



COMPANY UPDATE

Capital Goods

Fair value: SEK320.0–400.0

Share price: SEK338.5

Bergman & Beving

Setting up for profitable growth

Research analysts:

Markus Almerud
DNB Carnegie Investment Bank AB

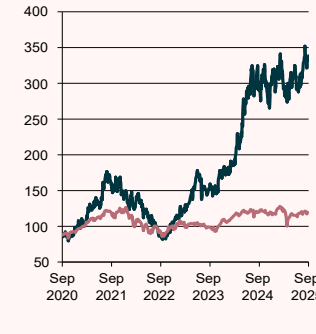
Through high-margin acquisitions, tight cost control and the phase-out of unprofitable products, Bergman & Beving (B&B) is preparing for profitable growth once volumes return. We expect the high pace of acquisitions to continue and for organic earnings momentum to pick up in the coming quarters. We raise our fair value range to SEK320–400 (280–350).

We expect a gradual recovery in organic growth over the next year. Over the past 2–3 years, organic growth has suffered from a combination of lacklustre end markets and a phase-out of unprofitable products. This phase-out is now over, and we do not expect the markets to get worse from here. Consequently, we expect organic growth to gradually recover throughout 2025 and 2026.

Margins set to continue expanding. Value-added acquisitions and internal measures such as the phase-out of unprofitable products, together with the divestment of Skydda, should enable continued EBITA margin expansion. We estimate a 6% EBITA CAGR for 2025/26e-2027-28e with 2% sales CAGR. Comparing this to B&B's target of growing EBITA by 15% per year highlights the importance of acquisitions.

Strong M&A pipeline. B&B has accelerated the pace of acquisitions in recent years, and we expect it to continue to add niche companies with EBITA margins over 15% at a high pace over coming years. The proceeds from the Skydda divestment will be employed in new add-ons, and the M&A pipeline remains strong, according to the company.

Latest acquisitions added, fair value range raised to SEK320–400. M&A is the most important sales and earnings driver for a compounder such as B&B. To align B&B with the rest of the compounder universe that we cover, we now reflect M&A in our valuation. Our fair value range is raised to SEK320–400 (280–350) to reflect future acquisitions.

Changes in this report				Key figures (SEK)					Share price – 5-year																			
	From	To	Chg		2024	2025e	2026e	2027e																				
EPS adj. 2025e	7.7	8.0	+4%	Sales (m)	4,972	5,031	5,173	5,328																				
EPS adj. 2026e	8.8	9.3	+6%	EBITDA (m)	712	673	786	827																				
EPS adj. 2027e	9.9	10.4	+6%	EBIT (m)	129	331	436	467																				
Upcoming events				EPS	-1.93	5.97	9.30	10.4																				
Q2 Report		22 Oct 2025		EPS adj.	8.07	7.97	9.30	10.4	High/Low (12M) SEK352/265.5																			
Q3 Report		04 Feb 2026		DPS	4.00	4.25	5.00	5.00																				
Q4 Report		13 May 2026		Sales growth Y/Y	5%	1%	3%	3%																				
Key facts				EPS adj. growth Y/Y	13%	-1%	17%	12%																				
No. shares (m)		27.0		EBIT margin	2.6%	6.6%	8.4%	8.8%	<table><tr><td>Perf.</td><td>3M</td><td>6M</td><td>12M</td><td>YTD</td></tr><tr><td>Abs.</td><td>10.62</td><td>14.36</td><td>14.55</td><td>8.84</td></tr><tr><td>Rel.</td><td>5.39</td><td>16.67</td><td>14.68</td><td>5.88</td></tr></table>					Perf.	3M	6M	12M	YTD	Abs.	10.62	14.36	14.55	8.84	Rel.	5.39	16.67	14.68	5.88
Perf.	3M	6M	12M	YTD																								
Abs.	10.62	14.36	14.55	8.84																								
Rel.	5.39	16.67	14.68	5.88																								
Market cap. (USDm)		985		P/E adj.	41.9	42.5	36.4	32.5																				
Market cap. (SEKm)		9,146		EV/EBIT	78.1	34.4	25.6	23.3																				
Net IB Debt. (SEKm)		2,237		EV/EBITA	46.9	25.9	20.5	18.9																				
Adjustments (SEKm)		0		EV/EBITDA	14.1	16.9	14.2	13.2																				
EV (2025e) (SEKm)		11,383		P/BV	4.8	4.7	4.4	4.1																				
Free float		82.8%		Dividend yield	1.2%	1.3%	1.5%	1.5%																				
Avg. daily vol. ('000)		22		FCF yield	3.2%	3.8%	4.0%	4.4%																				
BBG		BERGB SS		Equity/Total Assets	32.2%	33.7%	36.6%	40.0%																				
Fiscal year end		March		ROCE	3.2%	7.6%	10.0%	10.9%																				
Share price as of (CET)	15 Sep 2025	17:29		ROE adj.	11.0%	11.3%	12.6%	13.1%																				
				Net IB debt/EBITDA	3.1	3.3	2.5	2.1																				

Source: DNB Carnegie (estimates), FactSet, Infront & company data

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Please see the last two pages for important disclosures. This report was completed and disseminated at 16 September 2025, 07:00 CET
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Equity story

Near term: within 12M

We expect a gradual recovery of organic growth throughout 2025 and in 2026. Bergman & Beving (B&B) has cut costs and continuously reduced the number of unprofitable products. Once volumes return, we expect margins to expand at an even faster rate.

Long-term outlook: 5Y+

We expect B&B to keep making acquisitions and keep expanding margins in the years to come. It has set a target to reach EBIT of at least SEK500m with an EBIT margin over 10% no later than 2025/26, and to reach the profitability target of P/WC (profit over working capital) of 45% no later than 2026/27. Earnings are to be supported by adding EBIT of SEK50m–80m per year. We believe B&B will be able to beat its margin target, but given the divestment of Skydda, reaching the EBIT and EBIT margin targets is likely to take a bit longer.

Key risks:

- The business cycle
- Deterioration in the M&A market
- That future acquisitions fall short of expectations
- Increased competition for the M&A targets

Company description

Bergman & Beving (B&B) specialises in acquiring and developing leading companies within niche markets in the industrial and construction sectors. The business model is decentralised and the group is organised into three business areas: Core Solutions, which supplies essential products and services to the construction, assembly and manufacturing industries; Safety Technology, which focuses on personal protection equipment; and Industrial Equipment, which focuses on industrial equipment including consumables.

Key industry drivers

- General economic environment
- Number of employees in the construction sector
- M&A climate

Industry outlook

- Gradual recovery in the business cycle in 2025
- The trough in the construction cycle is behind us but we do not believe in any immediate recovery

Largest shareholders, capital

Fidelity Investments (FMR)	10.0%
Anders Börjesson & Tisenhult	9.7%
Lannebo Kapitalförvaltning	8.9%

Cyclicality

Cyclicality: Yes
Late

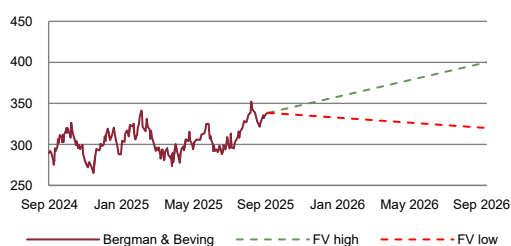
Key peers

Addtech, Indutrade, Lagercrantz, Lifco

Valuation and methodology

Our fair value range is based on upside and downside scenarios applied to multiples-based valuations. We use a P/E of 30x and an EV/EBITA of 20x on our 2027/28 estimates and discount the values back to today. These multiples are lower than the mature compounds (Addtech, Lagercrantz, Indutrade and Lifco). Bergman & Beving has the same background as the mature compounds, but also has a more limited history in its current form, which we believe warrants a discount to the mature group. In our M&A scenario analysis we have added acquisitions to sales and earnings. This is relevant as acquisitions are the main sales and earnings driver.

