## Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speaker/Role</th>
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<tbody>
<tr>
<td>09.00–09.30</td>
<td>Introduction and Corporate Strategy</td>
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Mission statement

HMS enables valuable data and insights allowing our customers to increase productivity and sustainability
HMS Networks – Hardware Meets Software

Our field: **Industrial ICT**
(Information and Communication Technology)

At the forefront of technology

800 employees worldwide

33% in R&D
33% in Sales

Offices in 18 countries

Partners in 50

Head office in Halmstad, Sweden

2.5 billion SEK
Net Sales 2022

25%
EBIT margin 2022

20%
Net sales CAGR last 10 years
Progress since 2020
HMS Strategic framework since 2020

HMS STRATEGIC TARGETS 2025

- Net Positive in CO₂ by 2025
- Employee & Customer NPS > 25
- Net Sales of π BSEK by 2025 with an EBIT-margin of 20%
**2025 strategic plan – sustainability, good but...**

Climate compensation via Gold Standard and partners, - 6.800 tons

<table>
<thead>
<tr>
<th>Scope 1 &amp; 2: Current CO₂ footprint:</th>
<th>Scope 3 (Excl. Use of sold products): Current CO footprint:</th>
<th>Scope 3 (Use of sold products): Current CO₂ footprint:</th>
</tr>
</thead>
<tbody>
<tr>
<td>=500 tons CO₂e</td>
<td>=6.000 tons CO₂e</td>
<td>Under investigation</td>
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</table>

- 100% electrical cars
- Shift to renewable energy
- Product resource efficiency
- Green Design Guideline
- Sustainable business travel
- Optimization of transports
- Reduce the energy needed to operate our products (installed base)

"The HMS effect"
Using HMS solutions vs traditional solutions:
Current CO₂e handprint: \( \text{minus} \approx 1.000.000 \) tons

We need a new and more scientific approach going forward, in line with new standards.
Major improvement in employee satisfaction

**Employee NPS 2020 – 2023**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>NPS 2020</th>
<th>NPS 2021</th>
<th>NPS 2022</th>
<th>NPS 2023</th>
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<tr>
<td>20:Q2</td>
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<td>20:Q3</td>
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<tr>
<td>20:Q4</td>
<td>32</td>
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<td>39</td>
<td>53</td>
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<tr>
<td>21:Q2</td>
<td>36</td>
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<td>22:Q4</td>
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<tr>
<td>23:Q2</td>
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</tbody>
</table>

**Analysis and conclusions**

- Company culture and core value focus
- Development of managers and actively addressing problems
- Stability and structure in acquired companies
- Good performance of the company

**How to continue the solid performance**

- Continue to develop our staff and leaders
- Create career paths and use the international footprint
- Continue to work with HMS company culture
Customers are disappointed with lead times

Customer NPS 2019 – 2023

<table>
<thead>
<tr>
<th>Year</th>
<th>NPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>54</td>
</tr>
<tr>
<td>2021</td>
<td>54</td>
</tr>
<tr>
<td>2022</td>
<td>38</td>
</tr>
<tr>
<td>2023</td>
<td>27</td>
</tr>
</tbody>
</table>

Analysis and conclusions

- Customers are very satisfied with HMS products and support
- Major increases in lead time, and lack of on-time deliveries has resulted in dissatisfaction among several customers
- Poor shipment accuracy in combination with major price increases have not been popular

How to get back to target

- Partly solved with improved component availability
- Audit made right after ERP go-live, continued stabilization of ERP performance
- Continuous improvement in lead times, communication and on-time delivery is priority
Halfway through the strategy plan 83% of the Net Sales target has been reached and the EBIT target is already achieved.
Satisfying development since 2020...

### Major drivers of the positive development

- Component shortage driving boosted order intake
- Focused efforts within our “sweetspots”
- Increased penetration of connectivity
- Lifted sustainability agenda
- Corporate culture

### Areas with more potential

- M&A plans has not materialized, due to targets’ willingness to sell, price levels and to some extent our pipeline
- Information Centric expansion with bundled software solutions and SaaS model – rather slow moving
- Vertical IIoT solutions has partly materialized, the Owasys acquisition was a good example
- As expected 5G has not been a growth driver yet – HMS continues its positioning to capitalize on 5G

... several market opportunities remain for HMS to support future growth
The HMS business
HMS Playing Field - Overall Market Segments

Industrial Automation

Manufacturing
Factory Automation, Process Automation

Transportation & Infrastructure
Ports, Marine, Utilities, Data Centers, Material Handling, Warehousing etc.

