

BEWiSynbra Interim report October – December 2020

Key highlights fourth quarter 2020

- Sales growth of 25 per cent, 3 per cent excl. acquisitions
- EBITDA improvement and volume increase in all segments
- Divestment of properties in the Netherlands
- Commencement of recycling facility in Portugal

“ Continued growth
from volume increase
and strengthened
market positions ”

Oct – Dec 2020

- Net sales of EUR 130.2 million (104.0)
- Adjusted EBITDA was EUR 17.7 million (9.5)
- Operating income (EBIT) was EUR 12.5 million (1.2)

Jan – Dec 2020

- Net sales of EUR 462.6 million (429.9)
- Adjusted EBITDA was EUR 66.2 million (51.8)
- Operating income (EBIT) was EUR 42.5 million (20.3)

CONSOLIDATED KEY FIGURES

Amounts in million EUR (except percentage)

	Q4 2020	Q4 2019	2020	2019
Net sales	130.2	104.0	462.6	429.9
Operating income (EBIT)	12.5	1.2	42.5	20.3
EBITDA	21.5	8.6	72.9	48.0
EBITDA margin (%)	16.5%	8.3%	15.8%	11.1%
Adjusted EBITDA	17.7	9.5	66.2	51.8
Adj. EBITDA margin (%)	13.6%	9.2%	14.3%	12.0%
Items affecting comparability	3.8	-0.9	6.7	-3.9
Net profit/loss for the period	14.7	-2.9	32.2	5.6
Capital Expenditure (CAPEX)	-15.1	-4.9	-26.6	-14.3

COMMENTS FROM THE CEO

We are delivering another quarter with solid operational performance. We grow our sales by 25 per cent over the fourth quarter last year, driven by higher volumes in all segments, in addition to the contribution from acquired companies. Most of our operating units also record improved EBITDA, which is impressive given the demanding work environment coming from the covid-19 pandemic.

During the fourth quarter, the integration of the Norwegian packaging and insulation company BDH Holding AS, acquired in August, progressed as planned. In December, we appointed Stein Inge Liasjø as the new managing director of the Norwegian operations, and the new structure of our business in Norway is now well in place.

In the quarter, we also continued our strategy to divest properties to release capital in support of our growth strategy. Following the divestment of properties in Denmark for approximately EUR 10 million in the third quarter, we divested properties in the Netherlands of approximately EUR 33 million in the fourth quarter.

In BEWiSynbra, both organic- and M&A growth initiatives, remains a high priority. Through the last three months of 2020, we continued our investments in two important greenfield developments; our recycling facility in Portugal and our new fish box facility at Senja. At the same time, we invested in new machinery and technology at several other facilities, all to position ourselves for further growth. Going into 2021, we have a strong pipeline of M&A growth opportunities.

During the last quarter of 2020, the raw material prices increased compared to the previous quarter, although still at lower levels than the fourth quarter of 2019, and with some variations between the months. Segment RAW experienced a strong underlying demand, while our insulation segment recorded slightly improved volumes, coming from the Nordic market. The industrial construction market in Benelux continue to be weak, but we saw an improvement in the housing market in the region. In Packaging and Components, we experienced volume increase in all regions, in particular in Norway.

2020 ended up being an extraordinary year due to the pandemic that disrupted the world economy and challenged us all. In BEWiSynbra, we have also completed some large transactions during the year, putting an extra strain on our people. Still, we continue to demonstrate profitable growth year over year, all thanks to our fantastic employees that really make the difference.

Summing up, stable operations and recent divestments provide us with a strong cash position. This, combined with ongoing growth initiatives, gives us a very solid foundation for further growth entering 2021.

Christian Bekken, CEO
Trondheim, 23 February 2021



FINANCIAL REVIEW

FOURTH QUARTER

Net sales increased to EUR 130.2 million (104.0) for the fourth quarter, corresponding to an increase of 25.2 per cent. The increase was driven by a combination of improved volumes and contribution from acquisitions. FX effects had a minor impact.

Adjusted EBITDA increased by EUR 8.2 million to EUR 17.7 million (9.5), of which EUR 3.0 million of the increase is related to acquisition. The remainder was driven by increased volumes in segment RAW and the fish box operations in Norway, as well as the favourable cost for raw materials. On the contrary, the insulation business in the Benelux region was weaker in the quarter compared to the same quarter of 2019.

For more information on the change in net sales and EBITDA from the corresponding periods of 2019, see the bridges included on page 14.

Operating income (EBIT) came in at EUR 12.5 million (1.2), up by EUR 11.3 million over the same period last year. The quarter was positively impacted by capital gains of EUR 4.6 million from sale and leaseback transactions of property in the Netherlands.

Net financial items amounted to a positive EUR 0.6 million (-3.2), as the quarter benefitted from a EUR 3.9 million positive fair value revaluation of shares received as consideration in the sale and leaseback transactions.

Taxes amounted to a positive EUR 1.6 million (-0.9), including a positive tax effect of EUR 4.3 million resulting from the tax-free sale and leaseback transactions in the quarter. Tax was also positively impacted by the tax-free revaluation of shares and adjusting for these non-recurring items, the effective tax rate was 29 per cent.

Net profit for the quarter was EUR 14.7 million (-2.9).

FULL YEAR

Net sales increased to EUR 462.6 million for 2020 (429.9), corresponding to an increase of 7.6 per cent, driven by acquisitions. Besides a slowdown in the Benelux region, volumes were stable or developed positively compared to 2019 in all regions and segments. Still, due to lower raw material prices, the organic growth ended at a negative 2.2 per cent.

Adjusted EBITDA increased by EUR 14.4 million to EUR 66.2 million (51.8), of which EUR 4.1 million of the increase is related to acquisitions. As for the quarter, the organic growth for the year was mainly driven by higher volumes in segment RAW and in the Norwegian fish box operations. The styrene gross margin (GAP) also improved throughout the year, driven by a strong underlying demand. Favourable raw material prices positively impacted the downstream segments, in particular Insulation. In addition, good cost control and a positive development in the Swedish operations also impacted the results for 2020 positively.

Operating income (EBIT) came in at EUR 42.5 million (20.3), positively impacted by the reversal of negative goodwill of EUR 3.5 million in an associated company in France.. Capital gains of EUR 6.3 from sale and leaseback transactions and sale of machinery also contributed positively..

Net financial items came at a negative EUR 7.3 million (-11.0) and benefitted from a EUR 3.9 million positive fair value revaluation of shares.

Taxes came in at EUR 3.0 million (3.7), including a positive effect of EUR 4.9 million from the sale and leaseback transactions recorded during the year. Tax was also positively impacted by the tax-free revaluation of shares and adjusting for these non-recurring items the effective tax rate was 30 per cent.

Net profit for 2020 was EUR 32.2 million (5.6).

SEGMENT RAW

A quarter with increasing production volumes, good demand, and stable margins.

Key figures

Million EUR	Q4-20	Q4-19	2020	2019
Net Sales	50.4	47.1	191.2	206.7
Of which internal	14.0	12.4	56.5	71.6
Of which external	36.4	34.7	134.7	135.1
Net operating expenses	-48.3	-47.6	-181.8	-201.7
Adjusted EBITDA	2.1	-0.4	9.4	5.0
Adjusted EBITDA %	4.2%	-0.9%	4.9%	2.4%
Items affecting comparability	0.0	0.0	0.5	-0.1
EBITDA	2.1	-0.4	9.9	4.9
Depreciations	-0.9	-0.9	-3.7	-3.5

Fourth quarter 2020

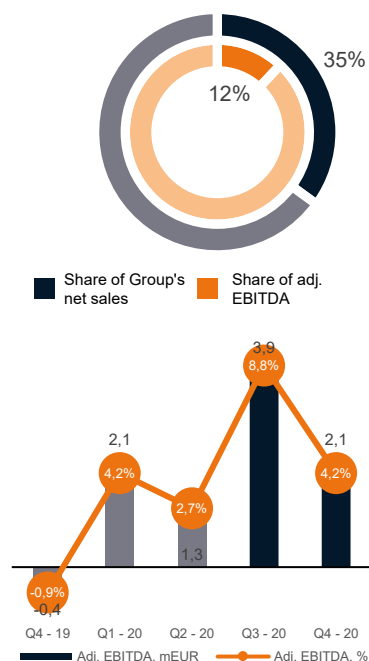
Net sales amounted to EUR 50.4 million for the quarter (47.1), an increase of 7.0 per cent over the fourth quarter of 2019, mainly explained by a volume increase of approximately 14 per cent. The underlying raw material prices are lower than for the same period last year, explaining why the increase in net sales is not as high as the volume increase. The higher volumes result from a well-run production, increased production capacity from operational excellence programmes, combined with good sales efforts and a strong underlying demand.

