

PROPOSAL CONCERNING THE DISTRIBUTION OF THE SHARES IN MOMENTUM GROUP AB TO THE SHAREHOLDERS OF B&B TOOLS AKTIEBOLAG

Information to B&B TOOLS' shareholders ahead of the resolution by the extraordinary general meeting of shareholders on 14 June 2017

This document is not a prospectus but rather an information brochure for B&B TOOLS' shareholders regarding the board's proposed distribution of B&B TOOLS' shares in Momentum Group. Provided that a resolution regarding said distribution is passed at the extraordinary general meeting of shareholders of B&B TOOLS on 14 June 2017, shareholders in B&B TOOLS will not be required to take any actions in order to receive shares in Momentum Group, besides being registered as a shareholder (directly or through a nominee) on the record date for the distribution of shares on 16 June 2017. A prospectus will be prepared in conjunction with the planned listing of Momentum Group's class B shares on Nasdaq Stockholm. The prospectus will be available on Momentum Group's website, www.momentum.group, prior to the listing.

KEY INFORMATION

The board of directors of B&B TOOLS has proposed that the shareholders of B&B TOOLS at an extraordinary general meeting of shareholders on 14 June 2017 resolve to distribute all of B&B TOOLS' shares in Momentum Group to the shareholders of B&B TOOLS. This information brochure contains a summary of information ahead of the extraordinary general meeting of shareholders of B&B TOOLS. Two versions of this document have been prepared: one in Swedish and one in English. In the event of any discrepancies between the two versions, the Swedish version shall prevail.

This document is not a prospectus. Accordingly, the document has not been reviewed, approved or registered by the Swedish Financial Supervisory Authority or by any other authority. In conjunction with the planned listing of Momentum Group's class B shares on Nasdaq Stockholm, a prospectus will be prepared by Momentum Group and approved by the Swedish Financial Supervisory Authority. The prospectus prepared by Momentum Group will provide a more comprehensive description of Momentum Group, and will include a risk section describing the risks associated with Momentum Group and an investment in Momentum Group.

This document is intended solely to provide the shareholders in B&B TOOLS with a basis for their decisions regarding the potential distribution of B&B TOOLS' shares in Momentum Group. This document is intended solely to provide a general introduction to Momentum Group. For a more comprehensive description of Momentum Group, please refer to the forthcoming prospectus. This document was not prepared for the purpose of the admission to trading of Momentum Group's class B shares on Nasdaq Stockholm. Nor was it prepared in connection with an offering to invest in or subscribe for shares in Momentum Group or for any other purpose. This document is not intended for persons resident in the United States (including its territories and provinces, each state in the United States and the District of Columbia (the "United States")), Canada, Australia, Hong Kong, Switzerland, Japan, New Zealand, Singapore or South Africa, or in any other jurisdiction that would require an additional prospectus, registration or measures other than those required by Swedish law. Accordingly, this document may not be distributed in or to the aforementioned countries.

Information to investors in the United States

Momentum Group's shares have not been registered, and will not be registered, under the United States Securities Act of 1933 (the "U.S. Securities Act") or the securities legislation of any state or other jurisdiction in the United States and may not be offered, sold or otherwise transferred, directly or indirectly, within or into the United States, except in accordance with an applicable exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States. A public offering will not be made in the United States. The shares in Momentum Group have neither been approved nor recommended by the United States Securities and Exchange Commission, any state securities authority or any other authority in the United States.

Forward-looking information

This document contains forward-looking statements and assumptions with respect to future market conditions, operations and earnings. These statements are included in several sections and include statements concerning B&B TOOLS' and Momentum Group's current intentions, assessments and expectations. The words "of the opinion", "intends", "assesses", "expects", "anticipates", "plans", "calculates", "estimates" or similar expressions are indications of some of these forward-looking statements. Other such statements can be identified based on their context. Forward-looking statements are, by nature, associated with known, as well as unknown, risks and uncertainties, given their dependence on future events and circumstances. Actual events and financial results may differ considerably from the content of such statements as a result of risks and other factors impacting the operations of B&B TOOLS and Momentum Group. The information pertains to the circumstances on the date stated in this document. B&B TOOLS does not intend and is not obligated to disclose updates or revisions of forward-looking statements due to new information, future events or similar circumstances occurring after this date, beyond what is required according to applicable laws.

Industry and market information

This document contains specific industry and market information pertaining to B&B TOOLS' and Momentum Group's operations and the markets in which B&B TOOLS and Momentum Group are active. Industry publications or reports generally state that the information reproduced therein has been obtained from sources adjudged to be reliable, but the accuracy and completeness of such information is not guaranteed. Since the information has not been verified by either B&B TOOLS or Momentum Group, they cannot guarantee the correctness of the industry and market information contained in this document that has been collected or derived from industry publications or reports. Industry and market information, by nature, is forward looking, subject to uncertainty and not necessarily reflective of actual market conditions. Such information is based on market surveys, which in turn are based on selection and subjective assessments, including assessments about the type of products and transactions that should be included in the relevant market, in respect to both those who perform the surveys and the particular respondents. Neither B&B TOOLS nor Momentum Group nor Handelsbanken assumes any responsibility for the accuracy of any industry and market information included in this document.

Presentation of financial information

Certain financial and other information presented in this document has been rounded. Accordingly, certain tables do not match exactly with the total amount specified. None of the information in this document has been reviewed or audited by B&B TOOLS' or Momentum Group's auditors.

Disputes

Disputes arising in connection with this information brochure or any subsequent legal relationships are to be settled exclusively by Swedish courts. Swedish substantive law is exclusively applicable on this document.

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Certain definitions

Depending on the context, "**B&B TOOLS**" refers to B&B TOOLS Aktiebolag, corporate registration number 556034-8590, or the group in which B&B TOOLS Aktiebolag is the parent company.

The "**B&B TOOLS Group**" refers to the group in which B&B TOOLS Aktiebolag is the parent company.

"**Bergman & Beving**" refers to the proposed new name for B&B TOOLS. Also refer to the section *Bergman & Beving in brief* on page 21.

"**Euroclear**" refers to Euroclear Sweden AB.

Depending on the context, "**Momentum Group**" refers to Momentum Group AB, corporate registration number 559072-1352, or the group in which Momentum Group AB is the parent company.

Depending on the context, "**Nasdaq Stockholm**" refers to the regulated market Nasdaq Stockholm or Nasdaq Stockholm AB.

"**SEK**", "**EUR**", "**NOK**", "**DKK**" and "**GBP**" refer to Swedish kronor, Euro, Norwegian krone, Danish krone and Great Britain Pound, respectively.

"**M**" refers to millions.

Important dates

8 June 2017	Record date for participation in B&B TOOLS' extraordinary general meeting of shareholders.
8 June 2017	Final date to provide notification of participation in B&B TOOLS' extraordinary general meeting of shareholders.
14 June 2017	Final day of trading in B&B TOOLS' shares, including the right to distribution.
14 June 2017	Extraordinary general meeting of shareholders in B&B TOOLS.
16 June 2017	Record date for the right to receive shares in Momentum Group.
21 June 2017	Expected first day of trading on Nasdaq Stockholm in Momentum Group's class B shares.

Notification of participation in B&B TOOLS' extraordinary general meeting of shareholders

Information regarding the right to participate in and how to provide notification of participation in B&B TOOLS' extraordinary general meeting of shareholders on 14 June 2017 is provided in the notice of the extraordinary general meeting of shareholders, which is available on B&B TOOLS' website, www.bbtools.com.

Questions concerning the board's proposal to the extraordinary general meeting of shareholders will be answered by telephone +46 (0)10-454 77 00 or e-mail ir@bbtools.com.

BACKGROUND AND REASONS

In 2016, the Board of Directors of B&B TOOLS gave a mandate to group management to prepare for a possible split of the B&B TOOLS Group into two separate listed companies through a spin-off and separate listing of the Momentum Group operating segment. The background to the mandate was to take the next step in developing B&B TOOLS and to offer all subsidiaries better opportunities to develop based on their own unique circumstances, business models, customer segments and business relations. The intention of forming two independent companies is to enhance their customer offerings and competitiveness and to create more efficient organisations with individual responsibility for all of their business-critical processes within their offerings, purchasing and logistics. This is expected to have a positive effect on growth and profitability for both companies.

Momentum Group primarily consists of reseller businesses acquired by B&B TOOLS between 2004 and 2009. Today, these operations hold strong market positions in sales of industrial consumables, industrial components and related services to professional end users in the industrial and construction sectors in Sweden, Norway and Finland. The company is deemed to have a healthy financial position in terms of its cash flow and balance sheet. The boards of directors of B&B TOOLS and Momentum Group therefore believe that Momentum Group is ready to take the step towards becoming an independent listed company. If the shareholders of B&B TOOLS at the extraordinary general meeting of shareholders on 14 June 2017 resolve in accordance with the proposal of the board of directors of B&B TOOLS to distribute all of B&B TOOLS' shares in Momentum Group to the shareholders of B&B TOOLS, the shareholders of B&B TOOLS will receive one (1) class A share in Momentum Group for each class A share held in B&B TOOLS as of the record date and one (1) class B share in Momentum Group for each class B share held in B&B TOOLS as of the record date.

In conclusion, a split of the B&B TOOLS Group through a separate listing of Momentum Group is deemed a logical step to capitalise on the strategic and operational opportunities within B&B TOOLS' operations and to safeguard the available potential for long-term profitable growth, both organically and through acquisitions. A separate listing is expected to create better opportunities for customer satisfaction, earnings growth, profitability and business potential for both Momentum Group and the remaining operating segment Bergman & Beving (within B&B TOOLS)¹⁾ – and thereby increased shareholder value. A split is also expected to facilitate an analysis of each business at the same time as shareholders are offered an opportunity to adapt their holding in each company as they wish.

B&B TOOLS Aktiebolag (publ)
Board of directors

Momentum Group AB (publ)
Board of directors

1) B&B TOOLS intends to change its name to Bergman & Beving in conjunction with the listing of Momentum Group.

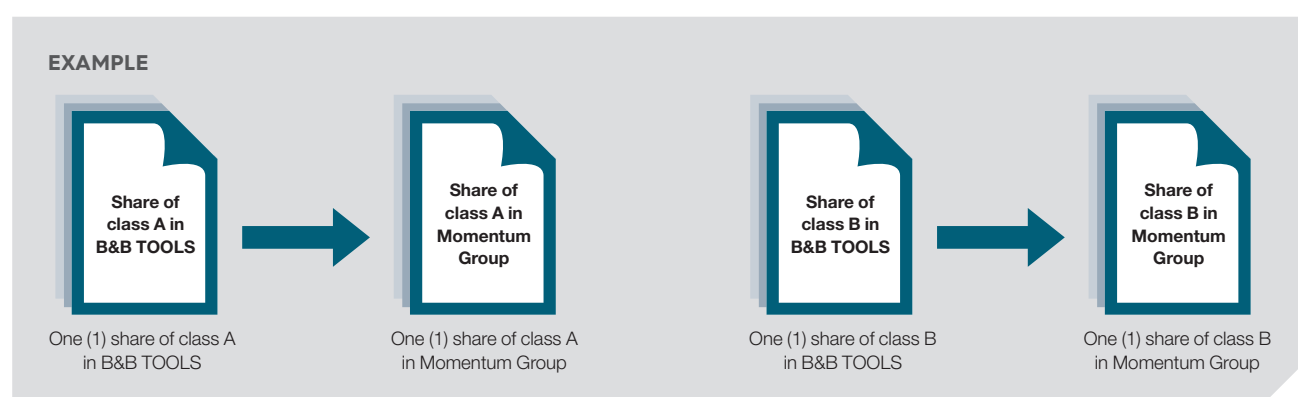
THE DISTRIBUTION PROCESS

RESOLUTION CONCERNING DISTRIBUTION

Provided that the extraordinary general meeting of shareholders in B&B TOOLS on 14 June 2017 resolves in accordance with the proposal from the board of directors of B&B TOOLS to distribute all of B&B TOOLS' shares in Momentum Group, the shareholders of B&B TOOLS recorded in the shareholders' register on the record date will be entitled to receive shares in Momentum Group. Those that are registered as shareholders in B&B TOOLS on the record date, 16 June 2017, will not have to take any additional measures to receive shares in Momentum Group.

TERMS AND CONDITIONS

It is proposed that the shares in Momentum Group be distributed in accordance with the Lex ASEA provisions, which implies that no immediate taxation will arise in Sweden. It is also proposed that the shares in Momentum Group be distributed to B&B TOOLS' shareholders in proportion to the registered shareholding in B&B TOOLS on the record date. For each class A or class B share in B&B TOOLS, the shareholder will receive one (1) share of the corresponding class in Momentum Group.



RECORD DATE

The proposed record date for Euroclear to determine who is entitled to receive shares in Momentum Group is 16 June 2017. The final day of trading in B&B TOOLS' shares, including the right to the distribution of shares in Momentum Group, is 14 June 2017.

RECEIPT OF SHARES

To be entitled to receive shares in Momentum Group, you as a shareholder must be registered (directly or through a nominee) in the shareholders' register maintained by Euroclear on the record date. It is not sufficient to be a shareholder on the date of B&B TOOLS' extraordinary general meeting of shareholders. Provided that the shareholders of B&B TOOLS at the extraordinary general meeting of shareholders on 14 June 2017 resolve in accordance with the proposal of the board of directors of B&B TOOLS to distribute the shares in Momentum Group, shareholders registered (directly or through a nominee) in B&B TOOLS' shareholders' register on the record date, 16 June 2017, will receive shares in Momentum Group without taking any further action. Shares in Momentum Group will be available in the securities account of participating shareholders on or around 20 June 2017.

NOMINEE-REGISTERED SHAREHOLDINGS

Shareholders whose holdings in B&B TOOLS are registered in the name of a nominee at a bank or other nominee will not receive a statement from Euroclear. Notification and crediting of the shares in Momentum Group to nominee-registered shareholders will instead be made in accordance with the routines of each respective nominee.

