

Interim Report 1 April–31 December 2022

Third quarter (1 October–31 December 2022)

- ❖ Revenue rose by 7 percent to MSEK 1,239 (1,163).
- ❖ EBITA increased by 23 percent to MSEK 103 (84) and the EBITA margin improved to 8.3 percent (7.2).
- ❖ Net profit rose by 10 percent to MSEK 56 (51).

Nine months (1 April–31 December 2022)

- ❖ Revenue rose by 4 percent to MSEK 3,512 (3,370).
- ❖ EBITA increased by 14 percent to MSEK 278 (243) and the EBITA margin improved to 7.9 percent (7.2).
- ❖ Net profit rose by 7 percent to MSEK 160 (149).
- ❖ Earnings per share for the most recent 12-month period increased to SEK 7.90 (7.15) before dilution.
- ❖ Three acquisitions have been carried out, with total annual revenue of approximately MSEK 200.

MSEK	3 months			9 months			Rolling 12 months	
	Oct-Dec 2022	Oct-Dec 2021	Δ %	Apr-Dec 2022	Apr-Dec 2021	Δ %	31 Dec 2022	31 Mar 2022
Revenue	1,239	1,163	7	3,512	3,370	4	4,717	4,575
EBITA	103	84	23	278	243	14	366	331
EBITA margin, percent	8.3	7.2		7.9	7.2		7.8	7.2
Profit after financial items	71	65	9	202	191	6	270	259
Net profit (after taxes)	56	51	10	160	149	7	213	202
Earnings per share before dilution, SEK	2.05	1.90		5.90	5.55		7.90	7.55
Earnings per share after dilution, SEK	2.05	1.85		5.90	5.50		7.90	7.50
P/WC, percent							21	22
Equity/assets ratio, percent							39	36
Number of employees at the end of the period	1,285	1,213	6	1,285	1,213	6	1,285	1,227

Unless otherwise stated, comparisons in brackets pertain to the corresponding period in the preceding year.

CEO's comments

Our strong result trend continues

We are proud to report historically high earnings of MSEK 103 for the third quarter, corresponding to an increase of 23 percent compared with the year-earlier period. The EBITA margin increased to 8.3 percent. All three divisions contributed to the earnings improvement, and it is particularly gratifying that the majority of our 21 profit units recorded improved earnings in the quarter.

Continued favourable demand despite uncertain market

Rising inflation, a weak SEK and uncertainty in the construction and industrial sectors have not yet had any major impact on demand for our products from end customers. However, the company's reseller customers have reduced their buffer inventories. Many of our companies won new important customer contracts during the quarter, which, in time, will strengthen their position in the market. As previously announced, one of our largest companies – Luna Group – was unable to carry out invoicing at the end of the preceding quarter due to an IT attack on its logistics provider. This attack resulted in an estimated earnings loss of MSEK 10 for the second quarter, more than half of which Luna recovered during the third quarter.

Our continued focus on earnings growth remains, which means that we reject certain volume-based transactions where the profitability is too low. This resulted in that the organic revenue declined 3 percent in the quarter, but the earnings and margin strengthened.

Increased cost control and reduced buffer inventories

Initiated cost reductions have begun to have an impact and during the quarter our companies have implemented further cost savings. The Group's like-for-like costs declined during the quarter, even though we were unable to fully compensate for cost increases as a result of inflation and a weaker SEK. Activities have been carried out to reduce the companies' inventory levels, but they remain higher than in the year-earlier period as they continue to be impacted by higher average prices and a weaker SEK. In 2023, the companies will continue to work actively to reduce their inventory levels, which is expected to give positive effect on cash flow from the first quarter of next operating year.

Acquisitions and profitability improvements remains on the agenda

The strength of our decentralised model is that we can quickly adapt our operations to changing market conditions. We have financial muscle, established relationships and the operational capacity to continue to acquire highly profitable, niche companies with strong cash flow and growth opportunities. We remain focused on our ambition to acquire four to six companies during the year. However, we will be selective in our acquisition discussions given the prevailing economic uncertainty. We are also working continuously in all divisions, on a company by company basis, to improve profitability, earnings, margins and cash flow.

Adjusted for the second quarter's extraordinary loss of income in conjunction with the IT attack on Luna Group's logistics supplier, we have increased our earnings for the twelfth quarter in a row. I believe that Bergman & Beving has good potential to continue to improve its earnings and our ambition to reach MSEK 500 in operating profit by the 2025/26 operating year remains firm.

