

nobia

Interim report
January - March 2021



Interim report January – March 2021

First quarter 2021

- Organic growth for the Group was 3% (-2), driven by 9% increase in Nordics and 20% increase in Central Europe.
- Net sales for the first quarter decreased by 2% impacted by negative currency effects, and amounted to SEK 3,373m (3,445).
- Operating profit improved to SEK 196m (134), corresponding to an operating margin of 5.8% (3.9).
- Changes in exchange rates positively impacted operating profit by SEK 15m.
- Profit after tax amounted to SEK 132m (88), corresponding to earnings per share after dilution of SEK 0.78 (0.52).
- Operating cash flow amounted to SEK -69m (212).
- Revised financial targets, see page 7.

	Q1		Ch. %	Jan - Dec 2020	Last 12 months
	2020	2021			
Net sales, SEK m	3,445	3,373	-2	12,741	12,669
Gross margin, %	37.0	38.0	–	34.9	35.1
<i>Gross margin excl. IAC</i>	<i>37.0</i>	<i>38.0</i>	–	35.7	36.0
Operating margin before depreciation/impairment (EBITDA), %	10.2	11.9	–	11.2	11.7
Operating profit (EBIT), SEK m	134	196	46	437	499
<i>Operating profit (EBIT), excl IAC, SEK m</i>	<i>134</i>	<i>196</i>	<i>46</i>	<i>587</i>	<i>643</i>
Operating margin, %	3.9	5.8	–	3.4	3.9
<i>Operating margin excl IAC, %</i>	<i>3.9</i>	<i>5.8</i>	–	4.6	5.1
Profit after financial items, SEK m	113	166	47	353	406
Profit/loss after tax, SEK m	88	132	50	253	297
<i>Profit/loss after tax, excl IAC, SEK m</i>	<i>88</i>	<i>132</i>	<i>50</i>	<i>382</i>	<i>426</i>
Earnings/loss per share, before dilution, SEK	0.52	0.78	50	1.50	1.76
<i>Earnings/loss per share, before dilution excl IAC, SEK</i>	<i>0.52</i>	<i>0.78</i>	<i>50</i>	<i>2.26</i>	<i>2.52</i>
Earnings/loss per share, after dilution, SEK	0.52	0.78	50	1.50	1.76
<i>Earnings/loss per share, after dilution excl IAC, SEK</i>	<i>0.52</i>	<i>0.78</i>	<i>50</i>	<i>2.26</i>	<i>2.52</i>
Operating cash flow, SEK m	212	-69	-133	1,808	1,527

Comments from the President and CEO

It has been a solid start to the year, driven by strong performance in the Nordic and Central European markets. The lockdown in the UK, which resulted in a closed store network during the winter sales season, burdened sales and profitability in the UK region, however our performance is estimated to reflect the market development. Operating profit for the Group increased to SEK 196m (134), primarily on the back of organic sales growth of 3% and a favourable segment mix.

The demand for home improvements and investments in property is continuing across our markets. Wherever we have been able to operate normally, we have capitalised on these trends, such as in large parts of the Nordics and Central Europe. We have also kept all manufacturing sites open in the period albeit with rigorous health and safety measures.

In the Nordics, our new organisation has delivered above expectations, with Denmark and Sweden being the main contributors to both sales and profitability improvement in the quarter. The strong retail market following the home improvement trend contributed to a positive segment mix and increased average order values. In Finland the project market remains soft.

Despite temporary closures of our UK store network, we have continued to build the order book by digital sales meetings carried out by our store sales staff and through our new department for remote selling. I am very excited about how fast consumers have migrated from physical to digital design appointments, and even though they want the comfort of touch and feel at some point in the sales journey, this will create opportunities for our go-to market strategy in the future. I am also optimistic about our growth in the UK trade segment which continued in the quarter. We will continue to focus on our trade business through e.g. the launch of new products and increasing product availability in our trade store network. The stores in the UK re-opened



on April 12 and we are now pushing ahead with the retail spring campaign.

The positive momentum is continuing in Central Europe, supported by pent-up demand in Austria and a strong housing market in the Netherlands. However, year-over-year growth was impacted by the Austrian lockdown last year, and thus we expect the growth rates to return to more normal levels over the course of the year.

A few weeks ago, Nobia's management team and I had the pleasure of presenting our strategy for the coming years at an online capital markets day. At the event, we outlined our key initiatives for growth, realising structural efficiency and employee engagement – aiming for sustainability and design leadership. I am very excited about the journey Nobia has embarked on and encourage you all to watch the recording at www.nobia.com/ir.

Finally, I would again like to sincerely thank all our employees for their strong commitment and hard work during these ever-evolving times.

