

Proposal to distribute the shares in Momentum Group AB to the shareholders of Alligo AB

Information to Alligo's shareholders ahead of the resolution at the Extraordinary General Meeting on 23 March 2022

This document is not a prospectus but rather an information memorandum for Alligo's shareholders regarding the Board of Director's proposed distribution of Alligo's shares in Momentum Group. Provided that such distribution is approved by the Extraordinary General Meeting of Alligo on 23 March 2022, shareholders in Alligo will not be required to take any action in order to receive shares in Momentum Group, other than being registered as a shareholder (directly registered or through a nominee) on the record date for the distribution on 25 March 2022. A prospectus will be prepared in connection with the planned listing of Momentum Group's Class B shares on Nasdaq Stockholm. The prospectus will be made available on Momentum Group's website, momentum.group, prior to the listing.

ALLiGO

Important information

This information memorandum (the "**Memorandum**") and this English translation thereof have been prepared in connection with the Board of Directors of Alligo AB (publ) proposing that the shareholders of Alligo resolve at the Extraordinary General Meeting on 23 March 2022 to distribute all of Alligo's shares in Momentum Group AB (publ) to the shareholders of Alligo. In the event of any inconsistency between this English translation and the Swedish version, the Swedish version shall prevail. Depending on the context, in this Memorandum, "**Momentum Group**" or the "**Momentum Group**" means Momentum Group AB (publ), reg. no 559266-0699, the group of which Momentum Group AB (publ) is the parent company, or a subsidiary of the group after the Distribution. "**Alligo**" or the "**Alligo Group**" means Alligo AB (publ), reg. no 559072-1352, the group of which Alligo AB (publ) is the parent company or a subsidiary in the group, prior to the Distribution (unless the context requires otherwise). The "**Distribution**" refers to the proposed distribution of all of Alligo's shares in Momentum Group to the shareholders of Alligo. The "**Listing**" refers the planned listing of Momentum Group's Class B shares on Nasdaq Stockholm.

This document is not a prospectus. Accordingly, the document has not been reviewed, approved or registered by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) ("**SFSA**") or any other authority. A prospectus will be prepared by Momentum Group and approved by the SFSA in connection with the Listing. The prospectus, which will be prepared by Momentum Group, will provide a more complete description of Momentum Group, including a more detailed risk section describing the risks associated with Momentum Group and an investment in Momentum Group. Any dispute arising from the content of the Memorandum or associated legal issues shall be settled by Swedish courts, with Stockholm District Court being the court of first instance.

This Memorandum has been prepared for the sole purpose of serving as a basis for the shareholders of Alligo to decide on a possible distribution of Alligo's shares in Momentum Group. The purpose of the Memorandum is only to provide a general introduction to Momentum Group. For a more complete description of Momentum Group, refer to the forthcoming prospectus. This Memorandum has not been prepared in connection with the admission of Momentum Group's Class B shares to trading on Nasdaq Stockholm, or in connection with an offer to invest in or subscribe for shares in Momentum Group or for any other purpose. This Memorandum is not directed at persons resident in Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, Switzerland or the United States, or in any other jurisdiction where additional prospectuses, registration or other measures would be required, other than those required by Swedish law or where this would be contrary to applicable laws or regulations. Consequently, this document may not be distributed in or to the said countries. Alligo will not allow or approve any such distribution.

The shares in Momentum Group have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold or otherwise transferred, directly or indirectly, in or into the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with the securities laws of the relevant state or other jurisdiction of the United States. The shares of Momentum Group have not been recommended, approved or disapproved by any U.S. federal or state securities or regulatory authority. Nor has any such authority passed judgment upon or expressed an opinion as to the accuracy or reliability of the prospectus. To claim otherwise is a criminal offence in the United States.

Forward-looking information

The Memorandum contains certain forward-looking statements and opinions. Forward-looking statements are all statements that do not relate to historical facts and events, and such statements and opinions that pertain to the future

and include words such as, for example, "anticipates", "may", "will", "should", "plans", "forecasts", "estimates", "according to estimate", "is of the opinion", "expects", "believes", "plans", "intends", "assumes" and similar expressions. This applies in particular to statements and opinions in this Memorandum relating to future financial results, objectives, plans and expectations for the business, future growth and profitability and implications for Momentum Group and Alligo and the general economic and regulatory environment and other circumstances affecting Momentum Group and Alligo's respective businesses. Forward-looking statements are based on current estimates and assumptions, which have been made to the best of Momentum Group's and Alligo's knowledge. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results, including Momentum Group's and Alligo's cash flow, financial situation and results of operations, to differ materially from those expressed or implied by such statements, or cause the expectations expressed or implied by such statements not to be realised or to prove less favourable compared with the results expressed or implied by such statements. Potential investors should therefore not place undue weight on the forward-looking statements contained herein and are strongly advised to read the full Memorandum and the prospectus that will be prepared by Momentum Group.

Alligo offers no guarantee as to the future accuracy of the statements made herein or as to the actual occurrence of anticipated developments. Furthermore, it should be borne in mind that actual events or outcomes may differ materially from those contemplated or expressed in such forward-looking statements. All forward-looking statements are based on circumstances as of the date of the Memorandum. Alligo is under no obligation (and does not undertake any such obligation) to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law and regulations.

Industry and market information

The Memorandum contains industry and market information relating to Momentum Group and Alligo's respective businesses and the markets in which they operate. Such information is based on Momentum Group and Alligo's analysis of a variety of sources, including industry publications and reports. Industry publications or reports usually state that the information they contain has been obtained from sources deemed to be reliable, but that the accuracy and completeness of the information cannot be guaranteed. Neither Momentum Group nor Alligo has independently verified, and therefore cannot guarantee, the accuracy of the industry and market information contained in this Memorandum that has been derived from or is derived from these industry publications or reports. Industry and market information is by its nature prospective, subject to uncertainty and does not necessarily reflect actual market conditions. Such information is based on market research, which in turn is based on sampling and subjective judgements, including judgements about the type of products and transactions that should be included in the relevant market, both by those conducting the surveys and by the respondents. The information from third parties has been reproduced correctly and, as can be ascertained from Momentum Group and Alligo are aware and can verify by comparison with other information published by third parties, no information has been omitted in such a way as to render the information provided incorrect or misleading.

Presentation of financial information

The figures presented in this Memorandum have, in some cases, been rounded and therefore the tables in the Memorandum do not necessarily add up. All financial figures are in Swedish kronor ("**SEK**") unless otherwise stated. No information in this Memorandum has been audited or reviewed by Momentum Group or Alligo's auditor.

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Important dates

Record date for participation in Alligo's Extraordinary General Meeting
15 March 2022

Last day to notify attendance to Alligo's Extraordinary General Meeting
17 March 2022

Last day of trading in Alligo's shares, including the right to distribution of shares in Momentum Group
23 March 2022

Extraordinary General Meeting in Alligo to decide on the distribution of shares in Momentum Group
23 March 2022

Record date in Alligo for the right to receive distribution of shares in Momentum Group
25 March 2022

Anticipated first day of trading of Momentum Group's Class B shares
31 March 2022

Notification to Alligo's Extraordinary General Meeting

Information on the right to participate and how to register for Alligo's Extraordinary General Meeting on 23 March 2022 is provided in the notification of the Extraordinary General Meeting, which is published on Alligo's website, alligo.com.

Questions regarding the Board's proposal to the Extraordinary General Meeting will be answered by telephone +46 8 727 27 20 and by e-mail ir@alligo.com.

Summary of proposals for resolutions at the General Meeting

The Board of Directors proposes that the Extraordinary General Meeting resolves on a dividend distribution entailing that all shares in Momentum Group shall be distributed to the shareholders of Alligo. One (1) Class A share in Momentum Group will be received for each Class A share in Alligo and one (1) Class B share in Momentum Group will be received for each Class B share in Alligo. Alligo holds 425,300 of its own Class B shares, which will not be entitled to any distribution of shares in Momentum Group.

The record date for the distribution shall be 25 March 2022. With the proposed record date, the shares in Momentum Group are expected to be registered in the beneficiary's VP account on or about 29 March 2022. The last day of trading in Alligo's shares, including the right to distribution, is 23 March 2022. The Board of Director's proposed distribution corresponds to a total amount of approximately SEK 43 million, based on the book value as of 31 December 2021, implying a dividend of approximately SEK 0.84 per share, irrespective of share class.

The distribution of the shares in Momentum Group is intended to take place in accordance with the Lex ASEA rules, which means that no immediate taxation will occur in Sweden. Momentum Group's Class B shares are also intended to be traded on Nasdaq Stockholm. The first day of trading in Momentum Group's Class B shares is tentatively scheduled to be 31 March 2022.

Further, the Election Committee of Alligo has proposed election of a new Board of Directors of Alligo, consisting of Göran Näsholm (Chairman), Johan Eklund, Stefan Hedelius, Cecilia Marlow, Johan Sjö and Christina Åqvist.

Background and reasons

In April 2021, the Board of Directors of Alligo (then Momentum Group) instructed the management to investigate the possibilities and conditions for a possible separation of the group into two separate listed companies with the aim of creating increased shareholder value in both the short and long term through increased focus on the respective areas. The Alligo Group today consists of two strong and operationally independent business areas, Alligo and Components & Services, each with their own focus areas and dedicated managements, where the Components & Services business area has initiated acquisition-driven growth through a number of acquisitions in industrial components and industrial services with the intention of strengthening the customer offering and market positions with continued good profitability.

In September 2021, the Board of Directors decided to proceed with preparations for a separate listing of the Components & Services business area on Nasdaq Stockholm under the name Momentum Group and announced the intention to change the registered name from Momentum Group to Alligo. The name changes were implemented in December 2021 following a decision by the Extraordinary General Meeting of the respective companies.

Momentum Group (business area Components & Services) operates, develops and acquires successful sustainable companies in the Nordic region through active ownership with decentralised profit and business responsibility. The group consists of a number of companies which, according to Momentum Group's assessment, together constitute one of the Nordic region's leading suppliers of industrial components, industrial services and other related services in the industrial sector. What the businesses have in common is that they will help make customers' operations easier, safer and more profitable by offering sustainable, long-life products and services with a strong local presence close to customers. Momentum Group has a clear growth strategy with the ambition to grow through both acquisitions and development of existing businesses.

Momentum Group is considered to have a good financial position in terms of cash flow and balance sheet. The Board of Directors of Alligo and Momentum Group therefore consider that Momentum Group is ready to take the step to become an independent listed company. If the shareholders of Alligo resolve at the Extraordinary General Meeting on 23 March 2022 to distribute, in accordance with the proposal of the Board of Directors of Alligo, all of Alligo's shares in Momentum Group to the shareholders of Alligo, the shareholders of Alligo will receive one (1) Class A share in Momentum Group for each Class A share in Alligo held on the record date and one (1) Class B share in Momentum Group for each Class B share in Alligo held on the record date.

A separation of the group through a separate listing of Momentum Group is considered a logical step in order to leverage the strategic and operational opportunities within the group's businesses, while at the same time capitalising on the opportunities for long-term profitable growth within Momentum Group, both organically and acquisition-driven, thereby contributing to increased shareholder value. Furthermore, a separation is considered to facilitate a review of the respective activities while allowing shareholders to adjust their holdings in each company according to their own wishes.

Stockholm 2 March 2022

Alligo AB (publ)
Board of Directors

Momentum Group AB (publ)
Board of Directors

Terms and conditions for the Distribution

Background

Alligo's Board of Directors announced on 25 February 2022 that the Board has decided to propose to the shareholders of Alligo at an Extraordinary General Meeting on 23 March 2022 to resolve to distribute by way of dividend all of Alligo's shares in Momentum Group to the shareholders of Alligo. If the shareholders of Alligo resolve at the Extraordinary General Meeting on 23 March 2022 to distribute, in accordance with the proposal of the Board of Directors of Alligo, all of Alligo's shares in Momentum Group to the shareholders of Alligo, the shareholders of Alligo will receive one (1) Class A share in Momentum Group for each Class A share held on the record date 25 March 2022 and one (1) Class B share in Momentum Group for each Class B share held on the record date 25 March 2022.

Distribution ratio

The proposed distribution ratio is 1:1. One (1) Class A share in Momentum Group will be received for each Class A share in Alligo and one (1) Class B share in Momentum Group will be received for each Class B share in Alligo. Assuming that at the Extraordinary General Meeting on 23 March 2022, Alligo's shareholders resolve in accordance with the proposal of Alligo's Board of Directors, to distribute all of Alligo's shares in Momentum Group to the shareholders of Alligo, a total of 564,073 Class A shares and 49,916,816 Class B shares will be distributed. Alligo owns 425,300 Class B shares in Alligo, which will not be entitled to shares in Momentum Group in the Distribution.

Record date

The proposed record date at Euroclear for determining who is entitled to receive shares in Momentum Group is 25 March 2022. Accordingly, provided that at the Extraordinary General Meeting on 23 March 2022, Alligo's shareholders resolve in accordance with the proposal of Alligo's Board of Directors, any person who is registered as a shareholder of Alligo on 25 March 2022 will receive shares in Momentum Group in the Distribution. The last day of trading in Alligo's shares, including the right to distribution of shares in Momentum Group, is 23 March 2022. The shares in Alligo will be traded excluding the right to distribution of shares in Momentum Group from 24 March 2022.

Acquisition of shares in Momentum Group

Provided that at the Extraordinary General Meeting on 23 March 2022, Alligo's shareholders resolve in accordance with the proposal of Alligo's Board of Directors, to distribute all of Alligo's shares in Momentum Group to the shareholders of Alligo, those who, on the record date, are registered in Alligo's register of shareholders maintained by Euroclear, will receive shares in Momentum Group without action.

Directly registered shareholders

Shares in Momentum Group will be available in the VP accounts of eligible shareholders on or about 29 March 2022. Euroclear will then send a VP-notification indicating the number of shares registered in the recipient's VP account. Persons otherwise entitled to dividends are requested to follow the instructions, if any, separately communicated by Euroclear in connection with the record date.

Nominee-registered shareholders

Shareholders whose holdings in Alligo are nominee-registered with a bank or other nominee will not receive a statement from Euroclear. Instead, notification will be made in accordance with the respective nominee's procedures.

The listing of the shares in Momentum Group

Momentum Group's Board of Directors has applied for admission to trading for Momentum Group's Class B shares on Nasdaq Stockholm. Nasdaq Stockholm's Listing Committee informed on 25 February 2022 that Momentum Group meets the applicable requirements for listing on Nasdaq Stockholm. Nasdaq Stockholm will approve an application for admission to trading of Momentum Group's Class B shares subject to certain customary conditions, including that Momentum Group submits such an application and that the distribution requirement for Momentum Group's shares is met. The anticipated first day of trading is 31 March 2022.

Momentum Group's ticker name on Nasdaq Stockholm will be MMGR B. The ISIN code for Momentum Group's B-shares is SE0017562523. Momentum Group does not intend to apply for admission to trading of Momentum Group shares on any stock exchange or marketplace other than Nasdaq Stockholm. Furthermore, Momentum Group does not intend to register shares under the U.S. Securities Act or other foreign equivalent, or take any other action that could subject Momentum Group to the periodic reporting requirements of the U.S. Securities and Exchange Commission.

Prior to the Listing, Momentum Group will publish a prospectus with additional information about Momentum Group.

Right to distribution

The shares in Momentum Group will be entitled to dividends for the first time on the record date for dividends occurring closest after the Distribution is implemented and for all subsequent periods, provided that a dividend is declared. Payment of any dividends will be arranged by Euroclear or, for nominee-registered holdings, in accordance with the respective nominee's procedures.

Taxation

The Distribution of shares in Momentum Group is intended to take place in accordance with the so-called Lex ASEA rules, which means that no immediate taxation will occur. The cost of the shares in Alligo entitled to the Distribution shall be allocated between these shares and the shares received in Momentum Group. For further information regarding taxation, refer to the section "Certain tax issues in Sweden".

Cash dividend for the financial year 2021

Alligo's Board of Directors has proposed that the Annual General Meeting of Alligo on 11 May 2022 resolves to distribute a dividend for the financial year 2021 of SEK 1.75 per share. The cash dividend for the financial year 2021 will, following the decision of the Annual General Meeting, be paid to holders of shares in Alligo on the record date for the cash dividend proposed by the Board of Directors.

