

BERGS AGM 5 MAY, 2021



Villa Annelund Foto: Linda Gredåker

A GROUP IN CHANGE

– FROM A SAWMILL COMPANY TO AN ACTIVE OWNER OF COMPANIES

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BERGS CURRENT CORPORATE PROFILE



Bergs has a portfolio of

7

independent subsidiaries within wood related industry



Products are processed at

8

manufacturing sites in Sweden, Latvia, Estonia and UK



Bergs has

850

employees contributing to a sustainable society



Net sales 2020 was

2,146 MSEK

with an ambition to grow sustainable and profitable



EBITDA 2020 was

212 MSEK,
10% margin



Strong financial position with

32 MSEK

in net cash 2020, Dec 31

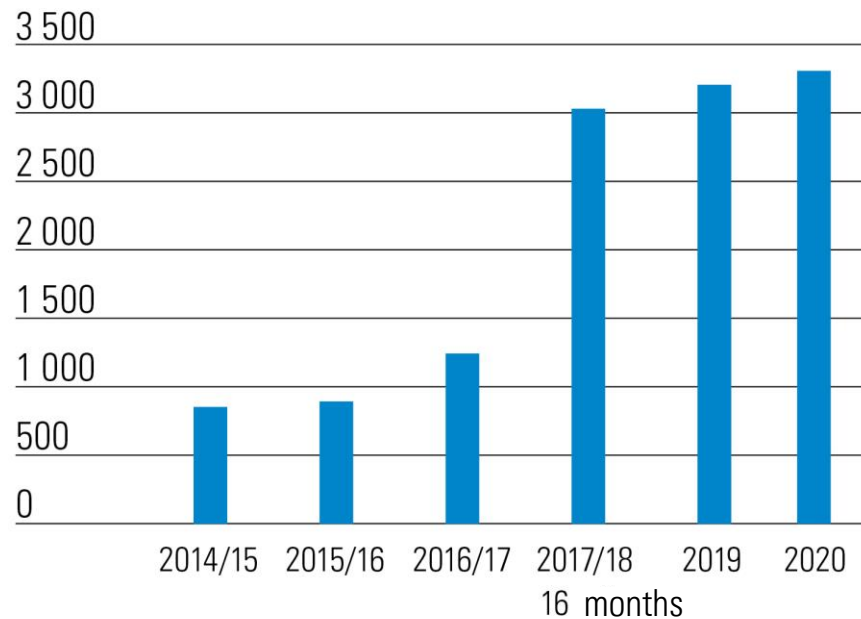
KEY EVENTS 2020

- Closure of the sawmill in Gransjö and Savi (Estonia)
- Handling of Covid19, protect staff and ensure production
- Postponed dividend
- Divestment of the Swedish sawmills
- Strategic overview
- Product development and marketing activities
- Earnings improvements after the summer

