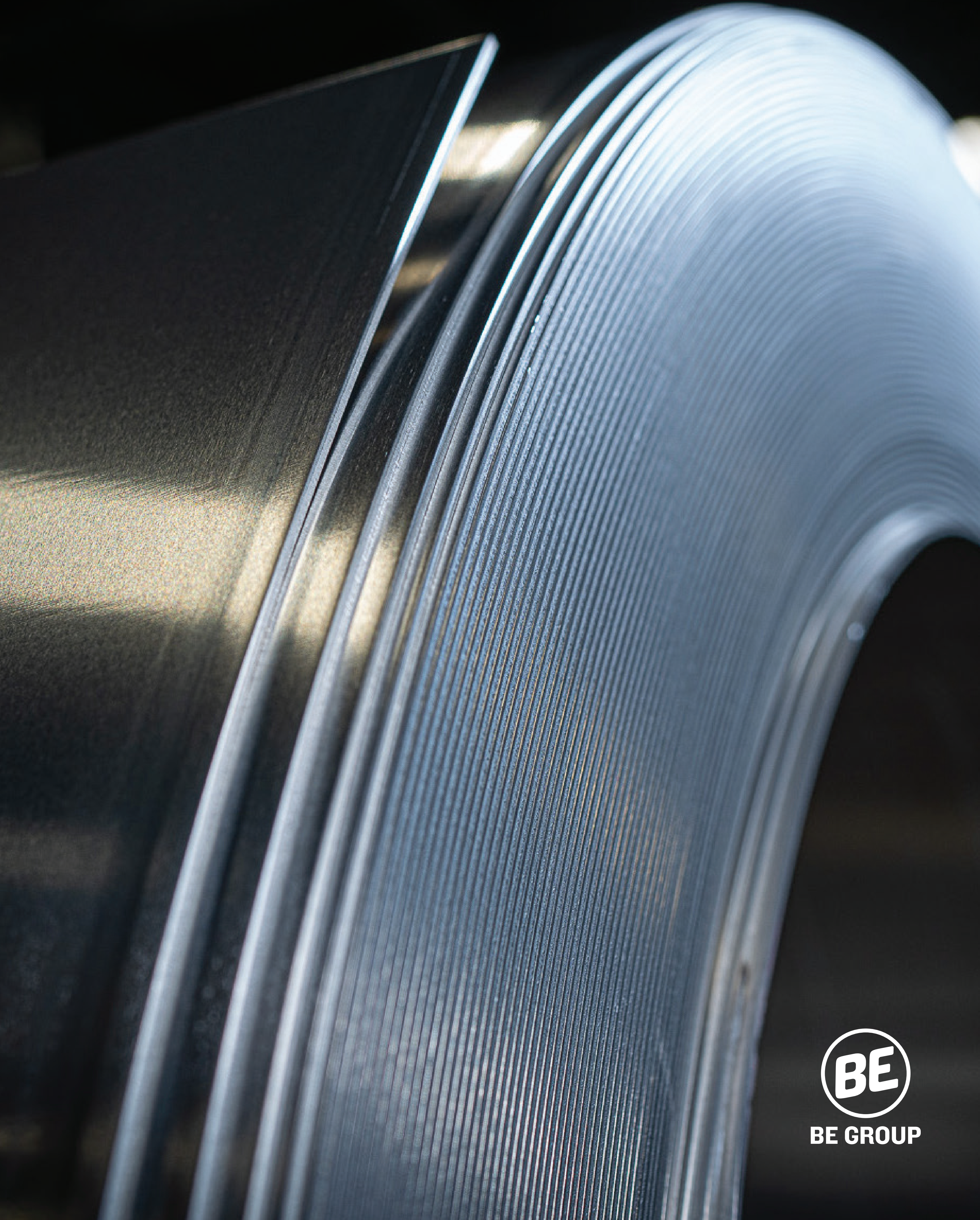
ANNUAL REPORT 2024



BE GROUP

CONTENT

Pages 12-71 comprise the formal Annual Report and have been reviewed by the Company's Auditors.

BE Group AB (publ) is an independent steel distributor that stores and processes steel, stainless steel, and aluminium for customers primarily in the construction and manufacturing industries. Through the company's production services, customers can order customized steel components to optimize their production processes. In 2024, the Group reported sales of SEK 4.7 billion. BE Group has approximately 640 employees, with Sweden and Finland as its largest markets. The headquarters is located in Malmö, Sweden. Read more at www.begroup.com.

This is BE Group

An independent steel distributor

BE Group dates back to the 1800s and is an independent steel distributor that stores and processes steel, stainless steel, and aluminium. Today, BE Group has focused the operations to the two main markets in Sweden and Finland, with sales offices at multiple locations and its own production and warehousing facilities in Norrköping in Sweden and Lapua, Lahti and Turku in Finland. The headquarters is located in Malmö, Sweden, and the company is listed on Nasdaq Stockholm.

Customized solutions

BE Group's customers are primarily active within the construction and manufacturing industries. With high competence, efficient processes and modern production facilities, the company offers inventory sales, production service sales and direct sales to customers based on their specific conditions and needs.

Sustainable alternative

Green steel is a sustainable alternative to traditional steel, made with processes that minimize carbon dioxide emissions. Traditional steel production is one of the largest sources of industrial carbon dioxide emissions, making green steel a critical innovation to achieve the global climate targets. BE Group is making considerable investments to secure materials and is able to offer green alternatives for all product areas.

Business idea

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

Vision

BE Group shall be the most professional, successful and respected steel service company in our markets.

Values

The corporate culture is built on what's defined as the Group values which should permeate the business, these are; dynamic, transparent and sustainable
.

CEO statement

Continued challenging market conditions

”Our most important focus is to maintain momentum in our strategic efforts to continue improving earnings.”

During the year, market conditions, particularly for the construction sector, remained challenging at the same time as material prices continued to fall. This caused a decrease in sales of 12 percent and pressured gross margins, resulting in an underlying operating margin of 1.1 percent (0.6). This result is far from the ambition, but at the same time, good progress has been made in many parts of the company. Some examples:

- Maintained tonnage in the home markets despite the economic situation and a decline in tonnage from top customers by nearly 15 percent. This shows the strength of our systematic sales efforts and the broad customer base.
- Number of orders through the e-trading platform rose by 25 percent and sales ended up at approximately SEK 250 M.
- Sales and administration expenses decreased by nearly 10 percent.
- Safety efforts at our facilities have been further intensified and refined since the start of the project Safety First in 2019. The number of accidents with absence amounted to 36 at that time and has since decreased by 97%. A fantastic improvement and I strongly believe that a safe and sound workplace is the foundation for good business. If we can’t take care of our employees and offer a safe workplace, we can’t reasonably take care of our company’s business and customers either.

Structural changes towards a better company

In the first quarter, BE Group announced that it will close its Baltic operations. Despite extensive efforts, the operations in recent years averaged a loss of about SEK 10 M per year. The closure proceeded according to plan during the year and the shares in the company were divested at the end of the year.

At the end of November, it was announced that BE Group would be streamlining by moving operations from Poland to Sweden and Finland. The Polish operations have largely been suppliers to Swedish customers and the change entails a considerable cost rationalization. The non-recurring cost of SEK -28 M is expected to have a payback period of less than one year. During the year, great emphasis has been placed on preparing the introduction of a new business system, which will be implemented in 2025. This future-proof business platform will create the conditions for continued increased digitalization, growth and efficiency.

Steel market trends

Over the year, we saw continued price declines as a result of decreased demand at the same time that European steel producers maintained their capacity. Why? A cynic might suspect that this is due to the allocation of free emissions allowances which are based on historical production statistics. For example, spot prices on flat products (hot- and cold-rolled steel) rose in Europe at the beginning of the year to then have a decline with a full-year decrease of just under 20 percent.

Looking ahead – the President of the United States recently signed a presidential order on the introduction of punitive tariffs of 25 percent on all imports of steel and aluminium, where the date of introduction is not determined by the time of this writing. The last time this happened, in 2017, the EU reacted with punitive tariffs on steel against Asia and there was a better balance between supply and demand in Europe. In addition to the current global trade tensions, the European steel industry is facing considerable challenges. Investments in green steel production, rising production costs and decreased demand in certain sectors have led to, and will reasonably lead to, additional measures. Recently, a major steel producer announced that they were temporarily withdrawing from the market and another withdrew its price lists.

Outlook and focus in the future

2025 has begun on par with 2024, with the difference being that it is now the construction sector that is up and the industrial sector that is somewhat lagging. Our most important focus is to maintain momentum in our strategic efforts to continue improving earnings. This means increasing and deepening our cooperation with our customers to win as much business as possible, streamline the supply chain and continue to work with the cost side to achieve a healthy margin throughout the business. Our ambition is for the company to always be profitable regardless of external factors. Given the structural changes initiated and implemented in 2024, with all else being equal, 2025 is expected to be better.

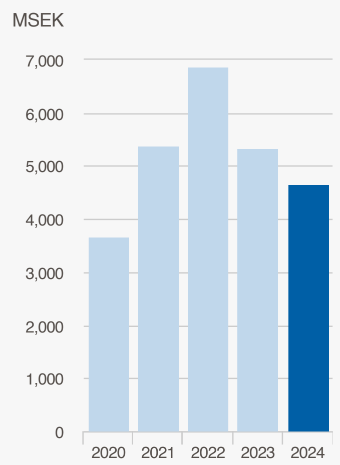
In conclusion, I would like to express my heartfelt gratitude to our customers, who repeatedly and sometimes for three or four generations give us their trust, to our owners who believe in us and to our employees who daily strive to make BE Group a better and stronger company.

Peter Andersson
VD och koncernchef

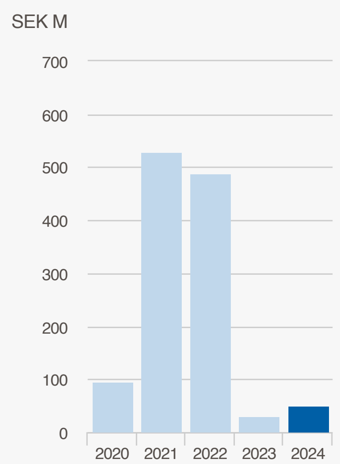
Result development in summary

- Net sales decreased by 12% to SEK 4,667 M (5,328)
- The underlying operating result increased to SEK 51 M (30)
- The period was affected by items affecting comparability of SEK -47 M (-6) related to closure of the Baltic and Polish units
- The operating result amounted to SEK -49 M (-52), including inventory losses of SEK -53 M (-76)
- Result after tax amounted to SEK -42 M (-60)
- Cash flow from operating activities amounted to SEK 105 M (491)
- Earnings per share amounted to SEK -3.21 (-4.59)
- Petteri Korpioja assumed the position as new MD of BE Group Oy Ab
- During the year, the loss-making unit in the Baltics was closed
- A decision was taken to move the Polish operations to Sweden and Finland
- The Board of Directors proposes that no dividend (-) will be paid for the financial year of 2024

NET SALES



UNDERLYING OPERATING RESULT [1)]



Key data	2024	2023	Change
Tonnage, thousands of tons	271	285	-14
Net sales, SEK M	4,667	5,328	-661
Operating result, SEK M	-49	-52	3
Operating margin, %	-1.0	-1.0	0
Underlying operating result [1)]	51	30	21
Result after tax, SEK M	-42	-60	18
Result per share before and after dilution, SEK	-3.21	-4.59	1.38
Return on capital employed excl. IFRS 16, %	-2.9	-3.1	0.2
Net debt excl. IFRS 16, SEK M [1)]	340	259	81
Net debt/equity ratio excl. IFRS 16, % [1)]	24.4	18.1	6.3
Cash flow from operating activities, SEK M	105	491	-386
Average number of employees	640	678	-38

[1)] Part of BE Group's alternative performance measures which you can read more about in Alternative performance measures and Financial definitions.

Sales by business solution, SEK M	2024	2023	%
Inventory sales	1,742	2,106	-17
Production service sales	2,457	2,655	-7
Direct sales	468	567	-17
Total	**4,667**	**5,328**	**-12**

Sales by product area, SEK M	2024	2023	%
Long steel products	1,740	1,963	-11
Flat steel products	2,129	2,429	-12
Stainless steel	597	706	-15
Aluminium	162	186	-13
Other	39	44	-11
Total	**4,667**	**5,328**	**-12**

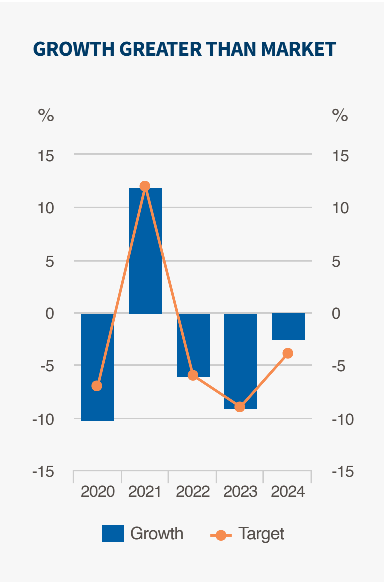
Financial targets and outcome

Clear direction

The Board of Directors of BE Group has set three financial targets that are to be achieved in order for earnings to be considered adequate. The fulfilment of these targets can vary over time, depending among other things on what phase of development the Company is in and the current state of the economy.

Sales growth that exceeds market growth

To measure growth in BE Group's markets, the market statistics that the company receives for the distribution markets in Sweden and Finland are used. By comparing tonnage growth year on year in this data, the growth in the market is estimated. BE Group's growth is measured in delivered tonnes in the Swedish and Finnish markets. For Sweden, deliveries for the joint venture ArcelorMittal BE Group SSC AB are included. The target is to grow more than the market. Complete market statistics is no longer available to compare the company's growth with the market development, hence an estimation has been made.

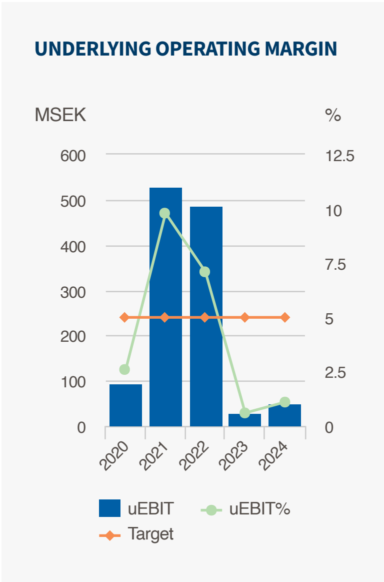


-2.6% (-9.0)

The market is estimated to have decreased -3,9 percent (-9) compared to last year. During the full-year 2024, BE Group has had an organic tonnage growth which is slighly better then the market. The improvement mainly comes from operations in Finland which is estimated to have grown more than the domestic market during the year.

A profit margin of at least 5 percent

Profit margin is defined as the underlying operating margin (uEBIT%) in the past 12 months. The target level is set to at least 5 percent measured over a longer period of time. The underlying operating result, i.e. the operating result excluding the impact of inventory gains or losses and items affecting comparability, is used to put focus on how the operating activities perform and develop.

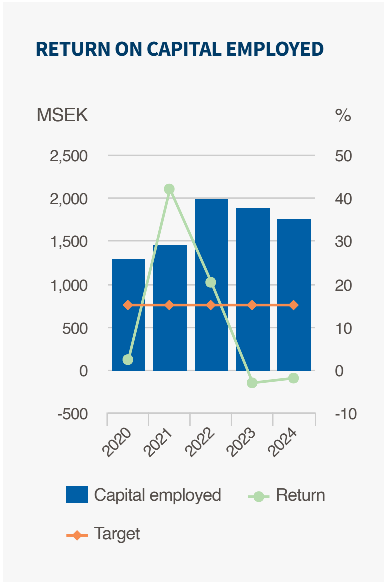


1.1% (0.6)

The target at current sales corresponds to approximately SEK 233 M in underlying operating result (uEBIT). The underlying operating margin amounted to 1.1 percent (0.6) for 2024 and thus the target was not fulfilled.

At least 15 percent return on capital employed

As a measure of return, return on capital employed excl. IFRS 16 is used, defined as operating result excl. IFRS 16 in the past 12 months divided by the average capital employed excl. IFRS 16 (equity and interest-bearing liabilities). The target level is set to at least 15 percent. The measure is calculated based on recognized operating profit, i.e. including inventory gains and losses and items affecting comparability, to put focus on the actual returns to the owners.



-2.9% (-3.1)

The return on capital employed amounted to -2.9 percent (-3.1) during the year and thus the target was not fulfilled. The cause is the negative operating result as a result of declining steel prices and sales volumes, inventory losses and non-recurring costs regarding the Baltics and Poland.

Strategic direction

Shift in focus

The year was once again characterized by geopolitical uncertainty, high inflation and interest rates that affected both the economy in general and the steel market. This contributed to falling global demand for commercial steel and another year with declining demand in the construction and manufacturing industries.

The steel industry is cyclical with shifting steel prices and varying demand. BE Group's most important focus is therefore to further strenghten its cooperation with customers, streamline the supply chain and work on the cost side to achieve a healthy margin throughout the business. The strategy is based on generating value for customers, shareholders and other stakeholders in every main activity by offering materials and services of a high quality at competitive prices. During the year, BE Group closed the unit in the Baltics and began to relocate operations from Poland to Sweden and Finland. This leads to a greater focus on the home markets and entails cost rationalization, increased utilization of existing facilities and a reduced carbon footprint in the Group.

BE Group has reviewed the strategy and the Group-wide targets. This has led to a shift of focus in three areas:

Customer experience

BE Group strives to deliver the best customer experience throughout the business. During the year, initiatives were taken to review sales management, move towards a uniform sales process and to work with the values that differentiate BE Group to generate competitive advantages.

Purchasing

A large proportion of BE Group's value offering is in good inventory management with the right material at the right price. Part of the strategy is to maintain a high level of service to customers while at the same time being profitable and an activity linked to this is the inventory management project under way in the organization. BE Group's ambition is to deliver products with a lower carbon footprint to the market and can today offer alternatives in every product group. Focus is also on updating the company's existing environmental product declarations (EPD) and creating new ones, where missing, to show the impact of the products throughout the value chain and thereby give the customer the opportunity to make informed choices.

Production

Through production service sales, BE Group offers processing of its products allowing the customers to focus on their core business, reduce costs and increase productivity and profitability. The goal is increased efficiency in production and strengthened cooperation within the organization throughout the entire business to optimize the flow and ensure high delivery precision.

Business model

Customized solutions

BE Group is an independent steel distributor that serves as a link between producers and customers. The company compensates for the gap between the steel mills' delivery capacity and the steel consumers' needs for fast, flexible delivery solutions. BE Group creates value to its customers through coordination of sourcing, transportation and warehousing of a wide selection of commercial steel, engineering steel, stainless steel and aluminum. Sales take place in three different ways; inventory sales, production service sales and direct sales.

Materials from inventory

Inventory sales mean that BE Group sells and distributes materials from its own warehouses and ensures the customer's material flow by the products being delivered in the quantities and at the times that suit the customer's needs.

- Wide range to meet different needs
- Suitable for customers with regular needs for materials with short lead times

Production service of materials

Production service sales comprise customer solutions where BE Group stands for everything from the purchasing of raw materials to customised processing of the product and logistics optimized to the customer's operations.

- Reduces the customer's need to process the material themselves
- Improves the efficiency of the customer's production
- Creates added value through high precision and quality in processing

Direct deliveries from steel mills

Direct sales mean that BE Group sells and delivers large volumes of materials to customers directly from the production of the steel and aluminium mills.

- Cost-efficient solutions for major projects
- Large range of materials from reliable suppliers
- BE Group acts as an outsourced purchasing function
- For customers who need a large amount of steel and have good forward planning

Two main customer segments

BE Group's customer base can be divided into two main segments: the construction industry and the manufacturing industry. By dividing the customers in different segments, the company can adjust the offering for the customers different needs and conditions.

Construction industry

The construction industry has four subsegments:

- Steel structure suppliers with a need for beams, construction tubes, bars and heavy plates. The steel is often cut to length, drilled or primed
- Regional construction companies with a need for reinforcement products, steel for foundations and construction steel
- Nationwide building enterprises with a need for reinforcement products, steel for foundations and construction steel
- Building material chains, which consists of building material retailers and steel resellers, with a need for mainly reinforcement but also construction steel

Manufacturing industry

In the manufacturing industry, there are three sub segments:

- Subcontractors, subsuppliers, mechanic workshops and businesses with project-oriented service and maintenance to for example the process industry
- Local and regional steel resellers
- OEM customers (Original Equipment Manufacturer), industrial companies with manufacturing of products under their own brand

Value chain

From raw material to end product

The value chain BE Group is a part of can be long and complex. Below is a description of the value chains of our two biggest product areas. It is a simplified picture and in reality it is common that the same actor is active in several of the stages described. For the other product categories that BE Group provides (stainless steel, engineering steel etc) the value chains can differ with additional or fewer steps but the main aspects are the same.

	Raw materials	Production of semi-finished beams	Refinement processes	BE GROUP	Application/ customer	End of life
Long products Beams, bars, tubes	Energy, recycled scrap Mining for: • Iron ore • Coal • Lime • Different alloys	• Reduction of iron ore to either pig iron if coking coal is used or sponge if hydrogen or natural gas is used Two main production routes: • Blast oxygen furnace: Iron ore reduced with coking coal in process, alloys and lime added. Iron sponge and scrap is also mixed in to various degrees. • Electric arc furnace: Electricity used to melt iron sponge/scrap. Alloys and lime added.	Reheating Different stages of hot or cold rolling Forming/welding of hollow sections Further heat treatments Oiling	Warehousing Painting Cutting Drilling Welding (tubes) Supporting activities: • Sales activities • HR • Administration	Construction OEM-companies Subcontractors Other manufacturing	Reuse of selected parts Recycling Smaller amounts to landfill
	Transport	Transport	Transport	Transport	Transport	Transport

	Raw materials	Production of slabs	Refinement processes Coils and plates	BE GROUP	Application/ customer	End of life
Flat steel products Sheets, plates	Energy, recycled scrap Mining for: • Iron ore • Coal • Lime • Different alloys	• Reduction of iron ore to either pig iron if coking coal is used or sponge if hydrogen or natural gas is used Two main production routes: • Blast oxygen furnace: Iron ore reduced with coking coal in process, alloys and lime added. Iron sponge and scrap is also mixed in to various degrees. • Electric arc furnace: Electricity used to melt iron sponge/scrap. Alloys and lime added.	Reheating Different stages of hot or cold rolling Further heat treatments Oiling	Warehousing sales Plasma, laser and water cutting Blasting Bending Slitting CNC operations Supporting activities: • HR • Sales activities • Administration	Construction OEM-companies Subcontractors Other manufacturing	Reuse depending on component Recycling Smaller amounts to landfill
	Transport	Transport	Transport	Transport	Transport	Transport

Products & services

Customized offering

BE Group's offering consists of a large number of products and services that are adjusted to meet our customers' needs. Besides steel, stainless steel and aluminum, it includes engineering steel, rebar and materials for foundation work. BE Group is making substantial investments to secure materials classified as green steel, which is steel with significantly reduced environmental impact compared to traditional steel, and can offer green alternatives across all product areas. An important part of the offering consists of production service and with modern production facilities in Sweden and Finland, the company offer cost-efficient and flexible solutions.

Products

Long steel products

Beams, hollow sections, bars and tubes. Used in every construction imaginable, such as steel framework, trusses, bridges, vehicles and machines.

Flat steel products

Plates and sheets in various forms, including hot-rolled, cold-rolled or metal-coated. Used, for example, in construction, automotive, machining and process industries.

Stainless steel

Plates, sheets, bars and tubes. Used in corrosion exposed and demanding constructions, for example in the construction, machining, medicine and process industries.

Engineering steel

Alloyed and unalloyed structural steel surface modified bars and hollow bars. Used when there is a need for material with improved cuttability, strength, hardenability or durability.

Aluminium

Plates, sheets, bars and tubes. Used by subcontractors and OEMs, for example in construction, signs and road signs and in the aviation, automotive and packaging industries.

Rebars

Straight steel, mesh reinforcement and prefabricated reinforcement. Used to reinforce concrete to increase the strength and prevent fracturing in buildings and infrastructure.

Services

Production service

BE Group offer production services that include various processes where steel, bars, rebars, engineering steel, stainless steel and aluminum are processed to fulfil customers' specific needs. By outsourcing parts of production to BE Group, the customer can focus on the core business, reduce costs and increase productivity and profitability.

BE Group offers:

- Cutting & sawing
- Blasting & painting
- Drilling, deburring & threading of beams and profiles
- Gas and plasma cutting of heavy plate
- Cutting and slitting of strip and thin plate
- Ready-to-install reinforcement and welded reinforcement
- Post-processing (deburring, tumbling, etc.)
- Processing in collaboration with partners

Material advice and services

BE Group also offers material advice, logistics solutions and timesaving IT services that include e-commerce, EDI, digital notifications, connection to Monitor ERP and electronic invoices.

BE Online

The BE Group webshop – BE Online – is a modern e-commerce solution for purchasing and planning. Here, customers can order materials and view detailed information on material properties, qualities and dimensions, download certificates, check inventory and follow orders from order to delivery. One of the advantages with the webshop is accessibility, since it is open 24 hours a day, every day of the week. The key words are simplicity and customer satisfaction, and the webshop is continuously developed to meet customer needs.

The webshop is available to customers in Sweden och Finland and is reached at www.begroup.se and www.begroup.fi.

Business area Sweden & Poland

Structural changes in focus

Business area Sweden & Poland accounted for 52 percent (49) of BE Group's net sales in 2024. The business area includes the Group's operations in Sweden, the joint venture ArcelorMittal BE Group SSC AB and the Polish operation BE Group Poland Sp.z.o.o., which is under closure. The operations in Sweden consist of production and warehouse facilities in Norrköping and sales offices in eight cities.

In the fourth quarter, the decision was made to close the Polish unit and to move the operations to Sweden and Finland. In 2024, the Polish unit accounted for just over 1 percent of the Group's total sales. The closure, which involves about 80 people, will be implemented in the first half of 2025 and is expected to have positive effect with a payback period of less than one year. Non-recurring costs are estimated to amount to approximately SEK -28 M and has been charged to the operating result.

The company has roughly 2,000 customers in the Swedish market and the ten largest customers account for 35 percent of the business area's sales. Local presence, a high level of service and good understanding of customers are prerequisites for meeting the market needs. The competitors in the market include SSAB-owned Tibnor as well as Stena Stål, which is a part of the Stena Group.

Sales and business performance

Net sales for the year decreased by -8 percent compared to last year, and amounted to SEK 2,423 M (2,641). The decrease is explained by negative price and mix effects of -6 percent and negative organic tonnage growth of -2 percent. The decrease in tonnage is mainly explained by lower demand for rebar. Excluding rebar, tonnage increased by 5 percent.

The operating result amounted to SEK -32 M (-24). Adjusted for inventory losses of SEK -48 M (-59) and items affecting comparability of SEK -28 M (-4), the underlying operating result increased to SEK 44 M (39). The low underlying result is mainly explained by declining steel prices in a weak market and a pressured gross margin.

BE Group owns 50 percent of the company ArcelorMittal BE Group SSC AB in Karlstad. The company is a modern steel service center where thin sheets and coils are cut and slit, with a turnover of SEK 897 M (1,044) during 2024. The company is reported in accordance with the equity method and the participation in earnings for the year amounted to SEK 18 M (23).

Continued development

In 2024, focus was on continuing to meet our customers demands in a professional manner, strengthening cash flow and implementing the strategic and structural work to improve results in a weak market. The geopolitical situation remains uncertain, the market situation is tough and the recovery within the automotive industry and the construction sector is expected to progress slowly in 2025. The strategic work with enhancing growth, strengthen margins and to streamline operations will continue in 2025. The closure of the Polish unit is expected to lead to significant cost savings and a decreased carbon footprint. Given the strategic and structural changes initiated and implemented in 2024, provided that no other major changes occur, 2025 is expected to be a better year.

The strategic work with enhancing growth, strengthen margins and to streamline operations will continue in 2025. The closure of the Polish unit is expected to lead to significant cost savings and a decreased carbon footprint.

