

STENA METALL GROUP



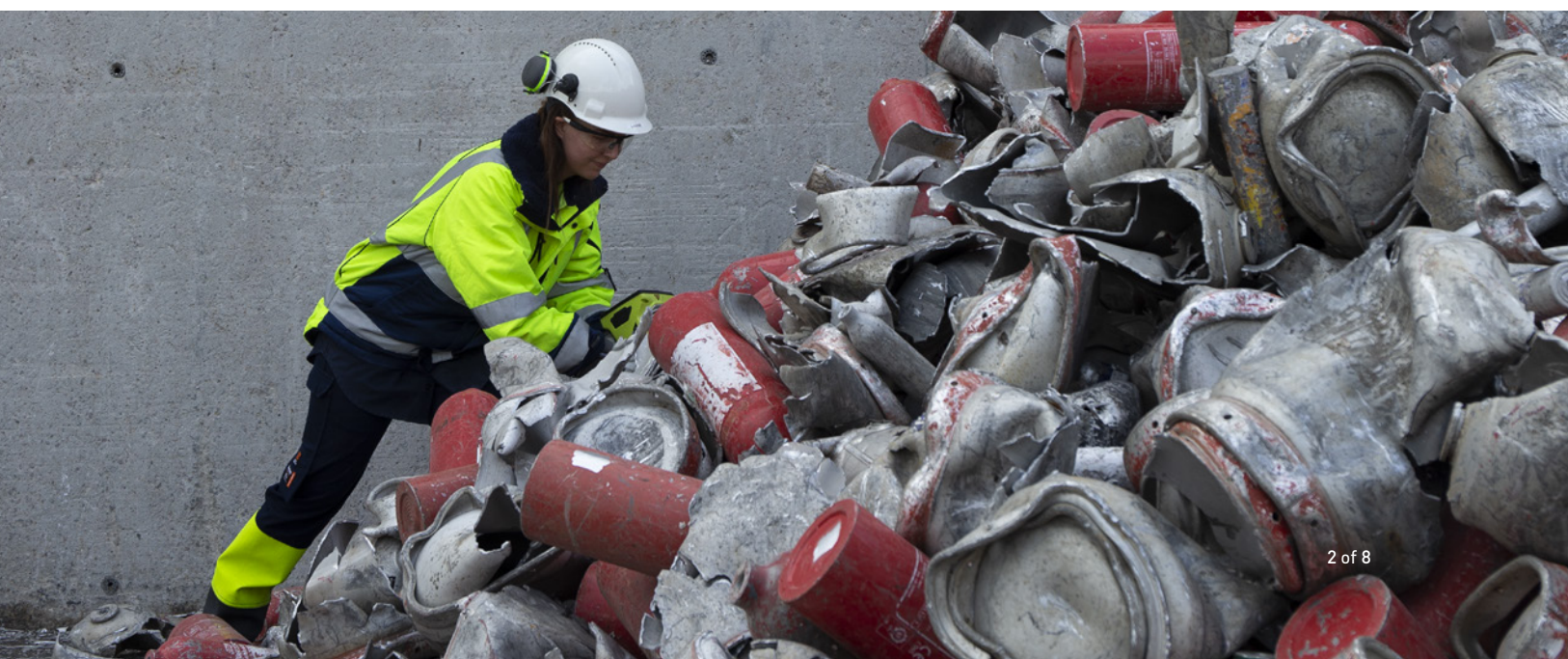
THE YEAR IN BRIEF

- Stena Metall Group reported an record high EBITDA result of SEK 3,062 million (L.y. SEK 1,567 million). EBT Increased from SEK 559 million to SEK 1,947 million.
- Business area Recycling delivered a strong result driven by improved margins and a strong demand for services in all product areas. EBITDA for BA Recycling ended at SEK 2,052 million (SEK 1,305 million).
- During the year Stena Components Nybro was divested with no significant impact on the Group's accounts.
- Several strategic initiatives have been initiated in BA Recycling, a large investment in a new recycling process for batteries in Halmstad and expanded plastics recycling in Poland and Italy are some examples.

KEY RATIOS	Fourth quarter 2020/2021	Fourth quarter 2019/2020	Full year 2020/2021	Full year 2019/2020
Net sales	7,206	5,124	28,191	23,658
EBITDA	923	432	3,062	1,561
EBITDA margin	12.8%	8.4%	10.9%	6.6%
Operating profit	664	211	2,129	698
Equity/assets ratio	44.3%	43.0%	44.3%	43.0%
Net debt	913	343	913	343
Cash flow after investments	-1,392	454	-1,024	962
Average number of employees			3,562	3,506

The key ratios are defined on page 8.

