



# Invitation to acquire shares of class B in Röko AB (publ)

SOLE GLOBAL COORDINATOR AND JOINT BOOKRUNNER



JOINT BOOKRUNNERS



Danske Bank

RETAIL DISTRIBUTOR



## IMPORTANT INFORMATION TO INVESTORS

This offering circular (the "**Offering Circular**") has been prepared in connection with the offering to the general public in Sweden as well as institutional investors in Sweden and abroad and listing on Nasdaq Stockholm of shares of class B in Röko AB (publ) (a Swedish public limited liability company) (the "**Offering**"). In the Offering Circular, "Röko", the "Company" or the "Group" refers to Röko, the group in which Röko is the parent company or a subsidiary of the group, as the context may require. The "Founders" refer to Gjusböte AB and Smöla AB. The "Selling Shareholders" refer to Mellby Gärd Intressenter AB, Santhe Dahl Invest AB and Röko PoolCo AB. The "Managers" or the "Joint Bookrunners" refer to Skandinaviska Enskilda Banken AB (publ) ("**SEB**"), Carnegie Investment Bank AB (publ) ("**Carnegie**") and Danske Bank A/S, Danmark, Sverige Filial ("**Danske Bank**"). The "Retail Distributor" refers to Avanza Bank AB (publ) ("**Avanza**"). Refer to section "*List of definitions*" for the definitions of these and other terms in the Offering Circular.

The Offering and the Offering Circular are governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any conflict or dispute arising out of or in connection with the Offering or the Offering Circular.

A Swedish language version of the Offering Circular (the "**Swedish Prospectus**") has been approved and registered by the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*) (the "**SFSA**") in accordance with regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"). The SFSA only approves that the Swedish Prospectus meets the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Further, this approval should not be considered as any endorsement, neither of the issuer referred to in the Swedish Prospectus nor of the quality of the securities that are the subject of the Swedish Prospectus, and investors should make their own assessment as to the suitability of investing in the securities. The Swedish Prospectus was approved by the SFSA on 4 March 2025. The Swedish Prospectus is valid for up to 12 months following the date of the approval of the Swedish Prospectus, provided that the Swedish Prospectus is completed with supplements when required pursuant to Article 23 of the Prospectus Regulation. Any supplements will be published on the Company's website. The obligation to supplement the Swedish Prospectus in the event of significant new circumstances, factual errors or material inaccuracies does not apply after the closing of the application period or the time when trading on Nasdaq Stockholm commences, whichever occurs later. In the event of discrepancies between the Offering Circular and the Swedish Prospectus, the Swedish Prospectus shall prevail.

### NOTICE TO INVESTORS

The Offering is not directed to the general public in any country other than Sweden. Nor is the Offering directed to such persons whose participation requires additional offering circulars, registrations or measures other than those prescribed by Swedish law. No measures have been or will be taken in any other jurisdiction than Sweden, that would allow any offer of the shares of class B to the public, or allow holding and distribution of the Offering Circular or any other documents pertaining to the Company or its shares in such jurisdiction. Applications to acquire shares of class B that violate such rules may be deemed invalid. Persons into whose possession the Offering Circular comes are required by the Company and the Managers to inform themselves about and to observe such restrictions. Neither the Company nor either of the Managers accepts any legal responsibility for any violation by any person, whether or not a prospective investor, of any such restrictions.

### United States

The shares in the Offering have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the Offering Circular. Any representation to the contrary is a criminal offence in the United States. The shares in the Offering have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the "**Securities Act**") or with any securities regulatory authority of any state of the United States, and may not be offered or sold within the United States unless the shares are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. In the United States, the shares will be sold only to persons reasonably believed to be qualified institutional buyers ("**QIBs**") as defined in and in reliance on Rule 144A under the Securities Act or pursuant to another exemption from, or in a transaction not subject to, the requirements of the Securities Act. All offers and sales of shares outside the United States will be made in compliance with Regulation S under the Securities Act. Prospective purchasers that are QIBs are hereby notified that the sellers of the shares in the Offering may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. In the United States, the Offering Circular is being furnished on a confidential basis solely for the purpose of enabling a prospective investor that is a QIB to consider purchasing the particular securities described herein. The information contained in the Offering Circular has been provided by the Company and other sources identified herein. Distribution of the Offering Circular to any person other than the offeree specified by the Managers or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorized, and any disclosure of its contents, without the Company's prior written consent, is prohibited. Any reproduction or distribution of the Offering Circular in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. The Offering Circular is personal to each offeree and does not constitute any offer to any other person or to the general public to acquire shares in the Offering.

### Singapore

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. The shares in the Offering will not be offered or sold or made the subject of an invitation for subscription or purchase, and this Offering Circular, any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares has not been circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018.

### United Kingdom

This Offering Circular has been prepared on the basis that any offer of the securities referred to herein in the United Kingdom (the "**UK**") will be made pursuant to an exemption under the Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") from the requirement to publish a prospectus for offers of the securities referred to herein. This Offering Circular is for distribution only and is directed only at: (i) persons who are outside the UK or (ii) persons in the UK who are qualified investors as defined in Article 2(e) of the Prospectus Regulation as it forms part of UK domestic law by virtue of the EUWA that are also: (a) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"), or (b) persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, or (c) persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended (the "**FSMA**")) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This Offering Circular is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offering Circular relates is available only to and will be engaged in only with relevant persons. In connection with the Offering, the Managers are not acting for anyone other than the Company and will not be responsible to anyone other than the Company.

### European Economic Area

Within the European Economic Area ("**EEA**"), no public offering of securities is made in any other countries than Sweden. In other member states of the EEA where the Prospectus Regulation is directly applicable or where the member states have implemented the Prospectus Regulation in its national legislation, any offer of securities may only be made in accordance with an applicable exemption under the Prospectus Regulation and/or in accordance with an applicable exemption under a relevant national implementation measure. In other member states of the EEA where the Prospectus Regulation is not directly applicable

or where such member states have not implemented the Prospectus Regulation in its national legislation, any offer of securities may only be made in accordance with an applicable exemption under national law.

### IMPORTANT INFORMATION ABOUT THE SELLING OF SHARES

Note that notifications about allotment to the public in Sweden will be made through distribution of contract notes, expected to be distributed on 11 March 2025. Institutional investors are expected to receive notification of allotment on or around 11 March 2025 in particular order, whereupon contract notes are dispatched. After payments for the allocated shares have been processed by the Managers, the duly paid shares will be transferred to the securities depository account or the securities account specified by the acquirer. The time required to transfer payments and transfer duly paid shares to the acquirers of shares in Röko means that these acquirers will not have shares available in the specified securities depository account or the securities account until 13 March 2025, at the earliest. Trading in Röko's shares on Nasdaq Stockholm is expected to commence on or around 11 March 2025. Accordingly, if shares are not available in an acquirer's securities account or securities depository account until 13 March 2025 at the earliest, the acquirer may not be able to sell these shares on the stock exchange as from the time trading in the shares commences, but first when the shares are available in the securities account or the securities depository account.

### INFORMATION TO DISTRIBUTORS

With regard to product governance requirements in: (a) EU Directive 2014/65/EU on markets in financial instruments, ("**MiFID II**"), (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II, (c) national transposition measures (collectively, "**MiFID II product governance requirements**"), and without liability for damages that may otherwise be imposed on a "producer" under MiFID II product governance requirements, the shares in the Company have been subject to a product approval process, where the target market for the shares in the Company are (i) retail clients and investors that qualify as professional clients and eligible counterparties, individually as defined in MiFID II, (ii) suitable for distribution through all distribution channels permitted under MiFID II, (iii) clients that are unsophisticated investors, meaning clients with basic capital markets knowledge or experience about shares, (iv) clients with a balanced risk tolerance with the ability to bear losses up to the entire invested amount, and (v) clients whose investment objective is to seek capital growth or potential dividend returns. The negative target market for an investment in the shares of the Company is (i) retail clients seeking capital protection or full repayment of the amount invested, and (ii) are fully risk averse or requiring a fully guaranteed income, capital protection or a fully predictable return profile (the "**Target Market Assessment**").

The Target Market Assessment does not affect the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. The Target Market Assessment is not to be considered as (a) a suitability or appropriateness assessment pursuant to MiFID II; or (b) a recommendation to any investor or group of investors to invest in, acquire, or take any other action in respect of the shares in the Company. Each distributor is responsible for its own assessment of the target market for the shares in the Company and for determining the appropriate distribution channels.

### PRESENTATION OF FINANCIAL INFORMATION

Unless otherwise expressly stated herein, no financial information in the Offering Circular has been audited or reviewed by the Company's auditor. Financial information relating to the Company in the Offering Circular and that is not a part of the information that has been audited or reviewed by the Company's auditor in accordance with what is stated herein, has been collected from the Company's internal accounting and reporting system.

All financial amounts are in Swedish kronor ("**SEK**"), unless indicated otherwise, and "**MSEK**" indicates millions of SEK. The figures included in the Offering Circular have, in certain cases, been rounded off and, consequently, the tables contained in the Offering Circular do not necessarily add up.

### FORWARD-LOOKING STATEMENTS

The Offering Circular contains certain forward-looking statements and opinions. Forward-looking statements are statements that do not relate to historical facts and events and such statements and opinions pertaining to the future that, by example, contain wording such as "believes", "estimates", "anticipates", "expects", "assumes", "forecasts", "intends", "could", "will", "should", "would", "according to estimates", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "to the knowledge of" or similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements and opinions in the Offering Circular concerning the future financial returns, plans and expectations with respect to the business and management of the Company, future growth and profitability and general economic and regulatory environment and other matters affecting the Company.

Forward-looking statements are based on current estimates and assumptions made according to the best of the Company's knowledge. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause the actual results, including the Company's cash flow, financial condition and results of operations, to differ materially from the results, or fail to meet expectations expressly or implicitly assumed or described in those statements or to turn out to be less favorable than the results expressly or implicitly assumed or described in those statements. Accordingly, prospective investors should not place undue reliance on the forward-looking statements herein, and are strongly advised to read the entire Offering Circular, including the following sections: "*Summary*", "*Risk factors*", "*Market overview*", "*Business overview*" and "*Operating and financial review*", which include more detailed descriptions of factors that might have an impact on the Company's business and the market in which it operates. None of the Company, the Founders, the Selling Shareholders or any of the Managers can give any assurance regarding the future accuracy of the opinions set forth in the Offering Circular or as to the actual occurrence of any predicted developments.

In light of the risks, uncertainties and assumptions associated with forward-looking statements, it is possible that the future events mentioned in the Offering Circular may not occur. Moreover, the forward-looking estimates and forecasts derived from third-party studies referred to in the Offering Circular may prove to be inaccurate. Actual results, performance or events may differ materially from those in such statements due to, without limitation: changes in general economic conditions, in particular economic conditions in the markets on which the Company operates, changes affecting interest rate levels, changes affecting currency exchange rates, changes in competition levels, changes in laws and regulations, and occurrence of accidents or environmental damages.

All information in the Offering Circular, including forward-looking information, is made on the basis of information available to the Company as at the date of the Offering Circular, unless explicitly stated otherwise.

After the date of the Offering Circular, none of the Company, the Founders, the Selling Shareholders or any of the Managers assume any obligation, except as required by law or Nasdaq Nordic Main Market Rulebook for Issuers of Shares, to update any forward-looking statements or to conform these forward-looking statements to actual events or developments.

### BUSINESS AND MARKET DATA

The Offering Circular includes industry and market data pertaining to Röko's business and markets. Such information is based on the Company's analysis of multiple sources, including Bain & Company.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of industry and market data contained in the Offering Circular that were extracted or derived from such industry publications or reports. Business and market data are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such data is based on market research, which itself is based on sampling and subjective judgements by both the researchers and the respondents, including judgements about what types of products and transactions should be included in the relevant market.

Information provided by third parties has been accurately reproduced and, as far as the Company is aware and has been able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

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## Summary of the Offering etc.

Offering Price:	SEK 2,048
Application period for the general public:	5 March – 7 March 2025
Application period for institutional investors:	5 March – 7 March 2025
First day of trading in Röko's shares of class B:	11 March 2025
Settlement date:	13 March 2025
Ticker:	ROKO B
ISIN code:	SE0023950795
LEI code:	549300X76X1DK285JB13

## Financial calendar

Interim report for the period January – March 2025, Q1:	29 April 2025
Interim report for the period April – June 2025, Q2:	17 July 2025
Interim report for the period July – September 2025, Q3:	24 October 2025

## Certain definitions

<b>Röko, the Company or the Group</b>	Röko AB (publ), the group in which Röko is the parent company or a subsidiary of the group, as the context may require.
<b>Carnegie</b>	Carnegie Investment Bank AB (publ).
<b>Cornerstone Investors</b>	Investors listed in section "Legal considerations and supplementary information – Cornerstone Investors".
<b>Danske Bank</b>	Danske Bank A/S, Danmark, Sverige Filial.
<b>Euroclear Sweden</b>	Euroclear Sweden AB.
<b>Founders</b>	Gjusböte AB (owned by Fredrik Karlsson) and Smöla AB (owned by Tomas Billing).
<b>Joint Bookrunners</b>	SEB, Carnegie and Danske Bank.
<b>Managers</b>	SEB, Carnegie and Danske Bank.
<b>Nasdaq Stockholm</b>	The regulated market operated by Nasdaq Stockholm AB.
<b>Retail Distributor</b>	Avanza Bank AB (publ).
<b>SEB</b>	Skandinaviska Enskilda Banken AB (publ).
<b>SEK</b>	Swedish krona.
<b>Sole Global Coordinator</b>	SEB.
<b>Selling Shareholders</b>	Mellby Gård Intressenter AB, Santhe Dahl Invest AB and Röko PoolCo AB <sup>1)</sup> .

1) Röko PoolCo AB has been established in anticipation of the Offering with the sole purpose to carry out the sale of class B shares in the Offering by selling shareholders who are not party to the Placing Agreement.

# Summary

## Introduction and warnings

### Introduction and warnings

This summary should be read as an introduction to this Offering Circular.

Any decision to invest in the securities should be based on an assessment of the Offering Circular in its entirety by the investor. An investor may lose all or part of the invested capital.

Where statements in respect of information contained in an Offering Circular are challenged in a court of law, the plaintiff investor may, in accordance with member states' national legislation, be forced to pay the costs of translating the Offering Circular before legal proceedings are initiated. Under civil law, only those individuals who have produced the summary, including translations thereof, may be enjoined, but only if the summary is misleading, incorrect or inconsistent with the other parts of the Offering Circular or if it does not, together with other parts of the Offering Circular, provide key information to help investors when considering whether to invest in the securities.

### The issuer

Röko AB (publ), Reg. No. 559195-4812, Östermalmsgatan 33, SE-114 26 Stockholm, Sweden.

Telephone number: +46 (0)73 533 35 73.

LEI code: 549300X76X1DK285JB13.

Ticker: ROKO B.

ISIN code for the shares of class B: SE0023950795.

### Information on the Selling Shareholders

Mellby Gård Intressenter AB, Reg. No. 556314-0747, Anna Lindhs Plats 4, SE-211 19 Malmö, Sweden, LEI code: 5493000TB4EPHNJB5T12.

Santhe Dahl Invest AB, Reg. No. 559185-7122, Norra Doktorsgatan 18, SE-352 36 Växjö, Sweden, LEI code: 549300FXF2MZZZPEI624.

Röko PoolCo AB<sup>1)</sup>, Reg. No. 559516-1679, Östermalmsgatan 33, SE-114 26 Stockholm, Sweden, LEI-code: 636700SKP7NTZKDUCJ76.

1) Röko PoolCo AB has been established in anticipation of the Offering with the sole purpose to carry out the sale of class B shares in the Offering by selling shareholders who are not party to the Placing Agreement.

### Competent authority

Finansinspektionen is the Swedish Financial Supervisory Authority (the "**SFSA**") and the competent authority responsible for approving the Swedish language version of the Offering Circular (the "**Swedish Prospectus**").

The SFSA's visiting address: Brunnsgatan 3, SE-111 38 Stockholm, Sweden.

The SFSA's postal address: Box 7821, SE-103 97 Stockholm, Sweden.

E-mail address: finansinspektionen@fi.se.

Telephone number: +46 (0)8 408 980 00.

Website: www.fi.se.

The Swedish Prospectus was approved by the SFSA on 4 March 2025.

## Key information on the issuer

### Who is the issuer of the securities?

#### Issuer information

Issuer of the securities is Röko AB (publ), Reg. No. 559195-4812. The Company's registered office is in Stockholm, Sweden. The Company is a Swedish public limited liability company founded in Sweden under Swedish law, incorporated in Sweden and operating under Swedish law. The Company's form of association is governed by the Swedish Companies Act (2005:551). The Company's LEI code is 549300X76X1DK285JB13.

#### The issuer's principal activities

Röko is a Sweden-based serial acquirer that, as of the date of the Offering Circular, has completed 28 platform acquisitions in a variety of industries across Europe. The Company's ambition is to be the perpetual owner of small and medium-sized businesses. Historically, Röko has primarily acquired small and medium-sized businesses headquartered in the Nordics and Northern Europe. Röko's organization has more than 100 years of combined experience working with founder- and entrepreneur-led companies in a wide range of industries and the individuals in executive management positions have worked at the Company since its first year of operation.

**Major shareholders**

As of the date of the Offering Circular<sup>1)</sup>, the Company's largest shareholders are those listed below. As far as the Company is aware, the Company is not directly or indirectly controlled by any individual shareholder or group of shareholders.

Shareholders	Number of shares of class A	Number of shares of class B	Percentage of shares in the Company	Percentage of votes in the Company
<i>Shareholders whose holdings exceed 5 percent of the shares or votes</i>				
Tomas Billing <sup>2)</sup>	1,052,000	343,377	9.41%	27.79%
Fredrik Karlsson <sup>3)</sup>	1,052,000	343,377	9.41%	27.79%
Johan Bladh <sup>4)</sup>	404,000	13,597	2.82%	10.37%
Trift Capital II Limited	–	1,359,751	9.17%	3.48%
AEMG Capital Förvaltnings AB	–	1,133,126	7.64%	2.90%
Santhe Dahl Invest AB	–	787,500	5.31%	2.01%

1) Before implementation of restructuring of the capital structure. The restructuring will include the redemption of shares of class A.

2) Indirectly through Smöla AB.

3) Indirectly through Gjusböte AB.

4) Indirectly through Smalandiis AB.

**Key managing directors**

The Company's Board of Directors consists of Tomas Billing (Chairman), Lilian Fossum Biner, Fredrik Karlsson, Angela Langemar Olsson and Peter Sterky (board members).

The Company's executive management consists of Fredrik Karlsson (CEO), Johan Bladh (deputy CEO, CFO and Head of B2C) and Anders Nordby (Investment Manager UK, Norway and Head of B2B).

**Auditor**

Öhrlings PricewaterhouseCoopers AB, with auditor in charge Patrik Adolfson.

**What is the key financial information regarding the issuer?****Key financial information in summary****Selected income statement figures**

	Financial year ended 31 December		
	2024	2023	2022
<i>Amounts in MSEK (unless otherwise stated)</i>	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>
Net sales	6,182	5,614	4,316
Operating profit	969	821	612
Net profit for the year	702	541	386
Profit attributable to parent company shareholders	702	541	386
Earnings per share before and after dilution, attributable to parent company shareholders during the year, SEK <sup>1)</sup>	47.33	38.78	28.60

1) Earnings per share for the historical periods have been re-stated based on a 2:1 share split in May 2022 and 1,000:1 in January 2023.

**Selected balance sheet figures**

	As of 31 December		
	2024	2023	2022
<i>Amounts in MSEK (unless otherwise stated)</i>	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>
Total assets	11,475	10,619	10,180
Total equity	5,501	4,942	3,653
Financial net debt <sup>1)</sup>	2,944	2,607	3,773
Intangible assets	8,337	7,481	7,339

1) Current and non-current liabilities to credit institutions, bond loans, interest-bearing provisions for pensions, put/call debt for non-controlling shares and earn-out debt less cash and cash equivalents. The debt includes both interest-bearing and non-interest-bearing liabilities.

**Selected cash flow figures**

	Financial year ended 31 December		
	2024	2023	2022
<i>Amounts in MSEK (unless otherwise stated)</i>	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>
Cash flow from operating activities	1,097	932	515
Cash flow from investing activities	–844	–416	–2,486
Cash flow from financing activities	–592	–334	2,231

## What are the key risks that are specific to the issuer?

### Material risk factors specific to the issuer

Material risk factors attributable to the issuer consists of the following:

- **Röko's operations are affected by macroeconomic factors**  
Röko is a serial acquirer with group companies operating in various markets in Europe, in particular the Nordic region, in the B2B and B2C business areas. Macroeconomic factors such as growth, inflation, interest rates and geopolitical tensions, *inter alia*, may adversely affect Röko's investment activities, demand for the Group's products and services and the Group's financial position.
- **Röko may face difficulties in successfully pursuing its acquisition and expansion strategy and thus fail to reach its growth targets**  
The Company faces risks such as not being able to identify suitable acquisition targets or execute acquisitions on acceptable terms, which could adversely affect Röko's acquisition and expansion strategy and lead to increased costs and reduced growth.
- **Röko may not succeed in integrating acquired companies**  
Integrating newly acquired businesses requires continuous development of financial systems, management control systems and internal processes to reflect business needs and risks. Failure by the Group to maintain these systems and processes could adversely affect its governance, financial position and performance.
- **Röko is associated with its founders and dependent on successful succession planning**  
Röko was founded in 2019 by Tomas Billing and Fredrik Karlsson (through Gjusböte AB (owned by Fredrik Karlsson) and Smöla AB (owned by Tomas Billing)), the "**Founders**", whose competence and historical achievements have been crucial to the Company's success and investor confidence. If any of them were to leave the Company, it could have a material adverse effect on Röko, including loss of competence and network, and impact on the Company's reputation, as well as adversely affect the Company's share price and market confidence.
- **Röko is dependent upon retaining and recruiting senior executives and key personnel**  
Röko must retain and recruit competent senior executives and key personnel to maintain the competitiveness and long-term success of the Company and its subsidiaries, particularly with its decentralized organizational model. Poor succession planning and high staff turnover may lead to increased costs, deteriorating customer relations and reduced efficiency, which may adversely affect the Company's profitability and future prospects.
- **Röko's decentralized organization gives rise to risks related to, *inter alia*, internal control**  
Röko applies a decentralized organizational model where subsidiaries operate independently, which places high demands on financial reporting and monitoring. This model can lead to risks such as inaccurate financial information, ineffective management of legal and compliance issues, and lack of transparency in the subsidiaries' daily routines, which can adversely affect the Group's operations and financial position.
- **The market for acquisitions is competitive and Röko may find it difficult to compete successfully in the future**  
Röko's business concept is to acquire and develop profitable niche businesses mainly in Europe, and since 2019 the Company has completed 28 platform acquisitions in several European countries. The fierce competition in the market entails that Röko must successfully identify and acquire attractive businesses and retain competent staff, otherwise the Company risks being adversely affected both in terms of earnings and future growth.
- **Risks related to market and technological developments in Röko's end markets**  
Röko is a serial acquirer with group companies operating in various markets in Europe, particularly the Nordic region, in B2B and B2C, with businesses ranging from software to furniture design and golf equipment. The Group's success is dependent on the demand for its subsidiaries' products and services, which is influenced by factors such as functionality, price and market trends, and failure to adapt to these could have an adverse effect on the Company's results of operations and financial position.
- **Risks related to disputes and legal proceedings**  
The Group's business is subject to the risk of litigation with various parties, which could have a material adverse effect on its financial position and results of operations and affect its reputation. Disputes can arise in different jurisdictions and can be time-consuming and resource-intensive to manage, which can divert the focus of management and staff from normal business activities.
- **Röko is subject to various regulatory frameworks and changes in the legal environment may have an adverse effect on the Group**  
Röko's operations are subject to several regulations, including money laundering, anti-bribery, cartel activities, sanctions and GDPR, which may entail significant costs and adjustments in case of changes. If the operations breach or misinterpret these rules, they risk losing licenses, fines and negative publicity, which could adversely affect their business and financial position.
- **Röko is exposed to interest rate risks**  
Interest rate risk means that changes in interest rates can have an adverse effect on the Group's net financial position and results, especially since the majority of its liabilities have variable interest rates. A change in interest rates of +/- 0.5 percentage points would affect the profit for the year by +/- SEK 2 million, which could have a material adverse effect on the Group's financial position.
- **Röko is exposed to credit risks**  
Credit risk is the risk that a counterparty to a financial transaction will not fulfill its obligations, which could adversely affect the Group's income and financial position. Each Group company is responsible for monitoring and analyzing credit risk and assessing the creditworthiness of new customers.



