ALLIGO AB (PUBL)

ALLIGO

INTERIM REPORT Q2
1 January – 30 June 2022

Intensive integration work and stabilised market development.

SECOND QUARTER HIGHLIGHTS

- Revenue increased by 5.5 per cent to MSEK 2,275 (2,157).
- EBITA increased by 5 per cent to MSEK 172 (164), corresponding to an EBITA margin of 7.6 per cent (7.6).
- Operating profit increased to MSEK 155 (146) and the operating margin amounted to 6.8 per cent (6.8). Operating profit was charged with items affecting comparability of MSEK 0 (-2).
- Profit from continuing operations amounted to MSEK 113 (107), profit from discontinued operations to MSEK 0 (38) and profit for the Group as a whole to MSEK 113 (145). Earnings per share from continuing operations amounted to SEK 2.24[2] (2.10[2]), earnings per share from discontinued operations to SEK 0.00[2] (0.75[2]) and earnings per share for the Group as a whole to SEK 2.24[2] (2.85[2]).
- Cash flow from operating activities amounted to MSEK 211 (209).

FIRST SIX MONTHS HIGHLIGHTS

- Revenue increased by 5.9 per cent to MSEK 4,370 (4,125).
- EBITA increased by 13 per cent to MSEK 277 (246), corresponding to an EBITA margin of 6.3 per cent (6.0).
- Operating profit increased to MSEK 235 (213) and the operating margin to 5.4 per cent (5.2). Operating profit was charged with items affecting comparability of MSEK -9 (-2), which comprise costs ahead of the separate listing of Momentum Group of MSEK 5 and severance costs in connection with a change of management in Finland of MSEK 4.
- Profit from continuing operations amounted to MSEK 169 (152) and profit from discontinued operations to MSEK 28[1] (70). The impact on earnings of the distribution of Momentum Group was MSEK 3,553 and total profit from the Group amounted to MSEK 3,750 (222). Earnings per share from continuing operations amounted to SEK 3.35[2] (3.00[2]) and earnings per share from discontinued operations amounted to SEK 0.55[1,2] (1.40[2]). The impact on earnings of the distribution of Momentum Group was SEK 70.38[2] per share and earnings per share for the Group as a whole amounted to SEK 74.29[2] (4.40[2]).
- Cash flow from operating activities amounted to MSEK 181 (382).

SIGNIFICANT EVENTS DURING THE SECOND QUARTER

- The Annual General Meeting on 11 May voted for the re-election of the Board members Göran Näsholm, Stefan Hedelius, Cecilia Marlow, Johan Sjö and Christina Åqvist and for the election of Pontus Boman in line with the proposal of the Nomination Committee. Johan Eklund had declined re-election. Göran Näsholm was re-elected Chair of the Board.
- The Annual General Meeting on 11 May resolved, among other things, to issue a dividend of SEK 1.75 per share and to approve the implementation of a long-term incentive programme for senior executives in line with the proposal of the Board of Directors. The incentive program was fully subscribed.
- Alligo signed a lease for a newly constructed logistics centre in Vestby Logistikpark, south of Oslo. Alligo's two existing logistics units in the Oslo area will both relocate to the new premises, which extend over 16,000 square metres, beginning in autumn 2023.
- Alligo acquired H E Seglem AS, which has a store in Egersund in south-west Norway and sells industrial products, tools, forestry and gardening equipment, workwear and personal protective equipment. The acquisition was conducted as a conveyance of assets and liabilities.

EVENTS AFTER THE END OF THE PERIOD

- On 1 July 2022, Alligo acquired 100 per cent of the shares in Magnusson Agentur AB, which runs a store selling corporate branded products and workwear in Vinslöv, southern Sweden.

DISCONTINUED OPERATIONS

In this report, Alligo's former subsidiary Momentum Group AB (the Components & Services business area) is reported as discontinued operations in accordance with IFRS 5. The Alligo business area represents continuing operations. Comments and figures relate to continuing operations unless otherwise specified. Comparison figures in the consolidated income statement have been recalculated. For more information, see Note 1 Accounting policies and Note 7 Discontinued operations.

Group, MSEK	2022 APR–JUN	2021 APR–JUN	2022 JAN–JUN	2021 JAN–JUN	30/06/2022 12 months to	2021 JAN–DEC
Revenue, MSEK	2,275	2,157	4,370	4,125	8,662	8,417
Operating profit, MSEK	155	146	235	213	449	427
Operating margin, %	6.8	6.8	5.4	5.2	5.2	5.1
EBITA, MSEK	172	164	277	246	676	645
EBITA margin, %	7.6	7.6	6.3	6.0	7.8	7.7
Return on equity[1,3], %					13	13
Equity per share[4], SEK	60.97	63.50	60.97	63.50	60.97	67.95
Equity/assets ratio[5], %	41	39	41	39	41	40

1) Adjusted for the impact on earnings of the distribution of Momentum Group AB.
2) Before and after dilution.
3) Refers to the Group total (continuing operations and discontinued operations).
4) Refers to equity attributable to the Parent Company's shareholders.
5) KPI calculated on the basis of the figures reported in the financial statements. This means that profit/loss items for previous periods are recalculated and based on continuing operations, while balance sheet items for previous periods are not recalculated.

MESSAGE FROM THE CEO

The second quarter of the year was one of intensive integration. In May, we completed the implementation of our joint IT and business system in Tools in Sweden, the transition to a new pricing system in Sweden and the relocation of the logistics operations of Tools in Alingsås to Örebro.

The continuing unrest in the world around us makes for uncertain market conditions but demand on our markets has stabilised relative to the first quarter.

Intensive integration work

We achieved some key milestones in our integration work during the second quarter of the year. This has involved major operational changes and we can report that most things have gone well. The change of pricing system and the implementation of the joint IT and business system were achieved without significant complications. The relocation of logistics operations, however, has caused disruption to various logistics processes, resulting in late deliveries to customers. We are working hard to regain the confidence of those customers that have been dissatisfied during May and June. This relocation does present certain challenges in the short term, but coordinating all Swedish logistics at our highly efficient logistics centre in Örebro will provide both cost savings from streamlined goods flows and better service for customers.

Our next step is to continue coordinating our logistics operations in Norway. During the quarter, we signed a lease for a newly constructed logistics centre in Vestby, near Oslo, and the operations in Skedsmokorset and Rosenholm will be relocated there during autumn 2023.

Stable market development

Demand appears to be stabilising on our markets and the restraint shown by small and medium-sized enterprises during the first quarter as a result of Russia's war in Ukraine has lessened. This particular customer group is normally highly resilient in weaker economic times and it displayed stable organic growth during the quarter.

The ongoing unrest in the world around us continues to drive inflation, which is having a significant impact on purchase prices in our industry. We are continuously working to offset this by adapting our customer pricing, to good ongoing effect.

Problems remain on the freight markets and there is still a risk of further challenges ahead. We are continuing to work closely with our suppliers to secure deliveries in the best way possible.

Sales growth

Revenue for the quarter amounted to MSEK 2,275 (2,157). The increase of 5.5 per cent in relation to the comparison period was driven mainly by development among larger industrial customers in Finland and Norway, as well as small and medium-sized customers in Sweden. Acquisitions, price adjustments and currency effects also had a positive impact. During the quarter, we held the 'Swedol days' in Sweden and the 'Tools days' in Norway. Both events were well attended and had a positive impact on sales. However, the late deliveries caused by disruption to logistics processes have had a negative impact on sales to larger industrial customers in Sweden.

In Norway, demand appears to be stabilising somewhat, while the trend within the oil and gas industry has improved. In June, we acquired the industrial operations of H E Seglem AS, strengthening our position in south-western Norway.

In Finland, recent acquisitions contributed to increased sales, while demand from larger industrial customers continued to improve.

...with our shared platform now in place in Sweden we have better conditions to continue working on sales management and implementing our Nordic range.

Revenue for the period totalled MSEK 4,370 (4,125), an increase of 5.9 per cent.

Increased profitability

EBITA amounted to MSEK 172 for the quarter (164), corresponding to an EBITA margin of 7.6 per cent (7.6). This improvement in profit was driven mainly by increased volumes among larger industrial customers in Finland and Norway, as well as among small and medium-sized customers in Sweden, alongside synergies between Swedol and Tools. The profit trend in Norway remained weakly positive. In Finland, our focus on sales management has begun to have an effect which has contributed to a slight improvement in profitability. We began investing in our Finnish stores during the quarter and are continuing to roll out own brands on all markets.

EBITA for the period amounted to MSEK 277 (246), corresponding to an EBITA margin of 6.3 per cent (6.0).

Confidence in the future

The uncertainty in the world around us makes future market conditions hard to predict, but Alligo's balanced mix of customers of different sizes and in different industry segments gives us the strength to withstand economic downturns.

Since the merger of Swedol and Tools, we have invested a great deal of effort and energy into building an integrated organisation that accommodates growth both organically and through acquisitions. We have a strong financial base and with our shared platform now in place in Sweden we have better conditions to continue working on sales management and implementing our Nordic range. I am now looking forward to hitting the accelerator pedal as we continue to focus on profitable growth.

Clein Johansson Ullenvik
Group President and CEO

ABOUT THE GROUP

ALLIGO – AN INTEGRATED COMPANY

Alligo is a leading player within workwear, personal protective equipment, tools and consumables in the Nordic region. Its offering has a clear focus on consumables and includes a standardised product range of goods and services that enable companies to function. The range consists of a balanced mix of own brands and external brands and is characterised by high quality, value for money and product safety, combined with a good service level and availability.

Alligo's main markets of Sweden, Norway and Finland generate total revenue of approximately SEK 50 billion per year. Its customers are a balanced mix of small and medium-sized enterprises, large companies and public-sector agencies within eight defined industry segments: Manufacturing, Construction industry, Public sector, Transport and storage, Repair and maintenance, Agriculture and forestry, Fishing and aquaculture and Oil and gas.

Through the concept brands Swedol, Tools, Grolls and Univern, alongside local independent stores, we meet 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 on-site service.

Since Alligo was formed through the merger of Swedol and Tools in 2020, intensive work has been under way to construct an integrated company with a common platform that provides economies of scale within key areas such as concept and market, Assortment and Procurement, logistics, finance, IT, HR and sales.

Based on common values, strategies and objectives, we will work together to achieve the vision of becoming unbeatable as a partner to our customers and suppliers, as an employer to our employees and as a leader of sustainable development in our industry.

Independent stores

SWEDEN: Mercus, Company Line, Reklamproffsen, Industriprofil, TriffiQ, Profilmakarna, Defacto and Magnusson Agentur.
NORWAY: Lunna and HE Seglem. **FINLAND:** Metaplan, Imatran Pultti and Liukkosen Pultti.