Key data	2024	2023	Change
Shipped tonnage, thousands of tonnes	134	137	-3
Net sales, SEK M	2,423	2,641	-218
Operating result (EBIT), SEK M	-32	-24	-8
Operating margin, %	-1.3	-0.9	-0.4
Underlying operating result (uEBIT), SEK M	44	39	5
Underlying operating margin, %	1.8	1.5	0.3
Investments, SEK M	24	27	-3
Average number of employees	357	373	-16

Business area Finland & Baltics

Deepen collaboration with customers

In 2024, the business area accounted for 48 percent (51) of the Group's net sales. The business area consists of the Group's operations in Finland. The Baltic unit was closed and divested during the year. The operations in Finland consist of production and warehousing facilities in Lapua, Lahti and Turku and sales offices in nine locations.

In the Finnish market, the Company has approximately 3,000 customers and the ten largest customers account for 9 percent of the business area's sales. Focus is on delivering value-generating services to both construction and manufacturing industries. The primary competitors are Tibnor and Feon.

The closure of the Baltic unit, that was announced at the beginning of 2024, was completed during the fourth quarter and the shares in the company were divested. The closure generated a positive cashflow of approximately SEK 30 M and will have a positive impact on the Group's future result.

Sales and business performance

Net sales for the year decreased by -16 percent compared to last year, amounting to SEK 2,290 M (2,729). The decline is explained by negative price and mix effects of -10 percent and closure of the Baltic unit of -7 percent. Delivered tonnage during the period increased organically by 1 percent through increased sales in long products within the construction segment.

The operating result amounted to SEK -11 M (-22) and adjusted for inventory losses of SEK -4 M (-17) and items affecting comparability of SEK -19 M (-2), the underlying operating result increased to SEK 12 M (-5). The weak underlying result is attributable to falling steel prices and a pressured gross margin.

Continued development

During 2024, demand at the Finnish market was generally weak both in the construction and the manufacturing industries. Focus has been on exceeding customer expectations and strengthening cash flow and the result in a declining market. The installation of the fully automated saw and machining line for long products at the Turku facility in 2023 has led to an increase in market shares for the Finnish operations as a whole during 2024.

During 2024, Petteri Korpioja assumed the position as MD, when Lasse Levola retired after almost 20 years within the company. A major focus is now on growth, to deepen cooperation with the customers, improved profitability in the Finnish operations despite an uncertain market with strike problems and the implementation of a new business system. As before, the goal is to offer the best customer experience by providing value-creating solutions to every customer and segment that we focus on.

The installation of the fully automated saw and machining line for long products at the Turku facility in 2023 has led to an increase in market shares for the Finnish operations as a whole during 2024.

Key data	2024	2023	Change
Shipped tonnage, thousands of tonnes	140	151	-11
Net sales, SEK M	2,290	2,729	-439
Operating result (EBIT), SEK M	-11	-22	11
Operating margin, %	-0.5	-0.8	0.3
Underlying operating result (uEBIT), SEK M	12	-5	17
Underlying operating margin, %	0.5	-0.2	0.7
Investments, SEK M	12	75	-63
Average number of employees	273	297	-24

The share

BE Group AB (publ) is listed on Nasdaq Stockholm. The Company trades under the ticker BEGR and is included in the Basic Resources sector with ISIN code SE0008321921.

Total turnover of BE Group shares in 2024 was approximately 4 M shares with a combined value of SEK 214 M, representing an average turnover of 15,130 shares or SEK 0.9 M per trading day. On the year's last trading day, December 30, 2024, the market price for the BE Group share was SEK 44.75. The highest price paid in 2024 was SEK 83.50 and the year's lowest price paid was SEK 44.00. At the end of the year, BE Group's total market capitalization was SEK 582 M.

Share capital and voting rights

At December 31, 2024, the share capital in BE Group was SEK 260.2 M (260.2) allocated among 13,010,124 shares, each with a quotient value of SEK 20.00. Under the Articles of Association, minimum share capital in the Company is SEK 150,000,000 and maximum share capital SEK 600,000,000, with a minimum of 10,000,000 and a maximum of 40,000,000 shares. Each share carries one vote and there is only one class of shares.

Ownership structure

At the end of 2024, BE Group had 10,231 shareholders, compared to 13,615 at the end of last year. AB Traction and Svedulf Fastighets AB were the two largest owners. Other major owners are listed in the table. At the end of the year, the proportion of Swedish institutional ownership (legal entities) totalled 66.5 percent and foreign ownership was 2.9 percent.

Dividend and dividend policy

According to BE Group's dividend policy, the Group shall distribute at least 50 percent of profit after tax, over time. BE Groups financial positions and future outlook shall be taken into account in determining the payment of dividends. The Board of Directors proposes that no dividend will be paid for the financial year of 2024.

Largest shareholders December 31, 2024

Shareholders	Number of share	Capital and votes (%)
AB Traction	3,300,000	25.4
Svedulf Fastighets AB	3,250,426	24.9
Ahldin, Johan	642,285	4.9
Försäkringsaktiebolaget, Avanza Pension	632,716	4.9
Ålandsbanken ABP (Finland), svensk, filial	143,676	1.1
Nordnet Pensionsförsäkring AB	141,975	1.1
Lindberg DBO Gunnar	125,000	1.0
Coeli Wealth Management AB	109,120	0.8
Petersson Roger Yngve	109,000	0.8
Futur pension Försäkringsaktiebolag	99,906	0.8
Total, 10 largest shareholders	***8,554,104***	***65.7***
BE Group´s holding of treasury shares	26,920	0.2
Other shareholders	4,429,100	34.1
Total number	**13,010,124**	**100**

Shareholder structure, December 31, 2024

Holding	Number of shareholders	Number of shares	Capital and votes (%)
1 – 500	9,041	767,754	5.9
501 – 1,000	593	452,985	3.5
1,001 – 5,000	475	981,513	7.5
5,001 – 10,000	50	371,039	2.9
10,001 – 15,000	12	154,516	1.2
15,001 – 20,000	13	238,190	1.8
20,001 –	47	10,044,127	77.2
Total	**10,231**	**13,010,124**	**100**

Per share data

SEK unless otherwise stated	2024	2023
Earnings per share	-3.21	-4.59
Earnings per share after dilution	-3.21	-4.59
Equity per share	107.06	109.68
Proposed dividend per share	–	–
Market price, December 30. latest price paid	44.75	71.25
Market capitalization, December 30, SEK M	582	927
P/E ratio	-13.9	-15.5
Yield rate, %	–	–

Share price development January 2020 – December 2024

ISIN code: SE0001852211 Ticker on NASDAQ Stockholm Exchange: BEGR Source: Allfunds Tech Solutions

Board of Directors' Report

Development during the year

Operations

BE Group AB (publ), Corp. Reg. No. 556578-4724, which is listed on the Nasdaq Stockholm exchange, is an independent steel distributor that stores and processes steel, stainless steel, and aluminium for customers primarily in the construction and manufacturing industries. Through the company's production services, customers can order customized steel components to optimize their production processes. In 2024, the Group reported sales of SEK 4.7 billion. BE Group has approximately 640 employees, with Sweden and Finland as its largest markets. The headquarters is located in Malmö, Sweden. Read more about BE Group at www.begroup.com.

Alternative performance measures

BE Group present certain alternative performance measures that are not defined in accordance with IFRS accounting standards. These alternative performance measures should be seen as a complement and not a substitute for financial information presented in accordance with the standards. Group management believes that these alternative performance measures provide useful information to analysts, other stakeholders and readers of the reports about the Group's operational and financial development. The alternative performance measures that BE Group considers to be significant are underlying operating result, working capital, net debt and capital employed. Under Alternative performance measures, you can read more about how these are calculated.

Market and business environment

In Europe (EU27), 129.5 million tonnes of crude steel were produced in 2024, according to the World Steel Association, the global trade association for steel producers. This is an increase of just under 3 percent compared to 2023. Globally, 1,840 million tonnes were produced, a decrease of around 1 percent. During the year, we have seen continued price declines due to reduced demand while European mills maintained their capacity.

Long products (beams, rebar, etc.), which are largely consumed in the construction sector, have had weak demand in 2024. However, spot prices for long products in Europe have been more stable in 2024 compared to the previous year, probably as a result of producers managing to balance their production capacity to the lower demand. For flat products (hot and cold rolled sheet), spot prices in Europe rose at the beginning of the year and then declined until the beginning of December, thus resulting in a full-year decrease of 16-19 percent. Producers of flat products have maintained their capacity during the year despite the declining demand, which has had an effect on prices.

Group structure and organization

The Group consists of two business areas, Sweden & Poland and Finland & Baltics, with a focus on the Group's main markets. Parent Company & consolidated items include the Parent Company and Group adjustments.

Net sales and business performance

During the year, the Group's net sales decreased by 12 percent compared to last year and amounted to SEK 4,667 M (5,328). The decline is explained by negative price and mix effects of -8 percent, closure of the Baltic unit of -3 percent and negative tonnage growth of -1 percent. Tonnage to the construction industry decreased organically by -6 percent, which mainly affects the Swedish business, while the manufacturing industry increased by 2 percent. Tonnage in business area Sweden & Poland decreased by -2 percent, but excluding rebar it increased by 5 percent. In Finland & Baltics organic tonnage increased by 1 percent through increased sale of long products.

Gross profit amounted to SEK 517 M (544) while gross margin increased to 11.1 percent (10.2). The operating result amounted to SEK -49 M (-52), corresponding to an operating margin of -1.0 percent (-1.0). Adjusted for inventory losses of SEK -53 M (-76) and items affecting comparability of SEK -47 M (-6), the underlying operating result increased to SEK 51 M (30). The underlying operating margin increased to 1.1 percent (0.6).

Business area Sweden & Poland

Business area Sweden & Poland accounted for 52 percent (49) of the Group's net sales during the year. The business area includes the Group's operations in Sweden consisting of BE Group Sverige AB, BE Group Produktion Arvika AB and the joint venture ArcelorMittal BE Group SSC AB as well as the Polish operations BE Group Sp.z o.o., which is under closure. Net sales decreased by 8 percent compared to last year, amounting to SEK 2,423 M (2,641). The decline is explained by negative price and mix effects of -6 percent and negative organic tonnage growth of -2 percent. The operating result amounted to SEK -32 M (-24). Adjusted for inventory losses of SEK -48 M (-59) and items affecting comparability of SEK -28 M (-4), the underlying operating result increased to SEK 44 M (39). In the result, intra-group expenses invoiced from the Parent Company have been eliminated except for expenses for IT and business systems.

Business area Finland & Baltics

Business area Finland & Baltics accounted for 48 percent (51) of the Group's net sales during the year. The business area consists of the Group's operations in Finland. The Baltic unit was closed during the year and the shares were divested. Net sales decreased by 16 percent compared to last year, amounting to SEK 2,290 M (2,729). The decline is explained by negative price and mix effects of -10 percent and closure of the Baltic unit of -7 percent. Tonnage increased organically by 1 percent. The operating result amounted to SEK -11 M (-22) and adjusted for inventory losses of SEK -4 M (-17) and items affecting comparability of SEK -19 M (-2), the underlying operating result increased to SEK 12 M (-5). In the result, intra-group expenses invoiced from the Parent Company have been eliminated except for expenses for IT and business systems.

The Group & Parent Company

Net financial items and tax

Consolidated net financial items amounted to SEK -22 M (-23) and net interest accounted for SEK -26 M (-25), of which SEK -10 M (-10) is related to leasing according to IFRS 16. Tax amounted to SEK 29 M (15). Result after tax amounted to SEK -42 M (-60).

Cash flow

Cash flow from operating activities amounted to SEK 105 M (491). The cash flow from investing activities amounted to SEK -84 M (-145) for the full-year of which SEK 64 M is related to a new business system. Cash flow after investments thereby amounted to SEK 21 M (346).

Capital, investments and return

At the end of the period, consolidated working capital amounted to SEK 628 M (683) and average working capital tied-up was 14.5 percent (16.2). Of the year's investments, totalling SEK 128 M (146), investments in intangible assets accounted for SEK 92 M (44) and investments in tangible assets for SEK 36 M (102). The return on capital employed excl. IFRS 16 was negative and amounted to -2.9 percent (-3.1).

Financial position and liquidity

At the end of the period, consolidated cash and cash equivalents, including overdraft facilities, were SEK 159 M (224) and consolidated interest-bearing net debt excl. IFRS 16 amounted to SEK 340 M (259). At the end of the period, equity amounted to SEK 1,390 M (1,424).

Employees

The number of employees amounted to 626 compared to 657 last year. The decrease is mainly attributable to the closure of the Baltic unit. The average number of employees during the year amounted to 640 (678).

Parent Company & consolidated items

Parent Company & consolidated items include the Parent Company and Group adjustments. 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 Parent Company, BE Group AB (publ), amounted to SEK 111 M (128) during the period and derived from intra-Group services. These intra-Group services mainly include licensing fees regarding the subsidiaries' use of the BE Group brand and central expenses for IT and Finance, etc. The expenses are distributed and invoiced to all subsidiaries in the Group. In the result follow-up of the business areas, intra-group expenses were eliminated except for expenses for IT and business systems. Out of the total costs for the Parent Company, of SEK -65 M (-64), SEK 49 M (54) was distributed to the subsidiaries.

The operating result amounted to SEK 46 M (64). Net financial items amounted to SEK -2 M (97). The result before tax amounted to SEK -11 M (63) and the result after tax was SEK -10 M (70). At the end of the year, Parent Company equity amounted to SEK 1,067 M (1,077). Investments in the Parent Company amounted to SEK 92 M (44) mainly attributable to a new business system. At the end of the period, cash and cash equivalents in the Parent Company amounted to SEK 5 M (64).

Sustainability report

BE Group has established a sustainability report pursuant to the Annual Accounts Act. The Group's sustainability report includes pages 18-27, the section on risks and risk management in the Board of director's Report on pages 15-17 and the business model and value chain on pages 6-7.

Environmental policy and environmental work

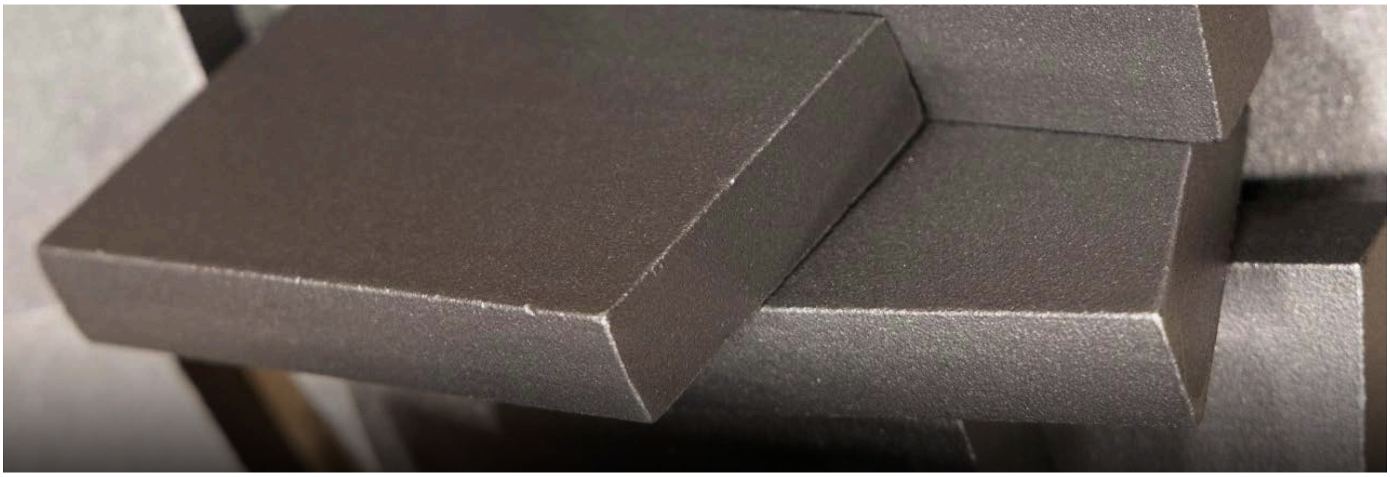
BE Group is working with environmental issues as an integrated part of its operations. The company is working to continuously improve its own facilities' energy consumption, emissions and waste management.

Overarching environmental policy

A comprehensive environmental policy forms the basis of BE Group's environmental work. The policy states among others that BE Group shall:

- As a minimum comply with current environmental legislation and requirements from local authorities.
- Be economical in the use of energy and natural resources.
- Work to decrease the amount of waste and emissions from the facilities.
- Identify opportunities to make adjustments benefiting the environment when making investments and changes in processes and facilities.
- Maintain a high level of awareness on environmental issues through ongoing training.
- Document and communicate environmental work to employees and provide open and objective information to external stakeholders.

BE Group is engaged in operations at one site each in Sweden and Finland for which environmental permits are required. Group companies have obtained special permits to engage in operations in the countries where such permits are required. All operations within the Group are certified under the ISO 14001 environmental management system.



Share-related information

Ownership structure

The BE Group share has been listed on the Nasdaq Stockholm Exchange since the end of 2006. At the end of the financial year, BE Group had 10,231 shareholders, compared to 13,615 at the end of last year. AB Traction and Svedulf Fastighets AB were the two largest owners with 25.4 percent and 24.9 percent of the shares, respectively. Information regarding other major owners is available under The Share and at the company's website. At the end of the year, the proportion of institutional ownership (legal entities) totalled 69.3 percent and foreign ownership was 2.9 percent.

At the end of 2024, the three members of Group Management together held 7,795 shares in BE Group. At the same time, the company's directors together held 3,453,282 shares, including shares in close association. The disclosures regarding shareholdings in BE Group for the Board of Directors and Group Management refers to own and shares in close association, endowment insurance and legally owned shares which directly or indirectly is controlled by the person or its relatives. BE Group held 26,920 treasury shares at the close of 2024.

Share capital, shares outstanding and rights

The registred share capital amounted to 13,010,124 (13,010,124) common shares on December 31, 2024. Each share has a quotient value of SEK 20.00 (20.00). According to the Articles of Association, minimum share capital in the company is SEK 150,000,000 and maximum share capital SEK 600,000,000, with a minimum of 10,000,000 and a maximum of 40,000,000 shares. Share capital is determined in Swedish kronor.

All shares convey equal rights to a percentage of the company's net assets, profits and any surplus upon liquidation. Each share carries one vote and there is only one class of shares. There is no limit to the number of votes a shareholder may cast at the Annual General Meeting or with respect to transfer of shares. The company is aware of no agreements between shareholders which may limit the right to transfer shares.

Further information about the BE Group share is provided on www.begroup.com.

Authorization to the Board of Directors

The Annual General Meeting resolved to authorize the Board of Directors to decide, on one or several occasions up to the Annual General Meeting 2025, on purchase of the company's own shares, for the purpose of providing the Board of Directors with increased flexibility in managing the company's capital structure and enhancing shareholder value, as well as to enable financing of minor company acquisitions. Purchases may be made of up to such a number of shares that the company's own holdings at any time do not exceed ten percent of all shares in the company. Purchases may only be made on Nasdaq Stockholm and may only be made at a price within the prevailing price range, meaning the range between the highest bid price and the lowest ask price at any given time.

The Annual General Meeting also resolved to authorize the Board of Directors to decide, on one or several occasions up to the Annual General Meeting 2025, regarding the transfer of treasury shares for the purpose of financing smaller corporate acquisitions. Transfer of shares may take place with deviation from the shareholders' preferential rights corresponding to a maximum number of shares held by the company at the time of the Board of Director's decision. Transfer of shares may take place as payment of whole or part of the purchase price at the acquisition of a company or business or part of a company or business, and the consideration shall be equal to the assessed market value of the share. On such transfer, payment may be made by assets contributed in kind or by set-off of a claim against BE Group. Transfer may also be made against cash payment by sale on Nasdaq Stockholm, at a price within the price interval that may be registered at any given time, i.e. the interval between the highest purchase price and the lowest sales price at the time of transfer. The Board of Directors shall be entitled to determine the other terms and conditions of the transfer.

During the year, no treasury shares were purchased or transferred and BE Group holds 26,920 treasury shares, corresponding to 0.2 percent of the share capital, which was acquired for a total amount of SEK 21 M.

Corporate governance

A description of the Board of Directors' work, corporate governance and internal control is presented in the Corporate Governance Report.

Guidelines on remuneration principles for senior executives

The guidelines on remuneration principles for senior executives can be found in the Corporate Governance Report on pages 76 – 82 and the actual remunerations agreed during the year are detailed in Note 4.

Contingent liabilities

Consolidated contingent liabilities amounted to SEK 1,400 M (1,400) and refers to committment according to agreement with Stegra, previously H2 Green Steel, regarding cooperation and distribution of fossil-free steel at the Nordic market. The committment towards Stegra presume approved deliveries within certain stipulated timeframes.

Significant events after the end of the financial year

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

Accounting principles

The consolidated accounts are prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards), as adopted by the European Commission for application within the European Union. A more detailed explanation of accounting principles is available under "Accounting principles".

Dividend and dividend policy

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 (-) will be paid for the financial year of 2024.

Appropriation of earnings

The Board of Directors' proposal for the appropriation of earnings

The Board of Directors proposes that no dividend (-) will be paid for the financial year of 2024.

Funds available		
Retained earnings	785,795,904	SEK
Result for the year	-9,882,612	SEK
Total	**775,913,292**	**SEK**
Balance carried forward	775,913,292	SEK
Total	**775,913,292**	**SEK**

Risks and risk management

BE Group's profits and financial position are affected by a large number of factors. Several of these are beyond the company's own control. Effective risk management supports BE Group's strategic targets and ensures business continuity even under shifting circumstances.

The Group operates in several countries and is therefore exposed to various risks as a consequence of differences in legislation, regulations and guidelines. Group management reports ongoing risk issues to the Board, which has ultimate responsibility for the company's risk management. This may apply, for example, to financial status and changes in the surrounding world. Responsibility for risk management within the Group is governed by established policies and routines, which are continuously revised. Group management receives support in strategic decisions by identifying, mapping and managing the Group's risks.

The most important risks and factors of uncertainty for BE Group can be divided between Market risks, Operational risks, Financial risks and Sustainability related risks.

Market risks	Description	Management
Economic trends	The company has a large number of customers in different industries and is therefore affected by the general economic climate. A weak economic trend increases the risk of lower demand for the Group's products, resulting in lower sales revenues. In addition, a weaker economy can lead to low inventory turnover, falling prices and inventory losses on existing inventories.	BE Group's strategy regarding inventory levels is primarily to warehouse products based on estimated customer demand. The various companies in BE Group strive to maintain a level of inventory turnover suited to the market and local conditions of each company. The operational control of inventory levels is exerted by means of targets for the number of inventory days.
Legal risks	Since BE Group maintains operations in several countries, the Group is exposed to different laws, regulations, agreements and guidelines, as well as to changes in the stipulations within these. Among other things, regulations include trade restrictions, such as sanctions, customs duties and tariffs, requirements for import and export licenses, restrictions on movements of capital and tax regulations. In all commercial operations, disputes may arise as a consequence of differences of opinion on issues of responsibility and interpretations of contract terms.	BE Group follows the laws and regulations that apply in each country the company operates. The company follows developments, complies to new rules and regulations and implements policies and/or activity plans where required.
War and conflicts	The European producers are dependent on inputs from different countries. War can have a negative impact and mean, for example, high energy prices, shortages of materials and interruptions in supply chains with sharp price increases as a consequence.	As an independent supplier, BE Group is not committed to one supplier but is working with different alternatives. The company conducts environmental monitoring and monitors critical material flows.
Steel price trend	Steel price trends are volatile and has a direct impact on the company's profitability. Steel prices affect the company such that lower market prices provide a smaller contribution towards covering the Group's costs given a constant gross margin. The steel price trend also affects final sales prices for products held in inventory, which for BE Group leads to a financial impact in the form of inventory gains and losses.	To limit these inventory effects, BE Group is working actively to reduce the number of inventory days while maintaining its level of service towards customers. BE Group has longer price agreements with several customers, which reduces the risk. Consequently, falling steel prices have a negative impact on BE Group's operations and earnings, while increased prices have a positive impact.

Sensitivity analysis

The table below shows the estimated effect on underlying operating result of changes in steel prices and sold tonnage. The sensitivity analysis is based on the outcome for 2024 and assumes a constant underlying gross margin.

	Change	Operating result effect
Steel price	+/-5 %	+/-33 MSEK
Tonnage	+/-5 %	+/-21 MSEK

Operational risks	Description	Management
Information security	Dependence on IT systems increases vulnerability to cyber-attacks and downtime, which can seriously affect the business in various ways and lead to extensive financial consequences. Cyber risks through ransomware, phishing, information leakage and other types of online fraud are a growing threat that requires great vigilance.	In order to minimize external threats and their impact, the Group continuously invests in appropriate technology and internal IT security training takes place on an ongoing basis. BE Group carefully follows developments in the area in order to best protect critical information and ensure stable IT operations.
Global disturbances in the supply chain	The company is exposed to the risk that deliveries from suppliers may be significantly delayed or absent in the event of production interruptions, capacity shortages or transport problems beyond its control. This can mean loss of revenue and/or costly measures to meet commitments to customers.	It is BE Group's assessment that the group is not dependent on any single supplier and all major suppliers are deemed to be replaceable, which is why a supplier interruption does not necessarily lead to long-term consequences for the business. Some product groups are more vulnerable, but the Group strives to develop relationships with the best steel producers in order to maintain a long-term and sustainable collaboration.
Customer dependence	The company's customers are mainly concentrated within the construction and manufacturing industries and the company is exposed to risks at declining demand and production.	BE Group's operations are conducted in several different markets and to numerous customer categories. The ten largest customers accounted for 18 percent (19) of total sales in 2024. BE Group has a large number of customers in different industries and consequently, a good risk diversification.
Insufficient delivery capability	The lead time to the customers is highly dependent on the purchase process and production activities proceeding as planned. Production disruptions and deficiencies in incoming deliveries may affect delivery capability to customers.	BE Group's ten largest suppliers together account for about 60 percent of the purchases, however, the company is cooperating with around 430 different suppliers which ensures the availability of materials. The company measures and follow up lead times and delivery accuracy as a part of an ongoing improvement work.

Financial risks	Description	Management
Currency risk	The company is exposed to transaction exposure arising when the Group conducts purchasing in one currency and sales in another. This means that the transaction exposure is attributable to accounts receivable and accounts payable. The Group's purchases are denominated mainly in SEK and EUR, while sales are denominated in local currency.	BE Group's objective is to minimize the short-term and long-term impact of movements in foreign exchange rates on the company's profit and equity. This is mainly achieved by matching revenues and expenses in business transactions with currencies other than SEK. When matching cannot be achieved, the Group utilizes forward contracts for currency hedging.
Refinancing risk	The company is a net borrower and a refinancing risk arises in connection with the extension of existing loans and the raising of new loans. Access to external financing, which is affected by factors such as the general trend in the capital and credit markets, as well as the borrower's creditworthiness and credit capacity, may be limited and there may be unforeseen events and costs associated with this.	According to BE Group's finance policy the borrowing strategy focuses on securing the Group's borrowing needs, both with regard to long-term financing needs and day-to-day payment commitments. BE Group works to maintain satisfactory payment capacity by means of unutilized credit facilities and through active control of its working capital, which is the main item affecting the Group's liquidity.
Credit risk	The company makes a commercial assessment when entering into new business relations and extending existing ones. The risk that payment will not be received on accounts receivable represents a customer credit risk.	BE Group applies credit policies to manage this risk by limiting the outstanding credit extended and terms for various customers as well as a Group wide credit insurance. Short credit terms and the absence of risk concentrations towards individual customers and specific sectors contribute to reducing credit risk in Sweden and Finland. The risk of a counterparty not fulfilling its obligation is limited by selecting creditworthy counterparties and limiting the commitment per counterparty.

