



Alcadon Group

The Alcadon Way

Enabling Digitalization for a **better** world



2022

January - December

YEAR-END REPORT

Year-end report

1 January – 31 December 2022

Net sales increases with 94 percent and EBITA improves with 96 percent

FOURTH QUARTER 2022

- Net sales increased by 94 percent to MSEK 401 (206). In unchanged currency levels, net sales increased by 90 percent.
- Operating profit before amortization of intangible assets (EBITA) increased by 96 percent to MSEK 31 (16) including MSEK -0.8 (-0.6) attributable to unrealized exchange rate gains and losses together with MSEK 1.6 (0) attributable to previously set aside contingent consideration for Alcadon Belgium (formerly 6X International BV).
- Cash flow from operating activities amounted to MSEK 8.4 (-8.0).
- Earnings per share amounted to SEK 0.67 (0.60).
- During the period, solidity decreased to 37 percent from 38 percent.

YEAR AS A WHOLE, JANUARY–DECEMBER 2022

- Net sales increased by 51 percent to MSEK 1,110 (737). In unchanged currency levels, net sales increased by 48 percent.
- Operating profit before amortization of intangible assets (EBITA) increased by 2 percent to MSEK 69 (68) including MSEK -6.4 (-2.6) attributable to unrealized exchange rate gains and losses together with MSEK 1.6 (0) attributable to previously set aside contingent consideration for Alcadon Belgium (formerly 6X International BV). Moreover, the year was burdened by acquisition costs of MSEK -4.3 (-2.3).
- Cash flow from operating activities amounted to MSEK 24 (18).
- Earnings per share amounted to SEK 1.86 (2.62).
- During the period, solidity decreased to 37 percent from 49 percent.

	Quarter 4		Full year	
	2022	2021	2022	2021
Operating income, MSEK	401.2	206.4	1,110.4	736.5
Gross margin, %	25.3	27.3	25.5	28.1
EBITA, MSEK	30.5	15.6	68.6	67.5
EBITA, %	7.6	7.6	6.2	9.2
Profit or loss for the period, MSEK	13.9	11.0	37.1	47.1
Earnings per share, SEK	0.67	0.60	1.86	2.62

SIGNIFICANT EVENTS DURING THE QUARTER

- No significant events have taken place during the period.

SIGNIFICANT EVENTS AFTER THE PERIOD

- The Board of Directors has decided to, during 2023, start the process of switching from Nasdaq First North Growth Market to Nasdaq's main market in Stockholm. The decision is an intention and the application to Nasdaq's main market is expected to be submitted in 2024.
- In light of the acquisition of Networks Centre and the expected continued good growth, the Board proposes that no dividend be paid for 2022.

Stockholm, 21 February 2023

For more information, please contact:
Alcadon Group AB
Sonny Mirborn, CEO
Mobile: +46 70 639 50 92
E-mail: smi@alca.se
www.alcadongroup.se

Certified Adviser:
Svensk Kapitalmarknadsgranskning AB (SKMG)
Tel: +46 11 323 07 32
E-post: ca@skmg.se

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 21 February 2023.



A word from the CEO

- **A 94 percent growth in sales and 96 percent growth in EBITA**
- **Very good development in the United Kingdom, Germany and Sweden**
- **Margin improvement compared to Q3 after gradual price increases**
- **Continued strong demand in several markets and supply chain disruptions contribute to increased tie-up of capital**

DEVELOPMENT DURING THE QUARTER

Good organic growth, mainly in Germany and in Sweden, resulted in a positive profit development in the quarter. Acquired Networks Centre in the United Kingdom continues to show a high growth rate with solid leverage on operating margins, which contributed to the excellent development during the quarter. All customer segments are experiencing healthy demand, not least the data center and broadband segments. Public sector segments, including the defence industry, also showed strong demand.

The organic proforma growth of 23 percent demonstrates that our customer offering is competitive and that the industry is experiencing a solid demand. As indicated earlier in the year, gross margins have now been strengthened during the quarter through

gradual price increases, which contributes to the profit development despite a significant price inflation that affected inputs and products during 2022.

Continued solid demand worldwide, combined with lasting, albeit less pronounced, supply chain disruptions resulted in a tie-up of capital slightly on the high side in this quarter as well.

The United Kingdom

Organic growth during the quarter amounted to 34 percent in local currency. This refers to growth compared with Q4 2021 proforma. All segments demonstrated a good development, but the strong growth in the data center and broadband segments stands out. Our assessment is that Networks Centre has gained market share during the quarter, in a

market characterized by high growth rates. Operating margins developed favourably due to the growth.

Sweden

Growth was 17 percent during the quarter. All segments showed growth, and property networks, including data centers, experienced a strong demand.

Gross margins recovered after price increases, as announced previously, had been passed on as planned.

Denmark

A somewhat slower pace of fiber network rollout for two major customers resulted in negative growth in local currency of about -6 percent during the quarter. Nevertheless, there is clear progress across other segments, such as data centers, property networks and industry solutions, where there is good growth but from low levels. Gradually, the business more and more comprises several significant revenue streams, which is in line with our objectives.

Norway

The property networks segment showed strong growth during the quarter. Material shortages impacted sales in fiber networks negatively also in this quarter, however. Overall, sales decreased by -6 percent in local currency and gross margins strengthened marginally over Q3 2022 and Q4 2021 levels.

The Benelux

The region shows a strong market development in several segments, and the business grew by 55 percent in local currency during the quarter, calculated pro forma including the Networks Centre in the Netherlands. Previously executed investments in sales and logistics capacity provide a solid basis for growth. However, the investments have also impacted on the short-term capacity of the organization, burdening sales for the quarter.