LISTING OF THE SHARES IN MOMENTUM GROUP

The board of directors of Momentum Group has applied to list Momentum Group's class B shares on Nasdaq Stockholm. Provided that customary conditions are fulfilled, Nasdaq Stockholm has decided to admit Momentum Group's class B shares to trading. Trading on Nasdaq Stockholm is scheduled to begin as of 21 June 2017. The ISIN code for Momentum Group's class A shares is SE0009922297. The ISIN code for Momentum Group's class B shares is SE0009922305. Prior to the listing, Momentum Group will publish a prospectus providing further information about Momentum Group. Momentum Group does not intend to apply to have its shares admitted to trading on any exchange or marketplace other than Nasdaq Stockholm. Nor does Momentum Group intend to register the company's shares under the U.S. Securities Act, or any other foreign equivalent.

RIGHT TO DIVIDENDS

Cash dividend for 2016/2017

Momentum Group will not pay a cash dividend for the 2016/2017 financial year. The earnings generated in the B&B TOOLS Group during the 2016/2017 financial year, including earnings generated in the subsidiaries that will be included in Momentum Group in the future, will be distributed to shareholders through B&B TOOLS' dividend for the 2016/2017 financial year. The board of directors of B&B TOOLS has proposed that the annual general meeting of B&B TOOLS (which, at the time of the annual general meeting, is expected to have changed its name to Bergman & Beving) on 24 August 2017 resolves to approve a dividend of SEK 5.00 per share for the 2016/2017 financial year. Following a resolution by the general meeting of shareholders, the cash dividend for the 2016/2017 financial year will be paid to shareholders of B&B TOOLS (which, at the time, is expected to have changed its name to Bergman & Beving) on the record date for cash dividends for 2016/2017 proposed by the board of directors.

Future dividends

The shares in Momentum Group entitle the holder to receive a dividend on the first record date for a dividend occurring after the completion of the distribution of B&B TOOLS' shares in Momentum Group. Any dividends will be paid after a decision has been made by the general meeting of shareholders in Momentum Group. Payment of any dividend will be administered by Euroclear or, for nominee-registered holdings, in accordance with the routines for each nominee. Entitlement to receive dividends is limited to shareholders registered in the shareholders' register maintained by Euroclear on the record date set by the general meeting of shareholders.

TRANSACTION COSTS

B&B TOOLS estimates that the costs directly attributable to the transaction will amount to approximately MSEK 75. The transaction costs are primarily attributable to the legal and *de facto* separation of Momentum Group from the B&B TOOLS Group, and further include advisory costs for the preparation and implementation of the distribution of the shares in Momentum Group and the listing of the shares of series B in Momentum Group. Of the total costs, approximately MSEK 25 will be borne by B&B TOOLS and approximately MSEK 50 will be borne by Momentum Group. Of the costs that will be borne by B&B TOOLS, MSEK 20 was charged to B&B TOOLS' earnings for the 2016/2017 financial year, and of the costs that will be borne by Momentum Group, MSEK 35 was charged to Momentum Group's earnings for the 2016/2017 financial year.

FINANCIAL ADVISOR

Handelsbanken is serving as financial advisor to B&B TOOLS and Momentum Group in connection with the proposed distribution of B&B TOOLS' shares in Momentum Group and the listing of Momentum Group.

IMPORTANT DATES FOR THE DISTRIBUTION OF MOMENTUM GROUP

14 June 2017	Final day of trading in B&B TOOLS' shares, including the right to distribution
14 June 2017	Extraordinary general meeting of shareholders in B&B TOOLS
16 June 2017	Record date for the right to receive shares in Momentum Group
20 June 2017	The shares in Momentum Group are expected to be available on the securities accounts of shareholders entitled to receive shares
21 June 2017	Expected first day of trading on Nasdaq Stockholm in Momentum Group's class B shares

The date of the listing and the first day of trading in Momentum Group's class B shares is indicative. More information about the listing of Momentum Group on Nasdaq Stockholm, including a detailed schedule, will be provided in the prospectus that Momentum Group will prepare and disclose on the company's website prior to the listing.

SUMMARY OF THE PROPOSAL FOR RESOLUTION AT THE GENERAL MEETING

The board of directors proposes that the extraordinary general meeting of shareholders resolves on a profit distribution entailing that all of B&B TOOLS' shares in Momentum Group AB, corporate registration number 559072-1352, will be distributed to the shareholders of B&B TOOLS. One (1) class A share in B&B TOOLS will entitle the holder to one (1) class A share in Momentum Group, and one (1) class B share in B&B TOOLS will entitle the holder to one (1) class B share in Momentum Group. B&B TOOLS holds 171,000 class B shares in treasury, which do not carry a right to the distribution of shares in Momentum Group.

The record date for the distribution will be 16 June 2017. With the proposed record date, the shares in Momentum Group are expected to be registered in the securities account of the recipient on or about 20 June 2017. The final day of trading in B&B TOOLS' shares, including the right to distribution, will take place on 14 June 2017. The board's proposed distribution corresponds to a total amount of MSEK 629, based on the carrying amount at 19 May 2017, representing a dividend per share of approximately SEK 22.30.

The distribution of the shares in Momentum Group is expected to be carried out in accordance with the Lex ASEA provisions, which implies that no immediate taxation will arise in Sweden. The aim is for Momentum Group's class B shares to be traded on Nasdaq Stockholm. The first day of trading in Momentum Group's class B shares is preliminarily expected to take place on 21 June 2017.

MARKET OVERVIEW

Momentum Group and Bergman & Beving operate in the market for industrial consumables, industrial components and related services, mainly in Sweden, Norway and Finland. Industrial consumables comprise such products as hand tools, machinery, personal protective equipment, fastening elements and workplace equipment. These products mainly target the employees of end customers in the market. Industrial components mainly comprise spare parts for customers' production equipment, including bearings, seals, transmission, automation and workplace equipment. Related services include logistics solutions, inventory optimisation, more efficient maintenance planning and repair services.

According to Momentum Group's and Bergman & Beving's assessment, the total market for industrial consumables and industrial components in Sweden, Norway and Finland is valued at approximately SEK 40–45 billion.

The market for industrial consumables and industrial components consists of manufacturers, wholesalers, resellers of products and services, and end customers. The market is fragmented since there is generally a large number of product manufacturers, resellers and end customers of varying sizes. The rate of change in the market is also high, with increasing specialisation in all areas. The end customers in the market for industrial consumables and industrial components can be divided into three overall sectors: the industrial sector, the construction and civil engineering sector, and the public sector. Momentum Group targets all customer segments, while Bergman & Beving mainly targets customers in the industrial sector as well as the construction and civil engineering sector.

Demand for industrial consumables and industrial components in Momentum Group's and Bergman & Beving's main markets is primarily driven by the growth in end customers' markets. Growth in end customers' markets is in turn influenced by developments in the underlying economy and by factors such as GDP growth, interest rate levels and inflation.

- Drivers in the industrial sector include: overall industrial production, industrial order intake and the number of employees in the sector.

- Drivers in the construction and civil engineering sector include: rate of investment in construction and the development of the renovation market for housing as well as the number of employees in the sector.

The industrial sector in Sweden, Norway and Finland has experienced a somewhat weaker trend over the past year. In Sweden, the industrial production was positive while the industrial order intake was largely unchanged in 2016 compared with the preceding year. Norway had a weaker trend with a decline in both industrial production and order intake, while Finland had an improvement in the industrial production at the same time as the order intake decreased compared with the preceding year.¹⁾ The number of employees in the industrial sector in Sweden, Norway and Finland totalled approximately 1.1 million people in 2016, down –1.4 percent compared with the preceding year.²⁾

The construction and civil engineering sector in Sweden, Norway and Finland has developed strongly in recent years. The market totalled approximately SEK 1,100 billion in 2016, up approximately 7.4 percent compared with the preceding year, mainly driven by a high rate of new housing construction in Sweden, higher investments in housing and commercial properties in Finland as well as investments in facilities in Norway.³⁾ The number of employees in the construction and civil engineering sector in Sweden, Norway and Finland increased by 3.9 percent in 2016, amounting to approximately 709,000 people.²⁾ Based on available official market data, Momentum Group's and Bergman & Beving's assessment is that the construction and civil engineering sector will continue to develop favourably in the coming year.

Another important driver of demand for industrial consumables and industrial components is a greater focus among customers on occupational health, environment and safety. Momentum Group's and Bergman & Beving's assessment is that increased focus on safety and workplace conditions is driving greater demand for protective clothing and workwear along with advisory services and products linked to safety-enhancing improvements in the work environment, such as ergonomics, noise and other harmful environments. It is also difficult for customers to possess all of the necessary expertise related to safety and work environment regulations and all of the products required, which explains why Momentum Group and Bergman & Beving have noted increasing demand among customers for specialist expertise, advisory services and training in these areas.

OVERVIEW OF THE MARKET'S VALUE CHAIN



Source: Momentum Group and Bergman & Beving



1) Based on data from Statistics Sweden, Statistics Norway and Statistics Finland.
 2) Based on data from Labour Force Surveys from Statistics Sweden, Statistics Norway and Statistics Finland.
 3) Based on data from Swedish Construction Federation, the Federation of Norwegian Construction Industries (BNL) and Statistics Finland.

MOMENTUM GROUP IN BRIEF

OVERVIEW OF OPERATIONS

Momentum Group is one of the leading resellers of industrial consumables and components as well as service and maintenance to professional end users in the industrial and construction sectors in the Nordic region.¹⁾ Momentum Group comprises six operating areas organised under two business areas: Tools & Consumables and Components & Services.

The Tools & Consumables business area comprises TOOLS Sweden, TOOLS Norway, TOOLS Finland and Mercus Yrkeskläder. The subsidiaries focus on the sale of tools, personal protective equipment and other consumables to the industrial and construction markets. The companies have a widespread network of approximately 120 local sales outlets in Sweden, Norway and Finland. The Components & Services business area comprises Momentum Industrial and Gigant, which primarily focus on the sale of spare parts for customers' production and workplace equipment primarily to customers in the industrial sector.

In order to be the best choice for customers, Momentum Group provides a broad and deep range of selected products, training programmes, specialist expertise and advisory, and service within the customer segments in which the companies choose to operate. Momentum Group also has separate focus areas to help the customers prevent and eliminate specific risks in their operations, such as improved occupational health and safety (for example, TOOLS and Gigant's "Health, Environment & Safety – HES" offering) and better operational reliability with a maximum number of production hours (using Momentum Industrial's focus on "Sustainable production").

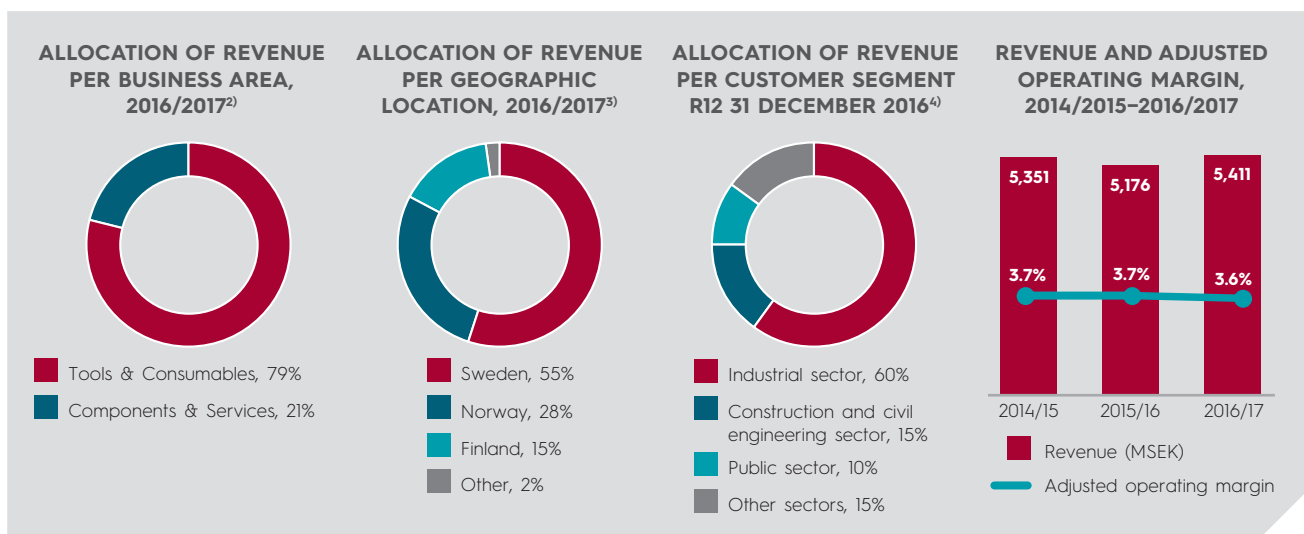
Momentum Group's offering is built on customised solutions and specialised advisory services within each subsidiary's product areas coupled with local presence, high availability and fast, reliable deliveries. Momentum

Group has established a strong local presence in its main markets and strives for local market leadership in those locations where the group operates. Momentum Group believes that a local presence gives the group a competitive advantage over other market players and helps to both create long-term relationships with customers and provide good insight into their needs.

Momentum Group has a decentralised organisation, wherein business decisions are made in close proximity to customers and suppliers. Within the framework of Momentum Group's vision, business concept, strategic goals and guidelines, operating activities are conducted independently within the subsidiaries with accountability for earnings and profitability. This allows greater flexibility to adapt the offerings to customers' needs. Through the total size of Momentum Group, the subsidiaries are supported by the large company's resources: experience, expertise, contact networks and access to the capital markets. There is also a continuous collaboration and sharing of experience between the subsidiaries in order to establish best practices.

