

Interim report

Q3 2023

Third quarter 2023

- Incoming orders rose 3% to SEK 1,093 million (1,057)
- Net sales rose 3% to SEK 1,198 million (1,158)
- Operating profit rose 8% to SEK 185 million (172)
- EBITA rose 7% to SEK 192 million (180)
- Profit after tax rose 7% to SEK 145 million (135)
- Earnings per share were SEK 1.05 (0.98)

January - September 2023

- Incoming orders were down 1% to SEK 3,613 million (3,646)
- Net sales rose 11% to SEK 3,849 million (3,467)
- Operating profit rose 10% to SEK 608 million (554)
- EBITA rose 10% to SEK 630 million (575)
- Profit after tax rose 9% to SEK 477 million (436)
- Earnings per share were SEK 3.44 (2.50)



Slowdown in growth but profitability remains strong

Sales increased in the third quarter by 3%, which represents a slowdown compared with relatively strong demand in the first six months of the year. The impact of currency movements added 6 percentage points to revenue growth, leading to 2% negative growth on an organic basis. The widespread slowdown in economic activity is now clearly having an impact on demand and it is the first time since 2013 that the company has experienced negative organic growth in a single quarter.

Incoming orders were down 9% on sales, which is due to generally weaker forecasts from customers and because lead times for orders have returned to normal. Relative to sales, there has been a gradual decline in the order book from the peak in 2021, but it is still at a high level.

Operating profit (EBITA) rose 7% and the EBITA margin stood at 16.1% (15.6%). The EBITA margin for the first 9 months of 2023 remains at an historically high level, albeit slightly lower than the corresponding period last year.

Growth across the regions

Most of the operations experienced a slowdown in demand and a number of companies report lower sales volumes this quarter than in the same quarter last year.

Region Sweden recorded a 2% increase in sales, with exchange rate movements having a 4-percentage-point impact, leading to negative growth of 2 percentage points on an organic basis. The strongest growth in the third quarter was delivered by Telfa and OEM Automatic, the Group's largest company.

Region Finland, the Baltic states and China also saw an increase in sales by 2%, with exchange rate movements having an 8-percentage-point impact, leading to negative growth of 6 percentage points on an organic basis. The strongest growth was posted by Motor & Bearings and OEM Electronics.

Region Denmark, Norway, the British Isles and East Central Europe reported a 9% rise in sales, boosted 8 percentage points by currency movements, giving growth of 1% on an organic basis. The operations in Automatic Hungary, Ireland and Slovakia showed the strongest growth.

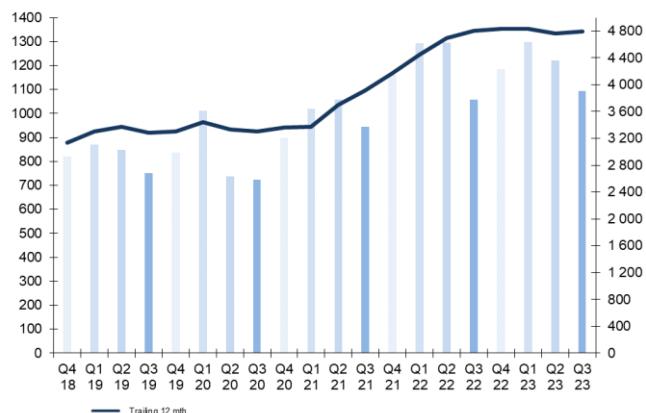
Market situation

The third quarter saw a drop-off in growth momentum for OEM and the economic situation in general has been subdued by the instability and unrest that the world economy is currently facing. The market dynamics have changed as a result of the uncertain economic environment and the expectation of a further downturn in 2024, and growth will depend entirely on strengthening relationships with existing customers and finding totally new business opportunities together with acquisitions of new businesses. OEM's organisation is fuelled by creativity and an innovative spirit and, because of this, I strongly believe that we will gain new market share and bolster our position in the market in spite of the challenging economic backdrop.

Jörgen Zahlin

Managing Director and Chief Executive Officer

Incoming orders SEK million

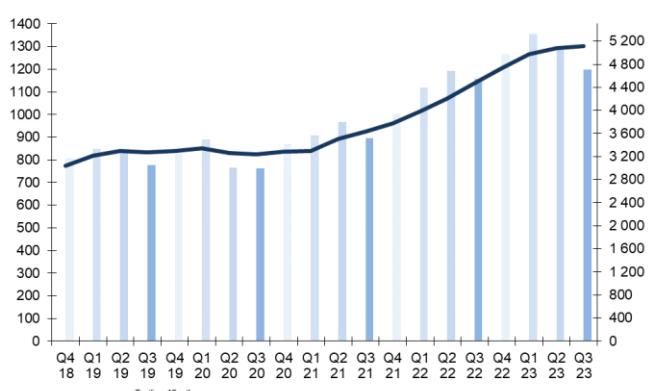


Incoming orders

Incoming orders amounted to SEK 1,093 million (1,057) in the third quarter of 2023, which is an increase of 3%. In the third quarter, incoming orders were 9% lower than net sales.

