

BEWI
for a better everyday



INTERIM REPORT
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Highlights for the fourth quarter of 2021¹

(numbers in parenthesis refers to comparable figures for the corresponding period of 2020)

- Net sales up by 60 per cent to EUR 208.2 million (130.2), of which 14 per cent from acquisitions
- Organic growth from higher sales prices in all segments, and higher volumes in downstream segments
- Adjusted EBITDA increased to EUR 26.4 million (16.4), mainly due to higher margins for RAW
- Operating income (EBIT) of EUR 13.8 million (10.6)
- Acceptance of offer to acquire Jackon Holding
- Completion of acquisition of Belgian insulation company Kemisol
- Refinancing completed with EUR 90 million tap issue under existing five-year sustainability-linked bond

Highlights for the full year 2021

- Net sales grew by 62 per cent to EUR 748.2 million (462.6), of which 19 per cent from acquisitions
- Adjusted EBITDA of EUR 109.0 million (65.0)
- The board of directors of BEWI proposes a dividend distribution of NOK 1.10 per share

Subsequent events

- Completion of tender offer for remaining shares in IZOBLOK
- Announced intention to acquire Baltic insulation company

Consolidated key figures²

<i>million EUR (except percentage)</i>	Q4 2021	Q4 2020	2021	2020
Net sales	208.2	130.2	748.2	462.6
Operating income (EBIT)	13.8	10.6	67.8	39.5
EBITDA	24.5	19.5	105.5	70.0
<i>EBITDA margin (%)</i>	11.8%	15.0%	14.1%	15.1%
Adjusted EBITDA	26.4	16.4	109.0	65.0
<i>Adj. EBITDA margin (%)</i>	12.7%	12.6%	14.6%	14.0%
Items affecting comparability	-2.0	3.1	-3.4	5.0
Adjusted EBITA	17.6	9.4	78.8	40.8
<i>Adj. EBITA margin (%)</i>	8.5%	7.2%	10.5%	8.8%
Net profit for the period	9.0	13.5	34.4	30.0
Earnings per share, basic (EUR)	0.06	0.09	0.23	0.21
Earnings per share, diluted (EUR)	0.06	0.09	0.23	0.21
Earnings per share, basic (NOK)	0.62	1.00	2.37	2.27
Earnings per share, diluted (NOK)	0.62	1.00	2.36	2.27
Capital Expenditure (CAPEX)	-12.2	-15.1	-34.7	-26.6
<i>Return on average capital employed (ROCE)</i>	19.2%	12.6%	19.2%	12.6%

¹ For more information on the change in net sales and adjusted EBITDA from the corresponding period of 2020, see the revenue and EBITDA bridges included on page 16

² Definitions of alternative performance measures not defined by IFRS are included on page 14

Comments from the CEO

We continue to demonstrate solid growth, recording revenues of 208 million euro for the fourth quarter of 2021, a 60 per cent increase over the same quarter of 2020, of which 43 and 14 percentage points are organic and from acquisitions respectively. Adjusted EBITDA came in at 26 million euro for the quarter, up from EUR 16 million for the fourth quarter last year. For the full year, revenues ended at 748 million euro, representing 62 per cent growth, and posting an EBITDA of 109 million euro, up from 65 million euro for 2020. The positive development is mainly explained by continued strong demand in our markets.

In the fourth quarter, we received acceptance of our offer to acquire all shares in the packaging and insulation company Jackon Holding. We strongly believe in the combination of our two companies, as we complement each other well and are a good industrial match. Like us, Jackon also demonstrated a solid and profitable growth for 2021, with a 28 per cent growth in revenues and a 25 increase in EBITDA. Combined, our two companies recorded revenues of 1,146 million euro and an adjusted EBITDA of 152 million euro for 2021. The work to complete the transaction is progressing well, although still subject to regulatory approvals.

In addition to the Jackon transaction, we were pleased to complete the acquisition of the Belgian insulation company Kemisol in the fourth quarter, in line with our strategy to strengthen our position in the important Benelux region and to broaden our product offering. We expect to see continued growth in demand for insulation solutions across the markets we operate in, driven by favourable regulations requiring improved energy efficiency, as well as growth in residential construction and renovation.

Looking back at the full year of 2021, I am once again proud to see the results delivered by our organisation. The significant price increases and cost inflation seen throughout the year, has been challenging. Still, we manage to successfully complete a record-high number of transactions in line with our strategy. Through the acquisition of Honeycomb, we broaden our portfolio within protective packaging, offering our customers complementary and sustainable alternatives. The IZOBLOK-acquisition provides us with a leading position in the market for EPP components to the automotive industry, a position we intend to continue to strengthen. Our circular business has also expanded significantly, with the acquisition of Volker Gruppe, and the minority stake of Inoplast, in addition to the investment in advanced recycling technology in Canada and the new recycling hub in Stockholm. To mention a few. On top of this, we have completed a refinancing, establishing a new finance framework including sustainability-linked bonds of EUR 250 million and a credit facility.

In addition to circularity, profitable growth obviously remains a high priority to us. We have launched an ambition to roughly double our revenues and more than double our EBITDA the next five years, as well as improving our return on capital employed (ROCE) to approximately 20 per cent. The announced Jackon-transaction adds to this ambition, and further strengthens our growth prospects and foundation to pursue attractive M&A opportunities.

Going forward, we expect a continued stable or strong demand in our key markets. EPS prices are expected to remain at high levels, also implying a high GAP. Backed by a strong financial platform, our integrated and diversified business model provides us with robust results, including a strong cash flow, enabling us to continue to consolidate the industry and pursue attractive growth opportunities.

Christian Bekken, CEO,
Trondheim, 23 February 2022



Financial review

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

Profit and loss

Fourth quarter of 2021

Net sales amounted to EUR 208.2 million for the fourth quarter of 2021 (130.2), corresponding to an increase of 59.9 per cent. Acquired companies contributed to 14.4 per cent of the increase while currency effects had a positive impact of 2.6 per cent. Organic growth ended at 43.3 per cent.

The organic growth can be explained by higher sales prices in all segments, in particular RAW, as well as improved volumes from the downstream segments, Insulation and Packaging & Components. The increased volumes are mainly from Insulation in the Netherlands and food packaging in Norway. Styrene prices increased in the quarter, with EPS raw material prices following due to a strong market.

Adjusted EBITDA came in at EUR 26.4 million for the quarter (16.4), representing a margin of 12.7 per cent (12.6). Acquired companies had a positive contribution to the result of EUR 0.6 million for the quarter.

Segment RAW favoured from a strong market where sales prices increased further following increased styrene prices compared to the same quarter of 2020. The segment experienced a continued strong GAP, although EBITDA was somewhat lower than for the previous quarter, due to higher energy prices and increased costs for additives. The positive development for RAW is the main explanation for the improved EBITDA over last year. In addition, increased volumes from food packaging in Norway positively affected the results, while the weaker automotive market negatively impacted the results.

For more information on the development in net sales and EBITDA, see explanations under each segment and the revenue and EBITDA bridges on page 16.

Operating income (EBIT) came in at EUR 13.8 million for the fourth quarter (10.6), up by EUR 3.2 million over the same period last year.

Net financial items amounted to a negative EUR 1.5 million for the quarter (0.5). The period was positively impacted by EUR 2.2 million in fair value adjustments of certain shareholdings, mainly shares in a listed real estate. The same period last year noted a EUR 3.9 million positive fair value adjustment of shares.

Taxes amounted to a negative EUR 3.2 million (2.4).

Net result for the fourth quarter of 2021 ended at a positive EUR 9.0 million (13.5).

Full year 2021

Net sales increased to EUR 748.2 million for 2021 (462.6), corresponding to an increase of 61.8 per cent. The increase is 19.2 per cent driven by acquisitions, and 41.0 per cent is organic growth. All segments recorded higher volumes in 2021 than 2020. In addition, significant price increases have been implemented to compensate for the increased raw material prices.

Adjusted EBITDA increased by 67.8 per cent to EUR 109.0 million for 2021 (65.0). 12.3 per cent of the increase relates to acquisitions, while most of the organic increase relates to the improved styrene gross margin (GAP).

Operating income (EBIT) came in at EUR 67.8 million for the period (39.5).

Net financial items came in at a negative EUR 18.8 million for the year (-7.2). The year was negatively impacted by costs related to the refinancing in September of EUR 5.6 million. Fair value adjustments of shares had a negative impact of EUR 0.6 million, whereas last year noted a EUR 3.9 million positive impact from such revaluations.

Taxes amounted to a negative EUR 14.6 million for the year (2.3). The effective tax rate was negatively impacted by costs incurred in connection with the refinancing.

Net profit for 2021 was EUR 34.4 million (30.0).

Segment RAW

Strong results following a continued solid demand

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

Key figures

Amounts in million EUR (except percentage)	Q4 2021	Q4 2020	2021	2020
Net sales	92.9	50.4	347.9	191.2
Of which internal	26.0	14.0	104.6	56.5
Of which external	66.9	36.4	243.3	134.7
Net operating expenses	-77.3	-48.3	-293.9	-181.8
Adjusted EBITDA	15.6	2.1	54.1	9.4
Adjusted EBITDA %	16.8%	4.2%	15.5%	4.9%
Items affecting comparability	0.1	0.0	0.1	0.5
EBITDA	15.7	2.1	54.2	9.9
Depreciations	-1.4	-0.9	-4.2	-3.7

Fourth quarter of 2021

Net sales for segment RAW amounted to EUR 92.9 million for the quarter (50.4), an increase of 84.3 per cent explained by increased sales prices following a significant increase in underlying raw material prices since the fourth quarter last year. Volumes were slightly lower in the fourth quarter this year compared to last year, due to scheduled maintenance.

For more information about the development in raw material prices, see the separate section under important events for the quarter.

