

## INTERIM REPORT BYGGMAX GROUP AB JANUARY 1 – JUNE 30, 2020

### SUMMARY OF THE SECOND QUARTER OF 2020

- Net sales increased to SEK 2,499 M (1,799), representing growth of 38.9 percent.
- The Group's currency adjusted like-for-like sales increased by 39.2 percent.
- The gross margin was 31.1 percent (30.7).
- EBITA amounted to SEK 357 M (133), with an EBITA margin of 14.3 percent (7.4).
- EBIT amounted to SEK 347 M (123), with an EBIT margin of 13.9 percent (6.8).
- Net profit for the period amounted to SEK 268 M (87).
- Earnings per share totaled SEK 4.39 (1,42).
- Cash flow from operating activities increased to SEK 1,254 M (788).
- Six (eight) stores opened during the period.
- The financial impact from the Covid-19 pandemic on Byggmax Group in the second quarter has been positive.
- Byggmax top-ranked in Verdens Gang (VG Norway) price survey for terrace projects

# 28%

Share of Byggmax Stores 3.0

# 20%

Online share R12

# SEK 6.1 BN

Net sales R12

### KEY PERFORMANCE INDICATORS

SEK M	April – June		January – June		12 months	Full year
	2020	2019	2020	2019	July 2019- June 2020	2019
Net sales	2,499	1,799	3,378	2,514	6,141	5,277
Gross margin, %	31.1	30.7	31.5	31.5	32.0	32.1
EBITA	357	133	306	55	520	270
EBITA margin, %	14.3	7.4	9.0	2.2	8.5	5.1
EBIT	347	123	286	35	481	230
EBIT margin, %	13.9	6.8	8.5	1.4	7.8	4.4
Net profit/loss for the period	268	87	210	6	346	142
Earnings per share, SEK	4.39	1.42	3.44	0.09	5.67	2.32
Shareholder's equity per share, SEK	27.76	22.65	27.76	22.65	27.76	24.60
Cash flow from operating activities	1,254	788	1,474	761	1,010	297
Number of stores at the end of the period	178	171	178	171	178	172
Stores opened during the period	6	8	6	8	9	11

For more information, please contact:

**Mattias Ankarberg**, President, mattias.ankarberg@byggmax.se +46 76 11 90 985

**Helena Nathhorst**, CFO, helena.nathhorst@byggmax.se +46 76 11 90 040

# BEST QUARTER IN HISTORY

In the second quarter 2020 we achieved the highest quarterly sales and profit in Byggmax's history.

Sales increased 39 percent, boosted by exceptional market growth and strategic initiatives that generated approximately 10 percent growth. Our e-commerce investments are paying off and Byggmax e-com sales increased 62 percent. We also benefited from our position as the Nordic price leader with stores close to customers and a strong online presence.

Gross margin for the second quarter increased to 31.1 percent. The product mix continued to improve, with good developments in e.g., garden and paint. Cost control remained very strong. Efficiency initiatives and currency effects more than compensated for the cost increase driven by volume growth and precautions in the Covid-19 situation.

In all we demonstrated a very strong ability to convert sales growth into additional profit. EBITA for the second quarter almost tripled to SEK 357 M and the EBITA margin doubled to 14 percent.

## STILL HEALTH AND SAFETY FIRST

During the Covid-19 pandemic, the health and safety of our staff and customers are our top priority. Byggmax has the advantage of a concept based on self-service and much shopping is done outdoors. We have taken many precautions to stay open in a responsible way, and in May we also launched a "pay from car" service. Covid-19 related disruptions to our operations have so far been manageable.

**The second quarter 2020 was the best in Byggmax's history. Sales increased 39 percent, scale effects were very strong, and the EBITA margin doubled to 14 percent.**

## EXCEPTIONAL MARKET GROWTH

In the second quarter the consumer market for building materials showed exceptional growth, boosted by a "stay home"-effect during the Covid-19 pandemic. The consumer market grew much faster than the professional (B2B) market, in line with a lively DIY trend seen across Europe this spring. In the short term weather plays a role and the early spring added to market growth.

We estimate that the Nordic consumer market increased around 20–30 percent. Market growth was strongest in April, followed by May, and still very good in June.

## BYGGMAX ONLINE TAKING OFF

In the second quarter, strategic growth initiatives continued to deliver at or above expectations.

E-commerce sales increased by 62 percent, supported by a larger assortment and last year's investments in an improved site and more delivery options. "Order online, pick up in store" is emerging as a preferred consumer alternative and a natural strength for us with our 167 stores. In the second quarter, Byggmax collect@store service was used for 14 percent of orders, an increase from four percent last year.

The Store 3.0 initiative continued to exceed our expectations of driving additional three percent sales per store. We now have 46 stores as 3.0 (28 per-

cent of the portfolio). We focus on store upgrades in low season and new openings during high season and six new stores opened in the quarter. Three were of the small town format - including the first in Norway - and two with garden departments. New stores continue to perform well and generated five percent sales growth.

The Byggmax segment sales increased 41 percent and EBITDA improved by SEK 206 M to SEK 348 M

## SKÅNSKA BYGGVAROR CONTINUES STRONG

Skånska Byggvaror continued to develop very well. The initiatives within digital sales and marketing and product development are giving strong results and order intake increased strongly. Sales increased 21 percent and EBITDA improved by SEK 18 M to SEK 41 M.

## GETTING BETTER

We set a new strategy in 2017, to fix challenges, build our strengths and develop growth drivers. In 2018 we turned around Skånska Byggvaror and proved a Byggmax garden concept and a format for small towns. In 2019 we created "Store 3.0" to upgrade existing stores and invested in our online infrastructure. We now have several proven initiatives to drive profitable growth and with more to give. For the rest of 2020, we plan to convert a further 15-20 stores to 3.0, grow our e-commerce and open four new Byggmax stores.

This spring home improvement increased as consumers worked from home and spent time on "staycation" instead of travelling. We expect "staycation" to continue boost demand in the third quarter. To some extent this shift in behavior should continue also beyond this year.

**Mattias Ankarberg**  
President



# BYGGMAX IN BRIEF

## MISSION AND BUSINESS CONCEPT

Our mission is simple. We sell building supplies and other products to DIY enthusiasts at the lowest price.

