

## Strong start to the year

### Extremely strong demand but a very challenging shortage of materials and components, as well as one-time expenses from the winding up of Russian operations

- Sales rose by 28.1% to SEK 8,749 million (SEK 6,831 million)
- Profit after net financial items amounted to SEK 906 million (SEK 833 million)
- Earnings per share amounted to SEK 0.33 (SEK 0.31)
- One-off expenses of SEK 114 million from winding up Russian operations

*“Demand was strong in all three business areas in the first quarter of the year, and we see three reasons for this. Our clear sustainability profile is an advantage when more and more consumers are realising that moving away from fossil fuels is an important factor in solving the climate change issue. The home refurbishment trend that started during the pandemic has continued at the same intensive pace as before. Furthermore, the horrifying invasion of Ukraine has led to most European countries and their citizens to realise that we must become entirely independent of Russian oil and gas, which is further driving the need for our products,”* explains Gerteric Lindquist, CEO and MD of NIBE Group.

*“In terms of raw materials and components, the supply side has continued to be characterised by a state of near chaos. Due to semi-conductor shortages, labour shortages, complex and vulnerable supply chains and a freight market marked by major uncertainty and undercapacity, our sub-suppliers have unfortunately not been able to cope with the very large increase in demand. This in turn has damaged our delivery capacity to all our customers, which is very regrettable. In anticipation of an improvement, which we still assess will gradually take place during the rest of the year, we are doing everything in our power to help our customers through maximum flexibility in production, increased buffer inventories and redesign where possible. The sharp price rises introduced by sub-suppliers have also forced us to introduce our own substantial price increases. However, these are happening for natural reasons with a certain lag.”*

*“The obvious decision to wind up our Russian operations following its terrible invasion of Ukraine burdened the first quarter’s operating profit by a one-off item of SEK 114 million in the form of estimated write-downs.”*

*“Even though it’s difficult to make predictions in the current business climate, we are cautiously optimistic about 2022 thanks to our geographic spread, focus on sustainability, stable profitability and good financial preparedness for further offensive acquisitions,”* says Gerteric Lindquist.

#### Press release

A teleconference in English (+46 8 505 583 74) will be held for press and analysts today at 11.00 a.m. with CEO Gerteric Lindquist and CFO Hans Backman.

NB: You must be registered at [www.nibe.com](http://www.nibe.com) to view the images for the presentation.



*For more information: Gerteric Lindquist, CEO and Hans Backman, CFO; +46 (0) 433-27 30 00*

*NIBE Industrier AB (publ) is required to disclose the information in this press release under the EU's Market Abuse Regulation and the Swedish Securities Market Act. This information was submitted by the contact persons below for publication on 17 May 2022 at 08.00 CET.*

***NIBE Group – a global group with companies and a presence worldwide***

NIBE Group is a global organisation that contributes to a lower carbon footprint and better utilisation of energy. In our three business areas – Climate Solutions, Element and Stoves – we develop, manufacture and market a wide range of environmentally-friendly, energy-efficient solutions for indoor climate comfort in all types of properties, plus components and solutions for intelligent heating and control in industry and infrastructure.

Since its beginnings in the town of Markaryd in the province of Småland 70 years ago, NIBE has grown into an international company with an average of 20,400 (18,700) employees and a global presence. From the very start, the company has been driven by a strong culture of entrepreneurship and a passion for corporate social responsibility. Its success factors are long-term investments in sustainable product development and strategic acquisitions. Combined, these factors have brought about strong, targeted growth, which generated sales of just over SEK 30 billion (SEK 27 billion) in 2021.

NIBE has been listed under the name NIBE Industrier AB on the Nasdaq Nordic Large Cap list since 1997, with a secondary listing on the SIX Swiss Exchange since 2011.