



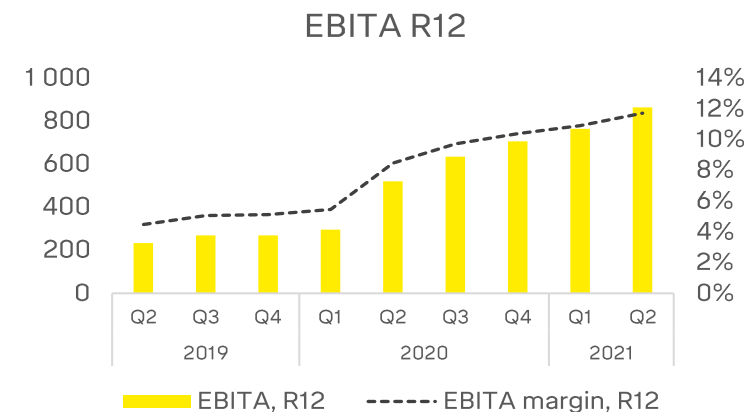
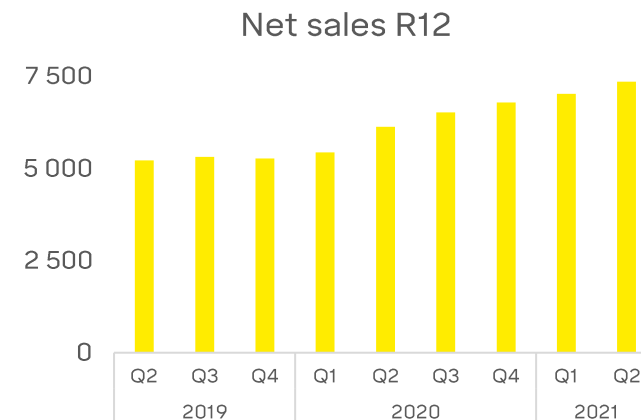
Q2 Report 2021

July 15, 2021

Mattias Ankarberg, CEO
Helena Nathorst, CFO

Q2 2021: RECORD QUARTER DESPITE EXCEPTIONAL COMPARABLES

- Q2 net sales increased 13% (39%) to 2,833m (2,499m)
 - Strong market and continued share gains
 - Like-for-like sales increased 9%
 - Byggmax branded e-com grew 35%
 - E-com accounted for 25% of Group sales
- Increased gross margin and solid cost control gave continued strong scale effect
- EBITA increased to SEK 456 M (357)
EBITA margin increased to 16.1% (14.3%)
RTM EBITA margin increased to 11.7% (10.4% 2020)



KEY EVENTS

- Covid-19 situation – precautions to operate in a responsible way
- Partial lockdowns in Norway during April, due to covid-19 restrictions
- Store portfolio further upgraded and 5 new stores opened in Q2 2021
- Acquired Norwegian tiles discounter Right Price Tiles (announced after Q2)



HEALTH & SAFETY FIRST IN COVID-19 PANDEMIC

Continued precautions

- Ensure health & safety of staff and customers, e.g., hygiene routines, cleaning frequency, cash point covers, canceled events, hand washing stations, info signs, distance markers, “pay from car” service

Partial lockdowns in Norway April 2021

- Limited impact of partial lockdowns in Q2 2021
- In April, up to 23 Norwegian stores were closed for visits (Bygghmax total 175 stores start Q2 2021)
- Newly launched “collect outside store” recouped good part of lost store sales

Positive financial impact

- Positive demand from “stay at home” effect
- Disruptions in all manageable



**KLIKK & HENT
UTENFOR BUTIKK**

Kjøp varer på byggmax.no. Vi pakker bestillingen din innen to timer. Du får en sms med en bekreftelse og kan hente ordren din utenfor butikken innenfor ordinære åpningstider.

Bestill før 16:00 for å kunne hente ordren samme dag.

