



# Interim report quarter 2

## Significantly increased order intake

Christian Berner Tech Trade's second quarter was characterized by high activity in the market and a sharp increase in order intake, which provides good conditions for recovery during the second half of 2021. The Group's revenue increased as a result of acquisitions. Organic growth and profits were negatively affected by weak order intake during the second half of 2020 and the first months of 2021. The effects of raw material and component shortages also had a negative effect on the quarter's profits.

## Second quarter in brief

(April–June 2021)

- Order intake amounted to SEK 212,8 (142,4) million, an increase of 49,4 percent. In comparative terms, this was an increase of 27.8 percent.
- Net revenue for the second quarter amounted to SEK 185,5 (163,9) million, an increase of 13.2 percent. In comparative terms, this was a decrease of 4.9 percent.
- EBITA was 8,0 (14,0) MSEK. The total EBITA margin was 4,3 (8,5) percent.
- Earnings per share, before and after dilution, amounted to SEK 0,28 (0,51) SEK.
- Cash flow from operating activities was SEK 16,5 (27,1) million. Total cash flow for the period was 28,7 (21,8) MSEK.

## First six months in brief

(January–June 2021)

- Order intake amounted to SEK 381,0 (328,1) million. In comparative terms, this was an increase of 1.1 percent.
- Net revenue for the first half of the year amounted to SEK 345,9 (339,2) million. The total increase compared to first half of 2020 was 2,0 percent. In comparative terms, this was a decrease of 11.8 percent.
- EBITA was SEK (18,5) million and the EBITA margin was 4,6 (5,5) percent.
- Earnings per share, before and after dilution, amounted to SEK 0,54 (0,65).
- Cash flow from operating activities was SEK (49,9) million. Total cash flow for the period was 21,1 (70,4) MSEK.

## Important events during the second quarter

- The company held its Annual General Meeting on April 29, 2021. The dividend per share was SEK 0.75. In total, SEK 14.1 million was paid to shareholders.
- The company employed Sara Johansson as its new HR manager from September 1.
- Christian Berner Tech Trade acquired GF Swedenborgs Ingenjörfirma AB on April 15, 2021. The acquisition was effective from May 3. Swedenborg is included in the accounts for May and June. Acquisition costs, of approximately SEK 1.8 million, had a negative effect on results in the second quarter. For more information, see NOTE 3 page 16.

## Important events after the second quarter

- CFO, Torbjörn Gustafsson, has decided to leave the company. He will see out a notice period of no more than six months in his current role. Recruitment of a replacement has begun.

## Key figures

SEK thousands	Apr–Jun 2021	Apr–Jun 2020	Change %	Jan–Jun 2021	Jan–Jun 2020	Change %	Full-year 2020
Net revenue	185,503	163,913	13,2%	345,945	339,247	2,0%	695,169
Operating profit/loss	7,809	13,537	-42,3%	15,363	17,536	-12,4%	40,705
EBITA	8,014	13,997	-42,7%	15,774	18,531	-14,9%	42,167
Order intake	212,752	142,422	49,4%	381,046	328,146	16,1%	625,731
Profit per share	0,28	0,51	-46,1%	0,54	0,65	-17,0%	1,66
Cash flow for the period	28,721	21,792	31,8%	21,055	70,418	-70,1%	23,720
EBITA-margin	4,3%	8,5%		4,6%	5,5%		6,1%
Return on equity (R12)	22,2%	24,1%		22,2%	24,1%		24,2%

# Strong order intake

Revenue increased, although this was a weak second quarter. Improved order intake provides the right conditions for recovery during the second half of the year

Revenue increased by 13.2 percent in the second quarter of this year, due to acquisitions. When adjusted for these acquisitions, performance was weaker and the Group's EBITA margin amounted to 4.3 (8.5) percent. We are not satisfied with these results. Profits were affected by three factors: 1) fewer incoming orders during the second half of 2020 and the first quarter of 2021, due to the pandemic 2) a shift in profit calculations for heating projects, as Covid-19 has hindered on-site work, and 3) extended delivery times, especially for larger projects, due to the reduced availability of raw materials and components.

In the second quarter, however, we saw a strong improvement in order intake, which grew by as much as 49.3 percent, in comparison to projected figures accounting for the impact of Covid-19. Due to a more favorable business and product mix, we also have better gross margins compared to last year. This means that we can look forward to better results in the second half of this year.

## Market developments

In Sweden, the EBITA margin was 6,5 (10.0) percent. Order intake during the quarter was good and we are experiencing stable demand in the market. During the second quarter, we undertook several interesting projects, including for UV and water purification instruments, as well as machines and packaging material for e-commerce. It is also satisfying that GF Swedenborg, which was acquired on May 1, delivered immediate results. However, we have lacked major heating projects at Zander & Ingeström.

*”Order intake up by 49.4%.”*

Denmark made a profit, with an EBITA margin of 6.1 (-1.3) percent. Order intake was weaker in this quarter, although we received some orders for Fillflex products from the processing and food sector and within the Materials Technology product area for vibration-damping material for gyms.

In Norway, we achieved an EBITA margin of 10.1 (16.0) percent and order intake for the quarter was good, with improved



demand for vibration-damping materials from the construction industry. Empakk AS, which was acquired during the fourth quarter of last year, also made a positive contribution.

Finland had a weak quarter, with an EBITA margin of 3.8 (5.5) percent. Sales of vibration-damping materials for the construction industry continued to be good, although major machine investment in the processing industry is still lacking.

## The Future

In our assessment, underlying demand remains stable and we can look forward to positive improvements during the rest of the year. This is guaranteed by a strong order intake during the second quarter.

Acquisitions are an important part of our growth strategy and we are seeking to add more companies to the Group. It is, therefore, gratifying that the acquisitions made in the last year have been successfully integrated and are already making positive contributions.

## Bo Söderqvist

CEO, Christian Berner Tech Trade AB

# Christian Berner Tech Trade in brief

## Revenue and result – second quarter

In the second quarter, the Group's net revenue amounted to SEK 185.5 (163.9) million, an increase of 13.2 percent. The Group's EBITA decreased to SEK 8.0 (14.0) million, with an EBITA margin of 4.3 (8.5) percent.

