



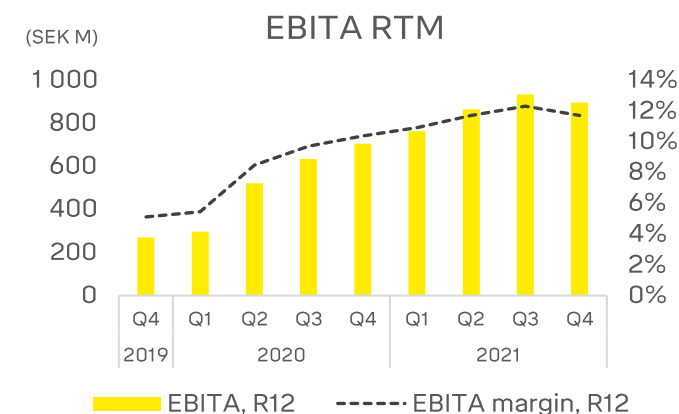
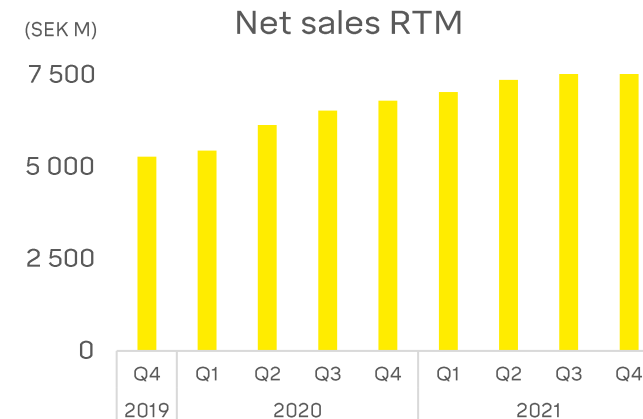
Q4 Report 2021

January 26, 2022

Mattias Ankarberg, CEO
Helena Nathorst, CFO

Q4 2021: STRONG FINISH TO RECORD YEAR

- Q4 net sales increased 7% (29%) to 1,301m (1,222m)
 - Continued growth momentum despite extreme comps
 - Continued market share gains in a stabilizing market
 - Like-for-like sales decreased -6% (+28%)
 - E-com accounted for 18% of Group sales
- Gross margin at last year's record level and continued strong cost control
- EBITA decreased to SEK 25 M (65), well above years prior to 2020
EBITA margin decreased to 1.9% (5.3%)
- FY 2021 sales increased +12% to SEK 7.6bn (6.8bn),
EBITA margin increased to 11.7% (10.4% 2020)



