



BE GROUP

YEAR-END REPORT BE Group AB (publ)

January – December 2020

Fourth quarter 2020

- Net sales decreased by 11% to SEK 875 M (984)
- The underlying operating result increased to SEK 12 M (9)
- The operating result increased to SEK 18 M (8)
- Result after tax increased to SEK 13 M (7)
- Cash flow from operating activities increased to SEK 152 M (85)
- Earnings per share increased to SEK 1.06 (0.57)

Full-year 2020

- Net sales decreased by 16% to SEK 3,672 M (4,359)
- The underlying operating result increased to SEK 96 M (94)
- The period was affected by items affecting comparability of SEK -40 M (-) related to centralization of warehouse and production operations in Sweden and the Baltics
- The operating result amounted to SEK 39 M (88)
- Result after tax amounted to SEK 4 M (50)
- Cash flow from operating activities increased to SEK 341 M (200)
- Earnings per share amounted to SEK 0.33 (3.87)
- The Board of Directors proposes that no dividend will be paid for the financial year of 2020

Results overview	2020	2019	Change	2020	2019	Change
	Oct-Dec	Oct-Dec		Jan-Dec	Jan-Dec	
Tonnage, thousands of tonnes	76	77	-1	307	340	-33
Net sales, SEK M	875	984	-109	3,672	4,359	-687
Underlying operating result, SEK M	12	9	3	96	94	2
Operating result, SEK M	18	8	10	39	88	-49
Profit/loss for the period, SEK M	13	7	6	4	50	-46
Earnings per share, SEK	1.06	0.57	0.49	0.33	3.87	-3.54
Cash flow from operating activities, SEK M	152	85	67	341	200	141

BE Group, which is listed on the Nasdaq Stockholm exchange, is a trading and service company in steel, stainless steel and aluminium. BE Group offers efficient distribution and value-adding production services to customers primarily in the construction and manufacturing industries. In 2020, the Group reported sales of SEK 3.7 billion. BE Group has approximately 630 employees, with Sweden and Finland as its largest markets. The head office is located in Malmö, Sweden. Read more about BE Group at www.begroup.com.



”We are now seeing a gradual market recovery combined with rising material prices”

Statement from the CEO

The weaker demand that characterised the whole year continued in the final quarter and net sales decreased by 11%. However, in recent months, we have hopefully seen a break in the trend and in December, for the first time during the year, we had net sales that were higher than last year. Despite lower sales during the quarter, the underlying operating result increased to SEK 12 M (9). This is the result of a higher gross margin in virtually all of the companies combined with good cost control.

Rising steel prices during the quarter resulted in an inventory gain of SEK 6 M, compared with an inventory loss of SEK 1 M the same period last year, and the operating result amounted to SEK 18 M. Good control of working capital resulted in a cash flow from operating activities of SEK 152 M (85).

Continued recovery

We are now seeing a gradual market recovery combined with rising material prices. In the main markets, the recovery is clear in the manufacturing industry while the construction industry is back to levels in line with the previous year. However, what will happen in 2021 as a result of Covid-19 and its development is still difficult to predict. What I do know is that BE Group will handle the situation, with a focus on customers, hard work and a belief in our basic idea and readiness to quickly shift gears both up and down.

Steel price development

The background to rising steel prices is a strong economy in Asia during 2020 with China as the net importer of steel for the first time in many years. Halfway through the year, the demand for automotive related products increased in Europe but by then, producers were cautious of building up their capacity. The alternative, to meet European demands with

imported steel, was not possible since the outside world had stronger demands and willingness to pay a significantly higher price.

With a limited availability and increasing lead times, customers started to accept rising prices during the autumn. By the end of 2020, the demand for steel accelerated further, and despite an increase in production capacity in Europe, we now see a shortage in several types of material, mainly automotive related. The shortage has led to rapid and large price increases in steel as well as raw material by the end of 2020 and the beginning of 2021.

Future outlook

We continue to focus on building a good company with a solid foundation for the future. Major projects, such as the investment in Norrköping, the centralization of warehouse and production operations to Norrköping together with the closure of the warehouse in Malmö, have been completed and will have a positive impact on 2021. The restructuring in the Baltics is running according to plan and our e-commerce portal will have a pre launch at the end of the first quarter with a full launch in the second quarter. In the fourth quarter, we also decided to broaden and increase our offering of laser-cut sheet metal in Finland through further investment in a state-of-the-art fiber laser.

In addition to the above, a lot is now about the fact that we must continuously and repeatedly implement small improvements in every part of the company. It is my absolute belief that our staff, with their commitment, persistence and flexibility, are ready to take on this task.

Peter Andersson
President and CEO

Bridge 2019-2020 operating result SEK M	Q1	Q2	Q3	Q4	Jan-Dec
Operating result 2019	34	32	14	8	88
Reversal of inventory gains (-)/losses (+)	6	0	-1	1	6
Items affecting comparability	-	-	-	-	-
Underlying operating result 2019	40	32	13	9	94
Change in sales	-12	-35	-32	-15	-94
Change in underlying gross margin	21	12	11	6	50
Change in overhead costs	-7	19	22	12	46
Underlying operating result 2020	42	28	14	12	96
Reversal of inventory gains (+)/losses (-)	-11	-2	-10	6	-17
Items affecting comparability	-35	-5	-	-	-40
Operating result 2020	-4	21	4	18	39

Comments on the report

Fourth quarter

Consolidated net sales for the period decreased by 11 percent compared to last year, amounting to SEK 875 M (984). The decrease is explained by price and mix effects of 8 percent, negative currency effects of 2 percent and slightly lower tonnage. Volume decreased sharply in the second and third quarters both in the manufacturing and construction sectors, mainly as a result of Covid-19. In the fourth quarter, the market recovered, mainly in the manufacturing industry, and the quarter ended strongly.

