



Financial Statement

Full year 2023

Fourth quarter 2023

- Incoming orders rose 0.4% to SEK 1,191 million (1,186)
- Net sales rose 2% to SEK 1,296 million (1,264)
- Operating profit fell 4% to SEK 173 million (181)
- EBITA fell 4% to SEK 181 million (188)
- Profit after tax fell 6% to SEK 131 million (140)
- Earnings per share were SEK 0.94 (1.01)

January - December 2023

- Incoming orders fell 1% to SEK 4,805 million (4,832)
- Net sales rose 9% to SEK 5,145 million (4,731)
- Operating profit rose 6% to SEK 782 million (735)
- EBITA rose 6% to SEK 811 million (763)
- Profit after tax rose 5% to SEK 607 million (576)
- Earnings per share were SEK 4.38 (4.15)
- The Board proposes a dividend of SEK 1.75 per share (1.50)



Growth and good profitability plus three new acquisitions

In the fourth quarter, sales were up 2.5 percent, which is on a par with the third quarter but well below the first half of the year. The slowdown in economic activity has continued to impact demand, and organic revenue growth was negative in the second half of the year, which is the first time for any one quarter since 2013. Foreign exchange movements and acquisitions positively impacted revenue growth by 2.5 percentage points and 2 percentage points, respectively, resulting in negative 2% organic growth.

Order intake was on par with the previous year, but was 7 percent lower than sales. This is due to more normalized delivery times, which in turn means that the build-up of order backlog that took place in the years after the outbreak of the pandemic has now gradually normalized. The order backlog is still at a higher level than before the pandemic.

Operating profit (EBITA) fell 4 percent and the EBITA margin stood at 14.0 percent (14.9). The decrease is due to a higher cost base and a slightly lower gross margin. The 2023 full-year EBITA margin was 15.8 percent (16.1) and remains historically high.

Overall, for the full year 2023, sales increased by 9 percent and EBITA by 6 percent, giving an EBITA margin of 15.8 percent (16.1), which remains a historically high level. This is the tenth year in a row that OEM has increased earnings before tax.

Three businesses were acquired during the quarter, with combined sales revenues of SEK 197 million. The companies are highly complementary to OEM's existing operations. The two Swedish companies, Lagermetall AB and Ingemar Liljenberg AB, will continue to be run as separate businesses, while the Danish company Unit Pump has been integrated into OEM Automatic Klitsø's business.

Growth across the regions

Lower demand levels throughout the autumn have generally translated into lower rates of growth. Variations across different sectors and geographic areas are wider than before.

Region Sweden saw a 3 percent increase in sales, impacted positively by foreign exchange movements and acquisitions by 2 percentage points and 3 percentage points, respectively, leading to negative 2 percentage point organic growth. The strongest growth in the fourth quarter was delivered by Batteripoolen, the Group's largest company OEM Automatic, and Nexa Trading.

Region Finland, the Baltic states and China reported a noticeable decline in demand in the quarter and a 6 percent decrease in sales, with foreign exchange having a positive impact of 4 percentage points, leading to negative 10 percentage point organic growth. Although Akkupojat and OEM Electronics reported two-figure growth rates, they are the only Finnish operations with growth during this period.

Region Denmark, Norway, the British Isles and East Central Europe reported a 9 percent rise in sales, boosted 4 percentage points by foreign exchange movements and 1 percentage point by acquisitions, giving growth of 4% on an organic basis. The majority of the operations reported growth, with the strongest performance coming from OEM Automatic Hungary, Slovakia and Norway.

Market situation

The good demand at the beginning of the year gradually slowed down as a result of the uncertain global situation.

