



Year-End Report 2023

Fourth quarter summary

- Net sales declined by -19% to SEK 3,050m (3,780).
- On an organic basis, sales declined by -22% (2).
- Gross margin improved to 35.1% (33.4).
- Operating profit excl. items affecting comparability (IAC) was SEK 3m (25).
- Operating profit amounted to SEK -75m (-131).
- Items affecting comparability amounted to SEK -78m (-156).
- 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
- Profit after tax amounted to SEK -174m (-166) corresponding to earnings per share after dilution of SEK -1.04 (-0.98).
- Operating cash flow amounted to SEK -188m (-81).
- Jon Sintorn announced his resignation and will leave for a position as CEO of another company.

Events after the close of the quarter

- Sale and leaseback transaction of Jönköping factory property closed in February.
- Sale of Bribus and ewe, in line with decision to focus on core Nordic and UK markets.
- The Board proposes that no dividend shall be paid for the fiscal year 2023.
- Agreement to amend and extend the Group's credit facilities.
- The Board resolved on a rights issue of approx. SEK 1,250m, subject to approval by an Extraordinary General Meeting. The rights issue is fully covered by subscriptions and guarantee undertakings.

	Q4			Jan-Dec		
	2022	2023	Δ%	2022	2023	Δ%
Net sales, SEK m	3,780	3,050	-19	14,929	13,373	-10
Gross margin, %	33.4	35.1	-	35.9	34.7	-
<i>Gross margin excl. IAC*, %</i>	<i>33.9</i>	<i>37.3</i>	<i>-</i>	<i>36.1</i>	<i>36.1</i>	<i>-</i>
Operating margin before depr./imp. (EBITDA), %	3.4	5.3	-	7.3	5.8	-
Operating profit (EBIT), SEK m	-131	-75	-43	191	-99	n.a.
<i>Operating profit (EBIT), excl IAC*, SEK m</i>	<i>25</i>	<i>3</i>	<i>-89</i>	<i>497</i>	<i>218</i>	<i>-56</i>
Operating margin, %	-3.5	-2.5	-	1.3	-0.7	-
<i>Operating margin excl IAC*, %</i>	<i>0.7</i>	<i>0.1</i>	<i>-</i>	<i>3.3</i>	<i>1.6</i>	<i>-</i>
Profit after financial items, SEK m	-184	-155	-16	30	-373	n.a.
Profit after tax, SEK m	-166	-174	5	-2	-347	n.a.
<i>Profit/loss after tax, excl IAC*, SEK m</i>	<i>-42</i>	<i>-112</i>	<i>n.a.</i>	<i>241</i>	<i>-95</i>	<i>n.a.</i>
Earnings per share, before dilution, SEK	-0.98	-1.04	6	-0.01	-2.07	n.a.
<i>Earnings per share, before dilution excl IAC*, SEK</i>	<i>-0.25</i>	<i>-0.67</i>	<i>n.a.</i>	<i>1.43</i>	<i>-0.57</i>	<i>n.a.</i>
Earnings per share, after dilution, SEK	-0.98	-1.04	6	-0.01	-2.07	n.a.
<i>Earnings per share, after dilution excl IAC*, SEK</i>	<i>-0.25</i>	<i>-0.67</i>	<i>n.a.</i>	<i>1.43</i>	<i>-0.57</i>	<i>n.a.</i>
Operating cash flow, SEK m	-81	-188	n.a.	-746	-810	-9

*Items affecting comparability are specified on page 16.

CEO comment

Nobia executed multiple strategic initiatives during 2023 that will benefit us going forward. We remained profitable at the operating profit level excluding items affecting comparability, despite very tough market conditions and currency headwind, and we have improved the gross margin in all three regions. We also made the strategic decision to focus on the core Nordic and UK markets, leading to divestments of non-core operations in the Netherlands and Austria. Our strategic initiatives focus on maximizing cost efficiency, realizing the full potential of the Nordic region, and continuing to execute the UK transformation program.

The cost reduction program, launched early in 2023, continues to yield significant savings and was a strong contributor to the positive operating profit in the quarter, despite a 22% drop in sales. The gross margin was higher for the Group as well as in all regions. Cost reductions, a slight decline in direct material prices, and price increases all contributed to the improvement.

We are coming closer to the finalisation of the Jönköping factory, which is to be fully operational by the end of the year. It is expected to enable several competitive advantages, such as digitalized order flow from order to delivery, highly automated mass-customized production, higher service levels, and shorter lead times. We are also harmonizing our Nordic product ranges and processes and are, at completion of the Jönköping factory, at a point when we can realize scale and efficiency synergies that were not possible before. We are expecting the factory to positively affect our Nordic EBITDA margins by approximately 3.5 percentage points with additional potential from increased volumes. In addition, the new factory gives us opportunities to further optimize the Nordic manufacturing footprint.

The UK transformation program continues to progress well. Our local management team in the UK is driving a shift towards becoming a focused mass premium leader. Cost savings and restructuring measures are showing positive effects with, for example, a more attractive product mix, an increased average order value, and a clear gross margin improvement. We will continue to drive further improvements, for example, by adding asset-light distribution models, at the same time as we focus our own store footprint. This is a capital-efficient way



to increase our distribution reach, which also makes us more agile in the front end and less volume-sensitive. We have recently reached an agreement for a shop-in-shop concept in partnership with Selco, a leading UK builders merchant.

Market conditions remain challenging and sales declined by -22% in the quarter, with even more pronounced decline in volumes. But, there are some positive signs and the decrease in order intake seems to start flattening out. We expect some stabilisation in 2024 and the market to start recovering in 2025, lead by the consumer segment. However, considering the lag between order and delivery, the coming quarters will continue to be challenging.

Today, we also announce a fully guaranteed rights issue with preferential rights for existing shareholders of approximately SEK 1,250m and an amendment and extension of the Group's revolving credit facilities. The purpose is to finance remaining investments for the Jönköping factory and to strengthen the balance sheet allowing for operational and financial flexibility. Together with the recent divestments of Bribus and Ewe, and the sale and leaseback transaction of the Jönköping factory property, our debt situation has been significantly improved.

We will continue to work relentlessly on protecting our earnings, executing our strategic initiatives, as well as ensuring that we are ready to capitalize on opportunities when market demand returns.

