



Year-end report 2020

Fourth quarter 2020:

- Net sales amounted to SEK 3,450m (3,445).
- Organic growth was 5% (-2).
- Operating profit excl. items affecting comparability increased to SEK 295m (214), corresponding to an operating margin of 8.6% (6.2).
- Items affecting comparability amounted to SEK -144m, primarily related to write-down of assets following the decision to invest in a new factory in Sweden.
- Changes in exchange rates negatively impacted operating profit by SEK -15m.
- Profit after tax excl. items affecting comparability amounted to SEK 218m (150), corresponding to earnings per share after dilution of SEK 1.29 (0.88).
- Operating cash flow amounted to SEK 396m (348).
- Net debt, excl. IFRS 16 lease liabilities, declined to SEK 204m (1,344).
- The Board proposes a dividend of SEK 2 per share (0).

Nobia Group summary

	Q4		Ch.	Jan - Dec		Ch.
	2019	2020	%	2019	2020	%
Net sales, SEK m	3,445	3,450	0	13,930	12,741	-9
Gross margin, %	37.6	34.6	-	38.1	34.9	-
Gross margin excl. IAC	37.6	37.7	-	38.1	35.7	-
Operating margin before depreciation/impairment (EBITDA), %	12.4	13.7	-	14.1	11.2	-
Operating profit (EBIT), SEK m	214	151	-29	1,132	437	-61
Operating profit (EBIT), excl IAC, SEK m	214	295	38	1,132	581	-49
Operating margin, %	6.2	4.4	-	8.1	3.4	-
Operating margin excl IAC, %	6.2	8.6	-	8.1	4.6	-
Profit after financial items, SEK m	187	143	-24	1,039	353	-66
Profit/loss after tax, SEK m	150	89	-41	810	253	-69
Profit/loss after tax, excl IAC, SEK m	150	218	45	810	382	-53
Earnings/loss per share, before dilution, SEK	0.89	0.53	-40	4.80	1.50	-69
Earnings/loss per share, before dilution excl IAC, SEK	0.89	1.29	45	4.80	2.26	-53
Earnings/loss per share, after dilution, SEK	0.88	0.53	-40	4.79	1.50	-69
Earnings/loss per share, after dilution excl IAC, SEK	0.88	1.29	47	4.79	2.26	-53
Operating cash flow, SEK m	348	396	14	1,179	1,808	53

Comments from the President and CEO

A very unusual year has come to an end, in which we managed to finish on a strong note with a solid result in the last quarter. Despite a partially closed store network during the fourth quarter we were able to continue to serve customers, improve operating profit and generate a solid cash flow.

Before going further into the financials I would like to express my deep gratitude to all our customers, employees, suppliers, shareholders and other stakeholders. It has been a huge task on all fronts, first and foremost to ensure the health and safety of our employees, and to deal with the fast-changing business and operational conditions in 2020. On the one hand we have had positive momentum and underlying demand on the back of home improvement trends, and on the other hand, the lockdowns have caused difficulties for our store network and in keeping operations steady. For most of the time we have been able to keep our business and operations going, but not without some pain.

Fourth quarter Group organic growth was 5% driven by the Nordics and Central Europe, while the UK declined. Project sales continued to be strong in all markets except the UK where social housing and London property markets remained soft. Despite lockdowns, the positive momentum of consumer sales continued in all markets. The underlying market is deemed to remain good, although the conversion is impacted by customers' limited access to our store network in several markets.

Cash generation was strong throughout the year on the back of solid earnings in the Nordics, lower working capital and efficient cash management. By the end of year, we were debt free excluding pension and lease liabilities. The Board of Directors proposes a dividend of SEK 2 per share for 2020.

During the quarter some important milestones in our long-term strategy were reached: we concluded the initial preparatory phase for the new Nordic factory to be built in Jönköping (ready 2024) and we secured the required financing. We also were the first kitchen specialist to have our science-based climate targets approved by the Science Based Targets Initiative (SBTI). This is confirmation of our aim to drive a strong sustainability agenda and development across our industry and beyond.

We enter this year at a stronger position than I would have anticipated back in April. We have a robust financial position; however the more uncertain times will continue this year and it will be a balancing act investing for the future at the same time as maintaining our more short-term financial performance. We have a solid plan, indicators suggest continued underlying demand of our products, and we have a new organisation in place to execute our strategy. I look forward to sharing more details at our capital markets day later this spring.

Finally, I would again like to sincerely thank all our employees for their strong commitment and tremendous hard work in the challenging conditions during the last year.



Jon Sintorn,
President and CEO

Fourth quarter, consolidated

Market overview

Markets have been affected by the various government-imposed restrictions to fight the spread of coronavirus during the year. Restrictions have prevented markets from functioning normally as the temporary closure of manufacturing sites, points of sales and housing development projects have negatively impacted kitchen sales, predominantly in the second quarter and to some extent in the first quarter. In the fourth quarter markets, except for parts of the project market and social housing segment in the UK, were largely functioning normally until December when tighter restrictions were imposed in the midst of the second wave of COVID-19, including temporary closure of stores in the UK, Denmark and Austria. Consumer interest in home refurbishing such as kitchen investments has increased during the pandemic, since people are spending more time in their homes.

Net sales, earnings and cash flow

The Group's net sales amounted to SEK 3,450m (3,445). Organic growth was 5% and currency effects were negative 5%. Organic growth was double-digit in the Nordic and Central Europe regions.

The gross margin, excl. items affecting comparability, increased to 37.7% (37.6) and gross profit excl. items affecting comparability increased to SEK 1,299m (1,295). Operating profit excl. items affecting comparability increased to SEK 295m (214), mainly as a result of the strong organic growth in the Nordic and Central Europe regions. Changes in exchange rates impacted negatively by approximately SEK 15m.

Operating cash flow increased to SEK 396m (348). The change in working capital was less favourable but investments were lower. The Group's net debt, excl. IFRS16 lease liabilities, declined to SEK 204m (1,344).

