

Q3 2022

Hedin Mobility Group AB (publ) | Interim report January 1 – September 30, 2022



Interim report January 1 – September 30, 2022

HEDIN MOBILITY GROUP AB (PUBL)

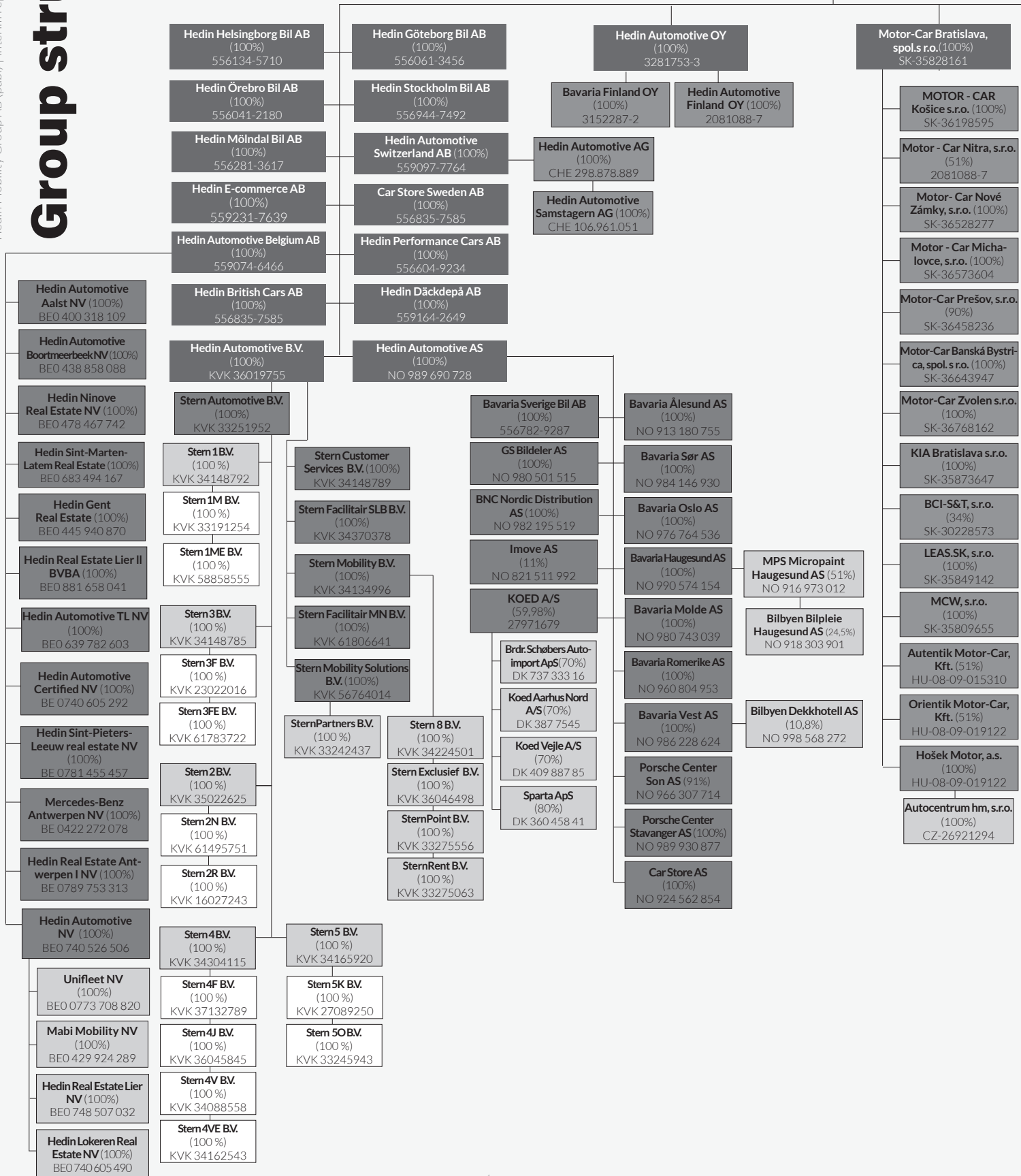
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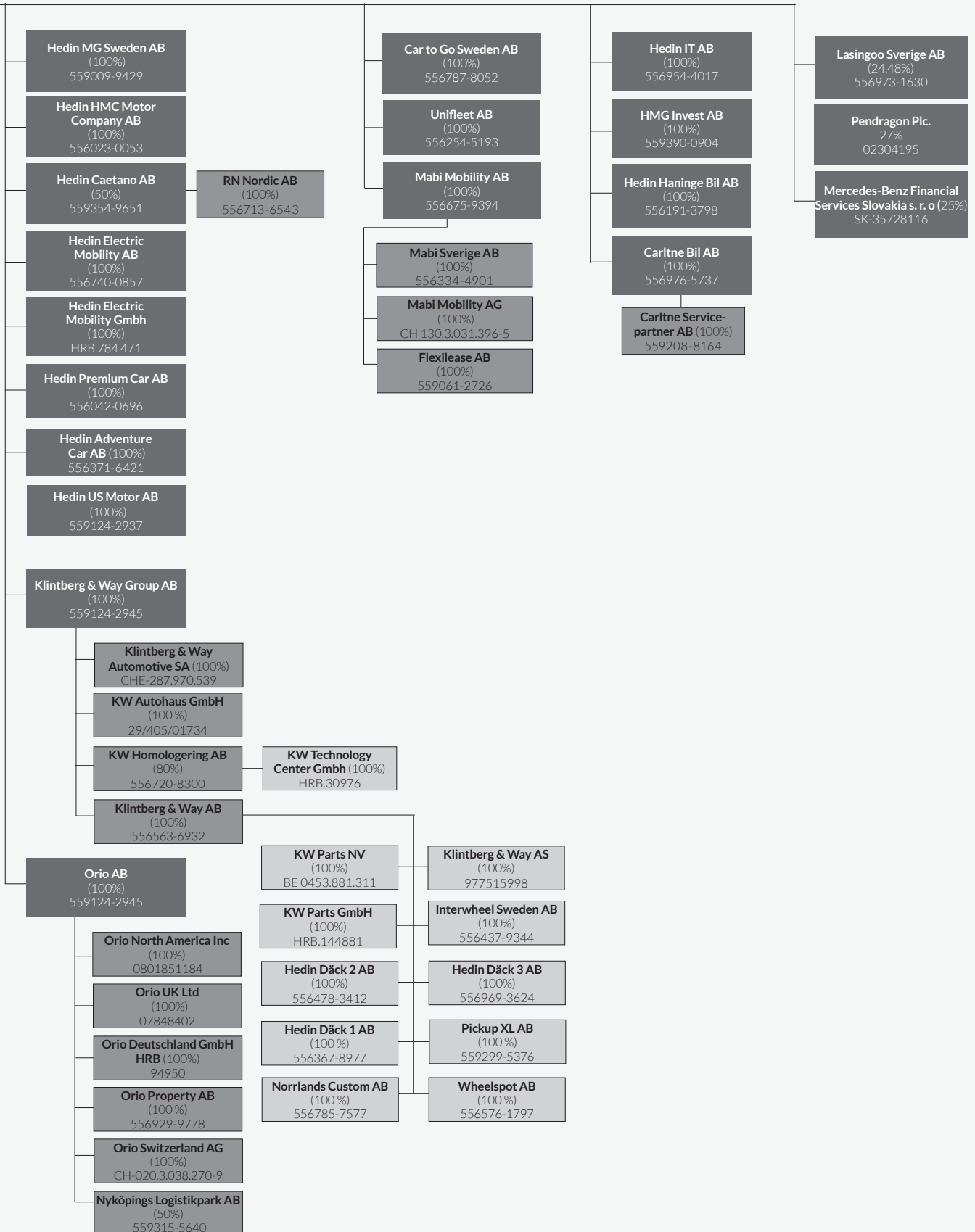
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Group structure

