



ALLiGO

ABGSC
Investor Days

Tuesday, May 13, 2025

Today's presenters

Clein Johansson Ullenvik

Group President & CEO



Irene Wisenborn Bellander

CFO



AGENDA

- **This is Alligo**
- **Update**
 - Prioritised growth areas 2025
 - Services - ReCare
 - Status Turnaround Project Tools FI
- **Highlights Q1 and Financials**
- **Summary and outlook**
- **Q&A**

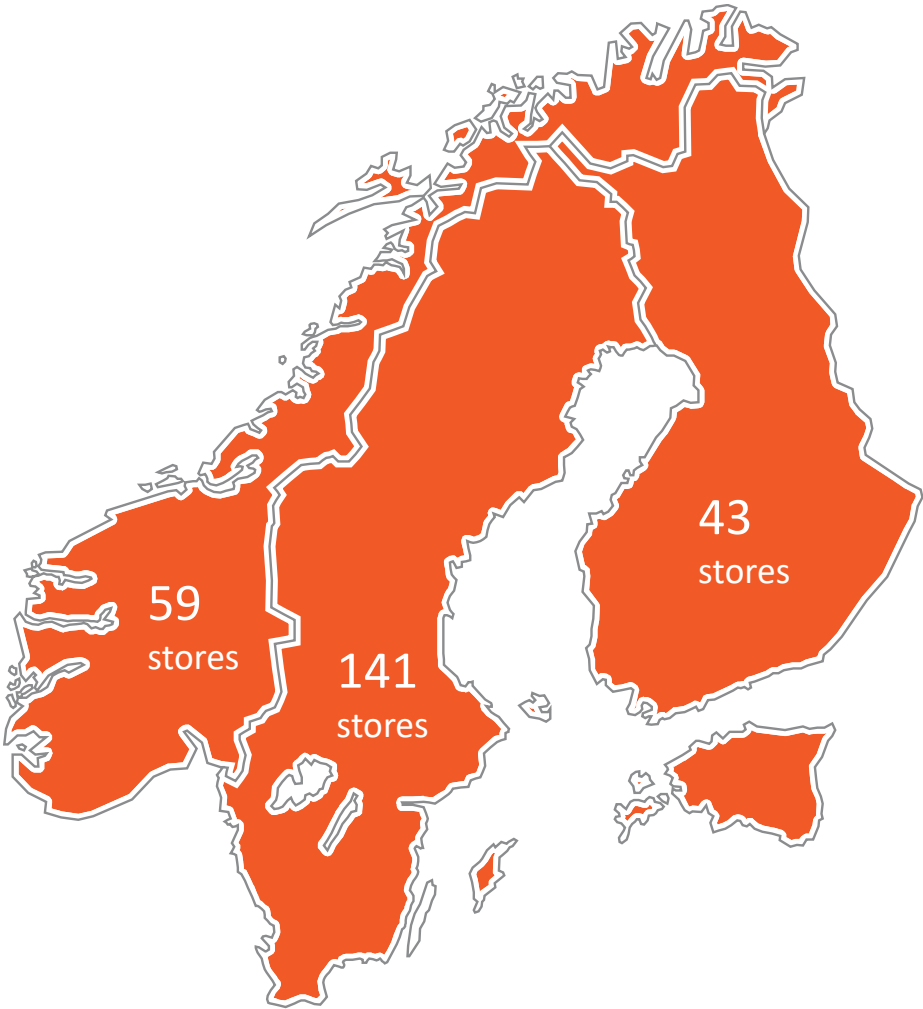
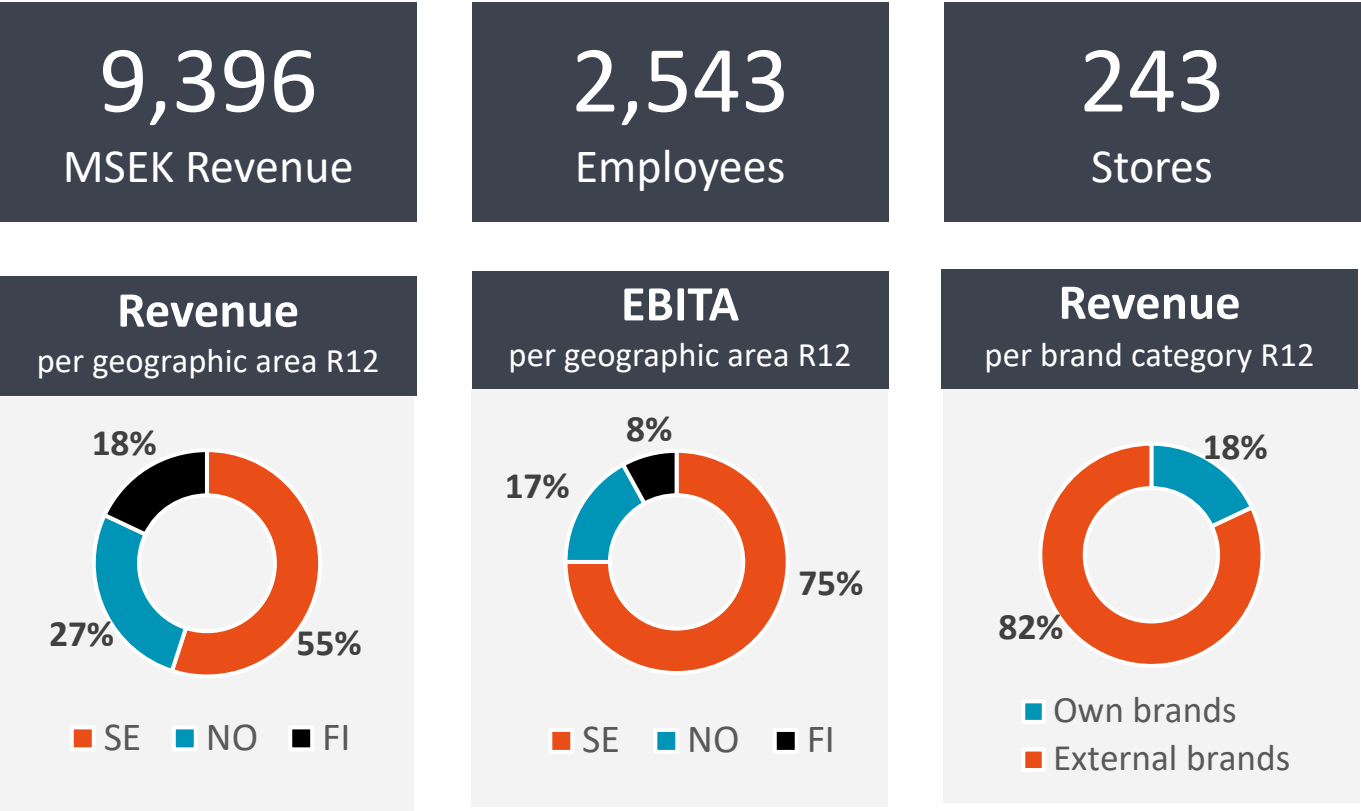


