

Interim Report 1 April–30 September 2022

Second quarter (1 July–30 September 2022)

- ❖ Revenue rose by 6 percent to MSEK 1,073 (1,014), with delivery problems due to an IT attack on Luna's logistics provider having a negative impact of approximately MSEK 30.
- ❖ EBITA increased by 4 percent to MSEK 84 (81) and the EBITA margin was 7.8 percent (8.0). The delivery problems due to the IT attack on Luna's logistics provider had negative impact of approximately MSEK 10 on EBITA.
- ❖ Net profit totalled MSEK 49 (50).
- ❖ Polartherm Group was acquired during the quarter, with annual revenue of approximately MEUR 12.

Six months (1 April–30 September 2022)

- ❖ Revenue rose by 3 percent to MSEK 2,273 (2,207).
- ❖ EBITA increased by 10 percent to MSEK 175 (159) and the EBITA margin improved to 7.7 percent (7.2).
- ❖ Net profit rose by 6 percent to MSEK 104 (98).
- ❖ Earnings per share for the most recent 12-month period increased to SEK 7.75 (6.85) before dilution and SEK 7.70 (6.85) after dilution.
- ❖ Three acquisitions have been carried out, with total annual revenue of approximately MSEK 200.

MSEK	3 months			6 months			Rolling 12 months	
	Jul-Sep 2022	Jul-Sep 2021	Δ %	Apr-Sep 2022	Apr-Sep 2021	Δ %	30 Sep 2022	31 Mar 2022
Revenue	1,073	1,014	6	2,273	2,207	3	4,641	4,575
EBITA	84	81	4	175	159	10	347	331
EBITA margin, percent	7.8	8.0		7.7	7.2		7.5	7.2
Profit after financial items	61	64	-5	131	126	4	264	259
Net profit (after taxes)	49	50	-2	104	98	6	208	202
Earnings per share before dilution, SEK	1.80	1.90		3.85	3.65		7.75	7.55
Earnings per share after dilution, SEK	1.80	1.85		3.85	3.65		7.70	7.50
P/WC, percent							21	22
Equity/assets ratio, percent							38	36
Number of employees at the end of the period	1,311	1,207	9	1,311	1,207	9	1,311	1,227

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

CEO's comments

Two of the Group's divisions, Building Materials and Workplace Safety, increased their earnings by just over 20 percent in the quarter and thus continued to develop according to plan. Nevertheless, the quarter was not without its challenges. The Tools & Consumables division's largest company – Luna Group – was unable to carry out invoicing at the end of the quarter due to an IT attack on its logistics provider. This is estimated to have resulted in a loss of EBITA of MSEK 10 in September, and while the other companies in the division increased their earnings by 30 percent, the division's earnings declined. As a result of its strong customer relationships and our decentralised governance model, which enabled rapid action to be taken close to the customer, Luna was able to minimise the negative impact on its customers during the suspension of deliveries. Thanks to the employee's outstanding efforts, just over half of the invoicing lost in September is expected to be recovered in October. In total, the Group's profit increased by 4 percent in the quarter and the operating margin was 7.8 percent. Although we are not satisfied with this result, our profit growth and margin would have been in line with our plan had Luna not been forced to suspend deliveries.

Demand from industrial customers remained favourable in the quarter. While the construction market showed signs of a slowdown, mainly related to a reduction in new housing construction and a decline in the consumer market, our businesses with customers in the construction sector continued to deliver healthy growth. Several of our companies also secured new customer contracts during the quarter, which over time will strengthen our positions in the markets that they serve. While the ongoing supply chain disruptions eased during the quarter, we still needed to compensate for shipping, material and production costs, which remained at high levels, and for a weaker SEK. The effects of rising inflation and economic uncertainty have not had any major impact on demand for our products.

During the quarter, we acquired the Finnish company Polartherm. The company is considered to have favourable growth prospects and be highly profitable and is expected to give us a market-leading position in powerful heaters for various niches within industry, construction, defence and aviation. 70 percent of the company's products are sold as exports, mainly in Europe and North America. The acquisition is in line with our strategy to establish a presence in new, attractive niches through acquisitions of leading, niche product companies.

