

Q1 2022

Quarterly report

BEWI



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Highlights for the first quarter of 2022¹

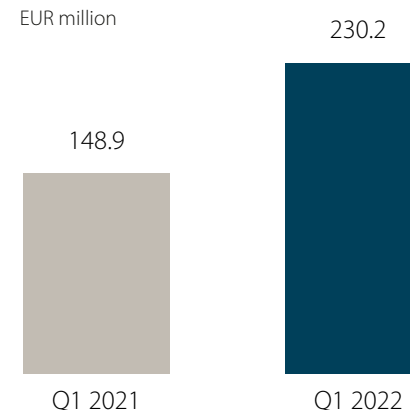
(numbers in parenthesis refers to comparable figures for the corresponding period of 2021)

- Net sales up by 55 per cent to EUR 230.2 million (148.9), of which 18 per cent from acquisitions
- Organic growth from higher sales prices in all segments, and higher volumes in Insulation
- Adjusted EBITDA increased to EUR 34.4 million (16.7), mainly due to higher margins for RAW
- Operating income (EBIT) of EUR 21.8 million (6.8)

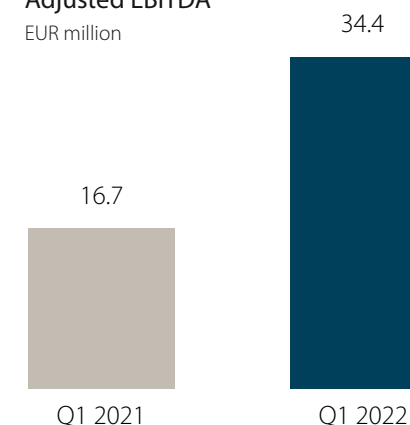
Subsequent events

- Signed agreement for the acquisition of Trondhjems Eskefabrikk
- Acquisition to become 100 per cent owner of leading UK based packaging and insulation company Jablite

Net sales
EUR million



Adjusted EBITDA
EUR million



22%
ROCE²

Target ~20%

1.2x
NIBD/Adj. EBITDA³

Target <2.5x

¹ For more information on the change in net sales and adjusted EBITDA from the corresponding period of 2021, see the revenue and EBITDA bridges included on [page 18](#)

² ROCE: Rolling 12 months adjusted EBITDA as a percentage of average capital employed during the same periode. Capital employed is defined as total equity plus net debt

³ NIBD/ Adj. EBITDA: excluding IFRS 16, adjusted EBITDA rolling 12-months pro-forma acquired entities



Consolidated key figures¹

Amounts in million EUR (except percentage)	Q1 2022	Q1 2021	2021
Net sales	230.2	148.9	748.2
Operating income (EBIT)	21.8	6.8	67.8
EBITDA	31.9	15.5	105.5
EBITDA margin (%)	13.8%	10.4%	14.1%
Adjusted EBITDA	34.4	16.7	109.0
Adj. EBITDA margin (%)	14.9%	11.2%	14.6%
Items affecting comparability	-2.5	-1.2	-3.4
Adjusted EBITA	26.4	9.8	78.8
Adj. EBITA margin (%)	11.5%	6.6%	10.5%
Net profit/loss for the period	8.2	-1.0	34.4
Earnings per share, basic (EUR)	0.05	-0.01	0.23
Earnings per share, diluted (EUR)	0.05	-0.01	0.23
Earnings per share, basic (NOK)	0.54	-0.08	2.37
Earnings per share, diluted (NOK)	0.54	-0.08	2.36
Capital Expenditure (CAPEX)	-5.2	-6.9	-34.7
Return on average capital employed (ROCE)%	22.0%	12.2%	19.2%

¹ Definitions of alternative performance measures not defined by IFRS are included on [page 16](#)



Comments from the CEO

Our growth journey continues into 2022

We are very pleased to see our growth journey continuing into 2022. For the first quarter of 2022, we recorded net sales of 230 million euro, representing a 55 per cent increase over the corresponding quarter last year. Of this, 37 per cent are organic growth, resulting mainly from higher sales prices following strong demand, while acquisitions completed contributed by 18 per cent. Adjusted EBITDA came in at 34 million euro for the quarter, which is our highest ever recorded result and a doubling of the EUR 17 million recorded for the first quarter last year.

In BEWI, we have experienced a continued strong demand in our key markets, although combined with the industrywide challenges in the value chain, including shortage of electronic components, some delay in logistics and transport, and cost inflation. Russia's invasion of Ukraine has increased the uncertainty in our markets, and further strengthened the geopolitical tensions, but the financial impact on our business has been limited.

Segment RAW continues to favour from a strong market this quarter, and we are very pleased to also record a continued positive development for our Insulation operations in the Benelux region, including the recently acquired Belgian insulation company Kemisol. Furthermore, we see increased volumes sold of traded food packaging products, although sales of EPS fish boxes were lower this quarter, explained by lower slaughter volumes of fish. Sales of components, both to the automotive industry through IZOBLOK and to heating ventilation and air-condition (HVAC) systems, continue to be challenged by the global shortage of electronic components.

In October last year, we received acceptance to acquire all shares in the packaging and insulation company Jackson Holding. The work to complete the transaction progressed well in the first quarter, and we

/ Our M&A pipeline is full of attractive initiatives, and we will continue our consolidation within selected markets and industries. /

remain confident that we will receive regulatory approvals, enabling us to complete the transaction as planned. Like us, Jackson continued to demonstrate solid growth in the first quarter this year.

Our M&A pipeline is full of attractive opportunities, and we will continue our consolidation within selected markets and industries, including insulation and food packaging solutions, as well as circular concepts.

So far this year we have announced three acquisitions, including the Norwegian paper packaging company Trondhjems Eskefabrikk, our intention to acquire a Baltic insulation company, and most recently our acquisition to become 100 per cent owner of UK-based packaging and insulation company Jablite. All acquisitions are in line with our strategic priorities and based on our expectations for further growth in demand for food packaging and insulation solutions. The latter is driven by growth in residential construction and renovation and increased focus on energy savings, coming from the higher energy prices as well as regulations requiring improved energy efficiency to reduce the environmental impact. This is also expected to positively impact the demand for efficient HVAC systems.

Our early ambition to lead the circular change for our industry has provided us with first mover advantages – and we intend to maintain our

leading position. We are currently reviewing some attractive opportunities that, combined with our integrated business model, could be transformative and put us in an excellent position to continue to expand our circular business going forward.

Going forward, we expect a stable demand in our key markets, although with uncertainty related to the supply chain and cost inflation. EPS prices are expected to remain at historical high levels. Our strong results provide us with a solid financial position, enabling us to continue pursuing attractive growth opportunities.

Trondheim, 19 May 2022



Christian Bekken, CEO BEWI ASA

Financial review

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

Profit and loss

First quarter of 2022

Net sales amounted to EUR 230.2 million for the first quarter of 2022 (148.9), corresponding to an increase of 54.7 per cent. Of this, 36.5 per cent was organic growth, 18.3 per cent was contribution from acquired companies and 0.8 per cent was currency effects.

The organic growth is mainly explained by higher sales prices in all segments, in particular for segment RAW, as well as improved volumes from Insulation in the Benelux region. For the Packaging & Components (P&C) segment, volumes were somewhat lower than for the first quarter last year, explained mainly by lower slaughter volumes of fish. Styrene prices increased in the quarter, with EPS raw material prices following, due to a high demand combined with limited market supply.

Adjusted EBITDA came in at EUR 34.4 million for the quarter (16.7), representing an improvement of 106.4 per cent. Of this, 100.9 per cent was

organic growth, while acquisitions and divestments contributed net 4.6 per cent and the remainder were currency effects. The adjusted EBITDA margin increased to of 14.9 per cent (11.2).

All segments except P&C recorded an improved EBITDA excluding acquisitions (i.e., for comparable operations). The largest increase was noted for segment RAW, which continued to favour from a strong market. Furthermore, segments Insulation and Circular were positively impacted by recent acquisitions, while segment P&C had a negative contribution from acquisitions due to the weaker results from the automotive company IZOBLOK, as explained above.

