Q4 2022

Quarterly report

BEWI

Contents

Highlights[1]

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

Fourth quarter of 2022

- Net sales up by 32 per cent to EUR 275.7 million (208.2), of which a 4 per cent negative organic growth
- Adjusted EBITDA of EUR 24.4 million (26.4)
- Closing of the acquisition of Jackon Holding
- Completion of first phase of divestment of industrial real estate portfolio, valued at approx. NOK 900 million
- Acquisition of Spanish insulation company Aislenvas
- Dividends of NOK 1.10 per share distributed in November, based on the 2021 results
- Settlement agreement with the European Commission of EUR 17.2 million related to Synbra in 2013, five years prior to BEWI's acquisition of Synbra

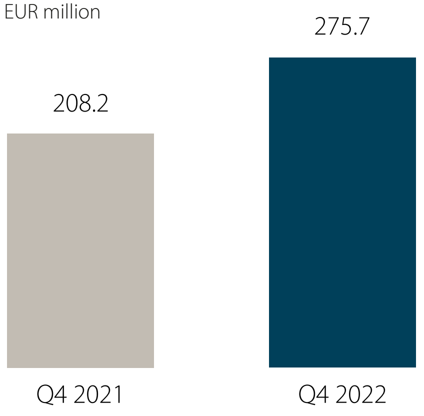
Highlights for the full year 2022

- Net sales up by 40 per cent to EUR 1 050.4 million (748.2), of which 16 per cent organic growth
- Adjusted EBITDA of EUR 133.6 million (109.2)
- Completed seven acquisitions in 2022, adding approx. EUR 600 million and EUR 40 million in annual revenue and EBITDA respectively
- The board of directors proposes a dividend of NOK 0.60 per share, in line with the dividend policy

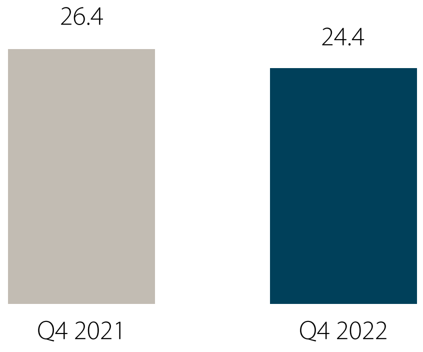
Subsequent events

- Initiated measures to adjust capacity and reduce costs in Nordic Insulation business to improve profitability, with estimated annual savings of approx. EUR 5 million

Net sales
EUR million



Adj. EBITDA
EUR million



15%
ROCE[2]
Target ~20%

2.7x
NIBD/Adj. EBITDA[3]
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 20 and 21
[2] ROCE: Rolling 12 months adjusted EBITA 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 figures[1]

Amounts in million EUR (except percentage)	Q4 2022	Q4 2021	2022	2021
Net sales	275.7	208.2	1 050.4	748.2
Operating income (EBIT)	-10.7	13.8	68.0	67.8
EBITDA	4.0	24.5	115.2	105.5
EBITDA margin (%)	*1.5%*	*11.8%*	*11.0%*	*14.1%*
Adjusted EBITDA	24.4	26.4	133.6	109.0
Adj. EBITDA margin (%)	*8.8%*	*12.7%*	*12.7%*	*14.6%*
Items affecting comparability	-20.4	-2.0	-18.3	-3.4
Adjusted EBITA	13.0	17.6	96.1	78.8
Adj. EBITA margin (%)	*4.7%*	*8.5%*	*9.1%*	*10.5%*
Net profit/loss for the period	-7.8	9.0	35.4	34.4
Earnings per share, basic (EUR)	-0.05	0.06	0.21	0.23
Earnings per share, diluted (EUR)	-0.05	0.06	0.21	0.23
Earnings per share, basic (NOK)	-0.48	0.62	2.12	2.37
Earnings per share, diluted (NOK)	-0.48	0.62	2.10	2.36
Capital Expenditure (CAPEX)	-20.4	-12.2	-43.7	-34.7
Return on average capital employed (ROCE)%	*15.3%*	*19.2%*	*15.3%*	*19.2%*
Total number of outstanding shares	*191 347 992*	*156 610 804*	*191 347 992*	*156 610 804*

[1] Definitions of alternative performance measures not defined by IFRS are included on page 18

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Comments from the CEO

Delivering solid results in continued challenging markets

We are very pleased to deliver another quarter with growth and solid results, despite challenging market conditions. For the fourth quarter of 2022, BEWI recorded net sales of 276 million euro, an increase of 32 per cent over the same quarter of 2021, with an adjusted EBITDA of 24 million euro, compared to 26 million euro for the fourth quarter last year.

For the full year of 2022, we recorded net sales of 1 050 million euro, an increase of 40 per cent over 2021, including 17 per cent organic growth following price increases and additional volumes at the new Senja facility. Adjusted EBITDA was 134 million for the full year, up 23 per cent from the previous year, of which approximately half of the growth was organic.

We put behind us a year with a record-high level of growth activities. From annual sales of 748 million euro in 2021, we more than double this when we close off 2022 with annual pro forma sales of more than 1 500 million euro, including full effect of the seven acquired companies. Through the acquisitions, we have significantly strengthened our market positions, expanded into the Baltics and Spain, broadened our product offering, and further developed our recycling platform, all in line with our strategic priorities. In addition, our new fish box facility at Senja contributed positively to the growth and we have invested in several other organic growth initiatives.

In the fourth quarter, we experienced large variations in market demand between segments and regions. As expected, the building and construction industry has shown reduced activity, especially in the Nordics, impacting volumes for segment RAW and Insulation. Food packaging remains stable, and we see clear signs of improvement for the automotive industry, although still with uncertainties related to customer's production volumes.

EPS raw material prices decreased approximately 20 per cent from the third to the fourth quarter of 2022. This resulted in a margin shift from segment RAW to the downstream segments, in line with our communicated outlook in the third quarter report. We are especially pleased to record a significantly improved EBITDA margin for the Insulation segment, excluding Jackon, given the current market conditions, thanks to a continued solid market in the Benelux, combined with strong price management.

Going forward, we intend to continue focusing on integrating acquired companies, in parallel with strict cost control and adjusting our production capacity to the current market conditions.

In October, we could finally complete the acquisition of Jackon. The closing of the transaction took significantly longer than first predicted, and this has been demanding on the organisation. Since the closing, we have been fully focused on integration, including extracting identified synergies. and implementing measures to improve profitability. Jackon's insulation business had a negative contribution for the fourth quarter, mainly due to lack of price adjustments to compensate for the higher cost level. We are disappointed with Jackon's performance for 2022. However, we are currently implementing several measures to address the situation, including reducing capacity to current demand, reduce costs, and implement BEWI's pricing model.

We remain very comfortable with our communicated range for synergies of more than 15 million euro, and we also remain very comfortable with the quality of Jackon as a company. Jackon is well-invested, with strong market positions and well-known brands.

Once again, we have had a year characterised by challenging market conditions, including volatile raw material prices, high inflation, and high uncertainty. And once again, our organisation proves it possible to consistently deliver solid results through hard work, dedication, and good judgement. We are in particularly pleased with how our continued efforts on price management and cost control yields sustainable profitability margins.

Going forward, our key priorities are to integrate acquired companies and extract synergies, adjust capacity to the current market conditions and as mentioned above, implement measures to improve profitability in our Nordic insulation business.

It is difficult to predict the outlook for the rest of the year, in particular the development of the building and construction industry, of which approximately 60 per cent of our business is exposed. We expect the demand from this industry to be down approximately 10 per cent from 2022, but remain confident in the long-term potential for our insulation solutions, supported by strong underlying fundamentals, including the need to improve energy efficiency in buildings and related regulations. The demand for our packaging and components remains stable, with continued positive contribution from organic initiatives and M&As.

BEWI's business model, including the diversified exposure to end markets, combined with our strong organisation, makes us well positioned in the current challenging markets.

Trondheim, 15 February 2023

Christian Bekken, CEO BEWI ASA

Financial review

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

Profit and loss

Fourth quarter of 2022

Net sales amounted to EUR 275.7 million for the fourth quarter of 2022 (208.2), corresponding to an increase of 32.4 per cent. The contribution from the existing business (organic) was negative 4.2 per cent, while acquisitions and divestments contributed to a growth of 39.1 per cent and currency effects contributed a negative 2.5 per cent.

As expected, the upstream segment RAW recorded lower sales compared to the fourth quarter last year, due to lower volumes and lower prices, while both downstream segments and segment Circular demonstrated organic growth, mainly following price adjustments.

Adjusted EBITDA came in at EUR 24.4 million for the quarter (26.4), representing a decrease of 7.8 per cent. The organic growth was negative 19.7 per cent, while acquisitions and divestments contributed net 12.2 per cent. Currency had a negative effect of 0.2 per cent.

The negative organic growth is mainly explained by lower volumes and prices in segment RAW, partly offset by improved contribution from segments Insulation and Packaging & Components (P&C). All segments have demonstrated strong price management to compensate for the higher cost level.

The adjusted EBITDA margin was 8.8 per cent for the quarter (12.7). The decrease in margin compared to the corresponding quarter of 2021, is mainly explained by the negative contribution from Jackon's insulation division, and the lower margins for segment RAW, following lower volumes and lower prices, in line with the outlook communicated last quarter.

For more information on the development in net sales and EBITDA, see explanations under each segment and the revenue and EBITDA bridges on page 20 and 21.

Operating income (EBIT) was negative EUR 10.7 million for the quarter (13.8), whereas the reduction from the corresponding quarter last year mainly relates to a EUR 17.2 million settlement agreement with the European Commission (see further description under "Other important events"). EBIT for this quarter was positively impacted by a EUR 1.1 million gain from revaluation of shares in the recycling company Inoplast, following BEWI's acquisition of the remaining 66 per cent and the subsequent consolidation of that company.

Net financial items amounted to a negative EUR 6.5 million for the quarter (-1.5). The higher financial expenses are mainly explained by increased interest rates and increased interest-bearing debt following acquisitions. The period was negatively impacted by a EUR 0.2 million fair value adjustment of shares in the listed real estate company KMC Properties ASA (2.4).

Taxes amounted to a positive EUR 9.5 million (-3.2). The positive tax amount is explained by a EUR 11.5 million net tax income related to the sale and leaseback transactions with KMC Properties in the Nordics during the fourth quarter. This offset the negative impact on the effective tax rate from the non-deductible settlement agreement with the European Commission.