We are continuing to focus on profit growth before revenue growth, which entails an increased focus on transactions where we offer higher added value and assigning a lower priority to transactions with weaker margins. We have implemented cost-saving measures to increase efficiency and profitability in our companies. Activities to reduce and optimize inventory levels are being intensified. We are also continuing to strengthen our decentralisation, a governance model that proved its strength during the suspension of Luna's deliveries. Going forward, our focus will be on improving profitability in all divisions and increasing our acquisition rate over time.

We have tangible targets and activities for each company, and I am still confident that we can improve the profitability, earnings and cash flow of all of our divisions. I also feel secure knowing that our decentralised model will enable us to adapt quickly, on a company by company basis, if conditions change. Most of our companies still have the potential to deliver a positive performance, and the suspension of Luna's deliveries has now been rectified. I therefore expect our impressive earnings trend to resume in line with our plan to double the Group's operating profit within four to five years. Overall, I expect the Group's conditions to remain favourable.

Stockholm, October 2022

Magnus Söderlind
President & CEO

Profit and revenue

Second quarter (July–September 2022)

Revenue rose by 6 percent to MSEK 1,073 (1,014). Revenue decreased by 4 percent organically, while acquired growth amounted to 7 percent. Exchange-rate fluctuations had a positive impact of 3 percent on revenue.

Demand from construction and industrial customers was stable during the second quarter, although the uncertainty regarding future demand increased. The consumer segment of the construction market displayed a slowdown, but the impact on the Group's companies was negligible since they target the professional market.

Luna's logistics partner was the target of an IT attack at the end of September that halted Luna's deliveries until the first week of October. As a result of intensive efforts by Luna in close dialogue with its customers, the impact of the attack was limited to a negative impact of approximately MSEK 30 on revenue and about MSEK 10 on EBITA. The assessment is that just over half of the invoicing lost in September is expected to be recovered in October.

Following an improvement in production and delivery times, the companies have cut back on their purchasing since the end of the first quarter in order to reduce their buffer inventories. The effects of this work

are not expected to be clear until the fourth quarter due to long lead times. Acquisitions resulted in a higher share of sales outside the Nordic region.

EBITA for the second quarter increased by 4 percent to MSEK 84 (81) and the EBITA margin was 7.8 percent (8.0).

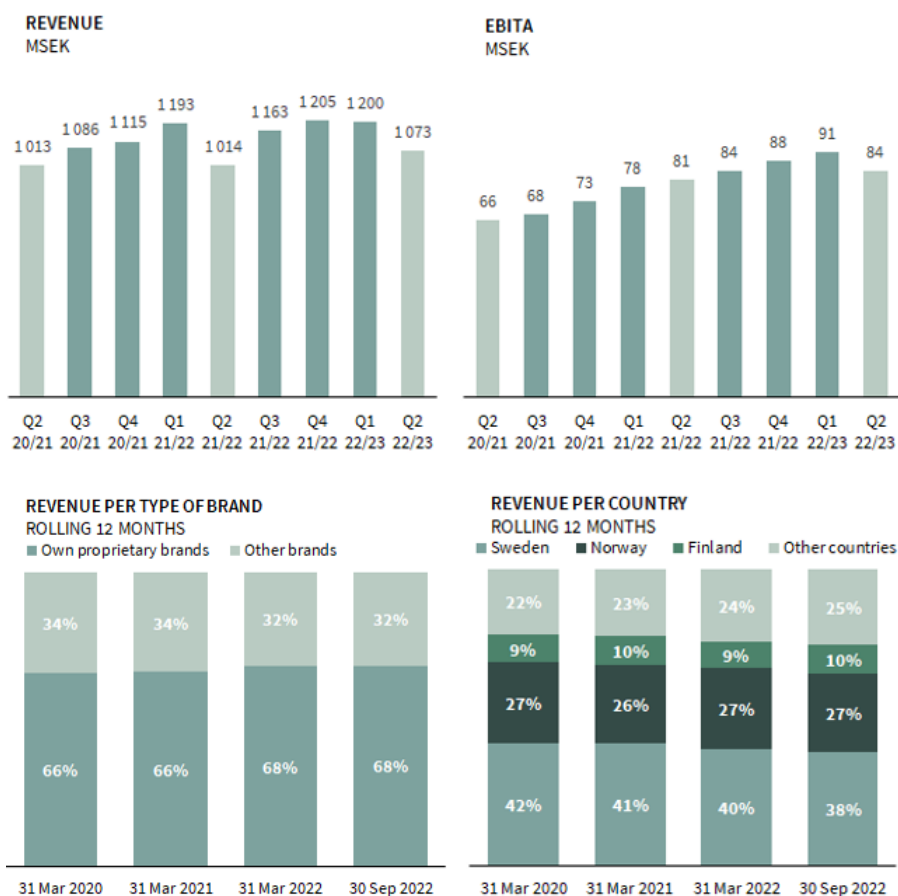
Profit after financial items amounted to MSEK 61 (64). Net profit totalled MSEK 49 (50).

