ALLiGO

Year-end Report 2025

1 January – 31 December

Friday, February 13, 2025

Presenters

Clein Johansson Ullenvik
Group President & CEO

Irene Wisenborn Bellander
CFO & Deputy CEO

AGENDA

- **This is Alligo**
- **Highlights Q4 2025**
- **Update**
  - Renewed effort Tools Finland
  - Own brands
  - Smart Service
- **Financials**
- **Summary and outlook**
- **Q&A**

This is Alligo

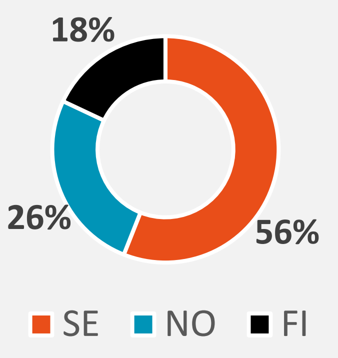
Alligo – a leading player in workwear, personal protection, tools and supplies in the Nordic region

9,551
MSEK Revenue

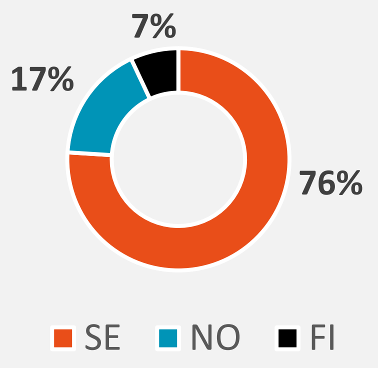
2,495
Employees

239
Stores

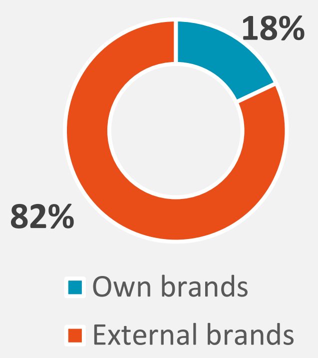
Revenue
per geographic area

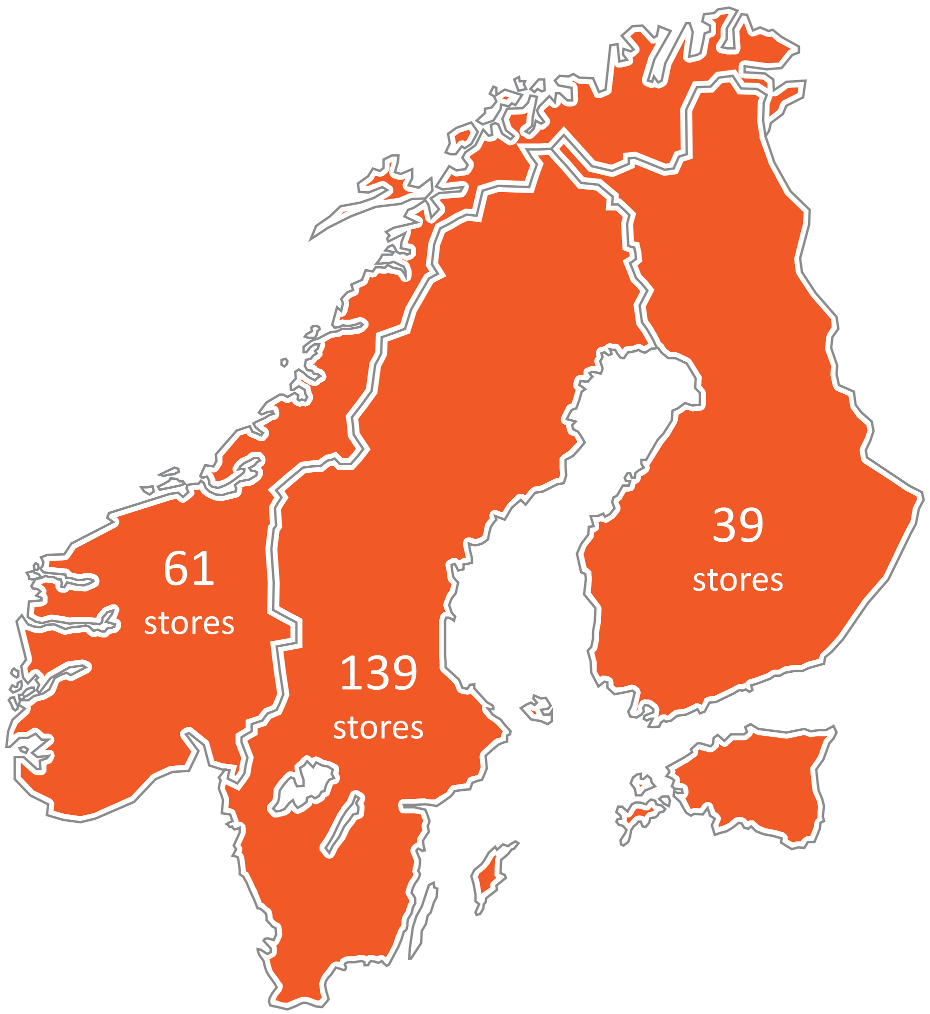


EBITA
per geographic area R12



Revenue
per brand category R12





Data above refers to FY2025

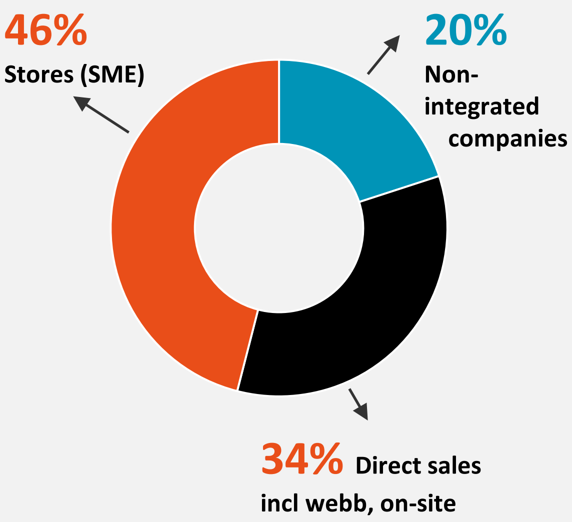
An integrated business with a scalable platform = 80% of sales

- 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

17 profile/product media specialists (SE)

Revenue: **630 MSEK** /yr*

Welding

6 welding specialists (SE and FI)

Revenue: **400 MSEK** /yr

Battery

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

Revenue: **280 MSEK** /yr

Other

8 companies in the Nordics

Mercus (SE)
Revenue: **180 MSEK** /yr

Hämeen & Riihimäen (FI)
Revenue: **280 MSEK** /yr

** Proforma including recent acquisitions.*

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Acquisitions is an integral part of Alligo’s growth strategy

FY 2025 value creation:

Completed acquisitions	Stores	Segments
4 (11)	33 (14)	• Battery • Product Media

Acquired growth	Annual revenue	Employees
7.0% (4.5)	≈378 MSEK (656)	115 (102)

Alligo awarded EcoVadis Platinum

– For outstanding sustainability performance

- With a score of **87 out of 100**, Alligo is among the **Top 1%** of the 50,000 companies assessed yearly worldwide.
- Alligo has improved its score **from 66 to 87 points** since 2024, advancing from Silver to Platinum.
- Receiving the Platinum medal is the result of several years of dedicated work to advance our sustainability agenda:
  - setting defined climate targets
  - enhancing our supplier governance
  - improving our anti-corruption practises
- The platinum ranking will be competitive strength as many Alligo's customers use EcoVadis as a tool to evaluate suppliers

In addition, this acknowledges that Alligos vision of being unbeatable as a leader in sustainable development in the industry is within reach

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Highlights Q4 2025

Q4 2025 business conditions

Market situation

- Challenging but stable market with early signs of recovery:
  - Recovery in Sweden - Direct sales – project orders defense industry
  - Norway - weaker demand in all segments
  - Recovery in Finland continued
- Market sentiment stable
  - 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 all countries

Macroeconomic factors

- Continued economic uncertainty in the business cycle
- Outlook for construction and infrastructure more optimistic
