ALLIGO

Interim report Q2 2025

1 January – 30 June

Thursday July 17, 2025

AGENDA

- This is Alligo
- Highlights Q2 2025
- Update
  - Alligo's scalable platform
- Financials
- Summary and outlook
- Q&A

This is Alligo

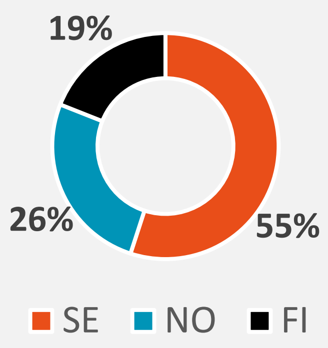
Alligo – a leading player in workwear, personal protection, tools and supplies in the Nordic region

9,434
MSEK Revenue

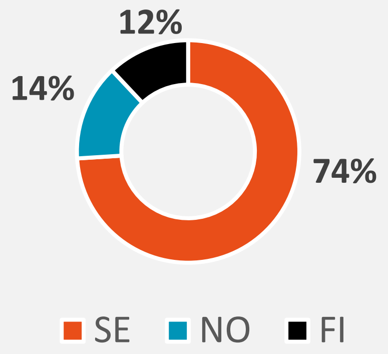
2,557
Employees

241
Stores

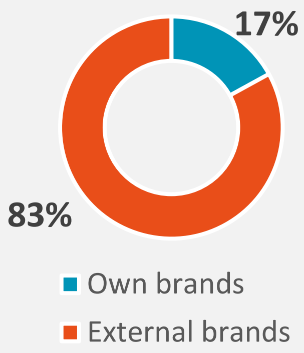
Revenue
per geographic area R12

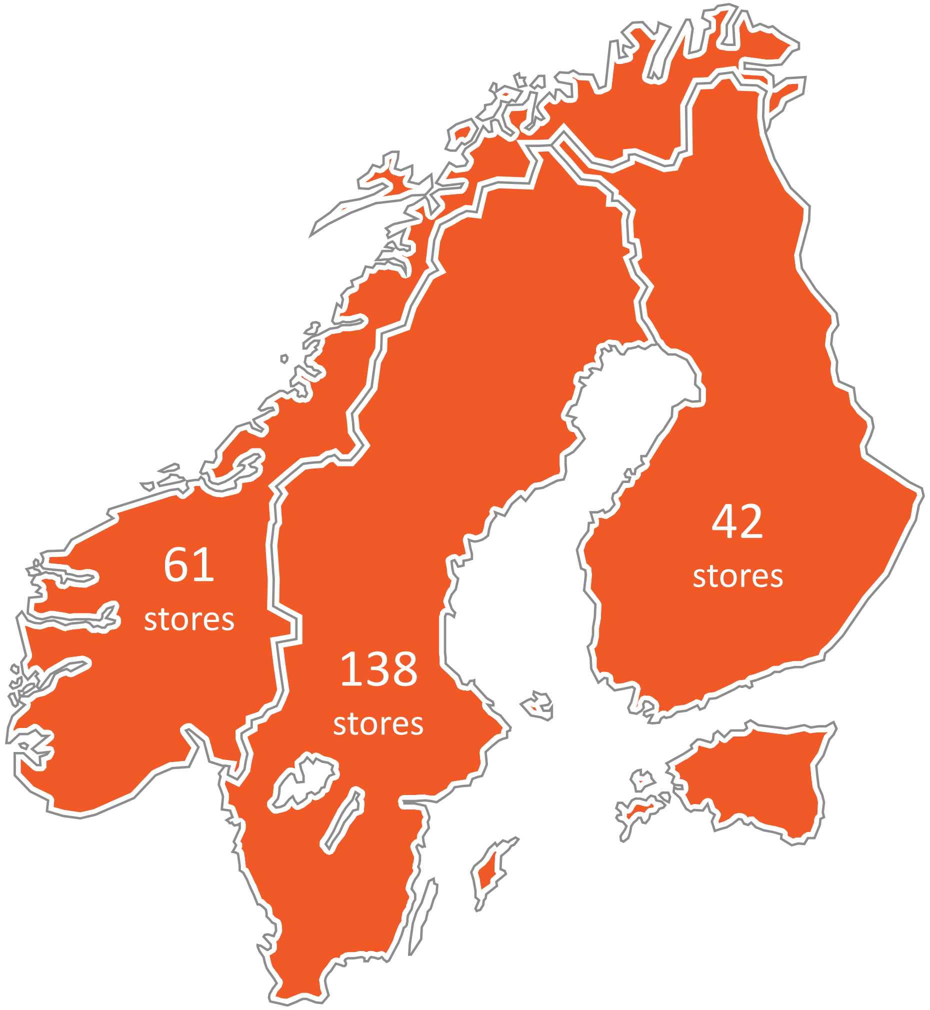


EBITA
per geographic area R12



Revenue
per brand category R12





Data above refers to R12 June 2025

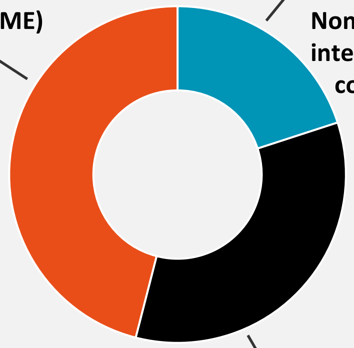
An integrated business with a scalable platform = 80% of sales

- Two strong concept brands in three markets

swedol TOOLS

- Common Nordic functions
  - Shared functions (logistics, IT and ERP systems, legal structure, pricing system and range)
  - Supports flexibility and scalability
  - Enables efficient coordination of new investments

Sales per channel 2025 YTD



Own product brands are a key competitive advantage that provide better control and profitability

Non-integrated companies add strategic value = 20% of sales

Product Media

13 profile/product media specialists (SE)

Revenue: **520 MSEK** /yr

Welding

6 welding specialists (SE and FI)

Revenue: **400 MSEK** /yr

Battery

Batterilagret – a battery specialist (SE) with **27** stores

Revenue: **275 MSEK** /yr

Other

8 companies in the Nordics

Mercus (SE)
Revenue: **175 MSEK** /yr

Hämeen & Riihimäen (FI)
Revenue: **175 MSEK** /yr

Acquisitions is an integral part of Alligo's growth strategy

2025 value creation so far:

Completed acquisitions
2 (7)

Stores
28 (12)

Segments
- Battery
- Product Media

Acquired growth
8.8% (3.1)

Annual revenue
≈288 MSEK (317)

Employees
93 (77)

ALLIGO

Highlights Q2 2025

ALLiGO

Q2 2025 business conditions

Market situation

- Challenging but stable market
  - Weak demand in Sweden – Direct sales, non-integrated
  - Norway weaker demand except for Oil & Gas industry
  - Recovery in Finland
- Market sentiment improving
  - Customers remain cautious

Proactive management

- Driving sales
- Cost reductions
- Growth by acquisitions
- Reducing inventory levels
- Price adjustments
  - Sensitive categories