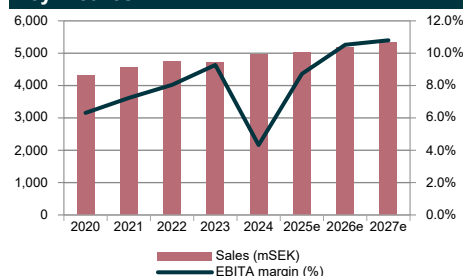
Fair value range 12M



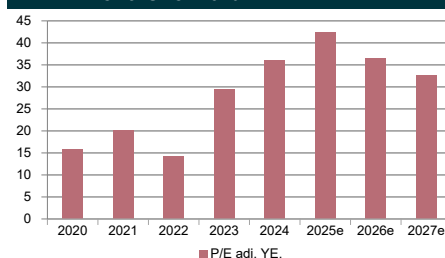
Our downside scenario is based on 3-year sales CAGR of 2% and EBITA CAGR of 4%, while our upside scenario is based on 3-year sales CAGR of 4% and EBITA CAGR of 9%.

In our M&A analysis we assume 10% sales CAGR and 12% EBITA CAGR for 2025/26-2036/37. Our high scenario assumes 13% sales CAGR and 15% EBITA CAGR.

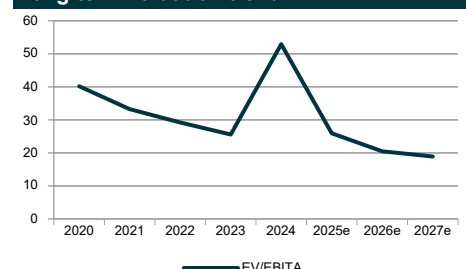
Key metrics



P/E 12-months forward



Long-term valuation trend



Source: DNB Carnegie (estimates) & company data

Company overview and history

Bergman & Beving is a technology group with a focus on attracting, acquiring and developing leading companies in expansive technological niches. EBITA has grown in the low teens per year on average since 2017, with M&A the key growth driver. The company aims to add SEK50m–80m in operating profit from acquisitions per year, and the number of acquisitions has accelerated in recent years. We believe its targets of reaching SEK500m in EBIT and an EBIT margin of over 10% for the current fiscal year will be challenging to meet on time due to the divestment of Skydda in June 2025 and the still lacklustre business environment, but in our view this is only a temporary setback.

















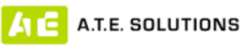



Decentralised business model

Bergman & Beving (B&B) specialises in acquiring and developing leading companies within niche markets that provide productive, safe, and sustainable solutions to the industrial and construction sectors. It aims to grow EBITA by 15% per year on average.

The business model is highly decentralised. B&B owns just over 30 businesses, each of which has individual, ambitious short- and long-term targets based on market position, business model and potential development for the companies. Each business is steered through follow-ups in the subsidiary boards.

Operations are organised in three divisions and the group had sales of around SEK5bn¹ and approximately 1,400 employees in 2024/25². Core Solutions offers products and solutions that become part of the end product, primarily to the construction industry. Safety Technology focuses on safety for the construction and manufacturing industries. Industrial Equipment provides a range of solutions that are crucial for industrial production. More than half of sales are in Sweden and Norway and 74% of sales in 2024/25 were proprietary products.

Overview of Bergman & Beving's subsidiaries

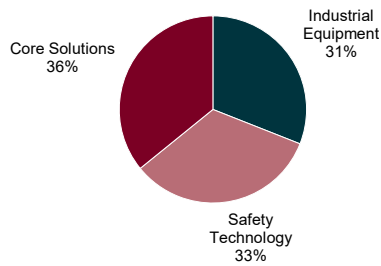
Core Solutions	Safety Technology	Industrial Equipment
           	            	              

Source: Bergman & Beving

¹ Includes Skydda, which was divested to Ahlsell in June 2025

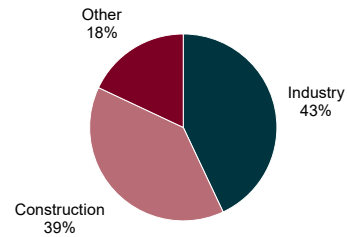
² SEK5bn of sales in 2024/25 includes Skydda, which was divested to Ahlsell in June 2025. The company has a split financial year ending 31 March

B&B sales by division (2024/25)



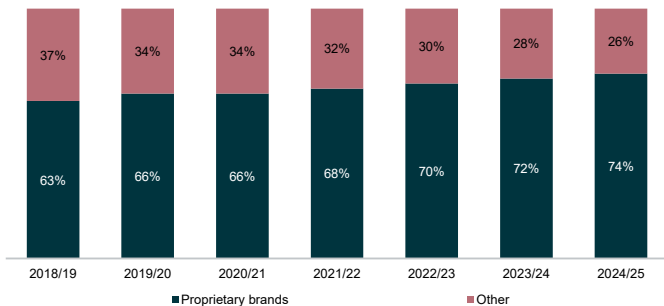
Source: Company data

B&B sales by customer segment (2024/25)



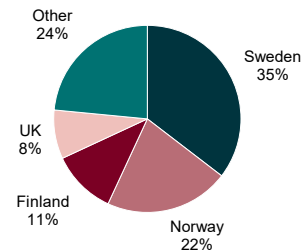
Source: Company data

B&B sales per type of brand



Source: Company data

B&B sales by region (2024/25)



Source: Company data

History and financial development

Bergman & Beving has undergone a long series of changes over the years. The company was founded in 1906 and was listed on the Stockholm Stock Exchange in 1976. In 2001, the group was split into three independent listed companies: Bergman & Beving, Addtech, and Lagercrantz.

In 2002, a new strategy was adopted to establish a strategically streamlined focus on tools and supplies for the industrial and construction sectors. In 2003, the then TOOLS chain was formed across the Nordic region when B&B established a partner network for resellers of tools and supplies for the industrial sector, consisting of about 100 members from the Luna Partner and Proff partner programmes.

Between 2004 and 2008, the group moved forward with integration, acquiring around a hundred businesses in Sweden. The entire value chain – from product companies to wholesaler and then to reseller – was integrated and the organisation was centralised, which ran counter to the long-standing decentralisation that had previously prevailed in the company.

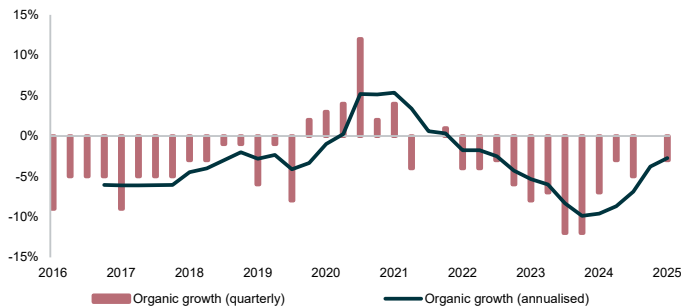
During 2006 to 2008, consolidation also gained momentum in Norway, and the group acquired about 30 stores there. Finnish companies were also acquired, and in 2004 the Ruuska Group Oy, consisting of 13 subsidiaries, was purchased. Acquisitions continued, by 2007/08 the group comprised around 100 companies. In 2007, the group changed its name to B&B Tools.

In 2017, B&B Tools was split into two separate entities. A decentralised structure was reintroduced, and the product companies together with the wholesalers Luna and Skydda created Bergman & Beving, while the reseller segment was placed in Momentum Group. When the TOOLS chain became a separate company, around SEK500m in guaranteed volumes disappeared, and for the first years the focus was on replacing these volumes. This loss was the main factor behind the negative organic growth in 2017–19.

The past two to three years have been negatively impacted by a downturn in business activity, which has coincided with an effort to phase out low-margin products in order to improve the foundation for profitable growth. The combination has led to an unprecedented period of negative organic growth, which we believe has now troughed. The annualised margin started to expand in 2020 and is currently at the highest level since the split of the group in 2017.

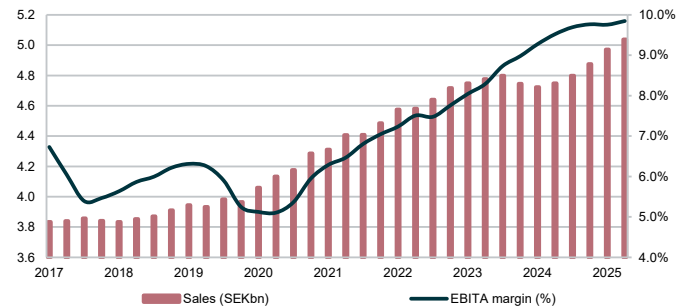
In March 2025, B&B announced that it would divest the Nordic parts of Skydda to Ahlsell. Skydda had sales of ~SEK 550m and underlying EBITA of ~SEK45m in the 12 months prior to the announcement.

