



YEAR-END REPORT JANUARY 1 – DECEMBER 31, 2020

Continued improvement in the fourth quarter

Full year 2020

- Net sales amounted to MSEK 1,464 (1,865). Adjusted for changes in foreign exchange rates, sales decreased 19 percent.
- Operating profit (EBITA) decreased 63 percent to MSEK 90 (245).
- The operating margin (EBITA margin) was 6.2 (13.2) percent.
- Profit after tax decreased 77 percent to MSEK 35 (151).
- Earnings per share decreased 77 percent to SEK 1.82 (7.84).

Fourth quarter 2020

- Net sales amounted to MSEK 423 (553). Adjusted for changes in foreign exchange rates, sales decreased 16 percent.
- Operating profit (EBITA) decreased 49 percent to MSEK 45 (89).
- The operating margin (EBITA margin) was 10.7 (16.1) percent.
- Profit after tax decreased 57 percent to MSEK 24 (55).
- Earnings per share decreased 57 percent to SEK 1.22 (2.86).

- By comprehensively investing in digital and virtual solutions, BTS has managed to compensate for three quarters of the 70 percent of total lost revenue as a result of the cancellation of physical deliveries beginning in the second quarter.
- BTS has continued to invest in marketing and product development and has kept its personnel, with the aim of achieving growth and higher earnings moving forward. By making selective savings, total costs have been lowered by 22 percent in the second, third and fourth quarters compared to last year.
- The fourth quarter demonstrated a continued improvement compared with the second and third quarters. Revenue and earnings improved significantly and the relative performance improved compared to last year.
- The Board proposes a dividend for the 2020 fiscal year of SEK 1.20 (3.60) per share to be paid on two occasions in the amount of SEK 0.60 per payment.

Continued improvement in the fourth quarter and favorable outlook for 2021

The positive performance in the fourth quarter and the favorable outlook for 2021 show that our strategy for tackling the pandemic is working.

Our entire industry faced a huge challenge early in 2020 – all physical training was canceled, wiping out 70 percent of our revenue in one sweep. In addition, many companies stopped or reduced investments in all forms of training.

To address this challenge, we decided on a strategy to make us stronger in the long term, allowing us to continue to increase revenue and earnings for the years ahead:

- 1) Invest significant resources to quickly adapt all services to a virtual format.
- 2) Reallocate our sales resources to focus on the industries and areas in which companies are continuing to invest.
- 3) Increase marketing and product development.
- 4) Retain our personnel: we have a well-oiled and high-performing organization and it has delivered growth and increased earnings for many years.
- 5) Strengthen the cash balance and reduce costs selectively.

During 18 years on the stock exchange until 2019, we have achieved a growth of an average of 14 percent per year, and an average EBITA improvement of 18 percent. Our goal for 2020 has not been to maximize profit, but rather to create the prerequisites for continual long-term profit in the future.

With our rapid focus in virtual and digital solutions, we have managed to compensate for almost three quarters of the 70 percent revenue loss. The trend in revenue and earnings has gradually improved over the second, third and fourth quarters.

We have also taken an important lead. The changes in the market will be lasting: even when the COVID-19 crisis is behind us, a significant share of demand will center on virtual and digital solutions. The major transition to virtual and digital solutions has required extensive investment and a great deal of additional work during the year. The design, methodology and capacity that we now have at our disposal of digital solutions will be of great benefit in the future.

Many of our customers have indicated that demand for physical deliveries will return when travel restrictions and the limitations on meeting others are lifted, and that they will demand a combination of physical, virtual and digital solutions.



The market recovery that began in the third quarter continues. Today, very few physical deliveries are carried out, but many customers who have previously been awaiting the development of the crisis are now undertaking virtual and digital projects, and we can offer attractive solutions.

BTS's ambition is to exit the 2020 pandemic and recession as a stronger company, and to achieve a level of profit higher than prior to the recession, as well as sustainably growing. Our goal is to have a larger and more profitable operation than before the pandemic – based on an expanded customer base, deeper customer relations, a stronger organization and increased revenue from virtual and digital solutions combined with physical deliveries.

Overall, we have tackled the potential crisis for our industry brought about by the 2020 pandemic very well. I would like to take this opportunity to thank all our employees for their incredible commitment and hard work during this challenging period – you made this possible.

The outlook for 2021 is favorable: we believe that earnings will be significantly higher than in 2020 and in line with earnings in 2019.

Stockholm, February 24, 2021

Henrik Ekelund

President and CEO of BTS Group AB (publ)

OPERATIONS

Sales

Net sales in BTS for the year amounted to MSEK 1,464 (1,865). Adjusted for changes in foreign exchange rates, total sales decreased 19 percent.

