

Press Release
Stockholm, 12 August 2021

Ferronordic AB (publ)
Interim Report January - June 2021

Record operating result

SECOND QUARTER 2021

- Revenue increased by 32% to SEK 1,590m (SEK 1,203m)
- Operating profit increased by 37% to SEK 144m (SEK 105m)
- Operating margin increased to 9.0% (8.7%)
- The result for the period increased by 13% to SEK 86m (SEK 76m)
- Basic earnings per share amounted to SEK 5.94 (SEK 5.24)
- Cash flows from operating activities amounted to SEK 120m (SEK 312m)

JANUARY- JUNE 2021

- Revenue increased by 23% to SEK 2,856m (SEK 2,321m)
- Operating profit increased by 44% to SEK 224m (SEK 156m)
- Operating margin increased to 7.8% (6.7%)
- The result for the period increased by 47% to SEK 142m (SEK 96m)
- Basic earnings per share amounted to SEK 9.79 (SEK 6.64)
- Cash flows from operating activities amounted to SEK 211m (SEK 413m)

SEK M	Q2 2021	Q2 2020	%	6M 2021	6M 2020	%
Revenue	1 590	1 203	32%	2 856	2 321	23%
Operating profit	144	105	37%	224	156	44%
Result for the period	86	76	13%	142	96	47%
Earnings per share	5.94	5.24	13%	9.79	6.64	47%
Gross margin	18.0%	17.2%		17.5%	16.8%	
Operating margin	9.0%	8.7%		7.8%	6.7%	
Return on capital employed	23%	23%		23%	23%	
Working capital / Revenue	3%	10%		3%	10%	
Net debt / (cash)	143	230		143	230	

Lars Corneliusson, CEO, comments: "The second quarter of 2021 was another strong quarter for Ferronordic. We performed well across business areas and we recorded our best operating profit in a single quarter to date. In Russia/CIS, the market for construction equipment grew by 74% on a combination of pent-up demand, stronger commodity prices and increased infrastructure spending. Our new machine sales in units increased by 26%, as product groups where our market share is lower grew more strongly in the quarter. Customer activity increased and aftermarket sales grew by 14% in SEK, despite an 18% depreciation of the ruble. In contracting services, we reached planned capacity in Norilsk and expanded our operations in Irkutsk. We also started work as dealer for Sandvik mobile crushers and screens in Russia. Total revenue in Russia/CIS grew by 54% in local currency and 31% in SEK. The operating margin was strong at 12.5% and Russia/CIS achieved a record operating result for a single quarter. In Germany, we completed the acquisitions of two workshops and continued our work to expand, improve and integrate our service network. The German truck market grew by 20% as business activity continued to recover. Our new trucks sales increased by 47% in units and we gained market share. Our used trucks business made a good contribution and aftermarket sales continued to grow, partly due to our acquisitions. As a result of higher revenue and gross margin, the operating result improved. For the Group, revenue was up 32% and the operating profit increased by 37% to SEK 144m. We expect our markets to continue to recover as economies open up and as a result of pent-up demand. Current uncertainty mainly regards continued supply chain constraints. In a longer perspective, we see strong underlying fundamentals and business opportunities in our markets."

About Ferronordic

Ferronordic is a service and sales company in the areas of construction equipment and trucks. It is the dealer of Volvo Construction Equipment and certain other brands in all of Russia and Kazakhstan, aftermarket partner of Volvo Trucks and Renault Trucks in part of Russia, and dealer of Volvo Trucks and Renault Trucks in part of Germany. The company also offers contracting services where it owns and operates equipment to carry out works for customers. Ferronordic began its operations in 2010 and now has approx. 100 outlets and approx. 1,700 employees. Ferronordic's vision is to be regarded as the leading service and sales company in its markets. The shares in Ferronordic AB (publ) are listed on Nasdaq Stockholm. www.ferronordic.com

Financial Calendar 2021/2022

Interim report January-September 2021

12 November 2021

Year-end report January-December 2021

18 February 2022

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This information is information that Ferronordic AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act (2007:528). The information was submitted for publication on 12 August 2021, 07:30 CET.