

## Interim Report 1 April–30 June 2020

### First quarter (1 April–30 June 2020)

- Revenue increased by 7 percent to MSEK 1,097 (1,024).
- EBITA increased by 5 percent to MSEK 64 (61).
- Net profit amounted to MSEK 40 (38).
- Earnings per share amounted to SEK 1.50 (1.40).
- Cash flow from operating activities amounted to MSEK 133 (81).
- The Board proposes a dividend of SEK 1.50 per share (3.00).
- The COVID-19 pandemic had a variety of effects on operations during the first quarter. Sales of personal protective equipment increased. Construction-related sales improved while industry-related sales were affected negatively, though with some recovery toward the end of the quarter. It is still difficult to determine how significant the impact will be and how long the effects will linger.

MSEK	3 months		Δ %	R12 months	Full-year
	Apr–Jun 2020	Apr–Jun 2019		Jul 2019– Jun 2020	2019/2020
Revenue	1,097	1,024	7	4,133	4,060
EBITA	64	61	5	211	208
EBITA margin, percent	5.8	6.0		5.1	5.1
Profit after financial items	50	49	2	156	155
Net profit (after taxes)	40	38	5	118	116
Earnings per share before dilution, SEK	1.50	1.40	7	4.40	4.30
Earnings per share after dilution, SEK	1.50	1.40	7	4.40	4.30
P/WC, percent				16	16
Equity/assets ratio, percent				35	35
Number of employees at the end of the period	1,066	1,088	-2	1,066	1,083

### CEO's comments

Bergman & Beving began the year with an overall positive trend. Revenue increased by 7 percent, or 3 percent after adjustments for acquisitions and currency effects. Operating profit (EBITA) increased by 5 percent to MSEK 64 and the business delivered a strong cash flow. The increased sales volumes in combination with implemented efficiency measures in the operations contributed to the positive outcome. I am very pleased that earnings increased in the Building Materials and Workplace Safety divisions, and that they improved their margins significantly.

Demand from industrial customers was negatively affected by the lockdowns and capacity reductions related to the pandemic, while demand from construction customers was healthy during the period. Demand for personal protective equipment remained at a high level.

Restructuring measures completed in the operations had a positive effect and we have been implementing adaptive measures on a continuous basis in the companies to address the uncertainty in the market and the fluctuating demand as a result of the pandemic. We continued to work purposefully to improve profitability and efficiency in a more decentralised structure. Our long-term focus on investments in sales and marketing of our strong products and brands continued and our ambition is to advance our positions, even in the current business climate.

Acquisitions remain an important part of our strategy for growth and the newly acquired companies contributed to the positive growth during the quarter. We intend to complete more value-generating acquisitions going forward.

Stockholm, July 2020

Pontus Boman  
President & CEO

## Profit and revenue

### First quarter (April–June 2020)

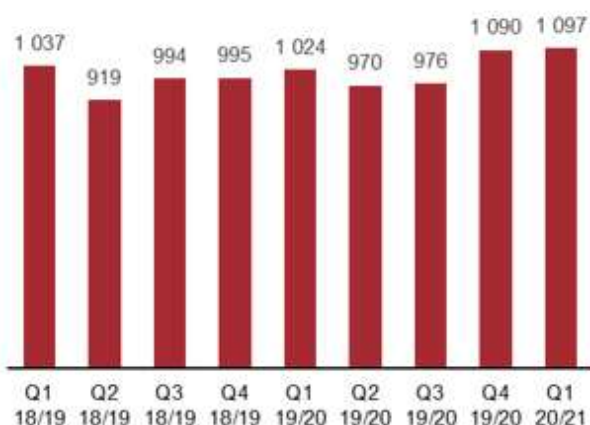
Revenue rose by 7 percent to MSEK 1,097 (1,024). For comparable units, revenue increased by 3 percent in local currency and acquisitions increased revenue by 7 percent. Exchange-rate fluctuations had a negative impact of 3 percent on revenue.

Demand from construction customers was strong, while industrial customers were negatively affected by the pandemic, with some recovery noted during the end of the quarter. At the same time, demand for personal protective equipment from the authorities as well as other customers was strong. Sales to new customers increased and costs for implementing new customer agreements had a negative short-term effect on the gross margin. Investments in product development and broadening the customer portfolio continued.

