



Q3 2022 Results Presentation

Jon Sintorn, CEO
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Nobia Group, highlights Q3

- Organic growth driven by price increases
- Challenging business fundamentals
- Lower margins and profit
 - continued inflationary pressure
 - challenges in the Nordic supply chain
 - investments in UK sales initiatives
- Measures in place expected normalise Nordic supply chain bottlenecks by end of year
- Strategic initiatives progressing well, new Jönköping factory ahead of plan and budget
- Large transformational activities during 2022 requiring additional resources

	2021 Q3	2022 Q3
Net sales (SEKm)	3,215	3,480
Organic growth (%)	3	4
Gross margin (%)	39.5	35.8
EBIT (SEKm)	228	78
EBIT-margin (%)	7.1	2.2

Kitchen market development



Nordic market: Project segment holding up on the back of new housing completions. Softer consumer demand.



UK: Turbulent economic fundamentals. Consumer segment softer. London super-premium project market remains weak.

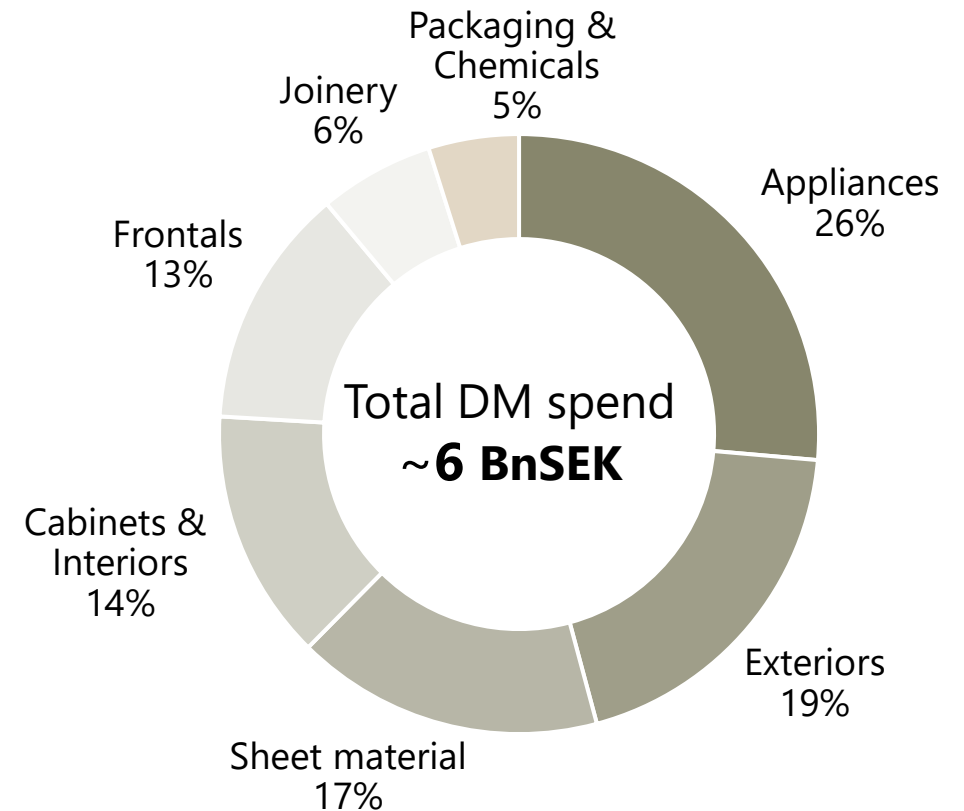


Austria and Netherlands: Stable underlying demand.



Direct material pricing impact update Q3

- Significant inflationary pressure on direct material
- Raw material prices flattening out on a high level
- Total on-cost for material, energy and transport of approx. SEK 250m in Q3
- Latest extraordinary price increases will materialize during second half of the year



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

Nordic region Q3

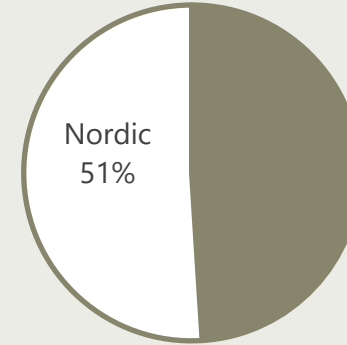
- Organic net sales increased 7% (8)
 - Growth in all countries, driven by higher average order values
- Gross margin and transport impacted by cost inflation and supply chain disruptions
 - Normalised productivity expected towards the end of the year
- EBIT amounted to 97 (196), margin 5.5% (12.2)
- First HTH franchise stores in Germany opened



