



**RECORD-BREAKING FOURTH QUARTER SALES AND
EBITA AS MARKET CONDITIONS RETURN TO NORMAL**

Today's presenters

Mikael Olander
President and CEO



- **Bygghemma Group since 2012**
- CEO of CDON Group (now Qliro Group, publ) (2000-12)
- Manager at Egmont (1995-00)
- Former member of the Swedish National Athletics decathlon team

Martin Edblad
CFO



- **Bygghemma Group since 2012**
- CFO of CDON Group (now Qliro Group, publ) (2010-12)
- CFO of MTG's online business area (2004-10)

Agenda

- Results highlights
- Business update
- Financial update Q4 2018
 - Group
 - DIY segment
 - Home furnishing segment
 - Cash flow and financial position
- Summary
- Q&A



Agenda

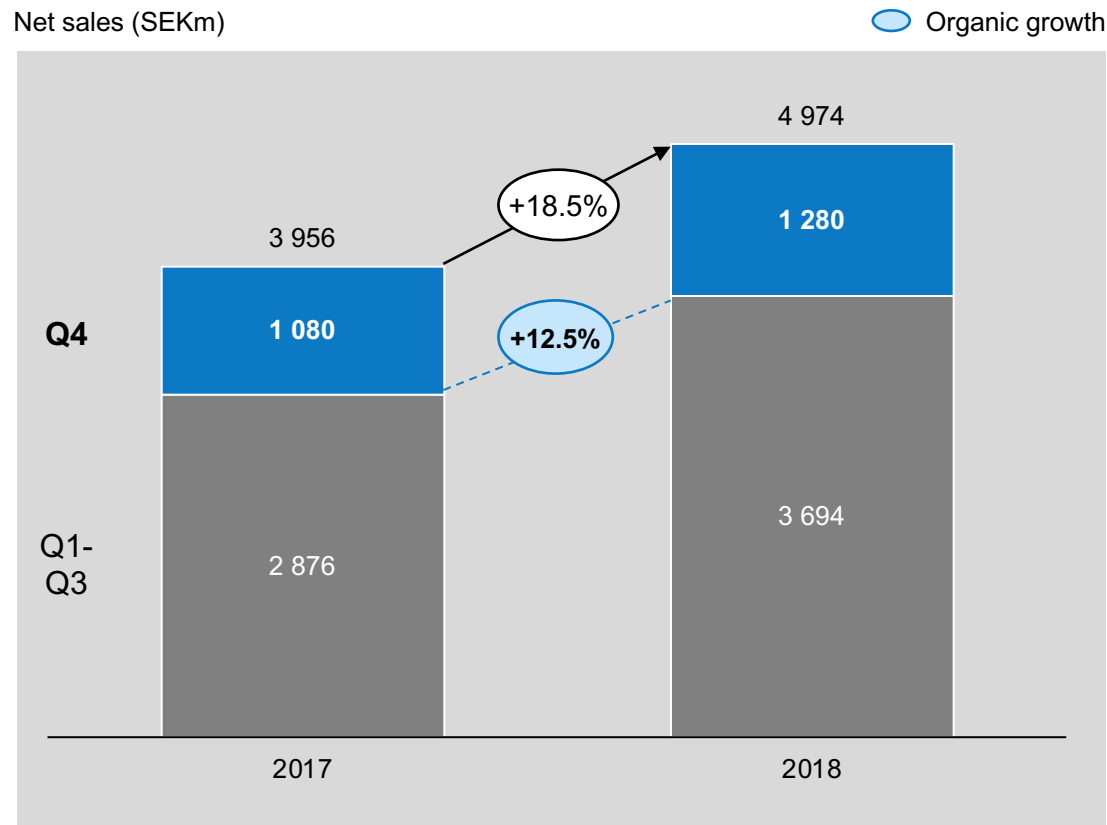
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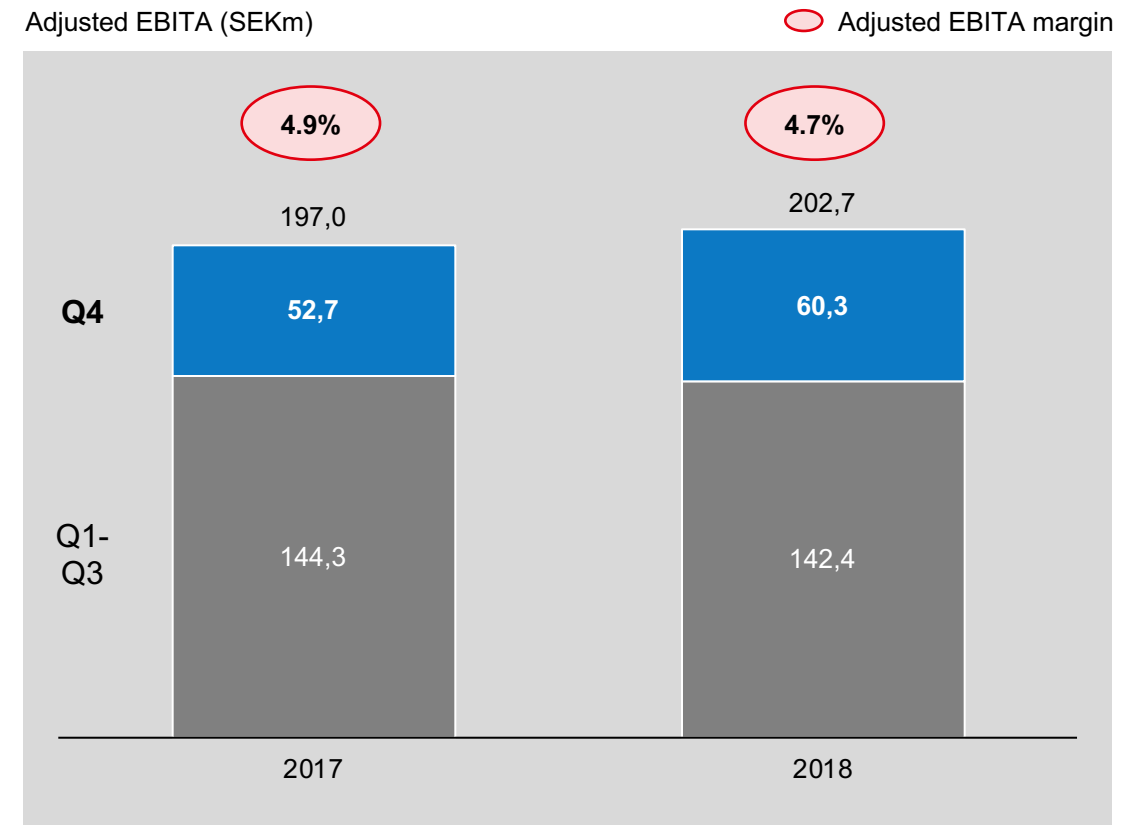


Strong fourth quarter as market conditions normalise

Sales growth continues to outperform the Nordic overall market



Highest fourth quarter results ever, driven by a solid development in both segments



Note: Items affecting comparability impacting EBITA totalled SEK 6.6 million (38.2) for the quarter and SEK 77.9 (73.5) for the year, related to (i) acquisition costs of SEK 0.4 million (1.4) for the quarter and SEK 2.0 million (10.0) for the year, (ii) integration and warehouse move costs of SEK 27.5 million (44.7) for the year, (iii) costs of SEK 11.4 million (-) for the year, related to the long-term incentive program launched in connection with the IPO, (iv) costs for the listing on Nasdaq of SEK 30.7 million (18.8) and (v) costs for establishment of ab own distribution network of 6.3 million (-) for the quarter.