Bergman & Beving – Organic growth



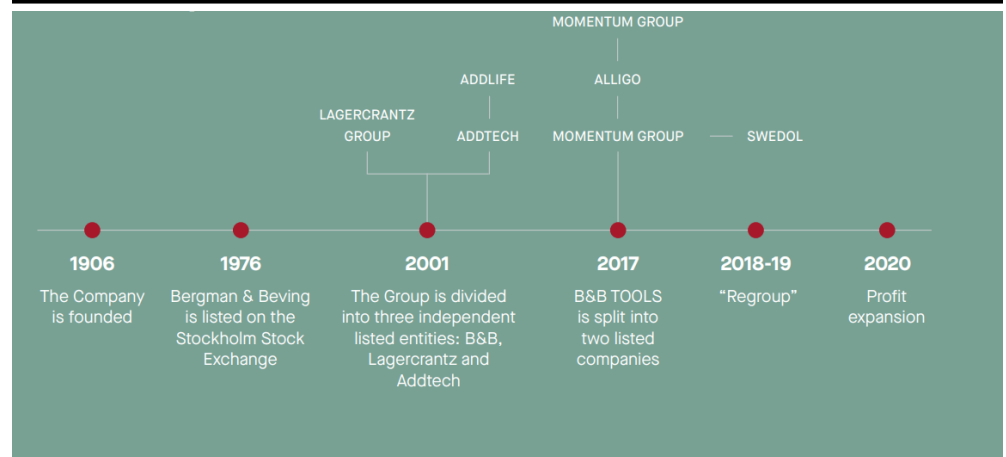
Source: Company data

Bergman & Beving – EBITA margin



Source: Company data

Overview of B&B's history



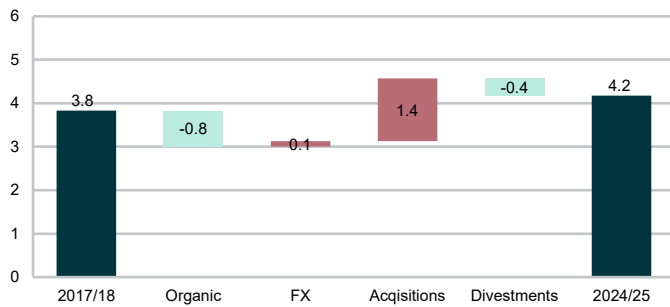
Source: Bergman & Beving

M&A has driven sales

Since the split in 2017, B&B has made more than 40 acquisitions. Including the divestment of the Nordic parts of Skydda, it has grown sales by ~SEK400m, or around 3% per year, between 2017/18 and 2024/25. With M&A adding a net SEK1bn in revenue, and with a big part of the period showing negative organic growth, acquisitions have been the main growth driver.

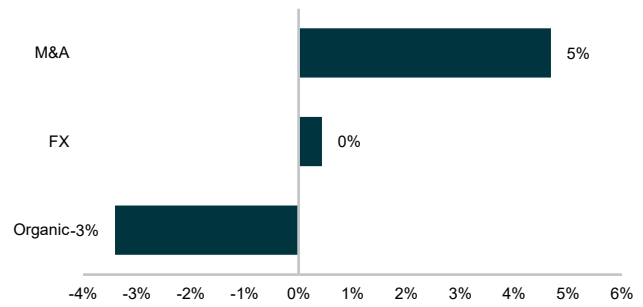
Meanwhile, annual EBITA growth has been in the low teens on average since the split. The phase-out of unprofitable products together with acquisitions with EBITA margins over 15% has driven the group margin.

Sales growth components (pro forma for Skydda)



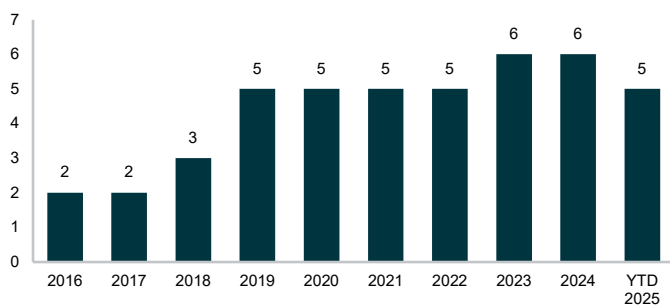
Source: Company data

Sales growth components 2017/18–24/25 (pro forma for Skydda)



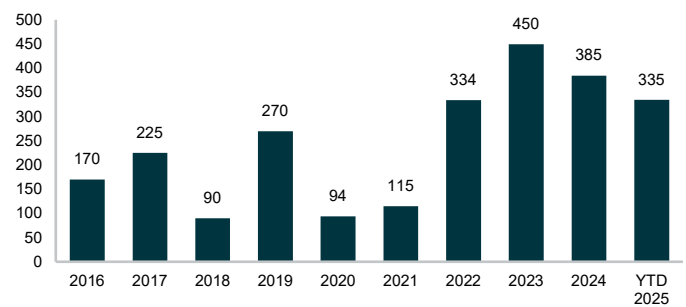
Source: Company data

B&B number of acquisitions



Source: Company data

B&B added sales from M&A (SEKm, annualised)



Source: Company data

B&B categorises itself as a technology group with a focus on attracting, acquiring and developing leading companies in expansive technological niches. Subsidiaries maintain their individuality while getting the possibility to develop further with support from the group. B&B believes that by combining active and long-term ownership with operational freedom, it is a good choice for entrepreneurs looking for a stable foundation to grow their companies.

For a compounder, it is important to be good at allocating capital both to existing customers and acquisitions. The basis of B&B's acquisition strategy is to acquire highly profitable companies with growth potential. For the existing companies it has developed a Focus Model to work actively with capital allocation. Profitability (measured as EBITA/WC) and earnings growth potential determine the strategy and priorities for each company.

B&B's Focus Model for capital allocation



Source: Bergman & Beving

B&B's acquisition process is built on five fundamental principles that it considers crucial for successful acquisitions:

- **The right individuals:** Experience of acquisitions and the ability to manage individuals are key to successful acquisitions.
- **Clear acquisition criteria:** An acquisition strategy with clear selection criteria to ensure that high-quality companies are being acquired.
- **Targeted process:** A simple and structured evaluation process to identify both the risks and the opportunities associated with an acquisition.
- **Added value for sellers:** A clear value proposition that is based on more than just purchase price and makes B&B attractive to the owners and management.
- **Disciplined pricing:** Price reflects valuation levels across time to ensure a sustainable and high rate of acquisitions. We believe B&B has paid 5–7x EBIT historically.

The acquired company's name, location and existing processes (HR, sales, marketing, bonuses) and systems (IT, production management, CAD/CAM) are retained after it has been acquired. B&B develops the company's operations based on its employees, customers and business relationships. Synergies are not forced, but collaboration and the exchange of experience is encouraged.

B&B's strategy is to acquire leading companies in expansive niches. Existing companies with good profitability can make add-on acquisitions to strengthen their positions within their niches. When making acquisitions to establish a presence in new niches, it looks for companies with earnings growth potential within the manufacturing and construction sectors.

According to the company, it acquires well-managed companies with a proven ability to deliver strong earnings and cash flows. Start-ups and companies in need of transition are avoided. Management teams that are based in the Nordic region and the UK are prioritised.

Summary of B&B's acquisition criteria

Attractive niche An attractive niche is limited in size, has high barriers to entry, demonstrate stable growth over time and is sustainable from an ESG perspective	#1 or #2 in its niche Companies must hold a market-leading position in their niche	Strong financial result EBIT margins of more than 15% over a business cycle and profitability (P/WC) above 45%
Earnings interval Small or mid-sized niche companies are defined as those with operating earnings of SEK 15-40m	Limited operational risks Limited dependence on individual employees, customers or suppliers. It looks for companies with long product life cycles and strong management teams	Head office in northern Europe With a decentralised governance model it focuses on companies operated from northern Europe with similar corporate culture

Source: Bergman & Beving

Financial targets

B&B aims to grow EBITA by at least 15% per year over a business cycle and to have profitability (EBITA/WC) over 45%. Based on our calculations it has grown EBITA by 11% per year since the group split up in 2017 and in 2024/25 it had EBITA/WC of 31% – up from 26% the year before. With changes made, such as the phase-out of unprofitable products and the divestment of Skydda as well as continuous acquisitions, we believe that B&B will be able to accelerate earnings growth as volumes return.

