

Interim report

Q2 2023

Second quarter 2023

- Incoming orders fell 6% to SEK 1,222 million (1,295)
- Net sales rose 9% to SEK 1,296 million (1,191)
- Operating profit rose 1% to SEK 203 million (201)
- EBITA rose 1% to SEK 210 million (208)
- Profit after tax stood at SEK 157 million (156)
- Earnings per share were SEK 1.13 (1.13)

January - June 2023

- Incoming orders fell 3% to SEK 2,520 million (2,589)
- Net sales rose 15% to SEK 2,651 million (2,309)
- Operating profit rose 11% to SEK 423 million (382)
- EBITA rose 11% to SEK 437 million (394)
- Profit after tax rose 10% to SEK 332 million (301)
- Earnings per share were SEK 2.39 (2.17)



Demand remains at a good level

Continuing high demand meant a 9% increase in sales in the second quarter. Sales were lower than the first quarter, which was a record quarter. The impact of currency movements added 7 percentage points to revenue growth, with an organic rise of 2%.

Incoming orders were down 6% on sales, which was due to lead times for customer orders gradually returning to normal as supply chain disruptions eased. The order book remains at a historically high level and incoming orders are expected to be lower than sales in the coming quarters.

Operating profit (EBITA) rose 1% and the EBITA margin stood at 16.2% (17.4%). The EBITA margin remains high, albeit slightly lower than in the same quarter a year ago, due to investments in resources and activities plus a lower gross margin.

Growth across the regions

In general, the majority of the operations are continuing to see good levels of demand. However, Rauheat, Nexa, Electro Elco and others that have exposure to the construction and consumer-facing sectors have been experiencing a lower level of demand.

Region Sweden recorded a 5% increase in sales, mainly attributable to currency effects. The strongest growth performance in the second quarter was delivered by Agolux, Telfa, Batteripoolen and the group's largest company OEM Automatic.

Region Finland, the Baltic states and China posted a 6% increase in sales, but a 3% organic decline after currency effects are excluded. The entities recording the strongest growth were Hide-a-lite, Akkupojat, OEM Electronics and OEM Automatic.

Demand remained robust in Region Denmark, Norway, the British Isles and East Central Europe which reported a 21% rise in sales, boosted 8 percentage points by currency movements, giving growth of 13% on an organic basis. The strongest growth performance was delivered by the operations in Norway, Slovakia, Poland and Ireland.

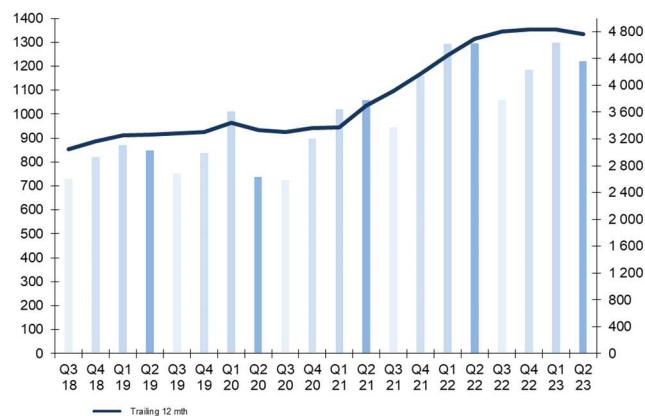
Market situation

In the second quarter, growth tapered off from a high level and there is considerable variation in growth rates between the operations. The market situation is difficult to assess, and many economists are predicting an economic slowdown with a contraction in growth. But we have learned from the past to seize the opportunities that arise, whatever the current economic climate, and always be vigilant for ways to advance our market positions. OEM still improve its market share and the creativity and commitment of our employees continue to impress us all.