Finally, I want to thank our shareholders, employees, suppliers, and customers for your continued support.

Jon Sintorn,
President and CEO

Fourth quarter consolidated

Market overview

The kitchen market has declined significantly during 2023 due to the challenging macroeconomic situation following a period of high inflation, increased interest rates, and substantially lower housing construction activity. As a consequence, consumers are less confident and more hesitant to invest in capital goods, such as new kitchens. The consumer segment has experienced a sharper decline than the project segment during the year. Demand from project customers has declined due to fewer housing construction starts. Delivery of kitchens to the project segment has held up better due to the longer lead time between order and delivery and a gradual decrease of housing completions, also meaning that the decline in sales comes later. The decline in order intake has as the year has passed started to flatten out, however still slightly declining.

Net sales, earnings and cash flow

The Group's net sales decreased to SEK 3,050m (3,780) with organic decline of -22% (2). The Nordic region declined organically by -25% (-1), the UK region by -21% (5), and Portfolio Business Units by -13% (6).

The gross margin increased to 35.1% (33.4) while gross profit decreased to SEK 1,072m (1,261). Operating profit improved to SEK -75m (-131). Excluding items affecting comparability of SEK -78m (attributable to, among other things, a property write-down and a reversal of write-down of tangible fixed assets, see page 8 for details), operating profit was SEK 3m (25). Price increases and restructuring savings had a positive impact. However, offset by the negative impact of significantly lower sales volumes, primarily attributed to the unfavourable market conditions. Restructuring savings were SEK 90m. Changes in exchange rates negatively impacted operating profit by approximately SEK -50m.

Operating cash flow amounted to SEK -188m (-81). Cash flow from working capital was lower partly due to the discontinuation of a supplier financing program.

Investments in fixed assets, of which the majority relates to the construction of the factory in Jönköping, were in-line with previous year. Net debt excl. IFRS16 leases and pensions amounted to SEK 3,464m (1,839).

Analysis of net sales

	Q4	
	Δ%	SEK m
2022		3,780
Organic growth	-22	-845
-of which Nordic region	-25	-512
-of which UK region	-21	-258
-of which Portfolio BUs	-13	-75
Currency effects	2	115
2023	-19	3,050

Currency effect on operating profit

SEK m	Q4		
	Translati- on effect	Transacti- on effect	Total
Nordic region	5	-50	-45
UK region	-5	0	-5
Portfolio BUs	0	0	0
Group	0	-50	-50

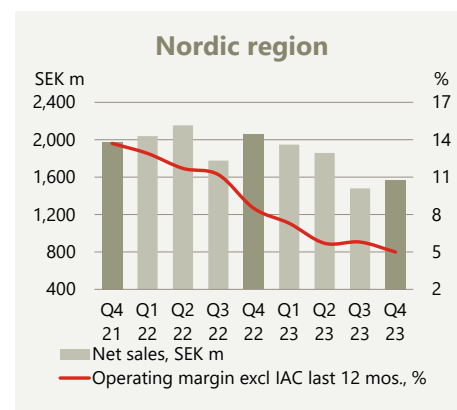
SEK m	Nordic		UK		Portfolio BUs		Group cost and eliminations		Group		Δ%
	Q4		Q4		Q4		Q4		Q4		
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	
Net sales	2,057	1,569	1,196	1,001	527	480	0	0	3,780	3,050	-19
Gross profit	632	458	481	452	148	143	0	19	1,261	1,072	-15
Gross profit excl. IAC	652	523	481	452	148	143	0	19	1,281	1,137	-11
Gross margin, %	30.7	29.2	40.2	45.2	28.1	29.8	-	-	33.4	35.1	-
Gross margin excl. IAC, %	31.7	33.3	40.2	45.2	28.1	29.8	-	-	33.9	37.3	-
Operating profit	43	-33	-72	-25	27	26	-129	-43	-131	-75	-43
Operating profit excl. IAC, SEK m	128	45	-72	-25	27	26	-58	-43	25	3	-88
Operating margin, %	2.1	-2.1	-6.0	-2.5	5.1	5.4	-	-	-3.5	-2.5	-
Operating margin excl. IAC, %	6.2	2.9	-6.0	-2.5	5.1	5.4	-	-	0.7	0.1	-

Fourth quarter, the regions

Nordic region

Net sales in the Nordic region decreased to SEK 1,569m (2,057). Sales declined organically by -25% (-1), with the largest decline in the project segment.

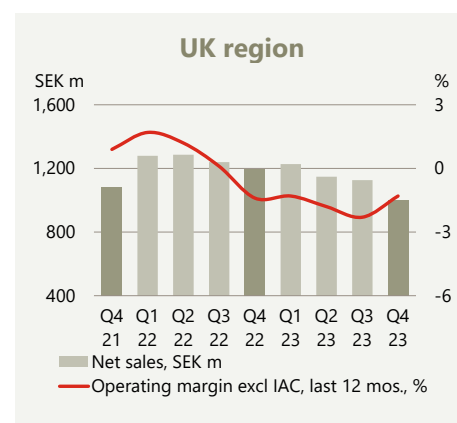
The gross margin improved to 33.3% (31.7) while gross profit declined to SEK 523m (652), excluding items affecting comparability. Operating profit decreased to SEK 45m (128), and the corresponding margin declined to 2.9% (6.2), excluding items affecting comparability of SEK -78m related mainly to a property write-down and a reversal of write-down of tangible fixed assets, see page 8 for details. The operating profit was supported by continued positive contribution from price increases and cost reductions, which however was more than offset by the volume decline and unfavourable exchanges in exchange rates. Changes in exchange rates impacted operating profit negatively with SEK -45m.



