ALLIGO

YEAR-END REPORT Q4
1 January – 31 December 2022

Profitable growth on all markets

FOURTH QUARTER HIGHLIGHTS

- Revenue increased by 11.8 per cent to MSEK 2,723 (2,436).
- EBITA increased by 19 per cent to MSEK 298 (250), corresponding to an EBITA margin of 10.9 per cent (10.3).
- Operating profit amounted to MSEK 268 (194) and the operating margin was 9.8 per cent (8.0).
- Operating profit was charged with items affecting comparability of MSEK -15 (-40), which comprise costs for organisational changes of MSEK -9 and rental costs for the coordination of logistics of MSEK -6.
- Profit from continuing operations amounted to MSEK 194 (139), profit from discontinued operations to MSEK 0 (31) and profit for the Group as a whole to MSEK 194 (170).
- Earnings per share from continuing operations amounted to SEK 3.82[1] (2.75[1]), earnings per share from discontinued operations to SEK 0.00[1] (0.60[1]) and earnings per share for the Group as a whole to SEK 3.82[1] (3.35[1]).
- Cash flow from operating activities amounted to MSEK 417 (432).

SIGNIFICANT EVENTS DURING THE FOURTH QUARTER

- Alligo acquired 75 per cent of the shares in Profeel Sweden AB, which specialises in corporate branded clothing and product media and operates two stores, one in Eskilstuna and one in Västerås.
- Alligo signed an agreement for premises for a new flagship store for Tools and Grolls in central Konala, strengthening its presence in the Helsinki region. A new head office for the Finnish operations is being established next to the store, with move-in scheduled for 2023.
- Alligo signed an agreement to acquire 70 per cent of the shares in Profilföretaget Z-Profil AB, which specialises in corporate branded clothing and product media and has operations in Umeå and Skellefteå. The acquisition was completed in January 2023.
- Alligo signed an agreement to acquire 70 per cent of the shares in corporate branding companies Kents Textiltryck i Halmstad AB and Olympus Profile i Uddevalla AB. The acquisitions were completed in January 2023.

FULL YEAR 2022 HIGHLIGHTS

- Revenue increased by 9.4 per cent to MSEK 9,211 (8,417).
- EBITA increased by 17 per cent to MSEK 756 (645), corresponding to an EBITA margin of 8.2 per cent (7.7).
- Operating profit amounted to MSEK 669 (427) and the operating margin was 7.3 per cent (5.1). Operating profit was charged with items affecting comparability of MSEK -24 (-155), which comprise costs for organisational changes of MSEK -13, rental costs for the coordination of logistics of MSEK -6 and costs ahead of the separate listing of Momentum Group of MSEK -5.
- Profit from continuing operations amounted to MSEK 481 (291) and profit from discontinued operations to MSEK 28[2] (139). The impact on earnings of the distribution of Momentum Group was MSEK 3,553 and total profit from the Group amounted to MSEK 4,062 (430).
- Earnings per share from continuing operations amounted to SEK 9.51[1] (5.75[1]) and earnings per share from discontinued operations amounted to SEK 0.55[1,2] SEK (2.75[1]). The impact on earnings of the distribution of Momentum Group was SEK 70.38[1] per share and earnings per share for the Group as a whole amounted to SEK 80.44[1] (8.50[1]).
- Cash flow from operating activities amounted to MSEK 507 (750).
- The Board of Directors proposes a dividend for 2022 of SEK 3.00 per share (1.75).

EVENTS AFTER THE END OF THE PERIOD

- Alligo completed acquisitions of Profilföretaget Z-Profil AB, Kents Textiltryck i Halmstad AB and Olympus Profile i Uddevalla AB on 2 January 2023.

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 OCT-DEC	2021 OCT-DEC	2022 JAN-DEC	2021 JAN-DEC
Revenue, MSEK	2,723	2,436	9,211	8,417
Operating profit, MSEK	268	194	669	427
Operating margin, %	9.8	8.0	7.3	5.1
EBITA, MSEK	298	250	756	645
EBITA margin, %	10.9	10.3	8.2	7.7
Return on equity[2,3], %			16	13
Equity per share[4], SEK	67.51	67.95	67.51	67.95
Equity/assets ratio[5], %	41	40	41	40

1) Before and after dilution.
2) Adjusted for the impact on earnings of the distribution of Momentum Group AB.
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 fourth quarter brings to an end a year like no other in recent history. The year 2022 began with an ongoing pandemic and social restrictions, a war broke out in Europe and inflation in Sweden was at its highest level since the early 1990s, to give just a few examples. At the same time, Alligo has completed several important integration projects and further developed the business model. We have changed the organizational structure, coordinated logistics in Sweden, changed IT and business systems and merged companies. The business has been streamlined through the distribution of Momentum Group to the shareholders on 31 March 2022 and we are now a more integrated and efficient company.

Stable growth

Sales in the fourth quarter were stable, although we observed a slowdown in Sweden towards the end of the quarter. Revenue for the fourth quarter was MSEK 2,723 (2,436), an increase of 11.8 per cent. Of this growth, 6.7 per cent was organic, 2.8 per cent was through acquisitions and 2.3 per cent derived from currency effects. It was pleasing that the target for organic growth was exceeded in all countries.

Revenue for the full year 2022 increased by 19 per cent and amounted to MSEK 9,211 (8,417), an increase of 9.4 per cent. Organic growth amounted to 6.1 per cent and growth through acquisitions to 1.0 per cent, while currency effects totalled 2.3 per cent. Revenue for the full year also contains an inflationary effect. The organic growth was stable on all markets during the year and was supplemented by several completed acquisitions.

Earnings and margin trends remain positive

The high level of inflation and the weak Swedish krona are putting pressure on margins and we are constantly working to ensure that pricing reflects our more expensive procurement and underlying cost increases. At the same time, it is important that we get our pricing right in relation to our competitors at a time when everyone is feeling the pressure of cost increases.

EBITA for the fourth quarter amounted to MSEK 298 (250) and the EBITA margin was 10.9 per cent (10.3). The improvement in profit can be attributed to increases on all three markets in Sweden, Norway and Finland. Furthermore, there is room for additional improvement as we now have a clearer focus on sales and operational efficiency rather than integration.

EBITA for the full year 2022 amounted to MSEK 756 (645) and the EBITA margin was 8.2 per cent (7.7).

Cash flow and investments

Cash flow from operating activities for the fourth quarter totalled MSEK 417 (432). The build-up of inventories is being driven by growth in own brands. It is a conscious strategy to prioritise sales and a high level of availability that ensures we can meet customer demand.

Cash flow from operating activities for the full year 2022 totalled MSEK 507 (750) and was negatively affected by increased working capital. During 2023, we will gradually reduce our stock levels and improve our cash flow from operating activities, while maintaining availability for our customers.

We have a strong financial position and good liquidity that means we can invest in initiatives to drive sales and efficiency, as well as make acquisitions. Alligo's acquisition strategy is based on identifying the right companies to acquire and integrating them through an efficient process. Nine acquisitions during 2022 are proof that our model works and we will continue to acquire the right companies at the right time during 2023.

"Despite the uncertainty in the world around us, 2022 was a stable year for Alligo in which we carried out a large number of integration and improvement projects.

Strong position in the face of an uncertain future

Despite the uncertainty in the world around us, 2022 was a stable year for Alligo in which we carried out a large number of integration and improvement projects. Alligo performed well in terms of sales and earnings during the fourth quarter and during 2022 as a whole. We have developed the business at a rapid pace in a short time but we can now put the large-scale project to coordinate Swedol and Tools behind us. We do not know exactly what the future holds, but we are well prepared and Alligo is now a much stronger company than even just a year ago. We believe in what we are doing and we look forward to our continued work in advancing and making Alligo even more successful in 2023.

