



PRESS RELEASE

Halmstad, April 8, 2021

HMS Networks: Strong growth in the first quarter 2021

As a result of the order intake, net sales and operating profit exceeding market expectations for the first quarter of 2021, HMS Networks today publishes its preliminary result.

The market has continued to develop positively, in line with what was reported for the fourth quarter 2020 and showed a very strong development throughout the first quarter of 2021. Order intake amounts to approximately SEK 560 million, corresponding to a growth of 40%, and net sales amount to approximately SEK 450 million, corresponding to a growth of 25%. Operating profit for the first quarter is expected to reach SEK 110-120 million, an improvement of about 70% compared to the previous year and corresponding to a margin of about 25%.

The strong growth in order intake and sales is driven by a much stronger end-market, where business has returned after 18 months of lower investments and pandemic effects. In addition to a general recovery in the market, HMS Network estimates that growth is also driven by temporary effects consisting of a general inventory build-up in combination with temporarily increased safety stocks at the company's customers. Together, these effects have driven growth at a faster pace than the company's expectations and what has previously been communicated to the market.

Going forward, HMS Networks expects a considerably stronger market compared to the previous year but also emphasize that the first quarter's order intake and sales had elements of positive non-recurring effects that cannot be expected to continue in 2021.

All figures in this press release are preliminary. The final report for the first quarter 2021 will be published as planned on April 23, 2021 at 08:00 CET. HMS Networks will not comment further until the quarterly report has been published.

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This information is such that HMS Networks AB (publ) is required to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication, through the contact persons set out above, at 18:00 CET on April 8, 2021.

HMS Networks AB (publ) is a market-leading provider of solutions in industrial information and communication technology (Industrial ICT). HMS develops and manufactures products under the Anybus®, Ixxat®, Ewon® and Intesis® brands. Development takes place at the headquarter in Halmstad and also in Ravensburg, Nivelles, Igualada, Wetzlar Buchen and Delft. Local sales and support are handled by branch offices in Germany, USA, Japan, China, Singapore, Italy, France, Spain, the Netherlands, India, UK, Sweden, South Korea and UAE, as well as through a worldwide network of distributors and partners. HMS employs over 700 people and reported sales of SEK 1,467 million in 2020. HMS is listed on the NASDAQ OMX in Stockholm, category Mid Cap, Information Technology.