



Q4 2021 Results Presentation

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nobia

Highlights 2021

- Nordic EBIT exceeding SEK 1 Bn
 - Strong growth in retail
 - Solid order book going into 2022
- Central Europe stable over 10% margin
 - Successful Bribus integration
 - Austria turn around completed
- UK back to profits and further improvements initiated
 - High market volatility due to Corona lockdowns and Brexit turmoil
 - New Magnet management team in place
 - New products introduced
- Supply chain
 - High cost inflation in direct material, manufacturing and logistics
 - At large compensated by higher average order values



Highlights Q4

- Net sales increased to SEK 3,509m (3,450)
 - Organic growth 3% adjusted for Benchmarx exit
 - Strong growth in Nordic region
 - Slow recovery of project and retail in UK
- Cost inflation compensated by higher average order values
- Product availability remains challenging but improved
- EBIT adj. for items affecting comparability of SEK 238m (295)
- Solid balance sheet enabling investments in growth and efficiency
- Proposal to increase dividend to SEK 2.50 per share (2.00)



Kitchen market development



Nordic market: solid housing markets and consumer confidence continues to support retail sales. Project demand slightly up.



UK: Trade segment growing, while retail/consumer flat. London project market and social housing remain weak.



Central Europe: good underlying demand but corona-restrictions impacted markets.



Tomorrow Together Strategy - priorities

Sustainability and Design Leadership ambition:

Leading the industry through reduced environmental footprint and beautiful and purposeful design

**Growth
Acceleration**

Growth Acceleration initiatives:

- Catapult trade growth
- Revitalise consumer retail
- Reinforce project leadership
- Selective geographical expansion
- Digital and data excellence

Structural Efficiency initiatives:

- Manufacturing footprint transformation
- Product platform alignment (K2020)
- Business process harmonisation

**Sustainability
and Design
Leadership
ambition**

**Structural
Efficiency**

**People
Engagement**

People Engagement initiatives:

- Engage and empower our people
- A collaborative culture with shared purpose & direction
- Ensure winning capabilities
- Organised for strategy execution

Targeting profitable growth in the UK

- Increased focus on the Magnet brand
- Exit unprofitable business and focus on long-term partners
- Review the project business



New factory in Jönköping

- Site preparation, piling and casting of foundations
- The first section of the production building is under construction
- Production equipment ordered



Aquisition of Superfront

- European online kitchen and storage brand
- Digital marketing and social media presence
- Frontals, handles and legs etc., with high design content and upcycling business model
- Turnover SEK ~65m with double-digit margin
- Expansion potential as part of Nobia Group



Nobia Group, Q4

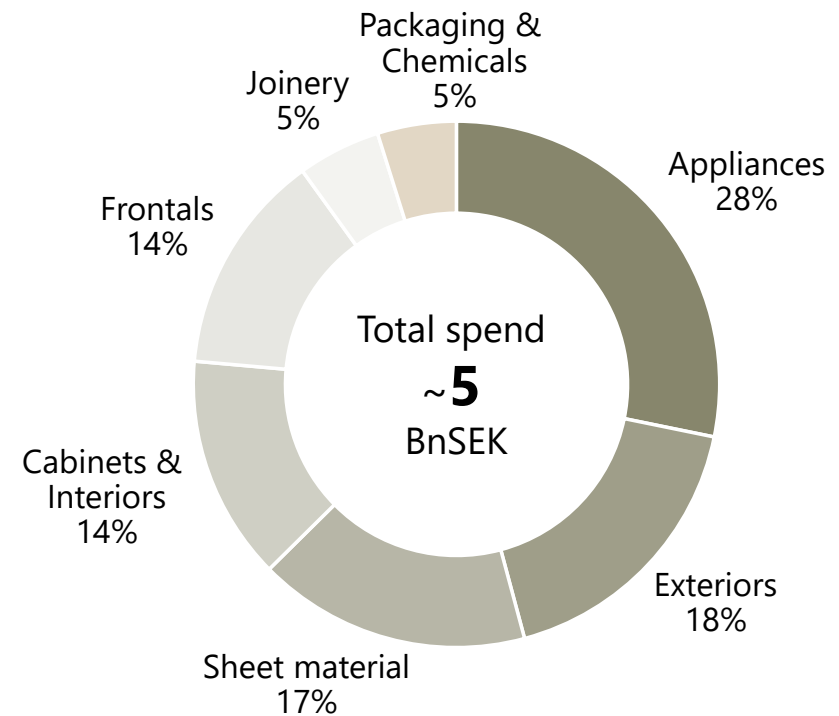
- Organic net sales were flat for the Group and mixed between regions
 - 11% up in Nordics
 - 14% decline in the UK
 - Minor decline in Central Europe
- EBIT declined to SEK 238m (295)
- EBIT margin amounted to 6.8% (8.6)

	2020 Q4	2021 Q4
Net sales (SEKm)	3,450	3,509
Organic growth, (%)	5%	0
Gross margin, (%)	37.7%	37.5
EBIT (SEKm)	295	238
EBIT margin (%)	8.6%	6.8