Sustainability related risks	Description	Management
Health and safety	Deficiencies in safety and work environment leads to a greater risk of illness and incidents for the company's employees.	The work environment, health and safety are central issues for BE Group and the company has a systematic work to secure and improve the work environment called Safety First. BE Group continuously monitors a number of parameters in the area of health and safety. Possibilities of improvements are discussed by the Group Management Team and locally at the units. Each accident and incident are reported, rectified, evaluated and followed up.
Human resources	The company depends on competent employees for its future development and success. The ability to recruit, retain and develop qualified employees and to be an attractive employer is important. The effect on the operations could be negative if key personnel leave and suitable successor can not be recruited.	In order to achieve an organization with committed employees, the company conducts during the year, among other things, employee talks and employee surveys, systematic work with the work environment, competence development and internal training. Training takes place both through broad programs for many employees and as individual-based competence development.
Gender equality, diversity and discrimination	Shortcomings in implementation and compliance with the company's values can lead to deficient gender equality and diversity.	BE Group annually conducts an employee survey with active follow-up of the results, where action plans are prepared for the identified improvement areas. The work is done with full transparency in relation to guidelines, employee manuals and reporting of violations regarding gender equality, diversity and discrimination.
Corruption	Corruption can exist to varying degrees in some countries and different sectors of society. Like many other companies, the company runs a risk of becoming involved in unethical transactions in the areas comprising sales and purchasing processes.	Within BE Group, there is zero tolerance to unethical business practices. The company has an Anti Corruption Policy and a Code of Conduct for the company's employees, suppliers and cooperative partners. BE Group applies central and local authorization manuals to avoid conflicts of interest and uses procurement processes that ensure good business ethics.
Sanctions	EU has tightened restrictions on imports of iron, steel and other goods by requiring importers to prove that the material does not come from sanctioned countries, companies or individuals.	BE Group has developed a sanction policy that covers the entire organization. It states that the company does not interact, directly or indirectly, with any person or entity listed as unauthorized on sanction lists and that the company does not conduct business, directly or indirectly, with countries or regions subject to sanctions. All companies within BE Group are required to collect basic identification information about all business partners and to conduct sanction controls.
Human rights	With a geographically widespread supplier base insight regarding human rights may be limited and there is a risk that the company may involuntarily contribute to human rights violations.	These issues are addressed in BE Group's Code of Conduct and it applies to all employees within BE Group including the Group Management Team. Board members, business partners, customers and suppliers are also encouraged to follow this Code of Conduct. For suppliers, there is also a separate Code of Conduct. Reporting of potential problems, inaccuracies, illegal behavior or improprieties can be made to the immediate manager or anonymously through the whistle-blower system.
Environmental legislation and responsibility for the environment	Operations are subject to legislation pertaining to the environment, as well as regulations on emissions to the atmosphere and water, waste management and the workplace environment. The company could become liable for environmental damage caused by operations conducted, or that have previously been conducted by the company. It cannot be ruled out that operations such as those that are conducted, or have been conducted, by the company could lead to liability for environmental impacts that do not appear until much later.	BE Group works to comply with laws and regulations and to reduce the company's environmental impact within the ISO14001 framework. BE Group also works to reduce the environmental impact in the value chain, through the production and distribution process from suppliers to end users.
Emissions from transports	The company primarily sells its products in two markets, which means that transports of materials are unavoidable and use of transport services most often entails use of fossil fuels.	BE Group works to optimize the logistics flows. Detailed data for the current fuel consumption are being gathered in cooperation with the transport companies and the Group is working actively on finding transport companies with an explicit and deliberate sustainability and environmental focus..

Sustainability Report 2024

HIGHER DEMANDS ON OPERATIONS

In 2024, BE Group implemented structural changes in its operations. The company closed the unit in the Baltics and began to relocate operations from Poland to Sweden and Finland. This is expected to have a positive effect on the company's earnings. Just like in the previous year, there was a tough market situation with a weak economy, high interest rates, high inflation and a continued weak construction sector. The Corporate Sustainability Reporting Directive (CSRD) will enter into effect in 2025 with the first reporting under the directive in connection with the Annual Report for 2025. During the year, considerable focus in the Group has been on preparing processes and the organization for the shift in sustainability reporting that is currently under way.

About the report

BE Group's Board of Directors bears ultimate responsibility for sustainability efforts and continuously monitors that operations meet the statutory and regulatory requirements imposed on the company. The Board of Directors has delegated the establishment of the framework for sustainability work to the Group Management Team and the Board of Directors regularly reviews the work through the Audit Committee. The Group Management Team handles strategic issues, targets, follow-up and communications. The managing director of the respective unit bears the operating responsibility and sets local goals and plans that are subsequently followed up by the Group Management Team. This work is held together by a sustainability coordinator who reports to the President and CEO.

The sustainability report pursuant to the Annual Accounts Act includes pages 18-27, the section on risks and risk management in the Board of Director's Report on pages 15-17 and the business model and value chain on pages 6-7. This sustainability report applies to the Group and all wholly owned subsidiaries.

Materiality assessment according to Corporate Sustainability Reporting Directive

In late 2023 and early 2024, BE Group conducted a materiality assessment together with an external consulting firm in accordance with the requirements of the European Sustainability Reporting Standards (ESRS). The project was implemented in four parts: preparation and scoping, mapping of impacts, risks and opportunities, materiality assessment and validation. In every part, the executive teams for the two largest business units (Sweden and Finland) participated in workshops and between these occasions, the sustainability coordinator worked together with consultants and smaller groups of department managers to advance the work.

In the preparation and scoping phase, the company's business model was defined, value chains were mapped by product area, key stakeholders were specified and thresholds for impact materiality and financial materiality were determined. In this phase, it was also decided to use the recommended time horizons established in the ESRS.

The mapping phase began with a workshop where all the subject standards in ESRS were systematically discussed per sub-topic to highlight all issues that could potentially constitute the company's impacts, risks and opportunities. This was later followed up with relevant departments by topical standard in order to ensure that no question has been overlooked. The results provided a basis for a number of interviews with selected stakeholders in order to validate that BE Group's assessments did not deviate to a large extent from their expectations and perception of the company's impacts, risks and opportunities.

Materiality assessments were done as in the mapping phase in a workshop with broad representation from the units' management teams and was subsequently followed up in greater detail with the respective unit in the company. Results were subsequently validated by the Group Management of BE Group.

In addition to the completion of the double materiality analysis, a gap analysis was performed and an action plan was created for the continued reporting work. As expected, the gap analysis showed that many areas lack reliable data at present. BE Group has not previously reported any information on some of the topical standards that have become material, and topical standards that are close to matters we have historically reported on include new areas where processes must be created for reporting.

To develop and streamline data collection and reporting work, BE Group has initiated a partnership with an external provider of digital solutions in the area of sustainability. The solution will be implemented in the first half of 2025 and then gradually be extended over time. BE Group intends to make use of the temporary exceptions for disclosure requirements to which companies under 750 employees are entitled.

Dialogue with key stakeholders

BE Group strives to maintain an open dialogue with the identified key stakeholders to be able to meet their needs and expectations of the company. Their opinions add valuable information to the development of the company. The following stakeholders have been identified: customers, employees, shareholders, suppliers and society, where dialogue has been conducted through personal meetings, customer and employee surveys, investor meetings, networks, collaborative projects and union collaboration.

Key stakeholders

Stakeholder	Expectations on BE Group	Example of dialogue
Customers	BE Group should add value to all customer segments in accordance with its business model and acts with responsiveness to customer needs and in a manner that promotes trust, strengthening relations with existing customers and attracting new ones.	Dialogue is conducted for example through personal interaction, daily contacts, trade fairs, customer surveys and the website.
Employees	BE Group should act responsibly both internally and externally to attract, develop and retain competent employees. Our core values guide us in how we behave towards one another in our day-to-day work.	Dialogue is conducted for example in everyday discussions, workplace meetings, employee surveys, union collaboration, internal training, incident follow-up, performance reviews.
Shareholders	BE Group should generate value for its shareholders through responsible and profitable company based on the Group's business model and strategies for profitability.	Dialogue is conducted for example through the Annual General Meeting, annual reports, sustainability reports, interim reports, the website and investor meetings.
Suppliers	BE Group should add value by providing efficient distribution, warehousing, pre-processing services and knowledge about our markets. The Group strives to strengthen sustainability work among suppliers through dialogue and by setting requirements.	Dialogue is conducted for example through personal interaction, daily contacts, quarterly meetings and cooperation projects.
Society	BE Group aims to contribute to positive social development by generating job opportunities in its own operations and among partners. BE Group shall be an open and easily accessible actor that communicates with the greatest possible transparency within the regulatory framework regarding market-sensitive information.	Dialogue is conducted for example through study visits, collaborative projects, networks and sponsorship.

Environment and climate

Products with a long lifespan

Environmental issues are an integrated part of BE Group's operations and the foundation of the environmental work is a Group-wide policy. All operations are certified in accordance with the international environmental standard ISO 14001. BE Group is engaged in operations at one site in Sweden and one in Finland where environmental permits are required.

The units work locally with the environmental issues linked to the operations and focus is on continuously improving their facilities' energy consumption, emissions and waste management. These areas are monitored through the following key figures: energy intensity per tonne sold, emission intensity per tonne sold and waste recycling rate.

Climate impact

BE Group makes calculations of carbon dioxide emissions for Scope 1 & 2 according to the recommendations in the Greenhouse Gas Protocol. In 2024, BE Group's combined climate impact expressed in CO_2-equivalents was 2,550 tonnes (2,900). Per ton sold, BE Group's impact is 10.9 kg (11.2) CO_2-equivalents per ton sold, excluding transports. If transports are included, the combined effect would be 14.6 kg (21.6) CO_2-equivalents per ton sold. The decrease in the transport phase from the previous year reflects BE Group's efforts to increase the filling rate in our transports, thereby reducing the number of journeys and BE Group's active choice of transport providers with ongoing environmental improvements. Over the year, energy intensity amounted to 74.5 kWh (89.0) per ton sold.

Investments and improvements

Several improvements that were mentioned in the 2023 Annual Report were completed during the year. This includes the completion of the installation of the heat recovery system in one of the production lines in the Swedish operations and improved insulation of buildings at a production facility in Norrköping. In addition, the upgrade of the forklift fleet continued in both Sweden and Finland with new electric forklifts. Both countries have also installed more LED lighting at the various facilities and charging stations for electric cars.

During the year, a number of energy efficiency measures were implemented for parts of the machine park in Finland, including high-bay storage units and the sheet metal cutting line. Both the units in Sweden and Finland purchase 100-percent fossil-free electricity. During the year, the Swedish company updated its car policy and as the company car fleet is replaced, it will consist solely of electric cars or plug-in hybrids.

Circular material flows

Steel production is a heavy and energy-intensive industry, but at the same time, structures and other products made of steel have a long lifespan and high recycling potential and recycling rate compared to other types of materials. Residual materials from BE Group's operations consist primarily of metal (approximately 97 percent), of which 100 percent is recycled. Otherwise, wood and cardboard are the largest waste categories. BE Group participates in public initiatives to recirculate packaging materials such as pallets where they are in usable condition. The recycling rate for waste not including metals is approximately 90 percent (73).

Key data	**2024**	**2023**
Shipped tonnage, thousands of tonnes	271	285
CO_2 emissions/ton	10.9	11.2
Energy intensity kWh/ton	74.5	89.0
Recycled residuals, %	99	97

Supply chain

BE Group is an independent steel distributor offering products from several steel producers around the world. The company monitors developments regarding the requirements imposed in the area and sustainability and transparency are important parameters both in the classification and evaluation of suppliers. BE Group actively seeks out suppliers with explicit sustainability efforts that can offer products with lower CO_2 emissions. The ambition is to increase the share of purchases from ISO 14001 certified suppliers and, in 2024, 87 percent (83) of purchases were made from certified suppliers.

During the year, considerable amounts of products with a lower carbon footprint were added to the inventory and the product areas beams, bars and rebar stand out with some of the market's best values in environmental product declarations.

Sustainable steel

BE Group strives to be able to offer a complete range of sustainable steel going forward. As an independent steel distributor, BE Group has a responsibility to contribute to the green transition in the sector and the company sees increased interest from customers in materials with a lower carbon footprint. During the year, a new collaboration agreement was signed with the German producer Peiner Träger, where BE Group will stock and distribute their product serie SALCOS with lower carbon footprint.

BE Group has entered several partnerships in this area:

- Co-operation agreement with leading steel producer AFV Beltrame regarding their product line of steel bars and profiles, the carbon-neutral Chalibria
- Our joint venture ArcelorMittal BE Group SSC AB maintains warehousing of and BE Group distributes ArcelorMittal's low carbon XCarb hot-rolled steel
- An agreement is signed with SSAB regarding distribution of fossil-free steel in the Finnish market
- Co-operation with the Austrian aluminum producer AMAG Austria Metall AG where BE Group can offer their aluminum tread plate with significally lower carbon footprint.
- Agreement with Stegra (former H2 Green Steel).

Discussions are continuously held with additional European steel producers on future partnerships concerning products with a lower carbon footprint.

Digitalization of sustainability data

BE Group can clearly see that demand from customers and other key stakeholders for qualitative sustainability data is increasing. Customers want more detailed information about the environmental consequences of the products they purchase, and for an increasing number of customers, sustainability is becoming a factor of greater importance when evaluating suppliers.

During the year, BE Group focused on increasing internal capacity in its work on environmental product declarations and other digital tools and databases to meet customers' needs. A detailed inventory of sustainability data available in the market was conducted and the results provide the basis for more structured work in the area. In addition, the Swedish company incorporated dedicated resources to work on these issues.

Pending a general definition for what is termed green steel, BE Group has initiated a Group-wide process to develop its own definition. The purpose of the process is to make it easier for our customers to understand how the items they want to buy do in terms of environmental performance compared to the alternatives on the market. The Group-wide definition will be communicated in 2025.

EU Taxonomy

Common definitions

The EU Taxonomy Regulation (EU) 2020/852 is a regulation that serves as a classification system to determine whether an economic activity is to be considered environmentally sustainable. The regulation was established to contribute to the fulfillment of the targets within the European Green Deal by shifting investments in the financial markets towards environmentally sustainable activities. Through common definitions and criteria for which economic activities can be assessed as environmentally sustainable, it becomes easier for investors to make sustainable investments as the transparency of activities' environmental impact increases. In this way, environmentally sustainable activities will attract investors which also creates incentives for companies to become more environmentally friendly.

The EU Taxonomy covers a total of six environmental objectives: climate change mitigation, climate change adaption, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.

BE Group is subject to the reporting requirements of the Taxonomy under Article 8 of the Regulation. Therefore, information must be provided on how and to what extent the company's activities are covered by the Taxonomy (taxonomy-eligible) and how well they meet the technical screening criteria to be considered environmentally sustainable (taxonomy-alignment).

Disclosures must be made based on three financial key figures to clarify the proportion of the company's products, services, assets, or processes covered by the Taxonomy. For an economic activity or part of an activity to be aligned with the Taxonomy, it is required that the activity contributes to one or more of the six environmental objectives by meeting the technical screening criteria, does not cause significant harm to any of the other objectives, and is implemented in accordance with certain minimum safeguards. The parts of the company's operations that meet these criteria are classified as environmentally sustainable for current financial year.

For the analysis of economic activities in relation to the technical screening criteria, the Commission's delegated regulation (EU) 2021/2139 of 4 June 2021 has been considered for the first two environmental objectives, while the supplementary delegated regulation (EU) 2023/2486 of 27 June 2023 has been used for the remaining four environmental objectives. Furthermore, the Commission's delegated regulations (EU) 2022/1214 of 9 March 2022 and (EU) 2023/2485 of 27 June 2023 have also been considered in the analysis of eligible and aligned activities. The key figures applied in this analysis are revenue, capital expenditures (CAPEX), and operational expenditures (OPEX). No changes in the calculation method has been made since last year.

Scope

BE Group is an independent steel distributor that buys materials from the steel mills and sells them on to customers with some processing in the form of production services, such as cutting, sawing, blasting and painting. BE Group has no impact in the production of the materials and does not sell finished products. BE Group has reviewed the operations based on the EU Taxonomy and has not identified any applicable revenues linked to its criteria at present.

As a steel distributor, the main economic activities are not bound by any TSC and are therefore not covered by the EU Taxonomy for now. The EU Taxonomy focuses on sectors with the highest possibility to contribute to the Sustainable Development Goals (SDG), which means that the regulation does not currently include BE Groups main operation, something that might however change in the near future. This leads to reduced disclosure requirements this year but with the awareness that the regulation will expand over more businesses and activities in the future.

To collect information and report in accordance with the regulation, BE Group has formed an internal working group consisting of the CFO, Group Accountant, and the Finance managers in Sweden and Finland. Together with external consultants, the working group mapped the company's operations and economic activities, guided by the supplementary delegated regulations and annexes, which, using NACE codes (the European statistical classification of economic activities), describe the Taxonomy's activities and specify the technical screening criteria that must be met to be assessed as aligned with the EU taxonomy regulation.

Below are the activities that were deemed as taxonomy-eligible:

- Transport by motorbikes, passenger cars and light commercial (6.5)
- Installation, maintenance and repair of energy efficient equipment (7.3)

All of the aforementioned activities fall within the environmental objective "Climate change mitigation." However, BE Group has conducted a thorough assessment of all activities across the six environmental objectives to evaluate their scope and alignment with BE Group's operations.

Compared to the previous financial year, Acquisition and ownership of buildings (7.7) is not included as a taxonomy-eligible activity, as no new building has been acquired during the year.

Derivation of figures

Turnover

The analysis from the working group concludes that the Group's turnover cannot be connected to any taxonomy-eligible activity. This means that 0% of the turnover is derived from taxonomy-eligible products or services for year 2024, which is the same figure as for the financial year 2023. The Group's total turnover can be found in the Income Statement on page 29 on the row "Net sales".

OPEX

The working group has identified and reviewed applicable activities based on the OPEX incurred by the company during the financial year. OPEX includes renovation measures, short-term leasing, maintenance and repairs, as well as other direct expenses related to the ongoing management of assets, necessary to ensure the continued and efficient functioning of the assets. OPEX is included in note 3, page 45, under the line "Other external costs."

No activities have been identified for OPEX, and in summary, 0% of the taxonomy scope is reported, compared to 1% in the previous financial year. The reporting is presented in the tables.

CAPEX

CAPEX related to assets covered by the Taxonomy can be categorized into different activities. The working group has identified and reviewed applicable activities based on the CAPEX made during the financial year. According to Annex 1 of the delegated regulation, CAPEX for the financial year ending 31 December 2024 is calculated as follows: CAPEX covered by the taxonomy divided by total CAPEX. Total investments (CAPEX) for BE Group are thus the sum of the new acquisitions reported in note 14 – Other intangible assets and note 15 – Tangible assets (Acquisitions), note 15 – Tangible assets (Acquisition of business – Buildings and land), and note 16 – Right of use assets (New right-of-use assets) in accordance with IFRS 16, as found in the Annual Report.

Activity 6.5 – Transport by motorcycles, passenger cars, and light motor vehicles, includes leasing of vehicles designated as passenger vehicles. BE Group leases cars that are part of the Group's right-of-use assets and are assessed to be covered by the above taxonomy activity. Of the Group's additional leased cars in 2024, 30% are electric vehicles. According to the working group's assessment, the additional electric vehicles meet the technical screening criteria for this taxonomy activity. However, the working group has not conducted a complete review of the activity in relation to the requirements to avoid causing significant harm or ensuring that the minimum sustainability requirements are met. Therefore, the activity is not considered to fully meet the criteria for a taxonomy-aligned activity.

CAPEX arising from the Group's additional leased cars during the year has been compiled and divided by total CAPEX for the Group, and is included in the reporting for intangible, tangible, and right-of-use assets, as per notes 14, 15, and 16 in the Annual Report. CAPEX for activity 6.5 amounts to SEK 4.5 million in 2024 (4% of total CAPEX), while the share for the previous year was SEK 3 M (2% of total CAPEX).

Activity 7.3 – Installation, maintenance, and repair of energy-efficient equipment, is described as individual renovation measures that include the installation, maintenance, and repair of energy-efficient equipment. During the year, BE Group has continued its investments in LED lighting in the company's warehouse facilities, a project that was initiated in 2022. This activity falls within the scope of the taxonomy and is therefore included in the reporting. CAPEX for the installation of LED lighting in 2024 amounted to SEK 1.8 M (1% of total CAPEX). The working group has determined that the installation of LED lighting meets the applicable technical screening criteria. However, an analysis of whether the activity causes no significant harm, as well as ensuring that the minimum sustainability requirements are met, has not been conducted, meaning that alignment with the taxonomy is not considered to be fulfilled for this activity.

In summary, this means that 5% of BE Group's CAPEX is covered by the Taxonomy for the financial year 2024, maintaining the same coverage as last year. Furthermore, 0% of BE Group's CAPEX is considered aligned with the taxonomy for the financial year 2024, which is in line with the corresponding figure from 2023.

As the economic activities are few and clearly separated in the reporting, there is no risk of double counting, which has been ensured through the completion of the analysis.

Turnover

2024	Year			Substantial contribution criteria						DNSH criteria									
Economic Activities	Code	Turnover	Proportion of Turnover year 2024	Climate change mitigation	Climate change adaption	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaption	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) Turnover, year 2023	Category (Enabling activity)	Category (Transitional activity)
		SEK M	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		–	–	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	–	–	–	–	–	–	–	–		
Of which enabling		–	–														0%	E	
Of which transitional		–	–														0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		–	–	–	–	–	–	–	–								**0%**		
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		–	–	–	–	–	–	–	–								**0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		4,667	100%																
Total		**4,667**	**100%**																

CAPEX

2024		Year		Substantial contribution criteria						DNSH criteria									
Economic Activities	Code	CAPEX	Proportion of CAPEX year 2024	Climate change mitigation	Climate change adaption	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaption	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) CAPEX, year 2023	Category (Enabling activity)	
		SEK M	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		–	–	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	–	–	–	–	–	–	–	–		
Of which enabling		–	–														0%	E	
Of which transitional		–	–														0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
A.2 Transport by motorbikes, passenger cars & light commercial vehicles	CCM 6.5	5	4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2%		
A.2 Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	2	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3%		
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		**7**	**5%**	**5%**	**–**	**–**	**–**	**–**	**–**								**5%**		
CAPEX of Taxonomy-eligible activities (A.1 + A.2)		**7**	**5%**	**5%**	**–**	**–**	**–**	**–**	**–**								**5%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CAPEX of Taxonomy non-eligible activities		**126**	**95%**																
TOTAL		**133**	**100%**																

OPEX

2024	Year			Substantial contribution criteria						DNSH criteria									
Economic Activities	Code	OPEX	Proportion of OPEX year 2024	Climate change mitigation	Climate change adaption	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaption	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) OPEX, year 2023	Category (Enabling activity)	Category (Transitional activity)
		SEK M	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		–	–	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	–	–	–	–	–	–	–	–		
Of which enabling		–	–														0%	E	
Of which transitional		–	–														0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		–	–	–	–	–	–	–	–								**1%**		
A. OPEX of Taxonomy-eligible activities (A.1 + A.2)		–	–	–	–	–	–	–	–								**1%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OPEX of Taxonomynon-eligible activities		**57**	**100%**																
TOTAL		**57**	**100%**																

Nuclear energy and fossil gas related activities

The working group has also analyzed the delegated act for nuclear energy and fossil gas, the supplementary delegating regulation (EU) 2022/1214, and the Group currently has no activity linked to this business. See table below for additional information:

Nuclear energy related activities		
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Social sustainability information

A safe work environment

BE Group strives to be an attractive and reliable employer where employees thrive and can develop. It is the employees who, with their expertise and commitment, form the foundation of BE Group. The corporate culture is based on what is defined as the Group's core values. These values shall permeate the entire organization and create security and understanding, provide guidance in how we should relate to one another and to our surroundings, and form the basis for clear communication, both internally and externally. BE Group has focused on three key words for this work; Dynamic, Transparent and Sustainable.

The average number of employees in BE Group in 2024 amounted to 640 (678), where the decrease is primarily attributable to the closure of the Baltic unit. The percentage of women among the average number of employees was 10 percent (10). The distribution of men and women is an industry-related challenge and work is continuing to map how the operations can create conditions to attract more women employees and managers. However, there are considerable differences between the percentage of women on the white-collar side and in production. As of December 31, 2024, the percentage of women among white-collar workers was about 26 percent (27) and for production it was about 2 percent (2). Work is continuing to increase the diversity of workplaces and to create balanced teams with individuals with different genders, ethnic backgrounds and ages.

BE Group offers market-based pay and terms of employment and, in accordance with Swedish law and current collective agreements, conducts annual salary mappings in the Swedish operations to ensure that all salaries are set on objective grounds. The salary process in Finland is conducted in accordance with national legislation and collective agreements.

Group-wide employee survey

Every year, a Group-wide employee survey is conducted to ensure that the strengths and improvement areas that exist in the work environment are highlighted and in 2024, 92 percent (90) of the employees participated in the survey. This shows a great commitment to contributing to the development of the operations. The survey is conducted at the end of each year and as the units in the Baltics and Poland are being phased out, only the employees in Sweden and Finland participated. It measures five different indices: commitment, effectiveness in teams, leadership, organizational and social work environment and management and, in all of the indices, we saw a positive development during the year. It is very pleasing that the survey this time showed a very positive trend in the eNPS value (recommending BE Group as an employer). Once the results have been compiled, the important efforts of follow-up and working with improvement measures will begin in the working groups. In addition, individual performance reviews are conducted regularly and the goal is for the employee to be able to influence his/her work situation and development.

In the performance reviews discussions are held, among other things, regarding the opportunity to develop in the work role and this includes skills improvement efforts, both external and internal. The units work continuously with local professional training, such as introductory training and various working environment training programs.

Health and safety

A large part of the operations involve the production and handling of heavy materials. For many years, health and safety have been a priority area for BE Group and the goal is that no one should be injured or get sick at work. Consequently, a safe working environment is the foundation of our operations and all employees, seasonal workers, temporary workers and others who are present at BE Group's units must feel safe. There is a policy with a zero vision for workplace accidents called Safety First where the basic idea is that all accidents can be prevented and safety must come first at all times. The units work locally to assess and address risks in the operations and to prevent accidents. Governing documents have been established and regular follow-ups, workplace meetings, safety rounds and training are implemented. Every incident and risk observation is reported, evaluated, resolved and followed up.

In 2024, 8 accidents (11) that resulted in more than one day's absence were reported. Developments in BE Group's units have consistently moved in a positive direction since work on Safety First began six years ago and for the first time, two production and warehousing units in Finland and the three units in Sweden had a year with no accidents that caused an absence from work. The goal is to create a strong safety culture among employees and it is clear that risk awareness has increased. An increasing number of risk observations continue to be reported and this leads to units being able to increasingly work proactively with improvement projects. As a result, even the more serious incidents that almost became accidents decreased over the year.

The largest warehouse and production facility in Sweden is certified in accordance with ISO 45001, an international management system standard and a tool for organizations that want to work systematically to strengthen their physical and social health at the workplace. The standard imposes for example requirements on risk management, management commitment and employee participation. Participation is a focus area for all units and is a prerequisite for successful safety work since behavior that violates the rules is a major cause of workplace accidents. In the 2024 employee survey, 91 percent (91) of employees said that they experienced that their manager always puts safety first and 90 percent (89) feel they can tell a colleague if they feel that they are not complying with safety regulations.

Corporate Governance Information

With the Code of Conduct as a foundation

BE Group is supported by several policies and guidelines in its sustainability work: such as the Code of Conduct, core values, environmental policy, information policy, Safety first policy, anti-corruption policy, sanctions policy, the Code of Conduct for Suppliers and the whistleblower policy. Subsidiaries shall comply with these ethical guidelines and policies and the managing director of each company is responsible for their application in the operations.

Ethical guidelines

BE Group's Code of Conduct is established by the Board of Directors and comprises all operations and employees within BE Group. The ethical guidelines provide guidance in the daily work to achieve the Group's goals and point out everyone's responsibilities towards business partners, owners, employees and society. The Code addresses issues of business ethics, anti-corruption, child labor, equality, work environment, career issues and competence development.

As a supplement to the Code of Conduct, an anti-corruption policy exist in which it is established that the company's employees are not to pay, offer or accept bribes or other wrongful advantages, such as gifts or representation that are considered extravagant, with the purpose of influencing business decisions or securing undue benefits. In addition, BE Group shall not work with suppliers, sellers or partners that offer bribes or are involved in corrupt activities.