Hedin Mobility Group AB 556065-4070





Third quarter 2022

- Net Sales increased by 134% to MSEK 13,012 (5,568). Adjusted for acquisitions and other items*, Net Sales increased by 3% for comparable units.
- Operational earnings increased with MSEK 306 to 544 MSEK (238).
- Operating profit amounted to MSEK 520 (220).
- Net profit increased to MSEK 379 (118).

Nine months 2022

- Net Sales increased by 81% to MSEK 35,192 (19,451). Adjusted for acquisitions and other items*, Net Sales increased by 10% for comparable units.
- Operational earnings increased with MSEK 729 to MSEK 1,480 (751).
- Operating profit amounted to MSEK 1,768 (694).
- Net profit increased to MSEK 1,402 (416).

*Refers to transferred operations from other parts of Hedin Group AB during autumn 2021, acquisitions, increase in private leasing, and currency effects.

Key Figures

Amounts in MSEK	3rd quarter		January 1 – September 30		Full year
	2022	2021	2022	2021	2021
Net Sales	13,012	5,568	35,192	19,451	28,191
Operational earnings	544	238	1,480	751	1,146
Margin, %	4.2	4.3	4.2	3.9	4.1
Operating profit	520	220	1,768	694	1,069
Operating margin, %	4.0	4.0	5.0	3.6	3.8
Net profit	379	118	1,402	416	644
Equity ratio, %			21	13	26
Equity ratio, %, excluding IFRS 16			26	18	33
Average number of employees			5,585	2,994	3,569

Definitions

Equity ratio: Equity including subordinated shareholder loans in relation to total assets

Margin: Operational earnings in relation to net sales

Operational earnings: Operating profit excluding items affecting comparability and amortization in surplus values

Events during the third quarter

- Eddy Haesendonck, former President and CEO of BMW Group Belux, was appointed new CEO of Hedin Automotive B.V. and head of Hedin Mobility Group's Benelux operations.
- Hedin Mobility Group was appointed "Dealer+" in Germany and Sweden for the world-leading electric vehicle manufacturer BYD. Through the partnership, Hedin Mobility Group will distribute and sell BYD electric passenger cars, as well as providing aftersales services, in the German and Swedish markets.
- Hedin Mobility Group entered a partnership with the premium car brand Hongqi through which the Group will be the importer and retailer of Hongqi's electric cars in Sweden and the Netherlands.
- In September, Hedin Automotive AG entered into an agreement to acquire all shares in Alpina Group, the largest BMW and MINI dealer group in eastern Switzerland. In 2021, Alpina Group, with net sales of approx. MEUR 117.5 in 2021, employs some 140 people at three full-service dealerships in St. Gallen, Widnau and Chur. Transfer of business was on October 20, 2022.
- The acquisition of four Mercedes-Benz dealerships from Mercedes-Benz Group in Antwerp, announced on February 15, 2022, was completed on September 15.
- At the end of September, Hedin Mobility Group AB announced a possible cash offer at 29 pence per share for Pendragon PLC, one of the UK's largest car dealers in which Hedin Mobility Group is already the largest shareholder. On October 24, Pendragon announced that its Board of Directors had granted Hedin Mobility Group access to carry out its due diligence prior to a potential firm offer being made.
- Hedin Mobility Group was appointed importer of the Ford F-150 in Europe. The subsidiary Hedin US Motor AB will market the F-150, including spare parts and accessories, and distribute the model range to authorized Ford dealers. First launch will be in Germany and Sweden, with other European markets to follow.