Gross profit amounted to SEK 135 M (138), with a stronger gross margin compared to last year of 15.5 percent (14.0). The operating result increased to SEK 18 M (8), corresponding to an operating margin of 2.1 percent (0.8). Adjusted for inventory gains and losses of SEK 6 M (-1), the underlying operating result increased to SEK 12 M (9). The underlying operating margin during the period increased to 1.4 percent (0.9).

Full-year 2020

During the year, consolidated net sales decreased by 16 percent compared to last year amounting to SEK 3,672 M (4,359). Tonnage in business area Sweden & Poland decreased by 14 percent compared to last year, while Finland & Baltics delivered 5 percent less. Net sales were negatively impacted by price and mix effects of 5 percent and currency effects of 1 percent. The period was also affected by inventory losses of SEK -17 M (-6).

Gross profit amounted to SEK 548 M (605) with a gross margin of 14.9 percent (13.9). Adjusted for inventory gains and losses gross margin increased to 15.3 percent (14.0).

The operating result amounted to SEK 39 M (88), corresponding to an operating margin of 1.1 percent (2.0). Sales and administration expenses were SEK 36 M or 7 percent lower than last year. Adjusted for inventory gains and losses of SEK -17 M (-6) and items affecting comparability of SEK -40 M (-), the underlying operating result increased to SEK 96 M (94). The underlying operating margin for the period increased to 2.6 percent (2.1).

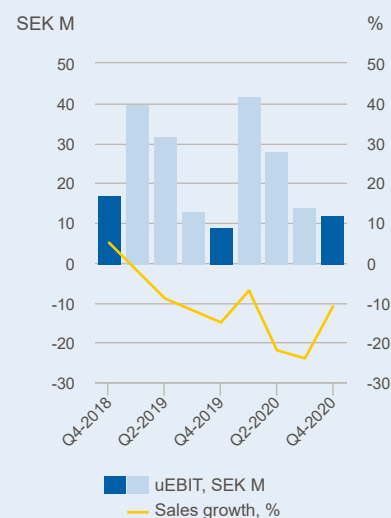
Covid-19 summary

The full scope and duration of the on-going pandemic are not yet known, which means, as previously reported, that it is not possible to fully quantify its future impact on BE Group. The uncertain market situation has led BE Group to take several measures necessary to mitigate the effects of Covid-19. This primarily concerned the operations in Sweden and the company made use of Government grants, such as the introduction of short-term lay-offs, for example. Government grants linked to Covid-19 contributed around SEK 3 M during the fourth quarter and around SEK 10 M during the year. These grants are recognized as cost-reductions of the items the grants pertains to. As a precautionary measure, the company has also applied for and been granted a deferral of tax payments of approximately SEK 30 M during the year. All of the companies in the Group focus extensively on cost control, savings and efficiency enhancements and report developments to Group Management weekly.

Net sales were, primarily in the second and third quarters, negatively impacted by Covid-19, but some recovery took place in the fourth quarter.

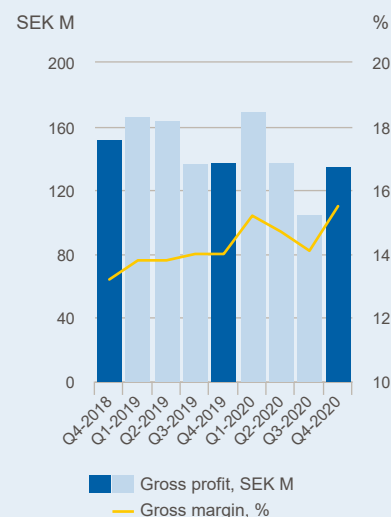
BE Group is monitoring the development closely and is prepared to take further steps to reduce the negative impact on the business. The company acts in accordance with decisions and recommendations from governments and authorities in the respective markets and with the health and well-being of its employees as a top priority.