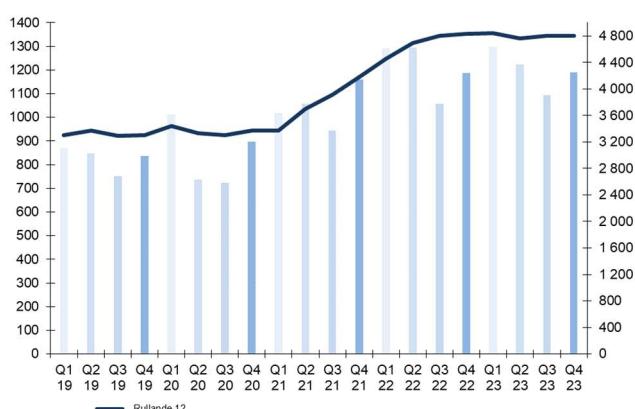
OEM's business model, which is based on chasing market share, often benefits from weakened market conditions. The commitment and innovative spirit of its employees enable OEM to constantly identify new business opportunities, which results in greater market share. 2023 marked another consecutive year of record performance and I look forward to 2024 and the new opportunities it brings.

Jörgen Zahlin

Managing Director and Chief Executive Officer

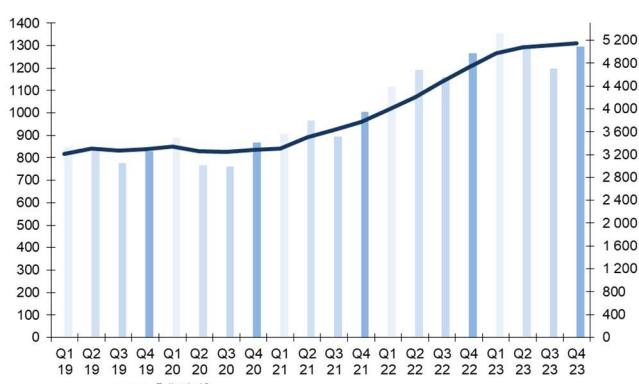
Incoming orders

SEK million

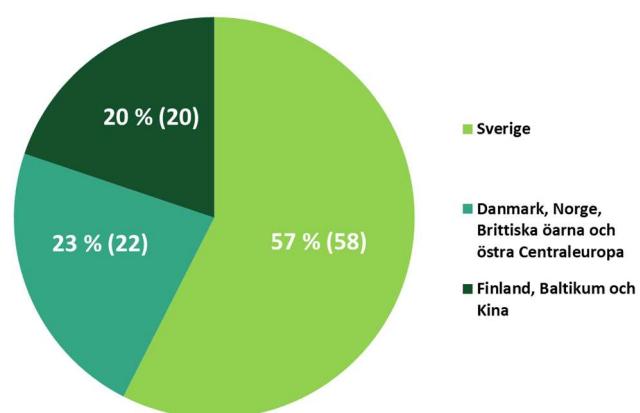


Net sales

SEK million



Share by region in 2023



Incoming orders

Incoming orders rose to SEK 1,191 million (1,186) in the fourth quarter of 2023, which is a slight increase. On a like-for-like basis, including the impact from exchange rate movements, incoming orders fell 3% and acquired incoming orders were up 3%. In the fourth quarter, incoming orders were 8% lower than net sales.

Full-year incoming orders for 2023 amounted to SEK 4,805 million (4,832), which is a decrease of 1%.

On 31 December 2023, the order book stood at SEK 859 million (1,088), down 21% on the same date last year.

Sales growth

Net sales in the fourth quarter of 2023 increased by 2% to SEK 1,296 million (1,264). Both exchange rate movements and acquisitions had a positive 2% impact on sales, resulting in an organic decline of 2%. Revenue from acquisitions comes from Region Sweden and Region Denmark, Norway, the British Isles and East Central Europe.

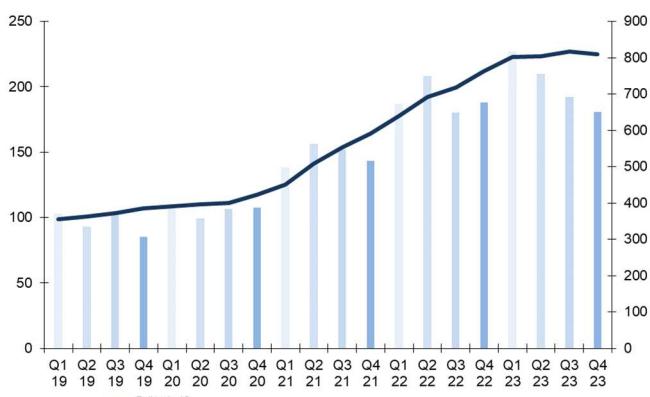
Full-year sales for 2023 rose 9% to SEK 5,145 million (4,731). Exchange rate movements have a positive 5% impact and acquired sales are 1% of the increase, giving growth of 3% on an organic basis.