Analysis of net sales

	Q4	
	%	SEK m
2019		3,445
Organic growth	5	183
–of which Nordic region	11	177
–of which UK region	-4	-53
–of which Central Europe region	18	59
Currency effects	-5	-178
2020	0	3,450

Currency effect on operating profit

SEKm	Q4		
	Translation effect	Transaction effect	Total effect
Nordic region	-5	-5	-10
UK region	5	-10	-5
CE region	0	0	0
Group	0	-15	-15

Store development

	Q4
Newly opened/closed, net	-1
Number of own stores	225

Net sales and profit by region

SEKm	Nordic		UK		Central Europe		Group-wide and eliminations		Group		Ch.
	Q4		Q4		Q4		Q4		Q4		
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	%
Net sales from external customers	1,658	1,767	1,455	1,304	332	379	–	–	3,445	3,450	0
Net sales from other regions	0	0	–	–	0	0	0	0	–	–	–
Net sales	1,658	1,767	1,455	1,304	332	379	0	0	3,445	3,450	0
Gross profit	618	586	554	468	107	138	16	2	1,295	1,194	-8
Gross profit excl. IAC	618	698	554	468	107	138	16	-5	1,295	1,299	0
Gross margin, %	37.3	33.2	38.1	35.9	32.2	36.4	–	–	37.6	34.6	–
Gross margin excl. IAC, %	37.3	39.5	38.1	35.9	32.2	36.4	–	–	37.6	37.7	–
Operating profit/loss	204	150	57	13	33	62	-80	-74	214	151	-29
Operating profit/loss excl IAC	204	282	57	21	33	62	-80	-70	214	295	38
Operating margin, %	12.3	8.5	3.9	1.0	9.9	16.4	–	–	6.2	4.4	–
Operating margin excl IAC, %	12.3	16.0	3.9	1.6	9.9	16.4	–	–	6.2	8.6	–

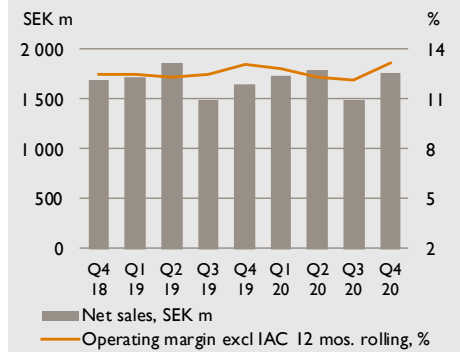
Fourth quarter, the regions

Nordic region

Net sales in the Nordic region increased to SEK 1,767m (1,658m). Organic growth was 11% (-4), or 12% adjusted for the impact from transforming own stores to franchise stores. Growth was good in all markets and segments, except for project sales in Finland.

The gross margin, excl. items affecting comparability, increased to 39.5% (37.3). Operating profit excl. items affecting comparability increased to SEK 282m (204) and the corresponding margin rose to 16.0% (12.3). The higher profit was mainly driven by the volume increase and higher average sales values. Changes in exchange rates impacted profit negatively by SEK -10m.

Nordic region

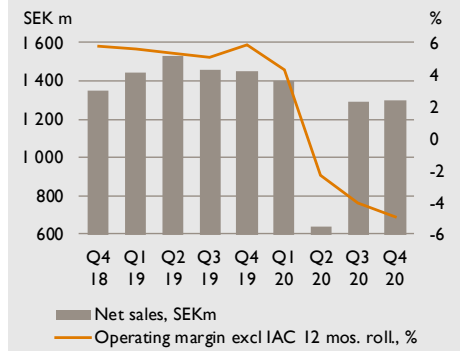


UK region

Net sales in the UK declined to SEK 1,304m (1,455). The organic decline was -4% (1). The Magnet brand increased in both the retail and trade segments while total project segment incl. social housing was down significantly.

The gross margin decreased to 35.9% (38.1). Operating profit excl. items affecting comparability decreased to SEK 21m (57) and the corresponding margin declined to 1.6% (3.9), mainly as a result of the volume decline.

UK region

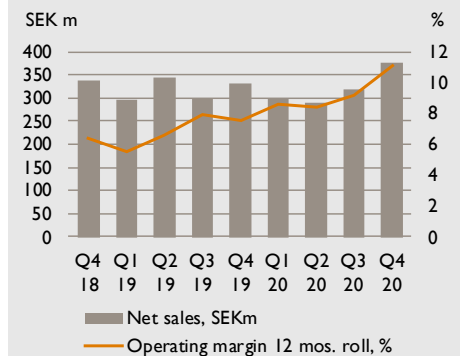


Central Europe region

Net sales in the Central Europe region increased to SEK 379m (332). Organic growth was 18% (-5), driven by pent-up retail demand resulting from the coronavirus lockdowns earlier in the year as well as a relatively weak corresponding quarter in the project segment in the preceding year.

The gross margin was 36.4% (32.2). Operating profit increased to SEK 62m (33) and the operating margin increased to 16.4% (9.9), supported mainly by the high organic growth rate.

Central Europe region



January - December, consolidated

- Net sales decreased to SEK 12,741m (13,930).
- Operating profit excl. items affecting comparability amounted to SEK 581m (1,132), corresponding to an operating margin of 4.6% (8.1).
- Changes in exchange rates impacted operating profit negatively by SEK -65m.
- Profit after tax excl. items affecting comparability amounted to SEK 382m (810), corresponding to earnings per share after dilution of SEK 2.26 (4.79).
- Operating cash flow increased to SEK 1,808m (1,179).
- Net debt, excl. IFRS 16 lease liabilities, declined to SEK 204m (1,344).

Net sales, earnings and cash flow

Net sales decreased to SEK 12,741m (13,930). The organic decline was 7% (0) primarily as a result of the sharp declines in the UK and Austria in the second quarter when markets were heavily impacted by coronavirus restrictions.

The gross margin decreased to 34.9% (38.1). Operating profit, excl. items affecting comparability (details on page 6), decreased to SEK 581m (1,132), mainly due to the large coronavirus-driven sales volume declines in the UK and Central Europe regions in the second quarter. Operating profit includes onetime restructuring charges and bad debt provisions totalling SEK -108m from the second quarter and items affecting comparability of SEK -144m from the fourth quarter. Higher average sales prices and furlough subsidies impacted positively, however not enough to compensate for the effect of from lower volume and consequently lower productivity. Changes in exchange rates impacted negatively by SEK -65m.

Operating cash flow improved to SEK 1,808m (1,179) mainly due to improved cash flow from change in working capital and lower investments. Part of the working capital improvement related to governmental subsidies such as delayed tax and VAT payments.