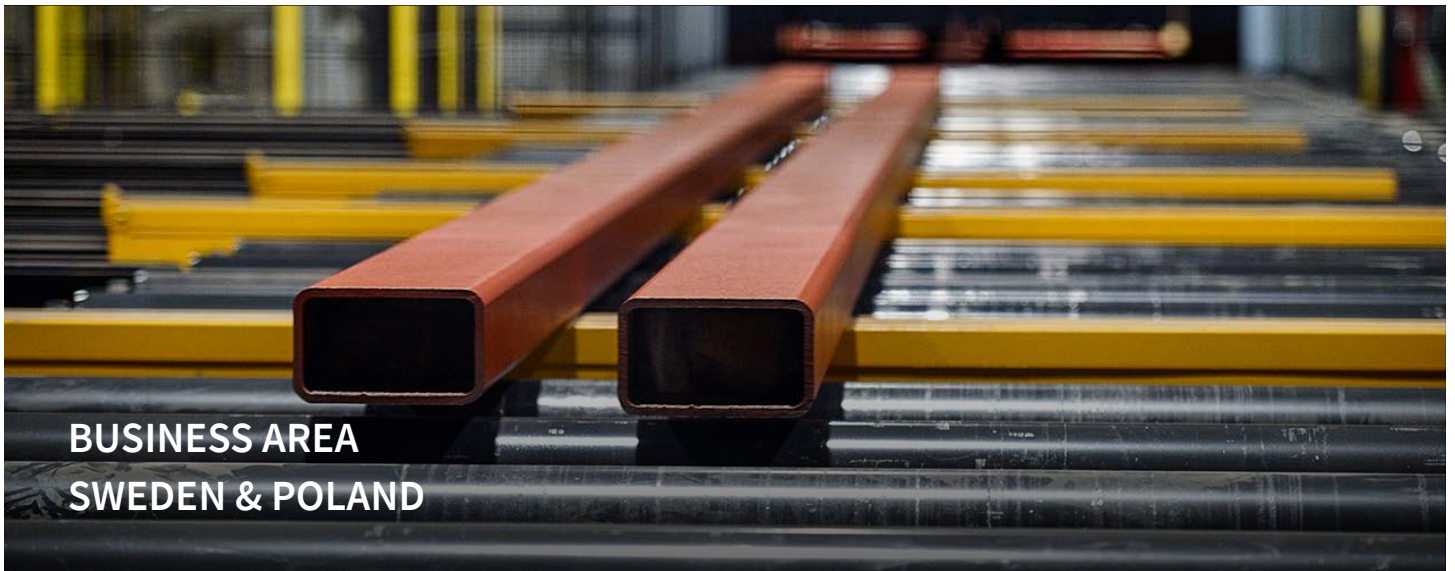
THE GROUP'S SALES GROWTH AND UNDERLYING OPERATING RESULT PER QUARTER



The comparative figures for 2018 are prepared according to previous accounting principles regarding leasing (IAS 17).

THE GROUP'S GROSS MARGIN AND GROSS PROFIT PER QUARTER





BUSINESS AREA SWEDEN & POLAND

The business area includes the Group's operations in Sweden consisting of the companies BE Group Sverige and Lecor Stålteknik, as well as the Polish operation BE Group Poland.

Fourth quarter

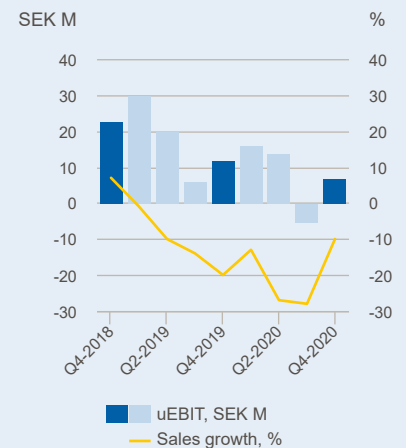
Net sales decreased by 10 percent in the fourth quarter compared to last year and amounted to SEK 439 M (489). The lower sales is explained by negative price and mix effects of 8 percent and a decrease in tonnage by 2 percent. The operating result amounted to SEK 7 M (9). Adjusted for inventory gains and losses and items affecting comparability of SEK 0 M (-2), the underlying operating result amounted to SEK 7 M (12).

The Swedish and Polish operations delivered a weaker underlying operating result compared to last year mainly as a result of negative price and mix effects but also a somewhat lower volume. The market recovered during the fourth quarter, mainly within the manufacturing industry and finished strong. Thanks to efficiency measures and improved gross margins, our joint venture AMBE provided a higher operating result compared to last year, despite a lower volume. Lecor Stålteknik provided an operating result of SEK 0 M (-2), due to increased volume and efficiency improvements.

Full-year 2020

Net sales decreased by 19 percent compared to last year, amounting to SEK 1,782 M (2,209). Operating result amounted to SEK -14 M (61) and was negatively impacted by items affecting comparability of SEK -35 M (-), related to the decision to centralize warehousing and production operations in Norrköping and to close the warehouse in Malmö, which was communicated during the first quarter. Adjusted for inventory gains and losses of SEK -11 M (-5) and the items affecting comparability, the underlying operating result amounted to SEK 32 M (67). Profit decreased mainly as a result of declining volume in the Swedish operations due to reduced activity among our largest customers as an effect of Covid-19. Lecor Stålteknik delivered a result of SEK 1 M (-11).

BUSINESS AREA SWEDEN & POLAND, SALES GROWTH AND UNDERLYING OPERATING RESULT PER QUARTER





BUSINESS AREA FINLAND & BALTICS

The business area includes the Group's operations in Finland and the three Baltic countries.

Fourth quarter

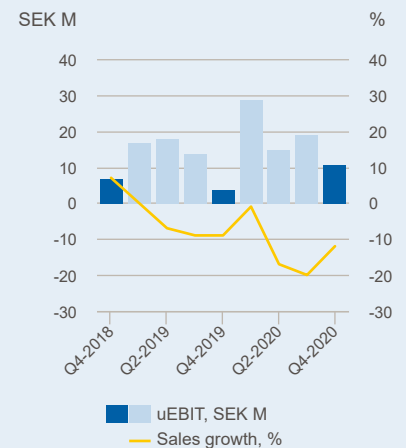
Compared to the fourth quarter last year, net sales were 12 percent lower and amounted to SEK 436 M (496). The lower sales is explained by negative price and mix effects of 9 percent and negative currency effects of 3 percent. Tonnage was unchanged compared to last year. The operating result increased to SEK 17 M (5) despite lower sales. Adjusted for inventory gains of SEK 6 M (1), the underlying operating result improved to SEK 11 M (4).

The Finnish operations delivered an improved underlying operating result despite lower sales. Lower steel prices and slightly lower tonnage are compensated by a higher gross margin through an improved customer and product mix as well as continued increased efficiency in production operations. The Baltic operations delivered an improved underlying operating result as a consequence of increased volume and sales.