Six months (April–September 2022)

Revenue rose by 3 percent to MSEK 2,273 (2,207). Revenue decreased by 4 percent organically, while acquired growth amounted to 5 percent. Exchange-rate fluctuations had a positive impact of 2 percent on revenue.

EBITA for the period increased by 10 percent to MSEK 175 (159) and the EBITA margin improved to 7.7 percent (7.2).

Profit after financial items increased to MSEK 131 (126). Net profit rose by 6 percent to MSEK 104 (98) and rolling 12-month earnings per share rose by 13 percent to SEK 7.75 (6.85) before dilution.



Performance by division

MSEK	3 months			6 months			Rolling 12 months	
	Jul-Sep 2022	Jul-Sep 2021	Δ %	Apr-Sep 2022	Apr-Sep 2021	Δ %	30 Sep 2022	31 Mar 2022
Revenue								
Building Materials	310	288	8	699	663	5	1,376	1,340
Workplace Safety	378	351	8	789	779	1	1,643	1,633
Tools & Consumables	395	385	3	805	784	3	1,662	1,641
Group-wide/eliminations	-10	-10		-20	-19		-40	-39
Total revenue	1,073	1,014	6	2,273	2,207	3	4,641	4,575
EBITA								
Building Materials	26	21	24	63	55	15	102	94
Workplace Safety	35	29	21	74	65	14	154	145
Tools & Consumables	24	31	-23	41	45	-9	99	103
Group-wide/eliminations	-1	0		-3	-6		-8	-11
Total EBITA	84	81	4	175	159	10	347	331
EBITA margin, percent								
Building Materials	8.4	7.3		9.0	8.3		7.4	7.0
Workplace Safety	9.3	8.3		9.4	8.3		9.4	8.9
Tools & Consumables	6.1	8.1		5.1	5.7		6.0	6.3
Total EBITA margin	7.8	8.0		7.7	7.2		7.5	7.2

Building Materials

Building Materials' revenue increased by 8 percent to MSEK 310 (288) and EBITA increased by 24 percent to MSEK 26 (21).

Demand from construction customers in Sweden and Norway remained stable. The improvement in earnings was mainly attributable to higher revenue and stronger margins, with ESSVE continuing its positive earnings performance. The fire safety companies performed well, with organic growth of 10 percent.

Workplace Safety

Workplace Safety's revenue increased by 8 percent to MSEK 378 (351) and EBITA increased by 21 percent to MSEK 35 (29).

Demand for personal protective equipment remained stable. The positive earnings trend was mainly attributable to increased revenue, along with acquisitions and stronger margins. Cresto, SIS Group and Arbesko continued to strengthen their earnings. Guide was named Supplier of the Year by a major Nordic reseller chain.

Tools & Consumables

Tools & Consumables' revenue rose by 3 percent to MSEK 395 (385) and EBITA totalled MSEK 24 (31).

