ALLIGO

Q1 2024

INTERIM REPORT 1 January–31 March

Stable position on a continued weak market

FIRST QUARTER HIGHLIGHTS

- Revenue decreased by -5.2 per cent to MSEK 2,169 (2,287). Organic growth was -6.3 per cent.
- Gross margin increased to 41.1 per cent (39.7).
- Adjusted EBITA decreased to MSEK 84 (127), corresponding to an adjusted EBITA margin of 3.9 per cent (5.6).
- Operating profit decreased to MSEK 65 (112) and the operating margin was 3.0 per cent (4.9). Operating profit was charged with items affecting comparability of MSEK -4 (0).
- Profit amounted to MSEK 23 (68).
- Earnings per share amounted to SEK 0.46[1] (1.35[1]).
- Cash flow from operating activities amounted to MSEK 128 (146).

SIGNIFICANT EVENTS DURING THE FIRST QUARTER

- Alligo completed the acquisitions of Svets och Tillbehör i Sverige AB, Svetspartner i Malmö AB and Tore Vagle AS on 2 January 2024.
- New stores were opened in Boden, Västervik and Herttoniemi during the quarter.

EVENTS AFTER THE END OF THE PERIOD

- On 24 April, Alligo signed an agreement to acquire 100 per cent of the shares in Finnish companies Hämeen Teollisuuspalvelu Oy and Riihimäen Teollisuuspalvelu Oy. The companies have operations at several locations in southern Finland and sell tools, consumables, industrial components, workwear and personal protective equipment and generate a combined annual revenue of approximately MEUR 15.

KEY PERFORMANCE INDICATORS

Group	2024 JAN-MAR	2023 JAN-MAR	31/03/2024 12 months to	2023 JAN-DEC
Revenue, MSEK	2,169	2,287	9,217	9,335
Gross profit, MSEK	892	907	3,853	3,868
Gross margin, %	41.1	39.7	41.8	41.4
Operating profit, MSEK	65	112	701	748
Operating margin, %	3.0	4.9	7.6	8.0
Adjusted EBITA, MSEK	84	127	784	827
Adjusted EBITA margin, %	3.9	5.6	8.5	8.9
Return on equity, %			13	14
Equity per share[2], SEK	73.17	67.79	73.17	72.19
Equity/assets ratio, %	40	41	40	41

1) Before and after dilution.
2) Refers to equity attributable to the Parent Company's shareholders.

MESSAGE FROM THE CEO

As expected, the slowdown in demand on the market continued during the first quarter. The Swedish market experienced weak development, in accordance with what we have seen the past year, while the slowdown in Norway and Finland also continued.

Alligo is well equipped to handle the conditions on the weaker market and our focus is on what we ourselves can influence. During the first quarter, we continued to offset the underlying changes on the market by making adjustments to our cost structure, while also continuing to work to strengthen our offering and position.

Good resilience on a continued weak market

Revenue for the first quarter decreased by -5.2 per cent to MSEK 2,169 (2,287). The slowdown in demand resulted in negative organic growth in all countries, totalling -6.3 per cent. The weak sales trend can be seen in most of our industry segments, with the exception of oil and gas in Norway. Easter fell during the first quarter this year, providing an unfavourable calendar effect. Sales in Finland were also adversely affected by a strike that paralysed logistics functions and industrial facilities. The effect of Easter and the strike on revenue is estimated at approximately MSEK 75. Acquired growth amounted to 3.3 per cent, which had a certain positive mitigating effect.

The negative organic growth, combined with the effects of Easter and the strike in Finland, meant that profits declined during the first quarter. Operating profit amounted to MSEK 65 (112) and adjusted EBITA amounted to MSEK 84 (127), corresponding to an adjusted EBITA margin of 3.9 per cent (5.6). Profit in Finland was also affected by the costs of investments made in stores in order to meet the needs of small and medium-sized customers. Adjustments made to the cost structure, together with the measures we implemented to improve margins, had a certain mitigating effect on the weak sales.

Organisational changes in connection with savings programmes reduced operating profit by MSEK -4.

Strategic acquisitions

Acquisitions are a key tool for driving the development and growth of Alligo, particularly in times of lower growth on the market. Acquiring profitable companies that align well with our strategy enables us to strengthen our offering and position.

We work continuously to evaluate acquisition opportunities and after the end of the quarter we signed agreements to acquire two companies with operations in several locations in southern Finland. The companies sell tools, consumables, industrial components, workwear and personal protective equipment and will fit in very well with our business.

Launch of own brand range of fixings

During the quarter, we initiated the launch of a full range of industrial fixings under our own brand, Inno. The range includes the most common fixing products that our customers buy today. All products can be purchased by weight, which is important for customers buying fixings in store. The range will gradually be expanded over time with the aim of becoming a business-ready supplier of fixings to our customers.

Inno strengthens our offering and competitiveness and enables us to take new market shares within fixings. The Finnish market is the first to offer the range and in the autumn Inno industrial fixings will be launched in our stores in Sweden and Norway.

» Alligo is well equipped to handle the conditions on the weaker market and our focus is on what we ourselves can influence

Developing the industry's first circular end-to-end solution

In April, we began a pilot project for our new end-to-end solution for workwear, Smartwear, together with a customer on the Swedish market. The offering focuses on key customer values such as simplicity, sustainability and cost savings.

The customer is helped to select a range that is adapted to their needs. We take care of washing the clothes and we collect them and return them to the customer's operational site. Smartwear is currently in development and will also include repairs, reuse and recycling of worn-out clothing, making the offering the industry's first circular end-to-end solution for workwear. The customer receives regular reports containing statistics on wear and tear and washing and can monitor key performance indicators relating to sustainability and savings.

Positive outlook on the future

Despite the challenging market situation, I feel positive about the future. Alligo has an attractive offering for customers and a strong position on the market. With our shared scalable platform, stable financial base and proven integration model, we have the right conditions for profitable growth, both organically and through acquisitions.

The Nordic region is fundamentally a strong market and as we now put another quarter behind us, I believe that we are also one step closer to a turning of the tide. Going forward, we will continue to focus on sales, operational efficiency and acquiring profitable companies that are aligned with our business – all to build an even stronger Alligo for the future.

Clein Johansson Ullenvik
President and CEO

ALLIGO IN A MINUTE

Alligo is a leading player within workwear, personal protective equipment, tools and consumables in the Nordic region.

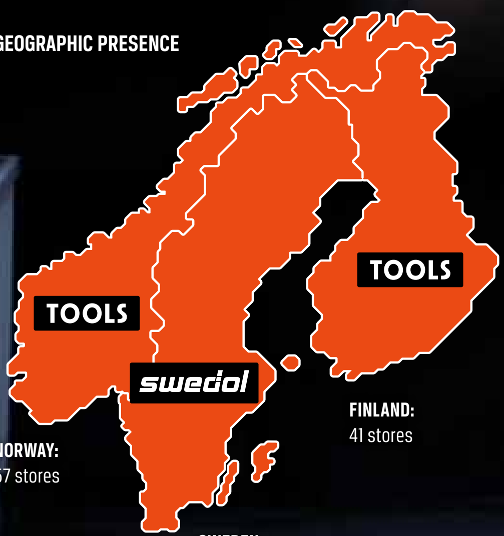
Our offering consists of a standardised product range of goods and services that make businesses work.

Through the concept brands Swedol and Tools, alongside local specialist brands, we interact with professional users throughout the Nordic region in the channels where they want to meet us, whether this is a store, field sales, digital channels or smart solutions on-site at the customer.

We have built an integrated organisation with a shared scalable platform that can drive long-term profitable and sustainable growth, both organically and through acquisitions.

We are driven by our vision of becoming unbeatable as a partner to our customers and suppliers, as an employer for our employees and as a leader in sustainable development in our industry.

GEOGRAPHIC PRESENCE



NORWAY: 57 stores

FINLAND: 41 stores

SWEDEN: 116 stores

Independent stores

SWEDEN: Mercus, Company Line, Reklamproffsen, Industriprofil, TriffiQ, Profilmakarna, Defacto, Magnusson Agentur, Profeel, Z-Profil, Kents Textiltryck, Olympus Profile, Topline, Svets och Tillbehör i Sverige and Svetspartner i Malmö. **NORWAY:** Tore Vagle. **FINLAND:** Metaplan, Liukkosen Pultti, Kitakone and Pirkka-Hitsi.