Jon Sintorn
President and CEO

First quarter consolidated

Market overview

Consumer demand is on an overall good level. Interest in home refurbishing such as kitchen investments has increased in all markets during the pandemic, as people are spending more time in their homes. However, the restrictions to fight spread of coronavirus has negatively affected sales to consumers. In the UK, all retail stores were closed from the beginning of the year until April 12 and in Denmark, Austria and Norway retail stores were closed for a part of the quarter. The professional markets, i.e. sales to tradesmen and housing property developers, have largely been operating normally, except for some project market and social housing segments in the UK.

Net sales, earnings and cash flow

The Group's net sales amounted to SEK 3,373m (3,445). Organic growth was 3% and currency effects were negative 5%. Organic growth was 9% in the Nordic region and 20% in the Central Europe region while organic growth decreased by 8% in the UK.

Gross margin increased to 38.0% (37.0) and gross profit amounted to SEK 1,282m (1,276). Operating profit margin increased to 5.8% (3.9) and the operating profit increased to SEK 196m (134). The increase was primarily a result of the strong organic growth in the Nordic and Central Europe regions as well as higher average order values. Operating profit in the UK declined as a result of the kitchen store closures as well as a soft social housing market and London property market. Changes in exchange rates impacted positively by approximately SEK 15m.

Operating cash flow decreased to SEK -69m (212). The higher income and lower investments contributed positively while the change in working capital was less favourable partly due to timing effects in accounts payable. The Group's net debt, excl. IFRS16 lease liabilities, declined to SEK 293m (1,241).

Analysis of net sales

	Q1	
	%	SEK m
2020		3,445
Organic growth	3	90
–of which Nordic	9	144
–of which UK region	-8	-111
–of which Central Europe	20	57
Currency effects	-5	-162
2021	-2	3,373

Currency effect on operating profit

SEKm	Q1		
	Translati- on effect	Transacti- on effect	Total effect
Nordic region	-5	25	20
UK region	0	-5	-5
CE region	0	0	0
Group	-5	20	15

Store development

	Q1
Newly opened/closed, net	-1
Number of own stores	224

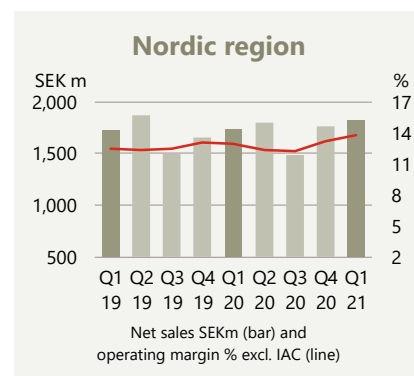
SEKm	Nordic		UK		Central Europe		Group-wide and eliminations		Group		Ch.
	Q1		Q1		Q1		Q1		Q1		
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	
Net sales from external customers	1,739	1,826	1,405	1,205	301	342	–	–	3,445	3,373	-2
Net sales from other regions	0	0	–	–	0	0	0	0	–	–	–
Net sales	1,739	1,826	1,405	1,205	301	342	0	0	3,445	3,373	-2
Gross profit	662	720	505	422	91	109	18	31	1,276	1,282	0
Gross margin, %	38.1	39.4	35.9	35.0	30.2	31.9	–	–	37.0	38.0	–
Operating profit/loss	198	249	-21	-47	18	37	-61	-43	134	196	46
Operating margin, %	11.4	13.6	-1.5	-3.9	6.0	10.8	–	–	3.9	5.8	–

First quarter, the regions

Nordic region

Net sales in the Nordic region increased to SEK 1,826m (1,739m). Organic growth was 9% (1) mainly driven by Sweden and Denmark, despite being somewhat dampened by local corona restrictions. Finland was the exception, where project sales were lower due to continued challenging housing new built activity.

Gross margin increased to 39.4% (38.1). Operating profit increased to SEK 249m (198) and the corresponding margin rose to 13.6% (11.4). The higher profit was mainly driven by the volume increase, higher average sales values and favourable mix. Changes in exchange rates had a positive impact of SEK 20m.

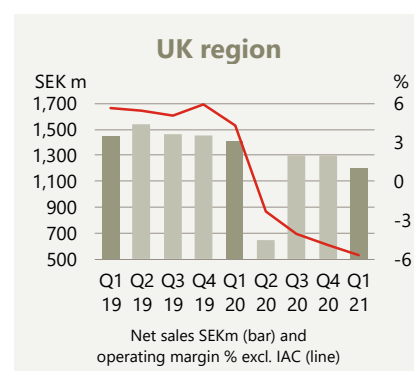


UK region

Net sales in the UK region declined to SEK 1,205m (1,405). The organic decline was -8% (-6). Retail activity was hampered by all kitchen stores being closed due to the corona lockdown until April 12. Magnet brand sales to the trade segment increased while consumer segment sales decreased. Sales to the social housing segment continues to be heavily impacted by the corona restrictions.