Germany

As previously disclosed, deliveries on the major agreements concluded in 2021 are increasing, and the cultivation of new customers is advancing well. There have been positive developments in the quarter with growth in local currency amounting to 36 percent. As planned, sales have been gradually rebalanced over the course of 2022, with the weight shifting from city networks to entrepreneurs and operators.

FINANCIALS

Net sales increased by 94 percent to MSEK 401 (206). The organic growth less currency effects was 5 percent and the acquired growth was 86 percent. In unchanged currency levels, net sales increased by 90 percent. Proforma organic growth during the quarter was 23 percent.

The gross margin decreased to 25.3 (27.3) percent.

The gross margin excluding the Networks Centre acquisition amounted to 27.6 (27.3) percent. Earlier in the year, the margins have been subject to intense pressure as a result of the weakened Swedish krona, mainly against the USD and the EUR, increased freight costs and a time lag in passing on cost increases to customers. During the fourth quarter, this situation has stabilized, and we can see a strengthening of the gross margins from the price increases implemented.

Overhead increased as a result of investments in new recruitments and marketing efforts aiming to create new revenue streams.

Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 31 (16) during the quarter, an increase of 96 percent. EBITA was affected by MSEK -0.8 (-0.6) attributable to unrealized exchange rate gains and losses. MSEK -2.0 (0.2) of this amount derives from the revaluation of contingent considerations. Profit was positively affected by MSEK 1.6 (0) attributable to previously set aside contingent consideration for Belgium, which, due to the acquisition of the remaining 20 percent of Alcadon BV (formerly 6X International BV) in the quarter, is not payable.

Amortization of customer relations amounted to MSEK -4.8 (-0.3), of which MSEK -4.5 is attributable to Networks Centre.

Profit or loss for the period amounted to MSEK 14 (11).

Cash flow from operating activities amounted to MSEK 8.4 (-8,0). The change in working capital amounted to MSEK -23 (-23) during the quarter.

CONCLUDING REMARKS

The acquisitions carried out by Alcadon since 2019 have strengthened the group considerably. Today, Alcadon is not merely a larger company. We are well underpinned by a wider range of business areas in our niche; we have changed our organic growth profile; and we benefit from a significantly more robust organization and customer offering in Europe. The synergies from our acquisitions are clear and evolve continuously, and the acquisitions have thus been a success for the group.

Naturally, we will continue our successful journey with both organic and acquired profitable growth. With a well-defined strategy and plan for long-term growth and an organization growing continually stronger, most indications are that our development can proceed.

We are looking confidently to 2023.



Sonny Mirborn
VD och koncernchef
Alcadon Group AB

INDICATORS FOR THE GROUP	Quarter 4		Full year	
	2022	2021	2022	2021
Operating income, MSEK	401.2	206.4	1110.4	736.5
Gross margin, %	25.3	27.3	25.5	28.1
Operating profit before amortization of intangible assets (EBITA), MSEK	30.5	15.6	68.6	67.5
Operating profit before amortization of intangible assets (EBITA), %	7.6	7.6	6.2	9.2
Operating profit after depreciation/amortization (EBIT), MSEK	25.5	15.2	62.3	65.8
Operating margin after depreciation/amortization (EBIT), %	6.3	7.4	5.6	8.9
Profit or loss for the period, MSEK	13.9	11.0	37.1	47.1
Net margin, %	3.5	5.3	3.3	6.4
Solidity, %	36.8	49.1	36.8	49.1
Return on equity, %	6.5	13.9	7.5	15.8
Net interest-bearing liabilities, MSEK	447.1	151.8	447.1	151.8
Operating profit before depreciation/amortization (EBITDA) / Working capital, %	23.5	45.9	23.5	45.9
Cash flow from operating activities, MSEK	8.4	-8.0	24.1	18.4
Cash flow from operating activities per share, SEK	0.4	-0.4	1.2	1.0
Equity per share, SEK	27.9	18.6	27.9	18.6
Earnings per share, SEK	0.67	0.60	1.86	2.62
Number of shares at the end of the period	20,612,823	18,341,026	20,612,823	18,341,026
Average number of shares	20,612,823	18,341,026	19,942,010	17,945,952
Number of employees at the end of the period	179	95	179	95
Average number of employees during the period	179	92	127	87

DEFINITIONS

Gross profit:	Total income minus cost of goods sold.
Gross margin:	Gross result as a percentage of net sales for the period.
EBITA margin:	Operating result before amortization of intangible assets 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 86 (32).
Operating profit before depreciation/amortization (EBITDA) / Working capital:	Operating profit before depreciation/amortization (R12) divided by Working capital, calculated as Inventories plus Trade receivables minus Trade payables.
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 94 percent to MSEK 401 (206). The organic growth less currency effects was 5 percent and the acquired growth was 86 percent. In unchanged currency levels, net sales increased by 90 percent.

Gross margin decreased to 25.3 (27.3) percent. Gross margin excluding the Networks Centre acquisition amounted to 27.6 (27.3) percent. Earlier in the year, margins have been subject to intense pressure as a result of the weakened Swedish krona, mainly against the USD and the EUR, increased freight costs and a time lag in passing on cost increases to customers. During the fourth quarter, the situation has stabilized, and we can see a strengthening of the gross margins from the price increases implemented.

Overhead increased as a result of investments in new recruitments and marketing efforts aiming to create new revenue streams.

Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 31 (16) during the quarter, an increase of 96 percent. EBITA was affected by MSEK -0.8 (-0.6) attributable to unrealized exchange rate gains and losses. MSEK -2.0 (0.2) of this amount derives from the revaluation of contingent considerations. Profit was positively affected by MSEK 1.6 (0) attributable to previously set aside contingent consideration for the acquisition in Belgium, which, due to this quarter's acquisition of the remaining 20 percent, is not payable.

Amortization of customer relations amounted to MSEK -4.8 (-0.3), of which MSEK -4.5 is attributable to Networks Centre.