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 consists of a standardised product range of goods and services that enable companies to function. The range consists of a balanced mix of own brands and leading 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 53 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 assortment, 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.

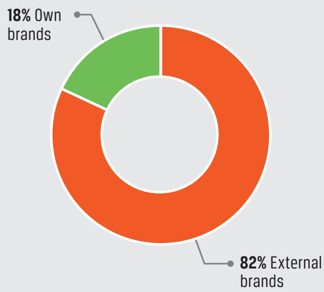
Independent stores

SWEDEN: Mercus, Company Line, Reklamproffsen, Industriprofil, TriffiQ, Profilmakarna, Defacto, Magnusson Agentur, Profeel, Z-Profil, Kents Textiltryck and Olympus Profile. **FINLAND:** Metaplan and Liukkosen Pultti.

STRONG OWN BRANDS

- Björnkläder – Workwear
- GESTO – Workwear & protective footwear
- UNIVERN – Workwear
- AmPro® – Tools*
- AWARD – Vehicle & workplace lighting
- Balance – Protective gloves
- 1832 – Corporate branded clothing
- 4 USE – Consumables
- Nima – Hunting & slaughter products
- NUAIR – Compressors*
- INNO – Chemical products
- swedol – Oil & fat products

SALE OF OWN BRANDS JAN-DEC 2022



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

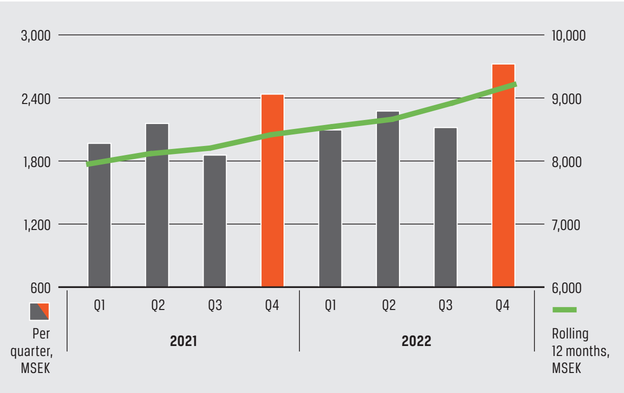
GROUP DEVELOPMENT

REVENUE

Fourth quarter 2022

Revenue increased by 11.8 per cent to MSEK 2,723 (2,436) and contains a non-negligible inflationary effect. Revenue from like-for-like sales, measured in local currency and adjusted for the number of trading days, increased by 6.7 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 was driven mainly by larger industrial customers in Finland and Norway. There was a slight slowdown in sales in Sweden from November onwards. The proportion of own brands during the quarter was 20.2 per cent (21.2). This reduction is mainly the result of the divestment of Gigant and Nytello during the fourth quarter last year; adjusted for this, the proportion of own brands is higher than in the corresponding period last year (19.0) and has increased on all markets. This increase was driven by the successful launch of the Group's own shoe and clothing brands. Currency translation effects had a positive impact on revenue of MSEK 55 as a result of the development of both NOK and EUR. The quarter contained the same number of trading days as last year.

REVENUE



MSEK	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
Per quarter	1,968	2,157	1,856	2,436	2,095	2,275	2,118	2,723
Rolling 12 mos	7,953	8,115	8,205	8,417	8,544	8,662	8,924	9,211

SALES TREND	2022 OCT-DEC	2022 JAN-DEC	2021[1] JAN-DEC
Change in revenue from:			
Like-for-like sales in local currency,%	6.7	6.1	4.3
Currency effects, %	2.3	2.3	0.0
Number of trading days, %	-	-	0.4
New stores established in local currency,%	-	-	-
Other units[2], %	2.8	1.0	0.2
Total change	**11.8**	**9.4**	**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).

Full year 2022

Revenue increased by 9.4 per cent to MSEK 9,211 (8,417) and contains an inflationary effect. Revenue from like-for-like sales, measured in local currency and adjusted for the number of trading days, increased by 6.1 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 was 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 and sales processes as a result of the migration to a common business system and the coordination of logistics during the second quarter. A slight slowdown in sales in Sweden was also observed during the fourth quarter. The proportion of own brands during the period was 18.2 per cent (20.4). This reduction is mainly the result of the divestment of Gigant and Nytello during the fourth quarter last year; adjusted for this, the proportion of own brands is higher than in the corresponding period last year (17.9). This increase was driven by the successful launch of the Group's own brands for shoes and, during the latter part of the year, clothing. The clothing brand launch was delayed as a result of disruption to supplies from Asia during the first half of the year. There is now good availability of own brands and the proportion of sales of own brands has increased in both Sweden and Finland. Currency translation effects had a positive impact on revenue of MSEK 195, 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.

PROFITS

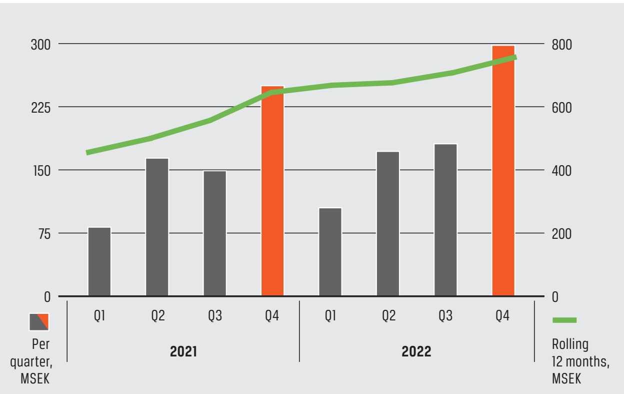
Fourth quarter 2022

Operating profit amounted to MSEK 268 (194). EBITA (operating profit excluding items affecting comparability and amortisation of intangible assets arising in connection with corporate acquisitions) increased by 19 per cent to MSEK 298 (250), corresponding to an EBITA margin of 10.9 per cent (10.3). This improvement in profit can be seen across all countries and was driven by growth, price increases that compensate for higher purchase prices and unfavourable currency effects, as well as synergies. The effect is mitigated by an unfavourable country mix in the form of stronger growth in Norway and Finland than in Sweden. Operating profit was charged with items affecting comparability of MSEK -15 (-40), which comprise costs for organisational changes resulting from new sales organisations in Sweden and Norway of MSEK -9 and rental costs for the coordination of logistics of MSEK -6.

During the quarter, MSEK 11 was utilised from restructuring reserves reported in previous years, MSEK 1 of which originates from the third quarter of 2020 and MSEK 10 from the third quarter of 2021.

The effective tax rate was 21.1 per cent (24.9). Profit after financial items was MSEK 246 (185) and profit after tax was MSEK 194 (139), which corresponds to earnings per share for continuing operations of SEK 3.82 (2.75) for the quarter.

EBITA



MSEK	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
Per quarter	82	164	149	250	105	172	181	298
Rolling 12 mos	456	499	557	645	668	676	708	756

Full year 2022

Operating profit amounted to MSEK 669 (427). EBITA (operating profit excluding items affecting comparability and amortisation of intangible assets arising in connection with corporate acquisitions) increased by 17 per cent to MSEK 756 (645), corresponding to an EBITA margin of 8.2 per cent (7.7). This improvement in profit can be seen across all markets and was driven by growth, better gross margins and synergies. The effect is mitigated by an unfavourable country mix in the form of stronger growth in Norway and Finland than in Sweden. Operating profit has been charged with items affecting comparability of MSEK -24 (-155), which comprise costs for organisational changes of MSEK -13, rental costs for the coordination of logistics of MSEK -6 and costs ahead of the separate listing of Momentum Group of MSEK -5.

