Alcadon Group

The Alcadon Way

Enabling Digitalization for a better world

2025

INTERIM REPORT

January - June

Interim report

1 January – 30 June 2025
Strong cash flow but weak earnings driven by increased pace of transformation work

The English version of the interim report is a translation of the official Swedish report. In case of discrepancies, the Swedish version shall prevail.

SECOND QUARTER 2025

- Net sales decreased by 11 per cent to SEK 378 (425) million. In unchanged currency, net sales decreased by -9.7 per cent.
- Adjusted operating profit before amortisation of intangible assets (EBITA adjusted) decreased by -32 per cent to SEK 22 (33) million. Adjustments of SEK 1.2 (2.2) million relate to SEK 1.2 (-0.1) million attributable to unrealised exchange rate gains and losses and acquisition costs of SEK 0.0 (2.3) million.
- Operating profit before amortisation of intangible assets (EBITA) decreased by -31 per cent to SEK 21 (30) million.
- Cash flow from operating activities amounted to SEK 42 (60) million, corresponding to SEK 1.69 (2.47) per share.
- Earnings per share amounted to SEK 0.31 (0.45).
- The equity ratio increased to 53 per cent from 52 per cent on 31 March 2025.

FIRST HALF OF 2025

- Net sales decreased by -5.3 per cent to SEK 781 (824) million. In unchanged currency, net sales decreased by -3.7 per cent.
- Adjusted operating profit before amortisation of intangible assets (EBITA adjusted) decreased by -26 per cent to SEK 44 (60) million. Adjustments of SEK -7.6 (8.3) million relate to SEK -4.2 (6.1) million attributable to unrealised exchange rate gains and losses, SEK -3.3 (0.0) million in reversal of contingent considerations and acquisition costs of SEK 0.0 (2.3) million.
- Operating profit before amortisation of intangible assets (EBITA) increased by 0.1 per cent to SEK 52 (52) million.
- Cash flow from operating activities amounted to SEK 51 (72) million, corresponding to SEK 2.09 (3.12) per share.
- Earnings per share amounted to SEK 0.65 (1.06).
- The equity ratio increased to 53 per cent from 52 per cent on 31 December 2024.

	Quarter 2		January - June		Full year
	2025	**2024**	**2025**	**2024**	**2024**
Net sales, SEK million	377.5	425.2	781.1	824.4	1,603.8
Gross margin, %.	26.1	26.7	25.7	25.5	25.3
EBITA adjusted, SEK million	22.2	32.6	44.0	59.9	105.1
EBITA adjusted, %	5.9	7.7	5.6	7.3	6.6
EBITA, SEK million	21.0	30.4	51.6	51.5	94.4
EBITA, %	5.6	7.2	6.6	6.2	5.9
Profit or loss for the period, SEK million	7.7	11.0	15.8	24.6	36.9
Earnings per share, SEK	0.31	0.45	0.65	1.06	1.54

SIGNIFICANT EVENTS DURING THE QUARTER

- On 22 May 2025, the Board of Directors of Alcadon Group decided on new financial targets that will contribute to the Group's updated vision of becoming a leading competence partner in Europe within the digitalisation of society, with an increased focus on profitability and shareholder value.
- Alcadon Group AB has entered into a new, unsecured credit agreement, a multicurrency revolving credit facility, and raised bank loans from its existing relationship bank, SEB. The credit facilities and bank loans amount to a total of SEK 525 million with an additional option of SEK 150 million.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- No significant events have occurred after the end of the period.

Stockholm, 8 August 2025

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This information is information that Alcadon Group AB is obliged to make public pursuant to the EU Market Abuse Regulation.
The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on 8 August 2025.

A word from the CEO

- **Accelerated focus on profitability in line with new financial targets – strong cash flow and reduced inventories**
- **Continued weak broadband market negatively affects sales but improves product mix**
- **Stronger operating gross margins and reduced costs, but weak earnings due to necessary restructuring and continued inventory adjustment**

DEVELOPMENTS DURING THE QUARTER

The second quarter of the year was characterised by continued headwinds in the fibre segment in most of our markets, while the data center segment continues to develop positively and our largest segment, structured cable systems, is performing steadily.

Through a changed product mix in our sales - a reduction in sales of goods with lower gross margins and a positive development of business in segments with higher value products – we are also delivering stronger operating gross margins.

Our focus on profitability and cash flow over volume was further clarified during the quarter when we presented our updated financial targets in May, along with an adjusted vision, mission and strategy statement.

The comprehensive profitability measure "P/WC" is now our most important financial performance measure, as is our ambition to achieve more consistent earnings growth to contribute to increased long-term shareholder value. These are objectives that will permeate the entire Group's operations at all levels. On the following pages, we therefore introduce a new summary of how the financial targets are developing over time.

In line with the new financial targets, during the quarter we intensified the restructuring work in the operations that are furthest from the internal expectations we have now set for all subsidiaries. With the broadband market remaining cautious, we need to both adapt costs to lower volumes and accelerate our work to expand our customer offering in the various markets in order to reduce our exposure risk to individual segments.

A natural first step is to broaden the subsidiaries' operations within the customer segments in which other companies in the Alcadon Group already operate, while we also view further expansion opportunities positively under the umbrella offered by our updated vision: "to become a leading competence partner in the digitalisation of society". Both add-on acquisitions and organic expansion into new niches will be important components in our efforts to create a broader operating platform for the companies that are well positioned in our updated Focus Model.

Our broadband operations currently account for approximately 25 per cent of total sales, and although we are positive about continuing to participate in the European fibre rollout in the long term, in certain companies we need to adapt our operating model, costs and inventory levels to the current market situation in the short term. Continuing to reduce inventories and generate cash flow will remain one of our most important focus areas as we now prioritise profitability according to the P/WC measure even more clearly.

It is therefore positive to see that working capital fell during the quarter to a record low of SEK 294 million, primarily due to a reduction in inventories of approximately SEK 20 million compared with Q2 2024, and that we are once again delivering strong cash flow even when sales are declining.

A contributing factor to the reduction in inventories is the continued sell-off of slow-moving inventory at low and sometimes very low margins, which we have partly financed with the stronger operating gross margins we have generated, primarily in the data center business. We have also taken necessary restructuring costs directly to profit, but despite these negative items, we report an accumulated gross margin for the first half of the year that is slightly stronger than last year, 25.7 per cent compared with 25.5 per cent, as well as a net reduction in operating expense of approximately SEK 1.4 million or -1.0 per cent for the corresponding period in comparable companies.

The operating profit for the second quarter is thus the result of conscious priorities. We are delivering an adjusted EBITA slightly above the previous quarter, SEK 22.1 million compared with SEK 21.8 million, without any deterioration in our indebtedness, which is in line with our fourth financial target. We do not consider a comparison with the second quarter of last year to be relevant, given that the market situation is now completely different and we have adjusted our priorities to focus on cash flow rather than volume.

Our focus going forward remains unchanged and the direction is clear: in line with our decentralised business culture, we will stimulate growth, both organically and through add-on acquisitions, in the subsidiaries that are well positioned in the Focus Model, and continue to adapt the businesses that are not yet there.

As we do not expect any tailwinds from the market in the short term, the adjustment work we are currently engaged in will continue in the coming quarters so that we can achieve a position, from which we are ready to develop and meet our new long-term goals, with stable profitability and continuous earnings growth towards our vision of becoming a leading competence partner in the digitalisation of society.

The United Kingdom

Growth in local currency amounted to -2.2 per cent during the quarter and -14 per cent compared with the previous quarter. As in the previous quarter, the data center segment continues to develop well, while a couple of larger commercial property projects have been postponed until after the summer, which is temporarily affecting sales and pushing up inventories, something we have addressed further during the quarter and will intensify during the autumn.

