

Interim Report 1 April–30 June 2022

First quarter (1 April–30 June 2022)

- ❖ Revenue rose by 1 percent to MSEK 1,200 (1,193).
- ❖ EBITA increased by 17 percent to MSEK 91 (78) and the EBITA margin improved to 7.6 percent (6.5).
- ❖ Net profit rose by 15 percent to MSEK 55 (48).
- ❖ Two acquisitions were carried out, with total annual revenue of approximately MSEK 75.

MSEK	3 months			R12 months	Full-year
	Apr–Jun 2022	Apr–Jun 2021	Δ %	Jul 2021– Jun 2022	2021/2022
Revenue	1,200	1,193	1	4,582	4,575
EBITA	91	78	17	344	331
EBITA margin, percent	7.6	6.5		7.5	7.2
Profit after financial items	70	62	13	267	259
Net profit (after taxes)	55	48	15	209	202
Earnings per share before dilution, SEK	2.05	1.80		7.75	7.55
Earnings per share after dilution, SEK	2.05	1.80		7.70	7.50
P/WC, percent				22	22
Equity/assets ratio, percent				38	36
Number of employees at the end of the period	1,245	1,189	5	1,245	1,227

CEO's comments

“The Group’s positive performance continues” is how I would summarise the first quarter of the financial year, and I am pleased to report that the earnings have increased tenth quarter in a row. We delivered our highest quarterly result to date, with profit growth of 17 percent. The EBITA margin improved to 7.6 percent. All three divisions delivered increased earnings and improved operating margins, and 12 of our 19 profit units strengthened their earnings. This progress is a result of an increased focus on profit growth ahead of revenue growth, which means a focus on transactions where we offer higher added value and assigned a lower priority to lower-margin transactions. We have also continued to strengthen our decentralisation, increased our focus on profitability, intensified our management by objectives and increased our rate of acquisitions.

As part of our endeavour to increase the rate of acquisitions, we acquired Retco and Fallskyddspecialisterna during the quarter. Retco is a well-run, highly profitable company that affords us a market-leading position in Finland in automated welding technology for general industry, which is an expansive niche market. Cresto Group’s acquisition of Fallskyddspecialisterna is in line with our strategy to conduct add-on acquisitions in the company groups deemed to have favourable growth prospects.

However, the quarter has not been without its challenges. We experienced continued disruptions in the supply chain and were forced to counteract shipping, material, and production costs, which were at historically high levels. The effects of rising inflation, a weaker SEK, the consequences of the war in Ukraine and the uncertainty this is creating in the construction and industrial sectors have not yet had any major impact on demand for our products. But given the uncertainty regarding the future economic situation, our companies tightened their cost control during the quarter and began scaling down their buffer inventories.

We have a plan with tangible targets and activities for each company that we are carrying out on an ongoing basis. Progress is being made, but there are improvements left to be made. I therefore believe we have good potential to improve our profitability, earnings, operating margin and cash flow in all divisions, and I am convinced that our decentralised model will enable us to quickly adapt – company by company – to changing market conditions. Assuming that the underlying economic situation does not dramatically worsen, I am confident in delivering on our plan to double the Group’s operating profit within four to five years.

Stockholm, July 2022

Magnus Söderlind
President & CEO

Profit and revenue

First quarter (April–June 2022)

