



Interim Report

January-June
2021



Interim Report Q2, January-June 2021

April - June 2021

- Net sales increased to SEK 407 million (399)
- Operating profit before depreciation increased to SEK 18 million (2)
- Operating profit increased to SEK 2 million (-20)
- Earnings after tax amounted to SEK -8 million (-31)
- Earnings per share amounted to SEK -0.04 (-0.15)
- Cash flow after investing activities amounted to SEK -11 million (1)

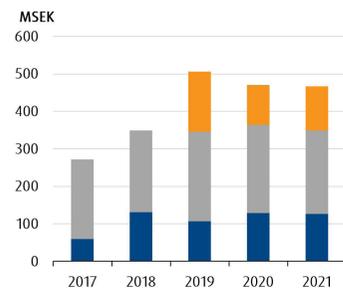
January - June 2021

- Net sales decreased to SEK 867 million (917)
- Operating profit before depreciation increased to SEK 56 million (34)
- Operating profit increased to SEK 24 million (-14)
- Earnings after tax amounted to SEK 0 million (-39)
- Earnings per share amounted to SEK 0.00 (-0.18)
- Cash flow after investing activities amounted to SEK 22 million (15)

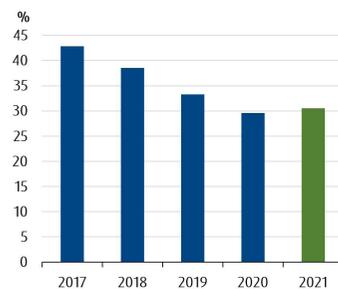
Key Ratios

MSEK	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jul 2020- Jun 2021	Jan-Dec 2020
Net sales	407	399	867	917	1 793	1 843
EBITDA	18	2	56	34	119	97
EBIT	2	-20	24	-14	20	-19
Non-recurring items, goodwill	0	0	0	-4	-31	-35
Adjusted EBIT	2	-20	24	-10	51	16
Earnings after tax	-8	-31	0	-39	-27	-66
Earning per share, SEK	-0.04	-0.15	0.00	-0.18	-0.12	-0.31
Cash flow after investing activities	-11	1	22	15	38	32
Equity/asset ratio, %	30.5%	32.4%	30.5%	32.4%	30.5%	29.6%

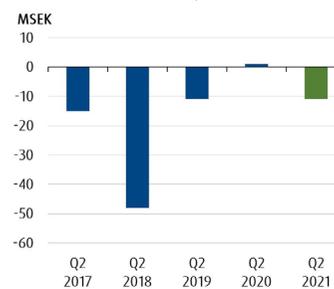
Net debt



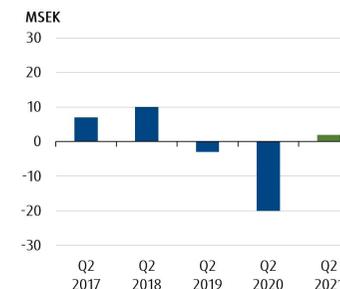
Equity ratio



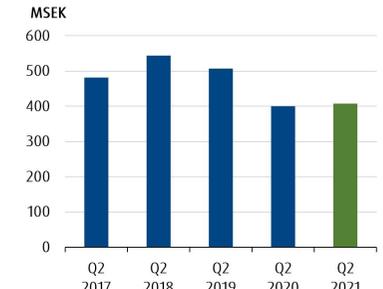
Cash flow after investing activities - Q2



Operating profit/loss - Q2



Net sales - Q2



- Adjusted net debt
- Pension liabilities
- IFRS 16

Bong is one of the leading providers of envelope products in Europe that also offers solutions for distribution and packaging of information, advertising materials and lightweight goods. Important growth areas in the Group are packaging within retail and e-commerce and the envelope market within Eastern Europe. The Group has annual sales of approximately SEK 1.8 billion and about 1,200 employees in 13 countries. Bong has strong market positions in most of the important markets in Europe and the Group sees interesting possibilities for continued development. Bong is a public limited company and its shares are listed on Nasdaq Stockholm (Small Cap).

This is Bong

Envelopes
and Light
Packaging

From the
forest to you
since 1737

The
customer is
our passion



1,200
Employees

Located in
13
countries



Double digit
growth in
Light
Packaging

Letter to the shareholders

” Our growth in Light Packaging and the recovery of the Envelope market are giving us tailwind in passing on necessary price increases in the upcoming months, says Bong’s CEO Kai Steigleder. ”



MARKET AND INDUSTRY

The new rise in infection rates in many countries and ongoing restrictions on economic activity resulted in an economic situation that was still very fragile in the second quarter. In addition disruptions in supply chains and drastic price increases in most of Bong’s raw materials such as paper, window film, ink, adhesives, plastics etc. had a negative impact on our business.

Especially important and still ongoing in the coming months are the large price increases on paper which were triggered by historically high pulp cost in combination with a strong reduction in available paper production capacity due to mill closures. In order to compensate for this and to reflect the new situation Bong has decided to increase its own prices to the market. This has been done partly in the second quarter but the majority will be done in Q3 2021 and will be on both Envelope and Light packaging products.