Sweden

Growth amounted to -3.2 per cent during the quarter and -2.7 per cent compared with the previous quarter. With a strengthened product mix given increased business in data centers and commercial properties and continued weak demand in broadband, Sweden is delivering well against the new financial targets, despite lower sales.

The Benelux

Growth in local currency was -40 per cent for the quarter and -13 per cent compared with the previous quarter. In Belgium, Proximus' acquisition of Fiberklaar continues to cause delays in ongoing fibre projects pending approval from the competition authorities, which is weakening order intake. At the same time, we have developed our business with other broadband customers, which is positive. In the Netherlands, we are continuing to work on data centers, a niche we also need to develop in Belgium.

Denmark

Growth in local currency amounted to 9.1 per cent for the quarter and 13 per cent compared with the previous quarter. Increased revenue despite the broadband segment remaining weak is attributable to a number of project deliveries in other segments, with stronger margins.

Ireland

Growth in local currency amounted to 38 per cent compared with the previous year and 12 per cent compared with the previous quarter. Another strong quarter for our Irish operations, which have now been included in the Group for a full year, and the market is still considered stable.

Germany

Growth in local currency amounted to -33 per cent during the quarter and 48 per cent compared with the previous quarter. As previously reported, we are seeing continued restraint in fibre roll-out in Germany, and during the quarter we further intensified our efforts to adjust slow-moving inventory and align costs with new revenue levels. Germany continues to deliver weak results but is contributing with reduced inventory levels and positive cash flow. Given the market situation, the adjustments in Germany are expected to continue to have a negative impact on gross margins in particular, while we are working intensively to find a long-term sustainable business outside and after the extraordinary inventory adjustment work.

Norway

Growth amounted to 11 per cent during the quarter and 2.5 per cent compared with the previous quarter. In Norway, we experienced a high pace of adjustment work during the quarter, as the former CEO left the business and an experienced interim CEO implemented both cost and inventory adjustments, as well as strengthening the sales focus and spirit of cooperation within the company. We have also established a Networks Centre in Norway as part of our increased focus on the data center segment, where we see exciting opportunities.

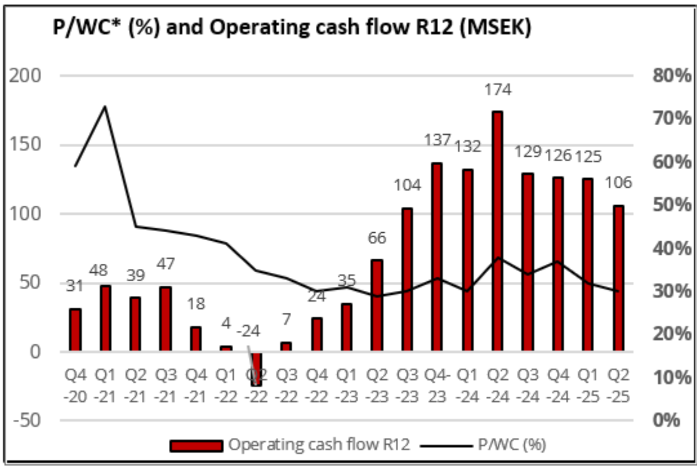
Fredrik Valentin
President and CEO
Alcadon Group AB

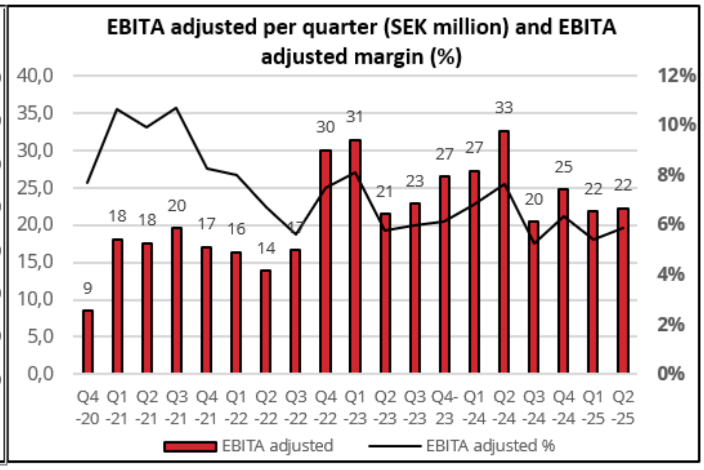
DEVELOPMENT OF THE GROUP'S FINANCIAL TARGETS, CASH FLOW AND SHAREHOLDER VALUE

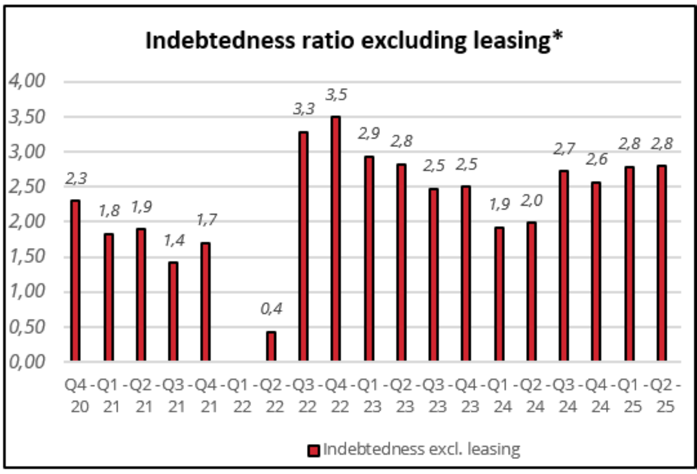
Alcadon Group's long-term financial targets since May 2025 are as follows:

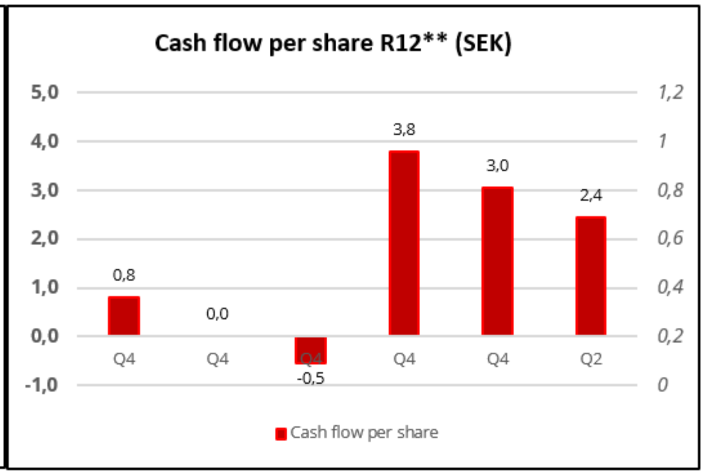
- **Profitability** – Alcadon Group shall reach and maintain a profitability level (P/WC) of 50 per cent
- **Profit growth** – Alcadon Group shall generate an average profit growth of at least 10 per cent per year over time
- **Profit margin** – Alcadon Group shall improve profit margin striving for an EBITA margin of 10 per cent
- **Indebtedness** – Alcadon Group shall operate with an indebtedness ratio below 3

The historical results for the new financial targets are presented below, together with cash flow per share, in order to increase transparency and focus on these important parameters.