STRONG OWN BRANDS

Björnkläder – Workwear

1832 – Corporate branded clothing

4USE – Consumables

swedol – Oil and fat products

Gesto – Workwear and protective footwear

Balance – Work gloves

AmPro – Tools*

AWARD – Vehicle and workplace lighting

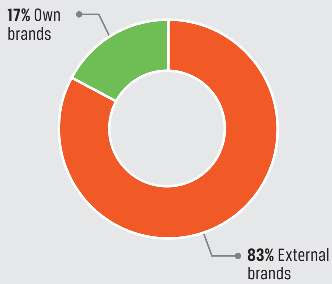
UNIVERN – Workwear

INNO – Chemical products

Nima – Hunting and slaughter products

NUAIR – Compressors*

SALE OF OWN BRANDS JAN–JUN 2022



* Own brand products, for which Alligo has exclusive rights, but does not operate and develop the brands itself.

GROUP DEVELOPMENT

REVENUE

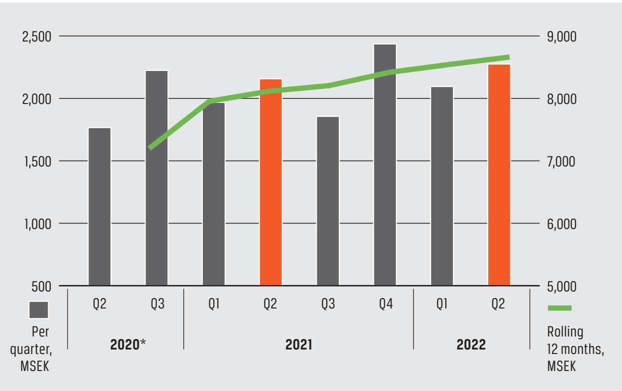
Second quarter 2022

Revenue increased by 5.5 per cent to MSEK 2,275 (2,157). Revenue from like-for-like sales, measured in local currency and adjusted for the number of trading days, increased by 5.2 per cent compared with the corresponding quarter last year. The growth in like-for-like sales corresponds to organic growth, as no new stores were established during the period. This increase is driven mainly by larger industrial customers in Finland and Norway, as well as small and medium-sized enterprises in Sweden. Sales to larger industrial customers in Sweden have been negatively affected by disruption to logistics processes in connection with the migration to a common business system and the coordination of logistics. The proportion of own brands during the quarter was 17.5 per cent (19.2). This reduction is mainly the result of the divestment of Gigant and Nytello during the fourth quarter last year, but adjusted for this the proportion of own brands is higher than in the corresponding period last year (16.8) and has increased on all markets. Currency translation effects had a positive impact on revenue of MSEK 35, mainly as a result of the development of NOK, but also of EUR. The quarter contained one trading day fewer than last year.

First six months 2022

Revenue increased by 5.9 per cent to MSEK 4,370 (4,125). Revenue from like-for-like sales, measured in local currency and adjusted for the number of trading days, increased by 3.9 per cent compared with the corresponding period last year. The growth in like-for-like sales corresponds to organic growth, as no new stores were established during the period. This increase is driven mainly by larger industrial customers in Finland and Norway. The proportion of own brands during the first half-year was 17.2 per cent (19.2). This reduction is mainly the result of the divestment of Gigant and Nytello during the fourth quarter last year, but adjusted for this the proportion of own brands is higher than in the corresponding period last year (16.6). This increase is driven by the successful launch of the company's own shoe brands. The launch of clothing has been delayed as a result of disruption to supplies from Asia. The proportion of own brands has increased in Sweden and Norway but reduced in Finland as a result of higher relative growth in external brands. Currency translation effects had a positive impact on revenue of MSEK 85, mainly as a result of the development of NOK, but also of EUR. The period contained the same number of trading days as last year.

REVENUE

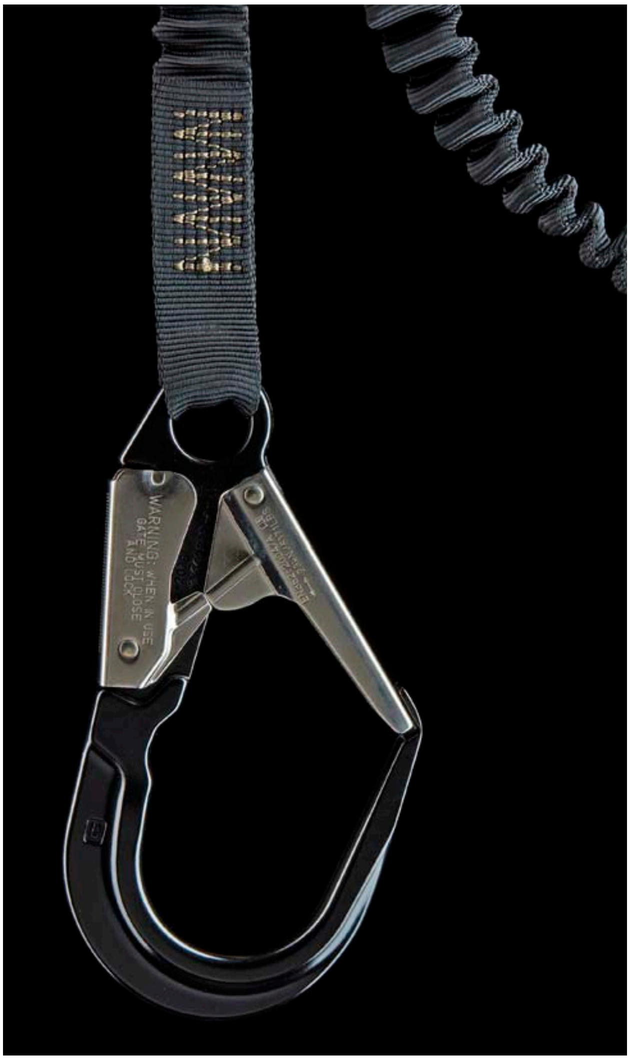


	2020*		2021				2022	
MSEK	Q2	Q3	Q1	Q2	Q3	Q4	Q1	Q2
Per quarter	1,766	2,224	1,968	2,157	1,856	2,436	2,095	2,275
Rolling 12 mos.		7,196	7,953	8,115	8,205	8,417	8,544	8,662

* As the Group changed its financial year to the calendar year, the 2020 financial year covered the period 1 April–31 December 2020 (9 months).

SALES TREND	2022 APR–JUN	2022 JAN–JUN	2021[1] JAN–DEC
Change in revenue from:			
Like-for-like sales in local currency,%	5.2	3.9	4.3
Currency effects, %	1.6	2.1	0.0
Number of trading days, %	-1.7	0.0	0.4
New stores established in local currency,%	-	-	-
Other units[2], %	0.4	-0.1	0.2
Total change	**5.5**	**5.9**	**4.9**

1) Swedol is included in like-for-like sales as though the acquisition had closed on 1 April 2020.
2) Acquisitions and divestments during 2020–2022 (excluding Swedol).



PROFITS

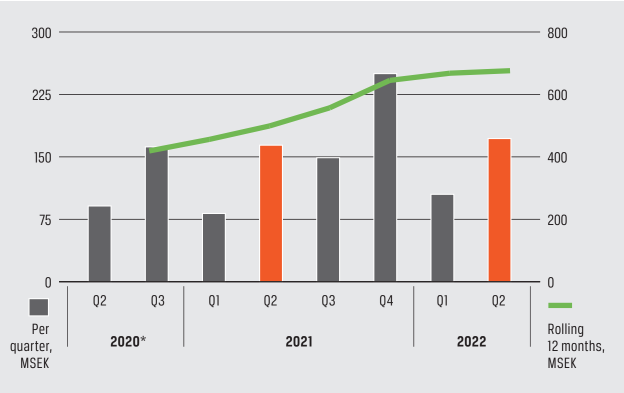
Second quarter 2022

Operating profit amounted to MSEK 155 (146). EBITA (operating profit excluding items affecting comparability and amortisation of intangible assets arising in connection with corporate acquisitions) increased by 5 per cent to MSEK 172 (164), corresponding to an EBITA margin of 7.6 per cent (7.6). This improvement in profit is driven by increased volumes in Finland and Norway. Profits were negatively affected by an unfavourable country mix in the form of stronger growth in Norway and Finland than in Sweden, as well as the coordination of business systems and logistics in Sweden. Operating profit has been charged with items affecting comparability of MSEK 0 (-2).

The coordination of Tools and Swedol is proceeding according to plan and two stores in Sweden were integrated during the quarter. The net total number of Alligo stores has been reduced by one, from 205 to 204. In May, the Swedish logistics operations of Tools were relocated from Alingsås to the central warehouse in Örebro, while a common business system was also implemented in Tools in Sweden. During the quarter, MSEK 16 was utilised from the restructuring reserve, MSEK 8 of which originates from the third quarter of 2020 and MSEK 8 from the third quarter of 2021.

The effective tax rate was 21.5 per cent (20.7). Profit after financial items was MSEK 144 (135) and profit after tax was MSEK 113 (107), which corresponds to earnings per share for continuing operations of SEK 2.24 (2.10) for the quarter.

EBITA



MSEK	2020* Q2	2020* Q3	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2
Per quarter	91	162	82	164	149	250	105	172
Rolling 12 mos.	-	419	456	499	557	645	668	676

* As the Group changed its financial year to the calendar year, the 2020 financial year covered the period 1 April–31 December 2020 (9 months).

First six months 2022

Operating profit amounted to MSEK 235 (213). EBITA (operating profit excluding items affecting comparability and amortisation of intangible assets arising in connection with corporate acquisitions) increased by 13 per cent to MSEK 277 (246), corresponding to an EBITA margin of 6.3 per cent (6.0). The increased profits are a result of improvements on all markets. Profits were negatively affected by an unfavourable country mix in the form of stronger growth in Norway and Finland than in Sweden, as well as the coordination of business systems and logistics in Sweden. Operating profit has been charged with items affecting comparability of MSEK -9 (-2), which comprise costs ahead of the separate listing of Momentum Group of MSEK 5 and severance costs in connection with a change of management in Finland of MSEK 4.

The coordination of Tools and Swedol is proceeding according to plan and four stores in Sweden were integrated during the first half-year. Acquisitions have increased the net total number of Alligo stores by one, from 203 to 204. The logistics operations in Sweden were coordinated during the second quarter and a common business system and pricing system were also implemented in Tools in Sweden. The relocation of logistics operations has caused disruption to the logistics processes, but will provide both cost savings and better service for customers in the long term. During the first half-year, MSEK 29 was utilised from the restructuring reserve. The restructuring reserve from the third quarter of 2020 amounts to MSEK 25 (originally MSEK 97). The restructuring reserve originating from the third quarter of 2021 amounts to MSEK 99, compared with an initial MSEK 108.

