

# Interim Report

January-March  
2022



# Interim Report Q1, January-March 2022

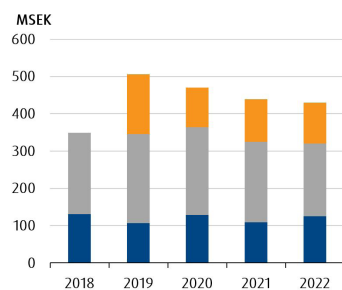
## January - March 2022

- Net sales increased to SEK 520 million (460)
- Operating profit before depreciation decreased to SEK 22 million (38)
- Operating profit decreased to SEK 6 million (22)
- 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 -6 million (32). 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.

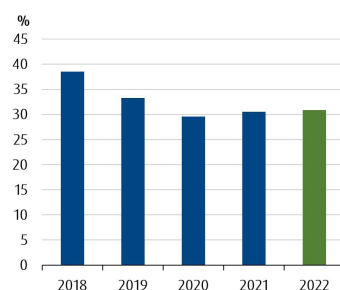
## Key Ratios

MSEK	Jan-Mar 2022	Jan-Mar 2021	Apr 2021-Mar 2022	Jan-Dec 2021
Net sales	520	460	1,864	1,804
EBITDA	22	38	112	128
EBIT	6	22	29	46
Non-recurring items, goodwill	-	-	-18	-18
Adjusted EBIT	6	22	47	64
Earnings after tax	-5	9	-11	3
Earning per share, SEK	-0.02	0.04	-0.04	0.02
Cash flow after investing activities	-6	32	21	60
Equity/asset ratio, %	30.9%	30.6%	30.9%	30.5%

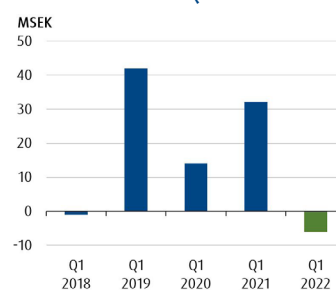
### Net debt



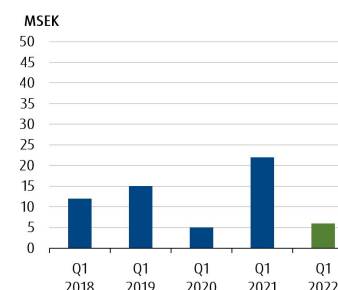
### Equity ratio



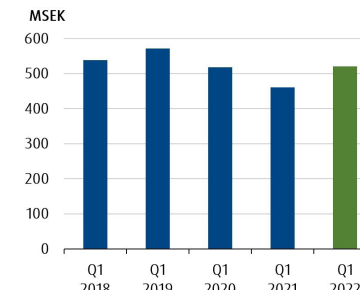
### Cash flow after investing activities - Q1



### Operating profit/loss - Q1



### Net sales - Q1



- 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

” In a disruptive environment we continue our road of transformation into a Light Packaging company. In Q1 we were renegotiating all our contracts which will successfully allow us to restore our margins in the coming months, says Bong’s CEO Kai Steigleder. ”



## MARKET AND INDUSTRY

The terrible war in Ukraine has drastically accelerated the already very tight situation in supply chains of raw materials for production and spare parts for machinery. On top of this we saw a four month long strike in the Finish paper mills of UPM being one of the main paper suppliers in our industry. This all resulted in delays for deliveries and unprecedented strong cost increases in different segments but especially in paper, transport, packaging, window films, glue and energy.

Fortunately this strike ended with an agreement between UPM and the unions End of April. But we will see a relief in paper supplies not before the third quarter. All other factors in our supply chains mentioned above remain very tight at least until year end.

Bong continued in Q1 to significantly increase sales prices to its customers in order to recover lost margin. Our challenge is to narrow the time gap between each new raw material cost increase and the following pass on to the customers. The time delays are mainly due to existing long term delivery contracts with customers which had to be fulfilled. The race to recover margins through sales price increases remains our biggest challenge also in Q2.

## Light Packaging

The development of Bong’s Light packaging sales in Q1 was positive with an overall currency adjusted increase of 12% compared to Q1 2021.

