

Q3 2022

Quarterly report

BEWI



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Highlights¹

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

Third quarter of 2022

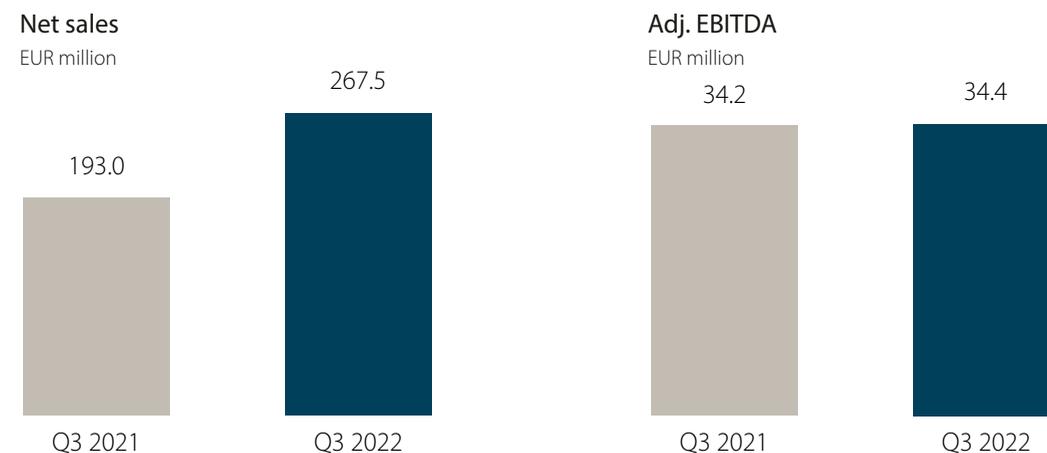
- Net sales up by 39 per cent to EUR 267.5 million (193.0), of which 15 per cent organic growth
- Adjusted EBITDA of EUR 34.4 million (34.2)
- Acquisition of the Lithuanian insulation company BalPol

First nine months of 2022

- Net sales up by 43 per cent to EUR 774.7 million (540.0), of which 23 per cent organic growth
- Adjusted EBITDA of EUR 109.2 million (82.5)

Subsequent events

- Closing of the Jackson transaction
- Completed first phase of divestment of industrial real estate portfolio, valued at approximately NOK 900 million
- Distribution of dividend expected on 18 November 2022



19%
ROCE²

Target ~20%

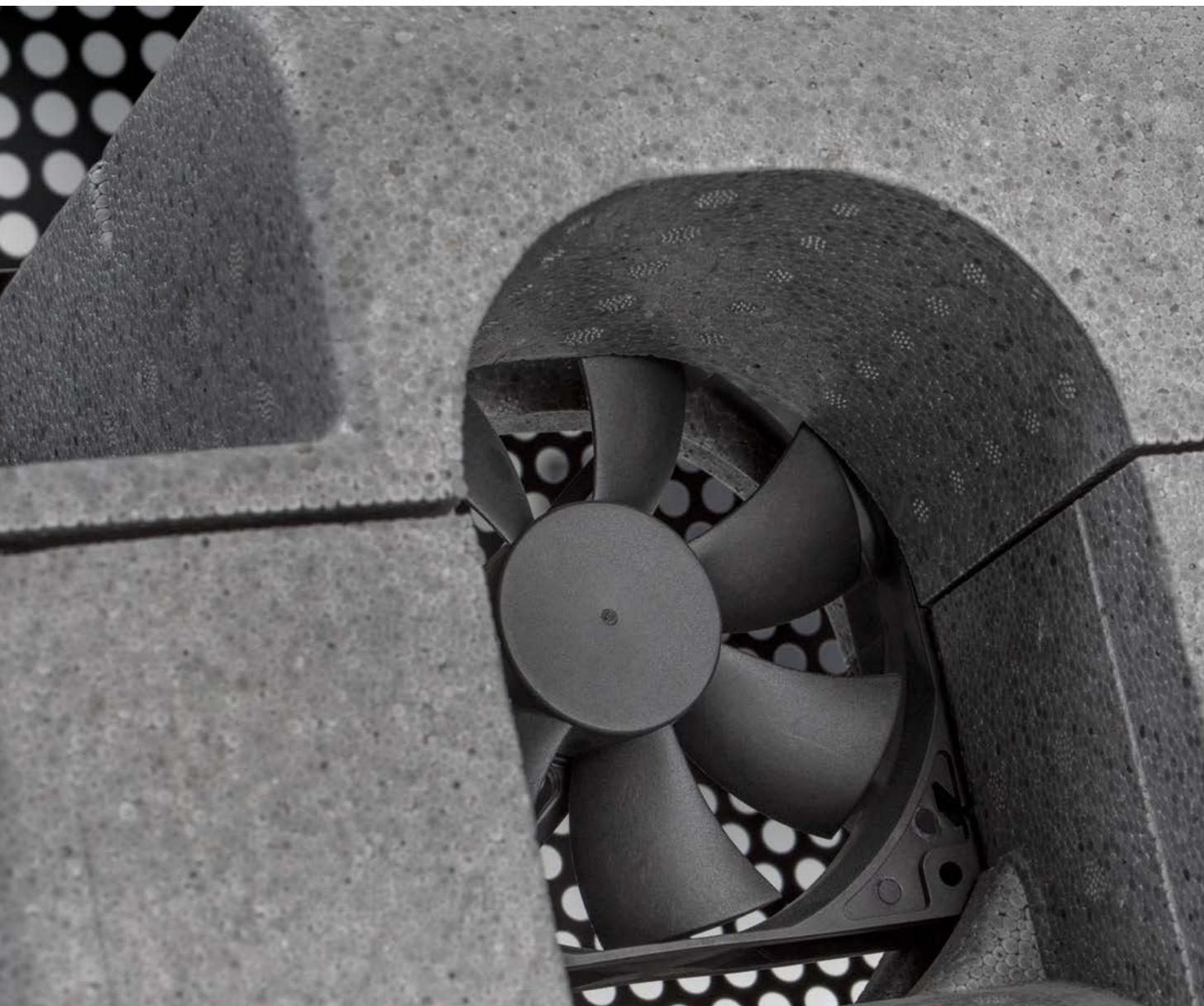
1.6x
NIBD/Adj. EBITDA³

Target <2.5x

¹ For more information on the change in net sales and adjusted EBITDA from the corresponding period of 2021, see the revenue and EBITDA bridges included on [page 18 and 19](#)

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 figures¹

Amounts in million EUR (except percentage)	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Net sales	267.5	193.0	774.7	540.0	748.2
EBITDA	32.9	34.5	111.2	81.1	105.5
<i>EBITDA margin (%)</i>	<i>12.3%</i>	<i>17.9%</i>	<i>14.4%</i>	<i>15.0%</i>	<i>14.1%</i>
Adjusted EBITDA	34.4	34.2	109.2	82.5	109.0
<i>Adj. EBITDA margin (%)</i>	<i>12.9%</i>	<i>17.7%</i>	<i>14.1%</i>	<i>15.3%</i>	<i>14.6%</i>
Items affecting comparability	-1.5	0.3	2.0	-1.5	-3.4
Adjusted EBITA	24.7	26.7	83.0	61.2	78.8
<i>Adj. EBITA margin (%)</i>	<i>9.2%</i>	<i>13.8%</i>	<i>10.7%</i>	<i>11.3%</i>	<i>10.5%</i>
Net profit/loss for the period	10.0	11.9	43.1	25.4	34.4
Earnings per share, basic (EUR)	0.07	0.08	0.28	0.17	0.23
Earnings per share, diluted (EUR)	0.07	0.08	0.27	0.17	0.23
Capital Expenditure (CAPEX)	-8.9	-7.2	-23.3	-22.6	-34.7
<i>Return on average capital employed (ROCE)%</i>	<i>19.3%</i>	<i>18.1%</i>	<i>19.3%</i>	<i>18.1%</i>	<i>19.2%</i>
<i>Total number of outstanding shares</i>	<i>159 277 992</i>	<i>156 610 804</i>	<i>159 277 992</i>	<i>156 610 804</i>	<i>156 610 804</i>

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



Comments from the CEO

Well positioned in challenging markets

We are very pleased to deliver another quarter with growth and solid results, considering the increasingly challenging market conditions. BEWI continues to grow, and recorded net sales of 267.5 million euro for the third quarter of 2022, an increase of 38.6 per cent over the same quarter last year. Of this, 24.0 per cent came from acquisitions, as BEWI has strengthened its positions in strategically important markets and segments, as well as expanded geographically.

