Q1 2024

Quarterly report

BEWI

Contents

Comments from the CEO

Solid operational performance in seasonally weak quarter, positioned for growth

- Market conditions remained challenging, further impacting sales in a seasonally weak quarter
- Solid operational performance including
  - Continued cost - and capacity adjustments enabling sustained downstream margins, despite lower volumes
  - Ramp-up of new production line in Etten-Leur, strengthening capacity of grey EPS and use of recycled EPS
  - Launch of products with lower CO_2 footprint based on recycled feedstock from mass balance approach
- Macroeconomic indicators show signs of improvement, and regulatory drivers remain strong

In the first quarter, market conditions remained challenging. Combined with extra harsh weather conditions and an early Easter, this further impacted sales in the group's seasonally weakest quarter. BEWI delivered a solid operational performance in the quarter, and we are sticking to our priorities to adapt to the markets while strategically positioning ourselves for growth.

Although the markets remained weak in the quarter, the macroeconomic indicators are showing signs of improvement, as central banks are re-considering rate cuts amid easing inflation. Further, strong regulatory drivers are supporting our circular business model and the strategic choices we have made to strengthen our position in energy efficient solutions for buildings.

We are pleased with the development in the I&C segment, where we succeed in maintaining the margin from the first quarter last year, despite the substantial volume loss combined with cost inflation.

During the first quarter and into the second quarter, we sticked to our priorities to effectively manage the slow markets in the short term, while positioning for the long-term commercial opportunities. The operations of our 75 facilities across Europe are running smoothly, with constant improvements and innovations being made.

Net sales came in at 244 million euro for the first quarter of 2024, compared to 296 million euro for the same quarter of 2023. The decrease in sales is mainly explained by lower volumes, mainly coming from the lower activity in the building and construction industry. In addition, lower raw material prices resulted in lower sales prices.

Adjusted EBITDA was 19 million euro, down from 28 million euro for the first quarter of 2023. The reduction in EBITDA is mostly explained by the lower sales, combined with a lower GAP for the RAW segment. This was partly offset by the cost reductions and improved price management implemented throughout the organisation the past year. Once again, we are pleased with the development in the I&C segment, where we succeed in maintaining the margin from the first quarter last year, despite the substantial volume loss combined with cost inflation.

Our growth projects are carefully chosen to support what we consider as key drivers for our business. This includes the new production line in Etten-Leur, which ramped-production in the first quarter, providing us with increased capacity for use of recycled feedstock in our production. Combined with significant investments in circular capabilities, the new extruder enables us to launch products and EPS raw material grades with lower CO_2 emissions based on recycled feedstock. We have become a leading recycler of EPS in Europe, and we are proud to say that we control the full circular loop.

The work to strengthen the balance sheet continues to be a prioritised task. We divest properties under sale-leaseback agreements, and we work to optimise our working capital. At the end of the first quarter, we had 78 million euro in available cash and credit, with an additional 20 million euro still to come from the real estate divestments. In addition, we will receive a compensation of approximately 8 million euro related to the acquisition of Synbra in 2018.

We are pleased with how BEWI has withstood the recession in the building and construction markets, by adapting costs and capacity. As the market rebounds, the group is well positioned to swiftly capitalise on higher demand. With investments already made in increased capacity, volumes can increase without major cost increases, leading to a noticeable strengthening of margins. Supported by strong fundamentals, we remain confident in our strategy and the long-term potential for our solutions. We are committed to deliver robust results and value for our stakeholders.

Trondheim, Norway, 15 May 2024,

Christian Bekken, CEO BEWI ASA

Group highlights

(numbers in parenthesis refers to comparable figures for the corresponding period of 2023)

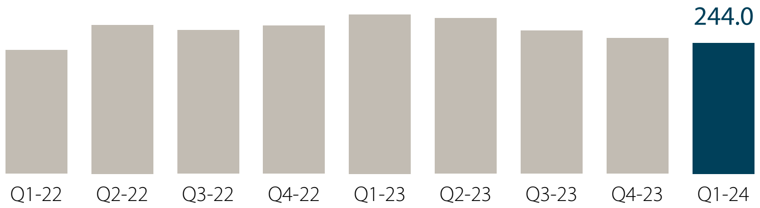
First quarter of 2024

- Net sales of EUR 244.0 million (296.4), down by 17.7 per cent
- Adj. EBITDA of EUR 18.6 million (28.2), down by 34.1 per cent
- Strengthened balance sheet through real estate divestment in Germany
- Ramped-up new production line for recycled and grey material in Etten-Leur
- Launched commitment to align with 1.5-degree scenario and Science-Based Targets Initiative (SBTi)
- Launched new products with reduced CO_2 footprint based on recycled feedstock

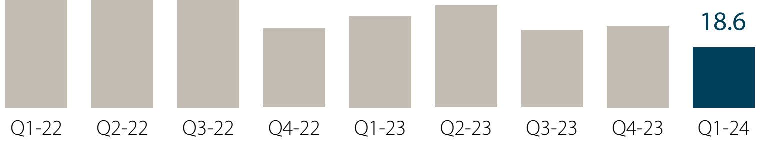
Subsequent events

- Completed divestments of three industrial real estates in Poland
- Compensation of EUR 7.6 million related to acquisition of Synbra

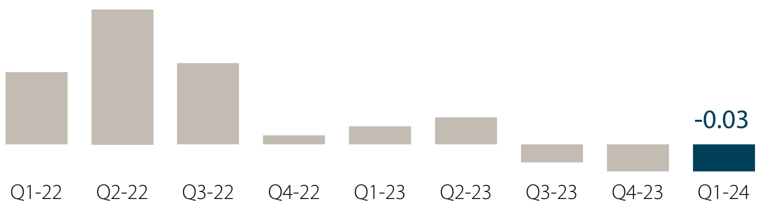
Net sales
EUR million

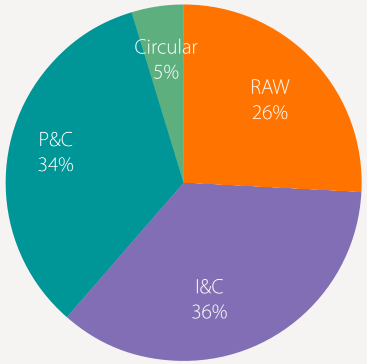


Adj. EBITDA
EUR million



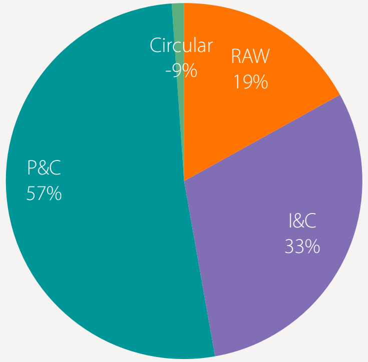
Adj. EPS
EUR million





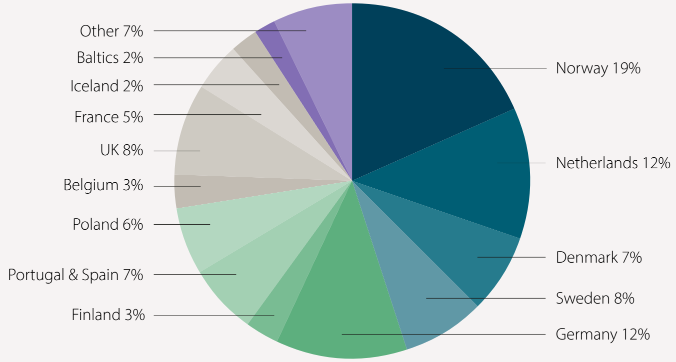
Net sales distribution across segments

For Q1 2024, the share of net sales per segment was rather stable and in line with 2023. The Insulation & Construction segment is the group's largest segment in terms of sales, closely followed by Packaging & Components and RAW.



Adj. EBITDA distribution across segments

Throughout 2023, the downstream segments accounted for an increasing share of the group's EBITDA. For Q1 2024, lower sales and GAP for RAW resulted in a continuation of this trend.



Net sales distribution across countries

Norway, Germany, and the Netherlands are the group's three largest markets. In Norway, the seafood industry is the group's most important end market, to which it sells EPS fish boxes and traded products. In Germany and the Netherlands, the building and construction industry is the most important end market, to which the group sells insulation solutions and raw materials.

Consolidated key figures[1]

Amounts in million EUR (except percentage)	Q1 2024	Q1 2023	2023
Net sales	244.0	296.4	1 105.3
Operating income (EBIT)	2.6	9.8	33.5
EBITDA	19.6	26.9	101.9
EBITDA margin (%)	*8.0%*	*9.1%*	*9.2%*
Adj. EBITDA	18.6	28.2	108.8
Adj. EBITDA margin (%)	*7.6%*	*9.5%*	*9.8%*
Items affecting comparability	1.0	-1.3	-7.0
Adj. EBITA	4.9	13.9	53.5
Adj. EBITA margin (%)	*2.0%*	*4.7%*	*4.8%*
Net profit/loss for the period	-8.3	-0.7	-15.6
Earnings per share, adj. (EUR)	-0.03	0.02	0.01
Capital Expenditure (CAPEX)	-8.7	-11.3	-51.7
Return on average capital employed (ROCE)%	*4.5%*	*11.4%*	*5.4%*
Total number of outstanding shares	*191 722 290*	*191 722 290*	*191 722 290*

[1] See definitions of alternative performance measures not defined by IFRS

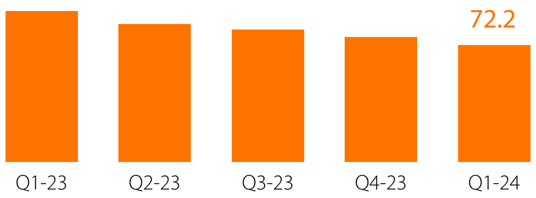
Segment highlights

RAW

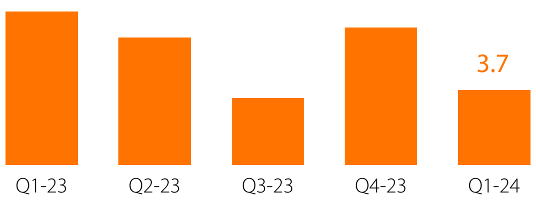
Net sales were down by 23 per cent from Q1 2023, due to lower volumes and sales prices, mainly explained by the low activity in the building and construction markets. In addition, challenging weather conditions, combined with EPS price volatility led to customers maintaining low inventory levels.