On 30 September 2023, the order book stood at SEK 925 million (1,147), down 19% on the same date last year.

Net sales SEK million



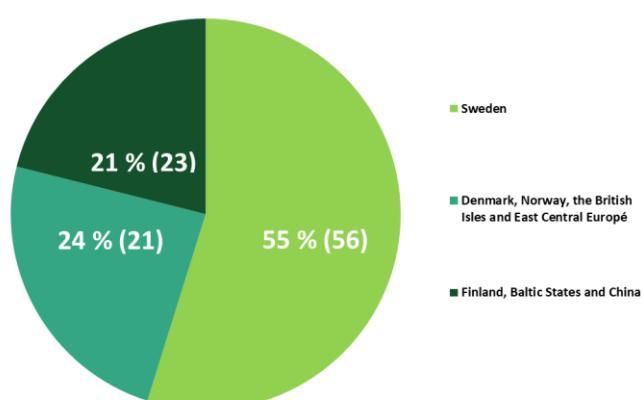
Sales growth

Net sales increased by 3% to SEK 1,198 million (1,158) in the third quarter of 2023. The impact on sales from exchange rate movements was 6%, which results in a 3% decrease in organic revenue.

The highest percentage net sales growth year over year was reported by OEM Automatic Hungary, Telfa and OEM Automatic Sweden.

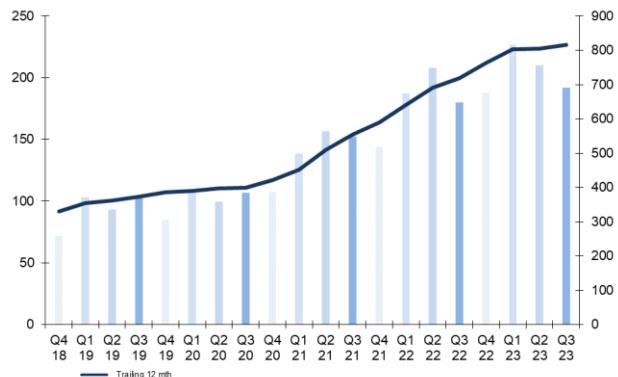
Region Sweden drops one percentage point to 55% of Group sales. Region Finland, the Baltic states and China drops two percentage points, and Region Denmark, Norway, the British Isles and East Central Europe increases by three percentage points.

Share by region in 2023



EBITA

SEK million



Growth in earnings

In the third quarter of 2023, EBITA, operating profit before amortisation and impairment of acquisition-related intangible fixed assets, rose 7% to SEK 192 million (180).

The EBITA margin stood at 16.1% (15.6%) in the third quarter.

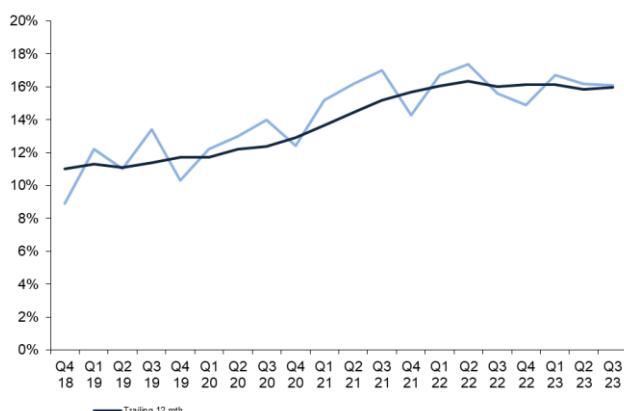
The EBITA margin for the trailing twelve months was 16.0%.

Operating profit rose 8% to SEK 185 million (172) in the third quarter of 2023, delivering an operating margin of 15.5% (14.9%).

In the third quarter of 2023, profit after tax stood at SEK 145 million (135).

Earnings per share for the third quarter of 2023 were SEK 1.05 (0.98).

EBITA margin



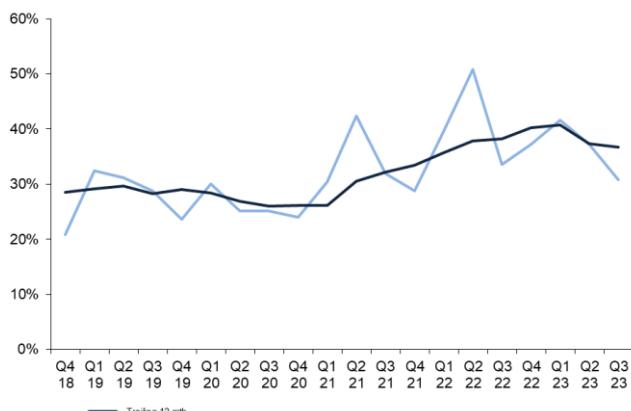
Return

The return on equity in the third quarter of 2023 was 7.7% compared with 8.4% in the year-ago quarter.