- Global turbulence, including trade wars and tariffs
  - No direct impact on Alligo

Q4 2025 in brief
– Stronger cash flow, improved result and organic growth

Revenue
+2.7%
Stabilised market demand, acquisitions

Organic growth
0.5%
Acquisition-driven growth of **4.2%**

Operating cash flow
538
MSEK (438)

Adjusted EBITA
239
MSEK (214)
Improved gross margin, cost savings, acquisitions

Adjusted EBITA margin
9.0%
(8.3)

Gross margin
41.8%
(41.1)

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Q4 2025 highlights

Sales

- High sales focus in all countries
- Growth initiatives
- Increased share of own brands in the integrated business
- Sales efficiency

Acquisitions

- Acquired Respond in Norway, adding 81 MNOK in sales
- An important step in establishing a Nordic Product media presence
- Strong pipeline

Operations

- Refinancing
- Margin improvements
- Sales and assortment management
- Renewed effort Tools FI
- Capital efficiency
- Cost consciousness

Update

- Renewed effort Tools Finland
- Own brands
- Smart Service

Strengthened leadership in Tools Finland

– Focusing on implementation 2026

- Strengthened leadership to ensure implementation – new Country Manager Finland as of Jan 1, 2026
- The project activities will remain the same, however, the structure will be reassessed following the termination of two larger client relationships

Driving store sales, reviewing the store network, and strengthening profitability among larger customers remain key priorities in 2026

FY 2025:

Adjusted EBITA margin

2.6% (2.4)

Share of own brands

9.9 % (10.6)

12% (12) in the integrated business

Share of sales in stores

22% (23)

29% (29) in the integrated business

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Go for growth 2026 – prioritized growth areas

– Applicable across all our markets

Services	In-store sales	Construction industry	Own brands
			
Develop further in services, conceptualise our offering	Develop our in-store sales in line with best practice within the Group	Establish a strong position in construction in all countries, with focus on SME customers	Expand our own brands

Own brands
– 1832 workwear in stores

- More basic products at attractive prices without compromising on quality or margins
- An excellent entry-level brand in larger procurement processes
- Within the integrated Swedol and Tools business, the share of own brands has increased in all countries 2025

A key initiative for strengthening Alligo's competitiveness

FY 2025:

Share of own brands

18% (18)

22% (21) in the integrated Swedol and Tools business

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Smart Service

– More than technology

- Products ”always available” through automated restocking and smart access control
- Benefits for customers:
  - Full transparency and cost control via tracking, usage data and Smart BI
  - Reduced waste, fewer purchase orders and lower internal logistics time

Smart Service is not just technology – it’s a way of working that provides control, availability, and simplicity
Erik Severin, KAM Swedol

