

# BEWiSynbra Interim report

## January – March 2021



### Key highlights first quarter 2021

- Net sales up by 42 per cent to EUR 148.8 million (105.1) of which 23 per cent from acquisitions.
- Organic growth from higher volumes in all segments and most regions and increased sales prices for RAW.
- Improved cash-flow from operating activities, EUR million 1.6 (neg. 4.9)
- Announced plans for a new packaging facility at Jøsnøya, Norway
- Launch of a new sustainability strategy
- Acquisition of minority stake of recycling company Inoplast
- Acquisition of Danish paper packaging company Honeycomb Cellpack after the quarter

### Jan – March 2021

- Net sales of EUR 148.8 million (105.1)
- Adjusted EBITDA was EUR 17.4 million (14.8)
- Operating income (EBIT) was EUR 8.3 million (6.5)

### CONSOLIDATED KEY FIGURES

| Amounts in million EUR (except percentage) | Q1 2021 | Q1 2020 | 2020  |
|--|---------|---------|-------|
| Net sales                                  | 148.8   | 105.1   | 462.6 |
| Operating income (EBIT)                    | 8.3     | 6.5     | 42.5  |
| EBITDA                                     | 17.0    | 13.7    | 72.9  |
| EBITDA margin (%)                          | 11.4%   | 13.1%   | 15.8% |
| Adjusted EBITDA                            | 17.4    | 14.8    | 66.2  |
| Adj. EBITDA margin (%)                     | 11.7%   | 14.1%   | 14.3% |
| Items affecting comparability              | -0.4    | -1.0    | 6.7   |
| Net profit/loss for the period             | 0.4     | 2.3     | 32.2  |
| Capital Expenditure (CAPEX)                | -6.9    | -3.2    | -26.6 |

## COMMENTS FROM THE CEO

*We are very pleased with the results for the first quarter this year. After experiencing volume increases in most of our regions and segments throughout 2020 and into 2021, sales prices increased this quarter, resulting in a 42 per cent growth in net sales over the first quarter last year. Of this, acquired companies contribute to approximately half of the increase. The increase in sales prices follows a historically sharp increase in raw material prices, a consequence of the shortage of Styrene in Europe.*

*The shortage of Styrene has caused a challenging market situation for the EPS industry, including us. However, our integrated business model, combined with our robust procurement strategy, have once again proved to be a competitive advantage to us. Backed by multiple suppliers, various contract structures and long and close relations to our customers, we have managed to maintain or increase our deliveries.*

During the first- and into the second quarter this year, we have had good progress on our growth activities. Most of our organic initiatives have developed according to plan, except for some delay for our new XPS production line at the new facility in Norrköping. We also launched our intention to build a new packaging hub at Jøsnøya, Hitra, during the quarter. The new facility will be our most modern and efficient facility for production of fish boxes. In addition it will be equipped to handle increasing volumes of reusable boxes and pallets, have warehouse capacity and function as a logistics hub for delivery of various products to customers in the fish farming industry.

Recently, we acquired a majority stake of the Danish paper packaging company Honeycomb Cellpack. Through this acquisition, we are broadening our product offering within protective packaging, in line with our strategy to provide our customers with complementary solutions.

Further, in May BEWI ASA entered into an agreement to acquire a majority stake of the listed Polish company IZOBLOK, significantly strengthening our position in the market for EPP components to the automotive industry. We believe our two companies are a good strategic match, with great synergy potential. Also, we strongly believe the potential for increased use of EPP components in cars going forward.

The increased raw material price had a significantly positive effect on both net sales and EBITDA for segment RAW this quarter. On the contrary, due to a lag of approximately one quarter in adjustments of sales prices towards customers in the downstream segments, the higher raw material cost put pressure on margins in these segments this quarter.

Looking ahead, our solid operational performance, combined with strong underlying demand and a proven integrated business model leaves us confident about our market outlook. In addition, a continued pipeline of M&A opportunities and a robust financial position provide us with a good platform for further growth.

*Christian Bekken, CEO of BEWI ASA*

Trondheim, 20 May 2021



## FINANCIAL REVIEW

### FIRST QUARTER

**Net sales** amounted to EUR 148.8 million (105.1) for the first quarter of 2021, corresponding to an increase of 41.6 per cent. Acquired companies contribute to approximately half of the increase while currency effects had a minor impact.

The organic growth can be explained by both improved volumes in all segments and most regions, as well as increased sales prices for segment RAW.

The raw material prices showed a sharp increase in the quarter, following shortage of Styrene in Europe. For segment RAW, sales prices are linked directly to the raw material prices, and are thus adjusted instantly, while for the two downstream segments, Insulation and Packaging & Components (P&C), price adjustments have a delay of about 3 months.

See further comments to the raw materials under the section for important events in the quarter.

**Adjusted EBITDA** came in at EUR 17.4 million (14.8) for the quarter, representing a margin of 11.7 per cent (14.1). Acquired companies contribute to an increase of EUR 2.6 million compared to the first quarter last year.

As mentioned above, the price of the raw material increased significantly in the first quarter this year. This positively impacted the margin for segment RAW, while putting pressure on the margins for the downstream segments, in particular segment Insulation.

For more information on the development in net sales and EBITDA, see explanations under each segment and on page 14.

**Operating income (EBIT)** came in at EUR 8.3 million (6.5), up by EUR 1.8 million over the same period last year.

**Net financial items** amounted to a negative EUR -6.4 million (-2.7). The quarter was negatively impacted by a EUR 3.7 million fair value adjustment of shares in a listed real estate company, offsetting the fair value gain recorded in the fourth quarter of last year.

**Taxes** amounted to a negative EUR -1.6 million (-1.5). The effective tax rate was negatively affected by the fair value revaluation of shares and non-deductible transaction costs.

**Net profit** for the quarter was EUR 0.4 million (2.3).

## SEGMENT RAW

Improved volumes and EBITDA following good market demand and historically high price increases of Styrene

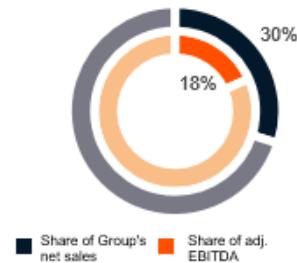
### Key figures

| Million EUR                   | Q1-21      | Q1-20      | 2020       |
|-------------------------------|------------|------------|------------|
| Net Sales                     | 64.2       | 49.8       | 191.2      |
| Of which internal             | 19.8       | 17.0       | 56.5       |
| Of which external             | 44.4       | 32.8       | 134.7      |
| Net operating expenses        | -61.0      | -47.7      | -181.8     |
| <b>Adjusted EBITDA</b>        | <b>3.2</b> | <b>2.1</b> | <b>9.4</b> |
| <i>Adjusted EBITDA %</i>      | 5.0%       | 4.2%       | 4.9%       |
| Items affecting comparability | 0.0        | 0.0        | 0.5        |
| <b>EBITDA</b>                 | <b>3.2</b> | <b>2.1</b> | <b>9.9</b> |
| Depreciations                 | -0.9       | -0.9       | -3.7       |

### First quarter 2021

**Net sales** for segment RAW came in at EUR 64.2 million (49.8), an increase of 29.0 per cent explained by higher volumes and increased sales prices following increasing underlying raw material prices. The positive volume development primarily relates to external sales. For more information about the development in raw material prices, see the separate section under important events for the quarter.

**Adjusted EBITDA** was EUR 3.2 million for the quarter (2.1). GAP (i.e., styrene gross profit) strengthened compared to the corresponding quarter last year because of the increasing raw material prices in the quarter. Good volumes in combination with a stable production contributed positively to the quarterly EBITDA. Fixed costs for the segment were higher this quarter compared to the same quarter last year explained by costs related to a scheduled maintenance, adaptation costs from increased volume as well as personnel cost related to structural changes and system implementation.



### About RAW

Segment RAW develops and produces white and grey expanded polystyrene, known as EPS beads or Styrofoam, as well as Biofoam, a fully bio-based particle foam. The raw material is sold both internally and externally for production of end products. After expanding and extruding the beads, the material can be moulded or otherwise processed into several different end products and areas of application. BEWiSynbra produces raw material at 2 facilities, one in Finland and one in the Netherlands.