Profit or loss for the period amounted to MSEK 14 (11).

Full year

Net sales increased by 51 percent to MSEK 1,110 (737). The organic growth less currency effects was 9 percent and the acquired growth was 39 percent. In unchanged currency levels, net sales increased by 48 percent.

Gross margin decreased to 25.5 (28.1) percent. Gross margin excluding the Networks Centre acquisition amounted to 26.7 (28.1) percent. The weakened Swedish Krona, especially in relation to the USD and the EUR, the increased freight costs, and a time lag in passing on cost increases to customers have contributed to the decrease in gross margin.

Overhead increased as a result of investments in new recruitments and marketing efforts aiming to create new revenue streams.

Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 69 (68) during the period, an increase of 2 percent. EBITA was affected by MSEK -6.4 (-2.6) of unrealized exchange rate gains and losses. MSEK -2.2 (0.3) of this amount derives from the revaluation of contingent considerations. Profit was positively affected by MSEK 1.6 (0) attributable to previously set aside contingent consideration for Belgium, which, due to the acquisition of the remaining 20 percent in the last quarter of 2022, is not payable. Moreover, the year was burdened by acquisition costs of MSEK -4.3 (-2.3).

Profit or loss for the period amounted to MSEK 37 (47).

CASH FLOW, INVESTMENTS AND CASH AND CASH EQUIVALENTS

The quarter

Cash flow from operating activities amounted to MSEK 8.4 (-8.0). The change in working capital amounted to MSEK -23 (-23) during the quarter.

Other net investments in tangible and intangible fixed assets amounted to MSEK -3.8 (-2.9). Net cash flow from acquisitions amounted to MSEK -14 (-3.5), which refers to the remaining 20 percent of Alcadon Belgium and deferred payment for the acquisition of NWC.

Cash flow from financing activities amounted to MSEK -13 (12).

Full year

Cash flow from operating activities amounted to MSEK 24 (18). The change in working capital amounted to MSEK -54 (-48) and is driven by increased sales and investments in stock building to counter the longer delivery times currently prevailing.

Other net investments in tangible and intangible fixed assets amounted to MSEK -12.9 (-5.5). Net cash flow from acquisitions amounted to MSEK -246 (-44) and consisted of paid contingent consideration of MSEK -5.8 relating to the acquisition of Alcadon ApS (formerly 6X International ApS), the MSEK -240 acquisition of Networks Centre, and MSEK -0.6 for the remaining 20 percent of Alcadon Belgium.

Cash flow from financing activities amounted to MSEK 306 (54) and consisted in part of issue proceeds of MSEK 125 after issuance costs, in part of amortization and decreased utilization of the bank overdraft facility of MSEK -56 (-135), dividend of MSEK -10, and new financing in connection with the acquisition of Networks Centre in the amount of MSEK 263 net.

At the end of the period, the Group's cash and cash equivalents amounted to MSEK 101 (28). The overdraft granted with SEB amounts to MSEK 50 (50), of which MSEK 45 (36) was undrawn at the end of the period.

There are no pledged assets or contingent liabilities in the company.

OPERATING EXPENSES

The quarter

Operating expenses amounted to MSEK -365 (-189), an increase of 93 percent.

Overhead amounted to MSEK -65 (-38), an increase of 70 percent. In addition to the acquisitions carried out of 6X Belgium and Networks Centre, overhead increased as a result of investments in new recruitments and marketing efforts aiming to create new revenue streams.

Full year

Operating expenses amounted to MSEK -1,026 (-659), an increase of 56 percent.

Overhead amounted to MSEK -199 (-130), an increase of 53 percent. In addition to the acquisitions carried out, overhead increased as a result of investments in new recruitments and marketing efforts aiming to create new revenue streams.

PERSONNEL

The number of employees at the end of the period was 179 (95). The average number of employees during the quarter was 179 (92).

EXCHANGE RATE DIFFERENCES

Exchange rate differences of an operating nature are reported in accordance with IFRS in operating income as other operating income/expenses. All exchange rate differences that arise as a result of commitments to customers and suppliers are classified as such. Exchange rate differences attributable to restatement of contingent consideration are also recognized in operating income as other operating income/expenses.

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

For the quarter, exchange rate differences of an operating nature amounted to MSEK -0.8 (-0.6), of which MSEK -2 (0.2) is attributable to revaluation of contingent consideration.

For the year, exchange rate differences of an operating nature amounted to MSEK -6.4 (-2.6), of which MSEK -2.2 (0.3) is attributable to revaluation of contingent consideration.

Exchange rate differences 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. For the quarter, profit or loss after financial items amounted to MSEK -7.6 (-2.7), of which MSEK -2.0 (0.2) is attributable to revaluation of contingent consideration. For the period, profit or loss after financial items amounted to MSEK -15.3 (-3.2), of which MSEK -2.2 (0.3) is attributable to revaluation of contingent consideration.

At the end of the period, cash and cash equivalents amounted to MSEK 80 (4.8).

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.

No significant changes have occurred which would require these descriptions to be further amended.

RELATED PARTY TRANSACTIONS

During the first half of the year, the Group, through Alcadon AS, carried out transactions of MSEK 1.9 (3.4) with companies where Alcadon's former 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. As of July 2022, Roy does not carry on any activities for Alcadon and is thus not considered a related party to the Company. Through Alcadon Group AB, the Group carried out transactions of MSEK 0.8 (0.8) 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 in January 2021, 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 in December 2021, MEUR 0.7 (MSEK 7, at the time of the acquisition) of the purchase price was allocated to Goodwill.

As of 31 December 2022, the preliminary acquisition analysis of the acquisition of Networks Centre was updated. Out of the surplus value of MGBP 33.1 (MSEK 415), MGBP 26 (MSEK 326, at the time of the acquisition) of the purchase price was allocated to Goodwill. The remainder was allocated to customer relations.