Analysis of net sales

	Jan - Dec	
	%	SEK m
2019		13,930
Organic growth	-7	-911
–of which Nordic region	3	208
–of which UK region	-19	-1,148
–of which Central Europe region	2	29
Currency effects	-2	-278
2020	-9	12,741

Currency effect on operating profit

SEK m	Jan - Dec		
	Translation effect	Transaction effect	Total effect
Nordic region	-10	-60	-70
UK region	5	0	5
CE region	0	0	0
Group	-5	-60	-65

Store development

	Jan - Dec
Newly opened/closed, net	-8
Number of own stores	225

Net sales and profit by region

	Nordic		UK		Central Europe		Group-wide & eliminations		Group		Ch.
	Jan - Dec		Jan - Dec		Jan - Dec		Jan - Dec		Jan - Dec		
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	
Net sales from external customers	6,753	6,801	5,902	4,649	1,275	1,291	–	–	13,930	12,741	-9
Net sales from other regions	0	0	–	–	0	0	0	0	–	–	–
Net sales	6,753	6,801	5,902	4,649	1,275	1,291	0	0	13,930	12,741	-9
Gross profit	2,567	2,455	2,282	1,509	394	419	62	61	5,305	4,444	-16
Gross profit excl. IAC	2,567	2,567	2,282	1,509	394	419	62	54	5,305	4,549	-14
Gross margin, %	38.0	36.1	38.7	32.5	30.9	32.5	–	–	38.1	34.9	–
Gross margin excl. IAC, %	38.0	37.7	38.7	32.5	30.9	32.5	–	–	38.1	35.7	–
Operating profit/loss	886	765	345	-234	98	143	-197	-237	1,132	437	-61
Operating profit/loss excl. IAC, SEK m	886	897	345	-226	98	143	-197	-233	1,132	581	-49
Operating margin, %	13.1	11.2	5.8	-5.0	7.7	11.1	–	–	8.1	3.4	–
Operating margin excl. IAC, %	13.1	13.2	5.8	-4.9	7.7	11.1	–	–	8.1	4.6	–
Net financial items									-93	-84	10
Profit after financial items									1,039	353	-66

Other information

Financing

At the end of the fourth quarter, Nobia's loan facility consisting of a syndicated bank loan of SEK 2 billion, was replaced with two multicurrency revolving credit facilities totalling SEK 5 billion. A SEK 2 billion facility with a term of three years (with the option to request an extension of up to two years at the lenders' sole discretion) and a SEK 3 billion facility with a term of five years. The new facilities have similar covenants as the replaced loan: leverage (net debt to EBITDA) and interest cover (EBITDA to net interest expenses). At the end of December 2020, SEK 285m of the facility was utilised. Cash and cash equivalents amounted to SEK 635m (257).

Net debt including IFRS 16 lease liabilities of SEK 2,183m (2,475) and pension provisions of SEK 556m (473) amounted to SEK 2,387m (3,819). Excl. the lease liabilities and pension provisions, the Group had a net cash position of SEK 352m (net debt 871). The net debt/equity ratio decreased to 59% (89) or 5% (31) excl. IFRS16 lease liabilities.

Net financial items amounted to SEK -84m (-93). Net financial items include the net of returns on pension assets and interest expense on pension liabilities corresponding to SEK -17m (-21). Net interest amounted to SEK -67m (-72), of which SEK -48m (-55) was attributable to interest on leases.

Items affecting comparability

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

The fourth quarter 2020 includes items affecting comparability referring to write down of machinery and building assets in the Tidaholm factory, which is to be replaced by a new factory in 2024, and a pension adjustment in the UK. Refer to page 14 for details.

No items affecting comparability were recognised in 2019.

Personnel

The number of employees on 31 December 2020 was 5,901 (6,109).

Coronavirus and its effects on Nobia

The renewed increase in COVID-19 infections in parts of the world, and particularly in Europe, shows that downside risks persist. With that said, as countries emerged from the immediate health crisis in the first half of the year, restarted their economies and lifted lockdown measures, the impact on Nobia Group's markets has eased and customer demand has increased. Demand has been high especially in the Nordics, partly accelerated by the stay-at-home trend and increased willingness among consumers to invest in kitchen refurbishment. Currently, all manufacturing sites are in full operation and adhering to health and safety restrictions, but stores in the UK, Denmark and Austria are closed following new restrictions in the second wave of the pandemic.

The duration and expected development of the pandemic is unknown, and no predictions can be made in relation to the length of current or future measures that different countries and others may take in response to the crisis. However, any prolongation or worsening of the virus outbreak may lead to e.g. the following:

- the extension of lockdown measures and restrictions on freedom of movement in the Group's key markets
- key suppliers experiencing severe financial difficulties
- shortages of necessary material and parts from suppliers directly or indirectly affected by the virus
- outbreak that may in turn lead to supply chain disruptions
- a larger number of customers directly or indirectly affected by the virus outbreak having difficulties, or being prevented from, making payments to the Group when due
- further disruption of financial markets and/or
- a prolonged global economic downturn leading to a more severe reduction in demand for Nobia's products.

The health and safety of Nobia's employees is a key priority. Thanks to Nobia's proactive approach during the pandemic thus far, there has been little impact on the Group's ability to serve customers and run operations. The Group has accelerated its efforts on sales and customer service through digital and online channels. Cost and working capital management has been a high priority, ensuring liquidity and cash flow to remain resilient and ensure quick recovery.

Annual General Meeting and dividend proposal

Nobia's Annual General Meeting (AGM) will be held in Stockholm on 29 April 2021.

For the 2020 fiscal year, the Board of Directors proposes a dividend of SEK 2 per share. There was no dividend for the fiscal year 2019 as the dividend proposal was withdrawn due to uncertainties related to the impact of the pandemic. The dividend proposal entails a total share dividend of about SEK 338 million. The record day for the right to receive a dividend is 3 May 2021 and the final day for trading in Nobia shares including the right to receive dividend is 29 April 2021. If the Annual General Meeting resolves in accordance with the Board of Directors' proposal, the dividend is expected to be paid through Euroclear Sweden AB on Thursday, 6 May 2021.

Publication of the Annual Report on www.nobia.com is planned for no later than 8 April 2021 and the Swedish version will be distributed in print to those who have requested it.

Preparations for investment in new production plant

Nobia is continuing preparations for its investment in a highly automated production plant in Jönköping, Sweden, which is expected to be in full operation by 2024.

Following the conclusion of the negotiations with the relevant trade unions under the Co-Determination in the Workplace Act (MBL), the Board of Directors resolved on the decision to build the new factory in Jönköping and to subsequently write down the assets related to machinery and building in the current Tidaholm factory in the amount of SEK 136m.

Furthermore, Nobia and the trade unions agreed on a transition programme that will ensure future employment for all employees currently working at the plant in Tidaholm. The programme includes competence development, commuter support and the aim to establish a manufacturing entity for specialised components in Tidaholm which is to be divested over time.

Investments in machinery in the new plant is estimated at approximately SEK 2 billion. In addition, the Group will invest approximately SEK 1.5 billion in a factory building, which is expected to be sold and leased back when the factory is in full operation.