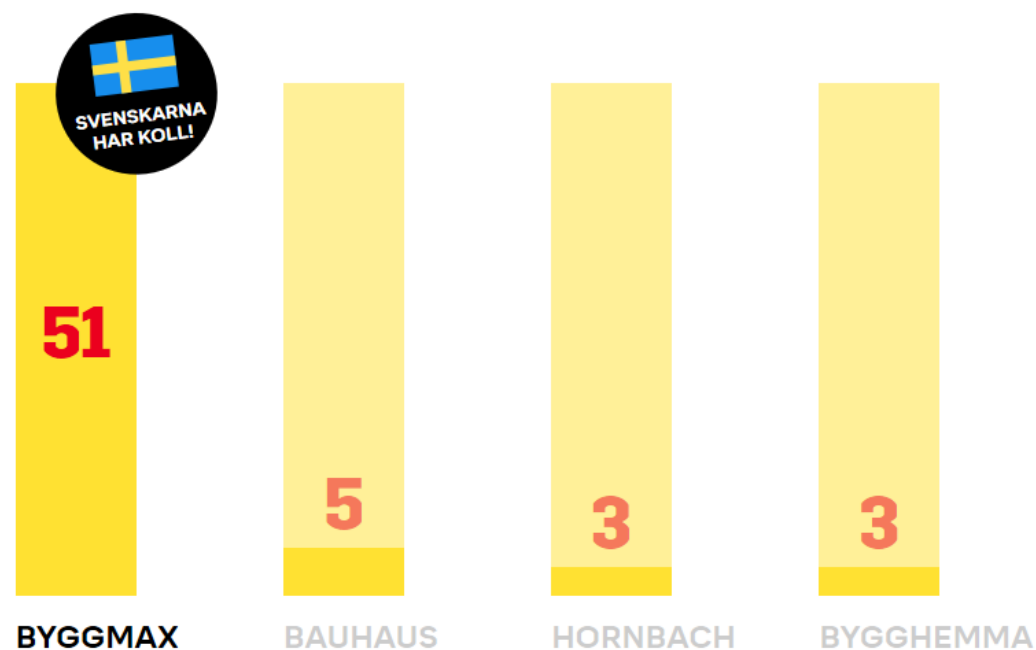
KEY EVENTS

- Store portfolio upgraded at record pace during the quarter, ending the year with 68% (39%) of portfolio as Store 3.0
- 1 new store opened in Q4 2021
- Share buy-back program of SEK 200m completed



CLEAR AND LEADING DISCOUNT POSITION

VILKEN BYGGHANDEL UPPLEVER DU HAR **LÄGST PRIS?**



Recognized by independent surveys for price and quality



“HÄR FINNS SVERIGES BILLIGASTE TRÄDÄCK”



AFTONBLADET

Undersökningen publicerades på aftonbladet.se i april 2021.

MARKET SHARE GAINS CONTINUED

Percent

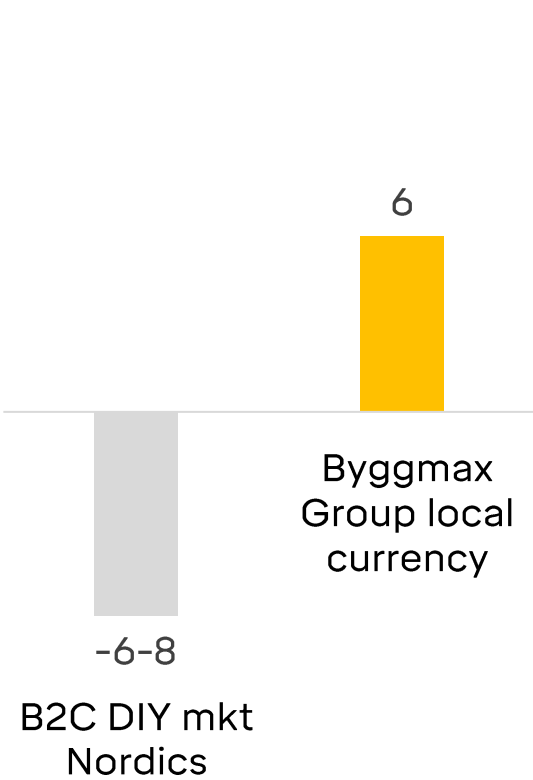
2020: Nordic B2C DIY mkt +20%

 Bygghandlarna  VIRKE

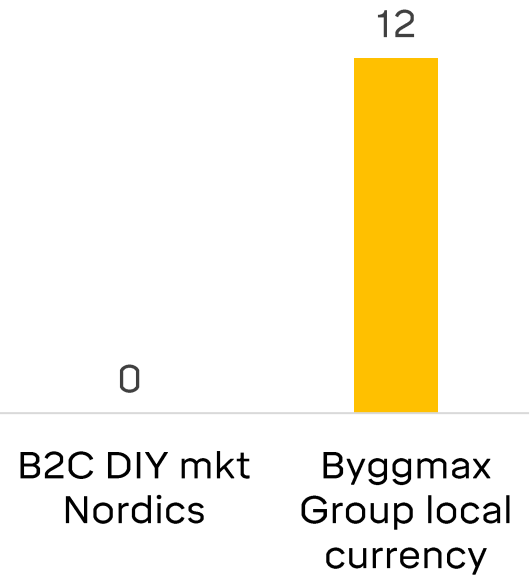
Q4 2021: Market decline vs 2020, stabilizing at new level vs 2019

- “Stay home” effect faded as pandemic restrictions removed, negative weather effect vs. last year’s mild autumn
- Record high housing market activity 2021, consumers expect to continue work partly from home
- Market Q4 2021 decline -6-8% vs 2020 or +8-10% vs 2019, just as in Q3 (+8-10% vs 2019)