Full-year 2020

Net sales decreased by 12 percent compared to last year, amounting to SEK 1,896 M (2,157). The lower sales is explained by a decrease in tonnage of 6 percent at the same time as steel prices were lower. The operating result improved to SEK 63 M (53) and was impacted by items affecting comparability of SEK -5 M (-) related to the decision to centralize warehousing and production operations in the Baltics, which was communicated during the second quarter. Adjusted for the items affecting comparability and inventory gains and losses of SEK -6 M (0) the underlying operating result increased to SEK 74 M (52), which is mainly explained by an increased gross margin and improved efficiency in the production operations in Finland.

BUSINESS AREA FINLAND & BALTICS SALES GROWTH AND UNDERLYING OPERATING RESULT PER QUARTER



Parent Company & consolidated items

Parent Company & consolidated items include the Parent Company, Group eliminations and also parts of the Group's operations undergoing restructuring. For additional information see the Annual Report for 2019.

The effects regarding IFRS 16 were reported under Parent Company & consolidated items and have not been allocated to the two business areas.

Sales for the fourth quarter of the Parent Company, BE Group AB (publ), amounted to SEK 7 M (15) during the period and derived from intra-Group services. These intra-Group services mainly include central expenses for IT and business systems, the subsidiaries' use of the BE Group brand and Finance. These expenses are distributed and invoiced to all subsidiaries in the Group. In the result follow-up of the business areas, these intra-group expenses have been eliminated except for expenses for IT and business systems which are included in the result for the business areas since the first quarter 2020. Comparative numbers have been restated. Out of the total costs for the Parent Company, of SEK 10 M (13), SEK 4 M (7) was allocated to the subsidiaries. The operating result amounted to SEK 12 M (2) in the quarter. For the full-year, net sales amounted to SEK 79 M (97) and the operating result to SEK 53 M (44).

Net financial items for the quarter amounted to SEK 15 M (7). Profit before tax amounted to SEK 12 M (9) and profit after tax amounted to SEK 15 M (5). At the end of the period, cash and equivalents in the Parent Company increased to SEK 152 M (145).

Net financial items for the full-year amounted to SEK 37 M (-3). Profit before tax amounted to SEK 75 M (48) and profit after tax was SEK 73 M (38). Investments in the Parent Company amounted to SEK 2 M (0).

Group

Net financial items and tax

The Group's consolidated net financial items in the fourth quarter amounted to SEK 1 M (5), of which net interest amounted to SEK -4 M (-6). During the quarter, interest expenses related to leasing according to IFRS 16 amounted to SEK -2 M (-3). Net financial items for the full-year amounted to SEK -28 M (-16) and net interest amounted to SEK -18 M (-22) of which SEK -11 M (-11) is related to leasing according to IFRS 16.

Taxes for the fourth quarter amounted to SEK -6 M (-6). Profit after tax amounted to SEK 13 M (7) and was SEK 4 M (50) for the full-year including items affecting comparability of SEK -40 M (-).

Cash flow

The Group's consolidated working capital amounted to SEK 343 M (549) at the end of the period and the average working capital tied-up for the fourth quarter was 11.7 percent (14.7). Cash flow from operating activities amounted to SEK 152 M (85) during the quarter, of which SEK 22 M (20) refers to IFRS 16, and to SEK 341 M (200) for the full-year of which SEK 89 M (78) refers to IFRS 16. In addition to this, approximately SEK 30 M refers to a deferral of tax payments. Cash flow from investing activities amounted to SEK -5 M (-16) during the fourth quarter and SEK -21 M (-37) for the full-year. Cash flow after investments thus amounted to SEK 147 M (69) during the fourth quarter and SEK 320 M (163) for the full-year.

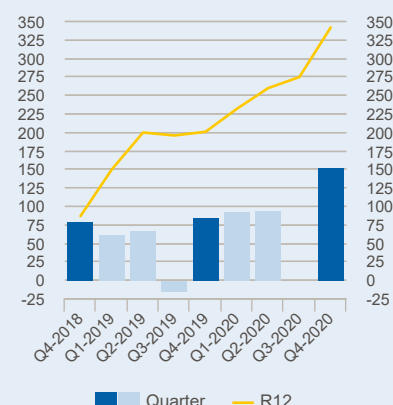
Financial position and liquidity

At the end of the period, consolidated cash and cash equivalents, including overdraft facilities, amounted to SEK 316 M (318) and the interest-bearing net debt excl. IFRS 16 was SEK 156 M (373). Equity amounted to SEK 905 M (922) at the end of the period and the net debt/equity ratio amounted to 17 percent (40).

Organization, structure and employees

The number of employees decreased to 618 compared to 639 at the same time last year. The average number of employees during the year amounted to 633 (652).

THE GROUP'S CASH FLOW FROM OPERATING ACTIVITIES, SEK M



The comparative figures for 2018 are prepared according to previous accounting principles regarding leasing (IAS 17).

The figures for 2019 and 2020 includes the effects of IFRS 16.

Other information

Significant events after the end of the period

No significant events have taken place after the end of the period.

Transactions with related parties

No transactions took place between BE Group and related parties that had a material impact on the company's financial position and results.

Annual General Meeting 2021

BE Group's Annual General Meeting will take place on April 20, 2021, at 4:00 pm in Malmö, Sweden. Further information will be published on the company's website.

Dividend

According to BE Group's dividend policy, the Group will distribute at least 50 percent of profit after tax, over time. Dividends shall be distributed taking BE Group's financial position and prospects into account. The Board of Directors proposes that no dividend be paid for the financial year of 2020.

Significant risks and uncertainties

Through its operations, BE Group is exposed to global macroeconomic factors, the competitive situation, structural changes in the market and the economy, as well as financial risks such as currency risks, interest risks, credit and counterparty risks. Within the companies of the Group, continuous processes are ongoing to identify existing risks and assess how these should be handled. The risk exposure is explained in the 2019 Annual Report, which was published in April 2020. For risks related to the consequences of Covid-19, see below.

