



Alcadon Group

The Alcadon Way

Enabling Digitalization for a **better** world



2021

January - December

YEAR-END REPORT

Year-end report

1 January – 31 December 2021

Continued strong growth in net sales and operating profit, acquisition in Belgium

FOURTH QUARTER 2021

- Net sales increased by 86 percent to MSEK 206 (111). In unchanged currency levels, net sales increased by 86 percent.
- Operating profit after depreciation/amortization increased by 62 percent to MSEK 15 (9.4) including negative currency effects of MSEK -0.6 (0.9). Operating profit was negatively impacted by direct acquisition costs of MSEK -0.8.
- Cash flow from operating activities amounted to MSEK -8 (21).
- Earnings per share increased to SEK 0.60 (0.38).
- Solidity remains unchanged at 49 percent.

YEAR AS A WHOLE, JANUARY – DECEMBER 2021

- Net sales increased by 57 percent to MSEK 736 (468). In unchanged currency levels, net sales increased by 59 percent.
- Operating profit after depreciation/amortization increased by 53 percent to MSEK 66 (43) including negative currency effects of MSEK -2.4 (-0.9). Operating profit was negatively impacted by direct acquisition costs of MSEK -2.3.
- Cash flow from operating activities amounted to MSEK 18 (31).
- Earnings per share increased to SEK 2.62 (1.72).
- During the period, solidity decreased to 49 percent from 52 percent.

	Quarter 4		Full year	
	2021	2020	2021	2020
Operating income, MSEK	206.4	110.8	736.5	467.6
Gross margin, %	27.3	31.2	28.1	28.7
Operating profit after depreciation/amortization (EBIT), MSEK	15.2	9.4	65.8	43.1
Operating margin after depreciation/amortization (EBIT), %	7.4	8.5	8.9	9.2
Profit or loss for the period, MSEK	11.0	6.3	47.1	29.0
Earnings per share, SEK	0.60	0.38	2.62	1.72

SIGNIFICANT EVENTS DURING THE QUARTER

- Alcadon acquires 80 percent of Belgian 6X International BV with an option for the remaining 20 percent

SIGNIFICANT EVENTS AFTER THE PERIOD

- Alcadon has carried out a directed issue of approximately 1.28 million shares, raising about MSEK 128 in proceeds before issuance costs. Alcadon intends to use the proceeds from the issue to strengthen the financial preparedness and enable continued expansion through additional acquisitions in accordance with the Company's strategy.
- The Company is now established in the Netherlands through the newly founded Alcadon B.V.
- The Board of Directors proposes a dividend of SEK 0.50 per share.

Stockholm, 22 February 2022

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This information is information that Alcadon Group AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 8:00 am on 22 February 2022.



A word from the CEO

- **An 86 percent growth in sales and a 62 percent growth in operating profit, supported by both organic growth and acquisitions**
- **The underlying demand continues to increase, and we are seeing the effect of growth initiatives**
- **Continued negative impact of accelerated COVID-19 spread and associated restrictions**

DEVELOPMENT DURING THE QUARTER

Supported by organic sales growth as well as a strong performance in the acquired businesses, the Q4 result was very satisfactory. In particular, the data center segment and antenna solutions to operators continued to develop satisfactorily. Underlying demand also continued to show a positive trend during the quarter.

High absence rates, both in our own operations and across freight forwarders, suppliers, and customers, in combination with COVID-19-related restrictions, have had a significant negative impact on our operations. Our assessment is that these issues and other supply chain disruptions will continue into Q1 but gradually decrease in impact during the spring. Cost inflation and increased freight costs had additional negative impact, which, however, could be offset, and the development of the gross margin thus remains stable. There is a tradition of being able to pass on price increases in our industry – albeit with some natural lag.

Despite the above challenges, several segments in both Norway and Sweden developed well, and the trend continues to look good. Our operations in Denmark have shown a very strong profitable growth and deliver beyond expectations. In Germany, we have been negatively impacted by restrictions and high rates of absence as a consequence of COVID-19, both internally and among customers. As a result, several major projects have suffered delays. It is our assessment that these projects can commence by the summer, at the earliest. The integration of our new operations in Belgium is under way and was accompanied by an establishment in the Netherlands during Q1 2022.

The Group increased its cost base during the quarter, which is attributable to deliberate efforts to create new long-term revenue streams. This effort is very similar to the successful effort implemented in 2019/2020 in the data center segment. The immediate future will also be characterized by numerous product launches across the Group.

COMMERCIAL PROPERTY NETWORKS: 29 (43) PERCENT OF NET SALES DURING Q4

The development differs significantly across our various segments. The data center segment continues to show the strongest growth, while the commercial premises segment continues to lag behind – albeit with a positive trend. We are planning for product launches in 2022, which should give additional support to the growth moving forward.

Our effort towards commercial and residential networks in the Danish market is proceeding as planned and is expected to show a positive development in the latter part of Q2 2022.

RESIDENTIAL NETWORKS: 10 (19) PERCENT OF NET SALES DURING Q4

Aside from Satellite TV distribution, the market development continues to appear positive. Product launches and continued expansion of geographic presence should support the development further. The product launches mainly comprise products and systems in the electrical installation segment, which complements the existing concept selling in data communications and solutions for smart and safe homes.

FIBER NETWORKS/FTTx: 56 (33) PERCENT OF NET SALES DURING Q4

The good performance continues, supported by clear trends in the market. Growth is strong in the Danish market and satisfactory also in the Swedish and Norwegian markets. Moving forward, government subsidies for broadband in several markets and a continued internal focus on antenna solutions should promote further growth. We have high expectations in the German market, where development has been affected by project delays. The Belgian market is expected to show strong growth in the coming years, and an effort is under way to position the group in line with this development.

SERVICES & TRAINING: 5 (4) PERCENT OF NET SALES DURING Q4

Operations in the business area develop in line with other business areas.