GROUP DEVELOPMENT

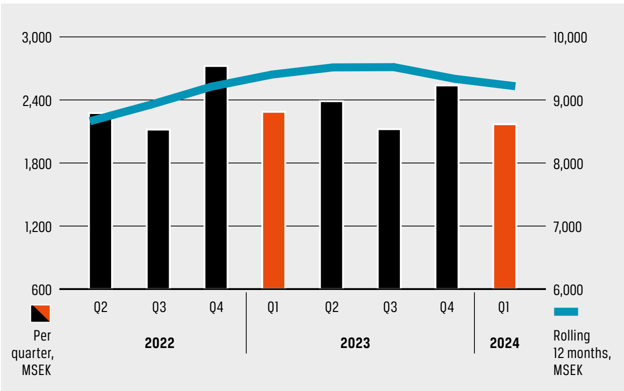
REVENUE

First quarter 2024

Revenue decreased by -5.2 per cent to MSEK 2,169 (2,287). Acquisitions made had a positive impact on revenue but this does not compensate for negative organic growth on all markets, negative currency effects and there being one trading day fewer because of Easter. Organic growth amounted to -6.3 per cent, with a slightly positive contribution made by three new store openings during the quarter. Revenue from like-for-like sales, measured in local currency and adjusted for the number of trading days, decreased by -6.4 per cent compared with the corresponding quarter last year. The market slowdown continued during the quarter and affected most customer segments. Easter falling during the first quarter this year and a strike in Finland further contributed to the decline compared with last year. The effect on revenue is expected to be in the region of MSEK 75. Acquired growth amounted to 3.3 per cent and relates primarily to acquisitions completed in Sweden, as well as in Finland and Norway.

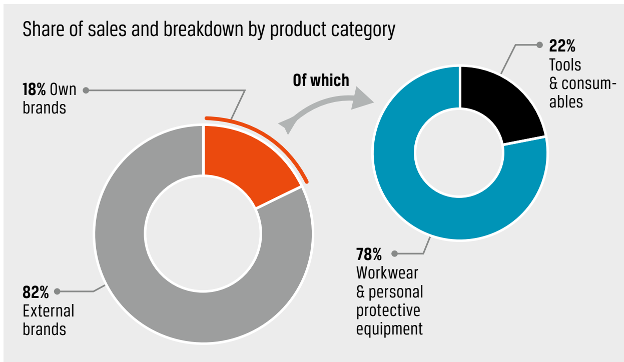
The proportion of own brands during the quarter was 18.0 per cent (17.6). The increase is attributable to Norway and Finland, while the proportion in Sweden has decreased as a result of acquisitions made. Workwear and personal protective equipment accounted for 78.4 per cent of own brand sales, and tools and consumables for 21.6 per cent. During the quarter, the proportion of in-store sales was 51 per cent (52), the proportion of direct sales was 45 per cent (44) and the remaining 5 per cent (5) relates to product media. Currency translation effects had a negative impact on revenue of MSEK 17, driven by the NOK trend and offset by the EUR trend.

REVENUE



MSEK	2022 Q2	Q3	Q4	2023 Q1	Q2	Q3	Q4	2024 Q1
Per quarter	2,275	2,118	2,723	2,287	2,388	2,122	2,538	2,169
Rolling 12 mos.	8,662	8,924	9,211	9,403	9,516	9,520	9,335	9,217

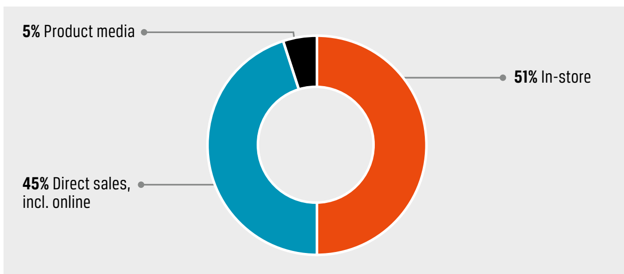
OWN BRANDS JAN–MAR 2024



SALES TREND	2024 JAN-MAR	2023 JAN-DEC
Change in revenue from:		
Like-for-like sales in local currency,%	-6.4	-1.4
Currency effects, %	-0.7	0.0
Number of trading days, %	-1.5	-0.8
New stores established in local currency,%	0.1	-
Other units[1], %	3.3	3.5
Total change, %	**-5.2**	**1.3**

1) Acquisitions and divestments.

SALES BY CHANNEL JAN–MAR 2024



PROFITS

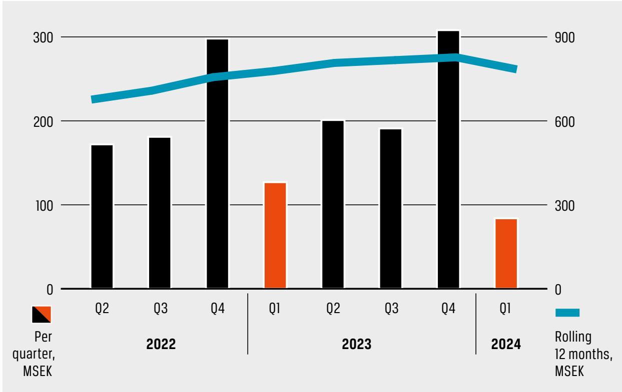
First quarter 2024

Operating profit amounted to MSEK 65 (112). Adjusted EBITA (operating profit excluding items affecting comparability and amortisation of intangible assets arising in connection with corporate acquisitions) amounted to MSEK 84 (127), corresponding to an adjusted EBITA margin of 3.9 per cent (5.6). The decline in profit was the result of weaker demand on all markets, as well as the negative impact of Easter and a strike in Finland, which are estimated to have affected adjusted EBITA by around MSEK 25. Margin improvements and cost adjustments are offsetting the weaker sales to a certain extent. The weaker profits in Finland were also a consequence of investments in stores to better meet the needs of small and medium-sized customers. Operating profit was charged with items affecting comparability of MSEK -4 (0) net relating to costs for organisational changes in connection with savings programmes implemented.

The coordination of Tools and Swedol has been completed in principle and only the adaptation of the range remains to be fully implemented, alongside the change of business system in Norway, which is scheduled for early 2025. There was a net increase in the number of stores from 209 to 214 through acquisitions and three new store openings.

During the quarter, MSEK 3 was utilised from restructuring reserves from previous years, MSEK 0 of which originates from the third quarter of 2020 and MSEK 3 from the third quarter of 2021. The restructuring reserve from the third quarter of 2020 amounts to MSEK 1 (originally MSEK 97). The restructuring reserve originating from the third quarter of 2021 and relating to the coordination of logistics in Sweden amounts to MSEK 59, compared with an initial MSEK 108. Both restructuring reserves have been utilised according to the original plan.

ADJUSTED EBITA



	2022			2023				2024
MSEK	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**
Per quarter	172	181	298	127	201	191	308	84
Rolling 12 mos.	676	708	756	778	807	817	827	784

The effective tax rate was 28.1 per cent (22.7). The higher effective tax rate is the result of higher standard interest on the tax allocation reserve combined with lower earnings before tax. Profit after financial items was MSEK 32 (88) and profit after tax was MSEK 23 (68), which corresponds to earnings per share of SEK 0.46 (1.35) for the quarter.

The Group's profitability, measured as the return on equity, amounted to 13 per cent for the most recent 12-month period, corresponding to a return on capital employed of 11 per cent.

DEVELOPMENT BY GEOGRAPHIC SEGMENT

First quarter 2024

SWEDEN

	JAN–MAR 2024
Revenue	MSEK 1,244
Adjusted EBITA	MSEK 75
Adjusted EBITA margin	6.0%
Proportion of own brands	22.0%
Number of units	116
of which Swedol/independent	92/24

Revenue in Sweden decreased by -2.2 per cent to MSEK 1,244 (1,272). Organic growth was negative, but was partially offset by the acquisitions of Svets och Tillbehör i Sverige AB, Svetspartner i Malmö AB and Topline AB. The market continued to experience weaker demand in 2024, while Easter also had a negative impact on the quarter. Organic growth was approximately -5 per cent and related to most customer segments. Adjusted EBITA for the quarter amounted to MSEK 75 (85) and the adjusted EBITA margin to 6.0 per cent (6.7). The decline in profit was a result of lower volumes, while margin improvements and cost adjustments had a mitigating effect.

Operating profit has been charged with items affecting comparability of MSEK -2 (-) net. The proportion of own brands during the quarter was 22.0 per cent (22.8). The decrease is the result of acquisitions made. During the quarter, the proportion of in-store sales was 59 per cent (65), the proportion of direct sales was 32 per cent (27) and the remaining 9 per cent (8) relates to product media.

The number of stores at the end of the period was 116 (112). New stores were opened in Boden and Västervik during the quarter.

Work is under way to increase the level of activity in sales work and to strengthen margins within the industrial segment through improved sales and assortment management, as well as to make further adjustments to the cost base.

NORWAY

	JAN–MAR 2024
Revenue	MSEK 623
Adjusted EBITA	MSEK 15
Adjusted EBITA margin	2.4%
Proportion of own brands	15.4%
Number of units	57
of which Tools/independent	56/1

Revenue in Norway decreased by -6.9 per cent to MSEK 623 (669), negatively affected by changes in the NOK exchange rate. Organic growth was negative, but was partially offset by the acquisition of Tore Vagle AS. The slowdown observed in the fourth quarter continued in 2024, while Easter also had a negative impact on the quarter. Organic growth was approximately -4 per cent and related to most customer segments, with the exception of the oil and gas industry. Adjusted EBITA for the quarter amounted to MSEK 15 (35) and the adjusted EBITA margin to 2.4 per cent (5.2). The decline in profit was a result of lower volumes, while improved sales and assortment management and cost adjustments had a mitigating effect.

Operating profit has been charged with items affecting comparability of MSEK -1 (-). The proportion of own brands during the quarter was 15.4 per cent (13.9). During the quarter, the proportion of in-store sales was 47 per cent (43) and the proportion of direct sales was 53 per cent (57).