UK region

Net sales in the UK region decreased to SEK 1,001m (1,196). Sales declined by -21% (5) on an organic basis, following lower market demand. The ongoing exit of certain unprofitable parts of the project business also contributed to the adverse sales development

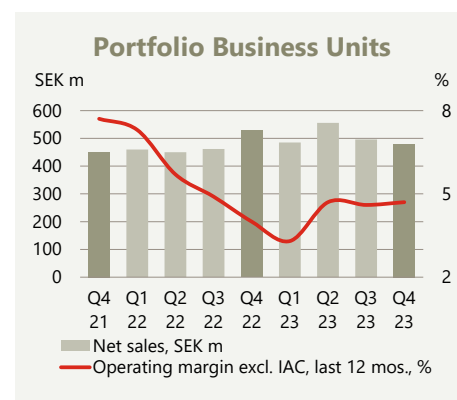
The gross margin improved to 45.2% (40.2). The operating loss was reduced to SEK -25m (-72), despite substantial negative effects from the volume decline. Operating profit was supported by positive effects from price increases and cost reduction measures as part of the ongoing transformation program. Changes in exchange rates impacted by SEK -5m



Portfolio Business Units

Net sales decreased to SEK 480m (527). Sales declined -13% (6) on an organic basis, with lower sales in all regions.

The gross margin improved to 29.8% (28.1) and the operating profit margin improved to 5.4% (5.1). Operating profit amounted to SEK 26m (27). Earnings improved slightly in the Netherlands and Commodore & CIE while Austria's declined. Changes in exchange rates had a neutral impact on operating profit.



January – December 2023, consolidated

- Net sales for the full-year 2023 totalled SEK 13,373m (14,929).
- Sales declined by -14% (4) on an organic basis.
- Operating profit amounted to SEK -99m (191).
- Operating profit excl. items affecting comparability amounted to SEK 218m (497), corresponding to an operating margin of 1.6% (3.3).
- Items affecting comparability, net, amounted to SEK -317m (-306).
- Profit after tax amounted to SEK -347m (-2), corresponding to earnings per share after dilution of -2.07 SEK (-0.01).
- Operating cash flow was SEK -810m (-746).

Net sales, earnings and cash flow

The Group's net sales for the full-year decreased to SEK 13 373m (14,929) with organic decline of -14% (4). The Nordic region declined by -17% (5), the UK region by -15% (5), and Portfolio Business Units by -1% (-2).

The gross margin amounted to 34.7% (35.9) and gross profit was SEK 4,644m (5,363). Operating profit amounted to SEK -99m (191). Operating profit, excluding items affecting comparability, amounted to SEK 218m (497), corresponding to a margin of 1.6% (3.3). Items affecting comparability amounted to SEK -317m (-306), see page 8 for details. Operating profit was positively impacted mainly by price increases, cost reductions and efficiency measures, however not enough to mitigate the adverse impact from lower volumes, product mix development and higher material prices. The restructuring measures contributed with around SEK 280m in savings during the year. Changes in exchange rates negatively impacted operating profit by SEK -100m.

Operating cash flow for the full-year amounted to SEK -810m (-746). An improvement from change in working capital and lower tax payments was offset by the impact from lower operating profit. The cash flow from investment activities continued to be high, mainly related to the ongoing construction of the factory in Jönköping.

Analysis of net sales

	Jan-Dec	
	Δ%	SEK m
2022		14,929
Organic growth	-14	-2,266
-of which Nordic region	-17	-1,451
-of which UK region	-15	-793
-of which Portfolio BUs	-1	-22
Currency effects	4	710
2023	-10	13,373

Currency effect on operating profit

SEK m	Jan-Dec		
	Translati- on effect	Transacti- on effect	Total
Nordic region	40	-110	-70
UK region	-10	-25	-35
Portfolio BUs	5	0	5
Group	35	-135	-100

SEK m	Nordic		UK		Portfolio BUs		Group cost and eliminations		Group		
	Jan-Dec		Jan-Dec		Jan-Dec		Jan-Dec		Jan-Dec		Δ%
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	
Net sales	8,030	6,855	5,001	4,502	1,899	2,017	-1	-1	14,929	13,373	-10
Gross profit	2,697	2,122	2,102	1,884	518	564	46	74	5,363	4,644	-13
Gross profit excl. IAC	2 719	2,223	2 106	1,943	518	585	51	74	5 394	4,825	-11
Gross margin, %	33.6	31.0	42.0	41.8	27.3	28.0	-	-	35.9	34.7	-
Gross margin excl. IAC, %	33,9	32,4	42,1	43,2	27,3	29,0	-	-	36,1	36,1	-
Operating profit	595	131	-184	-124	76	57	-296	-163	191	-99	-152
Operating profit excl. IAC, SEK m	686	345	-69	-59	76	94	-196	-162	497	218	-56
Operating margin, %	7.4	1.9	-3.7	-2.8	4.0	2.8	-	-	1.3	-0.7	-
Operating margin excl IAC, %	8.5	5.0	-1.4	-1.3	4.0	4.7	-	-	3.3	1.6	-
Net financial items									-161	-274	-70
Profit after financial items									30	-373	n.a

Other information

Financing

Nobia has taken a number of steps to strengthen its financial position, with impact to be recognized post closing of the 2023 financial statements. Temporary high investment in the strategically important Jönköping factory coinciding with a challenging macro economic environment has resulted in an increased leverage during 2023. In order to better describe Nobia's financial position, this section covers both the financial position per 31 December, 2023, as well as the strengthening of the financial position post the reporting date. Please refer to "Events after the reporting period" on page 9 for more detailed information on the specific transactions.

2023

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. At end of 2023, SEK 3,900m (2,200) of the facilities had been utilised. Group cash and cash equivalents at the same date amounted to SEK 412m (340).

Net debt, excluding IFRS 16 lease liabilities and pensions, amounted to SEK 3,464m (1,839). IFRS 16 lease liabilities amounted to SEK 1,569m (1,757) and pension provisions amounted to SEK 350m (384). The net debt/equity ratio, excluding IFRS 16 lease liabilities and pensions, was 80% (39). Leverage, (net debt/EBITDA, excluding IFRS 16 leases, pensions and items affecting comparability on a 12 months rolling basis) was 7.6 times (2.4).

Net financial items in 2023 amounted to SEK -274m (-161), of which net of returns on pension assets and interest expense on pension liabilities was SEK -26m (-21), interest on leases was SEK -53m (-37) and other net interest expense was SEK -195m (-103).

Strengthening of the financial position

Below refers to "Events after the reporting period", described on page 9.

Nobia has undertaken a number of steps to strengthen the financial position including divesting the Jönköping factory in a sale and lease back transaction, divesting the non core assets Bribus and Ewe and announced a rights issue. While the capex level will continue to be high in 2024 as the Jönköping factory is being finalised, these transactions will have a significant favourable impact on the net debt, excluding IFRS16, during 2024 with the impact sequenced in accordance with closing and other terms of the transactions.

