

BERGMAN & BEVING

Interim Report 1 April–31 December 2023

Third quarter (1 October–31 December 2023)

- ❖ Revenue amounted to MSEK 1,187 (1,239).
- ❖ EBITA increased by 7 percent to MSEK 110 (103) and the EBITA margin improved to 9.3 percent (8.3).
- ❖ Net profit totalled MSEK 55 (56).
- ❖ Cash flow from operating activities increased by 251 percent to MSEK 207 (59).
- ❖ Two acquisitions have been carried out, with total annual revenue of approximately MSEK 230.

Nine months (1 April–31 December 2023)

- ❖ Revenue amounted to MSEK 3,509 (3,512).
- ❖ EBITA increased by 16 percent to MSEK 322 (278) and the EBITA margin improved to 9.2 percent (7.9).
- ❖ Net profit totalled MSEK 152 (160).
- ❖ Earnings per share for the most recent 12-month period amounted to SEK 7.30 (7.90) before dilution and SEK 7.30 (7.90) after dilution.
- ❖ Six acquisitions have been carried out, with total annual revenue of approximately MSEK 450.

MSEK	3 months			9 months			Rolling 12 months	
	Oct–Dec 2023	Oct–Dec 2022	Δ %	Apr–Dec 2023	Apr–Dec 2022	Δ %	31 Dec 2023	31 Mar 2023
Revenue	1,187	1,239	-4	3,509	3,512	0	4,746	4,749
EBITA	110	103	7	322	278	16	426	382
EBITA margin, percent	9.3	8.3		9.2	7.9		9.0	8.0
Profit after financial items	70	71	-1	196	202	-3	265	271
Net profit (after taxes)	55	56	-2	152	160	-5	206	214
Earnings per share before dilution, SEK	1.95	2.05		5.45	5.90		7.30	7.80
Earnings per share after dilution, SEK	1.95	2.05		5.40	5.90		7.30	7.80
P/WC, percent							24	21
Cash flow from operating activities	207	59	251	562	188	199	707	333
Equity/assets ratio, percent							38	39
Number of employees at the end of the period	1,283	1,285	0	1,283	1,285	0	1,283	1,348

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

CEO's comments

Bergman & Beving's positive earnings trend continues

Our focus on earnings growth and profitability improvement are continuing to yield results, and we have now increased our earnings for 16 consecutive quarters. In the third quarter, EBITA amounted to MSEK 110, up 7 percent compared with the year-earlier period. Also, gross margin increased by almost 4 percentage points in the quarter, primarily driven by an improved organic product mix along with highly profitable acquisitions. Combined with lower costs for comparable units, this meant that the EBITA margin improved to 9.3 percent (8.3). Cash flow from operating activities increased, mainly due to reduced inventories and our positive earnings trend.

During the quarter, we experienced a decline in demand in some segments of the construction sector and a slowdown in industry. Together with our continued efforts to phase out low-margin business, weaker demand contributed to a 4 percent decrease in revenue compared with the same period last year and a 12 percent decrease in organic revenue.

Strong performance in two of three divisions

The Building Materials and Tools & Consumables divisions both reported solid earnings and margin improvements in the quarter. Tools & Consumables achieved a record-breaking operating margin of 12.9 percent as a result of acquisitions as well as margin-enhancing measures in existing companies. The Workplace Safety division, on the other hand, reported unsatisfactory earnings, mainly due to its large exposure to Nordic resellers that experienced declining demand in the construction and manufacturing sectors. We have already initiated cost-saving measures in response to the weaker demand and will take further action if profitability does not recover.

Continued acquisitions of highly profitable niche companies with growth potential

In line with our acquisition strategy, we acquired eight companies during the 2023 calendar year, with combined revenue of approximately MSEK 600 and an operating margin above 15 percent, including the third quarter acquisitions of Ateco and Orbital Fabrications. Ateco is market leader in systems and products for fire alarm installations in both public and commercial properties in Sweden. The acquisition of Orbital Fabrications in the UK means that we have established a position in the niche of gas handling systems with high demands on cleanliness. Combined, these acquisitions will contribute annual revenue of approximately MSEK 230 with healthy profitability, and we look forward to supporting the companies in their continued journeys of growth.

Increased focus on operations with the prerequisites to achieve established profitability targets

We will continue to prioritise earnings growth ahead of volume growth and stand firm on our ambition to reach MSEK 500 in operating profit by the 2025/2026 operating year. During the quarter, we also established supplementary financial targets that state that the operations are to achieve an EBIT margin over 10 percent by 2025/2026 and profitability (P/WC) of at least 45 percent by 2026/2027. To enable this, we will apply more stringent capital allocation to those of our 29 Group companies that have P/WC of at least 45 percent and the best growth prospects, and acquire highly profitable companies each year with combined earnings of MSEK 50–80. Our aim is to continue to broaden our acquisition approach, with a focus on niche B2B technology companies with proprietary products.