Growth varied between the units: APG -13 percent. BTS Europe -17 percent, BTS North America -19 percent and BTS Other markets -20 percent (growth measured in local currency).

Earnings

Operating profit (EBITA) decreased 63 percent during the year to MSEK 90 (245). The operating margin (EBITA margin) was 6.2 (13.2) percent.

Operating profit (EBIT) decreased 71 percent during the year to MSEK 65 (226). The operating margin (EBIT margin) was 4.4 percent (12.1). Operating profit for the year was charged with MSEK 25.7 (19.7) for amortization of intangible assets attributable to acquisitions.

The Group's profit before tax decreased 76 percent to MSEK 51 (216).

The Group's profitability was negatively affected by a decline in profit in all operating units.

Fourth quarter

Fourth-quarter net sales in BTS amounted to MSEK 423 (553). Adjusted for changes in foreign exchange rates, sales decreased 16 percent.

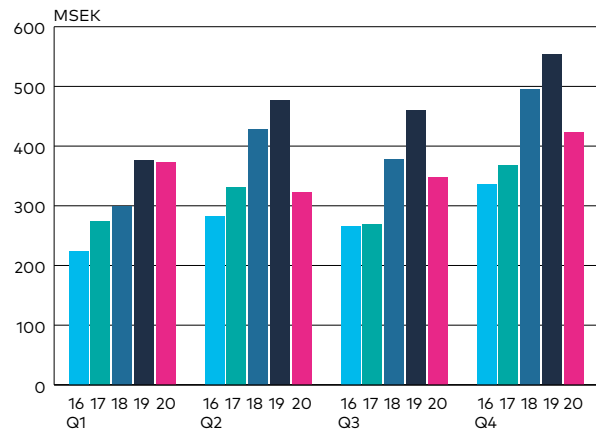
Operating profit (EBITA) decreased 49 percent in the fourth quarter to MSEK 45 (89). The operating margin (EBITA margin) was 10.7 (16.1) percent.

Operating profit (EBIT) decreased 54 percent to MSEK 38 (83). The operating margin (EBIT margin) was 9.0 percent (15.1). Operating profit (EBIT) for the fourth quarter was charged with MSEK 7.4 (5.4) for amortization of intangible assets attributable to acquisitions.

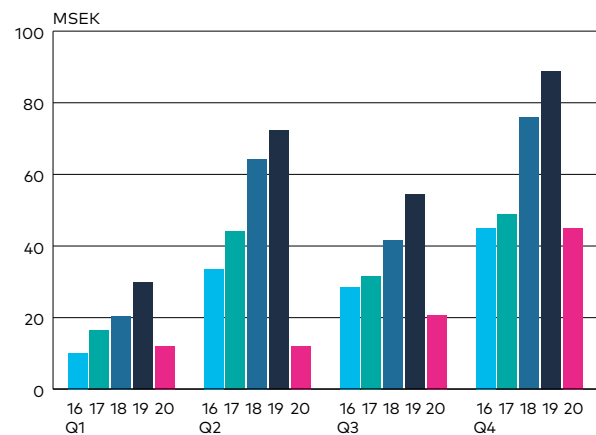
Profit before tax for the fourth quarter decreased 57 percent to MSEK 34 (80).

The Group's profitability was negatively affected by a decline in profit in all operating units.