Stockholm, February 2023

Magnus Söderlind
President & CEO

Profit and revenue

Third quarter (October–December 2022)

Revenue rose by 7 percent to MSEK 1,239 (1,163). Revenue decreased by 3 percent organically, mainly as the result of the phasing out of low-margin businesses in the wholesale operations and a reduction of customer inventories. Acquired growth amounted to 7 percent and exchange-rate fluctuations had a positive impact of 3 percent on revenue.

EBITA for the third quarter increased by 23 percent to MSEK 103 (84) and the EBITA margin improved to 8.3 percent (7.2). The strong earnings were mainly a result of acquisitions, operational improvements related to purchasing and the range, an increased share of proprietary products and the phasing out of unprofitable businesses.

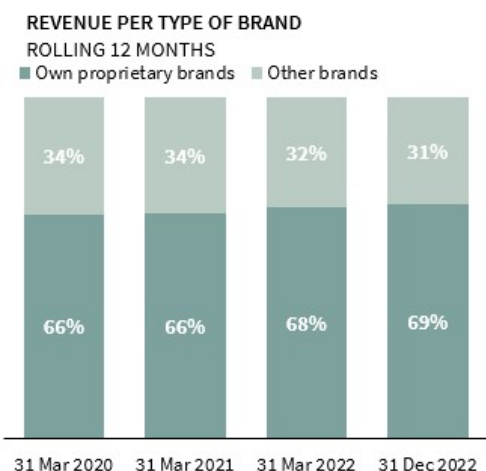
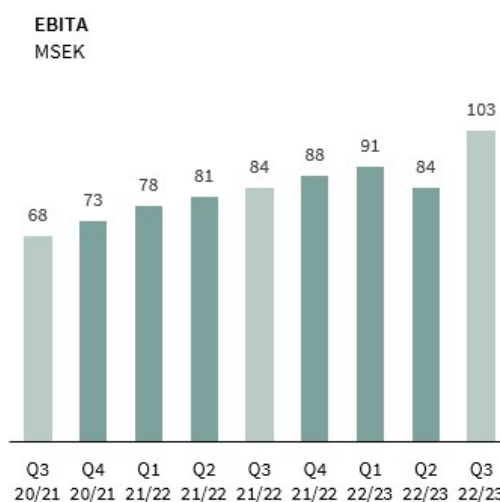
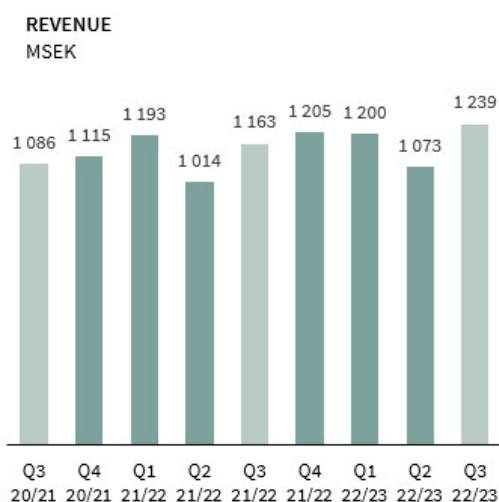
Profit after financial items increased to MSEK 71 (65). Increased interest cost, arrangement costs for new acquisition credit and revaluation of loans in foreign currency affected the financial costs negatively. Net profit rose by 10 percent to MSEK 56 (51).

9 months (April–December 2022)

Revenue rose by 4 percent to MSEK 3,512 (3,370). Revenue decreased by 4 percent organically, while acquired growth amounted to 5 percent. Exchange-rate fluctuations had a positive impact of 3 percent on revenue.

EBITA for the period increased by 14 percent to MSEK 278 (243) and the EBITA margin improved to 7.9 percent (7.2).

Profit after financial items increased to MSEK 202 (191). Net profit rose by 7 percent to MSEK 160 (149) and rolling 12-month earnings per share rose by 10 percent to SEK 7.90 (7.15) before dilution.



Performance by division

MSEK	3 months			9 months			Rolling 12 months	
	Oct-Dec 2022	Oct-Dec 2021	Δ %	Apr-Dec 2022	Apr-Dec 2021	Δ %	31 Dec 2022	31 Mar 2022
Revenue								
Building Materials	298	277	8	997	940	6	1,397	1,340
Workplace Safety	442	452	-2	1,231	1,231	0	1,633	1,633
Tools & Consumables	509	444	15	1,314	1,228	7	1,727	1,641
Group-wide/eliminations	-10	-10		-30	-29		-40	-39
Total revenue	1,239	1,163	7	3,512	3,370	4	4,717	4,575
EBITA								
Building Materials	11	10	10	74	65	14	103	94
Workplace Safety	49	43	14	123	108	14	160	145
Tools & Consumables	45	33	36	86	78	10	111	103
Group-wide/eliminations	-2	-2		-5	-8		-8	-11
Total EBITA	103	84	23	278	243	14	366	331
EBITA margin, percent								
Building Materials	3.7	3.6		7.4	6.9		7.4	7.0
Workplace Safety	11.1	9.5		10.0	8.8		9.8	8.9
Tools & Consumables	8.8	7.4		6.5	6.4		6.4	6.3
Total EBITA margin	8.3	7.2		7.9	7.2		7.8	7.2