Jörgen Zahlin

Managing Director and Chief Executive Officer

Incoming orders SEK million

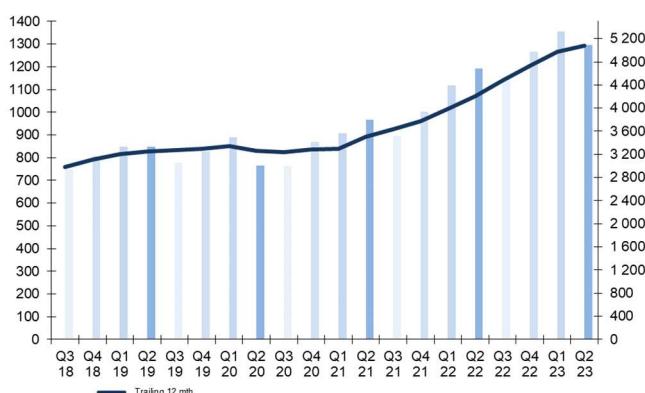


Incoming orders

Incoming orders amounted to SEK 1,222 million (1,295) in the second quarter of 2023, which is a decrease of 6%. Incoming orders were 6% lower than net sales in the second quarter.

On 30 June 2023, the order book stood at SEK 1,015 million (1,212), down 16% year-on-year.

Net sales SEK million



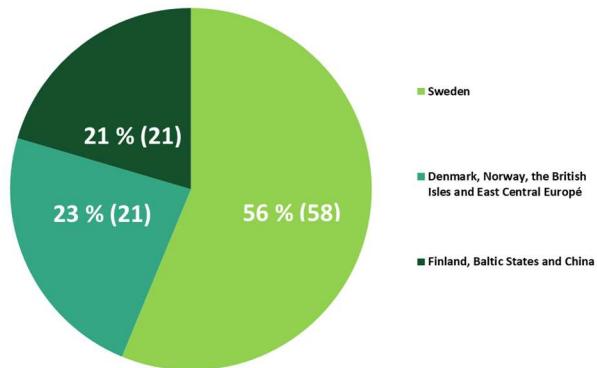
Sales growth

Net sales increased by 9% to SEK 1,296 million (1,191) in the second quarter of 2023. The impact on sales from exchange rate movements was 7%, resulting in organic growth of 2%.

The highest percentage net sales growth year over year was reported by Agolux, OEM Automatic Slovakia, OEM Automatic Norway, Telfa and OEM Automatic Poland and Demesne Electrical Sales.

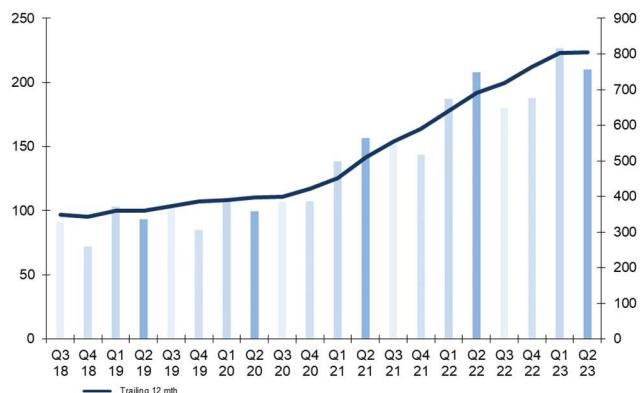
Region Sweden fell two percentage points to 56% of the Group's sales, while Region Denmark, Norway, the British Isles and East Central Europe increased by 2 percentage points. For Region Finland, the Baltic states and China it remained unchanged on the previous year.

Share by region in 2023



EBITA

SEK million



Growth in earnings

In the second quarter of 2023, EBITA, operating profit before amortisation and impairment of acquisition-related intangible fixed assets, rose 1% to SEK 210 million (208).

The EBITA margin stood at 16.2% (17.4%) in the second quarter.

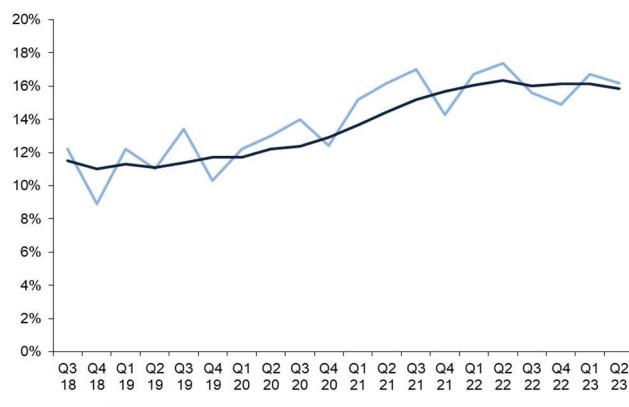
The EBITA margin for the trailing twelve months was 15.9%.