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

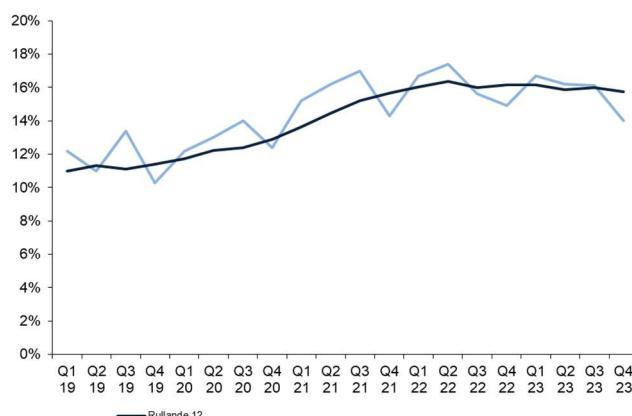
For the full-year 2023, Region Sweden drops one percentage point to 57% of Group sales. Region Finland, the Baltic states and China remains at 20% of sales, and Region Denmark, Norway, the British Isles and East Central Europe increases by one percentage point to 23% of Group sales.

EBITA

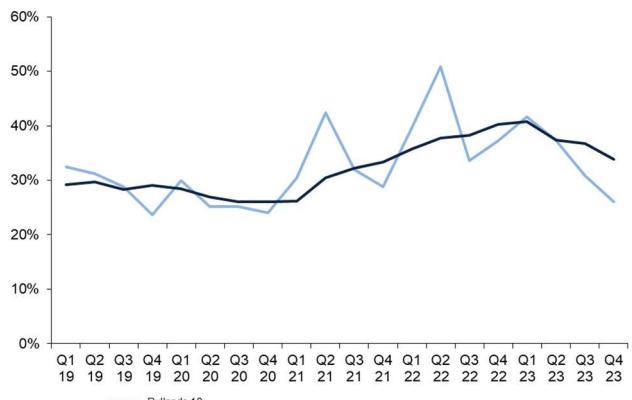
SEK million



EBITA margin



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.

Growth in earnings

In the fourth quarter of 2023, EBITA, operating profit before amortisation and impairment of acquisition-related intangible fixed assets, fell 4% to SEK 181 million (188). The EBITA margin stood at 14.0% (14.9%) in the fourth quarter.

Full-year EBITA for 2023 grew 6% to SEK 811 million (763). The full-year EBITA margin stood at 15.8% (16.1%).

Operating profit fell 4% in the fourth quarter of 2023 to SEK 173 million (181). Full-year operating profit for 2023 rose 6% to SEK 782 million (735) to give an operating margin of 15.2% (15.5%).

Full-year profit after tax for 2023 rose 5% to SEK 607 million (576).

Full-year earnings per share for 2023 were SEK 4.38 (4.15).