Vending solutions

1,300

Examples of customers

Sandvik

Hitachi

Widerøe

Financials

Improved profitability driven by Sweden and Norway

– Contributions from acquisitions, improved gross margin, cost savings and organic growth

Revenues and EBITA

MSEK	2025 Oct-Dec	Δ, %	2024 Oct-Dec	2025 Jan-Dec	Δ, %	2024 Jan-Dec
Revenue	2,660	2.7	2,589	9,551	2.3	9,333
Adjusted EBITA	239	11.7	214	615	2.3	601
Amortisation	*-19*		*-17*	*-74*		*-63*
Items affecting comparability	*-18*		*-19*	*-70*		*-33*
Operating profit	202		178	471		505
Gross margin, %	41.8		41.1	41.1		40.7
Adjusted EBITA margin,%	9.0		8.3	6.4		6.4

Highlights Q4 2025

- Revenue increased by 2.7%
  - Organic growth of 0.5%
  - Acquisition-driven growth of 4.2%
  - FX -2.0%
- Increased gross margin to 41.8% (41.1)
  - Favourable mix effects
  - Sales- and assortment management
  - Reduced costs for purchases made in USD
- Adjusted EBITA increased by 25 MSEK (+11.7%)
  - Improved gross margin and cost savings
  - EBITA acquisitions 18 MSEK
- Items affecting comparability
  - Organizational changes and restructuring Finland
- Financial net -35 MSEK (-40)
  - Whereof -13 MSEK (-11) related to IFRS 16
  - Q4 average interest rate 3.5% (4.2)

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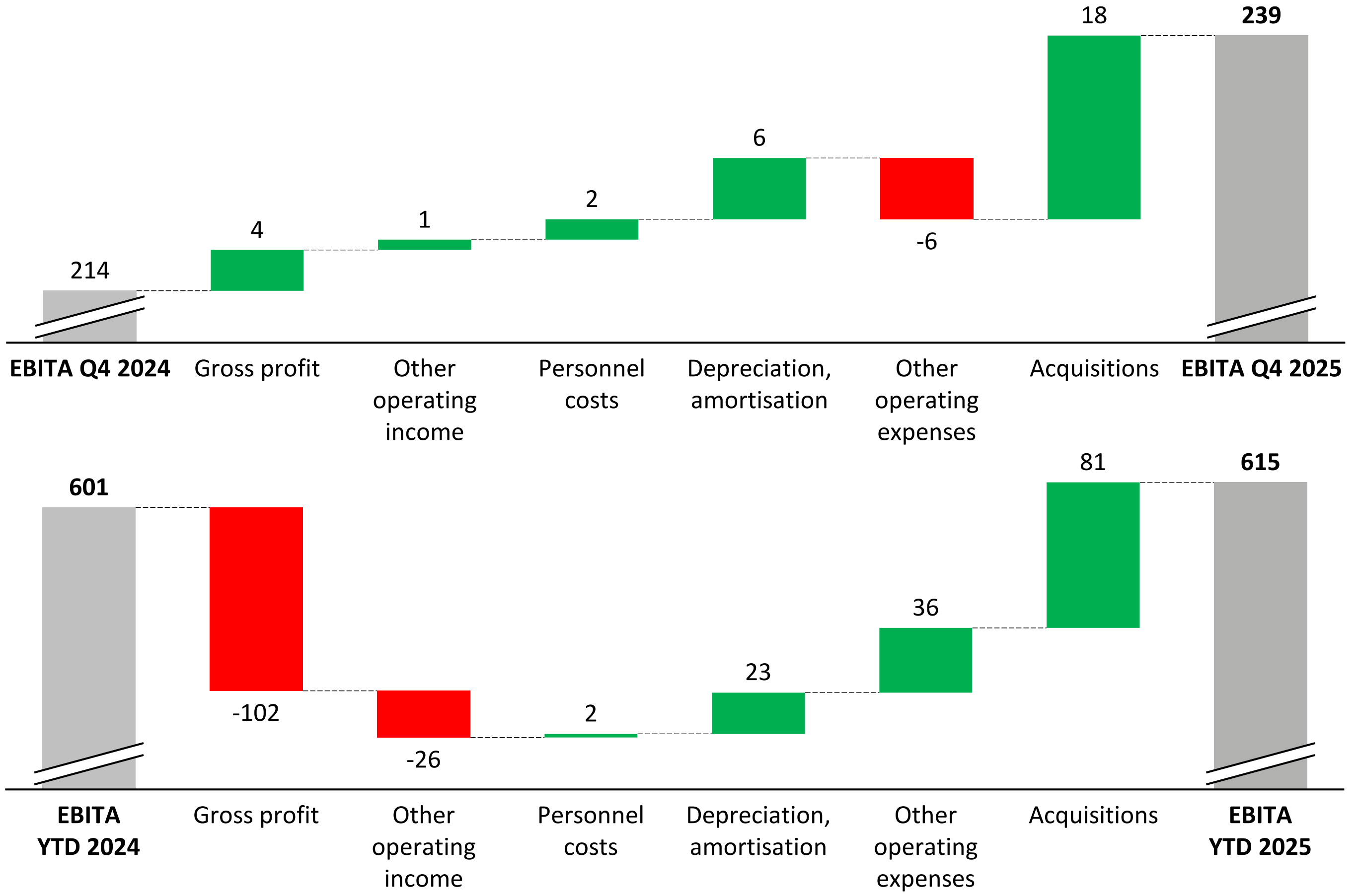
Improved EBITA in Q4 and FY