Power & Energy
Power Generation, Power Distribution, Power Management

Building Automation

Power & Energy
Commercial buildings, Industrial buildings, Hotels, Offices, Retail

Industrial Information and Communication Technology Solutions
HMS Playing field is in Industrial ICT

### INDUSTRIAL AUTOMATION

**Automation of manufacturing and other industrial processes**

*Objectives: Real-time control, smart manufacturing, uptime, sustainability*

- Networking and communication for devices, machines and systems
- Connectivity between different communication technologies
- Wired and wireless technologies
- Network monitoring and diagnostics
- Reliability and robustness

**Digitalization of operations and production processes**

*Objectives: Insights drive better decisions, OEE, productivity and sustainability*

- Remote connectivity to industrial equipment
- Cloud solutions
- Collection, processing and visualization of data from sensors, devices and machines
- Industrial IoT

### BUILDING AUTOMATION

**Automation and smart management of buildings**

*Objectives: Energy efficiency, Building Systems control and sustainable buildings*

- Network connectivity and communication for building installations such as HVAC, lighting, fire, access control, elevators, metering etc.
- Connectivity between different building automation protocols and standards
All offers show double digit CAGR 2020-2023

- Connectivity for CAN & embedded control: 1,191M (+27%)
- Network diagnostics in Factory Automation: 203M (+13%)
- Remote access and data for PLC-based machines: 189M (+15%)
- Remote connectivity for mobile machines: 497M (+19%)
- Multi-network connectivity for HVAC equipment: 169M (+19%)
- Network-to-network integration in factories: 309M (+13%)
- Connectivity for CAN & embedded control: 1,191M (+27%)
- Remote access and data for PLC-based machines: 497M (+19%)
- Multi-network connectivity for HVAC equipment: 169M (+19%)
- Share of HMS sales: 70%
Two main customer groups – Makers and Users

- **Makers of industrial equipment**
- **Users of automation systems**
Different market channels for Makers and Users

Makers of industrial equipment

- Device manufacturers: 44% of revenue, Design Wins, Direct Sales
- Machine builders: 25% of revenue, Specified as standard or option in BOM, Direct Sales & Distribution

Users of automation systems

- End users & System integrators: 31% of revenue, Project Sales, Product Sales
- Go-to-market: Distributors, E-Commerce
- Business model: Revenue

Makers of industrial equipment

- Device manufacturers
- Machine builders

Users of automation systems

- End users & System integrators

Revenue

Design Wins

Project Sales

Product Sales
Looking ahead
Several macro trends drive HMS growth

Key trends impacting HMS business:

- Deglobalization/Nearshoring
- Data analysis
- Sustainability
- Network Security
- Energy efficiency
- Factory Uptime
HMS Strategic framework since 2020

- Organic growth
- M&A
- Planet
- People
Several M&A ideas but selective in execution

- **Bolt on to existing Business Unit**
  - Gain new product area competence
  - Integration to Business Units
  - Capitalize on HMS market channels

  **Selection focus areas:**
  - Data Solutions to Information offer, OT Security, Network Monitoring

  **What we look for:**
  - Synergies
  - Integration
  - Culture fit

- **Expand playing field position**
  - Find new innovative ideas
  - New verticals/applications
  - Longer term integration potential

  **Selection focus areas:**
  - Broad scope within playing field

  **What we look for:**
  - Synergies
  - Integration
  - Culture fit

- **Bigger stuff...**
  - Larger targets within playing field
  - Strengthened geographic presence

  **Selection focus areas:**
  - Broad scope within playing field

  **What we look for:**
  - Synergies
  - Integration
  - Culture fit
HMS Strategic framework since 2020

- Organic growth
- M&A
- People
- Planet
HMS Strategic framework until 2025

- Organic growth
- People
- Operational Efficiency
- M&A
- Planet
- Sales Excellence
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Industrial Automation – Control

**Main offer**

- Multi-network connectivity for automation products
- Network-to-network integration in factories
- Connectivity for CAN & embedded control
- Network diagnostics in Factory Automation