The increased sales figure was positively affected by the acquisition of the Empakk, Alfa Tec and Swedenborg companies, which were not part of the Group during the second quarter of 2020. However, the company's underlying sales were negatively impacted by weak order intake in 2020 and the first months of 2021. This was due to Covid-19, which made our customers less willing to invest, while Covid restrictions reduced opportunities for sales activity, while shortages of raw materials and other components have increased. Longer delivery times have meant that the rate at which the company completes projects has decreased.

Overall, the increased level of costs caused by acquisitions has not been matched by increased sales, which has had a negative effect on EBITA, in comparison to the second quarter of 2020.

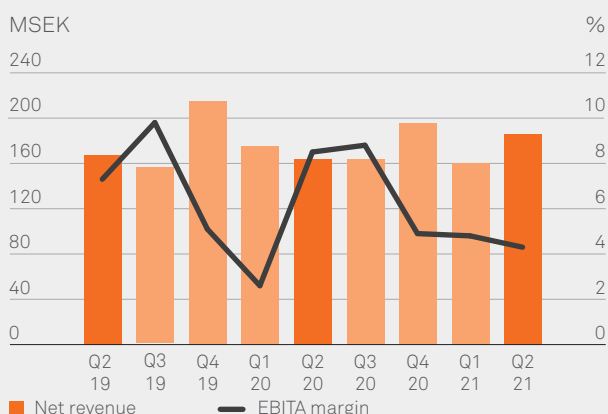
The easing of Covid-19 restrictions in recent months has led to greater activity in our markets and order intake has risen sharply. Compared to the second quarter of 2020, incoming orders have increased by 49.3 percent.

It is also positive that the gross margin is increasing, which is due to a change in the product mix.

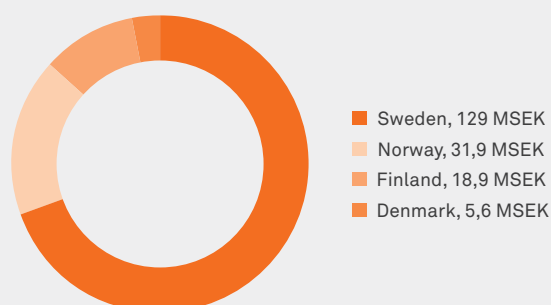
## Markets

In the second quarter, Sweden's net revenue amounted to SEK 129.1 (110.1) million, an increase of 17.2 percent. EBITA amounted to SEK 8.4 (11.1) million, which gave an EBITA margin of 6.5 (10.0) percent. Denmark increased its net revenue to SEK 5.7 (3.9) million and its EBITA to SEK 0.3 (-0.5) million, which gives an EBITA margin of 6.1 (-1.3) percent. Norway saw a net revenue of SEK 31.9 (29.9) million in the second quarter. Norway's EBITA was SEK 3.2 (4.8) million, with an EBITA margin of 10.1 (16.0) percent. Net revenue in Finland decreased to SEK 18.9 (20.0) million in the second quarter. Its EBITA amounted to SEK 0.7 (1.1) million, with an EBITA margin of 3.8 (5.5) percent.

Net revenue and EBITA



Revenue by market



### Revenue and result – first six months

For the first half of the year, the Group's net revenue amounted to SEK 345.9 (339.2) million. This was an improvement over the previous year of 3.1 percent. The Group's order intake for the first half of the year increased by 16.1 percent, compared with the same period last year.

EBITA was SEK 15.8 (17.5) million, a decrease of 14.9 percent, which produced an EBITA margin of 4.6 (5.5) percent.

In the first half of the year, the parent company experienced a loss of SEK 6.6 (5.3) million.

### Markets

Sweden achieved a net revenue of SEK 240.5 (233.2) million during the first six months of the year, which was an increase of 3.1 percent. EBITA amounted to SEK 16.9 (18.2) million, which gave a corresponding margin of 7.0 (7.8) percent.

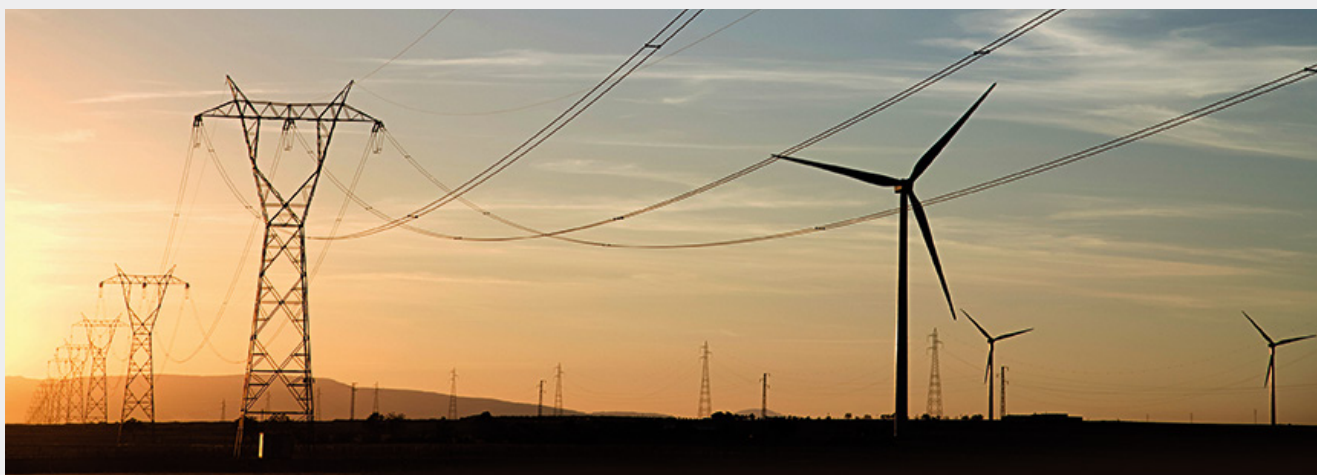
Net revenue in Denmark was SEK 10.2 (13.2) million, a decrease of 23.2 percent compared to last year. EBITA amounted to SEK 0.5 (0.9) million, with an EBITA margin of 5.1 (7.1) percent.