The coordination of Tools and Swedol is proceeding according to plan. In principle, only the coordination of the range remains to be fully implemented, alongside the planned change of business system in Norway. The store integrations in Norway and Sweden have been completed, with the exception of two that remain in Sweden. At 203, the net total number of Alligo stores remained unchanged compared with the beginning of the year. 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. A common business system and pricing system were implemented in Tools in Finland during the second quarter of 2021 and there are similar plans for Tools in Norway in early 2025. During the period, MSEK 54 was utilised from restructuring reserves reported in previous years. The restructuring reserve from the third quarter of 2020 amounts to MSEK 19 (originally MSEK 97). The restructuring reserve originating from the third quarter of 2021 amounts to MSEK 80, compared with an initial MSEK 108.

The effective tax rate was 21.4 per cent (23.2). Profit after financial items was MSEK 612 (379) and profit after tax was MSEK 481 (291), which corresponds to earnings per share for continuing operations of SEK 9.51 (5.75) for the period. The Group's profitability, measured as the return on equity, amounted to 16 per cent for the most recent 12-month period, corresponding to a return on capital employed of 11 per cent.

Total operations

Total profit from the Group amounted to MSEK 4,062 (430), of which MSEK 481 (291) is attributable to continuing operations, MSEK 28 (139) to discontinued operations, and MSEK 3,553 to the impact on earnings of the distribution of Momentum Group.

DEVELOPMENT BY GEOGRAPHIC SEGMENT

Fourth quarter 2022

Sweden

Revenue in Sweden amounted to MSEK 1,645 (1,527). Sales have been positively affected by the acquisitions of Magnusson Agenturer AB and Profeel Sweden AB. Organic growth was around 6 per cent. Sales were good at the beginning of the quarter but weakened during November and December. EBITA increased to MSEK 253 (232) and the EBITA margin to 15.4 per cent (15.2). This improvement in profit was driven by growth, synergies and price increases that compensate for higher purchase prices. The sales organisation was streamlined during the quarter.

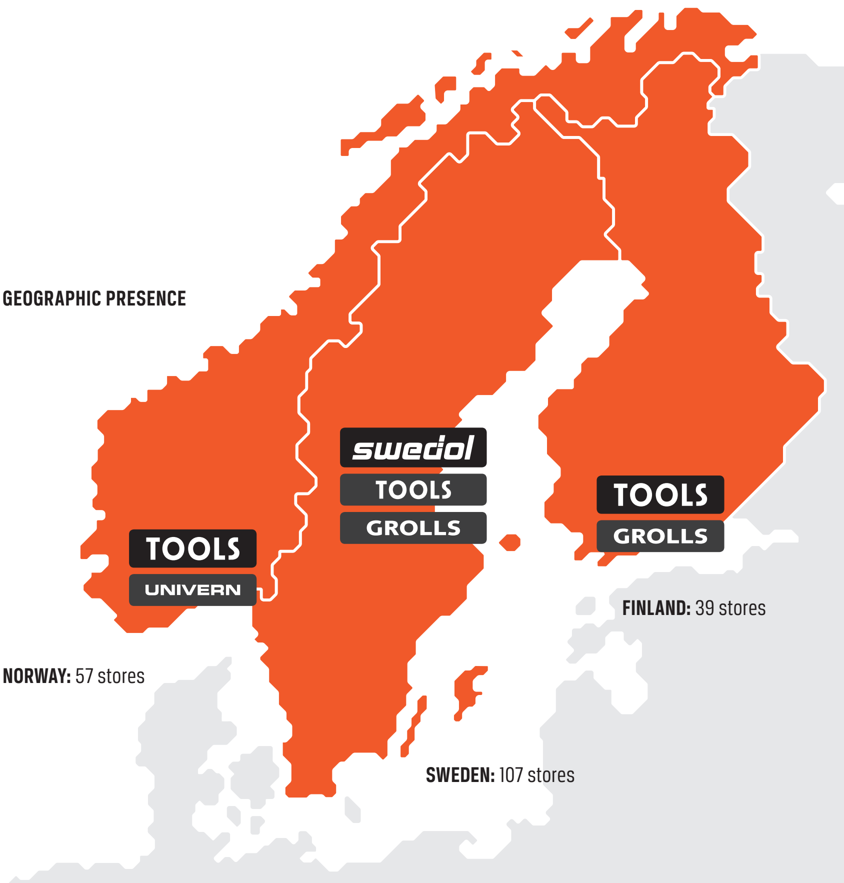
Norway

Revenue in Norway amounted to MSEK 744 (618). The increase of around 20 per cent was positively affected by the acquisitions of Lunna AS, H E Seglem and LVH AS, favourable currency effects and good development within the oil and gas industry in particular. Organic growth was around 9 per cent. EBITA for the quarter amounted to MSEK 34 (29) and the EBITA margin to 4.6 per cent (4.7). The improvement in profit was driven by growth and synergies. The sales organisation was streamlined during the quarter and work to develop our sales management and so improve margins was intensified.

Finland

Revenue in Finland amounted to MSEK 433 (364). The acquisition of Liukkosen Pultti Oy made a positive contribution to this, alongside favourable currency effects and continued positive development among larger industrial customers. Organic growth was around 6 per cent. EBITA for the quarter amounted to MSEK 17 (-8) and the EBITA margin to 3.9 per cent (-2.2). The improvement in profit was driven by growth, synergies and better sales management. The customer mix remains unfavourable, but activities are under way to increase the proportion of small and medium-sized enterprises, including by investing in stores.

GEOGRAPHIC PRESENCE



NORWAY: 57 stores

SWEDEN: 107 stores

FINLAND: 39 stores

Full year 2022

Sweden

Revenue in Sweden increased by approximately 4 per cent to MSEK 5,339 (5,151) and organic growth was around 5 per cent. The revenue contains a non-negligible inflationary effect and was also positively affected by the acquisitions of Magnusson Agenturer AB and Profeel Sweden AB, at the same time this was offset by the divestment of Gigant last year. Following a weak first quarter, with winter sales arriving in the fourth quarter of 2021 and small and medium-sized enterprises exercising restraint as a result of Russia's war in Ukraine, development in stores has now stabilised. Development within the industrial segment, which was strong during the first quarter, was negatively affected by a new business system through disruptions to the logistics and sales processes during the second and third quarters. Sales weakened gradually during the fourth quarter, despite favourable winter weather.

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 107 (109). EBITA for the period amounted to MSEK 610 (560) and the EBITA margin to 11.4 per cent (10.9). The improvement in profit was driven by synergies and good margin development in stores, but was negatively affected by challenges within the industrial segment, which are partly the result of the integration work. Operating profit was charged with items affecting comparability of MSEK -9 (-130), which comprise costs for organisational changes in connection with establishing new sales organisations of MSEK -6 and rental costs for the coordination of logistics of MSEK -3.

Norway

Revenue in Norway amounted to MSEK 2,591 (2,198). This increase of around 18 per cent contains a non-negligible inflationary effect and was positively affected by the acquisitions of RAF Romerike Arbeidstøy AS, Lunna AS, H E Seglem and LVF AS, as well as positive currency effects. Organic growth was around 8 per cent. 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 and, since the second quarter, sales growth within the oil and gas industry has been strong.

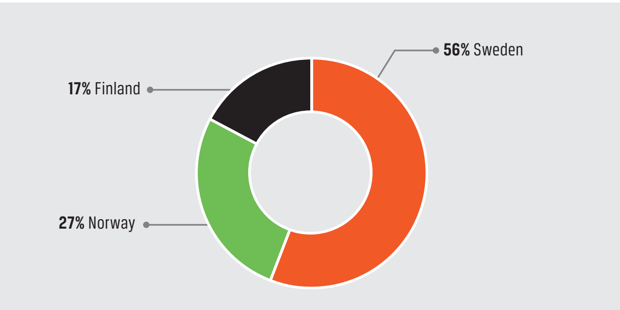
The number of stores at the end of the period was 57 (55). EBITA for the period amounted to MSEK 107 (80) and the EBITA margin to 4.1 per cent (3.6). The improvement in profit was driven by growth and synergies. Work is ongoing to establish a more favourable customer mix and to strengthen the sales and assortment management in order to improve margins, while the new sales organisation is also helping to reduce costs. Operating profit was charged with items affecting comparability of MSEK -6 (-19), which comprise costs for organisational changes in connection with establishing new sales organisations of MSEK -3 and rental costs for the coordination of logistics of MSEK -3.