Operating profit rose 1% to SEK 203 million (201) in the second quarter of 2023, delivering an operating margin of 15.7% (16.9%).

Profit after tax in the second quarter of 2023 stood at SEK 157 million (156).

Earnings per share for the second quarter of 2023 were SEK 1.13 (1.13).

EBITA margin



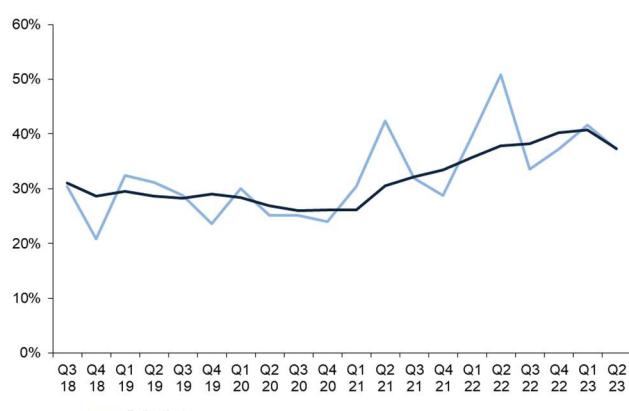
Return

The return on equity in the second quarter of 2023 was 9.3% compared with 12.7% in the year-ago quarter.

The trailing-twelve-month return on equity was 36.0%, which is well above the 25% target.

Shareholders' equity amounted to SEK 1,770 million (1,292) with an equity/assets ratio of 62% (51%) on 30 June 2023.

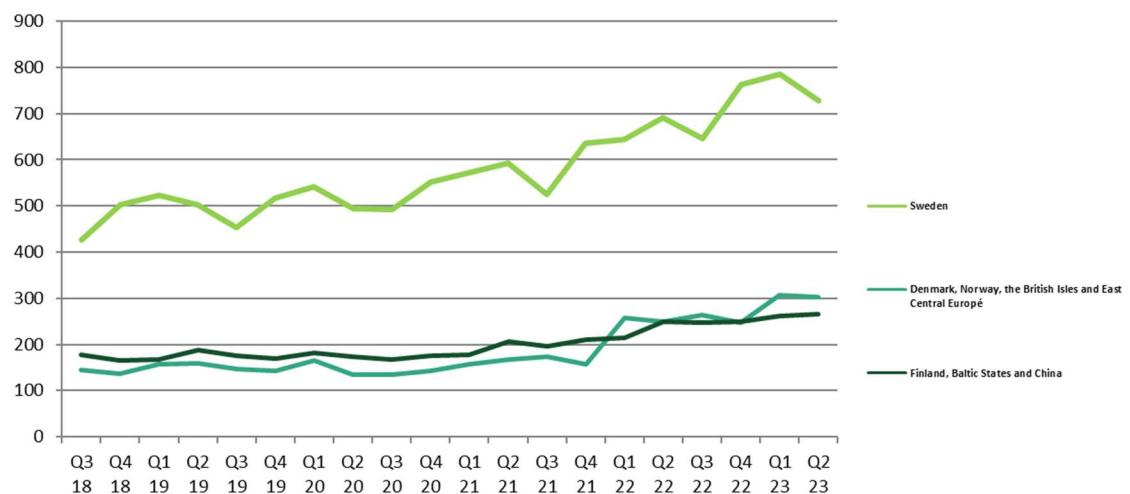
Return on equity



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

SEK million



Sweden

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

SEK million	2023 Q2	2022 Q2	2023 Q1 – Q2	2022 Q1 – Q2	2022 Full year	Trailing 12 month
Incoming orders	680	756	1,430	1,502	2,835	2,764
Net sales	729	692	1,514	1,336	2,745	2,923
EBITA	128	135	278	258	506	526
EBITA margin	18%	19%	18%	19%	18%	18%

Net sales rose 5% to SEK 729 million (692) in the second quarter of 2023. Foreign exchange movements boosted net sales by 5%, which means there was no growth on an organic basis in the region. Above half of the operations have delivered high rates of growth. The operations reporting strongest growth are Agolux, Telfa and OEM Automatic, whose sales increased by 142%, 33% and 12% respectively.