Transaction costs

Alligo estimates that the total costs directly related to the transaction will amount to approximately SEK 30 million. The transaction costs are primarily related to the legal and factual separation of the Momentum Group from the Alligo Group, and also include advisory costs for the preparation and implementation of the Distribution of the shares in Momentum Group and the listing of the Class B shares in Momentum Group. Of the total costs, approximately SEK 17 million will be borne by Alligo and approximately SEK 13 million will be borne by Momentum Group. Of the costs that will be borne by Alligo, approximately SEK 10 million has been charged to Alligo's results for the financial year 2021, and of the costs that will be borne by Momentum Group, approximately SEK 6 million has been charged to Momentum Group's results for the financial year 2021.

Key dates for the Distribution of Momentum Group

23 March 2022

Last day of trading in Alligo's shares, including the right to distribution of shares in Momentum Group

23 March 2022

Extraordinary General Meeting in Alligo to decide on distribution of shares in Momentum Group

25 March 2022

Record date in Alligo for the right to receive distribution of shares in Momentum Group

29 March 2022

Shares in Momentum Group are expected to be available in the VP accounts of eligible shareholders

31 March 2022

Anticipated first day of trading of Momentum Group's Class B shares

Market overview

This section contains market and industry information relating to Momentum Group's and Alligo's respective businesses and markets, such as market sizes, market shares, market environment, market development, growth rates, market trends and the competitive situation in the markets and the segments in which Momentum Group and Alligo operate. Some of the information contained in this section has been sourced from third parties. Unless otherwise stated, the information in this section is based on Momentum Group's and Alligo's own analyses and assessments. The information from third parties has been reproduced correctly and, as far as Momentum Group and Alligo are aware and can verify by comparison with other information published by such sources, no information has been omitted in such a way as to render the information provided incorrect or misleading. However, neither Momentum Group nor Alligo have independently verified them and cannot guarantee their accuracy and completeness. Forecasts and forward-looking statements in this section are not guarantees of future performance and actual events and circumstances could differ materially from current expectations.

Alligo

Alligo operates in the markets of Sweden, Norway and Finland with a focus on professional customers in the following industry segments: Manufacturing, Construction, Public Sector, Transport and Warehousing, Repair and Maintenance, Agriculture and Forestry, Fishing and Aquaculture, and Oil and Gas. Together, the three Nordic markets have an annual turnover of around SEK 49 billion, of which SEK 23 billion is in Sweden, NOK 15 billion is in Norway and EUR 1.1 billion is in Finland.⁹⁾

The customers are a mix of small and medium-sized enterprises, as well as larger industrial companies. The size of the customers varies between countries, with small and medium-sized enterprises making up the largest share in Sweden, while larger enterprises make up a higher proportion in Norway and Finland. Prioritisation between industry segments is done strategically and tactically at country level and may differ between markets. Alligo serves all industry segments in all markets, with the exception of Fishing and Aquaculture and Oil and Gas, which are specific to Norway.

A mix of business customers of different sizes has a balancing effect for Alligo. Large companies often show strong growth during cyclical upturns, resulting in large volume effects. Small and medium-sized enterprises are more resilient to economic downturns than larger industrial firms. This has also been the trend during the current pandemic, when larger industrial projects

have been increasingly paused, while activity has remained high among SMEs in several industry segments.

Competitors consist mainly of industrial and construction-oriented chains, as well as independent local operators. Some larger chains are established in all of Alligo's markets, while others have a more limited geographic presence or compete only in certain product categories. The main competitors in Sweden are Ahlsell, Derome, Berendsen and Würth. The main competitors in Norway are Tess, Ahlsell, Würt and BIG. In Finland, the main competitors are Würth, Etra, IKH and Ahlsell.

Current market trends include digitalisation, consolidation and shortage of goods. There is a huge and partly unrealised potential in digitalise the business. The pace of change is rapid and companies that take advantage of the benefits of increased digitalisation can strengthen their competitiveness. Alligo's markets are consolidated to varying degrees. This process is continuing and larger companies, like Alligo, can use economies of scale to grow profitably through the consolidation process. A new trend is global shortages of various resources. For example, customers may be affected by shortages of building materials or electronics, which affects their sales and, in turn, the demand for Alligo's products. Supply problems and shortages of certain raw materials can also affect companies like Alligo more directly. This problem is likely to persist in 2022.



⁹⁾Arthur D Little - Internal analysis (2021).

Momentum Group

Momentum Group operates in the Nordic market for industrial components, industrial services and related services, mainly in Sweden and to some extent in Norway and Denmark. The company's offering in industrial components includes mainly spare parts for customers' production equipment within the areas of storage, sealing, transmission and automation. Industrial services include service, repair and maintenance of production equipment.

Related services include logistics solutions, warehouse optimisation, maintenance planning and training. Momentum Group estimates that its addressable market for industrial components, industrial services and related services in Sweden, Norway, Denmark and Finland amounts to at least SEK 25 billion.¹⁾ Based on Momentum Group's revenue in the various main markets in 2021, Momentum Group therefore estimates that it has a market share of the total addressable market of approximately five (5) per cent. The company's largest market is Sweden, where the company is estimated to have a market share of approximately ten (10) per cent, while the market share in remaining Nordic markets is currently less than one (1) per cent based on the company's revenue in 2021. Momentum Group believes that the market potential is good in all of the above stated addressable geographic markets.

The players in the market for industrial components, industrial services and related services are mainly manufacturers, distributors of products and services and end-customers. The market is fragmented, as there is generally a large number of product manufacturers, resellers and end-customers of varying sizes. According to Momentum Group, the pace of change in the

market is expected to be high, with an increasing degree of specialisation at all stages, where end-customers often do not have the possibility to purchase directly from all manufacturers in the market in a cost-effective manner. Similarly, Momentum Group believes that manufacturers generally do not have a strategy to address all end-customers in the market, as they find it difficult to reach the fragmented customer base in a cost-effective way. Resellers of products and services therefore act as a natural link between manufacturers and end-customers. Resellers offer end-customers cost-effective access to a wide range of products, services, maintenance, repair, advice and product training, while offering manufacturers cost-effective access to end-customers in the market.

The overall market for products and services within industrial components for MRO (Maintenance, Repair & Operations), OEM (Original Equipment Manufacturer) and industrial services is fragmented, particularly in the more developed regions.²⁾ The market consists mainly of many small local players and a handful of larger players. In addition, given the fragmented nature of the customer base and the need for differentiated solutions, Momentum Group believes that there is currently no player that can offer a similar comprehensive service or product offering in the same geographies in which the company operates. As a result, many players often have a certain focus and therefore only partially compete with Momentum Group's business, for example within certain product or service categories in certain geographic areas.



Momentum Group's companies offer industrial components, industrial services and related services to customers in the Nordic region, primarily in the industrial sector.

¹⁾ The company's assessment is based on Momentum Group's own analysis of the market based on internal and external market reports, as well as on analysis by other market participants.

²⁾ Mordor Intelligence - Maintenance, Repair, and Operations (MRO) Industry - Growth, Trends, Forecasts (2020-2025).

Momentum Group in brief

Overview of activities

The Momentum Group consists of, according to Momentum Group's assessment, some of the leading suppliers of industrial components, industrial services and related services to the industrial sector in the Nordic region's. The group acquires and develops sustainable businesses focused on trade and services in developable niches and specialist competencies – within existing product and service areas, as well as in new areas.

The group consists of a number of successful companies which, according to Momentum Group's assessment, together constitute one of the Nordic region's leading suppliers of industrial components, industrial services and related services to the industrial sector. With specialist technical expertise in selected niches, the company's vision is to be the best partner to industrial customers. Sustainability is a natural part of the daily business.

Momentum Group acquires and develops sustainable businesses focused on trade and services in developable niches and specialist competencies within existing product and service areas, as well as in new areas. The focus is on profitable companies with leading positions that make customers' everyday lives easier, safer and more profitable by offering sustainable products and services with a long lifespan.

Momentum Group's focus areas are:

- Business development through decentralised responsibility and employee development.
- Business development through active ownership.
- Growth through acquisition of sustainable companies.

Momentum Group has a decentralised organisation where business decisions are made close to customers and suppliers. Within the framework of the group's vision, business concept, strategic objectives and governance documents, the operational activities are conducted independently within the subsidiaries with their own responsibility for results and profitability. This creates great flexibility to adapt offers based on customer needs. It also means that employees are given and take on a great deal of responsibility with good opportunities to develop. Momentum Group's combined size supports its subsidiaries and employees with the capabilities of the larger company, i.e. experience, knowledge, contacts, access to networks and financial resources. There is also continuous cooperation and exchange of experience between the subsidiaries to establish best practices.

The combination of decentralised responsibility, a desire to improve ("Better than yesterday") and simplicity is fundamental to the Momentum Group's approach to business development through active ownership. Momentum Group's offer is based on customised products and services within the scope of each subsidiary's activities, combined with local presence, high availability and fast and reliable deliveries. Momentum Group has established a strong local presence in its main markets and strives to achieve local market leadership in the places where it operates. Momentum Group believes that its local presence is a competitive advantage over other players in the market and that it helps to create long-term relationships with customers and a good knowledge of their needs.

To achieve growth through the acquisition of sustainable companies, Momentum Group applies a proven model to identify, implement and successfully integrate new companies into the group. The Momentum Group focuses on acquiring companies with well-developed customer and/or supplier relationships, who are leaders in their market niches and are or have the potential to achieve long-term sustainable profitability and growth in line with the group's objectives.

Momentum Group is organised in two (2) business areas: Components and Services.

Components business area consists of the subsidiary Momentum Industrial AB, which has operations in Sweden and Norway with a focus on the sale of spare parts and related services for industrial customers' production equipment. The business area also includes the specialist companies ETAB Industriautomation Aktiebolag, which focuses on industrial automation solutions, Öbergs i Karlstad AB, which focuses on pneumatic solutions for industrial production, and JNF Momentum Køge A/S, which focuses on components and services for the industry in Denmark.

Services business area is comprised of Rörick Elektriska Verkstad Aktiebolag, whose electromechanical workshops offer service and repairs to the processing and manufacturing industries, Mekano AB and Mekano i Sävedalen AB, which focuses on service and components for the process manufacturing and food industries, as well as shipping and the public sector, Aktiebolaget Carl A. Nilssons Elektriska Reparationsverkstad, which is a niche company in sales and service of large submersible pumps, and Intertekna Aktiebolag, which is a solution provider in digitalised maintenance for industrial production.

Momentum Group had a revenue of SEK 1,491 million and EBITA of SEK 171 million in the financial year 2021, corresponding to an EBITA margin of 11.5 per cent.¹⁾ Operating profit (including items affecting comparability) amounted to SEK 155 million, corresponding to an operating margin of 10.4 per cent. The Momentum Group had 484 employees at the end of the financial year 2021.

¹⁾For definition of EBITA and EBITA margin, refer to "Definitions of alternative performance measures" in the section "Selected financial information for Momentum Group".

Mission, vision, business concept, targets and strategies

Mission

Together for a sustainable industry

The Momentum Group's businesses, together with its customers, partners and other stakeholders, will contribute to creating a sustainable industry in the Nordic region from a social, environmental and economic perspective. A sustainable industry produces goods and services without destroying the ability of future generations to live and develop. A well-functioning and sustainable industry generates several positive social and environmental impacts and promotes economic growth and development. Adapting industry to make it more sustainable – with more efficient use of resources, safer and healthier working environments, more clean and environmentally friendly technologies and industrial processes – are all important ways to facilitate sustainable development.

Vision

The customer's best sustainable choice

The Momentum Group's various companies focus on understanding customer needs in order to offer the best solution for the customer, based on their situation and needs. The companies also focus on being the best by being premium suppliers with high competence and differentiating themselves from other suppliers with different customer value propositions. Continuing to be the "customer's best sustainable choice" and a leading player in tomorrow's market requires a long-term sustainable and profitable business. This is based on the Momentum Group's businesses offering sought-after and competitive products and services, representing sustainable values, having a high level of competence and the ability and resources for continuous development.

Business concept

We will make the everyday lives of our customers easier, safer and more profitable – by offering sustainable products and services

For the Momentum Group's customers, it is important to maintain good profitability in its operations. Momentum Group's various companies sell quality products and related services that create value for the customer throughout the life of the product or service. This simplifies the everyday life of industrial customers and at the same time contributes to safer and more sustainable operations and increased profitability for the customer.

The Momentum Group acquires and develops companies in the Nordic region with a focus on trade and services in developable niches. The focus is on profitable companies with leading market positions.

Sustainability

Responsible business – a prerequisite for long-term profitability

Sustainability is an integral part of the Momentum Group's daily operations and by acting responsibly together with its stakeholders, the businesses contribute to a sustainable industry with a focus on people, the environment and the economy.

The group's stakeholder model is based on customer satisfaction. Satisfied customers increase the chances that other stakeholders will be satisfied.

Targets

Momentum Group has a number of group-wide business objectives with its operations, consisting of both financial and sustainability targets. In addition to the overall business objectives, each business works on its own performance and profitability targets, as well as on specific objectives in environmental and social areas. In line with the decentralised governance model, objectives are monitored internally per performance unit and specific action plans are established for each unit and at individual level.

Financial targets and dividend policy

Momentum Group's Board of Directors has established the following financial targets and dividend policy for the group:

Earnings growth Momentum Group aims to achieve, over a business cycle, earnings growth (EBITA) of at least 15 per cent per year.

Profitability Momentum Group aims to achieve a return of at least 45 per cent in R/WC, measured as EBITA (R) in relation to working capital employed (WC).

Dividend policy Momentum Group aims to distribute at least 30 per cent of earnings per share per year over a business cycle.

The financial targets set out above represent forward-looking information. The financial targets are based on a number of estimates and assumptions related to, e.g., the development of Momentum Group's industry, business, results and financial position, and are subject to risks and uncertainties (refer to the sections "Risk Factors" and "Important Information – Forward-looking information" for more information).

Sustainability targets

As a group, the Momentum Group has chosen to focus on three (3) of the UN Global Goals, where the company believes it has the greatest opportunity to contribute and influence.

Sustainable workplace The Momentum Group strives to ensure that all its employees have annual appraisals on issues such as the working environment, work situation, any discrimination, gender equality, health and safety.

Sustainable industry The Momentum Group's objective is to increase the proportion of purchases from suppliers who have signed and applies Momentum Group's Code of Conduct (or equivalent).

Minimising climate impact The Momentum Group aims to achieve an annual reduction in carbon dioxide emissions from company cars per kilometre driven in accordance with the established company car policy. The target is also to increase the proportion of energy that the group purchases from fossil-free or climate-neutral electricity.

The Momentum Group's target is that all its employees shall have annual appraisals on issues such as the working environment, work situation, any discrimination, gender equality, health and safety.



Strategy

Value before price as a competitive advantage

In order to continue to exceed the long-term internal profitability target of R/WC¹⁾45% per cent and to realise the Momentum Group's mission, vision and business concept, all businesses must be able to offer their customers the best possible total economy (lowest total cost) through their solutions, using deep customer insight and good accessibility, high quality products and services and high competence (customer value advantage). In order to offer this to customers and at the same time be profitable themselves, the

businesses need to work as efficiently and cost-consciously as possible, and to continuously grow their skills and experience to work more efficiently than their competitors (cost advantage).

The strategy enables the Momentum Group to build and strengthen its capabilities, which in turn leads to goal achievement and continued competitive advantages.

Customer value advantage

Ability to create and charge for higher customer value than competitors

- Deep customer insight
- Product and service quality
- Breadth and depth of offer
- Good availability
- Superior customer service
- Superior customer relations
- Value-based offer (total cost)

Cost advantage

Ability to deliver at lower cost than competitors

Economies of scale	Process efficiency
● Logistics	● Sales
● Procurement	● Offer development
● IT	● Support processes

Abilities and competitive advantages

Momentum Group believes that the Momentum Group has a number of abilities (strengths) and competitive advantages that contribute to implementing strategies and meeting financial targets.

- 1 Creating value for customers with a sustainable customer offering.
- 2 Strong local market positions in industrial components, industrial services and related services.
- 3 Decentralised responsibility with local business leadership and decisions close to the customers and suppliers.
- 4 Strong local companies combined with the advantage of being part of a group.



Momentum Group works together with the company's customers to understand their needs and develop customized sustainable solutions, since it provides best profitability for the customer, creates higher customer satisfaction and contributes to long-term customer relationships.

¹⁾EBITA (R) in relation to working capital employed (WC).