Net result for the fourth quarter of 2022 ended at a negative EUR 7.8 million (9.0).

Full year 2022

Net sales increased to EUR 1 050.4 million in 2022 (748.2), corresponding to an increase of 40.4 per cent, of which 24.4 per cent was driven by the net of acquisitions and divestments and 16.5 per cent was organic growth, mainly following price increases.

Adjusted EBITDA ended at EUR 133.6 for the full year (109.0), an increase of 22.6 per cent, of which 11.5 per cent was net of acquisitions and divestments, and 10.7 per cent was organic growth. All segments except Circular contribute positively to the organic growth. The adjusted EBITDA margin for the year ended at 12.7 per cent (14.6)

Operating income (EBIT) came in at EUR 68.0 million for the period (67.8). In 2022, EBIT was positively impacted by the EUR 9.6 and EUR 1.1 million gain from revaluation of shares in Jablite and Inoplast, respectively, following BEWI's acquisition of the remaining shares in these companies and the subsequent consolidations. EBIT was negatively impacted by the EUR 17.2 million settlement agreement with the European Commission, as explained above.

Net financial items amounted to a negative EUR 25.5 million for the year (-18.8). As for the quarter, the increased financial expenses are a result of higher interest rates and increased interest-bearing debt from acquired companies. The period was also negatively impacted by a EUR 3.7 million fair value adjustment of shares in the listed real estate company KMC Properties ASA (-0.5) and a EUR 2.9 million revaluation of an option to acquire a minority shareholding (-0.0).

Taxes amounted to a negative EUR 7.2 million for the year (-14.6). The main factors impacting the effective tax rate are the positive tax effect related to the sale and leaseback transactions and the settlement agreement with the European Commission.

Net profit for 2022 was EUR 35.4 million (34.4).

Key acquisitions 2022

Period	Company	Region	Annual sales [1]	Annual EBITDA	Segment [2]	Date of consolidation
Q2 2022	Trondhjems Eskefabrikk	Norway	EURm ~15.5	EURm ~3.4	Packaging	1 May 2022
	Jablite Group	UK	EURm ~58.6	EURm ~3.3	Packaging (24%) and Insulation (76%)	1 June 2022
	Berga Recycling	Global	EURm ~34.5	EURm ~2.2	Circular	1 June 2022
Q3 2022	BalPol	Baltics	EURm ~34.7	EURm ~3.3	Insulation	1 Sept 2022
Q4 2022	Jackon Holding	Europe	EURm ~423	EURm ~24.2	RAW (13%), Packaging (14%) and Insulation (73%)	1 Nov 2022
	Aislenvas	Spain	EURm ~18.3	EURm ~3.5	Insulation	31 Dec 2022
	Inoplast	Czech	EURm ~6.6	EURm ~0.3	Circular	31 Dec 2022
Total			EURm ~591.2	EURm ~40.2		

[1] Annual sales and EBITDA for the full year 2022
[2] Percentage split of annual sales. Jackon's segment RAW is presented after elimination of intercompany sales

Segment RAW

GAP remained solid, volumes impacted by reduced demand from building and construction industry

Segment RAW develops and produces white and grey expanded polystyrene (EPS), extruded polystyrene (XPS), general purpose polystyrene (GPPS), as well as Biofoam, a fully bio-based particle foam. The raw material is sold internally and externally for production of end products. BEWI produces raw material at 3 facilities in Finland (Porvoo), the Netherlands (Etten-Leur) and Germany (Wismar).

Acquisitions affecting comparability

Jackon was consolidated into BEWI's accounts from 1 November 2022.

Fourth quarter of 2022

Net sales for segment RAW amounted to EUR 87.7 million for the quarter (92.9), a decrease of 5.6 per cent. The acquisition of Jackon contributed to a positive 13.4 per cent growth, while lower volumes and reduced sales prices contributed a negative 19.0 per cent.

The lower volumes are explained partly by lower demand from the building and construction industry, in particular in the Nordics, combined with lower customer activity due to expectations of decrease in Styrene prices.

Styrene raw material prices continued to decrease throughout the fourth quarter (from the end of the third quarter), and market prices for EPS raw material averaged approximately 20 per cent lower in the fourth quarter than the third quarter this year.

Adjusted EBITDA came in at EUR 6.5 million for the fourth quarter of 2022 (15.6), mainly due to lower volumes as explained above. The GAP (i.e., styrene gross profit) was in line with the fourth quarter last year. However, the cost of other additives, such as pentane, has increased, impacting the contribution margin. Further, the segment has had an increase in fixed costs throughout the year, partly related to investment programmes, such as implementation of a new ERP system and a new extrusion line, and partly due to a general increase in costs following inflation.

The GAP (i.e., styrene gross profit) was in line with the fourth quarter last year.

Full year 2022

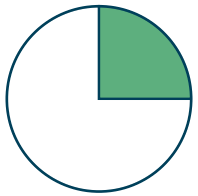
Net sales for segment RAW for the full year of 2022 were EUR 418.0 million (347.9), up by 20.1 per cent from 2021, explained by increased sales prices.

Adjusted EBITDA ended at EUR 57.0 million for the full year (54.1). The improvement primarily relates to a strengthened GAP.

Amounts in million EUR (except percentage)	Q4 2022	Q4 2021	2022	2021
Net sales	87.7	92.9	418.0	347.9
Of which internal	*34.8*	*26.0*	*142.0*	*104.6*
Of which external	*52.9*	*66.9*	*276.0*	*243.3*
Net operating expenses	-81.2	-77.3	-361.0	-293.9
Adjusted EBITDA	6.5	15.6	57.0	54.1
Adjusted EBITDA %	7.4%	16.8%	13.6%	15.5%
Items affecting comparability	-17.1	0.1	-17.0	0.1
EBITDA	-10.6	15.7	40.0	54.2
Depreciations	-1.1	-1.4	-4.3	-4.2

19%

of total net sales[1] in Q4 2022



25%

of total adj. EBITDA[2] in Q4 2022

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

Segment Insulation

Stable demand & higher prices in Benelux results in organic growth, despite challenging Nordic markets

Segment Insulation develops and manufactures an extensive range of insulation products for the construction industry. The products are primarily composed of EPS and XPS. The Nordic markets account for approximately 40 per cent of the sales, whereas other European countries account for the remainder. As per 31 December 2022, and following recent acquisitions, BEWI operated 28 facilities in 11 countries producing insulation solutions. In addition, BEWI has minority interests in 5 facilities in France and 6 facilities in Germany.

Acquisitions affecting comparability

Kemisol was consolidated from 1 December 2021, Jablite from 1 June 2022, BalPol from 1 September 2022, and Jackon from 1 November 2022. Aislenvas is consolidated from 31 December 2022.

Fourth quarter of 2022

Net sales came in at EUR 106.5 million for the quarter (49.7), an increase of 114.1 per cent. The segment had organic growth of by 4.8 per cent, while currency effects contributed a negative 1.5 per cent for the quarter. The organic growth is driven by higher sales prices which offset the weaker markets and reduced volumes, primarily in the Nordics, as communicated the previous quarter.

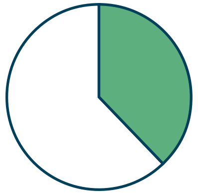
Adjusted EBITDA increased with EUR 3.2 million and ended at EUR 7.5 million for the quarter (4.3), an increase of 73.8 per cent. Of this, organic growth was 71.6 per cent, i.e., EUR 3.1 million primarily related to price increases and solid markets in Benelux this year.

Excluding acquisitions and divestments, BEWI's EBITDA margins for the segment significantly improved from 7.9 per cent the previous quarter to 14.6 per cent this quarter, which is one of the company's strongest fourth quarters ever. The improvement is in line with what was communicated in the company's third quarter outlook and is mainly a result of lower raw material prices.

Within the Insulation segment, BEWI experiences geographical variations when it comes market conditions, with more challenging markets in the Nordics and the Baltics.

Jackon's insulation business had a negative EBITDA margin of 2.3 per cent for the fourth quarter. The poor margin can mainly be explained by: (1) A majority of Jackon's net sales come from the Nordics (approx. 65 per cent), where the construction market has been significantly slower for the second half of 2022, lack of price adjustments to compensate for the higher cost level.

Amounts in million EUR (except percentage)	Q4 2022	Q4 2021	2022	2021
Net sales	106.5	49.7	333.9	195.4
Of which internal	*0.7*	*0.9*	*4.0*	*2.8*
Of which external	*105.8*	*48.8*	*329.9*	*192.7*
Net operating expenses	-99.0	-45.4	-302.8	-173.9
Adjusted EBITDA	**7.5**	**4.3**	**31.1**	**21.6**
Adjusted EBITDA %	7.1%	8.7%	9.3%	11.0%
Items affecting comparability	-4.0	0.7	2.5	0.9
EBITDA	**3.5**	**5.0**	**33.6**	**22.5**
Depreciations	-4.3	-2.0	-11.3	-7.9



38%

of total net sales[2] in Q4 2022

29%

of total adj. EBITDA[3] in Q4 2022

1 Including November and December which were consolidated into BEWI's accounts
2 Based on revenues from external customers
3 Based on total adj. EBITDA for operating segments

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Since the acquisition of Jackon was completed in October 2022, several initiatives have been implemented to improve the profitability.

Other acquired companies contributed positively to the company's adjusted EBITDA for the fourth quarter.

The contribution from associated companies for the quarter was reduced from EUR 0.7 million last year, to EUR 0.0 million this year, mainly explained by a softer market in France and Italy.

Full year 2022

Net sales amounted to EUR 333.9 million for the full year of 2022 (195.4), an increase of 70.8 per cent. Of this, 25.2 per cent was organic growth mainly driven by increased sales prices. Acquisitions and divestments contributed net 46.2 per cent for the full year.

Adjusted EBITDA increased with EUR 9.5 million and amounted to EUR 31.1 million (21.6). This represents an increase of 44.3 per cent, of which 29.5 per cent, i.e., EUR 6.4 million, was organic growth.

Segment Packaging & Components (P&C)

Improved EBITDA, following stable demand, increased activity at Senja, and good price management

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. In addition, the company sells traded products, mainly related to food packaging. As per 31 December 2022, BEWI operated 35 facilities in 9 countries producing P&C components.

Acquisitions affecting comparability

Trondhjems Eskefabrikk was consolidated from 1 May 2022, Styropack (packaging part of Jablite) from 1 June 2022, and Jackon from 1 November 2022.

