

# Interim Report

January-June  
2023



# Interim Report Q2, January-June 2023

## April - June 2023

- Net sales decreased to SEK 497 million (517)
- Operating profit before depreciation decreased to SEK 29 million (35)
- Operating profit decreased to SEK 10 million (19)
- Earnings after tax amounted to SEK -5 million (9)
- Earnings per share amounted to SEK -0.02 (0.04)
- Cash flow after investing activities amounted to SEK -15 million (11)

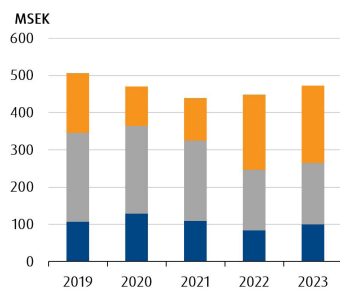
## January - June 2023

- Net sales increased to SEK 1,072 million (1,037)
- Operating profit before depreciation increased to SEK 69 million (57)
- Operating profit increased to SEK 32 million (25)
- Earnings after tax amounted to SEK 3 million (3)
- Earnings per share amounted to SEK 0.02 (0.02)
- Cash flow after investing activities amounted to SEK 8 million (5)

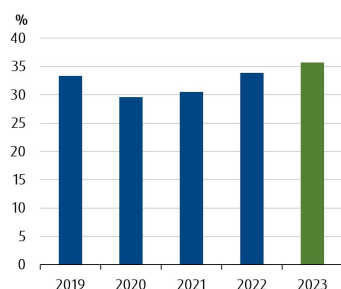
## Key Ratios

MSEK	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jul 2022- Jun 2023	Jan-Dec 2022
Net sales	497	517	1,072	1,037	2,200	2,165
EBITDA	29	35	69	57	176	165
EBIT	10	19	32	25	105	98
Non-recurring items, goodwill	-	-	-	-	-	-
Adjusted EBIT	10	19	32	25	105	98
Earnings after tax	-5	9	3	3	42	43
Earning per share, SEK	-0.02	0.04	0.02	0.02	0.21	0.21
Cash flow after investing activities	-15	11	8	5	75	72
Equity/asset ratio, %	35.7%	33.0%	35.7%	33.0%	35.7%	33.9%

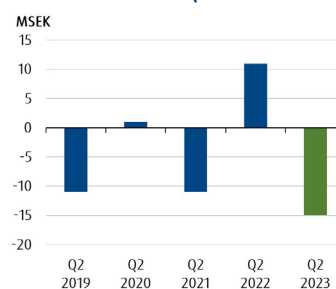
Net debt



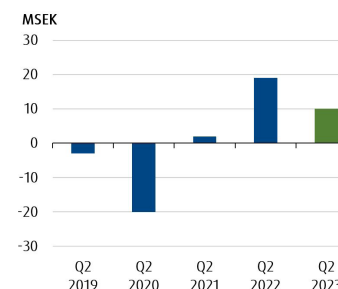
Equity ratio



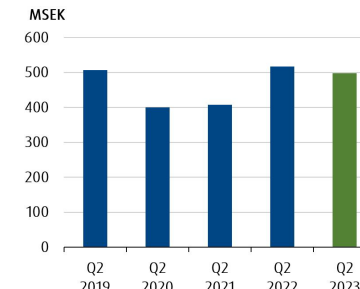
Cash flow after investing activities - Q2



Operating profit/loss - Q2



Net sales - Q2



- 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 2.1 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

” We are confident to follow the right strategic path with our promising new Light Packaging products on our road of transformation. Our margins are healthy and we are in a good position to profit from packaging growth once the currently weaker consumption climate becomes more positive again, says Bong’s CEO Kai Steigleder. ”



## MARKET AND INDUSTRY

In Q2 the market demand in the paper converting industry was below our expectations. This is due to the dampened consumer climate across Europe. It is present in all segments of the paper converting industry and covers diverse products made from graphical, corrugated or kraft paper.

The high warehouse levels of wholesalers and distributors mentioned in our Q1 report are to some extent destocked now, but we expect a higher demand for Light Packaging and Envelopes only after European Summer vacation i.e., from September on with a stronger Q4 again.

