

Malmö, Sweden, March 25, 2020

Beijer Electronics Group takes preventive measures, revises dividend proposal and defers AGM

BEIJER GROUP has increased its readiness and is taking measures to address the currently assessed consequences of the spread of the coronavirus. It should be emphasized that year to date, the Group has not noted any significant drop in demand. The supply chain disruptions that occurred due to China's actions against the spread of the coronavirus in the early months of the year have gradually improved.

The Group has decided to execute a program of measures that involves downsizing staff by about 40 people in the Korenix and Beijer Electronics business entities. Most of these lay-offs are in Taiwan, with some in Sweden. The expenses for the program are 15 MSEK, which will be charged to earnings for the first quarter 2020. Estimated savings are 25-30 MSEK in 2020, and then 40-45 MSEK annualized.

BEIJER GROUP will also be taking a number of actions enabled by different authorities' programs for the business community in various countries. As always, BEIJER GROUP will adapt its cost levels to prevailing market conditions, simultaneous with the Group safeguarding its long-term skills.

"Over the past four years, we have realigned the Group. This process involved a skills succession and created a sharper organization, as well as significant investments in product development and rationalization end to end in our supply chain. This means our organization is well prepared to address a harsher business climate. Once this crisis is over, we will still be attractive to employees and customers," commented Per Samuelsson, CEO and President of BEIJER GROUP.

Revised proposal on dividends to the Annual General Meeting (AGM)

BEIJER GROUP's Board of Directors has also decided to propose a dividend of 0 SEK per share to the AGM 2020 for the financial year 2019. The previous proposal was 0.50 SEK per share. The Board's new proposal is a precaution to safeguard the Group's financial stability for the short and long term.

The Group's cash flow progressed positively, especially in the fourth quarter 2019. The revised dividend proposal will help improve cash flow in the first half-year 2020.

At this time, the Group's Westermo business entity can report a new contract to an estimated value of 80 MSEK for deliveries of network equipment to a large train operator in North America, as reported in a separate press release. This will make a positive contribution to the Group's progress going forward.

At present, it is impossible to assess the effects of the spread of the coronavirus on society and the global economy. This means that BEIJER GROUP is not making any estimates regarding underlying financial performance for the full year 2020. The previous assessment, as communicated in the Financial Statement for 2019, was that the group expects to be able to increase sales and earnings for the full year 2020.

The AGM will be held on 26 June 2020

BEIJER GROUP's Board of Directors has also decided to reschedule the AGM from 7 May 2020 to 26 June 2020. This decision has been taken because of the increased risks of the coronavirus spreading in Sweden, and is founded on more shareholders then being able to participate at a deferred AGM.

For more information please contact:

President and CEO, Per Samuelsson, tel +46 (0)40 35 86 10, mobile +46 (0)708 58 54 40
EVP and CFO Joakim Laurén, tel +46 (0)40 35 84 96, mobile +46 (0)703 35 84 96

This information is such that Beijer Electronics AB (publ) is required to disclose in accordance with EU's Market Abuse Regulation (MAR). The information was submitted for publication through the agency of the contact persons set out above at 13:00 CET, March 25, 2020.

***Beijer Electronics Group AB (publ)** is a growing powerhouse of innovators within mission-critical industrial digital technology and IIoT. With a strong focus on the connection between people, technology and data, we share a pride in having some of the world's leading global companies as our core customers. Since its start-up in 1981, BEIJER GROUP has evolved into a multinational group of complementary business entities with sales over 1.6 billion SEK in 2019.*

The company is listed on the NASDAQ OMX Nordic Stockholm Small Cap list under the ticker BELE. www.beijergroup.com