The report is prepared in millions of Swedish kronor (SEK million) unless indicated otherwise.



CHIEF EXECUTIVE OFFICER'S COMMENT

The fiscal year 2020/2021 has been the strongest in the Group's history. It was a year where we did the most things right. Even though this financial year also was marked by anxiety and uncertainty in the society we have experienced a development in the market that has been very positive in most of the Group's operations. We have used experience and our strong business acumen as an advantage. With an improved focus in the business and the fact that we have stayed close to our clients, suppliers, and other business partners we took a step forward during these uncertain times.

In addition to all ongoing investments in the business we have broadened and developed our products and services on the market. During the past year we have taken on many new customers and we have significantly strengthened the margins. I am extremely impressed by the overall performance in the Group during the year. Our model with a clearly delegated business acumen where we ensure that everyone has a mandate to do business has really worked out during this period.



Gothenburg, October 2021

Anders Jansson

The Stena Metall Group EBITDA for the financial year of 2020/2021 ended at SEK 3,062 million vs SEK 1,561 million last year and EBT at SEK 1,947 million vs. SEK 559 million last year.

BUSINESS AREA COMMENTS

Recycling

2020/21 was the most successful year in the history for Stena Recycling, the fiscal year ended with an EBITDA of SEK 2,052 million (last year SEK 1,305 million). Compared to 2019/20 - which was heavily influenced by covid-19 and high uncertainty on the markets - 2020/21 started with reduced lockdowns, increased prices on raw material and high demand on our services. A strong focus on our operating model and internal improvements has made it possible to perform and deliver in this market environment. All markets and all product areas have performed well.

During the year, several strategic initiatives have been initiated. Within production, where Stena Nordic Recycling Center in Halmstad is our main production site,

we are now expanding and investing a quarter of a billion SEK in a new recycling process for batteries. This will enable us to continue to establish value-creating circular collaborations and partnerships with our customers, and makes it possible to recycle 95 percent of a lithium-ion battery, which is the most common battery for electric vehicles. We are also expanding plastics recycling in Poland and Italy, which will make it possible for us to further increase recycling rates and prove ourselves as the "circular partner". During the fiscal year, the new service Circular Consulting was established in the market, supporting companies in their development toward sustainable and circular solutions. For the third year in a row, the sustainability event Circular Initiative took place.

BUSINESS AREA COMMENTS, CONT.

Aluminium

The fiscal year ended with an EBITDA of SEK 63 million (SEK -10 million). The market for aluminium has experienced a strong upwards price adjustment during the fiscal year. Market index for standard alloy (CuSi) has increased 48% during the year. Driven by the high demand of aluminium alloys, Stena Aluminium delivers a good result due to a strong development of gross margin. Stena Aluminium shows a good performance in business acumen for both raw material purchase and alloy sales.

Oil

Stena Oil ended the fiscal year with an EBITDA of SEK 126 million (SEK 196 million). The Scandinavian market is competitive and over supplied but Stena Oil continues to operate the business with high volumes in volatile market conditions. The new 5600-dwt bunker tanker that was delivered in February is successfully operating in the Scandinavian market. The future terminal setup in Fredrikshavn is further delayed compared to the initial plan.

Steel

Stena Stål ended the fiscal year with an EBITDA of SEK 193 million (SEK 16 million). The demand for steel on the market and the price development have improved up rapidly during the year. Prices are in average 80% higher

than in September 2020. Turnover was lower than last year due to a strategic decision to exit from the Steel service center business.

Components

During the fiscal year, a decision was taken that Stena Components' operations should no longer be part of the group's long-term strategy. The business was sold and transferred to the new owners, on July 1, 2021.

Finance

The uplift on major markets during the third quarter continued also in the fourth quarter with all-time-high at the Stockholm Stock Exchange in the middle of August.

Fiscal stimulus and accelerated vaccinations helped lift most equity markets during the fourth quarter.

In the latter part of August, concerns about inflation and the uptick in the long interest rate gained more focus.

Stena Metall Finance delivers a good result due to strong development of our portfolios.

Overall, this was a financial year characterized by strong discipline and a very good mix of our financial investments.

Finance ended the fiscal year with an EBITDA of SEK 582 million (SEK 48 million).

Note: Figures in parantheses refer to the same period the previous year.

