

Interim report 1 January – 30 June 2023

Stockholm 17 August 2023

Continued focus forward

SECOND QUARTER 2023

- Revenue increased by 68% to SEK 674m (402)
- Operating profit increased by 65% to SEK -10m (-30)
- Operating margin increased to -1.5% (-7.4)
- The result for the period increased by 100% to SEK 64m (32)
- Basic earnings per share* amounted to SEK 4.41 (2.20)
- Cash flows from operating activities amounted to SEK 40m (39)

JANUARY - JUNE 2023

- Revenue increased by 52% to SEK 1,305m (856)
- Operating profit increased by 55% to SEK -25m (-54)
- Operating margin increased to -1.9% (-6.3)
- The result for the period decreased by 25% to SEK 71m (95)
- Basic earnings per share* amounted to SEK 4.87 (6.50)
- Cash flows from operating activities amounted to SEK -86m (23)

SEK m (or as stated)	2023 Q2	2022 Q2	%	2023 6M	2022 6M	%	2022 FY
Revenue	674	402	68%	1,305	856	52%	1,973
Gross profit	84	43	98%	169	96	76%	250
Operating profit	-10	-30	65%	-25	-54	55%	247
Result from continuing operations	64	-97	166%	71	-128	155%	197
Result for the period	64	32	100%	71	95	-25%	440
Earnings per share from continuing operations, SEK*	4.41	-6.71	166%	4.87	-8.84	155%	-7.53
Earnings per share, SEK*	4.41	2.20	100%	4.87	6.50	-25%	30.28
Cash flow from operations	40	39		-86	23		215
Net debt (cash)	-539	712		-539	712		-957
Gross margin, %	12.5%	10.6%	1.9pp	12.9%	11.2%	1.8pp	12.7%
Operating margin, %	-1.5%	-7.4%	5.8pp	-1.9%	-6.3%	4.4pp	12.5%
Working capital/LTM Revenue, %	20%	14%	6.0pp	20%	14%	6.0pp	11%
Equity/total assets, %	62%	37%	24.6pp	62%	37%	24.6pp	58%
Return on capital employed, %	11%	23%	-12.1pp	11%	23%	-12.1pp	11%
Return on equity, %	23%	22%	1.2pp	23%	22%	1.2pp	30%

*Before dilution.

Lars Corneliusson, President and CEO, comments:

“During the second quarter, we continued work on building the new Ferronordic. In Germany, sales of both trucks and aftermarket increased and we had our second quarter with a positive operating result. It is encouraging to see that investments in our network and organisation are beginning to deliver more sustainable results. But we still have a long way to go to unlock the business potential of our German operations. We continue to work closely with partners and customers to promote sustainable transport solutions and to develop our own electric transport solutions. We were awarded German government subsidies of up to EUR 23m for up to 117 electric trucks. Sales of new trucks in units increased by 33% in line with the market. Sales of used trucks also remained strong. Aftermarket business increased by 30% as a result of organic growth and acquisitions. Total revenue in Germany grew by 58% to SEK 595m. The operating result improved to SEK 2m.

In Kazakhstan, we maintained the pace from the first quarter. Sales of both new and used equipment increased by 183% in units with a good product mix. Total revenue in Kazakhstan increased by 202% to SEK 80m. The operating

result increased by 180% to SEK 7m. We continue to develop our organisational capacity to offer contracting services.

Stronger sales in both business segments increased the Group's turnover with a better gross margin. Operating profit increased to SEK -10m, partly supported by the reversal of a provision. Net cash decreased to SEK 539m, partly due to higher inventories and payment of dividends, but also due to investments in networks and rental trucks.

The German market remains firm. The market has grown on increased supply to pent-up demand. However, we also see growing uncertainty about the economy. Higher funding costs and inflation make customers more cautious. We see growing interest in electric transport, but customers seek visibility on the roll-out of charging infrastructure. Our operations in Kazakhstan continue to develop. Demand for construction equipment is supported by Kazakhstan's growing role as a regional hub, its infrastructure projects and strong commodity prices. Longer-term, we believe that the business opportunities in the German and Kazakh markets are strong. We continue to explore business opportunities outside our current markets.”



About Ferronordic

Ferronordic is a service and sales company in the areas of construction equipment and trucks. It is dealer of Volvo Trucks, Renault Trucks and Sandvik mobile crushers and screens in Germany and dealer of Volvo Construction Equipment, Sandvik mobile crushers and screens and Mecalac in Kazakhstan. Ferronordic began its operations in 2010 and currently has 28 outlets and approx. 450 employees. Ferronordic's vision is to be the leading service and sales company in its markets. The shares in Ferronordic AB (publ) are listed on Nasdaq Stockholm.

www.ferronordic.com

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 17 August 2023, 07:30 CET.

Contact

For investors, analysts and media:

Erik Danemar, CFO and Head of Investor Relations
+46 73 660 72 31
ir@ferronordic.com

Financial calendar

Interim report January-September 2023 – 16 November
Year-end report January-December 2023 – 22 February 2024

Nybrogatan 6
SE-114 34 Stockholm
+46 8 5090 7280

Corporate ID no. 556748-7953
www.ferronordic.com