The growth came to a large extent from our new e-Green range, which our customer are using more and more to replace plastic packaging. Another strong growth factor were Paper Carrier Bags from our Retail division, especially after COVID 19 restrictions were lifted in most European countries. Both products will be also a growth backbone for Bong in the future and we will invest further into those segments in our different production sites.

## Envelope

Bong’s Envelope sales in Q1 increased currency adjusted by 7% compared to Q1 2021 mainly as a result of price increases. Volumes as such were going down following the negative long-term market trend. Bong’s performance is in line with the overall market development which was influenced by lacking paper and other scarce resources. Our main target was to increase prices, to deliver our long term existing accounts and not taking in new customers. The predominant task for Q2 will be to recover our additional raw material cost burden and to regain our normal margins in the envelope segment.

## OPERATING PROFIT

The Group’s currency-adjusted sales increased by 9% mainly because of price increases compared with 2021. Bong’s gross margin has decreased drastically compared to 2021 mainly because of drastically higher raw material prices and times lacks in increasing prices towards our customer due to fixed price contracts. Operating profit decreased to SEK 5 million (22) mainly due to the decreased margin. 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 -2 million (35). Adjusted net debt / adjusted EBITDA according to Bong’s Bond loan amounts to 1.80 (1.77).

## FOCUS AND STRATEGY

After our successful management throughout the last two years of COVID 19 crisis our main target for the next three months will remain margin recovery through consecutive price increases. In parallel we must and will further develop our Light Packaging sales. Therefore we will continue our investment plan. The overall growth in E-Commerce and the trend away from plastics to more sustainable paper based packaging solutions will

foster and support our transformation strategy and our growth ambitions. Nevertheless tough cost management and constant improvement of production efficiency was and remains part of Bong’s DNA.

Last but not least I am particularly thanking all our hard working and dedicated employees as well as our stakeholders and shareholders for their support.

## Kai Steigleder

Chief Executive Officer

# Financial overview

## Sales and profit

### January – March 2022

Consolidated sales for the period reached SEK 520 million (460). Exchange rate fluctuations had a positive impact on sales of SEK 18 million (-24) compared with 2021.

Operating profit decreased to SEK 6 million (22). The Group's gross margin was lower than previous year. During the period operating profit was positively affected by a capital gain of SEK 1 million (0) attributable to sales of machinery. Exchange rate fluctuations for the period had a positive impact on operating profit of SEK 0 million (-1).

Net financial items for the period amounted to SEK -8 million (-9).

Earnings before tax amounted to SEK -3 million (14) and reported earnings after tax were SEK -5 million (9).

Bong's total light packaging sales amounted to SEK 150 million (128). Currency fluctuations had a positive impact on light packaging sales of SEK 6 million (-7) compared with the corresponding period in 2021.

Bong's total envelope sales amounted to SEK 357 million (321). Currency fluctuations had a negative impact on envelope sales of SEK 12 million (-17) compared to same period 2021.

## Cash flow and investments

The cash flow after investing activities decreased to SEK -6 million (32) compared to previous year. Cash flow from operating activities before changes in working capital amounted to SEK 11 million (25). Working capital had a negative impact on the cash flow of SEK -13 million (10). 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 (-1). Net investments in the period had a negative impact amounting to SEK -4 million (-2).

## Financial position

Cash and cash equivalents at 31 March 2021 amounted to SEK 119 million (SEK 135 million at 31 December 2021). The Group had unutilized credit facilities of SEK 4 million on the same date. Total available cash and cash equivalents thus amounted to SEK 123 million (SEK 144 million at 31 December 2021). Consolidated equity at the end of March 2022 was SEK 453 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 19 million. The interest bearing net loan debt amounted to SEK 400 million, whereof pension debt amounts to SEK 195 million and IFRS 16 leasing contracts amount to SEK 110 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 1,133 (1,149). The Group had 1,135 (1,155) employees at the end of March 2022. Bong has intensively worked on improving productivity and adjusting staff to meet current demand and the reduction is the result of the implemented restructuring measures.

## Parent Company

The Parent Company's business extends to management of operating subsidiaries and certain Group management functions. Sales were SEK 0.5 million (0.8) and earnings before tax for the period were SEK -1 million (-1).

