

INTERIM REPORT BYGGMAX GROUP AB JANUARY 1 – SEPTEMBER 30, 2020

SUMMARY OF THE THIRD QUARTER OF 2020

- Net sales increased to SEK 2,200 M (1,813), representing growth of 21.4 percent.
- The Group's currency adjusted like-for-like sales increased by 20.4 percent.
- The gross margin was 33.1 percent (32.2).
- EBITA amounted to SEK 335 M (220), with an EBITA margin of 15.2 percent (12.2).
- EBIT amounted to SEK 325 M (210), with an EBIT margin of 14.8 percent (11.6).
- Net profit for the period amounted to SEK 250 M (156).
- Earnings per share totalled SEK 4.09 (2.55).
- Cash flow from operating activities decreased to SEK -311 M (-155).
- Three (three) stores opened during the period.
- The financial impact from the Covid-19 pandemic on Byggmax Group in the third quarter has been positive.
- The Board of Directors proposes a dividend for 2021 of SEK 2.75 per share.

30%

Share of Byggmax Stores 3.0

20%

Online share R12

6.5 Mdkr

Net sales R12

KEY PERFORMANCE INDICATORS

SEK M	July – September		January – September		12 months	Full year
	2020	2019	2020	2019	Oct 2019- Sept 2020	2019
Net sales	2,200	1,813	5,579	4,327	6,529	5,277
Gross margin, %	33.1	32.2	32.1	31.8	32.3	32.1
EBITA	335	220	640	275	634	270
EBITA margin, %	15.2	12.2	11.5	6.4	9.7	5.1
EBIT	325	210	610	246	595	230
EBIT margin, %	14.8	11.6	10.9	5.7	9.1	4.4
Net profit/loss for the period	250	156	460	161	440	142
Earnings per share, SEK	4.09	2.55	7.53	2.65	7.21	2.32
Shareholder's equity per share, SEK	31.79	25.02	31.79	25.02	31.79	24.60
Cash flow from operating activities	-311	-155	1,163	606	855	297
Number of stores at the end of the period	180	174	180	174	180	172
Stores opened during the period	3	3	9	11	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

STRONG BYGGMAX IN A STRONG MARKET

In the third quarter 2020, Byggmax Group continued to develop very well.

The Group's sales increased 21 percent driven by both market growth and own growth initiatives. Byggmax e-commerce continues to develop strongly and grew 40 percent.

Gross margin for the third quarter increased by almost a percentage point to 33.1 percent, driven by continued improved product mix and scale effects. Cost control remained solid. Almost half of the increased costs is due to new stores and the remainder mainly due to somewhat higher staffing and marketing in a good market. Currency effects decreased costs, and covid-19 related measures increased costs somewhat. Covid-19 related disruptions to our operations have remained manageable.

In all we continued to demonstrate a very strong ability to convert increased sales into additional profit. EBITA for the third quarter increased over 50 percent to SEK 335 M and the EBITA margin increased to more than 15 percent.

VERY GOOD MARKET

In the third quarter the consumer market for building materials increased well. The market continued to be impacted by a "stay home" effect, although not as strongly as in April and May. In the short term demand is also impacted by weather effects, which were somewhat favorable in the quarter. We estimate that the Nordic consumer market increased around 10-15 percent (in local currency). Growth was highest in July, lower in August, and stronger again in September.

BYGGMAX INITIATIVES DRIVE GROWTH

Byggmax strategic growth initiatives gave good effects also in the third quarter. E-commerce sales increased by 40 percent. "Order online, pick up in store" grew twice as fast as home delivery, and is a natural strength for us with our 169 stores. Our most recently introduced delivery option, parcel home delivery of small products as e.g., tools, brushes and screws, also grew fast and accounted for four percent of orders in the third quarter.

We continue to upgrade our stores to "Store 3.0", with improved customer experience and increased assortment, and now have 51 3.0 Stores (30 percent of the portfolio). We can now conclude that the sales effect of an upgrade is six percent per store, compared to expected three percent. We have during the year also developed upgraded versions of the format for small towns, as well as the larger format that includes garden departments. We now have upgraded versions of the smaller, regular and larger format, that we continue to roll out.

