



# Interim Report

January-September  
2022



# Interim Report Q3, January-September 2022

## July - September 2022

- Net sales increased to SEK 527 million (430)
- Operating profit before depreciation increased to SEK 47 million (25)
- Operating profit increased to SEK 31 million (9)
- Earnings after tax amounted to SEK 18 million (-3)
- Earnings per share amounted to SEK 0.08 (-0.01)
- Cash flow after investing activities amounted to SEK 2 million (-20).

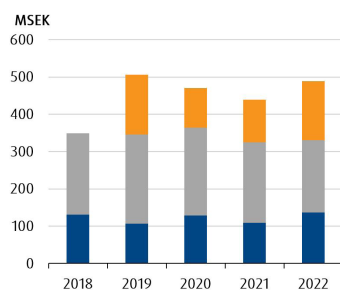
## January - September 2022

- Net sales increased to SEK 1,564 million (1,297)
- Operating profit before depreciation increased to SEK 104 million (80)
- Operating profit increased to SEK 55 million (33)
- Earnings after tax amounted to SEK 21 million (-2)
- Earnings per share amounted to SEK 0.10 (-0.01)
- Cash flow after investing activities amounted to SEK 7 million (1).

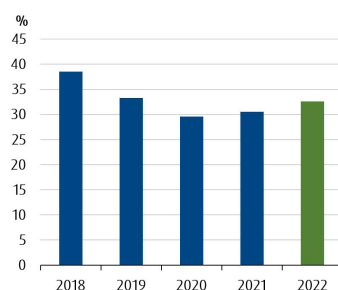
## Key Ratios

MSEK	Jul-Sept 2022	Jul-Sept 2021	Jan-Sept 2022	Jan-Sept 2021	Oct 2021- Sept 2022	Jan-Dec 2021
Net sales	527	430	1,564	1,297	2,071	1,804
EBITDA	47	25	104	80	151	128
EBIT	31	9	55	33	68	46
Non-recurring items, goodwill	-	-	-	-	-18	-18
Adjusted EBIT	31	9	55	33	86	64
Earnings after tax	18	-3	21	-2	26	3
Earning per share, SEK	0.08	-0.01	0.10	-0.01	0.13	0.02
Cash flow after investing activities	2	-20	7	1	65	60
Equity/asset ratio, %	32.6%	31.0%	32.6%	31.0%	32.6%	30.5%

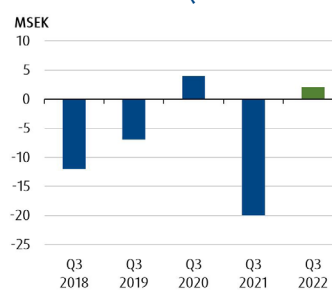
### Net debt



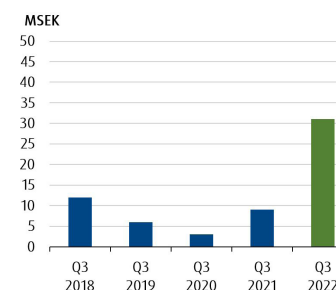
### Equity ratio



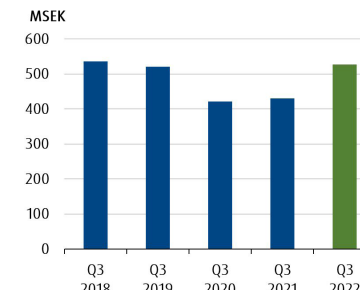
### Cash flow after investing activities - Q3



### Operating profit/loss - Q3



### Net sales - Q3



- Adjusted net debt
- Pension liabilities
- IFRS 16

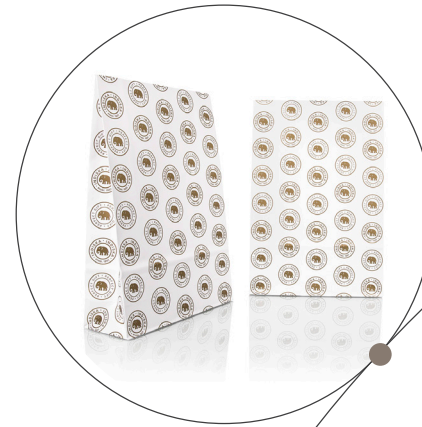
Bong is one of the leading providers of envelope products in Europe that also offers solutions for distribution and packaging of information, advertising materials and lightweight goods. Important growth areas in the Group are packaging within retail and e-commerce and the envelope market within Eastern Europe. The Group has annual sales of approximately SEK 1.8 billion and about 1,100 employees in 13 countries. Bong has strong market positions in most of the important markets in Europe and the Group sees interesting possibilities for continued development. Bong is a public limited company and its shares are listed on Nasdaq Stockholm (Small Cap).

# This is Bong

Envelopes  
and Light  
Packaging

From the  
forest to you  
since 1737

The  
customer is  
our passion



1,100  
Employees

Located in  
13  
countries



Double digit  
growth in  
Light  
Packaging

# Letter to the shareholders

” Bong’s third quarter saw a healthy recovery of margins due to our efforts to pass on cost increases. Even in the current uncertain economic environment Light Packaging is the growth segment in our transformation process, says Bong’s CEO Kai Steigleder. ”



## MARKET AND INDUSTRY

The economic war on energy due to the Russian attack on Ukraine results in high consumer inflation and an uncertain economic outlook for Q4 2022 and at least for the first half of 2023. European consumers and businesses are reluctant on spending which will result in a European wide economic recession in 2023.

