

Interim report January-June 2017

Second quarter, April-June 2017

Net sales amounted to 456,691 KSEK (432,945)

EBITDA before items affecting comparability amounted to 25,781 KSEK (39,989)

Operating income (EBIT) before items affecting comparability amounted to 13,118 KSEK (28,452)

Operating income (EBIT) amounted to 11,059 KSEK (26,549)

In June, a three-year senior secured bond of 550,000 KSEK was issued.

January-June 2017

Net sales amounted to 887,672 KSEK (780,317)

EBITDA before items affecting comparability amounted to 36,421 KSEK (68,880)

Operating income (EBIT) before items affecting comparability amounted to 10,978 KSEK (45,594)

Operating income (EBIT) amounted to 20,637 KSEK (43,521)

In January 2017, BEWi acquired the Finland-based company M-Plast Oy that manufactures XPS-quality insulation material.

In March 2017, the Group acquired assets from Por-Pac AB's production unit in Lindesberg, and has continued operations in the factory. BEWi intends to consolidate the operations of Lindesberg into its existing Packaging operations.

Significant events after the financial period

In July, BEWi acquired 60% of Solupak Oy, a Finnish manufacturer of insulating materials in EPS. The acquisition will strengthen BEWi's position in Finland as a full-range supplier of insulating materials.

Performance summary in brief

MSEK

| | Apr-Jun 2017 | Apr-Jun 2016 | Jan-Jun 2017 | Jan-Jun 2016 | Jan-Dec 2016 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Net sales | 457 | 433 | 888 | 780 | 1 607 |
| EBITDA before items affecting comparabilit | 26 | 40 | 36 | 69 | 121 |
| EBITDA | 24 | 38 | 46 | 67 | 108 |
| EBIT before items affecting comparability | 13 | 28 | 11 | 46 | 74 |
| EBIT | 11 | 27 | 21 | 44 | 61 |
| Items affecting comparability | -2 | -2 | 10 | -2 | 13 |
| Adjusted EBITDA margin, % | 5,6% | 9,2% | 4,1% | 8,8% | 7,5% |
| EBITDA margin % | 5,2% | 8,8% | 5,2% | 8,6% | 6,7% |
| Adjusted EBIT margin, % | 2,9% | 6,6% | 1,2% | 5,8% | 4,6% |
| EBIT margin, % | 2,4% | 6,1% | 2,3% | 5,6% | 3,8% |
| Operating cash flow, before capital expendi | 6 | 40 | -44 | 40 | 91 |
| Capital expenditure | 24 | 12 | 51 | 21 | 60 |
| Equity ratio, % | 27% | 29% | 27% | 29% | 35% |

COMMENTS BY CEO

2016 was an eventful and expansive year for BEWi and the intensive pace, with many strategic activities, continued during the first six months of 2017. We completed two acquisitions, refinanced the Group and entered the final phase in completing a new production line for manufacturing grey EPS. Running in and test production began in June.

Commercially, the first six months was very trying as we experienced a historically high volatility in the price of styrene. Sharp price increases during the first quarter were followed by sharp decreases during the second quarter. Pricing to customers was challenging as a result, based on the markets' varying expectations on the market price.

BEWi's market is deemed to remain strong. We look forward to coming quarters when we will begin to manufacture grey EPS, which will broaden our product range.

In July, we also acquired 60 percent of Solupak Oy, a Finnish manufacturer of insulating materials in EPS. The acquisition will strengthen BEWi's position in Finland as a full-range supplier of insulating materials and work has begun to integrate Solupak Oy into BEWi's structures.

SECOND QUARTER 2017

Turnover for the quarter increased 5.5 percent year-on-year.

The increase was driven by acquisitions, larger volumes and rising market prices due to increased raw material prices. Volumes were positive across all business areas. However, within Insulation and Packaging, our earnings were a disappointment for the quarter.

