

## Q3 2024: Strong performance in the US

### THIRD QUARTER 2024

- Revenue increased by 77% to SEK 1,141m (643)
- Operating profit increased to SEK 2m (-10)
- Operating margin increased to 0.1% (-4.4)
- The result for the period decreased by -1% to SEK -88m (-89)
- Basic earnings per share<sup>1</sup> amounted to SEK -6.07 (-6.16)
- Cash flows from operating activities amounted to SEK 427m (-88)

### JANUARY - SEPTEMBER 2024

- Revenue increased by 75% to SEK 3,408m (1,948)
- Operating profit increased by 135% to SEK 19m (-53)
- Operating margin increased to 0.5% (-2.7)
- The result for the period decreased by -429% to SEK -99m (-19)
- Basic earnings per share<sup>1</sup> amounted to SEK -6.80 (-1.29)
- Cash flows from operating activities amounted to SEK 821m (-174)

SEK m (or as stated)	2024 Q3	2023 Q3	%	2024 9M	2023 9M	%	2023 FY
Revenue	1,141	643	77%	3,408	1,948	75%	2,863
Gross profit	204	75	171%	637	244	161%	377
Operating profit	2	-28	106%	19	-53	135%	-115
Result for the period	-88	-89	1%	-99	-19	-429%	-107
Earnings per share, SEK <sup>1</sup>	-6.07	-6.16	1%	-6.80	-1.29	-447%	-7.39
Cash flow from operations	427	-88		821	-174		-27
Net debt (cash)	1,792	-378		1,792	-378		1,349
<i>Gross margin, %</i>	17.9%	11.7%	6.2pp	18.7%	12.5%	6.2pp	13.2%
<i>Operating margin, %</i>	0.1%	-4.4%	4.5pp	0.5%	-2.7%	3.3pp	-4.0%
<i>Working capital/LTM Revenue, %</i>	22%	20%	1.5pp	22%	20%	1.5pp	20%
<i>Equity/total assets, %</i>	31%	62%	-30.9pp	31%	62%	-30.9pp	34%
<i>Return on capital employed, %</i>	-1%	-1%	0.4pp	-1%	-1%	0.4pp	-3%
<i>Return on equity, %</i>	-12%	-2%	-9.6pp	-12%	-2%	-9.6pp	-6%

<sup>1</sup> Before dilution.

Lars Corneliusson, President and CEO, comments:  
*In the third quarter of 2024, we saw continued strong contribution from the US, but also improving underlying performance in our other business areas.*

*The US operations continued to perform well, delivering an operating profit of SEK 53m and an operating margin of 7.7%. Despite a more cautious market before the elections, equipment sales remained strong. With the elections now over, we believe that projects that have been on-hold may be launched, contributing to continued high demand going forward. Our inventory and rental fleet are higher than at the start of the year. This is in line with our strategy to take market share in the excavator segment. We see opportunities to improve profitability further by gaining market share and capturing a larger share of the service and part sales potential.*

*In Germany, the market declined by 40% in the quarter and our deliveries of new trucks in units were down by 60%. Some customers have put fleet renewals on hold and others have cancelled orders. As a result of weak demand and a supply glut, we have seen growing price competition and decided to revalue parts of our inventory. We thus recognised an impairment of SEK 31m on our stock in the quarter. At the same time, our cost reduction program started to show results. Service and parts sales continued to grow. Demand is strong in most of our workshops and we could sell more with more technicians. We*

*saw an increase in new truck orders and our electric rental business developed well. Overall, revenue in Germany decreased by 35% to SEK 372m. Operating result decreased to SEK -40m or, excluding the effect of the inventory impairment, improved to SEK -9m.*

*In Kazakhstan, our sales of new machines in units increased to 21 and our inventory position is improving. Total revenue increased to SEK 82m, or 7% of the Group's turnover. The operating result increased to SEK 3m.*

*For the Group, revenue increased by 77% to SEK 1,141m. The operating result increased to SEK 2m, or SEK 32m excluding the effect of the impairment in Germany. Net debt increased to SEK 1,792m.*

*We are optimistic about our expansion into the US and the opportunities we see there. Demand is supported by a dynamic economy and a significant need to upgrade the country's infrastructure. The German economy is weak. We have taken actions to cut costs and make our organisation more resilient. We believe demand will remain strong in the aftermarket and are optimistic about the long-term potential in Germany and in the opportunities and the opportunities in e-mobility and sustainable transport solutions. We continue to see long-term potential in Kazakhstan.*

## About Ferronordic

Ferronordic is a service and sales company in the areas of construction equipment and trucks. It is the dealer for Volvo CE in all or parts of nine states in the United States and also represents Hitachi, Sandvik and Link-Belt in parts of the same area.

Ferronordic is dealer of Volvo Trucks, Renault Trucks in Germany and dealer of Volvo CE and certain other brands in Kazakhstan.

Ferronordic began its operations in 2010 and currently has 41 outlets and approx. 800 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 14 November 2024, 07:30 CET.*

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## Financial calendar

Year-end report January-December 2024– 20 February 2025  
Annual report 2024 – 11 April 2025  
Interim report January-March 2025 – 15 May 2025

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