FINANCIALS

Net sales increased by 86 percent to MSEK 207 (111) during the quarter. In unchanged currency levels, net sales increased by 86 (-1.1) percent. The quarter was characterized by persistently strong gross margins. In addition to increased freight costs in all regions, investments have been made in marketing and recruitments in order to create additional long-term revenue streams. Operating profit after depreciation/amortization (EBIT) amounted to MSEK 15 (9.4) during the quarter, an increase of 62 percent. The operating

profit was burdened by direct acquisition costs of MSEK -0.8 (0) and foreign exchange losses of MSEK -0.6 (0.9). 6X Belgium impacts the quarter by -0.4 MSEK in operating profit.

Cash flow from operating activities amounted to MSEK -8 (21) and was characterized by stock building efforts.

CONCLUDING REMARKS

The recent period of restrictions, increased spread of COVID-19, and global supply chain disruptions has been difficult for us as well as for many others. We have been able to manage most challenges well, and we are emerging stronger from this period.

We believe that the supply chain problems, while disturbing, are temporary; over time, investments tend to remove bottlenecks when the underlying demand is strong, as is presently the case. The rate of absence, the causes of which are well-known, has paralyzed operations all across Europe, and freight forwarders and transport companies have been unable to operate according to their plans. By nature, however, this is a problem that will pass.

We are a company with momentum, and this has attracted several skilled and dedicated employees. This creates additional opportunities for us to generate profitable, long-term growth in an industry for the future where the development is supported by global megatrends. The conditions for strong market growth are clear.

It is Alcadon's ambition to further strengthen our market position while getting established in more geographic markets.

Our current growth agenda is very ambitious, but realistic, and features a number of organic growth initiatives, an active acquisition agenda, and an increased focus on sustainability. This agenda includes our efforts towards operators and the data center segment, which are bearing fruit according to plan. During Q4, we also expanded into the very interesting Belgian market, and we recently established ourselves in the Netherlands as well.

We are preparing for the future, and the dedicated individuals who have joined the group over the past few months will help us accelerate our efforts even further.

Our journey is just beginning.



Sonny Mirborn
CEO and President
Alcadon Group AB

INDICATORS FOR THE GROUP	Quarter 4		Full year	
	2021	2020	2021	2020
Operating income, MSEK	206.4	110.8	736.5	467.6
Gross margin, %	27.3	31.2	28.1	28.7
Operating profit after depreciation/amortization (EBIT), MSEK	15.2	9.4	65.8	43.1
Operating margin after depreciation/amortization (EBIT), %	7.4	8.5	8.9	9.2
Profit or loss for the period, MSEK	11.0	6.3	47.1	29.0
Net margin, %	5.3	5.7	6.4	6.2
Solidity, %	49.1	51.9	49.1	51.9
Return on equity, %	13.9	12.5	15.8	13.1
Net interest-bearing liabilities, MSEK	151.8	137.4	151.8	137.4
Cash flow from operating activities, MSEK	-8.0	20.8	18.2	31.1
Cash flow from operating activities per share, SEK	-0.4	1.2	1.0	1.8
Equity per share, SEK	18.6	13.9	18.6	13.9
Earnings per share, SEK	0.60	0.38	2.62	1.72
Number of shares at the end of the period	18,341,026	16,859,246	18,341,026	16,859,246
Average number of shares	18,341,026	16,859,246	17,945,952	16,859,246
Number of employees at the end of the period	95	65	95	65
Average number of employees during the period	92	65	87	61

DEFINITIONS

Gross margin:	Gross result as a percentage of net sales for the period.
EBIT margin:	Operating result after depreciation as a percentage of net sales for the period.
Net margin:	Profit or loss for the period as a percentage of net sales.
Return on equity:	Net profit or loss for the last 12 months as a percentage of average equity.
Net interest-bearing liabilities:	The net total of financial assets including cash and cash equivalents less interest-bearing provisions and liabilities. The calculations include lease liabilities in accordance with IFRS 16 totaling MSEK 32 (38).
Solidity:	Equity as a percentage of total assets (excluding cash balance and financial assets) at the end of the period.
Earnings per share:	Net profit or loss for the period divided by the average number of shares during the period.
Cash flow from operating activities per share, SEK:	Cash flow from operating activities divided by the average number of shares during the period.

The Company applies the ESMA Guidelines on Alternative Performance Measures. An alternative performance measure is a financial measure other than those defined or specified in the applicable rules of financial reporting (such as IFRS and the Swedish Annual Accounts Act). The alternative performance measures must therefore be explained in the financial reports. In accordance with these guidelines, the Group's alternative performance measures are defined above. The Group applies alternative performance measures as the Company has made the assessment that they provide valuable, additional information to the management and investors, since they are key to the understanding and evaluation of the Group's operations.

Financial Information

REVENUE AND RESULTS

The quarter

Net sales increased by 86 percent to MSEK 207 (111). In unchanged currency levels, net sales increased by 86 percent. The organic growth was 5 percent, and the acquired growth was 82 percent.

The quarter was characterized by persistently strong gross margins. In addition to increased freight costs in all regions, investments have been made in marketing and recruitments in order to create additional long-term revenue streams. Operating result after depreciation/amortization (EBIT) amounted to MSEK 15 (9.4) during the quarter, an increase of 62 percent. The operating result was burdened by direct acquisition costs of MSEK -0.8 (0) and foreign exchange losses of MSEK -0.6 (0.9). 6X Belgium impacts the quarter by -0.4 MSEK in operating profit.

Profit or loss for the period amounted to MSEK 11 (6.3).

January – December

Net sales increased by 57 percent to MSEK 736 (468). In unchanged currency levels, net sales increased by 59 percent. The organic growth was -3 percent, and the acquired growth was 61 percent.

Operating result after depreciation/amortization (EBIT) amounted to MSEK 66 (43), an increase of 53 percent. The result was burdened by direct acquisition costs of MSEK -2.3 and foreign exchange losses of MSEK -2.4 (-0.8).