The challenge to profitability was linked to historically volatile raw material prices in combination with increased demand and rising volumes which led to adjustments in production to adapt to the higher manufacturing rate. In the quarter, the Raw Material business area produced and sold lower volumes year-on-year due to a stoppage in one of the reactors in March and the resulting supplementary work. However the result is on a par with the preceding year, when the selling price was at a favourable level in relation to the cost of raw materials.

Performance summary in brief

The first six months of the year were a challenge. This was caused by a historically volatile raw material prices for styrene and disruptions to our raw materials production.

The volatility of the styrene price influenced profitability in the Raw Material business area, primarily during the first quarter. In the second quarter, we noted a healthy recovery for earnings. We are experiencing the opposite scenario with our internal customers for Raw Material, the Insulation and Packaging business areas, which during the first months of the year could maintain profitability at relatively favourable levels, but where high material prices were reflected towards the end of the first quarter and continued in the second quarter.

Raw material prices are now at more normal levels. Turnover increased 13.8 percent, driven by the same reasons as described above for the quarter.

FINANCIAL POSITION AND LIQUIDITY

The equity ratio was 27 percent (29). Net debt was 534,469 KSEK (381,088). The Group's net and the two acquisitions debt increased primarily due to investments in a new production line completed in the first quarter 2017.

During 2017, the Group refinanced in two stages. In March, bridge financing was entered into with a view, in a subsequent step, to issue a bond loan. In June 2017, a three-year senior secured bond of KSEK 550,000 was issued. The loan comprises the Group's core funding and additionally there is an RCF with a framework of KSEK 100,000. In addition to the as well as financial leases. bond loan, there are a number of loans in acquired units. At the end of the period, no available liquidity in the RCF was utilised.

The financial expenses increased during the period. Higher interest expenses due to greater indebtedness, financial expenses attributable to terminated financing agreements as well as bridge financing and currency have impacted net financial items for the quarter and the full year. Most of the previous currency exposure was closed in the new financing structure.

CASH FLOW

Cash flow from operating activities totalled KSEK -1,368 (35,598) in the quarter. A lower operating income and an increase in tied-up capital contributed to the weaker cash flow.

CAPITAL EXPENDITURE

During 2016, a decision was taken to invest in a new production line for extrusion technology in the Porvoo factory in Finland. The aim is to increase production of EPS raw material. Mainly grey EPS will be manufactured which will be a new product in the product portfolio. The investment amounts to about 6 MEUR and was launched during 2016. Most of the investments in the second quarter of 2017 and the half year are attributable to this project. Commercial production will start during the third quarter of 2017.

In January, BEWi acquired the Finland-based XPS-manufacturer M-Plast Oy. XPS is a harder form of EPS and is used as an insulating material where extremely high strength requirements apply. The acquisition broadens BEWI's product range for insulation products. M-Plast has a modern production facility in Kaavi with about 15 employees. The turnover amounted to 6.7 MEUR in 2016. BEWi owns 90 percent and M-Plast is consolidated from the day of acquisition.

In March 2017, the Group acquired assets from Por-Pac AB's production unit in Lindesberg, Sweden, and has continued operations in the factory. BEWi intends to consolidate the operations of Lindesberg into its existing Packaging operations.

SIGNIFICANT RISKS AND UNCERTAINTIES

The Group's and Parent Company's risk and risk management are described in the 2016 Annual Report. No significant events occurred during the year that influence or change this description of the Group's or the Parent Company's risks and management of these risks.