Q4 2021



FY 2021



GROWTH INITIATIVES CONTINUED TO DELIVER

Store upgrades +6% per “Store 3.0”

- Store 3.0 at 68% (39%) of portfolio end Q4
- Add ca 6% sales per store

e-commerce -9% (+60%) Q4 2021

- Byggmax branded e-com sales -9% despite extreme comps (+60%)
- Very strong e-com growth in store assortment products continued
- Supply disruptions in some online excl. categories impacted negatively

Store expansion +2% Q4 2021

- 1 new store opened in Q4 2021
- 10 new stores FY 2021 (plus 12 new Right Price Tiles stores acquired)
- New Byggmax stores add 2%-p. sales Q4 2021

Acquisitions +9% Q4 2021

- Strong development in Danish Næstved Lavpristræ (“NLT”)
- Acquisition of less seasonal Norwegian Right Price Tiles closed Aug 31, ‘21



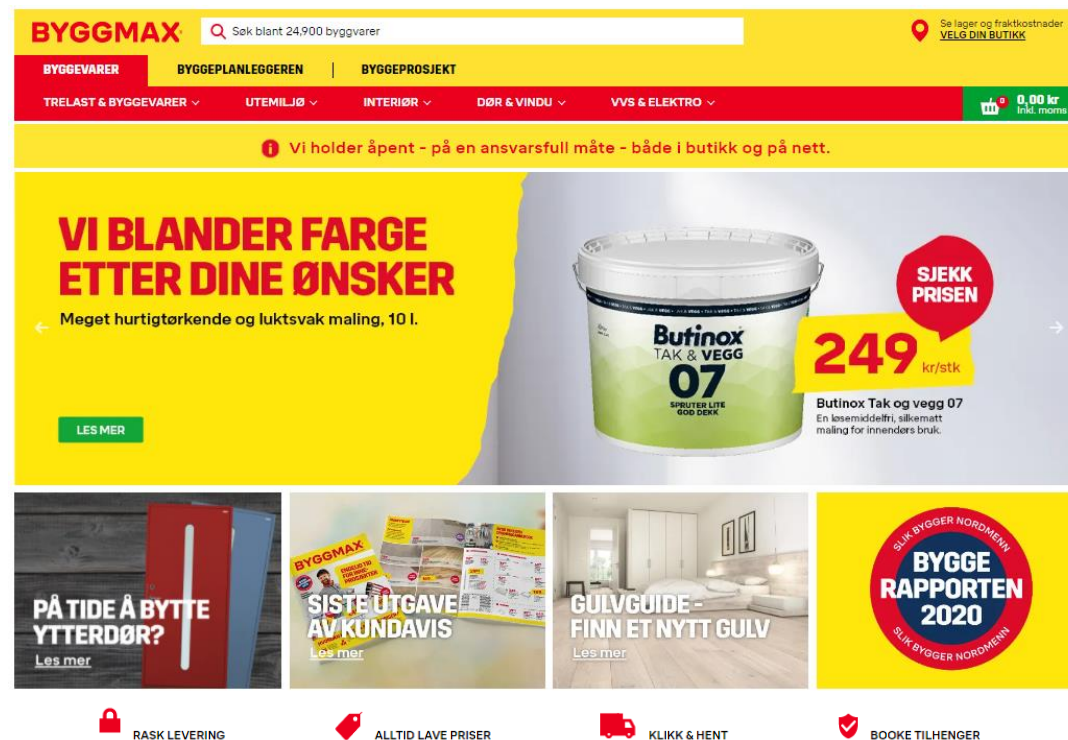
BYGGMAX STORES ENABLE FASTER E-COM GROWTH

Byggmax branded e-com sales almost as LY despite extreme comp's and supply challenges

- Byggmax branded e-com sales -9% Q4 2021 on back of +60% same period LY
- Continued very strong growth in store assortment products, both collect@store and home delivery
- Total impacted negatively by supply disruptions in some online exclusive categories, e.g., lighting, bathroom, only partly compensated by continued momentum in e.g., online exclusive flooring

