



Press release from Bergs Timber AB (publ)

Vimmerby, 6 April 2020

Bergs Timber makes temporary adjustments to their production

The effects of the corona crisis are beginning to be seen in lower demand for wood products. Bergs Timber has a large share of its sales to the UK market where demand now has fallen rapidly. In order to achieve a balance between production and demand, a number of changes will be made.

Bergs Timber has agreed with the trade unions to start short-term work at the Orrefors sawmill after Easter. At the sawmills in Mörlunda and Vimmerby some adaptation of work shifts have been carried out and temporary workers have been terminated. In the short term, the production volume at the sawmills will be reduced by about 30 percent. The rate of production will be revised continuously.

In the Baltic and UK operations, layoffs will also be implemented.

Negotiations with the trade unions regarding the closure of the sawmill in Gransjö have been completed. The sawmilling operation will cease in April and the entire operation at the mill will be discontinued during the fall of 2020.

- Deliveries during the beginning of 2020 have been good and our stocks are low for the season which is a strength in this uncertain situation. Many of our markets work well, while lower demand from the UK market has a major impact on our operations. We have a readiness quickly to increase capacity again as demand increases, says Peter Nilsson, President and CEO of Bergs Timber.

Further information about this press release can be provided by Bergs Timber's CEO and group president Peter Nilsson, +46 703 15 09 27 or CFO Anders Marklund, +46 702 84 47 96.

The information is such that Bergs Timber AB (publ) is required to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on 6 April 2020 at 14.00 (CEST).

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