Adjusted EBITDA amounted to EUR 15.6 million for the fourth quarter of 2021 (2.1). GAP (i.e., styrene gross profit) strengthened compared to the fourth quarter last year due to a strong underlying market demand. Compared to the previous quarter, both raw material prices (Styrene) and EPS raw material prices continued to increase, resulting in a continued strong GAP, although EBITDA is somewhat lower than the previous quarter, due to higher energy prices and increased costs for additives and higher maintenance costs.

Full year 2021

Net sales for the full year 2021 came in at EUR 347.9 million (191.2) for segment RAW, up by 82.0 per cent from last year, mainly explained by increased sales prices, but also from higher volumes.

Adjusted EBITDA ended at EUR 54.1 million in 2021 (9.4). The improvement continues to derive from the strengthened GAP (i.e., styrene gross profit), as for the quarter, in addition to higher volumes.

Segment Insulation

Continued solid demand driving improved volumes in the Benelux region

Segment Insulation develops and manufactures an extensive range of insulation products for the construction industry. The products are primarily composed of EPS and XPS. BEWI is one of the larger European manufacturers of EPS-based insulation products. The Benelux is the main market representing around 50 per cent of total sales within the business area. BEWI has 15 facilities in 7 countries producing insulation products. In addition, BEWI has minority interests in 6 facilities in France, 6 facilities in Germany and 1 in the UK.

Key figures

Amounts in million EUR
(except percentage)

	Q4 2021	Q4 2020	2021	2020
Net sales	49.7	38.6	195.4	146.6
Of which internal	0.9	0.7	2.8	2.4
Of which external	48.8	37.8	192.7	144.1
Net operating expenses	-45.4	-31.1	-173.9	-120.1
Adjusted EBITDA	4.3	7.5	21.6	26.5
Adjusted EBITDA %	8.7%	19.3%	11.0%	18.1%
Items affecting comparability	0.7	5.8	0.9	5.9
EBITDA	5.0	13.2	22.5	32.4
Depreciations	-2.0	-2.5	-7.9	-7.4

Fourth quarter of 2021

From 1 December 2021, the financial results for the Insulation company Kemisol are consolidated into BEWI's accounts. For details on the contribution from Kemisol, see note 8 to the accounts on Business Combinations.

Net sales for segment Insulation came in at EUR 49.7 million for the quarter (38.6), an increase of 29.0 per cent. Excluding acquisitions and divestments, sales increased by 24.9 per cent driven by higher volumes in Benelux and higher sales prices following a continued increase in raw material prices. Currency had a positive impact of 1.6 per cent in the quarter.

Adjusted EBITDA amounted to EUR 4.3 million for the fourth quarter (7.5), a decrease of 42.1 per cent. Excluding acquisitions and divestments, adjusted EBITDA decreased by 43.1 per cent. The decrease is explained by the historically high raw material prices putting pressure on margins. The margins are mostly affected in the Scandinavian region, where markets are more commoditised. On a positive note, the Benelux region recorded a positive development in margins compared to the previous quarter. Challenges related to the new production line in

Norrköping, Sweden, remained in the fourth quarter and impacted the result negatively.

Full year 2021

Net sales amounted to EUR 195.4 million for the full year of 2021 (146.6), an increase of 33.3 per cent. Of this, 20.3 per cent was organic growth driven by higher volumes in all regions, except Sweden, and increased sales prices related to the higher cost of raw material.

Adjusted EBITDA amounted to EUR 21.6 million (26.5). As for the quarter, the main reason for the lower EBITDA is the historically high raw material prices and remained challenges with the new production line in Sweden.

Segment Packaging & Components (P&C)

Strong volume growth from food packaging in Norway and higher prices

Segment P&C develops and manufactures standard and customised packaging solutions and technical components for customers in many industrial sectors. Examples include boxes for transportation of fresh fish and other food, protective packaging for pharmaceuticals and electronics, and components for cars and heating systems. The material is composed primarily of EPS, EPP and fabricated foam. BEWI has 24 facilities in 7 countries producing P&C components. Also, the Group has minority interests in 2 facilities in the UK.

Key figures

Amounts in million EUR (except percentage)	Q4 2021	Q4 2020	2021	2020
Net sales	88.0	54.6	295.6	179.9
Of which internal	3.8	0.6	6.9	2.3
Of which external	84.1	54.0	288.7	177.6
Net operating expenses	-78.7	-45.9	-255.3	-145.8
Adjusted EBITDA	9.3	8.7	40.3	34.1
Adjusted EBITDA %	10.5%	16.0%	13.6%	19.0%
Items affecting comparability	-0.7	-1.2	-0.4	2.1
EBITDA	8.6	7.5	39.9	36.2
Depreciations	-5.0	-3.5	-16.6	-12.3

Fourth quarter of 2021

From 1 July 2021, the financial results for the automotive components company IZOBLOK are consolidated into BEWI's accounts. For details on the contribution from IZOBLOK, see note 8 to the accounts on Business Combinations.

Net sales amounted to EUR 88.0 million for the quarter (54.6), an increase of 61.2 per cent. Excluding acquisitions net sales increased by 35.2 per cent, mainly explained by strong volume growth in Norway due to increased slaughter volumes of salmon and white fish, and increased volumes from HVAC products. Sales prices have been adjusted upwards following the increase in raw material prices.

Adjusted EBITDA amounted to EUR 9.3 million (8.7), up by 6.5 per, driven by acquisitions and positive currency effects. Organic growth was negative 3.6 per cent due to the historically high raw material prices putting pressure on margins in combination with increasing energy prices. However, renewed price discussions are being held with customers. Also, margins for the segment are negatively impacted by

the Automotive sector, including a negative contribution from IZOBLOK for the quarter, explained by the shortage of electronic components to the automotive industry combined with increased energy prices. An improvement in profitability was noted from the previous quarter.

Full year 2021

Net sales amounted to EUR 295.6 million for the year (179.9), an increase of 64.3 per cent. Excluding acquisitions, sales increased by 26.5 per cent explained by higher volumes and increased sales prices in all regions.

Adjusted EBITDA amounted to EUR 40.3 million for 2021 (34.1), up by 18.0 per cent. Excluding acquisitions and currency effects, adjusted EBITDA decreased by 0.7 per cent explained by the pressure on margins from the high raw material prices, as explained above, in addition to increased energy prices, product mix (more trading operation) and the negative contribution from Automotive.

Segment Circular

Improved volumes and EBITDA following a continued good market demand

BEWI Circular (Circular) is responsible for increasing the Group's collection and recycling of EPS. Since the establishment of the business unit in 2018, Circular has launched several initiatives, increasing the Group's recycling capacity to approximately 20,000 tonnes, and a collection run-rate at year end of approximately 23,000 tonnes. BEWI has announced an annual target of recycling 60,000 tonnes of EPS. The number refers to approximately one-third of BEWI's annual production, which is the volume BEWI puts into the end markets with a lifetime less than one year. The other two-thirds of the volume are used in products with a lifetime of more than one year, i.e., bike helmets, car components, insulation in buildings and similar.

Key figures

Amounts in million EUR (except percentage)	Q4 2021	Q4 2020	2021	2020
Net sales	8.7	2.2	24.0	6.3
Of which internal	0.3	0.2	0.6	0.2
Of which external	8.4	2.0	23.4	6.1
Net operating expenses	-8.7	-2.8	-23.4	-7.6
Adjusted EBITDA	-0.1	-0.6	0.6	-1.2
Adjusted EBITDA %	-1.0%	-25.1%	2.5%	-19.5%
Items affecting comparability	-0.2	0.0	-0.3	-0.1
EBITDA	-0.2	-0.6	0.3	-1.3
Depreciations	-0.3	-0.2	-1.0	-0.4

Fourth quarter of 2021

Net sales for segment Circular amounted to EUR 8.7 million for the quarter (2.2), an increase of 288.6 per cent. Excluding acquisitions net sales increased by 187.7 per cent, explained by higher volumes and increased sales prices following significant increase in the virgin raw material prices.

Adjusted EBITDA amounted to a negative EUR 0.1 million for the fourth quarter of 2021 (-0.6). The improved EBITDA was mainly driven by the higher volumes and increased prices as mentioned above. Limited feedstock, i.e., the input/ raw material for segment Circular, continues to be challenging and prices have increased in the quarter, putting pressure on margins.

Full year 2021

Net sales for the year came in at EUR 24.0 million (6.3) for segment Circular, up by 279.7 per cent from the same period last year. Excluding acquisitions net sales increased by 230.1 per cent, explained by higher volumes and increased sales prices, as explained for the quarter.

Adjusted EBITDA ended at EUR 0.6 million for the year (-1.2), whereas the improvement primarily relates to the higher volumes in addition to higher sales prices, as for the quarter, and the acquisition of Volker Gruppe.

Corporate costs

Revenues and costs related to Group functions that do not belong to any specific business segment are booked as unallocated. This includes costs related to the Group's Business Development and other Group functions.

For the quarter, the unallocated contribution to adjusted EBITDA amounted to a negative EUR 2.7 million (-1.3). For the full year of 2021, the contribution was negative EUR 7.6 million (-3.9).

Financial position and liquidity

Consolidated financial position

Total assets amounted to EUR 785.7 million on 31 December 2021, compared to EUR 543.1 million at year-end 2020. The increase since last year is mainly related to acquired companies and the additional EUR 90 million bond issue in November.

Total equity amounted to EUR 262.2 million on 31 December 2021, compared to EUR 195.1 million at year-end 2020.

Net debt amounted to EUR 196.4 million on 31 December 2021 (120.3 excluding IFRS 16), compared to EUR 170.2 million at year-end 2020 (91.7 excluding IFRS 16).

Cash and cash equivalents were EUR 142.3 million on 31 December 2021, compared to EUR 51.4 million at year-end 2020.