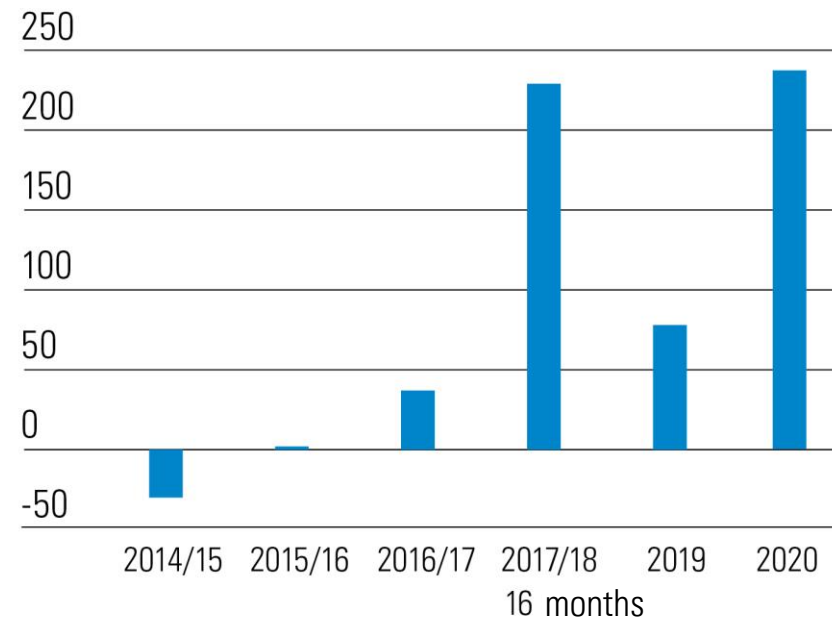


NET SALES AND OPERATING PROFIT THE LAST SIX YEARS

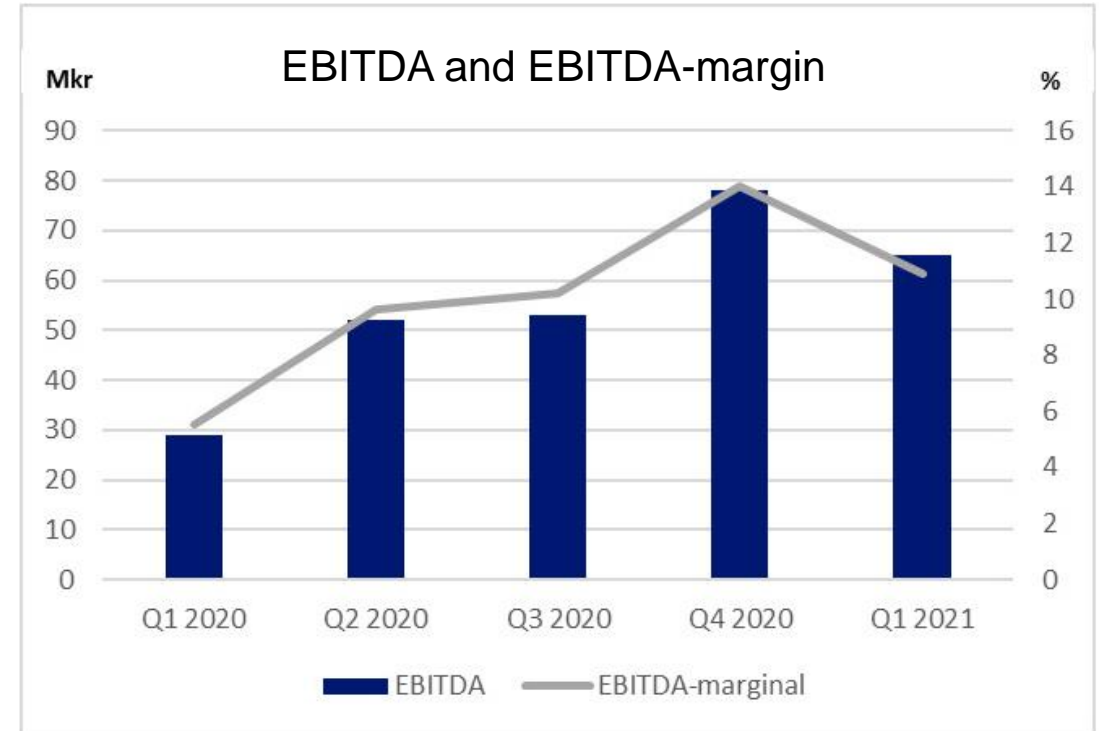
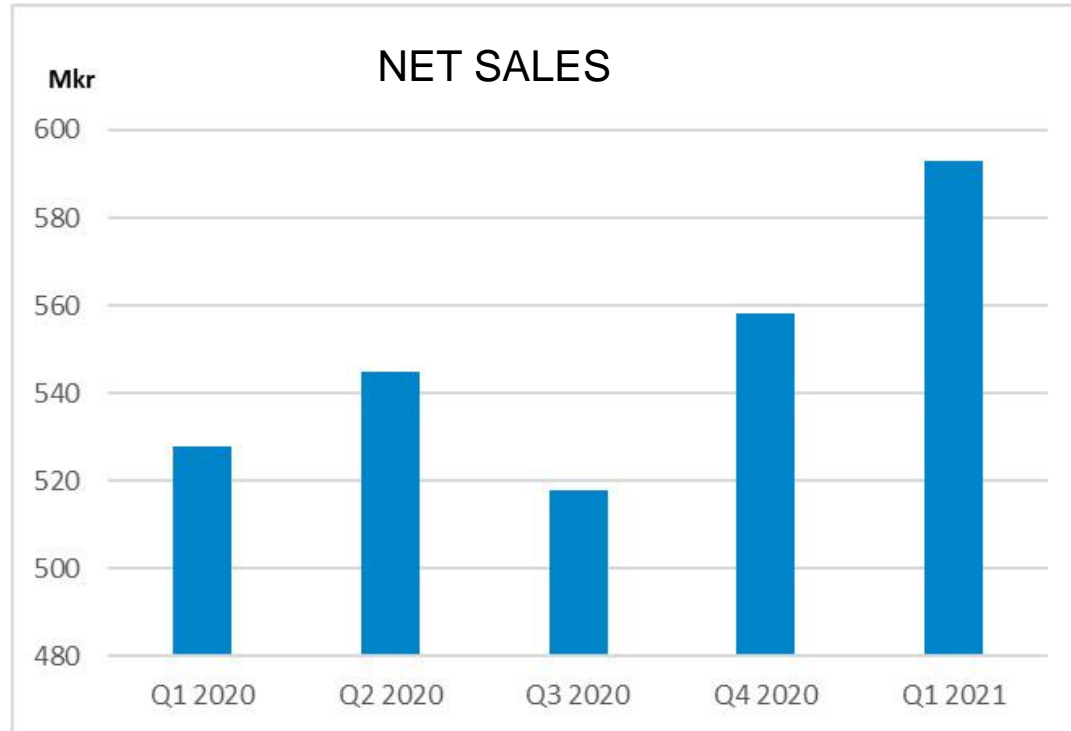
NET SALES (Amount in Mkr)