In conclusion, I am confident that we are well equipped to continue our positive earnings trend and improve our profitability, despite challenging market conditions.

Stockholm, February 2024

Magnus Söderlind
President & CEO

Profit and revenue

Third quarter (October–December 2023)

Revenue amounted to MSEK 1,187 (1,239). Acquired revenue growth amounted to 8 percent and exchange-rate fluctuations had a marginal impact on revenue. Revenue decreased by 12 percent organically, primarily due to a weaker market but also as a result of inventory reductions among our reseller customers and the continued phaseout low-margin transactions.

Demand from customers in the construction sector in the Nordic region remained weak as a result of a decline in the number of employees in the sector. The construction market for commercial properties and infrastructure projects remained stable. Demand from industrial customers was also slightly weaker.

EBITA for the third quarter increased by 7 percent to MSEK 110 (103) and the EBITA margin improved to 9.3 percent (8.3). The higher earnings are mainly attributable to acquisitions.

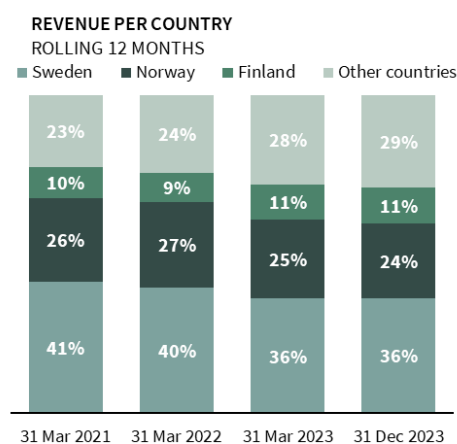
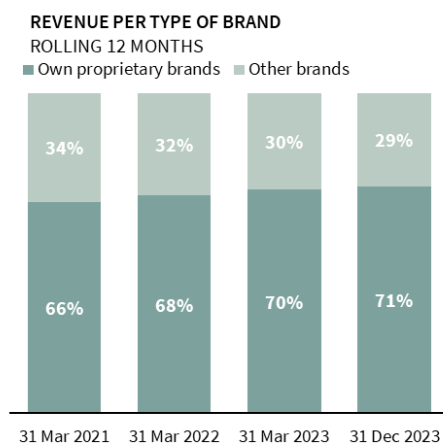
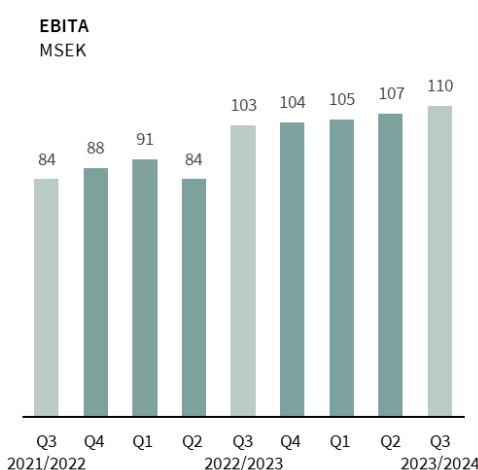
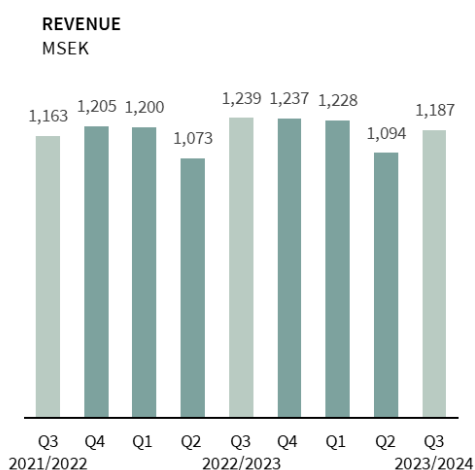
Profit after financial items totalled MSEK 70 (71). Increased interest expenses for bank loans and higher interest on lease liabilities had a negative impact on financial expenses. Net profit totalled MSEK 55 (56).

Nine months (April–December 2023)

Revenue amounted to MSEK 3,509 (3,512). Acquired growth amounted to 8 percent. Exchange-rate fluctuations had a positive impact of 1 percent on revenue. Revenue decreased by 9 percent organically.

EBITA for the period increased by 16 percent to MSEK 322 (278) and the EBITA margin improved to 9.2 percent (7.9).

Profit after financial items amounted to MSEK 196 (202). Net profit amounted to MSEK 152 (160) and earnings per share on a rolling 12-month basis totalled SEK 7.30 (7.90) after dilution.