The trailing-twelve-month return on equity was 35.3%, which is well above the 25% target.

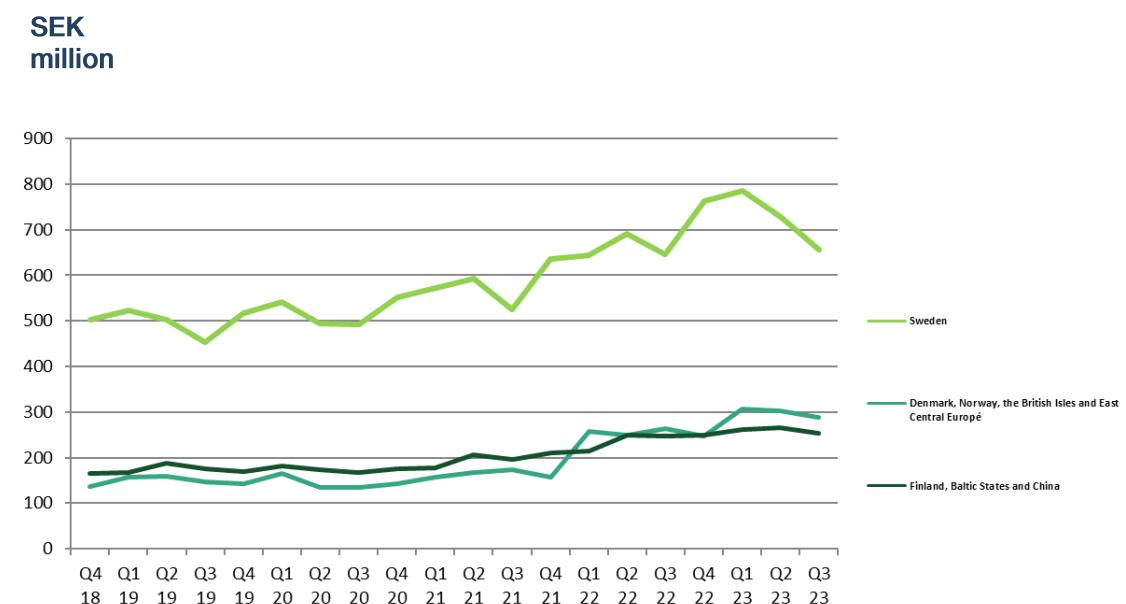
Shareholders' equity amounted to SEK 1,892 million (1,435) with an equity/assets ratio of 66% (54%) on 30 September 2023.

Return on equity



Note: The return on equity for each quarter is listed by four to provide a better comparison with the trailing twelve months in the diagram.

Sales growth by region for each quarter



Sweden

OEM Automatic AB, OEM Motor AB, Telfa AB, Svenska Batteripoolen AB, Elektro Elco AB, Nexa Trading AB, OEM Electronics AB, Intermordic Bearings AB, Agolux AB, AB Ernst Hj Rydahl Bromsbandfabrik and ATC Tape Converting AB.

SEK million	2023 Q3	2022 Q3	2023 Q1 – Q3	2022 Q1 – Q3	2022 Full year	Trailing 12 month
Incoming orders	621	635	2,050	2,136	2,835	2,749
Net sales	657	646	2,171	1,982	2,745	2,934
EBITA	118	112	396	369	506	533
EBITA margin	18%	17%	18%	19%	18%	18%

Net sales rose 2% to SEK 657 million (646) in the third quarter of 2023. Foreign exchange movements boosted net sales by 4%, which represents a 2% decrease on an organic basis. The operations reporting strongest growth are Telfa and OEM Automatic, whose sales increased by 21% and 12% respectively.

Incoming orders were down 2% to SEK 621 million (635) in the third quarter of 2023. Incoming orders were 6% lower than net sales.

In the third quarter of 2023, EBITA rose 5% to SEK 118 million (112), due to the combination of increased net sales and a lower cost base.

Finland, the Baltic states and China

OEM Automatic FI, Akkupojat Oy, Hide-a-lite FI, OEM Electronics FI, Motor/Bearings FI, Rauheat OY, OEM Automatic OU, OEM Automatic UAB, OEM Automatic SIA and OEM Automatic (Shanghai) Co. Ltd.