The effective tax rate was 21.4 per cent (20.8). Profit after financial items was MSEK 215 (192) and profit after tax was MSEK 169 (152), which corresponds to earnings per share for continuing operations of SEK 3.35 (3.00) for the first half-year. 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 7 per cent.

Total operations

Total profit from the Group amounted to MSEK 3,750 (222), of which MSEK 169 (152) is attributable to continuing operations, MSEK 28 (70) to discontinued operations, and MSEK 3,553 to the impact on earnings of the distribution of Momentum Group.

DEVELOPMENT BY GEOGRAPHIC SEGMENT

Second quarter 2022

Sweden

Revenue in Sweden was on a par with last year and amounted to MSEK 1,327 (1,332). The late deliveries caused by disruption to logistics processes and the learning process in connection with the new business system had a negative impact on sales to larger industrial customers, as did the divestment of Gigant last year, while there was also one trading day fewer in the period. The restraint shown by small and medium-sized enterprises during the first quarter as a result of Russia's war in Ukraine has lessened and growth from these customers offset the loss from larger industrial customers. Two stores were integrated during the quarter. EBITA was on a par with last year and amounted to MSEK 131 (131), with an EBITA margin of 9.9 per cent (9.8). The implementation of a common business system and the coordination of logistics processes, along with delayed price increases for larger industrial customers, have had a negative impact on profit, although the price increases implemented otherwise and other synergies have had a positive effect.

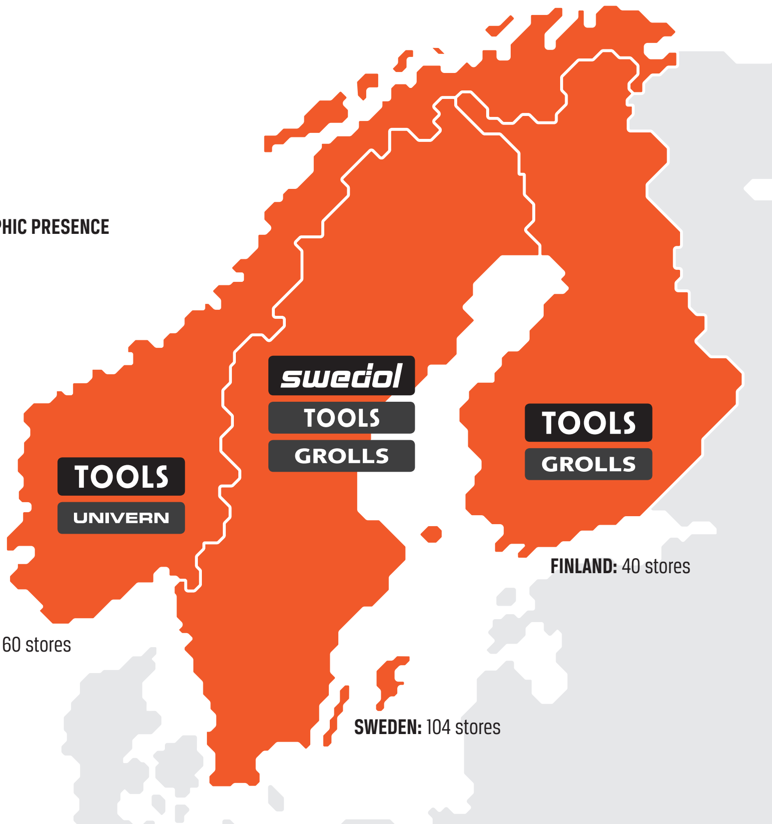
Norway

Revenue in Norway during the quarter amounted to MSEK 617 (542). This increase of around 14 per cent was positively affected by the acquisitions of RAF Romerike Arbeidstøy AS, Lunna AS and H E Seglem, as well as favourable currency effects, although there was a negative impact from the period containing one trading day fewer. Demand has stabilised to a certain extent during the quarter and development within the oil and gas industry has improved. EBITA for the quarter amounted to MSEK 24 (18) and the EBITA margin to 3.9 per cent (3.3). The improvement in profit is driven by higher volumes.

Finland

Revenue in Finland during the quarter amounted to MSEK 393 (346). The acquisitions of Imatran Pultti Oy and Liukkosen Pultti Oy made a positive contribution to this, alongside continued positive development among larger industrial customers and favourable currency effects, although there was a negative impact from the period containing one trading day fewer. EBITA for the quarter amounted to MSEK 22 (18) and the EBITA margin to 5.6 per cent (5.2). The improvement in profit is driven by higher volumes and better sales management. The customer mix remains unfavourable, however, although Alligo began investing in the Finnish stores during the quarter in order to enhance the conditions for growth among small and medium-sized enterprises.

GEOGRAPHIC PRESENCE



First six months 2022

Sweden

Revenue in Sweden was on a par with last year and amounted to MSEK 2,519 (2,523) during the period. The weaker start to the year, with winter sales arriving in the fourth quarter 2021 and small and medium-sized enterprises showing restraint as a result of Russia's war in Ukraine and increased fuel prices, has been left behind, with development stabilising during the second quarter. The industrial segment, which performed well in the first quarter, has been negatively affected by disruption to logistics processes, as well as by the learning process for the new business system.

Four stores were integrated during the period and there are now only two more remaining to be completed in the integration project. The number of stores at the end of the period was 104 (113). EBITA for the first half-year amounted to MSEK 220 (203) and the EBITA margin to 8.7 per cent (8.0). The improvement in profit is driven by synergies and the implementation of price increases, but is negatively affected by challenges within the industrial segment, which are partly the result of the integration work.

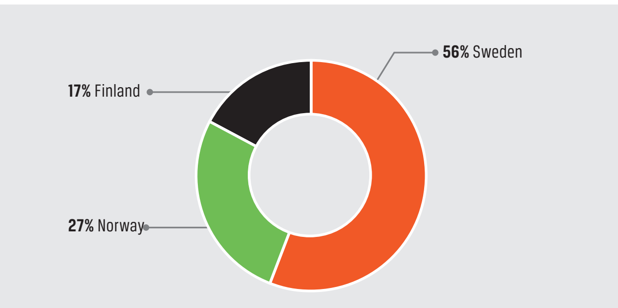
Norway

Revenue in Norway during the period amounted to MSEK 1,216 (1,083). This increase of around 12 per cent was positively affected by the acquisitions of RAF Romerike Arbeidstøy AS, Lunna AS and H E Seglem, as well as positive currency effects. Following a weaker start to the year, with a high spread of infection and an early winter that particularly hit sales to small and medium-sized enterprises, demand has stabilised to a degree, while development within the oil and gas industry has improved. The number of stores at the end of the period was 60 (60). EBITA for the period amounted to MSEK 41 (30) and the EBITA margin to 3.4 per cent (2.8). The improvement in profit is driven by higher volumes, synergies and price increases.

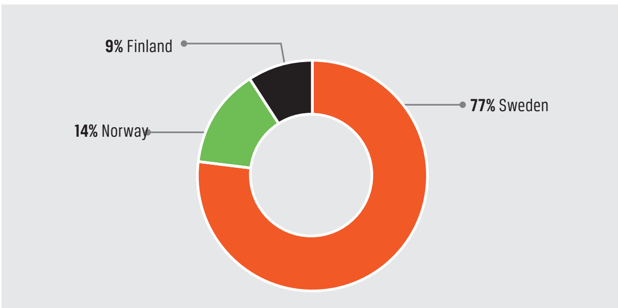
Finland

Revenue in Finland during the period amounted to MSEK 744 (637). The acquisitions of Imatran Pultti Oy and Liukkosen Pultti Oy made a positive contribution to this, alongside growth at larger industrial customers and favourable currency effects. EBITA for the period amounted to MSEK 25 (19) and the EBITA margin to 3.4 per cent (3.0). The improvement in profit is driven by higher volumes, but is negatively affected by an unfavourable customer mix and difficulties in passing on price increases from our suppliers, although the work to strengthen the sales and assortment management has begun to have an effect. The number of stores at the end of the period was 40 (37). Mika Kärki left his role as Country Manager for Finland during the first quarter. The recruitment of his successor is under way and Håkan Wanselius, Head of Assortment and Procurement, will be Acting Country Manager until an appointment is made. Operating profit has been charged with items affecting comparability of MSEK 4 (0) in the form of severance costs in connection with the change of management in Finland.

REVENUE BY GEOGRAPHIC SEGMENT JAN–JUN 2022



EBITA BY GEOGRAPHIC SEGMENT JAN–JUN 2022



INVESTMENTS AND CASH FLOW

Cash flow from operating activities before changes in working capital for the reporting period totalled MSEK 390 (384). Inventories increased during the period by MSEK 118 as a result of adaptations to the range, including the rollout of own brands, and disruption in the supply chain, while operating receivables reduced by MSEK 113. Operating liabilities fell by MSEK 204. Cash flow from operating activities for the reporting period therefore amounted to MSEK 181 (382). Cash flow for the period was also impacted by a net amount of MSEK -76 (-72) pertaining to investments in and divestments of non-current assets, and by MSEK -111 (-19) pertaining to acquisitions of subsidiaries. Investments in non-current assets principally relate to the implementation of a new common business system in Sweden, the development of e-commerce solutions, store modifications in all countries and the continued expansion and automation of the Group's warehousing and logistics facility in Örebro.

FINANCIAL POSITION AND FINANCING

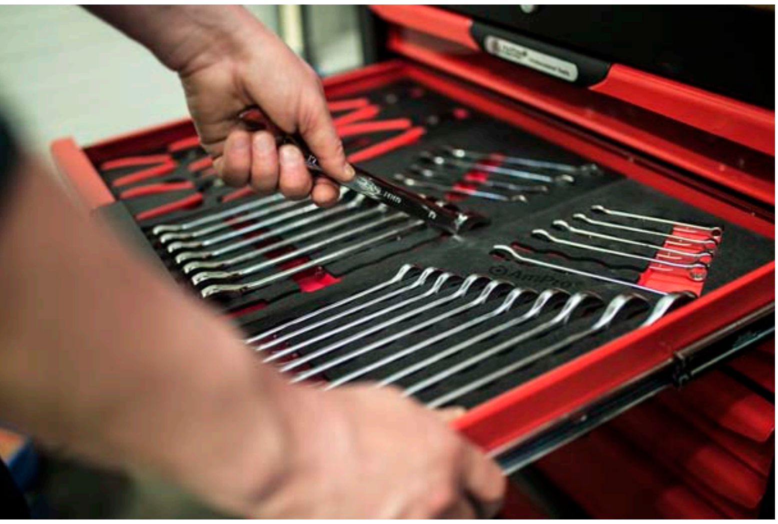
At the end of the period, the Group's financial net loan liability amounted to MSEK 2,509, compared with MSEK 2,272 at the beginning of the financial year. The Group's operational net loan liability at the end of the period amounted to MSEK 1,564, compared with MSEK 1,259 at the beginning of the year. Cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 1,143 compared with MSEK 1,334 at the beginning of the year. The business was refinanced during the first quarter as a result of the distribution of Momentum Group. The equity/assets ratio at the end of the period was 41 per cent. Equity per share was SEK 60.97 at the end of the period, compared with SEK 67.95 at the beginning of the financial year.