The end of the first quarter 2020 was negatively impacted by temporary factory closures due to the coronavirus outbreak.

Gross margin decreased to 35.0% (35.9). Operating profit decreased to SEK -47m (-21) and the corresponding margin declined to -3.9% (-1.5), mainly because of the volume decline.

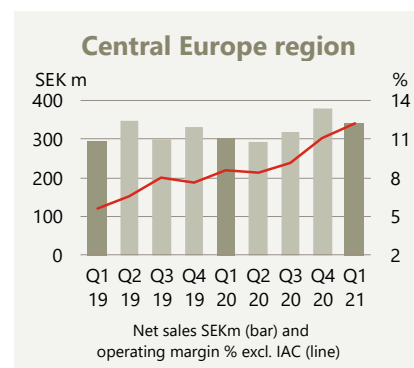


Central Europe region

Net sales in the Central Europe region increased to SEK 342m (301). Organic growth was 20% (-1), mainly driven by strong retail demand and a higher number of production days in Austria. Net sales in the Netherlands increased on the back of pent-up demand in the housing sector.

Gross margin increased to 31.9% (30.2). Operating profit increased to SEK 37m (18) and the operating margin increased to 10.8% (6.0), supported mainly by the high organic growth rate and improved productivity.

The end of the first quarter 2020 was negatively impacted by factory closures in Austria due to the coronavirus outbreak.



Other information

Financing

Nobia's long-term financing consists of two multicurrency revolving credit facilities totalling SEK 5 billion. A SEK 2 billion facility with a maturity in 2023 (with the option to request an extension of up to two years at the lenders' sole discretion) and a SEK 3 billion facility with maturity in 2025. The facilities have leverage (net debt to EBITDA) and interest cover (EBITDA to net interest expenses) covenants. At the end of March 2021, SEK 313m was utilised. Cash and cash equivalents amounted to SEK 476m (958).

Net debt, including IFRS 16 lease liabilities of SEK 2,115m (2,624) and pension provisions of SEK 457m (443), amounted to SEK 2,408m (3,865). Excluding the lease liabilities and pension provisions, the Group had a net cash position of SEK 164m (net debt 798). The net debt/equity ratio decreased to 53% (84) or 7% (27) excluding IFRS16 lease liabilities. Gearing, defined as net debt / EBITDA (excluding IFRS 16 leases and items affecting comparability on 12 months rolling basis) was 0.3 times (0.15).

Net financial items amounted to SEK -30m (-21), of which net of returns on pension assets and interest expense on pension liabilities was SEK -7m (-2), interest on leases was SEK -10m (-14) and other net interest expense was SEK -21m (-16).

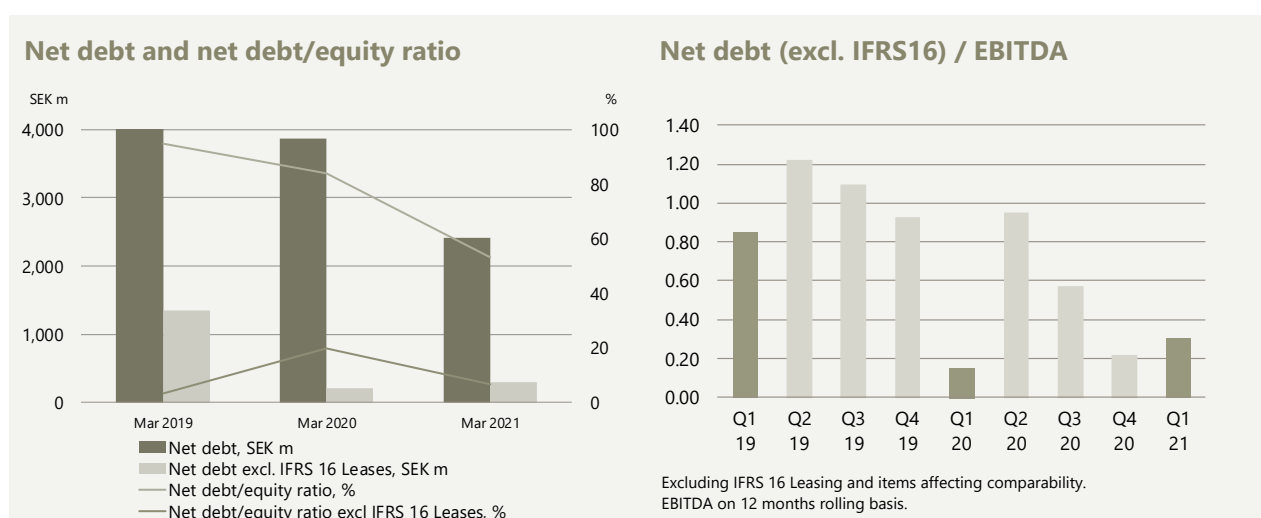
Items affecting comparability

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

No items affecting comparability were recognised in the first quarter 2021 (0). 2020 includes items affecting comparability in the fourth quarter referring to write down of machinery and building assets in the Tidaholm factory, which is to be replaced by a new factory in 2024, and a pension adjustment in the UK. See page 14 for details.