For more information on the development in net sales and EBITDA, see explanations under each segment and the revenue and EBITDA bridges on [page 18](#).

Operating income (EBIT) came in at EUR 21.8 million for the quarter (6.8), up by EUR 15.0 million over the same period last year.

Net financial items amounted to a negative EUR 6.9 million for the quarter (-6.4). The period was negatively impacted by a EUR 2.9 million revaluation of an option to acquire a minority shareholding. The same period last year noted a EUR 3.7 million negative fair value adjustment of shares in a listed real estate company.

Taxes amounted to a negative EUR 6.8 million (-1.4). The effective tax rate was, among other things, negatively affected by non-deductible transaction costs and option revaluation.

Net result for the first quarter of 2022 ended at a positive EUR 8.2 million (-1.0).

Segment RAW



Continued strong results following solid demand

Segment RAW develops and produces white and grey expanded polystyrene, known as EPS beads or Styrofoam, as well as Biofoam, a fully bio-based article 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. BEWI produces raw material at 2 facilities, one in Finland (Porvoo) and one in the Netherlands (Etten-Leur).

First quarter of 2022

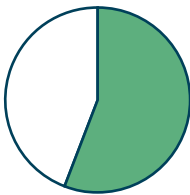
Net sales for segment RAW amounted to EUR 100.4 million for the quarter (64.2), an increase of 56.5 per cent explained by increased sales prices following a significant increase in underlying raw material prices since the first quarter last year. Volumes were in line with the first quarter last year.

Adjusted EBITDA amounted to EUR 19.4 million for the first quarter of 2022 (3.2). GAP (i.e., styrene gross profit) strengthened compared to the first quarter last year due to a strong underlying market demand. Compared to the previous quarter, both raw material prices (Styrene) and EPS raw material prices continued to increase, resulting in a continued strong GAP, which compensated for higher energy prices and increased costs for additives and hence EBITDA was improved.

Amounts in million EUR (except percentage)	Q1 2022	Q1 2021	2021
Net sales	100.4	64.2	347.9
Of which internal	31.9	19.8	104.6
Of which external	68.5	44.4	243.3
Net operating expenses	-81.0	-61.0	-293.9
Adjusted EBITDA	19.4	3.2	54.1
Adjusted EBITDA %	19.3%	5.0%	15.5%
Items affecting comparability	-	0.0	0.1
EBITDA	19.4	3.2	54.2
Depreciations	-1.0	-0.9	-4.2



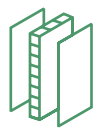
30%
of total net sales¹



56%
of total adj. EBITDA²

¹ Based on revenues from external customers
² Based on total adj. EBITDA for operating segments

Segment Insulation



Improved volumes for the Benelux region

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 around 50 per cent of total sales within the business area. BEWI has 15 facilities in 7 countries producing insulation products. In addition, BEWI has minority interests in 5 facilities in France, 6 facilities in Germany and 1 in the UK.

First quarter of 2022

From 1 December 2021, the financial results for the Belgian Insulation company Kemisol were consolidated into BEWI's accounts.

Net sales for segment Insulation came in at EUR 62.4 million for the quarter (40.7), an increase of 53.3 per cent. Excluding acquisitions and divestments, sales increased by 34.1 per cent driven by higher volumes in Benelux and higher sales prices in all regions to compensate for increased raw material prices. Currency had a positive impact of 0.1 per cent for the quarter.

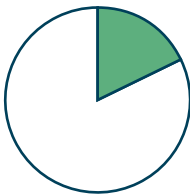
Adjusted EBITDA amounted to EUR 6.1 million for the quarter (4.8), an increase of 28.0 per cent. Excluding acquisitions and divestments, adjusted EBITDA increased by 13.3 per cent. The improved result is explained by the improved volumes in Benelux, combined with the increased sales prices. The recently acquired Belgian insulation company Kemisol performs well and contributed positively to the company's adjusted EBITDA for the first quarter.

Extra costs related to the new production line in Norrköping, Sweden, continue to impact the results in the Swedish market.

Amounts in million EUR (except percentage)	Q1 2022	Q1 2021	2021
Net sales	62.4	40.7	195.4
Of which internal	1.0	0.6	2.8
Of which external	61.4	40.1	192.7
Net operating expenses	-56.3	-35.9	-173.9
Adjusted EBITDA	6.1	4.8	21.6
Adjusted EBITDA %	9.8%	11.7%	11.0%
Items affecting comparability	-	-0.2	0.9
EBITDA	6.1	4.6	22.5
Depreciations	-2.1	-2.0	-7.9



27%
of total net sales¹



18%
of total adj. EBITDA²

¹ Based on revenues from external customers
² Based on total adj. EBITDA for operating segments

Segment Packaging & Components (P&C)



Higher prices following continued increase in raw material prices

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. BEWI has 24 facilities in 7 countries producing P&C components. Also, the group has minority interests in 2 facilities in the UK.

First quarter of 2022

From 1 July 2021, the financial results for the automotive components company IZOBLOK were consolidated into BEWI's accounts. In addition, other smaller companies were acquired and consolidated throughout 2021, impacting the comparable numbers.

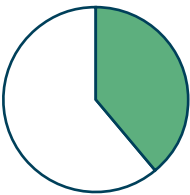
Net sales amounted to EUR 91.7 million for the first quarter (62.3), an increase of 47.1 per cent. Excluding acquisitions net sales increased by 21.6 per cent, explained by increased sales prices in all regions to compensate for the increased raw material prices. In addition, volumes sold of traded food packaging products have increased significantly. Lower slaughter volumes of salmon and white fish compared to the corresponding quarter of 2021 impacted the Norwegian sales volumes, while the global shortage of electronic components continued to negatively impact sold volumes of automotive and HVAC products.

Adjusted EBITDA amounted to EUR 9.1 million for the first quarter this year (10.4), down by 12.2 per cent. Organic growth was negative by 6.1 per

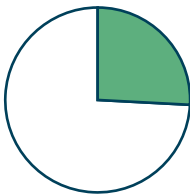
cent. The segment has successfully managed to adjust prices to compensate for the higher cost level, including increased costs for raw material, energy, transport, and other cost elements. The negative organic growth can mainly be explained by the lower volumes sold of fish boxes due to the lower slaughter volumes, mostly impacting the Norwegian operations. Furthermore, the new facility at Senja, Norway, has so far not been running at full capacity, and thus contributed negatively to the results for the first quarter this year. The facility's ramp up is linked to the production at SalMar's new slaughterhouse InnovaNor.

Margins for the segment continued to be negatively impacted by the challenging situation for the automotive industry, including a negative contribution from IZOBLOK for the quarter, explained by the shortage of electronic components combined with increased energy prices. Furthermore, the increased share of traded food packaging products, where margins are lower, had a dilutive effect on margins.

Amounts in million EUR (except percentage)	Q1 2022	Q1 2021	2021
Net sales	91.7	62.3	295.6
Of which internal	2.8	0.6	6.9
Of which external	88.9	61.7	288.7
Net operating expenses	-82.6	-51.9	-255.3
Adjusted EBITDA	9.1	10.4	40.3
Adjusted EBITDA %	9.9%	16.7%	13.6%
Items affecting comparability	0.0	0.0	-0.4
EBITDA	9.1	10.4	39.9
Depreciations	-4.4	-3.6	-16.6



39%
of total net sales¹



26%
of total adj. EBITDA²

¹ Based on revenues from external customers
² Based on total adj. EBITDA for operating segments



Improved volumes, increased sales prices and strengthened EBITDA

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, increasing the group’s recycling capacity to approximately 20 000 tonnes, and a collection run-rate at year end of approximately 23 000 tonnes. BEWI has announced an annual target of recycling 60 000 tonnes of EPS. The number refers to approximately one-third of BEWI’s annual production, which is the volume BEWI 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.