Adjusted EBITDA was EUR 2.1 million for the quarter (-0.4). The improved EBITDA was driven by the volume increase, as well as strengthened demand compared to the same period last year. The styrene prices have continued to increase in the quarter, although shifting slightly up and down between each month, resulting in a GAP (styrene gross margin) within normal levels. The EBITDA was somewhat impacted by extra cost coming from temporary personnel, driven by covid-19, as well as some extra maintenance cost to enable the higher production capacity.

Full year 2020

Net sales for the full year 2020 came in at EUR 191.2 million (206.7). The segment had an overall volume increase of approximately 12 per cent, however, lower raw material prices result in the sales decrease of 7.5 per cent.

Adjusted EBITDA increased to EUR 9.4 million in 2020 (5.0), driven by higher volume, stable production and improved gross margin.



About RAW

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

SEGMENT INSULATION

Improving volumes in the Nordic market and the slow recovery of the housing market in Benelux, driven mainly by renovation. The industrial construction market in Benelux continues to be weak.

Key figures

Million EUR	Q4-20	Q4-19	2020	2019
Net Sales	38.6	31.7	146.6	139.3
Of which internal	0.7	0.2	2.4	2.1
Of which external	37.8	31.5	144.1	137.2
Net operating expenses	-31.1	-26.8	-120.1	-117.0
Adjusted EBITDA	7.5	5.0	26.5	22.3
Adjusted EBITDA %	19.3%	15.7%	18.1%	16.0%
Items affecting comparability	5.8	-0.2	5.9	-1.4
EBITDA	13.2	4.7	32.4	20.9
Depreciations	-2.5	-1.5	-7.4	-4.9

Fourth quarter 2020

Net sales for the fourth quarter increased by 21.5 per cent to EUR 38.6 million for (31.7). Excluding acquisitions, sales decreased by 0.2 per cent. Volumes increased in the Nordics, but showed a net decrease in the Benelux, although a slow recovery was noted in the housing market in the region.

Adjusted EBITDA amounted to EUR 7.5 million for the quarter (5.0), up by 50.0 per cent, and up by 21.3 per cent excluding acquisitions. The positive development is explained by higher volumes, favourable raw material prices and improved performance, as well as contribution from the German joint venture. In addition, cost structures have been adapted in regions needed.

The project to consolidate the production footprint in Sweden moved into the final stage in the quarter. The production facility in Norrtälje was transferred to Norrköping and closed in December. Installation of a new extrusion production line and other equipment progressed as planned. Most of the investments related to this project were accounted for in the quarter and the project has already contributed to improved results.

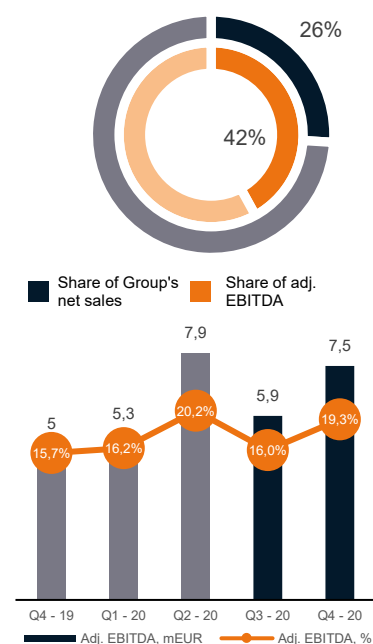
Full year 2020

Net sales amounted to EUR 146.6 million 2020 (139.3), an increase of 5.2 per cent. Excluding acquisitions, sales decreased by 5.7 per cent. Volumes in the Nordics have been stable during the year while a slowdown has been noted in the Benelux area.

Adjusted EBITDA came in at EUR 26.5 million for the full year (22.3), representing a margin increase from 16.0 to 18.1 per cent. Excluding acquisitions, adjusted EBITDA increased by 11.8 per cent to EUR 26.5 million. The positive development is explained by lower raw material prices and an adapted cost structure, as well as positive development and contribution from the Swedish operations and the German joint venture.

About Insulation

Segment Insulation develops and manufactures an extensive range of insulation products for the construction industry. The products are primarily composed of EPS and XPS. BEWI is one of the larger European manufacturers of EPS-based insulation products. The Benelux is the main market representing more than 50 per cent of total sales within the business area. BEWI has 17 facilities in 6 countries producing insulation products. In addition, the Group has minority interests in 6 facilities in France, 6 facilities in Germany and 3 in the UK.



SEGMENT PACKAGING AND COMPONENTS (P&C)

Stable end markets with volume increase across all regions

Key figures

Million EUR	Q4-20	Q4-19	2020	2019
Net Sales	54.6	37.3	179.9	157.6
Of which internal	0.6	0.3	2.3	2.5
Of which external	54.0	37.0	177.6	155.1
Net operating expenses	-45.9	-30.6	-145.8	-128.7
Adjusted EBITDA	8.7	6.7	34.1	28.9
Adjusted EBITDA %	16.0%	18.0%	19.0%	18.3%
Items affecting comparability	-1.2	0.0	2.1	-0.4
EBITDA	7.5	6.7	36.2	28.4
Depreciations	-3.5	-2.8	-12.3	-11.5

Fourth quarter 2020

Net sales amounted to EUR 54.6 million for the quarter (37.3), up by 46.5 per cent. Excluding acquisitions, net sales were up by 6.1 per cent. Volumes increased in all regions, with the largest increase noted for fish boxes in Norway. Sales to the automotive industry continued to improve.

Adjusted EBITDA increased by 30.2 per cent to EUR 8.7 million (6.7). Excluding acquisitions, the increase was 8.1 per cent. The positive development came from volume increase, continuing good outcome from the turnaround case in Sweden and good cost control.

In the quarter, BEWI continued its investments in the new facility for fish boxes at Senja, where the Company has a long-term supply agreement with SalMar. Production is expected to commence in the third quarter of 2021. In addition, investments were initiated in new production technology at the facility in Stjørdal, Norway, where production is expected to commence in the first half of 2021 under a supply agreement with a new customer.

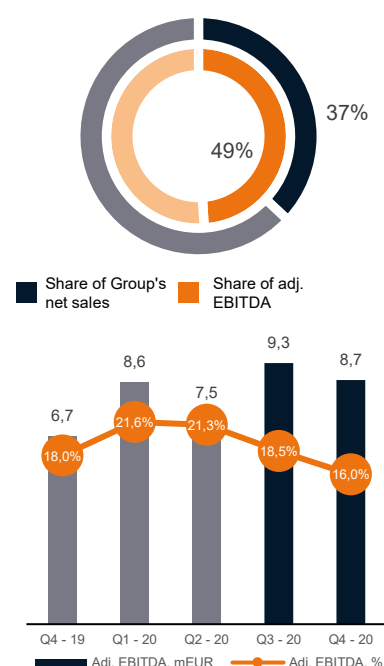
Full year 2020

Net sales for the full year of 2020 came in at EUR 179.9 (157.6), an increase of 14.2 per cent. Adjusted for acquisitions, net sales decreased by 2.8 per cent. As sold volumes increased, the negative organic growth is explained by lower sales prices as a consequence of lower raw material prices.