Performance third quarter per division

Building Materials

Building Materials' revenue increased by 8 percent to MSEK 298 (277) and EBITA increased by 10 percent to MSEK 11 (10). The EBITA margin increased 3.7 percent (3.6).

Demand from construction customers remained stable with strong demand in Sweden and Norway, where ESSVE continued to increase its market share through a new major customer agreement in Sweden. Demand was weaker among customers in Finland and within Prefab as well as in the bricklaying and tiling segments. Companies within fire safety performed strongly in the quarter with approximately 50 percent growth and a healthy order book ahead of the fourth quarter.

Workplace Safety

Workplace Safety's revenue amounted to MSEK 442 (452) and EBITA rose by 14 percent to MSEK 49 (43). The EBITA margin increased to 11.1 percent (9.5).

Demand for personal protective equipment remained stable but revenue was negatively impacted by customer reductions of buffer inventories and somewhat lower year-on-year winter sales. The division continued to increase its market share at the same time as low-margin transactions were phased out, primarily within Skydda, which had a negative impact on revenue but a positive impact on profitability. Guide and Arbesko strengthened their market positions

through new agreements. We recorded strong growth during the quarter within fall protection and safety signs.

Tools & Consumables

Tools & Consumables' revenue increased by 15 percent to MSEK 509 (444) and EBITA rose by 36 percent to MSEK 45 (33). The EBITA margin increased to 8.8 percent (7.4).

Demand from industry customers was stable but customer reductions of inventory levels negatively impacted revenue. Most companies within the division continued to increase their earnings.

Luna continued its efforts to replace unprofitable volume products with products with higher added value. This negatively impacted revenue but positively impacted profitability. During the quarter, Luna recovered just over half of the revenue and slightly more than MSEK 5 of the earnings lost in conjunction with the IT attack on Luna's logistics provider, which negatively impacted the second quarter.

As expected, acquired units made positive contributions.

Group-wide expenses and eliminations

Group-wide expenses and eliminations for the third quarter amounted to MSEK 2 (2). The Parent Company's revenue amounted to MSEK 28 (26) and profit after financial items to MSEK 25 (20) for the April to December period.

Employees

At the end of the period, the number of employees in the Group totalled 1,285, compared with 1,227 at the beginning of the financial year. During the April to December period, 74 employees were gained via acquisitions.

Corporate acquisitions

On 1 April, Tools & Consumables acquired all of the shares in the Finnish company Retco Oy. Retco is one of Finland's leading players in mechanised and automated welding technology for general industry and has annual revenue of approximately MSEK 52.

On 1 June, Workplace Safety acquired all of the shares in Fallskyddspecialisterna i Heby AB. The company is a niche player in fall protection solutions specialising in inspections, installation, rental, and sales of products. The company generates annual revenue of approximately MSEK 23 and is part of Cresto Group.

On 15 August, Tools & Consumables acquired 80 percent of the shares in Polartherm Group Oy and its subsidiaries. Polartherm is a leading player within powerful, mobile heaters for certain niches within industry, construction, defence and aviation and has an annual revenue of approximately MSEK 127.

Bergman & Beving normally uses an acquisition model with a base consideration and a contingent consideration. The outcome of the contingent consideration depends on the future earnings of the acquired company.

Preliminary purchase price allocations for the acquisitions over the past 12 months:

Fair value of acquired assets and liabilities	MSEK
Customer relations, etc.	111
Other non-current assets	12
Other assets	135
Deferred tax liability, net	23
Current liabilities	31
Acquired net assets	204
Goodwill	88
Non-controlling interest	-19
Purchase considerations	273
Less: Purchase considerations, unpaid	-56
Less: Cash and cash equivalents in acquired companies	-35
Net change in cash and cash equivalents	-182

The unpaid purchase considerations of MSEK 56 are contingent and are estimated to amount to a maximum of MSEK 56. The contingent considerations will fall due within two years.

Acquisition analyses older than 12 months are considered finalised.