## Key information on the securities

### What are the main features of the securities?

<b>Securities offered and securities subject to admission to trading</b>	<p>Shares of class B in Röko AB (publ), Reg. No. 559195-4812.</p> <p>ISIN code for the shares of class B: SE0023950795.</p> <p>The shares are denominated in SEK and each share has a quota value of approximately SEK 0.05.</p>
<b>Total number of shares in the Company</b>	<p>As of the date of the Offering Circular<sup>1)</sup>, there are 14,832,500 shares issued, of which 2,696,000 are shares of class A and 12,136,500 are shares of class B. The share capital amounts to SEK 741,625.</p> <p>The Offering only consists of shares of class B.</p> <p>1) Before implementation of restructuring of the capital structure. The restructuring will include the redemption of shares of class A.</p>
<b>Rights associated with the securities</b>	<p>Two classes of shares may be issued, class A shares and class B shares. Class A shares carry ten votes per share and class B shares carry one vote per share. Class A shares and Class B shares carry equal rights to a part of the company's assets and profit.</p> <p>Shares of each class may be issued in a number equal to the entire share capital.</p> <p>If the company resolves to issue new shares of class A and class B, through a cash or set-off issue, shareholders of class A and class B shall have pre-emption rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary preemption right). Shares which are not subscribed for pursuant to the primary pre-emption rights shall be offered to all shareholders for subscription (subsidiary pre-emption right). If the shares thus offered are not sufficient for the subscription pursuant to the subsidiary pre-emption rights, the shares shall be allocated between the subscribers' pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.</p> <p>If the company resolves only to issue class A shares or only to issue class B shares through a cash or set-off issue, all shareholders shall, irrespective of share class held, have pre-emption rights to subscribe for new shares pro rata to the number of shares previously held by them. If the company resolves to issue warrants or convertible debentures through a cash or set-off issue, the shareholders shall have pre-emption rights to subscribe for warrants as if the issue applied to the shares that may be subscribed for pursuant to the right of warrant and preemption rights to subscribe for convertible debentures as if the issue applied to the shares that the convertible debentures may be converted to, respectively.</p> <p>The above shall not limit the right to resolve upon a cash or set-off issue with deviation from the shareholders' pre-emption rights.</p> <p>In the event of a bonus issue, new shares of each class shall be issued pro rata to the number of shares of the same class previously issued. In this connection, the shareholders of existing shares of a certain class shall have pre-emption rights to new shares of the same class. This shall not restrict the possibility of issuing new shares of a new class by means of a bonus issue, following the required amendment to the articles of association.</p> <p>The rights associated with the shares issued by the Company, including those set out in the Articles of Association, may only be amended in accordance with the Swedish Companies Act (2005:551).</p>
<b>Restrictions on the free transferability</b>	<p>The shares of class B in the Company are not subject to any restrictions on transferability.</p>
<b>Dividend and dividend policy</b>	<p>Röko's dividend policy is to distribute 0–20 percent of net profit to the Company's shareholders.</p>

### Where will the securities be traded?

<b>Admission to trading</b>	<p>The shares of class B will be admitted to trading on Nasdaq Stockholm.</p> <p>On 28 February 2025, Nasdaq Stockholm's Listing Committee made the assessment that the Company fulfills the listing requirements on Nasdaq Stockholm. Nasdaq Stockholm AB will approve an application for admission to trading of the Company's shares of class B on Nasdaq Stockholm subject to certain conditions, including that the Company submits such an application and fulfills the distribution requirement for its shares of class B.</p> <p>Trading in the Company's shares of class B is expected to commence on or around 11 March 2025.</p>
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## What are the key risks that are specific to the securities?

<b>Material risk factors specific to the securities</b>	<p>Material risk factors specific to the securities are as follows:</p> <ul style="list-style-type: none"> <li>• <b>An active, liquid and orderly trading market for Röko's shares of class B may not develop, the price of its shares of class B may be volatile, potential investors could lose a portion or all of their investment, and the absence of an overallotment option and equity research</b> Prior to the Offering, there is no public market for the shares of class B of Röko. The Offering will be carried out without an overallotment option and distribution of equity research in connection with the Offering. There is a risk that the share price for the class B shares falls below the Offering Price, that an active and liquid market will not develop or, if it does develop, that it will not sustain after the completion of the Offering.</li> <li>• <b>Sales of shares by existing shareholders may cause the price of the shares of class B to fall</b> The price of the Company's shares of class B may decline if there are substantial sales of shares in the Company, particularly sales by the Company's board members, executive management and significant shareholders or when a large number of shares are sold.</li> <li>• <b>The Founders will continue to have substantial influence over Röko after the Offering and could delay or prevent a change in control of the Company and this may limit the ability of new shareholders to influence corporate matters</b> It is likely that the Founders will continue to have significant influence over the outcome of matters submitted to the shareholders of Röko for approval, including the election of board members and any mergers, consolidations or sales of all, or substantially all, of Röko's assets. In addition, the Founders could have a significant influence over the Company's executive management and the operations of Röko. The interests of the Founders may differ significantly from, or compete with, the interests of Röko or other shareholders and the Founders may exercise their influence over Röko in a manner that is not in the best interests of other shareholders.</li> </ul>
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## Key information on the offer of securities to the public and the admission to trading on a regulated market

### Under which conditions and timetable can I invest in this security?

<b>Offering forms and conditions</b>	<p><b>The Offering</b> The Offering comprises 2,580,257 existing shares of class B in the Company. The Offering is directed to:</p> <ul style="list-style-type: none"> <li>• The general public in Sweden.<sup>1)</sup></li> <li>• Institutional investors in Sweden and abroad.<sup>2)</sup></li> </ul> <p><b>Offering Price</b> The price per class B share in the Offering has been set at SEK 2,048 (the "Offering Price"). The Offering Price has been determined by the Company's Board of Directors in consultation with the Managers, based on a number of factors, including contacts with the Cornerstone Investors and certain other investors, prevailing market conditions and a comparison with the market price of other comparable companies whose shares are admitted to trading on similar marketplaces, the Company's historical, operational and financial performance and estimates of the Company's business potential and earnings potential. In light of the subscription commitments entered into with the Cornerstone Investors, the price is considered to be at market level.</p> <p><b>Allotment</b> Decisions on allotment of shares of class B under the Offering are made by the Board of Directors in consultation with the Joint Bookrunners, whereby the objective is to achieve a strong institutional ownership base and a wide spread of the share of class B among the general public in order to facilitate a regular and liquid trading of the shares of class B on Nasdaq Stockholm. The allotment is not dependent on when the application is submitted during the application period. In the event of oversubscription, allotment may not take place or take place with a lower number of shares of class B than the application refers to, whereby allotment may take place in whole or partly by random selection. Certain related parties to the Company and the Founders, including certain board members and employees of the Company and certain other related parties, as well as customers of the Joint Bookrunners, may be given special consideration for allotment. Allotment may also be made to employees of the Joint Bookrunners, however, without them being prioritized. In such a case, the allotment will take place in accordance with legislation and the rules of the Swedish Securities Market Association (Sw. <i>Föreningen för Svensk Värdepappersmarknad</i>).</p> <p>1) The general public includes private individuals and legal entities in Sweden who apply to acquire up to 500 shares of class B. 2) Institutional investors include private individuals and legal entities that apply to acquire more than 500 shares of class B.</p>								
<b>Timetable for the Offering</b>	<table> <tr> <td>Application period for the general public:</td> <td>5 March – 7 March 2025</td> </tr> <tr> <td>Application period for institutional investors:</td> <td>5 March – 7 March 2025</td> </tr> <tr> <td>First day of trading in the Company's shares of class B:</td> <td>11 March 2025</td> </tr> <tr> <td>Settlement date:</td> <td>13 March 2025</td> </tr> </table>	Application period for the general public:	5 March – 7 March 2025	Application period for institutional investors:	5 March – 7 March 2025	First day of trading in the Company's shares of class B:	11 March 2025	Settlement date:	13 March 2025
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First day of trading in the Company's shares of class B:	11 March 2025								
Settlement date:	13 March 2025								
<b>Information about admission to trading on a regulated market</b>	<p>On 28 February 2025, Nasdaq Stockholm's Listing Committee made the assessment that the Company fulfills the listing requirements on Nasdaq Stockholm. Nasdaq Stockholm AB will approve an application for admission to trading of the Company's shares of class B on Nasdaq Stockholm subject to certain conditions, including that the Company submits such an application and fulfills the distribution requirement for its shares of class B.</p> <p>Trading in the Company's shares of class B is expected to commence on or about 11 March 2025.</p>								



<b>Dilution effect</b>	The Company is not issuing any new shares in connection with the admission to trading on Nasdaq Stockholm and therefore no dilution will occur.
<b>Costs</b>	The Company's costs associated with the listing on Nasdaq Stockholm and the Offering are expected to amount to approximately SEK 50 million. Such costs primarily relate to costs for auditors, lawyers and other advisory, design and printing of the Offering Circular as well as listing costs.
<b>Costs imposed on investors by the issuer or offeror</b>	Brokerage commission will not be charged.

### **Who is the offeror and/or the person asking for admission to trading?**

<b>The offeror of the securities</b>	<p>Mellby Gård Intressenter AB, Reg. No. 556314-0747, Anna Lindhs Plats 4, SE-211 19 Malmö, Sweden, LEI code: 5493000TB4EPHNJB5T12.</p> <p>Santhe Dahl Invest AB, Reg. No. 559185-7122, Norra Doktorsgatan 18, SE-352 36 Växjö, Sweden, LEI code: 549300FXF2MZZZPEI624.</p> <p>Röko PoolCo AB<sup>1)</sup>, Reg. No. 559516-1679, Östermalmsgatan 33, SE-114 26 Stockholm, Sweden, LEI-code: 636700SKP7NTZKDUCJ76.</p> <p>1) Röko PoolCo AB has been established in anticipation of the Offering with the sole purpose to carry out the sale of class B shares in the Offering by selling shareholders who are not party to the Placing Agreement.</p>
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### **Why is this offering circular being produced?**

<b>Background and reasons</b>	<p>Röko was established in 2019 by Tomas Billing and Fredrik Karlsson (through Gjusböte AB (owned by Fredrik Karlsson) and Smöla AB (owned by Tomas Billing), the "<b>Founders</b>"), backed by an investor collective with broad business experience. In connection with the establishment, Röko secured capital commitments of SEK 2,697 million from the Founders and investors. In the spring of 2022, the capital commitments were increased by a further SEK 1,079 million, with the Founders and all investors increasing their initial commitments pro rata. In the summer of 2023, the Company raised an additional SEK 708 million through a rights issue in which 96 percent of the Company's shareholders participated. Between 2019 and the date of the Offering Circular, Röko has, without materially deviating from the Company's high investment criteria, employed SEK 8.3 billion through acquisitions. The Company acquires high-quality and sustainable niche companies, meaning companies that have shown continuous growth in both sales and profit over a ten-year period. Companies that meet Röko's investment criteria are characterized by, <i>inter alia</i>, high profitability, such as an operating margin exceeding ten percent, and strong cash flows. Since its establishment, Röko has completed a total of 28 platform acquisitions in eight countries.</p> <p>Since its establishment, the stated ambition has been to eventually list Röko's shares of class B on a regulated market. In light of Röko's rapid growth and ability to successfully and efficiently employ capital, this goal – to list the Company's shares of class B – has now been actualized.</p> <p>The Offering and the listing will broaden the Company's shareholder base and give Röko access to the Swedish and international capital markets, which may promote the Company's continued growth and development. The Founders, together with the Board of Directors and Röko's executive management, believe that the Offering and the listing of the Company's shares of class B is a logical and important step in Röko's development, which will further increase awareness and thereby acquisition opportunities for Röko. For these reasons, the Board of Directors has applied for listing on Nasdaq Stockholm.</p> <p>The Offering will solely consist of existing shares of class B offered by the Selling Shareholders and the Company will not receive any proceeds from the Offering. The Founders will not sell any shares in the Offering and will remain committed and long-term shareholders following completion of the Offering. The Company is financing its own profitable growth and will not raise any funds in connection with the listing of its shares of class B on Nasdaq Stockholm and the Offering. The Offering will therefore not result in any dilution of the number of shares and votes in the Company.</p>
<b>Conflicts of interest</b>	<p>The Managers provide financial advisory and other services to the Company in connection with the Offering, for which they will receive customary remuneration with respect to the sale of shares of class B in the Company. The Managers have in the ordinary course of business, from time to time provided, and may in the future provide, various banking, financial, investment, commercial and other services to the Company. As consideration of the Managers' assistance in the listing on Nasdaq Stockholm and the Offering, the Managers will, subject to certain reservations, be reimbursed by the Company for external costs incurred by them. As of the date of this Offering Circular, SEB and Danske Bank are also lenders to Röko.</p> <p>Advokatfirman Vinge KB have been legal counsel to the Company in connection with the Offering and may provide additional legal services to the Company.</p>

# Risk factors

*This section contains the risk factors and significant circumstances that are deemed to be specific to the issuer and/or the securities and are material to making a well-informed investment decision. The risk factors relate to the Group's business, industry and markets and further include operational risks, legal risks, regulatory risks, risks related to governance, tax risks, financial risks as well as risk factors related to the securities. The assessment of the materiality of each risk factor is based on the probability of their occurrence and the expected magnitude of their negative impact. In accordance with the Regulation (EU) 2017/1129 (the "Prospectus Regulation"), the risk factors mentioned below are limited to risks which are specific to the Company and/or the securities and which are material for taking an informed investment decision. The description below is based on information available as of the date of the Offering Circular.*

## **Risks related to the Group's business, industry and markets**

### **Röko's operations are affected by macroeconomic factors**

Röko is a serial acquirer with group companies operating in various markets in Europe, in particular the Nordic region, in the business to business ("B2B") and business to consumer ("B2C") business areas. For example, Röko has group companies active in the markets for software, hardware development and repair, furniture design, golf equipment, products for the construction industry, design and production of medical disposables, inserts and components for industrial production and clothing. Macroeconomic factors such as growth, general economic conditions, price increases, population growth, inflation, interest rates, political uncertainty and changes in political or regulatory conditions may adversely affect the Company's investment activities and results of operations, as well as demand for the Group's services and products. For example, concerns over geopolitical issues and changes in the geopolitical situation (e.g. acts of war), increased trade barriers and protectionist tendencies, inflation, availability and cost of credit and pandemic outbreaks may lead to negative economic developments. Furthermore, conflicts and increased tensions in, for example, the Middle East and Russia's invasion of Ukraine, have led to significant market disruptions and if the situation were to continue or worsen, it could have an adverse effect on economic developments. An economic downturn risks, *inter alia*, affecting the ability to invest and the willingness to pay required to maintain demand for the Group's products and services. Prolonged declines in demand due to uncertain economic conditions in one or more of the Group's markets, or a deterioration in the financial condition of the Group companies' customers, may also have an adverse effect on the Group companies' net sales, which in turn may result in lower dividends to the Company and a decrease in the market value of the Company's direct and indirect holdings. This could lead to the Company having to recognize impairment losses, resulting in a corresponding charge to the income statement, which could have a material

adverse effect on the Group's results of operations and financial condition.

Higher input prices may have an indirect adverse effect on the profitability of the Group through the impact on the Group's subsidiaries. For example, in 2022 and 2023, the Group experienced difficulties in implementing price increases to compensate for the subsidiaries' cost increases, which explains the Group's weakened EBITA margin in these years.

Russia's invasion of Ukraine and tensions in the Middle East have resulted in disruptions to global value chains, exacerbated supply problems and increased economic uncertainty. Higher energy, metals and food prices are putting further upward pressure on inflation at a time when the rate of price increases in several countries is already high, contributing to increased uncertainty about price developments and higher interest rates and borrowing costs. For Röko, this means increased difficulties in planning and making economically favorable decisions, which may have an adverse effect on the Group's operations and earnings.

The outcome of the U.S. presidential election in 2024 risks leading to a deterioration in trade relations between the U.S. and the EU as a result of announced tariffs and duties on goods from Europe, as well as from other continents such as Asia. Röko's subsidiaries are net exporters of products to the U.S., which means that tariffs may make Röko's subsidiaries less competitive compared to local competitors. If the Group fails to maintain its competitiveness, the Group's financial position and results of operations could be adversely affected.

### **Röko may face difficulties in successfully pursuing its acquisition and expansion strategy and thus fail to reach its growth targets**

Röko is a serial acquirer that acquires companies based on seven carefully thought-out investment criteria, of which the core criteria are (i) continuous profit growth (assessed on the last ten historical years), (ii) EBITA margin above ten percent, and (iii) management in place and willing to stay in place after

the acquisition has been completed, while the other investment criteria are (i) market leader in its niche, (ii) asset-light companies<sup>1)</sup> (CAPEX <5 percent of sales and with proven ability to control working capital), (iii) operating profit (EBITA) of EUR 2–10 million, and (iv) largest customer accounts for less than 12 percent of net sales. Röko's target is for EBITA to increase every year. Furthermore, the Company has a long-term goal that acquisitions will constitute significant growth for Röko. Röko's ability to grow through acquisitions, and thereby generate continued growth, is directly dependent on the valuation discipline used, i.e. the multiple paid for acquisitions and the quality of the acquired companies, meaning their ability to maintain earnings and cash flow. For example, the Company can achieve a growth of ten percent per year through acquisitions if acquisitions are made at an average multiple of 8x EBITA, EBITA remains unchanged, cash flow after debt amortization amounts to 60 percent and the Company borrows 2x EBITA at the time of acquisition. If the average acquisition multiple is instead 10x, but other assumptions remain the same, the acquired growth is 7.5 percent. As the annual target is secondary to the assessed quality and valuation discipline of the acquisition targets, and as the transaction market is volatile, the target may be exceeded or missed in some years. Röko does not and will not have a target for number of acquisitions per year or acquired EBITA per year. The reason for this is that it risks leading to acquisitions of companies with poorer quality or acquisitions of companies at too high a price. Röko has grown from 0 to SEK 1,227 million in Adj. EBITA over a period of five and a half years since the Company was founded. As of the date of the Offering Circular, Röko has completed 33 acquisitions of which 28 are platform acquisitions in eight countries. In a year, Röko acquires approximately five to ten companies on average, in a single year there may be more or fewer acquisitions, and the Company intends to continue to grow through acquisitions in the coming years. The Group is adapting and intends to continue to adapt its financing, debt and operational infrastructure to meet its acquisition and expansion strategy. Whether Röko can successfully pursue its strategy depends, *inter alia*, on the Company's ability to correctly identify and evaluate potential acquisitions and market conditions. Röko's expansion is also dependent on its ability to finance the acquisition and/or operations on terms acceptable to the Company, as further described in section "– Röko is exposed to financing risks". Therefore, if Röko is unable to successfully fulfill its acquisition and expansion strategy, there is a risk that Röko will have to adjust its financing structure, indebtedness and operational infrastructure, which could be costly and time-consuming for the Group.

There is also a risk that the Group may not be able to identify suitable acquisition targets, complete acquisitions on acceptable terms or that completed acquisitions do not perform in line with the Company's expectations. Röko conducts a financial, legal and organizational review of the acquisition candidate prior to each investment, but there is a risk that potential problems and future losses are not detected in such a review. For example, the acquisition candidate may suffer customer

losses, regulatory concerns or unforeseen expenses after an acquisition is completed. This may require additional capital injections from Röko or result in a loss of returns. It may also turn out that Röko has paid more than the acquired company is worth and it is uncertain whether Röko can receive compensation for such costs.

Furthermore, if Röko cannot successfully pursue its current acquisition and expansion strategy, there is a risk that expected benefits will not be realized and/or that this will result in significantly increased costs, which in turn could have an adverse effect on the Company's profit growth by reducing, stopping or turning negative, which in turn could cause Röko to significantly deviate from its financial growth target.

#### **Röko may not succeed in integrating acquired companies**

Röko analyzes a large number of potential acquisition targets each year and is selective in choosing which companies to acquire. The analysis is largely based on the historical financial performance of the acquisition candidate and discussions with its management to understand events that have affected its performance. During the acquisition process, Röko focuses on gaining an understanding of the acquisition candidate's corporate culture and values to identify any significant cultural differences. During the acquisition process, certain preparatory work is carried out regarding technical integration of the acquisition target such as cash pool (a financial structure that allows centralization of cash management within a group), financial reporting, review of relevant group policies and self-assessment of control mechanisms and working methods. The self-assessment is not a direct part of the due diligence process that Röko conducts in connection with each acquisition, but provides indications of which areas the acquisition candidates should focus on working with.