Fourth quarter of 2022

Net sales amounted to EUR 104.4 million for the fourth quarter (88.0), an increase of 18.7 per cent. The segment had organic growth of 0.6 per cent, mainly explained by increased volumes at the new facility at Senja.

Sales to the automotive industry is gradually improving.

Adjusted EBITDA amounted to EUR 13.3 million for the fourth quarter this year (9.3), up by 42.9 per cent, of which organic growth was 22.1 per cent. The segment has successfully managed to adjust prices to compensate for the higher cost level. The organic growth, as well as the improved EBITDA margin, is mainly explained by the increased contribution from the Senja facility, lower raw material prices, and a positive development in profitability from sales to the automotive industry, following improved volumes and price adjustments.

Acquired companies contributed with healthy margins.

Full year 2022

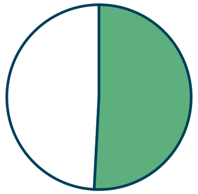
Net sales amounted to EUR 391.9 million (295.6), an increase of 32.6 per cent. Excluding acquisitions, sales increased by 11.5 per cent explained by increased sales prices in all regions, as well as increased volumes at the Senja facility.

Adjusted EBITDA amounted to EUR 48.3 million (40.3), up by 20.0 per cent. Excluding acquisitions, adjusted EBITDA increased by 7.9 per cent.

Amounts in million EUR (except percentage)	Q4 2022	Q4 2021	2022	2021
Net sales	104.4	88.0	391.9	295.6
Of which internal	*2.0*	*3.8*	*10.0*	*6.9*
Of which external	*102.5*	*84.1*	*381.9*	*288.7*
Net operating expenses	-91.1	-78.7	-343.6	-255.3
Adjusted EBITDA	13.3	9.3	48.3	40.3
Adjusted EBITDA %	12.7%	10.5%	12.3%	13.6%
Items affecting comparability	3.0	-0.7	4.9	-0.4
EBITDA	16.3	8.6	53.3	39.9
Depreciations	-5.4	-5.0	-19.7	-16.6

37%

of total net sales[1] in Q4 2022



51%

of total adj. EBITDA[2] in Q4 2022

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

Segment Circular

Improved volumes from acquisitions

Segment Circular is responsible for BEWI's collection and recycling of EPS. At year-end 2022, the group had a recycling capacity of approximately 29 000 tonnes and a collection run-rate of approximately 38 000 tonnes. BEWI has announced an annual target of recycling 60 000 tonnes of EPS by the end of 2026. 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. As per 31 December 2022, BEWI operated 7 recycling facilities in 6 countries.

Fourth quarter of 2022

Berga Recycling was consolidated from 1 June 2022. Inoplast was consolidated from 31 December 2022.

Net sales for segment Circular amounted to EUR 15.2 million for the quarter (8.7), an increase of 75.4 per cent. Of this, 47.7 per cent was organic growth. Currency had a negative effect of 3.3 per cent. Higher volumes compensated for lower prices and contributed to the organic growth. Net sales also benefitted from the sale of packing waste recovery notes, a special system applicable to the plastics industry in the UK.

Adjusted EBITDA amounted to a negative EUR 1.4 million for the quarter (-0.1). EBITDA was negatively affected by lower prices in the period. The supply chain for Circular is longer than for the other segments, and thus the segment is more sensitive to volatile raw material prices.

Full year 2022

Net sales for the year came in at EUR 63.1 million (24.0), up by 162.7 per cent from the same period last year, of which 46.9 per cent was organic growth coming from higher volumes and increased sales prices.

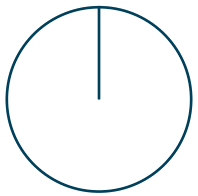
Adjusted EBITDA ended at EUR 2.5 million for year (0.6). The improvement relates to the acquisition of Berga Recycling.

In 2022, BEWI collected a total of 29 440 tonnes of EPS for recycling, including seven months of recycling volumes from Berga Recycling, representing an increase of 49.2 per cent since 2021.

Amounts in million EUR (except percentage)	Q4 2022	Q4 2021	2022	2021
Net sales	15.2	8.7	63.1	24.0
Of which internal	*0.6*	*0.3*	*0.7*	*0.6*
Of which external	*14.6*	*8.4*	*62.4*	*23.4*
Net operating expenses	-16.6	-8.7	-60.6	-23.4
Adjusted EBITDA	**-1.4**	**-0.1**	**2.5**	**0.6**
Adjusted EBITDA %	-9.1%	-1.0%	3.9%	2.5%
Items affecting comparability	1.1	-0.2	0.1	-0.3
EBITDA	**-0.3**	**-0.2**	**2.6**	**0.3**
Depreciations	-0.5	-0.3	-1.7	-1.0

5%

of total net sales[1] in Q4 2022



-5%

of total adj. EBITDA[2] in Q4 2022

[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 1.5 million (-2.7). For the full year of 2022, the contribution was negative EUR 5.4 million (-7.6).

Financial position and liquidity

Consolidated financial position

Total assets amounted to EUR 1 300.7 million on 31 December 2022, compared to EUR 785.7 million at year-end 2021.

Total equity amounted to EUR 429.8 million at the end of 2022 (262.2), equity ratio of 33.0 per cent (33.4).

Net debt amounted to EUR 550.7 million on 31 December 2022 (382.3 excluding IFRS 16), compared to EUR 196.4 million at year-end 2021 (120.3 excluding IFRS 16).

Cash and cash equivalents were EUR 47.5 million on 31 December 2022, compared to EUR 142.3 million at year-end 2021.

Consolidated cash flow

Cash flow from operating activities amounted to EUR 13.2 million for the fourth quarter of 2022 (34.5), including a decrease in working capital of EUR 3.9 million (decrease of 15.5). Although net working capital decreased during the period, the usual positive fourth quarter effect was limited.

For the full-year of 2022, cash flow from operating activities amounted to EUR 40.9 million (67.4), including an increase in working capital of EUR 46.9 million (6.8). The increase in working capital was mainly related to increased inventory levels in segment RAW and Circular and lower accounts payable which mainly was related to timing of styrene payments.

Cash flow used for investing activities amounted to a negative EUR 83.5 million for the fourth quarter of 2022 (-40.7). Capital expenditures were higher than for the same period of 2021, driven by specific projects and capital expenditures in acquired companies. Cash outflow from business acquisitions was mainly attributable to the Jackon acquisition. The quarter also noted a cash inflow from the real estate sale and leaseback transactions in the Nordics as well as the divestment of production facilities in connection with the closing of the Jackon transaction.

For 2022, cash flow from investing activities amounted to a negative EUR 179.7 million (-85.9). Capital expenditures were higher than for 2021, driven by specific projects and newly acquired companies. Cash outflow from business acquisitions noted a significant increase due to the many acquisitions during the year, of which the Jackon acquisition accounted for the biggest portion. The full year numbers were also largely impacted by the sale and lease back transactions and the divestments in connection with the Jackon transaction in the last quarter of the year.

Cash flow from financing activities came in at a positive EUR 51.2 million for the fourth quarter (positive 85.9). The cash inflow from borrowings for the quarter was mainly attributable to the utilisation of revolving credit facilities in connection with the Jackon acquisition. This was only partly offset by reduced leasing liabilities and dividends paid. The fourth quarter of 2021 was positively impacted by the bond refinancing that quarter.

For 2022, cash flow from financing activities amounted to a positive EUR 46.9 million (positive 107.3) and was dominated by the utilisation of the revolving credit facilities in connection with the Jackon acquisition and the dividends paid, as described above. The positive cash flow in 2021 was mainly from the bond refinancing and a new share issue.

Capital expenditures (CAPEX)

In the fourth quarter of 2022, investments continued according to plan. CAPEX totaled EUR 20.4 million (12.2). Of this, EUR 6.5 million related to greenfield – and other customer specific projects, such as the new packaging hub at Jøsnøya, Norway, investments for P&C in Skara, Sweden, a new extrusion line in Etten-Leur, compactors for segment Circular and investments into a new ERP system. EUR 4.2 million related to CAPEX in Jackon.

For the full year of 2022, CAPEX amounted to EUR 43.7 million (34.7), of which EUR 16.0 million related to greenfield and other customer specific projects.

Jackon recorded approximately EUR 17 million in CAPEX in 2022. The majority was related to investments in new production lines, to support organic growth, including construction board production, fully robotic production line for foundation elements, and production for underlayment for flooring products.

BEWI has announced an annual target for investments (CAPEX) of 2.5 per cent of net sales excluding greenfield projects, customer specific initiatives and ICT investments. For the full year of 2022, such investments accounted for 2.6 per cent.

Organisation

As of 31 December 2022, BEWI had 3 293 employees, compared to 2 097 on 31 December 2021. The increase mainly reflects acquisitions during the year.

Important events in the fourth quarter

Growth initiatives are a high priority for BEWI. The company invests in organic growth and has 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 March 2021, BEWI announced its plans to set up a new packaging facility on the Jøsnøya island, Hitra, Norway. The real estate group KMC Properties ASA is responsible for the development project, which commenced in May 2022.

BEWI has been rewarded a long-term supply agreement with the listed seafood company Mowi, the world's largest producer of Atlantic salmon. Under the contract, BEWI will supply fish boxes directly to Mowi's processing lines, with expected start in the second quarter of 2024.

Packaging & Components Sweden

In the first quarter of 2022, investments related to a HVAC (Heating Ventilation Air Condition) system for the customer Bosch was initiated at BEWI's facility in Skara, Sweden. Commercialisation started in the fourth quarter of 2022, with expectations of increased volumes of specific EPP components going forward.

New extruder in Etten-Leur

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

Insulation Benelux

In 2022, Jackon initiated an investment in a new production line for production of construction boards in Belgium. The production serves the European market, as well as the UK. The new production line will close to double current capacity. Production is expected to start in the second half of 2023.

ICT

BEWI has started implementation of a new modern IT platform, including an ERP system. Blueprints has been developed and the system will be implemented gradually throughout the group's segments and operating units based on clearly identified business benefits.

Acquisitions and divestments

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

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

In 2022, BEWI completed a total of seven acquisitions, including (1) the paper packaging company Trondhjems Eskefabrikk, (2) the UK based insulation and packaging company Jablite (previously owner of 49 per cent), (3) the recycling platform company Berga Recycling, (4) the Lithuanian insulation company BalPol, (5) the Norwegian packaging and insulation company Jackon Holding, (6) the Spanish insulation company Aislenvas and (7) the Czech recycling company Inoplast (previously owner of 34 per cent).

