



**2021/Q3**

## **Journey of growth continues**

Organic growth, M&A and synergies  
resulted in growth for the quarter of  
33.6%





# Today's presenters

**Adam Schatz**  
President and CEO

**Jesper Flemme**  
CFO



# Agenda

- Results highlights
- Business update
- Financial update Q3 2021
  - Group
  - DIY segment
  - Home Furnishing segment
  - Cash flow and financial position
- Conclusions
- Q&A





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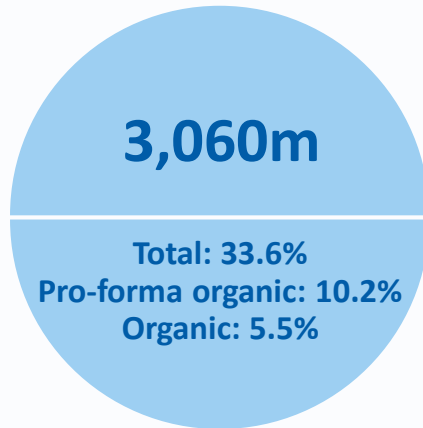
# Select financial highlights

Journey of growth continues, in a post-covid operating environment

BHG GROUP Q3 2021

## Sales

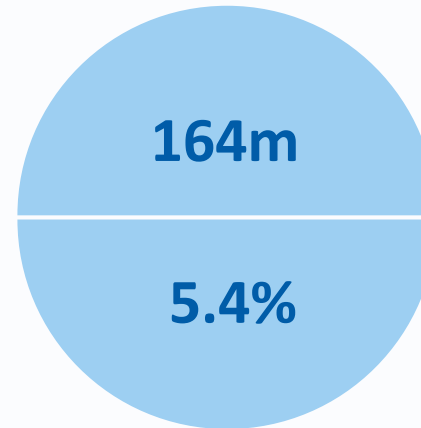
Net Sales (SEK)



Growth

## Earnings

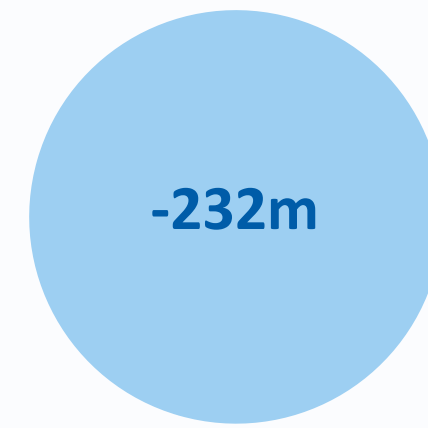
Adj. EBIT(SEK)



Adj. EBIT margin

## Cash flow

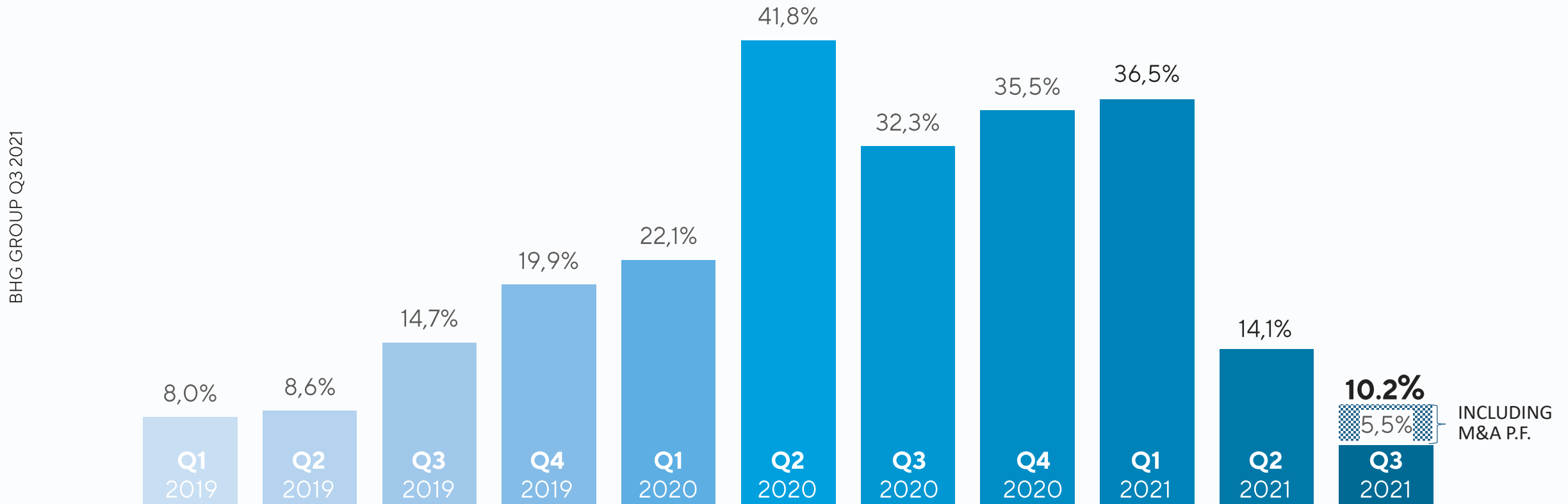
Cash flow from operating activities (SEK)



Organic growth, M&A and synergies resulted in growth for the quarter of 33.6%

# Organic growth

Y-on-Y development



We have continued to grow, both organically and through acquisitions,  
in a post-covid environment

# Significantly strengthened position

## The total (offline + online) Home improvement market contracted in the quarter

- We estimate that the Nordic B2C market contracted 2-4%

## BHG's market share increased

- Our total growth, with M&A, exceeded 30%; pro-forma our businesses grew ~10%

## New acquisitions performing well and growth in mainland Europe was strong

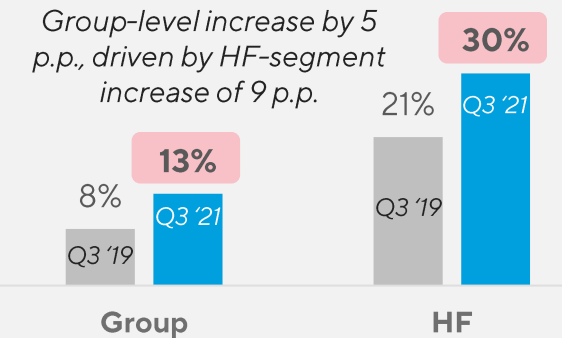
- Strong performance by newly acquired businesses
- 30% of HF segment sales in mainland Europe – and our business grew by >30% outside of the Nordics
- Clear and present further opportunities to execute on geographic expansion, both organic and acquisition-related – major advantage, not least in the prevailing market

## We reaffirm that our online markets can be expected to grow by approximately 15% p.a. over a cycle – a baseline to which we continue to add M&A

- Online still relatively low, but expected to grow significantly in the coming years
- BHG is the natural consolidator – and we now also have the European dimension in our sights