Profit or loss for the period amounted to MSEK 47 (29).

CASH FLOW, INVESTMENTS AND CASH AND CASH EQUIVALENTS

The quarter

Cash flow from operating activities amounted to MSEK -8 (21).

Other net investments in tangible and intangible fixed assets amounted to MSEK -2,9 (-1,8). Net cash flow from acquisitions amounted to MSEK -3.5 during the quarter.

Cash flow from investing activities amounted to MSEK 12 and consisted mostly of increased utilization of the bank overdraft facility.

January – December

Cash flow from operating activities amounted to MSEK 18 (31).

Other net investments in tangible and intangible fixed assets amounted to MSEK -5.2 (-3.6). Net cash flow from acquisitions amounted to MSEK -44 during the

quarter, of which MSEK -49 was paid in cash as settlement of the acquisition of the 6X group in Denmark and Germany. Acquired cash and cash equivalents amounted to MSEK 8, which results in a direct net cash flow of MSEK -41.

Moreover, MSEK -4.9 was paid in cash for 6X International BV in Belgium. Acquired cash and cash equivalents amounted to MSEK 1.3, which results in a direct net cash flow of MSEK -3.5.

Cash flow from investing activities amounted to MSEK 54 and consists in part of new issuance of MSEK 29, in part of an acquisition loan of MSEK 29 taken out in connection with the acquisition of the 6X group. The loan was repaid in full in connection with the refinancing.

At the end of the period, the Group's cash and cash equivalents amounted to MSEK 28 (5.6). The overdraft granted with SEB amounts to MSEK 50 (35), of which MSEK 36 (34) was undrawn at the end of the period.

Pledged assets consist of a business mortgage of MSEK 30.

OPERATING EXPENSES

The quarter

Operating expenses amounted to MSEK -189 (-99), an increase of 90 percent.

Overhead amounted to MSEK -38 (-23), an increase of 69 percent. In addition to the acquisitions carried out during the year, overhead increased mainly in the Nordic countries. Except increased freight costs in all regions, investments have been made in marketing and recruitments in order to create additional long-term revenue streams. due to new recruitments and higher freight costs. Overhead is also burdened by MSEK -0.8 in direct acquisition costs.

January-December

Operating expenses amounted to MSEK -659 (-415), an increase of 59 percent.

Overhead amounted to MSEK -130 (-81), an increase of 60 percent. In addition to the acquisitions carried out during the year, overhead increased due to, investments in marketing and recruitments in order to create additional long-term revenue streams as well as reduced government support measures. Overhead is also burdened by MSEK -2.3 in direct acquisition costs.

PERSONNEL

The number of employees at the end of the period was 95 (65). The average number of employees during the quarter was 92 (65).

EXCHANGE RATE DIFFERENTIALS

Exchange rate differentials of an operating nature are reported in accordance with IFRS in operating income as other operating income/expenses. All exchange rate differentials that arise as a result of commitments to customers and suppliers are classified as such.

Other exchange rate differentials are classified as financial exchange rate differentials, which include, among other things, exchange rate differentials on loans and bank balances denominated in foreign currencies.

For the year, exchange rate differentials of an operating nature amounted to MSEK -2.4 (-0.8). For the quarter, exchange rate differentials of an operating nature amounted to MSEK -0.6 (0.9). Exchange rate differentials from the restatement of foreign operations are recognized in Other comprehensive income.

THE PARENT COMPANY

The operations in the parent company, reg.no. 559009-2382, comprise group management, economy and IR/PR. Profit or loss after financial items amounted to MSEK -2.7 (-1.7) in Q4 2021 and to MSEK -3.2 (-4.1) for the year 2021 as a whole. At the end of the period, cash and cash equivalents amounted to MSEK 4.8 (0.1).

DISPUTES

As of the end of the period, the Group was not involved in any material ongoing disputes.

RISKS AND UNCERTAINTIES

The risks and uncertainties faced by the Alcadon Group are described in the Annual Report and on the company's website, www.alcadongroup.se. The spread of the coronavirus has a negative impact on Alcadon's staffing situation, demand, and supply chains. Since the onset of the pandemic, Alcadon has implemented a number of measures to secure the supply of goods and create safe conditions for employees, customers and suppliers. We are monitoring developments closely and maintain a high level of preparedness for additional measures should they be required. Focused efforts on efficiency-enhancing measures and a focus on margins have produced the desired effect. For the forthcoming quarter, a certain uncertainty prevails with regard to the impact of the pandemic, but network infrastructure has been an area left relatively unscathed; rather, the future outlook has only improved over the last year. No significant changes have occurred which would require these descriptions to be further amended.

RELATED PARTY TRANSACTIONS

During 2021, the Group, through Alcadon AS, carried out transactions of MSEK 3.4 (3.2) with companies where Alcadon's Norwegian CEO, Roy W Furulund, has a controlling influence. The main transactions relate

to the renting of premises in Sandefjord and the use of an external warehouse. In addition, the Group, through Alcadon Group AB, carried out transactions of MSEK 0.8 (0.7) with Paseca AB, which is owned by the Chairman of the Board, Pierre Fors. These transactions relate to consultancy services. All transactions are considered commercially reasonable and based on market conditions. No other material related party transactions were carried out during the year.

GOODWILL

Goodwill is tested for impairment regularly and is recognized at cost less accumulated impairment.

The tests for impairment conducted at year-end indicated no impairment.

In connection with the acquisition of the 6X group in Denmark and Germany, MDKK 32 (MSEK 43, at the time of the acquisition) of the purchase price was allocated to Goodwill. In connection with the acquisition of 6X Belgium, MEUR 0,5 (MSEK 5.6, at the time of the acquisition) of the purchase price was allocated to Goodwill.

For more information, see the acquisition analyses in Note 3. As of 31 December 2021, goodwill amounted to MSEK 338 (289).