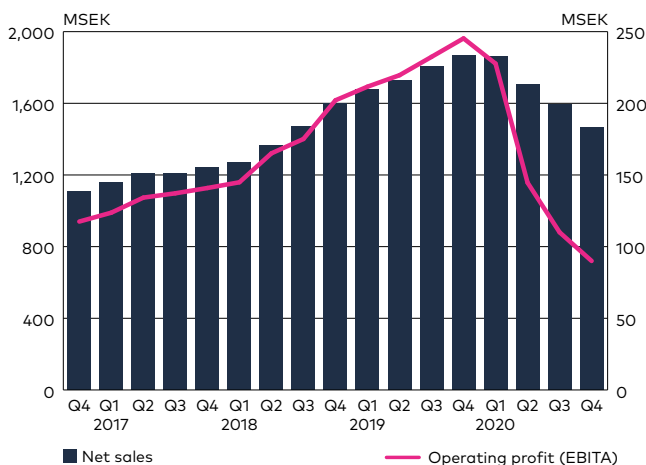
REVENUE
BY QUARTER



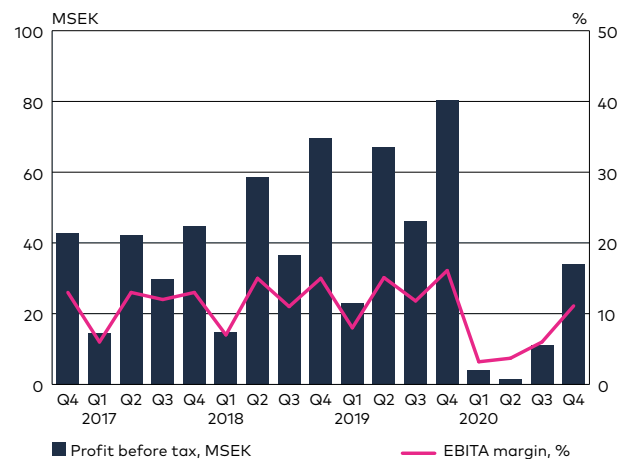
OPERATING PROFIT (EBITA)
BY QUARTER



NET SALES AND OPERATING PROFIT (EBITA)
ROLLING 12 MONTHS



PROFIT BEFORE TAX AND OPERATING MARGIN
(EBITA) BY QUARTER

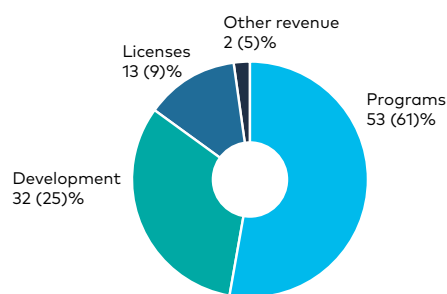


Market development

The market has changed dramatically during the year. As a result of the spread of COVID-19 and the subsequent social restrictions, demand for physical deliveries, which typically makes up approximately 70 percent of BTS's revenue, has been non-existent. The resulting recession, with cost savings implemented by many companies, has also had a negative impact on demand. In certain industries and companies there is still a strong demand for our services.

The market situation has improved since the third quarter and this situation has remained in place thus far.

NET SALES BY SOURCE OF REVENUE
JANUARY 1–DECEMBER 31, 2020 (2019)



SEGMENT REPORTING

The effects of IFRS 16 are not included in the BTS Operating units reporting, which is why the effects are recognized as Group adjustments.

Operating units

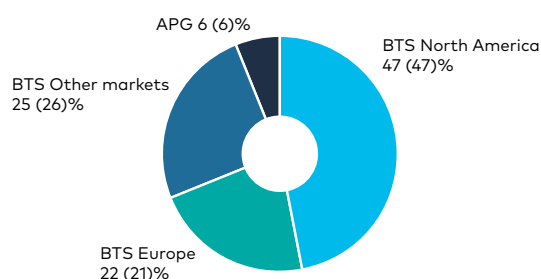
BTS North America consists of BTS's operations in the USA, excluding APG but including SwissVBS with its operations in Canada and Switzerland.

BTS Europe consists of operations in France, Germany, the Netherlands, the UK and Sweden.

BTS Other markets consists of operations in Argentina, Australia, Brazil, China, Costa Rica, India, Italy, Japan, Mexico, Singapore, South Africa, South Korea, Spain, Taiwan, Thailand and the United Arab Emirates.

APG consists of operations in Advantage Performance Group in the USA.

NET SALES PER OPERATING UNIT
JANUARY 1–DECEMBER 31, 2020 (2019)



NET SALES PER OPERATING UNIT

MSEK	Oct–Dec 2020	Oct–Dec 2019	Jan–Dec 2020	Jan–Dec 2019
BTS North America	175	243	689	877
BTS Europe	92	129	316	386
BTS Other markets	124	149	363	490
APG	31	31	95	112
Total	423	553	1,464	1,865

OPERATING PROFIT (EBITA) PER OPERATING UNIT

MSEK	Oct–Dec 2020	Oct–Dec 2019	Jan–Dec 2020	Jan–Dec 2019
BTS North America	11.7	32.2	48.8	118.6
BTS Europe	8.8	29.8	19.5	63.3
BTS Other markets	22.7	23.9	19.4	57.2
APG	0.8	1.5	-2.9	1.5
Total incl IFRS 16	44.0	87.5	84.8	240.5
Effects of IFRS 16	1.4	1.4	5.5	4.8
Total incl IFRS 16	45.4	88.9	90.3	245.3

BTS North America

Net sales for BTS operations in North America amounted to MSEK 689 (877) for the year. Adjusted for changes in foreign exchange rates, revenue decreased 19 percent. Operating profit (EBITA) totaled MSEK 49 (119) for the year. The operating margin (EBITA margin) was 7.1 (13.5) percent.

