



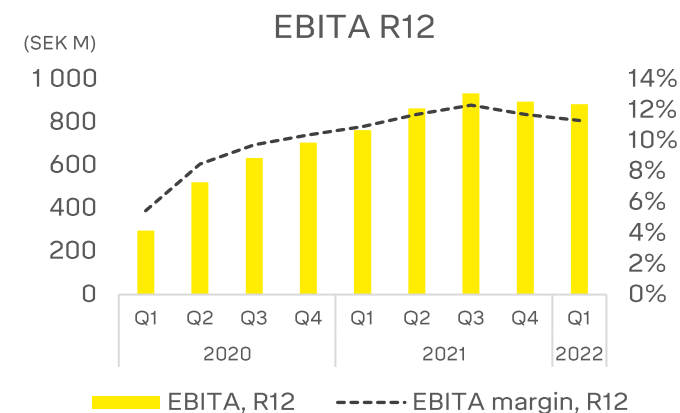
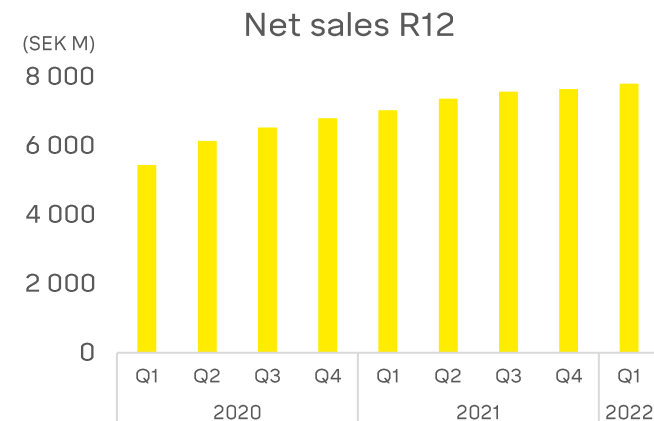
Q1 Report 2022

April 21, 2022

Mattias Ankarberg, CEO
Helena Nathorst, CFO

Q1 2022: STRONG START TO THE YEAR

- Q1 net sales increased 14% (26%) to 1,271m (1,111m)
 - Continued growth momentum despite extreme comps
 - Continued market share gains
 - Like-for-like sales increased 1% (+20%)
 - E-com accounted for 21% of Group sales
- Increased gross margin and continued strong cost control
Negative cost impact of electricity prices and currency
- Supply situation remains in all manageable
No suppliers from Russia, Belarus or Ukraine
- EBITA decreased somewhat to SEK -4 M (7)
Well above all years prior to 2021
EBITA margin -0.3% (0.7%)