Shopping at Byggmax should be quick, cheap, easy and friendly.

Our business concept is also simple: customers do part of the job and we promise low prices.

## VISION

The Byggmax vision is to be the world's best DIY retailer. We are on your side! We promise the best prices and to always be the easiest and fairest to deal with.

## LONG-TERM FINANCIAL TARGETS

To achieve organic sales growth of 10 to 15 percent per year.

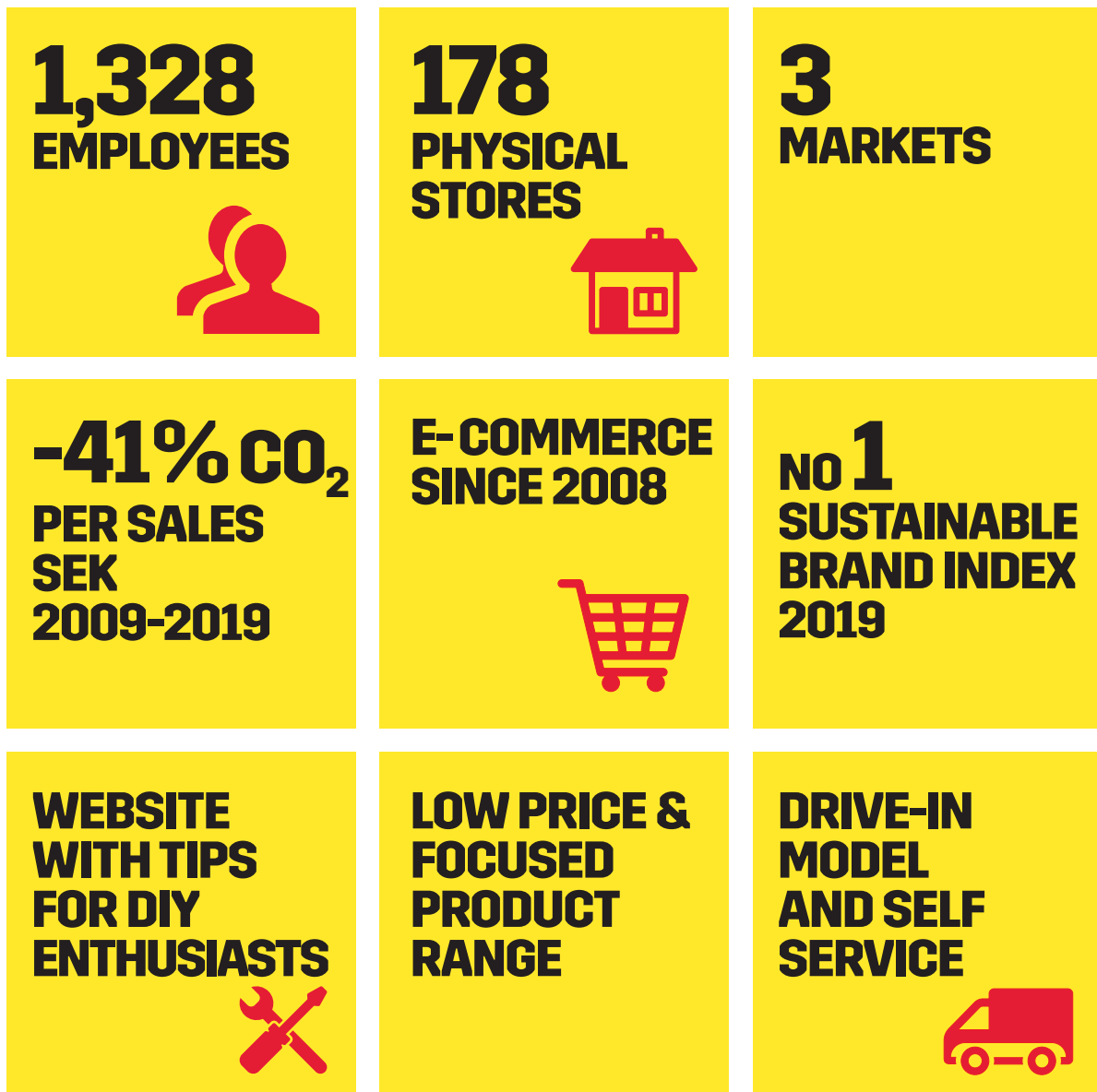
EBITA margin before amortization and impairment of intangible fixed assets (EBITA margin) between 7 to 8 percent.

The company to distribute at least 50 percent of profit for the period provided that net cash is sufficient to drive and develop operations.

## STRATEGIES FOR ACHIEVING THE TARGETS

Byggmax holds an attractive position in a good market with a number of unique strengths:

- Strong brand with a low-price position
- Unique store format based on self-service
- A strong e-commerce position
- Strong culture of cost awareness and entrepreneurship.



# GROUP NET SALES AND EARNINGS

## APRIL – JUNE 2020

### NET SALES

The operation's net sales amounted to SEK 2,499 M (1,799), up 38.9 percent. Exchange rate effects had a negative impact on net sales of 3.7 percent. The Group's currency adjusted like-for-like sales increased by 39.2 percent calculated in local currency. The strongest sales month of the quarter was May.

The gross margin was 31.1 percent, compared with 30.7 percent in the corresponding quarter last year. The gross margin was impacted positively by product mix effects and negatively by currency effects.

### EBIT

EBIT amounted to SEK 347 M (123), with an EBIT margin of 13.9 percent (6,8).

Personnel costs and other expenses increased SEK 10 M compared with the corresponding quarter last year. Costs were negatively impacted by the opening of new stores for which costs amounted to SEK 17 M (23). The comparable costs, that is to say costs excluding new stores, decreased SEK -7 M (7). Comparable costs were stable due to improved efficiency, the cost decrease was mainly attributable to currency effects.

### NET FINANCIAL ITEMS AND TAX

Net financial items amounted to SEK -12 M (-15). Net financial items for the quarter were negatively impacted by exchange-rate effects of SEK -1 M (-1).

The profit before tax amounted to SEK 334 M (108). Income tax for the period amounted to SEK -67 M (-22).

Net profit for the period amounted to SEK 268 M (87).