Adj. EBITDA decreased by 51 per cent due to the lower sales and GAP. However, improved efficiency in production and lower fixed cost had a positive contribution, partly compensating for the lower sales and GAP.

Net sales
EUR million



Adj. EBITDA
EUR million

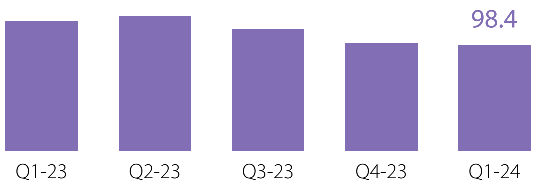


Insulation & Construction (I&C)

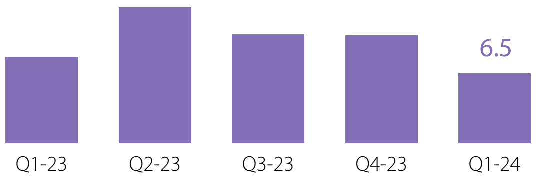
Net sales decreased by 18 per cent from Q1 2023, explained by the low activity in the building and construction industry. Further, the volumes were impacted by a longer winter season and early Easter break.

Adj. EBITDA decreased by 19 per cent from Q1 2023, resulting in a margin of 6.6 per cent. Despite the lower volumes, the segment has managed to uphold the margin in line with Q1 2023, due to successful cost - and capacity reductions, combined with price management.

Net sales
EUR million



Adj. EBITDA
EUR million

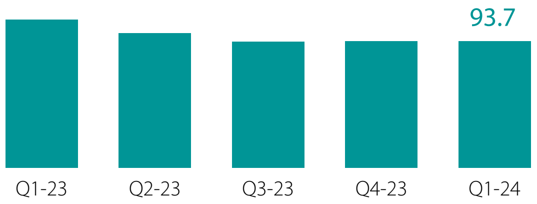


Packaging & Components (P&C)

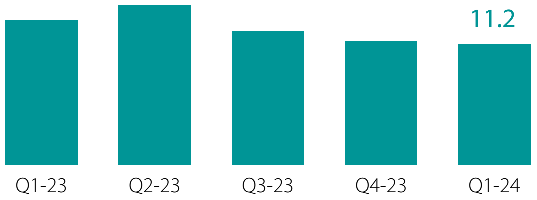
Net sales decreased by 15 per cent from Q1 2023, explained by lower volumes and sales prices. Volumes of food packaging, including fish boxes and traded food packaging, were impacted by harvested volumes of salmon. Sales of industrial products, including protective packaging and HVAC components, continued to be slow due to the low activity in the building and construction industry, as well as other industries in Europe.

Adj. EBITDA decreased by 16 per cent, mainly explained by the lower net sales.

Net sales
EUR million



Adj. EBITDA
EUR million

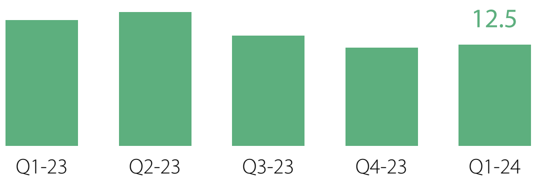


Circular

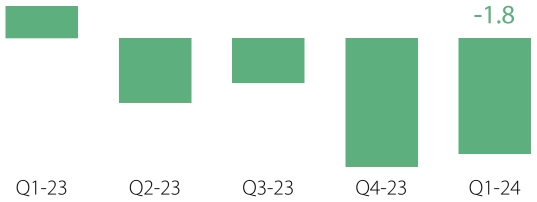
Net sales were down by 19 per cent from Q1 last year, explained by lower sales prices. Sold volumes increased in the period, partly compensating for the lower prices.

Adj. EBITDA decreased from a positive EUR 0.5 million for Q1 last year, to a negative EUR 1.8 million this quarter.

Net sales
EUR million



Adj. EBITDA
EUR million



Financial review

(Information in parentheses refers to the corresponding periods the previous year).

Profit and loss

First quarter of 2024

All changes compared to the corresponding period in 2023 relate to organic developments (i.e., change in volumes or prices) or currency effects.

Net sales amounted to EUR 244.0 million for the first quarter of 2024 (296.4), a decrease of 17.7 per cent, of which currency effects had a negative impact of 0.2 per cent.

Lower activity in the building and construction industry, impacting all segments, explain most of the reduction in volumes. In addition, lower raw material prices resulted in lower sales prices.

Adjusted EBITDA came in at EUR 18.6 million for the quarter (28.2), representing a decrease of 34.1 per cent, of which currency had a positive effect of 0.1 per cent.

Lower net sales in combination with lower GAP for the RAW division explains most of the reduction in EBITDA. This was partly offset by cost and capacity reductions taken to adjust to the lower volumes, combined with improved price management. Fixed costs were reduced by 5 per cent compared to the first quarter of 2023, despite underlying inflation.

The adjusted EBITDA margin was 7.6 per cent for the quarter (9.5).

For more information on the development in net sales and EBITDA, see explanations under each segment and the revenue and EBITDA bridges.

Operating income (EBIT) was EUR 2.6 million for the quarter (9.8). The lower EBIT is largely explained by the lower adjusted EBITDA.

In addition, the first quarter included positive items affecting comparability of EUR 1.0 million (-1.3).

Net financial items amounted to a negative EUR 11.5 million for the quarter (-10.4). The higher financial expenses are mainly explained by higher interest rates and increased interest expenses from additional leasing contracts.

Taxes amounted to a positive EUR 0.6 million (-0.2).

Net profit for the first quarter of 2024 ended at negative EUR 8.3 million (-0.7).

Segment RAW

Improved efficiency and lower fixed cost partly compensate for lower volumes and GAP

Market development

The building and construction industry accounts for approximately 70 per cent of the sale for RAW. This includes sales to external customers, BEWI's segment Insulation & Construction, and companies in which BEWI holds minority interests. The downturn in this industry the past year has therefore had a significant negative impact on the volumes for the RAW segment.

The competition in the market is currently strong, and producers of the EPS raw material are running at reduced capacity. Customers are cautious, resulting in low visibility.

Compared to the first quarter of 2023, the official styrene price increased by 1 per cent while the market price for EPS decreased by 7 per cent, resulting in a lower GAP. Since the previous quarter, the styrene price has increased by 7 per cent and the market price for EPS by 3 per cent resulting in a lower GAP.

Operational review

Ramp-up of volumes at new production line in Etten-Leur

In December 2023, BEWI opened its new production line for EPS at the raw material facility in Etten-Leur, including a state-of-the-art extruder. The new production line has an annual production capacity of up to 25 000 tonnes of grey or white EPS. Through this investment, BEWI has significantly strengthened its production capacity of grey material, and its capacity for use of recycled material. More importantly, the increased capacity enables a broadened product offering to the customers.

Grey EPS has approximately 20 per cent better insulation value than white EPS, meaning that a certain insulation value can be achieved by thinner boards.

New EPS grades with reduced CO_2 footprint

BEWI's raw material production facilities are certified through the REDcert+ scheme, a certification solution for the chemical industry enabling more sustainable material flows. The certification includes the proven mass balance approach, enabling BEWI to allocate recycled material into selected products, based on customer preferences.

In April 2024, RAW launched new EPS grades based on recycled feedstock from the mass balance principle, offering customers more products with lower CO_2 footprint, and contributing to increasing the group's use of recycled feedstock.

260

full-time equivalents (FTEs)

Segment RAW develops and produces raw material for use in end products. The materials include a range of white and grey EPS, GPPS, and Biofoam, a fully bio-based particle foam. The EPS and GPPS materials are produced with virgin and/ or recycled feedstock. The raw material is sold internally and externally for production of end products. Raw material is produced at 3 facilities located in Finland, the Netherlands, and Germany.

Go Back

Segment RAW

Financial review

First quarter of 2024

Net sales for segment RAW amounted to EUR 72.2 million for the quarter (93.5), a decrease of 22.7 per cent since the corresponding quarter of 2023. The majority of the decrease related to lower volumes, mainly attributable to lower activity in the building and construction industry.

In addition, more challenging weather conditions this winter compared to last year, combined with EPS price volatility led to customers maintaining low inventory levels. Sales was relatively lower in the second half of the quarter than in the first, which is assessed as being driven more by weather conditions and speculation in the EPS price development, than by the market situation.

The official market price for EPS was approximately 7 per cent lower than for the first quarter of 2023, thus lower sales prices also contributed to the decrease in net sales.

Adjusted EBITDA came in at EUR 3.7 million for the first quarter of 2024 (7.6), corresponding to a reduction of 51 per cent, explained by the lower volumes and a lower GAP, of which the latter was the main component. This was partly compensated by increased efficiency in the production and lower fixed cost.

Further, as the new extruder line is in a ramp-up phase, it does not yet have a positive contribution to the EBITDA.