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

| Amounts in KSEK | Apr-Jun 2017 | Apr-Jun 2016 | Jan-Jun 2017 | Jan-Jun 2016 | Jan-Dec 2016 |
|--|-----------------|-----------------|-----------------|-----------------|-------------------|
| Net sales | 456 691 | 432 945 | 887 672 | 780 317 | 1 606 929 |
| Other operating income | 0 | 38 | 16 617 | 38 | 38 |
| Total operating income | 456 691 | 432 983 | 904 289 | 780 355 | 1 606 967 |
| Raw materials and consumables | -260 995 | -260 988 | -526 798 | -457 770 | -951 675 |
| Goods for resale | -18 403 | -17 918 | -38 161 | -31 877 | -75 718 |
| Other external costs | -87 436 | -67 728 | -170 883 | -129 973 | -279 085 |
| Personnel costs | -66 135 | -48 263 | -122 367 | -93 928 | -188 108 |
| Depreciation/amortization and impairment of property, plant, equipment and intangible assets | -12 663 | -11 537 | -25 443 | -23 286 | -47 233 |
| Other operating expenses | 0 | 0 | 0 | 0 | -4 586 |
| Total operating expense | -445 632 | -406 434 | -883 652 | -736 834 | -1 546 405 |
| Operating income | 11 059 | 26 549 | 20 637 | 43 521 | 60 563 |
| Financial income | 17 | 36 | 130 | 92 | 133 |
| Financial expense | -7 529 | -1 537 | -12 975 | -4 179 | -11 947 |
| Financial income and expense - net | -7 512 | -1 501 | -12 845 | -4 087 | -11 814 |
| Income before tax | 3 547 | 25 048 | 7 792 | 39 434 | 48 749 |
| Income tax | -743 | -1 774 | -1 834 | -2 773 | -5 354 |
| Net income for the period | 2 804 | 23 274 | 5 958 | 36 661 | 43 395 |
| Other comprehensive income | | | | | |
| <i>Items that may later be reclassified to the income statement</i> | | | | | |
| Performance summary in brief | 775 | 1 686 | -498 | 4 321 | 7 671 |
| <i>Items that will not be reclassified to the income statement</i> | | | | | |
| Remeasurement of defined benefit pension plans | 159 | -474 | 266 | -1 200 | -718 |
| Income tax pertinent to remeasurements of defined benefit pension plans | -32 | 95 | -53 | 240 | 144 |
| Other comprehensive income for the period net of income taxes | 902 | 1 307 | -285 | 3 361 | 7 097 |
| Total comprehensive income for the period | 3 706 | 24 581 | 5 673 | 40 022 | 50 492 |
| Income for the period attributable to: | | | | | |
| Equity holders of the parent company | 2 704 | 23 283 | 5 808 | 36 619 | 43 240 |
| Non-controlling interest | 100 | -9 | 150 | 42 | 155 |
| Total comprehensive income attributable to: | | | | | |
| Equity holders of the parent company | 3 606 | 24 590 | 5 523 | 39 980 | 50 337 |
| Non-controlling interest | 100 | -9 | 150 | 42 | 155 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| Amounts in KSEK | June 30 2017 | June 30 2016 | Dec 31 2016 |
|---|------------------|------------------|----------------|
| ASSETS | | | |
| Non-current assets | | | |
| Intangible assets | | | |
| Goodwill | 176 786 | 174 944 | 177 453 |