The number of stores at the end of the period was 57 (57).

Work is under way to establish a more favourable customer mix in the form of a greater proportion of small and medium-sized customers, as well as to strengthen the sales and assortment management in order to improve margins and at the same time reduce costs.

FINLAND

	JAN–MAR 2024
Revenue	MSEK 376
Adjusted EBITA	MSEK -4
Adjusted EBITA margin	-1.1%
Proportion of own brands	9.6%
Number of units	41
of which Tools/independent	36/5

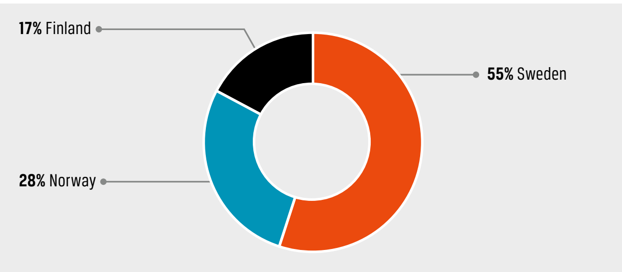
Revenue in Finland decreased by -10.5 per cent to MSEK 376 (420). Organic growth was negative, but was partially offset by the acquisitions of Kitakone Oy and Tampereen Pirkka-Hitsi Oy. The market continued to experience weaker demand in 2024, while Easter and a strike also had a negative impact on the quarter. Organic growth amounted to approximately -15 per cent and there is a clear decline in the manufacturing industry, but also within most other customer segments. Adjusted EBITA for the quarter amounted to MSEK -4 (11) and the adjusted EBITA margin to -1.1 per cent (2.6). The weaker profits were the effect of lower volumes and of investments in stores to better meet the needs of small and medium-sized customers.

Operating profit has been charged with items affecting comparability of MSEK -1 (-). The proportion of own brands during the quarter was 9.6 per cent (8.3). During the quarter, the proportion of in-store sales was 28 per cent (26) and the proportion of direct sales was 72 per cent (74).

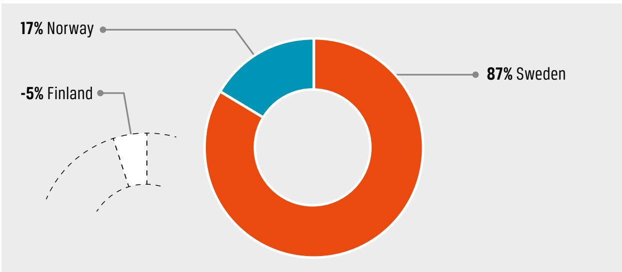
The number of stores at the end of the period was 41 (40). A new store was opened in Herttoniemi during the quarter.

The customer mix remains unfavourable, but activities are under way to increase the proportion of small and medium-sized customers, including by opening new stores and investing in existing ones.

REVENUE BY GEOGRAPHIC SEGMENT JAN–MAR 2024



ADJUSTED EBITA BY GEOGRAPHIC SEGMENT JAN–MAR 2024



OTHER FINANCIAL DEVELOPMENT

Investments and cash flow

Cash flow from operating activities before changes in working capital for the period totalled MSEK 131 (157). Inventories increased during the period by MSEK 15 (45). The average value of inventories was MSEK 2,376 (2,156) and the inventory turnover rate was 3.9 (4.3). Operating receivables decreased by MSEK 68 and operating liabilities fell by MSEK 56. Cash flow from operating activities therefore amounted to MSEK 128 (146). Cash flow for the period was also impacted by a net amount of MSEK 34 (31) pertaining to investments in and divestments of non-current assets, as well as by MSEK 124 (37) pertaining to acquisitions of subsidiaries. Investments in non-current assets principally related to the development of e-commerce solutions, service concepts, new store openings and store modifications.

Financial position and financing

At the end of the period, the Group's financial net loan liability amounted to MSEK 2,849, compared with MSEK 2,640 at the beginning of the financial year. The Group's operational net loan liability at the end of the period amounted to MSEK 1,565, compared with MSEK 1,449 at the beginning of the financial year. Available cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 1,135 compared with MSEK 1,251 at the beginning of the financial year. The business was refinanced during the first quarter of 2022 as a result of the distribution of Momentum Group. The total credit facility is MSEK 2,300, excluding a committed credit facility of MSEK 400. The credit facility was raised in March 2022 and extended by a year in March 2023 and by a further year in March 2024. The credit facility therefore runs until 2027. The interest rate is linked to STIBOR plus a surcharge based on the ratio of net operational liabilities to adjusted EBITDA. The equity/assets ratio at the end of the period was 40 per cent. Equity per share was SEK 73.17 at the end of the period, compared with SEK 72.19 at the beginning of the financial year.

Acquisitions 2024

Alligo completed three corporate acquisitions during the first quarter of 2024:

Acquisition of Tore Vagle AS

On 8 December 2023, Alligo signed an agreement to acquire 100 per cent of the shares in Norwegian company Tore Vagle AS, which has operations in Sandnes and sells tools and industrial components. Tore Vagle AS generates annual revenue of approximately MNOK 39 and has 11 employees. Closing took place on 2 January 2024.

Acquisition of Svets och Tillbehör i Sverige AB

On 13 December 2023, Alligo signed an agreement to acquire 100 per cent of the shares in Svets och Tillbehör i Sverige AB, which operates in Ystad and has a broad offering within welding and grinding and related service business. Svets och Tillbehör i Sverige AB generates annual revenue of approximately MSEK 120 and has 22 employees. Closing took place on 2 January 2024.

Acquisition of Svetspartner i Malmö AB

On 13 December 2023, Alligo signed an agreement to acquire 100 per cent of the shares in Svetspartner i Malmö AB ("Järnab"), which has a broad offering within welding and grinding and related service business. Svetspartner i Malmö AB generates annual revenue of approximately MSEK 25 and has ten employees. Closing took place on 2 January 2024.

Acquisitions after the end of the period

After the end of the period, Alligo signed agreements for two corporate acquisitions:

Acquisition of Hämeen Teollisuuspalvelu Oy

On 24 April, Alligo signed an agreement to acquire 100 per cent of the shares in Finnish company Hämeen Teollisuuspalvelu Oy. The company has operations in Tavastehus and sells tools, consumables, industrial components, workwear and personal protective equipment, with a particular focus on the defense industry. Hämeen Teollisuuspalvelu Oy generates annual revenue of approximately MEUR 7.5 and has 16 employees. The acquisition is expected to be completed during the second quarter of 2024.

Acquisition of Riihimäen Teollisuuspalvelu Oy

On 24 April, Alligo signed an agreement to acquire 100 per cent of the shares in Finnish company Riihimäen Teollisuuspalvelu Oy. The company has operations at several locations in southern Finland and sells tools, consumables, industrial components, workwear and personal protective equipment. Riihimäen Teollisuuspalvelu Oy generates annual revenue of approximately MEUR 7.1 and has 26 employees. The acquisition is expected to be completed during the second quarter of 2024.

Employees

At the end of the period, the number of employees in the Group amounted to 2,465, compared with 2,443 at the beginning of the year. The increase in the number of employees is the result of corporate acquisitions made.

Transactions with related parties

No transactions having a material impact on the Group's position or earnings occurred between Alligo and its related parties during the period.

Parent Company

At the end of the period, the Group comprised the parent company Alligo AB and a total of 34 Swedish and foreign subsidiaries. The parent company's operations comprise Group-wide management, including Legal and Investor Relations functions. Income takes the form of a management fee from Group companies for Group-wide services and costs which the parent company has provided.

The parent company's revenue for the period amounted to MSEK 6 (8) and the loss after financial items totalled MSEK -4 (-6). Profit has been charged with items affecting comparability of MSEK 0 (0). The balance sheet total amounted to MSEK 4,651 (4,130) and equity represented 38 per cent (45). The number of employees at the parent company at the end of the period was 2 (2).

THE SHARE

Alligo was listed on Nasdaq Stockholm under the name Momentum Group AB on 21 June 2017.

Following a General Meeting resolution of 2 December 2021, the Group's parent company changed its name to Alligo AB. Since 15 December 2021, the listed Class B share has been traded under the short name ALLIGO B with the ISIN code SE0009922305.

The share and share capital

At the end of the period, the share capital amounted to MSEK 102. The distribution by class of share at the end of the period on 31 March 2024 was as shown in the table below:

CLASS OF SHARE	31/03/2024
Class A shares	564,073
Class B shares	50,342,116
Total number of shares before repurchasing	**50,906,189**
Less: Repurchased Class B shares	-855,300
Total number of shares after repurchasing	**50,050,889**

The quotient value is SEK 2.00 per share. Each Class A share entitles the holder to ten votes and each Class B share to one vote. All shares carry equal rights to the company's assets, earnings and dividends. A conversion provision in the Articles of Association allows for conversion of Class A shares into Class B shares. Nordstjernan AB is the only shareholder whose shareholding provides total voting rights in excess of one-tenth of the voting rights of all the shares in the company. Nordstjernan's shareholding corresponds to 54.6 per cent of the outstanding shares and 49.6 per cent of the votes in Alligo.