Risks related to Covid-19 and measures taken

In the fourth quarter, BE Group continued to see a negative impact on business due to Covid-19, although there was some recovery at the end of the year. A number of measures have been implemented in the Group in the short term to counteract the effects, such as Government grants, renegotiated agreements and increased control of working capital and costs. BE Group is also looking at other possible savings measures.

It is currently not possible to fully quantify the impact that Covid-19 may have on the company. BE Group is monitoring developments closely and is prepared to take further measures to reduce the negative impact on the business. The company acts in accordance with decisions and recommendations from governments and authorities in the respective markets and with the health and well-being of its employees as a top priority.

Accounting principles

The interim report was prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company's interim report is prepared in compliance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

Government grants are reported at fair value when there is reasonable assurance that the grant will be received and the conditions associated with the grant will be met. Government grants relating to costs are reported in the income statement. During the period, grants received have been reported as cost reductions.

Refer to the 2019 Annual Report for details of the Group's other accounting principles and definitions of certain terms. The principles applied are unchanged in relation to the Annual Report. In other regards, the new standards and interpretations that have come into effect from the financial year 2020 have had no significant effect on the financial reporting.

Future information

Future reporting dates

BE Group AB (publ) intends to publish financial information on the following dates:

- The Annual Report for 2020 will be available on March 26, 2021.
- The Interim Report for January–March 2021 will be published on April 20, 2021.
- The Interim Report for January–June 2021 will be published on July 15, 2021.
- The Interim Report for January–September 2021 will be published on October 21, 2021.

Financial information is available in Swedish and English from BE Group's website and can be ordered by phone +46 (0) 40 38 42 00 or e-mail: info@begroup.com.

Malmö, January 28, 2021

BE Group AB (publ)

Peter Andersson

President and CEO

Questions concerning this report may be directed to:

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This report has not been reviewed by the company's auditors.

This information is information that BE Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication through the agency of the contact persons set out above at 2:00 pm CET on January 28, 2021.

Condensed consolidated income statement

(SEK M)	Note	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Net sales		875	984	3,672	4,359
Cost of goods sold	1	-740	-846	-3,124	-3,754
Gross profit		135	138	548	605
Selling expenses	1	-96	-98	-371	-389
Administrative expenses	1	-27	-34	-110	-128
Other operating income and expenses	2	4	2	-35	-3
Participation in joint venture		2	0	7	3
Operating profit/loss		18	8	39	88
Financial items		1	5	-28	-16
Profit/loss before tax		19	13	11	72
Tax		-6	-6	-7	-22
Profit/loss for the period		13	7	4	50
Earnings per share		1.06	0.57	0.33	3.87
Earnings per share before and after dilution		1.06	0.57	0.33	3.87

Consolidated statement of comprehensive income

(SEK M)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Profit/loss for the period	13	7	4	50
Other comprehensive income				
Items that have, or may be, reclassified to profit/loss for the period				
Translation differences	-28	-17	-21	31
Hedging of net investments in foreign subsidiaries	0	0	0	-36
Tax attributable to items in other comprehensive income	0	0	0	8
Total other comprehensive income	-28	-17	-21	3
Comprehensive income for the period	-15	-10	-17	53

Condensed consolidated balance sheet

(SEK M)	Note	2020 Dec 31	2019 Dec 31
Goodwill		557	566
Other intangible assets		5	7
Tangible assets		89	89
Right of use assets		541	540
Investment in joint venture		117	110
Financial assets		0	0
Deferred tax assets		24	21
Total non-current assets		1,333	1,333
Inventories		501	642
Accounts receivable		376	387
Other receivables		42	57
Cash and equivalents		166	168
Total current assets		1,085	1,254
Total assets	3	2,418	2,587
Equity		905	922
Non-current interest-bearing liabilities		321	536
Non-current leasing liabilities		457	449
Provisions		0	0
Deferred tax liability		42	44
Total non-current liabilities		820	1,029
Current interest-bearing liabilities		1	6
Current leasing liabilities		84	92
Accounts payable		414	398
Other current liabilities		162	139
Other current provisions		32	1
Total current liabilities		693	636
Total equity and liabilities	3	2,418	2,587

Condensed consolidated cash-flow statement

(SEK M)	2020	2019	2020	2019
	Oct-Dec	Oct-Dec	Full-year	Full-year
Operating result	18	8	39	88
Adjustment for non-cash items	22	33	134	106
– of which, amortization/depreciation	29	27	115	113
– of which, other items	-7	6	19	-7
Interest paid/received and other financial items	-5	-6	-21	-23
Income tax paid	0	4	-10	-2
Change in working capital	117	46	199	31
Cash flow from operating activities	152	85	341	200
Investments in intangible assets	0	0	0	0
Investments in tangible assets	-5	-16	-21	-25
Divestments of tangible assets	0	0	0	1
Other cash flow from investing activities	0	-	0	-13
Cash flow after investments	147	69	320	163
Cash flow from financing activities ¹⁾	-79	-18	-318	-104
Cash flow for the period	68	51	2	59
Exchange-rate difference in cash and equivalents	-4	-1	-4	1
Change in cash and equivalents	64	50	-2	60

¹⁾ In the cash flow from financing activities for the full-year 2019 SEK -23 M relates to dividend paid for 2018.