First quarter of 2022

From 1 October 2021, the financial results for the UK recycling company Volker Gruppe were consolidated into BEWI’s accounts, representing the contribution from acquired companies to the segment in the quarter.

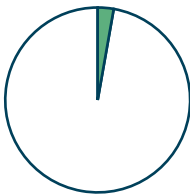
Net sales for segment Circular amounted to EUR 11.4 million for the quarter (2.7), an increase of 316.5 per cent. Excluding acquisitions net sales increased by 125.0 per cent, explained by higher volumes and increased sales prices. The higher sales prices are explained by the significant increase in the virgin raw material prices which the prices for recycled materials follow.

Adjusted EBITDA amounted to EUR 1.1 million for the first quarter of 2022 (0.0). The improved EBITDA was mainly driven by acquisitions but was also explained by the higher volumes and increased prices as mentioned above.

Amounts in million EUR (except percentage)	Q1 2022	Q1 2021	2021
Net sales	11.4	2.7	24.0
Of which internal	0.2	0.1	0.6
Of which external	11.3	2.7	23.4
Net operating expenses	-10.3	-2.8	-23.4
Adjusted EBITDA	1.1	0.0	0.6
Adjusted EBITDA %	9.5%	-0.8%	2.5%
Items affecting comparability	-0.1	0.0	-0.3
EBITDA	1.0	0.0	0.3
Depreciations	-0.4	-0.2	-1.0



5%
of total net sales¹



3%
of total adj. EBITDA²

¹ Based on revenues from external customers
² Based on total adj. EBITDA for operating segments

Corporate costs

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

For the quarter, the unallocated contribution to adjusted EBITDA amounted to a negative EUR 1.3 million (-1.7).

Financial position and liquidity

Consolidated financial position

Total assets amounted to EUR 810.8 million on 31 March 2022, compared to EUR 785.7 million at year-end 2021. The increase since last year is mainly attributable to working capital.

Total equity amounted to EUR 273.1 million on 31 March 2022, compared to EUR 262.2 million at year-end 2021.

Net debt amounted to EUR 214.2 million on 31 March 2022 (139.2 excluding IFRS 16), compared to EUR 196.4 million at year-end 2021 (120.3 excluding IFRS 16).

Cash and cash equivalents were EUR 123.9 million on 31 March 2022, compared to EUR 142.3 million at year-end 2021.

Consolidated cash flow

Cash flow from operating activities amounted to a negative EUR 14.2 million for the first quarter (0.3), including an increase in working capital of EUR 40.0 million (increase of 9.5). The increase in working capital followed normal seasonality but was further amplified by the higher raw material prices, impacting the value of inventory and accounts receivables. This was not compensated by a similar increase in accounts payable, due to the timing of payments and a maintenance shutdown.

Cash flow used for investing activities amounted to a negative EUR 6.4 million for the first quarter (-7.2), mainly impacted by capital expenditure, as further outlined below, and the additional shares acquired in the listed Polish subsidiary IZOBLOK, following the tender offer announced last year.

For an overview of the main investments, see section about capital expenditures and a description of ongoing organic growth initiatives below.

Cash flow from financing activities came in at a negative EUR 1.0 million for the first quarter (8.5). Cash inflow from increased borrowings in one subsidiary acquired last year and the EUR 1.0 million new share issue, following the settlement of the first tranche of the share-based incentive programme, was offset by the effect from reduced leasing liabilities.

Capital expenditures (CAPEX)

In the first quarter of 2022, investments continued according to plan.

For the first quarter of 2022, CAPEX totalled EUR 5.2 million (6.9). Of this, EUR 2.7 million related to greenfield projects, including customer specific investments for P&C in Sweden, a new extrusion line in Etten-Leur, compactors for segment Circular and investments into the new ERP system.

BEWI has announced a target of annual investments (CAPEX) equal to 2.5 per cent of net sales excluding greenfield projects, customer specific initiatives and ICT investments. Excluding above mentioned initiatives, the CAPEX for the first quarter was below this target.

Organisation

As of 31 March 2022, BEWI ASA had 2 063 employees, compared to 2 097 on 31 December 2021.

Important events in the quarter

In BEWI, 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 BEWI group:

Packaging & Components Norway

In 2021, BEWI established a new fish box facility at Senja, Norway, where the company has a long-term supply agreement with SalMar. Production commenced in the third quarter of 2021, although at limited volumes due to delays in production at customer site. Full commercialisation was reached towards the end of the first quarter of 2022.

In March 2021, the company announced its plans to set up a new packaging facility on the Jøsnøya island, Hitra, on the west coast of central Norway. The real estate group KMC Properties ASA is responsible for the development project.

Packaging & Components Sweden

At BEWI's facility in Skara, Sweden, a new customer specific project together with Bosch has been initiated. The new investments relate to a HVAC (Heating Ventilation Air Condition) system, from which volumes of specific EPP components are expected to grow further. The investments include EPP machine, stacking equipment, oven, assembly cell and storage

tent. Commercialisation is expected in the second half of 2022.

Insulation Sweden

In 2020, BEWI invested in technology and new machinery at its facility in Norrköping, Sweden, including modern extrusion technology improving production capacity and efficiency. Commercialisation of the new production line has been delayed, and extra costs during 2022 is expected before finalization.

New extruder in Etten-Leur

Investments into a new twin screw extrusion line at the RAW production site in Etten-Leur started in the fourth quarter of 2021. The new extrusion line increases the production capacity of recycled grades and grey products, and production is expected to start in 2023.

ICT

BEWI has started implementation of a new modern ERP system. Blueprints was developed during 2021 and 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

BEWI's M&A opportunities are mainly within the following categories:

- Strengthening market positions
- Broadening product offering
- Geographic expansion
- Recycling consolidation

So far in 2022, BEWI has announced three acquisitions, of which two in the quarter and one after the close of the quarter. In addition, the company is in the process of finalising its acquisition of Jackson Holding.

Intention to acquire Baltic insulation company

On 18 February 2022, BEWI announced that the company had entered a letter of intent to acquire 100 per cent of a Baltic insulation company.

The Baltic company operates facilities for manufacturing of insulation solutions and has recorded profitable growth recent years, with net sales in the range of EUR 25 to 30 million and solid EBITDA margins in the range of 10 to 15 per cent.

The rationale for the acquisition is to expand BEWI's geographic footprint into the Baltics, enabling sales growth, as well as establishing a platform for circular activities.

The acquisition is conditional upon a signed sale and purchase agreement, as well as customary conditions, and closing is expected in the second quarter of 2022.

Total consideration is expected to be in line with BEWI's historical M&As, i.e., with an EV/ EBITDA multiple in the range of 5 to 7, whereas 50 per cent will be settled in cash and 50 per cent through issuance of consideration shares in BEWI.

Acquisition of paper packaging company Trondhjems Eskefabrikk

On 28 February 2022, BEWI announced its intention to acquire 100 per cent of a Scandinavian paper packaging company. Further, on 12 April 2022, the company announced the signing of an agreement to acquire the Norwegian paper packaging company Trondhjems Eskefabrikk AS.

Trondhjems Eskefabrikk is manufacturing fibre-based packaging products, such as carton boxes to the food industry, which are 100 per cent recyclable, and a significant share of the raw material used is recycled fibres.

The acquisition provides BEWI with an extended offering of recyclable and recycled products, in line with the company's strategy to provide its customers with complementary solutions. Also, the acquisition

supports the company's sustainability target to increase the use of non-fossil raw materials.

For 2021, Trondhjems Eskefabrikk had revenues of approximately EUR 13.5 million, up from EUR 11.7 million for 2020. The total consideration will be settled in cash upon closing and is in line with BEWI's historical M&As, with an EV/EBITDA multiple in the range of 5 to 7. The acquisition is conditional upon customary conditions, and closing is expected in the second quarter of 2022.

Acquisition of Jackson Holding

In October 2021, BEWI received acceptance from all shareholders on its offer for the acquisition of the Norwegian family-owned packaging and insulation company Jackson Holding.