Events after the third quarter

- The acquisition of Motor-Car Group from Wiesenthal Autohandels AG, announced on May 19, 2022, was completed on October 5. Motor-Car is a leading retailer in East Central Europe with 17 dealerships and an extensive aftersales business in Slovakia, Hungary and the Czech Republic. In 2021, Motor-Car employed 1,100 people, sold 11,257 vehicles and had total net sales of approx. MEUR 453.8. On October 6, it was announced that the acquisition of 25 percent of the shares in Mercedes-Benz Financial Services Slovakia, which was announced on May 25, 2022, had also been completed.
- Hedin Automotive Belgium AB entered into an agreement for the acquisition of the Mercedes-Benz Trucks Center in Sint-Pieters-Leeuw, which has approx. 40 employees and which in 2021 sold 348 vehicles, of which 167 trucks and 181 vans, with net sales of MEUR 26.9. The acquisition is expected to be completed in mid-December 2022.
- The acquisition of Alpina Group (see "Events during the third quarter 2022") was completed on October 20.
- Hedin Mobility Group and BYD took the next step in their collaboration in Germany through the establishment of a nationwide dealer network. Six leading dealer groups will sell and service electric cars from BYD in the important German market.



Comment from CEO Anders Hedin

We are approaching 50 billion and 50 brands

Once again, we report record high sales and results. Net Sales during the third quarter amounted to MSEK 13,012 and MSEK 35,192 during January–September, a year-on-year increase of 134% and 81%, respectively. Operational earnings for the quarter amounted to MSEK 520 and for January–September MSEK 1,768, up 137% and 155% respectively.

Adjusted for acquisitions, we increase Net Sales by 3% in the third quarter and with 10% during the first nine months. In view of the generally continued subdued development on our total markets, this is an achievement that our employees deserve great praise for!

The weak market development is driven by continued supply chain disruptions. Some of our brands have started to reach a higher delivery capacity, but the vehicle shortage remains. In addition, we see a decrease in order intake during the quarter compared to the corresponding period last year, which is probably a combination of high comparative figures, interest rate increases and a generally uncertain economic situation in Europe and the world.

Driven by our talented and dedicated employees, we focus on delivering the record high (more than 46,000 vehicles as of September 30) order book and work to create both added value for the customer and additional sales in the Group.

Building a strong, integrated Group

We are not only approaching SEK 50 billion in net sales, but also 50 brands in the portfolio. In total we now represent 46 brands and the latest addition on the retail side is Hyundai, which was added when the acquisition of Motor-Car Group was completed at the beginning of October. Following Stern and Laakkonen, Motor-Car is the last of the three major acquisitions we have completed this year. We look forward to further developing Motor-Car's already strong business in East Central Europe.

Integration of all our acquisitions continues at an unchanged pace to build a strong, united Hedin Mobility Group with clear synergies and where our companies are given the opportunity to continue growing. Our BMW and MINI business within Hedin Automotive/Bavaria is a good example of this. When we acquired Mikklagruppen (Bavaria Nordic) in 2017, BMW and MINI were sold in Sweden and Norway at 17 dealerships with approximately 750 employees and net sales of approximately MSEK 5,000. Five years later, Hedin Automotive has just completed the acquisition of Alpina Group in Switzerland and is a leading dealer of BMW and MINI in four countries (Sweden,

Norway, Finland and Switzerland) – the business with the two brands now comprises some 40 dealerships, 1,200 employees and annual net sales of around MSEK 12,000.

Grown into a major European vehicle importer

During the third quarter, we announced no less than three import/distribution partnerships: with the world-leading electric vehicle manufacturer BYD in Sweden and Germany; with the prestigious brand Hongqi in Sweden and the Netherlands; and with Ford Motor Company for the iconic F-150 in Europe.

In less than two years, we have expanded the brand portfolio as an importer/distributor from two to ten car brands and we act in this role in twelve European markets. This business is now a significant part of our Group's operations. In addition to being a net sales and margin contributor, our strengthened position in the value chain has given us a completely different profile at European level than we had just a few years ago.

In Germany, we have successfully started building our distribution operations for BYD, which is run by Lars Pauly and Jan Grindemann, who both come with extensive experience from the Mercedes-Benz/Daimler sphere. We have established a nationwide network consisting of six leading dealer groups, which provides excellent conditions for launching the brand and building volume and customer relations in the important German market.

In Sweden and Germany, customer deliveries of BYD will begin during the fourth quarter, and at the beginning of December, Hongqi will make its Swedish premiere at the EV trade show eCarExpo in Gothenburg. At the beginning of next year, deliveries of the F-150 are planned to start, and we also have a number of exciting launches from our other brands to look forward to in the coming year.

Thus, despite the current external uncertainties, we nevertheless look forward to the near future with confidence.

Mölnådal in November 2022



Anders Hedin

FINANCIAL SUMMARY

JULY – SEPTEMBER 2022

Net Sales increased by 134% to MSEK 13,012 (5,568) in the third quarter. The restructuring in October 2021, where operations were transferred to the Group, has affected Net Sales by MSEK 1,989. During the first half of the year, the business expanded with new markets such as the Netherlands and Finland and through expansion of operations in Sweden and Belgium. Adjusted for acquisitions, increases in private leasing and currency effects, invoicing has increased by 2.7% from the previous year for comparable units.

The order intake decreased during the period, but the order backlog is still at record levels and amounts to just over 46,000 vehicles.