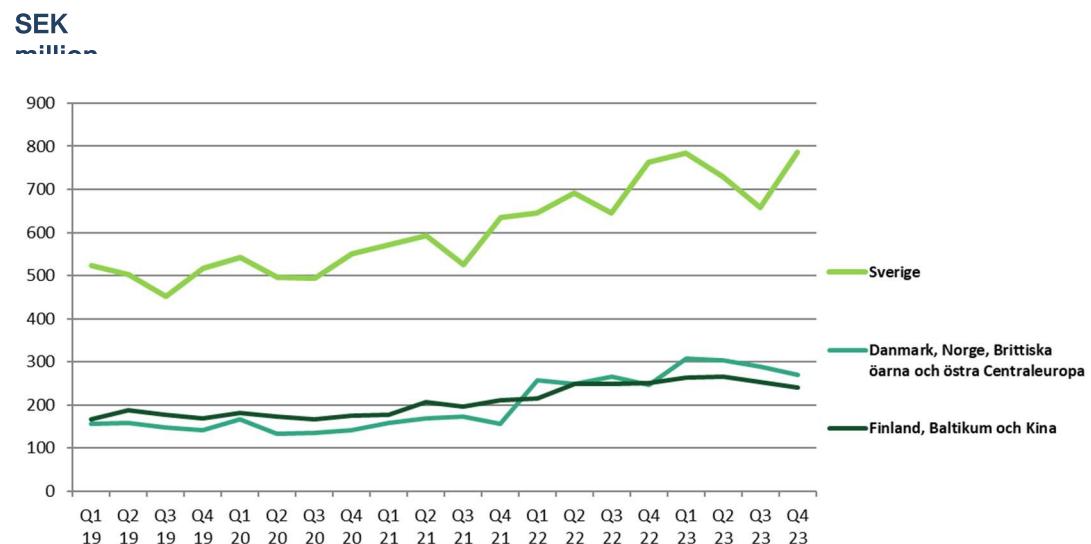
Return

The return on equity in the fourth quarter of 2023 was 6.5% compared with 7.9% in the year-ago quarter.

Full-year return on equity for 2023 was 34%, which is well above the 20% target.

Shareholders' equity amounted to SEK 1,991 million (1,590) with an equity/assets ratio of 68% (57%) on 31 December 2023.

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, Internordic Bearings AB, Agolux AB, AB Ernst Hj Rydahl Bromsbandfabrik, ATC Tape Converting AB, Lagermetall AB and Ingemar Liljenberg AB.

SEK million	2023 Q4	2022 Q4	2023 Full year	2022 Full year
Incoming orders	721	699	2,771	2,835
Net sales	787	763	2,958	2,745
EBITA	122	136	518	506
EBITA margin	16%	18%	18%	18%

In 2023, net sales rose 8% to SEK 2,958 million (2,745). The acquisition of Lagermetall AB and Ingemar Liljenberg AB boosted net sales by 1%. Favourable foreign exchange movements drove net sales up 4%, which represents organic growth of 3%. The operations reporting strongest growth are Telfa and OEM Automatic, whose sales increased by 19% and 15% respectively.

Incoming orders in 2023 fell 2% to SEK 2,771 million (2,835). Incoming orders were 6% lower than net sales.

EBITA rose 2% to SEK 518 million (506) in 2023 despite increased costs and a lower gross margin, which is attributable to higher net sales.

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 Q4	2022 Q4	2023 Full year	2022 Full year
Incoming orders	220	239	941	963
Net sales	239	254	1,020	969
EBITA	25	27	131	137
EBITA margin	10%	11%	13%	14%

In 2023, net sales rose 5% to SEK 1,020 million (969). Foreign exchange movements boosted net sales by 7%, resulting in a 2% organic decrease. The operations reporting strongest growth are OEM Electronics and Hide-a-Lite, whose sales increased by 15% and 8% respectively. At the end of the year, sales were at the same level as the previous year for OEM Automatic, the region's largest entity.

Incoming orders for the region in 2023 fell 2% to SEK 941 million (963). Incoming orders were 8% lower than net sales.

EBITA fell 4% to SEK 131 million (137) in 2023, owing 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 Q4	2022 Q4	2023 Full year	2022 Full year
Incoming orders	251	248	1,092	1,034
Net sales	269	247	1,167	1,017
EBITA	32	27	153	118
EBITA margin	12%	11%	13%	12%

In 2023, net sales rose 15% to SEK 1,167 million (1,017). The acquired company Unit-Pump A/S in Denmark was merged into OEM Automatic Klitsø A/S on the acquisition date. The impact of the acquisition on net sales was marginal at just 0.2% and foreign exchange movements boosted net sales by 7%, resulting in organic growth of 8%. The operations reporting strongest growth compared with the previous year are OEM Automatic Slovakia, OEM Automatic Hungary and OEM Automatic Norway, with an increase of 33%, 23% and 17% respectively.

Incoming orders in 2023 rose 6% to SEK 1,092 million (1,034). Incoming orders were 6% lower than net sales.

EBITA increased by 30% to SEK 153 million (118) in 2023, attributable to higher net sales.

Other financial information

Cash flow

Full-year operating cash flow for 2023 was SEK 791 million (263). The total cash flow was SEK 126 million (-42). This was impacted by outflows of SEK -149 million (-153) and SEK -515 million (-153), related to investing and financing activities respectively.