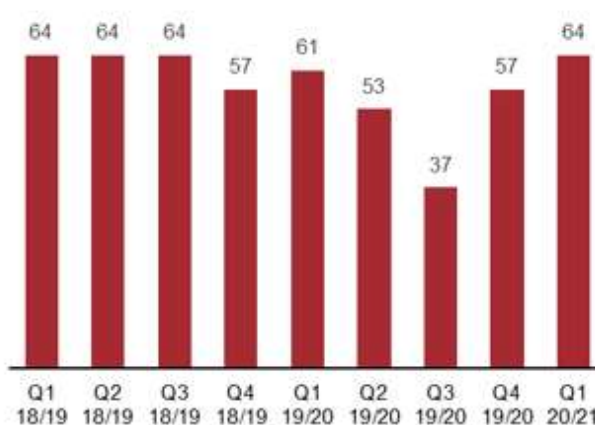
EBITA for the first quarter amounted to MSEK 64 (61), corresponding to an EBITA margin of 5.8 percent (6.0).

Profit after financial items amounted to MSEK 50 (49). Net profit totalled MSEK 40 (38), corresponding to earnings per share of SEK 1.50 (1.40).

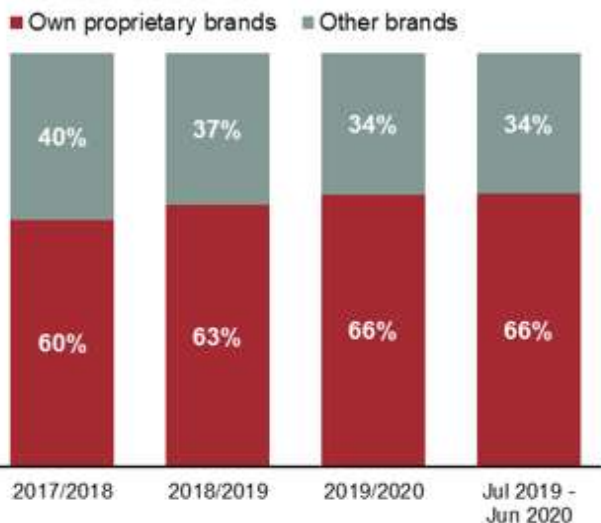
**REVENUE**  
MSEK



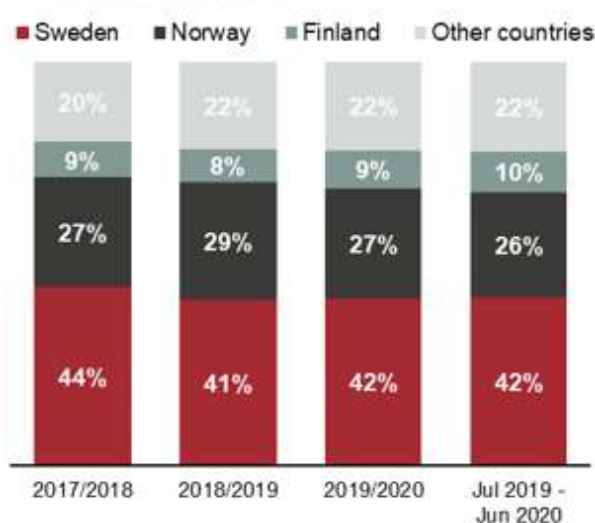
**EBITA**  
MSEK



**REVENUE PER TYPE OF BRAND**  
ROLLING 12 MONTHS



**REVENUE PER COUNTRY**  
ROLLING 12 MONTHS



## Performance by division

MSEK	3 months			R12 months	Full-year
	Apr–Jun 2020	Apr–Jun 2019	Δ %	Jul 2019– Jun 2020	2019/2020
<b>Revenue</b>					
Building Materials	349	300	16	1,192	1,143
Workplace Safety	432	343	26	1,490	1,401
Tools & Consumables	327	393	-17	1,499	1,565
Group-wide/eliminations	-11	-12		-48	-49
<b>Total revenue</b>	<b>1,097</b>	<b>1,024</b>	<b>7</b>	<b>4,133</b>	<b>4,060</b>
<b>EBITA</b>					
Building Materials	33	23	43	63	53
Workplace Safety	40	29	38	106	95
Tools & Consumables	-7	12	-158	54	73
Group-wide/eliminations	-2	-3		-12	-13
<b>Total EBITA</b>	<b>64</b>	<b>61</b>	<b>5</b>	<b>211</b>	<b>208</b>
<b>EBITA margin, percent</b>					
Building Materials	9.5	7.7		5.3	4.6
Workplace Safety	9.3	8.5		7.1	6.8
Tools & Consumables	-2.1	3.1		3.6	4.7
<b>Total EBITA margin</b>	<b>5.8</b>	<b>6.0</b>		<b>5.1</b>	<b>5.1</b>

### Building Materials

Building Materials' revenue increased by 16 percent to MSEK 349 (300) and EBITA increased by 43 percent to MSEK 33 (23).