OPERATING PROFIT (Amount in Mkr)



NET SALES AND OPERATING PROFIT Q1 2021



STRATEGIC AGENDA

Bergs **owns** and **develops companies** in wood related industry and logistics

Decentralised business model with independent subsidiaries with clear responsibility for results

Operations in three product areas;
Wood Protection, Joinery and Sawn Wood

Growth through identified planned **investments, acquisitions** and **product development**



CONTRIBUTION TO GROWTH



Identified investments of **500 MSEK** are identified for **organic growth** during 2021-2023



Bergs is actively looking for **acquisition opportunities**

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EXAMPLE OF INVESTMENTS

- Increase **capacity** for:
 - Wood protection at Byko-Lat and for UK operations
 - Linax and coating at Bitus
 - Doors and windows manufacturing at Byko-Lat
 - Planers at Bitus and Byko-Lat
 - Garden products by re-building factory at Byko-Lat
- Increase **sales** and **profit margins** by accelerating Bergs digital journey
- Investments for **productivity improvements**

SUSTAINABILITY WITHIN BERGS

Preserving resources

Caring for our employees

Contributing to a low-carbon society

Example of Bergs sustainability targets

>80%

of procured wood is certified by 2024

-50%

*of work-related accidents by 2025**

0

fossil emission by 2030

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**Against baseline 2020, with ambition to eliminate work-related accidents*

SUSTAINABILITY FOCUS AREAS

Core values and ethics

Responsible wood supply

Safe and equitable workplaces

Fossil-free world

Resource-efficient and clean value chains

A GROUP IN CHANGE

– FROM A SAWMILL COMPANY TO AN ACTIVE OWNER OF COMPANIES IN WOOD SECTOR



1. Build capacity for organic growth and complementary acquisitions



2. Accelerate the digital journey



3. Strengthen product development and aftermarket services

FINANCIAL TARGETS

Growth Annual growth of **10%** over a business cycle, organic and through acquisitions

EBITDA margin **9%** over a business cycle

Financial net debt Net debt lower than equity

Dividend Normally **25-40%** of the net profit of the year



FUTURE PROSPECTS

- Continued high activity in the renovation sector and increased new construction
- Good demand for the Group's products / high order intake
- Positioned for profitable and sustainable growth



THANK YOU!

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