The Akselsen family, holding 50 per cent of the shares through their investment company HAAS AS, accepted to receive consideration in the form of shares, subject to a 12-months lock-up. The shareholders holding the remaining 50 per cent accepted to receive cash.

The transaction is subject to customary closing conditions, including regulatory approvals, and is expected to be completed during the first half of 2022.

BEWI has previously communicated expected synergies from the transaction of at least EUR 12 to 15 million.

For the first quarter of 2022, Jackon had revenues of EUR 108.3 million, compared to EUR 90.9 million for the first quarter of 2021, and recorded an EBITDA of EUR 9.8 million, up from EUR 6.1 million for the corresponding period of 2021.

Jackon had approximately 935 employees on 31 March 2022 and 22 facilities in Norway, Sweden, Finland, Denmark, Germany, and Belgium.

Tender offer for all remaining shares in IZOBLOK

On 2 November, BEWI launched a tender offer for the acquisition of all outstanding shares in the listed Polish company IZOBLOK, a leading European provider of Expanded Polypropylene (EPP) components to the automotive industry.

The tender offer expired on 28 January 2022, upon which 121 870 shares were acquired at a price of PLN 50.41 per share. Following the transaction, BEWI (indirectly) owns 64.28 per cent of the shares, corresponding to 73.21 per cent of the voting rights in IZOBLOK.

Implications of Russia's invasion of Ukraine

Russia's invasion of Ukraine in late February 2022 has impacted all. First and foremost, it is a humanitarian crisis for the Ukraine people. The invasion has increased uncertainty and geopolitical tensions in the global markets. Several sanctions have been imposed on Russia by the EU and other countries, impacting supply chains, raw material prices and other commodity prices, and causing nervous financial markets.

BEWI's exposure to Russia has been relatively modest, including sales of EPS beads from segment RAW and sales of food packaging products to the Russian fishing industry. Net sales for the group to Russia amounted to EUR 29.2 million for the full year 2021 and to EUR 6.7 million for the first three months of 2022.

During the first quarter of 2022, BEWI stopped all sales of EPS beads to Russia. The short-term loss of volume is expected to be compensated by sales to customers in other geographies going forward. Sales to the Russian fishing vessels, mainly from the Norwegian operations, has however been upheld until further notice, following closely the Norwegian authorities' position. This is mainly due to the fisheries agreement between Norway and Russia to secure sustainable development of the marine environment in the Barents Sea. BEWI complies with the guidelines given by the authorities and follows the situation

closely. The company recognizes that the risk related to the sales to Russian fish boats has increased.

For the first quarter, the financial impact from sanctions and reduced business volume with Russia was limited to EUR 0.4 million in provisions for doubtful accounts and EUR 0.5 million in write-down of inventory ear-marked for Russian customers. All transactions are now completed on a prepayment basis.

As to the macro-economic effects from the invasion, BEWI is benefitting from its integrated business model, and has on a group level not been negatively impacted by higher raw material prices. The general cost inflation, including higher energy prices, has had a modest impact on the profitability of the group, although not related to the company's exposure to Russia. BEWI has also experienced that the logistics around the Baltics, including the Baltic Sea, and Poland, has become more challenging following the invasion.

Share information

As of 31 March 2022, the total number of shares outstanding in BEWI ASA was 157 039 804, each with a par value of NOK 1. Each share entitles to one vote.

During the first quarter, the share was traded between NOK 54.40 and NOK 79.00 per share, with a closing price of NOK 69.40 on 31 March 2022.

BEWI published its annual report for 2021 on 27 April 2022, including its sustainability report prepared with reference to the GRI standards. The company's annual general meeting is planned to be held on 2 June 2022.

The board of directors of BEWI ASA has proposed a dividend distribution of NOK 1.10 per share for the financial year of 2021. The proposal will be dealt with by the company's annual general meeting.

Extraordinary general meeting February 2022

On 16 February 2022, BEWI held an extraordinary general meeting. At the meeting, the board was authorised to issue a total of 32 070 000 consideration shares to HAAS AS, the owner of 50 per cent of Jackon, subject to completion of the transaction.

In addition, Andreas M. Akselsen was elected new board member, replacing Stig Wærnes, subject to – and with effect of completion of the Jackon transaction.

The general meeting also approved the nomination committee's proposal for changes in the composition of the nomination committee.

Events after the close of the quarter

Acquisition of Trondhjems Eskefabrikk

On 12 April 2022, BEWI announced that it had signed an agreement to acquire the Norwegian paper packaging company Trondhjems Eskefabrikk AS. The transaction is further described above.

Acquisition to become 100 per cent owner of leading UK based insulation and packaging company Jablite Group

On 16 May 2022, BEWI announced that the company has acquired the remaining 51 per cent of Jablite Group, with an annual turnover of approximately GBP 40 million. BEWI first announced its acquisition of 49 per cent of Jablite in June 2020.

In 2020, Jablite initiated a comprehensive restructuring programme, including closure of two facilities to optimise the production footprint, in addition to several other cost initiatives. The programme has resulted in significant profitability improvement and Jablite has grown to become a leading provider of insulation and packaging solutions in the UK, with EBITDA margin in the range of 5 to 10 per cent.

Jablite currently operates three facilities in the UK, and the operations complement the UK based operations of Jackson well.

The current management of Jablite, including managing director Richard Lee and finance director John Cooper will continue in their roles going forward.

The total consideration for the 51 per cent of Jablite is approximately GBP 10 million and is settled in cash.

Outlook

Going into 2022, BEWI has experienced continued strong demand in its key markets, combined with industrywide challenges in the value chain, including shortage of electronic components, some delay in logistics and transport, and cost inflation. Russia's invasion of Ukraine has increased the uncertainty in the markets.

For the next quarter, EPS prices are expected to remain on historical high levels. However, as raw material prices are expected to stabilise or slightly decrease, the company expects to see improved profitability from its downstream units, while somewhat lower margins for its upstream segment RAW. This proves how the company's integrated business model serves as a stabilising factor for the group's profitability, making BEWI well positioned to meet various market scenarios.

BEWI's strong results and solid financial position, enable the company to continue its active M&A strategy going forward, pursuing attractive growth opportunities within selected industries and markets.

Trondheim, Norway, 19 May 2022

The board of directors and CEO of BEWI ASA

Gunnar Syvertsen <i>Chair of the Board</i>	Anne-Lise Aukner <i>Director</i>	Rik Dobbelaere <i>Director</i>
Stig Wærnes <i>Director</i>	Kristina Schauman <i>Director</i>	Christian Bekken <i>CEO</i>

Definitions of alternative performance measures not defined by IFRS

Organic growth	Organic growth is defined as growth in net sales for the reporting period compared to the same period last year, excluding the impact of currency and acquisitions. It is a key ratio as it shows the underlying sales growth.	Adjusted (adj.) EBITDA	Normalised earnings before interest, tax, depreciation, and amortisation (i.e., items affecting comparability and deviations are added back). Adjusted EBITDA is a key performance indicator that the group considers relevant for understanding earnings adjusted for items that affect comparability.
EBITDA	Earnings before interest, tax, depreciation, and amortisation. EBITDA is a key performance indicator that the group considers relevant for understanding the generation of profit before investments in fixed assets.	Adjusted (adj.) EBITDA margin	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.
EBITDA margin	EBITDA as a percentage of net sales. The EBITDA margin is a key performance indicator that the Group considers relevant for understanding the profitability of the business and for making comparisons with other companies.	Adjusted (adj.) EBITA	Normalised earnings before interest, tax and amortisations (i.e., items affecting comparability and deviations are added back). EBITA is a key performance indicator that the group considers relevant, as it facilitates comparisons of profitability over time independent of corporate tax rates and financing structures but including depreciations of fixed assets used in production to generate the profits of the group.
EBITA	Earnings before interest, tax, and amortisations. EBITA is a key performance indicator that the group considers relevant, as it facilitates comparisons of profitability over time independent of corporate tax rates and financing structures but including depreciations of fixed assets used in production to generate the profits of the group.	Adjusted (adj.) EBITA margin	EBITA before items affecting comparability as a percentage of sales. The EBITA margin is a key performance indicator that the group considers relevant for understanding the profitability of the business and for making comparisons with other companies.
EBITA margin	EBITA as a percentage of sales. The EBITA margin is a key performance indicator that the group considers relevant for understanding the profitability of the business and for making comparisons with other companies.	ROCE	Return on average capital employed. ROCE is a key performance indicator that the group considers relevant for measuring how well the group is generating profits from its capital in use. ROCE is calculated as rolling 12 months adjusted EBITA as a percentage of average capital employed during the same period. Capital employed is defined as total equity plus net debt, and the average is calculated with each quarter during the measurement period as a measuring point.
EBIT	Earnings before interest and tax. EBIT is a key performance indicator that the group considers relevant, as it facilitates comparisons of profitability over time independent of corporate tax rates and financing structures. Depreciations are included, however, which is a measure of resource consumption necessary for generating the result.	Net debt	Interest-bearing liabilities excluding obligations relating to employee benefits, minus cash and cash equivalents. Net debt is a key performance indicator that is relevant both for the group's calculation of covenants based on this indicator and because it indicates the group's financing needs.
Items affecting comparability	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.		