– Due to acquisitions, higher gross margin and cost-saving measures

EBITA bridge Q4 and FY 2025



Highlights Q4 and FY 2025

- Weaker volumes for the full year 2025 explain the decreased gross profit. An improved gross margin counteracts.
  - Organic growth in Q4 and an improved gross margin.
- Cost savings have offset the impact of salary increases and other effects of inflation.
  - Other operating expenses: freight, professional fees, temporary employees etc
  - Depreciation: closed and co-located stores

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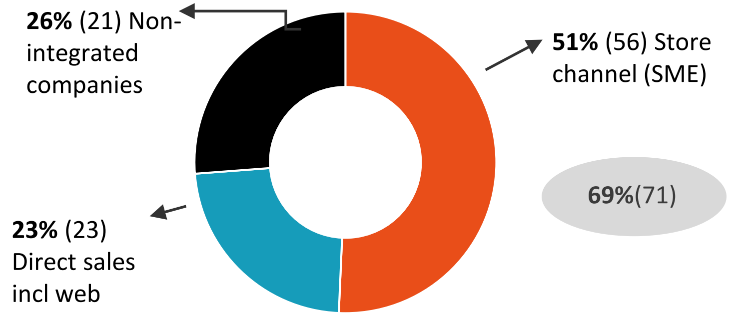
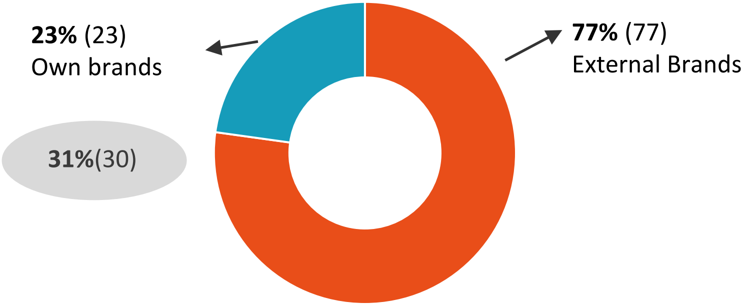
Q4 – Positive development of own brands in the integrated business in Sweden and Norway, stable in Finland