In the third quarter we opened three store, two in Sweden and one in Norway. We have as planned closed a store in Oslo, in the vicinity of the new stores we opened in the second quarter.

The Byggmax segment sales increased 20 percent and EBITDA improved by SEK 101 M to SEK 332 M.

SKÅNSKA BYGGVAROR CONTINUED WELL

Skånska Byggvaror developed very well. Initiatives within product development and digital sales and marketing continued to give very good effect. Order intake increased very well, sales increased 31 percent and

EBITDA improved by SEK 12 M to SEK 33 M.

POSITIVE OUTLOOK AND DIVIDEND 2021

During 2020 the covid-19 pandemic has led to increased demand for home improvement. At the same, recent years' work to modernize Byggmax and upgrade our customer offer has given good results. Our strategic initiatives are proven; expansion with new formats (four percent growth for Byggmax this year so far), improved e-commerce (Byggmax online increased 50 percent so far), upgraded stores (six percent effect per store), and Skånska Byggvaror's initiatives within product development and digital sales. In all, these initiatives contribute with ca 10 percent sales growth this year so far, and both more and happier customers.

The covid-19 pandemic has increased demand for home improvement, and at the same time, the recent years' work to upgrade Byggmax customer offer has given good results.

We have also demonstrated strong scale effects. Sales has this year so far increased 29 percent, gross margin increased and costs only increased 9 percent, which has resulted in almost double EBITA margin compared to last year.

Given the strong year so far, the Board of Directors has already now proposed a dividend of SEK 2.75 per share for 2021. Our ambition is to continue increase the dividend over time and continue to strengthen the balance sheet.

All growth initiatives have more to give during coming years. The market outlook is also positive. We expect that the "stay home"-effect contributes to good growth also in the fourth quarter. The market should continue to be strong also next year, even if not to the same extent as in 2020.

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.

1,406
EMPLOYEES



180
PHYSICAL
STORES



3
MARKETS

-41% CO₂
PER SALES
SEK
2009-2019

E-COMMERCE
SINCE 2008



NO 1
SUSTAINABLE
BRAND INDEX
2019

WEBSITE
WITH TIPS
FOR DIY
ENTHUSIASTS



LOW PRICE &
FOCUSED
PRODUCT
RANGE

DRIVE-IN
MODEL
AND SELF
SERVICE



GROUP NET SALES AND EARNINGS

JULY – SEPTEMBER 2020

NET SALES

The operation's net sales amounted to SEK 2,200 M (1,813), up 21.4 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 20.4 percent calculated in local currency. The strongest sales month of the quarter was July.

The gross margin was 33.1 percent, compared with 32.2 percent in the corresponding quarter last year. The gross margin was impacted positively by scale effects.

EBIT

EBIT amounted to SEK 325 M (210), with an EBIT margin of 14.8 percent (11,6).

Personnel costs and other expenses increased SEK 36 M compared with the corresponding quarter last year. Costs were negatively impacted by the opening of new stores for which costs amounted to SEK 15 M (15). The comparable costs, that is to say costs excluding new stores, increased SEK 21 M (9). The comparable cost increase was mainly attributable to increased personnel cost in stores and marketing cost.

NET FINANCIAL ITEMS AND TAX

Net financial items amounted to SEK -14 M (-10). Net financial items for the quarter were negatively impacted by exchange-rate effects of SEK -5 M (1).

The profit before tax amounted to SEK 311 M (200). Income tax for the period amounted to SEK -61 M (-45).

Net profit for the period amounted to SEK 250 M (156).

JANUARY – SEPTEMBER 2020

NET SALES

The operation's net sales amounted to SEK 5,579 M (4,327), up 28.9 percent. Exchange rate effects had a negative impact on net sales of 3.1 percent. The Group's currency adjusted like-for-like sales increased by 28.3 percent.

The gross margin was 32.1 percent, compared with 31.8 percent in the corresponding period last year.

EBIT

EBIT amounted to SEK 610 M (246), with an EBIT margin of 10.9 percent (5.7).

Personnel costs and other expenses increased SEK 67 M compared with the corresponding period last year. Costs were negatively impacted by the opening of new stores for which costs amounted to SEK 44 M (56). The comparable costs, that is to say costs excluding new stores, increased SEK 23 M (5).