Performance by division

MSEK	3 months			9 months			Rolling 12 months	
	Oct-Dec 2023	Oct-Dec 2022	Δ %	Apr-Dec 2023	Apr-Dec 2022	Δ %	31 Dec 2023	31 Mar 2023
Revenue								
Building Materials	322	298	8	1,061	997	6	1,443	1,379
Workplace Safety	433	442	-2	1,192	1,231	-3	1,617	1,656
Tools & Consumables	441	509	-13	1,282	1,314	-2	1,720	1,752
Group-wide/eliminations	-9	-10		-26	-30		-34	-38
Total revenue	1,187	1,239	-4	3,509	3,512	0	4,746	4,749
EBITA								
Building Materials	17	11	55	104	74	41	144	114
Workplace Safety	40	49	-18	93	123	-24	122	152
Tools & Consumables	57	45	27	138	86	60	173	121
Group-wide/eliminations*	-4	-2		-13	-5		-13	-5
Total EBITA	110	103	7	322	278	16	426	382
Depreciation and amortisation in connection with acquisitions	-16	-12		-17	-31		-59	-43
Operating profit	94	91		275	247		367	339
Financial income and expenses	-24	-20		-79	-45		-102	-68
Profit before taxes	70	71		196	202		265	271
EBITA margin, percent								
Building Materials	5.3	3.7		9.8	7.4		10.0	8.3
Workplace Safety	9.2	11.1		7.8	10.0		7.5	9.2
Tools & Consumables	12.9	8.8		10.8	6.5		10.1	6.9
Total EBITA margin	9.3	8.3		9.2	7.9		9.0	8.0

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

Performance by division – third quarter

Building Materials

Building Materials' revenue increased by 8 percent to MSEK 322 (298). EBITA rose by 55 percent to MSEK 17 (11) and the EBITA margin improved to 5.3 percent (3.7).

The earnings increase in the division was mainly related to acquired units. Demand from customers in commercial buildings and infrastructure remained healthy, which primarily benefited Itaab and Elkington. ESSVE experienced slightly lower demand and continued to implement operational improvements. For Fire Protection, sales to marine customers were strong but did not fully compensate for weaker sales of onshore products.

Workplace Safety

Workplace Safety's revenue amounted to MSEK 433 (442). EBITA amounted to MSEK 40 (49) and the EBITA margin was 9.2 percent (11.1).

Demand remained weak, particularly for the companies that deliver to resellers. In contrast, Cresto experienced somewhat higher demand primarily from wind power customers in both Europe and the US. The division's lower earnings were mainly attributable to weaker demand, and its previously initiated cost-saving measures have been expanded.

Tools & Consumables

Tools & Consumables' revenue amounted to MSEK 441 (509). EBITA increased by 27 percent to MSEK 57 (45) and the EBITA margin improved to 12.9 percent (8.8).

The operating margin was at an all-time high and amounted to 10.8 percent for the first nine months. The strong improvement in earnings and the operating margin was mainly related to acquired companies. Demand from industry-related customers declined during the quarter. Luna continued to carry out its previously initiated cost measures, which compensated for weaker demand during the quarter. Luna's earnings were almost in line with the preceding year despite the preceding year being positively impacted by approximately MSEK 5 of postponed deliveries after an IT attack on its former logistics provider.

Group-wide expenses and eliminations

Group-wide items and eliminations for the third quarter amounted to MSEK -4 (-2). The Parent Company's revenue amounted to MSEK 32 (28) and profit after financial items to MSEK 38 (25) for the April to December period.

Employees

At the end of the period, the number of employees in the Group totalled 1,283, compared with 1,348 at the beginning of the financial year. During the period from April to December, 54 employees were gained via acquisitions.

Corporate acquisitions

On 3 April, Tools & Consumables acquired all of the shares in Tema Norge AS. Tema Norge is a leading player in Norway in orbital welding and mechanised welding technology and generates annual revenue of approximately MSEK 45.

On 12 June, the Building Materials division acquired all of the shares in Elkington AB. The company is a leading actor in Sweden in floor access hatches but also sells related products in wall and roof hatches. The company has annual revenue of approximately MSEK 40.

On 6 July, the Building Materials division acquired all of the shares in Itaab Trading AB. The company is the leading manufacturer and supplier of metal suspended ceilings in Sweden with annual revenue of approximately MSEK 75.

On 31 August, Tools & Consumables acquired all of the shares in Sandbergs i Jämtland AB. The company is a niched supplier of equipment within handling of liquids in Sweden. The company has annual revenue of approximately MSEK 60.

On 13 November, Workplace Safety acquired 70 percent of the shares in Ateco. Ateco is a leading niche supplier of systems, products and accessories for both fixed and temporary fire alarm installations in public and commercial properties and has annual revenue of approximately MSEK 50.

On 18 December, Tools & Consumables acquired 80 percent of the shares in Orbital Fabrications Limited. The company is the UK's leading player within manufacturing of components and systems for handling of various gases with high demands on cleanliness and has annual revenue of approximately MSEK 180. The company was consolidated in the Group's earnings as of 1 January 2024.