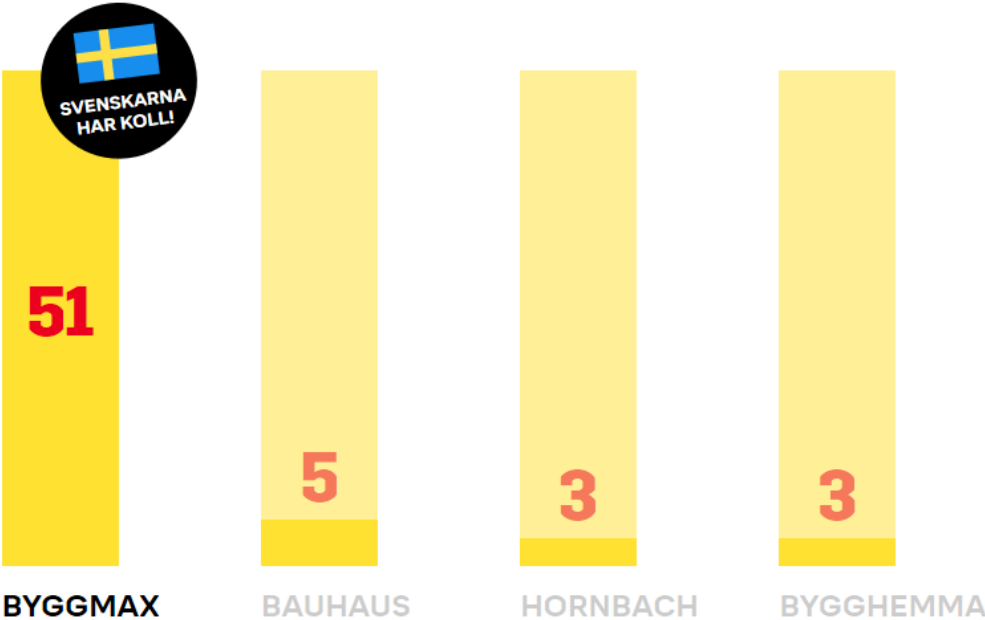


HJEMLEVERING

Velg mellom ulike leveringsalternativ på byggmax.no.

CLEAR AND LEADING DISCOUNT POSITION

VILKEN BYGGHANDEL UPPEVER DU HAR LÄGST PRIS?



Recognized for markets' lowest prices by several independent surveys also 2021

LÄGST PRIS!

I en jämförelse, gjord mars 2021 av byggahus.se, på materialkostnad för attanbygge hos 5 bygghandlare.

BILLIGAST PÅ ALFAN

Publicerad i Aftonbladet i maj 2021.

Bygghandel	Pris
BYGGMAX	12 061
Hornbach	13 359
K-rauta	13 092
Byggghemma	14 076
Bauhaus	15 167
Beijer	17 000

Genomsnittligt pris per m² för attanbygge: 1 234,56 kr/m²

"HÄR FINNS SVERIGES BILLIGASTE TRÄDÄCK"

AFTONBLADET

Undersökningen publicerades på aftonbladet.se i april 2021.

BYGGMAX BILLIGST PÅ TERRASSEBORD 28X120

Hos Byggmax får du de billigaste terrassebordene 28x120, ifølge VGs prisundersökelse.

Undersökelsen ble publicert i VG i mai 2021.

LAVEST PRIS!