Bong’s situation after Q2 in 2023 is on a similar level as in 2022 even though the market demand was not strong enough to work at full capacity in our European factory network. But we managed to keep our prices at a good margin level. There were no major issues in Q2 concerning our supply chains. The high energy prices were slightly coming down in comparison to Q1.

## Light Packaging

Currency adjusted sales of Bong’s Light Packaging after six months in 2023 was -7% compared to the same period 2022. This was disappointing for us and is due to the very weak economic environment not only in retail stores across Europe but also in e-Commerce. Nevertheless, we are confident to follow the right strategic path on our road of transformation with promising new Light Packaging products.

## Envelope

Bong’s currency adjusted development in envelopes was -1% for the first half of 2023 compared to 2022. The development of our volume is in line with the long-term European market which is shrinking due to the digital changes in the last decade. Our margins for envelopes remain stable on a healthy level and therefore support the necessary investment into our Light Packaging range. Bong’s European market share in envelopes remains unchanged.

## OPERATING PROFIT

The Group’s currency-adjusted sales decreased by -3% compared with ytd Q2 2022 mainly because of a difficult second quarter 2023. Bong’s gross margin has improved for the first six months compared to 2022. Operating profit increased to SEK 32 million (25).

The operating profit in Q2 2023 was affected negatively by restructuring cost of SEK 1 million (3) and machine sales have had a positive impact of SEK 6 million (9).

## IMPROVED CASH FLOW AND ADJUSTED NET DEBT / ADJUSTED EBITDA

Cash flow from operating activities amounted to SEK 20 million (7). Adjusted net debt / adjusted EBITDA according to Bong’s Bond loan amounts to 0.79 (1.48).

## FOCUS AND STRATEGY

Our transformation strategy into Light Packaging is on the right way. Bong’s goal until year’s end will be to regain volume and to even stronger position us as a partner in this segment to existing and potential new customers. I am certain once the current economic weakness with high inflation and consumer uncertainty in Europe is over Bong will be in a good position to profit from packaging growth again.

Our focus is to grow in retail with our high-end paper carrier bags and in e-commerce with our e-Green® as well as with padded purely paper-based e-commerce mailers called AirPro Green®.

For envelopes we aim to regain volume whilst keeping our margins on today’s healthy level.

In addition, we strongly work on energy efficiency to reduce electricity consumption and on productivity gains in our manufacturing sites.

Finally, I am thanking all our loyal and hard-working employees that will make our transformation process in Bong happen as well as our stakeholders and shareholders for their continuous support.

## Kai Steigleder

Chief Executive Officer

# Financial overview

## Sales and profit

### January – June 2023

Consolidated sales for the period reached SEK 1,072 million (1,037). Exchange rate fluctuations had a positive impact on sales of SEK 65 million (33) compared with 2022.

Operating profit increased to SEK 32 million (25). The Group's gross margin has increased compared to last year. During the period operating profit was positively affected by capital gains of SEK 6 million (9) attributable to sales of machinery. Exchange rate fluctuations for the period had a positive impact on operating profit of SEK 2 million (0).

Net financial items for the period amounted to SEK -21 million (-16).

Earnings before tax amounted to SEK 11 million (9) and reported earnings after tax were SEK 3 million (3).

Bong's total light packaging sales amounted to SEK 291 million (290). Currency fluctuations had a positive impact on light packaging sales of SEK 20 million (10) compared with the corresponding period in 2022.

Bong's total envelope sales amounted to SEK 756 million (719). Currency fluctuations had a positive impact on envelope sales of SEK 46 million (23) compared to same period 2022.

### April – June 2023

Consolidated sales for the period reached SEK 498 million (517). Exchange rate fluctuations had a positive impact on sales of SEK 36 million (16) compared with 2022.

Operating profit decreased to SEK 10 million (19). The Group's gross margin is on the same level as last year. Exchange rate fluctuations had a positive impact on operating profit during the period of SEK 2 million (0).

Net financial items for the period amounted to SEK -10 million (-8).

Earnings before tax amounted to SEK 0 million (11) and reported earnings after tax were SEK -5 million (9).

Bong's total light packaging sales amounted to SEK 140 million (142). Currency fluctuations had a positive impact on light packaging sales of SEK 12 million (4) compared with the corresponding period in 2022.

Bong's total envelope sales amounted to SEK 346 million (362). Currency fluctuations had a positive impact on envelope sales of SEK 28 million (12) compared to same period 2022.