Consolidated cash flow

Cash flow from operating activities amounted to EUR 34.5 million for the fourth quarter (19.9), including a decrease of working capital of EUR 15.5 million (decrease of 15.7). Working capital improved during the quarter and followed normal seasonality.

For the full-year period, cash flow from operating activities amounted to EUR 67.4 million (33.2), including an increase in working capital of EUR 6.8 million (increase of 3.4). Cash flow from change in working capital came in slightly negative for the year, explained by higher prices, impacting both inventory and accounts receivable. A similar effect in accounts payable could not fully offset that. Cash flow from financial items was negatively impacted by fees related to the early bond redemptions, amounting to EUR 4.2 million.

Cash flow used for investing activities amounted to EUR -40.7 million for the fourth quarter (12.3), mainly impacted by the cash outflow from the acquisition of Kemisol. The sale of Biobe contributed EUR 4.3 million to the cash flow. The same period last year noted a substantial positive cash flow from several sale and leaseback transactions.

For the full-year, cash flow from investing activities amounted to EUR -85.9 million (2.7). Capital expenditures were higher than last year, driven by expansion related investments, as further elaborated below. Cash outflow from business acquisitions was also higher, largely attributable to the acquisitions of IZOBLOK and Kemisol in the second half of the year. Last year noted a substantial positive cash inflow from several sale and leaseback transactions. Such transactions did not take place in 2021. Cash flow from divestments was mainly attributable to the sale of Biobe in the fourth quarter.

For an overview of the main investments, see section about Capital expenditures.

Cash flow from financing activities came in at a positive EUR 85.9 million for the fourth quarter (-10.7). This was almost entirely on account of the additional EUR 90 million bond tap in November, in which the remaining frame of the bond issued in connection with the refinancing in September, was utilised.

For 2021, cash flow from financing activities amounted to a positive EUR 107.3 million (-40.7), mainly impacted by the bond refinancing in September and the following bond tap in November. In total, EUR 250 million in bond loan was issued during the year, whereas EUR 140 million was redeemed, giving rise to a positive effect of EUR 105.4 million, net of transaction costs, in cash flow from financing activities. Transactions with shareholders resulted in a net positive cash inflow, with EUR 18.9 million added through a new share issue, partly offset by the EUR 6.4 million dividend paid. Cash outflow from refinancing of acquired companies was modest during the year, while last year noted a substantially higher outflow from such transactions.

Capital expenditures

In the fourth quarter of 2021, investments continued according to plan.

For the fourth quarter of 2021, CAPEX totalled EUR 12.2 million (15.1). EUR 6.3 million related to greenfield projects, customer specific investments for P&C in Norway and Denmark, a new extrusion line in Etten-Leur and investments into the new ERP system.

For the full year of 2021, CAPEX amounted to EUR 34.7 million (26.6), of which EUR 17.0 million related to the same investment areas as for the quarter. See below for further details about the investment programmes/ greenfield projects.

BEWI has previously announced, at the company's Capital Markets Update in September 2021, a target of annual investments equal to 2.5 per cent of net sales excluding greenfield, customer specific initiatives and ICT investments. Excluding above mentioned initiatives, 2021 ended in line with this target.

Organisation

As of 31 December 2021, BEWI ASA had 2,097 employees, up from 1,438 on 31 December 2020 and from 2,003 on 30 September 2021. The increase since year-end is mainly attributable to the acquisition of Izoblok, while the increase since the end of the previous quarter relates to the acquisition of Kemisol.

Important events in the quarter

In BEWI, organic- and M&A growth initiatives, remains a high priority. The group has several ongoing organic growth initiatives and a strong pipeline of M&A opportunities.

Ongoing organic growth initiatives

The following investment programmes are ongoing in the BEWI group:

Packaging & Components Norway

In 2021, BEWI established a new fish box facility at Senja, Norway, where the company has a long-term supply agreement with SalMar. Production commenced in the third quarter of 2021, although at limited volumes due to delays in production at customer site.

Also, in March 2021, the company announced its plans to set up a new packaging facility on the Jøsnøya island, Hitra, on the west coast of central Norway. The real estate group KMC Properties ASA is responsible for the development project.

Insulation Sweden

In 2020 and 2021, BEWI invested in technology and new machinery at its facility in Norrköping, Sweden, including modern extrusion technology improving production capacity and efficiency. Start-up of the new production line has been delayed, causing extra costs in 2021.

New extruder in Etten-Leur

Investments into a new twin screw extrusion line at the RAW production site in Etten-Leur started in the fourth quarter. The new extrusion line increases the production capacity of recycled grades and grey products, and production is expected to start in 2023.

ICT

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

Acquisitions

In 2021, BEWI completed several acquisitions, primarily focusing on:

- Strengthening of market positions
- Broadening product offering
- Geographic expansion
- Being a leading recycling consolidator

In the fourth quarter of 2021, BEWI announced the following acquisitions/ transactions:

Offer to acquire all shares in Jackon Holding

In October 2021, BEWI received acceptance from all shareholders on its offer for the acquisition of the Norwegian family-owned packaging and insulation company Jackon Holding. Jackon and BEWI are the two largest integrated providers of EPS in Europe, and the two companies complement each other very well.

The Akselsen family, holding 50 per cent of the shares through their investment company HAAS AS, accepted to receive consideration in the form of shares, subject to a 12-months lock-up. The shareholders holding the remaining 50 per cent accepted to receive cash.

On 16 February 2022, BEWI held an extraordinary general meeting, where the board of directors of BEWI were granted an authorisation to issue 32,070,000 consideration shares to HAAS AS at a subscription price of NOK 45.9925 per share.

The cash consideration will be financed through cash sources available to BEWI. Completion of the transaction is subject to satisfactory due diligence and customary closing conditions, including regulatory approvals. The transaction is expected to be completed during the first half of 2022.

BEWI has previously communicated expected synergies from the transaction of at least EUR 12 to 15 million.

Financial results for Jackon for 2021 (unaudited NGAAP)

For the full year 2021, Jackon had revenues of EUR 398.0 million, compared to EUR 293.9 million for the full year of 2020, and recorded an EBITDA of EUR 43.5 million, up from EUR 32.9 million for 2020.

Jackon had approximately 925 employees on 31 December 2021 and 22 facilities in Norway, Sweden, Finland, Denmark, Germany, and Belgium.

Acquisition of recycling company Volker Gruppe

On 6 October 2021, BEWI announced its acquisition of 51 per cent of the UK based company Volker Gruppe, a trader of compacted and recycled material. The company compacts material, and leases compactors to customers. Volker Gruppe is one of the largest suppliers of EPS waste to BEWI Circular, with an annual collection of approximately 6,000 tonnes of EPS, in addition to several other types of waste streams.

BEWI has a future option to acquire the remaining 49 per cent of the shares in Volker Gruppe.

Acquisition of the Belgian insulation company Kemisol

On 29 October, BEWI announced the acquisition of 100 per cent of the shares of the Belgian insulation

company Kemisol Group. Negotiations for the acquisition was previously announced on 23 September on a no-name basis.

Kemisol primarily operates in the Benelux region and is one of the largest producers of EPS in Belgium, offering a wide range of products.

Kemisol recorded revenues of EUR 33.9 million for the full year of 2021, up from EUR 24.7 for 2020, representing an increase of 37 cent. EBITDA came in at EUR 6.1 million for 2021, up from EUR 4.5 million for 2020.

Total consideration for 100 per cent of the shares was approximately EUR 30 million, excluding net cash in the company, which was paid in cash in connection with the closing of the transaction in November.

Tender offer for all remaining shares in IZOBLOK

On 2 November, BEWI launched a tender offer for the acquisition of all outstanding shares in the listed Polish company IZOBLOK, a leading European provider of Expanded Polypropylene (EPP) components to the automotive industry.

For the full year of 2021, IZOBLOK recorded revenues of EUR 36.1 million and an adjusted EBITDA of negative EUR 1.1 million.

For more information, see events after the close of the quarter.

Divestment of plastics company Biobe

On 20 December 2021, BEWI announced that it had divested the plastics company Biobe AS to BE Form Holding AS, a company wholly owned by BEWI Invest AS, the majority owner of BEWI. Biobe was divested on similar terms as it was acquired in 2020. For more information see note 9 to the accounts.

Issuance of bonds under sustainability-linked bond framework

On 8 November, BEWI announced that the company had carried out a EUR 90 million tap issue under the existing EUR 250 million senior unsecured sustainability-linked bond framework with maturity in September 2026 (ISIN: SE0016276398). The net proceeds from the tap issue will be used for general corporate purposes, including financing of the acquisition of 100 per cent of the shares in Jackon Holding AS subject to completion.

Following the tap issue, BEWI has secured financing for its growth ambitions for the next five years.

The bonds are listed on the Sustainability bond list at Nasdaq Stockholm.

Significant increase in raw material prices

From mid-February 2021, the price of the raw material for EPS, Styrene, recorded a steep increase. Prices increased by around 50 per cent in one week. Further, this led to most of the EPS raw material producers minimizing their styrene purchase, which again led to a shortage of EPS as raw material. Combined with increased demand for EPS-based products, this resulted in significant increase in the price of the EPS raw material (beads) and consequently the GAP, i.e., the gross profit for EPS beads. The GAP remained higher than what has been the historically normal levels throughout 2021.

Share information

As of 31 December 2021, the total number of shares outstanding in BEWI ASA was 156 610 804, each with a par value of NOK 1. Each share entitles to one vote.

During the fourth quarter, the share was traded between NOK 52.60 and NOK 76.00 per share, with a closing price of NOK 75.00 on 31 December 2021.