Finland

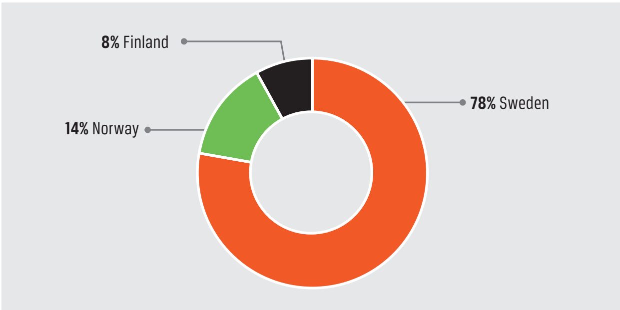
Revenue in Finland amounted to MSEK 1,552 (1,320) and contains a non-negligible inflationary effect. The acquisitions of Imatran Pultti Oy and Liukkosen Pultti Oy made a positive contribution to this, alongside growth at larger industrial customers and favourable currency effects. Organic growth was around 8 per cent. EBITA for the period amounted to MSEK 62 (19) and the EBITA margin to 4.0 per cent (1.4). The improvement in profit was driven by growth, while the work to strengthen the sales and assortment management also began to have an effect from the third quarter onwards.

The number of stores at the end of the period was 39 (39). The customer mix remains unfavourable, but activities are under way to increase the proportion of small and medium-sized enterprises, including by investing in stores. Operating profit was charged with items affecting comparability of MSEK -5 (0), which comprise severance costs in connection with the change of management in Finland of MSEK -4 and rental costs of MSEK -1. A new country manager for Finland took up their post during the fourth quarter.

REVENUE BY GEOGRAPHIC SEGMENT JAN–DEC 2022



EBITA BY GEOGRAPHIC SEGMENT JAN–DEC 2022



OTHER FINANCIAL DEVELOPMENT

Investments and cash flow

Cash flow from operating activities before changes in working capital for the reporting period totalled MSEK 1,047 (922). Inventories increased during the period by MSEK 349 as a result of increased volumes for the rollout of own brands and other adaptations to the range. External factors, such as increased costs for purchasing products, freight and currency also had an impact. The average value of inventories was MSEK 2,068 (1,722) and the inventory turnover rate was 4.5 (4.9). Operating receivables increased by MSEK 100 and operating liabilities fell by MSEK -91. Cash flow from operating activities for the reporting period therefore amounted to MSEK 507 (750). Cash flow for the period was also impacted by a net amount of MSEK -152 (-166) pertaining to investments in and divestments of non-current assets, as well as by MSEK -144 (-54) pertaining to acquisitions and divestments 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 and service concepts, store modifications in all countries and the continued expansion and automation of the Group's logistics centre in Örebro.

Financial position and financing

At the end of the period, the Group's financial net loan liability amounted to MSEK 2,547, 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 1,534, compared with MSEK 1,259 at the beginning of the year. Cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 1,176 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 total credit facility is MSEK 2,300 and was raised in March 2022. It has a term of three years, with the option to extend for one year and subsequently for a further year. The interest rate is linked to STIBOR plus a surcharge based on the ratio of net operational liabilities to EBITDA. The equity/assets ratio at the end of the period was 41 per cent. Equity per share was SEK 67.51 at the end of the period, compared with SEK 67.95 at the beginning of the financial year.

Acquisitions 2022

Continuing operations at Alligo made six corporate acquisitions, one of which was a conveyance of assets and liabilities, with closing during 2022. In addition, agreements were signed for three more corporate acquisitions with closing during 2023.

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. The company will be integrated into Tools AS.

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.

Acquisition of LVH AS

On 19 August 2022, Alligo acquired 100 per cent of the shares in LVH AS, a reseller of tools, consumables, workwear and personal protective equipment in Lillehammer. The acquisition strengthens Alligo's position in the Norwegian Interior. LVH AS generates annual revenue of approximately MNOK 13 and has four employees. Closing took place in conjunction with the acquisition. The company has been integrated into Tools AS.

Acquisition of Profeel Sweden AB

On 9 November, Alligo signed an agreement to acquire 75 per cent of the shares in Profeel Sweden AB, which operates two stores: one in Eskilstuna and one in Västerås. The acquisition strengthens Alligo's position in corporate branded clothing and product media in Sweden. Profeel generates annual revenue of approximately MSEK 70 and has 18 employees. Closing took place in conjunction with the acquisition.

Acquisitions after the end of the period

Acquisition of Profilföretaget Z-Profil AB

On 6 December, Alligo signed an agreement to acquire 70 per cent of the shares in Profilföretaget Z-Profil AB, which has operations in Umeå and Skellefteå. The acquisition strengthens Alligo's position in corporate branded clothing and product media in Sweden. Z-Profil generates annual revenue of approximately MSEK 40 and has 13 employees. Closing took place on 2 January 2023.

Acquisition of Kents Textiltryck i Halmstad AB and Olympus Profile i Uddevalla AB

On 22 December, Alligo signed an agreement to acquire 70 per cent of the shares in corporate branding companies Kents Textiltryck i Halmstad AB and Olympus Profile i Uddevalla AB. The companies generate annual revenue of just over MSEK 40, have 15 and 13 employees respectively and sell workwear, corporate branded clothing and product media. Closing took place on 2 January 2023.

Employees

At the end of the period, the number of employees in the Group amounted to 2,371, compared with 2,319 at the beginning of the year. The increase in the number of employees is the result of corporate acquisitions made.

Transactions with related parties

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

Parent Company

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 25 Swedish and foreign subsidiaries. The parent company's operations comprise Group-wide management, including Legal and Investor Relations functions. Income takes the form of a management fee from Group companies for Group-wide services and costs which the parent company has provided. 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 17 (23) and the loss after financial items totalled MSEK -29 (-15). Items affecting comparability have had an impact on profit of MSEK -4 (-6), 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 4,064 (4,133), with equity accounting for 46 per cent (48) of total assets. The number of employees at the parent company at the end of the period was 2 (2).

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. Alligo has continually taken steps to ensure an ongoing high level of availability of products and services.

Russia's war in Ukraine has increased uncertainty in the world around us and contributed to record-high energy prices in Europe. Alligo has no operations in Russia or Ukraine and only limited customer and supplier exposure. We are entering the fourth quarter with strong inflation and increasing interest rates, which have generated considerable uncertainty about the economic situation and this constitutes a risk in terms of demand on Alligo's markets. Inflation also has a significant impact on purchase prices, which Alligo continuously strives to offset by adapting our customer pricing. Purchases in dollars becoming more expensive also risks having a negative impact on margins.

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.

GROUP TARGETS

Financial targets

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

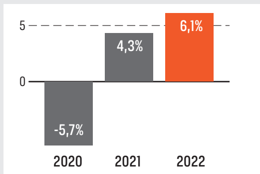
TARGET | OUTCOME

GROWTH

>5%

Organic growth

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

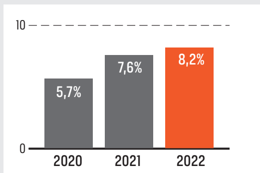


PROFITABILITY

>10%

EBITA margin

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

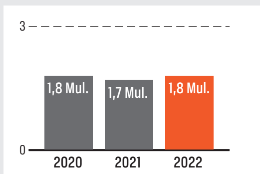


INDEBTEDNESS

<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.

