BERGMAN & BEVING

Financial Report 1 April 2021–31 March 2022

Fourth quarter (1 January–31 March 2022)

- Revenue rose by 8 percent to MSEK 1,205 (1,115).
- EBITA increased by 21 percent to MSEK 88 (73) and the EBITA margin improved to 7.3 percent (6.5).
- Net profit rose by 23 percent to MSEK 53 (43).

12 months (1 April 2021–31 March 2022)

- Revenue rose by 6 percent to MSEK 4,575 (4,311).
- EBITA increased by 22 percent to MSEK 331 (271) and the EBITA margin improved to 7.2 percent (6.3).
- Net profit rose by 22 percent to MSEK 202 (166).
- Earnings per share for the most recent 12-month period increased to SEK 7.55 (6.15) before dilution and SEK 7.50 (6.15) after dilution.
- Six acquisitions (Abtech, Albretsen, (3) Screen, Safety Technology, BSafe and Retco) have been completed, one of which after the end of the period, with total annual revenue of approximately MSEK 170.
- The Board proposes a dividend of SEK 3.40 per share (3.00).

	3 months			Full-year		
MSEK	**Jan–Mar 2022**	**Jan–Mar 2021**	**Δ %**	**Apr 2021–Mar 2022**	**Apr 2020–Mar 2021**	**Δ %**
Revenue	1,205	1,115	*8*	4,575	4,311	*6*
EBITA	88	73	*21*	331	271	*22*
EBITA margin, percent	7.3	6.5		7.2	6.3	
Profit after financial items	68	55	*24*	259	212	*22*
Net profit (after taxes)	53	43	*23*	202	166	*22*
Earnings per share before dilution, SEK	2.00	1.60		7.55	6.15	
Earnings per share after dilution, SEK	2.00	1.60		7.50	6.15	
P/WC, percent				22	20	
Equity/assets ratio, percent				36	35	
Number of employees at the end of the period	1,227	1,129	*9*	1,227	1,129	*9*

CEO's comments

The past year – Platform for continued profitable growth

The Group's positive performance continued during the 2021/2022 financial year. Profit increased by 22 percent, the operating margin improved to 7.2 percent, and we delivered our highest-ever annual earnings. It is gratifying to note that all three of our divisions increased their revenue, earnings, and operating margins during the year and that the last quarter of the year ended on a strong note, with increased profit (21 percent) and a stronger operating margin (0.8 percentage points).

But the year has not been without its challenges, including interruptions in the supply chain, the COVID-19 pandemic, and increased costs for shipping, materials, and production. However, our decentralised governance model, in which our subsidiaries are responsible for the majority of decision making, demonstrated its strength by providing the companies with the flexibility to find their own solutions to the challenges that arose. Russia's invasion of Ukraine has so far had only a marginal impact on the Group. We have partnered with the Ukrainian embassy to donate relevant products from several of our companies, valued at approximately MSEK 10.

Overall, we have seen many examples where our managers and leaders have taken responsibility and proactive measures during the year.

We have established a plan to double the Group's operating profit in the next four to five years. The plan includes clearer decentralisation, an increased focus on profitability, intensified management by objectives and an increased rate of acquisitions. We have deliberately chosen to prioritise earnings growth over revenue growth, which has resulted in increased margins. The preceding year included major non-recurring transactions stemming from the pandemic, which strengthened revenue. The year was a step in the right direction and we have increased our focus on transactions where we offer higher added value and assigned a lower priority to lower-margin transactions.

Thanks to an increased rate of acquisitions, we welcomed five new companies to the Group during the year, and one more after the end of the operating year. Four of them are add-on acquisitions for the companies deemed to have favourable conditions for growth. Two acquisitions are new independent companies that match our updated acquisition criteria, with a focus on well-run, highly profitable companies that are market leaders in expansive niches areas for construction and industrial customers.

The future – Focus on improving earnings and profitability

Our earnings have increased for nine consecutive quarters. After my first year with the Group, I see favourable conditions to improve profitability, earnings, operating margins, and cash flows in all divisions going forward.