## JANUARY – JUNE 2020

### NET SALES

The operation's net sales amounted to SEK 3,378 M (2,514), up 34.4 percent. Exchange rate effects had a negative impact on net sales of 3.0 percent. The Group's currency adjusted like-for-like sales increased by 33.9 percent. The strongest sale month of the period was May.

The gross margin was 31.5 percent, compared with 31.5 percent in the corresponding period last year.

### EBIT

EBIT amounted to SEK 286 M (35), with an EBIT margin of 8.5 percent (1.4).

Personnel costs and other expenses increased SEK 31 M compared with the corresponding period last year. Costs were negatively impacted by the opening of new stores for which costs amounted to SEK 29 M (41). The comparable costs, that is to say costs excluding new stores, increased SEK 2 M (-5).

### NET FINANCIAL ITEMS AND TAX

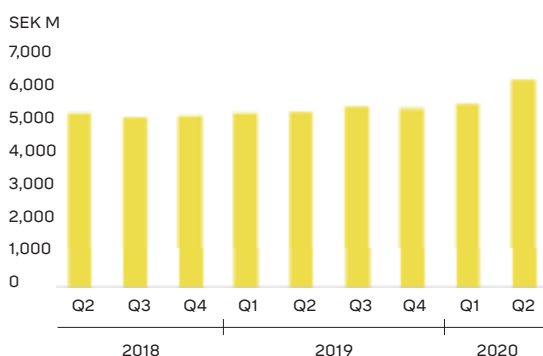
Net financial items amounted to SEK -29 M (-30). Net financial items for the period were negatively impacted by exchange-rate effects of SEK -4 M (-3).

The profit before tax amounted to SEK 257 M (6). Income tax for the period amounted to SEK -47 M (0). The decided reduction in corporate tax from 21.4 percent to 20.6 percent from 2021 positively impacted deferred tax liability with SEK 5 M.

Net profit for the period amounted to SEK 210 M (6).

## NET SALES

Net sales R12



## RESULTS AND MARGINS

EBITA R12 — EBITA margin



# CASH FLOW AND FINANCIAL POSITION

## CASH FLOW

Cash flow from the operating activities amounted to SEK 1,254 M for the quarter, up SEK 466 M compared with the corresponding period last year. The change was primarily a result of improved earnings and increased accounts payable.

Cash flow from the operating activities amounted to SEK 1,474 M for the first six months, up SEK 713 M compared with the corresponding period last year.

At the end of the period, inventory totaled SEK 1,146 M (1,157). Skånska Byggarvaror's inventory totaled SEK 69 M (73). Compared with the end of the year-earlier period, nine new Byggmax stores were added and the associated inventory amounted to SEK 57 M.

## INVESTMENTS

Investments for the quarter amounted to SEK 51 M (47). Of these, SEK 32 M (24) was attributed to investments in stores opened after the second quarter of 2020, as well as SEK 1 M (5) to IT investments.

Investments for the first six months amounted to SEK 79 M (94). Of these, SEK 38 M (31) was attributed to investments in stores opened in 2020, as well as SEK 4 M (10) to IT investments.

## NEW STORE OPENINGS

For the April to June period six (eight) new stores were opened. The following additional Byggmax stores have been publicly announced and will open in 2020: Tierp, Kiruna och Höör in Sweden and Notodden in Norway.

## LIQUIDITY AND FINANCIAL POSITION

Consolidated net debt was SEK 1,292 M (1,998). The net cash excluding the effects of IFRS 16 amounted to SEK 47 M (-563) Mkr. The equity/assets ratio amounted to 31.4 percent (25.4). Unutilized credit facilities totaled SEK 1,190 M (763).

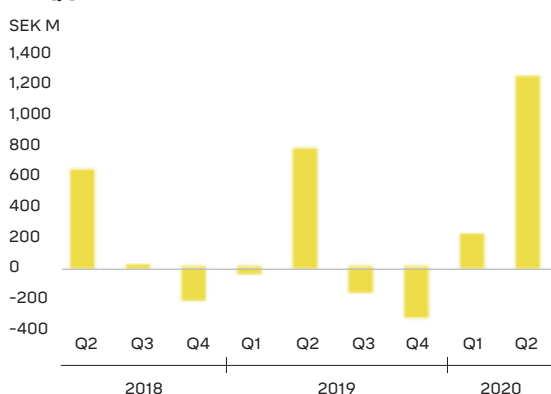
## GOODWILL AND OTHER INTANGIBLE FIXED ASSETS

The Group's carrying amounts from intangible fixed assets amounted to SEK 2,093 M (2,137). The Group's carrying amounts from goodwill amounted to SEK 1,808 M (1,808). Other intangible fixed assets amounted to SEK 284 M (328) and primarily pertained to software, customer relationships and brands. Amortization of Skånska Byggarvaror customer relationships and brands amounts to SEK -10 M (-10) for the quarter. Amortization of Skånska Byggarvaror customer relationships and brands amounts to SEK -20 M (-20) for the first six months.

## SHAREHOLDERS' EQUITY

Consolidated shareholders' equity amounted to SEK 1,693 (1,382), which corresponds to SEK 27,76 (22,65) per share outstanding. As of June 30 2020 there are warrant programs outstanding encompassing 1,658,000 shares.

### CASH FLOW FROM OPERATING ACTIVITIES, BY QUARTER



### CASH FLOW FROM OPERATING ACTIVITIES, R12



# PERFORMANCE BY BUSINESS SEGMENT

## SUMMARY

SEK M	April – June		January – June		12 months	Full year
	2020	2019	2020	2019	July 2019 – June 2020	2019
<b>Net sales</b>						
Byggmax	2,254	1,597	3,067	2,257	5,573	4,763
Skånska Byggvaror	245	202	312	258	568	514
Other	0	0	0	0	0	0
<b>Total net sales</b>	<b>2,499</b>	<b>1,799</b>	<b>3,378</b>	<b>2,514</b>	<b>6,141</b>	<b>5,277</b>
<b>EBITDA<sup>1</sup></b>						
Byggmax	348	142	349	118	609	378
Skånska Byggvaror	41	23	20	0	40	19
Other	-3	-2	-5	-4	-9	-7
<b>Total EBITDA<sup>1</sup></b>	<b>386</b>	<b>163</b>	<b>364</b>	<b>114</b>	<b>640</b>	<b>390</b>
<b>EBITDA margin, %</b>						
Byggmax	15.4	8.9	11.4	5.2	10.9	7.9
Skånska Byggvaror	16.7	11.3	6.5	-0.1	7.0	3.7
<b>Total EBITDA margin</b>	<b>15.4</b>	<b>9.0</b>	<b>10.8</b>	<b>4.5</b>	<b>10.4</b>	<b>7.4</b>