This is Alligo



ALLIGO

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



Data above refers to R12 March 2025

An integrated business with a scalable platform

- 87% of total sales

- 2 strong concept brands in 3 markets



- Common Nordic functions
 - Shared functions (assortment, procurement, logistics, finance, IT, sales)
 - Supports flexibility and scalability
 - Enables efficient coordination of new investments

 Own product brands are a key competitive advantage - provides better control and profitability

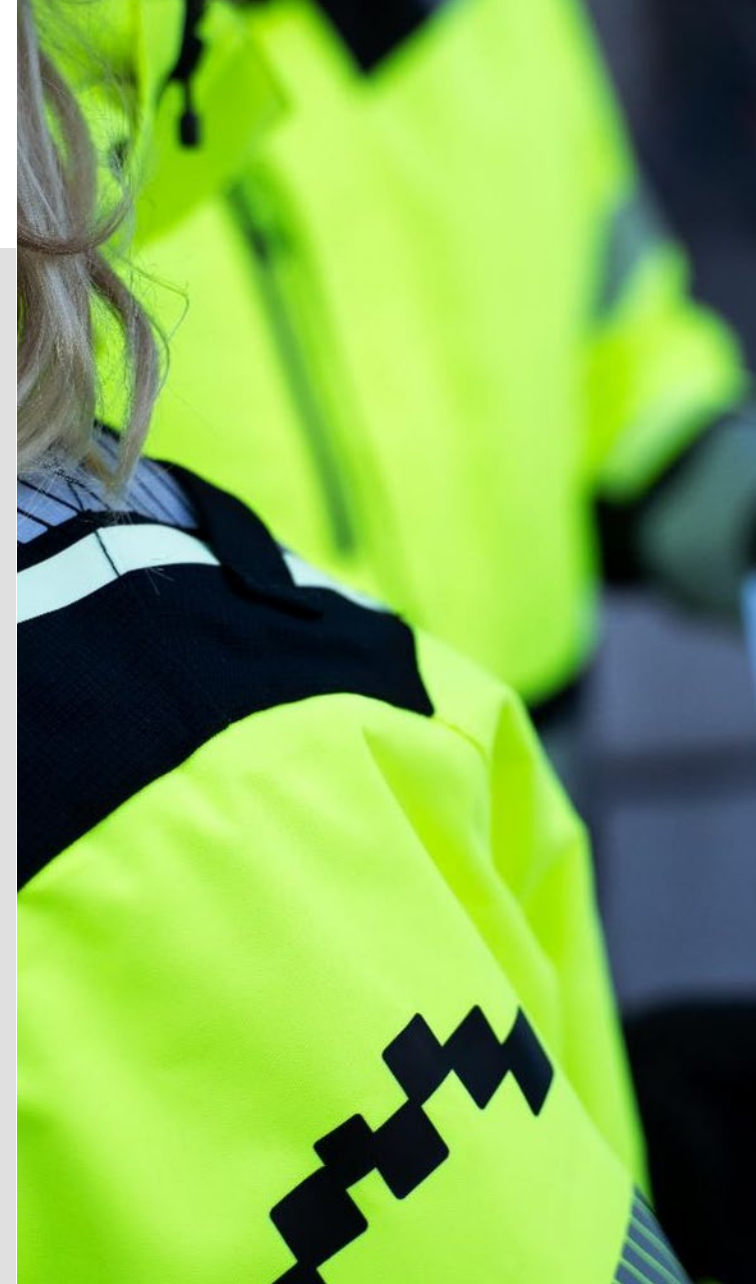
Sales per channel 2024

48% Stores

39% Direct sales incl webb, on-site

13% Non-integrated companies

Data above refers to financial year 2024



Our own brands are a key competitive advantage

- provides better control and profitability

WORKWEAR & PPE



Iconic workwear since 1905



Workwear for Nordic weather conditions



Workwear and footwear with a focus on function

TOOLS & SUPPLIES



Tools and storage with smart solutions



Complete lighting range for the professional user



Farming and forestry specialist



Protective gloves for all jobs



Professional quality workwear at affordable prices



Consumables for all occasions



Fasteners at a competitive price



Tools and consumables

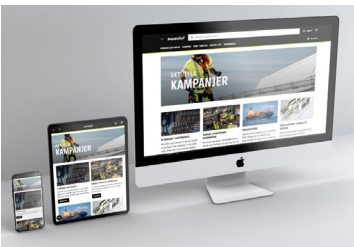
↑ New brands launched in 2024/25 ↑

Expanding our service offering

DIGITAL SOLUTIONS



Smart service on site that streamlines the customer's production



Customer-specific web solutions and integration with the customer's ERP system



ReCare - full-service solution for workwear - washing, repairs, reuse and recycling

New service
launched in 2025

ADD-ON SERVICES IN STORE



Foot scanning - make sure both work shoes and insoles fit you.



Resewing workwear



Service workshop – repairs for machines and tools



Embroidery and cloth printing



Hose pressing



Chain workshop: tailored lifting chains

Non-integrated companies add strategic value

- 13% of total sales



» Product Media

- **13** profile and product media specialists located in Sweden
- Annual revenue **520 MSEK**



» Welding

- **6** welding specialists located in Sweden and Finland
- Full-service suppliers of welding and industrial products
- Annual revenue **400 MSEK**



» Battery

- **Batterilagret** – a battery specialist in Sweden with 27 stores
- Annual revenue **275 MSEK**



» Other areas

- **8** companies in the Nordics within areas such as tools, supplies, workwear, PPE, workplace equipment
- Mercus
Annual revenue **175 MSEK**
- Hämeen & Riihimäen
Annual revenue **175 MSEK**

Corema Svets & Industriprodukter AB

A full-service supplier of welding, industrial products and fasteners:

- Annual turnover of SEK 155 million with good profitability
- Operations in Gothenburg and Sundsvall
- 25 employees
- Has a strong fastening offering
- Well-established customer base in the manufacturing sector.