SEK million	2023 Q3	2022 Q3	2023 Q1 – Q3	2022 Q1 – Q3	2022 Full year	Trailing 12 month
Incoming orders	215	209	722	724	963	961
Net sales	253	248	780	715	969	1,034
EBITA	37	39	107	110	137	133
EBITA margin	15%	16%	14%	15%	14%	13%

Net sales rose 2% to SEK 253 million (248) in the third quarter of 2023. Foreign exchange movements boosted net sales by 8%, which represents a 6% decrease on an organic basis. The operations reporting strongest growth are Motor & Bearings and OEM Electronics, whose sales increased by 5% and 4% respectively. The region's largest entity, OEM Automatic, posted a 3% decrease.

Incoming orders for the region rose 3% to SEK 215 million (209) in the third quarter of 2023. Incoming orders were 15% lower than net sales.

In the third quarter of 2023, EBITA fell 3% to SEK 37 million (39) due to increased costs.

Denmark, Norway, the British Isles and East Central Europe

OEM Automatic Klitsø A/S, OEM Automatic AS, OEM Automatic Ltd, Zoedale Ltd, OEM Automatic Sp z o. o., OEM Electronics PL, OEM Automatic spol. s r.o., OEM Automatic s.r.o. OEM Automatic Kft, Demesne Electrical Sales Ltd. and Demesne Electrical Sales UK Ltd.

SEK million	2023 Q3	2022 Q3	2023 Q1 – Q3	2022 Q1 – Q3	2022 Full year	Trailing 12 month
Incoming orders	257	214	841	785	1,034	1,089
Net sales	288	264	898	770	1,017	1,145
EBITA	36	27	121	91	118	148
EBITA margin	12%	10%	14%	12%	12%	13%

Net sales rose 9% to SEK 288 million (264) in the third quarter of 2023. Foreign exchange movements boosted net sales by 8%, which gives an increase of 1% on an organic basis. The operations reporting strongest year-over-year growth are OEM Automatic Hungary, OEM Automatic Slovakia and Demesne Electrical Sales, with an increase of 34%, 10% and 10% respectively.

Incoming orders rose 20% to SEK 257 million (214) in the third quarter of 2023. Incoming orders were 11% lower than net sales.

EBITA rose 31% to SEK 36 million (27), due to the combination of higher net sales and gross margin improvement.

Other financial information

Cash flow

Cash flow from operating activities in the third quarter of 2023 amounted to SEK 127 million (52). The total cash flow was SEK 62 million (-10). This was impacted by outflows of SEK -7 million (-30) and SEK -58 million (-32), related to investing and financing activities respectively.

Investments

The Group's investments in fixed assets in the third quarter of 2023 amounted to SEK 8 million (6) and are attributable to property, plant and equipment of SEK 7 million (4) and intangible assets of SEK 1 million (2).

Cash and cash equivalents

Cash and cash equivalents, comprising cash and bank balances, amounted to SEK 112 million (60) on 30 September 2023. Cash and cash equivalents, together with committed and undrawn credit facilities, amounted to SEK 588 million (240) on 30 September 2023. The Group's interest-bearing financial liabilities totalled SEK 207 million (417), of which SEK 69 million (42) are liabilities recognised in accordance with IFRS 16 Leases.

Intangible assets

Amortisation of intangible assets totalling SEK 8.0 million (8.9) has been charged to the income statement for the third quarter of 2023. On 30 September 2023, intangible assets amounted to SEK 333 million (339).

Equity/assets ratio

The equity/assets ratio was 66% (54%) on 30 September 2023.

Employees

The average number of employees in the Group during the period January to September 2023 was 1,010 (960). At the end of the period, the number of employees was 1,019 (989).

Share repurchase

OEM did not repurchase any shares during the period. On 30 September 2023, the company held a total of 371,082 treasury shares. The holding represents 0.3% of the total number of shares. The repurchase mandate granted by the General Meeting is for up to 10% of the shares, which is 13,901,584 shares.

Option scheme

A total of 153,500 options have been subscribed for under the share-related incentive scheme, approved at the 2023 Annual General Meeting, which offers some 50 executives the option to purchase up to 200,000 bought-back shares. The call options have been transferred at a price of SEK 12.77 per option and the exercise price for the call options is SEK 122.00, corresponding to 120% of the average share price in the period 8 to 19 May 2023. Each call option entitles the holder to acquire one Class B share during the period 2 March to 15 June 2026.

After this, OEM's outstanding call option scheme includes a total of 306,000 options.

In 2022, the call options were transferred at a price of SEK 6.64 per option and the exercise price for the call options was SEK 86.60, corresponding to 120% of the average share price in the period 9 to

20 May 2022. Each call option entitles the holder to acquire one Class B share during the period 1 March to 15 June 2025.