**Quick summary**

- Share of HMS business: 70%
- R12 Net Sales, MSEK: 1,992
- Market Growth: ≈8%
Our offer and USPs

<table>
<thead>
<tr>
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- Own IP’s to major industrial networks
- Leading expertise in industrial network communication and security
- Presence in industrial communication networks
- Embedded solution reduce ownership cost and time to market.
- One hardware and software design to access to major industrial networks
- Diverse solutions for factory floor communication challenges
- 200+ network combinations in our gateway offer with user-friendly interface
- Optimized wireless technology for industrial automation
- Factory floor uptime without OT-expertise
Different market channels for Makers and Users

Makers of industrial equipment

- **Device manufacturers**
  - 60% of revenue
  - Design Wins
  - Direct Sales

- **Machine builders**
  - 11% of revenue
  - Specified as standard or option in BOM
  - Direct Sales & Distribution

Users of automation systems

- **End users & System integrators**
  - 29% of revenue
  - Project Sales
  - Product Sales

**Business model**
- Revenue

**Go-to-market**
- Distributors
- E-Commerce
Several trends driving the market growth

Key market trends – Industrial Automation, Control

- Wireless acceptance
- Need for data
- Network Security
- Industrial Ethernet Evolution
- Factory Uptime
Strategy for Industrial Automation – Control...

Main achievements since 2020

- Anybus grows 100%+, 87% organic
- Latest embedded technology platform grows 200%+ driven by majority off in-designs from 2018
- New generation gateways released to the market
- Successful 5G proof of concepts with leading automotive manufacturers

Main strategic focus until 2025

- Expand Embedded offering towards mid/large device manufacturers
- Win more business by making in-designs effortless
- Launch 5G offering into the market
- Enable Security offering

...stay close to our core business and expand current value propositions
Continued growth from building on our core

Main takeaways – Industrial Automation, Control

**Market Drivers**
- Smart Industries, sustainability and security will drive further need of industrial communication solutions
- Solid market conditions with end-users investing (digitalization, nearshoring)

**Expand Core**
- Relevant offer for new in-designs
- Data and Security is key
- Minimizing downtime for end-users
- Diversified network technology landscapes remains, our core business is solid

**Innovation**
- 5G
- Communication-as-a-Software
- AI based offering for network diagnostics
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## Industrial Automation – Information

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Industrial Automation – Information

Main offer
Remote access and data for PLC-based machines
Remote connectivity for mobile machines

Quick summary
Share of HMS business: 23%  
R12 Net Sales, MSEK: 664  
Market Growth: ≈15%
## Our offer and USPs

<table>
<thead>
<tr>
<th>Main offer</th>
<th>HMS USPs</th>
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<tbody>
<tr>
<td><strong>Remote Access &amp; Remote Data</strong></td>
<td>• Effortless interconnectivity with the majority of PLCs</td>
</tr>
<tr>
<td><strong>Cloud</strong></td>
<td>• A trusted industry leader for over 20 years with over 8 million VPN connections per year</td>
</tr>
<tr>
<td><strong>Remote Management</strong></td>
<td>• Highest security standards: ISO 27001 certified</td>
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<td>• Easy, seamless and secure integration of all our gateways</td>
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<td>• Worldwide coverage and redundancy, global SLA of 99.5% service availability</td>
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<td>• Expertise in specific markets such as power generation, energy monitoring, tank monitoring, and solar/battery systems</td>
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<td>• Connects numerous data sources, regardless of vendor</td>
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</table>
Different market channels for Makers and Users

**Makers of industrial equipment**

- **Device manufacturers**
  - Revenue: 0% of revenue
  - Design Wins
  - Direct Sales

- **Machine builders**
  - Revenue: 67% of revenue
  - Specified as standard or option in BOM
  - Direct Sales & Distribution

**Users of automation systems**

- **End users & System integrators**
  - Revenue: 33% of revenue
  - Business model: Project Sales, Product Sales
  - Go-to-market: Distributors, E-Commerce
Several trends driving the market growth

Key market trends – Industrial Automation, Information

- Cost savings
- Sustainability
- Predictive maintenance
- Data insights
- Cyber Security
Strategy for the Information offer...