Creating value for customers with a sustainable customer offering

Momentum Group focuses on increasing profitability and creating added value for its customers. The group's subsidiaries work with customers to understand their needs and develop customised sustainable solutions, as this provides the best return on investment for the customer, creates higher customer satisfaction and contributes to long-term customer relationships. The solutions are based on the companies' broad and deep range of sustainable products, professional service and specialist advice, accessibility and strong local presence.

● Product range with breadth and depth

Momentum Group's vision is to be "the customer's best sustainable choice" and always focus on the customer's profitability. This means that the Momentum Group's companies take their point of departure in the customer's needs in order to offer the best and most cost-effective solution for the customer, through a broad and deep product offering combined with value-creating services. This reduces the need for customers to deal with several different suppliers and resellers, which saves time, facilitates for the customer and reduces the customer's administrative costs. In addition, each company's products meet customers' high expectations in terms of function, quality, safety and sustainability.

● Value-added services

Momentum Group offers a wide range of services to create value for its customers. The services complete the offer by providing customers with the right conditions to achieve the maximum added value from their facilities and to utilise the full potential of the products to achieve sustainable production.

Services include maintenance, including preventive maintenance, of customers' existing products, specialist expertise in selected areas and training in the use of the products. Other examples of value-creating services include service and repair, renovations, assembly, replacement products, risk analysis, condition monitoring and surveillance, logistics solutions and on-call services.

The Momentum Group works with "Industry Improvements" as part of its value-creating services. Industry improvement means that businesses can measure and demonstrate improvements in economy, sustainability and health and safety when customers use the group's solutions. An industry improvement must always be validated by the customer in order to be credited.

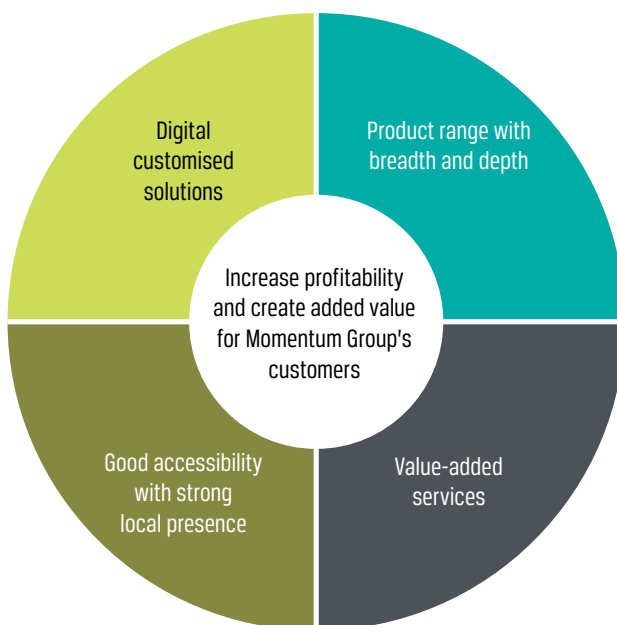
By offering value-creating services, Momentum Group can create and charge for higher customer value, while also providing a competitive advantage. Momentum Group believes that this will lead to increased customer loyalty and customer satisfaction.

● Good accessibility with strong local presence

Momentum Group's market position is underpinned by the group's local presence in its main markets through sales outlets, service units, workshops, local resellers and local warehousing points in close proximity to customers. As customers' purchasing decisions are often made locally, even for large national customers, a strong local presence with competent employees is an important competitive advantage for Momentum Group.

A local presence is a prerequisite for operations for the group, which largely sells spare parts and services for machine fleets. Both planned and unplanned production downtime means significant costs for customers, so the right products must be delivered on time, along with the right skills to install the products and maintain the machines. The group's largest business, Momentum Industrial, offers local availability of products, knowledge, condition monitoring and control, logistics solutions and 24/7/365 on-call service. In addition, a high level of delivery reliability and fast delivery to the customer is often

Value-added customer offering



decisive for the customer's choice of a supplier or reseller. Momentum Group's local presence is therefore complemented by a well-functioning warehousing, logistics and distribution network.

● Digital customised solutions

Momentum Group's digital channels include digital sales channels, apps with product information and online-based tools and support. Larger customers are offered purchasing via Electronic Data Interchange (EDI) connections where the customers' purchasing systems are integrated with the group companies' ordering systems in order to enable direct purchasing and ordering, which both facilitates the customers' purchasing processes and leads to increased efficiency and availability and an improved competitive position. The group sees good opportunities in further strengthening this integration with customers.

As a result of digital developments and the increasing share of connected machines on the market, there is a trend towards preventive maintenance and repair of machines rather than when problems occur. Momentum Group therefore provides preventive maintenance services such as condition monitoring and surveillance. This means that customers' machines are connected to systems that detect the machine's service and maintenance requirements and automatically send signals to the company's service technicians, who then carry out the appropriate action. Momentum Group believes that digitalisation benefits the larger established players in the market, such as Momentum Group, which can offer customers a flexible solution combined with service, advice and a widespread logistics and distribution network for fast and reliable delivery of products and services.

Strong local market positions in industrial components, industrial services and related services

According to Momentum Group's assessment, Momentum Group is one of the leading resellers of industrial components, combined with services and support, to industrial customers in the markets where the Momentum Group operates.

To be the best choice for customers, the Momentum Group strives to have local leadership in the markets where it operates. Since the Momentum Group's customers demand a high degree of customisation, economies of scale are achieved mainly in the customer offering, where the group can offer a wide

product range, local presence and fast, reliable delivery, as well as in the relationship with suppliers, where it is a key partner with reach to a broad customer base. Momentum Group therefore believes that the Momentum Group's size represents a competitive advantage over smaller players in the market.

Long-term stable market drivers

Momentum Group's ability to deliver organic growth benefits from stable macroeconomic conditions and trends, with Nordic markets expected to perform well in the coming years in terms of expected GDP growth. The group works mainly with industrial customers and this part of the economy is expected to grow in line with GDP.

Another key driver of demand in Momentum Group's main markets is an increasing focus on sustainability, which is generating greater demand for products that can help make customers' operations more energy-efficient, reduce waste and cut the use of various fossil products. Demand is also expected to grow for services that can enable repair and extended lifetime of machines in production environments, leading to less downtime and more efficient production.

The increasing level of automation in Nordic industry is another favourable driver for the group's operations. Among other things, automation enables new and more efficient business models. Traditional industrial companies have understood the importance of investing in and using automated processes. Continued digitalisation and automation in the Nordic industrial sector are expected to proceed at a high pace.

Decentralised responsibility with local business leadership and decisions close to the customers and suppliers

Momentum Group's business model is based on decentralised responsibility for results, which is deeply established in the organisation and relies on individual accountability from employees. Employees have the freedom to independently manage the operational activities of each profit centre in the most appropriate way, within the framework of Momentum Group's overall strategy, objectives and governance documents. The decentralised business model means that business decisions are taken close to customers and suppliers, shortening decision paths and enabling the group to adapt quickly to the needs of its customers and suppliers.

The business model places high demands on strong leadership within each company. Momentum Group therefore offers training for its employees and runs its own business school on business leadership and profitability.

Momentum Group is an active owner of the companies it acquires. The

group offers entrepreneurs who sell their companies the opportunity to remain and develop their business within the group, thereby creating continuity in their operations. Momentum Group feels that the decentralised business model is a competitive advantage in acquisition situations.

Strong local companies combined with the advantage of being part of a group

Momentum Group has a clear focus on earnings growth and cash flow generation, which characterises the group's business model and financial targets. The group operates on the basis of three (3) fundamental requirements: growth, profitability and development, which characterise Momentum Group's management of its subsidiaries. The three (3) basic requirements are monitored internally per profit centre and specific action plans are drawn up for each profit centre with a focus on growth and/or profitability. Acquisitions are and will continue to be an important component of the group's growth strategy.

Momentum Group in turn offers the capabilities of the big company, namely experience, knowledge, contacts and capital. The group has established a proven business culture and philosophy, where experience is shared between the subsidiaries through networking within the different functions. The group also contributes active governance, financial management and financial resources to support subsidiaries' growth initiatives, development issues and acquisitions.

The best of both worlds are combined by giving each company a high degree of freedom and responsibility for its own operations, while at the same time being part of a larger group with a proven business culture and philosophy, namely the financial strength, experience and broad network of the large company is combined with the personal commitment and business leadership of the local company.

The growth target, which is operating profit growth of at least 15 per cent per year over a business cycle, ensures profitable growth and not just volume growth. Momentum Group is continuously working to improve the customer offering through customised solutions that increase value for the customer and reduce the group's need to compete solely on price. The group also has strong internal cost control. The group's focus on the profitability measure R/WC⁹ ensures a focus on maintaining low and stable working capital in the subsidiaries. The operations have relatively little tangible non-current assets and related fixed investment costs.

The combination of a focus on profitable growth and a low capital commitment is a prerequisite for good cash flow generation and creates scope for strategic initiatives and niche acquisitions.



Momentum Group's business model is based on decentralised responsibility for results, which is deeply established in the organisation and relies on individual accountability from employees.

⁹EBITA (R) in relation to working capital employed (WC).

Focus on short and medium term

Focus areas

Business development through decentralised responsibility and employee development

Business development through active ownership

Growth through acquisition of sustainable companies

Business development through decentralised responsibility and employee development

Momentum Group's decentralised business model is key to the success and continued development of the business within each subsidiary.

For the employee, the decentralised approach means:

- Freedom to independently manage, develop and improve the operational activities of each company, region, district, etc.
- Clear measurable objectives to which activities are linked and broken down at individual level in appraisal interviews with each employee during the year.
- Important business decisions are therefore made close to customers and suppliers by competent employees with a high degree of personal responsibility.

The group is working to develop employees and secure future skills and succession planning in order to ensure local market leadership. Activities carried out by the group include employee surveys and appraisal interviews with action plans for the development of each individual.

The group's contribution to employee development includes:

- Networks, support, skills and resources for development and improvement.
- Active governance and financial monitoring for management and governance development.
- Proven business culture and company philosophy and training.
- Resources to pursue development issues.

In addition, the Momentum Group and its businesses provide ongoing training in areas such as sales, leadership and business management to their employees.

Business development through active ownership

The guiding principles of the Momentum Group's approach to business development are:

Optimisation Sales channels are optimised based on the conditions and target customers of each market.

Local customisation The local uniqueness, competence and proximity of the "small business", with local customisation of ranges and services.

Efficiency Efficiency in each unit is achieved through effective IT, finance, HR & payroll, logistics, offer/product range and services, and good commercial agreements.

Decentralisation Focus on decentralised responsibility for results, low overheads, flat organisations and attention to unprofitable units.

Momentum Group's business development is based on continuous development and strengthening of the service and product offering, setting requirements for the companies linked to business objectives, striving for the companies within the group to be able to demonstrate that they are the customer's best choice, including by proving industry improvements in improved economy, reduced environmental impact and improved working environment for the customer. An industry improvement is proof that the group is helping customers in their everyday lives. Industry improvements are implemented and signed together with the customer and serve as a clear record of actual improvements in several sustainable areas. For example, a customer may need to increase the availability of their machine, or reduce costs in terms of the environment or economy. Through industry improvements, Momentum Group can identify customers' problems and challenges and create a solution that can give them increased profitability and reduced environmental impact.

Growth through acquisition of sustainable companies

Acquisitions are an important part of Momentum Group's growth strategy and the group has a well-established model for evaluating, implementing, integrating and welcoming new companies to the group.

Momentum Group works in a structured way to identify acquisition candidates. In line with the group's decentralised business model, potential acquisition candidates are identified that can strengthen Momentum Group's current businesses and where there are opportunities to take leading positions. A prerequisite for the subsidiaries to pursue acquisitions is that they meet the group's profitability target of at least 45 per cent R/WC. These acquisitions are often bolt-on acquisitions to existing companies to strengthen the offering or geographic expansion.

In addition, the group works with key acquisition resources to identify companies that can contribute new product or market segments. The work is carried out both from the perspective of identifying companies that can form independent businesses within existing product and business areas, as well as companies and opportunities that have the potential to form new business areas within the group.

Momentum Group possesses the critical capabilities to pursue an active acquisition agenda. The group is financially strong, well-established and represents a committed owner with clear objectives and tools for sustainable development and profitability of acquired companies. The fact that the people in the acquired companies stay on to develop with Momentum Group is proof of this.

Momentum Group makes extensive use of internal resources to evaluate, implement and welcome new companies to the group. Both the company management and a number of other senior management with extensive experience in acquisitions and entrepreneurship are involved in the process. Time is also spent on establishing and maintaining an up-to-date gross list of potential new candidates that the operational managers can then contact. In total, the group has around ten (10) employees working on acquisitions in various forms.

Due diligence of the acquisition candidate is always carried out prior to an acquisition. To do this, the group puts together experienced teams, ranging from operations managers to economists and legal help, based on the circumstances of each acquisition, because each company is unique. In each acquisition process, the company is evaluated according to a series of criteria which, when met, provide good conditions for further development within Momentum Group. The acquired company is expected to contribute to the group's profitability in both the short and long term and to have good growth prospects.

The Momentum Group's business model with independent subsidiaries means that Momentum Group is interested in companies in many different areas of activity. The group is primarily looking for companies with a proven profitability and a strong market position in one or more niches.

Examples of criteria for companies are:

- Profitability and growth potential
- High knowledge and/or technology content
- Developed supplier relationships
- Niche market focus
- Well-developed relationship selling

Momentum Group operates in a fragmented market, which creates opportunities for many potential acquisitions. Over the past year, Momentum Group has made several acquisitions in line with the group's strategy, complementing the group's service offering. The acquisitions are expected to further strengthen Momentum Group's position in selected markets, add specialist expertise in selected areas and help complement the group's service and advisory capabilities.



Momentum Group is a committed owner with clear objectives and tools for sustainable development and profitability of acquired companies.

Business areas

Components business area

Company group in industrial components, services and solutions for industry – consisting of companies with leading specialist positions in their respective market niches with expertise in industrial improvement.

The business area consists of Momentum Industrial, which has operations in Sweden and Norway, focusing on the sale of spare parts for customers' production equipment to industrial customers and related services. The business area also includes the specialist companies ETAB Industriautomation, which focuses on industrial automation solutions, Öbergs, which focuses on pneumatic solutions for industrial production, and JNF, which focuses on components and services for industry in Denmark.

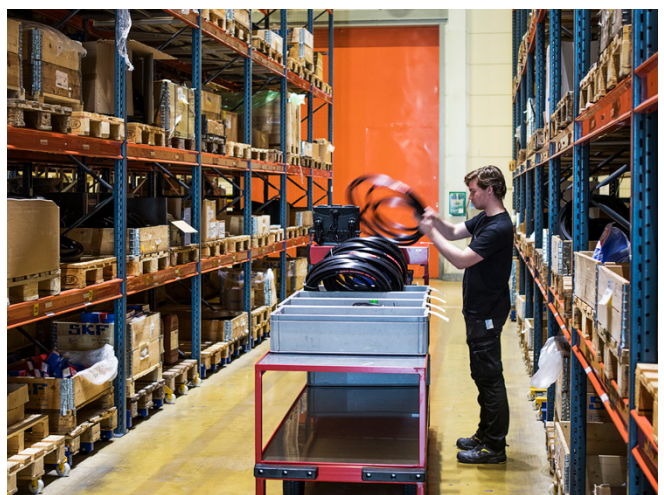
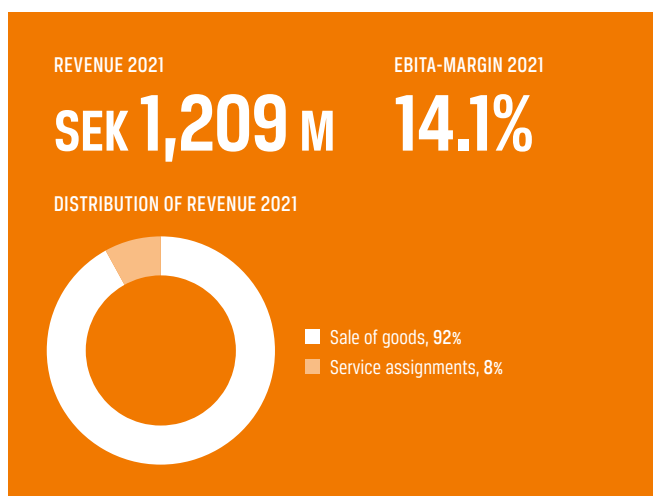
The business area accounted for 80 per cent of the Momentum Group's revenue and had an EBITA margin of 14.1 per cent during the financial year 2021.¹⁾

Momentum Industrial is, according to Momentum Group's assessment, one of Sweden's leading resellers of industrial components for industry, with local warehousing and sales in more than 30 locations in Sweden and through a subsidiary in Norway. Among other things, Momentum Industrial offers local availability of products, service, consultancy, customised product training, condition monitoring and surveillance, logistics solutions and on-call service. The company's customers are mainly in the processing and manufacturing industries, such as paper/pulp, sawmills, automotive, food, mining and engineering. Momentum Industrial generates annual revenue of approximately SEK 1,100 million and has around 310 employees.²⁾

ETAB Industriautomation is, according to Momentum Group's assessment, a market leader in industrial automation and provides high quality products and services in hydraulics, linear technology and pneumatics to industrial companies in Sweden. The company has long-term partnerships with leading manufacturers and offers assembly, construction and service. The company also offers its own seal production at three locations in Sweden. ETAB generates annual revenue of approximately SEK 65 million and has around 18 employees.²⁾

Öbergs in Karlstad is, according to Momentum Group's assessment, a market-leading competence player in pneumatic solutions for industrial production, including in the paper & pulp and automotive industries in Sweden. The company provides high quality products and services in pneumatics, process valves and measuring instruments, as well as offering assembly, consulting, training and service. Öbergs generates annual revenue of approximately SEK 50 million and has around ten (10) employees.²⁾ Öbergs has been part of the Momentum Group since February 2021.