In addition, Nobia has agreed an amendment and extension of the credit facilities with the lenders. New financial terms and conditions (covenants) will apply to the facilities. The new covenants include minimum liquidity and absolute adjusted consolidated EBITDA excluding IFRS 16. The Company will at a later date undertake to meet other covenants, such as leverage and interest coverage ratio, under the facilities arrangement.

Construction of the new factory in Jönköping

Installation, commissioning and testing of production machines continue to run according to plan. Manufacturing of kitchen cabinet components for assembly in the Tidaholm factory as well as flat-pack kitchen cabinets for customers has started and volumes are increasing. Commissioning and some remaining machinery installations will continue during the year until the factory has full manufacturing capability of complete kitchens at the end of 2024.

The total investment in the factory until completion will be around SEK 3.5bn (excluding project related costs), of which manufacturing equipment is approximately SEK 2bn and the factory building SEK 1.5bn. Up until the end of 2023, a total of approximately SEK 2.9bn has been invested as capex in the new factory. The estimated remaining cash outflow until the completion of the factory is approximately SEK 1 bn (comprising both additional capex and payment of account payables related to previous capex).

The factory building was sold in a sale and leaseback transaction that closed on 9 February, 2024. See page 9 "Events after the reporting period" - Sale and leaseback of factory property in Jönköping".

Cost reduction programme

The cost reduction programme is running ahead of plan. As of December 31, 2023, approximately SEK 280m of savings had been realized.

The cost reduction program was announced in January 2023. Cost savings are 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 were 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. A total of around 500 employees were affected by the programme and the first quarter 2023 was charged with SEK -298m related to the program, of which SEK 85m were non-cash items.

Jon Sintorn to leave Nobia, recruitment of new CEO progressing well

Jon Sintorn has announced his resignation and will leave his current position for a position as a CEO of another company. The recruitment of a new CEO is well progressed and the Board of Directors has the ambition to announce the replacement in the near term.

Assets held for sale

In accordance with the decision to divest the Jönköping factory property in a sale and leaseback transaction, the related net assets were reclassified, as per December 31, 2023, as assets held for sale and liabilities attributable to assets held for sale. The assets and liabilities were recognised at the fair value less cost to sell in the balance sheet which resulted in an impairment loss of SEK -100m included in the 2023 profit and loss statement, classified as items affecting comparability

In January, the divestment was subsequently executed, see more information under "Events after the reporting period".

Items affecting comparability

The fourth quarter 2023 includes items affecting comparability of SEK -78m (-156), referring mainly to a write-down of the book value of the Jönköping factory property of SEK -100m, a reversal of write-down of tangible fixed assets of SEK 57m, restructuring costs in Denmark and Finland of SEK -25 and costs related to the Jönköping factory transition of SEK -9m.

The full-year 2023 included items affecting comparability totalling SEK -317m. These relate to restructuring costs of SEK -233m (-131), factory transition costs of SEK -82m (-72), a capital gain of SEK 112m (0), reversal of write-downs of SEK 57m (0) and impairments and write-downs of SEK -171m (-103)

Items affecting comparability are also specified on page 16.

Events after the reporting period

In January and February 2024 Nobia carried out several measures to and strengthen the balance sheet, and to enable an increased focus on the core Nordic and UK operations; the sale and leaseback transaction of the Jönköping factory property, the sale of operations in the Netherlands (Bribus) and in Austria (ewe), and finally a rights issue proposal and amendment and extension of credit facilities.

Sale and leaseback of factory property in Jönköping

On January 19, 2024, Nobia entered into an agreement with Hines to sell the kitchen factory property under construction in Jönköping. The transaction was closed on February 9. The agreed value of the kitchen factory property amounts to SEK 1,350m. Nobia's cash proceeds are estimated to amount to SEK 1,090m. Approximately SEK 330m of the proceeds are withheld by the buyer and will be paid to Nobia according to certain conditions up until the final completion of the property. In addition, the buyer will assume expenditures for completing the remaining construction work. The sale also resulted in an impairment of the property book value of approximately SEK -100m, which is included in the income statement for Q4 2023. Nobia also entered into a 20-year rental agreement for the property with the buyer, with an option for Nobia to extend it for another 20 years. The rental agreement will be recognized in Nobia's balance sheet according to IFRS16.

Sale of Bribus

Nobia has entered into an agreement to divest Bribus in the Netherlands. The transaction is expected to close by the end of March and is subject to customary regulatory approvals. The agreed purchase price amounts to approximately EUR 64 million (~SEK 710 million), subject to certain customary closing adjustments. The transaction is partly financed by a three year vendor loan by Nobia of EUR 5 million (~SEK 56 million). The buyer receives the net cash in Bribus at the time of completion of the transaction, which is estimated to be EUR 14 million (~SEK 155 million). The transaction will result in a negative non-cash effect of approximately SEK -120 million, primarily related to goodwill, recorded as "discontinued operations" in Nobia's interim report for the first quarter of 2024.

Sale of ewe

Nobia has entered into an agreement to divest its subsidiary ewe in Austria. The purchase price amounts to EUR 24 million (~SEK 275 million). In addition, there is an earn-out possibility of EUR 2.5 million (~SEK 29 million) linked to ewe's financial performance in 2024 and 2025. The sale includes ewe's net cash at the time of completion, which was EUR 2.4 million as of September 30, 2023. The transaction is expected to be finalized during March 2024 and is subject to customary regulatory approvals by authorities. The transaction will result in a negative non-cash effect of approximately SEK -40 million, primarily related to goodwill, recorded as "discontinued operations" in Nobia's interim report for the first quarter of 2024.

Rights issue proposal and amendment and extension of credit facilities

On February 20, the Board of Directors of Nobia resolved on a fully guaranteed rights issue of new shares of approximately, but no less than, SEK 1,250 million with preferential rights for existing shareholders, and announced that the Company has reached an agreement with its lenders regarding an amendment and extension of the Company's revolving credit facilities. The purpose of the rights Issue is to finance remaining investments for the Jönköping factory and to strengthen the balance sheet allowing for operational and financial flexibility.

For further details, see the separate press release available on www.nobia.com.