## Covid-19

A number of different measures have been taken at Bong to mitigate the short and long term effects of the corona virus, with health and safety for employees and customers as the highest priority. We follow the development carefully and adjust our measures according to local authorities' advice and regulations, while we strive to mitigate any disruptions to the Group's operations.

Bong will monitor the development to assess any effects on the valuation of goodwill or on non-financial assets or financial assets. It is currently not possible to predict with sufficient reliability over what period and to what extent Bong will face further impacts during upcoming years including write-offs due to impairments of assets and goodwill.

## 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 11 May 2022

### 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–June 2022, 18 July 2022
- Interim Report January–September 2022, 10 November 2022
- Year-End Report 2022, February 2023
- Interim Report January–March 2023, May 2023
- Interim Report January–June 2023, July 2023



# Income statements in summary

MSEK	Note	Jan-Mar 2022 3 month	Jan-Mar 2021 3 month	Apr 2021- Mar 2022 12 month	Jan-Dec 2021 12 month
Revenue	1,2	519.9	459.7	1,864.2	1,804.0
Cost of goods sold		-449.4	-371.9	-1,576.0	-1,498.4
Gross profit		70.5	87.8	288.2	305.6
Selling expenses		-39.8	-41.1	-150.3	-151.6
Administrative expenses		-26.6	-25.3	-123.3 <sup>1)</sup>	-122.0 <sup>1)</sup>
Other operating income and expenses		1.4	0.8	14.6	13.9
Operating profit		5.5	22.2	29.2	45.9
Net financial items		-8.3	-8.5	-35.5	-35.8
Result before tax		-2.8	13.7	-6.3	10.1
Income tax		-2.4	-4.9	-4.8	-7.3
<b>Net result</b>		<b>-5.2</b>	<b>8.8</b>	<b>-11.1</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		-4.8	8.9	-9.3	4.4
Non-controlling interests		-0.4	-0.1	-1.8	-1.6
Earnings per share		-0.02	0.04	-0.04	0.02
Earnings per share, excluding non recurring items		-0.02	0.04	0.04	0.11
Average number of shares		211,205,058	211,205,058	211,205,058	211,205,058
<b>STATEMENT OF COMPREHENSIVE INCOME</b>					
MSEK		Jan-Mar 2022	Jan-Mar 2021	Apr 2021- Mar 2022	Jan-Dec 2021
Net result		-5.2	8.8	-11.2	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		19.5	15.3	21.7	17.5
		19.5	15.3	21.7	17.5
Items that may be reclassified subsequently to profit or loss:					
Cash flow hedges	3	0.0	0.3	0.0	0.3
Translation differences		3.7	11.1	2.2	9.6
Income tax relating to components of other comprehensive income		-4.2	-2.9	-4.2	-2.9
		-0.5	8.6	-2.0	7.0
Other comprehensive income for the period, net of tax		19.0	23.9	19.7	24.6
<b>Total comprehensive income</b>		<b>13.8</b>	<b>32.7</b>	<b>8.5</b>	<b>27.3</b>
<b>Total comprehensive income attributable to:</b>					
Shareholders in Parent Company		14.2	32.8	10.4	28.9
Non-controlling interests		-0.4	-0.1	-1.9	-1.6

## Balance sheet in summary

MSEK	Note	31 Mar 2022	31 Mar 2021	31 Dec 2021
<b>Assets</b>				
Intangible assets	4,5	458.4	475.6	455.9
Tangible assets		243.7	254.6	248.1
Financial assets	6	96.2	100.6	101.6
Inventories		227.6	200.1	210.8
Current receivables	7	324.5	295.8	292.9
Cash and cash equivalents	8	118.4	128.8	135.3
<b>Total assets</b>		<b>1,468.8</b>	<b>1,455.5</b>	<b>1,444.6</b>
<b>Equity and liabilities</b>				
Equity		453.8	444.5	440.0
Non-current liabilities	9	493.3	365.3	522.8
Current liabilities	10	521.7	645.7	481.8
<b>Total equity and liabilities</b>		<b>1,468.8</b>	<b>1,455.5</b>	<b>1,444.6</b>