For more information, please refer to the acquisition analyses in Note 3. As of 31 December 2022, goodwill amounted to MSEK 671 (333).

INTEREST COSTS

Interest costs amounted to MSEK -9.8 (-0.7) for the quarter. Of the interest expense, SEK -1.4 (0) million relates to discounting interest related to the additional purchase price allocated for the acquisition of Networks Centre.

FUTURE DEVELOPMENTS

Prior to Alcadon's capital markets day, which was held on 29 September 2022, the Board of Directors decided on updated financial targets over a business cycle, and Vision 2025.

The updated financial targets entail a continued focus on profitable growth both organically and through acquisitions and will take Alcadon to become a well-renowned European premium partner active in carefully selected business areas related to the digitalization of society.

Financial targets over a business cycle

- **Growth** – Annual sales growth of 20 percent
- **Profitability** – EBITA margin exceeding 10 percent
- **Leverage** – Net interest-bearing liabilities/EBITDA (rolling 12 months) between 2 and 3

Growth – Alcadon shall have an average annual sales growth of at least 20 percent over a business cycle. Sales growth will be generated organically and through acquisitions.

Profitability – Alcadon's annual average EBITA margin should exceed 10 percent over a business cycle. EBITA is defined as operating profit before amortization of intangible assets.

Leverage – Alcadon's long-term leverage should stay

within 2 to 3 times EBITDA. EBITDA is defined as operating profit before depreciation and amortization, excluding acquisition costs and including acquisition pro forma.

Vision 2025

- Net sales – MSEK 2,600
- EBITA – MSEK 280
- EBITA % – 10.8%

In addition, the Board of Directors resolved on the following key objectives for Alcadon:

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

Other target	Targets	2022
Employee engagement	>30	40
Customer loyalty *	>30	54

* Measured in Sweden and Norway in 2022. Other companies to be added in 2023.

Customer loyalty – measured by the 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 answered between 9–10 while critics are considered to be all those who answered between 1–6.

Employee engagement – measured by the Employee Net Promoter Score (eNPS) which provides a measure of how willing employees are to recommend their workplace. Employees rate Alcadon on a scale of 1–10, with the number of ambassadors then set against the number of critics. Ambassadors are considered to be all those who answered between 9–10 while critics are considered to be all those who answered between 1–6.

Financial targets	Objectives	Q3 2022	Q4 2022
Growth	20%	43%	51%
Profitability	>10%	5.9%	6.2%
Leverage	2-3	3.8	3.7

AUDITOR'S REVIEW

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

FINANCIAL CALENDAR

Annual report 2022	No later than week 12, 2023
Q1 Report 2023	28 April 2023, 8:00 a.m.
Annual General Meeting 2023	28 April 2023, 10:00 a.m.
Q2 Report 2023	11 August 2023, 8:00 a.m.
Q3 Report 2023	27 October 2023, 8:00 a.m.
Year-end report 2023	No later than week 8, 2024
Annual report 2023	No later than three weeks prior to the Annual General Meeting 2024
Annual General Meeting 2024	No later than week 17, 2024

ANNUAL GENERAL MEETING 2022

The Annual General Meeting 2022 was held in Stockholm on 22 April. For information about the Annual General Meeting and the resolutions passed, please refer to the Company's AGM communiqué, which is available on the Company's website, www.alcadongroup.se/investerare/bolagsstammor/.

ANNUAL GENERAL MEETING 2023

The Annual General Meeting 2023 will be held in Stockholm on Friday, 28 April 2023, 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 2023.

DIVIDEND

In light of the acquisition of Networks Centre and the expected continued good growth, the Board proposes that no dividend be paid for 2022.

WARRANTS

The warrant program 2019/2023, which the extraordinary general meeting on 10 July 2019 resolved upon, comprises a total of 340,000 warrants held by 6 senior executives. The transfers were 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 20 March 2023 to 17 April 2023, which may entail a dilution of 1.6 percent calculated on the basis of the company's 20,612,823 shares.

The average share price of ordinary shares during the periods January to December and October to December 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.

In accordance with the Annual General Meeting's resolution in April 2021, 26 employees subscribed for warrants under the warrant program 2021/2024 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 0.5 percent calculated on the basis of the company's 20,612,823 shares.

The average share price of ordinary shares during the periods January to December and October to December 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.

In accordance with the Annual General Meeting's resolution in April 2022, 19 employees subscribed for warrants under the warrant program 2022/2025 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 24 February 2025 to 21 March 2025. The subscription price amounts to SEK 99.97. Upon full exercise of the warrants, up to 60,000 shares may be issued, which corresponds to a dilution of approximately 0.3 percent calculated on the basis of the company's 20,612,823 shares.

The average share price of ordinary shares during the period was below the exercise price of the warrants. Hence, the shares are not included in the calculation of the number of shares after dilution in the financial tables.

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 2022, the number of shares amounts to 20,612,823.

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.

On 16 August 2022, the Board of Directors resolved upon a directed new issue of 987,694 shares in Alcadon Group AB to the sellers of Networks Centre as part of the payment for the acquisition. Following the new issue, the number of shares in Alcadon Group AB thus increased from 19,625,129 to 20,612,823.

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 74.3 (2022-12-30)

- Company name: Alcadon Group AB
- Ticker: ALCA
- Number of shares: 20,612,823
- ISIN: SE0008732218

LOANS & CREDITS

In connection with the acquisition of Networks Centre Ltd, Alcadon refinanced previously raised loans of MSEK 130 and raised new loans of MSEK 250 for 3+1 years.