Internally generated goodwill upon the formation of the Alcadon Group in December 2015 amounted to MSEK 154.

INTEREST COSTS

Interest costs amounted to MSEK -0.7 (-1.3) in Q4 2021. For the year as a whole, interest costs amounted to MSEK -4.3 (-5.0).

FUTURE DEVELOPMENTS

The Group will continue to develop private label products in parallel with the distribution of well-established brands.

The management and the Board of Directors continuously evaluate potential strategic acquisitions. The Board of Directors' financial objectives are for the Alcadon Group to achieve a growth in earnings per share of 10 percent per annum over an economic cycle, and that solidity amounts to no less than 25 percent. Solidity amounted to 49 percent as of 31 December 2021.

AUDITOR'S REVIEW

This report has been reviewed by the company's auditor.

FINANCIAL CALENDAR

Annual Report 2021	23 March 2022, 8:00 a.m.
Q1 Report 2022	22 April 2022, 8:00 a.m.
Annual General Meeting 2022	22 April 2022, 10:00 a.m.
Q2 Report 2022	12 August 2022, 8:00 a.m.

Q3 Report 2022	28 October 2022, 8:00 a.m.
Year-end report 2022	Week 8, 2023
Annual report 2022	No later than week 12, 2023
Annual General Meeting 2023	No later than week 17, 2023

ANNUAL GENERAL MEETING 2021

Because of the ongoing spread of the coronavirus (SARS-CoV-2), the Annual General Meeting 2021 was carried out by postal vote. For information about the Annual General Meeting and the resolutions passed, please refer to the Company's AGM communiqué, available on the Company's website, www.alcadongroup.se/investerare/bolagsstammor/.

ANNUAL GENERAL MEETING 2022

The Annual General Meeting 2022 will be held in Stockholm on Friday, 22 April 2022, 10:00 a.m. Shareholders wishing to have a matter considered at the general meeting shall submit their proposals to the Chairman of the Board, Pierre Fors, well in advance of the announcement of the notice of the Annual General Meeting, which is projected to be at the end of March 2022.

DIVIDEND

The Board of Directors proposes a dividend of SEK 0.50 per share for 2021.

WARRANTS

On 11 July 2019, 340,000 warrants were subscribed. 240,000 were subscribed by Sonny Mirborn (CEO) and 100,000 by the subsidiary Alcadeltaco AB. On the same day, 30,000 of the subsidiary's warrants were in turn sold on to Niklas Svensson (CFO).

On 7 September 2020, Alcadeltaco AB transferred the remaining 70,000 warrants from the warrant program 2019/2023 to five senior executives of the company. The transfer was made at the current market value of the warrants after an updated calculation according to Black & Scholes.

The warrant program 2019/2023, which the extraordinary general meeting on 10 July 2019 resolved upon, comprises a total of 340,000 warrants. Each warrant entitles the holder to subscribe for one new share in Alcadon Group during the period from 20 March 2023 to 17 April 2023, which may entail a dilution of 1.9 percent calculated on the basis of the company's 18,341,026 shares.

The average share price of ordinary shares during the period January to December and during the fourth quarter exceeded the exercise price of the warrants. Hence, the shares are included in the calculation of the number of shares after dilution in the financial tables below.

In accordance with the Annual General Meeting's resolution in April 2021, 26 employees have elected to subscribe for warrants under an incentive scheme.

The transfer was made at the current market value of the warrants after calculation according to Black & Scholes. Each warrant entitles the holder to subscribe for one new share in Alcadon Group during the period from 26 February 2024 to 24 March 2024. The subscription price amounts to SEK 44.50. Upon full exercise of the warrants, up to 110,000 shares may be issued, which corresponds to a dilution of approximately 0.6 percent calculated on the basis of the company's 18,341,026 shares.

The average share price of ordinary shares during the period January to December and during the fourth quarter exceeded the exercise price of the warrants. Hence, the shares are included in the calculation of the number of shares after dilution in the financial tables below.

For more information about the program, please see the Company's website, www.alcadongroup.se/investerare/bolagsstammor/

SHARE INFORMATION

Alcadon Group AB's share is listed on Nasdaq First North since 14 September 2016. As of 31 December 2021, the number of shares amounts to 18,341,026.

On 6 January 2021, the Board of Directors resolved upon a directed new issue of 981,780 shares in Alcadon Group AB, at a subscription price of SEK 27.89 per share, corresponding to approximately 27 MSEK, to Susanne Stengade Holding ApS as part of the payment for the acquisition of Danish 6X International ApS and its German subsidiary 6X International GmbH. Following the new issue, the number of shares in Alcadon Group AB thus increased from 16,859,246 to 17,841,026.

On 1 September 2021, a directed new issue of 500,000 shares, at a subscription price of SEK 57.7 per share, was carried out to Consensus Asset Management, raising proceeds of MSEK 29 for Alcadon before issuance costs. The rationale for the directed issue was to fund the Company's continued acquisitions, and the reason for the deviation from the shareholders' preferential rights was to diversify the shareholder base to include a shareholder of strategic importance to the Company. Following the new issue, the number of shares in Alcadon Group AB thus increased from 17,841,026 to 18,341,026.

On 12 January 2022, Alcadon Group carried out a directed issue of 1,284,103 shares at a subscription price of SEK 100 per share. The subscription price of the new issue was determined by means of the so-called accelerated book building process. Through the issue, Alcadon raised approximately MSEK 128 before issuance costs. The number of shares in Alcadon Group AB thus increased from 18,341,026 to 19,625,129 through the new issue.

Companies listed on Nasdaq First North are required to have a Certified Adviser with, among other things, responsibility for supervision. Alcadon Group's Certified Adviser is Svensk Kapitalmarknadsgranskning AB (SKMG).