Incentive programmes

Call option programme 2022/2025

The 2022 Annual General Meeting approved a call option programme containing a maximum of 185,000 options, corresponding to approximately 0.36 per cent of the total number of shares and approximately 0.33 per cent of the total number of votes in the company. The programme is designed for key personnel in senior positions and provides the opportunity to acquire call options at market price for Class B shares repurchased by Alligo. After two years, a subsidy will be paid equivalent to the premium paid for each call option (before tax) provided that the option holder's employment at the Group has not been terminated and that the call options have not been divested prior to this point. The subsidy is recognised as an accrued expense until the time when the employment condition is met. The subsidy is also charged with social security contributions. Each call option entitles the holder to acquire one (1) repurchased Class B share in the company on three occasions: 1) during the period from 2 June 2025 to 16 June 2025 inclusive, 2) during the period from 18 August 2025 to 1 September 2025 inclusive, and 3) during the period from 3 November 2025 to 17 November 2025 inclusive. The redemption price has been calculated as SEK 129.30, based on 120 per cent of the volume-weighted average price during the period 12 May to 25 May 2022. If the share price at the time the call option is exercised exceeds SEK 194.00, the redemption price shall be increased krona for krona by the amount in excess of SEK 194.00. The option premium has been calculated as SEK 7.82 by an independent third party according to the accepted Black-Scholes model. 185,000 call options have been allotted and acquired by employees on market terms. Of these, 80,000 have been acquired by the Group CEO and CFO and 105,000 by other key personnel. The option premium paid totals MSEK 1.4.

Holding of treasury shares

On the basis of the authorisation granted by the Annual General Meeting of 24 May 2023, Alligo's Board of Directors decided on 15 August to repurchase some of the company's own Class B shares. The aim of this repurchase is to enable companies or businesses to be acquired in the future using treasury shares, while also facilitating the adaptation of the Group's capital structure. The repurchase will take place on an ongoing basis, on one or more occasions, up to the Annual General Meeting in 2024. During the third quarter of 2023, 430,000 shares were repurchased, corresponding to 0.8 per cent of the total number of shares and 0.8 per cent of the total number of votes.

As at 31 March 2024, Alligo's holding of Class B treasury shares amounted to 855,300, corresponding to 1.7 per cent of the total number of shares and 1.5 per cent of the total number of votes. There were no changes to the holding of treasury shares after the end of the period.

The Board's proposed cash dividend

The Board of Directors proposes to the Annual General Meeting of 23 May 2024 a dividend of SEK 3.50 (3.00) per share, which corresponds to 35 per cent (31) of the earnings per share for the financial year. Taking into account the repurchased Class B shares, the proposed dividend corresponds to a total of MSEK 175 (151).

RISKS AND UNCERTAINTIES

Alligo's profits, financial position and strategic position are affected by both internal factors over which the Group has control and external factors where the opportunity to influence the course of events is limited. The most significant external risk factors for Alligo are the economic and market situation, as well as changes in the number of employees, productivity and willingness to invest within the manufacturing and construction industries, combined with structural changes and the competitive situation.

The slowdown in demand has gradually intensified over the past year and the economy has declined, resulting in a more challenging market. Alligo's balanced mix of corporate customers in different sizes and industry segments in three countries dampens the effect of economic fluctuations and contributes to risk spread.

There is also uncertainty regarding developments in the Middle East and the future impact this may have on the freight market, raw material prices, inflation and the economy. At the same time, geopolitical tensions are growing in other parts of the world and the potential impact is hard to predict. The business has therefore ensured it is well prepared to handle changes in the global situation and in the economy.

Exchange rate fluctuations and a weak Swedish krona may make purchases more expensive, particularly in dollars, which risks having a negative impact on margins. Alligo is constantly working to offset changes in purchase prices by adapting our customer pricing.

For a more detailed summary of the Group's other risks and uncertainties, see pages 32–35 of the annual report for 2023. The parent company is indirectly affected by the above risks and uncertainties through its function in the Group.

GROUP TARGETS

Financial targets

Alligo's financial targets focus on profitable growth, financial stability and dividend. The targets have been set based on Alligo's conditions during a medium-term strategy period.

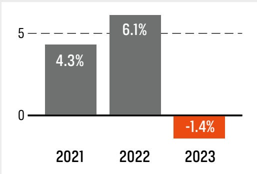
TARGET | OUTCOME

GROWTH

>5%

Organic growth

Average organic growth shall be more than five per cent per year over a business cycle. Further growth shall also be made through acquisitions.

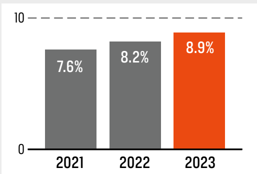


PROFITABILITY

>10%

Adjusted EBITA margin

The adjusted EBITA margin shall be more than ten per cent per year.

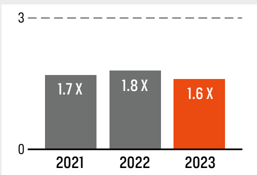


INDEBTEDNESS

<3X

Ratio of net operational liabilities to adjusted EBITDA

The ratio of net operational liabilities to adjusted EBITDA shall be less than a multiple of three.

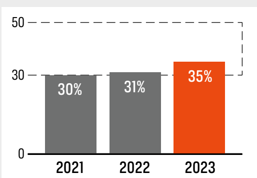


DIVIDEND

30-50%

Dividend from net profit

The dividend as a percentage of net profit shall be 30-50 per cent, taking into account other factors such as financial position, cash flow and growth opportunities.



Sustainability targets

The sustainability targets are based on Alligo's vision and material sustainability issues and are designed to make Alligo a leader in sustainable development in our industry.

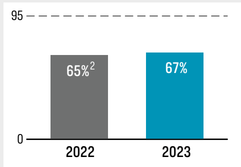
TARGET | OUTCOME

RESPONSIBLE SUPPLIER RELATIONSHIPS

>95%

Shall meet the Supplier Standard

More than 95 per cent shall meet Alligo's Supplier Standard[1], measured as a proportion of the total purchase value from suppliers to the standard range.



SATISFIED CUSTOMERS

>75

Customer Satisfaction Index

The Customer Satisfaction Index (CSI) shall be more than 75.

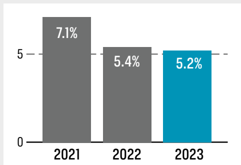
CSI	2021	2022	2023[3]
Sweden (Swedol)	76	76	–
Sweden (Tools)	79	77	–
Sweden (Grolls)	79	78	–
Norway (Tools)	79	79	–
Norway (Univern)	85	81	–
Finland (Tools)	77	n.a.	–
Finland (Grolls)	76	n.a.	–

HEALTH

<5%

Sickness absence

Sickness absence shall be less than five per cent of total scheduled hours.

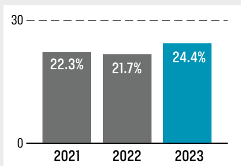


GENDER EQUALITY

>30%

Proportion of female managers

The proportion of female managers shall be more than 30 per cent.



CLIMATE IMPACT

↓CO_2

Reduced greenhouse gas emissions

Climate emissions shall be reduced.

In December 2023, Alligo joined the Science Based Targets initiative. By the end of 2025, the Group shall set targets for reduced climate emissions.

2023 2024 2025 2026

1) Alligo's Supplier Standard includes contracts, acceptance of the Supplier Code of Conduct and related restricted chemicals lists, and self-assessments performed by suppliers on the requirements of the Code of Conduct.

2) The calculation basis was adjusted in 2023 and the comparative figures for 2022 have been restated according to the same principles.

3) The method for measuring customer satisfaction is under review. No outcome for 2023 can be reported.

FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED INCOME STATEMENT

MSEK	2024 JAN–MAR	2023 JAN–MAR	31/03/2024 12 months to	2023 JAN–DEC
Revenue	2,169	2,287	9,217	9,335
Other operating income	35	33	129[1]	127[1]
Total operating income	**2,204**	**2,320**	**9,346**	**9,462**
Cost of goods sold	-1,277	-1,380	-5,364	-5,467
Personnel costs	-463	-451	-1,796	-1,784
Depreciation, amortisation, impairment losses and reversal of impairment losses	-147	-127	-553	-533
Other operating expenses	-252	-250	-932	-930
Total operating expenses	**-2,139**	**-2,208**	**-8,645**	**-8,714**
Operating profit	**65**	**112**	**701**	**748**
Financial income	5	3	15	13
Financial expenses	-38	-27	-138	-127
Net financial items	**-33**	**-24**	**-123**	**-114**
Profit/loss after financial items	**32**	**88**	**578**	**634**
Taxes	-9	-20	-126	-137
Profit/loss for the period	**23**	**68**	**452**	**497**
Profit/loss for the period attributable to:				
Parent Company shareholders	23	68	446	491
Non-controlling interests	0	0	6	6
Earnings per share				
Before dilution, SEK	0.46	1.35	8.89	9.76
After dilution, SEK	0.46	1.35	8.88	9.76