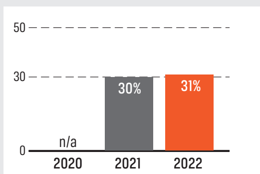


DIVIDEND

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.



Sustainability targets

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

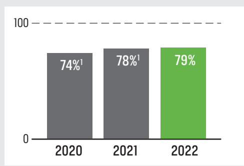
TARGET | OUTCOME

RESPONSIBLE SUPPLIER RELATIONSHIPS

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.

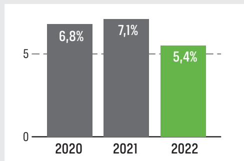
CSI	2020	2021	2022
Swedol, Sweden	76	76	76
Tools, Sweden	80	79	77
Tools, Norway	78	79	79
Tools, Finland	n/a	77	n/a
Grolls, Sweden	78	79	78
Grolls, Finland	76	76	n/a
Univern, Norway	83	85	81

HEALTH

<5%

Sickness absence

Sickness absence shall be less than 5 per cent of total scheduled hours.

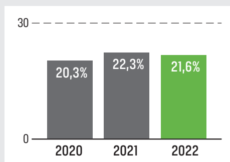


GENDER EQUALITY

>30%

Proportion of female managers

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



CLIMATE IMPACT

↓CO_2

Reduced carbon emissions

The carbon emissions produced by the company shall be reduced.

[A survey of the carbon emissions of the company is ongoing. Once this work is complete, Alligo will set an overall target for reducing carbon emissions.]

2022 2023 2024 2025..

1) The basis of calculation was adjusted in 2022 and the comparison figures have been recalculated according to the same principles.

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 31 December 2022 was as shown in the table below:

CLASS OF SHARE	31/12/2022
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 Group CEO and CFO and 105,000 by other key personnel. The option premium paid totals MSEK 1.4.

Holding of treasury shares

As at 31 December 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.

The Board's proposed cash dividend

The board of directors proposes to the Annual General Meeting of 24 May 2023 a dividend of SEK 3.00 (1.75) per share, which corresponds to 31 percent (30) of the earnings per share for continuing operations for the financial year. Taking into account the repurchased Class B shares, the proposed dividend corresponds to a total of MSEK 151 (88).

CONDENSED CONSOLIDATED INCOME STATEMENT

MSEK	2022 OCT-DEC	2021 OCT-DEC	2022 JAN-DEC	2021 JAN-DEC
Revenue	2,723	2,436	9,211	8,417
Other operating income	30	28	122	91
Total operating income	**2,753**	**2,464**	**9,333**	**8,508**
Cost of goods sold	-1,596	-1,435	-5,483	-4,987
Personnel costs	-476	-432	-1,719	-1,640
Depreciation, amortisation, impairment losses and reversal of impairment losses	-126	-128	-486	-563
Other operating expenses	-287	-275	-976	-891
Total operating expenses	**-2,485**	**-2,270**	**-8,664**	**-8,081**
Operating profit	**268**	**194**	**669**	**427**
Financial income	1	1	4	3
Financial expenses	-23	-10	-61	-51
Net financial items	**-22**	**-9**	**-57**	**-48**
Profit/loss after financial items	**246**	**185**	**612**	**379**
Taxes	-52	-46	-131	-88
Profit/loss for the period, continuing operations	**194**	**139**	**481**	**291**
Profit/loss for the period, discontinued operations	**-**	**31**	**3,581**	**139**
Profit/loss for the period, Group total	**194**	**170**	**4,062**	**430**
Profit/loss for the period attributable to:				
Parent Company shareholders	**193**	**170**	**4,061**	**429**
Profit/loss for the period, continuing operations	193	139	480	291
Profit/loss for the period, discontinued operations excluding impact on earnings of the distribution of Momentum Group	-	31	28	138
Impact on earnings of the distribution of Momentum Group	-	-	3,553	-
Non-controlling interests	**1**	**0**	**1**	**1**
Profit/loss for the period, continuing operations	1	0	1	0
Profit/loss for the period, discontinued operations	-	0	0	1
Earnings per share, SEK				
Continuing operations, before and after dilution	3.82	2.75	9.51	5.75
Discontinued operations excluding impact on earnings of the distribution of Momentum Group, before and after dilution	-	0.60	0.55	2.75
Impact on earnings of the distribution of Momentum Group, before and after dilution	-	-	70.38	-

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	2022 OCT-DEC	2021 OCT-DEC	2022 JAN-DEC	2021 JAN-DEC
Profit/loss for the period	**194**	**170**	**4,062**	**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	0	0	1
Tax attributable to components that will not be reclassified	0	0	0	0
	0	**0**	**0**	**1**
Components that will be reclassified to profit/loss for the period:				
Translation differences	19	14	57	51
Fair value changes for the period in cash flow hedges	-7	3	-5	21
Tax attributable to components that will be reclassified	2	0	1	-4
	14	**17**	**53**	**68**
Other comprehensive income for the period	**14**	**17**	**53**	**69**
Comprehensive income for the period	**208**	**187**	**4,115**	**499**
Profit/loss for the period attributable to:				
Parent Company shareholders	**207**	**187**	**4,114**	**498**
Non-controlling interests	**1**	**0**	**1**	**1**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MSEK	31/12/2022	31/12/2021
ASSETS		
Non-current assets		
Intangible non-current assets	2,655	2,577
Right-of-use assets	983	935
Tangible non-current assets	574	532
Financial investments	0	0
Other non-current receivables	24	14
Deferred tax assets	67	75
Total non-current assets	**4,303**	**4,133**
Current assets		
Inventories	2,275	1,856
Accounts receivable	1,285	1,154
Other current receivables	286	277
Cash and cash equivalents	215	286
Discontinued operations, assets held for distribution	-	973
Total current assets	**4,061**	**4,546**
TOTAL ASSETS	**8,364**	**8,679**
EQUITY AND LIABILITIES		
Equity		
Equity attributable to Parent Company shareholders	3,408	3,429
Non-controlling interests	5	19
Total equity	**3,413**	**3,448**
Non-current liabilities		
Non-current interest-bearing liabilities	1,749	1,421
Non-current lease liabilities	661	674
Provisions for pensions	0	0
Other non-current liabilities and provisions	415	399
Total non-current liabilities	**2,825**	**2,494**
Current liabilities		
Current interest-bearing liabilities	0	124
Current lease liabilities	352	339
Accounts payable	1,070	1,144
Other current liabilities	704	620
Discontinued operations, liabilities held for distribution	-	510
Total current liabilities	**2,126**	**2,737**
TOTAL LIABILITIES	**4,951**	**5,231**
TOTAL EQUITY AND LIABILITIES	**8,364**	**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			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			4,061	**4,061**	1	**4,062**
Other comprehensive income		53		**53**		**53**
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**
Acquisitions of partly owned subsidiaries				**0**	4	**4**
Changes in ownership share in partly owned subsidiaries			-1	**-1**	-2	**-3**
Option liability, acquisitions[4]			-9	**-9**		**-9**
Closing equity, 31/12/2022	**102**	**48**	**3,258**	**3,408**	**5**	**3,413**

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).