Momentum Group's customers can be divided into three general sectors and the segment "Other". The industrial sector accounted for approximately 60 percent of Momentum Group's revenue during the 2016 calendar year, the construction and civil engineering sector for approximately 15 percent, the public sector for approximately 10 percent and other sectors for approximately 15 percent.

During the 2016/2017 financial year, Momentum Group's revenue amounted to MSEK 5,411 and adjusted operating profit⁵⁾ to MSEK 193, corresponding to an adjusted operating margin of 3.6 percent. Operating profit (including items affecting comparability) amounted to MSEK 65, corresponding to an operating margin of 1.2 percent.



1) Based on Momentum Group's assessment.

2) Refers to the proportion of external revenue.

3) Based on customers' domiciles.

4) Refers to the proportion of external revenue for the calendar year 2016, rounded to the nearest five percent.

5) Adjusted operating profit (operating profit adjusted for items affecting comparability) as a percentage of revenue.

Tools & Consumables

The Tools & Consumables business area comprises TOOLS Sweden, TOOLS Norway, TOOLS Finland and Mercus Yrkeskläder. The business area focuses on sales of industrial consumables and services to customers operating primarily in the industrial sector, the construction and civil engineering sector and the public sector. The business area's products include tools, machinery, personal protective equipment and consumables used mainly by the customers' employees.



TOOLS is one of the Nordic region's leading resellers of industrial consumables.¹⁾ The business specialises in the sale of tools, machinery, personal protective equipment and other consumables to professional end users in the industrial sector, the construction and civil engineering sector and the public sector in Sweden, Norway and Finland.

TOOLS' products and services primarily target industrial workers and craftsmen. TOOLS has a product range with breadth and depth. In addition, the chain offers services and training that can contribute to increased profitability and quality for the customer as well as improvements in the area of occupational health, environment and safety. The service offering includes everything from training in the use of personal protective equipment to customised, efficient supply solutions for industrial consumables.

In total, TOOLS has approximately 1,200 employees and approximately 110 local sales outlets, of which 45 are located in Sweden, 37 in Norway and 27 in Finland. TOOLS also has a number of independent partners.

TOOLS generates revenue of approximately MSEK 1,840 in Sweden, MSEK 1,420 in Norway and MSEK 860 in Finland²⁾



Mercus Yrkeskläder supplies local construction and civil engineering companies with a complete range of functional work clothes, protective footwear, promotional clothing and personal protective equipment as well as related services.

The company currently has eight stores in Sweden and is one of the largest players in the industry.¹⁾ Mercus Yrkeskläder supplies a complete personal protection range, including a broad selection of high-visibility clothing, gloves, headgear, hearing, respiratory and eye protection, and fall protection. The work clothes are purchased from well-known brands and suppliers.

Mercus generates revenue of approximately MSEK 150²⁾

Components & Services

The Components & Services business area comprises Momentum Industrial and Gigant. The business area focuses on the sale of spare parts, workplace equipment, services and maintenance to customers in the industrial sector.



Momentum Industrial is one of Sweden's leading resellers of industrial components for the industrial sector.¹⁾ The company has a local stock of inventories and conducts sales in some 30 locations in Sweden, in addition to operating subsidiaries in Norway and one subsidiary in Denmark. Momentum Industrial provides local access to products, services, consulting, customised product training programmes, permit control and monitoring, logistics solutions and standby service. The company's customers primarily operate in the processing and manufacturing industry, including paper and pulp, sawmill, automotive, food, mining and engineering companies.

Momentum Industrial adheres to the concept of "Sustainable production" and aims to maximise the number of production hours (operational reliability) for its customers by offering products and services at a minimum total cost to the customer. Momentum Industrial sells quality products and related services that are highly efficient (energy efficient) and have a long service life. This means fewer and shorter stoppages, longer durability and, ultimately, lower costs, usage and energy consumption for the customer.

The company has some 30 sales outlets and its own workshops in a total of eight locations in southern and central Sweden. The company has approximately 300 employees.

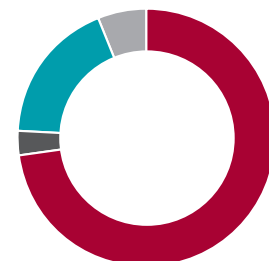
Momentum Industrial generates revenue of approximately MSEK 1,000²⁾



Gigant is a niche reseller of workplace equipment for industrial operations, warehouses and engineering businesses. Gigant delivers workplace equipment, devices for lifting and securing loads as well as environmental assurance products. The company also offers layout, expert consulting and set-up services for complete industrial workplaces as well as continuous follow-up to guarantee that the customer achieves its desired result.

Gigant generates revenue of approximately MSEK 360²⁾

Allocation of revenue per operating area, 2016/2017²⁾



1) Based on Momentum Group's assessment.

2) Revenue includes internal sales in Momentum Group.

VISION, BUSINESS CONCEPT, OVERALL STRATEGY AND FINANCIAL TARGETS

Vision – “The best choice for customers”

“The best choice for customers” means that:

- ▶ Momentum Group’s subsidiaries focus on understanding customer needs and, based on the situation and special needs involved, offer an optimum solution of products and services for the customer.
- ▶ Momentum Group focuses on being the best, not necessarily the cheapest. This signals that the group’s operations are premium suppliers with a high level of expertise that differentiate themselves from other suppliers through various customer value advantages.
- ▶ Momentum Group’s subsidiaries aim to achieve market leadership by being perceived among customers as the best choice.

Remaining “the best choice for customers” and a leading player in tomorrow’s market requires a long-term, profitable business. This in turn requires that Momentum Group offer popular and competitive products and services, sustainable values, expertise, and the capability and resources for continuous development.

Business concept – “Momentum Group aims to make its customers’ everyday operations easier, safer and more profitable”

Momentum Group acquires and develops Nordic companies that focus on trade and services within developable industrial niches. The focus is on profitable companies in leading positions that make the customers’ everyday operations easier, safer and more profitable.

It is crucial for Momentum Group’s customers to have a high profitability within their operations. The group’s subsidiaries sell quality products and related services that create customer value throughout their entire service life. By doing so, Momentum Group makes the customers’ everyday operations easier, safer and more profitable.

Overall strategy – “Value rather than price as a competitive advantage”

To attain Momentum Group’s internal profitability target of P/WC¹⁾ of at least 45 percent, all units in Momentum Group must offer their customers an optimal total economy (minimum total cost) through solutions backed by a high level of expertise (customer value advantage). To be able to offer this to customers while also maintaining their own profitability, Momentum Group’s businesses must work on the basis of maximum efficiency and cost awareness – and continuously strengthen their competence and experience so that the group can operate more efficiently than its competitors (cost advantage).

Accordingly, another crucial strategy is to limit costs in areas in which Momentum Group is not one of the leading players in the market – for example, by working with a limited offering, restricted marketing, specialised sales or working solely with selected customers. By this means, Momentum Group can meet selected customer requirements in a cost-efficient manner.

Financial targets

Ahead of the listing on Nasdaq Stockholm, Momentum Group’s board of directors has adopted the following financial targets and dividend policy:

- ▶ **Earnings growth:** Momentum Group aims to achieve earnings growth (operating profit) of at least 15 percent annually over a business cycle.
- ▶ **Profitability:** Momentum Group aims to achieve a return on equity of at least 20 percent, combined with the internal profitability target of P/WC of at least 45 percent, measured as operating profit (P) in relation to utilised working capital (WC).
- ▶ **Dividend policy:** 30–50 percent of earnings per share annually over a business cycle.

Momentum Group’s internal profitability target, that every unit in the group is to achieve profitability of at least 45 percent, measured as operating profit (P) in relation to utilised working capital (WC), encourages high operating profit and low tied-up capital, which – combined with Momentum Group’s growth target of 15 percent – enables a positive cash flow and provides the conditions for profitable growth. Having a P/WC of at least 45 percent helps finance the group’s future development as well as the shareholders’ return requirement.

It should be noted that Momentum Group’s financial targets are based on assumptions with respect to future market conditions, operations and earnings. The actual outcome may differ considerably from the financial targets as a result of risks and other factors impacting the operations of Momentum Group.

STRENGTHS AND COMPETITIVE ADVANTAGES

Momentum Group’s most important strengths and competitive advantages can be summarised as follows:

Value-adding customer offering

Momentum Group focuses on improving the profitability and creating added value for its customers. The group’s subsidiaries work together with the customers to understand their needs and create customised solutions since this gives customers the best profitability, leads to higher customer satisfaction and contributes to long-standing customer relationships. The solutions are based on the companies’ broad and deep range of products, easily accessible service and specialist advisory, availability and strong local presence.

Product range with breadth and depth

Momentum Group’s vision is to be “the best choice for customers” and to always focus on the customers’ profitability. This means that the group’s companies starting point is the customer needs in order to offer the best, most cost-efficient solution for the customer – through a product range that has breadth and depth combined with value-added services. This reduces the customers’ need to turn to several different suppliers and resellers, which saves time, is convenient for the customer and cuts the customers’ administration costs. Moreover, each company’s products fulfil the high expectations that customers have in terms of function, quality, safety and durability.

1) (P/WC) refers to the return (adjusted operating profit, P) on working capital (WC) defined as inventories plus accounts receivable less accounts payable.

Value-adding services

To create value for the customers, Momentum Group offers service, specialist expertise and advisory in selected service and product areas as a complement to the group's extensive product range. Examples of Momentum Group's value-adding services include maintenance, advisory, customised product training programmes, risk analyses, permit control and monitoring, logistics solutions and standby service. By offering value-added services, Momentum Group can create and charge for higher customer value while gaining a competitive advantage. Momentum Group believes that this leads to increased customer loyalty and customer satisfaction.

Good availability with a strong local presence

Momentum Group's market position rests on the group's local presence in its main markets in the form of sales outlets, service units, local sales representatives and local warehouses in close proximity to Momentum Group's customers in Sweden, Norway and Finland. Because the customers' purchasing decisions are often taken locally, even among large nationwide customers, a strong local presence staffed by talented employees is an important competitive advantage for Momentum Group.

In addition, high supply reliability and fast deliveries to customers are often deciding factors when customers choose suppliers and resellers. Momentum Group's local presence is therefore complemented with a well-functioning warehouse, logistics and distribution network in each country.

Digital and customised solutions

In order to offer customers increased flexibility, Momentum Group has established an omnichannel model in which digital sales channels such as e-commerce complement the group's more traditional sales channels. Regardless of which channel the customers choose, they are greeted by a coherent image of each subsidiary. Momentum Group's digital channels include e-commerce solutions, apps containing product information, online tools and support. Major customers have access to purchasing via electronic data interchange connections (EDI connections) that integrate the customers' purchasing system with Momentum Group's order system to facilitate direct purchases and orders. This makes the customers' purchasing processes easier and leads to better efficiency and availability. Momentum Group sees good opportunities to further enhance this integration with its customers. In response to the trend of digitisation and the growing number of connected devices, Momentum Group also provides pre-emptive maintenance services, such as permit control and monitoring.

Momentum Group believes that digital advances favour large established market players who can offer customers a flexible omnichannel solution coupled with service, consulting and a widespread logistics and distribution network for quick and reliable product deliveries.

Strong position in industrial consumables and industrial components

One of the leading resellers in the Nordic market Momentum Group is one of the leading resellers of industrial consumables and components as well as service and maintenance to professional end users in the industrial and construction sectors in the Nordic region. The three TOOLS companies in Sweden, Norway and Finland together form one of the Nordic region's leading industrial reseller chains while Momentum Industrial is one of Sweden's leading resellers of industrial components and services for the industrial sector.¹⁾ Momentum Group strives to have local leadership in the markets where it operates in order to be the best choice for customers.

Because Momentum Group's customers want a high degree of customisation, economies of scale are primarily achieved in the customer offering where the group can provide a broad product range, local presence and fast, reliable deliveries as well as in supplier contacts where the group is a central partner whose reach spans a broad customer base. Therefore, Momentum Group believes that the group's size is a competitive advantage in dealing with small market players.

Stable macroeconomic trends

Momentum Group's organic growth is favoured by stable macroeconomic conditions and trends, where the Nordic markets are expected to continue to have a stable growth during the forecast period up to and including 2018. In addition to the macroeconomic factors, the underlying market trend in the construction and civil engineering sector is expected to remain strong, offset by a slightly weaker trend in the industrial sector.²⁾

Another key driver of demand in Momentum Group's main markets is an increased customer focus on occupational health, environment and safety, which creates an increased demand for protective gear and workwear as well as advisory and products for creating a safer work environment.

Decentralised business model with the benefit of being part of a larger group

Momentum Group's business model is based on decentralised profit responsibility, which is ingrained in the organisation and entails individual responsibility on the part of the employees. The employees are free to independently lead the operating activities for each profit unit as they see fit and within the framework of Momentum Group's overall strategy, targets and guidelines. Momentum Group's decentralised business model means that business decisions are made as close to the customers and suppliers as possible, thereby shortening the decision-making process and enabling the group to quickly adapt to customer and supplier needs.

1) Based on Momentum Group's assessment.

2) Based on Momentum Group's assessment of the information presented in the section *Market overview*.

In turn, the Momentum Group offers the large company's resources: experience, expertise, contact networks and capital. Momentum Group also provides proactive board work, financial control and financial resources, thereby supporting the subsidiaries' growth initiatives, development issues and corporate acquisitions.

By giving each unit a high degree of freedom and responsibility for its own operations, while simultaneously being part of a larger group that possesses a proven business culture and company philosophy, the best of two worlds are combined: the financial strength, experience and extensive network of a listed company along with personal commitment and local business expertise.

Focus on profit growth combined with low tied-up capital

Momentum Group has a clear focus on profit growth and cash-flow generation, which are ingrained in its business model and financial targets. Momentum Group has three fundamental requirements: growth, profitability and development, which characterise the governance of its subsidiaries. The three fundamental requirements are followed up internally for all profit units and specific action plans are drafted for each unit that concentrate on growth and/or profitability. Acquisitions are and will remain a key component of Momentum Group's growth strategy.