Annual General Meeting 2024

Nobia's Annual General Meeting (AGM) will be held in Stockholm on 14 May 2024. Notice to the AGM will be published no later than four weeks ahead the AGM. The notice and other related information including Board proposals will be available at <http://www.nobia.com>.

Shareholders in Nobia are welcome to submit proposals to the Annual General Meeting not later than 26 March 2024 via email: bolagsstamma@nobia.com or by post: Nobia AB, Bolagsstämman, Blekholmstorget 30 E7, 111 64 Stockholm, Sweden.

Dividend

The Board of Directors propose that no dividend is to be paid for the fiscal year 2023.

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, cyber threats, 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 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.

Stockholm, 20 February 2024

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	
	2022	2023	2022	2023
Net sales	3,780	3,050	14,929	13,373
Cost of goods sold	-2,519	-1,978	-9,566	-8,729
Gross profit	1,261	1,072	5,363	4,644
Selling and administrative expenses	-1,441	-1,179	-5,317	-5,029
Other income/expenses	49	32	145	286
Operating profit	-131	-75	191	-99
Net financial items	-53	-80	-161	-274
Profit after financial items	-184	-155	30	-373
Tax	18	-19	-32	26
Profit after tax	-166	-174	-2	-347
Total profit attributable to:				
Parent Company shareholders	-166	-174	-2	-347
Earnings per share before dilution, SEK	-0.98	-1.04	-0.01	-2.07
Earnings per share after dilution, SEK	-0.98	-1.04	-0.01	-2.07

Consolidated statement of comprehensive income

SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Profit after tax	-166	-174	-2	-347
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Exchange-rate differences attributable to translation of foreign operations	91	-180	329	16
Cash flow hedges before tax (1)	3	-24	39	-57
Tax attributable to change in hedging reserve for the period (2)	1	5	-7	11
	95	-199	361	-30
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit pension plans	18	42	-187	-12
Tax relating to remeasurements of defined benefit pension plans	-3	-3	46	3
	15	39	-141	-9
Other comprehensive income	110	-160	220	-39
Total comprehensive income	-56	-334	218	-386
Total comprehensive income attributable to:				
Parent Company shareholders	-56	-334	218	-386

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

New provision amounts to SEK -27m (25).

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

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

Consolidated balance sheet

SEK m	31 Dec 2022	31 Dec 2023
ASSETS		
Goodwill	3,232	3,247
Other intangible fixed assets	418	560
Tangible fixed assets	3,131	3,189
Right-of-use assets	1,826	1,627
Long-term receivables, interest-bearing (IB)	0	0
Long-term receivables	86	79
Deferred tax assets	240	390
Total fixed assets	8,933	9,092
Inventories	1,478	1,218
Accounts receivable	1,495	1,160
Current receivables, interest-bearing (IB)	2	3
Other receivables	524	596
<i>Total current receivables</i>	<i>2,021</i>	<i>1,759</i>
Cash and cash equivalents (IB)	340	412
Assets held for sale	–	1,134
Total current assets	3,839	4,523
Total assets	12,772	13,615
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	57	57
Other capital contributions	1,460	1,459
Reserves	347	317
Profit brought forward	2,851	2,495
Total shareholders' equity attributable to Parent Company shareholders	4,715	4,328
Total shareholders' equity	4,715	4,328
Provisions for pensions (IB)	384	350
Other provisions	40	29
Deferred tax liabilities	60	55
Lease liabilities, interest-bearing (IB)	1,418	1,281
Other long-term liabilities, interest-bearing (IB)	2,181	3,879
Other long-term liabilities, non interest-bearing	4	0
Total long-term liabilities	4,087	5,594
Current lease liabilities, interest-bearing (IB)	339	288
Accounts payable	2,038	1,722
Current liabilities and provisions	1,593	1,593
Liabilities attributable to assets held for sale	–	90
Total current liabilities	3,970	3,693
Total shareholders' equity and liabilities	12,772	13,615

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	-	-	-	-	-2	-2
Other comprehensive income for the period	-	-	329	32	-141	220
Total comprehensive income for the period	-	-	329	32	-143	218
Dividend	-	-	-	-	-421	-421
Allocation of share saving schemes	-	-5	-	-	-	-5
Closing balance, 31 Dec 2022	57	1,460	319	28	2,851	4,715
Opening balance, 1 Jan 2023	57	1,460	319	28	2,851	4,715
Profit for the period	-	-	-	-	-347	-347
Other comprehensive income/loss for the period	-	-	16	-46	-9	-39
Total comprehensive income for the period	-	-	16	-46	-356	-386
Allocation of performance share plan	-	-1	-	-	-	-1
Closing balance, 31 Dec 2023	57	1,459	335	-18	2,495	4,328

Number of Treasury shares: 2,040,637.

Key ratios, Group

SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Gross profit	1,261	1,072	5,363	4,644
Gross margin, %	33.4	35.1	35.9	34.7
EBITDA	129	162	1,090	771
EBITDA, %	3.4	5.3	7.3	5.8
Total depreciation	-208	-198	-804	-796
Total impairment	-52	-39	-95	-74
Operating profit	-131	-75	191	-99
<i>Excl. items affecting comparability</i>	25	3	497	218
Operating margin, %	-3.5	-2.5	1.3	-0.7
<i>Excl. items affecting comparability</i>	0.7	0.7	3.3	1.6
Return on operating capital, %	-	-	2.4	-1.1
Return on shareholders equity, %	-	-	0,0	-7.7
Operating cash flow	-81	-188	-746	-810
Earnings per share before dilution, SEK	-0.98	-1.04	-0.01	-2.07
Earnings per share after dilution, SEK	-0.98	-1.04	-0.01	-2.07
Number of shares at period end before dilution, thousands (1)	168,253	168,253	168,253	168,253
Average number of shares before dilution, thousands (1)	168,253	168,253	168,253	168,253
Number of shares after dilution at period end, thousands (1)	168,253	168,367	168,471	168,591
Average number of shares after dilution, thousands (1)	168,253	168,367	168,380	168,591
Equity/assets ratio, %	-	-	37	32
Debt/equity ratio, %	-	-	84	124
Net debt, closing balance, SEK m	-	-	3,980	5,383
Operating capital, closing balance, SEK m	-	-	8,695	9,711
Capital employed, closing balance, SEK m	-	-	9,037	10,126
Number of employees	-	-	6,123	5,315