After acquisitions, a thorough discussion exercise is carried out to train the CEO of the acquired company in the corporate culture and philosophy of Röko, which is continuously repeated at each joint CEO conference and at the board meetings.

Integrating newly acquired businesses has required and will continue to require the development of the Group's financial and management control systems and internal processes. Information and control systems are complex systems which require continuous development reflecting business needs and the inherent risks of the Group's operations. When acquiring new companies, it is important for Röko to retain and attract qualified management and to train and supervise the personnel of the acquired company. Group companies, particularly when newly acquired, may fail to comply with the Group's internal reporting requirements and the Group may need to invest significant time and resources to ensure the integrity of its control environment, including compliance with its reporting requirements. If the Group fails to maintain adequate financial and management information systems, internal processes and/or the integrity of its control environment, the Group's governance, financial position and results of operations could be adversely affected.

1) Röko focuses on companies that are asset-light, which means that the company in question has a balance sheet total that is relatively small in relation to its earnings. Asset-light companies should be able to grow their net sales and profit without significant capital requirements and have a cash flow in line with their profit for the year.

**Röko is associated with its founders and dependent on successful succession planning**

Röko was founded by Tomas Billing and Fredrik Karlsson (through Gjusböte AB (owned by Fredrik Karlsson) and Smöla AB (owned by Tomas Billing)), the "Founders" in 2019 and the investor community that invested in connection with the Company's establishment has, in the Company's opinion, to a large extent been particularly attracted by the Founders' abilities and historical achievements. Both Tomas Billing and Fredrik Karlsson are active in the Company and constitute a significant part of Röko and there is thus a risk that the Company experiences difficulties with succession planning. If one or both of these individuals were to leave the Company, this would have a material adverse effect on the Company's operations, development and investor relations as the Company would lose significant expertise, know-how and personal networks and relationships. A decision by any of them to leave the Company could also adversely affect the Company's operations as well as its reputation and lead to a significant loss of confidence in the Company in the market.

As of the date of the Offering Circular, and after completion of the Offering, Tomas Billing and Fredrik Karlsson together hold more than 50 percent of the votes in the Company. Tomas Billing and Fredrik Karlsson will therefore continue to have a significant influence over the outcome of matters submitted to the Company's shareholders for approval, such as the election of board members, amendments to the articles of association, dividends, any material transactions and other corporate actions, and thereby the corporate governance and operations of Röko. Furthermore, both Tomas Billing and Fredrik Karlsson are board members and also operationally active in the Company, including in the Company's executive management as CEO (Fredrik Karlsson). Should either of them leave the Company or sell a large part of their holdings, this could have an adverse effect on the share price, see also section "– Sales of shares by existing shareholders could cause the price of the shares of class B to decline".

**Röko is dependent on retaining and recruiting senior executives and key personnel**

In addition to Tomas Billing and Fredrik Karlsson, the Company is dependent on certain other key individuals in both the Company's group management and in senior positions in the Group's subsidiaries, including active entrepreneurs. Röko is primarily dependent on being able to retain and recruit executives and key personnel with the necessary competence within the Group's various operations, both at group level and in the subsidiaries and both in the short and long term. This is particularly important given the decentralized organizational model of Röko, including subsidiaries with a high degree of autonomy. The wrong people in the wrong place, disgruntled personnel, poor leadership and an organization that does not encourage engagement, open dialogue or stimulate development can lead to employee dissatisfaction, underperformance or departure. This applies both at group level and in subsidiaries. Dissatisfied personnel and high personnel turnover can lead to increased costs, deteriorating customer relations and reduced internal efficiency, which in turn can result in lower profitability for the Group. From this perspective, it is particu-

larly important that competent personnel are hired as CEOs in the Group's respective subsidiaries. If the Group is unable to recruit and retain competent managers for its subsidiaries, both in the short and long term, as well as other key employees with the right skills, this could have a material adverse effect on the competitiveness of the subsidiaries and the Group's future prospects.

Succession planning in the acquired companies and at Group level is an essential part of Röko's strategy for corporate development, particularly with regard to the role of CEO in the subsidiaries. The basic idea for the development of the acquired companies is to maintain the local entrepreneurial spirit of the companies to a large extent, while adding knowledge, processes and financial resources. As part of this, Röko has implemented a transaction structure with call and put options and continued ownership, meaning that the seller is given the opportunity, in addition to cash payment for the company, to receive call and put options and thus take part in business opportunities generated when the company is part of Röko. Furthermore, the ability of Röko to implement this strategy and develop the companies is dependent on several factors, such as, for example, the availability of suitable persons to replace the CEO in the future and to execute the succession planning. If Röko fails in succession planning, in particular with respect to the role of CEO in the subsidiaries, this could have a material adverse effect on the subsidiaries', and ultimately the Group's, operations, results of operations and financial position.

**Röko is subject to risks related to IT security and operations**

Röko and its subsidiaries rely on IT systems in their day-to-day operations and are dependent on IT functions for, for example, financial and communication functions. It is of great importance to the Group that IT suppliers are able to maintain and update the Group's existing IT systems and that the Company has effective firewalls and antivirus programs. In line with technological developments and increased digitization in the industry in recent years, information security risks and other security risks have also increased. At the same time, the complexity and interconnectedness of IT systems, both within companies and between them and other third parties, is increasing. This increases companies' vulnerability to cyber-attacks such as data breaches and denial-of-service attacks. Röko has no group-wide or segment-wide central IT systems that connect all the companies with each other. Röko's operations are mainly managed using standard systems and the data critical to Röko is stored on separate servers and with the help of various partners and can be accessed via cloud services. Although Röko ensures that frequent backups are made in order to minimize damage from any disruptions and outages, there is a risk that technical failures and disruptions in Röko's business-critical IT systems may lead to interruptions in transactions, loss of important communications and data, and delays in business processes, which in turn may affect the subsidiaries' ability to effectively run their operations. Such disruptions may have direct and severe adverse consequences for both Röko and its subsidiaries and lead to increased costs and/or reduced revenue for the Group.



**Röko's decentralized organization gives rise to risks related to, *inter alia*, internal control**

Röko applies a decentralized organizational model, which entails that the operating subsidiaries in the Group are largely responsible for and run the operations independently. Group management directs, controls and monitors the Group's operations. Each business area manager is responsible for this in relation to the respective business area's companies. This is done primarily by appointing subsidiary managers through succession planning and by continuously monitoring developments with the help of customary board work and quarterly reports. The Board of Directors of the Company has the ultimate responsibility for ensuring appropriate and effective internal control and sound risk management within the Group. Internal control comprises the control of the Company's and the Group's organization, procedures and support measures. The objective is to ensure that reliable and accurate financial reporting takes place, that the Company's and the Group's financial statements is prepared in accordance with law and applicable accounting standards, that the Company's assets are protected, and that other requirements are fulfilled. The system for internal control is also intended to monitor compliance with the Company's and the Group's policies, principles and instructions. Internal control also comprises risk analysis and follow-up of incorporating information and business systems. For more information on the Company's internal control, refer to section "*Corporate governance – Internal control*". Röko's decentralized organizational model with, at least initially, a high proportion of subsidiaries led by entrepreneurs and founders entails a risk that the Group's overall strategy is not consistent with the strategy of the Group companies. This may lead to the subsidiaries prioritizing their own objectives and strategies over those of the Group, which may result in a lack of coordination and inefficiencies at Group level. Furthermore, it may be difficult to implement and follow up on Group wide strategic initiatives, which may negatively affect the Group's long-term objectives and competitiveness.

Röko's decentralized organizational model, where the head-quarter consists of a few individuals who are not operationally active in the subsidiaries, also entails a risk that the subsidiaries' managements lack control or governance of their subsidiaries and that this is not immediately remedied in the Group. Corporate governance in a decentralized organization such as Röko's places high demands on financial reporting and monitoring. The Company and all operating companies use the same group reporting system, but different accounting systems, which increases the risk of incorrect financial information as Röko does not always have immediate access to the subsidiaries' underlying accounting. In the event that reported financial information is not complete and accurate or does not fully comply with the Group's accounting principles according to IFRS, it may lead to decisions being made on an incorrect basis, which may lead to direct or indirect costs in the form of, for example, lost revenue or investigation and sanction fines. Furthermore, the Group's decentralized organizational model may limit the ability to successfully manage legal and compliance issues. If any of these risks were to materialize, it could have a material adverse effect on the Group's operations, results of operations and financial position. Such risks could, for example, result in claims from third parties or

increased costs to manage and remediate damages incurred. Notwithstanding the Group's decentralized organizational model with independent subsidiaries, in some cases, failures in individual subsidiaries may have a material adverse effect on the Group as a whole. This may occur, for example, if risks materialize in relation to several subsidiaries at the same time or if an individual subsidiary acts in a way that has a detrimental impact on the entire Group. For example, a breach of GDPR or competition law rules by an individual subsidiary may result in sanctions based and targeting the entire Group's sales for a given year.

Furthermore, there is a risk that a decentralized organization leads to shortcomings in the implementation of and/or compliance with policies, guidelines and new initiatives, as well as in the reliable and effective management, risk management and quality control of the subsidiaries. Although the Company has corporate governance and internal control procedures in place, there is a risk that Röko and its subsidiaries may not be able to provide reliable financial information or effectively prevent fraud and other misuse of the Group and its resources. Notwithstanding the policies, guidelines and instructions issued by the Group, in the event of any fraud attempts, the Group is largely at the mercy of the human factor and the honesty and vigilance of individual employees. Inadequate and ineffective corporate governance or internal controls, as well as attempts to defraud the Group, may cause damage in the form of, for example, incorrect expenditures, which could lead to a material adverse effect on the Group's business, profit and financial position. For example, a lack of specific expertise in the various subsidiaries, in areas such as law and finance, may also lead to incomplete, slow or incorrect business decisions, which entails a risk of damage to the Group's reputation. If the Group fails to maintain, or for new acquisitions establish, adequate corporate governance and internal controls, the Group may not be able to use its resources in the most efficient way and therefore incur higher costs than necessary. Weaknesses in the Group's internal controls may also result in irregularities in individual subsidiaries not being detected, which may lead to, *inter alia*, legal proceedings and costly investigations. In line with the Group's growth strategy, the Group will become increasingly dependent on effective corporate governance (including the management of the issuance of powers of attorney and authorization instructions), accounting, financial, data processing and internal control procedures in each of its subsidiaries in order for the Group to provide accurate and reliable information about its operations and to prevent fraud, embezzlement or other illegal uses of the Group's business and resources by employees of subsidiaries. Furthermore, a decentralized organizational model means that transparency into the day-to-day practices and operations of subsidiaries may be limited. This may lead to a lack of timely detection of potential shortcomings and inefficiencies, which may hamper the ability to take corrective action. Lack of transparency may also mean that group management does not have full information on the operational risks of each subsidiary, which may negatively affect decision-making at Group level. This lack of transparency may also hamper the coordination of Group-wide initiatives and strategies, which may hamper the Group's overall efficiency and competitiveness.

**Röko is subject to risks linked to the subsidiaries' suppliers**

In order to manufacture, sell and deliver goods and services, Röko's subsidiaries depend on the agreed availability, production capacity, quality assurance and deliveries of external suppliers. Incorrect, delayed or non-deliveries from suppliers of various kinds may mean that a subsidiary's deliveries are in turn delayed or must be interrupted or become inadequate or incorrect, see also section " – Röko's operations are affected by macroeconomic factors" regarding delayed deliveries. In some cases, subsidiaries do not have written agreements with suppliers and the business relationship is thus relationship-based. There is thus a risk that it may either be difficult to demand what has been agreed or that previous agreements are changed, which may have a material adverse effect on the subsidiaries, and by extension the Group's, operations, profit and financial position.

The Group's subsidiaries operate in a wide range of industries and have a broad and varied supplier base. The Group is not dependent on one or more individual suppliers that account for a certain proportion of its sales. However, some of Röko's subsidiaries are focused on products and services in narrow niches where, in some cases, there are few alternative suppliers for some of the products and services that Röko's subsidiaries purchase. For these companies, it may take time to find and negotiate with alternative suppliers if, for example, a supplier experiences delivery problems or otherwise stops supplying the Group, which may have a negative impact on the Group's operations. Furthermore, the terms of such alternative suppliers may also be less favorable than current solutions. There is thus a risk that supply problems will lead to disruptions for the subsidiary concerned, which could have a material adverse effect on its operations and profit.

**Reputational damage can have an adverse effect on Röko's competitiveness, take up management's time and resources, and incur costs**

Röko's ability to acquire attractive businesses and the Group's subsidiaries' ability to attract and retain customers, partners and other stakeholders is largely dependent on its reputation and the business is consequently sensitive to reputational risks. The parent company is particularly exposed to reputational risks related to the Company's ability to acquire and manage companies in a way that is perceived as serious, successful and profitable. The subsidiaries are to a greater extent exposed to reputational risks related to the business each company conducts. For example, the Group's long-term profitability is based on the fact that sellers, customers, partners and other stakeholders associate the characteristics of Röko and/or its subsidiaries with positive values, ethical behavior and good quality. Röko's reputation may be adversely

affected by, *inter alia*, rumors, negative publicity or other factors that could lead to Röko or any of its subsidiaries no longer being considered a competent and serious market player. For example, the subsidiary AJAT Group's <sup>1)</sup> ("AJAT Group") subsidiary ABC-Gruppen AB has in 2023 and 2024 faced some media scrutiny and criticism from competitors linked to pricing in relation to market dominance in the field of student articles. Furthermore, Röko owns a majority of MCCN Holdings ("Brownell")<sup>2)</sup>, a UK based company that designs and manufactures moisture control and protection product for technical applications, including in the defence industry, which could face criticism and negatively affect the Company's reputation.

Reputation may also be affected by the Company's failure to comply with relevant regulations or achieve set environmental targets. As of 2025, the Group is subject to the EU's Corporate Sustainability Reporting Directive (CSRD)<sup>3)</sup> and the Taxonomy Regulation<sup>4)</sup>, which requires the implementation of new reporting routines on sustainability issues for all Röko's subsidiaries and compilation and external reporting at group level with first reporting in 2026 for the financial year 2025. The Company's reputation may be negatively affected if the Company fails to implement sustainability reporting and also by the Group's reported climate impact. If such negative factors were to occur or if the reputation of Röko were to deteriorate for other reasons, it could reduce the Group's profitability, competitiveness, occupy management's time and resources and cause costs for Röko, which could have a material adverse effect on the Group's financial position.

**Risks in relation to workplace accidents and health and safety**

At a number of the Group companies' production facilities, such as ATEMAG<sup>5)</sup>, Siderius<sup>6)</sup>, Rocket Medical<sup>7)</sup> ("Rocket Medical"), Lundberg Tech<sup>8)</sup> ("Lundberg Tech"), CHP<sup>9)</sup>, Smit Visual<sup>10)</sup> and TECCON<sup>11)</sup>, employees and other individuals come into close proximity to mechanical equipment, moving vehicles, chemicals and manufacturing processes which can be hazardous if not handled properly. Health and safety risks relate primarily to incidents or accidents in production facilities, with the most common injuries being finger, hand, foot or leg injuries, but can also relate to other risks such as exposure to harmful chemicals. There is also the risk of fire, which can lead to an explosion or breakdown of a production facility. The Group is responsible for the safety of its facilities and must therefore implement safety processes. If the implementation of such processes fails or if implemented processes are not effective, employees and other individuals may be injured. Workplaces with safety risks can also increase staff turnover and raise operating costs.

1) AJAT Group ApS together with its subsidiaries, see section "Legal considerations and supplementary information – Legal group structure".  
 2) MCCN Holdings Ltd together with its subsidiaries, see section "Legal considerations and supplementary information – Legal group structure".  
 3) Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards corporate sustainability reporting.  
 4) Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088.  
 5) ATEMAG Holding GmbH together with its subsidiaries, see section "Legal considerations and supplementary information – Legal group structure".  
 6) 25 Röko B.V. together with its subsidiaries, see section "Legal considerations and supplementary information – Legal group structure".  
 7) RM Holdco Ltd together with its subsidiaries, see section "Legal considerations and supplementary information – Legal group structure".  
 8) Lundberg Tech A/S together with its subsidiaries, see section "Legal considerations and supplementary information – Legal group structure".  
 9) CHPKAP BV together with its subsidiaries, see section "Legal considerations and supplementary information – Legal group structure".  
 10) Smit Visual B.V.  
 11) Teccon Holding AS together with its subsidiaries, see section "Legal considerations and supplementary information – Legal group structure".



Furthermore, the facilities may also suffer interruptions if Röko fails to implement safety processes or if implemented processes are not effective and, if not addressed in a timely and efficient manner, could prevent normal operations. Each of the foregoing could result in financial losses, which could adversely affect Röko's business, reputation, financial position or results of operations.

**The market for acquisitions is competitive and Röko may find it difficult to compete successfully in the future**

Röko's business concept is to acquire and develop profitable market-leading niche businesses in Europe and the Company has since its establishment in 2019 completed 28 platform acquisitions<sup>1)</sup> in eight countries. The market for acquisitions is competitive and the Group's competitiveness depends, *inter alia*, on Röko's ability to successfully identify, evaluate and acquire attractive businesses. In order to successfully implement the Group's acquisition strategy, the Company is dependent on, *inter alia*, retaining and hiring competent individuals, as described in sections "*– Röko is associated with its founders and dependent on successful succession planning*" and "*– Röko is dependent on retaining and recruiting senior executives and key personnel*" above. It is furthermore important that the Company has a good relationship with players in the acquisition market and that the Company successfully and reputedly manages the operating subsidiaries. There is a risk that competitors, known and unknown, develop more efficient methods, processes or similar than those applied by Röko. There is also a risk that the Group's competitors have certain competitive advantages such as greater financial resources than Röko, which may give them better conditions to withstand unfavorable economic conditions or ability to respond to market developments. For example, private equity firms have raised large amounts of capital that have not yet been invested.<sup>2)</sup> If any of these risks were to materialize or if Röko is unable to compete successfully in the markets in which the Group operates, it could have a material impact on the Company's results of operations and, ultimately, financial position.

Furthermore, there is a risk that increased competition could result in Röko not being able to acquire subsidiaries at acceptable prices or that the number of potential acquisition targets decreases, which could have a material adverse effect on the Group's continued growth and future prospects and impair the profitability of future acquisitions. Increased competition may also lead to increased costs compared to historical acquisitions and may result in price inflation for acquisition targets. If the Group is unable to make acquisitions at all, to the desired extent or on favorable terms as a result of increased competition, it could have a material adverse effect on Röko's future results and growth.

**Röko has grown rapidly since its establishment and over the past two years, but risks not growing at the same rate, or at all, in the future**

Röko's business and number of employees have grown significantly between the year of establishment in 2019 up to and including 2022. Potential investors should not necessarily consider Röko's past growth as an indication of future development. Past growth has exposed, and future growth will expose, the Company's management, administration, organizational culture and operational and financial infrastructure to several challenges. For example, Röko's net sales increased from SEK 23 million to SEK 4,316 million between 2019 and 2022. Thereafter, Röko's growth in net sales, driven by acquisitions, organic growth and currency effects, has amounted to 30 percent in 2023 as well as ten percent in 2024. The rapid growth in Röko's business up to the date of the Offering Circular, as well as any future growth, has placed and is expected to continue to place significant demands on the Company's management and its operational and financial infrastructure. Investments in the business, including the establishment of routines and processes and investments to maintain the organizational culture, will require Röko to allocate significant resources from the Company's management and operations as well as other resources, such as financial resources. High continued growth may mean that the supply of personnel does not meet the Company's needs. Röko's continued success will depend in part on its ability to manage its growth effectively. In order to manage the Company's current operations and staff, which have grown in line with the Company, Röko must continue to develop its operational, financial, administrative and internal controls. If Röko fails to effectively manage its growth, the Company may constrain the operational business plan, which may result in expected benefits not being realized and/or in increased costs. This in turn could have an adverse effect on the Company's operating results and cause the Company's growth rate to decrease, cease or become negative.

**Risks related to market and technological developments in Röko's end markets**

Röko is a serial acquirer with group companies active in various markets, mainly in Europe, in the B2B and B2C business areas. For example, Röko has group companies active in the markets for software, hardware development and repair, furniture design, golf equipment, products for the construction industry, healthcare consumables, inserts and components for industrial production and clothing. The Group is dependent on the existence of demand for the products produced and the services performed by its subsidiaries among consumers and industrial buyers, which in turn is influenced by factors such as functionality, price, design and general market demand. In addition to macroeconomic factors, which are further described in section "*– Röko's operations are affected by macroeconomic factors*", trends, technological and market developments in the subsidiaries' end markets affect the

1) Platform acquisition is used as a collective term for the acquisition of new business units, whereby Röko has completed 28 platform acquisitions as of the date of this Offering Circular.

2) Source: Bain & Company, Global Private Equity Report 2024.

performance of the subsidiaries as well as the Group. For example, changes are taking place in the automotive industry value chain as a result of the transition to electrification, to which Röko's subsidiary Bilomsetningen<sup>1)</sup>, a Norwegian retailer of original spare parts to car repair shops, needs to adapt. If the subsidiaries are unable to adapt to the trends, technological and market developments prevailing in their respective end markets, these companies may suffer from reduced revenues and financial losses. Such difficulties could have a material adverse effect on the net sales of the subsidiaries, which in turn could adversely affect the Company's results of operations and, ultimately, financial position.

#### **Risks related to partial ownership of subsidiaries**

The subsidiaries in the Group are, with the exception of a few wholly owned subsidiaries, directly or indirectly partly owned by Röko, which means that one or more other shareholders hold shares to varying degrees. For example, the Company owns 59 percent of the shares in Addedo<sup>2)</sup> ("Addedo") and 70 percent of the shares in Brownell, however, with a call option that, in all applicable cases, gives the Company a legal opportunity to purchase 100 percent of the subsidiary in the future. In such cases, the Company has entered into shareholder agreements or similar arrangements with the minority shareholder or shareholders of the respective companies. Some of these shareholders' agreements or similar arrangements contain provisions that grant the minority shareholder(s) of the respective subsidiary rights that are more extensive than those to which their shareholding would entitle them in the absence of the shareholders' agreement or similar arrangement. In addition, minority shareholders may exercise certain statutory minority rights, such as the right to dividends and compulsory redemption. Under certain circumstances, these minority rights may prevent Röko from exercising the control over the subsidiary that would be desirable in order to, for example, adjust its operations in response to new market conditions or to raise new capital. There is therefore a risk that the Company may not be able to exercise appropriate corporate governance over the subsidiaries in the Group that are not wholly owned. Furthermore, shareholder agreements and similar arrangements can sometimes be difficult to enforce, particularly abroad. There is also a risk that one or more provisions therein may be deemed invalid by a local court or authority. There is thus a risk that Röko, in whole or in part, may lose control of the relevant subsidiary, which could have a negative impact on Röko's ability to generate returns in such subsidiaries, with an adverse effect on the value of such subsidiaries, and make it difficult for the Company to exercise appropriate corporate governance and internal control. Furthermore, the shareholding in subsidiaries, including the valuation of the warrant liabilities in the Group's accounts, may have a negative impact on the Company's results. For more information on warrant liabilities, see section "– Röko is exposed to financing risks".