## Cash flow and investments

The cash flow after investing activities increased to SEK 8 million (5) compared to previous year. Cash flow from operating activities before changes in working capital amounted to SEK 39 million (25). Working capital had a negative impact on the cash flow of SEK -19 million (-19).

Restructuring costs had a negative impact on the cash flow of SEK -1 million (0). Net investments had a negative impact during the period of SEK -12 million (-2). Investments in the amount of SEK 11 million will be converted into leasing agreements.

## Financial position

Cash and cash equivalents at 30 June 2023 amounted to SEK 119 million (SEK 145 million at 31 December 2022). The Group had unutilized credit facilities of SEK 8 million on the same date. Total available cash and cash equivalents thus amounted to SEK 127 million (SEK 153 million at 31 December 2022). Consolidated equity at the end of June 2023 was SEK 620 million (SEK 572 million at 31 December 2022).

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 45 million. The interest bearing net loan debt amounted to SEK 473 million, whereof pension debt amounts to SEK 165 million and IFRS 16 leasing contracts amount to SEK 208 million (SEK 448 million at 31 December 2022, whereof pension debt amounts to SEK 163 million and IFRS 16 Leasing contracts SEK 202 million).

## Employees

The average number of employees during the period was 1,112 (1,127). The Group had 1,077 (1,119) employees at the end of June 2023. 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 1.0 million (1.0) and earnings before tax for the period were SEK -4.3 million (-1.1).

## 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 2022 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 2022 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 17 July 2023

### Per Åhlgren

Chairman of the Board

### Christian Paulsson

Member of the Board

### Mats Persson

Member of the Board

### Stéphane Hamelin

Member of the Board

### Eric Joan

Member of the Board

### Kai Steigleder

Chief Executive Officer

This report has not been subject to examination by the company's auditors.

## Additional information

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

## Financial Calendar:

- Interim Report January–September 2023, 9 November 2023
- Year-End Report 2023, February 2024
- Interim Report January–March 2024, May 2024
- Interim Report January–June 2024, July 2024

# Income statements in summary

MSEK	Note	Apr-Jun 2023 3 month	Apr-Jun 2022 3 month	Jan-Jun 2023 6 month	Jan-Jun 2022 6 month	Jul 2022- Jun 2023 12 month	Jan-Dec 2022 12 month
Revenue	1,2	497.5	517.1	1,072.4	1,037.0	2,200.1	2,164.7
Cost of goods sold		-416.8	-432.8	-899.9	-882.2	-1 797.6	-1,779.9
Gross profit		80.7	84.3	172.5	154.8	402.5	384.8
Selling expenses		-39.3	-41.7	-81.3	-81.5	-146.5	-146.7
Administrative expenses		-32.2	-28.8	-64.8	-55.5	-130.8	-121.5
Other operating income and expenses		1.1	5.5	5.6	7.0	19.7	-18.3
Operating profit		10.3	19.3	32.0	24.8	105.5	98.3
Net financial items		-10.3	-8.0	-20.6	-16.2	-40.9	-36.5
Result before tax		0.0	11.3	11.4	8.6	64.6	61.8
Income tax		-5.5	-2.8	-8.6	-5.2	-22.5	-19.1
<b>Net result</b>		<b>-5.5</b>	<b>8.5</b>	<b>2.8</b>	<b>3.4</b>	<b>42.1</b>	<b>42.7</b>
<b>Total comprehensive income attributable to:</b>							
Shareholders in Parent Company		-5.1	8.8	3.7	4.0	43.7	44.1
Non-controlling interests		-0.4	-0.3	-0.9	-0.6	-1.6	-1.4
Earnings per share		-0.02	0.04	0.02	0.02	0.21	0.21
Earnings per share, excluding non recurring items		-0.02	0.04	0.02	0.02	0.21	0.21
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		Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jul 2022- Jun 2023	Jan-Dec 2022
Net result		-5.5	8.5	2.8	3.4	42.1	42.7
<b>Other comprehensive income</b>							
Items that will not be reclassified to profit or loss:							
Actuarial profit/loss on post employment benefit obligations		0.0	22.7	0.0	42.2	8.8	51.0
		0.0	22.7	0.0	42.2	8.8	51.0
Items that may be reclassified subsequently to profit or loss:							
Cash flow hedges	3	0.0	0.0	0.0	0.0	0.0	-0.1
Translation differences		36.3	17.2	41.1	20.8	66.9	46.7
Income tax relating to components of other comprehensive income		3.5	-3.9	4.4	-8.0	3.9	-8.5
		39.8	13.3	45.5	12.8	70.8	38.1
Other comprehensive income for the period, net of tax		39.8	36.0	45.5	55.0	79.7	89.1
<b>Total comprehensive income</b>		<b>34.3</b>	<b>44.5</b>	<b>48.3</b>	<b>58.4</b>	<b>121.7</b>	<b>131.8</b>
<b>Total comprehensive income attributable to:</b>							
Shareholders in Parent Company		34.7	44.8	49.2	59.0	123.3	133.2
Non-controlling interests		-0.4	-0.3	-0.9	-0.6	-1.6	-1.4