The construction season remained strong and demand in Sweden and Norway was higher than in the preceding year. Demand from industrial customers was considerably lower due to the COVID-19 pandemic, but it recovered somewhat during the end of the quarter. Sales volumes in combination with efficiency improvements in operations contributed to strengthening the earnings. ESSVE accounted for the largest improvement.

### Workplace Safety

Workplace Safety's revenue increased by 26 percent to MSEK 432 (343) and EBITA increased by 38 percent to MSEK 40 (29).

Demand for personal protective equipment was healthy during the quarter. Skydda, Guide and Zekler continued to assist the authorities with both purchasing and deliveries of personal protective equipment to best meet needs in society, which had a somewhat negative impact on the gross margin. Completed efficiency improvements in operations yielded the expected results. The newly acquired companies contributed to the positive growth during the quarter.

### Tools & Consumables

Tools & Consumables' revenue declined by 17 percent to MSEK 327 (393) and EBITA amounted to MSEK -7 (12).

Demand from industrial customers was considerably lower due to the COVID-19 pandemic. It recovered toward the end of the quarter but remained at a low level. Additional efficiency measures were taken at the subsidiary Luna to adapt operations to the current market.

Costs for implementing new customer agreements had a negative short-term effect on the gross margin.

### Group-wide and eliminations

Group-wide expenses and eliminations for the first quarter amounted to MSEK -2 (-3).

The Parent Company's revenue for the quarter amounted to MSEK 8 (8) and profit after financial items to MSEK 5 (7).

## Employees

At the end of the period, the number of employees in the Group totalled 1,066, compared with 1,083 at the beginning of the financial year.

## Corporate acquisitions

No acquisitions were completed during the first quarter.

Unregulated contingent additional purchase considerations for previous acquisitions are recognised as a liability in the amount of MSEK 45. These considerations are expected to total a maximum of MSEK 55. Contingent considerations of MSEK 4 pertaining to previous years' acquisitions were paid during the period.

## Profitability, cash flow and financial position

Profitability, measured as the return on working capital (P/WC), amounted to 16 percent (22). The return on equity was 7 percent (10).

Cash flow from operating activities for the quarter amounted to MSEK 133 (81). Working capital decreased during the quarter by MSEK 27.

The Group's inventories decreased by MSEK 59 and operating receivables decreased by MSEK 1, while operating liabilities decreased by MSEK 33.

Cash flow for the quarter was charged with net investments in non-current assets in the amount of MSEK 18 (25) and MSEK 4 (108) pertaining to the acquisition of businesses.

The Group's operational net loan liability at the end of the period amounted to MSEK 631 (436), excluding pension obligations of MSEK 727 (686) and lease liabilities according to IFRS 16 of MSEK 433 (467). Cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 869 (364).

The equity/assets ratio was 35 percent (38).

Equity per share amounted to SEK 60.70, compared with SEK 61.10 at the beginning of the year. Equity per share after dilution totalled SEK 60.70, compared with SEK 61.10 at the beginning of the year.

The Swedish tax rate, which is also the Parent Company's tax rate, is 21.4 percent. The Group's weighted average tax rate, with its current geographic mix, was approximately 22 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
<b>Total number of shares before repurchasing</b>	<b>27,436,416</b>	<b>36,998,340</b>	<b>100.0</b>	<b>100.0</b>
Of which, repurchased Class B shares	-729,677		2.7	2.0
<b>Total number of shares after repurchasing</b>	<b>26,706,739</b>			

The share price on 30 June 2020 was SEK 71.80. The average number of treasury shares was 729,677 during the period and 729,677 at the end of the period. The average purchase price for the repurchased shares was SEK 88.86 per share.