Adjusted EBITDA came in at EUR 34.4 million, an increase of 0.6 per cent. All acquired companies contributed to growth in EBITDA, while the organic growth was negative 11.5 per cent. The reduction is mainly explained by lower volumes for RAW, which was not fully offset by a positive contribution from our two downstream segments.

Styrene raw material prices continued to increase in the first half of the quarter and dropped towards the end of the quarter. The gross margin for segment RAW segment remained solid, but expectations of decreasing raw material prices in combination with increased uncertainty related to the current macro climate impacted the segment's volumes negatively.

Our downstream segments, Insulation and Packaging & Components (P&C) recorded organic growth in net sales and EBITDA, despite both segments being challenged by increasing raw material prices and cost inflation. This is a result of a continued focus on price management and cost control, compensating for the higher cost level. While we experience lower activity in the Nordic insulation market and for commodity products in general, the market activity in Benelux has been more stable. Within P&C, sales to the food – and HVAC industries are performing well, and we are pleased to see that volumes to the automotive industry are gradually improving. In addition, all recent acquisitions which are consolidated in

We believe BEWI is financially and operationally robust, and well positioned in the current challenging markets.

these two segments performed well and contributed positively to the group's EBITDA development.

A few weeks ago, we could finally close the Jackon transaction, and welcome more than 900 Jackon employees to our company. In addition, we completed the acquisition of the Lithuanian insulation company BalPol in the third quarter. Now, we are fully focused on integrating these organisations, and we have identified significant synergies that we expect will enable us to maintain a strong EBITDA level going forward, although we expect to see softer volumes to selected industries given the current market conditions.

As the macro environment is currently characterised by high uncertainty, BEWI is focusing on addressing challenges and mitigate risks, while at the same time positioning the company for further growth. Our diversified and integrated business model puts us in a strong position, combined with long-term customer relations, a broad product offering and a continued effort to ensure robustness by focusing on cost control and improved operational excellence.

BEWI's key markets include food packaging, insulation, HVAC (heating, ventilation, air-condition), and the automotive industry. Although we see clear signs of slowdown in our operating markets, there are obvious variations across our end-markets. Food packaging is expected to remain stable and the demand for HVAC solutions is strong. For insulation, the outlook is more complex. The building and construction industry is forecasted to

decline next year, impacting some of our portfolio short term. However, we expect a stable long-term demand for our insulation solutions, supported by strong underlying fundamentals, including the need to improve energy efficiency in buildings and related regulations. Further, growth in automotive demand is improving slightly as supply chain issues seem to be easing.

We believe BEWI is financially and operationally robust, and well positioned in the current challenging markets. Uncertainty has increased for the short- to medium term outlook, and we have therefore initiated preventive measures for improved cost control, combined with planned activities for cost reduction following integration of Jackon.

Trondheim, 8 November 2022



Christian Bekken, CEO BEWI ASA

Financial review

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

Profit and loss

Third quarter of 2022

Net sales amounted to EUR 267.5 million for the third quarter of 2022 (193.0), corresponding to an increase of 38.6 per cent. Of this, 15.0 per cent was organic growth, while acquisitions and divestments contributed net 23.2 per cent and a positive 0.4 per cent was currency effects.

All segments except Circular demonstrated organic growth compared to the third quarter last year, mainly following price adjustments in stable markets.

Adjusted EBITDA came in at EUR 34.4 million for the quarter (34.2), representing an improvement of 0.6 per cent. Acquisitions and divestments contributed net 11.3 per cent and the organic growth was negative 11.5 per cent. Currency had a positive effect of 0.8 per cent.

The negative organic growth is mainly explained by lower volumes in segments RAW, which was not fully offset by the positive contribution from segments Insulation and Packaging & Components. All segments have demonstrated strong price management to compensate for the higher cost level.

The adjusted EBITDA margin was 12.9 per cent for the quarter (17.7). The lower margin compared to the third quarter last year, is mainly explained by segment Insulation and RAW. For more information on the development in net sales and EBITDA, see explanations under each segment and the revenue and EBITDA bridges on [page 19](#).

Operating income (EBIT) was EUR 21.1 million for the quarter (24.9), down by EUR 3.8 million over the same period last year.

Net financial items amounted to a negative EUR 5.8 million for the quarter (-7.3). The period was negatively impacted by a EUR 1.0 fair value adjustment of shares in the listed real estate company KMC Properties ASA (1.4).

Taxes amounted to a negative EUR 5.2 million (-5.6). The effective tax rate was negatively impacted mainly by the fair value adjustment of shares in KMC Properties ASA and non-deductible transaction costs.

Net result for the third quarter of 2022 ended at EUR 10.0 million (11.9).

First nine months of 2022

Net sales increased to EUR 774.7 million for the first nine months of 2022 (540.0), corresponding to an increase of 43.5 per cent, of which 20.6 per cent was driven by the net of acquisitions and divestments and 22.6 per cent was organic growth following price increases to compensate for the higher cost level.

Adjusted EBITDA ended at EUR 109.2 million for the first nine months of the year (82.5), an increase of 32.3 per cent, of which 11.1 per cent was net of acquisitions and divestments, and 20.6 per cent was organic growth. All segments except Circular contribute positively to the organic growth. The adjusted EBITDA margin for the first nine months was 14.4 per cent (15.0)

Operating income (EBIT) came in at EUR 78.7 million for the period (54.0). The period was positively impacted by the EUR 9.7 million gain from revaluation of shares in Jablite, following BEWI's acquisition of the remaining 51 per cent of Jablite and the subsequent consolidation of that company.

Net financial items amounted to a negative EUR 18.9 million for the first nine months of 2022 (-17.2). The period was negatively impacted by a EUR 3.5 million fair value adjustment of shares in the listed real estate company KMC Properties ASA and a EUR 2.9 million revaluation of an option to acquire a minority shareholding (-2.8).

Taxes amounted to a negative EUR 16.7 million for the first nine months (-11.4).

Net profit for the first nine months of 2022 was EUR 43.1 million (25.4).

Segment RAW



Continued solid GAP

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

Third quarter of 2022

Net sales for segment RAW amounted to EUR 104.5 million for the quarter (89.5), an increase of 16.8 per cent explained by increased sales prices following a significant increase in underlying raw material prices since the third quarter of last year.

Volumes sold were lower than for the third quarter last year, explained partly by expectations of decreased Styrene prices, and partly by markets characterized by increased uncertainty due to the macroeconomic climate.

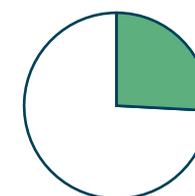
Adjusted EBITDA came in at EUR 14.7 million for the third quarter of 2022 (19.4), mainly due to lower volumes as explained above. Styrene raw material prices continued to increase in the beginning of the third quarter and dropped towards the end of the quarter. Market prices for EPS raw material remained high, resulting in a continued solid GAP (i.e., styrene gross profit).

First nine months of 2022

Net sales for segment RAW the first nine months of 2022 were EUR 330.4 million (255.0), up by 29.5 per cent from the same period last year, explained by increased sales prices, as explained for the quarter.

Adjusted EBITDA ended at EUR 50.5 million for the first nine months of the year (38.5). The improvement primarily relates to the strengthened GAP.

Amounts in million EUR (except percentage)	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Net sales	104.5	89.5	330.4	255.0	347.9
<i>Of which internal</i>	35.4	27.0	107.2	78.6	104.6
<i>Of which external</i>	69.1	62.4	223.1	176.5	243.3
Net operating expenses	-89.8	-70.1	-279.8	-216.6	-293.9
Adjusted EBITDA	14.7	19.4	50.5	38.5	54.1
Adjusted EBITDA %	14.1%	21.7%	15.3%	15.1%	15.5%
Items affecting comparability	0.0	0.0	0.1	0.0	0.1
EBITDA	14.7	19.4	50.6	38.5	54.2
Depreciations	-1.4	-0.9	-3.3	-2.8	-4.2



26%

of total net sales¹
in Q3 2022



41%

of total adj. EBITDA²
in Q3 2022

¹ Based on revenues from external customers

² Based on total adj. EBITDA for operating segments

Segment Insulation



Profit improvement following price increases

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 Benelux is the main market within the business area. BEWI has 18 facilities in 9 countries producing insulation products. 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 and BalPol from 1 September 2022.