Delivery capacity

- Good and stable in Sweden and Finland
- Vestby performance stabilized

Macroeconomic factors

- Continued economic uncertainty in the business cycle
- Global turbulence, including trade wars and tariffs
  - No direct impact on Alligo

Q2 2025 in brief
– Everything is in place but the market remains weak

Revenue
+1.6%

Recovery in Finland, Oil & Gas in Norway remains stable

Organic growth
-4.3%

Acquisition-driven growth of **9.7%**

Operating cash flow
150

MSEK (270)

Adjusted EBITA
144

MSEK (166)

1 less trading day, weaker demand in the integrated business in SE

Adjusted EBITA margin
5.8%

(6.8)

Gross margin
40.1%

(40.3)

Q2 2025 highlights

Sales

- High sales focus in all countries
- Growth initiatives
- Sales efficiency
- Adaptations pricing system

Sustainability

- Alligo's climate targets approved by Science Based Targets initiative
- Collaboration with suppliers to reduce climate impact in the value chain

Operations

- Turnaround Tools FI
- Margin improvements NO
- Assortment management
- Cost reductions
- Capital efficiency

Prioritised growth areas 2025 – applicable across all our markets

Services

Develop further in services, conceptualise our offering

In-store sales

Develop our store sales in line with best practice within the Group

Construction industry

Establish a strong position in construction in all countries, with focus on SME customers

Own brands

Expand our own brands

Turnaround Project Tools Finland

On-going actions

- Profitability improvement initiatives targeting larger industrial customers
- Review of store network and product range – 2 stores closed in H1
- Strengthened leadership

Key factors that directly impact profitability – the share of own brands and SME customers

Adjusted EBITA-margin that needs to be reached in Finland*

6-8% (2.9 H1)

Share of own brands YTD

9% (SE 21)

Share of sales in stores YTD

21% (SE 53)

**To reach Alligo's financial target of a 10 percent (Finland in total)*

Update

- Alligo’s scalable platform

Building Alligo's scalable platform 2022–2025…

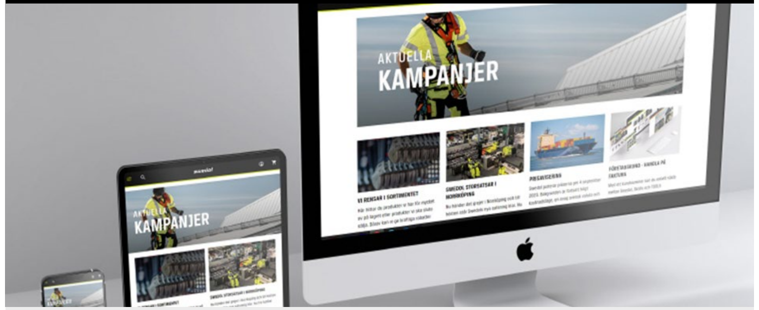
Completed projects:

- Common strategy and core values
- Nordic organisation
- Simplified legal structure
- Coordination of the logistics in SE & NO
- Unified ERP and e-commerce platforms
- Common pricing system
- Harmonised Nordic standard range
- Store coordination aligned with concept brands
- Harmonised processes and IT-infrastructure

Continuous improvements in daily business

...for future growth and profitability

ERP & e-commerce platforms



- Unified ERP and e-commerce platform
- Standardized IT infrastructure
- Enhanced cybersecurity and compliance
- Omnichannel integration

Harmonised Nordic standard range

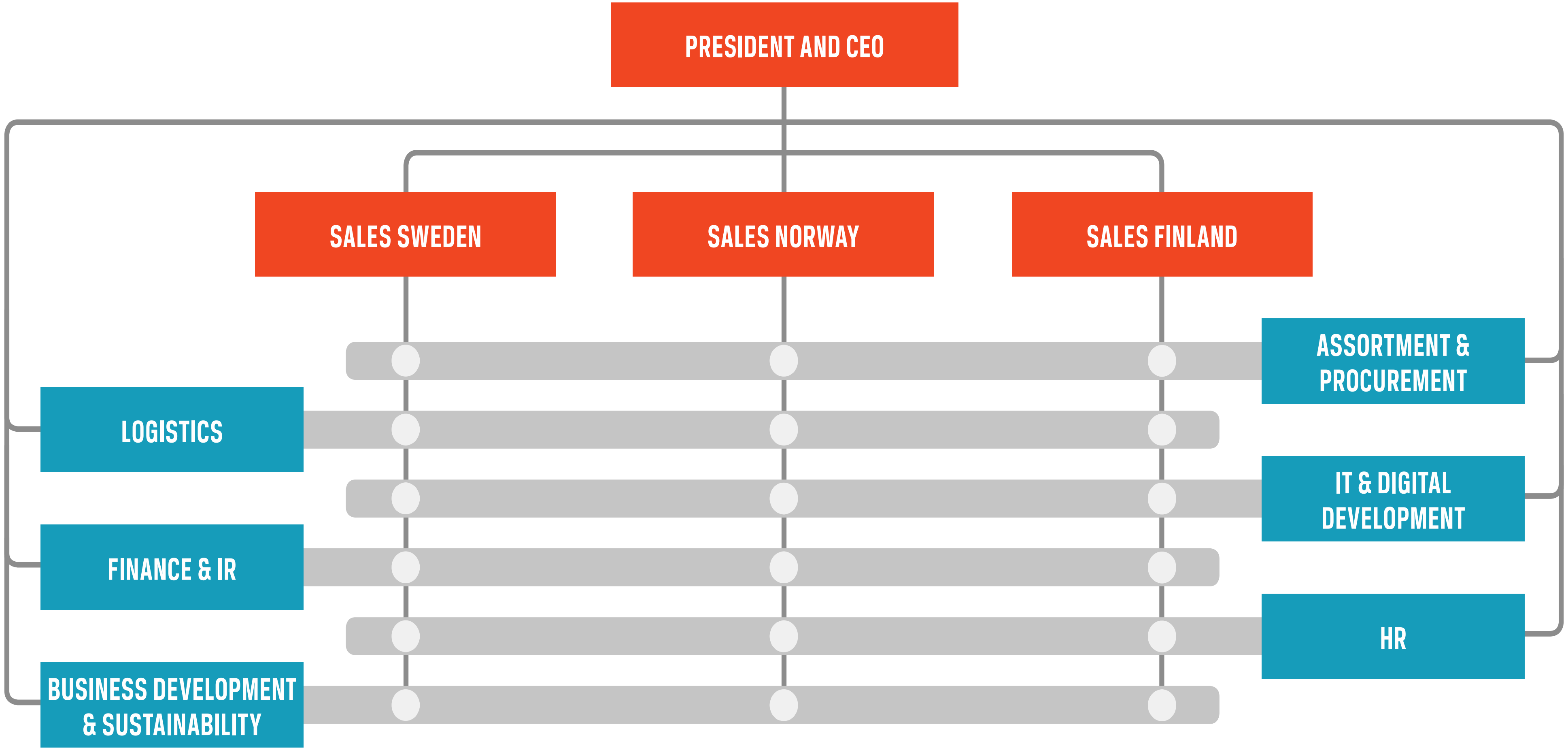
- Supplier base reduced by **50 %**
  - Stronger partnerships, more competitive purchase prices
  - Improved control, higher requirements and standards
- Decreased articles in the standard range by **66 %**
- Own brands – increased share of sales in integrated business H1 2025 **21%** (20%)