### CALL OPTION PROGRAMMES

Outstanding programmes	No. of options	Corresponding no. of shares	% of total shares	Redemption price	Redemption period
Call option programme 2017/2021	160,000	160,000	0.6%	118.10	14 Sep 2020 – 11 Jun 2021
Call option programme 2018/2022	210,000	210,000	0.8%	117.90	13 Sep 2021 – 10 Jun 2022
Call option programme 2019/2023	270,000	270,000	1.0%	107.50	12 Sep 2022 – 9 Jun 2023

Call options issued for repurchased shares did not result in any dilution effect over the most recent 12-month period.

## Events after the end of the period

Considering the current market situation and the uncertainties due to the COVID-19 pandemic, the Board proposes a reduced dividend of SEK 1.50 per share (3.00).

## The Annual General Meeting

The Annual General Meeting (AGM) of Bergman & Beving AB will be held on Wednesday 26 August 2020, at 4:00 p.m. at IVA in Stockholm, Grev Turegatan 16. The notice of the AGM will be published in July and will be available at [www.bergmanbeving.com](http://www.bergmanbeving.com).

Stockholm, 15 July 2020

**Pontus Boman**  
President & CEO

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

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## 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 15 July 2020.

### Dates for forthcoming financial information

**The 2020 Annual General Meeting** will be held at IVA, Grev Turegatan 16 in Stockholm on 26 August at 4:00 p.m.

**Interim Report 1 April–30 September 2020** will be published on 22 October 2020 at 7:45 a.m.

**Interim Report 1 April–31 December 2020** will be published on 5 February 2021 at 7:45 a.m.

**Financial Report 1 April 2020–31 March 2021** will be published on 12 May 2021 at 7:45 a.m.

### Contact information

Pontus Boman, President and CEO, Tel: +46 10 454 77 00

Peter Schön, CFO, Tel: +46 70 339 89 99

Visit [www.bergmanbeving.com](http://www.bergmanbeving.com) to download reports, presentations and press releases.

## Reporting by quarter

MSEK	2020/2021		2019/2020		2018/2019				
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Revenue</b>									
Building Materials	349	318	237	288	300	275	227	251	302
Workplace Safety	432	403	350	305	343	335	369	300	351
Tools & Consumables	327	380	402	390	393	397	418	378	386
Group-wide/eliminations	-11	-11	-13	-13	-12	-12	-20	-10	-2
<b>Total revenue</b>	<b>1,097</b>	<b>1,090</b>	<b>976</b>	<b>970</b>	<b>1,024</b>	<b>995</b>	<b>994</b>	<b>919</b>	<b>1,037</b>
<b>EBITA</b>									
Building Materials	33	16	-3	17	23	20	12	21	35
Workplace Safety	40	29	18	19	29	21	36	27	34
Tools & Consumables	-7	19	24	18	12	20	22	18	2
Group-wide/eliminations	-2	-7	-2	-1	-3	-4	-6	-2	-7
<b>Total EBITA</b>	<b>64</b>	<b>57</b>	<b>37</b>	<b>53</b>	<b>61</b>	<b>57</b>	<b>64</b>	<b>64</b>	<b>64</b>
<b>EBITA margin, percent</b>									
Building Materials	9.5	5.0	-1.3	5.9	7.7	7.3	5.3	8.4	11.6
Workplace Safety	9.3	7.2	5.1	6.2	8.5	6.3	9.8	9.0	9.7
Tools & Consumables	-2.1	5.0	6.0	4.6	3.1	5.0	5.3	4.8	0.5
<b>Total EBITA margin</b>	<b>5.8</b>	<b>5.2</b>	<b>3.8</b>	<b>5.5</b>	<b>6.0</b>	<b>5.7</b>	<b>6.4</b>	<b>7.0</b>	<b>6.2</b>