på terrassebord 28x120 ifølge VGs prisundersökelse i mai 2021

Verified

Quality & Performance

MARKET SHARE GAINS CONTINUED

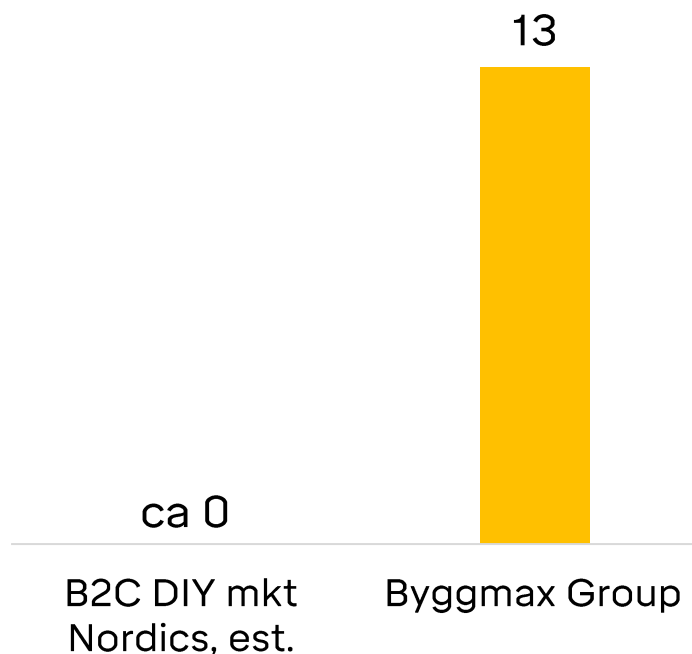
2020: Nordic B2C DIY market ca +20% (local currency)



Q2 2021: Nordic B2C market est. ca unchanged vs very strong LY

- Very strong market growth Q2 '20 during pandemic first wave
- Continued “stay home” effect
- Positive effect from increased consumer market prices
- Small negative effect of partial lockdowns in Norway in April
- Strong housing market

Q2 2021, percent



2020: Bygghandlarna Group net sales +32% in local currency, +29% reported

Q2 2021: Bygghandlarna Group +13% in local currency and reported

Bygghandlarna segment +12%

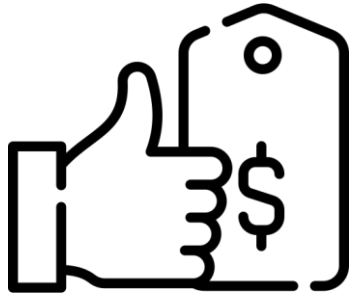
- Strategic initiatives drive the growth: e-com, store upgrades, new stores
- Acquired Denmark business adds 2%

Skånska Bygghandlarna +21%

- Leading online garden niche position
- Well performing growth initiatives

FAVORABLE MARKET TRENDS

Discount



Accelerating

Further acceleration
of shift to discount with
higher DIY consumer prices

The home



New level

Home plays larger role
post covid-19 pandemic
Many new DIYers in pandemic

e-commerce



Accelerating

Many new e-com
consumers during
covid-19 pandemic

STRATEGIC INITIATIVES DRIVE PROFITABLE GROWTH

Bygghmax “Modern discount for today’s DIY-ers”

e-commerce +35% Q2 2021

- Bygghmax branded online sales +35% Q2 2021 (+65%)
- Continued fastest growth from collect@store
- Larger assortment, upgraded site, better delivery options

Store upgrades +6% per “Store 3.0”

- Store 3.0 at 49% (28%) of portfolio end Q2, add ca 6% sales per store
- Garden range perform strongly, with Q2 garden sales 2x in two years (40% of store portfolio with garden departments)

Store expansion +2% Q2 2021

- 5 new stores opened Q2 2021, following 2 new in Q1
- Target 2021 is 12 new stores, in addition to 4 acquired in Denmark
- New stores add 2% sales Q2 2021 (+ Denmark acq.)



