

Interim report January – September 2021

Stockholm 12 November 2021

Best quarter to date

THIRD QUARTER 2021

- Revenue increased by 47% to SEK 1,661m (1,129)
- Operating profit increased by 37% to SEK 147m (107)
- Operating margin decreased to 8.9% (9.5)
- The result for the period increased by 34% to SEK 109m (81)
- Basic earnings per share amounted to SEK 7.48 (5.57)
- Cash flows from operating activities amounted to SEK 327m (100)

JANUARY- SEPTEMBER 2021

- Revenue increased by 31% to SEK 4,517m (3,450)
- Operating profit increased by 41% to SEK 371m (263)
- Operating margin increased to 8.2% (7.6)
- The result for the period increased by 41% to SEK 251m (177)
- Basic earnings per share amounted to SEK 17.27 (12.21)
- Cash flows from operating activities amounted to SEK 538m (514)

SEK m (or as stated)	2021	2020	%	2021	2020	%	2020
	Jul-Sep	Jul-Sep		Jan-Sep	Jan-Sep		Full year
Revenue	1,661	1,129	47%	4,517	3,450	31%	4,635
Gross profit	324	221	46%	825	610	35%	797
Operating profit	147	107	37%	371	263	41%	328
Result for the period	109	81	34%	251	177	41%	222
Result per ordinary share, SEK*	7.48	5.57	34%	17.27	12.21	41%	15.25
Cash flow from operations	327	100		538	514		693
Net debt (cash)	-75	83		-75	83		-20
Gross margin, %	19.5%	19.6%	-0.1pp	18.3%	17.7%	0.6pp	17.2%
Operating margin, %	8.9%	9.5%	-0.6pp	8.2%	7.6%	0.6pp	7.1%
Working capital/LTM Revenue, %	0%	8%	-8.1pp	0%	8%	-8.1pp	5%
Equity/total assets, %	27%	33%	-6.1pp	27%	33%	-6.1pp	31%
Return on capital employed, %	27%	25%	2.0pp	27%	25%	2.0pp	20%
Return on equity, %	48%	44%	4.6pp	48%	44%	4.6pp	40%

*Before dilution

Lars Corneliusson, President and CEO, comments: *In the third quarter of 2021, Ferronordic achieved another record result. Total revenue grew by 47% to SEK 1,661m and the operating profit was SEK 147m with an operating margin of 8.9%. Working capital remained low as demand outpaced limited supply. Cash flows from operating activities were strong and contributed to the Group moving back to a net cash position. In Russia/CIS, the market for construction equipment remained strong as commodity prices grew and infrastructure investments continued. Customer machine utilisation also increased, which together with our digital sales efforts contributed to good growth in aftermarket sales. In contracting services, we continued to develop our project in Norilsk. Total revenue in Russia/CIS grew by 48% and the operating profit by 44% to SEK 179m. In October, we announced the expansion of our partnership with Sandvik on mobile crushers and screens to also become the distributor of the bigger and more complex stationary crushers and*

screens. In Germany, the total market for heavy trucks was largely flat. In our sales area, the market declined by 13% while our new trucks sales increased by 25% in units and we gained further market share. Our used trucks business, launched at the end of 2020, continued to grow. Our aftermarket sales improved, partly due to acquisitions. During the third quarter, we accelerated efforts to restructure and improve our organisation. Partly as a result restructuring costs, operating result decreased compared to last year. We continue to build a customer centric platform and develop our network. In the quarter, we started construction of our new service and sales hub for the Hannover region and also announced the acquisition of a workshop in Bergstrasse. Current uncertainty in our markets mainly relates to supply chain constraints, which we expect to continue well into 2022. 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, Sandvik Rock Processing Solutions 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. 1,800 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. <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 12 November 2021, 07:30 CET.

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Financial calendar 2021/2022

Year-end report January-December 2021 18 February 2022
Annual General Meeting 2022 12 May 2022

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