Norway achieved a net revenue of SEK 61.8 (51.6) million, an increase of 19.8 percent over last year's figure. EBITA was SEK 5.0 (4.5) million, with an EBITA margin of 8.2 (8.8) percent.

Finland experienced stable sales, compared to the previous year, but experienced reduced earnings, due to a change in its product mix. Net revenue was 33.5 (41.2), a decrease of 18.7 percent. EBITA amounted to SEK 0.4 (1.9) million, with an EBITA margin of 1.1 (4.5) percent.

# Process & Environment

Christian Berner Tech Trade's Process & Environment Business Area comprises product areas focused on customers who primarily need processing equipment and whole systems.

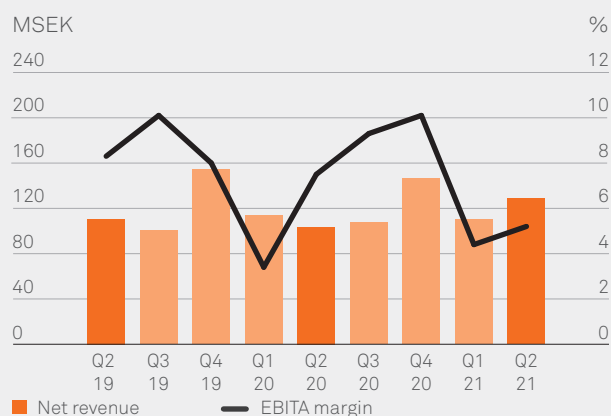


## Revenue and result – second quarter

Process & Environment achieved sales of SEK 128,8 (103,6) million in the second quarter, with an EBITA of SEK 6.7 (7,7) million. The EBITA margin was 5.2 (7,5) percent. Since the second quarter of last year, Process & Environment has acquired the companies Empakk, Alfa Tec and Swedenborg (effective since May). These acquisitions have contributed to increased sales, although overall, Process & Environment has been negatively affected by the previous year's weak order intake, as well as delays to projects caused by Covid-19.

Several operations within the Process & Environment product area, have experienced positive market activity and strong order intake, which offers security for its future development.

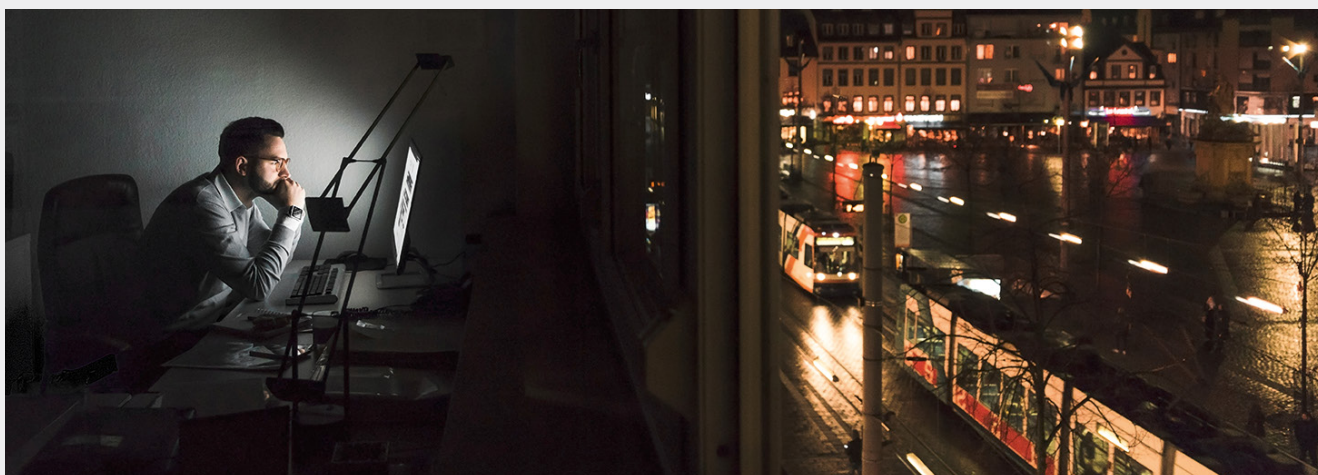
## Net revenue and EBITA



SEK thousands	Apr–Jun 2021	Apr–Jun 2020	Change %	Jan–Jun 2021	Jan–Jun 2020	Change %	Full-year 2020
Net revenue	128,804	103,557	24,4%	239,061	216,777	10,3%	470,729
EBITA	6,714	7,747	-13,3%	11,824	13,490	-12,3%	38,165
EBITA-margin, %	5,2%	7,5%		4,9%	6,2%		8,1%

# Materials Technology

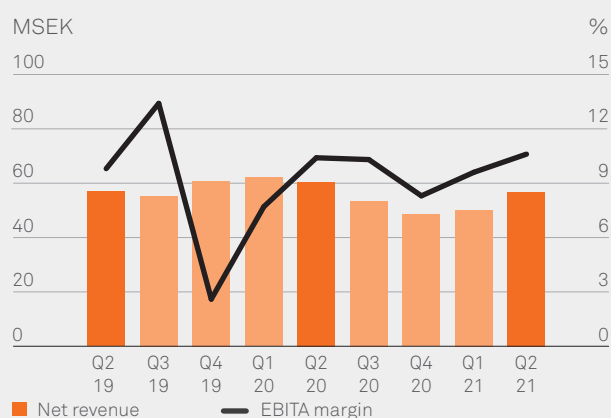
Christian Berner Tech Trade's Materials Technology Business Area comprises product areas focused on sales of various materials, including plastics and solutions in vibration and noise dampening.



## Revenue and result – second quarter

Materials Technology achieved a net revenue of SEK 56.7 (60.4) million in the second quarter, a reduction of 6.1 percent. EBITA amounted to SEK 6.0 (6.3) million, with an EBITA margin of 10,6 (10.4) percent. Despite a decline in revenue, relative to the second quarter of last year, Materials Technology has experienced good profitability. This is due to the continued effect of structural cost reductions within the business area. Materials Technology was affected by longer delivery times in the second quarter, which are linked to current shortages for raw materials. This has not resulted in lost business, although it has led to longer lead times – from order intake to sales.