Light Packaging

The development of Bong’s Light packaging sales in Q2 was positive with an overall currency adjusted increase of 19% compared to Q2 2020. The overall currency adjusted year to date increase amounts to 18% partly fostered by the rise in E-Commerce.

This ongoing very positive development in Q2 was mainly driven by increased sales of our new e-Green product range and the continuous growth of our Bubble Mailers but also other products of our own production like Board Backs, All board envelopes and Paper Carrier Bags contributed positively to the strong sales development.

We are very confident for the second half of 2021 because the strongest months in our Retail division are just lying ahead of us. In addition we will profit with our new e-Green range from the very strong demand in highly adapted, ecological packaging for e-Commerce. Therefore we continue to invest into this future oriented market segment in 2021 and 2022.

Envelope

Bong’s Envelope sales in Q2 increased currency adjusted by 6% compared to Q2 2020 but Q2 2020 was affected extremely negatively by the Covid-19 pandemic. The overall currency adjusted year to date Envelope sales decreased by 5%.

The development of envelope sales is following the negative long-term trend.

OPERATING PROFIT

The Group’s currency-adjusted sales increased by 9% compared with Q2 2020 as Q2 2020 was affected extremely negatively by Covid-19 effects. Bong’s gross margin has increased compared to Q2 2020 mainly because of better product mix. Operating profit increased to SEK 2 million (-20) and the efforts to lower the breakeven point of the Group are becoming increasingly visible. The operating profit in Q2 2021 was only marginally affected negatively by restructuring cost SEK (4) million and it was not affected by impairment of Goodwill SEK (4) million.

CASH FLOW AND REDUCED ADJUSTED NET DEBT / ADJUSTED EBITDA

Cash flow from operating activities amounted to SEK 29 million (18). Adjusted net debt / adjusted EBITDA according to Bong’s Bond loan amounts to 1.57.

FOCUS AND STRATEGY

Our growth in Light Packaging and the recovery of the Envelope market are giving us tailwind in passing on necessary price increases in the upcoming months.

Bong will further invest in its Light packaging production capacity and our goal is to generate the main part of our sales with Light packaging products latest in 2025.

The refinancing process of the senior secured bonds with due date in October 2021 is still ongoing but is estimated to be completed beginning of Q3 2021.

Last but not least I am particularly thanking all our hard working and dedicated employees as well as our stakeholders and shareholders for their support.

Kai Steigleder

Chief Executive Officer

Financial overview

Sales and profit

January – June 2021

Consolidated sales for the period reached SEK 867 million (917). Exchange rate fluctuations had a negative impact on sales of SEK -39 million (11) compared with 2020.

Operating profit increased to SEK 24 million (-15). The Group's gross margin has stabilized and is higher than the same period last year. During the period operating profit was affected positively by a realized capital gain of SEK 1 million (6) attributable to the sale of machines. Effects on the operating profit in previous years was attributable to restructuring costs (7), write down of goodwill (4) and customer receivables (5) which amounts to 0 for the current period. Exchange rate fluctuations for the period had a negative impact on operating profit of SEK -1.3 million (-1).

Net financial items for the period amounted to SEK -18 million (-19).

Earnings before tax amounted to SEK 6 million (-33) and reported earnings after tax were SEK 0 million (-39).

Bong's total light packaging sales amounted to SEK 241 million (214). Currency fluctuations had a negative impact on light packaging sales of SEK -12 million (2) compared with the corresponding period in 2020.

Bong's total envelope sales amounted to SEK 626 million (703). Currency fluctuations had a negative impact on envelope sales of SEK -27 million (9) compared to same period 2020.

Sales and profit

April – June 2021

Consolidated sales for the period reached SEK 407 million (399). Exchange rate fluctuations had a negative impact on sales of SEK -17 million (3) compared with 2020.

Operating profit increased to SEK 2 million (-20). The Group's gross margin has stabilized and is well over the levels of the same period 2020. Exchange rate fluctuations for the period had no impact on operating profit of (-1).

Net financial items for the period amounted to SEK -9 million (-10).

Earnings before tax amounted to SEK -7 million (-30) and reported earnings after tax were SEK -8 million (-31).

Bong's total light packaging sales amounted to SEK 112 million (99). Currency fluctuations had a negative impact on light packaging sales of SEK -5 million (1) compared with the corresponding period in 2020.

Bong's total envelope sales amounted to SEK 294 million (270). Currency fluctuations had a negative impact on envelope sales of SEK -12 million (16).

Cash flow and investments

The cash flow after investing activities improved to SEK 22 million (15) compared to previous year. Cash flow from operating activities before changes in working capital amounted to SEK 35 million (-1). Working capital had a negative impact on the cash flow of SEK -7 million (18). Postponed payments due to COVID-19 for rent and VAT in the UK have been paid during the first half of 2021 in the amount of SEK 18 million. Until the end of the year another SEK 5 million remains to be paid.