The growth target – operating profit growth of at least 15 percent annually over a business cycle – ensures profitable growth and not merely volume growth. Momentum Group's focus on the profitability target of P/WC¹⁾ ensures a focus on maintaining low and stable working capital within each subsidiary. The combination of a focus on profitable growth and low tied-up capital is a prerequisite for generating a healthy cash flow and leaves room for strategic initiatives and niche acquisitions.

MOMENTUM GROUP'S FOCUS IN THE SHORT AND MEDIUM TERM

Momentum Group's strategic focus in the short and medium term centres on three main areas:

- ▶ Change and improvement initiatives in TOOLS
- ▶ Continued development and establishment of niche offerings in current operations
- ▶ Acquisition-driven growth strategy focusing on niche acquisitions

Change and improvement initiatives in TOOLS

TOOLS was established, and many reseller units acquired, in the middle of the first decade of the 21st century with the ambition to secure B&B TOOLS' sales channel to end customers during a period of substantial changes in the reseller chain in the Nordic region. As a result, TOOLS' product range and purchases have in part been controlled by the B&B TOOLS Group's product companies' range of products. Meanwhile, the relevance of the traditional store for resellers has changed due to a decline in over-the-counter sales.

Since the autumn of 2016, TOOLS has implemented an intensive action plan aimed at improving profitability through, among other solutions, a customised store network, strengthened digital sales channels, improved product range coordination and the construction of its own central warehouse. These measures are based on the company's focus on satisfying customers' needs with competitive products and services in an efficient manner, which includes profile category efforts related to the "Health, Environment and Safety" offering.

In summary, TOOLS' management believes that the implemented and planned measures can contribute to higher margins over the next few years, while strengthening operations with a customised range and more competitive units in fewer locations. Since the autumn of 2016, a number of new close partnerships and direct agreements with select suppliers have been signed.

Continue to develop and establish niche offerings in current operations

Momentum Group's decentralised business model is a key to the success and continued development of the operations within each subsidiary. This includes continuous development and strengthening of the services and product offering, a focus on health, environment and safety at customer workplaces, an increased number of production hours (operational reliability) in the customers' operations and continued investments in digital solutions.

Acquisition-driven growth strategy with focus on niche acquisitions

Corporate acquisitions constitute an important part of Momentum Group's growth strategy and the group has a well-established model for evaluating and integrating potential candidates for acquisition. In accordance with Momentum Group's decentralised business model, each subsidiary identifies potential candidates, assuming that they meet the group's fixed profitability target. Momentum Group strives to continuously acquire additional businesses that can complement or strengthen the group's existing operations, offerings and competitiveness. Acquisition candidates must be profitable and able to make a profit contribution to Momentum Group immediately following the acquisition of the company. Acquisition candidates must also be leaders in their market niches for professional end users in the Nordic region, have sound customer and/or supplier relationships, have the potential to develop and achieve long-term sustainable profitability and growth, and bring new niche markets to Momentum Group.

1) (P/WC) refers to the return (adjusted operating profit, P) on working capital (WC) defined as inventories plus accounts receivable less accounts payable.

CONDENSED FINANCIAL INFORMATION FOR MOMENTUM GROUP

The condensed financial information recognised in this section was taken from Momentum Group's combined financial statements for the financial years 1 April 2014 – 31 March 2015, 1 April 2015 – 31 March 2016 and 1 April 2016 – 31 March 2017, as published in the financial report for Momentum Group on 23 May 2017. The combined financial statements for the 2014/2015, 2015/2016 and 2016/2017 financial years have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the EU.

This section contains certain alternative performance measures that are not defined as measures of financial performance in accordance with IFRS but are used by Momentum Group's management to monitor the underlying performance of the operations and business. The company also believes that these alternative performance measures are used by investors, equity research analysts and other stakeholders as supplementary measures of earnings performance. Since listed companies do not always calculate these key financial ratios in the same way, there is no guarantee that the information below is comparable with other companies' key financial ratios of the same name.

CONDENSED CONSOLIDATED INCOME STATEMENT

MSEK	2016/2017	2015/2016	2014/2015
Revenue	5,411	5,176	5,351
Shares of profit in associated companies	-2	0	0
Other operating income	8	6	6
Total operating income	5,417	5,182	5,357
Cost of goods sold	-3,460	-3,285	-3,414
Personnel costs	-1,061	-999	-1,004
Depreciation, amortisation, impairment losses and reversal of impairment losses	-22	-16	-17
Other operating expenses	-809	-689	-724
Total operating expenses	-5,352	-4,989	-5,159
Operating profit	65	193	198
Financial income	2	3	4
Financial expenses	-13	-14	-21
Net financial items	-11	-11	-17
Profit after financial items	54	182	181
Taxes	-12	-43	-41
Net profit	42	139	140
Attributable to:			
Parent company shareholders	42	139	140
Non-controlling interests	-	-	-
Earnings per share (SEK)	1.50	4.95	4.95

CONDENSED CONSOLIDATED BALANCE SHEET

MSEK	31 March 2017	31 March 2016	31 March 2015
ASSETS			
Non-current assets			
Intangible non-current assets	533	428	416
Tangible non-current assets	64	50	55
Shares in associated companies	9	11	11
Financial investments	1	1	1
Other long-term receivables	4	2	2
Deferred tax assets	27	16	19
Total non-current assets	638	508	504
Current assets			
Inventories	823	785	846
Tax assets	13	16	12
Accounts receivable	912	743	863
Prepaid expenses and accrued income	83	86	74
Other current receivables	13	31	56
Cash and cash equivalents ¹⁾	69	525	372
Total current assets	1,913	2,186	2,223
Total assets	2,551	2,694	2,727
EQUITY AND LIABILITIES			
Equity			
Share capital	57	–	–
Other contributed capital	–	–	–
Reserves	–28	–54	–21
Retained earnings, including net profit	978	993	1,001
Equity attributable to parent company shareholders	1,007	939	980
Non-current liabilities			
Non-current interest-bearing liabilities ¹⁾	150	639	746
Provisions for pensions	24	19	23
Other provisions	28	1	1
Deferred tax liabilities	13	4	3
Total non-current liabilities	215	663	773
Current liabilities			
Current interest-bearing liabilities ¹⁾	182	3	8
Accounts payable	782	666	551
Tax liabilities	12	12	33
Other liabilities	73	211	178
Accrued expenses and deferred income	280	200	204
Total current liabilities	1,329	1,092	974
Total liabilities	1,544	1,755	1,747
Total equity and liabilities	2,551	2,694	2,727

1) Of Momentum Group's cash and cash equivalents as of 31 March 2017 of MSEK 69 (525), MSEK 56 (520) referred to the company's holding in the of B&B TOOLS operated internal bank. Momentum Group was simultaneously financed with short-term (check-credits) and long-term interest-bearing loans through the internal bank totaling MSEK 332 (642). Momentum Group's assessment is that, if Momentum Group would have been able to present netted transactions with B&B TOOLS internal bank, Momentum Group's balance sheet total as of 31 March 2017 would have decreased by MSEK 56 (520) and thus amounted to MSEK 2,495 (2,174).

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

MSEK	2016/2017	2015/2016	2014/2015
Operating activities			
Profit after financial items	54	182	181
Adjustments for non-cash items	117	9	7
Income taxes paid	-23	-33	-15
Cash flow from operating activities before changes in working capital	148	158	173
Changes in inventories	6	44	48
Changes in operating receivables	-95	117	8
Change in operating liabilities	118	108	-9
Cash flow from operating activities	177	427	220
Cash flow from investing activities	-188	-28	29
Cash flow from financing activities	-448	-233	-175
Cash flow for the period	-459	166	74
Cash and cash equivalents at the beginning of the year	525	372	296
Exchange-rate differences in cash and cash equivalents	3	-13	2
Cash and cash equivalents at year-end	69	525	372

PERFORMANCE MEASURES

Certain performance measures presented below are calculated in accordance with IFRS and others are so-called alternative performance measures that Momentum Group considers to be important in forming an understanding of its operations. The reason for using each alternative performance measure is presented below along with its definition.

Since Momentum Group incurred expenses during the 2016/2017 financial year pertaining to the preparations for the listing and the split from other parts of the B&B TOOLS Group, adjusted operating profit to reverse these expenses has been recognised as a measure of the underlying profit level. For the same reason, adjusted operating profit excludes costs for items affecting comparability, such as the restructuring expenses that arose in 2016/2017, mainly within Momentum Group's TOOLS operations. During the period presented below, Momentum Group was part of B&B TOOLS' joint internal bank. This means that Momentum Group was not able to apply net accounting for its intra-group financial transactions with respect to committed credit facilities. In conjunction with the proposed listing, Momentum Group will establish its own internal bank, enabling positive liquidity positions to be recognised net against the utilisation of committed credit facilities in another manner. The potential impact of such net accounting on the group's financial position with respect to certain alternative performance measures is presented below.

	2016/2017	2015/2016	2014/2015
IFRS performance measures			
Net profit, MSEK	42	139	140
Earnings per share, SEK (no dilution effect exists)	1.50	4.95	4.95
Alternative performance measures			
Performance measures related to the income statement			
Revenue, MSEK	5,411	5,176	5,351
Operating profit, MSEK	65	193	198
Adjusted operating profit, MSEK	193	193	198
Profit after financial items, MSEK	54	182	181
Operating margin, %	1.2%	3.7%	3.7%
Adjusted operating margin, %	3.6%	3.7%	3.7%
Profit margin, %	1.0%	3.5%	3.4%
Performance measures related to profitability			
Return on working capital (P/WC), %	21%	19%	17%
Return on capital employed, %	4%	12%	11%
Return on adjusted capital employed, %	16%	15%	14%
Return on equity, %	4%	14%	13%
Performance measures related to financial position			
Operational net loan liability (closing balance), MSEK	263	117	382
Equity attributable to the parent company's shareholders, MSEK	1,007	939	980
Equity/assets ratio, %	39%	35%	36%
Adjusted equity/assets ratio, %	40%	43%	42%
Other performance measures			
Number of employees at the end of the period	1,620	1,573	1,618

DEFINITION OF PERFORMANCE MEASURES

Performance measure	Definition	Reason
Revenue	Own invoicing, commission-based revenue from commission sales and side revenue.	Revenue is presented to clarify the group's sales to external customers. In the following, revenue per operating segment is presented based on revenue from both external and internal customers.
Operating profit/loss	Profit before financial items and tax.	Operating profit is presented to clarify the company's earnings generated by its operating activities.
Adjusted operating profit/loss	Operating profit adjusted for items affecting comparability.	Adjusted operating profit is presented to clarify the company's earnings generated by its operating activities, adjusted for items affecting comparability in order to retain comparability between periods.
Operating margin, %	Operating profit relative to revenue.	The operating margin is presented to measure the company's earnings generated by its operating activities and to provide an understanding of the value created over time. The operating margin per operating segment is presented based on revenue from both external and internal customers.
Adjusted operating margin, %	Adjusted operating profit as a percentage of revenue.	Refer to the explanation under the description of "Adjusted operating profit".
Profit margin, %	Profit after financial items as a percentage of revenue.	The profit margin is presented to assess the company's earnings relative to its revenue and measures the amount of revenue the company can retain in terms of profit before tax.
Return on working capital (P/WC), %	Adjusted operating profit for the past 12 months divided by average working capital measured as total working capital (accounts receivable and inventories less accounts payable) at the end of every month for the past 12 months as well as balance brought forward at the start of the period, divided by 13.	Return on working capital serves as Momentum Group's internal profitability target, measured as operating profit (P) relative to utilised working capital (WC), and encourages high operating profit and low tied-up capital, which – combined with the group's growth target – enables a positive cash flow and provides the conditions for profitable growth.
Return on capital employed, %	Operating profit plus financial income for the past 12 months divided by the average working capital employed measured as total balance sheet less non interest-bearing liabilities and provisions at the end of the past four quarters as well as balance brought forward at the start of the period, divided by five.	Return on capital employed is presented to show the company's return on its externally financed capital and equity, meaning independent of its financing.
Return on adjusted capital employed, %	Adjusted operating profit plus financial income for the past 12 months divided by average adjusted capital employed measured as total balance sheet less non interest-bearing liabilities and provisions and cash vis-a-vis B&B TOOLS AB at the end of the past four quarters as well as balance brought forward at the start of the period, divided by five.	Return on adjusted capital employed is presented to show the company's return on its externally financed capital and equity, meaning independent of its financing, adjusted for cash vis-a-vis B&B TOOLS AB.
Return on equity, %	Net profit for the past 12 months divided by average equity measured as total equity attributable to the parent company's shareholders at the end of the past four quarters as well as balance brought forward at the start of the period, divided by five.	Return on equity is used to show the return that is generated on the capital invested in the company by the shareholders.
Operational net loan liability (closing balance)	Operational net loan liability measured as long term interest-bearing liabilities and short term interest-bearing liabilities less cash and cash equivalents at the end of the period.	Operational net loan liability is presented to clarify the capital made available by lenders, adjusted for cash and cash equivalents at the end of the financial period.
Equity/assets ratio, %	Equity attributable to the parent company's shareholders as a percentage of the balance-sheet at the end of the period.	The equity/assets ratio is presented to clarify how much of Momentum Group's share of the balance-sheet total has been financed with equity.

Adjusted equity/assets ratio, %	Equity attributable to the parent company's shareholders as a percentage of the balance-sheet less cash vis-a-vis B&B TOOLS AB at the end of the period.	The adjusted equity/assets ratio is presented to clarify how much of Momentum Group's share of the balance-sheet total, adjusted for cash vis-a-vis B&B TOOLS AB, has been financed with equity.
Earnings per share	Net profit attributable to the parent company's shareholders divided by weighted number of shares.	IFRS performance measure.

FINANCING

In conjunction with the distribution and listing of Momentum Group, Momentum Group plans to replace its existing financing, as described above at 31 March 2017 taking into account any changes arising between the end of the accounting period and the distribution and listing (which the management considers to be marginal), with new financing.