### CHANGES IN EQUITY

MSEK	Note	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Opening balance for the period		440.0	411.9	411.9
Capital Increase, minorities		-	-	0.8
Non-controlling interests		-0.4	-0.1	-1.6
Total comprehensive income		14.2	32.7	28.9
<b>Closing balance for the period</b>		<b>453.8</b>	<b>444.5</b>	<b>440.0</b>

## Cash flow statement

MSEK	Note	Jan-Mar 2022 3 month	Jan-Mar 2021 3 month	Apr 2021- Mar 2022 12 month	Jan-Dec 2021 12 month
<b>Operating activities</b>					
Operating profit/loss		5.5	22.2	29.2	45.9
Depreciation, amortisation, and impairment losses		16.5	15.5	82.6	81.6
Interest received		0.0	0.0	0.0	0.0
Interest paid		-5.5	-7.0	-25.9	-27.4
Financial expenses		-1.5	-0.1	-7.2	-5.8
Tax paid		-0.6	0.8	-5.2	-3.8
Other items not affecting liquidity		-3.6	-6.1	-9.1	-11.6
<b>Cash flow from operating activities before changes in working capital</b>		<b>10.8</b>	<b>25.3</b>	<b>64.4</b>	<b>78.9</b>
<b>Changes in working capital</b>					
Inventories		-15.8	-12.7	-26.0	-22.9
Current receivables		-43.3	-6.6	-43.7	-7.0
<b>Current operating liabilities</b>		<b>46.2</b>	<b>28.9</b>	<b>35.0</b>	<b>17.7</b>
<b>Cash flow from operating activities</b>		<b>-2.1</b>	<b>34.9</b>	<b>29.7</b>	<b>66.7</b>
<b>Cash flow from investing activities</b>					
Acquisition of intangible and tangible assets incl. advanced payments to suppliers		-5.2	-3.2	-23.6	-21.5
Disposal of intangible and tangible assets		1.0	0.8	14.8	14.5
<b>Cash flow from investing activities</b>		<b>-4.2</b>	<b>-2.4</b>	<b>-8.8</b>	<b>-7.0</b>
<b>Cash flow after investing activities</b>		<b>-6.3</b>	<b>32.5</b>	<b>20.9</b>	<b>59.7</b>
<b>Cash flow from financing activities</b>					
Change in other long-term debt		-1.5	-6.7	7.5	2.3
IFRS-16 lease payment		-10.5	-9.6	-40.6	-39.7
<b>Cash flow from financing activities</b>		<b>-12.0</b>	<b>-16.3</b>	<b>-33.1</b>	<b>-37.4</b>
<b>Cash flow for the period</b>		<b>-18.3</b>	<b>16.2</b>	<b>-12.2</b>	<b>22.3</b>
Cash and cash equivalents at beginning of period		135.3	110.0	128.8	110.0
Exchange rate difference in cash and cash equivalents		1.4	2.6	1.8	3.0
<b>Cash and cash equivalents at end of period</b>		<b>118.4</b>	<b>128.7</b>	<b>118.4</b>	<b>135.3</b>

# Notes

(MSEK)

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

Net sales	Jan-Mar 2022			Jan-Mar 2021			Apr 2021-Mar 2022			Jan-Dec 2021		
	Envelope	Light Packaging	IFRS Adjustments	Envelope	Light Packaging	IFRS Adjustments	Envelope	Light packaging	IFRS Adjustments	Envelope	Light packaging	IFRS Adjustments
Sweden	29	16	2	27	12	1	100	70	8	98	66	7
Nordic and Baltics	29	9	0	30	10	0	107	42	1	108	43	1
Central Europe	134	54	7	121	47	5	464	177	28	451	170	26
South Europe	90	31	3	76	30	4	320	122	14	306	121	15
UK	59	29	1	50	22	1	213	94	4	204	87	4
Other	16	11	0	17	7	0	64	34	2	65	30	2
<b>Total</b>	<b>357</b>	<b>150</b>	<b>13</b>	<b>321</b>	<b>128</b>	<b>11</b>	<b>1,268</b>	<b>539</b>	<b>57</b>	<b>1,232</b>	<b>517</b>	<b>55</b>