Third quarter of 2022

Net sales came in at EUR 79.8 million for the quarter (46.8), an increase of 70.3 per cent. Excluding acquisitions and divestments, sales increased by 23.1 per cent. The organic growth is mainly driven by stable demand in Benelux and higher sales prices in all markets. In the Nordics, demand was softer in the quarter. Currency had a negative impact of 0.2 per cent for the quarter.

Adjusted EBITDA ended at EUR 6.3 million for the quarter (5.4), an increase of 16.9 per cent. Excluding acquisitions and divestments, adjusted EBITDA increased by 6.8 per cent.

While BEWI's fully owned companies improved its EBITDA as a result of strong price management to compensate for higher costs, the contribution from associated companies was reduced from EUR 1.5 million last year, to EUR 0.5 million for this quarter, mainly explained by the operations in France being impacted by a softer market in France and Italy.

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All recently acquired companies performed well and contributed positively to the company's adjusted EBITDA for the third quarter. However, EBITDA margins are currently low, partly explained by seasonality but also resulting from the higher cost level which has not yet been transferred to customers. The reduction is the main explanation for the lower EBITDA margin (%) this quarter compared to the third quarter last year.

First nine months of 2022

Net sales amounted to EUR 227.4 million for the first nine months of 2022 (145.7), an increase of 56.1 per cent. Of this, 26.5 per cent was organic growth driven by increased sales prices in all regions, as for the quarter. Acquisitions and divestments contributed net 29.8 per cent for the third quarter.

Adjusted EBITDA amounted to EUR 23.6 million (17.2). This represents an increase of 36.9 per cent, of which 21.2 per cent was organic growth. As for the quarter, the increased EBITDA is explained by the increased sales prices as well as positive contribution from acquisitions.

Items affecting comparability include the revaluation of Jablite shares, as mentioned in the comments to EBIT in the Financial review section above.

Amounts in million EUR (except percentage)	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Net sales	79.8	46.8	227.4	145.7	195.4
Of which internal	0.8	0.5	3.3	1.8	2.8
Of which external	78.9	46.3	224.1	143.9	192.7
Net operating expenses	-73.5	-41.5	-203.8	-128.5	-173.9
Adjusted EBITDA	6.3	5.4	23.6	17.2	21.6
Adjusted EBITDA %	7.9%	11.5%	10.4%	11.8%	11.0%
Items affecting comparability	-0.8	0.4	6.5	0.3	0.9
EBITDA	5.5	5.8	30.1	17.5	22.5
Depreciations	-2.6	-1.9	-7.0	-5.9	-7.9



30%

of total net sales¹
in Q3 2022



18%

of total adj. EBITDA²
in Q3 2022

¹ Based on revenues from external customers

² Based on total adj. EBITDA for operating segments

Segment Packaging & Components (P&C)



Organic growth following good price management compensating for lower demand

Segment P&C develops and manufactures standard and customised packaging solutions and technical components for customers in many industrial sectors. Examples include boxes for transportation of fresh fish and other food, protective packaging for pharmaceuticals and electronics, and components for cars and heating systems. The material is composed primarily of EPS, EPP and fabricated foam. BEWI has 27 facilities in 8 countries producing P&C components.

Acquisitions affecting comparability

The automotive components company IZOBLOK was consolidated from 1 July 2021, the Norwegian paper packaging company Trondhjems Eskefabrikk from 1 May 2022, and the packaging business of Jablite called Styropack from 1 June 2022.

Third quarter of 2022

Net sales amounted to EUR 103.4 million for the third quarter (79.8), an increase of 29.6 per cent. Excluding acquisitions net sales increased by 16.7 per cent, explained by increased sales prices compensating for the higher cost level, combined with continued good development for sales of traded products to the food industry.

BEWI experience strong demand for HVAC solutions. and sales to the automotive industry are gradually improving.

Adjusted EBITDA amounted to EUR 13.9 million for the third quarter this year (11.5), up by 21.1 per cent, of which organic growth was positive 6.6 per cent including currency effects. The segment has

successfully managed to adjust prices to compensate for the higher cost level, including increased costs for raw material, energy, transport, and other elements. All recent acquisitions contribute positively to the increased EBITDA.

Ramp-up of sold volumes from the new facility at Senja, Norway, continued during the quarter, and the facility now contributes positively to the results.

First nine months of 2022

Net sales amounted to EUR 287.5 million (207.6), an increase of 38.5 per cent. Excluding acquisitions, sales increased by 16.2 per cent explained by increased sales prices in all regions.

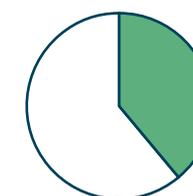
Adjusted EBITDA amounted to EUR 35.1 million (31.0), up by 13.2 per cent. Excluding acquisitions, adjusted EBITDA increased by 3.8 per cent explained by the same factors as for the quarter.

Amounts in million EUR (except percentage)	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Net sales	103.4	79.8	287.5	207.6	295.6
<i>Of which internal</i>	2.3	1.3	8.1	3.1	6.9
<i>Of which external</i>	101.1	78.5	279.5	204.5	288.7
Net operating expenses	-89.5	-68.3	-252.4	-176.6	-255.3
Adjusted EBITDA	13.9	11.5	35.1	31.0	40.3
Adjusted EBITDA %	13.4%	14.4%	12.2%	14.9%	13.6%
Items affecting comparability	0.0	0.5	2.0	0.3	-0.4
EBITDA	13.9	12.0	37.0	31.3	39.9
Depreciations	-5.0	-4.3	-14.2	-11.6	-16.6



38%

of total net sales¹
in Q3 2022



39%

of total adj. EBITDA²
in Q3 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 2021, the group had a recycling capacity of approximately 20 000 tonnes and a collection run-rate of approximately 23 000 tonnes. Since then, the company has acquired Berga Recycling, with a collection run-rate of approximately 15 000 tonnes of EPS, in addition to other materials. BEWI has announced an annual target of recycling 60 000 tonnes of EPS. The number refers to approximately one-third of BEWI's annual production, which is the volume BEWI puts into the end markets with a lifetime less than one year.

Third quarter of 2022

The UK-based recycling company Volker Gruppe was consolidated from 1 October 2021 and Berga Recycling from 1 June 2022.

Net sales for segment Circular amounted to EUR 18.3 million for the quarter (5.9), an increase of 209.1 per cent. Excluding acquisitions net sales decreased by 7.0 per cent, explained by lower volumes and lower sales prices. The lower prices correlate to the reduction in the virgin raw material prices.

Adjusted EBITDA amounted to EUR 0.9 million for the third quarter of 2022 (-0.1). The improved EBITDA was mainly driven by acquisitions.

First nine months of 2022

Net sales for the first nine months of 2022 came in at EUR 47.9 million (15.4), up by 211.8 per cent from the same period last year, of which 46.4 per cent was organic growth coming from higher volumes and increased sales prices.

Adjusted EBITDA ended at EUR 3.9 million for the first nine months (0.7). The improvement primarily relates to the acquisitions of Volker Gruppe and Berga.

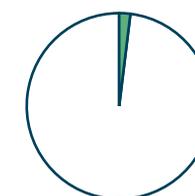
For the first nine months of 2022, BEWI collected a total of 19 959 tonnes of EPS for recycling. The recently acquired Berga Recycling collected approximately 15 000 tonnes of EPS in 2021. At the end of the third quarter, BEWI had an annual recycling capacity of approximately 29 000 tonnes.