Respect for human rights is an important factor in achieving the UN's sustainable development goals. Internally, the company's Code of Conduct governs the rights of its employees, such as the right to be represented by a trade union in negotiations, reasonable terms of employment and pay, a workplace free of discrimination and harassment and zero tolerance of child labor.

Increased demands on suppliers

The company's Code of Conduct for Suppliers addresses its minimum requirements and ambitions in areas such as human rights, health and safety, discrimination, working conditions, child labor, corruption, information on sanctions, import and export restrictions and environmental liability issues. The Code of Conduct is signed by the suppliers and is followed up by the purchasing organization. Part of the work for the future is introducing clearer processes for the screening and follow-up of suppliers.

BE Group's sanctions policy covers the entire organization. It states that the company does not interact, directly or indirectly, with any person or entity listed as unauthorized on sanction lists and that the company does not conduct business, directly or indirectly, with countries or regions subject to sanctions.

All companies within BE Group are required to collect basic identification information about all business partners and to conduct sanction controls. If it is apparent, or there is suspicion, that a business partner has links to a high-risk country, is a listed person or that a transaction may otherwise violate applicable laws, this must immediately be reported and followed up.

External reporting channel

The company's whistleblower service is published on the website and gives all employees the opportunity to anonymously report serious irregularities within the Group without risking retaliation or harassment. A whistleblower committee receives and handles possible cases together with an external advisory party. There is a whistleblower policy which is translated into the different languages. No qualified whistleblower cases were received during the year.

Risks and risk management

BE Group's operations is affected by various external factors and is therefore constantly exposed to different risks. Effective risk management supports the company's strategic targets and ensures business continuity even under changed circumstances. Group management reports ongoing risk issues to the Board, which has ultimate responsibility for the company's risk management. This may apply, for example, to financial status and changes in the surrounding world.

Responsibility for risk management within the Group is governed by established policies and routines, which are continuously revised. By identifying, mapping and planning the Group's risks, group management receives support in strategic decisions. Read more about the identified risks and risk management in the annual report on page 15-17.

Financial overview

Group

Parent Company

Consolidated Income Statement

Amounts in SEK M	Note	2024	2023
Net sales	2	4,667	5,328
Cost of goods sold	3, 14, 15	-4,150	-4,784
Gross profit/loss		**517**	**544**
Selling expenses	3, 14, 15	-427	-473
Administrative expenses	3, 14, 15	-130	-131
Participation in earnings of joint venture	18	18	23
Other operating income	7	29	4
Other operating expenses	3, 8	-56	-19
Operating result	4, 5, 16	**-49**	**-52**
Financial income	9	18	10
Financial expenses	10	-40	-33
Result before tax		**-71**	**-75**
Tax	11	29	15
Result for the year attributable to Parent Company's shareholders	12	**-42**	**-60**
Earnings per share before dilution	12	-3.21	-4.59
Earnings per share after dilution	12	-3.21	-4.59

Consolidated Statement of Comprehensive Income

Amounts in SEK M	2024	2023
Result for the year	**-42**	**-60**
Other comprehensive income		
Items that may later be reclassified to profit/loss for the period		
Translation differences	8	3
Total other comprehensive income	**8**	**3**
Comprehensive income for the year attributable to Parent Company's shareholders	**-34**	**-57**

Consolidated Balance Sheet

Amounts in SEK M	Note	2024	2023
ASSETS			
Non-current assets			
Goodwill	13	592	582
Other intangible assets	14	138	49
Tangible assets	15	222	213
Right of use assets	16	395	473
Participations in joint ventures	18	192	191
Other non-current security holdings	19	0	0
Non-current receivables		1	0
Deferred tax assets	27	38	28
Total non-current assets		**1,578**	**1,536**
Current assets			
Inventories	21	858	792
Accounts receivable	33	419	532
Tax receivables		5	0
Derivatives	33	1	–
Other receivables	22	32	58
Prepaid expenses and accrued income	23	22	30
Cash and cash equivalents		9	74
Total current assets		**1,346**	**1,486**
TOTAL ASSETS		**2,924**	**3,022**

Amounts in SEK M	Note	2024	2023
EQUITY AND LIABILITIES			
Equity	24		
Share capital		260	260
Other capital contributions		251	251
Translation reserve		103	95
Retained earnings including result for the year		776	818
Equity attributable to Parent Company's shareholders		**1,390**	**1,424**
Non-current liabilities			
Non-current interest-bearing liabilities	28, 31, 33	350	334
Non-current lease liabilities	16, 31, 33	321	376
Deferred tax liabilities	27	33	52
Total non-current liabilities		**704**	**762**
Current liabilities			
Current interest-bearing liabilities	28, 29, 31, 33	–	–
Current lease liabilities	16, 29, 31, 33	107	103
Accounts payable		544	528
Tax liabilities		–	16
Derivatives	33	–	14
Other liabilities	33	70	72
Accrued expenses and deferred income	30	95	99
Provisions	25	14	4
Total current liabilities		**830**	**836**
TOTAL EQUITY AND LIABILITIES		**2,924**	**3,022**

Changes in consolidated equity

Amounts in SEK M	Share capital	Other capital contributions	Translation reserve	Retained earnings	Total equity
2023					
Equity, opening balance, January 1, 2023	**260**	**251**	**92**	**1,034**	**1,637**
Comprehensive income for the year					
Result for the year	–	–	–	-60	-60
Other comprehensive income	–	–	3	–	3
Transactions with shareholders					
Dividend	–	–	–	-156	-156
Equity, closing balance, December 31, 2023	**260**	**251**	**95**	**818**	**1,424**

Amounts in SEK M	Share capital	Other capital contributions	Translation reserve	Retained earnings	Total equity
2024					
Equity, opening balance, January 1, 2024	**260**	**251**	**95**	**818**	**1,424**
Comprehensive income for the year					
Result for the year	–	–	–	-42	-42
Other comprehensive income	–	–	8	–	8
Transactions with shareholders					
Dividend	–	–	–	–	–
Equity, closing balance, December 31, 2024	**260**	**251**	**103**	**776**	**1,390**

Consolidated Cash Flow Statement

Amounts in SEK M	Note	2024	2023
Operating activities			
Operating result		-49	-52
Adjustment for non-cash items	31	99	88
Interest received		14	8
Interest paid		-39	-33
Income tax paid		-21	-28
Cash flow from operating activities before changes in working capital		**4**	**-17**
Cash flow from changes in working capital			
Increase (-)/decrease (+) in inventories		-50	373
Increase (-)/decrease (+) in operating receivables		168	116
Increase (+)/decrease (-) in operating liabilities		-17	19
Cash flow from operating activities		**105**	**491**
Investing activities			
Acquisitions of intangible assets	14	-64	-44
Acquisitions of tangible assets	15	-36	-101
Acquisitions of businesses	17	–	–
Divestments of businesses	17	–	–
Shares in joint venture		16	–
Other cash flow from investing activities		0	0
Cash flow from investing activities		**-84**	**-145**
Cash flow after investments		**21**	**346**
Financing activities			
Dividend		–	-156
Loans raised		11	13
Amortization of loan liabilities		–	-86
Amortization of lease liabilities	16	-97	-93
Cash flow from financing activities		**-86**	**-322**
Cash flow for the year		**-65**	**24**
Cash and cash equivalents at January 1		**74**	**50**
Translation differences in cash and cash equivalents		**0**	**0**
Cash and cash equivalents at December 31		**9**	**74**

Income Statement – Parent Company

Amounts in SEK M	Note	2024	2023
Net sales	2	111	128
		111	**128**
Administrative expenses	14, 15	-65	-64
Other operating income and expenses	7, 8	0	0
Operating result	4, 5	**46**	**64**
Profit/loss from participations in Group companies	6	-15	83
Other interest income and similar profit/loss items	9	31	28
Interest expense and similar profit/loss items	10	-18	-14
Result after financial items		**44**	**161**
Appropriations	32	-55	-98
Result before tax		**-11**	**63**
Tax	11	1	7
Result for the year		**-10**	**70**

Statement of Comprehensive Income – Parent Company

Amounts in (SEK M)	2024	2023
Result for the year	**-10**	**70**
Other comprehensive income	–	–
Comprehensive income for the year	**-10**	**70**

Balance Sheet – Parent Company

Amounts in SEK M	Note	2024	2023
ASSETS			
Non-current assets			
Other intangible assets	14	136	45
Equipment, tools, fixtures and fittings	15	0	0
Participations in Group companies	17	856	856
Other non-current receivables		1	–
Non-current interest-bearing receivables from Group companies	20	0	17
Deferred tax assets	27	8	7
Total non-current assets		**1,001**	**925**
Current assets			
Current interest-bearing receivables from Group companies	20	120	157
Receivables from Group companies		23	34
Tax receivables		2	–
Other receivables	22	20	34
Prepaid expenses and accrued income	23	7	7
Cash and cash equivalents		5	64
Total current assets		**177**	**296**
TOTAL ASSETS		**1,178**	**1,221**

Amounts in SEK M	Note	2024	2023
EQUITY AND LIABILITIES			
Equity	24		
Restricted equity			
Share capital		260	260
Statutory reserve		31	31
Non-restricted equity			
Share premium reserve		240	240
Retained earnings		546	476
Result for the year		-10	70
Total equity		**1,067**	**1,077**
Non-current liabilities			
Non-current interest-bearing liabilities	28, 33	24	–
Total non-current liabilities		**24**	**–**
Current liabilities			
Current interest-bearing liabilities	33	4	–
Current interest-bearing liabilities to Group companies	33	59	104
Accounts payable		11	12
Liabilities to Group companies		5	5
Tax liabilities		–	12
Other liabilities		–	0
Accrued expenses and deferred income	30	8	11
Total current liabilities		**87**	**144**
TOTAL EQUITY AND LIABILITIES		**1,178**	**1,221**

Changes in Equity – Parent Company

Amounts in SEK M	Share capital	Statutory reserve	Share premium reserve	Retained earnings	Result for the year	Total equity
2023						
Equity, opening balance, January 1, 2023	**260**	**31**	**240**	**272**	**360**	**1,163**
Result brought forward from previous year	–	–	–	360	-360	–
Comprehensive income for the year						
Result for the year	–	–	–	–	70	70
Other comprehensive income	–	–	–	–	–	–
Transactions with shareholders						
Dividend	–	–	–	-156	–	-156
Equity, closing balance, December 31, 2023	**260**	**31**	**240**	**476**	**70**	**1,077**

Amounts in SEK M	Share capital	Statutory reserve	Share premium reserve	Retained earnings	Result for the year	Total equity
2024						
Equity, opening balance, January 1, 2024	**260**	**31**	**240**	**476**	**70**	**1,077**
Result brought forward from previous year	–	–	–	70	-70	0
Comprehensive income for the year						
Result for the year	–	–	–	–	-10	-10
Other comprehensive income	–	–	–	–	–	–
Transactions with shareholders						
Dividend	–	–	–	–	–	–
Equity, closing balance, December 31, 2024	**260**	**31**	**240**	**546**	**-10**	**1,067**

Cash Flow Statement – Parent Company

Amounts in SEK M	Note	2024	2023
Operating activities			
Operating result		46	64
Adjustment for non-cash items	31	1	3
Interest received		28	27
Interest paid		-17	-13
Income tax paid/received		-14	-36
Cash flow from operating activities before changes in working capital		**44**	**45**
Cash flow from changes in working capital			
Increase (-)/decrease (+) in operating receivables		25	72
Increase (+)/decrease (-) in operating liabilities		-4	-37
Cash flow from operating activities		**65**	**80**
Investing activities			
Divestments of subsidairies	17	0	–
Acquisitions of intangible assets	14	-64	-44
Lending to subsidiaries		-2	37
Dividend from subsidiaries		–	83
Cash flow from investing activities		**-66**	**76**
Cash flow after investments		**-1**	**156**
Financing activities			
Dividend to shareholders		–	-156
Borrowing in cash pool		36	88
Lending in cash pool		-94	-55
Cash flow from financing activities		**-58**	**-123**
Cash flow for the year		**-59**	**33**
Cash and cash equivalents at January 1		**64**	**31**
Cash and cash equivalents at December 31		**5**	**64**

Notes

Notes

Note 1 – Accounting principles

Company information

BE Group AB 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 with Sweden and Finland as its largest markets. The Parent Company, BE Group AB (publ), company registration number 556578-4724, is a Swedish limited liability company. The company's registered office is in Malmö, Sweden. The address of the head office is Box 225, 201 22 Malmö. The consolidated financial statements consist of the parent company BE Group AB and subsidiaries over which the parent company has controlling influence, as well as joint ventures. Unless otherwise stated, all amounts are reported in million SEK (SEK M) and relate to the January 1–December 31 period with respect to income statement and cash flow related items and December 31 with respect to balance sheet items. Information in brackets relates to the preceding fiscal year, i.e. 1/1/2023–12/31/2023. The Board of Directors approved this annual report for publication on April 18, 2025. The annual and consolidated accounts are subject to approval by the Annual General Meeting on April 23, 2025.

Compliance with legislation and standards

The consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS Accounting Standards) published by the International Accounting Standards Board (IASB) and the interpretations issued by the IFRS Interpretations Committee (IFRIC) as approved by the Commission of the European Communities for application in the European Union. The Group also applies the Swedish Corporate Reporting Board's recommendation RFR 1 Supplementary accounting rules for groups.

The Parent Company applies the same accounting principles as the Group except in the cases stated in the section "Parent Company accounting principles."

Significant accounting principles applied

Other than the exceptions explained in detail, the accounting principles set out below have been applied consistently to all periods presented in BE Group's financial statements. The accounting principles have also been applied consistently by the individual companies within the Group.

Changes in accounting principles

Changes to accounting principles necessitated by new or amended IFRS standards

The new standards and interpretations applicable as from January 1, 2024, have had no material effect on the financial statements.

New or amended accounting standards applied after 2024

A few new standards and a few standard changes will enter into effect for financial years beginning after December 31, 2024. These have not been applied in advance in the preparation of this financial report. The new and amended standards will not affect the recognition or measurement of items in the financial statements, but IFRS 18 "Presentation and Disclosure in Financial Statements" is expected to have noticeable effects on the structure and information in the financial statements, such as the presentation of the income statement. Efforts to map the effects of IFRS 18 have begun and will be deepened in 2025.

Conditions applied to Parent Company and consolidated financial statements

Functional currency and reporting currency

The functional currency of the Parent Company is Swedish kronor and this is also the reporting currency of the Parent Company and the Group. Consequently, the financial accounts are presented in Swedish kronor. All amounts are rounded off to the nearest million unless otherwise stated.

Valuation principles

Assets and liabilities are mostly reported at acquisition cost, for example intangible and tangible fixed assets, while accounts receivable, accounts payable and interest-bearing liabilities, for example, are reported at amortized cost. The Group also has derivatives which are reported at fair value.

Assessments and estimates

Preparation of the financial statements in accordance with IFRS Accounting Standards requires management making assessments, estimations and assumptions that affect the application of the accounting principles and the figures reported for assets, liabilities, income and expenses. The estimates and assumptions are based on historical experience and other factors that seem reasonable under current conditions. The results of these estimates and assumptions are then used to assess the carrying amount of assets and liabilities not otherwise evident from other sources. The actual outcome may deviate from these estimations and assessments. The estimations and assessments are reviewed regularly. Changes in estimations are reported in the period in which they are made if they only affect that period, or in the period in which they are made and future periods if they affect both the period concerned and future periods.

Management's assessments in connection with application of IFRS Accounting Standards that have significant effect on the financial statements and estimates that may cause material adjustments to the financial statements of subsequent years are described in greater detail in Note 34, Significant estimates and assessments.

Basis for consolidated financial statements

The consolidated financial statements have been prepared on basis of going concern.

The acquisition method is used for reporting of the Group's business acquisitions. The acquisition cost is the purchase consideration paid for a subsidiary and consists of the fair value of the transferred assets, liabilities and contingent liabilities that the Group incurs to former owners of the acquired company. Identifiable acquired assets, assumed liabilities and contingent liabilities in a business combination are initially valued at fair value on the acquisition date. Acquisition-related costs are expensed when incurred.

Subsidiaries

Subsidiaries are all companies over which the Group has controlling influence. The Group has controlling influence over a subsidiary when it is exposed to or has the right to variable returns from its holdings in the company and can influence the return through its controlling influence in the company. Subsidiaries are included in the consolidated accounts from the day when the controlling influence is transferred to the Group and until the day when the controlling influence ceases.

Joint venture

In consolidated profit/loss for the period, "Participations in earnings of joint venture" is reported as the Group's share of a company's earnings adjusted for any impairment, amortization or reversals of acquired surplus or deficit values. These shares in earnings less any dividends received from joint ventures comprise the main change in the carrying amount of interests in joint ventures. Any discrepancy at the point of acquisition between the acquisition cost of the holding and the owning company's share of the identifiable assets and liabilities of the joint venture is reported in accordance with the same principles that apply for acquisitions of subsidiaries.

Foreign currency

Transactions in foreign currencies

Transactions in foreign currencies are translated into the functional currency corresponding to the exchange rate in force on the transaction date. The functional currency is the currency of the primary economic environment in which the Group's companies carry out their business. Monetary assets and liabilities in foreign currencies are translated at the exchange rate in effect on the balance sheet date. Exchange differences arising from translation are recognized in the result for the period. Non-monetary assets and liabilities recognized at their historical acquisition costs are translated at the exchange rate applicable at the time of the transaction. Exchange differences referring to operating assets and liabilities are recognized in the operating result, while exchange rate movements referring to financial assets and liabilities are recognized in net financial items.

Foreign businesses' financial statements

Assets and liabilities in foreign operations, including goodwill and other Group surplus and deficit values, are translated from the foreign operations' functional currency to the Group's reporting currency. Translation is applied at the exchange rate in effect on the balance sheet date. Income and expenses in a foreign operation are translated at an average exchange rate approximating the currency exchange rates applicable on the relevant transaction dates.

Intangible assets

Goodwill

Consolidated goodwill consists of acquired goodwill and goodwill arising in connection with investments in subsidiaries. Goodwill represents the difference between the acquisition cost of the business acquisition and the fair value of acquired assets, assumed liabilities and contingent liabilities. After the acquisition, goodwill is reported at acquisition cost less any impairment losses. Goodwill is distributed to cash generating units and is tested at least once annually to determine possible impairment needs; see Note 13 Goodwill.

Software-as-a-Service (SaaS) arrangements for implementation of business systems

The Group has contractual right, via "dual user rights", to take over the business system at any time during the contractual period and to transfer the business system from the cloud provider to its own servers without incurring considerable costs, thereby taking control of and directing the business system.

Additional expenses associated with the configuration and adaptation of the business system, integrations and the BI platform are controlled by the Group and are considered to be part of the arrangement. License costs are also seen as part of the arrangement.

The business system and its additional expenses, which are considered to be part of the arrangement, have thereby been capitalized as intangible assets on the basis of the expenses incurred when the current business system was acquired and its additional expenses arose. Amortization will commence when the business system is brought into operation in 2025. The Group's expenses associated with analysis, migration, support, training and change management are expensed as they arise. Consolidated expenditures in the Software-as-a-Service (SaaS) arrangement are reported in line with IAS 38 Intangible Assets and published agenda decisions by IFRIC.

Amortization principles for other intangible assets

Amortization is recognized in profit/loss for the period on a straight-line basis over the estimated useful life of the asset. Intangible assets which can be amortized are amortized from the date on which they are available for use. The useful lives of assets are reassessed on an ongoing basis, although at least once per year. The estimated useful lives are:

	Useful life	
	Group	Parent Company
Software and licenses	3–10 years	3–10 years
Customer relationships	6–10 years	–
Other intangible assets	3–10 years	–

Tangible assets

Tangible assets are recognized in the Group at acquisition cost less accumulated depreciation and any impairment. The cost includes the purchase price and cost directly attributable to the asset in order to put it in place and make it appropriate for use in accordance with the purpose of the acquisition. Examples of directly related expenses included in the acquisition cost of an asset are expenses for shipping, handling, installation, legal title, consultant services and legal services. Additional expenditures are only added to the acquisition cost if it is probable that the future economic benefits associated with the asset will flow to the Company and the cost can be measured reliably. All other subsequent expenses are recognised as an expense in the period they arise.

Depreciation principles for tangible assets

Depreciation is recognized on a straight-line basis over the estimated useful life of the asset. The useful lives and residual values of assets are re-assessed at least on an annual basis. Depreciable tangible assets are depreciated from the date they are available for use.

	Useful life	
	Group	Parent Company
Buildings and land	15–50 years	–
Plant and machinery	3–15 years	–
Equipment, tools, fixtures and fittings	3–10 years	3–10 years

Impairment of non-financial assets

Intangible assets that have an indefinite useful life (goodwill) or intangible assets that are not ready for use are not amortized but are tested annually for possible impairment or for indication of impairment, if any. Assets that are amortized are assessed with respect to a decline in value whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment is made in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less selling expenses and its value in use.

When assessing impairment needs, assets are grouped at the lowest levels where there are substantially independent cash flows (cash generating units). For assets (other than goodwill) previously impaired, an assessment is made on each balance sheet day to determine whether reversals should be made.

Inventories

Inventories are measured at the lower of acquisition cost and net sales value. The acquisition cost of inventories includes expenses incurred to acquire inventory assets and transport them to their current site and condition. The applied acquisition cost is based on weighted average prices. The cost of manufactured goods and work in progress includes a reasonable share of indirect costs based on normal capacity. Net sales value is the estimated selling price in current operations less the estimated costs of completion and cost to achieve a sale. Net sale value is estimated based on estimates of the current market price.

Financial instruments

Financial instruments that are reported in the balance sheet include accounts receivable, cash and cash equivalents, liabilities to credit institutions and accounts payable. A financial asset or financial liability is recognized in the balance sheet when the company becomes party to the instrument's contractual terms. A financial asset is derecognized when the contractual rights are realized, mature or are no longer under the company's control. A financial liability is derecognized in the balance sheet when contractual obligations are met or otherwise extinguished. Purchases and sales of financial assets are recognized using trade date, which is the day the company enters into a contractual obligation to buy or sell the asset. A financial asset and a financial liability are offset and the net amount recognized in the balance sheet only when the company has a legally enforceable right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. At initial recognition, financial instruments are classified based on the purpose for which the instrument was acquired, which affects subsequent measurement. The measurement categories BE Group uses are as follows.

Classification and measurement of financial instruments

Amortized cost – financial assets

The Group only classifies its financial assets as assets recognized at amortized cost when the following requirements are met:

- the asset is included in a business model where the goal is to collect contractual cash flows, and
- contractual terms give rise to cash flows at specific times that only consist of principal amount and interest on the outstanding principal.

Cash and cash equivalents and accounts receivable are recognized at amortized cost.

Accounts receivable

Accounts receivable are amounts attributable to customers for goods sold in the operating activities. Accounts receivable generally fall due for payment within 30-60 days and all accounts receivable have therefore been classified as current assets. Accounts receivable are initially recognized at fair value. The Group holds accounts receivable for the purpose of collecting contractual cash flows and therefore measures them at subsequent recognition times at amortized cost with application of the effective interest method. The Group's method for the calculation of impairment losses/provisions for accounts receivable is described below. Accounts receivable in BE Group Sverige AB and BE Group Oy Ab are pledged as a basis for the Groups borrowing through factoring.

Amortized cost – financial liabilities

All of the Group's financial liabilities are measured at amortized cost after the initial recognition using the effective interest method. Liabilities measured at amortized cost are comprised of interest-bearing liabilities, accounts payable and other liabilities. Financial liabilities are classified as current liabilities if they fall due for payment within 12 months of the reporting date; otherwise they are classified as non-current liabilities.

Derivatives

Derivatives are recognized at fair value as current receivables or current liabilities depending on whether the derivative has a positive or negative value. The Group does not apply hedge accounting.

Impairment of financial assets

The Group evaluates the anticipated future credit losses related to investments in debt instruments recognized at amortized cost. At each reporting date, the Group recognizes a provision for anticipated credit losses. The measurement of the anticipated credit losses reflects an objective and probability-weighted amount that is determined by evaluating an interval of possible outcomes; the time value of money and reasonable and verifiable information that is available without unnecessary costs or efforts on the balance sheet date for earlier events, current conditions and forecasts of future financial conditions.

The Group applies the simplified method for the calculation of anticipated credit losses on accounts receivable. This method means that anticipated losses during the entire term of the receivable are used as the starting point for accounts receivable. See Note 33 for more information on the impairment model.

Revenues

The Group generates revenues from the sale of goods. There is normally a performance commitment in the delivery of goods in contracts with customers for finished products. Revenue is recognized at the time when control over the asset has been transferred to the customer. To assess when control is transferred, the transfer of risks and benefits is the indicator assigned the greatest importance in the Group for determining when control has been transferred to the customer. The time at which control over the goods is transferred to the customer thereby depends mostly on what freight terms are stated in the customer contract.

The Group takes into account variable compensation in the form of volume discounts when the transaction price is determined. The revenue from the sale of goods is recognized based on the price in the contract less estimated volume discounts. Historical data is used to estimate the discounts' anticipated value and the revenue is only recognized to the extent that it is highly probable that a material reversal will not arise. A liability (which is included in the item Accrued expenses and deferred income) is recognized for anticipated volume discounts in relation to the sales up to the balance sheet date. A receivable is recognized when the goods have been delivered as the compensation at this time is certain since only the passing of time is required before payment is made. No financing component is deemed to exist at the time of sale as the credit period is normally 30-60 days.

Employee benefits

Pensions

The Group's pension agreements are defined contribution plans. The defined benefit plan for retirement pensions and survivors' pensions for white collar employees in Sweden are secured through an insurance policy provided by Alecta. According to a statement (UFR 10) from the Swedish Corporate Reporting Board, this is a multiple-employer defined benefit plan. The Company has not had access to information that would permit recognition of the plan as a defined benefit which is why the pension plan in accordance with ITP is secured through insurance with Alecta such as a defined contribution plan. Under a defined contribution plan, the enterprise pays fixed contributions into a separate legal entity and has no further legal or constructive obligation to make further payments. The pension costs for the defined contribution plans are recognized as an expense in exchange for service rendered by employees during the period.

Financial income and expenses

Financial income and expenses consist mainly of interest income on bank balances and receivables, interest expense on loans, exchange rate differences and amortised transaction expenses for raised loans.

Transaction expenses for raised loans are amortised over the life of the loans by applying the effective interest method.

Tax

Income taxes are recognized in profit/loss for the period except where an underlying transaction is recognized directly in other comprehensive income, whereupon the related tax effect is likewise recognized in other comprehensive income. Current tax is tax to be paid or received in the current year, which includes adjustment of current tax attributable to previous periods. Deferred tax are measured using the balance sheet method based on temporary differences between reported and taxable values of assets and liabilities. Deferred tax are measured based on how temporary differences are expected to even out and applying the tax rates and regulations that have been enacted or announced at the balance sheet date.

Deferred tax assets pertaining to deductible temporary differences and loss carryforwards are recognized only if it is considered probable they will result in lower tax payments in the future.

Leases

The Group as lessee

Upon entering an agreement, the Group determines if the agreement is, or contains, a lease based on the substance of the agreement. An agreement is, or contains, a lease if the agreement transfers the right to control over the use of an identified asset for a certain period of time in exchange for compensation.

Lease liabilities

At the start date for a lease (i.e. the date when the underlying asset becomes available for use), the Group recognizes a lease liability corresponding to the present value of the lease payments are to be paid during the leasing period. The leasing period is determined as the non-cancellable period together with periods to extend or cancel the agreement if the Group is reasonably certain of exercising the options. The leasing payments include fixed payments (less any discounts and the like in connection with the signing of the lease to be obtained), variable lease fees that depend on an index or a price and amounts expected to be paid according to residual value guarantees. The leasing payments also include the exercise price for an option to buy the underlying asset or penalties that are payable upon termination in accordance with a termination option if such options are reasonably certain to be used by the Group. Variable lease charges that do not depend on an index or a price are recognized as an expense in the period to which they are attributable.