# SEGMENT INSULATION

Improving volumes in all regions including Benelux, a positive trend change from 2020

## Key figures

| Million EUR                   | Q1-21      | Q1-20      | 2020        |
|-------------------------------|------------|------------|-------------|
| Net Sales                     | 40.7       | 32.2       | 146.6       |
| Of which internal             | 0.6        | 0.4        | 2.4         |
| Of which external             | 40.1       | 31.8       | 144.1       |
| Net operating expenses        | -35.9      | -26.9      | -120.1      |
| <b>Adjusted EBITDA</b>        | <b>4.8</b> | <b>5.3</b> | <b>26.5</b> |
| <i>Adjusted EBITDA %</i>      | 11.7%      | 16.2%      | 18.1%       |
| Items affecting comparability | -0.1       | -0.8       | 5.9         |
| <b>EBITDA</b>                 | <b>4.6</b> | <b>4.5</b> | <b>32.4</b> |
| Depreciations                 | -2.0       | -2.0       | -7.4        |

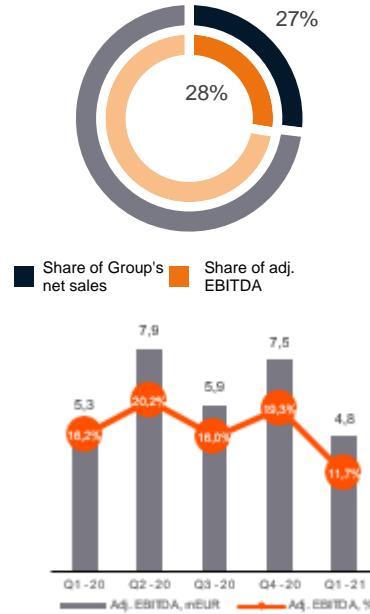
## First quarter 2021

**Net sales** for segment Insulation increased by 26.5 per cent compared to the first quarter last year and came in at EUR 40.7 million (32.2). Excluding acquisitions, sales increased by 7.9 per cent. Volumes increased in all regions, including Benelux, which is the segment's largest region, following declining volumes throughout 2020.

**Adjusted EBITDA** amounted to EUR 4.8 million (5.3), a decrease of 8.7 per cent. Excluding acquisitions, adjusted EBITDA decreased by 20.5 per cent. The volume increase did not fully compensate for the sharp increase in raw material prices in the quarter, negatively impacting the EBITDA for the segment.

Adjustments in sales prices related to the increased raw material prices have approximately one quarter lag. In addition, the contribution from the company's minority interests were less.

In December, the production facility in Norrtälje, Sweden, was closed and transferred to the new production facility in Norrköping in combination with installation of new production equipment. The production start-up in Norrköping has been delayed within the project scheme, leading to extra direct cost incurred related to the installations as well as cost for inefficiency in production.



## About Insulation

Segment Insulation develops and manufactures an extensive range of insulation products for the construction industry. The products are primarily composed of EPS and XPS. BEWI is one of the larger European manufacturers of EPS-based insulation products. The Benelux is the main market representing more than 50 per cent of total sales within the business area. BEWI has 17 facilities in 6 countries producing insulation products. In addition, the Group has minority interests in 6 facilities in France, 6 facilities in Germany and 3 in the UK.

# SEGMENT PACKAGING AND COMPONENTS (P&C)

Stable end markets with volume increases in most regions

## Key figures

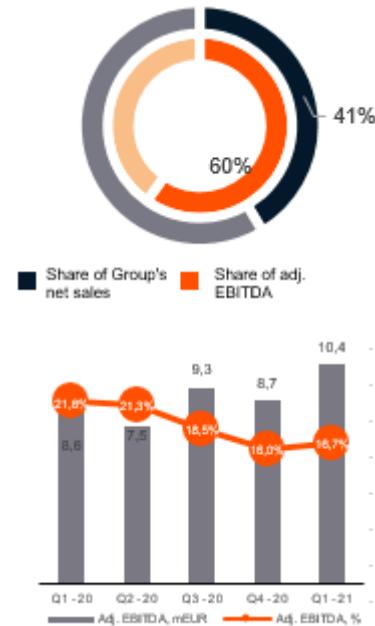
| Million EUR                   | Q1-21        | Q1-20        | 2020         |
|-------------------------------|--------------|--------------|--------------|
| Net Sales                     | 62.3         | 39.9         | 179.9        |
| Of which internal             | 0.6          | 0.6          | 2.3          |
| Of which external             | 61.7         | 39.4         | 177.6        |
| Net operating expenses        | -51.9        | -31.3        | -145.8       |
| <b>Adjusted EBITDA</b>        | <b>10.4</b>  | <b>8.6</b>   | <b>34.1</b>  |
| <i>Adjusted EBITDA %</i>      | <i>16.7%</i> | <i>21.6%</i> | <i>19.0%</i> |
| Items affecting comparability | 0.0          | -0.1         | 2.1          |
| <b>EBITDA</b>                 | <b>10.4</b>  | <b>8.5</b>   | <b>36.2</b>  |
| Depreciations                 | -3.6         | -2.7         | -12.3        |

## First quarter 2021

**Net sales** amounted to EUR 62.3 million for the quarter (39.9), up by 56.0 per cent. Excluding acquisitions net sales was up by 11.6 per cent. All regions except for the Netherlands experienced higher volumes compared to the first quarter of 2020.

**Adjusted EBITDA** ended at EUR 10.4 million (8.6), up by 20.5 per cent, due to contribution from acquired companies, in particular from BDH which was included in the group's accounts from 1 August 2020. Excluding acquisitions, adjusted EBITDA decreased by 2.6 per cent. Following the increased raw material prices, contribution per sold ton is lower compared to last year because of the lag of approximately one quarter in sales price adjustments towards customers.

The construction of the new fish box facility at the island Senja in Northern Norway is progressing and the facility is expected to commence operations in the third quarter of 2021. In March, BEWiSynbra also announced its intention to build a new packaging facility at the island of Jøsnøya.



## About Packaging & Components, P&C

Segment P&C develops and manufactures standard and customised packaging solutions and technical components for customers in many industrial sectors. Examples include boxes for transportation of fresh fish and other food, protective packaging for pharmaceuticals and electronics, and components for cars and heating systems. The material is composed primarily of EPS, EPP and fabricated foam. BEWiSynbra has 19 facilities in 6 countries producing P&C components. Also, the Group has minority interests in 2 facilities in the UK.

## CIRCULAR AND CORPORATE

BEWI Circular (Circular) is responsible for increasing the Group's collection and recycling of EPS. Since the establishment of the business unit in 2018, Circular has launched several initiatives to increase the collection and recycling of EPS. BEWiSynbra has announced an annual target of recycling 60,000 tonnes of EPS. The number refers to approximately one-third of BEWiSynbra's annual production, which is the volume BEWiSynbra puts into the end markets with a lifetime less than one year. The other two-thirds of the volume are used in products with a lifetime of more than one year, i.e., bike helmets, car components, insulation in buildings and similar.

At the end of 2020, Circular had an annual recycling capacity of approximately 20,000 tonnes. The capacity was significantly strengthened during 2020, following completion of a greenfield project in Portugal, acquisition of an extruder for recycling in Denmark and several acquisitions.

During the first quarter of 2021, production at the new recycling facility in Portugal ramped up according to plan, providing a positive development for the Circular business. In addition, in March, BEWiSynbra announced its acquisition of a 34 per cent interest of the Czech recycling company Inoplast, adding another 5,000 to 6,000 tonnes to the company's recycling capacity.

Since establishing Circular, several activities to increase the collection and recycling of EPS have been launched. Further, in local operations initiatives to minimise waste and innovate sustainable products are introduced ongoing. In March 2021, BEWiSynbra launched its new sustainability strategy, with ambitious goals for the group's sustainability work. The strategy covers the entire value chain with ambitions leading to 2030.

Revenues and costs related to Group functions that do not belong to any specific business segment are booked as unallocated. This includes costs related to the Group's circular activities, Business Development, and other Group functions.

For the first quarter of 2021, the unallocated contribution amounted to a negative EUR 1.0 million (-1.1).

## FINANCIAL POSITION AND LIQUIDITY

### Consolidated financial position

Total assets amounted to EUR 570.1 million as of 31 March 2021, compared to EUR 540.1 million at year-end 2020. The increase since last year is mainly related to seasonal increase in working capital.

Total equity amounted to EUR 194.5 million as of 31 March 2021, compared to EUR 189.7 million at year-end 2020.

Net debt amounted to EUR 184.6 million as of 31 March 2021 (106.6 excluding IFRS 16), compared to EUR 177.4 million in 2020 (98.9 excluding IFRS 16).

Cash and cash equivalents were EUR 47.5 million as of 31 March 2021, compared to EUR 44.2 million at year-end 2020.

### Consolidated cash flow

**Cash flow from operating activities** amounted to EUR 1.6 million in the first quarter (-4.9), including an increase of the working capital of EUR 9.7 million (14.7), following normal seasonality for working capital.

**Cash flow used for investing activities** amounted to EUR 7.2 million for the first quarter (-11.0). The quarter noted higher investments in the greenfield projects compared to the same period last year, while two business acquisitions in the first quarter of 2020 resulted in a higher cash outflow during that period.

For an overview of the main investments, see section about Capital expenditures.

**Cash flow from financing activities** amounted to EUR 8.5 million in the first quarter (9.5), mainly impacted by the increased utilisation of overdraft to match the seasonal effect in working capital. The corresponding period last year was marked by a EUR 15.8 million precautionary draw-down of overdraft amidst the Covid-19 turmoil and the refinancing of loans in subsidiaries acquired.

