



## PRESS RELEASE

23 June 2021

### **Bergs acquires window and door company in the UK**

**Bergs Timber AB (publ) has today acquired the British company Performance Timber Products Group, ("PTPG"). The company manufactures, markets and sells bespoke windows and doors in the premium segment and in 2020 had sales of approximately 22 MGBP.**

**Through the acquisition, Bergs gains access to a number of strong brands, a large knowledge in marketing and logistics, and a reputable producer of high-quality wooden windows and doors. The transaction consolidates Berg's position in the UK and creates opportunities for further expansion in the Joinery product area.**

PTPG is one of the UK's leading players in the premium segment of wooden windows and doors. In addition to own production, the business comprises sales of bespoke windows and doors for mainly unique renovation projects as well as retail sales through a well-developed network of 43 showrooms in the UK.

#### **The deal in brief**

Bergs acquires 100% of PTPG and the seller is Graphite Capital and current and former management of the company. An agreement has been reached with senior executives who will remain and continue to operate the business as a wholly owned subsidiary of Bergs.

A significant proportion of PTPG's products have been supplied for many years by Berg's subsidiary Byko-Lat in Latvia. This collaboration will now be further developed, combining local market presence and knowledge of customer needs in the UK market with efficient production of high-quality windows and doors. The transaction creates opportunities for Byko-Lat to implement the plans for further expansion and development of the manufacturing of windows and doors.

#### **Financial consequences for Bergs**

The acquired business will be reported in Bergs as of today's date and included in the Joinery product area. The acquisition is expected to contribute a turnover of approximately SEK 250 million per year and show an EBITDA margin that over time is in line with the Group's targets. In addition to a favourable cash flow, the acquisition is expected to make a positive contribution to earnings per share already during the current year.

The purchase price on a debt-free basis amounts to approximately SEK 140 million, of which approximately SEK 110 million relates to shares and is paid in cash. The acquisition is largely financed by a new loan within the framework of an existing loan agreement with Danske Bank and Swedish Export Credit Corporation.

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Through the acquisition, Berg's reported goodwill and other intangible fixed assets will increase by approximately SEK 120 million.

***"The acquisition of PTPG is fully in line with our strategy and strengthens our offering in the Joinery product area. We have had a long relationship with PTPG and have been impressed by their business model and market knowledge. We see good opportunities for growth in the UK but also in other geographic markets", says Peter Nilsson, CEO of Bergs.***

***"We have a strong position in the market today with exciting opportunities to expand further. Combining PTPG's & Bergs' wealth of expertise and adopting a sustainability approach we can create new conditions for developing the company. I am delighted to continue as CEO and create value together with the new owner", says Jay Pengelly, CEO, PTPG.***

## **Contact**

Further information regarding this press release is provided by President and CEO Peter Nilsson at +46 (0)70 315 09 27 or Anders Marklund, CFO, +46 (0)70 284 47 96.

The information is such that Bergs Timber AB (publ) is required to disclose pursuant to the EU's Market Abuse Regulation. The information was released for publication on 23 June at 15:30 pm. CEST.

## **About Performance Timber Products Group**

*"Specialists in bespoke timber windows & doors"*

The business is conducted under the following brands:

### **Timber Windows**

Working closely with a number of partners creating a nationwide network of 43 local showrooms that provide consumers with a complete fully installed package of timber windows and doors. Five of these showrooms are company owned, while the others are operated on a franchise basis.

### **Dale Joinery**

Sells timber windows and doors through a number of UK based builders' merchants and quality driven developers and self-builders.

### **Mumford & Wood**

Founded in 1954, it is one of the UK's strongest brands in the premium wood doors and windows segment. Working primarily with architect-based new construction and renovation projects. Manufacturing takes place in a modern and well invested factory in Essex.

<https://www.ptp-group.co.uk/>

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## **About Bergs**

### **An international wood products Group**

*The Bergs Group consists of independent subsidiaries, with clear responsibilities for results, that develop, produce and market processed wood for various applications.*

*With years of experience in wood and a great deal of competence in processing, Bergs promotes building a sustainable society based on renewable raw materials from sustainably cultivated forests in the Baltic Sea region.*

*Operations are conducted in Sweden, Estonia, Latvia and the UK, and the Group's products are sold in some 20 countries. The largest markets consist of Scandinavia, the Baltic countries, the UK and France. The head office and Group management are located in Sweden.*

*The company's share has been listed on Nasdaq Stockholm since 1984.*

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