Acquisition	Closing	Rev. MSEK*	No. of empl.*	Division
B Safe, Norway	Feb 2022	24	6	Workplace Safety
Retco, Finland	Apr 2022	52	9	Tools & Consumables
Fallskyddspec., Sweden	Jun 2022	23	8	Workplace Safety
Polartherm, Finland	Aug 2022	127	57	Tools & Consumables

* Refers to the situation assessed on a full-year basis on the date of acquisition.

Acquisition-related transaction costs for the year's acquisitions, which are recognised in other operating expenses in the income statement, amounted to MSEK 3 (0).

Considerations of MSEK 2 pertaining to previous years' acquisitions were paid during the first nine months. Remeasurement of contingent considerations had a positive effect of MSEK 7 (2) on the operating year, and MSEK 2 (2) on the quarter. The effect on earnings is recognised in Other operating income.

Profitability, cash flow and financial position

Profitability, measured as the return on working capital (P/WC), amounted to 21 percent (22). The return on equity was 11 percent (11).

Cash flow from operating activities for the first nine months totalled MSEK 188 (261). Working capital increased by MSEK 108 during the same period, mainly due to increased buffer inventories.

Cash flow was charged with net investments in non-current assets of MSEK 39 (40) and MSEK 144 (97) pertaining to acquisitions. Investments in non-current assets consist primarily of product development and production-related equipment.

The Group's operational net loan liability at the end of the period amounted to MSEK 1,083 (765), excluding expensed pension obligations of MSEK 470 (687) and lease liabilities according to IFRS 16 of MSEK 320 (372). Cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 955 (745). An extended acquisition credit of MSEK 500 was raised during the period.

The equity/assets ratio was 39 percent (35). Equity per share increased to SEK 82.30, compared with SEK 72.85 at the beginning of the year.

The Swedish tax rate, which is also the Parent Company's tax rate, was 20.6 percent. The Group's weighted average tax rate, with its current geographic mix, was approximately 21 percent.

Share structure and repurchase of shares

At the end of the period, share capital totalled MSEK 56.9 and was distributed by class of share as follows:

SHARE STRUCTURE

Class of share	No. of shares	No. of votes	% of capital	% of votes
Class A shares, 10 votes per share	1,062,436	10,624,360	3.9	28.7
Class B shares, 1 vote per share	26,373,980	26,373,980	96.1	71.3
Total number of shares before repurchasing	27,436,416	36,998,340	100.0	100.0
Of which, repurchased Class B shares	-868,677		3.2	2.3
Total number of shares after repurchasing	26,567,739			

The share price on 31 December 2022 was SEK 111.20. The average number of treasury shares was 879,844 during the period and 868,677 at the end of the period. The average purchase price for the repurchased shares was SEK 87.88 per share.

CALL OPTION PROGRAMMES

Outstanding programmes	No. of options	Corresponding no. of shares	% of total shares	Redemption price	Redemption period
Call option programme 2019/2023	270,000	270,000	1.0%	107.50	12 Sep 2022-9 Jun 2023
Call option programme 2020/2024	244,000	244,000	0.9%	99.50	11 Sep 2023-7 Jun 2024
Call option programme 2021/2025	178,000	178,000	0.6%	197.30	16 Sep 2024-12 Jun 2025
Call option programme 2022/2026	210,000	210,000	0.8%	106.10	9 Sep 2025-5 Jun 2026

Call options issued for repurchased shares resulted in an insignificant dilution effect.

Events after the end of the period

No significant changes occurred after the end of the quarter.

Election Committee for the election of the Board of Directors

In accordance with a resolution passed at the Annual General Meeting held in August 2022, the four largest shareholders in terms of votes as of 31 December 2022 have been contacted and asked to appoint members who, together with the Chairman of the Board, will form the Election Committee.

Accordingly, the Election Committee comprises Chairman of the Board Jörgen Wigh, Anders Börjesson, Henrik Hedelius, Johan Lannebo (representing Lannebo Fonder) and Caroline Sjösten (representing Swedbank Robur Fonder).

Contact information for the Election Committee is available on Bergman & Beving's website.

Stockholm, 3 February 2023

Magnus Söderlind
President & CEO

This report has not been subject to special review by the Company's auditors.

Other information

Publication

This information is information that Bergman & Beving AB (publ) 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 below, at 7:45 a.m. CET on 3 February 2023.