Events after the close of the quarter

Extraordinary general meeting February 2022

On 16 February 2022, BEWI held an extraordinary general meeting. At the meeting, the board was authorised to issue a total of 32,070,000 consideration shares to Haas AS, the owner of 50 per cent of Jackon, subject to completion of the transaction.

In addition, Andreas M. Akselsen was elected new board member, replacing Stig Wærnes, subject to – and with effect of completion of the Jackon transaction.

The general meeting also approved the nomination committee's proposal for changes in the composition of the nomination committee.

Completion of tender offer for all shares in IZOBLOK

With reference to the above information about the tender offer launched on 2 November 2021 for all outstanding shares of IZOBLOK:

The total number of shares subject to the tender offer was 574 481 shares, corresponding to the remaining 45.34 per cent of the total outstanding shares, and 34.00 per cent of the voting rights. The price offered per share was PLN 50.41.

The tender offer expired on 28 January 2022, upon which 121,870 shares were acquired.

Following the transaction, BEWI (indirectly) owns 64.28 per cent of the shares, corresponding to 73.21 per cent of the voting rights in IZOBLOK. As a result of the tender offer process, IZOBLOK continues to be a listed company in Poland.

Intention to acquire Baltic insulation company

On 18 February 2022, BEWI announced that the company had entered a letter of intent to acquire 100 per cent of a Baltic insulation company.

The Baltic company operates facilities for manufacturing of insulation solutions and has recorded profitable growth recent years, with net sales in the range of EUR 25 to 30 million and solid EBITDA margins in the range of 10 to 15 per cent.

The rationale for the acquisition is to expand BEWI's geographic footprint into the Baltics, an interesting region for sales growth, and for establishing a platform for circular activities.

The acquisition is conditional upon a signed sale and purchase agreement, as well as customary conditions, and closing is expected in the second quarter of 2022.

Total consideration is expected to be in line with BEWI's historical M&As, i.e., with an EV/ EBITDA multiple in the range of 5 to 7, whereas 50 per cent will be settled in cash and 50 per cent through issuance of consideration shares in BEWI.

Outlook

All BEWI's segments have recorded increased volumes and higher sales prices in 2021 compared to 2020. The company is experiencing stable or strong demand in its key markets, despite challenging market conditions in some end-markets, including shortage and/ or delay in deliveries of components, as well as cost inflation on operational costs, such as energy, transport, and raw materials. The shortage of components impacts margins in BEWI's Automotive business, and to some extent sales to HVAC, while the higher energy prices impact the Packaging & Components segment more than the other segments. EPS prices are expected to remain at high levels, also implying a high GAP.

Based on the company's financial position, investment plans and growth ambitions, the board of directors of BEWI proposes to the general meeting to pay a dividend of NOK 1.10 per share for the financial year of 2021. The proposal is in line with the company's dividend policy to pay out 30 to 50 per cent of net profit.

The Board considers BEWI to have a solid platform for further profitable growth driven by stable demand, a solid operational performance, combined with a strong pipeline of M&A opportunities.

Trondheim, 23 February 2022

The Board of Directors and CEO of BEWI ASA

Definitions of alternative performance measures not defined by IFRS

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

Alternative performance measures not defined by IFRS

<i>million EUR</i>	Q4 2021	Q4 2020	2021	2020
Operating income (EBIT)	13.8	10.6	67.8	39.5
Amortisations	1.9	1.8	7.6	6.2
EBITA	15.7	12.4	75.4	45.8
Items affecting comparability	2.0	-3.1	3.4	-5.0
Adjusted EBITA	17.6	9.3	78.8	40.8
EBITA	15.7	12.4	75.4	45.8
Depreciations	8.8	7.1	30.1	24.2
EBITDA	24.5	19.5	105.5	70.0
Items affecting comparability	2.0	-3.1	3.4	-5.0
Adjusted EBITDA	26.4	16.4	109.0	65.0
Adjusted EBITA Rolling 12 months	78.8	40.8	78.8	40.8
Average capital employed	409.6	322.0	409.6	322.0
Return on average capital employed (ROCE)	19.2%	12.6%	19.2%	12.6%

Items affecting comparability

<i>million EUR</i>	Q4 2021	Q4 2020	2021	2020
IPO related costs	-	-1.0	0.0	-2.1
Severance and integration costs	-0.1	0.0	-0.1	-0.5
Restructuring costs	-	0.0	-0.2	-0.4
Transaction costs	-2.3	-0.4	-4.4	-1.2
Additional purchase price	-	0.0	-	0.0
Capital gains from sale of fixed assets	0.1	4.6	0.2	6.3
Capital loss from sale of fixed assets	-0.1	-	-0.2	-
Capital gain from sale of subsidiary	1.0	-	1.0	-
IT restructuring	-	0.0	-	-0.4
Closure of production facility	-0.6	-	-0.6	-
Recognition of negative goodwill in associate	-	0.0	0.9	3.5
Other	-	0.0	-	-0.2
Total	-2.0	3.1	-3.4	5.0

Revenue bridge: Change in net sales from corresponding periods in 2020

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Intra-group revenue	Total net sales	%
Q4 2020	50.4		38.6		54.6		2.2		0.0		-15.6	130.2	
Acquisitions	-	-	2.1	5.4%	14.2	26.0%	2.2	100.9%	-	-	0.2	18.8	14.4%
Divestments	-	-	-0.5	-1.3%	-	-	-	-	-	-	-	-0.5	-0.4%
Currency	-	-	0.6	1.6%	2.8	5.1%	0.0	2.1%	0.0	N/A	-0.1	3.4	2.6%
Organic growth	42.5	84.3%	9.0	23.4%	16.4	30.1%	4.1	185.5%	0.0	N/A	-15.6	56.4	43.3%
Total increase/decrease	42.5	84.3%	11.2	29.0%	33.4	61.2%	6.4	288.6%	0.0	N/A	-15.5	78.0	59.9%
Q4 2021	92.9		49.7		88.0		8.7		0.0		-31.1	208.2	

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Intra-group revenue	Total net sales	%
2020	191.2		146.6		179.9		6.3		0.0		-61.5	462.6	
Acquisitions	-	-	17.8	12.2%	67.9	37.7%	3.1	49.6%	-	-	-0.1	88.8	19.2%
Divestments	-	-	-0.5	-0.4%	-	-	-	-	-	-	-	-0.5	-0.1%
Currency	-	-	1.8	1.2%	6.1	3.4%	0.2	3.6%	0.0	N/A	-0.2	7.9	1.7%
Organic growth	156.7	82.0%	29.8	20.3%	41.7	23.2%	14.3	226.5%	0.1	N/A	-53.1	189.5	41.0%
Total increase/decrease	156.7	82.0%	48.9	33.3%	115.6	64.3%	17.7	279.7%	0.1	N/A	-53.3	285.7	61.8%
2021	347.9		195.4		295.6		24.0		0.1		-114.9	748.2	

EBITDA bridge: Change in adj. EBITDA from corresponding periods in 2020

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Total adj. EBITDA	%
Q4 2020	2.1		7.5		8.7		-0.6		-1.3		16.4	
Acquisitions	-	-	0.2	2.2%	0.4	4.4%	0.1	15.0%	0.0	-0.7%	0.6	3.8%
Divestments	-	-	-0.1	-1.2%	-	-	-	-	-	-	-0.1	-0.5%
Currency	-	-	0.0	0.3%	0.5	5.8%	0.0	-0.4%	-0.4	-33.1%	0.1	0.5%
Organic growth	13.5	629.9%	-3.2	-43.4%	-0.3	-3.6%	0.4	70.3%	-0.9	-70.7%	9.2	57.0%
Total increase/decrease	13.5	629.9%	-3.1	-42.1%	0.6	6.5%	0.5	85.0%	-1.4	-104.4%	10.0	60.8%
Q4 2021	15.6		4.3		9.3		-0.1		-2.7		26.4	

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Total adj. EBITDA	%
2020	9.4		26.5		34.1		-1.2		-3.9		65.0	
Acquisitions	-	-	2.4	9.2%	5.5	16.0%	0.1	10.5%	0.0	-1.2%	8.0	12.3%
Divestments	-	-	-0.1	-0.3%	-	-	-	-	-	-	-0.1	-0.1%
Currency	-	-	-0.2	-0.7%	0.9	2.7%	0.0	-1.9%	-0.3	-8.7%	0.4	0.7%
Organic growth	44.7	474.8%	-7.1	-26.8%	-0.2	-0.7%	1.7	139.6%	-3.3	-85.7%	35.7	55.0%
Total increase/decrease	44.7	474.8%	-4.9	-18.5%	6.1	18.0%	1.8	148.2%	-3.7	-95.6%	44.0	67.8%
2021	54.1		21.6		40.3		0.6		-7.6		109.0	

Consolidated condensed interim financial statements for the period ended 31 December 2021

Consolidated condensed interim statement of income

<i>million EUR</i>	Q4 2021	Q4 2020	2021	2020
Net sales	208.2	130.2	748.2	462.6
Total operating income	208.2	130.2	748.2	462.6
Raw materials and consumables	-83.9	-46.3	-304.9	-181.1
Goods for resale	-26.1	-16.4	-92.2	-35.3
Other external costs	-41.9	-27.2	-135.9	-99.4
Personnel cost	-33.6	-25.8	-116.2	-88.1
Depreciation/amortisation and impairment of tangible and intangible assets	-10.7	-8.9	-37.8	-30.4
Share of income from associated companies	0.7	0.4	5.7	4.9
Capital gain/loss from sale of assets	1.1	4.6	1.0	6.3
Total	-194.4	-119.6	-680.4	-423.1
Operating income (EBIT)	13.8	10.6	67.8	39.5
Financial income	2.5	4.0	0.4	4.2
Financial expenses	-4.0	-3.5	-19.2	-11.4
Net financial items	-1.5	0.5	-18.8	-7.2
Income before tax	12.3	11.1	49.0	32.3
Income tax expense	-3.2	2.4	-14.6	-2.3
Profit for the period	9.0	13.5	34.4	30.0