## Balance sheet in summary

MSEK	Note	30 Jun 2023	30 Jun 2022	31 Dec 2022
<b>Assets</b>				
Intangible assets	4,5	516.9	472.1	489.7
Tangible assets		385.8	246.7	370.1
Other non-current assets	6	97.0	91.5	91.1
Inventories		285.2	279.8	284.7
Current receivables	7	332.0	309.3	305.5
Cash and cash equivalents	8	118.7	112.7	144.7
<b>Total assets</b>		<b>1,735.6</b>	<b>1,512.1</b>	<b>1,685.8</b>
<b>Equity and liabilities</b>				
Equity		619.9	498.3	571.8
Non-current liabilities	9	528.1	467.6	536.1
Current liabilities	10	587.6	546.2	577.9
<b>Total equity and liabilities</b>		<b>1,735.6</b>	<b>1,512.1</b>	<b>1,685.8</b>

### CHANGES IN EQUITY

MSEK	Note	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Opening balance for the period		571.8	440.0	440.0
Dividend, minorities		-0.2	-	-
Non-controlling interests		-0.9	-0.6	-1.4
Total comprehensive income		49.2	59.0	133.2
<b>Closing balance for the period</b>		<b>619.9</b>	<b>498.3</b>	<b>571.8</b>

## Cash flow statement

MSEK	Note	Apr-Jun 2023 3 month	Apr-Jun 2022 3 month	Jan-Jun 2023 6 month	Jan-Jun 2022 6 month	Jul 2022- Jun 2023 12 month	Jan-Dec 2022 12 month
<b>Operating activities</b>							
Operating profit/loss		10.3	19.3	31.9	24.8	105.4	98.3
Depreciation, amortisation, and impairment losses		18.7	16.0	36.5	32.5	70.3	66.3
Interest paid		-7.7	-5.4	-15.1	-10.8	-28.8	-24.5
Financial expenses		-0.9	-1.2	-2.3	-2.7	-7.3	-7.7
Tax paid		-6.3	-4.3	-8.6	-4.9	-10.8	-7.0
Other items not affecting liquidity		0.5	-10.0	-3.4	-13.7	-4.4	-14.7
<b>Cash flow from operating activities before changes in working capital</b>		<b>14.6</b>	<b>14.4</b>	<b>39.0</b>	<b>25.2</b>	<b>124.4</b>	<b>110.7</b>
<b>Changes in working capital</b>							
Inventories		8.4	-44.0	17.7	-59.9	19.8	-57.8
Current receivables		1.4	30.6	-15.3	-12.7	-1.5	1.1
Current operating liabilities		-27.1	7.7	-21.8	53.9	-18.4	57.3
<b>Cash flow from operating activities</b>		<b>-2.7</b>	<b>8.7</b>	<b>19.6</b>	<b>6.5</b>	<b>124.3</b>	<b>111.3</b>
<b>Cash flow from investing activities</b>							
Aquisition of intangible and tangible assets incl. advanced payments to suppliers		-12.6	-6.1	-15.5	-11.2	-55.8	-51.6
Disposal of intangible and tangible assets		0.6	8.3	3.7	9.3	7.1	12.7
<b>Cash flow from investing activities</b>		<b>-12.0</b>	<b>2.2</b>	<b>-11.8</b>	<b>-1.9</b>	<b>-48.7</b>	<b>-38.9</b>
<b>Cash flow after investing activities</b>		<b>-14.7</b>	<b>10.9</b>	<b>7.8</b>	<b>4.6</b>	<b>75.6</b>	<b>72.4</b>
<b>Cash flow from financing activities</b>							
Change in other long-term debt		-7.8	-9.2	-16.9	-10.6	-32.5	-26.3
IFRS-16 lease payment		-12.0	-10.5	-23.1	-21.0	-48.7	-46.6
<b>Cash flow from financing activities</b>		<b>-19.8</b>	<b>-19.7</b>	<b>-40.0</b>	<b>-31.6</b>	<b>-81.2</b>	<b>-72.9</b>
<b>Cash flow for the period</b>		<b>-34.5</b>	<b>-8.8</b>	<b>-32.2</b>	<b>-27.0</b>	<b>-5.6</b>	<b>-0.5</b>
Cash and cash equivalents at beginning of period		148.5	118.4	144.6	135.2	112.7	135.3
Exchange rate difference in cash and cash equivalents		4.7	3.1	6.3	4.5	11.6	9.9
<b>Cash and cash equivalents at end of period</b>		<b>118.7</b>	<b>112.7</b>	<b>118.7</b>	<b>112.7</b>	<b>118.7</b>	<b>144.7</b>