In addition, the company has increased its ownership from 51 to 100 per cent of the Danish paper packaging company Cellpack (previously named Honeycomb Cellpack) and divested real estate for approximately NOK 900 million. Below is an overview of the transactions completed in the fourth quarter of 2022.

Completion of acquisition of Jackon Holding

On 19 October, BEWI completed its acquisition of Jackon Holding, including issuance of 32 070 000 new shares directed to the Akselsen family and their investment company HAAS AS, as consideration for their 50 per cent holding of the shares of Jackon. The shares were subject to a 12-months lock-up from issuance. The shareholders that held the remaining 50 per cent received approximately NOK 1.3 billion in cash upon closing.

The approval of the transaction from the competition authority in Finland was conditional upon BEWI divesting two insulation facilities, located in Tarvasjoki and Ruukki. The divestments were completed on 24 October 2022.

In Norway, the approval was conditional upon divestments of Jackon's packaging facility in Alta and the share (63 per cent) of the packaging facility called Kasseriet in Gratangen. The divestments were completed on 26 October 2022.

Jackon was consolidated into BEWI's accounts from 1 November 2022. At the time of closing, Jackon had approximately 970 employees and owned 20 facilities in Norway, Sweden, Finland, Denmark, Germany, and Belgium.

BEWI maintains its previously communicated expectations of synergies of more than EUR 15 million.

Acquisition of Spanish insulation company Aislenvas

On 28 November 2022, BEWI entered an agreement to acquire 80 per cent of the Spanish insulation company Aislenvas.

Aislenvas operates three facilities, all in the same industrial area, manufacturing a variety of EPS-based solutions. The company's key products are insulation solutions, including EPS boards for underfloor heating and EPS panels for External Thermal Insulation Composite Systems (ETICS) used to improve the energy efficiency for building renovations.

For 2021, Aislenvas had revenues of approximately EUR 16 million, with an EBITDA of EUR 3.5 million.

The acquisition was completed on 7 December 2022, and the company will be consolidated into BEWI's accounts from 1 January 2023.

Acquisition to become 100% owner of recycling company Inoplast

In December 2022, BEWI acquired an additional 66 per cent of the Czech recycling company Inoplast, becoming owner of 100 per cent of the company.

BEWI first announced its acquisition of 34 per cent of Inoplast in March 2021.

Inoplast specialises in recycling of plastics, mainly expanded polystyrene (EPS), but also other types of plastics.

Closing of first tranche in divestment of industrial real estate portfolio

On 30 June 2022, BEWI announced that it had entered an agreement with KMC Properties ASA for the sale of up to 24 properties and one land plot, with a gross asset value of up to approximately NOK 2.0 billion.

In November 2022, the first tranche of the transaction was completed, including 11 properties and one land plot in Norway and Sweden valued at approximately NOK 900 million. Net of taxes, BEWI received approximately NOK 850 million in cash for the properties. In connection with the transaction, long term triple net rental agreements were entered for the properties.

Further, KMC Properties has an exclusive right to acquire the remaining part of the portfolio valued at up to NOK 1.1 billion, including, but not limited to properties in Belgium, Finland, and Denmark, within twelve months from the agreement was entered on 30 June 2022.

Other important events

Synbra concluding settlement agreement with the EU Comission

On 29 November 2022, BEWI announced that its subsidiary, Synbra, had concluded a settlement agreement with the European Commission entailing a payment of EUR 17.2 million. The settlement was related to Synbra's potential involvement in anticompetitive practices of styrene monomer purchasing during 2013 and 2014, i.e., five years prior to BEWI's acquisition of Synbra.

As part of the acquisition of Synbra, BEWI received customary warranties from the sellers of Synbra. BEWI intends to pursue the insurance for coverage, and subsequently potentially the sellers.

Implications of Russia's invasion of Ukraine

BEWI's exposure to Russia has been relatively modest, mainly 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 14.0 million for the full year 2022.

During the first quarter of 2022, BEWI stopped all sales of EPS beads to Russia. Sales to the Russian fishing vessels, mainly from the Norwegian operations, was stopped in the third quarter, following the Norwegian authorities' position.

For the full-year of 2022, the financial impact from sanctions and reduced business volume with Russia was limited to EUR 0.1 million in provisions for doubtful accounts and EUR 0.2 million in write-down of inventory ear-marked for Russian customers.

Share information

As of 31 December 2022, the total number of shares outstanding in BEWI ASA was 191 347 992, each with a par value of NOK 1. Each share entitles to one vote.

During the fourth quarter, the share was traded between NOK 43.50 and NOK 50.70 per share, with a closing price of NOK 45.90 on 30 December 2022.

Distribution of dividend

At BEWI's annual general meeting in June 2022, the general meeting authorised the board to resolve the distribution of a dividend of NOK 1.10 per share based on the approved annual accounts for 2021.

The dividends, amounting to a total of NOK 210.5 million, was distributed on 18 November 2022.

Events after the close of the quarter

Measures to adjust capacity and reduce costs in Nordic Insulation

Following the combination with Jackon, and in response to the current market conditions, BEWI has initiated measures to optimize its production footprint and reduce capacity to current demand. This includes reduced shifts at several facilities, and planned closure of facilities. In addition, the company is initiating measures to reduce the cost base of its Nordic Insulation division. In total, the company expects annual savings of approximately EUR 5 million.

Outlook

BEWI experienced large variations in market demand between segments and regions in the fourth quarter, and this has continued into the first quarter of 2023. Due to the current macro environment, markets are characterised by uncertainty. However, BEWI has proven its ability to manoeuvre well in volatile markets, and the company's integrated and diversified business model adds a shield in challenging markets.

The building and construction industry is showing reduced activity, especially in the Nordics. Approximately 60 per cent of BEWI's business is exposed to this industry. It is expected that demand from building and construction will be approximately 10 per cent lower for 2023 than for 2022. Still, the long-term demand for insulation solutions is supported by strong market fundamentals, including the need to improve energy-efficiency in buildings and related regulations. Food packaging is expected to remain stable, with positive contribution from organic initiatives and M&As, and demand for both technical and automotive components is solid.

Going forward, BEWI will continue focusing on integrating acquired companies, extract synergies, and adjust production capacity and cost level to the current market conditions.

Based on the company's financial position, investment plans and growth ambitions, the board of directors of BEWI proposes to the general meeting to pay a dividend of NOK 0.60 per share, in line with the company's dividend policy of 30 to 50 per cent of net profit. The dividends are proposed to be distributed following a sale of the company's real estate portfolio.

The board of directors remain confident in BEWI's robust business model, strong organisation, and the outlook for continued profitable and sustainable growth of the company.

Trondheim, Norway, 15 February 2023

The board of directors and CEO of BEWI ASA

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

Definitions of alternative performance measures not defined by IFRS

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

Reconciliation alternative performance measures

Alternative performance measures not defined by IFRS

million EUR (except percentage)	Q4 2022	Q4 2021	2022	2021
Operating income (EBIT)	-10.7	13.8	68.0	67.8
Amortisations	3.4	1.9	9.7	7.6
EBITA	-7.3	15.7	77.7	75.4
Items affecting comparability	20.4	2.0	18.3	3.4
Adjusted EBITA	13.0	17.6	96.1	78.8
EBITA	-7.3	15.7	77.7	75.4
Depreciations	11.3	8.8	37.5	30.1
EBITDA	4.0	24.5	115.2	105.5
Items affecting comparability	20.4	2.0	18.3	3.4
Adjusted EBITDA	24.4	26.4	133.6	109.0
Adjusted EBITA Rolling 12 months	96.1	78.8	96.1	78.8
Average capital employed	629.1	409.6	629.1	409.6
Return on average capital employed (ROCE)%	15.3%	19.2%	15.3%	19.2%

Items affecting comparability

million EUR	Q4 2022	Q4 2021	2022	2021
Severance, integration and restructuring costs	-0.7	-0.7	-1.6	-0.9
Transaction costs	-2.4	-2.3	-9.2	-4.4
Capital gains/losses from sale of fixed assets	2.1	0.1	2.3	0.0
Capital gain/losses from sale of subsidiary	-3.3	1.0	-3.3	1.0
Capital gain from sale of associated company	1.1	-	10.7	-
Recognition of negative goodwill in associate	-	-	-	0.9
Settlement agreement – European Commission	-17.2	-	-17.2	-
Total	-20.4	-2.0	-18.3	-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	%
Q4 2021	**92.9**		**49.7**		**88.0**		**8.7**		**0.0**		**-31.1**	**208.2**	
Acquisitions	12.5	13.4%	60.4	121.4%	18.4	20.9%	2.7	31.0%	-	-	-7.2	86.7	41.6%
Of which Jackon	*12.5*	*13.4%*	*38.6*	*77.6%*	*10.0*	*11.4%*	*0.0*	*0.0%*	*0.0*	*0.0%*	*-7.1*	*53.9*	*25.9%*
Other	*0.0*	*0.0%*	*21.8*	*43.8%*	*8.3*	*9.5%*	*2.7*	*31.0%*	*0.0*	*0.0%*	*0.0*	*32.7*	*15.7%*
Divestments	-	-	-5.2	-10.5%	-	-	-	-	-	-	-	-5.2	-2.5%
Currency	-	-	-0.7	-1.5%	-2.5	-2.8%	-0.3	-3.3%	0.0	-30.0%	-1.7	-5.2	-2.5%
Organic growth	-17.7	-19.0%	2.4	4.8%	0.6	0.6%	4.1	47.7%	0.0	155.0%	1.8	-8.8	-4.2%
Total increase/ decrease	-5.2	-5.6%	56.8	114.1%	16.4	18.7%	6.5	75.4%	0.0	125.0%	-7.0	67.5	32.4%
Q4 2022	**87.7**		**106.5**		**104.4**		**15.2**		**0.0**		**-38.1**	**275.7**	