1) Excluding the effects of IFRS 16

## BUSINESS SEGMENTS

The Byggmax Group comprises three segments: Byggmax, Skånska Byggvaror and Other. The Byggmax segment includes Byggmax AB, including its subsidiaries in Norway and Finland, Buildor AB and Svea Distribution AB. Buildor's results are monitored as a part of Byggmax segment due to functions such as sourcing and development of the e-commerce platform are shared. Svea Distribution is a wholly-owned subsidiary that primarily delivers to Byggmax, so monitoring and governance is followed up under the framework for the Byggmax segment.

Skånska Byggvaror AB was acquired in January 2016 and remains its own segment.

Other only includes Group internal leasing and the Parent Company. No individual part of the Other segment represents such a material part that it forms its own reportable segment.

IFRS 16 is not applied in the segment report, the segments are otherwise recognized in accordance with the same accounting policies as the Group. The difference between the sum of the segments' EBITDA and the Groups' profit before tax was attributed to IFRS 16 for the quarter was SEK 78 M (76), depreciation and amortization of tangible and intangible fixed assets amounted to SEK -117 M (-116) and a net financial expence of SEK -12 M (-15). The difference between the sum of the segments' EBITDA and the Groups' profit before tax was attributed to IFRS 16 for the first six months was SEK 155 M (149), depreciation and amortization of tangible and intangible fixed assets amounted to SEK -233 M (-228) and a net financial expence of SEK -29 M (-30), see note 1.

No changes has occurred to the division of segments or calculation or the segments' results since the most

recently released annual report.

Nor has there occurred any substantial changes concerning the segments' assets compared with the information in the most recent annual report.

## SEASONAL VARIATIONS

The second and third quarter have historically reported the highest net sales and the highest EBIT. Cash flow from operating activities is impacted by an accumulation of inventory during the first quarter before the increased sales of the second quarter.

# SEGMENT BYGGMAX

## BYGGMAX®

Byggmax's business model is built on selling affordable standard building materials such as lumber, insulation, sheet and boards, and paint for maintenance and DIY projects at our proprietary stores in Sweden, Norway and Finland. Byggmax focuses on sales to private consumers. The in-store product range is less than online and the store selection changes only marginally from year to year. Byggmax also offers a far greater range online, with almost 45,000 unique items available. The e-commerce company Buildor offers a broad range at competitive prices for building supplies, interior furnishings and the garden.

### NET SALES AND EARNINGS APRIL – JUNE

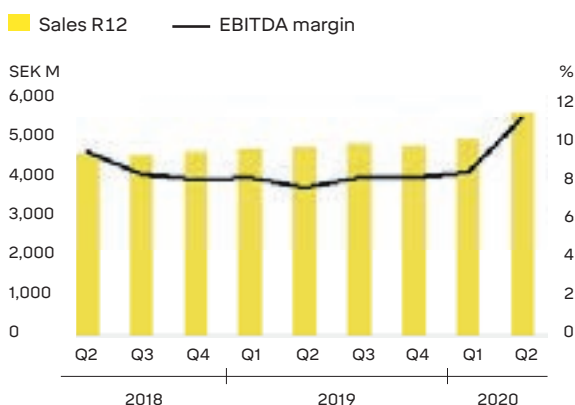
Net sales increased 41.2 percent in the second quarter to SEK 2,254 M (1,597). Six (eight) new stores were opened during the quarter.

In the second quarter, Byggmax accounted for 90.2 percent of the Group's net sales. Byggmax has 113 stores in Sweden, 44 in Norway and 10 in Finland; a total of 167 stores. The number of 3.0 stores at the end of the period amounted to a total of 46 stores, corresponding to 28 percent of our store portfolio.

Online sales have risen sharply, assisted by a larger product range, an improved website and more delivery options. For example order online and pick up at store.

EBITDA for the second quarter amounted to SEK 348 M (142). The EBITDA margin for the quarter was 15.4 percent (8.9). EBITDA for the quarter was impacted by costs for new stores that amounted to SEK 17 M (23).

### NET SALES AND EBITDA MARGIN



### BYGGMAX

SEK M	April – June		12 months
	2020	2019	July 19- June 20
Net sales	2,254	1,597	5,573
Share of the Group's net sales, %	90.2	88.8	90.8
EBITDA	348	142	609
EBITDA margin, %	15.4	8.9	10.9
Number of stores	167	159	167

# SEGMENT SKÅNSKA BYGGVAROR



Skånska Byggvaror is a leading Nordic e-commerce company, with operations primarily in categories related to garden buildings such as sunrooms and greenhouses. Skånska Byggvaror's products are sold under proprietary brands and the company has, thanks to internal product development as well as its own production and refinement, an extremely high level of control over quality, design and cost. Sales are primarily conducted online. Stores operate with a shop-in-shop concept within Plantagen stores in both Norway and Sweden. Skånska Byggvaror sells its products in Norway through the brand Grønt Fokus. Sales on the Finnish market are made through Byggmax.

## NET SALES AND EARNINGS APRIL – JUNE

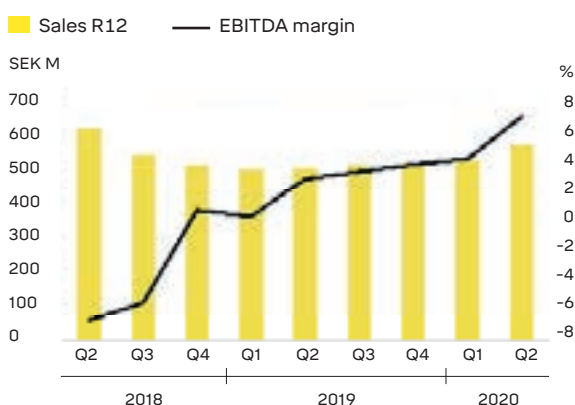
Net sales increased 21.3 percent in the second quarter to SEK 245 M (202). The order intake increased and we continue to build for growth using initiatives within the core product range, digital sales and marketing.

