

23 August 2019

Press release

Interim report January-June 2019

April-June 2019

- Net sales were 348.2 MSEK (313.6), an increase of 11.0% from the equivalent quarter in 2018.
- Operating income increased to 32.1 MSEK (22.0), an operating margin of 9.2% (7.0).
- Earnings per share were 1.63 SEK (1.26).
- Cash flow after investments was -114.1 MSEK (18.1).

January-June 2019

- Net sales were 647.5 MSEK (593.6), an increase of 9.1% from the equivalent period in 2018.
- Operating income increased to 71.6 MSEK (38.8), an operating margin of 11.1% (6.5).
- Earnings per share were 3.90 SEK (2.24).
- Cash flow after investments was -115.1 MSEK (17.9).

Significant events during the quarter

- The group has acquired Hot Bath BV, one of the leading suppliers of mixer taps to bathrooms and kitchens in the Netherlands and selected export markets.
- Ole Sander left his post as International sales and marketing director and managing director FMMSG Denmark in April.

Statement from the CEO

A step into Europe and further improvement to our results

After a strong start to the year we have completed an exciting acquisition which has contributed to yet another record result. Our results in the International market show a further improvement while sales in the Nordic region were weaker than the equivalent quarter in 2018 and are compensated by improvements in margin. Sales during the second quarter of 2019 increased by 11% to 348.2 MSEK with a significantly improved EBIT of 32.1 MSEK, our best ever second quarter.

The big event during the second quarter was the acquisition of the Dutch tap supplier Hotbath. The acquisition is an important step in our strategy to increase our presence outside the Nordic region while the brand complements our existing product portfolio. With Hotbath we are focusing on further development of sales in Benelux and selected international countries. Naturally, as a dedicated tap business we also see opportunities to develop areas such as purchasing together.

It has been fun to meet our new Hotbath colleagues, customers and partners. With four attractive brands in the group and strong local organisations we create even better conditions to supply each of our markets with a locally tailored range of high quality, designer products.

We can conclude that our sales in the Nordic region were weaker during the second quarter in 2019 than 2018. We are still experiencing high activity at our customers, even though the lower pace of the Swedish new build sector creates some uncertainty in the market. Our momentum in the international market and the completed acquisition of Hotbath give us further sales opportunities and a better balance. It's pleasing that we are reporting a strong EBIT thanks to continued improvements within the organisation which allow us to focus more on sales and increasing customer value.

Good examples of increased customer value are the recent improvements to the Damixa Pro App which enable customers to quickly find accurate information about our products in their mobile phones. In conjunction with the UN building in Copenhagen we have shown that we can reduce water use significantly, great news for the wallet and environment. These are two exciting examples of how we can add value and increase sustainability with our products.

FM Mattsson Mora Group AB (publ.)
Box 480
SE-792 27 MORA
SWEDEN

Telefon +46 (0)250 59 60 00
Fax +46 (0)250 159 60

info@fmm-mora.com
www.fmm-mora.com

For further information, please contact:

Fredrik Skarp, CEO, Tel: +46 (0)250 596 405.

Martin Gallacher, CFO, Tel +46 (0)250 596 225.

This information is such that FM Mattsson Mora Group AB (publ) must disclose pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CET on 23 August 2019.

FM Mattsson Mora Group conducts the sale, manufacture and product development of water taps under the strong, established brands of FM Mattsson, Mora Armatur, Damixa and Hotbath. The group's vision is to be the customer's first choice for mixer taps in the bathroom and kitchen. In 2018 the business generated sales of more than SEK 1.4 billion from its companies in Sweden, Norway, Denmark, Finland, Benelux and Germany and had over 500 employees (figures adjusted for the acquisition of Hotbath in May 2019). FM Mattsson Mora Group is listed on Nasdaq Stockholm.