In FY 2020/21, B&B also set the target to grow EBIT to SEK500m and to reach an EBIT margin of over 10% by 2025/26, and to reach EBITA/WC of 45% by 2026/27. In 2024/25 it reached EBIT of SEK399m, an EBIT margin of 8.0% and EBITA/WC of 31%. Due to the continued weak economy and the divestment of Skydda, we believe it will be challenging to meet the sales and margin targets on time. However, this does not mean that the targets cannot be met, but that reaching them will depend on the timing and pace of new acquisitions.

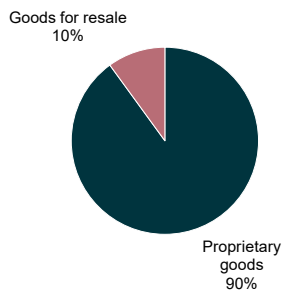
Core Solutions broadening its focus on acquisitions

The companies in Core Solutions offer safe, efficient and sustainable products and solutions that become part of the end product for the construction, assembly and manufacturing sectors. Construction is the largest customer segment and its profit units consist of market-leading companies where product performance and compliance are key. The largest company in the division – ESSVE – is the Nordic market leader in fastening technology, while H&H offers a wide range of construction fasteners in Finland.

The division has been strengthened in the past year with the acquisition of the UK company HC Coils (July 2025), which makes made-to-order heat exchangers; Finnish company Ovesta (December 2024), which delivers bespoke fireproof and soundproof doors; Finnish company Levypinta (October 2024), which manufactures laminate boards for various construction and furnishing purposes, and UK company Spraylat (July 2024), which specialises in temporary protective coatings for windows. Levypinta added ~SEK180m in revenue, and HC Coils added ~SEK130m in revenue.

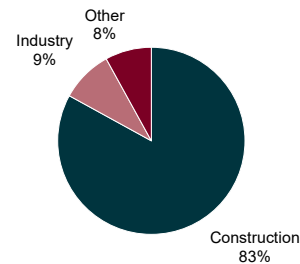
Core Solutions grew sales by an average of 6% and EBITA by 4% annually in 2016–24. After declining sharply in 2017–20, the EBITA margin is now higher than the average for the group.

Core Solution sales by brand type (2024/25)



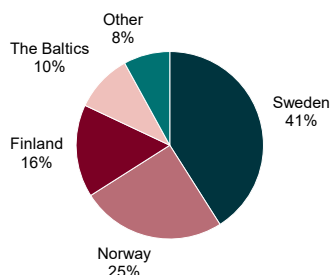
Source: Company data

Core Solutions sales by customer segment (2024/25)



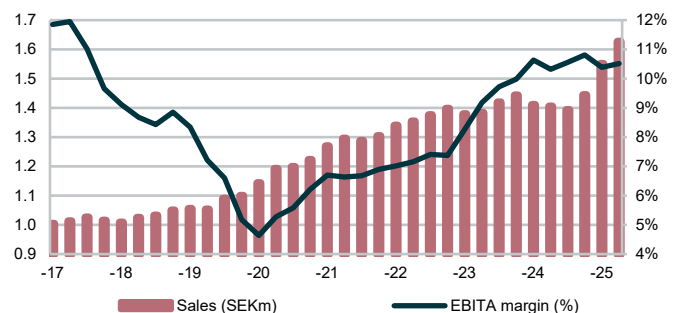
Source: Company data

Core Solutions sales by geography (2024/25)



Source: Company data

Core Solutions annualised sales and EBITA margin



Source: Company data

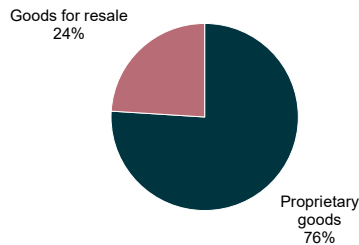
Growing safety solutions demand supports Safety Technology

Safety Technology focuses on providing safety solutions for the construction and manufacturing industries through a wide range of products, services and solutions. Safety is becoming an increasingly important issue as awareness grows, regulation and safety requirements increase, and technology advances.

The division's companies offer comprehensive solutions through niche brands such as Zekler (safety glasses, hearing protection and helmets), Arbesko (safety shoes) and Guide (protective gloves). Cresto Group provides rescue and height safety equipment, while SIS Group offers a wide range of safety signage and labelling. The division has begun to broaden its offering through acquisitions and it divested Skydda, the wholesaler, to Ahlsell in June 2025.

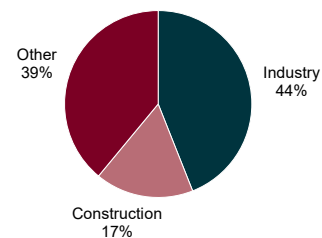
Safety Technology grew sales and EBITA by an average of 3% annually in 2016–24 (no sales or EBITA growth if adjusting for the divestment of Skydda). After declining sharply in 2017–20, the EBITA margin has recovered but is still lower than the average for the group.

Safety Technology sales by brand type (2024/25)



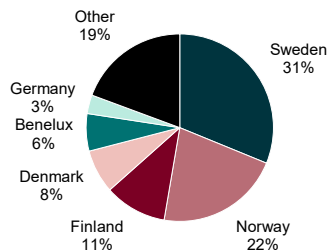
Source: Company data

Safety Technology sales by customer segment (2024/25)



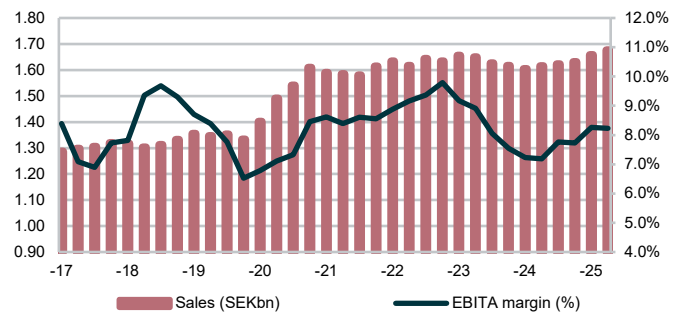
Source: Company data

Safety Technology sales by geography (2024/25)



Source: Company data

Safety Technology annualised sales and EBITA margin



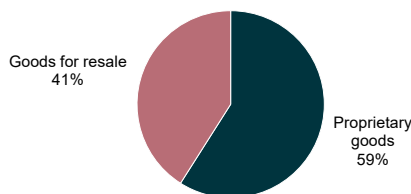
Source: Company data

Industrial Equipment combines profitability and growth

The companies in Industrial Equipment provide a wide range of solutions that are crucial for industrial production. The portfolio ranges from traditional tools and machinery to specialised niche solutions with high technological content. The division includes several leading companies, such as Orbital Fabrications, which develops gas handling solutions, and A.T.E. Solutions, specialising in automated test equipment. Together with Sandbergs, the Germ profit unit offers innovative liquid handling solutions, while Polartherm is a leading player in mobile heating solutions. Teng Tools and Albretsen are renowned for their high-quality tool solutions, and Luna Group is the Nordic region's leading distributor of industrial consumables.

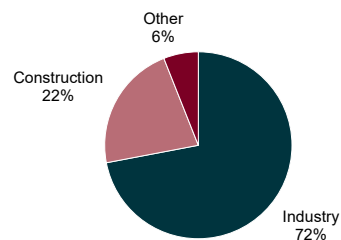
Industrial Equipment grew sales by an average of 2% and EBITA by 15% annually in 2016–24. After troughing in the pandemic, the EBITA margin has more than doubled and has been stable at a level that is higher than average for the past year.