Remeasurement of contingent consideration

Developments in previously implemented acquisitions have not resulted in a remeasurement of contingent consideration recognised as a liability. In the first quarter of 2023, a SEK 27 million payment was made relating to an additional consideration, recognised as a liability, in connection with the acquisition of Demesne Electrical Sales Ltd. Remaining considerations (both fixed and contingent) recognised as liabilities related to acquisitions as at 30 September 2023 amounted to SEK 60 million (83).

Accounting policies

This condensed interim report for the Group has been prepared in accordance with the requirements of IAS 34 Interim Financial Reporting and the applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with the requirements of Chapter 9 of the Swedish Annual Accounts Act, Interim Report. The Group and the Parent Company have applied the same accounting policies and basis of preparation as in the latest annual report. No International Financial Reporting Standards (IFRS) or International Financial Reporting Interpretations Committee (IFRIC) interpretations adopted in 2023 have had a significant effect on the reported results or financial position of the Group.

There are no separate disclosures of the fair values of financial assets and liabilities stated at amortised cost because the carrying amounts of financial assets and financial liabilities are considered to be reasonable approximations of their fair values. This is because, in the opinion of management, there have been no significant changes in market interest rates or credit spreads that would have a material impact on the fair value of the Group's interest-bearing liabilities. Furthermore, the fair value of trade and other current receivables and payables is assumed to approximate their carrying amount given their short-term nature.

Risks and uncertainties

The OEM Group is exposed to both business-related risks and financial risks through its activities. Business-related risks include competition and operational risks, and financial risks include liquidity risk, interest rate risk and currency risk. The financial operations of the OEM Group and management of financial risks are mainly handled by the Parent Company. A full description of risks to which the Group is exposed can be found on pages 32-33 and 78-81 of the 2022 Annual Report. Other than the risks and uncertainties set out in the 2022 Annual Report, no significant risks or uncertainties have been identified or removed.

Customer demand remains at a high level despite it slowing in some sectors. High inflation and interest rates are having an impact on the markets in which OEM operates and are increasing the risk of a further slowdown in the economy.

Related party transactions

No transactions between OEM and related parties have been entered into that have materially affected the financial position and performance of the Group or the Parent Company during the period, with the exception of inter-company dividends.

Parent Company

Net sales for the Parent Company in the third quarter of 2023 amounted to SEK 27 million (20) and profit after financial items was SEK 78 million (32). Net sales relate entirely to inter-company transactions. The foregoing risks and uncertainties specified for the Group also apply indirectly to the Parent Company.

Events after the close of the reporting period

Lagermetall AB, with an annual turnover of approximately SEK 100 million, was acquired on 13 October. Lagermetall is a supplier of bronze alloys, slide bearings and slide elements and its offering complements OEM's existing range of products. The acquisition is expected to have a marginal impact on OEM's profit for 2023.

The Annual General Meeting and the Nomination Committee

The Nomination Committee for the Annual General Meeting on 23 April 2024 is composed of:

Petter Stillström, AB Traction (Chair)

Richard Pantzar, Orvaus AB

Mattias Franzén

Agne Svenberg

The Nomination Committee can be contacted through Petter Stillström, tel. +46 (0)70-747 56 61 or via e-mail petter.stillstrom@traction.se

The next reporting period

The Financial Statement, Full Year 2023, will be published on 19 February 2024.

Definitions

Definitions can be found on page 16.

Tranås, 19 October 2023

Jörgen Zahlin
Managing Director and Chief Executive Officer

The report has been subject to a special review by the company's auditors.

For further information, please contact the Managing Director, Jörgen Zahlin, on +46 (0)75-242 40 22, or via email at jorgen.zahlin@oem.se or the CFO, Johan Broman, on +46 (0)75-242 40 02, or via email at johan.broman@oem.se.

This information is of such a nature that OEM International AB (publ) is required to publish it in compliance with the Market Abuse Regulation (MAR) EU Directive No. 596/2014. The information was provided for publication on 19 October 2023 at 14.00 CET by Johan Broman.



Auditor's report

OEM International AB (publ), corp. reg. no. 556184-6691

Introduction

We have reviewed the condensed interim financial information (interim report) of OEM International AB as of 30 September 2023 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Jönköping, 19 October 2023

Öhrlings PricewaterhouseCoopers AB

Frida Wengbrand
Authorized Public Accountant

The regions' sales and earnings

SALES & EARNINGS BY REGION

Net sales (SEK million)