While demand remained favourable, the IT attack on Luna's logistics provider had a negative impact on revenue in September. The assessment is that just over half of the invoicing lost in September is expected to be recovered in October.

Most of the division's other companies continued to increase their earnings. Luna continued to replace unprofitable volume products with higher added value products and its margins improved. As part of these efforts, Luna secured a major new customer contract focused on products with higher added value.

As expected, acquired units made positive contributions.

Group-wide and eliminations

Group-wide expenses and eliminations for the second quarter amounted to MSEK 1 (0).

The Parent Company's revenue amounted to MSEK 19 (18) and profit after financial items to MSEK 18 (12) for the period from April to September.

Employees

At the end of the period, the number of employees in the Group totalled 1,311, compared with 1,227 at the beginning of the financial year. During the period from April to September, 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 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.	112
Other non-current assets	14
Other assets	144
Deferred tax liability, net	23
Current liabilities	36
Acquired net assets	211
Goodwill	88
Non-controlling interest ¹	-11
Purchase consideration	288
Less: Purchase considerations, unpaid	-56
Less: Cash and cash equivalents in acquired companies	-37
Net change in cash and cash equivalents	-195

¹Non-controlling interest has been recognised at fair value, meaning that the non-controlling interest has a share of goodwill.

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
Safety Techn., UK	Nov 2021	20	14	Workplace Safety
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 six months. Remeasurement of contingent considerations had a positive effect of MSEK 5 (0) on the year. 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 (21). The return on equity was 11 percent (11).

Cash flow from operating activities for the first six months totalled MSEK 129 (151). Working capital increased by MSEK 69 during the period, mainly due to higher buffer inventories.

Cash flow was charged with net investments in non-current assets of MSEK 22 (22) and MSEK 154 (80) 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 1,091 (806), excluding expensed pension obligations of MSEK 450 (686) and lease liabilities according to IFRS 16 of MSEK 337 (373). An extended acquisition credit of MSEK 500 was raised after the end of the period. Cash and cash equivalents, including unutilised granted credit facilities and granted credit facilities after the end of the period, totalled MSEK 915 (704).

The equity/assets ratio was 38 percent (35). Equity per share increased to SEK 79.80, 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 30 September 2022 was SEK 82.60. The average number of treasury shares was 885,427 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	2022-09-12 – 2023-06-09
Call option programme 2020/2024	244,000	244,000	0.9%	99.50	2023-09-11 – 2024-06-07
Call option programme 2021/2025	178,000	178,000	0.6%	197.30	2024-09-16 – 2025-06-12
Call option programme 2022/2026	210,000	210,000	0.8%	106.10	2025-09-09 – 2026-06-05

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

Events after the end of the period

An extended acquisition credit of MSEK 500 was raised after the end of the period. No other significant events occurred after the end of the quarter.

Affirmation

The Board of Directors and the President & CEO affirm that this interim report provides a true and fair overview of the operations, position and earnings of the Parent Company and the Group, and that it describes the material risks and uncertainties to which the Parent Company and the companies within the Group are exposed.

Stockholm, 20 October 2022

Jörgen Wigh
Chairman

Fredrik Börjesson
Director

Charlotte Hansson
Director

Henrik Hedelius
Director

Malin Nordesjö
Director

Niklas Stenberg
Director

Christian Sigurdson
Director – employee representative

Mikael Lindblom
Director – employee representative

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. CEST on 20 October 2022.

Dates for forthcoming financial information

- ❖ **Interim Report 1 April–31 December 2022** will be published on 3 February 2023.
- ❖ **Financial Report 1 April 2022–31 March 2023** will be published on 12 May 2023.