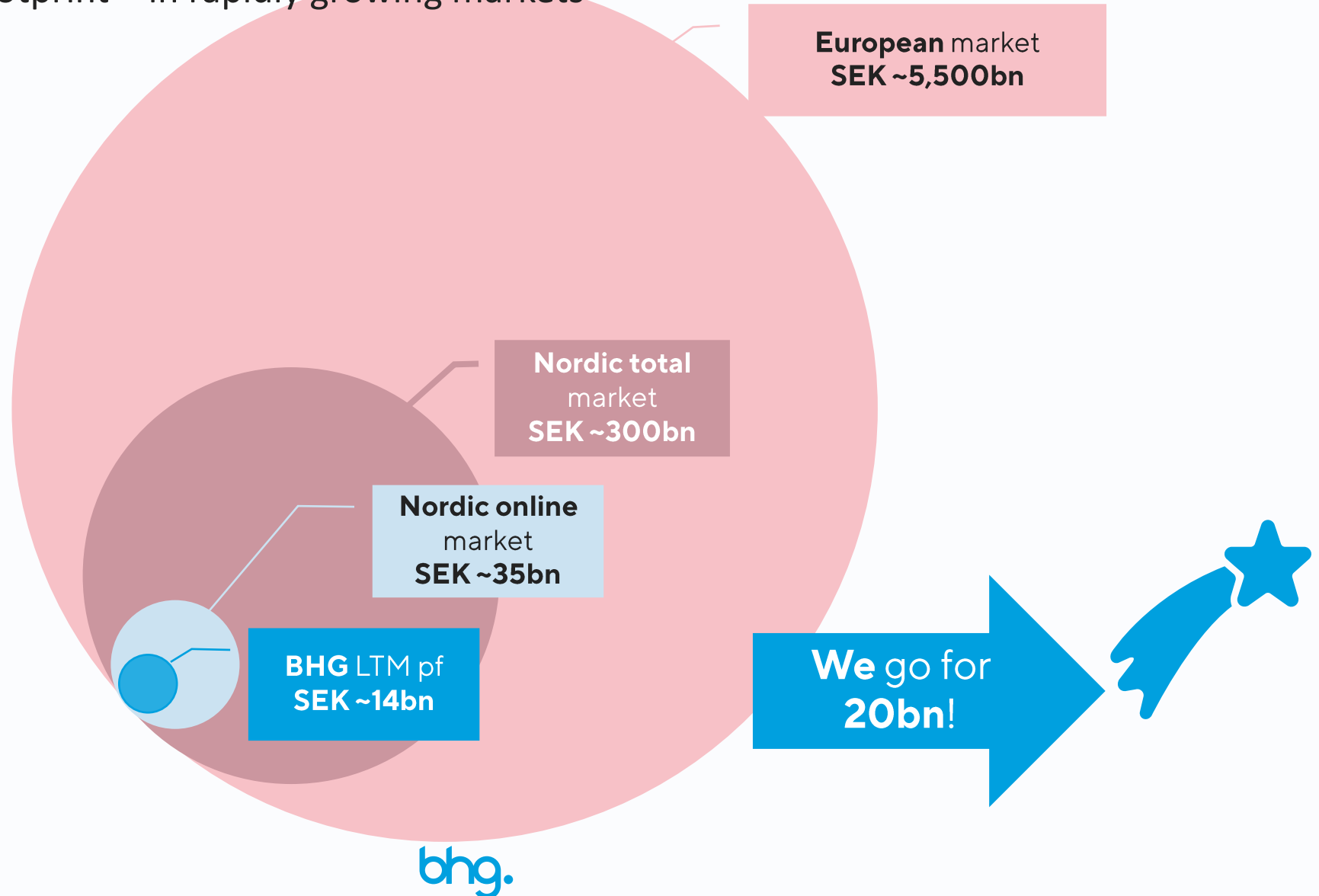


## Share of sales outside of the Nordics (Q3 2021 vs. Q3 2019)



# BHG... plenty of room for sustained growth

Strong geographic footprint – in rapidly growing markets





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# Our strategy remains focused on four cornerstones

The BHG ecosystem



Continued expansion of our already leading product range

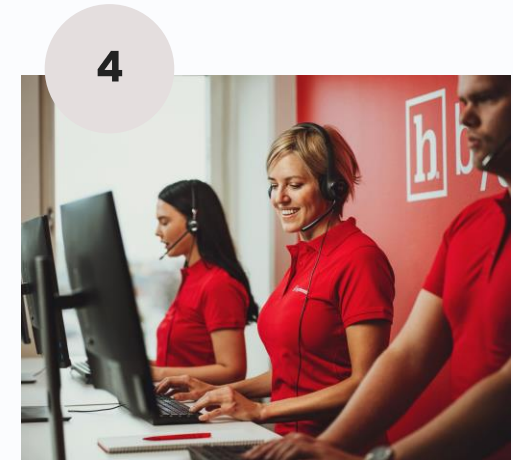
**The Product Offering as the base...**



Scale and a growing share of own brands in our sales mix



Creating the most appealing digital shopping experience



Offering the market's best guidance, service and support

**...with the Customer at the centre**

Our history of acquisitions has accelerated the creation of the BHG ecosystem by contributing to each of the four strategy pillars

# Organic + M&A + Synergies

BHG - Clear value creation path

## Organic

Drive share



- Offline to Online
- Further strengthen leadership position
- Category and geographic expansion

## M&A

Consolidate markets

36

Acquisitions since 2012 - six acquisitions in last seven months

- M&A is part of our DNA
- Proven track record and capabilities
- Highly fragmented market both in the Nordics and Europe
- BHG leading the consolidation
- Category catalysts & Platforms

## Synergies

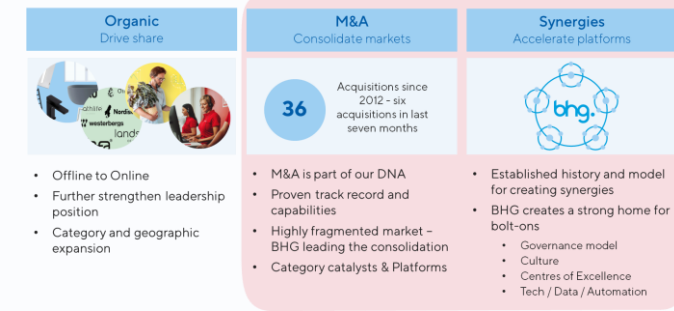
Accelerate platforms









- Established history and model for creating synergies
- BHG creates a strong home for bolt-ons
  - Governance model
  - Culture
  - Centres of Excellence
  - Tech / Data / Automation

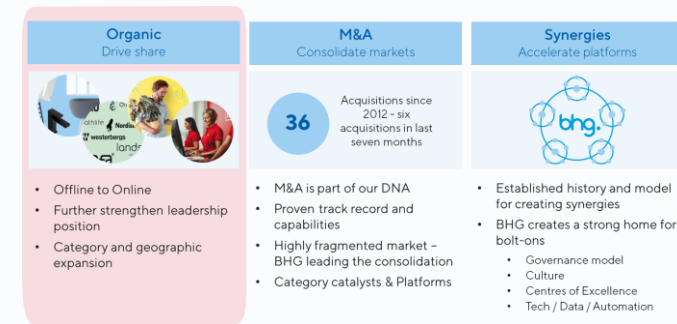
# Strong development in recent acquisitions

So far this year, we have added six new businesses to the portfolio



| Acquisition  | Status update  |
|--|--|
|   | <ul style="list-style-type: none"> <li>Close collaboration with Nordic furniture platform already established</li> <li>Great eagerness to go for synergies on both sides of the aisle</li> <li>First truck of intercompany assortment shipped from Helsingborg to Nordrhein-Westfalen</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>Assortment exchange in progress</li> <li>Cost synergies in new agreements</li> <li>Logistics synergies in progress</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>Part of BHG Finland platform, spearheading proprietary brand development</li> <li>New product development focused on BHG channel sales opportunities</li> <li>Leveraging multi-channel sales approach, including own shops and marketplaces</li> </ul>  |
|    | <ul style="list-style-type: none"> <li>Steps taken to gather a number of our proprietary brands, including Bathlife, under Hafa Bathroom Group – DIY platform for multi-channel proprietary brands for the bathroom and adjacent categories</li> </ul>   |
| <br> | <ul style="list-style-type: none"> <li>On course for full integration into Nordic Nest platform, including moving warehouse and Utilising the e-com expertise at Nordic Nest to accelerate growth on Svenssons.se</li> <li>Cost Synergies in agreements &amp; organization</li> <li>Cost Synergies in new agreements</li> <li>Online Marketing optimization &amp; BHG Best Practice</li> <li>Expanding warehouse – and will then automate</li> </ul> |

# We are taking important steps to accelerate our organic initiatives



| Assortment   | Delivery  | Data & Automation  |
|--|---|--|
| <ul style="list-style-type: none"> <li><b>Assortment expansion</b> – evolving the BHG ecosystem of external and proprietary brands and installation services</li> <li><b>Automated product exchange</b> – proprietary system launched for exchange of product information between Group companies</li> <li><b>Proprietary brands</b> – Gathering select brands, including Bathlife, under Hafa Bathroom Group</li> </ul> | <ul style="list-style-type: none"> <li><b>Drop shipping 2.0</b> – investments in tech and automation to further develop the drop shipping model, including a closer IT integration with our main partners</li> <li><b>Warehouse, showroom, last mile</b> – SE/FI/NO hub in place, first showroom opened in the Oslo and introducing last mile; New DK infrastructure established; expanding NN warehouse and bringing in Svenssons</li> </ul> | <ul style="list-style-type: none"> <li>Significant investments to maximise the breadth of our offering and use all of the data to optimise operations and further enhance the customer experience</li> <li>Launching upgraded customer platform in the first half of 2022</li> <li>Our first inventory automation will be ready to be deployed ahead of the important Black Week period for our Danish DIY platform</li> </ul> |
| <b>Customer Centricity &amp; ESG</b><br>In everything we do  |   |  |