Dates for forthcoming financial information

- ❖ **Financial Report 1 April 2022–31 March 2023** will be published on 12 May 2023.
- ❖ **Interim Report 1 April–30 June 2023** will be published on 14 July 2023.
- ❖ **The 2023 Annual General Meeting** will be held on 24 August 2023 at 4:00 p.m. CEST at IVA Conference Centre, Grev Turegatan 16, Stockholm.
- ❖ **The 2022/2023 Annual Report** will be published on Bergman & Beving's website in July.

Contact information

Magnus Söderlind, President and CEO, Tel: +46 10 454 77 00
Peter Schön, CFO, Tel: +46 70 339 89 99

Visit www.bergmanbeving.com to download reports, presentations and press releases.

Reporting by quarter

MSEK	2022/2023				2021/2022				2020/2021		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue											
Building Materials	298	310	389	400	277	288	375	364	261	295	349
Workplace Safety	442	378	411	402	452	351	428	383	418	356	432
Tools & Consumables	509	395	410	413	444	385	399	377	420	371	327
Group-wide/eliminations	-10	-10	-10	-10	-10	-10	-9	-9	-13	-9	-11
Total revenue	1,239	1,073	1,200	1,205	1,163	1,014	1,193	1,115	1,086	1,013	1,097
EBITA											
Building Materials	11	26	37	29	10	21	34	25	6	21	33
Workplace Safety	49	35	39	37	43	29	36	30	41	26	40
Tools & Consumables	45	24	17	25	33	31	14	21	23	20	-7
Group-wide/eliminations	-2	-1	-2	-3	-2	0	-6	-3	-2	-1	-2
Total EBITA	103	84	91	88	84	81	78	73	68	66	64
EBITA margin, percent											
Building Materials	3.7	8.4	9.5	7.3	3.6	7.3	9.1	6.9	2.3	7.1	9.5
Workplace Safety	11.1	9.3	9.5	9.2	9.5	8.3	8.4	7.8	9.8	7.3	9.3
Tools & Consumables	8.8	6.1	4.1	6.1	7.4	8.1	3.5	5.6	5.5	5.4	-2.1
Total EBITA margin	8.3	7.8	7.6	7.3	7.2	8.0	6.5	6.5	6.3	6.5	5.8

Group summary

CONSOLIDATED INCOME STATEMENT	3 months		9 months		Rolling 12 months	
	Oct–Dec 2022	Oct–Dec 2021	Apr–Dec 2022	Apr–Dec 2021	31 Dec 2022	31 Mar 2022
MSEK						
Revenue	1,239	1,163	3,512	3,370	4,717	4,575
Other operating income	4	5	11	6	16	11
Total operating income	1,243	1,168	3,523	3,376	4,733	4,586
Cost of goods sold	–683	–659	–1,937	–1,934	–2,628	–2,625
Personnel costs	–247	–225	–696	–636	–915	–855
Depreciation, amortisation and impairment losses	–58	–51	–170	–150	–225	–205
Other operating expenses	–164	–158	–473	–438	–638	–603
Total operating expenses	–1,152	–1,093	–3,276	–3,158	–4,406	–4,288
Operating profit	91	75	247	218	327	298
Financial income and expenses	–20	–10	–45	–27	–57	–39
Profit after financial items	71	65	202	191	270	259
Taxes	–15	–14	–42	–42	–57	–57
Net profit	56	51	160	149	213	202
Of which, attributable to Parent Company shareholders	55	50	157	147	210	200
Of which, attributable to non-controlling interest	1	1	3	2	3	2
EBITA	103	84	278	243	366	331
Earnings per share before dilution, SEK	2.05	1.90	5.90	5.55	7.90	7.55
Earnings per share after dilution, SEK	2.05	1.85	5.90	5.50	7.90	7.50
Number of shares outstanding before dilution, '000	26,568	26,523	26,568	26,523	26,568	26,523
Weighted number of shares before dilution, '000	26,568	26,521	26,557	26,512	26,548	26,515
Weighted number of shares after dilution, '000	26,568	26,712	26,569	26,702	26,598	26,690

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3 months		9 months		Rolling 12 months	
	Oct–Dec 2022	Oct–Dec 2021	Apr–Dec 2022	Apr–Dec 2021	31 Dec 2022	31 Mar 2022
MSEK						
Net profit	56	51	160	149	213	202
Remeasurement of defined-benefit pension plans	–19	0	138	0	219	81
Tax attributable to components that will not be reclassified	4	0	–28	0	–45	–17
Components that will not be reclassified to net profit	–15	0	110	0	174	64
Translation differences	12	13	45	9	66	30
Fair value changes for the year in cash-flow hedges	5	–3	1	1	0	0
Tax attributable to components that will be reclassified	–1	1	0	0	0	0
Components that will be reclassified to net profit	16	11	46	10	66	30
Other comprehensive income	1	11	156	10	240	94
Total comprehensive income for the period	57	62	316	159	453	296
Of which, attributable to Parent Company shareholders	56	61	312	157	449	294
Of which, attributable to non-controlling interest	1	1	4	2	4	2