| Other intangible assets | 98 611 | 99 203 | 99 460 |
| Total intangible assets | 275 397 | 274 147 | 276 913 |
| Tangible assets | | | |
| Lands and buildings | 135 551 | 135 559 | 123 968 |
| Plant and machinery | 207 193 | 161 332 | 163 491 |
| Equipment, tools, fixtures and fittings | 11 724 | 11 543 | 10 817 |
| Construction in progress and advance payments for property, plant and equipment | 70 809 | 15 807 | 30 180 |
| Total tangible assets | 425 277 | 324 241 | 328 456 |
| Financial assets | | | |
| Derivative instruments | 4 284 | - | - |
| Other long-term receivables | 318 | 9 | 252 |
| Total financial assets | 4 602 | 9 | 252 |
| Deferred tax asset | 427 | 896 | 1 069 |
| Total non-current assets | 705 703 | 599 293 | 606 690 |
| Current assets | | | |
| Inventory | 187 989 | 137 928 | 115 883 |
| Performance summary in brief | | | |
| Current receivables | | | |
| Account receivables | 289 611 | 237 867 | 189 798 |
| Tax asset | 2 771 | 1 058 | 638 |
| Other current receivables | 8 120 | 6 822 | 816 |
| Prepaid expenses and accrued income | 18 108 | 9 942 | 18 762 |
| Cash and cash equivalents | 39 529 | 93 335 | 23 153 |
| Total current receivables | 358 139 | 349 024 | 233 167 |
| Total current receivables | 546 128 | 486 952 | 349 050 |
| TOTAL ASSETS | 1 251 831 | 1 086 245 | 955 740 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| Amounts in KSEK | June 30 2017 | June 30 2016 | Dec 31 2016 |
|--|------------------|------------------|----------------|
| EQUITY | | | |
| Share capital | 103 | 103 | 103 |
| Additional paid-in capital | 244 868 | 242 918 | 244 868 |
| Reserves | 3 095 | 243 | 3 593 |
| Accumulated profit or loss (including net profit for the period) | 87 957 | 74 929 | 81 936 |
| Equity attributable to the equity holders of the Parent Company | 336 023 | 318 193 | 330 500 |
| Non-controlling interests | 1 195 | 932 | 1 045 |
| Total equity | 337 218 | 319 125 | 331 545 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Pensions and similar obligations | 7 129 | 7 890 | 7 309 |
| Other provisions | 3 407 | 2 791 | 2 440 |
| Deferred tax liabilities | 10 157 | 8 215 | 9 815 |
| Bond loan | 537 944 | - | - |
| Liabilities to credit institutions | 26 306 | 229 429 | 210 641 |
| Liabilities to associated companies | 1 016 | 29 112 | 29 566 |
| Total non-current liabilities | 585 959 | 277 437 | 259 771 |
| Current liabilities | | | |
| Liabilities to credit institutions | 8 732 | 136 957 | 71 231 |
| Account payables | 222 251 | 203 524 | 149 830 |
| Current tax liabilities | 3 118 | 2 210 | 4 883 |
| Other current liabilities | 45 763 | 106 032 | 84 790 |
| Accrued expenses and deferred income | 48 790 | 40 960 | 53 690 |
| Total current liabilities | 328 654 | 489 683 | 364 424 |
| Performance summary in brief | 914 613 | 767 120 | 624 195 |
| TOTAL EQUITY AND LIABILITIES | 1 251 831 | 1 086 245 | 955 740 |