Contact information

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Reporting by quarter

MSEK	2022/2023			2021/2022			2020/2021			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue										
Building Materials	310	389	400	277	288	375	364	261	295	349
Workplace Safety	378	411	402	452	351	428	383	418	356	432
Tools & Consumables	395	410	413	444	385	399	377	420	371	327
Group-wide/eliminations	-10	-10	-10	-10	-10	-9	-9	-13	-9	-11
Total revenue	1,073	1,200	1,205	1,163	1,014	1,193	1,115	1,086	1,013	1,097
EBITA										
Building Materials	26	37	29	10	21	34	25	6	21	33
Workplace Safety	35	39	37	43	29	36	30	41	26	40
Tools & Consumables	24	17	25	33	31	14	21	23	20	-7
Group-wide/eliminations	-1	-2	-3	-2	0	-6	-3	-2	-1	-2
Total EBITA	84	91	88	84	81	78	73	68	66	64
EBITA margin, percent										
Building Materials	8.4	9.5	7.3	3.6	7.3	9.1	6.9	2.3	7.1	9.5
Workplace Safety	9.3	9.5	9.2	9.5	8.3	8.4	7.8	9.8	7.3	9.3
Tools & Consumables	6.1	4.1	6.1	7.4	8.1	3.5	5.6	5.5	5.4	-2.1
Total EBITA margin	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		6 months		Rolling 12 months	
	Jul-Sep 2022	Jul-Sep 2021	Apr-Sep 2022	Apr-Sep 2021	30 Sep 2022	31 Mar 2022
MSEK						
Revenue	1,073	1,014	2,273	2,207	4,641	4,575
Other operating income	4	0	7	1	17	11
Total operating income	1,077	1,014	2,280	2,208	4,658	4,586
Cost of goods sold	-580	-573	-1,254	-1,275	-2,604	-2,625
Personnel costs	-216	-192	-449	-411	-893	-855
Depreciation, amortisation and impairment losses	-57	-50	-112	-99	-218	-205
Other operating expenses	-150	-126	-309	-280	-632	-603
Total operating expenses	-1,003	-941	-2,124	-2,065	-4,347	-4,288
Operating profit	74	73	156	143	311	298
Financial income and expenses	-13	-9	-25	-17	-47	-39
Profit after financial items	61	64	131	126	264	259
Taxes	-12	-14	-27	-28	-56	-57
Net profit	49	50	104	98	208	202
Of which, attributable to Parent Company shareholders	48	50	102	97	205	200
Of which, attributable to non-controlling interest	1	0	2	1	3	2
EBITA	84	81	175	159	347	331
Earnings per share before dilution, SEK	1.80	1.90	3.85	3.65	7.75	7.55
Earnings per share after dilution, SEK	1.80	1.85	3.85	3.65	7.70	7.50
Number of shares outstanding before dilution, '000	26,568	26,515	26,568	26,515	26,568	26,523
Weighted number of shares before dilution, '000	26,568	26,514	26,551	26,514	26,536	26,515
Weighted number of shares after dilution, '000	26,568	26,749	26,587	26,702	26,670	26,690

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3 months		6 months		Rolling 12 months	
	Jul-Sep 2022	Jul-Sep 2021	Apr-Sep 2022	Apr-Sep 2021	30 Sep 2022	31 Mar 2022
MSEK						
Net profit	49	50	104	98	208	202
Remeasurement of defined-benefit pension plans	79	0	157	0	238	81
Tax attributable to components that will not be reclassified	-16	0	-32	0	-49	-17
Components that will not be reclassified to net profit	63	0	125	0	189	64
Translation differences	22	4	33	-4	67	30
Fair value changes for the year in cash-flow hedges	-6	-1	-4	4	-8	0
Tax attributable to components that will be reclassified	1	0	1	-1	2	0
Components that will be reclassified to net profit	17	3	30	-1	61	30
Other comprehensive income	80	3	155	-1	250	94
Total comprehensive income for the period	129	53	259	97	458	296
Of which, attributable to Parent Company shareholders	127	53	256	96	454	294
Of which, attributable to non-controlling interest	2	0	3	1	4	2