Byggmax stores enable faster e-com growth

- Fastest growth continue to come from collect@store (order online, pick up in store), 3x vs 2019
- e-com increase ca 15 percent in geography where new store is opened



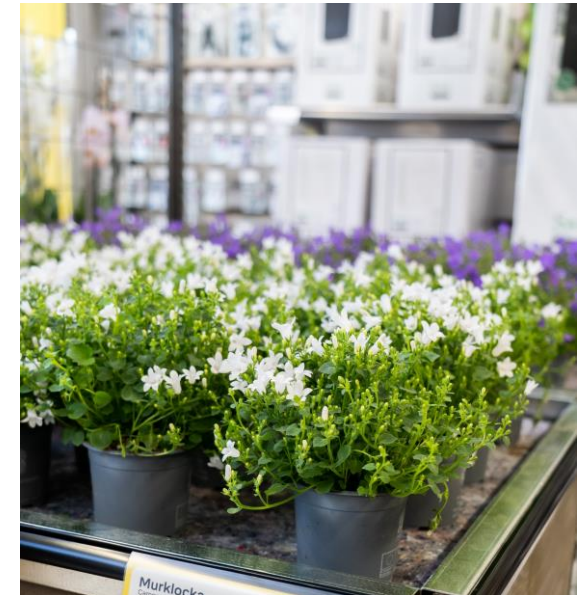
STORE UPGRADES GENERATES CA 6% SALES PER STORE



Small town format
Upgraded “3.0” version
launched 2020



Regular format (incl. Garden)
“Store 3.0” launched Q4 2018
Upgrades ongoing

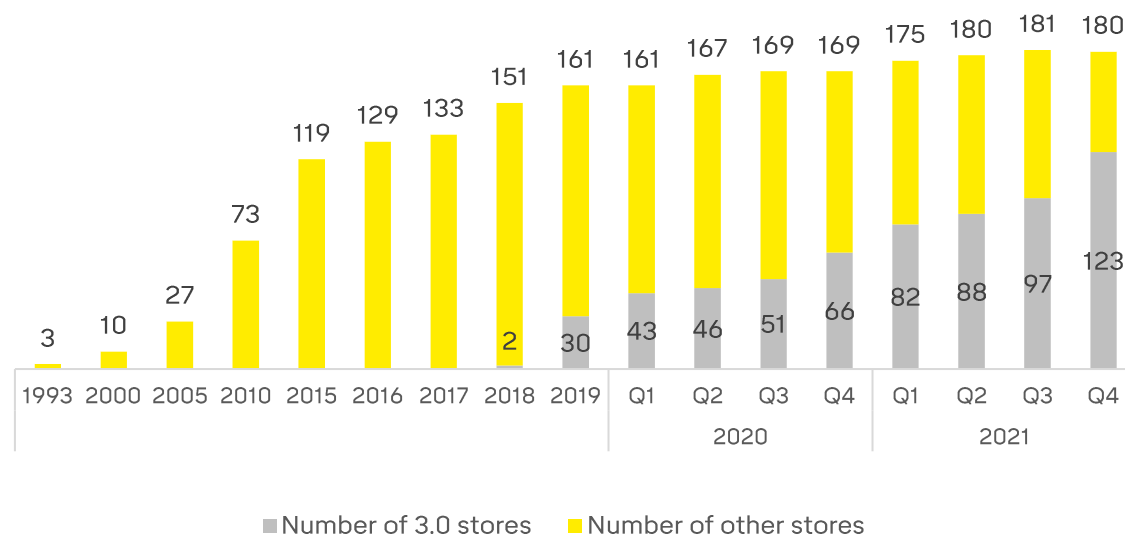


Large format (& large Garden)
Upgraded “3.0” version
launched 2020

Store 3.0 – more product categories and improved quality experience
Upgrades generate ca 6% sales increase per store

STORE UPGRADES AT RECORD PACE

Bygghmax store portfolio



Store 3.0 now 68% of portfolio

- 1 new Bygghmax store opened in Q4 2021: Höganäs (Sweden), 2 closed
- 25 upgrades in Q4 2021 to Store 3.0, total 123 Store 3.0 (68% of Bygghmax portfolio)
- Garden departments in 78 stores (43%), of which 23 large Garden departments (large format)
- Portfolio includes 20 stores of format for small towns (11%) and 23 large format stores (13%)
- In addition to Bygghmax stores, 12 new stores from acquired Right Price Tiles added in Q3
- 9 new stores for 2022 announced so far