Restructuring programs had negative impact on the cash flow of SEK -2 million (-11). Net investments in the period had a negative impact amounting to SEK -7 million (-3).

Financial position

Cash and cash equivalents at 30 June 2021 amounted to SEK 101 million (SEK 110 million at 31 December 2020). The Group had unutilized credit facilities of SEK 12 million on the same date. Total available cash and cash equivalents thus amounted to SEK 113 million (SEK 122 million at 31 December 2020). Consolidated equity at the end of March 2021 was SEK 427 million (SEK 412 million at 31 December 2020).

Translation of the net asset value of foreign subsidiaries to Swedish Krona and changes in the fair value of pension debt and derivative instruments increased consolidated equity by SEK 15 million. The interest bearing net loan debt amounted to SEK 467 million, whereof pension debt amounts to SEK 223 million and IFRS 16 leasing contracts amount to SEK 118 million (SEK 471 million at 31 December 2020, whereof pension debt amounts to SEK 236 million and IFRS 16 Leasing contracts SEK 106 million).

The refinancing process of the senior secured bonds with due date in October 2021 is ongoing. Despite the impact of the Covid-19 pandemic, Bong is today in a stronger position. Therefore different refinancing alternatives is also being evaluated. This process will be finalized during the second half of 2021.

Employees

The average number of employees during the period was 1,148 (1,234). The Group had 1,150 (1,187) employees at the end of June 2021. Bong has intensively worked on improving productivity and adjusting staff to meet current demand and the reduction is the result of the implemented restructuring measures.

Parent Company

The Parent Company's business extends to management of operating subsidiaries and certain Group management functions. Sales were SEK 1.7 million (1.7) and earnings before tax for the period were SEK -1 million (-3).

COVID-19

A number of different measures have been taken at Bong to mitigate the short and long term effects of the corona virus, with health and safety for employees and customers as the highest priority. We follow the development carefully and adjust our measures according to local authorities' advice and regulations, while we strive to mitigate any disruptions to the Group's operations.

The contributions received from the governments shown as other operating income amount to SEK 1 million (12) for the Group. Other government fee reductions have reduced the social fees with SEK 0.5 million (1). Loan with guarantee from the government amounts to 43 MSEK with a duration of one year. Per the terms at the issue date, the Group may, at its discretion, prolong the duration of the loan between 1 and 5 years. Loan with guarantee from the government amounts to 8 MSEK with a duration of 10 years. The Group has no substantial losses on account receivables related to Covid-19.

Bong will monitor the development to assess any effects on the valuation of goodwill or on non-financial assets or financial assets. It is currently not possible to predict with sufficient reliability over what period and to what extent Bong will face further impacts during upcoming years including write-offs due to impairments of assets and goodwill. All countries have experienced a deep recession in 2020 and are projected to be followed by a slow and gradual recovery in 2021.

Events after the end of the period

No material events have occurred after the end of the period.

Risks and opportunities

Business risks for the Bong Group are primarily related to market development and various types of financial risks. There has not been any change to significant risks and uncertain positions since Bong's annual report for 2020 was released. For further information, please refer to Bong's annual report and website bong.com.

Accounting policies

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act. Application was consistent with the accounting principles outlined in the 2020 annual report and the interim report should be read along with those principles. The figures in this interim report have not been rounded off, which is why notes and tables may not total correct amounts. The purpose is that each sub-row should correspond to its source of origin and therefore rounding differences can occur on the total sum.

Kristianstad 15 July 2021

Christian Paulsson

Chairman of the Board

Stéphane Hamelin

Member of the Board

Per Åhlgren

Member of the Board

Eric Joan

Member of the Board

Mats Persson

Member of the Board

Kai Steigleder

Chief Executive Officer

This report has not been subject to examination by the company's auditors.

Additional information

Kai Steigleder, CEO- & Carsten Grimmer, CFO for Bong AB.

Tel +46 44-20 70 00 (switchboard)

Financial Calendar:

- Interim Report January–September 2021, 11 November 2021
- Year-End Report 2021, 10 February 2022
- Interim Report January–March 2022, May 2022
- Interim Report January–June 2022, July 2022
- Interim Report January–September 2022, November 2022