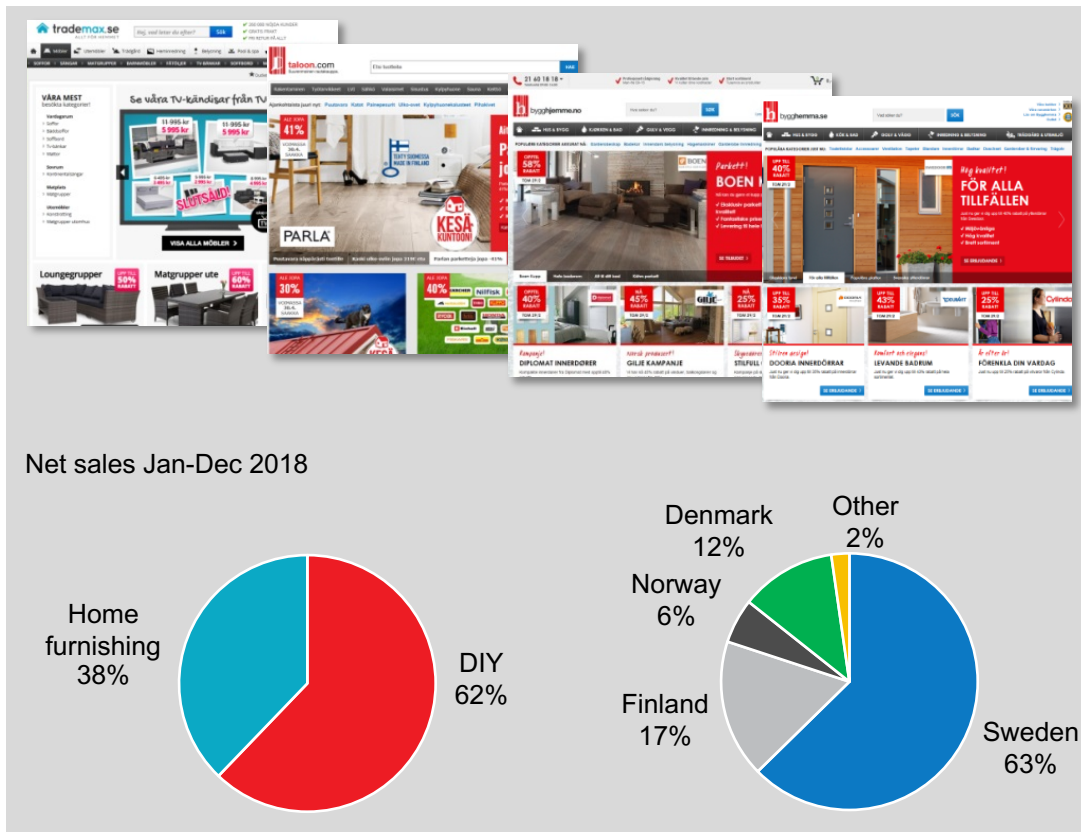
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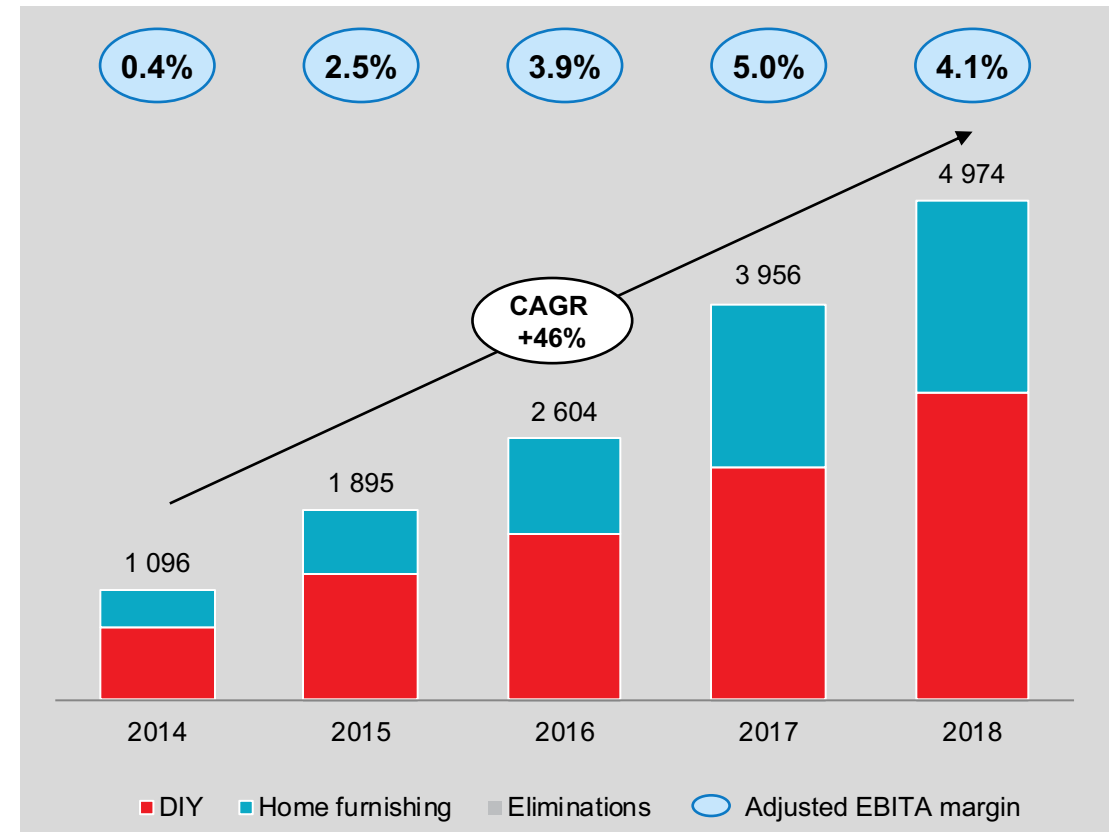


Bygghemma Group at a glance

The clear Nordic online leader in home improvement



Significant scale and profitability



Note: Adjusted EBITA excludes Items affecting comparability.