Amounts in million EUR (except percentage)	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Net sales	18.3	5.9	47.9	15.4	24.0
<i>Of which internal</i>	0.0	0.2	0.2	0.3	0.6
<i>Of which external</i>	18.3	5.7	47.8	15.0	23.4
Net operating expenses	-17.4	-6.1	-44.1	-14.7	-23.4
Adjusted EBITDA	0.9	-0.1	3.9	0.7	0.6
Adjusted EBITDA %	4.8%	-2.3%	8.1%	4.4%	2.5%
Items affecting comparability	-0.2	-0.1	-1.0	-0.1	-0.3
EBITDA	0.6	-0.2	2.9	0.6	0.3
Depreciations	-0.5	-0.3	-1.2	-0.7	-1.0



7%

of total net sales¹
in Q3 2022



2%

of total adj. EBITDA²
in Q3 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 1.3 million (-1.9). For the first nine months of 2022, the contribution was negative EUR 3.9 million (-4.9).

Financial position and liquidity

Consolidated financial position

Total assets amounted to EUR 911.8 million on 30 September 2022, compared to EUR 785.7 million at year-end 2021.

Total equity amounted to EUR 320.0 million on 30 September 2022, compared to EUR 262.2 million at year-end 2021.

Net debt amounted to EUR 308.0 million on 30 September 2022 (208.6 excluding IFRS 16), compared to EUR 196.4 million at year-end 2021 (120.3 excluding IFRS 16).

Cash and cash equivalents were EUR 67.2 million on 30 September 2022, compared to EUR 142.3 million at year-end 2021.

Consolidated cash flow

Cash flow from operating activities amounted to EUR 16.8 million for the third quarter of 2022 (31.2), including an increase in working capital of EUR 12.1 million (decrease of 8.3). The increased working capital is mainly related to the timing of Styrene payments.

For the first nine months of 2022, cash flow from operating activities amounted to EUR 27.6 million (32.9), including an increase in working capital of EUR 50.9 million (22.3). Seasonal pattern, the impact from higher prices on inventory and accounts receivables and the timing of Styrene payments, all had a negative effect on cash flow from working capital.

Cash flow used for investing activities amounted to a negative EUR 23.4 million for the third quarter this year (-21.7). Capital expenditures were slightly higher than the same period last year. Cash outflow from business acquisitions was attributable to the BalPol acquisition.

For the first nine months of 2022, cash flow from investing activities amounted to a negative EUR 96.2 million (-44.8). Capital expenditures were in line with the same period last year, whereas cash outflow from

business acquisitions noted a significant increase due to the many acquisitions during the year.

Cash flow from financing activities came in at a negative EUR 1.3 million for the third quarter (positive 9.3). Cash inflow from increased borrowing in a few subsidiaries was offset by the cash outflow from reduced leasing liabilities. The same period last year was positively impacted by the bond refinancing during the third quarter of 2021.

For the first nine months of 2022, cash flow from financing activities amounted to a negative EUR 4.3 million (positive 21.4). Cash flow from increased borrowing in a few subsidiaries, was offset by the cash outflow from the refinancing of an acquired company and the effect of reduced leasing liabilities. In addition, cash flow from financing activities was impacted by a new share issue following the settlement of the first tranche of the share-based incentive programme. The same period last year was dominated by the positive cash flow from the bond refinancing and a new share issue.

Capital expenditures (CAPEX)

In the third quarter of 2022, investments continued according to plan. CAPEX totaled EUR 8.9 million (7.2). Of this, EUR 4.8 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 the new ERP system.

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. CAPEX for the third quarter continued to be below this target.

Organisation

As of 30 September 2022, BEWI had 2 416 employees, compared to 2 097 on 31 December 2021. The increase mainly reflects acquisitions in the first nine months of 2022.

Important events in the third 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 of the facility. The project commenced in May 2022.

In July 2022, BEWI was rewarded a long-term supply agreement for deliveries of fish boxes 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, a new project was initiated at BEWI's facility in Skara, Sweden, together with the customer Bosch. Investments relate to a HVAC (Heating Ventilation Air Condition) system, from which volumes of specific EPP components are expected to grow. Commercialisation is expected in the second half of 2022.

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.

ICT

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

Acquisitions and divestments

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

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

So far in 2022, BEWI has announced five acquisitions, of which one was completed in the third quarter, and one was completed after the close of the quarter. In addition, the company has announced an agreement for divestment of its industrial real estate portfolio valued at up to NOK 2 billion.

Acquisition of the Lithuanian insulation company BalPol

On 1 July 2022, with reference to the stock exchange notice of 18 February 2022, BEWI announced that it had signed an agreement to acquire the Lithuanian insulation company UAB Baltijos Polistirenas ("BalPol").

BalPol is the market leader in Lithuania for insulation solutions from expanded polystyrene (EPS) and polyisocyanurate (PIR), and for EPS packaging solutions.

The company has approximately 150 employees and operates two downstream facilities, producing. One facility produces PIR and mineral wool (MW) sandwich panels and PIR insulation boards and the

other produces insulation solutions from EPS for construction and packaging products from EPS and expanded polyethylene (EPE).

Through the acquisition, BEWI is expanding its geographic footprint into the Baltics, enabling sales growth, as well as establishing a platform for circular activities. At the same time, the company is broadening its insulation offering.

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, including increase in sales prices.

The transaction was closed on 31 August 2022 and BalPol was consolidated into BEWI's accounts from 1 September 2022.

Other important events

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 first nine months of 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 first nine months of 2022, the financial impact from sanctions and reduced business volume with Russia has been 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. All transactions are now completed on a prepayment basis.

As to the macro-economic effects from the invasion, the general cost inflation, including higher energy prices, has had a modest impact on the profitability of the group, although not related to the company's exposure to Russia.

Share information

As of 30 September 2022, the total number of shares outstanding in BEWI ASA was 159 277 992, each with a par value of NOK 1. Each share entitles to one vote.

During the third quarter, the share was traded between NOK 45.00 and NOK 68.40 per share, with a closing price of NOK 46.40 on 30 September 2022.

Completion of private placement

On 31 August 2022, BEWI completed a private placement towards the seller of the Lithuanian insulation company UAB Baltijos Polistirenas (BalPol) raising gross proceeds of NOK 144.7 million by issuance of 2 238 188 new shares at NOK 64.64 per share. The price per share was calculated based on three (3) months weighted average price from 23 August 2022.

Events after the close of the quarter

Final closing of the Jackon transaction

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 will be consolidated into BEWI's accounts from 1 November 2022.

BEWI maintains its previously communicated expectations of synergies of at least EUR 12 to 15 million.

For the third quarter of 2022, Jackon had revenues of EUR 101.6 million, compared to EUR 105.1 million for the third quarter of 2021, and recorded an EBITDA of EUR 7.1 million, down from EUR 15.8 million for the same quarter of 2021.

Revenues amounted to EUR 337.6 million for the first nine months of 2022, up from EUR 295.7 million for the same period of 2021, with an EBITDA of EUR 20.7 million, compared to EUR 30.2 million last year.

Jackon had approximately 935 employees on 30 September 2022 and owns, following the divestments of the two packaging facilities mentioned above, 20 facilities in Norway, Sweden, Finland, Denmark, Germany, and Belgium.

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 board communicated its expectation to make use of the authorisation following completion of the Jackon transaction.

On 8 November, BEWI announced that the dividend is expected to be distributed on 18 November 2022.

Closing of first tranche in divestment of industrial real estate portfolio

On 30 June 2022, BEWI announced that it had entered an agreement with a wholly owned subsidiary of 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.

On 8 November 2022, the first tranche of the transaction was completed, including 10 properties and one land plot in Norway and Sweden valued at approximately NOK 900 million. Net of taxes, BEWI will receive approximately NOK 850 million in cash for the properties. In connection with the transaction, long term triple net rental agreements have been 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.

Outlook

BEWI experienced a mixed market development between its segments and geographies in the third quarter but delivered another solid quarterly result. The market conditions are increasingly challenging, with high energy prices, high inflation and consequently increasing interest rates which impacts demand for some units.

So far in the fourth quarter, the Styrene prices have continued to decrease, which means that the shift of profitability between the group's upstream and downstream segments, visible in the third quarter, is expected to continue in the fourth quarter.

BEWI is continuously working to address these challenges, while at the same time positioning the company for further growth. The company is currently focusing on integrating recently acquired companies, especially Jackon, and extracting the significant synergies that have been identified. As uncertainty has increased for the short- to medium term outlook, the company has also initiated preventive measures for improved cost control. Further, the company intends to continue its active M&A strategy, pursuing attractive growth opportunities.