## Note 1 - cont'd

Intangible and tangible assets	2022-03-31	2021-03-31	2021-12-31
Sweden	119	125	119
Nordic and Baltics	4	4	3
Central Europe	341	338	344
South Europe	199	194	191
UK*	37	68	40
Other	2	1	7
<b>Total</b>	<b>702</b>	<b>730</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	2022-03-31					2021-03-31				
	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	200.0	6.6	22.8	229.4	15.3	173.4	4.2	20.6	198.2	24.6
South Europe and North Africa	144.7	3.5	11.0	159.2	4.5	129.1	3.6	8.6	141.3	3.4
Nordics	75.8	3.3	3.6	82.7	4.4	74.6	2.4	5.0	82.0	8.1
United Kingdom	85.1	0.9	0.2	86.2	-2.0	71.4	1.0	0.5	72.9	4.2
Group transactions and eliminations	0.0	0.0	-37.6	-37.6	-0.2	0.0	0.0	-34.7	-34.7	-2.6
<b>Total</b>	<b>505.6</b>	<b>14.3</b>	<b>0.0</b>	<b>519.9</b>	<b>22.0</b>	<b>448.5</b>	<b>11.2</b>	<b>0.0</b>	<b>459.7</b>	<b>37.7</b>
Restructuring costs					-					-
Depreciations and amortisations					-16.5					-15.5
Financial income					0.0					0.9
Financial expenses					-8.3					-9.4
Result before tax					-2.8					13.7
Income tax					-2.4					-4.9
<b>Net result for the year</b>					<b>-5.2</b>					<b>8.8</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.

2022-03-31	Assets	Liabilities
Currency forwards - cash flow hedges	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>

2021-03-31	Assets	Liabilities
Currency forwards - cash flow hedges	0.2	0.7
<b>Total</b>	<b>0.2</b>	<b>0.7</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 0.0 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	2022-03-31	2021-03-31	2021-12-31
Goodwill	457.7	472.1	454.5
Other intangible assets	0.7	3.5	1.4
<b>Total</b>	<b>458.4</b>	<b>475.6</b>	<b>455.9</b>

Note 5 - Goodwill	2022-03-31	2021-03-31	2021-12-31
Opening costs	454.5	463.2	463.2
Purchase/acquisition	-	-	-
Write-down	-	-	-17.9
Exchange rate differences	3.2	8.9	9.8
<b>Closing costs</b>	<b>457.7</b>	<b>472.1</b>	<b>454.5</b>

Note 6 - Financial assets	2022-03-31	2021-03-31	2021-12-31
Deferred tax	95.4	99.6	100.8
Other financial assets	0.8	1.0	0.8
<b>Total</b>	<b>96.2</b>	<b>100.6</b>	<b>101.6</b>

Note 7 - Current receivables	2022-03-31	2021-03-31	2021-12-31
Receivables	223.1	197.3	214.2
Other current assets	101.4	98.5	78.7
<b>Total</b>	<b>324.5</b>	<b>295.8</b>	<b>292.9</b>

Note 8 - Cash and cash equivalent	2022-03-31	2021-03-31	2021-12-31
Cash/Bank	118.3	128.7	135.2
Cash/Bank escrow account	0.1	0.1	0.1
<b>Total</b>	<b>118.4</b>	<b>128.8</b>	<b>135.3</b>

Note 9 - Non-current liabilities	2022-03-31	2021-03-31	2021-12-31
Interest-bearing loans	210.3	53.1	215.1
Leasing contracts - IFRS 16	69.2	76.0	73.5
Pension debt	194.7	221.6	215.0
Deferred tax	8.6	8.9	8.6
Other liabilities	10.5	5.7	10.6
<b>Total</b>	<b>493.3</b>	<b>365.3</b>	<b>522.8</b>