## Net revenue and EBITA



SEK thousands	Apr–Jun 2021	Apr–Jun 2020	Change %	Jan–Jun 2021	Jan–Jun 2020	Change %	Full-year 2020
Net revenue	56,699	60,356	-6,1%	106,884	122,470	-12,7%	224,439
EBITA	5,994	6,302	-4,9%	11,009	12,044	-8,6%	21,586
EBITA-margin, %	10,6%	10,4%		10,3%	9,8%		9,6%

# Other information

## Important events during second quarter

The company held its Annual General Meeting on April 29, 2021. The dividend per share was SEK 0.75. In total, SEK 14.1 million was paid to shareholders.

The company employed Sara Johansson as its new HR manager from September 1.

Christian Berner Tech Trade acquired GF Swedenborgs Ingenjörfirma AB on April 15, 2021. The acquisition was effective from May 3. Swedenborg is included in the accounts for May and June. Acquisition costs, of approximately SEK 1.8 million, had a negative effect on results in the second quarter. For more information, see NOTE 3 page 16.

## Financial position & cash flow

Cash flow from ongoing business was SEK 16,5 (27,1) million. Total cash flow for the period was SEK 28,7 (21,8) million. Liquid assets, at the date of the balance sheet, were SEK 71,2 (97,5) million. The equity ratio, as of June 30, was 29,6 (33,3) percent

## Investments

No significant investments were made during the reporting period.

## Employees

At the end of the reporting period, the number of employees was 213 (179), of whom 53 (45) were women and 160 (134) men.

## Important events after the second quarter

CFO, Torbjörn Gustafsson, has decided to leave the company. He will see out a notice period of no more than six months in his current role. Recruitment of a replacement has begun.

## Risks and uncertainties

The business is affected by a number of different factors, some of which are within the company's control, while others are not. For Christian Berner, its operations are affected by, among other things, business-related risks such as recruitment, project risks, competition and price pressure, as well as the ability to enter into framework agreements. Market-related risks include economic/inflation risks. Financial risks include exchange rate and interest rate risks. Christian Berner conducts business in four different countries, with a large number of customers in different industries and a large number of suppliers. These factors limit its business and financial risks. In addition to the risks and uncertainties described in Christian Berner's 2020 annual report, the Covid-19 pandemic that broke out at the beginning of 2020, has affected the company's business condition, personnel and operations.

The pandemic has negatively affected the financial results for the second quarter of 2021, as order intake decreased during the second half of 2020, projects were delayed and delivery times increased. The board and management closely monitor the development of the pandemic and update their assessment of its potential impact on the company's operations. The parent company is affected by the above risks and uncertainties in its function as owner of its subsidiaries.

## Transactions with associated companies

No transactions between Christian Berner Tech Trade AB and its associated companies have taken place that significantly affected its status and results.

## Parent company

The parent company's primary purpose is to be responsible for business development, acquisitions, financing, governance and analysis. No sales activity takes place within the parent company. The net revenue of SEK 1.2 (1.6) million for the period relates to invoicing for internal Group services. The EBITA was SEK -4.6 (-3.0) million. As of June 30, the parent company held cash amounting to SEK 0.0 (0.1) million.

# Consolidated statement of comprehensive income in summary

SEK thousands	3 months		6 months		Financial Year
	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Whole Year 2020
<b>Operating income</b>					
Net revenue	185,503	163,913	345,945	339,247	695,169
Other operating income	1,530	1,043	3,252	1,673	7,774
<b>Total operating income</b>	<b>187,033</b>	<b>164,956</b>	<b>349,197</b>	<b>340,920</b>	<b>702,943</b>
Goods for resale	-110,541	-100,363	-204,730	-212,371	-425,212
Other external costs	-15,847	-10,100	-27,924	-24,929	-63,800
Staff costs	-45,459	-35,121	-86,689	-74,489	-149,181
Depreciation of property, plant and equipment and amortisation of intangible assets	-7,377	-5,835	-14,491	-11,596	-24,045
<b>Total operating expenses</b>	<b>-179,224</b>	<b>-151,419</b>	<b>-333,834</b>	<b>-323,384</b>	<b>-662,238</b>
<b>Operating profit/loss</b>	<b>7,809</b>	<b>13,537</b>	<b>15,363</b>	<b>17,536</b>	<b>40,705</b>
Financial income	159	110	351	544	3,858
Financial expenses	-1,243	-1,328	-2,340	-2,286	-4,727
<b>Net financial expenses</b>	<b>-1,084</b>	<b>-1,218</b>	<b>-1,989</b>	<b>-1,742</b>	<b>-869</b>
<b>Profit/loss before tax</b>	<b>6,725</b>	<b>12,319</b>	<b>13,374</b>	<b>15,794</b>	<b>39,836</b>
Income tax	-1,555	-2,720	-3,259	-3,699	-8,720
<b>Profit/loss for the period</b>	<b>5,170</b>	<b>9,599</b>	<b>10,115</b>	<b>12,094</b>	<b>31,116</b>
<b>Other comprehensive income</b>					
Items that can be transferred to profit and loss for the period					
Translation differences	-1,558	29	53	-472	988
Other comprehensive income for the period, net after tax	-1,558	29	53	-472	988
<b>Total comprehensive income for the period</b>	<b>3,612</b>	<b>9,628</b>	<b>10,168</b>	<b>11,622</b>	<b>32,104</b>
<b>Earnings per share</b>					
Earnings per share before dilution (SEK)	0,28	0,51	0,54	0,65	1,66
Earnings per share after dilution (SEK)	0,28	0,51	0,54	0,65	1,66