### Capital expenditures

In the first quarter of 2021, investments continued according to plan. A more stable market increased investments in normal running business. In addition, investments in greenfield projects and other projects related to specific customer contracts securing future growth continued.

For the first quarter of 2021, CAPEX totalled EUR 6.9 million (3.1), of which EUR 3.3 million related to greenfield projects, consisting of the new recycling facility in Portugal, two customer specific investments for P&C in Norway, and a new extrusion line for Insulation in Norrköping in Sweden.

BEWI has launched a financial target of annual investments of EUR 12.5-15.0 million excluding greenfield initiatives. As the company is growing, the financial target for investments will be revised.

For 2021, investments are expected to end at EUR 20.0 to 22.5 million, including additional investments of approximately EUR 7.5 million to finalise ongoing investment programmes, as described in the section about ongoing organic growth initiatives below. The number excludes investments in the recently announced greenfield project at Jøsnøya, which has not commenced yet, as well as further investments in the company's ERP systems which will depend on the progress of the project.

## ORGANISATION

As of 31 March 2021, BEWiSynbra Group had 1,480 people employed, up from 1,437 on 31 December 2020.

## THE PARENT COMPANY

The BEWiSynbra Group AB (publ.) is the Parent Company of the Group. Earnings after tax amounted to SEK -6.1 million in the first quarter (-36.7).

As of 31 March 2021, equity in the Parent Company amounted to SEK 1,526.2 million, compared to SEK 1,352.6 million in 2020.

## IMPORTANT EVENTS IN THE QUARTER

In BEWiSynbra, organic- and M&A growth initiatives, remains a high priority. The group has several ongoing organic growth initiatives and a strong pipeline of M&A opportunities.

### Ongoing organic growth initiatives

The following investment programmes are ongoing in the BEWiSynbra group:

#### Packaging & Components Norway

BEWiSynbra is establishing a new fish box facility at Senja, Norway, where the company has a long-term supply agreement with SalMar. Production is expected to commence in the third quarter of 2021.

In March 2021, BEWiSynbra announced that the company is planning to build a new packaging facility on the Jøsnøya island, Hitra, on the west coast of central Norway. The new facility will be BEWiSynbra's most modern and efficient facility for production of fish boxes. In addition, the new facility will be equipped to serve the increasing volumes of reusable boxes and reusable pallets and be a warehouse and logistics hub for the other types of packaging products.

BEWiSynbra plans to have the new facility ready to commence operations in 2022. The company has signed a letter of intent with KMC Properties ASA, which owns the land where the facility will be built, and which will own the building.

The packaging facility at Hitra is made to serve current customers and contracts, as well as to position BEWiSynbra for future deliveries to the fish farming industry.

In addition to the two new fish box facilities, the company is investing in new technology at its facility in Stjørdal to produce moulded components under a supply agreement with a new customer in the energy sector. Production is expected to commence towards the end of the second quarter 2021.

#### Insulation Sweden

Early 2020, BEWiSynbra announced its acquisition of an insulation facility in Norrköping Sweden, as well as investments in technology and machinery at the new facility during 2020, including modern extrusion technology improving production capacity and efficiency.

Operations previously located in Norrtälje were transferred to the new facility in the fourth quarter of 2020, and production commenced and ramped up during first quarter of 2021. However, commencement of the new XPS production line has been somewhat delayed and is currently expected to start producing commercial volumes towards the end of the second quarter of 2021. The delay has caused some extra costs.

#### Circular Portugal

BEWiSynbra has invested in a greenfield recycling project in Portugal, including a new extrusion production line.

The production at the new facility commenced in the fourth quarter of 2020, and the produced volumes ramped up during the first quarter this year, in line with expectations. Circular Portugal will be fully commercialized during the second quarter this year.

The new production line increases the company's recycling capacity by more than 10,000 tons, in line

with the company's strategic priority to become fully circular.

#### ICT

BEWiSynbra has started a development of a new modern ERP system. Blueprints will be developed during 2021. The system will be implemented gradually throughout the group's segments and operating units. The first roll-out of the system will be done during the second quarter of 2022 for segment RAW, while the second roll-out will be decided by the subsidiaries of the company, based on clearly identified benefits.

#### **Acquisitions and/ or divestments**

During the first quarter of 2021, BEWiSynbra had good progress on several strategic opportunities. The company primarily focuses on acquisitions that fall in to one or more of the following categories:

- Strengthening of market positions
- Broadening product offering, in particular within complementary materials
- Geographic expansion
- Be a leading recycling consolidator

In March, the group announces its acquisition of a 34 per cent interest of the Czech recycling company Inoplast. Inoplast specialises in recycling of plastics, mainly expanded polystyrene (EPS), but also other types of plastics. Through the acquisition, BEWiSynbra is adding another 5,000 to 6,000 tonnes to its recycling capacity. Inoplast has modern and versatile machinery, allowing for recycling of various plastic waste. BEWiSynbra also has an option to acquire the remaining 66 per cent of the Inoplast shares.

After the close of the first quarter, BEWiSynbra has announced its acquisition of the Danish paper packaging company Honeycomb Cellpack and the parent company BEWI ASA's agreement to acquire a majority stake of the listed Polish company IZOBLOK. For further information about the agreements, please see the section about events after the close of the quarter.

#### **Significant increase in raw material prices**

From mid-February 2021, the price of the raw material for EPS, Styrene, recorded the steepest increased ever seen. Following a force majeure incident at the largest styrene plant in Europe, Maasvlakte in the Netherlands, prices increased by around 50 per cent in a week. In combination with other events, this led to extreme price development for Styrene in Europe. Further, this led to most of the

EPS raw material producers minimizing their styrene purchase, both due to the limited availability and the extreme prices, which again led to a shortage of EPS as raw material.

Through this period, BEWiSynbra's integrated business model, combined with a robust procurement strategy, once again proved as a competitive advantage for the group. Backed by multiple suppliers, various contract structures as well as long and close relations to customers, the company managed to maintain or increase deliveries to its customers through a challenging period.

## SHARE INFORMATION

As of 31 March, the number of shares outstanding amounted to 143,943,671 with a quota value of SEK 0.0097. Each share entitles to one vote. All shares issued are fully paid.

## SIGNIFICANT RISKS AND UNCERTAINTIES

The Group's and the Parent Company's risks and risk management are described in the 2020 Annual Report.

## SUBSEQUENT EVENTS

### Acquisition of Danish paper packaging company

On 13 April 2021, BEWiSynbra acquired 51 per cent of the Danish paper packaging company Honeycomb Cellpack A/S. Honeycomb provides protective packaging solutions, including design, development and manufacturing of sustainable packaging which is recyclable and biodegradable. Through the acquisition, BEWiSynbra is broadening its product offering, in line with its strategy to provide its customers with complementary solutions. The company also has an option to acquire the remaining 49 per cent of the Honeycomb shares.

### Parent company BEWI ASA

On 28 April 2021, the parent company BEWI ASA entered into an agreement to acquire a majority stake of the listed Polish company IZOBLOK. IZOBLOK is a leading European provider of Expanded Polypropylene (EPP) components to the automotive industry, with a market share of approximately 20 per cent.

## OUTLOOK

For the first quarter this year, all BEWiSynbra's segments recorded increased volumes compared to

the first quarter last year. Most industries and countries seem to be characterised by optimism related to expectations of gradually ease of Covid-19 related restrictions, and the volume development have remained solid into the second quarter.

BEWiSynbra experiences strong demand, partly resulting from the company's proven delivery capacity through a period where the industry has experienced shortage in the supply of Styrene and EPS. The sale of fish boxes in Norway has, however, been somewhat slower in the second quarter.

In the second quarter, the raw material prices have continued to increase, and the shortage of EPS raw materials have remained, positively impacting BEWI's segment RAW. According to market analysts\*, EPS contract prices, which is an indicator of the selling price for segment RAW, is expected to increase approximately 40 per cent this quarter compared to the first quarter this year. In addition, because of the shortage of EPS, the difference (GAP) between the prices of EPS raw materials and Styrene is expected to end 25 to 30 per cent above the normal range of EUR 375-400 per ton. This will have full drop-through impact on sold volumes in the second quarter for segment RAW.

As communicated in the report for the fourth quarter of 2020, the increased raw material prices positively impacted margins for segment RAW for the first quarter, and put pressure on the margins for the downstream segments, whereas sales price adjustments lag approximately one quarter.

Due to the continuing increase in the cost of raw material, margins are still challenged for the downstream segments in the second quarter. This goes in particular for the P&C segment, which is also exposed to lower volumes from sale of fish boxes and some margin dilution following the acquisition of BDH.

Going forward, BEWiSynbra is well-positioned. The company has solid operational performance, a proven business model and delivery capacity and experience strong underlying demand. This, combined with a pipeline of M&A opportunities and a robust financial position, enable the company to continue pursuing growth opportunities in line with its strategy.

