Alcadon Group

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Results Reaction	Telecom Equipment	Sweden	18 August 2026

Q2: Adj. EBITA +17% y/y and +2% vs. SEB

Q2/26 marked the fifth consecutive quarter with sequential earnings growth for Alcadon, slightly above our expectations. Management highlights that the market climate has increased in complexity during the quarter, however it continues to see opportunities for both organic growth and continued acquisitions of well-managed, profitable companies. The outcome implies 0% change to our 2026 adj. EBITA estimates, mechanically.

Outcome: Adj. EBITA +17% y/y and +2% vs. SEB

Q2 sales were SEK 356m (4% vs. SEB). Organic sales growth for continued operations was +1% y/y, or -6% organic y/y when including Germany in the comparable period. Gross margin improved to 27.1% from 26.1% in the comparable period. Adj. EBITA 26m (2% vs. SEB at 25m), +17% y/y, margin 7.3% (SEB at 7.5%) vs. 5.9% Q2/25. Leasing adj. FCF of SEK 9m (29m). Reported leverage of 2.3x vs. 2.3x in Q1/26.

Deviation table

SEKm	Q2/25	Actual Q2/26	SEB est Q2/26E	Dev (%)	Dev (SEK)
Sales	378	356	341	4%	15
Sales growth y/y	*-11%*	*-6%*	*-10%*		
whereof organic	*-10%*	*-6%*	*-10%*		
whereof FX	*-1%*	*-1%*	*-1%*		
whereof M&A	*0%*	*1%*	*1%*		
COGS	-279	-260	-247		
Gross profit	99	96	94	2%	2
Gross margin	*26.1%*	*27.1%*	*27.6%*		
EBITA	21	25	25	-3%	-1
EBITA margin	*5.6%*	6.9%	*7.5%*		
NRI	-1	-1	0		
Adj. EBITA	22	26	25	2%	0
Adj. EBITA margin	*5.9%*	7.3%	*7.5%*		
Adj. EBITA growth y/y	*-32%*	17%	*15%*		
Geographical sales split		**Q2/26**			
Sweden	84	103	91	13%	12
Norway	24	21	21	-1%	0
Denmark	29	23	28	-18%	-5
Germany	26	0	0	n.a.	0
UK	142	128	135	-5%	-6
Ireland	32	38	34	11%	4
The Benelux	41	43	32	34%	11
Sales growth per market y/y		**Q2/26**			
Sweden	-3%	23%	9%		
Norway	5%	-15%	-14%		
Denmark	4%	-19%	-1%		
Germany	-36%	-100%	-100%		
UK	-7%	-10%	-5%		
Ireland	35%	17%	5%		
The Benelux	-43%	6%	-21%		

Source: SEB, Alcadon

The market climate for Alcadon's six distribution businesses increased in complexity during the quarter, management argues. The company experienced continued strong demand in the data centre market segment and generally stable development within structured cabling systems. The broadband infrastructure market however, has been in continuous decline over the past two years, as broadband access has now reached a high level of penetration in many countries. During the year, management has seen the UK being added to that list, as fibre-based broadband now is available for a large number of UK households. The quarter saw a slightly faster-than-expected decline in sales volumes within the broadband segment in the Group's largest market, the UK, management stated.

Management highlighted that the global economic climate has affected the availability of both raw materials and finished products, particularly in the area of fibre-optic cable, leading to sharp and rapid price fluctuations which have created delivery challenges for the vast majority of market players. Management argues, however, that Alcadon has managed to navigate the situation well. Management

stated that the company has deliberately increased its inventory levels slightly compared to the previous quarter to allow for some safety stock, explaining the year-over-year decline in free cash flow.

Outlook: Opportunities for both organic and acquired growth

Management stated that it sees opportunities for both organic growth and continued acquisitions of well-managed, profitable companies that will strengthen both its operational capabilities and its key financial indicators.

Impact: No mechanicall impact on estimates

The outcome implies 0% change to our 2026E adj. EBITA estimates, mechanically.

Conference call details: CET 15:00

At 15:00, Fredrik Valentin (CEO) and Adam Jonsson (CFO) will present the report at a webcast presentation. The presentation will begin with a brief general overview of the company's operations and market, followed by a review of the Q2 2026 results. After the presentation, questions submitted before and during the presentation will be answered. Link: https://alcadon-group.events.inderes.com/q2-report-2026/register

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