	Jan-sept 2023	Jan-sept 2022	Q3 2023	Q2 2023	Q1 2022	Q4 2022	Q3 2022	Trailing 12 mth	Full year 2022
Sweden, external income	2 171	1 982	657	729	785	763	646	2 934	2 745
Sweden, income from other segments	203	218	62	66	75	65	78	268	283
Finland, the Baltic States and China, external income	780	715	253	265	262	254	248	1 034	969
Finland, the Baltic States and China, income from other segments	65	61	18	22	24	20	22	85	81
Denmark, Norway, the British Isles and East Central Europe, external income	898	770	288	302	307	247	264	1 145	1 017
Denmark, Norway, the British Isles and East Central Europe, income from other segments	17	21	5	6	7	5	4	23	26
Elimination	-286	-300	-86	-94	-106	-90	-104	-376	-390
	3 849	3 467	1 198	1 296	1 355	1 264	1 158	5 113	4 731

EBIT A (MSEK)

	Jan-sept 2023	Jan-sept 2022	Q3 2023	Q2 2023	Q1 2022	Q4 2022	Q3 2022	Trailing 12 mth	Full year 2022
Sweden	396	369	118	128	150	136	112	533	506
Finland, the Baltic States and China	107	110	37	34	35	27	39	133	137
Denmark, Norway, the British Isles and East Central Europe	121	91	36	44	41	27	27	148	118
Group functions	6	5	1	4	0	-2	3	4	3
	630	575	192	210	227	188	180	817	763

Operating profit (SEK million)

	Jan-sept 2023	Jan-sept 2022	Q3 2023	Q2 2023	Q1 2022	Q4 2022	Q3 2022	Trailing 12 mth	Full year 2022
EBIT A	630	575	192	210	227	188	180	817	763
<i>Amortisation and write-downs of acquisition-related intangible fixed assets.</i>									
Sweden	-2	-2	-1	-1	-1	-1	-1	-3	-3
Finland, the Baltic States and China,	0	-1	0	0	0	0	0	0	-1
Denmark, Norway, the British Isles and East Central Europe	-20	-18	-7	-7	-6	-6	-7	-26	-24
Operating profit	608	554	185	203	220	181	172	789	735

Consolidated profit/loss (SEK million)

	Jan-sept 2023	Jan-sept 2022	Q3 2023	Q2 2023	Q1 2022	Q4 2022	Q3 2022	Trailing 12 mth	Full year 2022
Operating profit	608	554	185	203	220	181	172	789	735
Net financial items	-9	-7	-4	-1	-3	-4	-3	-12	-11
Pre-tax profit/(loss)	600	547	182	202	216	177	169	777	724

Specification of external income by region and product area	Sweden		Finland, the Baltic States and China,		Denmark, Norway, the British Isles and East Central Europe		Total	
	Jan-sept 2023	Jan-sept 2022	Q3 2023	Q2 2023	Jan-sept 2023	Jan-sept 2022	Q3 2023	Jan-sept 2022
Product Areas								
Automation	835	708	479	431	640	569	1 954	1 709
Components	335	307	94	79	18	15	446	402
Lighting & Installation components	387	386	50	41	238	186	674	613
Other	615	581	157	163	2	0	774	744
	2 171	1 982	780	715	898	770	3 849	3 467

The Group's performance and financial position

CONDENSED CONSOLIDATED STATEMENT OF INCOME (SEK MILLION)

	Jan-sept 2023	Jan-sept 2022	Q3 2023	Q2 2023	Q1 2022	Q4 2022	Q3 2022	Trailing 12 mth	Full year 2022
Operating income									
Net sales	3 849	3 467	1 198	1 296	1 355	1 264	1 158	5 114	4 731
Other operating income	0	2	0	0	0	0	0	0	2
Operating costs*									
Commodities	-2 460	-2 209	-775	-827	-858	-812	-754	-3 272	-3 021
Staff costs	-559	-508	-167	-189	-203	-193	-163	-753	-702
Other expenses	-154	-132	-48	-55	-51	-55	-46	-209	-187
Depreciation/amortisation of property, plant and equipment and intangible fixed assets	-68	-66	-23	-23	-22	-23	-22	-91	-89
Operating profit	608	554	185	203	220	181	172	789	735
Net financial income/expense	-9	-7	-4	-1	-3	-4	-4	-12	-11
Pre-tax profit/(loss)	600	547	182	202	216	177	169	777	724
Tax	-123	-111	-37	-45	-41	-37	-34	-160	-148
Profit/loss for the period	477	436	145	157	175	140	135	617	576
Earnings per outstanding share, SEK**	3,44	3,14	1,05	1,13	1,26	1,01	0,98	4,45	4,15

* Attributable to shareholders of the parent company. There are no dilution effects.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (SEK MILLION)

Other comprehensive income									
Profit/loss for the period	477	436	145	157	175	140	135	617	576
Items that have been transferred or may be recycled to net income									
Exchange differences for the period on translation of overseas operations	31	41	-24	44	11	15	9	45	56
Items that can not be recycled to net profit									
Revaluation of defined-benefit pension plans	0	1	0	0	0	-2	0	-2	-1
Other comprehensive income for the period	31	42	-24	44	11	13	10	44	55
Comprehensive income for the period	508	478	121	201	186	153	145	660	630