CONTINUED VERY STRONG ONLINE GROWTH

Bygghmax branded e-com sales +35% in Q2 2021

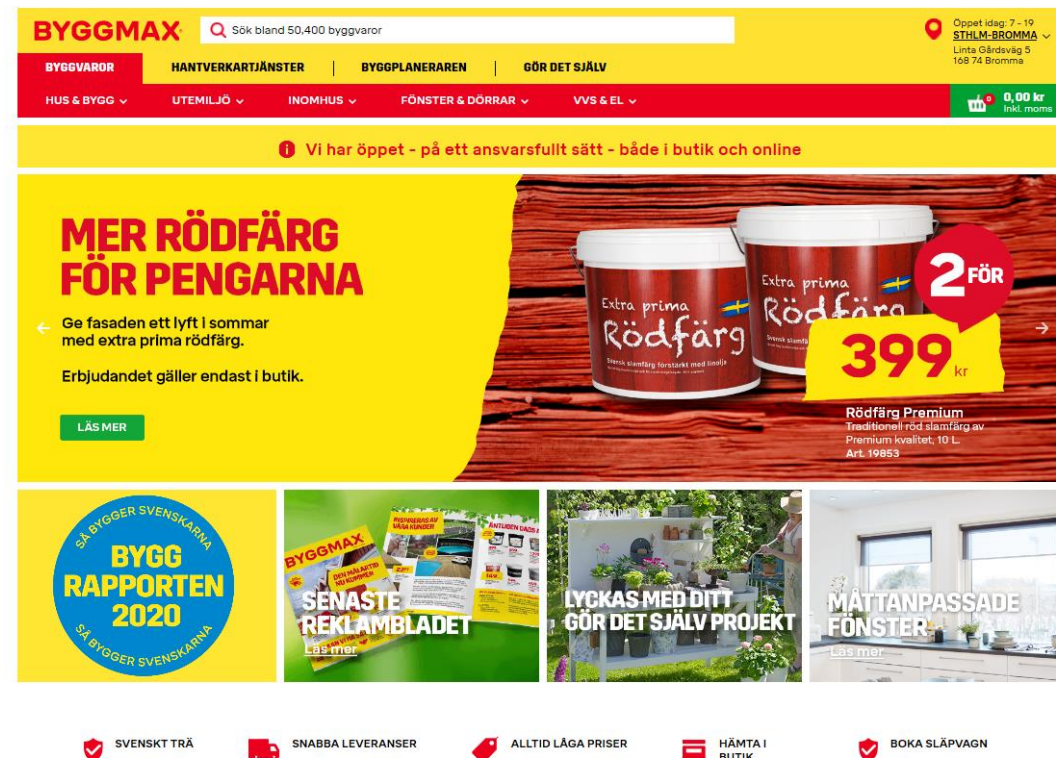
- Strong growth despite exceptional comparables of +65% in Q2 2020
- Strong growth across all major product categories
- Larger assortment, improved site, delivery options

Bygghmax stores enable faster e-com growth

- Fastest growth continue to come from collect@store (order online, pick up in store), although home delivery also increased strongly
- e-com increase ca 15 percent in geography where new store is opened

Further strengthen e-com offer in 2021

- First in Nordic DIY to launch “pro-active track & trace”
- New private label ranges for garden furniture and bathroom products
- Digital guides and instructions for +200 DIY projects



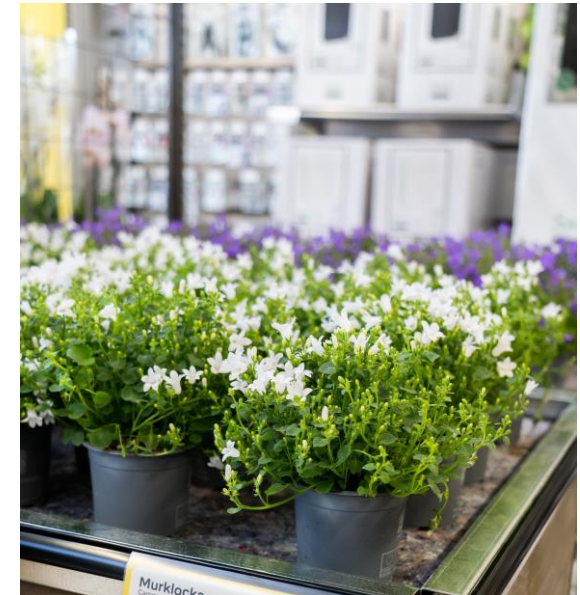
STORE UPGRADES GENERATES CA 6% SALES PER STORE