Although there are clear signs of slowdown in the company's operating markets, BEWI's diversified market exposure makes the company robust. Food packaging is expected to remain stable and the demand for HVAC solutions is strong. The building and construction industry is forecasted to decline next year, impacting some of BEWI's portfolio, however, the demand for insulation solutions is supported by strong underlying fundamentals, including the need to improve energy efficiency in buildings and related regulations. Further, growth in automotive demand is improving slightly as supply chain issues seem to be easing.

The board considers BEWI to be financially and operationally robust, and well positioned in the current challenging markets.

Trondheim, Norway, 8 November 2022

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

Definitions of alternative performance measures not defined by IFRS

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

Reconciliation alternative performance measures

Alternative performance measures not defined by IFRS

million EUR (except percentage)	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Operating income (EBIT)	21.1	24.9	78.7	54.0	67.8
Amortisations	2.1	2.1	6.3	5.8	7.6
EBITA	23.2	27.0	85.0	59.7	75.4
Items affecting comparability	1.5	-0.3	-2.0	1.5	3.4
Adjusted EBITA	24.7	26.7	83.0	61.2	78.8
EBITA	23.2	27.0	85.0	59.7	75.4
Depreciations	9.7	7.5	26.2	21.3	30.1
EBITDA	32.9	34.5	111.2	81.1	105.5
Items affecting comparability	1.5	-0.3	-2.0	1.5	3.4
Adjusted EBITDA	34.4	34.2	109.2	82.5	109.0
Adjusted EBITA Rolling 12 months	100.6	70.5	100.6	70.5	78.8
Average capital employed	520.6	388.6	520.6	388.6	409.6
Return on average capital employed (ROCE)%	19.3%	18.1%	19.3%	18.1%	19.2%

Items affecting comparability

million EUR	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Severance, integration and restructuring costs	-0.6	-	-0.9	-0.1	-0.9
Transaction costs	-1.1	-0.7	-6.9	-2.1	-4.4
Capital gains/losses from sale of fixed assets	0.2	-	0.1	-0.1	0.0
Capital gain from sale of subsidiary	-	-	-	-	1.0
Capital gain from sale of associated company	-	-	9.7	-	-
Recognition of negative goodwill in associate	-	0.9	-	0.9	0.9
Total	-1.5	0.3	2.0	-1.5	-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	%
Q3 2021	89.5		46.8		79.8		5.9		0.0		-29.1	193.0	
Acquisitions	-	-	23.6	50.3%	10.3	12.9%	12.8	216.1%	-	-	-0.3	46.3	24.0%
Divestments	-	-	-1.4	-3.1%	-	-	-	-	-	-	-	-1.4	-0.7%
Currency	-	-	-0.1	-0.2%	0.9	1.2%	-0.1	-0.9%	0.0	5.0%	-0.1	0.7	0.4%
Organic growth	15.0	16.8%	10.9	23.3%	12.4	15.5%	-0.4	-6.1%	0.1	305.0%	-9.1	28.9	15.0%
Total increase/ decrease	15.0	16.8%	32.9	70.3%	23.6	29.6%	12.4	209.1%	0.1	310.0%	-9.5	74.5	38.6%
Q3 2022	104.5		79.8		103.4		18.3		0.1		-38.5	267.5	

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Intra-group revenue	Total net sales	%
YTD 2021	255.0		145.7		207.6		15.4		0.1		-83.8	540.0	
Acquisitions	-	-	48.0	32.9%	46.3	22.3%	25.7	166.9%	-	-	-4.2	115.7	21.4%
Divestments	-	-	-4.6	-3.1%	-	-	-	-	-	-	-	-4.6	-0.8%
Currency	-	-	-0.3	-0.2%	2.2	1.1%	-0.2	-1.5%	0.0	-5.2%	-0.1	1.7	0.3%
Organic growth	75.3	29.5%	38.6	26.5%	31.4	15.1%	7.1	46.4%	0.1	222.1%	-30.6	121.9	22.6%
Total increase/ decrease	75.3	29.5%	81.7	56.1%	79.9	38.5%	32.6	211.8%	0.1	216.9%	-34.9	234.7	43.5%
YTD 2022	330.4		227.4		287.5		47.9		0.2		-118.8	774.7	

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

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Total adjusted EBITDA	%
Q3 2021	19.4		5.4		11.5		-0.1		-1.9		34.2	
Acquisitions	-	-	0.8	14.5%	1.7	14.4%	1.7	1 225.7%	-	-	4.1	12.0%
Divestments	-	-	-0.2	-4.4%	-	-	-	-	-	-	-0.2	-0.7%
Currency	-	-	0.0	0.5%	0.3	2.3%	0.0	16.2%	0.0	-2.5%	0.3	0.8%
Organic growth	-4.7	-24.1%	0.3	6.3%	0.5	4.3%	-0.7	-502.2%	0.6	31.8%	-3.9	-11.5%
Total increase/ decrease	-4.7	24.1%	0.9	16.9%	2.4	21.1%	1.0	739.7%	0.6	29.3%	0.2	0.6%
Q3 2022	14.7		6.3		13.9		0.9		-1.3		34.4	

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Total adjusted EBITDA	%
YTD 2021	38.5		17.2		31.0		0.7		-4.9		82.5	
Acquisitions	-	-	3.8	21.9%	2.9	9.4%	3.7	548.7%	-	-	10.4	12.6%
Divestments	-	-	-1.2	-7.0%	-	-	-	-	-	-	-1.2	-1.5%
Currency	-	-	0.1	0.7%	0.5	1.5%	0.0	-2.6%	-0.1	-1.9%	0.5	0.6%
Organic growth	12.0	31.2%	3.7	21.2%	0.7	2.4%	-0.5	-76.9%	1.1	22.3%	17.0	20.6%
Total increase/ decrease	12.0	31.2%	6.4	36.9%	4.1	13.2%	3.2	469.1%	1.0	20.3%	26.7	32.3%
YTD 2022	50.5		23.6		35.1		3.9		-3.9		109.2	

Consolidated condensed interim financial statements for the period ended 30 September 2022

Consolidated condensed interim statement of income

million EUR	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Revenues					
Net sales	267.5	193.0	774.7	540.0	748.2
Total operating income	267.5	193.0	774.7	540.0	748.2
Operating expenses					
Raw materials and consumables	-118.9	-72.5	-327.3	-221.0	-304.9
Goods for resale	-30.1	-24.4	-104.1	-66.1	-92.2
Other external costs	-51.7	-33.7	-144.5	-94.0	-135.9
Personnel cost	-34.7	-30.4	-100.3	-82.6	-116.2
Depreciation/amortisation and impairment of tangible and intangible assets	-11.8	-9.6	-32.5	-27.1	-37.8
Share of income from associated companies	0.6	2.5	2.8	4.9	5.7
Capital gain/loss from sale of assets	0.1	0.0	9.8	-0.1	1.0
Total	-246.4	-168.1	-696.0	-486.0	-680.4
Operating income (EBIT)	21.1	24.9	78.7	54.0	67.8
Financial income	0.1	0.2	0.4	0.3	0.4
Financial expenses	-6.0	-7.6	-19.3	-17.5	-19.2
Net financial items	-5.8	-7.3	-18.9	-17.2	-18.8
Income before tax	15.3	17.5	59.8	36.8	49.0
Income tax expense	-5.2	-5.6	-16.7	-11.4	-14.6
Profit/loss for the period	10.0	11.9	43.1	25.4	34.4

Consolidated condensed interim statement of comprehensive income

million EUR	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Profit/loss for the period	10.0	11.9	43.1	25.4	34.4
Other comprehensive income					
<i>Items that may later be reclassified to profit or loss</i>					
Exchange rate differences	0.9	7.1	-1.3	9.9	4.1
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurements of net pension obligations	2.8	2.0	2.6	3.4	4.0
Income tax pertinent to remeasurements of net pension obligations	-0.5	-0.4	-0.5	-0.7	-0.8
Other comprehensive income after tax	3.2	8.7	0.8	12.6	7.3
Total comprehensive income for the period	13.2	20.7	43.9	38.1	41.7