**Defined under Alternative performance measures on page 22.*

***Defined as operating cash flow minus cash flow from investments excluding business acquisitions minus interest paid and received and other financial items minus amortisation of lease liabilities divided by the number of shares at the end of the period.*

INDICATORS FOR THE GROUP	Quarter 2 2025	Quarter 2 2024	January - June 2025	January - June 2024	Full year 2024
Net sales, SEK million	377.5	425.2	781.1	824.4	1,603.8
Gross margin, %	26.1	26.7	25.7	25.5	25.3
EBITA adjusted, SEK million	22.2	32.6	44.0	59.9	105.1
EBITA adjusted margin, %	5.9	7.7	5.6	7.3	6.6
Operating profit before amortisation of intangible assets (EBITA), SEK million	21.0	30.4	51.6	51.5	94.4
Operating margin before amortisation of intangible assets (EBITA), %	5.6	7.2	6.6	6.2	5.9
Operating profit after depreciation (EBIT), SEK million	16.0	25.1	41.3	41.8	73.6
Operating margin after depreciation (EBIT), %	4.2	5.9	5.3	5.1	4.6
Profit for the period, SEK million	7.7	11.0	15.8	24.6	36.9
Net margin, %	2.0	2.6	2.0	3.0	2.3
Equity ratio, %	53.4	49.4	53.4	49.4	52.1
Return on equity, %	3.4	6.6	3.4	7.1	4.6
Net interest-bearing liabilities, SEK million	328.0	329.5	328.0	329.5	363.0
Net interest-bearing liabilities excluding leasing, SEK million	259.6	251.3	259.6	251.3	288.2
EBITA R12 adjusted (proforma) / Working capital, % (P/WC)	29.9	39.0	29.9	39.0	35.7
Cash flow from operating activities, SEK million	41.5	60.2	51.3	72.4	125.0
Cash flow from operating activities per share, SEK	1.69	2.47	2.09	3.12	5.24
Equity per share, SEK	33.8	33.5	33.8	33.5	34.9
Earnings per share, SEK	0.31	0.45	0.65	1.06	1.54
Number of shares at the end of the period, pcs	24,511,026	24,511,026	24,511,026	24,511,026	24,511,026
Average number of shares, pcs	24,511,026	24,388,749	24,511,026	23,226,893	23,868,959
Number of employees at the end of the period	185	192	185	192	189
Average number of employees during the period	187	188	185	177	183

DEFINITIONS

Gross profit:	Net sales minus cost of goods sold.
Gross margin:	Gross profit as a percentage of net sales for the period.
EBITA margin:	Operating profit before amortisation of intangible assets as a percentage of net sales for the period.
EBITA margin adjusted:	Operating profit before amortisation of intangible assets as a percentage of net sales for the period, adjusted for the reversal of acquisition costs, deductions/reversals of earnings from contingent considerations and unrealised exchange rate gains and losses.
EBIT margin:	Operating profit after depreciation as a percentage of net sales for the period.
Net margin:	Profit for the period as a percentage of net sales.
Return on equity:	Net profit for the last 12 months as a percentage of average equity.
Net interest-bearing liabilities:	Net financial assets including cash and cash equivalents minus interest-bearing provisions and liabilities. The amounts are calculated including lease liabilities in accordance with IFRS 16, amounting to SEK 68 (78) million. Contingent considerations are not included in net debt as potential payments of contingent considerations are subject to requirements such as EBITDA growth, operating margin development and cash flow.
P/WC (EBITA R12 adjusted (proforma) / Working capital):	Adjusted EBITA R12 divided by working capital, calculated as inventories plus accounts receivable minus accounts payable. Adjusted EBITA R12 proforma is calculated as EBITA for the last 12 months with the reversal of acquisition costs and deductions/reversals of income from contingent considerations. Proforma refers to the period prior to the acquisition as if the acquired companies had been part of the Group for the last 12 months.
Equity ratio:	Equity as a percentage of total assets (excluding cash and financial assets) at the end of the period.
Earnings per share:	Net profit for the period divided by the average number of shares during the period.
Cash flow from operating activi-ties per share, SEK:	Cash flow from operating activities (“Operating cash flow”) divided by the average number of shares for the period.
Operating expenses:	Refers to personnel costs and other external operating expenses.

The company applies ESMA’s guidelines for alternative performance measures. An alternative performance measure is a financial measure that is not defined or specified in applicable financial reporting rules (e.g. IFRS and the Annual Accounts Act). Alternative performance measures must therefore be explained in the financial statements. In accordance with these guidelines, the Group’s alternative performance measures are defined above. The Group applies alternative performance measures because it believes that they provide valuable additional information to management and investors as they are central to understanding and evaluating the Group’s operations.

Financial information

REVENUE AND PROFIT

The quarter

Net sales decreased by -11 per cent to SEK 378 (425) million. In unchanged currency, net sales decreased by -9.7 per cent.

The gross margin amounted to 26.1 (26.7) per cent.

Operating expenses amounted to SEK -73 (-78) million. Operating expenses include a revaluation of contingent considerations of SEK -0.8 (-2.5) million.

Adjusted operating profit before amortisation of intangible assets (EBITA adjusted) decreased by -32 per cent to SEK 22 (33) million. Adjustments of SEK 1.2 (2.2) million relate to SEK 1.2 (-0.1) million attributable to unrealised exchange rate gains and losses, of which SEK 0.8 (0.2) million is revaluation of contingent considerations, and acquisition costs of SEK 0.0 (2.3) MSEK.

EBITA decreased by -31 per cent to SEK 21 (30) million.

Amortisation of acquired customer relationships amounted to SEK -4.4 (-4.4) million.

Profit for the period amounted to SEK 7.7 (11) million.

January - June

Net sales decreased by -5.3 per cent to SEK 781 (824) million. In unchanged currency, net sales decreased by -3.7 per cent. Organic growth including currency effects was -8.9 per cent, excluding currency effects -7.4 per cent, and acquired growth was 3.6 per cent.

The gross margin amounted to 25.7 (25.5) per cent.

Other operating income amounted to SEK 8.4 (0.3) million, of which the reversal of contingent considerations amounted to SEK 3.3 (0.0) million and the revaluation of contingent considerations amounted to SEK 3.3 (0.0) million.

Operating expenses amounted to SEK -145 (-149) million, of which the acquisition of Wood, which is consolidated from 2 April 2024, is included with SEK -10.1 (-4.8) million. Acquisition costs of SEK -2.3 million and unrealised exchange rate losses on the revaluation of contingent considerations of SEK -5.3 million were included in 2024.

Adjusted operating profit before amortisation of intangible assets (EBITA adjusted) decreased by -26 per cent to SEK 44 (60) million. Adjustments of SEK -7.6 (8.3) million relate to SEK -4.2 (6.1) million attributable to unrealised exchange rate gains and losses, of which SEK -3.3 (5.3) MSEK is a revaluation of contingent considerations, acquisition costs of 0.0 (2.3) MSEK, and a reversal of contingent considerations of -3.3 (0.0) MSEK.

EBITA increased by 0.1 per cent to SEK 52 (52) million.

Amortisation of acquired customer relationships amounted to SEK -9.0 (-7.9) million.

Profit for the period amounted to SEK 16 (25) million.

CASH FLOW, INVESTMENTS AND LIQUID ASSETS

The quarter

Cash flow from operating activities amounted to SEK 42 (60) million. Cash flow from changes in working capital amounted to SEK 16 (43) million during the quarter.

Other net investments in tangible, intangible and financial fixed assets amounted to SEK -2.0 (0.6) million. Net cash flow for acquisitions amounted to SEK 0.0 (-103) million and consisted in 2024 of contingent considerations paid for Alcadon Denmark of SEK -9 million and a net cash payment for Wood Communications of SEK -94 million.

Cash flow from financing activities amounted to SEK -29 (-50) million, of which SEK -0.0 (-39) million is amortisation of bank loans, SEK -5.4 (-6.5) million is interest paid and received, SEK -5.1 (-5.1) million is amortisation of lease liabilities and SEK -19.2 (0.0) million is a change in the overdraft facility.

January - June

Cash flow from operating activities amounted to SEK 51 (72) million. Cash flow from changes in working capital amounted to SEK 18 (22) million during the period.