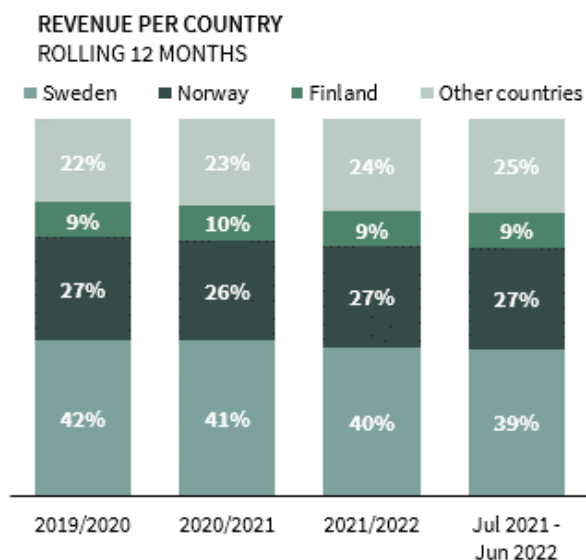
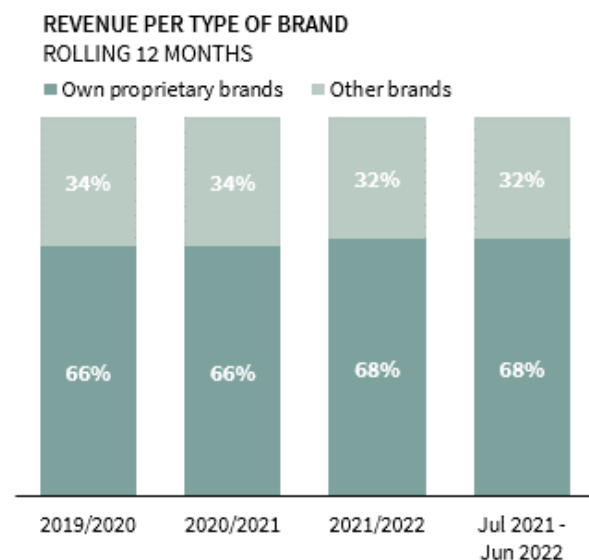
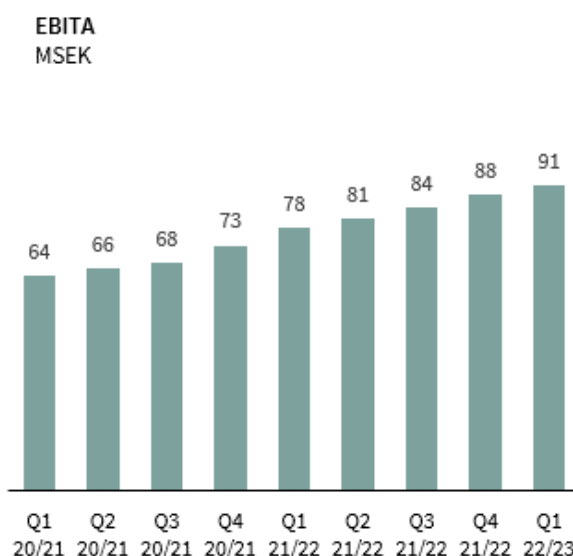
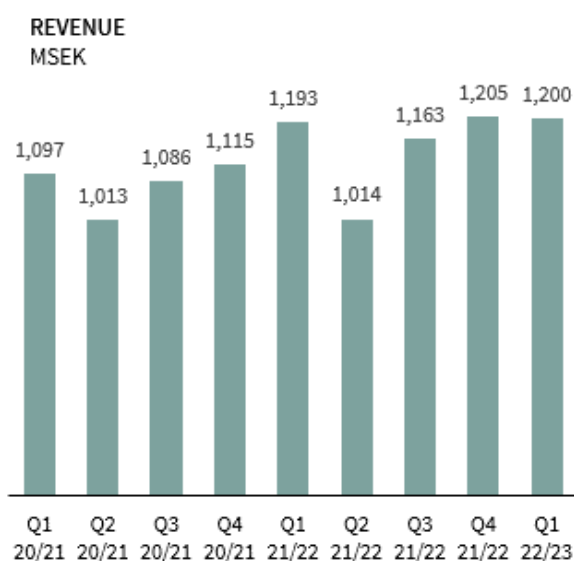
Revenue rose by 1 percent to MSEK 1,200 (1,193). Revenue decreased by 1 percent in local currency, with a 4 percent organic decrease and 3 percent increase from acquisitions. Exchange-rate fluctuations had a positive impact of 2 percent on revenue.

Demand was stable during the first quarter, although the market was characterised by a certain degree of uncertainty regarding future prospects. Increased buffer inventories largely secured the delivery capacity and strengthened the companies' market positions.

Acquisitions resulted in a higher share of sales outside the Nordic region.

EBITA for the first quarter increased by 17 percent to MSEK 91 (78) and the EBITA margin improved to 7.6 percent (6.5).

Profit after financial items rose to MSEK 70 (62). Net profit rose by 15 percent to MSEK 55 (48) and rolling 12-month earnings per share rose by 20 percent to SEK 7.75 (6.45) before dilution.



