-5.9	1.7	4.3

Operating margin excl IAC*, %	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Nordic	10.4	11.5	5.5	6.2	5.4	5.5	6.3
UK	0.0	1.1	-0.9	-6.0	0.4	-1.0	-2.5
Portfolio Business Units	4.3	2.0	4.3	5.1	2.5	6.5	4.0
Operating margin Group, excl. IAC*	4.8	5.4	2.2	0.7	2.2	2.3	1.6

*IAC, items affecting comparability, are specified on page 15.

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.
EBITDA-margin	Earnings before depreciation/ amortisation and impairment in relation to net sales, %	
Items affecting comparability (IAC)	Items that affect comparability in so far as they do not reoccur with the same regularity as other items - for example costs for restructuring and for material one offs relating to sale and impairments of assets.	Reporting items affecting comparability separately clearly shows the performance of the underlying operations.
Net debt	Interest-bearing liabilities less interest-bearing assets. Interest-bearing liabilities include provisions for pensions and leases.	Net debt is a liquidity metric used to determine how well a company can pay all of its debts, pension liabilities and leasing obligations if they were due immediately. The measure is used as a component in the debt/equity ratio.
Operating capital	Capital employed excl. interest-bearing assets.	Operating capital shows the amount of capital required by the operations to conduct its core operations. It is mainly used to calculate the return on operating capital.
Operating cash flow	Cash flow from operating activities including cash flow from investing activities, excl. cash flow from acquisitions/divestments of operations, interest received, and increase/decrease in interest-bearing assets.	This measure comprises the cash flow generated by the underlying operations. The measure is used to show the amount of funds at the company's disposal for paying financiers of loans and equity or for use in growth through acquisitions.

Performance measure	Calculation	Purpose
Organic growth	Change in net sales, excl. acquisitions, divestments and changes in exchange rates.	Organic growth facilitates a comparison of sales over time by comparing the same operations and excl. currency effects.
Region	Region corresponds to an operating segment under IFRS 8.	
Earnings per share	Profit after tax for the period divided by a weighted average number of outstanding shares (net of treasury shares) during the period.	Earnings per share is a common profitability measure that is used for valuation of the company's total outstanding shares.
Earnings per share after dilution	Earnings per share, adjusted for dilutive effect from any potential ordinary shares attributable to outstanding performance share programs.	
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 currency effects 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).	
Leverage	Leverage refers to the relation of net debt to EBITDA. It is measured excl. the impact of IFRS16 Leasing, pension debt and items affecting comparability	Shows the number of years it would take to pay back outstanding debt, if the numerator and denominator remain unchanged.



For further information

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- Tobias Norrby, Head of Investor Relations

Presentation

The interim report will be presented on Thursday, November 2 at 10:00 CET in a webcast teleconference that can be followed on <https://edge.media-server.com/mmc/p/f5zvo7zc>

To participate by telephone and have the possibility to ask questions

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

<https://register.vevent.com/register/BI3ee1379fa2f5476da192fc97e98adfd4>

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

February 20, 2024; Year-End Report 2023.

This interim report is information such that Nobia is obliged to make public pursuant to the EU's Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on 2 November, 2023 at 08:30 CET.