STRONG PERFORMANCE IN RECENTLY ACQUIRED RIGHT PRICE TILES

Norwegian founder led discount concept with long history of profitable organic growth

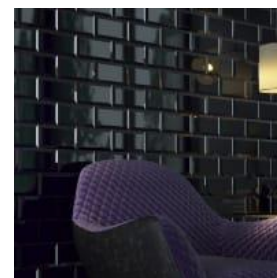
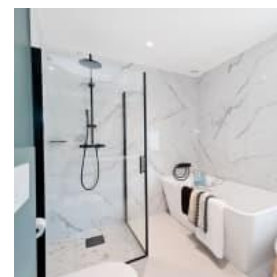
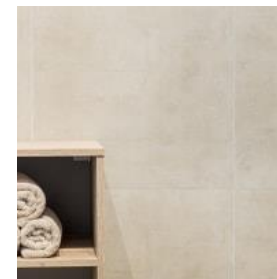
- Founded in 2005 with first store in Oslo
- Modern quality tiles and accessories at the best prices
- Offer complemented by bathroom products and flooring
- 2020 sales of NOK 300m and EBITDA 34m (excl. IFRS16)
- Continued performance momentum Q4 2021

Tiles an attractive category

- All-year category with attractive margins
- Younger customer base & “family” project
- Few consumer-focused players in the Nordics

Planning for growth under Byggmax brand

- Acquisition gives access to leading private label product portfolio and deep tiles competence
- Products to be offered via Byggmax e-com & selected stores
- Aim to expand RPT concept stores under Byggmax brand, and open first store in Sweden H2 2022



MOMENTUM ALSO FOR SKÅNSKA BYGGVAROR

Strong end to record year, with sales in the fourth quarter almost in line with last year

For the full year, sales increased 10 percent and profitability continued to improve

Order intake in the fourth quarter almost on par with last year's very high level

Focus forward on continuing executing growth initiatives: product development, digital sales & marketing, expansion in Norway and Finland



9%

SKÅNSKA BYGGVAROR
OF GROUP SALES Q4 2021

18%

TOTAL GROUP E-COM
OF GROUP SALES Q4 2021

SALES DEVELOPMENT Q4

	Byggmax	Skånska Byggvaror	Total
Share of Byggmax Group sales Q4 2021	91.4%	8.6%	100%
Sales development Q4 2021 vs. 2020	7.4% LFL -5.6% Acquisition 9.6% New stores 2.3%	-3.8% LFL -5.5%	6.5% LFL -5.6% Currency 1.3%

- Continued growth momentum in the quarter despite extreme comp
- Acquired Danish NLT and Norwegian Right Price Tiles add 9.6% to the segment in the quarter
- Currency of 1.3% mainly due to movements in NOK

SALES DEVELOPMENT 2021

	Byggmax	Skånska Byggvaror	Total
Share of Byggmax Group sales 2021	90.6%	9.4%	100%
Sales development 2021 vs. 2020	12.5% LFL 5.0% Acquisition 4.5% New stores 3.3%	9.5% LFL 8.7%	12.4% LFL 5.4% Currency 0.5%

- Continued growth momentum and market share gains in a stabilizing market
- Strong sales growth from Byggmax own initiatives i.e., e-com, store upgrades, new stores
- Acquired Danish NLT and Norwegian Right Price Tiles add 4.5% to the segment in the year
- Currency of 0.5% mainly due to movements in NOK

P&L Q4 2021

SEK M	2021	2020
Net sales	1 301	1 222
Other operating income	10	4
Total revenue	1 311	1 227
Cost of goods sold	-849	-798
Other external costs and operating expenses	-115	-79
Personnel costs	-193	-175
Depreciation and amortization of tangible assets	-129	-109
Total operating expenses	-1 285	-1 162
EBITA	25	65