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	Total
Customer relations, etc.	324
Other non-current assets	22
Other assets	322
Deferred tax liability, net	-72
Current liabilities	-124
Acquired net assets	472
Goodwill	263
Non-controlling interest	-50
Purchase considerations	685
Less: Purchase considerations, unpaid	-122
Less: Cash and cash equivalents in acquired companies	-148
Net change in cash and cash equivalents	-415

Goodwill is based on the expected future sales trend and profitability as well as the personnel of the acquired companies.

The unpaid purchase considerations of MSEK 122 are contingent and are estimated to amount to a maximum of MSEK 144. The contingent considerations will fall due within three years, but the majority of them will fall due earlier.

Acquisition analyses older than 12 months are considered finalised.

Acquisition	Closing	Rev. MSEK*	No. of empl.*	Division
Retco, Finland	Apr 2022	52	9	Tools & Consumables
Fallskyddspecialisterna, Sweden	Jun 2022	23	8	Workplace Safety
Polartherm, Finland	Aug 2022	127	57	Tools & Consumables
A.T.E. Solutions, UK	Feb 2023	32	17	Tools & Consumables
Kiilax, Finland	Feb 2023	100	24	Building Materials
Tema Norge, Norway	Apr 2023	45	8	Tools & Consumables
Elkington, Sweden	Jun 2023	40	6	Building Materials
Itaab, Sweden	July 2023	75	23	Building Materials
Sandbergs, Sweden	Aug 2023	60	8	Tools & Consumables
Ateco, Sweden	Nov 2023	50	9	Workplace Safety
Orbital Fabrications, UK	Dec 2023	180	80	Tools & Consumables

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

Considerations of MSEK 8 pertaining to previous years' acquisitions were paid during the first nine months. Remeasurements of contingent considerations had a positive effect of MSEK 5 (7) on the operating year, of which MSEK 5 (2) in the quarter. The effect on earnings is recognised in Other operating income.

Acquisition-related transaction costs for the year's acquisitions, which are recognised in other operating expenses in the income statement, amounted to MSEK 2 (3).

Profitability, cash flow and financial position

Profitability, measured as the return on working capital (P/WC), amounted to 24 percent (21). The return on equity was 9 percent (11).

Cash flow from operating activities for the first nine months totalled MSEK 562 (188). Working capital decreased during the period by MSEK 203, mainly a result of a decline in inventory levels and lower accounts receivable.

Cash flow was impacted by net investments in non-current assets of MSEK 41 (39) and MSEK 312 (144) pertaining to acquisitions.

The Group's operational net loan liability at the end of the period amounted to MSEK 1,108 (1,083), excluding expensed pension obligations of MSEK 511 (470) and lease liabilities of MSEK 410 (320). The change in pension obligations is mainly attributable to a lower discount rate. The increase in lease liabilities pertains

primarily to our new logistics facility. Cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 927 (955).

Financial income and expenses amounted to MSEK -79 (-45) for the first nine months, of which the net expense for bank financing amounted to MSEK -54 (-21). The net expense for bank financing amounted to MSEK -19 (-12) for the quarter.

The equity/assets ratio was 38 percent (39). Equity per share increased to SEK 85.80, compared with SEK 84.35 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 22 percent. This higher average tax is a result of a raised corporate tax rate in two of the Group's markets.

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	-751,543		2.7	2.0
Total number of shares after repurchasing	26,684,873			

The share price on 31 December 2023 was SEK 183.60. The average number of treasury shares was 795,207 during the period and 751,543 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 2020/2024	33,400	33,400	0.1	99.50	11 Sep 2023–7 Jun 2024
Call option programme 2021/2025	178,000	178,000	0.6	197.30	16 Sep 2024–12 Jun 2025
Call option programme 2022/2026	210,000	210,000	0.8	106.10	9 Sep 2025–5 Jun 2026
Call option programme 2023/2027	250,000	250,000	0.9	181.10	9 Sep 2026–4 Jun 2027

Call options issued for repurchased shares resulted in an insignificant dilution effect. In the first quarter of the year, the 2019/2023 call option programme expired. In the second quarter, the 2023/2027 call option programme resolved on by the Annual General Meeting in August 2023 was issued.

Events after the end of the period

No significant changes occurred after the end of the quarter.

Election Committee for the election of the Board of Directors

In accordance with a resolution passed at the Annual General Meeting held in August 2023, the four largest shareholders in terms of votes as of 31 December 2023 have been contacted and asked to appoint members who, together with the Chairman of the Board, will form the Election Committee.

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

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

Stockholm, 9 February 2024

Magnus Söderlind
President & CEO

This report has not been reviewed by the Company's auditors.

Other information

Publication

The information in this report is such that Bergman & Beving AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, at 7:45 a.m. CET on 9 February 2024.