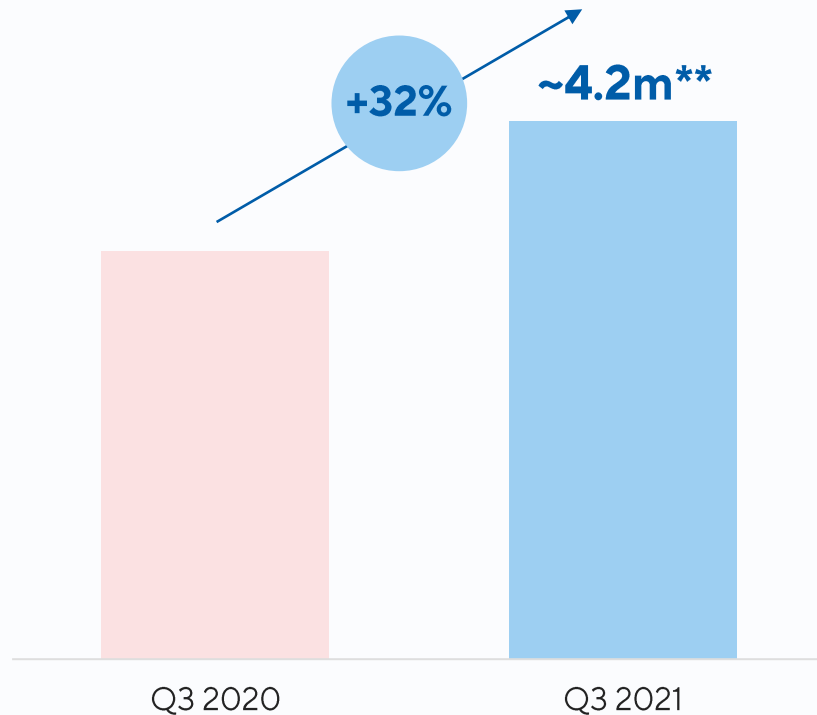


# 32% YoY pro-forma growth in active customers

## Number of active customers\*

Pro-forma

BHG GROUP Q3 2021



## Investing in Customer Data Platform to create a leading customer experience

- During the quarter, the first steps were taken toward an upgraded customer platform, which we intend to launch in the first half of 2022
- Strong increase in number of active customers during 2020 and beginning of 2021 – reaching an estimated 4.2m in Q3 2021
- First order profitability and attractive marketing ROI

~1.4

Orders per  
active customer  
LTM in Q3 2021

~45%

Repeat orders as  
% of total in  
Q3 2021

>3x

LTM Marketing  
ROI\*\*\* in  
Q3 2021

Note: all customer metrics are pro-forma

\*At least one purchase made in the past 12 months.

\*\* Estimated based on customer data from units accounting for ~70% of total orders.

\*\*\* Marketing ROI = Gross margin per customer / Customer acquisition cost (CAC)

# BHG at a glance – significant scale and profitability

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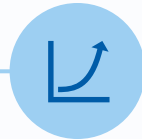
Sales CAGR 2014-LTM Q3'21

**>40%**



EBIT CAGR 2014-LTM Q3'21

**>100%**



EBIT margin LTM Q3'21

**7.1%**



Online destinations

**100+**



**WE MAKE LIVING EASY**

*#1 Nordic consumer e-commerce company,  
with a growing European presence*

**Two segments**

**DIY**

**HF**

Site visits LTM Q3'21

**~383m**



Orders LTM Q3'21

**~4.5m**



Countries with BHG presence

**24**



Number of SKUs

**>1.5m**



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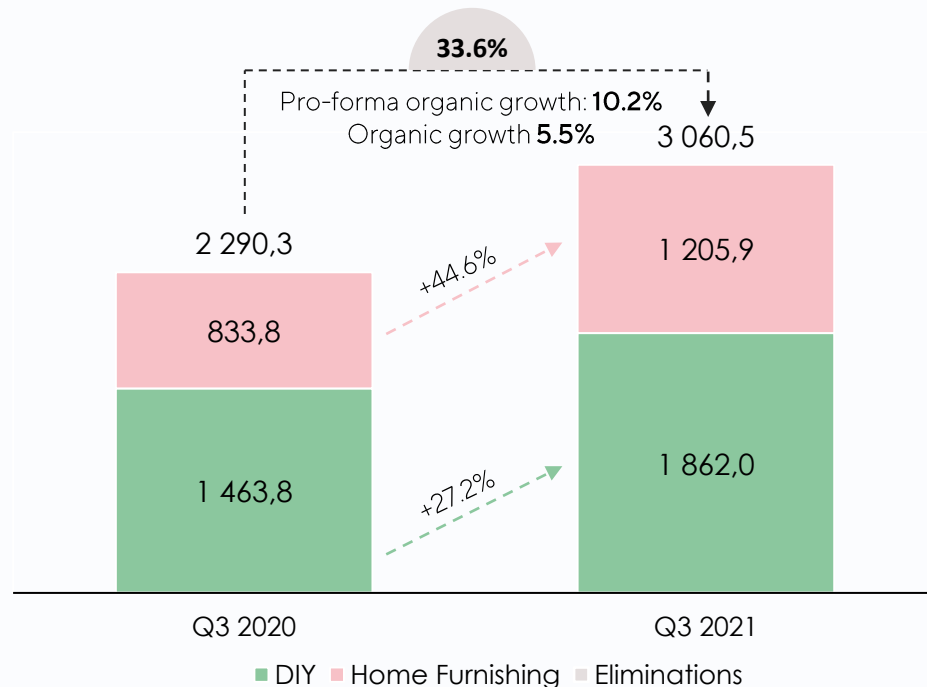


# We remain strong, in a post-covid environment

**Despite challenging comparative figures, BHG delivered another quarter of growth**

Net sales (SEKm)

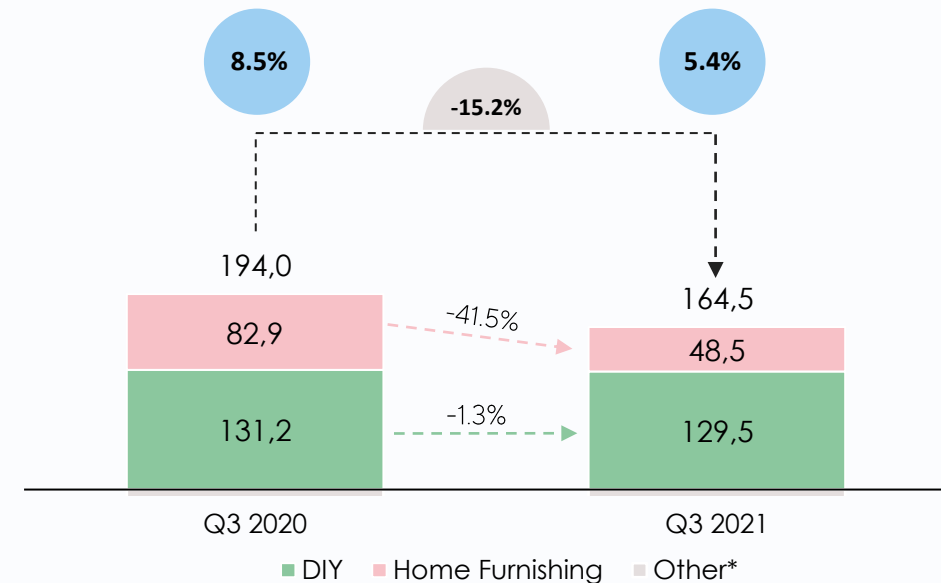
BHG GROUP Q3 2021



**Quarter characterised by a tougher market, with ongoing bottlenecks and price increases in the global supply chains**

Adjusted EBIT (SEK)