Main achievements since 2020

- Ewon grows 75%+, driven by remote data and SaaS revenue (Talk2M cloud)
- Over 450,000 Ewon devices registered to Talk2M cloud
- Since 2015 voted #1 Remote Access Provider
- Newest generation “Cosy+” of high secure remote access gateways released to the market

Main strategic focus until 2025

- Further expand remote data business and SaaS
- Expand offering towards mid/large machine builders
- Strengthen global footprint with remote access and remote data offer which work worldwide with all necessary certifications
- Continue with specific offers for vertical markets like “Netbiter” for genset market

...continue the customer journey from Remote Access towards Remote Data
Continued growth from building on our core

Main takeaways – Industrial Automation, Information

Growth Drivers
• Sustainability, cost optimization, improved productivity and time savings, drives growth for remote access and data collection. This growth strongly accelerated from the start of COVID

Applications
• Remote maintenance and support (Proactive and Predictive maintenance)
• Machine monitoring
• Data acquisition and analysis
• Edge computing

Data
• Companies have started to generate business models out of their machine data beyond predictive maintenance
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# Building Automation

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<th>INDUSTRIAL AUTOMATION</th>
<th>BUILDING AUTOMATION</th>
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</table>

Control | Information
Building Automation

Main offer

- Multi-network connectivity for HVAC equipment
- Protocol conversion in Building Automation

Quick summary

- Share of HMS business: 7%
- R12 Net Sales, MSEK: 208
- Market Growth: ≈10%
Our offer and USPs

Main offer

HMS USPs

- IPR licensing agreements with AC manufacturers
- Access to the AC proprietary communication stacks
- Products tested and validated by the AC manufacturers
- Building Automation network certifications (BTL, KNX, etc.)
- Simple and user-friendly configuration tool

- Building Automation network certifications (BTL, KNX, etc.)
- Simple and user-friendly configuration tool
Different market channels for Makers and Users

Makers of industrial equipment
- Device manufacturers: 19% of revenue, Design Wins, Direct Sales
- Machine builders: 32% of revenue, Specified as standard or option in BOM, Direct Sales & Distribution

Go-to-market:
- Business model: Revenue
- Direct Sales & Distribution

Users of automation systems
- End users & System integrators: 49% of revenue, Project Sales, Product Sales
- Distributors
- E-Commerce

Business model:
- Revenue
Several trends driving the growth

Key market trends – Building Automation

- Energy efficiency
- CO₂ reduction
- Legislation
- Network security
- Comfort
Strategy for the Building Automation offer...

Main achievements since 2020

• Market leadership in AC integration with 1.3 million aircon units being controlled (20% CAGR since 2020)

• Development of protocol translator business line 33 MSEK in YTD 2023 (37% CAGR since 2020)

• Penetration in American market with 30% CAGR since 2020

• Initial success with hybrid heat pump application

Main strategic focus until 2025

• Expand air-to-water heat pump portfolio

• Target energy saving projects in multi-site applications in the retail sector (supermarkets, shops, etc.)

• Focus organic growth in Americas & Europe

• Concentrate on commercial and light commercial sectors within Building Automation

...continue market penetration in Americas and Europe – explore further possibilities in new applications such as heat pumps
Continued growth from building on our core

Main takeaways – Building Automation

Growth drivers
- Rising energy costs accelerate the adoption of Building Automation in smaller buildings
- Increasing legal requirements to reduce CO₂ emissions on buildings
- HVAC-R equipment is main energy consumer

Applications
- Air conditioning application (space cooling)\(^1\) is growing very fast due to global warming
- A2W heat pumps (space heating)\(^2\) expected to have 21% CAGR until 2030

Markets
- Building Automation market 10% CAGR
- Intesis 20% CAGR worldwide since 2020
- Americas is growing at 30% CAGR since 2020
- Europe is growing at 27% CAGR since 2020

\(^1\) Source: https://www.iea.org/energy-system/buildings/space-cooling
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CURRENT TRADING
HMS trading update

Comments on recent trading

Supply chain situation
- Continued improvement in lead times and component availability
- Only a few components still being a challenge

Order Intake
- Continued normalization of Order Intake – faster normalization than recent quarter
- De-stocking on most markets, as expected now also in Europe

Net Sales
- Delivery capacity back on track after ERP-go live
- Majority of May delivery gap of 40 MSEK will be recouped in Q3
Normalized orders slowing short-term growth