Condensed statement of changes in equity

(SEK M)	2020	2019	2020	2019
	Oct-Dec	Oct-Dec	Full-year	Full-year
Equity at beginning of period	920	932	922	892
Comprehensive income for the period	-15	-10	-17	53
Dividend	-	-	-	-23
Equity at end of period	905	922	905	922

Note 1 Amortizations and depreciations

(SEK M)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Amortization of intangible assets	1	0	3	2
Depreciation of tangible assets	6	6	23	27
Depreciation of right of use assets	22	21	89	84
Total amortizations and depreciations	29	27	115	113

Note 2 Items affecting comparability

(SEK M)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Restructuring expenses	-	-	-40	-
Total items affecting comparability	-	-	-40	-

Note 3 Valuation of financial assets and liabilities

In all material respects fair value coincides with the carrying amount in the balance sheet for financial assets and liabilities.

The assessment of the fair value of the financial assets has been carried out in accordance with level 2, with the exception of cash and equivalents, which are valued in accordance with level 1. For additional information, see Note 31 in the 2019 Annual Report. No material changes have taken place in relation to the valuation as per December 31.

Segment reporting

Net sales by business area

(SEK M)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Sweden & Poland	439	489	1,782	2,209
Finland & Baltics	436	496	1,896	2,157
Parent Company & consolidated items	0	-1	-6	-7
Group	875	984	3,672	4,359

Net sales by business area and product group

(SEK M)	Sweden & Poland		Finland & Baltics		Parent company & consolidated items		Total	
	2020 Oct-Dec	2020 Full-year	2020 Oct-Dec	2020 Full-year	2020 Oct-Dec	2020 Full-year	2020 Oct-Dec	2020 Full-year
Long steel products	216	852	122	511	0	0	338	1,363
Flat steel products	130	517	210	911	0	0	340	1,428
Stainless steel	57	268	72	343	0	0	129	611
Aluminium	14	58	24	112	0	0	38	170
Other	22	87	8	19	0	-6	30	100
Total	439	1,782	436	1,896	0	-6	875	3,672

(SEK M)	Sweden & Poland		Finland & Baltics		Parent company & consolidated items		Total	
	2019 Oct-Dec	2019 Full-year	2019 Oct-Dec	2019 Full-year	2019 Oct-Dec	2019 Full-year	2019 Oct-Dec	2019 Full-year
Long steel products	231	1,013	130	560	0	-1	361	1,572
Flat steel products	136	665	240	1,062	0	0	376	1,727
Stainless steel	84	370	91	382	0	0	175	752
Aluminium	17	76	35	136	-5	-5	47	207
Other	21	85	0	17	4	-1	25	101
Total	489	2,209	496	2,157	-1	-7	984	4,359

Net sales by country based on customer's domicile

(SEK M)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Sweden	431	477	1,743	2,156
Finland	374	441	1,681	1,872
Other	70	66	248	331
Group	875	984	3,672	4,359

Shipped tonnage per segment

(Thousands of tonnes)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Sweden & Poland	36	37	144	168
Finland & Baltics	40	40	164	173
Parent Company & consolidated items	0	0	-1	-1
Group	76	77	307	340

Operating result (EBIT) per segment

(SEK M)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Sweden & Poland	7	9	-14	61
Finland & Baltics	17	5	63	53
Parent Company & consolidated items	-6	-6	-10	-26
Group	18	8	39	88

Operating margin per segment

	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Sweden & Poland	1.7%	2.0%	-0.8%	2.8%
Finland & Baltics	4.0%	1.0%	3.3%	2.4%
Parent Company & consolidated items	neg	neg	neg	neg
Group	2.1%	0.8%	1.1%	2.0%

Underlying operating result (uEBIT) per segment ¹⁾

(SEK M)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Sweden & Poland	7	12	32	67
Finland & Baltics	11	4	74	52
Parent Company & consolidated items	-6	-7	-10	-26
Group	12	9	96	94

Underlying operating margin per segment ²⁾

	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Sweden & Poland	1.6%	2.5%	1.8%	3.0%
Finland & Baltics	2.5%	0.8%	3.9%	2.4%
Parent Company & consolidated items	neg	neg	neg	neg
Group	1.4%	0.9%	2.6%	2.1%

Depreciation per segment

(SEK M)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Sweden & Poland	4	3	13	13
Finland & Baltics	3	3	13	16
Parent Company & consolidated items	22	21	89	84
Group	29	27	115	113

Investments in tangible and intangible assets per segment

(SEK M)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Sweden & Poland	2	13	17	17
Finland & Baltics	1	2	2	7
Parent Company & consolidated items	2	1	2	1
Group	5	16	21	25

¹⁾ Operating profit/loss (EBIT) adjusted for inventory gains and losses and items affecting comparability. Inventory gains and losses are the differences between the cost of goods sold at acquisition value and the cost of goods sold at replacement cost. The Group's internal model is used to calculate inventory gains and losses and has not been subject for review by the Group's auditor.

²⁾ Underlying operating result (uEBIT) as a percentage of net sales.