Net sales for the fourth quarter amounted to MSEK 175 (243). Adjusted for changes in foreign exchange rates, revenue decreased 20 percent. Operating profit (EBITA) amounted to MSEK 12 (32) in the fourth quarter. The operating margin (EBITA margin) was 6.7 (13.2) percent.

BTS North America is continuing its gradually better revenue trend from the second to the third and further into the fourth quarter. Earnings doubled compared with the third quarter.

BTS Europe

Net sales for BTS Europe amounted to MSEK 316 (386) for the year. Adjusted for changes in foreign exchange rates, revenue decreased 17 percent. Operating profit (EBITA) totaled MSEK 19 (63) for the year. The operating margin (EBITA margin) was 6.2 (16.4) percent.

Net sales for the fourth quarter amounted to MSEK 92 (129). Adjusted for changes in foreign exchange rates, revenue decreased 26 percent. Operating profit (EBITA) amounted to MSEK 9 (30) in the fourth quarter. The operating margin (EBITA margin) was 9.5 (23.0) percent.

BTS Europe's earnings have improved compared with the third quarter, but growth is lower. The European market has displayed a slower recovery than the North American market and Other markets thus far.

BTS Other markets

Net sales for BTS Other markets amounted to MSEK 363 (490) for the year. Adjusted for changes in foreign exchange rates, revenue decreased 20 percent. Operating profit (EBITA) totaled MSEK 19 (57) for the year. The operating margin (EBITA margin) was 5.4 (11.7) percent.

Net sales for the fourth quarter amounted to MSEK 124 (149). Adjusted for changes in foreign exchange rates, revenue decreased 7 percent. Operating profit (EBITA) amounted to MSEK 23 (24) in the fourth quarter. The operating margin (EBITA margin) was 18.3 (16.0) percent.

BTS Other markets, which was the first to be affected by the pandemic, and in the deepest downturn in the second quarter, has performed positively since and achieved almost the same EBITA in the fourth quarter as it did in the same period 2019. The market situation has improved and several customers have decided to make use of BTS's virtual and digital solutions. At the same time, they have managed to control costs well.

APG

Net sales for APG amounted to MSEK 95 (112) for the year. Adjusted for changes in foreign exchange rates, revenue decreased 13 percent. Operating profit (EBITA) for the year totaled MSEK -2.9 (1.5). The operating margin (EBITA margin) was -3.1 percent (1.4).

Net sales amounted to MSEK 31 (31) in the fourth quarter. Adjusted for changes in foreign exchange rates, revenue increased by 15 percent. Operating profit (EBITA) amounted

to MSEK 0.8 (1.5) in the fourth quarter. The operating margin (EBITA margin) was 2.7 (5.0) percent.

APG has managed to achieve growth in the fourth quarter by capturing several important projects in light of an improved market situation. Despite this, margins have fallen as a result of earnings being charged with higher overall costs.

OTHER INFORMATION

Financial position

BTS's cash flow from operating activities amounted to MSEK 242 (218) for the year.

Available cash and cash equivalents amounted to MSEK 591 (316) at the end of the period. The company's interest-bearing loans amounted to MSEK 404 (76) at the end of the period.

BTS's equity ratio was 36 (45) percent at the end of the period.

The company had no outstanding conversion loans at the balance sheet date.

Employees

On December 31, the number of employees at BTS was 821 (832).

The average number of employees for the year was 843 (779).

Parent Company

The Parent Company's net sales amounted to MSEK 3.4 (2.9) and profit before tax totaled MSEK 52.2 (41.9). Cash and cash equivalents amounted to MSEK 44.0 (1.9).

Related party transactions

A limited number of transactions with related parties, with the exception of transactions between Group companies, and in that case has taken place under prevailing market conditions.

Annual General Meeting and proposed dividend

The Annual General Meeting will be held on May 19, 2021 at 2:00 p.m. in the BTS office Grevgatan 34, Stockholm, Sweden.

However, depending on how the global COVID-19 pandemic develops, the Board may resolve that the Annual General Meeting will instead be carried out through advance voting (postal voting), assisted by temporary legislation (SFS 2020:198). In this case, a meeting with the opportunity to meet physically or via a proxy will not take place.

The Board proposes a dividend of SEK 1.20 per share, disbursed in two payments of SEK 0.60 each.

Acquisitions

BTS acquired Rapid Learning Institute (RLI) on January 6, 2020, as previously communicated in a press release on the same date. The acquisition encompasses all operations including talent, technology, intellectual property, customer relations, brands and equipment.

The acquisition consisted of an initial cash consideration and an additional payment that will be paid out in 2023, provided the business meets specific targets 2020–2022 based on the entire measurement period.