Incoming orders were down 10% to SEK 680 million (756) in the second quarter of 2023. Incoming orders were 7% lower than net sales.

In the second quarter of 2023, EBITA fell by 5% to SEK 128 million (135), due to there being no change in organic growth in combination with a higher 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 Q2	2022 Q2	2023 Q1 – Q2	2022 Q1 – Q2	2022 Full year	Trailing 12 month
Incoming orders	263	267	507	515	963	954
Net sales	265	250	528	465	969	1,029
EBITA	34	40	69	71	137	135
EBITA margin	13%	16%	13%	15%	14%	13%

Net sales rose 6% to SEK 265 million (250) in the second quarter of 2023. Foreign exchange movements boosted net sales by 9%, which means a 3% organic decrease. The operations reporting strongest growth are Hidealite, OEM Electronics and Akkupojat, whose sales increased by 10%, 6% and 5% respectively. The region's largest entity, OEM Automatic, posted 2% growth.

Incoming orders for the region fell 2% to SEK 263 million (267) in the second quarter of 2023. Incoming orders were 1% lower than net sales.

In the second quarter of 2023, EBITA fell by 16% to SEK 34 million (40), due to the combination of lower growth and a higher cost base.

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 Q2	2022 Q2	2023 Q1 – Q2	2022 Q1 – Q2	2022 Full year	Trailing 12 month
Incoming orders	279	272	584	572	1,034	1,046
Net sales	302	249	609	506	1,017	1,121
EBITA	44	30	85	64	118	139
EBITA margin	15%	12%	14%	13%	12%	12%

Net sales rose 21% to SEK 302 million (249) in the second quarter of 2023. Foreign exchange movements boosted net sales by 8%, which gives an increase of 13% on an organic basis in the region. The operations reporting strongest growth compared with the previous year are OEM Automatic Slovakia, OEM Automatic Norway, OEM Automatic Poland and Demesne Electrical Sales, with an increase of 37%, 33%, 19% and 19% respectively.

Incoming orders rose 3% to SEK 279 million (272) in the second quarter of 2023. Incoming orders were 8% lower than net sales.

EBITA rose 45% to SEK 44 million (30) as a result of increased net sales.

Other financial information

Cash flow

Second-quarter operating cash flow for 2023 was SEK 197 million (104). The total cash flow was SEK -85 million (-46). This was impacted by outflows of SEK -11 million (-2) and SEK -271 million (-147), related to investing and financing activities respectively, whereof dividend paid SEK -208 million (SEK -416 million incl. redemption of shares).

Investments

The Group's investments in fixed assets in the second quarter of 2023 amounted to SEK 11 million (2) and are attributable to property, plant and equipment of SEK 9 million (2) and intangible assets of SEK 2 million (1).

Cash and cash equivalents

Cash and cash equivalents, consisting of cash and bank balances, amounted to SEK 52 million (69) at 30 June 2023. Cash and cash equivalents, together with committed and undrawn credit facilities, amounted to SEK 479 million (213) on 30 June 2023. The Group's interest-bearing financial liabilities totalled SEK 241 million (457), of which SEK 53 million (47) are liabilities recognised in accordance with IFRS 16 Leases.

Intangible assets

Amortisation of intangible assets totalling SEK 7.9 million (7.7) was charged to the income statement in the second quarter of 2023. On 30 June 2023, the value of the intangible assets was SEK 347 million (357).

Equity/assets ratio

On 30 June 2023, the equity/assets ratio was 62% (51%).

Employees

The average number of employees in the Group in the second quarter of 2023 was 1,010 (946). At the end of the period, the number of employees was 1,023 (988).

Share repurchase

OEM did not repurchase any shares during the period. On 30 June 2023, the company held a total of 371,082 treasury shares. This shareholding 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 June 2023 amounted to SEK 61 million (90).

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 second quarter of 2023 totalled SEK 28 million (24) and profit after financial items was SEK 102 million (83). 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

There are no significant events to report after the close of the reporting period.

