

Continued strong performance

Exceptionally good demand and signs of improvement in the supply chain. One-off expenses from winding up the Russian operations and a one-time gain from the divestment of an additional 26% of the shares in Schulthess.

- Sales rose by 26.6% to SEK 28,404 million (SEK 22,444 million)
- Profit after net financial items amounted to SEK 3,904 million (SEK 3,175 million)
- Earnings per share amounted to SEK 1.48 (SEK 1.20)
- One-off expenses of SEK 114 million from winding up Russian operations
- One-off gain of SEK 232 million from the divestment of an additional 26% of the shares in Schulthess Maschinen AG of Switzerland
- Acquisitions of Argoclima of Italy and Pacific Energy of Canada, as well as ELMESS-Klöpfer Group of Germany (after the end of the period)

“Demand was exceptionally strong in all three business areas in the first nine months of the year. The main reason for the continued strong demand was the clear sustainability focus of our three business areas. Both political objectives and end-consumers acknowledge the need to reduce dependence on fossil fuels in order to solve the climate change issue. Following Russia’s abhorrent invasion of Ukraine, it has become clear to most Europeans how important it is that we urgently reduce our dependence on Russian oil and gas, and this is further driving demand for our products,” notes NIBE CEO Gerteric Lindquist.

“In terms of the supply side, particularly components supply, our sub-suppliers have worked purposefully for several quarters to adapt to the much higher level of demand, and we are now starting to see a clear improvement in terms of both supply chain capacity and supply chain security. This does not mean that all disruption in deliveries from us to our customers will instantly be resolved, but we expect a gradually improving situation over the coming months and continuing into the new year. Thanks to the improvement in materials supply and more stable prices, as well as the price increases we ourselves have been forced to introduce, our assessment is that the operating margin will gradually improve.”

“Because we expect the opportunities for growth to remain good in all three business areas, we have embarked on a very ambitious investment programme. The rate of investment will double in the next three to four years and we expect to invest just over SEK 5 billion in increased production capacity alone. In particular, the current paradigm shift in the market in respect of the transition from oil and gas to heat pumps will require a significant increase in production capacity”.

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

“Shortly before the end of June, we divested an additional 26% of the shares in Schulthess Maschinen AG. The transaction is entirely in line with the divestment process started in 2019, which entails a

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gradual divestment of the entire washing machine and tumble drier operations. The transaction generated a one-time gain of SEK 232 million.”

“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 information

A teleconference in English (+46 8 505 583 55) will be held for press and analysts today at 11:00 CET with CEO Gerteric Lindquist and CFO Hans Backman.

NB: You must be registered at 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 above for publication on 16 November 2022 at 08:00 CET.

NIBE Group – a global organisation 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 a global Group 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 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.