Key data

(SEK M unless otherwise stated)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Net sales	875	984	3,672	4,359
Earnings measurements				
Gross result	135	138	548	605
Underlying gross result	129	138	563	609
Operating result (EBIT)	18	8	39	88
Underlying operating result (uEBIT)	12	9	96	94
Margin measurements				
Gross margin	15.5%	14.0%	14.9%	13.9%
Underlying gross margin	14.8%	14.1%	15.3%	14.0%
Operating margin	2.1%	0.8%	1.1%	2.0%
Underlying operating margin	1.4%	0.9%	2.6%	2.1%
Capital structure				
Net debt excl. IFRS 16 ¹⁾	156	373	156	373
Net debt/equity ratio excl. IFRS 16 ¹⁾	17%	40%	17%	40%
Working capital at end of period	343	549	343	549
Working capital (average)	409	578	468	570
Capital employed (average) excl. IFRS 16 ¹⁾	1,272	1,463	1,305	1,466
Working capital tied-up	11.7%	14.7%	12.8%	13.1%
Return				
Return on capital employed excl. IFRS 16 ¹⁾	5.1%	1.5%	2.3%	5.6%
Per share data				
Earnings per share (SEK)	1.06	0.57	0.33	3.87
Earnings per share after dilution (SEK)	1.06	0.57	0.33	3.87
Equity per share (SEK)	69.73	71.05	69.73	71.05
Cash flow from operating activities per share (SEK)	11.72	6.50	26.28	15.37
Shares outstanding at period end (thousands)	12,983	12,983	12,983	12,983
Number of shares (thousands) before and after dilution	12,983	12,983	12,983	12,983
Growth				
Sales growth	-11%	-15%	-16%	-9%
– of which organic tonnage growth	-1%	-17%	-10%	-10%
– of which price and mix changes	-8%	1%	-5%	-1%
– of which currency effects	-2%	1%	-1%	2%
Other				
Average number of employees	625	644	633	652
Inventory gains and losses	6	-1	-17	-6
Shipped tonnage (thousands of tonnes)	76	77	307	340

¹⁾ To visualize the development of BE Group's financial position, some information is in the key figure overview that is not defined in IFRS. A reconciliation/bridge between alternative performance measures used in this report and the closest IFRS measure is presented under Alternative performance measures.

Condensed parent company income statement

(SEK M)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Net sales	7	15	79	97
Administrative expenses	-10	-13	-42	-53
Other operating income and expenses	15	0	16	0
Operating profit/loss	12	2	53	44
Financial items	15	7	37	-3
Profit/loss after financial items	27	9	90	41
Appropriations	-15	-	-15	7
Profit/loss before tax	12	9	75	48
Tax	3	-4	-2	-10
Profit/loss for the period, or comprehensive income for the period	15	5	73	38

Condensed parent company balance sheet

(SEK M)	2020 Dec 31	2019 Dec 31
Intangible assets	1	1
Tangible assets	2	0
Financial assets	906	914
Total non-current assets	909	915
Current receivables	108	252
Cash and equivalents	152	145
Total current assets	260	397
Total assets	1,169	1,312
Equity	715	642
Non-current liabilities	305	536
Current liabilities	149	134
Total equity and liabilities	1,169	1,312

Key data – multi-quarter summary

(SEK M unless otherwise stated)	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec	2019 Jul-Sep	2019 Apr-Jun	2019 Jan-Mar	2018 Oct-Dec
Net sales	875	744	935	1,118	984	977	1,193	1,205	1,154
Earnings measurements									
Gross result	135	105	138	170	138	137	164	166	152
Underlying gross result	129	114	140	180	138	136	163	172	151
Operating result (EBIT)	18	4	21	-4	8	14	32	34	22
Underlying operating result (uEBIT)	12	14	28	42	9	13	32	40	17
Margin measurements									
Gross margin	15.5%	14.1%	14.7%	15.2%	14.0%	14.0%	13.8%	13.8%	13.2%
Underlying gross margin	14.8%	15.3%	14.9%	16.1%	14.1%	13.9%	13.7%	14.2%	13.1%
Operating margin	2.1%	0.5%	2.2%	-0.4%	0.8%	1.5%	2.7%	2.8%	1.9%
Underlying operating margin	1.4%	1.8%	3.0%	3.8%	0.9%	1.4%	2.6%	3.3%	1.4%
Capital structure									
Net debt excl. IFRS 16 ¹⁾	156	281	254	322	373	431	402	418	440
Net debt/equity ratio excl. IFRS 16 ¹⁾	17%	30%	27%	34%	40%	46%	44%	45%	49%
Working capital at end of period	343	474	455	520	549	608	553	568	572
Working capital (average)	409	464	487	534	578	580	560	570	594
Capital employed (average) excl. IFRS 16 ¹⁾	1,272	1,258	1,258	1,389	1,463	1,477	1,481	1,459	1,446
Working capital tied-up	11.7%	15.6%	13.0%	11.9%	14.7%	14.8%	11.7%	11.8%	12.9%
Return									
Return on capital employed excl. IFRS 16 ¹⁾	5.1%	0.5%	5.8%	-1.2%	1.5%	4.0%	8.2%	9.2%	6.0%
Per share data									
Earnings per share (SEK)	1.06	-0.32	1.34	-1.75	0.57	0.30	1.44	1.56	0.83
Earnings per share after dilution (SEK)	1.06	-0.32	1.34	-1.75	0.57	0.30	1.44	1.56	0.83
Equity per share (SEK)	69.73	70.87	70.92	72.19	71.05	71.80	71.00	71.03	68.67
Cash flow from operating activities per share (SEK)	11.72	0.06	7.32	7.18	6.50	-1.03	5.11	4.79	6.13
Shares outstanding at period end (thousands)	12,983	12,983	12,983	12,983	12,983	12,983	12,983	12,983	12,983
Number of shares (thousands) before and after dilution	12,983	12,983	12,983	12,983	12,983	12,983	12,983	12,983	12,983
Growth									
Sales growth	-11%	-24%	-22%	-7%	-15%	-12%	-9%	-2%	5%
– of which organic tonnage growth	-1%	-16%	-17%	-5%	-17%	-11%	-9%	-2%	3%
– of which price and mix changes	-8%	-6%	-5%	-3%	1%	-2%	-1%	-2%	-1%
– of which currency effects	-2%	-2%	0%	1%	1%	1%	1%	2%	3%
Other									
Average number of employees	625	636	637	637	644	646	652	664	666
Inventory gains and losses	6	-10	-2	-11	-1	1	0	-6	1
Shipped tonnage (thousands of tonnes)	76	64	77	90	77	75	92	96	93

¹⁾ To visualize the development of BE Group's financial position, some information is in the key figure overview that is not defined in IFRS. A reconciliation/bridge between alternative performance measures used in this report and the closest IFRS measure is presented under Alternative performance measures.