Profit attributable to

million EUR (except numbers for EPS)	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Profit for the period attributable to					
Parent company shareholders	10.3	12.8	43.4	26.1	35.7
Non-controlling interests	-0.3	-0.9	-0.3	-0.7	-1.3
Total comprehensive income attributable to					
Parent company shareholders	13.4	18.0	44.2	35.3	42.9
Non-controlling interests	-0.2	2.7	-0.3	2.8	-1.2
Earnings per share					
Average number of shares	157 720 992	156 536 114	157 162 505	152 220 494	153 336 017
Diluted average number of shares	159 052 419	157 015 584	158 603 373	152 331 918	154 116 368
Earnings per share (EPS), basic (EUR)	0.07	0.08	0.28	0.17	0.23
Earnings per share (EPS), diluted (EUR)	0.07	0.08	0.27	0.17	0.23
Earnings per share (EPS), basic (NOK)	0.66	0.80	2.77	1.75	2.37
Earnings per share (EPS), diluted (NOK)	0.65	0.80	2.74	1.75	2.36

EPS in NOK is calculated using average rates for the period

Consolidated condensed interim statements of financial position

million EUR	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	185.3	98.8	113.0
Other intangible assets	87.8	79.3	80.3
Total intangible assets	273.1	178.1	193.3
Property plant and equipment			
Land and buildings	119.8	80.0	91.3
Plant and machinery	102.0	89.8	101.3
Equipment, tools, fixtures and fittings	10.3	12.1	12.4
Construction in progress and advance payments	13.7	15.5	10.1
Total property, plant and equipment	245.8	197.4	215.1
Financial assets			
Shares in associates	12.6	14.0	13.7
Other financial non-current assets	15.5	18.0	20.8
Total financial assets	28.0	32.0	34.5
Deferred tax assets	6.1	2.7	3.0
Total non-current assets	553.0	410.2	445.9

million EUR	30 Sep 2022	30 Sep 2021	31 Dec 2021
Current assets			
Inventory	111.6	71.1	81.0
Other current assets			
Accounts receivable	149.9	106.9	98.8
Current tax assets	1.2	3.8	0.6
Other current receivables	10.0	5.4	11.9
Prepaid expenses and accrued income	9.9	5.8	5.0
Other financial assets	9.0	-	0.2
Cash and cash equivalents	67.2	61.0	142.3
Total other current assets	247.2	182.9	258.8
Total current assets	358.8	254.0	339.8
TOTAL ASSETS	911.8	664.2	785.7

Consolidated condensed interim statements of financial position cont.

million EUR	30 Sep 2022	30 Sep 2021	31 Dec 2021
EQUITY			
Share capital	15.1	14.8	14.8
Additional paid-in capital	181.4	166.6	166.9
Reserves	-9.3	-7.6	-9.6
Accumulated profit (including net profit for the period)	124.9	66.6	80.3
Equity attributable to Parent Company shareholders	312.1	240.5	252.4
Non-controlling interests	7.9	9.2	9.8
TOTAL EQUITY	320.0	249.7	262.2
LIABILITIES			
Non-current liabilities			
Pensions and similar obligations to employees	0.9	1.7	1.4
Provisions	1.1	0.4	0.9
Deferred tax liability	28.6	22.7	26.8
Non-current bond loan	246.8	156.8	246.1
Other non-current interest-bearing liabilities	98.0	76.9	75.9
Other financial non-current liabilities	-	3.8	4.3
Total non-current liabilities	375.4	262.2	355.4

million EUR	30 Sep 2022	30 Sep 2021	31 Dec 2021
Current liabilities			
Other current interest-bearing liabilities	30.3	15.5	16.7
Other financial liabilities	0.0	0.9	0.2
Accounts payable	87.5	76.0	89.7
Current tax liabilities	20.6	10.2	8.0
Other current liabilities	14.9	14.5	13.2
Accrued expenses and deferred income	63.0	35.2	40.2
Total current liabilities	216.4	152.4	168.0
Total liabilities	591.8	414.5	523.4
TOTAL EQUITY AND LIABILITIES	911.8	664.2	785.7

Trondheim, Norway, 8 November 2022

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–30 Sep 2022	1 Jan–30 Sep 2021	1 Jan–31 Dec 2021
OPENING BALANCE	262.2	195.1	195.1
Net profit for the period	43.1	25.4	34.4
Other comprehensive income	0.8	12.6	7.3
Total comprehensive income	43.9	38.1	41.7
New share issue, net of transaction costs	14.6	22.0	22.0
Dividend	-	-6.4	-6.4
Share-based payments	0.5	0.5	0.6
Acquisition non-controlling interest	-1.3	0.5	9.2
Total transactions with shareholders	13.9	16.6	25.4
CLOSING BALANCE	320.0	249.7	262.2

Consolidated condensed interim statements of cash flows

million EUR	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Operating income (EBIT)	21.1	24.9	78.7	54.0	67.8
Adjustment for non-cash items etc.	12.0	6.7	20.1	22.1	32.5
Net financial items	-3.6	-8.0	-11.1	-13.9	-17.4
Income tax paid	-0.6	-0.7	-9.2	-7.0	-8.7
Cash flow from operating activities before changes in working capital	28.9	22.9	78.5	55.2	74.2
Changes in working capital	-12.1	8.3	-50.9	-22.3	-6.8
Cash flow from operating activities	16.8	31.2	27.6	32.9	67.4
Acquisitions non-current assets	-8.9	-7.2	-23.3	-22.6	-34.7
Divestment non-current assets	0.0	-	0.3	0.2	4.7
Business acquisitions/ financial investments	-14.5	-14.5	-73.1	-22.4	-55.5
Cash flow from investing activities	-23.4	-21.7	-96.2	-44.8	-85.5
Borrowings	2.5	158.1	7.0	157.7	248.2
Repayment of debt	-3.8	-148.7	-12.3	-148.8	-153.4
Dividend	-	-	-	-6.4	-6.4
New share issue, net	-	-	1.0	18.9	18.9
Cash flow from financing activities	-1.3	9.3	-4.3	21.4	107.3
Cash flow for the period	-7.9	18.8	-72.8	9.4	89.2
Opening cash and cash equivalents	75.9	42.3	142.3	51.4	51.4
Exchange difference in cash	-0.8	-0.1	-2.4	0.1	1.7
Closing cash and cash equivalents	67.2	61.0	67.2	61.0	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 have to be expensed when incurred. BEWI has started the implementation of a cloud-based ERP system and is consequently impacted by the IFRS IC decision earlier this year. BEWI is therefore undertaking an analysis of the contract with the software supplier and the nature of the different components of the implementation costs, to fully understand the accounting treatment of these costs and whether something should be expensed. This analysis will be completed in 2022. Until 30 September 2022, costs incurred in this ERP implementation have been capitalised as an intangible asset.

Note 03 Related party transactions

Christian Bekken, CEO of BEWI ASA, is together with other members of the Bekken family a major shareholder of the company through Bekken Invest AS and BEWI Invest AS. Other related parties are the three 34% owned associated companies Hirsch France SAS, Hirsch Porozell GmbH and Inoplast S.R.O. Transactions with those companies are presented in the tables below. Jablite Group Ltd was owned to 49% 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	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Sale of goods to					
Companies with Bekken as significant shareholder	0.0	-	0.4	-	0.1
HIRSCH France SAS	6.0	4.3	19.8	14.0	18.8
HIRSCH Porozell GmbH	14.1	12.7	38.9	32.3	45.3
Jablite Group Ltd.	-	1.6	3.6	6.4	7.9
Inoplast s.r.o.	0.9	1.1	2.7	1.1	2.9
Total	21.0	19.7	65.4	53.8	74.8
Other income from					
Companies with Bekken as significant shareholder	0.1	-	0.2	-	-
Inoplast s.r.o.	0.1	-	0.6	-	-
Total	0.2	-	0.8	-	-
Purchase of goods from					
Inoplast s.r.o.	0.6	1.8	3.4	1.8	3.4
Remondis Technology Spółka z o.o.	1.4	1.0	2.8	2.1	3.1
Total	2.0	2.8	6.2	3.9	6.5

million EUR	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Interest Income from					
Hirsch France SAS	0.0	0.0	0.1	0.1	0.1
Jablite Group Ltd.	-	0.1	0.0	0.1	0.1
Total	0.0	0.1	0.1	0.2	0.2

million EUR	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Rental expenses to					
Companies with Bekken as significant shareholder	2.6	3.0	8.0	6.7	8.8
Total	2.6	3.0	8.0	6.7	8.8

million EUR	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Other external costs to					
Companies with Bekken as significant shareholder	0.1	-	0.1	-	0.1
Total	0.1	-	0.1	-	0.1

