

PRESS RELEASE

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Bergs invests in increased manufacturing capacity for high-quality windows and doors

To meet strong demand for wooden windows and doors in conjunction with renovations and new production, the Group's subsidiary Byko-Lat in Latvia will make investments in increasing production capacity.

A new 2,400-square meter warehouse and logistics building will be constructed that will enable more efficient flows in the plant area and free up production space, which can then be used more optimally. The total investment of approximately SEK 20 million is expected to increase capacity by 50 per cent for doors and windows, with the building set to be put into use in the first quarter of 2022.

Demand for high-quality windows and doors for renovations and new production is extremely strong. It is primarily the United Kingdom, the Group's key market where our subsidiary Byko-Lat has reported a stable increase in sales of approximately 10 per cent per year, that is driving this development. During the year, Bergs also acquired the Performance Timber Products Group (PTPG), with a comprehensive UK-wide sales and distribution network focused on windows and doors that will promote greater volumes. Altogether, this means that Bergs Timber's production of these products will total approximately SEK 400 million per year.

Other markets, where the Group's sales company Woodworks by Bergs plays a significant role as well, are also performing positively.

"To increase the Group's organic growth, we will routinely invest in existing operations over the coming years. Byko-Lat's high-quality production of windows and doors is profitable and has excellent prospects. This year's acquisition of PTPG also reinforces the need for increased capacity for the Group's core market in the UK," says Peter Nilsson, President and CEO of Bergs.

"During the last couple years, we have seen the growing demand for the products we manufacture, and this trend continues. With this investment, we are strengthening our position to capture market share and establish Byko-Lat and Bergs as a preferred choice for windows and doors in the premium segment," says Karlis Abols, Doors and Windows Manager at Byko-Lat.

Contact information

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About Byko-Lat

The Byko-Lat subsidiary is the largest production unit in the Group, and one of the leading producers of processed wood products in the Baltic countries. Just over 550 employees run the operations at two different production facilities in Latvia.

The company is wholly owned by Bergs and has the following core markets:
The UK, the Netherlands, France, Iceland, Belgium and the Scandinavian countries.

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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