Operational earnings increased by MSEK 306 to MSEK 544 with a margin of 4.2% (4.3%). Retail increased Operational earnings by MSEK 127 with the margin decreasing to 3.1% (4.1%). The main reason for the lower margin is the expansion outside Scandinavia, where the margins are lower.

Operating profit increased to MSEK 520 (220).

Net financial items amounted to MSEK -61 (-68). Profit from participations in associated companies amounts to MSEK 39 which refers to the holding in Pendragon PLC. The earnings are reported with a delay of one quarter and thus refers to the second quarter 2022.

Cash flow from operating activities amounted to MSEK -320 (1,299). Investments in fixed assets excluding leasing vehicles and right-of-use assets amounted to MSEK 64 (34). Available liquidity including unused overdraft facilities amounts to MSEK 2,504.

Net Sales	3rd quarter		January 1 – September 30		Year
	2022	2021	2022	2021	2021
Amounts in MSEK					
Retail	11,345	5,446	30,216	19,117	26,392
Distribution	3,163	122	8,375	334	2,807
Other	-1,496	0	-3,399	0	-1,008
Total	13,012	5,568	35,192	19,451	28,191

Operational earnings	3rd quarter		January 1 – September 30		Year
	2022	2021	2022	2021	2021
Amounts in MSEK					
Retail	348	221	933	685	1,003
Distribution	204	5	540	31	154
Other	-8	12	7	35	-11
Total	544	238	1,480	751	1,146

Margin	3rd quarter		January 1 – September 30		Year
	2022	2021	2022	2021	2021
Retail	3.1%	4.1%	3.1%	3.6%	3.8%
Distribution	6.4%	4.1%	6.4%	9.3%	5.5%
Total	4.2%	4.3%	4.2%	3.9%	4.1%

Retail

Net Sales increased by 77% to MSEK 11,345 (5,446). Sales of new and used vehicles increased by 13% and 18% respectively. In Sweden, sales increased by 46%. Adjusted for acquisitions and cars sold with repurchase agreements (private leasing) invoicing are on the same level as last year for comparable units. The total market for passenger cars, measured in number of registered vehicles, increased by 2% during the same period. Sales in Norway increased 10%, which relates to both new and used vehicles. The total market decreased 24%. The business in Finland has been added earlier this year and Net Sales in the quarter amounted to MSEK 1,444.

In Belgium, sales increased by 19%. Adjusted for the acquisitions of Toyota dealerships, sales increased 13%, while the total market increased 6%. Sales of new vehicles increased, while sales of used cars have decreased compared to last year.

Operations in the Netherlands have been added during the year and Net Sales for the quarter amounted to MSEK 2,190. The total market decreased 2% compared to last year. Switzerland has been part of the Group since October 2021. Compared to the third quarter of 2021, sales in Switzerland decreased by 6%, while the overall market decreased by 5%.

Operational earnings increased by MSEK 127 to MSEK 348 (221). The margin of Operational earnings decreased to 3.1% (4.1%). In Sweden, Operational earnings increased by MSEK 76, and the margin increased to 5.0% (4.8%). In addition to the increased invoicing, there are strengthened margins on both new and used vehicles. In Norway, Operational earnings decreased by MSEK 11, and the margin amounted to 4.4% (5.9%). Belgium improved Operational earnings by MSEK 24, and the margin increased to 2.0% (0.3%). The Netherlands shows a profit of MSEK 31, and a margin of 1.4%. In Switzerland, Operational earnings amounted to MSEK 1, and the margin was 0.2%.

Net Sales – Retail Amounts in MSEK	3rd quarter		January 1 – September 30		Year
	2022	2021	2022	2021	2021
Sweden	4,587	3,141	13,750	12,132	16,635
Norway	1,218	1,109	4,051	3,437	4,806
Finland	1,444	-	1,960	-	-
Belgium	1,427	1,196	3,841	3,548	4,444
Netherlands	2,190	-	5,151	-	-
Switzerland	479	-	1,463	-	507
Total	11,345	5,446	30,216	19,117	26,392

Operational earnings – Retail Amounts in MSEK	3rd quarter		January 1 – September 30		Year
	2022	2021	2022	2021	2021
Sweden	228	152	582	447	665
Norway	54	65	177	182	284
Finland	6	-	8	-	-
Belgium	28	4	80	56	74
Netherlands	31	-	72	-	-
Switzerland	1	-	14	-	-20
Total	348	221	933	685	1,003

Margin – Retail	3rd quarter		January 1 – September 30		Year
	2022	2021	2022	2021	2021
Sweden	5.0%	4.8%	4.2%	3.7%	4.0%
Norway	4.4%	5.9%	4.4%	5.3%	5.9%
Finland	0.4%	-	0.4%	-	-
Belgium	2.0%	0.3%	2.1%	1.6%	1.7%
Netherlands	1.4%	-	1.4%	-	-
Switzerland	0.2%	-	1.0%	-	-
Total	3.1%	4.1%	3.1%	3.6%	3.8%

Distribution

Net Sales increased to MSEK 3,163 (122). Imports of vehicles have been characterized by delayed deliveries, mainly due to the global shortage of semiconductors, but transports have also been affected by the war in Ukraine and unrest in the outside world. Ford decreased 11% over the period in sales of passenger cars, while increasing 33% in sales of commercial vehicles. As deliveries of vehicles from the factory are volatile due to the availability of vehicles and transports, sales vary greatly between months. The market share in the third quarter is still strong and amounts to 4.0%.

MG continue its positive development with increase in sales and reach a market share of 3.6% for the quarter. MG is also affected by delivery delays, and still have a very large order backlog that will be delivered the coming months.