In the first quarter of 2023, the GAP was historically high, driven by a strong market sentiment and an upgoing raw material price trend. In 2023, the market sentiment was slow and the raw material prices trended downwards, creating the opposite effect.

Amounts in million EUR (except percentage)	Q1 2024	Q1 2023	2023
Net sales	72.2	93.5	338.1
Of which internal	*30.2*	*38.4*	*129.0*
Of which external	*42.1*	*55.1*	*209.1*
Net operating expenses	-68.5	-85.9	-314.1
Adjusted EBITDA	3.7	7.6	24.1
Adjusted EBITDA %	5.1%	8.1%	7.1%
Items affecting comparability	-	0.0	-0.4
EBITDA	3.7	7.6	23.7
Depreciations	-1.3	-1.3	-5.0
CAPEX	-1.3	-1.0	-9.9
Full-time equivalents	260	261	266

26%

of total net sales[1] in Q1 2024

19%

of total adj. EBITDA[2] in Q1 2024

[1] Based on total net sales for operating segments
[2] Based on total adj. EBITDA for operating segments

Segment Insulation & Construction (I&C)

Maintained margin despite continued low activity in the building and construction industry

Market development

The I&C segment is primarily exposed to the building and construction industry, where the activity has been significantly reduced the past year. Most of BEWI's operating markets experienced 10 to 25 per cent lower demand in the first quarter of 2024 compared to 2023 with large variations across regions.

The first quarter is seasonally the weakest quarter for I&C. This year's winter season was longer than normal due to harsh weather, further impacting demand in the quarter.

Most of the segment's products and solutions can be used for both newbuilds and renovations. Currently, approximately 25 per cent of the sales are to renovation. The share is lower in the Nordics and higher in other European markets.

Operational review

New production line for construction boards in Olen, Belgium

In 2022, Jackon initiated an investment in a new production line for construction boards in Olen in Belgium, adding substantially to the current production capacity of this product. The production serves the European market, including the UK. The majority of this product is sold to renovation projects. Production is expected to start during the second quarter 2024.

New production line for foundation systems in Skövde, Sweden

In February, BEWI announced the opening of a new production line for Siroc foundation systems at its facility in Skövde, Sweden. The advanced production line significantly strengthens the capacity of this popular solution.

Capacity and cost adjustments

In 2023, BEWI implemented significant measures in the its insulation business to reduce capacity and costs to adapt to the market situation, as well as to optimise its production footprint following the acquisition of Jackon. In addition, price management was improved, resulting in a strengthened EBITDA margin for the segment.

As part of these capacity adjustments, BEWI's facilities in Norrköping and Skurup were temporarily closed, and the number of full-time equivalents (FTEs) was reduced by approximately 10 per cent in 2023. In the first quarter of 2024, the group continued to optimise its capacity, with a further reduction of 35 FTEs since the end of 2023.

1 212
full-time equivalents (FTEs)

Segment I&C develops and manufactures an extensive range of insulation products for the building and construction industry, including solutions for foundations, walls, roofs, and ceilings, as well as infrastructure projects. BEWI's insulation solutions are produced at 28 facilities in 11 countries. In addition, BEWI has minority interests in 5 facilities in France and 6 facilities in Germany.

Go Back

Segment Insulation & Construction (I&C)

Financial review

First quarter of 2024

Net sales came in at EUR 98.4 million for the quarter (120.5). Lower volumes, mainly explained by the low activity in the building and construction industry, contributed to a negative growth of 18.4 per cent. In addition, as mentioned above, volumes were likely impacted by a colder winter, especially in the Nordics.

The Nordic region still experience a decreasing volume trend but to a lesser extent than Benelux, where the downturn also started later than in the Nordics.

Adjusted EBITDA ended at EUR 6.5 million for the quarter (8.0), a decrease of 18.8 per cent, explained by the lower volumes.

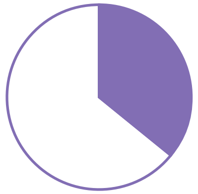
Price management and cost savings have been – and will continue to be a key priority for the Insulation & Construction segment. In parallel, the segment focuses on maintaining its strong market positions, to capture growth when the demand returns.

The fixed cost was 7 per cent lower for the first quarter of 2024 compared to the first quarter last year, despite underlying inflation.

Consequently, despite the lower volumes, the segment has managed to uphold the margin in line with the first quarter of 2023. The Nordics delivered an improved EBITDA compared to the first quarter last year, while Benelux, where underlying margins are significantly higher than in the Nordics due to a different product mix, delivered a reduced EBITDA.

For further details, see the revenue and EBITDA bridge.

Amounts in million EUR (except percentage)	Q1 2024	Q1 2023	2023
Net sales	98.4	120.5	458.4
Of which internal	*0.6*	*0.4*	*2.4*
Of which external	*97.8*	*120.1*	*456.0*
Net operating expenses	-91.9	-112.6	-417.8
Adjusted EBITDA	**6.5**	**8.0**	**40.6**
Adjusted EBITDA %	6.6%	6.6%	8.9%
Items affecting comparability	-0.1	-1.2	-4.9
EBITDA	**6.4**	**6.8**	**35.7**
Depreciations	-5.4	-6.8	-23.9
CAPEX	-1.0	-3.4	-15.6
Full-time equivalents	1 212	1 386	1 322

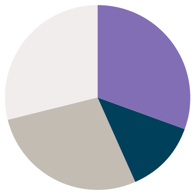


36%

of total net sales[1] in Q1 2024

33%

of total adj. EBITDA[2] in Q1 2024



[1] Based on total net sales for operating segments
[2] Based on total adj. EBITDA for operating segments

Based on segment's Q1 2024 net sales and customer location

Segment Packaging & Components (P&C)

Rather stable fish box and automotive volumes, while the HVAC and trading volumes are low

Market development

For the first quarter of 2024, sales to food packaging accounted for approximately 50 per cent of the segment's sales. The seafood industry is the most important end-market, to which BEWI mainly sells EPS boxes for transportation of fresh fish and traded food packaging products.

Sales of components to the automotive industry were up by 18 per cent for the full year 2023 compared to 2022, while volumes for the first quarter of 2024 were in line with that for the corresponding quarter last year.

Other industrial products sold from this segment include protective packaging and technical components, of which the latter includes components to heating-, ventilation-, and air-condition (HVAC) systems as well as other components. Volumes of industrial products are currently impacted by the slowdown in many industries in Europe, in particular the building and construction industry.

Operational review

New packaging facility at Jøsnøya, Norway

In October 2023, BEWI commenced production of fish boxes at its new packaging facility on the Jøsnøya island, Hitra, Norway. Production volumes have gradually ramped-up since then.

Investing in increased capacity for paper-based packaging solutions in Thorsøe, Denmark

BEWI is experiencing increased demand for paper-based packaging solutions and expects this market to be fast growing. The group is therefore investing in expansion of its production capacity at its facility in Thorsøe, Denmark, where it is currently producing protective paper packaging (honeycomb structure). The project is expected to double the production capacity, with an estimated completion in 2024.

Investing in increased capacity for HVAC components in Santo Tirso, Portugal

BEWI is currently investing in increased capacity for HVAC components at its facility in Santo Tirso, Portugal.

Increase to 30% recycled content in automotive EPP components

From January 2024, BEWI increased the recycled content in EPP (expanded polystyrene) components to the automotive industry and HVAC systems produced at its facilities in Sweden. The increase aligns with the sustainability goals of automotive manufacturers, as well as with BEWI's own targets to increasing its share of recycled or non-fossil raw materials.

1 410
full-time equivalents (FTEs)

Segment P&C develops and manufactures packaging solutions, and technical components for customers in many industrial sectors, including boxes for transportation of fresh fish, protective packaging for pharmaceuticals and electronics, and automotive components. The material is mainly composed of expanded polystyrene (EPS), expanded polypropylene (EPP), or fibre. In addition, the company sells traded products for food packaging. The solutions are produced at 33 facilities in 9 countries.

Go Back

Segment Packaging & Components (P&C)

Financial review

First quarter of 2024

Net sales amounted to EUR 93.7 million for the first quarter of 2024 (109.7), a decrease of 14.6 per cent, of which currency had a negative effect of 0.6 per cent.

The decrease in sales is mainly explained by lower volumes of industrial products, including HVAC components, and traded food packaging products.

Since the third quarter of 2023, sales of industrial products have been impacted by the general downturn in several European industries, in particular the reduced activity in the building and construction industry (for HVAC). For the fish boxes, the trend have been the opposite, where volumes had a slow start in the first half of last year but recovered well in the second half of the year.

Adjusted EBITDA amounted to EUR 11.2 million for the first quarter of 2024 (13.4), down by 16.4 per cent, including an organic decline of 15.3 per cent mainly explained by the lower volumes.

Currency effects impacted the segment's EBITDA with a negative EUR 0.1 million or negative 1.1 per cent.

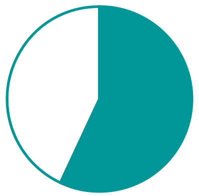
The EBITDA is in line with the fourth quarter of 2023, despite a negative product mix development following lower sales of fish boxes. This is explained by good cost control and price management, as well as results from the restructurings initiated last year.