The share price at the end of the period was SEK 125 (2021-12-31)

Company name: Alcadon Group AB Ticker: ALCA

Number of shares: 18,341,026 ISIN code: SE0008732218

LOANS & CREDITS

In July 2021, Alcadon repaid existing loans of approximately MSEK 133 and raised new bank loans of MSEK 130. In addition, the existing overdraft facility was increased from MSEK 35 to MSEK 50, and an acquisition credit facility (RCF) of MSEK 60 was obtained to be used for future acquisitions.

Terms in brief

- Bank loan, MSEK 130, straight-line amortization over 7 years, interest rate STIBOR 3M + 1.3-1.8 percentage points depending on the debt-to-equity ratio.
- Overdraft facility MSEK 50, SEB base rate + 1.2 percentage points, 0.4 percent annual credit charge.
- Acquisition credit facility MSEK 60, interest rate STIBOR 3M + 1.3-1.8 percentage points depending on debt-to-equity ratio, 0.35 percent on undrawn amount.

The overdraft granted with SEB amounts to MSEK 50 (35), of which MSEK 36 (34) was undrawn at the end of the period.

ACCOUNTING POLICIES & NOTES

See pages 16-19 for accounting policies and notes.

OWNERSHIP

The largest shareholders of Alcadon Group as of 31 December 2021.

Name	Shareholding	Shareholding, %
Investment AB Spiltan	2,230,893	12.2%
Ribbskottet Aktiefbolag	2,000,000	10.9%
Athanase Industrial Partners	1,443,507	7.9%
Consensus Asset Management	1,180,000	6.4%
Susanne Stengade Holding ApS	981,780	5.4%
Försäkringsaktiefbolaget, Avanza Pension	907,102	4.9%
Nordnet Pensionsförsäkring AB	658,533	3.6%
Jeansson, Theodor	530,000	2.9%
SEB AB, Luxembourg Branch, W8IMY	491,691	2.7%
Sparebank 1 Markets AS	415,625	2.3%
Ålandsbanken AB, W8IMY	376,865	2.1%
RBCB LUX UCITS EX-MIG	344,533	1.9%
J.P. MORGAN BANK LUXEMBOURG S.A.	310,550	1.7%
Catella Småbolagsfond	308,483	1.7%
BNY Mellon SA/NV (FORMER BNY), W8IMY	281,022	1.5%
Hajskäret Invest AB	208,459	1.1%
Mårtensson, Jonas	208,092	1.1%
Humle Småbolagsfond	200,000	1.1%
Ljungman, Mikael	198,157	1.1%
UBS Europe SE, Luxembourg Branch, W8IMY	186,381	1.0%
Grand Total	13,461,673	73.4%
Others	4,879,353	26.6%
Total	18,341,026	100.0%

OTHER IMPORTANT INFORMATION

Some of the financial and other information presented herein has been rounded to make the information more accessible to the reader. This may entail that the amounts in some columns may not exactly add up to the specified total.

ALCADON GROUP - THE GROUP	Quarter 4		Full year	
Condensed statement of profit or loss (MSEK)	2021	2020	2021	2020
INCOME STATEMENT				
Operating income, Note 2	206.4	110.8	736.5	467.6
Total income	206.4	110.8	736.5	467.6
Operating expenses	-188.6	-99.0	-659.1	-414.7
Operating profit before depreciation/amortization	17.8	11.8	77.4	52.9
Depreciation of tangible assets	-2.2	-2.3	-10.0	-9.5
Amortization of intangible assets	-0.4	-0.1	-1.6	-0.2
Operating profit	15.2	9.4	65.8	43.1
Net financial items	-0.7	-1.2	-4.8	-5.4
Profit after net financial items	14.5	8.2	61.0	37.8
Tax on profit for the year	-3.5	-1.8	-14.0	-8.7
Profit or loss for the period	11.0	6.3	47.1	29.0
Attributable to:				
Non-controlling interests	-0.1	0.0	-0.1	0.0
The parent company's shareholders	11.1	6.3	47.1	29.0
Profit or loss for the period	11.0	6.3	47.1	29.0
Other comprehensive income				
Translation differences for the period due to restatement of foreign subsidiaries	0.8	-0.2	2.8	-2.0
Total comprehensive income for the period	11.8	6.2	49.8	27.1
Total comprehensive income for the period attributable to:				
Non-controlling interests	-0.1	0.0	-0.1	0.0
The parent company's shareholders	11.8	6.2	49.8	27.1
DATA PER SHARE				
Number of shares				
Number of shares at the end of the period	18,341,026	16,859,246	18,341,026	16,859,246
Average number of shares	18,341,026	16,859,246	17,945,952	16,859,246
Average number of shares after dilution	18,791,026	16,859,246	18,359,285	16,859,246
Earnings per share				
Earnings per share for the period based on average number of shares, SEK	0.60	0.38	2.62	1.72
Diluted earnings per share for the period, SEK	0.59	0.38	2.56	1.72
Equity per share				
Equity per share at the end of the period, SEK	18.6	13.9	18.6	13.9

ALCADON GROUP - THE GROUP

Condensed statement of financial position (MSEK)	2021-12-31	2020-12-31
BALANCE SHEET		
Fixed assets		
Goodwill, Note 3	338.1	289.2
Other intangible fixed assets, Note 3	15.8	0.9
Tangible fixed assets	35.8	41.1
Financial fixed assets	1.2	2.1
Total fixed assets	390.9	333.3
Current assets		
Inventories	152.4	62.8
Trade receivables	131.4	49.4
Other current assets	19.7	7.6
Cash and bank	28.4	5.6
Total current assets	331.9	125.4
TOTAL ASSETS	722.8	458.7
Equity		
Share capital	0.9	0.8
Other contributed capital	153.2	96.6
Retained earnings including net profit for the period	186.4	136.5
Equity attributable to parent company shareholders	340.5	233.9
Non-controlling interests	0.2	0.0
Total equity	340.7	233.9
Provisions		
Other provisions, Note 3	26.8	0.0
Total provisions	26.8	0.0
Long-term liabilities		
Deferred tax liability	3.4	0.8
Liabilities to credit institutions	111.4	0.7
Other long-term liabilities	23.1	29.3
Total long-term liabilities	138.0	30.7
Current liabilities		
Bank overdraft facility	13.8	0.0
Other interest-bearing liabilities	22.8	115.1
Trade payables	115.2	39.3
Other current liabilities	65.5	39.7
Total current liabilities	217.3	194.1
TOTAL EQUITY AND LIABILITIES	722.8	458.7