During 2021-2022 HMS had almost 1.4 BSEK Order Intake more than Net Sales

Boost orders (i.e. advance orders) have been about 1 BSEK 2021-2022

YTD Q2 2023 Net Sales has been about 100 MSEK more than Order Intake – difference will be larger during Q3 and Q4 2023

Expected Order Intake correction during rest of 2023 and first half of 2024 – book-to-bill expected to be less than one.
The weak SEK have been holding up the order backlog somewhat, de-stocking is expected to increase the gap between orders and sales – reducing the backlog throughout 2023.
Net Sales has grown almost 5x the last decade

- Solid growth throughout the whole period
- All brands show double digit organic growth CAGR over the last decade*

* Ewon and Intesis from 2016
** In constant currencies. Excluding Procentec in Anybus.
Organic growth of 13% CAGR during last decade

- M&A and FX about half the growth since 2014 (M&A = R12 Net Sales @ time for acquisition)
- Reporting in SEK, ≈ 60% of Net Sales in EUR and ≈ 25% in USD
- Large effects from FX; EUR/SEK up ≈30% since 2014 and USD/SEK up ≈65%

### Growth analysis 2014 – 2023Q2R12, MSEK

<table>
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<th>Growth Analysis</th>
<th>MSEK</th>
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<tr>
<td>Organic growth only</td>
<td>1133</td>
</tr>
<tr>
<td>Organic and M&amp;A</td>
<td>565</td>
</tr>
<tr>
<td>Organic, M&amp;A and FX</td>
<td>577</td>
</tr>
<tr>
<td>Total</td>
<td>2864</td>
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### Analysis and conclusions

- M&A and FX about half the growth since 2014 (M&A = R12 Net Sales @ time for acquisition)
- Reporting in SEK, ≈ 60% of Net Sales in EUR and ≈ 25% in USD
- Large effects from FX; EUR/SEK up ≈30% since 2014 and USD/SEK up ≈65%
Recent years show improvement in gross margin

- Stable gross margin ≈61% between 2015-2019
- Focused work in 2020 with pricing and EMS consolidation
- Temporary dip due to rapid COGS increase and major spot market purchases between Q3 2021 until Q2 2022
- Favorable FX situation last years due to weak SEK, in combination with economy of scale
- Gross margins closing in on 65% during first half of 2023
EBIT increase by 650% last decade

Analysis and conclusions

- In total 25% EBIT CAGR over the decade and 37% EBIT CAGR since 2020
- The strengthening of the gross margin is the largest single contributor
- Favorable FX development
- Rapid growth in Net Sales and operational leverage, especially in R&D organizations
EPS CAGR of 29% over last decade

### EPS and dividend 2014-2022, SEK and %

<table>
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<th>Year</th>
<th>EPS (SEK)</th>
<th>Dividend % of EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>1.40</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1.33</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>2.16</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>3.06</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>3.68</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>4.43</td>
<td>0%</td>
</tr>
<tr>
<td>2020</td>
<td>4.79</td>
<td>42%</td>
</tr>
<tr>
<td>2021</td>
<td>7.61</td>
<td>39%</td>
</tr>
<tr>
<td>2022</td>
<td>10.89</td>
<td>37%</td>
</tr>
</tbody>
</table>

### Analysis and conclusions

- EPS 29% CAGR from 2014 to 2022
- Dividend policy was changed in 2020 from ≈50% to a range between 30-50% to increase flexibility for acquisitions
- No dividend in for 2019 due to Covid uncertainty beginning of 2020
Cash conversion ≈75% over time

Analysis and conclusions

- Over time, management believes HMS should be ≈75% in cash conversion given
  - Double-digit organic growth
  - Normal leverage ≈1-1.5x EBITDA
  - Normal NWC of ≈ 10% of Net Sales
- Boosted during 2020-2021 with low growth and component shortage
- Opposite during 2022-2023 with inventory buildup to manage deliveries and high growth

Definition:

- Cash flow from operating activities after Net Working Capital changes divided by EBITDA
HMS is a fairly CAPEX light business

- HMS is in general asset light; CAPEX has been ≈3% of Net Sales during last decade
- Main CAPEX driver is normally larger development projects
- Investments in supply chain capacity and office refurbishment during 2022-2023 driving tangible assets
- Major investments in new ERP-system during 2022-2024
- Expected CAPEX over time ≈3% of sales

Please note that 33 MSEK of the CAPEX in 2023Q2R12 are also included in the 2022 number
Doubled ROCE over the last decade

Return On Capital Employed 2014 – 2023Q2R12, %

Analysis and conclusions

• Comparing recent development to average 2014-2020 ROCE (≈20%) to current ≈ 40%
  
  • About 50% of the improvement comes from increased profitability
  
  • M&A timing effect (2016 → 2017-2018 and 2020 → 2021 → 2022)

Definition:

• Return On Capital Employed: Profit after financial income in relation to the average capital employed.