Q4 highlights

Strengthened market position	<ul style="list-style-type: none">▪ Number one European online retailer within home improvement▪ Increased online market share in 2018 – now approaching 30 percent in the Nordics
Record-breaking sales and EBITA	<ul style="list-style-type: none">▪ 18.5% YoY growth driven by +18.3% organic growth in DIY▪ Adjusted EBITA of SEK 60.3 million, the highest level to date for the period
Home Furnishing considerably improved	<ul style="list-style-type: none">▪ Growth turned from negative in the third quarter to +18 percent in the fourth quarter▪ Highest quarterly EBITA ever, as a result of market conditions returning to normal
Strong financial position	<ul style="list-style-type: none">▪ Financial targets reiterated▪ Net debt / EBITDA in line with the target range
Two add-ons announced	<ul style="list-style-type: none">▪ Edututor Oy, a leading online player in Finland with proprietary brands in grilling, LED lighting and kitchen products▪ VVSKupp.no (after the end of Q4) – the leading online pure-play DIY retailer in Norway
Last-mile project delivering	<ul style="list-style-type: none">▪ Own last-mile distribution operative for over four months and delivering as expected▪ We can already see increased customer satisfaction

Market leading position in Norway strengthened



- On 29 January Bygghemma Group announced the acquisition of Designkupp AS ("vnskupp.no"), the leading online retailer in Norway primarily focused on bathroom products.
- The acquisition will strengthen Bygghemma's leading position in Norway considerably.
- Designkupp was founded in 2005 and had sales of approximately SEK 100 million in 2018, with an operating margin north of 3 percent.
- Considerable synergies identified going forward, providing a good basis for increased growth.



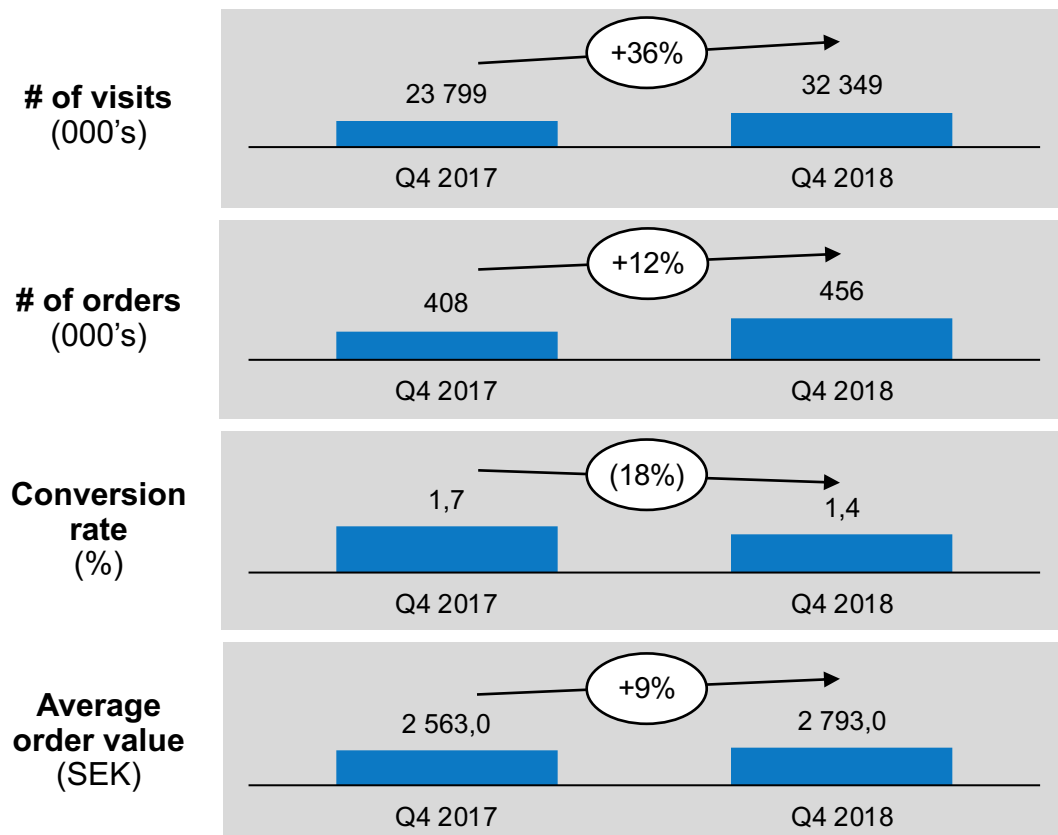
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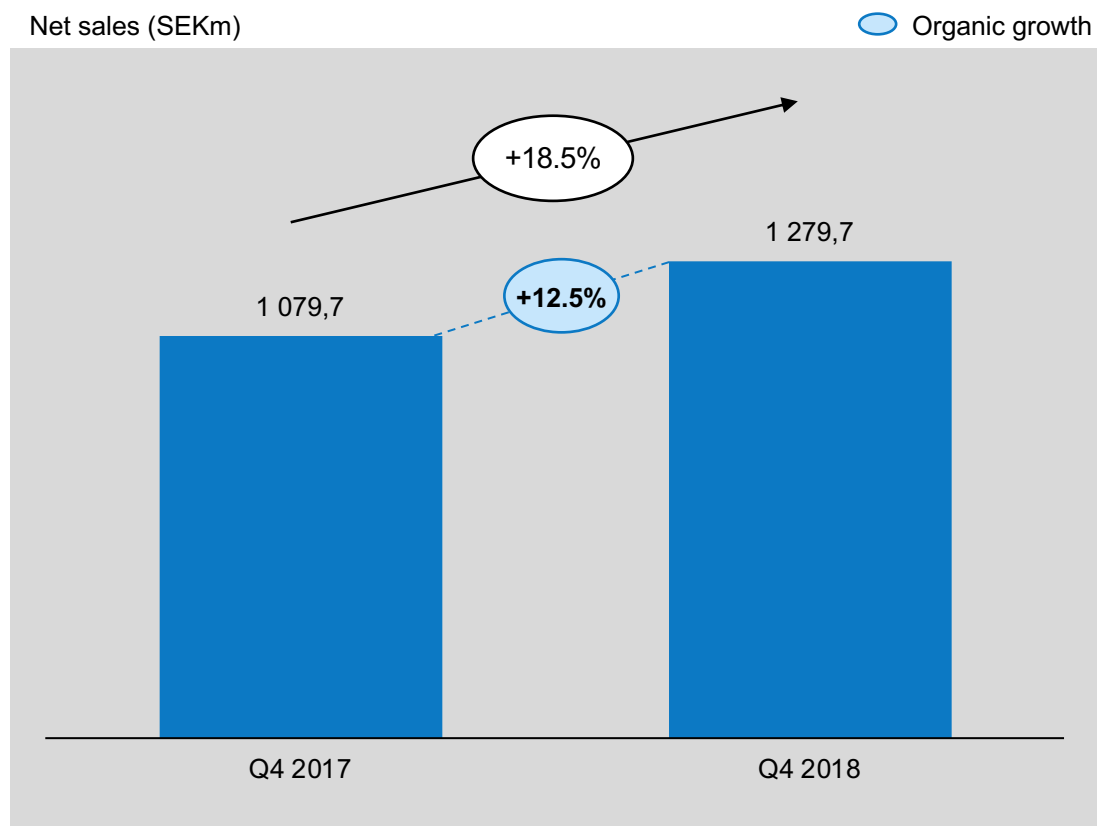