## **Legal and regulatory risks**

### **Risks related to disputes and legal proceedings**

The Group companies' operations are associated with a risk of disputes with, *inter alia*, customers, potential partners, suppliers, employees, authorities and potential sellers of companies who may claim that the Group has not fulfilled its legal, contractual or other obligations and make claims against the Group. For example, the Group companies have entered into a number of license agreements, including a license agreement between the licensor Guy's and St Thomas' NHS Foundation Trust and the licensee Rocket Medical, which requires the Group company Rocket Medical to indemnify the licensor against third party claims arising out of the use of the licensed intellectual property rights, including in some cases downstream, or infringement. There is a risk that a dispute or litigation of a significant nature may arise in the future, which could have a material adverse effect on the Group's financial position and results of operations. Exposure to litigation, liability and penalties, as well as fines and other obligations that relevant authorities may impose on the Group, may also affect the Group's reputation, although the financial impact may not be material. In addition, lawsuits and other legal proceedings can be time consuming to defend or pursue. It may therefore require management commitment and staff resources that will be diverted from normal business activities. The Company's business, financial position and results of operations could be adversely affected if a judgment, settlement, penalty or sanction is not fully covered by insurance.

The Group operates in a variety of jurisdictions including Sweden, Norway, Denmark and the United Kingdom. Röko's operations are thus associated with a risk of disputes with, *inter alia*, customers, potential partners, suppliers, employees, authorities and potential acquirers or transferors of subsidiaries in the Group, in particular with regard to the legal relationships that involve foreign legal application that deviates from the legal application in Sweden. Disputes may arise, for example, from claims that the Group's products or services are defective or incorrect and do not have the level of quality and reliability expected by the counterparty. There is a risk that such disputes may lead to legal liability for the Group, which in turn may result in negative publicity and have significant negative effects on the Company's earnings. For example, there are disputes with former employees of the Group and there is a risk that Röko may also in the future be involved in disputes with former employees of the subsidiaries. Such disputes may arise for a variety of reasons, including but not limited to, claims of wrongful dismissal, discrimination, harassment or breach of employment agreements. These disputes may result in significant legal costs and potential damages, which could adversely affect the Group's financial results. Furthermore, there is a risk that the Group's subsidiaries may be subject to scrutiny by regulatory authorities, such as competition authorities. For example, AJAT Group's three Swedish subsidiaries ABC-Gruppen AB, C.L. Seifert Sverige AB and Students Event TM AB were notified to the Swedish Competition Authority on 11 October 2024 due to alleged violation of the Competition

1) Bilomsetningen Bildeler Holding AS together with its subsidiaries, see section "Legal considerations and supplementary information – Legal group structure".

2) Addedo Holding AB together with its subsidiaries, see section "Legal considerations and supplementary information – Legal group structure".

Act's prohibition against abuse of dominant position. The Competition Authority dismissed the case on 15 November 2024, *inter alia* because the Competition Authority considered that there were not sufficient indications of a competition problem that could harm competition and consumers to prioritize a further investigation. Notifications to competition authorities may lead to extensive investigations, fines and other sanctions that may have a negative impact on the Group's operations and reputation. In addition, such investigations may require significant resources and time from the Group's employees, which may divert focus from day-to-day operations.

**Röko is subject to various regulatory frameworks and changes in the legal environment may have an adverse effect on the Group**

Röko's operations are subject to, and Group companies are required to comply with and adhere to, numerous laws, regulations, standards, processes and decisions. For example, regulations regarding money laundering, anti-bribery legislation, cartel activities, sanctions and GDPR are important in the Group's operations.

The businesses are subject to regional as well as supranational regulations, such as EU legislation. Legislation and other regulations are subject to change and there is a risk that the Group will not be able to comply with such changing requirements in a timely manner and that the Group will need to take significant measures and incur significant costs to adapt its operations to such changing requirements. Adapting the Company's operations to changed legal conditions, due to either changed regulatory application by authorities or new laws and regulations, risks entailing increased costs for Röko, which in turn could have a material adverse effect on the Group's operations, earnings and financial position.

If the Company's interpretation of applicable regulations proves to be incorrect or if the Company breaches applicable regulations due to deficiencies in its operations, there is a risk that the Group's existing licenses will be revoked, restricted or not renewed, which may result in the Group being subject to fines or administrative sanctions, causing a cost but also negative publicity. This could have a material adverse effect on the Group's business, results of operations and financial position.

The Group routinely processes personal data of, among others, employees and customers of the Group's businesses. Accordingly, the Group must comply with applicable data protection laws and regulations in the jurisdictions in which it operates, including GDPR. A supervisory authority or court could find that the measures taken by the Group to comply with the provisions of GDPR are insufficient and that the Group is processing personal data in an unlawful manner. Non-compliance with GDPR could lead to administrative fines totaling up to EUR 20 million or four percent of the Group's annual global turnover, whichever is higher. In certain less serious cases of non-compliance with GDPR, the administrative fines may amount to EUR ten million or two percent of the Group's annual global turnover. Non-compliance with GDPR may also result in reputational damage as well as claims for damages

from individuals and injunctions from regulators, which could have a material adverse effect on the Group's operating results and financial position.

A number of Röko's subsidiaries are subject to various types of certifications, such as Rocket Medical, Brownell, Beth's Beauty<sup>1)</sup> and Oppigårds. The Company may acquire other companies operating in industries where certification is required. For example, accreditation places high demands on the company that wishes to operate, and independent reviews of the competence and working procedures of the companies that are accredited are carried out on an ongoing basis by the bodies that issue the accreditations. An operational deficiency may lead to the withdrawal of the relevant accreditation.

Furthermore, the subsidiaries ETB Technologies Limited and Brownell Limited provide certain products classified as dual-use items (DUIs) and have been granted certain export licenses by the relevant authorities. This requires the companies to develop and implement preventive measures to ensure compliance with applicable legislation in this area. The companies may be subject to scrutiny, whereby inadequate procedures may lead to the withdrawal or non-renewal of relevant export licenses.

**Röko's insurance coverage may be insufficient in case of liability or other damage**

Apart from directors' and officers' liability insurance, Röko does not have centrally procured insurance policies. Each subsidiary within the Group is responsible for maintaining insurance coverage that is adequate for its operations. There is a risk that the insurance coverage proves to be insufficient or inadequate, for example due to deficiencies in internal control as described in section "*Röko's decentralized organization gives rise to risks related to, inter alia, internal control*". Furthermore, the Group's insurance coverage may prove to be insufficient to compensate for losses related to, for example, the Group's products and services. If an uninsured loss were to occur, or if a loss exceeds the insurance coverage, the Company could be liable to repair damage caused by uninsured risks. Uninsured losses, or losses in excess of insurance coverage, could therefore have a material adverse effect on the Group's operations and financial position.

**Röko is subject to risks related to intellectual property, know-how and confidentiality**

The Group's future development is dependent on know-how and trade secrets and the Group strives to protect such information, including through agreements with employees, consultants and partners. It is also important for Röko that the know-how acquired in connection with, for example, the acquisition of a business is integrated and anchored within the Group. Röko and its subsidiaries are highly dependent on the knowledge and skills of employees and key personnel, as further described in section "*Röko is dependent on retaining and recruiting senior executives and key personnel*" and should the know-how that exists within the Group or that is acquired be lost, for example through the failure of the integration or the termination of employment of personnel, it could have a material adverse effect on the Company's operations and, as a

1) Beth's Beauty Holding AS together with its subsidiaries, see section "*Legal considerations and supplementary information – Legal group structure*".

consequence, earnings. It is also not possible to fully protect against unauthorized disclosure of information, which entails a risk that competitors may gain access to and benefit from the know-how developed or acquired by the Group.

The technologies or know-how used by the Group or included in the products and services sold by the Group may infringe intellectual property rights owned or controlled by others. For example, the activities of the subsidiary Hot Screen Aktiebolag entail a risk that the company unknowingly contributes to copyright or trademark infringement, for example if a transfer template is manufactured to order or a customer is provided with tools or materials to unlawfully print protected material in violation of the company's general terms and conditions for products or services. If the Group is forced to take legal action to determine who is entitled to a particular intellectual property right, the cost of such litigation could be significant, and if the Group loses such litigation, it could result in the loss of protection for some or all of the Group's products or in the Group's subsidiaries having to pay significant damages. If any of the above risks were to materialize, it could have a material adverse effect on the Group's operations, results of operations and financial position.

## Financial risks

### Röko is exposed to interest rate risks

Interest rate risk refers to the risk that changes in general interest rates will have an adverse effect on the Group's net financial position and results. Röko's borrowings bear both fixed and floating interest rates. During the financial year 2024, the Group's average interest rate amounted to 5.7 percent and the Group's interest expenses to SEK 59 million. Changes in market interest rates and credit margins affect net interest income. How quickly and by how much changes in these two components affect net interest income depends mainly on the chosen capital and interest fixing period. Röko is financed with equity and debt, where the majority of the debt consists of interest-bearing loans from credit institutions. As of 31 December 2024, the Group's interest-bearing debt amounted to SEK 629 million, of which three percent carries a fixed interest rate and 97 percent carries a variable interest rate. The Company intends to raise additional external financing in various forms and with varying currency exposure, mainly to finance acquisitions. As changes in market interest rates and credit margins always have an impact on net interest income over time, there is thus a significant risk that changes in market interest rates and credit margins will have a negative cash flow impact on Röko in the future. If these risks were to materialize, it could have a material adverse effect on the Group's financial position. Based on the Group's liabilities at year-end 2024/2025, a change in interest rates of +/- 0.5 percentage points would have an impact on the profit of the year of +/- SEK 2 million.

### Röko is exposed to exchange rate risks

Currency risk refers to the risk that unfavorable exchange rate fluctuations will affect the Group's earnings and equity measured in SEK. Exposure to changes in exchange rates consists partly of transaction exposure and partly of translation exposure. Transaction exposure arises as a result of the Group having

receipts and payments in foreign currencies. Translation exposure arises as a result of the Group's currency exposure from the net assets of the Group's foreign operations.

Röko operates in 16 countries, including Sweden, Norway, Denmark and the United Kingdom. The Group's operations are therefore exposed to various foreign exchange risks. Transaction exposure arises when subsidiaries import products for sale on the domestic market and/or sell products in foreign currency. Translation exposure arises when foreign subsidiaries are translated into the reporting currency SEK. The Group has a number of holdings in foreign operations whose net assets are exposed to currency risks. The exposure mainly relates to changes in the British pound (GBP) and to some extent also in the Danish krone (DKK), Norwegian krone (NOK), Euro (EUR) and U.S. dollar (USD). Röko estimates that the Company's translation exposure means that a one percent change in the value of the Swedish krona against other currencies would result in an effect on equity as of 31 December 2024 of +/- SEK 113 million.

Future currency fluctuations may adversely affect the Group's results of operations and financial position and, if any of the risks described above were to materialize, it could have a material adverse effect on the Group's results of operations and financial position.

### Röko is exposed to financing risks

Röko's acquisitions of companies and businesses are partly financed through loans from external lenders and interest expenses are a significant cost item for the Group. As a result, there is a risk of inability to complete acquisitions if financing is not available. In the Company's acquisitions, a majority stake is generally acquired, at the same time as the Company agrees on a call and put option for the remaining holdings. The option expires within a certain period of time, generally five years after the acquisition date, and the price to exercise the option at that time, which is based on certain profit measures of the respective subsidiary, is recognized as a liability in the consolidated financial statements. For each acquisition, and thus for each subsidiary, there is a specific call and put option with a maturity determined with the respective counterparty. If Röko fails to raise sufficient capital on favorable terms or at all, or fails to meet its financial obligations and commitments, it could have a negative impact on the future growth of the Group's operations. This in turn could have a material adverse effect on the Group's revenues and financial position.

Röko's ability to make payments under the Group's financing and to finance planned investments is dependent on the Company's future ability to generate cash. If Röko is unable to generate sufficient cash flow to make payments under its obligations and meet other commitments, it may be forced to restructure or refinance all or part of its financing, sell key assets or businesses, raise additional debt or raise additional equity from existing shareholders or other capital market investors. This may in turn lead to more expensive financing. Furthermore, a general downturn in the general economic climate or disruptions in the capital and credit markets could restrict Röko's access to financing and reduce its ability to refinance its credit. For example, the Russian military invasion of



Ukraine and the tensions in the Middle East have led to significant market disruptions, including significant volatility in international credit and capital markets and deteriorating financing conditions, which have led to, and may in the future continue to lead to, significant adverse effects on the Group's business. If Röko, in the future, fails to obtain necessary financing, does not have sufficient liquidity to meet its obligations or the ability to refinance its credit facilities or is only able to refinance its credit facilities at significantly increased costs or on terms that are unfavorable to Röko, it could have a material adverse effect on Röko's business and financial condition, which in turn could affect the Group's ability to repay debt as it becomes due and to finance planned investments.

If Röko were to lack the liquidity to make interest payments or repayments on debts that the Company is obliged to make, it would result in a breach of contract, which could lead to some or all of the Group's outstanding loans being called for payment. It could also result in the Company breaching the financial covenants in its loan agreements, which in turn could cause loans to become due and payable. Such financial covenants include, *inter alia*, that Röko shall ensure that the ratio of net debt to EBITDA is below a certain level and that the ratio of EBITDA to financial expenses exceeds a certain level, for more information, see section "Legal considerations and supplementary information – Material agreements – Financial arrangements". If a loan is terminated for immediate payment or if the Company or, where applicable, any other member of the Group fails to fulfill its covenants or otherwise breaches covenants or obligations under applicable financing agreements to which the Company or, where applicable, any member of the Group is a party, this may in turn, under cross default provisions, result in all outstanding financing and other obligations being terminated for immediate payment. As of the date of the Offering Circular, Röko has outstanding bank loans under all its existing loan agreements amounting to SEK 629 million and cash and cash equivalents of SEK 421 million. The termination of one or more loans taken out by the Company or other companies in the Group, or the early repayment of loans, could have a high impact on the Company's liquidity.

#### **Röko is exposed to credit risks**

Credit risk or counterparty risk is the risk that the counterparty to a financial transaction will not fulfill its obligations on the due date or at all. Röko's credit risk mainly includes accounts receivable, but there is some credit risk regarding cash and cash equivalents. Each Group company is responsible for monitoring and analyzing credit risk and performing a creditworthiness assessment for each new customer. This means that the subsidiaries continuously monitor their customers' solvency and financial position to minimize the risk of credit losses. The subsidiaries, which manage the credit risk, report quarterly to Röko, which reviews the specifications. If the financial position of one or more of the Group's counterparties were to deteriorate significantly, this could result in the counterparty not being able to fulfill its obligations to the Group on time or at all. Such a situation could have an adverse impact on the Group's revenues and financial position. It is therefore important that the Group maintains strict credit control processes and regularly assesses the creditworthiness of its counterparties in order to minimize potential risks and

ensure a stable financial basis. The Group applies general write-off principles for trade receivables outstanding for more than 120 days. This drives the management of the subsidiaries to actively work on limiting credit periods and managing outstanding trade receivables so as not to burden earnings, and thus remuneration. However, there is a risk that the measures taken to mitigate the Group's credit risk are not sufficient or effective and the Group may fail to implement and manage any hedging arrangements, which could have an adverse impact on the subsidiaries' revenues and earnings, and in turn the Group's results and financial position. The Group consists of independent and diversified businesses, where no single customer represents a significant portion of the Group's total revenues or receivables, however, individual customers may represent a significant portion of the receivables within each subsidiary. If the financial position of one or more of the Group's counterparties change adversely, resulting in the counterparty being unable to meet its obligations to the Group on time or at all, it could have a material adverse effect on the Group's revenue and financial position.

#### **The Group's tax expenses may increase as a result of future tax audits and changes in current tax rules**

The Company operates through subsidiaries in several countries. The operations, including the execution of transactions between Group companies, are conducted in accordance with the Group's interpretation of applicable tax legislation, tax treaties and other tax regulations, as well as the opinions of relevant authorities such as the Swedish Tax Agency. The Company and its subsidiaries are subject to tax audits and reviews from time to time. There is a risk that tax audits or reviews will result in additional taxes being imposed or deductions being denied, for example with regard to previously completed acquisitions, reorganizations, intra-group transactions and the forfeiture of previous years' tax losses. There is also an internal risk of errors in tax accounting and reporting if skills, experience and proper controls are lacking.

If the Group's interpretation of tax laws, tax treaties and other tax regulations or their applicability is incorrect, if one or more authorities successfully make adverse tax adjustments in respect of a business unit of the Group, or if applicable laws, treaties, regulations or interpretations thereof or the administrative practice in relation thereto change, including changes with retroactive effect, the Group's past and present management of tax matters may be challenged. If tax authorities successfully assert such claims, this could result in an increased tax expense in the form of taxes imposed or tax deductions denied, including tax surcharges and interest, and have a material adverse effect on the Group's operating results.

The jurisdictions in which the Group operates have transfer pricing rules that require transactions with related parties to be conducted on market terms. The management of transfer pricing issues within the Group is based on OECD guidelines and national transfer pricing regulations as well as documented pricing principles for transactions with related parties. Transactions between Group companies, such as management services and intra-group loans, are, in the Company's view, carried out on market terms by applying applicable

international guidelines and national regulations. There is a risk that tax authorities in any of the jurisdictions in which the Group operates may consider that transfer pricing is not conducted on market terms. In addition, in recent years, tax authorities have increased their focus on transfer pricing rules and disputes related to the rules often involve significant amounts and may sometimes last for several years. In the event that a tax authority successfully challenges such transfer pricing, this may result in an increased tax cost in the form of tax imposed or tax deductions denied, including penalties and interest. This could have a material adverse effect on the Group's operating results.

#### Price risk

Individual subsidiaries of the Group are dependent on the purchase of raw materials, including steel and plate, stainless steel and gold. World market prices for various raw materials sometimes fluctuate significantly and there is a risk that the Company may not be able to adequately forecast price developments. The steel market is characterized by volatility with large price increases and frequent changes. There is thus a risk that Röko's operating costs will increase if the price of one or more raw materials needed in the Group's production rises. If the subsidiaries fail to pass on the increase in costs resulting from such changes to their customers, this could lead to reduced profitability for the subsidiaries. This, in turn, could have a material adverse effect on Röko's results. Even if Röko were to start using derivative instruments to hedge commodity prices in the future, there is a risk that measures taken would prove ineffective or insufficient to fully prevent such risks.

In addition, price risks can also materialize due to changes in exchange rates, especially if raw materials are purchased from abroad. Exchange rate fluctuations can affect the cost of purchasing raw materials and thus affect the Group's profitability. Furthermore, political and economic factors in raw material producing countries, such as trade restrictions, tariffs and sanctions, can lead to price increases or supply problems. Natural disasters and other unforeseen events can also disrupt the supply chain and cause price increases. Finally, changes in demand for raw materials, for example due to technological advances or changes in consumer preferences, can affect price levels and therefore the Group's costs. If the demand for a raw material decreases, this may lead to a price decrease. While this may appear beneficial by reducing purchasing costs, it may also indicate a reduction in demand for the end products that the Group produces. This in turn could lead to reduced revenues and potential excess inventory, which could adversely affect the Group's profitability.

#### Risk of impairment of Röko's goodwill

Goodwill and intangible assets (trademarks with an indefinite useful life and customer relationships with an estimated useful life of ten years) are allocated to the Group's cash-generating units, which are branches of the Group's operating segments and consist of B2B UK, B2B other countries, B2C Denmark and B2C other countries. Goodwill arises on acquisition as a result of potential future profit growth under Röko's ownership, the experience and skill of key personnel in the acquired company and the expansion of geographical markets. The Group's tax-deductible goodwill as at 31 December 2024 amounted to

SEK 18 million. In accordance with IFRS, goodwill and intangible assets that are not amortized are subject to at least an annual impairment test. An impairment test is performed more frequently if there are indicators of impairment, such as

- significant adverse changes that have occurred or are expected to occur in the near future in market conditions and the economic or legal environment in which the Company operates or in its markets;
- increases in interest rates or other yield requirements that could materially affect the discount rate used to calculate the recoverable amount of the assets;
- the book value of the net assets of Röko exceeds its future market capitalization;
- management's projections for future net cash flows or operating profit (EBIT) show a significant decline from previous budgets and forecasts;
- cash flows or operating profit (EBIT) are significantly worse than budgeted; and
- the Company anticipates operating losses or negative cash flows in the future.

Although the Company believes that the judgments and assumptions made are reasonable based on currently available information and current business performance as well as assumptions about future business performance, the Company's assumptions and estimates about future economic and financial market conditions, the performance of the Company's cash-generating units, or any other of the Company's assumptions or estimates may prove to be incorrect. In such a case, a future impairment test may require the Company to recognize an impairment loss on those assets, which would result in impairment charges. For example, in the event of a significant downturn in the Company's markets, in addition to the assumptions made in management's forecasts of future net cash flows or operating profit (EBIT) from that business, a future impairment test could require the Company to write down the value of goodwill and other intangible assets that have declined in value. Any future impairment losses that the Company is required to recognize could have a material adverse effect on the Company's reported results of operations and equity.

#### Risks relating to the securities

**An active, liquid and orderly trading market for Röko's shares of class B may not develop, the price of its shares of class B may be volatile, potential investors could lose a portion or all of their investment, and the absence of an overallotment option and equity research**

Prior to the Offering, there is no public market for the shares of class B of Röko. There is a risk that an active and liquid market will not develop or, if developed, that it will not sustain after the completion of the Offering. The price per share of class B in the Offering has been set to SEK 2,048 (the "Offering Price"). The Offering Price has been determined by the Company's Board of Directors in consultation with the Managers, based on a number of factors, including contacts with the Cornerstone Investors and certain other investors, prevailing market conditions and a comparison with the market price of other comparable companies whose shares are admitted to trading



on similar marketplaces, the Company's historical, operational and financial performance and estimates of the Company's business potential and earnings prospects. This price will not necessarily reflect the price at which investors in the market will be willing to buy and sell the shares of class B following the Offering. Investors may, thus, not be able to sell their shares of class B at a price at or above the Offering Price.

