



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 910 478 656
Organisasjonsform: Aksjeselskap
Foretaksnavn: AHLSELL NORGE AS
Forretningsadresse: Brobekkveien 80A
0582 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Mørselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: -

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Tordis Todnem
Dato for fastsettelse av årsregnskapet: 23.03.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

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Brønnøysundregistrene, 02.06.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	10	5 421 170 669	5 475 417 534
Annen driftsinntekt		21 209 555	42 269 209
Sum inntekter		5 442 380 225	5 517 686 743
Kostnader			
Varekostnad		4 075 953 929	4 209 067 985
Lønnskostnad	5	747 034 424	774 509 801
Avskrivning av driftsmidler og immaterielle eiendeler	4	93 036 644	90 282 878
Annen driftskostnad	4, 5	431 246 700	458 919 271
Sum kostnader		5 347 271 697	5 532 779 935
Driftsresultat		95 108 528	-15 093 192
Finansinntekter og finanskostnader			
Inntekt på investering i annet foretak i samme konsern			51 710 200
Renteinntekt fra foretak i samme konsern		18 274 809	15 722 166
Annen renteinntekt		1 404 174	1 463 348
Annen finansinntekt	16	54 810 816	10 684 203
Sum finansinntekter		74 489 799	79 579 916
Rentekostnad til foretak i samme konsern		21 924 727	26 473 880
Annen rentekostnad		1 516 107	1 751 691
Annen finanskostnad	16	28 120 024	20 587 362
Sum finanskostnader		51 560 858	48 812 933
Netto finans		22 928 941	30 766 984
Ordinært resultat før skattekostnad		118 037 469	15 673 792
Skattekostnad på ordinært resultat	9	138 062 542	13 328 989
Ordinært resultat etter skattekostnad		-20 025 074	2 344 803
Årsresultat		-20 025 074	2 344 803
Årsresultat etter minoritetsinteresser		-20 025 074	2 344 803



Resultatregnskap

Beløp i: NOK	Note	2020	2019
Totalresultat		-20 025 074	2 344 803
Overføringer og disponeringer			
Avsatt til annen egenkapital		-20 025 074	2 344 803
Sum overføringer og disponeringer	13	-20 025 074	2 344 803



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter o.l.	4	1 933 709	1 756 041
Utsatt skattefordel	9, 19	1 943 122	90 262 396
Goodwill	4	201 550 551	270 013 263
Sum immaterielle eiendeler		205 427 382	362 031 701
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	4		
Maskiner og anlegg	4	101 363 099	105 981 055
Sum varige driftsmidler		101 363 099	105 981 055
Finansielle anleggsmidler			
Investering i datterselskap	15	457 374 348	430 413 112
Lån til foretak i samme konsern	3	342 970 733	421 383 384
Andre langsiktige fordringer	8	636 458	2 794 300
Sum finansielle anleggsmidler		800 981 538	854 590 797
Sum anleggsmidler		1 107 772 020	1 322 603 552
Omløpsmidler			
Varer			
Sum varer	2	726 282 682	745 567 352
Fordringer			
Kundefordringer	7	605 396 375	610 149 764
Kortsiktige fordringer på selskap i samme konsern	3, 17, 18	401 746 084	51 710 200
Andre kortsiktige fordringer		216 033 053	242 235 398
Sum fordringer		1 223 175 510	904 095 361
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter o.l.	17	27 584 386	23 853 363
Sum bankinnskudd, kontanter og lignende		27 584 386	23 853 363



Balanse

Beløp i: NOK	Note	2020	2019
Sum omløpsmidler		1 977 042 579	1 673 516 076
SUM EIENDELER		3 084 814 599	2 996 119 629

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Aksjekapital	13	83 386 600	83 386 600
Overkurs	13		
Annen innskutt egenkapital	13	1 158 782 867	2 134 226 308
Sum innskutt egenkapital		1 242 169 467	2 217 612 908

Opptjent egenkapital

Udekket tap	13		-931 522 463
Sum opptjent egenkapital			-931 522 463

Sum egenkapital		1 242 169 467	1 286 090 445
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Gjeld

Langsiktig gjeld

Pensjonsforpliktelser	8	4 970 658	
Andre avsetninger for forpliktelser	14	26 791 836	20 594 875
Sum avsetninger for forpliktelser		31 762 494	20 594 875

Annen langsiktig gjeld

Gjeld til kredittinstitusjoner	6		
Gjeld til konsernselskaper	3, 6	442 109 815	423 511 926
Sum annen langsiktig gjeld		442 109 815	423 511 926

Sum langsiktig gjeld		473 872 309	444 106 800
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Kortsiktig gjeld

Leverandørgjeld	3, 3, 17, 18	1 093 725 385	1 046 833 696
Betalbar skatt		49 632 343	
Skyldige offentlige avgifter		128 387 681	127 542 743
Annen kortsiktig gjeld		97 027 414	91 545 946



Balanse

Beløp i: NOK	Note	2020	2019
Sum kortsiktig gjeld		1 368 772 822	1 265 922 383
Sum gjeld		1 842 645 132	1 710 029 184
SUM EGENKAPITAL OG GJELD		3 084 814 599	2 996 119 629



The Board of Directors and the CEO of

Quimper AB

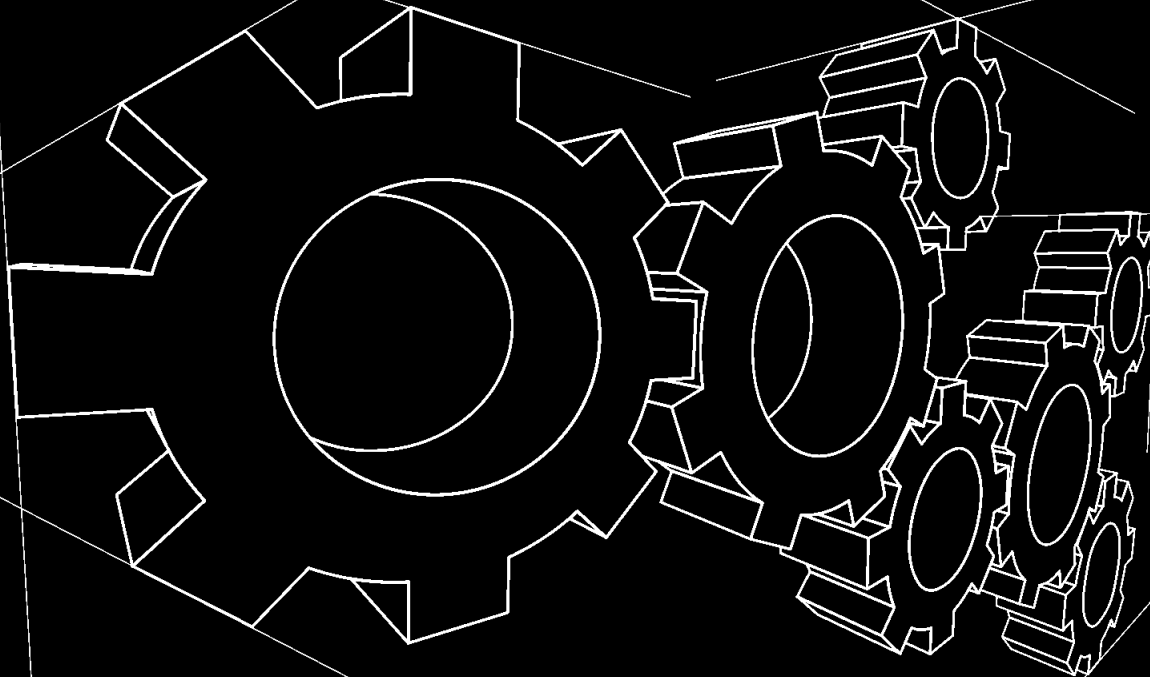
Corp. ID 559155-5551

hereby present the

Annual Report

and Consolidated Financial Statements

for the period 1 January to 31 December 2020



ahlsell



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Directors Report

Business review

Quimper AB is the Parent Company of the Ahlsell Group, which reports annual sales of approximately SEK 33 billion and is one of the leading companies in its field in the Nordic region. The Group offers professional users an extensive range of products and related services in the areas of HVAC & Plumbing, Electrical, and Tools & Supplies.

The Group has business operations primarily in Sweden, Norway and Finland, which are the Company's main markets and account for 97% of its sales. Other markets are Denmark, Estonia and Poland.

Group operations are conducted primarily under the Ahlsell trademark. The Group operates locally and its organisational model is designed to support this. The organisational structure is decentralised and focuses on the local marketplace where it has a large number of sales offices and branches. The Group has a strong foundation with clearly defined areas of responsibility and multiple local entities in each country. This structure allows Ahlsell to maintain a high level of flexibility and proximity to its customers. Coordination of purchasing, logistics, administration and IT results in economies of scale in its operations.

Developments in the market

The Covid-19 pandemic had an impact on developments in all of the Company's markets during the year. Although the year began with a period of stable or growing demand in many market segments, the conditions changed drastically when the pandemic broke out at the end of the first quarter. Initially, the strongest effects were felt in Norway and Finland which imposed tougher restrictions than Sweden, for example. At the same time, the market in Norway was hit by falling oil prices which led to lower trading activities. After the summer, the market has gradually recovered and generally ended the year on a strong note.

Figures for the year are for the January-December 2020 period. Figures for the comparative period are for the April-December 2019 period.

Net sales and operating profit

The Group's growth is affected by factors such as macroeconomic conditions and willingness to invest in the construction sector and industry. During the year, these were heavily impacted by disruptions caused by the Covid-19 pandemic and the resulting restrictions and uncertainties. The impact on the Group has primarily been attributable to the Company's sales growth, while the impact on the Company's earnings has been limited by cost-saving measures, government support packages and other factors. In 2020, the Group's expenses were down by approximately MSEK 50 due to short-term layoffs and

government grants received. The company's branches and central warehouses were essentially able to operate without any disruption during the year.

Consolidated net sales totalled MSEK 32,849 (24,687). The gross margin was 26.9% (26.3). EBITA was MSEK 3,049 (1,940), representing a margin of 9.3% (7.9). Items impacting comparability amounting to MSEK 29 (153) were charged to the income statement. These are attributable to restructuring activities designed to improve efficiency in the Norwegian operations. EBITA adjusted for items affecting comparability stood at MSEK 3,077 (2,093), representing a margin of 9.4% (8.5). Operating profit (EBIT) was MSEK 2,469 (1,507), representing an operating margin of 7.5% (6.1).

Acquisitions January – December 2020

Acquisition of Arbetsklädshuset AB

Arbetsklädshuset AB (AKH) was acquired in February. AKH is a Swedish distributor of quality workwear, branded clothing, footwear and PPE through its four outlets in Uppsala, Västerås, Bromma and Hammarby Sjöstad. AKH has an annual sales turnover of approximately MSEK 70 and employs 20 people.

Acquisition of Weels Betong & Plast AS

Weels Betong & Plast AS (Weels) was acquired in November. The company is a Norwegian supplier of concrete and plastic piping for water and wastewater systems. Weels supplies its products to companies in southern Norway and is an excellent addition to Ahlsell Norway's water & sanitation investment in the region. Its registered office is in Råde. The company has an annual sales turnover of approximately MNOK 55 and employs 10 people.

Agreement to acquire Vent Group Nordic AB

An agreement was signed in December for the acquisition of Vent Group Nordic AB (Vent), a Swedish ventilation specialist for professional installers with operations in Stockholm, Gothenburg and Malmö. Vent has an annual sales turnover of approximately MSEK 135 and employs 27 people. The effective date of the acquisition was 13 January 2021.

Agreement to acquire Tromas AS

An agreement was signed in December for the acquisition of Tromas AS, a local specialist retail business in Trondheim, Norway, that serves customers in the construction industry with tools and fastening products. Tromas has an annual sales turnover of approximately MNOK 63 and employs 17 people. The effective date of the acquisition was 8 January 2021.

Significant events January – December 2020

Covid-19

The Covid-19 pandemic has affected the company's operations since the outbreak in early 2020. The impact has primarily affected the company's sales growth and the impact on earnings has been counteracted through cost-saving measures and the use of government support measures. The company's branches and central warehouses have been able to operate during this period without any major disruptions caused by the pandemic.

In 2020, the Group's expenses were down by approximately MSEK 50 due to short-term layoffs and government grants received.

Digitalisation

Ahlsell has decided to ramp up its investments in technology to enable it to digitalise all of its operations. In the coming years, investments will be made to improve automation, enhance the digital customer experience and increase innovation levels. The entire Group will be impacted by this journey of change which includes a transition from working at external partners to managing more work in-house.

Update on the Competition Authority

In March 2015, the Finnish Competition Authority carried out an inspection of a number of companies in the HVAC & Plumbing sector in Finland, including Ahlsell Oy. The Competition Authority's investigation is still under way and Ahlsell assumes that the Competition Authority may continue with actions as a result of the investigation in autumn 2021.

Net sales and profit by segment

Sweden

External net sales for Sweden's area of operations totalled MSEK 22,319 (16,224). Profit (EBITA) was MSEK 2,727 (1,862), representing an EBITA margin of 12.2% (11.5). Adjusted EBITA was MSEK 2,727 (1,897). The adjusted EBITA margin was 12.2% (11.7). Operating profit (EBIT) was MSEK 2,222 (1,487).

In the January to December 2020 period, the Swedish operations completed one acquisition with an estimated annual sales turnover of MSEK 70. An agreement was signed for the acquisition of another business with estimated annual sales of MSEK 135.

Norway

External net sales for Norway's area of operations totalled MSEK 5,752 (4,709). Profit (EBITA) was MSEK 219 (109), representing an EBITA margin of 3.8% (2.3). Items affecting comparability totalling MSEK 29 were charged to the income statement in connection with restructuring measures aimed at streamlining the organisation. Adjusted EBITA was MSEK 248 (129). The adjusted EBITA margin was 4.3% (2.7). Operating profit (EBIT) was MSEK 177 (75). In the January to December 2020 period, the Norwegian operations completed one acquisition with an estimated annual sales turnover of MNOK 55. An agreement was signed for the acquisition of another business with estimated annual sales of MNOK 63.

Finland

External net sales for Finland's area of operations totalled MSEK 3,902 (3,076). Profit (EBITA) was MSEK 118 (43), representing an EBITA margin of 3.0% (1.4). Adjusted EBITA was MSEK 118 (73). The adjusted EBITA margin was 3.0% (2.4). Operating profit (EBIT) was MSEK 86 (18).

Denmark

External net sales for Denmark's area of operations totalled MSEK 417 (301). Profit (EBITA) was MSEK 49 (28), representing an EBITA margin of 11.7% (9.2). Operating profit (EBIT) was MSEK 49 (28).

Segment Other

External net sales for Other, comprising Estonia and Poland, totalled MSEK 459 (378). Profit (EBITA) was MSEK 9 (9), representing an EBITA margin of 1.9% (2.4). Operating profit (EBIT) was MSEK 9 (9).

Net finance income/expense

The Group's net finance expense for the year was MSEK -2,543 (-1,536). The average external interest expense was about 6.2%. Currency effects due to revaluation of loans and cash in foreign currencies had an impact of MSEK 810 (-33) and revaluation of derivatives had an impact of MSEK -932 (239).

Tax and profit/loss for the year

Profit/loss before tax for the period was MSEK -74 (-29). Tax expense was MSEK -375 (-163). The major difference between the effective tax rate and the income tax in Sweden relates primarily to restrictions on the deductibility of interest expense. Profit/loss from discontinued operations amounted to MSEK -15 (-54). Profit/loss for the period was MSEK -464 (-246) and comprehensive income for the period was MSEK -793 (-296).

Seasonal variations

The Group's sales are affected by seasonal variations to a certain extent. Sales are strongest in the fourth and second quarters, respectively. Sales are impacted by the number of working days in the quarter, and either the first or second quarter will have lower sales depending on when Easter falls. The Easter effect means a reduction in the Company's sales during the working days that fall in Easter week, as market activity decreases during these days. The impact of the timing of Easter varies across countries. It has the most impact in Norway and the least in Finland. The Company estimates that the Easter effect for the Group corresponds to the loss of about one full working day.

Research and development

Ahlsell does not conduct research but continuously develops its operations and IT platform in order to benefit from digitalisation and respond to changes in customers' purchasing behaviour. Activities include the development of private label products and Ahlsell's e-commerce platform, and investments in new customer groups, for example, Ahlsell's construction and lighting initiative with the production of a new range of products to meet specific customer requirements.



Financial position and liquidity

Non-current assets

At 31 December 2020, the carrying amount of intangible assets was MSEK 29,032 (29,712). During the period, the value of intangible assets increased by MSEK 71 as a result of acquisitions and decreased by MSEK 579 as a result of amortisation primarily attributable to customer relationships. Intangible assets consist primarily of MSEK 12,863 (12,924) in goodwill, MSEK 6,354 (6,354) in trademarks, and MSEK 9,647 (10,283) in customer relationships.

At 31 December 2020, the carrying amount of property, plant and equipment, excluding right-of-use assets, was MSEK 703 (733).

At 31 December 2020, right-of-use assets totalled MSEK 2,991 (2,843), an increase of MSEK 148 during the year.

Cash and cash equivalents

At 31 December 2020, the Group's cash and cash equivalents were MSEK 4,156 (2,053). It also has MSEK 2,202 in unused credit facilities.

Equity and liabilities

At 31 December 2020, external net debt was MSEK 19,208 (20,921). The Group's equity was MSEK 662 (1,456), a decrease of MSEK 794 during the year.

Financing

The Group's financing consists primarily of a senior loan facility, two junior loan facilities and a revolving facility. At the balance sheet date, the MSEK 15,638 senior facility with maturity in August 2026 was fully utilised, the MSEK 3,697 junior facilities with maturity in February 2027 were fully utilised, and MSEK 48 of the MSEK 2,250 revolving facility with maturity in August 2025 was utilised for bank guarantees and letters of credit.

Cash flow and investments

Cash flow from operating activities before changes in working capital amounted to MSEK 2,442 (1,462). Cash flow from changes in working capital was MSEK 511 (392). Cash flow from investing activities, including acquisitions, was MSEK -220 (-793). Investments in property, plant and equipment and intangible assets amounted to MSEK -232 (-214).

Cash flow from financing activities totalled MSEK -636 (-211). During the period, this was impacted by MSEK 1,536 in amortised liabilities and MSEK 900 in new borrowings. Operating cash flow for the period was MSEK 3,400 (2,156).

Employees

The number of employees at the end of the period was 5,727 (5,760) and the average number of employees during the period was 5,712 (5,776).

Employees from acquired companies have increased personnel numbers during the period by 30.25% (24) of the employees are women.

Sustainability report

The environment and sustainability are integral to the Group's professional activities. Compliance with legislation,

permit requirements and other regulatory decisions is of utmost importance to the Ahlsell Group. The Ahlsell Group's activities at its logistics centres are subject to statutory reporting requirements, such as reporting of intermediate storage of used refrigerants. The grant of licences is conditional upon the submission of an annual environmental report to the relevant authorities. Permits are also held for handling explosive and flammable goods and for transferring particularly hazardous chemical-based products. In addition, the Ahlsell Group's branches that store flammable liquids over 100 litres, or gas indoors, have the necessary permits. The Ahlsell Group also has a permit to store gas at a number of branches. Ahlsell meets the requirements of the Swedish Annual Accounts Act. In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, the Group has chosen to publish the statutory sustainability report as a separate report. The Sustainability Report is available for viewing at www.ahlsell.com.

Parent Company

At the end of the period, Quimper AB, corp. ID 559155-5551, was registered in Sweden and headquartered in Stockholm. The Parent Company's net sales for the period amounted to MSEK 18 (13). Profit/loss before tax was MSEK -82 (1,592). The Parent Company's cash and cash equivalents amounted to MSEK 0 (0) at the end of the period. The Parent Company's operations for the financial year consisted of ownership of shares in subsidiaries and the provision of intra-Group services.

Events after the reporting period

In January 2021, Vent Group Nordic AB & Tromas AS was acquired.

Vent Group Nordic AB is a ventilation specialist for professional installers. Vent Group's operations are conducted from four branches located in Stockholm (Västberga and Sollentuna), Gothenburg and Malmö, and will strengthen Ahlsell's ventilation offering in the market. The company has 27 employees and generates annual sales of approximately MSEK 135.

Tromas AS has been producing tools and fastening products for the construction industry in Trøndelag since it was founded in 1992. 17 people are currently employed in its store and service workshop in Trondheim. The company reports annual sales of approximately MNOK 63.

Ahlsell acquired Solutioneurolan Europé AB (Eurolan) in March 2021. Eurolan is one of the leading Nordic suppliers of copper and fibre optic cabling systems (SCS), fibre to the home (FTTX) and universal home networking. The company offers a quality range in cable systems, fibre, data and security. The company is based in Bromma with a sales office in Helsinki. It has nine employees and generates annual sales of approximately MSEK 125.

In March 2021 was a refinancing completed, which meant that the junior facilities were repaid in full and that the senior loan facility was expanded (maturity in August 2026). Net, the refinancing entailed an amortization of MSEK 1,500 million.

**Outlook**

Although the market situation stabilised in autumn 2020, the conditions continued to be affected by the Covid-19 pandemic. It is difficult to predict how markets will develop in this climate. It is likely that early 2021 will be marked by a certain degree of uncertainty linked to Covid-19 and restrictions that may be imposed on markets where the company operates. Market activity is expected to gradually stabilise and recover in the second half of 2021 and a good level of demand is expected for the year as a whole, albeit with slightly lower growth than in recent years. With a strong product portfolio, geographic presence and improved digital offering, Ahlsell is well-positioned to meet an increase in demand.

Risks and opportunities

All business activities are associated with uncertainty and risk. The Ahlsell Group manages and controls its exposure to risk through a common risk management process. The COSO framework is the basis for ensuring good internal governance and control. Risk management is a key element of this work and is carried out with the help of an established risk model and system support for reporting, documentation and case management.

The risk management process includes coordinated activities to identify, evaluate and manage risks that may not allow the Ahlsell Group to achieve its set goals and strategies. After analysis and evaluation, the risks that need to be managed are assigned risk owners with the responsibility for implementing significant control activities. All control activities are followed up and the results are analysed. Experiences are addressed in future assessments. The management of the risks assessed as business-critical are followed up in a particular order by Group management, the audit committee and the Board.



Significant risks

Area	Description	Addressed
Acquisitions	<p>Acquisitions are an important part of the Ahlsell Group's growth strategy. The acquisition process can be beset with difficulties, for instance, when it comes to identifying acquisition objects, financing acquisitions, integrating acquired businesses and achieving the expected synergies.</p>	<p>An established Group function with responsibility for acquisition issues identifies, evaluates and makes acquisitions. The payments are normally made in cash and are financed by either the underlying cash generation or debts of the business. Head of Integration is responsible for the process of integrating the acquisitions via the subsidiaries. The Group has succeeded in realising considerable cost synergies through acquisitions in the past.</p>
Purchases Suppliers Responsible sourcing	<p>Ahlsell's ten largest suppliers account for 26% of our purchases. If large suppliers were to choose to sell directly instead of through a distributor, this would be negative for Ahlsell. In addition, if the suppliers were to fail to deliver their products, either at all or on commercially acceptable terms, this could adversely impact Ahlsell.</p> <p>Any inadequacies or shortcomings in the control of products or suppliers, including within the context of human rights, would bring a risk of harm to Ahlsell's reputation and sales.</p>	<p>Ahlsell has an established position as a leading distributor in the Nordic region and strives to offer suppliers the most cost-effective way of reaching the Nordic market. With approximately 3,000 active suppliers, the supplier base is extremely diversified. To identify suppliers that are able to comply with Ahlsell's Code of Conduct, the supplier's sustainability work is evaluated prior to signing an agreement. The results are monitored in various ways, such as on-site visits or updated evaluations. Suspected non-compliance with Ahlsell's Code of Conduct is dealt with immediately.</p>
Logistics Logistics Distribution Permit obligation	<p>The Ahlsell Group conducts world-class logistics and delivers a large proportion of its order intake no later than the morning of the day after ordering. This is made possible by a number of warehouse facilities and distribution centres, including the central warehouses in Hallsberg (Sweden), Gardermoen (Norway) and Hyvinge (Finland). Damage to these facilities or disruptions in operations could adversely affect the ability to deliver.</p> <p>A limited number of transport companies are used for distribution and a small number of contracts can have a significant impact on transport costs. Negotiating new transport contracts can be a lengthy process and produce less favourable results than the present ones.</p> <p>Permits are required for some operations at the central warehouses (e.g. intermediate storage of used coolants), which means that costs for the storage, handling and disposal of potentially hazardous waste and materials may be incurred.</p>	<p>Ahlsell works continuously on emergency preparedness, maintenance and inspection of the central warehouses and the distribution chain to optimise efficiency and capacity utilisation. Risk management and continuity plans at the central warehouses minimise the risk of disruptions and ensure strategies for recovery in the event of disruptions.</p> <p>In the past, it has been an advantage to be a major, long-term customer for a small number of transport companies, as Ahlsell is often prioritised as a key customer. However, it regularly looks at what alternatives are available should unforeseen events occur.</p> <p>The business works continuously to train staff and conduct follow-ups to ensure that all goods are handled in the appropriate way. Appropriate measures are put in place to mitigate risks that are identified through monitoring, evaluation and management processes. Ahlsell's insurance providers conduct annual external audits of the three central warehouses and place demands on their development and expansion.</p>
Sales Economy & market Customers Sales Product liability, warranties and disputes	<p>Ahlsell is a leading Nordic distributor of installation products, tools and machinery. Earnings are influenced by developments and demand may decline during an economic downturn. Demand for products and services is dependent on market activity within RMI (renovation, maintenance and improvement), industry, infrastructure and construction.</p> <p>Changes in demand from large customers can have both positive and negative impacts. Consolidation among customers could weaken Ahlsell's negotiating position, and vice versa.</p> <p>Ahlsell always strives to offer good quality products and customers set high standards. Any inadequacies or shortcomings in the control of products could adversely impact its reputation and sales. Product liability also means that Ahlsell may be exposed to claims for compensation if products cause damage. Complaints and disputes can damage the brand and take up resources.</p>	<p>Operations are conducted in several countries and with customers of varying sizes and in varying industries. This makes Ahlsell less vulnerable to economic fluctuations. Historically, the various market segments have developed in different ways during a decline, with demand from the renovation market rising when new construction decreases.</p> <p>The Ahlsell Group has more than 100,000 corporate customers and by actively working for an increasingly diversified customer base, it reduces dependence on individual customers.</p> <p>Ahlsell has control systems in place to follow up complaints and disputes. Both Ahlsell and its suppliers are liable for sold products that are defective. There are extensive controls and insurance in place for the range of private label products.</p>