4) Pertains to the value of the put options in relation to non-controlling interests in the acquired subsidiary Profeel Sweden AB which grant the shareholders the right to sell shares to Alligo. The price of the options is dependent on the results achieved at the company and may be extended by one year at a time from 2026 onwards.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

MSEK	2022 OCT–DEC	2021 OCT–DEC	2022 JAN–DEC	2021 JAN–DEC
Operating activities				
Profit/loss after financial items	246	185	612	379
Adjustment for non-cash items	124	170	485	656
Income taxes paid	26	-16	-50	-113
Cash flow from operating activities before changes in working capital	**396**	**339**	**1,047**	**922**
Change in inventories	-66	-113	-349	-271
Change in operating receivables	-27	-106	-100	-222
Change in operating liabilities	114	312	-91	321
Cash flow from operating activities	**417**	**432**	**507**	**750**
Investing activities				
Net investments in non-current assets	-55	-70	-152	-166
Acquisition of subsidiaries and other business units	-25	-12	-144	-31
Divestment of subsidiaries and other business units	-	-23	-	-23
Cash flow from investing activities	**-80**	**-105**	**-296**	**-220**
Financing activities				
Borrowings	80	0	1,871	0
Repayment of loans	-225	-165	-2,058	-486
Other transactions with shareholders	-7	-	-7	-15
Repurchase/sale of share options	-	-17	1	-20
Repurchase/sale of treasury shares	-	0	-	9
Dividends paid	-	-	-88	-76
Cash flow from financing activities	**-152**	**-182**	**-281**	**-588**
Cash flow for the period, continuing operations	**185**	**145**	**-70**	**-58**
Cash flow for the period, discontinued operations (see note 7)	-	57	7	27
Cash flow for the period, Group total	**185**	**202**	**-63**	**-31**
Cash and cash equivalents at the beginning of the period	31	145	345	375
Exchange difference in cash and cash equivalents	-1	-2	-1	1
Cash and cash equivalents in discontinued operations	-	-	-66	-
Cash and cash equivalents at the end of the period	**215**	**345**[1]	**215**	**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 OCT-DEC	2021 OCT-DEC	2022 JAN-DEC	2021 JAN-DEC
Revenue	4	6	17	23
Other operating income	1	1	4	5
Total operating income	**5**	**7**	**21**	**28**
Operating expenses	-11	-12	-48	-48
Operating profit	**-6**	**-5**	**-27**	**-20**
Financial income and expenses	-2	1	-2	5
Profit/loss after financial items	**-8**	**-4**	**-29**	**-15**
Appropriations	32	42	32	42
Profit/loss before tax	**24**	**38**	**3**	**27**
Taxes	-5	-8	-1	-6
Profit/loss for the period	**19**	**30**	**2**	**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	31/12/2022	31/12/2021
ASSETS		
Intangible non-current assets	0	0
Tangible non-current assets	-	-
Financial non-current assets	3,432	3,685
Total non-current assets	**3,432**	**3,685**
Current receivables	457	197
Cash and bank	175	251
Total current assets	**632**	**448**
TOTAL ASSETS	**4,064**	**4,133**
EQUITY, PROVISIONS AND LIABILITIES		
Restricted equity	102	102
Non-restricted equity	1,761	1,889
Total equity	**1,863**	**1,991**
Untaxed reserves	1	-
Provisions	4	4
Non-current liabilities	1,739	1,421
Current liabilities	457	717
TOTAL EQUITY, PROVISIONS AND LIABILITIES	**4,064**	**4,133**

NOTES

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.

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 adapted 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 adapted the Group's revenue categories to better reflect the continuing operations. As of Q1 2022, the revenue categories were expanded to include an additional breakdown: own brands and external brands. See Note 3 Revenue by category.

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.

	OCT-DEC 2022						
MSEK	**Sweden**	**Norway**	**Finland[1]**	**Total segments**	**Group-wide**	**Eliminations**	**Group total**
External revenue	1,570	725	428	**2,723**	-	-	**2,723**
Internal revenue	75	19	5	**99**	-	-99	**0**
Revenue	**1,645**	**744**	**433**	**2,822**	**-**	**-99**	**2,723**
EBITA	**253**	**34**	**17**	**304**	**-6**	**0**	**298**
Items affecting comparability[2]	-8	-6	-1	**-15**	-	-	**-15**
Amortisation of intangible assets in connection with corporate acquisitions	-9	-4	-2	**-15**	-	-	**-15**
Operating profit	**236**	**24**	**14**	**274**	**-6**	**0**	**268**
Non-current assets	3,120	659	433	**4,212**	0	-	**4,212**

NOTE 2 Operating segments cont.

MSEK	OCT-DEC 2021 Sweden	Norway	Finland[1]	Total segments	Group-wide	Eliminations	Group total
External revenue	1,463	609	364	**2,436**	-	-	**2,436**
Internal revenue	64	9	0	**73**	-	-73	**0**
Revenue	**1,527**	**618**	**364**	**2,509**	**-**	**-73**	**2,436**
EBITA	**232**	**29**	**-8**	**253**	**-3**	**0**	**250**
Items affecting comparability[3]	-23	-16	-	**-39**	-1	-	**-40**
Amortisation of intangible assets in connection with corporate acquisitions	-11	-3	-2	**-16**	-	-	**-16**
Operating profit	**198**	**10**	**-10**	**198**	**-4**	**0**	**194**
Non-current assets	3,054	593	397	**4,044**	0	-	**4,044**

MSEK	JAN-DEC 2022 Sweden	Norway	Finland[1]	Total segments	Group-wide	Eliminations	Group total
External revenue	5,105	2,559	1,547	**9,211**	-	-	**9,211**
Internal revenue	234	32	5	**271**	-	-271	**0**
Revenue	**5,339**	**2,591**	**1,552**	**9,482**	**0**	**-271**	**9,211**
EBITA	**610**	**107**	**62**	**779**	**-23**	**-**	**756**
Items affecting comparability[4]	-9	-6	-5	**-20**	-4	-	**-24**
Amortisation of intangible assets in connection with corporate acquisitions	-41	-16	-6	**-63**	-	-	**-63**
Operating profit	**560**	**85**	**51**	**696**	**-27**	**0**	**669**
Non-current assets	3,120	659	433	**4,212**	0	-	**4,212**

MSEK	JAN-DEC 2021 Sweden	Norway	Finland[1]	Total segments	Group-wide	Eliminations	Group total
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**	**0**	**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 Sweden and Norway relate to costs for organisational changes in connection with establishing new sales organisations as well as rental costs for the coordination of logistics. Items affecting comparability in Finland relate to rental costs.
3) Items affecting comparability relate to losses on divestment of operations as well as costs in connection with preparations ahead of the separate listing of the Components & Services business area.
4) Items affecting comparability in Sweden and Norway relate to costs for organisational changes in connection with establishing new sales organisations as well as rental costs for the coordination of logistics. Items affecting comparability in Finland relate to severance costs in connection with a change of management and rental costs. In addition, the period has been impacted by items affecting comparability relating to costs ahead of the separate listing of Momentum Group.
5) Items affecting comparability in Sweden relate to restructuring costs in connection with the coordination of logistics. 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 Norway relate to losses on the divestment of operations. In addition, the period has been impacted by items affecting comparability relating 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 OCT-DEC	2021 OCT-DEC	2022 JAN-DEC	2021 JAN-DEC
Sweden	1,570	1,463	5,105	4,920
Norway	725	609	2,559	2,177
Finland	428	364	1,547	1,320
Total revenue	**2,723**	**2,436**	**9,211**	**8,417**

PRODUCT BRANDS

MSEK	2022 OCT-DEC	2021 OCT-DEC	2022 JAN-DEC	2021 JAN-DEC
Own brands				
Sweden	374	376	1,167	1,217
Norway	125	111	374	402
Finland	51	28	136	97
Total own brands	**550**	**515**	**1,677**	**1,716**
External brands				
Sweden	1,196	1,087	3,938	3,703
Norway	600	498	2,185	1,775
Finland	377	336	1,411	1,223
Total external brands	**2,173**	**1,921**	**7,534**	**6,701**
Total revenue	**2,723**	**2,436**	**9,211**	**8,417**