1) Other income includes revalued contingent additional purchase considerations of MSEK 6.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	2024 JAN–MAR	2023 JAN–MAR	31/03/2024 12 months to	2023 JAN–DEC
Profit/loss for the period	**23**	**68**	**452**	**497**
OTHER COMPREHENSIVE INCOME FOR THE PERIOD				
Components that will not be reclassified to profit/loss for the period:				
Remeasurement of defined benefit pension plans	0	0	0	0
Tax attributable to components that will not be reclassified	0	0	0	0
	0	**0**	**0**	**0**
Components that will be reclassified to profit/loss for the period:				
Translation differences	21	-31	4	-48
Fair value changes for the period in cash flow hedges	6	-1	4	-3
Tax attributable to components that will be reclassified	-1	0	-1	0
	26	**-32**	**7**	**-51**
Other comprehensive income for the period	**26**	**-32**	**7**	**-51**
Comprehensive income for the period	**49**	**36**	**459**	**446**
Profit/loss for the period attributable to:				
Parent Company shareholders	49	36	453	440
Non-controlling interests	0	0	6	6

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MSEK	31/03/2024	31/03/2023	31/12/2023
ASSETS			
Non-current assets			
Intangible non-current assets	2,831	2,674	2,723
Right-of-use assets	1,235	997	1,162
Tangible non-current assets	672	578	666
Financial investments	2	0	2
Other non-current receivables	30	26	29
Deferred tax assets	61	65	59
Total non-current assets	**4,831**	**4,340**	**4,641**
Current assets			
Inventories	2,413	2,297	2,348
Accounts receivable	1,197	1,231	1,164
Other current receivables	210	181	252
Cash and cash equivalents	550	206	382
Total current assets	**4,370**	**3,915**	**4,146**
TOTAL ASSETS	**9,201**	**8,255**	**8,787**
EQUITY AND LIABILITIES			
Equity			
Equity attributable to Parent Company shareholders	3,662	3,422	3,613
Non-controlling interests	26	16	26
Total equity	**3,688**	**3,438**	**3,639**
Non-current liabilities			
Non-current interest-bearing liabilities	2,115	1,743	1,831
Non-current lease liabilities	863	679	793
Provisions for pensions	0	0	0
Other non-current liabilities and provisions	472	439	475
Total non-current liabilities	**3,450**	**2,861**	**3,099**
Current liabilities			
Current interest-bearing liabilities	0	2	0
Current lease liabilities	421	353	398
Accounts payable	1,001	939	1,017
Other current liabilities	641	662	634
Total current liabilities	**2,063**	**1,956**	**2,049**
TOTAL LIABILITIES	**5,513**	**4,817**	**5,148**
TOTAL EQUITY AND LIABILITIES	**9,201**	**8,255**	**8,787**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to Parent Company shareholders					
MSEK	**Share capital**	**Reserves**	**Retained earnings incl. profit/loss for the year**	**Total**	**Non-controlling interests**	**Total equity**
Opening equity, 01/01/2023	**102**	**48**	**3,258**	**3,408**	**5**	**3,413**
Profit/loss for the period			68	**68**		**68**
Other comprehensive income		-32		**-32**		**-32**
Acquisitions of partly owned subsidiaries				**0**	11	**11**
Option liability, acquisitions[1]			-22	**-22**		**-22**
Closing equity, 31/03/2023	**102**	**16**	**3,304**	**3,422**	**16**	**3,438**
Opening equity, 01/01/2023	**102**	**48**	**3,258**	**3,408**	**5**	**3,413**
Profit/loss for the period			491	**491**	6	**497**
Other comprehensive income		-51		**-51**		**-51**
Dividend			-151	**-151**		**-151**
Repurchase of own shares			-46	**-46**		**-46**
Acquisitions of partly owned subsidiaries				**0**	15	**15**
Change in value of option liability			-5	**-5**		**-5**
Option liability, acquisitions[2]			-33	**-33**		**-33**
Closing equity, 31/12/2023	**102**	**-3**	**3,514**	**3,613**	**26**	**3,639**
Opening equity, 01/01/2024	**102**	**-3**	**3,514**	**3,613**	**26**	**3,639**
Profit/loss for the period			23	**23**		**23**
Other comprehensive income		26		**26**		**26**
Closing equity, 31/03/2024	**102**	**23**	**3,537**	**3,662**	**26**	**3,688**

1) Pertains to the value of the put options in relation to non-controlling interests in the acquired subsidiaries Z-Profil AB, Kents Textiltryck i Halmstad Aktiebolag and Olympus Profile i Uddevalla AB which grant the shareholders the right to sell shares to Alligo. The price of the options is dependent on the results achieved at the company and may be extended by one year at a time from 2026 onwards.

2) Pertains to the value of the put options in relation to non-controlling interests in the acquired subsidiaries Z-Profil AB, Kents Textiltryck i Halmstad Aktiebolag, Olympus Profile i Uddevalla AB and Topline AB which grant the shareholders the right to sell shares to Alligo. The price of the options is dependent on the results achieved at the company and may be extended by one year at a time from 2026 onwards.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

MSEK	2024 JAN–MAR	2023 JAN–MAR	31/03/2024 12 months to	2023 JAN–DEC
Operating activities				
Profit/loss after financial items	32	88	578	634
Adjustment for non-cash items	148	125	550	527
Income taxes paid	-49	-56	-134	-141
Cash flow from operating activities before changes in working capital	**131**	**157**	**994**	**1,020**
Change in inventories	-15	-45	-53	-83
Change in operating receivables	68	175	69	176
Change in operating liabilities	-56	-141	-35	-120
Cash flow from operating activities	**128**	**146**	**975**	**993**
Investing activities				
Net investments in non-current assets	-34	-31	-218	-215
Acquisition of subsidiaries and other business units	-124	-37	-213	-126
Cash flow from investing activities	**-158**	**-68**	**-431**	**-341**
Financing activities				
Borrowings	280	0	372	92
Repayment of loans	-84	-89	-373	-378
Repurchase/sale of treasury shares	-	-	-46	-46
Dividends paid	-	-	-151	-151
Cash flow from financing activities	**196**	**-89**	**-198**	**-483**
Cash flow for the period	**166**	**-11**	**346**	**169**
Cash and cash equivalents at the beginning of the period	382	215	206	215
Exchange difference in cash and cash equivalents	2	2	-2	-2
Cash and cash equivalents at the end of the period	**550**	**206**	**550**	**382**

CONDENSED PARENT COMPANY INCOME STATEMENT

MSEK	2024 JAN–MAR	2023 JAN–MAR	31/03/2024 12 months to	2023 JAN–DEC
Revenue	6	8	23	25
Other operating income	0	0	3	3
Total operating income	**6**	**8**	**26**	**28**
Operating expenses	-8	-12	-30	-34
Operating profit	**-2**	**-4**	**-4**	**-6**
Financial income and expenses	-2	-2	-8	-8
Profit/loss after financial items	**-4**	**-6**	**-12**	**-14**
Appropriations	-	-	108	108
Profit/loss before tax	**-4**	**-6**	**96**	**94**
Taxes	1	1	-20	-20
Profit/loss for the period	**-3**	**-5**	**76**	**74**

There are no items at the parent company that are recognised under other comprehensive income.
Total comprehensive income therefore corresponds to the profit/loss for the period.

CONDENSED PARENT COMPANY BALANCE SHEET

MSEK	31/03/2024	31/03/2023	31/12/2023
ASSETS			
Intangible non-current assets	0	0	0
Tangible non-current assets	0	0	0
Financial non-current assets	3,435	3,433	3,432
Total non-current assets	**3,435**	**3,433**	**3,432**
Current receivables	725	536	564
Cash and bank	491	161	329
Total current assets	**1,216**	**697**	**893**
TOTAL ASSETS	**4,651**	**4,130**	**4,325**
EQUITY, PROVISIONS AND LIABILITIES			
Restricted equity	102	102	102
Non-restricted equity	1,635	1,756	1,638
Total equity	**1,737**	**1,858**	**1,740**
Untaxed reserves	33	1	33
Provisions	4	4	4
Non-current liabilities	2,115	1,740	1,831
Current liabilities	762	527	717
TOTAL EQUITY, PROVISIONS AND LIABILITIES	**4,651**	**4,130**	**4,325**

NOTES

NOTE 1 Accounting policies

The interim report for the Group has been prepared in accordance with IFRS, with the application of IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and the Swedish Securities Markets Act. Disclosures in accordance with paragraph 16A of IAS 34 are made in the financial statements and related notes, as well as in other sections of the report. The interim report for the parent company has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Markets Act, which is consistent with the provisions of Recommendation RFR 2 Accounting for Legal Entities of the Swedish Financial Reporting Board. The accounting policies and assessment criteria applied are the same as in the annual report for 2023.

Amounts quoted in the interim report are stated in millions of Swedish kronor (MSEK) unless otherwise indicated. Amounts in parentheses refer to the comparison period.

NOTE 2 Operating segments

The Group's operating segments consist of the geographic segments of Sweden, Norway and Finland (including Estonia). The operating segments reflect the operational organisation, as used by Group's corporate management and the Board of Directors to monitor operations. Group-wide includes the Group's management and support functions, such as Investor Relations and Legal.