\*IHSS Markit forecast

## CALENDAR 2021

**Interim report April – June**  
**Publish date: 25 August, 2021**

Stockholm, 20 May 2021

The Board of Directors and CEO  
BEWiSynbra Group AB

*This report has not been audited*

## DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES NOT DEFINED BY IFRS

|  |   |
|--|---|
| <b>Organic growth</b>                    | 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.  |
| <b>EBITDA</b>                            | Earnings before interest, tax, depreciation and amortization. EBITDA is a key performance indicator that the Group considers relevant for understanding the generation of profit before investments in fixed assets.  |
| <b>EBITDA margin</b>                     | 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.  |
| <b>EBIT</b>                              | 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. |
| <b>EBIT margin</b>                       | EBIT as a percentage of net sales. The EBIT 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.  |
| <b>Items affecting comparability</b>     | Items affecting comparability include costs related to the planned IPO, transaction costs related to acquired entities, 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.       |
| <b>Adjusted (adj.) EBITDA</b>            | Normalised earnings before interest, tax, depreciation and amortization (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.   |
| <b>Adjusted (adj.) EBITDA margin (%)</b> | 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.  |
| <b>Adjusted EBIT</b>                     | Normalised earnings before interest and tax (i.e. non-recurring items and deviations are added back). Adjusted EBIT is a key performance indicator that the Group considers relevant for understanding earnings adjusted for non-recurring items that affect comparability.   |
| <b>Operating cash flow</b>               | Earnings before interest and tax, adjusted for items not affecting cash flow and changes in operating capital. Operating cash flow is a key performance indicator that shows the contributions of the business to the cash flow for the financing of investments and acquisitions.  |
| <b>Equity ratio</b>                      | Total equity in relation to total assets. The equity ratio is a key performance indicator that the Group considers relevant for assessing its financial leverage.   |
| <b>Net debt</b>                          | 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.   |

## ALTERNATIVE PERFORMANCE MEASURES NOT DEFINED BY IFRS

| Amounts in million EUR         | Q1 2021     | Q1 2020     | 2020        |
|--------------------------------|-------------|-------------|-------------|
| <b>Operating income (EBIT)</b> | <b>8.3</b>  | <b>6.5</b>  | <b>42.5</b> |
| Amortisations                  | 1.8         | 1.5         | 6.3         |
| <b>EBITA</b>                   | <b>10.1</b> | <b>8.0</b>  | <b>48.7</b> |
| Items affecting comparability  | 0.4         | 1.0         | -6.7        |
| <b>Adjusted EBITA</b>          | <b>10.5</b> | <b>9.0</b>  | <b>42.0</b> |
| <b>EBITA</b>                   | <b>10.1</b> | <b>8.0</b>  | <b>48.7</b> |
| Depreciations                  | 6.9         | 5.7         | 24.2        |
| <b>EBITDA</b>                  | <b>17.0</b> | <b>13.7</b> | <b>72.9</b> |
| Items affecting comparability  | 0.4         | 1.0         | -6.7        |
| <b>Adjusted EBITDA</b>         | <b>17.4</b> | <b>14.8</b> | <b>66.2</b> |

## ITEMS AFFECTING COMPARABILITY

| Amounts in million EUR                        | Q1 2021     | Q1 2020     | 2020       |
|---|-------------|-------------|------------|
| IPO related costs                             | -           | 0.0         | -0.4       |
| Severance and integration costs               | -           | -0.2        | -0.5       |
| Restructuring costs                           | -           | -0.3        | -0.4       |
| Transaction costs                             | -0.4        | -0.4        | -1.2       |
| Additional purchase price                     | -           | 0.0         | 0.0        |
| Capital gain from sale of real estate         | -           | 0.1         | 6.3        |
| IT restructuring                              | -           | 0.0         | -0.4       |
| Recognition of negative goodwill in associate | -           | 0.0         | 3.5        |
| Other   | -           | -0.2        | -0.2       |
| <b>Total</b>                                  | <b>-0.4</b> | <b>-1.0</b> | <b>6.7</b> |

## REVENUE BRIDGE: CHANGE IN NET SALES FROM CORRESPONDING PERIODS IN 2020

| Amounts in million EUR  | RAW         | %     | Insulation  | %     | P&C         | %     | Unallocated | %      | Intra-group revenue | Total net sales | %     |
|-------------------------|-------------|-------|-------------|-------|-------------|-------|-------------|--------|---------------------|-----------------|-------|
| <b>Q1 2020</b>          | <b>49.8</b> |       | <b>32.2</b> |       | <b>39.9</b> |       | <b>1.1</b>  |        | <b>-17.9</b>        | <b>105.1</b>    |       |
| Acquisitions            | -           | -     | 6.0         | 18.5% | 17.7        | 44.4% | 0.4         | 38.1%  | 0.0                 | 24.1            | 23.0% |
| Currency                | -           | -     | 0.3         | 1.0%  | 0.7         | 1.7%  | 0.0         | 1.8%   | 0.0                 | 1.0             | 1.0%  |
| Organic growth          | 14.4        | 29.0% | 2.2         | 6.9%  | 4.0         | 0.9%  | 1.2         | 106.5% | -3.2                | 18.6            | 17.7% |
| Total increase/decrease | 14.4        | 29.0% | 8.5         | 26.5% | 22.4        | 56.0% | 1.6         | 146.4% | -3.2                | 43.7            | 41.6% |
| <b>Q4 2020</b>          | <b>64.2</b> |       | <b>40.7</b> |       | <b>62.3</b> |       | <b>2.7</b>  |        | <b>-21.1</b>        | <b>148.8</b>    |       |

## EBITDA BRIDGE: CHANGE IN ADJUSTED EBITDA FROM CORRESPONDING PERIODS IN 2020

| Amounts in million EUR  | RAW        | %     | Insulation | %      | P&C         | %     | Unallocated | %     | Total adjusted EBITDA | %     |
|-------------------------|------------|-------|------------|--------|-------------|-------|-------------|-------|-----------------------|-------|
| <b>Q1 2020</b>          | <b>2.1</b> |       | <b>5.3</b> |        | <b>8.6</b>  |       | <b>-1.1</b> |       | <b>14.8</b>           |       |
| Acquisitions            | -          | -     | 0.6        | 11.9%  | 2.0         | 23.1% | -0.1        | -3.4% | 2.6                   | 17.4% |
| Currency                | -          | -     | 0.0        | -0.1%  | 0.1         | 1.5%  | -0.1        | -4.4% | 0.0                   | 0.5%  |
| Organic growth          | 1.1        | 53.4% | -1.1       | -20.4% | -0.3        | -4.1% | 0.3         | 31.3% | 0.0                   | 0.3%  |
| Total increase/decrease | 1.1        | 53.4% | -0.5       | -8.7%  | 1.8         | 20.5% | 0.1         | 23.5% | 2.6                   | 18.2% |
| <b>Q4 2020</b>          | <b>3.2</b> |       | <b>4.8</b> |        | <b>10.4</b> |       | <b>-1.0</b> |       | <b>17.4</b>           |       |

## CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

### CONSOLIDATED INTERIM STATEMENT OF INCOME

| Amounts in million EUR  | Q1 2021       | Q4 2020      | 2020          |
|---|---------------|--------------|---------------|
| Net sales   | 148.8         | 105.1        | 462.6         |
| Other operating income  | 0.0           | 0.0          | 0.0           |
| <b>Total operating income</b>   | <b>148.8</b>  | <b>105.1</b> | <b>462.6</b>  |
| Raw materials and consumables   | -60.1         | -46.3        | -181.1        |
| Goods for resale  | -18.4         | -2.3         | -35.2         |
| Other external costs  | -28.3         | -23.3        | -97.5         |
| Personnel cost  | -25.3         | -20.1        | -87.1         |
| Depreciation/ amortisation and impairment of tangible and intangible assets | -8.7          | -7.2         | -30.4         |
| Share of income from associated companies                                   | 0.3           | 0.6          | 4.9           |
| Capital gain from sale of assets  | 0.0           | -            | 6.3           |
| <b>Total</b>  | <b>-140.5</b> | <b>-98.6</b> | <b>-420.1</b> |
| <b>Operating income (EBIT)</b>  | <b>8.3</b>    | <b>6.5</b>   | <b>42.5</b>   |
| Financial income  | 0.1           | 0.1          | 4.2           |
| Financial expenses  | -6.5          | -2.8         | -11.5         |
| <b>Net financial items</b>  | <b>6.4</b>    | <b>-2.7</b>  | <b>-7.3</b>   |
| <b>Income before tax</b>  | <b>1.9</b>    | <b>3.8</b>   | <b>35.2</b>   |
| Income tax expense  | -1.6          | -1.5         | -3.0          |
| <b>Profit for the period</b>  | <b>0.4</b>    | <b>2.3</b>   | <b>32.2</b>   |

### CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

| Amounts in million EUR  | Q1 2021    | Q1 2020     | 2020        |
|---|------------|-------------|-------------|
| <b>Profit for the period</b>                                      | <b>0.4</b> | <b>2.3</b>  | <b>32.2</b> |
| <b>OTHER COMPREHENSIVE INCOME</b>                                 |            |             |             |
| <b>Items that may later be reclassified to profit or loss</b>     |            |             |             |
| Exchange rate differences   | 4.0        | -9.1        | -3.8        |
| <b>Items that will not be reclassified to profit or loss</b>      |            |             |             |
| Remeasurements of net pension obligations                         | 0.4        | -0.1        | 0.0         |
| Income tax pertinent to remeasurements of net pension obligations | -0.1       | 0.0         | 0.0         |
| <b>Other comprehensive income net after tax</b>                   | <b>4.3</b> | <b>-9.2</b> | <b>-3.8</b> |
| <b>Total comprehensive income for the period</b>                  | <b>4.7</b> | <b>-6.9</b> | <b>28.4</b> |

## PROFIT ATTRIBUTABLE TO:

| Amounts in million EUR                                 | Q1 2021 | Q1 2020 | 2020 |
|--|---------|---------|------|
| <b>Net profit/loss for the period attributable to:</b> |         |         |      |
| Parent Company shareholders                            | 0.3     | 2.3     | 32.3 |
| Non-controlling interests                              | 0.1     | 0.0     | -0.1 |
| <b>Total comprehensive income attributable to:</b>     |         |         |      |
| Parent Company shareholders                            | 4.5     | -6.9    | 28.5 |
| Non-controlling interests                              | 0.2     | 0.0     | -0.1 |

## CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

| Amounts in million EUR                        | 31.03.2021   | 31.03.2020   | 31.12.2021   |
|---|--------------|--------------|--------------|
| <b>NON-CURRENT ASSETS</b>                     |              |              |              |
| <b>Intangible assets</b>                      |              |              |              |
| Goodwill                                      | 85.3         | 70.0         | 83.8         |
| Other intangible assets                       | 79.9         | 68.5         | 79.4         |
| <b>Total intangible assets</b>                | <b>165.2</b> | <b>138.5</b> | <b>163.2</b> |
| <b>Property, plant and equipment</b>          |              |              |              |
| Land and buildings                            | 69.0         | 64.3         | 70.0         |
| Plant and machinery                           | 81.7         | 68.4         | 80.8         |
| Equipment, tools, fixtures and fittings       | 10.3         | 9.8          | 10.2         |
| Construction in progress and advance payments | 11.5         | 4.3          | 9.3          |
| <b>Total property, plant and equipment</b>    | <b>172.5</b> | <b>146.9</b> | <b>170.3</b> |
| <b>Financial assets</b>                       |              |              |              |
| Shares in associates                          | 8.6          | 3.8          | 8.0          |
| Other financial non-current assets            | 14.1         | 6.8          | 17.2         |
| <b>Total financial assets</b>                 | <b>22.7</b>  | <b>10.6</b>  | <b>25.2</b>  |
| Deferred tax assets                           | 5.2          | 4.5          | 5.3          |
| <b>TOTAL NON-CURRENT ASSETS</b>               | <b>365.6</b> | <b>300.5</b> | <b>364.0</b> |
| <b>CURRENT ASSETS</b>                         |              |              |              |
| Inventory                                     | 58.9         | 43.8         | 57.4         |
| <b>Other current assets</b>                   |              |              |              |
| Accounts receivable                           | 79.9         | 54.0         | 58.9         |
| Current tax assets                            | 0.4          | 0.1          | 3.0          |
| Other current receivables                     | 12.7         | 2.2          | 9.9          |
| Prepaid expenses and accrued income           | 5.1          | 5.0          | 2.7          |
| Other financial receivables                   | -            | 1.3          | -            |
| Cash and cash equivalents                     | 47.5         | 47.5         | 44.2         |
| <b>Total other current assets</b>             | <b>145.6</b> | <b>110.1</b> | <b>118.7</b> |
| <b>TOTAL CURRENT ASSETS</b>                   | <b>204.5</b> | <b>153.9</b> | <b>176.1</b> |
| <b>TOTAL ASSETS</b>                           | <b>570.1</b> | <b>454.4</b> | <b>540.1</b> |

## CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION, CONT.

| Amounts in million EUR                                   | 31.03.2021   | 31.03.2020   | 31.12.2021   |
|--|--------------|--------------|--------------|
| <b>EQUITY</b>  |              |              |              |
| Share capital  | 0.1          | 0.1          | 0.1          |
| Additional paid-in capital                               | 144.1        | 126.5        | 143.9        |
| Reserves   | 0.8          | 0.4          | -3.1         |
| Accumulated profit (including net profit for the period) | 48.9         | 16.9         | 48.4         |
| Equity attributable to Parent Company shareholders       | 193.9        | 143.9        | 189.3        |
| Non-controlling interests                                | 0.6          | -0.6         | 0.4          |
| <b>TOTAL EQUITY</b>                                      | <b>194.5</b> | <b>143.3</b> | <b>189.7</b> |
| <b>LIABILITIES</b>                                       |              |              |              |
| <b>Non-current liabilities</b>                           |              |              |              |
| Pensions and similar obligations to employees            | 2.4          | 2.5          | 2.5          |
| Provisions   | 0.4          | 1.2          | 0.7          |
| Deferred tax liability                                   | 20.8         | 22.2         | 20.9         |
| Non-current bond loan                                    | 138.2        | 137.5        | 137.9        |
| Other non-current interest-bearing liabilities           | 69.4         | 27.1         | 70.2         |
| <b>Total non-current liabilities</b>                     | <b>231.2</b> | <b>190.5</b> | <b>232.2</b> |
| <b>Current liabilities</b>                               |              |              |              |
| Current Bond loan  | -            | 13.9         | -            |
| Other current interest-bearing liabilities               | 24.4         | 23.9         | 13.5         |
| Other financial liabilities                              | 1.3          | -            | 0.9          |
| Accounts payable   | 73.5         | 45.2         | 54.5         |
| Current tax liabilities                                  | 4.2          | 4.5          | 6.6          |
| Other current liabilities                                | 16.3         | 8.0          | 16.5         |
| Accrued expenses and deferred income                     | 24.7         | 25.1         | 26.2         |
| <b>Total current liabilities</b>                         | <b>144.4</b> | <b>120.6</b> | <b>118.2</b> |
| <b>TOTAL LIABILITIES</b>                                 | <b>375.6</b> | <b>311.1</b> | <b>350.4</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                      | <b>570.1</b> | <b>454.4</b> | <b>540.1</b> |

## CONSOLIDATED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE GROUP

| Amounts in million EUR                                    | 1.1.-31.03.2021 | 1.1.-31.03.2020 | 1.1.-31.12.2020 |
|---|-----------------|-----------------|-----------------|
| <b>OPENING BALANCE</b>                                    | <b>189.7</b>    | <b>150.1</b>    | <b>150.1</b>    |
| <b>ADJUSTED OPENING BALANCE</b>                           | <b>189.7</b>    | <b>150.1</b>    | <b>150.1</b>    |
| Net profit/ loss for the period                           | 0.4             | 2.3             | 32.2            |
| Other comprehensive income                                | 4.3             | -9.2            | -3.8            |
| <b>Total comprehensive income</b>                         | <b>4.7</b>      | <b>-6.9</b>     | <b>28.4</b>     |
| New share issue   | -               | -               | 9.5             |
| Shareholder contribution                                  | -               | -               | 3.3             |
| Group contribution to parent company                      | -               | -               | -3.3            |
| Tax effect on group contribution                          | -               | -               | 0.7             |
| Share based payment                                       | 0.1             | -               | -               |
| Acquisition non-controlling interest                      | -               | 0.1             | 1.0             |
| <b>Total transactions with shareholders</b>               | <b>0.1</b>      | <b>0.1</b>      | <b>11.2</b>     |
| <b>CLOSING BALANCE</b>                                    | <b>194.5</b>    | <b>143.3</b>    | <b>189.7</b>    |
| <i>of which attributable to non-controlling interests</i> | 0.6             | -0.6            | 0.4             |