ACQUISITIONS

Continuing operations at Alligo made three corporate acquisitions and one conveyance of assets and liabilities with closing during 2022.

Acquisition of Liukkosen Pultti Oy

On 5 January 2022, Alligo signed an agreement to acquire 100 per cent of the shares in Liukkosen Pultti Oy. Liukkosen Pultti operates a store in Lahti that sells workwear and tools and the acquisition strengthens Alligo's presence on the Finnish market. Liukkosen Pultti generates annual revenue of approximately MEUR 4.5 with favourable profitability and has 12 employees. Closing took place on 1 February 2022.



Acquisition of Lunna AS

As of 8 March 2022, Alligo has acquired 100 per cent of the shares in Lunna AS, which has three stores north of Oslo and sells industrial components, tools, workwear and personal protective equipment. The acquisition strengthens Alligo's position as a leading supplier to Norwegian industry. Lunna generates annual revenue of approximately MNOK 82 with favourable profitability and has 26 employees. Closing took place in conjunction with the acquisition.

Acquisition of the industrial operations of H E Seglem AS

As of 2 June, Alligo has acquired the industrial operations of Norwegian company H E Seglem AS through a conveyance of assets and liabilities. H E Seglem's hydraulics and bunker operations are not included in the acquisition. H E Seglem has a store in Egersund in south-west Norway and sells industrial products, tools, forestry and gardening equipment, workwear and personal protective equipment. The industrial operations of H E Seglem AS generate annual revenue of approximately MNOK 40 and have eight employees. The acquisition strengthens Alligo's position in south-west Norway. Closing took place in conjunction with the acquisition.

Acquisition of Magnusson Agentur AB

On 1 July 2022, Alligo acquired 100 per cent of the shares in Magnusson Agentur AB, which runs a store selling corporate branded products and workwear in Vinslöv. The acquisition strengthens Alligo's position in corporate branded products and workwear. Magnussons generates annual revenue of approximately MSEK 27 with favourable profitability and has six employees. Closing took place in conjunction with the acquisition.

EMPLOYEES

At the end of the period, the number of employees in the Group amounted to 2,314 (2,321), compared with 2,319 at the beginning of the year. The reduction in the number of employees is the result of the net effect of the divested operations and the 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

In accordance with a resolution at the Extraordinary General Meeting of 2 December 2021, the Group's parent company has changed its name from Momentum Group AB to Alligo AB.

At the end of the period, the Group comprised the parent company Alligo AB and a total of 24 Swedish and foreign wholly owned 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. Income from discontinued operations has been received for the period January to October 2021.

The parent company's revenue for the period amounted to MSEK 8 (12) and the loss after financial items totalled MSEK -12 (-5). Items affecting comparability have had an impact on profit of MSEK -4 (-), relating to costs ahead of the separate listing of Momentum Group. The distribution of Momentum Group corresponded to the carrying amount of MSEK 43. The balance sheet total amounted to MSEK 4,074 (4,328), with equity accounting for 45 per cent (46) of total assets. The number of employees at the parent company at the end of the period was 2 (7).

OTHER INFORMATION

GENERAL INFORMATION

At the Extraordinary General Meeting of 2 December 2021, it was decided, in accordance with the proposal of the Board of Directors, to amend Article 1 of the Articles of Association and change the company name from Momentum Group AB to Alligo AB. The new company name was registered with the Swedish Companies Registration Office on 13 December.

RISKS AND UNCERTAINTIES

Alligo's profits and financial position, as well as its strategic position, are affected by a number of internal factors over which the Group has control, as well as a number of 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 the development of the number of employees in the industrial and construction sectors, combined with structural changes and the competitive situation.

The ongoing Covid-19 pandemic has affected the entire global economy since spring 2020, including Alligo and its customers, suppliers and employees. The pandemic has had a negative impact on the Group's demand, but has also led to supply disruptions as a result of production shutdowns and major difficulties on the freight market. These problems will more than likely continue and worsen during 2022, given developments in Russia and Ukraine, which are a further source of uncertainty. The ongoing unrest in the world around us is driving inflation, resulting in a significant impact on purchase prices. Alligo continuously strives to offset this by adapting our customer pricing. Alligo has no operations in Russia or Ukraine and only limited customer and supplier exposure. Alligo has continually implemented measures and made efforts to ensure the health and safety of its employees, customers and other stakeholders and the continued high availability of products and services, and to protect the companies' strong brands in the market and society at large.

For a more detailed summary of the Group's other risks and uncertainties, see pages 23–25 of the annual report for 2021. The parent company is indirectly affected by the above risks and uncertainties through its function in the Group.

TARGETS

Financial targets

Alligo has set four financial targets with a focus on profitable growth, financial stability and dividend.

GROWTH

>5%
Organic growth

Average organic growth shall be more than 5 per cent per year over a business cycle. Further growth shall also be made through acquisitions.

PROFITABILITY

>10%
EBITA margin

The EBITA margin shall be more than 10 per cent per year.

INDEBTEDNESS

<3X
Ratio of net operational liabilities to EBITDA excl. IFRS 16

Ratio of net operational liabilities to EBITDA excl. IFRS 16 shall be less than a multiple of 3.

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.

Non-financial targets

To become the unbeatable leader in sustainable development in our industry, Alligo has set itself five non-financial targets.

RESPONSIBLE SUPPLIER RELATIONSHIPS

100%
Signing of Code of Conduct

All key suppliers must have signed Alligo's Supplier Code of Conduct.

SATISFIED CUSTOMERS

>75
Customer Satisfaction Index

All concept brands on all of the Group's geographic markets shall achieve a Customer Satisfaction Index (CSI) of more than 75.

HEALTH

<5%
Sickness absence

Sickness absence shall be less than 5 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 carbon emissions

Reducing our climate impact is a key priority for Alligo. We have begun work on the accurate and reliable measurement of the carbon emissions generated by our business. Once we have established a sound basis, we intend to set a common goal for reduced carbon emissions to guide our business forwards.

THE SHARE

In accordance with a resolution at the Extraordinary General Meeting of 2 December 2021, the Group's parent company has changed its name from Momentum Group AB to Alligo AB. As of 15 December 2021, the listed class B share is traded under the short name ALLIGO B with the ISIN code SE0009922305 on Nasdaq Stockholm, otherwise the name change does not affect shareholders or trading in the share.

The share and share capital

As part of the preparations for the distribution of Momentum Group, Nordstjernan requested the conversion of 498,363 Class A shares to the corresponding number of Class B shares in Alligo. This resulted in a change to the number of shares and votes in Alligo in February. 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 30 June 2022 was as shown in the table below:

CLASS OF SHARE	30/06/2022
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	-425,300
Total number of shares after repurchasing	**50,480,889**

The quotient value is SEK 2.04 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. Only the Class B share is listed on the Stockholm Stock Exchange. 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 2018/2022

In connection with the decision on the distribution and separate listing of Momentum Group, a recalculation was requested of the redemption price and the number of shares to which each outstanding call option in the programme for 2018/2022 provides entitlement according to the option terms. In May, the redemption price for the call options was calculated using an external independent valuation according to the accepted Black-Scholes model at SEK 86.20 per share (previous redemption price SEK 137.30) with entitlement to redeem 1.59 shares per option (previously 1.00 share). On 2 June, a cash redemption of the remaining 8,000 outstanding options in the programme took place for a cash sum of SEK 362,647.

Call option programme 2022

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 CEO and the CFO of the Group and 105,000 by other key personnel. The option premium paid totals MSEK 1.4.

Holding of treasury shares

As at 30 June 2022, Alligo's holding of Class B treasury shares amounted to 425,300, corresponding to 0.8 per cent of the total number of shares and 0.8 per cent of the total number of votes. There were no changes in the holding of treasury shares after the end of the period and the holding of treasury shares will be used for incentive programmes or cancelled.

Distribution of Momentum Group

An Extraordinary General Meeting on 23 March 2022 voted through a proposal from the Board of Directors to distribute all of the company's shares in Momentum Group AB to the shareholders of Alligo. This distribution contained a total of 50,480,889 shares, of which 564,073 were Class A shares and 49,916,816 were Class B shares, corresponding to all of the shares in Momentum Group. One Class A share in Alligo provided entitlement to one Class A share in Momentum Group and one Class B share in Alligo provided entitlement to one Class B share in Momentum Group.

This distribution corresponded to a total sum of MSEK 43, based on the carrying amount, constituting a dividend per share of approximately SEK 0.84. Alligo's 425,300 Class B treasury shares did not provide entitlement to allotment of shares in Momentum Group. The record date for the distribution was 25 March 2022. Momentum Group's net assets prior to distribution were MSEK 486. Remeasurement to fair value on distribution, corresponding to the market value of MSEK 4,038 of Momentum Group on listing, resulted in an impact on earnings of MSEK 3,553.