Our corporate culture is characterised by entrepreneurship, where dedicated leaders grow as they continuously develop and improve their companies. Overall, I feel confident as I look ahead to the coming years. We will continue to build a group of niche companies that create long-term commercial and social value. We are convinced that adopting a sustainability perspective is a prerequisite for creating growth opportunities and being viewed as attractive in the stock market and M&A market, among both customers and employees. That is why sustainability, which creates business benefits, is a cornerstone of the future of Bergman & Beving.

We live in times of growing inflation and uncertainty about where the economy is heading. The strength of our decentralised model is that it provides us with the preconditions to react quickly, on a company by company basis, if the market conditions change. Assuming that the underlying situation does not dramatically worsen and with our existing companies and increased rate of acquisition, increased profitability and improved cash flow, I believe that we have good potential to double the Group's operating profit within four to five years.

I would like to conclude by offering my sincere thanks to all our dedicated employees for your many outstanding efforts during the year and welcome our new employees to Bergman & Beving.

Stockholm, May 2022

Magnus Söderlind
President & CEO

Profit and revenue

Fourth quarter (January–March 2022)

Revenue rose by 8 percent to MSEK 1,205 (1,115). Revenue increased by 5 percent in local currency, of which 1 percent was organic and 4 percent was from acquisitions. Exchange-rate fluctuations had a positive impact of 3 percent on revenue.

The market during the quarter was characterised by a continued shortage of essential input products and interruptions in supply chains. Despite this, demand from customers in construction as well as industry was relatively stable. Demand for personal protective equipment was also stable and compensated for the COVID-19-related peaks in delivery in the preceding year. Our buffer inventories remained high, which limited the negative effect on our delivery capacity. The share of proprietary products continued to increase and the margin remained strong, despite higher product and shipping costs. The share of sales outside the Nordic region continued to grow, primarily due to completed acquisitions.

EBITA for the fourth quarter increased by 21 percent to MSEK 88 (73) and the EBITA margin improved to 7.3 percent (6.5).

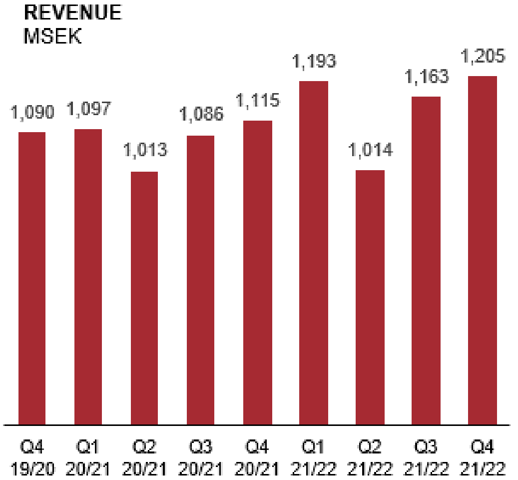
Profit after financial items rose by 24 percent to MSEK 68 (55). Net profit rose by 23 percent to MSEK 53 (43) and earnings per share rose to SEK 2.00 (1.60) before dilution.

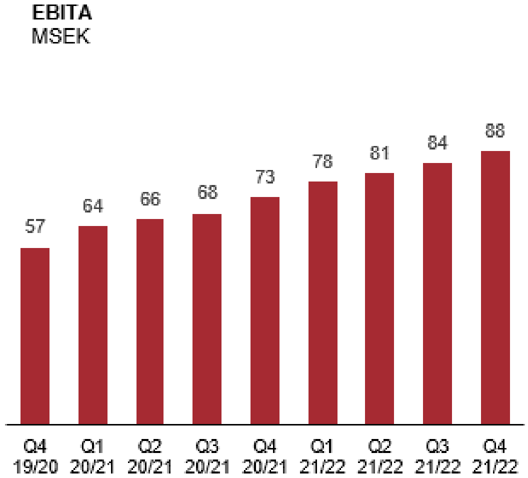
12 months (April 2021–Mars 2022)

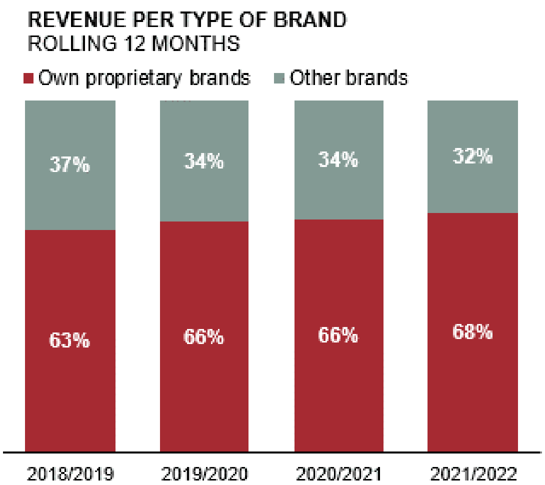
Revenue rose by 6 percent to MSEK 4,575 (4,311). Revenue increased by 5 percent in local currency, most of which was attributable to acquisitions. Exchange-rate fluctuations had a positive impact of 1 percent on revenue.