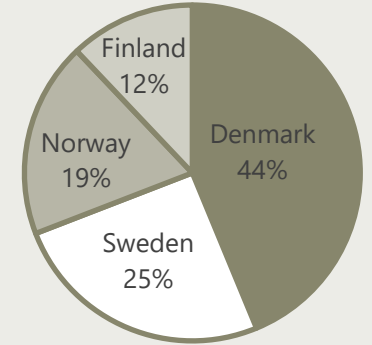
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Share of Group sales, %



Share of R12 sales by country



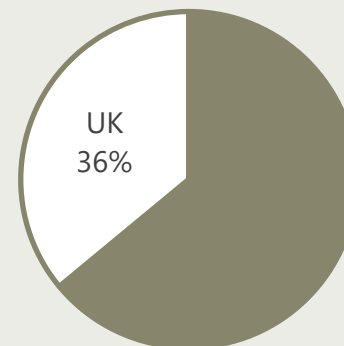
SEKm	2021 Q3	2022 Q3
Net sales	1,607	1,778
Organic growth (%)	8	7
Gross margin (%)	36.7	31.6
EBIT	196	97
EBIT-margin (%)	12.2	5.5

UK region Q3

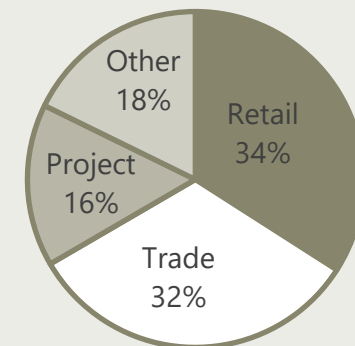
- Organic net sales growth 1% (0)
 - Growth in Magnet retail despite market decline, trade segment stable and project segment down
- Average order values and segment mix mitigate raw material cost increase
- Fixed overhead being addressed
 - Cost-out program launched in Q2
 - Investments in stores and sales designer density
- Operating profit SEK -11m (44)

Magnet **Gower**

Share of Group sales, %



Share of R12 sales by segment



SEKm	2021 Q3	2022 Q3
Net sales	1,185	1,240
Organic growth (%)	0	1
Gross margin (%)	44.0	43.0
EBIT	44	-11
EBIT-margin (%)	3.7	-0.9

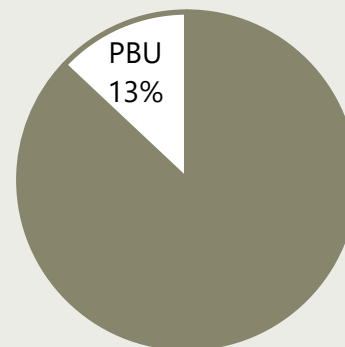
**Excl. Items affecting comparability*

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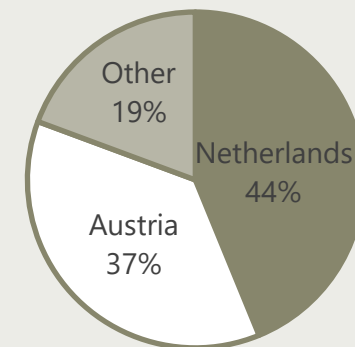
Portfolio Business Units Q3

- Organic net sales growth 1% (-7)
 - Organic growth in Netherlands and Austria
 - Continued weak market for Commodore & CIE's luxury London segments
- Average order values mitigate raw material cost increase
- Production in Netherlands back to normal following the cyber attack incident in Q2
- Operating profit SEK 20m (32)

Share of Group sales, %



Share of R12 sales by country



SEKm	2021 Q3	2022 Q3
Net sales	423	462
Organic growth (%)	-7	1
Gross margin (%)	30.0	28.1
EBIT	32	20
EBIT-margin (%)	7.6	4.3

Financial position

- Cash flow from operating activities impacted by operating profit and timing effects in working capital from Q2
- Investments in fixed assets of SEK 405m, mainly related to Jönköping factory investment
- Financial net debt of SEK 1,594m (-150)
- Leverage* amounted to 1.61 times (-0.11)

*Financial net debt and excl. items affecting comparability

Cash flow	Q3 2021	Q3 2022
Cash flow from operating activities	347	-131
Operating cash flow	123	-530
<i>Of w. operating profit</i>	228	78
<i>Of w. change in working capital</i>	-72	-409
<i>Of w. investments in fixed assets</i>	-230	-405
Net debt	30 Sep, 2021	30 Sep 2022
Borrowings	211	1,982
Net pension debt	303	405
Interest bearing assets	361	388
Financial Net Debt	-150	1,594
Financial Net Debt / Equity, %	-3	33
IFRS 16 leasing liabilities	1,887	1,676
Net debt	2,040	3,675
Net debt/Equity, %	44	77

Going forward

- Continued price increases and drive towards higher average order values
- Normalise productivity in Nordic supply chains
- Keep momentum in the major strategic initiatives
- Further measures to address cost
- *Capital Markets Day to be held in March, 2023*





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Designing Kitchens for Life