NET FINANCIAL ITEMS AND TAX

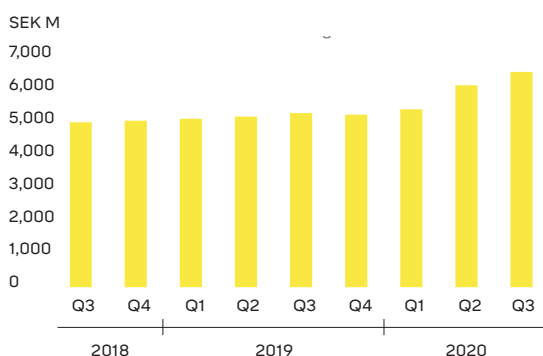
Net financial items amounted to SEK -43 M (-40). Net financial items for the period were negatively impacted by exchange-rate effects of SEK -8 M (-2).

The profit before tax amounted to SEK 568 M (206). Income tax for the period amounted to SEK -108 M (-44). 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 460 M (161).

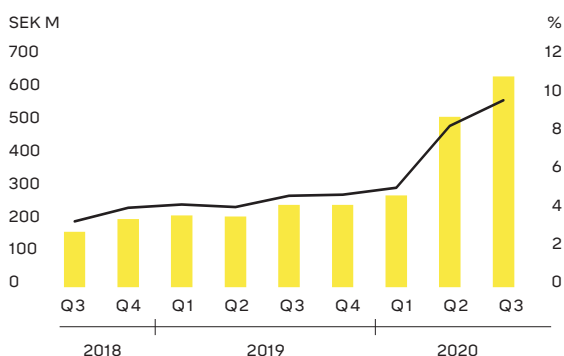
NET SALES

Net sales R12



RESULTS AND MARGINS

EBITA R12 — EBITA margin



PERFORMANCE BY BUSINESS SEGMENT

SUMMARY

SEK M	July – September		January – September		12 months	Full year
	2020	2019	2020	2019	Oct 2019- Sept 2020	2019
Net sales						
Byggmax	1,984	1,648	5,051	3,905	5,909	4,763
Skånska Byggvaror	216	165	528	423	619	514
Other	0	0	0	0	0	0
Total net sales	2,200	1,813	5,579	4,327	6,529	5,277
EBITDA¹						
Byggmax	332	231	681	349	710	378
Skånska Byggvaror	33	21	54	21	52	19
Other	-2	-2	-7	-5	-9	-7
Total EBITDA¹	364	251	727	365	753	390
EBITDA margin, %						
Byggmax	16.7	14.0	13.5	8.9	12.0	7.9
Skånska Byggvaror	15.5	13.0	10.2	5.0	8.3	3.7
Total EBITDA margin	16.5	13.8	13.0	8.4	11.5	7.4

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 80 M (77), depreciation and amortization of tangible and intangible fixed assets amounted to SEK -119 M (-118) and a net financial expense of SEK -14 M (-10). The difference between the sum of the segments' EBITDA and the Groups' profit before tax was attributed to IFRS 16 for the first nine months was SEK 234 M (226), depreciation and amortization of tangible and intangible fixed assets amounted to SEK -351 M (-346) and a net financial expense of SEK -43 M (-40), see note 1.

No changes have 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 JULY – SEPTEMBER

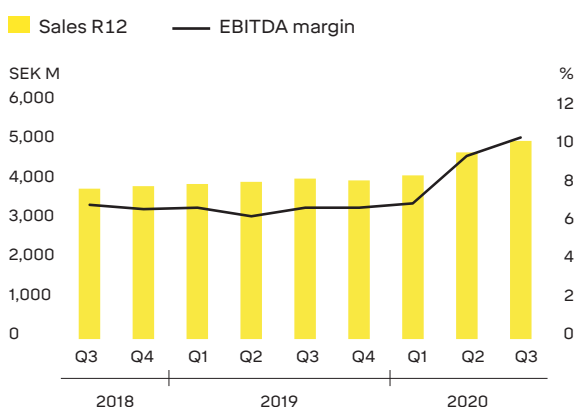
Net sales increased 20.4 percent in the third quarter to SEK 1,984 M (1,648). Three (three) new stores were opened during the quarter.