For the calculation of the present value of the leasing payments, the Group uses the implicit interest rate in the agreement if it can easily be established and otherwise, the Group's marginal borrowing rate at the commencement date of the lease. After the start date of a lease, the lease liability increases to reflect the interest rate on the lease liability and decreases by the paid lease charges. The value of the lease liability is also restated as a result of modifications, changes to the leasing period, changes in leasing payments or changes in an assessment to buy the underlying asset.

Right of use assets

The Group recognizes right of use (ROU) assets in the statement of financial position at the start date for the lease. ROU assets are valued at cost less accumulated amortization and any impairment losses, and adjusted for revaluations of the lease liability. The cost of ROU assets includes the initial value that is recognized for the attributable lease liability, initial direct expenses, and any advance payments made at or before the start date for the lease less any discounts and the like received in connection with the signing of the lease.

There are excemptions for recognition of the right of use asset and leasing liability for leases of minor value and contracts of a duration of no more than 12 months. The Group has chosen to apply these exemption rules.

Segment reporting

An operating segment is a component of the Group that conducts business operations from which it can derive revenues and incur expenses, including intragroup transactions and whose operating result is reviewed regularly by the Group's senior executives as a basis for the allocation of resources to the segment and the assessment of its results. Independent financial information shall also be available for components of the Group defined as segments. BE Group has defined the concept of "senior executives" as Group Management.

The Group's primary basis for identifying segments is geographical areas. The Internal management is based primarily on reporting and follow-up of opportunities from the Group's geographical areas. The geographical areas are grouped by country or group of countries, based on similarities with regard to risks and opportunities. For additional information on operating segments, please see Note 2 Operating segments.

Earnings per share

The calculation of earnings per share is based on the profit for the period within the Group which is attributable to the Parent Company's shareholders and on the weighted average number of outstanding shares during the year. In calculating earnings per share before and after dilution, the average number of shares is adjusted to take into consideration the effects of potential Share Savings programs. The Group currently has no Share Savings programs that could lead to dilutions effects.

Cash Flow Statement

The Cash Flow Statement is prepared using the indirect method. Reported cash flow covers only transactions that result in receipts and payments. Cash and cash equivalents in the Cash Flow Statement correspond to cash and cash equivalents in the balance sheet, which consists of cash and available balances at banks.

Parent Company accounting principles

The Parent Company has prepared its Annual Report in accordance with the annual accounts act (1995:1554) and the Swedish Corporate Reporting Board's recommendation RFR 2 Accounting for legal entities (Sept. 2012). Published statements by the Swedish Corporate Reporting Board for listed companies are also applied. RFR 2 means that the Parent Company, in the annual report for the legal entity, must apply all EU-approved IFRS Accounting Standards and statements as far as this is possible within the framework of the Swedish law on the pension obligations vasting act and taking the connection into account between reporting and taxation. The recommendation specifies exemptions and additions to IFRS Accounting Standards that shall be made.

Classification and presentation

The Parent Company's Income Statement and Balance Sheet are prepared in accordance with the model detailed in the Annual Accounts Act, while the Statement of Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows respectively. The differences in the Income Statement and Balance Sheet of the Parent Company compared with the consolidated accounts mainly involve the reporting of financial revenues and expenses, assets and equity.

Participations in subsidiaries

Participations in subsidiaries are reported in the Parent Company in accordance with the acqusition cost less any impairments. In addition, transaction expenses are included in the carrying amount of holdings in subsidiaries. In the consolidated accounts, transaction expenses are charged directly against profit/loss when they are incurred. Dividends received from Group companies are recognized in their entirety as Profit/loss from participation in Group companies in the Income Statement.

Financial instruments

In accordance with the rules in the Swedish Corporate Reporting Board's recommendation RFR 2 and the connection between accounting and taxation, the rules on financial instruments and hedge accounting in IFRS 9 are not applied in the Parent Company as a legal entity. In the future, IFRS 9 will continue to be applied only to the consolidated accounts. Financial assets in the Parent Company are measured at acqusition cost less any impairment, if any and current financial assets are valued at the lower of cost and net realisable value. Liabilities that do not constitute derivative liabilities are measured at the accrued acqusition cost. Derivatives are measured at fair value.

Financial guarantees

The Parent Company's financial guarantee contracts consist of guarantees on behalf of subsidiaries. A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment as contractually agreed. The Parent Company applies RFR 2 p. 72, which is an easing of regulations compared to the rules in IFRS 9 with regard to financial guarantee contracts issued on behalf of subsidiaries. The Parent Company recognizes financial guarantee contracts as provisions in the Balance Sheet when it has an obligation for which payment will probably be required to achieve settlement.

Leasing

The rules regarding recognition of leases according to IFRS 16 are not applied in the Parent Company. This means that lease fees are recognized as expenses straight-line over the leasing period, and that ROU assets and lease liabilities are not included in the Parent Company's balance sheet. Identification of a lease is, however, done according to IFRS 16, meaning that an agreement is, or contains, a lease if the agreement transfers the right to control the use of an identified asset for a certain period of time in exchange for compensation.

Group contributions in the Parent Company

Group contributions paid or received are reported as appropriations.

Note 2 – Operating segments

2024	Sweden & Poland	Finland & Baltics	Parent Company & consolidated items	Elimination	Group
External sales	2,414	2,253	2	-2	4,667
Internal sales	9	37	109	-155	0
Net sales	**2,423**	**2,290**	**111**	**-157**	**4,667**
Participation in earnings of joint venture	18	–	–	–	18
Underlying operating result	**44**	**12**	**-5**	**0**	**51**
Inventory gains/losses	-48	-4	-1	–	-53
Items affecting comparability	-28	-19	–	–	-47
Operating result	**-32**	**-11**	**-6**	**0**	**-49**
Net financial items					-22
Result before tax					**-71**
Taxes					29
Result for the year					**-42**
Underlying operating margin	**1.8%**	**0.5%**	**E/T**	**E/T**	**1.1%**
Operating margin	**-1.3%**	**-0.5%**	**E/T**	**E/T**	**-1.0%**
Shipped tonnage (thousands of tonnes)	**134**	**140**	**–**	**-3**	**271**
Investments	**24**	**12**	**92**	**–**	**128**
Depreciation/amortization of tangible/intangible assets	14	17	0	–	31
Depreciation of right of use assets	–	–	97	–	97
Other non-cash flow items	-12	-6	-11	–	-30
Total non-cash flow items	**2**	**11**	**86**	**–**	**99**

2023	Sweden & Poland	Finland & Baltics	Parent Company & consolidated items	Elimination	Group
External sales	2,633	2,695	2	-2	5,328
Internal sales	8	34	126	-168	–
Net sales	**2,641**	**2,729**	**128**	**-170**	**5,328**
Participation in earnings of joint venture	23	–	–	–	23
Underlying operating result	**39**	**-5**	**-4**	**0**	**30**
Inventory gains/losses	-59	-17	0	–	-76
Items affecting comparability	-4	0	-2	–	-6
Operating result	**-24**	**-22**	**-6**	**0**	**-52**
Net financial items					-23
Result before tax					**-75**
Taxes					15
Result for the year					**-60**
Underlying operating margin	**1.5%**	**-0.2%**	**E/T**	**E/T**	**0.6%**
Operating margin	**-0.9%**	**-0.8%**	**E/T**	**E/T**	**-1.0%**
Shipped tonnage (thousands of tonnes)	**137**	**151**	**0**	**-3**	**285**
Investments	**27**	**75**	**44**	**–**	**146**
Depreciation/amortization of tangible/intangible assets	12	13	2	–	27
Depreciation of right of use assets	–	–	94	–	94
Other non-cash flow items	-5	-29	1	–	-33
Total non-cash flow items	**7**	**-16**	**97**	**–**	**88**

The effects regarding IFRS 16 have been reported under Parent Company & consolidated items and have not been allocated to the two business areas. Assets and liabilities per operating segment are not followed up by senior management.

BE Group is a trading and service company in steel, stainless steel and aluminium. Customers are primarily in the construction and manufacturing industries. Since customers' conditions and needs vary widely, BE Group offers different sales solutions: inventory sales, production service sales, and direct sales. The co-operation between BE Group and a particular customer can comprise of one or more of these sales solutions.

The Group's basic products are of a similar nature, regardless of the customers or markets to which they are distributed. Part of BE Group's strategy is also to further process materials at its own production facilities through various types of production services, which in some cases result in completed components being delivered straight into customers' production lines.

BE Group's risks and opportunities differ between the different geographical markets to which its products are distributed. For that reason, BE Group has chosen geographical areas as its primary segments.

The operating structure and internal reporting to Group management and the Board of Directors are therefore based primarily on reporting of geographical business areas. Each segment's result includes operating items attributable to the ongoing activities of the segment.

The financial information per segment is based on the same accounting principles as those that apply for the Group, except for the effects regarding IFRS 16 which are reported under Parent Company & consolidated items and are not allocated to the two business areas. The Group is using a number of alternative performance measures (see Alternative performance measures for more information). One of those is the underlying operating result which is the operating result adjusted for items affecting comparability and inventory gains and losses. These represent the difference between the cost of goods sold at acquisition cost and the cost of goods sold at replacement cost. BE Group applies an internal calculation model. The model has not been reviewed by the company's auditors. Internal prices between BE Group's segments are based on the principle of "arm's-length transactions", that is, transactions between parties that are mutually independent, thoroughly informed and have an interest in the transactions. Prices of goods are based on current purchase prices plus an internal markup margin.

Data on products, services and geographical regions

BE Group consists of two business areas, Sweden & Poland and Finland & Baltics. BE Group's other operations are gathered within Parent Company and consolidated items.

Sweden & Poland

Business area Sweden & Poland includes BE Group's operations in Sweden, which are conducted under the name BE Group Sverige AB and BE Group Produktion Arvika AB and the operations in Poland under the name BE Group Sp. z o.o., which is under closure. The operations in Sweden offers sales and distribution of the Group's products, such as commercial steel, stainless steel and aluminium. In addition to distribution of materials, production service is also provided, whereby the company processes materials in various ways to meet specific customer requirements. Examples include cut to length, blasting, painting, drilling and cutting in various forms. The company provides additional services including advanced logistics solutions and material advisory services. In addition, BE Group Sverige AB owns 50 percent of the thin plate processing company ArcelorMittal BE Group SSC AB.

Finland & Baltics

Business area Finland & Baltics includes BE Group's operations in Finland, which are conducted under the name BE Group Oy Ab. The Baltic unit was closed at the end of the year and the shares were divested. In Finland, sales and distribution of the Group's products, such as commercial steel, stainless steel and aluminium, are offered. Production services are also provided on a large scale. Examples include cut to length, blasting, painting, drilling and cutting in various forms. In addition, the company in Finland offers its customers logistics solutions, advisory services and financing of working capital.

Parent Company & consolidated items

Parent Company & consolidated items include the Parent Company and Group adjustments. The effects regarding IFRS 16 have been reported under Parent Company & consolidated items and have not been allocated to the two business areas. In total, the effect of IFRS 16 amounted to SEK 10 M (11) on the operating result.

Group

Sales by business area and product group	**Sweden & Poland**		**Finland & Baltics**		**Parent company & consolidated items**		**Total**	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Long steel products	1,083	1,200	657	763	0	0	1,740	1,963
Flat steel products	994	1,040	1,135	1,389	0	0	2,129	2,429
Stainless steel	266	300	331	406	0	0	597	706
Aluminium	47	65	115	121	0	0	162	186
Other	33	36	52	50	-46	-42	39	44
Total	**2,423**	**2,641**	**2,290**	**2,729**	**-46**	**-42**	**4,667**	**5,328**

Sales by country based on customer's domicile	**2024**	**2023**
Sweden	2,276	2,549
Finland	2,175	2,430
Other countries	216	349
Total	**4,667**	**5,328**

Sales by business solution, SEK M	**2024**	**2023**
Inventory sales	1,742	2,106
Production service sales	2,457	2,655
Direct sales	468	567
Total	**4,667**	**5,328**

Tangible, intangible and financial fixed assets per country [1]	2024	2023
Sweden	725	625
Finland	410	401
Other countries	9	9
Total	**1,144**	**1,035**

[1] Right of use assets is not included in the table. The effects regarding IFRS 16 is reported under Parent company & consolidated items and have not been allocated to the respective countries.

Parent company

Sales of intra-group services by country based on domicile of subsidiary	2024	2023
Sweden	54	58
Finland	52	60
Other countries	5	10
Total	**111**	**128**

Note 3 – Costs divided by type of expense

The specification of costs divided by type of expense refers to items included in the Income Statement under cost of goods sold, selling expenses, administrative expenses and other operating expenses.

Group	2024	2023
Material costs	3,662	4,273
Salaries, other remuneration and social security expenses	426	443
Other external costs	462	520
Depreciation, amortization and write-downs [1]	128	121
Other operating expenses	9	19
Total	**4,687**	**5,376**

[1] In depreciation, amortization and write-downs 2024, SEK 97 M (94) is associated with amortization on right of use assets related to IFRS 16.

Note 4 – Employees, personnel costs and executive remuneration

In this note, amounts are given in SEK thousands unless otherwise stated.

Average number of employees	2024	of whom men	2023	of whom men
Parent Company				
Sweden	9	56%	8	53%
Total in the Parent Company	**9**		**8**	**53%**
Subsidiaries				
Sweden	277	86%	294	85%
Finland	264	96%	275	98%
Estonia	7	73%	16	76%
Latvia	1	100%	4	75%
Lithuania	1	100%	2	100%
Poland	81	88%	79	85%
Total for subsidiaries	**631**	**90%**	**670**	**90%**
Group total	**640**	**90%**	**678**	**90%**

Specification of gender distribution in Group management

	2024	2023
Gender distribution, Group management	**Percentage women**	**Percentage women**
Parent Company		
Board	20%	20%
Other senior executives	0%	0%
Group		
Board	11%	11%
Other senior executives	0%	0%

Salaries, other remuneration and social security expenses

Group	2024	2023
Salaries and remunerations	324,130	339,927
Pension expense, defined-contribution plans	40,963	40,922
Social security contributions	60,858	62,119
	425,951	**442,968**

Parent Company	**2024**		**2023**	
	Salaries and remunerations	**Social security expenses**	**Salaries and remunerations**	**Social security expenses**
Parent Company	10,755	6,442	10,530	6,037
(of which, pension expenses) [1]		*(2,420)*		*(2,068)*

[1] Of the Parent Company's pension expenses, 1,135 (1,018) KSEK refers to senior executives. There are no outstanding pension commitments.

Salaries and other remunerations distributed between the Parent Company and its subsidiaries and between senior executives and other employees [1]

	2024		**2023**	
	Senior executives[2]	**Other employees**	**Senior executives[2]**	**Other employees**
Parent Company	**5,927**	**4,828**	**5,712**	**4,818**
(of which, bonuses, etc.)	*(-)*	*(-)*	*(-)*	*(-)*
Subsidiaries	**3,723**	**305,825**	**6,173**	**319,733**
(of which, bonuses, etc.)	*(-)*	*(2,366)*	*(-)*	*(1,248)*
Group total	**9,650**	**310,653**	**11,885**	**324,551**
(of which, bonuses, etc.)	*(-)*	*(2,366)*	*(-)*	*(1,248)*

[1] Salaries and other remuneration include base salary, supplementary vacation pay and variable remunerations.
[2] Senior executives include Board members, members of Group Management and company presidents.

Defined benefit plans

Pension obligations for retirement pensions and family pensions for white-collar employees in Sweden are secured through an insurance policy provided by the independent insurance company Alecta. According to a statement (UFR 10) from the Swedish Corporate Reporting Board, this is a multiple-employer defined benefit plan. The company has not had access to information that would permit recognition of its proportional share of the plan's commitments, plan assets and costs that meant that the plan could not be recognized as a defined-benefit plan. The ITP 2 pension plan secured through insurance provided by Alecta is accordingly recognized as a defined contribution plan. The premium for the defined-benefit retirement pension and family pension is calculated individually, depending on salary, already earned pension and anticipated remaining period of service. Anticipated fees for the next reporting period for ITP 2 insurance subscribed with Alecta amounts to SEK 7 M (8).

The collective funding ratio is comprised of the fair value of Alecta's assets as a percentage of insurance obligations computed according to Alecta's actuarial assumptions, which do not accord with IAS 19. The collective consolidation level shall normally be allowed to vary between 125 and 175 percent. If Alecta's collective consolidation level is below 125 percent or exceeds 175 percent, action should be taken with the aim of creating conditions for the consolidation level to return to the normal interval. In the event of low consolidation, one action may be to raise the agreed price for new subscription and expansion of existing benefits. In the event of high consolidation, one action may be to introduce premium reductions. At the end of 2024, Alecta's surplus expressed as the preliminary collective funding ratio amounted to 162 percent (157).

Defined contribution pension plans

The Group has defined contribution pension plans for employees in Sweden for which expenses are fully paid by the companies. Pension plans in Finland and other countries are treated as defined contribution plans. For defined contribution plans, pension contributions are paid to a pension insurance company and recognized as an expense in profit and loss for the accounting period in which they occur. There are defined contribution plans in other countries for which the expenses are paid partially by the subsidiaries and partially by employee contributions. Payments are made regularly to these plans according to plan rules.

Executive remuneration

Total remuneration to the President and CEO and other senior executives consists of base pay, variable remuneration, pension and other benefits. These remuneration components are based on the guidelines for executive remuneration adopted by the 2024 Annual General Meeting, which are detailed in the Corporate Governance Report. The following tables provide details of actual remunerations and other benefits paid in financial years 2024 and 2023 to Board members, the President (who is also the CEO) and other senior executives. The latter are those individuals who, alongside the President and CEO, are members of Group Management.

Remunerations and benefits 2024	**Basic salary [4]/ Board fee**	**Variable remuneration**	**Others benefits**	**Pension expenses**	**Total**
Chairman of the Board					
Anders Rothstein [1]	333	–	–	–	333
Jörgen Zahlin [2]	167	–	–	–	167
Directors					
Monika Gutén	230	–	–	–	230
Lars Olof Nilsson	310	–	–	–	310
Mats O Paulsson	230	–	–	–	230
Petter Stillström	270	–	–	–	270
President and CEO					
Peter Andersson	2,848	–	105	760	3,713
Other senior executives [3]	3,965	–	312	827	5,104
Total	**8,353**	**–**	**417**	**1,587**	**10,357**
Recognized as an expense in the Parent Company	5,927	–	184	1,135	7,246

[1] Anders Rothstein became Board member and its chairman in connection with the Annual General Meeting in April 2024.
[2] Jörgen Zahlin withdrew as Board member in connection with the Annual General Meeting in April 2024.
[3] Other senior executives consist of two persons. BE Group Oy Ab's MD retired during 2024 and a new MD has been employed.
[4] Basic salary also include supplementary vacation pay.

Remunerations and benefits 2023	**Basic salary [2]/ Board fee**	**Variable remuneration**	**Others benefits**	**Pension expenses**	**Total**
Chairman of the Board					
Jörgen Zahlin	500	–	–	–	500
Directors					
Monika Gutén	230	–	–	–	230
Lars Olof Nilsson	310	–	–	–	310
Mats O Paulsson	230	–	–	–	230
Petter Stillström	270	–	–	–	270
President and CEO					
Peter Andersson	2,709	–	83	699	3,491
Other senior executives [1]	6,004	–	380	1,417	7,801
Total	**10,253**	**–**	**463**	**2,116**	**12,832**
Recognized as an expense in the Parent Company	5,712	–	158	1,018	6,888

[1] Other senior executives consist of three persons. The managing director of BE Group Sverige left the company in August 2023 and receives compensation until April 2024 according to agreement. The amount is included in the table above.
[2] Basic salary also include supplementary vacation pay.

Detailed below are the agreed terms for remuneration to the Board, the President and CEO and other senior executives. For an account of guidelines approved by the Annual General Meeting, see the Corporate Governance Report.

Board remuneration

The Chairman and other Board members are paid Board member fees as resolved by the Annual General Meeting. The Annual General Meeting resolved that Board member fees totaling SEK 1,380 thousands (1,380) will be distributed among the Board members as follows: SEK 460 thousands (460) to the Chairman of the Board and SEK 230 thousands (230) to each of the remaining Board members who are not employees of the company. In addition, remuneration of SEK 80 thousands (80) will be paid to the Chairman of the Audit Committé and SEK 40 thousands (40) for each of the other members of the Audit Committee. No fees are paid to members of the Remunerations Committee.

Remuneration to the President and CEO

Remuneration

In accordance with a decision by the Board of Directors, remuneration to the President and CEO normally takes the form of fixed cash salary, variable cash remuneration, pension benefits and other benefits. The fixed cash salary of the President and CEO amounted to SEK 2,700 thousands (2,640). For the President and CEO, maximum variable remuneration payable is 50 percent of the fixed cash salary. Potential bonus payments and the size of them are related to targets defined in advance and set by the Board.

Term of notice and severance pay

The President and CEO has a 9-month period of notice in the event of termination by the company and six months upon resignation. During the term of notice, the President and CEO is entitled to full pay and other benefits of employment, regardless of whether there is a duty to work or not. The President and CEO is not entitled to severance pay.

Pension benefits

For the CEO, pension benefits shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 percent of the fixed annual cash salary.

Remunerations for other senior executives of the Parent Company and Group

Remuneration

Remuneration consists of fixed cash salary, variable cash remuneration, pension benefits and other benefits. The maximum variable remuneration payable to other senior executives is 50 percent of fixed cash salary. Whether or not bonuses are distributed and bonus amounts are determined by the CEO, after consultation with the Remuneration Committee, based on fulfillment of financial and individual targets.

Term of notice and severance pay

The notice period may not exceed twelve months if notice of termination of employment is made by the company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the fixed cash salary for twelve months for the other senior executives. The period of notice may not exceed six months without any right to severance pay when termination is made by the executive.

Pension benefits

For other senior executives, pension benefits shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 percent of the fixed annual cash salary.

Remuneration Committee

Please see the Corporate Governance Report for more information about BE Group's preparation and decision process regarding executive remuneration.

Note 5 – Auditors' fees and reimbursements

Group	**2024**	**2023**
EY (PwC)		
Audit assignments	2	3
Consultation on taxation	0	0
Other services	0	0
Total	**2**	**3**

Parent Company	**2024**	**2023**
EY (PwC)		
Audit assignments	1	1
Consultation on taxation	0	0
Other services	0	0
Total	**1**	**1**

Audit assignments refer to the statutory audit of the annual report and consolidated financial statements and accounts, and the administration of the Board of Directors and the CEO, as well as audits and other reviews carried out in accordance with agreements or contracts. Other services refer to tax advice and other consultations.

In connection with the Annual General Meeting in April 2024, EY was elected as the new auditor, thereby replacing PwC.

Note 6 – Profit/loss from participations in Group companies

Parent Company	**2024**	**2023**
Dividend	–	83
Result from divestments of Group companies	24	–
Write-downs of receivables in Group companies	-39	–
Total	**-15**	**83**

Note 7 – Other operating income

Group	2024	2023
Net exchange rate differences on receivables/liabilities of an operating nature	–	1
Net exchange rate derivative	14	–
Capital gains on sale of fixed assets	0	0
Capital gains on sale of subsidiaries	8	–
Income related to divestment of subsidiaries	5	–
Other	2	3
Total	**29**	**4**

Parent Company	2024	2023
Net exchange rate differences on receivables/liabilities of an operating nature	0	–
Other	–	0
Total	**0**	**0**

Note 8 – Other operating expenses

Group	2024	2023
Net exchange rate differences on receivables/liabilities of an operating nature	7	–
Net exchange rate derivative	–	12
Items affecting comparability/Liquidation costs Baltic and Poland	47	–
Capital loss on the sale of fixed assets	0	–
Other	2	7
Total	**56**	**19**

Parent Company	2024	2023
Net exchange rate differences on receivables/liabilities of an operating nature	–	0
Restructuring costs	–	–
Total	**–**	**0**

Note 9 – Financial income

Group	2024	2023
Interest income from credit institutions	9	3
Other interest income	1	0
Interest income according to the effective value method	**10**	**3**
Net exchange rate differences	3	3
Other	5	4
Total	**18**	**10**

Parent Company	2024	2023
Interest income from credit institutions	8	–
Interest income, Group companies	20	24
Other interest income	0	3
Interest income according to the effective value method	**28**	**27**
Net exchange rate differences	3	1
Other	0	0
Total	**31**	**28**

All interest income is attributable to financial assets measured at the amortized cost.

Note 10 – Financial expenses

Group	2024	2023
Interest expense to credit institutions	25	18
Interest expense leasing acc. to IFRS 16	10	10
Other interest expense	1	0
Interest expense according to the effective value method	**36**	**28**
Net exchange rate differences	2	–
Other expenses	2	5
Total	**40**	**33**

Parent Company	2024	2023
Interest expense to credit institutions	1	0
Interest expense, Group companies	17	13
Interest expense according to the effective value method	**18**	**13**
Net exchange rate differences	–	–
Other expenses	0	1
Total	**18**	**14**

All interest expense is attributable to financial liabilities measured at amortized cost.

Note 11 – Taxes

Group	2024	2023
Current tax expense (–)/tax asset (+)		
Tax expense/tax asset for the period	0	-2
Adjustment of tax attributable to prior years	0	0
Total	**0**	**-2**
Deferred tax expense (–)/tax asset (+)		
Deferred tax attributable to temporary differences	-3	-5
Deferred tax attributable to tax loss carryforwards	11	22
Reversal of deferred tax regarding the liquidation of the unit in the Baltics	22	–
Others	-1	0
Total	**29**	**17**
Total consolidated reported tax expense (-)/tax asset (+)	**29**	**15**

Parent Company	2024	2023
Current tax expense (–)/tax asset (+)		
Tax expense/tax asset for the period	–	–
Total	**–**	**–**
Deferred tax expense (–)/tax asset (+)		
Deferred tax attributable to tax loss carryforwards	1	7
Total	**1**	**7**
Total reported tax expense (-)/ tax asset (+) Parent Company	**1**	**7**

Reconciliation of effective tax	2024	2023
Group		
Result before tax	-71	-75
Tax at prevailing rate for the Parent Company (20.6%)	15	15
Effect of different tax rates for foreign subsidiaries	-1	-1
Non-deductible expenses	-3	-4
Non-taxable revenues	4	3
Increase of loss carryforward without corresponding capitalization of deferred tax	-12	-3
Taxes attributable to previous years	-1	0
Share in earnings of joint venture	4	5
Reversal of deferred tax regarding the liquidation of the unit in the Baltics	22	–
Other	1	0
Recognized effective tax	**29**	**15**

Reconciliation of the effective tax rate for the Group is based on a weighted average of the nominal tax rates that apply to each of the companies within the Group.
The weighted average tax rate for the Group amounted to 19.8% (19.8) and the reported effective tax was 42.1% (20.6) for 2024.

Reconciliation of effective tax	2024	2023
Parent Company		
Result before tax	-11	63
Tax at prevailing rate for the Parent Company (20.6%)	2	-13
Non-deductible expenses	-8	0
Non-taxable revenues	7	20
Other	0	0
Recognized effective tax	**1**	**7**

Reported effective tax for the parent company amounted to 11.4% (10.9) for 2024.

Tax items recognized in other comprehensive income

Group	2024	2023
Total tax in other comprehensive income	–	–
Tax items recognized directly in equity	–	–

Note 12 – Earnings per share

Group	2024	2023
Earnings per share before dilution (SEK)	-3.21	-4.59
Earnings per share after dilution (SEK)	-3.21	-4.59

The calculation of the numerator and denominator used in the calculation of earnings per share is detailed below.

Profit/loss for the year	2024	2023
Profit/loss for the year (SEK M)	-42	-60

Weighted average number of common shares outstanding before dilution (individual shares)

	2024	2023
Total ordinary shares at January 1	12,983,204	12,983,204
Weighted common shares outstanding during the year, before dilution	**12,983,204**	**12,983,204**

Weighted average number of common shares outstanding after dilution (individual shares)

	2024	2023
Weighted average ordinary shares outstanding, before dilution	12,983,204	12,983,204
Weighted common shares outstanding during the year, after dilution	**12,983,204**	**12,983,204**

Note 13 – Goodwill

Cash-generating units with goodwill

Goodwill	Sweden	Finland	Group total
Opening balance, January 1, 2023	**314**	**269**	**583**
Exchange differences	–	-1	-1
Closing balance, December 31, 2023	**314**	**268**	**582**
Opening balance, January 1, 2024	**314**	**268**	**582**
Exchange differences	–	10	10
Closing balance, December 31, 2024	**314**	**278**	**592**

Impairment testing

Cash generating units

The cash generating unit Sweden consists of the company BE Group Sverige AB, which is part of business area Sweden & Poland. The Finland cash generating unit consists of the company BE Group Oy Ab, which is a part of business area Finland & Baltics.