Adjusted EBITDA increased by 18.3 per cent to EUR 34.1 million (28.9). Excluding acquisitions, adjusted EBITDA increased by 10.3 per cent. The volume increase, product mix, continuing good outcome from the turnaround case in Sweden and good cost control have all contributed to the positive development.

About Packaging & Components, P&C

Segment P&C develops and manufactures standard and customised packaging solutions and technical components for customers in many industrial sectors. Examples include boxes for transportation of fresh fish and other food, protective packaging for pharmaceuticals and electronics, and components for cars and heating systems. The material is composed primarily of EPS, EPP and fabricated foam. BEWI has 19 facilities in 6 countries producing P&C components. Also, the Group has minority interests in 2 facilities in the UK.



CIRCULAR AND CORPORATE

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

At the end of 2020, Circular had an annual recycling capacity of approximately 20,000 tonnes. The capacity was significantly strengthened during 2020, in particular following the commencement of the new recycling facility in Portugal in October.

In Denmark, integration efforts following the acquisition of certain strategic assets in 2020, including an extruder for recycling, continued in the fourth quarter. The recycling operations commenced in December, adding further recycling capacity to the Group.

Since establishing Circular, several activities to increase the collection and recycling of EPS have been launched. Further, in local operations initiatives to minimise waste and innovate sustainable products are introduced ongoing. This includes BEWiSynbra's "Recycled Inside", which is EPS from up to 100 per cent recycled material. Recycled Inside is developed for a reduced climate footprint and to produce more environmentally friendly products. With properties on par with virgin EPS, it saves natural resources and lowers CO2 emissions. The material is one of several results of BEWSynbra's ambition for a circular economy.

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

For the fourth quarter of 2020, the unallocated contribution amounted to a negative EUR 0.7 million (-1.7), of which EUR 0.3 million related to start-up costs for the new recycling facility in Portugal. For the full year of 2020, the contribution was negative EUR 3.8 million (-4.4), of which EUR 0.6 million related to the same facility.

FINANCIAL POSITION AND LIQUIDITY

Consolidated financial position

Total assets amounted to EUR 540.1 million as of 31 December 2020, compared to EUR 445.1 million at year-end 2019. The increase since last year is mainly related to acquisitions.

Total equity amounted to EUR 189.5 million as of 31 December 2020, compared to EUR 150.1 million at year-end 2019.

Net debt amounted to EUR 177.4 million as of 31 December 2020 (98.9 excluding IFRS 16), compared to EUR 134.4 million at year-end 2019 (101.5 excluding IFRS 16). The increase since year-end 2019 is mainly attributable to IFRS 16 lease liabilities in acquired companies.

Cash and cash equivalents were EUR 44.2 million as of 31 December 2020, compared to EUR 56.3 million at year-end 2019.

Consolidated cash flow

Cash flow from operating activities amounted to EUR 21.5 million in the fourth quarter (19.5), including a reduction of the working capital of EUR 15.3 million (15.7), following normal seasonality for working capital. The cash flow was negatively impacted by payment of income taxes deferred from previous periods.

For the full-year period, cash flow from operating activities amounted to EUR 34.5 million (35.9), including an increase in working capital of EUR 5.1 million (decrease of 5.7). The increase in working capital in 2020 is mainly related to companies acquired and increased business activity throughout the year. Government initiatives related to covid-19 and payment of VAT and social security charges had a positive impact of EUR 1.2 million for the full year.

Cash flow used for investing activities amounted to EUR 12.3 million (-7.3) for the fourth quarter, positively impacted by a net cash contribution of EUR 27.1 million from the sale and leaseback transactions in the Netherlands.

For the full-year period, cash flow from investing activities amounted to EUR 2.7 million (-19.1), whereas divestments of real estate and machinery contributed EUR 43.3 million.

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

Cash flow from financing activities amounted to EUR -19.1 million (21.8) in the fourth quarter, mainly affected by the repayment of a SEK 175 million (equivalent to EUR 16.7 million) draw-down of overdraft facilities. In the corresponding quarter of 2019, cash flow from financing activities was positively impacted by a bond refinancing.

For 2020, cash flow from financing activities amounted to a negative EUR 49.1 million (16.1), mainly impacted by the EUR 14.9 million bond redemption and the refinancing of acquired companies.

Capital expenditures

BEWiSynbra has launched a financial target of annual investments of EUR 12.5-15.0 million excluding greenfield initiatives. As the company is growing, the financial target for investments will be revised.

In 2020, the uncertain market circumstances resulted in lower capital expenditures ("CAPEX") related to normal running operation. However, the company invested more in greenfield projects and other projects related to specific customer contracts securing future growth.

For the fourth quarter of 2020, CAPEX totalled EUR 15.1 million (4.9), of which EUR 9.9 million related to greenfield projects, consisting of the new recycling facility in Portugal, two customer specific investments for P&C in Norway, and a new extrusion line for Insulation in Norrköping in Sweden.

For the full year of 2020, CAPEX amounted to EUR 26.6 million (14.3), of which EUR 13.3 million related to greenfield projects. See below for further details about the investment programmes/ greenfield projects.

BEWiSynbra expects investments for 2021 to be in line with the announced financial target, in addition to investments of approximately EUR 7.5 million to finalise ongoing investment programs, as described below. The number excludes further investments in the company's ERP systems which will depend on the progress of the project.

Currently, the following investment programmes are ongoing:

Packaging & Components Norway

BEWiSynbra is establishing a new fish box facility at Senja, Norway, where the company has a long-term supply agreement with SalMar. Production is expected to commence in the third quarter of 2021.

In addition, the company is investing in new technology at its facility in Stjørdal to produce moulded components under a supply agreement with a new customer in the energy sector. Here, production is expected to commence in the first half of 2021.

Insulation Sweden

Early 2020, BEWiSynbra announced its acquisition of an insulation facility in Norrköping Sweden. As communicated at that time, the project also included investments in technology and machinery.

The project progressed during 2020, including the investment in modern extrusion technology at the new facility, improving production capacity and efficiency. Also, as planned, the operations previously located in Norrtälje were transferred to the new facility in Norrköping, after which the facility in Norrtälje was closed in the fourth quarter.

Circular Portugal

As previously communicated, BEWiSynbra has invested in a greenfield recycling project in Portugal, including a new extrusion production line. The new production line increases the company's recycling capacity by more than 10,000 tons, thus a significant strengthening in line with the company's strategic priority to become fully circular. The production commenced in the fourth quarter and is expected to be ramping up during 2021.

ICT

To facilitate growth, BEWiSynbra invested in a new ICT platform with new infrastructure in 2020. The new platform can be scaled up or down as needed. In the coming years, additional investments will be made for a new modern ERP system, and blueprints will be developed during 2021 and 2022. The roll-out of the ERP system will be decided by the subsidiaries of the company, based on clearly identified benefits.

ORGANISATION

As of 31 December 2020, BEWiSynbra Group had 1,437 people employed, up from 1,266 on 31 December 2019.

THE PARENT COMPANY

The BEWiSynbra Group AB (publ.) is the Parent Company of the Group. Earnings after tax amounted to SEK 25.6 million in the fourth quarter (6.1) and SEK 12.3 million for the full-year period (15.8).

As of 31 December 2020, equity in the Parent Company amounted to SEK 1,532.2 million, compared to SEK 1,389.3 million at year-end.

IMPORTANT EVENTS IN THE QUARTER

Divestment of properties

On 16 October, BEWiSynbra announced that the company had entered into a letter of intent to divest properties in the Netherlands to KMC Properties. The divestments, which were done in the form of a sale-and-leaseback transaction, were closed in December for a total consideration of EUR 33 million, of which NOK 60 million was settled in shares in the listed entity KMC Properties ASA at NOK 7 per share.

The divestments are in line with BEWiSynbra's strategy to release capital in support of the Company's growth strategy.

Following the divestments of properties in both Denmark and the Netherlands in 2020, depreciation will increase by EUR 1.0 million annually, while interest expense will increase by EUR 1.3 million annually going forward.