Svenska Batterilagret AB

A leading battery specialist in Sweden and Alligo's largest acquisition to date:

- Significantly strengthens the Group's offering in batteries and battery accessories
- Annual turnover of SEK 275 million with strong profitability
- 27 stores across Sweden, head office in Kungälv
- Around 90 employees
- Example of product areas:
 - Car batteries and start boosters
 - Lithium batteries for tools and recreational boats
 - Solar panels for caravans and camper vans
- B2C and B2B customers – SME companies



Acquisitions are an integral part of Alligo's growth strategy

- value creation 2024

Acquisitions signed

9 (6)

Stores

42 (8)

Acquired growth

4.5 % (3.5)

Employees

200 (80)

Annual revenue

~750 MSEK (330)

New technology areas

Battery

Welding

Update

- Prioritised growth areas 2025
 1. Services



Prioritised growth areas 2025 - apply 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

ReCare – washing, repair, and reuse of workwear

- Aims to strengthen Alligo's long-term competitiveness and profitability
 - Launched in Sweden in Q1 2025
 - Several signed customers
 - Strong pipeline
 - Transparent pricing
- The ambition is to launch in Norway and Finland in the second half of 2025



Reduces costs and increases efficiency by the customers

Cost savings for customers*

30%

Traceability (RFID)

100%

Positive market response

+

**compared to rental solutions*



Highlights Q1 and Financials



Q1 2025 business conditions

Market situation

- Continued delay in market recovery
 - Weak demand in Sweden
 - Norway continued to benefit from a stable Oil & Gas industry
 - Improvement in Finland
- Positive market signals increased
 - Not reflected in sales

Proactive management

- Driving sales
- Cost reductions
- Growth by acquisitions
- Reducing inventories
- 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

Q1 2025 highlights

Sales

- Continued focus on sales and product initiatives with clear potential
- Successful launch of ReCare
- New collection for our own brand 1832 in stores



Acquisitions

- Acquisition of Batterilagret completed February 5



Operations

- Implemented additional cost adjustments of approx 100 MSEK
 - impact from mid-year
- ERP implementation in NO
 - invoicing process
- Turnaround Project Tools FI ongoing



Q1 2025 in brief

– Focus on sales and further cost adjustments

Revenue

+2.9%

Signs of recovery in Finland, Oil & Gas in Norway remains stable

Organic growth

-2.5%

Acquisition-driven growth of 7.8 %

Operating cash flow

-38

MSEK (128)

Adjusted EBITA

74

MSEK (84)

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

Adjusted EBITA margin

3.3%

(3.9)

Gross margin

40.9%

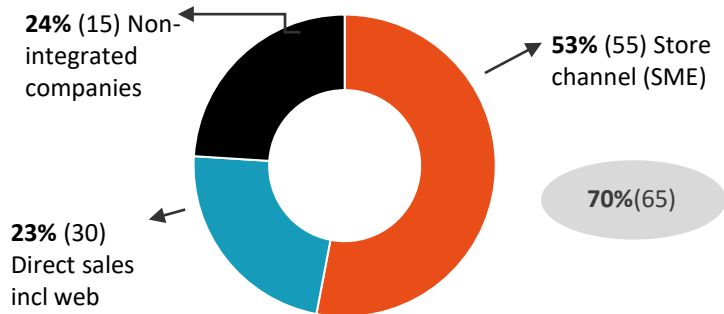
(41.1)

Increased share of own brands and SME in the integrated SE business

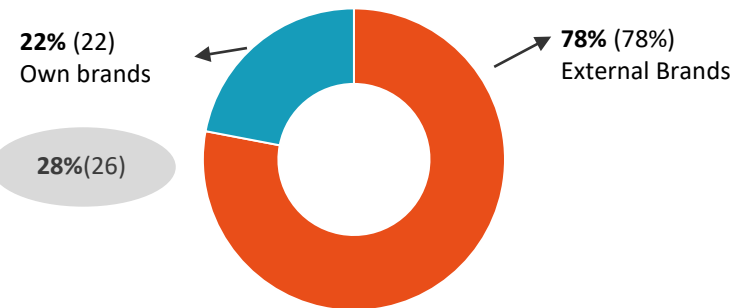
Sweden



SALES PER CHANNEL



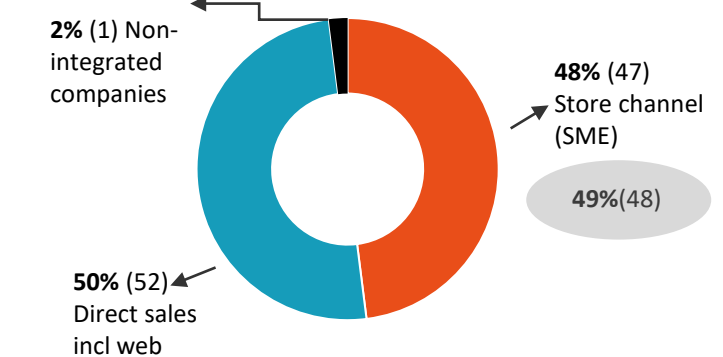
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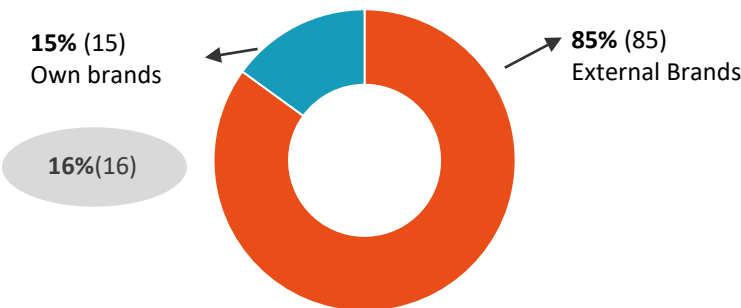
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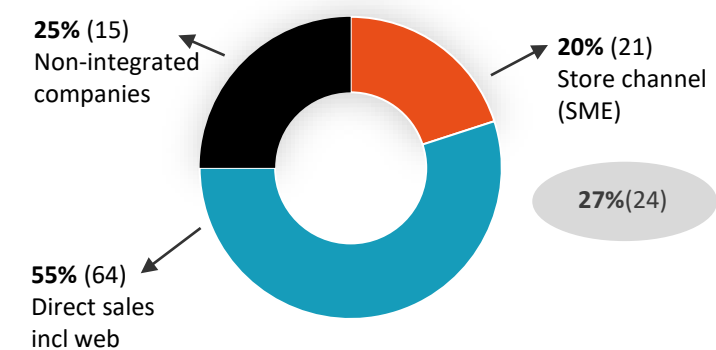
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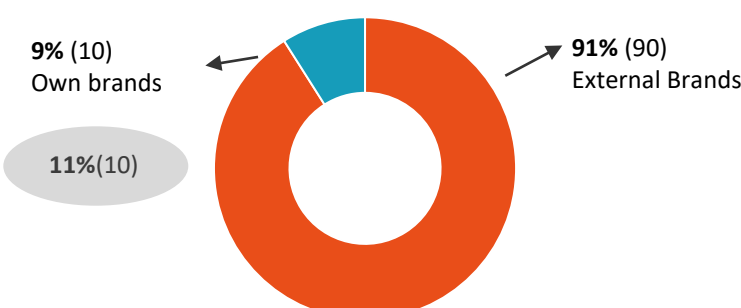
Finland