Personnel

The number of employees on 31 March 2021 was 5,944 (6,063).



Revised financial targets

To reflect the ambitions in Nobia's updated strategy, the Nobia Board of Directors has adopted revised long-term financial targets for the Group:

- **Growth:** Average organic growth is targeted to be 3-5% per year.
(previous target: organic and acquired growth of more than 5% per year on average)
- **Profitability:** The operating margin is targeted to be greater than 10% over a business cycle.
(target unchanged)
- **Capital structure:** Leverage, defined as net debt (excl. IFRS 16 Leasing)/EBITDA, shall be below 2.5 times (previous target: net debt/equity ratio below 100%)
- **Dividend policy:** Dividends to shareholders shall comprise at least 40% of net profit after tax
(previous target: dividend of between 40-60% of net profit after tax)

The updated strategy and financial targets were presented at Nobia's capital markets day on March 25. A recording of the event can be viewed on www.nobia.com/ir.

Annual General Meeting and dividend proposal

Nobia's Annual General Meeting (AGM) will be held in 29 April 2021. Due to the Coronavirus, the Board of Directors has decided that the Annual General Meeting should be conducted without the physical presence of shareholders, representatives or third parties and that the shareholders before the meeting should be able to exercise their voting rights only by post. Notice to the AGM and other related information including Board proposals is found on <http://www.nobia.com/agm2021>.

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.

Coronavirus and its effects on Nobia

The continued increase in corona infections in parts of the world, and particularly in Europe, shows that downside risks persist. With that said, consumer demand has increased. Demand has been high especially in the Nordics and Central Europe, 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, and retail stores are now open. However, stores were closed for large parts of the first quarter in the UK, Denmark, Austria and Norway.

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 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 severe reduction in demand.

The health and safety of Nobia's employees is a key priority. Thanks to Nobia's proactive approach during the pandemic, 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.

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.

Nobia is continuously following up on risks related to the corona pandemic and works with mitigating activities to reduce impact. The extent of the impact will continue to depend on numerous evolving factors that are difficult to accurately predict. Factors include the duration and scope of the pandemic, economic conditions during and after the pandemic, supply of materials and components and governmental actions which may result in temporary closure the Group's sales outlets and factories. Potential near and midterm effects resulting from Brexit are expected to be limited due to precautions implemented. To date, Nobia has not been impacted by any major interruptions to operations as a result of the UKs withdrawal.

For a more detailed description of Nobia's risks and uncertainties, as well as risk management, refer to pages 50-57 in the 2020 Annual Report and "Coronavirus and its effects on Nobia" on page 7 in this interim report.

Stockholm, 28 April 2021

Jon Sintorn
President and CEO

Nobia AB, Corporate Registration Number 556528-2752
This interim report has not been subject to review by the auditors.

Consolidated income statement

SEK m	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Net sales	3,445	3,373	12,741	12,669
Cost of goods sold	-2,169	-2,091	-8,297	-8,219
Gross profit	1,276	1,282	4,444	4,450
Selling and administrative expenses	-1,140	-1,113	-4,227	-4,200
Other income/expenses	-2	27	220	249
Operating profit	134	196	437	499
Net financial items	-21	-30	-84	-93
Profit after financial items	113	166	353	406
Tax	-25	-34	-100	-109
Profit after tax	88	132	253	297
Total profit attributable to:				
Parent Company shareholders	88	132	253	297
Total depreciation	-216	-204	-852	-840
Total impairment	-	-	-137	-137
Gross margin, %	37.0	38.0	34.9	35.1
Operating margin, %	3.9	5.8	3.4	3.9
Return on operating capital, %	-	-	6.0	6.5
Return on shareholders equity, %	-	-	6.1	6.5
Earnings per share before dilution, SEK	0.52	0.78	1.50	1.76
Earnings per share after dilution, SEK	0.52	0.78	1.50	1.75
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	168,853	168,853	168,853
Number of shares after dilution at period end, ¹	169,337	169,333	169,293	169,289
Average number of shares after dilution, ¹	168,972	168,971	169,293	169,292

1) Excluding treasury shares

Consolidated statement of comprehensive income

SEK m	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Profit after tax	88	132	253	297
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Exchange-rate differences attributable to translation of foreign operations	143	271	-399	-271
Cash flow hedges before tax	53 ¹	-5 ¹	1 ¹	-57
Tax attributable to change in hedging reserve for the period	-11 ²	1 ²	-2 ²	10
	185	267	-400	-318
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit pension plans	29	109	-135	-55
Tax relating to remeasurements of defined benefit pension plans	-5	-19	30	16
	24	90	-105	-39
Other comprehensive income	209	357	-505	-357
Total comprehensive income	297	489	-252	-60
Total comprehensive income attributable to:				
Parent Company shareholders	297	489	-252	-60