Other events

The shares of the parent company, BEWi ASA, were admitted to trading at the trading facility Euronext Growth (previously named Merkur Market) on 28 August 2020. During the fourth quarter, the Company prepared for a full listing at Oslo Børs and on 18 December 2020, the Company could celebrate its first day of listing at the Oslo Børs under the symbol BEWi.

COVID-19

In 2020, the covid-19 pandemic caused disruptions to the world economy, including increased uncertainty across regions and industries. For BEWi, the Group's integrated and diversified business model proved robust and resilient. While some industries were significantly negatively affected, others were less impacted, and yet other industries experienced increased volumes in 2020 compared to 2019.

Throughout the year, BEWiSynbra initiated measures to reduce costs and utilised support measures implemented by European countries to a limited extent. Short time work and temporary layoffs were implemented in countries where revenue and production were impacted the most.

Temporary government grants amounted to EUR 0.1 million for the fourth quarter and EUR 0.5 million for the full year of 2020. Various government initiatives to postpone payments of corporate income tax, VAT and social security were used during the year, but most of the deferred payments were settled in the fourth quarter. As of 31 December 2020, a total of EUR 1.2 million was deferred.

SHARE INFORMATION

As of 31 December, the number of shares outstanding amounted to 143,943,671 with a quota value of SEK 0.0097. Each share entitles to one vote. All shares issued are fully paid.

SIGNIFICANT RISKS AND UNCERTAINTIES

The Group's and the Parent Company's risks and risk management are described in the 2019 Annual Report.

SUBSEQUENT EVENTS

There are no subsequent events to report.

OUTLOOK

So far in 2021, volumes remain solid and the underlying market development in most countries seem to be characterised by cautious optimism related to the ongoing vaccination programmes for covid-19 being rolled out all over Europe. Still, uncertainty related to how the pandemic will develop, and potentially impact certain end-markets remains

high. BEWiSynbra is closely monitoring this development and the company's diversified business model has proven very robust in challenging times.

The raw material prices have continued to increase going into 2021, This could potentially impact the margins for segment RAW for the first quarter of 2021, while potentially lead to dampened margins in the downstream segments. For the P&C segment, lower volumes of exported salmon compared to the first quarter of 2020, could impact volumes and margins negatively in the first quarter of 2021. However, as other industries are developing positively, the total impact on the segment is hard to predict. Segment Insulation continues to be characterised by stable markets in the Nordics and hesitant markets in the Benelux region.

Solid results for 2020, combined with divestments of properties, provide BEWiSynbra with a strong financial position entering 2021. The company has a continued focus on growth in line with its strategic priorities, both including the ongoing organic growth initiatives, as well as a strong pipeline of M&A opportunities.

CALENDAR 2021

Interim report January – March
Publish date: 21 May, 2021

Stockholm, 23 February 2021
The Board of Directors and CEO
BEWiSynbra Group AB

This report has not been audited

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES NOT DEFINED BY IFRS

Organic growth	Organic growth is defined as growth in net sales for the reporting period compared to the same period last year, excluding the impact of currency and acquisitions. It is a key ratio as it shows the underlying sales growth.
EBITDA	Earnings before interest, tax, depreciation and amortization. EBITDA is a key performance indicator that the Group considers relevant for understanding the generation of profit before investments in fixed assets.
EBITDA margin	EBITDA as a percentage of net sales. The EBITDA margin is a key performance indicator that the Group considers relevant for understanding the profitability of the business and for making comparisons with other companies.
EBIT	Earnings before interest and tax. EBIT is a key performance indicator that the Group considers relevant, as it facilitates comparisons of profitability over time independent of corporate tax rates and financing structures. Depreciations are included, however, which is a measure of resource consumption necessary for generating the result.
EBIT margin	EBIT as a percentage of net sales. The EBIT margin is a key performance indicator that the Group considers relevant for understanding the profitability of the business and for making comparisons with other companies.
Items affecting comparability	Items affecting comparability include costs related to the planned IPO, transaction costs related to acquired entities, including the release of negative goodwill from acquisitions, severance costs and other normalisations such as divestment of real estate, closing of facilities, unscheduled raw material production stops and other.
Adjusted (adj.) EBITDA	Normalised earnings before interest, tax, depreciation and amortization (i.e. items affecting comparability and deviations are added back). Adjusted EBITDA is a key performance indicator that the Group considers relevant for understanding earnings adjusted for items that affect comparability.
Adjusted (adj.) EBITDA margin (%)	EBITDA before items affecting comparability as a percentage of net sales. The adjusted EBITDA margin is a key performance indicator that the Group considers relevant for understanding the profitability of the business and for making comparisons with other companies.
Adjusted EBIT	Normalised earnings before interest and tax (i.e. non-recurring items and deviations are added back). Adjusted EBIT is a key performance indicator that the Group considers relevant for understanding earnings adjusted for non-recurring items that affect comparability.
Operating cash flow	Earnings before interest and tax, adjusted for items not affecting cash flow and changes in operating capital. Operating cash flow is a key performance indicator that shows the contributions of the business to the cash flow for the financing of investments and acquisitions.
Equity ratio	Total equity in relation to total assets. The equity ratio is a key performance indicator that the Group considers relevant for assessing its financial leverage.
Net debt	Interest-bearing liabilities excluding obligations relating to employee benefits, minus cash and cash equivalents. Net debt is a key performance indicator that is relevant both for the Group's calculation of covenants based on this indicator and because it indicates the Group's financing needs.

ALTERNATIVE PERFORMANCE MEASURES NOT DEFINED BY IFRS

<i>Amounts in million EUR</i>	Q4 2020	Q4 2019	2020	2019
Operating income (EBIT)	12.5	1.2	42.5	20.3
Amortisations	1.8	2.0	6.3	7.2
EBITA	14.3	3.2	48.7	27.5
Items affecting comparability	-3.8	0.9	-6.7	3.9
Adjusted EBITA	10.5	4.1	42.0	31.4
EBITA	14.3	3.2	48.7	27.5
Depreciations	7.1	5.4	24.2	20.4
EBITDA	21.5	8.6	72.9	48.0
Items affecting comparability	-3.8	0.9	-6.7	3.9
Adjusted EBITDA	17.7	9.5	66.2	51.8

ITEMS AFFECTING COMPARABILITY

<i>Amounts in million EUR</i>	Q4 2020	Q4 2019	2020	2019
IPO related costs	-0.3	0.0	-0.4	-0.1
Severance and integration costs	0.0	0.1	-0.5	-1.1
Restructuring costs	0.0	0.1	-0.4	-1.1
Transaction costs	-0.5	-0.8	-1.2	-1.0
Additional purchase price	0.0	0.0	0.0	-0.1
Capital gain from sale of real estate	4.6	0.0	6.3	0.0
IT restructuring	0.0	0.0	-0.4	0.0
Recognition of negative goodwill in associate	0.0	0.0	3.5	0.0
Other	0.0	-0.3	-0.2	-0.4
Total	3.8	-0.9	6.7	-3.9

REVENUE BRIDGE: CHANGE IN NET SALES FROM CORRESPONDING PERIODS IN 2019

<i>Amounts in million EUR</i>	RAW	%	Insulation	%	P&C	%	Unallocated	%	Intra-group revenue	Total net sales	%
Q4 2019	47.1		31.7		37.3		0.8		-13.0	104.0	
Acquisitions	-	-	6.9	21.7%	15.1	40.5%	1.2	143.2%	-0.1	23.0	22.1%
Currency	-	-	0.1	0.4%	-0.4	-0.9%	-0.2	-23.2%	0.0	-0.5	-0.4%
Organic growth	3.3	7.0%	-0.2	-0.6%	2.6	7.0%	0.5	56.6%	-2.5	3.7	3.5%
Total increase/decrease	3.3	7.0%	6.8	21.5%	17.3	46.5%	1.5	176.5%	-2.6	26.2	25.2%
Q4 2020	50.4		38.6		54.6		2.3		-15.6	130.2	