# Consolidated statement of financial position in summary

SEK thousands	2021-06-30	2020-06-30	Whole year 2020
<b>ASSETS</b>			
<b>Intangible assets</b>			
Goodwill	192,794	146,224	179,528
Distribution rights	1,337	1,759	1,508
Trademarks	29,305	17,000	17,000
Internally developed software	1,516	1,467	1,755
<b>Total intangible assets</b>	<b>224,952</b>	<b>166,449</b>	<b>199,792</b>
<b>Property, plant and equipment</b>			
Machinery and equipment	18,467	13,881	18,200
ROU assets, leasing	93,205	59,288	92,847
<b>Total property, plant and equipment</b>	<b>111,672</b>	<b>73,168</b>	<b>111,047</b>
<b>Financial assets</b>			
Other non-current receivables	287	190	268
<b>Total financial assets</b>	<b>287</b>	<b>190</b>	<b>268</b>
Deferred tax assets	423	484	310
<b>Total non-current assets</b>	<b>337,334</b>	<b>240,291</b>	<b>311,416</b>
<b>Current assets</b>			
<b>Inventories</b>			
Inventories	67,599	67,637	60,500
Advance payments to suppliers	3,561	1,809	1,515
<b>Total inventories, etc.</b>	<b>71,160</b>	<b>69,446</b>	<b>62,016</b>
<b>Current receivables</b>			
Trade receivables	91,773	72,546	75,127
Current tax assets	1,803	5,111	2,909
Other current receivables	3,729	5,513	6,533
Prepaid expenses and accrued income	3,988	5,257	5,711
Cash and cash equivalents	71,228	97,479	49,401
<b>Total current receivables</b>	<b>172,521</b>	<b>185,905</b>	<b>139,682</b>
<b>Total current assets</b>	<b>243,681</b>	<b>255,351</b>	<b>201,698</b>
<b>TOTAL ASSETS</b>	<b>581,015</b>	<b>495,643</b>	<b>513,115</b>

# Consolidated statement of financial position in summary

SEK thousands	2021-06-30	2020-06-30	Whole year 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	625	625	625
Other capital contributions	41,228	41,228	41,228
Reserves	1,539	26	1,486
Retained earnings	128,862	123,214	132,816
<b>Total equity</b>	<b>172,254</b>	<b>165,093</b>	<b>176,155</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Non-current leasing liability	68,828	42,505	72,654
Deferred tax liabilities	6,047	7,901	6,047
Other non-current liabilities			8,257
Provisions	1,335	1,335	1,335
<b>Total non-current liabilities</b>	<b>76,210</b>	<b>51,741</b>	<b>88,292</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	175,000	100,000	100,339
Current leasing liability	22,052	17,302	21,229
Advance payments from customers	3,957	43,812	13,501
Trade payables	42,706	45,357	46,243
Current tax liabilities	—	—	—
Other current liabilities	46,242	33,391	26,102
Accrued expenses and prepaid income	42,594	38,946	41,255
<b>Total current liabilities</b>	<b>332,551</b>	<b>278,808</b>	<b>248,667</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>581,015</b>	<b>495,643</b>	<b>513,115</b>

# Consolidated statement of changes in equity in summary

SEK thousands	2021-06-30	2020-06-30	Whole year 2020
<b>Opening equity for the period</b>	<b>176,155</b>	<b>153,471</b>	<b>153,471</b>
Total comprehensive income for the period	10,168	11,622	32,104
Transactions with shareholders			
Dividend	-14,070		-11,256
Buyback of own shares	—	—	—
Issue of common shares in business combinations		—	1,835
<b>Closing equity for the period</b>	<b>172,254</b>	<b>165,093</b>	<b>176,155</b>

# Consolidated statement of cash flows in summary

SEK thousands	3 months		6 months		Financial Year
	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Whole Year 2020
Profit/loss before financial items	7,809	13,537	15,363	17,536	40,706
Adjustment for non-cash items	7,409	5,659	14,538	11,521	24,144
Interest paid and similar items	-1,243	-1,328	-2,340	-2,353	859
Interest received and similar items	159	110	351	611	-4,727
Income tax paid/refunded	-4,469	-8,337	-3,702	-10,889	-16,506
<b>Cash flow from operating activities before changes in working capital</b>	<b>9,665</b>	<b>9,641</b>	<b>24,210</b>	<b>16,426</b>	<b>44,476</b>
Increase/decrease in inventories	-3,755	-14,034	-5,031	-2,842	12,798
Increase/decrease in operating receivables	12,692	27,531	-3,815	7,719	15,975
Increase/decrease in operating liabilities	-2,143	3,997	-771	28,568	-10,275
<b>Total change in working capital</b>	<b>6,794</b>	<b>17,494</b>	<b>-9,617</b>	<b>33,445</b>	<b>18,498</b>
<b>Cash flow from operating activities</b>	<b>16,459</b>	<b>27,135</b>	<b>14,593</b>	<b>49,871</b>	<b>62,974</b>
Acquisition of subsidiaries	-36,841	—	-36,841	—	-34,403
Acquisition of property, plant and equipment	-4,722	-383	-5,341	-981	-4,851
Investments in intangible assets	—	-70	—	-70	-581
Sales of property, plant and equipment	—	—	—	—	—
Divestment of financial fixed assets	—	—	—	—	—
Acquisition of financial non-current assets	—	—	—	—	—
<b>Cash flow from investing activities</b>	<b>-41,563</b>	<b>-453</b>	<b>-42,182</b>	<b>-1,051</b>	<b>-39,835</b>
Loans raised, parent company	75,000	—	75,000	100,000	100,000
Change current financial liabilities	-1,055	—	—	—	—
Repayment of loans	—	—	-339	-68,959	-68,974
Dividend	-14,070	—	-14,070	—	-11,256
Buyback of own shares	—	—	—	—	—
Payment for finance leases	-6,050	-4,890	-11,947	-9,443	-19,189
<b>Cash flow from financing activities</b>	<b>53,825</b>	<b>-4,890</b>	<b>48,644</b>	<b>21,598</b>	<b>581</b>
Cash flow for the period	28,721	21,792	21,055	70,418	23,720
Cash and cash equivalents at the start of the period	43,132	75,577	49,401	26,740	26,740
Exchange difference in cash and cash equivalents	626	110	772	321	-1,059
<b>Cash and cash equivalents at end of the period</b>	<b>71,228</b>	<b>97,479</b>	<b>71,228</b>	<b>97,479</b>	<b>49,401</b>