Transactions impacting the balance sheet

million EUR	30 Sep 2022	30 Sep 2021	31 Dec 2021
Non-current receivables			
Companies with Bekken as significant shareholder		0.1	0.1
HIRSCH France SAS		0.0	2.3
Jablite Group Ltd		-	1.7
Total	0.1	4.1	4.2

million EUR	30 Sep 2022	30 Sep 2021	31 Dec 2021
Current receivables			
Companies with Bekken as significant shareholder		2.8	1.7
HIRSCH Porozell GmbH		0.1	0.6
Inoplast s.r.o.		0.8	0.5
Jablite Group Ltd		-	0.0
Total	3.7	2.7	4.8

million EUR	30 Sep 2022	30 Sep 2021	31 Dec 2021
Current liabilities			
Companies with Bekken as significant shareholder		0.2	0.5
Inoplast s.r.o.		0.1	0.6
Total	0.3	1.1	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	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
RAW					
Segment revenue	104.5	89.5	330.4	255.0	347.9
Intra-group revenue	-35.4	-27.0	-107.2	-78.6	-104.6
Revenue from external customers	69.1	62.4	223.1	176.5	243.3
Insulation					
Segment revenue	79.8	46.8	227.4	145.7	195.4
Intra-group revenue	-0.8	-0.5	-3.3	-1.8	-2.8
Revenue from external customers	78.9	46.3	224.1	143.9	192.7
Packaging and Components					
Segment revenue	103.4	79.8	287.5	207.6	295.6
Intra-group revenue	-2.3	-1.3	-8.1	-3.1	-6.9
Revenue from external customers	101.1	78.5	279.5	204.5	288.7
Circular					
Segment revenue	18.3	5.9	47.9	15.4	24.0
Intra-group revenue	0.0	-0.2	-0.2	-0.3	-0.6
Revenue from external customers	18.3	5.7	47.8	15.0	23.4

million EUR	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Unallocated					
Segment revenue	0.1	0.0	0.2	0.1	0.1
Intra-group revenue	0.0	0.0	0.0	0.0	0.0
Revenue from external customers	0.1	0.0	0.2	0.1	0.1
Total					
Total segment revenue	306.0	222.0	893.5	623.8	863.1
Total Intra-group revenue	-38.5	-29.1	-118.8	-83.8	-114.9
Total revenue from external customers	267.5	193.0	774.7	540.0	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	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Adj. EBITDA					
RAW	14.7	19.4	50.5	38.5	54.1
Insulation	6.3	5.4	23.6	17.2	21.6
Packaging and Components	13.9	11.5	35.1	31.0	40.3
Circular	0.9	-0.1	3.9	0.7	0.6
Unallocated	-1.3	-1.9	-3.9	-4.9	-7.6
Total adj. EBITDA	34.4	34.2	109.2	82.5	109.0
EBITDA					
RAW	14.7	19.4	50.6	38.5	54.2
Insulation	5.5	5.8	30.1	17.5	22.5
Packaging and Components	13.9	12.0	37.0	31.3	39.9
Circular	0.6	-0.2	2.9	0.6	0.3
Unallocated	-1.9	-2.5	-9.4	-6.8	-11.4
Total EBITDA	32.9	34.5	111.2	81.1	105.5

million EUR	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
EBITA					
RAW	13.3	18.5	47.3	35.7	50.0
Insulation	2.9	3.8	23.1	11.6	14.6
Packaging and Components	8.9	7.7	22.8	19.7	23.3
Circular	0.2	-0.5	1.7	-0.1	-0.7
Unallocated	-2.0	-2.6	-9.8	-7.1	-11.8
Total EBITA	23.2	27.0	85.0	59.7	75.4
EBIT					
RAW	13.2	18.4	47.1	35.4	49.6
Insulation	2.2	3.3	21.1	10.0	12.6
Packaging and Components	7.8	6.4	19.2	16.3	18.8
Circular	0.2	-0.5	1.7	-0.1	-0.7
Unallocated	-2.2	-2.8	-10.4	-7.6	-12.6
Total EBIT	21.1	24.9	78.7	54.0	67.8
Net financial items	-5.8	-7.3	-18.9	-17.2	-18.8
Income before tax	15.3	17.5	59.8	36.8	49.0

External revenue by country (buying company's geography)

million EUR	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Total Finland	15.5	11.7	42.4	30.9	34.0
Total Sweden	16.7	17.2	51.3	50.3	62.2
Total Denmark	15.4	10.7	52.5	42.9	61.9
Total Norway	48.3	40.7	139.0	108.7	154.1
Total Portugal & Spain	18.2	10.7	52.6	33.5	45.0
Total Iceland	8.0	7.5	20.2	16.2	22.0
Total Baltics	8.4	3.6	19.5	10.3	14.3
Total UK	18.4	5.7	36.7	15.6	20.2
Total Germany	25.7	17.4	71.5	42.6	58.0
Total Poland	11.7	12.4	40.5	25.6	39.0
Total Russia	4.4	8.5	14.0	20.4	29.2
Total Netherlands	36.3	27.8	116.5	85.7	117.3
Total Belgium	8.2	3.5	30.0	9.8	13.6
Total France	8.4	5.5	25.3	16.6	28.4
Total Other	23.9	10.1	62.6	30.8	49.2
Total Group	267.5	193.0	774.7	540.0	748.2

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

million EUR	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Attributable to operations	-6.3	-4.6	-16.8	-12.8	-18.8
Attributable to IFRS 16	-3.0	-2.5	-8.0	-7.4	-9.9
Attributable to fair value adjustments in business combinations	-2.5	-2.5	-7.7	-6.9	-9.0
Total	-11.8	-9.6	-32.5	-27.1	-37.8

Note 06 The group's borrowings

million EUR	30 Sep 2022	30 Sep 2021	31 Dec 2021
Non-current liabilities			
Bond loan	246.8	156.8	246.1
Liabilities to credit institutions	11.0	9.2	9.8
Liabilities leases	87.1	67.6	66.1
Total	344.9	233.7	322.0
Current liabilities			
Bond loan	-	-	-
Liabilities to credit institutions	14.3	2.2	3.0
Liabilities leases	14.3	12.5	13.0
Overdraft	1.7	0.8	0.8
Total	30.3	15.5	16.7
Total liabilities	375.2	249.2	338.7
Cash and cash equivalents	67.2	61.0	142.3
Net debt including IFRS 16 impact	308.0	188.2	196.4
Subtracting liabilities capitalised in accordance with IFRS 16			
Non-current liabilities leases	85.9	65.8	65.0
Current liabilities leases	13.5	11.2	11.1
Total	99.4	77.0	76.1
Net debt excluding IFRS 16 impact	208.6	111.2	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 30 September 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 are presented in the table below.

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

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

Bond loans	Interest terms	Nominal interest 1 Jul–30 Sep 2022	Nominal interest 1 Jan–30 Sep 2022	Average interest 1 Jul–30 Sep 2022	Average interest 1 Jan–30 Sep 2022
EUR 250 million	Euribor 3m + 3.15%	2.82 – 3.86%	2.58 – 3.86%	3.65%	3.28%

In addition, the group has a revolving credit facility (RCF) of EUR 150 million granted by two banks. This facility was increased by EUR 50 million in the third quarter of 2022. As of 30 September, the revolving credit facility was unutilised. In addition, the group has liabilities in acquired companies, such as liabilities to credit institutions, minor overdraft facilities and liabilities for lease contracts, that have not been refinanced post-acquisition.