Raw material prices continued to be under upward pressure also in Q3. Supply chains are now working better again but still not on the short term availability and service level we were used to before the current crisis started. Transport capacity remains scarce and expensive due to a continuous lack of truck drivers.

Bong’s third quarter saw a healthy recovery of margins due to our efforts to pass on cost increases resulting in higher sales prices to our customers. All new contracts negotiated for Q4 2022 and for 2023 will have shorter periods of validity compared to what was normal in the past. This will allow us to react more flexible in adjusting our pricing structure in the future.

## Light Packaging

Bong’s Retail products were profiting from the reopening of stores after the pandemic and new projects especially a launch of a range of high added value Paper Carrier Bags. Retail gift bags were up +23,6% and Paper Carrier Bags +63,6% vs. ytd September 2021.

Our e-Green range targeted to replace plastic packaging for e-Commerce was the other pillar with +32,2% growth vs. ytd September 2021 supporting our road of transformation into a Light Packaging company.

Total development of Bong’s Light Packaging sales in the first nine months of 2022 was positive with an overall currency adjusted increase of +15,9% compared to ytd September 2021.

## Envelope

Bong’s strong price increases on envelopes were the reason for the + 17,1% ytd currency adjusted growth in this segment. Volumes in Q3 were down following the long term market trend which is replacing printed information by digital information.

On top we saw a very strong overstocking of distributors and wholesalers in Q1 / Q2 of 2022. This was caused by fear of a paper envelope shortage and is now highly dampening the demand in Q3. This overstocking effect is also likely to have a negative effect on the envelope market volume in all Q4. But the main target for our envelope segment remains to be profitable and to generate cash for the investment into Light Packaging.

## OPERATING PROFIT

The Group’s currency-adjusted sales increased by 17% compared with ytd Q3 2021 mainly because of price increases. Bong’s gross margin has stabilized and is slightly higher compared to 2021. Operating profit increased to SEK 55 million (33) partly related to higher machine sales of SEK 9 million (2). The operating profit in 2022 was not affected negatively by restructuring cost or by impairment of Goodwill.

## REDUCED CASH FLOW BUT STABLE ADJUSTED NET DEBT / ADJUSTED EBITDA

Cash flow from operating activities amounted to SEK 22 million (7). Adjusted net debt / adjusted EBITDA according to Bong’s Bond loan amounts to 1.30.

## FOCUS AND STRATEGY

Bong’s main goals are keeping and improving the profitability level in envelopes in order to support and speed up the transformation process into a Light Packaging company.

Our next investments into paper based packaging solutions in our Retail and e-Commerce segments look promising. In order to reflect the toughening

market conditions in a recessionary environment we will further improve our cost management and streamlining our manufacturing sites.

Finally I would like to thank our loyal and hardworking employees as well as our stakeholders and shareholders for their continuous support.

## Kai Steigleder

Chief Executive Officer

# Financial overview

## Sales and profit

### January – September 2022

Consolidated sales for the period reached SEK 1,564 million (1,297). Exchange rate fluctuations had a positive impact on sales of SEK 50 million (-42) compared with 2021.

Operating profit increased to SEK 55 million (33). The Group's gross margin has stabilized and is on the same level as last year. During the period operating profit was positively affected by capital gains of SEK 8 million (2) attributable to sales of machinery. Exchange rate fluctuations for the period had a positive impact on operating profit of SEK 1 million (-2).

Net financial items for the period amounted to SEK -27 million (-29).

Earnings before tax amounted to SEK 29 million (5) and reported earnings after tax were SEK 21 million (-2).

Bong's total light packaging sales amounted to SEK 436 million (364). Currency fluctuations had a positive impact on light packaging sales of SEK 14 million (-12) compared with the corresponding period in 2021.

Bong's total envelope sales amounted to SEK 1,085 million (896). Currency fluctuations had a positive impact on envelope sales of SEK 36 million (-30) compared to same period 2021.

### July – September 2022

Consolidated sales for the period reached SEK 527 million (430). Exchange rate fluctuations had a positive impact on sales of SEK 20 million (-12) compared with 2021.

Operating profit increased to SEK 30 million (9). The Group's gross margin in Q3 has increased, bringing back the year to date margin to normal levels. During the period operating profit was positively affected by capital gains of SEK 7 million (0) attributable to sales of machinery. Exchange rate fluctuations for the period had no impact on operating profit (0).

Net financial items for the period amounted to SEK -10 million (-11).

Earnings before tax amounted to SEK 20 million (-2) and reported earnings after tax were SEK 18 million (-3).

Bong's total light packaging sales amounted to SEK 144 million (122). Currency fluctuations had a positive impact on light packaging sales of SEK 6 million (-3) compared with the corresponding period in 2021.

Bong's total envelope sales amounted to SEK 367 million (294). Currency fluctuations had a positive impact on envelope sales of SEK 14 million (-9) compared with the corresponding period in 2021.