Skånska Byggvaror represents 9.8 percent of the Group's net sales for the quarter. Skånska Byggvaror has eleven shop-in-shop concept stores, seven in Sweden and four in Norway.

EBITDA amounted to SEK 41 M (23) in the quarter, corresponding to an EBITDA margin for the quarter of SEK 16.7 percent (11.3).

The realignment of Skånska Byggvaror has generated positive effects with a positive profitability trend for the past eight quarters.

## NET SALES AND EBITDA MARGIN



## SKÅNSKA BYGGVAROR

SEK M	April – June		12 months
	2020	2019	July 19–June 20
Net sales	245	202	568
Share of the Group's net sales, %	9.8	11.2	9.2
EBITDA	41	23	40
EBITDA margin, %	16.7	11.3	7.0
Number of stores	11	12	11



# OTHER

## ACCOUNTING POLICIES

Byggmax Group applies the International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting for 2019. The application of the accounting policies corresponds with the policies in the Annual Report for the fiscal year ending December 31, 2019.

The Parent Company's accounts have been prepared pursuant to the Annual Accounts Act and RFR 2 Accounting for Legal Entities. The same accounting policies have been applied as for the Group except in those cases stated in the Parent Company's accounting policies section in the 2019 Annual Report, Note 2.18. The Parent Company does not apply IFRS 16.

Refer to the Annual Report for the 2019 fiscal year, notes 1–4, for a more detailed description of the accounting policies applied for the Group and the Parent Company in this interim report

## TRANSACTIONS WITH RELATED PARTIES

No transactions occurred between Byggmax and related parties that could significantly impact the company's position and results.

The 2017 and 2019 AGMs resolved to introduce warrant programs for senior executives and other key staff at Byggmax. The warrants are priced at market value, which is based on a valuation made by an independent party. Each warrant entitles its holder to subscribe for one share in the company. The participants of the warrants program have entered into a pre-emption agreement.

The 2017 warrant program comprising 788,000 warrants expires on December 7, 2020 and can be exercised at a subscription price of SEK 67.50 from June 8, 2020.

The 2019 warrant program comprising 870,000 warrants expires on December 9, 2024 and can be exercised at a subscription price of SEK 47.40 from June 10, 2024.

## PARENT COMPANY

The Parent Company constitutes a holding company. The Parent Company's net sales during the second quarter

amounted to a SEK 0 M (0). The loss after financial items was SEK -8 M (-6) for the quarter.

## EMPLOYEES

The number of employees, (converted into full-time equivalents) totaled 1,328 (1,211) at the end of the period.

## SIGNIFICANT RISKS AND FACTORS OF UNCERTAINTY

The Byggmax Group conducts business activities in the Swedish, Norwegian and Finnish DIY markets. In the short-term, the market is heavily impacted by weather-related effects, as these comprise the prerequisites for consumers to wish to carry out outdoor projects.

Many Nordic locations still lack a low-price alternative, which means Byggmax has continued good potential for continued organic growth. The Byggmax Group's significant risks and uncertainty factors are described in the 2019 Annual Report.

Just as other companies, Byggmax is currently faced with the challenge posed by the spread of Covid-19. Measures are being taken across the globe to prevent communities and business operations alike from being affected. The Byggmax Group is actively working on an ongoing basis to minimize the disruptions entailed by the situation, and implementing precautionary measures to be able to manage various future scenarios. The outbreak of the Covid-19 virus has not had any negative impact on the Byggmax Group to date. However, with the current macroenvironment, uncertainty pertaining to any forthcoming effects arising from the spread of the virus remains high, and it is not possible at present to forecast the final impact that this may have for the Group.

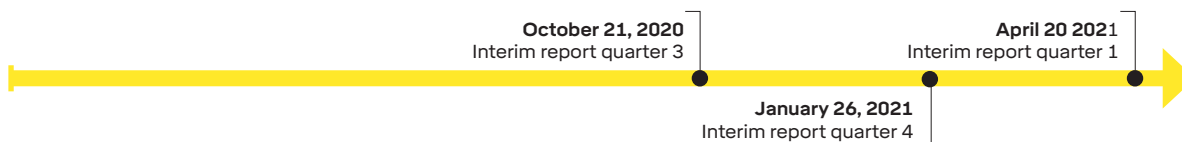
## SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

No significant events have occurred since the end of the reporting period.

This interim report has not been reviewed by the company's auditors.

Stockholm July 15, 2020

## FINANCIAL CALENDAR 2020/2021



The Board of Directors and the President certify that the six-month report provides an accurate overview of the Group's and Parent Company's operations, position

and performance, as well as describing significant risks and instability factors faced by the Parent Company and companies in the Group.