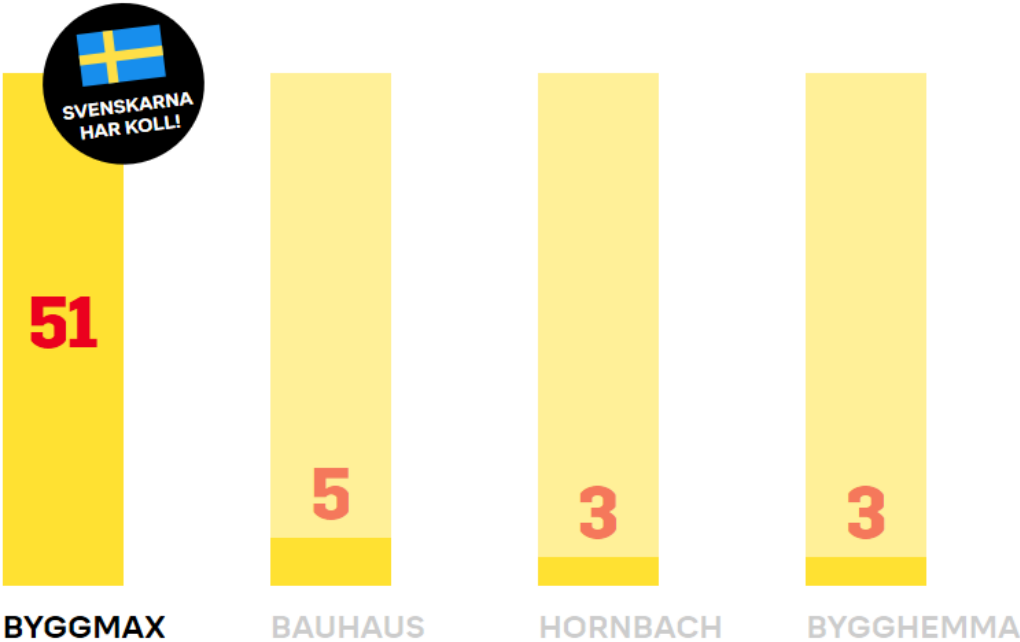
KEY EVENTS

- Store portfolio upgraded at record pace, to 81% (46%) of portfolio as Store 3.0
- 2 new stores opened in Q1 2022
- Acquisition of BygMax A/S, a Danish e-commerce company
- New ambitious climate agenda launched, incl. targets for GHG reduction and first Byggmax Green Venture investment



CLEAR AND LEADING DISCOUNT POSITION

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



**“HÄR FINNS SVERIGES
BILLIGASTE TRÄDÄCK”**
AFTONBLADET
Undersökningen publicerades på aftonbladet.se i april 2021.

Test fakta
Verified
Quality & Performance

VG **Pristest på terrassebord: Ikke
betal for mye**
VG April 8 2022



CONTINUING TO OUTPERFORM THE MARKET

Percent, local currency, Nordic B2C DIY market



Q1 2022: Market stabilized at new higher level

- Despite macro uncertainty, positive impact from increased role of the home, high housing market activity and higher prices
- Positive weather conditions, effects in line with last year
- Market Q1 2022 neg. -2-4% vs 2021, as market now stabilized at new higher level vs. pre pandemic

 Bygghmaterialhandlarna **VIRKE**

PROFITABLE GROWTH THROUGH PROVEN INITIATIVES

Store upgrades



Store 3.0 upgrade adds +6% sales per store: more categories, better quality experience

e-com



Extend online exclusive range & more convenient shopping alternatives

New stores



Organic expansion of three formats (small/mid/large) to reach new catchment areas

Add-on M&A



Geographic or category add-ons, fit with Bygghuset discount model & offer

Q1 2022: GROWTH INITIATIVES CONTINUED TO DELIVER

Store upgrades 81% (46%) of stores Q1 2022

- Store upgrades at record pace Q1 2022
- Store 3.0 at 81% (46%) of portfolio end Q1
- Upgrade to Store 3.0 add ca 6% sales per store

e-commerce 21% (22%) of Group sales RTM Q1 2022

- Bygghmax branded e-com sales -10% on back of extreme comps (+90%)
- Growth in Sweden & Finland despite comps. In Denmark & Norway store lock-downs drove abnormal e-com LY, Q1 '22 declined to 2nd highest ever
- Continued fastest growth from “buy online, pick-up in store”

Store expansion +3%-p. Q1 2022

- 2 new stores opened in Q1 2022, both in Sweden
- 15 new stores planned to open in 2022
- New organically opened Bygghmax stores add 3%-p. sales Q1 2022

Acquisitions +9%-p. Q1 2022

- Acquisition of less seasonal Norwegian Right Price Tiles closed Aug 31, '21
- Acquisition of Danish e-com company BygMax A/S, incl. as of Jan 1, 2022