Investments

In 2023, the Group's fixed asset investments, excluding acquisitions, totalled SEK 54 million (22), of which SEK 46 million (19) was invested in property, plant and equipment and SEK 9 million (3) in intangible assets.

Cash and cash equivalents

Cash and cash equivalents, comprising cash and bank balances, amounted to SEK 233 million (109) on 31 December 2023. Cash and cash equivalents, together with committed and undrawn credit facilities, amounted to SEK 783 million (474) on 31 December 2023. The Group's interest-bearing financial liabilities totalled SEK 147 million (377), of which SEK 76 million (50) are liabilities recognised in accordance with IFRS 16 Leases.

Intangible assets

Amortisation of intangible assets totalling SEK 32 million (31) has been charged to the income statement for the full-year 2023. On 31 December 2023, intangible assets amounted to SEK 395 million (344).

Equity/assets ratio

On 31 December 2023, the equity/assets ratio was 68% (57%).

Employees

The Group's average number of employees in 2023 was 1,045 (968). The number of employees at the end of the period was 1,054 (998). The increase is due in part to the acquisition of businesses with 32 employees (48).

Share repurchase

OEM did not repurchase any shares during the period. On 31 December 2023, the company held a total of 371,082 treasury shares. The holding corresponds to 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 13,901,585 shares.

Option scheme

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

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.

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.

Acquisitions

On 13 October 2023, the entire shareholding of Lagermetall AB was acquired. Lagermetall sells and markets industrial slide bearings and cast bronze for mechanical applications in all industries. The company has 17 employees and an annual turnover of SEK 104 million. Its head office is in Örebro, Sweden. The acquisition is expected to have a marginal impact on OEM's profit in the current year. The purchase price was SEK 30.8 million, which includes contingent consideration that is based on the performance of the acquired business in 2023 and 2024 and whose estimated value is SEK 9 million, equal to 100% of the maximum additional purchase price. Intangible fixed assets, relating to customer relationships amortised over a five-year period, increase by SEK 8.9 million as a result of the acquisition. Goodwill amounts to SEK 2.2 million and is attributable to future expected profitability. Assets acquired are measured at fair value.

On 1 November 2023, the entire shareholding of the Danish company Unit-Pump A/S was acquired. Unit-Pump is an importer and distributor of pumps and mechanical seals. The company has 3 employees and an annual turnover of approximately DKK 20 million (SEK 31 million). Its head office is in Kvistgård, Denmark. The company has been fully merged with OEM's Danish operations, OEM Automatic Klitsø. The acquisition is expected to have a marginal impact on OEM's profit in the current year. The purchase price was SEK 25.8 million, which includes contingent consideration that is based on the performance of the acquired business in 2024 and whose estimated value is SEK 6.5 million, equal to 82% of the maximum additional purchase price. Intangible fixed assets, relating to supplier relationships amortised over a five-year period, increase by SEK 19.8 million as a result of the acquisition. Goodwill amounts to SEK 7.1 million and is attributable to future expected profitability. Assets acquired are measured at fair value.

On 1 December 2023, the entire shareholding of Ingemar Liljenberg AB was acquired. Ingemar Liljenberg sells and markets bespoke products for customers, such as cast, punched and processed components for the engineering and electronics industry. The company also has a fixed product range of locks, rails and fittings for wood and steel interiors. The company has 8 employees and an annual turnover of SEK 62 million. Its head office is in Vellinge, Sweden. The acquisition is expected to have a marginal impact on OEM's profit in the current year. The purchase price was SEK 45 million, which includes a SEK 3.6 million retention, and contingent consideration that is based on the performance of the acquired business in 2024 and 2025 and whose estimated value is SEK 9 million, equal to 100% of the maximum additional purchase price. Intangible fixed assets, relating to customer relationships amortised over a five-year period, increase by SEK 20.2 million as a result of the acquisition. Goodwill amounts to SEK 17.7 million and is attributable to future expected profitability. Assets acquired are measured at fair value.