New long-term debt financing

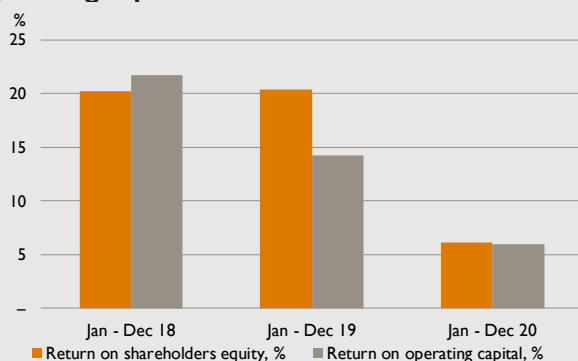
Nobia has entered an agreement with Svenska Handelsbanken AB (publ) and Nordea Bank Abp, filial i Sverige for two multicurrency revolving credit facilities totalling SEK 5 billion. A SEK 2 billion facility with a term of three years (with the option to request an extension of up to two years at the lenders' sole discretion) and a SEK 3 billion facility with a term of five years. The new credit facilities will replace, extend and increase the current facility Nobia has with the same two banks.

Climate targets approved by the Science Based Targets initiative

Nobia is the first kitchen specialist to adopt sustainability targets in accordance with Science Based Targets. As part of a new sustainability strategy, new climate targets have been set based on scientific facts, targets that now have been approved by the Science Based Targets initiative. The targets are:

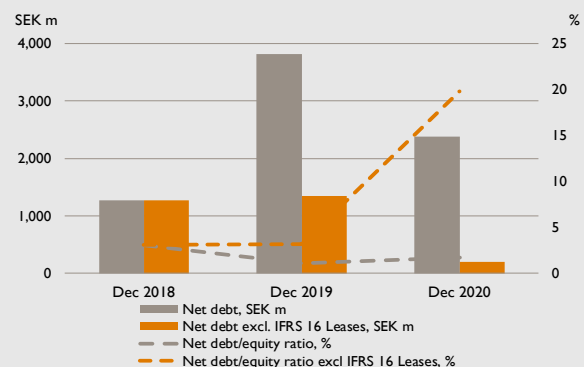
- Nobia will reduce the carbon emissions from operations and own transportation (scope 1 and 2) by 72 % by 2026 from a 2016 base year.
- Nobia will collaborate with suppliers of sourced goods from both production and usage to reduce their carbon footprint. At least 70% of the company's suppliers (based on carbon emissions) shall have science-based targets by 2025.

Return on shareholders' equity and on operating capital



Impact from IFRS 16 Leases as of January 1, 2019

Net debt and net debt/equity ratio



Impact from IFRS 16 Leases as of January 1, 2019

New member of Group Management

Sara Björk joined Nobia in December, as new Chief Information Officer (CIO) and member of Group Management. Sara most recently held the position of Head of IT for H&M Group's IT division for Design, Purchasing and Production offices.

Significant risks

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

Nobia's financing and management of financial risks is centralised within the Nobia finance function and is conducted on the basis of a finance policy adopted by the Board of Directors. Financial risks refer primarily to currency exchange rates, interest rates, financing, tax and credit risks. In the ordinary course of business, the Group is exposed to legal risks such as commercial, product liability and other disputes and provides for them as appropriate.

The demand for Nobia's products is affected by changes in the customers' investment and production levels. A general economic downturn, a widespread financial crisis and other macroeconomic disturbances may, directly or indirectly, affect the Group negatively both in terms of revenues and profitability.

The major risks to Nobia's operations due to the coronavirus pandemic is continued or new manufacturing closures, continued or more severe restrictions on social distancing, and lower demand for kitchens following a potential economic downturn affecting both the buying power of retail customers and a slowdown of building and renovating projects. The extent of the impact of the coronavirus pandemic on Nobia's business will continue

to depend on numerous evolving factors that are difficult to accurately predict. These include the duration and scope of the pandemic, economic conditions during and after the pandemic, governmental actions that have been taken, or may be taken in the future, in response to the pandemic, and changes in consumer behaviour in response to the pandemic.

The pandemic could have a significant impact on Nobia Group operations, both in terms of difficulties of supply of raw materials and components and effects on demand of Nobia Group's products and services.

Potential near and midterm effects on Nobia resulting from Brexit are expected to be limited due to precautions implemented, such as the build-up of safety stock for critical imported components.

For a more detailed description of Nobia's risks and uncertainties, as well as risk management, refer to pages 52-58 in the 2019 Annual Report and "Coronavirus and its effects on Nobia" on page 6 in this interim report.

Stockholm, 4 February 2021

Jon Sintorn
President and CEO

Nobia AB, Corporate Registration Number 556528-2752

This Year-End Report has not been subject to review by the auditors.

Condensed consolidated income statement

SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Net sales	3,445	3,450	13,930	12,741
Cost of goods sold	-2,150	-2,256	-8,625	-8,297
Gross profit	1,295	1,194	5,305	4,444
Selling and administrative expenses	-1,124	-1,056	-4,293	-4,227
Other income/expenses	43	13	120	220
Operating profit	214	151	1,132	437
Net financial items	-27	-8	-93	-84
Profit after financial items	187	143	1,039	353
Tax	-37	-54	-229	-100
Profit after tax	150	89	810	253
Total profit attributable to:				
Parent Company shareholders	150	89	810	253
Total depreciation	-214	-205	-838	-852
Total impairment	2	-116	3	-137
Gross margin, %	37.6	34.6	38.1	34.9
Operating margin, %	6.2	4.4	8.1	3.4
Return on operating capital, %	-	-	14.2	6.0
Return on shareholders equity, %	-	-	20.4	6.1
Earnings per share before dilution, SEK	0.89	0.53	4.80	1.50
Earnings per share after dilution, SEK	0.88	0.53	4.79	1.50
Number of shares at period end before dilution, ¹⁾	168,853	168,853	168,853	168,853
Average number of shares before dilution, ¹⁾	168,853	168,963	168,770	168,853
Number of shares after dilution at period end, ¹⁾	169,361	169,300	169,328	169,293
Average number of shares after dilution, ¹⁾	168,981	168,966	169,044	169,293

¹⁾ Excl. treasury shares.