JNF in Køge offers industrial components & services including transmission, hydraulics and pumps, as well as industrial supplies (such as tools, fasteners and personal protection) to professional end-users in the industrial, construction and public sectors in Denmark. JNF generates annual revenue of approximately SEK 40 million and has around 15 employees.²⁾



¹⁾For definition of EBITA margin, refer to "Definitions of alternative performance measures" in the section "Selected financial information for Momentum Group".

²⁾The figures in the text refer to approximate annual revenue for 2021 (regardless of whether the companies have been consolidated for the full year and including operations added as of 1 January 2022) and number of employees as of 1 January 2022.

Business areas

Service business area

Company group in industrial service in Sweden – providing services to extend the life and efficiency of installed machinery and carries out new installations. In addition, solutions for digitalised maintenance are offered.

The business area is comprised of Rörick, whose electromechanical workshops offer service and repairs to the processing and manufacturing industries, Mekano and Mekano i Sävadalen, which focuses on service and components for the process manufacturing and food industries, as well as shipping and the public sector, Carl A. Nilsson, which is a niche company in sales and service of large submersible pumps, and Intertechna, which is a solution provider in digitalised maintenance for industrial production.

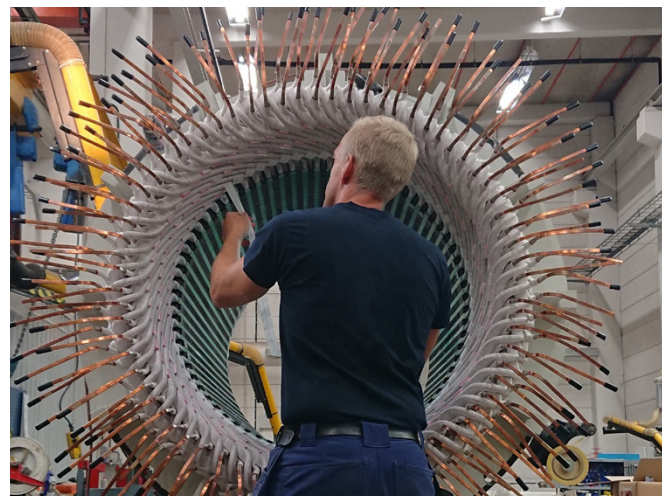
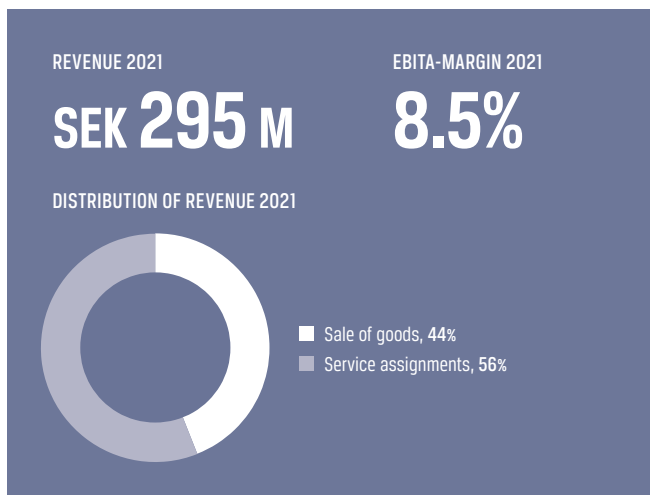
The business area accounted for 20 per cent of the Momentum Group's revenue and had an EBITA margin of 8.5 per cent during the financial year 2021.¹⁾

Rörick Elektriska Verkstad consists of electromechanical workshops in Sweden that offer service, repairs and conversions of all types of electromechanical equipment such as electric motors, generators, transformers and pumps, etc. to customers in the processing and manufacturing industries, among others. Rörick Elektriska Verkstad also includes a spindle service business that was acquired from SKF in November 2020 and the three electromechanical service workshops (originating from NEA workshops – Närkes Elektriska) acquired from Assemblin EI in February 2021. Following acquisitions in 2020–2021, the business has now its own workshops in Köping, Västerås, Gävle, Örebro and Gothenburg. In total (including acquisitions), Rörick El. Verkstad generates annual revenue of approximately SEK 150 million as of today and has around 75 employees.²⁾

Carl A. Nilssons El. Rep. Verkstad offers service, repair and new sales of electric motors, generators, transmission products, compressors and pumps. The company works with some of Europe's leading companies in their respective product areas to ensure the best service and quality. Carl A. Nilssons has a workshop in Helsingborg and generates annual revenue of approximately SEK 30 million per year and has about ten (10) employees.²⁾

Mekano is, according to Momentum Group's assessment, one of Sweden's leading suppliers of high-quality products and services with a focus on service and cost savings for industrial customers in e.g. the process, manufacturing and food industries, as well as shipping and the public sector. The company has its own units in Helsingborg, Malmö, Perstorp and Gothenburg, with customers mainly in western and southern Sweden. Mekano generates annual revenue of approximately SEK 145 million and has around 85 employees. Mekano has been part of the Momentum Group since February 2021.²⁾

Intertechna is a competence player in digitised maintenance for industry. The Hammarö-based maintenance specialist works with products and services for industry in the Nordic region that give its customers increased availability and better quality in production. Intertechna generates an annual revenue of approximately SEK 25 million and has eight (8) employees. The company has been part of the Momentum Group since October 2021.²⁾



¹⁾ For definition of EBITA margin, refer to "Definitions of alternative performance measures" in the section "Selected financial information for Momentum Group".

²⁾ The figures in the text refer to approximate annual revenue for 2021 (regardless of whether the companies have been consolidated for the full year and including operations added as of 1 January 2022) and number of employees as of 1 January 2022.

Selected financial information for Momentum Group

The financial information below for the financial years 2021, 2020 (9 months), 2019/2020 and 2018/2019 has been taken from Momentum Group's combined financial statements for the financial years 1 January 2021–31 December 2021, 1 April 2020–31 December 2020, 1 April 2019–31 March 2020 and 1 April 2018–31 March 2019. The combined financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS). The IFRS do not specifically address the preparation of combined financial statements. The term 'combined financial statements' refers to the financial information prepared by combining the financial information of entities under the same control that do not meet the definition of a group under IFRS 10. A key requirement for the preparation of these combined financial statements is that all entities are under common control through Alligo's ownership.

Momentum Group also presents selected performance measures below for the financial years 2021, 2020 (12 months), 2020 (9 months), 2019/2020 and 2018/2019, which have been extracted from Momentum Group's combined financial statements, including notes, as well as from Momentum Group's internal accounting records. Some of the performance measures are so-called alternative performance measures, i.e. financial measures that are not defined under IFRS. The alternative performance measures are used by Momentum Group to monitor and measure the underlying performance of Momentum Group's business and operations. Momentum Group also believes that these performance measures are used by investors, equity analysts and other stakeholders as complementary measures of performance. As not all companies disclose and define alternative performance measures in the same way, the comparability of the alternative performance measures that Momentum Group has chosen to follow and define is limited. Accordingly, the alternative performance measures should not be seen as a substitute for the financial measures as presented in accordance with IFRS.

Combined income statement¹⁾

SEK million	2021	2020 (9 months)	2019/2020	2018/2019
Revenue	1,491	837	1,254	1,196
Other operating income	4	1	1	0
Total operating income	1,495	838	1,255	1,196
Cost of goods	-795	-472	-716	-690
Personnel costs	-342	-163	-245	-241
Depreciation, amortisation, impairment losses and reversal of impairment losses	-54	-28	-35	-5
Other operating expenses	-149	-84	-129	-149
Total operating expenses	-1,340	-747	-1,125	-1,085
Operating profit	155	91	130	111
Financial income	0	0	0	0
Financial expenses	-7	-2	-3	-2
Net financial items	-7	-2	-3	-2
Profit after financial items	148	89	127	109
Taxes	-31	-19	-28	-25
Net profit	117	70	99	84
Attributable to:				
Parent company shareholders	116	69	98	84
Non-controlling interest	1	1	1	-
Earnings per share (SEK)	2.30	1.35	1.95	1.65

¹⁾ Extracted from Momentum Group's combined financial statements for the financial years ended 31 December 2021, 31 December 2020, 31 March 2020 and 31 March 2019, respectively.

Combined balance sheet ¹⁾

SEK million	31 Dec 2021	31 Dec 2020	31 Mar 2020	31 Mar 2019
ASSETS				
Non-current assets				
Intangible non-current assets	284	175	177	165
Tangible non-current assets	17	10	7	6
Right-of-use assets	127	51	60	-
Financial investments	0	0	0	0
Other long-term receivables	1	1	1	1
Deferred tax assets	1	1	0	0
Total non-current assets	430	238	245	172
Current assets				
Inventories	213	176	193	191
Tax receivables	0	0	0	6
Accounts receivables	255	169	220	200
Prepaid expenses and accrued income	12	5	5	14
Other receivables	4	1	2	0
Current investments	-	144	30	28
Cash and cash equivalents	70	1	1	1
Total current assets	554	496	451	440
TOTAL ASSETS	984	734	696	612
EQUITY AND LIABILITIES				
Equity				
Share capital	0	0	-	-
Other capital contributed	-	-	-	-
Reserves	1	1	3	2
Retained earnings including net profit	457	336	256	141
Equity attributable to parent company shareholders	458	337	259	143
Non-controlling interest	17	6	5	-
Total equity	475	343	264	143
Non-current liabilities				
Non-current interest-bearing liabilities	9	100	127	138
Non-current lease liabilities	82	21	27	-
Non-current non-interest-bearing liabilities	22	10	9	-
Other provisions	0	0	1	0
Deferred tax liabilities	34	16	10	1
Total non-current liabilities	147	147	174	139
Current liabilities				
Current interest-bearing liabilities	0	0	11	3
Current lease liabilities	41	26	28	-
Accounts payable	153	107	140	128
Tax liabilities	30	31	4	0
Other liabilities	33	17	20	139
Accrued expenses and deferred income	105	63	55	60
Total short-term liabilities	362	244	258	330
Total liabilities	509	391	432	469
TOTAL EQUITY AND LIABILITIES	984	734	696	612

¹⁾ Extracted from Momentum Group's combined financial statements for the financial years ended 31 December 2021, 31 December 2020, 31 March 2020 and 31 March 2019, respectively.

Condensed combined cash flow statement¹⁾

SEK million	2021	2020 (9 months)	2019/2020	2018/2019
Operating activities				
Profit after financial items	148	89	127	109
Adjustments for non-cash items	54	27	35	5
Income taxes paid	-31	9	-16	-15
Cash flow from operating activities before change in working capital	171	125	146	99
Change in inventories	-11	18	0	-6
Change in operating receivables	-59	51	-9	-26
Change in operating liabilities	68	-28	-1	35
Cash flow from operating activities	169	166	136	102
Cash flow from investment activities	-125	-7	-17	-41
Cash flow from financing activities	-119	-45	-117	-47
Cash flow for the period	-75	114	2	14
Cash and cash equivalents at the beginning of the period	145	31	29	15
Exchange-rate differences in cash and cash equivalents	0	0	0	0
Cash and cash equivalents at the end of period	70	145	31	29

¹⁾ Extracted from Momentum Group's combined financial statements for the financial years ended 31 December 2021, 31 December 2020, 31 March 2020 and 31 March 2019, respectively.

Performance measure

Momentum Group uses certain financial performance measures in its analysis of its business and its performance that are not defined in accordance with IFRS, which Momentum Group considers important in the context of understanding its business. The reasons for the use of each alternative performance measure are set out below in connection with its definition. Such non-IFRS based performance measures measure historical or future financial profit, financial status or cash flows but excludes or includes amounts that would not be adjusted in the same way in the most comparable performance measure defined under IFRS.

The financial year ended 31 December 2020 was shortened to nine (9) months. In order to ensure the relevance and comparability of the performance measures presented, outcomes for the full year 2020 are also included.

Performance measures (IFRS)

SEK million	2021	2020 (12 months)	2020 (9 months)	2019/2020	2018/2019
IFRS performance measures²⁾					
Revenue	1,491	1,163	837	1,254	1,196
Profit for the period	117	99	70	99	84
Earnings per share, SEK (undiluted)	2.30	1.90	1.35	1.95	1.65

²⁾ Extracted from Momentum Group's combined financial statements for the financial years ended 31 December 2021, 31 December 2020, 31 March 2020 and 31 March 2019, respectively. Information regarding the full year 2020 has been extracted from Momentum Group's internal reporting system.

Alternative performance measures not defined in accordance with IFRS

SEK million	2021	2020 (12 months)	2020 (9 months)	2019/2020	2018/2019
Income statement-based performance measures					
Operating profit ³⁾ , SEK million	155	130	91	130	111
EBITA, SEK million	171	134	94	134	114
Profit after financial items ³⁾ , SEK million	148	127	89	127	109
Operating margin, %	10.4	11.2	10.9	10.4	9.3
EBITA margin, %	11.5	11.5	11.2	10.7	9.5
Profit margin, %	9.9	10.9	10.6	10.1	9.1
Profitability performance measures					
Return on working capital (EBITA/WC) (rolling 12 months), %	61	54	54	52	46
Return on capital employed (rolling 12 months), %	24	28	28	31	34
Return on equity (rolling 12 months), %	30	35	35	49	51
Performance measures on financial position					
Financial net loan liability, SEK million	62	2	2	162	112
Operational net loan liability/receivable +/-, SEK million	-61	-45	-45	107	112
Equity attributable to the parent company's shareholders ¹⁾ , SEK million	458	337	337	259	143
Equity/asset ratio, %	47	46	46	37	23
Other performance measures					
Number of employees at the end of the period	484	329	329	339	335

³⁾ Extracted from Momentum Group's combined financial statements for the financial years ended 31 December 2021, 31 December 2020, 31 March 2020 and 31 March 2019, respectively. Information regarding the full year 2020 has been extracted from Momentum Group's internal reporting system.