## Cash flow and investments

The cash flow after investing activities increased to SEK 7 million (1) compared to previous year. Cash flow from operating activities before changes in working capital amounted to SEK 60 million (47). Working capital had a negative impact on the cash flow of SEK -38 million (-39). Due to huge raw material price increases stock levels were increasing with a negative impact on our cash flow. In addition, we invested in further light packaging capacities.

Restructuring programs had no impact on the cash flow (-2). Net investments in the period had a negative impact amounting to SEK -15 million (-6).

## Financial position

Cash and cash equivalents at 30 September 2022 amounted to SEK 97 million (SEK 135 million at 31 December 2021). The Group had unutilized credit facilities of SEK 8 million on the same date. Total available cash and cash equivalents thus amounted to SEK 105 million (SEK 144 million at 31 December 2021). Consolidated equity at the end of September 2022 was SEK 534 million (SEK 440 million at 31 December 2021).

Translation of the net asset value of foreign subsidiaries to Swedish Krona and changes in the fair value of pension debt and derivative instruments increased consolidated equity by SEK 74 million. The interest bearing net loan debt amounted to SEK 460 million, whereof pension debt amounts to SEK 159 million and IFRS 16 leasing contracts amount to SEK 193 million (SEK 410 million at 31 December 2021, whereof pension debt amounts to SEK 215 million and IFRS 16 Leasing contracts SEK 115 million).

## Employees

The average number of employees during the period was 1,129 (1,145). The Group had 1,147 (1,131) employees at the end of September 2022. Bong has intensively worked on improving productivity and adjusting staff to meet current demand.

## Parent Company

The Parent Company's business extends to management of operating subsidiaries and certain Group management functions. Sales were SEK 1.6 million (2.5) and earnings before tax for the period were SEK -5.6 million (-1.3).

## Events after the end of the period

No material events have occurred after the end of the period.

## Risks and opportunities

Business risks for the Bong Group are primarily related to market development and various types of financial risks. There has not been any change to significant risks and uncertain positions since Bong's annual report for 2021 was released. For further information, please refer to Bong's annual report and website bong.com.

## Accounting policies

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act. Application was consistent with the accounting principles outlined in the 2021 annual report and the interim report should be read along with those principles. The figures in this interim report have not been rounded off, which is why notes and tables may not total correct amounts. The purpose is that each sub-row should correspond to its source of origin and therefore rounding differences can occur on the total sum.

## Kristianstad 10 November 2022

### Kai Steigleder

Chief Executive Officer

## Additional information

Kai Steigleder, CEO- & Carsten Grimmer, CFO for Bong AB.  
Tel +46 44-20 70 00 (switchboard)

## Financial Calendar:

- Year-End Report 2022, 9 February 2023
- Annual General Meeting, 10 May 2023, Malmö/Postal Voting
- Interim Report January-March 2023, 10 May 2023
- Interim Report January-June 2023, July 2023
- Interim Report January-September 2023, November 2023



## Auditor's report

Bong AB  
Org.nr. 556034-1579

### Introduction

We have reviewed the condensed interim financial information (interim report) of Bong Entity as of 30 September 2022 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Malmö, 10 november 2022

PricewaterhouseCoopers AB

### Tobias Strähle

Auditor in Charge  
Authorized Public Accountant

### Ulf Carlström

Authorized Public Accountant

# Income statements in summary

MSEK	Note	Jul-Sept 2022 3 month	Jul-Sept 2021 3 month	Jan-Sept 2022 9 month	Jan-Sept 2021 9 month	Oct 2021- Sept 2022 12 month	Jan-Dec 2021 12 month
Revenue	1,2	526.8	429.9	1,563.8	1,297.0	2,070.9	1,804.0
Cost of goods sold		-412.2	-362.9	-1,294.4	-1,076.6	-1,716.3	-1,498.4
Gross profit		114.6	67.0	269.4	220.4	354.6	305.6
Selling expenses		-33.4	-34.9	-114.9	-112.0	-154.6	-151.6
Administrative expenses		-27.0	-24.3	-82.4	-76.4	-128.0 <sup>1)</sup>	-122.0 <sup>1)</sup>
Other operating income and expenses		-23.7	1.1	-16.7	1.2	-4.0	13.9
Operating profit		30.5	8.9	55.4	33.2	68.0	45.9
Net financial items		-10.4	-10.8	-26.7	-28.7	-33.7	-35.8
Result before tax		20.1	-1.9	28.7	4.5	34.3	10.1
Income tax		-2.5	-0.7	-7.8	-6.9	-8.2	-7.3
<b>Net result</b>		<b>17.6</b>	<b>-2.6</b>	<b>20.9</b>	<b>-2.4</b>	<b>26.1</b>	<b>2.8</b>
1) Including non-recurring items of SEK -18 million							
<b>Total comprehensive income attributable to:</b>							
Shareholders in Parent Company		17.5	-2.2	21.5	-1.4	27.2	4.4
Non-controlling interests		0.1	-0.4	-0.6	-1.0	-1.1	-1.6
Earnings per share		0.08	-0.01	0.10	-0.01	0.13	0.02
Earnings per share, excluding non recurring items		0.08	-0.01	0.10	-0.01	0.21	0.11
Average number of shares		211,205,058	211,205,058	211,205,058	211,205,058	211,205,058	211,205,058
<b>STATEMENT OF COMPREHENSIVE INCOME</b>							
MSEK		Jul-Sept 2022	Jul-Sept 2021	Jan-Sept 2022	Jan-Sept 2021	Oct 2021- Sept 2022	Jan-Dec 2021
Net result		17.6	-2.6	20.9	-2.4	26.1	2.8
<b>Other comprehensive income</b>							
Items that will not be reclassified to profit or loss:							
Actuarial profit/loss on post employment benefit obligations		14.4	0.0	56.5	11.4	62.6	17.5
		14.4	0.0	56.5	11.4	62.6	17.5
Items that may be reclassified subsequently to profit or loss:							
Cash flow hedges	3	0.0	-0.2	-0.1	0.0	0.2	0.3
Translation differences		7.1	4.7	28.1	9.3	28.5	9.6
Income tax relating to components of other comprehensive income		-2.9	0.2	-10.9	-2.2	-11.6	-2.9
		4.2	4.7	17.1	7.1	17.1	7.0
Other comprehensive income for the period, net of tax		18.6	4.7	73.6	18.5	79.7	24.6
<b>Total comprehensive income</b>		<b>36.2</b>	<b>2.1</b>	<b>94.5</b>	<b>16.1</b>	<b>105.8</b>	<b>27.3</b>
<b>Total comprehensive income attributable to:</b>							
Shareholders in Parent Company		36.1	2.5	95.1	17.1	106.9	28.9
Non-controlling interests		0.1	-0.4	-0.6	-1.0	-1.1	-1.6