Industrial Equipment sales by brand type (2024/25)



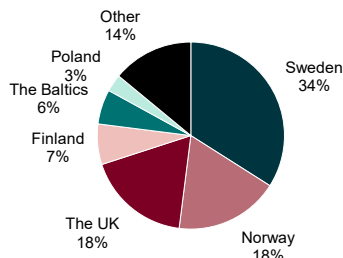
Source: Company data

Industrial Equipment sales by customer segment (2024/25)



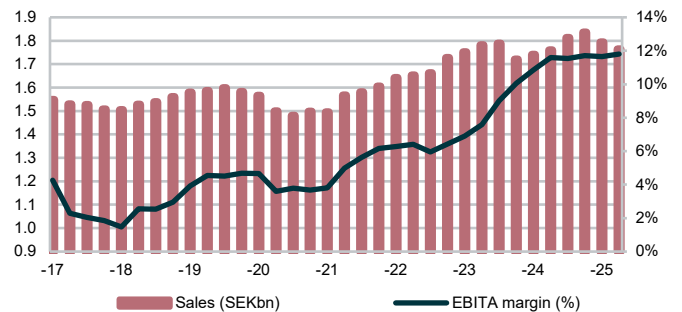
Source: Company data

Industrial Equipment sales by geography (2024/25)



Source: Company data

Industrial Equipment annualised sales and EBITA margin



Source: Company data

Financials and estimates

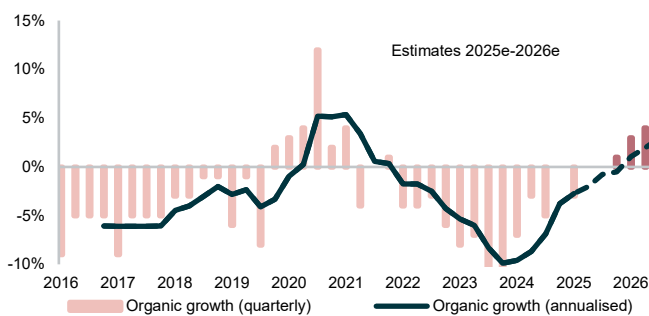
We expect organic growth to continue to recover in the next 6–18 months. Including already made acquisitions and the divestment of Skydda, we estimate a 3-year sales CAGR of 2%. Continued cost control, the finalisation of the phase-out of unprofitable products and already made acquisitions should drive the margin, and we pencil in continuous, gradual margin expansion.

We expect the organic growth trend to keep improving

We estimate underlying growth at around 3% per year over the business cycle. The organic growth trend has been improving since fiscal Q4 2023/24 (ending in March 2024), which we estimate was the trough. The construction and industrial cycles remain subdued. The timing of the recovery is uncertain, but we do not expect further deterioration from current levels. We pencil in a gradual recovery in sales over the coming 6–18 months.

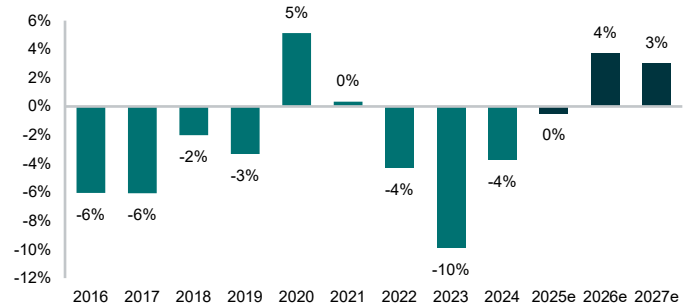
With good cost control, the phase-out of unprofitable products behind it and the divestment of Skydda, we expect an incremental margin of 20–25% in the coming three years. Our estimates reflect a 2025/26–2027/28e EBITA CAGR of 6%. Comparing this to B&B's target of growing EBITA by 15% per year highlights the importance of acquisitions.

Bergman & Beving organic growth



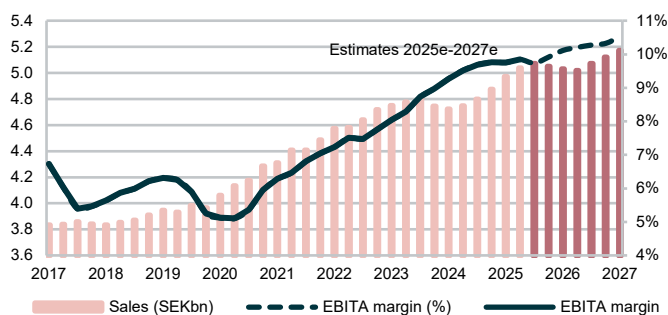
Source: DNB Carnegie (estimates) & Company data

B&B organic growth



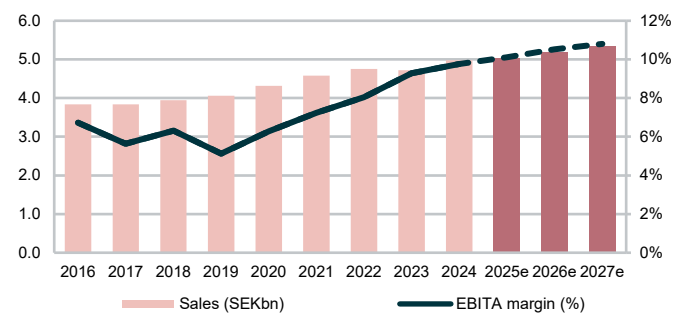
Source: DNB Carnegie (estimates) & company data

B&B annualised sales and EBITA margin



Source: DNB Carnegie (estimates) & Company data

Bergman & Beving sales and EBITA margin

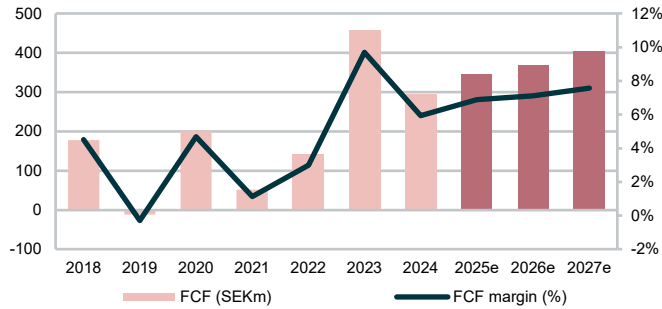


Source: DNB Carnegie (estimates) & company data

Cash flow to keep driving down debt

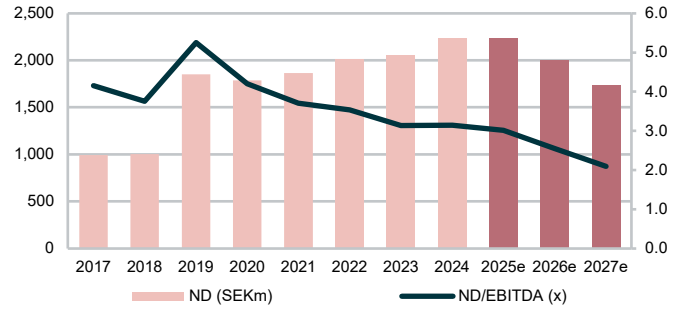
The improving margin has driven cash flow and should allow for continuous reduction of debt, not including future acquisitions. Our estimates reflect that working capital as a share of sales will be unchanged at the level we have seen for the past couple of years. Higher profits drive profitability.

FCF (incl. leasing) and FCF margin



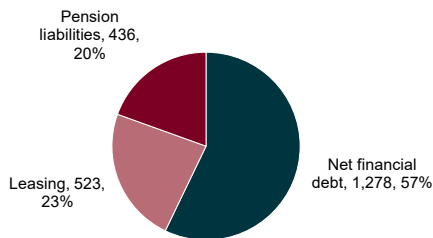
Source: DNB Carnegie (estimates) & company data

ND and ND/EBITDA



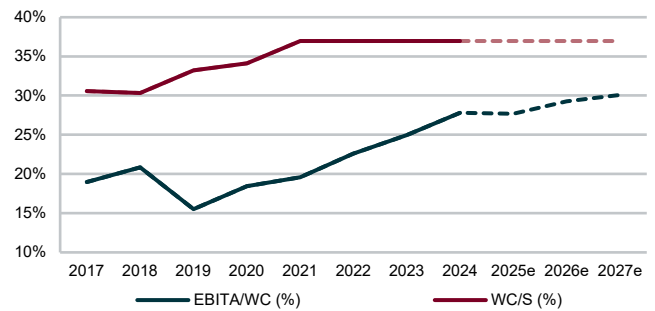
Source: DNB Carnegie (estimates) & company data

Distribution of net debt (2024/25, SEKm)



Source: Company data

EBITA/WC and WC/S



Source: DNB Carnegie (estimates) & company data

Valuation

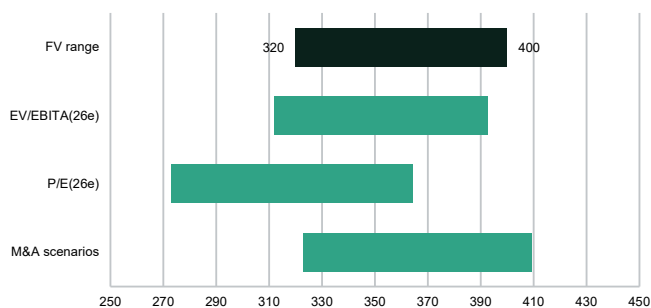
Our fair value range is based on upside and downside scenarios applied to multiples-based valuations as well as M&A scenarios. Based on our estimates, we arrive at a fair value range of SEK320–400 (280–350).