Adjusted EBIT margin

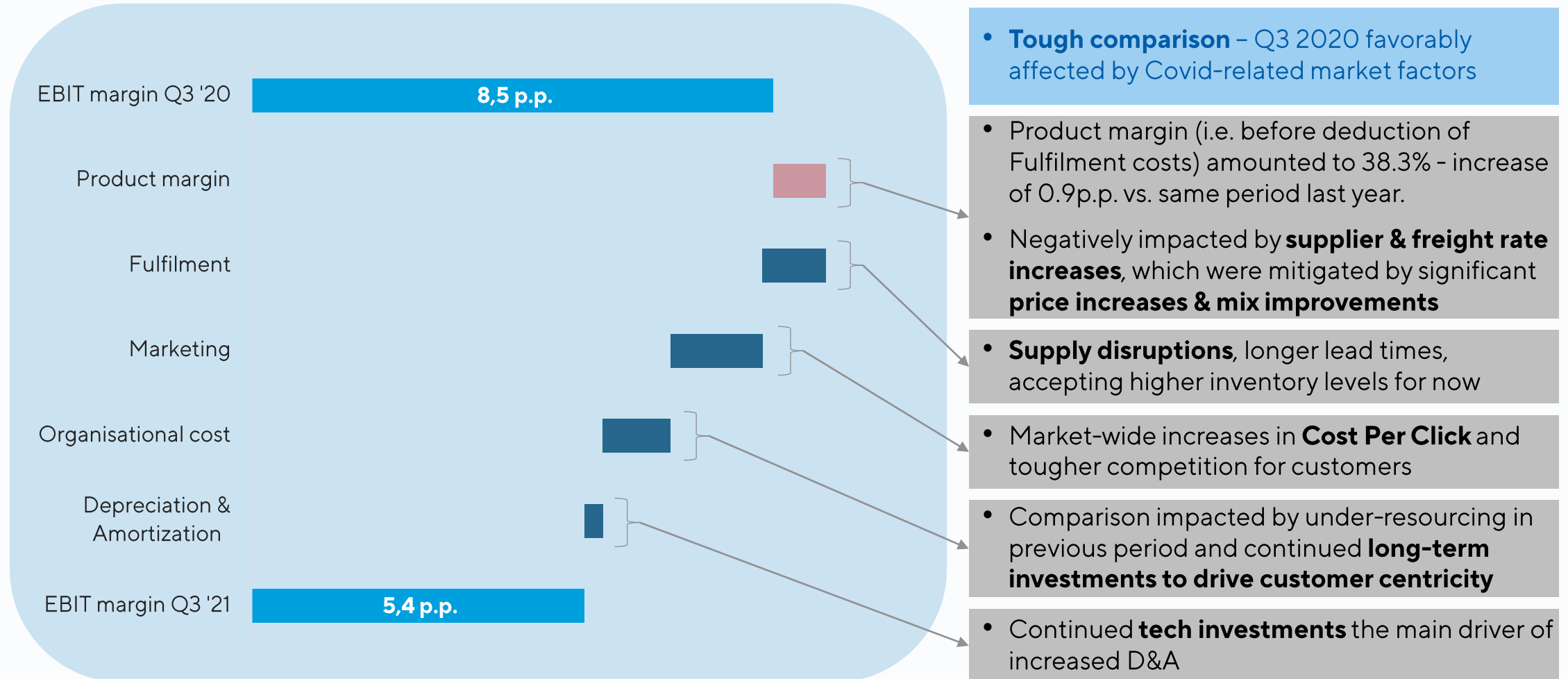


Note: Transaction costs corresponding to SEK 20 million recognised as items affecting comparability during the quarter. Since the third quarter of 2019, we only recognise exceptional transaction costs related to our acquisition agenda as items affecting comparability

\* The Group's other operations primarily consist of Group-wide functions and financing arrangements

# Bridge 2020 Q3 → 2021 Q3

BHG GROUP Q3 2021



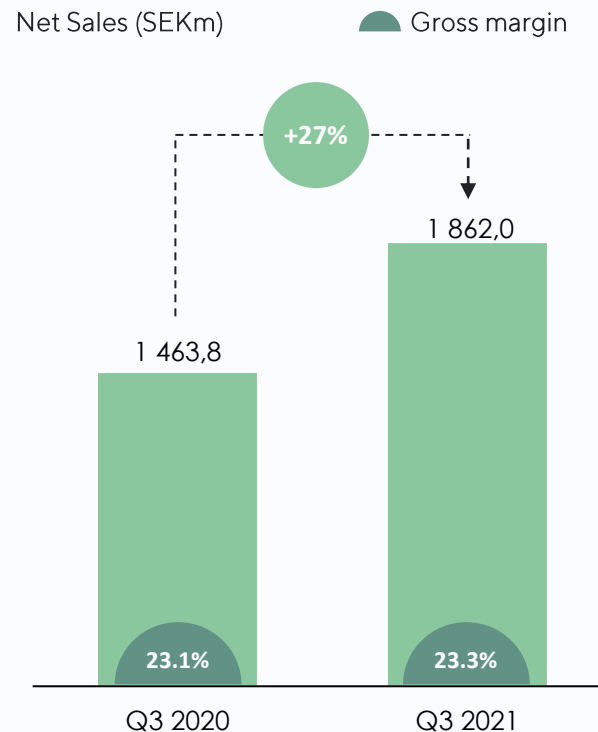


## DIY segment

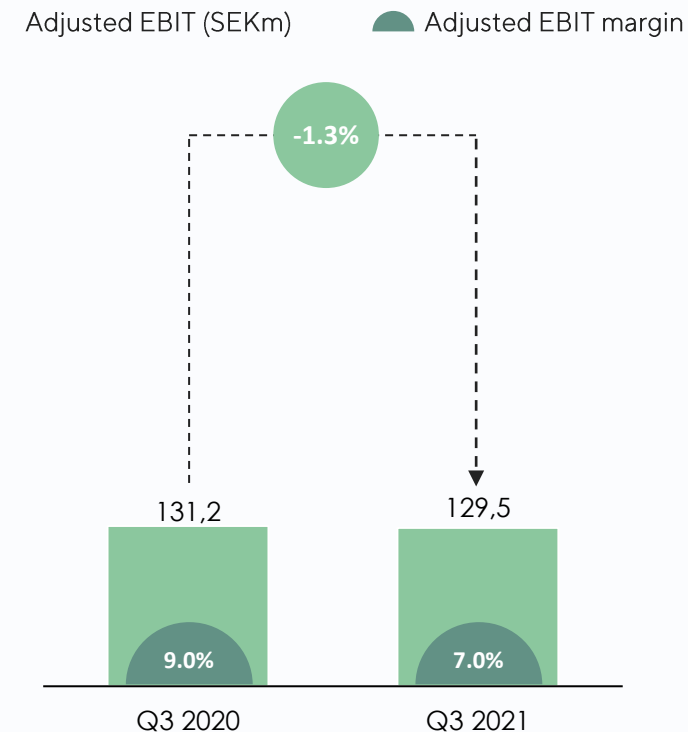
# Solid quarter given high comparative figures and market-related challenges

- Leading Nordic position further strengthened - net sales increased by 27.2% of which organic growth accounted for 10.1%
- Gross margin at 23.3% was positively impacted by a growing share of sales comprising proprietary brands, which improved our ability to adjust our end prices in order to offset bottlenecks in the supply chain
- Increase in gross margin offset by increased marketing costs from market-wide increases in Cost Per Click and investments in organisation as under-resourcing in previous period and continued long-term investments to drive customer centricity
- Adjusted EBIT amounted to SEK 129.5m – adjusted EBIT margin of 7.0%
- The acquisition of HYMA, our second-largest acquisition to date, was completed during the quarter