# Parent company income statement in summary

SEK thousands	3 months		6 months		Financial Year
	Apr–Jun 2021	Apr–Jun 2020	Jan–Jun 2021	Jan–Jun 2020	Whole Year 2020
<b>Operating income</b>					
Net revenue	1,214	1,630	2,936	3,553	6,761
<b>Total</b>	<b>1,214</b>	<b>1,630</b>	<b>2,936</b>	<b>3,553</b>	<b>6,761</b>
<b>Operating expenses</b>					
Purchased services	-407	-211	-814	-408	-615
Other external costs	-920	-990	-2,479	-3,260	-8,282
Staff costs	-3,764	-2,502	-6,827	-5,633	-11,496
<b>Total operating expenses</b>	<b>-5,091</b>	<b>-3,703</b>	<b>-10,120</b>	<b>-9,301</b>	<b>-20,393</b>
<b>Operating profit/loss</b>	<b>-3,877</b>	<b>-2,073</b>	<b>-7,184</b>	<b>-5,748</b>	<b>-13,632</b>
Profit from participations in Group companies	—	—	—	—	6,497
Interest and similar income	4	53	259	629	879
Interest and similar expenses	-755	-966	-1,342	-1,675	-3,064
<b>Total profit/loss from financial items</b>	<b>-751</b>	<b>-913</b>	<b>-1,083</b>	<b>-1,046</b>	<b>4,312</b>
<b>Profit/loss before tax</b>	<b>-4,628</b>	<b>-2,986</b>	<b>-8,267</b>	<b>-6,794</b>	<b>-9,320</b>
Appropriations	—	—	—	—	41,000
Tax on profit for the period	953	680	1,703	1,495	-5,454
<b>Profit/loss for the period</b>	<b>-3,675</b>	<b>-2,306</b>	<b>-6,564</b>	<b>-5,299</b>	<b>26,226</b>

# Parent company balance sheet

SEK thousands	2021-06-30	2020-06-30	2020-12-31
<b>ASSETS</b>			
<b>Financial assets</b>			
Shares in Group companies	316,409	227,604	280,370
<b>Total financial assets</b>	<b>316,409</b>	<b>227,604</b>	<b>280,370</b>
<b>Total non-current assets</b>	<b>316,409</b>	<b>227,604</b>	<b>280,370</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Receivables from Group companies	26,610	2,001	55,291
Other receivables	285	77	677
Prepaid expenses	224	102	245
Tax receivables	—	846	—
<b>Total current receivables</b>	<b>27,119</b>	<b>3,026</b>	<b>56,213</b>
Cash and bank balances	37,331	65,426	14,711
<b>Total current assets</b>	<b>37,331</b>	<b>65,426</b>	<b>14,711</b>
<b>TOTAL ASSETS</b>	<b>380,859</b>	<b>296,056</b>	<b>351,294</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Restricted equity</b>			
Share capital	625	625	625
Revaluation reserve	37,000	37,000	37,000
Statutory reserve	1	1	1
<b>Total restricted equity</b>	<b>37,626</b>	<b>37,626</b>	<b>37,626</b>
<b>Non-current liabilities</b>			
Liabilities to Group companies	107,000	104,265	94,843
Liabilities for acquired companies	-6,564	-5,299	26,226
<b>Total non-current liabilities</b>	<b>100,436</b>	<b>98,966</b>	<b>121,069</b>
<b>Total equity</b>	<b>138,062</b>	<b>136,592</b>	<b>158,695</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Liabilities to Group companies	840	840	840
Liabilities for acquired companies	—	—	8,256
<b>Total non-current liabilities</b>	<b>840</b>	<b>840</b>	<b>9,096</b>
<b>Current liabilities</b>			
Liabilities to Group companies	47,378	53,815	72,775
Liabilities for acquired companies	8,256	—	—
Liabilities to credit institutions	175,000	100,000	100,000
Trade payables	821	106	1,920
Current tax liabilities	-1,796	—	5,247
Other current liabilities	9,532	425	361
Accrued expenses and prepaid income	2,766	4,278	3,200
<b>Total current liabilities</b>	<b>241,957</b>	<b>158,624</b>	<b>183,503</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>380,859</b>	<b>296,056</b>	<b>351,294</b>

### NOTE 1 Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and RFR 1 Supplementary Accounting Rules for Groups. The parent company's quarterly report has been prepared in accordance with the Swedish Annual Accounts Act and Swedish Financial Reporting Recommendations RFR 2 Accounting for Legal Entities. The reporting of exchange rate differences has changed compared with the previous year. Exchange rate gains are now reported as other operating

income and exchange rate losses as other operating expenses. In previous years, the net sum has been reported as goods for resale in the income statement. The comparative items have been adjusted as a result of this change.

#### New standards coming into effect in 2021

No new accounting standards came into effect in 2021.

For further information regarding Christian Berner's accounting principles, please refer to the company's 2020 annual report, Note 2 Accounting Principles and Note 2 in this report.

### NOTE 2 Leasing

For the quarter, the following amounts are reported in the balance sheet relating to IFRS 16 and financial leasing:

Assets	2021-06-30	2020-06-30
ROU assets, leasing	93,205	59,287
<b>Total</b>	<b>93,205</b>	<b>59,287</b>

Leasing liabilities	2021-06-30	2020-06-30
Short-term	22,052	17,302
Long-term	68,828	42,504
<b>Total</b>	<b>90,880</b>	<b>59,806</b>

In the income statement, The following amounts are reported with respect to IFRS 16:

	Apr–Jun		Jan–Jun	
	2021	2020	2021	2020
Depreciation of ROU assets	-6,050	-4,440	-11,948	-8,976
Interest expenses	-467	-308	-938	-623
<b>Total</b>	<b>-6,517</b>	<b>-4,748</b>	<b>-12,886</b>	<b>-9,599</b>

### NOTE 3 Preliminary acquisition calculations

#### AB GF Swedenborg Ingeniörsfirma

On 15 April, 2021, Christian Berner Tech Trade acquired AB GF Swedenborg Ingeniörsfirma and had access as of 3 May. AB GF Swedenborg Ingeniörsfirma markets and sells well-known pumping products and bursting discs. They also manufacture industrial dampers that are sold under their own brand. In 2020, the company's sales amounted to SEK 45.1 million, with an EBITDA of SEK 6.3 million. At the end of 2020, the company had 13 employees. The acquisition is expected to have a positive impact on Christian Berner Tech Trade's earnings per share in the current financial year. The purchase consideration amounted to SEK 25 million, on a debt-free basis, and is financed through available cash and newly raised loans. An additional purchase sum of no more than of SEK 6 million may be due, depending on the 2021-2022 result.