ALCADON GROUP - THE GROUP	Quarter 4		Full year	
Condensed changes in equity (MSEK)	2021	2020	2021	2020
Opening equity	328.6	227.6	233.9	206.8
Other changes in equity	0.0	0.1	0.0	-0.1
Other contributed capital	0.0	0.0	56.6	0.1
Dividend	0.0	0.0	0.0	0.0
Non-controlling interests	0.2	0.0	0.2	0.0
Comprehensive income for the period attributable to parent company shareholders	11.8	6.2	49.8	27.1
Closing equity	340.7	233.9	340.7	233.9

ALCADON GROUP - THE GROUP	Quarter 4		Full year	
Consolidated condensed statement of cash flows (MSEK)	2021	2020	2021	2020
Operating profit	15.2	9.4	65.9	43.1
Adjustments for non-cash items, etc.	3.6	2.0	14.4	8.2
Income tax paid	-3.3	0.2	-13.8	-10.3
Change in working capital	-23.4	9.3	-48.3	-9.8
Net cash flow from operating activities	-8.0	20.8	18.2	31.1
Acquisition of fixed tangible and intangible assets	-2.8	-0.8	-4.9	-3.6
Change in financial fixed assets	-0.1	0.0	-0.2	0.0
Business combinations, Note 3	-3.5	0.0	-44.1	-5.3
Cash flow from investing activities	-6.4	-0.8	-49.2	-8.9
Dividend paid	0.0	0.0	0.0	0.0
Warrant proceeds	0.0	0.0	29.2	0.1
Interest paid and received	-0.7	-1.2	-4.8	-5.4
Amortization of lease liabilities	-2.1	-1.9	-8.3	-8.7
Amortization	0.0	-17.2	-134.9	-21.5
Borrowings	14.7	0.0	172.7	1.1
Cash flow from financing activities	11.9	-20.4	53.9	-34.4
Cash flow for the period	-2.5	-0.3	22.8	-12.1
Reconciliation of changes in cash and cash equivalents				
Opening balance, cash and cash equivalents	30.9	5.8	5.6	17.7
Closing balance, cash and cash equivalents	28.4	5.6	28.4	5.6
Change in cash and cash equivalents	-2.5	-0.3	22.8	-12.1

ALCADON GROUP AB - PARENT COMPANY		Quarter 4		Full year	
Condensed statement of profit or loss (MSEK)		2021	2020	2021	2020
INCOME STATEMENT					
Net sales		1.9	1.8	13.3	7.3
Total income		1.9	1.8	13.3	7.3
Operating expenses		-4.0	-3.4	-12.9	-10.9
Operating profit		-2.1	-1.6	0.4	-3.7
Net financial items		-0.4	-0.1	-3.5	-0.4
Profit after net financial items		-2.7	-1.7	-3.2	-4.1
Appropriations		10.8	0.0	10.8	0.0
Profit or loss before tax		8.1	-1.7	7.6	-4.1
Tax on profit for the year		-1.7	0.4	-1.7	0.7
Profit or loss for the period		6.4	-1.4	5.9	-3.5

ALCADON GROUP AB - PARENT COMPANY		2021-12-31	2020-12-31
Condensed statement of financial position (MSEK)			
BALANCE SHEET			
Fixed assets			
Financial fixed assets		299.7	41.6
Total fixed assets		299.7	41.6
Current assets			
Receivables from group companies		128.4	245.9
Trade receivables		0.0	0.0
Other current assets		4.6	1.7
Cash and bank		4.8	0.1
Total current assets		137.8	247.8
TOTAL ASSETS		437.5	289.4
Equity			
Share capital		0.9	0.8
Retained earnings including net profit for the period		170.0	112.9
Total equity		170.9	113.7
Provisions			
Other provisions		26.8	0.0
Total provisions		26.8	0.0
Long-term liabilities			
Other borrowings		111.4	0.7
Total long-term liabilities		111.4	0.7
Current interest-bearing liabilities		32.4	105.3
Liabilities to Group companies		92.2	64.9
Current liabilities		3.8	4.8
Total current liabilities		128.4	175.0
TOTAL EQUITY AND LIABILITIES		437.5	289.4

CONSOLIDATED QUARTERLY DATA		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
INCOME STATEMENT, MSEK		2021	2021	2021	2021	2020	2020	2020	2020
Net sales		206.4	182.7	177.4	170.0	110.8	95.1	131.1	130.6
Profit									
Operating profit after depreciation/amortization (EBIT)		15.2	17.3	17.2	16.2	9.4	6.7	17.6	9.4
Profit after net financial items		14.5	16.4	15.7	14.5	8.2	5.3	16.1	8.3
Profit or loss for the period		11.0	12.8	12.5	10.8	6.3	4.0	12.3	6.4
Margin measures in %									
Gross margin %		27.3	27.8	28.7	28.9	31.2	29.9	30.0	24.5
Operating margin %		7.4	9.5	9.7	9.5	8.5	7.1	13.4	7.2
Net margin %		5.3	7.0	7.1	6.3	5.7	4.2	9.4	4.9
BALANCE SHEET (MSEK)									
Assets									
Total fixed assets		390.9	386.1	387.7	390.2	333.3	327.7	304.0	305.7
Total current assets		331.9	314.9	262.0	219.6	125.4	157.4	183.2	159.7
Total assets		722.8	701.0	649.7	609.9	458.7	485.1	487.2	465.4
Equity & liabilities									
Total equity		340.7	328.6	285.8	273.9	233.9	227.6	223.1	210.9
Total long-term liabilities & provisions		164.8	164.5	54.0	57.6	30.7	28.9	117.3	118.9
Total current liabilities		217.3	207.9	309.9	278.3	194.1	228.6	146.8	135.7
Total equity & liabilities		722.8	701.0	649.7	609.9	458.7	485.1	487.2	465.4
CASH FLOW (MSEK)									
Net from operating activities		-8.0	-8.8	14.9	20.0	20.8	-16.8	24.3	2.7
Investing activities		-6.4	-0.7	-0.5	-41.6	-0.8	-7.1	-0.7	-0.9
Financing activities		11.9	18.2	-8.8	32.6	-20.4	-4.9	-4.5	-4.0
Cash flow for the period		-2.5	8.8	5.6	11.0	-0.3	-28.8	19.1	-2.1