### DIY represented 61% of the Group's net sales in the third quarter



### Adjusted EBIT amounted to SEK 129.5m – EBIT margin of 7.0%



## Home Furnishing segment

# Third quarter characterised by weaker demand, higher traffic generation costs and continued supply chains disruptions

- Following the acquisitions of Nordic Nest and Svenssons i Lammhult earlier this year and AH-Trading during the quarter the segment has increased considerably – total growth of 44.6% in the quarter
- Organic growth was weak, with sales growth of -2.4% while pro-forma organic growth, including strong performance of Nordic Nest and Svenssons i Lammhult, amounted to 11.1%
- The lower margin compared with the year-earlier period was mainly attributable to complications in the supply and logistics chains, cost increases for online marketing due to weaker demand, and a certain delay in price adjustments to offset these cost increases
- Adjusted EBIT amounted SEK 48.5 million corresponding to an adjusted EBIT margin of 4.0%

Home Furnishing represented 39% of the Group's net sales in the third quarter

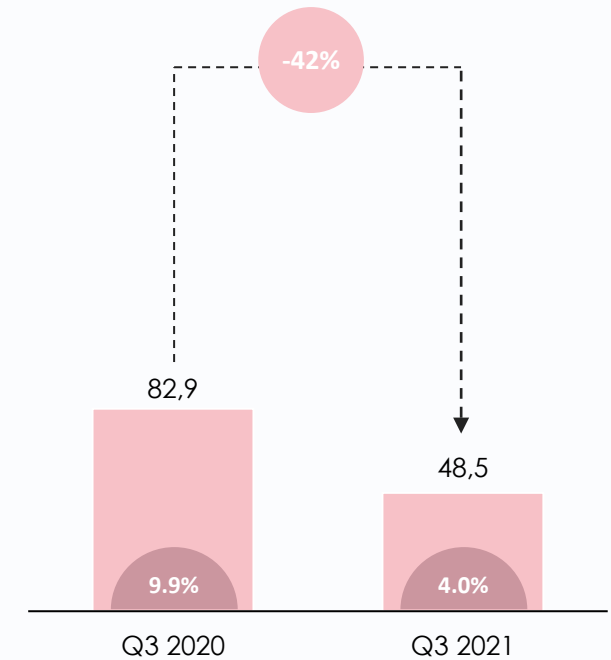
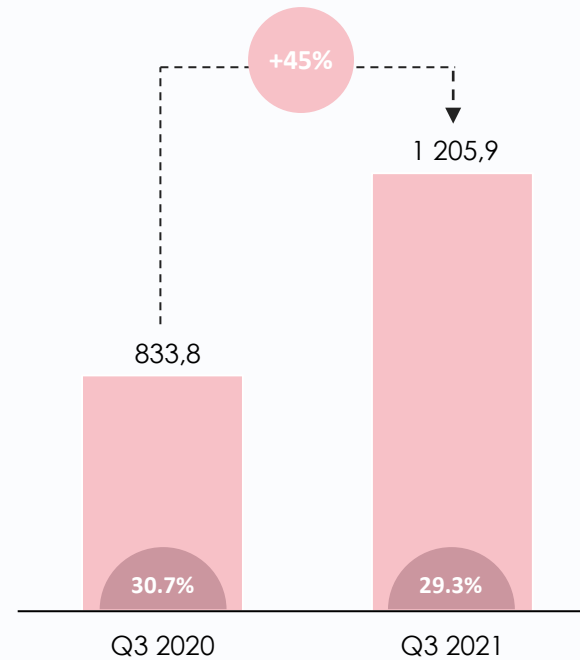
Adjusted EBIT amounted to SEK 48.5m – EBIT margin of 4.0%

Net Sales (SEKm)

Gross margin

Adjusted EBIT (SEKm)

Adjusted EBIT margin

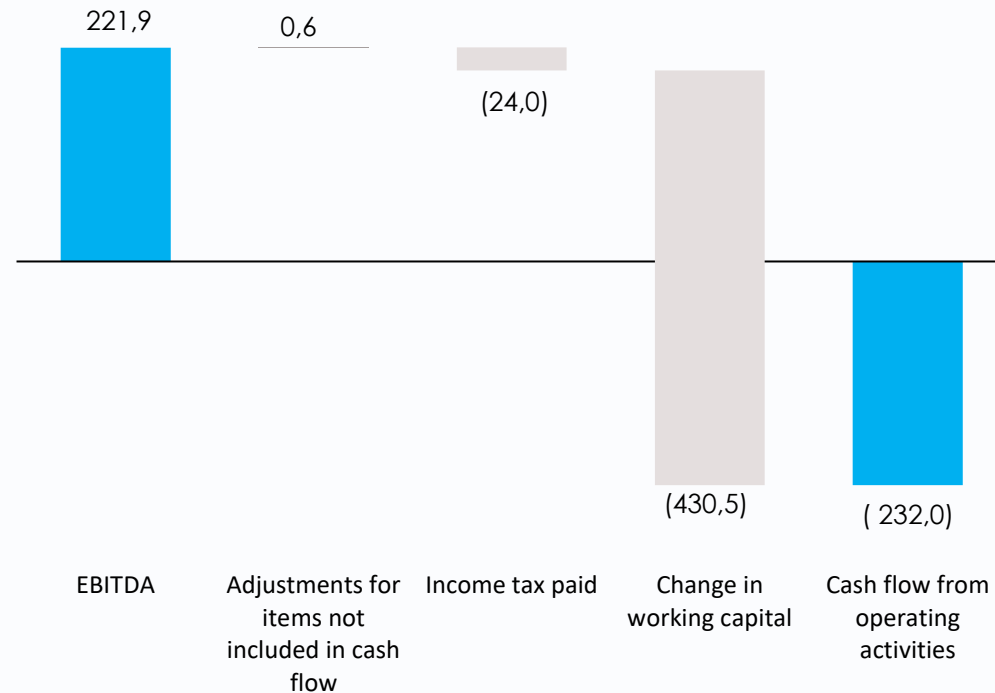


# Cash flow impacted by supply-side disruptions

**Cash flow from operating activities mainly driven by change in working capital – accepting higher inventory levels for now to counter supply chain disruptions**

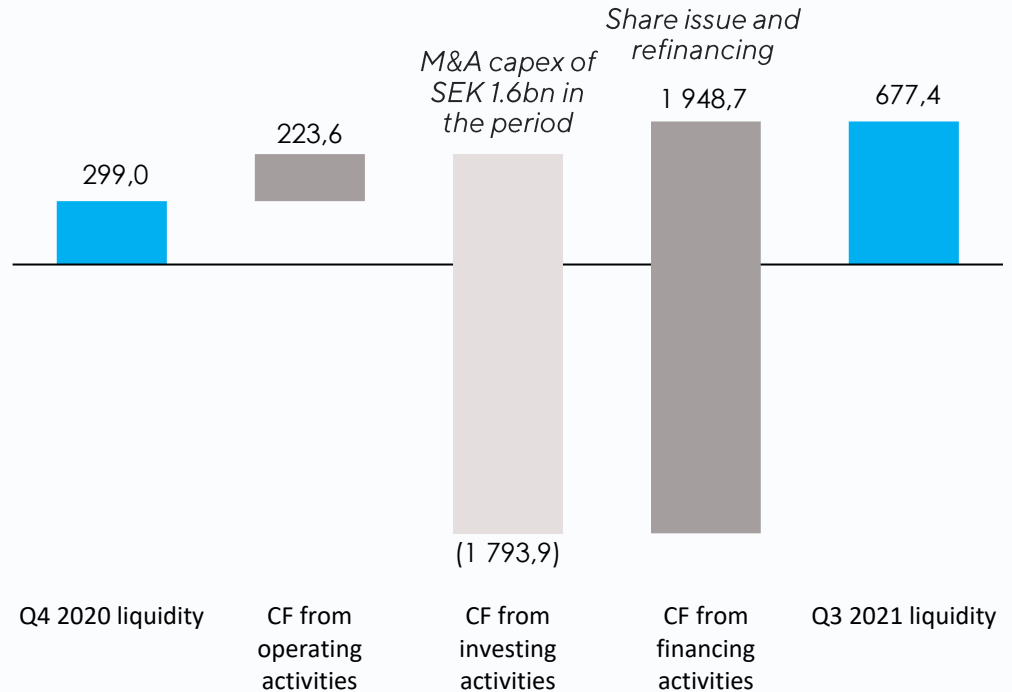
Jul-Sep 2021 (SEKm)