(1) Excluding treasury shares

Consolidated cash-flow statement

SEK m	Q4		Jan-Dec	Jan-Dec
	2022	2023	2022	2023
Operating activities				
Operating profit	-131	-75	191	-99
Depreciation/Impairment	260	237	899 ¹	870 ²
Adjustments for non-cash items	9	8	48	23
Tax paid	-129	18	-208	-84
Change in working capital	389	125	-11	180
Cash flow from operating activities	398	313	919	890
Investing activities				
Investments in intangible and tangible fixed assets	-484	-508	-1,684	-1,717
Other items in investing activities	5	7	19	17
Interest received	3	21	4	24
Change in interest-bearing assets	0	5	0	-1
Acquisition of companies	-	-	-59	-
Cash flow from investing activities	-476	-475	-1,720	-1,677
Total cashflow from operating and investing activities	-78	-162	-801	-787
Financing activities				
Interest paid	-45	-100	-125	-272
Change in interest-bearing liabilities	45	363	1,204 ³	1,140 ⁴
Dividend	-	-	-421	-
Cash flow from financing activities	0	263	658	868
Cash flow for the period excluding exchange-rate differences in cash and cash equivalents	-78	101	-143	81
Cash and cash equivalents at beginning of the period	387	330	422	340
Cash flow for the period	-78	101	-143	81
Exchange-rate differences in cash and cash equivalents	31	-19	61	-9
Cash and cash equivalents at period-end	340	412	340	412

Operating Cash flow * SEK m	Q4		Jan-Dec	Jan-Dec
	2022	2023	2022	2023
Cash flow from operating activities	398	313	919	890
Investments in fixed assets	-484	-508	-1,684	-1,717
Other items in investing activities	5	7	19	17
Operating cash flow before acquisition/divestment of operations, interest, change in interest-bearing assets	-81	-188	-746	-810

* Alternative Performance Measure, refer to "Definitions".

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

2) Impairments during the period amounted to SEK 74m and pertained to other intangible assets SEK 16m, machinery and equipment SEK 19m and land and buildings 39m.

3) Net of repayment and raising of loans amounted to SEK 1800m. Amortisation of leasing amounted to SEK 505m.

4) Net of repayment and raising of loans amounted to SEK 1 700m. Amortisation of leasing amounted to SEK 481m.

Analysis of net debt

SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Opening balance, net debt	3,675	5,137	2,014	3,980
New leasing contracts/Closed leasing contracts in advance, net	196	54	353	275
Acquisition of operations	-	-	59	-
Translation differences	-7	-47	47	30
Operating cash flow	81	188	746	810
<i>Whereof investments in the Jönköping factory</i>	285	424	1,170	1,298
Interest paid, net	42	79	121	248
Remeasurements of defined benefit pension plans	-18	-42	187	12
Other change in pension liabilities	11	14	32	28
Treasury shares reissued	-	-	-	-
Dividend	-	-	421	-
Closing balance, net debt	3,980	5,383	3,980	5,383

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 16. Net sales by product group, page 17.

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 17m (44) and liabilities at a value of SEK -35m (-13). 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 144m (166) during the fourth quarter of 2023. The Parent Company's reported 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.

The group tests goodwill for impairment every year or more often if there are indications that the value of goodwill is lower than the reported value so-called triggering events. If there is such an indication, the company calculates the recovery value for goodwill and prepares an impairment test. Nobia notes that the effects of the cost saving programs carried out in 2022 and the beginning of 2023 are running according

to plan, and that the choice to exit certain unprofitable project segment business has contributed positively. Thus management's current assessment is that there is no need for goodwill write-downs. Nonetheless, it is not precluded that reasonable changes in key assumptions could lead to an impairment and 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.

Parent Company

Parent Company income statement SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Net sales	166	144	593	485
Administrative expenses	-194	-135	-694	-552
Other operating income/expense	-1	-4	2	-4
Operating profit/loss	-29	5	-99	-71
Financial items, net	110	-119	990	-38
Profit/loss after financial items	81	-114	891	-109
Group contribution received	-101	-258	-101	-258
Tax on profit/loss for the period	41	68	41	68
Profit/loss for the period	21	-304	831	-299

Parent Company balance sheet SEK m	31 Dec	31 Dec
	2022	2023
Total fixed assets	1,760	1,872
Total current assets	4,494	4,163
Total assets	6,254	6,035
Total shareholders' equity	3,532	3,233
Total long-term liabilities	50	50
Total current liabilities	2,672	2,752
Total shareholders' equity, provisions and liabilities	6,254	6,035

Items affecting comparability

Items affecting comparability per function, SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
In gross profit	-20	-65	-31	-181
In operating profit	-156	-78	-306	-317
In taxes	32	16	63	65
In profit after tax	-124	-62	-243	-252

Items affecting comparability in gross profit per region, SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Nordic	-20	-65	-22	-101
UK	-	-	-4	-59
Portfolio Business Units	-	-	-	-21
Group-wide and eliminations	0	-	-5	0
Group	-20	-65	-31	-181

Items affecting comparability in operating profit per region, SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Nordic	-85	-78	-91	-214
UK	-	0	-115	-65
Portfolio Business Units	-	0	-	-37
Group-wide and eliminations	-71	0	-100	-1
Group	-156	-78	-306	-317

Items affecting comparability in operating profit per item, SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Restructuring costs	-24	-26	-131	-233
Factory transition costs	-72	-9	-72	-82
Capital gain	-	0	-	112
Reversal write-downs	-	57	-	57
Impairments and writedown	-60	-100	-103	-171
Total	-156	-78	-306	-317

Operating capital per region

	31 Dec	
	2022	2023
Operating capital Nordic region, SEK m		
Operating assets	3,463	5,860
Operating liabilities	2,051	2,237
Operating capital	1,412	3,623

	31 Dec	
	2022	2023
Operating capital UK region, SEK m		
Operating assets	3,559	3,558
Operating liabilities	995	896
Operating capital	2,564	2,662

	31 Dec	
	2022	2023
Operating capital Portfolio Business Units, SEK m		
Operating assets	967	814
Operating liabilities	324	278
Operating capital	643	536