NOTE 4 Fair value of financial instruments

The Group has financial instruments measured at fair value at level 3. 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 5. Additional purchase considerations in the amount of MSEK 2 were paid during the period January to December 2022. New additional purchase considerations amounted to MSEK 4 from the acquisition of Liukkosen Pultti Oy, MSEK 6 from the acquisition of Magnusson Agentur AB and TSEK 500 from the acquisition of LVH AS. Additional purchase considerations not yet paid amounted to MSEK 13 at the end of the period. In all cases, the additional purchase considerations are based on gross profit for the years 2022, 2023 and 2024. The additional purchase considerations are measured at fair value, with an assessment made of whether they will be paid at the agreed amounts. In line with a valuation on 31 December 2022, additional purchase considerations not yet paid have been revalued by a net amount of TSEK -300. 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**
Contingent additional purchase considerations added 2022	-
Additional purchase considerations paid 2022	-
Additional purchase considerations paid 2022 in excess of estimated value	-
Revaluation of contingent additional purchase considerations 2022	-4
Closing contingent additional purchase considerations, 31/12/2022	**0**
Expected receipts/disbursements	
Expected receipts/disbursements < 12 months	-
Expected receipts/disbursements > 12 months	-

LIABILITIES, MSEK	
Opening contingent purchase considerations, 01/01/2022	**5**
Contingent additional purchase considerations added 2022	10
Additional purchase considerations paid 2022	-2
Additional purchase considerations paid 2022 in excess of estimated value	-
Revaluation of contingent additional purchase considerations 2022	-1
Translation effect	1
Closing contingent additional purchase considerations, 31/12/2022	**13**
Expected payments	
Expected payments < 12 months	-7
Expected payments > 12 months	-6

NOTE 5 Business combinations

Business combinations in 2022

Share transfers

Alligo made six corporate acquisitions with closing during 2022. None of the 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 12 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.
- 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. The acquisition strengthens Alligo's position in corporate branded products and workwear. The acquired company generates annual revenue of approximately MSEK 27 with favourable profitability and has six employees. Closing took place in conjunction with the acquisition.
- On 19 August 2022, Alligo acquired 100 per cent of the shares in LVH AS, a reseller of tools, consumables, workwear and personal protective equipment in Lillehammer. The acquisition strengthens Alligo's position in the Norwegian Interior. LVH AS generates annual revenue of approximately MNOK 13 and has four employees. Closing took place in conjunction with the acquisition.
- On 9 November 2022, Alligo acquired 75 per cent of the shares in Profeel Sweden AB, which operates two stores: one in Eskilstuna and one in Västerås. The acquisition strengthens Alligo's position in corporate branded clothing and product media in Sweden. Profeel generates annual revenue of approximately MSEK 70 and has 18 employees. Closing took place in conjunction with the acquisition.

During 2022, the acquired companies have contributed MSEK 158 to the Group's revenue and MSEK 13 to the Group's EBITA. Calculated as if closing had taken place on 1 January 2022, the acquired companies have contributed MSEK 208 to the Group's revenue and MSEK 11 to the Group's EBITA. The total purchase consideration for the acquisitions amounted to MSEK 138, of which MSEK 10 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 10. Acquisition costs of approximately MSEK 5 were recognised as other operating expenses in 2022.

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 southwest 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 40 to the Group's revenue and MSEK 3 to the Group's EBITA. The purchase consideration totalled MSEK 21, with no additional purchase consideration. Acquisition costs of approximately TSEK 300 were recognised as other operating expenses. Recognised goodwill of MSEK 6 is expected to be tax-deductible in its entirety.

Additional purchase considerations paid

Additional purchase considerations of approximately MSEK 2 were paid during the period.

Acquisition analyses

Some of the surplus value in the preliminary acquisition analyses presented on page 21 has been allocated to customer relations, while the unallocated surplus value has been assigned to goodwill. Goodwill relates to unidentifiable intangible assets and synergies within procurement, logistics, IT and administration, for example, that are expected to arise as a result of the acquisition. Goodwill has an indefinable useful life and is not amortised but is tested for impairment annually or where there are indications of a decline in value. The estimated value of customer relations is amortised over an estimated useful life of 10 years.

The main reason why the acquisition analyses are considered to be preliminary is that only a short time has passed since the acquisitions.

NOTE 5 Business combinations cont.

SHARE TRANSFERS

MSEK	Carrying amount	Fair value adjustment	Fair value
ACQUIRED ASSETS			
Intangible non-current assets		34	34
Right-of-use assets		30	30
Other non-current assets	3	2	5
Inventories	55	-10	45
Other current assets	50		50
TOTAL ASSETS	**108**	**56**	**164**
ACQUIRED PROVISIONS AND LIABILITIES			
Non-current liabilities	16		16
Lease liabilities		30	30
Deferred tax liability		7	7
Current operating liabilities	45		45
TOTAL PROVISIONS AND LIABILITIES	**61**	**37**	**98**
NET OF ASSETS AND LIABILITIES (identified)	**47**	**19**	**66**
Goodwill			76
Non-controlling interests			-4
Purchase consideration			**138**
Of which additional purchase consideration			-10
Additional purchase consideration paid			2
Cash and cash equivalents in acquired companies			-10
Loans settled on acquisition			3
EFFECT ON THE GROUP'S CASH & CASH EQUIVALENTS			**123**

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 ASSETS AND LIABILITIES (identified)	**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 & CASH EQUIVALENTS			**21**

CORPORATE ACQUISITIONS CONDUCTED

Acquisitions – 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], NO	June 2022	MNOK 40	8
Magnusson Agentur AB, SE	July 2022	MSEK 27	6
LVH AS, NO	August 2022	MNOK 13	4
Profeel Sweden AB[5], SE	November 2022	MSEK 70	18

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 was called for and preferential rights to the shares was granted by the arbitration board in the compulsory redemption dispute proceedings in early July 2020. Alligo subsequently owns 100 per cent of the shares and votes in Swedol.

5) Alligo acquired 75 per cent of the shares.

NOTE 5 Business combinations cont.

Acquisitions – after the end of the period	Closing	Revenue[1]	Number of employees[1]
Profilföretaget Z-Profil AB[2], SE	January 2023	MSEK 40	13
Kents Textiltryck i Halmstad Aktiebolag[2], SE	January 2023	MSEK 40	15
Olympus Profile i Uddevalla AB[2], SE	January 2023	MSEK 40	13

1) Refers to full-year information at the time of acquisition.
2) Alligo acquired 70 per cent of the shares in each company.

NOTE 6 Pledged assets and contingent liabilities

Group, MSEK	31/12/2022	31/12/2021
Pledged assets	3	3
Contingent liabilities	11	17

Parent Company, MSEK	31/12/2022	31/12/2021
Pledged assets	-	-
Contingent liabilities	-	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. The comparison periods have 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 OCT-DEC	2021 OCT-DEC	2022 JAN-DEC	2021 JAN-DEC
Revenue	-	402	399	1,491
Other operating income	-	2	2	4
Total operating income	**-**	**404**	**401**	**1,495**
Cost of goods sold	-	-211	-211	-795
Personnel costs	-	-96	-101	-342
Depreciation, amortisation, impairment losses and reversal of impairment losses	-	-15	-15	-54
Other operating expenses	-	-42	-37	-127
Total operating expenses	**-**	**-364**	**-364**	**-1,318**
Operating profit	**-**	**40**	**37**	**177**
Net financial items	**-**	**0**	**-1**	**-1**
Profit/loss after financial items	**-**	**40**	**36**	**176**
Taxes	-	-9	-8	-37
Profit/loss for the period, Components & Services	**-**	**31**	**28**	**139**
Reclassification of translation differences from other comprehensive income	-	-	1	-
Impact on earnings of the distribution of Momentum Group	-	-	3,552	-
Profit/loss for the period, discontinued operations	**-**	**31**	**3,581**	**139**

NOTE 7 Discontinued operations cont.