Consolidated condensed interim statement of comprehensive income

<i>million EUR</i>	Q4 2021	Q4 2020	2021	2020
Profit/loss for the period	9.0	13.5	34.4	30.0
OTHER COMPREHENSIVE INCOME				
Items that may later be reclassified to profit or loss				
Exchange rate differences	-5.8	3.6	4.1	-4.0
Items that will not be reclassified to profit or loss				
Remeasurements of net pension obligations	0.6	0.7	4.0	0.0
Income tax pertinent to remeasurements of net pension obligations	-0.1	-0.1	-0.8	0.0
Other comprehensive income after tax	-5.3	4.2	7.3	-4.0
Total comprehensive income for the period	3.7	17.7	41.7	26.0

Profit attributable to:

<i>million EUR (except numbers for EPS)</i>	Q4 2021	Q4 2020	2021	2020
Profit for the period attributable to:				
Parent Company shareholders	9.6	13.5	35.7	30.1
Non-controlling interests	-0.6	0.0	-1.3	-0.1
Total comprehensive income attributable to:				
Parent Company shareholders	7.6	17.7	42.9	26.1
Non-controlling interests	-4.0	0.0	-1.2	-0.1
Earnings per share:				
Average number of shares:	156 610 804	145 264 670	153 336 017	141 130 072
Diluted average number of shares	158 203 700	145 264 670	154 116 368	141 130 072
Earnings per share (EPS), basic (EUR)	0.06	0.09	0.23	0.21
Earnings per share (EPS), diluted (EUR)	0.06	0.09	0.23	0.21
Earnings per share (EPS), basic (NOK)	0.62	1.00	2.37	2.27
Earnings per share (EPS), diluted (NOK)	0.62	1.00	2.36	2.27

EPS in NOK is calculated using average rates for the period

Consolidated condensed interim statements of financial position

<i>million EUR</i>	31.12.2021	31.12.2020
NON-CURRENT ASSETS		
Intangible assets		
Goodwill	113.0	83.8
Other intangible assets	80.3	79.4
Total intangible assets	193.3	163.2
Property plant and equipment		
Land and buildings	91.3	70.0
Plant and machinery	101.3	80.8
Equipment, tools, fixtures and fittings	12.4	10.2
Construction in progress and advance payments	10.1	9.3
Total property, plant and equipment	215.1	170.3
Financial assets		
Shares in associates	13.7	8.0
Other financial non-current assets	20.8	17.2
Total financial assets	34.5	25.2
Deferred tax assets	3.0	5.3
TOTAL NON-CURRENT ASSETS	445.9	364.0
CURRENT ASSETS		
Inventory	81.0	57.4
Other current assets		
Accounts receivable	98.8	58.3
Current tax assets	0.6	2.9
Other current receivables	11.9	6.3
Prepaid expenses and accrued income	5.0	2.8
Other financial assets	0.2	-
Cash and cash equivalents	142.3	51.4
Total other current assets	258.8	121.7
TOTAL CURRENT ASSETS	339.8	179.1
TOTAL ASSETS	785.7	543.1

Consolidated condensed interim statements of financial position cont.

<i>million EUR</i>	31.12.2021	31.12.2020
EQUITY		
Share capital	14.8	14.0
Additional paid-in capital	166.9	151.9
Reserves	-9.6	-16.8
Accumulated profit (including net profit for the period)	80.3	45.6
Equity attributable to Parent Company shareholders	252.4	194.7
Non-controlling interests	9.8	0.4
TOTAL EQUITY	262.2	195.1
LIABILITIES		
Non-current liabilities		
Pensions and similar obligations to employees	1.4	2.5
Provisions	0.9	0.7
Deferred tax liability	26.8	20.9
Non-current bond loan	246.1	137.9
Other non-current interest-bearing liabilities	75.9	70.2
Other financial non-current liabilities	4.3	-
Total non-current liabilities	355.4	232.2
Current liabilities		
Other current interest-bearing liabilities	16.7	13.5
Other financial liabilities	0.2	0.9
Accounts payable	89.7	54.9
Current tax liabilities	8.0	6.6
Other current liabilities	13.2	13.4
Accrued expenses and deferred income	40.2	26.5
Total current liabilities	168.0	115.8
TOTAL LIABILITIES	523.4	348.0
TOTAL EQUITY AND LIABILITIES	785.7	543.1

Consolidated condensed interim statements of changes in equity

<i>million EUR</i>	2021	2020
OPENING BALANCE	195.1	150.1
Net profit for the period	34.4	30.0
Other comprehensive income	7.3	-4.0
Total comprehensive income	41.7	26.0
New share issue, net of transaction costs	22.0	17.9
Dividend	-6.4	-
Share-based payments	0.6	0.1
Acquisition non-controlling interest	9.2	1.0
Total transactions with shareholders	25.4	19.0
CLOSING BALANCE	262.2	195.1

Consolidated condensed interim statements of cash flows

<i>million EUR</i>	Q4 2021	Q4 2020	2021	2020
Operating income (EBIT)	13.8	10.6	67.8	39.5
Adjustment for non-cash items etc.	10.4	3.6	32.5	19.1
Net financial items	-3.5	-3.5	-17.4	-10.1
Income tax paid	-1.7	-6.5	-8.7	-12.0
Cash flow from operating activities before changes in working capital	19.0	4.2	74.2	36.6
Changes in working capital	15.5	15.7	-6.8	-3.4
Cash flow from operating activities	34.5	19.9	67.4	33.2
Acquisitions non-current assets	-12.2	-15.1	-34.7	-26.6
Divestment non-current assets	4.6	27.2	4.7	43.3
Business acquisitions/ financial investments	-33.1	0.1	-55.5	-14.0
Cash flow from investing activities	-40.7	12.3	-85.5	2.7
Borrowings	90.1	-	248.2	0.3
Repayment of debt	-4.2	-19.1	-153.4	-49.4
Dividend	-	-	-6.4	-
New share issue, net	-	8.4	18.9	8.4
Cash flow from financing activities	85.9	-10.7	107.3	-40.7
Cash flow for the period	79.7	21.5	89.2	-4.8
Opening cash and cash equivalents	61.0	29.4	51.4	56.3
Exchange difference in cash	1.6	0.5	1.7	-0.1
Closing cash and cash equivalents	142.3	51.4	142.3	51.4

Notes to the financial statements

Note 1 | General information

The Company and the Group

BEWI ASA, corporate registration number 925 437 948, is a holding company registered in Norway with a registered office in Trondheim, address Postboks 3009 Lade, NO-7441 Trondheim.

BEWI ASA was incorporated on 29 July 2020. On 21 August 2020 all of the shares in BEWiSynbra AB were contributed to BEWI ASA against an issuance of shares in BEWI ASA to the shareholders of BEWiSynbra AB (a share exchange), thereby establishing the same shareholder structure in BEWI ASA as in BEWiSynbra immediately before the reorganisation. Following the legal restructuring, BEWI ASA has become the new parent company of the Group.

The reorganisation represents a capital reorganisation and not a business combination. The carrying values of assets and liabilities in BEWiSynbra were recognised in the Group (with BEWI ASA as the new parent company) with the same carrying values as in BEWiSynbra in line with predecessor accounting (i.e., to continuity) and with no fair value adjustments. Furthermore, as the reorganisation is considered to be a capital reorganisation from an accounting perspective, BEWiSynbra's historical consolidated financial statements represent the Group's historical financial information going forward, and as such these financial statements reflect the Group's historical activities.

Presentation currency and comparative information

Amounts are given in EUR million unless otherwise indicated. Information within brackets refer to the comparative periods. Historically SEK has been applied as the presentation currency for BEWiSynbra's consolidated financial statements. In the third quarter of 2020, the Group decided to change the presentation currency from SEK to EUR for the consolidated financial reporting with retroactive effect and in accordance with the provisions in IAS 21 *The Effects of Changes in Foreign Exchange Rates*. Comparative financial figures have been translated from SEK to EUR using either average rates for the income statement, or year-end exchange rate for the period end. The exchange rates applied are the average exchange rate SEK to EUR for the respective years and period ends.

NOTE 2 | Accounting policies

The BEWI ASA applies the International Financial Reporting Standards (IFRS) as adopted by the EU. The accounting policies applied to comply with those described in BEWI ASA's Annual Report for 2020. This interim report has been prepared in accordance with IAS 34 Interim financial reporting and the Norwegian Accounting Act.

In March 2021 IFRS IC update included an agenda decision on configuration and customisation costs in a cloud computing arrangement, impacting costs associated with a Software as a Service (SaaS) cloud arrangement. Key areas to consider are whether these costs can be capitalised as an intangible asset or as a prepayment or whether they have to be expensed when incurred. BEWI has started the implementation of a cloud-based ERP system and is consequently impacted by the IFRS IC decision earlier this year. BEWI is therefore undertaking an analysis of the contract with the software supplier and the nature of the different components of the implementation costs, to fully understand the accounting treatment of these costs and whether something should be expensed. This analysis is expected to be completed in the beginning of 2022. By the end of the fourth quarter of 2021, costs incurred in this ERP implementation have been capitalised as an intangible asset.

NOTE 3 | Related party transactions

Christian Bekken, CEO of BEWI ASA, is together with other members of the Bekken family a major shareholder of the company through Frøya Invest AS, KMC Family AS and BEWi Holding AS. Other related parties are the three 34% owned associated companies Hirsch France SAS, Hirsch Porozell GmbH and Inoplast S.R.O. and the 49% owned associated company Jablite Group Ltd. Transactions with those companies are presented in the tables below.