Dates for forthcoming financial information

- ❖ **Financial Report 1 April 2023–31 March 2024** will be published on 15 May 2024.
- ❖ **The 2023/2024 Annual Report** will be published on Bergman & Beving's website in July.
- ❖ **Interim Report 1 April–30 June 2024** will be published on 16 July 2024.
- ❖ **The 2024 AGM** will be held on 29 August 2024 at 4:00 p.m. CEST at IVA Conference Centre, Grev Turegatan 16, Stockholm.

Contact information

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

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

Reporting by quarter

MSEK	2023/2024				2022/2023				2021/2022		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue											
Building Materials	322	346	393	382	298	310	389	400	277	288	375
Workplace Safety	433	354	405	425	442	378	411	402	452	351	428
Tools & Consumables	441	402	439	438	509	395	410	413	444	385	399
Group-wide/ eliminations	-9	-8	-9	-8	-10	-10	-10	-10	-10	-10	-9
Total revenue	1,187	1,094	1,228	1,237	1,239	1,073	1,200	1,205	1,163	1,014	1,193
EBITA											
Building Materials	17	37	50	40	11	26	37	29	10	21	34
Workplace Safety	40	19	34	29	49	35	39	37	43	29	36
Tools & Consumables	57	50	31	35	45	24	17	25	33	31	14
Group-wide/ eliminations	-4	1	-10	0	-2	-1	-2	-3	-2	0	-6
Total EBITA	110	107	105	104	103	84	91	88	84	81	78
EBITA margin, percent											
Building Materials	5.3	10.7	12.7	10.5	3.7	8.4	9.5	7.3	3.6	7.3	9.1
Workplace Safety	9.2	5.4	8.4	6.8	11.1	9.3	9.5	9.2	9.5	8.3	8.4
Tools & Consumables	12.9	12.4	7.1	8.0	8.8	6.1	4.1	6.1	7.4	8.1	3.5
Total EBITA margin	9.3	9.8	8.6	8.4	8.3	7.8	7.6	7.3	7.2	8.0	6.5

Group summary

CONSOLIDATED INCOME STATEMENT	3 months		9 months		Rolling 12 months	
	Oct-Dec 2023	Oct-Dec 2022	Apr-Dec 2023	Apr-Dec 2022	31 Dec 2023	31 Mar 2023
MSEK						
Revenue	1,187	1,239	3,509	3,512	4,746	4,749
Other operating income	6	4	15	11	48	44
Total operating income	1,193	1,243	3,524	3,523	4,794	4,793
Cost of goods sold	-607	-683	-1,835	-1,937	-2,525	-2,627
Personnel costs	-261	-247	-745	-696	-980	-931
Depreciation, amortisation and impairment losses	-72	-58	-209	-170	-271	-232
Other operating expenses	-159	-164	-460	-473	-651	-664
Total operating expenses	-1,099	-1,152	-3,249	-3,276	-4,427	-4,454
Operating profit	94	91	275	247	367	339
Financial income and expenses	-24	-20	-79	-45	-102	-68
Profit after financial items	70	71	196	202	265	271
Taxes	-15	-15	-44	-42	-59	-57
Net profit	55	56	152	160	206	214
Of which, attributable to Parent Company shareholders	52	55	145	157	195	207
Of which, attributable to non-controlling interest	3	1	7	3	11	7
EBITA	110	103	322	278	426	382
Earnings per share before dilution, SEK	1.95	2.05	5.45	5.90	7.30	7.80
Earnings per share after dilution, SEK	1.95	2.05	5.40	5.90	7.30	7.80
Number of shares outstanding before dilution, '000	26,685	26,568	26,685	26,568	26,685	26,575
Weighted number of shares before dilution, '000	26,673	26,568	26,641	26,557	26,623	26,560
Weighted number of shares after dilution, '000	26,789	26,568	26,780	26,569	26,749	26,586

STATEMENT OF COMPREHENSIVE INCOME	3 months		9 months		Rolling 12 months	
	Oct-Dec 2023	Oct-Dec 2022	Apr-Dec 2023	Apr-Dec 2022	31 Dec 2023	31 Mar 2023
MSEK						
Net profit	55	56	152	160	206	214
Other comprehensive income						
Remeasurement of defined-benefit pension plans	-79	-19	-42	138	-60	120
Tax attributable to components that will not be reclassified	17	4	9	-28	12	-25
Components that will not be reclassified to net profit	-62	-15	-33	110	-48	95
Translation differences	-55	12	-21	45	-22	44
Fair value changes for the year in cash-flow hedges	0	5	-2	1	3	6
Tax attributable to components that will be reclassified	0	-1	0	0	-1	-1
Components that will be reclassified to net profit	-55	16	-23	46	-20	49
Other comprehensive income	-117	1	-56	156	-68	144
Total comprehensive income for the period	-62	57	96	316	138	358
Of which, attributable to Parent Company shareholders	-63	56	90	312	128	350
Of which, attributable to non-controlling interest	1	1	6	4	10	8