In the third quarter, Byggmax accounted for 90.2 percent of the Group's net sales. Byggmax has 115 stores in Sweden, 44 in Norway and 10 in Finland; a total of 169 stores. The number of 3.0 stores at the end of the period amounted to a total of 51 stores, corresponding to 30 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 third quarter amounted to SEK 332 M (231). The EBITDA margin for the quarter was 16.7 percent (14.0). EBITDA for the quarter was impacted by costs for new stores that amounted to SEK 15 M (15).

NET SALES AND EBITDA MARGIN



BYGGMAX

SEK M	July – September		12 months
	2020	2019	Oct 2019- Sept 2020
Net sales	1,984	1,648	5,909
Share of the Group's net sales, %	90.2	90.9	90.5
EBITDA	332	231	710
EBITDA margin, %	16.7	14.0	12.0
Number of stores	169	162	169

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.

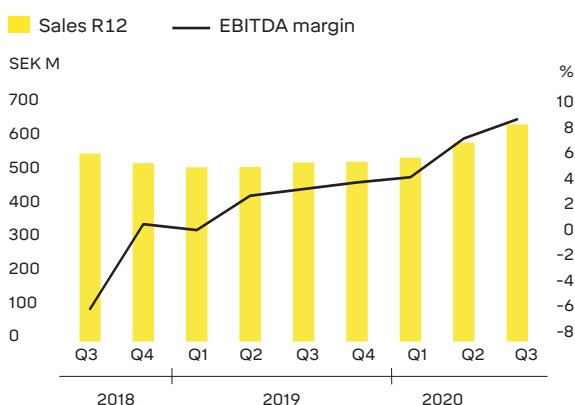
NET SALES AND EARNINGS JULY – SEPTEMBER

Net sales increased 31.2 percent in the third quarter to SEK 216 M (165). Investments in projects developed inhouse continued to have a positive effect. The order intake during the quarter developed well.

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 33 M (21) in the quarter, corresponding to an EBITDA margin for the quarter of SEK 15.5 percent (13.0).

NET SALES AND EBITDA MARGIN



SKÅNSKA BYGGVAROR

SEK M	July – September		12 months
	2020	2019	Oct 2019– Sept 2020
Net sales	216	165	619
Share of the Group's net sales, %	9.8	9.1	9.5
EBITDA	33	21	52
EBITDA margin, %	15.5	13.0	8.3
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.

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 -3 M (-4) for the quarter.

EMPLOYEES

The number of employees, (converted into full-time equivalents) totalled 1,406 (1,266) 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.

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

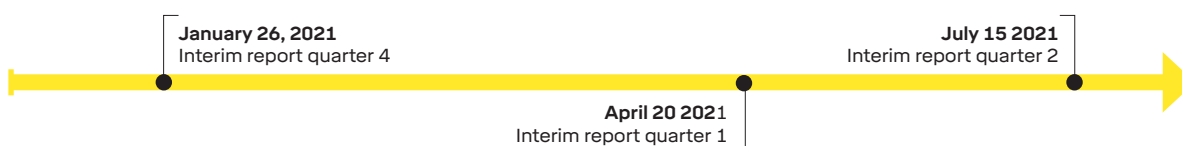
No significant events have occurred since the end of the reporting period.

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

Stockholm October 21, 2020

Mattias Ankarberg
President

FINANCIAL CALENDAR 2021



AUDITOR'S REPORT

Byggmax Group AB (publ) reg.no. 556656-3531

INTRODUCTION

We have reviewed the condensed interim financial information (interim report) of Byggmax Group AB (publ) as of 30 September 2020 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial

and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, October 21, 2020

Öhrlings PricewaterhouseCoopers AB

Cesar Moré

Authorized Public Accountant

GROUP

CONSOLIDATED INCOME STATEMENT

SEK M	July – September		January – September		12 months	Full year
	2020	2019	2020	2019	Oct 2019- Sept 2020	2019
Revenue						
Net sales	2,200	1,813	5,579	4,327	6,529	5,277
Other operating income	8	2	22	2	29	10
Total revenue	2,208	1,815	5,600	4,330	6,558	5,287
Operating expenses						
Cost of goods sold	-1,471	-1,229	-3,786	-2,952	4,419	-3,587
Other external costs	-112	-91	-321	-289	-386	-354
Personnel costs	-182	-166	-532	-497	-688	-652
Amortization and impairment of intangible fixed assets	-16	-16	-48	-48	-64	-64
Depreciation of tangible fixed assets ¹	-103	-102	-303	-298	-406	-400
Total operating expenses	-1,884	-1,604	4,990	-4,084	-5,963	-5,057
EBIT	325	210	610	246	595	230
Net financial items ¹	-14	-10	-43	-40	-58	-55
Profit/loss before taxes	311	200	568	206	537	175
Income tax	-61	-45	-108	-45	-97	-33
Net Profit/loss for the period	250	156	460	161	440	142
Attributable to:						
Parent Company shareholders	250	156	460	161	440	142
Earnings per share before dilution, SEK	4,09	2,55	7,53	2,65	7,21	2,32
Earnings per share after dilution, SEK	4,09	2,55	7,53	2,65	7,21	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 80 M (77), depreciation on tangible fixed assets increased SEK 75 M (73) and financial expenses increased SEK 7 M (8) due to IFRS 16 Leases. During the first nine months, other external costs decreased SEK 234 M (226), depreciation on tangible fixed assets increased SEK 219 M (213) and financial expenses increased SEK 22 M (24).

GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK M	July – September		January – September		12 months	Full year
	2020	2019	2020	2019	Oct 2019- Sept 2020	2019
Net Profit/loss for the period	250	156	460	161	440	142
Items that will not be reclassified to profit or loss						
Translation exchange rate differences	-4	1	-21	16	-27	9
Other comprehensive income for the period	246	157	438	177	413	151

GROUP CONSOLIDATED BALANCE SHEET

SEK M	September 30 2020	September 30 2019	December 31 2019
Assets			
Intangible fixed assets	2,082	2,124	2,112
Tangible fixed assets ¹	1,718	1,848	1,789
Financial fixed assets	13	15	16
Total fixed assets	3,813	3,988	3,916
Inventories	1,065	1,010	929
Current receivables	138	130	168
Cash and cash equivalents	42	46	32
Total current assets	1,246	1,185	1,128
Total assets	5,059	5,173	5,045
Shareholders' equity and liabilities			
Shareholders' equity	1,939	1,527	1,501
Borrowing from credit institutions	0	304	200
Lease liabilities – IFRS 16	979	1,070	1,040
Deferred tax liabilities	170	179	179
Long-term liabilities	1	1	1
Total long-term liabilities	1,149	1,554	1,420
Borrowing from credit institutions	410	563	1,042
Lease liability - IFRS 16	306	337	335
Accounts payable	831	861	512
Other current liabilities	424	332	235
Total current liabilities	1,971	2,093	2,124
Total shareholders' equity and liabilities	5,059	5,173	5,045

1) Tangible fixed assets includes SEK 1,310 M (1,414) IFRS16 Leases.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK M	September 30 2020	September 30 2019	December 31 2019
Opening balance at the beginning of the period	1,501	1,346	1,346
Comprehensive income			
Translation differences	-21	16	9
Profit/loss for the period	460	161	142
Total comprehensive income	438	177	151
Transactions with shareholders			
Dividend	-	-	-
Warrants and new share issue	-	3	3
Total transactions with shareholders	-	3	3
Shareholders' equity at the end of the period	1,939	1,527	1,501