<i>Amounts in million EUR</i>	RAW	%	Insulation	%	P&C	%	Unallocated	%	Intra-group revenue	Total net sales	%
2019	206.7		139.3		157.6		2.5		-76.2	429.9	
Acquisitions	-	-	15.2	10.9%	26.7	17.0%	3.2	126.8%	-0.3	44.8	10.4%
Currency	-	-	-0.2	-0.1%	-3.0	-1.9%	0.1	4.1%	0.1	-3.0	-0.7%
Organic growth	-15.5	-7.5%	-7.8	-5.6%	-1.4	-0.9%	0.6	23.6%	14.9	-9.2	-2.2%
Total increase/decrease	-15.5	-7.5%	7.3	5.2%	22.3	14.2%	3.9	154.5%	14.7	32.7	7.6%
2020	191.2		146.6		179.9		6.4		-61.5	462.6	

EBITDA BRIDGE: CHANGE IN ADJUSTED EBITDA FROM CORRESPONDING PERIODS IN 2019

<i>Amounts in million EUR</i>	RAW	%	Insulation	%	P&C	%	Unallocated	%	Total adjusted EBITDA	%
Q4 2019	-0.4		5.0		6.7		-1.7		9.5	
Acquisitions	-	-	1.4	28.6%	1.5	22.1%	0.0	-0.7%	3.0	30.5%
Currency	-	-	0.0	0.2%	-0.1	-1.6%	-0.1	-1.1%	-0.1	-1.2%
Organic growth	2.5	688.8%	1.0	21.1%	0.6	9.7%	1.2	64.2%	5.4	56.7%
Total increase/decrease	2.5	688.8%	2.5	50.0%	2.0	30.2%	1.1	62.4%	8.2	86.0%
Q4 2020	2.1		7.5		8.7		-0.7		17.7	

<i>Amounts in million EUR</i>	RAW	%	Insulation	%	P&C	%	Unallocated	%	Total adjusted EBITDA	%
2019	5.0		22.3		28.9		-4.4		51.8	
Acquisitions	-	-	1.5	6.7%	2.3	8.0%	0.3	6.5%	4.1	7.9%
Currency	-	-	0.0	0.1%	-0.9	-2.9%	0.0	0.2%	-0.9	-1.5%
Organic growth	4.4	87.9%	2.6	11.7%	3.8	13.2%	0.2	5.4%	11.1	21.3%
Total increase/decrease	4.4	87.9%	4.2	18.5%	5.2	18.3%	0.6	12.1%	14.4	27.7%
2020	9.4		26.5		34.1		-3.8		66.2	

CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

CONSOLIDATED INTERIM STATEMENT OF INCOME

<i>Amounts in million EUR</i>	Q4 2020	Q4 2019	2020	2019
Net sales	130.2	104.0	462.6	429.9
Other operating income	0.0	0.1	0.0	0.9
Total operating income	130.2	104.1	462.6	430.8
Raw materials and consumables	-46.3	-50.6	-181.1	-198.1
Goods for resale	-16.4	-2.3	-35.2	-13.8
Other external costs	-26.3	-22.4	-97.5	-90.7
Personnel cost	-24.8	-20.0	-87.1	-80.9
Depreciation/ amortisation and impairment of tangible and intangible assets	-8.9	-7.4	-30.4	-27.6
Share of income from associated companies	0.4	-0.1	4.9	0.6
Capital gain from sale of assets	4.6	-	6.3	-
Total	-117.7	-102.9	-420.1	-410.5
Operating income (EBIT)	12.5	1.2	42.5	20.3
Financial income	4.0	-0.1	4.2	0.2
Financial expenses	-3.4	-3.1	-11.5	-11.2
Net financial items	0.6	-3.2	-7.3	-11.0
Income before tax	13.1	-2.0	35.2	9.3
Income tax expense	1.6	-0.9	-3.0	-3.7
Profit for the period	14.7	-2.9	32.2	5.6

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in million EUR</i>	Q4 2020	Q4 2019	2020	2019
Profit for the period	14.7	-2.9	32.2	5.6
OTHER COMPREHENSIVE INCOME				
Items that may later be reclassified to profit or loss				
Exchange rate differences	3.8	0.1	-3.8	0.9
Items that will not be reclassified to profit or loss				
Remeasurements of net pension obligations	0.8	-1.8	0.0	-1.2
Income tax pertinent to remeasurements of net pension obligations	-0.1	0.3	0.0	0.2
Other comprehensive income net after tax	4.5	-1.4	-3.8	-0.1
Total comprehensive income for the period	19.2	-4.3	28.4	5.5

PROFIT ATTRIBUTABLE TO:

<i>Amounts in million EUR</i>	Q4 2020	Q4 2019	2020	2019
Net profit/loss for the period attributable to:				
Parent Company shareholders	14.7	-2.8	32.3	5.6
Non-controlling interests	0.0	-0.1	-0.1	0.0
Total comprehensive income attributable to:				
Parent Company shareholders	19.2	-4.2	28.5	5.5
Non-controlling interests	0.0	-0.1	-0.1	0.0

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

<i>Amounts in million EUR</i>	31.12.2020	31.12.2019
NON-CURRENT ASSETS		
Intangible assets		
Goodwill	83.8	71.2
Other intangible assets	79.4	74.1
Total intangible assets	163.2	145.3
Property plant and equipment		
Land and buildings	70.0	63.1
Plant and machinery	80.8	71.5
Equipment, tools, fixtures and fittings	10.2	10.5
Construction in progress and advance payments	9.3	3.2
Total property, plant and equipment	170.3	148.3
Financial assets		
Shares in associates	8.0	1.5
Other financial non-current assets	17.2	5.8
Total financial assets	25.2	7.3
Deferred tax assets	5.3	4.6
TOTAL NON-CURRENT ASSETS	364.0	305.5
CURRENT ASSETS		
Inventory	57.4	38.2
Other current assets		
Accounts receivable	58.9	41.5
Current tax assets	3.0	0.3
Other current receivables	9.9	2.0
Prepaid expenses and accrued income	2.7	1.3
Cash and cash equivalents	44.2	56.3
Total other current assets	118.7	101.4
TOTAL CURRENT ASSETS	176.1	139.6
TOTAL ASSETS	540.1	445.1

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION, CONT.

<i>Amounts in million EUR</i>	31.12.2020	31.12.2019
EQUITY		
Share capital	0.1	0.1
Additional paid-in capital	143.9	134.4
Reserves	-3.1	0.7
Accumulated profit (including net profit for the period)	48.4	15.5
Equity attributable to Parent Company shareholders	189.3	150.7
Non-controlling interests	0.4	-0.6
TOTAL EQUITY	189.7	150.1
LIABILITIES		
Non-current liabilities		
Pensions and similar obligations to employees	2.5	2.6
Provisions	0.7	0.6
Deferred tax liability	20.9	22.9
Non-current bond loan	137.9	137.4
Other non-current interest-bearing liabilities	70.2	29.8
Total non-current liabilities	232.2	193.3
Current liabilities		
Current Bond loan	-	14.7
Other current interest-bearing liabilities	13.5	8.7
Other financial liabilities	0.9	0.5
Accounts payable	54.5	45.0
Current tax liabilities	6.6	4.7
Other current liabilities	16.5	6.3
Accrued expenses and deferred income	26.2	21.7
Total current liabilities	118.2	101.7
TOTAL LIABILITIES	350.4	295.0
TOTAL EQUITY AND LIABILITIES	540.1	445.1

CONSOLIDATED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE GROUP

<i>Amounts in million EUR</i>	1.1.-31.12.2020	1.1.-31.12.2019
OPENING BALANCE	150.1	149.6
Change in accounting principles	-	-2.7
ADJUSTED OPENING BALANCE	150.1	146.9
Net profit/ loss for the period	32.2	5.6
Other comprehensive income	-3.8	0.1
Total comprehensive income	28.4	5.5
New share issue	9.5	-
Shareholder contribution	3.3	-
Group contribution to parent company	-3.3	-
Tax effect on group contribution	0.7	-
Dividend non-controlling interests	-	-0.1
Acquisition non-controlling interest	1.0	-2.3
Total transactions with shareholders	11.2	-2.4
CLOSING BALANCE	189.7	150.1
<i>of which attributable to non-controlling interests</i>	<i>0.4</i>	<i>-0.6</i>