NOTE 1. ACCOUNTING POLICIES

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations thereof by the IFRS Interpretations Committee as adopted by the EU. The Group has also applied the Swedish Financial Reporting Board recommendation RFR 1 Supplementary Accounting Rules for groups.

This interim report is, as relates to the Group, prepared in accordance with the Swedish Annual Accounts Act and IAS 34 Interim Financial Reporting and, as relates to the Parent Company, in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendations RFR 2 Accounting for Legal Entities.

The Group and the Parent Company have applied the same accounting policies and bases of calculation as in the last annual report, with the exception of new standards and interpretations and amendments to existing standards and interpretations effective as of 1 January 2021 or later.

IFRS 16 Leases

As of 1 January 2019, the Alcadon Group applies IFRS 16 Leases, which replaces IAS 17 Leases.

Where Alcadon is the lessee, rights-of-use assets are recognized as rights of use in the statement of financial position and the future obligations to the lessors are recognized as liabilities in the statement of financial position. The Group has leases for office and warehouse premises and cars. Short-term leases and leases of low-value assets are excluded, as these are expensed as they arise.

Carrying amounts in the balance sheet as of 31 December 2021

- Rights of use: MSEK 32, recognized as Tangible fixed assets
- Lease liabilities: MSEK 32, of which MSEK 23 is recognized as Other long-term liabilities and MSEK 9 as Other current liabilities

Change in leases in 2021:

- Amortization: MSEK 8.3
- Completed: MSEK 0.2
- Additional: MSEK 2.6
- Interest costs: MSEK 0.6

Other information

No other of the IFRS or IFRIC interpretations yet to enter into force are expected to have any material impact on the Group's financial statements. Important accounting policies are summarized in the annual report 2020. For more information, please refer to the company's website, www.alcadongroup.se.

NOTE 2. OPERATING INCOME

Alcadon conducts sales of goods in various regions, and sales revenue is recognized in profit or loss when control has been transferred to the customer. In addition, the Group provides services in the form of technical support and service agreements. Technical support is considered to be a distinct performance obligation for which revenue is recognized over time. Service agreements are recognized on a straight-line basis over the period of the agreement. See table below for a breakdown of net sales by region and business area. During 2021, Denmark, Germany and Belgium were added as distinct regions through the acquisitions of the 6X Group and 6X Belgium. The 6X Group conducts most of its activities in the Fiber Networks and Services business areas.

Geographic market (external turnover) MSEK	Quarter 4		Full year	
	2021	2020	2021	2020
Sweden	80.8	81.3	316.4	343.0
Norway	35.2	29.5	136.0	124.7
Denmark	74.1	-	232.0	-
Germany	14.1	-	49.9	-
Belgium	2.1	-	2.1	-
Total	206.4	110.8	736.5	467.7

Business areas MSEK	Quarter 4		Full year	
	2021	2020	2021	2020
Commercial property networks	59.2	48.1	218.8	206.7
Residential networks	20.3	20.8	77.6	84.8
Fiber networks/FTTx:	115.9	37.0	403.7	160.1
Services	11.0	4.9	36.7	16.0
Total	206.4	110.8	736.5	467.6

NOTE 3. BUSINESS ACQUISITIONS

ALCADON APS (formerly 6X INTERNATIONAL APS) AND ITS GERMAN SUBSIDIARY ALCADON GMBH (formerly 6X International GmbH)

On 28 December 2020, Alcadon Group AB entered into a binding agreement to acquire all the shares in the Danish company 6X International ApS and its German subsidiary 6X International GmbH ("6X"), a leading supplier of solutions and systems in fiber networks and network infrastructure. The date of access was 7 January 2021, and as of this date, 6X is consolidated with Alcadon.

6X was established in 2003 and today is one of the leading niche suppliers in Denmark, operating in fiber networks and data centers. The company operates in Denmark and is also established in Germany since the end of 2019, through the foundation of the wholly-owned subsidiary 6X International GmbH. 6X has seen a strong and profitable growth in recent years.

The operations in Germany showed a turnover of approximately MSEK 21 during its first 5 months, up to June 30, 2020, as well as a positive result. Since many years, 6X cooperates with leading international manufacturers and conducts its own assembly and configuration of customized solutions for, among others, energy and telecom customers, industry, data centers, network owners and wholesalers. The company's range, custom offerings and strong supplier relations are considered to complement Alcadon very well.

The acquisition analysis below was prepared in the first quarter of 2021. The purchase price of the shares, including contingent consideration, amounted to MSEK 100.3 of which MSEK 48.6 was paid in cash and MSEK 27.4 was paid through a non-cash issue of 981,780 shares in Alcadon Group AB. The value per share was set at SEK 27.89, based on Alcadon's market value between 17 December 2020 and 5 January 2021.