Income statements in summary

MSEK	Note	Apr-Jun 2021 3 month	Apr-Jun 2020 3 month	Jan-Jun 2021 6 month	Jan-Jun 2020 6 month	Jul 2020- Jun 2021 12 month	Jan-Dec 2020 12 month
Revenue	1	407.3	398.8	867.1	917.1	1 793.0	1,843.1
Cost of goods sold		-341.6	-349.2	-713.6	-771.4	-1 470.3	-1,528.2
Gross profit		65.7	49.6	153.5	145.7	322.7	314.9
Selling expenses		-35.9	-41.8	-77.1	-93.6	-160.8	-177.3
Administrative expenses		-26.8	-26.1	-52.1	-65.3 ¹⁾	-135.8 ²⁾	-148.7 ³⁾
Other operating income and expenses		-0.7	-1.4	0.0	-1.3	-6.6	-7.9
Operating profit		2.3	-19.7	24.3	-14.5	19.6	-19.0
Net financial items		-9.4	-10.2	-17.9	-18.6	-36.6	-37.2
Result before tax		-7.1	-30.0	6.4	-33.1	-17.0	-56.2
Income tax		-1.3	-1.3	-6.2	-5.6	-10.1	-9.4
Net result		-8.4	-31.2	0.2	-38.7	-27.1	-65.6
1) Including non-recurring items of SEK -4 million							
2) Including non-recurring items of SEK -31 million							
3) Including non-recurring items of SEK -35 million							
Total comprehensive income attributable to:							
Shareholders in Parent Company		-7.9	-31.2	0.9	-38.7	-26.0	-65.1
Non-controlling interests		-0.5	0.0	-0.6	0.0	-1.1	-0.5
Earnings per share		-0.04	-0.15	0.00	-0.18	-0.12	-0.31
Earnings per share, excluding non recurring items		-0.04	-0.13	0.00	-0.13	0.02	-0.14
Average number of shares		211,205,058	211,205,058	211,205,058	211,205,058	211,205,058	211,205,058
STATEMENT OF COMPREHENSIVE INCOME							
MSEK		Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jul 2020- Jun 2021	Jan-Dec 2020
Net result		-8.4	-31.2	0.2	-38.7	-27.1	-65.6
Other comprehensive income							
Items that will not be reclassified to profit or loss:							
Actuarial loss on post employment benefit obligations		-3.9	-3.3	11.4	5.6	-4.8	-10.5
		-3.9	-3.3	11.4	5.6	-4.8	-10.5
Items that may be reclassified subsequently to profit or loss:							
Cash flow hedges	3	0.1	0.0	0.2	0.0	0.0	-0.2
Impact of extended equity		1.8	11.3	-2.3	0.9	6.6	9.8
Exchange rate differences		3.8	-44.2	8.5	-6.7	-34.2	-49.4
Income tax relating to components of other comprehensive income		0.4	-1.6	-2.5	-1.5	-1.5	-0.5
		5.9	-34.6	3.9	-7.3	-29.1	-40.3
Other comprehensive income for the period, net of tax		1.9	-38.0	15.3	-1.7	-33.9	-50.8
Total comprehensive income		-6.5	-69.2	15.5	-40.4	-61.0	-116.4
Total comprehensive income attributable to:							
Shareholders in Parent Company		-6.0	-69.2	16.1	-40.4	-59.5	-115.9
Non-controlling interests		-0.5	0.0	-0.6	0.0	-1.1	-0.5

Balance sheet in summary

MSEK	Note	30 Jun 2021	30 Jun 2020	31 Dec 2020
Assets				
Intangible assets	4,5	470.4	527.8	468.1
Tangible assets		254.2	279.1	243.9
Financial assets	6	97.4	106.9	104.4
Inventories		202.0	197.7	181.5
Current receivables	7	274.7	280.7	285.5
Cash and cash equivalents	8	100.4	115.5	110.1
Total assets		1,399.2	1,507.7	1,393.5
Equity and liabilities				
Equity		426.7	488.3	411.9
Non-current liabilities	9	367.9	571.9	373.8
Current liabilities	10	604.6	447.4	607.8
Total equity and liabilities		1,399.2	1,507.7	1,393.5

CHANGES IN EQUITY

MSEK	Note	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Opening balance for the period		411.9	528.7	528.7
Change in accounting principles- IFRS 16 Lease		-	-	-
Bond loan / Convertible loan		-	-	-
Non-controlling interests		-0.6	0.0	-0.5
Total comprehensive income		15.5	-40.4	-116.4
Closing balance for the period		426.7	488.3	411.9

Cash flow statement

MSEK	Note	Apr-Jun 2021 3 month	Apr-Jun 2020 3 month	Jan-Jun 2021 6 month	Jan-Jun 2020 6 month	Jul 2020- Jun 2021 12 month	Jan-Dec 2020 12 month
Operating activities							
Operating profit/loss		2.2	-19.7	24.4	-14.4	19.9	-19.0
Depreciation, amortisation, and impairment losses		15.8	21.8	31.3	48.2	98.8	115.6
Interest received		0.0	0.0	0.0	0.0	0.2	0.2
Interest paid		-6.9	-7.1	-13.8	-14.3	-28.2	-28.6
Financial expenses		-1.3	-1.3	-1.4	-0.2	-2.5	-1.2
Tax paid		-2.3	1.3	-1.5	-0.1	-2.8	-1.4
Other items not affecting liquidity		2.7	-3.2	-3.5	-19.7	-22.6	-38.7
Cash flow from operating activities before changes in working capital		10.2	-8.2	35.5	-0.5	62.9	26.9
Changes in working capital							
Inventories		-4.4	5.4	-17.1	-	-8.1	9.0
Current receivables		13.0	27.7	6.4	21.6	-6.5	8.7
Current operating liabilities		-25.1	-25.2	3.8	-3.3	-3.3	-10.4
Cash flow from operating activities		-6.2	-0.3	28.6	17.8	45.0	34.2
Cash flow from investing activities							
Acquisition of intangible and tangible assets incl. advanced payments to suppliers		-4.9	-1.1	-8.1	-8.5	-22.6	-23.0
Disposal of intangible and tangible assets		0.2	2.4	1.0	5.5	15.2	19.7
Cash flow from investing activities		-4.8	1.3	-7.1	-3.0	-7.4	-3.3
Cash flow after investing activities		-11.0	1.0	21.5	14.8	37.7	30.9
Cash flow from financing activities							
Change in other long-term debt		-4.2	38.2	-13.0	28.6	-8.2	33.5
IFRS-16 lease payment		-9.8	-13.3	-19.4	-26.5	-41.7	-48.8
Cash flow from financing activities		-16.1	24.9	-32.4	2.1	-49.9	-15.3
Cash flow for the period		-27.1	25.9	-10.9	16.9	-12.2	15.6
Cash and cash equivalents at beginning of period		128.8	93.9	110.0	99.7	115.5	99.7
Exchange rate difference in cash and cash equivalents		-1.3	-4.2	1.3	-1.1	-2.9	-5.2
Cash and cash equivalents at end of period		100.4	115.5	100.4	115.5	100.4	110.1