With the acquisition of Rapid Learning, BTS gained a library of more than 200 proprietary learning modules centered on short research-backed videos, and in addition a collection of more than 2,500 articles on leadership and sales authored by the company's editorial team. These together with the RLI team will significantly strengthen BTS's scalable digital solutions. RLI also brought with it a set of clients who subscribe to programs and licenses.

Ratification of acquisition analysis

The preliminary acquisition analysis regarding the year's acquisition of RLI has been ratified. The effect of the ratification is an increase in goodwill and a provision for deferred tax liability of MSEK 4.2. The acquisition calculation ratified at the date of the acquisition translated at the exchange rate on the balance sheet date at December 31, 2020:

MSEK	
Tangible assets	0.9
Intangible assets	12.9
Receivables	1.8
Current liabilities	-13,2
Non-current liabilities	-3,6
Identifiable assets	-1,2
Goodwill	55,5
Total purchase price	54.3
Provision for conditional purchase price	-27.8
Purchase price paid in cash	26.4

Goodwill consists of expected future synergy effects in the form of an expanded product range and more services. Alongside synergy effects, the addition of qualified employees and future profitability components are included in the goodwill item. The provision for conditional purchase price is included in the balance sheet under Provisions in the amount of MSEK 27.8.

The purchase price can amount to anywhere between MSEK 0.0 and a maximum of MSEK 27.8. No acquisition costs were capitalized, but were instead expensed in their entirety. Expenses for completing the acquisitions including issue costs are included in the Group's operating expenses for 2019 in the amount of MSEK 1.8. The acquisition in 2020 contributed MSEK 23.7 to the Group's net sales and MSEK 0.2 to the Group's profit after tax.

Impact of COVID-19

Operations

A summary of the impact of the pandemic on BTS for the year appears in the report above and the lower sales are deemed to be entirely attributable to the pandemic. As previously communicated and now updated, a number of strategic measures have been adopted to evolve operations to handle the effects of the pandemic.

BTS is following the recommendations of the authorities. However, the health and well-being of our employees

and customers has the highest priority for us, which is why in some cases we follow stricter rules than what the authorities recommend. The continued progression of the pandemic is difficult to predict, but the restrictions that have been implemented have a significant effect on BTS's operations.

Support measures

During the year, the Group has, to a limited extent, benefited from local support measures. These have reduced personnel costs by a total of MSEK 14.0. Included in this sum are different types of stimulus packages totaling MSEK 9.2 and short-time working support totaling MSEK 4.8. 33 individuals, equivalent to 20 full-time positions have been affected by short-time working measures in the last nine months of the year. Swedish operations have only been affected by the overall reduction of social security contributions of MSEK 0.6.

Financial position and liquidity

BTS has taken measures to ensure financial preparedness in the current market situation. Available cash and cash equivalents amounted to MSEK 591 (316) at the end of the period. At the end of the fourth quarter calculations for the valuation of goodwill have been updated and impairment testing has been conducted. These show that there is no need for impairment.

Events after the end of the period

To further strengthen its digital customer offerings, BTS signed an agreement in January 2021 regarding the acquisition of the Bates Communications in the US. Details regarding the acquisition were communicated in a press release on January 4, 2021.

Risks and uncertainties

The Group's material risks and uncertainties include market and business risks, operational risks and financial risks. Business and market risks may relate to greater customer exposure for specific sectors and companies as well as sensitivity to market conditions. Operational risks include dependence on individuals, skills supply and intellectual property as well as BTS meeting the stringent requirements of its clients. Financial risks mainly relate to foreign exchange rates and credit risks. The management of risks and uncertainties is described in the 2019 Annual Report.

The COVID-19 pandemic had a significant impact on the general market climate and global economy during the period. The pandemic negatively affected the Group's sales and earnings, an effect of severe restrictions regarding free movement in several countries where BTS has its operations. As a result, the demand for the company's services declined since many customers decided to postpone physical deliveries.

To minimize the risks of long-term negative consequences for BTS, Group Management and the Board are continuously analyzing and evaluating underlying trends and changes in the market. Action plans are drawn up based on these analyses with various measures to manage or mitigate risks.

Critical accounting estimates and assumptions

In order to prepare the financial statements in conformity with IFRS, Corporate Management is required to make estimates and assumptions that affect the application of accounting principles and the recognized amounts of assets, liabilities, revenue and costs. Estimates and assumptions are based on historical experience and a number of other factors that are regarded as reasonable under prevailing conditions. Actual outcomes can deviate from these estimates and assumptions. Estimates and assumptions are reviewed regularly.

Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the EU, RFR 1 Supplementary Accounting Rules for Groups, and the Swedish Annual Accounts Act. The Parent Company's statements have been prepared in accordance with RFR 2 Accounting for Legal Entities and the Annual Accounts Act.