Recoverable amounts

Goodwill with an indefinite useful life is allocated to the Group's cash-generating units identified per operating segment. The recoverable amount for a cash generating unit has been determined based on calculations of value in use. These calculations are based on estimated future cash flows before tax based on financial budgets and strategic plans approved by Group management covering a five-year period. The strategic plan assumes an average growth rate of approximately 8 percent (5) per year for all operating segments. Cash flows beyond the five-year period are extrapolated using estimated growth rates, which is estimated to be about 2 percent (2) for all operating segments. Assumptions have also been made regarding steel price development, operating margins, overheads, working capital needs and investment needs. The pre-tax discount rate applied amounts to 13.2 percent (15.7) for all operating segments.

The calculation as per December 31, 2024 shows that the right of use value exceeds the carrying amount of all cash generating units and therefore there is no impairment need. Nor was there any impairment need for the calculation as per December 31, 2023.

Sensitivity analysis

A number of sensitivity analyses have been done where the variables included in the value-in-use model were changed and the effect on the recoverable amount was analyzed. Sensitivity analyses show that the remaining goodwill for all cash generating units would continue to be justifiable if the discount rate were to be raised by 1 percentage point or the growth rate, terminal growth or operating margin would be reduced by 1 percentage point. The table above shows how goodwill is distributed per cash generating unit.

Note 14 – Other intangible assets

Group	Other intangible assets 2024	Other intangible assets 2023	Customer relations 2024	Customer relations 2023	Software and licenses 2024	Software and licenses 2023	Total 2024	Total 2023
Accumulated cost								
At January 1	8	8	1	1	197	153	206	162
Acquisitions	–	0	–	–	92	44	92	44
Disposals and scrappings	-3	-1	-1	–	-1	0	-4	-1
Reclassification	–	1	–	–	–	–	–	1
Divested/liquidated operations	–	–	–	–	–	–	–	–
Exchange differences for the year	0	0	–	–	1	0	1	0
Total accumulated closing balance	**5**	**8**	**0**	**1**	**289**	**197**	**295**	**206**
Accumulated scheduled depreciation								
At January 1	-5	-5	-1	-1	-151	-149	-157	-155
Disposals and scrappings	3	1	1	–	1	0	4	1
Reclassification	–	–	–	–	–	–	–	–
Divested/liquidated operations	–	–	–	–	–	–	–	–
Scheduled amortization for the year	-1	-1	–	–	-2	-2	-3	-3
Exchange differences for the year	0	0	–	–	-1	0	-1	0
Total accumulated depreciation	**-3**	**-5**	**0**	**-1**	**-153**	**-151**	**-157**	**-157**
Accumulated impairment								
At January 1	–	–	–	–	–	–	–	–
Impairment losses for the year	–	–	–	–	–	–	–	–
Total accumulated impairment	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Carrying amount at end of period	**2**	**3**	**0**	**0**	**136**	**46**	**138**	**49**
Amortization for the year is reported on the following lines in the income statement								
Selling expenses	–	–	–	–	–	0	–	0
Administrative expenses	-1	-1	–	–	-2	-2	-3	-3
Total	**-1**	**-1**	**–**	**–**	**-2**	**-2**	**-3**	**-3**

Parent Company	Other intangible assets 2024	Other intangible assets 2023	Customer relations 2024	Customer relations 2023	Software and licenses 2024	Software and licenses 2023	Total 2024	Total 2023
Accumulated cost								
At January 1	–	–	–	–	156	112	156	112
Acquisitions	–	–	–	–	92	44	92	44
Reclassification	–	–	–	–	–	–	–	–
Total accumulated closing balance	**–**	**–**	**–**	**–**	**248**	**156**	**248**	**156**
Accumulated scheduled depreciation								
At January 1	–	–	–	–	-111	-109	-111	-109
Scheduled amortization for the year	–	–	–	–	-1	-2	-1	-2
Total accumulated depreciation	**–**	**–**	**–**	**–**	**-112**	**-111**	**-112**	**-111**
Carrying amount at end of period	**–**	**–**	**–**	**–**	**136**	**45**	**136**	**45**
Amortization for the year is reported on the following lines in the income statement								
Administrative expenses	–	–	–	–	-1	-2	-1	-2
Total	**–**	**–**	**–**	**–**	**-1**	**-2**	**-1**	**-2**

Note 15 – Tangible assets

Group	Buildings and land 2024	Buildings and land 2023	Plant and machinery 2024	Plant and machinery 2023	Equipment, tools, fixtures and fittings 2024	Equipment, tools, fixtures and fittings 2023	New constructioning progress and advance payments for tangible assets 2024	New constructioning progress and advance payments for tangible assets 2023	Total 2024	Total 2023
Accumulated cost										
At January 1	46	45	565	503	118	113	23	19	752	680
Acquisitions	5	2	13	73	7	6	11	21	36	102
Acquisitions of business	–	–	–	–	–	–	–	–	–	–
Divestments of business	–	–	–	–	–	–	–	–	–	–
Disposals and scrappings	–	–	-39	-27	-12	-2	–	–	-51	-29
Reclassification	5	–	5	16	–	1	-10	-17	–	–
Exchange differences for the year	0	-1	16	0	1	0	1	0	18	-1
Total accumulated closing balance	**56**	**46**	**560**	**565**	**114**	**118**	**25**	**23**	**755**	**752**
Accumulated scheduled depreciation										
At January 1	-29	-28	-405	-411	-110	-108	–	–	-544	-547
Acquisitions of business	–	–	–	–	–	–	–	–	–	–
Divestments of business	–	–	–	–	–	–	–	–	–	–
Disposals and scrappings	–	–	39	27	12	2	–	–	51	29
Reclassification	–	–	0	0	–	–	–	–	0	0
Scheduled depreciation for the year	-2	-1	-24	-20	-3	-3	–	–	-29	-24
Exchange differences for the year	0	0	-12	-1	-1	-1	–	–	-13	-2
Total accumulated depreciation	**-31**	**-29**	**-402**	**-405**	**-102**	**-110**	**–**	**–**	**-535**	**-544**
Accumulated impairment										
At January 1	–	–	5	5	–	0	–	–	5	5
Disposals and scrappings for the year	–	–	0	0	–	–	–	–	0	0
Impairment losses for the year	–	–	-2	–	-1	–	–	–	-3	–
Exchange differences for the year	–	–	0	0	0	0	–	–	0	0
Total accumulated impairment	**–**	**–**	**3**	**5**	**-1**	**0**	**–**	**–**	**2**	**5**
Carrying amount at end of period	**25**	**17**	**161**	**165**	**11**	**8**	**25**	**23**	**222**	**213**

Parent Company	Equipment, tools, fixtures and fittings 2024	Equipment, tools, fixtures and fittings 2023	New constructioning progress and advance payments for tangible assets 2024	New constructioning progress and advance payments for tangible assets 2023	Total 2024	Total 2023
Accumulated cost						
At January 1	1	1	0	0	1	1
Reclassifications	–	–	–	–	–	–
Acquisitions	–	–	–	–	–	–
	-1	–	–	–	-1	–
Total accumulated closing balance	**0**	**1**	**0**	**0**	**0**	**1**
Accumulated scheduled depreciation						
At January 1	-1	-1	–	–	-1	-1
	1	–	–	–	1	–
Scheduled depreciation for the year	0	0	–	–	0	0
Total accumulated depreciation	**0**	**-1**	**–**	**–**	**0**	**-1**
Carrying amount at end of period	**0**	**0**	**0**	**0**	**0**	**0**

Note 16 – Lease agreements

The Group has leases for real estate, vehicles, machinery and other equipment used in the operations. Leases of real estate and machinery generally have a leasing period of between three and 15 years, while that for vehicles and other equipment is generally between three and five years. The Group's obligations in leases are secured by the lessor's ownership.

Right of use assets

The table below presents the book value of the right of use assets and amortization per asset class and the financial year's additional right of use assets.

2024	Buildings and land	Cars	Equipment, tools, fixtures and fittings	Other	Total
Opening balance, January 1, 2024	**424**	**6**	**41**	**2**	**473**
Depreciation	-85	-4	-7	-1	**-97**
Aquisition	0	5	0	0	**5**
Terminations	-1	-1	-1	0	**-3**
Currency adjustments	10	0	0	0	**10**
Other adjustments	6	0	0	1	**7**
Closing balance, December 31, 2024	**354**	**6**	**33**	**2**	**395**

2023	Buildings and land	Cars	Equipment, tools, fixtures and fittings	Other	Total
Opening balance, January 1, 2023	**455**	**5**	**30**	**4**	**494**
Depreciation	-82	-4	-7	-1	**-94**
Aquisitions	–	3	7	–	**10**
Terminations	–	0	0	-1	**-1**
Other adjustments	51	2	11	0	**64**
Closing balance, December 31, 2023	**424**	**6**	**41**	**2**	**473**

Lease liabilities

The table below presents the amounts recognized as lease liabilities in the consolidated balance sheet.

	2024	2023
Non-current lease liabilities	296	376
Current lease liabilities	104	103
Total	**400**	**479**

The table below presents a maturity analysis regarding contractually undiscounted payments of the lease liabilities.

	2024	2023
Maturity within 1 year	105	104
Maturity within 1-2 years	105	101
Maturity within 2-3 years	89	101
Maturity within 3-5 years	118	167
Maturity later than 5 years	1	33
Total	**418**	**506**

Earnings impact attributable to leases

The table below presents the amounts attributable to leases recognized in the consolidated income statement during the year.

Costs	2024	2023
Depreciation of rights of use	97	94
Interest expenses for lease liabilities	10	10
Total	**107**	**104**

The Group's total cash outflow attributable to leases amounted to SEK 107 M (103).

Uncommenced lease commitments

The Group has no material uncommenced lease commitments.

Note 17 – Participations in Group companies

Parent Company	2024	2023
Accumulated cost		
At January 1	1,087	1,087
Divestment	-4	–
Total accumulated cost	**1,083**	**1,087**
Accumulated impairment		
At January 1	-231	-231
Divestment	4	–
Total accumulated impairment	**-227**	**-231**
Carrying amount at end of period	**856**	**856**

Specification of the Parent Company and Group's holdings of investments in Group companies

Subsidiaries/Reg. No./Domicile	Participating interests	%	Carrying amount
BE Group Sverige AB, 556106-2174. Sweden	20,000	100	709
BE Group Oy Ab, 1544976-7. Finland	204,000	100	147
BE Group Sp. z o.o, 0000006520. Poland	20,216	100	0
			856

Divestments during the year	2024	2023
BE Group OÜ, 10024510. Estonia	0	–
BE Group OÜ filiāle Latvijā, 40203322166. Latvia	0	–
BE Group OÜ Lietuvos filialas, 305776594. Lithuania	0	–
Total	**0**	**–**

Earnings attributable to divested operations

During 2024, the Baltic operations has been under closure and in December 2024 it was completed and the shares in BE Group OÜ were divested. The final purchase consideration amounted to approximately SEK 24 M and the cash flow effect was SEK 0 M. The operations were deconsolidated in December, 2024.

Note 18 – Participations in joint ventures

BE Group owns 50 percent of ArcelorMittal BE Group SSC AB (company registration number 556192-8770, domiciled in Karlstad, Sweden). The company is a Steel Service Center providing customer specific solutions within thin sheets and coils. The interest in the joint venture company is reported in the consolidated accounts using the equity method, by which 50 percent of profit after tax for the joint venture company will be reported as a share in earnings included in the consolidated operating result of BE Group.

Earnings in joint venture ArcelorMittal BE Group SSC AB	**2024**	**2023**
Result before tax	44	57
Tax	-9	-12
Result after tax	**35**	**45**
Dividends received	16	15

Overview of income statements and balance sheets for the joint venture	**2024**	**2023**
Net sales	897	1,044
Operating result [1)]	39	56
Net financial items	5	1
Tax	-9	-12
Result for the year [2)]	35	**45**
[1)] Depreciations amounts to	*8*	*8*

	2024	**2023**
Non-current assets	198	203
Current assets excl. cash and cash equivalents	374	352
Cash and cash equivalents	56	15
Total assets	**628**	**570**

	2024	**2023**
Equity	460	448
Provisions	15	16
Other non-interest-bearing liabilities	153	106
Total equity and liabilities	**628**	**570**

Participations in joint ventures	**2024**	**2023**
Opening balance, cost	191	183
Dividends received	-16	-15
Share in earnings of joint venture	18	23
Carrying amount at year-end [2)]	**192**	**191**

Transactions with joint venture ArcelorMittal BE Group SSC AB	**2024**	**2023**
Receivables from joint venture	0	0
Debts to joint venture	5	3
Sales to joint venture	–	–
Purchases from joint venture	62	56
Dividends received	16	15

Transactions with the joint venture are conducted at market prices and terms.

[2)] The result is reported under ”Participations in earnings of joint venture” in the consolidated income statement. Book value at the end of the year is reported under ”Participations in joint ventures” in the consolidated balance sheet.

Impairment testing

Through BE Group Sverige AB, the Group is the owner of 50 percent of the shares in ArcelorMittal BE Group SSC AB. The value of the company's proportion is tested yearly by the recoverable amount being compared with the book value. Book value amounts to SEK 192 M (191).

The calculation as per December 31, 2024 shows that there is no impairment requirement. Nor was there any impairment requirement for the calculation as per December 31, 2023. For more information regarding impairment testing of goodwill, see Note 13.

Note 19 – Other non-current security holdings

Group	2024	2023
Accumulated cost		
At January 1	0	0
Exchange rate differences for the year	–	–
Carrying amount at end of period	**0**	**0**

Note 20 – Interest-bearing receivables from Group companies

Parent Company	2024	2023
Accumulated cost		
At January 1	174	248
New receivables	53	22
Settled receivables	-68	-94
Impairment of receivables	-39	–
Exchange rate differences for the year	0	-2
Carrying amount at end of period	**120**	**174**
Of which recognized as non-current	*0*	*17*
Of which recognized as current	*120*	*157*

Note 21 – Inventories

Group	2024	2023
Inventories		
Raw materials	386	397
Finished goods	451	361
Work in progress	21	34
Total	**858**	**792**

Group	2024	2023
Obsolescence reserve, inventories		
Carrying amount at January 1	-12	-20
Change for the year	-1	8
Total	**-13**	**-12**

Accounting for inventory value is based on acquisition value taking into account write-downs due to obsolescence or as a result of the net sales value being lower than book value. Total write-down attributable to obsolescence amounts to -13 MSEK (-12).

Note 22 – Other receivables

Group	2024	2023
VAT and other tax receivables	23	50
Receivables from suppliers	5	5
Other items	4	3
Total	**32**	**58**

Parent Company	2024	2023
VAT and other tax receivables	18	33
Other items	2	1
Total	**20**	**34**

Note 23 – Prepaid expenses and accrued income

Group	2024	2023
Rent for premises	8	8
Insurance fees	1	0
IT expenses	6	6
Other items	7	16
Total	**22**	**30**

Parent Company	2024	2023
IT expenses	6	6
Other items	0	1
Total	**6**	**7**

Note 24 – Equity

Share capital and shares outstanding

Group	2024	2023
Issued capital at January 1	13,010,124	13,010,124
Issued capital at December 31	**13,010,124**	**13,010,124**

At December 31, 2024, registered share capital amounted to 13,010,124 (13,010,124) common shares. The quotient value per share is SEK 20.00 (20.00). Holders of common shares are entitled to dividends, the amount of which is set each financial year and shareholdings convey voting rights at the Annual General Meeting of one vote per share. All shares convey equal rights to the company's remaining net assets.

Reserves

Translation reserve

The translation reserve comprises of exchange rate differences arising from translation of the financial statements of foreign operations that have prepared their financial statements in a currency other than the currency in which consolidated financial statements are presented. The Parent Company and Group present their financial statements in Swedish kronor (SEK).

Group	2024	2023
Carrying amount at January 1	95	92
Exchange rate difference for the year	18	3
Realized net value regarding the sale of the unit in the Baltics	-10	–
Carrying amount at end of period	**103**	**95**

Retained earnings including profit/loss for the year

Retained earnings including profit for the year include earnings in the Parent Company and its subsidiaries. This equity item includes prior provisions to the statutory reserve, excluding transferred share premium reserves.

Treasury shares

	2024		2023	
Group	**Number**	**Amount**	**Number**	**Amount**
Balance at January 1	26,920	21	26,920	21
Closing balance at end of period	**26,920**	**21**	**26,920**	**21**

Acquisition of treasury shares are recognized directly in retained earnings.

Parent Company

Restricted equity

Restricted reserves

Dividends that reduce restricted reserves are prohibited.

Statutory reserve

The purpose of the statutory reserve has been to save a portion of net profits not used to cover retained losses.

Non-restricted equity

Retained earnings

Comprises of prior years' non-restricted equity after distribution of profits, if any. Combined with profit for the year, the total makes up non-restricted equity, which is the amount available for distribution to shareholders.

Share premium reserve

When shares are issued at a premium, that is, when more must be paid for the shares than their quotient value, an amount equal to the amount received in excess of the quotient value of the shares must be transferred to the share premium reserve.

Note 25 – Provisions

Group	2024	2023
Restructuring costs	–	4
Liquidation costs	14	–
Total	**14**	**4**
Of which:		
Non-current	–	–
Current	14	4
Total	**14**	**4**

2024	Restructuring costs	Divestment costs
Carrying amount at January 1	4	–
New provisions	–	33
Amount used during the period	-4	-19
Carrying amount at end of period	**0**	**14**
Expected date of outflow of resources:		
2025	–	14
2026–2029	–	–
Total	**0**	**14**

The provisions in 2024 refers to the closure of the Polish operations. The restructuring reserve in 2023 is attributable to a savings and efficiency enhancement program.

Not 26 – Appropriation of earnings

The Board of Director´s proposal for the appropriation of earnings

The Board of Directors proposes that no dividend (-) will be paid for the financial year of 2024.

Funds available		
Share premium reserves	239,719,829	SEK
Retained earnings	546,076,075	SEK
Result for the year	-9,882,612	SEK
Total	**775,913,292**	**SEK**
The Board of Directors proposes that the following amount is distributed to the shareholders	–	SEK
Balance carried forward	775,913,292	SEK
Total	**775,913,292**	**SEK**

Note 27 – Deferred tax assets and tax liabilities

2024

Group	Deferred tax assets	Deferred tax liabilities	Net
Intangible assets	–	-23	-23
Buildings and land	–	-1	-1
Machinery and equipment	–	-7	-7
Right of use assets	–	-81	-81
Inventory	0	0	0
Accounts receivable	0	–	0
Prepayments and accrued income	–	–	–
Accrued expenses and deferred income	2	–	2
Loss carryforwards	33	–	33
Lease liability	82	–	82
Other	0	0	0
	117	**-112**	**5**
Offset	-79	79	–
Net deferred tax liability	**38**	**-33**	**5**

2023

Group	Deferred tax assets	Deferred tax liabilities	Net
Intangible assets	–	-22	-22
Buildings and land	–	-2	-2
Machinery and equipment	–	-5	-5
Right of use assets	–	-97	-97
Inventory	0	0	0
Accounts receivable	1	–	1
Prepayments and accrued income	–	–	–
Accrued expenses and deferred income	–	–	–
Other provisions	–	–	–
Loss carryforwards	22	–	22
Lease liability	99	–	99
Other [1)]	2	-22	-20
	124	**-148**	**-24**
Offset	-96	96	0
Net deferred tax liability	**28**	**-52**	**-24**

[1)] Mostly related to a defferred tax liability in Estonia. In Estonia, the tax is paid only when the dividend is paid to the Parent Company.

2024

Parent Company	Deferred tax assets	Deferred tax liabilities	Net
Loss carryforwards	8	–	8
	8	**–**	**8**
Offset	–	–	–
Net deferred tax assets	**8**	**–**	**8**

2023

Parent Company	Deferred tax assets	Deferred tax liabilities	Net
Loss carryforwards	7	–	7
	7	**–**	**7**
Offset	–	–	–
Net deferred tax assets	**7**	**–**	**7**

Change of deferred tax in temporary differences and loss carryforwards

Group

2024	Carrying amount at beginning of period	Recognized in profit or loss	Translation differences	Carrying amount at end of period
Intangible assets	-22	–	-1	-23
Buildings and land	-2	0	–	-2
Machinery and equipment	-5	-2	0	-7
Right of use assets	-1	-1	–	-2
Inventory	0	0	–	0
Accounts receivable	1	-1	0	0
Prepayments and accrued income	–	–	–	–
Accrued expenses and deferred income	–	0	–	–
Loss carryforwards	22	11	1	34
Lease liability	2	1	–	3
Other [1)]	-19	21	–	2
	-24	**29**	**0**	**5**

1) Mainly related to resolution of deferred tax in connection with the closure of the Baltic unit.

Group

2023	Carrying amount at beginning of period	Recognized in profit or loss	Translation differences	Carrying amount at end of period
Intangible assets	-23	–	1	-22
Buildings and land	-2	0	–	-2
Machinery and equipment	-1	-4	0	-5
Right of use assets	-1	0	–	-1
Inventory	0	0	0	0
Accounts receivable	1	0	0	1
Prepayments and accrued income	1	-1	–	–
Accrued expenses and deferred income	–	–	–	–
Other provisions	0	–	–	–
Loss carryforwards	0	22	0	22
Lease liability	2	0	–	2
Other	-19	0	0	-19
	-42	**17**	**1**	**-24**

Change of deferred tax in temporary differences and loss carryforwards

Parent Company

2024	Carrying amount at beginning of period	Recognized in profit or loss	Translation differences	Carrying amount at end of period
Loss carryforwards	7	1	–	8
	7	**1**	**–**	**8**

Parent Company

2023	Carrying amount at beginning of period	Recognized in profit or loss	Translation differences	Carrying amount at end of period
Loss carryforwards	–	7	–	7
	–	**7**	**–**	**7**

Unrecognized deferred tax assets

In the balance sheet, deferred tax assets have not been recognized for tax loss carryforwards for a deferred tax value of SEK 3 M (4), which are attributable to the foreign subsidiaries. The unrecognized amounts are equivalent to the portion of such carryforwards considered unlikely to be utilizable against future taxable results.

Note 28 – Pledged assets and contingent liabilities

Pledged assets to credit institutions

Group	2024	2023
Liens on assets	1,328	1,299
Total	**1,328**	**1,299**

Parent Company	2024	2023
Promissory notes receivable	353	345
Total	**353**	**345**

Financial assets pledged as collateral

The Parent Company has promissory notes receivable from BE Group Sverige AB and BE Group Oy Ab pledged as collateral for external loan agreements. The carrying amount is equal to the amount reported as pledged collateral. Please see Note 33 Financial risk management with regard to significant terms and conditions of external loan agreements.

Contingent liabilities

Group	2024	2023
Other guarantees	–	–
Future committments [1]	1,400	1,400
Total	**1,400**	**1,400**

Parent Company	2024	2023
Guarantee obligations for the benefit of subsidiaries	–	–
Future committments [1]	1,400	1,400
Total	**1,400**	**1,400**

[1] Refers to committments according to agreement with Stegra (former H2 Green Steel) regarding cooperation and distribution of fossil-free steel at the Nordic market. The committment towards Stegra expects approved deliveries within certain stipulated times.

The Parent Company provides a joint and several guarantee covering subsidiaries' payment of receivables to materials suppliers. In addition to these reported commitments, the Parent Company has also provided customary guarantees for subsidiaries' obligations to pay rent to property owners. Please see Note 16 for further information about lease agreements.

Note 29 – Current interest-bearing liabilities

Group	2024	2023
Overdraft facility		
Credit limit	150	150
Unutilized part of credt limit	-150	-150
Utilized credit amount	**–**	**–**
Current lease liabilities	104	103
Other current interest-bearing liabilities	–	–
Total current interest-bearing liabilities	**104**	**103**

Note 30 – Accrued expenses and deferred income

Group	2024	2023
Accrued salaries	50	49
Accrued social security expenses	11	15
Bonuses to customers	1	2
Accrued expenses related to the ongoing operations	19	13
Other items	14	20
Total accrued expenses and deferred income	**95**	**99**

Parent Company	2024	2023
Accrued salaries	2	1
Accrued social security expenses	1	1
Other accrued expenses	5	9
Total accrued expenses and deferred income	**8**	**11**

Note 31 – Supplementary disclosures to cash flow statement

Group	2024	2023
Adjustment for non-cash items		
Depreciation, amortization and write-down of fixed assets [1]	128	121
Impairment of bad debts	-3	–
Unrealized exchange rate differences	-11	9
Capital gain/loss on sale of fixed assets	–	0
Result from participation in joint venture [2]	-18	-8
Provisions and other items not affecting liquidity	3	-34
Total	**99**	**88**

Parent Company	2024	2023
Adjustment for non-cash items		
Depreciation and write-down of assets	1	2
Provisions and other items not affecting liquidity	–	1
Total	**1**	**3**

[1] In depreciation, amortization and write-downs, SEK 97 M (94) is associated with amortization on right of use assets related to IFRS 16.
[2] During 2023, the difference between the period's share of profit in the joint venture and the dividend received was adjusted.

Reconcilation of debt

		Cash flow	Items not affecting cash flow				
Group	**31/12/23**		**Licenses**	**New lease agreements**	**Other [1]**	**Exchange rate differences**	**31/12/24**
Factoring	**334**	17	–	–	1	-2	**350**
Lease liability	**479**	-97	28	5	3	10	**428**
Total	**813**	**-80**	**28**	**5**	**4**	**8**	**778**

		Cash flow	Items not affecting cash flow				
Group	**31/12/22**		**Acquisitions**	**New lease agreements**	**Other [1]**	**Exchange rate differences**	**31/12/23**
Factoring	**407**	-72	–	–	–	-1	**334**
Lease liability	**499**	-103	–	11	54	18	**479**
Total	**906**	**-175**	**–**	**11**	**54**	**17**	**813**

[1] In other, mainly modifications, indexations and premature terminations are reported.

Note 32 – Related-party transactions

Group

During the year, the Group had transactions with joint venture company ArcelorMittal BE Group SSC AB. See Note 18 for further details.

In other regards, no transactions have taken place between BE Group and related parties that have had a material impact on the company's position and results.

See Note 4 for disclosures on remuneration and benefits paid to senior executives and Board members.

Parent Company

The Parent Company has decisive control over its subsidiaries, see Note 17, and has had the following transactions with related parties and joint venture ArcelorMittal BE Group SSC AB, see Note 18:

Parent Company´s transactions with subsidiaries and joint venture	**2024**	**2023**
Sales of services	111	128
Purchases of services	-15	-16
Interest income	20	23
Interest expense	-18	-13
Dividend received (+)/paid (-)	–	83
Group contributions received(+)/paid (-)	-55	-98
Receivables from related parties on balance day	143	208
Liabilities to related parties on balance day	-64	-109

Note 33 – Financial risk management

In its operations, BE Group is exposed to a number of financial risks. The management of these risks is regulated through the Group's finance policy. The finance policy is established by the Board and provides a framework for BE Group's management of the financial risks in its operations. BE Group maintains a centralized finance function that is responsible for identifying and managing the financial risks in accordance with the established policy. The finance function reports to the President and CEO of BE Group.

BE Group's ongoing operations cause a number of financial risks. These consist of market risk (currency and interest risk), refinancing risk (liquidity risk) and credit risk. The goals that have been established in the finance policy are stated under the respective heading below.

Market risk

Market risk is the risk that fluctuations in market rates, such as interest and exchange rates, will impact the Group's profits or financial position.

Currency risk

By reason of its international operations, BE Group is exposed to currency risk through exchange rate fluctuations. BE Group's currency exposure comprises both transaction exposure and translation exposure.