Sales growth mainly driven by visits and AOV growth

Continued strong development in KPIs
– average order value improving by 9% YoY



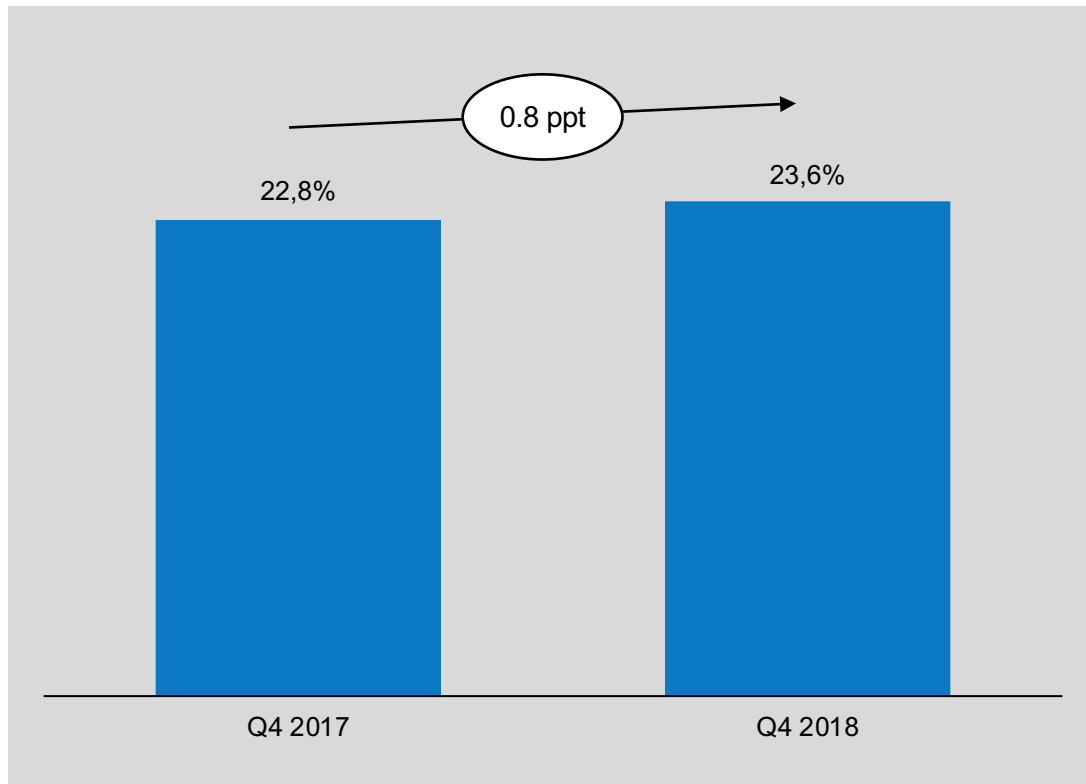
FI, DK and NO continued to increase share of Group sales



Improved gross margin and highest Q4 EBITA to date

Gross margin improved mainly due to higher margins within the Home Furnishing segment

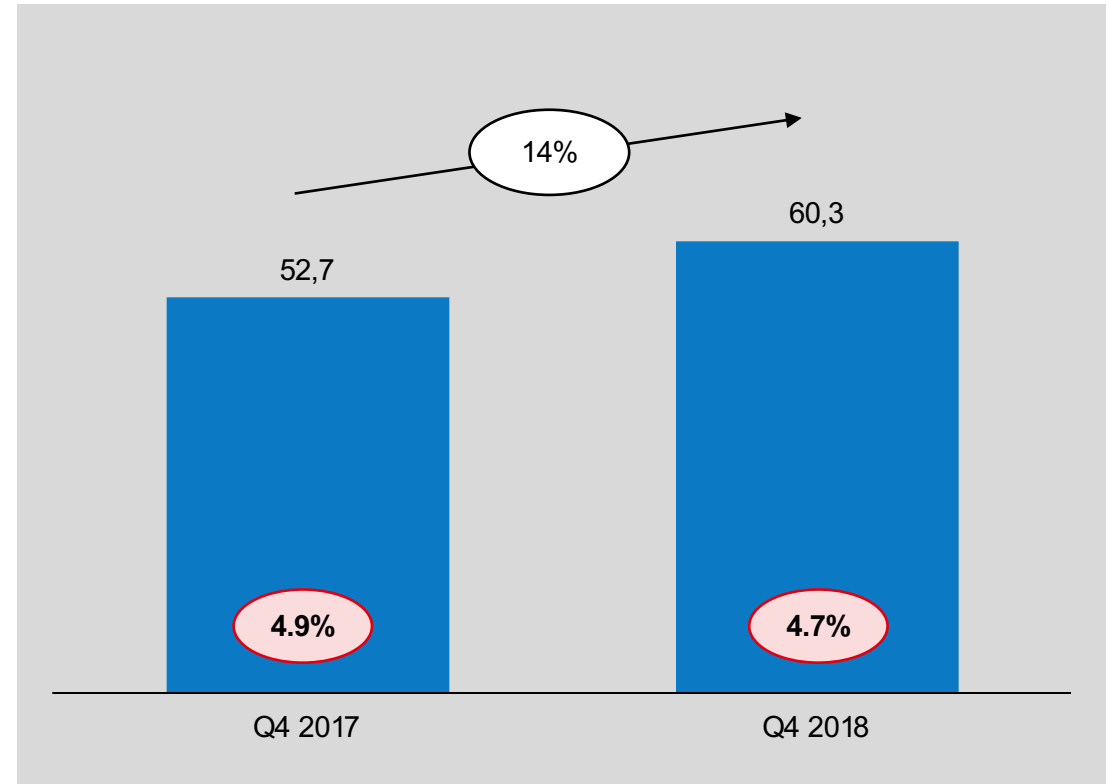
Adjusted gross margin



Highest EBITA to date for the period however slightly lower margins due to unusually strong DIY margins last year