Consolidated statement of comprehensive income

SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Profit after tax	150	89	810	253
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Exchange-rate differences attributable to translation of foreign operations	-40	-223	241	-399
Cash flow hedges before tax	-19	-17	-19 ¹	1 ¹
Tax attributable to change in hedging reserve for the period	4	2	4 ²	-2 ²
	-55	-238	226	-400
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit pension plans	52	-1	6	-135
Tax relating to remeasurements of defined benefit pension plans	-8	7	0	30
	44	6	6	-105
Other comprehensive income	-11	-232	232	-505
Total comprehensive income	139	-143	1,042	-252
Total comprehensive income attributable to:				
Parent Company shareholders	139	-143	1,042	-252

¹⁾ Reversal recognized in profit and loss amounts to a positive SEK 15m (neg: -3). New provision amounts to a negative SEK -17m (neg: -15).

²⁾ Reversal recognized in profit and loss amounts to a negative SEK 3m (pos: 1). New provision amounts to a positive SEK 4m. (pos: 3).

Condensed consolidated balance sheet

SEK m	31 Dec	
	2019	2020
ASSETS		
Goodwill	3,042	2,830
Other intangible fixed assets	232	221
Tangible fixed assets	1,641	1,340
Right-of-use assets	2,549	2,200
Long-term receivables, interest-bearing (IB)	2	0
Long-term receivables	103	96
Deferred tax assets	72	119
Total fixed assets	7,641	6,806
Inventories	1,145	1,035
Accounts receivable	1,371	1,213
Current receivables, interest-bearing (IB)	4	2
Other receivables	428	394
<i>Total current receivables</i>	<i>1,803</i>	<i>1,609</i>
Cash and cash equivalents (IB)	257	635
Total current assets	3,205	3,279
Total assets	10,846	10,085
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	57	57
Other capital contributions	1,497	1,506
Reserves	55	-345
Profit brought forward	2,668	2,816
<i>Total shareholders' equity attributable to Parent Company shareholders</i>	<i>4,277</i>	<i>4,034</i>
Total shareholders' equity	4,277	4,034
Provisions for pensions (IB)	473	556
Other provisions	37	45
Deferred tax liabilities	49	35
Lease liabilities, interest-bearing (IB)	2,113	1,778
Other long-term liabilities, interest-bearing (IB)	1,134	285
Other long-term liabilities, non interest-bearing	33	0
Total long-term liabilities	3,839	2,699
Current lease liabilities, interest-bearing (IB)	362	405
Current liabilities and provisions	2,368	2,947
Total current liabilities	2,370	3,352
Total shareholders' equity and liabilities	10,846	10,085
BALANCE-SHEET RELATED KEY RATIOS		
Equity/assets ratio, %	39	40
Debt/equity ratio, %	89	59
Net debt, closing balance, SEK m	3,819	2,387
Operating capital, closing balance, SEK m	8,096	6,421
Capital employed, closing balance, SEK m	8,359	7,058

Statement of changes in consolidated shareholders' equity

SEK m	Attributable to Parent Company shareholders					Total share-holders equity
	Share capital	Other capital contributions	Exchange-rate differences attributable to translation of foreign operations	Cash-flow hedges after tax	Profit brought forward	
Opening balance, 1 January 2019	57	1,484	-173	2	2,527	3,897
Profit for the period	-	-	-	-	810	810
Other comprehensive income for the period	-	-	241	-15	6	232
Total comprehensive income for the period	-	-	241	-15	816	1,042
Dividend	-	-	-	-	-675	-675
Treasury share reissued	-	9	-	-	-	9
Allocation of share saving schemes	-	4	-	-	-	4
Closing balance, 31 December 2019	57	1,497	68	-13	2,668	4,277
Opening balance, 1 January 2020	57	1,497	68	-13	2,668	4,277
Profit for the period	-	-	-	-	253	253
Other comprehensive income/loss for the period	-	-	-399	-1	-105	-505
Total comprehensive income for the period	-	-	-399	-1	148	-252
Allocation of share saving schemes	-	9	-	-	-	9
Closing balance, 31 December 2020	57	1,506	-331	-14	2,816	4,034

Condensed consolidated cash-flow statement

SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
<i>Operating activities</i>				
Operating profit	214	151	1,132	437
Depreciation/Impairment	212	321	835 ¹	989 ²
Adjustments for non-cash items	30	43	29	50
Tax paid	-115	-88	-305	-118
Change in working capital	226	111	-58	710
Cash flow from operating activities	567	538	1,633	2,068
<i>Investing activities</i>				
Investments in fixed assets	-225	-142	-465	-308
Other items in investing activities	6	0	11	48
Interest received	0	1	1	2
Change in interest-bearing assets	-3	7	29	5
Cash flow from investing activities	-222	-134	-424	-253
Total cashflow from operating and investing activities	345	404	1,209	1,815
<i>Financing activities</i>				
Interest paid	-15	-8	-70	-63
Change in interest-bearing liabilities	-268	-668	-386 ³	-1,360 ⁴
Treasury share reissued	-	-	9	-
Dividend	-	-	-675	-
Cash flow from financing activities	-283	-676	-1,122	-1,423
Cash flow for the period excluding exchange-rate differences in cash and cash equivalents	62	-272	87	392
Cash and cash equivalents at beginning of the period	220	885	128	257
Cash flow for the period	62	-272	87	392
Exchange-rate differences in cash and cash equivalents	-25	22	42	-14
Cash and cash equivalents at period-end	257	635	257	635

Operating Cash flow * SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Cash flow from operating activities	567	538	1,633	2,068
Investments in fixed assets	-225	-142	-465	-308
Other items in investing activities	6	0	11	48
Operating cash flow before acquisition/divestment of operations, interest, change in interest-bearing assets	348	396	1,179	1,808

* Alternative Performance Measure, refer to "Definitions".

¹⁾ Reversal of impairment amounted to SEK 3m and pertained to equipment, tools, fixtures and fittings by SEK 1m and kitchen displays by SEK 2m

²⁾ Impairments during the period amounted to SEK 137m and pertained to land and buildings by SEK 55m, machinery by SEK 48m and other intangible assets by SEK 34m

³⁾ Net of repayment and raising of loans amounted to SEK 240m. Amortisation of leasing amounted to SEK 475m

⁴⁾ Net of repayment and raising of loans amounted to SEK -849. Amortisation of leasing amounted to SEK 449m.