Definitions of alternative performance measures

Performance measure	Definition	Justification
Operating profit	Profit before financial items and tax.	Used to show the group's earnings before interest and taxes.
Items affecting comparability	Items affecting comparability refer to revenue and expenses that do not arise regularly in the operating activities.	A breakdown of items affecting comparability clarifies the development of operating activities. Refer also to the definition of EBITA.
EBITA	Operating profit adjusted for items affecting comparability and before any impairment of goodwill and depreciation and amortisation of other intangible assets incurred in connection with business acquisitions.	Used to present the group's earnings generated from operating activities, i.e. not affected by items affecting comparability.
Operating margin, %	Operating profit as a percentage of 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.
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 not affected by items affecting comparability over time. The EBITA margin based on revenue from both external and internal customers is presented per business area (operating segment).
Profit margin, %	Profit after financial items as a percentage of revenue.	Used to assess the group's earnings generated before tax and presents the share of revenue that the group may retain in earnings before tax.
Return on working capital (EBITA/WC), %	EBITA for the last twelve (12) months divided by average working capital measured as total working capital (accounts receivables and inventories less accounts payables) at the end of each month for the last twelve (12) months and opening balance at the beginning of the period divided by 13.	The group's internal profitability targets, which encourages high EBITA and low tied-up capital. Used to analyse profitability in the group and its various operations.
Return on capital employed, %	Operating profit plus financial income for the last twelve (12) months divided by average capital employed measured as balance-sheet total, less non-interest-bearing liabilities and provisions at the end of the last four (4) quarters, and opening balance at the beginning of the period divided by five (5).	Presented to show the group's return on its externally financed capital and equity, i.e. independent of its financing.
Return on equity, %	Profit for the period attributable to parent company shareholders for the last twelve (12) months divided by average equity measured as total equity attributable to parent company shareholders at the end of the last four (4) quarters and opening balance at the beginning of the period divided by five (5).	Used to measure the return generated on the capital invested by the parent company shareholders.
Financial net loan liability	Financial net loan liability measured as non-current interest-bearing liabilities and current interest-bearing liabilities less cash and cash equivalents and short-term investments at the end of the period.	Used to monitor debt trends and analyse the group's total indebtedness including lease liabilities.
Operational net loan liability/receivable	Operational net loan liability/receivable measured as non-current interest-bearing liabilities and current interest-bearing liabilities, excluding lease liabilities, less cash and cash equivalents and short-term investments at the end of the period.	Used to monitor debt trends and analyse the group's total indebtedness, excluding lease liabilities.
Equity/asset 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 of the group and show the percentage of the group's assets that are financed by equity.

Financing arrangements

Prior to the Distribution and the Listing of Momentum Group, Momentum Group has received binding commitments for financing of the business consisting of an overdraft facility of SEK 200 million and a revolving facility of SEK 800 million. Both facilities have Handelsbanken as lender. The new financing will replace the existing financing as of 31 December 2021 and taking into account the changes that have occurred since the balance sheet date up to the Distribution and the Listing and that mainly come from the operational business.

The overdraft facility has a maturity of one (1) year from the date of issue with the possibility of an extension after the usual credit review. The overdraft facility is linked to a multi-currency cash pool, which means that the overdraft facility can be drawn in several different currencies but that any drawdown is denominated in SEK against the lender and that the interest rate on the drawdown is based on STIBOR.

The revolving facility will run for three (3) years from the date of issuance. The facility implies a binding commitment from Handelsbanken to issue revolving loans under the facility as long as the Momentum Group meets certain financial and other commitments. Revolving loans can be taken out with different fixed interest periods (1, 3, 6 months) and in different currencies (SEK, EUR, NOK, DKK, USD). The revolving facility may be extended for a fee after three (3) years for an additional one (1) plus one (1) year, for a maximum total of five (5) years.

Momentum Group's Board of Directors, senior management and auditor

Board of Directors

According to Momentum Group's Articles of Association, the Board of Directors shall consist of not less than three (3) and not more than seven (7) Board members. The Board of Directors currently consists of five (5) members elected by the General Meeting of Shareholders for the period until the end of the Annual General Meeting 2023. The table below presents the Board members' positions, the year of election to Momentum Group's Board of Directors, the year of election to Alligo's Board of Directors (if applicable), the independence of the Board members in relation to Momentum Group and Momentum Group's senior management and/or major shareholders, as well as information on the shareholding in Alligo as at the date of the Memorandum and the number of Momentum Group shares to which the shareholding in Alligo entitles the holder to receive in the Distribution.¹⁾ Detailed information for each Board member is provided below.

Name	Position	Board member of Alligo since	Board member of Momentum Group since	Independent in relation to Momentum Group and its management	Independent in relation to Momentum Group's major shareholders ²⁾	Shareholding Alligo		Shareholding Momentum Group ³⁾	
						Class A shares	Class B shares	Class A shares	Class B shares
Johan Sjö	Chairman	2019	2021	Yes	No	-	27,400	-	27,400
Anders Claeson	Board member	-	2021	Yes	Yes	-	4,980	-	4,980
Ylva Ersvik	Board member	-	2021	Yes	No	-	-	-	-
Stefan Hedelius	Board member	2016	2021	Yes	Yes	-	1,500	-	1,500
Gunilla Spongh	Board member	2016	2021	Yes	Yes	-	1,550	-	1,550

²⁾ Assessment based on Momentum Group's expected major shareholders after the Distribution and in connection with the Listing.

³⁾ After the Distribution.



Johan Sjö

Chairman of the Board since 2021

Born: 1967.

Education: M.Sc. in Business and Economics.

Other current assignments: Chairman of the Board of AddLife AB (publ), INIVI AB, OptiGroup AB and Momentum Group Holding AB. Board member of Camfil Aktiebolag, Camfil Ventures Aktiebolag, IMH Service AB and subsidiaries in the same group, M2 Asset Management AB, Arkösunds Hotell AB, Arkösund Holding AB, COJU AB, Surewood Industries AB, Alligo Holding AB, Dacke Industri Holding AB and Dacke Industri AB. Senior advisor at Nordstjernen. Deputy Board member of Henrik Sjö AB. As of the date of the Prospectus, Johan Sjö is Chairman of the Board of Alligo. As part of the Listing, the Election Committee of Alligo has proposed the election of a new Board of Directors of Alligo at the Extraordinary General Meeting on 23 March 2022, whereby Johan Sjö is proposed to be elected as a member of the Board.

Previous assignments (the last five years): Chairman of the Board of Alligo Holding AB, Swedol AB, Addtech AB (publ), Addtech Nordic AB, Bergman & Beving AB (publ) and Prosero Security Holding AB and of subsidiaries in the same group. Board member of Addtech AB (publ), Spaljisten AB, Anebyhusgruppen AB, Träaktiebolaget KG-list, Österbymo Hardwood AB, Bufab AB (publ), Bergman & Beving AB (publ) and subsidiaries in the same group and Joh Sjö AB and subsidiaries in the same group. Deputy Board member in Joh Sjö Holding AB. CEO of Addtech AB (publ).

Expected shareholding in Momentum Group: 27,400 Class B shares (own holding).



Anders Claeson

Board member since 2021

Born: 1956.

Education: M.Sc. in Industrial Engineering and Management.

Other current assignments: Board member of Lagercrantz Group Aktiebolag (publ) and A Claeson Consulting Company AB.

Previous assignments (the last five years): Deputy CEO of Addtech AB (publ) and CEO of Addtech Nordic AB. Chairman or member of the Board of several subsidiaries of the Addtech group.

Expected shareholding in Momentum Group: 4,980 Class B shares (own holding).

¹⁾ Provided that the shareholders of Alligo at the Extraordinary General Meeting on 23 March 2022 decide on the Distribution in accordance with the proposal of the Board of Directors, each share of Class A and Class B, respectively, held by shareholders of Alligo on the record date 25 March 2022 for the right to distribution of shares in Momentum Group will entitle to one (1) Class A Share and one (1) Class B share, respectively, in Momentum Group.



Ylva Ersvik

Board member since 2021

Born: 1988.

Education: Bachelor of Science in Business Administration and Economics. M.Sc. in Engineering Physics.

Other current assignments: Investment Manager at Nordstjärnan. Deputy Board member of Boyd Wardley AB.

Previous assignments (the last five years): –

Expected shareholding in Momentum Group: –



Gunilla Spongh

Board member since 2021

Born: 1966.

Education: M.Sc. in Industrial Engineering and Management.

Other current assignments: Chairman of the Board of Bluefish Pharmaceuticals AB (publ). Board member of Systemair Aktiebolag, AQ Group AB, Lernia AB, Byggmax Group AB (publ), Swedish Stirling AB, G Spongh Förvaltnings AB, Pierce Group AB (publ), Consivo Group AB (publ), Meds Apotek AB and ViaCon Group AB (publ).

As of the date of the Memorandum, Gunilla Spongh is a member of the Board of Directors of Alligo. As part of the Listing, the Election Committee of Alligo has proposed the election of a new Board of Directors of Alligo at the Extraordinary General Meeting on 23 March 2022. Provided that the Extraordinary General Meeting votes in favour of the Election Committee's proposal, Gunilla Spongh will not remain a Board member of Alligo.

Previous assignments (the last five years): Board member of Alligo Holding AB, Infranord AB, SunPine AB and B&B TOOLS Aktiebolag. Deputy Board member of Sâifa Drivmedel Aktiebolag.

Expected shareholding in Momentum Group: 1,550 Class B shares (own holding).



Stefan Hedelius

Board member since 2021

Born: 1969.

Education: University studies in Economics, various international executive education programmes.

Other current assignments: Chairman of the Board of Alhanko & Johnson AB. Board member and CEO of Human Care HC AB (publ). Board member of AddLife AB (publ), Alligo Holding AB, Chatflights International AB, Stefan Hedelius AB and The Cloud Factory AB. Deputy Board member of Say hello to all of our friends AB, Illemann Konsult AB and BJ by Hedelius AB.

As of the date of the Memorandum, Stefan Hedelius is a member of the Board of Directors of Alligo. As part of the Listing, the Election Committee of Alligo has proposed the election of a new Board of Directors of Alligo at the Extraordinary General Meeting on 23 March 2022, whereby Stefan Hedelius is proposed to remain as a member of the Board.

Previous assignments (the last five years): CEO of NOTE AB (publ). Board member of Handbolls-EM 2016 Sverige AB.

Expected shareholding in Momentum Group: 1,500 Class B shares (own holding).

Senior management

The senior management of the Momentum Group consists of two (2) persons. The table below presents the names, current position, the year the person became part of the management of Momentum Group, whether the person has been part of the management of Alligo and information about their shareholding in Alligo as of the date of the Memorandum and how many shares in Momentum Group the shareholding in Alligo entitles to in the Distribution.¹⁾

Name	Position	Part of Momentum Group's management since	Joined Alligo's management	Shareholding Alligo		Shareholding Momentum Group ²⁾	
				Class A shares	Class B shares	Class A shares	Class B shares
Ulf Lilius	President & CEO	2021	2016-2021	2,688	203,323	2,688	203,323
Niklas Enmark	Executive Vice President & CFO	2021	2017-2021	-	37,302	-	37,302

²⁾ After the Distribution



Ulf Lilius

President & CEO since 2021

Born: 1972.

Education: Bachelor's degree in Economics.

Other current assignments: Chairman, Board member and/or CEO of a number of subsidiaries of the Momentum Group. Board member of Lilius System Aktiebolag.

Previous assignments (the last five years): Chairman, member of the Board and/or CEO of a number of subsidiaries of the Momentum Group, the Alligo Group and the Bergman & Beving Group. CEO of B&B TOOLS AB. President & CEO of Alligo.

Expected shareholding in Momentum Group: 2,688 Class A shares and 203,323 Class B shares (with family).



Niklas Enmark

Executive Vice President & CFO since 2021

Born: 1972.

Education: M.Sc. in Business and Economics.

Other current assignments: Chairman and/or Board member of a number of subsidiaries of the Momentum Group. Board member of Svartbäck Gård och Utveckling AB.

Previous assignments (the last five years): Board member of a number of subsidiaries of the Momentum Group and the Alligo Group. Acting CEO of Axel Johnson International AB and Chairman or Board member of several subsidiaries within the Axel Johnson International Group.

Expected shareholding in Momentum Group: 37,302 Class B shares (own holding).

Auditor

KPMG AB, reg. no 556043-4465 ("KPMG"), has been Momentum Group's auditor since 2020 and at the Annual General Meeting on 11 February 2022, KPMG was re-elected as Momentum Group's auditor for the period until the next Annual General Meeting in 2023. Helena Arvidsson Älgne, an authorised public accountant and a member of FAR (the trade association for authorised accounting consultants, auditors and advisors in Sweden), is the Momentum Group's principal auditor since 2020.

Corporate Governance

Momentum Group has a Remuneration Committee and an Audit Committee. Furthermore, the Annual General Meeting on 11 February 2022 adopted an instruction for the Election Committee and guidelines for remuneration to senior management. For further information regarding corporate governance in Momentum Group, refer to the prospectus that Momentum Group will publish in connection with the Listing.

¹⁾ Provided that the shareholders of Alligo at the Extraordinary General Meeting on 23 March 2022 decide on the Distribution in accordance with the proposal of the Board of Directors, each share of Class A and Class B, respectively, held by shareholders of Alligo on the record date 25 March 2022 for the right to distribution of shares in Momentum Group will entitle to one (1) Class A Share and one (1) Class B share, respectively, in Momentum Group.

INFORMATION REGARDING ALLIGO

Alligo in brief

Overview of activities

Alligo was formed through the merger of Swedol and Tools in 2020 and, according to Alligo's assessment, is a leading player in workwear, personal protection, tools and supplies in the Nordic region. The ambition is for Alligo to be run as a fully integrated company, where all parts fit together. The offering includes a standardised product range of goods and services developed and tailored for corporate customers in the following industry segments: Manufacturing, Construction, Public Sector, Transportation and Warehousing, Repair and Maintenance, Agriculture and Forestry, Fishing and Aquaculture, and Oil and Gas.

Alligo operates in an integrated Nordic organisation with sales organisations in the three main markets of Sweden, Norway and Finland, each headed by a country manager. The sales organisations are in turn supported by central staff functions for assortment and purchasing, concept and marketing, logistics, IT and digital development, finance, HR and business development and sustainability. Alligo meets customers through concept brands with their own shops, sales representatives and web shops. Alligo operates under the concept brands Swedol, Tools and Grolls in Sweden, Tools and Univern in Norway, and Tools and Grolls in Finland. There are also a number of smaller specialist brands in Sweden and one in Finland.

Intensive integration work has been underway since the merger of Swedol and Tools, including shop integration, coordination and optimisation of the product range, expansion of the logistics centre in Örebro, commencement of the move of Tools logistics in Sweden to Örebro and implementation of a joint IT and business system in Tools in Finland. This work will continue in 2022. All efforts are being made to build an integrated company with a scalable platform that can continue to drive long-term profitable and sustainable growth.

Alligo's development 2021

Alligo had a revenue of SEK 8,475 million and EBITA of SEK 645 million in the financial year 2021, corresponding to an EBITA margin of 7.6 per cent. Operating

profit amounted to SEK 427 million, corresponding to an operating margin of 5.0 per cent. The result has been charged with items affecting comparability of SEK -155 million (-106), of which SEK 108 million relates to restructuring costs for the relocation of Tools' Swedish logistics operations in Alingsås to Alligo's central warehouse in Örebro. Items affecting comparability in the comparison year consist of restructuring costs related to the integration work between Tools and Swedol. The number of employees at the end of the financial year was 2,319.

Alligo in Sweden had a revenue of SEK 5,213 million and EBITA of SEK 560 million, corresponding to an EBITA margin of 10.7 per cent. The number of local stores was 109 at the end of the financial year, including 53 Swedol, 19 Tools and 18 Grolls, as well as 18 independent specialist brands.

Alligo in Norway had a revenue of SEK 2,200 million and EBITA of SEK 80 million, corresponding to an EBITA margin of 3.6 per cent. The number of local stores at the end of the financial year was 55, of which 46 were Tools and nine (9) Univern.

Alligo in Finland had a revenue of SEK 1,292 million and EBITA of SEK 17 million, corresponding to an EBITA margin of 1.3 per cent. The number of local units at the end of the financial year was 39, including 29 Tools and seven (7) Grolls, as well as two (2) under the independent specialist brand Metaplan and one (1) under the independent specialist brand Imatran Pultti.



Mission, values, vision and strategies

As a guiding light, Alligo has defined a strategic map that leads the way towards the vision of becoming unbeatable as a partner for customers, employer for

employees, a partner for suppliers and a leader for sustainable development in the industry. The strategic map is based on Alligo's mission and values.

Mission

We make businesses work

If Alligo does its job right, then Alligo's customers will have what they need to do their job right, both as a company and as employees. The customers have tools and consumables where they need them, when they need them. They have workwear and personal protective equipment to protect them from the weather and hazards.

With Alligo's expertise, the company can help customers develop their business to be more efficient and safer. This mission is something to build on for the future. Alligo has room to grow by becoming even better at responding to the everyday needs of the group's customers.

Values

Alligo's values rest on three (3) pillars that together define Alligo and how the group treats its customers and other stakeholders.