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW

| Amounts in million EUR  | Q1 2021     | Q1 2020      | 2020         |
|---|-------------|--------------|--------------|
| Operating income (EBIT)   | 8.3         | 6.5          | 42.5         |
| Adjustment for non-cash items etc.                                    | 8.1         | 7.0          | 19.1         |
| Net financial items   | -3.1        | -1.9         | -10.1        |
| Income tax paid   | -2.0        | -1.8         | -11.9        |
| Cash flow from operating activities before changes in working capital | 11.3        | 9.8          | 39.6         |
| Changes in working capital  | -9.7        | -14.7        | -5.1         |
| <b>Cash flow from operating activities</b>                            | <b>1.6</b>  | <b>-4.9</b>  | <b>34.5</b>  |
| Acquisitions non-current assets                                       | -6.9        | -3.2         | -26.6        |
| Divestment non-current assets   | -           | 0.5          | 43.3         |
| Business acquisitions/ financial investments                          | -0.3        | -8.2         | -14.0        |
| <b>Cash flow from investing activities</b>                            | <b>-7.2</b> | <b>-10.9</b> | <b>2.7</b>   |
| Borrowings  | 11.3        | 16.4         | 0.3          |
| Repayment of debt   | -2.8        | -6.9         | -49.4        |
| Dividend to non-controlling interests                                 | -           | 0.0          | 0.0          |
| <b>Cash flow from financing activities</b>                            | <b>8.5</b>  | <b>9.5</b>   | <b>-49.1</b> |
| Cash flow for the period  | 2.9         | -6.3         | -11.9        |
| Opening cash and cash equivalents                                     | 44.2        | 56.3         | 56.3         |
| Exchange difference in cash   | 0.4         | -2.5         | -0.2         |
| <b>Closing cash and cash equivalents</b>                              | <b>47.5</b> | <b>47.5</b>  | <b>44.2</b>  |

## INCOME STATEMENT FOR THE PARENT COMPANY

| Amounts in million SEK  | Q1 2021     | Q1 2020      | 2020         |
|---|-------------|--------------|--------------|
| Net sales   | 4.9         | 3.0          | 15.7         |
| Other external costs  | -3.6        | -5.1         | -15.0        |
| Personnel costs   | -4.3        | -4.1         | -21.5        |
| Depreciation/ amortisation and impairment of tangible and intangible assets | 0.0         | 0.0          | -0.1         |
| <b>Total operating expenses</b>   | <b>-7.9</b> | <b>-9.2</b>  | <b>-36.6</b> |
| <b>Operating income</b>   | <b>-3.0</b> | <b>-6.2</b>  | <b>-20.9</b> |
| Interest income and similar items   | 20.3        | 20.5         | 83.7         |
| Interest expenses and similar items   | -23.4       | -50.9        | -49.7        |
| <b>Net financial items</b>  | <b>-3.1</b> | <b>-30.4</b> | <b>34.0</b>  |
| <b>Income before tax</b>  | <b>-6.1</b> | <b>-36.6</b> | <b>13.1</b>  |
| Appropriations and taxes  | -           | -            | -0.8         |
| <b>Net profit/loss for the period</b>                                       | <b>-6.1</b> | <b>-36.6</b> | <b>12.3</b>  |

## STATEMENT OF FINANCIAL POSITION FOR THE PARENT COMPANY

| Amounts in million SEK              | 31.03.2021     | 31.03.2020     | 31.12.2020     |
|-------------------------------------|----------------|----------------|----------------|
| Non-current assets                  | 2,922.6        | 2,825.4        | 2,904.4        |
| Current assets                      | 72.9           | 232.6          | 67.7           |
| <b>TOTAL ASSETS</b>                 | <b>2,995.5</b> | <b>3,058.0</b> | <b>2,972.1</b> |
| Equity                              | 1,526.2        | 1,352.6        | 1,532.2        |
| Non-current liabilities             | 1,415.5        | 1,524.6        | 1,384.8        |
| Current liabilities                 | 53.8           | 180.8          | 55.1           |
| <b>TOTAL EQUITY AND LIABILITIES</b> | <b>2,995.5</b> | <b>3,058.0</b> | <b>2,972.1</b> |

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1 | General information

The Company and the Group

BEWiSynbra Group AB (publ), corporate registration number 556972-1128, is a holding company registered in Sweden with a registered office in Solna, address Gårdsvägen 13, SE-169 70 Solna, Sweden. The BEWiSynbra Group's interim report for January – March 2021 was approved by the Board of Directors on 20 May 2021 for publication.

Amounts are given in million Euro (EUR million) unless otherwise indicated. Information in parentheses refers to the comparative periods.

### NOTE 2 | Accounting policies

The BEWiSynbra Group applies the International Financial Reporting Standards (IFRS) as adopted by the EU. The accounting policies applied to comply with those described in BEWiSynbra Group AB's Annual Report for 2020. This interim report has been prepared in accordance with IAS 34 Interim financial reporting and the Annual Accounts Act.

The Parent Company applies the Annual Accounts Act and the Financial Reporting Board's recommendation RFR 2 Accounting for legal entities. The application of RFR 2 means that the Parent Company, in the interim report for the legal entity, applies all EU-approved IFRS and statements insofar as this is possible within the framework of the Annual Accounts Act and the Pension Obligation Guarantee Act, and with consideration given to the relationship between accounting and taxation.

The presentation currency in the consolidated accounts was changed to EUR in September 2020.

### NOTE 3 | Related party transactions

BEWI ASA is the majority shareholder in BEWiSynbra Group. The Bekken family is a major shareholder in BEWI ASA through Frøya Invest AS, KMC Family AS and BEWi Holding AS. Other related parties are the two 34% owned associated companies; Hirsch France SAS and Hirsch Porozell GmbH and the 49% owned associated company Jablite Group Ltd. Transactions with those companies are presented in the tables below.

| Amounts in million EUR                             | Q1 2021    | Q1 2020    | 2020        |
|--|------------|------------|-------------|
| <b>Transactions impacting the income statement</b> |            |            |             |
| <b>Sale of goods to:</b>                           |            |            |             |
| HIRSCH France SAS                                  | -          | 0.9        | 5.1         |
| HIRSCH Porozell GmbH                               | 0.6        | 5.2        | 32.1        |
| Jablite Group Ltd.                                 | 2.0        | -          | 4.6         |
| <b>Total :</b>                                     | <b>2.6</b> | <b>6.1</b> | <b>41.8</b> |
| <b>Purchase of goods from :</b>                    |            |            |             |
| Bekken owned companies                             | 0.7        | 0.1        | 0.7         |
| <b>Total :</b>                                     | <b>0.7</b> | <b>0.1</b> | <b>0.7</b>  |

|   | 31.03.2021 | 31.03.2020 | 31.12.2020 |
|---|------------|------------|------------|
| <b>Interest Income from:</b>                        |            |            |            |
| Hirsch France SAS                                   | 0.0        | 0.1        | 0.1        |
| Jablite Group Ltd.                                  | 0.0        | -          | -          |
| <b>Total :</b>                                      | <b>0.0</b> | <b>0.1</b> | <b>0.1</b> |
| <b>Rental expenses to:</b>                          |            |            |            |
| Bekken owned companies                              | 1.8        | 0.7        | 3.4        |
| <b>Total :</b>                                      | <b>1.8</b> | <b>0.7</b> | <b>3.4</b> |
| <br><b>Transactions impacting the balance sheet</b> |            |            |            |
| <b>Non-current receivables:</b>                     |            |            |            |
| Bekken owned companies                              | 0.1        | -          | 0.1        |
| HIRSCH France SAS                                   | 2.3        | 2.3        | 2.3        |
| Jablite Group Ltd                                   | 1.8        | -          | 1.7        |
| <b>Total :</b>                                      | <b>4.2</b> | <b>2.3</b> | <b>4.1</b> |
| <b>Current receivables:</b>                         |            |            |            |
| Bekken owned companies                              | 1.7        | -          | 1.5        |
| BEWI ASA  | 4.0        | -          | 4.2        |
| HIRSCH France SAS                                   | -          | 0.1        | -          |
| HIRSCH Porozell GmbH                                | 1.0        | -          | 0.6        |
| Jablite Group Ltd                                   | 2.1        | -          | -          |
| <b>Total :</b>                                      | <b>8.8</b> | <b>0.1</b> | <b>6.3</b> |
| <b>Current liabilities:</b>                         |            |            |            |
| Bekken owned companies                              | 3.0        | -          | 3.8        |
| BEWI ASA  | 3.5        | -          | 3.4        |
| <b>Total :</b>                                      | <b>6.5</b> | <b>-</b>   | <b>7.2</b> |

## NOTE 4 | 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 BEWiSynbra 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 three operating segments: RAW, Insulation and Packaging & Components. Sales between segments take place on market terms.