Items affecting comparability mainly consist of a positive result from divestment of a facility in Germany, under a sales lease back arrangement

Amounts in million EUR (except percentage)	Q1 2024	Q1 2023	2023
Net sales	93.7	109.7	397.1
Of which internal	*0.9*	*1.1*	*3.1*
Of which external	*92.8*	*108.6*	*394.0*
Net operating expenses	-82.5	-96.3	-345.1
Adjusted EBITDA	**11.2**	**13.4**	**52.0**
Adjusted EBITDA %	11.9%	12.2%	13.1%
Items affecting comparability	2.2	-0.1	-1.3
EBITDA	**13.4**	**13.3**	**50.7**
Depreciations	-6.0	-5.6	-23.1
CAPEX	-2.8	-4.1	-16.2
Full-time equivalents	1 410	1 380	1 377

34%

of total net sales[1] in Q1 2024



57%

of total adj. EBITDA[2] in Q1 2024

Food 50%
Automotive 22%
HVAC 6%
Other 22%

Based on management estimates

[1] Based on total net sales for operating segments
[2] Based on total adj. EBITDA for operating segments

Go Back

Segment Circular

Increased collection and use of recycled material, results negatively impacted by lower sales prices

Market development

Segment Circular's key strategic priority is currently to secure waste streams, i.e., increase the collected volumes of material for recycling. The market is fragmented and immature.

The demand for recycled material is impacted by the low activity in the building and construction industry to which most volumes are sold. Prices for recycled material correlate to some extent to the virgin raw material price. In addition, demand for recycled material seems to be higher when virgin prices are high.

The supply chain for Circular is longer than for the other segments, and thus the segment is more sensitive to volatile raw material prices.

Operational review

Collection of EPS for recycling

For the full year of 2023, BEWI collected 26 950 tonnes of EPS for recycling. The group targets to steadily increase the collection, as well as its own consumption of recycled materials, offering customers an opportunity to reduce CO_2 emissions. In 2023, more than 20 per cent of Circular's sales was to BEWI's downstream units, demonstrating a substantial increase in the group's consumption of recycled material.

BEWI experiences increased demand for more environmentally friendly solutions. The access to recycled material from Circular therefore provides other segments with a competitive advantage in the market.

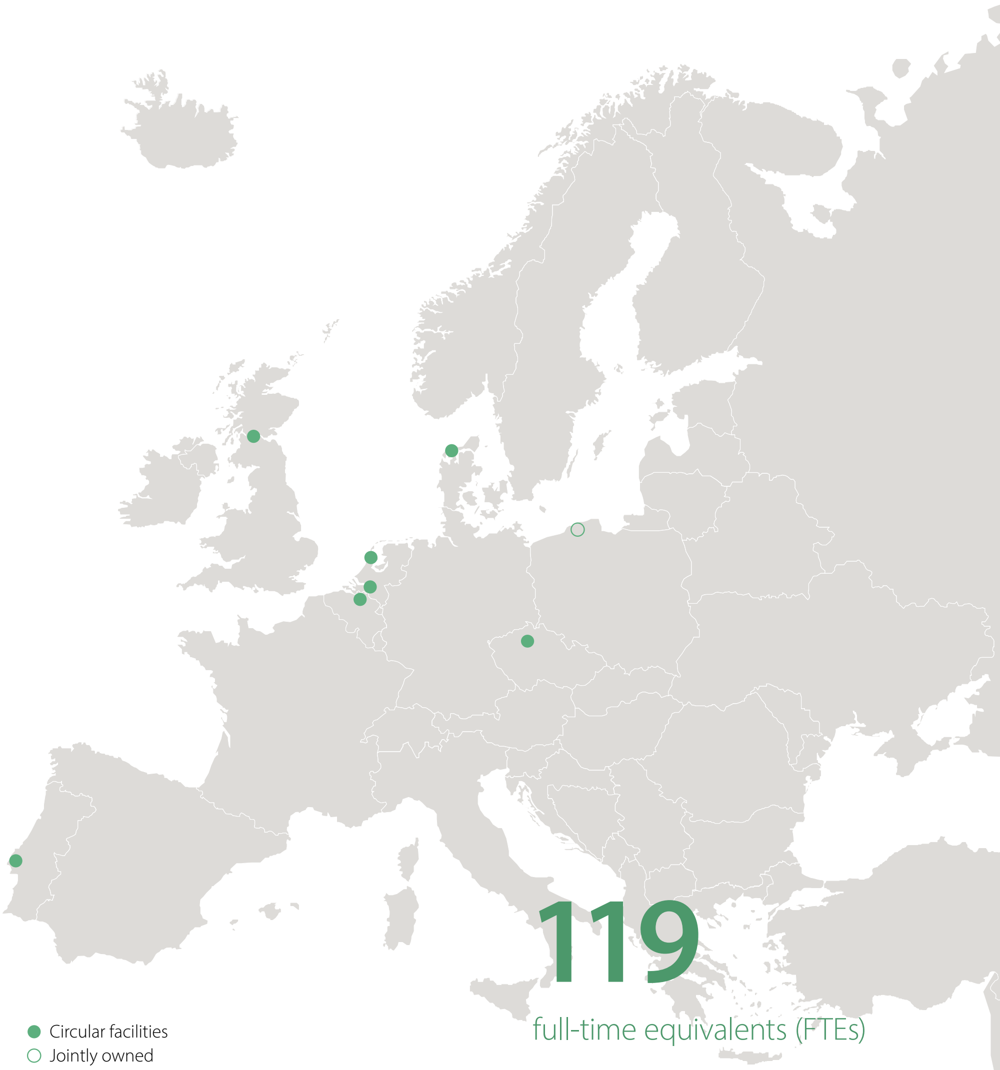
The ramp-up of the new extruder (production line) at the raw material facility in Etten-Leur in the Netherlands, enable increased use of recycled feedstock in the group's production.

Converting Norrköping facility to new Circular hub

BEWI's insulation facility in Norrköping is currently being converted to a Circular facility, with expected start-up of the extruder in the second quarter of 2024.

The new extruder will increase Circular's extrusion capacity with approximately 40 per cent.

The Norrköping facility has a strategic location, close to highways E4 and E22, enabling efficient transportation to – and from BEWI's Nordic downstream facilities, as well as other Nordic customer. The facility will become the centre for Circular's Nordic business.



119
full-time equivalents (FTEs)

Segment Circular is responsible for BEWI's collection and recycling of used material. The segment offers different solutions for waste management and a range of recycled materials. BEWI targets to collect 60 000 tonnes of EPS for recycling by the end of 2026, which is approximately the volume BEWI puts into end markets with a lifetime less than one year. As of 31 December 2023, BEWI operated 7 recycling facilities in 6 countries.

Segment Circular

Financial review

First quarter of 2024

Net sales for segment Circular amounted to EUR 12.5 million for the first quarter of 2024 (15.5), a decrease of 19.4 per cent, explained entirely by lower sales prices. Volumes increased slightly compared to the corresponding quarter last year and currency had a positive effect of 0.3 per cent.

Adjusted EBITDA amounted to a negative EUR 1.8 million for the quarter (+0.5). The development compared to the first quarter of 2023 is mainly explained by lower sales prices. In addition, the segment has a somewhat higher cost level, reflecting a strengthening of the organisation to prepare for significantly higher production capacity following the new production line in Norrköping.

Amounts in million EUR (except percentage)	Q1 2024	Q1 2023	2023
Net sales	12.5	15.5	57.7
Of which internal	*1.1*	*3.0*	*11.7*
Of which external	*11.3*	*12.5*	*45.9*
Net operating expenses	-14.2	-15.0	-60.9
Adjusted EBITDA	**-1.8**	**0.5**	**-3.2**
Adjusted EBITDA %	-14.2%	3.1%	-5.5%
Items affecting comparability	0.0	0.0	-0.2
EBITDA	**-1.8**	**0.5**	**-3.4**
Depreciations	-0.9	-0.6	-2.8
CAPEX	-1.5	-0.1	-1.7
Full-time equivalents	119	121	113

5%

of total net sales[1] in Q1 2024

-9%

of total adj. EBITDA[2] in Q1 2024

[1] Based on total net sales for operating segments
[2] Based on total adj. EBITDA for operating segments

Corporate costs

Revenues and costs related to group functions that do not belong to any specific business segment are booked as unallocated corporate costs.

For the first quarter of 2024, the unallocated contribution to adjusted EBITDA amounted to a negative EUR 1.0 million (-1.2).

Financial position and liquidity

Consolidated financial position

Total assets amounted to EUR 1 256.6 million on 31 March 2024, compared to EUR 1 253.4 million at year-end 2023.

Total equity was EUR 409.4 million on 31 March 2024, down from EUR 415.7 million at the end of 2023.

Net debt amounted to EUR 574.1 million at the end of the first quarter of 2024 (349.1 excluding IFRS 16), compared to EUR 547.6 million at the end of 2023 (331.1 excluding IFRS 16).

Cash and cash equivalents were EUR 42.5 million on 31 March 2024, compared to EUR 63.6 million at year-end 2023.

Consolidated cash flow

Cash flow from operating activities amounted to a negative EUR 20.2 million for the first quarter of 2024 (7.4), including an increase in working capital of EUR 23.4 million (increase of EUR 8.3 million).

Lower results from operations and a higher increase in the working capital explain the deviation to last year. Compared to the first quarter last year, sales prices have increased, resulting in an increase in accounts receivables, despite the lower volumes. For the corresponding quarter last year, prices decreased, thus creating the opposite effect. In addition, the build-up came from a lower working capital level at the end of 2023 than 2022.

Cash flow used for investing activities amounted to a positive EUR 4.7 million for the first quarter of 2024 (6.5). Cash flow from investing activities was positively impacted by cash inflow from divestment of properties in a sale and leaseback transaction both this quarter and in the first quarter last year.

The capital expenditures were lower than in the same period of 2023 (see separate section below).

Cash flow from financing activities was negative EUR 5.5 million for the first quarter of 2024 (-23.6), mainly impacted by reduced utilisation of credit facilities.