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW

<i>Amounts in million EUR</i>	Q4 2020	Q4 2019	2020	2019
Operating income (EBIT)	12.5	1.2	42.5	20.3
Adjustment for non-cash items etc.	3.6	7.5	19.1	26.9
Net financial items	-3.5	-3.4	-10.1	-10.1
Income tax paid	-6.5	-1.7	-11.9	-6.9
Cash flow from operating activities before changes in working capital	6.2	3.7	39.6	30.2
Changes in working capital	15.3	15.7	-5.1	5.7
Cash flow from operating activities	21.5	19.5	34.5	35.9
Acquisitions non-current assets	-15.1	-4.9	-26.6	-14.3
Divestment non-current assets	27.2	-	43.3	-
Business acquisitions/ financial investments	0.1	-2.4	-14.0	-4.8
Cash flow from investing activities	12.3	-7.3	2.7	-19.1
Borrowings	-	70.5	0.3	64.5
Repayment of debt	-19.1	-48.6	-49.4	-48.3
Dividend to non-controlling interests	-	-0.1	0.0	-0.1
Cash flow from financing activities	-19.1	21.8	-49.1	16.1
Cash flow for the period	14.7	34.0	-11.9	32.9
Opening cash and cash equivalents	29.0	21.6	56.3	22.9
Exchange difference in cash	0.4	0.7	-0.2	0.5
Closing cash and cash equivalents	44.2	56.3	44.2	56.3

INCOME STATEMENT FOR THE PARENT COMPANY

<i>Amounts in million SEK</i>	Q4 2020	Q4 2019	2020	2019
Net sales	7.0	6.3	15.7	25.2
Other external costs	-2.7	-3.3	-15.0	-19.3
Personnel costs	-7.8	-6.1	-21.5	-22.4
Depreciation/ amortisation and impairment of tangible and intangible assets	0.0	0.0	-0.1	0.0
Total operating expenses	-10.5	-9.4	-36.6	-41.7
Operating income	-3.5	-3.1	-20.9	-16.5
Interest income and similar items	20.9	32.5	83.7	111.3
Interest expenses and similar items	9.0	-23.3	-49.7	-79.0
Net financial items	29.9	9.2	34.0	32.3
Income before tax	26.4	6.1	13.1	15.8
Appropriations	-0.8	-	-0.8	-
Net profit/loss for the period	25.6	6.1	12.3	15.8

STATEMENT OF FINANCIAL POSITION FOR THE PARENT COMPANY

<i>Amounts in million SEK</i>	31.12.2020	31.12.2019
Non-current assets	2,904.4	2,766.4
Current assets	67.7	233.0
TOTAL ASSETS	2,972.1	2,999.4
Equity	1,532.2	1,389.3
Non-current liabilities	1,384.8	1,434.0
Current liabilities	55.1	176.1
TOTAL EQUITY AND LIABILITIES	2,972.1	2,999.4

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 | General information

The Company and the Group

BEWiSynbra Group AB (publ), corporate registration number 556972-1128, is a holding company registered in Sweden with a registered office in Solna, address Gårdsvägen 13, SE-169 70 Solna, Sweden. The BEWiSynbra Group's interim report for January – December 2020 was approved by the Board of Directors on 23 February 2021 for publication.

Amounts are given in million Euro (EUR million) unless otherwise indicated. Information in parentheses refers to the comparative periods.

NOTE 2 | Accounting policies

The BEWiSynbra Group applies the International Financial Reporting Standards (IFRS) as adopted by the EU. The accounting policies applied to comply with those described in BEWiSynbra Group AB's Annual Report for 2019, apart from the government grants. Government grants are recognised when there is a reasonable assurance that the grants will be received and that the Company will comply with the conditions attached to them. Government grants are recognised in profit or loss on a systematic basis over the periods in which the related expenses, which the grants are intended to compensate for, are recognised. Government grants are recognised as a reduction of such related expenses. This interim report has been prepared in accordance with IAS 34 Interim financial reporting and the Annual Accounts Act.

The Parent Company applies the Annual Accounts Act and the Financial Reporting Board's recommendation RFR 2 Accounting for legal entities. The application of RFR 2 means that the Parent Company, in the interim report for the legal entity, applies all EU-approved IFRS and statements insofar as this is possible within the framework of the Annual Accounts Act and the Pension Obligation Guarantee Act, and with consideration given to the relationship between accounting and taxation.

The presentation currency in the consolidated accounts was changed to EUR in September 2020.

NOTE 3 | Related party transactions

BEWi ASA is the majority shareholder in BEWiSynbra Group. The Bekken family is a major shareholder in BEWi ASA through Frøya Invest AS, KMC Family AS and BEWi Holding AS. Other related parties are the two 34% owned associated companies; Hirsch France SAS and Hirsch Porozell GmbH and the 49% owned associated company Jabalite Group Ltd. Transactions with those companies are presented in the tables below.

During the third quarter, BEWi Drift Holding AS (BDH) was acquired from BEWi Holding AS, a company owned by members of the Bekken family, for an equity value of EUR 15.1 million, of which EUR 5.6 million was settled in cash and by offsetting a receivable, and EUR 9.5 was settled through a new share issue. A provision for an additional purchase price of EUR 2.3 million, based on EBITDA in BDH in 2020, was made in the fourth quarter.

During the fourth quarter, four properties in the Dutch production were sold in a sale and leaseback transaction to a company owned by KMC Properties ASA for a consideration of EUR 33.0 million. EUR 5.7 million of that was settled in shares in KMC Properties ASA. The shares of KMC Properties ASA are listed on Oslo Børs. Members of the Bekken family represent the biggest group of shareholders in KMC Properties ASA. During the third quarter, two properties used in the Danish production were sold in a sale and leaseback transaction to a company owned by KMC Properties ASA for a net consideration of EUR 10.2 million and in the second quarter a similar sale and leaseback transaction took place in Swedish when a property for sold for a net consideration of EUR 4.3 million.

<i>Amounts in million EUR</i>	Q4 2020	Q4 2019	2020	2019
Transactions impacting the income statement				
Sale of goods to:				
HIRSCH France SAS	2.1	-	5.1	-
HIRSCH Porozell GmbH	7.2	5.9	32.1	27.4
Jablite Group Ltd.	4.6	-	4.6	-
Total :	13.9	5.9	41.8	27.4
Purchase of goods from :				
Bekken owned companies	0.6	-	0.7	0.5
Total :	0.6	-	0.7	0.5
Interest Income from:				
Hirsch France SAS	0.0	-	0.1	-
Total :	0.0	-	0.1	-
Rental expenses to:				
Bekken owned companies	0.9	0.6	3.4	2.7
Total :	0.9	0.6	3.4	2.7

	31.12.2020	31.12.2019
Transactions impacting the balance sheet		
Non-current receivables:		
Bekken owned companies	0.1	-
HIRSCH France SAS	2.3	2.5
Jablite Group Ltd	1.7	-
Total :	4.1	2.5
Current receivables:		
Bekken owned companies	1.5	-
BEWi ASA	4.2	-
HIRSCH Porozell GmbH	0.6	-
Total :	6.3	-
Current liabilities:		
Bekken owned companies	3.8	-
BEWi ASA	3.4	-
Total :	7.2	-

NOTE 4 | Segment information

Operating segments are reported in a manner that corresponds with the internal reporting submitted to the chief operating decision-maker. The Executive Committee constitutes the chief operating decision maker for the BEWiSynbra Group and takes strategic decisions in addition to evaluating the Group's financial position and earnings. Group Management has determined the operating segments based on the information that is reviewed by the Executive Committee and used for the purposes of allocating resources and assessing performance. The Executive Committee assesses the operations based on three operating segments: RAW, Insulation and Packaging & Components. Sales between segments take place on market terms.