	SEK thousands
Purchase price	34,179
Net assets measured at fair value	9,570
Goodwill	12,305
Brand	12,305

Net assets consist of the values below (SEK thousands)	Fair value in the Group
Intangible assets excluding goodwill	0
Tangible fixed assets	686
Financial fixed asstes	0
Current assets	19,217
Provisions	0
Non-current liabilities	0
Current liabilities	-10,334
<b>Net assets</b>	<b>9,570</b>

Cash and cash equivalents in acquired operations amounted to SEK 5.6 million

#### AlfaTec Svenska AB

On 7 October 2020, Christian Berner Tech Trade signed an agreement on the acquisition of all shares in Alfa Tec Sweden AB (<http://alfatec.se>), a company that markets and sells Alfa Laval's products in thermal processes and fluid technology. In 2019, the company's sales amounted to SEK 32.2 million with an EBITDA of SEK 3.4 million. At the end of 2019, the company had five employees. The purchase consideration was estimated at SEK 12.2 million and was financed through available cash, treasury shares and loans raised. An additional purchase sum of no more than SEK 7.0 million may become payable, depending on the 2021-2022 result. The estimated purchase consideration includes the estimated outcome regarding the payment of an additional purchase sum.

	SEK thousands
Purchase price	12,189
Net assets measured at fair value	2,031
Goodwill	10,158

Net assets consist of the values below (SEK thousands)	Fair value in the Group
Intangible assets excluding goodwill	0
Tangible fixed assets	0
Financial fixed asstes	0
Current assets	5,553
Provisions	0
Non-current liabilities	0
Current liabilities	-3,522
<b>Net assets</b>	<b>2,031</b>

Cash and cash equivalents in acquired operations amounted to SEK 2.3 million

### Empakk AS

On 1 October 2020, Christian Berner Tech Trade acquired Empakk AS (<http://empakk.no>), a company which markets and sells solutions for packaging, storage and transport of food in public and private operations in the Norwegian market. The company has its registered office in Fredrikstad and in 2019, revenue amounted to NOK 47.3 million with an EBITDA of NOK 4.8 million (EBITA SEK 4.3 million). At the end of 2019, the company had 15 employees. For the first half of 2020, the company's sales amounted to NOK 28.3 million, with an EBITDA of NOK 3.4 million (EBITA NOK 3.3 millions).

The purchase consideration was estimated at SEK 38.1 million and was financed through available cash and loans raised. An additional purchase sum of NOK 5.0 million may become payable, depending on the 2020-2021 result. The estimated purchase consideration includes the estimated outcome regarding the payment of an additional purchase sum.

#### SEK thousands

Purchase price (SEK thousands)	38,083
Net assets measured at fair value	15,017
Goodwill	23,067

Net assets consist of the values below (SEK millions)	Fair value in the Group
Intangible assets excluding goodwill	0
Tangible fixed assets	1,861
Financial fixed assets	84
Current assets	22,161
Provisions	
Non-current liabilities	-331
Current liabilities	-8,758
<b>Net assets</b>	<b>15,017</b>

Cash and cash equivalents in acquired operations amounted to NOK 6.3 million (recalculated to 5,9 MSEK).



**NOTE 4 Segment reporting**

Segment revenue	Apr–Jun 2021	Apr–Jun 2020	Change %	Jan–Jun 2021	Jan–Jun 2020	Change %	Whole year 2020
Sweden	129 088	110 108	17,2%	240 492	233 215	3,1%	483 901
Norway	31 879	29 914	6,6%	61 827	51 619	19,8%	100 379
Finland	18 869	19 950	-5,4%	33 462	41 178	-18,7%	88 481
Denmark	5 667	3 942	43,8%	10 164	13 234	-23,2%	22 409
<b>Total</b>	<b>185 503</b>	<b>163 913</b>	<b>13,2%</b>	<b>345 945</b>	<b>339 247</b>	<b>2,0%</b>	<b>695 169</b>
Sales between segments	3 114	2 523	23,4%	5 824	5 387	8,1%	11 239

Segment EBITA	Apr–Jun 2021	Apr–Jun 2020	Change %	Jan–Jun 2021	Jan–Jun 2020	Change %	Whole year 2020
Sweden	8,423	11,055	-23,8%	16,901	18,204	-7,2%	46,170
Norway	3,211	4,792	-33,0%	5,043	4,538	11,1%	6,711
Finland	726	1,096	-33,8%	368	1,863	-80,2%	5,596
Denmark	348	-52	-773,7%	520	935	-44,4%	1,274
Group as a whole	-4,694	-2,894	62,2%	-7,059	-7,009	0,7%	-17,584
<b>Total</b>	<b>8,014</b>	<b>13,997</b>	<b>-42,7%</b>	<b>15,774</b>	<b>18,531</b>	<b>-14,9%</b>	<b>42,167</b>
Amortisation of intangible assets	-205	-455	55,0%	-410	-988	58,5%	-1,460
Net financial items	-1,084	-1,218	11,0%	-1,989	-1,742	-14,2%	-869
<b>Profit/loss before tax</b>	<b>6,725</b>	<b>12,323</b>	<b>-45,4%</b>	<b>13,374</b>	<b>15,801</b>	<b>-15,4%</b>	<b>39,838</b>

### NOTE 5 Distribution of income

Christian Berner's revenue streams are reported according to Segment and Business Area, where Segments correspond to the market for revenue.

All Business Areas are represented in all Segments, see the table above, and the revenue comes in contract with categories, described in more detail below. The Process & Environment Business Area has a business model, which to a greater extent, falls into categories 1 and 2, while the Materials Technology Business Area has a larger share in category 3. However, all three categories are found in all Segments and Business Areas.

#### Christian Berner accrues revenue in three categories;

1. Commission Sales, where Christian Berner acts as a sales channel for suppliers by contacting end customers. Revenue comes from agreed commissions that Christian Berner receives from suppliers, which is usually received on delivery of products to end customers or thereafter. Christian Berner does not control the sales flow and is normally dependent on the supplier and customer agreeing and completing the transaction before we receive final payment.