Terms in brief

- Bank loan, MSEK 130, straight-line amortization over 10 years, interest rate STIBOR 3M + 1.4–2.4 percentage points depending on the debt-to-equity ratio.
- Bank loan, MSEK 250, straight-line amortization over 10 years, interest rate STIBOR 3M + 1.4–2.4 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 30, interest rate STIBOR 3M + 1.4–2.4 percentage points depending on debt-to-equity ratio, 0.35 percent on undrawn amount.

Total bank loans amount to SEK 371 (130) million as of 31 December 2022, of which SEK 38 (19) million are recognized as current liabilities under Other interest-bearing liabilities and SEK 333 (111) million are recognized as non-current under Liabilities to credit institutions.

The overdraft granted with SEB amounts to MSEK 50 (50), of which MSEK 45 (36) was undrawn at the end of the period.

ACCOUNTING POLICIES & NOTES

See pages 17–20 for accounting policies and notes.

OWNERSHIP

Name	Share-holding	Share-holding, %
Investment AB Spiltan	2,370,893	11.5%
Ribbskottet Aktiefolag	2,200,000	10.7%
Athanase Industrial Partners	1,413,507	6.9%
Consensus Asset Management	1,119,000	5.4%
Susanne Stengade Holding ApS	981,780	4.8%
Andra AP-Fonden	867,524	4.2%
Humle Småbolagsfond	740,677	3.6%
RBCB LUX UCITS EX-MIG	700,000	3.4%
Avanza pension	655,118	3.2%
Nordnet Pensionsförsäkring AB	625,560	3.0%
Jeansson, Theodor	531,910	2.6%
Goldman Sachs International, W8IMY	530,071	2.6%
J.P. MORGAN SE, LUXEMBOURG BRANCH	520,392	2.5%
Ålandsbanken AB, W8IMY	494,870	2.4%
SEB AB, Luxembourg Branch, W8IMY	466,677	2.3%
Lindsay, Duncan	317,088	1.5%
Lindsay, Natalie	314,389	1.5%
Sparebank 1 Markets AS	291,345	1.4%
Hajskäret Invest AB	208,459	1.0%
Mårtensson, Jonas	208,092	1.0%
Grand Total	15,557,352	75.5%
Others	5,055,471	24.5%
Total	20,612,823	100.0%

The largest shareholders of Alcadon Group as of 31 December 2022.

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 not add up exactly to the specified total.

ALCADON GROUP – THE GROUP	Quarter 4		Full year	
Condensed statement of profit or loss (MSEK)	2022	2021	2022	2021
INCOME STATEMENT				
Operating income	401.2	206.4	1110.4	736.5
Total income	401.2	206.4	1110.4	736.5
Operating expenses	-364.9	-188.6	-1025.9	-659.1
Operating profit before depreciation/amortization	36.3	17.8	84.5	77.4
Depreciation of tangible assets	-5.8	-2.2	-15.9	-10.0
Operating profit before amortization of intangible assets	30.5	15.6	68.6	67.5
Amortization of intangible assets	-5.0	-0.4	-6.3	-1.6
Operating profit	25.5	15.2	62.3	65.9
Net financial items	-6.4	-0.7	-10.7	-4.8
Profit after net financial items	19.0	14.5	51.6	61.1
Tax on profit for the year	-5.2	-3.5	-14.5	-14.0
Profit or loss for the period	13.9	11.0	37.1	47.1
Attributable to:				
Non-controlling interests	0.0	-0.1	0.0	-0.1
The parent company's shareholders	13.9	11.1	37.1	47.2
Profit or loss for the period	13.9	11.0	37.1	47.1
Other comprehensive income				
Translation differences for the period due to restatement of foreign subsidiaries	8.8	0.8	11.4	2.8
Total comprehensive income for the period	22.7	11.8	48.4	49.9
Total comprehensive income for the period attributable to:				
Non-controlling interests	0.0	-0.1	0.0	-0.1
The parent company's shareholders	22.7	11.9	48.4	50.0

Condensed statement of financial position (MSEK)	2022-12-31	2021-12-31
BALANCE SHEET		
Fixed assets		
Goodwill, Note 3	671.0	338.1
Other intangible fixed assets, Note 3	135.1	15.8
Tangible fixed assets	99.5	35.8
Financial fixed assets	5.0	1.2
Total fixed assets	910.6	390.9
Current assets		
Inventories	345.3	152.4
Trade receivables	274.9	131.4
Other current assets	30.5	19.7
Cash and bank	101.3	28.4
Total current assets	751.9	331.9
TOTAL ASSETS	1 662.5	722.8
Equity		
Share capital	1.0	0.9
Other contributed capital	351.3	153.1
Retained earnings including net profit for the period	222.9	186.5
Equity attributable to parent company shareholders	575.1	340.5
Non-controlling interests	0.0	0.2
Total equity	575.1	340.7
Provisions		
Other provisions, Note 4	140.3	26.8
Total provisions	140.3	26.8
Long-term liabilities		
Deferred tax liability, Note 3	33.3	3.4
Liabilities to credit institutions	332.5	111.4
Other long-term liabilities	65.6	23.1
Total long-term liabilities	431.4	138.0
Current liabilities		
Bank overdraft facility	4.9	13.8
Other interest-bearing liabilities	125.1	31.8
Trade payables	260.5	115.2
Other current liabilities	125.1	56.5
Total current liabilities	515.6	217.3
TOTAL EQUITY AND LIABILITIES	1 662.5	722.8

ALCADON GROUP – THE GROUP	Quarter 4		Full year	
	2022	2021	2022	2021
Condensed changes in equity (MSEK)				
Opening equity	555.5	328.6	340.7	233.9
Other changes in equity	-3.2	0.0	-3.2	0.0
Other contributed capital	0.0	0.0	198.9	56.6
Dividend	0.0	0.0	-9.8	0.0
Non-controlling interests	0.1	0.2	0.1	0.2
Comprehensive income for the period attributable to parent company shareholders	22.7	11.8	48.4	50.0
Closing equity	575.1	340.7	575.1	340.7