Performance by division

MSEK	3 months			R12 months	Full-year
	Apr–Jun 2022	Apr–Jun 2021	Δ %	Jul 2021– Jun 2022	2021/2022
Revenue					
Building Materials	389	375	4	1,354	1,340
Workplace Safety	411	428	–4	1,616	1,633
Tools & Consumables	410	399	3	1,652	1,641
Group-wide/eliminations	–10	–9		–40	–39
Total revenue	1,200	1,193	1	4,582	4,575
EBITA					
Building Materials	37	34	9	97	94
Workplace Safety	39	36	8	148	145
Tools & Consumables	17	14	21	106	103
Group-wide/eliminations	–2	–6		–7	–11
Total EBITA	91	78	17	344	331
EBITA margin, percent					
Building Materials	9.5	9.1		7.2	7.0
Workplace Safety	9.5	8.4		9.2	8.9
Tools & Consumables	4.1	3.5		6.4	6.3
Total EBITA margin	7.6	6.5		7.5	7.2

Building Materials

Building Materials' revenue increased by 4 percent to MSEK 389 (375) and EBITA rose by 9 percent to MSEK 37 (34).

Demand from construction customers in Sweden and Norway remained stable. The increase in earnings was primarily attributable to higher revenue, with high buffer inventories securing the division's delivery capacity. ESSVE continued its positive earnings performance during the quarter. The fire safety companies performed well, with organic growth of 30 percent, and BVS delivered its highest earnings to date.

Workplace Safety

Workplace Safety's revenue amounted to MSEK 411 (428) and EBITA rose by 8 percent to MSEK 39 (36).

Demand for personal protective equipment remained stable. Despite higher buffer inventories, deliveries were negatively impacted by product shortages, mainly within Skydda and Cresto. Cresto, Arbesko and SIS Group continued their strong earnings trends and, along with acquisitions, were the main explanation for the positive earnings performance.

Tools & Consumables

Tools & Consumables' revenue increased by 3 percent to MSEK 410 (399) and EBITA rose by 21 percent to MSEK 17 (14).

Demand remained favourable and, despite a challenging delivery situation, most of the division's companies continued their trend of increased earnings, with all companies except Luna delivering an operating margin of more than 10 percent. Luna continued its positive earnings trend, replacing unprofitable volume products with higher-margin products. As expected, acquired units made positive contributions.

Group-wide and eliminations

Group-wide expenses and eliminations for the first quarter amounted to MSEK 2 (6).

The Parent Company's revenue amounted to MSEK 9 (8) and profit after financial items amounted to MSEK 5 (3) for the period.

Employees

At the end of the period, the number of employees in the Group totalled 1,245, compared with 1,227 at the beginning of the financial year. During the period, 17 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.

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 for the last 12 months:

Fair value of acquired assets and liabilities	MSEK
Customer relations, etc.	65
Other non-current assets	11
Other assets	80
Deferred tax liability, net	13
Current liabilities	22
Acquired net assets	121
Goodwill	48
Purchase consideration	169
Less: Purchase consideration, unpaid	-15
Less: Cash and cash equivalents in acquired companies	-28
Net change in cash and cash equivalents	-126

The unpaid purchase consideration of MSEK 15 is contingent and is estimated to amount to a maximum of MSEK 15. The contingent considerations will fall due within three years.

Acquisition	Closing	Rev. MSEK*	No. of empl.*	Division
(3) Screen, Sweden	Sep 2021	7	5	Workplace Safety
Safety Techn., UK	Nov 2021	20	14	Tools & Consumables
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

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

No considerations pertaining to previous years' acquisitions were paid during the quarter. Remeasurement of contingent considerations had a positive effect of MSEK 2 (0) 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), amounted to 22 percent (21). The return on equity was 11 percent (10).

Cash flow from operating activities for the quarter totalled MSEK 79 (94). Working capital increased by MSEK 50 during the quarter, mainly due to increased buffer inventories.

Cash flow was charged with net investments in non-current assets of MSEK 11 (13) and MSEK 67 (72) 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 923 (732), excluding expensed pension obligations of MSEK 529 (687) and lease liabilities according to IFRS 16 of MSEK 364 (384). Cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 586 (778).

The equity/assets ratio was 38 percent (35). Equity per share increased to SEK 77.95, 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 June 2022 was SEK 107.00. The average number of treasury shares was 902,177 during the period and 868,677 at the end of the period. The average purchase price for the repurchased shares was SEK 87.88 per share.

CALL OPTION PROGRAMMES

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

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

During the quarter, the 2018/2022 call option programme expired.

Events after the end of the period

No significant changes occurred after the end of the quarter.

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 July 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 July 2022.

Dates for forthcoming financial information

- ❖ **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.
- ❖ **Financial Report 1 April 2022–31 March 2023** will be published on 12 May 2023 at 7:45 a.m.