Commitment

We care about what we do. This is something that everyone who works for Alligo has in common. It's about professional pride. Everyone is committed to doing a good job and commitment is evident among both the employees and the group's customers.



Cooperation

Together we are a team. Alligo believes in a community, where everyone helps each other and depends on each other to succeed. Alligo's team welcomes both customers and suppliers.



Expertise

Anyone can sell stuff. But earning someone's trust requires knowledge of what you do. That's why we always strive to challenge ourselves, learn more, know better and think in new ways. Alligo aims to improve everything it does by working closely with those who rely on the company every day.

Vision

We are unbeatable

Based on the mission and values, Alligo has developed the vision of being unbeatable in four (4) key areas.

We are unbeatable:

- ... as a partner to the company's customers.
- ... as an employer for the company's employees.
- ... as a partner to the company's suppliers.
- ... as a leader for sustainable development in the company's sector.

The vision describes what Alligo wants to achieve in the longer term. The company should not be satisfied with being "one of the leaders" in the industry. Alligo should be unbeatable! The vision underlines that if the company is to be truly unbeatable, it must meet, and exceed, the expectations of different stakeholders. If Alligo is the best partner for the group's customers, this will drive Alligo's sales.

To do good things for customers, you need dedicated and knowledgeable people. The company must have good relationships with the best suppliers in order to provide customers with the best possible offer. To contribute to a sustainable society, and also to be relevant to customers and employees, the company must take sustainability issues seriously.





Strategies

Alligo's strategies are linked to four (4) strategic targets, which are in turn directly linked to the different elements of the vision. The strategic targets provide a common direction for the business and are all aimed at achieving profitable growth.

Alligo offers its customers what they need in a friendly way

Alligo's offer includes a defined range of own brands and strong external brands. The offer is tailored to the needs of the customers and the company applies competence and commitment to guide the customers to the right product, instead of offering all products in all categories. An important part of the offer is services that create added value for the customer. The ambition is to standardise and expand the range of services, while offering larger customers customised service packages when necessary. Some customers prefer to meet the company digitally, while for others the physical meeting may be crucial. Whichever channel the customer chooses to use to meet the company, the company must meet the customer in the way the customer wants to be met. Alligo's digital solutions are constantly evolving to meet customers' needs and expectations.

Alligo is the place where the best people want to work and the company makes them grow

Attracting, growing and retaining employees is critical to Alligo's competitiveness. Everyone should have a good time at work and Alligo should offer a good workplace. Without dedicated and skilled employees, Alligo can neither run its own business nor provide the right service to the group's customers. Leadership is a priority in creating a workplace where people want to work. The company must constantly evolve, improve and strengthen its leadership. To be unbeatable, Alligo must believe in the future and have an achievement culture where everyone shares a strong desire to reach established objectives and rejoice in shared successes. The skills and development of Alligo's employees are important to the group's business and the company will establish a culture where skills development is always in focus. Alligo will create a good working

environment, where equality and diversity are important factors in making the company a modern and attractive employer.

Alligo has industry-leading efficiency and reliable processes

The group's customers should be able to rely on Alligo to provide reliable, efficient and flexible supply solutions that make a difference to the customer. Efficient processes generate value for customers, increase the group's profitability and provide a better working environment for the company's employees. Alligo is constantly working to improve its processes to ensure quality and efficiency, both externally and internally. The company has a transaction-intensive business and a lot of data is generated and stored in its systems every day. With more advanced analytics and artificial intelligence solutions, the company can gain new insights about its customers and business that will help Alligo develop and generate new business.

Alligo is known as the leader in sustainable development in its industry

Alligo will work continuously to reduce the impact of its operations on the environment, for example through continued efforts to reduce energy consumption and to sort waste. Around 80 per cent of carbon dioxide emissions in the value chain are generated by producers, suppliers and transporters. This is where the company can make significant efforts to reduce its carbon footprint. This is also where Alligo sees the greatest sustainability risks in terms of e.g. human rights and working conditions. Close cooperation with suppliers and clear requirements is therefore an important focus for Alligo. In meetings with customers, Alligo can help them make informed and sustainable choices through professional guidance. By coordinating and standardising the group's product range, the company will be better placed to ensure that it contains sustainable products that are easy to find, for example through eco-labels. Customers familiar with Alligo's sustainability work know that the group is at the forefront of its industry, but increased efforts are needed to raise awareness both externally and internally.

Key sustainability issues and Global Goals

Alligo has identified a number of key sustainability issues that are of particular importance for the business. The issues have been identified through a materiality analysis based on Alligo's economic, social and environmental impacts, as well as the issues that are most important to stakeholders. Making the significant issues an integral part of strategy and business planning is central to

Alligo's vision of becoming an unbeatable leader in sustainable development.

Alligo supports the Agenda 2030 and strives to achieve the sustainable development goals. The targets where the company has the greatest impact and can make the biggest difference are linked to Alligo's key sustainability issues.



Targets

Alligo has established a number of group-wide targets for the business, consisting of both financial and non-financial targets. Financial stability and sustainable operations create the conditions for long-term profitable growth.

Financial targets

Alligo has established four (4) financial targets focusing on profitable growth, financial stability and dividends. The new targets are aligned with Alligo's strategy and new conditions following the separate listing of the business area Components & Services.

Growth

Average organic growth shall be, over a business cycle, more than five (5) per cent per year. Growth will also be achieved through acquisitions.

Profitability

The EBITA margin shall be more than ten (10) per cent per annum.

Indebtedness

Operational net liability in relation to EBITDA must be less than three (3) times.

Dividends

Dividends as a percentage of net profit should be between 30 and 50 per cent, taking into account other factors such as financial position, cash flow and growth opportunities.

Non-financial targets

To achieve the vision of being unbeatable as a leader in sustainable development in its industry, Alligo will focus on its role as a partner to the group's customers, as an employer to its employees and as a partner to its suppliers. Based on the vision and Alligo's key sustainability issues, the company has established five (5) new business targets.

Responsible supplier relations

All significant suppliers must have signed Alligo's code of conduct for suppliers.

Satisfied customers

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

Health

Absenteeism due to illness as a proportion of total scheduled time must be less than five (5) per cent.

Gender equality

The proportion of female managers shall be 30 per cent.

Climate impact

Carbon dioxide emissions from operations shall be reduced.

Reducing climate impact is a key priority for Alligo. The company has begun the work to accurately and reliably measure the carbon emissions from its operations. Once the group has a solid foundation, it intends to establish a group-wide target for reducing CO₂ emissions in order to guide its operations.

Abilities and competitive advantages

Alligo has several distinctive strengths that can contribute to achieving the targets of profitable growth, financial stability, shareholder returns and sustainable operations.

Some of the main strengths and competitive advantages can be summarised as follows:

- Market growth and resilient industry segments.
- Scalable platform is a foundation for continued growth.
- Own brands increase competitiveness and profitability.
- Sustainable business.
- A leader in the consolidation process in the Nordic markets.

Market growth and resilient industry segments

Alligo's markets consist of corporate customers in Sweden, Norway and Finland. The different markets provide stable growth and complement each other well. Customers are a balanced mix of small and medium-sized enterprises, large enterprises and the public sector. Together, the different industry segments offer good opportunities for continued organic growth and strong resilience in times of economic downturn.

Scalable platform is a foundation for continued growth

Alligo has built an integrated organisation that can scale up and grow, both organically and through acquisitions. The cost structure is adaptable and the functions such as IT, logistics, purchasing, sales, administration and finance

are coordinated and streamlined. The group works continuously to improve operational efficiency and develop the organisation with digital solutions.

Own brands increase competitiveness and profitability

Own brands enable greater control over the product development process, which Alligo uses to offer a product range tailored to its defined industry segments. Through extensive development of own brands, customers can be offered a unique and competitive product range with increased profitability for Alligo.

Sustainable business

Sustainability as an integral part of the business, from strategy to work processes and helping customers make sustainable choices, increases competitiveness and reduces risk. Alligo is committed to going beyond legal and regulatory requirements to become one of the leaders in sustainability in the industry. This is a long-term commitment and the company is working with its stakeholders to build a genuinely sustainable business.

A leader in the consolidation process in the Nordic markets

The markets in the Nordic countries are undergoing a process of consolidation from which relatively large groups like Alligo can benefit. Alligo is actively involved in the consolidation process and has leading positions in Sweden and Norway. The prospects for sustainable profitable growth are good and Alligo will continue to invest and strengthen its position organically and through acquisitions in all the markets where the group operates.

Business model with efficient and sustainable processes

Alligo makes businesses work through efficient and sustainable processes at all levels. The scalable business model allows Alligo to grow profitably, both organically and through acquisitions. New ventures, investments and acquisitions can be systematically integrated and can benefit from Alligo's common platform with economies of scale in key areas such as concept and marketing, assortment and purchasing, logistics, finance, IT and sales.

the company to increase efficiency and availability, while offering flexibility to customers who need it. A mix of own and external brands creates an attractive and competitive offer. Services are an important part of the offering and deliver clear value. Alligo's overall offering is characterised by high quality, value for money and product safety, combined with a good level of service and availability.

Offer

The offer focuses on products with a high degree of standardisation. The range is carefully selected and developed to meet the needs of the company's priority customer segments. Standardisation of goods and services allows

Procurement

Alligo builds long-term partner relationships with suppliers around the world. The focus is on a balanced base of carefully selected suppliers, who can ensure product and delivery quality at the right price, while guaranteeing



sustainability for people and the environment. Alligo continuously reviews its processes to streamline purchasing and ensure compliance with high sustainability standards.

Logistics

Centralised logistics with a high degree of automation reduces both costs and Alligo's carbon footprint, while enabling a high level of service and reliable deliveries. The logistics function is managed centrally from Örebro. When the relocation of the logistics centre in Alingsås is completed, logistics in Sweden will be concentrated in the modern and efficient logistics centre in Örebro. In Norway, a consolidation of regional logistics centres has taken place and Alligo has logistics centres in Skedsmokorset, Rosenholm, Stavanger and Sandnes. In Finland, logistics are mainly concentrated in Kotka.

Sales

Alligo has several sales channels that support and complement each other, such as field sales, inside sales, shop, web and on-site digital solutions. All sales channels are relevant and meet the needs of customers in different purchasing situations. Whatever the channel, the group helps customers to do business with the company in the way that suits them best. In each country, the company wants to meet customers with a main concept brand that gives them a strong and clear partner. The sales organisation in each country is coordinated under a country manager to provide focus and energy in the sales work. The company's customer-facing employees have extensive knowledge of products and services and can help customers to make the right choice.

Sustainability throughout the value chain

Sustainability work is an integral part of Alligo's strategy and business planning. Sustainable processes are a prerequisite for the competitiveness of the business model. Alligo offers customers safe, good quality products that make it easy for them to make sustainable choices. Relationships with suppliers are based on long-term commitment, trust and respect. Alligo ensures that the selected partners can guarantee quality-assured and sustainable products and meet high social and environmental standards. Efficient goods flows can reduce the carbon footprint, while increasing service levels and customer satisfaction. In all its channels, Alligo helps customers and assists them to make more sustainable choices. The foundations for this are already laid in the product development phase.

Alligo's concept brands

Alligo brings together strong brands such as Tools, Swedol, Grolls and Univern. Each has its own characteristics and unique position in the market, which varies both by country and by the challenges faced by customers. What they have in common is that they supply professionals with what they need in order to succeed at their work. The long-term ambition is to reduce the number of main concept brands to one per country.

Tools - the complete partner for all professionals

Tools is a broad brand for business customers in the Nordic region. Here, professional users will find the quality products they need to perform a good and safe job. Whether they are craftsmen with their own companies or workers in large industrial groups - or something in between.

Tools' strength is a high level of technical expertise and always being close to the customer, where and when needed. In the shops, on the web and, not least, on site at the customer's premises.

Tools is a popular supplier to the really big companies, especially in industry. Here, Tools excels with smart digital services and logistics solutions, with reliable direct deliveries from Alligo's warehouse.

Tools' position and offer differs somewhat between the different Nordic countries, based on customer needs and the relationship with Alligo's other concept brands.

Swedol - the Swedish multi-specialist

Swedol is the multi-specialist for professionals in Sweden. Because employees get to know customers well, especially the small and medium-sized business customers who often visit the shops, they can make sure that customers can always obtain what they need.

Customers are always close to Swedol, both to the well-organised shops and to the online shop. There they can conveniently find all the professional products at an attractive price - both proven solutions and smart innovations.

For customers, a visit to Swedol is about much more than merely getting hold of the right product. They come in to get tips and advice from specialists, bounce ideas off like-minded people and maybe just have a pleasant stop along the way. And when they leave the shop, they do so with the feeling that they have met a team that is doing everything to make their lives as entrepreneurs easier, more fun and more successful.

Grolls - the specialist in workwear and protection

Grolls is the specialist for workwear and protection in Sweden, Finland and Estonia. The concept brand combines deep product knowledge with great care for the customer.

Groll customers appreciate the fact that they have a lot to choose from, while specialist knowledge helps them make the right choice.

It is particularly important for Groll customers to feel confident about their purchase. With protection and workwear, you can never go wrong. That's why customers are guided through the entire purchase process with advice on which solutions are best for the job and, naturally, also comply with all current legal requirements.

Univern - the Norwegian specialist in workwear and protection

Univern is a specialist in clothing and protection on the Norwegian market. Univern distinguishes itself by supplying the fishing and oil industries, which are industries with tough conditions that place unique demands on clothing and protective equipment.

Univern supports its customers throughout their working lives and has a strong range of products that is constantly adapted to their needs. With in-depth knowledge, Univern can guide customers through the entire purchase process and provide personalised advice about which solutions are best and how to comply with all the legal requirements. The high level of service and the familiar treatment pleases the customers and ensure that they return year after year.



Alligo's logistics centre in Örebro is a modern facility, whose capacity is continuously expanded.



Selected financial information for Alligo

The following tables present selected financial information for the financial years 2020 (12 months), 2020 (9 months) and 2021 for the remaining operations of Alligo after the Distribution of Momentum Group. The financial year ended 31 December 2020 was shortened to 9 months. In order to ensure the relevance and comparability, outcomes for the full year 2020 are also included. The starting point for the selected financial information is Alligo's annual accounts for 2020 as well as 2021 and Alligo's year-end report for 2021, including financial information for Alligo and Momentum Group published on 15 February 2022. Alligo's financial statements represent the difference between the financial information of Alligo and Momentum Group, adjusted for intercompany transactions and balances. The details in the tables presented below are not financial statements in accordance with IFRS as adopted by the EU, and they are therefore not necessarily comparable with similar calculations in other companies and have certain limitations as analytical tools.

Summary of selected income statement items for the group

SEK million	2021 (Jan-Dec)	2020 (Apr-Dec)	2020 (Jan-Dec)
Revenue	8,475	6,019	7,237
Other operating income	33	29	35
Total operating income	-8,044	-5,822	-7,011
Operating profit	464	226	261

Summary of selected balance sheet items for the group

SEK million	2021-12-31	SEK million	2021-12-31
ASSETS		EQUITY AND LIABILITIES	
Non-current assets		Equity attributable to parent company shareholders	
Intangible non-current assets	2,577	Share capital	102
Right-of-use assets	935	Reserves	-5
Tangible non-current assets	532	Retained earnings	3,332
Financial investments	0	Equity Momentum Group	474
Other long-term receivables	14	Equity attributable to parent company shareholders	2,955
Deferred tax assets	75	Non-controlling interest	19
Total non-current assets	4,133	Total equity	2,974
Current assets		Non-current liabilities	
Inventories	1,856	Non-current interest-bearing liabilities	1,421
Accounts receivables	1,154	Non-current lease liabilities	674
Other current receivables	277	Pension provisions	0
Cash and cash equivalents	286	Other non-current liabilities and provisions	399
Total current assets	3,573	Total non-current liabilities	2,494
TOTAL ASSETS	7,706	Current liabilities	
		Current interest-bearing liabilities	124
		Current lease liabilities	339
		Accounts payable	1,144
		Other current liabilities	620
		Liabilities Momentum Group	11
		Total current liabilities	2,238
		Total liabilities	4,732
		TOTAL EQUITY AND LIABILITIES	7,706

Other selected financial information

SEK million	2021 (Jan-Dec)
Financial net loan liability	2,272
Operational net loan liability	1,259

Performance measures

Alligo uses certain financial measures in its analysis of its business and its performance that are not defined in accordance with IFRS, which Alligo considers important in the context of understanding its business. The reasons for the use of each alternative performance measure are set out below in connection with its definition. Such non-IFRS based performance measures measure historical or future financial profit, financial status or cash flows but excludes or includes amounts that would not be adjusted in the same way in the most comparable performance measure defined under IFRS.