Preliminary acquisition analysis (SEK million)

The acquired company's net assets at the time of acquisition	Lagermetall AB	Unit-Pump A/S	Ingemar Liljenberg AB	Group fair value
Intangible fixed assets	8.9	20.0	20.2	49.0
Other fixed assets	0.1	-	0.1	0.1
Inventories	18.1	1.7	10.7	30.6
Trade and other receivables	19.3	3.5	8.7	31.5
Cash and cash equivalents	2.3	3.3	2.7	8.4
Deferred tax liability	-1.8	-4.4	-6.2	-12.4
Trade payables and other operating liabilities	-18.2	-5.3	-8.9	-32.5
Net identifiable assets/liabilities	28.6	18.7	27.3	74.6
Consolidated goodwill	2.2	7.1	17.7	27.0
Cash consideration	30.8	25.8	45.0	101.6

Remeasurement of contingent considerations

Developments in previously implemented acquisitions have not resulted in a remeasurement of contingent consideration recognised as a liability. An additional purchase price payment of SEK 27 million and a retention payment of SEK 6 million for guarantee obligations, attributable to the acquisition of Demesne Electrical Sales Ltd, were made in 2023. Remaining considerations (both fixed and contingent) recognised as liabilities related to acquisitions as at 31 December 2023 amounted to SEK 83 million (91).

Accounting policies

This condensed consolidated interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and with relevant provisions in the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in compliance with Chapter 9, Interim Reports, of the Swedish Annual Accounts Act. 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.

While demand is generally at a stable level, certain sectors are experiencing some decline. The strong order book has shrunk but is still at a slightly higher level than before the pandemic. The interest rate situation and continuing high inflation are having an impact on the markets in which OEM operates and may well lead to a further slowing of 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 and dividends to the parent company's shareholders.

Parent Company

Full-year net sales for 2023 for the Parent Company totalled SEK 95 million (91) and profit after financial items was SEK 194 million (153). 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.

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 70-747 56 61 or via e-mail petter.stillstrom@traction.se

Dividend

The Board proposes a dividend of SEK 1.75 per share (1.50). The proposed dividend amounts to SEK 243 million (209).

Annual Report

The 2023 Annual Report will be available on 22 March 2024 at Head Office and on the company's website, where it can be downloaded as a pdf file. A copy can be ordered from the company by e-mail: ir@oem.se or by calling +46 75-242 40 15.

Financial information

OEM will release financial information as follows:

Annual General Meeting 2024	23 April 2024
Interim report, first quarter 2024	23 April 2024
Interim report, second quarter 2024	12 July 2024
Interim report, third quarter 2024	15 October 2024
Financial statement, Full Year 2024	19 February 2025

Definitions

Definitions can be found on page 16.

Tranås, Sweden, 19 February 2024

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 (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 February 2024 at 14.00 CET by Johan Broman.

The regions' sales and earnings

SALES & EARNINGS BY REGION

Net sales (SEK million)

	Jan-dec 2023	Jan-dec 2022	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Sweden, external income	2 958	2 745	787	657	729	785	763
Sweden, income from other segments	276	283	73	62	66	75	65
Finland, the Baltic States and China, external income	1 020	969	239	253	265	262	254
Finland, the Baltic States and China, income from other segments	85	81	20	18	22	24	20
Denmark, Norway, the British Isles and East Central Europe, external income	1 167	1 017	269	288	302	307	247
Denmark, Norway, the United Kingdom and East Central Europe, income from other segments	24	26	6	5	6	7	5
Elimination	-385	-390	-99	-86	-94	-106	-90
	5 145	4 731	1 296	1 198	1 296	1 355	1 264

EBITA (MSEK)

	Jan-dec 2023	Jan-dec 2022	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Sweden	518	506	122	118	128	150	136
Finland, the Baltic States and China	131	137	25	37	34	35	27
Denmark, Norway, the British Isles and East Central Europe	153	118	32	36	44	41	27
Group functions	8	3	2	1	4	0	-2
	811	763	181	192	210	227	188

Operating profit (SEK million)

	Jan-dec 2023	Jan-dec 2022	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
EBITA	811	763	181	192	210	227	188
<i>Amortisation and write-downs of acquisition-related intangible fixed assets.</i>							
Sweden	-3	-3	-1	-1	-1	-1	-1
Finland, the Baltic States and China, Denmark, Norway, the British Isles and East Central Europe	0	-1	0	0	0	0	0
Operating profit	-27	-24	-7	-7	-7	-6	-6
	782	735	173	185	203	220	181