¹⁾ COSO = Committee of Sponsoring Organizations of the Treadway Commission



Area	Description	Addressed
<p>Sustainability</p>	<p>Ahlsell's objective is to be a leading player within the industry when it comes to environmental and social responsibility performance. Sustainability activities are a business opportunity and essential to the fulfilment of the promise to make it easier to be professional. Any shortcomings could have an adverse impact on reputation and turnover.</p> <p>The Group's sustainability work is based on Ahlsell's Code of Conduct, which describes how employees should act and the requirements placed on Ahlsell's business partners. The Code of Conduct sets requirements and takes a stance on equal treatment in the workplace, mitigation of environmental impacts, safe and healthy working conditions regardless of where the production entity is located, and human rights. It also takes a stance against all forms of corruption, restriction on competition, child labour and misleading marketing.</p> <p>Detailed information about the Ahlsell Group's sustainability commitment and work is presented in the Group's "Sustainability Report".</p>	<p>The Code of Conduct applies to all employees within the Group and all business partners. Compliance with the Code of Conduct is monitored on a regular basis, both internally and externally among business partners. It is also possible to anonymously report non-compliance to Ahlsell's whistleblowing function, which can be reached via the intranet and external website. Any departure from the principles and standards set forth in the Code are dealt with immediately by the HR Director and chief legal officer.</p> <p>In order to promote good business ethics and ensure employees are able to comply with the Code of Conduct, it is mandatory for all employees to complete a situation-based training game called "The Code".</p> <p>The Group's sustainability strategy is based on a materiality analysis of Ahlsell's risks, opportunities and environmental aspects, as well as dialogue with stakeholders. The findings are then used to focus on four areas where it is felt that Ahlsell is best able to contribute to sustainable development. These areas are health and safety, innovation and cooperation, responsible procurement and reducing environmental impacts. Ahlsell takes climate change seriously and works actively to reduce environmental impacts from its operations, focusing on products, transport, energy use and waste. Within the framework of ISO 14001 (environment) and ISO 9001 (quality), Ahlsell works towards continuous improvement. Ahlsell Norge AS's operations are also certified in accordance with ISO 45001 (health, environment and safety).</p> <p>Activities are carried out to increase diversity and equality within the organisation, and employee surveys are undertaken to measure engagement and loyalty. Health and safety issues have been integrated into day-to-day routines to maintain an active and systematic work environment process.</p>
<p>IT</p> <p>IT environment IT security Information security</p>	<p>The Group's operations are dependent on its IT environment performing at optimal levels. Interruptions, errors or downtime in critical software and systems through technical faults or unlawful intrusions may adversely affect the ability to deliver, which can have a negative impact on sales.</p> <p>Safe management of data and effective IT security processes are important for Ahlsell. Information that is processed may be affected by unauthorised access, be inappropriately distributed or used, either by employees or outsiders, or in some other way be lost, disclosed or processed in a way that violates laws or regulations addressing security of data and privacy.</p>	<p>The Group is continuously working to streamline and digitalise its operations. Ongoing structured maintenance, monitoring and development are carried out at Group and subsidiary levels to ensure enhanced IT and information security. Various types of tests are regularly performed to ensure protection is maintained, and suppliers are required to comply with standards for risk management and continuity planning. ITIL (Information Technology Infrastructure Library) framework is used for changes in business-critical systems and incident management.</p> <p>Ahlsell has a special function for information security and privacy protection with employees within the Group and subsidiaries. The purpose of the work is to protect, maintain and secure critical business data and to ensure compliance with laws and regulations (e.g. GDPR).</p>



Area	Description	Addressed
Financial	Ahlsell is exposed to a number of financial risks in the course of its operations and financing activities. These risks relate to currency, interest rate, refinancing, credit and liquidity. For example, high interest rates may have an adverse effect on Ahlsell.	Ahlsell's Financial policy describes how the financial risks are to be managed. The policy stipulates, for example, that where it is motivated from a commercial perspective, the loan portfolio for each currency must aim to reflect the forecast EBITDA per currency in the Group. Ahlsell does not normally enter into hedges linked to foreign currency purchases. However, the Group Treasurer and the CFO have a mandate to do so if necessary. Between 50% and 90% of the Group's loan portfolio, including interest rate derivatives, must be at fixed interest rates. The Group's liquidity reserve must amount to at least 4% of the Group's annual net sales. If an individual facility has less than 1 year to maturity, refinancing arrangements must have started. The average maturity of the Group's facilities must be at least 1.5 years. Ahlsell's credit policy provides guidelines to ensure that sales are to customers with appropriate credit backgrounds and that credit-related decisions are made by persons with the right authority.
Currency		
Interest	The strategy for profitable growth is about both organic and acquired growth. A high acquisition rate has resulted in a large proportion of the assets consisting of intangible assets, which are subject to impairment testing.	Ahlsell's intangible assets consist primarily of customer relationships that have been obtained through acquired companies, the "Ahlsell" trademark and goodwill. Ahlsell's intangible assets are continuously reviewed and tested for impairment. An impairment loss is recognised as soon as there is an indication of impairment.
Refinancing		
Intangible assets	In a distribution business, working capital is of utmost importance. Inventories represent a significant proportion of Ahlsell's current assets and may be subject to impairment. As regards trade receivables, it is important to have deep knowledge of customers and continuously check creditworthiness. It is also important to have good control of trade payables, so that Ahlsell can manage its monetary flows in an optimal way.	Ongoing analyses of the inventory turnover rate, content and legal compliance are performed to ensure an appropriate range and stock. It is important to maintain good knowledge of customers as most sales are on credit.
Working capital	Detailed information about the Ahlsell Group's financial risk management is given in Note 33 of the Annual Report.	

Profit distribution

The following funds are at the disposal of the Annual General Meeting:	SEK 3, 064, 210,870
Remaining profits carried forward	SEK 3, 064, 210,870
	SEK 3, 064, 210,870

For information on the Company's earnings and financial status in general, please refer to the following income statements, balance sheets, cash flow statements and notes to the accounts.



Consolidated income statement

MSEK	Note	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Net sales	2	32 849	24 687
Cost of goods sold		-24 006	-18 202
Gross profit		8 843	6 485
Selling expenses		-5 927	-4 591
Administrative expenses		-492	-431
Other operating income	4	50	47
Other operating expenses		-4	-3
Operating profit/loss	2, 3, 5, 6, 7, 8	2 469	1 507
Finance income	9	826	255
Finance costs	10	-3 369	-1 791
Net financial items		-2 543	-1 536
Profit/loss before tax		-74	-29
Income tax	11	-375	-163
Profit/loss for the year from continuing operations		-449	-192
Net profit/loss from discontinued operations after tax	2, 12	-15	-54
Profit/loss for the year		-464	-246
Profit/loss for the year attributable to owners of the Parent Company		-464	-246
Non-controlling interests		-	-



Consolidated statement of income and other comprehensive income

<i>MSEK</i>	Note	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Profit/loss for the year		-464	-246
Other comprehensive income			
<i>Items that will be reclassified to profit or loss</i>			
Translation differences for the year	29	-332	-40
Tax attributable to items that will be reclassified to profit or loss	29	4	-6
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation of defined-benefit pension plans		-2	-6
Tax attributable to items that will not be reclassified to profit or loss		1	1
Other comprehensive income for the year		-330	-50
Comprehensive income for the year		-793	-296
Comprehensive income for the year attributable to owners of the Parent Company		-793	-296
Non-controlling interests		-	-



Consolidated cash flow statement

<i>MSEK</i>	Not	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Operating activities			
Profit/loss before tax		-74	-29
Profit before tax from discontinued operations	12	-15	-44
Adjustment for non-cash items	36	2 530	1 727
		2 442	1 654
Tax paid		12	-192
Cash flow from operating activities before changes in working capital		2 455	1 462
Cash flow from changes in working capital			
Change in inventories		181	-92
Change in operating receivables		-109	783
Change in operating liabilities		439	-299
Cash flow from operating activities		2 965	1 854
Investing activities			
Acquisition of operations	37	-86	-579
Acquisition of intangible assets		-64	-32
Acquisition of property, plant and equipment		-167	-182
Sale of property, plant and equipment		11	12
Change in financial assets		86	-11
Cash flow from investing activities		-220	-793
Financing activities			
Shareholder contributions received		-	67
Repurchase of warrants issued		-	-3
Disposal of derivatives		-	-5
Proceeds from borrowings		900	963
Repayment of borrowings		-1 536	-1 233
Cash flow from financing activities		-636	-211
Cash flow for the year		2 109	850
Cash and cash equivalents in assets held for sale		-	-2
Cash and cash equivalents at beginning of year		2 053	1 205
Exchange rate differences in cash and cash equivalents		-6	0
Cash and cash equivalents at end of year	33	4 156	2 053

Reconciliation of liabilities in financing activities

<i>MSEK</i>	Cash flow		Non-cash effect				2020-12-31
	2019-12-31	Borrowings/ repayment	Acquisitions	Revaluation	Capitalised interest	Amortisation of capitalised bank charges	
Borrowing	29 837	-	3	-841	986	-	29 985
Capitalised bank charges	-513	-	-	-	-	81	-432
Lease liability	2 819	121	-	3	-	-	2 943
	32 143	121	3	-838	986	81	32 497

<i>MSEK</i>	Cash flow		Non-cash effect				2019-12-31
	2019-03-31	Borrowings/ repayment	Acquisitions	Revaluation	Capitalised interest	Amortisation of capitalised bank charges	
Borrowing	28 888	262	-	26	661	-	29 837
Capitalised bank charges	-525	-49	-	-	-	61	-513
Lease liability	2 654	180	-	-14	-	-	2 819
	31 018	393	0	12	661	61	32 143



Consolidated balance sheet

MSEK	Note	31 Dec 2020	31 Dec 2019
ASSETS			
Non-current assets			
<i>Intangible assets</i>			
Customer relationships	14	9 647	10 283
Trademark	15	6 354	6 354
Other intangible assets	16	169	151
Goodwill	17	12 863	12 924
Total intangible assets		29 032	29 712
<i>Property, plant and equipment</i>			
Land and buildings	18	93	108
Plant and machinery	19	271	245
Equipment, tools and fixtures & fittings	20	335	380
Right-of-use assets	6	2 991	2 843
Construction in progress and advances for property, plant and equipment		4	0
Total property, plant and equipment		3 694	3 576
<i>Financial assets</i>			
Financial investments	21	3	3
Receivables from Group companies		3	3
Other non-current receivables	25	4	4
Total financial assets		10	10
Deferred tax asset	24	–	0
Total non-current assets		32 736	33 298
CURRENT ASSETS			
<i>Inventories</i>			
Merchandise	26	4 149	4 444
Total inventories		4 149	4 444
<i>Current receivables</i>			
Trade receivables	27	3 737	3 589
Derivative instruments	33	–	0
Other receivables		33	129
Prepayments and accrued income	28	1 036	1 153
Total current receivables		4 806	4 871
<i>Cash and cash equivalents</i>	33	4 156	2 053
<i>Assets held for sale</i>	12	–	13
Total current assets		13 111	11 382
TOTAL ASSETS		45 848	44 680



Consolidated balance sheet

MSEK	Note	31 Dec 2020	31 Dec 2019
EQUITY AND LIABILITIES			
<i>Equity</i>	29		
Share capital		0	0
Other paid-in capital		2 673	2 673
Reserves		-444	-116
Retained earnings, including profit/loss for the year		-1 567	-1 101
Total equity		662	1 456
<i>Non-current liabilities</i>			
Interest-bearing liabilities	33	18 906	19 664
Liabilities to Group companies	33	10 639	9 653
Lease liabilities	6	2 403	2 278
Provisions for pensions	30	65	56
Other non-current provisions	31	2	6
Deferred tax liabilities	24	3 627	3 656
Derivative instruments	33	1 213	250
Other non-current liabilities		–	6
Total non-current liabilities		36 854	35 570
<i>Current liabilities</i>			
Interest-bearing liabilities	33	8	6
Lease liabilities	6	541	541
Advances from customers		4	2
Trade payables		5 970	5 521
Current tax liabilities		490	89
Derivative instruments	33	0	11
Other current provisions	31	28	40
Other non-interest-bearing current liabilities		381	383
Accruals and deferred income	32	907	1 040
Liabilities attributable to assets held for sale		3	20
Total current liabilities		8 332	7 655
Liabilities attributable to assets held for sale	12	20	–
Total current liabilities		7 655	8 322
TOTAL EQUITY AND LIABILITIES		45 848	44 680

Information about the Group's pledged assets and contingent liabilities can be found in Note 34.



Consolidated statement of changes in equity

MSEK	Note	Share capital	Other paid-in capital	Reserves	Retained earnings including profit/loss for the year	Total equity
Opening balance, 1 April 2019		0	2 605	-70	-851	1 684
Comprehensive income for the year						
Profit/loss for the year		-	-	-	-246	-246
Other comprehensive income for the year	29	-	-	-46	-5	-50
Comprehensive income for the year		-	-	-46	-250	-296
Shareholder contributions		-	67	-	-	67
Total shareholder transactions		-	67	-	-	67
Closing balance, 31 December 2019		0	2 673	-116	-1 101	1 456
Opening balance, 1 January 2020		0	2 673	-116	-1 101	1 456
Comprehensive income for the year						
Profit/loss for the year		-	-	-	-464	-464
Other comprehensive income for the year	29	-	-	-328	-2	-301
Comprehensive income for the year		-	-	-328	-465	-764
Total shareholder transactions		-	-	-	-	-
Closing balance, 31 December 2019		0	2 673	-444	-1 567	662

See also Note 29 Equity.



Parent Company income statement

MSEK	Note	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Net sales		18	13
Gross profit		18	13
Administrative expenses		-22	-15
Operating profit/loss		-4	-3
<i>Profit/loss from financial items</i>			
Interest and similar income	9	1107	1878
Interest expense and similar charges	10	-3 315	-1708
Profit/loss after financial items		-2 212	168
Appropriations		2 131	1424
Profit/loss before tax		-82	1592
Tax on profit/loss for the year	11	-240	-143
Profit/loss for the year		-322	1449



Parent Company statement of income and other comprehensive income

<i>MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Profit/loss for the year	-322	1 449
<i>Items that will be reclassified to profit or loss</i>	0	0
Other comprehensive income for the year	0	0
Comprehensive income for the year	-322	1 449
Comprehensive income for the year attributable to owners of the Parent Company		
Non-controlling interests	-322	1 449
	-	-

See also Note 29 Equity.



Parent Company cash flow statement

MSEK	Note	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Operating activities			
Profit/loss after financial items		-2 212	168
Adjustment for non-cash items	36	924	448
		-1 288	615
Tax paid		-12	-12
Cash flow from operating activities before changes in working capital		-1 300	603
Cash flow from changes in working capital			
Change in operating liabilities		-134	-118
Cash flow from operating activities		-1 434	485
Investing activities			
Acquisition of subsidiaries		-2	-520
Changes interest-bearing liabilities		2 269	-2 160
Cash flow from investing activities		2 268	-2 680
Financing activities			
Shareholder contribution received		–	67
Disposal of derivatives		–	-5
Proceeds from borrowings		–	1 797
Repayment of intra-group loans		-834	–
Cash flow from financing activities		-834	1 859
Cash flow for the year		0	-336
Cash and cash equivalents at beginning of year		0	336
Cash and cash equivalents at end of year		0	0

Reconciliation of liabilities in financing activities

	Cash flow			Non-cash effect		31 Dec 2020
	2019-12-31	Borrowings/ repayment	Revaluation	Capitalised interest	Amortisation of capitalised bank charges	
Borrowing	30 665	-834	-842	986	–	29 974
Capitalised bank charges	-513	–	–	–	81	-432
	30 152	-834	-842	986	81	29 543
	Cash flow			Non-cash effect		31 Dec 2019
	2019-03-31	Borrowings/ repayment	Revaluation	Capitalised interest	Amortisation of capitalised bank charges	
Borrowing	28 134	1 846	23	662	–	30 665
Capitalised bank charges	-525	-49	–	–	61	-513
	27 609	1 797	23	662	61	30 152



Parent Company balance sheet

MSEK	Not	31 Dec 2020	31 Dec 2019
ASSETS			
Non-current assets			
<i>Financial assets</i>			
Shares in subsidiaries	22	23 870	23 868
Receivables from Group companies	23	8 767	7 676
Total financial assets		32 637	31 545
Deferred tax asset		80	24
Total non-current assets		32 717	31 568
Current assets			
<i>Current receivables</i>			
Receivables from Group companies		2 599	3 088
Prepayments and accrued income		1	0
Total current receivables		2 600	3 089
<i>Cash and bank balances</i>		-	-
Total current assets		2 600	3 089
TOTAL ASSETS		35 317	34 657



Parent Company balance sheet

MSEK	Not	31 Dec 2020	31 Dec 2019
EQUITY AND LIABILITIES			
Equity	29		
<i>Restricted equity</i>			
Share capital		0	0
<i>Unrestricted equity</i>			
Retained earnings		3 386	1 937
Profit/loss for the year		-322	1 449
Total equity		3 064	3 386
Untaxed reserves		722	260
Non-current liabilities			
Liabilities to credit institutions	33	18 904	19 664
Derivative instruments		1 213	250
Liabilities to Group companies	33	10 639	10 487
Total non-current liabilities		30 756	30 401
Current liabilities			
Trade payables		0	7
Current tax liabilities		463	155
Derivative instruments		0	-
Other non-interest-bearing current liabilities		3	1
Accruals and deferred income	32	309	447
Total current liabilities		775	610
TOTAL EQUITY AND LIABILITIES		35 317	34 657



Parent Company statement of changes in equity

MSEK	Restricted equity	Unrestricted equity	
	Share capital	Retained earnings/ profit for the year	Total equity
Opening balance, 1 April 2019	0	1 870	1 870
Profit/loss for the year	–	1 449	1 449
Other comprehensive income for the year	–	–	0
Comprehensive income for the year	0	1 449	1 449
Shareholder contribution received	–	–	67
Total shareholder transactions	0	67	67
Closing balance, 31 December 2019	0	3 386	3 386
Opening balance, 1 January 2020	0	3 386	3 386
Profit/loss for the year	–	-322	-322
Other comprehensive income for the year	–	–	0
Comprehensive income for the year	0	3 064	3 064
Total shareholder transactions	0	3 064	3 064
Closing balance, 31 December 2019	0	3 064	3 064

Notes

NOTE 1 General information and accounting policies

General information

Quimper AB (Parent Company) and its subsidiaries (together referred to as the Group) are, with the Ahlsell brand, the Nordic region's leading distributor of installation products, tools and supplies for installation companies, construction companies, real estate management companies, industrial and power companies and the public sector. Ahlsell's portfolio contains over one million products and solutions. The Group offers professional users an extensive range of products and related services in the areas of HVAC & Plumbing, Electrical, and Tools & Supplies.

The Parent Company is a limited liability company registered in Stockholm. The address of the Head Office is Årstaängsvägen 11, Stockholm, Sweden.

The Annual Report and the consolidated financial statements were approved and authorised for issue by the Board of Directors and the CEO on 25 March 2021. The consolidated and Parent Company income statements and balance sheets will be presented for approval at the Annual General Meeting.

The figures that are reported have been rounded in some cases, which means that tables and calculations do not always add up exactly.

Statement of significant accounting policies

The principal accounting policies adopted in the preparation of this year's annual accounts and consolidated financial statements are set out below.

Basis of preparation

The consolidated financial statements for the Quimper AB Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. In addition, the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups has been applied. Assets and liabilities are measured at historical cost or amortised cost. Available-for-sale financial assets and financial assets and liabilities (including derivative instruments) at fair value through profit or loss are measured at fair value. Accounting policies applied by the Parent Company are shown below.

Preparation of financial statements in accordance with IFRS requires the use of certain accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies. The areas that involve a significant degree of estimation, that are complex, or are areas where assumptions and estimates are of considerable importance to the consolidated financial statements are set out in Note 39.

Non-current assets and liabilities are essentially amounts that are expected to be recovered or paid more than twelve months after the reporting date. Current assets and liabilities are essentially amounts that are expected to be recovered or paid within twelve months of the reporting date, covered or paid within twelve months of the reporting date.

Information about IFRS standards or interpretations that became effective in 2020

Amendment to IFRS 16 Leases as a result of the Covid-19 pandemic

An amendment has been made to IFRS 16 Leases regarding Covid-19-related rent concessions. Lessees may opt to recognise such concessions in profit and loss as incurred, instead of having to assess the lease modification and recalculate the lease liability.

No amendments to accounting standards have been published in 2020 that are expected to have any significant effect on the Group's financial statements.

Information about IFRS standards or interpretations not yet effective

Published amendments to accounting standards for application in the future are not expected to have any significant effect on the Group's financial position.

Consolidated financial statements

(a) Subsidiaries

Subsidiaries are companies over which Quimper AB has a controlling interest. A controlling interest exists if Quimper AB has control over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. When assessing whether a controlling interest exists, consideration is given to potential voting rights and whether de facto control exists.

Subsidiaries are accounted for by applying the acquisition method. The method means that acquisition of a subsidiary is treated as a transaction through which the Group indirectly acquires the subsidiary's assets and assumes its liabilities. The due diligence determines the acquisition-date fair value of identifiable assets acquired and liabilities assumed and any non-controlling interest. Transaction costs, apart from transaction costs attributable to the issue of equity or debt instruments, are recognised directly in the income statement as administrative expenses.

For business combinations where the sum of the fair value of the consideration transferred, any non-controlling interest and fair value of any previously held equity (in a step acquisition) exceeds the fair value of identifiable assets acquired and liabilities assumed that are recognised separately, the difference is recognised as goodwill. If the difference is negative, it is recognised directly in the income statement for the year.

The consideration transferred in connection with the business combination does not include payments for the settlement of pre-existing relationships. Such settlement amounts are recognised in the income statement.

Any contingent consideration is recognised at the acquisition-date fair value. If the contingent consideration is classified as an equity instrument, the original amount is not remeasured and settlement is recognised in equity. Otherwise, contingent consideration is remeasured at each reporting date, with any changes recognised in the income statement for the year.

(b) Non-controlling interests

Non-controlling interests (NCI) arise in cases where the acquisition does not include 100% of the subsidiary. There are two options for recognising non-controlling interests: either stated at the non-controlling interests' proportion of the assets acquired or stated at the non-controlling interests' fair values, which means that non-controlling interest is part of goodwill. The choices for stating non-controlling interest are available on a transaction by transaction basis.

For step acquisitions, goodwill is measured on the date that control is obtained. Any previously held interest is measured at fair value, with changes recognised in profit or loss.

For divestments that result in a loss of control, but a continuing interest, the remaining interest is remeasured at fair value, with any change recognised in profit or loss.

(c) Transactions eliminated on consolidation

Intra-group transactions and balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction indicates evidence of impairment of the transferred asset. The subsidiaries' accounting policies have been changed where necessary to ensure consistency with Group policies.

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. An operating segment's performance is monitored by the Company's chief operating decision maker in order to assess its performance and allocate resources to it. The chief operating decision maker is the Group President. The Quimper AB Group's operating segments are primarily determined by geographic areas, which comprise individual countries and groups of

comparable countries. See Note 2 for further information about classification and presentation of operating segments.

Foreign currency translation

(a) Functional and presentation currencies

Items in the individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements are presented in SEK (Swedish kronor), which is the Parent Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Exchange gains and losses resulting from the settlement of such transactions and from the translation of foreign currency monetary assets and liabilities using the closing rate are recognised in profit or loss. The exception is when the transactions relate to qualifying cash flow hedges and qualifying net investment hedges, in which case gains or losses are recognised in other comprehensive income.

(c) Group companies

The results and financial position of all Group companies (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the Group's presentation currency as follows:

a) assets and liabilities of each foreign operation are translated at the closing rate,

b) income and expenses of each foreign operation are translated at the average exchange rate, unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction date, in which case income and expenses are translated at the date of the transaction; and

c) all resulting exchange differences are recognised in a separate component of other comprehensive income.

On consolidation, exchange differences arising from the translation of net investments in foreign operations and borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, either fully or in part, the associated exchange differences in other comprehensive income are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities in the operation's functional currency.

Intangible assets

(a) Goodwill

Goodwill is the excess of consideration transferred over the fair value of the identifiable net assets acquired. Goodwill arising from the acquisition of subsidiaries is reported as intangible assets. Goodwill is tested annually for any indicators of impairment and is carried at cost less accumulated impairment losses. Any gain or loss on the disposal of an entity includes the remaining carrying amount of the goodwill relating to the entity sold.

If negative goodwill arises (the acquisition cost falls below the net value of assets acquired and liabilities/contingent liabilities assumed), the whole amount is immediately reported in the income statement under Other operating income.

Goodwill is allocated to cash-generating units when testing for impairment.

(b) Customer relationships, licences, leases and similar rights

Customer relationships and other intangible assets (mainly licences, software and leases) have a finite useful life and are recognised at cost less accumulated amortisation. The straight-line method of amortisation is used to allocate the expense over their expected useful lives of 3-20 years.

(c) Trademarks

The useful life is considered indefinite as this is a well-established trademark that the Group intends to retain and develop. Trademarks are tested for impairment annually and are carried at cost less accumulated impairment losses.

(d) Capitalised development expenses

Capitalised development expenses are reported as intangible assets in the balance sheet if they are directly associated with the development of identifiable products controlled by the Group, have probable economic benefits for more than one year and exceed the expenses.

Capitalised development expenses have a finite useful life and are recognised at cost less accumulated amortisation. Amortisation is applied on a straight-line basis to distribute the costs of capitalised development expenses over the estimated useful life of 3-7 years.

Research costs are recognised as expenses as they arise.

In the case of acquisitions, assets are transferred at gross value for administrative reasons. However, an estimate of value and economic useful life is made.

Property, plant and equipment

Property, plant and equipment is stated at cost less depreciation and any impairment losses. The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use or sale are included in the cost of acquisition.

Assets can consist of different components and each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Subsequent costs are added to the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. In order for subsequent costs to be included in cost, the expenditure must relate to the replacement of identified components or parts thereof. If this is the case, these costs are capitalised. The residual value of a replaced component or part thereof is disposed of and recognised as an expense at the time of replacement. Repairs are recognised as an expense as incurred.

Land is not depreciated. Other assets are depreciated, in order to reduce their historical cost or written-down value to the estimated residual value, on a straight-line basis over their estimated useful lives as follows:

Buildings	20–50 years
Machinery	3–10 years
Equipment, fixtures & fittings	3–10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its recoverable amount, calculated in accordance with IAS 36.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the income statement under Other operating income or Other operating expenses.

In the case of acquisitions, assets are transferred at gross value for administrative reasons. However, an estimate of value and economic useful life is made.

Impairment

Items of property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is measured. The recoverable amount is calculated annually for goodwill, other intangible assets with indefinite useful lives and intangible assets not yet ready for use. If it is not possible to determine cash inflows for an individual asset that are largely independent from those of other assets, and its fair value minus selling expenses cannot be used, the assets are grouped by testing impairment needs at the lowest level where it is possible to identify cash flows that are largely independent – a so-called cash generating unit.

An impairment loss is recognised when the recoverable amount of an asset or a cash-generating unit is less than its carrying amount. An impairment loss is recognised as an expense in the income statement for the year. Impairment losses recognised for a cash-generating unit (group of units) are initially allocated to goodwill. They are then proportionately allocated to the other assets of the unit (group of units). The recoverable

amount is the higher of fair value costs to sell and value in use. In measuring value in use, future cash flows are discounted using a discount rate that reflects the risk-free rate of interest and the risks specific to the asset.