Pledged assets

In total the group has pledged asset amounted to EUR 71.8 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 24.9 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	5.8	-	0.5	6.3	6.3
Derivative asset	-	9.0	-	9.0	9.0
Total	5.8	9.0	0.5	15.3	15.3
Financial liabilities measured at amortised cost					
Bond loans	227.5	-	-	-	246.8
Total	227.5	-	-	-	246.8

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

Level 3 – Changes during the period (EUR million)	Participation in other companies	Other financial non-current liabilities
As of 31 December 2021	0.6	3.8
Fair value adjustment through profit and loss	-0.1	2.9
Use of option to acquire BEWI Cellpack A/S	-	-6.7
As of 30 June 2022	0.5	0.0

- 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. In 2020, the company initiated a comprehensive restructuring programme, including closure of two facilities, optimising the production footprint, in addition to several other cost initiatives. The completed restructuring has resulted in significant profitability improvement over the last two years. Jablite has grown to become a leading provider of insulation and packaging solutions in the UK, with an annual turnover of approximately EUR 47.5 million and an EBITDA margin in the range of 5 to 10 per cent.

At the time of the release of this report, the acquisition analysis for Jablite is preliminary and gave rise to a goodwill of EUR 19.5 million. A complete acquisition analysis is expected to be presented in Q4 2022, leading to fair value adjustments of intangible assets and a corresponding change in goodwill. Goodwill is not tax deductible. Until 30 September 2022, Jablite had contributed EUR 21.6 million to the group's net sales, EUR 1.3 million to adjusted EBITDA and EUR 0.7 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. Transaction costs amounted to EUR 0.2 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

Other intangible assets	0.0
Property, plant and equipment	17.6
Other fixed assets	0.1
Inventory	4.3
Current receivables	11.4
Cash and cash equivalents	0.3
Non-current liabilities	-15.3
Deferred tax liability	-0.4
Current liabilities	-14.5
Total identifiable net assets	3.5
Goodwill	19.5
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 and Berga Recycling Inc.

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.

At the time of the release of this report, the acquisition analyses for both companies are preliminary and gave rise to a goodwill of EUR 39.4 million. Complete acquisition analyses are expected to be presented in Q4 2022, leading to fair value adjustments of intangible assets and a corresponding change in goodwill. Goodwill is not tax deductible. Until 30 September 2022, the companies had contributed EUR 17.7 million to the group's net sales, EUR 3.3 million to adjusted EBITDA and EUR 2.8 million to EBIT, excluding transaction costs. Transaction related costs amounted to EUR 2.1 million.

Amounts in million EUR	Total
Cash consideration	43.8
Promissory note	1.7
Total	45.4

Recognised amount of identifiable assets and acquired liabilities assumed

Technology	0.1
Other intangible assets	0.1
Property, plant and equipment	7.8
Other fixed assets	0.2
Inventory	2.1
Current receivables	9.2
Cash and cash equivalents	3.1
Non-current liabilities	-9.1
Deferred tax liability	-0.1
Current liabilities	-7.3
Total identifiable net assets	6.0
Goodwill	39.4
Cash and cash equivalents in acquired business	3.1
Total cash outflow from acquisition of business	-40.7

¹ The acquisition analyses are preliminary

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 31 August.

At the time of the release of this report, the acquisition analysis for BalPol is preliminary and gave rise to goodwill of EUR 23.0 million. A complete acquisition analysis is expected to be presented in the first quarter of 2023, leading to fair value adjustments of intangible assets and a corresponding change in goodwill. Goodwill is not tax deductible. Until 30 September 2022, BalPol had contributed EUR 2.9 million to the group's net sales, EUR 0.0 million to adjusted EBITDA and EUR -0.1 million to EBIT, excluding transaction costs. Transaction costs amounted to EUR 0.1 million.

Amounts in million EUR	Total
Cash consideration	14.4
Paid in shares	14.8
Total	29.2
Recognised amount of identifiable assets and acquired liabilities assumed	
Trademark	0.0
Technology	0.0
Other intangible assets	0.0
Property, plant and equipment	6.9
Other fixed assets	0.7
Inventory	6.5
Current receivables	4.1
Cash and cash equivalents	0.1
Non-current liabilities	-3.3
Deferred tax liability	-0.9
Current liabilities	-7.9
Total identifiable net assets	6.3
Goodwill	23.0
Cash and cash equivalents in acquired business	0.1
Total cash outflow from acquisition of business	-14.3

¹ The acquisition analysis is preliminary

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 1 350 000. Settlement of the transaction was completed on 7 February 2022. After this transaction, BEWI owns (indirectly) 64.28 per cent of the shares, corresponding to 73.21 per cent of the voting rights in IZOBLOK.

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 Shares in associates

BEWI has three interests in Shares in associates: HIRSCH Porozell GmbH, HIRSCH France SAS, and Inoplast S.R.O. 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	12
Book value as of 30 September 2022	12.6
Key financials YTD 2022	
Net Sales YTD 2022	191.7
EBITDA YTD 2022	18.9
<i>Of which owned share of EBITDA</i>	6.4
EBIT	11.2
Net Profit	7.1
Consolidated into BEWI's EBITDA, share of Net profit ¹	2.4
BEWI's share of EBITDA minus impact on consolidated EBITDA	4.0
Net debt	24.4
<i>Of which owned share Net Debt</i>	9.7

¹ The difference between share of income from associated companies of EUR 2.8 million, reported in the income statement, and the EUR 2.4 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 10 Earnings per share

	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Profit for the period attributable to parent company shareholders (million EUR)	10.3	12.8	43.4	26.1	35.7
Average number of shares	157 720 992	156 536 114	157 162 505	152 220 494	153 336 017
Effect of options to employees	1 331 427	479 470	1 440 869	111 424	780 351
Diluted average number of shares	159 052 419	157 015 584	158 603 373	152 331 918	154 116 368
Earnings per share (EPS), basic (EUR)	0.07	0.08	0.28	0.17	0.23
Earnings per share (EPS), diluted (EUR)	0.07	0.08	0.27	0.17	0.23
Earnings per share (EPS), basic (NOK)	0.66	0.80	2.77	1.75	2.37
Earnings per share (EPS), diluted (NOK)	0.65	0.80	2.74	1.75	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 159 277 992 compared to 31 December 2021 in two new share issues, one in March 2022 and one in September 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 11 Five-year summary

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

As from 2019, the group applies IFRS 16. The impact from IFRS 16 in 2019 was EUR 7.5 million on EBITDA, EUR -5.4 million on depreciations, EUR -2.5 million on financial expenses, EUR 0.1 million on income tax and EUR -0.3 million on net profit.

¹ without IFRS 16 effects

Note 12 Quarterly data

million EUR (except percentage)	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Net sales	267.5	277.0	230.2	208.2	193.0	198.1	148.9	130.2	122.1
Operating income (EBIT)	21.1	35.8	21.8	13.8	24.9	22.3	6.8	10.6	10.6
EBITDA	32.9	46.4	31.9	24.5	34.5	31.1	15.5	19.5	18.1
EBITDA margin (%)	12.3%	16.8%	13.8%	11.8%	17.9%	15.7%	10.4%	15.0%	14.8%
Adjusted EBITDA	34.4	40.3	34.4	26.4	34.2	31.6	16.7	16.4	17.9
Adj. EBITDA margin (%)	12.9%	14.6%	14.9%	12.7%	17.7%	16.0%	11.2%	12.6%	14.7%
Items affecting comparability	-1.5	6.1	-2.5	-2.0	0.3	-0.5	-1.2	3.1	0.1
EBITA	23.2	38.0	23.9	15.7	27.0	24.2	8.6	12.4	12.1
EBITA margin (%)	8.7%	13.7%	10.4%	7.5%	14.0%	12.2%	5.8%	9.5%	9.9%
Adjusted EBITA	24.7	31.9	26.4	17.6	26.7	24.7	9.8	9.4	12.0
Adj. EBITA margin (%)	9.2%	11.5%	11.5%	8.5%	13.8%	12.5%	6.6%	7.2%	9.8%
Net profit/loss for the period	10.0	24.9	8.2	9.0	11.9	14.4	-1.0	13.5	5.7
Cash flow from operating activities	16.8	25.0	-14.2	34.5	31.2	1.4	0.1	19.9	10.8
Capital Expenditure (CAPEX)	-8.9	-9.2	-5.2	-12.2	-7.2	-8.5	-6.9	-15.1	-4.9
Average capital employed	520.6	476.8	434.0	409.6	388.6	362.7	340.6	322.0	308.3
Return on average capital employed (ROCE) %	19.3%	21.5%	22.0%	19.2%	18.1%	15.4%	12.2%	12.6%	11.5%

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