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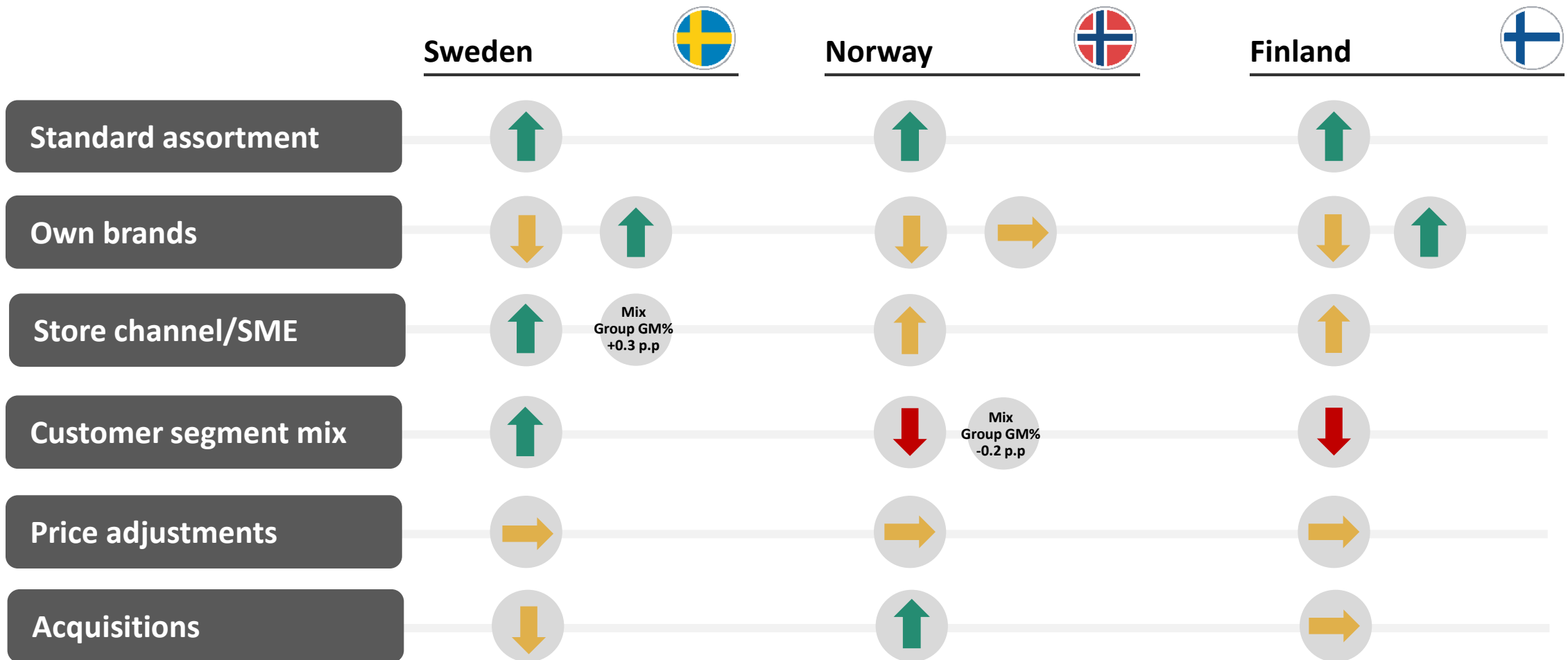


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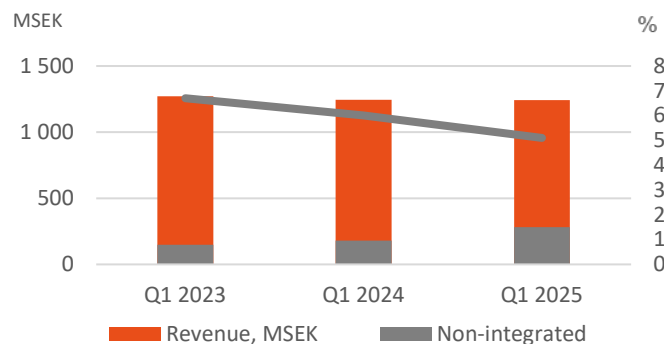


Improved contribution margin in Sweden due to increased share of SME


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



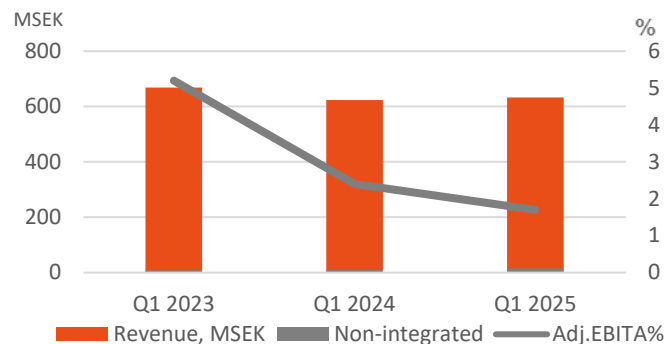
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 - Acquisitions +8.6 %
- **EBITA decreased by -12 MSEK**
 - One less trading day and lower volumes
 - Improved margins – partly mix
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Organic growth Q1 **Adj. EBITA margin Q1**
-7.1% (-4.8) **5.1% (6.0)**

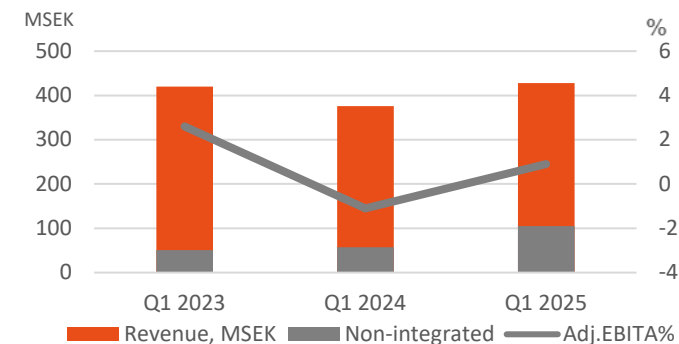
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- **Revenue decreased by -0.7%**
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 - Acquisitions +1,0%
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Organic growth Q1 **Adj. EBITA margin Q1**
4.8% (-3.7) **1.7% (2.4)**

Finland



- **Revenue increased by + 13.8%**
 - Recovery but low comparables
 - Acquisitions +16.5%
- **EBITA increased by +8 MSEK**
 - One less trading day
 - Acquisitions 8 MSEK


Organic growth Q1 **Adj. EBITA margin Q1**
-0.4% (-14.9) **0.9% (-1.1)**

Turnaround Project Tools FI

- Aims to strengthen Alligo's long-term competitiveness and profitability
- On-going actions
 - Profitability improvement initiatives targeting larger industrial customers
 - Review of the store network and the product range – 3 stores closed in Q1
 - Organization – aimed at ensuring better sales and assortment management
 - 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 FI*