CONSOLIDATED BALANCE SHEET

MSEK	31 Dec 2023	31 Dec 2022	31 Mar 2023
Assets			
Goodwill	2,003	1,742	1,815
Other intangible non-current assets	788	534	604
Tangible non-current assets	155	134	140
Right-of-use assets	410	312	441
Financial non-current assets	6	5	5
Deferred tax assets	44	77	34
Total non-current assets	3,406	2,804	3,039
Inventory	1,268	1,438	1,360
Accounts receivable	853	872	969
Other current receivables	185	222	161
Cash and cash equivalents	323	196	220
Total current assets	2,629	2,728	2,710
Total assets	6,035	5,532	5,749
Equity and liabilities			
Equity attributable to Parent Company shareholders	2,182	2,143	2,181
Non-controlling interest	102	42	59
Total equity	2,284	2,185	2,240
Non-current interest-bearing liabilities	1,385	1,226	1,362
Provisions for pensions	511	470	490
Other non-current liabilities and provisions	296	243	207
Total non-current liabilities	2,192	1,939	2,059
Current interest-bearing liabilities	456	373	385
Accounts payable	461	460	487
Other current liabilities	642	575	578
Total current liabilities	1,559	1,408	1,450
Total equity and liabilities	6,035	5,532	5,749

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

MSEK	31 Dec 2023	31 Dec 2022	31 Mar 2023
Opening equity	2,181	1,915	1,915
Dividend	-96	-90	-90
Exercise and purchase of options for repurchased shares	7	6	6
Total comprehensive income for the period	90	312	350
Closing equity	2,182	2,143	2,181

CONSOLIDATED CASH-FLOW STATEMENT	3 months		9 months		Rolling 12 months	
	Oct-Dec 2023	Oct-Dec 2022	Apr-Dec 2023	Apr-Dec 2022	31 Dec 2023	31 Mar 2023
MSEK						
Operating activities before changes in working capital	108	98	359	296	452	389
Changes in working capital	99	-39	203	-108	255	-56
Cash flow from operating activities	207	59	562	188	707	333
Investments in intangible and tangible assets	-13	-17	-42	-40	-47	-45
Proceeds from sale of intangible and tangible assets	0	0	1	1	0	0
Acquisition of businesses	-133	10	-312	-144	-423	-255
Disposal of businesses	-	-	-	-	19	19
Cash flow from investing activities	-146	-7	-353	-183	-451	-281
Dividend, Parent Company shareholders	-	-	-96	-90	-96	-90
Borrowings	63	46	135	212	168	245
Repayment of loans	-1	-1	-15	-5	-16	-6
Repayment of leases	-36	-34	-109	-99	-156	-146
Other financing activities	-2	-14	-14	-18	-24	-28
Cash flow from financing activities	24	-3	-99	0	-124	-25
Cash flow for the period	85	49	110	5	132	27
Cash and cash equivalents at the beginning of the period	249	142	220	182	196	182
Cash flow for the period	85	49	110	5	132	27
Exchange-rate differences in cash and cash equivalents	-11	5	-7	9	-5	11
Cash and cash equivalents at the end of the period	323	196	323	196	323	220

Compilation of key financial ratios

KEY FINANCIAL RATIOS	Rolling 12 months				
	31 Dec 2023	31 Mar 2023	31 Mar 2022	31 Mar 2021	31 Mar 2020
MSEK					
Revenue	4,746	4,749	4,575	4,311	4,060
EBITDA	638	571	503	426	353
EBITA	426	382	331	271	208
EBITA margin, percent	9.0	8.0	7.2	6.3	5.1
Operating profit	367	339	298	247	189
Operating margin, percent	7.7	7.1	6.5	5.7	4.7
Profit after financial items	265	271	259	212	155
Net profit	206	214	202	166	116
Profit margin, percent	5.6	5.7	5.7	4.9	3.8
Return on working capital (P/WC), percent	24	21	22	20	16
Return on capital employed, percent	8	8	8	7	6
Return on equity, percent	9	10	11	10	7
Operational net loan liability (closing balance)	1,108	1,090	889	697	695
Operational net debt/equity ratio	0.5	0.5	0.5	0.4	0.4
Operational net loan liability/EBITDA, excl. IFRS 16, multiple	2.3	2.5	2.3	2.2	3.0
Equity (closing balance)	2,284	2,240	1,932	1,715	1,643
Equity/assets ratio, percent	38	39	36	35	35
Number of employees at the end of the period	1,283	1,348	1,227	1,129	1,083

KEY PER-SHARE DATA	Rolling 12 months				
	31 Dec 2023	31 Mar 2023	31 Mar 2022	31 Mar 2021	31 Mar 2020
SEK					
Earnings before dilution	7.30	7.80	7.55	6.15	4.30
Earnings after dilution	7.30	7.80	7.50	6.15	4.30
Cash flow from operating activities	26.55	12.55	8.50	14.40	8.25
Equity	85.80	84.35	72.85	64.40	61.10
Share price	183.60	128.40	141.40	121.40	50.30