Furthermore, it is common for financial advisors to, in connection with the listing of a company's shares, distribute equity research and to be provided an overallotment option, the purpose of which is to allow for the execution of transactions aimed at maintaining the market price of a company's shares at a certain level for a limited period of time following the listing than might otherwise have prevailed in the market, so called stabilization. Röko's Board of Directors has decided to carry out the Offering without the Managers distributing equity research in connection with the Offering and without providing the Managers with an overallotment option. This means that the Managers (i) will not carry out any stabilization measures in the shares of class B following the Offering and (ii) will distribute equity research at the earliest 40 days after the first day of trading in Röko's shares of class B. If the share price falls below the Offering Price, the absence of an overallotment option will entail that the share price will not be stabilized.

**Sales of shares by existing shareholders could cause the price of the shares of class B to decline**

The market price of the Company's shares of class B could decline if there are substantial sales of the Company's shares, particularly sales by the Company's board members, executive management and significant shareholders, or otherwise when a large number of shares are sold.

The Selling Shareholders, shareholding members of the Board of Directors and certain shareholders employed by the Group, including the Company's executive management, have each agreed, subject to certain exceptions and for a certain period of time, not to sell their shares held at the time of the Offering or enter into transactions with a similar effect without the prior written consent of SEB, on behalf of the Managers. As a result, approximately 82.36 percent of the shares will be subject to a lock-up for a certain period in connection with the listing on Nasdaq Stockholm. After expiry of the relevant lock-up period, the shareholders subject to lock-up will be free to sell their shares in Röko. After the expiry of the relevant lock-up period, the shareholders subject to lock-up will be free to sell their shares in Röko. Any sales of substantial amounts of Röko's shares in the public market by Röko's current shareholders after the expiration of the lock-up periods, or the perception that such sales might occur, could cause the market price of Röko's shares of class B to decline.

**The Founders will continue to have substantial influence over Röko after the Offering and could delay or prevent a change in control of the Company and this may limit the ability of new shareholders to influence corporate matters**

Following completion of the Offering, the Founders will hold a total of approximately 17.97 percent of the shares in the Company, corresponding to approximately SEK 5,382,070,272, and through the holding of shares of class A approximately 54.31 percent of the votes, provided that the Offering is fully

subscribed and assuming that the Offering is not increased. The Founders are likely to continue to have a significant influence over the outcome of matters submitted to the shareholders of Röko for approval, including the election of board members and any merger, consolidation or sale of all or substantially all, of Röko's assets. In addition, the Founders could have a significant influence over the Company's executive management and Röko's operations.

The interests of the Founders may differ significantly from or compete with Röko's interests or those of the other shareholders and the Founders could exercise influence over the Company in a manner that is not in the best interest of the other shareholders. By example, there could be a conflict between the interests of the Founders on the one hand and the interests of the Company or its other shareholders on the other hand with respect to distribution of dividends. Such conflicts could have a material adverse effect on the business, results of operations and financial position.

**Röko's ability to pay dividends to its shareholders depends on the Company's future earnings, financial position, cash flows, working capital requirements, capital expenditure and other factors**

The Board of Directors of Röko has adopted a dividend policy of distributing 0–20 percent of net profit to the Company's shareholders. The amount of any future dividends paid by the Company will depend upon a number of factors, such as financial position, investment needs, general economic and business conditions and such other factors as the Board of Directors may consider relevant to such decision. However, there can be no assurance that Röko will have sufficient distributable funds and Röko's shareholders may not resolve to pay dividends in the future.

**Differences in currency exchange rates may materially adversely affect the value of shareholdings or dividends paid**

Röko's shares of class B will be denominated in SEK only, and any dividends will be paid in SEK. As a result, there is a risk that shareholders outside Sweden may experience adverse effects on the value of their shareholding and their dividends, when converted into other currencies if the SEK depreciates in value against the relevant currency.

**If Röko were to be classified as a passive foreign investment company, there would be adverse United States tax consequences to certain U.S. shareholders**

Under the Internal Revenue Code of 1986, as amended, the Company could be a "passive foreign investment company" (a "PFIC") for United States federal income tax purposes, for any taxable year in which (a) 75 percent or more of the Company's gross income consists of passive income or (b) 50 percent or more of the average quarterly value of the Company's assets consists of assets that produce, or are held for the production of, passive income. If the Company is a PFIC for any taxable year during which a U.S. shareholder holds the Company's shares of class B, a U.S. shareholder may be subject to adverse tax consequences, including ineligibility for any preferred tax rates on capital gains or on actual or deemed dividends, interest charges on certain taxes treated as deferred and additional reporting requirements.

**Shareholders in the United States or other countries outside Sweden have only limited ability to sue or enforce judgments against the Company or its board members**

The ability of a foreign shareholder to bring an action against the Company may be limited by law. The Company is a public limited liability company registered in Sweden and all of the Company's assets are located outside the United States. The rights of holders of the Company's shares are governed by Swedish law and by the Company's Articles of Association. These rights differ in certain respects from the rights of shareholders of comparable U.S. companies and certain other foreign companies. In addition, the Company's board members and executive management are resident in Sweden and a substantial portion of their assets are located in Sweden. Accordingly, it may be impossible for a foreign shareholder to serve the Company or its board members and executive management with process in the foreign shareholder's country of residence or to enforce against the Company or its board members or executive management judgments of courts in the foreign shareholder's country of residence based on civil liabilities under that country's securities laws. A foreign shareholder may not be able to enforce any civil or commercial judgments or any judgments under the securities laws of countries other than Sweden against the Company's board members or executive management who are resident in Sweden or countries other than those in which the judgment is rendered. In addition, Swedish or other courts may not impose civil liability on the Company's board members or executive management in an original action based solely on foreign securities laws brought against the Company or its board members or executive management in a court of competent jurisdiction in Sweden or other countries.

**The commitments from Cornerstone Investors are not secured and are subject to conditions**

The Cornerstone Investors (investors listed in section "*Legal considerations and supplementary information – Cornerstone Investors*") have undertaken to acquire shares of class B in the Offering, corresponding to a total of approximately SEK 5,034 million. The Cornerstone Investors will in total hold approximately 29.06 percent of the number of shares and approximately 11.48 percent of the number of votes in the Company after the completion of the Offering. However, the Cornerstone Investors' commitments are not secured by any bank guarantee, blocked funds or pledge of collateral or similar arrangements, hence the risk that the Cornerstone Investors will not be able to, entirely or partly, meet their commitments. Moreover, the Cornerstone Investors' commitments are associated with certain conditions regarding, such as achieving a certain distribution of the Company's shares of class B in connection with the Offering as well as that the Offering is completed within a certain period of time. In the event that any of these conditions are not fulfilled, there is a risk that the Cornerstone Investors will not fulfill their commitments, which could have a negative impact on the completion of the Offering.

# Invitation to acquire shares of class B in Röko

The Company and the Selling Shareholders have resolved to diversify the distribution of ownership to promote Röko's continued growth and development, including by increasing awareness and thereby acquisition opportunities for Röko. The Board of Directors of Röko has therefore applied for listing of the Company's shares of class B on Nasdaq Stockholm.

On 28 February 2025, Nasdaq Stockholm's Listing Committee resolved to admit the shares of class B in the Company to trading subject to certain conditions, including that applicable conditions regarding distribution of shares of class B are met no later than by the first day of trading, which is expected to be on 11 March 2025.

Investors are hereby offered to acquire, in accordance with the terms of the Offering Circular, a total of up to 2,580,257 shares of class B in Röko. The Founders will not sell any shares in the Offering and will remain as committed and long-term shareholders after the completion of the Offering. The Company does not intend to raise any capital, and will therefore not receive any proceeds, in connection with the Offering. The Offering will be carried out without the Managers being granted an overallotment option or distributing equity research. The Managers will distribute equity research no earlier than 40 days after the first day of trading in the Company's shares of class B.

The price per share of class B in the Offering has been set to 2,048 SEK. The Offering price has been determined by the Company's Board of Directors in consultation with the Managers, based on a number of factors, including contacts with the Cornerstone Investors and certain other investors, prevailing market conditions and a comparison with the market price of other comparable companies whose shares are admitted to trading on similar marketplaces, the Company's historical, operational and financial performance and estimates of the Company's business potential and earnings potential. In light of the subscription undertakings entered into with the Cornerstone Investors, the price is considered to be at market level. The total value of the Offering amounts to approximately SEK 5,284.4 million assuming full subscription.

The Cornerstone Investors have undertaken to acquire, directly or indirectly, shares of class B in the Offering at the Offer Price, in the amounts and proportions set out below:

- Bernt Ivarsson: SEK 700 million, 13.2 percent;
- Blacksheep Master Fund Limited: SEK 440 million, 8.3 percent;
- Funds managed by Capital Group: SEK 425 million, 8.0 percent;
- AEMG Capital Förvaltnings AB<sup>1)</sup>: SEK 400 million, 7.6 percent;
- ANICOM SA: SEK 350 million, 6.6 percent;
- Foord Asset Management (Singapore) Pte. Limited: SEK 347 million, 6.6 percent;
- Fondsfinans Kapitalförvaltning AS: SEK 300 million, 5.7 percent;
- Grandeur Peak Global Advisors, LLC: SEK 200 million, 3.8 percent;
- Woodlock Family Capital, LP: SEK 150 million, 2.8 percent;
- REQ Global Compounders: SEK 115 million, 2.2 percent;
- International One Design Group AB<sup>2)</sup>: SEK 100 million, 1.9 percent;
- Aeternum Capital AS: SEK 100 million, 1.9 percent;
- Kverva Finans AS: SEK 100 million, 1.9 percent;
- Alencia AB: SEK 100 million, 1.9 percent;
- Danske Bank Asset Management: SEK 100 million, 1.9 percent;
- Henric Wiman: SEK 80 million, 1.5 percent;
- Baillie Gifford Overseas Limited: SEK 80 million, 1.5 percent;
- MP Pensjon PK: SEK 75 million, 1.4 percent;
- Funds and accounts under management by direct and indirect investment management subsidiaries of BlackRock Inc. ("**BlackRock**"): SEK 58 million, 1.1 percent;
- Centra Invest A/S: SEK 50 million, 0.9 percent;
- GS Kapital AB<sup>3)</sup>: SEK 50 million, 0.9 percent;
- David Foord: SEK 50 million, 0.9 percent;
- North Rock SPC: SEK 31 million, 0.6 percent;
- REQ Nordic Compounders: SEK 30 million, 0.6 percent;
- Svenska Stadsbyggen i Nacka Strand AB: SEK 30 million, 0.6 percent;
- Storebrand Sverige Plus (Storebrand Asset Management): SEK 30 million, 0.6 percent;
- Cretum AB: SEK 30 million, 0.6 percent;
- Sundqvist Capital AB: SEK 30 million, 0.6 percent;
- Marble Bar Asset Management LLP: SEK 28 million, 0.5 percent;
- Tinden Holding AS: SEK 26 million, 0.5 percent;

1) As of the date of the Offering Circular, AEMG Capital Förvaltnings AB holds 1,133,126 shares of class B.

2) As of the date of the Offering Circular, International One Design Group AB holds 226,625 shares of class B.

3) As of the date of the Offering Circular, GS Kapital AB holds 158,638 shares of class B.

- Beck Asset Management: SEK 25 million, 0.5 percent;
- Anna Ekström: SEK 25 million, 0.5 percent;
- Niki Mia Invest AB: SEK 25 million, 0.5 percent;
- Snoboll Capital Management LLC: SEK 20 million, 0.4 percent;
- Corbiere Capital Management (Jersey) Limited: SEK 20 million, 0.4 percent;
- GVP Holding AB<sup>1)</sup>: SEK 20 million, 0.4 percent;
- Albia AB: SEK 20 million, 0.4 percent;
- Pancosmos AB<sup>2)</sup>: SEK 20 million, 0.4 percent;
- Anders Nordquist: SEK 20 million, 0.4 percent;
- Anavio Capital Partners LLP: SEK 20 million, 0.4 percent;
- Gilston Invest AB: SEK 15 million, 0.3 percent;
- SBH Group Aktiefbolag: SEK 15 million, 0.3 percent;
- Pontus Hagnö<sup>3)</sup>: SEK 15 million, 0.3 percent;
- Claes Hägglöf<sup>4)</sup>: SEK 15 million, 0.3 percent;
- Ingvar Ljungqvist: SEK 10 million, 0.2 percent;
- Gunilla von Platen: SEK 10 million, 0.2 percent;
- Bengt Hagnö: SEK 10 million, 0.2 percent;
- Orbra Invest AB: SEK 10 million, 0.2 percent;
- Lovima AB: SEK 10 million, 0.2 percent;
- CJFA Holding AB: SEK 10 million, 0.2 percent;
- CRCH Investments AB: SEK 10 million, 0.2 percent;
- Kulinghavet Förvaltning AB: SEK 10 million, 0.2 percent;
- Peter Stigwan<sup>5)</sup>: SEK 10 million, 0.2 percent;
- Anders Thulin: SEK 10 million, 0.2 percent;
- Stefan Järud: SEK 10 million, 0.2 percent;
- Swedia Capital AB: SEK 10 million, 0.2 percent;
- Yanno Capital AB: SEK 10 million, 0.2 percent;
- Zirkona AB: SEK 10 million, 0.2 percent;
- Tassaka AB: SEK 10 million, 0.2 percent; and
- Storebrand Sverige Småbolag Plus (Storebrand Asset Management): SEK 4 million, 0.1 percent.

Each of the Cornerstone Investors' undertakings are conditional upon, *inter alia*, that (i) the listing of the Company's shares of class B on Nasdaq Stockholm is completed no later than on 31 March 2025 and (ii) the shares of class B in the Offering are allocated to the Cornerstone Investor corresponding to its undertakings in relation to the size of the Offering.

Stockholm, 4 March 2025

**Röko AB (publ)**

*The Board of Directors*

*Selling Shareholders*

1) As of the date of the Offering Circular, GVP Holding AB holds 40,000 shares of class B.  
 2) As of the date of the Offering Circular, Pancosmos AB holds 2,000 shares of class B.  
 3) As of the date of the Offering Circular, Pontus Hagnö holds 45,325 shares of class B.  
 4) As of the date of the Offering Circular, Claes Hägglöf holds 22,663 shares of class B.  
 5) As of the date of the Offering Circular, Peter Stigwan holds 22,663 shares of class B.

# Background and reasons

Röko was established in 2019 by Tomas Billing and Fredrik Karlsson (through Gjusböte AB (owned by Fredrik Karlsson) and Smöla AB (owned by Tomas Billing), the “**Founders**”), backed by an investor collective with broad business experience. In connection with the establishment, Röko secured capital commitments of SEK 2,697 million from the Founders and investors. In the spring of 2022, the capital commitments were increased by a further SEK 1,079 million, with the Founders and all investors increasing their initial commitments pro rata. In the summer of 2023, the Company raised an additional SEK 708 million through a rights issue in which 96 percent of the Company’s shareholders participated. Between 2019 and the date of the Offering Circular, Röko has, without materially deviating from the Company’s high investment criteria, employed SEK 8.3 billion through acquisitions.<sup>1)</sup> The Company acquires high-quality and sustainable niche companies, meaning companies that have shown continuous growth in both sales and profit over a ten-year period. Companies that meet Röko’s investment criteria are characterized by, *inter alia*, high profitability, such as an operating margin exceeding ten percent, and strong cash flows. Since its establishment, Röko has completed a total of 28 platform acquisitions in eight countries.

Since its establishment, the stated ambition has been to eventually list Röko’s shares of class B on a regulated market. In light of Röko’s rapid growth and ability to successfully and efficiently employ capital, this goal – to list the Company’s shares of class B – has now been actualized.

The Offering and the listing will broaden the Company’s ownership base and give Röko access to the Swedish and international capital markets, which may promote the Company’s continued growth and development. The Founders, together with the Board of Directors and Röko’s executive management, believe that the Offering and the listing of the Company’s shares of class B is a logical and important step in Röko’s development, which will further increase awareness and thereby acquisition opportunities for Röko. For these reasons, the Board of Directors has applied for listing on Nasdaq Stockholm.

The Offering will solely consist of existing shares of class B offered by the Selling Shareholders and the Company will not receive any proceeds from the Offering. The Founders will not sell any shares in the Offering and will remain committed and long-term shareholders following completion of the Offering. The Company is financing its own profitable growth and will not raise any funds in connection with the listing of its shares of class B on Nasdaq Stockholm and the Offering. The Offering will therefore not result in any dilution of the number of shares and votes in the Company.

*In other respects, reference should be made to the full particulars of this Offering Circular, which has been prepared by the Board of Directors of Röko in connection with the application for listing of the Company’s shares of class B on Nasdaq Stockholm and the Offering made in connection with the listing.*

*The Board of Directors of Röko is responsible for the content of the Offering Circular. To the best of the Board of Directors’ knowledge, the information contained in this Offering Circular is in accordance with the facts and no information that likely could affect its meaning has been omitted.*

Stockholm, 4 March 2025

**Röko AB (publ)**

*The Board of Directors*

*The Board of Directors of Röko alone is responsible for the content of this Offering Circular. However, the Selling Shareholders confirm their commitment to the terms and conditions of the Offering in accordance with what is set out in section “Terms and Conditions”.*

**Selling Shareholders**

1) Total net assets acquired, excluding net cash acquired in the companies at the time of the acquisition.

# Terms and conditions

## The Offering

The Offering comprises 2,580,257 existing shares of class B in Röko which are offered by the Selling Shareholders. The Offering is divided into two parts:

- An offering to the general public in Sweden.<sup>1)</sup>
- An offering to institutional investors in Sweden and abroad.<sup>2)</sup>

The outcome of the Offering is expected to be announced through a press release that will be available on the Company's website ([www.roko.se](http://www.roko.se)) on or about 11 March 2025.

## Distribution of shares of class B

The distribution of shares of class B between the two parts of the Offering will be based on demand. Distribution will be determined by the Founders and the Board of Directors in consultation with the Joint Bookrunners.

## Offering Price

The Offering Price has been determined by the Board of Directors of the Company in consultation with the Managers, based on a number of factors, including contacts with the Cornerstone Investors and certain other investors, prevailing market conditions and a comparison with the market price of other comparable companies whose shares are admitted to trading on similar marketplaces, the Company's historical, operational and financial performance and estimates of the Company's business potential and earnings potential. No commission will be charged.

## Application

### The Offering to the general public in Sweden

Applications from the general public for the acquisition of shares of class B must be made during the period 5 March – 7 March 2025<sup>3)</sup> and relate to a minimum of five shares of class B and a maximum of 500 shares of class B<sup>4)</sup>, in even lots of five shares of class B. The Board of Directors of the Company reserve the right to shorten or extend the application period in consultation with the Joint Bookrunners. Notification of such a shortening or extension will be given in a press release. Only one application per investor may be made. If more than one application is made, the right is reserved to only consider the first application received. Note that the application is binding.

### Applications via SEB

Applicants applying to acquire shares of class B through SEB must hold a securities depository account (Sw. *värdepappersdepå*) or an investment savings account (Sw. *investeringssparkonto*) with SEB. Persons who do not hold a securities depository account or an investment savings account at SEB

must open such account prior to applying to acquire shares of class B. Please note that it may take some time to open a securities depository account or an investment savings account. When acquiring shares of class B to be registered in an investment savings account, payment must always be made with funds available in the investment savings account.

SEB customers must have sufficient funds available in their securities depository account or investment savings account with SEB for the period beginning at 23:59 CET on 7 March 2025 up to and including 23:59 CET on 13 March 2025, corresponding to at least the amount to which the application relates. Thus, the holder undertakes to keep the amount available in the specified securities depository account or an investment savings account during above period, and the holder is aware that no allotment of shares of class B can be made if the amount is insufficient during this period. Please note that the amount cannot be disposed of during the specified period. As soon as possible after allotment has taken place, the funds will be freely available to those who do not receive allotment. Funds that are not available will be entitled to interest during the specified period in accordance with the terms and conditions of the securities depository or an investment savings account specified in the notification.

For participation in the Offering via SEB, the application for acquisition shall be made via SEB's internet bank using Digipass, BankID or Mobile BankID (further instructions are available on SEB's website, [www.seb.se](http://www.seb.se)). Application through SEB's internet bank shall be received by SEB no later than 23:59 CET on 7 March 2025. Customers in SEB Private Banking shall subscribe through their stockbroker or private banker.

### Applications via Carnegie

Applicants applying to acquire shares of class B through Carnegie must have a securities depository account (Sw. *värdepappersdepå*) or investment savings account (Sw. *investeringssparkonto*) with Carnegie.

For customers with an investment savings account with Carnegie, Carnegie will, if the application results in allotment, acquire the corresponding number of shares of class B in the Offering for further sale to the customer at the Offering price. The application may be submitted by contacting their advisor at Carnegie. If the applicant does not have an advisor, the applicant shall contact Carnegie Private Banking.

1) The offering to the general public in Sweden consists of an offering to acquire a maximum of 500 shares of class B.

2) "Institutional investors" include individuals and legal entities applying to acquire more than 500 shares of class B.

3) If the application period is shortened or extended, the announcement of the outcome of the Offering, the first day of trading and the date of allotment and payment may be adjusted accordingly.

4) Any person wishing to acquire more than 500 shares of class B should contact the Joint Bookrunners as set out in "–The Offering to institutional investors" below.



**Applications via Danske Bank**

Persons applying to acquire shares of class B via Danske Bank must have a securities depository account (Sw. *värdepappersdepå*) or an investment savings account (Sw. *investeringssparkonto*) with Danske Bank. Persons who do not have a securities depository account or an investment savings account with Danske Bank must open such an account or depository account before applying to acquire shares of class B. Please note that it may take some time to open a securities depository account or investment savings account. When acquiring shares of class B to be registered in an investment savings account, payment must always be made with funds available in the investment savings account.

The balance of the securities depository account or investment savings account with Danske Bank specified shall, for the period beginning at 23:59 CET on 7 March 2025 until 23:59 CET on 13 March 2025, correspond to at least the amount to which the application relates. This means that the holder undertakes to keep the amount available in the specified securities depository account or investment savings account during the specified period and that the holder is aware that allotment of shares of class B may not be made if the amount is insufficient. Please note that, with the exception of certain types of accounts, the amount cannot be disposed of during the specified period. As soon as possible after allotment has taken place, the funds will be freely available to those who do not receive an allotment.