Financial calendar

Annual report 2020	April 2021
Interim report Jan–Mar 2021	May 19, 2021
Interim report Jan–Jun 2021	August 18, 2021
Interim report Jan–Sep 2021	November 10, 2021

Stockholm, February 24, 2021

Henrik Ekelund
President and CEO

Contact information

Henrik Ekelund	CEO	Tel: +46 8 587 070 00
Stefan Brown	CFO	Tel: +46 8 587 070 62
Michael Wallin	Head of Investor Relations	Tel: +46 8 587 070 02 Mobile: +46 70 878 80 19

For further information, visit our website www.bts.com

BTS Group AB (publ)
Grevgatan 34
SE-114 53 Stockholm
SWEDEN

Tel: +46 8 587 070 00

Company registration number: 556566-7119

Auditor's Review Report

Introduction

We have reviewed the condensed interim financial information (interim report) of BTS Group AB (publ) as of December 31, 2020, and the twelve-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

The scope and extent of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Company*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope and extent than an audit conducted in accordance with International Standards on Auditing, ISA and the generally accepted auditing standards. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Therefore, the opinion we express does not have the assurance as an opinion based on an audit would have.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, February 24, 2021

Öhrlings PricewaterhouseCoopers AB

Magnus Thorling

Authorized Public Accountant

BTS is a global professional services firm headquartered in Stockholm, Sweden. BTS has approximately 820 professionals in 35 offices located on six continents. We focus on the people side of strategy, working with leaders at all levels to help them make better decisions, convert those decisions to actions and deliver results. At our core, we believe people learn best by doing. For more than 30 years, we've been designing fun, powerful experiences™ that have a profound and lasting impact on people and their careers. We inspire new ways of thinking, build critical capabilities and unleash business success. *It's strategy made personal.*

We serve a wide range of client needs, including: Strategy execution, Leadership development programs, Assessment, Developing business acumen, Transforming sales organizations, Coaching, and Digital solutions, events and services.

We partner with nearly 450 organizations, including over 30 of the world's 100 largest global corporations. Our major clients are e.g.: ABB, Chevron, Coca-Cola, Ericsson, EY, HP, Mercado Libre, Salesforce.com, SAP, and Tencent.

BTS is a public company listed on the Nasdaq Stockholm exchange and trades under the symbol BTS B.

For more information, please visit www.bts.com.

Group income statement, summary

KSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net sales	422,631	552,505	1,464,155	1,865,499
Operating expenses	-360,998	-444,627	-1,308,726	-1,554,314
Depreciation of property, plant, and equipment	-16,245	-18,993	-65,123	-65,855
Amortization of intangible assets	-7,367	-5,416	-25,700	-19,670
Operating profit	38,021	83,469	64,607	225,660
Net financial items	-3,988	-3,080	-13,907	-9,771
Associated company, profit after tax	260	-123	353	585
Profit before tax	34,293	80,267	51,053	216,475
Estimated tax	-10,746	-25,080	-15,826	-65,726
Profit for the period	23,547	55,187	35,226	150,748
Attributable to the shareholders of the parent company	23,547	55,187	35,226	150,748
Earnings per share, before dilution of shares, SEK	1.22	2.86	1.82	7.84
Number of shares at end of the period	19,318,292	19,318,292	19,318,292	19,318,292
Average number of shares before dilution	19,318,292	19,318,292	19,318,292	19,221,242
Earnings per share, after dilution of shares, SEK	1.22	2.86	1.82	7.84
Average number of shares after dilution	19,318,292	19,318,292	19,318,292	19,221,242
Dividend per share, SEK			1.20 ¹	3.60

¹ Proposed dividend.

Group statement of comprehensive income

KSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Profit for the period	23,547	55,187	35,226	150,748
Items that will not be reclassified to profit or loss	-	-	-	-
	-	-	-	-
Items that may be reclassified to profit or loss				
Translation differences in equity	-53,384	-34,849	-95,397	26,111
Other comprehensive income for the period, net of tax	-53,384	-34,849	-95,397	26,111
Total comprehensive income for the period	-29,838	20,337	-60,171	176,859
Attributable to the shareholders of the parent company	-29,838	20,337	-60,171	176,859