Small town format
Upgraded "3.0" version
launched 2020



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

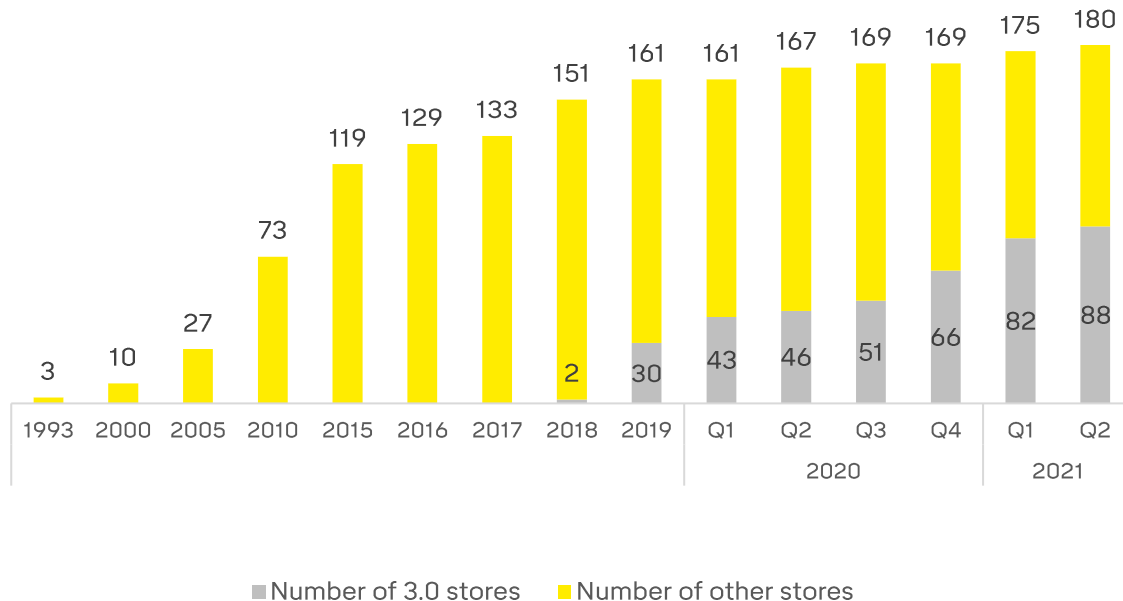


Large format (& large Garden)
Upgraded "3.0" version
launched 2020

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

LOTS OF RUNWAY LEFT FOR MORE UPGRADES

Bygghmax store portfolio



Store 3.0 now 49% of portfolio

- 5 new stores opened in Q2 2021: Leksand, Finspång, Borgholm and Alingsås (Sweden) and Porsgrunn (Norway)
- 2 new stores in Q1 2021 and 4 stores from acquired Næstved Lavpristræ (“NLT”), Denmark
- 1 relocation (Trollhättan), no upgrades in Q2 2021 to Store 3.0, total 88 Store 3.0 (49% of Bygghmax portfolio)
- Garden departments in 72 stores (40%), of which 21 large Garden departments (large format)
- Portfolio includes 20 stores of format for small towns (11%) and 21 large format stores (12%)
- 10 new stores announced so far for 2021 (3 not yet opened), and 2 relocations (both Sweden)

ANOTHER STRONG QUARTER FOR SKÅNSKA BYGGVAROR

Benefit from leading online garden niche position

Continued strong results from growth initiatives

- Product development
- Digital sales and marketing

Sales increased 21%, profitability continued to increase, and order intake increased somewhat despite exceptional comparables

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



11%

SKÅNSKA BYGGVAROR
OF GROUP SALES Q2 2021

25%

TOTAL GROUP E-COM
OF GROUP SALES Q2 2021

ACQUISITION OF RIGHT PRICE TILES, ANNOUNCED AFTER Q2 2021

Norwegian founder led discount concept

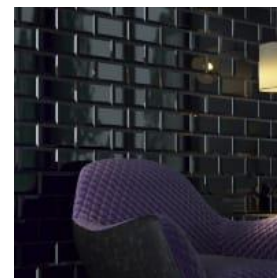
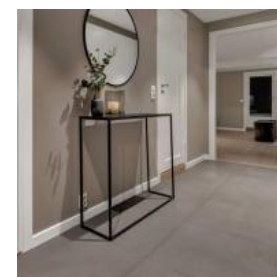
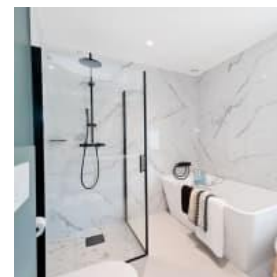
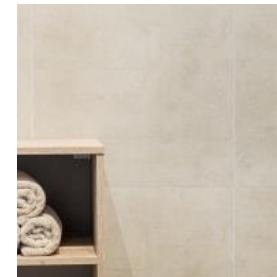
- Founded in 2005 with first store in Oslo
- Modern quality tiles and accessories at the best prices
- Offer complemented by bathroom products and flooring

