

# Interim report 1 January – 31 March 2023

Stockholm 11 May 2023

## Milestone reached in Germany

### FIRST QUARTER 2023

- Revenue increased 39% to SEK 631m (455)
- Operating profit increased 42% to SEK -14m (-25)
- Operating margin increased to -2.2% (-5.4)
- Result for the period decreased by 89% to SEK 7m (63)
- Earnings per share from continuing operations<sup>1</sup> amounted to SEK 0.46 (-2.13)
- Cash flows from operating activities amounted to SEK -126m (-16)

SEK m (or as stated)	2023 Q1	2022 Q1	%	FY2022
Revenue	631	455	39%	1,973
Gross profit	85	53	59%	250
Operating profit	-14	-25	42%	247
Result from continuing operations	7	-31	122%	197
Result for the period	7	63	-89%	440
Earnings per share from continuing operations, SEK <sup>1</sup>	0.46	-2.13	122%	-7.53
Cash flow from operations	-126	-16		215
Net debt (cash)	-681	255		-957
<i>Gross margin, %</i>	13.4%	11.7%	1.7pp	12.7%
<i>Operating margin, %</i>	-2.2%	-5.4%	3.2pp	12.5%
<i>Working capital/LTM Revenue, %</i>	23%	3%	20.0pp	11%
<i>Equity/total assets, %</i>	59%	32%	27.2pp	58%
<i>Return on capital employed, %</i>	11%	31%	-19.9pp	11%
<i>Return on equity, %</i>	26%	35%	-9.2pp	30%

<sup>1</sup> Before dilution.

Lars Corneliussen, President and CEO, comments: “The first quarter of 2023 marked the start of a new chapter in Ferronordic’s history. After the sale of our Russian operations at the end of 2022, we were able to focus entirely on Germany and Kazakhstan, as well as on Ferronordic’s next growth opportunities.

In Germany, for the first time since the start of operations in 2020, we achieved a positive operating profit for the quarter. This is a milestone for us. Three years ago, we took over a loss-making business and set the goal of making it sustainably profitable over time through investments and improvements in the organisation, processes and network. Building on the 9 workshops we took over from Volvo in January 2020, we now have a network of 21 facilities. We have made major changes in the organisation and worked hard to create a culture built on employee engagement, customer focus and results. Our goal is and was to take higher shares of the aftermarket business and the market for trucks in our sales area. We have had some success in these areas but much work remains to capture the potential we continue to see. We are aware of macroeconomic risks but expect a positive operating result also for the full year in Germany.

In Kazakhstan, new and used machine sales doubled in the first quarter. Profitability also continued to improve.

During the quarter, we continued to develop our operations in both our markets. Our work to promote sustainable transport solutions in Germany leads to increased interest in electric trucks. We also offer electric trucks and charging equipment for rent. In Kazakhstan, we completed work on reorganising our workshops to further increase customer focus. Meanwhile, we continue to look for new growth opportunities for Ferronordic. Our intention is to use the proceeds from the sale of the Russian business to expand into new markets.

Total revenue for the Group grew by 39% to SEK 631m. The operating result improved by 42% to SEK -14m.

In Germany, we continue to see strong demand for service and trucks, despite concerns about a weaker economy. Our operations in Kazakhstan continue to develop and we actively seek opportunities to grow our product and business portfolio. In a longer perspective, we believe that the underlying conditions and business opportunities in the German and Kazakh markets are strong. We continue to analyse new 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](http://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 11 May 2023, 07:30 CET.*

## Contact

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## Financial calendar

Annual general meeting 2023 – 11 May  
Interim report April-June 2023 – 17 August  
Interim report January-September 2023 – 16 November  
Year end report January-December 2023 – 22 February 2024

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