# Notes

(MSEK)

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

Net sales	Apr-Jun 2023			Apr-Jun 2022			Jan-Jun 2023			Jan-Jun 2022			Jul 2022-Jun 2023			Jan-Dec 2022		
	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	30	11	1	30	17	2	60	23	2	59	33	3	115	55	6	114	65	6
Nordic and Baltics	26	7	0	32	10	0	62	17	0	61	19	0	117	44	0	116	46	0
Central Europe	135	57	7	142	54	7	307	113	15	275	108	15	613	245	25	581	240	29
South Europe	85	28	2	73	30	3	181	56	6	163	59	8	367	109	24	349	112	23
UK	56	23	1	69	21	1	117	47	2	128	49	2	245	99	5	256	101	5
Other	14	14	0	16	10	0	29	35	0	33	22	0	65	66	0	67	55	0
<b>Total</b>	<b>346</b>	<b>140</b>	<b>11</b>	<b>362</b>	<b>142</b>	<b>13</b>	<b>756</b>	<b>291</b>	<b>25</b>	<b>719</b>	<b>290</b>	<b>28</b>	<b>1 522</b>	<b>618</b>	<b>60</b>	<b>1,483</b>	<b>619</b>	<b>63</b>

## Note 1 - cont'd

Intangible and tangible assets	2023-06-30	2022-06-30	2022-12-31
Sweden	116	119	118
Nordic and Baltics	3	3	3
Central Europe	469	350	438
South Europe	275	205	257
UK	39	40	43
Other	1	1	1
<b>Total</b>	<b>903</b>	<b>719</b>	<b>860</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	2023-06-30					2022-06-30				
	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	427.0	9.5	32.8	469.3	43.6	400.5	12.5	47.4	460.4	35.6
South Europe and North Africa	306.9	7.4	16.6	330.9	9.9	280.5	6.1	17.3	303.9	8.2
Nordics	150.8	6.0	18.1	174.9	13.6	155.2	6.9	6.8	168.9	8.4
United Kingdom	162.4	2.4	0.1	164.9	2.4	173.2	2.1	0.3	175.6	2.2
Group transactions and eliminations	0.0	0.0	-67.6	-67.6	0.1	0.0	0.0	-71.8	-71.8	2.9
<b>Total</b>	<b>1,047.1</b>	<b>25.3</b>	<b>0.0</b>	<b>1,072.4</b>	<b>69.6</b>	<b>1,009.4</b>	<b>27.6</b>	<b>0.0</b>	<b>1,037.0</b>	<b>57.3</b>
Restructuring costs					-1.1					-
Depreciations and amortisations					-36.5					-32.5
Financial income					0.8					0.1
Financial expenses					-21.4					-16.3
Result before tax					11.4					8.6
Income tax					-8.6					-5.2
<b>Net result for the year</b>					<b>2.8</b>					<b>3.4</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.