Impairment of assets accounted for under IAS 36 is reversed if there is an indication that the impairment no longer exists and there has been a change in the assumptions on which the calculation of the recoverable amount was based. However, goodwill impairment is never reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation where applicable, had no impairment loss been recognised.

Financial instruments

Financial assets

The Group classifies its financial instruments in the following categories: financial assets at fair value through profit or loss, at fair value through other comprehensive income and at amortised cost. Management determines the classification of the instrument on initial recognition. The Group has financial instruments in the following categories:

a) *Financial assets at fair value through profit or loss*

Financial assets measured at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if it is acquired mainly to be sold in the short term. Derivatives are always classified as held for trading, to the extent that they are not instruments that are hedged.

b) *Financial assets at amortised cost*

Financial assets at amortised cost consist of holdings of receivables and other debt instruments which under the Group's business model are held for collection of contractual cash flows that are solely payments of principal and interest. This category includes cash and cash equivalents, and trade and other receivables. They are reported under current assets unless the settlement date is more than 12 months after the reporting date, in which case they are classified as non-current assets. Trade and other receivables were previously classified as Loans and receivables.

c) *Financial assets at fair value through other comprehensive income*

The category for financial assets measured at fair value through other comprehensive income includes holdings of equity instruments for which this category was chosen at initial recognition and holdings of debt instruments fulfilling the same cash flow requirement as financial assets measured at amortised cost but having a business model that means they are also realised through disposal. They are reported under non-current assets if management does not intend to dispose of them within 12 months of the reporting date.

Purchases and sales of financial assets are recognised on the trade date, i.e. the date on which the Group commits to purchase or sell the asset. Trade receivables and issued debt instruments are recognised when issued. On initial recognition, financial instruments are measured at fair value plus transaction costs. This applies to all financial assets not measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are initially recognised at fair value, while related transaction costs are recognised in profit or loss. Trade receivables without a significant financing component are measured at the transaction price. Financial assets are derecognised from the balance sheet when the right to receive cash flows from the instrument has expired or been transferred, and the Group has transferred substantially all risks and rewards of ownership.

Gains or losses arising from fair value changes in the category financial assets at fair value through profit or loss are recognised under Finance income or Finance expense in the period in which they occur. Dividend income from securities in the category financial assets measured at fair value through profit or loss is recognised under Finance income in the income statement when the Group's right to receive payment is established.

Amortised cost is calculated using the effective interest method. Trade receivables and other current receivables for which discounting does not have a significant effect are recognised without discounting. On disposal of equity instruments measured at fair value through other comprehensive income, the cumulative gains and losses arising from changes in fair value are not reclassified to the income statement but are instead transferred from a fair value reserve within equity directly to retained earnings. Dividends on these instruments are recognised under Finance income in the income statement when the Group's right to receive payment is established. Interest on holdings of debt instruments in the category fair value through other comprehensive

income, measured using the effective interest rate method, is recognised as Finance income in the income statement.

If the market for a financial instrument is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques including the use of information about recent arm's length transactions, reference to fair value of other instruments that are substantially the same, discounted cash flow analysis and option pricing models. This makes as much use of market information and as little use of company-specific information as possible.

Expected credit losses are calculated for financial assets measured at amortised cost and holdings of debt instruments measured at fair value through other comprehensive income.

Impairment of trade receivables is described below.

Financial liabilities

Borrowings are initially recognised at fair value, net of transaction costs. Borrowings are subsequently measured at amortised cost and any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Recognition and derecognition of financial instruments

A financial asset or liability is recognised in the balance sheet when the company becomes a party to the instrument's contractual terms. Trade receivables are recognised in the balance sheet when an invoice has been sent. A liability is recognised when the counterparty has performed and there is a contractual obligation to pay, even if an invoice has not yet been received. Trade payables are recognised on receipt of the invoice.

A financial asset is derecognised when the rights to receive benefits have been realised, expired or the Company loses control over them. The same applies to a component of a financial asset. Financial liabilities are derecognised in the balance sheet when the contractual obligation has been discharged or extinguished in some other way. The same applies to a component of a financial liability.

A financial asset and a financial liability may be offset and the net amount recognised in the balance sheet only when the company has a legally enforceable right to set off the recognised amounts; and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derivative instruments and hedging activities

Derivative instruments are recognised in the balance sheet on the contract date and are measured at fair value both initially and in connection with subsequent revaluations. The method of recognising resulting gains or losses depends on whether the derivative financial instrument is designated as a hedging instrument, and if so, on the nature of the item being hedged. The Group identifies certain derivatives as either: (i) hedges of fair value of a recognised liability (fair value hedge); (ii) hedges of a cash flow risk associated with a recognised liability or a highly probable forecast transaction (cash flow hedge); or (iii) hedges of a net investment in foreign operations (hedge of net investment).

Information about fair value for different derivative instruments used for hedging purposes is given in Note 32. The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months and as a current asset or liability if the maturity of the hedged item is less than 12 months. This applies regardless of whether or not hedge accounting is used. Derivatives held for trading are always classified as current assets or liabilities.

Cash flow hedges

The effective portion of the changes in the fair value of a derivative that is designated as a cash flow hedge and which qualifies for cash flow hedge accounting is recognised in Other comprehensive income. Any gains or losses attributable to the ineffective portion are recognised directly in the income statement as Finance income or Finance expense.

Amounts accumulated in equity are recycled to the income statement in the periods when the hedged item affects profit or loss. Any gains or losses attributable to the effective portion of an interest rate swap that hedges variable interest rate borrowings are recognised in the income statement as Finance expense. Any gains or losses attributable to the



ineffective portion are recognised as Finance income or Finance expense.

When a hedging instrument expires or is sold or no longer qualifies for hedge accounting and any cumulative gain or loss on the hedging instrument is recognised in equity, the gain/loss is retained in equity until the forecast transaction occurs and is finally recognised in the income statement. If a forecast hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred directly to the income statement as Finance income or Finance expense.

Derivatives at fair value through profit or loss

Changes in the fair value of derivative instruments that do not use hedge accounting are recognised directly in the income statement as Finance income or Finance expense.

Hedging of net investments in foreign operations

The Group has operations in several countries. In the consolidated balance sheet, investments in foreign operations are recognised as net assets in subsidiaries. Some measures have been taken to reduce the currency risks associated with these investments. This was done through borrowings in the same currency as the net investments. These loans are translated at the closing rate at the balance sheet date. The effective part of the period's exchange rate fluctuations from hedging instruments is reported in Other comprehensive income to meet and fully or partially match the translation differences that are reported for the net assets in the foreign operations which are currency-hedged. The cumulative changes are recognised in a separate component in equity (translation reserve). The translation differences from net investments and hedging instruments are reversed and reported in the income statement when a foreign operation is sold. When hedging is ineffective, the ineffective portion is recognised directly in the income statement.

Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined on the basis of weighted average prices including take-home costs. Borrowing costs are not included. Net realisable value is the estimated selling price in operating activities less the estimated costs necessary to make the sale.

Trade receivables

Trade receivables are initially recognised at fair value and subsequently at the amount expected to be received, i.e. cost less any provision for impairment. Trade receivables are considered to be of short duration and are not discounted and are stated at their nominal value. Impairment of trade receivables is reported in operating expenses.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held with banks and other short-term investments with maturities of less than three months from the date of purchase. Overdraft facilities are also available. Utilised overdraft facilities are reported in the balance sheet as borrowing under Current liabilities.

Equity

Share capital

Ordinary shares are classified as equity. Transaction costs directly attributable to the issue of new shares are recognised, net of tax, in equity as a deduction from the proceeds of the issue.

Trade payables

Trade payables are initially recognised at fair value. Trade payables are considered to be of short duration and are not discounted and are stated at their nominal value.

Income tax

Income tax consists of current tax and deferred tax. Income tax is recognised in the income statement except when the underlying transaction is recognised directly in Other comprehensive income, in which case the related tax effect is also recognised in Other comprehensive income. Current tax is the amount of income taxes payable or recoverable in respect of the taxable profit or loss for the current year, and is calculated using tax rates enacted or substantially enacted by the reporting date, and any adjustments relating to prior periods.

Deferred tax is recognised in full, using the balance sheet method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects

neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or announced by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets in deductible temporary differences and in loss carryforwards are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Employee benefits

(a) Pension obligations

Group companies operate various pension schemes. The schemes are normally financed through payments to insurance companies or funds managed by asset managers in accordance with periodic actuarial calculations. The Group has both defined-benefit and defined-contribution pension schemes.

The liability recognised in the balance sheet in respect to defined-benefit pension schemes is the present value of the defined-benefit obligation at the balance sheet date less the fair value of the plan assets. The defined-benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined-benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds, including mortgage bonds, or government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Revaluation of defined-benefit pension schemes arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income, including payroll tax and related deferred tax.

Past-service costs are recognised immediately in the income statement.

When there is a difference between how pension costs are determined in legal entities and the Group, a provision or receivable for payroll taxes is recognised based on this difference. The present value of the provision or receivable is not determined.

The pension obligations for some white-collar employees are secured by an insurance policy provided by Alecta. In accordance with Statement UFR 10 issued by the Swedish Financial Reporting Board, this is a multi-employer defined-benefit pension scheme. For the 1 January – 31 December 2020 financial year, the Company did not have access to sufficient information to enable it to report this scheme as a defined-benefit scheme. The pension obligation is therefore recognised as a defined-contribution scheme. The same conditions apply to the AFP scheme in Norway, which is thus also recognised as a defined-contribution scheme.

For defined-contribution schemes, the Group pays contributions to publicly or privately administered pension insurance schemes on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as staff costs in the period that the services are rendered by the employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments will flow to the Group.

(b) Termination benefits

Employees receive termination benefits before normal retirement age or when they voluntarily accept termination in exchange for such benefits. The Group recognises severance payments when it is demonstrably obliged to either give notice to employees in accordance with a detailed, formal plan without right of rescission, or provide compensation in the event of notice being given as a result of an offer made to encourage voluntary resignation. When compensation is offered as an incentive for voluntary resignation, a cost is recognised if it is probable that the offer will be accepted and it is possible to reliably estimate the number of employees that will accept the offer. Termination benefits that fall due more than 12 months after the balance sheet date are discounted to present value.

(c) Profit share and bonus plans

The Group recognises a liability and an expense for bonuses and profit shares, based on a formula that takes into account the profit that is related to the Parent Company's shareholders after certain adjustments. A provision is reported for the expected cost of the profit-share and bonus payments when the Group has a present obligation (legal or constructive) to make such payments for services received from employees and the obligations can be reliably estimated.

Provisions

A provision is recognised in the balance sheet when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

A provision for warranties is recognised when the underlying products are sold. The provision is based on historical warranty data and a weighting of all possible outcomes with their associated probabilities.

Provisions for restructuring costs and legal claims are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is more probable than not that an outflow of resources will be required to settle the obligation, and when the amount has been measured with reliability. Provision for restructuring includes costs for termination of leasing agreements and severance pay. There are no provisions for future operating losses.

Where there are a number of similar obligations, the probability that an outflow of resources will be required in settlement is determined by considering the group of obligations as a whole. A provision is recognised even if the probability of an outflow for a special item in this group of obligations is low.

Provisions are stated at the present value of the amount expected to be required to clear the existing commitment. In this case, a pre-tax discount rate is used which reflects current market assessments of the time value of money and the risks specific to the provision. The increase in provisions resulting from the passage of time is recognised as interest expense.

Revenue recognition

Revenue is recognised based on the price specified in the contract with the customer. Ahsell's primary source of revenue is the sale of goods to professional customers through retail and wholesale outlets.

(a) Sale of goods

Revenue arising from the sale of goods is recognised when a Group company has supplied products to a customer and the significant risks and rewards associated with the product have been transferred to the customer and it is reasonable to assume that the equivalent charge will be paid. An invoice is issued at this time and is usually due for payment in accordance with the practices normal for the industry. Net sales are reported net of VAT and discounts. When selling goods, normal guarantees and other terms and conditions are provided in accordance with terms generally accepted within the industry. Returns do not amount to any significant amounts.

The products are often sold with volume discounts. Volume discounts are assessed on the basis of expected annual volumes and are recognised as revenue as they are earned and at the same time reduce net sales.

(b) Interest income

Interest income is recognised on a time proportion basis using the effective interest rate method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income.

(c) Dividend income

Dividend income is recognised when the right to receive payment is established.

Leases

Leases are contracts that convey the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Such contracts in the Group are mainly commercial lease contracts.

As a lessee, the Group recognises a lease liability – separated into long-term and short-term components – measured at the present value of the remaining lease payments during the lease term. The lease term is

the non-cancellable period for which the lessee has the right to use an underlying asset including optional lease periods if, at the start date, it is considered reasonably certain that the option to extend will be exercised. In most cases, the discount rate is based on the Group's incremental borrowing rate for an intended loan at a rate of interest equal to the lease term and using the underlying asset as collateral. However, a lessee is required to use the rate implicit in the lease if it can be determined. Low value asset leases (underlying asset with a maximum value of SEK 50, 000) and short-term leases (maximum lease term of 12 months) are included in the lease liability. The lease payments are instead recognised as an expense on a straight-line basis over the lease term.

A right-of-use asset is initially recognised at the amount of the lease liability plus, mainly in the Group's case, any previous lease payments and any initial direct costs incurred for the lease.

In subsequent periods, depreciation of the right-of-use asset is on a straight-line basis over the lease term (the Group has no leases currently requiring depreciation over the lease term).

The lease liability is accrued with the interest expense for each period and is reduced by the amortisation amount of the lease payments (the portion of the lease payments that does not represent interest expense). The interest expense is calculated as the value of the liability multiplied by the discount rate.

In the case of premises where rent depends on an index, the liability is based on the rent applicable at the close of the respective reporting period. On the effective date of the revised indexed rent, the value of the liability is adjusted to correspond to the new rent level, with the effect on the value of the liability recognised against the carrying amount of the right-of-use asset. Correspondingly, both the asset and the liability are revalued if specific situations give rise to a reassessment of the length of the lease term. For the Group, such situations chiefly arise when the final notice date within a previously assessed lease term for a property lease has passed.

Quimper AB presents the right-of-use assets and lease liability on separate lines in the balance sheet. It presents depreciation and interest expense on the same lines as other depreciation and interest expense in the income statement. In the cash flow statement, the interest element of the lease payments is presented with other interest expense/payments, while the principal element of the lease payments is presented as amortisation in financing activities.

Borrowing costs

Borrowing costs that are attributable to the production of qualifying assets are capitalised as part of the cost of the qualifying asset. A qualifying asset is an asset that necessarily takes a significant length of time to prepare for its intended use or sale.

Dividends

Dividends to the Parent Company's shareholders are recognised as a liability in the Group's financial statements for the period in which the dividend was established at the General Shareholders' Meeting/Annual General Meeting by the Parent Company's shareholders.

Dividends expected to be paid by subsidiaries are reported when the Parent Company has the sole right to decide on the amount to be paid as dividends and the Parent Company has decided on the amount to be paid as dividends before the Parent Company has published its financial statements.

Statement of cash flows

The statement of cash flows has been prepared in accordance with IAS 7, using the indirect method. In addition to the statement of cash flows in accordance with IAS 7, an operating statement shows the cash flows from the operating activities, i.e. cash flows generated by the operations and investments made in existing activities. This statement of cash flows therefore excludes financial transactions for incoming and outgoing interest payments and the borrowing and repayment of loans, payments attributable to investments in and divestment of operations and tax payments.

Discontinued operations

A non-current asset (or disposal group) shall be classified as held-for-sale if its carrying amount will be recovered principally through a sale transaction or discontinuation rather than through continuing use.

Immediately before classification as held-for-sale, the carrying amount of the assets (and all assets and liabilities in a disposal group) is measured according to applicable standards. At the initial classification of the asset



as held-for-sale, non-current assets and disposal groups are measured at the lower of carrying amount and fair value less selling costs.

A gain is recognised for each increase in the fair value less selling costs. This gain is limited to an amount equivalent to all previous impairment losses. Losses arising from a decline in value at initial classification as held for sale are recognised in the income statement. Subsequent value changes, both gains and losses, are also reported in the income statement.

A discontinued operation is a component of an entity's business that represents a separate line of business or a significant operation in a geographical area or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held-for-sale, if earlier.

Profit/loss from discontinued operations after tax is shown as a single line in the income statement. When an operation is classified as a discontinued operation, the comparative income statement is re-presented as if the operation had been discontinued from the start of the comparative year. The presentation of the balance sheet for current and previous years is not re-presented in the equivalent manner.

See also Note 12.

Accounting policies – Parent Company

The Parent Company has prepared its Annual Report in accordance with the Swedish Annual Accounts Act and, for the first time, in accordance with the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. In addition, the Swedish Financial Reporting Board's statements concerning public limited liability companies also apply. RFR 2 requires the Parent Company, as a legal entity, to prepare its annual financial statements in compliance with all the IFRS and IFRIC interpretations endorsed by the EU, to the extent possible within the framework of the Swedish Annual Accounts Act and the Swedish Act on Safeguarding of Pension Obligations, and taking into account the relationship between tax expense (income) and accounting profit. The recommendation also specifies exceptions from and additions to the IFRSs. The transition from K3 to RFR 2 has not affected the comparative period data.

Differences between the Group's and the Parent Company's accounting policies

Differences between the Group's and the Parent Company's accounting policies are presented below.

Presentation

The Parent Company's income statement and balance sheet have been prepared in accordance with the format described in the Swedish Annual Accounts Act.

Subsidiaries

Investments in subsidiaries are recognised in the Parent Company using the cost method, including transactions costs, less any impairment.

Taxes

Untaxed reserves are recognised inclusive of deferred tax liability in the Parent Company. In the consolidated financial statements, untaxed reserves are divided into deferred tax liability and equity.

Leases

Unlike the Group, the Parent Company does not recognise lease liabilities and right-of-use assets for leases. The lease payments are recognised for all leases as an expense in the income statement on a straight-line basis over the lease term, with interim items recognised in the balance sheet unless the lease payments have been paid in full in the same period and at the same amount as the reported lease expense.

Group contributions

Group contributions are recognised as appropriations. A Group contribution paid to a subsidiary is recognised as an expense and reduces the Parent Company's earnings for the period, while a Group contribution received is recognised as revenue and increases the Parent Company's earnings for the period.

NOTE 2 Segment reporting

The Group's operations are conducted under the Ahlsell trademark, which is used below as a collective name for Quimper AB's business operations. Ahlsell manages its business on a geographic basis corresponding to the countries in which it has operations. The Ahlsell Group uses the following geographic segmentation: Sweden, Norway, Finland, Denmark, Other (Estonia, Poland) and Central, IFRS 16 adjustments and Eliminations. This is a natural grouping of segments as business is conducted locally and Ahlsell's organisation is structured to provide the best support for local sales. Segment results are reported as EBITA and operating profit/loss. Finance income and expense, taxes and the impact of IFRS 16 are not broken down by segment. Consequently, the financial assets and liabilities are not broken down by segment. Goods and services are priced at market rates across the various segments. The Ahlsell trademark has not been broken down by country but is reported as a central asset.

Sweden

Ahlsell's history began on 1 March 1877, when partners John Bernström and Jakob Tornblad registered John Bernström & Co to sell machinery, pumps, oil and agricultural equipment. The foundation of today's Group was laid in 1922 when Bernström & Co merged with R Ahlsell & Co to form Ahlsell and Bernström with a stronger focus on HVAC and plumbing. The company has been in business for more than 140 years and is Sweden's leading commercial company in the areas of installation products, tools and machinery. The operations in Sweden include the Group's product areas: HVAC & Plumbing, Electrical, and Tools & Supplies. The Swedish market accounted for 68% (66) of the Group's external net sales. Sales in Sweden totalled MSEK 22,611 (16,413). At year-end, Ahlsell had 137 business units in Sweden.

Norway

Ahlsell established its operations in Norway in 1990 through acquisitions in the HVAC & Plumbing product area. The operations have since expanded through more acquisitions and today cover the products areas of HVAC & Plumbing, Electrical and Tools & Supplies. The Norwegian market accounted for 18% (19) of the Group's external net sales. Sales in Norway amounted to a total of MSEK 5,755 (4,711). At year-end, Ahlsell had 47 business units in Norway.

Finland

Ahlsell established its operations in Finland in 1990 through acquisitions in the HVAC & Plumbing (cooling products) product area. They expanded in 1999 through more acquisitions in the HVAC & Plumbing segment. The Tools & Supplies product area was introduced in Finland in 2006 through the acquisition of Kojatek. The Electrical product area was introduced in 2007 through the acquisition of Sähkötarvike Oy. The operations today comprise HVAC & Plumbing, Tools & Supplies, and Electrical. At year-end, Ahlsell had 35 business units in the Finland segment. The Finnish market accounted for 12% (12) of the Group's external net sales. Sales in Finland totalled MSEK 3,912 (3,087).

Denmark

Ahlsell has had a presence in Denmark since 1990 when an HVAC and plumbing business (refrigeration) was acquired. It has since acquired further businesses in the HVAC & Plumbing sector. The sole focus of operations in Denmark today is HVAC & Plumbing. The Danish market accounted for 1% (1) of the Group's external net sales. Sales in Denmark totalled MSEK 433 (317). At year-end, Ahlsell had 4 business units in the Denmark segment.

Other markets

Other markets comprise the operations in Estonia and Poland. HVAC & Plumbing is the main focus, although there are Electrical and Tools & Supplies operations too. The segment accounted for 1% (2) of the Group's external net sales. Sales for the segment totalled MSEK 461 (380). At year-end, Ahlsell had 11 business units in the segment.

Central

Central comprises costs for personnel in Quimper AB and Ahlsell AB (publ) (approx. 40 employees) where there are Group staff functions, plus finance income, finance expense and taxes that are not broken down by segment.

IFRS 16

Adjustments arising from IFRS 16 as these are not broken down by segment.

Eliminations

The eliminations comprise eliminations of internal sales and operational transactions.



NOTE 2 – continued

1 Jan 2020–31 Dec 2020	Sweden	Norway	Finland	Denmark	Other ¹⁾	Central	IFRS 16	Eliminations	Total
Revenue									
Revenue from external customers ³	22 319	5 752	3 902	417	459	–	–	–	32 849
Revenue from internal customers	292	3	10	16	3	–	–	-324	–
Total sales	22 611	5 755	3 912	433	461	–	–	-324	32 849
Gross profit	6 388	1 495	693	165	86	–	16	–	8 843
EBITA ²	2 727	219	118	49	9	-133	60	–	3 049
EBITA adjusted for items affecting comparability ⁴	2 727	248	118	49	9	-133	60	–	3 077
Operating profit/loss	2 222	177	86	49	9	-133	60	–	2 469
Finance income	–	–	–	–	–	826	–	–	826
Finance costs	–	–	–	–	–	-3 369	–	–	-3 369
Income tax	–	–	–	–	–	-375	–	–	-375
Profit/loss for the year from continuing operations									-449
Net profit/loss from discontinued operations after tax	–	–	–	–	-15	–	–	–	-15
Profit/loss for the year									-464
Other comprehensive income	–	–	–	–	–	–	–	–	-330
Comprehensive income for the year									-793
1 April 2019 – 31 Dec 2019 (9 months)									
Revenue									
Revenue from external customers ³	16 224	4 709	3 076	301	378	–	–	–	24 687
Revenue from internal customers	189	2	11	16	2	–	–	-219	–
Total sales	16 413	4 711	3 087	317	380	–	–	-219	24 687
Gross profit	4 582	1 169	538	117	67	–	12	–	6 485
EBITA ²	1 862	109	43	28	9	-171	60	–	1 940
EBITA adjusted for items affecting comparability ⁴	1 897	129	73	28	9	-102	60	–	2 093
Operating profit/loss	1 487	75	18	28	9	-171	60	–	1 507
Finance income	–	–	–	–	–	255	–	–	255
Finance costs	–	–	–	–	–	-1 791	–	–	-1 791
Income tax	–	–	–	–	–	–	–	–	-163
Profit/loss for the year from continuing operations									-192
Net profit/loss from discontinued operations after tax	–	–	–	–	-54	–	–	–	-54
Profit/loss for the year									-246
Other comprehensive income	–	–	–	–	–	–	–	–	-50
Comprehensive income for the year									-296
31 Dec 2020									
Other disclosures									
Assets	26 360	3 483	2 505	180	275	6 386	2 599	-106	41 682
Assets held for sale	–	–	–	–	–	–	–	–	–
Unallocated assets	–	–	–	–	–	4 166	–	–	4 166
Total assets	26 360	3 483	2 505	180	275	10 552	2 599	-106	45 848
Liabilities	4 853	1 364	732	74	83	379	-24	-106	7 356
Liabilities attributable to assets held for sale	–	–	–	–	3	–	–	–	3
Unallocated liabilities and equity	–	–	–	–	–	38 489	–	–	38 489
Total liabilities and equity	4 853	1 364	732	74	86	38 868	-24	-106	45 848
Investments in property, plant and equipment and intangible assets	194	25	4	4	4	0	–	–	231
Depreciation, amortisation and impairment	-654	-66	-76	-5	-5	0	-560	–	-1 367
Amortisation of intangible assets	-505	-42	-32	–	0	0	–	–	-579
Impairment of intangible assets	–	–	–	–	–	–	–	–	–
Depreciation of property, plant and equipment	-149	-24	-43	-5	-5	0	-560	–	-787
Impairment of property, plant and equipment	–	–	–	–	–	–	–	–	–
Significant costs and revenues not corresponding to payments	-27	15	-8	3	–	1 181	–	–	1 164



NOTE 2 – continued

31 Dec 2019	Sweden	Norway	Finland	Denmark	Other ¹	Central	IFRS 16	Eliminations	Total
Other disclosures									
Assets	26 556	3 937	2 794	201	292	6 360	2 442	-65	42 517
Assets held for sale	–	–	–	–	13	–	–	–	13
Unallocated assets	–	–	–	–	–	2 149	–	–	2 149
Total assets	26 556	3 937	2 794	201	305	8 509	2 442	-65	44 680
Liabilities	4 368	1 315	787	65	76	545	-43	-65	7 049
Liabilities attributable to assets held for sale	–	–	–	–	20	–	–	–	20
Unallocated liabilities and equity	–	–	–	–	–	37 611	–	–	37 611
Total liabilities and equity	4 368	1 315	787	65	96	38 157	-43	-65	44 680
Investments in property, plant and equipment and intangible assets	167	28	12	4	4	–	–	–	214
Depreciation, amortisation and impairment	-474	-53	-58	-4	-4	0	-420	–	-1 013
Amortisation of intangible assets	-374	-34	-25	0	–	0	–	–	-433
Impairment of intangible assets	–	–	–	–	–	–	–	–	–
Depreciation of property, plant and equipment	-100	-19	-34	-4	-4	0	-420	–	-580
Impairment of property, plant and equipment	–	–	–	–	–	–	–	–	–
Significant costs and revenues not corresponding to payments	-3	-6	14	–	–	710	–	–	715
External sales per product area									
1 Jan 2020-31 Dec 2020	Sweden	Norway	Finland	Denmark	Other ¹	Central	IFRS 16	Eliminations	Total
HVAC & Plumbing	8 381	2 777	2 567	417	393	–	–	–	14 535
Electrical	6 505	1 596	742	–	28	–	–	–	8 870
Tools & Supplies	7 433	1 379	594	–	39	–	–	–	9 444
Total external sales	22 319	5 752	3 902	417	459	–	–	–	32 849
1 April 2019 - 31 Dec 2019 (9 months)	Sweden	Norway	Finland	Denmark	Other ¹	Central	IFRS 16	Eliminations	Total
HVAC & Plumbing	6 111	2 242	2 050	301	318	–	–	–	11 022
Electrical	4 964	1 373	561	–	25	–	–	–	6 923
Tools & Supplies	5 149	1 094	465	–	34	–	–	–	6 742
Total external sales	16 224	4 709	3 076	301	378	–	–	–	24 687

AHSELL's operations are based on our product areas being essentially supplied through jointly-controlled distribution and sales channels in each geographic area. This means that the assets used in each product area are the same, in all essentials, for all product groups in each geographic area (such as storage facilities and distribution equipment). It is therefore not possible to define the use of the assets and related investments in a meaningful way for each product area.