Customers of Danske Bank who are connected to online services can apply to acquire shares of class B through Hembanken (more detailed instructions are available on Danske Bank's website, [www.danskebank.se/prospekt](http://www.danskebank.se/prospekt)). Danske Bank Private Banking customers can instead contact their asset manager or Private Banker. The application must be received by Danske Bank no later than 23:59 CET on 7 March 2025.

**Applications via Avanza**

Applicants applying to acquire shares via Avanza must have an account with Avanza. Persons who do not have an account with Avanza must open such an account before applying to acquire shares. Opening a securities deposit account or an investment savings account with Avanza is free of charge and takes about three minutes.

Avanza's customers can apply to acquire shares via Avanza's internet service. Applications via Avanza can be made from 5 March 2025 up to and including 23:59 CET on 7 March 2025. In order not to lose the right to any allotment, depository account customers at Avanza must have sufficient liquid funds available in the specified account from and including 23:59 CET on 7 March 2025 up to and including 13 March 2025. More information about the application procedure via Avanza is available on Avanza's website ([www.avanza.se](http://www.avanza.se)).

**The Offering to institutional investors**

Institutional investors in Sweden and abroad are invited to participate in a form of tender procedure taking place during the period 5 March – 7 March 2025. Expressions of interest from institutional investors in Sweden and abroad are to be submitted to the Joint Bookrunners (in accordance with certain instructions).

**Important information about LEI and NPID**

According to Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments ("**MiFID II**"), since 2018, all investors need a global identifier to carry out securities transactions. These requirements imply that all legal entities need to apply for the registration of a Legal Entity Identifier (LEI), and all natural persons need to find out their National Client Identifier (NPID), in order to subscribe for shares of class B in the Offering. Please note that the legal status of the share subscriber determines whether an LEI or NPID number is required and that the Joint Bookrunners may be prevented from executing the transaction on behalf of that person if no LEI or NPID number (as applicable) is provided. Legal entities requiring an LEI can contact any of the providers available on the market. Instructions on the global LEI system can be found at [www.gleif.org/en/about-lei/how-to-get-an-lei-find-lei-issuing-organizations](http://www.gleif.org/en/about-lei/how-to-get-an-lei-find-lei-issuing-organizations). For natural persons who only have Swedish citizenship, the NPID number consists of "SE" followed by the person's personal identity number. If the person in question has several or something other than Swedish citizenship, the NPID number can be any other type of number.

Those who intend to apply for subscription of shares of class B in the Offering are encouraged to apply for registration of an LEI code (legal entities) or find out their NPID number (natural persons) as soon as possible as this information must be provided in the application.

**Allotment**

Decisions on the allotment of shares of class B under the Offering are made by the Founders and the Board of Directors in consultation with the Managers, whereby the objective is to achieve a strong institutional ownership base and a wide spread of the share of class B among the general public in order to facilitate a regular and liquid trading of the shares of class B on Nasdaq Stockholm.

**Allotment to the general public in Sweden**

The allotment is not dependent on when the application is submitted during the application period. In the event of oversubscription, allotment may not take place or take place with a lower number of shares of class B than the application refers to, whereby allotment may take place in whole or partly by random selection. Certain related parties to the Company and the Founders, including certain board members and employees of the Company and certain other related parties, as well as customers of the Joint Bookrunners, may be given special consideration for allotment. Allotment may also be made to employees of the Joint Bookrunners, however, without them being prioritized. In such a case, the allotment will take place in accordance with legislation and the rules of the Swedish Securities Market Association (Sw. *Föreningen för Svensk Värdepappersmarknad*).

**Allotment to institutional investors**

Decisions on allotment of shares of class B within the framework of the offering to institutional investors in Sweden and abroad will, as mentioned above, be made with the aim of achieving a good and strong institutional ownership base. Allotment to institutions that submit an expression of interest is made on a fully discretionary basis.

However, the Cornerstone Investors, who have undertaken to acquire shares of class B under the Offering, will be given preferential treatment in relation to other investors up to the total number of shares of class B in the Offering that they have undertaken to acquire.

## Information on allotment and payment

### The Offering to the general public in Sweden

Allotment is expected to take place on or about 11 March 2025. Contract notes will be sent to those who have been allotted under the Offering shortly thereafter. Those who have not been allotted shares of class B will not be notified.

Notice of allotment is expected to be available at approximately 09:00 CET on 11 March 2025 at the respective bank's internet services, or alternatively the responsible asset manager or private banker.

The settlement amount for allotted shares of class B will be deducted from the specified securities depository account or investment savings account on 13 March 2025. If sufficient funds are not available in the specified securities depository account or investment savings account on the settlement date, 13 March 2025, or if full payment is not made in due time, allotted shares of class B may be transferred and sold to someone else. Should the sales price at such transfer be lower than the Offering Price, the person who initially received allotment of shares of class B in the Offering may have to pay the difference.

For investment savings account with SEB, Carnegie, Danske Bank and Avanza, the following applies: If the application results in allotment, SEB, Carnegie, Danske Bank and Avanza, respectively, will acquire the corresponding number of shares of class B in the Offering for resale to the holder of the investment savings account at the Offering Price.

### Applications received by Avanza

Those who have applied via Avanza's internet service will receive notification of allotment by the allotted number of class B shares being booked against debiting of funds on the specified account, which is expected to take place around 09:00 on 11 March 2025. For customers of Avanza, payment for allotted shares will be deducted no later than on the settlement date of 13 March 2025. Please note that liquid funds for payment of allotted shares of class B must be available on the specified account from and including 23:59 on 7 March 2025 up to and including 13 March 2025.

### The Offering to institutional investors

Institutional investors are expected to receive notification of allotment in particular order on or around 11 March 2025, after which contract notes will be sent. Full payment for allotted shares of class B must be made in cash no later than 13 March 2025 in accordance with the instructions on the contract note. Please note that if full payment is not made in due time, allotted shares of class B may be transferred to someone else. Should the sales price at such transfer be lower than the Offering Price, the person who initially received allotment of shares of class B in the Offering may have to pay the difference.

### Registration and recognition of allotted shares of class B

Registration of allotted shares of class B with Euroclear Sweden is, for both institutional investors and the general public in Sweden, expected to take place around 13 March 2025, after which Euroclear Sweden will distribute out a notice stating the number of shares of class B that have been registered in the recipient's account. Shareholders whose holdings are nominee-registered will be notified in accordance with the procedures of the respective nominee.

### Admission to trading on Nasdaq Stockholm

The Board of Directors of Röko intends to apply for listing of the Company's shares of class B on Nasdaq Stockholm. Nasdaq Stockholm's Listing Committee has on 28 February 2025 resolved that the Company meets the applicable listing requirements on Nasdaq Stockholm. Nasdaq Stockholm will approve an application for admission to trading of the Company's shares of class B on Nasdaq Stockholm provided that customary conditions are met, including that the Company submits such an application and that the distribution requirement for the Company's shares of class B is met no later than the first day of trading in the Company's shares of class B. Trading is expected to commence on 11 March 2025. The shares of class B (with ISIN code SE0023950795) will be traded under the ticker ROKO B.

### Announcement of the outcome of the Offering

The final outcome of the Offering will be announced through a press release that will be available on Röko's website, [www.roko.se](http://www.roko.se), on or about 11 March 2025.

### Right to dividend

The shares of class B in the Offering carry a right to dividends for the first time on the record date for dividends occurring immediately after the shares of class B have been listed. Decisions on dividends are proposed by the Board of Directors and resolved by the shareholders' meeting. Payment of dividends is handled by Euroclear Sweden or, for nominee-registered shareholdings, in accordance with the respective nominee's procedures.

### Terms and conditions for the completion of the Offering

The Offering is conditional upon the entering into of the Placing Agreement between the Company, the Founders and the Joint Bookrunners, the fulfillment of certain conditions in the Placing Agreement and the agreement not being terminated. The Joint Bookrunners' obligations under the Placing Agreement to procure purchasers for, or in the event that such procurement fails, to purchase the shares of class B themselves are conditional upon, *inter alia*, the absence of certain force majeure events, the absence of a material adverse change in the Company's business and the satisfaction of certain other customary conditions. The Joint Bookrunners may terminate the Placing Agreement up to and including the settlement date of 13 March 2025 if, for example, any material adverse event were to occur or if any other condition in the Placing Agreement is not fulfilled, in which case the Offering would be discontinued and neither delivery nor payment of

shares of class B will be made pursuant to the Offering. This means that trading in the Company's shares of class B will be conditional during the first two trading days. If the Offering is withdrawn, this will be announced through a press release no later than 13 March 2025. For further information, see "*Legal considerations and supplementary information – Placing Agreement*" and "*Share capital and ownership structure – Lock-up arrangements*".

## Other information

### Information for investors

The fact that SEB, Carnegie and Danske Bank are Joint Bookrunners does not in itself mean that each bank considers the person who has applied in the Offering (the "**Investor**") to be a customer of the bank. The Investor is considered as a customer of the respective bank in respect of the Offering only if the bank have provided advisory services to the Investor on the Offering or has otherwise contacted the Investor individually regarding the Offering or if the Investor has applied through the respective bank's office or internet bank. The consequence that the banks, respectively, do not consider the Investor to be a customer with respect to the Offering is that the investment will not be subject to the rules regarding investor protection stipulated in the Swedish Securities Market Act (2007:528) (Sw. *lagen om värdepappersmarknaden*). This means, *inter alia*, that neither a so-called client classification nor the suitability assessment will be applied regarding the investment. Accordingly, the Investor is solely responsible for ensuring that it has sufficient experience and knowledge to understand the risks associated with the investment.

### Information to distributors

In consideration of the product governance requirements in: (a) MiFID II, (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 of 7 April 2016 supplementing MiFID II, and (c) Chapter 8, sections 13 and 14 of the Swedish Securities Act and Chapter 5, section 5 of the Swedish Financial Supervisory Authority's regulations regarding investment services and activities, FFFS 2017:2, (jointly referred to below as "**MiFID II product governance requirements**"), and with no liability to pay damages for claims that may rest with a "manufacturer" under the MiFID II product governance requirements, the Company's shares of class B have been subject to a product approval process, whereby the target market for the Company's shares of class B comprise (i) retail clients and (ii) investors who meet the requirements for non-retail clients and equivalent counterparties, each in accordance with MiFID II ("**the target market**").

Solely by reason of the product governance requirements of Regulation (EU) No 600/2014 as incorporated into national law by the European Union (Withdrawal) Act 2018 (the "**UK MiFIR**"), and without liability in tort, contract or otherwise on the part of a "manufacturer" (as defined in the UK MiFIR), the shares of class B in the Offering have been subject to a product approval process by the Joint Bookrunners whereby it has been determined that the shares of class B (i) are compatible with a target market consisting of retail clients as defined in paragraph 8 of Article 2 of Regulation (EU) No 2017/565 as incorporated into national law by the European Union (Withdrawal) Act 2018 and eligible counterparties as defined in the FCA

Handbook Conduct of Business Sourcebook and professional clients in UK MiFIR and (ii) can be distributed through all channels permitted under UK MiFIR. Any party subsequently offering, selling or recommending shares of class B in the Offering (a "**distributor**") must take account of the target market assessment. However, a distributor subject to the FCA Handbook Conduct of Business Sourcebook is required to carry out its own assessment of the target markets for the shares of class B in the Offering (using or refining the target market assessment referred to above) and determine the appropriate distribution channels.

Notwithstanding the assessment of the target market, distributors are to note the following: the value of the Company's shares of class B in the Company may decline and it is not certain that investors will recover all or portions of the amount invested; the Company's shares of class B offer no guaranteed income and no protection of capital; and an investment in the Company's shares of class B suitable only for investors who do not require a guaranteed income or protection of capital, who (either themselves or together with an appropriate financial advisor or other type of advisor) are capable of evaluating the benefits and risks of such an investment and who have sufficient funds with which to sustain such losses as may arise from the investment. The assessment of the target market does not impact the requirements in the contractual, statutory, regulatory or sales restrictions in relation to the Offering. The Target Market Assessment is not considered to be: (a) an assessment of suitability for the purposes of MiFID II or UK MiFIR or (b) a recommendation to any investor or group of investors to invest in, procure or take any other action regarding shares of class B in the Company. Each distributor is responsible performing their own assessment of the target market regarding the Company's shares of class B and for deciding on suitable channels of distribution.

### Information about the processing of personal data

#### SEB

Those who acquire shares of class B in the Offering through SEB will provide personal data to SEB. Personal data provided to SEB will be processed in computer systems to the extent necessary to provide services and administer customer arrangements. Personal data obtained from sources other than the customer may be processed. Personal data may also be processed in computer systems of companies or organizations with which SEB cooperates. Information regarding the processing of personal data is provided by SEB's offices, which also receive requests for rectification of personal data. Address information may be obtained from SEB through an automated process provided by Euroclear Sweden.

#### Carnegie

Parties who apply to subscribe for shares of class B in the Offering will submit personal data to Carnegie. Personal data that is submitted to Carnegie, for example contact information and personal identification number, or which is otherwise registered in connection with the preparation or administration of the Offering, is processed by Carnegie, as controller of the personal data, for the administration and execution of the offer. Processing of personal data also takes place to enable Carnegie to comply with its statutory duties.

Personal data may for a defined purpose – in observance of bank secrecy rules – occasionally be disclosed to other companies within the Carnegie Group or to undertakings which co-operate with Carnegie, within and outside the EU/EEA in accordance with EU's approved and appropriate protective measures. In certain cases, Carnegie is also under a statutory duty to provide information, e.g., to the Swedish Financial Supervisory Authority and the Swedish Tax Agency. You may read more about how the bank processes personal data at <https://www.carnegie.se/en/personaldata/>.

**Danske Bank**

Investors in the Offering will provide personal data to Danske Bank. The personal data submitted to Danske Bank will be processed in computer systems to the extent necessary to provide services and administer customer engagements with Danske Bank. Personal data collected from other than the customer to whom the processing relates may also be processed. Personal data may also be processed in the computer systems of companies or organizations with which Danske Bank cooperates. Information about the processing of personal data is provided by Danske Bank's offices, which also receive requests for rectification of personal data. Danske Bank may obtain information about addresses through automatic data collection from Euroclear Sweden.

**Avanza**

Anyone who acquires shares of class B in the Offering will provide personal data to Avanza. Personal data provided to Avanza will be processed in computer systems to the extent necessary to provide services and administer customer arrangements in Avanza. Personal data collected from other than the customer to which the processing relates may also be processed. It may also occur that personal data is processed in the computer systems of companies or organizations with which Avanza cooperates. Information about the processing of personal data is provided by Avanza, which also receives requests for rectification of personal data. For more information about Avanza's processing of personal data, see <https://www.avanza.se/sakerhet-villkor/behandling-av-personuppgifter.html>. Address information may be obtained by Avanza through an automatic process at Euroclear Sweden.

# Market overview

*This Offering Circular contains statistics, data and other information sourced regarding markets, market size, market positions and other industry information related to the Company's markets and operations. Such information is based on the Company's analysis of internal and external sources, which are listed throughout this section. In addition, the Company makes several statements and assumptions in this Offering Circular about the industry and its competitive position within the industry. These statements and assumptions are based on the Company's experience and its own market surveys. The Company cannot guarantee that any of the statements and assumptions made are correct, nor that they accurately reflect its market position in the industry.*

*As far as the Company is aware and able to verify, the information provided in the following section is reliable and accurate, and no facts have been omitted that would render the reproduced information inaccurate or misleading. However, the Company has not independently verified the accuracy or completeness of any third-party information or market surveys and the Company cannot therefore guarantee its accuracy or completeness. The information presented in this section may include estimates on future market performance and other forward-looking statements. Estimates and forward-looking statements are no guarantee for future results and actual events and circumstances may differ significantly from current expectations. A variety of factors can cause or contribute to such discrepancies, refer, inter alia, to sections "Important Information to Investors – Forward-looking statements" and "Risk factors".*

## Introduction

Röko is a perpetual owner that acquires high-quality and sustainable niche businesses with good profitability, meaning companies that have shown continuous growth in both turnover and earnings over a ten-year period, with the aim of owning and developing them with a perpetual ownership perspective. Röko's business idea is to acquire and develop small and medium-sized niche businesses and has historically acquired companies based in Europe. As of the date of this Offering Circular, Röko owns 28 operating subsidiaries in various industries and markets spread primarily across Europe, but which also have operations in Australia. Röko's operations consist of two business segments; Business to Business ("B2B") and Business to Consumer ("B2C"). The Group owns subsidiaries with headquarters in eight different countries in Europe. Röko's business idea is to primarily acquire companies with proven business models that have a proven ability to grow with maintained or increased profitability, in order to further develop them with a focus on long-term value creation with a perpetual ownership horizon. Röko's strategy for company development is to maintain the companies' entrepreneurial spirit through decentralized management and minimal bureaucracy, and to add strategic guidance, knowledge, processes and financial resources.

Since its establishment in 2019, Röko has made acquisitions of small and medium-sized niche businesses. Röko mainly focuses on acquiring companies (so-called platform acquisitions) and since 2021 the focus has been that these should have an EBITA between EUR 2 and 10 million at the time of acquisition. In addition, Röko makes add-on acquisitions that may be smaller. Historically, Röko has acquired companies with headquarters in Europe, apart from one add-on acquisition in Australia. Small and medium-sized enterprises<sup>1)</sup> in Europe contribute a total GDP of approximately EUR 7 trillion (approximately SEK 80 trillion<sup>2)</sup>), which corresponds to almost 30 percent of Europe's total GDP. The number of small and medium-sized enterprises with sales below EUR 50 million (approximately SEK 570 million<sup>3)</sup>) in the larger European markets is estimated at 12 million companies.<sup>4)</sup>

## Macroeconomic factors

Macroeconomic factors such as growth, general economic trends, price increases, population growth, inflation, interest rate levels and changes in political or regulatory conditions may affect Röko's ability to acquire, as well as the demand for the Group's services and products, both positively and negatively. For example, interest rates and inflation have an impact on access to capital and pricing of acquisition targets. In addition, market regulation may affect Röko's ability to make acquisitions in different markets. These factors also affect the subsidiaries' ongoing operations in each end market.

1) Defined as companies with a turnover of less than EUR 50 million (approximately SEK 570 million) and fewer than 250 employees. Source: Carnegie, Swedish M&A Compounders, 2024.

2) European Central Bank exchange rates.

3) European Central Bank exchange rates.

4) Source: Carnegie, Swedish M&A Compounders, 2024.



**Interest rate developments and inflation**

Interest rate developments are a key factor affecting the global economy and financial markets. From 2022 onwards, there have been significant changes in the level of interest rates compared to the previous year, with implications for investors, businesses and consumers.

In 2022, central banks around the world, including the U.S. Federal Reserve and the European Central Bank (“ECB”), began raising policy rates in an effort to combat the rising inflation that picked up in 2022. The inflation is believed to have been driven by factors such as global supply disruptions in supply chains, rising commodity prices, strong demand in the aftermath of the pandemic and expansionary monetary policy. This trend continued into 2023, with several central banks implementing further interest rate hikes. In the U.S., the Federal Reserve raised the federal funds rate to a peak of 5.00–5.25 percent in 2023, compared with 0.25 percent at the beginning of 2022. The ECB also raised its deposit rate to a peak of four percent during the same period. Central bank rate hikes have led to higher borrowing costs for both businesses and consumers, which in turn has affected investment decisions and consumption patterns.

In 2024, both the Federal Reserve and the ECB have cut their respective policy rates as inflation has started to decline and economic growth has slowed. These cuts have led to some decline in short-term interest rates, while long-term interest rates have remained relatively high due to, *inter alia*, expectations of monetary policy tightening and continued uncertainty.

Through its financing model, Röko has been able to continue to grow and invest in attractive objects in 2022, 2023 and 2024. By financing mainly with capital from the Company’s B-shareholders, Röko has had liquid funds available to invest and has therefore only used external financing from banks to a

limited extent, which has minimized the Company’s direct exposure to interest rate developments. This can be exemplified by the additional capital that Röko raised in 2023 through a rights issue, which contributed to an increased cash flow. The rights issue was oversubscribed by 220 percent and 96 percent of Röko’s shareholders participated.

**Geographical presence**

The transaction market is also affected by the uncertainty in the world in recent years with the Covid-19 pandemic, the war in Ukraine, the Israeli-Palestinian and Syrian conflicts and a partly uncertain political landscape that has increased political pressure. The outcome of the U.S. presidential election in 2024 risks leading to a deterioration in trade relations between the EU and the U.S. as a result of announced tariffs and duties on goods from Europe, as well as from other continents such as Asia. As of the date of the Offering Circular, Röko, through its subsidiaries, has operations in a total of eight countries, of which 14 of the 28 business units are based in the Nordic region. Röko also has a geographical presence in the United Kingdom, Belgium, Germany, the Netherlands and France as well as some presence in Australia and sales to the U.S. In the countries where Röko has its operations, the development of GDP over the last five years has followed a similar trend as shown in Figure 1 below. Although there is some discrepancy in magnitude between the countries, it is Röko’s view that the trend and estimated GDP for the coming years indicate that economic growth, in the countries where Röko has its main geographical presence, will stabilize compared to the pattern followed over the past five years, which in turn is an indication of stabilized inflation and a stabilized interest rate environment. Röko believes that the Company is well positioned in Europe and has been able to maintain its profitability and continue to grow through its acquisition activity.