Store coordination

- Stores that have been merged or relocated since 2021: **35**
- Aligned assortment
- Review of premises to optimize store space

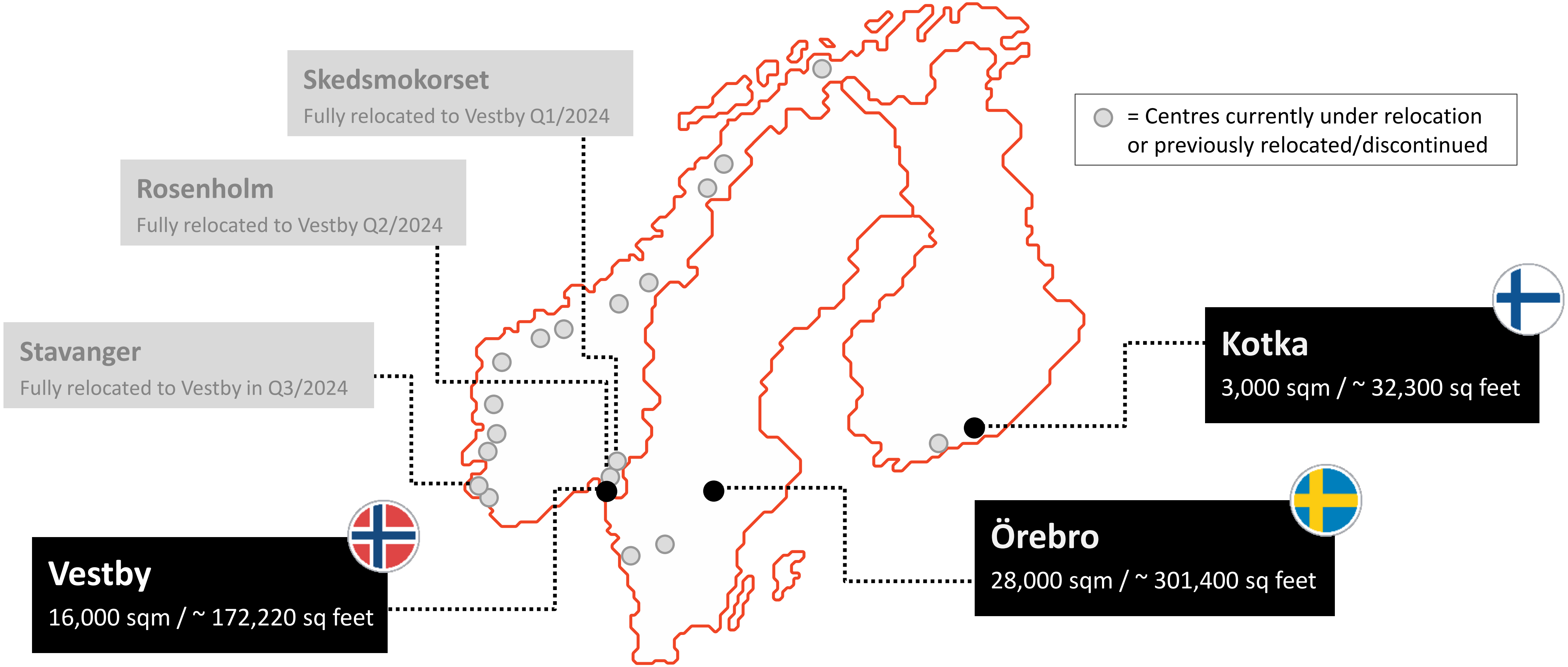
ALLiGO

Alligo’s Nordic organization



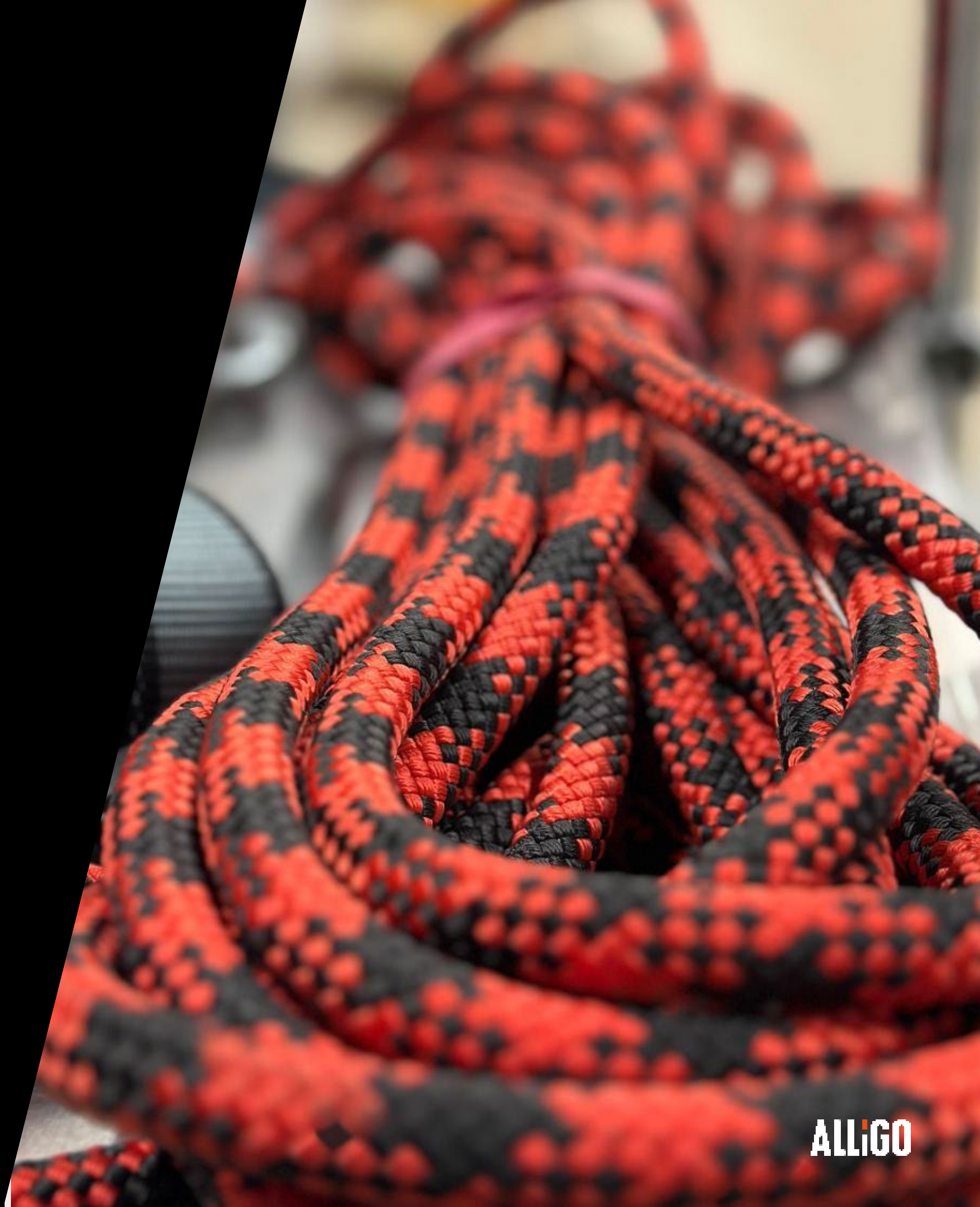
Alligo’s integrated Nordic logistics function