In the second quarter of 2021, the final purchase price for the BDH group, acquired in 2020 from a company owned by members of the Bekken family, was settled through a cash payment of EUR 2.7 million, which was EUR 0.4 million more than estimated on 31 December 2020. On 23 December 2021, the wholly owned subsidiary Biobe AS was sold to a company owned by members of Bekken family for a consideration of EUR 6.2 million, of which EUR 4.2 million was settled in cash and EUR 2.0 million in a short-term loan to the buyer. The loan carries a four per cent interest and shall be settled on 1 June 2022 at the latest.

<i>million EUR</i>	Q4 2021	Q4 2020	2021	2020
Transactions impacting the income statement				
Sale of goods to:				
Companies with Bekken as significant shareholder	0.1	0.0	0.1	0.0
HIRSCH France SAS	4.8	2.1	18.8	5.1
HIRSCH Porozell GmbH	12.9	7.2	45.3	32.1
Jablite Group Ltd.	1.4	4.6	7.9	4.6
Inoplast s.r.o.	1.8	-	2.9	-
Total:	21.0	13.9	74.8	41.8
Purchase of goods from:				
Companies with Bekken as significant shareholder	1.0	0.6	3.1	0.7
Total:	1.0	0.6	3.1	0.7
Purchase of goods from:				
Inoplast s.r.o.	1.6	-	3.4	-
Total:	1.6	-	3.4	-
Interest Income from:				
Hirsch France SAS	0.0	0.0	0.1	0.1
Jablite Group Ltd.	0.0	-	0.1	-
Total:	0.0	0.0	0.2	0.1
Rental expenses to:				
Companies with Bekken as significant shareholder	2.1	0.9	8.8	3.4
Total:	2.1	0.9	8.8	3.4
Other external costs to:				
Companies with Bekken as significant shareholder	0.1	0.0	0.1	0.0
Total:	0.1	0.0	0.1	0.0

<i>million EUR</i>	31.12.2021	31.12.2020
Transactions impacting the balance sheet		
Non-current receivables:		
Companies with Bekken as significant shareholder	0.1	0.1
HIRSCH France SAS	2.3	2.3
Jablite Group Ltd	1.8	1.7
Total:	4.2	4.1
Current receivables:		
Companies with Bekken as significant shareholder	4.1	1.5
HIRSCH Porozell GmbH	0.1	0.6
Inoplast s.r.o.	0.6	-
Jablite Group Ltd	0.0	-
Total:	4.8	2.1
Current liabilities:		
Companies with Bekken as significant shareholder	0.0	3.8
Inoplast s.r.o.	0.6	-
Total:	0.6	3.8

NOTE 4 | Segment information

Operating segments are reported in a manner that corresponds with the internal reporting submitted to the chief operating decision-maker. The Executive Committee constitutes the chief operating decision maker for the BEWI Group and takes strategic decisions in addition to evaluating the Group's financial position and earnings. Group Management has determined the operating segments based on the information that is reviewed by the Executive Committee and used for the purposes of allocating resources and assessing performance. The Executive Committee assesses the operations based on four operating segments: RAW, Insulation, Packaging & Components and Circular. As from Q3 2021 Circular is reported as a separate segment. It was until then included in Unallocated. The comparative numbers have been updated accordingly. Sales between segments take place on market terms.

<i>million EUR</i>	Q4 2021	Q4 2020	2021	2020
RAW				
Segment revenue	92.9	50.4	347.9	191.2
Intra-group revenue	-26.0	-14.0	-104.6	-56.5
Revenue from external customers	66.9	36.4	243.3	134.7
Insulation				
Segment revenue	49.7	38.6	195.4	146.6
Intra-group revenue	-0.9	-0.7	-2.8	-2.4
Revenue from external customers	48.8	37.8	192.7	144.1
Packaging and Components				
Segment revenue	88.0	54.6	295.6	179.9
Intra-group revenue	-3.8	-0.6	-6.9	-2.3
Revenue from external customers	84.1	54.0	288.7	177.6
Circular				
Segment revenue	8.7	2.2	24.0	6.3
Intra-group revenue	-0.3	-0.2	-0.6	-0.2
Revenue from external customers	8.4	2.0	23.4	6.1

Unallocated				
Segment revenue	0.0	0.0	0.1	0.0
Intra-group revenue	0.0	0.0	0.0	0.0
Revenue from external customers	0.0	0.0	0.1	0.0
Total				
Total segment revenue	239.3	145.8	863.1	524.1
Total Intra-group revenue	-31.1	-15.6	-114.9	-61.5
Total revenue from external customers	208.2	130.2	748.2	462.6

Each segment sells products that are similar in nature. External revenue for the different segments also represents the group's disaggregation of revenue.

<i>million EUR</i>	Q4 2021	Q4 2020	2021	2020
Adj. EBITDA				
RAW	15.6	2.1	54.1	9.4
Insulation	4.3	7.5	21.6	26.5
Packaging and Components	9.3	8.7	40.3	34.1
Circular	-0.1	-0.6	0.6	-1.2
Unallocated	-2.7	-1.3	-7.6	-3.9
Total adj. EBITDA	26.4	16.4	109.0	65.0
EBITDA				
RAW	15.7	2.1	54.2	9.9
Insulation	5.0	13.2	22.5	32.4
Packaging and Components	8.6	7.5	39.9	36.2
Circular	-0.2	-0.6	0.3	-1.3
Unallocated	-4.6	-2.8	-11.4	-7.3
Total EBITDA	24.5	19.5	105.5	70.0
EBITA				
RAW	14.3	1.2	50.0	6.2
Insulation	3.0	10.7	14.6	25.0
Packaging and Components	3.6	4.0	23.3	23.9
Circular	-0.5	-0.7	-0.7	-1.7
Unallocated	-4.7	-2.9	-11.8	-7.7
Total EBITA	15.7	12.4	75.4	45.8
EBIT				
RAW	14.2	1.1	49.6	5.8
Insulation	2.5	10.2	12.6	23.1
Packaging and Components	2.5	3.1	18.8	20.4
Circular	-0.5	-0.7	-0.7	-1.7
Unallocated	-5.0	-3.1	-12.6	-8.2
Total EBIT	13.8	10.6	67.8	39.5
Net financial items	-1.5	0.5	-18.8	-7.2
Income before tax	12.3	11.1	49.0	32.3

External revenue by country (buying company's geography)

<i>million EUR</i>	Q4 2021	Q4 2020	2021	2020
Total Finland	3.1	6.7	34.0	27.4
Total Sweden	11.9	12.5	62.2	49.4
Total Denmark	19.0	12.1	61.9	47.3
Total Norway	45.4	28.9	154.1	81.0
Total Portugal & Spain	11.5	7.4	45.0	26.0
Total Iceland	5.8	3.5	22.0	7.4
Total Baltics	4.0	2.3	14.3	8.4
Total UK	4.6	2.4	20.2	10.8
Total Germany	15.4	8.6	58.0	35.9
Total Poland	13.4	4.2	39.0	16.8
Total Russia	8.8	5.1	29.2	13.2
Total Netherlands	31.6	22.7	117.3	94.2
Total Belgium	3.8	2.5	13.6	8.9
Total France	11.8	4.2	28.4	11.9
Total Other	18.4	7.1	49.2	24.0
Total Group	208.2	130.2	748.2	462.6

NOTE 5 | Depreciation/amortisation and impairment of tangible and intangible fixed assets

<i>million EUR</i>	Q4 2021	Q4 2020	2021	2020
Attributable to operations	-6.1	-4.6	-18.8	-15.0
Attributable to IFRS 16	-2.5	-2.2	-9.9	-7.3
Attributable to fair value adjustments in business combinations	-2.1	-2.1	-9.0	-8.1
Total	-10.7	-8.9	-37.8	-30.4

NOTE 6 | The Group's borrowings

<i>million EUR</i>	31.12.2021	31.12.2020
Non-current liabilities		
Bond loan	246.1	137.9
Liabilities to credit institutions	9.8	1.0
Liabilities leases	66.1	69.2
Total	322.0	208.1
Current liabilities		
Liabilities to credit institutions	3.0	0.8
Liabilities leases	13.0	12.3
Overdraft	0.8	0.4
Total	16.7	13.5
Total liabilities	338.7	221.6
Cash and cash equivalents	142.3	51.4
Net debt including IFRS 16 impact	196.4	170.2
Subtracting liabilities capitalised in accordance with IFRS 16		
Non-current liabilities leases	65.0	67.4
Current liabilities leases	11.1	11.1
Total	76.1	78.5
Net debt excluding IFRS 16 impact	120.3	91.7

Net debt is also presented excluding the effect of IFRS 16, since the impact of IFRS 16 on net debt and EBITDA is excluded in the relevant covenant calculations.

The Group's loan structure

In 2021, the group was refinanced. On 6 September 2021, the EUR 75 million bond loan and the EUR 65 million bond loan, with maturity dates on 19 April 2022 and 22 November 2023 respectively, were redeemed. A new bond loan of EUR 160 million, under a frame of EUR 250 million, was issued on 3 September. EUR 4.2 million was paid in early redemption and early consent fees and expensed in the income statement. EUR 1.4 million in capitalised financing costs attributable to the bonds redeemed was also expensed. On 15 November 2021, another EUR 90 million was issued under the EUR 250 million frame, thereby utilising the complete frame. The EUR 250 million bond, which is unsecured and linked to a sustainability framework, matures on 3 September 2026, with a possibility for BEWI to unilaterally decide on an early redemption after 3 March 2025 of 50 per cent of the bonds outstanding at that date. Net of financing costs, BEWI received EUR 245.4 million in cash from the bond issued during the year. The main terms for the bonds outstanding during the year are presented in the table below.