ASSETS AND LIABILITIES

MSEK	31/12/2022	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 OCT-DEC	2021 OCT-DEC	2022 JAN-DEC	2021 JAN-DEC
Cash flow from operating activities	-	80	8	193
Cash flow from investing activities	-	-12	0	-125
Cash flow from financing activities	-	-11	-1	-41
Cash flow for the period from discontinued operations	**-**	**57**	**7**	**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, 16 February 2023

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. The information was submitted for publication through the agency of the Chief Executive Officer on 16 February 2023 at 08.00 CET.

KEY PERFORMANCE INDICATORS (KPIs)

Group, MSEK	2022 OCT–DEC	2021 OCT–DEC	2022 JAN–DEC	2021 JAN–DEC
IFRS KEY PERFORMANCE INDICATORS				
Earnings per share, SEK				
Continuing operations, before and after dilution	3.82	2.75	9.51	5.75
Discontinued operations, before and after dilution[1]	-	0.60	0.55	2.75
Impact on earnings of the distribution of Momentum Group, before and after dilution	-	-	70.38	-
ALTERNATIVE KEY PERFORMANCE INDICATORS				
Income statement-based KPIs				
Revenue, MSEK	2,723	2,436	9,211	8,417
Operating profit, MSEK	268	194	669	427
Items affecting comparability	-15	-40	-24	-155
Amortisation of intangible assets in connection with corporate acquisitions	-15	-16	-63	-63
EBITA, MSEK	298	250	756	645
Depreciation/amortisation of tangible and other intangible non-current assets[2]	-27	-26	-105	-116
EBITDA excl. IFRS 16, MSEK	321	273	845	747
Profit after financial items, MSEK	246	185	612	379
Operating margin, %	9.8	8.0	7.3	5.1
EBITA margin, %	10.9	10.3	8.2	7.7
Profit margin, %	9.0	7.6	6.6	4.5
Profitability KPIs				
Return on working capital (EBITA/WC)[3], %			34	36
Return on capital employed[3], %			11	7
Return on equity[1,4], %			16	13
Financial position KPIs				
Net financial liabilities, MSEK	2,547	2,272	2,547	2,272
Net operational liabilities, MSEK	1,534	1,259	1,534	1,259
Ratio of net operational liabilities to EBITDA excl. IFRS 16			1.8	1.7
Equity[5], MSEK	3,408	3,429	3,408	3,429
Equity/assets ratio[4], %	41	40	41	40
Other KPIs				
No. of employees at the end of the period	2,371	2,319	2,371	2,319
Share price at the end of the period, SEK	79	192	79	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** **OCT-DEC**	**2021** **OCT-DEC**	**2022** **JAN-DEC**	**2021** **JAN-DEC**
Operating profit	268	194	669	427
Items affecting comparability				
Restructuring costs	15[1]	0	19[1,2]	108[3]
Divestment of operations	-	37	-	37
Split and listing expenses	-	3	5	10
Amortisation and impairment of intangible assets in connection with corporate acquisitions	15	16	63	63
EBITA	**298**	**250**	**756**	**645**
Operating profit excl. IFRS 16	264	191	653	413
Amortisation and impairment of other intangible non-current assets	9	10	35	42
Depreciation and write-downs of tangible non-current assets	18	16	70	74
EBITDA excl. IFRS 16	**321**	**273**	**845**	**747**

1) Costs for organisational changes in connection with establishing new sales organisations as well as rental costs for the coordination of logistics.
2) Severance costs in connection with a change of management.
3) Restructuring costs in connection with relocation of the Swedish logistics operations of Tools to Alligo's central warehouses in Örebro.

WORKING CAPITAL **MSEK**	**2022** **OCT-DEC**	**2021** **OCT-DEC**	**2022** **JAN-DEC**	**2021** **JAN-DEC**
Average operating assets				
Average inventories	2,068	1,722	2,068	1,722
Average accounts receivable	1,164	1,050	1,164	1,050
Total average operating assets	**3,231**	**2,772**	**3,231**	**2,772**
Average operating liabilities				
Average accounts payable	-1,015	-973	-1,015	-973
Total average operating liabilities	**-1,015**	**-973**	**-1,015**	**-973**
Average working capital	**2,216**	**1,799**	**2,216**	**1,799**
EBITA			756	645
Return on working capital (EBITA/WC), %			**34**	**36**

CAPITAL EMPLOYED **MSEK**	**2022** **OCT-DEC**	**2021** **OCT-DEC**	**2022** **JAN-DEC**	**2021** **JAN-DEC**
Average balance sheet total	8,054	8,217	8,054	8,217
Average non-interest-bearing liabilities and provisions				
Average non-interest-bearing non-current liabilities	-400	-371	-400	-371
Average non-interest-bearing current liabilities	-1,665	-1,615	-1,665	-1,615
Total average non-interest-bearing liabilities and provisions	**-2,065**	**-1,986**	**-2,065**	**-1,986**
Average capital employed	**5,989**	**6,231**	**5,989**	**6,231**
Operating profit			669	427
Financial income			4	3
Total operating profit + financial income			**673**	**430**
Return on capital employed, %			**11**	**7**

RETURN ON EQUITY

MSEK	2022 JAN-DEC	2021 JAN-DEC
Average equity[3]	3,236	3,218
Profit/loss for the period[3]	508	429
Return on equity, %	**16**	**13**

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

NET FINANCIAL LIABILITIES

MSEK	2022 JAN-DEC	2021 JAN-DEC
Non-current interest-bearing liabilities	2,410	2,095
Current interest-bearing liabilities	352	463
Cash and cash equivalents	-215	-286
Net financial liabilities	**2,547**	**2,272**

NET OPERATIONAL LIABILITIES

MSEK	2022 JAN-DEC	2021 JAN-DEC
Net financial liabilities	2,547	2,272
Financial lease liabilities	-1,013	-1,013
Net provisions for pensions	0	0
Net operational liabilities	**1,534**	**1,259**
EBITDA excl. IFRS 16, rolling 12 months	845	747
Ratio of net operational liabilities to EBITDA excl. IFRS 16	**1.8**	**1.7**

EQUITY/ASSETS RATIO

MSEK	2022 OCT-DEC	2021 OCT-DEC	2022 JAN-DEC	2021 JAN-DEC
Balance sheet total (closing balance)	8,364	8,679	8,364	8,679
Equity[3]	3,408	3,429	3,408	3,429
Equity/assets ratio, %	**41**	**40**	**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

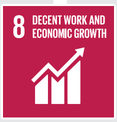
Alligo's strategies are connected to four strategic objectives that, in turn, are connected to our vision.
These strategic objectives give our business a common direction and are all designed to deliver profitable growth.

- 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.

During the fourth quarter of 2022, we reviewed the link between our material sustainability issues and the UN Global Goals in order to make Alligo's sustainable development work even clearer. 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.

Material sustainability issues	• Customer satisfaction • Diversity and equality • Work environment and health • Skills development • Working conditions and human rights in the supply chain	• Product quality and safety • Environmental impact and chemicals • Transparent sustainability communication and help customers to make sustainable choices • Anti-corruption	• Climate impact
Global Goals			

INFORMATION FOR SHAREHOLDERS

FINANCIAL CALENDAR

Annual Report and Sustainability Report 2022	5 April 2023
Interim Report Q1 Jan-Mar 2023	28 April 2023
Annual General Meeting 2023	24 May 2023
Interim Report Q2 Jan-Jun 2023	18 July 2023
Interim Report Q3 Jan-Sep 2023	26 October 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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