– Increased storage capacity, improved efficiency and logistical offer



ALLiGO

Financials



ALLIGO

Acquisition driven growth counteracts weak organic sales

– Slightly decreased contribution margin due to negative mix effects and margin pressure in NO

Revenues and EBITA

MSEK	2025 Apr-Jun	Δ, %	2024 Apr-Jun	2025 Jan-Jun	Δ, %	2024 Jan-Jun
Revenue	2,470	1.6	2,432	4,702	2.2	4,601
Adjusted EBITA	144	-13.2	166	218	-12,8	250
Amortisation	-18		*-15*	*-36*		*-30*
Items affecting comparability	*-28*		*-4*	*-47*		*-8*
Operating profit	98		147	135		212
Gross margin, %	40.1		40.3	40.5		40.7
Adjusted EBITA margin,%	5.8		6.8	4.6		5.4

Highlights Q2 2025

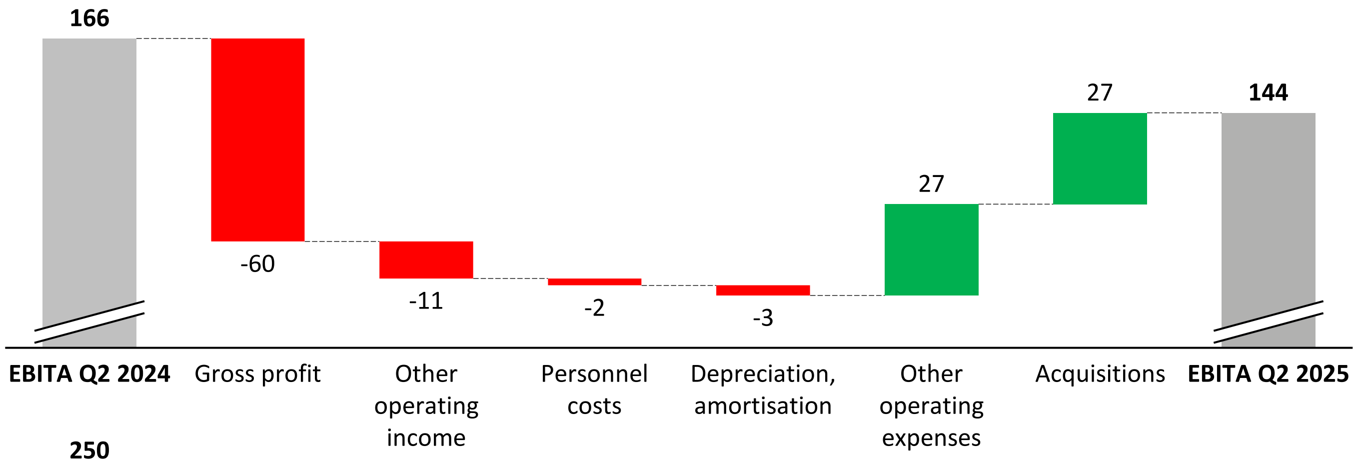
- Revenue increased by 1.6%
  - Organic growth of -4.3%
  - Acquisition-driven growth of 9.7%
  - One trading day less -1.6%, FX -2.3%
- Slightly decreased contribution margin
  - Negative mix effects and margin pressure in NO
- Adjusted EBITA decreased by 22 MSEK
  - Weak volumes, negative country mix
  - EBITA acquisitions 27 MSEK
  - Cost-savings
- Items affecting comparability are mainly related to the closure and coordination of stores
- Financial net -37 MSEK (-33)
  - Whereof -24 MSEK (-22) related to IFRS 16
  - Q2 average interest rate 3.6% (4.9)

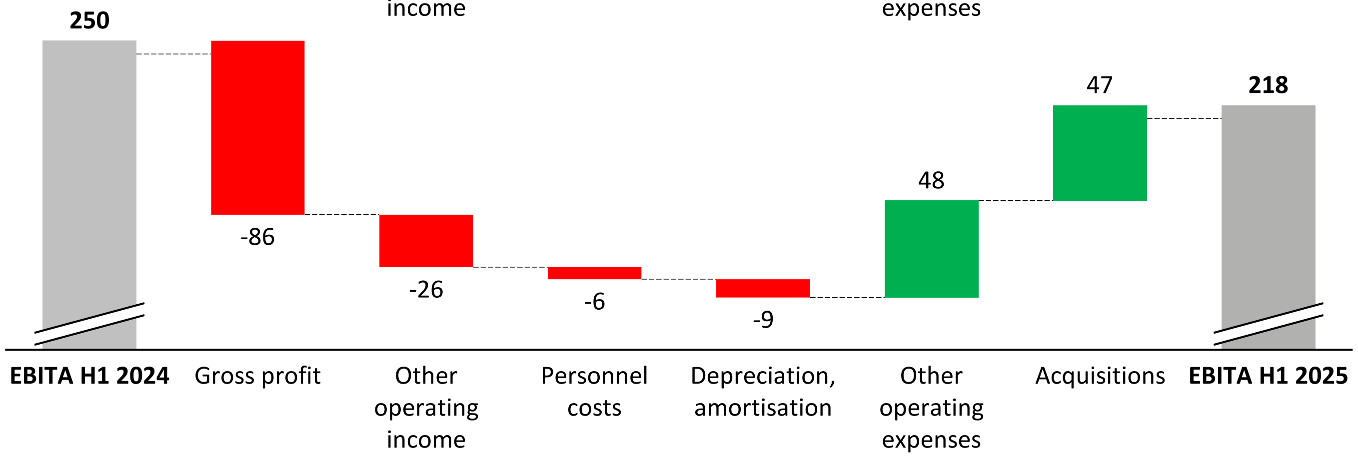
ALLiGO

The decline in EBITA was primarily caused by weak sales

– Results from acquisitions and cost savings counteract

EBITA bridge Q2 2025





Highlights Q2 2025

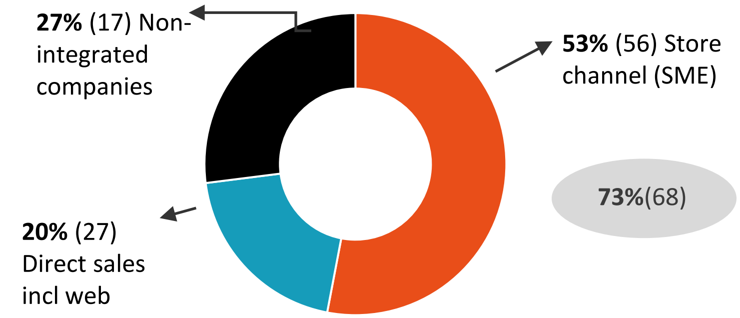
- Weaker volumes and -1WD and adverse mix effects explain the decreased gross profit.
- Decreased other operating income
  - divestment of the 3PL business
  - reduced marketing contributions.
- Cost savings have offset the impact of salary increases and other effects of inflation.
- Additional cost reductions initiated in Q1
  - Gradual effect from mid-year