6-8% (2.4)

Share of own brands Q1

11% (SE 28)

Share of sales in stores Q1

27% (SE 70)

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



Summary & outlook



Q1 2025 in summary

- Continued focus on sales and product initiatives with clear potential, while maintaining strong cost control
- Successful launch of ReCare in Sweden
 - a full-service workwear solution
 - positive response from customers
- Implemented additional cost reductions of approximately 100 MSEK



Outlook 2025

- Sales is the top strategic priority for 2025
 - New sales and marketing initiatives are underway to better reach new and existing customers
- Alligo's knowledge and commitment are critical to driving strong performance in a weaker market
- We continue to refine our offering and explore new growth opportunities
 - Continued cost cautiousness



Q&A



Performance in 2024 in relation to financial targets

TARGET

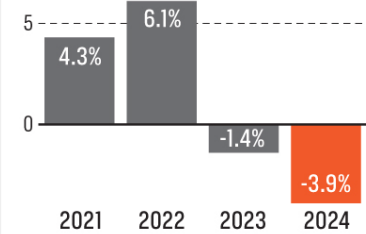
OUTCOME 2024

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.

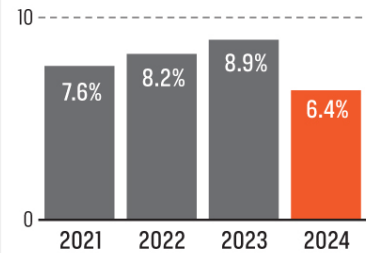


PROFITABILITY

>10%

Adjusted EBITA margin

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



TARGET

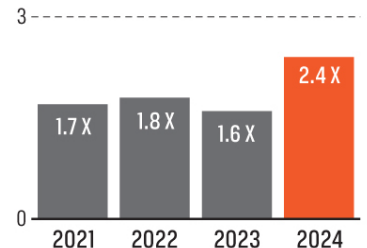
OUTCOME 2024

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.

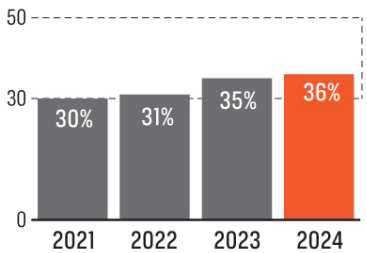


DIVIDEND

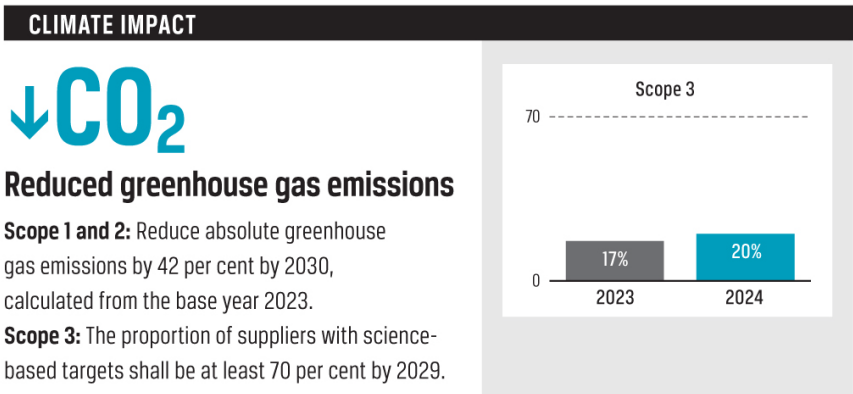
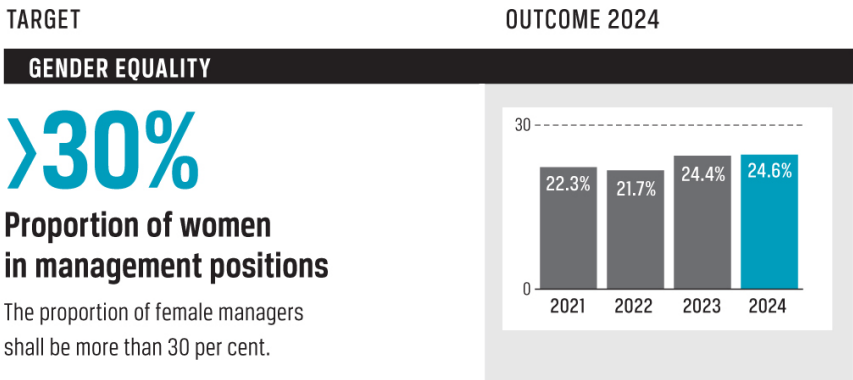
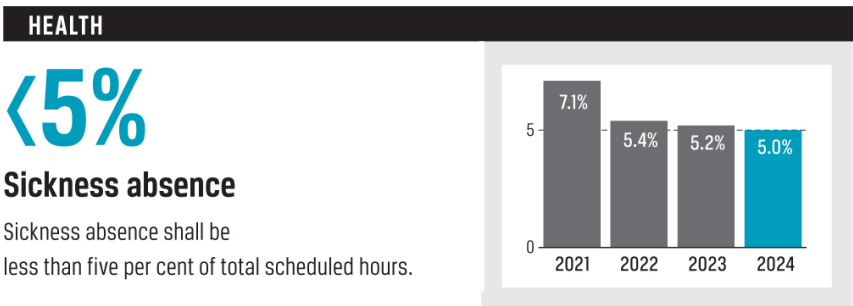
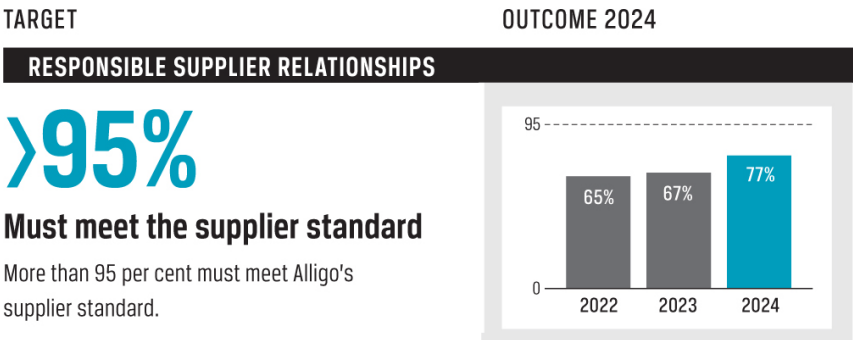
30-50%