The new financing comprises a committed credit facility of MSEK 400 and a revolving credit facility of MSEK 400. Handelsbanken is the lender for both credit facilities.

The committed credit facility has a maturity of one year from the date of issue, with the option to extend the facility after a standard credit assessment. The committed credit facility is linked to a multi-currency cash pool, which means that the credit facility can be utilised in several different currencies but that its utilisation will be denominated in SEK vis-a-vis the lender and that the interest rate on utilisation is based on STIBOR.

The revolving credit facility has a maturity of three (3) years from the date of issue. The credit facility represents a binding commitment from Handelsbanken to issue a revolving loan within the framework of the facility as long as Momentum Group fulfils certain financial obligations. The revolving loan can be withdrawn with various fixed-interest periods (one, three or six months) and in various currencies (SEK, EUR, NOK, DKK). The revolving credit facility can be extended, for a fee, after three years for a further year plus one additional year, for a total maximum of five (5) years.

MOMENTUM GROUP'S BOARD OF DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

Momentum Group's board of directors comprises five directors elected by the general meeting of shareholders. The board of directors is presented below, including information regarding education, experience, other assignments (current and previous), independence and expected shareholdings in Momentum Group. The shareholdings have been calculated based on each director's shareholding in B&B TOOLS as of the date of this information material and on the assumption that the proposed distribution of B&B TOOLS' shares in Momentum Group is carried out in accordance with the proposal of the board of B&B TOOLS.



JÖRGEN WIGH

Chairman of the board since 2016.

Born: 1965.

Education: M.Sc. Econ.

Work experience: President, CEO and director of Lagercrantz Group Aktiebolag. Former executive vice president of Bergman & Beving, founder of PriceGain and management consultant at McKinsey & Co.

Other current assignments: Director of Elpress AB, Asept International AB and a number of other subsidiaries in the Lagercrantz Group, and STARGO AB.

Previous assignments (past five years): Director of Bergman & Beving Holding AB.

Independent in relation to the company and management: Yes.

Independent in relation to the company's major shareholders: No.

Expected shareholding in Momentum Group: 13,978 class B shares.



FREDRIK BÖRJESSON

Director since 2016.

Born: 1978.

Education: M.Sc. Econ.

Work experience: CEO and director of Tisenhult-gruppen AB and Tisenhult Förvaltning AB. Senior positions within Tisenhult-gruppen.

Other current assignments: Chairman of Ventilationsgrossisten Nordic AB, Inomec AB, Bostad Direkt Stockholm Aktiebolag, Swedish Cable Trolleys AB, Tisenhult Skogar AB, Kvarnängen Invest AB and Northpower Stålhallar AB. Director of Futuraskolan AB, Expando Electronics AB, B&B TOOLS Aktiebolag, AddLife AB and Lagercrantz Group Aktiebolag.

Previous assignments (past five years): Director of Life of Svea AB and Tisenhult Invest AB.

Independent in relation to the company and management: Yes.

Independent in relation to the company's major shareholders: No.

Expected shareholding in Momentum Group: 718,100 class B shares.



CHARLOTTE HANSSON

Director since 2016.

Born: 1962.

Education: M.Sc. Biochemistry. Studies in marketing and economics.

Work experience: CEO of MTD MORGON-TIDIG DISTRIBUTION i Sverige AB. Former CEO of Jetpak Sverige Aktiebolag. Senior positions at Jetpak, ASG/Danzas, Carl Zeiss and Beckman Coulter.

Other current assignments: Chairman of Orio AB. Director of Scandinavian Insight Consulting AB, DistIT AB, B&B TOOLS Aktiebolag, PROBI Aktiebolag, BE Group AB and GO Franchise Sverige AB.

Previous assignments (past five years): CEO of Jetpak Sverige Aktiebolag and CEO and/or director of a number of subsidiaries in the Jetpak Group. Chairman of CO-Pilot Bygg & Projektleddning AB. Director of Formpipe Software AB, RenoNorden ASA, Oxeon AB, TFK-TransportForsk AB and a number of subsidiaries previously included in the DistIT Group.

Independent in relation to the company and management: Yes.

Independent in relation to the company's major shareholders: Yes.

Expected shareholding in Momentum Group: 5,000 class B shares.

**STEFAN HEDELIUS**

Director since 2016.

Born: 1969.

Education: University studies in economics, various international executive education programmes.

Work experience: Former CEO of NOTE AB, vice president brand and marketing at Scandinavian Airlines (SAS) and various positions at Ericsson, including vice president marketing and communications, head of strategy and marketing, and vice president of Ericsson Austria.

Other current assignments: Director of Stefan Hedelius AB, AddLife AB and Handbolls-EM 2016 Sverige AB. Deputy director of Say hello to all of our friends AB.

Previous assignments (past five years): CEO of NOTE AB.

Independent in relation to the company and management: Yes.

Independent in relation to the company's major shareholders: No.

Expected shareholding in Momentum Group: –

**GUNILLA SPONGH**

Director since 2016.

Born: 1966.

Education: M.Sc. Eng. and Industrial Economics.

Work experience: CFO of Preem Aktiebolag. Former CFO of CashGuard AB and Enea Aktiebolag, and CFO and international business director at Mekonomen Aktiebolag. Senior positions at Fresenius Kabi and Electrolux.

Other current assignments: Chairman of Preem Försäkrings AB. Director of B&B TOOLS Aktiebolag, AQ Group AB, SunPine AB, G Spongh Förvaltnings AB, Infranord AB and Bostadsrättsföreningen Råven 11.

Previous assignments (past five years): Chairman and/or director of Mekonomen Group AB and a number of subsidiaries in the Mekonomen Group. Deputy director of Capital Software Innovations, Stockholm Aktiebolag and Quaoar AB.

Independent in relation to the company and management: Yes.

Independent in relation to the company's major shareholders: Yes.

Expected shareholding in Momentum Group: 1,350 class B shares.

GROUP MANAGEMENT

Group management at Momentum Group comprises the president & CEO and the executive vice president & CFO. The members of group management are presented below, including information regarding education, experience, other assignments (current and previous), independence and expected shareholdings in Momentum Group. Group management's expected shareholdings have been calculated based on each individual's shareholding in B&B TOOLS as of the date of this information material and on the assumption that the proposed distribution of B&B TOOLS' shares in Momentum Group is carried out in accordance with the proposal of the board of B&B TOOLS.



ULF LILIUS

President & CEO since 2016

Born: 1972.

Education: B.Sc. Econ.

Work experience: President & CEO of B&B TOOLS Aktiebolag. Former CEO of Momentum Industrial, experience from senior positions in SKF.

Other current assignments: Chairman and director of a number of companies in Momentum Group. Director of Lilius System Aktiebolag and B.C.C.-Gruppen Aktiebolag.

Previous assignments (past five years): Chairman, director and/or CEO of a number of subsidiaries in the B&B TOOLS Group.

Expected shareholding in Momentum Group: 1,344 class A shares and 171,527 class B shares.



NIKLAS ENMARK

Executive vice president & CFO since 2017

Born: 1972.

Education: M.Sc. Econ.

Work experience: Former CFO of Axel Johnson International AB, CFO and executive vice president of Lagercrantz Group AB and investment manager at Investor Growth Capital.

Other current assignments: –

Previous assignments (past five years): Acting CEO of Axel Johnson International AB, and chairman and director of a number of subsidiaries in the Axel Johnson International Group.

Expected shareholding in Momentum Group: 1,500 class B shares.

AUDITOR

The most recent election of auditors in Momentum Group took place at the annual general meeting on 9 May 2017, when the registered auditing firm of KPMG AB (Evenemangsgatan, 169 03 Solna, Sweden) was re-elected as auditor for the period until the next annual general meeting, with Håkan Olsson Reising (authorised public accountant and member of FAR – the trade association for authorised accounting consultants, auditors and advisors) as auditor in charge and Matilda Axlind (authorised public accountant and member of FAR) as cosignatory. KPMG AB has been B&B TOOLS' auditor since 1997 and Momentum Group's auditor since September 2016.

BERGMAN & BEVING IN BRIEF

This section presents the operations that will be conducted within the B&B TOOLS Group after the distribution of Momentum Group. It has been proposed that these operations change their name to Bergman & Beving in conjunction with the distribution.

PROPOSAL TO CHANGE THE NAME OF B&B TOOLS TO BERGMAN & BEVING

As previously announced, the board of directors of B&B TOOLS has decided to propose that B&B TOOLS, in conjunction with the distribution of Momentum Group, change its name from B&B TOOLS Aktiebolag to Bergman & Beving Aktiebolag. A resolution on the change of name from B&B TOOLS to Bergman & Beving is expected to be passed at an extraordinary general meeting of shareholders on 21 June 2017. The notice of this extraordinary general meeting of shareholders was published separately on 22 May 2017.

Overview of operations

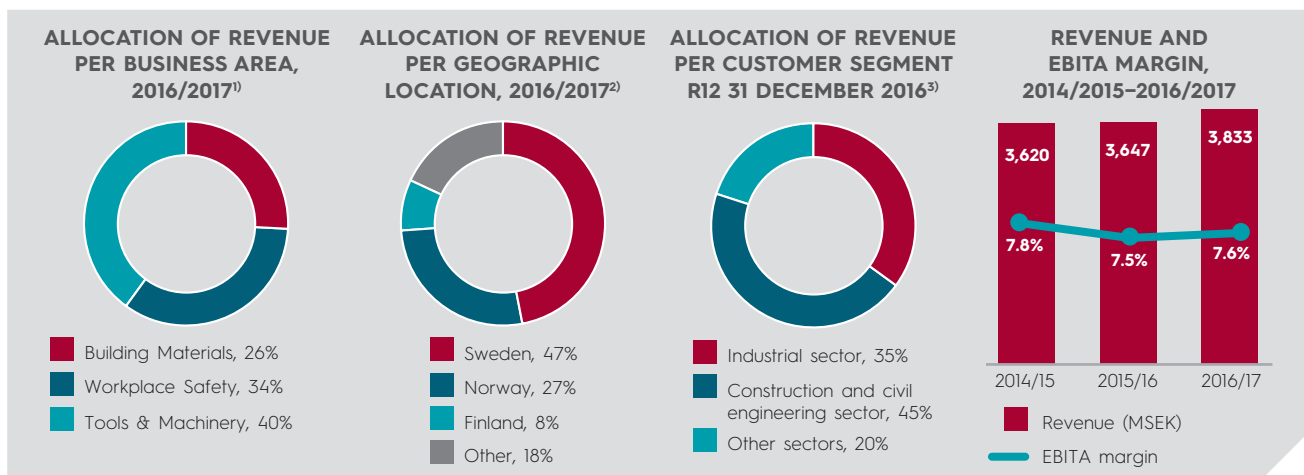
Bergman & Beving offers leading brands with premium products for the construction and civil engineering sector and industrial sector. Its subsidiaries have a strong product and brand portfolio that offers innovation and quality for professional users in these sectors. Proprietary product brands account for approximately 60 percent of Bergman & Beving's total sales. In order to meet customers' needs in an optimal fashion, the offering is supplemented with other leading brands, which account for the remaining 40 percent of sales. Bergman & Beving markets its products and services through resellers in a number of countries, with Sweden, Norway and Finland making up its main markets. Sales are conducted by the individual units and sales channels are optimised based on the specific conditions of the various brands in different geographic markets. The group comprises seven operational subsidiaries organised under three business areas: Building Materials, Workplace Safety and Tools & Machinery.

The Building Materials business area includes the ESSVE and Fireseal brands. ESSVE is considered to have the strongest market position of all of the group's brands,

with a market share of approximately 25 percent in Sweden and Norway. Fireseal commands a strong position and is among the top three brands in its niche in the group's main markets. The Workplace Safety business area includes the Guide, Zekler, L.Brador, Arbesko and Cresto brands. Guide, Arbesko and Cresto are deemed to hold leading positions with market shares of more than 10 percent in the group's main markets, while the other brands are considered to offer considerable growth potential. The business area also includes the group's workplace safety specialist, Skydda, the market-leading distributor of comprehensive solutions in the areas of personal protective equipment and occupational health and safety in the Nordic region. The Tools & Machinery business area includes the Teng Tools brand, which holds a leading position with a market share of more than 10 percent in the group's main markets and is also the group's most internationally established brand, with distribution in 25 countries. The business area also includes Luna, a leading distributor of tools and consumables in Sweden and Norway. Luna includes the product brands Luna, Limit, Hvid and Struktur.⁴⁾

Bergman & Beving's offering is based on high availability of leading brands and solutions, combined with a proactive, sales-boosting organisation with outstanding technical expertise that helps customers conduct easier, safer and more profitable business. Bergman & Beving's business model is based on decentralised profit responsibility, with all operating activities conducted independently within the framework of the group's strategy, targets and guidelines. Bergman & Beving's decentralised business model means that business decisions are made close to the customers and the market, where the most knowledge exists.

Bergman & Beving's end customers primarily operate in the industrial sector, which accounted for approximately 35 percent of Bergman & Beving's revenue during the 2016 calendar year, as well as the construction and civil engineering sector, which account for approximately 45 percent of total sales in 2016. During the 2016/2017 financial year, Bergman & Beving's revenue amounted MSEK 3,833, EBITA to MSEK 293 and the EBITA margin to 7.6 percent.



1) Refers to the proportion of external revenue.

2) Based on customers' domiciles.

3) Refers to the proportion of external revenue for the calendar year 2016, rounded to the nearest five percent.

4) Based on Bergman & Beving's assessment.

Building Materials **Workplace Safety** **Tools & Machinery**



GET IT DONE

ESSVE offers a broad range of professional fastening elements. Working in close cooperation with resellers, professional tradespeople and industrial customers, ESSVE develops innovative solutions that make work easier and have a lasting impact. ESSVE aims to be perceived as the most innovative supplier in the industry and invests in proprietary product development in order to quickly deliver the right products to the market.