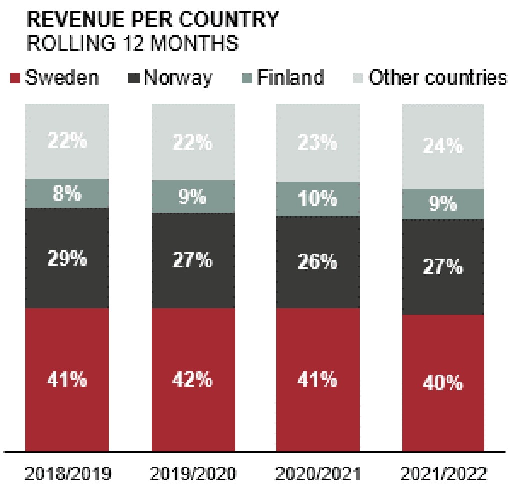
EBITA for the full year increased by 22 percent to MSEK 331 (271) and the EBITA margin improved to 7.2 percent (6.3).

Profit after financial items rose by 22 percent to MSEK 259 (212). Net profit rose by 22 percent to MSEK 202 (166) and earnings per share rose to SEK 7.55 (6.15) before dilution.









Performance by division

MSEK	3 months Jan–Mar 2022	Jan–Mar 2021	Δ %	Full-year Apr 2021–Mar 2022	Apr 2020–Mar 2021	Δ %
Revenue						
Building Materials	400	364	*10*	1,340	1,269	*6*
Workplace Safety	402	383	*5*	1,633	1,589	*3*
Tools & Consumables	413	377	*10*	1,641	1,495	*10*
Group-wide/eliminations	−10	−9		–39	−42	
Total revenue	**1,205**	**1,115**	***8***	**4,575**	**4,311**	***6***
EBITA						
Building Materials	29	25	*16*	94	85	*11*
Workplace Safety	37	30	*23*	145	137	*6*
Tools & Consumables	25	21	*19*	103	57	*81*
Group-wide/eliminations	−3	−3		–11	−8	
Total EBITA	**88**	**73**	***21***	**331**	**271**	***22***
EBITA margin, percent						
Building Materials	7.3	6.9		7.0	6.7	
Workplace Safety	9.2	7.8		8.9	8.6	
Tools & Consumables	6.1	5.6		6.3	3.8	
Total EBITA margin	**7.3**	**6.5**		**7.2**	**6.3**	

Building Materials

Building Materials' revenue in the fourth quarter increased by 10 percent to MSEK 400 (364) and EBITA increased by 16 percent to MSEK 29 (25). Revenue for the full year increased by 6 percent to MSEK 1,340 (1,269) and EBITA increased by 11 percent to MSEK 94 (85).

The construction markets in Sweden and Norway were stable despite price increases and a shortage of input products. The improvement in earnings is primarily due to an increase in orders in the spring period for ESSVE compared with the preceding year. Fireprotection also performed well. The division maintained a good delivery capacity as a result of higher buffer inventories. Nevertheless, ESSVE Industry and H&H were negatively affected by longer delivery times and disruptions in the supply chain, mainly from suppliers in Asia.

Workplace Safety

Workplace Safety's revenue in the fourth quarter increased by 5 percent to MSEK 402 (383) and EBITA increased by 23 percent to MSEK 37 (30). Revenue for the full year increased by 3 percent to MSEK 1,633 (1,589) and EBITA increased by 6 percent to MSEK 145 (137).

Demand for COVID-19-related items was lower than in the preceding year, which primarily had a negative impact on Skydda and Zekler. Other units noted favourable demand and improved their earnings. Cresto and SIS Group, for example, more than doubled their earnings. As expected, acquired units made positive contributions.