Sweden

SALES PER CHANNEL

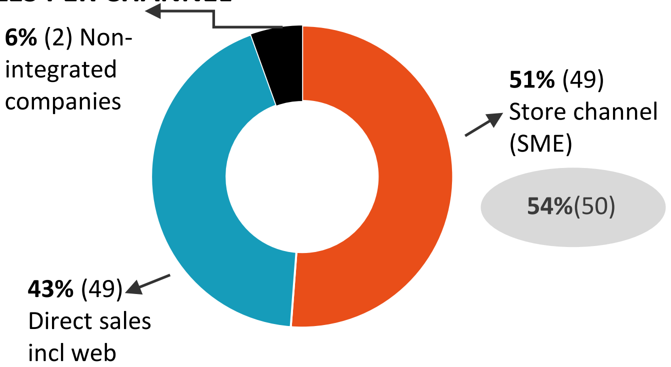


SALE OF OWN BRANDS

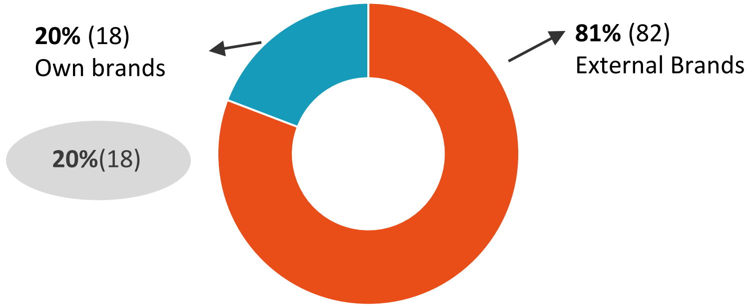


Norway

SALES PER CHANNEL

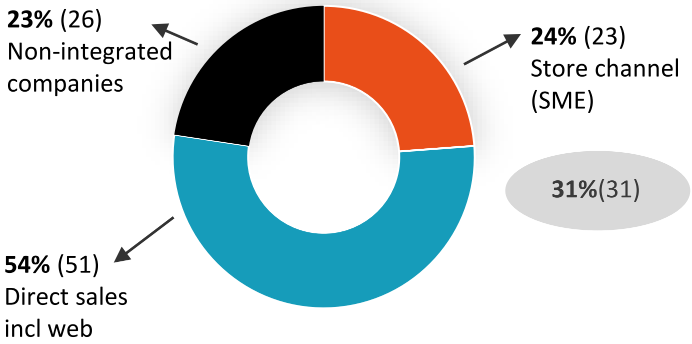


SALE OF OWN BRANDS

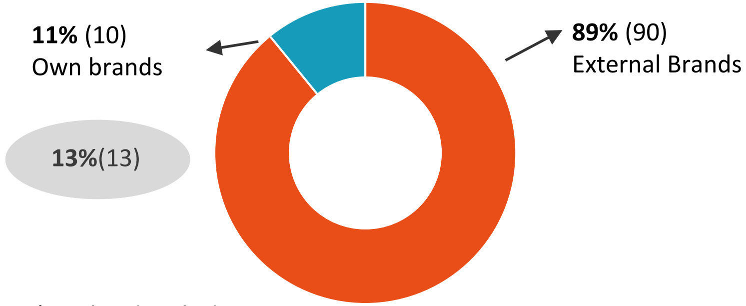


Finland*

SALES PER CHANNEL

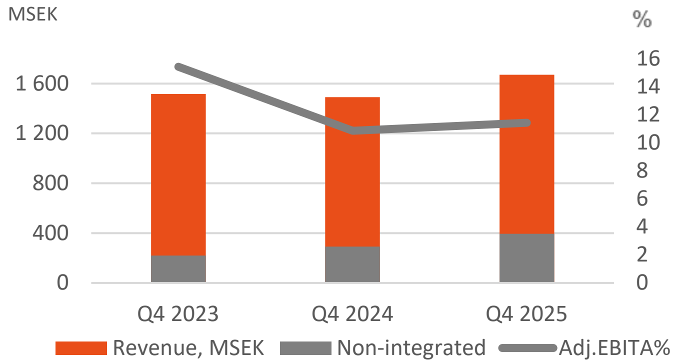


SALE OF OWN BRANDS



** Finland includes Estonia*

Sweden Q4

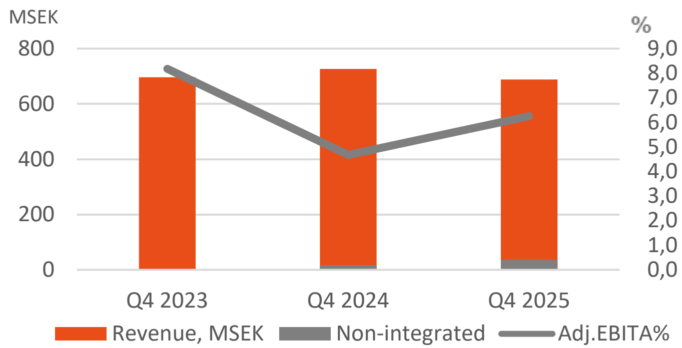


- **Revenue increased by +12.1%**
  - Continued weak market
  - Stronger development Direct sales (defense industry)
  - Acquisitions +6.3 %
- **EBITA increased by +29 MSEK**
  - Higher volumes
  - Improved margins – partly mix
  - Cost reductions
  - Acquisitions 15 MSEK

Organic growth Q4 **1.8%** (-7.5)

Adj. EBITA margin Q4 **11.4%** (10.9)

Norway Q4

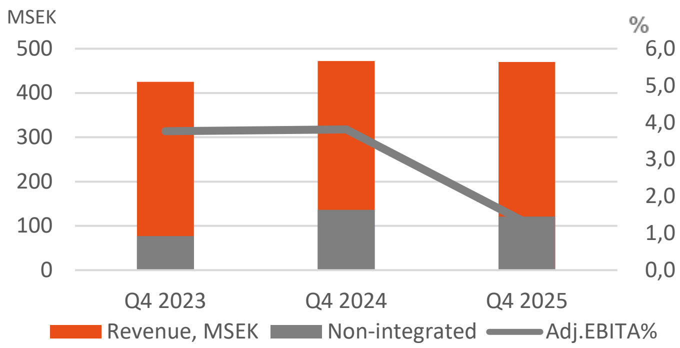


- **Revenue decreased by -5.4%**
  - Weak sales in all segments, particularly oil & gas
  - Negative impact from FX -4.3%
  - Acquisitions +3.0%
- **EBITA increased by +9 MSEK**
  - Lower volumes
  - Improved margins – partly mix
  - Cost reductions
  - Acquisitions 3 MSEK

Organic growth Q4 **-4.4 %** (4.8)

Adj. EBITA margin Q4 **6.3%** (4.7)

Finland Q4



- **Revenue decreased by -0.4%**
  - Continued recovery within Manufacturing
  - Negative impact from FX -4.6%
- **EBITA decreased by -12 MSEK**
  - Weaker margins
  - New production facility for Patria deliveries
  - Review of store network

Organic growth Q4 **4.3%** (-2.8)

Adj. EBITA margin Q4 **1.3%** (3.8)

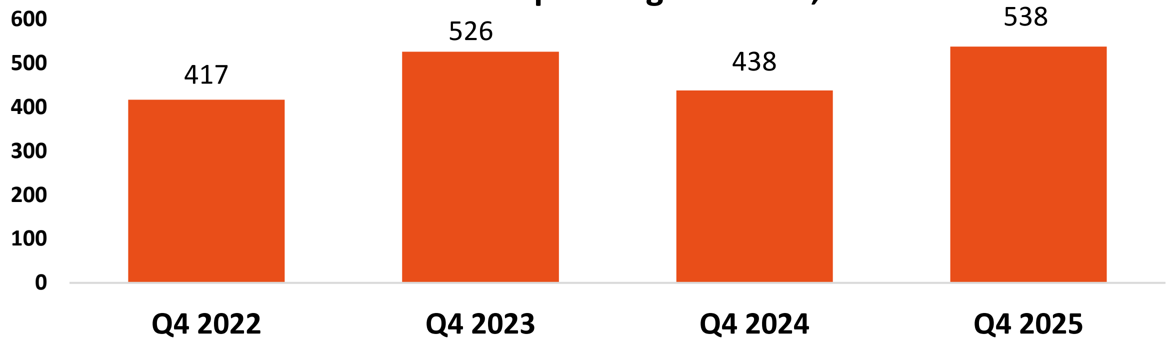
Improved operating cash flow in Q4 compared to last year