Capital expenditures (CAPEX)

For the first quarter of 2024, CAPEX totaled EUR 8.7 million (11.3). This is in line with the group's expectations, which includes a higher share of investments in the first half of the year, related to final payments for selected key projects.

The announced target of a CAPEX level of EUR 20 million for the full year 2024 is maintained. The target of EUR 20 million is lower than the group's normal CAPEX target of 2.5 per cent of net sales.

Return on capital employed (ROCE)

Average return on capital employed was 4.5 per cent (11.4 per cent) for the first quarter of 2024 (see details on Alternative Performance Measures (APM)).

ROCE has declined for the last two years and is currently below the target of 20 per cent. This is a consequence of the many and large acquisitions completed in 2022, resulting in a significant increase of the balance sheet, combined with the downturn in the market experienced since then.

Organisation

In the first quarter of 2024, BEWI had 3 047 FTEs, compared to 3 194 in the first quarter of 2023.

Important events in the first quarter of 2024

Divestment of industrial real estate portfolio

In 2022, BEWI entered into an agreement with KMC Properties ASA for the sale of an industrial real estate portfolio. Sales of properties valued at a total of NOK 1 250 million was completed in 2022 and in March 2023. Further, agreements for the remaining part of the portfolio were entered into in September 2023, including seven properties valued at approximately EUR 55 million, of which sales of two of the seven properties were completed in December 2023.

Sales of one property was completed in March 2024, and sales of an additional three properties were completed in May 2024, see events after the quarter.

ICT

BEWI is implementing a new modern IT platform, including an ERP system. Blueprints have been developed and the system will be implemented gradually throughout the group's segments and operating units.

Share information

On 31 March 2024, the total number of shares outstanding in BEWI ASA was 191 722 290, each with a par value of NOK 1. Each share entitles to one vote.

During the first quarter, the BEWI share traded between NOK 21.50 and NOK 32.65 per share, with a closing price of NOK 32.65 on 31 March 2024.

Events after the quarter

Real-estate divestments
On 15 May 2024, BEWI announced that it had completed the divestment of three properties under the sales – and leaseback transaction with KMC Properties as described above.

As per the end of the first quarter of 2024, approximately EUR 20 million was outstanding, of which approximately half has been completed in May. Closing of the remaining property will take place as soon as all conditions precedents are fulfilled.

Compensation related to Synbra acquisition
On the basis of the terms agreed in connection with BEWI's acquisition of Synbra Holding in 2018, a compensation of EUR 7.6 million will be paid to BEWI during the second quarter of 2024.

Outlook

BEWI has a 55 to 60 per cent exposure to the building and construction industry, to which it supplies raw materials from the RAW and Circular segments, insulation solutions from the I&C segment, and components to HVAC systems from the P&C segment. The activity in this industry has declined substantially the past years and the market conditions have remained challenging into 2024.

The first quarter is the seasonally weakest quarter for the building and construction industry, and this year's winter season was further impacted by rough weather conditions and an early Easter. Going into the second quarter, volumes have improved in line with the season.

For food packaging products, volumes are more stable season-wise, with variations related to biology.

Looking ahead, macroeconomic indicators are showing signs of improvement. Further, strong regulatory drivers support BEWI's circular business model, and the strategic choice made to strengthen the group's position in energy efficient solutions for buildings.

The board of directors is confident that BEWI's robust business model and strong organisation makes the company well positioned to capture growth opportunities ahead.

Trondheim, 15 May 2024

The board of directors and CEO of BEWI ASA

Gunnar Syvertsen	Anne-Lise Aukner	Rik Dobbelaere	Andreas Akselsen	Kristina Schauman	Pernille Skarstein Christensen	Christian Bekken
Chair of the Board	*Director*	*Director*	*Director*	*Director*	*Director*	*CEO*

Definitions of alternative performance measures not defined by IFRS

Organic growth	Organic growth is defined as growth in net sales for the reporting period compared to the same period last year, excluding the impact of currency and acquisitions. It is a key ratio as it shows the underlying sales growth.
EBITDA	Earnings before interest, tax, depreciation, and amortisation. EBITDA is a key performance indicator that the group considers relevant for understanding the generation of profit before investments in fixed assets.
EBITDA margin	EBITDA as a percentage of net sales. The EBITDA margin is a key performance indicator that the group considers relevant for understanding the profitability of the business and for making comparisons with other companies.
EBITA	Earnings before interest, tax, and amortisations. EBITA is a key performance indicator that the group considers relevant, as it facilitates comparisons of profitability over time independent of corporate tax rates and financing structures but including depreciations of fixed assets used in production to generate the profits of the group.
EBITA margin	EBITA as a percentage of sales. The EBITA margin is a key performance indicator that the group considers relevant for understanding the profitability of the business and for making comparisons with other companies.
EBIT	Earnings before interest and tax. EBIT is a key performance indicator that the group considers relevant, as it facilitates comparisons of profitability over time independent of corporate tax rates and financing structures. Depreciations are included, however, which is a measure of resource consumption necessary for generating the result.
Items affecting comparability	Items affecting comparability include transaction costs related to acquisition of companies, including the release of negative goodwill from acquisitions, severance costs and other normalisations such as divestment of real estate, closing of facilities, unscheduled raw material production stops and other.
Adjusted (adj.) EBITDA	Normalised earnings before interest, tax, depreciation, and amortisation (i.e., items affecting comparability and deviations are added back). Adjusted EBITDA is a key performance indicator that the group considers relevant for understanding earnings adjusted for items that affect comparability.
Adjusted (adj.) EBITDA margin	Normalised EBITDA before items affecting comparability as a percentage of net sales. The adjusted EBITDA margin is a key performance indicator that the group considers relevant for understanding the profitability of the business and for making comparisons with other companies.
Adjusted (adj.) EBITA	Normalised earnings before interest, tax, and amortisations (i.e., items affecting comparability and deviations are added back). EBITA is a key performance indicator that the group considers relevant, as it facilitates comparisons of profitability over time independent of corporate tax rates and financing structures but including depreciations of fixed assets used in production to generate the profits of the group.
Adjusted (adj.) EBITA margin	Normalised EBITA before items affecting comparability as a percentage of sales. The EBITA margin is a key performance indicator that the group considers relevant for understanding the profitability of the business and for making comparisons with other companies.
ROCE	Return on average capital employed. ROCE is a key performance indicator that the group considers relevant for measuring how well the group is generating profits from its capital in use. ROCE is calculated as rolling 12 months adjusted EBITA as a percentage of average capital employed during the same period. Capital employed is defined as total equity plus net debt, and the average is calculated with each quarter during the measurement period as a measuring point.
Net debt	Interest-bearing liabilities excluding obligations relating to employee benefits, minus cash and cash equivalents. Net debt is a key performance indicator that is relevant both for the group's calculation of covenants based on this indicator and because it indicates the group's financing needs.
Adjusted (adj.) EPS	Earnings per share (EPS) adjusted for items affecting comparability, depreciations/amortisations attributable to fair adjustments in business combinations and fair value adjustments in financial items, Including tax on those items. Adjusted EPS is a key performance indicator considered relevant for the group as it presents the EPS generated by the actual operations of the group.

Reconciliation alternative performance measures

Alternative performance measures not defined by IFRS

million EUR (except percentage)	Q1 2024	Q1 2023	2023
Operating income (EBIT)	2.6	9.8	33.5
Amortisations	3.3	2.8	13.1
EBITA	5.9	12.6	46.6
Items affecting comparability	-1.0	1.3	7.0
Adjusted EBITA	4.9	13.9	53.5
EBITA	5.9	12.6	46.6
Depreciations	13.7	14.3	55.3
EBITDA	19.6	26.9	101.9
Items affecting comparability	-1.0	1.3	7.0
Adjusted EBITDA	18.6	28.2	108.8
Adjusted EBITA Rolling 12 months	44.1	83.5	53.5
Average capital employed	984.3	735.2	983.7
Return on average capital employed (ROCE)%	4.5%	11.4%	5.4%

Items affecting comparability

million EUR	Q1 2024	Q1 2023	2023
Severance, integration and restructuring costs	-0.1	-1.3	-4.6
Transaction costs	-0.1	0.0	-1.4
Capital gains/losses	1.3	0.0	-0.6
Other	-0.1	-	-0.4
Total	1.0	-1.3	-7.0

Adjusted EPS

million EUR (except average number of shares)	Q1 2024	Q1 2023	2023
Profit attributable to the parent company shareholders	-9.1	-1.4	-18.0
Reversing adjustment items before tax			
Items affecting comparability	-1.0	1.3	7.0
Depreciations/amortisations attributable to fair value adjustments in business combinations	2.7	3.2	13.7
Fair value changes in financial items	-	1.0	3.1
	1.7	5.5	23.7
Reversing tax impact on adjustment items			
Items affecting comparability	0.6	-	-1.4
Depreciations/amortisations attributable to fair value adjustments in business combinations	-0.6	-0.7	-3.1
Fair value changes in financial items	-	-	-
	0.0	-0.7	-4.5
Total impact on profit/loss for the period	1.8	4.8	19.3
Attributable to non-controlling interests	0.6	0.0	-0.1
Adjusted profit attributable to the parent company shareholders	-6.7	3.4	1.1
Average number of shares	191 722 290	*191 518 506*	*191 672 042*
Adjusted earnings per share, basic	-0.03	0.02	0.01