	JAN-MAR 2024						
MSEK	Sweden	Norway	Finland[1]	Total segments	Group-wide	Eliminations	Group total
External revenue	1,177	617	375	**2,169**			**2,169**
Internal revenue	67	6	1	**74**		-74	**0**
Revenue	**1,244**	**623**	**376**	**2,243**	**-**	**-74**	**2,169**
Adjusted EBITA	**75**	**15**	**-4**	**86**	**-2**	**-**	**84**
Items affecting comparability[2]	-2	-1	-1	**-4**	-	-	**-4**
Amortisation of intangible assets in connection with corporate acquisitions	-11	-2	-2	**-15**	-	-	**-15**
Operating profit	**62**	**12**	**-7**	**67**	**-2**	**-**	**65**
Non-current assets	3,326	819	593	**4,738**	0	-	**4,738**

	JAN-MAR 2023						
MSEK	Sweden	Norway	Finland[1]	Total segments	Group-wide	Eliminations	Group total
External revenue	1,204	663	420	**2,287**	-	-	**2,287**
Internal revenue	68	6	0	**74**	-	-74	**0**
Revenue	**1,272**	**669**	**420**	**2,361**	**-**	**-74**	**2,287**
Adjusted EBITA	**85**	**35**	**11**	**131**	**-4**	**-**	**127**
Amortisation of intangible assets in connection with corporate acquisitions	-11	-3	-1	**-15**	-	-	**-15**
Operating profit	**74**	**32**	**10**	**116**	**-4**	**-**	**112**
Non-current assets	3,184	611	454	**4,249**	0	-	**4,249**

	JAN-DEC 2023						
MSEK	Sweden	Norway	Finland[1]	Total segments	Group-wide	Eliminations	Group total
External revenue	5,058	2,569	1,708	**9,335**			**9,335**
Internal revenue	299	42	1	**342**		-342	**0**
Revenue	**5,357**	**2,611**	**1,709**	**9,677**	**-**	**-342**	**9,335**
Adjusted EBITA	**612**	**160**	**61**	**833**	**-6**	-	**827**
Items affecting comparability[3]	-9	-5	-6	**-20**	-	-	**-20**
Amortisation of intangible assets in connection with corporate acquisitions	-40	-11	-8	**-59**	-	-	**-59**
Operating profit	**563**	**144**	**47**	**754**	**-6**	**-**	**748**
Non-current assets	3,184	812	556	**4,552**	0	-	**4,552**

1) The Finland operating segment also includes Estonia.

2) Items affecting comparability relate to costs for organisational changes in connection with the savings programme implemented.

3) Items affecting comparability relate to costs for the scrapping of Covid materials, costs for organisational changes and efficiency measures in connection with the savings programme implemented, as well as acquisition costs.

NOTE 3 Revenue by category

COUNTRY MSEK	2024 JAN-MAR	2023 JAN-MAR	2023 JAN-DEC
Sweden	1,177	1,204	5,058
Norway	617	663	2,569
Finland	375	420	1,708
Total revenue	**2,169**	**2,287**	**9,335**

PRODUCT BRANDS MSEK	2024 JAN-MAR	2023 JAN-MAR	2023 JAN-DEC
Own brands			
Sweden	259	275	1,210
Norway	95	92	424
Finland	36	35	175
Total own brands	**390**	**402**	**1,809**
External brands			
Sweden	918	929	3,848
Norway	522	571	2,145
Finland	339	385	1,533
Total external brands	**1,779**	**1,885**	**7,526**
Total revenue	**2,169**	**2,287**	**9,335**

NOTE 4 Fair value of financial instruments

The Group has financial instruments where level 3 has been used to determine the fair value. Financial liabilities measured at fair value through profit or loss pertain to additional purchase considerations not yet paid and at the end of the period amounted to MSEK 45. The additional purchase considerations are based on gross profit for the years 2023–2025, as well as revenue growth. The additional purchase considerations are valued on an ongoing basis using a probability assessment, where an evaluation is made of whether they will be paid at the agreed amounts. Management has taken into account here the risk for the outcome of future cash flows. The fair value of the Group's financial assets and liabilities is estimated to be the same as their carrying amount.

Call and put options issued to non-controlling interests are measured based on the conditions stipulated in the purchase agreement and the shareholder agreement and are discounted on the balance sheet date. The key parameter is the change in value of the share, which is based on results up to an estimated maturity date. Changes in the value of call and put options issued to non-controlling interests are recognised directly in equity.

The Group does not use net recognition for any of its material assets or liabilities. There were no transfers between levels or measurement categories during the period.

CHANGES FOR FINANCIAL INSTRUMENTS MEASURED AT LEVEL 3

LIABILITIES, MSEK	Contingent purchase considerations	Call and put options
Opening value, 01/01/2024	**26**	**47**
Cost, acquisitions	18	-
Additional purchase considerations paid	-	-
Recognised in operating profit	0	-
Recognised in net financial items	0	-
Recognised in equity	-	-
Translation differences	1	-
Closing value 31/03/2024	**45**	**47**
Expected payments		
Expected payments < 12 months	34	
Expected payments > 12 months	11	

NOTE 5 Business combinations

Business combinations in 2024

Share transfers

Alligo made three corporate acquisitions with closing during 2024. None of these acquisitions is deemed significant enough to require a separate presentation of the acquisition analysis.

- On 8 December 2023, Alligo signed an agreement to acquire 100 per cent of the shares in Norwegian company Tore Vagle AS, which has operations in Sandnes and sells tools and industrial components. Tore Vagle AS generates annual revenue of approximately MNOK 39 and has 11 employees. Closing took place on 2 January 2024.
- On 13 December 2023, Alligo signed an agreement to acquire 100 per cent of the shares in Svets och Tillbehör i Sverige AB, which operates in Ystad and has a broad offering within welding and grinding and related service business. Svets och Tillbehör i Sverige AB generates annual revenue of approximately MSEK 120 and has 22 employees. Closing took place on 2 January 2024.
- On 13 December 2023, Alligo signed an agreement to acquire 100 per cent of the shares in Svetspartner i Malmö AB ("Järnab"), which has a broad offering within welding and grinding and related service business. Svetspartner i Malmö AB generates annual revenue of approximately MSEK 25 and has 10 employees. Closing took place on 2 January 2024.

During the period, the companies acquired on 2 January have contributed MSEK 44 to the Group's revenue and MSEK 3 to the Group's adjusted EBITA. The total purchase consideration for the acquisitions amounted to MSEK 138, of which MSEK 18 comprised additional purchase considerations. Acquisition costs of approximately MSEK 0 were recognised as other operating expenses during the period.

Additional purchase considerations paid

No additional purchase considerations were paid during the period.

Acquisition analyses

Some of the surplus value in the preliminary acquisition analyses has been allocated to customer relations, while the unallocated surplus value has been assigned to goodwill. Goodwill relates to unidentifiable intangible assets and synergies within procurement, logistics, IT and administration, for example, that are expected to arise as a result of the acquisition. Goodwill has an indefinable useful life and is not amortised but is tested for impairment annually or where there are indications of a decline in value. The estimated value of customer relations is amortised over an estimated useful life of 10 years. The main reason why the acquisition analyses are considered to be preliminary is that only a short time has passed since the acquisitions.

SHARE TRANSFERS

MSEK	Carrying amount	Fair value adjustment	Fair value
ACQUIRED ASSETS			
Intangible non-current assets		28	28
Right-of-use assets		41	41
Other non-current assets	2	2	4
Inventories	42	-8	34
Other current assets	26		26
TOTAL ASSETS	**70**	**63**	**133**
ACQUIRED PROVISIONS AND LIABILITIES			
Non-current liabilities	7		7
Lease liabilities		41	41
Deferred tax liability	0	6	6
Current operating liabilities	24		24
TOTAL PROVISIONS AND LIABILITIES	**31**	**47**	**78**
NET OF ASSETS AND LIABILITIES (identified)	**39**	**16**	**55**
Goodwill			83
Non-controlling interests			-
Purchase consideration			**138**
Of which additional purchase consideration			-18
Additional purchase consideration paid			-
Cash and cash equivalents in acquired companies			-2
Loans settled on acquisition			6
EFFECT ON GROUP CASH AND CASH EQUIVALENTS			**124**

NOTE 5 Business combinations cont.