Excl. Items affecting comparability

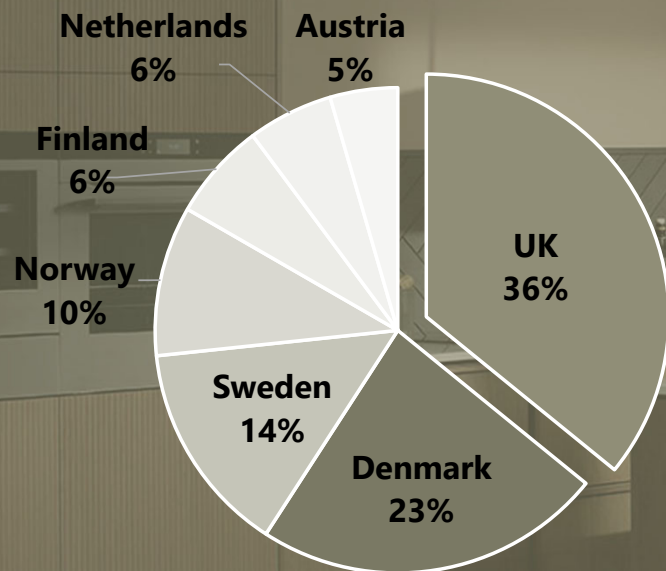
Direct material pricing impact update

- Upward pressure on direct material cost and components continuing
- Availability improving, although supply chain remains demanding
- Pricing to customers adjusted, full effect as expected from Q1 2022

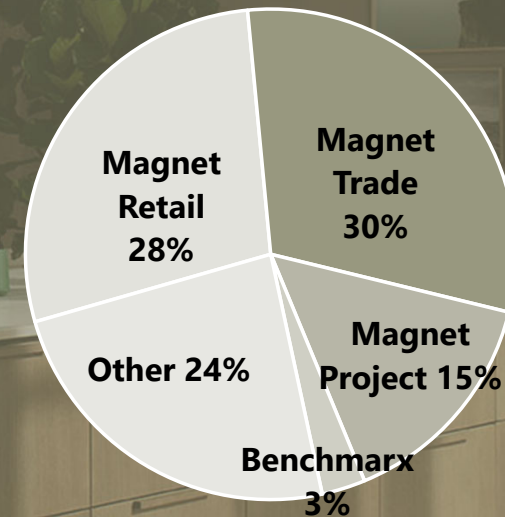


Net sales, rolling 12 months

Group by country



UK by segment



Nordic region, Q4

- Organic net sales increased 11%
 - Denmark and Sweden driving growth
- Gross margin decline due to supply chain cost inflation
- Higher average order values and favorable mix due to strong retail development
- Solid orderbook for 2022
- *All-time high full-year EBIT*



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56% of Q4 Group sales

	2020 Q4	2021 Q4
Net sales (SEKm)	1,767	1,974
Organic growth (%)	11%	11%
Gross margin (%)	39.5%	36.8
EBIT (SEKm)	282	250
EBIT margin (%)	16.0%	12.7

Excl. Items affecting comparability

UK region, Q4

- Organic net sales down 14%
 - 8% decline excl. discontinued Benchmarx
 - Growth in Magnet trade, whilst retail softer
 - Weakness in London projects and social housing
- Price increases and segment mix behind gross margin improvement

34% of Q4 Group sales

	2020 Q4	2021 Q4
Net sales (SEKm)	1,304	1,172
Organic growth, (%)	-4%	-14
Gross margin, (%)	35.9%	41.8
EBIT (SEKm)	21	2
EBIT margin (%)	1.6%	0.2

Excl. Items affecting comparability

Magnet

Gower

ck commodore
kitchens

Central Europe region, Q4

- Organic net sales declined 3%
 - Continued healthy demand, however unfavourable customer mix as social housing grew
 - Corona-related impact
- EBIT and margin lower in comparison to last year's exceptionally strong quarter
 - Direct material cost increases and lower volume
- Solid orderbook for 2022

10% of Q4 Group sales

	2020 Q4	2021 Q4
Net sales (SEKm)	379	363
Organic growth, (%)	18%	-3
Gross margin, (%)	36.4%	32.2
EBIT (SEKm)	62	40
EBIT margin (%)	16.4%	11.0

Excl. Items affecting comparability



Financial position

- Operating cash flow of SEK -2m (396)
 - Cash flow from operating activities in line with prior year
 - Investment in fixed assets due to the new factory in Jönköping
- Strong balance sheet
 - Financial net debt of SEK 199m (204)
 - Leverage* amounted to 0.15 times (0.22)

*Net debt/EBITDA on rolling 12 months, excl. IFRS 16 Leases and items affecting comparability

Cash flow	2020 Q4	2021 Q4
Operating cash flow	396	-2
<i>Of w. operating profit</i>	<i>151</i>	<i>238</i>
<i>Of w. change in working capital</i>	<i>111</i>	<i>194</i>
<i>Of w. investments in fixed assets</i>	<i>-142</i>	<i>-534</i>
	2020 31 Dec	2021 31 Dec
Net debt		
Borrowings	285	400
Net pension debt	556	223
Interest bearing assets	-637	-424
Financial Net Debt	204	199
Financial Net Debt / Equity, %	5	4
IFRS 16 leasing liabilities	2,183	1,815
Net debt	2,387	2,014
Net debt/Equity, %	59	41

Going forward

- Solid orderbooks going into 2022
- Building momentum in UK;
 - Secure strong winter retail sales campaign
 - Continue to invest in trade segment
 - Review of project business
- Manage material pricing and availability
- Continue investment in the new Nordic factory
- Strong balance sheet, proposal to increase dividend to SEK 2.50 (2.00)





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Designing Kitchens for Life