Revenue bridge: Change in net sales from corresponding periods in 2023

million EUR	RAW	%	I&C	%	P&C	%	Circular	%	Unallocated	%	Intra-group revenue	Total net sales	%
Q1 2023	93.5		120.5		109.7		15.5		0.1		-42.9	296.4	
Acquisitions	-	-	-	-	-	-	-	-	-	-	-	-	-
Divestments	-	-	-	-	-	-	-	-	-	-	-	-	-
Currency	-	-	0.1	0.0%	-0.6	-0.6%	0.0	0.3%	-	-	0.1	-0.5	-0.2%
Organic growth	-21.3	-22.7%	-22.2	-18.4%	-15.4	-14.0%	-3.0	-19.7%	-0.1	-93.2%	10.0	-51.9	-17.5%
Total increase/ decrease	-21.3	-22.7%	-22.1	-18.4%	-16.0	-14.6%	-3.0	-19.4%	-0.1	-93.2%	10.1	-52.4	-17.7%
Q1 2024	72.2		98.4		93.7		12.5		0.0		-32.8	244.0	

EBITDA bridge: Change in adjusted EBITDA from corresponding periods in 2023

million EUR	RAW	%	I&C	%	P&C	%	Circular	%	Unallocated	%	Total adj. EBITDA	%
Q1 2023	7.6		8.0		13.4		0.5		-1.2		28.2	
Acquisitions	-	-	-	-	-	-	-	-	-	-	-	-
Divestments	-	-	-	-	-	-	-	-	-	-	-	-
Currency	-	-	0.1	0.7%	-0.1	-1.1%	0.1	11.5%	0.1	5.7%	0.1	0.1%
Organic growth	-3.9	-51.2%	-1.6	-19.5%	-2.1	-15.3%	-2.3	-480.6%	0.1	11.6%	-9.7	-34.2%
Total increase/ decrease	-3.9	-51.2%	-1.5	-18.8%	-2.2	-16.4%	-2.2	-469.1%	0.2	17.3%	-9.6	-34.1%
Q1 2024	3.7		6.5		11.2		-1.8		-1.0		18.6	

Consolidated condensed interim financial statements for the period ended 31 March 2024

Consolidated condensed interim statement of income

million EUR	Q1 2024	Q1 2023	2023
Revenues			
Net sales	244.0	296.4	1 105.3
Other operating income	-	-	1.5
Total revenue	244.0	296.4	1 106.8
Operating expenses			
Raw materials and consumables	-91.8	-121.5	-455.3
Goods for resale	-25.4	-24.8	-95.3
Other external costs	-56.7	-71.9	-249.9
Personnel cost	-51.6	-51.8	-205.2
Depreciation/amortisation and impairment of tangible and intangible assets	-17.0	-17.1	-68.4
Share of income from associated companies	-0.1	0.5	1.3
Capital gain/loss from sale of assets, adjustment purchase price acquired companies and sale of business	1.2	0.0	-0.6
Total	-241.4	-286.6	-1 073.4
Operating income (EBIT)	2.6	9.8	33.5
Financial income	1.6	1.6	5.8
Financial expenses	-13.0	-12.0	-48.3
Net financial items	-11.5	-10.4	-42.5
Income before tax	-8.9	-0.5	-9.0
Income tax expense	0.6	-0.2	-6.6
Profit/loss for the period	-8.3	-0.7	-15.6

Consolidated condensed interim statement of comprehensive income

million EUR	Q1 2024	Q1 2023	2023
Profit/loss for the period	-8.3	-0.7	-15.6
OTHER COMPREHENSIVE INCOME			
Items that may later be reclassified to profit or loss			
Exchange rate differences	2.3	-4.2	2.3
Cash flow hedges	0.1	-	-0.1
Items that will not be reclassified to profit or loss			
Remeasurements of net pension obligations	-0.5	-0.1	-1.2
Income tax pertinent to remeasurements of net pension obligations	0.1	0.0	0.3
Other comprehensive income after tax	2.0	-4.3	1.3
Total comprehensive income for the period	-6.3	-5.0	-14.3

Profit attributable to

million EUR (except numbers for EPS)	Q1 2024	Q1 2023	2023
Profit for the period attributable to			
Parent company shareholders	-9.1	-1.4	-18.0
Non-controlling interests	0.8	0.7	2.4
Total comprehensive income attributable to			
Parent company shareholders	-7.2	-5.7	-17.2
Non-controlling interests	0.9	0.7	2.9
Earnings per share			
Average number of shares:	191 722 290	191 518 506	191 672 042
Diluted average number of shares	191 930 556	192 423 317	192 424 550
Earnings per share (EPS), basic (EUR)	-0.05	-0.01	-0.09
Earnings per share (EPS), diluted (EUR)	-0.05	-0.01	-0.09
Earnings per share (EPS), basic (NOK)	-0.54	-0.08	-1.08
Earnings per share (EPS), diluted (NOK)	-0.54	-0.08	-1.08

EPS in NOK is calculated using average rates for the period

Consolidated condensed interim statements of financial position

million EUR	31 Mar 2024	31 Mar 2023	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	242.0	246.5	244.5
Other intangible assets	140.2	131.0	142.8
Total intangible assets	382.2	377.5	387.3
Tangible assets			
Land and buildings	241.6	240.0	244.6
Plant and machinery	177.7	169.7	182.9
Equipment, tools, fixtures and fittings	21.3	27.4	22.0
Construction in progress and advance payments	40.2	28.2	35.9
Total tangible assets	480.8	465.2	485.3
Financial assets			
Shares in associates	11.4	11.7	11.4
Other financial non-current assets	3.0	18.5	3.4
Total financial assets	14.5	30.2	14.8
Deferred tax assets	12.9	6.9	9.8
Total non-current assets	**890.4**	**879.8**	**897.2**

million EUR	31 Mar 2024	31 Mar 2023	31 Dec 2023
Current assets			
Inventory	133.7	155.5	132.6
Other current assets			
Accounts receivable	145.6	166.2	129.3
Current tax assets	1.1	0.6	1.2
Other current receivables	15.3	18.2	11.8
Prepaid expenses and accrued income	24.4	16.4	14.2
Other financial assets	3.6	16.6	3.6
Cash and cash equivalents	42.5	36.5	63.6
Total other current assets	232.5	254.5	223.6
Total current assets	**366.2**	**410.0**	**356.2**
TOTAL ASSETS	**1 256.6**	**1 289.8**	**1 253.4**

Consolidated condensed interim statements of financial position cont.

million EUR	31 Mar 2024	31 Mar 2023	31 Dec 2023
EQUITY			
Share capital	18.3	18.3	18.3
Additional paid-in capital	323.0	323.2	323.0
Reserves	-12.7	-20.3	-14.5
Accumulated profit (including net profit/loss for the period)	67.4	93.6	76.5
Equity attributable to parent company shareholders	**396.0**	**414.8**	**403.2**
Non-controlling interests	13.4	11.0	12.5
TOTAL EQUITY	409.4	425.8	415.7
LIABILITIES			
Non-current liabilities			
Pensions and similar obligations to employees	2.4	1.2	2.3
Provisions	0.3	1.7	2.5
Deferred tax liability	54.3	50.5	53.3
Non-current bond loan	247.9	247.4	247.9
Other non-current interest-bearing liabilities	328.7	302.1	326.3
Other financial non-current liabilities	0.4	0.7	0.4
Total non-current liabilities	**634.0**	**603.6**	**632.9**

million EUR	31 Mar 2024	31 Mar 2023	31 Dec 2023
Current liabilities			
Other current interest-bearing liabilities	39.6	49.4	36.6
Other financial liabilities	0.5	0.3	3.2
Accounts payable	84.3	96.1	81.6
Current tax liabilities	5.2	20.2	8.4
Other current liabilities	19.3	16.5	14.6
Accrued expenses and deferred income	64.3	78.0	60.4
Total current liabilities	**213.2**	**260.4**	**204.8**
TOTAL LIABILITIES	847.2	864.1	837.7
TOTAL EQUITY AND LIABILITIES	**1 256.6**	**1 289.8**	**1 253.4**

Trondheim, 15 May 2024

The board of directors and CEO of BEWI ASA

Gunnar Syvertsen
Chair of the Board

Anne-Lise Aukner
Director

Rik Dobbelaere
Director

Andreas Akselsen
Director

Kristina Schauman
Director

Pernille Skarstein Christensen
Director

Christian Bekken
CEO

Consolidated condensed interim statements of changes in equity

million EUR	1 Jan–31 Mar 2024	1 Jan–31 Mar 2023	1 Jan–31 Dec 2023
OPENING BALANCE	415.7	429.8	429.8
Net profit for the period	-8.3	-0.7	-15.6
Other comprehensive income	2.0	-4.3	1.3
Total comprehensive income	-6.3	-5.0	-14.3
New share issue, net of transaction costs	-	0.8	0.8
Dividend	-	-	-1.3
Share-based payments	-	0.1	0.2
Acquisition non-controlling interest	-	0.1	-0.4
Acquisition of business with non-controlling interest	-	-	0.9
Total transactions with shareholders	-	1.0	0.2
CLOSING BALANCE	**409.4**	**425.8**	**415.7**

Consolidated condensed interim statements of cash flows

million EUR	Q1 2024	Q1 2023	2023
Operating income (EBIT)	2.6	9.8	33.5
Adjustment for non-cash items etc.	15.3	17.4	71.6
Net financial items	-10.2	-10.0	-22.8
Income tax paid	-4.5	-1.5	-23.8
Cash flow from operating activities before changes in working capital	**3.2**	**15.7**	**58.5**
Increase/decrease in inventories	-2.7	5.3	28.9
Increase/decrease in operating receivables	-30.5	-12.5	24.9
Increase/decrease in operating liabilities	9.8	-1.1	-35.8
Cash flow from changes in working capital	**-23.4**	**-8.3**	**18.0**
Cash flow from operating activities	**-20.2**	**7.4**	**76.5**
Acquisitions non-current assets	-8.7	-11.3	-51.7
Divestment non-current assets	13.4	18.0	48.7
Business acquisitions/ financial investments	-	-0.2	0.0
Cash flow from investing activities	**4.7**	**6.5**	**-3.1**
Proceeds from borrowings	1.8	68.9	64.9
Repayment of borrowings and lease liabilities	-7.3	-93.3	-121.1
New share issue, net of transaction costs	-	0.8	0.8
Dividend	-	-	-
Dividend to non-controlling interest	-	-	-1.3
Cash flow from financing activities	**-5.5**	**-23.6**	**-56.7**
Cash flow for the period	**-21.0**	**-9.7**	**16.7**
Opening cash and cash equivalents	63.6	47.5	47.5
Exchange difference in cash	-0.1	-1.3	-0.6
Closing cash and cash equivalents	**42.5**	**36.5**	**63.6**

Notes to the financial statements

Note 01 General information

The company and the group

BEWI ASA, with corporate registration number 925 437 948, is a holding company registered in Norway, Trondheim at the address Dyre Halses gate 1a, 7042 Trondheim, Norway.