Analysis of net debt

SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Opening balance, net debt	4,206	2,843	1,266	3,819
OB leasing liabilities new accounting principle	–	–	2,716	–
New leasing contracts/Closed leasing contracts in advance, net	-25	34	115	304
Translation differences	11	-128	155	-163
Operating cash flow	-348	-396	-1,179	-1,808
Interest paid, net	15	7	69	61
Remeasurements of defined benefit pension plans	-52	12	-6	147
Other change in pension liabilities	12	15	17	27
Treasury share reissued	–	–	-9	–
Dividend	–	–	675	–
Closing balance, net debt	3,819	2,387	3,819	2,387

Items affecting comparability

Items affecting comparability, SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Decision closure Tidaholm factory 2024	–	136	–	136
Pensionadjustment in UK	–	8	–	8
Items affecting comparability in operating profit	–	144	–	144
Items affecting comparability in taxes	–	-15	–	-15
Items affecting comparability, total loss	–	129	–	129

Items affecting comparability per function, SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Items affecting profitability in gross profit	–	105	–	105
Items affecting profitability in in operating profit	–	144	–	144
Items affecting profitability in in taxes	–	-15	–	-15
Items affecting profitability in in profit after tax	–	129	–	129

Items affecting comparability in gross profit per region, SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Nordic	–	112	–	112
UK	–	–	–	–
Central Europe	–	–	–	–
Group-wide and eliminations	–	-7	–	-7
Group	–	105	–	105

Items affecting comparability in operating profit per region, SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Nordic	–	132	–	132
UK	–	8	–	8
Central Europe	–	–	–	–
Group-wide and eliminations	–	4	–	4
Group	–	144	–	144

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 2019 Annual Report. A description of new accounting policies in their entirety is provided in the 2019 Annual Report.

Note 2 – References

Segment information page 4.

Loan and shareholder's equity transactions, page 6.

Items affecting comparability, page 6.

Net sales by product group, page 19.

Note 3 – Financial instruments - fair value

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

Financial instruments measured at fair value in the balance sheet are currency forward contracts comprised of assets at a value of SEK 1m (5) and liabilities at a value of SEK 26m (24). 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 114m (73) during the fourth quarter of 2020 and SEK 337m (281) for the full year. The Parent Company's reported dividends from participations in Group companies totalled SEK 0m (500).

Parent Company

Condensed Parent Company income statement SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Net sales	74	115	281	337
Administrative expenses	-119	-181	-332	-506
Other operating income	2	2	6	8
Other operating expense	-1	-2	-4	-9
Operating loss	-44	-66	-49	-170
Profit from shares in Group companies	500	-	500	-
Other financial income and expenses	-55	-129	70	-191
Profit/loss after financial items	401	-195	521	-361
Group contribution received	150	155	150	155
Group contribution paid	-187	-	-187	-
Tax on profit/loss for the period	0	-1	0	-1
Profit/loss for the period	364	-41	484	-207

Parent Company balance sheet SEK m	31 dec	
	2019	2020
ASSETS		
Fixed assets		
Tangible fixed assets	29	26
Shares and participations in Group companies	1,380	1,385
Deferred tax assets	6	5
Total fixed assets	1,415	1,416
Current assets		
<i>Current receivables</i>		
Accounts receivable	1	0
Receivables from Group companies	2,212	2,833
Other receivables	70	28
Prepaid expenses and accrued income	84	81
Cash and cash equivalents	158	436
Total current assets	2,525	3,378
Total assets	3,940	4,794
SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES		
Shareholders' equity		
<i>Restricted shareholders' equity</i>		
Share capital	57	57
Statutory reserve	1,671	1,671
	1,728	1,728
<i>Non-restricted shareholders' equity</i>		
Share premium reserve	52	52
Buy-back of shares	-82	-82
Profit brought forward	823	1,316
Profit/loss for the period	484	-207
	1,277	1,079
Total shareholders' equity	3,005	2,807
Long-term liabilities		
Provisions for pensions	21	22
Deferred tax liabilities	5	5
Long term interest-bearing liabilities	22	17
Total long-term liabilities	48	44
Current liabilities		
Other interest-bearing liabilities	6	7
Accounts payable	44	31
Liabilities to Group companies	790	1,815
Current tax liabilities	-	-
Other liabilities	29	39
Accrued expenses and deferred income	18	51
Total current liabilities	887	1,943
Total shareholders' equity, provisions and liabilities	3,940	4,794

Comparative data per region (I)

Net sales, SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Nordic	1,658	1,767	6,753	6,801
UK	1,455	1,304	5,902	4,649
Central Europe	332	379	1,275	1,291
Group-wide and eliminations	0	0	0	0
Group	3,445	3,450	13,930	12,741

Gross profit, SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Nordic	618	586	2,567	2,455
UK	554	468	2,282	1,509
Central Europe	107	138	394	419
Group-wide and eliminations	16	2	62	61
Group	1,295	1,194	5,305	4,444

Gross profit excl. IAC, SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Nordic	618	698	2,567	2,567
UK	554	468	2,282	1,509
Central Europe	107	138	394	419
Group-wide and eliminations	16	-5	62	54
Group	1,295	1,299	5,305	4,549

Gross margin, %	Q4		Jan - Dec	
	2019	2020	2019	2020
Nordic	37.3	33.2	38.0	36.1
UK	38.1	35.9	38.7	32.5
Central Europe	32.2	36.4	30.9	32.5
Group	37.6	34.6	38.1	34.9

Gross margin excl. IAC, %	Q4		Jan - Dec	
	2019	2020	2019	2020
Nordic	37.3	39.5	38.0	37.7
UK	38.1	35.9	38.7	32.5
Central Europe	32.2	36.4	30.9	32.5
Group	37.6	37.7	38.1	35.7

Comparative data per region (2)

Operating profit, SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Nordic	204	150	886	765
UK	57	13	345	-234
Central Europe	33	62	98	143
Group-wide and eliminations	-80	-74	-197	-237
Group	214	151	1,132	437

Operating profit excl IAC, SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Nordic	204	282	886	897
UK	57	21	345	-226
Central Europe	33	62	98	143
Group-wide and eliminations	-80	-70	-197	-233
Group	214	295	1,132	581

Operating margin, %	Q4		Jan - Dec	
	2019	2020	2019	2020
Nordic	12.3	8.5	13.1	11.2
UK	3.9	1.0	5.8	-5.0
Central Europe	9.9	16.4	7.7	11.1
Group	6.2	4.4	8.1	3.4

Operating margin excl IAC, %	Q4		Jan - Dec	
	2019	2020	2019	2020
Nordic	12.3	16.0	13.1	13.2
UK	3.9	1.6	5.8	-4.9
Central Europe	9.9	16.4	7.7	11.1
Group	6.2	8.6	8.1	4.6

Quarterly data per region (I)