## Balance sheet in summary

MSEK	Note	30 Sept 2022	30 Sept 2021	31 Dec 2021
<b>Assets</b>				
Intangible assets	4,5	480.2	471.6	455.9
Tangible assets		337.5	242.6	248.1
Other non-current assets	6	89.4	96.6	101.6
Inventories		310.7	213.1	210.8
Current receivables	7	325.0	287.1	292.9
Cash and cash equivalents	8	96.6	71.4	135.3
<b>Total assets</b>		<b>1,639.4</b>	<b>1,382.4</b>	<b>1,444.6</b>
<b>Equity and liabilities</b>				
Equity		534.5	428.0	440.0
Non-current liabilities	9	527.3	357.9	522.8
Current liabilities	10	577.6	596.5	481.8
<b>Total equity and liabilities</b>		<b>1,639.4</b>	<b>1,382.4</b>	<b>1,444.6</b>

### CHANGES IN EQUITY

MSEK	Note	Jan-Sept 2022	Jan-Sept 2021	Jan-Dec 2021
Opening balance for the period		440.0	411.9	411.9
Capital Increase, minorities		-	-	0.8
Non-controlling interests		-0.6	-1.0	-1.6
Total comprehensive income		95.1	17.1	28.9
<b>Closing balance for the period</b>		<b>534.5</b>	<b>428.0</b>	<b>440.0</b>

## Cash flow statement

MSEK	Note	Jul-Sept 2022 3 month	Jul-Sept 2021 3 month	Jan-Sept 2022 9 month	Jan-Sept 2021 9 month	Oct 2021- Sept 2022 12 month	Jan-Dec 2021 12 month
<b>Operating activities</b>							
Operating profit/loss		30.5	8.9	55.4	33.2	68.0	45.9
Depreciation, amortisation, and impairment losses		16.5	15.9	48.9	47.2	83.3	81.6
Interest received		0.0	0.0	0.0	0.0	0.0	0.0
Interest paid		-6.6	-6.7	-17.5	-20.6	-24.3	-27.4
Financial expenses		-2.6	-2.9	-5.3	-4.3	-6.8	-5.8
Tax paid		-0.4	-1.4	-5.2	-2.9	-6.2	-3.8
Other items not affecting liquidity		-2.5	-2.7	-16.2	-6.1	-21.7	-11.6
<b>Cash flow from operating activities before changes in working capital</b>		<b>34.9</b>	<b>11.1</b>	<b>60.1</b>	<b>46.5</b>	<b>92.3</b>	<b>78.9</b>
<b>Changes in working capital</b>							
Inventories		-28.5	-10.5	-88.4	-27.6	-83.6	-22.9
Current receivables		-16.0	-15.1	-28.7	-8.7	-27.0	-7.0
Current operating liabilities		25.2	-6.6	79.2	-2.8	99.7	17.7
<b>Cash flow from operating activities</b>		<b>15.6</b>	<b>-21.1</b>	<b>22.2</b>	<b>7.4</b>	<b>81.4</b>	<b>66.7</b>
<b>Cash flow from investing activities</b>							
Acquisition of intangible and tangible assets incl. advanced payments to suppliers		-13.4	-1.8	-24.7	-9.9	-36.3	-21.5
Disposal of intangible and tangible assets		0.1	2.9	9.5	3.9	20.1	14.5
<b>Cash flow from investing activities</b>		<b>-13.3</b>	<b>1.1</b>	<b>-15.2</b>	<b>-6.0</b>	<b>-16.2</b>	<b>-7.0</b>
<b>Cash flow after investing activities</b>		<b>2.3</b>	<b>-20.0</b>	<b>7.0</b>	<b>1.4</b>	<b>65.2</b>	<b>59.7</b>
<b>Cash flow from financing activities</b>							
Change in other long-term debt		-7.6	0.8	-18.3	-12.2	-3.7	2.3
IFRS-16 lease payment		-11.2	-10.0	-32.2	-29.3	-42.6	-39.7
<b>Cash flow from financing activities</b>		<b>-18.8</b>	<b>-9.2</b>	<b>-50.5</b>	<b>-41.5</b>	<b>-46.3</b>	<b>-37.4</b>
<b>Cash flow for the period</b>		<b>-16.5</b>	<b>-29.2</b>	<b>-43.5</b>	<b>-40.1</b>	<b>18.9</b>	<b>22.3</b>
Cash and cash equivalents at beginning of period		112.7	100.4	135.3	110.1	71.4	110.0
Exchange rate difference in cash and cash equivalents		0.4	0.2	4.8	1.4	6.3	3.0
<b>Cash and cash equivalents at end of period</b>		<b>96.6</b>	<b>71.4</b>	<b>96.6</b>	<b>71.4</b>	<b>96.6</b>	<b>135.3</b>