Stockholm, July 15, 2020

ANDERS MOBERG  
Chairman of the Board

DANIEL MÜHLBACH  
Board member

ANDERS BERG  
Board member

HANNELE KEMPPAINEN  
Board member

KJERSTI HOBØL  
Board member

LARS LJUNGÄLV  
Board member

GUNILLA SPONGH  
Board member

MATTIAS ANKARBERG  
President

GROUP

# CONSOLIDATED INCOME STATEMENT

SEK M	April–June		January–June		12 months	Full year
	2020	2019	2020	2019	July 2019– June 2020	2019
<b>Revenue</b>						
Net sales	2,499	1,799	3,378	2,514	6,141	5,277
Other operating income	11	-1	14	0	23	10
<b>Total revenue</b>	<b>2,510</b>	<b>1,798</b>	<b>3,392</b>	<b>2,515</b>	<b>6,164</b>	<b>5,287</b>
<b>Operating expenses</b>						
Cost of goods sold	-1,723	-1,247	-2,314	-1,723	-4,177	-3,587
Other external costs	-114	-121	-209	-198	-365	-354
Personnel costs	-210	-192	-351	-331	-672	-652
Amortization and impairment of intangible fixed assets	-16	-16	-32	-32	-64	-64
Depreciation of tangible fixed assets <sup>1</sup>	-101	-100	-201	-196	-405	-400
<b>Total operating expenses</b>	<b>-2,163</b>	<b>-1,675</b>	<b>-3,106</b>	<b>-2,480</b>	<b>-5,684</b>	<b>-5,057</b>
<b>EBIT</b>	<b>347</b>	<b>123</b>	<b>286</b>	<b>35</b>	<b>481</b>	<b>230</b>
Net financial items <sup>1</sup>	-12	-15	-29	-30	-54	-55
<b>Profit/loss before taxes</b>	<b>334</b>	<b>108</b>	<b>257</b>	<b>6</b>	<b>426</b>	<b>175</b>
Income tax	-67	-22	-47	0	-80	-33
<b>Net Profit/loss for the period</b>	<b>268</b>	<b>87</b>	<b>210</b>	<b>6</b>	<b>346</b>	<b>142</b>
<b>Attributable to:</b>						
Parent Company shareholders	268	87	210	6	346	142
Earnings per share before dilution, SEK	4.39	1.42	3.44	0.09	5.67	2.32
Earnings per share after dilution, SEK	4.39	1.42	3.44	0.09	5.67	2.32
Average number of shares outstanding at end of period, thousand	60,999	60,999	60,999	60,999	60,999	60,999

1) During the quarter, other external costs decreased SEK 78 M (76), depreciation on tangible fixed assets increased SEK 74 M (72) and financial expenses increased SEK 8 M (8) due to IFRS 16 Leases. During the first six months, other external costs decreased SEK 155 M (149), depreciation on tangible fixed assets increased SEK 145 M (140) and financial expenses increased SEK 16 M (16).

GROUP

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK M	April–June		January–June		12 months	Full year
	2020	2019	2020	2019	July 2019– June 2020	2019
<b>Net Profit/loss for the period</b>	<b>268</b>	<b>87</b>	<b>210</b>	<b>6</b>	<b>346</b>	<b>142</b>
Items that will not be reclassified to profit or loss						
Translation exchange rate differences	-2	4	-17	26	-22	9
<b>Other comprehensive income for the period</b>	<b>266</b>	<b>90</b>	<b>192</b>	<b>32</b>	<b>324</b>	<b>151</b>

# GROUP CONSOLIDATED BALANCE SHEET

SEK M	June 30 2020	June 30 2019	December 31 2019
<b>Assets</b>			
Intangible fixed assets	2,093	2,137	2,112
Tangible fixed assets <sup>1</sup>	1,768	1,892	1,789
Financial fixed assets	14	16	16
<b>Total fixed assets</b>	<b>3,875</b>	<b>4,044</b>	<b>3,916</b>
Inventories	1,146	1,157	929
Current receivables	197	146	168
Cash and cash equivalents	178	100	32
<b>Total current assets</b>	<b>1,522</b>	<b>1,402</b>	<b>1,128</b>
<b>Total assets</b>	<b>5,396</b>	<b>5,447</b>	<b>5,045</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>1,693</b>	<b>1,382</b>	<b>1,501</b>
Borrowing from credit institutions	-	304	200
Lease liabilities – IFRS 16	1,020	1,110	1,040
Deferred tax liabilities	172	181	179
Long-term liabilities	1	1	1
<b>Total long-term liabilities</b>	<b>1,193</b>	<b>1,596</b>	<b>1,420</b>
Borrowing from credit institutions	131	359	1,042
Lease liability - IFRS 16	318	325	335
Accounts payable	1,628	1,411	512
Other current liabilities	432	375	235
<b>Total current liabilities</b>	<b>2,511</b>	<b>2,469</b>	<b>2,124</b>
<b>Total shareholders' equity and liabilities</b>	<b>5,396</b>	<b>5,447</b>	<b>5,045</b>

1) Tangible fixed assets includes SEK 1,357 M (1,460) IFRS16 Leases.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK M	June 30 2020	June 30 2019	December 31 2019
Opening balance at the beginning of the period	1,501	1,346	1,346
<b>Comprehensive income</b>			
Translation differences	-17	26	9
Profit/loss for the period	210	6	142
<b>Total comprehensive income</b>	<b>1,693</b>	<b>1,378</b>	<b>151</b>
<b>Transactions with shareholders</b>			
Dividend	-	-	-
Warrants and new share issue	0	3	3
<b>Total transactions with shareholders</b>	<b>0</b>	<b>3</b>	<b>3</b>
Shareholders' equity at the end of the period	1,693	1,382	1,501

GROUP

# CONSOLIDATED CASH FLOW STATEMENTS

SEK M	April–June		January–June		12 months	Full year
	2020	2019	2020	2019	July 2019– June 2020	2019
<b>Cash flow from operating activities</b>						
EBIT	347	123	286	35	481	230
Non-cash items						
Depreciation, amortization and impairment of tangible and intangible fixed assets <sup>1</sup>	119	116	235	228	472	464
Other non-cash items	-3	7	-12	36	-29	19
Financial items	-12	-15	-29	-30	-56	-57
Tax paid	-28	-25	-48	-41	-72	-65
<b>Cash flow from operating activities before changes in working capital</b>	<b>422</b>	<b>205</b>	<b>432</b>	<b>229</b>	<b>795</b>	<b>591</b>
Change in inventories	-121	-223	-248	-288	-18	-58
Change in other current receivables	-15	-9	-28	20	-48	-
Change in other current liabilities	969	815	1,318	800	282	-236
<b>Cash flow from operating activities</b>	<b>1,254</b>	<b>788</b>	<b>1,474</b>	<b>761</b>	<b>1,010</b>	<b>297</b>
<b>Cash flow from investing activities</b>						
Investment in intangible fixed assets	-6	-6	-13	-14	-21	-22
Investment in tangible fixed assets	-45	-41	-66	-81	-107	-121
Investment in financial fixed assets	-	-	-	-	-	-
Sale of tangible fixed assets	0	-	0	-	1	1
<b>Cash flow from investing activities</b>	<b>-51</b>	<b>-47</b>	<b>-79</b>	<b>-94</b>	<b>-127</b>	<b>-142</b>
<b>Cash flow from financing activities</b>						
Change in overdraft facilities	-794	-644	-910	-486	-222	202
Repayment of lease liabilities	-71	-68	-139	-133	-279	-272
Amortization of loans	-200	-	-200	-	-305	-105
<b>Cash flow from financing activities</b>	<b>-1,065</b>	<b>-713</b>	<b>-1,249</b>	<b>-620</b>	<b>-805</b>	<b>-176</b>
<b>Cash flow for the period</b>	<b>138</b>	<b>29</b>	<b>146</b>	<b>48</b>	<b>78</b>	<b>-21</b>
Cash and cash equivalents at the beginning of the period	40	71	32	52	100	53
Cash and cash equivalents at the end of the period	178	100	178	100	178	32

1) During the quarter, "Other non-cash items" includes a positive effect of SEK 74 M from depreciation of tangible fixed assets due to IFRS16 leases. The corresponding amount for 2019 was SEK 72 M. During the first six months, "Other non-cash items" includes a positive effect of SEK 145 M from depreciation of tangible fixed assets due to IFRS16 leases. The corresponding amount for 2019 was SEK 140 M.