CONDENSED CONSOLIDATED INCOME STATEMENT

MSEK	2022 APR–JUN	2021 APR–JUN	2022 JAN–JUN	2021 JAN–JUN	30/06/2022 12 months to	2021 JAN–DEC
Revenue	2,275	2,157	4,370	4,125	8,662	8,417
Other operating income	29	17	56	43	104	91
Total operating income	**2,304**	**2,174**	**4,426**	**4,168**	**8,766**	**8,508**
Cost of goods sold	-1,353	-1,286	-2,631	-2,468	-5,150	-4,987
Personnel costs	-440	-424	-863	-847	-1,656	-1,640
Depreciation, amortisation, impairment losses and reversal of impairment losses	-124	-124	-248	-248	-563	-563
Other operating expenses	-232	-194	-449	-392	-948	-891
Total operating expenses	**-2,149**	**-2,028**	**-4,191**	**-3,955**	**-8,317**	**-8,081**
Operating profit	**155**	**146**	**235**	**213**	**449**	**427**
Financial income	1	1	2	2	3	3
Financial expenses	-12	-12	-22	-23	-50	-51
Net financial items	**-11**	**-11**	**-20**	**-21**	**-47**	**-48**
Profit/loss after financial items	**144**	**135**	**215**	**192**	**402**	**379**
Taxes	-31	-28	-46	-40	-94	-88
Profit/loss for the period, continuing operations	**113**	**107**	**169**	**152**	**308**	**291**
Profit/loss for the period, discontinued operations	**-**	**38**	**3,581**	**70**	**3,650**	**139**
Profit/loss for the period, Group total	**113**	**145**	**3,750**	**222**	**3,958**	**430**
Profit/loss for the period attributable to:						
Parent Company shareholders	**113**	**145**	**3,750**	**222**	**3,957**	**429**
Profit/loss for the period, continuing operations	113	107	169	152	308	291
Profit/loss for the period, discontinued operations excluding impact on earnings of the distribution of Momentum Group	-	38	28	70	96	138
Impact on earnings of the distribution of Momentum Group	-	-	3,553	-	3,553	-
Non-controlling interests	**0**	**0**	**0**	**0**	**1**	**1**
Profit/loss for the period, continuing operations	0	0	0	0	0	0
Profit/loss for the period, discontinued operations	-	0	0	0	1	1
Earnings per share, SEK						
Continuing operations, before and after dilution	2.24	2.10	3.35	3.00	6.10	5.75
Discontinued operations excluding impact on earnings of the distribution of Momentum Group, before and after dilution	-	0.75	0.55	1.40	1.90	2.75
Impact on earnings of the distribution of Momentum Group, before dilution	-	-	70.38	-	70.38	-
Impact on earnings of the distribution of Momentum Group, after dilution	-	-	70.38	-	70.34	-

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	2022 APR–JUN	2021 APR–JUN	2022 JAN–JUN	2021 JAN–JUN	30/06/2022 12 months to	2021 JAN–DEC
Profit/loss for the period	**113**	**145**	**3,750**	**222**	**3,958**	**430**
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	-2	0	1	0	1
Tax attributable to components that will not be reclassified	0	1	0	0	0	0
	0	**-1**	**0**	**1**	**0**	**1**
Components that will be reclassified to profit/loss for the period:						
Translation differences	-5	-22	23	25	49	51
Fair value changes for the period in cash flow hedges	3	1	2	16	7	21
Tax attributable to components that will be reclassified	-1	-1	-1	-4	-1	-4
	-3	**-22**	**24**	**37**	**55**	**68**
Other comprehensive income for the period	**-3**	**-23**	**24**	**38**	**55**	**69**
Comprehensive income for the period	**110**	**122**	**3,774**	**260**	**4,013**	**499**
Profit/loss for the period attributable to:						
Parent Company shareholders	**110**	**122**	**3,774**	**260**	**4,012**	**498**
Non-controlling interests	**0**	**0**	**0**	**0**	**1**	**1**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MSEK	30/06/2022	30/06/2021	31/12/2021
ASSETS			
Non-current assets			
Intangible non-current assets	2,637	2,876	2,577
Right-of-use assets	901	1,022	935
Tangible non-current assets	551	536	532
Financial investments	0	1	0
Other non-current receivables	14	0	14
Deferred tax assets	72	68	75
Total non-current assets	**4,175**	**4,503**	**4,133**
Current assets			
Inventories	2,002	1,910	1,856
Accounts receivable	1,124	1,334	1,154
Other current receivables	239	212	277
Cash and cash equivalents	38	317	286
Discontinued operations, assets held for distribution	-	-	973
Total current assets	**3,403**	**3,773**	**4,546**
TOTAL ASSETS	**7,578**	**8,276**	**8,679**
EQUITY AND LIABILITIES			
Equity			
Equity attributable to Parent Company shareholders	3,078	3,206	3,429
Non-controlling interests	2	18	19
Total equity	**3,080**	**3,224**	**3,448**
Non-current liabilities			
Non-current interest-bearing liabilities	1,563	1,483	1,421
Non-current lease liabilities	605	697	674
Provisions for pensions	0	33	0
Other non-current liabilities and provisions	395	394	399
Total non-current liabilities	**2,563**	**2,607**	**2,494**
Current liabilities			
Current interest-bearing liabilities	39	124	124
Current lease liabilities	340	366	339
Accounts payable	936	1,173	1,144
Other current liabilities	620	782	620
Discontinued operations, liabilities held for distribution	-	-	510
Total current liabilities	**1,935**	**2,445**	**2,737**
TOTAL LIABILITIES	**4,498**	**5,052**	**5,231**
TOTAL EQUITY AND LIABILITIES	**7,578**	**8,276**	**8,679**

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, 01/01/2021	**102**	**-73**	**3,008**	**3,037**	**14**	**3,051**
Profit/loss for the period			222	**222**	0	**222**
Other comprehensive income		37	1	**38**		**38**
Dividend			-76	**-76**		**-76**
Repurchase of share options			-3	**-3**		**-3**
Sale of treasury shares			9	**9**		**9**
Acquisitions of partly owned subsidiaries				**-**	10	**10**
Changes in ownership share in partly owned subsidiaries			-5	**-5**	-5	**-10**
Dividends paid in partly owned subsidiaries				**-**	-1	**-1**
Option liability, acquisitions[1]			-15	**-15**		**-15**
Change in value of option liability[2]			-1	**-1**		**-1**
Closing equity, 30/06/2021	**102**	**-36**	**3,140**	**3,206**	**18**	**3,224**
Opening equity, 01/01/2021	**102**	**-73**	**3,008**	**3,037**	**14**	**3,051**
Profit/loss for the period			429	**429**	1	**430**
Other comprehensive income		68	1	**69**		**69**
Dividend			-76	**-76**		**-76**
Repurchase of share options			-20	**-20**		**-20**
Sale of treasury shares			9	**9**		**9**
Acquisitions of partly owned subsidiaries				**-**	10	**10**
Changes in ownership share in partly owned subsidiaries			-5	**-5**	-5	**-10**
Dividends paid in partly owned subsidiaries				**-**	-1	**-1**
Option liability, acquisitions[1]			-16	**-16**		**-16**
Change in value of option liability[2]			2	**2**		**2**
Closing equity, 31/12/2021	**102**	**-5**	**3,332**	**3,429**	**19**	**3,448**
Opening equity, 01/01/2022	**102**	**-5**	**3,332**	**3,429**	**19**	**3,448**
Profit/loss for the period			3,750	**3,750**		**3,750**
Other comprehensive income		24		**24**		**24**
Distribution of shares in Momentum Group[3]			-4,038	**-4,038**	-17	**-4,055**
Dividend			-88	**-88**		**-88**
Premium received for issued share options			1	**1**		**1**
Repurchase of share options			-0	**-0**		**-0**
Closing equity, 30/06/2022	**102**	**19**	**2,957**	**3,078**	**2**	**3,080**

1) Pertains to the value of the put options in relation to non-controlling interests in the acquired subsidiary Mekano 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 2025 onwards.

2) Pertains to a change in the value of the put options in relation to non-controlling interests issued in conjunction with acquisitions of partly owned subsidiaries.

3) Distribution of Momentum Group AB. Corresponds to the market value of Momentum Group at listing on Nasdaq Stockholm on 31 March 2022 (based on the opening price).

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

MSEK	2022 APR–JUN	2021 APR–JUN	2022 JAN–JUN	2021 JAN–JUN	30/06/2022 12 months to	2021 JAN–DEC
Operating activities						
Profit/loss after financial items	144	135	215	192	402	379
Adjustment for non-cash items	124	125	256	248	664	656
Income taxes paid	-35	-10	-81	-56	-138	-113
Cash flow from operating activities before changes in working capital	**233**	**250**	**390**	**384**	**928**	**922**
Change in inventories	-44	-72	-118	-88	-301	-271
Change in operating receivables	86	-103	113	-70	-39	-222
Change in operating liabilities	-64	134	-204	156	-39	321
Cash flow from operating activities	**211**	**209**	**181**	**382**	**549**	**750**
Investing activities						
Net investments in non-current assets	-41	-35	-76	-72	-170	-166
Acquisition of subsidiaries and other business units	-23	-19	-111	-19	-123	-31
Divestment of subsidiaries and other business units	-	-	-	-	-23	-23
Cash flow from investing activities	**-64**	**-54**	**-187**	**-91**	**-316**	**-220**
Financing activities						
Borrowings	42	0	1,592	0	1,592	0
Repayment of loans	-104	-144	-1,747	-239	-1,994	-486
Other transactions with shareholders	-	-15	-	-15	-	-15
Repurchase/sale of share options	1	-	1	-3	-16	-20
Repurchase/sale of treasury shares	-	7	-	9	-	9
Dividends paid	-88	-76	-88	-76	-88	-76
Cash flow from financing activities	**-149**	**-228**	**-242**	**-324**	**-506**	**-588**
Cash flow for the period, continuing operations	**-2**	**-73**	**-248**	**-33**	**-273**	**-58**
Cash flow for the period, discontinued operations (see note 7)	-	20	7	-26	60	27
Cash flow for the period, Group total	**-2**	**-53**	**-241**	**-59**	**-213**	**-31**
Cash and cash equivalents at the beginning of the period	40	370	345	375	317	375
Exchange difference in cash and cash equivalents		0		1		1
Cash and cash equivalents in discontinued operations		-	-66		-66	-
Cash and cash equivalents at the end of the period	**38**	**317**	**38**	**317**	**38**	**345**[1]

1) In comparison with cash and cash equivalents on the balance sheet, MSEK 286 can be found on the line Cash and cash equivalents and MSEK 59 on the line Assets held for distribution.

CONDENSED PARENT COMPANY INCOME STATEMENT

MSEK	2022 APR–JUN	2021 APR–JUN	2022 JAN–JUN	2021 JAN–JUN	30/06/2022 12 months to	2021 JAN–DEC
Revenue	4	6	8	12	19	23
Other operating income	4	2	4	4	5	5
Total operating income	**8**	**8**	**12**	**16**	**24**	**28**
Operating expenses	-12	-12	-24	-23	-49	-48
Operating profit	**-4**	**-4**	**-12**	**-7**	**-25**	**-20**
Financial income and expenses	-1	1	0	2	3	5
Profit/loss after financial items	**-5**	**-3**	**-12**	**-5**	**-22**	**-15**
Appropriations	-	-	-	-	42	42
Profit/loss before tax	**-5**	**-3**	**-12**	**-5**	**20**	**27**
Taxes	1	1	2	1	-5	-6
Profit/loss for the period	**-4**	**-2**	**-10**	**-4**	**15**	**21**

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	30/06/2022	30/06/2021	31/12/2021
ASSETS			
Intangible non-current assets	0	0	0
Tangible non-current assets	-	0	-
Financial non-current assets	3,580	3,876	3,685
Total non-current assets	**3,580**	**3,876**	**3,685**
Current receivables	494	182	197
Cash and bank	0	270	251
Total current assets	**494**	**452**	**448**
TOTAL ASSETS	**4,074**	**4,328**	**4,133**
EQUITY, PROVISIONS AND LIABILITIES			
Restricted equity	102	102	102
Non-restricted equity	1,749	1,881	1,889
Total equity	**1,851**	**1,983**	**1,991**
Provisions	4	-	4
Non-current liabilities	1,555	1,482	1,421
Current liabilities	664	863	717
TOTAL EQUITY, PROVISIONS AND LIABILITIES	**4,074**	**4,328**	**4,133**

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 2021.