¹⁾ Reversal recognised in profit and loss amounts to a positive SEK 22m (-15). New provision amounts to SEK -5m (37). (Jan-Dec 2020: neg: -17)

²⁾ Reversal recognised in profit and loss amounts to a negative SEK -5m (-3). New provision amounts to SEK 1m (-8). (Jan-Dec 2020: pos: 4)

Consolidated balance sheet

SEK m	31 Mar		31 Dec
	2020	2021	2020
ASSETS			
Goodwill	3,128	2,989	2,830
Other intangible fixed assets	219	212	221
Tangible fixed assets	1,687	1,387	1,340
Right-of-use assets	2,696	2,124	2,200
Long-term receivables, interest-bearing (IB)	2	0	0
Long-term receivables	104	95	96
Deferred tax assets	59	98	119
Total fixed assets	7,895	6,905	6,806
Inventories	1,212	1,076	1,035
Accounts receivable	1,723	1,594	1,213
Current receivables, interest-bearing (IB)	45	1	2
Other receivables	434	402	394
<i>Total current receivables</i>	<i>2,202</i>	<i>1,997</i>	<i>1,609</i>
Cash and cash equivalents (IB)	958	476	635
Total current assets	4,372	3,549	3,279
Total assets	12,267	10,454	10,085
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	57	57	57
Other capital contributions	1,499	1,508	1,506
Reserves	240	-78	-345
Profit brought forward	2,780	3,038	2,816
<i>Total shareholders' equity attributable to Parent Company shareholders</i>	<i>4,576</i>	<i>4,525</i>	<i>4,034</i>
Total shareholders' equity	4,576	4,525	4,034
Provisions for pensions (IB)	443	457	556
Other provisions	23	63	45
Deferred tax liabilities	61	46	35
Lease liabilities, interest-bearing (IB)	2,237	1,694	1,778
Other long-term liabilities, interest-bearing (IB)	1,803	313	285
Other long-term liabilities, non interest-bearing	1	0	0
Total long-term liabilities	4,568	2,573	2,699
Current lease liabilities, interest-bearing (IB)	387	421	405
Current liabilities and provisions	2,736	2,935	2,947
Total current liabilities	3,123	3,356	3,352
Total shareholders' equity and liabilities	12,267	10,454	10,085
BALANCE-SHEET RELATED KEY RATIOS			
Equity/assets ratio, %	37	43	40
Debt/equity ratio, %	84	53	59
Net debt, closing balance, SEK m	3,865	2,408	2,387
Operating capital, closing balance, SEK m	8,441	6,933	6,421
Capital employed, closing balance, SEK m	9,446	7,410	7,058

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 2020	57	1,497	68	-13	2,668	4,277
Profit for the period	-	-	-	-	88	88
Other comprehensive income for the period	-	-	143	42	24	209
Total comprehensive income for the period	-	-	143	42	112	297
Allocation of share saving schemes	-	2	-	-	-	2
Closing balance, 31 March 2020	57	1,499	211	29	2,780	4,576
Opening balance, 1 January 2021	57	1,506	-331	-14	2,816	4,034
Profit for the period	-	-	-	-	132	132
Other comprehensive income/loss for the period	-	-	271	-4	90	357
Total comprehensive income for the period	-	-	271	-4	222	489
Allocation of performance share plan	-	2	-	-	-	2
Closing balance, 31 March 2021	57	1,508	-60	-18	3,038	4,525

Consolidated cash-flow statement

SEK m	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Operating activities				
Operating profit	134	196	437	499
Depreciation/Impairment	216 ¹	204 ²	989 ³	977
Adjustments for non-cash items	-1	5	50	56
Tax paid	-25	-41	-118	-134
Change in working capital	-37	-386	710	361
Cash flow from operating activities	287	-22	2,068	1,759
Investing activities				
Investments in intangible and tangible fixed assets	-83	-55	-308	-280
Other items in investing activities	8	8	48	48
Interest received	10	0	2	-8
Change in interest-bearing assets	-41	1	5	47
Cash flow from investing activities	-106	-46	-253	-193
Total cashflow from operating and investing activities	181	-68	1,815	1,566
Financing activities				
Interest paid	-27	-23	-63	-59
Change in interest-bearing liabilities	534 ³	-105 ⁴	-1,360 ⁶	-1,999
Cash flow from financing activities	507	-128	-1,423	-2,058
Cash flow for the period excluding exchange-rate differences in cash and cash equivalents	688	-196	392	-492
Cash and cash equivalents at beginning of the period	257	635	257	958
Cash flow for the period	688	-196	392	-492
Exchange-rate differences in cash and cash equivalents	13	37	-14	10
Cash and cash equivalents at period-end	958	476	635	476

Operating Cash flow * SEK m	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Cash flow from operating activities	287	-22	2,068	1,759
Investments in fixed assets	-83	-55	-308	-280
Other items in investing activities	8	8	48	48
Operating cash flow before acquisition/divestment of operations, interest, change in interest-bearing assets	212	-69	1,808	1,527

* Alternative Performance Measure, refer to "Definitions".