Group balance sheet, summary

KSEK	Dec 31 2020	Dec 31 2019
Assets		
Goodwill	548,759	535,916
Other intangible assets	75,219	82,467
Tangible assets	185,382	219,778
Financial assets	16,782	13,147
Total non-current assets	826,143	851,308
Trade receivables	408,549	514,132
Other current assets	134,224	186,983
Cash and cash equivalents	591,171	316,388
Total current assets	1,133,943	1,017,503
TOTAL ASSETS	1,960,087	1,868,812
Equity and liabilities		
Equity	709,857	839,678
Provisions	27,841	134,052
Non-current liabilities	402,749	230,245
Current liabilities	819,639	664,838
Total liabilities	1,250,229	1,029,134
TOTAL EQUITY AND LIABILITIES	1,960,087	1,868,812

Group cash flow statement, summary

KSEK	Jan–Dec 2020	Jan–Dec 2019
Cash flow before changes in working capital	99,929	235,809
Cash flow from changes in working capital	142,177	–18,096
Cash flow from operating activities	242,106	217,712
Acquisition related	–125,718	–14,260
Other ¹	–21,931	–23,405
Cash flow from investing activities	–147,649	–37,665
Dividend	–69,546	–69,231
New issue	–	22,899
Other	282,572	–85,743
Cash flow from financing activities	213,026	–132,074
Cash flow for the period	307,484	47,973
Cash and cash equivalents, opening balance	316,388	262,357
Translation differences in cash and cash equivalents	–32,701	6,058
Cash and cash equivalents, closing balance	591,171	316,388

¹ Acquisition of assets.

Group changes in consolidated equity

KSEK	Dec 31 2020	Dec 31 2019
Opening balance	839,678	704,203
Dividend to shareholders	-69,546	-69,231
New issue	-	26,657
Other	-104	1,190
Total comprehensive income for the period	-60,171	176,859
Closing balance	709,857	839,678

Parent Company's income statement, summary

KSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net sales	885	615	3,360	2,930
Operating expenses	-3,377	-1,474	-6,071	-1,146
Operating profit	-2,492	-859	-2,711	1,784
Net financial items	39,441	16,191	54,896	40,077
Profit before tax	36,949	15,332	52,184	41,861
Estimated tax	-3,209	-878	-3,209	-878
Profit for the period	33,740	14,454	48,975	40,983

Parent Company's balance sheet, summary

KSEK	Dec 31 2020	Dec 31 2019
Assets		
Financial assets	301,460	302,332
Other current assets	143,070	21,905
Cash and cash equivalents	44,041	1,883
Total assets	488,571	326,120
Equity and liabilities		
Equity	134,719	155,290
Non-current liabilities	187,247	40,000
Current liabilities	166,605	130,830
Total equity and liabilities	488,571	326,120

Group consolidated key ratios

KSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net sales	422,631	552,505	1,464,155	1,865,499
Operating profit (EBITA)	45,388	88,885	90,306	245,330
Operating margin (EBITA margin), %	10.7	16.1	6.2	13.2
Operating profit (EBIT)	38,021	83,469	64,607	225,660
Operating margin (EBIT margin), %	9.0	15.1	4.4	12.1
Profit margin, %	5.6	10.0	2.4	8.1
Operating capital ¹			522,988	599,687
Return on operating capital, %			12	39
Return on equity, %			5	20
Equity ratio, at end of the period, %	36	45	36	45
Cash flow	37,250	54,872	307,484	47,973
Cash and cash equivalents, at end of the period	591,171	316,388	591,171	316,388
Average number of employees	835	826	843	779
Number of employees at end of the period	821	832	821	832
Revenues for the year per employee			1,736	2,393

¹ The calculation included the item of non-interest-bearing liabilities amounting to KSEK 845,927 (952,737).

Net sales according to business model

MSEK	Jan-Dec 2020					Jan-Dec 2019				
	BTS North America	BTS Europe	BTS Other markets	APG	Total	BTS North America	BTS Europe	BTS Other markets	APG	Total
Programs	290	171	245	77	783	453	230	357	89	1,129
Development	267	114	92	0	473	279	106	79	0	464
Licenses	122	25	20	18	185	88	27	32	23	170
Other revenue	10	5	7	0	23	57	24	22	0	103
TOTAL	689	316	363	95	1,464	877	386	490	112	1,865

DEFINITIONS

Earnings per share

Earnings attributable to the parent company's shareholders divided by number of shares before dilution.

Operating margin (EBITA margin)

Operating profit before interest, tax and amortization as a percentage of net sales.

Operating margin (EBIT margin)

Operating profit after depreciation as a percentage of net sales.

Profit margin

Profit for the period as a percentage of net sales.

Operating capital

Total balance sheet reduced by liquid funds and other interest-bearing assets and reduced by non-interest bearing liabilities.

Return on operating capital

Operating profit (EBIT) as a percentage of average operating capital.

Return on equity

Profit after tax as a percentage of average equity.