European imports of Dodge and RAM have increased 300% compared to last year. Net Sales of tires increased 30% and spare parts within KW Parts increased 14%. During the first half of the year Orio AB was acquired, where Net sales amounted to MSEK 91 in third quarter. Orio AB stocks and distributes spare parts for Saab on the global market.

Operational earnings amounted to MSEK 204 (5), with a margin of 6.4%.



JANUARY – SEPTEMBER 2022

Net Sales increased by 81% to MSEK 35,192 (19,451). The restructuring in October 2021, where operations were transferred to the Group, has affected Net Sales by MSEK 6,035. In addition to this change, there have been acquisitions of new businesses and new markets, such as entry into the Netherlands and Finland, and expansion of the businesses in Sweden and Belgium. Adjusted for acquisitions, increase in private leasing and currency effects, invoicing increased 10% compared to last year for comparable units.

Operational earnings increased by MSEK 729 to MSEK 1,480. The margin of Operational earnings increased to 4.2% (3.9%). Retail increased Operational earnings by MSEK 248 with the margin decreasing to 3.1% (3.6%). The main reason for the lower margin is the expansion outside Scandinavia, where the margins are lower.

Operating profit increased to MSEK 1,768 (694). Earnings have been positively impacted by negative goodwill of MSEK 355.

Net financial items amounted to MSEK -149 (-164). Profit from participations in associated companies amounted to MSEK 146 which refers to the holding in Pendragon PLC.

Cash flow from operating activities amounted to MSEK 945 (2,288). Investments in fixed assets excluding leasing vehicles and right-of-use assets amounted to MSEK 340 (107). Available liquidity including unused overdraft facilities amounts to MSEK 2,504.

Retail

Net Sales increased by 58% to MSEK 30,216 (19,117). Sales of new and used vehicles increased by 19% and 12% respectively. In Sweden, sales increased by 13%. Including cars sold with repurchase agreements (private leasing) invoicing increased by 12% in comparable units, with an increase in both new and used vehicles. The total market for passenger cars decreased by 12% during the same period. Sales in Norway increased 18%, which relates to both new and used vehicles. The total market decreased 21%. The business in Finland is included from June 2022 and Net sales amounts to MSEK 1,960 for four months.

In Belgium, sales increased by 8%. Adjusted for the acquisition of Toyota sales increased 3%, while the total market decreased 10%. Sales of new vehicles increased by 8%, while sales of used cars decreased.

Operations in the Netherlands have been added during the year. Net Sales for seven months amounted to MSEK 5,151. The total market decreased 5% compared to last year. Switzerland has been part of the Group since October 2021. Compared to 2021, sales in Switzerland decreased by 5%, while the overall market decreased by 10%.

Operational earnings increased by MSEK 248 to MSEK 933 (685). The margin of Operational earnings decreased slightly to 3.1% (3.6%). In Sweden, Operational earnings increased MSEK 135, and the margin increased to 4.2% (3.7%). In addition to the increased invoicing, there are strengthened margins on both new and used vehicles. In Norway, Operational earnings decreased by MSEK 5, and the margin amounted to 4.4% (5.3%). In Belgium, Operational earnings increased by MSEK 24, mostly from sales of new vehicles, and the margin increased to 2.1% (1.6%). The Netherlands shows a profit of MSEK 72, and a margin of 1.4%. Switzerland increased Operational earnings by MSEK 14 compared to last year, with a margin of 1.0%.

Distribution

Net Sales increased to MSEK 8,375 (334). The import of vehicles has been characterized by delayed deliveries, mainly due to the global shortage of semiconductors, but transports have also been affected by the war in Ukraine and lock-down in China due to the pandemic. In Sweden, the total market for passenger cars was down 12% compared to the previous year. Ford increased 33% in passenger cars over the period, reaching a market share of 3.9%. For commercial vehicles, the market was down 14% and Ford was down 10%.

MG is also affected by delivery delays. The number of registered vehicles was 5,482 vehicles. The market share increased to 2.7%. We still have a very large order backlog that will be delivered the coming months.

European imports of Dodge and RAM have been strong following received vehicle deliveries in recent months and sales increased 68%. Net sales on tires increased 14%, and spare parts increased 24%. In June, Orio AB was acquired, which had sales of SEK 124 million over four months. Orio AB stocks and distributes spare parts for Saab on the global market.

Operational earnings amounted to MSEK 540 (31), with a margin of 6.4% (9.3%).

Order take

Sold vehicles (order take) – Retail	3rd quarter		January 1 – September 30		Year
	2022	2021	2022	2021	2021
New cars	14,288	12,758	50,770	37,573	56,151
New light commercial vehicles	2,941	1,867	10,159	6,456	9,407
New heavy trucks	23	93	306	357	491
Used cars	13,356	8,661	34,934	24,855	32,701
Used light commercial vehicles	952	503	2,411	1,784	2,270
Used heavy trucks	48	52	179	158	203
Total	31,608	23,934	98,759	71,183	101,223

Sold vehicles (order take) – by country – Retail	3rd quarter		January 1 – September 30		Year
	2022	2021	2022	2021	2021
Sweden	16,163	18,888	59,083	54,748	77,789
Norway	1,848	3,151	6,522	9,011	12,710
Belgium	1,798	1,895	6,636	7,424	10,030
Netherlands	6,831	-	18,889	-	-
Switzerland	587	-	2,080	-	694
Finland	4,381	-	5,549	-	-
Total	31,608	23,934	98,759	71,183	101,223