¹ Estonia, Poland and Russia. Russia is classified as discontinued operations.

² EBITA = Operating profit/loss excluding amortisation and impairment of intangible assets

³ No single customer accounts for more than 10% of the Group's total revenue

⁴ See also Note 38



NOTE 3 Employees

Average number of employees

	1 Jan 2020– 31 Dec 2020		1 April 2019– 31 Dec 2019	
	Number	of which men %	Number	of which men %
<i>Parent Company</i>	1	100	1	100
Group				
Sweden	3 624	74%	3 604	75%
Norway	1 188	77%	1 180	79%
Finland	613	82%	648	83%
Denmark	83	73%	88	73%
Estonia	127	83%	157	73%
Poland	38	68%	35	60%
China	13	62%	12	67%
Total continuing operations in the Group	5 686	76%	5 724	76%
Discontinued operations (Russia)	26	54%	52	50%
Total in the Group	5 712	75%	5 776	76%

Gender split in senior management at year-end.

<i>Gender split in Group management</i>	Women %	
	31 Dec 2020	31 Dec 2019
<i>The Parent Company</i>		
Board of Directors	33%	0
Other senior executives	0%	0
Total, Group		
Boards	12%	14%
Other senior executives, and CEO (8 (8) individuals)	22%	25%

Salaries, employee benefits and social security contributions

	1 Jan 2020– 31 Dec 2020		1 April 2019– 31 Dec 2019	
	Salaries and benefits	Social security contribu- tions	Salaries and benefits	Social security contribu- tions
<i>MSEK</i>				
Parent Company	11	6	8	5
(of which pension costs)	–	3	–	2
Subsidiaries	2 663	930	2 058	726
(of which pension costs)	–	253	–	123
Total, Group	2 674	936	2 066	731
(of which pension costs)		256		125
(of which defined- benefit schemes)		8		1
(of which defined- contribution schemes)		247		124

Salaries and other employee benefits for Board/CEO and other employees

<i>MSEK</i>	1 Jan 2020– 31 Dec 2020		1 April 2019– 31 Dec 2019	
	Board/ CEO	Other employees	Board	Other employees
Parent Company total	11	–	8	–
(of which bonus)	3	–	1	–
Total, subsidiaries	–	2 663	–	2 058
(of which bonus)	–	46	–	22
Total, Group	11	2 663	8	2 058
(of which bonus)	3	46	1	22

Remuneration of senior executives of the Group

The Board Chairman and board members receive fees in accordance with the decision of the Annual General Meeting. Employer and employee representatives do not receive Board fees. Remuneration of the Group President (Johan Nilsson) and other senior executives consists of basic salary, variable remuneration, other benefits and pension, etc. Other senior executives refers to the 8 (7) people who along with the Group President make up the Executive Team, and two board members who are paid fees.

Basic salary and variable remuneration must be in proportion to the responsibility and authority of the executive concerned. The maximum variable remuneration of the Group President is 70% of basic salary (70%). The maximum variable remuneration of other senior executives is 25-60% of basic salary (25-60%). Variable remuneration is based on performance in relation to individual targets. Pensions and other benefits of the Group President and other senior executives are paid as part of the total remuneration package.

Planning and decision process

The Group implements a process whereby recommendations for salaries, remuneration, benefits and other employment terms and conditions for the Group President and other senior executives, who report directly to the Group President, are accepted and approved by the Remuneration Committee in Ahlsell AB (publ).

Remuneration and other benefits

1 Jan 2020– 31 Dec 2020	Base salary/ Board fees	Variable remunera- tion	Other bene- fits	Pen- sion costs	Total
Board of Directors, Ahlsell AB (publ)	0,8	–	–	–	0,8
Johan Nilsson, CEO of Ahlsell AB (publ), Group President	8,1	2,5	0,1	2,5	13,2
Total	8,9	2,5	0,1	2,5	14,0

For the period 1 Jan 2020-31 Dec 2020, variable remuneration refers to a bonus charged as a cost and paid out in 2021. Other benefits refer to company car and fuel.

1 April 2019– 31 Dec 2019	Base salary/ Board fees	Variable remunera- tion	Other bene- fits	Pen- sion costs	Total
Board of Directors, Ahlsell AB (publ)	1,7	–	–	–	1,7
Johan Nilsson, CEO of Ahlsell AB (publ), Group President	6,8	1,0	0,1	1,8	9,7
Total	8,5	1,0	0,1	1,8	11,4

For the period 1 April 2019 to 31 December 2019, variable remuneration refers to a bonus charged as a cost and paid out in 2020. Other benefits refer to company car and fuel.

NOTE 3 – continued

Bonus

The Group President's bonus is determined by the Board of Directors. Other bonuses are determined by the Group President.

Pension benefits

The Group President has a defined premium-based pension scheme whereby the Company pays a premium of 30% of pensionable salary. The Group President is entitled to retire at the age of 62. 60% of the full-time basic salary is paid out upon retirement from the age of 62 until the normal retirement age. Pension benefits are paid according to agreement after the age of 65.

The retirement age for other senior executives varies between 60 and 70.

All retirement benefits are vested, i.e. not conditional on future employment.

Termination rules

The Group President has a termination period of 18 months if employment is terminated by the Company. If employment is terminated by the Group President, the termination period is 6 months. Other senior executives who are in office at the balance sheet date have a period of notice of 6-12 months if employment is terminated by the Company and 3-6 months if employment is terminated by the executive. One of the other senior executives is entitled to severance payment equivalent to 12 months of salary, which is paid to the employee if employment is terminated without notice. The severance payment cannot be longer than the period of notice issued by the Company. The other executives receive no severance pay.

Incentive programmes

An incentive scheme, initiated in the spring of 2019, gave selected senior executives in the Quimper AB Group the option to acquire ordinary shares and shares of preferred stock in the Swedish top company Quimper Group Holdings AB. Ordinary shares and shares of preferred stock were acquired for calculated market value. The market value is based on the acquisition of Ahlsell AB (publ), which was a transaction that took place at market value between two independent parties. On 31 December 2020, the incentive scheme participants had a holding of 36,293,093 ordinary shares. This represents 7.5% of the total number of ordinary shares in Quimper Group Holdings AB. The participants in the incentive scheme also had a holding of 3,271,540 shares of preferred stock. Their holding represents 0.9% of the voting rights.

NOTE 4 Other operating income

Övriga rörelseintäkter

Group, MSEK	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Income from leases	6	6
Gas provisions	4	4
Invoice charges received	6	8
Remeasurement of additional consideration	–	24
Sick pay	17	–
Other	16	5
Total other operating income	50	47

NOTE 5 Depreciation, amortisation and impairment of property, plant and equipment and intangible assets

By type of asset

Group, MSEK	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Customer relationships	-533	-403
Other intangible assets	-46	-29
Sub-total intangible assets	-579	-433
Land and buildings	-4	-3
Plant and machinery	-38	-24
Equipment, tools and fixtures & fittings	-124	-89
Right-of-use assets	-621	-463
Sub-total property, plant and equipment	-787	-580
Total depreciation, amortisation and impairment	-1 367	-1 013

No impairment losses were recognised in the January – December 2020 period.

Depreciation/amortisation is based on the cost and estimated useful lives of the assets. These are stated under Accounting Policies.

Total depreciation, amortisation and impairment per function

Cost of goods sold	-127	-86
Selling expenses	-1163	-865
Administrative expenses	-77	-62
	-1 367	-1 013

Amortisation and impairment of intangible assets is attributable to selling costs.

NOTE 6 Leases

1 Jan 2020–31 Dec 2020

Group, MSEK	Buildings	Equipment	Total
Depreciation of right-of-use assets	-570	-51	-621
Interest expense lease liabilities	-69	-3	-72
Total charged to expense	-639	-54	-693

1 April 2019–31 Dec 2019

Group, MSEK	Buildings	Equipment	Total
Depreciation of right-of-use assets	-427	-36	-463
Interest expense lease liabilities	-47	-1	-48
Total charged to expense	-474	-37	-511

	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Lease expense relating to short-term leases and leases of low value assets	-23	-26
Total cash outflow for leases	-731	-557

Right-of-use and lease liabilities

2020-12-31

Group, MSEK	Buildings	Equipment	Total
Carrying amount	2 883	108	2 991

2019-12-31

Group, MSEK	Buildings	Equipment	Total
Carrying amount	2 737	106	2 843

**NOTE 6** – continued

Present value of minimum lease payments			
Within one year	497	44	541
Between 2–5 years	1306	139	1444
After 5 years	958	–	958
Lease liability	2 761	182	2 943

Discount rate

The interest rate stated in the lease has been used where possible. Otherwise the discount rate has been determined based on the Group's incremental borrowing rate for a similar term on the commencement date of the lease. The Group's average discount rate for the January–December period has been 2.5%.

Lease objects include numerous items, such as storage premises, branches, offices, other buildings and equipment, IT hardware, office equipment, etc.

NOTE 7 Auditors' fees and remuneration

<i>Group, MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
KPMG AB		
Audit services	5	5
Tax advisory services	1	3
Other services	0	0
Total fees	7	8

Other auditing services were contracted by the Group at a cost of MSEK 1 (1).

Audit services comprise the statutory audit of the Annual Report and accounting records, administration of the business by the Board of Directors and the CEO, and audits carried out under agreement or contract. This includes other procedures required to be carried out by the Company's auditors and advice or other assistance relating to observations made during the audit or performance of such other procedures.

Other services comprise advice on accounting related matters, on sales and acquisitions of operations and advice on processes and internal audits.

NOTE 8 Expenses by type

<i>Group, MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Merchandise	-22 839	-17 322
Employee benefit costs	-3 610	-2 797
Depreciation/amortisation	-1 367	-1 013
Transport costs	-1 310	-974
Costs for premises	-282	-204
Other expenses	-1 021	-918
Total operating expenses	-30 429	-23 227

NOTE 9 Finance income

<i>Group, MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Interest income	16	15
Fair value changes due to remeasurement of derivatives	–	239
Exchange differences	810	–
Total finance income	826	255

Finance income by measurement category

Financial assets at amortised cost	16	15
Financial liabilities at fair value	–	239
Financial liabilities at amortised cost	810	–
Total finance income	826	255

<i>Parent, MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Dividend received	–	1400
Interest income, Group companies	338	244
Fair value changes due to remeasurement of derivatives	–	234
Exchange differences	769	–
Total finance income	1 107	1 878

Finance income by measurement category

Financial assets at amortised cost	338	1644
Financial liabilities at fair value	–	234
Financial liabilities at amortised cost	769	–
Total finance income	1 107	1 878

NOTE 10 Finance expense

<i>Group, MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Interest expense	-1 415	-1 073
Interest expense, Group companies	-986	-661
Fair value changes due to remeasurement of derivatives	-932	–
Exchange differences	–	-33
Other bank costs	-35	-24
Total finance expense	-3 369	-1 791

Finance expense by measurement category

Financial liabilities at fair value	-932	–
Financial liabilities at amortised cost	-2 401	-1 766
Total finance expense for financial instruments	-3 333	-1 766



NOTE 10 – continued

<i>Parent, MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Interest expense	-1 332	-1 010
Interest expense, Group companies	-990	-662
Fair value changes due to remeasurement of derivatives	-970	–
Exchange differences	–	-19
Other bank costs	-24	-16
Total finance expense	-3 315	-1 708

<i>Finance expense by measurement category</i>		
Financial liabilities at fair value	-970	–
Financial liabilities at amortised cost	-2 322	-1 692
Total finance expense for financial instruments	-3 292	-1 692

NOTE 11 Income tax

<i>Group, MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Current tax	-390	-159
Deferred tax	14	-4
Total income tax	-375	-163

Reconciliation of effective tax

<i>The Group</i>	1 Jan 2020– 31 Dec 2020		1 April 2019– 31 Dec 2019	
	%	Amount	%	Amount
Profit/loss before tax		-74		-29
Tax according to Parent's applicable tax rate	-21,4%	16	-21,4%	6
Effect of different tax rates for foreign subsidiaries		2		3
Other non-deductible expenses		-11		-18
Tax adjustments attributable to previous year		-48		–
Use of non-capital losses carried forward from previous years		–		27
Increase in loss carryforwards without corresponding capitalisation of deferred tax ¹		-321		-183
Other		-12		2
Recognised effective tax	509,3%	-375	559,6%	-163
Current income tax rate in Sweden		-21,4%		-21,4%
Effective tax rate		509,3%		559,6%

The tax expense for the year has been affected by decisions made by the Tax Authorities in Norway and Finland about whether the Group's Norwegian and Finnish companies are entitled to deduct the full amount of tax for interest on loans from primarily Swedish Group companies. An appeal against the decisions has been/will be made to a higher body.

<i>Parent, MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Current tax	-297	-167
Deferred tax	57	24
Total income tax	-240	-143

Reconciliation of effective tax

<i>Parent</i>	1 Jan 2020– 31 Dec 2020		1 April 2019– 31 Dec 2019	
	%	Amount	%	Amount
Profit/loss before tax		-82		1 592
Tax according to Parent's applicable tax rate	-21,4%	17	-21,4%	-341
Increase in loss carryforwards without corresponding capitalisation of deferred tax ¹		-255		-128
Use of non-capital losses carried forward from previous years		–		27
Non-taxable dividends from subsidiaries		–		300
Other		-3		-1
Recognised effective tax	294,7%	-240	-9,0%	-143
Current income tax rate in Sweden		-21,4%		-21,4%
Effective tax rate		294,7%		-9,0%

¹ Relating to deduction of interest

NOTE 12 Profit/loss from discounted operations and assets held for sale

Ahlsell's operations in Russia were reclassified as discontinued operations in 2019. The operations are due to be finally phased out in the first half of 2021.

Under IFRS 5, the profit/loss from the Russian operations is reported in "Net loss from discontinued operations after tax".

The balance sheet items are remeasured and reported net on the lines "Assets held for sale" and "Liabilities attributable to assets held for sale".

The following income statement items have been moved to the line "Net loss from discontinued operations".

<i>MSEK</i>	1 Jan 2020– 31 Dec 2020	1 Jan 2019– 31 Mar 2019
Net sales	12	49
Costs	-24	-92
Operating profit/loss	-12	-43
Net financial items	0	-1
Profit/loss before tax	-12	-44
Income tax	-2	-10
Profit/loss for the year	-15	-54



NOTE 12 – continued

Net cash flow from discontinued operations

MSEK	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Cash flow from operating activities	-18	-8
Cash flow from investing activities	0	0
Cash flow from financing activities	17	9
Net cash flow from discontinued operations	-1	1

The following balance sheet items were reclassified under IFRS 5 in 2019.

MSEK	31 Dec 2019	Revaluation	Net
ASSETS			
Non-current assets			
Intangible fixed assets	0	0	–
Property, plant and equipment	0	0	–
Deferred tax asset	12	-12	–
Total non-current assets	12	-12	0
Current assets			
<i>Inventories</i>			
Merchandise	26	-18	8
Total inventories	26	-18	8
<i>Current receivables</i>			
Trade receivables	8	-4	4
Other receivables	4	-4	–
Prepayments and accrued income	2	-2	–
Total current receivables	13	-9	4
<i>Cash and cash equivalents</i>	2	–	2
Total current assets	41	-28	13
TOTAL ASSETS	53	-40	13
EQUITY AND LIABILITIES			
Equity	33	-40	-7
<i>Current liabilities</i>			
Advances from customers	1	–	1
Trade payables	17	–	17
Other non-interest-bearing current liabilities	1	–	1
Accruals and deferred income	2	–	2
Total current liabilities	20	–	20
TOTAL EQUITY AND LIABILITIES	53	-40	13

NOT 13 Operating cash flow

In addition to the cash flow statement that is prepared in accordance with IAS 7, the Group prepares a cash flow that is based on the business activities, excluding financial transactions, taxes, and acquisition and divestment of operations. This cash flow is used by the management team to monitor business performance.

MSEK	Note	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Operating profit/loss		2 469	1 507
Adjustments for non-cash items	36	641	460
Operating cash flow before working capital changes		3 111	1 967
Operating cash flow after working capital changes			
Change in inventories		181	-92
Change in operating receivables		-109	783
Change in operating liabilities		439	-299
Operating cash flow before investments		3 621	2 358
Acquisition of intangible assets		-64	-32
Acquisition of property, plant and equipment		-167	-182
Sale of property, plant and equipment		11	12
Cash flow from operating investments		-221	-203
Operating cash flow		3 400	2 156

Cash flow reconciliation

The consolidated operating cash flow statement is based on the operating profit, which means there are no tax payments or incoming and outgoing financial payments in the operating cash flow before investments. These receipts and payments must be taken into account in order to report cash flows from the operating activities according to IAS 7 Cash Flow Statement. The table below shows the reconciliation between operating cash flows before investments and cash flows from operating activities according to IAS 7.

Cash flow from operating investments includes the type of investments and sales which are attributable to the ongoing operations, while the cash flow from investing activities in the cash flow statement according to IAS 7 also includes investments and divestment of operations and financial assets.

The table below shows the reconciliation between cash flows from operating investments and cash flows from investing activities.

The cash flow from financing activities must also be taken into account in order to see cash flows for the year according to IAS 7 Cash Flow Statement, as shown in the table below. This cash flow is not included in the Group's operating cash flow.

MSEK	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Operating cash flow before investments	3 621	2 358
Finance income (according to the income statement)	826	255
Finance expense (according to the income statement)	-3 369	-1 791
Profit before tax from discontinued operations (from Note 12)	-15	-44
Income tax paid (according to statement of cash flows)	12	-192
Difference in adjustment for non-cash items	1 889	1 267
Cash flow from operating activities	2 965	1 854
Cash flow from operating investments	-221	-203
Acquisition of operations	-86	-579
Change in financial assets	86	-11
Cash flow from investing activities	-220	-793
Cash flow from financing activities	-636	-211
Cash flow for the year	2 109	850



NOTE 14 Customer relationships

Group, MSEK	31 Dec 2020	31 Dec 2019
<i>Accumulated cost</i>		
Opening cost	10 730	–
Acquisition of subsidiaries	–	10 755
Translation differences for the year	-110	-12
Closing accumulated cost	10 620	10 743
<i>Accumulated amortisation</i>		
Opening amortisation	-447	–
Amortisation for the year	-533	-45
Translation differences for the year	7	–
Closing accumulated amortisation	-974	-45
Carrying amount at end of period	9 647	10 698

The entire carrying amount relates to assets acquired.

The carrying amount of customer relationships has a remaining amortisation period of approximately 18 years.

NOTE 15 Trademark

Group, MSEK	31 Dec 2020	31 Dec 2019
<i>Accumulated cost</i>		
Opening cost	6 354	6 354
Acquisition of subsidiaries	–	–
Carrying amount at end of period	6 354	6 354

The entire carrying amount relates to assets acquired.

Impairment testing – Trademark

Ahlsell's trademark is considered to have an indefinite life. The useful life is considered to be indefinite as it is a question of a well-established trademark that the Group intends to retain and develop. The cost of the Ahlsell trademark was determined at the acquisition date (February 2019) using the relief-from-royalty method and at the end of the year the carrying amount was MSEK 6,354.

Impairment testing is carried out annually. The assessment is performed using the 1.5% royalty rate set at the time of acquisition and estimated future sales growth. Management has assessed the budgeted sales for the next five years based on past performance and expected future market growth. A 2% (2) growth rate has been used to extrapolate sales growth beyond the budget period. This amount is discounted using a 10.5% (10.5) current cost of capital before tax for the Group. The results of the impairment test performed in 2020 show that no impairment is necessary at this time.

NOTE 16 Other intangible assets

31 Dec 2020 Group, MSEK	Capitalised expenditure	Licences	Total
<i>Accumulated cost</i>			
Opening cost	290	64	354
Additions	60	5	64
Reclassification	7	–	7
Translation differences for the year	–	-1	-1
Closing accumulated cost	357	68	425
<i>Accumulated amortisation</i>			
Opening amortisation	-146	-57	-203
Amortisation for the year	-43	-4	-46
Reclassification	-7	0	-7
Translation differences for the year	–	1	1
Closing accumulated amortisation	-196	-60	-256
Carrying amount at end of period	161	8	169

31 Dec 2019 Group, MSEK	Capitalised expenditure	Licences	Total
<i>Accumulated cost</i>			
Opening cost	260	67	327
Additions	30	2	32
Reclassified as "Assets held for sale"	–	-5	-5
Translation differences for the year	–	0	0
Closing accumulated cost	290	64	354
<i>Accumulated amortisation</i>			
Opening amortisation	-118	-60	-178
Amortisation for the year	-28	-2	-29
Reclassified as "Assets held for sale"	0	4	4
Translation differences for the year	–	0	0
Closing accumulated amortisation	-146	-57	-203
Carrying amount at end of period	144	7	151

Capitalised expenditure and licences relate to the Group's IT systems, for example, Ahlsell's order, warehouse and purchasing systems.

Most of the carrying amount relates to acquired assets/external consultancy fees.



NOTE 17 Goodwill

Group, MSEK	31 Dec 2020	31 Dec 2019
<i>Accumulated cost</i>		
Opening cost	12 924	0
Acquisition of subsidiaries	71	0
Translation differences for the year	-132	12
Closing accumulated cost	12 863	12
Carrying amount at end of period	12 863	12 924

Goodwill impairment testing

Goodwill is allocated to the Group's cash-generating units (CGU) designated by country of operation.

A breakdown of goodwill by CGU is summarised below:

	31 Dec 2020	31 Dec 2019
Sweden	11 148	11 105
Norway	969	1 047
Finland	746	772
	12 863	12 924

The recoverable amount of the CGU has been determined based on value-in-use calculations. Value in use is calculated using pre-tax cash flow projections based on the business plans of the geographic regions covering a five-year period and which have been approved by corporate management.

Cash flows beyond the five-year period are extrapolated using the estimated growth rate stated below. The rate of growth does not exceed the long-term growth rate of the industry in which the CGUs operate. The discounted cash flows are compared with capital employed in each geographic area.

Key assumptions used for value-in-use measurements:

- Budgeted operating margin
- Growth rate used to extrapolate cash flows beyond the budget period
- Discount rate applied to the cash flow projections

These assumptions have been used for the analysis of each CGU in each geographic area.

Management has determined the budgeted operating margin based on past performance and expected future market growth. Internal and external data have been used to budget the future market growth. A 2% growth rate has been used to extrapolate the cash flows beyond the budget period. Furthermore, an average pre-tax discount rate in local currency has been used for these calculations. The discount rate has been adjusted to reflect specific risks. The pre-tax discount rate used is 10.5% (10.5).

Management believes that, for all the geographic areas, no reasonable possible changes in any of the key assumptions applied would have such significant effects as to individually cause the carrying amount to exceed the recoverable amount.

NOTE 18 Land and buildings

Group, MSEK	31 Dec 2020	31 Dec 2019
<i>Accumulated cost</i>		
At beginning of year	167	180
Additions	3	1
Disposals	-7	-17
Reclassification	-4	3
Translation differences for the year	-6	0
Closing accumulated cost	154	167

Accumulated depreciation

At beginning of year	-59	-63
Disposals	-	10
Depreciation for the year	-4	-3
Reclassification	-	-3
Translation differences for the year	2	0
Closing accumulated depreciation	-61	-59

Carrying amount at end of period **93** **108**

NOTE 19 Plant and machinery

Group, MSEK	31 Dec 2020	31 Dec 2019
<i>Accumulated cost</i>		
At beginning of year	571	560
Additions	69	38
Sales and disposals	-7	-27
Reclassifications	-	0
Translation differences for the year	-17	-1
Closing accumulated cost	616	571

Accumulated depreciation

At beginning of year	-325	-329
Sales and disposals	7	27
Depreciation for the year	-38	-24
Translation differences for the year	13	1
Closing accumulated depreciation	-345	-325

Carrying amount at end of period **271** **245**



NOTE 20 Equipment, tools fixtures and fittings

Group, MSEK	31 Dec 2020	31 Dec 2019
<i>Accumulated cost</i>		
At beginning of year	1134	1035
Acquisition of subsidiaries	6	1
Additions	91	150
Sales and disposals	-61	-44
Reclassified as "Assets held for sale"	-	-5
Reclassifications	0	3
Translation differences for the year	-34	-5
Closing accumulated cost	1137	1134
<i>Accumulated depreciation</i>		
At beginning of year	-755	-711
Acquisition of subsidiaries	-2	-
Reclassified as "Assets held for sale"	-	5
Reclassifications	0	-3
Sales and disposals	55	43
Depreciation for the year	-124	-89
Translation differences for the year	24	1
Closing accumulated depreciation	-802	-755
Carrying amount at end of period	335	380

NOTE 21 Financial investments

Shares and participating interests classified as non-current assets		
Group, MSEK	31 Dec 2020	31 Dec 2019
Opening carrying amount	3	-
Acquisition of subsidiaries	-	3
Translation differences	0	0
Closing carrying amount	3	3

The above financial investments are included in the category "Available-for-sale financial assets".

NOTE 22 Shares in subsidiaries

Parent, MSEK	31 Dec 2020	31 Dec 2019
<i>Accumulated cost</i>		
At beginning of year	23 868	23 848
Acquisitions ¹	2	20
Merger	-	0
Carrying amount at end of period	23 870	23 868

The above shares in subsidiaries relate to ownership of Ahlsell AB (publ) (corp. ID 556882-8916).