GROUP

CONSOLIDATED CASH FLOW STATEMENTS

SEK M	July – September		January – September		12 months	Full year
	2020	2019	2020	2019	Oct 2019- Sept 2020	2019
Cash flow from operating activities						
EBIT	325	210	610	246	595	230
Non-cash items						
Depreciation, amortization and impairment of tangible and intangible fixed assets ¹	120	118	355	346	473	464
Other non-cash items	-2	-13	-14	24	-19	19
Financial items	-14	-12	-43	-42	-58	-57
Tax paid	-23	-21	-71	-62	-74	-65
Cash flow from operating activities before changes in working capital	405	283	837	511	917	591
Change in inventories	110	155	-138	-133	-63	-58
Change in other current receivables	-9	-3	-37	18	-55	-
Change in other current liabilities	-817	-590	501	210	55	-236
Cash flow from operating activities	-311	-155	1,163	606	855	297
Cash flow from investing activities						
Investment in intangible fixed assets	-5	-4	-19	-18	-23	-22
Investment in tangible fixed assets	-28	-31	-94	-112	-103	-121
Investment in financial fixed assets	-	-	-	-	-	-
Sale of tangible fixed assets	-	-	0	-	1	1
Amortization of short term loans	2	-	2	-	2	-
Cash flow from investing activities	-31	-35	-110	-129	-123	-142
Cash flow from financing activities						
Change in overdraft facilities	279	206	-631	-280	-149	202
Repayment of lease liabilities	-72	-70	-212	-203	-281	-272
Amortization of loans	-	-	-200	-	-304	-105
Cash flow from financing activities	206	136	-1,043	-484	-735	-176
Cash flow for the period	-136	-54	11	-7	-3	-21
Cash and cash equivalents at the beginning of the period	178	100	32	53	46	53
Cash and cash equivalents at the end of the period	42	46	42	46	42	32

1) During the quarter, "Other non-cash items" includes a positive effect of SEK 75 M from depreciation of tangible fixed assets due to IFRS16 leases. The corresponding amount for 2019 was SEK 73 M. During the first nine months, "Other non-cash items" includes a positive effect of SEK 219 M from depreciation of tangible fixed assets due to IFRS16 leases. The corresponding amount for 2019 was SEK 213 M.

PARENT COMPANY
INCOME STATEMENT

SEK M	July – September		January – September		12 months	Full year
	2020	2019	2020	2019	Oct 2019- Sept 2020	2019
Revenue	0	0	0	0	0	0
Other external costs	-2	-2	-7	-5	-9	-7
Personnel costs	0	0	-1	0	-1	-1
Total operating expenses	-2	-2	-8	-6	-10	-8
EBIT	-2	-2	-8	-6	-10	-8
Net financial items	-1	-2	-9	-10	78	78
Profit/loss before tax	-3	-4	-16	-15	69	70
Income tax	1	1	3	3	0	0
Profit/loss for the period	-2	-3	-13	-12	69	70

PARENT COMPANY
BALANCE SHEET

SEK M	September 30 2020	September 30 2019	December 31 2019
Assets			
Financial fixed assets	1,573	1,573	1,573
Current assets	1	2	94
Total assets	1,574	1,575	1,667
Shareholders' equity and liabilities			
Shareholders' equity	230	161	243
Long-term liabilities	-	304	200
Current liabilities	1,344	1,109	1,224
Total shareholders' equity and liabilities	1,574	1,575	1,667

KEY PERFORMANCE INDICATORS BY QUARTER

GROUP SEK M	2020			2019			2018		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net sales	2,200	2,499	879	950	1,813	1,799	715	999	1,713
Like-for-like sales, %	20.4	39.2	20.7	-8.7	0.6	-1.8	1.7	-3.9	-12.6
Gross margin, %	33.1	31.1	32.7	33.3	32.2	30.7	33.4	31.3	30.7
EBITA	335	357	-51	-6	220	133	-78	-6	186
EBITA margin, %	15.2	14.3	-5.8	-0.6	12.2	7.4	-10.9	-0.6	10.8
EBIT	325	347	-61	-16	211	123	-88	-16	176
EBIT margin, %	14.8	13.9	-7.0	-1.6	11.6	6.8	-12.3	-1.6	10.3
Profit/loss for the period	250	268	-58	-20	156	87	-81	-14	134
Net debt	1,652	1,292	2,367	2,585	2,229	2,010	2,653	1,098	871
Net debt excluding IFRS 16	367	-47	1,086	1,210	822	575	1,250	1,098	871
Cash flow from operating activities	-311	1,254	220	-309	-155	788	-27	-204	18
Shareholders' equity	1,939	1,693	1,428	1,500	1,526	1,369	1,276	1,346	1,371
Return on equity per quarter, %	13.8	17.2	-4.3	-1.3	10.8	6.6	-6.2	-1.1	10.2
Equity/assets ratio, %	38.3	31.4	28.0	29.8	29.5	25.2	25.0	36.7	36.2
Average number of employees	1,406	1,628	974	992	1,266	1,211	944	1,002	1,235