Q2- Increased share of own brands and SME in SE integrated business

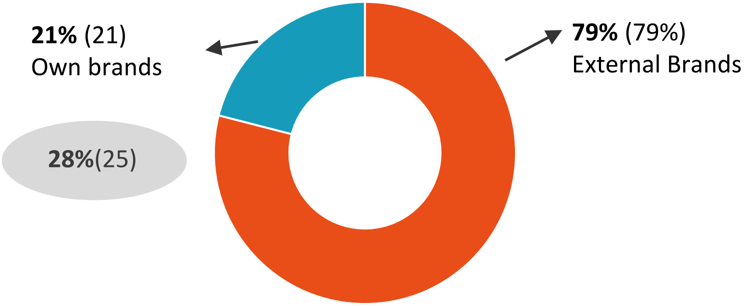
– Flat development of the share of own brands in NO and FI integrated businesses

Sweden

SALES PER CHANNEL

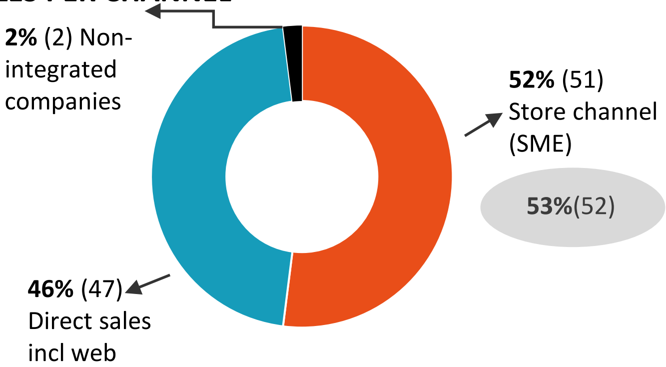


SALE OF OWN BRANDS

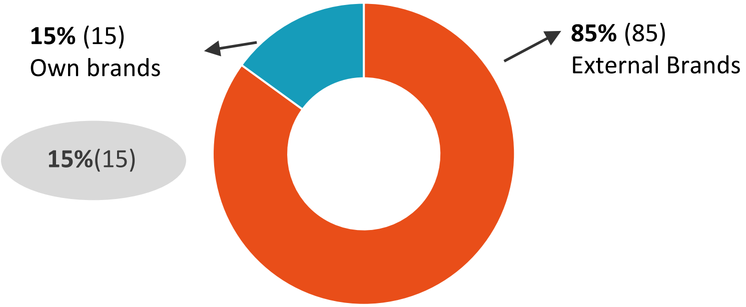


Norway

SALES PER CHANNEL

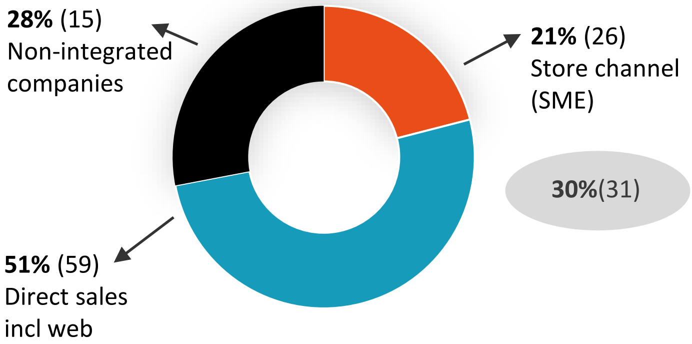


SALE OF OWN BRANDS

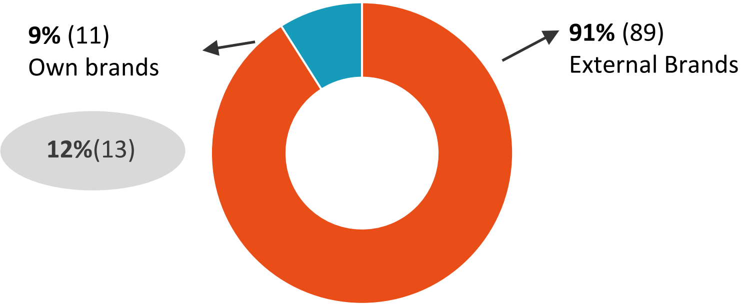


Finland

SALES PER CHANNEL

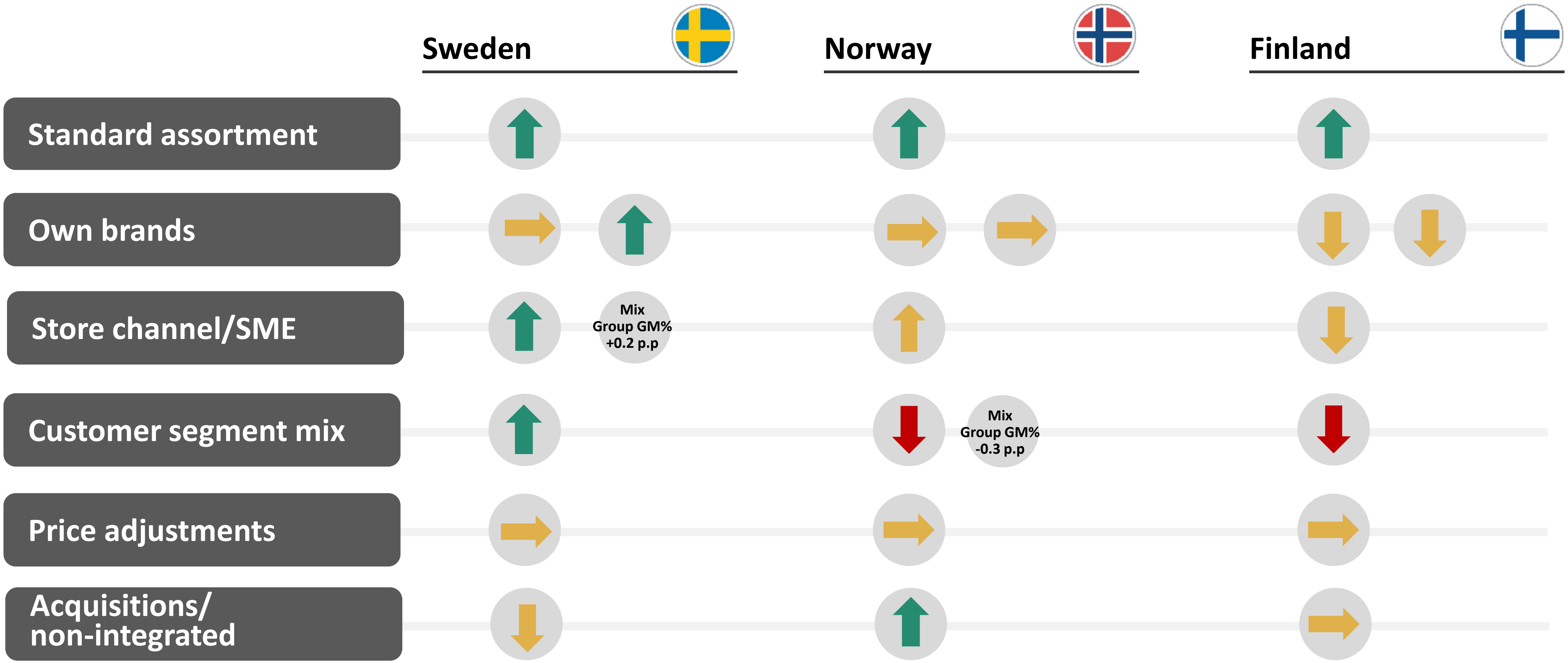


SALE OF OWN BRANDS

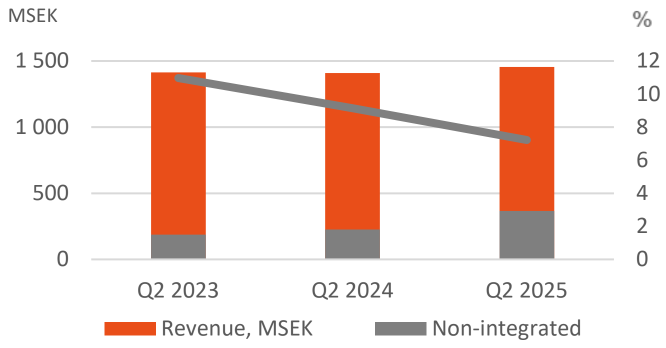


Improved contribution margin in Swedol due to increased share of SME

– Continued challenges related to customer segment mix and general price pressure in Norway



Sweden

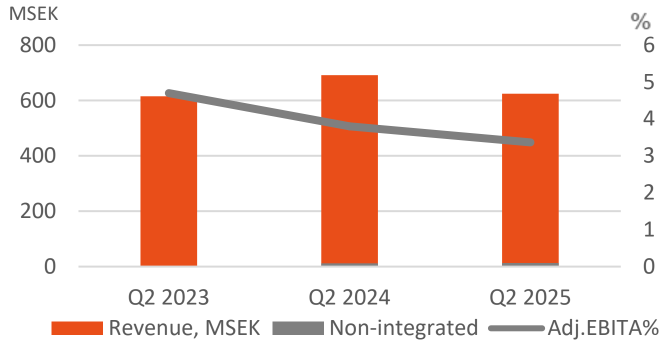


- **Revenue increased by 3.1%**
  - Continued weak market
  - Acquisitions +10.5 %
- **EBITA decreased by -24 MSEK**
  - One less trading day and lower volumes
  - Improved margins – partly mix
  - Cost reductions
  - Acquisitions 14 MSEK

Organic growth Q2
-6.9% (-6.0)

Adj. EBITA margin Q2
7.2% (9.1)