Transaction exposure

Transaction exposure arises when the Group conducts purchasing in one currency and sales in another, meaning that the transaction exposure is attributable to accounts receivable and payable. The Group's purchases are denominated mainly in SEK and EUR, while sales are denominated in local currency. BE Group's objective is to minimize the short-term and long-term impact of movements in foreign exchange rates on the company's profit and equity. This is mainly achieved by matching revenues and expenses in business transactions with currencies other than SEK. When matching cannot be achieved, the Group sometimes utilizes forward contracts for currency hedging. The forward contracts are recognized in the balance sheet from the trade date and are measured at fair value, both on initial recognition and subsequent valuations. On the balance sheet date, the value of the derivatives amounted to SEK 1 M (-14).

During 2024, BE Group's transaction exposure in EUR amounted to EUR 97 M (92), consisting of the difference between actual purchasing and sales in EUR. The Group mainly makes its purchases in EUR while sales are in local currency. The real effect of the transaction exposure affected operating profit/loss by SEK -7 M (1). Based on income and expenses in foreign currency for 2024, it is estimated that a change of +/- 5 percent in the SEK against the EUR would give an effect of about +/- SEK 7 M in the operating result. On the balance sheet date, the Group had operating liabilities of EUR 10 M net and financial liabilities of EUR 15 M.

Translation exposure

As of the balance sheet date, net assets are allocated among the following currencies:

Amount	**SEK M**	
SEK	1,074	77%
EUR	358	26%
Others	-42	-3%
Total	**1,390**	**100%**

The Group's earnings are affected by the currency rates used in the translation of the results of its foreign units. Based on conditions in 2024, it is estimated that a 5 percent strengthening of the SEK against the EUR would entail an effect of SEK 2 M on operating result in the translation of the earnings of foreign units.

Interest risk

Interest risk is attributable to fluctuations in market interest rates and their effect on the Group's loan portfolio. Consolidated interest-bearing liabilities are mainly subject to variable interest or short terms of fixed interest.

At the end of the year, the total interest-bearing debt excl. IFRS 16 was SEK 350 M (334). Interest-bearing assets in the form of cash and bank balances amounted to SEK 9 M (74).

A change in interest rates of one percent would affect consolidated net financial items by approximately SEK +/- 3 M and consolidated equity by approximately SEK +/- 3 M. The sensitivity analysis has been conducted on the basis of current net debt at the end of the period.

The table below details the consolidated interest-bearing liabilities outstanding at December 31, 2023 and December 31, 2024.

Loan terms

		Nominal amount in original currency		Carrying amount (SEK M)		Fixed interest rate No of days		Interest rate on the balance sheet day		Maturity	
(SEK M)		**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Non-current interest bearing liabilities	EUR M	15	14	168	152	floating	floating	3.80%	5.05%	2026	2026
Non-current interest bearing liabilities	SEK M	182	182	182	182	floating	floating	4.05%	5.05%	2026	2026
accrued interest				–	–						
Total				**350**	**334**						
Of which, current liability					–						
Parent Company [1]											
Bank loan, SEK	SEK M	–	–	–	–		–	–	–	–	–
Bank loan, EUR	EUR M	–	–	–	–		–	–	–	–	–
accrued interest				–	–						
Total Parent Company				**–**	**–**						
Of which, current liability				–	–						
Total Group				**350**	**334**						
Of which, current liability				–	–						

[1] The Parent Company has Group-internal liabilities amounting to EUR 0 M (0) and SEK 0 M (97). The recognized amount totals SEK 0 M (97). There is no accrued interest on the balance sheet date. However, the Parent Company has interest-bearing liabilities related to the intra-group cash pool that amount to SEK 3 M (7) as per the balance sheet date. The interest applied in the cash pool is based on SEB Base rate.

The recognized amount for interest-bearing liabilities constitutes a good approximation of the fair value.

Refinancing risk (liquidity risk)

BE Group is a net borrower and a refinancing risk arises in connection with the extension of existing loans and the raising of new loans. Access to external financing, which is affected by factors such as the general trend in the capital and credit markets, as well as the borrower's creditworthiness and credit capacity, may be limited and there may be unforeseen events and costs associated with this. The borrowing strategy focuses on securing the Group's borrowing needs, both with regard to long-term financing needs and day-to-day payment commitments. BE Group works to maintain satisfactory payment capacity by means of unutilized credit facilities and through active control of its working capital, which is the main item affecting the Group's liquidity.

Maturity structure, financial liabilities excl. lease liabilities

	Financial liabilities	
	2024	**2023**
Maturity within 90 Days	574	566
Maturity within 91–180 Days	4	4
Maturity within 181–365 Days	5	8
Maturity within 1–5 years	375	354
Maturity later than 5 years	0	0
Total	**958**	**932**

The table above details the maturity structure for financial liabilities and shows the undiscounted future cash flows. BE Group has an overdraft facility of SEK 150 M, of which SEK 0 M had been utilized as of December 31, 2024, see Note 29. Of the financial liabilities that fall due for payment within one to five years, the largest part relate to the Parent Company's credit facility maturing in 2026. The maturity structure for leasing is shown in Note 16.

Credit agreement

The current credit agreement with Skandinaviska Enskilda Banken was signed in 2023 and has a maturity of three years with an option for extension of another 1+1 years. The performance measures measured are net debt/equity ratio and interest coverage ratio. The performance measures are measured quarterly, and the interest coverage ratio is based on the trend over the past 12-month period. The majority of the facility relates to factoring. On the balance sheet date, the Group has unutilized credit facilities in an amount of SEK 414 M (including overdraft facilities).

Credit risk

When entering into new business relations and extending existing ones, BE Group makes a commercial assessment.

The risk that payment will not be received on accounts receivable represents a customer credit risk. BE Group applies credit policies to manage this risk by limiting the outstanding credit extended and terms for various customers as well as a Group wide credit insurance. Short credit terms and the absence of risk concentrations towards individual customers and specific sectors contribute to reducing credit risk in Sweden and Finland.

The spread of risk among the customer base is satisfactory as no individual customer accounted for more than 7 percent (7) of sales in 2024. The ten largest customers combined accounted for about 18 percent (19) of sales.

Credit exposure arises in conjunction with placements of cash and cash equivalents but also in connection with trading in derivative instruments. BE Group manages the risk that a counterparty will default by selecting creditworthy counterparties and limiting the commitment per counterparty.

In all material respects, the Group's credit exposure coincides with the carrying amount of each class of financial instrument.

Provision for accounts receivable

In order to calculate anticipated credit losses, accounts receivable have been grouped based on credit risk characteristics and the number of days of delay. The anticipated credit loss levels are based on the customers' loss history. Historical losses are then adjusted to take into consideration current and prospective information about macroeconomic factors that can affect the customers' possibilities of paying the receivable. The historical loss level is adjusted based on the anticipated changes in these factors. Accounts receivable are written off when there is no reasonable expectation of repayment. Indicators that there is no reasonable expectation of repayment include that the debtor fails with the repayment plan or that contractual payments are more than 90 days delayed. Credit losses on accounts receivable are recognized as credit losses – net within the operating result. Reversals of amounts previously written off are recognized in the same line in the income statement.

	Not overdue		**Overdues 1-30 days**		**Overdues 31-90 days**		**Overdues more then 90 days**		**Total**	
Group	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Accounts receivable – gross	385	480	31	46	3	6	2	5	**421**	**537**
Provisions	0	0	0	0	0	0	-2	-5	**-2**	**-5**
Expected loss ratio %	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*100%*	*100%*	***1%***	***1%***

Loss reserve

The changes in the loss reserve are specified below.

	2024	**2023**
Provision at January 1	**5**	**8**
Increase of loss reserve, change accounted for in income statement	1	3
Reversals of reserves	-4	-4
Realized losses	0	-2
Exchange rate differences	0	0
Divested/liquidated business	0	0
Provision at December 31	**2**	**5**

Impairments

The Group has two kinds of financial assets that are in the application area for the model for anticipated credit losses:
– Accounts receivable attributable to sales of goods
– Cash and cash equivalents

Cash and cash equivalents are within the application area for impairments according to IFRS 9, the impairment that would come into question has been deemed immaterial. See above for information on anticipated credit losses regarding accounts receivable.

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 total carrying amounts and fair value as per asset class are shown in the table below:

Group	**Measurement category**
A	Financial assets and liabilities valued at fair value via profit and loss for the period (level 2 according to IFRS 13)
B	Amortized cost
C	Financial assets available for sale
D	Financial liabilities measured at amortized cost

2024	Carrying value according to balance sheet	Of which, financial instruments covered by disclosure requirements in IFRS 7	Group A	B	C	D	Total carrying value	Fair value
Assets								
Other securities held as non-current assets	0	–	–	–	0	–	**0**	E/T
Non-current receivables	1	1	0	1	–	–	**1**	1
Accounts receivable	419	419	–	419	–	–	**419**	419
Other receivables	32	9	–	9	–	–	**9**	9
Derivatives [2]	1	1	1	–	–	–	**1**	1
Prepaid expenses and accrued income	22	4	–	4	–	–	**4**	4
Cash and cash equivalents	9	9	–	9	–	–	**9**	9
Liabilities								
Non-current interest-bearing liabilities	350	350	–	–	–	350	**350**	350
Current interest-bearing liabilities	–	–	–	–	–	–	**–**	–
Non-current lease liabilities [1]	321	321	–	–	–	321	**321**	–
Current lease liabilities [1]	107	107	–	–	–	107	**107**	–
Accounts payable	544	544	–	–	–	544	**544**	544
Other liabilities	70	–	–	–	–	–	**–**	–
Accrued expenses and deferred income	95	25	–	–	–	25	**25**	25

2023	Carrying value according to balance sheet	Of which, financial instruments covered by disclosure requirements in IFRS 7	Group A	B	C	D	Total carrying value	Fair value
Assets								
Other securities held as non-current assets	0	0	–	–	0	–	**0**	E/T
Non-current receivables	0	0	0	–	–	–	**0**	0
Accounts receivable	532	532	–	532	–	–	**532**	532
Other receivables	58	5	–	5	–	–	**5**	5
Prepaid expenses and accrued income	30	12	–	12	–	–	**12**	12
Cash and cash equivalents	74	74	–	74	–	–	**74**	74
Liabilities								
Non-current interest-bearing liabilities	334	334	–	–	–	334	**334**	334
Current interest-bearing liabilities	–	–	–	–	–	–	**–**	–
Non-current lease liabilities [1]	376	376	–	–	–	376	**376**	–
Current lease liabilities [1]	103	103	–	–	–	103	**103**	–
Accounts payable	528	528	–	–	–	528	**528**	528
Derivatives [2]	14	14	14	–	–	–	**14**	14
Other liabilities	72	–	–	–	–	–	**–**	–
Accrued expenses and deferred income	99	33	–	–	–	33	**33**	33

[1] Lease liabilities are reported at accrued acquisition value and no fair value is assigned.
[2] Derivative instruments used for hedging purposes.

Fair value for long-term borrowing corresponds in all material respects with reported value as the borrowing runs at a variable interest rate and the own credit risk has not changed significantly. For other financial assets and liabilities, fair value corresponds in all material respects to reported value as they are short-term and the discounting effect is not considered to be significant.

Risk management and insurance

The responsibility for risk management within BE Group lies with the Group's central finance function. The objective of these efforts is to minimize the total cost of the Group's loss risks. This is accomplished by continually improving loss prevention and loss limitation in operations and through a Group-wide insurance solution.

Note 34 – Key estimates and assessments

Certain assumptions about the future and certain estimates and assessments as of the balance sheet date are particularly significant for the valuation of assets and liabilities in the balance sheet. According to management assessment, none of the asset and liability amounts reported are associated with risk that material adjustment will be required in the next year.

Impairment of goodwill

The value of recognized goodwill is tested at least once a year to determine whether the asset may be impaired. The test requires assessment of the value in use of the cash generating unit, or groups of cash generating units, to which the goodwill has been allocated. This in turn requires that the expected future cash inflows from the cash generating units must be estimated and a relevant discount rate determined to calculate the present value of cash inflows.

See Note 13 for a description of impairment testing and assumptions used in the process.

Assessment of lease period

BE Group determines the lease period as the non-terminable leasing period, together with both periods covered by a possibility to extend the lease if the Group is reasonably certain of exercising the option and periods that are covered by a possibility to terminate the lease if the Group is reasonably certain of not exercising that option.

BE Group has leases that contain extension options and/or termination options. The Group assesses whether or not it will exercise the options with reasonable certainty. This means that the Group considers all relevant factors that create incentives for the Group to exercise an extension/termination option.

The Group makes a new assessment of the leasing period if a significant event occurs or if circumstances, which are within the Group's control, significantly affect its ability to exercise or not exercise an extension/termination option (e.g. in the event of substantial adaptations of a leased asset).

For additional information, please see Note 16.

Inventories

The acquisition cost of inventory is tested upon each closing date against estimated and assessed selling prices. In the judgment of BE Group's management, necessary impairments have been recognized based on the information available when the closing accounts were prepared.

Note 35 – Significant events after balance sheet date

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

Board and CEO Assurance

The consolidated financial statements and the annual report were prepared in compliance with the International Financial Reporting Standards defined in Regulation (EC) 1606/2002 of the European Parliament and the Council of July 19, 2002 concerning application of International Financial Reporting Standards and generally accepted accounting principles and give a true and fair view of the financial position and performance of the Group and the Parent Company.

The Board of Directors' Report provides a true and fair view of the Group and the Parent Company's operations, financial position and performance and describes the significant risks and uncertainty factors faced by the Parent Company and other BE Group companies.

The annual and consolidated accounts are subject to approval by the Annual General Meeting on April 23, 2025. The Board of Directors and the President and CEO has approved the annual report and the financial statements for publication on March 18, 2025.

Malmö, March 18, 2025

Anders Rothstein
Chairman of the Board

Monika Gutén
Member of the Board

Lars Olof Nilsson
Member of the Board

Mats O Paulsson
Member of the Board

Petter Stillström
Member of the Board

Ida Strömberg
Employee Representative

Peter Andersson
President and CEO

Our Audit Report was submitted on March 25, 2025
Ernst & Young AB

Peter Gunnarsson
Authorized Public Accountant

The information in the Annual Report is such that BE Group AB (publ) is required to publish pursuant to the Securities Markets Act. The information was submitted for publication on March 27, 2025.

Auditor's report

To the general meeting of the shareholders of BE Group AB (publ), corporate identity number 556578-4724.

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of BE Group AB (publ) except for the statutory sustainability report on pages 18-27 for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 12-71 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the statutory sustainability report on pages 18-27. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other matters

The audit of the annual accounts for 2023 was performed by another auditor who submitted an auditor´s report dated 15 March 2024, with unmodified opinions in the Report on the annual accounts.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the Key audit matter
Valuation of goodwill	
Goodwill is recognized at MSEK 592 in the Company's balance sheet as of December 31, 2024, corresponding to 20 % of the total assets. The Company's process regarding impairment test of goodwill is described in Note 13. To calculate the recoverable amount, management apply significant judgement and estimates regarding future cash flows, terminal growth and discount rates. As the book value of goodwill is material and due to the high degree of judgement and estimates involved in the process of conducting impairment tests, we have assessed valuation of goodwill as a key audit matter in our audit. Disclosures related to the Company's accounting principles and significant estimates and assumptions are described in Note 1 and Note 34. Information related to goodwill and testing of impairment is presented in Note 13.	In the audit, we have evaluated and reviewed the Company's process for conducting impairment tests. Based on established criteria we have also reviewed how cash-generating units have been identified and compared to how the Company internally monitors its operations. We have evaluated applied valuation methods and calculation models and made comparisons against historical outcomes and precision in previously made forecasts. With the support of our valuation specialists, we have reviewed the used model and method for conducting impairment tests. We have evaluated the Company's own sensitivity analyses arithmetically, as well as conducted our own sensitivity analyses of key assumptions and possible influencing factors. With the support of our valuation specialists, we have reviewed the reasonableness of assumptions of discount rates and terminal growth. We have audited the information provided in the annual report.
Inventory – valuation	
Inventory is recognized at MSEK 858 in the Company's balance sheet as of December 31, 2024, corresponding to 29 % of the total assets. The inventory is valued at the lower of cost and net realizable value. The net realizable value is the estimated selling price, less estimated costs of completion and costs to make the sale. The net realizable value is estimated based on assessments of the current market price. The most significant raw material price risk for the company arises from fluctuations in steel prices. Only the price of products intended for sale in the near future is known. As a result of the high degree of judgments required in the calculation of net realizable value, as well as significant reported values and risks related to valuation, we have assessed that the valuation of inventory is a key audit matter in our audit. Disclosures related to the Company's accounting principles and significant estimates and assumptions are described in Note 1 and Note 34. Disclosures related to inventory are provided in Note 21.	In our audit, we have evaluated the Company's processes for inventory valuation and assessed whether the accounting principles for inventory valuation are in accordance with applicable accounting standards. We have conducted a sample review of the inventory valuation in the Company and evaluated management's estimates and judgments. Furthermore, we have assessed the net realizable value of inventory as well as provisions for inventory obsolescence. Finally, we have audited the information provided in the annual report.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-11, 76-82, 84-88 and the sustainability report on pages 18-27. The other information also includes the remuneration report and were obtained before the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

The auditor's audit of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of BE Group AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for BE Group AB (publ) for the financial year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of BE Group AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Auditor's report on the statutory sustainability report

The Board of Directors is responsible for the statutory sustainability report on pages 18-27, and that it is prepared in accordance with the Annual Accounts Act in accordance with the old version in force before 1 July 2024.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor´s opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Ernst & Young AB, Box 7850, 103 99 Stockholm, was appointed auditor of BE Group AB by the general meeting of the shareholders on the 18th of April 2024 and has been the company's auditor since the 18th if April 2024.

Malmö, March 25, 2025
Ernst & Young AB

Peter Gunnarsson
Authorized Public Accountant

CORPORATE GOVERNANCE REPORT

This Corporate Governance Report has been prepared as an independent document in relation to the Annual Report. Information in accordance with Chapter 6, Section 6 of the Annual Accounts Act, Section 2, Paragraphs 3-6, can be found in the Board of Director's Report's sections on share-related information and corporate governance in the Annual Report.

Operations and governance of BE Group

BE Group AB (publ) is a Swedish limited liability company listed on Nasdaq Stockholm. Governance of BE Group is based on the Swedish Companies Act and Annual Accounts Act, Nasdaq Stockholm's rules and regulations, the Swedish Code of Corporate Governance (the "Code"), BE Group's Articles of Association and other relevant regulations. Information on the Company's operations is available on the Company's website, www.begroup.com.

Shareholders exercise their decision-making rights at the Annual General Meeting (as well as at possible extraordinary meetings), which is the Company's highest decision-making authority. The Board of Directors and the Chairman of the Board of Directors are appointed by the Annual General Meeting while the President is appointed by the Board of Directors. The Company's accounts as well as the administration of the Board of Directors and the President are reviewed by auditors appointed by the Annual General Meeting. The Annual General Meeting adopts principles for the appointment of the Nomination Committee, which formulates proposals to the Annual General Meeting prior to the election and setting of fees for the Board of Directors and auditors. In addition to laws, regulations and the Code, BE Group applies internal governance instruments such as a code of conduct and information policy.

Shareholders

Ownership and share capital

On December 31, 2024, BE Group's share capital amounted to SEK 260,202,480 allocated among 13,010,124 shares. All shares in the Company convey equal rights in every respect. At the end of the year, BE Group had 10,231 shareholders. The Company's largest shareholders were AB Traction, Svedulf Fastighets AB, Johan Ahldin and Avanza Pension. The proportion of foreign ownership amounted to 2.9 percent. At the end of the year, the Company held 26,920 treasury shares (0.2 percent of share capital). More information on the ownership structure of BE Group is available at www.begroup.com.

Annual General Meeting

The Annual General Meeting considers resolutions regarding: dividends, adoption of the Income Statement and Balance Sheet, discharge of liability for Board members and the President, election of Board members, the Chairman of the Board of Directors and auditors, approval of fees to the Board members and auditors, adoption of executive remuneration guidelines, and, when applicable, adoption of principles for appointing the Nomination Committee. At the Annual General Meeting, shareholders have the opportunity to ask questions about the Company. All Board members, management and the auditors are normally present at the meeting to answer such questions.

The 2024 Annual General Meeting was held on April 18 in Malmö, Sweden. At the Annual General Meeting 6,717,907 shares were represented, divided among 21 shareholders who participated in person or through a proxy. The shares represented corresponded to 51.7 percent of the total number of voting shares in BE Group. The minutes are available at the company's website, www.begroup.com. The Annual General Meeting re-elected Board members Monika Gutén, Lars Olof Nilsson, Mats O Paulsson and Petter Stillström and new election of Anders Rothstein, who was also elected as the Chairman of the Board of Directors. The accounting firm Ernst & Young AB was new elected as the auditor for the Company.

Some of the Annual General Meeting's other resolutions were that:

- in accordance with the proposal by the Board of Directors, to pay no dividend for the financial year 2023;
- to pay Board fees totaling SEK 1,380,000, of which SEK 460,000 was to the Chairman of the Board of Directors and SEK 230,000 each to the other members elected by the Annual General Meeting. The Annual General Meeting decided that remuneration for work in the audit committee shall be paid in an amount of SEK 160,000;
- in accordance with the proposal by the Board of Directors, to adopt the guidelines for remuneration to senior executives;
- to authorize the Board of Directors, on one or several occasions and not later than the 2025 Annual General Meeting, to make decisions regarding purchase of company's own shares for the purpose of providing the Board of Directors with increased flexibility in managing the company's capital structure and enhancing shareholder value, as well as to enable financing of minor company acquisitions;
- to authorize the Board of Directors, on one or several occasions and not later than the 2025 Annual General Meeting, to make decisions regarding the transfer of company's own shares for the purpose of financing smaller corporate acquisitions.

Annual General Meeting 2025

BE Group's Annual General Meeting will take place on April 23, 2025, at 4:00 pm in Malmö, Sweden. Further information will be available at the company's website, www.begroup.com.

Nomination Committee

As resolved by the Annual General Meeting, the Nomination Committee must consist of four members, who, in addition to the Chairman of the Board of Directors, shall include representatives for each of the three largest shareholders in the Company in terms of voting rights, as of August 31 each year. The names of the three shareholder representatives and the shareholders they represent shall be announced as soon as the Nomination Committee has been appointed and at least six months before the Annual General Meeting. Unless the members agree otherwise, the member who represents the largest shareholder in terms of voting rights shall be Chairman of the Nomination Committee. If a member of the Nomination Committee resigns before the process is complete, a substitute nominated by the same shareholder may take that member's place. If a significant change takes place in the Company's ownership structure after August 31, rules are in place regarding how the composition of the Nomination Committee can be changed. Prior to the 2025 Annual General Meeting, the Nomination Committee consists of Petter Stillström, AB Traction, chairman, Anders Rothstein, (Chairman of the Board of BE Group), Alf Svedulf, Svedulf Fastighets AB and Johan Ahldin, own holdings.

The Nomination Committee is tasked with: submitting to the Annual General Meeting its nominations for Chairman of the Board of Directors and other Board members accompanied by a justified statement regarding the proposal, proposing fees for the Board of Directors and the auditors and any remuneration for committee work, proposing auditors and nominating an individual to serve as the chairman of the Annual General Meeting. The Nomination Committee is also charged with assessing the independence of Board members in relation to the Company and major shareholders.

When preparing its proposal for the Board of Directors before the Annual General Meeting 2024 and 2025, the Nomination Committee applied the following diversity policy. As a whole, the Board of Directors must have an appropriate combined competence and experience for the activities that are conducted to be able to identify and understand the risks that the business entails. The Nomination Committee strives to achieve diversity on the Board. The objective of the diversity policy is that the Board of Directors shall consist of members with varying industry experience, competence, geographical background and with a varying educational and professional background, which together contribute to an independent and critical questioning of the Board, and an even gender distribution shall be sought. The Annual General Meeting 2024 decided to appoint Board members in accordance with the Nomination Committee's proposal, which means that five members were elected, of which one woman and four men. As far as the Nomination Committee's ambitions of a more even gender distribution are concerned, it has not been possible to achieve this, but the Nomination Committee's continued ambition is to create a more even gender distribution on the Board.

As a basis for its proposals to the 2025 Annual General Meeting, the Nomination Committee assessed whether the Board of Directors has a suitable composition and meets the requirements on the Board of Directors imposed by the Company's operations, position and conditions in other regards. The assessment was based on material including relevant sections of the evaluation of the Board's work performed under the Chairman's guidance.

The Board of Directors and its work

Composition

Under the Articles of Association, the Board of Directors of BE Group must consist of at least three and no more than ten Board members elected by the Annual General Meeting for a term that lasts until the end of the next Annual General Meeting. Over the year, the Board of Directors of the Company consisted of five members elected by the 2024 Annual General Meeting: Anders Rothstein (Chairman), Monika Gutén, Lars Olof Nilsson, Mats O Paulsson and Petter Stillström and the employee representative Ida Strömberg. Please refer to the Annual Report and www.begroup.com for a more detailed presentation of the Board members. All members are independent in relation to BE Group and executive management. With the exception of Petter Stillström, all Board members are considered independent in relation to BE Group's principal owners. From Group Management, the President and the CFO normally attend Board meetings and report on the Group's development. Apart from the members of the Board of Directors, other officers of BE Group and external parties participated in Board meetings to present reports on particular issues. The Company's CFO served as the secretary of the Board in 2024.

Rules of procedure of the Board of Directors

The Board of Directors is appointed by BE Group's shareholders to have ultimate responsibility for the Group's organization and administration of the Group's interests. At the statutory Board of Directors meeting directly following the Annual General Meeting, the Board of Directors adopted rules of procedure that closely regulates its work and responsibility as well as the special work tasks that are the responsibility of the Chairman of the Board. The Chairman of the Board, Anders Rothstein, leads the Board's work and monitors the operation through a continuous dialogue with the President. Through monthly reports and Board meetings, the Board of Directors obtains information about BE Group's economic and financial status. Prior to every Board meeting, the Chairman and the President review those issues that shall be addressed at the meeting. Documentation for the Board's handling of the issues is sent to the Board members approximately one week before every Board of Directors meeting. The Board of Directors has also established sets of instructions for the President and for financial reporting to the Board of Directors and has adopted other special policies. The Board has an Audit Committee and a Renumeration Committee. The members of the committees are appointed annually by the Board of Directors at its statutory meeting following its election by the Annual General Meeting. Instructions to the Committees are included in the rules of procedure of the Board of Directors.

Work of the Board of Directors in 2024

During 2024, the Board of Directors held 12 meetings, of which one per capsulam. According to the rules of procedure, the Board of Directors shall meet on five occasions per year, in addition to its statutory meeting. Additional meetings shall be held as necessary. One of the meetings during the year is regularly held at one of BE Group's operative units. The table provides a report of attendance by Board members at the six meetings prior to the Annual General Meeting and the six meetings after the Annual General Meeting.

The Board of Directors and committees		Attendance					Independent of	
Name	Elected	Board meeting	Audit Committee	Remuneration Committee	Board fee	Audit committee fee	Company & companies management	Larger owners
Anders Rothstein, chairman [1]	2024	6 of 12	2 of 2		306,700	26,700	Yes	Yes
Jörgen Zahlin [2]	2013	6 of 12	0 of 2	2 of 2	153,300	13,300	Yes	Yes
Petter Stillström	2012	12 of 12	2 of 2	2 of 2	230,000	40,000	Yes	No
Lars Olof Nilsson	2006	12 of 12	2 of 2		230,000	80,000	Yes	Yes
Mats O Paulsson	2020	12 of 12			230,000		Yes	Yes
Monika Gutén	2022	12 of 12			230,000		Yes	Yes
Ida Strömberg (E)	2022	12 of 12						

[1] Anders Rothstein became Board member and its chairman in connection with the Annual General Meeting in April 2024

[2] Jörgen Zahlin withdrew as Board member in connection with the Annual General Meeting in April 2024

Evaluation of the Board of Directors' work

The Chairman ensures that the Board of Directors and its work are evaluated annually and that the result of the evaluation is passed on to the Nomination Committee. The evaluation is made by the Board of Directors itself using a questionnaire where their work within a number of areas are judged. The Chairman of the Board summarizes the evaluation used as the base for a discussion within the Board of Directors regarding the development of the Board of Directors' work. The purpose is to examine how the Board of Directors´ work can be more efficient and to clarify potential need of additional skills in the Board of Directors.