Consolidated income statement and total comprehensive income

Amounts in MSEK	3rd quarter		January 1 – September 30		Year
	2022	2021	2022	2021	2021
Operating income					
Net Sales	13,012	5,568	35,192	19,451	28,191
Other operating income	127	6	657	20	34
	13,139	5,574	35,849	19,471	28,225
Operating expenses					
Goods for resale	-10,019	-4,225	-27,202	-15,355	-21,951
Other external costs	-786	-286	-1,926	-869	-1,325
Employee benefit expenses	-1,108	-498	-3,026	-1,594	-2,387
Depreciation and amortization of tangible and intangible fixed assets	-706	-345	-1,927	-959	-1,493
Operating profit	520	220	1,768	694	1,069
Profit/loss from financial items					
Financial income	10	3	19	18	38
Financial expenses	-110	-71	-314	-182	-268
Profit from participations in associated companies	39	0	146	0	0
Profit/loss before tax	459	152	1,619	530	839
Taxes	-80	-34	-217	-114	-195
Net profit/loss for the period	379	118	1,402	416	644
Net profit/loss for the year attributable to:					
Parent company's shareholders	378	115	1,399	407	634
Holdings with non-controlling interests	1	3	3	8	10
Net profit/loss for the period	379	118	1,402	416	644
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurements of pensions obligations, net after taxes	0	0	0	0	41
Share of other comprehensive income from associated companies	60	0	67	0	0
<i>Items that may be reclassified to profit or loss</i>					
Cash flow hedging	21	0	61	0	39
Share of other comprehensive income from associated companies	1	0	1	0	0
Translation differences	42	9	136	64	97
Total comprehensive income for the period	503	127	1,667	480	821
Comprehensive income for the period attributable to:					
Parent company's shareholders	502	124	1,664	469	809
Holdings with non-controlling interests	1	3	3	10	12
Comprehensive income for the period	503	127	1,667	480	821

Consolidated Balance sheet

Amounts in MSEK	9/30/2022	9/30/2021	12/31/2021
ASSETS			
Fixed assets			
Intangible assets			
Intangible rights	172	31	82
Customer relations	360	289	304
Goodwill	1,974	1,450	1,723
	2,506	1,770	2,109
Tangible assets			
Land and buildings	1,412	284	559
Cost incurred on another's property	602	234	295
Equipment, tools and installations	683	244	335
Leasing vehicles	9,628	4,550	6,406
Right-of-use assets	7,009	4,626	5,081
	19,334	9,938	12,676
Financial assets			
Shares in associated companies	1,370	0	923
Other securities held as non-current assets	37	34	35
Deferred tax assets	338	74	119
Other long-term receivables	12	0	9
	1,757	108	1,086
Total fixed assets	23,597	11,816	15,871
Current assets			
Inventories etc.			
Finished products and goods for resale	8,756	2,489	4,363
	8,756	2,489	4,363
Current receivables			
Accounts receivables	2,581	682	1,534
Receivables from Group companies	6	16	1
Other receivables	448	336	279
Prepaid expenses and accrued income	648	203	486
	3,683	1,237	2,300
Cash and cash equivalents	761	111	1,813
Total current assets	13,200	3,837	8,476
TOTAL ASSETS	36,797	15,653	24,347

Consolidated Balance sheet

Amounts in MSEK	9/30/2022	9/30/2021	12/31/2021
EQUITY AND LIABILITIES			
Equity			
Share capital and other contributed capital	4,103	1	4,103
Reserves	235	-34	38
Balanced earnings, including profit for the period	3,341	1,623	1,891
Equity attributable to the parent company shareholders	7,679	1,590	6,032
Holdings with non-controlling interests	21	24	26
Total Equity	7,700	1,614	6,058
Non-current liabilities			
Provisions for pensions	174	86	162
Deferred tax liabilities	263	127	205
Liabilities to Group companies	330	350	350
Bond loans	0	1,498	0
Other liabilities to credit institutions	1,815	184	461
Lease liabilities	6,079	4,036	4,363
Other non-current liabilities	6,537	3,039	4,536
Total non-current liabilities	15,198	9,319	10,077
Current liabilities			
Overdraft facilities	3	130	0
Liabilities to credit institutions	3,482	254	872
Lease liabilities	941	528	636
Accounts payable	3,789	913	2,556
Liabilities to Group companies	195	241	311
Tax liabilities	321	149	193
Other liabilities	3,454	1,796	2,378
Accrued expenses and deferred income	1,714	709	1,266
Total current liabilities	13,899	4,720	8,212
TOTAL EQUITY AND LIABILITIES	36,797	15,653	24,347

Group report on changes in equity capital - summary

<i>Amounts in MSEK</i>	<i>Equity</i>	<i>Holdings with non-controlling interests</i>	<i>Total Equity</i>
Opening balance 1/1/2021	1,161	37	1,197
Profit/loss for the period	407	8	416
Comprehensive income for the period	62	2	64
Changes in non-controlling interests	-40	-19	-59
Dividends to minority shareholders		-3	-3
Closing balance 9/30/2021	1,590	24	1,614
Opening balance 1/1/2022	6,032	26	6,058
Profit/loss for the period	1,399	3	1,402
Comprehensive income for the period	265	0	265
Changes in non-controlling interests	-17	-7	-24
Dividends to minority shareholders		-1	-1
Closing balance 9/30/2022	7,679	21	7,700