| Amounts in million EUR                       | Q1 2021      | Q1 2020      | 2020         |
|--|--------------|--------------|--------------|
| <b>RAW</b>                                   |              |              |              |
| Segment revenue                              | 64.2         | 49.8         | 191.2        |
| Intra-group revenue                          | -19.8        | -17.0        | -56.5        |
| <b>Revenue from external customers</b>       | <b>44.4</b>  | <b>32.8</b>  | <b>134.7</b> |
| <b>Insulation</b>                            |              |              |              |
| Segment revenue                              | 40.7         | 32.2         | 146.6        |
| Intra-group revenue                          | -0.6         | -0.4         | -2.4         |
| <b>Revenue from external customers</b>       | <b>40.1</b>  | <b>31.8</b>  | <b>144.1</b> |
| <b>Packaging and Components</b>              |              |              |              |
| Segment revenue                              | 62.3         | 39.9         | 179.9        |
| Intra-group revenue                          | -0.6         | -0.6         | -2.3         |
| <b>Revenue from external customers</b>       | <b>61.7</b>  | <b>31.4</b>  | <b>177.6</b> |
| <b>Unallocated</b>                           |              |              |              |
| Segment revenue                              | 2.7          | 1.1          | 6.4          |
| Intra-group revenue                          | -0.1         | 0.0          | -0.2         |
| <b>Revenue from external customers</b>       | <b>2.6</b>   | <b>1.1</b>   | <b>6.1</b>   |
| <b>Total</b>                                 |              |              |              |
| Total segment revenue                        | 169.9        | 123.0        | 524.1        |
| Total Intra-group revenue                    | -21.1        | -17.9        | -61.5        |
| <b>Total revenue from external customers</b> | <b>148.8</b> | <b>105.1</b> | <b>462.6</b> |

Each segment sells products that are similar in nature. External revenue for the different segments also represent the Group's disaggregation of revenue.

| Amounts in million EUR   | Q1 2021     | Q1 2020     | 2020        |
|--------------------------|-------------|-------------|-------------|
| <b>Adj. EBITDA</b>       |             |             |             |
| RAW                      | 3.2         | 2.1         | 9.4         |
| Insulation               | 4.8         | 5.3         | 26.5        |
| Packaging and Components | 10.4        | 8.6         | 34.1        |
| Unallocated              | -1.0        | -1.1        | -3.8        |
| <b>Total adj. EBITDA</b> | <b>17.4</b> | <b>14.8</b> | <b>66.2</b> |

| Amounts in million EUR   | Q1 2021     | Q1 2020     | 2020        |
|--------------------------|-------------|-------------|-------------|
| <b>EBITDA</b>            |             |             |             |
| RAW                      | 3.2         | 2.1         | 9.9         |
| Insulation               | 4.6         | 4.5         | 32.4        |
| Packaging and Components | 10.4        | 8.5         | 36.2        |
| Unallocated              | -1.2        | -1.4        | -5.7        |
| <b>Total EBITDA</b>      | <b>17.0</b> | <b>13.7</b> | <b>72.9</b> |
| <b>EBITA</b>             |             |             |             |
| RAW                      | 2.3         | 1.2         | 6.2         |
| Insulation               | 2.6         | 2.6         | 25.0        |
| Packaging and Components | 6.7         | 5.7         | 23.9        |
| Unallocated              | -1.5        | -1.6        | -6.5        |
| <b>Total EBITA</b>       | <b>10.1</b> | <b>8.0</b>  | <b>48.7</b> |
| <b>EBIT</b>              |             |             |             |
| RAW                      | 2.2         | 1.1         | 5.8         |
| Insulation               | 2.1         | 2.0         | 23.1        |
| Packaging and Components | 5.7         | 4.9         | 20.4        |
| Unallocated              | -1.7        | -1.5        | -6.9        |
| <b>Total EBIT</b>        | <b>8.3</b>  | <b>6.5</b>  | <b>42.5</b> |
| Net financial items      | -6.4        | -2.7        | -7.2        |
| <b>Income before tax</b> | <b>1.9</b>  | <b>3.8</b>  | <b>35.2</b> |

### External revenue by country (buying company's geography)

| Amounts in million EUR | Q1 2021      | Q1 2020      | 2020         |
|------------------------|--------------|--------------|--------------|
| Total Finland          | 6.8          | 5.8          | 27.4         |
| Total Sweden           | 14.8         | 12.3         | 49.4         |
| Total Denmark          | 13.3         | 11.9         | 47.3         |
| Total Norway           | 35.1         | 13.7         | 81.0         |
| Total Portugal & Spain | 9.3          | 6.2          | 26.0         |
| Total Iceland          | 4.2          | 0.3          | 7.4          |
| Total Baltics          | 2.8          | 2.7          | 8.4          |
| Total UK               | 3.9          | 2.0          | 10.8         |
| Total Germany          | 10.3         | 9.0          | 35.9         |
| Total Poland           | 5.7          | 4.5          | 16.8         |
| Total Russia           | 2.7          | 2.3          | 13.2         |
| Total Netherlands      | 25.5         | 24.4         | 94.2         |
| Total Belgium          | 2.5          | 2.1          | 8.9          |
| Total France           | 4.2          | 3.1          | 11.9         |
| Total Other            | 7.7          | 4.8          | 24.0         |
| <b>Total Group</b>     | <b>148.8</b> | <b>105.1</b> | <b>462.6</b> |

## NOTE 5 | Depreciation/amortisation and impairment of tangible and intangible fixed assets

| Amounts in million EUR  | Q1 2021     | Q1 2020     | 2020         |
|---|-------------|-------------|--------------|
| Attributable to operations                                      | -4.1        | -3.3        | -15.0        |
| Attributable to IFRS 16   | -2.4        | -2.0        | -7.3         |
| Attributable to fair value adjustments in business combinations | -2.2        | -1.9        | -8.1         |
| <b>Total</b>  | <b>-8.7</b> | <b>-7.2</b> | <b>-30.4</b> |

## NOTE 6 | The Group's borrowings

| Amounts in million EUR   | 31.03.2021   | 31.03.2020   | 31.12.2020   |
|--|--------------|--------------|--------------|
| <b>Non-current liabilities</b>   |              |              |              |
| Bond loan  | 138.2        | 137.5        | 137.9        |
| Liabilities to credit institutions                                     | 1.1          | 1.2          | 1.0          |
| Liabilities leases   | 68.3         | 25.9         | 69.2         |
| <b>Total</b>   | <b>207.6</b> | <b>164.6</b> | <b>208.1</b> |
| <b>Current liabilities</b>   |              |              |              |
| Bond loan  | -            | 13.9         | -            |
| Liabilities to credit institutions                                     | 0.6          | 1.1          | 0.8          |
| Liabilities leases   | 12.4         | 7.0          | 12.3         |
| Other short term liabilities   | -            | -            | -            |
| Overdraft  | 11.5         | 15.8         | 0.4          |
| <b>Total</b>   | <b>24.5</b>  | <b>37.8</b>  | <b>13.5</b>  |
| <b>Total liabilities</b>   | <b>232.1</b> | <b>202.4</b> | <b>221.6</b> |
| Cash and cash equivalents  | 47.5         | 47.5         | 44.2         |
| <b>Net debt including IFRS 16 impact</b>                               | <b>184.6</b> | <b>154.9</b> | <b>177.4</b> |
| <b>Substracting liabilities capitalised in accordance with IFRS 16</b> |              |              |              |
| Non-current liabilities leases   | 67.0         | 24.7         | 67.4         |
| Current liabilities leases   | 11.0         | 5.7          | 11.1         |
| <b>Total</b>   | <b>78.0</b>  | <b>30.4</b>  | <b>78.5</b>  |
| <b>Net debt excluding IFRS 16 impact</b>                               | <b>106.6</b> | <b>124.5</b> | <b>98.9</b>  |

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 21 March 2021, BEWiSynbra Group AB had two bond loans outstanding.

| Issued amount  | Frame           | Amount outstanding | Date of issuance  | Maturity date     |
|----------------|-----------------|--------------------|-------------------|-------------------|
| EUR 75 million | EUR 100 million | EUR 75 million     | April 19, 2018    | April 19, 2022    |
| EUR 65 million | EUR 115 million | EUR 65 million     | November 22, 2019 | November 22, 2023 |

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

| Bond loans     | Interest terms     | Nominal interest |               | Average interest |               |
|----------------|--------------------|------------------|---------------|------------------|---------------|
|                |                    | 1.1-31.3.2021    | 1.1-31.3.2021 | 1.1-31.3.2021    | 1.1-31.3.2021 |
| EUR 75 million | Euribor 3m + 4.75% | 4.21-4.24%       |               | 5.03%            |               |
| EUR 65 million | Euribor 3m + 3.40% | 2.83-2.89%       |               | 3.49%            |               |

The Group's main bank has granted the Group an overdraft facility of SEK 375 million (equivalent to EUR 36.6 million). As of 31 March, EUR 11.5 million was utilised. In addition, the Group has a number of liabilities in acquired companies, such as liabilities to credit institutions that have not been refinanced post-acquisition, and liabilities for lease contracts.

## Pledged assets

For the overdraft facility and bonds, collateral has been lodged in the form of business mortgages, pledged shares in subsidiaries and material intra-group loans to subsidiaries.

## Contingent liabilities

Guarantees issued to suppliers amounted to EUR 12.0 million.