Definitions

Definitions can be found on page 15.

Attestation

The Board of Directors and the CEO declare that the interim report gives a true and fair summary of the Group's and Parent Company's business operations, financial position and results, and describes significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Tranås, 13 July 2023

Petter Stillström
Chairman of the Board

Ulf Barkman
Member of the Board

Mattias Franzén
Member of the Board

Richard Pantzar
Member of the Board

Jörgen Rosengren
Member of the Board

Per Svenberg
Member of the Board

Åsa Söderström Winberg
Member of the Board

Jörgen Zahlin
Managing Director and Chief Executive Officer

This report has not been subject to special auditing procedures by the company's auditors.

For further information, please contact the Managing Director, Jörgen Zahlin, on +46 75-242 40 22, or via email at jorgen.zahlin@oem.se or the CFO, Johan Broman, on +46 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 and the Swedish Securities Market Act. The information was provided for publication on 13 July 2023 at 11.00 CET by Johan Broman.

The regions' sales and earnings

SALES & EARNINGS BY REGION

Net sales (SEK million)

	Jan-june 2023	Jan-june 2022	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Trailing 12 mth	Full year 2022
Sweden, external income	1 514	1 336	729	785	763	646	691	2 923	2 745
Sweden, income from other segments	141	140	66	75	65	78	87	284	283
Finland, the Baltic States and China, external income	528	465	265	262	254	248	250	1 029	969
Finland, the Baltic States and China, income from other segments	47	39	22	24	20	22	37	88	81
Denmark, Norway, the British Isles and East Central Europe, external income	609	506	302	307	247	264	249	1 121	1 017
Denmark, Norway, the British Isles and East Central Europe, income from other segments	12	17	6	7	5	4	16	22	26
Elimination	-200	-196	-94	-106	-90	-104	-139	-394	-390
	2 651	2 307	1 296	1 355	1 264	1 158	1 191	5 073	4 731

EBITA (MSEK)

	Jan-june 2023	Jan-june 2022	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Trailing 12 mth	Full year 2022
Sweden	278	258	128	150	136	112	135	526	506
Finland, the Baltic States and China	69	71	34	35	27	39	40	135	137
Denmark, Norway, the British Isles and East Central Europe	85	64	44	41	27	27	30	139	118
Group functions	4	3	4	0	-2	3	2	5	3
	437	395	210	227	188	180	208	805	763

Operating profit (SEK million)

	Jan-june 2023	Jan-june 2022	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Trailing 12 mth	Full year 2022
EBITA	437	395	210	227	188	180	208	805	763
<i>Amortisation and write-downs of acquisition-related intangible fixed assets.</i>									
Sweden	-1	-1	-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	-13	-10	-7	-6	-6	-7	-6	-27	-24
Operating profit	423	382	203	220	181	172	201	776	735

Consolidated profit/loss (SEK million)

	Jan-june 2023	Jan-june 2022	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Trailing 12 mth	Full year 2022
Operating profit	423	382	203	220	181	172	201	776	735
Net financial items	-5	-4	-1	-3	-4	-3	-2	-12	-11
Pre-tax profit/(loss)	418	378	202	216	177	169	199	764	724

	Sweden		Finland, the Baltic States and China,		Denmark, Norway, the British Isles and East Central Europe		Total	
Specification of external income by region and product area	Jan-june 2023	Jan-june 2022	Jan-june 2023	Jan-june 2022	Jan-june 2023	Jan-june 2022	Jan-june 2023	Jan-june 2022
Product Areas								
Automation	584	485	324	280	437	375	1 344	1 140
Components	233	195	67	54	12	10	311	259
Lighting & Installation components	262	260	35	28	160	121	456	409
Other	435	395	103	103	1	0	539	498
	1 514	1 336	528	465	609	506	2 651	2 307

The Group's performance and financial position

CONDENSED CONSOLIDATED STATEMENT OF INCOME (SEK MILLION)