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Intra-group revenue	Total net sales	%
2021	**347.9**		**195.4**		**295.6**		**24.0**		**0.1**		**-114.9**	**748.2**	
Acquisitions	12.5	3.6%	108.3	55.4%	62.2	21.0%	28.3	118.0%	-	-	-10.6	200.7	26.8%
Of which Jackon	*12.5*	*3.6%*	*38.6*	*19.7%*	*10.0*	*3.4%*	*0.0*	*0.0%*	*0.0*	*0.0%*	*-7.1*	*53.9*	*7.2%*
Other	*0.0*	*0.0%*	*69.8*	*35.7%*	*52.1*	*17.6%*	*28.3*	*118.0%*	*0.0*	*0.0%*	*-3.5*	*146.7*	*19.6%*
Divestments	-	-	-18.1	-9.2%	-	-	-	-	-	-	-	-18.1	-2.4%
Currency	-	-	-1.0	-0.5%	-0.2	-0.1%	-0.5	-2.1%	0.0	-10.3%	-1.7	-3.5	-0.5%
Organic growth	57.6	16.6%	49.2	25.2%	34.4	11.6%	11.3	46.9%	0.2	208.2%	-29.6	123.1	16.5%
Total increase/ decrease	70.1	20.1%	138.5	70.8%	96.3	32.6%	39.1	162.7%	0.2	197.9%	-41.9	302.2	40.4%
2022	**418.0**		**333.9**		**391.9**		**63.1**		**0.3**		**-156.8**	**1 050.4**	

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

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Total adjusted EBITDA	%
Q4 2021	15.6		4.3		9.3		-0.1		-2.7		26.4	
Acquisitions	1.2	7.5%	0.6	13.6%	2.3	24.3%	-0.1	107.1%	-0.1	5.0%	3.8	14.4%
Of which Jackon	*1.2*	*7.5%*	*-0.9*	*-20.6%*	*1.4*	*14.8%*	*0.0*	*0.0%*	*-0.1*	*5.0%*	*1.5*	*5.8%*
Other	*0.0*	*0.0%*	*1.5*	*34.3%*	*0.9*	*9.4%*	*-0.1*	*107.1%*	*0.0*	*0.0%*	*2.3*	*8.6%*
Divestments	-	-	-0.6	-13.3%	-	-	-	-	-	-	-0.6	-2.2%
Currency	-	-	0.1	1.9%	-0.3	-3.5%	0.1	-100.0%	0.1	-3.7%	-0.1	-0.2%
Organic growth	-10.3	-65.7%	3.1	71.6%	2.1	22.1%	-1.3	-1 538.1%	1.2	-44.3%	-5.2	-19.7%
Total increase/ decrease	-9.1	-58.2%	3.2	73.8%	4.0	42.9%	-1.3	1 545.2%	1.1	-43.0%	-2.1	-7.8%
Q4 2022	6.5		7.5		13.3		-1.4		-1.5		24.4	

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Total adjusted EBITDA	%
2021	54.1		21.6		40.3		0.6		-7.6		109.0	
Acquisitions	1.2	2.2%	4.4	20.3%	4.9	12.1%	3.6	610.9%	-0.1	1.8%	13.9	12.8%
Of which Jackon	*1.2*	*2.2%*	*-0.9*	*-4.1%*	*1.4*	*3.4%*	*0.0*	*0.0%*	*-0.1*	*1.8%*	*1.5*	*1.4%*
Other	*0.0*	*0.0%*	*5.3*	*24.4%*	*3.5*	*8.7%*	*3.6*	*610.9%*	*0.0*	*0.0%*	*12.4*	*11.4%*
Divestments	-	-	-1.4	-6.5%	-	-	-	-	-	-	-1.4	-1.3%
Currency	-	-	0.2	0.9%	0.1	0.3%	0.1	11.1%	0.0	0.0%	0.4	0.4%
Organic growth	1.8	3.3%	6.4	29.5%	3.1	7.6%	-1.8	-304.5%	2.3	-30.1%	11.7	10.7%
Total increase/ decrease	3.0	5.5%	9.5	44.3%	8.1	20.0%	1.9	317.4%	2.1	-28.3%	24.6	22.6%
2022	57.0		31.1		48.3		2.5		-5.4		133.6	

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

Consolidated condensed interim statement of income

million EUR	Q4 2022	Q4 2021	2022	2021
Revenues				
Net sales	275.7	208.2	1 050.4	748.2
Total operating income	275.7	208.2	1 050.4	748.2
Operating expenses				
Raw materials and consumables	-105.1	-83.9	-432.4	-304.9
Goods for resale	-32.0	-26.1	-136.1	-92.2
Other external costs	-85.4	-41.9	-229.9	-135.9
Personnel cost	-48.9	-33.6	-149.3	-116.2
Depreciation/amortisation and impairment of tangible and intangible assets	-14.7	-10.7	-47.2	-37.8
Share of income from associated companies	-0.1	0.7	2.8	5.7
Capital gain/loss from sale of assets and sale of business	-0.2	1.1	9.7	1.0
Total	-286.5	-194.4	-982.5	-680.4
Operating income (EBIT)	-10.7	13.8	68.0	67.8
Financial income	1.6	2.5	2.0	0.4
Financial expenses	-8.1	-4.0	-27.4	-19.2
Net financial items	-6.5	-1.5	-25.5	-18.8
Income before tax	-17.3	12.3	42.5	49.0
Income tax expense	9.5	-3.2	-7.2	-14.6
Profit/loss for the period	-7.8	9.0	35.4	34.4

Consolidated condensed interim statement of comprehensive income

million EUR	Q4 2022	Q4 2021	2022	2021
Profit/loss for the period	-7.8	9.0	35.4	34.4
Other comprehensive income				
Items that may later be reclassified to profit or loss				
Exchange rate differences	-0.9	-5.8	-2.2	4.1
Items that will not be reclassified to profit or loss				
Remeasurements of net pension obligations	-6.8	0.6	-4.2	4.0
Income tax pertinent to remeasurements of net pension obligations	1.3	-0.1	0.8	-0.8
Other comprehensive income after tax	-6.4	-5.3	-5.6	7.3
Total comprehensive income for the period	-14.2	3.7	29.7	41.7

Profit attributable to

million EUR (except numbers for EPS)	Q4 2022	Q4 2021	2022	2021
Profit for the period attributable to				
Parent company shareholders	-9.0	9.6	34.4	35.7
Non-controlling interests	1.2	-0.6	0.9	-1.3
Total comprehensive income attributable to				
Parent company shareholders	-15.5	7.6	28.7	42.9
Non-controlling interests	1.3	-4.0	1.0	-1.2
Earnings per share				
Average number of shares	184 724 840	156 610 804	164 109 723	153 336 017
Diluted average number of shares	185 819 771	158 203 700	165 490 895	154 116 368
Earnings per share (EPS), basic (EUR)	-0.05	0.06	0.21	0.23
Earnings per share (EPS), diluted (EUR)	-0.05	0.06	0.21	0.23
Earnings per share (EPS), basic (NOK)	-0.48	0.62	2.12	2.37
Earnings per share (EPS), diluted (NOK)	-0.48	0.62	2.10	2.36

EPS in NOK is calculated using average rates for the period

Consolidated condensed interim statements of financial position

million EUR	31 Dec 2022	31 Dec 2021
ASSETS		
Non-current assets		
Intangible assets		
Goodwill	262.8	113.0
Other intangible assets	135.2	80.3
Total intangible assets	398.0	193.3
Property plant and equipment		
Land and buildings	238.6	91.3
Plant and machinery	178.0	101.3
Equipment, tools, fixtures and fittings	28.2	12.4
Construction in progress and advance payments	23.9	10.1
Total property, plant and equipment	468.7	215.1
Financial assets		
Shares in associates	13.2	13.7
Other financial non-current assets	8.9	20.8
Total financial assets	22.1	34.5
Deferred tax assets	4.4	3.0
Total non-current assets	**893.2**	**445.9**

million EUR	31 Dec 2022	31 Dec 2021
Current assets		
Inventory	167.6	81.0
Other current assets		
Accounts receivable	156.7	98.8
Current tax assets	0.7	0.6
Other current receivables	14.2	11.9
Prepaid expenses and accrued income	12.5	5.0
Other financial assets	8.3	0.2
Cash and cash equivalents	47.5	142.3
Total other current assets	239.9	258.8
Total current assets	**407.5**	**339.8**
TOTAL ASSETS	**1 300.7**	**785.7**

Consolidated condensed interim statements of financial position cont.

million EUR	31 Dec 2022	31 Dec 2021
EQUITY		
Share capital	18.2	14.8
Additional paid-in capital	322.3	166.9
Reserves	-15.3	-9.6
Accumulated profit (including net profit for the period)	94.7	80.3
Equity attributable to Parent Company shareholders	419.8	252.4
Non-controlling interests	10.0	9.8
TOTAL EQUITY	429.8	262.2
LIABILITIES		
Non-current liabilities		
Pensions and similar obligations to employees	1.3	1.4
Provisions	0.4	0.9
Deferred tax liability	58.3	26.8
Non-current bond loan	246.9	246.1
Other non-current interest-bearing liabilities	238.2	75.9
Other financial non-current liabilities	0.7	4.3
Total non-current liabilities	545.7	355.4

million EUR	31 Dec 2022	31 Dec 2021
Current liabilities		
Other current interest-bearing liabilities	112.4	16.7
Other financial liabilities	0.4	0.2
Accounts payable	83.5	89.7
Current tax liabilities	16.4	8.0
Other current liabilities	15.1	13.2
Accrued expenses and deferred income	97.3	40.2
Total current liabilities	325.2	168.0
Total liabilities	**870.9**	**523.4**
TOTAL EQUITY AND LIABILITIES	**1 300.7**	**785.7**

Trondheim, Norway, 15 February 2023

The board of directors and CEO of BEWI ASA

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

Consolidated condensed interim statements of changes in equity

million EUR	1 Jan–31 Dec 2022	1 Jan–31 Dec 2021
OPENING BALANCE	**262.2**	**195.1**
Net profit for the period	35.4	34.4
Other comprehensive income	-5.6	7.3
Total comprehensive income	29.7	41.7
New share issue, net of transaction costs	158.7	22.0
Dividend	-20.8	-6.4
Share-based payments	0.6	0.6
Acquisition non-controlling interest	-0.6	9.2
Total transactions with shareholders	137.9	25.4
CLOSING BALANCE	**429.8**	**262.2**