Assumptions

Our multiples-based approach returns values of SEK273–377 per share. We use a P/E of 30x and an EV/EBITA of 20x, to which we apply our 2027/28 estimates and discount the values back to today. These multiples are at a discount to the mature compounders (Addtech, Lagercrantz, Indutrade and Lifco), which we believe is warranted as while Bergman & Beving has the same background as the mature compounders, it has a more limited history in its current form. Our downside earnings scenario is based on 3-year sales CAGR of 2% and EBITA CAGR of 4%, while our upside scenario is based on 3-year sales CAGR of 4% and EBITA CAGR of 9%.

M&A is the main sales and earnings driver for the compounder universe including Bergman & Beving. To reflect this we apply an M&A scenario analysis, in line with the other compounders in our universe. In our M&A scenarios we add acquisitions to sales and earnings and discount the values back to today. Our low scenario assumes a sales CAGR of 10% and EBITA CAGR of 12% for 2025/26–2036/37. Our high scenario assumes a sales CAGR of 13% and EBITA growth of 15% for the same period.

Bergman & Beving fair value range (SEK)



Source: DNB Carnegie

Bergman & Beving NTM EV/EBIT



Source: Factset

Bergman & Beving P/E NTM



Source: Factset

Mature compounders P/E NTM



Source: Factset

M&A scenario high

	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	CAGR
Sales	5,121	5,829	6,703	7,709	9,019	10,553	12,347	14,199	16,044	17,809	19,590	21,157	12.8%
Growth	3.0%	13.8%	15.0%	15.0%	17.0%	17.0%	17.0%	15.0%	13.0%	11.0%	10.0%	8.0%	
Organic	(0.5%)	3.7%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
FX	(1.5%)	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
M&A	5.0%	10.0%	12.0%	12.0%	14.0%	14.0%	14.0%	12.0%	10.0%	8.0%	7.0%	5.0%	
EBITDA	752	879	1,030	1,200	1,449	1,748	2,045	2,352	2,658	2,950	3,245	3,505	
Depreciation	-234	-266	-306	-352	-412	-482	-564	-648	-733	-813	-894	-966	
EBITA	518	613	724	848	1,037	1,266	1,482	1,704	1,925	2,137	2,351	2,539	14.8%
<i>EBITA-margin</i>	<i>10.1%</i>	<i>10.5%</i>	<i>10.8%</i>	<i>11.0%</i>	<i>11.5%</i>	<i>12.0%</i>	<i>12.0%</i>	<i>12.0%</i>	<i>12.0%</i>	<i>12.0%</i>	<i>12.0%</i>	<i>12.0%</i>	
Amortisation	-89	-101	-116	-133	-156	-183	-214	-246	-278	-308	-339	-366	
EBIT	429	512	608	715	881	1,084	1,268	1,458	1,648	1,829	2,012	2,173	
EBIT margin	8.4%	8.8%	9.1%	9.3%	9.8%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	
Net financials	-101	-91	-86	-90	-96	-108	-123	-140	-153	-158	-155	-145	
Interest	4.5%	4.3%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	
PTP	329	422	522	624	785	976	1,145	1,318	1,495	1,671	1,857	2,027	
Tax (22%)	-68	-87	-108	-129	-162	-201	-236	-272	-308	-344	-383	-418	
Net profit	261	335	415	496	623	775	909	1,047	1,187	1,327	1,475	1,610	
Adjustments - EO & NCI	0	0	0	0	0	0	0	0	0	0	0	0	
Adj Net profit	261	335	415	496	623	775	909	1,047	1,187	1,327	1,475	1,610	
Adj EPS	9.7	12.4	15.4	18.4	23.1	28.7	33.7	38.8	44.0	49.1	54.6	59.6	
NOSH	27.0	27.0	27.0	27.0	27.0	27.0	27.0	27.0	27.0	27.0	27.0	27.0	
DPS	3.2	4.1	5.1	6.1	7.6	9.5	11.1	12.8	14.5	16.2	18.0	19.7	
Pay-out	33%	33%	33%	33%	33%	33%	33%	33%	33%	33%	33%	33%	
New EV from acquisitions	176	377	529	619	869	1,061	1,241	1,245	1,193	1,078	1,047	823	
Net debt	2,111	2,138	2,261	2,408	2,705	3,071	3,501	3,813	3,954	3,867	3,637	3,087	
Net debt/EBITDA	2.8												
Acquisition multiple (EV/EBITA)	7x												
Cash conversion (FCF to EBITA)	75%												
ROE	11%		Discounted (at 8%) 2036 exit value (at P/E of 15x)							344			
Risk	4%		+ Sum of discounted DPS 2025-2036							61			
RF	4%		= Fair value today							405			
G	3%		P/E (26e) on fair value today							33			
K	8%		Current share price							338			
Fair long term P/E	15		P/E (26e) on current share price							27			
			Discount to fair value							17%			
			Upside to NPV of M&A scenario							20%			

Source: DNB Carnegie

Risks

Bergman & Beving faces several potential risks that could impact its operations and financial performance. Below we have outlined the risks that we consider to be the most significant for the company.

- **Market and economic risks:** Demand can fluctuate due to the economic cycle, affecting sales in industrial and construction markets. Pressure from competitors, including price wars, can erode margins. Variations in cost for raw materials, transportation and energy may be difficult to pass on to customers.
- **Operational risks:** Reliance on suppliers for tools, consumables and equipment can expose the company to disruptions in the supply chain. Customers may overstock or understock inventory, impacting cash flow or the ability to meet demand. Difficulty in hiring and retaining skilled labour could affect efficiency and service delivery.
- **Strategic risks:** Difficulty in identifying and successfully integrating acquisitions that align with the company's strategic goals may slow down growth. Failure to differentiate its offerings, leading to commoditisation and reduced pricing power can erode margins. Lack of innovation or failure to adapt the product portfolio to evolving customer needs and sustainability trends is another risk.
- **Regulatory and compliance risks:** Increasing environmental standards may lead to higher costs or the need for changes in product offerings. Changes in trade regulations or the introduction of tariffs could disrupt cross-border operations or increase costs.
- **Technological risks:** Vulnerability to data breaches, ransomware attacks or IT infrastructure failures could disrupt operations or compromise customer data. Reliance on enterprise resource planning (ERP) systems and other digital platforms creates risks if systems fail or are poorly managed. Failure to keep pace with technological advancements in automation, e-commerce or data analytics may result in competitive disadvantages. Rising expectations for digital solutions (e.g. seamless online ordering) require continuous investment in technology and platforms.

Management and Board of Directors

Group management



Magnus Söderlind. CEO since 2021

Other positions include Director of the Board of OneLake Holding AB. Work experience includes Executive Vice President of Lagercrantz Group AB and Protect Data AB, CEO of Silicon Graphics AB and Siemens Business Services AB, Management Consultant at McKinsey & Company and senior positions in the Unilever Group. Owns 1,344 Class A shares, 328,849 Class B shares and 141,500 call options.



Peter Schön. CFO since 2017

Other positions include Director of the Board of Axxid AB. Work experience includes senior positions at Netonnet Group, ProfilGruppen, Brio and Alstom. Owns 38,900 Class B shares and 101,900 call options.



Mats Gullbrandsson. Division head, Core Solutions

Work experience includes Alfred Berg Corporate Finance, Partner at CapMan Buy-out, CEO of Gallerix AB and Head of Investment at Seafire AB. Owns 8,000 Class B shares and 76,900 call options.



Eric Persson. Division head, Safety Technology

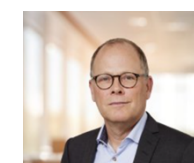
Work experience includes senior positions in Nordstjernan/Axel Johnson, including CEO of Novax and consultant at KPMG Corporate Finance. Owns 4,251 Class B shares and 20,000 call options.



Oscar Fredell. Division Head, Industrial Equipment

Work experience includes CEO of Luna Group, senior positions at Solar Group and Volvo Cars. Owns 52,200 Class B shares and 101,900 call options.

Board of Directors



Jörgen Wigh. Chairman of the Board since 2019

Other positions: President & CEO of Lagercrantz Group AB. Work experience includes Executive Vice President of Bergman & Beving, founder of PriceGain, Management Consultant at McKinsey & Company and Investment Manager at Spira Invest. Owns 125,000 Class B shares.



