

Bilia has received notice of termination of dealer agreements from Volvo Cars

Bilia has as at November 19, 2020, received notice of termination of dealer agreements, in its current form, for Volvo in Sweden and Norway, with a notice period of two years. The termination refers to both the Car Business and the Service Business for Volvo cars. During the notice period, the business is conducted as before.

Bilia has initiated discussions about future cooperation with Volvo after the notice period.

Bilia's turnover regarding sales of new Volvo cars in Sweden and Norway amounted during 2019 to about SEK 6.4 bn, with a gross margin of about SEK 80 M.

Bilia's total turnover for 2019 amounted to SEK 29.5 bn, with operational earnings amounting to SEK 1,239 M.

Bilia intends to continue with service and damage operations and sales of used Volvo cars also after the two-year notice period. Bilia will apply for renewed authorization for workshop services, which includes service and damage operations. Sales of used cars are not covered by the dealer agreements and are thus not affected by the termination.

Bilia is expected to continue to achieve its financial goals. Furthermore, Bilia now intensifies its work with future growth opportunities within the important Service Business, within the used car business area and within the sustainability area, for example car demolition. Bilia will also look further into continued geographical expansion and continue the work already begun to grow with other existing brands.

"The Car Business is subject to a global transformation and we are convinced that Bilia will continue to play a central role also in the future. As Bilia has had a long-term and developing cooperation with Volvo, we expect that going forward we can find forms of collaboration to jointly develop services that exceed our common customers' expectations and needs", says Per Avander, Managing Director and CEO.

Gothenburg, November 23, 2020

Bilia AB (publ)

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There will be a press and analyst meeting on Tuesday November 24, 2020 at 09:00 (CET) in Swedish and at 10:00 (CET) in English.

Please call telephone number +46 (0)8 22 90 90 and enter code 674445.

This is information that Bilja AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish securities markets act (2007:528). The information was submitted for publication, through the agency of the contact persons set out above, at 19:45 CET on November 23, 2020.

Facts about the Bilja Group

Bilja is one of Europe's largest car dealership chains with a leading position within service and sales of cars and transport vehicles. Bilja has about 140 facilities in Sweden, Norway, Germany, Luxembourg and Belgium. Bilja sells cars of the brand Volvo, BMW, Toyota, Renault, Lexus, MINI, Dacia, Alpine and transport vehicles of the brand Renault, Toyota and Dacia.

Bilja has today a fully expanded business with sales of new cars, e-commerce, spare parts and store sales, service and repair workshops, tyres and car glass and financing, insurance, car washes, fuel stations and auto salvage under the same roof, which gives a unique offer.

Bilja reported a turnover of about SEK 30 bn in 2019 and has about 5,000 employees.