ESSVE generates revenue of approximately MSEK 950²⁾



FireSeal offers fire sealing systems that also protect against smoke, gas, water and strain. With distributors in a large number of countries, FireSeal's main market includes customers in the global marine and offshore sector as well as resellers in the Nordic region. Its safety features are tried and tested and its products are continuously enhanced to meet the stringent requirements of tomorrow. All FireSeal systems hold type approval from the Swedish Institute for Technical Approval in Construction and FireSeal's technical experts regularly certify various fire seal installations.

FireSeal generates revenue of approximately MSEK 50²⁾



SKYDDA helps equip workplaces exposed to risks with the right personal protection solution and ensures that the equipment is used correctly. The company offers personal protective equipment such as head, ear, eye and breathing protection, gloves, footwear, work clothes, fall protection, first aid equipment, signs and skin products. The offering includes services, products from external suppliers and the proprietary brands Guide, L.Brador and Zekler.

Guide - Guide is a market leader in superior-quality work gloves for the industrial and construction sectors.

Zekler - Zekler offers eye protection, hearing protection and respiratory protection with a focus on comfort, smart features and modern design.

L.Brador - Focusing on function, fit and feel, L.Brador is an innovative challenger in the Nordic market for workwear and footwear.

Skydda generates revenue of approximately MSEK 1,220²⁾



Tools and machinery - products and services in the categories of hand tools, torque technology, measurement technology, metal and woodworking machinery, cutting tools, chemistry and compressed air technology. The offering includes comprehensive concepts with products from leading external suppliers and proprietary brands, such as Luna, Limit, Hvid and Struktur.

Luna - Luna's offering includes power tool accessories, compressed air tools and compressors, chemical products as well as machinery for wood and metalworking and related services.

Limit - Limit's range of measurement products covers several different areas of use, such as climate, workshop measurement, inspection, scales, electrical testing and lasers - with a keen focus on user needs and usability.

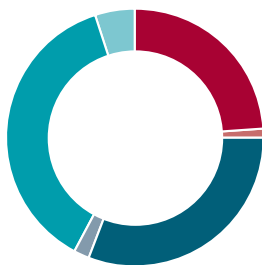
Hvid - Hvid Interior is a meticulously selected range of handles and fittings for professional end customers and consumers.

Struktur - The Struktur Scandinavia brand includes various types of fittings for a range of applications, including fittings for doors, windows and interior design.

Luna generates revenue of approximately MSEK 1,470²⁾



Allocation of revenue per subsidiary, 2016/2017²⁾



- ESSVE, 24%
- Cresto, 2%
- FireSeal, 1%
- Luna, 37%
- Skydda, 31%
- TengTools, 5%

1) Based on Bergman & Beving's assessment.
 2) Revenue includes internal sales in the Bergman & Beving group.
 3) Arbesko was acquired in April 2017 and thus is not included in the information regarding revenue and earnings for the 2016/2017 financial year.



Cresto develops and manufactures user-friendly fall protection equipment for professionals working at heights. With distributors in a large number of countries, Cresto's main market includes customers in the global energy, industrial and construction sectors as well as resellers in the Nordic region. A significant portion of its operations comprise services such as training, maintenance and installation of fixed systems. All areas of Cresto, from innovation to final product, are driven by user safety - and the desire to save lives.

In 2016/2017, Cresto acquired AAK Safety, a niche company in fall protection in Norway. Together, Cresto and AAK Safety form the leading fall protection specialist in the Nordic region.¹⁾

Cresto generates revenue of approximately MSEK 100²⁾



Arbesko is a successful company with its own research, product development and production operations for safety and work footwear for professionals. The company, which was founded in 1839, has been the leading brand in the Nordic region for many years and is also established in several European markets. Sales are conducted in close cooperation with several of the Nordic region's leading construction and industrial resellers.

Arbesko generates revenue of approximately MSEK 200^{2),3)}



Teng Tools offers hand tools and smart storage solutions for professional users. Its customers include companies in the industrial, automotive and construction sectors and its products are sold in 30 markets worldwide. Teng Tools' unique concept helps customers to improve their efficiency and create a safer workplace.

Teng Tools generates revenue of approximately MSEK 200²⁾

VISION, BUSINESS CONCEPT, OVERALL STRATEGY AND FINANCIAL TARGETS

Vision

Leading brands for the industrial and construction sectors.

Business concept

Bergman & Beving develops, provides and acquires leading brands for the industrial and construction sectors.

Strategy

Bergman & Beving aims to be a leader in selected niches in the industrial and construction sectors, where its brands and high level of expertise are important differentiators. Bergman & Beving strives to build and develop a portfolio comprising a wide variety of individual brands that achieve leading positions in their selected niches. A common feature in the development of the group's brand is a focus on innovation, quality and brand building. Development is often driven by a combination of leading technology and design. Bergman & Beving rarely approaches its development work on its own, but rather often works together with suppliers and other partners.

Bergman & Beving aims to continuously strengthen its position by acquiring companies that complement its existing operations and the brands in its portfolio or in new niches where the group has what it takes to become a market leader.

Financial targets

- ▶ **Earnings growth:** The group aims to achieve earnings growth (EBITA) of at least 15 percent annually over a business cycle.
- ▶ **Profitability:** Profitability is to amount to at least 45 percent, measured as operating profit (EBITA) (P) in relation to utilised working capital (WC)¹⁾

It should be noted that Bergman & Beving's financial targets are based on assumptions with respect to future market conditions, operations and earnings. The actual outcome may differ considerably from the financial targets as a result of risks and other factors impacting the company's operations.

STRENGTHS AND COMPETITIVE ADVANTAGES

Bergman & Beving's most important strengths and competitive advantages can be summarised as follows:

Proactive, sales-boosting organisation with high level of expertise

Bergman & Beving's strength has historically been based on the group's position as a trading company with close relationships with its resellers and end customers, a good understanding of its customers and a clear sales and marketing focus. Over time, Bergman & Beving has developed into a product owning company with own brands. According to Bergman & Beving, one of the group's main strengths is its focused and proactive sales organisation, which possesses a high level of technical expertise and a good understanding of customers.

Most of Bergman & Beving's products are sold via resellers to professional users in the industrial and construction sectors. The sales team maintains a high rate of activity and works closely with both its resellers and its

customers. The focused sales team works in close proximity to the group's end customers in order to understand their needs and thus offer the right products and services to make their everyday operations more efficient. This approach provides a good understanding of the market and customers, which in turn creates added value for end customers by allowing the subsidiaries to offer solutions adapted to meet their actual needs. The sales team also works closely with the group's resellers in order to strengthen their product knowledge, help to improve their sales processes and thereby improve their competitiveness in the end customer market. For example, the group offers training, technical service, local marketing, store concepts and specialist expertise in selected areas.

Increased focus on the development of the proprietary product and brand portfolio

Bergman & Beving's subsidiaries have a broad portfolio of premium brands that offer innovation and quality for professional users in the industrial and construction sectors. The group's product brands hold a strong market position, with a high level of awareness within their target market.

The development and positioning of the proprietary product and brand portfolio is expected to drive Bergman & Beving's future growth and profitability. The group intends to further advance the already strong market positions of its product brands through measures to increase brand recognition and preference among its target groups. Investments will also be made in the development of concepts and innovations as well as the certification of solutions to meet customer requirements in various niches. The development process is carried out within each individual company and is often pursued, in part or in whole, together with external partners. One example of Bergman & Beving's successful innovation work is the launch of ESSVE's ESSBOX packaging solution, which was warmly received by the market when it was introduced in 2012 and has contributed to ESSVE's favourable performance in recent years. ESSVE has also continued to make strategic investments in its own development capacity in the form of internal technical resources and equipment.

Bergman & Beving believes that these increased investments in its proprietary brand and product portfolio will reinforce the group's position in its main markets and strengthen its position in other markets.

Leading positions in markets with underlying growth

According to Bergman & Beving's assessment, its subsidiaries and product brands have a strong market position and are well positioned to capture additional market share in their respective main markets of Sweden, Norway and Finland. According to the group's assessment, six of its product brands hold a top-three market position and two hold a top-five market position in Sweden and Norway. These leading positions provide the group with long-term strength for investments in each niche as well as create opportunities for geographic expansion.

In addition, Bergman & Beving estimates that these positions will be supported by a stable underlying market trend. The market for construction and industrial consumables is expected to be supported by a good development of the construction and civil engineering sectors, offset by a

1) (P/WC) refers to the return (operating profit, P) on working capital (WC) defined as inventories plus accounts receivable less accounts payable.

slightly weaker growth in the industrial sector. However, the market for industrial consumables is supported by trends linked to growing demand in the areas of occupational health and safety and personal protection, which has resulted in increased sales, for example, of protective and safety products.

Decentralised corporate governance model with coordination benefits

Bergman & Beving's business model is based on decentralised responsibility for every profit unit. Giving each profit unit a high degree of freedom and responsibility for its own operations, while at the same time being part of a larger group, combines the financial strength, experience and extensive network of a listed company along with personal commitment and local business expertise. This model is firmly established in the operations, which promotes freedom and responsibility among the group's employees.

Each subsidiary is free to independently lead its operating activities as it sees fit, within the framework of Bergman & Beving's overall strategy, targets and guidelines. This means that business decisions are made close to the customers and the market, where the greatest knowledge exists. This corporate governance model encourages the employees to further develop each subsidiary's unique competitive advantages. Accordingly, Bergman & Beving is of the opinion that this decentralised structure provides a deeper customer understanding and offers an advantage in its work on, and development of, the subsidiaries' product portfolios, brands and sales strategies.

The group-wide organisation supports the individual profit units with the group's combined resources: experience, expertise, contact networks and financial strength. In addition, coordination benefits are achieved, primarily with respect to IT, finance, shared logistics solutions, marketing and brand building, and innovation. Coordination takes place on the initiative of the subsidiaries themselves and in the areas where such coordination is operationally beneficial.

In addition, Bergman & Beving's decentralised corporate governance model and financial targets have a clear focus on profit growth and cash-flow generation. The combination of a focus on profitable growth and low tied-up capital generates a healthy cash flow and leaves room for strategic initiatives, such as expansion of prioritised proprietary product brands and niche acquisitions.

Acquisition-driven growth strategy with a history of successful acquisitions

Business acquisitions are a crucial component of Bergman & Beving's growth strategy. Bergman & Beving works proactively to supplement and develop the group's existing product and brand portfolio, either through innovations and/or supplementary acquisitions, depending on what is deemed most cost-efficient over time. According to the group's assessment, this decentralised company structure, with an increased focus on Bergman & Beving's proprietary products and brands, provides greater opportunities to carry out strategic, supplementary acquisitions.

Bergman & Beving looks for acquisition candidates that meet several of the following criteria:

- ▶ Leading market position in selected segments
- ▶ High level of knowledge and/or technological content
- ▶ Strong brands with a good understanding of customers and/or a favourable market share
- ▶ Brands and products that complement the existing offering
- ▶ Companies that enable geographic expansion

Bergman & Beving follows a well-established model for evaluating and integrating potential acquisition candidates and has a long-standing history of successful acquisitions. Over the past 12 months, the group has completed three acquisitions. In September 2016, the group acquired IQ Supplies, one of the largest business partners of its subsidiary Teng Tools. This acquisition strengthened Teng Tools' sales organisation and position in the UK and Ireland. In December 2016, Bergman & Beving's subsidiary Cresto acquired Norway's leading fall protection specialist, AAK Safety. The acquisition was in line with the group's acquisition strategy and created the Nordic region's leading specialist in fall protection. In April 2017, Bergman & Beving acquired Arbesko, the leading Nordic brand of safety and work footwear. The acquisition of Arbesko was a good complement to the other product brands in the Workplace Safety business area.

CONDENSED FINANCIAL INFORMATION FOR BERGMAN & BEVING

The following tables present selected financial information for the 2016/2017 financial year for Bergman & Beving, which comprises the remaining operations in B&B TOOLS after the distribution of Momentum Group. The selected financial information for Bergman & Beving is based on B&B TOOLS' annual report for 2016/2017 and the financial report prepared for Momentum Group for 2016/2017, which was published on 23 May 2017. The financial statements for Bergman & Beving comprise the difference between the financial information for B&B TOOLS and Momentum Group adjusted for internal transactions and business.

The information in the tables presented below does not constitute financial statements in accordance with IFRS as adopted by the EU and is thus not necessarily comparable with similar calculations in other companies and has certain limitations as an analytical tool.

SELECTED INCOME STATEMENT ITEMS FOR THE GROUP - CONDENSED

MSEK	2016/2017	2015/2016	2014/2015
Revenue	3,833	3,647	3,620
Other operating income	0	0	0
Total operating expenses	-3,542	-3,373	-3,339
Operating profit	291	274	281

SELECTED BALANCE SHEET ITEMS FOR THE GROUP - CONDENSED

MSEK	31 March 2017
ASSETS	
Working capital assets	1,629
Cash and cash equivalents	97
Other assets	1,829
Total assets	3,555
EQUITY AND LIABILITIES	
Equity	1,817
Interest-bearing liabilities	93
Provisions for pensions	548
Accounts payable	507
Other liabilities	590
Total equity and liabilities	3,555

OTHER SELECTED FINANCIAL INFORMATION

MSEK	2016/2017
Net investments in intangible and tangible non-current assets	107
Depreciation, amortisation, impairment losses and reversal of impairment losses	-9
Operational net loan liability	-3

PERFORMANCE MEASURES

MSEK	2016/2017	2015/2016	2014/2015
Alternative performance measures			
Revenue, MSEK	3,833	3,647	3,620
EBITA, MSEK	293	274	281
Operating profit, MSEK	291	274	281
EBITA margin, %	7.6%	7.5%	7.8%
Operating margin, %	7.6%	7.5%	7.8%
Number of employees at the end of the period	1,018	1,050	1,064

DEFINITIONS

Guidelines concerning alternative performance measures for companies with securities listed on a regulated market in the EU have been issued by ESMA (the European Securities and Markets Authority). These guidelines are to be applied for alternative performance measures used from 3 July 2016. This information brochure refers to a number of non-IFRS performance measures used to help investors and management to analyse the company's operations. Listed below are the various non-IFRS performance measures used as a complement to the financial information recognised in accordance with IFRS. A number of financial performance measures are also described below, including a description of how these measures are used to analyse the company's targets.