Other net investments in tangible, intangible and financial fixed assets amounted to SEK -2.4 (-5.3) million. Net cash flow for acquisitions amounted to SEK 0.0 (-103) million and consisted in 2024 of contingent considerations paid for Alcadon Denmark of SEK -9 million and a net cash payment for Wood Communications of SEK -94 million.

Cash flow from financing activities amounted to SEK -50 (65) million, of which SEK -10 (-48) million is amortisation of bank loans, SEK -10 (-12) million is interest paid and received, SEK -8.4 (-7.7) million is amortisation of lease liabilities and SEK -21 (0.0) is a change in the overdraft facility. During Q1 2024, financing was raised for the acquisition of Wood Communications, which was completed on 2 April 2024.

At the end of the period, the Group's cash and cash equivalents amounted to SEK 55 (93) million. The approved overdraft facility with SEB amounts to SEK 80 (50) million, of which SEK 80 (50) million was unutilised at the end of the period.

The company has financing from SEB without collateral. The parent company has no contingent liabilities or pledged assets.

OPERATING EXPENSES

The quarter

Operating expenses and cost of goods sold amounted to SEK -352 million (-390), which is a decrease of -9.7 per cent.

Operating expense amounted to SEK -73 (-78) million, which is a decrease of -10 per cent. Operating expenses include revaluation of contingent considerations of SEK -0.8 (-2.5) million and acquisition costs of SEK 0.0 (-2.3) million. Adjusted for this, operating expenses decreased by -1.7 per cent.

January - June

Operating expenses and cost of goods sold amounted to SEK -726 million (-763), which is a decrease of -4.8 per cent.

Operating expenses amounted to SEK -145 (-149) million, which is a decrease of -2.5 per cent. The acquisition of Wood, which is consolidated from 2 April 2024, is included with SEK -10.1 (-4.8) million, revaluation of contingent considerations with SEK -0.0 (-5.3) million and acquisition costs with SEK 0.0 (-2.3) million. Adjusted for this, operating expense decreased by -1.0 per cent.

PERSONNEL

At the end of the period, the number of employees was 185 (192) and the average number of employees during the quarter was 187 (188). During the period, the average number of employees was 185 (177).

EXCHANGE RATE DIFFERENCES

Operating exchange rate differences are reported in accordance with IFRS in operating profit as other operating income/expenses. This includes all exchange rate differences arising from commitments to customers and suppliers. Exchange rate differences attributable to the translation of contingent considerations are also reported in operating profit as other operating income/expenses.

Other exchange rate differences are classified as financial exchange rate differences, which consist of exchange rate differences on loans and bank balances in foreign currencies.

Operating exchange rate differences for the quarter amounted to SEK -1.2 (0.1) million, of which SEK -0.8 (0.2) million is attributable to the revaluation of contingent considerations.

Unrealised exchange rate differences on internal loans are reported in net financial items and amounted to SEK -3.0 (-1.3) million during the quarter and SEK -6.5 (6.6) million during the first half of the year.

Exchange rate differences on foreign operations are reported under other comprehensive income. The exchange rate difference for the quarter amounted to SEK 9.0 (-5.7) million and for the period to SEK -43 (28) million. The exchange rate effect is mainly due to the change in the Swedish krona against the GBP, EUR and DKK.

THE PARENT COMPANY

The operations of the parent company, corporate registration number 559009–2382, comprise group management, finance and IR/PR.

Profit after financial items for the quarter amounted to SEK -7.5 (-6.3) million, of which SEK -0.8 (-0.2) million is attributable to translation and reversal of contingent considerations.

Profit after financial items for the period amounted to SEK -1.0 (-16) million, of which SEK 3.3 (-5.3) million is attributable to translation and reversal of contingent considerations.

At the end of the period, cash and cash equivalents amounted to SEK 16 (30) million. The approved overdraft facility with SEB amounts to SEK 80 (50) million, of which SEK 80 (50) million was unutilised at the end of the period.

DISPUTES

The Group has no significant ongoing disputes at the end of the period.

RISKS AND UNCERTAINTIES

The risks and uncertainties applicable to the Alcadon Group are described in the annual report and on the company's website, www.alcadongroup.se.

Any trade barriers in the form of increased tariffs may have a negative effect in the form of higher prices for imported goods. We are monitoring developments closely, but do not currently believe that this will have any significant impact.

No further significant changes have occurred that would require any further changes to these descriptions.

TRANSACTIONS WITH RELATED PARTIES

During the year, the Group, through Alcadon Group AB, had transactions of SEK -0.5 (-0.4) million with Paseca AB, which is owned by the Chairman of the Board, Pierre Fors. The transactions relate to consulting services and work as interim CEO during the period 1 January – 6 January.

Furthermore, Networks Centre has purchased marketing services amounting to SEK -0.7 (-0.9) million from HCO Consulting, which is owned and controlled by Networks Centre's former principal owner Duncan Lindsay, and SEK -0.0 (-0.1) million from X4R Ltd, which is owned and controlled by Networks Centre's CEO James Reid.

All transactions are considered commercial and based on market terms. No other significant transactions with related parties have taken place during the year.

Goodwill, SEK million Cash-generating unit	Land	2025-06-30	2024-06-30	2024-12-31
Alcadon AB	Sweden	224.7	224.7	224.7
Alcadon AS	Norway	64.4	64.4	64.4
Alcadon ApS	Denmark	47.4	48.3	48.9
Alcadon BV	Belgium	7.6	7.7	7.8
Networks Centre Ltd.	The United Kingdom	338.5	348.7	359.8
Wood Communications	Ireland	90.8	104.0	93.7
		773.4	**797.9**	**799.3**

GOODWILL

Goodwill is tested on an ongoing basis to identify any impairment and is reported at acquisition value less accumulated impairment.

The impairment tests carried out at the end of the year showed that there was no need for impairment. Goodwill amounted to SEK 773 (798) million as of 30 June 2025.

INTEREST EXPENSES

Interest expenses for the quarter amounted to SEK -4.7 (-7.3) million. Of the interest expense, SEK -0.5 (-1.1) million relates to non-cash discounting effects attributable to contingent considerations for the acquisitions of Networks Centre and Wood, and SEK -0.4 (-0.4) million relates to interest expense on right-of-use assets.

Interest expenses for the first half of the year amounted to SEK -9.8 (-12) million. Of the interest expense, SEK -1.1 (-1.8) million relates to a non-cash discount effect attributable to provisions for contingent considerations for the acquisitions of Networks Centre and Wood, and SEK -1.0 (-0.9) million relates to interest expense on right-of-use assets.

FUTURE DEVELOPMENT

The Board of Directors of Alcadon has decided on new financial targets for Alcadon Group. The new financial targets will contribute to the Alcadon Group's vision of becoming a leading competence partner in Europe in the digitalisation of society.

Financial targets

- Profitability – Alcadon Group shall reach and maintain a profitability level of 50 per cent, P/WC
- Profit growth – Alcadon Group shall generate an average profit growth of at least 10 per cent per year over time
- Profit margin – Alcadon Group shall improve profit margin striving towards 10 per cent
- Indebtedness - Alcadon Group shall operate with an indebtedness ratio below 3

Our targets shall be reached through both organic improvements and acquisitions of sustainable and profitable companies, always with shareholder value creation in focus.

Other supporting targets

- Customer loyalty – Net Promoter Score exceeding 30
- Employee engagement – Employee Net Promoter Score (eNPS) exceeding 30

Definitions

Profitability – Measured as Profit (P) divided by Working capital (WC). Profit is defined as adjusted EBITA R12 proforma. Working capital is defined as outgoing balance of Inventory plus Accounts receivables less Accounts payables.

Profit growth – Measured as average annual adjusted EBITA growth, where growth can be generated through both organic growth and acquisitions.

Profit margin – Measured as adjusted EBITA margin.