Consolidated profit/loss (SEK million)

	Jan-dec 2023	Jan-dec 2022	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Operating profit	782	735	173	185	203	220	181
Net financial items	-12	-11	-3	-4	-1	-3	-4
Pre-tax profit/(loss)	770	724	170	182	202	216	177

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-dec 2023	Jan-dec 2022	Jan-dec 2023	Jan-dec 2022	Jan-dec 2023	Jan-dec 2022	
	2023	2022	2023	2022	2023	2022	
Product Areas							
Automation	1 129	975	621	590	834	751	2 584
Components	443	423	125	107	23	20	591
Lighting & Installation components	551	559	66	57	307	247	923
Other	835	788	208	215	3	0	1 046
	2 958	2 745	1 020	969	1 167	1 017	5 145
							4 731

The Group's performance and financial position

CONDENSED CONSOLIDATED STATEMENT OF INCOME (SEK MILLION)

	Jan-dec 2023	Jan-dec 2022	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Operating income							
Net sales	5 145	4 731	1 296	1 198	1 296	1 355	1 264
Other operating income	0	2	0	0	0	0	0
Operating costs*							
Commodities	-3 300	-3 021	-840	-775	-827	-858	-812
Staff costs	-754	-702	-195	-167	-189	-203	-193
Other expenses	-216	-187	-62	-48	-55	-51	-55
Depreciation/amortisation of property, plant and equipment and intangible fixed assets	-93	-89	-25	-23	-23	-22	-23
Operating profit							
Net financial income/expense	782	735	173	185	203	220	181
Pre-tax profit/(loss)	-12	-11	-3	-4	-1	-3	-4
Tax	770	724	170	182	202	216	177
Profit/loss for the period	-163	-148	-40	-37	-45	-41	-37
Profit/loss for the period	607	576	131	145	157	175	140
Earnings per outstanding share, SEK**	4,38	4,15	0,94	1,05	1,13	1,26	1,01

* 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	607	576	131	145	157	175	140
Items that have been transferred or may be recycled to net income							
Exchange differences for the period on translation of overseas operations	0	56	-31	-24	44	11	15
Items that can not be recycled to net profit							
Revaluation of defined-benefit pension plans	0	-1	0	0	0	0	-2
Other comprehensive income for the period	0	55	-31	-24	44	11	13
Comprehensive income for the period	608	630	100	121	201	186	153

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (SEK MILLION)

	2023-12-31	2022-12-31
Fixed assets		
Goodwill	255	229
Other intangible assets	140	115
Total intangible assets	395	344
Property, plant and equipment	408	356
Total property, plant and equipment	408	356
Deferred tax assets	9	7
Financial assets	2	0
Total financial assets	11	8
Total fixed assets	814	707
Current assets		
Inventories	1085	1183
Current receivables	800	805
Cash and cash equivalents	233	109
Total current assets	2 118	2 097
Total assets	2 932	2 804
Equity	1 991	1 590
Non-current interest-bearing liabilities	51	33
Provisions for pensions	2	2
Other provisions	2	2
Non-current non-interest-bearing liabilities	44	59
Deferred tax liabilities	162	134
Total non-current liabilities	261	229
Current interest-bearing liabilities	96	345
Current non-interest-bearing liabilities	583	640
Total current liabilities	680	985
Total equity and liabilities	2 932	2 804

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SEK MILLION)

	2023-12-31	2022-12-31
At beginning of year	1 590	1 374
Comprehensive income for the period		
Profit/loss for the period	607	576
Other comprehensive income for the period	0	55
Comprehensive income for the period	608	630
Dividends paid	-208	-191
Repurchase of shares	-	-225
Issued call options	2	1
At the end of the period	1 991	1 590

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (SEK MILLION)

