

Press Release

October 28, 2021

Interim report January-September 2021

July-September 2021

- Net sales were 415.6 MSEK (355.4), an increase of 16.9% compared to the equivalent period in 2020. Organic growth was 6.5% for the period.
- EBITA was 70.8 MSEK (48.5), an EBITA margin of 17.0% (13.6). There were one-off costs of 3.8 MSEK during the period regarding hacking of Aqualla Brassware Ltd.
- The acquired business Aqualla Brassware Ltd contributed 39.0 MSEK to net sales and 6.7 MSEK to EBITA.
- Earnings per share were 3.45 SEK (2.45).
- Cash flow after investments was 89.5 MSEK (74.6).

January-September 2021

- Net sales were 1,335.4 MSEK (1,140.2), an increase of 17.1% compared to the equivalent period in 2020. Organic growth was 11.8% for the period.
- EBITA was 256.7 MSEK (145.2) an EBITA margin of 19.2% (12.7). There were one-off costs of 8.2 MSEK (0) during the period in relation to the acquisition of Aqualla Brassware Ltd and hacking.
- The acquired business Aqualla Brassware Ltd contributed 83.9 MSEK to net sales and 22.6 MSEK to EBITA.
- Earnings per share were 12.90 SEK (5.54). Excluding the adjustment to earn-out consideration for Hot Bath BV, earnings per share last year were 7.41SEK.
- Cash flow after investments was 109.0 MSEK (115.2).

STATEMENT FROM THE CEO

Another very strong quarter

We can be pleased with the very strong third quarter. Sales for the quarter were 416 MSEK which is a 17% increase compared to the third quarter in 2020. EBITA for the quarter improved by a full 46% and was 71 MSEK, equivalent to an EBITA margin of 17% with a very strong cash flow as a result.

Sales in our various countries developed differently during the quarter when we saw continued strong demand from the private housing market. In the Nordics we had somewhat lower sales this quarter compared to the levels we achieved during the first half of the year but also compared to the third quarter of 2020. Part of the explanation is that several customers increased inventory before the holiday period as a precaution against expected delivery disruptions throughout the sector. Sales outside the Nordics have developed very well during the third quarter too. It has been extra pleasing to see all the new possibilities from the acquisition of Aqualla Brassware Ltd which was completed earlier this year and means that we now have a strong platform to build on in UK and Ireland where we have seen strong sales during the quarter. It also shows the benefits to us as a group of having better balance with sales spread between more countries.

We are experiencing a relatively high level of activity and trust from customers in all our countries and are optimistic about long term demand. In terms of sales there are reasons to expect a lower pace for renovation of bathrooms and kitchens in private homes. This is due to the community opening up again after a long period of COVID-19 restrictions and a reduction in “staycations”. We have already seen signs of this during the quarter and it can lead to a somewhat tougher market during the next quarter.

The third quarter has also seen many challenges in our supply chain. Costs have remained high for material, components and freight while there have been difficulties receiving deliveries in time. This has meant some delivery delays to customers and extra work internally. We are expecting increased costs in these areas to continue to impact us for the rest of this year and into next year. We are currently expecting further disruptions receiving deliveries of the right quantity and in time. We are continuing to work closely with our customers and suppliers to handle the higher cost levels and minimise disruptions to supply.

We are convinced that sustainable products with attractive design for bathrooms and kitchens remain an important success factor for us and our customers. The interest for sustainable products and solutions has increased during the year and we can offer our customers many advantages with our products. We are continuing to work actively with these product areas as well as constantly trying to reduce the environmental footprint throughout our value chain. This quarter we have made improvements to reduce usage of plastic and energy and to select smarter transport solutions. These are important challenges and possibilities that we will also work with a lot in the future to be a sustainable partner to our customers and a sustainable workplace.

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About Us

FM Mattsson Mora Group conducts the sale, manufacture and product development of water taps and related products under the strong, established brands of FM Mattsson, Mora Armatur, Damixa, Hotbath, Aqualla and Adamsez. The group's vision is to be the customer's first choice in the bathroom and kitchen. In 2020 the business generated sales of more than 1.6 billion SEK from its companies in Sweden, Norway, Denmark, Finland, Benelux, UK, Germany and Italy and had c. 550 employees (figures adjusted for the acquisition of Aqualla Brassware Ltd in February 2021). FM Mattsson Mora Group is listed on Nasdaq Stockholm.

This information is information that FM Mattsson Mora Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2021-10-28 08:00 CEST.