Norway

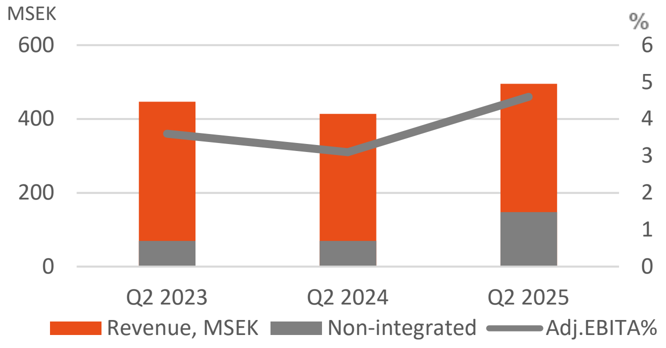


- **Revenue decreased by -9.7%**
  - Weak sales in all segments except for Oil & gas
  - Negative impact from FX -5.2%
  - Acquisitions +0.6%
- **EBITA decreased by -5 MSEK**
  - One less trading day and lower volumes
  - Decreased margins – partly mix
  - Acquisitions 0 MSEK

Organic growth Q2
-3.6% (8.0)

Adj. EBITA margin Q2
3.4% (3.8)

Finland



- **Revenue increased by + 19.6%**
  - Recovery but low comparables
  - Negative impact from FX -4.6%
  - Acquisitions +22.2%
- **EBITA increased by +10 MSEK**
  - One less trading day
  - Acquisitions 12 MSEK

Organic growth Q2
3.4% (-11.6)

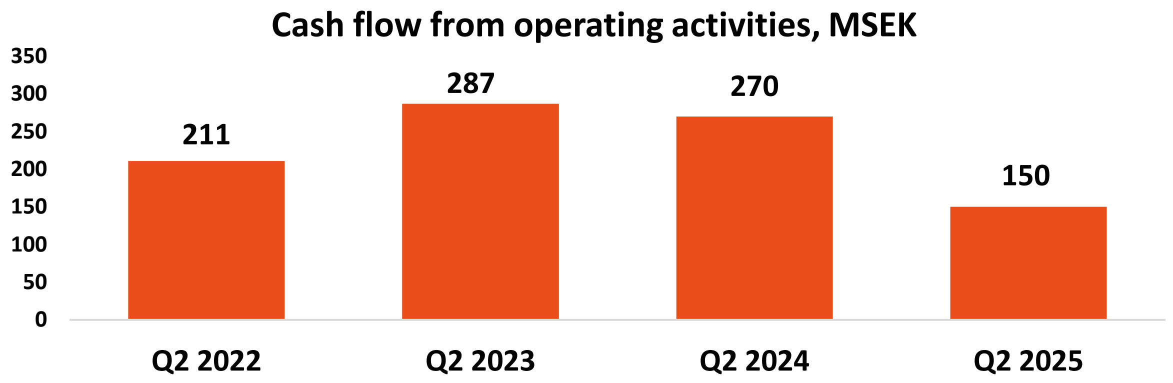
Adj. EBITA margin Q2
4.6% (3.1)

Operating cash flow in Q2 is lower than last year

– Lower EBITDA and inventory build-up of own brands

Cash flow

MSEK	2025 Apr-Jun	Δ	2024 Apr-Jun	2025 Jan-Jun	Δ	2024 Jan-Jun
Operating activities	150	*-120*	270	112	*-286*	398
Investing activities	-95	*-7*	-88	-312	*-66*	-246
Financing activities	-94	*187*	-281	-184	*-99*	-85
Cash flow	**-39**	***60***	**-99**	**-384**	***-451***	**67**