SEKm

Adjusted EBITA margin

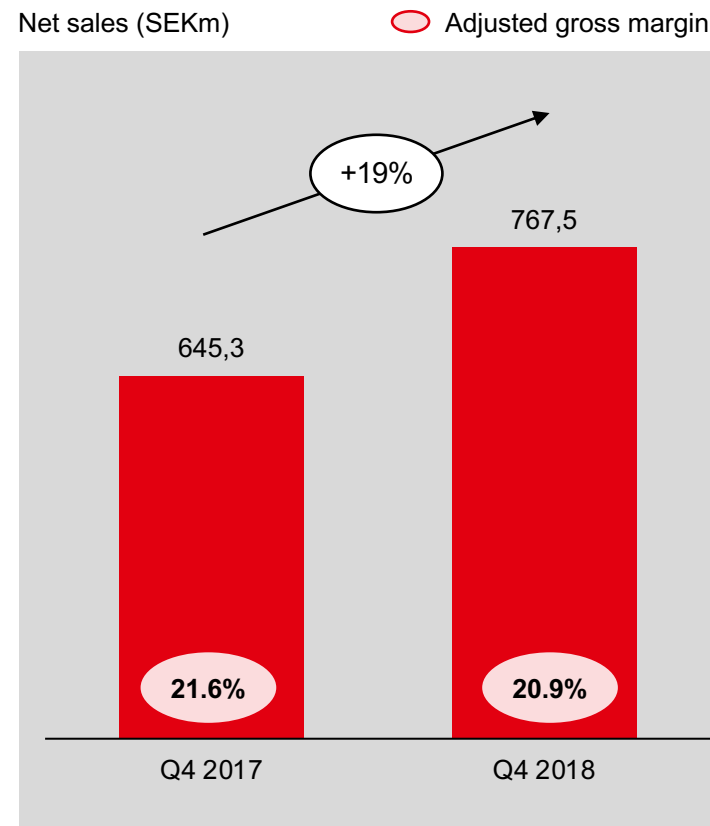


Note: Items affecting comparability impacting EBITA totaled SEK 6.6 million (38.2) for the quarter and were attributable to (i) acquisition costs of SEK 0.4 million (1.4) and (ii) costs in connection with the establishment of own distribution network of SEK 6.3 million (-).

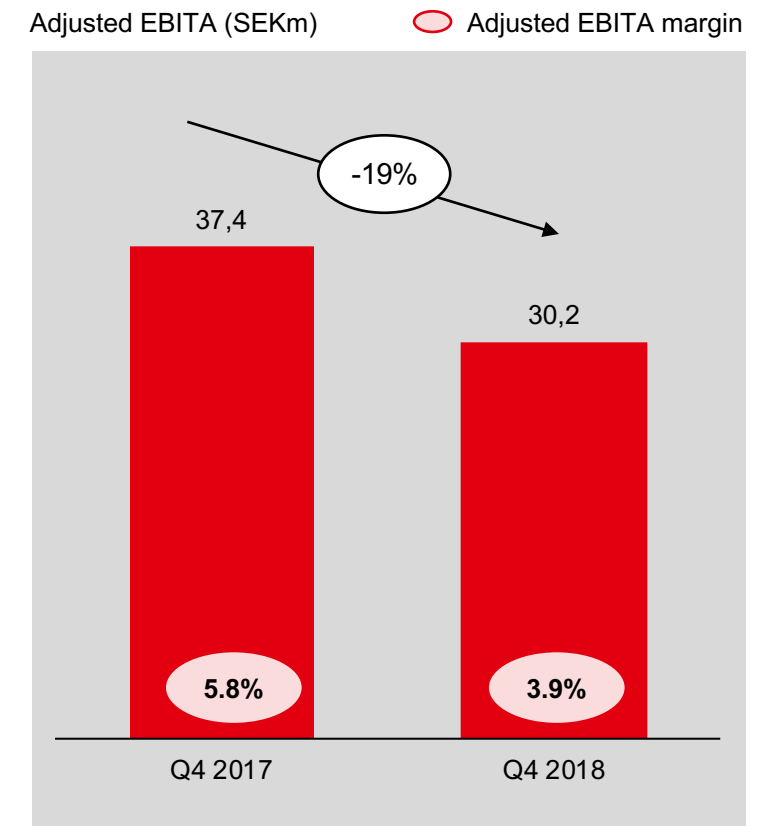
Strongly outgrew the market with >18% organic growth

- Net sales increased by 18.9%, of which organic growth accounted for 18.3%
- Adjusted EBITA margin was 3.9% (5.8), with the fourth quarter levels in 2017 being unusually strong, mainly due to more invoicing days in December
- The DIY segment continued to gain market shares in all Nordic markets during the quarter
- The strongest performance was attributable to the kitchen/whitegoods product category, followed by heavy construction and doors/windows
- The focus on category leadership yielded positive results during the period, partly due to the specialised knowledge and brand expansion as a result of a number of strategic acquisitions in recent years, and most recently from the acquisitions of Arredo and Vitvaruexpertern in 2017 and Edututor in 2018

DIY represented 60% of the Group's net sales in the fourth quarter



Fourth quarter EBITA in 2017 unusually strong – fewer invoicing days in 2018

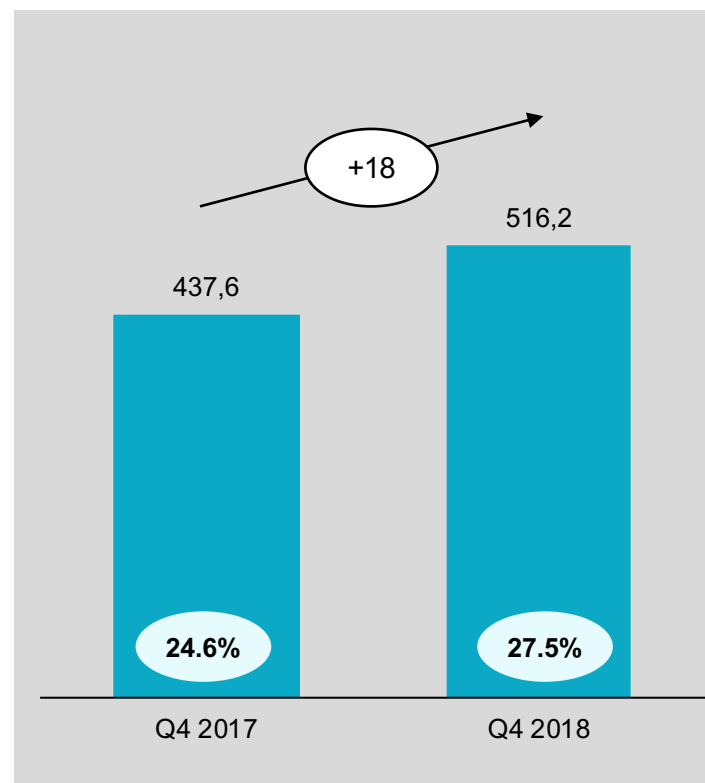


Returning to solid growth with highest EBITA ever

- Net sales increased by 18.0 percent during the fourth quarter, returning to solid growth figures after the challenging third quarter
- The adjusted EBITA-margin amounted to a record-high 6.4% (3.1) in the quarter, driven by normalised market conditions and FX-development but also to a smaller part by decreased raw material prices compared with the same period previous year
- The Home Furnishing division gained online market shares in all product categories and geographical markets during 2018 compared with last year
- The roll-out of the last-mile operations have continued during the quarter according to plan, with a positive momentum