Parent Company summary

CONSOLIDATED INCOME STATEMENT	3 months		9 months		Rolling 12 months	
	Oct-Dec 2023	Oct-Dec 2022	Apr-Dec 2023	Apr-Dec 2022	31 Dec 2023	31 Mar 2023
MSEK						
Revenue	10	9	32	28	41	37
Other operating income	0	-	0	0	0	0
Total operating income	10	9	32	28	41	37
Operating expenses	-10	-12	-35	-37	-52	-54
Operating loss	0	-3	-3	-9	-11	-17
Financial income and expenses	12	10	41	34	54	47
Profit after financial items	12	7	38	25	43	30
Appropriations	-	-	-	-	15	15
Profit before taxes	12	7	38	25	58	45
Taxes	-3	-1	-8	-5	-4	-1
Net profit	9	6	30	20	54	44

STATEMENT OF COMPREHENSIVE INCOME	3 months		9 months		Rolling 12 months	
	Oct-Dec 2023	Oct-Dec 2022	Apr-Dec 2023	Apr-Dec 2022	31 Dec 2023	31 Mar 2023
MSEK						
Net profit	9	6	30	20	54	44
Fair value changes for the year in cash-flow hedges	0	5	-2	1	3	6
Taxes attributable to other comprehensive income	0	-1	0	0	-1	-1
Components that will be reclassified to net profit	0	4	-2	1	2	5
Other comprehensive income	0	4	-2	1	2	5
Total comprehensive income for the period	9	10	28	21	56	49

CONSOLIDATED BALANCE SHEET	31 Dec 2023	31 Dec 2022	31 Mar 2023
	MSEK		
Assets			
Tangible non-current assets	1	2	2
Financial non-current assets	2,565	2,450	2,583
Current receivables	1,196	904	1,121
Cash and bank	1	1	1
Total assets	3,763	3,357	3,707
Equity, provisions and liabilities			
Equity	1,084	1,116	1,144
Untaxed reserves	6	49	6
Provisions	40	39	43
Non-current liabilities	1,277	1,166	1,283
Current liabilities	1,356	987	1,231
Total equity, provisions and liabilities	3,763	3,357	3,707

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 2022/2023. Disclosures are provided in the financial statements and accompanying notes as well as other sections of the interim report.

New or amended accounting standards

The additions and amendments to standards applicable during the year are not assessed to have any material impact on the financial statements. 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		9 months		Rolling 12 months	
	Oct-Dec 2023	Oct-Dec 2022	Apr-Dec 2023	Apr-Dec 2022	31 Dec 2023	31 Mar 2023
MSEK						
Sweden	447	449	1,245	1,298	1,684	1,737
Norway	273	304	823	890	1,128	1,195
Finland	127	133	395	366	536	507
Other countries	340	353	1,046	958	1,398	1,310
Revenue	1,187	1,239	3,509	3,512	4,746	4,749

3. Leases

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

	31 Dec 2023	31 Dec 2022	31 Mar 2023
MSEK			
Right-of-use assets	410	312	441
Non-current lease liabilities	280	201	297
Current lease liabilities	130	119	140

	3 months		9 months		Rolling 12 months	
	Oct-Dec 2023	Oct-Dec 2022	Apr-Dec 2023	Apr-Dec 2022	31 Dec 2023	31 Mar 2023
MSEK						
Depreciation of right-of-use assets	-39	-34	-115	-100	-150	-135
Interest on lease liabilities	-4	-2	-11	-6	-14	-9

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

The increase in right-of-use assets and lease liabilities pertains primarily to the new logistics facility. The new lease gave rise to an increase of MSEK 1 in lease liability interest for the quarter.

4. Risks and uncertainties

The uncertain geopolitical situation, the general conditions and inflation have intensified, but have had a minor impact on the Group to date. 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 2022/2023.

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.

Definitions

Return on equity^{1,2}

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

Return on equity measures, from an ownership perspective, the return generated by the owners' invested capital.

Return on working capital (P/WC)¹

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.

P/WC is used to analyse profitability and is a measure that encourages high EBITA and low working capital requirements. Bergman & Beving's profitability target is for each unit in the Group to achieve profitability of at least 45 percent. Refer to the reconciliation table on page 18.

Return on capital employed¹

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.

EBITA¹

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.

EBITA is used to analyse profitability generated from operating activities. Refer to the reconciliation table on page 18.

EBITA margin¹

EBITA for the period as a percentage of revenue.

The EBITA margin is used to show the profitability ratio of operating activities.

EBITDA¹

Operating profit for the period before depreciation/amortisation and impairment losses.

EBITDA is used to analyse profitability generated from operating activities. The Group also uses EBITDA excluding depreciation of right-of-use assets. Refer to the reconciliation table on page 18.