	Jan-dec 2023	Jan-dec 2022	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Operating cash flows							
before movements in working capital	726	690	155	177	192	201	172
Movements in working capital	65	-428	137	-51	5	-27	-69
Operating cash flows							
	791	263	293	127	197	174	102
Acquisition of subsidiaries							
net effect on cash and cash equivalents	-95	-132	-67	0	0	-27	0
Acquisition of intangible fixed assets	-9	-3	-5	-1	-2	-2	-1
Acquisition of property, plant and equipment	-46	-19	-13	-7	-9	-17	-8
Sales of property, plant and equipment	0	1	0	0	0	0	0
Investing cash flows	-149	-153	-85	-7	-11	-46	-9
Financing cash flows							
- Loan raised	0	0	0	0	0	0	0
- Loan amortisation	0	-7	0	0	0	0	0
- Repayment of lease liabilities	-41	-37	-13	-9	-9	-9	-9
- Change in bank overdrafts	-269	306	-70	-48	-56	-95	-38
- Incentive program	2	1	0	0	2	0	0
- Dividends paid	-208	-191	0	0	-208	0	0
- Repurchase of shares	0	-225	0	0	0	0	0
Financing cash flow	-515	-152	-83	-58	-271	-104	-47
Cash flow for the period	126	-42	125	62	-85	24	47
Cash and cash equivalents at the beginning of the period	109	145	49	53	133	109	60
Exchange rate difference	-3	7	-5	-2	4	1	2
Cash and cash equivalents at the end of the period	233	109	44	49	53	133	109

KEY PERFORMANCE INDICATORS

	Jan-dec 2023	Jan-dec 2022	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Net sales growth, %							
8,7	25,4	2,5	3,5	8,8	21,2	26,0	
Operating margin, %	15,2	15,5	13,4	15,5	15,7	16,2	14,3
EBITA-margin, %	15,8	16,1	14,0	16,1	16,2	16,7	14,9
Return on equity, %	33,9	38,9	6,5	7,7	9,3	10,4	7,9
Return on capital employed, %	40,2	45,1	8,1	9,7	11,0	11,4	10,7
Return on total capital %	28,5	31,5	5,9	7,0	7,6	8,0	7,5
Debt/equity ratio, times	0,1	0,2	0,1	0,1	0,1	0,2	0,2
Equity/assets ratio, %	67,9	56,7					
Earnings per outstanding share, SEK*	4,4	4,2	0,9	1,1	1,1	1,3	1,0
Earnings per total shares, SEK*	4,4	4,1	0,9	1,0	1,1	1,3	1,0
Equity per total shares, SEK	14,3	11,4					
Average number of outstanding shares (thousands)	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

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

CONDENSED INCOME STATEMENT OF THE PARENT COMPANY (SEK MILLION)

	Jan-dec 2023	Jan-dec 2022	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Net sales	95	91	24	27	28	17	28
Other operating income	-	0	-	-	-	-	-
Operating costs	-78	-72	-20	-21	-19	-18	-19
Depreciation	-4	-4	-1	-1	-1	-1	-1
Operating profit	13	16	3	4	8	-2	8
Income from investments							0
in Group companies	172	147	4	69	93	7	15
Other financial income/expense, Net	9	-10	3	4	1	0	-2
Profit/loss after financial items	194	153	10	78	102	5	21
Year-end appropriations	378	367	378	0	0	0	367
Pre-tax profit/(loss)	573	520	388	78	102	5	389
Tax	-85	-78	-85	0	0	0	-78
Profit/loss for the period	487	442	303	78	102	5	311

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

CONDENSED BALANCE SHEET OF THE PARENT COMPANY (SEK MILLION)

Assets	2023-12-31	2022-12-31
Intangible fixed assets	11	5
Property, plant and equipment	18	17
Financial assets	741	635
Total fixed assets	770	657
Current receivables	846	857
Cash on hand and demand deposits	85	1
Total current assets	931	858
Total assets	1 701	1 514
<hr/>		
Equity and liabilities		
<hr/>		
Equity		
Non-distributable equity	71	71
Distributable equity	830	549
Total shareholders' equity	901	620
Untaxed reserves	542	460
Deferred tax liabilities	2	2
Non-current non-interest-bearing liabilities	44	59
Total non-current liabilities	44	59
Current interest-bearing liabilities	0	236
Current non-interest-bearing liabilities	213	138
Total current liabilities	213	374
Total equity and liabilities	1 701	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, 8 and 9.

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 to 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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