Issued amount	Frame	Amount outstanding	Date of issuance	Maturity/redemption date
EUR 250 million	EUR 250 million	EUR 250 million	3 September 2021	3 September 2026
EUR 75 million	EUR 100 million	EUR 75 million	19 April 2018	6 September 2021
EUR 65 million	EUR 115 million	EUR 65 million	22 November 2019	6 September 2021

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

Bond loans	Interest terms	Nominal interest		Average interest	
		1.10-31.12.2021	1.1-31.12.2021	1.10-31.12.2021	1.10-31.12.2021
EUR 250 million	Euribor 3m + 3.15%	2.58-2.60%	2.58-2.60%	3.06%	3.09%
EUR 75 million	Euribor 3 m + 4.75%	-	4.20-4.24%	-	5.11%
EUR 65 million	Euribor 3 m +3.40%	-	2.85-2.89%	-	3.54%

In connection with the refinancing in 2021, the overdraft facility was increased to EUR 80 million (from SEK 375 million) and is now granted by two banks. As of 31 December, nothing of that overdraft facility was utilised. In addition, the Group has a number of liabilities in acquired companies, such as liabilities to credit institutions, minor overdraft facilities (EUR 0.8 million) and liabilities for lease contracts, that have not been refinanced post-acquisition.

Pledged assets

In connection with the refinancing in 2021, the Group was released from the collaterals given as security for the bond loans issued and overdraft facilities granted.

Contingent liabilities

Guarantees issued to suppliers amounted to EUR 18.6 million.

NOTE 7 | Fair value and financial instruments

<i>million EUR</i>	Level 1	Level 2	Level 3	Total	Carrying amount
Financial assets measured at fair value through profit and loss					
Participation in other companies	9.2	-	0.6	9.8	9.8
Derivative asset	-	0.2	-	0.2	0.2
Total	9.2	0.2	0.6	10.0	10.0
Financial liabilities measured at fair value through profit and loss					
Derivative liability	-	0.7	-	0.7	0.7
Other financial non-current liabilities	-	-	3.8	3.8	3.8
Total	-	0.7	3.8	4.5	4.5
Financial liabilities measured at amortised cost					
Bond loans	252.5	-	-	-	246.1
Total	252.5	-	-	-	246.1

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

Level 3 – Changes during the period (EUR million)	Participation in other companies	Other financial non-current liabilities
As of 31 December 2020	0.3	-
Acquisitions	0.5	3.8
Fair value adjustment through profit and loss	-0.2	
As of 31 December 2021	0.6	3.8

Other financial non-current liabilities of EUR 3.8 million corresponds to the estimated value of option to acquire non-controlling interest in Honeycomb Cellpack A/S, as further outlined in note 8.

* Level 1 – listed prices (unadjusted) on active markets for identical assets and liabilities.

* Level 2 – Other observable data for the asset or liability are listed prices included in Level 1, either directly (as price) or indirectly (derived from price).

* Level 3 – Data for the asset or liability that is not based on observable market data.

NOTE 8 | Business combinations

IZOBLOK S.A.

On 28 April 2021, BEWI entered into an agreement to acquire a majority stake of the listed Polish company IZOBLOK S.A. (IZOBLOK) and on 7 July 2021, the acquisition was completed. IZOBLOK is a leading European provider of Expanded Polypropylene (EPP) components to the automotive industry, with a market share of approximately 20 per cent. The acquisition confirms BEWI's strategy to strengthen its market position in the automotive industry, a market that has shown considerable growth pre-Covid. IZOBLOK has four facilities, located at strategic locations in southern Poland and Germany, with developed infrastructure ensuring effective access to customers across Europe. IZOBLOK is consolidated as from 1 July.

On 7 July 2021 BEWI 2021 acquired 54.21 per cent of the shares, corresponding to 65.66 per cent of the voting rights, of IZOBLOK. The acquisition was structured as an acquisition of a holding company into which the sellers contributed the IZOBLOK shares prior to completion of the transaction. The holding company contains a combination of non-listed shares (series A-shares) with voting preferences and shares listed on Warsaw Stock Exchange (listed on GPW Main Market). The consideration comprised a combination of cash and 1,132,792 new shares issued in BEWI ASA at a subscription price of NOK 27.50 per share.

A subsequent mandatory offer for up to two-thirds of the voting rights in IZOBLOK was completed on the 2 September 2021 and BEWI now owns 54.66 per cent of the shares, corresponding to 66 per cent of the voting rights of IZOBLOK. The consideration was paid in cash.

On 2 November 2021, BEWI launched a tender offer for the acquisition of all outstanding shares in IZOBLOK. The total number of shares that were subject to the tender offer was 574 481 shares, corresponding to the remaining 45.34 per cent of the total outstanding shares, and 34.00 per cent of the voting rights. The price offered per share was PLN 50.41. The offer was completed on 31 January 2022 (see details below).

The adjusted acquisition analysis presented below gave rise to a goodwill of EUR 4.6 million, which is related to synergies such as future market growth opportunities and future cost savings. The main fair value adjustments were related to trademark, inventory and property, plant, and equipment. Goodwill is not tax deductible.

Until 31 December 2021, IZOBLOK had contributed EUR 16.1 million to the Group's net sales, EUR -1.3 million to adjusted EBITDA and EUR -2.8 million to EBIT, excluding transaction costs. If the acquisition of IZOBLOK had taken place on the 1 January, IZOBLOK would have contributed EUR 36.1 million to the group's net sales, EUR -1.1 million to adjusted EBITDA and EUR -4.4 to EBIT. Transaction costs amounted to EUR 1.3 million.

Amounts in million EUR

New share issue	3.1
Cash consideration	13.5
Total	16.6
Recognised amount of identifiable assets and acquired liabilities assumed	
Trademarks	2.7
Technology	0.9
Other intangible assets	0.6
Property, plant and equipment	20.6
Other fixed assets	3.7
Inventory	6.3
Current receivables	8.4
Cash and cash equivalents	1.0
Non-current liabilities	-8.6
Deferred tax liability	-2.8
Current liabilities	-10.1
Total identifiable net assets	22.7
Liabilities to non-controlling interests	-10.7
Goodwill	4.6
Cash and cash equivalents in acquired business	1.0
Total cash outflow from acquisition of business	-12.5

**The acquisition analysis is preliminary*

Kemisol NV

On 29 October 2021, BEWI announced the acquisition of 100 per cent of the shares of the Belgian insulation company Kemisol Group (Kemisol) and on 24 November 2021 the transaction was closed. Kemisol primarily operates in the Benelux region and is one of the largest producers of EPS in Belgium, offering a wide range of products. In addition to production of EPS based insulation products, Kemisol distributes other insulation products such as IKO Enertherm, Ursa Foam, Styrisol and Knauf glass wool.

At the time of the release of this report, the acquisition analysis for Kemisol is preliminary and gave rise to a goodwill of EUR 12.1 million. A complete acquisition analysis is expected to be presented in the first half of 2022, leading to fair value adjustments of intangible assets, real estate and inventories and a corresponding change in goodwill. Goodwill is not tax deductible. Until 31 December 2021, Kemisol had contributed EUR 2.1 million to the Group's net sales, EUR 0.2 million to adjusted EBITDA and EUR 0.1 million to EBIT, excluding transaction costs. If the acquisition of Kemisol had taken place on the 1 January, Kemisol would have contributed EUR 33.9 million to the group's net sales, EUR 6.1 million to adjusted EBITDA and EUR 5.2 million to EBIT. Transaction costs amounted to EUR 0.3 million.

Amounts in million EUR

Cash consideration	45.0
Total	45.0
Recognised amount of identifiable assets and acquired liabilities assumed	
Tangible fixed assets	12.0
Inventory	3.4
Current receivables	5.9
Cash and cash equivalents	16.6
Non-current liabilities	0.0
Deferred tax liability	-2.1
Current liabilities	-2.8
Total identifiable net assets	32.9
Goodwill	12.1
Cash and cash equivalents in acquired business	16.6
Total cash outflow from acquisition of business	-28.4

*The acquisition analysis is preliminary

Oasis Global II AS, North Pack ApS, BEWi Cellpack A/S (former Honeycomb Cellpack A/S), Volker Gruppe Ltd and Desom Group AS

On 1 July 2021, BEWI acquired all shares in Oasis Global II AS, Norway, and North Pack ApS, Denmark. The two companies are trading packaging products for use at sea and the acquisitions are a continuation of the BDH acquisition in 2020. The consideration was paid in cash. The companies are consolidated as from 1 July.

On 13 April, BEWI announced that the company had acquired 51 per cent of the Danish paper packaging company Honeycomb Cellpack A/S (Honeycomb). Honeycomb provides protective packaging solutions, including design, development and manufacturing of sustainable packaging which is both recyclable and biodegradable. The consideration was paid in cash. The company is consolidated as from 1 April. Under the agreement, the seller has a put option to divest the remaining shares to BEWI in accordance with a predetermined pricing mechanism and within a given time frame. According to the same agreement, BEWi also has a call option to acquire the remaining shares within a certain time frame, calculated according to the same pricing mechanism. The option has been valued based on a forecast performance for Honeycomb over a three-year period. As of 31 December 2021, the option was valued at EUR 3.8 million and is reported under Other financial non-current liabilities in the balance sheet.

On 6 October 2021, BEWI announced its acquisition of 51 per cent of the UK based company Volker Gruppe, a trader of compacted and recycled material. The company operates two facilities in the UK and Scotland, where they compact material, and leases compactors to customers. Volker Gruppe is one of the largest suppliers of EPS waste to BEWI Circular, with an annual collection of approximately 6,000 tonnes of EPS, in addition to several other types of waste streams. Volker Gruppe trades and processes around 25,000 tonnes of plastics and paper per year globally. BEWI has a future option to acquire the remaining 49 per cent of the shares in Volker Gruppe. The company is consolidated as from 1 October.