2023-06-30	Assets	Liabilities
Currency forwards - cash flow hedges	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>

2022-06-30	Assets	Liabilities
Currency forwards - cash flow hedges	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>

2022-12-31	Assets	Liabilities
Currency forwards - cash flow hedges	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>

For the above contracts the following amounts are found in the hedge reserve under Total comprehensive income; currency forwards - cash flow hedges SEK 0.0 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	2023-06-30	2022-06-30	2022-12-31
Goodwill	516.3	472.8	488.0
Other intangible assets	0.6	-0.7	1.7
<b>Total</b>	<b>516.9</b>	<b>472.1</b>	<b>489.7</b>

Note 5 - Goodwill	2023-06-30	2022-06-30	2022-12-31
Opening costs	488.0	454.5	454.5
Purchase/acquisition	-	-	-
Write-down	-	-	-
Exchange rate differences	28.3	18.3	33.5
<b>Closing costs</b>	<b>516.3</b>	<b>472.8</b>	<b>488.0</b>

Note 6 - Other non-current assets	2023-06-30	2022-06-30	2022-12-31
Deferred tax assets	96.2	90.7	90.3
Other non-current receivables	0.8	0.8	0.8
<b>Total</b>	<b>97.0</b>	<b>91.5</b>	<b>91.1</b>

Note 7 - Current receivables	2023-06-30	2022-06-30	2022-12-31
Receivables	211.1	212.4	192.2
Other current assets	120.9	96.9	113.3
<b>Total</b>	<b>332.0</b>	<b>309.3</b>	<b>305.5</b>

Note 8 - Cash and cash equivalent	2023-06-30	2022-06-30	2022-12-31
Cash/Bank	118.6	112.6	144.6
Cash/Bank escrow account	0.1	0.1	0.1
<b>Total</b>	<b>118.7</b>	<b>112.7</b>	<b>144.7</b>

Note 9 - Non-current liabilities	2023-06-30	2022-06-30	2022-12-31
Interest-bearing loans	185.4	207.1	196.9
Leasing contracts - IFRS 16	155.1	67.4	154.5
Pension debt	165.1	173.7	163.2
Deferred tax	11.1	8.8	11.0
Other liabilities	11.4	10.6	10.5
<b>Total</b>	<b>528.1</b>	<b>467.6</b>	<b>536.1</b>

Note 10 - Current liabilities	2023-06-30	2022-06-30	2022-12-31
Interest-bearing loans	33.2	32.5	31.3
Leasing contracts - IFRS 16	52.6	42.1	47.0
Payables	177.8	220.4	196.6
Other liabilities	324.0	251.2	303.0
<b>Total</b>	<b>587.6</b>	<b>546.2</b>	<b>577.9</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	2023-06-30	2022-12-31
Interest bearing loans, non-current liabilities	505.7	514.6
Interest bearing loans, current liabilities	85.7	78.4
Cash and cash equivalent	-118.7	-144.7
<b>Net Debt</b>	<b>472.7</b>	<b>448.3</b>
Pension debt	-165.1	-163.2
Leasing contracts - IFRS 16	-207.7	-201.6
<b>Adjusted net debt</b>	<b>99.8</b>	<b>83.5</b>

Adjusted EBITDA 12 month rolling	2023-06-30	2022-12-31
Profit	42.1	42.7
Financial charges	40.6	36.3
Tax	22.5	19.1
Depreciations	70.4	66.3
Restructuring cost	2.7	1.6
Transaction cost	0.2	0.2
Minority result	1.6	0.8
IFRS 16, lease payments	-53.2	-49.2
<b>Adjusted EBITDA</b>	<b>126.9</b>	<b>117.8</b>

Adjusted interest bearing net loan debt/Adjusted EBITDA	2023-06-30	2022-12-31
	<b>0.79</b>	<b>0.71</b>

## QUARTERLY DATA. GROUP

MSEK	2/2023	1/2023	4/2022	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
Net Revenue	497.5	574.9	600.9	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
Operating expenses	-487.2	-553.3	-558.0	-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
Operating profit	10.3	21.6	42.9	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
Net financial items	-10.3	-10.3	-9.8	-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
<b>Profit before tax</b>	<b>0.0</b>	<b>11.3</b>	<b>33.1</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>