## Group summary

CONSOLIDATED INCOME STATEMENT	3 months		R12 months	Full-year
	Apr–Jun 2020	Apr–Jun 2019	Jul 2019– Jun 2020	2019/2020
<b>MSEK</b>				
Revenue	1,097	1,024	4,133	4,060
Other operating income	5	4	28	27
<b>Total operating income</b>	<b>1,102</b>	<b>1,028</b>	<b>4,161</b>	<b>4,087</b>
Cost of goods sold	-681	-603	-2,466	-2,388
Personnel costs	-183	-194	-768	-779
Depreciation, amortisation and impairment losses	-44	-38	-170	-164
Other operating expenses	-136	-136	-567	-567
<b>Total operating expenses</b>	<b>-1,044</b>	<b>-971</b>	<b>-3,971</b>	<b>-3,898</b>
<b>Operating profit</b>	<b>58</b>	<b>57</b>	<b>190</b>	<b>189</b>
Financial income and expenses	-8	-8	-34	-34
<b>Profit after financial items</b>	<b>50</b>	<b>49</b>	<b>156</b>	<b>155</b>
Taxes	-10	-11	-38	-39
<b>Net profit</b>	<b>40</b>	<b>38</b>	<b>118</b>	<b>116</b>
Of which, attributable to Parent Company shareholders	40	38	118	116
Of which, attributable to non-controlling interest	0	-	0	0
EBITA	64	61	211	208
Earnings per share before dilution, SEK	1.50	1.40	4.40	4.30
Earnings per share after dilution, SEK	1.50	1.40	4.40	4.30
Number of shares outstanding before dilution, '000	26,707	27,010	26,707	26,707
Weighted number of shares before dilution, '000	26,707	27,010	26,811	26,887
Weighted number of shares after dilution, '000	26,707	27,010	26,811	26,887

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3 months		R12 months	Full-year
	Apr–Jun 2020	Apr–Jun 2019	Jul 2019– Jun 2020	2019/2020
<b>MSEK</b>				
<b>Net profit</b>	<b>40</b>	<b>38</b>	<b>118</b>	<b>116</b>
Remeasurement of defined-benefit pension plans	-36	-40	-44	-48
Tax attributable to components that will not be reclassified	7	8	9	10
<b>Components that will not be reclassified to net profit</b>	<b>-29</b>	<b>-32</b>	<b>-35</b>	<b>-38</b>
Translation differences	-24	2	-31	-5
Fair value changes for the year in cash-flow hedges	-4	-3	5	6
Tax attributable to components that will be reclassified	1	1	-1	-1
<b>Components that will be reclassified to net profit</b>	<b>-27</b>	<b>0</b>	<b>-27</b>	<b>0</b>
<b>Other comprehensive income for the period</b>	<b>-56</b>	<b>-32</b>	<b>-62</b>	<b>-38</b>
<b>Total comprehensive income for the period</b>	<b>-16</b>	<b>6</b>	<b>56</b>	<b>78</b>
Of which, attributable to Parent Company shareholders	-16	6	56	78
Of which, attributable to non-controlling interest	0	-	0	0

**CONSOLIDATED BALANCE SHEET**

<b>MSEK</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>31 March 2020</b>
<b>Assets</b>			
Goodwill	1,566	1,516	1,570
Other intangible non-current assets	385	257	385
Tangible non-current assets	101	102	102
Right-of-use assets	427	467	455
Financial non-current assets	3	3	3
Deferred tax assets	97	90	89
Inventories	1,006	986	1,077
Accounts receivable	837	791	855
Other current receivables	146	139	131
Cash and cash equivalents	111	99	90
<b>Total assets</b>	<b>4,679</b>	<b>4,450</b>	<b>4,757</b>
<b>Equity and liabilities</b>			
Equity attributable to Parent Company shareholders	1,615	1,663	1,631
Non-controlling interest	13	13	12
Non-current interest-bearing liabilities	787	600	862
Provisions for pensions	727	686	695
Other non-current liabilities and provisions	142	128	170
Current interest-bearing liabilities	388	402	383
Accounts payable	486	559	583
Other current liabilities	521	399	421
<b>Total equity and liabilities</b>	<b>4,679</b>	<b>4,450</b>	<b>4,757</b>
Operational net loan liability	631	436	695

**CONSOLIDATED STATEMENT OF EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS**

<b>MSEK</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>31 March 2020</b>
<b>Opening equity</b>	<b>1,631</b>	<b>1,657</b>	<b>1,657</b>
Dividend	-	-	-81
Exercise and purchase of options for repurchased shares	-	-	2
Repurchase of own shares	-	-	-25
Total comprehensive income for the period	-16	6	78
<b>Closing equity</b>	<b>1,615</b>	<b>1,663</b>	<b>1,631</b>