Equity per share^{1,2}

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

Equity per share measures the amount of equity attributable to each share and is presented to facilitate the analyses and decisions of investors.

Change in revenue for comparable units¹

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. Acquisitions/divestments refer to the acquisition or divestment of units during the corresponding period.

Used to analyse the underlying sales growth driven by changes in volume, range and prices for similar products and services between different periods. Refer to the reconciliation table on page 18.

Cash flow per share¹

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

The measure is used to enable investors to easily analyse the size of the surplus from operating activities that is generated per share.

Operational net loan liability¹

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

Operational net loan liability is used to follow the debt trend and to analyse the Group's total debt excluding lease liabilities and provisions for pensions. Refer to the reconciliation table on page 19.

Operational net debt/equity ratio^{1,2}

Operational net loan liability divided by equity.

Operational net debt/equity ratio measures, from an ownership perspective, the relationship between operational net loan liability and the owners' invested capital. Refer to the reconciliation table on page 19.

Profit after financial items¹

Profit before taxes for the period.

Used to analyse operational profitability including financial activities.

Earnings per share

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

Operating profit¹

Operating income less operating expenses.

The measure is used to describe the Group's earnings before interest and taxes.

Operating margin¹

Operating profit for the period as a percentage of revenue.

The measure is used to state the percentage of revenue remaining to cover interest and tax as well as to generate profit after the company's costs have been paid.

Equity/assets ratio^{1,2}

Equity as a percentage of the balance-sheet total.

The equity/assets ratio is used to analyse financial risk and shows the proportion of assets that are financed through equity.

Profit margin¹

Net profit after financial items as a percentage of revenue.

Profit margin is used to assess the Group's profit generation before tax and shows the proportion of revenue that the Group may retain in profit before taxes.

Weighted number of shares

Average number of shares outstanding before or after dilution. Shares held by the company 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.

¹ The performance measure is an alternative performance measure in accordance with ESMA's guidelines

² Minority shares are included in equity when this performance measure is calculated

Reconciliation tables 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

	3 months		9 months	
	Oct-Dec 2023	Oct-Dec 2022	Apr-Dec 2023	Apr-Dec 2022
Percentage change				
Comparable units in local currency	-12	-3	-9	-4
Currency effects	0	3	1	3
Acquisitions/divestments	8	7	8	5
Total - change	-4	7	0	4

EBITA

	3 months		9 months		Rolling 12 months	
	Oct-Dec 2023	Oct-Dec 2022	Apr-Dec 2023	Apr-Dec 2022	31 Dec 2023	31 Mar 2023
MSEK						
Operating profit	94	91	275	247	367	339
Depreciation and amortisation in connection with acquisitions	16	12	47	31	59	43
EBITA	110	103	322	278	426	382

EBITDA

	3 months		9 months		Rolling 12 months	
	Oct-Dec 2023	Oct-Dec 2022	Apr-Dec 2023	Apr-Dec 2022	31 Dec 2023	31 Mar 2023
MSEK						
Operating profit	94	91	275	247	367	339
Depreciation, amortisation and impairment losses	72	58	209	170	271	232
EBITDA	166	149	484	417	638	571
Depreciation of right-of-use assets	-39	-34	-115	-100	-150	-135
EBITDA excl. IFRS 16	127	115	369	317	488	436

Return on working capital (P/WC)

	Rolling 12 months		
	31 Dec 2023	31 Dec 2022	31 Mar 2023
MSEK			
EBITA (P)	426	366	382
Average working capital (WC)			
Inventory	1,324	1,371	1,389
Accounts receivable	888	906	924
Accounts payable	-450	-544	-516
Total - average WC	1,762	1,733	1,797
P/WC, percent	24	21	21

Operational net loan liability and operational net debt/equity ratio

MSEK	31 Dec 2023	31 Dec 2022	31 Mar 2023
Financial net liabilities	2,352	2,069	2,237
Pensions	-511	-470	-490
Lease liabilities	-410	-320	-437
Cash and cash equivalents	-323	-196	-220
Operational net loan liability	1,108	1,083	1,090
Equity	2,284	2,185	2,240
Operational net debt/equity ratio	0.5	0.5	0.5



Bergman & Beving in brief

- ❖ Bergman & Beving, founded in 1906, is a Swedish listed corporate group with extensive experience in acquiring and developing leading niche companies from a long-term ownership perspective.
- ❖ Bergman & Beving’s vision is to be a leading niche supplier of productive, safe and sustainable solutions to 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 at over 5,000 sales outlets and by distributors in approximately 25 countries.
- ❖ Our primary market is the Nordic region, which accounts for approximately 70 percent of 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.

Our business units:

Building Materials	Workplace Safety	Tools & Consumables
Solutions and necessities for the construction industry	Personal Protective Equipment and Work environment safety	Hand tools, Machines and Supplies