## KEY RATIOS

	Note	Jan-Jun 2023	Jan-Jun 2022	Jul 2022- Jun 2023	Jan-Dec 2022
Operating margin, %		3.0	2.4	4.8	4.5
Return on equity, %*		-	-	7.82	8.71
Return on capital employed, %*		-	-	9.48	9.10
Equity/assets ratio, %*		35.7	33.0	35.7	33.9
Net debt/equity ratio times*		0.76	0.82	0.76	0.78
Net loan debt/EBITDA*		2.69	2.72	2.69	2.72
Adjusted interest bearing net loan debt/adjusted EBITDA*	11	-	-	0.80	0.71
Capital employed, MSEK*		1,211.2	1,021.1	1,211.2	1,164.8
Interest-bearing net loan debt, MSEK*		472.7	410.1	472.7	448.3
Average capital employed, MSEK		-	-	1,116.2	1,089.7

## DATA PER SHARE

	Jan-Jun 2023	Jan-Jun 2022	Jul 2022- Jun 2023	Jan-Dec 2022
Earnings per share, SEK	0.02	0.02	0.21	0.21
Earnings per share, excluding non recurring items, SEK	0.02	0.02	0.21	0.21
Basic equity per share, SEK	2.93	2.36	2.93	2.71
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 12.

# Five-year summary

Key ratios	2022	2021	2020	2019	2018
Net sales, MSEK	2,165	1,804	1,843	2,166	2,220
Operating profit/loss, MSEK	98	46	-19	32	-52
Extraordinary items, MSEK	-	-18	-35	-	-103
Profit/loss after tax, MSEK	43	3	-66	-24	-148
Cash flow after investing activities, MSEK	72	60	31	78	-65
Operating margin, %	4.5	2.5	-1.0	1.5	-2.3
Return on equity, %	8.7	5.2	neg	neg	neg
Average capital employed, MSEK	1,090	1,004	1,064	983	991
Return on capital employed, %	9.1	6.4	neg	3.2	neg
Equity ratio, %	33.9	31	30	33	38
Net loan debt, MSEK	448	439	471	506	349
Net loan debt/equity, times	0.78	1.00	1.14	0.91	0.61
Net debt/EBITDA, times	2.7	3.4	4.9	4.2	5.0
Average number of employees	1,134	1,141	1,195	1,334	1,446
<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	211,205,058
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	211,205,058
<b>Earnings per share</b>					
Before dilution, SEK	0.21	0.02	-0.31	-0.11	-0.71
After dilution, SEK	0.21	0.02	-0.31	-0.11	-0.71
Earnings per share, before dilution, excluding non-recurring items, SEK	0.21	0.11	-0.14	-0.11	-0.22
Earnings per share, after dilution, excluding non-recurring items, SEK	0.21	0.11	-0.14	-0.11	-0.22
<b>Equity per share</b>					
Before dilution, SEK	2.71	2.08	1.95	2.50	2.70
After dilution, SEK	2.71	2.08	1.95	2.50	2.70
<b>Cash flow from operating activities per share</b>					
Before dilution, SEK	0.53	0.32	0.16	0.48	-0.28
After dilution, SEK	0.53	0.32	0.16	0.48	-0.28
<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	1.1	0.85	0.6	0.7	1.0
P/E-ratio, times	5.4	41.3	neg	neg	neg
Adjusted P/E-ratio, times	0.0	8.06	neg	neg	neg
Price/Equity before dilution, %	41	41	30	29	35
Price/Equity after dilution, %	41	41	30	29	35

# 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.

## **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-Jun 2023	Jan-Jun 2022
Revenue	1.0	1.0
Gross profit	1.0	1.0
Administrative expenses	-4.6	-3.4
Operating profit/loss	-3.6	-2.4
Net financial items	-0.7	1.3
Result	-4.3	-1.1
Income tax	0.0	0.0
<b>Net result</b>	<b>-4.3</b>	<b>-1.1</b>

## STATEMENT OF COMPREHENSIVE INCOME

MSEK	Jan-Jun 2023	Jan-Jun 2022
Net Result for the year	-4.3	-1.1
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>-4.3</b>	<b>-1.1</b>

## BALANCE SHEET IN SUMMARY

MSEK	30 Jun 2023	31 Dec 2022
Assets		
Financial assets	647.6	646.5
Current receivables	5.4	4.0
Cash and cash equivalents	0.2	0.1
<b>Total Assets</b>	<b>653.2</b>	<b>650.6</b>
Equity and liabilities		
Equity	387.3	391.6
Non-current liabilities	184.5	180.0
Current liabilities	81.4	79.0
<b>Total equity and liabilities</b>	<b>653.2</b>	<b>650.6</b>