Audit Committee

The Audit Committee monitors corporate governance, financial reporting, ESG aspects (Environmental, Social and Governance), risk management and compliance with external and internal regulations. They identify and report relevant questions for the Board of Directors' decision and supports the Board of Directors in its work to carry out its responsibility within the areas auditing and internal control, as well as to quality-assure BE Group's financial reporting. Internal control regarding the financial reporting aims to provide reasonable security regarding the reliability of the external financial reporting in the form of annual reports and interim reports that are published each year and that the financial reporting is prepared in accordance with the law, applicable accounting standards and other requirements for listed companies. Internal control also aims to ensure high quality in the financial reporting to group management and the board so that decisions are made on the right grounds and that established principles and guidelines are followed.

Each year, the Company's auditors formulate a proposed audit policy and present this to the Audit Committee. Once the proposal has been reviewed and commented on by the Committee, a final proposal is submitted for approval by the Board of Directors. The work is focused on assuring the quality and accuracy of financial accounting and reporting, internal financial control efforts, as well as the Group's compliance with applicable regulations. In addition, the Audit Committee has recurring contact with the Company's auditor with the purpose of generating an ongoing exchange of information and to assess the auditor's efforts. The Committee may establish guidelines concerning what services, other than auditing services, which BE Group may procure from the auditor.

The Audit Committee consists of Lars Olof Nilsson (Chairman), Petter Stillström and Anders Rothstein and meets the requirements imposed in terms of expertise in accounting or auditing. The work of the Committee is regulated by a special set of instructions adopted by the Board of Directors as part of its agenda.

The Audit Committee met two times in 2024. Meetings of the Audit Committee are minuted and reported orally at Board meetings.

Remuneration Committee

The tasks of the Remuneration Committee include preparing the Board's decisions regarding proposed guidelines for the remuneration of senior executives. The current guidelines are published on BE Group's website. The Board shall prepare proposals of new guidelines at least once every four years and present the proposal for resolution at the Annual General Meeting. The guidelines are to apply until new guidelines have been adopted by the Annual General Meeting. For each financial year, the Board of Directors shall prepare a report on paid and deferred remuneration that is covered by the remuneration guidelines. The report is submitted to the Annual General Meeting for approval and will be made available on the BE Group website at the latest three weeks before the meeting date. The actual remunerations agreed during the year are detailed in Note 4 in the annual report.

The Remuneration Committee shall also follow and evaluate programs for variable remuneration of Company management, the application of guidelines for the remuneration of senior executives and applicable remuneration structures and remuneration levels in the Company. The Remuneration Committee's members are independent in relation to the Company and executive management. In the Board's handling of and decisions on remuneration-related issues, the President or other members of Company management do not attend if they are concerned by the issues.

Members of the Remuneration Committee are the Chairman of the Board Anders Rothstein and Petter Stillström. The work of the Committee is regulated by a special set of instructions adopted by the Board of Directors as part of its agenda. The meetings of the Remuneration Committee are reported verbally to the Board of Directors.

Board remuneration

The fees for the Board members elected by the Annual General Meeting are determined by the Annual General Meeting on the basis of the Nomination Committee's proposal. Employee representatives to the Board of Directors do not receive Board members' fees. In accordance with a resolution by the 2024 Annual General Meeting, a fee of SEK 460,000 was paid to the Chairman of the Board for the period extending from the 2024 Annual General Meeting until the 2025 Annual General Meeting. The other Board members were each paid SEK 230,000 for the same term of office. In addition, the members of the Audit Committee were paid fees totaling SEK 160,000, of which SEK 80,000 was paid to the Chairman of the Committee and SEK 40,000 each to the other two members.

Group management

Group management of BE Group have during 2024 consisted of the President and CEO also Managing Director of Sweden, the CFO and the Managing Director for Finland. The President leads operations within the parameters set by the Board of Directors. BE Group's Group management meets continuously under the leadership of the President in order to follow-up the operations and discuss Group-wide issues and also to formulate proposals for a strategic plan, business plan and investment documentation that the President thereafter presents to the Board of Directors for a decision. Please refer to the Annual Report and www.begroup.com for a more detailed presentation of Group management.

Remuneration principles for senior executives

The annual general meeting 2024 resolved on the guidelines for executive remuneration. The individuals who are members of the group management of BE Group during the period of which these guidelines are in force, fall within the provisions of these guidelines. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed and amendments to remuneration already agreed. These guidelines do not apply to any remuneration decided or approved by the general meeting. The actual remunerations agreed during the year are detailed in Note 4.

The guidelines' promotion of BE Group's business strategy, long-term interests and sustainability

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 and Finland, 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's vision is to be the most professional, successful and respected steel service company in the markets where the company is active. A prerequisite for the successful implementation of BE Group's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. The objective of BE Group's guidelines for executive remuneration is therefore to offer competitive remuneration on market terms, so that competent and skillful personnel can be attracted, motivated and retained. These guidelines enable the company to offer the executive management a competitive total remuneration. For more information regarding the company's business strategy, please see www.begroup.com.

Types of remuneration, etc.

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

Fixed cash salary

The fixed cash salary for the senior executives within BE Group shall be individual and differentiated on the basis of the individual's responsibility and performance, and shall be determined annually.

Variable cash remuneration

The variable cash remuneration shall be based on predetermined, well-defined and measurable financial criteria for the group and the relevant business area and may amount to not more than fifty (50) percent of the total fixed cash salary during the measurement period for the criteria. The criteria for variable cash remuneration shall mainly relate to the group's operating margin or operating result and the business area's underlying operating margin or operating result respective and, in addition, individual criteria may be established. The criteria shall be designed so as to contribute to BE Group's business strategy and long-term interests, including its sustainability, by for example being linked to the business strategy or promoting the senior executive's long-term development within BE Group. The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year.

Pension benefits

For the CEO and other senior executives, pension benefits shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 percent of the fixed annual cash salary.

Other benefits

Other benefits may include, for example, life insurance, health and medical insurance, company cars and housing allowance. Such benefits may amount to not more than 15 percent of the fixed annual cash salary.

Foreign employments

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Criteria for awarding variable cash remuneration, etc.

The remuneration committee shall prepare, monitor and evaluate matters regarding variable cash remuneration. After the measurement period for the criteria for awarding variable cash remuneration has ended, it shall be determined to which extent the criteria have been satisfied. Evaluations regarding fulfilment of financial criteria shall be based on established financial information for the relevant period. Remuneration to the CEO shall be resolved by the Board of Directors. Remuneration to other senior executives shall be resolved by the CEO, after consulting the remuneration committee.

Variable cash remuneration can be paid after the measurement period has ended or be subject to deferred payment. The Board of Directors shall have the possibility, under applicable law or contractual provisions, to in whole or in part reclaim variable remuneration paid on incorrect grounds (claw-back).

Employment term and termination of employment

The notice period may not exceed twelve months if notice of termination of employment is made by the company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the fixed cash salary for twelve months for the CEO and other senior executives. The period of notice may not exceed six months without any right to severance pay when termination is made by the executive.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision making process to determine, review and implement the guidelines

The Board of Directors has established a remuneration committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The members of the remuneration committee are independent of the company and its executive management. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the remuneration committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Provisions of the Articles of Association on appointment and discharge of directors and amendment of the Articles of Association

There are no provisions in the Articles of Association on appointment and discharge of directors and amendment of the Articles of Association. In accordance with the provisions in the Companies Act, directors are elected by the Annual General Meeting for the period extending until the close of the first Annual General Meeting after that at which they were elected, and amendments to the Articles of Association are determined by the Annual General Meeting in accordance with the regulations set out in the Companies Act.

Auditors

At the 2024 Annual General Meeting, the auditing firm Ernst & Young AB was new elected to be the auditor for a period of one year. Peter Gunnarsson, Authorized Public Accountant, has since the Annual General Meeting 2024 been the Partner in charge. The auditor maintains regular contact with the Audit Committee and Group Management. The auditor works according to an audit plan, into which the opinions of the Board of Directors have been incorporated, and has reported its observations to the Board of Directors. Reports have been submitted during the progress of the audit and in connection with the adoption of the 2024 Year-end Report. The auditor also participates in the Annual General Meeting and outlines the audit process and the observations in an audit report. Remuneration to auditors is paid based on calculations in accordance with agreements that have been made. Information regarding remuneration in 2024 is provided in Note 5 of the Annual Report.

Board of Directors' report regarding internal control

The purpose of internal control of financial reporting is to provide reasonable assurance regarding quality and reliability in the external financial reporting and to ensure that the reports are prepared in accordance with accepted accounting standards, applicable laws and provisions and other requirements for listed companies. To ensure this, the Company had the COSO (Committee of Sponsoring Organizations of the Treadway Commission) framework as a starting point.

Internal control function

The Board of Directors and the Audit Committee follow up BE Group's assessment of internal control by means including discussions with BE Group's auditors. Given the above, the Board of Directors has elected not to maintain a separate internal audit unit. To test the internal control environment, a self-assessment is conducted, among other efforts, based on a Group-wide control framework. The Group's CFO reports the results of the test done of the internal control to the Audit Committee. BE Group's internal control of financial reporting covers five main areas: establishment of a control environment, risk assessment, control activities, information and communications and follow-up.

Control environment

BE Group has a simple legal and operational structure and an established governance and internal control system. This allows the organization to react quickly to external changes. Operational decisions are made at the Group or business area level, while decisions on strategy, business direction, acquisitions and general financial issues are made by the Board of Directors and Group Management of BE Group. Internal control of financial reporting at BE Group is designed to work within this organization. The Board's rules of procedure and the instructions drawn up by the Board for the work of the President and Board committees clearly define the distribution of responsibilities and powers in order to ensure effective management of risks in business operations. The Board has established an Audit Committee to review the instructions and routines used in the financial reporting process as well as accounting principles and changes to these. Group management reports monthly to the board according to established routines. Internal control instruments for financial reporting consist above all of the Group's financial manual, which defines accounting and reporting rules.

The company has applied a whistleblower policy, which means that all employees have the possibility to anonymously report if they discover improprieties or illegal actions that affect vital interests for BE Group or the life and health of individual persons. The policy applies to improprieties committed by people in executive positions or other key personnel within the company.

Risk assessment

The risk assessment is based on a risk review that is updated annually and reported to the Audit Committee. Based on the results of this review, focus is set for the internal control work in the future.

Control activities

The risks identified with regard to financial reporting are managed through the Company's control activities, such as authorization controls in IT systems and signature authentication. Detailed economic analysis of business performance including follow-up against business plans and forecasts supplements operations-specific controls and provides an overall assessment of reporting quality.

Information and communication

The Group maintains channels of information and communication that serve to safeguard completeness and accuracy in financial reporting. Policies, manuals and job descriptions are available on the company intranet and/or in printed form. Information, both external and internal, is governed by an information policy and an insider policy with guidelines. Responsibilities, routines and rules are dealt with here. These are continuously evaluated to ensure that information to the stock market is of high quality and in accordance with current stock exchange rules. Financial information such as interim reports, annual reports and significant events are published through press releases and on the website. Internally, the intranet is the main source of information. Accounting manuals and instructions for financial reporting are available on the intranet.

Sustainability report

BE Group has established a sustainability report pursuant to the Annual Accounts Act. The Group's sustainability report includes pages 18-27, the section on risks and risk management in the Board of director's Report on pages 15-17 and the business model and value chain on pages 6-7.

Follow-up

The Board and the Audit Committee review all external financial reports before they are formally approved by the Board. The Audit Committee receives ongoing reports from the auditors on internal control and follows up on significant issues. The Board receives a monthly written report dealing with sales, operating results, market development and other essential information about the business and also has a review of current financial reports as a standing item at all meetings. Group management analyzes the financial development within the Group's business areas on a monthly basis. In general, at all levels in the organization, ongoing follow-up takes place through comparisons with the previous year, budget and plans as well as through evaluation of key figures.

Board of directors

Anders Rothstein

Chairman
Born 1964
Member of the Board and its Chairman since 2024

Other assignments

CEO Elfa International AB

Previous experience

CEO at Lammhults Design Group AB, Vice President at Inwido AB, CEO at Human Care HC AB and other leading roles within Saint-Gobain Ecophon

Education

Executive MBA

Number of shares (own holding and in close association)

4,000

Monika Gutén

Board member
Born 1975
Member of the Board since 2022

Other assignments

CEO SMP Parts AB and board member of Nordisk Bergteknik AB.

Previous experience

Vice President, Acquisition Parts & Services at Epiroc and several roles within SSAB among other as responsible for Tibnor's business in Sweden and Denmark.

Education

M.Sc. in Business and Economics

Number of shares (own holding and in close association)

1,000

Lars Olof Nilsson

Board Member
Born 1962
Member of the Board since 2006

Other assignments

Consultant within Corporate Finance at Evli AB. Chairman of the Board of Kaptensbacken (own company) and NSS Group AB. Board member of JLL Treasury Support AB och JLL Transaction Services AB.

Previous experience

Positions within the Trelleborg Group, including as CFO and Head of Group Finance and Head of Group Business Development

Education

M.Sc. in Business and Economics

Number of shares (own holding and in close association)

3,282 and 15,000 through Kaptensbacken AB

Mats O Paulsson

Board Member
Born 1958
Member of the Board since 2020

Other assignments

Chairman of Nordic Waterproofing Holding AB, Nordisk Bergteknik AB, X-Partner Samhällsbyggnad AB, Utilitas AB, SES 37 AB and Constech AB and board member of Acrinova AB och Bösarps Grus & Torrbruk AB.

Previous experience

CEO of Bravida, Strabag Scandinavia and Peab Industri and former Board member of among other Acando, Paroc OY and Ramirent Plc.

Education

M.Sc. Engineering

Number of shares (own holding and in close association)

50,000

Petter Stillström

Board member
Born 1972
Member of the Board since 2012

Other assignments

President and board member of AB Traction. Chairman of the Board of Ankarsrum Kitchen, Nilörngruppen and OEM International and board member of Hifab Group and Softronic. Also board member within Traction Group and private holding companies.

Previous experience

Active within corporate finance, AB Traction since 1999 and its President since 2001

Education

M.Sc. in Business and Economics

Number of shares (own holding and in close association)

85,000 (via endowment insurance) and 3,300,000 through AB Traction

Ida Strömberg

Employee Representative
Born 1981
Member of the Board since April 2022

Other assignments

Account Manager Industry at BE Group Sverige AB. Union secretary of Unionen's members in BE Group's offices in Sweden.

Previous experience

Experience in sales in the steel industry since 2003.

Number of shares (own holding and in close association)

0

Group Management and auditors

Peter Andersson

President and CEO
Managing Director,
BE Group Sverige AB
Born 1975
Employed since 2016

Previous experience

CEO Ineos Styrolution, Operations Manager Disab Vaccuum Technology and different positions at Alfa Laval

Education

B.Sc. Engineering

Number of shares (own holding and in close association)

5,490

Christoffer Franzén

CFO
Born 1977
Employed since 2020

Previous experience

Senior Finance Business Partner within Scan Global Logistics, CFO for Europarts Swedish entity and several leading controller positions within Getinge and ArjoHuntleigh

Education

M.Sc. in Business and Economics

Number of shares (own holding and in close association)

2,305

Petteri Korpioja

Managing Director,
BE Group Oy Ab
Born 1975
Employed since 2024

Previous experience

CEO at Saalasti Oy, CEO at Ariterm Service Oy and other leading positions

Education

M.Sc. Production Technology & Industrial Economy

Number of shares (own holding and in close association)

0

Auditors

Ernst & Young AB

Peter Gunnarsson

Authorized Public Accountant
Ernst & Young AB

Partner in charge in the company since 2024

The information regarding Board members' and Group Management's holding of shares and other financial instruments in BE Group refers to the conditions as per 31 December 2024 and includes own and closely associated natural persons' holdings, as well as holdings by legal persons that are directly or indirectly controlled by the person or its closely associated persons. For CEO, information regarding potential essential shareholdings or partnerships in companies that BE Group has significant business relations with is also included. For updated shareholding, please see our website, www.begroup.com

AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE STATEMENT

To the general meeting of the shareholders of BE Group AB (publ), corporate identity number 556578-4724.

Engagement and responsibility

It is the Board of Directors who is responsible for the corporate governance statement for the year 2024 on pages 76–82 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Malmö, March 25, 2025
Ernst & Young AB

Peter Gunnarsson
Authorized Public Accountant

Alternative performance measures

BE Group present certain alternative performance measures that are not defined in accordance with IFRS Accounting Standards. These alternative performance measures should be seen as a complement and not a substitute for financial information presented in accordance with the standards. Group management believes that these alternative performance measures provide useful information to analysts, other stakeholders and readers of the reports about the Group's operational and financial development.

Underlying operating result (uEBIT)

(SEK M)	2024	2023
Operating result	-49	-52
Reversal of inventory gains (-)/losses (+)	53	76
Adjustment for items affecting comparability	47	6
Group	**51**	**30**

Working capital

(SEK M)	2024	2023
Inventories	858	792
Accounts receivables	419	532
Other receivables	60	88
Deduction accounts payables	-544	-528
Deduction other current liabilities	-165	-201
Rounding	–	–
Group	**628**	**683**

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

Net debt excl. IFRS 16

(SEK M)	2024	2023
Non-current interest-bearing liabilities and lease liabilities	671	710
Current interest-bearing liabilities and lease liabilities	107	103
Deduction lease liabilities	-428	-479
Deduction financial assets	1	0
Deduction cash and cash equivalents	-9	-74
Rounding	-2	-1
Group	**340**	**259**

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)	2024	2023
Equity excl. IFRS 16	1,396	1,431
Non-current interest bearing liabilities and lease liabilities	671	710
Current interest bearing liabilities and lease liabilities	107	103
Deduction lease liabilities	-428	-479
Rounding	–	–
Group	**1,746**	**1,765**

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

Multi-year summary

(SEK M unless otherwise stated)	2020	2021	2022	2023	2024
Sales	3,672	5,388	6,875	5,328	4,667
Earnings measurements					
Gross profit/loss	548	1,102	1,009	544	517
Underlying gross profit/loss	563	1,038	1,075	606	559
Operating result (EBIT)	39	621	418	-52	-49
Underlying operating result (uEBIT)	96	529	488	30	51
Margin measurements					
Gross margin (%)	14.9	20.4	14.7	10.2	11.1
Underlying gross margin (%)	15.3	19.3	15.6	11.4	12.0
Operating margin (%)	1.1	11.5	6.1	-1.0	-1.0
Underlying operating margin (%)	2.6	9.8	7.1	0.6	1.1
Cash flow					
Cash flow from operating activities	341	32	204	491	105
Capital structure					
Net debt excl. IFRS 16 [1)]	156	241	357	259	340
Net debt/equity ratio (%) excl. IFRS 16 [1)]	17	17	21.7	18.1	24.4
Working capital at end of period	343	856	1,130	683	628
Working capital (average)	468	524	1,064	863	676
Capital employed at end of period excl. IFRS 16 [1)]	1,234	1,716	2,052	1,765	1,746
Capital employed (average) excl. IFRS 16 [1)]	1,305	1,457	2,003	1,899	1,777
Working capital tied-up (%)	12.8	9.7	15.5	16.2	14.5
Return					
Return on capital employed (%) excl. IFRS 16 [1)]	2.3	42.0	20.3	-3.1	-2.9
Per share data					
Earnings per share (SEK)	0.33	38.10	24.96	-4.59	-3.21
Earnings per share after dilution (SEK)	0.33	38.10	24.96	-4.59	-3.21
Proposed dividend per share (SEK)	–	12	12	–	–
Equity per share (SEK)	69.73	108.84	126.11	109.68	107.06
Cash flow from operating activities per share (SEK)	26.28	2.49	15.72	37.85	8.11
Average number of shares outstanding (thousands)	12,983	12,983	12,983	12,983	12,983
Average number of shares outstanding after dilution (thousands)	12,983	12,983	12,983	12,983	12,983
Growth					
Sales growth (%)	-16	47	28	-23	-12
of which, organic tonnage growth (%)	*-10*	*11*	*-9*	*-12*	*-1*
of which, price and mix changes (%)	*-5*	*38*	*32*	*-15*	*-8*
of which, currency effects (%)	*-1*	*-2*	*2*	*4*	*0*
of which, acquisitions (%)	*–*	*–*	*3*	*1*	*–*
of which, divestments (%)	*–*	*–*	*0*	*-1*	*-3*
Other					
Average number of employees	633	621	654	678	640
Inventory gains and losses	-17	92	-70	-76	-53
Shipped tonnage (thousands of tonnes)	307	342	320	285	271

[1)] To visualize the development of BE Group's financial position, there are some financial information 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.

Financial definitions

Earnings measurements	
Gross profit/loss	Profit after deduction for cost of goods sold.
Underlying gross profit/loss	Underlying gross profit/loss is the reported gross profit/loss adjusted for inventory gains and losses (deductions for gains and additions for losses).
Operating result (EBIT)	Operating result before financial items.
Underlying operating result (uEBIT)	Operating result (EBIT) before items affecting comparability and 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. Replaces previous concept ”non-recurring items”.
Margin measurements	
Gross margin	Gross profit/loss as a percentage of net sales.
Underlying gross margin	Underlying gross profit/loss as a percentage of net sales.
Operating margin	Operating 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 lease liabilities acc. to IFRS 16 less cash and cash 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. lease liabilities acc. to IFRS 16.
Capital employed (average) excl. IFRS 16	Equity excl. IFRS 16 plus interest-bearing liabilities excl. lease 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 annual net sales.
Return	
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.
Earnings per share after dilution	Profit/loss for the period divided by the average number of shares outstanding during the period after dilution.
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.
Shares outstanding at the end of the period after dilution	Number of shares at the end of the period adjusted for rights issues and share splits. Any dilution has been taken into account.
Average number of shares	Weighted average number of shares outstanding during the period, adjusted for rights issues and share splits.
Average number of shares after dilution	Weighted average number of shares outstanding during the period, adjusted for rights issues and share splits. Any dilution has been taken into account.
Growth	
Sales growth	Change in the net sales of the business compared with the previous period, in percent.
Other	
Average number of employees	The number of employees recalculated as full-time positions and as an average for reporting period.
Shipped volumes	BE Group products sold during the period in thousands of tonnes.
Inventory gains and losses	The difference between the cost of goods sold at acquisition value and the cost of goods sold at replacement price.

Annual General meeting

The Annual General Meeting will be held on Wednesday 23 April 2025, at HighCourt, Malmöhusvägen 1 in Malmö.

Right to attend

Shareholders who wishes to participate in the annual general meeting must:

- be listed in the share register kept by Euroclear Sweden AB on Friday 11 April 2025, and
- give notice of participation no later than Tuesday 15 April 2025, preferably before 12.00 noon, in accordance with the instructions.

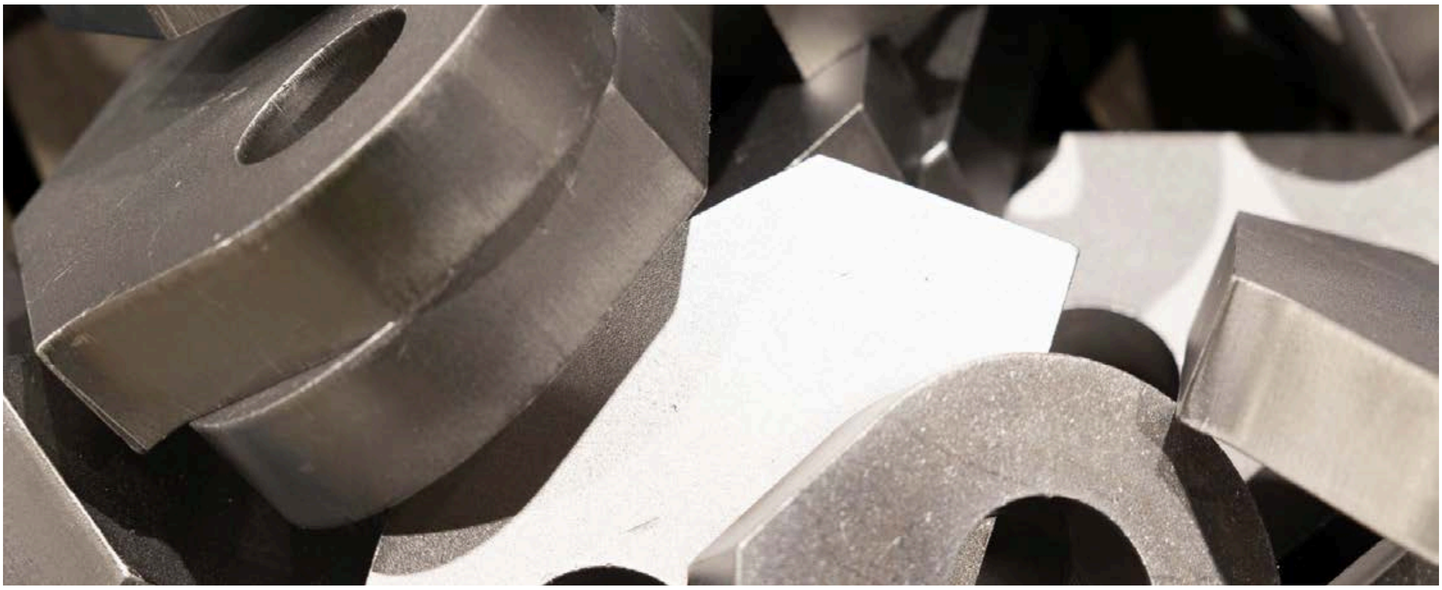
In order to be entitled to participate in the annual general meeting, a shareholder whose shares are registered in the name of a nominee must, in addition to giving notice of participation in the annual general meeting, register its shares in its own name so that the shareholder is listed in the presentation of the share register as of, Friday 11 April 2025. Such registration may be temporary (so-called voting rights registration), and request for such voting rights registration shall be made to the nominee in accordance with the nominee's routines at such a time in advance as decided by the nominee. Voting rights registrations that have been made by the nominee no later than Friday 11 April, 2025, will be taken into account in the presentation of the share register.

Notice of attendance

Notice of physical attendance can be made by telephone +46 40 38 42 00 or by email to AGM@begroup.com. The notice of attendance shall state name, personal identity number/corporate identity number, address, telephone number and number of advisors (maximum two). Shareholders represented by proxy must issue a written, dated and by the shareholder signed power of attorney for the proxy. A proxy form is available at the company and on the company website. Representative of a legal entity shall submit a copy of the certificate of registration or similar papers of authorization indicating persons authorized to sign on behalf of the legal entity. In order to facilitate the entrance to the meeting, the original power of attorney and documents of authorization should be provided to the company at the address BE Group AB, Box 225, SE 201 22 Malmö, Sweden, on Tuesday 15 April 2025 at the latest. Label the envelope ”Annual General Meeting”.

Notice

The notice has been published in Post och Inrikes Tidningar (The Official Swedish Gazette) and is available at the Company website, www.begroup.com. An announcement of notice publication was also published in Svenska Dagbladet.



Financial information

At www.begroup.com ongoing up-to-date information about the company, its financial performance and share performance is provided. There is also the opportunity to download the financial reports.

Calendar 2025

23 April 2025	Interim Report January – March 2025
15 July 2025	Interim Report January – June 2025
23 October 2025	Interim Report January – September 2025
27 January 2026	Year-end Report 2025
End of March 2026	Annual Report 2025

WE ARE HERE

BE Group AB (publ)
Krusegatan 19B
Box 225
201 22 Malmö
Sweden

Tel: +46 40 38 42 00

info@begroup.com

SUBSIDIARIES

BE Group Sverige AB
Krangatan 4B
Box 225
201 22 Malmö
Sweden

Tel: +46 40 38 40 00

ArcelorMittal BE Group SSC AB
Blekegatan 7
652 21 Karlstad
Sweden

Tel: +46 54 85 13 20

BE Group Oy Ab
Laiturikatu 2
P O Box 54
15101 Lahti
Finland

Tel: +358 3 825 200