Notes

(MSEK)

Note 1 - Net sales and asset by geographical area

Net sales	Apr-Jun 2021		Apr-Jun 2020		Jan-Jun 2021		Jan-Jun 2020		Jul 2020-Jun 2021		Jan-Dec 2020	
	Envelope	Light Packaging	Envelope	Light packaging	Envelope	Light packaging						
Sweden	25	12	27	11	53	24	62	22	103	56	112	54
Nordic and Baltics	26	8	29	8	56	18	69	16	116	43	129	41
Central Europe	106	41	117	37	232	88	267	77	479	184	514	173
South Europe	73	25	72	25	152	56	162	55	305	132	315	132
UK	50	19	43	13	101	41	114	29	204	75	217	62
Other	14	7	12	5	32	14	29	15	66	30	64	30
Total	294	113	300	99	626	241	703	214	1 273	520	1 351	492

Note 1 - cont'd

Assets	2021-06-30	2020-06-30	2020-12-31
Sweden	124	165	127
Nordic and Baltics	3	50	4
Central Europe	341	241	321
South Europe	97	228	193
UK	63	123	66
Other	97	0	1
Total	725	807	712

Segment reporting for the business units areas comprises operating EBITDA before restructuring costs. The segment reporting was for the first time included in the annual report for year 2020.

SEGMENT INFORMATION

The definition of the segments are primarily related to geographical areas as disclosed below. In the segment South Europe and North Africa is included a unit of subordinate importance and have similar economic characteristics with respect to customer structure, products and distribution channels. Other income is internally reducing costs and are included in order to reconcile with the legal Total turnover. The segments apply the same accounting principles as the Group apart from the revenue recognition of sales of raw materials, sales of waste material and rental income. In the internal reporting these are reported as a reduction of cost while in the consolidated statements these are accounted for as revenue.

Central Europe

This segment includes the companies in Germany, Poland, Belgium, Romania and Switzerland.

South Europe and North Africa

This segment includes the companies in France, Belgium, Italy, Spain and Tunisia.

Nordics

This segment includes the companies in Sweden, Norway, Denmark and Finland.

United Kingdom

This segment includes the companies in United Kingdom.

IFRS adjustments

IFRS adjustments contains revenue recognition of sales of raw materials, sales of waste material and rental income. In the internal reporting these are reported as a reduction of cost while in the consolidated statements these are accounted for as revenue.

Note 2 - Segment information

OPERATING SEGMENTS

Operating segments are reported in a manner consistent with the internal reports presented to the chief operating decision maker. The chief operating decision maker is the function responsible for the allocation of resources and the assessment of the operating segments' earnings. For the Group, this function has been identified as the CEO.

Net turnover and EBITDA before restructuring costs per segment

Segments	2021-06-30			2020-06-30						
	Revenue from external customers	IFRS Adjustments	Revenue from other segments	Total	EBITDA	Revenue from external customers	IFRS Adjustments	Revenue from other segments	Total	EBITDA
Central Europe	321.1	10.2	40.4	371.7	39.7	345.8	8.4	31.6	385.8	40.8
South Europe and North Africa	244.1	6.1	18.0	268.2	5.3	247.2	5.3	20.2	272.8	-1.5
Nordics	140.1	4.7	8.0	152.8	10.4	151.9	20.1	12.5	184.5	13.0
United Kingdom	138.8	1.9	0.5	141.3	5.5	136.2	2.1	1.6	140.0	-4.7
Group transactions and eliminations	0.0	0.0	-66.9	-66.9	-5.0	0.0	0.0	-65.9	-65.9	-8.4
Total	844.2	22.9	0.0	867.1	56.0	881.2	35.9	0.0	917.1	39.2
Revenue from external customers	844.2	22.9	0.0	867.1	56.0	881.2	35.9	0.0	917.1	39.2
Restructuring costs					-0.3					-6.5
Depreciations and amortisations					-31.3					-48.2
Financial income					0.4					1.1
Financial expenses					-18.3					-18.6
Result before tax					6.5					-33.0
Income tax					-6.2					-5.6
Net result for the year					0.2					-38.7

Note 3 - Financial assets and liabilities

The table below shows the Group's financial assets and liabilities in the form of derivatives measured at fair value. All financial derivatives measured at fair value are in Category 2. These include interest rate swaps and foreign exchange contracts and the valuation is based on the forward interest rates derived from observable yield curves.