Fredrik Börjesson. Director since 2019

Other board assignments include Chairman of the Lagercrantz Group, Director of Addtech AB and director of a number of companies within Tisenhult-gruppen. Work experience includes senior positions in Tisenhult-gruppen. Owns 57,850 Class B shares as well as 497,192 Class A shares and 2,160,000 Class B shares via Tisenhult-gruppen AB.



Charlotte Hansson. Director since 2020

Other board assignments include Chairman of vChain AB, Director of Green Cargo AB and Stena Trade & Industry AB. Work experience includes President & CEO of MTD Morgontidig Distribution i Sverige AB and CEO of Jetpak Sweden. Senior positions at Jetpak, ASG/Danzas, Carl Zeiss and Beckman Coulter. Owns 2,645 Class B shares.



Henrik Hedelius. Director since 2015

Other board assignments include Chairman of Newport Securities AB, Director of Addtech AB, Service and Care and Södra Maltfabriken. Work experience includes senior positions at United Bankers LTD, ABN Amro, KaupthingBank, Storebrand Asset Management, Remium Nordic AB and Swedbank. Owns 12,790 Class B shares.



Malin Nordesjö. Director since 2017

Other board assignments include Chairman of Addtech AB, Director of Lagercrantz Group AB and director of a number of companies in Tisenhult-gruppen. Work experience includes senior positions in Tisenhult-gruppen. Owns 36,300 Class B shares as well as 497,192 Class A shares and 2,160,000 Class B shares via Tisenhult-gruppen.



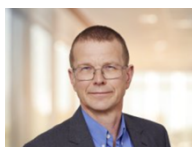
Niklas Stenberg. Director since 2021

Work experience includes President & CEO of Addtech AB and senior positions within Addtech and Bergman & Beving.



Mikael Lindblom. Director since 2022

Employee representative.



Jörgen Bengtsson. Director since 2023

Employee representative.

Interim figures

Bergman & Beving											Full year est.				
(SEKm, ex p share)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25e	3Q25e	4Q25e	1Q26e	2Q26e	2023	2024	2025e	2026e	2027e
Net sales	1,253	1,144	1,264	1,311	1,319	1,178	1,242	1,292	1,306	1,232	4,723	4,972	5,031	5,173	5,328
Growth	2.0%	4.6%	6.5%	8.0%	5.3%	3.0%	-1.8%	-1.5%	-1.0%	4.6%	-0.5%	5.3%	1.2%	2.8%	3.0%
Organic	-7.0%	-3.0%	-5.0%	0.0%	-3.0%	0.0%	0.0%	1.0%	3.0%	4.0%	-9.9%	-3.8%	-0.5%	3.7%	3.0%
Currency	0.0%	-1.4%	0.5%	-1.0%	-2.7%	-1.1%	-1.6%	-0.6%	0.3%	0.0%	0.8%	-0.5%	-1.5%	0.1%	0.0%
Acq/div	9.0%	9.0%	11.0%	9.0%	11.0%	4.1%	-0.2%	-1.8%	-4.4%	0.6%	8.5%	9.5%	3.2%	-1.0%	0.0%
Adj. EBITA	119	120	121	125	130	118	128	133	133	127	438	485	509	544	575
Margin	9.5%	10.5%	9.6%	9.5%	9.9%	10.0%	10.3%	10.3%	10.2%	10.3%	9.3%	9.8%	10.1%	10.5%	10.8%
Adj. EBIT	100	100	98	101	103	91	101	106	106	100	372	399	401	436	467
Margin	8.0%	8.7%	7.8%	7.7%	7.8%	7.7%	8.1%	8.2%	8.1%	8.1%	7.9%	8.0%	8.0%	8.4%	8.8%
EO	-	-	-	(270)	-	(70)	-	-	-	-	-	(270)	(70)	-	-
EBIT	100	100	98	(169)	103	21	101	106	106	100	372	129	331	436	467
Net interest	(26)	(27)	(28)	(21)	(27)	(26)	(26)	(28)	(23)	(23)	(111)	(102)	(107)	(88)	(77)
Pre tax profit	74	73	70	(190)	76	(5)	75	78	83	77	261	27	224	349	390
Tax	(16)	(18)	(16)	(17)	(16)	1	(17)	(18)	(19)	(17)	(60)	(67)	(50)	(79)	(88)
Net profit	52	52	53	(209)	56	(8)	54	60	59	55	191	(52)	161	251	281
EPS	1.9	1.9	2.0	(7.7)	2.1	(0.3)	2.0	2.2	2.2	2.0	7.1	(1.9)	6.0	9.3	10.4
EPS (adj)	1.9	1.9	2.0	2.3	2.1	1.7	2.0	2.2	2.2	2.0	7.1	8.1	8.0	9.3	10.4
DPS											3.8	4.0	4.3	5.0	5.0

Source: DNB Carnegie (estimates) & company

Financial statements

Profit & loss (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	3,945	4,060	4,311	4,575	4,749	4,723	4,972	5,031	5,173	5,328
COGS	-2,280	-2,388	-2,573	-2,625	-2,627	-2,463	-2,618	-2,649	-2,724	-2,805
Gross profit	1,665	1,672	1,738	1,950	2,122	2,260	2,354	2,382	2,449	2,523
Other income & costs	-1,398	-1,319	-1,312	-1,447	-1,551	-1,604	-1,642	-1,709	-1,663	-1,696
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
EBITDA	267	353	426	503	571	656	712	673	786	827
Depreciation PPE	-18	-25	-40	-49	-54	-63	-67	-66	-68	-73
Depreciation lease assets	0	-118	-114	-123	-135	-155	-160	-169	-173	-178
Amortisation development costs	0	0	0	0	0	0	0	0	0	0
Amortisation other intangibles	0	0	0	0	0	0	0	0	0	0
Impairments / writedowns	0	0	0	0	0	0	-270	0	0	0
EBITA	249	210	272	331	382	438	215	439	544	575
Amortization acquisition related	-13	-20	-24	-33	-43	-66	-86	-108	-108	-108
Impairment acquisition related	0	0	0	0	0	0	0	0	0	0
EBIT	236	190	248	298	339	372	129	331	436	467
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
Net financial items	-20	-34	-35	-39	-68	-111	-102	-107	-88	-77
of which interest income/expenses	-20	-34	-35	-39	-68	-111	-102	-107	-88	-77
of which interest on lease liabilities	0	0	0	0	0	0	0	0	0	0
of which other items	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	216	156	213	259	271	261	27	224	349	390
Taxes	-47	-39	-46	-57	-57	-60	-67	-50	-79	-88
Post-tax minorities interest	0	0	-2	-2	-7	-10	-12	-12	-19	-21
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Net profit	169	117	165	200	207	191	-52	161	251	281
Adjusted EBITDA	267	353	426	503	571	656	712	743	786	827
Adjusted EBITA	249	210	272	331	382	438	485	509	544	575
Adjusted EBIT	236	190	248	298	339	372	399	401	436	467
Adjusted net profit	169	117	165	200	207	191	218	215	251	281
Sales growth Y/Y	2.9%	2.9%	6.2%	6.1%	3.8%	-0.5%	5.3%	1.2%	2.8%	3.0%
EBITDA growth Y/Y	10.8%	32.2%	20.7%	18.1%	13.5%	14.9%	8.5%	-5.5%	16.8%	5.3%
EBITA growth Y/Y	11.2%	-15.7%	29.5%	21.7%	15.4%	14.7%	-50.9%	104.1%	24.0%	5.7%
EBIT growth Y/Y	9.3%	-19.5%	30.5%	20.2%	13.8%	9.7%	-65.3%	156.4%	31.9%	7.1%
EBITDA margin	6.8%	8.7%	9.9%	11.0%	12.0%	13.9%	14.3%	13.4%	15.2%	15.5%
EBITA margin	6.3%	5.2%	6.3%	7.2%	8.0%	9.3%	4.3%	8.7%	10.5%	10.8%
EBIT margin	6.0%	4.7%	5.8%	6.5%	7.1%	7.9%	2.6%	6.6%	8.4%	8.8%
Tax rate	21.8%	25.0%	21.6%	22.0%	21.0%	23.0%	248.1%	22.4%	22.6%	22.6%
Cash flow (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	267	353	426	503	571	656	712	673	786	827
Paid taxes	-13	-27	-20	-78	-116	-95	-85	-50	-79	-88
Change in NWC	-2	-103	-10	-179	-56	208	4	51	-33	-36
Interests paid	-6	-20	-24	-27	-54	-92	-102	-107	-88	-77
Actual lease payments	0	-113	-111	-122	-146	-149	-153	-169	-173	-178
Non cash adjustments	12	20	12	6	-12	-14	-20	12	19	21
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Total operating activities	258	110	273	103	187	514	356	410	432	468
Capex tangible assets	-80	-121	-70	-51	-45	-56	-61	-63	-64	-65
Capitalised development costs	0	0	0	0	0	0	0	0	0	0
Capex - other intangible assets	0	0	0	0	0	0	0	0	0	0
Acquisitions/divestments	-68	-207	-107	-137	-236	-312	-402	-233	0	0
Other non-cash adjustments	0	0	0	0	0	0	0	0	0	0
Total investing activities	-148	-328	-177	-188	-281	-368	-463	-296	-64	-65
Dividend paid and received	-68	-81	-40	-80	-90	-96	-102	-114	-134	-134
Share issues & buybacks	0	-23	-16	0	6	10	0	0	0	0
Change in bank debt	4	343	52	235	244	42	273	-148	-234	-270
Other cash flow items	-30	-19	-32	-32	-39	-30	7	0	0	0
Total financing activities	-94	220	-36	123	121	-74	178	-262	-368	-403
Operating cash flow	258	110	273	103	187	514	356	410	432	468
Free cash flow	178	-11	203	52	142	458	295	347	368	403
Net cash flow	16	2	60	38	27	72	71	-148	0	0
Change in net IB debt	44	-311	27	-161	-157	55	-228	0	234	270
Capex / Sales	2.0%	3.0%	1.6%	1.1%	0.9%	1.2%	1.2%	1.3%	1.2%	1.2%
NWC / Sales	22.3%	24.0%	24.5%	25.4%	28.3%	27.9%	24.8%	24.3%	23.4%	23.4%