ACQUISITION OF DANISH E-COM COMPANY BYGMAX A/S

Danish founder led e-com pioneer

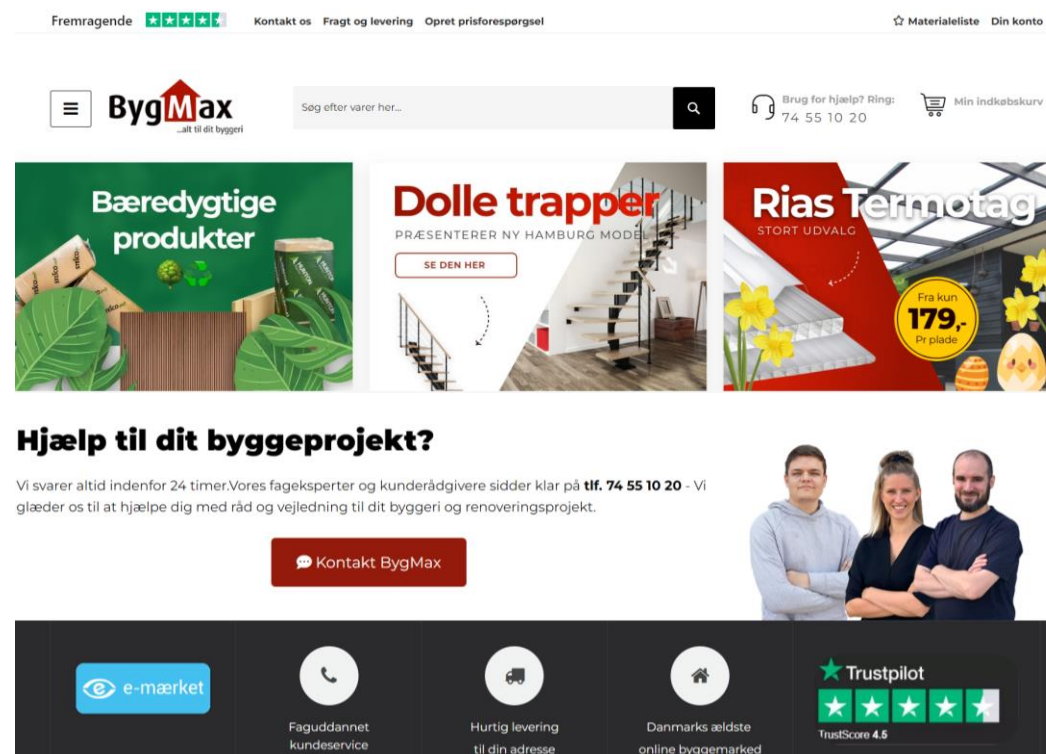
- Founded in 2002 with the idea to offer a wide range of quality DIY products at the best prices
- Over time grown organically, profitably, and with very high customer satisfaction
- Wide assortment range of +125,000 products

Very good addition to Denmark entry

- Access to large DIY assortment suitable for e-com and low prices supports Denmark entry and over time Nordic e-com growth
- Brand similarity enables easier integration

Sales of DKK 93m 2021

- 2021 BygMax A/S and e-bygstore A/S collective sales ca DKK 93m, EBITDA-margin ca 6 percent
- Maximum Enterprise Value of DKK 45m, of which DKK 38m in initial consideration plus maximum DKK 7m based on performance in 2022



NEW AMBITIOUS CLIMATE AGENDA

Minimize emissions

Radically reduce emissions
from own operations:

-90% in 5 years
(by 2027 vs 2020)

Net zero value chain 2040

Byggmax Green Ventures

Develop, manufacture and sell
own circular products

- Fit with Byggmax offer
- Positive climate benefit
- Generate sales & profit

Do more good than harm

Potential for positive climate impact i.e., climate benefits from own circular products exceed remaining own emissions by 2023 and exceed remaining value chain emissions by 2030

AMBITIOUS TARGETS FOR MINIMIZING EMISSIONS

Own emissions

Scope 1 & 2

New!

Reduce GHG emissions from own operations, vs. base year 2020, by **-90% in 5 years** (until 2027)

Transportation

Part of Scope 3

Reduce GHG per transported ton, vs. base year 2010, by **-70% by 2030**

Value chain

Scope 1, 2, 3

New!

Net zero value chain emissions (Scope 1, 2 & 3) by **2040**

Our approach

- “First things first” hierarchy
- Impact own value chain (no offsets)
- Data driven and validated

Progress already underway



GREEN VENTURE #1: MORE WOOD

Swedish start-up, two experienced founders

Aim to produce timber beams out of cross-laminated timber scrap, today burned for heat

Byggmax funds and anchors as main customer and part owner

- Initial investment SEK 7m
- Option for majority stake

Potential to avoid GHG of 20-30,000 tons with current set-up (exceeds Byggmax own emissions)