2021-06-30	Assets	Liabilities
Currency forwards - cash flow hedges	0.1	0.2
Total	0.1	0.2

2020-06-30	Assets	Liabilities
Currency forwards - cash flow hedges	0.0	0.0
Total	0.0	0.0

2020-12-31	Assets	Liabilities
Currency forwards - cash flow hedges	0.2	0.4
Total	0.2	0.4

* For the above contracts, the following amounts are found in the hedge reserve under Total comprehensive income; currency forwards - cash flow hedges SEK -0.1 million.

Other financial assets and liabilities

Fair value of the following financial assets and liabilities is estimated to be equal to book value:

- Trade receivables and other receivables
- Other current receivables
- Cash and cash equivalents
- Long-term and short-term loans
- Trade payables and other liabilities
- Other financial assets and liabilities

Information about netting of financial assets and liabilities

The Group does not apply net recognition for any of its other significant assets and liabilities and has no netting agreements with financial counterparties.

Note 4 - Intangible assets	2021-06-30	2020-06-30	2020-12-31
Goodwill	467.2	522.5	463.2
Other intangible assets	3.2	5.3	4.9
Total	470.4	527.8	468.1

Note 5 - Goodwill	2021-06-30	2020-06-30	2020-12-31
Opening costs	463.2	529.9	529.9
Purchase/acquisition	-	-	-
Write-down	-	-3.8	-35.1
Exchange rate differences	4.1	-3.6	-31.6
Closing costs	467.2	522.5	463.2

Since the group follows estimated values in the impairment test for 2020 no further impairment is required

Note 6 - Financial assets	2021-06-30	2020-06-30	2020-12-31
Deferred tax	96.4	105.8	103.4
Other financial assets	1.0	1.1	1.0
Total	97.4	106.9	104.4

Note 7 - Current receivables	2021-06-30	2020-06-30	2020-12-31
Receivables	190.3	183.9	207.4
Other current assets	84.4	96.8	78.1
Total	274.7	280.7	285.5

Note 8 - Cash and cash equivalent	2021-06-30	2020-06-30	2020-12-31
Cash/Bank	100.3	115.4	110.0
Cash/Bank escrow account	0.1	0.1	0.1
Total	100.4	115.5	110.1

Note 9 - Non-current liabilities	2021-06-30	2020-06-30	2020-12-31
Interest-bearing loans	52.5	234.8	53.1
Leasing contracts - IFRS 16	77.9	87.8	69.7
Pension debt	222.6	230.5	236.3
Deferred tax	9.4	8.7	8.3
Other liabilities	5.5	10.1	6.4
Total	367.9	571.9	373.8

Note 10 - Current liabilities	2021-06-30	2020-06-30	2020-12-31
Interest-bearing loans	174.7	-	186.6
Leasing contracts - IFRS 16	40.2	42.7	36.6
Payables	147.5	136.7	175.5
Other liabilities	242.1	268.1	209.1
Total	604.6	447.4	607.8

The Bond loan 2018 is booked to amortised cost which means that the nominal value of the loan SEK 210 million has been reduced for related accrued expenses which will adjust the booked value of the loan at each end of the reporting period till the due date of the loan year 2021 when the booked value will be the same as the nominal value. Repurchase of Bonds was made during the first half of the year to the nominal value of SEK 13 million. In total, SEK 34.75 million has been repurchased.

Note 11 - Adjusted interest bearing net loan debt/Adjusted EBITDA

Adjusted interest bearing net loan debt	2021-06-30	2020-12-31
Interest bearing loans, non-current liabilities	353.0	357.7
Interest bearing loans, current liabilities	214.9	223.2
Cash and cash equivalent	-100.4	-110.1
Net Debt	467.5	470.8
Pension debt	-222.6	-236.3
Leasing contracts - IFRS 16	-118.1	106.3
Adjusted net debt	126.7	128.2

Adjusted EBITDA 12 month rolling	2021-06-30	2020-12-31
Profit	-26.7	-65.6
Financial charges	35.2	36.2
Tax	10.1	9.4
Depreciations	98.7	115.6
Restructuring cost	8.1	5.7
Transaction cost	1.4	1.0
Minority result	0.9	0.5
IFRS 16, lease payments	-46.9	-55.3
Adjusted EBITDA	80.7	47.5

Adjusted interest bearing net loan debt/Adjusted EBITDA	2021-06-30	2020-12-31
	1.57	2.70