# Notes

(MSEK)

## Note 1 - Net sales and non-current asset by geographical area

Net sales	Jul-Sept 2022			Jul-Sept 2021			Jan-Sept 2022			Jan-Sept 2021			Oct 2021-Sept 2022			Jan-Dec 2021		
	Envelope	Light Pack.	IFRS Adj.	Envelope	Light Pack.	IFRS Adj.	Envelope	Light Pack.	IFRS Adj.	Envelope	Light Pack.	IFRS Adj.	Envelope	Light Pack.	IFRS Adj.	Envelope	Light Pack.	IFRS Adj.
Sweden	28	15	1	20	19	2	87	48	4	70	44	4	115	70	7	98	66	7
Nordic and Baltics	25	12	0	23	11	0	86	32	0	79	29	0	115	46	1	108	43	1
Central Europe	149	57	7	106	39	7	424	165	22	326	127	19	549	208	29	451	170	26
South Europe	84	24	6	74	22	3	247	83	13	218	78	11	335	126	17	306	121	15
UK	65	24	1	55	24	1	193	74	3	154	64	3	243	97	4	204	87	4
Other	16	12	1	16	7	1	48	34	1	49	22	0	64	42	3	65	30	2
<b>Total</b>	<b>367</b>	<b>144</b>	<b>16</b>	<b>294</b>	<b>122</b>	<b>14</b>	<b>1,085</b>	<b>436</b>	<b>43</b>	<b>896</b>	<b>364</b>	<b>37</b>	<b>1,421</b>	<b>589</b>	<b>61</b>	<b>1,232</b>	<b>517</b>	<b>55</b>

## Note 1 - cont'd

Intangible and tangible assets	2022-09-30	2021-09-30	2021-12-31
Sweden	145	122	119
Nordic and Baltics	3	3	3
Central Europe	422	335	344
South Europe	210	191	191
UK	36	61	40
Other	1	2	7
<b>Total</b>	<b>818</b>	<b>714</b>	<b>704</b>

segments' earnings. For the Group, this function has been identified as the CEO. Segment reporting for the business units areas comprises operating EBITDA before restructuring costs.

### SEGMENT INFORMATION

The definition of the segments are primarily related to geographical areas as disclosed below.

The segments apply the same accounting principles as the Group apart from the revenue recognition of sales of raw materials, sales of waste material and rental income. In the internal reporting these are reported as a reduction of cost while in the consolidated statements these are accounted for as revenue.

### Central Europe

This segment includes the companies in Germany, Poland, Belgium, Romania and Switzerland.

### South Europe and North Africa

This segment includes the companies in France, Belgium, Italy, Spain and Tunisia.

### Nordics

This segment includes the companies in Sweden, Norway, Denmark and Finland.

### United Kingdom

This segment includes the companies in United Kingdom.

### IFRS adjustments

IFRS adjustments contains revenue recognition of sales of raw materials, sales of waste material and rental income. In the internal reporting these are reported as a reduction of cost while in the consolidated statements these are accounted for as revenue.

## Note 2 - Segment information

### OPERATING SEGMENTS

Operating segments are reported in a manner consistent with the internal reports presented to the chief operating decision maker. The chief operating decision maker is the function responsible for the allocation of resources and the assessment of the operating

### Net turnover and EBITDA before restructuring costs per segment

Segments	2022-09-30					2021-09-30				
	Revenue from external customers	IFRS Adjustments	Revenue from other segments	Total revenue	EBITDA	Revenue from external customers	IFRS Adjustments	Revenue from other segments	Total	EBITDA
Central Europe	614.2	19.0	76.6	709.8	63.0	475.5	16.5	61.4	553.4	52.3
South Europe and North Africa	421.9	10.9	24.4	457.2	18.4	367.3	9.7	27.2	404.2	11.5
Nordics	222.1	10.0	9.4	241.5	10.1	200.9	7.6	10.3	218.9	13.6
United Kingdom	262.5	3.2	0.5	266.2	8.6	216.6	2.9	0.8	220.2	7.1
Group transactions and eliminations	0.0	0.0	-110.9	-110.9	3.8	0.0	0.0	-99.7	-99.7	-3.8
<b>Total</b>	<b>1,520.7</b>	<b>43.1</b>	<b>0.0</b>	<b>1,563.8</b>	<b>103.9</b>	<b>1,260.3</b>	<b>36.7</b>	<b>0.0</b>	<b>1,297.0</b>	<b>80.7</b>
Restructuring costs					0.4					-0.3
Depreciations and amortisations					-48.9					-47.2
Financial income					0.0					0.0
Financial expenses					-26.7					-28.7
Result before tax					28.7					4.5
Income tax					-7.8					-6.9
<b>Net result for the year</b>					<b>20.9</b>					<b>-2.4</b>

### Note 3 - Financial assets and liabilities

The table below shows the Group's financial assets and liabilities in the form of derivatives measured at fair value. All financial derivatives measured at fair value are in Category 2. These include interest rate swaps and foreign exchange contracts and the valuation is based on the forward interest rates derived from observable yield curves.