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (SEK MILLION)

	2023-09-30	2022-09-30	2022-12-31
Fixed assets			
Goodwill	234	219	229
Other intangible assets	99	120	115
Total intangible assets	333	339	344
Property, plant and equipment	396	342	356
Total property, plant and equipment	396	342	356
Deferred tax assets	7	6	7
Financial assets	0	1	0
Total financial assets	7	7	8
Total fixed assets	737	688	707
Current assets			
Inventories	1 137	1 046	1 183
Current receivables	896	851	805
Cash and cash equivalents	112	60	109
Total current assets	2 145	1 957	2 097
Total assets	2 882	2 645	2 804
Equity	1 892	1 435	1 590
Non-current interest-bearing liabilities	51	31	33
Provisions for pensions	1	1	2
Other provisions	2	2	2
Non-current non-interest-bearing liabilities	33	54	59
Deferred tax liabilities	133	117	134
Total non-current liabilities	220	206	229
Current interest-bearing liabilities	156	386	345
Current non-interest-bearing liabilities	614	618	640
Total current liabilities	770	1 004	985
Total equity and liabilities	2 882	2 645	2 804

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SEK MILLION)

	2023-09-30	2022-09-30	2022-12-31
At beginning of year	1 590	1 374	1 374
Comprehensive income for the period			
Profit/loss for the period	477	436	576
Other comprehensive income for the period	31	42	55
Comprehensive income for the period	508	478	630
Dividends paid	-208	-191	-191
Repurchase of shares	-	-225	-225
Call options	2	1	1
At the end of the period	1 892	1 435	1 590

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (SEK MILLION)

	Jan-sept 2023	Jan-sept 2022	Q3 2023	Q2 2023	Q1 2022	Q4 2022	Q3 2022	Trailing 12 mth	Full year 2022
Operating cash flows									
before movements in working capital	570	519	177	192	201	172	172	743	690
Movements in working capital	-72	-358	-51	5	-27	-69	-119	-142	-428
Operating cash flows	498	161	127	197	174	102	52	600	263
Acquisition of subsidiaries									
net effet on cash and cash equivalents	-28	-131	0	0	-27	0	-24	-28	-132
Acquisition of intangible fixed assets	-4	-2	-1	-2	-2	-1	-2	-5	-3
Acquisition of property, plant and equipment	-33	-10	-7	-9	-17	-8	-4	-41	-19
Sales of property, plant and equipment	0	0	0	0	0	0	0	0	1
Investing cash flows	-64	-143	-7	-11	-46	-9	-30	-73	-153
Financing cash flows									
- Loan raised	0	0	0	0	0	0	0	0	0
- Loan amortisation	0	-7	0	0	0	0	0	0	-7
- Repayment of lease liabilities	-28	-28	-9	-9	-9	-9	-10	-37	-37
- Change in bank overdrafts	-199	344	-48	-56	-95	-38	-22	-237	306
- Call options	2	1	0	2	0	0	0	2	1
- Dividends paid	-208	-191	0	-208	0	0	0	-208	-191
- Repurchase of shares	0	-225	0	0	0	0	0	0	-225
Financing cash flow	-433	-106	-58	-271	-104	-47	-32	-480	-152
Cash flow for the period	1	-89	62	-85	24	47	-10	48	-42
Cash and cash equivalents at the beginning of the period	109	145	53	133	109	60	69	169	145
Exchange rate difference	2	5	-2	4	1	2	2	5	7
Cash and cash equivalents at the end of the period	112	60	49	53	133	109	60	221	109

KEY PERFORMANCE INDICATORS

	Jan-sept 2023	Jan-sept 2022	Q3 2023	Q2 2023	Q1 2022	Q4 2022	Q3 2022	Trailing 12 mth	Full year 2022
Net sale growth, %	11,0	25,2	3,5	8,8	21,2	26,0	29,4	14,4	25,4
Operating margin, %	15,8	16,0	15,5	15,7	16,2	14,3	14,9	15,4	15,5
EBITA-margin, %	16,4	16,6	16,1	16,2	16,7	14,9	15,6	16,0	16,1
Return on equity, %	27,4	31,0	7,7	9,3	10,4	7,9	8,4	35,3	38,9
Return on capital employed, %	32,1	34,4	9,7	11,0	11,4	10,7	9,8	42,8	45,1
Return on total capital %	22,6	24,0	7,0	7,6	8,0	7,5	7,0	30,1	31,5
Debt/equity ratio, times	0,08	0,29	0,08	0,14	0,16	0,24	0,29	0,16	0,24
Equity/assets ratio, %	65,6	54,3							56,7
Earnings per outstanding share, SEK*	3,44	3,14	1,05	1,13	1,26	1,01	0,98	4,45	4,15
Earnings per total shares, SEK*	3,43	3,13	1,04	1,13	1,26	1,01	0,97	4,44	4,14
Equity per total shares, SEK	13,61	10,33							11,44
Average number of outstanding shares (thousands)	138 644	138 735	138 644	138 644	138 644	138 644	138 644	138 644	138 644
Average total shares (thousands)	139 016	139 016	139 016	139 016	139 016	139 016	139 016	139 016	139 016

* Attributable to shareholders of the parent company. There are no dilution effects.