<i>Amounts in million EUR</i>	Q4 2020	Q4 2019	2020	2019
RAW				
Segment revenue	50.4	47.1	191.2	206.7
Intra-group revenue	-14.0	-12.4	-56.5	-71.6
Revenue from external customers	36.4	34.7	134.7	135.1
Insulation				
Segment revenue	38.6	31.7	146.6	139.3
Intra-group revenue	-0.7	-0.2	-2.4	-2.1
Revenue from external customers	37.8	31.5	144.1	137.2
Packaging and Components				
Segment revenue	54.6	37.3	179.9	157.6
Intra-group revenue	-0.6	-0.3	-2.3	-2.5
Revenue from external customers	54.0	37.0	177.6	155.1
Unallocated				
Segment revenue	2.3	0.8	6.4	2.5
Intra-group revenue	-0.2	0.0	-0.2	-0.1
Revenue from external customers	2.0	0.8	6.1	2.5
Total				
Total segment revenue	145.8	116.9	524.1	506.1
Total Intra-group revenue	-15.6	-13.0	-61.5	-76.2
Total revenue from external customers	130.2	104.0	462.6	429.9

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

<i>Amounts in million EUR</i>	Q4 2020	Q4 2019	2020	2019
Adj. EBITDA				
RAW	2.1	-0.4	9.4	5.0
Insulation	7.5	5.0	26.5	22.3
Packaging and Components	8.7	6.7	34.1	28.9
Unallocated	-0.7	-1.7	-3.8	-4.4
Total adj. EBITDA	17.7	9.5	66.2	51.8

EBITDA				
RAW	2.1	-0.4	9.9	4.9
Insulation	13.2	4.7	32.4	20.9
Packaging and Components	7.5	6.7	36.2	28.4
Unallocated	-1.4	-2.4	-5.7	-6.3
Total EBITDA	21.5	8.6	72.9	48.0
EBITA				
RAW	1.2	-1.4	6.2	1.4
Insulation	10.7	3.3	25.0	16.1
Packaging and Components	4.0	3.8	23.9	16.9
Unallocated	-1.6	-2.5	-6.5	-7.0
Total EBITA	14.3	3.2	48.7	27.5
EBIT				
RAW	1.1	-1.5	5.8	0.7
Insulation	10.2	2.6	23.1	14.1
Packaging and Components	3.1	3.0	20.4	13.4
Unallocated	-1.9	-2.8	-6.9	-7.8
Total EBIT	12.5	1.2	42.5	20.3
Net financial items	0.6	-3.2	-7.2	-11.0
Income before tax	13.1	-2.0	35.2	9.3

External revenue by country (buying company's geography)

<i>Amounts in million EUR</i>	Q4 2020	Q4 2019	2020	2019
Total Finland	6.7	6.5	27.4	28.8
Total Sweden	12.5	11.5	49.4	48.4
Total Denmark	12.1	10.9	47.3	48.6
Total Norway	28.9	15.3	81.0	58.9
Total Portugal & Spain	7.4	7.3	26.0	29.2
Total Iceland	3.5	0.3	7.4	2.8
Total Baltics	2.3	2.3	8.4	8.3
Total UK	2.4	3.8	10.8	9.5
Total Germany	8.6	9.2	35.9	40.7
Total Poland	4.2	4.3	16.8	16.6
Total Russia	5.1	2.9	13.2	9.5
Total Netherlands	22.7	24.2	94.2	101.5
Total Belgium	2.5	2.0	8.9	8.4
Total France	4.2	2.6	11.9	8.6
Total Other	7.1	0.9	24.0	10.1
Total Group	130.2	104.0	462.6	429.9

NOTE 5 | The Group's borrowings

<i>Amounts in million EUR</i>	31.12.2020	31.12.2019
Non-current liabilities		
Bond loan	137.9	137.4
Liabilities to credit institutions	1.0	1.2
Liabilities leases	69.2	28.7
Total	208.1	167.2
Current liabilities		
Bond loan	-	14.7
Liabilities to credit institutions	0.8	0.6
Liabilities leases	12.3	7.4
Debt factoring	-	0.8
Overdraft	0.4	-
Total	13.5	23.4
Total liabilities	221.6	190.7
Cash and cash equivalents	44.2	56.3
Net debt including IFRS 16 impact	177.4	134.4
Subtracting liabilities capitalised in accordance with IFRS 16		
Non-current liabilities leases	67.4	27.0
Current liabilities leases	11.1	5.9
Total	78.5	32.9
Net debt excluding IFRS 16 impact	98.9	101.5

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

The Group's loan structure

As of 31 December 2020, the Parent Company had two bond loans outstanding. SEK 155 million outstanding at the beginning of the year of the SEK 550 million bond, issued in 2017, was fully redeemed on 3 April 2020.

Issued amount	Frame	Amount outstanding	Date of issuance	Maturity date
EUR 75 million	EUR 100 million	EUR 75 million	April 19, 2018	April 19, 2022
EUR 65 million	EUR 115 million	EUR 65 million	November 22, 2019	November 22, 2023

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

Bond loans	Interest terms	Nominal interest		Average interest	
		1.10-31.12.2020	1.1-31.12.2020	1.10-31.12.2020	1.1-31.12.2020
EUR 75 million	Euribor 3m + 4.75%	4.24-4.27%	4.24-4.50%	5.00%	5.32%
EUR 65 million	Euribor 3m + 3.40%	2.89-2.97%	2.89-3.18%	3.51%	3.70%

In January 2020, the Group's main bank extended the overdraft facility by SEK 100 million to SEK 375 million (equivalent to EUR 37.4 million). As of 31 December, EUR 0.4 million was utilised. In addition, the Group has a number of liabilities in acquired companies, such as liabilities to credit institutions that have not been refinanced post-acquisition, and liabilities for lease contracts.

Pledged assets

For the overdraft facility and bonds, collateral has been lodged in the form of business mortgages, pledged shares in subsidiaries and material intra-group loans to subsidiaries.

Contingent liabilities

Guarantees issued to suppliers amounted to EUR 11.0 million.

NOTE 6 | Fair value and financial instruments

<i>Amounts in million EUR</i>	Level 1	Level 2	Level 3	Total	Carrying amount
Financial assets measured at fair value through profit and loss					
Participation in other companies	9.6	-	0.3	9.9	9.9
Total	9.6	-	0.3	9.9	9.9
Financial liabilities measured at fair value through profit and loss					
Derivative liability	-	-	0.9	0.9	0.9
Total	-	-	0.9	0.9	0.9
Financial liabilities measured at amortised cost					
Bond loans	141.2	-	-	-	137.9
Total	141.2	-	-	-	137.9

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

Level 3 – Changes during the period (EUR million)	Participation in other companies
As of Dec 31, 2019	0.2
Exchange differences	0.1
Acquisitions	1.3
Divestments	-1.3
As of December, 31 2020	0.3

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

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

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

NOTE 7 | Business combinations**BEWi Drift Holding AS (BDH)**

On 17 August 2020, BEWiSynbra announced the acquisition of BEWi Drift Holding AS (BDH), a Norwegian supplier of packaging products for use on land and at sea and solutions for insulation. The acquisition provides an expanded product portfolio and geographic reach to the Group. In 2019, BDH's revenue and EBITDA were approximately NOK 850 million and NOK 55 million (local GAAP) respectively. The consideration for the share was paid in a combination of cash, settlement of receivable and new shares issued. A provision for an additional purchase price of EUR 2.3 million, based on EBITDA in BDH in 2020, was made at year-end. EUR 21.1 million in external loans were settled in connection with the acquisition. The purchase price and fair value of assets and liabilities acquired are presented in the table below. The main fair value adjustment was related to trademark, customer relations, technology and property, plant and equipment. The company is consolidated from 1 August and the preliminary acquisition analysis gave rise to goodwill of EUR 9.9 million. Goodwill is not tax-deductible. Until 31 December, the BDH had contributed EUR 34.8 million to the Group's net sales, EUR 3.5 million to adjusted EBITDA and EUR 1.8 million to EBIT. Transaction costs amounted to EUR 0.3 million.