BHG GROUP Q3 2021



**Investing activities mainly attributable to acquisitions, while financing activities mainly a result of a directed share issue and refinancing**

SEKm



# BHG's financial position remains robust

BHG GROUP Q3 2021

## Overview of financial position

| SEKm   | 30 Sep 2021    |
|--|----------------|
| Interest bearing liabilities                   | 5,427.9        |
| Cash and cash equivalents                      | (677.4)        |
| Adjustment lease liabilities                   | (747.9)        |
| Adjustment for earn-outs and deferred payments | (2,156.8)      |
| Adjustment transaction costs                   | 8.5            |
| <b>Net debt / (Net cash)</b>                   | <b>1,854.3</b> |

Q3 2021 LTM adjusted EBITDA\*  
(excl. impact from IFRS 16)

1,036.7

**Net debt / LTM adjusted EBITDA**

1.8x

- Net debt / EBITDA of 1.8x, within financial target of 1.5-2.5x
- The Group's unutilised credit facilities amounted to SEK 800 million at the end of the period, compared with SEK 300 million at the beginning of the year
- BHG's financial position means that we can continue to execute our organic growth initiatives robustly and also combine them with an active acquisition strategy moving forward

\* Pro-forma EBITDA

28/10/2021

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# Several initiatives launched on next leg of our ESG journey

We are determined to incorporate ESG into our entire value chain



**Taking ESG work in-house:** Have collaborated with renowned partner in laying the foundation for our ESG process – and are now building up our own resources, including in the Senior Management Team



**ESG and internal control:** In order to further elevate the ESG agenda throughout the Group we will incorporate all aspects of ESG into our internal control process



**Next level compliance:** The BHG Board of Directors has recently approved a new code of conduct and we will be rolling out an updated supplier code of conduct before year-end



**Taxonomy framework:** First steps taken to establish a taxonomy framework for the Group



# Q3 Summary

|   |  |
|---|--|
| <b>Growth journey continues</b>   | <ul style="list-style-type: none"> <li>✓ Total growth exceeded 30% and proforma organic growth exceeded 10%</li> <li>✓ LTM sales amounted to SEK 11.5bn</li> </ul>   |
| <b>Leading online position strengthened; Nordics and the European continent</b>   | <ul style="list-style-type: none"> <li>✓ Leading online Nordic position further strengthened</li> <li>✓ Strongest growth, however, in continental Europe</li> </ul>  |
| <b>Temporary headwinds from tough markets, impacting HF-segment in particular</b> | <ul style="list-style-type: none"> <li>✓ Supply disruptions and demand complications – similar to what we experienced at tail-end of '18 – adversely impacted performance</li> <li>✓ Likely turbulent for another few quarters, but mitigating actions starting to bite</li> </ul> |
| <b>Execution on organic growth initiatives in full swing</b>                      | <ul style="list-style-type: none"> <li>✓ Significant organisational and infrastructural investments ongoing, under the three main themes of Assortment, Delivery and Data/Automation</li> </ul>  |
| <b>High M&amp;A rate and focused Post Merger Integration</b>                      | <ul style="list-style-type: none"> <li>✓ Two acquisitions joined the group in the quarter – and six year-to-date</li> <li>✓ Strong performance in recently acquired units</li> <li>✓ Toolkit in place to continue driving Nordic and European consolidation</li> </ul>             |
| <b>We raised the bar in Q1 – new targets – and are well on our way!</b>           | <ul style="list-style-type: none"> <li>✓ Q3 proforma LTM net sales = SEK 13.7bn</li> <li>✓ The journey towards 20bn is well underway!</li> </ul>   |
| <b>Building a European champion</b>   | <ul style="list-style-type: none"> <li>✓ Further clear and present mainland EU opportunities – organic and M&amp;A</li> <li>✓ Committed to journey of Customer Centricity and ESG throughout value chain</li> </ul>  |







## Appendix

BHG GROUP Q3 2021

28/10/2021



# Condensed consolidated financial information

BHG GROUP Q3 2021

| SEKm (if not otherwise stated)      | Jul-Sep |         |           | Jan-Sep |         |           | Jan-Dec |
|-------------------------------------|---------|---------|-----------|---------|---------|-----------|---------|
|                                     | 2021    | 2020    | Δ%        | 2021    | 2020    | Δ%        | 2020    |
| Net sales                           | 3,060.5 | 2,290.3 | 33.6      | 9,178.8 | 6,613.6 | 38.8      | 8,968.2 |
| Gross profit                        | 786.1   | 592.3   | 32.7      | 2,427.1 | 1,686.2 | 43.9      | 2,326.2 |
| Gross margin (%)                    | 25.7    | 25.9    | -0.2 p.p. | 26.4    | 25.5    | 0.9 p.p.  | 25.9    |
| Adjusted EBITDA*                    | 241.5   | 244.6   | -1.3      | 828.9   | 653.3   | 26.9      | 902.7   |
| Adjusted EBITDA margin (%)          | 7.9     | 10.7    | -2.8 p.p. | 9.0     | 9.9     | -0.8 p.p. | 10.1    |
| Adjusted EBIT*                      | 164.5   | 194.0   | -15.2     | 626.3   | 506.7   | 23.6      | 700.8   |
| Adjusted EBIT margin (%)            | 5.4     | 8.5     | -3.1 p.p. | 6.8     | 7.7     | -0.8 p.p. | 7.8     |
| Operating income                    | 123.0   | 183.2   | -32.9     | 553.1   | 474.4   | 16.6      | 657.8   |
| Operating margin (%)                | 4.0     | 8.0     | -4.0 p.p. | 6.0     | 7.2     | -1.1 p.p. | 7.3     |
| Net profit for the period           | 61.7    | 134.9   | -54.3     | 376.9   | 328.4   | 14.8      | 420.3   |
| Cash flow from operating activities | -232.0  | 20.7    | -1223.1   | 223.6   | 773.6   | -71.1     | 994.3   |
| Visits (thousands)                  | 94,710  | 75,644  | 25.2      | 305,094 | 224,183 | 36.1      | 302,133 |
| Orders (thousands)                  | 1,182   | 715     | 65.4      | 3,603   | 2,147   | 67.8      | 3,012   |
| Conversion rate (%)                 | 1.2     | 0.9     | 0.3 p.p.  | 1.2     | 1.0     | 0.2 p.p.  | 1.0     |
| Average order value** (SEK)         | 2,545   | 3,080   | -17.4     | 2,597   | 3,137   | -17.2     | 3,018   |

\* Refer to "Relevant reconciliations of non-IFRS alternative performance measures (APM)" for a more detailed description.

\*\* Average order value (AOV) for the quarter was impacted by the consolidation of Nordic Nest, whose AOV is about one-third that of the Group's other operations, as of 1 January.



# DIY segment

BHG GROUP Q3 2021

| SEKm (if not otherwise stated) | Jul-Sep |         |           | Jan-Sep |         |          | Jan-Dec |
|--------------------------------|---------|---------|-----------|---------|---------|----------|---------|
|                                | 2021    | 2020    | Δ%        | 2021    | 2020    | Δ%       | 2020    |
| Net sales                      | 1,862.0 | 1,463.8 | 27.2      | 5,434.9 | 4,223.9 | 28.7     | 5,663.1 |
| Gross profit                   | 433.6   | 337.5   | 28.5      | 1,342.9 | 962.5   | 39.5     | 1,322.8 |
| Gross margin (%)               | 23.3    | 23.1    | 0.2 p.p.  | 24.7    | 22.8    | 1.9 p.p. | 23.4    |
| Adjusted EBITDA                | 162.1   | 155.5   | 4.3       | 552.1   | 403.3   | 36.9     | 571.6   |
| Adjusted EBITDA margin (%)     | 8.7     | 10.6    | -1.9 p.p. | 10.2    | 9.5     | 0.6 p.p. | 10.1    |
| Adjusted EBIT                  | 129.5   | 131.2   | -1.3      | 467.0   | 333.0   | 40.2     | 475.8   |
| Adjusted EBIT margin (%)       | 7.0     | 9.0     | -2.0 p.p. | 8.6     | 7.9     | 0.7 p.p. | 8.4     |
| Operating income               | 116.7   | 123.2   | -5.3      | 437.8   | 309.0   | 41.7     | 444.0   |
| Operating margin (%)           | 6.3     | 8.4     | -2.2 p.p. | 8.1     | 7.3     | 0.7 p.p. | 7.8     |
| Net profit for the period      | 67.2    | 92.8    | -27.6     | 305.5   | 205.7   | 48.5     | 185.4   |
| Visits (thousands)             | 41,309  | 36,398  | 13.5      | 129,595 | 108,037 | 20.0     | 139,931 |
| Orders (thousands)             | 587     | 427     | 37.4      | 1,721   | 1,325   | 29.9     | 1,814   |
| Conversion rate (%)            | 1.4     | 1.2     | 0.2 p.p.  | 1.3     | 1.2     | 0.1 p.p. | 1.3     |
| Average order value (SEK)      | 3,065   | 3,264   | -6.1      | 3,278   | 3,279   | -0.0     | 3,155   |