Reconciliation alternative performance measures

Alternative performance measures not defined by IFRS

million EUR (except percentage)	Q1 2022	Q1 2021	2021
Operating income (EBIT)	21.8	6.8	67.8
Amortisations	2.0	1.8	7.6
EBITA	23.9	8.6	75.4
Items affecting comparability	2.5	1.2	3.4
Adjusted EBITA	26.4	9.8	78.8
EBITA	23.9	8.6	75.4
Depreciations	8.0	6.9	30.1
EBITDA	31.9	15.5	105.5
Items affecting comparability	2.5	1.2	3.4
Adjusted EBITDA	34.4	16.7	109.0
Adjusted EBITA Rolling 12 months	95.5	41.5	78.8
Average capital employed	434.0	340.6	409.6
Return on average capital employed (ROCE) %	22.0%	12.2%	19.2%

Items affecting comparability

million EUR	Q1 2022	Q1 2021	2021
IPO related costs	-	-0.2	0.0
Severance and integration costs	-0.3	-	-0.1
Restructuring costs	-	-0.1	-0.2
Transaction costs	-2.1	-0.9	-4.4
Capital gains from sale of fixed assets	-	0.0	0.2
Capital loss from sale of fixed assets	-0.1	-	-0.2
Capital gain from sale of subsidiary	-	-	1.0
Closure of production facility	-	-	-0.6
Recognition of negative goodwill in associate	-	-	0.9
Total	-2.5	-1.2	-3.4

Revenue bridge: Change in net sales from corresponding periods in 2021

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Intra-group revenue	Total net sales	%
Q1 2021	64.2		40.7		62.3		2.7		0.0		-21.1	148.9	
Acquisitions	-	-	9.2	22.5%	15.9	25.5%	5.2	191.5%	-	-	-3.1	27.2	18.3%
Divestments	-	-	-1.4	-3.3%	-	-	-	-	-	-	-	-1.4	-0.9%
Currency	-	-	0.0	0.1%	1.3	2.0%	-0.1	-3.0%	0.0	-5.6%	0.1	1.3	0.8%
Organic growth	36.2	56.5%	13.9	34.0%	12.2	19.6%	3.5	128.0%	0.1	130.6%	-11.6	54.3	36.5%
Total increase/ decrease	36.2	56.5%	21.7	53.3%	29.4	47.1%	8.7	316.5%	0.1	125.0%	-14.7	81.4	54.7%
Q1 2022	100.4		62.4		91.7		11.4		0.1		-35.8	230.2	

EBITDA bridge: Change in adjusted EBITDA from corresponding periods in 2021

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Total adjusted EBITDA	%
Q1 2021	3.2		4.8		10.4		-0.0		-1.7		16.7	
Acquisitions	-	-	1.0	20.2%	-0.8	-7.5%	0.9	N/A	0.0	0.0%	1.0	6.2%
Divestments	-	-	-0.3	-5.5%	-	-	-	-	-	-	0.1	-1.6%
Currency	-	-	0.0	0.9%	0.1	1.4%	0.0	N/A	-0.1	-3.3%	0.1	0.8%
Organic growth	16.2	507.0%	0.6	12.4%	-0.6	-6.1%	0.3	N/A	0.4	25.5%	16.6	100.9%
Total increase/ decrease	16.2	507.0%	1.3	28.0%	-1.3	-12.2%	1.1	N/A	0.4	22.2%	17.7	106.4%
Q1 2022	19.4		6.1		9.1		1.1		-1.3		34.4	

Consolidated condensed interim financial statements for the period ended 31 March 2022

Consolidated condensed interim statement of income

million EUR	Q1 2022	Q1 2021	2021
Revenues			
Net sales	230.2	148.9	748.2
Total revenues	230.2	148.9	748.2
Operating expenses			
Raw materials and consumables	-86.4	-60.0	-304.9
Goods for resale	-35.4	-18.4	-92.2
Other external costs	-45.0	-29.4	-135.9
Personnel costs	-32.2	-25.9	-116.2
Depreciation/amortisation and impairment tangible and intangible assets	-10.0	-8.7	-37.8
Share of income from associated companies	0.7	0.3	5.7
Capital gain/loss from sale of assets	-0.1	0.0	1.0
Total operating expenses	-208.4	-142.1	-680.4
Operating income (EBIT)	21.8	6.8	67.8
Financial income	0.3	0.1	0.4
Financial expense	-7.2	-6.5	-19.2
Financial income and expense – net	-6.9	-6.4	-18.8
Income before tax	14.9	0.4	49.0
Income tax expense	-6.8	-1.4	-14.6
Profit/loss for the period	8.2	-1.0	34.4

Consolidated condensed interim statement of comprehensive income

million EUR	Q1 2022	Q1 2021	2021
Profit/loss for the period	8.2	-1.0	34.4
Other comprehensive income:			
<i>Items that may later be reclassified to profit and loss</i>			
Exchange rate differences	2.8	4.3	4.1
<i>Items that will not be reclassified to profit and loss</i>			
Remeasurements of net pension obligations	0.0	0.3	4.0
Income tax pertinent to remeasurements of net pension obligations	0.0	-0.1	-0.8
Other comprehensive income after tax	2.8	4.5	7.3
Total comprehensive income for the period	11.0	3.5	41.7

Profit attributable to

million EUR (except numbers for EPS)	Q2 2022	Q1 2021	2021
Profit for the period attributable to			
Parent company shareholders	8.5	-1.1	35.7
Non-controlling interests	-0.3	0.1	-1.3
Total comprehensive income attributable to			
Parent company shareholders	11.4	3.3	42.9
Non-controlling interests	-0.4	0.2	-1.2
Earnings per share			
Average number of shares:	156 715 671	148 410 874	153 336 017
Diluted average number of shares	158 147 807	148 410 874	154 116 368
Earnings per share (EPS), basic (EUR)	0.05	-0.01	0.23
Earnings per share (EPS), diluted (EUR)	0.05	-0.01	0.23
Earnings per share (EPS), basic (NOK)	0.54	-0.08	2.37
Earnings per share (EPS), diluted (NOK)	0.54	-0.08	2.36