CONSOLIDATED BALANCE SHEET

MSEK	31 Dec 2022	31 Dec 2021	31 Mar 2022
Assets			
Goodwill	1,742	1,642	1,667
Other intangible non-current assets	534	462	468
Tangible non-current assets	134	115	126
Right-of-use assets	312	364	359
Financial non-current assets	5	5	5
Deferred tax assets	77	95	66
Inventories	1,438	1,268	1,233
Accounts receivable	872	819	1,042
Other current receivables	222	175	147
Cash and cash equivalents	196	152	182
Total assets	5,532	5,097	5,295
Equity and liabilities			
Equity attributable to Parent Company shareholders	2,143	1,778	1,915
Non-controlling interest	42	16	17
Non-current interest-bearing liabilities	1,226	923	1,030
Provisions for pensions	470	687	608
Other non-current liabilities and provisions	243	140	137
Current interest-bearing liabilities	373	366	407
Accounts payable	460	594	584
Other current liabilities	575	593	597
Total equity and liabilities	5,532	5,097	5,295
Operational net loan liability	1,083	765	889

CONSOLIDATED STATEMENT OF EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS

MSEK	31 Dec 2022	31 Dec 2021	31 Mar 2022
Opening equity	1,915	1,701	1,701
Dividend	-90	-80	-80
Exercise and purchase of options for repurchased shares	6	0	0
Total comprehensive income for the period	312	157	294
Closing equity	2,143	1,778	1,915

CONSOLIDATED CASH-FLOW STATEMENT	3 months		9 months		Rolling 12 months	
	Oct–Dec 2022	Oct–Dec 2021	Apr–Dec 2022	Apr–Dec 2021	31 Dec 2022	31 Mar 2022
MSEK						
Operating activities before changes in working capital	98	103	296	298	402	404
Changes in working capital	-39	7	-108	-37	-250	-179
Cash flow from operating activities	59	110	188	261	152	225
Investments in intangible and tangible assets	-17	-18	-40	-40	-51	-51
Proceeds from sale of intangible and tangible assets	0	0	1	0	1	0
Corporate acquisitions	10	-17	-144	-97	-184	-137
Cash flow before financing	52	75	5	124	-82	37
Financing activities	-3	-84	0	-113	114	1
Cash flow for the period	49	-9	5	11	32	38
Cash and cash equivalents at the beginning of the period	142	160	182	139	152	139
Cash flow for the period	49	-9	5	11	32	38
Exchange-rate differences in cash and cash equivalents	5	1	9	2	12	5
Cash and cash equivalents at the end of the period	196	152	196	152	196	182

Compilation of key financial ratios

KEY FINANCIAL RATIOS	Rolling 12 months		
MSEK	31 Dec 2022	31 Dec 2021	31 Mar 2022
Revenue	4,717	4,485	4,575
EBITA	366	316	331
EBITA margin, percent	7.8	7.0	7.2
Operating profit	327	285	298
Operating margin, percent	6.9	6.4	6.5
Profit after financial items	270	246	259
Net profit	213	192	202
Profit margin, percent	5.7	5.5	5.7
Return on working capital (P/WC), percent	21	22	22
Return on capital employed, percent	8	8	8
Return on equity, percent	11	11	11
Operational net loan liability (closing balance)	1,083	765	889
Operational net debt/equity ratio	0.5	0.4	0.5
Equity (closing balance)	2,185	1,794	1,932
Equity/assets ratio, percent	39	35	36
Number of employees at the end of the period	1,285	1,213	1,227
Key per-share data			
Earnings before dilution, SEK	7.90	7.15	7.55
Earnings after dilution, SEK	7.90	7.10	7.50
Cash flow from operating activities, SEK	5.75	8.90	8.50
Equity, SEK	82.30	67.70	72.85
Share price, SEK	111.20	150.80	141.40

Parent company summary

INCOME STATEMENT	3 months		9 months		Rolling 12 months	
	Oct-Dec 2022	Oct-Dec 2021	Apr-Dec 2022	Apr-Dec 2021	31 Dec 2022	31 Mar 2022
MSEK						
Revenue	9	8	28	26	37	35
Total operating income	9	8	28	26	37	35
Operating expenses	-12	-12	-37	-40	-52	-55
Operating loss	-3	-4	-9	-14	-15	-20
Financial income and expenses	10	12	34	34	42	42
Profit after financial items	7	8	25	20	27	22
Appropriations	-	-	-	-	24	24
Profit before taxes	7	8	25	20	51	46
Taxes	-1	-2	-5	-5	-2	-2
Net profit	6	6	20	15	49	44