EBITDA

SEK million	Fourth quarter 2020/2021	Fourth quarter 2019/2020	Full year 2020/2021	Full year 2019/2020
Recycling	542	336	2,052	1,305
Aluminium	4	-13	63	-10
Oil	40	47	126	196
Steel	63	-4	193	16
Components	8	0	4	-1
Finance	280	78	582	48
Other	-14	-12	42	7
TOTAL	923	432	3,062	1,561

INCOME STATEMENT

SEK million	Fourth quarter 2020/2021	Fourth quarter 2019/2020	Full year 2020/2021	Full year 2019/2020
Net sales	7,206	5,124	28,191	23,658
Cost of goods sold	-6,492	-4,674	-25,288	-21,677
GROSS PROFIT	714	450	2,903	1,981
Sales expenses	-116	-90	-419	-397
Administrative expenses	-278	-254	-1,148	-1,053
Other operating income & expenses	344	105	793	167
OPERATING PROFIT	664	211	2,129	698
Income from investments in associated companies	5	4	5	4
Interest net	-37	-37	-140	-154
Other financial income & expenses	-54	1	-47	11
PROFIT BEFORE TAX	578	179	1,947	559
Taxes	-294	-110	-294	-110
PROFIT FOR THE PERIOD	284	69	1,653	449
Other comprehensive income	7	-15	-18	-38
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	291	54	1,635	411
Total comprehensive income for the period is attributable to:				
Parent Company's shareholders	291	54	1,635	411
Non-controlling interests	-	-	-	-
Total comprehensive income	291	54	1,635	411



BALANCE SHEET

SEK million	2021-08-31	2020-08-31
ASSETS		
Fixed assets		
Intangible fixed assets	1,014	927
Tangible fixed assets	7,190	5,513
Financial fixed assets	1,943	1,315
TOTAL FIXED ASSETS	10,147	7,755
Current assets		
Inventories	1,986	1,290
Short-term receivables		
Accounts receivable	3,014	2,103
Other receivables	1,072	939
TOTAL SHORT-TERM RECEIVABLES	4,086	3,042
Short-term securities	1,476	1,201
Cash and cash equivalents	1,140	2,578
TOTAL CURRENT ASSETS	8,688	8,111
TOTAL ASSETS	18,835	15,866
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY	8,349	6,825
Long-term liabilities		
Provisions	1,147	985
Interest-bearing long-term liabilities	4,203	4,029
Other long-term liabilities	7	2
TOTAL LONG-TERM LIABILITIES	5,357	5,016
Current liabilities		
Interest-bearing short-term liabilities	1,037	1,144
Accounts payable	2,040	1,297
Other liabilities	2,052	1,584
TOTAL CURRENT LIABILITIES	5,129	4,025
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	18,835	15,866

STATEMENT OF CASH FLOWS

SEK million	Fourth quarter 2020/2021	Fourth quarter 2019/2020	Full year 2020/2021	Full year 2019/2020
Operating activities				
Profit before tax	578	179	1,947	559
Reversal of amortization/depreciation fixed assets	259	221	933	863
Adjustments for other non-cash items	-50	184	-90	112
Taxes paid	-70	2	-69	-45
Changes in working capital	-108	178	-577	483
CASH FLOW FROM OPERATING ACTIVITIES	609	764	2,144	1,972
Investing activities				
Acquisition and sale of subsidiaries	-5	0	-191	4
Acquisition of tangible fixed assets	-1,613	-186	-2,102	-523
Acquisition securities, net	-187	-100	-662	-446
Other changes from investing activities	-196	-24	-213	-45
CASH FLOW FROM INVESTING ACTIVITIES	-2,001	-310	-3,168	-1,010
CASH FLOW AFTER INVESTMENTS	-1,392	454	-1,024	962
Financing activities				
Changes in loans from credit institutions	740	-367	-304	385
Share dividend	0	0	-110	-110
CASH FLOW FROM FINANCING ACTIVITIES	740	-367	-414	275
CASH FLOW FOR THE PERIOD	-652	87	-1,438	1,237
Cash and cash equivalents beginning of period	1,793	2,494	2,578	1,347
Translation difference in cash and cash equivalents	-1	-3	0	-6
CASH AND CASH EQUIVALENTS END OF PERIOD	1,140	2,578	1,140	2,578

DEFINITIONS

Net sales	Fair value of what has been or will be received for goods and services sold in the Group's operations
EBITDA	Profit before financial income and expenses, taxes, depreciation and amortization
EBITDA margin	EBITDA expressed as a percentage of net sales
Operating profit	Profit before financial income and expenses and taxes (EBIT)
Equity/assets ratio	Shareholders' equity expressed as a percentage of total assets
Net debt	Interest-bearing liabilities including provision for pensions minus cash and bank, short-term and long-term securities
Average number of employees	The Group's paid hours in relation to the normal number of working hours for the period



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