Alternative performance measures not defined in accordance with IFRS

SEK million	2021 (Jan-Dec)	2020 (Apr-Dec)	2020 (Jan-Dec)
EBITA, SEK million	645	374	419
Operating income, SEK million	464	226	261
EBITA margin, %	7.6	6.2	5.8
Operating margin, %	5.5	3.8	3.6
Number of employees at the end of the period	2,319	2,341	2,341

Definitions of alternative performance measures (IFRS)

Performance measure	Definition	Justification
EBITA	Operating profit adjusted for items affecting comparability and before any impairment of goodwill and depreciation and amortisation of other intangible assets incurred in connection with business acquisitions.	Used to present the group's earnings generated from operating activities, i.e. not affected by items affecting comparability.
Operating profit	Profit before financial items and tax.	Used to show the group's earnings before interest and taxes.
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 not affected by items affecting comparability over time. The EBITA margin based on revenue from both external and internal customers is presented per business area (operating segment).
Operating margin, %	Operating profit as a percentage of 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.

Alligo's Board of Directors and senior management

Board of Directors

As part of the preparations for the division of the Alligo Group, a new Board of Directors was appointed in the autumn of 2021 in the subsidiary Alligo Holding AB for the Alligo operating segment, consisting of the Chairman Göran Näsholm, Johan Eklund, Stefan Hedelius, Cecilia Marlow, Johan Sjö and Christina Åqvist. Alligo's Election Committee has proposed to the Extraordinary General Meeting on 23 March 2022, to which the Alligo's Board proposes that the shareholders resolve to distribute all of Alligo's shares in Momentum Group to the shareholders of Alligo, the election of a new Board of Directors corresponding to the Board of Directors of Alligo Holding AB.

The table below presents the Board members' proposed positions, the year of election to the Alligo's Board of Directors (if applicable), the independence of the Board members in relation to Alligo and Alligo's senior management and/or major shareholders, and information on their shareholdings in Alligo as at the date of the Memorandum. Detailed information for each director is provided below.

Name	Proposed position in Alligo	Board member of Alligo since	Independent in relation to Alligo and its management	Independent in relation to Alligo's major shareholders	Shareholding Alligo	
					Class A shares	Class B shares
Göran Näsholm	Chairman	2019	Yes	Yes	-	30,000
Johan Eklund	Board member	2020	Yes	No	-	-
Stefan Hedelius	Board member	2016	Yes	Yes	-	1,500
Cecilia Marlow	Board member	-	Yes	Yes	-	1,500
Johan Sjö	Board member	2019	Yes	No	-	27,400
Christina Åqvist	Board member	2020	Yes	Yes	-	-



Göran Näsholm

Board member of Alligo since 2019
Proposed as chairman of the Board

Born: 1955.

Education: Mechanical Engineer and M.Sc. in Business and Economics.
Other current assignments: Chairman of the Board of Malef Holding AB and of subsidiaries in the same group and Alligo Holding AB. Chairman of the Board and CEO of Profun Förvaltnings AB. Board member of Pegroco Invest AB, Funpro Förvaltnings AB and Nordisk Bergteknik AB (publ).

Previous assignments (the last five years): Chairman of the Board of Waste Reform Sweden AB, Fresks Group AB and Fresks Holding AB. Board member of Clas Ohlson AB (publ), Martin & Servera AB and AXXA AB (publ).

Shareholding in Alligo: 30,000 Class B shares (own holding).



Johan Eklund

Board member of Alligo since 2020

Born: 1991.

Education: M.Sc. in Business and Economics.

Other current assignments: Investment manager at Nordstjernen. Chairman of the Board of Salcomp Holding AB. Board member of Alligo Holding AB.

Previous assignments (the last five years): Deputy Board member of Salcomp Holding AB.

Shareholding in Alligo: -



Stefan Hedelius

Board member of Alligo since 2016

Born: 1969.

Education: University studies in Economics, various international executive education programmes.

Other current assignments: Chairman of the Board of Alhanko & Johnson AB. Board member and CEO of Human Care HC AB (publ). Board member of AddLife AB (publ), Alligo Holding AB, Chatflights International AB, Stefan Hedelius AB and The Cloud Factory AB. Deputy Board member of Say hello to all of our friends AB, Illemaan Konsult AB and BJ by Hedelius AB.

Previous assignments (the last five years): CEO of NOTE AB (publ). Board member of Handbolls-EM 2016 Sverige AB.

Shareholding in Alligo: 1,500 Class B shares (own holding).



Johan Sjö

Chairman of the Board of Alligo since 2019

Proposed as a member of the Board

Born: 1967.

Education: M.Sc. in Business and Economics.

Other current assignments: Chairman of the Board of AddLife AB (publ), INIVI AB, OptiGroup AB and Momentum Group Holding AB. Board member of Camfil Aktiebolag, Camfil Ventures Aktiebolag, IMH Service AB and subsidiaries in the same group, M2 Asset Management AB, Arkösunds Hotell AB, Arkösund Holding AB, COJU AB, Surewood Industries AB, Alligo Holding AB, Dacke Industri Holding AB and Dacke Industri AB. Senior advisor at Nordstjernen. Deputy Board member of Henrik Sjö AB.

Previous assignments (the last five years): Chairman of the Board of Alligo Holding AB, Swedol AB, Addtech AB (publ), Addtech Nordic AB, Bergman & Beving AB (publ) and Prosero Security Holding AB and of subsidiaries in the same group. Board member of Addtech AB (publ), Spaljisten AB, Anebyhusgruppen AB, Träaktiebolaget KG-list, Österbymo Hardwood AB, Bufab AB (publ), Bergman & Beving AB (publ) and subsidiaries in the same group and Joh Sjö AB and subsidiaries in the same group. Deputy member in Joh Sjö Holding AB. CEO of Addtech AB (publ).

Shareholding in Alligo: 27,400 Class B shares (own holding).



Cecilia Marlow

Proposed new Board member

Born: 1960

Education: M.Sc. in Business and Economics.

Other current assignments: Chairman of the Board of NCS Colour AB and WästbyggGruppen AB (publ). Board member of Spendrups Bryggeriaktiebolag, Kivra AB, Bokusgruppen AB (publ), Alligo Holding AB, Desenio Group AB (publ) and Karl Fazer Oy.

Previous assignments (the last five years): Chairman of the Board of LSTH Svenska Handelsfastigheter AB and Kivra AB. Board member of AR Packaging Group AB (publ), MatHem i Sverige AB, Platzer Fastigheter Holding AB (publ), Clas Ohlson AB (publ) and Midsona AB (publ). Board member and CEO of Internationella Engelska Skolan i Sverige AB and Internationella Engelska Skolan i Sverige Holdings II AB.

Shareholding in Alligo: 1,500 Class B Shares.



Christina Åqvist

Board member of Alligo since 2020

Born: 1978.

Education: Master of Laws.

Other current assignments: Partner at Indequity AB. Chairman of the Board of Allion Technologies Sweden AB and Vinning AB and Board member or deputy member of subsidiaries in the same group. Board member of Alligo Holding AB and Nordic Roadways AB and Board member or deputy member of subsidiaries in the same group. CEO and Board member of AQVIST GROUP AB. Deputy member of Indequity AB.

Previous assignments (the last five years): Chairman of the Board of CINMG AB and Elfa Distrelec AB. Board member of Swedol AB and Pricer Aktiebolag.

Shareholding in Alligo: -

Senior management

As part of the preparations for the division of the Alligo Group, Clein Johansson Ullenvik, former Business Area President of Alligo, was appointed President and CEO of Alligo and Irene Wisenborn Bellander, former CFO of the Alligo Business Area, was appointed CFO of Alligo in the autumn of 2021. Below is presented name, year of birth, education, other current assignments, previous assignments and shareholding in Alligo.



Clein Johansson Ullenvik

President & CEO since 2021.

Born: 1966.

Education: M.Sc. in Business and Economics.

Other current assignments: Chairman, Board member and/or CEO of a number of subsidiaries of the Alligo Group. Board member of CT Invest AB and Greenboys AB.

Previous assignments (the last five years): Chairman, Board member and/or CEO of a number of subsidiaries of the Alligo Group. President and CEO of Swedol AB.

Shareholding in Alligo: 24,648 Class B shares (own holding).



Irene Wisenborn Bellander

CFO since 2021.

Born: 1973.

Education: Master's degree in Economics.

Other current assignments: Board member of a number of subsidiaries of the Alligo Group.

Previous assignments (the last five years): CFO of Swedol AB. Board member of a number of subsidiaries within the Alligo Group and the Posten Norge/Bring group.

Shareholding in Alligo: -

Ownership

Shares and share capital

As of the date of this Memorandum, Momentum Group's registered share capital amounts to SEK 25,240,444.50 divided into 50,480,889 shares, of which 564,073 are Class A shares and 49,916,816 are Class B shares, with a quota value of SEK 0.5. All shares are issued in accordance with Swedish law and are fully paid-up and freely transferable. The shares are registered in a voting register pursuant to the Financial Instruments Accounts Act (1998:1479) maintained by Euroclear Sweden AB. No share certificates have been issued for Momentum Group's shares. Following the Listing, Momentum Group's Class B shares will be traded in SEK on Nasdaq Stockholm with ISIN code SE0017562523 under the ticker name MMGR B.

Rights attached to the shares

Voting rights

Each A-share entitles the holder to ten (10) votes and each B-share entitles the holder to one (1) vote at the Momentum Group's General Meeting of Shareholders. Each shareholder entitled to vote may vote at a General Meeting for the full number of these shares it owns and represents.

Preferential rights to new shares

If Momentum Group decides to issue new Class A shares and Class B shares by way of a cash issue or a set-off issue, owners of Class A shares and Class B shares shall have preferential rights to subscribe for new shares of the same class in proportion to the number of shares previously held (primary preferential rights). Shares that are not subscribed for with primary preferential rights shall be offered to all shareholders for subscription (subsidiary preferential rights). If the shares offered are not sufficient for the subscription made with subsidiary preferential rights, the shares shall be distributed among the subscribers in proportion to the number of shares they previously held and, to the extent that this cannot be done, by drawing lots. If Momentum Group decides to issue only Class A shares or Class B shares by means of a cash or set-off issue, all shareholders, regardless of whether their shares are Class A shares or Class B shares, shall have preferential rights to subscribe for new shares in proportion to the number of shares they previously held. Momentum Group's articles of association do not restrict the possibility to decide on a cash issue or a set-off issue with deviation from the shareholders' preferential rights.

The above shall not restrict the possibility to decide on a cash or set-off issue with deviation from shareholders' preferential rights.

In the event of an increase in the share capital through a bonus issue, new shares of each class shall be issued in proportion to the number of shares of the same class already in existence. Old shares of a certain class shall carry preferential rights to new shares of the same class. The aforementioned shall not restrict the possibility of issuing shares of a new class through a bonus issue after the requisite changes have been made in the articles of association.

Right to dividends and balance in the event of liquidation

All shares confer the same right to dividends and to Momentum Group's assets and any surplus in the event of liquidation.

Transferability of shares

The shares are freely transferable. The articles of association does not contain any provisions restricting the right to freely transfer the shares. The shares are not subject to any offer made as a result of a mandatory bid obligation, right of redemption or settlement obligation. No public offering has been made for Momentum Group's shares since its incorporation.

Conversion clause

At the request of the owner of a Class A share, Class A shares may be converted into Class B shares. A request for conversion must be made in writing to the Board of Directors of Momentum Group. The number of shares to be converted must be specified. Momentum Group's Board of Directors is required to consider matters relating to the conversion into Class B shares of the Class A shares, whose owners have made the request, within four (4) months of receipt of such a request.

Ownership structure

As of the date of this Memorandum, Momentum Group is a wholly owned subsidiary of Alligo. Provided that the shareholders of Alligo, at the Extraordinary General Meeting on 23 March 2022, resolve on the Distribution in accordance with the proposal of the Board of Directors, the shares in Momentum Group will be distributed to the shareholders of Alligo in proportion to each individual shareholder's holding in Alligo. Momentum Group's ownership structure at the time of the Distribution and prior to the Listing will initially reflect the ownership structure of Alligo. After the Distribution, based on the ownership structure of Alligo as of 8 February 2022, Momentum Group's ownership structure is expected to be as follows:

Shareholders	A shares	B shares	% of capital	% of votes
Nordstjernan AB	213	27,776,641	55.02	49.99
Tom Hedelius	513,124	-	1.02	9.24
BNP Paribas Sec Services Paris	-	3,355,000	6.65	6.04
Swedbank Robur Fonder ¹⁾	-	3,173,496	6.29	5.71
Handelsbanken Fonder ²⁾	-	2,804,440	5.56	5.05
Carnegie Fonder ³⁾	-	1,502,284	2.98	2.70
Sandrew Aktieföretag	-	800,000	1.58	1.44
Länsförsäkringar Fonder ⁴⁾	-	743,747	1.47	1.34
Jefferies LLC	-	637,244	1.26	1.15
Brown Brothers Harriman & Co	-	634,469	1.26	1.14
Total ten largest shareholders	513,337	41,427,321	83.08	83.81
Other	50,736	8,489,495	16.92	16.19
Total	564,073	49,916,816	100	100

¹⁾Includes Swedbank Robur Sverigefond, Swedbank Robur Föbundsfond Sverige Plus and Swedbank Robur Sverigefond Mega.

²⁾Includes Handelsbanken Microcap Norden, Handelsbanken Microcap Sverige, Handelsbanken Norden Index Criteria, Handelsbanken Sverige Index Criteria, Handelsbanken Nordiska Småbolag and Handelsbanken Svenska Småbolag.

³⁾Includes Carnegie All Cap, Carnegie Micro Cap, Carnegie Småbolagsfond and Carnegie Spin-Off.

⁴⁾Includes Länsförsäkringar Mix and Länsförsäkringar Småbolag Sverige.

Risk factors

An investment in securities is always associated with risk. Such risks may cause that the share price of Momentum Group's shares falls significantly and investors may lose all or part of their investment. The following contains material risks and uncertainties for Momentum Group's future development, as well as risks relating to the Listing and Momentum Group's shares. The risks are not ranked, nor do they claim to be comprehensive. Additional risks and uncertainties not currently known to Momentum Group may also develop into important factors affecting Momentum Group's business and future development. For obvious reasons, all risk factors cannot be described in this section. For a more detailed description of the risks that may affect Momentum Group, refer to the prospectus that will be prepared by Momentum Group and published prior to the listing.

Risks related to Momentum Group's industry and market

The Momentum Group's financial results tend to fluctuate based on the general economic climate and other macroeconomic conditions beyond the group's control

The Momentum Group's customers are mainly industrial companies, mainly in Sweden and to some extent in Norway and Denmark. The results of the constituent companies are thus affected by conditions in the Nordic economies, where demand for the Momentum Group's products and services may be lower in a recession. Demand for Momentum Group's products and services is particularly dependent on the consumption of products and services within industrial components for MRO (Maintenance, Repair & Operations) in the Nordic region. A prolonged period of low growth or economic downturn may reduce demand for Momentum Group's products and services. Furthermore, Momentum Group has difficulties in compensating for a temporary decline in revenue in the short term based on semi-fixed costs. Any of these developments, if they occur, could have a material adverse effect on Momentum Group's business, cash flow, earnings and financial position.

The Momentum Group operates in competitive markets

The Momentum Group operates in markets that are exposed to competition. Competition exists in terms of geographic market and in terms of customer groups and product segments. Customers are increasingly seeking to limit the number of suppliers and work more closely with them to jointly develop the value chain, focus on value-added product and service offerings, and thereby reduce the total cost of purchasing, inventory, administration and capital tied up. Competition at the reseller level consists of local operators, e-commerce based resellers and international players. There is a risk that new entrants with financial strength may grow in strength, which could have a negative impact on the group's business through loss of market share or through increased pricing pressure and reduced profitability, thereby also having a negative impact on its cash flow, earnings and financial position.