Conditional consideration amounts to not more than MDKK 18 in cash depending on the improvement in performance of 6X over the coming 36 months. Contingent consideration amounts to MDKK 18 and is remeasured at fair value at each balance sheet date, and any changes are recognized as other expenses or other income in

operating profit. Identified intangible assets of MSEK 13.3 relate to customer relationships and are amortized over 10 years. The amortization period of 10 years was determined based on the assessed annual loss of net sales attributable to the respective asset. Identified intangible assets have been measured by estimating the future discounted cash flows. The deferred tax liability attributable to the identified intangible assets amounts to MSEK -2.9 in the acquisition analysis and is dissolved in step with the amortization. The amortization will have an annual impact on operating profit of MSEK -1.3, and an MSEK -1 impact on profit or loss. Net assets, including identified intangible assets and deferred tax liability, amount to MSEK 57.5 in the acquisition analysis.

Goodwill amounts to MDKK 31.5, relating to the company's expected future earning power and the personnel of 6X. The acquisition increased the Group's indebtedness by MSEK 40.5. In connection with the acquisition, an acquisition loan of MSEK 29 was taken out, which, in July 2021, was refinanced together with the other loans.

Direct acquisition costs of MSEK -1.5 are included in operating expenses for 2021.

During 2021, the 6X Group contributed net sales of MSEK 283, operating profit (EBIT) of MSEK 30, and net profit of MSEK 24.

ACQUISITION ANALYSIS (MSEK)	Reported value at the acquisition date	Adjustment to fair value	Fair value
Fair value of the consideration transferred			
Shares			27.4
Cash			48.6
Contingent consideration			24.4
Total purchase price			100.3
Identifiable net assets			
Intangible fixed assets	0.0	13.3	13.3
Other fixed assets	1.2	0.0	1.2
Inventories	23.3	0.0	23.3
Current receivables	47.8	0.0	47.8
Cash and cash equivalents	8.0	0.0	8.0
Deferred tax liabilities	-0.0	-2.9	-2.9
Trade and other payables	-33.2	0.0	-33.2
Acquired net assets			57.5
Goodwill arising on acquisition			42.8
Initial consideration in cash and cash equivalents			48.6
Acquired cash and cash equivalents			8.0
Cash flow arising from acquisition			40.5

6X INTERNATIONAL BV IN BELGIUM

On 7 December 2021, Alcadon Group AB acquired 80 percent of Belgian 6X International BV, a distributor of fiber-optic solutions and systems in Belgium. It was accessed on the same day, and the company is consolidated with Alcadon as of this date. The purchase includes an option to acquire or dispose of the remaining 20 percent, which can be exercised between 2024 and 2028. The exercise price amounts to 5 times the company's average EBIT in the two years prior to the exercise of the option.

6X International BV was established in 1991 and is a Belgian value-adding distributor specialized in fiber-optic componentry and systems. The company is established in several segments, including FTTx/telecom, data centers, cabling systems, and industrial solutions, and customers include installation companies, system integrators, network operators, and data centers. 6X International BV also has longstanding relationships with most of the reputable manufacturers.

As of 31 December 2021, a preliminary acquisition analysis was drawn up as below: The purchase price of the shares, including contingent consideration, amounted to MSEK 6.9 of which MSEK 4.9 was paid in cash.

Conditional consideration amounts to not more than MEUR 0.2 in cash depending on the improvement in performance of 6X over the coming 36 months. Contingent consideration shall be remeasured at fair value at each balance sheet date, and any changes are recognized as other expenses or other income in operating profit.

Goodwill amounts to MEUR 0.6, relating to the company's expected future earning power and the personnel of 6X. The acquisition increased the Group's indebtedness by approximately MSEK 6.9.

Direct acquisition costs of MSEK -0.8 are included in operating expenses for the fourth quarter 2021.

During 2021, 6X Belgium contributed net sales of MSEK 2,1, operating profit (EBIT) of MSEK -0,4, and net profit of MSEK -0,4 between the date of access, 7 December 2021, and 31 December 2021. If 6X Belgium had been consolidated from January 1st 2021, it would have contributed with 38 MSEK in net sales, -0,2 MSEK in operating profit (EBIT) and -0,5 MSEK in net profit.

PRELIMINARY ACQUISITION ANALYSIS (MSEK)	Reported value at the acquisition date	Adjustment to fair value	Fair value
Fair value of the consideration transferred			
Cash			4.9
Contingent consideration			2.1
Total purchase price			6.9
Identifiable net assets			
Intangible fixed assets	0.1	0.0	0.1
Other fixed assets	0.3	0.0	0.3
Inventories	4.9	0.0	4.9
Current receivables	7.5	0.0	7.5
Cash and cash equivalents	1.3	0.0	1.3
Trade and other payables	-12.6	0.0	-12.6
Minority interest (20%)	-0.3	0.0	-0.3
Acquired net assets			1.3
Goodwill arising on acquisition			5.6
Initial consideration in cash and cash equivalents			4.9
Acquired cash and cash equivalents			1.3
Cash flow arising from acquisition			3.5

NOTE 4. OTHER PROVISIONS

MSEK	Quarter 4		Full year	
	2021	2020	2021	2020
Opening provisions	24.7	0.4	0.0	5.0
New provisions	2.0	0.0	26.4	0.2
Reversed provisions	0.0	-0.4	0.0	0.0
Exchange rate differentials	0.1	0.0	0.4	0.0
Payments	0.0	0.0	0.0	-5.2
Closing provisions	26.8	0.0	26.8	0.0

Provision as of December 31, 2021, relates to contingent consideration for the acquisition of Alcadon ApS (formerly 6X International ApS) of MDKK 18 and contingent consideration for the acquisition of 6X International BV of KEUR 200.

The Board of Directors and the CEO confirm that this interim report provides a true and fair view of the parent company's and the group's position and performance, gives a fair review of the development of the parent company's and the group's operations, and describes material risks and uncertainties faced by the parent company and the companies belonging to the group.

Stockholm, 22 February 2022

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Chairman of the Board

Jonas Mårtensson

Vice Chairman

Marie Ygge

Director

Lars Engström

Director

Sonny Mirborn

Chief Executive Officer

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