Equity ratio

Equity as a percentage of total balance sheet.

Sweden

Head Office

Grevgatan 34
114 53 Stockholm
SWEDEN
Tel: +46 8 587 070 00

Argentina

Reconquista 657
PB 3 CP1003 CABA.
Buenos Aires
Tel: +54 1157955721

Australia

198 Harbour Esplanade,
Suite 404
Docklands VIC 3008
Tel: +61 3 9670 9850

Level 6
10 Barrack St
Sydney NSW 2000
Tel: +61 02 8243 0900

Brazil

Rua Geraldo Flausino Gomes,
85, cj 42
04575-060 São Paulo – SP
Tel: +55 (11) 5505 2070

Canada

SwissVBS
460 Richmond Street West
Suite 700
Toronto, ON M5V 1Y1
Tel: +1 416 848 3744

China

1376 West Nanjing Road
Suite 531, East Office Tower
Shanghai Centre
Shanghai 200040
Tel: +86 21 6289 8688

Costa Rica

Office 203
Prisma Business Center
San José
Tel: +506 22 88 48 19

France

57 Rue de Seine
75006 Paris
Tel: +33 1 40 15 07 43

Germany

Ritterstraße 12
D-50668 Cologne
Tel: +49 221 270 70 763

India

801, 8th Floor, DHL Park
Opposite MTNL,
Staff quarters,
S.V. Road, Goregaon (West).
Mumbai - 400062
Maharashtra,
Tel: +91 22 6196 6800

Italy

Viale Fulvio Testi 223
20162 Milan
Tel: +39 02 6611 6364

BTS Design Innovation
Viale Abruzzi, 13
20131 Milan
Tel: +39 02 69015719

Japan

TS Kojimachi Bldg. 3F
6-4-6 Kojimachi Chiyoda-ku
Tokyo 102-0083
Tel: +81 (3) 6272 9973

Mexico

Edificio Torre Moliere
Calle Moliere 13 – PH
Col Chapultepec Polanco
C.P. 11560 México, D.F.
Tel: +52 (55) 52 81 69 72

The Netherlands

Barbara Strozzilaan 201
1083 HN Amsterdam
Tel: + 31 (0)20 615 15 14

Singapore

1 Finlayson Green
Suite 16-01
Singapore 049246
Tel: +65 6304 3032

Spain

Simon Bolivar 27-1,
Office No. 4
Bilbao 48013
Tel: +34 94 423 5594

Calle José Abascal 55,
piso 3ºDcha
28003 Madrid
Tel: +34 91 417 5327

South Africa

267 West Avenue, 1st Floor
Centurion 0046,
Gauteng
Tel: +27 12 663 6909

South Korea

Room 103, 1st Floor
Wonseo Building
13, Changdeokgung 1-gil
Jongnogu
Seoul 03058
Tel: +82 2 539 7676

Switzerland

SwissVBS
Winkelriedstrasse 35
9000 St. Gallen
Tel: +41 71 845 5936

Taiwan

7 F, No. 307,
Dun-Hua, North Road
Taipei 105
Tel: +886 2 8712 3665

Thailand

128/27 Phyathai Plaza
Building (4th Floor)
Phyathai Rd. Kwaeng Thung
Phyathai
Khet Ratchathewi
Bangkok 10400
Tel: +66 2 216 5974

UK

1 Queen Caroline Street
London W6 9YN
Tel: +44 20 7368 4180

Holbrook Court,
Cumberland Business Centre,
Hampshire, PO5 1DS
Portsmouth
Tel: +44 2393 162686

United Arab Emirates

10th Floor, Swiss Tower
Jumeirah Lakes Towers
Dubai
Tel: +971 4 279 8341

USA

Frost Bank Building
401 Congress Avenue
Suite 2740
Austin, Texas 78701
Tel: +1 512 474 1416

200 South Wacker Drive
Suite 925
Chicago, IL 60606
Tel: +1 312 509 4750

101 West Elm Street
Suite 310
Conshohocken, PA 19428
Tel. (toll free) +1 800 445 7089
Tel: +1 484 391 2900

350 Fifth Avenue
Suite 5020
New York, NY 10118
Tel: +1 646 378 3730

4742 North 24th Street
Suite 120
Phoenix, AZ 85016
Tel: +1 480 948 2777

222 Kearny Street
Suite 1000
San Francisco, CA 94108
Tel: +1 415 362 4200

Bates Communications Inc.
40 Walnut Street
Suite 302
Wellesley, MA 02481
Tel: +1 800 908 8239

Advantage Performance Group

100 Smith Ranch Road,
Suite 306
San Rafael, CA 94903
USA
Tel: +1 800 494 6646

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