

Year-end report 1 January – 31 December 2022

Stockholm 17 February 2023

Moving forward

FOURTH QUARTER 2022

- Revenue increased 48% to SEK 705m (475)
- Operating profit increased 47% to SEK -13m (-25)
- Adjusted¹ operating profit increased 47% to SEK -13m (-25)
- Adjusted¹ operating margin increased to -1.9% (-5.4)
- The result for the period decreased by 123% to SEK -21m (88)
- Basic earnings per share² amounted to SEK -1.42 (6.06)
- Cash flows from operating activities amounted to SEK -48m (-81)

JANUARY - DECEMBER 2022

- Revenue increased by 31% to SEK 1,973m (1,511)
- Operating profit increased 321% to SEK 247m (-112)
- Adjusted¹ operating profit increased by 34% to SEK -74m (-112)
- Adjusted¹ operating margin increased to -3.8% (-7.4)
- The result for the period increased 30% to SEK 440m (339)
- Basic earnings per share² amounted to SEK 30.28 (23.33)
- Cash flows from operating activities amounted to SEK 215m (457)

SEK m (or as stated)	2022 Q4	2021 Q4	%	2022 12M	2021 12M	%
Revenue	705	475	48%	1,973	1,511	31%
Gross profit	97	57	70%	250	174	44%
Operating profit	-13	-25	47%	247	-112	321%
Operating profit adjusted ¹	-13	-25	47%	-74	-112	34%
Result from continuing operations	49	-21	332%	197	-109	280%
Result for the period	-21	88	-123%	440	339	30%
Earnings per ordinary share, SEK ²	-1.42	6.06	-123%	30.28	23.33	30%
Cash flow from operations	-48	-81		215	457	
Net debt (cash)	-957	198		-957	198	
<i>Gross margin, %</i>	<i>13.8%</i>	<i>12.0%</i>	<i>1.7pp</i>	<i>12.7%</i>	<i>11.5%</i>	<i>1.2pp</i>
<i>Operating margin, %</i>	<i>-1.9%</i>	<i>-5.4%</i>	<i>3.4pp</i>	<i>12.5%</i>	<i>-7.4%</i>	<i>19.9pp</i>
<i>Operating margin adjusted¹, %</i>	<i>-1.9%</i>	<i>-5.4%</i>	<i>3.4pp</i>	<i>-3.8%</i>	<i>-7.4%</i>	<i>3.6pp</i>
<i>Working capital/LTM Revenue, %</i>	<i>11%</i>	<i>2%</i>	<i>8.7pp</i>	<i>11%</i>	<i>2%</i>	<i>8.7pp</i>
<i>Equity/total assets, %</i>	<i>58%</i>	<i>28%</i>	<i>30.5pp</i>	<i>58%</i>	<i>28%</i>	<i>30.5pp</i>
<i>Return on capital employed, LTM %</i>	<i>11%</i>	<i>29%</i>	<i>-18.6pp</i>	<i>11%</i>	<i>29%</i>	<i>-18.6pp</i>
<i>Return on equity, LTM %</i>	<i>30%</i>	<i>36%</i>	<i>-6.0pp</i>	<i>30%</i>	<i>36%</i>	<i>-6.0pp</i>

¹ "Adjusted" here and in the rest of this report means excluding the effect of the compensation payment from Volvo of SEK 321m.

² Before dilution.

Lars Corneliussen, President and CEO, comments: "2022 was a challenging year for Ferronordic. As a result of the conflict in Ukraine, it became impossible for us to continue business in Russia. Despite significant difficulties, we managed to sell our Russian subsidiaries in December for a price close to net asset value. This was an achievement and the best way forward. All our time and energy can now be spent on developing our businesses in Germany and Kazakhstan and focusing on new opportunities. As a result of the sale, we received a net cash inflow of SEK 1,097m. At the end of 2022, Ferronordic's net cash position amounted to SEK 957m. The Board proposes a dividend of SEK 7.5/share.

We continued to develop our businesses in Germany and Kazakhstan in 2022. We became distributor for Sandvik mobile crushers and screens in both countries. In Germany, we continued to expand our service network and increased our mobile service fleet. We work closely with Volvo Trucks and Renault Trucks to bring electric transport to market. In Kazakhstan, we expanded our organisation and look for opportunities to develop our contracting services business.

In Q4 2022, we opened a new used truck centre and workshop in Coswig and opened our newly built service and sales hub in Hanover, Germany. Our new trucks sales in units increased by 43% while the market declined by 1%. Our total revenue grew by 38% to SEK 616m. The operating result improved by 62% to SEK -5m. Supported by strong sales, we hit breakeven pace in the end of the quarter and expect to reach a positive operating result and operating cash flow in 2023. Total revenue in Kazakhstan increased by 197% in Swedish krona to SEK 89m in Q4 2022. The operating result increased to SEK 5m.

Following the sale of the Russian business, we look into the future with renewed optimism. In Germany, we continue to see strong demand for service and trucks. We also see growing interest in electric trucks and sustainable transport solutions. Our operations in Kazakhstan continue to develop and we actively seek opportunities to grow our business. In a longer perspective, we believe that the underlying conditions and business opportunities in the German and Kazakh markets are strong."



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 February 2023, 07:30 CET.

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Financial calendar

Annual report 2022 – 14 April
Interim report January-March 2023 – 11 May
Annual general meeting 2023 – 11 May
Interim report April-June 2023 – 17 August

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