Indebtedness – Measured as Net interest-bearing debt excluding lease liabilities divided by adjusted EBITDA R12 proforma with lease costs added back.

Customer loyalty – Measured by Net Promoter Score (NPS), which provides a measure of how willing customers are to recommend Alcadon. NPS is measured by customers rating Alcadon on a scale of 1-10, where the number of ambassadors is then compared to the number of critics. Ambassadors are considered to be all those who responded between 9 and 10, while critics are considered to be all those who responded between 1 and 6.

Employee engagement – Measured using the Employee Net Promoter Score (eNPS), which provides a measure of how willing employees are to recommend their workplace. Employees rank Alcadon on a scale of 1-10, where the number of ambassadors is then compared to the number of critics. Ambassadors are considered to be all those who responded between 9-10, while critics are considered to be all those who responded between 1-6.

Other supporting targets	Target	2022	2023	2024	2025
Employee engagement	>30	40	22	29	-
Customer loyalty*	>30	54	57	49	-

*Measured in Sweden and Norway in 2022. Other years measured in companies belonging to the group throughout the year. 2025 will be measured later in the year.

THE AUDITOR'S REVIEW

This report has not been reviewed by the company's auditor.

FINANCIAL CALENDAR

Q3 report	24 October 2025 at 8.00 am
Year-end report 2025	By week 8, 2026
Annual report 2025	No later than three weeks before the 2026 Annual General Meeting
Annual General Meeting 2026	29 April 2026 at 10:00

ANNUAL GENERAL MEETING

The 2025 Annual General Meeting was held on 29 April 2025 in Stockholm. For information about the Annual General Meeting and the resolutions adopted, please refer to the company's communiqué from the 2025 Annual General Meeting, which is available on the company's website www.alcadongroup.se/investerare/bolagsstammor/.

WARRANTS

In accordance with resolutions by the Annual General Meetings in 2023-2025, employees have subscribed for warrants within the framework of four incentive programmes.

Subscription has been made at the current market value of the warrant after calculation in accordance with Black & Scholes. Each warrant entitles the holder to subscribe for one new share in Alcadon Group. Upon full exercise of the warrants, up to 511,500 shares may be issued, corresponding to a dilution of approximately 2.1 per cent calculated on the company's 24,511,026 shares.

The average price of ordinary shares during April to June and January to June was below the exercise price of the warrants, and the shares are therefore not included in the calculation of the number of shares after dilution in the financial tables.

For more information about the programmes, please visit the company's website at www.alcadongroup.se/investor/bolagsstammor/.

SHARE INFORMATION

Alcadon Group AB's shares have been listed on Nasdaq First North since 14 September 2016. As of 30 June 2025, there were 24,511,026 shares outstanding.

Companies listed on Nasdaq First North are required to have a Certified Adviser who, among other things, is responsible for certain supervisory tasks. Alcadon Group's Certified Adviser is Svensk Kapitalmarknadsgranskning AB (SKMG).

The share price at the end of the period was SEK 22.80 (30 June 2025).

- Company name: Alcadon Group AB
- Ticker symbol: ALCA
- Number of shares: 24,511,026
- ISIN: SE0008732218

LOANS & CREDITS

On 25 June 2025, Alcadon entered into a new unsecured credit agreement (multicurrency revolving credit facility) and raised term loan from its existing relationship bank, SEB. The credit facilities and loans amount to a total of SEK 525 million with an additional option (accordion facility) of SEK 150 million.

The Group's total bank financing amounts to SEK 315 (344) million as of 30 June 2025, of which SEK 10 (38) million is reported as current liabilities under Current liabilities to credit institutions, SEK 305 (306) is reported as long-term under Liabilities to credit institutions and SEK 0.0 (0.0) relates to utilised overdraft facilities. Current liabilities of SEK 10 (38) relate to the amortisation plan for the loans with SEB.

Closing values	**2023/2026**	**2024/2027**	**2024/2028**	**2025/2028**
Number of warrants	125 000	74 000	200 000	112 500
Participants	19	13	1	10
Date of allotment	2023-05-08	2024-05-13	2024-07-08	2025-05-14
Exercise date	2026-02-23	2026-11-02	2028-05-01	2028-01-01
Share price at allotment (SEK)	47.8	34.8	36.0	16.5
Volatility	37%	38%	38%	37%
Duration	2.9 år	3.3 år	3.9 år	3.0 år
Yield dividend	2.09%	2.87%	2.00%	0.00%
Risk-free return	2.84%	2.72%	2.80%	2.00%
Fair value per warrant at allotment (SEK)	6.44	6.21	5.97	3.00
Exercise price at allotment (SEK)	62.4	47.5	50.7	24.0
Maximum dilution	0.5%	0.3%	0.8%	0.5%
Exercisable from/to	2026-02-23	2026-11-02	2028-05-01	2028-01-01
	2026-03-20	2027-08-13	2028-05-31	2028-05-13

The overdraft facility granted by SEB amounts to SEK 80 (50) million, of which SEK 80 (50) million was unutilised at the end of the period.

Terms and conditions in brief

- Term loan, SEK 100 million, straight amortisation over 10 years, SEB base rate 3M + 1.25-2.10 percentage points depending on indebtedness ratio.
- Term loan, SEK 50 million, no amortisation, SEB base rate 3M + 1.25-2.10 percentage points depending on indebtedness ratio.
- Revolving credit facility (RCF) SEK 295 million, interest on utilised portion is SEB reference rate 3M + 1.25-2.10 percentage points depending on indebtedness ratio, 0.35 per cent on unutilised amount. As of 30 June 2025, SEK 165 million has been utilised to repay previous bank loans.
- Overdraft facility of SEK 80 million, SEB base rate + 1.2 percentage points, 0.4 per cent annual credit fee.

The company reports covenants linked to:

1. Indebtedness ratio, Net debt/EBITDA R12 <3.25,
2. Interest coverage ratio, EBITDA R12/Net financial items R12 >3

Indebtedness ratio is calculated excluding lease liabilities and including lease costs attributable to operating leases. EBITDA R12 is calculated including acquired EBITDA as if the acquired company had been part of the Group for 12 months. In the event of acquisitions, the key ratio may exceed 3.5 during the following three quarters.

Interest coverage ratio is calculated in accordance with IFRS. EBITDA R12 is calculated including acquired EBITDA as if the acquired company had been part of the Group for 12 months.

ACCOUNTING PRINCIPLES & NOTES

See pages 15-17 for accounting policies and notes.

OWNERSHIP STRUCTURE

Largest shareholders in Alcadon Group as of 30 June 2025 (source: Monitor, Modular Finance).

Name	Shareholding	Shareholding %.
Investment AB Spiltan	4 496 726	18.3%
Ribbskottet Aktiebolag	2 455 000	10.0%
Jeansson, Theodor	2 153 851	8.8%
Andra AP-Fonden	2 132 524	8.7%
Norron Fonder	1 063 621	4.3%
Susanne Stengade Holding ApS	981 780	4.0%
Avanza Pension	896 265	3.7%
Swedbank Robur Microcap	820 000	3.3%
Consensus Asset Management	740 000	3.0%
Cicero Fonder	583 212	2.4%
Mahony, Keith	564 355	2.3%
Lindberg, Peter	350 000	1.4%
Lindsay, Duncan	317 088	1.3%
Lindsay, Natalie	314 389	1.3%
Nordnet Pensionsförsäkring AB	247 222	1.0%
Hajskäret Invest AB	208 459	0.9%
Mårtensson, Jonas	208 092	0.8%
Evli Fund Management	206 978	0.8%
Reid, James	202 621	0.8%
Finlay, Derek	169 306	0.7%
Grand Total	**19 111 489**	**78.0%**
Other	**5 399 537**	**22.0%**
Total	**24 511 026**	**100.0%**

OTHER IMPORTANT INFORMATION

Certain financial and other information presented in the report has been rounded to make the information more accessible to the reader. This may mean that the figures in certain columns do not add up exactly to the stated total.