Tools & Consumables

Tools & Consumables' revenue in the fourth quarter increased by 10 percent to MSEK 413 (377) and EBITA increased by 19 percent to MSEK 25 (21). Revenue for the full year increased by 10 percent to MSEK 1,641 (1,495) and EBITA increased by 81 percent to MSEK 103 (57).

Demand remained favourable and Luna continued to replace unprofitable volume products with higher margin products. Teng Tools increased its sales in all markets. Most of the division's companies increased their earnings, despite challenging delivery situations. Interruptions in the supply chain had the largest impact on Belano which, like other German machine suppliers, was affected by the continued shortage of semiconductors. As expected, acquired units made positive contributions.

Group-wide and eliminations

Group-wide expenses and eliminations for the fourth quarter amounted to MSEK 3 (3). Group-wide expenses for the full year amounted to MSEK 11 (8).

The Parent Company's revenue amounted to MSEK 35 (32) and profit after financial items amounted to MSEK 22 (26) for the period. The item "Appropriations" includes Group contributions received in a net amount of MSEK 27.

Employees

At the end of the period, the number of employees in the Group totalled 1,227, compared with 1,129 at the beginning of the financial year. During the period, 63 employees were gained via acquisitions.

Corporate acquisitions

On 1 April, Workplace Safety acquired all of the shares in the company group Abtech, consisting of Abtech Safety Ltd, Outreach Organisation Ltd and Outreach Rescue Medic Skills Ltd. Abtech is a leading supplier of personal fall protection and rescue equipment in the UK and also provides training and courses for the industrial sector and rescue specialists. The company group generates annual revenue of approximately MSEK 44 and is part of Cresto Group.

On 6 April, Tools & Consumables acquired all of the shares in H.M. Albretsen Verktøysikring AS. Albretsen develops and manufactures products and solutions within fall protection for tools. Albretsen generates revenue of approximately MSEK 20.

On 1 September, Workplace Safety acquired all of the shares in (3) Screen Tryck AB and the company is part of SIS Group. (3) Screen is a niche producer of workplace safety signage products. The acquisition brings unique production capabilities for SIS Group's patented products.

On 16 November, Workplace Safety acquired all of the shares in the UK company Safety Technology Ltd, including its US subsidiary Safety Technology USA LLC. Safety Technology is a specialised supplier of fall protection and rescue solutions with special emphasis on training in working at heights. The company group generates annual revenue of approximately MSEK 20 and is part of Cresto Group.

On 24 February, Workplace Safety acquired 80 percent of the shares in the Norwegian company group BSafe, consisting of the companies BSafe Systems AS and DigiPrint AS. BSafe is a leading player in Norway within safety marking in heavy industry. The company group has annual revenue of approximately MSEK 24 and is part of SIS Group.

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.

The total purchase price allocation for the year's acquisitions:

Fair value of acquired assets and liabilities	**MSEK**
Customer relations, etc.	84
Other non-current assets	11
Other assets	51
Deferred tax liability, net	18
Current liabilities	22
Acquired net assets	**106**
Goodwill	53
Purchase consideration	159
Less: Purchase consideration, unpaid	−9
Less: Cash and cash equivalents in acquired companies	−19
Net change in cash and cash equivalents	−131

Acquisition-related transaction costs, which are recognised in other operating expenses in the income statement, amounted to MSEK 1. The unpaid purchase consideration of MSEK 9 is contingent and is estimated to amount to a maximum of MSEK 9. The contingent considerations will fall due within three years.

Acquisition	**Closing**	**Rev. MSEK***	**No. of empl.***	**Division**
Abtech, UK	Apr 2021	44	34	Workplace Safety
Albretsen, Norway	Apr 2021	20	4	Tools & Consumables
(3) Screen, Sweden	Sep 2021	7	5	Workplace Safety
Safety Techn., UK	Nov 2021	20	14	Workplace Safety
BSafe, Norway	Feb 2022	24	6	Workplace Safety

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

The purchase price allocations for the acquisitions for the period from 1 April 2020 to 31 March 2021 have been finalised. No material adjustments have been made in the calculations. Contingent considerations of MSEK 6 pertaining to previous years' acquisitions were paid. Remeasurement of contingent considerations had a positive effect of MSEK 6 (2) on the period. 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), increased to 22 percent, compared with 20 percent for full-year 2020/2021. The return on equity was 11 percent, compared with 10 percent for full-year 2020/2021.