– Increased EBITDA and decreased inventory levels of external brands

Cash flow

MSEK	2025 Oct-Dec	Δ	2024 Oct-Dec	2025 Jan-Dec	Δ	2024 Jan-Dec
Operating activities	538	*100*	438	798	*-154*	952
Investing activities	-63	*103*	-166	-399	*142*	-541
Financing activities	-272	*-338*	66	-573	*-456*	-117
Cash flow	**203**	***-135***	**338**	**-174**	***-468***	**294**

Cash flow from operating activities, MSEK



Highlights Q4 2025

- Improved cash flow from operating activities due to increased EBITDA and decreased inventory levels.
  - Ongoing capital efficiency project
  - Investment in our own brands
- Cash flow from investing activities
  - One Product Media acquisition
  - Capex/Depreciation 0,8 (R12)
- Cash flow from financing activities
  - Amortization of leasing liabilities
  - Amortization of RCF

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Solid financial position

– Leverage decreased in Q4 vs Q3 and the business was refinanced in February 2026

Overview of the financial position

MSEK	31 Dec 2025	31 Dec 2024
Non-current interest bearing liabilities	3,156	3,121
Current interest bearing liabilities	473	452
Cash and cash equivalents	-486	-670
Financial lease liabilities	-1,369	-1,269
Net operational liabilities	**1,774**	**1,634**
EBITDA*, LTM	701	689
Net operational liabilities/EBITDA*, ratio	**2.5**	**2.4**

** Excl. IFRS 16*

Highlights Q4 2025

- Ratio of net operational liabilities to EBITDA (excl. IFRS 16) of 2.5
  - Decreased compared to Q3 (3.1)
- Cash and unutilized granted credit facilities of 850 MSEK at the end of the period
- Equity/assets ratio 45.4% (excl IFRS 16)
- The business was refinanced in February 2026.
  - Total sustainability-linked facility 3,100 MSEK (+500 MSEK) excl. credit facilities
  - Maturity 3+1+1 year
- Financial covenants fulfilled

Solid financial position

- Invest in organic growth and M&A opportunities

Performance in 2025 in relation to financial targets

TARGET

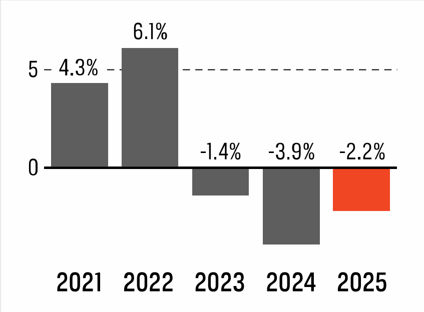
OUTCOME 2025

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.



TARGET

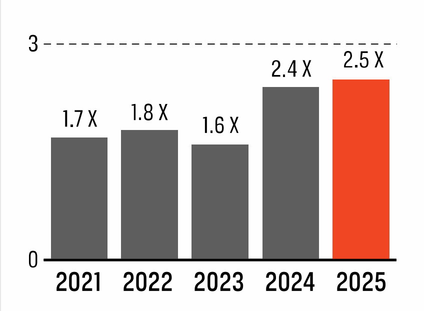
OUTCOME 2025

INDEBTEDNESS

<3X

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

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

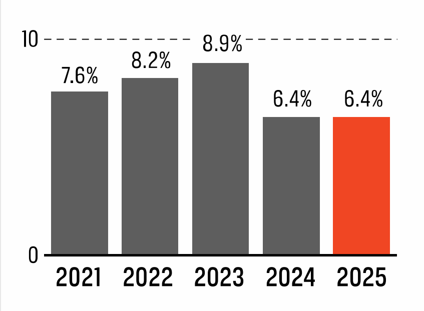


PROFITABILITY

>10%

Adjusted EBITA margin

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

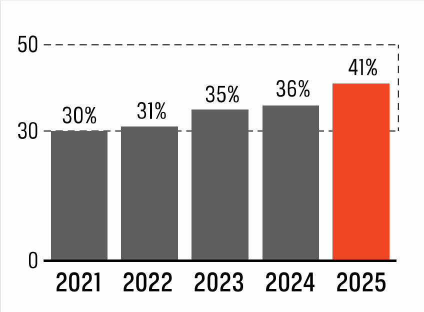


DIVIDEND

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 2025 in relation to sustainability targets

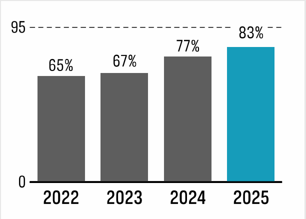
TARGET | OUTCOME 2025

RESPONSIBLE SUPPLIER RELATIONSHIPS

>95%

Shall meet the Supplier Standard

More than 95 per cent must meet Alligo's Supplier Standard.[1]



SATISFIED CUSTOMERS

>75

Customer Satisfaction Index

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

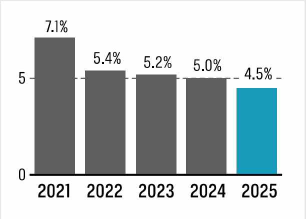
CSI	2021	2022	2023	2024	2025
Sweden Swedol	77	78	n.a.	77	78
Norway Tools	80	80	n.a.	78	76
Finland Tools	77	n.a.	n.a.	82	82

HEALTH

<5%

Sickness absence

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



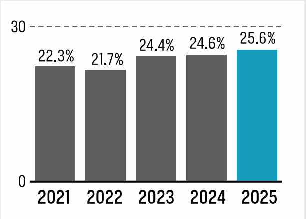
TARGET | OUTCOME 2025

GENDER EQUALITY

>30%

Proportion of women in management positions

The proportion of women in management positions shall be more than 30 per cent.