ALCADON GROUP	Quarter 2		January - June		Full year
Summary income statement (MSEK)	**2025**	**2024**	**2025**	**2024**	**2024**
INCOME STATEMENT					
Net sales, Note 2	377.5	425.2	781.1	824.4	1 603.8
Other operating income	1.1	0.1	8.4	0.3	0.8
Total income	**378.6**	**425.3**	**789.4**	**824.7**	**1 604.6**
Operating expenses and cost of goods	-351.7	-389.7	-725.7	-762.7	-1 486.4
Operating profit before depreciation and amortisation	**26.9**	**35.7**	**63.7**	**62.0**	**118.2**
Depreciation of tangible assets	-5.9	-5.2	-12.1	-10.5	-23.8
Operating profit before amortisation of intangible assets	**21.0**	**30.4**	**51.6**	**51.5**	**94.4**
Amortisation of intangible assets	-5.0	-5.3	-10.2	-9.7	-20.7
Operating profit	**16.0**	**25.1**	**41.3**	**41.8**	**73.6**
Net financial items	-5.0	-8.3	-15.4	-7.9	-17.7
Profit after financial items	**11.0**	**16.8**	**25.9**	**33.9**	**56.0**
Tax on profit for the year	-3.3	-5.9	-10.1	-9.4	-19.1
Profit for the period	**7.7**	**11.0**	**15.8**	**24.6**	**36.9**
Attributable to:					
Non-controlling interests	0.0	0.0	0.0	0.0	0.0
Shareholders of the parent company	7.7	11.0	15.8	24.6	36.9
Profit for the period	**7.7**	**11.0**	**15.8**	**24.6**	**36.9**
Other comprehensive income					
Translation differences for the period on translation of foreign subsidiaries	9.0	-5.7	-43.0	27.6	48.0
Total comprehensive income for the period	**16.7**	**5.3**	**-27.2**	**52.1**	**84.9**
Total comprehensive income for the period attributable to:					
Non-controlling interests	0.0	0.0	0.0	0.0	0.0
Shareholders of the parent company	16.7	5.3	-27.2	52.1	84.9

	Quarter 2		January - June		Full year
DATA PER SHARE	**2025**	**2024**	**2025**	**2024**	**2024**
Number of shares					
Number of shares at the end of the period, st	24,511,026	24,511,026	24,511,026	24,511,026	24,511,026
Average number of shares, st	24,511,026	24,388,749	24,511,026	23,226,893	23,868,959
Number of shares (after dilution), st	24,511,026	24,388,749	24,511,026	23,226,893	23,868,959
Earnings per share					
Profit for the period per share based on average number of shares, SEK	0.31	0.45	0.65	1.06	1.54
Profit for the period per share (after dilution), SEK	0.31	0.45	0.65	1.06	1.54
Equity per share					
Equity per share at the end of the period, SEK	33.8	33.5	33.8	33.5	34.9

ALCADON GROUP CONSOLIDATED			
Summary of financial position (MSEK)	**2025-06-30**	**2024-06-30**	**2024-12-31**
BALANCE SHEET			
Fixed assets			
Goodwill	773.4	797.9	799.3
Other intangible fixed assets	134.9	149.3	152.5
Tangible fixed assets	83.4	96.2	92.2
Financial fixed assets	8.8	8.3	8.7
Total fixed assets	**1,000.5**	**1051.8**	**1,052.7**
Current assets			
Inventories	267.3	287.2	308.1
Accounts receivable	250.6	288.3	241.9
Other current assets	34.7	38.9	40.5
Cash and bank	55.4	93.1	57.9
Total current assets	**607.9**	**707.5**	**648.3**
TOTAL ASSETS	**1,608.4**	**1,759.3**	**1,701.1**
Equity			
Share capital	1.2	1.2	1.2
Other contributed capital	503.6	502.1	503.3
Retained earnings including profit for the period	324.5	319.0	351.7
Equity attributable to the parent company's shareholders	829.3	822.3	856.2
Non-controlling interests	0.0	0.0	0.0
Total equity	**829.3**	**822.3**	**856.2**
Provisions			
Other provisions, note 3	62.7	136.5	67.8
Total provisions	**62.7**	**136.5**	**67.8**
Non-current liabilities			
Deferred tax liability	29.4	35.3	33.1
Liabilities to credit institutions	305.0	305.5	283.5
Other long-term liabilities	48.0	58.0	53.4
Total long-term liabilities	**382.4**	**398.8**	**370.0**
Current liabilities			
Bank overdraft	0.0	0.0	21.1
Short-term liabilities to credit institutions	10.0	38.9	41.5
Other interest-bearing liabilities	20.3	20.2	21.5
Accounts payable	223.6	263.5	248.9
Other current liabilities	80.0	79.1	74.1
Total current liabilities	**334.0**	**401.7**	**407.0**
TOTAL EQUITY AND LIABILITIES	**1,608.4**	**1,759.3**	**1,701.1**

ALCADON GROUP CONSOLIDATED	Quarter 2		January - June		Full year
Summary of changes in equity (MSEK)	**2025**	**2024**	**2025**	**2024**	**2024**
Equity at the beginning of the period	812.3	789.8	856.2	669.5	669.5
Other changes in equity	0.0	0.0	0.0	0.0	0.0
Other contributed capital	0.3	27.3	0.3	100.7	101.9
Dividend	0.0	0.0	0.0	0.0	0.0
Non-controlling interests	0.0	0.0	0.0	0.0	0.0
Total comprehensive income for the period attributable to the parent company's shareholders	16.7	5.3	-27.2	52.1	84.9
Equity at the end of the period	**829.3**	**822.3**	**829.3**	**822.3**	**856.2**

ALCADON GROUP CONSOLIDATED	Quarter 2		January - June		Full year
Consolidated cash flow summary (MSEK)	**2025**	**2024**	**2025**	**2024**	**2024**
Operating profit	16.0	25.1	41.3	41.8	73.6
Adjustments not included in cash flow, etc.	14.9	-5.2	4.5	23.5	51.9
Income tax paid	-5.5	-2.9	-12.7	-14.9	-25.5
Change in working capital	16.1	43.2	18.2	22.0	24.9
Net cash flow from operating activities	**41.5**	**60.2**	**51.3**	**72.4**	**125.0**
Acquisition of tangible and intangible fixed assets	-1.0	0.6	-1.3	-4.6	-6.5
Change in financial fixed assets	-1.0	-0.1	-1.1	-0.7	-1.1
Operating acquisitions	0.0	-103.2	0.0	-103.2	-170.7
Cash flow from investing activities	**-2.0**	**-102.8**	**-2.5**	**-108.5**	**-178.3**
Dividend paid	0.0	0.0	0.0	0.0	0.0
New issue/Payment of subscription rights	0.4	0.5	0.4	73.9	75.1
Interest paid and received and other financial items	-5.4	-6.5	-10.5	-12.5	-25.1
Amortisation of lease liabilities	-5.1	-5.1	-8.4	-7.7	-17.7
Amortisation	0.0	-38.9	-10.0	-48.4	-67.9
Loans raised/Use of overdraft facilities	-19.2	0.0	-21.0	59.8	80.9
Cash flow from financing activities	**-29.4**	**-50.0**	**-49.6**	**65.2**	**45.3**
Cash flow for the period	**10.1**	**-92.6**	**-0.7**	**29.1**	**-7.9**
Reconciliation of changes in cash and cash equivalents					
Opening balance of cash and cash equivalents	44.9	185.9	57.9	62.5	62.5
Exchange rate differences in cash and cash equivalents	0.3	-0.2	-1.8	1.5	3.3
Closing balance, cash and cash equivalents	55.4	93.1	55.4	93.1	57.9
Change in cash and cash equivalents	**10.2**	**-92.6**	**-0.7**	**29.1**	**-7.9**