QUARTERLY DATA. GROUP

MSEK	2/2021	1/2021	4/2020	3/2020	2/2020	1/2020	4/2019	3/2019	2/2019	1/2019	4/2018	3/2018	2/2018	1/2018	4/2017	3/2017
Net Revenue	407.3	459.7	505.1	420.9	398.8	518.3	567.9	519.8	507.1	571.0	603.2	536.0	543.0	538.1	578.0	491.4
Operating expenses	-405.0	-437.5	-512.7	-417.9	-418.5	-513.0	-554.2	-513.3	-510.6	-555.7	-689.5	-524.3	-533.2	-526.1	-560.9	-489.4
Operating profit	2.3	22.2	-7.6	3.0	-19.7	5.3	13.7	6.5	-3.5	15.3	-86.3	11.7	9.8	12.0	17.1	2.0
Net financial items	-9.4	-8.5	-9.3	-9.4	-10.2	-8.4	-7.8	-12.3	-11.2	-10.6	-11.6	-10.4	-22.6	-10.9	-10.7	-10.3
Profit before tax	-7.1	13.7	-16.9	-6.4	-30.0	-3.1	5.9	-5.8	-14.7	4.7	-97.9	1.3	-12.8	1.1	6.4	-8.3

KEY RATIOS

Note	Jan-Jun 2021	Jan-Jun 2020	Jul 2020-Jun 2021	Jan-Dec 2020
Operating margin, %	2.8	-1.6	1.1	-1.0
Return on equity, %*	-	-	1.15	neg
Return on capital employed, %* 1)	0.00	0.00	4.89	neg
Equity/assets ratio, %*	30.5	32.4	30.5	29.6
Net debt/equity ratio times*	1.10	0.98	1.10	1.14
Net loan debt/EBITDA*	3.94	4.87	3.94	4.87
Adjusted interest bearing net loan debt/adjusted EBITDA*	11		1.57	2.70
Capital employed, MSEK*	994.6	1,084.0	994.6	992.7
Interest-bearing net loan debt, MSEK*	467.6	480.4	467.6	470.8
1) Return on capital employed				
Earnings after financial revenues			19.6	-19.3
Average capital employed			1,039.3	1,063.7

DATA PER SHARE

	Jan-Jun 2021	Jan-Jun 2020	Jul 2020-Jun 2021	Jan-Dec 2020
Earnings per share, SEK	0.00	-0.18	-0.12	-0.31
Earnings per share, excluding non recurring items, SEK	0.00	-0.13	0.02	-0.14
Basic equity per share, SEK	2.02	2.31	2.02	1.95
Diluted equity per share, SEK				
Number of shares outstanding at end of period	211,205,058	211,205,058	211,205,058	211,205,058
Number of shares, basic	211,205,058	211,205,058	211,205,058	211,205,058

For the key figures above, are those marked * considered to be APM (Alternative Performance Measures) and not follow IFRS. They are judged however by management to be important to show shareholders the Group's underlying performance, profitability and financial position. It should be noted that these measures, as defined, may not be comparable to similarly titled measures used by other companies. For definitions see page 12.

Five-year summary

Key ratios	2020	2019	2018	2017	2016
Net sales, MSEK	1,843	2,166	2,220	2,095	2,135
Operating profit/loss, MSEK	-19	32	-52	45	9
Extraordinary items, MSEK	-35	-	-11	-	430
Profit/loss after tax, MSEK	-66	-24	-148	-9	297
Cash flow after investing activities, MSEK	31	78	-65	40	30
Operating margin, %	-1.0	1.5	-2.3	2.2	0.4
Capital turnover rate, times	1.2	1.4	1.4	1.3	1.3
Return on equity, %	neg	neg	neg	neg	neg
Average capital employed, MSEK	1,064	983	1,042	1,095	1,159
Return on capital employed, %	neg	3.2	neg	0.2	1.8
Equity ratio, %	29.6	33.3	38.0	43.0	43.0
Net loan debt, MSEK	471	506	349	294	315
Net loan debt/equity, times	1.14	0.96	0.61	0.42	0.45
Net debt/EBITDA, times	4.9	4.2	5.0	3.2	5.2
Average number of employees	1,195	1,334	1,446	1,459	1,556
Number of shares					
Basic number of shares outstanding at end of period	211,205,058	211,205,058	211,205,058	211,205,058	211,205,058
Diluted number of shares outstanding at end of period	211,205,058	211,205,058	211,205,058	251,205,058	251,205,058
Average basic number of shares	211,205,058	211,205,058	211,205,058	211,205,058	207,417,179
Average diluted number of shares	211,205,058	211,205,058	211,205,058	251,205,058	246,533,341
Earnings per share					
Before dilution, SEK	-0.31	-0.11	-0.71	-0.06	1.42
After dilution, SEK	-0.31	-0.11	-0.71	-0.06	1.42
Earnings per share, before dilution, excluding non-recurring items	-0.14	-0.11	-0.22	-0.06	-0.64
Earnings per share, after dilution, excluding non-recurring items	-0.14	-0.11	-0.22	-0.06	-0.64
Equity per share					
Before dilution, SEK	1.95	2.50	2.70	3.30	3.30
After dilution, SEK	1.95	2.50	2.70	3.30	3.30
Cash flow from operating activities per share					
Before dilution, SEK	0.16	0.48	-0.28	0.25	0.26
After dilution, SEK	0.16	0.48	-0.28	0.25	0.26
Other data per share					
Dividend, SEK	0.00	0.00	0.00	0.00	0.00
Quoted market price on the balance sheet date, SEK	0.6	0.7	1.0	1.0	0.9
P/E-ratio, times	neg	neg	neg	neg	0.6
Adjusted P/E-ratio, times	neg	neg	neg	neg	neg
Price/Equity before dilution, %	30.3	29	35	29	27
Price/Equity after dilution, %	30.3	29	35	29	27