Consolidated condensed interim statements of cash flows

million EUR	Q4 2022	Q4 2021	2022	2021
Operating income (EBIT)	-10.7	13.8	68.0	67.8
Adjustment for non-cash items etc.	30.4	10.4	50.5	32.5
Net financial items	-5.3	-3.5	-16.4	-17.4
Income tax paid	-5.0	-1.7	-14.2	-8.7
Cash flow from operating activities before changes in working capital	9.3	19.0	87.8	74.2
Changes in working capital	3.9	15.5	-46.9	-6.8
Cash flow from operating activities	13.2	34.5	40.9	67.4
Acquisitions non-current assets	-20.4	-12.2	-43.7	-34.7
Divestment non-current assets	92.5	4.6	92.8	4.7
Business acquisitions/ financial investments	-155.6	-33.1	-228.7	-55.5
Cash flow from investing activities	-83.5	-40.7	-179.7	-85.5
Borrowings	78.0	90.1	85.0	248.2
Repayment of debt	-6.0	-4.2	-18.3	-153.4
Dividend	-20.8	-	-20.8	-6.4
New share issue, net	-	-	1.0	18.9
Cash flow from financing activities	51.2	85.9	46.9	107.3
Cash flow for the period	-19.1	79.7	-91.9	89.2
Opening cash and cash equivalents	67.2	61.0	142.3	51.4
Exchange difference in cash	-0.5	1.6	-2.9	1.7
Closing cash and cash equivalents	**47.5**	**142.3**	**47.5**	**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 Dyre Halses gate 1 a, NO-7042 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 must be expensed when incurred. BEWI has started the implementation of a cloud-based ERP system and is consequently impacted by this IFRS IC decision and BEWI has therefore undertaken 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. Initially, all costs incurred had been capitalised and intangible assets. The analysis was completed in 2022, leading to EUR 2.0 million being expensed, EUR 1.6 million being reclassified from intangible assets to prepaid expense and EUR 4.2 million remaining as intangible assets. The amount recognised in intangible assets is mainly related to costs for ancillary systems and support systems, such as manufacturing executing systems, which despite their integration with the new cloud-based ERP system are separate from the SaaS arrangement and contract. The prepaid expenses are mainly attributable to customisations of the ERP system to BEWI specific requirements.

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 two 34 per cent owned associated companies Hirsch France SAS and Hirsch Porozell GmbH. Transactions with those companies are presented in the tables below. Inoplast S.R.O. was owned to 34 per cent for the full year of 2022 and is included in the table below with regards to positions from the income statement. From 31 December 2022, Inoplast S.R.O. was consolidated as a subsidiary. Jablite Group Ltd was owned to 49 per cent until 30 May 2022 and is up until this date included in the table below. From 1 June 2022 Jablite Group Ltd is consolidated as a subsidiary.

Transactions impacting the income statement

million EUR	Q4 2022	Q4 2021	2022	2021
Sale of goods to				
Companies with Bekken as significant shareholder	0.4	0.1	0.4	0.1
HIRSCH France SAS	5.8	4.8	25.6	18.8
HIRSCH Porozell GmbH	7.3	12.9	46.2	45.3
Jablite Group Ltd.	-	1.4	3.6	7.9
Inoplast s.r.o.	1.6	1.8	4.3	2.9
Total	15.1	21.0	80.1	74.8
Other income from				
Companies with Bekken as significant shareholder	0.1	-	0.3	-
Inoplast s.r.o	-	-	0.6	-
Total	0.1	-	0.9	-
Purchase of goods from				
Inoplast s.r.o.	1.2	1.6	4.5	3.4
Remondis Technology Spólka z o.o.	1.4	1.0	4.2	3.1
Total	2.6	2.6	8.7	6.5

million EUR	Q4 2022	Q4 2021	2022	2021
Interest Income from				
Hirsch France SAS	0.0	0.0	0.1	0.1
Jablite Group Ltd.	-	0.0	0.0	0.1
Total	0.0	0.0	0.1	0.2
Rental expenses to				
Companies with Bekken as significant shareholder	3.4	2.1	11.4	8.8
Total	3.4	2.1	11.4	8.8
Other external costs to				
Companies with Bekken as significant shareholder	0.0	0.1	0.1	0.1
Total	0.0	0.1	0.1	0.1

Transactions impacting the balance sheet

million EUR	31 Dec 2022	31 Dec 2021
Non-current receivables		
Companies with Bekken as significant shareholder	0.1	0.1
HIRSCH France SAS	-	2.3
Jablite Group Ltd	-	1.8
Total	0.1	4.2
Current receivables		
Companies with Bekken as significant shareholder	1.8	4.1
HIRSCH Porozell GmbH	0.1	0.1
Inoplast s.r.o.	-	0.6
Jablite Group Ltd	-	0.0
Total	1.9	4.8
Current liabilities:		
Companies with Bekken as significant shareholder	0.3	0.0
Inoplast s.r.o	-	0.6
Total	0.3	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. Sales between segments take place on market terms.

million EUR	Q4 2022	Q4 2021	2022	2021
RAW				
Segment revenue	87.7	92.9	418.0	347.9
Intra-group revenue	-34.8	-26.0	-142.0	-104.6
Revenue from external customers	52.9	66.9	276.0	243.3
Insulation				
Segment revenue	106.5	49.7	333.9	195.4
Intra-group revenue	-0.7	-0.9	-4.0	-2.8
Revenue from external customers	105.8	48.8	329.9	192.7
Packaging and Components				
Segment revenue	104.4	88.0	391.9	295.6
Intra-group revenue	-2.0	-3.8	-10.0	-6.9
Revenue from external customers	102.5	84.1	381.9	288.7
Circular				
Segment revenue	15.2	8.7	63.1	24.0
Intra-group revenue	-0.6	-0.3	-0.7	-0.6
Revenue from external customers	14.6	8.4	62.4	23.4

million EUR	Q4 2022	Q4 2021	2022	2021
Unallocated				
Segment revenue	0.0	0.0	0.3	0.1
Intra-group revenue	0.0	0.0	0.0	0.0
Revenue from external customers	0.0	0.0	0.3	0.1
Total				
Total segment revenue	313.8	239.3	1 207.3	863.1
Total Intra-group revenue	-38.1	-31.1	-156.8	-114.9
Total revenue from external customers	275.7	208.2	1 050.4	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	Q4 2022	Q4 2021	2022	2021
Adj. EBITDA				
RAW	6.5	15.6	57.0	54.1
Insulation	7.5	4.3	31.1	21.6
Packaging and Components	13.3	9.3	48.3	40.3
Circular	-1.4	-0.1	2.5	0.6
Unallocated	-1.5	-2.7	-5.4	-7.6
Total adj. EBITDA	24.4	26.4	133.6	109.0
EBITDA				
RAW	-10.6	15.7	40.0	54.2
Insulation	3.5	5.0	33.6	22.5
Packaging and Components	16.3	8.6	53.3	39.9
Circular	-0.3	-0.2	2.6	0.3
Unallocated	-4.8	-4.6	-14.2	-11.4
Total EBITDA	4.0	24.5	115.2	105.5

million EUR	Q4 2022	Q4 2021	2022	2021
EBITA				
RAW	-11.6	14.3	35.7	50.0
Insulation	-0.8	3.0	22.3	14.6
Packaging and Components	10.8	3.6	33.6	23.3
Circular	-0.8	-0.5	0.9	-0.7
Unallocated	-5.0	-4.7	-14.8	-11.8
Total EBITA	-7.3	15.7	77.7	75.4
EBIT				
RAW	-11.7	14.2	35.3	49.6
Insulation	-1.8	2.5	19.4	12.6
Packaging and Components	9.6	2.5	28.8	18.8
Circular	-1.4	-0.5	0.3	-0.7
Unallocated	-5.4	-5.0	-15.8	-12.6
Total EBIT	-10.7	13.8	68.0	67.8
Net financial items	-6.5	-1.5	-25.5	-18.8
Income before tax	-17.3	12.3	42.5	49.0

External revenue by country (buying company's geography)

million EUR	Q4 2022	Q4 2021	2022	2021
Total Finland	11.7	3.1	54.2	34.0
Total Sweden	22.5	11.9	73.8	62.2
Total Denmark	20.7	19.0	73.2	61.9
Total Norway	54.0	45.4	193.0	154.1
Total Portugal & Spain	21.0	11.5	73.6	45.0
Total Iceland	5.0	5.8	25.2	22.0
Total Baltics	13.6	4.0	33.1	14.3
Total UK	20.9	4.6	57.6	20.2
Total Germany	29.5	15.4	101.0	58.0
Total Poland	4.3	13.4	44.8	39.0
Total Russia	-	8.8	14.0	29.2
Total Netherlands	37.9	31.6	154.3	117.3
Total Belgium	8.6	3.8	38.6	13.6
Total France	10.8	11.8	36.1	28.4
Total Other	15.3	18.4	77.9	49.2
Total Group	275.7	208.2	1050.4	748.2

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

million EUR	Q4 2022	Q4 2021	2022	2021
Attributable to operations	-7.3	-6.1	-24.1	-18.8
Attributable to IFRS 16	-3.9	-2.5	-12.0	-9.9
Attributable to fair value adjustments in business combinations	-3.5	-2.1	-11.2	-9.0
Total	-14.7	-10.7	-47.2	-37.8

Note 06 The group's borrowings

million EUR	31 Dec 2022	31 Dec 2021
Non-current liabilities		
Bond loan	246.9	246.1
Liabilities to credit institutions	87.8	9.8
Liabilities leases	150.4	66.1
Other non-current liabilities	0.7	-
Total	485.8	322.0
Current liabilities		
Liabilities to credit institutions	69.5	3.0
Liabilities leases	20.1	13.0
Overdraft	22.8	0.8
Total	112.4	16.7
Total liabilities	598.2	338.7
Cash and cash equivalents	47.5	142.3
Net debt including IFRS 16 impact	550.7	196.4
Subtracting liabilities capitalised in accordance with IFRS 16		
Non-current liabilities leases	149.1	65.0
Current liabilities leases	19.3	11.1
Total	168.4	76.1
Net debt excluding IFRS 16 impact	382.3	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 December 2022, the Group has one bond loan outstanding. The bond is unsecured and linked to a sustainability framework, matures on 3 September 2026, with the possibility for BEWI to unilaterally decide on early redemption after 3 March 2025 of 50 per cent of the bond outstanding at that date. The main term for the bond outstanding during the year is presented in the table below.