The Parent Company's performance and financial position

CONDENSED INCOME STATEMENT OF THE PARENT COMPANY (SEK MILLION)

	Jan-sept 2023	Jan-sept 2022	Q3 2023	Q2 2023	Q1 2022	Q4 2022	Q3 2022	Trailing 12 mth	Full year 2022
Net sales	71	64	27	28	17	28	20	99	91
Other operating income	-	0	-	-	-	-	-	-	-
Operating costs	-58	-53	-21	-19	-18	-19	-16	-76	-72
Depreciation	-3	-3	-1	-1	-1	-1	-1	-3	-4
Operating profit	11	7	4	8	-2	8	3	19	16
Income from investments in Group companies	168	132	69	93	7	15	32	184	147
Other financial income/expense, Net	6	-8	4	1	0	-2	-3	3	-10
Profit/loss after financial items	185	131	78	102	5	21	32	206	153
Year-end appropriations	0	0	0	0	0	367	0	367	367
Pre-tax profit/(loss)	185	131	78	102	5	389	32	573	520
Tax	0	0	0	0	0	-78	0	-78	-78
Profit/loss for the period	185	131	78	102	5	311	32	495	442

Comprehensive income for the period corresponds with the profit/loss for the period.

CONDENSED BALANCE SHEET OF THE PARENT COMPANY (SEK MILLION)

Assets	2023-09-30	2022-09-30	2022-12-31
Intangible fixed assets	7	4	5
Property, plant and equipment	18	17	17
Financial assets	642	636	635
Total fixed assets	667	657	657
Current receivables	543	517	857
Cash on hand and demand deposits	3	1	1
Total current assets	546	518	858
Total assets	1 213	1 175	1 514
Equity and liabilities			
Equity			
Non-distributable equity	71	74	73
Distributable equity	528	236	547
Total shareholders' equity	599	309	620
Untaxed reserves	460	390	460
Deferred tax liabilities	2	2	2
Non-current non-interest-bearing liabilities	33	54	59
Total non-current liabilities	33	54	59
Current interest-bearing liabilities	0	318	236
Current non-interest-bearing liabilities	121	102	138
Total current liabilities	121	420	374
Total equity and liabilities	1 213	1 175	1 514

Notes

Segment reporting is presented on pages 5, 6 and 11. Disclosures about fair value of financial instruments and accounting policies are presented on pages 7 and 8.

Definitions

In addition to the conventional financial performance measures established by IFRS, OEM uses the terms Organic growth and EBITA/EBITA margin, the definitions of which are given below. The reason is that OEM wants to provide clearer comparability of sales performance between periods, without the effects of currency movements or acquisitions, and be able to summarise the companies' operations with regard to profit and margins, excluding amortisation and depreciation that arose on acquisition.

Organic growth

The change in total revenue in the period, adjusted for acquisitions, sales and currency movements, measured against the total revenue in the comparative period.

Debt/equity ratio

Interest-bearing liabilities divided by shareholders' equity

EBITA

Operating profit before amortisation and impairment of acquisition-related intangible fixed assets

A reconciliation of the calculation of EBITA is presented on page 11.

EBITA margin

EBITA divided by net sales

Return on capital employed

EBITA plus finance income as a percentage of average capital employed

Capital employed

Total assets reduced by non-interest bearing liabilities and provisions

Return on total capital

EBITA plus finance income as a percentage of average total capital

Return on equity

Profit for the year divided by average shareholders' equity

One of Europe's leading technology trading companies with 34 operating business units in 15 countries

For almost 50 years, OEM's idea has been to serve as a link that creates value between customers and manufacturers of industrial components and systems. Over the years, the company has grown from a small, family-owned business in Tranås in southern Sweden into an international technology trading group operating in 15 countries in northern Europe, East Central Europe, the British Isles and China.

OEM has partnerships with more than 400 leading and specialist manufacturers and is responsible for their sales in selected markets. Its range comprises more than 60,000 products in the areas of electrical components, machinery components & cables, pressure & flow components, motors, ball bearings & brakes, appliance components and installation components. The Group has a customer base of more than 30,000 businesses, primarily in the manufacturing sector. The company's high level of expertise enables it to help customers increase purchasing efficiency and choose the right components.



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