

Press release September 6, 2018

Bygghemma Group acquires the leading online pure-play home furnishings retailer in the Baltics and Eastern Europe

Bygghemma Group First AB (publ) (“Bygghemma”) has acquired 30 percent and has an option to acquire up to 80 percent of the shares in Furniture1 UAB (“Furniture1”), the leading online pure-play retailer within furniture and interior decoration in the Baltics and Eastern Europe.

Furniture1 has had a compound annual growth rate (CAGR) of 73 percent over the last three years and reported a turnover of approximately SEK 200 million for the period from September 2017 to August 2018 (LTM) with a, for the space, healthy profitability. The company was founded in 2008 in Lithuania and currently has operations in Estonia, Latvia, Lithuania, Croatia, Hungary, Bulgaria, Greece, Slovenia and Romania and has 135 employees. The purchase price for the 30 percent of the shares amounts to approximately SEK 30 million and corresponds to an enterprise value of approximately SEK 100 million for Furniture1. The option to acquire up to 80 percent of the shares has no time limit.

Bygghemma Group is already the largest online home furnishings retailer in the Nordic region, through its Trademax, Chilli, Furniturebox and Myhome web stores.

“Through the acquisition of Furniture1, Bygghemma Group is expanding its leading Nordic position to include the fast-growing Baltic and Eastern European markets. We see considerable synergies between our existing operations and Furniture1 with respect to purchasing, among other areas, since Bygghemma Group is one of the largest furniture buyers in the Baltics. We also see significant opportunities to develop the segment’s sales model, since Furniture1 is at the forefront when it comes to web production and assortment. Furthermore, the company has made considerable progress in developing its logistics set-up, and manages last-mile deliveries through its own fleet of delivery vehicles in all its markets,” says Mikael Olander, CEO of Bygghemma Group.

The purchase consideration for the 30 percent of the shares which have been acquired has been financed by loans and the transaction was completed in connection to signing. Furniture1 will be consolidated from 1 September 2018 as a consequence of the option to acquire 80 percent.

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This information is information that Bygghemma Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 8:00 a.m. CET on 6 September 2018.



About Bygghemma Group

Bygghemma Group is the leading online-based provider of home improvement products in the Nordic region. We offer our customers a broad product assortment at competitive prices with convenient home delivery. Our operations comprise two segments, DIY and home furnishing, where DIY sells products from well-known external brands for home and garden improvement and home furnishing sells furniture and décor, primarily under the company's own brands. Bygghemma Group consists of several online stores, including Bygghemma, Trademax, Chilli and Furniturebox. Bygghemma Group had revenue of approximately SEK 4.4 billion in 2017, is headquartered in Malmö and is listed on Nasdaq Stockholm, Mid Cap.