Highlights Q2 2025

- Lower cash flow from operating activities due to lower EBITDA, a net inventory build-up, and decreased trade payables.
  - Further investment in our own brands: Inno, Björnkläder, Univern, Gesto, 1832, Ampro
  - Capital efficiency project
- Cash flow from investing activities is driven by earn-out payments.
  - Capex/Depreciation 0,5
- Cash flow from financing activities
  - Amortization of leasing liabilities, dividend payments, and higher usage of the revolving facility

ALLiGO

Temporary increased leverage

– Higher acquisition pace and weaker EBITDA

Overview of the financial position

MSEK	30 Jun 2025	30 Jun 2024	31 Dec 2024
Non-current interest bearing liabilities	3,230	2,965	3,121
Current interest bearing liabilities	466	433	452
Cash and cash equivalents	-289	-450	-670
Financial lease liabilities	-1,276	-1284	-1,269
Net operational liabilities	**2,131**	**1,664**	**1,634**
EBITDA*, LTM	656	842	689
Net operational liabilities/EBITDA*, ratio	**3.2**	**2.0**	**2.4**

** Excl. IFRS 16*

Highlights Q2 2025

- Ratio of net operational liabilities to EBITDA (excl. IFRS 16) of 3.2
- Cash and unutilized granted credit facilities of 989 MSEK at the end of the period
- Equity/assets ratio 43.6% (excl IFRS 16)
- Total sustainability-linked facility 2,600 MSEK excl. credit facility 400 MSEK +10 MEUR
  - Maturity March 2027
  - Q2 average interest rate 3.6% (4.9)
- Financial covenants fulfilled
- Temporary increased leverage, but still a solid financial position

Summary & outlook

Q2 2025 in summary

- Continued weak economy, but stable markets across all countries
- High sales activity in all markets
- Alligo’s climate targets approved by Science Based Targets initiative
  - Supplier collaboration key to reducing emissions in our value chain
- Continued cost-cautiousness

Outlook 2025

- Improved market sentiment, but customers remain cautious
- Positioned to leverage volume growth and reach financial targets
- Strong offering through high-quality own brands, services, store network, and logistics capability
- Sales remain the top strategic priority for 2025

Q&A

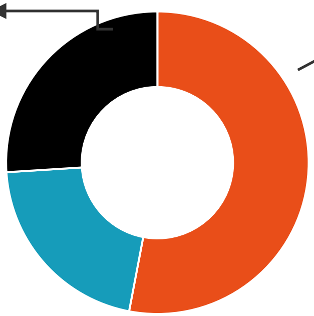
Appendix

YTD - Increased share of own brands and SME in SE integrated business

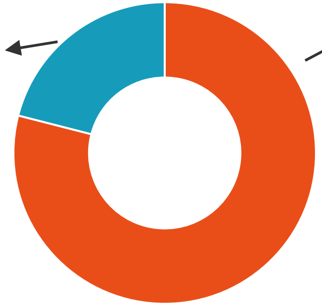
– Flat development of the share of own brands in NO and FI integrated businesses

Sweden

SALES PER CHANNEL

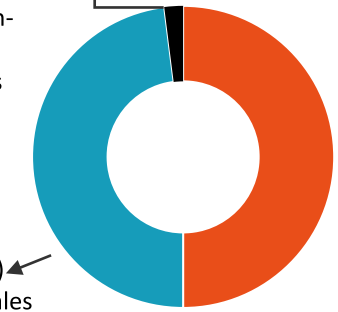


SALE OF OWN BRANDS

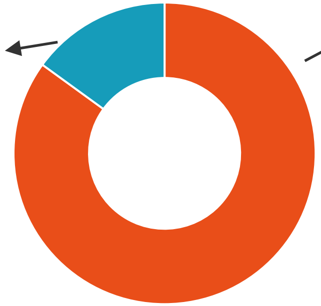


Norway

SALES PER CHANNEL

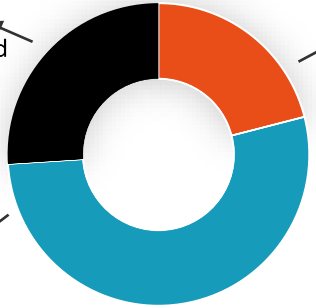


SALE OF OWN BRANDS

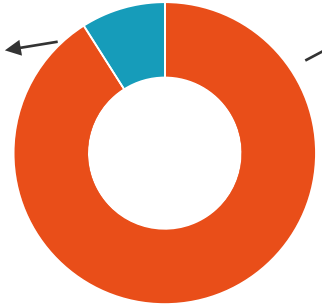


Finland

SALES PER CHANNEL

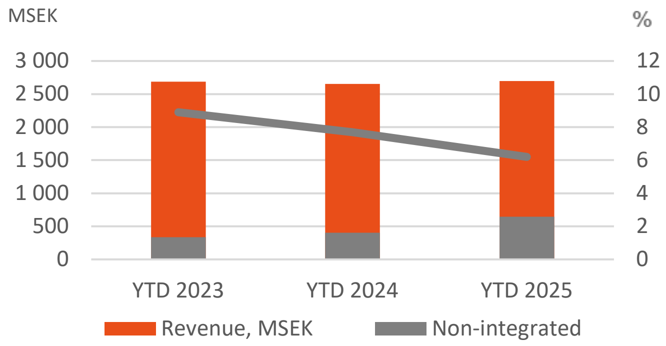


SALE OF OWN BRANDS



ALLiGO

Sweden

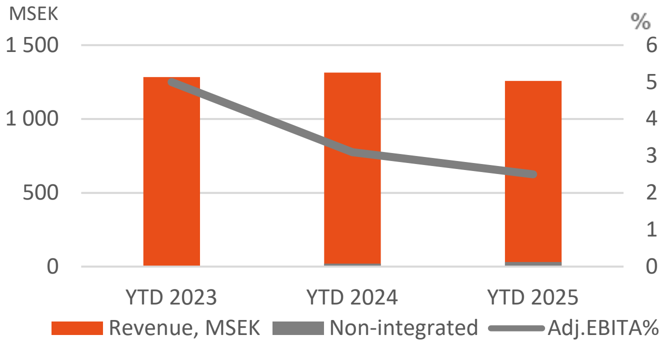


- **Revenue increased by 1.6%**
  - Continued weak market
  - Acquisitions +9.6 %
- **EBITA decreased by -36 MSEK**
  - Two trading days less and lower volumes
  - Improved margins – partly mix
  - Cost reductions
  - Acquisitions 26 MSEK

Organic growth H1 **-7.1%** (-5.3)

Adj. EBITA margin H1 **6.2%** (7.7)