## NOTE 7 | Fair value and financial instruments

| Amounts in million EUR  | Level 1      | Level 2    | Level 3    | Total      | Carrying amount |
|---|--------------|------------|------------|------------|-----------------|
| <b>Financial assets measured at fair value through profit and loss</b>      |              |            |            |            |                 |
| Participation in other companies  | 5.9          | -          | 0.3        | 6.2        | 6.2             |
| <b>Total</b>  | <b>5.9</b>   | <b>-</b>   | <b>0.3</b> | <b>6.2</b> | <b>6.2</b>      |
| <b>Financial liabilities measured at fair value through profit and loss</b> |              |            |            |            |                 |
| Derivative liability  | -            | 1.3        | -          | 1.3        | 1.3             |
| <b>Total</b>  | <b>-</b>     | <b>1.3</b> | <b>-</b>   | <b>1.3</b> | <b>1.3</b>      |
| <b>Financial liabilities measured at amortised cost</b>                     |              |            |            |            |                 |
| Bond loans  | 141.7        | -          | -          | -          | 138.2           |
| <b>Total</b>  | <b>141.7</b> | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>138.2</b>    |

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, transaction 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 amortized cost. 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 amortized cost (the bond loans). The carrying amount of the Group's 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 |
|---|----------------------------------|
| As of Dec 31, 2020                                | 0.3                              |
| Exchange differences                              | -                                |
| Acquisitions                                      | -                                |
| Divestments                                       | -                                |
| As of March, 31 2021                              | 0.3                              |

\* 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 8 | Business combinations

There were no business acquisitions during the period.

## NOTE 9 | Shares in associates

BEWiSynbra Group has four interests in Shares in associates, HIRSCH Porozell GmbH, HIRSCH France SAS, Jablite Group Ltd and Inoplast S.R.O Inoplast S.R.O, in which BEWiSynbra holds 34 per cent, was acquired in March 2021 and the results of that company will be reflected in BEWiSynbra consolidated accounts as from April 2021. BEWiSynbra Group holds an interest-bearing receivable from HIRSCH France SAS of EUR 2.3 million and an interest-bearing receivable from Jablite Group Ltd of EUR 1.6 million. The table below presents key financial data as reflected in BEWiSynbra's consolidated accounts.

| million EUR (except percentages and sites) | HIRSCH<br>Porozell<br>GmbH | HIRSCH<br>France SAS | Jablite<br>Group Ltd | TOTAL |
|--|----------------------------|----------------------|----------------------|-------|
| Country/Market                             | Germany                    | France               | UK                   | -     |
| Production sites                           | 6                          | 6                    | 3                    | 15    |
| Owned interest                             | 34%                        | 34%                  | 49%                  | -     |
| Booked value as of 31 March 2021           | 3.3                        | 3.4                  | 0.0                  | 6.7   |

### Key financials for Q1 2021

|   |            |            |            |            |
|---|------------|------------|------------|------------|
| Net Sales Q1 2021   | 20.8       | 17.5       | 7.1        | 45.1       |
| EBITDA Q1 2021<br>Of which owned share of EBITDA                  | 2.4<br>0.8 | 0.7<br>0.2 | 0.1<br>0.0 | 3.2<br>1.0 |
| EBIT  | 1.5        | -0.4       | 0.0        | 0.9        |
| Net Profit  | 1.2        | -0.4       | 0.0        | 0.9        |
| Consolidated into BEWi's EBITDA, share of Net profit              | 0.4        | -0.1       | 0.0        | 0.3        |
| <i>BEWi's share of EBITDA minus impact on consolidated EBITDA</i> | 0.4        | 0.1        | 0.0        | 0.5        |

## NOTE 10 | Subsequent events

### Acquisition of Danish paper packaging company

On 13 April 2021, BEWiSynbra acquired 51 per cent of the Danish paper packaging company Honeycomb Cellpack A/S. Honeycomb provides protective packaging solutions, including design, development and manufacturing of sustainable packaging which is recyclable and biodegradable. Through the acquisition, BEWiSynbra is broadening its product offering, in line with its strategy to provide its customers with complementary solutions. The company also has an option to acquire the remaining 49 per cent of the Honeycomb shares.

### Parent company BEWI ASA

On 28 April 2021, the parent company BEWI ASA entered into an agreement to acquire a majority stake of the listed Polish company IZOBLOK. IZOBLOK is a leading European provider of Expanded Polypropylene (EPP) components to the automotive industry, with a market share of approximately 20 per cent.

## NOTE 11 | Five-year summary

| Amounts in million EUR (except percentage) | 2020  | 2019  | 2018  | 2017  | 2016  |
|--|-------|-------|-------|-------|-------|
| Net sales                                  | 462.6 | 429.9 | 380.7 | 194.8 | 169.7 |
| Operating income (EBIT)                    | 42.5  | 20.3  | 13.7  | 3.6   | 6.4   |
| EBITDA                                     | 72.9  | 48.0  | 28.6  | 8.9   | 11.4  |
| <i>EBITDA margin (%)</i>                   | 15.8% | 11.1% | 7.5%  | 4.6%  | 6.7%  |
| Adjusted EBITDA                            | 66.2  | 51.8  | 30.9  | 11.4  | 12.8  |
| <i>Adj. EBITDA margin (%)</i>              | 14.3% | 12.1% | 8.1%  | 5.9%  | 7.5%  |
| Items affecting comparability              | 6.7   | -3.9  | -2.3  | -2.5  | -1.4  |
| EBITA                                      | 48.7  | 27.5  | 18.3  | 4.5   | 7.3   |
| <i>EBITA margin (%)</i>                    | 10.5% | 6.4%  | 4.8%  | 2.2%  | 4.3%  |
| Adjusted EBITA                             | 42.0  | 31.4  | 20.7  | 7.0   | 8.7   |
| <i>Adj. EBITA margin (%)</i>               | 9.1%  | 7.3%  | 5.4%  | 3.6%  | 5.1%  |
| Net profit/loss for the period             | 32.2  | 5.6   | 1.6   | 4.2   | 4.5   |
| Cash flow from operating activities        | 34.5  | 35.8  | 17.6  | 7.4   | 7.7   |
| Capital Expenditure (CAPEX)                | -26.6 | -14.3 | -13.8 | -10.0 | -5.1  |

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 depreciation, EUR -2.5 million on financial expenses, EUR 0.1 million on income tax and EUR -0.3 million on net profit.

## NOTE 12 | Quarterly data

| Amounts in million EUR (except percentage) | Q1<br>2021 | Q4<br>2020 | Q3<br>2020 | Q2<br>2020 | Q1<br>2020 | Q4<br>2019 | Q3<br>2019 | Q2<br>2019 | Q1<br>2019 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Net sales                                  | 148.8      | 130.2      | 122.1      | 105.1      | 105.1      | 104.0      | 107.4      | 115.3      | 103.3      |
| Operating income (EBIT)                    | 8.3        | 12.5       | 11.5       | 11.9       | 6.5        | 1.2        | 5.7        | 9.0        | 4.5        |
| EBITDA                                     | 17.0       | 21.5       | 19.0       | 18.7       | 13.7       | 8.6        | 12.4       | 15.9       | 11.1       |
| <i>EBITDA margin (%)</i>                   | 11.4%      | 16.5%      | 15.6%      | 17.8%      | 13.1%      | 8.3%       | 11.5%      | 13.8%      | 10.7%      |
| Adjusted EBITDA                            | 17.4       | 17.7       | 18.0       | 15.8       | 14.8       | 9.5        | 12.8       | 16.2       | 13.3       |
| <i>Adj. EBITDA margin (%)</i>              | 11.7%      | 13.6%      | 14.7%      | 15.0%      | 14.1%      | 9.2%       | 12.0%      | 14.0%      | 12.8%      |
| Items affecting comparability              | -0.4       | 3.8        | 1.1        | 2.9        | -1.0       | -0.9       | -0.5       | -0.3       | -2.2       |
| EBITA                                      | 10.1       | 14.3       | 13.1       | 13.3       | 8.0        | 3.3        | 7.4        | 10.7       | 6.0        |
| <i>EBITA margin (%)</i>                    | 6.7%       | 11.0%      | 10.7%      | 12.7%      | 7.6%       | 3.1%       | 6.9%       | 9.2%       | 5.8%       |
| Adjusted EBITA                             | 10.4       | 10.5       | 12.0       | 10.4       | 9.0        | 4.1        | 7.9        | 11.0       | 8.3        |
| <i>Adj. EBITA margin (%)</i>               | 7.0%       | 8.1%       | 11.6%      | 9.9%       | 8.6%       | 4.0%       | 7.4%       | 9.5%       | 7.9%       |
| Net profit/loss for the period             | 0.4        | 14.7       | 6.7        | 8.5        | 2.3        | -2.9       | 2.7        | 4.1        | 1.6        |
| Cash flow from operating activities        | 1.4        | 21.5       | 10.3       | 7.3        | -4.9       | 19.5       | 22.6       | 7.6        | -14.2      |
| Capital Expenditure (CAPEX)                | -6.9       | -15.1      | -4.9       | -3.5       | -3.2       | -4.9       | -2.6       | -3.4       | -3.4       |



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