First products expected autumn 2022

Three more investments under evaluation

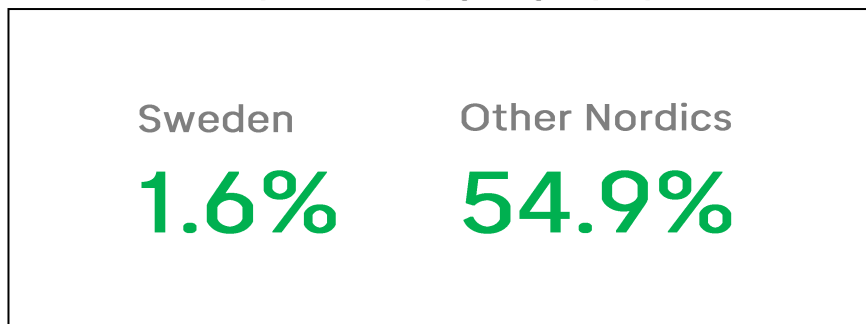


SALES DEVELOPMENT Q1 2022

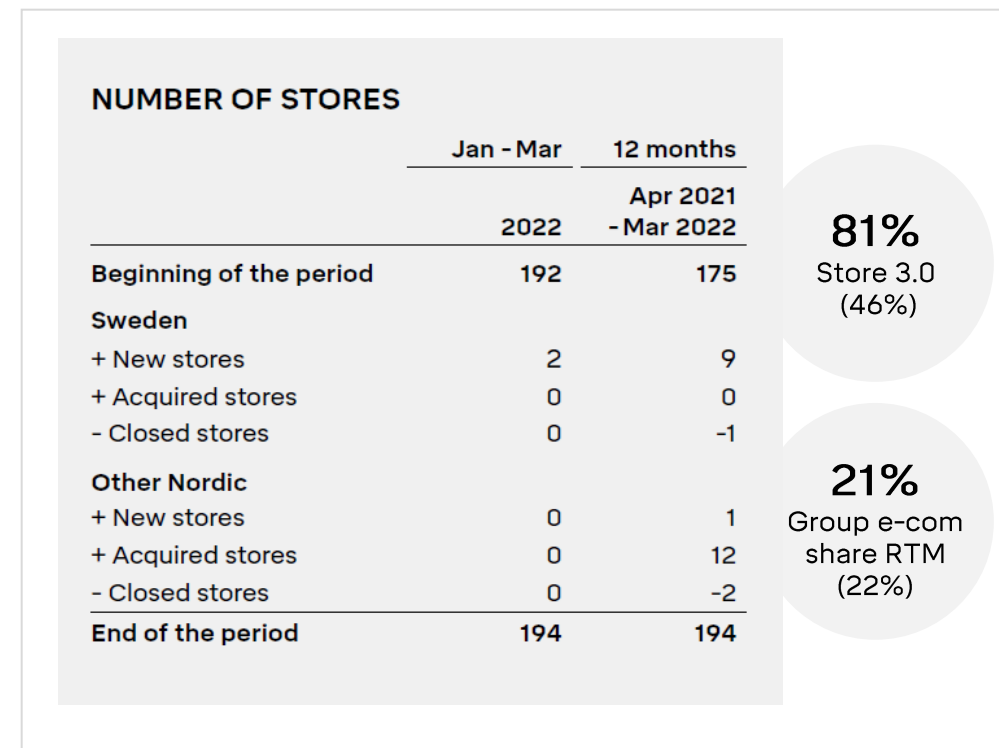
Sales development, Q1 2022 vs. 2021



Sales development by geography



Store portfolio and channel development



- Continued growth momentum in the quarter despite extreme comps, LFL sales +0.8%
- Acquired Norwegian Right Price Tiles and BygMax A/S add 9.4% sales in the quarter
- Strong growth outside Sweden, driven by M&A, also organic. Currency adds 1.7%