CLIMATE IMPACT

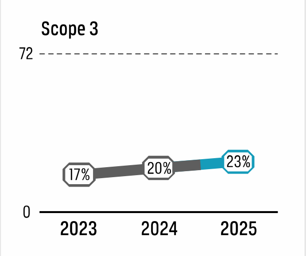
↓CO_2

Reduced greenhouse gas emissions

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

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

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



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Summary & outlook

Q4 and FY 2025 in summary

- Organic growth turned positive (0.5%) after nine consecutive quarters of decline
- High sales activity in all markets
- Weaker market demand was offset by cost adjustments, focused efforts to strengthen the gross margin and contributions from acquisitions
- Increased dividend to SEK 2.20 (2.00) per share suggested for 2025

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Outlook 2026

– Strong position and financial stability

- Alligo is well-positioned for continued organic growth
  – assuming a stable macroeconomic environment
- Alligo continues to maintain a strong financial position
  - Improved profitability and higher capital efficiency are expected to further reduce indebtedness
  - Refinancing agreement with SHB
- A stabilised customer demand provides good opportunities to reach Alligo's financial targets over time

Go for growth 2026:

- Sales
- Marketing
- Acquisitions
- Renewed efforts in Tools Finland

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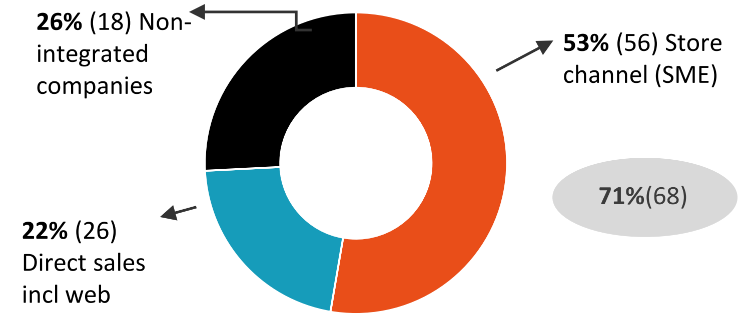
Q&A

Appendix

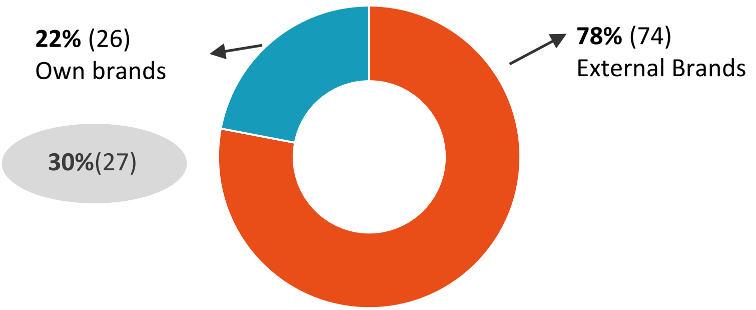
FY 2025 – Positive development of own brands and SME in the integrated business in Sweden and Norway, stable in Finland