Long history of profitable organic growth

- Built mainly as franchise, later centralized
- Currently 14 stores (of which two franchise) and a small fast growing e-com business
- Direct importer of tiles and related products
- 2020 sales of NOK 300m and EBITDA 34m (excl. IFRS16)

Initial consideration of NOK 175m, additional consideration of max. NOK 110m

- Earn-out based on EBITDA 2021 and 2022
- In all total maximum EV of NOK 285m
- Subject to approval from Norwegian competition authority



FURTHER GROWTH UNDER THE BYGGMAX BRAND

Attractive category

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

Strong fit with Byggmax proposition

- Discount offer similar to Byggmax: quality products at the best prices, same prices for all
- Product offer largely complementary to Byggmax
- RPT clear price leader and market share winner

Further growth with Byggmax brand

- Acquisition gives access to leading private label product portfolio and deep tiles competence
- RPT products initially offered through Byggmax e-commerce and selected stores (2022)
- To be followed by tiles-focused concept stores outside Norway under the Byggmax brand



SALES DEVELOPMENT Q2

	Byggmax	Skånska Byggvaror	Total
Share of Byggmax Group sales Q2 2021	89.2%	10.8%	100%
Sales development Q2 2021 vs. 2020	12.2% LFL 7.3% Acquisition 2.4% New stores 2.5%	21.2% LFL 19.9%	13.4% LFL 8.6% Currency 0.7%

- Continued “stay home” effect during covid-19 pandemic and positive effect from increased consumer market prices
- Strong sales growth from Byggmax own initiatives i.e., e-com, store upgrades, new stores
- Solid growth for Skånska Byggvaror
- Acquired Denmark NLP business adds 2.4% in the quarter
- Currency of 0.7% mainly due to movements in NOK

P&L Q2 2021

SEK M	2021	2020
Net sales	2 833	2 499
Other operating income	1	11
Total revenue	2834	2 510
Cost of goods sold	-1 892	-1 723
Other external costs and operating expenses	-141	-114
Personnel costs	-230	-210
Depreciation and amortization of tangible assets	-115	-107
Total operating expenses	-2 378	-2 154
EBITA	456	357

Byggmax Group

- Net sales in Q2 increased by 13.4 percent to SEK 2,833 M (2,499)
- Gross margin increased to 33.2 percent (31.1), positively impacted by favorable mix effects and increased consumer market prices driven by increased raw material prices.
- Cost control remained solid.
- Costs related to new and acquired stores amounted to SEK 24 M. Comparable costs increased by SEK 24 M (-7). The increase is mostly due to increased store operation costs and Covid-19 effects.
- EBITA increased to SEK 456 M (357)
- EBITA margin increased to 16.1 percent (14.3)