Norway

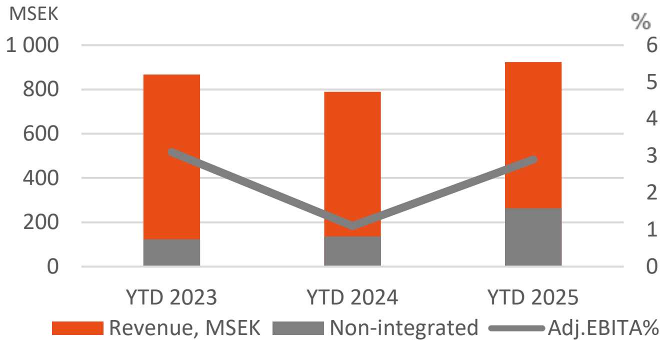


- **Revenue decreased by -4.3%**
  - Weak sales in all segments except for Oil & gas
  - Negative impact from FX -4.0%
  - Acquisitions +0.8%
- **EBITA decreased by -9 MSEK**
  - One less trading day
  - Decreased margins – partly mix
  - Acquisitions 0 MSEK

Organic growth H1 **0.3%** (2.0)

Adj. EBITA margin H1 **2.5%** (3.1)

Finland



- **Revenue increased by + 16.8%**
  - Recovery but low comparables
  - Negative impact from FX -2.6%
  - Acquisitions +19.5%
- **EBITA increased by +18 MSEK**
  - One less trading day
  - Acquisitions 20 MSEK

Organic growth H1 **1.6%** (-13.1)

Adj. EBITA margin H1 **2.9%** (1.1)

Performance in 2024 in relation to financial targets

TARGET

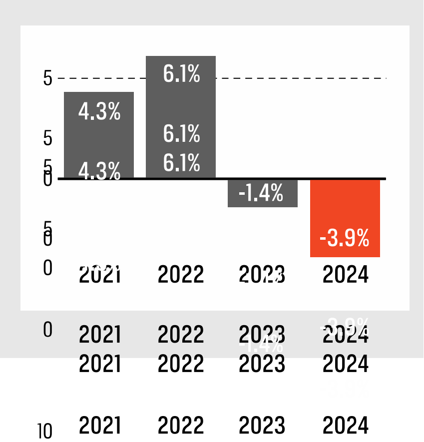
OUTCOME 2024

GROWTH

›5%

Organic growth

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

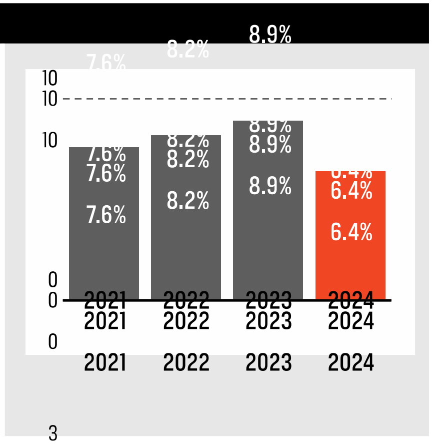


PROFITABILITY

›10%

Adjusted EBITA margin

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



TARGET

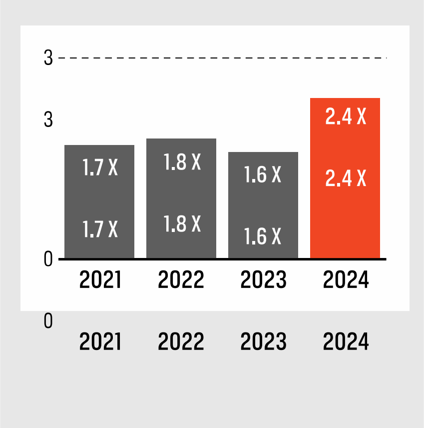
OUTCOME 2024

INDEBTEDNESS

‹3X

Ratio of net operational liabilities to adjusted EBITDA, excl. IFRS 16

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

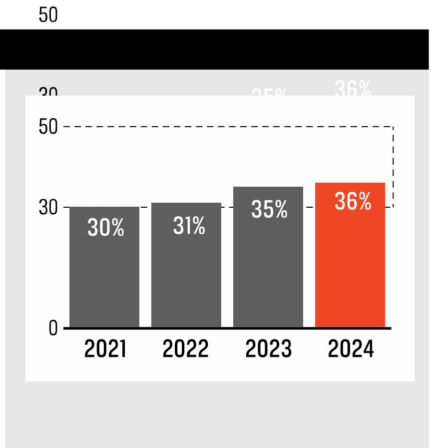


DIVIDEND

30-50%

Dividend from net profit

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



Performance in 2024 in relation to sustainability targets

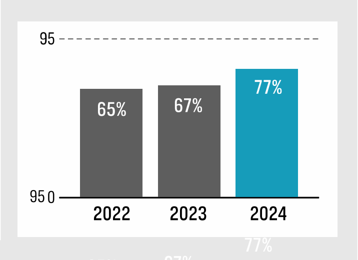
TARGET | OUTCOME 2024

RESPONSIBLE SUPPLIER RELATIONSHIPS

>95%

Must meet the supplier standard

More than 95 per cent must meet Alligo's supplier standard.



SATISFIED CUSTOMERS

>75

Customer Satisfaction Index

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

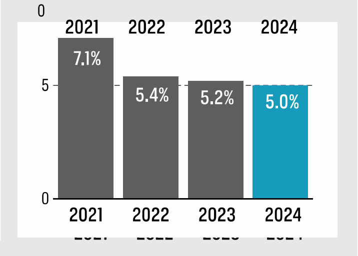
CSI	2021	2022	2023	2024
Sweden Swedol	77	78	-	77
Norway Tools	80	80	-	78
Finland Tools	77	n.a.	-	82

HEALTH

<5%

Sickness absence

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



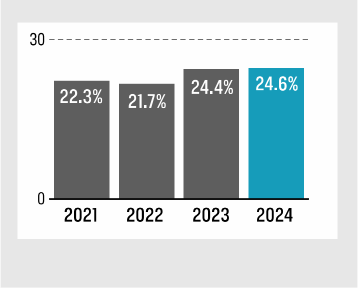
TARGET | OUTCOME 2024

GENDER EQUALITY

>30%

Proportion of women in management positions

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



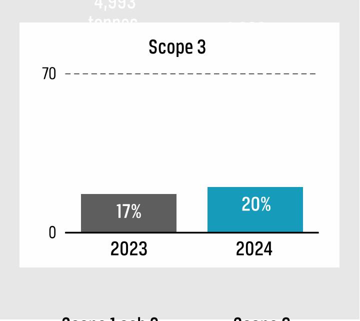
CLIMATE IMPACT

↓CO_2

Reduced greenhouse gas emissions

Scope 1 and 2: Reduce absolute greenhouse gas emissions by 42 per cent by 2030, calculated from the base year 2023.

Scope 3: The proportion of suppliers with science-based targets shall be at least 72 per cent by 2029.



Net zero greenhouse gas emissions 2050: Reduce absolute greenhouse gas emissions within scope 1,2 och 3 by 90 per cent by 2050, calculated from the base year 2023.

ALLIGO

Five reasons to invest in Alligo

1	2	3	4	5
Market growth and resilient customer segments	Scalable platform a foundation for continued growth	Own brands increase competitiveness and profitability	Sustainable enterprise an integrated part of the business	Leader in the consolidation process on the Nordic markets

Read more at alligo.com/en/report/q2-2025