Cash flow from operating activities for the full year totalled MSEK 225 (383). Working capital increased by MSEK 179 during the period, mainly due to increased buffer inventories.

Cash flow was charged with net investments in non-current assets of MSEK 51 (70) and MSEK 137 (112) pertaining to the acquisition of businesses. 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 889 (697), excluding pension obligations of MSEK 608 (692) and lease liabilities according to IFRS 16 of MSEK 366 (397). Cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 618 (809).

The equity/assets ratio was 36 percent (35). Equity per share increased to SEK 72.85, compared with SEK 64.40 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	−913,677		3.3	2.5
Total number of shares after repurchasing	**26,522,739**			

The share price as of 31 March 2022 was SEK 141.40. The average number of treasury shares was 921,833 during the period and 913,677 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 2018/2022	98,000	98,000	0.4%	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 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 options issued for repurchased shares resulted in an insignificant dilution effect.

Events after the end of the financial year

On 1 April 2022, the Tools & Consumables division acquired 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 MEUR 5.

Annual General Meeting

The Annual General Meeting (AGM) of Bergman & Beving AB will be held on Wednesday, 24 August 2022, at 4:00 p.m. CEST at IVA Conference Centre, Grev Turegatan 16, Stockholm. The notice of the AGM will be published in July and will be available at www.bergmanbeving.com.

Stockholm, 13 May 2022

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 13 May 2022.

Dates for forthcoming financial information

Interim Report 1 April–30 June 2022 will be published on 13 July 2022 at 7:45 a.m.

The 2022 Annual General Meeting will be held at IVA, Grev Turegatan 16 in Stockholm on 24 August 2022 at 4:00 p.m.

Interim Report 1 April–30 September 2022 will be published on 20 October 2022 at 7:45 a.m.

Interim Report 1 April–31 December 2022 will be published on 3 February 2023 at 7:45 a.m.

The 2021/2022 Annual Report will be published on Bergman & Beving's website in July 2022.

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BERGMAN & BEVING

Reporting by quarter

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

Group summary

CONSOLIDATED INCOME STATEMENT	3 months		Full-year	
MSEK	**Jan–Mar 2022**	**Jan–Mar 2021**	**Apr 2021–Mar 2022**	**Apr 2020–Mar 2021**
Revenue	1,205	1,115	4,575	4,311
Other operating income	5	4	11	15
Total operating income	**1,210**	**1,119**	**4,586**	**4,326**
Cost of goods sold	−691	−657	−2,625	−2,573
Personnel costs	−219	−209	−855	−773
Depreciation, amortisation and impairment losses	−55	−48	−205	−179
Other operating expenses	−165	−138	−603	−554
Total operating expenses	**−1,130**	**−1,052**	**−4,288**	**−4,079**
Operating profit	**80**	**67**	**298**	**247**
Financial income and expenses	−12	−12	−39	−35
Profit after financial items	**68**	**55**	**259**	**212**
Taxes	−15	−12	−57	−46
Net profit	**53**	**43**	**202**	**166**
Of which, attributable to Parent Company shareholders	53	43	200	164
Of which, attributable to non-controlling interest	0	0	2	2
EBITA	88	73	331	271
Earnings per share before dilution, SEK	2.00	1.60	7.55	6.15
Earnings per share after dilution, SEK	2.00	1.60	7.50	6.15
Number of shares outstanding before dilution, ‘000	26,523	26,507	26,523	26,507
Weighted number of shares before dilution, ‘000	26,523	26,507	26,515	26,621
Weighted number of shares after dilution, ‘000	26,655	26,524	26,690	26,621