EPS in NOK is calculated using average rates for the period

Consolidated condensed interim statements of financial position

million EUR	31 Mar 2022	31 Mar 2021	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	114.2	85.3	113.0
Other intangible assets	81.0	79.9	80.3
Total intangible assets	195.2	165.2	193.3
Property plant and equipment			
Land and buildings	90.1	69.0	91.3
Plant and machinery	99.5	81.7	101.3
Equipment, tools, fixtures and fittings	12.1	10.3	12.4
Construction in progress and advance payments	10.9	11.5	10.1
Total property, plant and equipment	212.6	172.5	215.1
Financial assets			
Shares in associates	14.3	8.6	13.7
Other financial non-current assets	20.9	14.1	20.8
Total financial assets	35.3	22.7	34.5
Deferred tax assets	2.5	5.4	3.0
Total non-current assets	445.6	365.8	445.9

million EUR	31 Mar 2022	31 Mar 2021	31 Dec 2021
Current assets			
Inventory	90.3	58.9	81.0
Other current assets			
Accounts receivable	132.1	79.6	98.8
Current tax assets	0.7	0.4	0.6
Other current receivables	10.3	9.1	11.9
Prepaid expenses and accrued income	7.9	5.1	5.0
Other financial assets	-	-	0.2
Cash and cash equivalents	123.9	53.5	142.3
Total other current assets	274.9	147.7	258.8
Total current assets	365.3	206.6	339.8
TOTAL ASSETS	810.8	572.4	785.7

Consolidated condensed interim statements of financial position cont.

million EUR	31 Mar 2022	31 Mar 2021	31 Dec 2021
EQUITY			
Share capital	14.9	14.0	14.8
Additional paid-in capital	168.1	151.9	166.9
Reserves	-7.6	-12.3	-9.6
Accumulated profit (including net profit for the period)	89.7	44.6	80.3
Equity attributable to Parent Company shareholders	265.1	198.2	252.4
Non-controlling interests	8.0	0.6	9.8
TOTAL EQUITY	273.1	198.8	262.2
LIABILITIES			
Non-current liabilities			
Pensions and similar obligations to employees	1.4	2.4	1.4
Provisions	0.5	0.4	0.9
Deferred tax liability	26.1	20.8	26.8
Non-current bond loan	246.2	138.2	246.1
Other non-current interest-bearing liabilities	74.2	69.4	75.9
Other financial non-current liabilities	6.7	-	4.3
Total non-current liabilities	355.0	231.2	355.4

million EUR	31 Mar 2022	31 Mar 2021	31 Dec 2021
Current liabilities			
Other current interest-bearing liabilities	17.7	24.5	16.7
Other financial liabilities	4.8	1.3	0.2
Accounts payable	80.1	74.0	89.7
Current tax liabilities	13.1	4.2	8.0
Other current liabilities	18.9	12.9	13.2
Accrued expenses and deferred income	48.1	25.5	40.2
Total current liabilities	182.7	142.4	168.0
Total liabilities	537.7	373.6	523.4
TOTAL EQUITY AND LIABILITIES	810.8	572.4	785.7

Trondheim, Norway, 19 May 2022

The board of directors and CEO of BEWI ASA

Gunnar Syvertsen
Chair of the Board

Anne-Lise Aukner
Director

Rik Dobbelaere
Director

Stig Wærnes
Director

Kristina Schauman
Director

Christian Bekken
CEO

Consolidated condensed interim statements of changes in equity

million EUR	1 Jan–31 Mar 2022	1 Jan–31 Mar 2021	1 Jan–31 Dec 2021
OPENING BALANCE	262.2	195.1	195.1
Net profit for the period	8.2	-1.0	34.4
Other comprehensive income	2.8	4.5	7.3
Total comprehensive income	11.0	3.5	41.7
New share issue, net of transaction costs	1.0	-	22.0
Dividend	-	-	-6.4
Share-based payments	0.2	0.2	0.6
Acquisition non-controlling interest	-1.3	-	9.2
Total transactions with shareholders	-0.1	0.2	25.4
CLOSING BALANCE	273.1	198.8	262.2

Consolidated condensed interim statements of cash flows

million EUR	Q1 2022	Q1 2021	2021
Operating income (EBIT)	21.8	6.8	67.8
Adjustment for non-cash items etc.	9.2	8.1	32.5
Net financial items	-2.9	-3.1	-17.4
Income tax paid	-2.3	-2.0	-8.7
Cash flow from operating activities before changes in working capital	25.8	9.8	74.2
Changes in working capital	-40.0	-9.5	-6.8
Cash flow from operating activities	-14.2	0.3	67.4
Acquisitions non-current assets	-5.2	-6.9	-34.7
Divestment non-current assets	0.1	0.0	4.7
Business acquisitions/ financial investments	-1.3	-0.3	-55.5
Cash flow from investing activities	-6.4	-7.2	-85.5
Borrowings	1.9	11.3	248.2
Repayment of debt	-3.9	-2.8	-153.4
Dividend	-	-	-6.4
New share issue, net	1.0	-	18.9
Cash flow from financing activities	-1.0	8.5	107.3
Cash flow for the period	-21.6	1.6	89.2
Opening cash and cash equivalents	142.3	51.4	51.4
Exchange difference in cash	3.2	0.5	1.7
Closing cash and cash equivalents	123.9	53.5	142.3

Notes to the financial statements

Note 01 General information

The company and the group

BEWI ASA, corporate registration number 925 437 948, is a holding company registered in Norway with a registered office in Trondheim, address Postboks 3009 Lade, NO-7441 Trondheim.

Amounts are given in EUR million unless otherwise indicated.

Note 02 Accounting policies

The BEWI ASA applies the International Financial Reporting Standards (IFRS) as adopted by the EU. The accounting policies applied to comply with those described in BEWI ASA's Annual Report for 2021. This interim report has been prepared in accordance with IAS 34 Interim financial reporting and the Norwegian Accounting Act.

In March 2021 IFRS IC update included an agenda decision on configuration and customisation costs in a cloud computing arrangement, impacting costs associated with a Software as a Service (SaaS) cloud arrangement. Key areas to consider are whether these costs can be capitalised as an intangible asset or as a prepayment or whether they have to be expensed when incurred. BEWI has started the implementation of a cloud-based ERP system and is consequently impacted by the IFRS IC decision earlier this year. BEWI is therefore undertaking an analysis of the contract with the software supplier and the nature of the different components of the implementation costs, to fully understand the accounting treatment of these costs and whether something should be expensed. This analysis is expected to be completed in the first half of 2022. By the end of the first quarter of 2022, costs incurred in this ERP implementation have been capitalised as an intangible asset.

Note 03 Related party transactions

Christian Bekken, CEO of BEWI ASA, is together with other members of the Bekken family a major shareholder of the company through Bekken Invest AS and BEWI Invest AS. Other related parties are the three 34% owned associated companies Hirsch France SAS, Hirsch Porozell GmbH and Inoplast S.R.O. and the 49% owned associated company Jablite Group Ltd. Transactions with those companies are presented in the tables below.

In the second quarter of 2021, the final purchase price for the BDH group, acquired in 2020 from a company owned by members of the Bekken family, was settled through a cash payment of EUR 2.7 million, which was EUR 0.4 million more than estimated on 31 December 2020. On 23 December 2021, the wholly owned subsidiary Biobe AS was sold to a company owned by members of Bekken family for a consideration of EUR 6.2 million, of which EUR 4.2 million was settled in cash and EUR 2.0 million in a short-term loan to the buyer. The loan carries a four per cent interest and shall be settled on 1 June 2022 at the latest.