¹⁾ No Impairments during the period .

²⁾ No Impairments during the period.

³⁾ 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.

⁴⁾ Net of repayment and raising of loans amounted to SEK 669m. Amortisation of leasing amounted to SEK 123m.

⁵⁾ Net of repayment and raising of loans amounted to SEK 28m. Amortisation of leasing amounted to SEK 112m.

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

Analysis of net debt

SEK m	Q1		Jan - Dec 12 months	
	2020	2021	2020	rolling
Opening balance, net debt	3,819	2,387	3,819	3,865
New leasing contracts/Closed leasing contracts in advance, net	184	-57	304	63
Translation differences	82	86	-163	-159
Operating cash flow	-212	69	-1,808	-1,527
Interest paid, net	17	23	61	67
Remeasurements of defined benefit pension plans	-29	-109	147	67
Other change in pension liabilities	4	9	27	32
Closing balance, net debt	3,865	2,408	2,387	2,408

Items affecting comparability

Items affecting comparability, SEK m	Q1		Jan - Dec 12 months	
	2020	2021	2020	rolling
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	Q1		Jan - Dec 12 months	
	2020	2021	2020	rolling
Items affecting profitability in gross profit	-	-	105	105
Items affecting profitability in in operating profit	-	-	144	144
Items affecting profitability in in taxes	-	-	-15	-15
Items affecting profitability in in profit after tax	-	-	129	129

Items affecting comparability in gross profit per region, SEK m	Q1		Jan - Dec 12 months	
	2020	2021	2020	rolling
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	Q1		Jan - Dec 12 months	
	2020	2021	2020	rolling
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 2020 Annual Report.

Note 2 - References

Segment information pages 4 and 5. Loan and shareholder's equity transactions, page 6. Items affecting comparability, page 6. Net sales by product group, page 22.

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 13m (49) and liabilities at a value of SEK 37m (8). These items are measured according to level 2 of the fair value hierarchy, meaning based on indirect observable market data. Nobia's financial instruments are measured at fair value and included in the balance sheet on the rows " Other receivables" and "Current liabilities".

Note 4 - Related-party transactions

There is no sale and manufacturing of kitchens in the Parent Company. The Parent Company invoiced Group-wide services to subsidiaries in an amount of SEK 88m (78) during the first quarter of 2021. The Parent Company's reported dividends from participations in Group companies totalled SEK 0m (0).

Parent Company

Condensed Parent Company income statement SEK m	Q1		Jan - Dec 12 months	
	2020	2021	2020	rolling
Net sales	78	89	337	348
Administrative expenses	-128	-119	-506	-497
Other operating income	2	1	8	7
Other operating expense	-1	-2	-9	-10
Operating loss	-49	-31	-170	-152
Other financial income and expenses	92	137	-191	-146
Profit/loss after financial items	43	106	-361	-298
Group contribution received	-	-	155	155
Tax on profit/loss for the period	-	-	-1	-1
Profit/loss for the period	43	106	-207	-144

Parent Company balance sheet SEK m	31 mar		31 Dec
	2020	2021	2020
ASSETS			
Fixed assets			
Tangible fixed assets	32	24	26
Shares and participations in Group companies	1,381	1,386	1,385
Deferred tax assets	11	8	5
Total fixed assets	1,424	1,418	1,416
Current assets			
<i>Current receivables</i>			
Accounts receivable	1	1	0
Receivables from Group companies	2,210	2,955	2,833
Other receivables	99	50	28
Prepaid expenses and accrued income	94	97	81
Cash and cash equivalents	387	278	436
Total current assets	2,791	3,381	3,378
Total assets	4,215	4,799	4,794
SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES			
Shareholders' equity			
<i>Restricted shareholders' equity</i>			
Share capital	57	57	57
Statutory reserve	1,671	1,671	1,671
	1,728	1,728	1,728
<i>Non-restricted shareholders' equity</i>			
Share premium reserve	52	52	52
Buy-back of shares	-82	-82	-82
Profit brought forward	1,309	1,110	1,316
Profit/loss for the period	43	106	-207
	1,322	1,186	1,079
Total shareholders' equity	3,050	2,914	2,807
Long-term liabilities			
Provisions for pensions	21	23	22
Deferred tax liabilities	11	8	5
Long term interest-bearing liabilities	23	16	17
Total long-term liabilities	55	47	44
Current liabilities			
Other interest-bearing liabilities	7	7	7
Accounts payable	31	48	31
Liabilities to Group companies	990	1,707	1,815
Current tax liabilities	-	-	-
Other liabilities	57	42	39
Accrued expenses and deferred income	25	34	51
Total current liabilities	1,110	1,838	1,943
Total shareholders' equity, provisions and liabilities	4,215	4,799	4,794