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



Five reasons to invest in Alligo

1

Market
growth and
resilient
customer
segments



2

Scalable
platform a
foundation
for continued
growth



3

Own brands
increase
competitiveness
and
profitability



4

Sustainable
enterprise
an integrated
part of the
business



5

Leader in the
consolidation
process on
the Nordic
markets



ALLiGO

Read more at alligo.com/en/ir

Financials



Appendix



IFRS 16 effects on cash flow

MSEK	2025 Jan-Mar	2024 Jan-Mar	2024 Jan-Dec	2023 Jan-Dec
IFRS 16 effects on cash flow from operations	90	81	405	365
IFRS 16 effects on cash flow from financing activities	-90	-81	-405	-365

2024: nine signed acquisitions adding ≈750 MSEK in annual revenues

...as well as 200 employees and 42 stores

Acquisition	Product category	Date signing	Annual revenue (MSEK)*	Employees	Stores
 Hämeen Teollisuuspalvelu Oy	Industrial Components/Tools/Workwear/ Protective Equipment	April 2024	87	18	1
 Riihimäen Teollisuuspalvelu Oy	Industrial Components/Tools/Workwear/ Protective Equipment	April 2024	82	24	4
 Wiklunds i Bollnäs AB	Tools/Workwear/Protective Equipment	May 2024	28	6	1
 New Promotion Sverige AB (70%)	Profile Clothing/Product Media	June 2024	44	6	1
 Workwear AS	Tools/Workwear/ Protective Equipment	June 2024	27	9	2
 T.Brantestig Svetsmaskinservice AB	Welding	June 2024	26	8	1
 Aktiebolaget Sundholm Welding	Welding	June 2024	23	6	2
 Corema Svets & Industriprodukter AB**	Welding/Fastening	Oct 2024	155	25	2
 Svenska Batterilagret AB	Batteries	Dec 2024	275	90	27
			747	192	41

* Currency rate: EUR 11.6 NOK 1.0

** Including the subsidiaries Corema Fasteners AB and Corema Sundsvall AB

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 Jan-Mar	Δ, %	2024 Jan-Mar	R12	2024 Jan-Dec
Revenue	2,232	2.9	2,169	9,396	9,333
Adjusted EBITA	74	-11,9	84	591	601
<i>Amortisation</i>	-18		-15	-66	-63
<i>Items affecting comparability</i>	-19		-4	-48	-33
Operating profit	37		65	477	505
Gross margin, %	40.9		41.1	40.7	40.7
Adjusted EBITA margin, %	3.3		3.9	6.3	6.4

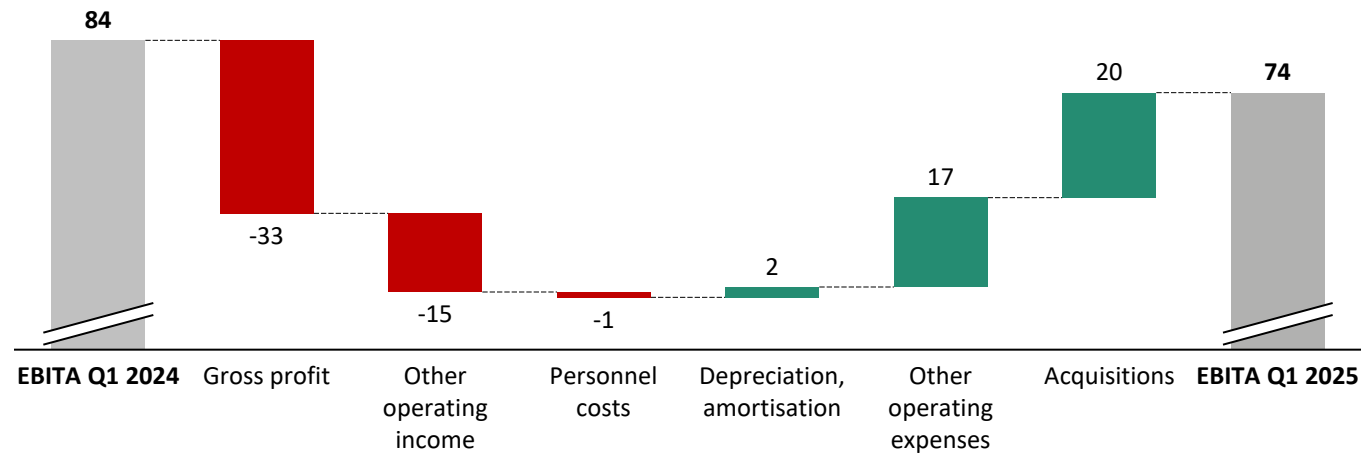
Highlights Q1 2025

- Revenue increased by 2.9%
 - Organic growth of -2.5%
 - Acquisition-driven growth of 7.8%
 - One trading day less -1.5%, FX -0.8%
- Slightly decreased contribution margin
 - Negative mix effects and margin pressure in NO
- Adjusted EBITA decreased by 10 MSEK
 - Weak volumes, negative country mix
 - EBITA acquisitions 20 MSEK
 - Cost-savings
- Items affecting comparability related to Northvolt and the closure of two stores
- Financial net -15 MSEK (-33)
 - Whereof -11 MSEK (-11) related to IFRS 16
 - Q1 average interest rate 3.8% (4.9)

The decline in EBITA was caused by weak sales and lower gross margin

– Results from acquisitions and cost-savings counteract

EBITA bridge Q1 2025



Highlights Q1 2025

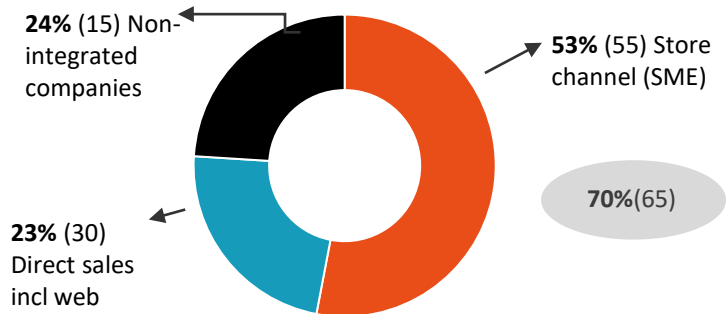
- Weaker volumes and adverse mix effects explain the decreased gross profit.
- Decreased other operating income
 - divestment of the 3PL business
 - reduced marketing contributions.
- Cost savings have offset the impact of salary increases and other effects of inflation.
- Additional cost reductions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