The comparative figures for 2018 are prepared according to previous accounting principles regarding leasing (IAS 17).

Alternative performance measures

The Group uses a number of alternative performance measures in its report. The alternative performance measures that BE Group considers significant are the following:

Underlying operating result (uEBIT)

(SEK M)	2020 Oct-Dec	2019 Oct-Dec	2020 Full-year	2019 Full-year
Operating result	18	8	39	88
Reversal of inventory gains (-)/losses (+)	-6	1	17	6
Adjustment for items affecting comparability	-	-	40	-
Group	12	9	96	94

Working capital

(SEK M)	2020 Dec 31	2019 Dec 31
Inventories	501	642
Accounts receivable	376	387
Other receivables	42	57
Deduction accounts payable	-414	-398
Deduction other current liabilities	-162	-139
Rounding	-	-
Group	343	549

Average working capital is an average for each period based on quarterly data.

Net debt excl. IFRS 16

(SEK M)	2020 Dec 31	2019 Dec 31
Non-current interest-bearing liabilities and leasing liabilities	778	985
Current interest-bearing liabilities and leasing liabilities	85	98
Deduction leasing liabilities	-541	-541
Deduction financial assets	0	0
Deduction cash and equivalents	-166	-168
Rounding	-	-1
Group	156	373

Net debt/equity ratio excl. IFRS 16 is calculated as net debt excl. IFRS 16 divided by Equity.

Capital employed excl. IFRS 16

(SEK M)	2020 Dec 31	2019 Dec 31
Equity excl. IFRS 16	912	927
Non-current interest-bearing liabilities and leasing liabilities	778	985
Current interest-bearing liabilities and leasing liabilities	85	98
Deduction leasing liabilities	-541	-541
Rounding	-	-1
Group	1,234	1,468

Average capital employed excl. IFRS 16 is an average for each period based on quarterly data.

Definitions of key data

Adjusted results measurements	
Underlying gross result	The underlying gross result is the reported gross result adjusted for inventory gains and losses (deductions for gains and additions for losses).
Underlying operating result (uEBIT)	Operating result (EBIT) before items affecting comparability adjusted for inventory gains and losses (deductions for gains and additions for losses).
Items affecting comparability	Items that do not have any link to the normal operations of the Group or that are of a non-recurring nature, where a reporting together with other items in the consolidated comprehensive income statement would have given a comparison distortion effect that would have made it difficult to judge the development of the ordinary operations for an outside viewer.
Adjusted margin measurements	
Underlying gross margin	Underlying gross result as a percentage of net sales.
Underlying operating margin	Underlying operating result (uEBIT) as a percentage of net sales.
Capital structure	
Net debt excl. IFRS 16	Interest-bearing liabilities excluding leasing liabilities acc. to IFRS 16 less cash and equivalents and financial assets.
Net debt/equity ratio excl. IFRS 16	Net debt excl. IFRS 16 divided by equity excl. IFRS 16.
Working capital	Inventories and current receivables less current liabilities, excluding provisions and interest-bearing liabilities.
Working capital (average)	Inventories and current receivables less current liabilities, excluding provisions and interest-bearing liabilities. This measure represents an average for each period based on quarterly data.
Capital employed excl. IFRS 16	Equity excl. IFRS 16 plus interest-bearing liabilities excl. leasing liabilities acc. to IFRS 16.
Capital employed (average) excl. IFRS 16	Equity excl. IFRS 16 plus interest-bearing liabilities excl. leasing liabilities acc. to IFRS 16. This measure represents an average for each period based on quarterly data.
Working capital tied-up	Average working capital, as a percentage of annually adjusted net sales.
Return on capital	
Return on capital employed excl. IFRS 16	Annually adjusted operating result excl. IFRS 16, as a percentage of average capital employed excl. IFRS 16.
Per share data	
Earnings per share	Profit/loss for the period divided by the average number of shares outstanding during the period.
Equity per share	Equity divided by the number of shares outstanding at the end of the period.
Cash flow per share from operating activities	Cash flow from operating activities divided by the average number of shares for the period.
Shares outstanding at the end of the period	Shares outstanding at the end of the period adjusted for rights issues and share splits.
Average number of shares	Weighted average number of shares outstanding during the period, adjusted for rights issued and share splits.
Growth	
Sales growth	Change in net sales from the preceding period in percent.
Other	
Inventory gains and losses	The difference between the cost of goods sold at acquisition value and the cost of goods sold at replacement cost.

Please refer to the 2019 annual report for other definitions of key data.



About BE Group

A leading steel service company in Northern Europe

BE Group is a trading and service company in the steel and metal industry. Customers mainly operate in the construction and manufacturing industries in Sweden, Finland and the Baltic States, where BE Group is one of the market's leading actors.

With extensive expertise and efficient processes in purchasing, logistics and production, BE Group offers inventory sales, production service and direct deliveries to customers based on their specific needs for steel and metal products. BE Group has approximately 630 employees and sales of SEK 3.7 billion in 2020. The head office is located in Malmö, Sweden.

BUSINESS IDEA

BE Group is an independent efficient distributor of steel, stainless steel, aluminum and value adding services to Nordic manufacturing and construction companies.

Number of employees

approx. 630

Net sales

**SEK 3.7
billion**