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Reporting by quarter

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

Group summary

MSEK	3 months		R12 months	Full-year
	Apr–Jun 2022	Apr–Jun 2021	Jul 2021– Jun 2022	2021/2022
Revenue	1,200	1,193	4,582	4,575
Other operating income	3	1	13	11
Total operating income	1,203	1,194	4,595	4,586
Cost of goods sold	-674	-703	-2,596	-2,625
Personnel costs	-233	-219	-869	-855
Depreciation, amortisation and impairment losses	-55	-49	-211	-205
Other operating expenses	-159	-153	-609	-603
Total operating expenses	-1,121	-1,124	-4,285	-4,288
Operating profit	82	70	310	298
Financial income and expenses	-12	-8	-43	-39
Profit after financial items	70	62	267	259
Taxes	-15	-14	-58	-57
Net profit	55	48	209	202
Of which, attributable to Parent Company shareholders	54	48	206	200
Of which, attributable to non-controlling interest	1	0	3	2
EBITA	91	78	344	331
Earnings per share before dilution, SEK	2.05	1.80	7.75	7.55
Earnings per share after dilution, SEK	2.05	1.80	7.70	7.50
Number of shares outstanding before dilution, '000	26,568	26,507	26,568	26,523
Weighted number of shares before dilution, '000	26,534	26,507	26,521	26,515
Weighted number of shares after dilution, '000	26,622	26,631	26,686	26,690

MSEK	3 months		R12 months	Full-year
	Apr–Jun 2022	Apr–Jun 2021	Jul 2021– Jun 2022	2021/2022
Net profit	55	48	209	202
Remeasurement of defined-benefit pension plans	78	0	159	81
Tax attributable to components that will not be reclassified	-16	0	-33	-17
Components that will not be reclassified to net profit	62	0	126	64
Translation differences	11	-8	49	30
Fair value changes for the year in cash-flow hedges	2	5	-3	0
Tax attributable to components that will be reclassified	0	-1	1	0
Components that will be reclassified to net profit	13	-4	47	30
Other comprehensive income	75	-4	173	94
Total comprehensive income for the period	130	44	382	296
Of which, attributable to Parent Company shareholders	129	44	379	294
Of which, attributable to non-controlling interest	1	0	3	2

CONSOLIDATED BALANCE SHEET

MSEK	30 June 2022	30 June 2021	31 March 2022
Assets			
Goodwill	1,687	1,632	1,667
Other intangible non-current assets	486	461	468
Tangible non-current assets	128	111	126
Right-of-use assets	356	377	359
Financial non-current assets	6	5	5
Deferred tax assets	74	91	66
Inventories	1,332	1,131	1,233
Accounts receivable	953	913	1,042
Other current receivables	186	139	147
Cash and cash equivalents	212	148	182
Total assets	5,420	5,008	5,295
Equity and liabilities			
Equity attributable to Parent Company shareholders	2,049	1,742	1,915
Non-controlling interest	18	15	17
Non-current interest-bearing liabilities	1,110	894	1,030
Provisions for pensions	529	687	608
Other non-current liabilities and provisions	186	135	137
Current interest-bearing liabilities	389	370	407
Accounts payable	563	555	584
Other current liabilities	576	610	597
Total equity and liabilities	5,420	5,008	5,295
Operational net loan liability	923	732	889

CONSOLIDATED STATEMENT OF EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS

MSEK	30 June 2022	30 June 2021	31 March 2022
Opening equity	1,915	1,701	1,701
Dividend	–	–	–80
Exercise and purchase of options for repurchased shares	5	–3	0
Total comprehensive income for the period	129	44	294
Closing equity	2,049	1,742	1,915

CONSOLIDATED CASH-FLOW STATEMENT	3 months		R12 months	Full-year
	Apr–Jun 2022	Apr–Jun 2021	Jul 2021– Jun 2022	2021/2022
MSEK				
Operating activities before changes in working capital	129	106	427	404
Changes in working capital	–50	–12	–217	–179
Cash flow from operating activities	79	94	210	225
Investments in intangible and tangible assets	–11	–13	–49	–51
Proceeds from sale of intangible and tangible assets	0	0	0	0
Acquisition of businesses	–67	–72	–132	–137
Cash flow before financing	1	9	29	37
Financing activities	24	–1	26	1
Cash flow for the period	25	8	55	38
Cash and cash equivalents at the beginning of the period	182	139	148	139
Cash flow for the period	25	8	55	38
Exchange-rate differences in cash and cash equivalents	5	1	9	5
Cash and cash equivalents at the end of the period	212	148	212	182