# Home Furnishing segment

BHG GROUP Q3 2021

| SEKm (if not otherwise stated) | Jul-Sep |        |           | Jan-Sep |         |           | Jan-Dec |
|--------------------------------|---------|--------|-----------|---------|---------|-----------|---------|
|                                | 2021    | 2020   | Δ%        | 2021    | 2020    | Δ%        | 2020    |
| Net sales                      | 1,205.9 | 833.8  | 44.6      | 3,769.6 | 2,414.2 | 56.1      | 3,337.2 |
| Gross profit                   | 352.8   | 255.6  | 38.1      | 1,087.2 | 725.3   | 49.9      | 1,005.4 |
| Gross margin (%)               | 29.3    | 30.7   | -1.4 p.p. | 28.8    | 30.0    | -1.2 p.p. | 30.1    |
| Adjusted EBITDA                | 92.7    | 109.3  | -15.2     | 334.5   | 288.8   | 15.8      | 382.1   |
| Adjusted EBITDA margin (%)     | 7.7     | 13.1   | -5.4 p.p. | 8.9     | 12.0    | -3.1 p.p. | 11.5    |
| Adjusted EBIT                  | 48.5    | 82.9   | -41.5     | 217.6   | 212.6   | 2.3       | 276.2   |
| Adjusted EBITmargin (%)        | 4.0     | 9.9    | -5.9 p.p. | 5.8     | 8.8     | -3.0 p.p. | 8.3     |
| Operating income               | 39.4    | 80.1   | -50.8     | 193.2   | 204.3   | -5.4      | 265.0   |
| Operating margin (%)           | 3.3     | 9.6    | -6.3 p.p. | 5.1     | 8.5     | -3.3 p.p. | 7.9     |
| Net profit for the period      | 17.2    | 59.7   | -71.1     | 120.1   | 155.7   | -22.9     | 125.4   |
| Visits (thousands)             | 53,401  | 39,246 | 36.1      | 175,499 | 116,146 | 51.1      | 162,202 |
| Orders (thousands)             | 595     | 288    | 107.0     | 1,882   | 822     | 128.8     | 1,198   |
| Conversion rate (%)            | 1.1     | 0.7    | 0.4 p.p.  | 1.1     | 0.7     | 0.4 p.p.  | 0.7     |
| Average order value* (SEK)     | 2,032   | 2,806  | -27.6     | 1,974   | 2,907   | -32.1     | 2,811   |

\* Average order value (AOV) for the quarter was impacted by the consolidation of Nordic Nest, whose AOV is about one-third that of the Group's other operations, as of 1 January.

# P&L

BHG GROUP Q3 2021

| SEKm  | Jul-Sep        |                | Jan-Sep        |                | Jan-Dec        |
|---|----------------|----------------|----------------|----------------|----------------|
|   | 2021           | 2020           | 2021           | 2020           | 2020           |
| Net sales   | 3,060.5        | 2,290.3        | 9,178.8        | 6,613.6        | 8,968.2        |
| Other operating income  | 0.5            | 0.4            | 0.6            | 0.1            | 4.3            |
| <b>Total net sales</b>  | <b>3,061.0</b> | <b>2,290.7</b> | <b>9,179.5</b> | <b>6,613.7</b> | <b>8,972.5</b> |
| Cost of goods sold  | -2,274.4       | -1,698.0       | -6,751.8       | -4,927.4       | -6,642.0       |
| Personnel costs   | -235.7         | -164.8         | -697.9         | -467.9         | -652.6         |
| Other external costs and operating expenses                           | -326.2         | -183.2         | -914.1         | -563.6         | -775.0         |
| Other operating expenses  | -2.6           | -0.1           | -6.6           | -1.4           | -0.1           |
| Depreciation and amortisation of tangible and intangible fixed assets | -99.0          | -61.4          | -256.1         | -178.9         | -245.0         |
| <b>Operating income</b>   | <b>123.0</b>   | <b>183.2</b>   | <b>553.1</b>   | <b>474.4</b>   | <b>657.8</b>   |
| Profit/loss from financial items                                      | -33.1          | -10.0          | -71.2          | -49.1          | -107.5         |
| <b>Profit before tax</b>  | <b>89.8</b>    | <b>173.2</b>   | <b>481.9</b>   | <b>425.3</b>   | <b>550.3</b>   |
| Income tax  | -28.1          | -38.3          | -105.0         | -96.9          | -130.0         |
| <b>Profit for the period</b>  | <b>61.7</b>    | <b>134.9</b>   | <b>376.9</b>   | <b>328.4</b>   | <b>420.3</b>   |
| Attributable to:  |                |                |                |                |                |
| Equity holders of the parent  | 61.0           | 133.0          | 370.4          | 323.9          | 415.1          |
| Non-controlling interest  | 0.7            | 2.0            | 6.5            | 4.5            | 5.1            |
| <b>Net income for the period</b>                                      | <b>61.7</b>    | <b>134.9</b>   | <b>376.9</b>   | <b>328.4</b>   | <b>420.3</b>   |
| Earnings per share before dilution, SEK                               | 0.50           | 1.24           | 3.09           | 3.02           | 3.87           |
| Earnings per share after dilution, SEK                                | 0.49           | 1.22           | 3.05           | 2.98           | 3.80           |

# Balance sheet

| SEKm  | 30 Sep          |                | 31 Dec         |
|---|-----------------|----------------|----------------|
|   | 2021            | 2020           | 2020           |
| <b>Non-current assets</b>                                       |                 |                |                |
| Goodwill  | 6,403.3         | 3,050.0        | 4,395.1        |
| Other intangible fixed assets                                   | 2,901.6         | 1,335.1        | 1,804.4        |
| <b>Total intangible fixed assets</b>                            | <b>9,304.9</b>  | <b>4,385.1</b> | <b>6,199.6</b> |
| Buildings and land  | 31.8            | 10.6           | 10.0           |
| Leased fixed assets   | 754.4           | 477.6          | 601.9          |
| Tangible fixed assets   | 109.6           | 45.4           | 64.0           |
| Financial fixed assets  | 13.0            | 8.5            | 9.4            |
| Deferred tax asset  | 23.5            | 18.6           | 19.1           |
| <b>Total fixed assets</b>                                       | <b>10,237.2</b> | <b>4,945.9</b> | <b>6,904.0</b> |
| <b>Current assets</b>   |                 |                |                |
| Inventories   | 2,088.2         | 767.8          | 992.3          |
| Current receivables   | 570.7           | 370.3          | 434.5          |
| Cash and cash equivalents                                       | 677.4           | 873.5          | 299.0          |
| <b>Total current assets</b>                                     | <b>3,336.4</b>  | <b>2,011.6</b> | <b>1,725.7</b> |
| <b>Total assets</b>   | <b>13,573.5</b> | <b>6,957.5</b> | <b>8,629.7</b> |
| <b>Equity</b>   |                 |                |                |
| Equity attributable to owners of the parent                     | 5,166.8         | 3,106.7        | 2,787.2        |
| Non-controlling interest  | 42.9            | 38.5           | 35.8           |
| <b>Total equity</b>   | <b>5,209.7</b>  | <b>3,145.2</b> | <b>2,823.0</b> |
| <b>Non-current liabilities</b>                                  |                 |                |                |
| Deferred tax liability  | 618.6           | 256.1          | 375.0          |
| Other provisions  | 31.8            | 24.0           | 22.7           |
| Non-current interest-bearing liabilities to credit institutions | 2,523.2         | 911.1          | 2,042.6        |
| Non-current lease liabilities                                   | 523.4           | 345.1          | 449.8          |
| Other non-current liabilities                                   | 2,059.3         | 707.9          | 948.0          |
| <b>Total non-current liabilities</b>                            | <b>5,756.3</b>  | <b>2,244.2</b> | <b>3,838.1</b> |
| <b>Current liabilities</b>                                      |                 |                |                |
| Current interest-bearing liabilities to credit institutions     | -               | 46.4           | 46.4           |
| Current lease liabilities                                       | 224.5           | 131.4          | 149.8          |
| Other interest-bearing liabilities                              | 97.4            | 20.7           | 75.3           |
| Other current liabilities                                       | 2,285.6         | 1,369.7        | 1,697.2        |
| <b>Total current liabilities</b>                                | <b>2,607.5</b>  | <b>1,568.1</b> | <b>1,968.6</b> |
| <b>Total equity and liabilities</b>                             | <b>13,573.5</b> | <b>6,957.5</b> | <b>8,629.7</b> |