Net sales, SEK m	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	1,724	1,870	1,501	1,658	1,739	1,804	1,491	1,767
UK	1,448	1,535	1,464	1,455	1,405	645	1,295	1,304
Central Europe	297	346	300	332	301	292	319	379
Group-wide and eliminations	0	0	0	0	0	0	0	0
Group	3,469	3,751	3,265	3,445	3,445	2,741	3,105	3,450

Gross profit, SEK m	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	655	732	562	618	662	669	538	586
UK	570	610	548	554	505	94	442	468
Central Europe	76	108	103	107	91	82	108	138
Group-wide and eliminations	16	15	15	16	18	21	20	2
Group	1,317	1,465	1,228	1,295	1,276	866	1,108	1,194

Gross profit excl IAC, SEK m	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	655	732	562	618	662	669	538	698
UK	570	610	548	554	505	94	442	468
Central Europe	76	108	103	107	91	82	108	138
Group-wide and eliminations	16	15	15	16	18	21	20	-5
Group	1,317	1,465	1,228	1,295	1,276	866	1,108	1,299

Gross margin, %	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	38.0	39.1	37.4	37.3	38.1	37.1	36.1	33.2
UK	39.4	39.7	37.4	38.1	35.9	14.6	34.1	35.9
Central Europe	25.6	31.2	34.3	32.2	30.2	28.1	33.9	36.4
Group	38.0	39.1	37.6	37.6	37.0	31.6	35.7	34.6

Gross margin excl IAC, %	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	38.0	39.1	37.4	37.3	38.1	37.1	36.1	39.5
UK	39.4	39.7	37.4	38.1	35.9	14.6	34.1	35.9
Central Europe	25.6	31.2	34.3	32.2	30.2	28.1	33.9	36.4
Group	38.0	39.1	37.6	37.6	37.0	31.6	35.7	37.7

Quarterly data per region (2)

Operating profit, SEK m	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	214	275	193	204	198	234	183	150
UK	73	127	88	57	-21	-239	13	13
Central Europe	5	32	28	33	18	25	38	62
Group-wide and eliminations	-32	-43	-42	-80	-61	-63	-39	-74
Group	260	391	267	214	134	-43	195	151

Operating profit excl IAC, SEK m	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	214	275	193	204	198	234	183	282
UK	73	127	88	57	-21	-239	13	21
Central Europe	5	32	28	33	18	25	38	62
Group-wide and eliminations	-32	-43	-42	-80	-61	-63	-39	-70
Group	260	391	267	214	134	-43	195	295

Operating margin, %	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	12.4	14.7	12.9	12.3	11.4	13.0	12.3	8.5
UK	5.0	8.3	6.0	3.9	-1.5	-37.1	1.0	1.0
Central Europe	1.7	9.2	9.3	9.9	6.0	8.6	11.9	16.4
Group	7.5	10.4	8.2	6.2	3.9	-1.6	6.3	4.4

Operating margin excl IAC, %	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nordic	12.4	14.7	12.9	12.3	11.4	13.0	12.3	16.0
UK	5.0	8.3	6.0	3.9	-1.5	-37.1	1.0	1.6
Central Europe	1.7	9.2	9.3	9.9	6.0	8.6	11.9	16.4
Group	7.5	10.4	8.2	6.2	3.9	-1.6	6.3	8.6

*2019 year's figures following the adoption of IFRS 16

Operating capital per region

	31 Dec	
	2019	2020
Operating capital Nordic region, SEK m		
Operating assets	3,212	2,939
Operating liabilities	1,298	1,544
Operating capital	1,914	1,395

	31 Dec	
	2019	2020
Operating capital UK region, SEK m		
Operating assets	4,283	3,590
Operating liabilities	881	1,133
Operating capital	3,402	2,457

	31 Dec	
	2019	2020
Operating capital Central Europe region, SEK m		
Operating assets	595	558
Operating liabilities	172	198
Operating capital	423	360

	31 Dec	
	2019	2020
Operating capital Group-wide and eliminations, SEK m		
Operating assets	2,493	2,361
Operating liabilities	136	152
Operating capital	2,357	2,209

	31 Dec	
	2019	2020
Operating capital, SEK m		
Operating assets	10,583	9,448
Operating liabilities	2,487	3,027
Operating capital	8,096	6,421

Comparative data by product group

Net sales Nordic by product group, %	Q4		Jan - Dec	
	2019	2020	2019	2020
Kitchen furnitures	64	66	67	67
Installation services	6	6	6	6
Other products	30	28	27	27
Total	100	100	100	100

Net sales UK by product group, %	Q4		Jan - Dec	
	2019	2020	2019	2020
Kitchen furnitures	60	61	62	62
Installation services	7	7	6	6
Other products	33	32	32	32
Total	100	100	100	100

Net sales Central Europe by product group, %	Q4		Jan - Dec	
	2019	2020	2019	2020
Kitchen furnitures	58	57	60	58
Installation services	11	11	11	10
Other products	31	32	29	32
Total	100	100	100	100

Net sales Group by product group, %	Q4		Jan - Dec	
	2019	2020	2019	2020
Kitchen furnitures	62	63	64	64
Installation services	7	7	6	6
Other products	31	30	30	30
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 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 25-26.

Analysis of external net sales Nordic Region	Q4		Jan - Dec	
	%	SEK m	%	SEK m
2019		1,658		6,753
Organic growth	11	177	3	208
Currency effects	-4	-68	-2	-160
2020	7	1,767	1	6,801

Analysis of external net sales UK Region	Q4		Jan - Dec	
	%	SEK m	%	SEK m
2019		1,455		5,902
Organic growth	-4	-53	-19	-1,148
Currency effects	-7	-98	-2	-105
2020	-10	1,304	-21	4,649

Analysis of external net sales Central Europe Region	Q4		Jan - Dec	
	%	SEK m	%	SEK m
2019		332		1,275
Organic growth	18	59	2	29
Currency effects	-4	-12	-1	-13
2020	14	379	1	1,291

Operating profit before depreciation and impairment (EBITDA), SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Operating profit	214	151	1,132	437
Depreciation and impairment	212	321	835	989
Operating profit before depreciation and impairment (EBITDA)	426	472	1,967	1,426
Net Sales	3,445	3,450	13,930	12,741
% of sales	12.4%	13.7%	14.1%	11.2%

Profit/loss after tax excluding IAC, SEK m	Q4		Jan - Dec	
	2019	2020	2019	2020
Profit/loss after tax	150	89	810	253
Items affecting comparability net after tax	-	129	-	129
Profit/loss after tax excluding IAC	150	218	810	382

Average equity, SEK m	Jan - Dec	
	2019	2020
OB Equity attributable to Parent Company shareholders	3,897	4,277
CB Equity attributable to Parent Company shareholders	4,277	4,034
Average equity before adjustment of increases and	4,087	4,156
Adjustment for increases and decreases in capital not	-112	-
Average equity	3,975	4,156

Reconciliation of alternative performance measures, cont.