NOTE 22 – continued

Investment in Group companies (indirect ownership)

Companies at 31 Dec 2020	Corp. ID	Head office/Country	Share of capital ²
Ahlsell Sverige AB	556012-9206	Stockholm	100
Flex Scandinavia AB	556209-4085	Hammarö	100
Verktygshuset i Kiruna AB	556578-4971	Kiruna	100
Prevex AB	556199-3899	Gothenburg	100
Enexia AB	556906-7076	Knivsta	100
Prepipe Construction AB	559004-7204	Lammhult	100
Proffsmagasinet Svenska AB	556728-3857	Stockholm	100
Arbetsklädshuset (AKH) AB	556545-1530	Uppsala	100
Ahlsell Norge AS	910478656	Stavanger (N)	100
Bergens Rørhandel AS	988 454 214	Stavanger (N)	100
Stavanger Rørhandel AS	888 454 152	Stavanger (N)	100
Bekken & Strøm AS	993 465 852	Gjøvik (N)	100
Weels Betong & Plast AS	893 382 992	Råde (N)	100
Ahlsell Oy	1819153-8	Helsinki (SF)	100
Aninkaisten Tapetti ja Väri Oy	0197404-2	Helsinki (SF)	100
Jenger Oy	0138019-9	Punkalaidun (SF)	100
PJ Control Oy	1543536-5	Vanta (SF)	100
Ahlsell Åland Ab	2080009-9	Jomala (SF)	100
Ahlsell Danmark ApS	19 541 142	Brøndby (DK)	100
TP- Tempcold Ltd	0000094018	Warsaw (PL)	100
ZAO Ahlsell Spb	7813090758	St Petersburg (RU)	100
AS FEB	10109270	Tallinn (EST)	100

¹ Final settlement of acquisition, and acquisition expenses included in the cost.

² Share of capital, which also corresponds to the percentage of voting rights for the total number of shares.

NOTE 23 Receivables from Group companies

Parent, MSEK	31 Dec 2020	31 Dec 2019
<i>Accumulated cost</i>		
At beginning of year	7 676	6 682
Subsequent receivables	1 091	995
Carrying amount at end of period	8 767	7 676

MSEK 8,767 (7,676) of the above relates to receivables from subsidiaries.



NOTE 24 Deferred income tax

Group

Recognised deferred tax assets and liabilities

Group, MSEK	31 Dec 2020			31 Dec 2019		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Loss carryforwards	74	–	74	112	–	112
Intangible fixed assets	–	-3 279	-3 279	–	-3 408	-3 408
Provisions/accrued	14	–	14	10	–	10
Financial assets and liabilities	90	–	90	36	–	36
Current receivables and inventories	8	–	8	10	–	10
Machinery and equipment	31	-41	-10	30	-40	-10
Land and buildings	–	-1	-1	–	0	0
Untaxed reserves	–	-519	-519	–	-411	-411
Other	-4	–	-4	4	–	4
Total	213	-3 840	-3 627	203	-3 859	-3 656
Offset of assets/liabilities	-213	213	–	-203	203	–
Balance sheet total	–	-3 627	-3 627	0	-3 656	-3 656

The loss carryforwards are primarily attributable to Ahlsell's operations in Norway. Based on tax decisions reached in the latter part of 2020, it is deemed possible for corrections to be made in Sweden, which means that these loss carryforwards can be utilised in Sweden. The Group does not have a defined maturity structure for its loss carryforwards.

The losses carried forward that arose in Sweden during the year as a result of the regulations on interest rate caps have not been capitalised as their utilisation is not anticipated in the next few years. See also Note 11.

Changes in deferred tax asset for temporary differences and loss carryforwards

1 Jan 2020–31 Dec 2020 MSEK	At beginning of year	Recognised in income statement	Recognised in other comprehen- sive income	Translation differences	Acquired/sold companies	Balance at end of year
Loss carryforwards	112	-39	–	–	–	74
Intangible fixed assets	-3 408	116	–	14	–	-3 279
Provisions/accrued	10	4	–	0	–	14
Financial assets and liabilities	36	54	–	0	–	90
Current receivables and inventories	10	-4	–	1	0	8
Machinery and equipment	-10	0	–	0	–	-10
Land and buildings	0	-2	–	0	1	-1
Untaxed reserves	-411	-107	–	–	-1	-519
Other	4	-9	1	0	–	-4
Total changes	-3 656	14	1	15	0	-3 627

1 April 2019–31 Dec 2019 MSEK	At beginning of year	Reclassification to discontinued operation	Recognised in income statement	Recognised in other compre- hensive income	Translation differences	Acquired sold companies	Balance at end of year
Loss carryforwards	147	-8	-22	–	-4	–	112
Intangible fixed assets	-3 481	–	66	–	7	–	-3 408
Provisions/accrued	27	–	-17	–	0	–	10
Financial assets and liabilities	10	–	26	–	0	–	36
Current receivables and inventories	10	-1	1	–	0	1	10
Machinery and equipment	-7	–	-3	–	0	–	-10
Land and buildings	-2	–	3	–	-1	–	0
Untaxed reserves	-354	–	-56	–	–	0	-411
Other	3	1	-1	1	0	–	4
Total changes	-3 648	-8	-4	1	2	0	-3 656

Ahlsell Sverige AB has a subsidiary in Estonia. In Estonia, income tax is not paid on earnings until they are paid to the shareholders. If any earned but unpaid gains are allocated to the Parent Company, the Estonian government can claim up to 21% tax, the equivalent of MSEK 46, on 31 December 2020.



NOTE 25 Other non-current receivables

Group, MSEK	31 Dec 2020	31 Dec 2019
<i>Accumulated cost</i>		
At beginning of year	4	82
Subsequent receivables	0	38
Reclassification	-	-86
Settled receivables	-	-30
Translation differences	0	0
Closing accumulated cost	4	4
Carrying amount at end of period	4	4
<i>of which interest-bearing</i>	2	2

NOTE 26 Inventories

There is no significant difference between the carrying amount and fair value of inventories. No adjustment has been made to any items of inventory as a result of an increase in the value of net sales.

The cost of inventories recognised as expense is included in Cost of goods sold. It amounts to MSEK -22,839 (-17,322).

At the balance sheet date, inventories of finished goods have been written down by MSEK -87 (-89).

NOTE 27 Trade receivables

Group, MSEK	31 Dec 2020	31 Dec 2019
Trade receivables, gross	3 770	3 618
Provisions for doubtful receivables	-33	-29
Total trade receivables	3 737	3 589

Provisions for and reversal of provision for doubtful trade receivables are accounted for on the Income statement under Selling Expenses. This provision is based on customer creditworthiness.

Provisions for doubtful receivables

Group, MSEK	31 Dec 2020	31 Dec 2019
Provisions at beginning of year	-29	-37
Provisions for anticipated losses	-42	-23
Actual losses	37	31
Translation differences	1	0
Provisions at end of year	-33	-29

Actual bad debt expenses and recovered bad debt expenses during the year came to a net total of MSEK 30 (29).

Concentrations of credit risk

The credit risk for trade receivables is not concentrated within any particular geographic region since the Group has a wide spread of customers in the Nordic countries, Estonia and Poland.

Credit risk exposure

Group	Percent of total number of customers	Percent of portfolio
At 31 Dec 2020		
Exposure < MSEK 1.5	99,7%	58,3%
Exposure MSEK 1.5 - 10.0	0,3%	25,8%
Exposure > MSEK 10.0	0,0%	15,9%
Total	100%	100%

Group	Percent of total number of customers	Percent of portfolio
At 31 Dec 2019		
Exposure < MSEK 1.5	99,7%	57,6%
Exposure MSEK 1.5 - 10.0	0,3%	27,0%
Exposure > MSEK 10.0	0,0%	15,4%
Total	100%	100%

Ageing of trade receivables

Group, MSEK	31 Dec 2020	31 Dec 2019
Not overdue	3 490	3 252
0 – 30 days	224	299
31 – 60 days	8	22
61 – 90 days	3	10
> 91 days	14	6
Total	3 737	3 589

NOTE 28 Prepaid expenses and accrued income

Group, MSEK	31 Dec 2020	31 Dec 2019
Prepaid rent	5	8
Accrued suppliers' bonuses	707	842
Accrued income for delivered but non-invoiced goods	209	211
Other items	116	93
Total prepaid expenses and accrued income	1 036	1 153



NOTE 29 Equity / Earnings per share

Group

On 31 December, equity amounted to MSEK 662 (1,456).

Reserves

	Translation reserve	Total
Opening balance, 1 April 2019	-70	-70
Translation differences for the year	-38	-38
Hedging of currency risk in foreign operations	-2	-2
Tax attributable to items recognised in other comprehensive income	-6	-6
Closing balance, 31 December 2019	-116	-116
Opening balance, 1 January 2020	-116	-116
Translation differences for the year	-396	-396
Hedging of currency risk in foreign operations	64	64
Tax attributable to items recognised in other comprehensive income	4	4
Closing balance, 31 December 2020	-444	-444

The translation reserve comprises all exchange differences arising on translation of foreign operations reported in a currency other than the Group's presentation currency. Hedging of currency risk in foreign operations includes hedging of net assets in local currencies in Finland and Estonia.

Parent Company

Restricted and unrestricted equity

Restricted reserves

Restricted reserves may not be reduced by distribution of dividends.

Unrestricted equity

Share premium reserve

Where shares are issued at a premium, i.e. for an amount in excess of their nominal value, an amount equivalent to the premium must be credited to the share premium account.

Retained earnings

The sum of the previous year's earnings after any dividend payout. Retained earnings, net profit for the year and the share premium account together constitute total unrestricted equity, in other words the amount available for distribution to shareholders.

At the balance sheet date, total equity in Quimper AB was MSEK 3,064 (3,386). Of this amount, MSEK 0 (0) was restricted equity.

Number of shares

The number of shares outstanding at the beginning of the year was 50,000 with a par value of SEK 1. The number of shares at the end of the period was 50,000 with a par value of SEK 1. During the period, the average number of shares was 50,000.

The shares are issued in accordance with the Swedish Companies Act (2005:551) and shareholders' rights associated with the shares may only be amended according to the procedures prescribed in the Act.

Proposed allocation of profits

	2020-12-31
The following funds are at the disposal of the Annual General Meeting	SEK 3 064 210 870
The Board of Directors and the CEO propose the remaining profits be carried forward	SEK 3 064 210 870
	SEK 3 064 210 870

NOTE 30 Pension provisions

The Group has defined-benefit pension plans for Sweden, Norway and Finland. This type of pension guarantees the employee a pension equal to a certain percentage of final salary. The Group also provided defined-contribution pension schemes in these countries and in Denmark, Estonia and Poland. Defined-contribution pension schemes represent a percentage of the employee's salary and are included in the income statement.

Group, MSEK	31 Dec 2020	31 Dec 2019
Present value of funded obligations	17	20
Fair value of plan assets	-10	-13
The amount of the surplus in the plan is restricted by an asset ceiling	3	3
Total of wholly or partly funded obligations	10	10
Present value of unfunded obligations	55	47
Net debt in the balance sheet	65	56

Amounts reported in the balance sheet – liabilities

The amounts in the balance sheet

are distributed across the various geographic areas as follows:

	Sweden	Norway	Finland
Present value of funded obligations	17	–	–
Fair value of plan assets	-10	–	–
The amount of the surplus in the plan is restricted by an asset ceiling	3	–	–
Present value of unfunded obligations	40	8	7
Net debt in the balance sheet	50	8	7

Group, MSEK	31 Dec 2020	31 Dec 2019
Cost of new commitments	-8	–
Interest expense	-1	-1
Interest income	0	0
Costs for defined-benefit schemes	-8	-1
Costs for defined-contribution schemes	-247	-124
Payroll tax	-39	-41
Total cost for post-employment benefits	-294	-166

The cost of defined-benefit pension schemes is recognised in the following lines of the Income Statement

Administrative expenses	-8	–
Finance costs	0	-1
	-8	-1

Cost recognised in Other comprehensive income

Revaluations:		
- Actuarial gains/losses	-2	-6
- Difference between actual and calculated return on the plan assets	1	0
	-2	-7

NOTE 30 – continued

The current value of the defined-benefit obligation has changed as follows during the year

Group, MSEK	31 Dec 2020	31 Dec 2019
Current value of defined-benefit obligations at beginning of year	67	65
Cost of new commitments	8	–
Interest expense	1	2
Payment of benefits	-6	-7
Actuarial gains/losses	2	6
Exchange differences on foreign plans	0	0
Current value of defined-benefit obligations at end of year	71	67

The fair value of the plan assets has changed as following during the year.

Group, MSEK	31 Dec 2020	31 Dec 2019
Fair value of plan assets at beginning of year	13	18
Interest income	0	0
Difference between actual and calculated return on the plan assets	1	0
Pension payments	-4	-4
Fair value of plan assets at end of year	10	13

The actual return on plan assets was MSEK 1 (1).

Group	31 Dec 2020	31 Dec 2019
The plan assets are classified in the following categories as a percentage of the total plan assets:		
Shares	33%	32%
Interest-bearing securities	45%	45%
Real estate	10%	11%
Other	13%	12%

Group, MSEK	31 Dec 2020	31 Dec 2019
Historical information		
Present value of defined-benefit obligations (including payroll tax)	71	67
Fair value of plan assets	-10	-13
The amount of the surplus in the plan is restricted by an asset ceiling	3	3
Surplus (minus)/Deficit (plus)	64	56
Experience-based adjustments to plan assets	1	0

Experience-based adjustments for defined-benefit obligations amount to MSEK -1 (0).

Assumptions used for valuations

2020-12-31	Sweden	Norway	Finland
Discount rate %	0,8%	1,5%	0,1%
Mortality table	DUS14	K2013	
2019-12-31	Sweden	Norway	Finland
Discount rate %	1,2%		0,4%
Mortality table	DUS14		

The Group expects to make MSEK 1 in payments in the coming 12 months relating to defined-benefit pension schemes.

Given the size of the pension debt, no sensitivity analysis has been performed.

The retirement benefit and family pension obligation for white-collar employees in Sweden is covered by an insurance policy with Alecta. In accordance with Statement UFR 10 issued by the Swedish Financial Reporting Board, this is a multi-employer defined-benefit pension scheme. As the Company did not have access to sufficient information to enable it to report this scheme as a defined-benefit scheme for this financial year, an ITP pension scheme, insured through Alecta, will be reported as a defined-contribution scheme. The same conditions apply to the AFP scheme in Norway, which is thus also recognised as a defined-contribution scheme.

The year's ITP pension insurance contributions through Alecta amount to MSEK 120 (97). Alecta's surplus may be distributed to the policyholders and/or the insured parties. At the end of 2020, Alecta's surplus, in the form of a collective consolidation level, was 144%. The collective consolidation level is the market value of Alecta's assets as a percentage of its insurance obligations calculated by reference to Alecta's actuarial assumptions. This is not consistent with IAS 19. Information about the collective consolidation level for the AFP scheme in Norway is not available.

NOTE 31 Other provisions

Group, MSEK	'31 Dec 2020	'31 Dec 2019
Balance at beginning of year	46	58
New/extended provisions	32	36
Provisions used	-48	-47
Translation differences	-1	-1
Balance at end of year	29	46

Other provisions

Restructuring	26	43
Guarantee obligations	3	3
Total other provisions	29	46

Other provisions consist of:

Long-term provisions	2	6
Short-term provisions	28	40
Total provisions	29	46

The provisions that have been added in 2020 relate primarily to restructuring activities in Norway, and paid temporary lay-offs in the Swedish operations.

Provisions used mainly relate to the reversal of provisions relating to restructuring activities in Sweden, Norway and Finland.

NOTE 32 Accrued expenses and deferred income

Group, MSEK	31 Dec 2020	31 Dec 2019
Accrued interest	300	310
Accrued holiday pay	394	374
Accrued salary bonuses	52	30
Accrued social security contributions	43	76
Other items	117	251
Total accrued expenses and deferred income	907	1040

Parent, MSEK	31 Dec 2020	31 Dec 2019
Accrued interest	300	310
Accrued holiday pay	2	1
Accrued salary bonuses	3	1
Other items	5	135
Total accrued expenses and deferred income	309	447

NOTE 33 Financial instruments and financial risk management

GROUP

At the beginning of 2019, the Group entered into a financing agreement comprising one senior facility, two junior facilities and a revolving facility. This was done in connection with Quimper AB's acquisition of the Ahsell AB (publ) Group. Further details of the financing arrangement can be found under Refinancing risk.

The Group's financial assets consist of derivative instruments, non-current receivables, trade receivables, shares and cash and cash equivalents.

The Group's financial liabilities consist mainly of loans arranged to finance operations, trade payables, derivative instruments and additional consideration.

Financial assets and liabilities give rise to different types of risks, which are primarily managed using various derivative instruments.

The Group uses derivative instruments mainly for the purpose of:

- Converting variable rate loans to a fixed rate.
- Reducing the Group's exposure to foreign currency risk.

Financial risk management

The Group's financial policy for financial risk management was agreed by the Board and provides a framework of guidelines and rules in the form of a mandate to manage the risks associated with financing activities. The overall aim of the finance function is to ensure that the financial risks are optimised to a risk level that gives the shareholders a good return, within the framework of the mandate set by the Board.

Risk management is handled by the Group's finance function in accordance with policies approved by the Board. The Group's finance function works closely with the Group's operating units to identify, evaluate and hedge financial risks. The Board defines written policies for overall risk management and for specific areas, such as currency risk, interest rate risk, refinancing risk, use of derivatives and investment of excess liquidity.

International business activities involve different types of risks on a daily basis. The risks fall into two main categories: financial and commercial risks. The financial risks can be further divided into five main areas:

Refinancing risk: Is the risk that maturing loans cannot be refinanced at maturity, or that existing loans are terminated.

Interest rate risk: Is the risk that Group earnings will be adversely affected

Currency risk: Is divided into transaction exposure and translation exposure.

Transaction exposure: Is the risk that Group earnings will be adversely affected as a result of negative exchange rate fluctuations.

Translation exposure in foreign net assets: Is the risk of negative equity effects when the assets and liabilities in foreign subsidiary companies are translated into Swedish kronor (SEK).

Credit risk: Is the risk of financial loss to the Group as a result of a counterparty failing to meet its contractual obligations.

Liquidity risk: Is the risk that the Group does not have enough funds to meet day-to-day expenses and commitments.

Refinancing risk

The Group's refinancing risk is related to the financial obligations agreed with banks and other lenders. The financial policy states that if an individual facility has less than 1 year to maturity, refinancing arrangements must have started, and the average maturity of the Group's facilities shall be at least 1.5 years. At the balance sheet date, the average maturity was about 5 years.

The financing agreements that Quimper AB has entered into comprise a senior facility, two junior facilities and a revolving facility. At the balance sheet date, the MSEK 15,638 senior facility with maturity in August 2026 was fully utilised, the MSEK 3,697 junior facilities with maturity in February 2027 were fully utilised, and MSEK 48 of the MSEK 2,250 revolving facility with maturity in August 2025 was utilised for bank guarantees and letters of credit.

All facilities are at variable rates in EUR, USD and SEK respectively. Further information is given under Interest rate risk.

Linked to this financing are certain quarterly financial obligations, so-called covenants, that the Group is obliged to maintain in cases where the Group uses more than 40% of the revolving facility less deduction of an allocable portion of the facility and cash in the Group. The covenants that the Group is measured by are:

- Total net debt in relation to consolidated EBITDA

There are specific definitions for each component and some items affecting comparability are excluded from EBITDA. At the balance sheet date, 40% of the facility had not been used and no test had been carried out.

The Group's refinancing risk also depends on the Group's ability to refinance maturing loans, or pay maturing loans from its existing financial resources. The chart below shows the maturity structure for the financing.

At year-end, the Group's borrowings, with any associated statutory limits, were as follows:

Borrowing

MSEK	31 Dec 2020		31 Dec 2019	
	Total borrowing	Total credit	Total borrowing	Total credit
Term loans ¹⁾	19 335	–	20 178	–
Revolving facility ²⁾	–	2 250	–	2 250
Liabilities to Group companies ³⁾	10 639	–	9 653	–
Other	11	–	6	–
Total ⁴⁾	29 985	2 250	29 838	2 250

The Group's loan maturity profile of liabilities to credit institutions and Group companies

Maturity, MSEK	31 Dec 2020	31 Dec 2019
2020	–	6
2021	11	–
2022	–	–
2023	–	–
>2024	29 974	29 831
Total ⁴⁾	29 985	29 838

¹⁾ Have variable interest rates and are in EUR and USD

²⁾ In addition to borrowing in different currencies, the revolving facility is available as overdraft facilities in most currencies with variable rates, bank guarantees, etc. In December 2020, MSEK 48 was utilised for bank guarantees.

³⁾ With fixed interest rate in SEK. Amounts include accrued interest.

⁴⁾ The difference from amounts in the balance sheet is due to capitalisation of arrangement fees for loans.

Maturity structure lease liabilities

MSEK	31 Dec 2020	31 Dec 2019
Within 1 year	541	541
Maturity date, 1-5 years after the balance sheet date	1 444	1 377
Maturity date, later than five years	958	901
Total	2 943	2 819

Total maturity analysis

MSEK	31 Dec 2020	31 Dec 2019
Within one year	552	548
Maturity date, 1-5 years after the balance sheet date	1 444	1 377
Maturity date, later than five years	30 933	30 732
Total ⁴⁾	32 929	32 657

Interest rate risk

The Group's interest rate risk is the risk of movements in interest rates having an adverse impact on profits through increased borrowing costs. Interest rate risk can be offset by tying up loans and using various kinds of financial derivatives, e.g. fixed interest swaps, currency rate swaps, rate ceilings and interest rate floors.

Interest rate risk is managed at Group level by the Group's finance department based on the instruments approved by the Board. The financial policy states that 50-90% of the Group's loans, including interest rate hedges, must be at fixed interest rates. At the balance sheet date, including hedges, 88% of borrowings were at fixed interest rates.

When the Company's new financing arrangement was put into place, it entered into 8 interest rate swaps totalling MEUR 1,603, which fall due in April 2024, based on EURIBOR plus a margin and the Company pays a fixed interest rate in SEK. The Company also entered into an interest rate swap totalling MUS\$ 98, which falls due in April 2023, based on LIBOR plus a margin and the Company pays a fixed interest rate in EUR. In the swaps there is a zero-rate floor where, in the case of a negative floating interest rate, the Group receives the difference between the floating interest rate and 0%. The main floating rate is EURIBOR.

Given the same borrowings, hedges, zero-rate floors in loan agreements and the same fixed rate interest periods as at 31 December 2020, a change in the market rate by 100 basis points (1 percentage point) would change the interest expense by about MSEK 12 (15). Excluding the zero-rate floors in loan agreements, the corresponding change would be about MSEK 24 (25) and, excluding hedges, about MSEK 176 (182). Excluding hedges and zero-rate floors in loan agreements, the interest expense would change by about MSEK 201 (202).

NOTE 33 – continued

Liabilities to credit institutions and fixed interest period, by currency before interest rate swaps, MSEK

Currency	31 Dec 2020			31 Dec 2019		
	Liabilities to credit institutions	Holding, %	Fixed interest period, days	Liabilities to credit institutions	Holding, %	Fixed interest period, day
SEK	0	0%	0	0	0%	0
EUR	18 529	96%	4	19 267	95%	2
USD	806	4%	4	917	5%	2
Total	19 335	100%	4	20 185	100%	2

Effective interest on the reporting date was	31 Dec 2020			31 Dec 2019		
	SEK	EUR	USD	SEK	EUR	NOK
Loans ⁵⁾	–	4,66%	8,48%	–	4,80%	10,35%

Liabilities to credit institutions and fixed interest period, by currency after interest rate swaps, MSEK

Currency	31 Dec 2020			31 Dec 2019		
	Liabilities to credit institutions	Holding, %	Fixed interest period, days	Liabilities to credit institutions	Holding, %	Fixed interest period, days
SEK	16 775	84%	1 187	16 775	83%	1 553
EUR	3 311	16%	220	3 442	17%	315
USD	0	0%	0	0	0%	0
Total^{6) 7)}	20 087	100%	1 028	20 217	100%	1 342

Effective interest on the reporting date was	31 Dec 2020			31 Dec 2019		
	SEK	EUR	USD	SEK	EUR	USD
Loans, including interest rate hedges ⁷⁾	5,81%	6,50%	0,00%	5,81%	7,29%	0,00%

⁵⁾ The difference from amounts in the balance sheet is due to capitalisation of arrangement fees for loans.

⁶⁾ Excluding capitalised arrangement fees for loans and short-term loans of MSEK 11 in companies acquired that are not yet amortised

⁷⁾ The difference in amount reported in the balance sheet is due to the difference between the hedging rate and closing rate at the balance sheet date.

Currency risk

Ahlsell's transaction exposure is concentrated on the import of goods and lending and borrowing in foreign currencies. The financial policy specifies that future cash flows can be hedged up to twelve (12) months in advance. Transaction exposure from imports is limited. There was no hedging activity on 31 December 2020 with regard to the import of goods. As a rule, cash flow hedging activities are limited.

The fact that the Group has loans in foreign currencies means it has an exposure, see above liabilities to credit institutions broken down by currency. The financial policy states that where it can be motivated from a commercial perspective, loans per currency should reflect EBITDA per currency in the Group.

Based on income and expense in foreign currencies for the January to December 2020 period, a five percentage point change in the Swedish krona against other currencies, excluding currency hedges, impacts operating income by about MSEK 19 annually. Since the Group uses equity hedges (see Note 29), net financial items are not affected by exchange rate changes when translating loans into a foreign currency. Companies in the Group have cash in a different currency to their reporting currency, which has remeasurement effects in net financial items when currency movements occur. The exposure changes from day to day and the Group has entered into currency swaps to mitigate the impact of currency movements.

The Group has a number of holdings in overseas operations, whose net assets are exposed to translation risk. See the chart below.

Exposed foreign net assets by country, MSEK

The Group Currency (country)	31 Dec 2020			31 Dec 2019		
	Net assets	Hedged	Net	Net assets	Hedged	Net
EUR (Finland and Estonia)	1 638	-1 638	–	1 679	-1 679	–
DKK (Denmark)	164	–	164	203	–	203
NOK (Norway)	2 265	–	2 265	2 472	–	2 472
PLN (Poland)	-1	–	-1	2	–	2
RUB (Russia)	-3	–	-3	-7	–	-7
Total	4 062	-1 638	2 424	4 349	-1 679	2 670

In 2019 and 2020, Ahlsell chose to hedge net assets in Finland and Estonia, to the extent that there were external loans in the Group in the corresponding currency. For other countries no hedge accounting was applied.



NOTE 33 – continued

Fair value

Calculation of fair value

Where financial instruments are not traded in an active market, the fair value is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer price quotes for similar instruments are used to estimate the fair value of non-current liabilities. Other techniques, such as estimated discounted cash flows, are used to determine the fair value of remaining financial instruments. The fair values of interest rate swaps and currency swaps are based on external valuations, the reasonableness of which is tested.

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

With regard to external borrowing, there is no material difference between carrying amount and fair value, as the Group's borrowings

have variable interest rates. Nor does the Group have any other financial assets or liabilities off the balance sheet.