	Jan-june 2023	Jan-june 2022	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Trailing 12 mth	Full year 2022
Operating income									
Net sales	2 651	2 309	1 296	1 355	1 264	1 158	1 191	5 073	4 731
Other operating income	0	2	0	0	0	0	0	0	2
Operating costs*									
Commodities	-1 685	-1 455	-827	-858	-812	-754	-752	-3 251	-3 021
Staff costs	-392	-359	-189	-203	-193	-163	-171	-748	-702
Other expenses	-106	-72	-55	-51	-55	-46	-45	-208	-187
Depreciation/amortisation of property, plant and equipment and intangible fixed assets	-45	-44	-23	-22	-23	-22	-23	-90	-89
Operating profit	423	382	203	220	181	172	200	776	735
Net financial income/expense	-5	-4	-1	-3	-4	-4	-2	-12	-11
Pre-tax profit/(loss)	418	378	202	216	177	169	199	764	724
Tax	-86	-77	-45	-41	-37	-34	-42	-158	-148
Profit/loss for the period	332	301	157	175	140	135	156	607	576
Earnings per outstanding share, SEK**	2,39	2,17	1,13	1,26	1,01	0,98	1,13	4,37	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	332	144	157	175	140	135	156	763	576
Items that have been transferred or may be recycled to net income									
Exchange differences for the period on translation of overseas operations	55	7	44	11	15	9	24	103	56
Items that can not be recycled to net profit									
Revaluation of defined-benefit pension plans	0	0	0	0	-2	0	0	-2	-1
Other comprehensive income for the period	55	8	44	11	13	10	24	102	55
Comprehensive income for the period	387	152	201	186	153	145	181	865	630

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (SEK MILLION)

	2023-06-30	2022-06-30	2022-12-31
Fixed assets			
Goodwill	238	245	229
Other intangible assets	109	112	115
Total intangible assets	347	357	344
Property, plant and equipment	384	348	356
Total property, plant and equipment	384	348	356
Deferred tax assets	6	6	7
Financial assets	0	0	0
Total financial assets	7	6	8
Total fixed assets	737	711	707
Current assets			
Inventories	1 158	954	1 183
Current receivables	900	804	805
Cash and cash equivalents	52	69	109
Total current assets	2 110	1 827	2 097
Total assets	2 848	2 539	2 804
Equity	1 770	1 291	1 590
Non-current interest-bearing liabilities	37	33	33
Provisions for pensions	1	0	2
Other provisions	2	2	2
Non-current non-interest-bearing liabilities	33	53	59
Deferred tax liabilities	134	117	134
Total non-current liabilities	207	204	229
Current interest-bearing liabilities	204	424	345
Current non-interest-bearing liabilities	667	619	640
Total current liabilities	871	1 044	985
Total equity and liabilities	2 848	2 539	2 804

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SEK MILLION)

	2023-06-30	2022-06-30	2022-12-31
At beginning of year	1 590	1 374	1 374
Comprehensive income for the period			
Profit/loss for the period	332	301	576
Other comprehensive income for the period	55	31	55
Comprehensive income for the period	387	332	630
Dividends paid	-208	-191	-191
Repurchase of shares	-	-225	-225
Call options	2	1	1
At the end of the period	1 770	1 291	1 590

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (SEK MILLION)

	Jan-june 2023	Jan-june 2022	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Trailing 12 mth	Full year 2022
Operating cash flows									
before movements in working capital	393	347	192	201	172	172	185	737	690
Movements in working capital	-22	-239	5	-27	-69	-119	-82	-211	-428
Operating cash flows	371	108	197	174	102	52	104	526	263
Acquisition of subsidiaries									
net effet on cash and cash equivalents	-28	-107	0	-27	0	-24	0	-52	-132
Acquisition of intangible fixed assets	-3	0	-2	-2	-1	-2	0	-6	-3
Acquisition of property, plant and equipment	-26	-6	-9	-17	-8	-4	-2	-38	-19
Sales of property, plant and equipment	0	0	0	0	0	0	-1	1	1
Investing cash flows	-57	-114	-11	-46	-9	-30	-2	-96	-153
Financing cash flows									
- Loan raised	0	0	0	0	0	0	0	0	0
- Loan amortisation	0	-7	0	0	0	0	-3	0	-7
- Repayment of lease liabilities	-18	-18	-9	-9	-9	-10	-9	-37	-37
- Change in bank overdrafts	-151	366	-56	-95	-38	-22	280	-211	306
- Call options	2	1	2	-	-	-	1	2	1
- Dividends paid	-208	-191	-208	0	0	0	-191	-208	-191
- Repurchase of shares	0	-225	0	0	0	0	-225	0	-225
Financing cash flow	-375	-74	-271	-104	-47	-32	-147	-454	-152
Cash flow for the period	-61	-79	-85	24	47	-10	-46	-24	-42
Cash and cash equivalents at the beginning of the period	109	145	0	109	60	69	114	69	145
Exchange rate difference	4	3	3	1	2	2	0	8	7
Cash and cash equivalents at the end of the period	52	69	3	133	109	60	69	53	109