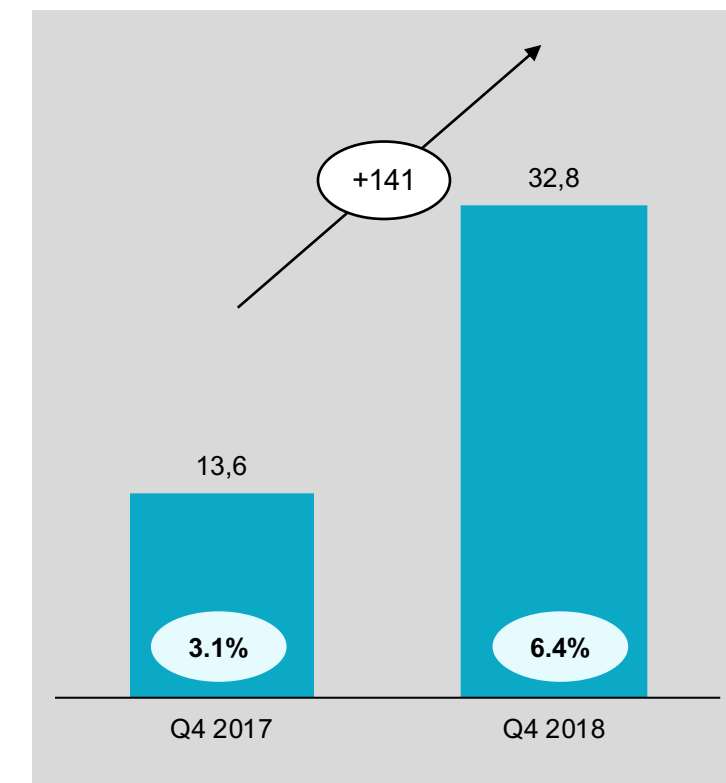
Home furnishing represented 40% of the Group's net sales in the third quarter