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

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

Bond loans	Interest terms	Nominal interest 1 Oct–31 Dec 2022	Nominal interest 1 Jan–31 Dec 2022	Average interest 1 Oct–31 Dec 2022	Average interest 1 Jan–31 Dec 2022
EUR 250 million	Euribor 3m + 3.15%	2.58-5.12%	2.86-5.12%	4.77%	3.66%

In addition, the group has a revolving credit facility (RCF) of EUR 150 million granted by two banks. As of 31 December, the revolving credit facility was utilised in the amount of 65.4. In addition, the group has liabilities in acquired companies, such as liabilities to credit institutions, overdraft facilities and liabilities for lease contracts, that have not been refinanced post-acquisition. The major part derives from the acquisition of Jackon Holding AS which has utilised facilities in the amount of EUR 90.8 million.

Pledged assets

In total the group has pledged asset amounted to EUR 92.0 million for interest bearing liabilities in acquired companies as described above. The bond loan and the revolving credit facility are unsecured.

Contingent liabilities

Guarantees issued to suppliers amounted to EUR 27.7 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	5.5	-	0.5	6.0	6.0
Derivative asset	-	8.3	-	8.3	8.3
Total	5.5	8.3	0.5	14.3	14.3
Financial liabilities measured at fair value through profit and loss					
Derivative liabilities	0.4	-	-	-	0.4
Other financial non-current liabilities	-	-	0.7	0.7	0.7
Total	0.4	-	0.7	0.7	1.1
Financial liabilities measured at amortised cost					
Bond loan	240.6				246.9
Total	240.6				246.9

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

Level 3 – Changes during the period (EUR million)	Participation in other companies	Other financial non-current liabilities
As of 31 December 2021	0.6	3.8
Fair value adjustment through profit and loss	-0.1	2.9
Use of option to acquire BEWI Cellpack A/S	-	-6.7
Acquisitions	-	0.7
As of 31 December 2022	0.5	0.7

- 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

Jablite Group Ltd

On 18 May 2022, BEWI announced the signing of an agreement to acquire an additional 51 per cent of the leading UK based insulation and packaging company Jablite Group ("Jablite"), with an annual turnover of approximately GBP 40 million, thereby becoming 100 per cent owner of the company. BEWI has held 49 per cent in Jablite since June 2020 and the company has until the last acquisition been reported as an associated company in accordance with the equity method. The group is consolidated as a subsidiary as from 1 June 2022. Jablite has approximately 50 years of experience from innovating and developing EPS solutions for insulation and packaging. The group includes the manufacturer and supplier of solutions for insulation and civil engineering named Jablite and the producer of packaging products named Styropack.

The adjusted acquisition analysis presented below gave rise to goodwill of EUR 11.7 million, which I related to synergies such as future market growth opportunities and future cost savings. The main value adjustments were related to trademarks and customer relations. Goodwill is not tax deductible. Until 31 December 2022, Jablite had contributed EUR 35.4 million to the group's net sales, EUR 1.3 million to adjusted EBITDA and EUR 0.3 million to EBIT, excluding transaction costs and capital gains from revaluation of shares in associate. Of this, EUR 0.4 million in adjusted EBITDA and EUR 0.3 million in EBIT are attributable to Jablite's result when being an associated company. If the acquisition of the remaining 51 per cent of Jablite had taken place on 1 January, Jablite would have contributed EUR 58.6 million to the group's net sales, EUR 3.2 million to adjusted EBITDA and EUR 1.1 million to EBIT. Transaction costs amounted to EUR 0.3 million.

Amounts in million EUR	Total
Cash consideration during the period	11.7
Paid in 2020 for 49 per cent	0.2
Capital gain from revaluation of shares in associate [2]	9.7
Book value of shares in associate	1.4
Total	**23.0**
Recognised amount of identifiable assets and acquired liabilities assumed	
Trademark	2.5
Customer relations	8.0
Other intangible assets	0.0
Property, plant and equipment	17.4
Other fixed assets	0.1
Inventory	4.3
Current receivables	11.4
Cash and cash equivalents	0.3
Non-current liabilities	-15.1
Deferred tax liability	-3.0
Current liabilities	-14.5
Total identifiable net assets	**11.4**
Goodwill	11.7
Cash and cash equivalents in acquired business	0.3
Total cash outflow from acquisition of business during the period	-11.5

1 The acquisition analysis is preliminary

2 BEWI owned 49 per cent of Jablite Group Ltd before the acquisition of the additional 51 per cent of the group. This is consequently a transaction of a business combination achieved in stages. In a business combination achieved in stages, IFRS 3 states that the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain in the statement of income

Trondhjems Eskefabrikk AS, Berga Recycling Inc, Aislamientos y Envases, S.L. ("Aislenvas") and Inoplast s.r.o. ("Inoplast)

On 12 April 2022, BEWI announced the signing of an agreement to acquire the Norwegian paper packaging company Trondhjems Eskefabrikk AS. The company is consolidated as from 1 May. 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.

On 10 June 2022, BEWI announced the signing of Berga Recycling Inc., a world leader in the purchase and sale of materials for recycling. Berga's vision is to become the world's largest agency for materials for recycling. In 2021, the company purchased and sold an annual volume of approximately 82 000 tonnes of materials for recycling through a network of hundreds of customers globally. The trading is completed through an online trading platform, which is linked to Berga's comprehensive network of logistic partners. Through the system, customers can track the delivery of the material, enabling improved planning throughout the value chain and securing a seamless process from the completion of the transaction to the delivery of the material. For 2021, Berga had sales revenues of approximately EUR 31 million, with an EBITDA margin of approximately 10 per cent. The company has shown a sustained profitable growth of more than 20 per cent the last three years. The company is consolidated as from 1 June.

On 28 November 2022, BEWI announced that the company has entered an agreement to acquire 80 per cent of the leading Spanish insulation company Aislenvas, on 7 December 2022 the transaction was finalised. Aislenvas operates three facilities, all in the same industrial area, manufacturing a variety of EPS-based solutions. The company's key products are insulation solutions, including EPS boards for underfloor heating and EPS panels for External Thermal Insulation Composite Systems (ETICS) used to improve the energy efficiency for building renovations. In addition, Aislenvas provides a range of other EPS-based products, such as packaging and industrial applications.In 2021, Aislenvas had revenues of approximately EUR 16.0 million, with an EBITDA of EUR 3.5 million. From 2018 to 2021, Aislenvas recorded significant and profitable growth, mainly driven by increased demand for underfloor heating products, increased sales for key customers and high retention rate for other customer. The company is consolidated as from 31 December.

On 6 December 2022, BEWI announced the acquisition of an additional 66 per cent of the Czech recycling company Inoplast, becoming owner of 100 per cent of the company. BEWI first announced its acquisition of 34 per cent of Inoplast in March 2021. Inoplast specialises in recycling of plastics, mainly expanded polystyrene (EPS), but also other types of plastics. The company has a recycling facility located approximately 35 km from Prague in the city of Slaný, with modern and versatile machinery, allowing for recycling of various plastic waste. In addition to recycling EPS, the company recycles polypropylene (PP), HDPE (high density polyethylene) film, PET, and various other plastics from production waste. The company is consolidated as from 31 December.

The acquisition analyses presented below gave rise to goodwill of EUR 48.6 million, which relates to synergies such as future market growth opportunities and future cost savings. The main fair value adjustments were related to trademark, customer relations and technology. Goodwill is not tax deductible. Until 31 December 2022, the companies had contributed EUR 22.8 million to the group's net sales, EUR 3.5 million to adjusted EBITDA and EUR 2.1 million to EBIT, excluding transaction costs. If the acquisition of the companies had taken place on 1 January, they would have contributed EUR 42.2 million to the group's net sales, EUR 5.6 million to adjusted EBITDA and EUR 4.5 million to EBIT. Transaction related costs amounted to EUR 2.3 million.

Amounts in million EUR	Total
Cash consideration during the period	64.0
Promissory note	2.4
Paid in 2021 for 34 per cent	0.3
Capital gain from revaluation of shares in associate [2]	1.1
Book value of shares in associate	0.1
Total	67.9
Recognised amount of identifiable assets and acquired liabilities assumed	
Trademark	2.9
Customer relations	6.0
Technology	3.1
Other intangible assets	0.1
Property, plant and equipment	11.7
Other fixed assets	0.9
Inventory	3.8
Current receivables	12.2
Cash and cash equivalents	4.1
Non-current liabilities	-9.1
Deferred tax liability	-3.4
Current liabilities	-12.1
Total identifiable net assets	20.2
Liabilities to non-controlling interests	0.9
Goodwill	48.6
Cash and cash equivalents in acquired business	4.1
Total cash outflow from acquisition of business during the period	-59.9

1 The acquisition analyses are preliminary

2 BEWI owned 34 per cent of Inoplast before the acquisition of the additional 66 per cent of the group. This is consequently a transaction of a business combination achieved in stages. In a business combination achieved in stages, IFRS 3 states that the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain in the statement of income

UAB Baltijos Polistirenas ("BalPol")

On 18 February 2022 BEWI announced entering a letter of intent to acquire 100 per cent of a Baltic insulation company. On 1 July 2022 BEWI announced that an agreement to acquire the company was signed and on 31 August 2022 the transaction was finalised.

BalPol is the market leader in Lithuania for insulation solutions from expanded polystyrene (EPS) and PIR, and for EPS packaging solutions. BalPol, which was established in 2002, has approximately 150 employees and currently operates two downstream facilities, whereas one facility produces PIR and MW sandwich panels and PIR insulation boards, while the other produces insulation solutions from EPS for construction and packaging products from EPS and EPE.

BalPol demonstrated solid growth and improved profitability in 2021, recording revenues of approximately EUR 31.0 million and an EBITDA of approximately EUR 4.3 million. The increase is mainly explained by favourable market conditions, a broadened product range and increases sales prices.

The total consideration for the shares in BalPol amounts to approximately EUR 29.2 million, of which 50 per cent has been paid in cash and 50 per cent has been settled by the issuance of 2 238 188 consideration shares in BEWI at a share price of NOK 64.64 per share. The price per share is calculated based on a three (3) months weighted average price from 23 August 2022. The share capital increase was resolved by the board of directors by use of the authorisation granted by the annual general meeting on 2 June 2022. The company is consolidated as from 1 September.

The adjusted acquisition analysis presented below gave rise to goodwill of EUR 9.0 million, which relates to synergies such as future market growth opportunities and future cost savings. The main value adjustments were related to buildings & land, trademark, and customer relations. Goodwill is not tax deductible. Until 31 December 2022, BalPol had contributed EUR 8.7 million to the group's net sales, EUR 0.5 million to adjusted EBITDA and EUR 0.1 million to EBIT, excluding transaction costs. If the acquisition of BalPol had taken place on 1 January, BalPol would have contributed EUR 34.7 million to the group's net sales, EUR 3.3 million to adjusted EBITDA and EUR 2.2 million to EBIT. Transaction costs amounted to EUR 0.1 million.