Sweden

SALES PER CHANNEL

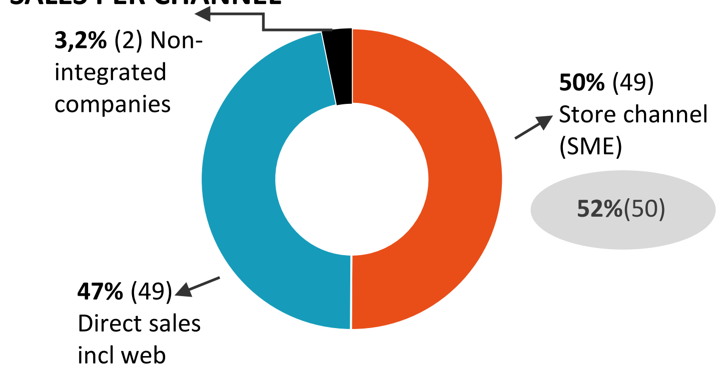


SALE OF OWN BRANDS

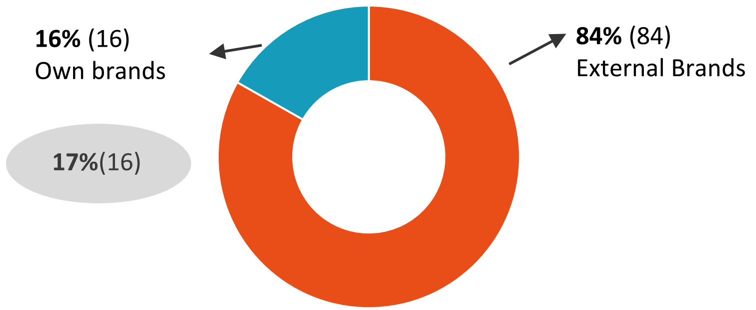


Norway

SALES PER CHANNEL

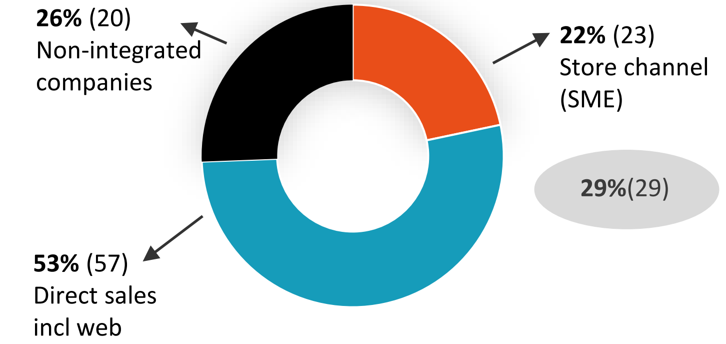


SALE OF OWN BRANDS

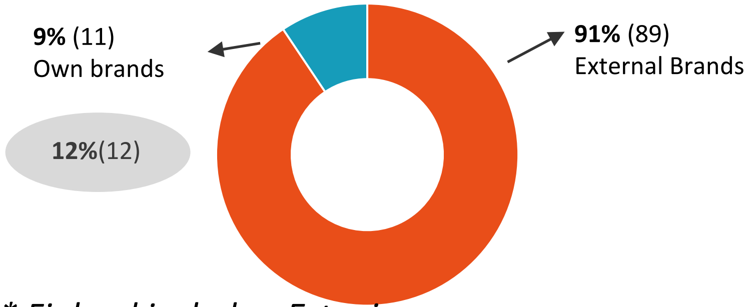


Finland*

SALES PER CHANNEL



SALE OF OWN BRANDS



** Finland includes Estonia*

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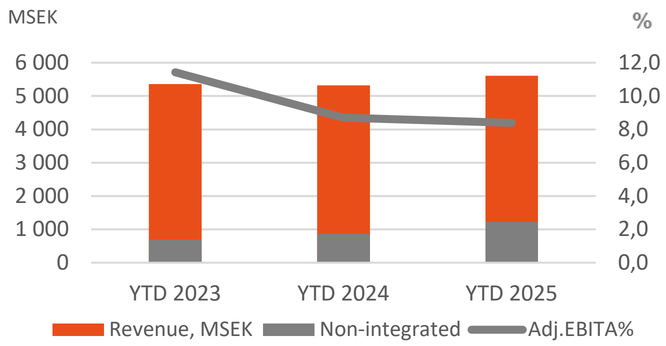
Sweden FY 2025

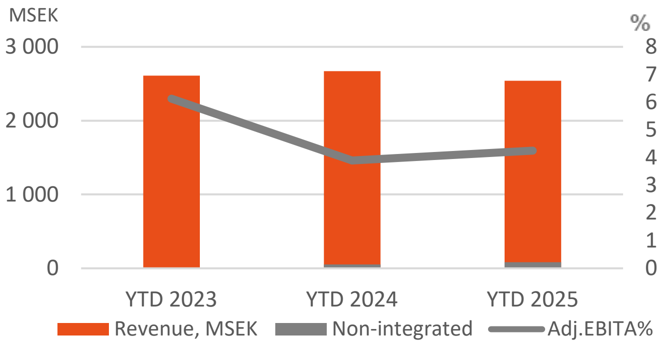


- **Revenue increased by 5.5%**
  - Continued weak market
  - Weak development Direct sales (NV, defense industry)
  - Acquisitions +8.8%
- **EBITA increased by +8 MSEK**
  - Two trading days less and lower volumes
  - Improved margins – partly mix
  - Cost reductions
  - Acquisitions 55 MSEK

Organic growth YTD **-4.4%** (-6.0)

Adj. EBITA margin YTD **8.4%** (8.7)

Norway FY 2025

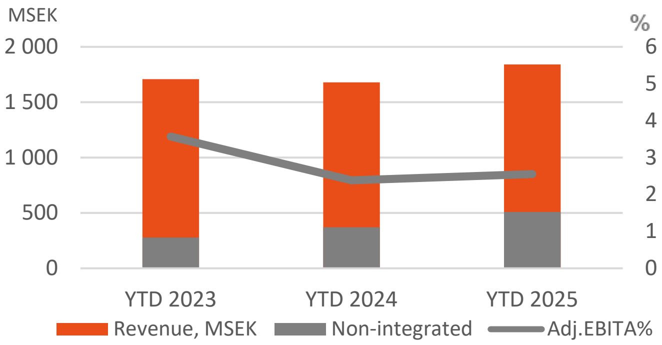


- **Revenue decreased by -4.8%**
  - Weak sales in all segments except for Oil & gas
  - Negative impact from FX -3.8%
  - Acquisitions +1.2%
- **EBITA increased by +4 MSEK**
  - Two trading days less and lower volumes
  - Decreased margins – partly mix
  - Acquisitions 3 MSEK

Organic growth YTD **-1.5%** (2.8)

Adj. EBITA margin YTD **4.3%** (3.9)

Finland FY 2025

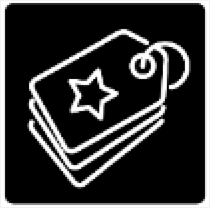
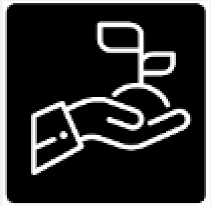


- **Revenue increased by +9.7%**
  - Continued recovery but low comparables
  - Negative impact from FX -3.3%
  - Acquisitions +10.6%
- **EBITA increased by +7 MSEK**
  - Acquisitions 23 MSEK

Organic growth YTD **3.2%** (-9.2)

Adj. EBITA margin YTD **2.6%** (2.4)

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 and long-term business model	Leader in the consolidation process on the Nordic markets
				

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Read more at alligo.com/en/report/q4-2025