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		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Byggmax									
Net sales	1,984	2,254	813	858	1,648	1,597	660	909	1,561
EBITDA	332	348	1	29	231	142	-24	34	201
EBITDA margin, %	16.7	15.4	0.1	3.4	14.0	8.9	-3.7	3.7	12.9
Skånska Byggarvaror									
Net sales	216	245	67	92	165	202	56	90	152
EBITDA	33	41	-21	-2	21	23	-23	-5	19
EBITDA margin, %	15.5	16.7	-31.3	-2.3	13.0	11.3	-41.3	-5.2	12.2

SHARE DATA	2020			2019			2018		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
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	4.09	4.39	-0.95	-0.32	2.55	1.42	-1.33	-0.24	2.19
Equity per share, SEK	31.79	27.76	23.41	24.60	25.02	22.65	21.10	22.07	22.48
Cash flow from operating activities per share, SEK	-5.10	20.56	3.61	-5.06	-2.55	12.92	-0.44	-3.34	0.30
Share price at the end of the period, SEK	52.80	43.86	23.46	26.44	29.40	37.06	30.55	32.00	36.35

NOTES

NOT 1 SEGMENTS' STATEMENT

SEK M	Byggmax		Skånska Byggvaror		Other		IFRS 16		Total	
	July – September		July – September		July – September		July – September		July – September	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Total net sales by segment	2,317	1,920	224	173	0	0	-	-	2,542	2,093
Net sales internal	-333	-271	-8	-8	0	0	-	-	-341	-280
Net sales external	1,984	1,648	216	165	0	0	-	-	2,200	1,813
EBITDA	332	231	33	21	-2	-2	80	77	443	328
Depreciation of tangible and intangible fixed assets	-32	-33	-2	-2	0	0	-75	-73	-109	-108
EBITA	300	199	31	19	-2	-2	5	5	335	220
Amortization of intangible fixed assets related to acquired surplus values	-	-	-10	-10	-	-	-	-	-10	-10
Net financial items	-4	0	-2	-1	-1	-2	-7	-8	-14	-10
Profit/loss before tax	296	199	20	8	-3	-4	-2	-3	311	200

SEK M	Byggmax		Skånska Byggvaror		Other		IFRS 16		Total	
	January – September		January – September		January – September		January – September		January – September	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Total net sales by segment	6,045	4,700	548	435	0	1	-	-	6,593	5,136
Net sales internal	-994	-795	-20	-12	0	-1	-	-	-1,014	-809
Net sales external	5,051	3,905	528	423	0	0	-	-	5,579	4,327
EBITDA	681	349	54	21	-7	-5	234	226	962	591
Depreciation of tangible fixed assets	-95	-95	-6	-7	0	0	-219	-213	-321	-316
EBITA	585	254	48	14	-8	-4	15	13	640	275
Amortization of intangible fixed assets	-	-	-30	-30	-	-	-	-	-30	-30
Net financial items	-7	-5	-4	-2	-9	-10	-22	-24	-43	-40
Profit/loss before tax	578	249	13	-17	-16	-15	-8	-11	568	206

REVENUE BY GEOGRAPHY

SEK M	Sweden		Other Nordic		Total	
	July – September		July – September		July – September	
	2020	2019	2020	2019	2020	2019
Byggmax	1,517	1,250	467	399	1,984	1,648
Skånska Byggvaror	152	125	65	40	216	165
Total net sales	1,669	1,374	532	439	2,200	1,813

ASSETS BY SEGMENT

SEK M	Byggmax		Skånska Byggvaror		Other		IFRS 16		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Assets by segment	3,416	3,035	931	900	-556	-159	1,268	1,399	5,059	5,175
– of which fixed assets	1,271	1,303	870	911	357	362	1,315	1,417	3,813	3,993

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 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. The information was submitted for publication on October 21, 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

Corporate registration
number:
556656-3531
Registered office:
Solna

Background information about Byggmax
and press images are available at
www.byggmax.se