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3 months		Full-year	
MSEK	**Jan–Mar 2022**	**Jan–Mar 2021**	**Apr 2021–Mar 2022**	**Apr 2020–Mar 2021**
Net profit	**53**	**43**	**202**	**166**
Remeasurement of defined-benefit pension plans	81	53	81	−5
Tax attributable to components that will not be reclassified	−17	−11	−17	1
Components that will not be reclassified to net profit	**64**	**42**	**64**	**−4**
Translation differences	21	22	30	−27
Fair value changes for the year in cash-flow hedges	−1	−4	0	−9
Tax attributable to components that will be reclassified	0	1	0	2
Components that will be reclassified to net profit	**20**	**19**	**30**	**−34**
Other comprehensive income	**84**	**61**	**94**	**−38**
Total comprehensive income for the period	**137**	**104**	**296**	**128**
Of which, attributable to Parent Company shareholders	137	104	294	126
Of which, attributable to non-controlling interest	0	0	2	2

BERGMAN & BEVING

CONSOLIDATED BALANCE SHEET

MSEK	31 March 2022	31 March 2021
Assets		
Goodwill	1,667	1,609
Other intangible non-current assets	468	425
Tangible non-current assets	126	102
Right-of-use assets	359	390
Financial non-current assets	5	5
Deferred tax assets	66	91
Inventories	1,233	1,129
Accounts receivable	1,042	950
Other current receivables	147	101
Cash and cash equivalents	182	139
Total assets	**5,295**	**4,941**
Equity and liabilities		
Equity attributable to Parent Company shareholders	1,915	1,701
Non-controlling interest	17	14
Non-current interest-bearing liabilities	1,030	855
Provisions for pensions	608	692
Other non-current liabilities and provisions	137	136
Current interest-bearing liabilities	407	378
Accounts payable	584	609
Other current liabilities	597	556
Total equity and liabilities	**5,295**	**4,941**
Operational net loan liability	889	697

CONSOLIDATED STATEMENT OF EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS

MSEK	31 March 2022	31 March 2021
Opening equity	**1,701**	**1,631**
Dividend	−80	−40
Exercise and purchase of options for repurchased shares	0	1
Repurchase of own shares	–	−17
Total comprehensive income for the period	294	126
Closing equity	**1,915**	**1,701**

CONSOLIDATED CASH-FLOW STATEMENT	3 months		Full-year	
MSEK	Jan–Mar 2022	Jan–Mar 2021	Apr 2021–Mar 2022	Apr 2020–Mar 2021
Operating activities before changes in working capital	106	91	404	393
Changes in working capital	−142	−116	−179	−10
Cash flow from operating activities	**−36**	**−25**	**225**	**383**
Investments in intangible and tangible assets	−11	−17	−51	−71
Proceeds from sale of intangible and tangible assets	0	0	0	1
Acquisition of businesses	−40	−36	−137	−112
Divestment of businesses	–	5	–	5
Cash flow before financing	**−87**	**−73**	**37**	**206**
Financing activities	114	83	1	−147
Cash flow for the period	**27**	**10**	**38**	**59**
Cash and cash equivalents at the beginning of the period	**152**	**125**	**139**	**90**
Cash flow for the period	27	10	38	59
Exchange-rate differences in cash and cash equivalents	3	4	5	−10
Cash and cash equivalents at the end of the period	**182**	**139**	**182**	**139**

Compilation of key financial ratios

KEY FINANCIAL RATIOS	Full-year	
MSEK	31 March 2022	31 March 2021
Revenue	4,575	4,311
EBITA	331	271
EBITA margin, percent	7.2	6.3
Operating profit	298	247
Operating margin, percent	6.5	5.7
Profit after financial items	259	212
Net profit	202	166
Profit margin, percent	5.7	4.9
Return on working capital (P/WC), percent	22	20
Return on capital employed, percent	8	7
Return on equity, percent	11	10
Operational net loan liability (closing balance)	889	697
Equity (closing balance)	1,932	1,715
Equity/assets ratio, percent	36	35
Number of employees at the end of the period	1,227	1,129
Key per-share data		
Earnings, SEK	7.55	6.15
Earnings after dilution, SEK	7.50	6.15
Cash flow from operating activities, SEK	8.50	14.40
Equity, SEK	72.85	64.40
Share price, SEK	141.40	121.40

Parent Company summary

INCOME STATEMENT	3 months		Full-year	
MSEK	Jan–Mar 2022	Jan–Mar 2021	Apr 2021–Mar 2022	Apr 2020–Mar 2021
Revenue	9	8	35	32
Other operating income	–	0	–	0
Total operating income	**9**	**8**	**35**	**32**
Operating expenses	−15	−7	−55	−43
Operating profit/loss	**–6**	**1**	**−20**	**−11**
Financial income and expenses	8	8	42	37
Profit after financial items	**2**	**9**	**22**	**26**
Appropriations	24	−1	24	−1
Profit before taxes	**26**	**8**	**46**	**25**
Taxes	3	4	−2	0
Net profit	**29**	**12**	**44**	**25**