	31 Dec	
	2022	2023
Operating capital Group-wide and eliminations, SEK m		
Operating assets	4,441	2,967
Operating liabilities	365	77
Operating capital	4,076	2,890

	31 Dec	
	2022	2023
Operating capital, SEK m		
Operating assets	12,430	13,199
Operating liabilities	3,735	3,488
Operating capital	8,695	9,711

Comparative data by product group

Net sales	Q4		Jan-Dec	
	2022	2023	2022	2023
Nordic by product group, %				
Kitchen furnitures	72	60	71	73
Installation services	4	5	5	4
Other products	24	35	24	23
Total	100	100	100	100

Net sales	Q4		Jan-Dec	
	2022	2023	2022	2023
UK by product group, %				
Kitchen furnitures	65	64	65	66
Installation services	4	4	4	4
Other products	31	32	31	30
Total	100	100	100	100

Net sales	Q4		Jan-Dec	
	2022	2023	2022	2023
Portfolio Business Units by product group, %				
Kitchen furnitures	60	60	61	59
Installation services	9	10	9	10
Other products	31	30	30	31
Total	100	100	100	100

Net sales	Q4		Jan-Dec	
	2022	2023	2022	2023
Group by product group, %				
Kitchen furnitures	68	61	68	68
Installation services	5	5	5	5
Other products	27	34	27	27
Total	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 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 measures that Nobia uses, see pages 22-23.

Analysis of net sales

	Q4		Jan-Dec	
	%	SEK m	%	SEK m
Analysis of external net sales Nordic Region				
2022		2,057		8,030
Organic growth	-25	-512	-17	-1,451
Currency effects	1	24	3	276
2023	-24	1,569	-15	6,855

	Q4		Jan-Dec	
	%	SEK m	%	SEK m
Analysis of external net sales UK Region				
2022		1,196		5,000
Organic growth	-21	-258	-15	-793
Currency effects	4	63	5	294
2023	-16	1,001	-10	4,501

	Q4		Jan-Dec	
	%	SEK m	%	SEK m
Analysis of external net sales Portfolio Business Units				
2022		527		1,899
Organic growth	-13	-75	-1	-22
Currency effects	4	28	7	140
2023	-9	480	6	2,017

EBITDA

SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Operating profit	-131	-75	191	-99
Depreciation and impairment	260	237	899	870
EBITDA	129	162	1,090	771
Net Sales	3,780	3,050	14,929	13,373
% of sales	3.4	5.3	7.3	5.8

EBITDA excl. IFRS16 and items affecting comparability*	Q4		Jan-Dec	
	2022	2023	2022	2023
EBITDA	129	162	1,090	771
IFRS 16 leasing	-142	-141	-522	-556
EBITDA impact, items affecting comparability	103	35	210	239
EBITDA excl. IFRS16 and items affecting comparability	90	56	778	454

*Used for calculation of leverage on page 7.

EQUITY

Average equity, SEK m	Jan-Dec	
	2022	2023
OB Equity attributable to Parent Company shareholders	4,923	4,715
CB Equity attributable to Parent Company shareholders	4,715	4,328
Average equity	4,819	4,522

Net debt

	31 Dec 2022	31 Dec 2023
Net debt, SEK m		
Provisions for pensions (IB)	384	350
Other long-term liabilities, interest-bearing (IB)	3,599	5,160
Current liabilities, interest-bearing (IB)	339	288
Interest-bearing liabilities	4,322	5,798
Long-term receivables, interest-bearing (IB)	0	0
Current receivables, interest-bearing (IB)	2	3
Cash and cash equivalents (IB)	340	412
Interest-bearing assets	342	415
Net debt	3,980	5,383
	31 Dec 2022	31 Dec 2023
Net debt excl. IFRS 16 Leases and pension provisions, SEK m		
Net debt	3,980	5,383
Of which IFRS 16 Leases	1,757	1,569
Of which provisions for pensions	384	350
Net debt excl. IFRS 16 Leases	2,223	3,814
Net debt excl. IFRS 16 Leases and provision for pensions	1,839	3,464

Operating capital

	31 Dec 2022	31 Dec 2023
Operating capital, SEK m		
Total assets	12,772	13,615
Other provisions	-40	-29
Deferred tax liabilities	-60	-55
Other long-term liabilities, non interest-bearing	-4	0
Current liabilities, non interest-bearing	-3,631	-3,405
Non-interest-bearing liabilities	-3,735	-3,489
Capital employed	9,037	10,126
Interest-bearing assets	-342	-415
Operating capital	8,695	9,711
	Jan-Dec 2022	Jan-Dec 2023
Average capital employed, SEK m		
OB capital employed	7,361	9,037
CB capital employed	9,037	10,126
Average capital employed	8,199	9,582
	Jan-Dec 2022	Jan-Dec 2023
Average operating capital, SEK m		
OB Operating capital	6,937	8,695
CB Operating capital	8,695	9,711
Average operating capital	7,816	9,203

Operating profit and margin excl. items affecting comparability

SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Operating profit	-131	-75	191	-99
Items affecting comparability	-156	-78	-306	-317
Operating profit excl. items affecting comparability*	25	3	497	218
	Q4		Jan-Dec	
	2022	2023	2022	2023
Operating margin excl. items affecting comparability*, %				
Operating margin	-3.5	-2.5	1.3	-0.7
Margin impact when items affecting comparability* excluded	4.2	2.6	2.0	2.3
Operating margin excl. items affecting comparability*, %	0.7	0.1	3.3	1.6

*Items affecting comparability, are specified on page 16.