Comparative data per region (1)

Net sales, SEK m	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Nordic	1,739	1,826	6,801	6,888
UK	1,405	1,205	4,649	4,449
Central Europe	301	342	1,291	1,332
Group-wide and eliminations	0	0	0	0
Group	3,445	3,373	12,741	12,669

Gross profit, SEK m	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Nordic	662	720	2,455	2,513
UK	505	422	1,509	1,426
Central Europe	91	109	419	437
Group-wide and eliminations	18	31	61	74
Group	1,276	1,282	4,444	4,450

Gross profit excl. IAC, SEK m	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Nordic	662	720	2,567	2,625
UK	505	422	1,509	1,426
Central Europe	91	109	419	437
Group-wide and eliminations	18	31	54	67
Group	1,276	1,282	4,549	4,555

Gross margin, %	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Nordic	38.1	39.4	36.1	36.5
UK	35.9	35.0	32.5	32.1
Central Europe	30.2	31.9	32.5	32.8
Group	37.0	38.0	34.9	35.1

Gross margin excl. IAC, %	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Nordic	38.1	39.4	37.7	38.1
UK	35.9	35.0	32.5	32.1
Central Europe	30.2	31.9	32.5	32.8
Group	37.0	38.0	35.7	36.0

Comparative data per region (2)

Operating profit, SEK m	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Nordic	198	249	765	816
UK	-21	-47	-234	-260
Central Europe	18	37	143	162
Group-wide and eliminations	-61	-43	-237	-219
Group	134	196	437	499

Operating profit excl IAC, SEK m	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Nordic	198	249	897	948
UK	-21	-47	-226	-252
Central Europe	18	37	143	162
Group-wide and eliminations	-61	-43	-233	-215
Group	134	196	581	643

Operating margin, %	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Nordic	11.4	13.6	11.2	11.8
UK	-1.5	-3.9	-5.0	-5.8
Central Europe	6.0	10.8	11.1	12.2
Group	3.9	5.8	3.4	3.9

Operating margin excl IAC, %	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Nordic	11.4	13.6	13.2	13.8
UK	-1.5	-3.9	-4.9	-5.7
Central Europe	6.0	10.8	11.1	12.2
Group	3.9	5.8	4.6	5.1

Quarterly data per region (1)

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

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

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

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

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

Quarterly data per region (2)

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

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

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

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

Operating capital per region

	31 Mar		31 Dec
	2020	2021	2020
Operating capital Nordic region, SEK m			
Operating assets	3,639	3,068	2,939
Operating liabilities	1,383	1,578	1,544
Operating capital	2,256	1,490	1,395

	31 Mar		31 Dec
	2020	2021	2020
Operating capital UK region, SEK m			
Operating assets	4,423	3,786	3,590
Operating liabilities	1,132	1,163	1,133
Operating capital	3,291	2,623	2,457

	31 Mar		31 Dec
	2020	2021	2020
Operating capital Central Europe region, SEK m			
Operating assets	657	614	558
Operating liabilities	157	206	198
Operating capital	500	408	360

	31 Mar		31 Dec
	2020	2021	2020
Operating capital Group-wide and eliminations, SEK m			
Operating assets	2,543	2,508	2,361
Operating liabilities	149	96	152
Operating capital	2,394	2,412	2,209

	31 Mar		31 Dec
	2020	2021	2020
Operating capital, SEK m			
Operating assets	11,262	9,976	9,448
Operating liabilities	2,821	3,043	3,027
Operating capital	8,441	6,933	6,421

Comparative data by product group

	Q1		Jan - Dec 12 months	
	2020	2021	2020	rolling
Net sales Nordic by product group, %				
Kitchen furnitures	67	68	67	67
Installation services	6	5	6	5
Other products	27	27	27	28
Total	100	100	100	100

	Q1		Jan - Dec 12 months	
	2020	2021	2020	rolling
Net sales UK by product group, %				
Kitchen furnitures	63	62	62	62
Installation services	6	5	6	6
Other products	31	33	32	32
Total	100	100	100	100

	Q1		Jan - Dec 12 months	
	2020	2021	2020	rolling
Net sales Central Europe by product group, %				
Kitchen furnitures	56	59	58	59
Installation services	11	9	10	10
Other products	33	32	32	31
Total	100	100	100	100

	Q1		Jan - Dec 12 months	
	2020	2021	2020	rolling
Net sales Group by product group, %				
Kitchen furnitures	65	65	64	65
Installation services	6	5	6	6
Other products	29	30	30	29
Total	100	100	100	100

Reconciliation of alternative performance measures (1)

Nobia presents certain financial performance measures in the interim report that are not defined according to IFRS, known as alternative performance measures. Nobia believes that these measures provide valuable complementary information to investors and the company's management since they facilitate assessments of trends and the company's performance. Because not all companies calculate performance measures in the same way, these are not always comparable with those measures used by other companies. Consequently, the performance measures are not to be seen as replacements for measures defined according to IFRS. For definitions of the performance measures that Nobia uses, see pages 25-26.