ALCADON GROUP – THE GROUP	Quarter 4		Full year	
	2022	2021	2022	2021
Consolidated condensed statement of cash flows (MSEK)				
Operating profit	25.4	15.2	62.3	65.9
Adjustments for non-cash items, etc.	16.6	3.6	33.5	14.7
Income tax paid	-10.0	-3.3	-17.4	-13.8
Change in working capital	-23.0	-23.4	-54.2	-48.3
Net cash flow from operating activities	8.4	-8.0	24.1	18.4
Acquisition of fixed tangible and intangible assets	-3.2	-2.8	-11.8	-5.5
Change in financial fixed assets	-0.6	-0.1	-1.0	0.0
Business combinations	-13.8	-3.5	-246.2	-44.1
Cash flow from investing activities	-17.7	-6.4	-259.0	-49.5
Dividend paid	0.0	0.0	-9.8	0.0
New issuance/Warrant proceeds	0.0	0.0	126.1	29.2
Interest paid and received and other financial items	-6.3	-0.7	-11.7	-4.8
Amortization of lease liabilities	-3.3	-2.1	-10.7	-8.3
Amortization	-7.2	0.0	-55.6	-134.9
Borrowings	3.8	14.7	268.2	172.7
Cash flow from financing activities	-12.9	11.9	306.4	53.9
Cash flow for the period	-22.3	-2.5	71.5	22.7
Reconciliation of changes in cash and cash equivalents				
Opening balance, cash and cash equivalents	122.9	30.9	28.4	5.6
Exchange rate difference on cash and cash equivalents	0.7	0.0	1.4	0.1
Closing balance, cash and cash equivalents	101.3	28.4	101.3	28.4
Change in cash and cash equivalents	-22.3	-2.5	71.5	22.7

MODERBOLAGET ALCADON GROUP AB	Quarter 4		Full year	
	2022	2021	2022	2021
Condensed statement of profit or loss (MSEK)				
INCOME STATEMENT				
Net sales	2.1	1.9	8.7	13.3
Total income	2.1	1.9	8.7	13.3
Operating expenses	-5.1	-4.0	-17.0	-12.9
Operating profit	-3.0	-2.1	-8.3	0.4
Net financial items	-4.6	-0.4	-7.0	-3.5
Profit after net financial items	-7.6	-2.7	-15.3	-3.2
Appropriations	13.3	10.8	13.3	10.8
Profit or loss before tax	5.6	8.1	-2.1	7.6
Tax on profit for the year	-1.6	-1.7	0.0	-1.7
Profit or loss for the period	4.0	6.4	-2.1	5.9

MODERBOLAGET ALCADON GROUP AB	2022-12-31	2021-12-31
Condensed statement of financial position (MSEK)		
BALANCE SHEET		
Fixed assets		
Financial fixed assets	937.4	399.6
Total fixed assets	937.4	399.6
Current assets		
Receivables from Group companies	0.0	28.6
Trade receivables	0.0	0.0
Other current assets	5.7	4.6
Cash and bank	80.1	4.8
Total current assets	85.8	38.0
TOTAL ASSETS	1,023.2	437.5
Equity		
Share capital	1.0	0.9
Retained earnings including net profit for the period	345.8	170.0
Total equity	346.8	170.9
Provisions		
Other provisions	140.3	26.8
Total provisions	140.3	26.8
Long-term Liabilities		
Other borrowings	332.5	0.0
Liabilities to Group companies	95.1	111.4
Total long-term liabilities	427.6	111.4
Current interest-bearing liabilities		
Liabilities to Group companies	56.6	92.2
Current liabilities	9.1	3.8
Total current liabilities	108.6	128.4
TOTAL EQUITY AND LIABILITIES	1,023.2	437.5

Consolidated quarterly data	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
INCOME STATEMENT, MSEK	2022	2022	2022	2022	2021	2021	2021	2021
Net sales	401.2	288.0	216.1	205.1	206.4	182.7	177.4	170.0
Profit								
Operating profit before amortization of intangible assets (EBITA)	30.5	11.6	10.7	15.8	15.6	17.7	17.6	16.6
Profit after net financial items	19.0	7.7	10.7	14.2	14.5	16.4	15.7	14.5
Profit or loss for the period	13.9	4.7	7.9	10.6	11.0	12.8	12.5	10.8
Margin measures in %								
Gross margin, %	25.3	23.5	26.0	28.3	27.3	27.8	28.7	28.9
Operating margin (EBITA), %	7.6	4.0	4.9	7.7	7.6	9.7	9.9	9.8
Net margin, %	3.5	1.6	3.7	5.2	5.3	7.0	7.1	6.3
BALANCE SHEET (MSEK)								
Assets								
Total fixed assets	911	888	398	390	391	386	388	390
Total current assets	752	735	435	427	332	315	262	220
Total assets	1,662	1,623	832	817	723	701	650	610
Equity & liabilities								
Total equity	575	556	480	479	341	329	286	274
Total long-term liabilities & provisions	572	563	148	153	165	165	54	58
Total current liabilities	516	505	204	185	217	208	310	278
Total equity & liabilities	1,662	1,623	832	817	723	701	650	610
CASH FLOW (MSEK)								
Net from operating activities	8.4	22.1	-12.6	5.9	-8.0	-8.8	14.9	20.0
Investing activities	-17.7	-229.1	-4.4	-7.3	-6.4	-0.7	-0.5	-41.6
Financing activities	-12.9	235.8	-17.3	100.8	11.9	18.2	-8.8	32.6
Cash flow for the period	-22.3	28.8	-34.3	99.4	-2.5	8.7	5.6	11.0
OTHER INDICATORS								
Earnings per share, SEK	0.67	0.23	0.40	0.55	0.60	0.71	0.70	0.61
Return on equity, %	6.5	6.8	8.8	10.5	13.9	14.0	11.9	12.7
Equity per share, SEK	27.9	23.3	24.5	24.4	18.6	17.9	16.0	15.4
Cash flow from operating activities per share, SEK	0.4	1.1	-0.6	0.3	-0.4	-0.5	0.8	1.1
Share price at the end of the period, SEK	74.3	68.6	72.0	85.6	125.0	65.6	41.9	34.1

NOT 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 2022 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 2022:

- Rights of use: MSEK 89 (32), recognized as Tangible fixed assets
- Lease liabilities: MSEK 86 (32), of which MSEK 66 (23) is recognized as Other long-term liabilities and MSEK 20 (9) as Other current liabilities

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 2021. 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.