PARENT COMPANY  
**INCOME STATEMENT**

SEK M	April–June		January–June		12 months	Full year
	2020	2019	2020	2019	July 2019– June 2020	2019
<b>Revenue</b>	0	0	0	0	0	0
Other external costs	-3	-2	-5	-3	-9	-7
Personnel costs	0	0	0	0	-1	-1
<b>Total operating expenses</b>	<b>-4</b>	<b>-2</b>	<b>-6</b>	<b>-3</b>	<b>-10</b>	<b>-8</b>
<b>EBIT</b>	<b>-4</b>	<b>-2</b>	<b>-6</b>	<b>-3</b>	<b>-9</b>	<b>-8</b>
Net financial items	-4	-4	-8	-8	78	78
<b>Profit/loss before tax</b>	<b>-8</b>	<b>-6</b>	<b>-13</b>	<b>-12</b>	<b>68</b>	<b>70</b>
Income tax	2	1	3	2	0	0
<b>Profit/loss for the period</b>	<b>-6</b>	<b>-5</b>	<b>-11</b>	<b>-9</b>	<b>68</b>	<b>70</b>

PARENT COMPANY  
**BALANCE SHEET**

SEK M	June 30 2020	June 30 2019	December 31 2019
<b>Assets</b>			
Financial fixed assets	1,573	1,573	1,573
Current assets	1	2	94
<b>Total assets</b>	<b>1,574</b>	<b>1,576</b>	<b>1,667</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	232	164	243
Long-term liabilities	-	305	200
Current liabilities	1,342	1,107	1,224
<b>Total shareholders' equity and liabilities</b>	<b>1,574</b>	<b>1,576</b>	<b>1,667</b>

# KEY PERFORMANCE INDICATORS BY QUARTER

GROUP SEK M	2020		2019				2018		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Net sales	2,499	879	950	1,813	1,799	715	999	1,713	1,731
Like-for-like sales, %	39.2	20.7	-8.7	0.6	-1.8	1.7	-3.9	-12.6	-5.9
Gross margin, %	31.1	32.7	33.3	32.2	30.7	33.4	31.3	30.7	30.2
EBITA	357	-51	-6	220	133	-78	-6	186	136
EBITA margin, %	14.3	-5.8	-0.6	12.2	7.4	-10.9	-0.6	10.8	7.9
EBIT	347	-61	-16	211	123	-88	-16	176	127
EBIT margin, %	13.9	-7.0	-1.6	11.6	6.8	-12.3	-1.6	10.3	7.3
Profit/loss for the period	268	-58	-20	156	87	-81	-14	134	97
Net debt	1,292	2,367	2,585	2,229	2,010	2,653	1,098	871	851
Net debt excluding IFRS 16	-47	1,086	1,210	822	575	1,250	1,098	871	851
Cash flow from operating activities	1,254	220	-309	-155	788	-27	-204	18	646
Shareholders' equity	1,693	1,428	1,500	1,526	1,369	1,276	1,346	1,371	1,240
Return on equity, %	13.2	11.1	10.1	10.7	9.4	10.3	10.4	7.0	12.6
Return on capital employed, %	7.9	7.0	6.5	7.3	7.0	7.7	8.4	6.7	8.8
Equity/assets ratio, %	31.4	28.0	29.8	29.5	25.2	25.0	36.7	36.2	31.6
Average number of employees	1,328	974	992	1,266	1,211	944	1,002	1,235	1,125

The outcomes for 2020 and 2019 were affected by IFRS 16. The outcomes for periods until December 2018 do not include effects of IFRS 16.

SEGMENTS SEK M	2020		2019				2018		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
<b>Byggmax</b>									
Net sales	2,254	813	858	1,648	1,597	660	909	1,561	1,530
EBITDA	348	1	29	231	142	-24	34	201	160
EBITDA margin, %	15.4	0,1	3,4	14,0	8,9	-3,7	3,7	12,9	10,4
<b>Skånska Byggvaror</b>									
Net sales	245	67	92	165	202	56	90	152	201
EBITDA	41	-21	-2	21	23	-23	-5	19	10
EBITDA margin, %	16.7	-31,3	-2,3	13,0	11,3	-41,3	-5,2	12,2	5,2

SHARE DATA	2020		2019				2018		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Average number of shares outstanding, thousand	60,999	60,999	60,999	60,999	60,999	60,999	60,999	60,999	60,999
Earnings per share for the period, SEK	4.39	-0.95	-0.32	2.55	1.42	-1.33	-0.24	2.19	1.59
Equity per share, SEK	27.76	23.41	24.60	25.02	22.65	21.10	22.07	22.48	20.33
Cash flow from operating activities per share, SEK	20.56	3.61	-5.06	-2.55	12.92	-0.44	-3.34	0.30	10.59
Share price at the end of the period, SEK	43.86	23.46	26.44	29.40	37.06	30.55	32.00	36.35	39.00