CONSOLIDATED CASH-FLOW STATEMENT	3 months		R12 months	Full-year
	Apr–Jun 2020	Apr–Jun 2019	Jul 2019– Jun 2020	2019/2020
<b>MSEK</b>				
Operating activities before changes in working capital	106	98	333	325
Changes in working capital	27	-17	-59	-103
<b>Cash flow from operating activities</b>	<b>133</b>	<b>81</b>	<b>274</b>	<b>222</b>
Investments in intangible and tangible assets	-18	-25	-115	-122
Proceeds from sale of intangible and tangible assets	0	0	1	1
Acquisition of businesses	-4	-108	-103	-207
<b>Cash flow before financing</b>	<b>111</b>	<b>-52</b>	<b>57</b>	<b>-106</b>
Financing activities	-84	66	-43	107
<b>Cash flow for the period</b>	<b>27</b>	<b>14</b>	<b>14</b>	<b>1</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>90</b>	<b>85</b>	<b>99</b>	<b>85</b>
Cash flow for the period	27	14	14	1
Exchange-rate differences in cash and cash equivalents	-6	0	-2	4
<b>Cash and cash equivalents at the end of the period</b>	<b>111</b>	<b>99</b>	<b>111</b>	<b>90</b>

## Compilation of key financial ratios

KEY FINANCIAL RATIOS	R12 months		
	30 June 2020	30 June 2019	31 March 2020
<b>MSEK</b>			
Revenue	4,133	3,932	4,060
EBITA	211	246	208
EBITA margin, percent	5.1	6.3	5.1
Operating profit	190	232	189
Operating margin, percent	4.6	5.9	4.7
Profit after financial items	156	209	155
Net profit	118	165	116
Profit margin, percent	3.8	5.3	3.8
Return on working capital (P/WC), percent	16	22	16
Return on capital employed, percent	6	9	6
Return on equity, percent	7	10	7
Operational net loan liability (closing balance)	631	436	695
Equity (closing balance)	1,628	1,676	1,643
Equity/assets ratio, percent	35	38	35
Number of employees at the end of the period	1,066	1,088	1,083
<b>Key per-share data</b>			
Earnings, SEK	4.40	6.10	4.30
Earnings after dilution, SEK	4.40	6.10	4.30
Cash flow from operating activities, SEK	10.20	7.35	8.25
Equity, SEK	60.70	62.05	61.10
Share price, SEK	71.80	100.80	50.30

Non-controlling interest is included when calculating key ratios.

## Parent Company summary

INCOME STATEMENT	3 months		R12 months	Full-year
	Apr–Jun 2020	Apr–Jun 2019	Jul 2019– Jun 2020	2019/2020
<b>MSEK</b>				
Revenue	8	8	32	32
Other operating income	-	0	-	0
<b>Total operating income</b>	<b>8</b>	<b>8</b>	<b>32</b>	<b>32</b>
Operating expenses	-12	-10	-45	-43
<b>Operating loss</b>	<b>-4</b>	<b>-2</b>	<b>-13</b>	<b>-11</b>
Financial income and expenses	9	9	37	37
<b>Profit after financial items</b>	<b>5</b>	<b>7</b>	<b>24</b>	<b>26</b>
Appropriations	-	-	-6	-6
<b>Profit before taxes</b>	<b>5</b>	<b>7</b>	<b>18</b>	<b>20</b>
Taxes	-1	-1	0	0
<b>Net profit</b>	<b>4</b>	<b>6</b>	<b>18</b>	<b>20</b>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3 months		R12 months	Full-year
	Apr–Jun 2020	Apr–Jun 2019	Jul 2019– Jun 2020	2019/2020
<b>MSEK</b>				
<b>Net profit</b>	<b>4</b>	<b>6</b>	<b>18</b>	<b>20</b>
Fair value changes for the year in cash-flow hedges	-4	-3	5	6
Taxes attributable to other comprehensive income	1	1	-1	-1
<b>Components that will be reclassified to net profit</b>	<b>-3</b>	<b>-2</b>	<b>4</b>	<b>5</b>
<b>Other comprehensive income for the period</b>	<b>-3</b>	<b>-2</b>	<b>4</b>	<b>5</b>
<b>Total comprehensive income for the period</b>	<b>1</b>	<b>4</b>	<b>22</b>	<b>25</b>