Net debt, SEK m	31 Dec	
	2019	2020
Provisions for pensions (IB)	473	556
Other long-term liabilities, interest-bearing (IB)	3,247	2,063
Current liabilities, interest-bearing (IB)	362	405
Interest-bearing liabilities	4,082	3,024
Long-term receivables, interest -bearing (IB)	-2	0
Current receivables, interest-bearing (IB)	-4	-2
Cash and cash equivalents (IB)	-257	-635
Interest-bearing assets	-263	-637
Net debt	3,819	2,387

Net debt excl. IFRS 16 Leases and pension provisions, SEK m	31 Dec	
	2019	2020
Net debt	3,819	2,387
Of which IFRS 16 Leases	2,475	2,183
Of which provisions for pensions	473	556
Net debt excl. IFRS 16 Leases	1,344	204
Net debt excl. IFRS 16 Leases and provision for pensions	871	-352

Operating capital, SEK m	31 Dec	
	2019	2020
Total assets	10,846	10,085
Other provisions	-37	-45
Deferred tax liabilities	-49	-35
Other long-term liabilities, non interest-bearing	-33	0
Current liabilities, non interest-bearing	-2,368	-2,947
Non-interest-bearing liabilities	-2,487	-3,027
Capital employed	8,359	7,058
Interest-bearing assets	-263	-637
Operating capital	8,096	6,421

Average operating capital, SEK m	Jan - Dec	
	2019	2020
OB Operating capital	5,163	8,096
CB Operating capital	8,096	6,421
Average operating capital before adjustments of acquisitions and divestments	6,630	7,259
Adjustment for the effect due to adaption of IFRS 16 not occurred in the middle of the period	-1,358	0
Average operating capital	7,988	7,259

Definitions

Performance measure	Calculation	Purpose
Return on shareholders' equity	Net profit for the period as a percentage of average shareholders' equity attributable to Parent Company shareholders based on opening and closing balances for the period. The calculation of average shareholders' equity has been adjusted for increases and decreases in capital.	Return on shareholders' equity shows the total return on shareholders' capital in accounting terms and reflects the effects of both the operational profitability and financial gearing. The measure is primarily used to analyse shareholder profitability over time.
Return on operating capital	Operating profit as a percentage of average operating capital based on opening and closing balances for the period excl. net assets attributable to discontinued operations. The calculation of average operating capital has been adjusted for acquisitions and divestments.	Return on operating capital shows how well the operations use net capital that is tied up in the company. It reflects how both cost and capital-efficient net sales are generated, meaning the combined effect of the operating margin and the turnover rate of operating capital. The measure is used in profitability comparisons between operations in the Group and to assess the Group's profitability over time.
Gross margin	Gross profit as a percentage of sales.	This measure reflects the efficiency of the part of the operations that is primarily linked to production and logistics. It is used to measure cost efficiency in this part of the operations.
EBITDA	Earnings before depreciation/amortisation and impairment.	To simplify, the measure shows the earnings-generating cash flow in the operations. It provides a view of the ability of the operations, in absolute terms, to generate resources for investment and payment to financiers and is used for comparisons over time.
Items affecting comparability	Items that affect comparability in so far as they do not reoccur with the same regularity as other items.	Reporting items affecting comparability separately clearly shows the performance of the underlying operations.
Net debt	Interest-bearing liabilities less interest-bearing assets. Interest-bearing liabilities include provisions for pensions and leases.	Net debt is a liquidity metric used to determine how well a company can pay all of its debts, pension liabilities and leasing obligations if they were due immediately. The measure is used as a component in the debt/equity ratio.
Operating capital	Capital employed excl. interest-bearing assets.	Operating capital shows the amount of capital required by the operations to conduct its core operations. It is mainly used to calculate the return on operating capital.
Operating cash flow	Cash flow from operating activities including cash flow from investing activities, excl. cash flow from acquisitions/divestments of operations, interest received, and increase/decrease in interest-bearing assets.	This measure comprises the cash flow generated by the underlying operations. The measure is used to show the amount of funds at the company's disposal for paying financiers of loans and equity or for use in growth through acquisitions.
Organic growth	Change in net sales, excl. acquisitions, divestments and changes in exchange rates.	Organic growth facilitates a comparison of sales over time by comparing the same operations and excl. currency effects.
Region	Region corresponds to an operating segment under IFRS 8.	
Earnings per share	Net profit for the period divided by a weighted average number of outstanding shares during the period.	

Definitions, cont.

Performance measure	Calculation	Purpose
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 company's financial position and thus its long-term solvency. A healthy equity ratio/strong financial position provides preparedness for managing periods of economic downturn and financial preparedness for growth. It also provides a minor advantage in the form of financial gearing.
Capital employed	Balance-sheet total less non-interest-bearing provisions and liabilities.	The capital that shareholders and lenders have placed at the company's disposal. It shows the net capital invested in the operations, such as operating capital, with additions for financial assets.
Currency effects	"Translation effects" refers to the currency effects arising when foreign results and balance sheets are translated to SEK. "Transaction effects" refers to the currency effects arising when purchases or sales are made in currency other than the currency of the producing country (functional currency).	

Information to shareholders

For further information

Contact any of the following on +46 (0)8 440 16 00 or ir@nobia.com

- Kristoffer Ljungfelt, CFO
- Tobias Norrby, Head of Investor Relations

Presentation

The interim report will be presented on Thursday, 4 February at 10:00 CET in a webcast teleconference that can be followed on Nobia's website or on <https://edge.media-server.com/mmc/p/dfhcj2>

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

Sweden: +46 8 566 42651
UK: +44 333 300 0804
USA: +1 631 913 1422

Pincode: 77642609#

Financial calendar

April 28	Interim report for January – March 2021.
July 19	Interim report for January – June 2021.
October 26	Interim report for January – September 2021.

The Annual Report will be published latest by April 8 on www.nobia.com.
The Annual General Meeting 2021 will be held in Stockholm on April 29.

This interim report is information such that Nobia is obliged to make public pursuant to the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact person set out above, on 4 February 2021 at 08:30 CET.

Nobia AB • Blekholmstorget 30 E7 • SE-111 64 Stockholm • Tel +46 8 440 16 00
www.nobia.com. Corporate Registration Number: 556528-2752 • Board domicile: Stockholm, Sweden