Increased share of own brands and SME in the integrated SE business

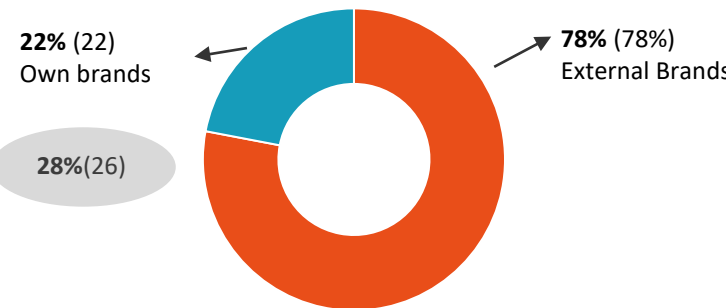
Sweden



SALES PER CHANNEL



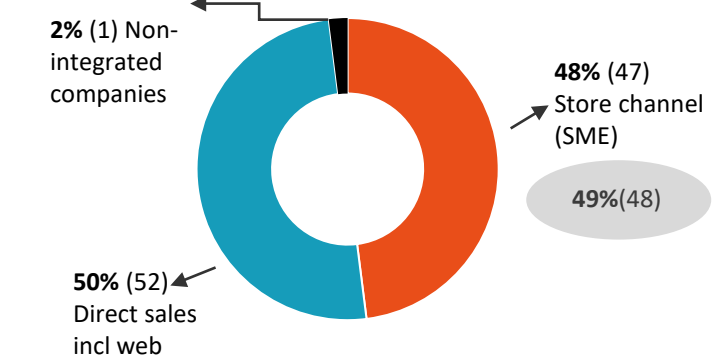
SALE OF OWN BRANDS



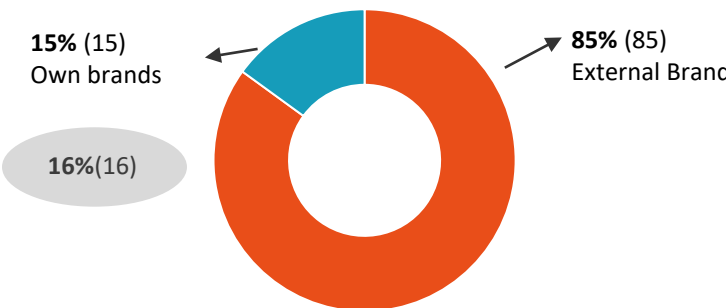
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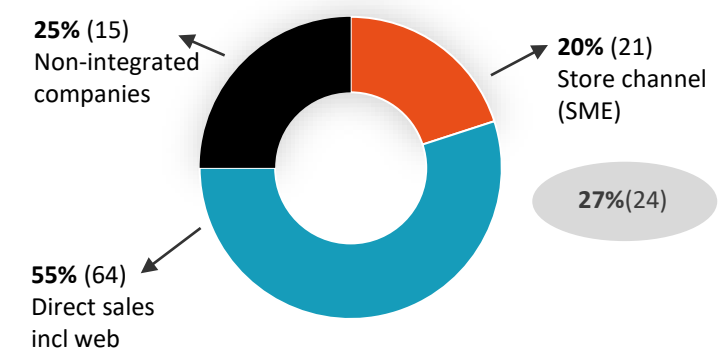
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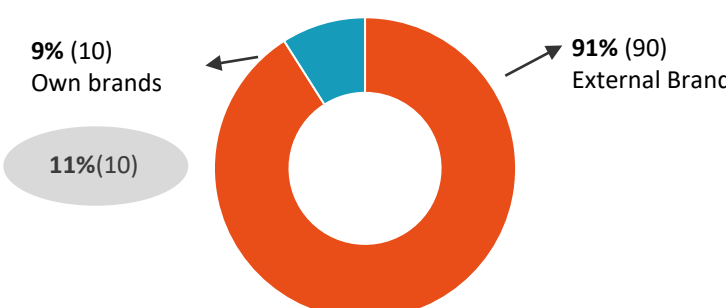
Finland



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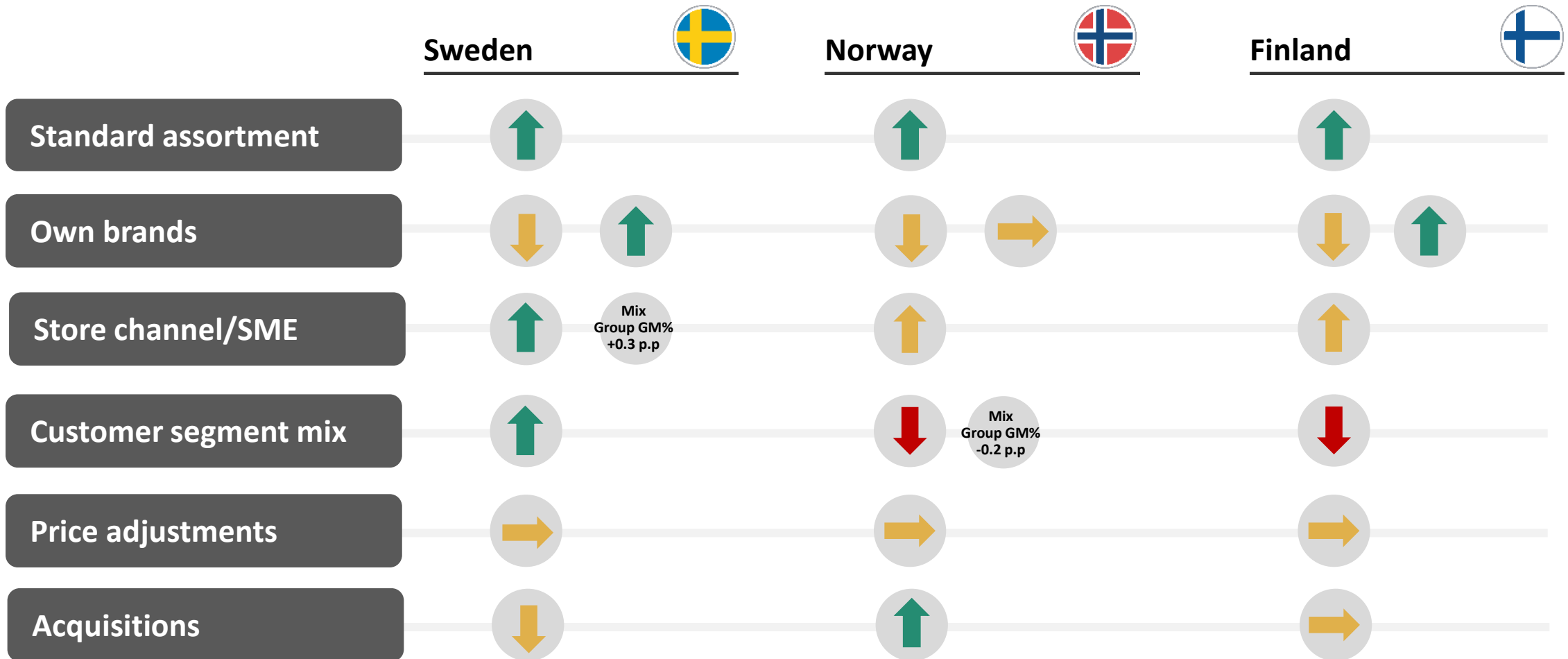