Geographic market (external turnover) MSEK	Quarter 4		Full year	
	2022	2021	2022	2021
Sweden	94.4	80.8	349.9	316.4
Norway	34.0	35.2	148.1	136.0
Denmark	74.9	74.1	286.6	232.0
Germany	18.2	14.1	38.4	49.9
The United Kingdom	159.5	-	236.1	-
The Benelux	20.1	2.1	51.2	2.1
Total	401.2	206.4	1,110.4	736.5

Following the Networks Centre acquisition, revenues are no longer broken down on the business areas Commercial property networks, Residential networks, Fiber networks/FTTx, and Services.

NOTE 3. BUSINESS COMBINATIONS

NETWORKS CENTRE IN THE UNITED KINGDOM

On 17 August 2022, Alcadon Group AB acquired 100 percent of the UK company Networks Centre Holding Company Ltd and its subsidiaries. Networks Centre is a professional distributor of products and complete systems for network infrastructure, operating in the United Kingdom and the Netherlands (with warehouses and offices in England, Scotland as well as the Netherlands). Approximately 40 percent of sales come from the Commercial property segment, 30 percent from the Data center segment and 30 percent from Fiber networks (FTTx/B/H). The largest customer categories are installers, integrators, data centres and broadband operators.

Through the “Networks Center Training Academy”, Networks Centre, as one of few distributors in Europe, offers the international BICSI RCDD accreditation and a significant number of tailored courses and accreditations.

The customer offering comprises complete system solutions where Networks Centre takes on the role as project leader with tailor-made solutions. The company represents a large number of reputable international manufacturers with a focus on the premium segment.

With the acquisition of Networks Centre, Alcadon Group is establishing itself in one of the largest and fastest growing markets in network infrastructure in the World: the United Kingdom. In addition, Networks Centre has in a short amount of time successfully launched operations in the Netherlands, where it currently has a strong base in the Data center segment that complements Alcadon’s current operations in the Benelux region very well. Today, Networks Centre has a very strong position in the United Kingdom, not only in the Commercial networks and Data center segments—it is also one of few operators to successfully establish itself as a well-known player in the UK broadband rollout with a complete fiber network offering. The company has an excellent reputation among both customers and suppliers, and with overlapping and complementary product portfolios, similar strategy and values, a solid system-solution mindset, and good supplier relations, everything indicates that Networks Centre and Alcadon Group will be able to make significant contributions to each other’s development.

As of 31 December 2022, the preliminary acquisition analysis originally drawn up on 30 September 2022 has been updated. The purchase price of the shares, including contingent consideration, amounts to MSEK 459, of which MSEK 251 has been paid in cash. Conditional consideration amounts to not more than MGBP 10, which in the acquisition analysis was discounted to MSEK 118 (MGBP 9.4) to be paid in cash depending on the improvement in performance of Networks Centre over the 36 months following the date of acquisition. 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. The discount rate is recognized in net financial items.

Deferred payment relates to compensation for deferred tax and outstanding claims on former owners and will be paid in connection with Networks Centre’s realization of these items in cash.

Identified intangible assets of MSEK 120 relate to customer relationships and are amortized over 10 years. The amortization period of 10 years is 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 -30 in the acquisition analysis and is dissolved in step with the amortization. The amortization will have an annual impact on operating profit of MSEK -12, and an MSEK -9 impact on profit or loss. Net assets, including identified intangible assets and deferred tax liability, amount to MSEK 132 in the acquisition analysis.

Goodwill amounts to MGBP 26 (MSEK 326, at the time of the acquisition), relating to the company’s expected future earning power and the personnel of Networks Centre.

After the date of acquisition, 17 August 2022, Networks Centre has contributed net sales of MSEK 251, operating profit (EBITA) of MSEK 15, including acquisition costs of MSEK -4.4, and net profit of MSEK 5.

If Networks Centre had been consolidated from 1 January 2022, the contributions would have been net sales of MSEK 632, operating profit (EBITA) of MSEK 42, including acquisition costs of MSEK -4.4, and net profit of MSEK 25.

PRELIMINARY ACQUISITION ANALYSIS (MSEK)	Reported value at the acquisition date	Adjustment to fair value	Fair value
Fair value of the consideration transferred			
Shares			72.4
Cash			250.9
Deferred payment			17.5
Contingent consideration			117.8
Total purchase price			458.5
Identifiable net assets			
Intangible fixed assets	0.0	119.7	119.7
Other fixed assets	70.3	0.0	70.3
Inventories	86.3	0.0	86.3
Current receivables	139.5	0.0	139.5
Cash and cash equivalents	15.0	0.0	15.0
Other long-term liabilities	-47.4	0.0	-47.4
Deferred tax liabilities	-0.8	-29.9	-30.7
Other interest-bearing liabilities	-101.9	0.0	-101.9
Trade and other payables	-118.8	0.0	-118.8
Acquired net assets			132.1
Goodwill arising on acquisition			326.4
Initial consideration in cash and cash equivalents			250.9
Acquired cash and cash equivalents			15.0
Cash flow arising from acquisition			-235.8

ALCADON BV (former 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. During the fourth quarter, the remaining 20 percent of the company was acquired and is now a wholly owned subsidiary.

