

YEAR-END REPORT 1 JANUARY–31 DECEMBER 2023

Strong cash flow and increased profitability

Fourth quarter highlights

- Revenue decreased by -6.8 per cent to MSEK 2,538 (2,723). Organic growth was -7.5 per cent.
- Gross margin increased to 43.4 per cent (41.4).
- Adjusted EBITA increased by 3 per cent to MSEK 308 (298), corresponding to an adjusted EBITA margin of 12.1 per cent (10.9).
- Operating profit increased to MSEK 278 (268) and the operating margin was 11.0 per cent (9.8). Operating profit was charged with items affecting comparability of MSEK -16 (-15).
- Profit amounted to MSEK 192 (194).
- Earnings per share amounted to SEK 3.76² (3.82²).
- Cash flow from operating activities increased to MSEK 526 (417).

Full year 2023 highlights

- Revenue increased by 1.3 per cent to MSEK 9,335 (9,211). Organic growth was -1.4 per cent.
- Gross margin increased to 41.4 per cent (40.5).
- Adjusted EBITA increased by 9 per cent to MSEK 827 (756), corresponding to an adjusted EBITA margin of 8.9 per cent (8.2).
- Operating profit increased to MSEK 748 (669) and the operating margin was 8.0 per cent (7.3). Operating profit was charged with items affecting comparability of MSEK -20 (-24).
- Profit from continuing operations amounted to MSEK 497 (481) and profit from discontinued operations to MSEK 0 (28¹). The impact on earnings of the distribution of Momentum Group was MSEK 0 (3,553) and total profit from the Group amounted to MSEK 497 (4,062).
- Earnings per share from continuing operations amounted to SEK 9.76² (9.51²) and earnings per share from discontinued operations amounted to SEK 0.00² (0.55^{1,2}). The impact on earnings of the distribution of Momentum Group was SEK 0.00² (70.38²) per share and earnings per share for the Group as a whole amounted to SEK 9.76² (80.44²).
- Cash flow from operating activities increased to MSEK 993 (507).
- The Board of Directors proposes a dividend for 2023 of SEK 3.50 per share (3.00).

1) Adjusted for the impact on earnings of the distribution of Momentum Group AB.

2) Before and after dilution.

DISCONTINUED OPERATIONS

Alligo's former subsidiary Momentum Group AB is reported as discontinued operations in accordance with IFRS 5. Comments and figures relate to continuing operations unless otherwise specified. Comparison figures in the consolidated income statement have been recalculated.

Comments from the CEO

“Despite a weaker market during the fourth quarter, we have continued to increase profitability and strengthen our cash flow.”

“On 1 December, Alligo achieved an important milestone in Norway as the logistics unit in Skedsmokorset began its migration to the newly constructed central warehouse in Vestby, near Oslo.”

“We see great potential in increasing our operational efficiency and strengthening our offering and position, including through the acquisition of profitable companies that are aligned with our growth strategy.”

“We have a strong balance sheet and a common, scalable platform, so we are properly equipped to handle the changes in the world around us and the market situation. We can adapt when we need to by further adjusting costs, but we are also ready to hit the accelerator as soon as the market changes.”

Significant events during the fourth quarter

- Alligo signed an agreement to acquire 100 per cent of the shares in Tore Vagle AS. The company has operations in Sandnes, Norway and sells tools and industrial components. The acquisition was completed in January 2024.
- Alligo signed agreements to acquire 100 per cent of the shares in Svets och Tillbehör i Sverige AB and Svetspartner i Malmö AB. The companies have operations in Ystad and Malmö respectively and have a broad offering within welding and grinding and related service business. The acquisitions were completed in January 2024.
- Alligo joined the Science Based Targets initiative (SBTi).
- Alligo decided to streamline its concept brands in the Nordic region. The stores in Sweden were brought together under the Swedol concept brand and in Norway and Finland under the Tools concept brand.

Events after the end of the period

- Alligo completed the acquisitions of Tore Vagle AS, Svets och Tillbehör i Sverige AB and Svetspartner i Malmö AB.

Presentation of the year-end report 2023

Alligo publishes its year-end report 2023 on Friday, 16 February 2024, at 08:00 a.m. CET.

In conjunction with this, Alligo is pleased to issue this invitation to a webcast conference call in which President & CEO Clein Johansson Ullenvik and CFO Irene Wisenborn Bellander will present the report and answer any subsequent questions. The presentation will be held in English.

Date and time: Friday Feb 16, 2024, at 11:00 a.m. CET

Weblink: <https://edge.media-server.com/mmc/p/t2xvtjfo>

Telephone conference: <https://register.vevent.com/register/BI61efb90f3e28453a81e9b2f7e82792f4>

Participants need to register in advance of the conference call using the link above. Upon registering, each participant will be provided with Participant Dial-In Number, and a unique Personal PIN.

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This information is information 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 16 February 2024 at 08:00 CET.

About Alligo AB

Alligo is a leading player within workwear, personal protective equipment, tools, and consumables in the Nordic region. Sales are mainly made through the strong concept brands Swedol in Sweden and TOOLS in Norway and Finland. The Group has approximately 2,400 employees and an annual revenue of SEK 9.3 billion. The share is listed on Nasdaq Stockholm. Read more at alligo.com