PARENT COMPANY ALCADON GROUP AB	Quarter 2		January - June		Full year
Summary report on results (SEK million)	**2025**	**2024**	**2025**	**2024**	**2024**
INCOME STATEMENT					
Net sales	4.1	2.3	6.4	6.7	13.1
Other operating income	**0.0**	**0.0**	**6.6**	**0.0**	**0.0**
Total income	4.1	2.3	13.1	6.7	13.1
Operating expenses	**-6.5**	**-5.3**	**-10.2**	**-15.9**	**-24.2**
Operating profit	-2.3	-3.0	2.9	-9.2	-11.1
Net financial income	**-5.3**	**-3.3**	**-3.9**	**-6.4**	**-5.5**
Profit after financial items	-7.6	-6.3	-1.0	-15.7	-16.7
Appropriations	**0.0**	**0.0**	**0.0**	**0.0**	**14.8**
Profit before taxes	-7.6	-6.3	-1.0	-15.7	-1.9
Tax on profit for the year	**1.4**	**1.5**	**-0.4**	**3.3**	**-0.8**
Profit for the period	**-6.2**	**-4.8**	**-1.4**	**-12.4**	**-2.6**

PARENT COMPANY ALCADON GROUP AB			
Summary of financial position (SEK million)	**2025-06-30**	**2024-06-30**	**2024-12-31**
BALANCE SHEET			
Fixed assets			
Intangible fixed assets	0.2	0.3	0.3
Financial fixed assets	916.6	929.3	916.9
Long-term receivables from Group companies	279.3	299.5	280.5
Total fixed assets	**1,196.1**	**1,229.1**	**1,197.7**
Current assets			
Receivables from Group companies	0.0	0.6	0.8
Other current assets	4.6	7.3	1.1
Cash and bank	16.2	30.1	0.0
Total current assets	**20.8**	**38.0**	**1.9**
TOTAL ASSETS	**1,216.9**	**1,267.1**	**1,199.6**
Equity			
Share capital	1.2	1.1	1.2
Retained earnings including profit for the period	536.2	526.4	537.2
Total equity	**537.4**	**527.5**	**538.4**
Provisions			
Other provisions	62.5	136.3	67.8
Total provisions	**62.5**	**136.3**	**67.8**
Long-term liabilities			
Other loans	305.0	305.5	283.5
Liabilities to Group companies	47.3	62.1	62.1
Total non-current liabilities	**352.3**	**367.6**	**345.6**
Current account overdraft	0.0	0.0	21.1
Short-term interest-bearing liabilities	10.0	38.0	41.0
Liabilities to Group companies	248.7	189.2	193.9
Current liabilities	6.1	8.5	-8.1
Total current liabilities	**264.8**	**235.7**	**247.8**
TOTAL EQUITY AND LIABILITIES	**1,216.9**	**1,267.1**	**1,199.6**

CONSOLIDATED QUARTERLY DATA	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
INCOME STATEMENT (SEK million)	**2025**	**2025**	**2024**	**2024**	**2024**	**2024**	**2023**	**2023**
Net sales	377.5	403.6	389.0	390.4	425.2	399.2	431.5	381.4
Profit								
Adjusted operating profit before amortisation of intangible assets (EBITA adjusted)*	22.2	21.8	24.8	20.5	32.6	27.3	26.5	22.8
Operating profit before amortisation of intangible assets (EBITA)	21.0	30.6	24.9	18.0	30.4	21.1	39.3	28.0
Profit after financial items	11.0	15.0	13.5	8.5	16.8	17.1	20.7	12.1
Profit for the period	7.7	8.1	6.9	5.4	11.0	13.6	14.8	13.7
Margin measure in %								
Gross margin %	26.1	25.2	25.7	24.4	26.7	24.3	23.7	23.8
Adjusted operating margin, EBITA adjusted %*	5.9	5.4	6.4	5.2	7.7	6.8	6.1	6.0
Operating margin, EBITA %	5.6	7.6	6.4	4.6	7.2	5.3	9.1	7.3
Net margin %	2.0	2.0	1.8	1.4	2.6	3.4	3.4	3.6
BALANCE SHEET (SEK million)								
Assets								
Total fixed assets	1 001	999	1 053	1 049	1 052	920	896	926
Total current assets	608	621	648	664	708	793	685	703
Total assets	**1 608**	**1 620**	**1 701**	**1 713**	**1 759**	**1 714**	**1 581**	**1 629**
Equity & Liabilities								
Total equity	829	812	856	831	822	790	669	680
Total non-current liabilities & provisions	445	414	438	454	535	522	495	558
Total current liabilities	334	393	407	427	402	402	417	391
Total equity & liabilities	**1 608**	**1 620**	**1 701**	**1 713**	**1 759**	**1 714**	**1 581**	**1 629**
CASH FLOW (MSEK)								
Net from operating activities	41.5	11.0	38.9	14.4	60.2	12.4	41.7	60.1
Investment activities	-2.0	-0.4	-1.5	-68.3	-102.8	-5.7	-28.4	-0.6
Financing activities	-29.4	-20.2	-31.5	11.7	-50.0	115.2	-20.2	-72.9
Cash flow for the period	**10.1**	**-9.6**	**6.0**	**-42.2**	**-92.6**	**121.9**	**-7.0**	**-13.5**
OTHER INDICATORS FOR THE GROUP								
Earnings per share, SEK	0.31	0.33	0.28	0.22	0.45	0.62	0.68	0.63
Return on equity, %	3.4	3.7	4.3	5.4	6.6	5.6	5.5	5.4
Equity per share, SEK	33.8	33.1	34.9	33.9	33.5	33.2	30.8	31.3
Cash flow from operating activities per share, SEK	1.69	0.45	1.59	0.59	2.47	0.56	1.92	2.77
Share price at end of period, SEK	22.8	24.0	29.0	34.6	34.6	38.2	35.0	28.1

*Operating profit adjusted for the reversal of acquisition costs, deductions/reversals of earnings from contingent considerations and unrealised exchange rate gains and losses.

NOTE 1. ACCOUNTING PRINCIPLES

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee interpretations as adopted by the EU. Furthermore, the recommendation from the Swedish Financial Reporting Board, RFR 1, regarding supplementary accounting rules for groups has been applied.

This interim report has been prepared for the Group in accordance with the Swedish Annual Accounts Act (ÅRL) and IAS 34 Interim Financial Reporting, and for the parent company in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities.

The same accounting principles and calculation methods have been applied for the Group and the parent company as in the most recent annual report, except for new standards and interpretations and changes in existing standards and interpretations that apply from 1 January 2025 or later.

IFRS 16 Leases

Alcadon applies IFRS 16 Leases.

As Alcadon is the lessee, the right-of-use assets are recognised as a right-of-use asset in the statement of financial position, while the future obligation to the lessor is recognised as a liability in the statement of financial position. The Group leases office and warehouse premises and cars. Short-term leases and leases of low-value assets are not included as these are expensed directly.

Closing values in the balance sheet as of 30 June 2025:

- Right of use: SEK 71 (81) million, reported in Tangible fixed assets
- Lease liabilities: SEK 68 (78) million, reported separately as SEK 48 (58) million in Other long-term liabilities and SEK 20 (20) million in other interest-bearing liabilities

Other

IFRS 18 Presentation and disclosure in financial statements applicable for financial years beginning on 1 January 2027 or later. The standard will replace IAS 1 Presentation of financial statements and introduce new requirements that will contribute to achieving comparability in the reporting of results for similar companies and provide users with more relevant information and transparency. IFRS 18 will not affect the recognition or measurement of items in the financial statements, i.e. it will have no effect on net profit. Management will begin evaluating the consequences of applying the new standard in 2025.