Amounts are given in EUR million unless otherwise indicated.

Note 02 Accounting policies

The consolidated accounts for the BEWI ASA group ("BEWI ASA") have been prepared in accordance with IFRS® Accounting Standards and interpretations from the IFRS Interpretations Committee (IFRS IC), as adopted by the EU. The accounting policies comply with those described in BEWI ASA's Annual Report for 2023. This interim report has been prepared in accordance with IAS 34 Interim financial reporting.

Note 03 **Related party transactions**

Christian Bekken, CEO of BEWI ASA, is together with other members of the Bekken family major shareholders of BEWI ASA through Bekken Invest AS and BEWI Invest AS. Companies owned by the Bekken family are related parties to BEWI ASA.

Other related parties are BEWI's associated companies, for example the two 34 per cent owned companies Hirsch France SAS and Hirsch Porozell GmbH. Transactions with the related parties' companies are presented in the tables below.

Transactions impacting the income statement

million EUR	Q1 2024	Q1 2023	2023
Sale of goods to			
Companies with Bekken as significant shareholder	0.0	0.0	0.0
HIRSCH France SAS	3.6	7.2	21.9
HIRSCH Porozell GmbH	4.2	7.6	29.0
BEWI EPS ehf	0.0	0.2	0.7
Energijägarna Dorocell AB	0.1	-	1.1
Total:	7.9	15.0	52.7
Other income from			
Companies with Bekken as significant shareholder	0.0	0.1	0.3
Total:	0.0	0.1	0.3
Purchase of goods from			
Companies with Bekken as significant shareholder	-	0.1	-
Remondis Technology Spólka z o.o.	1.1	1.3	4.4
Total:	1.1	1.3	4.4

million EUR	Q1 2024	Q1 2023	2023
Rental expenses to			
Companies with Bekken as significant shareholder	5.6	4.4	18.6
Total:	5.6	4.4	18.6
Other external costs to			
Companies with Bekken as significant shareholder	0.0	0.0	0.2
Total:	0.0	0.0	0.2

Transactions impacting the balance sheet

million EUR	31 Mar 2024	31 Mar 2023	31 Dec 2023
Non-current receivables			
Companies with Bekken as significant shareholder	0.0	0.1	0.0
Total:	0.0	0.1	0.0
Current receivables			
Companies with Bekken as significant shareholder	0.3	1.9	0.1
HIRSCH Porozell GmbH	0.1	1.6	0.1
Total:	0.4	3.5	0.2
Current liabilities			
Companies with Bekken as significant shareholder	0.0	0.3	0.0
Remondis Technology Spólka z o.o.	0.4	-	-
Total:	0.4	0.3	0.0

Note 04 Segment information

Operating segments are reported in a manner that corresponds with the internal reporting submitted to the chief operating decision-maker. The executive committee constitutes the chief operating decision maker for the BEWI group and takes strategic decisions in addition to evaluating the group's financial position and earnings. Group management has determined the operating segments based on the information that is reviewed by the Executive Committee and used for the purposes of allocating resources and assessing performance. The executive committee assesses the operations based on four operating segments: RAW, Insulation & Construction, Packaging & Components and Circular. Sales between segments take place on market terms. Each segment sells products that are similar in nature. External revenue for the different segments also represents the group's disaggregation of revenue.

	RAW		Insulation & Construction		Packaging & Components		Circular		Unallocated		Elimination		Total	
million EUR	Q1 2024	Q1 2023	Q1 2024	Q1 2023	Q1 2024	Q1 2023	Q1 2024	Q1 2023	Q1 2024	Q1 2023	Q1 2024	Q1 2023	Q1 2024	Q1 2023
Internal net sales	30.2	38.4	0.6	0.4	0.9	1.1	1.1	3.0	0.0	0.0	-32.8	-42.9	0.0	0.0
External net sales	42.1	55.1	97.8	120.1	92.8	108.6	11.3	12.5	0.0	0.1			244.0	296.4
Net sales	72.2	93.5	98.4	120.5	93.7	109.7	12.5	15.5	0.0	0.1	-32.8	-42.9	244.0	296.4
Adj. EBITDA	3.7	7.6	6.5	8.0	11.2	13.4	-1.8	0.5	-1.0	-1.2			18.6	28.2
EBITDA	3.7	7.6	6.4	6.8	13.4	13.3	-1.8	0.5	-2.0	-1.2			19.6	26.9
EBITA	2.5	6.3	1.0	0.0	7.4	7.7	-2.7	-0.1	-2.3	-1.4			5.9	12.6
EBIT	2.4	6.2	-0.3	-1.1	6.2	6.7	-2.9	-0.3	-2.8	-1.6			2.6	9.8
Net financial items													-11.5	-10.4
Income before tax													-8.9	-0.5

	RAW	Insulation & Construction	Packaging & Components	Circular	Unallocated	Elimination	Total
million EUR	2023	2023	2023	2023	2023	2023	2023
Internal net sales	129.0	2.4	3.1	11.7	0.0	-146.3	0.0
External net sales	209.1	456.0	394.0	45.9	0.3		1 105.3
Net sales	338.1	458.4	397.1	57.7	0.3	-146.3	1 105.3
Adj. EBITDA	24.1	40.6	52.0	-3.2	-4.7		108.8
EBITDA	23.7	35.7	50.7	-3.4	-4.8		101.9
EBITA	18.7	11.7	27.6	-6.1	-5.4		46.6
EBIT	18.4	5.7	23.1	-7.0	-6.6		33.5
Net financial items							-42.5
Income before tax							-9.0

External revenue by country (buying company's geography)

million EUR	Q1 2024	Q1 2023	2023
Norway	45.4	55.7	211.7
Germany	29.3	36.6	132.3
Netherlands	29.0	35.6	127.0
UK	20.0	19.3	85.3
Sweden	18.5	23.8	89.8
Denmark	17.3	21.3	76.0
Portugal & Spain	16.2	18.8	65.0
Poland	14.4	11.9	52.2
France	11.3	15.9	49.0
Belgium	7.9	10.1	35.1
Finland	7.0	10.1	44.9
Iceland	5.8	7.1	24.8
Baltics	4.5	8.9	30.8
Czech Republic	2.2	2.9	10.5
Romania	2.1	1.3	7.6
Slovakia	2.0	2.6	9.8
Italy	1.9	1.7	5.0
Austria	1.5	1.4	4.2
Faroe Islands	1.1	1.3	5.0
Switzerland	1.0	1.2	4.8
Other	5.6	8.9	34.7
Total	244.0	296.4	1 105.3

Note 05 Depreciation/amortisation and impairment of tangible and intangible fixed assets

million EUR	Q1 2024	Q1 2023	2023
Attributable to operations	-8.3	-8.9	-33.7
Attributable to IFRS 16	-5.3	-5.0	-21.1
Attributable to fair value adjustments in business combinations	-3.4	-3.2	-13.7
Total	-17.0	-17.1	-68.4

Note 06 The group's borrowings

million EUR	31 Mar 2024	31 Mar 2023	31 Dec 2023
Non-current liabilities			
Bond loan	247.9	247.4	247.9
Liabilities to credit institutions	118.1	128.2	125.0
Liabilities leases	210.6	173.9	201.3
Other non-current liabilities	0.4	0.7	0.4
Total	577.0	550.2	574.6
Current liabilities			
Liabilities to credit institutions	8.4	8.1	7.4
Liabilities leases	25.8	22.8	24.8
Overdraft	5.4	18.6	4.4
Total	39.6	49.5	36.6
Total liabilities	616.6	599.7	611.2
Cash and cash equivalents	42.5	36.5	63.6
Net debt including IFRS 16 impact	574.1	563.1	547.6
Subtracting liabilities capitalised in accordance with IFRS 16			
Non-current liabilities leases	200.4	172.4	193.0
Current liabilities leases	24.6	21.9	23.5
Total	225.0	194.3	216.6
Net debt excluding IFRS 16 impact	349.1	368.9	331.1

Net debt is also presented excluding the effect of IFRS 16, since the impact of IFRS 16 on net debt and EBITDA is excluded in the relevant covenant calculations.

The group's loan structure

As of 31 March 2024, the group has one bond loan outstanding. The bond is unsecured and linked to a sustainability framework, matures on 3 September 2026, with the possibility for BEWI to unilaterally decide on early redemption after 3 March 2025 of 50 per cent of the bond outstanding at that date. The main term for the bond outstanding during the year is presented in the table below.