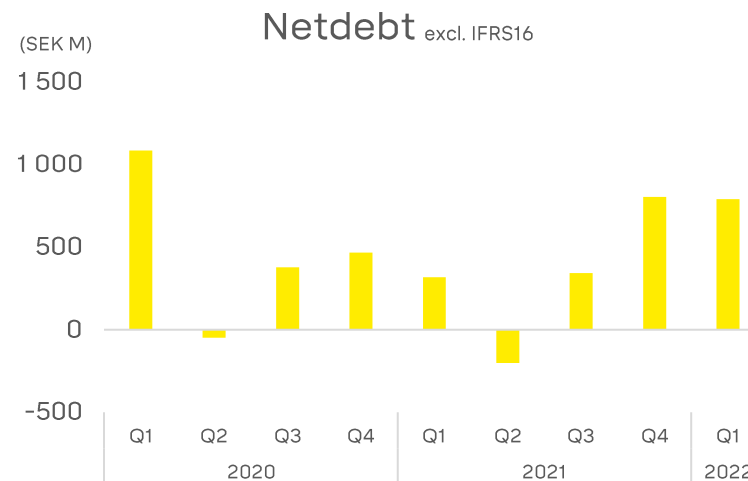
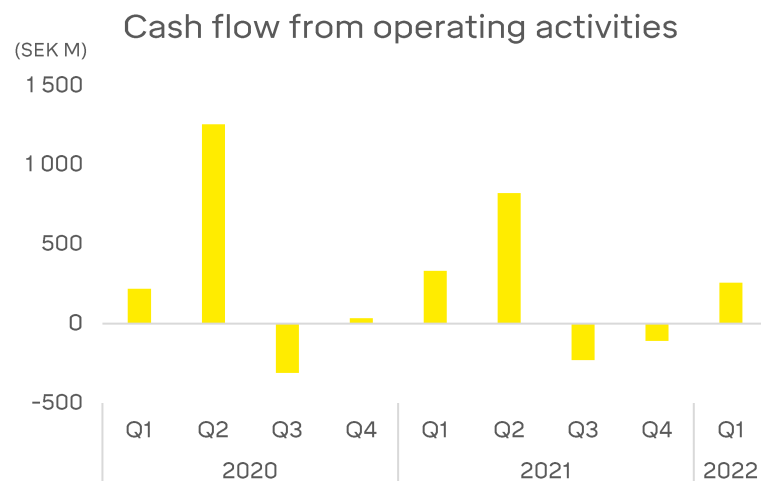
P&L Q1 2022

SEK M	2022	2021
Net sales	1 271	1 111
Other operating income	10	8
Total revenue	1 281	1 119
Cost of goods sold	-819	-734
Other external costs and operating expenses	-152	-105
Personnel costs	-183	-161
Depreciation and amortization of tangible and intangible fixed assets	-145	-121
Total operating expenses	-1 300	-1 121
EBIT	-18	-2
Amortization of intangible fixed assets related to acquired surplus values	14	10
EBITA	-4	7

Byggmax Group

- Net sales in Q1 increased by 14.4 percent to SEK 1,271 M (1,111).
- Gross margin increased to 35.5 percent (33.9), positive product mix and the acquisition of RPT had a positive impact on the gross margin development in the period.
- Continued strong focus on cost control. Costs related to new and acquired stores amounted to SEK 50 M (21). Comparable costs increased by SEK 19 M (9). The increase is related to more upgrades to Store 3.0, electricity costs and exchange-rate effects.
- EBITA decreased to SEK -4 M (7)
- EBITA margin decreased to -0.3 percent (0.7)

CASH FLOW & NET DEBT



The cash flow from operating activities amounted to SEK 257 M for Q1 2022, a decrease of SEK 75 M compared to Q1 2021. The change in cash flow from operating activities mainly attributable to changes in inventory and accounts payable.

Solid balance sheet with a net debt amounting to SEK 792 M excluding IFRS16.

High activity of investments in growth initiatives and acquisition of BygMax A/S in the quarter, in total SEK 157 M (114).

TRENDING ABOVE FINANCIAL TARGETS

	Targets	Q1 2022	Comment
Sales RTM	SEK 10bn 2025	SEK 7.8bn	SEK 7.0bn Q1 2021
EBITA margin RTM	7-8%	11.3%	10.9% Q1 2021
Net debt / EBITDA RTM EBITDA, ex. IFRS16	<2.5x	0.8x	0.4x Q1 2021
Dividend Share of net income	50%	39%	SEK 4.00 per share proposed
CO2e In own operations, vs 2020 From transportation, vs 2010	Science-based -90% Own. em. 2027 -70% transport 2030	On track +13% -41%	New targets & Green Ventures

FULL STEAM AHEAD 2022

Positive market outlook

- DIY market larger post vs. pre pandemic (not as during)
- Accelerating shift to discount as prices increase

Record high growth activity

- Upgrade store portfolio to Store 3.0 at record pace
- Improve our e-com offer, building on momentum
- Aim for 15 new stores incl. two new formats
- Add-on acquisitions that fit in – Danish e-com pioneer BygMax A/S Jan 2022

Towards positive climate impact

- Radically reduce own emissions
- First circular timber beams autumn 2022
- Review further Green Venture investments



Q&A



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