CORPORATE ACQUISITIONS CONDUCTED

Acquisitions – from the 2020 financial year onwards	Closing	Revenue[1]	Number of employees[1]
Swedol AB[2], SE/NO/FI	April 2020	MSEK 3,650	1,046
Imatran Pultti Oy, FI	April 2021	MEUR 5	11
RAF Romerike Arbeidstøy AS, NO	October 2021	MNOK 16	4
Liukkosen Pultti Oy, FI	February 2022	MEUR 4.5	12
Lunna AS, NO	March 2022	MNOK 82	26
H E Seglem AS Industriverksamhet[3], NO	June 2022	MNOK 40	8
Magnusson Agentur AB, SE	July 2022	MSEK 27	6
LVH AS, NO	August 2022	MNOK 13	4
Profeel Sweden AB[4], SE	November 2022	MNOK 70	18
Z-profil AB[5], SE	January 2023	MSEK 40	13
Kents Textiltryck i Halmstad Aktiebolag[5], SE	January 2023	MSEK 40	15
Olympus Profile i Uddevalla AB[5], SE	January 2023	MSEK 40	13
Kitakone Oy, FI	April 2023	MEUR 3	8
Topline AB[5], SE	June 2023	MSEK 60	16
Pirilä Group Oy (Tampereen Pirkka-Hitsi Oy), FI	June 2023	MEUR 5	13
Tore Vagle AS, NO	January 2024	MNOK 39	11
Svets och Tillbehör i Sverige AB, SE	January 2024	MSEK 120	22
Svetspartner i Malmö AB, SE	January 2024	MSEK 25	10

Acquisitions – after the end of the period			
Hämeen Teollisuuspalvelu Oy, FI	April 2024	MEUR 7.5	16
Riihimäen Teollisuuspalvelu Oy, FI	April 2024	MEUR 7.1	26

1) Refers to full-year information at the time of acquisition.
2) Following the closure of the public offering to the shareholders of Swedol AB, Alligo's holding amounted to approximately 99 per cent of the shares. The compulsory redemption of the remaining shares outstanding in Swedol was called for and preferential rights to the shares were granted by the arbitration board in the compulsory redemption dispute proceedings in early July 2020. Alligo subsequently owns 100 per cent of the shares and votes in Swedol.
3) The acquisition was carried out as a conveyance of assets and liabilities.
4) Alligo acquired 75 per cent of the shares.
5) Alligo acquired 70 per cent of the shares in each company.

NOTE 6 Pledged assets and contingent liabilities

Group, MSEK	31/03/2024	31/03/2023	31/12/2023
Pledged assets	3	3	3
Contingent liabilities	10	11	10

Parent Company, MSEK	31/03/2024	31/03/2023	31/12/2023
Pledged assets	-	-	-
Contingent liabilities	-	-	-

SIGNATURES

The Board of Directors and the Chief Executive Officer deem that the interim report gives a true and fair view of the business, financial position and performance of the company and of the Group and describes the significant risks and uncertainties faced by the company and the constituent companies of the Group.

Stockholm, 25 April 2024
Alligo AB (publ)

Göran Näsholm
Chair of the Board

Cecilia Marlow
Board member

Pontus Boman
Board member

Johan Sjö
Board member

Christina Åqvist
Board member

Stefan Hedelius
Board member

Johanna Främberg
Board member
Employee representative

Emma Hammarlund
Board member
Employee representative

Clein Johansson Ullenvik
Group President and CEO

This interim report has not been reviewed by the company's auditors.

The information in this report is such that Alligo AB (publ) is obliged to publish under the EU Market Abuse Regulation. The information was submitted for publication through the agency of the Chief Executive Officer on 25 April 2024 at 08:00 CET.

KEY PERFORMANCE INDICATORS (KPIs)

Group	2024 JAN–MAR	2023 JAN–MAR	31/03/2024 12 months to	2023 JAN–DEC
IFRS KEY PERFORMANCE INDICATORS				
Earnings per share				
Before dilution, SEK	0.46	1.35	8.89	9.76
After dilution, SEK	0.46	1.35	8.88	9.76
ALTERNATIVE KEY PERFORMANCE INDICATORS				
Income statement-based KPIs				
Revenue, MSEK	2,169	2,287	9,217	9,335
Gross profit, MSEK	892	907	3,853	3,868
Operating profit, MSEK	65	112	701	748
Items affecting comparability, MSEK	-4	-	-24	-20
Amortisation of intangible assets in connection with corporate acquisitions, MSEK	-15	-15	-59	-59
Adjusted EBITA, MSEK	84	127	784	827
Depreciation/amortisation of tangible and other intangible non-current assets, MSEK[1]	-32	-26	-117	-111
Adjusted EBITDA, MSEK	107	147	874	914
Profit after financial items, MSEK	32	88	578	634
Gross margin, %	41.1	39.7	41.8	41.4
Operating margin, %	3.0	4.9	7.6	8.0
Adjusted EBITA margin, %	3.9	5.6	8.5	8.9
Profit margin, %	1.5	3.8	6.3	6.8
Profitability KPIs				
Return on working capital (adjusted EBITA/WC), %			30	32
Return on capital employed, %			11	12
Return on equity, %			13	14
Financial position KPIs				
Net financial liabilities, MSEK	2,849	2,571	2,849	2,640
Net operational liabilities, MSEK	1,565	1,539	1,565	1,449
Ratio of net operational liabilities to adjusted EBITDA			1.8	1.6
Equity[2], MSEK	3,662	3,422	3,662	3,613
Equity/assets ratio, %	40	41	40	41
Other KPIs				
No. of employees at the end of the period	2,465	2,413	2,465	2,443
Share price at the end of the period, SEK	154	122	154	124

1) Total depreciation/amortisation of tangible and intangible non-current assets, excluding amortisation of intangible assets in connection with corporate acquisitions and the effects of IFRS 16.

2) Refers to equity attributable to the Parent Company's shareholders.

DEFINITIONS AND PURPOSE OF KPIs

Alligo reports key performance indicators in order to describe the underlying profitability of the business and improve comparability. The Group applies ESMA's guidelines on alternative key performance indicators.

Gross margin

Ratio of gross profit, i.e. revenue minus cost of goods sold, to revenue.

›› Used to measure product profitability.

Operating profit (EBIT)

Profit before financial items and tax

›› Used to present the Group's earnings before interest and taxes.

Items affecting comparability

Items affecting comparability include revenue and expenses that do not arise regularly in the operating activities.

›› Excluding items affecting comparability increases the comparability of results between periods.

Adjusted EBITA

Operating profit adjusted for items affecting comparability before amortisation and impairment of intangible assets arising in connection with corporate acquisitions.

›› Used to present the Group's earnings generated from operating activities.

Adjusted EBITDA

Operating profit adjusted for items affecting comparability before depreciation and write-down of tangible non-current assets and amortisation and impairment of goodwill and other intangible non-current assets incurred in connection with corporate acquisitions and equivalent transactions, excluding effects on operating profit of reporting in accordance with IFRS 16.

›› This key performance indicator is used to calculate the debt ratio, excluding the effects of IFRS 16.

Operating margin

Operating profit (EBIT) relative to revenue.

›› Used to measure the Group's earnings generated before interest and tax and provides an understanding of the earnings performance over time. Specifies the percentage of revenue remaining to cover interest payments and tax and to provide profit after the Group's expenses have been paid.

Adjusted EBITA margin

Adjusted EBITA as a percentage of revenue.

›› Used to measure the Group's earnings generated from operating activities and provides an understanding of the earnings performance over time. The adjusted EBITA margin based on revenue from both external and internal customers is presented per business area (operating segment).

Profit margin

Profit after financial items as a percentage of revenue.

›› Used to assess the Group's earnings generated before tax and presents the share of revenue that the Group may retain in earnings before tax.

Return on working capital (adjusted EBITA/WC)

Adjusted EBITA for the most recent 12-month period divided by average working capital measured as total working capital (accounts receivable and inventories less accounts payable) at the end of each month for the most recent 12-month period and the opening balance at the start of the period divided by 13.

›› The Group's internal profitability target, which encourages high adjusted EBITA and low tied-up capital. Used to analyse profitability in the Group and its various operations.

Return on capital employed

Operating profit plus financial income for the most recent 12-month period divided by average capital employed measured as the balance sheet total less non-interest-bearing liabilities and provisions at the end of the most recent four quarters and the opening balance at the start of the period divided by five.

›› Presented to show the Group's return on its externally financed capital and equity, meaning independent of its financing.

Return on equity

Net profit for the most recent 12-month period divided by average equity measured as total equity attributable to parent company shareholders at the end of the most recent four quarters and the opening balance at the start of the period divided by five.

›› Used to measure the return generated on the capital invested by the shareholders.

Net financial liabilities

Net financial liabilities measured as non-current interest-bearing liabilities and current interest-bearing liabilities, less cash and cash equivalents at the end of the period.

›› Used to monitor the debt trend and analyse the Group's total indebtedness including lease liabilities.

Net operational liabilities

Net operational liabilities measured as non-current interest-bearing liabilities and current interest-bearing liabilities, excluding lease liabilities and net provisions for pensions, less cash and cash equivalents at the end of the period.

›› Used to monitor the debt trend and analyse the Group's total indebtedness excluding lease liabilities and net provisions for pensions.

Ratio of net operational liabilities to adjusted EBITDA

Net operational liabilities divided by adjusted EBITDA for a rolling twelve-month period.

›› This key performance indicator shows the multiple of the adjusted EBITDA result for the most recent twelve-month period that would be needed in order to settle net operational liabilities. As a debt ratio, the indicator shows the Group's resilience and interest rate sensitivity.

Equity/assets ratio

Equity attributable to parent company shareholders as a percentage of the balance sheet total at the end of the period.

›› Used to analyse the financial risk in the Group and show how much of the Group's assets are financed by equity.

Change in revenue from like-for-like sales

Revenue from like-for-like sales refers to sales in local currency from stores that were part of the Group during the current period and the entire corresponding period in the preceding year.

›› Used to analyse the underlying sales growth driven by changes in volume, the product and service offering, and the price for similar products and services across different periods, excluding growth driven by newly opened stores.