2022-09-30	Assets	Liabilities
Currency forwards - cash flow hedges	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>

2021-09-30	Assets	Liabilities
Currency forwards - cash flow hedges	0.1	0.3
<b>Total</b>	<b>0.1</b>	<b>0.3</b>

2021-12-31	Assets	Liabilities
Currency forwards - cash flow hedges	0.2	0.1
<b>Total</b>	<b>0.2</b>	<b>0.1</b>

For the above contracts the following amounts are found in the hedge reserve under Total comprehensive income; currency forwards - cash flow hedges SEK -0.1 million.

#### Other financial assets and liabilities

Fair value of the following financial assets and liabilities is estimated to be equal to book value:

- Trade receivables and other receivables
- Other current receivables
- Cash and cash equivalents
- Long-term and short-term loans
- Trade payables and other liabilities
- Other financial assets and liabilities

#### Information about netting of financial assets and liabilities

The Group does not apply net recognition for any of its other significant assets and liabilities and has no netting agreements with financial counterparties.

Note 4 - Intangible assets	2022-09-30	2021-09-30	2021-12-31
Goodwill	478.8	469.2	454.5
Other intangible assets	1.4	2.4	1.4
<b>Total</b>	<b>480.2</b>	<b>471.6</b>	<b>455.9</b>

Note 5 - Goodwill	2022-09-30	2021-09-30	2021-12-31
Opening costs	454.5	463.2	463.2
Purchase/acquisition	-	-	-
Write-down	-	-	-17.9
Exchange rate differences	24.3	6.0	9.2
<b>Closing costs</b>	<b>478.8</b>	<b>469.2</b>	<b>454.5</b>

Note 6 - Other non-current assets	2022-09-30	2021-09-30	2021-12-31
Deferred tax assets	88.5	95.7	100.8
Other non-current receivables	0.9	0.9	0.8
<b>Total</b>	<b>89.4</b>	<b>96.6</b>	<b>101.6</b>

Note 7 - Current receivables	2022-09-30	2021-09-30	2021-12-31
Receivables	200.5	207.6	214.2
Other current assets	124.5	79.5	78.7
<b>Total</b>	<b>325.0</b>	<b>287.1</b>	<b>292.9</b>

Note 8 - Cash and cash equivalent	2022-09-30	2021-09-30	2021-12-31
Cash/Bank	96.5	71.3	135.2
Cash/Bank escrow account	0.1	0.1	0.1
<b>Total</b>	<b>96.6</b>	<b>71.4</b>	<b>135.3</b>

Note 9 - Non-current liabilities	2022-09-30	2021-09-30	2021-12-31
Interest-bearing loans	202.3	51.2	215.1
Leasing contracts - IFRS 16	147.5	71.3	73.5
Pension debt	158.9	221.2	215.0
Deferred tax	8.0	8.7	8.6
Other liabilities	10.6	5.5	10.6
<b>Total</b>	<b>527.3</b>	<b>357.9</b>	<b>522.8</b>

Note 10 - Current liabilities	2022-09-30	2021-09-30	2021-12-31
Interest-bearing loans	31.2	175.2	29.5
Leasing contracts - IFRS 16	45.8	40.2	41.6
Payables	198.4	157.1	181.4
Other liabilities	302.2	224.0	229.3
<b>Total</b>	<b>577.6</b>	<b>596.5</b>	<b>481.8</b>

The Bond loan 2021 is booked to amortised cost which means that the nominal value of the loan SEK 110 million has been reduced for related accrued expenses which will adjust the booked value of the loan at each end of the reporting period till the due date of the loan year 2024 when the booked value will be the same as the nominal value.

### Note 11 - Adjusted interest bearing net loan debt/Adjusted EBITDA

Adjusted interest bearing net loan debt	2022-09-30	2021-12-31
Interest bearing loans, non-current liabilities	508.7	503.6
Interest bearing loans, current liabilities	77.1	71.1
Cash and cash equivalent	-96.6	-135.3
<b>Net Debt</b>	<b>489.2</b>	<b>439.4</b>
Pension debt	-158.9	-215.0
Leasing contracts - IFRS 16	-193.3	-115.1
<b>Adjusted net debt</b>	<b>137.0</b>	<b>109.3</b>

Adjusted EBITDA 12 month rolling	2022-09-30	2021-12-31
Profit	26.1	2.8
Financial charges	33.4	34.1
Tax	8.2	7.3
Depreciations	83.3	81.6
Restructuring cost	0.6	1.2
Transaction cost	0.3	1.7
Minority result	0.7	1.6
IFRS 16, lease payments	-47.2	-44.0
<b>Adjusted EBITDA</b>	<b>105.4</b>	<b>86.4</b>