Source: DNB Carnegie (estimates) & company data

Financial statements, cont.

Balance sheet (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Acquired intangible assets	1,472	1,570	1,609	1,667	1,815	2,018	1,924	2,157	2,157	2,157
Other fixed intangible assets	209	385	425	468	604	781	917	808	697	582
Capitalised development	0	0	0	0	0	0	0	0	0	0
Tangible assets	99	102	102	126	140	157	158	157	156	155
Lease assets	0	455	390	359	441	442	430	430	430	430
Other IB assets (1)	0	0	0	0	0	0	0	0	0	0
Other non-IB assets	82	92	96	71	39	63	67	67	67	67
Fixed assets	1,862	2,604	2,622	2,691	3,039	3,461	3,496	3,619	3,507	3,391
Inventories (2)	942	1,077	1,129	1,233	1,360	1,189	1,157	1,258	1,293	1,332
Receivables (2)	834	855	950	1,042	969	936	987	855	879	906
Prepaid exp. & other NWC items (2)	73	105	99	134	114	115	103	104	106	108
IB current assets (1)	0	0	0	0	0	0	0	0	0	0
Other current assets	54	26	2	13	47	65	46	46	46	46
Cash & cash equivalents (1)	85	90	139	182	220	296	348	200	200	200
Current assets	1,988	2,153	2,319	2,604	2,710	2,601	2,641	2,463	2,524	2,591
Total assets	3,850	4,757	4,941	5,295	5,749	6,062	6,137	6,082	6,031	5,982
Shareholders' equity	1,657	1,631	1,701	1,915	2,181	2,108	1,871	1,931	2,067	2,235
Minorities	0	12	14	17	59	105	107	119	138	159
Other equity	0	0	0	0	0	0	0	0	0	0
Total equity	1,657	1,643	1,715	1,932	2,240	2,213	1,978	2,050	2,205	2,394
Deferred tax	96	105	93	102	115	163	197	197	197	197
LT IB debt (1)	175	511	566	787	1,065	1,075	1,304	1,156	922	652
Other IB provisions (1)	0	0	0	0	0	0	0	0	0	0
Lease liabilities	0	351	289	243	297	299	282	282	282	282
Other non-IB liabilities	670	760	735	643	582	819	848	848	848	848
LT liabilities	941	1,727	1,683	1,775	2,059	2,356	2,631	2,483	2,249	1,979
ST IB debt (1)	266	274	270	284	245	278	322	322	322	322
Payables (2)	580	583	609	584	487	484	538	553	569	586
Accrued exp. & other NWC items (2)	380	398	510	557	539	537	463	469	482	496
Other ST non-IB liabilities	26	23	46	40	39	51	51	51	51	51
Liabilities - assets held for sale	0	0	0	0	0	0	0	0	0	0
Current liabilities	1,252	1,387	1,543	1,588	1,450	1,493	1,528	1,549	1,578	1,609
Total equity and liabilities	3,850	4,757	4,941	5,295	5,749	6,062	6,137	6,082	6,031	5,982
Net IB debt (=1)	1,002	1,850	1,786	1,863	2,017	2,057	2,237	2,237	2,003	1,733
Net working capital (NWC) (=2)	889	1,056	1,059	1,268	1,417	1,219	1,246	1,195	1,227	1,263
Capital employed (CE)	2,761	3,599	3,642	4,013	4,558	4,670	4,702	4,626	4,546	4,466
Capital invested (CI)	2,669	3,568	3,585	3,888	4,417	4,617	4,675	4,747	4,667	4,587
Equity / Total assets	43%	35%	35%	36%	39%	37%	32%	34%	37%	40%
Net IB debt / EBITDA	3.8	5.2	4.2	3.7	3.5	3.1	3.1	3.3	2.5	2.1
Per share data (SEK)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Adj. no. of shares in issue YE (m)	27.01	26.89	26.62	26.52	26.56	26.65	26.73	26.75	26.75	26.75
Diluted no. of Shares YE (m)	27.01	26.71	26.51	26.70	26.60	26.85	27.02	27.02	27.02	27.02
EPS	6.26	4.35	6.20	7.49	7.79	7.13	-1.93	5.97	9.30	10.4
EPS adj.	6.26	4.35	6.20	7.49	7.79	7.13	8.07	7.97	9.30	10.4
CEPS	7.40	6.21	8.71	10.6	11.0	12.2	14.0	12.4	15.8	17.1
DPS	3.00	1.50	3.00	3.40	3.60	3.80	4.00	4.25	5.00	5.00
BVPS	61.3	61.1	64.2	72.2	82.1	78.9	70.0	72.2	77.3	83.6
Performance measures	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
ROE	10.5%	7.1%	9.9%	11.1%	10.1%	8.9%	-2.6%	8.5%	12.6%	13.1%
Adj. ROCE pre-tax	9.5%	6.9%	7.7%	8.7%	9.1%	9.9%	10.8%	11.4%	12.3%	13.3%
Adj. ROIC after-tax	7.5%	5.1%	6.0%	6.9%	7.3%	7.5%	-15.5%	8.4%	9.0%	9.6%
Valuation	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
FCF yield	1.9%	-0.1%	2.2%	0.6%	1.6%	5.0%	3.2%	3.8%	4.0%	4.4%
Dividend yield YE	3.5%	1.9%	3.0%	2.3%	3.2%	1.8%	1.4%	1.3%	1.5%	1.5%
Dividend payout ratio	47.9%	34.5%	48.4%	45.4%	46.2%	53.3%	-207.7%	71.1%	53.8%	48.0%
Dividend + buy backs yield YE	3.5%	1.9%	3.1%	2.2%	3.2%	1.8%	1.5%	1.5%	1.5%	1.5%
EV/Sales YE	0.83	0.99	1.02	1.29	1.05	1.63	2.03	2.26	2.16	2.04
EV/EBITDA YE	12.3	11.4	10.3	11.7	8.7	11.7	14.1	16.9	14.2	13.2
EV/EBITA YE	13.2	19.1	16.2	17.8	13.0	17.5	46.9	25.9	20.5	18.9
EV/EBITA adj. YE	13.2	19.1	16.2	17.8	13.0	17.5	20.8	22.4	20.5	18.9
EV/EBIT YE	13.9	21.1	17.7	19.8	14.7	20.7	>50	34.4	25.6	23.3
P/E YE	13.5	18.6	15.9	20.1	14.3	29.4	nm	>50	36.4	32.5
P/E adj. YE	13.5	18.6	15.9	20.1	14.3	29.4	35.9	42.5	36.4	32.5
P/BV YE	1.38	1.32	1.53	2.09	1.35	2.65	4.15	4.69	4.38	4.05
Share price YE (SEK)	84.7	80.8	98.4	151	111	210	290	339		

Source: DNB Carnegie (estimates) & company data

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