Transactions impacting the income statement

million EUR	Q1 2022	Q1 2021	2021
Sale of goods to			
Companies with Bekken as significant shareholder	1.2	-	0.1
HIRSCH France SAS	7.1	3.6	18.8
HIRSCH Porozell GmbH	11.7	7.8	45.3
Jablite Group Ltd.	2.1	2.3	7.9
Inoplast s.r.o.	0.7	-	2.9
Total	22.8	13.7	74.8
Other income from			
Companies with Bekken as significant shareholder	0.1	-	-
Inoplast s.r.o	0.2	-	-
Purchase of goods from			
Inoplast s.r.o.	1.2	-	3.4
Remondis Technology Spółka z o.o.	0.5	0.7	3.1
Total	1.7	0.7	6.5

million EUR	Q1 2022	Q1 2021	2021
Interest Income from			
Hirsch France SAS	0.0	0.0	0.1
Jablite Group Ltd.	0.0	0.0	0.1
Total	0.0	0.0	0.2
Rental expenses to			
Companies with Bekken as significant shareholder	2.5	1.8	8.8
Total	2.5	1.8	8.8
Other external costs to			
Companies with Bekken as significant shareholder	0.0	-	0.1
Total	0.0	-	0.1

Transactions impacting the balance sheet

million EUR	31 Mar 2022	31 Mar 2021	31 Dec 2021
Non-current receivables			
Companies with Bekken as significant shareholder	0.1	0.1	0.1
HIRSCH France SAS	2.3	2.3	2.3
Jablite Group Ltd	1.8	1.8	1.8
Total	4.2	4.2	4.2
Current receivables			
Companies with Bekken as significant shareholder	4.1	1.7	4.1
HIRSCH Porozell GmbH	0.1	1.0	0.1
Inoplast s.r.o.	0.5	-	0.6
Jablite Group Ltd	0.0	2.1	0.0
Total	4.8	4.8	4.8
Current liabilities			
Companies with Bekken as significant shareholder	0.0	3.0	0.0
Inoplast s.r.o	0.5	-	0.6
Total	0.5	3.0	0.6

Note 04 Segment information

Operating segments are reported in a manner that corresponds with the internal reporting submitted to the chief operating decision-maker. The Executive Committee constitutes the chief operating decision maker for the BEWI group and takes strategic decisions in addition to evaluating the group’s financial position and earnings. Group Management has determined the operating segments based on the information that is reviewed by the Executive Committee and used for the purposes of allocating resources and assessing performance. The Executive Committee assesses the operations based on four operating segments: RAW, Insulation, Packaging & Components and Circular. As from Q3 2021 Circular is reported as a separate segment. It was until then included in Unallocated. The comparative numbers have been updated accordingly. Sales between segments take place on market terms.

million EUR	Q1 2022	Q1 2021	2021
RAW			
Segment revenue	100.4	64.2	347.9
Intra-group revenue	-31.9	-19.8	-104.6
Revenue from external customers	68.5	44.4	243.3
Insulation			
Segment revenue	62.4	40.7	195.4
Intra-group revenue	-1.0	-0.6	-2.8
Revenue from external customers	61.4	40.1	192.7
Packaging and Components			
Segment revenue	91.7	62.3	295.6
Intra-group revenue	-2.8	-0.6	-6.9
Revenue from external customers	88.9	61.7	288.7
Circular			
Segment revenue	11.4	2.7	24.0
Intra-group revenue	-0.2	-0.1	-0.6
Revenue from external customers	11.3	2.7	23.4

million EUR	Q1 2022	Q1 2021	2021
Unallocated			
Segment revenue	0.1	0.0	0.1
Intra-group revenue	0.0	0.0	0.0
Revenue from external customers	0.1	0.0	0.1
Total			
Total segment revenue	266.0	170.0	863.1
Total Intra-group revenue	-35.8	-21.1	-114.9
Total revenue from external customers	230.2	148.9	748.2

Each segment sells products that are similar in nature. External revenue for the different segments also represents the group’s disaggregation of revenue.

million EUR	Q1 2022	Q1 2021	2021
Adj. EBITDA			
RAW	19.4	3.2	54.1
Insulation	6.1	4.8	21.6
Packaging and Components	9.1	10.4	40.3
Circular	1.1	0.0	0.6
Unallocated	-1.3	-1.7	-7.6
Total adj. EBITDA	34.4	16.7	109.0
EBITDA			
RAW	19.4	3.2	54.2
Insulation	6.1	4.6	22.5
Packaging and Components	9.1	10.4	39.9
Circular	1.0	0.0	0.3
Unallocated	-3.7	-2.7	-11.4
Total EBITDA	31.9	15.5	105.5

million EUR	Q1 2022	Q1 2021	2021
EBITA			
RAW	18.4	2.3	50.0
Insulation	4.0	2.6	14.6
Packaging and Components	4.6	6.7	23.3
Circular	0.7	-0.2	-0.7
Unallocated	-3.9	-2.8	-11.8
Total EBITA	23.9	8.6	75.4
EBIT			
RAW	18.4	2.2	49.6
Insulation	3.5	2.1	12.6
Packaging and Components	3.4	5.7	18.8
Circular	0.7	-0.2	-0.7
Unallocated	-4.1	-2.9	-12.6
Total EBIT	21.8	6.8	67.8
Net financial items	-6.9	-6.4	-18.8
Income before tax	14.9	0.4	49.0

External revenue by country (buying company’s geography)

million EUR	Q1 2022	Q1 2021	2021
Total Finland	8.6	6.8	34.0
Total Sweden	15.7	14.8	62.2
Total Denmark	17.4	13.3	61.9
Total Norway	43.6	35.2	154.1
Total Portugal & Spain	15.4	9.3	45.0
Total Iceland	7.0	4.2	22.0
Total Baltics	3.5	2.7	14.3
Total UK	5.9	3.9	20.2
Total Germany	21.4	10.3	58.0
Total Poland	13.3	5.7	39.0
Total Russia	6.7	2.7	29.2
Total Netherlands	36.7	25.5	117.3
Total Belgium	10.2	2.5	13.6
Total France	8.6	4.2	28.4
Total Other	16.1	7.8	49.2
Total Group	230.2	148.9	748.2

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

million EUR	Q1 2022	Q1 2021	2021
Attributable to operations	-5.3	-4.1	-18.8
Attributable to IFRS 16	-2.3	-2.4	-9.9
Attributable to fair value adjustments in business combinations	-2.4	-2.2	-9.0
Total	-10.0	-8.7	-37.8

Note 06 The group's borrowings

million EUR	31 Mar 2022	31 Mar 2021	31 Dec 2021
Non-current liabilities			
Bond loan	246.2	138.2	246.1
Liabilities to credit institutions	9.2	1.1	9.8
Liabilities leases	65.0	68.3	66.1
Total	320.4	207.6	322.0
Current liabilities			
Liabilities to credit institutions	5.2	0.6	3.0
Liabilities leases	12.5	12.4	13.0
Overdraft	-	11.5	0.8
Total	17.7	24.5	16.7
Total liabilities	338.1	232.1	338.7
Cash and cash equivalents	123.9	53.5	142.3
Net debt including IFRS 16 impact	214.2	178.6	196.4
Subtracting liabilities capitalised in accordance with IFRS 16			
Non-current liabilities leases	63.6	67.0	65.0
Current liabilities leases	11.4	11.0	11.1
Total	75.0	78.0	76.1
Net debt excluding IFRS 16 impact	139.2	100.6	120.3

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

The group’s loan structure

As of 31 March 2022, the Group have one bond loan outstanding. The bond is unsecured and linked to a sustainability framework, matures on 3 September 2026, with the possibility for BEWI to unilaterally decide on early redemption after 3 March 2025 of 50 per cent of the bond outstanding at that date. The main term for the bond outstanding during the year are presented in the table below.

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

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

Bond loans	Interest terms	Nominal interest 1 Jan–31 Mar 2022	Average interest 1 Jan–31 Mar 2022
EUR 250 million	Euribor 3m + 3.15%	2.58 – 2.62%	3.05%

The group also has an overdraft facility of EUR 80 million granted by two banks. As of 31 March, nothing of that overdraft facility was utilised. In addition, the group has a number of liabilities in acquired companies, such as liabilities to credit institutions and minor overdraft facilities and liabilities for lease contracts, that have not been refinanced post-acquisition.

Pledged assets

In total the group has pledged asset amounted to EUR 63.1 million for interest bearing liabilities in acquired companies as described above. The bond loan and the revolving credit facility (RCF) are unsecured.

Contingent liabilities

Guarantees issued to suppliers amounted to EUR 27.8 million.