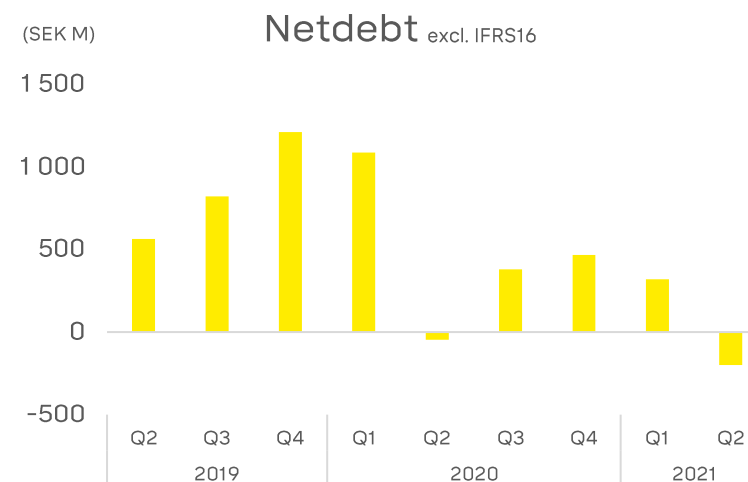
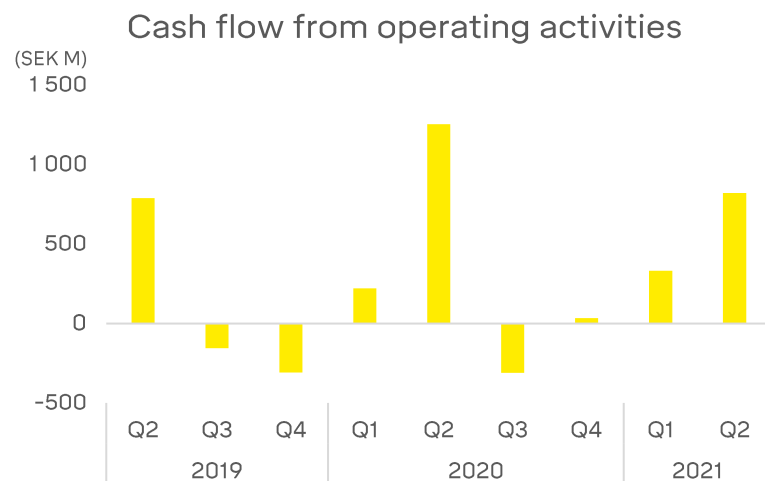
Segment Byggmax (excl. IFRS 16)

- Net sales increased 12.2 percent to SEK 2,528 M (2,254)
- EBITDA increased to SEK 430 M (348)

Segment Skånska Byggvaror (excl. IFRS 16)

- Net sales increased 21.2 percent to SEK 309 M (255)
- EBITDA increased to SEK 62 M (41)

CASH FLOW & NET DEBT



Cash flow from operating activities amounted to SEK 821 M for the first quarter, a decrease of SEK 433 M compared to the same period last year.

The change in cash flow from operations mainly attributable to decreased accounts payable.

Dividend to shareholders in the period of SEK 168 M (-).

Strong balance sheet with a net cash amounting to SEK 200 M excluding IFRS16, to be compared with a net cash position of SEK 47 M in Q2 2020.

PERFORMANCE VS. FINANCIAL TARGETS

	Targets	RTM Q2 2021	Comment
Sales RTM	SEK 10bn 2025	SEK 7.4bn	SEK 6.1bn RTMQ2 '20
EBITA margin RTM	7-8%	11.7%	8.5% RTM Q2 '20
Net debt / EBITDA RTM EBITDA, ex. IFRS16	<2.5x	-0.2x	-0.1x Q2 2020
Dividend Share of net income	50%	35%	SEK 2.75 per share
CO2 From goods transports, per ton km vs. 2010	-70% 2030	-32%	FY 2020

RECORD QUARTER AND A STRONGER POSITION

Q2 2021: Record results despite exceptional comparables

- Strong market & strong performing organic growth initiatives, e.g., Byggmax branded e-com +35% (+65%), Byggmax garden also doubled in two years
- Price impacts positively & leading low price position strengthened
- Strong scale effects and profit improvement

We remain focused on our proven organic growth initiatives

- Byggmax towards “Modern discounter for today’s DIY-ers”
- Execute proven initiatives: e-com (increased efforts 2021), store upgrades (continue, mainly Q4/Q1, new stores in white spots (target 12 new 2021))
- All initiatives have much more to give

Acquisition of Right Price Tiles adds further potential

- Norwegian discount concept focused on modern tiles and accessories at the best prices, complementary to our current offer
- Plan further Nordic growth under the Byggmax brand

Accelerating trends provide support, reiterate market view

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



Q&A



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