Byggmax Group

- Net sales in Q4 increased by 6.5 percent to SEK 1,301 M (1,222)
- Gross margin increased to 34.8 percent (34.7), scale effects and the acquisition of RPT had a positive impact on the gross margin development in the period.
- Continued strong focus on cost control as the increase in costs is related to new stores and acquired businesses. Costs related to new and acquired stores amounted to SEK 52 M. Comparable costs increased by SEK 1 M (22).
- EBITA decreased to SEK 25 M (65)
- EBITA margin decreased to 1.9 percent (5.3)

Segment Byggmax (excl. IFRS 16)

- Net sales increased 7.4 percent to SEK 1,190 M (1,107)
- EBITDA decreased to SEK 66 M (94)

Segment Skånska Byggvaror (excl. IFRS 16)

- Net sales decreased 3.8 percent to SEK 113 M (118)
- EBITDA decreased to SEK -2 M (4)

P&L 2021

SEK M	2021	2020
Net sales	7 645	6 801
Other operating income	25	26
Total revenue	7 671	6 827
Cost of goods sold	-5 038	-4 584
Other external costs and operating expenses	-481	-400
Personnel costs	-782	-707
Depreciation and amortization of tangible assets	-474	-431
Total operating expenses	-6 776	-6 122
EBITA	895	705

Byggmax Group

- Net sales in 2021 increased by 12.4 percent to SEK 7,645 M (6,801)
- Gross margin increased to 34.1 percent (32.6), positively impacted by consumer price increase prior to the anticipated raw material price increase. Scale effects and positive impact from products mix in both segments favored further.
- Continued focus on efficiency in the period. Costs related to new and acquired stores amounted to SEK 117 M (56). Comparable costs increased by SEK 39 M (45). The increase in comparable cost was mainly attributable to growth initiatives.
- EBITA increased to SEK 895 M (705)
- EBITA margin increased to 11.7 percent (10.4)

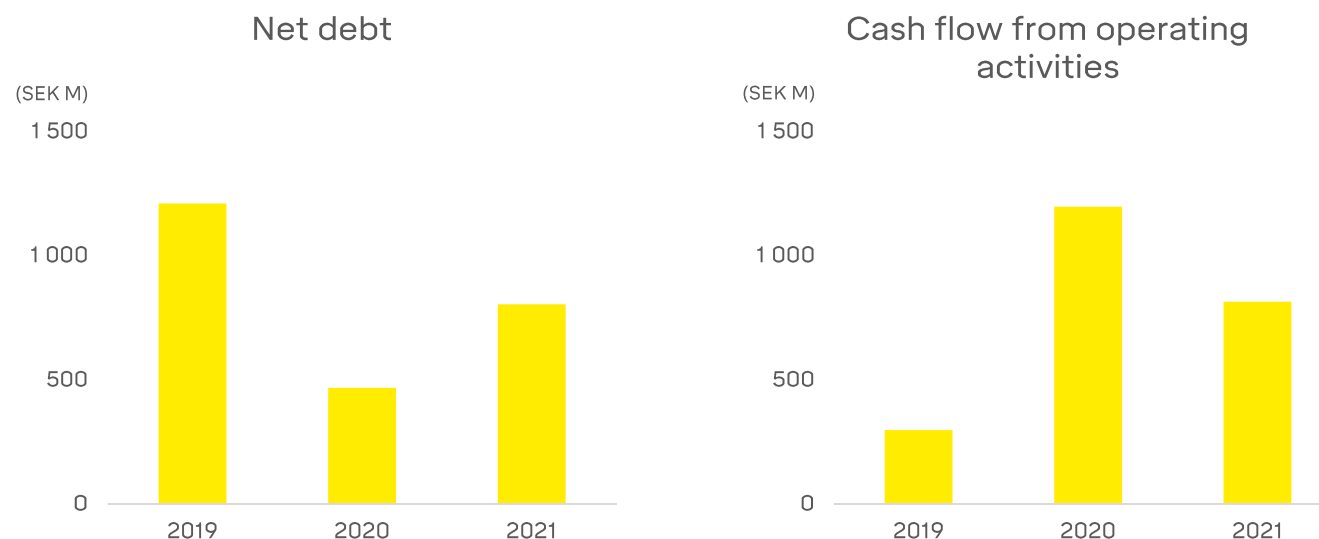
Segment Byggmax (excl. IFRS 16)

