**Interim Report, Beijer Electronics Group AB**

**1 January-30 June 2021**

**Big boost to order intake sets a stable base for higher sales and improved earnings**

**Second quarter**

• Order intake increased by 53% to 514 MSEK (335).

• Net sales rose by 9% to 390 MSEK (357).

• EBIT amounted to 9.8 MSEK (7.9).

• Profit after tax of 1.9 MSEK (-0.8).

• Earnings per share were 0.07 SEK (-0.03).

**First half-year**

• Order intake increased by 26% to 932 MSEK (741).

• Net sales of 741 MSEK (753).

• EBIT amounted to 14.5 MSEK (16.3).

• Profit after tax of 3.6 MSEK (4.4).

• Earnings per share were 0.12 SEK (0.16).

• Acquisition of ELTEC of Germany.

**Comments from CEO Per Samuelsson:**

“BEIJER GROUP’s order intake set a new record in the second quarter. With an increase of over 50%, we passed 500 MSEK order intake in a single quarter for the first time. This is a sign of strength, and evidence that our growth strategies are now paying off. We’ve also noted how the upturn is broad based, covering all three of the Group’s business entities, and all geographical regions.

It is also a sign that the effects of the pandemic and Covid-19 on demand are starting to fade. However, the global shortage of certain key components does persist, which means that several products will not be fully complete according to plan, causing disruptions to supply chains. This impacted BEIJER GROUP’s shipments in the second quarter, and the first.

We think that the loss of sales resulting from the component shortage that have restricted shipments was 11-12% of sales in the second quarter, or nearly 50 MSEK. The Group was still able to increase sales by 9% to almost 390 MSEK in the period. In this context, I’d like to acknowledge how my co-workers have succeeded in dealing with the challenges of the component shortage through flexibility, finding new solutions and re-planning.

EBIT was up by 24%, but negatively impacted by the loss of sales. As CEO, I can state that earnings are too low, and that there is clearly some way to go to achieve our profitability targets. But I’m confident that we’re going in the right direction, and I’m optimistic about our future. Our earnings in the second quarter would have been significantly higher if we’d had a normal supply situation. The component shortage also caused increased costs for key components, and price adjustments to our customers will feed through during coming quarters.

It’s also important to emphasize how delivery problems relate to the component shortage rather than any internal capacity problems. We decided to increase some product inventory so we can deliver quickly once the individual component is in hand.