STATEMENT OF COMPREHENSIVE INCOME	3 months		Full-year	
MSEK	Jan–Mar 2022	Jan–Mar 2021	Apr 2021–Mar 2022	Apr 2020–Mar 2021
Net profit	**29**	**12**	**44**	**25**
Fair value changes for the year in cash-flow hedges	−1	−4	0	−9
Taxes attributable to other comprehensive income	0	1	0	2
Components that will be reclassified to net profit	**−1**	**−3**	**0**	**−7**
Other comprehensive income	**−1**	**−3**	**0**	**−7**
Total comprehensive income for the period	**28**	**9**	**44**	**18**

BALANCE SHEET		
MSEK	31 March 2022	31 March 2021
Assets		
Intangible non-current assets	0	0
Tangible non-current assets	2	2
Financial non-current assets	2,540	2,451
Current receivables	840	635
Cash and cash equivalents	1	0
Total assets	**3,383**	**3,088**
Equity, provisions and liabilities		
Equity	1,179	1,215
Untaxed reserves	49	46
Provisions	40	36
Non-current liabilities	780	560
Current liabilities	1,335	1,231
Total equity, provisions and liabilities	**3,383**	**3,088**

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 2020/2021. 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 2021 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.

	3 months		Full-year	
MSEK	**Jan–Mar 2022**	**Jan–Mar 2021**	**Apr 2021–Mar 2022**	**Apr 2020–Mar 2021**
Sweden	450	450	1,808	1,780
Norway	366	330	1,234	1,139
Finland	109	98	414	418
Other countries	280	237	1,119	974
Revenue	**1,205**	**1,115**	**4,575**	**4,311**

3. Leases

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

MSEK	**31 March 2022**	**31 March 2021**
Right-of-use assets	359	390
Non-current lease liabilities	243	289
Current lease liabilities	123	108

	3 months		Full-year	
MSEK	**Jan–Mar 2022**	**Jan–Mar 2021**	**Apr 2021–Mar 2022**	**Apr 2020–Mar 2021**
Depreciation of right-of-use assets	−34	−28	−123	−114
Interest on lease liabilities	−2	−2	−8	−9

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. 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 50–53 of Bergman & Beving's Annual Report for 2020/2021.

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.

	3 months		Full-year	
Percentage change in revenue for:	**Jan–Mar 2022**	**Jan–Mar 2021**	**Apr 2021–Mar 2022**	**Apr 2020–Mar 2021**
Comparable units in local currency	1	2	0	5
Currency effects	3	−3	1	−3
Acquisitions/divestments	4	3	5	4
Total – change	**8**	**2**	**6**	**6**

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.

	3 months		Full-year	
MSEK	**Jan–Mar 2022**	**Jan–Mar 2021**	**Apr 2021–Mar 2022**	**Apr 2020–Mar 2021**
EBITA	**88**	**73**	**331**	**271**
Depreciation and amortisation in connection with acquisitions	−8	−6	−33	−24
Operating profit/loss	**80**	**67**	**298**	**247**

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	**Apr 2021–Mar 2022**	**Apr 2020–Mar 2021**
EBITA (P)	**331**	**271**
Average working capital (WC)		
Inventories	1,203	1,072
Accounts receivable	869	801
Accounts payable	−562	−528
Total – average WC	**1,510**	**1,345**
P/WC, percent	**22**	**20**

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 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 75 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 create long-term value for society and our shareholders while limiting the impact of our operations on the environment.
- 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, markets and sells their products based on local conditions and as close to the customer as possible in the markets where they operate.

Our companies

Building Materials	Workplace Safety	Tools & Consumables
ESSVE, KGC, H&H, ESSVE industri, FireSeal, BVS	GUIDE, CRESTO GROUP, ARBESKO, SKYDDA, ZEKLER, SISGROUP	LUNA GROUP, H.M. Albretsen, RETCO, TENGTOOLS, LIDÉN, BELANO MASKIN AB, UVECO