CONSOLIDATED BALANCE SHEET

MSEK	30 Sep 2022	30 Sep 2021	31 Mar 2022
Assets			
Goodwill	1,732	1,633	1,667
Other intangible non-current assets	534	456	468
Tangible non-current assets	133	112	126
Right-of-use assets	328	365	359
Financial non-current assets	5	5	5
Deferred tax assets	79	93	66
Inventories	1,491	1,178	1,233
Accounts receivable	877	837	1,042
Other current receivables	192	149	147
Cash and cash equivalents	142	160	182
Total assets	5,513	4,988	5,295
Equity and liabilities			
Equity attributable to Parent Company shareholders	2,087	1,716	1,915
Non-controlling interest	30	15	17
Non-current interest-bearing liabilities	1,227	960	1,030
Provisions for pensions	450	686	608
Other non-current liabilities and provisions	245	139	137
Current interest-bearing liabilities	343	379	407
Accounts payable	567	516	584
Other current liabilities	564	577	597
Total equity and liabilities	5,513	4,988	5,295
Operational net loan liability	1,091	806	889

CONSOLIDATED STATEMENT OF EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS

MSEK	30 Sep 2022	30 Sep 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	-1	0
Total comprehensive income for the period	256	96	294
Closing equity	2,087	1,716	1,915

CONSOLIDATED CASH-FLOW STATEMENT	3 months		6 months		Rolling 12 months	
	Jul-Sep 2022	Jul-Sep 2021	Apr-Sep 2022	Apr-Sep 2021	30 Sep 2022	31 Mar 2022
MSEK						
Operating activities before changes in working capital	69	89	198	195	407	404
Changes in working capital	-19	-32	-69	-44	-204	-179
Cash flow from operating activities	50	57	129	151	203	225
Investments in intangible and tangible assets	-12	-9	-23	-22	-52	-51
Proceeds from sale of intangible and tangible assets	1	0	1	0	1	0
Corporate acquisitions	-87	-8	-154	-80	-211	-137
Cash flow before financing	-48	40	-47	49	-59	37
Financing activities	-21	-28	3	-29	33	1
Cash flow for the period	-69	12	-44	20	-26	38
Cash and cash equivalents at the beginning of the period	212	148	182	139	160	139
Cash flow for the period	-69	12	-44	20	-26	38
Exchange-rate differences in cash and cash equivalents	-1	0	4	1	8	5
Cash and cash equivalents at the end of the period	142	160	142	160	142	182

Compilation of key financial ratios

KEY FINANCIAL RATIOS	Rolling 12 months		
	30 Sep 2022	30 Sep 2021	31 Mar 2022
MSEK			
Revenue	4,641	4,408	4,575
EBITA	347	300	331
EBITA margin, percent	7.5	6.8	7.2
Operating profit	311	272	298
Operating margin, percent	6.7	6.2	6.5
Profit after financial items	264	237	259
Net profit	208	184	202
Profit margin, percent	5.7	5.4	5.7
Return on working capital (P/WC), percent	21	21	22
Return on capital employed, percent	8	8	8
Return on equity, percent	11	11	11
Operational net loan liability (closing balance)	1,091	806	889
Operational net debt/equity ratio	0.5	0.5	0.5
Equity (closing balance)	2,117	1,731	1,932
Equity/assets ratio, percent	38	35	36
Number of employees at the end of the period	1,311	1,207	1,227
Key per-share data			
Earnings before dilution, SEK	7.75	6.85	7.55
Earnings after dilution, SEK	7.70	6.85	7.50
Cash flow from operating activities, SEK	7.65	10.10	8.50
Equity, SEK	79.80	65.25	72.85
Share price, SEK	82.60	148.60	141.40

Parent Company summary

INCOME STATEMENT	3 months		6 months		Rolling 12 months	
	Jul-Sep 2022	Jul-Sep 2021	Apr-Sep 2022	Apr-Sep 2021	30 Sep 2022	31 Mar 2022
MSEK						
Revenue	10	10	19	18	36	35
Total operating income	10	10	19	18	36	35
Operating expenses	-10	-12	-25	-28	-52	-55
Operating profit/loss	0	-2	-6	-10	-16	-20
Financial income and expenses	13	11	24	22	44	42
Profit after financial items	13	9	18	12	28	22
Appropriations	-	-	-	-	24	24
Profit before taxes	13	9	18	12	52	46
Taxes	-3	-2	-4	-3	-3	-2
Net profit	10	7	14	9	49	44