BALANCE SHEET	MSEK		
	30 June 2020	30 June 2019	31 March 2020
<b>Assets</b>			
Intangible non-current assets	0	0	0
Tangible non-current assets	3	1	3
Financial non-current assets	2,447	2,481	2,450
Current receivables	514	326	577
Cash and cash equivalents	0	0	0
<b>Total assets</b>	<b>2,964</b>	<b>2,808</b>	<b>3,030</b>
<b>Equity, provisions and liabilities</b>			
Equity	1,254	1,336	1,253
Untaxed reserves	165	246	165
Provisions	38	40	40
Non-current liabilities	460	250	510
Current liabilities	1,047	936	1,062
<b>Total equity, provisions and liabilities</b>	<b>2,964</b>	<b>2,808</b>	<b>3,030</b>

## 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 2019/2020. 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 2020 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		R12 months	Full-year
	Apr–Jun 2020	Apr–Jun 2019	Jul 2019– Jun 2020	2019/2020
Sweden	475	438	1,720	1,683
Norway	272	296	1,077	1,101
Finland	109	78	413	382
Other countries	241	212	923	894
<b>Revenue</b>	<b>1,097</b>	<b>1,024</b>	<b>4,133</b>	<b>4,060</b>

### 3. Leases

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

MSEK	30 June 2020	30 June 2019	31 March 2020
Right-of-use assets	427	467	455
Non-current lease liabilities	327	350	351
Current lease liabilities	106	117	109

MSEK	3 months		R12 months	Full-year
	Apr–Jun 2020	Apr–Jun 2019	Jul 2019– Jun 2020	2019/2020
Depreciation of right-of-use assets	-30	-29	-119	-118
Interest on lease liabilities	-3	-3	-11	-11

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

### 4. Risks and uncertainties

Bergman & Beving is affected by the implications of the COVID-19 outbreak. There is a significant risk that these may still lead to a financial impact on the Group. Some impact could already be noted towards the end of the preceding financial year. Bergman & Beving started taking measures immediately and work continues to minimise the consequences and effect on the Group. The financial impact is related to the overall situation. Decisions by different local authorities lead to disruptions in the supply chain and reduced demand, for example. Given the uncertain situation, it is not currently possible to estimate all of the potential impact on Bergman & Beving.

Other risks and uncertainties for the Group and the Parent Company remain unchanged. For information about these risks and uncertainties, refer to page 48 of Bergman & Beving's Annual Report for 2019/2020.

## 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 AB 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	
	Apr–Jun 2020	Apr–Jun 2019
Comparable units in local currency	3	-6
Currency effects	-3	1
Acquisitions/divestments	7	4
<b>Total – change</b>	<b>7</b>	<b>-1</b>

### 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		R12 months	Full-year
	Apr–Jun 2020	Apr–Jun 2019	Jul 2019–Jun 2020	2019/2020
<b>EBITA</b>	<b>64</b>	<b>61</b>	<b>211</b>	<b>208</b>
Depreciation and amortisation in connection with acquisitions	-6	-4	-21	-19
<b>Operating profit</b>	<b>58</b>	<b>57</b>	<b>190</b>	<b>189</b>

### 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	Jul 2019–Jun 2020	2019/2020
<b>EBITA (P)</b>	<b>211</b>	<b>208</b>
<b>Average working capital (WC)</b>		
Inventories	1,048	1,030
Accounts receivable	767	764
Accounts payable	-515	-527
<b>Total – average WC</b>	<b>1,300</b>	<b>1,267</b>
<b>P/WC, percent</b>	<b>16</b>	<b>16</b>

## **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.

### **Earnings per share**

Net profit 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

- We develop, design and acquire strong products and brands for the manufacturing and construction sectors.
- The subsidiaries in the Group are operated with decentralised business responsibility, with a focus on simplicity, responsibility and freedom.
- Bergman & Beving currently comprises around 20 premium brands for the manufacturing and construction sectors.
- Through our brands, we are represented in more than 25 countries with over 4,000 sales outlets.
- Our main markets are Sweden, Norway and Finland, which account for approximately 80 percent of revenue.

## Strategy

Bergman & Beving aims to be northern Europe's leading supplier of proprietary, sustainable and value-creating products and services to the construction and manufacturing sectors.

Bergman & Beving consists of a portfolio of strong brands with potential for growth through proprietary products and international expansion. Focus on strong brands and high-quality sustainable proprietary products is central to our strategies.

Each subsidiary conducts its operations under its own responsibility with a large degree of freedom and we rely on our decentralised organisation to develop, market and sell our products and brands.

We strive to leverage our strong position in the Nordic region to create growth for new concepts and to spread our national incumbent brands.

## Our main product brands

### Building Materials



### Workplace Safety



### Tools & Consumables