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.

Discontinued operations

The operations of Momentum Group are reported in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. The distribution of Momentum Group has been reported in accordance with IFRIC 17 Distributions of Non-cash Assets to Owners. The shares in the discontinued operations of Momentum Group were distributed to the shareholders of Alligo with a record date of 25 March and reported as discontinued operations in accordance with IFRS 5. Discontinued operations are recognised separately from continuing operations in the income statement, with retroactive effect for earlier periods. Momentum Group's earnings up to the point of distribution, and the non-cash gain that the distribution of Momentum Group has generated in accordance with IFRIC 17, are recognised on a line in the income statement. The gain reflects the difference between the market value of Momentum Group's shares (based on the opening price on the first day of trading, 31 March 2022) and the carrying amount of the company on the consolidated balance sheet. The Group also reports a profit/loss after tax from the distributed operations up to the point of distribution. See Note 7 Discontinued operations for further information.

Reclassification of revenues

In the Q1 report for 2022, certain components that were previously recognised as revenue (approximately MSEK 58 for 2021) have been reclassified as other income in order to better reflect the underlying operations.

Changes to operating segments

As a result of Momentum Group (Components & Services business area) being defined as discontinued operations during Q1 2022, Alligo is adapting its segment reporting so that it reflects how continuing operations are organised and monitored. As of Q1 2022, Alligo reports three operating segments: Sweden, Norway and Finland. See Note 2 Operating segments for further information.

Changes to revenue categories

As a result of Momentum Group (Components & Services business area) being defined as discontinued operations during Q1 2022, Alligo is adapting the Group's revenue categories to better reflect the continuing operations. As of Q1 2022, the revenue categories are expanded to include an additional breakdown: own brands and external brands. See Note 3 Revenue distribution for further information.

Incentive programme 2022/2025

The subsidy for the call option programme 2022/2025 equivalent to the premium paid for each call option (before tax) is recognised as an accrued expense until the time when the employment condition is met. The subsidy is also charged with social security contributions.

NOTE 2 Operating segments

As of Q1 2022, the Group's operating segments consist of the geographic segments of Sweden, Norway and Finland. The operating segments reflect the operational organisation, as used by Group management and the Board of Directors to monitor operations. Group-wide includes the Group's management and support functions. The support functions include Investor Relations and Legal. Financial items and taxes are not broken down by operating segment and are instead reported as a whole in Group-wide. Intra-Group pricing between the operating segments takes place on market terms. The accounting policies are the same as for the consolidated financial statements.

	APR–JUN 2022						
MSEK	Sweden	Norway	Finland[1]	Total segments	Group-wide	Eliminations	Group total
External revenue	1,268	614	393	**2,275**			**2,275**
Internal revenue	59	3	0	**62**		-62	**0**
Revenue	**1,327**	**617**	**393**	**2,337**	**-**	**-62**	**2,275**
EBITA	**131**	**24**	**22**	**177**	**-5**	**0**	**172**
Items affecting comparability[2]	-	-	-	**0**	0	-	**0**
Amortisation of intangible assets in connection with corporate acquisitions	-11	-4	-2	**-17**	-	-	**-17**
Operating profit	**120**	**20**	**20**	**160**	**-5**	**0**	**155**
Non-current assets	3,020	653	416	**4,089**	0	-	**4,089**

NOTE 2 Operating segments cont.

MSEK	Sweden	Norway	Finland[1]	Total segments	Group-wide	Eliminations	Group total
				APR–JUN 2021			
External revenue	1,272	539	346	**2,157**			**2,157**
Internal revenue	60	3	0	**63**		-63	**0**
Revenue	**1,332**	**542**	**346**	**2,220**	**-**	**-63**	**2,157**
EBITA	**131**	**18**	**18**	**167**	**-3**	**0**	**164**
Items affecting comparability[3]	0	0	-	**0**	-2	-	**-2**
Amortisation of intangible assets in connection with corporate acquisitions	-11	-4	-1	**-16**	-	-	**-16**
Operating profit	**120**	**14**	**17**	**151**	**-5**	**0**	**146**
Non-current assets	3,080	536	391	**4,007**	2		**4,009**

MSEK	Sweden	Norway	Finland[1]	Total segments	Group-wide	Eliminations	Group total
				JAN–JUN 2022			
External revenue	2,418	1,208	744	**4,370**			**4,370**
Internal revenue	101	8	0	**109**		-109	**0**
Revenue	**2,519**	**1,216**	**744**	**4,479**	**-**	**-109**	**4,370**
EBITA	**220**	**41**	**25**	**286**	**-9**		**277**
Items affecting comparability[4]	-1	-	-4	**-5**	-4	-	**-9**
Amortisation of intangible assets in connection with corporate acquisitions	-22	-8	-3	**-33**	-	-	**-33**
Operating profit	**197**	**33**	**18**	**248**	**-13**	**0**	**235**
Non-current assets	3,020	653	416	**4,089**	0	-	**4,089**

MSEK	Sweden	Norway	Finland[1]	Total segments	Group-wide	Eliminations	Group total
				JAN–JUN 2021			
External revenue	2,411	1,077	637	**4,125**			**4,125**
Internal revenue	112	6	0	**118**		-118	**0**
Revenue	**2,523**	**1,083**	**637**	**4,243**	**-**	**-118**	**4,125**
EBITA	**203**	**30**	**19**	**252**	**-6**	**0**	**246**
Items affecting comparability[3]	1	-1	-	**0**	-2		**-2**
Amortisation of intangible assets in connection with corporate acquisitions	-22	-7	-2	**-31**	-		**-31**
Operating profit	**182**	**22**	**17**	**221**	**-8**	**0**	**213**
Non-current assets	3,080	536	391	**4,007**	2		**4,009**

MSEK	Sweden	Norway	Finland[1]	Total segments	Group-wide	Eliminations	Group total
				JAN–DEC 2021			
External revenue	4,920	2,177	1,320	**8,417**			**8,417**
Internal revenue	231	21	0	**252**		-252	**0**
Revenue	**5,151**	**2,198**	**1,320**	**8,669**	**-**	**-252**	**8,417**
EBITA	**560**	**80**	**19**	**659**	**-14**	**0**	**645**
Items affecting comparability[5]	-130	-19	-	**-149**	-6		**-155**
Amortisation of intangible assets in connection with corporate acquisitions	-44	-14	-5	**-63**	-		**-63**
Operating profit	**386**	**47**	**14**	**447**	**-20**		**427**
Non-current assets	3,054	593	397	**4,044**	0		**4,044**

1) The Finland operating segment also includes Estonia.
2) Items affecting comparability in Group-wide relate to costs ahead of the separate listing of Momentum Group.
3) Items affecting comparability relate to costs for advisers in connection with the investigation of the conditions for a possible division of the Group.
4) Items affecting comparability in Sweden and Group-wide relate to costs ahead of the separate listing of Momentum Group. Costs affecting comparability in Finland relate to severance costs in connection with a change of management.
5) Items affecting comparability in Sweden and Norway relate to restructuring costs in connection with the coordination of logistics. In Sweden, this coordination concerns the relocation of the Swedish logistics operations of Tools to Alligo's central warehouses, consisting primarily of write-downs of non-current assets and right-of-use assets (Alingsås lease agreement) and of losses on divestment of operations. Items affecting comparability in Group-wide relate to costs for advisers in connection with the investigation of the conditions for a possible division of the Group.

NOTE 3 Revenue by category

COUNTRY

MSEK	2022 APR–JUN	2021 APR–JUN	2022 JAN–JUN	2021 JAN–JUN	2021 JAN–DEC
Sweden	1,268	1,272	2,418	2,411	4,920
Norway	614	539	1,208	1,077	2,177
Finland	393	346	744	637	1,320
Total revenue	**2,275**	**2,157**	**4,370**	**4,125**	**8,417**

PRODUCT BRANDS

MSEK	2022 APR–JUN	2021 APR–JUN	2022 JAN–JUN	2021 JAN–JUN	2021 JAN–DEC
Own brands					
Sweden	284	308	541	579	1,217
Norway	81	80	154	167	402
Finland	33	26	55	47	97
Total own brands	**398**	**414**	**750**	**793**	**1,716**
External brands					
Sweden	984	964	1,877	1,832	3,703
Norway	533	459	1,054	910	1,775
Finland	360	320	689	590	1,223
Total external brands	**1,877**	**1,743**	**3,620**	**3,332**	**6,701**
Total revenue	**2,275**	**2,157**	**4,370**	**4,125**	**8,417**

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 beginning of the period amounted to MSEK 4.6. Additional purchase considerations in the amount of MSEK 1.7 were paid during the period January to June 2022. New additional purchase considerations amounted to MSEK 3.8 from the acquisition of Liukkosen Pultti Oy. Additional purchase considerations not yet paid amounted to MSEK 6.1 at the end of the period. In all cases, the additional purchase considerations are based on gross profit for the years 2022 and 2023. The additional purchase considerations are measured at fair value, with an assessment 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, where the time factor, given current interest rates, is not considered to be material. In line with a valuation on 30 June 2022, additional purchase considerations not yet paid have been written down by a net amount of MSEK -0.6. The fair value of the Group's financial assets and liabilities is estimated to be the same as their carrying amount. 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 IN CONTINGENT PURCHASE CONSIDERATIONS

ASSETS, MSEK	
Opening contingent purchase considerations, 01/01/2022	**4.0**
Contingent additional purchase considerations added 2022	-
Additional purchase considerations paid 2022	-
Additional purchase considerations paid 2022 in excess of estimated value	-
Value of contingent additional purchase considerations 2022	-
Closing contingent additional purchase considerations, 30/06/2022	**4.0**
Expected receipts/disbursements	
Expected receipts/disbursements < 12 months	4.0
Expected receipts/disbursements > 12 months	-

LIABILITIES, MSEK	
Opening contingent purchase considerations, 01/01/2022	**4.6**
Contingent additional purchase considerations added 2022	3.8
Additional purchase considerations paid 2022	-1.7
Additional purchase considerations paid 2022 in excess of estimated value	-
Value of contingent additional purchase considerations 2022	-0.6
Closing contingent additional purchase considerations, 30/06/2022	**6.1**
Expected payments	
Expected payments < 12 months	-4.2
Expected payments > 12 months	-1.9

NOTE 5 Business combinations

Business combinations in 2022

Share transfers

Alligo made two corporate acquisitions with closing during the first half of 2022. None of these acquisitions is deemed significant enough to require a separate presentation of the acquisition analysis. On 5 January 2022, Alligo signed an agreement to acquire 100 per cent of the shares in Liukkosen Pultti Oy. Liukkosen Pultti operates a store in Lahti that sells workwear and tools and the acquisition strengthens Alligo's presence on the Finnish market. The acquired company generates annual revenue of approximately MEUR 4.5 with favourable profitability and has 21 employees. Closing took place on 1 February 2022. On 8 March 2022, Alligo acquired 100 per cent of the shares in Lunna AS. Lunna has three stores north of Oslo and sells industrial components, tools, workwear and personal protective equipment. The acquisition strengthens Alligo's position as a leading supplier to Norwegian industry. The acquired company generates annual revenue of approximately MNOK 82 with favourable profitability and has 26 employees. Closing took place in conjunction with the acquisition.