CHANGES IN CONSOLIDATED EQUITY

| Amounts in KSEK | Jan-Jun 2017 | Jan-Jun 2016 | Jan-Dec 2016 |
|---|-----------------|-----------------|-----------------|
| Balance brought forward | 331 545 | 268 532 | 268 532 |
| Net profit for the period | 5 958 | 36 661 | 43 395 |
| Other comprehensive income | -285 | 3 361 | 7 097 |
| Total comprehensive income | 5 673 | 40 022 | 50 492 |
| Transactions with shareholders | | | |
| New share issue | - | 10 571 | 12 521 |
| Total transactions with shareholders | 0 | 10 571 | 12 521 |
| Balance carried forward | 337 218 | 319 125 | 331 545 |
| <i>Attributable to non-controlling interest</i> | <i>1 195</i> | <i>932</i> | <i>1 045</i> |

CONSOLIDATED CASH FLOW STATEMENT

| Amounts in KSEK | Apr-Jun 2017 | Apr-Jun 2016 | Jan-Jun 2017 | Jan-Jun 2016 | Jan-Dec 2016 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Operating income | 11 059 | 26 549 | 20 637 | 43 521 | 60 563 |
| Adjustments for non-cash items | 12 663 | 11 537 | 6 191 | 23 286 | 51 819 |
| Financial items, net | -6 131 | -3 422 | -9 821 | -6 873 | -12 728 |
| Income tax paid | -1 004 | -1 068 | -2 228 | -2 668 | -4 547 |
| Operating cash flow before changes to working capital | 16 587 | 33 596 | 14 779 | 57 266 | 95 107 |
| Cash flow from working capital changes | -17 955 | 2 002 | -70 355 | -26 559 | -21 642 |
| Operating cash flow | -1 368 | 35 598 | -55 576 | 30 707 | 73 465 |
| Net investments in tangible assets | -24 986 | -12 334 | -50 624 | -21 428 | -48 391 |
| Performance summary in brief | 0 | 0 | 2 394 | 0 | 0 |
| Cash flow from investment activities | -24 986 | -12 334 | -48 230 | -21 428 | -48 391 |
| Borrowings and amortization of loans, net | -60 288 | -29 351 | 120 105 | -40 135 | -129 406 |
| New share issue | 0 | 10 421 | 0 | 10 421 | 12 521 |
| Cash flow from financing activities | -60 288 | -18 930 | 120 105 | -29 714 | -116 885 |
| Cash flow of the period | -86 642 | 4 334 | 16 299 | -20 435 | -91 811 |
| Cash and cash equivalent at the beginning of the period | 126 071 | 87 654 | 23 153 | 111 582 | 111 582 |
| Exchange rate differences in cash and cash equivalent | 100 | 1 347 | 77 | 2 188 | 3 382 |
| Cash and cash equivalent at the end of the period | 39 529 | 93 335 | 39 529 | 93 335 | 23 153 |

INCOME STATEMENT OF THE PARENT COMPANY

| Amounts in KSEK | Apr-Jun 2017 | Apr-Jun 2016 | Jan-Jun 2017 | Jan-Jun 2016 | Jan-Dec 2016 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Operating expenses | | | | | |
| Other operating expenses | -423 | -117 | -849 | -173 | -924 |
| Total operating expense | -423 | -117 | -849 | -173 | -924 |
| Operating income | -423 | -117 | -849 | -173 | -924 |
| Financial income | 2 375 | 270 | 2 614 | 517 | 956 |
| Financial expense | -3 339 | -212 | -3 757 | -423 | -799 |
| Financial income and expense - net | -964 | 58 | -1 143 | 94 | 157 |
| Appropriations | 0 | 0 | 0 | 0 | 662 |
| Profit or loss before tax | -1 387 | -59 | -1 992 | -79 | -105 |
| Tax on net income for the period | 0 | 0 | 0 | 0 | 0 |
| Net income for the period | -1 387 | -59 | -1 992 | -79 | -105 |

The net income for the period is equivalent to the comprehensive income.

STATEMENT OF FINANCIAL POSITION OF THE PARENT COMPANY

| Amounts in KSEK | June 30 2017 | June 30 2016 | Dec 31 2016 |
|-------------------------------------|-----------------|-----------------|----------------|
| Fixed assets | 818 129 | 263 120 | 263 574 |
| Current assets | 16 395 | 12 912 | 15 649 |
| Total assets | 834 524 | 276 032 | 279 223 |
| Performance summary in brief | 242 587 | 242 655 | 244 579 |
| Long term liabilities | 572 322 | 31 582 | 31 379 |
| Current liabilities | 19 615 | 1 795 | 3 265 |
| Total equity and liabilities | 834 524 | 276 032 | 279 223 |

General information

BEWi Group AB (publ), org no 556972-1128, is a holding company registered in Sweden with a registered office in Solna. Address: Evenemangsgatan 31, SE-169 70 Solna.

BEWi Group's interim report April-June 2017 has been approved by the Board of Directors for publication on August 25, 2017.

Amounts are given in thousand krona (KSEK), unless otherwise specified. Information in brackets pertain previous years.