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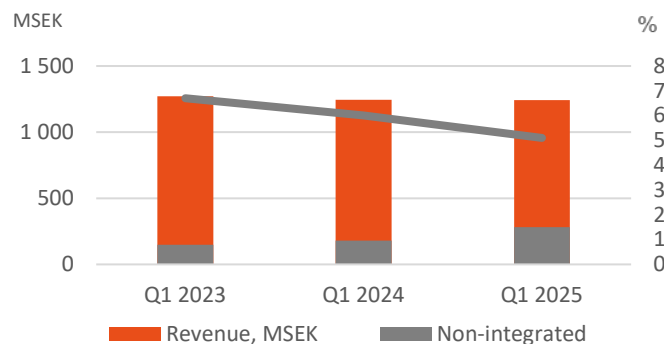


Improved contribution margin in Sweden due to increased share of SME

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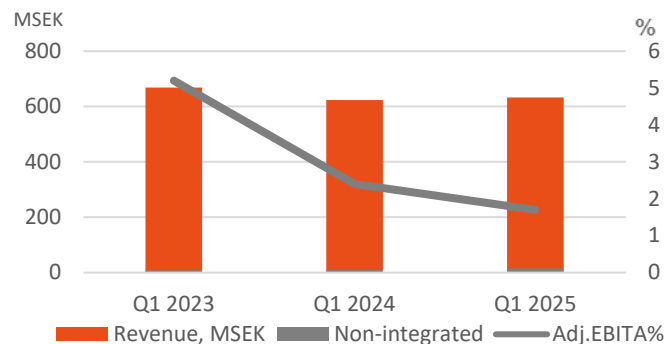
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- **Revenue decreased by -0.1%**
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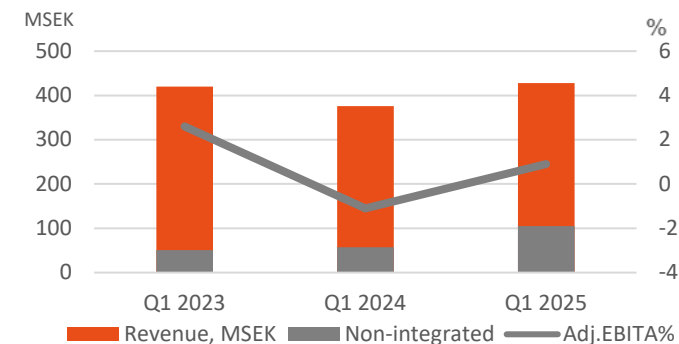
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Operating cash flow in Q1 is lower than last year

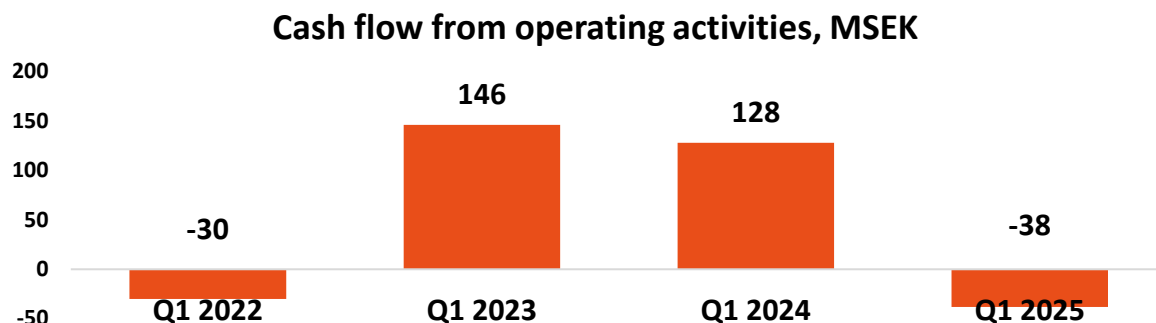
– Lower EBITDA, inventory build-up of own brands and challenges in the invoicing process in NO

Cash flow

MSEK	2025 Jan-Mar	Δ	2024 Jan-Mar	R12	2024 Jan-Dec
Operating activities	-38	-166	128	786	952
Investing activities	-217	-59	-158	-600	-541
Financing activities	-90	-286	196	-403	-117
Cash flow	-345	-511	166	-217	294

Highlights Q1 2025

- Lower cash flow from operating activities due to lower EBITDA, inventory build-up, and temporary challenges in the invoicing process in Norway
 - Further investment in our own brands: Inno, Björnkläder, Univern, Gesto, 1832, Ampro
- Cash flow from investing activities is driven by the acquisition of Batterilagret.
 - Capex/Depreciation 0,9
- Cash flow from financing activities
 - Amortization of leasing liabilities



Temporary increased leverage

– higher acquisition pace and weaker EBITDA

Overview of the financial position

MSEK	31 Mar 2025	31 Mar 2024	31 Dec 2024
Non-current interest bearing liabilities	3,058	2,978	3,121
Current interest bearing liabilities	447	421	452
Cash and cash equivalents	-322	-550	-670
Financial lease liabilities	-1,208	-1,284	-1,269
Net operational liabilities	1,975	1,565	1,634
EBITDA*, LTM	679	874	689
Net operational liabilities/EBITDA*, ratio	2.9	1.8	2.4

* Excl. IFRS 16

Highlights Q1 2025

- Ratio of net operational liabilities to EBITDA (excl. IFRS 16) of 2.9
 - 2.7 reported to Handelsbanken
- Cash and unutilized granted credit facilities of 1,142 MSEK at the end of the period
- Equity/assets ratio 44.2 % (excl IFRS 16)
- Total sustainability-linked facility 2,600 MSEK excl. credit facility 400 MSEK +10 MEUR
 - Maturity March 2027
 - Q1 average interest rate 3.8% (4.9)
- Financial covenants fulfilled
- Temporary increased leverage, but still a solid financial position



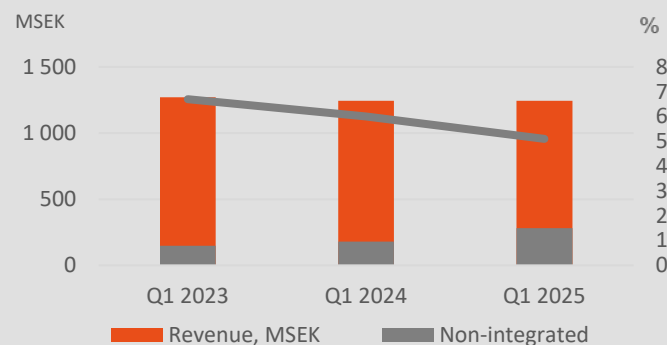
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Increase sales activity and strengthen margins in the industrial segment with improved sales and assortment management.



Organic growth Q1

-7.1% (-4.8)

Adj. EBITA margin Q1

5.1% (6.0)

EXEMPEL 1 LAND/SLIDE



Highlights Q1 2025