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.

In connection with the acquisition of the remaining 20 percent of the company, the preliminary acquisition analysis from earlier was updated. The final acquisition analysis is shown in the table below. The purchase price for the shares, including contingent additional consideration, amounted to SEK 8.2 million, of which SEK 4.9 million was paid in cash in December 2021 and SEK 0.6 million was paid for the remaining 20 percent in the fourth quarter of 2022.

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 amounted to not more than MEUR 0.2 (MSEK 2) in cash depending on the improvement in performance of 6X over the coming 36 months. In connection with the acquisition of the remaining 20 percent of Alcadon Belgium, MSEK 0.6 (KEUR 50) of previously provisioned contingent consideration has been paid. The remaining MSEK 1.6 (KEUR 150) has been recognized in operating profit for the quarter.

Goodwill amounts to MEUR 0.7 (MSEK 7) and relates to the company's expected future earning capacity and the personnel of the company.

PRELIMINARY ACQUISITION ANALYSIS (MSEK)	Reported value at the acquisition date	Adjustment to fair value	Fair value
Fair value of the consideration transferred			
Cash			6.1
Contingent consideration			2.1
Total purchase price			8.2
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			6.8
Initial consideration in cash and cash equivalents			6.1
Acquired cash and cash equivalents			1.3
Cash flow arising from acquisition			-4.8

NOTE 4. OTHER PROVISIONS

MSEK	Quarter 4		Full year	
	2022	2021	2022	2021
Opening provisions	146.8	24.7	26.8	0.0
New provisions	0.0	2.0	126.0	26.4
Reversed provisions	-9.8	0.0	-9.8	0.0
Exchange rate differences	3.8	0.1	3.7	0.4
Payments	-0.6	0.0	-6.3	0.0
Closing provisions	140.3	26.8	140.3	26.8

Provision as of 31 December 2022 relates to contingent consideration for the acquisition of Alcadon ApS (formerly 6X International ApS) of MSEK 21 (MDKK 14) and contingent consideration for the acquisition of Networks Centre of MSEK 119 (MGBP 9.4). Contingent consideration for the acquisition of Networks Centre of MSEK 119 (MGBP 9.4) relates to the discounted value of the total contingent consideration of MGBP 10, which, calculated at the closing rate, corresponds to MSEK 126. The difference is recognized in profit or loss as a discount rate in net financial items until any payment dates for the contingent considerations. The discount rate during the fourth quarter amounts to MSEK -1.4. During the first quarter of 2022, contingent consideration payments of MSEK 5.7 (MDKK 4) were made for Alcadon ApS. In connection with the acquisition of the remaining 20 percent of Alcadon Belgium, MSEK 0.6 (KEUR 50) of previously provisioned contingent consideration has been paid. The remaining MSEK 1.6 (KEUR 150) has been recognized in operating profit for the quarter.

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, 21 February 2023

Pierre Fors

Chairman of the Board

Jonas Mårtensson

Vice Chairman

Marie Ygge

Director

Lars Engström

Director

Sonny Mirborn

Chief Executive Officer

Addresses



Alcadon Group

Alcadon Group AB

Segelbåtsvägen 7
112 64 Stockholm, Sweden
Tel: + 46 8-657 36 00
Org.nr. 559009-2382
www.alcadongroup.se

Alcadon AB Stockholm

Segelbåtsvägen 7
112 64 Stockholm, Sweden
Tel: + 46 8-657 36 00
www.alcadon.se

Göteborg

Flöjelbergsgatan 8B
431 37 Mölndal, Sweden
Tel: + 46 31-386 88 00
www.alcadon.se

Malmö

Stenyxegatan 9
213 76 Malmö, Sweden
Tel: + 46 40-31 22 60
www.alcadon.se

Örebro

Adolfsbergsgatan 4
702 27 Örebro, Sweden
Tel: + 46 19-271 270
www.alcadon.se

Alcadon AS Oslo

Alfaset 1, Industrivei 4
0668 Oslo, Norway
Tel: +47 23 17 78 80
www.alcadon.no

Sandefjord

Østre Kullerød 5
3241 Sandefjord, Norway
Tel: +47 33 48 33 48
www.alcadon.no

Hamar

Parkgata 24
2317 Hamar, Norway
Tel: +47 33 48 33 41/43
www.alcadon.no

Bergen

Littleåsveien 49
5132 Nyborg, Norway
Tel: +47 33 48 33 42
www.alcadon.no

Mosjøen

Petter Dass gate 3
8656 Mosjøen, Norway
Tel: +47 95 96 80 56
www.alcadon.no

Alcadon ApS Denmark

Moellevej 9, E1
2990 Nivaa, Denmark
Tel: +45 4570 7077
www.6x.dk

Alcadon GmbH Germany

Wahlerstraße 14
D-40472 Düsseldorf, Germany
Tel. +49 211 8758 7503
www.alcadon.de

Alcadon BV Belgium

Plaslaar 38 e
2500 Lier, Belgium
Tel: +32 3 326 26 03
www.6x.be

Alcadon Bv Netherlands

Zekeringstraat 17 A
1014 BM Amsterdam, Netherlands
Tel: +31 6 2850 2333
www.alcadon.nl

Networks Centre United Kingdom

Bentley House, Wiston Business Park
London Road, Pulborough RH20 3DJ, UK
Tel: +44 140 375 4233
www.networkscentre.com

Svensk Kapitalmarknadsgranskning AB (SKMG)

Certified Adviser

Fähusgatan 5
603 72 Norrköping
Tel: +46 11 323 07 32
E-post: ca@skmg.se
Org.nr. 559200-5283
www.skmg.se