Calculated as if closing had taken place on 1 January 2022, the acquired companies have contributed MSEK 68 to the Group's revenue and MSEK 2 to the Group's EBITA.

The total purchase consideration for the acquisitions amounted to MSEK 92, of which MSEK 3.8 comprised additional purchase considerations. The additional purchase considerations were measured at fair value, where it was determined that they will be paid at the agreed amount, totalling MSEK 3.8. Acquisition costs of approximately MSEK 1 were recognised as other operating expenses in 2022.

SHARE TRANSFERS

MSEK	Carrying amount	Fair value adjustment	Fair value
ACQUIRED ASSETS			
Intangible non-current assets		20	20
Right-of-use assets		22	22
Other non-current assets	1	2	3
Inventories	41	-9	32
Other current assets	26		26
Total assets	**68**	**35**	**103**
ACQUIRED PROVISIONS AND LIABILITIES			
Non-current liabilities	12		12
Lease liabilities		22	22
Deferred tax liability		4	4
Current operating liabilities	23		23
Total provisions and liabilities	**35**	**26**	**61**
NET OF IDENTIFIED ASSETS AND LIABILITIES	**33**	**9**	**42**
Goodwill			50
Purchase consideration			**92**
Of which additional purchase consideration			-4
Additional purchase consideration paid			2
Cash and cash equivalents in acquired companies			-4
Loans settled on acquisition			4
EFFECT ON THE GROUP'S CASH AND CASH EQUIVALENTS			**90**

Conveyance of assets and liabilities

As of 2 June, Alligo has acquired the industrial operations of Norwegian company H E Seglem AS through a conveyance of assets and liabilities. H E Seglem's hydraulics and bunker operations are not included in the acquisition. H E Seglem has a store in Egersund in south-west Norway and sells industrial products, tools, forestry and gardening equipment, workwear and personal protective equipment. The industrial operations of H E Seglem AS generate annual revenue of approximately MNOK 40 and have eight employees. The acquisition strengthens Alligo's position in south-west Norway. Closing took place in conjunction with the acquisition.

Calculated as if closing had taken place on 1 January 2022, the acquired operations have contributed MSEK 21 to the Group's revenue and MSEK 1.5 to the Group's EBITA.

The purchase consideration totalled MSEK 21, with no additional purchase consideration. Acquisition costs of approximately MSEK 0.3 were recognised as other operating expenses. Recognised goodwill of MSEK 6 is expected to be tax-deductible in its entirety.

CONVEYANCES OF ASSETS AND LIABILITIES

MSEK	Carrying amount	Fair value adjustment	Fair value
ACQUIRED ASSETS			
Intangible non-current assets		4	4
Right-of-use assets		8	8
Other non-current assets			0
Inventories	12	-1	11
Other current assets			-
Total assets	**12**	**11**	**23**
ACQUIRED PROVISIONS AND LIABILITIES			
Non-current liabilities			-
Lease liabilities		8	8
Deferred tax liability			-
Current operating liabilities			-
Total provisions and liabilities	**-**	**8**	**8**
NET OF IDENTIFIED ASSETS AND LIABILITIES	**12**	**3**	**15**
Goodwill			6
Purchase consideration			**21**
Of which additional purchase consideration			-
Additional purchase consideration paid			-
Cash and cash equivalents in acquired companies			-
Loans settled on acquisition			-
EFFECT ON THE GROUP'S CASH AND CASH EQUIVALENTS			**21**

Additional purchase considerations paid

Additional purchase considerations of MSEK 1.7 were paid during the period.

NOTE 5 Business combinations cont.

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.

Value according to acquisition analysis 2022

According to the preliminary acquisition analyses, the assets and liabilities included in the operations acquired during 2022 amount to the following. The main reason why the acquisition analyses are considered to be preliminary is that only a short time has passed since the acquisitions.

CORPORATE ACQUISITIONS CONDUCTED FROM THE 2015/2016 FINANCIAL YEAR ONWARDS

	Closing	Revenue[1]	Number of employees[1]
Tønsberg Maskinforretning AS, NO	April 2016	MNOK 20	10
Astrup Industrivarer AS, NO	November 2016	MNOK 240	50
TriffiQ Företagsprofilering AB[2], SE	September 2017	MSEK 70	18
AB Knut Sehlins Industrivaruhus, SE	October 2017	MSEK 40	14
Reklamproffsen Skandinavien AB[2], SE	March 2018	MSEK 35	12
Profilmakarna i Södertälje AB, SE	April 2018	MSEK 25	8
MFG Components Oy[3], FI	October 2018	MEUR 1	3
TOOLS Løvold AS, NO	January 2019	MNOK 95	28
Lindström Group's PPE business[3], FI	April 2019	MEUR 6	5
Company Line Förvaltning AB[2], SE	June 2019	MSEK 75	25
AMJ Papper AB, SE	March 2020	MSEK 15	6
Swedol AB, SE/NO/FI[4]	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[3]	June 2022	MNOK 40	8
Magnusson Agentur AB	July 2022	MSEK 27	6

1) Refers to full-year information at the time of acquisition.

2) Alligo initially acquired 70 per cent of the shares in each company. Alligo currently owns 100 per cent of the shares in TriffiQ Företagsprofilering AB and Reklamproffsen Skandinavien AB, as well as around 90 per cent of the shares in Company Line Förvaltning AB.

3) The acquisition was carried out as a conveyance of assets and liabilities.

4) 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 has been completed. Alligo subsequently owns 100 per cent of the shares and votes in Swedol AB.

NOTE 6 Pledged assets and contingent liabilities

Group, MSEK	30/06/2022	30/06/2021	31/12/2021
Pledged assets	3	-	3
Contingent liabilities	17	17	17

Parent Company, MSEK	30/06/2022	30/06/2021	31/12/2021
Pledged assets	-	-	-
Contingent liabilities	-	14	0

NOTE 7 Discontinued operations

Alligo's subsidiary Momentum Group AB (Components & Services business area) was classified during the fourth quarter of 2021 as discontinued operations and since then has been recognised in accordance with the applicable accounting policies of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. The distribution of the business was completed during the first quarter of 2022, when Momentum Group was distributed to the shareholders and listed on Nasdaq Stockholm on 31 March 2022. Momentum Group's net assets prior to distribution were MSEK 486. Remeasurement to fair value on distribution, corresponding to the market value of MSEK 4,038 of Momentum Group on listing, resulted in an impact on earnings of MSEK 3,553.

Momentum Group is recognised as discontinued operations in the consolidated statement of comprehensive income for the period January to March 2022 and for the period January to December 2021. The consolidated statement of comprehensive income for the comparison periods of January to March 2021 and the 12 months up to and including 31 March 2022 has been recalculated according to the same principles. The profit/loss of Momentum Group has been excluded from the individual rows of the consolidated income statement and the net profit/loss is instead reported as "Profit/loss for the period, discontinued operations". On the balance sheet as at 31 December 2021, assets and liabilities relating to Momentum Group are recognised as "Discontinued operations, assets held for distribution" and "Discontinued operations, liabilities held for distribution" respectively.

Information on the income statement, balance sheet and cash flows for discontinued operations is presented below.

INCOME STATEMENT Group, MSEK	2022 APR–JUN	2021 APR–JUN	2022 JAN–JUN	2021 JAN–JUN	30/06/2022 12 months to	2021 JAN–DEC
Revenue	-	396	399	746	1,144	1,491
Other operating income	-	0	2	1	5	4
Total operating income	**-**	**396**	**401**	**747**	**1,149**	**1,495**
Cost of goods sold	-	-214	-211	-405	-601	-795
Personnel costs	-	-91	-101	-171	-272	-342
Depreciation, amortisation, impairment losses and reversal of impairment losses	-	-13	-15	-24	-45	-54
Other operating expenses	-	-30	-37	-58	-106	-127
Total operating expenses	**-**	**-348**	**-364**	**-658**	**-1,024**	**-1,318**
Operating profit	**-**	**48**	**37**	**89**	**125**	**177**
Net financial items	**-**	**-1**	**-1**	**-1**	**-1**	**-1**
Profit/loss after financial items	**-**	**47**	**36**	**88**	**124**	**176**
Taxes	-	-9	-8	-18	-27	-37
Profit/loss for the period, Components & Services	**-**	**38**	**28**	**70**	**97**	**139**
Reclassification of translation differences from other comprehensive income	-	-	1	-	1	-
Impact on earnings of the distribution of Momentum Group	-	-	3,552	-	3,552	-
Profit/loss for the period, discontinued operations	**-**	**38**	**3,581**	**70**	**3,650**	**139**

NOTE 7 Discontinued operations cont.

ASSETS AND LIABILITIES

MSEK	30/06/2022	31/12/2021
ASSETS		
Intangible non-current assets	-	284
Right-of-use assets	-	127
Tangible non-current assets	-	17
Other non-current receivables	-	1
Deferred tax assets	-	1
Total non-current assets	**-**	**430**
Inventories	-	211
Accounts receivable	-	255
Other current receivables	-	18
Cash and cash equivalents	-	59
Total current assets	**-**	**543**
TOTAL ASSETS held for distribution	**-**	**973**
LIABILITIES		
Non-current interest-bearing liabilities	-	9
Non-current lease liabilities	-	81
Other non-current liabilities and provisions	-	57
Total non-current liabilities	**-**	**147**
Current interest-bearing liabilities	-	0
Current lease liabilities	-	41
Accounts payable	-	154
Other current liabilities	-	168
Total current liabilities	**-**	**363**
TOTAL LIABILITIES held for distribution	**-**	**510**
NET ASSETS held for distribution	**-**	**463**

CASH FLOW STATEMENT

Group, MSEK	2022 APR-JUN	2021 APR-JUN	2022 JAN-JUN	2021 JAN-JUN	30/06/2022 12 months to	2021 JAN-DEC
Cash flow from operating activities	-	62	8	104	97	193
Cash flow from investing activities	-	-32	0	-111	-14	-125
Cash flow from financing activities	-	-10	-1	-19	-23	-41
Cash flow for the period from discontinued operations	**-**	**20**	**7**	**-26**	**60**	**27**

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, 15 July 2022

Alligo AB (publ)

Göran Näsholm Chair of the Board	Johan Sjö Board member	Pontus Boman Board member
Stefan Hedelius Board member	Cecilia Marlow Board member	Christina Åqvist Board member

Johanna Främberg
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 and the Swedish Securities Markets Act. The information was submitted for publication through the agency of the Chief Executive Officer on 15 July 2022 at 08:00 CEST.