Adjusted interest bearing net loan debt/Adjusted EBITDA	2022-09-30	2021-12-31
	<b>1.30</b>	<b>1.27</b>

## QUARTERLY DATA. GROUP

MSEK	3/2022	2/2022	1/2022	4/2021	3/2021	2/2021	1/2021	4/2020	3/2020	2/2020	1/2020	4/2019	3/2019	2/2019	1/2019	4/2018
Net Revenue	526.8	517.1	519.9	507.0	429.9	407.3	459.7	505.1	420.9	398.8	518.3	567.9	519.8	507.1	571.0	603.2
Operating expenses	-496.3	-497.8	-514.4	-494.3	-421.0	-405.0	-437.5	-512.7	-417.9	-418.5	-513.0	-554.2	-513.3	-510.6	-555.7	-689.5
Operating profit	30.5	19.3	5.5	12.7	8.9	2.3	22.2	-7.6	3.0	-19.7	5.3	13.7	6.5	-3.5	15.3	-86.3
Net financial items	-10.4	-8.0	-8.3	-7.1	-10.8	-9.4	-8.5	-9.3	-9.4	-10.2	-8.4	-7.8	-12.3	-11.2	-10.6	-11.6
<b>Profit before tax</b>	<b>20.1</b>	<b>11.3</b>	<b>-2.8</b>	<b>5.6</b>	<b>-1.9</b>	<b>-7.1</b>	<b>13.7</b>	<b>-16.9</b>	<b>-6.4</b>	<b>-30.0</b>	<b>-3.1</b>	<b>5.9</b>	<b>-5.8</b>	<b>-14.7</b>	<b>4.7</b>	<b>-97.9</b>

## KEY RATIOS

Note	Jan-Sept 2022	Jan-Sept 2021	Oct 2021- Sept 2022	Jan-Dec 2021
Operating margin, %	3.5	2.6	3.3	2.5
Return on equity, %*	-	-	9.38	5.23
Return on capital employed, %* 1)	-	-	8.16	6.36
Equity/assets ratio, %*	32.6	31.0	32.6	30.5
Net debt/equity ratio times*	0.92	1.14	0.92	1.00
Net loan debt/EBITDA*	-	-	3.24	3.45
Adjusted interest bearing net loan debt/adjusted EBITDA*	11	-	1.30	1.27
Capital employed, MSEK*	1,120.3	987.9	1,120.3	1,014.7
Interest-bearing net loan debt, MSEK*	489.2	488.5	489.2	439.4
1) Return on capital employed				
Earnings after financial revenues, MSEK	-	-	68.1	46.4
Average capital employed, MSEK	-	-	1,054.0	1,003.7

## DATA PER SHARE

	Jan-Sept 2022	Jan-Sept 2021	Oct 2021- Sept 2022	Jan-Dec 2021
Earnings per share, SEK	0.10	-0.01	0.13	0.02
Earnings per share, excluding non recurring items, SEK	0.10	-0.01	0.22	0.11
Basic equity per share, SEK	2.53	2.03	2.53	2.08
Number of shares outstanding at end of period	211,205,058	211,205,058	211,205,058	211,205,058
Number of shares, basic	211,205,058	211,205,058	211,205,058	211,205,058

For the key figures above, are those marked \* considered to be APM (Alternative Performance Measures) and not follow IFRS. They are judged however by management to be important to show shareholders the Group's underlying performance, profitability and financial position. It should be noted that these measures, as defined, may not be comparable to similarly titled measures used by other companies. For definitions see page 13.

# Five-year summary

Key ratios	2021	2020	2019	2018	2017
Net sales, MSEK	1,804	1,843	2,166	2,220	2,095
Operating profit/loss, MSEK	46	-19	32	-52	45
Extraordinary items, MSEK	-18	-35	-	-103	-
Profit/loss after tax, MSEK	3	-66	-24	-148	-9
Cash flow after investing activities, MSEK	60	31	78	-65	40
Operating margin, %	2.5	-1.0	1.5	-2.3	2.2
Capital turnover rate, times	1.3	1.2	1.4	1.4	1.3
Return on equity, %	5.2	neg	neg	neg	neg
Average capital employed, MSEK	1,004	1,064	983	991	1,095
Return on capital employed, %	6.4	neg	3.2	neg	0.2
Equity ratio, %	31	30	33	38	43
Net loan debt, MSEK	439	471	506	349	294
Net loan debt/equity, times	1.00	1.14	0.91	0.61	0.42
Net debt/EBITDA, times	3.4	4.9	4.2	5.0	3.2
Average number of employees	1,141	1,195	1,334	1,446	1,459
<b>Number of shares</b>					
Basic number of shares outstanding at end of period	211,205,058	211,205,058	211,205,058	211,205,058	211,205,058
Diluted number of shares outstanding at end of period	211,205,058	211,205,058	211,205,058	211,205,058	251,205,058
Average basic number of shares	211,205,058	211,205,058	211,205,058	211,205,058	211,205,058
Average diluted number of shares	211,205,058	211,205,058	211,205,058	211,205,058	251,205,058
<b>Earnings per share</b>					
Before dilution, SEK	0.02	-0.31	-0.11	-0.71	-0.06
After dilution, SEK	0.02	-0.31	-0.11	-0.71	-0.06
Earnings per share, before dilution, excluding non-recurring items, SEK	0.11	-0.14	-0.11	-0.22	-0.06
Earnings per share, after dilution, excluding non-recurring items, SEK	0.11	-0.14	-0.11	-0.22	-0.06
<b>Equity per share</b>					
Before dilution, SEK	2.08	1.95	2.50	2.70	3.30
After dilution, SEK	2.08	1.95	2.50	2.70	3.30
<b>Cash flow from operating activities per share</b>					
Before dilution, SEK	0.32	0.16	0.48	-0.28	0.25
After dilution, SEK	0.32	0.16	0.48	-0.28	0.25
<b>Other data per share</b>					
Dividend, SEK	0.00	0.00	0.00	0.00	0.00
Quoted market price on the balance sheet date, SEK	0.85	0.6	0.7	1.0	1.0
P/E-ratio, times	41.3	neg	neg	neg	neg
Adjusted P/E-ratio, times	8.06	neg	neg	neg	neg
Price/Equity before dilution, %	41	30	29	35	29
Price/Equity after dilution, %	41	30	29	35	29