KEY PERFORMANCE INDICATORS

	Jan-june 2023	Jan-june 2022	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Trailing 12 mth	Full year 2022
Net sale growth, %									
Net sale growth, %	14,8	23,1	8,8	21,2	26,0	29,4	23,1	20,6	25,4
Operating margin, %	16,0	16,5	15,7	16,2	14,3	14,9	16,8	15,3	15,5
EBITA-margin, %	16,5	17,1	16,2	16,7	14,9	15,6	17,4	15,9	16,1
Return on equity, %	19,7	22,6	9,3	10,4	7,9	8,4	12,7	36,0	38,9
Return on capital employed, %	22,4	24,6	11,0	11,4	10,7	9,8	12,6	42,9	45,1
Return on total capital %	15,6	17,0	7,6	8,0	7,5	7,0	8,7	30,1	31,5
Debt/equity ratio, times	0,14	0,35	0,14	0,16	0,24	0,29	0,35	0,22	0,24
Equity/assets ratio, %	62,2	50,9							56,7
Earnings per outstanding share, SEK*	2,39	2,17	1,13	1,26	1,01	0,98	1,13	4,37	4,15
Earnings per total shares, SEK*	2,39	2,16	1,13	1,26	1,01	0,97	1,13	4,37	4,14
Equity per total shares, SEK	12,73	9,29							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-june 2023	Jan-june 2022	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Trailing 12 mth	Full year 2022
Net sales	44	44	28	17	28	20	24	116	91
Other operating income	-	-	-	-	-	-	-	-	-
Operating costs	-37	-37	-19	-18	-19	-16	-20	-91	-72
Depreciation	-2	-2	-1	-1	-1	-1	-1	-4	-4
Operating profit	6	4	8	-2	8	3	3	20	16
Income from investments in Group companies					0	0	0	0	0
Other financial income/expense, Net	99	100	93	7	15	32	84	230	147
1	-5	1	0	-2	-3	-3	-3	-7	-10
Profit/loss after financial items	107	99	102	5	21	32	83	244	153
Year-end appropriations	0	0	0	0	367	0	0	367	367
Pre-tax profit/(loss)	107	99	102	5	389	32	83	611	520
Tax	0	0	0	0	-78	0	0	-78	-78
Profit/loss for the period	107	99	102	5	311	32	83	533	442

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

CONDENSED BALANCE SHEET OF THE PARENT COMPANY (SEK MILLION)

Assets	2023-06-30	2022-06-30	2022-12-31
Intangible fixed assets	7	4	5
Property, plant and equipment	17	17	17
Financial assets	642	622	635
Total fixed assets	666	643	657
Current receivables	582	526	857
Cash on hand and demand deposits	3	1	1
Total current assets	585	527	858
Total assets	1 251	1 170	1 514
Equity and liabilities			
Equity			
Non-distributable equity	71	72	73
Distributable equity	450	206	547
Total shareholders' equity	521	278	620
Untaxed reserves	460	390	460
Deferred tax liabilities	2	2	2
Non-current non-interest-bearing liabilities	33	53	59
Total non-current liabilities	33	53	59
Current interest-bearing liabilities	119	325	236
Current non-interest-bearing liabilities	117	123	138
Total current liabilities	236	448	374
Total equity and liabilities	1 251	1 170	1 514

Notes

Segment reporting is presented on pages 5, 6 and 10. 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 33 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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