Momentum Group depends on efficient logistics with high availability

Momentum Group's operations are dependent on external suppliers fulfilling their agreements, for example regarding volume, quality and delivery time. Incorrect, delayed or non-deliveries may mean that Momentum Group is unable to deliver requested and/or sold products. This could result in reduced sales of the group's products, reduced customer satisfaction and potentially increased costs. Furthermore, Momentum Group may be adversely affected if the Momentum Group's suppliers suffer financial, legal or operational problems, such as price increases or inability to deliver products with the agreed quality. These factors may result in reduced sales of the Momentum Group's products or affect the Momentum Group's ability to purchase the necessary products in time and at the right price to deliver them to customers.

Furthermore, interruptions in delivery may occur due to lack of availability of raw materials, labour disputes (involving employees or consultants of Momentum Group or its partners) or weather conditions affecting products or transportation, transport disruptions or other factors beyond Momentum Group's control. Prolonged or short disruptions in the group's supply chain could result in a deterioration of its reputation, a need to maintain higher inventory levels while the group substitutes similar products, higher product costs and, ultimately, a reduction in revenue and profitability. Disruption to the ready availability of the group's products from key suppliers would lead to a reduction in revenue and profitability.

Momentum Group is dependent on its suppliers and that they maintain high quality

There is a risk that the Momentum Group may not be able to identify and develop relationships with qualified suppliers who can meet its standards of quality and price and the group's need to access products and supplies in a timely and efficient manner. Momentum Group may need to replace suppliers if products do not meet the group's standards in terms of quality, price or safety. Momentum Group's results and inventory levels may be affected if a supplier unwilling or unable to meet the group's requirements cannot be replaced promptly by a supplier offering similar products. Momentum Group is also partly dependent on certain suppliers' brands. It is not uncommon for foreign manufacturers to use several distributors in a local market. It is therefore important for distributors to work closely with manufacturers who have established brands. The loss of, or significant reduction in the availability of, products from Momentum Group's suppliers, or the loss of a key supplier, could have a material adverse effect on the group's business, financial position, results and cash flow.

The Momentum Group's ability to distribute its products may be significantly affected in the event of damage to or operational problems at Momentum Group's logistics centre

Momentum Group's largest subsidiary (in terms of revenue and number of employees), Momentum Industrial AB, uses a logistics centre in Alingsås (Sweden) for part of its flows of goods. A fire, problems with IT systems or other technology used in the logistics centre, or any other form of significant disruption, could cause problems for Momentum Industrial AB to deliver products to its customers in accordance with the delivery terms, which could in turn result in lost revenue or increased costs for the Momentum Group in the event of substitute alternatives. The extent of the damage that may occur depends primarily on the extent and duration of the damage and operational problems.

Momentum Group may experience difficulties in completing acquisitions

Acquisitions are an important part of Momentum Group's growth strategy. However, there is a risk that Momentum Group will not be able to identify suitable acquisition targets or complete acquisitions on favourable terms due to, for example, competition from other acquirers or a lack of financing. Furthermore, successful integration of acquisitions into the Momentum Group's existing business may fail and desired financial targets may not be achieved. In addition, Momentum Group's ability to acquire companies may be limited due to the concentration of ownership in a specific market and Momentum Group's relative market position. This could lead to a reduction or slowdown in Momentum Group's growth and Momentum Group not achieving its financial or strategic objectives.

Cyber security

Momentum Group must maintain a well-functioning IT infrastructure to ensure business continuity and improve efficiency. For example, breaches of cyber security may lead to unforeseen and unauthorised intrusions into the group's internal IT environments, into the supply and distribution chain and/or into the Momentum Group's connected products. Information about products, contracts, sales prices and costs constitutes sensitive information that could be subject to cyber threats. Momentum Group is primarily exposed to malware attacks and ransomware, but cyber-related risks can also arise from loss of information due to inadequate or incorrect internal processes, disruptions or technical failures, human error or natural disasters. These risks may also exist at the group's suppliers, distributors and other external parties with whom the group interacts. Cyber-related threats pose a significant risk to the Momentum Group, as they could lead to business interruption, loss of critical data, loss of revenue and reputational damage, which would negatively impact Momentum Group's results.

Momentum Group is in a phase of expansion and growth, which entails future capital requirements

In the event that the Momentum Group is unable to generate sufficient revenues or positive cash flows in the future to fund the group's expansion plans, the Momentum Group will be dependent on raising capital by other means in order to continue funding the phase. There is a risk that difficulties may arise in obtaining that external financing due to the fact that necessary capital is unavailable or can only be obtained on unfavourable terms for the group. If Momentum Group is not provided with liquidity, Momentum Group will have to reduce its planned expansion, which could result in previous investments and efforts for the expansion not being fully utilised and future planned revenue streams being less than Momentum Group had planned for.

Momentum Group is subject to risks related to goodwill

Momentum Group is an acquisition-intensive group, which has resulted in a significant portion of Momentum Group's recognised assets consisting of goodwill. As of 31 December 2021, Momentum Group recognised goodwill amounting to SEK 236 million, corresponding to approximately 24 per cent of the Momentum Group's total balance sheet. There is a risk that the group's accounting for goodwill in connection with acquisitions may be misstated. There is no amortisation of goodwill. Instead, impairment is made where necessary. If acquired businesses do not develop according to plan, this may result in the need to write down goodwill. Impairment tests of goodwill are performed at least once a year. Any impairment may have a material adverse effect on Momentum Group's balance sheet, income statement and overall value.

Risks related to the Listing and Momentum Group's shares**Risks related to the Listing and the liquidity and price development of the shares**

Securities trading is always associated with risk and risk-taking and there has been no regular trading in Momentum Group's shares prior to the Distribution of Alligo's shares in Momentum Group. Momentum Group cannot assess in advance the extent to which the interest in investing in the shares will lead to the development and maintenance of active and liquid trading in Momentum Group's shares. If active and liquid trading cannot be maintained, there may be difficulties in disposing of the shares. The pricing of Momentum Group's share is also subject to factors beyond Momentum Group's control, including capital market expectations and developments and economic and political developments in general. Renewed outbreaks of Covid-19 may affect the global capital markets, which entails a risk that Momentum Group's share price, after the planned listing on Nasdaq Stockholm, will follow the general market trend regardless of whether Momentum Group performs in line with or better than market expectations.

Before making an investment in Momentum Group's shares, a careful analysis should be carried out of Momentum Group, its business and market conditions and general information about the industry. An investment in shares should never be seen as a quick way to generate returns, but rather as an investment made with disposable capital for the long term. The price of the shares may be subject to fluctuations as a result of a change in the capital market's perception of the shares or similar securities, due to various circumstances and events such as changes in applicable legislation and other regulations affecting Momentum Group's results, business performance and financial position. The stock market may also occasionally display significant fluctuations of price and volume that are not necessarily related to the Momentum Group's business or prospects. In addition, Momentum Group's results and prospects may from time to time be lower than the expectations of the capital markets, analysts or investors. Any one or more of these factors may result in a fall in the share price.

Future offers of shares or other securities

Momentum Group may in the future issue shares or other securities to finance its operations or make acquisitions or other investments. A future issue of shares or other securities such as subscription warrants, convertibles or bonds may adversely affect the share price and the distributable funds available. Furthermore, a new issue may lead to a dilution of the economic and voting rights of existing shareholders who do not exercise their right to subscribe for shares in the issue or if Momentum Group carries out a directed share issue without pre-emptive rights for existing shareholders.

Profit sharing

In determining the dividend, Momentum Group shall take into account a number of factors, including Momentum Group's future performance, investment needs and other factors that the Board of Directors of Momentum Group considers to be important. The decision on dividends is ultimately taken by the Annual General Meeting. There are many risks that may adversely affect Momentum Group's business and thus lead to Momentum Group not achieving a result that generates distributable funds and thus allows for dividends.

Certain tax issues in Sweden

The following is a summary of certain Swedish tax rules that arise in connection with Alligo's distribution of shares in Momentum Group and the subsequent listing of Class B shares in Momentum Group on Nasdaq Stockholm. The summary covers shareholders who are subject to unlimited tax liability in Sweden, unless otherwise stated. The summary is based on current legislation and is only intended for general information. The following statement does not cover situations where the shares in Alligo or Momentum Group are held as business shares or stock in a business or held by partnerships. Nor do they include the special rules that may apply to holdings in companies that are or were previously in so-called close companies or shares acquired on the basis of so-called qualifying shares in limited companies. The summary also does not include shares or other rights to shares that are held in a so-called investment savings account and which are subject to special rules on flat rate taxation. In addition, special rules apply to certain categories of taxpayers (e.g. investment funds, investment companies and insurance companies). The tax treatment of each individual shareholder depends on their particular circumstances and tax residence. Each shareholder should therefore consult tax advisers as to the tax consequences that the Distribution, future dividends and disposals may have for them, including the applicability and effect of foreign rules and tax treaties.

Summary

The distribution of shares in Momentum Group is intended to take place in accordance with the so-called Lex ASEA rules, which means that no immediate taxation will occur. The cost of the shares in Alligo entitled to the Distribution shall be allocated between these shares and the shares received in Momentum Group.

Taxation on the distribution of shares in Momentum Group

According to the advance ruling of the Council of Advanced Tax Rulings, the distribution of shares in Momentum Group is exempt from taxation in Sweden under the Lex ASEA rules, provided that the conditions set out in the advance ruling are fulfilled at the time of the Distribution. The cost of the shares in Alligo entitled to the Distribution shall therefore be allocated between these shares and the shares received in Momentum Group. The allocation of the expenses amount is based on the change in value of the shares in Alligo resulting from the distribution of shares in Momentum Group. Alligo intends to apply for general advice from the Swedish Tax Agency regarding the allocation of the amount of expenses. Information on the Swedish Tax Agency's general advice will be provided as soon as possible on the websites of Alligo, Momentum Group and the Swedish Tax Agency.

Taxation on disposal of shares and interests in shares in Momentum Group

Capital gains tax will be triggered upon disposal of shares received in Momentum Group. The same applies to shareholders who receive shares in Momentum Group that are sold on their behalf. A capital gain or loss on listed shares is calculated as the difference between the selling price after deducting sales costs, and the cost basis. The amount of expenses for the shares in Momentum Group received through the Distribution will be determined on the basis of the general advice that the Swedish Tax Agency will issue. Capital gains and losses are calculated by aggregating the cost of all Momentum Group shares of the same class and type and calculating them jointly using the average cost method. This means that the average cost of shares held is normally affected if new shares of the same class and kind are acquired. Alternatively, as the Class B shares in Momentum Group will be listed on the market, the amount of

expenses for these shares may be set at 20 per cent of the net sales proceeds using the flat rate method.

For individuals and estates, capital gains are normally taxed in the capital income category at 30 per cent. If a capital loss occurs on market-listed shares, it is fully deductible against taxable capital gains in the same year on shares and other market-listed units, except units in investment funds containing only Swedish debt securities (fixed-income funds). Capital losses that cannot be offset in this way can be deducted at a rate of 70 per cent against other capital income.

If a deficit occurs in capital income, a reduction from the tax is granted on income from services and business, as well as property tax and municipal property tax. A tax reduction is granted of 30 per cent of the loss up to SEK 100,000 and 21 per cent of the remainder. The loss cannot be carried forward to future income years.

In the case of limited companies, capital gains on shares that are not business-related are taxed at 20.6 per cent in the business income category. Capital gains and capital losses are calculated essentially in the same way as described above for natural persons. Deductions for capital losses on such shares are allowed only against taxable capital gains on shares and other rights to shares (Sw. aktiefällan). Such capital losses may also, if certain conditions are met, be set off against capital gains on shares and other rights to shares arising in another company within the same group, provided that there is a right to group contributions between that company and the company which has recognised the capital loss. A capital loss that it is not deductible one year may be deducted from capital gains on rights to shares in later years without any limitation in time.

Taxation of future dividends from Momentum Group

Future dividends from the Momentum Group will be taxed at 30 per cent in the capital income category for individuals and estates and at 20.6 per cent in the business income category for limited liability companies, provided that the shares are not subject to corporate tax. For natural persons and estates, a 30% withholding tax is levied. The preliminary tax is normally withheld by Euroclear or, for nominee registered shares, by the nominee.

Shareholders with limited tax liability

Shareholders who have limited tax liability in Sweden are usually subject to Swedish coupon tax on dividends from Swedish limited companies. However, coupon tax is not levied on the distribution of shares in Momentum Group, as the Distribution is carried out in accordance with the so-called Lex ASEA rules. However, the Distribution may give rise to tax consequences in the shareholder's country of residence.

Coupon tax will normally be payable on future dividends from Momentum Group to shareholders with limited tax liability in Sweden. Withholding tax on dividends is levied at 30 per cent. However, the tax rate is generally reduced for shareholders resident in countries with which Sweden has concluded a tax treaty. Withholding tax is normally deducted at source by Euroclear or, for nominee registered shares, by the nominee. In the event that 30 per cent coupon tax is withheld upon payment and the shareholder is to be taxed at a

lower rate (or if too much coupon tax is withheld on other grounds), an application for refund may be made to the Swedish Tax Agency before the end of the fifth calendar year after the distribution.

Shareholders subject to limited tax liability in Sweden, who do not conduct activities from a permanent establishment in Sweden, are normally not taxed in Sweden on capital gains deriving from the sale of shares. The shareholders may however be tax-liable in their country of residence. Under a special rule, individuals subject to limited tax liability in Sweden, may be subject to capital gains tax in Sweden on the sale of Swedish shares if they at some point during the calendar year in which the sale took place or during the preceding ten (10) calendar years, have been resident or had their habitual abode in Sweden. However, tax liability under the ten-year rule may be limited by the application of a tax treaty between Sweden and the State of residence of the shareholder.

Frequently asked questions and answers

Why are Alligo's shares in Momentum Group being distributed?

The Boards of Alligo and Momentum Group consider that Momentum Group is ready to take the step to become an independent listed company. A separation of the group through a separate listing of Momentum Group is considered a logical step in order to leverage the strategic and operational opportunities within the group's businesses, while at the same time capitalising on the opportunities for long-term profitable growth within Momentum Group, both organically and acquisition-driven, thereby contributing to increased shareholder value.

What are the terms of the Distribution?

Any person who is registered as a shareholder of Alligo on the record date for the distribution on 25 March 2022 will receive one (1) Class A share in Momentum Group for each Class A share in Alligo and one (1) Class B share in Momentum Group for each Class B share in Alligo.

Do shareholders of Alligo need to take any action to receive shares in Momentum Group?

Anyone who is registered as a shareholder of Alligo on the record date of 25 March 2022 (directly registered or through a nominee) does not need to take any further action to receive shares in Momentum Group.

Will the shareholders of Alligo and Momentum Group respectively receive any dividend for the financial year 2021?

Alligo's Board of Directors has proposed that the Annual General Meeting of Alligo on 11 May 2022 resolves to distribute a dividend for the financial year 2021 of SEK 1.75 per share. The cash dividend for the financial year 2021 will, following the decision of the Annual General Meeting, be paid to holders of shares in Alligo on the record date for the cash dividend proposed by the Board.

Will the dividend have any tax consequences for shareholders of Alligo?

The distribution of shares in Momentum Group is intended to take place in accordance with the so-called Lex ASEA rules, which means that no immediate taxation will occur. The cost of the shares in Alligo entitled to the Distribution shall be allocated between these shares and the shares received in Momentum Group. Alligo intends to apply for general advice from the Swedish Tax Agency regarding the allocation of the amount of expenses. Information on the Swedish Tax Agency's general advice will be provided as soon as possible on the websites of Alligo, Momentum Group and the Swedish Tax Agency.

Definitions

Alligo or the Alligo Group	Alligo AB (publ), reg. no 559072-1352, the group of which Alligo AB (publ) is the parent company or a subsidiary in the group, prior to the Distribution (unless the context requires otherwise).
Euroclear	Euroclear Sweden, reg. no 556112-8074.
Momentum Group or the Momentum Group	Momentum Group AB (publ), reg. no 559266-0699, group of companies of which Momentum Group AB (publ) is the parent company or a subsidiary of the group after the Dividend (unless otherwise stated in the context).
Nasdaq Stockholm	The regulated market Nasdaq Stockholm or Nasdaq Stockholm AB, depending on the context.
Listing	The planned listing of Momentum Group's Class B shares on Nasdaq Stockholm.
SEK	Swedish kronor.
Distribution	The proposed distribution of all of Alligo's shares in Momentum Group to the shareholders of Alligo.

WE MAKE BUSINESSES WORK

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