Note 07 Fair value and financial instruments

million EUR	Level 1	Level 2	Level 3	Total	Carrying amount
Financial assets measured at fair value through profit and loss					
Participation in other companies	9.5	-	0.5	10.1	10.1
Derivative asset	-	-	-	-	-
Total	9.5	-	0.5	10.1	10.1
Financial liabilities measured at amortised cost					
Derivative liability	-	4.8	-	4.8	4.8
Other financial non-current liabilities	-	-	6.7	6.7	6.7
Total	-	4.8	6.7	11.5	11.5
Financial liabilities measured at fair value through profit and loss					
Bond loans	246.3	-	-	-	246.2
Total	246.3	-	-	-	246.2

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

Level 3 – Changes during the period (EUR million)	Participation in other companies	Other financial non-current liabilities
As of 31 December 2021	0.6	3.8
Fair value adjustment through profit and loss	-0.1	2.9
As of 31 March 2022	0.5	6.7

Other financial non-current liabilities of EUR 6.7 million corresponds to the estimated value of option to acquire a non-controlling interest in BEWI Cellpack A/S (former Honeycomb Cellpack A/S).

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

Note 08 Business combinations

IZOBLOK S.A.

On 2 November 2021, BEWI launched a tender offer for the acquisition of all outstanding shares in IZOBLOK. The offer was completed on 31 January 2022. Under the tender offer, BEWI received acceptances for a total of 121 870 shares at a price per share of PLN 50.41, amounting to a total consideration of approximately EUR 1 350 000. Settlement of the transaction was completed on 7 February 2022.

After this transaction, BEWI owns (indirectly) 64.28 per cent of the shares, corresponding to 73.21 per cent of the voting rights in IZOBLOK.

Note 09 Business combinations after the close of the period

Acquisition of Trondhjems Eskefabrikk

On 12 April 2022, BEWI announced that it had signed an agreement to acquire the Norwegian paper packaging company Trondhjems Eskefabrikk AS.

Acquisition to become 100 per cent owner of leading UK based insulation and packaging company Jablite Group

On 16 May 2022, BEWI announced that the company has acquired the remaining 51 per cent of Jablite Group, with an annual turnover of approximately GBP 40 million. BEWI first announced its acquisition of 49 per cent of Jablite in June 2020.

In 2020, Jablite initiated a comprehensive restructuring programme, including closure of two facilities to optimise the production footprint, in addition to several other cost initiatives. The programme has resulted in significant profitability improvement and Jablite has grown to become a leading provider of insulation and packaging solutions in the UK, with EBITDA margin in the range of 5 to 10 per cent.

Jablite currently operates three facilities in the UK, and the operations complement the UK based operations of Jackon well.

The current management of Jablite, including managing director Richard Lee and finance director John Cooper will continue in their roles going forward.

The total consideration for the 51 per cent of Jablite is approximately GBP 10 million and is settled in cash.

Note 10 Shares in associates

BEWI has four interests in Shares in associates; HIRSCH Porozell GmbH, HIRSCH France SAS, Jablite Group Ltd and Inoplast S.R.O. BEWi 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 1.8 million. The table below presents key aggregated financial data as reflected in BEWI's consolidated accounts.

million EUR (except percentages and sites)	Total
Number of production sites	16
Book value as of 31 March 2022	14.3
Key financials for the first quarter of 2022	
Net Sales Q1 2022	68.1
EBITDA Q1 2022	6.2
Of which owned share of EBITDA	2.2
EBIT	2.6
Net Profit	1.8
Consolidated into BEWi's EBITDA, share of Net profit	0.7
BEWi's share of EBITDA minus impact on consolidated EBITDA	1.5
Net debt	33.9
Of which owned share Net Debt	12.6

Note 11 Earnings per share

	Q1 2022	Q1 2021	2021
Profit for the period attributable to parent company shareholders (million EUR)	8.5	-1.1	35.7
Average number of shares	156 715 671	148 410 874	153 336 017
Effect of options to employees	1 432 136	-	780 351
Diluted average number of shares	158 147 807	148 410 874	154 116 368
Earnings per share (EPS), basic (EUR)	0.05	-0.01	0.23
Earnings per share (EPS), diluted (EUR)	0.05	-0.01	0.23
Earnings per share (EPS), basic (NOK)	0.54	-0.08	2.37
Earnings per share (EPS), diluted (NOK)	0.54	-0.08	2.36

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

The number shares outstanding have increased from 156 610 804 to 157 039 804 compared to 31 December 2021 in one new share issues done in March 2022. Earnings per share is calculated by dividing profit attributable to parent company shareholders by the weighted number of ordinary shares during the period.

Note 12 Five-year summary

million EUR (except percentage)	2021	2020	2019	2018	2017
Net sales	748.2	462.6	429.9	380.7	194.8
Operating income (EBIT)	67.8	39.5	20.3	13.7	3.6
EBITDA	105.5	70.0	48.0	28.6	8.9
EBITDA margin (%)	14.1%	15.1%	11.1%	7.5%	4.6%
Adjusted EBITDA	109.0	65.0	51.8	30.9	11.4
Adj. EBITDA margin (%)	14.6%	14.0%	12.1%	8.1%	5.9%
Items affecting comparability	-3.4	5.0	-3.9	-2.3	-2.5
EBITA	75.4	45.8	27.5	18.3	4.5
EBITA margin (%)	10.1%	9.9%	6.4%	4.8%	2.2%
Adjusted EBITA	78.8	40.8	31.4	20.7	7.0
Adj. EBITA margin (%)	10.5%	8.8%	7.3%	5.4%	3.6%
Net profit/loss for the period	34.4	30.0	5.6	1.6	4.2
Cash flow from operating activities	67.4	33.2	35.9	17.6	7.4
Capital Expenditure (CAPEX)	-34.7	-26.6	-14.3	-13.8	-10.0
Average capital employed	409.6	322.0	301.1	183.2	86.2
Return on average capital employed (ROCE) %	19.2%	12.6%	10.4%	11.3% ¹	8% 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 depreciations, EUR -2.5 million on financial expenses, EUR 0.1 million on income tax and EUR -0.3 million on net profit.

¹ without IFRS 16 effects

Note 13 Quarterly data

million EUR (except percentage)	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net sales	230.2	208.2	193.0	198.1	148.9	130.2	122.1	105.1	105.1
Operating income (EBIT)	21.8	13.8	24.9	22.3	6.8	10.6	10.6	11.9	6.5
EBITDA	31.9	24.5	34.5	31.1	15.5	19.5	18.1	18.7	13.7
EBITDA margin (%)	13.8%	11.8%	17.9%	15.7%	10.4%	15.0%	14.8%	17.8%	13.1%
Adjusted EBITDA	34.4	26.4	34.2	31.6	16.7	16.4	17.9	15.8	14.8
Adj. EBITDA margin (%)	14.9%	12.7%	17.7%	16.0%	11.2%	12.6%	14.7%	15.0%	14.1%
Items affecting comparability	-2.5	-2.0	0.3	-0.5	-1.2	3.1	0.1	2.9	-1.0
EBITA	23.9	15.7	27.0	24.2	8.6	12.4	12.1	13.3	8.0
EBITA margin (%)	10.4%	7.5%	14.0%	12.2%	5.8%	9.5%	9.9%	12.7%	7.6%
Adjusted EBITA	26.4	17.6	26.7	24.7	9.8	9.4	12.0	10.4	9.0
Adj. EBITA margin (%)	11.5%	8.5%	13.8%	12.5%	6.6%	7.2%	9.8%	9.9%	8.6%
Net profit/loss for the period	8.2	9.0	11.9	14.4	-1.0	13.5	5.7	8.5	2.3
Cash flow from operating activities	-14.2	34.5	31.2	1.4	0.1	19.9	10.8	7.3	-4.9
Capital Expenditure (CAPEX)	-5.2	-12.2	-7.2	-8.5	-6.9	-15.1	-4.9	-3.5	-3.1
Average capital employed	434.0	409.6	388.6	362.7	340.6	322.0	308.3	300.8	301.9
Return on average capital employed (ROCE) %	22.0%	19.2%	18.1%	15.4%	12.2%	12.6%	11.5%	10.4%	10.6%



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