DEFINITION OF PERFORMANCE MEASURES

Performance measure	Definition	Reason
<i>Revenue</i>	Own invoicing, commission-based revenue from commission sales and side revenue.	Revenue is presented to clarify the group's sales to external customers. Revenue per operating segment is presented based on revenue from both external and internal customer
<i>Operating profit</i>	Profit before financial items and tax.	Operating profit is presented to clarify the company's earnings generated by its operating activities.
<i>EBITA</i>	Operating profit before impairment of goodwill and amortisation and impairment of other intangible assets in connection with corporate acquisitions and equivalent transactions.	EBITA is presented to clarify the company's earnings generated by its operating activities.
<i>Operating margin, %</i>	Operating profit relative to revenue.	The operating margin is presented to measure the company's earnings generated by its operating activities and to provide an understanding of the value created over time. The operating margin per operating segment is presented based on revenue from both external and internal customers.
<i>EBITA margin, %</i>	EBITA relative to revenue.	Refer to the explanation under the description of "EBITA".
<i>Operational net loan liability</i>	Operational net loan liability measured as long term interest-bearing liabilities and short term interest-bearing liabilities less cash and cash equivalents at the end of the period.	Operational net loan liability is presented to clarify the capital made available by lenders, adjusted for cash and cash equivalents at the end of the financial period.

FINANCING

In conjunction with the distribution and listing of Momentum Group, Bergman & Beving plans to replace its existing financing, as described above as of 31 March 2017 taking into account any changes arising between the end of the accounting period and the distribution and listing (which the management considers to be marginal), with new financing.

The new financing comprises a committed credit facility of MSEK 400 and a revolving credit facility of MSEK 500. Handelsbanken is the lender for both credit facilities.

The committed credit facility has a maturity of more than one year from the date of issue, with the option to extend the facility after a standard credit assessment. The committed credit facility is linked to a multi-currency cash pool, which means that the credit facility can be utilised in several different currencies but that its utilisation will be denominated in SEK vis-a-vis the lender and that the interest rate on utilisation is based on STIBOR.

The revolving credit facility has a maturity of three (3) years from the date of issue. This credit facility represents a binding commitment from Handelsbanken to issue revolving loans within the framework of the facility as long as the Bergman & Beving Group fulfils certain financial obligations. The revolving loan can be withdrawn with various fixed-interest periods (one, three or six months) and in various currencies (SEK, EUR, NOK, DKK or GBP). The revolving credit facility can be extended, for a fee, after three years for a further year plus one additional year, for a total maximum of five (5) years.

PROPOSED NEW BOARD OF DIRECTORS AND GROUP MANAGEMENT IN B&B TOOLS

BOARD OF DIRECTORS

As part of the preparations for the split of the B&B TOOLS Group, an internal subsidiary board of directors was appointed for the Bergman & Beving operating segment in autumn 2016, comprising chairman Anders Börjesson, Roger Bergqvist, Henrik Hedelius, Malin Nordesjö, Louise Undén and Johan Sjö. Now that the distribution of Momentum Group is being carried out, it is proposed that a new board of directors be elected for B&B TOOLS. As noted above, Charlotte Hansson, Fredrik Börjesson and Gunilla Spongh will be part of the future board of directors of Momentum Group. Malin Nordesjö, Louise Undén and Johan Sjö, all of whom have served on the internal subsidiary board of directors, have been nominated as their replacements on the board of B&B TOOLS. The board of directors nominated for election at the extraordinary general meeting of shareholders on 14 June 2017 is presented below, including information regarding education, experience, other assignments (current and previous), independence and shareholdings in B&B TOOLS.



ANDERS BÖRJESSON

Chairman of B&B TOOLS since 2012.
Director of B&B TOOLS since 1990.

Born: 1948.

Education: M.Sc. Econ.

Work experience: Former president and CEO of Bergman & Beving AB.

Other current material assignments:

Chairman of Lagercrantz Group Aktiebolag, Addtech AB, Tisenhult Förvaltning AB and Tisenhult-gruppen AB. Director of Swedish Cable Trolleys AB, Expando Electronics AB, Northpower Stålhallar AB, Ventilations-grossisten Nordic AB, Bostad Direkt Stockholm Aktiebolag, Futuraskolan AB, Tisenhult Skogar AB and Inomec AB.

Previous material assignments (past five years): Chairman of Tisenhult Invest AB and Boomerang AB.

Independent in relation to B&B TOOLS and senior management: Yes.

Independent in relation to the company's major shareholders: No.

Holding of shares in B&B TOOLS: 484,386 shares of class A and 706,843 shares of class B.



ROGER BERGQVIST

Director of B&B TOOLS since 2012.

Born: 1948.

Education: Degree in market economy.

Work experience: Former president and CEO of Addtech AB, senior positions in the Bergman & Beving Group.

Other current material assignments: Director of Lagercrantz Group Aktiebolag, Corroventa Avfuktning Aktiebolag and Ventilations-grossisten Nordic AB.

Previous material assignments (past five years): Director of Proact IT Group AB, BE Group AB and Stillfront Group AB.

Independent in relation to B&B TOOLS and senior management: Yes.

Independent in relation to the company's major shareholders: Yes.

Holding of shares in B&B TOOLS: 40,000 shares of class B.



HENRIK HEDELIUS

Director of B&B TOOLS since 2015.

Born: 1966.

Education: M.Sc. Econ.

Work experience: Head of Strategy at Remium Nordic AB. Former senior positions at ABN Amro, Kaupthing Bank, Storebrand Asset Management and Swedbank.

Other current material assignments: Director of Mind Industrial Group AB and Mannerheim Invest Holding AB.

Previous material assignments (past five years): Chairman and/or director of Remium Nordic AB and a number of subsidiaries in the Remium Group. CEO and deputy director of Hedelius & Berthelius AB. Director of Team Sportia Aktiebolag, Gigasense AB, Nordic Flanges Group AB, Gigasense Holding AB and Early Capital Invest AB.

Independent in relation to B&B TOOLS and senior management: Yes.

Independent in relation to the company's major shareholders: No.

Holding of shares in B&B TOOLS: 7,790 shares of class B.



MALIN NORDESJÖ

Proposed new director.

Born: 1976.

Education: M.Sc. Econ.

Work experience: Senior positions in the Tisenhult Group and Tritech Technology.

Other current material assignments: Chairman of Expando Electronics AB and Futuraskolan AB. Director of Swedish Cable Trolleys AB, Addtech AB, Ventilationsgrossisten Nordic AB, Bostad Direkt Stockholm Aktiefbolag, Tisenhult-gruppen AB, Tisenhult Skogar AB, Inomec AB and Northpower Stålhallar AB.

Previous material assignments (past five years): Director of Boomerang AB.

Independent in relation to B&B TOOLS and senior management: Yes.

Independent in relation to the company's major shareholders: No.

Holding of shares in B&B TOOLS: 18,049 shares of class B.



JOHAN SJÖ

Proposed new director.

Born: 1967.

Education: M.Sc. Econ.

Work experience: President and CEO of the Addtech Group. Previously held senior positions in the B&B TOOLS Group.

Other current material assignments: CEO and director of Addtech AB. Chairman of AddLife AB and Addtech Nordic AB. Director of COJU AB and Joh Sjö AB.

Previous material assignments (past five years): Chairman of Addtech Energy & Equipment AB. Director of Bufab AB.

Independent in relation to B&B TOOLS and senior management: Yes.

Independent in relation to the company's major shareholders: Yes.

Holding of shares in B&B TOOLS: 6,500 shares of class B.



LOUISE UNDÉN

Proposed new director.

Born: 1976.

Education: M.Sc. Econ.

Work experience: Category Director Food Preservation, Elextrolux Major Appliances, EMEA. Former executive vice president and Product and Market director in OBH Nordica Group AB.

Other current material assignments: –

Previous material assignments (past five years): Director of OBH Nordica Group AB.

Independent in relation to B&B TOOLS and senior management: Yes.

Independent in relation to the company's major shareholders: Yes.

Holding of shares in B&B TOOLS: –

GROUP MANAGEMENT

As part of the preparations for the split of the B&B TOOLS Group, Pontus Boman, currently executive vice president of B&B TOOLS, was appointed head of the Bergman & Beving operating segment in the spring of 2016. Now that the distribution of Momentum Group is being carried out, Ulf Lilius, currently president & CEO of B&B TOOLS, will assume the role of president & CEO of Momentum Group. Pontus Boman will be appointed as the new president & CEO of B&B TOOLS by the board of directors of B&B TOOLS and will assume this new roll in conjunction with the distribution of Momentum Group. Peter Schön took over as the new CFO of B&B TOOLS in March 2017. B&B TOOLS' new group management is presented below, including information regarding education, experience, other assignments (current and previous) and shareholdings in B&B TOOLS.



PONTUS BOMAN

Executive vice president since 2015. Pontus Boman is intended to assume the role of president & CEO of B&B TOOLS (Bergman & Beving) in conjunction with the distribution of Momentum Group.

Born: 1971.

Member of group management since: 2013.

Education: M.Sc. Eng.

Work experience: Former CEO of ESSVE Produkter. Senior positions at B&B TOOLS, Accenture and Boston Consulting Group (BCG).

Other current material assignments: Chairman of a number of subsidiaries in the B&B TOOLS Group.

Previous material assignments (past five years): –

Holding of shares in B&B TOOLS: 38,145 class B shares and 10,000 call options in respect of shares of class B.



PETER SCHÖN

CFO and Head of Investor Relations since 2017.

Born: 1969.

Member of group management since: 2017.

Education: M.Sc. Econ.

Work experience: CFO of Netonnet Group AB, senior positions at ProfilGruppen AB and Brio AB.

Other current material assignments: Director of Axonkids AB.

Previous material assignments (past five years): Various board assignments in the Netonnet Group and ProfilGruppen Group.

Holding of shares in B&B TOOLS: –

OWNERSHIP STRUCTURE

SHARE INFORMATION

Provided that the shareholders of B&B TOOLS at the extraordinary general meeting of shareholders on 14 June 2017 resolve in accordance with the proposal of the board of directors of B&B TOOLS to distribute the shares in Momentum Group, each class A share in B&B TOOLS held on the record date for the right to distribution of shares in Momentum Group will entitle to one (1) class A share in Momentum Group and each class B share in B&B TOOLS held on the record date for the right to distribution of shares in Momentum Group will entitle to one (1) class B share in Momentum Group. Class A shares in Momentum Group will entitle the holder to ten (10) votes per share and class B shares in Momentum Group will entitle the holder to one (1) vote per share at general meetings of shareholders in Momentum Group. All voting shareholders are entitled to vote for the full number of shares without limitation. All shares carry equal rights to dividends and to any surplus in the event of liquidation. According to Momentum Group's articles of association, holders of class A shares are entitled to request that their class A shares be converted to class B shares.

PREFERENTIAL RIGHTS TO NEW SHARES

If Momentum Group issues new shares, warrants or convertibles through a cash issue or a set-off issue, as a general rule, the shareholders have preferential rights to subscribe for such securities proportionally to the number of shares held prior to the issue. The articles of association do not restrict Momentum Group's ability to issue new shares, warrants or convertibles disapplying the shareholders' preferential rights in accordance with the articles of association.

CENTRAL SECURITIES DEPOSITORY

The shares in Momentum Group are registered in a central securities depository register in accordance with the Swedish Financial Instruments Accounts Act (1998:1479). This register is managed by Euroclear. No share certificates have been issued for Momentum Group's shares. The ISIN code for Momentum Group's class A shares is SE0009922297 and the ISIN code for class B shares is SE0009922305.

MOMENTUM GROUP'S OWNERSHIP STRUCTURE

Prior to the distribution of B&B TOOLS' shares in Momentum Group, all shares in Momentum Group are owned by B&B TOOLS. B&B TOOLS owns 171,000 class B shares in B&B TOOLS, which do not carry a right to shares in Momentum Group as part of the distribution. After the distribution of B&B TOOLS' shares in Momentum Group, Momentum Group's ownership structure is expected to be as follows, based on the ownership structure of B&B TOOLS as of 28 April 2017:

Shareholder ¹⁾	Class A shares	Class B shares	% of capital	% of votes
Anders Börjesson (family and company)	484,386	706,843	4.2	14.7
Tom Hedelius	484,386	0	1.7	12.8
Swedbank Robur Funds	0	2,854,159	10.1	7.5
SEB Funds	0	2,848,504	10.1	7.5
SHB Pension Fund Insurance Association	0	1,390,000	4.9	3.7
Fourth AP Fund	0	1,141,290	4.0	3.0
Sandrew Aktiebolag	0	800,000	2.8	2.1
Handelsbanken Funds	0	745,026	2.6	2.0
Nordea Funds	0	649,870	2.3	1.7
MSIL IPB Client Account	0	567,352	2.0	1.5
Total ten largest owners, in terms of votes	968,772	11,703,044	44.8	56.5
Other	95,008	15,498,592	55.2	43.5
Total	1,063,780	27,201,636	100.0	100.0

1) Information from Euroclear as of 28 April 2017.

RISK FACTORS

MAIN RISKS RELATED TO MOMENTUM GROUP'S OPERATIONS AND INDUSTRY

The following is a description of the material risks and uncertainties pertaining to Momentum Group's future performance. The risks are not listed in order of importance and no claim is made that they are exhaustive. Additional risks and uncertainties with which Momentum Group is currently unfamiliar may also develop into material factors that impact the company's operations and future performance. Naturally, not all of the risk factors can be described in this section. For a more detailed description of the risks that could impact Momentum Group, please refer to the prospectus that will be prepared and published by Momentum Group prior to the listing.