**Real GDP growth, trend of annual percentage change in countries where Röko’s subsidiaries operate<sup>1)</sup>**

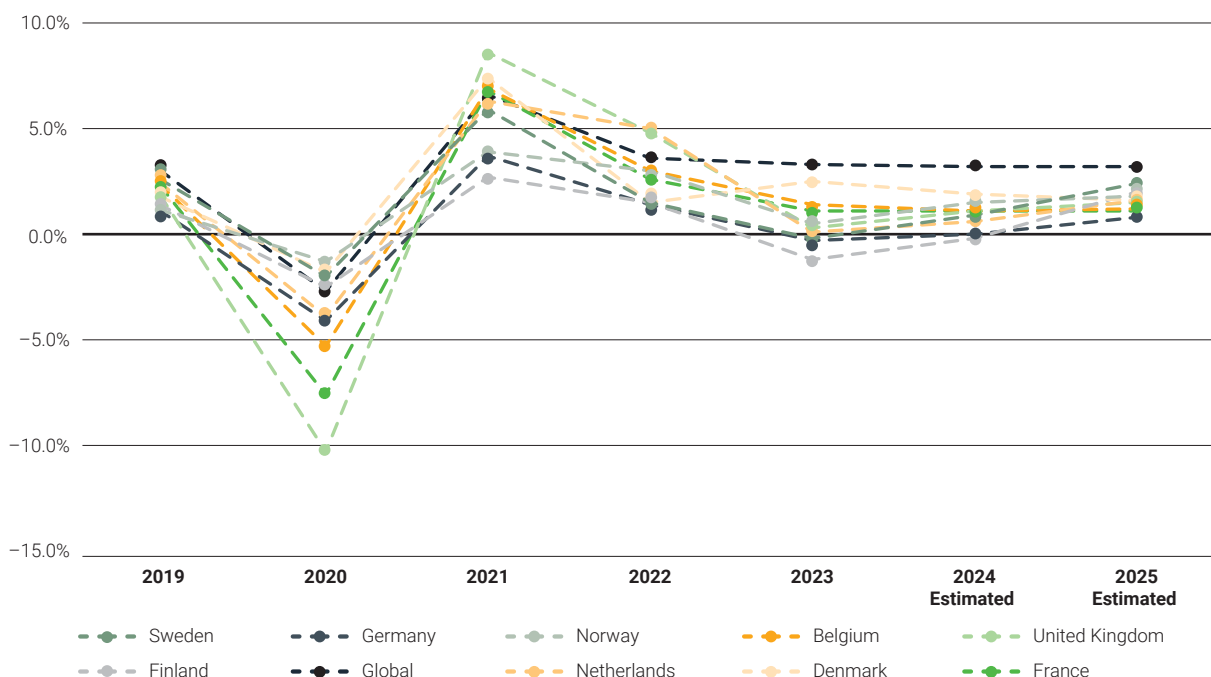


Figure 1

1) Source: International Monetary Fund, 19 November 2024.

## Regulation of the market

The transaction market has been affected by increased regulatory scrutiny in recent years. Competition authorities have taken a tougher stance on merger control, investigations by national authorities into foreign direct investment have increased, and in 2023, the European Commission introduced a new regulation to be able to scrutinize larger transactions for whether foreign subsidies distort the internal market.<sup>1)</sup> The increasingly regulated market has led to longer and less predictable approval processes, a higher risk of challenges and disruptions, and greater demands for alignment of transaction strategies and integration plans.<sup>2)</sup>

Globally, transactions worth approximately USD 361 billion, equivalent to SEK 3,830 billion<sup>3)</sup>, have been challenged by competition authorities in 2022 and 2023, with the majority of the transactions completed requiring action to obtain approval.<sup>4)</sup> In 2023, 356 transactions were notified to the European Commission, representing a decrease of around four percent compared to the previous year. In 2024, the corresponding number amounted to 392 transactions, an increase of around ten percent compared to the preceding year.<sup>5)</sup> In this context, it should be noted that in 2024 a total of eight acquisitions were conditionally approved and nine acquisitions were abandoned by the parties.<sup>6)</sup> A similar ratio also applies to 2022 and 2023.

In 2023, EU Member States handled a total of 1,808 notifications for foreign direct investment investigations, with the majority of notifications made in Germany, Spain, France and Italy, a figure that is expected to grow for 2024 given that more Member States such as Sweden have added foreign direct investment notification legislation in recent years that is designed to cover already relatively small investments in a wide range of activities.<sup>7)</sup>

Röko has historically been well positioned in the expanded regulatory landscape both in relation to the investments that Röko makes as well as the ownership that Röko holds. Apart from one case of specific tests to be approved as an acquirer under local foreign direct investment rules in the UK and France respectively, all of Röko's acquisitions have historically been approved without the need for competition approval or foreign direct investment notification.

## Trends in the transaction market

After the first half of 2022, M&A activity declined owing to, *inter alia*, rising interest rates, heightened macroeconomic uncertainty and a decline in transaction multiples. Regulatory

scrutiny and geopolitical tensions further hampered larger deals. Despite this, smaller and medium-sized transactions maintained relative stability. The total value in 2022, compared with the previous year, fell by 38 percent to USD 3.7 trillion, equivalent to approximately SEK 37.4 trillion<sup>8)</sup>.<sup>9)</sup>

In 2023, the value of all corporate transactions fell by 15 percent to USD 3.2 trillion, equivalent to approximately SEK 34 trillion<sup>10)</sup>. Rising interest rates led companies and investors to be more selective in their business decisions given more expensive financing, and the gap between buyer and seller valuations widened, causing many potential deals to fall through. A strong stock market also encouraged investors to hold on to assets rather than sell them for discounted multiples. The decline in activity is also a result of macroeconomic uncertainty, increased regulatory scrutiny, geopolitical uncertainty and a strong capital market that encouraged companies to hold on to their assets rather than sell. Despite this, companies continued to make strategic deals to create competitive advantage, consolidate markets, invest in new technologies or pursue sustainability targets. The deal value of strategic M&A decreased by only six percent with 27,000 disclosed transactions totaling USD 2.4 trillion, equivalent to approximately SEK 25.5 trillion<sup>11)</sup>.<sup>12)</sup>

In 2024, the M&A market stabilized again, and acquisition multiples for M&A compounders have remained stable in the range of 6–8x EBITA over the last two years.<sup>13)</sup> In total, the value of all corporate transactions in 2024 is expected to amount to USD 3.5 trillion, equivalent to SEK 37 trillion<sup>14)</sup>.<sup>15)</sup> Assets that did not come to market in 2023 created opportunities for companies looking to grow, transform or restructure their portfolios. Companies sold assets that did not fit their strategy and private equity firms sold ageing portfolio companies. Competition for attractive assets intensified, and buyers needed to be fast, selective and persuasive to win and succeed in deals. New technologies such as generative artificial intelligence (AI) and new regulatory challenges have led to developments in M&A processes, for example by streamlining selection processes and due diligence reviews.<sup>16)</sup> AI has proven useful for analyzing large amounts of data in a time- and cost-efficient manner. According to a study by Bain, the development of AI in the field is ongoing and within three years, around 80 percent of the respondents in the study are expected to use some form of AI in their acquisition processes.<sup>17)</sup>

1) Source: Regulation (EU) 2022/2560 of the European Parliament and of the Council of 14 December 2022 on foreign subsidies distorting the internal market.

2) Source: Bain & Company, Global M&A Report, 2024.

3) The World Bank exchange rates.

4) Source: Bain & Company, Global M&A Report, 2024.

5) Source: European Commission, "Statistics on Merger cases".

6) Source: European Commission, "EU Merger Control: Interventions from December 2019: an infographic".

7) Source: Report from the Commission to the European Parliament and the Council COM(2024)464 of 17 October 2024 and the Swedish Foreign Direct Investment Screening Act (2023:560).

8) The World Bank exchange rates.

9) Source: Bain & Company, Global M&A Report, 2024.

10) The World Bank exchange rates.

11) The World Bank exchange rates.

12) Source: Bain & Company, Global M&A Report, 2024.

13) Source: Carnegie, Swedish M&A Compounders, 2024.

14) European Central Bank exchange rate.

15) Source: Bain & Company, Global M&A Report, 2025.

16) Source: Bain & Company, Global M&A Report, 2024, Bain & Company, M&A Midyear Report 2024; Dealmakers Mine Multiple Sources of Value, 2024.

17) Source: Bain & Company, Global M&A Report, 2024, Bain & Company, M&A Midyear Report 2024; Dealmakers Mine Multiple Sources of Value, 2024.

**Percentage using generative AI in each stage of the acquisition process<sup>1)</sup>**

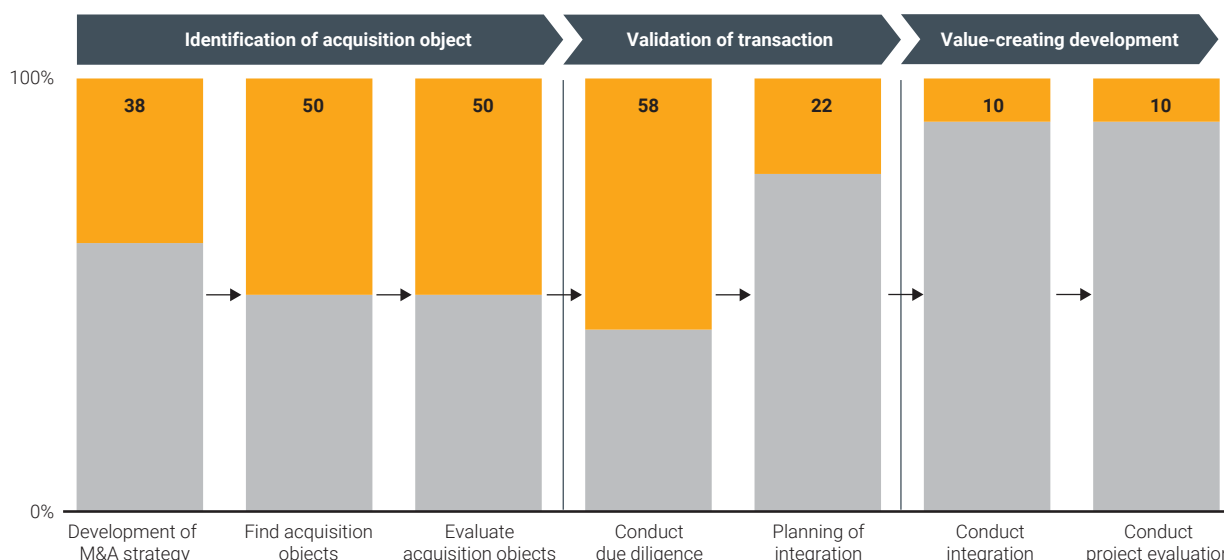


Figure 2

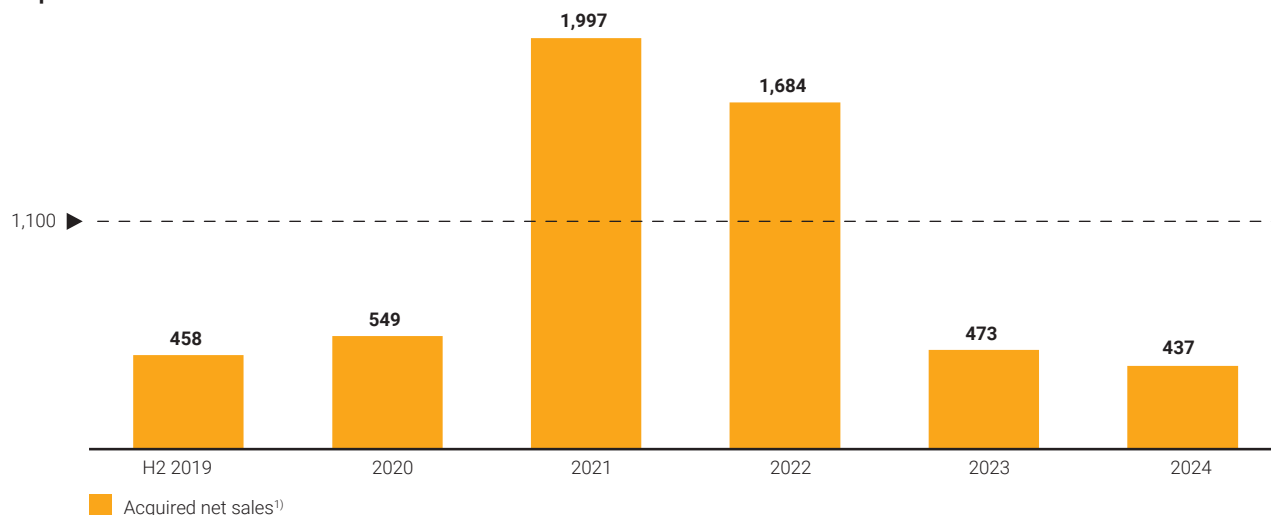
The transaction market boomed in 2021 but fell in 2022 as central banks raised interest rates to meet inflation. In 2024, interest rates have started to decline in both the EU and the U.S., and the rate cut cycle is expected to continue into 2025, albeit at a slower pace than before.<sup>2)</sup> Further interest rate cuts are expected to help the transaction market approach historical levels. Bridging the gap between buyers’ offers and sellers’ expectations could pave the way for increased activity.<sup>3)</sup>

Röko’s acquisition pace varies from year to year. Although the market has seen a reduction in the number of completed acquisitions over the past three years, Röko has seen and followed a number of possible acquisitions, a selection of

which have in turn been actualized. In 2022, the Company completed six acquisitions corresponding to an acquired sales growth of 81 percent compared to reported net sales in 2021. The acquisitions that Röko completed in 2023 corresponded to an acquired sales growth of 11 percent compared to reported net sales in 2022. In 2024, Röko completed four additional platform acquisitions and one add-on acquisition<sup>4)</sup> which together correspond to an acquired sales growth of seven percent.

The quality, in terms of organic growth and margins, of the companies acquired by other reputable, listed serial acquirers has increased. As a result of a history of high growth over long

**Acquired annual net sales**



1) Net sales in SEK million for acquired subsidiaries per year (if the subsidiary had been consolidated on 1 January of the same year).

1) Source: Bain & Company, Global M&A Report, 2024. Data as of October 2023 when Bain & Company conducted its M&A Practitioners’ 2024 Outlook Survey. Note that the figure includes current users (N=50), where the proportion of those using generative AI in each stage of the acquisition process of those using AI today is illustrated in orange.

2) Source: Reuters, Fed lowers rates but sees fewer cuts next year due to stubbornly high inflation, 19 December 2024. European Central Bank, Press release: Monetary policy decisions, 30 January 2025.

3) Source: Seek & Prosper, M&A: Bright spots, shadows on dealmaking horizon.

4) Add-on acquisitions refer to acquisitions made by existing business units.

periods of time, these serial acquirers trade at relatively high valuations. When evaluating the long-term profitability of some of these serial acquirers, the acquisition-driven growth rate has been investigated. In relation to this, good reasons have been identified to believe that continued strong EBITA growth should be sustained for at least another ten years. Furthermore, the market for serial acquirers comparable to Röko shows that the growth potential today is comparable to that of five or ten years ago.<sup>1)</sup>

### Access to acquisition financing

In addition to cash flows from operating activities, access to external acquisition financing is another important growth factor for Röko as access to attractive acquisition financing can affect the Company's ability to complete transactions. Access to acquisition financing is affected by several macro-economic factors, including high interest rates which have made it more expensive to finance acquisitions. Acquirers with strong balance sheets and cash have generally been less affected by higher interest rates than acquirers whose financing is mainly debt-based. Higher interest rates have required adjustments to M&A strategies in 2023, according to 95 percent of respondents in a Bain study.<sup>2)</sup> Historically, Röko has largely financed its acquisitions through capital from the Company's class B shareholders, who have also increased their capital commitments and subscribed to Röko's rights issue, together with the support of external financing from banks and credit market companies to finance Röko's continued growth through acquisitions and investments in Röko's existing group companies. Since the third quarter of 2023, Röko has been self-financed in that acquisitions are made with the Company's own cash or external financing from banks and thus not with capital from the Company's class B shareholders.

### Competition

The competition for potential acquisition targets of interest to Röko comes mainly from the following four groups: (1) investment companies and other acquisition companies, (2) private equity companies, (3) industrial players making add-on acquisitions, and (4) owners choosing to refinance.

Röko believes that the strategy of industrial groups in particular, and to some extent investment companies and other acquisition companies, is close to Röko's in that they

acquire companies with long-term ownership ambitions. Other acquisition companies may often be focused on a specific niche in which they aim to make more acquisitions, known as consolidation. Private equity firms tend to have a shorter time horizon in terms of the period of investment in their portfolio companies. Industrial players include virtually all companies that intend to make some form of add-on acquisition that complements their core business. Owners who, instead of selling the business, choose to refinance the business do so primarily with the help of credit funds.

Röko positions itself in relation to potential acquisition candidates by meeting owners and management at an early stage in the acquisition process. The aim is to gain a deeper understanding of the acquisition candidate's positioning and ownership structure. Each year, Röko evaluates a large number of potential acquisition candidates and focuses on acquiring companies that value Röko's long-term and decentralized ownership model. According to Röko's assessment, it is mainly entrepreneurs and founders who prefer the Company's ownership model over acquirers with a short-term ownership model. By offering a stable and long-term ownership structure, as well as a smooth and secure acquisition process, Röko strives to be the obvious choice for entrepreneurs and founders looking for a reliable and committed owner.

Röko also believes that the Company has a competitive advantage through its broad target group of potential acquisition targets that is neither sector nor geography specific. Although Röko has historically acquired companies based in Europe, it is not an investment requirement. Röko's acquisition model is based on making smaller add-on acquisitions, often in competition with industry groups and industrial players, in combination with larger, but still relatively small companies with an EBITA of EUR 2–10 million. Röko also makes platform acquisitions in existing or completely new industries, typically in competition with smaller private equity companies or other serial acquirers. The model entails that Röko, by being diversified in terms of size and industry, has a larger selection of potential acquisition candidates and can therefore continue to acquire companies at reasonable valuations, despite the fact that in specific industries during certain periods there is a low supply of acquisition targets for sale or high competition among potential buyers.

1) Source: Carnegie, Swedish M&A Compounders, 2024.

2) Source: Bain & Company, Global M&A Report, 2024.

### Trends affecting end markets

In addition to the macroeconomic factors and transactional market trends to which Röko is exposed, the demand for the products and services of Röko’s business units is affected by the underlying market development in the business units’ market niches, which are of varying size and with different drivers. Röko operates in two business segments: B2B and B2C.

### B2B

B2B consists of niche manufacturers and retailers whose end customers are primarily other companies. Two thirds of Röko’s subsidiaries belong to the B2B segment. As of the date of the Offering Circular, Röko’s B2B companies are based in Sweden, Norway, Denmark, the UK, the Netherlands, Belgium, Germany and France. The business segment is primarily affected by end-market trends, such as:

Trend	Challenges	Opportunities for Röko
<b>Sustainability and the circular economy</b>	<ul style="list-style-type: none"> <li>• Need to respond to changes in customer preferences, legislators, regulations and society.</li> <li>• Demand from customers to integrate sustainability throughout the value chain.</li> <li>• Increasing demand for the circular economy.</li> </ul>	<ul style="list-style-type: none"> <li>• Developing more energy-efficient, recyclable and bio-based products, services and materials.</li> <li>• Integrate sustainability throughout the entire value chain, from design and production to distribution and withdrawal.</li> <li>• The circular economy can create new business opportunities for B2B companies, for example by offering products such as services, leasing, sharing, repairing, upgrading or reusing.</li> </ul>
<b>Reshoring</b>	<ul style="list-style-type: none"> <li>• Replacing a long-established supply chain is extensive and takes a long time.</li> <li>• Replacing existing suppliers is often associated with great uncertainty (in terms of compatibility, quality, etc.)</li> <li>• Production in the local area may involve a higher cost.</li> </ul>	<ul style="list-style-type: none"> <li>• Shorter delivery times allow companies to keep lower inventory levels and thus reduces tied-up capital.</li> <li>• Greater geographical proximity facilitates product development and increased control over the end result.</li> <li>• Local production is often carried out by units that are significantly smaller than previous suppliers, allowing a higher degree of customization to specific requirements.</li> </ul>
<b>Innovation and digital transformation</b>	<ul style="list-style-type: none"> <li>• Higher demand for competitive offers that give customers a competitive edge.</li> <li>• Demand for B2B collaborations to become more agile, customer-centric, data-driven and innovative.</li> </ul>	<ul style="list-style-type: none"> <li>• Create a more efficient service/product by using new technologies, such as artificial intelligence, internet of things, big data<sup>2)</sup>, cloud computing, robotics, 3D printing, blockchain or augmented reality (AR), to improve productivity, quality, safety, customer experience or business insight.</li> <li>• Digital transformation can streamline the organization, culture, processes, skills and collaborations within and between B2B companies.</li> </ul>

1) Source: McKinsey & Company, Busting the five biggest B2B e-commerce myths.

2) Big data refers to collected data sets that are so large and complex that they require new technologies, such as AI, to process them.

### Example market – Component manufacturers

Röko has several subsidiaries that are classified as component manufacturers. The lowest common denominator for this group of companies is that their products are not final products but are installed in the final product by its manufacturer or by end-users. The components of these subsidiaries are often specific to a particular end product and have been developed in cooperation with the customer but can easily be adapted for other original equipment manufacturers (“OEMs”, i.e. companies that produce components but not the final product that can be sold on the open market) or other end products by adapting the hardware and/or software.

The value of the components of these subsidiaries typically amounts to only a few percentage points of the total value of the final product, but are often critical to the functionality of the final product. This, together with the fact that the components are often specific to the final product, means that the subsidiaries have a good relationship with the customer where both parties value and cherish the relationship. The subsidiaries generally have a good ability to increase the prices of their products.

The customers of these subsidiaries are either OEMs or end-users, and it is not uncommon for both types of customers to be represented in a company’s customer list. OEM customers are often multinational companies with professional purchasing organizations, which set high standards for their suppliers, and large sales organizations that indirectly drive sales of the subsidiaries’ components. A number of these customers operate in non-cyclical industries, such as food, medical technology and defense. End-user customers are often already indirect customers, who previously purchased the subsidiaries’ components through OEMs, but who either need to replace previously purchased components, need to purchase new consumables/wear parts, or want to improve the performance of end products purchased without the subsidiaries’ components.