Organic growth

Organic growth refers to sales in local currency from stores that were part of the Group during the current period and the entire corresponding period in the preceding year, as well as sales from new stores opened during the year.

›› Used to analyse the underlying sales growth driven by changes in volume, the product and service offering, and the price for similar products and services across different periods, including growth driven by newly opened stores.

Other units

Other units refers to acquired or divested units during the corresponding period.

DERIVATION OF ALTERNATIVE KPIs

Alligo uses certain financial key performance indicators in its analysis of the business and its performance that are not calculated in accordance with IFRS. The company believes that these alternative key performance indicators provide valuable information for the company's Board of Directors, owners and investors, as they enable a more accurate assessment of current trends and Alligo's performance when combined with other key performance indicators calculated in accordance with IFRS. As not all listed companies calculate these financial key performance indicators in the same way, there is no guarantee that the information is comparable with other companies' key performance indicators of the same name. Hence, these financial key performance indicators must not be viewed as a replacement for those measures calculated in accordance with IFRS.

GROSS PROFIT **MSEK**	**2024** **JAN–MAR**	**2023** **JAN–MAR**	**31/03/2024** **12 months to**	**2023** **JAN–DEC**
Revenue	2,169	2,287	9,217	9,335
Cost of goods sold	-1,277	-1,380	-5,364	-5,467
Gross profit	**892**	**907**	**3,853**	**3,868**

ADJUSTED EBITA **MSEK**	**2024** **JAN–MAR**	**2023** **JAN–MAR**	**31/03/2024** **12 months to**	**2023** **JAN–DEC**
Operating profit	65	112	701	748
Items affecting comparability				
Organisational changes[1]	4	-	13	9
Scrapping of stocks[2]	-	-	11	11
Amortisation and impairment of intangible assets in connection with corporate acquisitions	15	15	59	59
Adjusted EBITA	**84**	**127**	**784**	**827**
Operating profit excl. IFRS 16	56	106	674	724
Amortisation and impairment of other intangible non-current assets	9	8	36	35
Depreciation and write-downs of tangible non-current assets	23	18	81	76
Adjusted EBITDA	**107**	**147**	**874**	**914**

1) Costs for organisational changes and efficiency measures in connection with the savings programme implemented, as well as acquisition costs.

2) Scrapping of Covid materials.

WORKING CAPITAL **MSEK**	**2024** **JAN–MAR**	**2023** **JAN–MAR**	**31/03/2024** **12 months to**	**2023** **JAN–DEC**
Average operating assets				
Average inventories	2,376	2,156	2,376	2,353
Average accounts receivable	1,198	1,187	1,198	1,207
Total average operating assets	**3,574**	**3,343**	**3,574**	**3,561**
Average operating liabilities				
Average accounts payable	-966	-982	-966	-968
Total average operating liabilities	**-966**	**-982**	**-966**	**-968**
Average working capital	**2,608**	**2,361**	**2,608**	**2,593**
Adjusted EBITA			784	827
Return on working capital (adjusted EBITA/WC), %			**30**	**32**

CAPITAL EMPLOYED **MSEK**	**2024** **JAN–MAR**	**2023** **JAN–MAR**	**31/03/2024** **12 months to**	**2023** **JAN–DEC**
Average balance sheet total	8,680	7,969	8,680	8,513
Average non-interest-bearing liabilities and provisions				
Average non-interest-bearing non-current liabilities	-459	-408	-459	-448
Average non-interest-bearing current liabilities	-1,643	-1,633	-1,643	-1,670
Total average non-interest-bearing liabilities and provisions	**-2,102**	**-2,041**	**-2,102**	**-2,118**
Average capital employed	**6,578**	**5,928**	**6,578**	**6,395**
Operating profit			701	748
Financial income			15	13
Total operating profit + financial income			**716**	**761**
Return on capital employed, %			**11**	**12**

RETURN ON EQUITY **MSEK**	**31/03/2024** **12 months to**	**2023** **JAN-DEC**
Average equity[3]	3,520	3,469
Profit/loss for the period[3]	446	491
Return on equity, %	**13**	**14**

NET FINANCIAL LIABILITIES **MSEK**	**31/03/2024** **12 months to**	**2023** **JAN-DEC**
Non-current interest-bearing liabilities	2,978	2,624
Current interest-bearing liabilities	421	398
Cash and cash equivalents	-550	-382
Net financial liabilities	**2,849**	**2,640**

NET OPERATIONAL LIABILITIES **MSEK**	**31/03/2024** **12 months to**	**2023** **JAN-DEC**
Net financial liabilities	2,849	2,640
Financial lease liabilities	-1,284	-1,191
Net provisions for pensions	0	0
Net operational liabilities	**1,565**	**1,449**
Adjusted EBITDA, rolling 12 months	874	914
Ratio of net operational liabilities to adjusted EBITDA	**1.8**	**1.6**

EQUITY/ASSETS RATIO **MSEK**	**2024** **JAN-MAR**	**2023** **JAN-MAR**	**31/03/2024** **12 months to**	**2023** **JAN-DEC**
Balance sheet total (closing balance)	9,201	8,255	9,201	8,787
Equity[3]	3,662	3,422	3,662	3,613
Equity/assets ratio, %	**40**	**41**	**40**	**41**

3) Refers to equity or profit attributable to the parent company's shareholders.

FIVE REASONS TO INVEST IN ALLIGO

1 MARKET GROWTH AND RESILIENT CUSTOMER SEGMENTS

Alligo's markets consist of corporate customers in Sweden, Norway and Finland. The different markets provide stable growth and complement each other well. Customers are a balanced mix of small and medium-sized enterprises, large industrial companies and public-sector agencies. The mix of companies, industry segments and geographic markets provides good opportunities for continued profitable growth and resilience in weaker economic times.

2 SCALABLE PLATFORM A FOUNDATION FOR CONTINUED GROWTH

Alligo has built an integrated organisation that can scale up and grow, both organically and through acquisitions. The cost structure is adaptable and functions such as assortment, procurement, logistics, finance, IT and sales enable new investments to be coordinated and streamlined. The Group is continuously working to improve its operational efficiency and develop the organisation using digital solutions.

3 OWN BRANDS INCREASE COMPETITIVENESS AND PROFITABILITY

Own brands enable greater control of the product development process, which Alligo uses to offer a product range that is tailored to the Group's defined industry segments. The extensive development of own brands and services means customers can be offered a unique and competitive product range, with increased profitability for Alligo.

4 SUSTAINABLE ENTERPRISE

Sustainability is an integral part of the business – from strategy to working methods and helping customers make sustainable choices – and increases competitiveness as well as reducing risk. Alligo carries out targeted work with the aim of becoming a leader in sustainability in the industry. The long-term goal is to establish a genuinely sustainable business.

5 LEADER IN THE CONSOLIDATION PROCESS ON THE NORDIC MARKETS

The markets in the Nordic countries are undergoing a consolidation process, which can benefit large groups. Alligo has a leading position and is actively involved in this. There are good opportunities for sustainable, profitable growth and Alligo will continue to invest and strengthen its position, both organically and through acquisitions, on all markets where the Group operates.

STRATEGIC DIRECTION

MISSION – WE MAKE BUSINESSES WORK

If we do our job right, our customers will have what they need to do their job right – both as companies and as employees. They have tools and consumables where they need them, when they need them. They have workwear and personal protective equipment that protects them against the weather and against hazards. With our expertise, we can help customers to develop their business and make it safer and more efficient.

VISION – WE ARE UNBEATABLE...

...as a partner to our customers
...as an employer for our employees
...as a partner to our suppliers
...as a leader in sustainable development in our industry

Our vision describes what we want to achieve in the longer term. We must not be satisfied with being one of the leaders in the industry, we must be unbeatable. To achieve this, we must meet – and exceed – the expectations of our stakeholders.

STRATEGIC OBJECTIVES

We work on the basis of four strategic objectives, which are particularly important in order for us to achieve our vision and generate profitable growth:

1 We provide our customers with what they need in a friendly way

2 We are the workplace where the best people want to work and we help them grow

3 We have our industry's most efficient operations and reliable processes

4 We are known as the leader in sustainable development in our industry

INTEGRATED SUSTAINABILITY WORK

Sustainability is an integral part of Alligo's strategy and our sustainability work is based on our material sustainability issues:

8 DECENT WORK AND ECONOMIC GROWTH

Decent work and economic growth

- Customer satisfaction
- Diversity and equality
- Work environment and health
- Skills development
- Working conditions and human rights in the supply chain

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Responsible consumption and production

- Product quality and safety
- Environmental impact and chemicals
- Transparent sustainability communication and help customers to make sustainable choices
- Anti-corruption

13 CLIMATE ACTION

Climate action

- Climate impact

INFORMATION FOR SHAREHOLDERS

FINANCIAL CALENDAR

Annual General Meeting 2024	23 May 2024
Interim Report Q2 Jan-Jun 2024	17 July 2024
Interim Report Q3 Jan-Sep 2024	24 October 2024

WWW.ALLIGO.COM

Financial reports, press releases, share information and other relevant company information can be found on the Group's website. You will also find a subscription service here where you can subscribe to press releases and financial reports.

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