Net sales (SEKm) Adjusted gross margin



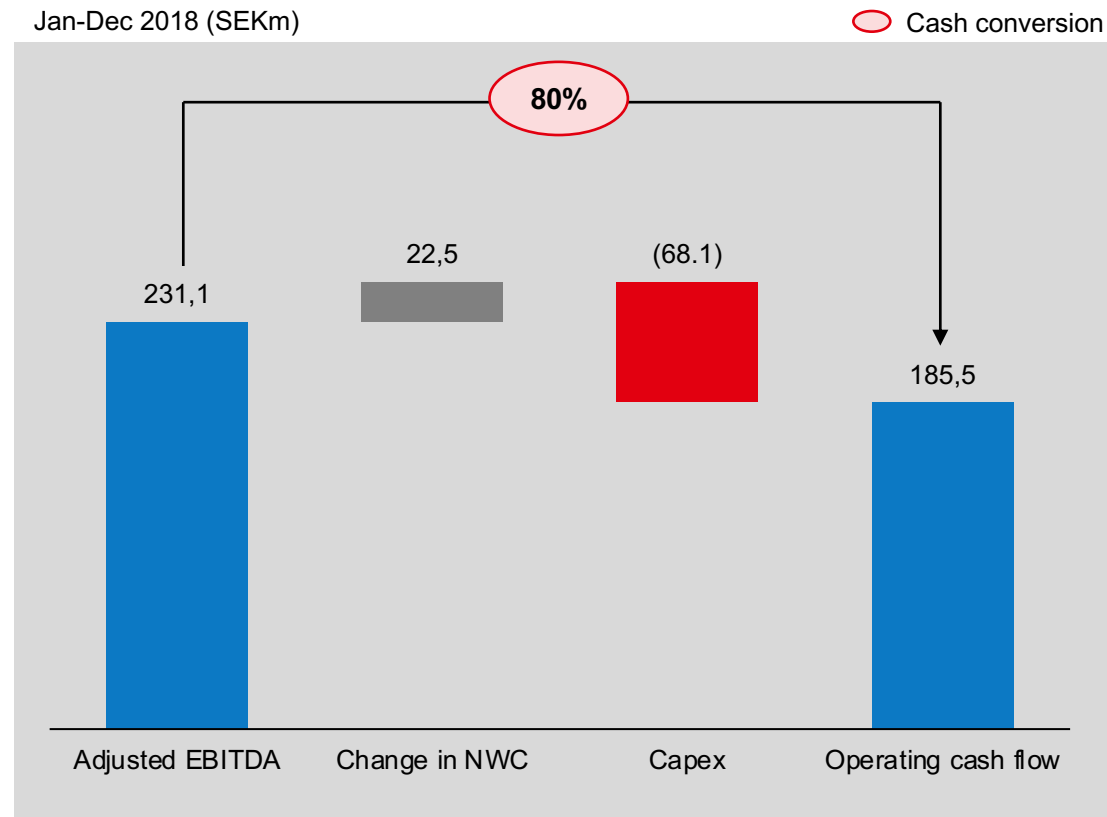
Highest EBITA and EBITA margin ever

Adjusted EBITA (SEKm) Adjusted gross margin

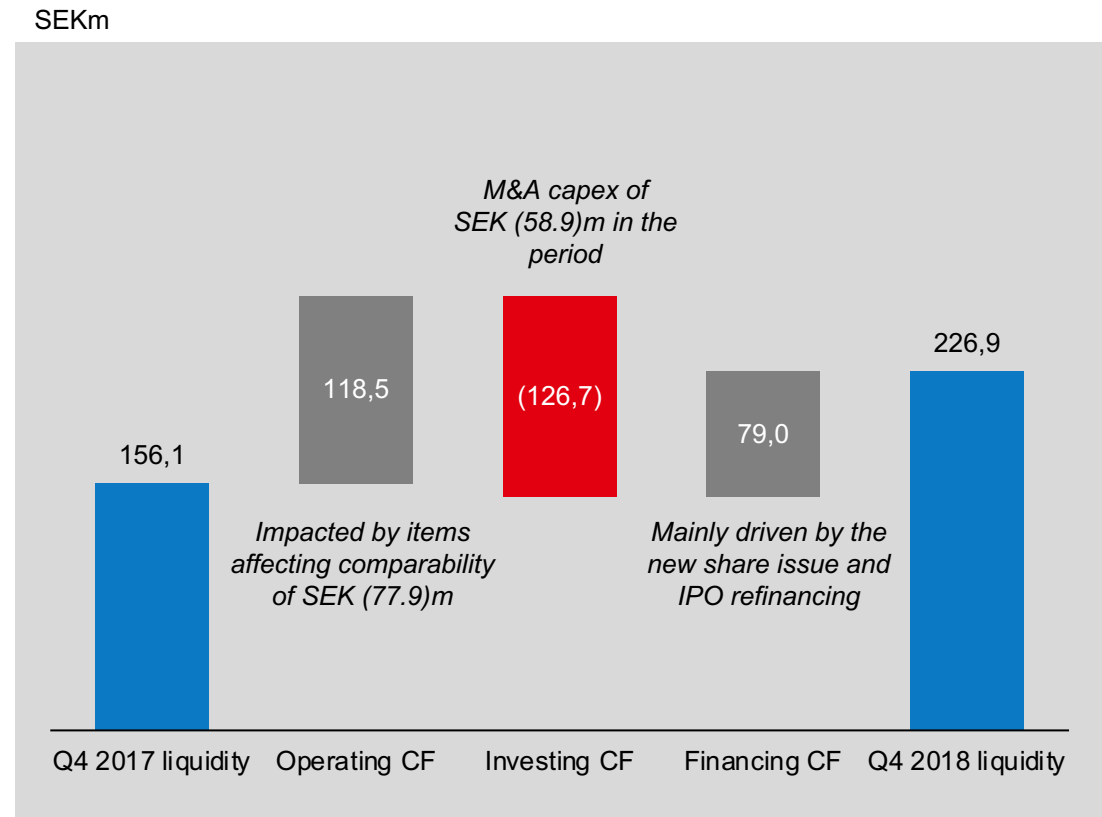


Strong cash generation despite heavy investment year

80 (121) % cash conversion due to heavy investment year and fewer invoicing days in Dec compared with last year



Liquidity driven by strong operating cash flow



Financial position remains solid

Overview of financial position

SEKm	31 Dec 2018
Interest bearing liabilities	1,015.3
Cash and cash equivalents	(226.9)
Adjustment for earn-outs and deferred payments	(320.3)
Adjustment for debt fees	5.6
Net debt / (net cash)	473.6
2018 adjusted EBITDA	231.1
Net debt / LTM adjusted EBITDA	2.1x

- Net debt / EBITDA of 2.1x in line with the financial target of 1.5 – 2.5x
- The Group's unutilised credit facilities amounted to SEK 394.5 million at the end of the period, compared with SEK 125.0 million at the beginning of the year
- Strong financial position to facilitate growth investments and continued M&A

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Summary



- **Strong fourth quarter result** as market **conditions returned to normal** following challenging third quarter
- Bygghemma continued to strengthen its position as the **number one European online retailer within home improvement** and is now approaching 30 percent online market share in the Nordics within DIY and Home Furnishings
- **Fourth quarter results** were **highest ever** – driven by a solid development in both segments
- The **performance within the Home Furnishing segment improved considerably** in the period, following the completion of the Furniturebox integration and supported by the normalised market conditions
- **Own last-mile** distribution network has been operative for over four months and service is **delivering as expected**
- **Clear number one in Norway** with new exciting add-on acquisitions signed
- **Mid-term financial targets reiterated**

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Appendix

Condensed consolidated financial information

SEKm (if not otherwise stated)	Q4			Jan-Dec		
	2018	2017	??%	2018	2017	??%
Net Sales	1 279,7	1 079,7	18,5	4 973,7	3 955,5	25,7
Gross profit	298,2	234,2	27,3	1 047,5	820,0	27,7
Gross margin (%)	23,3	21,7	7,4	21,1	20,7	1,6
Adjusted gross profit*	302,3	245,7	23,1	1 077,9	855,2	26,0
Adjusted gross margin (%)	23,6	22,8	3,8	21,7	21,6	0,2
Adjusted EBITDA*	67,8	61,4	10,4	231,1	219,7	5,2
Adjusted EBITDA-margin (%)	5,3	5,7	-6,8	4,6	5,6	-16,3
Adjusted EBITA**	60,3	52,7	14,4	202,7	197,0	2,9
Adjusted EBITA-margin (%)	4,7	4,9	-3,5	4,1	5,0	-18,2
Operating income	44,1	5,2	744,9	87,2	91,5	-4,7
Operating-margin (%)	3,4	0,5	612,8	1,8	2,3	-24,2
Net profit/loss for the period	49,5	-8,2	-707,0	50,8	28,7	76,7
Cash flow from operations	20,7	25,2	-17,7	118,5	141,1	-16,0
Visits (thousands)	32 349	23 799	35,9	116 120	91 670	26,7
Orders (thousands)	456	408	11,9	1 735	1 244	39,5
Conversion rate (%)	1,4	1,7	-17,7	1,5	1,4	10,1
Average order value (SEK)	2 793	2 563	9,0	2 830	3 153	-10,3

* Adjusted for items affecting comparability of SEK 6.6 million (38.2) for the quarter and SEK 77.9 million (73.5) for the year, refer to "Relevant reconciliations of non-IFRS alternative performance measures (APM)" for a more detailed description.

** Adjusted EBITA is defined as operating income before depreciation and amortisation related to acquisitions and total items affecting comparability, refer to "Relevant reconciliations of non-IFRS alternative performance measures (APM)" for a more detailed description.

DIY segment

SEKm (if not otherwise stated)	Q4			Jan-Dec		
	2018	2017	??%	2018	2017	??%
Net Sales	767,5	645,3	18,9	3 073,8	2 342,2	31,2
Gross profit	160,5	139,3	15,2	612,1	468,4	30,7
Gross margin (%)	20,9	21,6	-3,1	19,9	20,0	-0,4
Adjusted gross profit	160,5	139,3	15,2	612,1	468,4	30,7
Adjusted gross margin (%)	20,9	21,6	-3,1	19,9	20,0	-0,4
Adjusted EBITA	30,2	37,4	-19,2	131,2	114,4	14,7
Adjusted EBITA-margin (%)	3,9	5,8	-32,0	4,3	4,9	-12,6
Operating income	23,1	29,5	-21,7	102,9	87,0	18,4
Operating margin (%)	3,0	4,6	-34,2	3,3	3,7	-9,8
Net profit/loss for the period	-44,4	-29,4	51,1	12,5	10,5	19,1
Visits (thousands)	15 911	11 326	40,5	65 762	51 938	26,6
Orders (thousands)	284	177	60,9	1 099	674	63,0
Conversion rate (%)	1,8	1,6	14,6	1,7	1,3	28,7
Average order value (SEK)	2 611	3 177	-17,8	2 746	3 394	-19,1