Accounting principles

BEWi Group accounts have been prepared in accordance with Financial Reporting Standards (IFRS) in the form they have been adopted by the EU. The accounting principles adopted comply with those described in BEWi Group's Annual Report 2016. This interim report is prepared in accordance with IAS 34 Interim Reports and the Swedish Annual Accounts Act.

The annual report for the parent company is prepared in accordance with the Annual Accounts Act and RFR 2 Accounting for legal entities. The application of RFR 2 entails that, in the interim report for the legal entity, the parent company applies all of the IFRSs and statements adopted by the EU as far as possible within the framework of the Annual Accounts Act, the Pension Obligations Vesting Act and in respect of the connection between accounting and taxation.

Bond

In June 2017, a three year senior secured bond of 550 MSEK was issued. The bond was initially recognised at fair value, net after transaction costs. The bond was subsequently recognized at amortized cost. Any difference between the amount received (net after transaction costs) and the repayment amount is recognised in profit and loss distributed over the loan period applying the effective rate method.

The bond is subject to a variable rate of interest of Stibor 3 m +4.40 percentage points and will be listed on the corporate bond list of NASDAQ Stockholm. The issue amount was used to redeem earlier bank loans, for the repayment of shareholder loans and for general company purposes.

Financial instruments

The fair value of short-term financial instruments corresponds to their carrying amounts as the discount effect is not significant.

Carrying amount of the Group's borrowing is deemed to be a good approximation of its fair value since the loans have variable rates of interest.

Pledged assets

For the bond and for loans from credit institutes, collateral has been provided in the form of pledged shares in subsidiaries in accordance with earlier financing.

Amendments to previous periods

An incorrect classification was observed in the Consolidated statement of comprehensive income in the Annual Report. The incorrect classification was between raw materials and goods for resale as well as between other external costs and personnel expenses. Figures for 2016 have been adjusted in this financial report.

Related-party transactions

The acquisitions during the year, M-plast Oy and assets from Por-Pac AB's factory in Lindesberg, took place via companies that are part of BEWi Holding AS. BEWi Holding AS owns 48.5% of BEWi Group AB. The transactions were conducted on normal market terms.

Segment information

Intra-group sales are conducted on normal market terms.

| Amounts in KSEK | Apr-Jun 2017 | Apr-Jun 2016 | Jan-Jun 2017 | Jan-Jun 2016 | Jan-Dec 2016 |
|--------------------------------|-----------------|-----------------|------------------|-----------------|------------------|
| Income | | | | | |
| Raw material | | | | | |
| Segment income | 279 993 | 271 760 | 540 719 | 515 575 | 1 063 952 |
| Intra segment sales | -62 201 | -19 971 | -94 619 | -58 445 | -132 093 |
| Income from external customers | 217 792 | 251 789 | 446 100 | 457 130 | 931 859 |
| Insulation | | | | | |
| Segment income | 117 406 | 89 916 | 214 843 | 146 823 | 314 557 |
| Intra segment sales | -9 956 | -6 831 | -18 812 | -10 717 | -23 000 |
| Income from external customers | 107 450 | 83 085 | 196 031 | 136 106 | 291 557 |
| Packaging | | | | | |
| Segmentet income | 134 315 | 100 744 | 266 290 | 192 077 | 391 890 |
| Intra segment sales | -2 866 | -2 673 | -4 132 | -4 996 | -8 377 |
| Performance summary in brief | 131 449 | 98 071 | 262 158 | 187 081 | 383 513 |
| Total, Group | | | | | |
| Segments' income | 531 714 | 462 420 | 1 021 852 | 854 475 | 1 770 399 |
| Intra segment sales | -85 747 | -29 475 | -117 563 | -74 158 | -163 470 |
| Income from external customers | 456 691 | 432 945 | 904 289 | 780 317 | 1 606 929 |
| EBIT | | | | | |
| Raw material | 9 019 | 9 026 | -6 283 | 18 732 | 35 327 |
| Insulation | -2 623 | 6 107 | 2 002 | 4 501 | 10 063 |
| Packaging | 8 017 | 12 124 | 29 228 | 22 917 | 33 809 |
| Unallocated | -3 354 | -708 | -4 310 | -2 629 | -18 636 |
| Total, Group | 11 059 | 26 549 | 20 637 | 43 521 | 60 563 |
| Financial items | -7 512 | -1 501 | -12 845 | -4 087 | -11 814 |
| Income before tax | 3 547 | 25 048 | 7 792 | 39 434 | 48 749 |