Amounts in million EUR

Issue in kind	9.5
Cash consideration	5.1
Settlement receivable	0.5
Estimated additional purchase price	2.3
Total	17.4

Recognised amount of identifiable assets and acquired liabilities assumed

Trademark	1.4
Customer relations	9.2
Technology	1.2
Property, plant and equipment	20.7
Other fixed assets	0.9
Inventory	16.6
Current receivables	11.3
Cash and cash equivalents	1.8
Non-current liabilities	-36.1
Deferred tax receivables	-2.9
Current liabilities	-15.5
Total identifiable net assets	8.6
Liabilities to non-controlling interests	1.1
Goodwill	9.9
Cash and cash equivalents in acquired business	1.8
Total cash outflow from acquisition of business	-3.2

**The acquisition analyses is preliminary*

Other acquisitions

On 9 January, BEWiSynbra announced that the Company had agreed to acquire an insulation facility in the Swedish city of Norrköping and on February 28, the deal was closed through the acquisition of Ravago Building Solutions Nordic AB. The company had a turnover of SEK 133 million and an EBITDA of SEK -9 million in 2019. Through the acquisition, which supports the strategy to strengthen the position in the Nordic insulation market, the Group will get access to high volumes of XPS, enabling to offer a combination of EPS and XPS to customers. At the same time, it was announced that the production facility in Norrtälje will be closed early 2021. The consideration was paid in cash. The company is consolidated from the date of acquisition and the preliminary acquisition analysis gave rise to goodwill of EUR 2.8 million.

On 28 February, BEWiSynbra announced that the Company had agreed to acquire 75 per cent of the Dutch company De Wijs-van Loon BV including its subsidiary Poredo BV. De Wijs-van Loon BV is a company at the forefront of converted recycled EPS. The consideration was paid in cash and gave rise to minor goodwill. The company is consolidated from the date of acquisition.

On 10 June, BEWiSynbra announced that the Company had agreed to acquire certain assets deriving from the Danish recycling company EPS-Recycle, thereby establishing the recycling company BEWiSynbra Circular Denmark A/S.

On 22 December, BEWiSynbra acquired the remaining 49% in Euerc A/S and now owns 100% of the company.

The combined purchase price and fair value of assets and liabilities acquired in these other acquisitions are presented in the table below. Until 31 December, these other acquisitions had contributed EUR 8.8 million to the Group's net sales, EUR 0.9 million to adjusted EBITDA and EUR 0.2 million to EBIT. Transaction costs amounted to EUR 0.2 million.

Amounts in million EUR

Cash consideration	8.4
Total	8.4
Recognised amount of identifiable assets and acquired liabilities assumed	
Property, plant and equipment	7.4
Inventory	2.7
Current receivables	0.9
Cash and cash equivalents	0.8
Non-current liabilities	-4.4
Deferred tax receivables	-0.9
Current liabilities	-1.8
Total identifiable net assets	4.7
Goodwill	3.6
Cash and cash equivalents in acquired business	0.8
Total cash outflow from acquisition of business	-7.6

**The acquisition analyses is preliminary*

NOTE 8 | Shares in associates

BEWiSynbra Group has three interests in Shares in associates, HIRSCH Porozell GmbH, HIRSCH France SAS and Jablite Group Ltd. Jablite Group Ltd was established in June 2020, hence consolidated numbers only relate to parts of 2020. BEWi Group holds a receivable from HIRSCH France SAS of EUR 2.3 million and a receivable from Jablite Group Ltd of EUR 1.6 million. The table below presents key financial data as reflected in BEWiSynbra's consolidated accounts.

<i>million EUR (except percentages and sites)</i>	HIRSCH Porozell GmbH	HIRSCH France SAS	Jablite Group Ltd	SUM
Country/Market	Germany	France	UK	-
Production sites	6	6	3	15
Owned interest	34%	34%	49%	-
Booked value as of 31 December 2020	2.9	3.5	0.0	6.4
Key financials for the full year of 2020				
Net Sales full year 2020	87.0	62.6	17.0	166.6
EBITDA full year 2020	10.3	5.5	1.1	16.9
<i>Of which owned share of EBITDA</i>	3.5	1.9	0.5	5.9
EBIT	7.4	1.2	-0.4	8.2
Net Profit	4.6	0.0	-0.5	4.1
Consolidated into BEWi's EBITDA, share of Net profit	1.6	0.0	-0.2	1.4
<i>BEWi's share of EBITDA minus impact on consolidated EBITDA</i>	2.9	1.9	0.7	5.5
Net debt	13.6	13.6	4.6	31.8
<i>Of which owned share Net Debt</i>	4.6	4.6	2.3	11.5

NOTE 9 | Subsequent events

There are no subsequent events to report.

NOTE 10 | Five-year summary

<i>Amounts in million EUR (except percentage)</i>	2020	2019	2018	2017	2016
Net sales	462.6	429.9	380.7	194.8	169.7
Operating income (EBIT)	42.5	20.3	13.7	3.6	6.4
EBITDA	72.9	48.0	28.6	8.9	11.4
<i>EBITDA margin (%)</i>	15.8%	11.1%	7.5%	4.6%	6.7%
Adjusted EBITDA	66.2	51.8	30.9	11.4	12.8
<i>Adj. EBITDA margin (%)</i>	14.3%	12.1%	8.1%	5.9%	7.5%
Items affecting comparability	6.7	-3.9	-2.3	-2.5	-1.4
EBITA	48.7	27.5	18.3	4.5	7.3
<i>EBITA margin (%)</i>	10.5%	6.4%	4.8%	2.2%	4.3%
Adjusted EBITA	42.0	31.4	20.7	7.0	8.7
<i>Adj. EBITA margin (%)</i>	9.1%	7.3%	5.4%	3.6%	5.1%
Net profit/loss for the period	32.2	5.6	1.6	4.2	4.5
Cash flow from operating activities	34.5	35.8	17.6	7.4	7.7
Capital Expenditure (CAPEX)	-26.6	-14.3	-13.8	-10.0	-5.1

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

NOTE 11 | Quarterly data

<i>Amounts in million EUR (except percentage)</i>	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018
Net sales	130.2	122.1	105.1	105.1	104.0	107.4	115.3	103.3	118.4
Operating income (EBIT)	12.5	11.5	11.9	6.5	1.2	5.7	9.0	4.5	1.8
EBITDA	21.5	19.0	18.7	13.7	8.6	12.4	15.9	11.1	7.9
<i>EBITDA margin (%)</i>	16.5%	15.6%	17.8%	13.1%	8.3%	11.5%	13.8%	10.7%	6.7%
Adjusted EBITDA	17.7	18.0	15.8	14.8	9.5	12.8	16.2	13.3	9.8
<i>Adj. EBITDA margin (%)</i>	13.6%	14.7%	15.0%	14.1%	9.2%	12.0%	14.0%	12.8%	8.2%
Items affecting comparability	3.8	1.1	2.9	-1.0	-0.9	-0.5	-0.3	-2.2	-2.0
EBITA	14.3	13.1	13.3	8.0	3.3	7.4	10.7	6.0	4.2
<i>EBITA margin (%)</i>	11.0%	10.7%	12.7%	7.6%	3.1%	6.9%	9.2%	5.8%	3.5%
Adjusted EBITA	10.5	12.0	10.4	9.0	4.1	7.9	11.0	8.3	6.1
<i>Adj. EBITA margin (%)</i>	8.1%	11.6%	9.9%	8.6%	4.0%	7.4%	9.5%	7.9%	5.1%
Net profit/loss for the period	14.7	6.7	8.5	2.3	-2.9	2.7	4.1	1.6	-1.4
Cash flow from operating activities	21.5	10.3	7.3	-4.9	19.5	22.9	7.6	-14.2	15.1
Capital Expenditure (CAPEX)	-15.1	-4.9	-3.5	-3.1	-4.9	-2.6	-3.4	-3.4	-4.6



BEWiSynbra Group AB (publ)
169 70 SOLNA, SWEDEN
Phone: +46 176 208 500
Email: info@bewisynbra.com

Website:
<https://bewisynbra.com>