Data per region

Net sales, SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Nordic	2,057	1,569	8,030	6,855
UK	1,196	1,001	5,001	4,502
Portfolio Business Units	527	480	1,899	2,017
Group-wide and eliminations	0	0	-1	-1
Net sales, Group	3,780	3,050	14,929	13,373

Gross profit, SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Nordic	632	458	2,697	2,122
UK	481	452	2,102	1,884
Portfolio Business Units	148	143	518	564
Group-wide and eliminations	0	19	46	74
Gross profit, Group	1,261	1,072	5,363	4,644

Gross profit excl IAC*, SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Nordic	652	523	2,719	2,223
UK	481	452	2,106	1,943
Portfolio Business Units	148	143	518	585
Group-wide and eliminations	0	19	51	74
Gross profit Group excl. IAC*	1,281	1,137	5,394	4,825

Gross margin, %	Q4		Jan-Dec	
	2022	2023	2022	2023
Nordic	30.7	29.2	33.6	31.0
UK	40.2	45.2	42.0	41.8
Portfolio Business Units	28.1	29.8	27.3	28.0
Gross margin Group	33.4	35.1	35.9	34.7

Gross margin excl IAC*, %	Q4		Jan-Dec	
	2022	2023	2022	2023
Nordic	31.7	33.3	33.9	32.4
UK	40.2	45.2	42.1	43.2
Central Europe	28.1	29.8	27.3	29.0
Gross margin Group excl IAC*	33.9	37.3	36.1	36.1

Operating profit, SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Nordic	43	-33	595	131
UK	-72	-25	-184	-124
Portfolio Business Units	27	26	76	57
Group-wide and eliminations	-129	-43	-296	-163
Operating profit Group	-131	-75	191	-99

Operating profit excl IAC*, SEK m	Q4		Jan-Dec	
	2022	2023	2022	2023
Nordic	128	45	686	345
UK	-72	-25	-69	-59
Portfolio Business Units	27	26	76	94
Group-wide and eliminations	-58	-43	-196	-162
Operating profit Group, excl IAC*	25	3	497	218

Operating margin, %	Q4		Jan-Dec	
	2022	2023	2022	2023
Nordic	2.1	-2.1	7.4	1.9
UK	-6.0	-2.5	-3.7	-2.8
Portfolio Business Units	5.1	5.4	4.0	2.8
Operating margin Group	-3.5	-2.5	1.3	-0.7

Operating margin excl IAC*, %	Q4		Jan-Dec	
	2022	2023	2022	2023
Nordic	6.2	2.9	8.5	5.0
UK	-6.0	-2.5	-1.4	-1.3
Portfolio Business Units	5.1	5.4	4.0	4.7
Operating margin Group, excl. IAC*	0.7	0.1	3.3	1.6

*IAC, items affecting comparability, are specified on page 16.

Net sales, SEK m	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	2,040	2,155	1,778	2,057	1,948	1,858	1,480	1,569
UK	1,279	1,286	1,240	1,196	1,227	1,148	1,126	1,001
Portfolio Business Units	460	450	462	527	485	556	496	480
Group-wide and eliminations	0	-1	0	0	0	0	-1	0
Net sales, Group	3,779	3,890	3,480	3,780	3,660	3,562	3,101	3,050

Gross profit, SEK m	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	737	767	561	632	589	590	485	458
UK	558	530	533	481	473	487	472	452
Portfolio Business Units	134	106	130	148	113	174	134	143
Group-wide and eliminations	17	11	18	0	20	17	18	19
Gross profit, Group	1,446	1,414	1,242	1,261	1,195	1,268	1,109	1,072

Gross profit excl IAC*, SEK m	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	737	768	562	652	625	590	485	523
UK	558	532	535	481	533	485	473	452
Portfolio Business Units	134	106	130	148	133	174	135	143
Group-wide and eliminations	17	16	18	0	20	17	18	19
Gross profit Group excl. IAC*	1,446	1,422	1,245	1,281	1,311	1,266	1,111	1,137

Gross margin, %	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	36.1	35.6	31.6	30.7	30.2	31.8	32.8	29.2
UK	43.6	41.2	43.0	40.2	38.5	42.4	41.9	45.2
Portfolio Business Units	29.1	23.6	28.1	28.1	23.3	31.3	27.0	29.8
Gross margin Group	38.3	36.3	35.7	33.4	32.7	35.6	35.8	35.1

Gross margin excl IAC*, %	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	36.1	35.6	31.6	31.7	32.1	31.8	32.8	33.3
UK	43.6	41.4	43.1	40.2	43.4	42.2	42.0	45.2
Central Europe	29.1	23.6	28.1	28.1	27.4	31.3	27.2	29.8
Gross margin Group excl IAC*	38.3	36.6	35.8	33.9	35.8	35.5	35.8	37.3

Operating profit, SEK m	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	213	242	97	43	15	83	66	-33
UK	0	-101	-11	-72	-165	-14	80	-25
Portfolio Business Units	20	9	20	27	-24	35	20	26
Group-wide and eliminations	-51	-88	-28	-129	-43	-43	-34	-43
Operating profit Group	182	62	78	-131	-217	61	132	-75

Operating profit excl IAC*, SEK m	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	213	248	97	128	105	102	93	45
UK	0	14	-11	-72	5	-11	-28	-25
Portfolio Business Units	20	9	20	27	12	36	20	26
Group-wide and eliminations	-51	-59	-28	-58	-41	-44	-34	-43
Operating profit Group, excl IAC*	182	212	78	25	81	83	51	3

Operating margin, %	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	10.4	11.2	5.5	2.1	0.8	4.5	4.5	-2.1
UK	0.0	-7.9	-0.9	-6.0	-13.4	-1.2	7.1	-2.5
Portfolio Business Units	4.3	2.0	4.3	5.1	-4.9	6.3	4.0	5.4
Operating margin Group	4.8	1.6	2.2	-3.5	-5.9	1.7	4.3	-2.5

Operating margin excl IAC*, %	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	10.4	11.5	5.5	6.2	5.4	5.5	6.3	2.9
UK	0.0	1.1	-0.9	-6.0	0.4	-1.0	-2.5	-2.5
Portfolio Business Units	4.3	2.0	4.3	5.1	2.5	6.5	4.0	5.4
Operating margin Group, excl. IAC*	4.8	5.4	2.2	0.7	2.2	2.3	1.6	0.1

*IAC, items affecting comparability, are specified on page 16.

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

Presentation

The interim report will be presented on Tuesday, February 20 at 10:00 CET in a webcast teleconference that can be followed on <https://edge.media-server.com/mmc/p/md6yonvg>

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/B19b28755acd2648b1a48f819a2ec42ead>

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

May 14, Interim report for January-March 2024

July 18, Interim report for January-June 2024

October 22, Interim report for January-September 2024.

The Annual General Meeting 2024 will be held in Stockholm on May 14.

The Annual Report for 2023 will be published during week 14.

This interim report is information such that Nobia is obliged to make public pursuant to the EU's Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, on 20 February, 2024 at 07:35 CET.