Note 10 - Current liabilities	2022-03-31	2021-03-31	2021-12-31
Interest-bearing loans	33.5	180.6	29.5
Leasing contracts - IFRS 16	40.9	40.8	41.6
Payables	209.1	173.0	181.4
Other liabilities	238.2	251.3	229.3
<b>Total</b>	<b>521.7</b>	<b>645.7</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	2022-03-31	2021-12-31
Interest bearing loans, non-current liabilities	474.3	503.6
Interest bearing loans, current liabilities	74.5	71.1
Cash and cash equivalent	-118.4	-135.3
<b>Net Debt</b>	<b>430.4</b>	<b>439.4</b>
Pension debt	-194.7	-215.0
Leasing contracts - IFRS 16	-110.2	-115.1
<b>Adjusted net debt</b>	<b>125.5</b>	<b>109.3</b>

Adjusted EBITDA 12 month rolling	2022-03-31	2021-12-31
Profit	-11.1	2.8
Financial charges	34.3	34.1
Tax	4.8	7.3
Depreciations	82.6	81.6
Restructuring cost	1.2	1.2
Transaction cost	1.2	1.7
Minority result	1.9	1.6
IFRS 16, lease payments	-45.2	-44.0
<b>Adjusted EBITDA</b>	<b>69.7</b>	<b>86.4</b>

Adjusted interest bearing net loan debt/Adjusted EBITDA	1.80	1.27
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## QUARTERLY DATA. GROUP

MSEK	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	3/2018	2/2018
Net Revenue	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	536.0	543.0
Operating expenses	-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	-524.3	-533.2
Operating profit	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	11.7	9.8
Net financial items	-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	-10.4	-22.6
<b>Profit before tax</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>	<b>1.3</b>	<b>-12.8</b>

## KEY RATIOS

Note	Jan-Mar 2022	Jan-Mar 2021	Apr 2021-Mar 2022	Jan-Dec 2021
Operating margin, %	1.1	4.8	1.6	2.5
Return on equity, %*	-	-	1.88	5.23
Return on capital employed, %* 1)	4.67	neg	4.67	6.36
Equity/assets ratio, %*	30.9	30.5	30.9	30.5
Net debt/equity ratio times*	0.95	1.00	0.95	1.00
Net loan debt/EBITDA*	3.85	4.32	3.85	3.45
Adjusted interest bearing net loan debt/adjusted EBITDA*	11	-	1.80	1.27
Capital employed, MSEK*	1,002.0	1,016.7	1,001.9	1,014.7
Interest-bearing net loan debt, MSEK*	430.4	443.5	430.4	439.4
1) Return on capital employed				
Earnings after financial revenues	-	-	29.3	46.4
Average capital employed	-	-	1,009.3	1,003.7

## DATA PER SHARE

	Jan-Mar 2022	Jan-Mar 2021	Apr 2021-Mar 2022	Jan-Dec 2021
Earnings per share, SEK	-0.02	0.04	-0.04	0.02
Earnings per share, excluding non recurring items, SEK	-0.02	0.04	0.04	0.11
Basic equity per share, SEK	2.15	2.10	2.15	2.08
Diluted equity per share, SEK				
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	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	0.11	-0.14	-0.11	-0.22	-0.06
Earnings per share, after dilution, excluding non-recurring items	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-Mar 2022	Jan-Mar 2021
Revenue	0.5	0.8
Gross profit	0.5	0.8
Administrative expenses	-1.7	-2.8
Operating profit/loss	-1.2	-2.0
Net financial items	0.7	0.8
Result	-0.5	-1.2
Income tax	0	0
<b>Net result</b>	<b>-0.5</b>	<b>-1.2</b>

## STATEMENT OF COMPREHENSIVE INCOME

MSEK	Jan-Mar 2022	Jan-Mar 2021
Net Result for the year	-0.5	-1.2
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>-0.5</b>	<b>-1.2</b>

## BALANCE SHEET IN SUMMARY

MSEK	31 Mar 2022	31 Dec 2021
Assets		
Financial assets	629.8	630.3
Current receivables	2.4	3.0
Cash and cash equivalents	0.1	0.1
<b>Total Assets</b>	<b>632.3</b>	<b>633.4</b>
Equity and liabilities		
Equity	362.1	363.1
Non-current liabilities	109.5	109.5
Current liabilities	160.7	160.8
<b>Total equity and liabilities</b>	<b>632.3</b>	<b>633.4</b>