KEY PERFORMANCE INDICATORS (KPIs)

Group, MSEK	2022 APR–JUN	2021 APR–JUN	2022 JAN–JUN	2021 JAN–JUN	30/06/2022 12 months to	2021 JAN–DEC
IFRS KEY PERFORMANCE INDICATORS						
Earnings per share, SEK						
Continuing operations, before and after dilution	2.24	2.10	3.35	3.00	6.10	5.75
Discontinued operations, before and after dilution[1]	-	0.75	0.55	1.40	1.90	2.75
Impact on earnings of the distribution of Momentum Group, before dilution	-	-	70.38	-	70.38	-
Impact on earnings of the distribution of Momentum Group, after dilution	-	-	70.38	-	70.34	-
ALTERNATIVE KEY PERFORMANCE INDICATORS						
Income statement-based KPIs						
Revenue, MSEK	2,275	2,157	4,370	4,125	8,662	8,417
Operating profit, MSEK	155	146	235	213	449	427
Items affecting comparability	0	-2	-9	-2	-162	-155
Amortisation of intangible assets in connection with corporate acquisitions	-17	-16	-33	-31	-65	-63
EBITA, MSEK	172	164	277	246	676	645
Depreciation/amortisation of tangible and other intangible non-current assets[2]	-25	-25	-52	-50	-118	-116
EBITDA excl. IFRS 16, MSEK	192	185	320	288	779	747
Profit after financial items, MSEK	144	135	215	192	402	379
Operating margin, %	6.8	6.8	5.4	5.2	5.2	5.1
EBITA margin, %	7.6	7.6	6.3	6.0	7.8	7.7
Profit margin, %	6.3	6.3	4.9	4.7	4.6	4.5
Profitability KPIs						
Return on working capital (EBITA/WC)[3], %					34	36
Return on capital employed[3], %					7	7
Return on equity[1,4], %					13	13
Financial position KPIs						
Net financial liabilities, MSEK	2,509	2,279	2,509	2,279	2,509	2,272
Net operational liabilities, MSEK	1,564	1,310	1,564	1,310	1,564	1,259
Ratio of net operational liabilities to EBITDA excl. IFRS 16					2.0	1.7
Equity[5], MSEK	3,078	3,206	3,078	3,206	3,078	3,429
Equity/assets ratio[4], %	41	39	41	39	41	40
Other KPIs						
No. of employees at the end of the period	2,314	2,321	2,314	2,321	2,314	2,319
Share price at the end of the period, SEK	99	175	99	175	99	192

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

2) 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.

3) KPI calculated on the basis of the figures reported in the financial statements. This means that profit/loss items for previous periods are recalculated and based on continuing operations, while balance sheet items for previous periods are not recalculated.

4) Refers to the Group total (continuing operations and discontinued operations).

5) 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.

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.

EBITA

Operating profit adjusted for items affecting comparability and before any impairment of goodwill and amortisation and impairment of other intangible assets incurred in connection with corporate acquisitions and equivalent transactions.

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

EBITA margin

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 EBITA margin based on revenue from both external and internal customers is presented per business area (operating segment).

EBITDA excl. IFRS 16

Operating profit adjusted for items affecting comparability before any depreciation and write-down of tangible non-current assets and any 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.

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.

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.

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.

Operating profit

Profit before financial items and tax

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

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.

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.

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.

Ratio of net operational liabilities to EBITDA excl. IFRS 16

Net operational liabilities divided by EBITDA, excl. IFRS 16, for a rolling 12-month period.

This key performance indicator shows the multiple of the EBITDA result for the most recent 12-month period, excluding the effects of IFRS 16, 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.

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.

Return on working capital (EBITA/WC)

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 EBITA and low tied-up capital. Used to analyse profitability in the Group and its various operations.

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.

EBITA **MSEK**	**2022** **APR–JUN**	**2021** **APR–JUN**	**2022** **JAN–JUN**	**2021** **JAN–JUN**	**30/06/2022** 12 months to	**2021** **JAN–DEC**
Operating profit	155	146	235	213	449	427
Items affecting comparability						
Restructuring costs	-	-	4[1]	-	112[2]	108
Divestment of operations	-	-	-	-	37	37
Split and listing expenses	0	2	5	2	13	10
Amortisation and impairment of intangible assets in connection with corporate acquisitions	17	16	33	31	65	63
EBITA	**172**	**164**	**277**	**246**	**676**	**645**
Operating profit excl. IFRS 16	150	142	226	205	434	413
Amortisation and impairment of other intangible non-current assets	8	10	18	21	39	42
Depreciation and write-downs of tangible non-current assets	17	15	34	29	79	74
EBITDA excl. IFRS 16	**192**	**185**	**320**	**288**	**779**	**747**

1) Restructuring costs in connection with change of management in Finland.

2) Restructuring costs in connection with relocation of the Swedish logistics operations of Tools to Alligo's central warehouses in Örebro.

WORKING CAPITAL **MSEK**	**2022** **APR–JUN**	**2021** **APR–JUN**	**2022** **JAN–JUN**	**2021** **JAN–JUN**	**30/06/2022** 12 months to	**2021** **JAN–DEC**
Average operating assets						
Average inventories	1,859	1,750	1,859	1,750	1,859	1,722
Average accounts receivable	1,095	1,081	1,095	1,081	1,095	1,050
Total average operating assets	**2,953**	**2,831**	**2,953**	**2,831**	**2,953**	**2,772**
Average operating liabilities						
Average accounts payable	-993	-953	-993	-953	-993	-973
Total average operating liabilities	**-993**	**-953**	**-993**	**-953**	**-993**	**-973**
Average working capital	**1,961**	**1,877**	**1,961**	**1,877**	**1,961**	**1,799**
EBITA					676	645
Return on working capital (EBITA/WC), %					**34**	**36**

CAPITAL EMPLOYED **MSEK**	**2022** **APR–JUN**	**2021** **APR–JUN**	**2022** **JAN–JUN**	**2021** **JAN–JUN**	**30/06/2022** 12 months to	**2021** **JAN–DEC**
Average balance sheet total	8,077	7,898	8,077	7,898	8,077	8,217
Average non-interest-bearing liabilities and provisions						
Average non-interest-bearing non-current liabilities	-385	-356	-385	-356	-385	-371
Average non-interest-bearing current liabilities	-1,619	-1,581	-1,619	-1,581	-1,619	-1,615
Total average non-interest-bearing liabilities and provisions	**-2,004**	**-1,937**	**-2,004**	**-1,937**	**-2,004**	**-1,986**
Average capital employed	**6,073**	**5,961**	**6,073**	**5,961**	**6,073**	**6,231**
Operating profit					449	427
Financial income					3	3
Total operating profit + financial income					**452**	**430**
Return on capital employed, %					**7**	**7**

RETURN ON EQUITY MSEK	30/06/2022 12 months to	2021 JAN-DEC
Average equity[3]	3,205	3,218
Profit/loss for the period[3]	404	429
Return on equity, %	**13**	**13**

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

NET FINANCIAL LIABILITIES MSEK	30/06/2022 12 months to	2021 JAN-DEC
Non-current interest-bearing liabilities	2,168	2,095
Current interest-bearing liabilities	379	463
Cash and cash equivalents	-38	-286
Net financial liabilities	**2,509**	**2,272**

NET OPERATIONAL LIABILITIES MSEK	30/06/2022 12 months to	2021 JAN-DEC
Net financial liabilities	2,509	2,272
Financial lease liabilities	-945	-1,013
Net provisions for pensions	0	0
Net operational liabilities	**1,564**	**1,259**
EBITDA excl. IFRS 16, rolling 12 months	779	747
Ratio of net operational liabilities to EBITDA excl. IFRS 16	**2.0**	**1.7**

EQUITY/ASSETS RATIO MSEK	2022 APR-JUN	2021 APR-JUN	2022 JAN-JUN	2021 JAN-JUN	30/06/2022 12 months to	2021 JAN-DEC
Balance sheet total (closing balance)	7,578	8,276	7,578	8,276	7,578	8,679
Equity[3]	3,078	3,206	3,078	3,206	3,078	3,429
Equity/assets ratio, %	**41**	**39**	**41**	**39**	**41**	**40**

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

STRATEGIC DIRECTION

Alligo's strategic map is based on our mission and values and it guides us towards our vision of becoming unbeatable as a partner to our customers, as an employer for our employees, as a partner to our suppliers and as a leader in sustainable development in our industry.

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.

VALUES

Alligo's values are based on three pillars that together define who we are and how we interact with our customers and other stakeholders.

- **Commitment**
- **Collaboration**
- **Competence**

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. If we are the best partner for our customers, this will drive our sales. To make positive contributions to our customers, we need to have committed and skilled employees. To be able to provide our customers with the best offering, we need to have good relationships with the best suppliers. To be able to contribute to a sustainable society – as well as being relevant to our customers and employees – we must take sustainability issues seriously.

STRATEGIC OBJECTIVES

Alligo's strategies are connected to four strategic objectives that, in turn, are connected to our vision.
These strategic objectives give our business a common direction and are all designed to deliver profitable growth.

- We provide our customers with what they need in a friendly way
- We are the workplace where the best people want to work and we help them grow
- We have our industry's most efficient operations and reliable processes
- We are known as the leader in sustainable development in our industry

INTEGRATED SUSTAINABILITY WORK

Alligo supports Agenda 2030 and aims to achieve the UN Global Goals for Sustainable Development. The goals where we have the biggest impact and can make the greatest difference are connected with our material sustainability issues that clearly go hand in hand with our vision. By working with sustainability as an integrated part of our strategy and business planning, we aim to become the unrivalled leader of sustainable development in our sector.

Vision	We are unbeatable... ...as a leader in sustainable development in our industry		
	...as a partner to our customers	...as an employer	...as a partner to our suppliers
Key sustainability issues	• Product quality and safety • Customer satisfaction • Transparent sustainability communication and help customers to make sustainable choices	• Diversity and equality • Work environment and health • Skills development • Anti-corruption	• Working conditions and human rights in the supply chain • Climate impact • Environmental impact and chemicals
Global Goals			

INFORMATION FOR SHAREHOLDERS

FINANCIAL CALENDAR

Interim Report Q3 Jan-Sep 2022	28 October 2022
Year-end Report 2022	16 February 2023
Interim Report Q1 Jan-Mar 2023	28 April 2023

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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