Carrying amount of financial instruments

MSEK	Carrying amount 31 Dec 2020	Fair value 31 Dec 2020			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value					
Other non-current receivables		–	4	–	4
Financial investments		–	3	–	3
	7				7

Financial assets at amortised cost

Trade receivables	3 737
Cash and cash equivalents	4 156
	7 893

Financial liabilities at fair value

Currency swaps	0	–	0	–	0
Interest rate swaps	1 213	–	1 213	–	1 213
	1 213				1 213

Financial liabilities at amortised cost

Bank loans	18 915
Liabilities to Group companies	10 639
Lease liabilities	2 943
Trade payables	5 970
	38 467

Carrying amount of financial instruments

MSEK	Carrying amount 31 Dec 2019	Fair value 31 Dec 2019			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value					
Other non-current receivables	4	–	4	–	4
Financial investments	3	–	3	–	3
Currency swaps	0	–	0	–	0
	8				8

Financial assets at amortised cost

Trade receivables	3 589
Cash and cash equivalents	2 053
	5 642

Financial liabilities at amortised cost

Currency swaps	11	–	11	–	11
Interest rate swaps	250	–	250	–	250
Additional contingent consideration	16	–	–	16	16
	277				277

Financial liabilities at amortised cost

Bond and bank loans	19 671
Liabilities to Group companies	9 653
Lease liabilities	2 820
Trade payables	5 521
	37 664

Level 2 has been used to determine the fair values of derivative instruments that are stated at fair value.

Level 3 has been used to determine the fair values of other non-current liabilities, which refer to an unpaid additional consideration.

Change for the year where Level 3 has been used to determine fair value

MSEK	31 Dec 2020	31 Dec 2019
Opening balance	16	36
Acquisitions	–	–
Settled additional considerations	-16	–
Fair value adjustment for the year	–	-20
Closing balance	–	16

The differences between the fair value and carrying amount for financial assets and liabilities are marginal.

It has not been possible to reliably determine the fair value of financial investments, which are unlisted, and they have therefore been measured at cost less impairment.

Cash and cash equivalents

MSEK	31 Dec 2020	31 Dec 2019
The following components are included in cash & cash equivalents		
Cash on hand and deposits held at call with banks	4 156	2 053
Short-term investments, comparable with cash and cash equivalents	–	–
Total cash and cash equivalents	4 156	2 053

Short-term investments have been classified as cash and cash equivalents based on the fact that:

- They are subject to an insignificant risk of changes in value
- They can easily be converted into cash
- They have a short maturity

NOTE 33 – continued

Credit risk

Credit risk arises through cash and cash equivalents, derivative instruments and deposits with banks and financial institutions and through credit exposures to customers, including outstanding receivables.

The Group's credit policy provides guidelines to ensure sales are to customers with appropriate credit backgrounds and that credit-related decisions are taken by people with the right authority. Credit assessments of all of the Group's customers are conducted by credit departments at country level. Each country's credit department reviews and assesses compliance with credit policies. The business system incorporates support functions that help them to keep track of who has the right to grant what, by carrying out a continuous review of authorisations and approvals. Individual risk limits are determined on the basis of internal or external credit assessments in compliance with the limits that have been set. Credit limit utilisation is reviewed at regular intervals.

The Group's maximum credit risk exposure is the carrying amount of the Company's financial assets. The Group's total credit risk is also monitored through a database application that enables the analysis of the total accounts receivable balance down to the lowest level. See also Note 27 Trade receivables.

Liquidity risk

The sound management of liquidity risk involves maintaining sufficient cash and cash equivalents and saleable securities, the availability of funding through an adequate amount of committed credit facility and the ability to close market positions. Due to the dynamic nature of the

underlying business, the Group's finance department aims to maintain flexibility in funding by keeping committed credit lines available. The financial policy requires the Group to keep a liquidity reserve that is at least 4% of the Group's annual net sales. The liquidity reserve and maturity profile of the Group's trade payables are presented in the charts below. The maturity profiles of loans and interest rate terms are presented in the charts above.

The Group, MSEK 31 Dec 2020 31 Dec 2019

The following components are included in the liquidity reserve

Cash on hand and deposits held at call with banks	4 156	2 053
Short-term investments, comparable with cash and cash equivalents	–	–
Unused revolving credit facilities ⁹⁾	2 202	2 208
Total cash and cash equivalents	6 358	4 261

Maturity profile trade payables

The Group, MSEK 31 Dec 2020 31 Dec 2019

Not overdue	4 842	4 264
Within one month	1 116	1 223
Longer than one month but no longer than three months	9	24
Longer than three months	4	11
Total	5 970	5 521

Parent Company

The Parent Company's financing consists mainly of a loan from the Parent Company amounting to MSEK 10,639. This loan was taken out in connection with the acquisition of the Ahlsell AB (publ) Group.

Borrowing

MSEK	31 Dec 2020		31 Dec 2019	
	Total borrowing	Total credit	Total borrowing	Total credit
Liabilities to Group companies ¹⁰⁾	10 639	–	10 487	–
Total*	10 639	–	10 487	–

Quimper AB has financial assets and financial liabilities to Group companies. See Note 23 and Note 39 Related party disclosures.

Foreign exchange rates used in the financial reporting

Currency	31 Dec 2020		31 Dec 2019	
	Average exchange rate	Closing rate	Average exchange rate	Closing rate
EUR	10,487	10,038	10,589	10,434
NOK	0,979	0,955	1,075	1,058
DKK	1,407	1,349	1,418	1,397
PLN	2,362	2,217	2,463	2,445
RUB	0,128	0,111	0,146	0,151

⁸⁾ The revolving credit facility is available to Ahlsell AB (publ) via Quimper AB.

⁹⁾ With fixed interest rate in SEK and falls due in August 2028. Amounts include accrued interest.

NOTE 34 Contingent liabilities and pledged assets

<i>Group, MSEK</i>	31 Dec 2020	31 Dec 2019
Contingent liabilities	None	None

Pledged assets

Real estate mortgages	5	5
Deposits held with banks	3 979	1 879
Total pledged assets	3 983	1 884

The shares in Ahlsell AB (publ) (corp. ID 556882-8916) and shares in subsidiaries serve as security for the external borrowing and there are therefore restrictions with regard to disposal of holdings.

The Group's derivative has been pledged as security against the external loan. At year-end, the value of the derivative was negative.

NOTE 35 Interest received/paid

<i>Group, MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Interest received	15	15
Interest paid	-1 271	-793

The above do not include lease interest payments. See also Note 6 for interest expense related to the lease liability.

**NOTE 36** Adjustments for non-cash items

<i>Group, MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	1 367	1 013
Capitalised and accrued interest	976	829
Unrealised exchange differences	-810	59
Fair value changes due to revaluation of interest rate and exchange rate derivatives	932	-239
Proceeds from sale of non-current assets	5	-4
Amortisation and impairment of capitalised financing fees	81	61
Provisions for pensions	7	1
Remeasurement of additional consideration	–	-24
Other provisions	-30	32
Other items with no effect on liquidity	1	0
Total	2 530	1 727

<i>Parent, MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Capitalised and accrued interest	642	588
Unrealised exchange differences	-769	33
Fair value changes due to revaluation of interest rate and exchange rate derivatives	970	-234
Amortisation and impairment of capitalised financing fees	81	61
Total	924	448

Non-operating cash flow items

<i>Group, MSEK</i>	1 Jan 2020– 31 Dec 2020	1 April 2019– 31 Dec 2019
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	1 367	1 013
Provisions for pensions	7	1
Proceeds from sale of non-current assets	5	-4
Other provisions	-30	32
Remeasurement of additional consideration	0	-24
Lease payments not included in the operating profit	-708	-557
Total	641	460

NOTE 37 Business combinations

Business combinations 1 Jan 2020–31 Dec 2020

Arbetsklädshuset AB (AKH) was acquired in February. The company is a Swedish distributor of workwear and personal protective equipment. AKH is a highly-respected company founded in 1889. AKH offers a range of quality workwear, branded clothing, footwear and PPE. AKH's four stores are located in Uppsala, Västerås, Bromma and Hammarby Sjöstad. It has 20 employees and generates annual sales of approximately MSEK 70.

Weels Betong & Plast AS was acquired in November. The company is a Norwegian supplier of water and wastewater systems. It has a customer base across various industries in southern Norway. The company has 10 employees and generates annual sales of MNOK 55.

Group, MSEK Company	Country	Acquisition date	Share of capital
Arbetsklädshuset (AKH) AB	Sweden	2020-02-03	100%
Weels Betong & Plast AS	Norway	2020-11-02	100%

In addition to the above, one acquisition was made after the reporting date. See Note 41.

Purchase price per segment

Sweden	61
Norway	44
Finland	–
Denmark	–
Other	–
Total purchase price	105

The following is information on acquired net assets and goodwill, including adjustment after preliminary due diligence:

The assets and liabilities that were included in the acquisitions are:	Carrying amount before the acquisition	Fair value adjustment	Carrying amount reported in the consolidated statement
Cash and cash equivalents	19	–	19
Property, plant and equipment	0	–	0
Inventories	19	-2	17
Assets	16	–	16
Liabilities	-18	–	-18
Deferred tax liabilities, net	-1	1	0
Net assets	35	-1	34
Acquired net assets			34
Consolidated goodwill			71
Consideration paid			-105
Less cash and cash equivalents in companies acquired			19
Effect on the Group's cash and cash equivalents			-86

As the acquisitions are immaterial for the Group as a whole, acquired net assets and goodwill are shown on an aggregated level.

The goodwill that arose with the acquisitions is attributable to the synergies that are expected to arise.

If all acquisitions during 2020 had been made on 1 January, Group sales would have been approximately MSEK 55 higher and EBITA would have been about MSEK 6 higher.

Since the acquired operations were integrated into Ahlsell's existing operations immediately after the acquisition, it is not possible to provide disclosures about how much the acquired companies have contributed to consolidated turnover and earnings.

Ahlsell regards the analysis of the acquired net assets as provisional and an adjustment of the fair values may therefore be made.

Business combinations 1 April 201–31 Dec 2019

Group, MSEK Company	Country	Acquisition date	Share of capital
Bahab vent & plåt AB, Bahab vent & plåt i Lunda AB	Sweden	2019-04-01	100%

Purchase price per segment

Sweden	79
Norway	–
Finland	–
Denmark	–
Other	–
Total purchase price	79

The following is information on acquired net assets and goodwill, including adjustment after preliminary due diligence:

The assets and liabilities that were included in the acquisitions are:	Carrying amount before the acquisition	Fair value adjustment	Carrying amount reported in the consolidated statement
Cash and cash equivalents	8	–	8
Property, plant and equipment	1	–	1
Inventories	21	-4	17
Assets	21	–	21
Liabilities	-22	–	-22
Deferred tax liabilities, net	0	–	0
Net assets	29	-4	25
Acquired net assets			25
Consolidated goodwill			57
Consideration paid			-81
Paid purchase consideration acquisition of Ahlsell AB (publ)			-506
Less cash and cash equivalents in companies acquired			8
Effect on the Group's cash and cash equivalents			-579

As the acquisitions are immaterial for the Group as a whole, acquired net assets and goodwill are shown on an aggregated level.

The goodwill that arose with the acquisitions is attributable to the synergies that are expected to arise.

Since the acquired operations were integrated into Ahlsell's existing operations immediately after the acquisition, it is not possible to provide disclosures about how much the acquired companies have contributed to consolidated turnover and earnings.

Ahlsell regards the analysis of the acquired net assets as provisional and an adjustment of the fair values may therefore be made.

Remeasured additional contingent consideration totalling MSEK 24 was recognised as other operating income in the income statement in the Sweden segment during 2019. The remeasurement is related to contingent consideration in connection with the acquisitions of Preve AB and Proffsmagasinet Svenska AB, where some of the synergies that were expected to arise have been delayed and are expected to be realised after the measurement date for the additional consideration.

During the financial year, a further MSEK 14 in acquisition costs related to the acquisition of Ahlsell AB (publ) have been recognised as an administrative expense in the Central segment.

The due diligences conducted on all completed acquisitions in 2019 are final and only marginal changes have been made based on what was previously presented.

NOTE 38 Items affecting comparability

To achieve better comparability between years, EBITA is presented net of items affecting comparability in Note 2. Items affecting comparability are significant items that have an impact on comparability in so far as they do not recur with the same regularity as other items.

Items affecting comparability 1 Jan 2020–31 Dec 2020 Group, MSEK

Type of cost/revenue	Segment	Amount
Restructuring costs	Norway	-29
Total items affecting comparability		-29

Items affecting comparability 1 April 2019–31 Dec 2019 Group, MSEK

Type of cost/revenue	Segment	Amount
Acquisition costs	Central	-14
Restructuring costs	Sweden	-35
Restructuring costs	Norway	-20
Restructuring costs	Finland	-30
One-off costs for projects related to change of ownership and market analysis	Central	-55
Total items affecting comparability		-153

NOTE 39 Related-party disclosures

GROUP

Quimper AB (corp. ID 559155-5551), registered in Sweden with registered office in Stockholm, is owned by Quimper Group AB (corp. ID 559155-5569) with registered office in Stockholm. Quimper Group AB is part of a Group of which Quimper Group Holdings AB (corp. ID 559155-5577) is the top company in Sweden. Quimper Group Holdings AB is owned by Quimper Holdings S.A.R.L i Luxembourg, and by senior executives in the Ahlsell Group. Quimper Holdings S.A.R.L is indirectly controlled by CVC Fund VII.

Information about personnel expenses and remuneration of senior executives and about Board fees can be found in Note 3 Personnel.

PARENT

Quimper AB has non-current receivables with other Group companies amounting to MSEK 8,767 (7,676). See Note 23. The Company has current receivables with other Group companies amounting to MSEK 2,599 (3,088). The Company has non-current liabilities to the Parent Company amounting to MSEK 10,639 (10,487).

The Company has a related party relationship with its subsidiaries. See Note 22.

NOTE 40 Significant accounting estimates and judgements

The Group's estimates and judgements are reviewed periodically and are based on historical experience and other factors, including expectations of future events considered reasonable under the prevailing circumstances.

Significant accounting estimates and assumptions

The Group makes estimates and assumptions about the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are presented below.

Customer relationships

A number of parameters have been used to determine the value of customer relationships. These include WACC, assumptions about growth, loss of existing customers and discount rates. Changes to these parameters would have an impact on the size of the customer relationships.

Goodwill and trademark impairment testing

Each year, the Group assesses whether or not a potential impairment exists for goodwill and trademarks, in accordance with the accounting policies above. The recoverable amount for cash-generating units has been determined by calculating their value-in-use. Recoverable amounts for trademarks have been determined under the relief-from-royalty method. Certain estimates have to be made for these calculations. See Note 15 and Note 17.

With regards to goodwill, the Group believes that a reasonable change in the key assumptions used in the calculation of recoverable amounts for goodwill, for example, gross margins and discount rates, would not cause the total carrying amount of goodwill attributable to each geographic area to exceed the goodwill's recoverable amount for each geographic area.

With regards to trademarks with an indefinite useful life (the Ahlsell trademark), the Group believes that a reasonable change in the key assumptions used in the calculation of the recoverable amount, for example, future sales growth, royalty rates and discount rates, would not cause the carrying amount for the Ahlsell trademark to exceed its recoverable amount.

Income tax

The Group is required to pay tax in each country. Significant judgement is required in determining the total provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises the liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts which were initially recorded, such differences will impact the income tax and deferred tax provisions in the period to which such determination is made.

Deferred income tax is calculated on the basis of the temporary differences between the carrying amount of assets and liabilities and their taxable amount and on loss carryforwards. There are mainly two types of assumptions and estimates that affect the recognised deferred tax. These are assumptions and estimates that are used to establish the carrying amounts of assets and liabilities, as well as those relating to future taxable profits. At the balance sheet date, MSEK 74 was recognised as deferred tax assets attributable to estimated loss carryforwards, based on the assumptions of future taxable profits. A final decision on the losses claimed by the Group companies is required from the Swedish Tax Agency for the recognised loss carryforwards. Critical estimates and assumptions are also undertaken in respect of the reporting of provisions and contingent liabilities relating to tax risks.



NOTE 41 Events after the responding period

In January 2021, Vent Group Nordic AB & Tromas AS was acquired.

Vent Group Nordic AB is a ventilation specialist for professional installers. Vent Group's operations are conducted from four branches located in Stockholm (Västberga and Sollentuna), Gothenburg and Malmö, and will strengthen Ahlsell's ventilation offering in the market. The company has 27 employees and generates annual sales of approximately MSEK 135.

Tromas AS has been producing tools and fastening products for the construction industry in Trøndelag since it was founded in 1992. 17 people are currently employed in its store and service workshop in Trondheim. The company reports annual sales of approximately MNOK 63.

Ahlsell acquired Solutioneurolan Europé AB (Eurolan) in March 2021. Eurolan is one of the leading Nordic suppliers of copper and fibre optic cabling systems (SCS), fibre to the home (FTTX) and universal home networking. The company offers a quality range in cable systems, fibre, data and security. The company is based in Bromma with a sales office in Helsinki. It has nine employees and generates annual sales of approximately MSEK 125.

In March 2021 was a refinancing completed, which meant that the junior facilities were repaid in full and that the senior loan facility was expanded (maturity in August 2026). Net, the refinancing entailed an amortization of MSEK 1,500 million.



The Board of Directors and the Chief Executive Officer herewith confirm that the Annual Report has been prepared in accordance with generally accepted accounting principles in Sweden and that the consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as defined in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The Annual Report and the consolidated financial statements provide a true and fair view of the financial performance and position of the Parent Company and the Group.

The Directors' Report for the Parent Company and the Group, respectively, provides a true and fair overview of the development of the operations, financial position and performance of the Parent Company and Group, and describes material risks and uncertainties faced by the Parent Company and Group companies.

The Annual Report and the consolidated financial statements were approved by the Board of Directors on 25 March 2021. The consolidated and Parent Company income statements and balance sheets will be presented for approval at the Annual General Meeting on 15 April 2021.

Stockholm 25 March 2021

Sören Vestergaard-Poulsen
Chairman

Johan Nilsson
CEO & Member of the Board

Mattias Fajers
Member of the Board

Susanne Ehnbåge
Member of the Board

Gustaf Martin-Löf
Member of the Board

Peter Törnquist
Member of the Board

Anders Nilsson
Employee representative

Maria Herbertsson
Employee representative

Lena Bergman
Employee representative

Our Auditors' report was submitted on 31 March 2021

KPMG AB

Joakim Thilstedt
Authorised Public Accountant

Auditor's report

To the general meeting of the shareholders of Quimper AB, corp. id 559155-5551

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Quimper AB for the year 2020.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2020 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2020 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and



related disclosures made by the Board of Directors and the Managing Director.

– Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

– Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

– Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Quimper AB for the year 2020 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.



Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

– has undertaken any action or been guilty of any omission which can give rise to liability to the company, or

– in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to

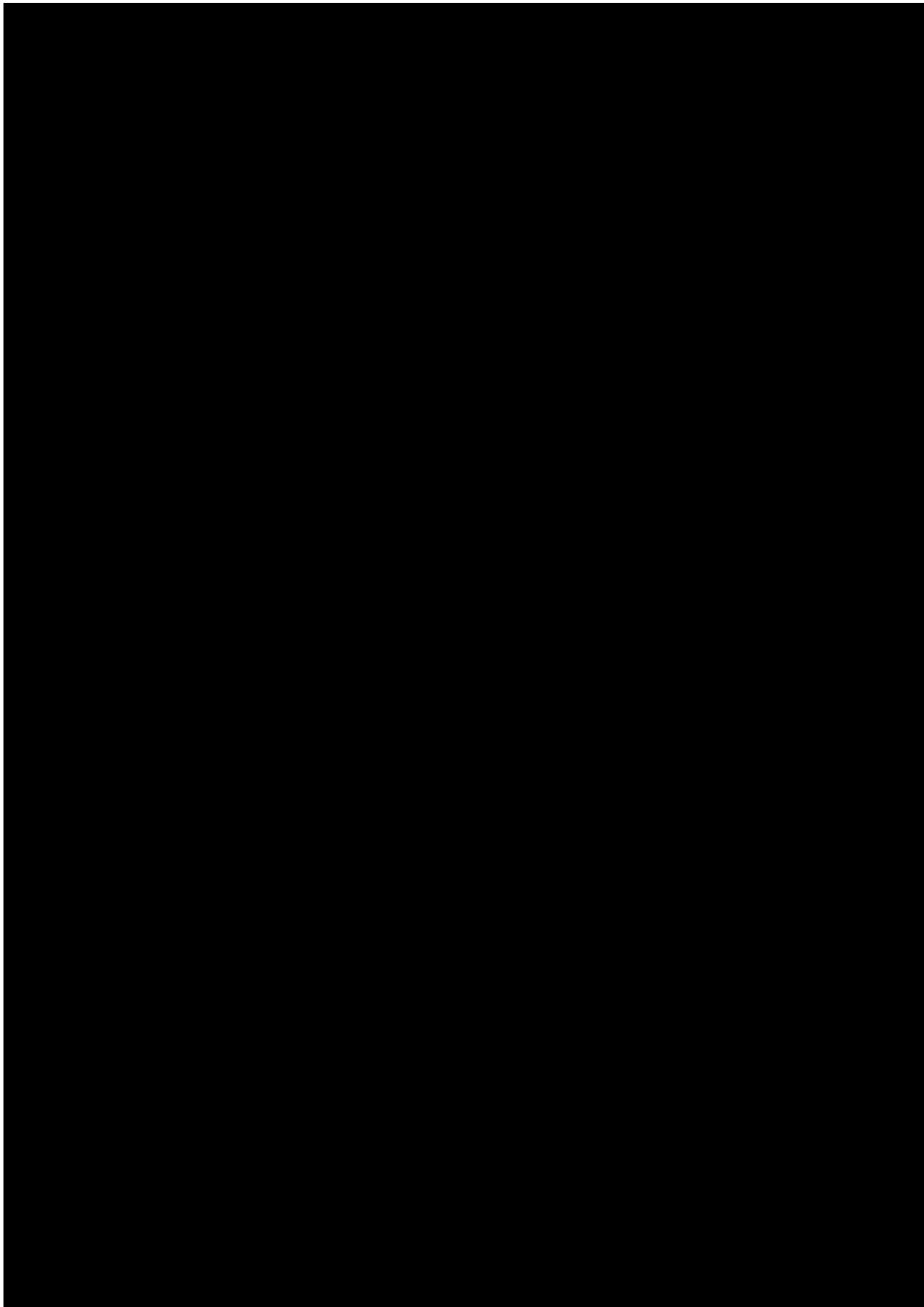
liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

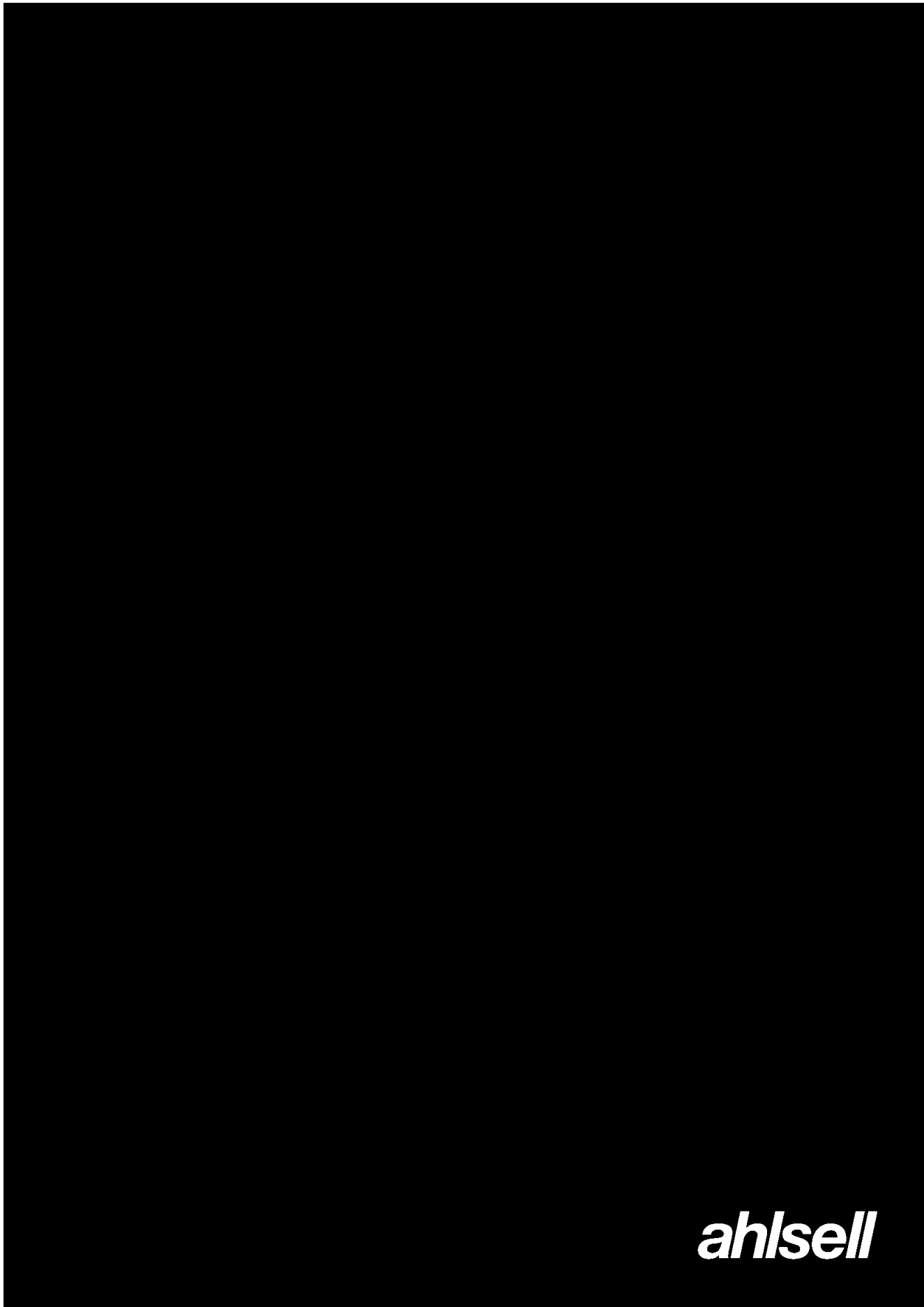
As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Stockholm 31 March 2021

KPMG AB

Joakim Thilstedt
Authorized Public Accountant





ahlsell



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Til generalforsamlingen i Ahlsell Norge AS

Uavhengig revisors beretning

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert Ahlsell Norge AS' årsregnskap som viser et underskudd på kr 20 025 074. Årsregnskapet består av balanse per 31. desember 2020, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noteopplysninger til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening er det medfølgende årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettvisende bilde av selskapets finansielle stilling per 31. desember 2020, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av selskapet slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Ledelsen er ansvarlig for øvrig informasjon. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen.

Vår uttalelse om revisjonen av årsregnskapet dekker ikke øvrig informasjon, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese øvrig informasjon med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom øvrig informasjon og årsregnskapet, kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon.

Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

Styrets og daglig leders ansvar for årsregnskapet

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettvisende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for

Offices in:

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Stord
Alta	Finnsnes	Mokle	Straume
Arendal	Hamar	Skien	Tromsø
Bergen	Haugesund	Sandefjord	Trondheim
Bodo	Knarvik	Sandnessjøen	Tynset
Drammen	Kristiansand	Slavanger	Ålesund

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å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

Som del av en revisjon i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og anslår vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av den interne kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på hensiktsmessigheten av ledelsens bruk av fortsatt drift-forutsetningen ved avleggelsen av regnskapet, basert på innhentede revisjonsbevis, og hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i regnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifierer vår konklusjon om årsregnskapet og årsberetningen. Våre konklusjoner er basert på revisjonsbevis innhentet inntil datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke fortsetter driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet representerer de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av revisjonen og til hvilken tid revisjonsarbeidet skal utføres. Vi utveksler også informasjon om forhold av betydning som vi har avdekket i løpet av revisjonen, herunder om eventuelle svakheter av betydning i den interne kontrollen.



Revisors beretning - 2020
Ahlseil Norge AS

Uttalelse om andre lovmessige krav

Konklusjon om årsberetningen

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til resultatdisponering er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokførings-skikk i Norge.

Oslo, 25. mars 2021
KPMG AS

Ole Christian Fongaard
Statsautorisert revisor
(elektronisk signert)

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Ole Christian Fongaard

Partner

På vegne av: KPMG AS

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Ahsell Norge AS

Styrets årsberetning for 2020

1. Virksomhetens art

Ahsell Norge AS har som primærvirksomhet å drive som grossistbedrift innenfor markedssegmentene VVS, VA, industri, elektro, verktøy og personlig verneutstyr.

Virksomheten er lokalisert med 38 utsalgssteder over hele Norge og har en vesentlig markedsandel innenfor disse markedsområdene.

Hovedkontoret ligger i Oslo.

2. Fortsatt drift

Årsregnskapet for året 2020 er for Ahsell Norge AS satt opp under forutsetning av fortsatt drift og styret bekrefter at forutsetningene er til stede. Til grunn for antagelsen ligger resultat- og likviditetsprognoser for 2021.

3. Arbeidsmiljø

I overensstemmelse med krav i gjeldende lover og forskrifter utarbeider selskapet oversikt over sykefraværet blant de ansatte. For året 2020 var fraværet 5,2 % mot 5,1 % i 2019. Selskapet har stort fokus på sykefraværet og jobber kontinuerlig for å redusere dette. Forholdet er hele tiden til behandling i arbeidsmiljøutvalget. I tillegg har kurs i sykefraværsoppfølging blitt lansert både som e-læring og som egne kurs for ledere.

Det er ikke registrert arbeidsuhell med alvorlige konsekvenser ved bedriften i 2020.

Med mange kollegaer på hjemmekontor under pandemien ble en rekke kurs i digitale verktøy samt fjernledelse for lederne gjennomført. Et digitalt verktøy for økt aktivitet når man sitter hele dagene ble også investert i for å forhindre belastningsskader

4. Ytre miljø

Selskapet har fokus på det ytre miljø og tilstreber å organisere logistikken på en effektiv måte slik at forurensingen holdes på et lavest mulig nivå. Selskapet utfører også kildesortering av avfall.

Det er ikke registrert arbeidsuhell i 2020 som har påvirket det ytre miljø.

5. Likestilling og diskriminering

Ahsell verdsetter og fremmer mangfold og likestilling. Der det er nødvendig må det arbeides for at tiltak blir gjort for å oppnå like rettigheter og like muligheter på arbeidsplassen, uavhengig av etnisitet, kjønn, kjønnsidentitet, funksjonshemming, religion eller tro, seksuell legning og alder. Vi tar avstand fra all form for diskriminering, trakassering og krenkende særbehandling. Grunnlaget for vårt



menneskesyn er respekt for det enkelte menneskes unike og like verdi. Ahlsell skal arbeide for at det vedtas aktive tiltak for å oppnå like rettigheter og muligheter i arbeidslivet uavhengig av kjønn, etnisk tilhørighet og livssyn, og særlig motvirke diskriminering på bakgrunn av slike forskjeller.

Del 1: Tilstand for kjønnslikestilling

Dette er situasjonen pr. 31.12.2020

Kjønnsbalanse	Menn	Kvinner	Sum
Antall	834	182	1016
%	82,1 %	17,9 %	100 %

Midlertidig ansatte	Menn	Kvinner	Sum
Midlertidig ansatte	15	2	17
% av totalt antall ansatte	1,8 %	1,1 %	1,7 %

Deltid	Menn	Kvinner	Sum
Ansatte med deltidsstilling	17	10	27
% av totalt antall ansatte	2,0 %	5,5 %	2,7 %

Foreldrepermisjon	Menn	Kvinner	Sum
Antall m/permisjon	23	6	29
Antall uker	307	106	413
Antall uker snitt	13,3	17,7	14,2

Ahlsell ønsker å øke mangfoldet, spesielt andel kvinner i selskapet, og har satt økende fokus på dette siden 2016. I 2016 hadde vi 15,8% kvinner. Ahlsell er en populær arbeidsgiver der medarbeidere ønsker å jobbe lenge. Med en snitt ansiennitet på 11,4 år og en turn-over på 8% har vi valgt å sette søkelys på å rekruttere og øke andel kvinnelige ledere for på den måten forhåpentligvis også tiltrekke oss flere kvinnelige medarbeidere. Dette er godt forankret i ledergruppen både i Norge og for konsernet. Mål for økt andel kvinnelige ledere og nye ansettelser av kvinnelige ledere presenteres for konsernledelsen årlig i forbindelse med gjennomgang av etterfølgerplanleggingen.

Lønn og andre ytelser skal justeres i samsvar med øvrige avtaler om lønn inngått mellom arbeidsgiver og arbeidstakerorganisasjoner. Lønn skal være individuell og, når det er relevant, differensiert. Lønn og lønnsutvikling fastsettes ut fra arbeidsoppgaver, kompetanse og prestasjon, der også selskapets resultat og markedet kan ha en påvirkning. Grunnlag for fastsettelse av lønn er den årlige prestasjonsvurderingen som gjennomføres i forbindelse med utviklingssamtalen. Bonus- og insentivprogram utover fast månedslønn gjelder for visse tjenester.

Lønnskartlegging og kartlegging av ufrivillig deltid skal skje i kvartal 2 i 2021 basert på en modell gjennomført i Ahlsell Sverige i 2020.

Del 2: Vårt arbeid for likestilling og mot diskriminering

Ahlsell Norge AS jobber med likestilling og ikke-diskriminering i samarbeid med de tillitsvalgte og hovedverneombud. Alle former for krenkende særbehandling, for eksempel diskriminering, trakassering og mobbing, er uakseptabelt, enten dette skjer overfor medarbeidere, samarbeidspartnere eller andre.



Hver medarbeider og leder har ansvar for det forebyggende arbeidet mot krenkende særbehandling, trakassering og diskriminering. Ledere har i tillegg ansvar for å spre kunnskap om policyen og virksomhetsplanen, gjennomføre granskinger og beslutte tiltak.

Det ble i 2017 opprettet en prosjektgruppe for arbeidsmiljø med fokus på mobbing, trakassering og/eller diskriminering. Prosjektgruppen ledes av HR og består av tillitsvalgte, hovedverneombud, KHMS-sjef, avdelingsledere samt ekstern rådgiver fra bedriftshelsetjenesten. Gruppen utarbeidet i 2018 nye retningslinjer for å hindre mobbing, diskriminering og seksuell trakassering. Det ble også etablert et tilhørende varslingsystem.

Ahlsell har flere ulike aktiviteter som gjennomføres for å identifisere risiko for diskriminering og hindre for likestilling:

- Likestillings- og diskrimineringsarbeidet er forankret i selskapets policyer, samt nasjonale retningslinjer og rutiner. People policy og Code of Conduct er lett tilgjengelig for ansatte og revideres årlig, senest juni 2020.
- Det har blitt arrangert live-sendinger der HR har deltatt med tema om arbeidsmiljø under spesielt pandemien og hvor medarbeidere som trenger ekstra støtte kan henvende seg.
- Det gjennomføres årlig medarbeiderundersøkelse. Dette ble dessverre ikke gjennomført i 2020 som følge av COVID19, men det er foretatt en undersøkelse i februar 2021. Undersøkelsen inneholder spørsmål om hvorvidt medarbeidere selv har opplevd eller observert andre bli utsatt for mobbing, trakassering og/eller diskriminering og eventuelt av hvem. Basert på tilbakemeldinger har vi definert mål og utviklingsmål for diskriminering, mobbing, seksuell trakassering samt sykefravær.
- HMS-ambassadører og verneombud kurses i hvordan de skal kunne avdekke uønsket arbeidsmiljø som f.eks. diskriminering og seksuell trakassering slik at de kan informere videre til leder og/eller HR som da er ansvarlig for å følge opp videre.
- Ledere kurses blant annet i hvordan de skal benytte medarbeiderundersøkelsen til å forbedre arbeidsmiljøet og god sykefraværsoppfølging.
- Innholdet og spesielt bilder av kvinner i stillingsannonser kontra bilder av menn er endret for hele virksomheten. Vi stiller også krav om mangfold og ikke-diskriminerende/profesjonelle rekrutteringsprosesser til rekrutteringsbyrået vårt.
- Vi har gjort det lettere for de ansatte å velge hjemmekontor uansett om det er påbud om hjemmekontor grunnet korona eller ikke. Vi kaller det fleksibelt arbeidssted og vil gjøre det lettere å kombinere arbeid med familieliv

Vi har 83% mannlige medarbeider og anser det som en risiko i seg selv at kvinnelige medarbeider kan oppleve å bli diskriminert pga. kjønn ved å være så i undertall. Kjønn er hyppigste årsak til diskriminering og vårt mål er at ingen skal bli diskriminert, verken internt eller fra selskapets forretningsforbindelser.

Resultater av arbeidet

I resultatene fra medarbeiderundersøkelsen ser vi en liten nedgang i diskriminering grunnet kjønn, vi har økt andel eksterne ansettelser av kvinnelige ledere samt økt interne forfremmelser av kvinnelige kollegaer som har blitt ledere. Vi har også klart ansette kvinner i spesialistroller ved bruk av rekrutteringsbyrå der vi har satt krav om kvinnelige kandidater.

Vi inkluderte spørsmål i medarbeiderundersøkelse der vi ønsket belyse hvor god nærmeste leder er når det gjelder mangfold og inkludering. Som selskap fikk Ahlsell i snitt en høy score, men det er likevel identifisert ledere som scorer mye lavere enn snittet. Prosjektgruppen for et godt arbeidsmiljø som, inkludert tillitsvalgte og bedriftshelsetjenesten, vil lage en plan for hvordan vi kan forbedre dette i 2021



Tiltak vi planlegger i året som kommer er:

- Lønnskartlegging samt kartlegge mulig ufrivillig deltidsarbeid sammen med tillitsvalgte
- Vi vil oppdatere våre mest brukte stillingsannonser med tanke på bildebruk og ordvalg for å tiltrekke flere kvinnelige søkere
- HR har fokus på å fremheve på intranettet suksesshistorier med kvinnelige ledere som har hatt interne opprykk for å inspirere flere kvinnelige kollegaer til å søke lederstillinger
- HR vil oppfordre kvinnelige kollegaer til å søke på ledige lederstillinger da de ofte ikke søker selv om de er kvalifiserte
- Vi har i sjekklisten for verneombud at de skal avstemme om det er mulige årsaker til diskriminering på lokasjonen, men ingen avvik mottatt selv der det burde kommet avvik. Fysisk gjennomgang av lokasjoner for spesielt å sjekke at de er tilrettelagt for alle, inkludert kvinner og personer med nedsatt funksjonsevne vil gjennomføres i 2021.

6. Stilling og resultat

Det er styrets oppfatning at årsregnskapet gir et rettviseende bilde av Ahlsell Norge AS sine eiendeler, gjeld, finansielle stilling og resultat. Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapsskikk.

Selskapets risiko og usikkerhetsmomenter følger i det store og hele de generelle konjunktorene i Norge relatert til investeringer og vedlikehold innen industri, bygge- og anleggsvirksomheten, samt hos private husholdninger.

Selskapet hadde driftsinntekter på 5 442 MNOK i 2020, mot 5 518 MNOK i 2019. Til tross for nedgangen i omsetning økte driftsresultatet i 2020 (95 MNOK) sammenlignet med 2019 (-15 MNOK). Reduksjonen i omsetning og forbedring i margin kommer som følge av mer fokusert salgsstrategi, bedre oppfølging av lokale muligheter og en positiv makroøkonomisk utvikling i bransjen.

Ahlsell Norge har hatt to pågående bokettersyn de siste årene. I 2020 mottok selskapet kontorvedtak og disse er innarbeidet i årsregnskapet for 2020. Ahlsell bestrider vedtakene, men basert på god norsk regnskapsskikk anses vedtakene å representere beste estimat. Bokettersynene har medført at utsatt skattefordel er redusert med 88 MNOK.

Selskapet kjøpte i 2020 datterselskapet Weels Betong og Plast AS. Oppkjøpet er en del av mål om å styrke selskapets geografiske posisjon i Østfold.

Selskapets egenkapital utgjør 40% av totalkapitalen sammenlignet med 42% året før. Reduksjonen sammenlignet med 2019 skyldes effekter av bokettersyn. Egenkapitalen anses å være på et forsvarlig og tilfredsstillende nivå.

Kontantstrømmen fra drift har vært positiv i 2020 som følge av gode resultater og målrettet arbeid relatert til arbeidskapital. Innestående i cashpool ordning har økt fra -101 MNOK i 2019 til 401 MNOK i 2020 og representerer en betydelig bedring i selskapets likviditet.

Selskapet har ingen betydelige forsknings- eller utviklingsaktiviteter i 2020.



7. Finansiell risiko

Selskapet er utsatt for kredittrisiko, renterisiko og valutarisiko i den ordinære virksomheten og styrer mot å ha en akseptabel risiko innenfor disse områdene.

Kredittrisiko styres ved kontinuerlig overvåking av eksisterende kunder samt kredittvurdering av nye kunder. Deler av fordringsmassen er også kredittforsikret.

All gjeld er rentebærende og en er således eksponert for endringer i kortsiktige renter. Ahlsell finansieres per 31.12.2020 gjennom langsiktig konsernintern gjeld, kortsiktig driftsrelatert gjeld og er inkludert i konsernets cashpool. Selskapet har pr. 31.12.2020 401 MNOK innestående i cashpoolordningen i tillegg til å ha tilgang på konsernets trekkfasiliteter. Styret anser dermed at likviditeten er å anse som tilfredsstillende.

Det foregår noe salg og kjøp i fremmed valuta, sammen med lån fra Ahlsell AB og fordringer på Ahlsell Oy er selskapet er dermed utsatt for endringer i valutakursene. Endring i kontantstrøm og likviditet er i hovedsak relatert til finansielle forhold.

8. Endring i markedsforhold og strukturelle endringer

Markedet hadde en vekst fra 2019 til 2020, og Ahlsell har opprettholdt sine andeler gjennom året.

Ahlsell ønsker å bredde sin leveranse både på produkter, regioner og kundesegmenter, og derfor er oppkjøp en viktig del av strategien.

I 2020 ble datterselskapene Bygg og Industrisalg AS fusjonert inn i Ahlsell Norge AS. Formålet var å forenkle selskapsstrukturen.

I forbindelse med samlokalisering av butikker og vedtatt program for kostnadsreduksjoner så er det avsatt 29,2 MNOK til dekning av kostnader for personalreduksjoner, terminering av kontrakter, samt flytting og nedleggelse.

9. Fremtidig utvikling

Styret ser generelt med optimisme på fremtiden. Den diversifiserte produktporteføljen bidrar til at selskapet er mer robust for endringer i makrobildet. Ahlsell Norge AS har til nå klart å håndtere situasjonen med koronapandemien med godt resultat. Det er normalt betydelig usikkerhet knyttet til vurderinger av fremtidige forhold og det er på tidspunktet for avleggelse av årsregnskapet ikke mulig å fullt ut estimere de finansielle konsekvensene av pandemien. Det kan ikke utelukkes at COVID-19 potensielt kan få negative konsekvenser på fremtidig drift og inntjening. Ahlsell Norge AS er en del av Quimper AB og Ahlsell Groups finansiering, dermed er det styrets oppfatning at forutsetninger for fortsatt drift er til stede utover 2021.

10. Disponering av årsresultat

Styret foreslår årets underskudd fordeles slik:

Overført fra (-) / til (+) annen EK	Kr - 20 025 074
Sum anvendelse	<u>Kr -20 025 074</u>



Oslo, 23.03.2021

Carl Johan Olov Nilsson
Styrets leder

Kennet Y.F. Göransson
Styremedlem

Patrik Göran Vesterlund
Styremedlem

Tina Jore Sjue
Styremedlem

Glenn Salvesen
Styremedlem

Morten Hansen
Styremedlem

Rune Flengsrud
Styremedlem/Daglig leder

Penneo Dokumentnøkkel: WVCXW-1 CAOH-ENHYS-7DPPK-PRNET-55C2J



AHSELL NORGE AS

Årsregnskap 2020

Penneo Dokumentnøkkel: WVCXW-1 C4OH-ENHYS-7DPPK-PRNET-55C2J



AHLSSELL NORGE AS Resultatregnskap

	Note	2020	2019
Driftsinntekter og driftskostnader			
Salgsinntekt	10	5 421 170 669	5 475 417 534
Annen driftsinntekt		21 209 555	42 269 209
Sum driftsinntekter		5 442 380 224	5 517 686 743
Varekostnad		4 075 953 929	4 209 067 985
Lønnskostnad	5	747 034 424	774 509 801
Avskrivning av driftsmidler og immaterielle eiendeler	4	93 036 644	90 282 878
Annen driftskostnad	4, 5	431 246 700	458 919 271
Sum driftskostnader		5 347 271 697	5 532 779 935
Driftsresultat		95 108 527	-15 093 192
Finansinntekter og finanskostnader			
Inntekt på investering i annet foretak i samme konsern		0	51 710 200
Renteinntekt fra foretak i samme konsern		18 274 809	15 722 166
Annen renteinntekt		1 404 174	1 463 348
Annen finansinntekt	16	54 810 816	10 684 203
Rentekostnad til foretak i samme konsern		21 924 727	26 473 880
Annen rentekostnad		1 516 107	1 751 691
Annen finanskostnad	16	28 120 024	20 587 362
Resultat av finansposter		22 928 941	30 766 983
Ordinært resultat før skattekostnad		118 037 468	15 673 791
Skattekostnad på ordinært resultat	9, 19	138 062 542	13 328 989
Ordinært resultat		-20 025 074	2 344 802
 Årsresultat		-20 025 074	2 344 802
Anvendelse			
Avsatt til annen egenkapital		-20 025 074	2 344 803
Sum anvendelse	13	-20 025 074	2 344 803

Penneo Dokumentnøkkel: WVCXW-1-CAOH-ENHYS-7DPPK-PKNET-55C2J



AHLSSELL NORGE AS Balanse

	Note	2020	2019
EIENDELER			
<i>Anleggsmidler</i>			
Immaterielle eiendeler			
Konsesjoner, patenter o.l.	4	1 933 709	1 756 041
Utsatt skattefordel	9, 19	1 943 122	90 262 396
Goodwill	4	201 550 551	270 013 263
Sum immaterielle eiendeler		205 427 382	362 031 701
Varige driftsmidler			
Maskiner og anlegg	4	101 363 099	105 981 055
Sum varige driftsmidler		101 363 099	105 981 055
Finansielle driftsmidler			
Investeringer i datterselskap	15	457 374 348	430 413 112
Lån til foretak i samme konsern	3	342 970 733	421 383 384
Andre langsiktige fordringer	8	636 458	2 794 300
Sum finansielle anleggsmidler		800 981 539	854 590 797
Sum anleggsmidler		1 107 772 019	1 322 603 552
<i>Omløpsmidler</i>			
Lager av varer og annen beholdning	2	726 282 682	745 567 352
Fordringer			
Kundefordringer	7	605 396 375	610 149 764
Kortsiktige fordringer på selskap i samme konsern	3, 17, 18	401 746 084	51 710 200
Andre kortsiktige fordringer		216 033 053	242 235 398
Sum fordringer		1 223 175 512	904 095 361
Bankinnskudd, kontanter o.l.	17	27 584 386	23 853 363
Sum omløpsmidler		1 977 042 580	1 673 516 076
Sum eiendeler		3 084 814 599	2 996 119 629

Penneo Dokumentnøkkel: WVCXW-1 CAOH-ENHYS-7DPPK-PRNET-55C2J



AHLSELL NORGE AS Balanse

	Note	2020	2019
EGENKAPITAL OG GJELD			
<i>Egenkapital</i>			
Innskutt egenkapital			
Aksjekapital	13	83 386 600	83 386 600
Innskutt annen egenkapital	13	1 158 782 867	2 134 226 308
Sum innskutt egenkapital		1 242 169 467	2 217 612 908
Opptjent egenkapital/Udekket tap			
Udekket tap	13	0	-931 522 463
Sum opptjent egenkapital		0	-931 522 463
Sum egenkapital		1 242 169 467	1 286 090 445
<i>Gjeld</i>			
Avsetning til forpliktelser			
Pensjonsforpliktelser	8	4 970 658	0
Andre avsetninger for forpliktelser	14	26 791 836	20 594 875
Sum avsetning for forpliktelser		31 762 494	20 594 875
Annen langsiktig gjeld			
Gjeld til konsernselskaper	3, 6	442 109 815	423 511 926
Sum annen langsiktig gjeld		442 109 815	423 511 926
Kortsiktig gjeld			
Leverandørgjeld	3	1 093 725 385	945 104 938
Kortsiktig gjeld til selskap i samme konsern	3, 17, 18	0	101 728 758
Betalbar skatt	9, 19	49 632 343	0
Skyldige offentlige avgifter		128 387 681	127 542 743
Annen kortsiktig gjeld		97 027 414	91 545 946
Sum kortsiktig gjeld		1 368 772 823	1 265 922 383
Sum gjeld		1 842 645 132	1 710 029 184
Sum gjeld og egenkapital		3 084 814 599	2 996 119 629

Oslo, 23.03.2021

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Glenn Salvvesen
styremedlem

Morten Hansen
styremedlem

Rune Flengsrud
styremedlem/daglig leder

Penneo Dokumentnøkkel: WVCXW-1 CAOH-ENHYS-7DPPK-PKNET-55C2J



AHLSSELL NORGE AS Kontantstrømoppstilling

	Note	2020	2019
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		118 037 469	15 673 792
- Periodens betalte skatter	9	0	0
+/- Gevinst/tap ved salg av anleggsmidler	4	1 425 078	0
+ Ordinære avskrivninger	4	93 036 644	90 172 015
+/- Endring i varelager		27 410 670	-4 205 256
+/- Endring i kundefordringer		9 412 278	101 820 776
+/- Endring i leverandørgjeld		145 589 446	-83 501 679
+/- Endring i andre fordringer		26 673 468	34 560 500
+/- Endring i annen kortsiktig gjeld		4 501 591	-15 050 789
+/- Effekt av valutakursendringer		-27 198 400	6 853 057
+/- Konsernbidrag inntektsført 2019, mottas 2020	13	0	-51 710 200
+/- Feil tidligere år, ført direkte mot egenkapital	8, 13	-8 120 000	0
+/- Endring i andre tidsavgrensingsposter		4 488 848	-234 206
= Netto kontantstrøm fra operasjonelle aktiviteter		395 257 092	94 378 010
Kontantstrømmer fra investeringsaktiviteter			
+ Innbetalinger ved salg av varige driftsmidler	4	158 000	0
- Utbetalinger ved kjøp av varige driftsmidler	4	-21 189 846	-32 228 992
- Endring innstående cashpool	3	-401 746 084	0
- Utbetalinger ved virksomhetskjøp	15	-45 063 000	0
= Netto kontantstrøm fra investeringsaktiviteter		-467 840 930	-32 228 992
Kontantstrømmer fra finansieringsaktiviteter			
+ Endring overtrekk cashpool	3	-101 728 758	-123 566 407
- Inn/utbetalinger konsernmellomværende	3	124 208 940	0
+ Innbetalinger av konsernbidrag	3	51 710 200	58 216 518
= Netto kontantstrøm fra finansieringsaktiviteter		74 190 382	-65 349 889
= Netto endring i kontanter og kontantekvivalenter		1 606 544	-3 200 871
+ Beholdning av kontanter og kontantekvivalenter ved periodens begynnelse		23 853 363	25 242 362
+ Beholdning av kontanter og kontantekvivalenter innfusjonerte selskap	20	2 124 479	1 811 872
= Beholdning av kontanter og kontantekvivalenter ved periodens slutt		27 584 386	23 853 363



AHLSELL NORGE AS

Årsregnskap 2020

Note 1 - Regnskapsprinsipper

Årsregnskapet, som er utarbeidet av selskapets styre og ledelse, må leses i sammenheng med årsberetningen og revisjonsberetningen.

Årsregnskapet består av resultatregnskap, balanse, kontantstrømpoppstilling og noteopplysninger, og er avlagt i samsvar med aksjelov, regnskapslov og god regnskapsskikk i Norge gjeldende pr. 31. desember 2020.

Prinsipper

Årsregnskapet er basert på de grunnleggende prinsipper og klassifiseringen av eiendeler og gjeld følger regnskapslovens definisjoner. Ved anvendelse av regnskapsprinsipper og presentasjon av transaksjoner og andre forhold, legges det vekt på økonomiske realiteter, ikke bare juridisk form. Betingede tap som er sannsynlige og kvantifiserbare, kostnadsføres.

Klassifisering av poster i regnskapet

Eiendeler som knytter seg til varekretsløpet samt fordringer som tilbakebetales innen ett år, er omløpsmidler. Andre eiendeler er anleggsmidler. Tilsvarende prinsipp er benyttet for gjeldsposter.

Inntekts-/ kostnadsføringstidspunkt

Inntekt resultatføres når den er opptjent. Inntektsføring skjer følgelig normalt på leveringstidspunktet ved salg av varer og tjenester. Utgifter sammenstilles med og kostnadsføres samtidig med de inntekter utgiftene kan henføres til. Utgifter som ikke kan henføres direkte til inntekter, kostnadsføres når de påløper. Utgifter til utvikling kostnadsføres løpende.

Salgsinntekter

Salgsinntekter vurderes til virkelig verdi av vederlaget, netto etter fradrag for merverdiavgift, returer, rabatter og andre offentlige avgifter. Inntekt fra salg av varer resultatføres når produktene er levert til kunden og det ikke er uoppfylte forpliktelser som kan påvirke kundens aksept av levering. Levering er ikke foretatt før produktene er sendt til avtalt sted og risiko for tap og ukurans er overført til kunden.