• Capital Employed: Total assets less non-interest-bearing current liabilities, provisions, and total deferred tax liabilities.
Currently ≈ 3 BSEK room for investments

- Net debt/EBITDA has varied between 0.5-2x
- Currently in principle debt free in terms of interest-bearing debt
- HMS ambition to not be above 2.5x EBITDA in net debt
- Current acquisition capacity is ≈ 2 BSEK in debt financing and ≈ 1 BSEK in equity from AGM mandate
FINANCIALS – SUMMARY
<table>
<thead>
<tr>
<th>Key metric</th>
<th>Development last decade</th>
<th>Drivers of the development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>19%</td>
<td>• Well positioned in an attractive industrial B2B-market</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Somewhat boosted demand from post-covid trade disturbance</td>
</tr>
<tr>
<td></td>
<td>Out of which 13% organic</td>
<td></td>
</tr>
<tr>
<td>Gross margin</td>
<td>≈61% → 64%+</td>
<td>• Supplier consolidation and pricing of tail products</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Combination of economy of scale, FX and well navigated</td>
</tr>
<tr>
<td></td>
<td></td>
<td>through the high inflation period last 18-24 months</td>
</tr>
<tr>
<td>EBIT-margin</td>
<td>≈17% → ≈ 25%</td>
<td>• Above mentioned 3-4pp increase in gross margin</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Operational leverage, primarily in R&amp;D functions</td>
</tr>
<tr>
<td>ROCE</td>
<td>≈20% → ≈ 40%</td>
<td>• 50% of improvement from increased profitability</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• M&amp;A timing does not burden recent years</td>
</tr>
</tbody>
</table>

HMS has performed well in relation to the current financial targets for some time – management and the board believe the timing is right for updated targets.
## Agenda

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<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Presenter/Role Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>09.00-09.30</td>
<td>Introduction and Corporate Strategy</td>
<td>Staffan Dahlström, Chief Executive Officer</td>
</tr>
<tr>
<td>09.30-09.50</td>
<td>Industrial Automation – Control</td>
<td>Bartek Candell, General Manager, Business Unit Anybus</td>
</tr>
<tr>
<td>09.50-10.10</td>
<td>Industrial Automation – Information</td>
<td>Alexander Hess, SVP Information Centric</td>
</tr>
<tr>
<td>10.10-10.30</td>
<td>Building Automation</td>
<td>David Garces, General Manager, Business Unit Intesis</td>
</tr>
<tr>
<td>10.40-11.10</td>
<td>Financial update</td>
<td>Joakim Nideborn, Chief Financial Officer</td>
</tr>
<tr>
<td>11.10-11.20</td>
<td>Strategic targets and summary</td>
<td>Staffan Dahlström, Chief Executive Officer</td>
</tr>
<tr>
<td>11.20-12.00</td>
<td>Q&amp;A</td>
<td></td>
</tr>
</tbody>
</table>
Overview financial targets for 2025

- **Key metric**

  - **+3.14 billion SEK**
  - **25% EBIT margin**
  - Dividend 30-50% of EPS
  - Net Debt/EBITDA < 2.5x
HMS Strategic Targets 2025

**PLANET**

- **Science based targets**
- The **HMS Effect**
  - x3 by 2030

**PEOPLE**

- **+50 Employee NPS**
- **+50 Customer NPS**
- **+30% Female managers** by 2025

**GROWTH**

- **25% EBIT**
- **+3.14 billion SEK** by 2025
HMS is well positioned for future growth

**Summary**

**Recent years – good development**

Continued high demand for HMS products, across all offers, with somewhat boosted demand 2021 and 2022

**Short term – slower growth**

Short term a period of slower market growth driven by customers over ordering during 2021 and 2022

**Mid/Long term – great potential**

A lot of market potential over the mid to long term by leverage existing business, and add new products and services through a mix of organic development and M&A
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