Momentum Group's financial earnings tend to fluctuate based on the general economic situation and other macroeconomic circumstances

Momentum Group's customers mainly comprise industrial and construction companies in Sweden, Norway and Finland. Accordingly, economic trends in the industrial and construction sectors in the Nordic region affect the group's performance. Demand for Momentum Group's goods and services is also significantly impacted by monetary and financial policies in the company's main markets and by macroeconomic factors, such as the conditions in global capital markets and the general economic situation. Demand from Momentum Group's customers is impacted by factors such as changes in the number of employees as well as their productivity, their willingness to implement investments and their access to financing. A weakening of these conditions in the markets where Momentum Group is active may have an adverse impact on the company's operations, financial position and earnings.

Momentum Group could experience difficulties in implementing acquisitions

Acquisitions are a crucial component of Momentum Group's growth strategy. There is a risk that Momentum Group may not succeed in identifying suitable acquisition targets or may fail to implement acquisitions due to, for example, competition or a lack of financing, which could lead to a reduction in growth. Momentum Group could also incur significant acquisition and administrative costs as well as restructuring costs in conjunction with acquisitions. There is also a risk that acquired operations may not perform as expected or that acquisitions may expose Momentum Group to unknown liabilities or obligations.

Momentum Group relies on third-party suppliers

Momentum Group's operations are dependent on external suppliers fulfilling agreements with respect to, for example, volumes, quality and delivery times. Incorrect or delayed deliveries, or nondeliveries, could result in Momentum Group failing to deliver popular and/or ordered products, which could result in reduced sales of the company's products. To a certain extent, Momentum Group is also dependent on the global brands of certain suppliers. If Momentum Group should fail to establish, defend and develop partnerships and business relationships with suppliers who control popular brands, this would have an adverse impact on the company's operations and earnings.

Momentum Group's product-distribution capacity may be negatively impacted in the event of damage to, or operational problems at, the group's logistics centres

Momentum Group has two major logistics centres, one in Alingsås (Sweden) and another in Kotka (Finland). A fire, problems with the IT system or other technology used by the logistics centres, such as automated warehouse functions, or any other form of major disruption at these units would entail serious consequences for Momentum Group's ability to deliver products to the company's customers, which could adversely impact Momentum Group's operations, financial position and earnings.

Momentum Group is dependent on efficient IT systems

Momentum Group's operations are dependent on the company's consistent access to IT-based tools and systems. As a rule, IT systems are vulnerable to damage or disruptions caused by, for example, computer viruses, flooding, fires, power cuts, human error and similar events. IT systems may also be subject to sabotage, vandalism or problems caused by inadequate maintenance. IT attacks, errors and damage to IT systems, operational disruptions, incorrect or deficient deliveries of IT services by Momentum Group's suppliers, errors or delays in future implementations of new IT systems and higher-than-expected IT investments could adversely impact the company's operations, financial position and earnings.

MAIN RISKS RELATED TO THE LISTING OF MOMENTUM GROUP AND THE SHARES IN MOMENTUM GROUP

All investments in securities are associated with risks. Such risks can cause the price of Momentum Group's shares to fall significantly and investors risk losing all or part of their investment. This section presents a number of risks related to the listing and Momentum Group's shares. For a more detailed description of the risks related to the listing and the shares, please refer to the prospectus that will be prepared and published by Momentum Group prior to the listing. The main risks related to Momentum Group's shares and the listing include for example:

Shareholding is always associated with risk

An investment in shares is always associated with risk. Since an investment in shares may increase or decrease in value, there is a risk that investors will not recover their invested capital. The price trend of a listed share is dependent on company-specific factors and factors that concern capital markets as a whole. It is not possible for an individual company to control all of the factors that could impact the share price.

There is no guarantee that an active, solvent and orderly market for trading Momentum Group's shares will develop.

No shares in Momentum Group have been traded prior to the distribution of B&B TOOLS' shares in Momentum Group. An application has been submitted to trade Momentum Group's class B shares on Nasdaq Stockholm. There is a risk that insufficient liquidity may be generated for the shares. The share price will further fluctuate due to factors such as variations in the company's earnings and financial position, changes in the expectations of the stock markets with regard to future profits, the supply and demand of shares, developments within the company's market segment and the general economic trend.

Increased costs for Momentum Group as an independent listed company

Until the distribution of shares in Momentum Group, Momentum Group is a subsidiary of a listed company. Momentum Group has previously held no direct responsibilities for corporate governance, financial reporting or the public-disclosure requirements applicable to listed companies. In conjunction with the listing on Nasdaq Stockholm, Momentum Group will be subject to specific laws, regulations and requirements that are more extensive than the regulatory framework applicable to unlisted companies. Hence, Momentum Group will be liable for costs not previously incurred by the company when it was an unlisted company.

Future cash dividends are dependent on several factors

The distributed shares in Momentum Group entitle the holder to receive a dividend on the first record date for a dividend occurring after the completion of the distribution from B&B TOOLS. The size of any future dividends depends on the company's future earnings, financial position, cash flows, working capital requirements, planned and potential acquisitions, and other factors. There are no guarantees during any given year that a dividend will be proposed or approved.

CERTAIN TAX ISSUES IN SWEDEN

The following is a summary of certain Swedish tax rules that are relevant in relation to B&B TOOLS's distribution of class A and B shares and the listing of class B shares in Momentum Group for shareholders subject to unrestricted taxation in Sweden, unless otherwise stated. The summary is based on current legislation and is only intended to provide general information. The information presented below does not include situations in which the shares in B&B TOOLS or Momentum Group are held for business purposes or as current assets in a business operation or held by a limited partnership. Nor does the summary include the specific regulations that in certain cases may be applicable to holdings in companies that are or have been close companies or to shares that have been acquired with the support of so-called qualified shares in close companies. Nor does the summary include shares deposited in a so-called investment savings account and encompassed by specific regulations regarding standard taxation. Special rules apply to certain categories of tax payers (such as investment funds, investment companies and insurance companies). The fiscal treatment of each individual shareholder depends partly on the individual's particular circumstances. Each shareholder should therefore consult a tax advisor with regard to the personally applicable tax consequences that may arise from the distribution of shares, including the applicability and effect of foreign rules and tax treaties.

SUMMARY

It is proposed that the shares in Momentum Group be distributed in accordance with the so-called Lex ASEA provisions, which implies that no immediate taxation will arise. The cost amount for the shares in B&B TOOLS that carry distribution rights will be allocated among these shares and the shares received in Momentum Group.

TAXATION RELATING TO THE DISTRIBUTION OF MOMENTUM GROUP SHARES

According to a reply by letter from the Swedish Tax Agency (Sw. *Skatteverket*), the distribution of shares in Momentum Group is exempt from taxation in Sweden under the Lex ASEA provisions. The cost amount for the shares in B&B TOOLS that carry distribution rights will thus be allocated among these shares and the shares received in Momentum Group. The allocation of the cost amount will be based on the change in value of the shares in B&B TOOLS due to the distribution of the shares in Momentum Group. B&B TOOLS will request general guidelines from the Swedish Tax Agency on the allocation of the cost amount. Information regarding the general guidelines will be published as soon as possible on the websites of B&B TOOLS, Momentum Group and the Swedish Tax Agency.

TAXATION ON THE DISPOSAL OF SHARES IN MOMENTUM GROUP

Disposals of shares in Momentum Group are subject to capital gains tax. For natural persons and estates, capital gains and capital losses on listed shares are normally taxed in the capital income category with a tax rate of 30 percent. If the disposal pertains to unlisted shares, five-sixths of the capital gain is taxable, while five-sixths of capital loss is deductible. The capital gain or capital loss on shares is calculated as the difference between the sales proceeds less sales costs and cost amount. The cost amount of the Momentum Group shares received through the distribution is to be determined on the basis of the general guidelines to be provided by the Swedish Tax Agency. When the capital gain or the capital

loss is calculated, the cost amount of all shares of the same class and type in Momentum Group are added together and calculated collectively applying the average method. This means that the average cost amount for shares held is normally affected if new shares of the same class and type are acquired. Since the class B shares in Momentum Group will be listed, the cost amount for these shares may alternatively be set at 20 percent of the net sales proceeds in accordance with the standard method.

Deductible capital losses on shares are to be deducted in their entirety from taxable capital gains on shares and other listed participatory rights, except for shares in investment funds that only contain Swedish claims (fixed-return funds). Capital gains that cannot be offset in this way are up to 70 percent deductible against other income from capital.

If a deficit arises in the capital income category, such deficit may reduce tax on income from employment and business activities as well as property tax and municipal property tax. The tax reduction is granted at a rate of 30 percent of a deficit that does not exceed SEK 100,000 and at a rate of 21 percent for any remaining part. Deficits cannot be carried forward to a later taxation year.

For limited companies, capital gains on shares that are not held for business purposes are taxed as income from business operations at a rate of 22 percent. In all material respects, capital gains and capital losses are calculated in the same manner as described above with respect to natural persons. Capital losses on such shares are only deductible against taxable capital gains on shares and other participatory rights (Sw. *aktiefällan*). Such capital losses may also, if certain conditions are satisfied, be offset against capital gains on shares and participatory rights arising in other companies within the same group, subject to the condition that rights to group contributions apply between this company and the company that recognised the capital loss. Capital losses that have not been utilised within a certain year may be carried forward and be offset against capital gains on participatory rights in subsequent taxation years without any time limitations.

TAXATION OF DIVIDENDS FROM MOMENTUM GROUP

Dividends from Momentum Group will be taxed in the capital income category for natural persons and estates at a rate of 30 percent and as income from business operations for limited companies at a rate of 22 percent. For natural persons and estates, a preliminary tax of 30 percent is withheld. The preliminary tax is generally withheld by Euroclear or, for nominee-registered shares, by the nominee.

SHAREHOLDERS WITH LIMITED TAX LIABILITY

For shareholders with limited tax liability in Sweden, Swedish coupon tax is generally payable on dividends from Swedish limited companies. However, coupon tax is not paid on the distribution of shares in Momentum Group, since the distribution is being carried out in accordance with the so-called Lex ASEA provisions. However, the distribution may result in tax consequences in the shareholder's country of domicile.

Coupon tax will normally be paid on dividends from Momentum Group to shareholders with limited tax liability in Sweden. The tax rate is 30 percent. However, this tax rate is generally reduced through tax agreements with other countries to avoid double taxation. In Sweden, the deduction of coupon tax is normally carried out by Euroclear, or in the case of nominee-registered shares, the nominee.

The holders of shares with limited tax liability in Sweden, and that do not operate a business from a permanent establishment in Sweden, are normally not subject to tax in Sweden for capital gains on the disposal of shares. Shareholders may, however, be subject to taxation in their country of domicile. According to a special tax provision, natural persons with limited tax liability in Sweden may be subject to capital gains taxation in Sweden in connection with the disposal of Swedish shares if such natural persons have been resident or lived permanently in Sweden at any time during the calendar year of the disposal or the ten calendar years immediately preceding the year of the disposal. In several cases, however, this rule has been limited by tax treaties that Sweden has concluded with other countries.

FAQ

Why is the distribution of B&B TOOLS' shares in Momentum Group being carried out?

The boards of directors of B&B TOOLS and Momentum Group believe that Momentum Group is ready to take the step toward becoming an independent listed company. A separate listing is expected to create better opportunities for customer satisfaction, earnings growth, profitability and business potential for both Momentum Group and the remaining operating segment Bergman & Beving (within B&B TOOLS) – and thereby increased shareholder value.

What are the terms for the distribution?

Those that are registered as shareholders in B&B TOOLS on the record date for the distribution, 16 June 2017, will receive one (1) class A share in Momentum Group for each class A share in B&B TOOLS, and one (1) class B share in Momentum Group for each class B share in B&B TOOLS.

Do shareholders in B&B TOOLS need to take any actions to receive shares in Momentum Group?

Those that are registered as shareholders in B&B TOOLS on the record date, 16 June 2017 (registered directly or through a nominee), do not need to take any actions to receive shares in Momentum Group.

Will shareholders in B&B TOOLS and Momentum Group receive a dividend for the 2016/2017 financial year?

Momentum Group will not pay a dividend for the 2016/2017 financial year. The earnings generated in the B&B TOOLS Group during the 2016/2017 financial year, including earnings generated in the subsidiaries that will be included in Momentum Group in the future, will be distributed to shareholders through B&B TOOLS' dividend for the 2016/2017 financial year. The board of directors of B&B TOOLS has proposed that the annual general meeting of B&B TOOLS (which, at the time of the annual general meeting, is expected to have changed its name to Bergman & Beving) on 24 August 2017 resolve to approve a dividend of SEK 5.00 per share for the 2016/2017 financial year. Following a resolution by the general meeting of shareholders, the cash dividend for the 2016/2017 financial year will be paid to shareholders of B&B TOOLS (which, at the time, is expected to have changed its name to Bergman & Beving) on the record date for cash dividends for 2016/2017 proposed by the board of directors.

Will the dividend result in any tax consequences for the shareholders in B&B TOOLS?

It is proposed that the shares in Momentum Group be distributed in accordance with the Lex ASEA provisions, which implies that no immediate taxation will arise in Sweden. Instead, the cost amount for the shares in B&B TOOLS that carry distribution rights will be allocated among these shares and the shares received in Momentum Group. The allocation of the cost amount will be based on the change in value of the shares in B&B TOOLS due to the distribution of the shares in Momentum Group. B&B TOOLS will request general guidelines from the Swedish Tax Agency on the allocation of the cost amount. Information regarding the general guidelines will be published as soon as possible on the websites of B&B TOOLS, Momentum Group and the Swedish Tax Agency.

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