STATEMENT OF COMPREHENSIVE INCOME	3 months		9 months		Rolling 12 months	
	Oct-Dec 2022	Oct-Dec 2021	Apr-Dec 2022	Apr-Dec 2021	31 Dec 2022	31 Mar 2022
MSEK						
Net profit	6	6	20	15	49	44
Fair value changes for the year in cash-flow hedges	5	-3	1	1	0	0
Taxes attributable to other comprehensive income	-1	1	0	0	0	0
Components that will be reclassified to net profit	4	-2	1	1	0	0
Other comprehensive income	4	-2	1	1	0	0
Total comprehensive income for the period	10	4	21	16	49	44

BALANCE SHEET			
	31 Dec 2022	31 Dec 2021	31 Mar 2022
MSEK			
Assets			
Intangible non-current assets	-	0	0
Tangible non-current assets	2	2	2
Financial non-current assets	2,450	2,529	2,540
Current receivables	904	632	840
Cash and cash equivalents	1	0	1
Total assets	3,357	3,163	3,383
Equity, provisions and liabilities			
Equity	1,116	1,151	1,179
Untaxed reserves	49	46	49
Provisions	39	36	40
Non-current liabilities	1,166	660	780
Current liabilities	987	1,270	1,335
Total equity, provisions and liabilities	3,357	3,163	3,383

Notes

1. Accounting policies

This Interim Report was prepared in accordance with IFRS and by applying IAS 34, Interim Financial Reporting, the Swedish Annual Accounts Act and the Swedish Securities Market Act. The Interim Report for the Parent Company was prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, which conforms to the provisions detailed in RFR 2 Accounting for Legal Entities.

The same accounting policies and bases of judgement have been applied in this Interim Report as in the Annual Report for 2021/2022. Disclosures are provided in the financial statements and accompanying notes as well as other sections of the interim report.

New or amended accounting standards which take effect in 2022 or later

A number of new and amended IFRS have not yet come into effect and have not been applied in advance in the preparation of this financial statement. The amended IFRS to be applied in the future are not expected to have any material impact on the Group's financial statements.

2. Revenue per geographic area

The Group primarily conducts operations in Sweden, Norway and Finland and revenue presented for the geographic markets is based on the domicile of the customers.

MSEK	3 months		9 months		Rolling 12 months	
	Oct-Dec 2022	Oct-Dec 2021	Apr-Dec 2022	Apr-Dec 2021	31 Dec 2022	31 Mar 2022
Sweden	449	473	1,298	1,358	1,748	1,808
Norway	304	289	890	868	1,256	1,234
Finland	133	104	366	304	476	414
Other countries	353	297	958	840	1,237	1,119
Revenue	1,239	1,163	3,512	3,370	4,717	4,575

3. Leases

Leases under IFRS 16 have the following effect on the consolidated balance sheet or income statement.

MSEK	31 Dec 2022	31 Dec 2021	31 Mar 2022
Right-of-use assets	312	364	359
Non-current lease liabilities	201	255	243
Current lease liabilities	119	117	123

MSEK	3 months		9 months		Rolling 12 months	
	Oct-Dec 2022	Oct-Dec 2021	Apr-Dec 2022	Apr-Dec 2021	31 Dec 2022	31 Mar 2022
Depreciation of right-of-use assets	-34	-30	-100	-89	-134	-123
Interest on lease liabilities	-2	-2	-6	-6	-8	-8

IFRS 16 will not affect operational follow-up or follow-up of earnings from the divisions.

4. Risks and uncertainties

The uncertainty in the geopolitical situation, the general economic situation and the inflation trend has increased but has had a marginal impact on the Group to date. Following the IT attack on Luna's logistics provider in the second quarter, a further review of Bergman & Beving's own IT security was carried out, and the Group's security is considered adequate. Otherwise, no significant changes occurred during the financial year with respect to risks and uncertainties, for either the Group or the Parent Company. For information about these risks and uncertainties, refer to pages 58–61 of Bergman & Beving's Annual Report for 2021/2022.

5. Transactions with related parties

No transactions having a material impact on the Group's position or earnings occurred between Bergman & Beving and its related parties during the financial year.