- Net sales increased 12.5 percent to SEK 6,929 M (6,158)
- EBITDA increased to SEK 941 M (775)

Segment Skånska Byggvaror (excl. IFRS 16)

- Net sales increased 9.5 percent to SEK 729 M (665)
- EBITDA increased to SEK 94 M (58)

STRONG CASH FLOW TO FUND GROWTH AND SHAREHOLDERS RETURN



Strong balance sheet with a net debt amounting to SEK 804 M excluding IFRS16, to be compared to a net debt position of SEK 467 M at year-end 2020 and net debt SEK 1 210 M at year-end 2019.

Net debt position at year-end 2021 takes account for increased investments in growth initiatives, distribution of funds to shareholders (dividend and buy-back) and M&A activities

The cash flow from operating activities amounted to SEK 814 M for 2021, a decrease of SEK 383 M compared to 2020. The change in cash flow from operating activities mainly attributable to an increase in EBIT and inventory movements driven by price increases and new stores

DISTRIBUTING FUNDS TO SHAREHOLDERS

Share buy back program of SEK 200m completed Q4 2021

- 2 374 000 shares repurchased, equivalent to 3.9% of outstanding shares
- Intention that repurchased shares are withdrawn through a reduction in the share capital (AGM decision)

Board of Directors propose a dividend of SEK 4.00 (2.75) per share



PERFORMANCE VS. FINANCIAL TARGETS

	Targets	FY 2021	Comment
Sales <small>RTM</small>	SEK 10bn 2025	SEK 7.6bn	SEK 6.8bn FY 2020
EBITA margin <small>RTM</small>	7-8%	11.7%	10.4% FY 2020
Net debt / EBITDA <small>RTM EBITDA, ex. IFRS16</small>	<2.5x	0.8x	0.6x Q4 2020
Dividend <small>Share of net income</small>	50%	35%	SEK 2.75 per share +200m buy-backs
CO2 <small>From goods transports, per ton km vs. 2010</small>	-70% 2030	-32%	FY 2020

READY FOR 2022

1. DIY market stabilizing at a higher level vs. before pandemic
2. Bygghmax modern discount concept takes a lot of market share
 - Bygghmax Group's sales +45% 2021 vs 2019, vs market +20%
 - Confirms strength of our modern discount concept
3. We have a larger and successful footprint: in e-com, new categories, new countries
 - Bygghmax branded e-com and sales of garden products 2x since before pandemic
 - Our acquisition of Right Price Tiles adds decorative categories and helps low season sales
 - Turned around Finland 2019, successfully entered Denmark 2021 – now profitable in four Nordic countries
4. We have strengthened our leading discount position
 - Remain no 1 hard DIY discounter in the Nordics
 - Bygghmax also increasingly associated with quality, relevant assortment and good service
5. We realize big scale effects and generate a lot of cash
 - EBITA margin 2021 more than doubled to 11.7 percent, compared to 5.1 percent 2019
 - Strong cash generation allow both investments in growth and distribution of funds to shareholders

MOVING FORWARD: CLEAR FOCUS AND POSITIVE OUTLOOK

Continued focus on proven growth initiatives also 2022

- Focus remains on building out Byggmax modern discount concept through our proven growth initiatives that all have much more to give
- Store upgrades at record pace also Q1 2022
- Improve our e-com offer, building on current momentum
- Open new stores, aiming for 15 new in 2022 including two new formats
 - First store for retail parks, in Marieberg, Örebro, summer 2022
 - Right Price Tiles concept under Byggmax brand, aim for first store in Sweden H2 2022
- Add-on acquisitions at appropriate opportunity

Macro trends provide support, reiterate market view

- Reiterate our market view: DIY market larger post vs. pre covid-19 pandemic, although not as large as during the pandemic
- Role of the home increases, more consumers working partly from home
- Accelerating shift to discount as consumer market prices increase
- Many new DIYers and many new e-com customers during pandemic



SAVE THE DATE – INVESTOR UPDATE

One hour investor update on
strategic development and
growth journey ahead

Save the date – digital event
March 28, 2022

Details will follow separately



Q&A



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