Analysis of external net sales Nordic Region	Q1	
	%	SEK m
2020		1,739
Organic growth	9	144
Currency effects	-4	-57
2021	5	1,826

Analysis of external net sales UK Region	Q1	
	%	SEK m
2020		1,405
Organic growth	-8	-111
Currency effects	-6	-89
2021	-14	1,205

Analysis of external net sales Central Europe Region	Q1	
	%	SEK m
2020		301
Organic growth	20	57
Currency effects	-6	-16
2021	14	342

Operating profit before depreciation and impairment (EBITDA), SEK m	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Operating profit	134	196	437	499
Depreciation and impairment	216	204	989	977
Operating profit before depreciation and impairment (EBITDA)	350	400	1,426	1,476
Net Sales	3,445	3,373	12,741	12,669
% of sales	10.2%	11.9%	11.2%	11.7%

Profit/loss after tax excluding IAC, SEKm	Q1		Jan - Dec	12 months
	2020	2021	2020	rolling
Profit/loss after tax	88	132	253	297
Items affecting comparability net after tax	-	-	129	129
Profit/loss after tax excluding IAC	88	132	382	426

Average equity, SEK m	Jan - Dec 12 months	
	2020	rolling
OB Equity attributable to Parent Company shareholders	4,277	4,576
CB Equity attributable to Parent Company shareholders	4,034	4,525
Average equity before adjustment of increases and decreases in capital	4,156	4,551
Adjustment for increases and decreases in capital not occurred in the middle of the period	-	-
Average equity	4,156	4,551

Reconciliation of alternative performance measures (2)

	31 Mar		31 Dec
	2020	2021	2020
Net debt, SEK m			
Provisions for pensions (IB)	443	457	556
Other long-term liabilities, interest-bearing (IB)	4,040	2,007	2,063
Current liabilities, interest-bearing (IB)	387	421	405
Interest-bearing liabilities	4,870	2,885	3,024
Long-term receivables, interest-bearing (IB)	-2	0	0
Current receivables, interest-bearing (IB)	-45	-1	-2
Cash and cash equivalents (IB)	-958	-476	-635
Interest-bearing assets	-1,005	-477	-637
Net debt	3,865	2,408	2,387

	31 Mar		31 Dec
	2020	2021	2020
Net debt excl. IFRS 16 Leases and pension provisions, SEK m			
Net debt	3,865	2,408	2,387
Of which IFRS 16 Leases	2,624	2,115	2,183
Of which provisions for pensions	443	457	556
Net debt excl. IFRS 16 Leases	1,241	293	204
Net debt excl. IFRS 16 Leases and provision for pensions	798	-164	-352

	31 Mar		31 Dec
	2020	2021	2020
Operating capital, SEK m			
Total assets	12,267	10,454	10,085
Other provisions	-23	-63	-45
Deferred tax liabilities	-61	-46	-35
Other long-term liabilities, non interest-bearing	-1	-	0
Current liabilities, non interest-bearing	-2,736	-2,935	-2,947
Non-interest-bearing liabilities	-2,821	-3,044	-3,027
Capital employed	9,446	7,410	7,058
Interest-bearing assets	-1,005	-477	-637
Operating capital	8,441	6,933	6,421

	Jan - Dec	12 months
	2020	rolling
Average operating capital, SEK m		
OB Operating capital	8,096	8,442
CB Operating capital	6,421	6,933
Average operating capital before adjustments of acquisitions and divestments	7,259	7,687
Average operating capital	7,259	7,687

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.

Performance measure	Calculation	Purpose
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.	
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).	

For further information

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

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

Presentation

The interim report will be presented on Wednesday April 28 at 15:00 CET in a webcast teleconference that can be followed on Nobia's website or on <https://edge.media-server.com/mmc/p/j6hj2afn>

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

Sweden: +46 8 56 64 26 51
UK: +44 33 33 00 08 04
USA: +1 631 913 1422
Pin code: 33433110#

Financial calendar

July 19: Interim report for January-June 2021.

October 26: Interim report for January-September 2021.

The annual general meeting (advance postal voting only, no physical meeting) is held 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 28 April 2021 at 13:00 CET.