# Definitions

This Report includes financial key data and ratios based on concepts defined in International Financial Reporting Standards (IFRS), Alternative Performance Measurements and company-specific ratios. Definitions are found below.

For historical values:

<http://www.bong.com/en/investors/reports/historical-values>

## ADJUSTED EARNINGS PER SHARE

Profit after tax, excluding items affecting comparability, divided by the average number of shares before and after dilution.

## ADJUSTED P/E RATIO, TIMES

Share price divided by adjusted earnings per share before and after dilution.

## AVERAGE CAPITAL EMPLOYED

Capital employed at the beginning of year plus capital employed at year-end divided by two.

## AVERAGE EQUITY

Shareholders' equity at beginning of year plus equity at year-end divided by two.

## AVERAGE TOTAL ASSETS

Total assets at beginning of the year plus total assets at year-end divided by two.

## CAPITAL EMPLOYED

Equity plus interest-bearing liabilities.

## CAPITAL TURNOVER, TIMES

Net sales by average total assets. Capital turnover is a measure of how effectively the Group uses its assets.

## EARNINGS PER SHARE

Profit after tax, divided by the average number of shares, before and after dilution.

## EBITDA

Operating income before depreciation and amortization.

## EQUITY TO ASSETS RATIO, PER CENT

Shareholders' equity divided by total assets. This ratio is a measure of the Group's financial strength.

## ITEMS AFFECTING COMPARABILITY

Items of infrequent nature with significant effects, which are relevant for understanding the financial performance when comparing the current period with previous periods. Such items may include but are not limited to results from divestments of property, charges attributable to close-down or restructuring of major units or activities, significant write-downs of tangible and intangible assets and other major non-recurring costs or income.

## NET DEBT

Interest-bearing liabilities and provisions less liquid funds and interest-bearing receivables.

## NET DEBT/EBITDA, TIMES

Net debt divided by EBITDA. Net debt/EBITDA is a measure of the Group's financial strength.

## NET DEBT TO EQUITY, TIMES

Net debt divided by equity. This ratio is a measure of the Group's financial strength.

## OPERATING MARGIN, PER CENT

Operating profit divided by net sales. Operating margin is a measure of profitability. It measures how much of revenues remains after operating expenses.

## P/E RATIO, TIMES

Share price divided by earnings per share.

## RETURN ON CAPITAL EMPLOYED, PER CENT

Earnings after financial income divided by average capital employed. This measure of profitability shows the return of the Group's total balance sheet, less non interest-bearing debt. It is a measure independent of indebtedness. It complements the measure return on equity.

## RETURN ON EQUITY, PER CENT

Earnings after tax divided by average equity. This measure measures the return on shareholders' funds for the year and is useful in comparisons of other investments with the same risk profile.

## SHARE PRICE/EQUITY, PER CENT

Price per share divided by equity per share.

# Parent company

## INCOME STATEMENT IN SUMMARY

MSEK	Jan-Sept 2022	Jan-Sept 2021
Revenue	1.6	2.5
Gross profit	1.6	2.5
Administrative expenses	-5.0	-6.6
Operating profit/loss	-3.4	-4.1
Net financial items	-2.2	2.9
Result	-5.6	-1.3
Income tax	0	0
<b>Net result</b>	<b>-5.6</b>	<b>-1.3</b>

## STATEMENT OF COMPREHENSIVE INCOME

MSEK	Jan-Sept 2022	Jan-Sept 2021
Net Result for the year	-5.6	-1.3
Other comprehensive income		
Net financial items reported directly in consolidated equity:		
Cash flow hedges	-	-
Income tax relating to components of other comprehensive income	-	-
Net result, Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>-5.6</b>	<b>-1.3</b>

## BALANCE SHEET IN SUMMARY

MSEK	30 Sept 2022	31 Dec 2021
Assets		
Financial assets	626.2	630.3
Current receivables	2.5	3.0
Cash and cash equivalents	0.0	0.1
<b>Total Assets</b>	<b>628.7</b>	<b>633.4</b>
Equity and liabilities		
Equity	357.5	363.1
Non-current liabilities	109.6	109.5
Current liabilities	161.6	160.8
<b>Total equity and liabilities</b>	<b>628.7</b>	<b>633.4</b>