On 1 October 2021, BEWI also acquired all shares in Desom Group which consists of Desom AS, Norway, and Embanor AS, Norway. The two companies are trading packaging products for fish, meat and dairy products, and are a complement to the BDH business acquired in 2020. The companies are consolidated as from 1 October.

The total of Oasis Global II AS, North Pack ApS, BEWi Cellpack A/S, Volker Gruppe Ltd and Desom Group AS acquisition analyses gave rise to a goodwill of EUR 11.9 million, attributable to estimated synergies. Goodwill is not tax deductible.

Until 31 December, these five acquisitions had contributed EUR 10.6 million to the Group's net sales, EUR 1.6 million to adjusted EBITDA and EUR 1.4 million to EBIT, excluding transaction costs. If the acquisition of these companies had taken place on 1 January, they would have contributed EUR 29.5 million to the group's net sales, EUR 3.2 million to adjusted EBITDA and EUR 2.6 to EBIT. Transaction costs amounted to EUR 0.4 million.

Amounts in million EUR

Value put/call option 49%	3.8
Cash consideration	10.5
Total	14.3
Recognised amount of identifiable assets and acquired liabilities assumed	
Property, plant and equipment	2.8
Other fixed assets	0.0
Inventory	1.3
Current receivables	5.2
Cash and cash equivalents	1.7
Non-current liabilities	-3.3
Deferred tax liability	-0.4
Current liabilities	-4.5
Total identifiable net assets	2.9
Liabilities to non-controlling interest	-0.5
Goodwill	11.9
Cash and cash equivalents in acquired business	1.7
Total cash outflow from acquisition of business	-8.8

**The acquisition analyses are preliminary*

Final settlement BEWi Drift Holding AS (BDH) and acquisition of non-controlling interests

In 2021, the final purchase price for the BDH group, acquired in 2020, was settled through a cash payment of EUR 2.7 million, which was EUR 0.4 million more than estimated on 31 December 2020. BEWI has during the year also acquired non-controlling interests in two subsidiaries for a cash consideration of EUR 1.4 million.

NOTE 9 | Sale of business

On 20 December 2021, BEWI divested Biobe AS to BE Form Holding AS, a company wholly owned by BEWI Invest, the majority owner of BEWI.

Amounts in million EUR

Promissory note	2.0
Cash consideration	4.2
Total	6.2
Recognised amount of identifiable assets and liabilities	
Goodwill	1.1
Customer relations	0.5
Technology	0.7
Other intangible assets	0.5
Property, plant and equipment	0.8
Other fixed assets	0.1
Inventory	1.7
Current receivables	1.3
Cash and cash equivalents	-0.1
Non-current liabilities	-0.2
Deferred tax liability	-0.1
Current liabilities	-1.2
Total identifiable net assets	5.1
Cash and cash equivalents in sold business	-0.1
Total cash inflow from sale of business	4.3

NOTE 10 | Business combinations after the close of the period**IZOBLOK S.A.**

On 2 November 2021, BEWI launched a tender offer for the acquisition of all outstanding shares in IZOBLOK. The offer was completed on 31 January 2022. Under the tender offer, BEWI received acceptances for a total of 121 870 shares at a price per share of PLN 50.41, amounting to a total consideration of approximately EUR 1 350 000. Settlement of the transaction was completed on 7 February 2022.

After this transaction, BEWI owns (indirectly) 64.28 per cent of the shares, corresponding to 73.21 per cent of the voting rights in IZOBLOK.

NOTE 11 | Shares in associates

BEWI has four interests in Shares in associates; HIRSCH Porozell GmbH, HIRSCH France SAS, Jablite Group Ltd and Inoplast S.R.O. Inoplast S.R.O, in which BEWI holds 34 per cent, was acquired in March 2021 and the result of that company is reflected in BEWI consolidated accounts as from April 2021. BEWi Group holds an interest-bearing receivable from Hirsch France SAS of EUR 2.3 million and an interest-bearing receivable from Jablite Group Ltd of EUR 1.8 million. The table below presents key aggregated financial data as reflected in BEWI's consolidated accounts. The EBTIDA, EBIT and net profit in the table below does not include reversal of negative goodwill from the acquisition of Jablite Group Ltd. However, BEWI's share of that, EUR 1.0 million, is included in the statutory share of income from associates, which explains the difference between the share of income of EUR 5.7 million reported in the income statement and BEWI's share of net profit in the table below.

million EUR (except percentages and sites)

TOTAL

Number of production sites	16
Book value as of 31 December 2021	13.7
Key financials for the full year of 2021	
Net Sales full year 2021	245.4
EBITDA full year 2021	26.3
<i>Of which owned share of EBITDA</i>	9.2
EBIT	20.0
Net Profit	13.6
Consolidated into BEWI's EBITDA, share of Net profit	4.7
<i>BEWI's share of EBITDA minus impact on consolidated EBITDA</i>	4.5
Net debt	36.0
<i>Of which owned share Net Debt</i>	13.4

NOTE 12 | Earnings per share

	Q4 2021	Q4 2020	2021	2020
Profit for the period attributable to parent company shareholders (million EUR)	9.6	13.5	35.7	30.1
Average number of shares	156 610 804	145 264 670	153 336 017	141 130 072
Effect of options to employees	1 592 896	-	780 351	-
Diluted average number of shares	158 203 700	145 264 670	154 116 368	141 130 072
Earnings per share (EPS), basic (EUR)	0.06	0.09	0.23	0.21
Earnings per share (EPS), diluted (EUR)	0.06	0.09	0.23	0.21
Earnings per share (EPS), basic (NOK)	0.62	1.00	2.37	2.27
Earnings per share (EPS), diluted (NOK)	0.62	1.00	2.36	2.27

EPS in NOK is calculated using the average rate in the period

The number shares outstanding have increased from 148,410,874 to 156,610,804 during 2021 in two new share issues, one in the second quarter and one in the third quarter. Earnings per share is calculated by dividing profit attributable to parent company shareholders by the weighted number of ordinary shares during the period. The weighted number of ordinary shares up until 21 August 2020 corresponds to the number of shares in BEWiSynbra Group AB, as further described in note 1.

NOTE 13 | Five-year summary

<i>million EUR (except percentage)</i>	2021	2020	2019	2018	2017
Net sales	748.2	462.6	429.9	380.7	194.8
Operating income (EBIT)	67.8	39.5	20.3	13.7	3.6
EBITDA	105.5	70.0	48.0	28.6	8.9
<i>EBITDA margin (%)</i>	14.1%	15.1%	11.1%	7.5%	4.6%
Adjusted EBITDA	109.0	65.0	51.8	30.9	11.4
<i>Adj. EBITDA margin (%)</i>	14.6%	14.0%	12.1%	8.1%	5.9%
Items affecting comparability	-3.4	5.0	-3.9	-2.3	-2.5
EBITA	75.4	45.8	27.5	18.3	4.5
<i>EBITA margin (%)</i>	10.1%	9.9%	6.4%	4.8%	2.2%
Adjusted EBITA	78.8	40.8	31.4	20.7	7.0
<i>Adj. EBITA margin (%)</i>	10.5%	8.8%	7.3%	5.4%	3.6%
Net profit/loss for the period	34.4	30.0	5.6	1.6	4.2
Cash flow from operating activities	67.4	33.2	35.9	17.6	7.4
Capital Expenditure (CAPEX)	-34.7	-26.6	-14.3	-13.8	-100
Average capital employed	409.6	322.0	301.1	183.2	86.2
<i>Return on average capital employed (ROCE) %</i>	19.2%	12.6%	10.4%	11.3%*	8%*

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

*without IFRS 16 effects

NOTE 14 | Quarterly data

<i>million EUR (except percentage)</i>	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
Net sales	208.2	193.0	198.1	148.9	130.2	122.1	105.1	105.1	104.0
Operating income (EBIT)	13.8	24.9	22.3	6.8	10.6	10.6	11.9	6.5	1.2
EBITDA	24.5	34.5	31.1	15.5	19.5	18.1	18.7	13.7	8.6
<i>EBITDA margin (%)</i>	11.8%	17.9%	15.7%	10.4%	15.0%	14.8%	17.8%	13.1%	8.3%
Adjusted EBITDA	26.4	34.2	31.6	16.7	16.4	17.9	15.8	14.8	9.5
<i>Adj. EBITDA margin (%)</i>	12.7%	17.7%	16.0%	11.2%	12.6%	14.7%	15.0%	14.1%	9.2%
Items affecting comparability	-2.0	0.3	-0.5	-1.2	3.1	0.1	2.9	-1.0	-0.9
EBITA	15.7	27.0	24.2	8.6	12.4	12.1	13.3	8.0	3.3
<i>EBITA margin (%)</i>	7.5%	14.0%	12.2%	5.8%	9.5%	9.9%	12.7%	7.6%	3.1%
Adjusted EBITA	17.6	26.7	24.7	9.8	9.4	12.0	10.4	9.0	4.1
<i>Adj. EBITA margin (%)</i>	8.5%	13.8%	12.5%	6.6%	7.2%	9.8%	9.9%	8.6%	4.0%
Net profit/loss for the period	9.0	11.9	14.4	-1.0	13.5	5.7	8.5	2.3	-2.9
Cash flow from operating activities	34.5	31.2	1.4	0.1	19.9	10.8	7.3	-4.9	19.5
Capital Expenditure (CAPEX)	-12.2	-7.2	-8.5	-6.9	-15.1	-4.9	-3.5	-3.1	-4.9
Average capital employed	409.6	388.6	362.7	340.6	322.0	308.3	300.8	301.9	301.1
<i>Return on average capital employed (ROCE) %</i>	19.2%	18.1%	15.4%	12.2%	12.6%	11.5%	10.4%	10.6%	10.4%