Consolidated Cash flow statements

Amounts in MSEK	3rd quarter		January 1 – September 30		Year
	2022	2021	2022	2021	2021
Operating activities					
Profit/loss before tax	459	151	1,619	530	839
Adjustments for non-cash items	667	346	1,420	960	1,492
Income tax paid	-9	-23	-133	-68	-152
Cash flow from operating activities before changes in working capital	1,117	474	2,906	1,421	2,179
<i>Cash flow from changes in working capital</i>					
Increase(-)/Decrease(+) in inventories	-383	328	-1,959	391	-663
Increase(-)/Decrease(+) in receivables	-278	309	-54	210	-73
Increase(+)/Decrease(-) in payables	-776	188	52	266	1,115
Cash flow from operating activities	-320	1,299	945	2,288	2,558
Investing activities					
Acquisition of subsidiaries	-263	-74	-1,947	-162	115
Purchase of intangible and tangible fixed assets	-64	-34	-340	-107	-189
Sale of tangible assets	0	5	45	12	28
Purchase of leasing vehicles	-1,306	-2,723	-4,213	-3,302	-4,698
Sale of leasing vehicles	181	95	841	395	633
Changes in financial assets	-14	-11	-180	-12	-899
Cash flow from investing activities	-1,466	-2,742	-5,794	-3,176	-5,010
Financing activities					
Borrowings	2,317	1,805	4,589	1,805	2,857
Repayment of debt	-89	-226	-158	-523	-2,197
Repayment of lease liability	-249	-142	-666	-417	-637
New share issue	0	0	0	0	4,102
Cash flow from financing activities	1,979	1,436	3,765	865	4,125
Cash flow for the year	193	-7	-1,084	-23	1,673
Cash and cash equivalents at the beginning of the year	552	117	1,813	132	132
Exchange rate differences in cash	16	-1	32	2	8
Cash and cash equivalents at the end of period	761	111	761	111	1,813

Note 1 Reporting standards

The Interim report for the Group has been prepared according to IAS 34 Interim Financial Reporting. The same accounting policies and calculation methods have been applied as in the most recent annual report.

Note 2 Operating segments

Retail includes retail sales of new and pre-owned vehicles including commission income from finance and insurance, as well as after-market that includes service, workshop services and workshop products, as well as spare parts.

Distribution includes the import and distribution of vehicles, tires, spare parts, and other car accessories.

Segment reconciliation include the rental car business, leasing services and the IT business. Certain group-wide functions in the Parent Company, as well as the effects of IFRS16, are also reported in Segment reconciliation.

Operational earnings refer to operating profit excluding items affecting comparability and amortization of consolidated surplus values.

Amounts in MSEK	Retail		Distribution		Segment reconciliation		Group	
	2022	2021	2022	2021	2022	2021	2022	2021
Net Sales	30,216	19,117	8,375	334	-3,399	0	35,192	19,451
EBITDA	2,087	1,167	557	36	695	450	3,339	1,653
Depreciation	-1,154	-482	-17	-5	-688	-415	-1,859	-902
Operational earnings	933	685	540	31	7	35	1,480	751
Margin	3.1%	3.6%	6.4%	9.3%	-	-	4.2%	3.9%
Negative goodwill	-	-	-	-	356	-	356	-
Amortization of surplus values	-68	-57	-	-	-	-	-68	-57
Operating profit	865	628	540	31	363	35	1,768	694
Operating margin	2.9%	3.3%	6.4%	9.3%	-	-	5.0%	3.6%
Financial items	-	-	-	-	-	-	-149	-164
Profit before tax	-	-	-	-	-	-	1,619	530
Tax expense	-	-	-	-	-	-	-217	-114
Profit of the period	-	-	-	-	-	-	1,402	416
Investments in								
- fixed assets	275	78	24	10	41	19	340	107
- leasing vehicles	4,213	3,302	-	-	-	-	4,213	3,302

Note 3 Acquisitions

On January 6, the acquisition of Toyota de Laat in Belgium was completed. On January 7, the Toyota and Lexus dealer Klaasen & Co, located in Turnhout, Belgium, was acquired. On January 13, the Toyota dealer Trullemans, located in Dilbeek, Belgium, was acquired.

On March 16, the acquisition of all shares in Stern Facilitair BV from the listed retailer Stern Group N.V. in the Netherlands was completed. The acquisition includes all parts of Stern's core business in the areas of retail, aftermarket, rental car, and leasing operations. Stern consists of 50 full-service dealerships and is one of the largest car dealers in the Netherlands.

A total of six Ford dealerships in Sweden, which altogether employ over 90 people in car sales, workshop services and car parts, were acquired during the first half of the year.

During the second quarter, Hedin Mobility Group entered the Finnish market for the first time through the acquisition of the renowned Laakkonen Group's automotive business. Laakkonen represents eight brands and is one of the largest car dealers in Finland, operating in 21 dealerships in 15 cities. Transfer of business was on May 31.

On June 9, the company acquired all shares in Orio AB. Orio is a logistics company whose roots lie in the Swedish car industry, and it is the exclusive global supplier of Saab Original spare parts through a global network in Europe, North America, Asia, and Australia. The company's head office and logistics and distribution centre, including a central warehouse of 57,000 sq.m. with a high degree of automation tailored to spare parts operations, are in Nyköping, Sweden.

On September 15, the acquisition of MB Antwerpen NV from the Mercedes-Benz Group was completed. MB Antwerpen NV operates four full-service Mercedes-Benz dealerships in Antwerp, Belgium.