# Consolidated statement of cash flows

BHG GROUP Q3 2021

| SEKm   | Jul-Sep         |               | Jan-Sep         |               | Jan-Dec         |
|--|-----------------|---------------|-----------------|---------------|-----------------|
|  | 2021            | 2020          | 2021            | 2020          | 2020            |
| EBITDA   | 221.9           | 244.6         | 809.3           | 653.3         | 902.7           |
| Adjustments for items not included in cash flow                              | 0.6             | 1.8           | 17.8            | -4.5          | -14.2           |
| Income tax paid  | -24.0           | -17.2         | -79.5           | -49.0         | -56.0           |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>198.5</b>    | <b>229.2</b>  | <b>747.5</b>    | <b>599.8</b>  | <b>832.5</b>    |
| Changes in working capital   | -430.5          | -208.6        | -523.9          | 173.8         | 161.8           |
| <b>Cash flow from operating activities</b>                                   | <b>-232.0</b>   | <b>20.7</b>   | <b>223.6</b>    | <b>773.6</b>  | <b>994.3</b>    |
| Investments in operations  | -908.3          | -84.3         | -1,607.5        | -120.5        | -1,859.1        |
| Redemption of loan to seller upon acquisition of operations                  | -65.0           | -             | -65.0           | -             | -91.8           |
| Investments in other non-current assets                                      | -43.6           | -17.9         | -122.6          | -64.1         | -94.1           |
| Divestment of operations   | 0.0             | 0.1           | 0.0             | 0.1           | 0.4             |
| Divestment of other tangible fixed assets                                    | 0.5             | 0.2           | 0.8             | 0.3           | 0.5             |
| Received interest  | 0.2             | 1.7           | 0.4             | 2.1           | 1.5             |
| <b>Cash flow to/from investing activities</b>                                | <b>-1,016.2</b> | <b>-100.2</b> | <b>-1,793.9</b> | <b>-182.0</b> | <b>-2,042.6</b> |
| New share issue  | -               | -             | 1,715.0         | -             | -               |
| Loans taken*   | 1,000.0         | 89.4          | 2,650.1         | 142.9         | 1,277.1         |
| Amortisation of loans  | -53.6           | -34.8         | -2,402.8        | -106.8        | -147.3          |
| Issue of warrants  | -               | 12.9          | 20.7            | 12.9          | 12.9            |
| Interest paid  | -12.4           | -7.7          | -39.9           | -24.6         | -32.2           |
| Dividend   | -0.0            | -             | 0.0             | -             | -               |
| Dividends to non-controlling interests                                       | -               | -5.5          | -               | -5.5          | -5.5            |
| <b>Cash flow to/from financing activities</b>                                | <b>933.9</b>    | <b>54.3</b>   | <b>1,943.3</b>  | <b>18.9</b>   | <b>1,105.1</b>  |
| <b>Cash flow for the period</b>  | <b>-314.4</b>   | <b>-25.3</b>  | <b>373.0</b>    | <b>610.5</b>  | <b>56.8</b>     |
| <b>Cash and cash equivalents at the beginning of the period</b>              | <b>990.8</b>    | <b>897.6</b>  | <b>299.0</b>    | <b>270.3</b>  | <b>270.3</b>    |
| Translation differences in cash and cash equivalents                         | 1.0             | 1.2           | 5.5             | -7.2          | -28.1           |
| <b>Cash and cash equivalents at the end of the period</b>                    | <b>677.4</b>    | <b>873.5</b>  | <b>677.4</b>    | <b>873.5</b>  | <b>299.0</b>    |

\* Cash flow from interest-bearing loans raised is recognised after deductions for transaction expenses of SEK 9.9 million.

# Reconciliation of non-IFRS metrics

BHG GROUP Q3 2021

| SEKm   | Jul-Sep        |              | Jan-Sep        |                | Jan-Dec        |
|--|----------------|--------------|----------------|----------------|----------------|
|  | 2021           | 2020         | 2021           | 2020           | 2020           |
| <b>Operating income</b>  | <b>123.0</b>   | <b>183.2</b> | <b>553.1</b>   | <b>474.4</b>   | <b>657.8</b>   |
| Acquisition-related costs  | 19.6           | -            | 19.6           | -              | -              |
| <b>Total items affecting comparability</b>                                 | <b>19.6</b>    | <b>-</b>     | <b>19.6</b>    | <b>-</b>       | <b>-</b>       |
| Amortisation and impairment of acquisition-related intangible fixed assets | 21.9           | 10.8         | 53.5           | 32.3           | 43.0           |
| <b>Adjusted EBIT</b>   | <b>164.5</b>   | <b>194.0</b> | <b>626.3</b>   | <b>506.7</b>   | <b>700.8</b>   |
| <b>Adjusted EBIT (%)</b>   | <b>5.4</b>     | <b>8.5</b>   | <b>6.8</b>     | <b>7.7</b>     | <b>7.8</b>     |
| Depreciation and amortisation of tangible and intangible fixed assets      | 77.2           | 50.6         | 202.5          | 146.6          | 201.9          |
| Gain/loss from sale of fixed assets  | -0.1           | 0.0          | 0.1            | -0.0           | -0.0           |
| <b>Adjusted EBITDA</b>   | <b>241.5</b>   | <b>244.6</b> | <b>828.9</b>   | <b>653.3</b>   | <b>902.7</b>   |
| <b>Adjusted EBITDA (%)</b>   | <b>7.9</b>     | <b>10.7</b>  | <b>9.0</b>     | <b>9.9</b>     | <b>10.1</b>    |
| Net sales  | 3,060.5        | 2,290.3      | 9,178.8        | 6,613.6        | 8,968.2        |
| Cost of goods  | -1,888.8       | -1,433.1     | -5,602.3       | -4,166.6       | -5,609.9       |
| <b>Gross profit before direct selling costs</b>                            | <b>1,171.7</b> | <b>857.3</b> | <b>3,576.5</b> | <b>2,447.0</b> | <b>3,358.3</b> |
| <b>Gross profit before direct selling costs (%)</b>                        | <b>38.3</b>    | <b>37.4</b>  | <b>39.0</b>    | <b>37.0</b>    | <b>37.4</b>    |
| Direct selling costs   | -385.6         | -265.0       | -1,149.4       | -760.9         | -1,032.1       |
| <b>Gross profit</b>  | <b>786.1</b>   | <b>592.3</b> | <b>2,427.1</b> | <b>1,686.2</b> | <b>2,326.2</b> |
| <b>Gross profit (%)</b>  | <b>25.7</b>    | <b>25.9</b>  | <b>26.4</b>    | <b>25.5</b>    | <b>25.9</b>    |
| <b>Adjusted gross profit</b>   | <b>786.1</b>   | <b>592.3</b> | <b>2,427.1</b> | <b>1,686.2</b> | <b>2,326.2</b> |
| <b>Adjusted gross profit (%)</b>   | <b>25.7</b>    | <b>25.9</b>  | <b>26.4</b>    | <b>25.5</b>    | <b>25.9</b>    |





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