Amounts in million EUR	Total
Cash consideration	14.4
Paid in shares	12.9
Total	**27.4**
Recognised amount of identifiable assets and acquired liabilities assumed	
Trademark	2.6
Technology	0.0
Customer relations	10.1
Other intangible assets	0.0
Property, plant and equipment	8.6
Other fixed assets	0.7
Inventory	6.5
Current receivables	4.1
Cash and cash equivalents	0.1
Non-current liabilities	-2.0
Deferred tax liability	-3.0
Current liabilities	-9.3
Total identifiable net assets	**18.4**
Goodwill	9.0
Cash and cash equivalents in acquired business	0.1
Total cash outflow from acquisition of business	-14.3

[1] The acquisition analysis is preliminary

Jackon Holding AS

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

On 12 October 2022, the company announced that it had received final approvals from all relevant competition authorities to proceed with closing of the acquisition. The approval in Finland was conditional upon BEWI divesting two insulation facilities, located in Tarvasjoki and Ruukki. The divestments were completed on 24 October 2022.

In Norway, the approval was conditional upon divestments of Jackon's packaging facility in Alta and the share (63 per cent) of the packaging facility called Kasseriet in Gratangen. The divestments were completed on 26 October 2022. In total, revenues for the four facilities divested represent less than two per cent of the combined company's annual turnover.

On 19 October, BEWI announced that the acquisition of Jackon was completed. On this date, BEWI issued 32 070 000 new shares directed to the Akselsen family and their investment company HAAS AS, as consideration for their 50 per cent holding of the shares of Jackon. The shares are subject to a 12-months lock-up from issuance. The shareholders holding the remaining 50 per cent accepted received approximately NOK 1.3 billion in cash upon closing.

Jackon was consolidated from 1 November 2022.

At the time of the release of this report, the acquisition analysis for Jackon is preliminary and gave rise to goodwill of EUR 94.2 million. A complete acquisition analysis is expected to be presented in 2023, leading to fair value adjustments of intangible assets and a corresponding change in goodwill. Goodwill is not tax deductible. Until 31 December 2022, Jackon had contributed EUR 54.0 million to the group's net sales, EUR 1.5 million to adjusted EBITDA and EUR -0.4 million to EBIT, excluding transaction costs. If the acquisition of Jackon had taken place on 1 January, Jackon would have contributed EUR 423.0 million to the group's net sales, EUR 24.2 million to adjusted EBITDA and EUR 11.3 million to EBIT. Transaction costs amounted to EUR 7.9 million.

Amounts in million EUR	Total
Cash consideration	128.9
Paid in shares	148.8
Total	**277.6**
Recognised amount of identifiable assets and acquired liabilities assumed	
Trademark	15.1
Technology	1.9
Other intangible assets	1.0
Property, plant and equipment	247.0
Other fixed assets	2.0
Inventory	57.2
Current receivables	76.8
Cash and cash equivalents	-7.4
Non-current liabilities	-92.3
Deferred tax liability	-39.9
Current liabilities	-77.2
Total identifiable net assets	**184.1**
Liabilities to non-controlling interests	**-0.7**
Goodwill	94.2
Cash and cash equivalents in acquired business	-7.4
Total cash outflow from acquisition of business	-136.3

[1] The acquisition analysis is preliminary

IZOBLOK

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 1.3 million 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.

Other

In 2022, BEWI has also acquired non-controlling interests and settled final purchase price related to acquisitions carried out in 2021, leading to a total cash payment of EUR 7.5 million. This has not resulted in any changes to the fair value of acquired assets and liabilities in business combinations.

Note 09 Sale of business

The acquisition of Jackon was conditional upon divestment of two insulation facilities in Finland and two packaging facilities in Norway. In Finland, BEWI entered an agreement for the sale of the two insulation facilities located in Tarvasjoki and Ruukki. In Norway, the agreement was entered into with the companies Kasseriet Alta AS and Kasseriet Holding AS for the sale of Jackon's facility in Alta and its shares in Kasseriet AS in Gratangen (63 per cent) respectively. Until the date of divestment, the companies contributed EUR 13.1 million to the group's net sales, EUR 1.0 million to adjusted EBITDA and EUR 0.8 million to EBIT in 2022.

Amounts in million EUR	Total
Cash consideration	8.1
Total	**8.1**
Recognised amount of identifiable assets and liabilities	
Goodwill	1.0
Property, plant and equipment	8.3
Other fixed assets	0.1
Inventory	2.1
Current receivables	4.6
Cash and cash equivalents	0.3
Non-current liabilities	-0.0
Deferred tax liability	-0.3
Current liabilities	-6.5
Total identifiable net assets	**9.5**
Cash and cash equivalents in sold business	0.3
Total cash inflow from sale of business	7.8

Note 10 Shares in associates

BEWI has five interests in Shares in associates: HIRSCH Porozell GmbH, HIRSCH France SAS, Energijägarna & Dorocell AB (E&D AB), BEWI EPS ehf and Remondis Technology Spólka z o.o. BEWI EPS ehf is started up on Iceland during the year.

Inoplast S.R.O was consolidated as a subsidiary from 31 December 2022. The table below presents key aggregated financial data as reflected in BEWI's consolidated accounts.

million EUR (except percentages and sites)	Total
Number of production sites	13
Book value as of 31 December 2022	**13.2**
Key financials YTD 2022	
Net Sales full year 2022	221.6
EBITDA full year 2022	20.7
Of which owned share of EBITDA	7.0
EBIT	12.2
Net Profit	7.4
Consolidated into BEWI's EBITDA, share of Net profit[1]	2.5
BEWi's share of EBITDA minus impact on consolidated EBITDA	**4.5**
Net debt	**21.7**
Of which owned share Net Debt	***7.4***

[1] The difference between share of income from associated companies of EUR 2.8 million, reported in the income statement, and the EUR 2.5 million in share of net profit consolidated into BEWI's EBITDA in the table above, is attributable to share of income from Jablite Group Ltd until May 2022

Note 11 Earnings per share

	Q4 2022	Q4 2021	2022	2021
Profit for the period attributable to parent company shareholders (million EUR)	-9.0	9.6	34.4	35.7
Average number of shares	184 724 840	156 610 804	164 109 723	153 336 017
Effect of options to employees	1 094 931	1 592 896	1 381 172	780 351
Diluted average number of shares	185 819 771	158 203 700	165 490 895	154 116 368
Earnings per share (EPS), basic (EUR)	-0.05	0.06	0.21	0.23
Earnings per share (EPS), diluted (EUR)	-0.05	0.06	0.21	0.23
Earnings per share (EPS), basic (NOK)	-0.48	0.62	2.12	2.37
Earnings per share (EPS), diluted (NOK)	-0.48	0.62	2.10	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 191 347 992 compared to 31 December 2021 in three new share issues, one in March 2022, one in September 2022 and one in December 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)	2022	2021	2020	2019	2018
Net sales	1 050.4	748.2	462.6	429.9	380.7
Operating income (EBIT)	68.0	67.8	39.5	20.3	13.7
EBITDA	115.2	105.5	70.0	48.0	28.6
EBITDA margin (%)	11.0%	14.1%	15.1%	11.1%	7.5%
Adjusted EBITDA	133.6	109.0	65.0	51.8	30.9
Adj. EBITDA margin (%)	12.7%	14.6%	14.0%	12.1%	8.1%
Items affecting comparability	-18.3	-3.4	5.0	-3.9	-2.3
EBITA	77.7	75.4	45.8	27.5	18.3
EBITA margin (%)	7.4%	10.1%	9.9%	6.4%	4.8%
Adjusted EBITA	96.1	78.8	40.8	31.4	20.7
Adj. EBITA margin (%)	9.1%	10.5%	8.8%	7.3%	5.4%
Net profit/loss for the period	35.4	34.4	30.0	5.6	1.6
Cash flow from operating activities	40.9	67.4	33.2	35.9	17.6
Capital Expenditure (CAPEX)	-43.7	-34.7	-26.6	-14.3	-13.8
Average capital employed	629.1	409.6	322.0	301.1	183.2
Return on average capital employed (ROCE) %	15.3%	19.2%	12.6%	10.4%	11.3%[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)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Net sales	257.7	267.5	277.0	230.2	208.2	193.0	198.1	148.9	130.2
Operating income (EBIT)	-10.7	21.1	35.8	21.8	13.8	24.9	22.3	6.8	10.6
EBITDA	4.0	32.9	46.4	31.9	24.5	34.5	31.1	15.5	19.5
EBITDA margin (%)	1.5%	12.3%	16.8%	13.8%	11.8%	17.9%	15.7%	10.4%	15.0%
Adjusted EBITDA	24.4	34.4	40.3	34.4	26.4	34.2	31.6	16.7	16.4
Adj. EBITDA margin (%)	8.8%	12.9%	14.6%	14.9%	12.7%	17.7%	16.0%	11.2%	12.6%
Items affecting comparability	-20.4	-1.5	6.1	-2.5	-2.0	0.3	-0.5	-1.2	3.1
EBITA	-7.3	23.2	38.0	23.9	15.7	27.0	24.2	8.6	12.4
EBITA margin (%)	-2.7%	8.7%	13.7%	10.4%	7.5%	14.0%	12.2%	5.8%	9.5%
Adjusted EBITA	13.0	24.7	31.9	26.4	17.6	26.7	24.7	9.8	9.4
Adj. EBITA margin (%)	4.7%	9.2%	11.5%	11.5%	8.5%	13.8%	12.5%	6.6%	7.2%
Net profit/loss for the period	-7.8	10.0	24.9	8.2	9.0	11.9	14.4	-1.0	13.5
Cash flow from operating activities	13.2	16.8	25.0	-14.2	34.5	31.2	1.4	0.1	19.9
Capital Expenditure (CAPEX)	-20.4	-8.9	-9.2	-5.2	-12.2	-7.2	-8.5	-6.9	-15.1
Average capital employed	629.1	520.6	476.8	434.0	409.6	388.6	362.7	340.6	322.0
Return on average capital employed (ROCE) %	15.3%	19.3%	21.5%	22.0%	19.2%	18.1%	15.4%	12.2%	12.6%

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