Compilation of key financial ratios

KEY FINANCIAL RATIOS	R12 months		
	30 June 2022	30 June 2021	31 March 2022
MSEK			
Revenue	4,582	4,407	4,575
EBITA	344	285	331
EBITA margin, percent	7.5	6.5	7.2
Operating profit	310	259	298
Operating margin, percent	6.8	5.9	6.5
Profit after financial items	267	224	259
Net profit	209	174	202
Profit margin, percent	5.8	5.1	5.7
Return on working capital (P/WC), percent	22	21	22
Return on capital employed, percent	8	7	8
Return on equity, percent	11	10	11
Operational net loan liability (closing balance)	923	732	889
Operational net debt/equity ratio, multiple	0.4	0.4	0.5
Equity (closing balance)	2,067	1,757	1,932
Equity/assets ratio, percent	38	35	36
Number of employees at the end of the period	1,245	1,189	1,227
Key per-share data			
Earnings before dilution, SEK	7.75	6.45	7.55
Earnings after dilution, SEK	7.70	6.45	7.50
Cash flow from operating activities, SEK	7.90	12.95	8.50
Equity, SEK	77.95	66.15	72.85
Share price, SEK	107.00	132.60	141.40

Parent Company summary

INCOME STATEMENT	3 months		R12 months	Full-year
	Apr–Jun 2022	Apr–Jun 2021	Jul 2021– Jun 2022	2021/2022
MSEK				
Revenue	9	8	36	35
Total operating income	9	8	36	35
Operating expenses	-15	-16	-54	-55
Operating loss	-6	-8	-18	-20
Financial income and expenses	11	11	42	42
Profit after financial items	5	3	24	22
Appropriations	-	-	24	24
Profit before taxes	5	3	48	46
Taxes	-1	-1	-2	-2
Net profit	4	2	46	44

STATEMENT OF COMPREHENSIVE INCOME	3 months		R12 months	Full-year
	Apr–Jun 2022	Apr–Jun 2021	Jul 2021– Jun 2022	2021/2022
MSEK				
Net profit	4	2	46	44
Fair value changes for the year in cash-flow hedges	2	5	-3	0
Taxes attributable to other comprehensive income	0	-1	1	0
Components that will be reclassified to net profit	2	4	-2	0
Other comprehensive income	2	4	-2	0
Total comprehensive income for the period	6	6	44	44

BALANCE SHEET

MSEK	30 June 2022	30 June 2021	31 March 2022
Assets			
Intangible non-current assets	0	0	0
Tangible non-current assets	2	2	2
Financial non-current assets	2,540	2,485	2,540
Current receivables	708	561	840
Cash and cash equivalents	1	0	1
Total assets	3,251	3,048	3,383
Equity, provisions and liabilities			
Equity	1,190	1,218	1,179
Untaxed reserves	49	46	49
Provisions	40	36	40
Non-current liabilities	860	610	780
Current liabilities	1,112	1,138	1,335
Total equity, provisions and liabilities	3,251	3,048	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.

	3 months		R12 months	Full-year
	Apr–Jun 2022	Apr–Jun 2021	Jul 2021– Jun 2022	2021/2022
MSEK				
Sweden	471	484	1,795	1,808
Norway	308	311	1,231	1,234
Finland	124	108	430	414
Other countries	297	290	1,126	1,119
Revenue	1,200	1,193	4,582	4,575

3. Leases

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

MSEK	30 June 2022	30 June 2021	31 March 2022
Right-of-use assets	356	377	359
Non-current lease liabilities	243	375	243
Current lease liabilities	121	109	123

	3 months		R12 months	Full-year
	Apr–Jun 2022	Apr–Jun 2021	Jul 2021– Jun 2022	2021/2022
MSEK				
Depreciation of right-of-use assets	–33	–28	–128	–123
Interest on lease liabilities	–2	–2	–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. 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.

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

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 2022	Apr–Jun 2021	Jul 2021– Jun 2022	2021/2022
EBITA	91	78	344	331
Depreciation and amortisation in connection with acquisitions	-9	-8	-34	-33
Operating profit	82	70	310	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	Jul 2021– Jun 2022	Jul 2020– Jun 2021	2021/2022
EBITA (P)	344	285	331
Average working capital (WC)			
Inventories	1,243	1,090	1,203
Accounts receivable	883	822	869
Accounts payable	-557	-537	-562
Total – average WC	1,569	1,375	1,510
P/WC, percent	22	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
     	     	       