# NOTES

## NOT 1 SEGMENTS' STATEMENT

SEK M	Byggmax		Skånska Byggvaror		Other		IFRS 16		Total	
	April–June		April–June		April–June		April–June		April–June	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Total net sales by segment	2,651	1,904	255	205	0	1	-	-	2,906	2,109
Net sales internal	-396	-307	-10	-3	0	-1	-	-	-406	-310
Net sales external	2,254	1,597	245	202	0	0	-	-	2,499	1,799
<b>EBITDA</b>	<b>348</b>	<b>142</b>	<b>41</b>	<b>23</b>	<b>-3</b>	<b>-2</b>	<b>78</b>	<b>76</b>	<b>464</b>	<b>239</b>
Depreciation of tangible and intangible fixed assets	-32	-32	-2	-2	0	0	-74	-72	-107	-106
<b>EBITA</b>	<b>317</b>	<b>110</b>	<b>39</b>	<b>20</b>	<b>-4</b>	<b>-2</b>	<b>5</b>	<b>5</b>	<b>357</b>	<b>133</b>
Amortization of intangible fixed assets related to acquired surplus values	-	-	-10	-10	-	-	-	-	-10	-10
Net financial items	2	-2	-3	0	-4	-4	-8	-8	-12	-15
<b>Profit/loss before tax</b>	<b>319</b>	<b>108</b>	<b>26</b>	<b>10</b>	<b>-8</b>	<b>-6</b>	<b>-3</b>	<b>-4</b>	<b>334</b>	<b>108</b>

SEK M	Byggmax		Skånska Byggvaror		Other		IFRS 16		Total	
	January–June		January–June		January–June		January–June		January–June	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Total net sales by segment	3,727	2,780	323	262	0	1	-	-	4,051	3,043
Net sales internal	-661	-524	-12	-4	0	-1	-	-	-672	-529
Net sales external	3,067	2,256	312	258	0	0	-	-	3,378	2,514
<b>EBITDA</b>	<b>349</b>	<b>118</b>	<b>20</b>	<b>0</b>	<b>-5</b>	<b>-4</b>	<b>155</b>	<b>149</b>	<b>518</b>	<b>263</b>
Depreciation of tangible fixed assets	-52	-62	-4	-5	0	0	-145	-140	-213	-207
<b>EBITA</b>	<b>285</b>	<b>55</b>	<b>16</b>	<b>-5</b>	<b>-6</b>	<b>-4</b>	<b>10</b>	<b>9</b>	<b>306</b>	<b>55</b>
Amortization of intangible fixed assets	-	-	-20	-20	-	-	-	-	-20	-20
Net financial items	-3	-5	-3	-1	-8	-8	-15	-16	-29	-30
<b>Profit/loss before tax</b>	<b>282</b>	<b>50</b>	<b>-6</b>	<b>-26</b>	<b>-14</b>	<b>-12</b>	<b>-5</b>	<b>-7</b>	<b>257</b>	<b>6</b>

SEK M	Sweden		Other Nordic countries		Total	
	April–June		April–June		April–June	
	2020	2019	2020	2019	2020	2019
Byggmax	1,713	1,223	541	374	2,254	1,597
Skånska Byggvaror	174	151	71	51	245	202
<b>Total net sales</b>	<b>1,887</b>	<b>1,374</b>	<b>612</b>	<b>426</b>	<b>2,499</b>	<b>1,799</b>

SEK M	Byggmax		Skånska Byggvaror		Other		IFRS 16		Total	
	2020		2019		2020		2019		2020	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Assets by segment	3,950	3,441	949	932	-827	-356	1,324	1,429	5,396	5,447
– of which fixed assets	1,276	1,303	880	922	357	358	1,360	1,462	3,875	4,044



# ALTERNATIVE PERFORMANCE MEASURES AND DEFINITIONS

## USE OF ALTERNATIVE PERFORMANCE MEASURES

Byggmax has reviewed its terminology for alternative performance measures due to the guidelines from the European Securities and Markets Authority (ESMA). The Byggmax Group uses the alternative performance measures EBITDA, EBITA, EBIT margin, return on equity, net debt and equity/assets ratio. The Group believes that these performance measures can be utilized by users of the financial statements as a supplement in assessing the

possibility of dividends, making strategic investments, evaluating profitability and assessing the Group's ability to meet its financial commitments. Byggmax reports alternative performance measures to describe the operations' underlying profitability and to improve comparability between reporting periods and industries.

Calculations of alternative performance measures can be found on [www.byggmax.se](http://www.byggmax.se) under financial statistics (see link <https://om.byggmax.se/en/investors/financial-statistics>)

### Return on equity

Earnings for the period in relation to average shareholders' equity.

### Return on capital employed

EBIT in relation to equity plus net debt.

### Gross margin

Net sales reduced by the cost of goods sold in relation to net sales.

### EBITA

Earnings before amortization and impairment of intangible fixed assets related to acquired surplus values.

### EBITA margin

EBITA in relation to net sales.

### EBITDA

Earnings before depreciation, amortization and impairment of tangible and intangible fixed assets excluding IFRS 16.

### EBITDA margin

EBITDA in relation to net sales.

### Earnings per share

Earnings for the period divided by the average number of shares outstanding.

### E-commerce

Net sales generated by online orders through Byggmax and Buildor, and all net sales for Skånska Byggvaror.

### Like-for-like sales

Like-for-like sales pertains to stores that have been trading for more than 12 months. Like-for-like sales is currency adjusted. All e-commerce is assessed as like-for-like.

### Cash flow from operating activities per share

Cash flow from operating activities divided by the number of shares outstanding.

### Net debt

Interest-bearing liabilities less cash and cash equivalents.

### New stores

Stores that have been in operation less than 12 months.

### Earnings per share

Earnings for the period divided by the number of shares outstanding.

### R12

Rolling twelve months.

### EBIT margin

EBIT in relation to net sales.

### Equity/assets ratio

Shareholders' equity in relation to total assets.

All amounts are stated in million Swedish kronor (SEK M) unless stated otherwise. Where the underlying amount is rounded to 0 it is noted as SEK 0 M. Rounding differences in tables of SEK +/-1 M may occur. Swedish and English versions of this report have been prepared. In the case of any discrepancy between the two, the Swedish take precedence.

This is information that Byggmax Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and information that Byggmax Group AB (publ) is obliged to make public pursuant to the Securities Market Act. The information was submitted for publication on July 15, 2020 at 8 a.m.

## Byggmax Group AB (publ)

Box 6063, SE-171 06 Solna  
Street address: Armégatan 38  
Tel: +46 (0)8-514 930 60  
E-post: [info@byggmax.se](mailto:info@byggmax.se)

Corporate registration  
number:  
556656-3531  
Registered office:  
Solna

Background information about Byggmax  
and press images are available at  
[www.byggmax.se](http://www.byggmax.se)