Issued amount	Frame	Amount outstanding	Date of issuance	Maturity
EUR 250 million	EUR 250 million	EUR 250 million	3 September 2021	3 September 2026

The bond is recognised under the effective interest method at amortised cost after deductions for transaction costs. Interest terms, as well as nominal interest rates and average interest rates recognised during the quarter are presented in the table below.

Bond loans	Interest terms	Nominal interest 1 Jan-31 Mar 2024	Average interest 1 Jan-31 Mar 2024
EUR 250 million	Euribor 3m + 3.15%	7.01-7.11%	7.80%

In addition, the group has a revolving credit facility (RCF) of EUR 150 million granted by two banks. As of 31 March 2024, the revolving credit facility was utilised in the amount of EUR 112.9 million. The group also has other liabilities, such as local liabilities to credit institutions and overdraft facilities, in some of its subsidiaries as well as liabilities for lease contracts.

Pledged assets

In total, the group has pledged asset amounting to EUR 25.9 million, securing interest bearing liabilities of EUR 17.5 million in companies as described above. The bond loan and the revolving credit facility are unsecured.

Contingent liabilities

A number of parent company guarantees have been issued towards suppliers of subsidiaries. These parent company guarantees have prior years been reported under contingent liabilities. The obligations of the group to these suppliers can however never exceed the liabilities already recognised in the consolidated balance sheet. As a consequence, parent company guarantees to suppliers are no longer reported as contingent liabilities.

Note 07 Fair value and financial instruments

million EUR	Level 1	Level 2	Level 3	Total	Carrying amount
Financial assets measured at fair value through profit and loss					
Participation in other companies	-	-	0.5	0.5	0.5
Derivative asset	-	3.6	-	3.6	3.6
Total	-	3.6	0.5	4.1	4.1
Financial liabilities measured at fair value through profit and loss					
Derivative liabilities	-	0.5	-	0.5	0.5
Other financial non-current liabilities	-	-	0.4	0.4	0.4
Total	-	0.5	0.4	0.9	0.9
Financial liabilities measured at amortised cost					
Bond loan	246.3	-	-	246.3	247.9
Total	246.3	-	-	246.3	247.9

Financial instruments are initially measured at fair value, adjusted for transaction costs, except for financial instruments subsequently measured at fair value through profit and loss. For those instruments, transactions costs are recognized immediately in profit and loss. The group is classifying its financial instruments based on the business model applied for groups of financial instruments within the group and whether separate financial instruments meet the criteria for cash flows that are solely being payments of principal and interest on the principal amount outstanding. The group is classifying its financial instruments into the group's financial assets and financial liabilities measured at fair value through profit and loss and financial assets and financial liabilities measured at amortised cost. However, fair value changes in financial instruments used for cash flow hedges are recognised in other comprehensive income. The table above shows the fair value of financial instruments measured at fair value, or where fair value differs from the carrying amount because the item is recognized at amortised cost (the bond loans). The carrying amount of the groups' other financial assets and liabilities is considered to constitute a good approximation of the fair value since they either carry floating interest rates or are of a non-current nature.

Level 3 – Changes during the period (EUR million)	Participation in other companies	Other financial non-current liabilities
As of 31 December 2023	0.5	0.4
Fair value adjustment through profit and loss	0.0	0.0
As of 31 December 2024	0.5	0.4

- Level 1 – listed prices (unadjusted) on active markets for identical assets and liabilities.
- Level 2 – Other observable data for the asset or liability are listed prices included in Level 1, either directly (as price) or indirectly (derived from price).
- Level 3 – Data for the asset or liability that is not based on observable market data.

Note 08 Net financial items

million EUR	Q1 2024	Q1 2023	2023
Interest revenue and other financial income	1.6	1.5	5.8
Exchange rate differences, net of fair value changes in derivatives	-	0.1	-
Total financial income	1.6	1.6	5.8
Interest expenses and other financing costs	-9.3	-8.6	-33.8
IFRS 16 interest expenses	-3.4	-2.4	-10.8
Fair value adjustments shares and participations	0.0	-1.0	-3.1
Exchange rate differences, net of fair value derivatives	-0.3	-	-0.6
Total financial expenses	-13.0	-12.0	-48.3
Net financial items	-11.5	-10.4	-42.5

Note 9 Shares in associates

BEWI has four interests in Shares in associates: HIRSCH Porozell GmbH, HIRSCH France SAS, Energijägarna & Dorocell AB (E&D AB) and Remondis Technology Spólka z o.o.

The table below presents key aggregated financial data as reflected in BEWI's consolidated accounts.

million EUR (except percentages and sites)	Total
Number of production sites	13
Book value as of 31 March 2024	**11.4**
Key financials Q1 2024	
Net Sales Q1 2024	39.6
EBITDA Q1 2024	1.9
Of which owned share of EBITDA	0.6
EBIT	-1.1
Net Profit	-0.3
Consolidated into BEWI's EBITDA, share of Net profit	-0.1
BEWI's share of EBITDA minus impact on consolidated EBITDA	0.8
Net debt	23.4
Of which owned share Net Debt	7.9

Note 10 Earnings per share

	Q1 2024	Q1 2023	2023
Profit for the period attributable to parent company shareholders (million EUR)	-9.1	-0.7	-18.0
Average number of shares	191 722 290	191 518 506	191 672 042
Effect of options to employees	208 266	904 812	752 508
Diluted average number of shares	191 930	192 423 317	192 424 550
Earnings per share (EPS), basic (EUR)	-0.05	-0.01	-0.09
Earnings per share (EPS), diluted (EUR)	-0.05	-0.01	-0.09
Earnings per share (EPS), basic (NOK)	-0.54	-0.08	-1.08
Earnings per share (EPS), diluted (NOK)	-0.54	-0.08	-1.08

EPS in NOK is calculated using the average rate in the period

The number shares outstanding (191 722 290) are unchanged compared to 31 December 2023. Earnings per share is calculated by dividing profit attributable to parent company shareholders by the weighted number of ordinary shares during the period.

Note 11 Five-year summary

million EUR (except percentage)	2023	2022	2021	2020	2019
Net sales	1 105.3	1 050.4	748.2	462.6	429.9
Operating income (EBIT)	33.5	68.0	67.8	39.5	20.3
EBITDA	101.9	115.2	105.5	70.0	48.0
EBITDA margin (%)	9.2%	11.0%	14.1%	15.1%	11.1%
Adjusted EBITDA	108.8	133.6	109.0	65.0	51.8
Adj. EBITDA margin (%)	9.8%	12.7%	14.6%	14.0%	12.1%
Items affecting comparability	-7.0	-18.3	-3.4	5.0	-3.9
EBITA	46.6	77.7	75.4	45.8	27.5
EBITA margin (%)	4.2%	7.4%	10.1%	9.9%	6.4%
Adjusted EBITA	53.5	96.1	78.8	40.8	31.4
Adj. EBITA margin (%)	4.8%	9.1%	10.5%	8.8%	7.3%
Net profit/loss for the period	-15.6	35.4	34.4	30.0	5.6
Cash flow from operating activities	76.5	40.9	67.4	33.2	35.9
Capital Expenditure (CAPEX)	-51.7	-43.7	-34.7	-26.6	-14.3
Average capital employed	983.7	629.1	409.6	322.0	301.1
Return on average capital employed (ROCE) %	5.4%	15.3%	19.2%	12.6%	10.4%

As from 2019, the group applies IFRS 16. The impact from IFRS 16 in 2019 was EUR 7.5 million on EBITDA, EUR -5.4 million on depreciations, EUR -2.5 million on financial expenses, EUR 0.1 million on income tax and EUR -0.3 million on net profit.

[1] without IFRS 16 effects

Note 12 **Quarterly data**

million EUR (except percentage)	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Net sales	244.0	252.7	266.6	289.6	296.4	257.7	267.5	277.0	230.2
Operating income (EBIT)	2.6	5.8	3.7	14.1	9.8	-10.7	21.1	35.8	21.8
EBITDA	19.6	22.2	22.1	30.7	26.9	4.0	32.9	46.4	31.9
EBITDA margin (%)	8.0%	8.8%	8.3%	10.6%	9.1%	1.5%	12.3%	16.8%	13.8%
Adjusted EBITDA	18.6	25.1	24.0	31.5	28.2	24.4	34.4	40.3	34.4
Adj. EBITDA margin (%)	7.6%	9.9%	9.0%	10.9%	9.5%	8.8%	12.9%	14.6%	14.9%
Items affecting comparability	1.0	-2.9	-2.0	-0.8	-1.3	-20.4	-1.5	6.1	-2.5
EBITA	5.9	9.6	6.8	17.5	12.6	-7.3	23.2	38.0	23.9
EBITA margin (%)	2.4%	3.8%	2.6%	6.0%	4.2%	-2.7%	8.7%	13.7%	10.4%
Adjusted EBITA	4.9	12.6	8.8	18.3	13.9	13.0	24.7	31.9	26.4
Adj. EBITA margin (%)	2.0%	5.0%	3.3%	6.3%	4.7%	4.7%	9.2%	11.5%	11.5%
Net profit/loss for the period	-8.3	-9.5	-8.3	3.0	-0.7	-7.8	10.0	24.9	8.2
Cash flow from operating activities	20.2	28.8	14.2	26.0	7.4	13.2	16.8	25.0	-14.2
Capital Expenditure (CAPEX)	-8.7	-11.6	-12.6	-16.2	-11.3	-20.4	-8.9	-9.2	-5.2
Average capital employed	984.3	983.7	916.6	836.7	735.2	629.1	520.6	476.8	434.0
Return on average capital employed (ROCE) %	4.5%	5.4%	5.9%	8.4%	11.4%	15.3%	19.3%	21.5%	22.0%

BEWI

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