Home furnishing segment

SEKm (if not otherwise stated)	Q4			Jan-Dec		
	2018	2017	%	2018	2017	%
Net Sales	516,2	437,6	18,0	1 918,8	1 628,9	17,8
Gross profit	137,9	96,0	43,6	437,2	354,0	23,5
Gross margin (%)	26,7	21,9	21,8	22,8	21,7	4,8
Adjusted gross profit	142,0	107,4	32,2	467,6	389,2	20,1
Adjusted gross margin (%)	27,5	24,6	12,0	24,4	23,9	2,0
Adjusted EBITA	32,8	13,6	140,8	78,8	84,9	-7,1
Adjusted EBITA-margin (%)	6,4	3,1	104,1	4,1	5,2	-21,2
Operating income	23,8	-7,5	-416,4	33,7	25,6	31,9
Operating margin (%)	4,6	-1,7	-368,2	1,8	1,6	12,0
Net profit/loss for the period	37,2	-6,1	-709,2	41,0	14,5	182,5
Visits (thousands)	16 438	12 473	31,8	50 358	39 732	26,7
Order (thousands)	172	231	-25,6	636	569	11,7
Conversion rate (%)	1,0	1,9	-43,5	1,3	1,4	-11,9
Average order value	3 092	2 094	47,6	2 976	2 868	3,7

P&L

SEKm	Q4		Jan-Dec	
	2018	2017	2018	2017
Net Sales	1 279,7	1 079,7	4 973,7	3 955,5
Other operating income	0,5	2,4	-0,0	6,1
Total Net Sales	1 280,2	1 082,1	4 973,7	3 961,7
Cost of goods sold	-981,6	-845,5	-3 926,2	-3 135,6
Personnel costs	-114,9	-94,8	-420,4	-306,2
Other external costs and operating expenses	-122,6	-118,6	-469,6	-373,5
Other operating expenses	-0,1	-0,1	-4,4	-0,1
Depreciation and amortization of tangible and intangible fixed assets	-16,9	-17,9	-65,8	-54,7
Operating income	44,1	5,2	87,2	91,5
Profit/loss from financial items	14,6	-17,4	-39,9	-54,7
Profit before tax	58,7	-12,1	47,3	36,8
Income tax	-9,2	4,0	3,5	-8,1
Profit/loss for the period	49,5	-8,2	50,8	28,7
Attributable to:				
Equity holders of the parent	48,6	-8,2	49,9	28,7
Non-controlling interest	0,8	-	0,9	-
Net income for the period	49,5	-8,2	50,8	28,7
Earnings per share before dilution, SEK	0,45	-1,37	0,00	-3,99
Earnings per share after dilution, SEK	0,45	-1,37	0,00	-3,99

Balance sheet

SEKm	31 Dec	
	2018	2017
Non-current assets		
Goodwill	2 590,7	2 451,1
Other intangible fixed assets	1 225,3	1 166,3
Total intangible fixed assets	3 815,9	3 617,4
Buildings and land	11,3	10,8
Tangible fixed assets	22,9	21,4
Financial fixed assets	5,4	4,5
Deferred tax asset	6,0	15,5
Total fixed assets	3 861,5	3 669,6
Current assets		
Inventories	504,9	400,4
Current receivables	258,6	192,8
Cash and cash equivalents	226,9	156,1
Total current assets	990,4	749,3
Total assets	4 851,9	4 418,9
Equity		
Equity attributable to owners of the parent	2 783,1	2 375,1
Non-controlling interest	31,3	-
Total equity	2 814,4	2 375,1
Non-current liabilities		
Deferred tax liability	234,3	259,0
Other provisions	1,9	1,4
Non-current interest bearing liabilities to credit institutions	694,9	893,3
Other non-current liabilities	278,3	212,7
Total non-current liabilities	1 209,5	1 366,4
Current liabilities		
Short term interest bearing loans to credit institutions	-	44,2
Other interest bearing liabilities	42,0	36,9
Other current liabilities	786,0	596,4
Total current liabilities	828,1	677,5
Total shareholders' equity and liabilities	4 851,9	4 418,9

Consolidated statement of cash flows

SEKm	Q4		Jan-Dec	
	2018	2017	2018	2017
Cash flow from operating activities before changes in working capital	59,1	-3,4	96,0	67,4
Changes in working capital	-38,3	28,6	22,5	73,7
Cash flow from operations	20,7	25,2	118,5	141,1
Investments in operations	-11,5	-28,6	-58,9	-731,7
Investments in other non-current assets	-21,6	-9,7	-68,1	-28,6
Divestment of other tangible fixed assets	0,0	0,1	0,1	0,1
Cash flow to/from investing activities	-33,1	-38,1	-126,7	-760,1
New share issue	-	8,6	345,2	425,6
Loans taken	11,9	35,5	694,1	401,3
Amortization of loans	-8,2	-20,6	-968,5	-106,2
Issue of warrants	-	-	4,6	-
Dividends to shareholders	0,0	-0,0	0,1	0,1
Cash flow to/from financing activities	3,7	23,5	75,4	720,8
Cash flow for the period	-8,7	10,6	67,3	101,7
Cash and cash equivalents at the beginning of the period	237,5	143,8	156,1	53,3
Translation differences in cash and cash equivalents	-1,9	1,6	3,6	1,0
Cash and cash equivalents at the end of the period	226,9	156,1	226,9	156,1

Reconciliation of non-IFRS metrics

SEKm	Q4		Jan-Dec	
	2018	2017	2018	2017
Operating income	44,1	5,2	87,2	91,5
Depreciation and amortization of acquisition related intangible fixed assets	9,6	9,3	37,5	32,1
EBITA	53,7	14,5	124,8	123,6
EBITA (%)	4,2	1,3	2,5	3,1
Acquisition-related costs	0,4	1,4	2,0	10,0
Integration costs and costs related to warehouse move	-	18,4	27,5	44,7
Costs in connection with the establishment of own distribution network	6,3	-	6,3	-
Costs related to LTIP	-	-	11,4	-
Costs related to the process for expanding the shareholder base	-	18,4	30,7	18,8
Total items affecting comparability	6,6	38,2	77,9	73,5
Adjusted EBITA	60,3	52,7	202,7	197,0
Adjusted EBITA (%)	4,7	4,9	4,1	5,0
Depreciation and amortization of tangible and intangible fixed assets	7,5	8,7	28,4	22,6
Adjusted EBITDA	67,8	61,4	231,1	219,7
Adjusted EBITDA (%)	5,3	5,7	4,6	5,6
Net Sales	1 279,7	1 079,7	4 973,7	3 955,5
Cost of goods sold	-981,6	-845,5	-3 926,2	-3 135,6
Gross profit	298,2	234,2	1 047,5	820,0
Gross profit (%)	23,3	21,7	21,1	20,7
Integration costs and costs related to warehouse move	-	11,5	26,3	35,2
Costs in connection with the establishment of own distribution network	4,2	-	4,2	-
Adjusted gross profit	302,3	245,7	1 077,9	855,2
Adjusted gross profit (%)	23,6	22,8	21,7	21,6