No other IFRS or IFRIC interpretations that have not yet come into force are expected to have any significant impact on the Group's financial statements. Significant accounting policies are summarised in the 2024 annual report. See the company's website www.alcadongroup.se for more information.

NOTE 2. NET SALES

Alcadon is primarily engaged in the sale of goods, which accounts for more than 99 per cent of net sales. Net sales are made in various regions and revenue from sales is recognised in the income statement when control has been transferred to the customer. The Group also provides services in the form of technical support and service agreements. Technical support is considered to constitute separate performance obligations where revenue is recognised over time. Service agreements are recognised on a straight-line basis over the term of the agreement. See the table below for net sales by region.

Geographical market (external net sales)	Quarter 2		January - June		Full year
MSEK	**2025**	**2024**	**2025**	**2024**	**2024**
Sweden	83.7	86.5	169.7	177.4	347.5
Norway	24.3	23.2	48.7	50.6	92.0
Denmark	28.7	27.6	54.7	56.6	126.4
Germany	26.0	40.4	43.9	69.0	102.5
The United Kingdom	141.6	152.0	313.2	307.7	626.4
Ireland	32.4	24.3	62.1	24.3	85.0
The Benelux	40.8	71.3	88.8	138.7	224.0
Total	**377.5**	**425.2**	**781.1**	**824.4**	**1,603.8**

NOTE 3. CONTINGENT CONSIDERATIONS

	Quarter 2		January - June		Full year
MSEK	**2025**	**2024**	**2025**	**2024**	**2024**
Contingent considerations at beginning of period	61.2	113.9	67.8	108.1	108.1
New contingent considerations	0.0	30.7	0.0	30.7	30.7
Reversed contingent considerations	0.5	1.1	-2.2	2.0	-1.0
Currency differences	1.0	0.2	-2.9	5.1	6.9
Payments	0.0	-9.5	0.0	-9.5	-77.0
Contingent considerations at end of period	**62.7**	**136.5**	**62.7**	**136.5**	**67.8**

Contingent considerations as of 30 June 2025 relates to contingent considerations for the acquisition of Networks Centre of SEK 39 million and Wood Communications of SEK 23 million.

The contingent considerations for the acquisition of Networks Centre of SEK 39 million (GBP 3.0 million) relates to the discounted value of the remaining contingent considerations of GBP 3.0 million, corresponding to SEK 39 million calculated at the closing date. The total possible remaining contingent considerations amounts to GBP 3.0 million, corresponding to SEK 39 million calculated at the closing date exchange rate.

The contingent considerations for the acquisition of Wood Communications of SEK 23 million (EUR 2.1 million) refers to the discounted value of the remaining contingent considerations of EUR 2.2 million. This corresponds to SEK 24 million calculated at the closing date. The total possible remaining contingent considerations amounts to EUR 2.3 million, corresponding to SEK 25 million calculated at the closing date.

The difference between the discounted values in the balance sheet and the remaining recognised contingent considerations (GBP 0.0 million and EUR 0.1 million) is recognised as an interest expense in net financial items until the date of payment of contingent considerations, if any. Interest expense for the quarter amounted to SEK -0.5 (-1.1) million and for the first half of the year to SEK -1.1 (-2.0) million.

The Board of Directors and the CEO certify that the interim report provides a true and fair view of the Parent Company's and the Group's financial position and results of operations and provides a fair overview of the development of the Parent Company's and the Group's operations, and describes significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Stockholm, 8 August 2025

Pierre Fors
Chairman of the Board of Directors

Jonas Mårtensson
Vice Chairman of the Board of Directors

Marie Ygge
Member of the Board of Directors

Lars Engström
Member of the Board of Directors

Mikael Vaezi
Member of the Board of Directors

Fredrik Valentin
Chief Executive Officer

ALTERNATIVE PERFORMANCE MEASURES

Operating profit before amortisation of intangible assets (EBITA), SEK million	Quarter 2		January - June		Full year
	2025	**2024**	**2025**	**2024**	**2024**
Operating profit after depreciation (EBIT), SEK million	16.0	25.1	41.3	41.8	73.6
Amortisation of intangible assets	5.0	5.3	10.2	9.7	20.7
Operating profit before amortisation of intangible assets (EBITA), SEK million	21.0	30.4	51.6	51.5	94.4

Adjusted operating profit (EBITA adjusted), SEK million	Quarter 2		January - June		Full year
	2025	**2024**	**2025**	**2024**	**2024**
Operating profit before amortisation of intangible assets (EBITA)	21.0	30.4	51.6	51.5	94.4
Acquisition costs	0.0	2.3	0.0	2.3	2.3
Revaluation and reversal of contingent considerations	0.8	0.2	-6.6	5.3	5.4
Unrealised exchange rate gains and losses	0.5	-0.3	-0.9	0.7	3.1
Adjusted operating profit before amortisation of intangible assets (adjusted EBITA)	22.2	32.6	44.0	59.9	105.1

Operating expenses	Quarter 2		January - June		Full year
	2025	**2024**	**2025**	**2024**	**2024**
Operating expenses and cost of goods sold	351.7	389.7	725.7	762.7	1,486.4
Cost of goods sold	278.9	311.5	580.6	613.8	1,198.0
Operating expenses	72.8	78.1	145.1	148.8	288.5

Net interest-bearing liabilities, SEK million	2025-06-30	2024-06-30	2024-12-31
Long-term liabilities to credit institutions	305.0	305.5	283.5
Current liabilities to credit institutions	10.0	38.9	41.5
Overdraft facility	0.0	0.0	21.1
Cash	-55.4	-93.1	-57.9
Net interest-bearing liabilities excluding leasing	**259.6**	**251.3**	**288.2**
Long-term lease liabilities	48.0	58.0	53.4
Short-term lease liabilities	20.3	20.2	21.5
Net interest-bearing liabilities	**328.0**	**329.5**	**363.0**

Indebtedness	2025-06-30	2024-06-30	2024-12-31
EBITDA R12	119.9	139.8	118.2
EBITDA R12 Proforma (period prior to acquisition*)	0.0	11.1	5.6
Acquisition costs	0.0	2.3	2.3
Revaluation and reversal of contingent considerations	-6.6	-10.1	5.4
EBITDA R12 adjusted (proforma)	**113.3**	**143.0**	**131.5**
Leasing expense	-20.5	-16.6	-19.1
EBITDA R12 adjusted IFRS16 (proforma)	**92.8**	**126.4**	**112.4**
Net interest-bearing liabilities	328.0	329.5	363.0
Net interest-bearing liabilities/ EBITDA R12 adjusted (proforma)	**2.9**	**2.3**	**2.8**
Net interest-bearing liabilities excluding leasing	259.6	251.3	288.2
Net interest-bearing liabilities excluding leasing/EBITDA R12 adjusted (proforma)	**2.8**	**2.0**	**2.6**

Operating profit/working capital (P/WC)	2025-06-30	2024-06-30	2024-12-31
EBITA R12	94.5	118.7	94.4
EBITA R12 Proforma (period prior to acquisition*)	0.0	10.9	5.5
Acquisition costs	0.0	2.3	2.3
Revaluation and reversal of contingent considerations	-6.6	-10.1	5.4
EBITA R12 adjusted (proforma)	**87.9**	**121.8**	**107.5**
Working capital	**294.3**	**312.0**	**301.1**
EBITA R12 adjusted (proforma) / Working capital, %	**29.9**	**39.0**	**35.7**

*Refers to the period prior to acquisition as if the acquired companies had been part of the Group for the past 12 months.

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