6. Alternative performance measures

Bergman & Beving uses certain financial performance measures in its analysis of the operations and their performance that are not calculated in accordance with IFRS. The Company believes that these performance measures provide valuable information for investors, since they enable a more accurate assessment of current trends when combined with other key financial ratios calculated in accordance with IFRS. Since listed companies do not always calculate these performance measures ratios in the same way, there is no guarantee that the information is comparable with other companies' performance measures of the same name.

Change in revenue

Comparable units refer to sales in local currency from units that were part of the Group during the current period and the entire corresponding period in the preceding year.

Percentage change in revenue for:	3 months		9 months	
	Oct–Dec 2022	Oct–Dec 2021	Apr–Dec 2022	Apr–Dec 2021
Comparable units in local currency	-3	0	-4	0
Currency effects	3	2	3	1
Acquisitions/divestments	7	5	5	4
Total – change	7	7	4	5

EBITA

Operating profit for the period before impairment of goodwill and amortisation and impairment of other intangible assets in connection with corporate acquisitions and equivalent transactions.

MSEK	3 months		9 months		Rolling 12 months	
	Oct–Dec 2022	Oct–Dec 2021	Apr–Dec 2022	Apr–Dec 2021	31 Dec 2022	31 Mar 2022
EBITA	103	84	278	243	366	331
Depreciation and amortisation in connection with acquisitions	-12	-9	-31	-25	-39	-33
Operating profit	91	75	247	218	327	298

Return on working capital (P/WC)

Bergman & Beving's profitability target is for each unit in the Group to achieve profitability of at least 45 percent, measured as EBITA (P) for the rolling 12-month period as a percentage of average 12 months' working capital (WC), defined as inventories plus accounts receivable less accounts payable.

MSEK	Rolling 12 months		
	31 Dec 2022	31 Dec 2021	31 Mar 2022
EBITA (P)	366	316	331
Average working capital (WC)			
Inventories	1,371	1,163	1,203
Accounts receivable	906	833	869
Accounts payable	-544	-554	-562
Total – average WC	1,733	1,442	1,510
P/WC, percent	21	22	22

7. Other definitions

Return on equity

Net profit for the rolling 12-month period divided by average equity.

Return on capital employed

Profit after financial items plus financial expenses for the rolling 12-month period divided by the average balance-sheet total less non-interest-bearing liabilities.

EBITA margin

EBITA for the period as a percentage of revenue.

Equity per share

Equity divided by the weighted number of shares at the end of the period.

Cash flow per share

Cash flow for the rolling 12-month period from operating activities divided by the weighted number of shares.

Operational net loan liability

Interest-bearing liabilities excluding lease liabilities and provisions for pensions less cash and cash equivalents.

Operational net debt/equity ratio

Operational net loan liability divided by equity.

Earnings per share

Net profit attributable to the Parent Company shareholders divided by the weighted number of shares.

Operating margin

Operating profit for the period as a percentage of revenue.

Equity/assets ratio

Equity as a percentage of the balance-sheet total.

Profit margin

Net profit after financial items as a percentage of revenue.

Weighted number of shares

Average number of shares outstanding before or after dilution. Shares held by Bergman & Beving are not included in the number of shares outstanding. Dilution effects arise due to call options that can be settled using shares in share-based incentive programmes. The call options have a dilution effect when the average share price during the period is higher than the redemption price of the call options.



Bergman & Beving in brief

- ❖ Bergman & Beving’s vision is to be a leading niche supplier of productive, safe and sustainable solutions to companies.
- ❖ Our strategy is to attract, acquire and, over the long term, develop leading companies in expansive niches that deliver productive, safe and sustainable solutions to the industrial and construction sectors. When building companies, we draw on over 100 years of experience in acquisitions and developing sustainable, profitable companies.
- ❖ Our decentralised governance model means that we strive for leading positions through organic growth and add-on acquisitions in existing niches and through acquisitions in new niches.
- ❖ Through our products, we are represented in over 4,000 sales outlets in more than 25 countries.
- ❖ Our primary market is the Nordic region, which accounts for approximately 80 percent of revenue, and our proprietary products account for 70 percent of our revenue.
- ❖ We aim to be a sustainable company where we actively work to limit the effect of our operations on the environment and simultaneously create long-term value for society and shareholders.
- ❖ The subsidiaries in the Group are operated with decentralised business responsibility, with a focus on simplicity, responsibility and freedom, efficiency, openness and a willingness to change. Each company conducts its operations under its own responsibility with a large degree of freedom, and we rely on our decentralised governance model, where each company develops its own strategies and goals.

Our companies

Building Materials	Workplace Safety	Tools & Consumables
 	 	  
 	 	 
 	 	 
		 