Definitions

This Report includes financial key data and ratios based on concepts defined in International Financial Reporting Standards (IFRS), Alternative Performance Measurements and company-specific ratios. Definitions are found below.

For historical values:

<http://www.bong.com/en/investors/reports/historical-values>

ADJUSTED EARNINGS PER SHARE

Profit after tax, excluding items affecting comparability, divided by the average number of shares before and after dilution.

ADJUSTED P/E RATIO, TIMES

Share price divided by adjusted earnings per share before and after dilution.

AVERAGE CAPITAL EMPLOYED

Capital employed at the beginning of year plus capital employed at year-end divided by two.

AVERAGE EQUITY

Shareholders' equity at beginning of year plus equity at year-end divided by two.

AVERAGE TOTAL ASSETS

Total assets at beginning of the year plus total assets at year-end divided by two.

CAPITAL EMPLOYED

Equity plus interest-bearing liabilities.

CAPITAL TURNOVER, TIMES

Net sales by average total assets. Capital turnover is a measure of how effectively the Group uses its assets.

EARNINGS PER SHARE

Profit after tax, divided by the average number of shares, before and after dilution.

EBITDA

Operating income before depreciation and amortization.

EQUITY TO ASSETS RATIO, PER CENT

Shareholders' equity divided by total assets. This ratio is a measure of the Group's financial strength.

ITEMS AFFECTING COMPARABILITY

Items of infrequent nature with significant effects, which are relevant for understanding the financial performance when comparing the current period with previous periods. Such items may include but are not limited to results from divestments of property, charges attributable to close-down or restructuring of major units or activities, significant write-downs of tangible and intangible assets and other major non-recurring costs or income.

NET DEBT

Interest-bearing liabilities and provisions less liquid funds and interest-bearing receivables.

NET DEBT/EBITDA, TIMES

Net debt divided by EBITDA. Net debt/EBITDA is a measure of the Group's financial strength.

NET DEBT TO EQUITY, TIMES

Net debt divided by equity. This ratio is a measure of the Group's financial strength.

OPERATING MARGIN, PER CENT

Operating profit divided by net sales. Operating margin is a measure of profitability. It measures how much of revenues remains after operating expenses.

P/E RATIO, TIMES

Share price divided by earnings per share.

RETURN ON CAPITAL EMPLOYED, PER CENT

Earnings after financial income divided by average capital employed. For 2016 the extraordinary net financial item has been excluded. This measure of profitability shows the return of the Group's total balance sheet, less non interest-bearing debt. It is a measure independent of indebtedness. It complements the measure return on equity.

RETURN ON EQUITY, PER CENT

Earnings after tax divided by average equity. For 2016 the extraordinary net financial item has been excluded. This measure measures the return on shareholders' funds for the year and is useful in comparisons of other investments with the same risk profile.

SHARE PRICE/EQUITY, PER CENT

Price per share divided by equity per share.

Parent company

INCOME STATEMENT IN SUMMARY

MSEK	Jan-Jun 2021	Jan-Jun 2020
Revenue	1.7	1.7
Gross profit	1.7	1.7
Administrative expenses	-4.4	-6.2
Operating profit/loss	-2.7	-4.4
Net financial items	1.8	1.1
Result	-0.9	-3.4
Income tax	0	0
Net result	-0.9	-3.4

STATEMENT OF COMPREHENSIVE INCOME

MSEK	Jan-Jun 2021	Jan-Jun 2020
Net Result for the year	-0.9	-3.4
Other comprehensive income		
Net financial items reported directly in consolidated equity:		
Cash flow hedges	-	-
Income tax relating to components of other comprehensive income	-	-
Net result, Other comprehensive income	-	-
Total comprehensive income	-0.9	-3.4

BALANCE SHEET IN SUMMARY

MSEK	30 Jun 2021	31 Dec 2020
Assets		
Financial assets	795.2	795.1
Current receivables	7.0	1.5
Cash and cash equivalents	0.1	0.2
Total Assets	802.3	796.9
Equity and liabilities		
Equity	361.0	361.8
Non-current liabilities	-	-
Current liabilities	441.3	435.1
Total equity and liabilities	802.3	796.9