<i>Amounts in MSEK</i>	<i>January 1 – September 30 2022</i>
Intangible fixed assets	178
Tangible fixed assets	3,906
Financial fixed assets	193
Inventories	2,280
Operating receivables	1,159
Cash and cash equivalents	416
Operating liabilities	-2,381
Acquired net assets	5,751
Goodwill	189
Negative goodwill	-359
Minority interests	23
Financial liabilities	-3,242
Purchase price	2,363
Cash and cash equivalents in acquired businesses	-416
Impact on the Group's cash and cash equivalents	1,947



Income statement - Parent company

Amounts in MSEK	3rd quarter		January 1 – September 30		Year
	2022	2021	2022	2021	2021
Operating income					
Net Sales	46	41	147	126	163
Other operating income	0	0	0	0	1
	46	41	147	126	164
Operating expenses					
Other external costs	-26	-22	-87	-73	-98
Employee benefit expenses	-27	-18	-86	-58	-80
Depreciation and amortization of tangible and intangible fixed assets	-1	-1	-2	-2	-2
Operating profit/loss	-8	0	-28	-7	-16
Profit/loss from financial items					
Anticipated dividends from subsidiaries	0	0	205	0	60
Interest income and similar income items	26	9	50	28	36
Interest expenses and similar income items	-11	-15	-18	-47	-67
Profit/loss after financial items	7	-6	209	-26	13
Appropriations	0	0	0	0	292
Profit/loss before tax	7	-6	209	-26	305
Income tax	-2	1	-1	5	-51
Net profit/loss for the period	5	-5	208	-21	254

Balance sheet - Parent company

Amounts in MSEK	09/30/2022	09/30/2021	12/31/2021
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Intangible rights	6	5	7
	6	5	7
<i>Tangible fixed assets</i>			
Cost incurred on another's property	1	1	1
Equipment, tools and installations	2	2	2
	3	3	3
<i>Financial fixed assets</i>			
Shares in Group companies	4,362	1,808	2,346
Shares in associated companies	1,103	0	923
Other securities held as non-current assets	11	11	11
Deferred tax assets	0	3	0
Receivables from Group companies	125	50	354
	5,601	1,872	3,634
Total fixed assets	5,610	1,880	3,644
Current assets			
<i>Current receivables</i>			
Receivables from Group companies	4,181	1,559	1,843
Tax assets	0	12	0
Other receivables	6	0	0
Prepaid expenses and accrued income	4	2	3
	4,191	1,573	1,846
<i>Cash and cash equivalents</i>	78	0	1,573
Total current assets	4,269	1,573	3,419
TOTAL ASSETS	9,879	3,453	7,063

Balance sheet - Parent company

Amounts in MSEK	09/30/2022	09/30/2021	12/31/2021
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital, 2,564 (1,000) shares	3	1	3
Statutory reserve	0	0	0
	3	1	3
<i>Non-restricted equity</i>			
Share premium reserve	4,100	0	4,100
Profit and loss brought forward	910	655	655
Profit for the year	208	-21	255
	5,218	634	5,010
Total Equity	5,221	635	5,012
Untaxed reserves			
Untaxed reserves	132	61	132
Total Untaxed reserves	132	61	132
Non-current liabilities			
Bond loans	0	1,498	0
Other liabilities to credit institutions	1,098	50	29
Liabilities to Group companies	366	350	386
Total non-current liabilities	1,464	1,898	415
Current liabilities			
Overdraft facilities	0	126	0
Liabilities to credit institutions	1,035	70	75
Accounts payable	3	3	6
Liabilities to Group companies	1,923	622	1,363
Tax liabilities	15	0	37
Other liabilities	68	12	7
Accrued expenses and deferred income	18	26	16
Total current liabilities	3,062	859	1,504
TOTAL EQUITY AND LIABILITIES	9,879	3,453	7,063

Board of Directors and Group management

Jan Litborn

Chairman of the Board

Anders Hedin

CEO and Board member

Hampus Hedin

Board member

Erik Selin

Board member

Klaus Kibsgaard

Board member

Björn Hauber

Board member

HEDIN MOBILITY GROUP

Anders Hedin, President and CEO
Hampus Hedin, Vice President
Per Mårtensson, CFO
Victor Bernander, Finance & Treasury Manager
Andreas Joersjö, General Counsel
Johan Börjesson, HR Manager
Jørn Heiersjø, Real Estate Manager
Henk van der Kwast, Director Strategy & M&A

MOBILITY SOLUTIONS

Jakob Werner, COO Car to Go Sweden AB and Unifleet AB
André Schleemann, CEO Mabi Mobility AB

DISTRIBUTION

John Hurtig, CEO Hedin HMC Motor Company AB
Jonas Angerdal, CEO RN Nordic AB
Tomas Ernberg, CEO Hedin MG Sweden AB
Anderz Larqvist, CEO Hedin US Motor AB
Thomas Bennet, CEO Klintberg & Way Group AB
Sven Skogheim, CEO GS Bildeler
Victor Liljenberg, CEO Hedin Electric Mobility AB
Lars Pauly, CEO Hedin Electric Mobility GmbH
Nicholas Tengelin, CEO Orio AB

RETAIL

Alexander Orméus, CEO Hedin Göteborg Bil AB
Johan Stålhammar, CEO Hedin Helsingborg Bil AB
Morten Westby, CEO Hedin Stockholm Bil AB
Anderz Larqvist, CEO Hedin Mölndal Bil AB
Rickard Magnusson, CEO Hedin Performance Cars AB
Pär Björkholm, CEO Hedin Örebro Bil AB
Henrik Lessèl, CEO Hedin Automotive Belgium AB
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and Hedin Automotive Switzerland AB
Johan Frisk, CEO Bavaria Sverige AB
Hallvard Vikeså, CEO Bavaria Norge
Eddy Haesendonck, CEO Hedin Automotive B.V.
Rikard Alm, CEO Hedin British Cars AB
Peter Lampret, CEO Car Store Sweden AB
Mikko Mykrä, CEO Hedin Automotive Oy
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