STATEMENT OF COMPREHENSIVE INCOME	3 months		6 months		Rolling 12 months	
	Jul-Sep 2022	Jul-Sep 2021	Apr-Sep 2022	Apr-Sep 2021	30 Sep 2022	31 Mar 2022
MSEK						
Net profit	10	7	14	9	49	44
Fair value changes for the year in cash-flow hedges	-6	-1	-4	4	-8	0
Taxes attributable to other comprehensive income	1	0	1	-1	2	0
Components that will be reclassified to net profit	-5	-1	-3	3	-6	0
Other comprehensive income	-5	-1	-3	3	-6	0
Total comprehensive income for the period	5	6	11	12	43	44

BALANCE SHEET	30 Sep 2022		30 Sep 2021		31 Mar 2022	
MSEK						
Assets						
Intangible non-current assets		0		0		0
Tangible non-current assets		2		2		2
Financial non-current assets		2,448		2,489		2,540
Current receivables		837		619		840
Cash and cash equivalents		1		0		1
Total assets		3,288		3,110		3,383
Equity, provisions and liabilities						
Equity		1,106		1,146		1,179
Untaxed reserves		49		46		49
Provisions		40		36		40
Non-current liabilities		1,146		690		780
Current liabilities		947		1,192		1,335
Total equity, provisions and liabilities		3,288		3,110		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		6 months		Rolling 12 months	
	Jul-Sep 2022	Jul-Sep 2021	Apr-Sep 2022	Apr-Sep 2021	30 Sep 2022	31 Mar 2022
Sweden	378	402	849	886	1,771	1,808
Norway	278	268	586	579	1,241	1,234
Finland	109	92	233	200	447	414
Other countries	308	252	605	542	1,182	1,119
Revenue	1,073	1,014	2,273	2,207	4,641	4,575

3. Leases

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

MSEK	30 Sep 2022	30 Sep 2021	31 Mar 2022
Right-of-use assets	328	365	359
Non-current lease liabilities	221	261	243
Current lease liabilities	116	112	123

MSEK	3 months		6 months		Rolling 12 months	
	Jul-Sep 2022	Jul-Sep 2021	Apr-Sep 2022	Apr-Sep 2021	30 Sep 2022	31 Mar 2022
Depreciation of right-of-use assets	-33	-31	-66	-59	-130	-123
Interest on lease liabilities	-2	-2	-4	-4	-8	-8

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

4. Risks and uncertainties

Russia's invasion of Ukraine has so far had only a marginal impact on the Group. Following the IT attack on Luna's logistics provider, a further review of Bergman & Beving's own IT security was carried out, and while the Group's security is still considered sufficient, it has been supplemented with continuous monitoring by IT security experts. 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		6 months	
	Jul-Sep 2022	Jul-Sep 2021	Apr-Sep 2022	Apr-Sep 2021
Comparable units in local currency	-4	-4	-4	0
Currency effects	3	0	2	0
Acquisitions/divestments	7	4	5	5
Total - change	6	0	3	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		6 months		Rolling 12 months	
	Jul-Sep 2022	Jul-Sep 2021	Apr-Sep 2022	Apr-Sep 2021	30 Sep 2022	31 Mar 2022
EBITA	84	81	175	159	347	331
Depreciation and amortisation in connection with acquisitions	-10	-8	-19	-16	-36	-33
Operating profit	74	73	156	143	311	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		
	30 Sep 2022	30 Sep 2021	31 Mar 2022
EBITA (P)	347	300	331
Average working capital (WC)			
Inventories	1,311	1,127	1,203
Accounts receivable	892	827	869
Accounts payable	-557	-544	-562
Total - average WC	1,646	1,410	1,510
P/WC, percent	21	21	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 68 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
     	     	        