2. Project Sales refers to revenue streams where Christian Berner has a number of performance commitments. This means that the agreement not only consists of a service or product but also covers a number of different parts. Revenue consists mainly of pre-agreed fees that are usually paid by advance invoicing and invoicing as milestones are reached, depending on the size of the project. These projects can run for long periods and, depending on their nature, income and costs are reported as various completion stages are reached. For larger projects, the resulting profit depends on the validity of calculations and on the successful completion of the project. Due to this, there exists a degree of uncertainty regarding the profitability of projects before completion.

3. Sales of Goods and Services. This category refers to goods and services sold separately. These may involve services, installations or products and spare parts from our warehouse, among other commodities. These are sold at rates agreed with customers, usually based on price lists. Revenues are reported for these goods and services at the time control is transferred to the customer. Invoicing usually occurs on delivery. In these cases, the greatest uncertainty occurs if customers are unable to pay for the services or products we have supplied.

Apr–Jun 2021						
Net revenue, SEK thousands	Sweden	Norway	Finland	Denmark	Group as a whole	
Process & Environment	97,140	22,327	6,061	3,276	128,804	
Materials Technology	31,948	9,552	12,807	2,391	56,699	
<b>Total</b>	<b>129,088</b>	<b>31,879</b>	<b>18,869</b>	<b>5,667</b>	<b>185,503</b>	

Apr–Jun 2020						
Net revenue, SEK thousands	Sweden	Norway	Finland	Denmark	Group as a whole	
Process & Environment	78,523	13,714	8,950	2,370	103,557	
Materials Technology	31,584	16,199	11,000	1,572	60,356	
<b>Total</b>	<b>110,108</b>	<b>29,914</b>	<b>19,950</b>	<b>3,942</b>	<b>163,913</b>	

Jan–Jun 2021						
Net revenue, SEK thousands	Sweden	Norway	Finland	Denmark	Group as a whole	
Process & Environment	176,609	44,970	10,983	6,500	239,061	
Materials Technology	63,883	16,857	22,480	3,664	106,884	
<b>Total</b>	<b>240,492</b>	<b>61,827</b>	<b>33,462</b>	<b>10,164</b>	<b>345,945</b>	

Jan–Jun 2020						
Net revenue, SEK thousands	Sweden	Norway	Finland	Denmark	Group as a whole	
Process & Environment	167,842	24,810	16,695	7,431	216,777	
Materials Technology	65,374	26,810	24,483	5,804	122,470	
<b>Total</b>	<b>233,215</b>	<b>51,619</b>	<b>41,178</b>	<b>13,234</b>	<b>339,247</b>	

# Definitions

Christian Berner Tech Trade AB has reviewed its terminology for alternative key figures according to the European Securities and Markets Authority's (ESMA) new guidelines. No changes to the key figures were considered necessary as a result of this review.

Description of financial performance measurements not found in the IFRS regulations

Non-IFRS performance indicators	Description	Reason for use of indicator
<b>Operating income</b>	Revenue, including net revenue and other income	Operating income is a combination of how the Company's various product areas and markets perform
<b>Net revenue growth</b>	Increase in the net revenue as a percentage of the total revenue of the previous year	Indicator of the company's growth relative to the previous period, which illustrates the company's trend and enables the underlying driving forces to be tracked
<b>EBITA</b>	Earnings before impairment of goodwill and impairment and amortisation of other intangible assets that arose in connection with business combinations and equivalent transactions	As a manufacturing company, EBITA is an important indicator of the company's profitability before interest, taxes and impairments
<b>EBITA-margin</b>	EBITA as a percentage of net revenue	The EBITA margin illustrates the company's profit generation before interest, taxes and amortisation, relative to operating income. A performance indicator that is appropriate for companies such as Christian Berner
<b>Operating profit/loss</b>	Operating profit/loss before financial items and taxes	Operating profit/loss gives an overall picture of the company's profit generation in its operating activities.
<b>Operating margin</b>	Operating profit/loss before financial items and taxes, as a percentage of operating income	The operating margin is a traditional comparison indicator that illustrates the company's profit generation relative to operating income
<b>Net financial items</b>	The difference between financial income and financial expenses	Net financial items shows the difference between financial income and financial expenses
<b>Equity ratio</b>	Equity as a percentage of total assets	A traditional indicator showing financial risk, expressed as the proportion of adjusted equity that is financed by the shareholders
<b>Return on equity</b>	Profit/loss after financial items as a percentage of average equity	Shows the return on the shareholders' invested capital, from the perspective of the shareholders
<b>Cash flow for the period</b>	Total of the cash flow from operating activities, cash flow from investing activities and cash flow from financing activities	The cash flow for the period is an indicator of how much cash and cash equivalents the company generates or loses in each period
<b>Number of shares at the close of the period</b>	The number of outstanding shares at the end of the reporting period	The number of shares in the company is important, as it forms the basis of the calculation of earnings per share
<b>Average equity</b>	The average of the total of opening equity for the period added to closing equity for the period	Average equity is a more conventional comparison indicator and is used as a component in a number of other key performance indicators

# Group – KPIs

SEK thousand	Apr–Jun 2021	Apr–Jun 2020	Change %	Jan–Jun 2021	Jan–Jun 2020	Change %	Whole Year 2020
Net revenue	185,503	163,913	13,2%	345,945	339,247	2,0%	695,169
EBITA	8,014	13,997	-42,7%	15,774	18,531	-14,9%	42,167
Total assets	581,015	495,643	17,2%	581,015	495,643	17,2%	513,115
Equity	172,254	165,093	4,3%	172,254	165,093	4,3%	176,155
Revenue growth	13,2%	-2,1%		2,0%	1,6%		-1,4%
Gross margin, %	40,9%	39,2%		41,4%	37,7%		39,5%
Equity ratio, %	29,6%	33,3%		29,6%	33,3%		34,3%
EBITA-margin, %	4,3%	8,5%		4,6%	5,5%		6,1%
Return on equity <sup>1</sup> (R12)	22,2%	24,1%		22,2%	24,1%		24,2%

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### Reporting dates

**21 October 2021**

Interim report for the third quarter 2021

**25 February 2022**

Year-End Report 2021

**28 April 2022**

Annual General Meeting 2022

Interim report for the first quarter 2022

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