Varige driftsmidler

Varige driftsmidler føres i balansen til anskaffelseskost, fratrukket akkumulerte av- og nedskrivninger. Dersom den virkelige verdien av et driftsmiddel er lavere enn bokført verdi, og dette skyldes årsaker som ikke antas å være forbigående, skrives driftsmidlet ned til virkelig verdi. Utgifter forbundet med normalt vedlikehold og reparasjoner blir løpende kostnadsført. Et driftsmiddel anses som varig dersom det har en økonomisk levetid på over 3 år, samt en kostpris på over kroner 15.000.

Leieavtaler

Leieavtaler for driftsmidler som leies på betingelser hvor økonomisk risiko og kontroll ligger hos utleier blir kostnadsført løpende på bakgrunn av mottatte fakturaer fra utleier.

Varelager

Beholdninger av varer vurderes til det laveste av kostpris etter "først inn - først ut" -prinsippet og antatt salgspris. Kostpris for tilvirkede varer er direkte materialer, direkte lønn samt andel av variable indirekte tilvirkningskostnader, mens kostpris for innkjøpte varer er anskaffelseskost. Årets varekostnad består av kostpris solgte varer med tillegg av eventuell nedskrivning i samsvar med god regnskapsskikk per årsslutt. Virkelig verdier er estimert salgspris fratrukket estimerte utgifter til ferdigstilling, salg og distribusjon.

Fordringer og gjeld

Fordringer er oppført til pålydende med fradrag for forventede tap. Avsatt kundebonus ved årsslutt er klassifisert som reduksjon av kundefordringer. Leverandørbonus er klassifisert som andre fordringer.



AHLSSELL NORGE AS

Årsregnskap 2020

Pensjoner

Selskapet har innskuddsplaner. Ved innskuddsplaner betaler selskapet innskudd til et forsikringsselskap. Selskapet har ingen ytterligere betalingsforpliktelse etter at innskuddene er betalt. Innskuddene regnskapsføres som lønnskostnad. Eventuelle forskuddsbetalte innskudd balanseføres som eiendel (pensjonsmidler) i den grad innskuddet kan refunderes eller redusere framtidige innbetalinger.

Utsatt skatt og skattekostnad

Utsatt skatt beregnes på bakgrunn av midlertidige forskjeller mellom regnskapsmessige og skattemessige verdier ved utgangen av regnskapsåret. Ved beregningen benyttes nominelle skattesats. Positive og negative forskjeller vurderes mot hverandre innenfor samme tidsintervall. Utsatt skattefordel oppstår dersom en har midlertidige forskjeller som gir opphav til skattemessige fradrag i fremtiden. Årets skattekostnad består av endringer i utsatt skatt / utsatt skattefordel, sammen med betalbar skatt for inntektsåret. Balanseføring av utsatt skattefordel er sannsynliggjort gjennom fremtidig inntjening.

Effekter av bokettersyn er ført over årets resultat da dette ikke er vurdert å oppfylle kravene til korrigerende av tidligere års feil.

Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter den indirekte metoden. Kontanter og kontantekvivalenter omfatter kontanter og bankinnskudd. I kontantstrømanalysen er konsernkonto presentert som finansieringsaktiviteter.

Konsernkonto

Ahlsell Norge AS er tilknyttet konsernkontoordningen eiet av Ahlsell Sverige AB. Bankinnskudd knyttet til konsernkontoordningen er klassifisert som mellomværende med konserenselskap.

Valuta

Transaksjoner i utenlandsk valuta omregnes til kursen på transaksjonstidspunktet. Pengeposter i utenlandsk valuta omregnes til norske kroner ved å benytte balansedagens kurs. Ikke-pengeposter som måles til historisk kurs uttrykt i utenlandsk valuta, omregnes til norske kroner ved å benytte valutakursen på transaksjonstidspunktet. Ikke-pengeposter som måles til virkelig verdi uttrykt i utenlandsk valuta, omregnes til valutakursen fastsatt på måletidspunktet. Valutakursendringer resultatføres løpende i regnskapsperioden under andre finansposter.

Datterselskap

Datterselskapet og tilknyttede selskaper vurderes etter kostmetoden i selskapsregnskapet. Investeringen er vurdert til anskaffelseskost for aksjene med mindre nedskrivning har vært nødvendig. Den bokførte verdien av investering i datterselskap, inkl. Goodwill testes årlig. Det er foretatt nedskrivning til virkelig verdi når verdifall skyldes årsaker som ikke kan antas å være forbigående og det må anses nødvendig etter god regnskapsskikk. Nedskrivninger er reversert når grunnlaget for nedskrivning ikke lenger er til stede.



AHLSSELL NORGE AS Årsregnskap 2020

Note 2 - Varer

Ferdigvarer	2020	2019	Endring
Handelsvarer	751 503 264	770 124 730	-18 621 466
Avsetning for ukurans	-25 220 582	-24 557 378	-663 204
Bokført verdi varelager	726 282 682	745 567 352	-19 284 670

Varer er vurdert til det laveste av gjennomsnittlig anskaffelseskost og netto salgsverdi.

Note 3 - Mellomværende konsernselskaper

Av selskapets bokførte fordringer og gjeld er følgende knyttet til konsernmellomværende:

	2020	2019	Endring
Langsiktige finansielle fordringer (Ahlseil Finland Oy) *	342 970 732	413 218 024	-70 247 292
Kortsiktig fordring cashpool **	401 746 084	0	401 746 084
Andre kortsiktige fordringer	0	8 165 360	-8 165 360
Fordring konsernbidrag	0	51 710 200	-51 710 200
Kortsiktige operative fordringer	1 442 000	1 644 000	-202 000
Langsiktig finansiell gjeld (Ahlseil Sverige AB) *	-442 109 815	-423 511 926	-18 597 889
Kortsiktig gjeld cashpool **	0	-101 728 758	101 728 758
Kortsiktig operativ gjeld	-29 594 000	-20 034 000	-9 560 000
Netto mellomværende	274 455 001	-70 537 100	344 992 101

* Det er ikke avtalt forfallsdato på langsiktige konsernmellomværende.

** Hele beløpet utgjør over- og underskuddslikviditet på konsernkontoordning eiet av Ahlseil Sverige AB.

Kortsiktige operative fordringer og gjeld vedrører kundefordringer og leverandørgjeld. Motpart er spesifisert i note 18.

Note 4 - Varige driftsmidler

	Driftsløse, inventar, verktøy.	Konsesjoner, patenter, o.l.	Goodwill	Sum
Anskaffelseskost 01.01	296 823 206	2 237 638	928 682 120	1 227 742 964
Tilførte driftsmidler ved fusjon	30 033	0	0	30 033
Tilgang	20 055 446	1 134 400	0	21 189 846
Avgang/utrangering	-17 883 713	0	0	-17 883 713
Anskaffelseskost 31.12	299 024 972	3 372 038	928 682 120	1 231 079 130
Akk. avskrivninger l.l.	190 842 151	481 597	658 668 857	849 992 605
Årets avskrivninger	23 617 200	956 732	68 462 712	93 036 644
Akk. avskrivninger avgang/utrangering	-16 797 478	0	0	-16 797 478
Akkumulerte avskrivninger 31.12	197 661 873	1 438 329	727 131 569	926 231 771
Balanseført verdi pr. 31.12	101 363 099	1 933 709	201 550 551	304 847 359
Økonomisk levetid	4 - 10 år	5 - 10 år	Inntil 20 år	
Avskrivningsplan	Lineær	Lineær	Lineær	

Goodwill avskrives over mer enn 5 år. Forventning om fremtidig inntjening er lagt til grunn for valg av levetid.

Goodwill er relatert til virksomhetskjøp.

Goodwill tilkommet på denne måten vurderes å være strategisk i form av å gi konsernet en dominerende og betydelig posisjon i gitte markedssegmenter, samt vurdering av synergien.



AHLSELL NORGE AS

Årsregnskap 2020

Goodwill per virksomhetskjøp:	Avskr.(år)	2020	2019	Endring
Proffpartner AS	10	157 482 340	216 925 132	-59 442 792
Øvrige (Tempcold, Nexans, Øglænd)	5 - 20	44 068 211	53 088 131	-9 019 920
Sum		201 550 551	270 013 263	-68 462 712

Ikke balanseførte leieavtaler:	Årlig leie	< 1 år	1-5 år	> 5 år
Leiekostnad fast eiendom	179 371 000	177 458 000	526 912 000	356 143 000
Leie av maskiner og inventar	3 035 000	2 832 000	2 016 000	0
Sum	182 406 000	180 290 000	528 928 000	356 143 000

Note 5 - Lønnskostnader / Antall ansatte / Godtgjørelser / Lån til ansatte mm

Lønnskostnader	2020	2019	Endring
Lønninger	614 905 813	635 402 798	-20 496 985
Arbeidsgiveravgift	79 427 573	90 699 402	-11 271 829
Pensjonskostnader	44 640 926	43 110 015	1 530 911
Andre ytelser	8 060 112	15 583 313	-7 523 201
Lønnskostnader	747 034 424	784 795 528	-37 761 104

Gjennomsnittlig antall årsverk 1 005 1 030

Godtgjørelser til ledende ansatte:	Daglig leder	Styret
Lønn	3 967 032	0
Pensjonsutgifter	79 507	0
Annen godtgjørelse	265 825	0
Sum godtgjørelse	4 312 364	0

Daglig leders bonus fastsettes av konsernledelse, bonus er begrenset til 60% av årslønn.
Daglig leder har avtale om lønn i et halvt år etter fratreden fra sin stilling.
Det er ikke ytet lån eller stilt garantier til daglig leder, styreleder eller andre nærstående parter.

Revisor

Kostnadsført honorar til revisor i 2020 består av:

Revisjon	1 229 761
Annen bistand	19 300
Sum	1 249 061

Merverdiavgift er ikke inkludert i revisjonshonoraret.
Honorar til selskap som revisor har et særskilt samarbeid med utgjør kr 297 825.

Note 6 - Gjeld, pantstillelser, garantiansvar

Garantiansvar	
Husleiegarantier	1 366 000
Entreprenørgarantier ikke regnskapsført:	5 215 590
Sum garantiforpliktelser	6 581 590

Note 7 - Kundefordringer/andre fordringer

Kundefordringer er redusert med en samlet regnskapsmessig nedskrivning på kr 6 151 587.
Kundebonus er inkludert i kundefordringer og utgjør kr 197 390 795 ved årsslutt.



AHSELL NORGE AS

Årsregnskap 2020

Note 8 - Pensjoner

Selskapet omfattes av reglene i lov om Obligatorisk Foretaks Pensjon (OTP), og har inngått pensjonsavtaler som dekker kravene i loven. Selskapet er medlem av LO/NHO ordningen og har pensjonsforpliktelser knyttet til AvtaleFestet Pensjon (AFP). Pensjonsordningen behandles regnskapsmessig i henhold til NRS

Ved avvikling av tidligere ytelsesordning er det blitt overført et premiefond som kan benyttes til fremtidige innskudd i Kollektiv pensjonsordning. Pr. 31.12.2020 har bedriften et premiefond på kr. 3 149 342.

Det er i 2020 identifisert en pensjonsavtale for enkelte ansatte som ble en del av Ahlsell forbindelse med fusjon med Nexans Distribusjon i 2006. Ved overgang fra ytelsesordning til innskuddsordninger i 2011 ble denne pensjonsavtalen uteglemt. Som en følge av dette har den ikke vært balanseført i Ahlsell Norge AS sitt regnskap og selskapet har korrigert dette i 2020. Samlet sett innebærer denne avtalen en forpliktelse tilsvarende kr. 8 120 000 for selskapet. Korreksjonen er ført direkte mot egenkapital da dette er vurdert å oppfylle kravene for korrigerende av tidligere års feil.

Selskapet har en AFP-ordning som gir et livslangt tillegg på den ordinære pensjonen. De ansatte kan velge å ta ut den nye AFP-ordningen fra og med fylte 62 år, også ved siden av å stå i jobb, og den gir ytterligere opptjening ved arbeid fram til 67 år. Den nye AFP-ordningen er en ytelsesbasert flerforetakspensjonsordning, og finansieres gjennom premier som fastsettes som en prosent av lønn. Foreløpig foreligger ingen pålitelig måling og allokering av forpliktelse og midler i ordningen. Regnskapsmessig blir ordningen behandlet som en innskuddsbasert pensjonsordning hvor premiebetalingen kostnadsføres løpende, og ingen avsetninger foretas i regnskapet.

AHLSELL NORGE AS
Årsregnskap 2020

Note 9 - Skatt

Årets skattekostnad	2020	2019
Resultatført skatt på ordinært resultat:		
Betalbar skatt	37 265 630	0
Endring i utsatt skattefordel	-6 348 159	13 328 950
Effekt av bokettersyn	107 145 072	0
Skattekostnad ordinært resultat	138 062 543	13 328 950

Skattepliktig inntekt:		
Ordinært resultat før skatt	118 037 469	15 563 592
Permanente forskjeller	-8 699 293	-37 769 762
Endring i midlertidige forskjeller	60 053 147	48 716 774
Mottatt konsernbidrag	0	51 710 200
Avskåret rentefradrag	-157 043 675	-3 875 730
Anvendelse av fremførbart underskudd	-273 768 874	-78 220 804
Effekt av bokettersyn	430 810 451	0
Skattepliktig inntekt:	169 389 225	-3 875 730

Betalbar skatt i balansen:		
Betalbar skatt på årets resultat	37 265 630	0
Betalbar skatt 2014-2019	12 366 714	0
Sum betalbar skatt i balansen	49 632 344	0

Beregning av effektiv skattesats:		
Resultat før skatt	118 037 469	15 673 792
Beregnet skatt av resultat før skatt	25 968 243	3 448 234
Skatteeffekt av permanente forskjeller	-1 913 844	3 042 652
Effekt av endring av skattesats	0	0
Effekt ikke balanseført utsatt skattefordel	6 863 072	6 838 102
Effekt av bokettersyn	107 145 072	0
Sum	138 062 543	13 328 988
Effektiv skattesats	117,0%	85,0%

Skatteeffekten av midlertidige forskjeller og underskudd til fremføring som har gitt opphav til utsatt skatt og utsatte skattefordeler, spesifisert på typer av midlertidige forskjeller:

Årets skattekostnad	2020	2019	Endring
Væge driftsmidler	139 430 146	189 594 120	50 163 974
Varebeholdning	-25 220 582	-24 757 378	463 204
Fordringer	-2 746 270	-3 689 584	-943 314
Gevinst- og tapskonto	11 598 042	14 497 552	2 899 510
Pensjonspremie/- forpliktelse	-4 970 658	2 794 300	7 764 958
Andre forskjeller	-24 865 174	-25 160 360	-295 186
Sum	93 225 504	153 278 650	60 053 146
Akkumulert fremførbart underskudd	0	-273 768 874	-273 768 874
Avskåret rentefradrag	0	-157 043 675	-157 043 675
Inngår ikke i beregningen av utsatt skatt	-102 058 021	-133 254 068	-31 196 047
Grunnlag for beregning av utsatt skatt	-8 832 517	-410 787 966	-401 955 449
Utsatt skattefordel (22%)	-1 943 122	-90 373 321	-88 430 199
Effekt av endring av skattesats	0	0	0

Forklaring av IB skatteposisjoner før og etter fusjonen - se note 20. Se note 19 for informasjon vedrørende bokettersyn.



AHLSSELL NORGE AS Årsregnskap 2020

Note 10 - Segmentinformasjon

Selskapet driver innenfor ulike segmenter, totale salgsinntekter er fordelt som følger:

	2020	2019
VVS/VA	2 830 475 000	2 822 131 000
EL	1 630 553 000	1 748 880 000
Verktøy	958 299 000	902 294 000
Øvrige	1 843 669	2 112 534
SUM	5 421 170 669	5 475 417 534

Selskapet har i det alt vesentlige salg i Norge. Konsernminternt salg er spesifisert i note 18.

Note 11 - Finansiell markedsrisiko

Selskapet er utsatt for kreditt risiko, renterisiko og valutarisiko i den ordinære forretningsvirksomhet, og styrer mot å ha en akseptabel risiko innenfor disse områdene.

Deler av fordringsmassen er også kredittforsikret.

Kreditt risiko styres blant annet i form av at nye kunder kredittvurderes.

Selskapet har i all hovedsak rentebærende gjeld med flytende rentesats, og er derfor eksponert for endringer i kortsiktige renter.

Selskapet har ellers noe salg og kjøp i valuta, og er med dette eksponert for endringer i valutakurser.

Alle pengeposter i utenlandsk valuta omregnes til balansedagens kurs.

Note 12 - Aksjekapital og aksjonærinformasjon

Ahlsell Norge AS er et heleid datterselskap av Ahlsell Sverige AB.

Aksjekapitalen er på kr 83 386 600, fordelt på 75 806 aksjer pålydende kr 1 100,-.

Selskapet har benyttet seg av unntaket i regnskapsloven § 3-7 med hensyn til å utarbeide konsernregnskap.

Ahlsell Norge AS inngår i konsernregnskap og utarbeides for Quimper AB som har forretningskontor i Stockholm.

Konsernregnskapet kan man få utlevert hos Ahlsell AB, Rosterigrend 12, 117 98 Stockholm.

Note 13 - Egenkapital

Årets endring i egenkapital:

	Aksjekapital	Annen innskutt egenkapital	Overkurs	Udekket tap	Sum
Egenkapital 31.12.2019	83 386 600	77 902 379	2 056 323 929	-931 522 462	1 286 090 446
Egenkapitaleffekt fusjon (ref note 20)	0	0	0	-15 775 905	-15 775 905
Årsresultat			-20 025 074		-20 025 074
Dekning av tidligere års udekket tap			-947 298 367	947 298 367	0
Korrigerings av tidligere års feil *			-8 120 000		-8 120 000
Egenkapital 31.12.2020	83 386 600	77 902 379	1 080 880 488	0	1 242 169 467

* Se note 8 pensjon for ytterligere informasjon.

Note 14 - Avsetning for kostnader til restrukturering.

I forbindelse med samlokalisering av butikker og vedtatt program for kostnadsreduksjoner så er det avsatt 29,2 MNOK til dekning av kostnader for personalreduksjoner, terminering av kontrakter, samt flytting og nedleggelse.



AHLSSELL NORGE AS Årsregnskap 2020

Note 15 - Investering i datterselskap

Selskap	Eier- og stemmeandel	Forretnings- kontor	Bokført verdi	Resultat 2020	Egenkapital 31.12.2020
Stavanger Rørhandel AS	100 %	Sandnes	100 000	267	93 357
Bergens Rørhandel AS	100 %	Sandnes	100 000	267	93 302
Bekken & Strøm AS	100 %	Gjøvik	409 622 594	36 958 000	167 831 000
Jenger OY	100 %	Finland	2 488 714	45 063	1 189 560
Weels Betong & Plast AS	100 %	Råde	45 063 000	7 790 840	20 255 131
			457 374 308	44 794 436	189 462 350

Stavanger Rørhandel AS og Bergens Rørhandel AS har ingen aktivitet.

Note 16 - Spesifikasjon av finansposter

Annen finansinntekt

Utbytte aksjer	0
Renteinntekt	95 469
Valutagevinst	54 715 346
Sum	54 810 816

Annen finanskostnad

Valutatap	28 120 024
Sum	28 120 024

Note 17 - Bankinnskudd, kontanter o.l

Bundet bankinnskudd per 31.12.2020 kr. 27 559 000

Saldo konsernkonto: 401 746 084

Ahlsell Norge AS er tilknyttet konsernkontoordning eiet av Ahlsell Sverige AB, hvor overskuddslikviditet / saldo pr 31.12.2020 er NOK 401 746 084 (ref. note 3).



AHLSSELL NORGE AS Årsregnskap 2020

Note 18 - Transaksjoner med nærstående parter (NOK)

Gruppen har foretatt flere forskjellige transaksjoner med nærstående selskaper. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til armlengdes priser.

Resultatregnskapet inkluderer følgende beløp som følge av transaksjoner med tilknyttede selskaper:

Inntekt (+) / kostnad (-) NOK	Felles adm & Management			
	Salg av varer	Kjøp av varer	Fee	Renter
Ahlsell AB (publ) (konsernselskap)	0	0	-10 294 000	-18 597 000
Ahlsell Sverige AB (mørselskap)	2 844 000	-153 296 940	-45 326 000	-3 201 000
Ahlsell Danmark AS (søsterselskap)	0	-1 016 273	0	0
Ahlsell OY (søsterselskap)	0	-409 251	0	18 104 000
Bekken & Strøm AS (datterselskap)	6 378 000	-23 281 000	0	0
Jenger OY (datter-datterselskap)	0	0	0	43 000
Weels Betong & Plast AS (datterselskap)	688 000	0	0	0
	9 910 000	-178 003 464	-55 620 000	-3 651 000

Balansen inkluderer følgende beløp som følge av transaksjoner med tilknyttede selskaper:

Fordringer (+) / gjeld (-) NOK	Kundefordring	Leverandørgjeld	Lånefordring	Lånegjeld
Ahlsell AB (publ) (konsernselskap)	0	-1 665 000	0	-442 109 815
Ahlsell Sverige AB (mørselskap)	389 000	-23 718 000	401 746 084	0
Ahlsell Danmark AS (søsterselskap)	0	-148 000	0	0
Ahlsell OY (søsterselskap)	0	-2 000	342 970 732	0
Bekken & Strøm AS (datterselskap)	452 000	-4 061 000	0	0
Jenger OY (datter-datterselskap)	0	0	0	0
Weels Betong & Plast AS (datterselskap)	601 000	0	0	0
	1 442 000	-29 594 000	744 716 816	-442 109 815

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AHLSSELL NORGE AS Årsregnskap 2020

Note 19 - Bokettersyn

Ahlsell har i 2020 mottatt kontorvedtak i to bokettersyn. Ahlsell Norge AS bestrider vedtakene, men har behandlet vedtakene som beste estimat i årsregnskapet for 2020 i henhold til god norsk regnskapsskikk. Vedtakene gjelder to ulike forhold:

Royalty: Selskapet ble belastet med royaltykostnader fra morsselskapet i perioden 2013-2017, til sammen utgjorde dette en kostnad for Ahlsell Norge tilsvarende 344 mNOK. Skattekontoret har anført at intern kostnadsbelastning har vært for høy, noe som har redusert skattegrunnlaget i Norge. Det er i vedtaket lagt til grunn en økning i skattepliktig inntekt tilsvarende MNOK 308. Vedtaket er påklaget og det er initiert en MAP-prosess mellom norske og svenske myndigheter.

Tynn kapitalisering: Selskapet hadde i perioden 2012-2014 interne rentekostnader. Skattekontoret har anført at deler av den konserninterne gjelden disse årene er å anse som egenkapital og at det skal gjøres et tillegg i alminnelig inntekt for belastede rentekostnader. Det er i kontorvedtaket anført et tillegg i inntekt tilsvarende MNOK 186. Vedtaket er påklaget.

Kontorvedtakene har hatt følgende effekt på årsregnskapet:

Betalbar skatt	12 366 251
Endring utsatt skattefordel	94 778 820
Økning skattekostnad 2020 som følge av bokettersyn	107 145 071



AHLSSELL NORGE AS Årsregnskap 2020

Note 20 - Fusjon

Med virkning fra 01.01.2020 er datterselskapet Bygg & Industrisalg AS fusjonert inn i Ahlsell Norge AS etter reglene om forenklet mor-datter fusjon. Det er ikke utbetalt vederlagt i forbindelse med fusjonene.

Fusjonene er gjennomført til selskapskontinuitet regnskapsmessig og kontinuitet skattemessig. Dette innebærer at balanseførte verdier på eiendeler og forpliktelser i overdragende selskaper er blitt videreført. Videre er skatteposisjoner videreført i overtakende selskap.

Kontinuitet er lagt til grunn da dette er en konsernintern omorganisering og det i realitetet ikke har skjedd en transaksjon. Sammenligningstall for 2019 er ikke omarbeidet i regnskapet.

	<u>Før fusjon</u>	<u>Etter fusjon</u>
Varige driftsmidler	189 735 218	189 594 120
Varelager	-24 557 378	-24 757 378
Kundefordringer	-3 528 584	-3 689 584
Gevinst og tapskonto	14 497 552	14 497 552
Netto pensjonsmidler	2 794 300	2 794 300
Regnskapsmessige avsetninger	-25 160 360	-25 160 360
Avskårede renter	-157 043 675	-157 043 675
Underskudd til fremføring	-273 766 624	-273 768 874
Sum midlertidige forskjeller	-277 029 551	-277 533 899
Forskjeller som ikke balanseføres	-133 254 068	-133 254 068
Grunnlag utsatt skattefordel	-410 283 619	-410 787 967
Utsatt skattefordel	-90 262 396	-90 373 353

Note 21 - Hendelser etter balansedagen

Årsregnskapet er avlagt under forutsetning om fortsatt drift.

På tidspunktet for regnskapsavleggelsen er det fortsatt innstramminger og restriksjoner i forbindelse med den globale pandemien COVID-19. Styret ser positivt på hvordan selskapets ledelse har klart å håndtere denn situasjonen og følger utviklingen i selskapet nøye. Selskapet var tidlig ute med å gjøre driftsmessige tilpasninger som innstramminger knyttet kundekreditt, justert lagernivåer, permittering av ansatte, mv. Selskapet nyttiggjør seg de størreordningene som de kvalifiserer for, slik som reduserte offentlige avgifter og dekning av lønn i permitteringsperiode. Vi forventer at pandemien kan vare over lengre tid og selskapet er innstilt på at det fortsatt kan bli nødvendig med omstilling i flere runder. Det er en løpende dialog med selskapets eiere og konsernets bankforbindelse for at sikre at likviditeten er på et akseptabelt nivå.

Det er på tidspunktet for avleggelse av årsregnskapet ikke mulig å fullt ut estimere de finansielle konsekvensene av pandemien. Det kan ikke utelukkes at COVID-19 potensielt kan få negative konsekvenser for fremtidig drift og inntjening.

Ahlsell Norge AS overtok fredag 8. januar 2021 firmaet Tromas AS.

Utover forholdene redegjort for rundt pandemien og finansiering har det ikke oppstått vesentlige hendelser ette balansedagen som skulle vært hensyntatt i årsregnskapet.



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Glenn Salvesen

Daglig leder

Serienummer: 9578-5998-4-977272

IP: 88.88.xxx.xxx

2021-03-24 10:03:35Z



Glenn Salvesen

Styremedlem

Serienummer: 9578-5998-4-977272

IP: 88.88.xxx.xxx

2021-03-24 10:03:35Z



Patrik Göran Vesterlund

Styremedlem

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2021-03-24 10:32:13Z



Rune Flengsrud

Daglig leder

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Rune Flengsrud

Styremedlem

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Kennet Yngve Fredrik Göransson

Styremedlem

Serienummer: 19631112xxxx

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2021-03-24 11:13:21Z



Carl Johan Olov Nilsson

Styreleder

Serienummer: 19600718xxxx

IP: 85.119.xxx.xxx

2021-03-24 13:20:09Z



Tina Jore Sjøe

Styremedlem

Serienummer: 9578-5995-4-994886

IP: 51.175.xxx.xxx

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Morten Hansen

Styremedlem

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