Acquisitions

On January 2, 2017, the Group acquired 90 percent of the share capital in M-plast Oy with a right for the seller to sell the remaining 10 percent of the shares at a price agreed in advance. In the event of certain predefined results being achieved by the subsidiary during the 2017-2018 financial year, an earnout may be paid. The fair value of the conditional earnout was estimated by calculating the present value of future anticipated cash flows. In the acquisition, negative goodwill arose, which was recognized in conjunction with the acquisition.

Purchase price January 2, 2017

| | |
|---------------------------------------|---------------|
| Cash and cash equivalents | 11 951 |
| Conditional earnout | 1 817 |
| Liability to non-controlling interest | 956 |
| Total purchase price | 14 724 |

Recognised amounts on identifiable acquired assets and liabilities

| | |
|--------------------------------------|---------------|
| Non-current assets | 48 101 |
| Current assets | 3 375 |
| Inventory | 9 485 |
| Other liabilities | 7 515 |
| Cash and cash equivalents | 2 409 |
| Other liabilities | -47 919 |
| Deferred tax liabilities | -1 492 |
| Total identifiable net assets | 21 474 |
| Negative goodwill | -6 750 |

On March 1, 2017, the Group acquired the assets of Por-Pac's factory in Lindesberg. In the acquisition, negative goodwill arose which was recognised in conjunction with the acquisition.

Purchase price March 1, 2017

| | |
|------------------------------|---------------|
| Performance summary in brief | 15 000 |
| Total purchase price | 15 000 |

Recognised amounts on identifiable acquired assets and liabilities

| | |
|--------------------------------------|---------------|
| Non-current assets | 16 964 |
| Inventory | 7 903 |
| Total identifiable net assets | 24 867 |
| Negative goodwill | -9 867 |

Significant events after the financial period

In July 2017, BEWi acquired 60 percent of the shares in Solupak, a Finnish manufacturer of insulation material. The shares were acquired for KSEK 13,378. In accordance with the agreement, the seller has an option to divest the remaining shares to BEWi in accordance with predetermined price mechanism and a given timeframe. According to the agreement, BEWi is also entitled to acquire the remaining shares, given certain conditions.

Purchase price July 1, 2017

| | |
|-----------------------------|---------------|
| Cash and cash equivalents | 13 378 |
| Total purchase price | 13 378 |

Recognised amounts on identifiable acquired assets and liabilities

| | |
|--------------------------------------|---------------|
| Non current assets | 7 167 |
| Inventory | 3 435 |
| Other receivables | 4 726 |
| Cash and cash equivalents | 610 |
| Other liabilities | 3 465 |
| Total identifiable net assets | 12 473 |
| Goodwill | 905 |

The acquisition analysis is preliminary.

Future financial reports

The interim report January-September will be published on November 22, 2017.

Solna, August 25, 2017

The Board of Directors and the CEO assure that this six-month report provides a true and fair overview of the Parent Company's and the Group's operations, financial position and earnings and describes the material risks and uncertainties to which the parent company and the companies included in the Group are exposed.

Göran Vikström
Chairman

Per Nordlander
Member of the Board

Kristina Schauman
Member of the Board

Gunnar Syvertsen
Member of the Board

Bernt Thoresen
Member of the Board

Christian Bekken
CEO

This report has not been audited by the Company's auditors