## B2C

B2C companies consist of niche manufacturers, brands and retailers whose end consumers are mainly private individuals. One third of Röko's subsidiaries belong to the B2C segment. As

of the date of the Offering Circular, Röko's B2C companies are based in Sweden, Norway, Denmark, the UK and the Netherlands. The business segment is primarily affected by end-market trends, such as:

Trend	Challenges	Opportunities for Röko
<b>Digitalization and e-commerce</b>	<ul style="list-style-type: none"> <li>Changes in customer loyalty driven by the increased availability, convenience and competition resulting from digitalization and e-commerce.</li> <li>Change in consumer expectation and customer behavior.</li> <li>Consistent brand strategy and personalized customer experience across all touchpoints.</li> </ul>	<ul style="list-style-type: none"> <li>Moving to new channels, platforms and tools that enable online shopping, delivery, payment, customer service, marketing and analytics allows for optimization and efficiency measures.</li> <li>Ability to differentiate from competitors by offering unique value propositions, products and services.</li> </ul>
<b>Sustainability and social responsibility</b>	<ul style="list-style-type: none"> <li>Increasing demands for sustainability and social responsibility. Driven by, <i>inter alia</i>, climate change, the pandemic, human rights and ethical consumption.</li> <li>Increased demand for more sustainable, ethical and circular products and services.</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity for Röko to demonstrate its work to help solve global challenges by reducing its environmental impact, improving its social and economic impact, and communicating its transparency, authenticity and credibility.</li> <li>Finding new solutions to develop business ideas and pricing models based on new demand.</li> </ul>
<b>Individualization and social adaptation</b>	<ul style="list-style-type: none"> <li>Consumers' preferences, needs and tastes are becoming increasingly diversified, segmented and dynamic.</li> <li>Increased demand for choice, flexibility and creativity in products and services, which can be customized, personalized, modified or co-created by consumers.</li> </ul>	<ul style="list-style-type: none"> <li>Increased demand for products and services that reflect consumers' personalities, lifestyles, values and interests, that are tailored to their specific situations, problems and goals, and that give them a sense of identity, belonging and meaning.</li> <li>Opportunity to differentiate through more individualization, developing products with a unique and relevant value for each customer.</li> </ul>

### Example market – Consumer products

The B2C business segment comprises subsidiaries that design, manufacture and/or sell products and services to consumers. A couple of subsidiaries are only resellers of goods and services without their own product development, while some of the subsidiaries do everything from design to direct sales to consumers. The largest category, four out of nine subsidiaries in the segment, consists of companies that design and develop products that are mainly sold to consumers via resellers and retailers, hereinafter referred to as "B2B2C". Röko's subsidiaries within the Group, but especially within the segment, can benefit from lessons learned from each other in the way they successfully approach their respective end markets. Röko's B2B2C subsidiaries have even more to share with each other on issues such as product development, customer contracts, product pricing and sales activities.

Röko's B2B2C companies mainly sell to retailers in different markets, but in some cases via regional distributors and retailers. The main advantage of B2B2C for a consumer product developer is a high degree of visibility in the demand for products as a large part of the sales are made via orders based on sales material or trade fairs, but a disadvantage is the lack of interface with the end customer and consumer and the immediate feedback that such an interface allows. Some of the subsidiaries manage this by having a small proportion of direct sales to consumers, in order to understand trends more quickly and thus be able to adapt product development.

The main value that Röko's B2B2C companies deliver to retailers is a good understanding of end-customer demand, which has been developed through continuous product development while maintaining a stable core of products that consumers appreciate and recognize. All of Röko's subsidiaries within the segment place a strong emphasis on product development, but the majority of sales for the subsidiaries in the segment come from well-established products launched in previous years. Röko's subsidiaries are small in terms of their respective end markets but have a niche focus, which has resulted in relatively good brand awareness and market share in relevant markets.

# Business overview

## Röko in brief

Röko is a Sweden-based serial acquirer that, as of the date of the Offering Circular, has completed 28 platform acquisitions in a variety of industries across Europe. The Company's ambition is to be the perpetual owner of small and medium-sized businesses. Historically, Röko has primarily acquired small and medium-sized businesses headquartered in the Nordics and Northern Europe. Röko's organization has more than 100 years of combined experience working with founder- and entrepreneur-led companies in a wide range of industries and the individuals in executive management positions have worked at the Company since its first year of operation.

## Business model

Röko invests, mainly with equity capital from its own balance sheet, in stable and consistently profitable companies with strong market positions in their respective niche markets and with the potential to deliver long-term earnings growth and good cash flows. The company's investment philosophy is based on a long-term and active ownership, independent management and proven ability to achieve results. Röko is results-oriented, aiming to create shareholder value and growth by improving the performance of the group companies long term. Röko believes that this is achieved through sustainable and profitable growth – delivered through adjustment of agendas and cooperation between employees, management,

Board of Directors and owners. In the Company's view, Röko's strength is that it can offer safe ownership for small and medium-sized businesses.

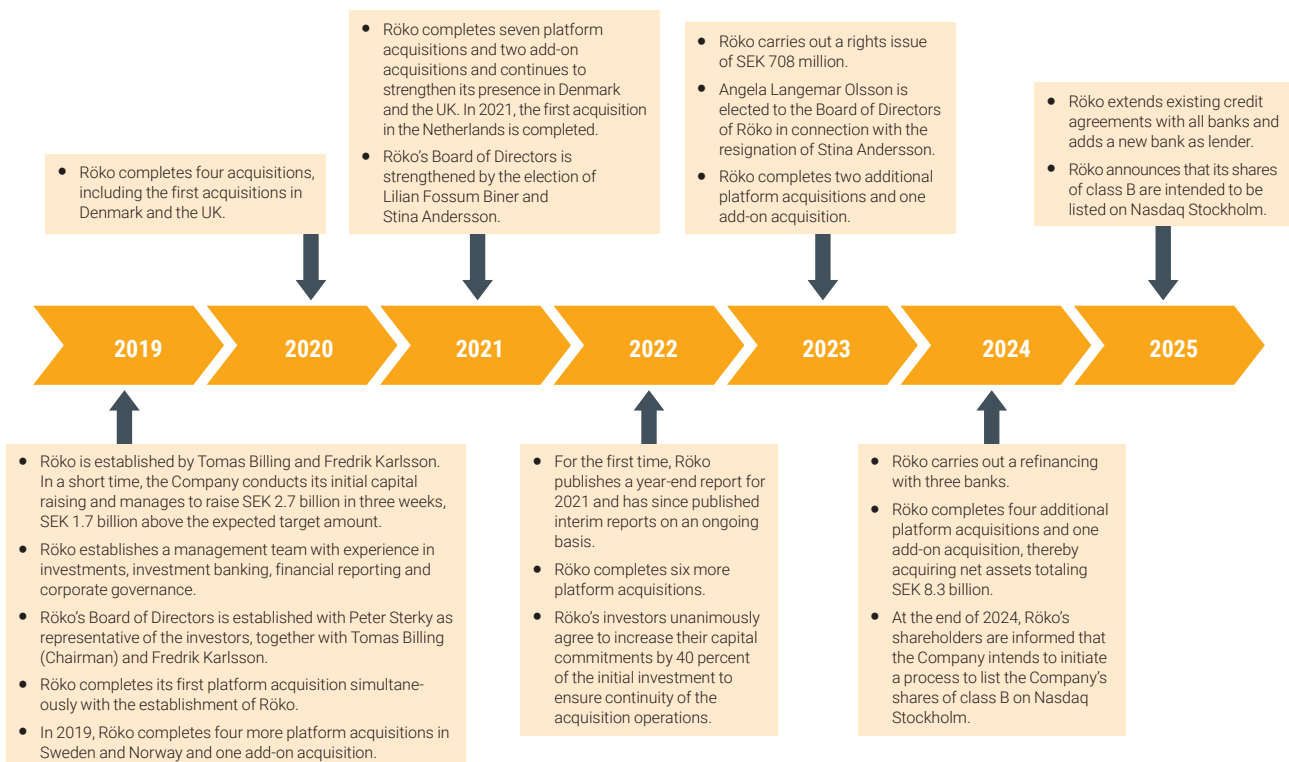
The Group is organized based on a decentralized structure. Preserving the unique brand, identity and independence of the subsidiaries is central to Röko's business philosophy, where the strength of entrepreneurship, flexibility and proximity to customers are crucial factors in achieving financial results. In Röko's case, the main purpose of the centralized management is to increase predictability in earnings, to ensure internal control and to support those companies that, for example, face new market conditions or can benefit from centralized expertise to solve internal challenges.

The Group's sustainability focus is integrated throughout its operations and is becoming an increasingly fundamental part of the aspiration for better business performance. Focusing on sustainability and responsible investments helps Röko create lasting value with two main objectives: to take advantage of business opportunities and ensure persistence in profitability, and to mitigate risks while creating positive impact and taking social responsibility.

In addition to the work with the existing businesses, Röko actively works with acquisitions. Röko carries out both platform acquisitions, where new business units are added to the Group, and add-on acquisitions, where existing subsidiaries

## History and key events

Below is a summary of the important events in Röko's history and development.



strengthen their competitiveness and broaden their offering by acquiring complementary businesses. Through internal research, incoming contacts and external channels, potential acquisition candidates are continuously evaluated. In addition to each acquisition meeting Röko's investment criteria, Röko looks for committed entrepreneurs or other sellers and leaders who continue in their role even after the acquisition has been completed, to create the conditions for a good succession. The management of the subsidiaries are also often shareholders in the companies, which creates common incentives where all parties work towards the same goal. Röko's ownership is long-term and in the strategic plan there is no intention to divest an acquired company at a later date.

## Strengths and competitive advantages

### Differentiation

A differentiated competitive position is the source of sustainable and profitable growth. Röko's priority is to strengthen the Group's market position over time by continuously developing the individual subsidiaries and thereby minimizing the Group's risk exposure. The decentralized model means that Röko operates in several markets, which therefore reduces the Company's risk exposure to individual industries and geographical markets. The Group's acquisition activity means that exposure to individual markets and geographies is constantly changing, and increases the diversification of the business, which provides strength and stability in the whole.

### Decentralization

Röko believes that it has several strengths and competitive advantages based on its business model that enable a differentiated competitive position. The Group is decentralized with independent subsidiaries where key business decisions are made closest to the customers, creating agile subsidiaries with autonomous subsidiary management. The relationship with customers is maintained in the subsidiaries and the subsidiaries' focus is on strengthening sales and product development capabilities. Central governance consists of providing clear objectives and frameworks for the subsidiaries' management to operate within, being involved in material and far-reaching business decisions and allocating capital within the Group. Furthermore, the central organization supports companies that, for example, face new market conditions or internal challenges where the headquarter can provide expertise. The decentralized business model is an advantage for the competitiveness of the subsidiaries and a competitive advantage for Röko compared to other potential acquirers. Furthermore, Röko's decentralized and minimal integration of the subsidiaries constitutes a risk management measure as it reduces the personal dependency in the Group and makes the Company less vulnerable to Group-wide threats and risks such as cyber-attacks. The Company further considers that the decentralized governance model is appreciated by sellers of small and medium-sized niche businesses.

### Investment targets

Röko invests from its own balance sheet in mature and profitable niche businesses that often have a strong market position in their respective niche. The Company invests in companies that have proven ability to grow with maintained or strengthened profitability and seeks investment targets that meet various investment criteria, see further section "– *The acquisition process – Investment criteria*".

Acquisition candidates are identified through various networks and marketing by Röko, which results in incoming acquisition opportunities. Röko maintains continuous contact with a large number of business brokers in Europe and receives business leads from its subsidiaries and actively reaches out to companies that are deemed to meet the investment criteria. The majority of the acquisition targets that Röko evaluates are generated by business brokers. Röko does not limit itself to certain sectors but evaluates a wide range of potential acquisition targets. In recent years, the Company has evaluated around 500 investment opportunities per year. The Company's catchment area is profitable small and medium-sized qualitative companies<sup>1)</sup>, mainly in Europe. The number of qualitative small and medium-sized businesses in Italy, Germany and the UK is estimated at around 25,000.<sup>2)</sup> The number of qualitative small and medium-sized businesses in Röko's focus regions is estimated by the Company to be approximately 50,000.<sup>3)</sup> The Company invests mainly in asset-light companies with a low risk of rapid technological development or disruption, key personnel or regulatory changes. Röko focuses on continuous development and works to ensure that the companies further develop their offering to maintain their competitiveness, which means continuous investment in product development with higher added value.

### Perpetual investment horizon

Röko is an owner company with a perpetual investment horizon, which distinguishes Röko from, for example, private equity companies that have a shorter investment horizon. A perpetual investment horizon means that the future of the subsidiary is secured, which in many cases is the decisive factor for an acquisition to be realized. As part of the perpetual investment horizon, Röko allows the subsidiary to continue as an independent company, although the parent company is there as an active owner with a focus on each subsidiary to promote growth and improve profitability. Röko acquires companies with sustainable business models as Röko sees that companies with sustainable business models and sustainable risk management are better at achieving long-term profitable growth. Sustainable business models are often assessed through an "opt-out" strategy, which means avoiding companies that are exposed to industries with rapid technological development, businesses that can already be seen to be in a downward trend, and regional markets that lag behind the development of other regions. Limited risk exposure is achieved partly through evaluation of companies, where Röko

1) Companies are considered qualitative if their revenues amount to EUR 10–50 million, annual average revenue growth amounts to at least five percent over the past five years and EBITDA margin exceeds 15 percent.

2) Source: Carnegie, Swedish M&A Compounders, 2024.

3) The populations of Italy, Germany and the United Kingdom amount to approximately 220 million people. The Company has in its calculation assumed the same ratio of qualitative enterprises to population in the other countries of Europe (excluding Eastern Europe). The population of Europe (excluding Eastern Europe) is estimated at around 460 million. Source: United Nations, Department of Economic and Social Affairs, World Population Prospects 2024.

avoids companies with risks from regulatory exposure, dependence on any major customers or key persons, and partly through work with internal control in acquired companies.

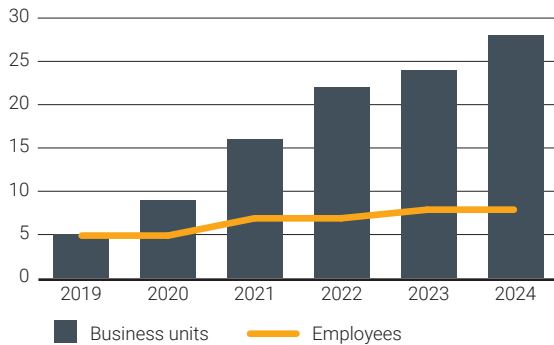
**Post-transaction engagement**

After an acquisition, Röko takes board positions in the subsidiaries and sees its role as acting as a sounding board for the management of each company. A representative from Röko is responsible for each subsidiary and is in regular contact with the CEO of that company, and in addition to that, Röko is also involved in selected initiatives. The subsidiaries provide monthly reports to Röko that are verified and evaluated at the Company's headquarters with immediate follow-up and plans of actions. Röko believes that this differentiates Röko from its competitors in the private equity industry but also competitors for acquisition targets making strategic acquisitions or industrial players making add-on acquisitions. Röko works according to the motto of continuity in processes, and few and relevant objectives.

**Group organization**

Röko's executive management consists of the CEO, CFO and business area managers, who have overall responsibility for Röko and report to the Board of Directors. Röko's investment decisions and strategic issues related to acquisitions are handled by the Company's Investment Committee, which consists of members appointed by the Board of Directors, for more information, see section "Corporate governance – Board of Directors – Investment Committee". The executive management is responsible for, among other things, the Group's operational direction, smaller investment decisions (CAPEX<sup>1)</sup>, communication to the market, financing, Group reporting and monitoring. The respective CEOs and management teams of the Group's subsidiaries are in turn responsible for the operational management of their respective company. The Group management has extensive knowledge of business development in a wide range of business areas, as well as experience in successfully completing acquisitions and managing acquisition-intensive international groups. As of the date of the Offering Circular, eight employees work at Röko's headquarter. The Company does not expect the need for employees at the Company's headquarters to increase significantly in the near future.

**Number of employees at the headquarter in relation to business units between 2019–2024**

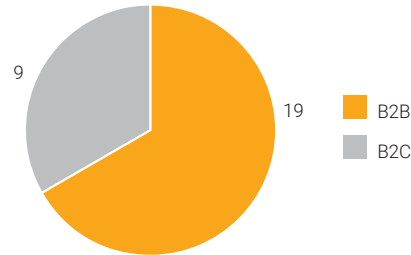


1) Investments in non-current assets.

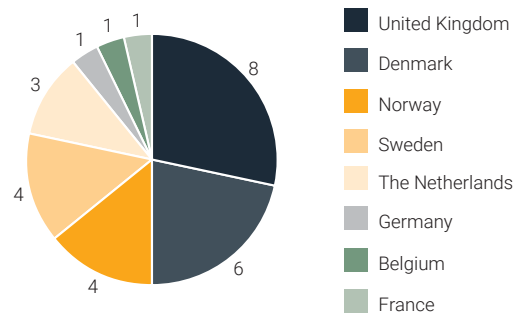
**Business areas**

Röko consists of two business areas; B2B and B2C. Röko's division of subsidiaries in these two segments is based on that the companies in each segment has the opportunity for a closer exchange between each other as they are exposed to end markets with similarities in demand and customer behavior.

**Number of business units per segment**



**Number of business units per country**



**B2B**

Companies in B2B consist of niche manufacturers and retailers that, in particular, have other companies as end customers, which entails longer sales cycles, higher transaction volumes and more complex purchasing processes. In 2024, the business area consisted of 1,042 (969) employees.

The segment B2B is composed of 19 directly owned subsidiaries with subsidiaries:



**B2C**

Companies in B2C consist of niche manufacturers, brands and retailers that, in particular, have private individuals as end-consumers, which entails shorter sales cycles, smaller transaction volumes and a greater focus on marketing and customer experience. In 2024, the business area consisted of 452 (450) employees.

The segment B2C consists of nine directly owned subsidiaries with subsidiaries:

**Overview of acquisitions<sup>1)</sup>**

Year	Company	Description	Segment	Country	Ownership <sup>1)</sup>	Net sales <sup>2)</sup>	Acquired Net Assets <sup>9)</sup>
2019	Arboritec <sup>3)</sup>	Manufacturer of floor finishes	B2B	Sweden	96%	MSEK 30	849
	Hot Screen	Heat transfer (textile printing) manufacturer	B2B	Sweden	58%	MSEK 94	
	Addedo	VAR and consultant focused on consolidation software	B2B	Sweden	59%	MSEK 97	
	Synteko	Add-on for Arboritec	B2B	Sweden	100%	MSEK 10	
	Bilomsetningen i Arendal	Original spare parts reseller for auto work shops	B2B	Norway	77%	MNOK 106	
	Beths Beauty	Chain of beauty clinics and shops focused on skincare	B2C	Norway	65%	MNOK 90	
2020	Lundberg Tech	Manufacturer and supplier of vacuum waste handling systems	B2B	Denmark	85%	MDKK 76	657
	Oppigårds Bryggeri	Leading independent craft brewery	B2C	Sweden	70%	MSEK 70	
	Dan-Form	Furniture designer focused on chairs	B2C	Denmark	90%	MDKK 102	
	Sixty Stores	Group of e-com businesses in Home & Garden	B2C	United Kingdom	60%	MGBP 21	
2021	Ekstralys	E-com business in vehicle lighting <sup>4)</sup>	B2B	Norway	60%	MNOK 81	2,498
	Renovotec <sup>5-6)</sup>	Distributor and installer of rugged IT hardware	B2B	United Kingdom	75%	MGBP 22	
	Rocket Medical	Designer and manufacturer of single-use medical devices	B2B	United Kingdom	79%	MGBP 26	
	Golf Experten	Leading distributor of golf equipment	B2C	Denmark	80%	MDKK 133	
	Les Deux	Menswear fashion brand	B2C	Denmark	60%	MDKK 134	
	Wifi Gear	Add-on for Renovotec	B2B	United Kingdom	100%	MGBP 4	
	Jade Solutions	Add-on for Renovotec	B2B	United Kingdom	100%	MGBP 13	
	4x4	Leading independent supplier of 4x4 accessories	B2B	United Kingdom	80%	MGBP 23	
	Smit Visual	Designer and manufacturer of writing boards	B2B	Netherlands	75%	MEUR 17	
2022	Brownell	Developer of humidity and moisture protection products.	B2B	United Kingdom	70%	MGBP 9	3,064
	ETB Technologies	Reseller specialised in refurbishment of IT hardware.	B2B	United Kingdom	65%	MGBP 15	
	Dorsey	Supplier of niched brickwork building materials and sundries	B2B	United Kingdom	80%	MGBP 20	
	TECCON	Developer of high-quality electrician products	B2B	Norway	85%	MNOK 433	
	Silk-ka	Market leader in high-quality artificial flowers and plants	B2C	Netherlands	80%	MEUR 16	
	AJAT Group	Designer and manufacturer of uniforms and student products	B2C	Denmark	70%	MDKK 225	
2023	Godiva	Distributor of bearings and spare parts	B2B	United Kingdom	75%	MGBP 20	424
	Snowminds <sup>7)</sup>	Provider of ski instructor trainings	B2C	Denmark	58%	MDKK 64	
	Skywire	Add-on for Renovotec	B2B	Australia	80%	MAUD 18	
2024	Siderius	Producer of cleaning products	B2B	Netherlands	85%	MEUR 9	760
	Snowlife	Add-on for Snowminds	B2C	Netherlands	100%	MEUR 2	
	ATEMAG	Developer of CNC aggregates <sup>8)</sup>	B2B	Germany	95%	MEUR 7	
	CHP	Developer of lubrication systems for conveyor belts	B2B	Belgium	97%	MEUR 9	
	Pureoptics	Developer of humidity and moisture protection products.	B2B	France	58%	MEUR 8	

1) As of the date of the Offering Circular.

2) Net sales for a full year preceding the acquisition date (in reporting currency).

3) Arboritec Holding AB acquired a majority stake in SYNTEKO AB in November 2019.

4) Ekstralys AS sells mainly to business customers, with 2/3 of its revenues coming from wholesale.

5) Renovotec Investments Ltd ("Renovotec") acquired 100 percent of the shares in WiFiGear Ltd in August 2021 and Jade Solutions Ltd in January 2022.

6) Renovotec acquired 80 percent of Skywire Ltd in December 2023.

7) Snowminds Group ApS acquired 100 percent of Snowlife B.V. in May 2024.

8) CNC means "computer numerical control" which is a manufacturing method that automates the control, motion and precision of machine tools through the use of pre-programmed computer software embedded in the tools.

9) Amounts in SEK million. Net assets acquired excluding cash and cash equivalents for each year.

1) Source: Company information.



**Age structure of the business units' management (CEO, years old)<sup>1)</sup>**

<45	9
45–60	15
>60	4
<b>Total (#)</b>	<b>28</b>

**Group organic growth in 2024, 2023 and 2022<sup>2)</sup>**

Amounts in MSEK (unless otherwise stated)	2024	2023 (comparison)	1 Jan – 31 Dec	
			2023	2022 (comparison)
Net sales according to the consolidated income statement	6,182	5,614	5,614	4,316
Net sales of companies not acquired at the beginning of the comparison period <sup>1)</sup>	–678	–245	–1,963	–741
Net sales comparable companies in SEK <sup>2)</sup>	5,504	5,369	3,651	3,575
Currency effect	–17		–154	–
<b>Total comparable net sales (constant currency)</b>	<b>5,487</b>	<b>5,369</b>	<b>3,497</b>	<b>3,575</b>
Growth in comparable units in SEK	3%		2%	
Organic growth in local currency	2%		–2%	

1) Net sales according to the consolidated income statement of the companies acquired after the beginning of the comparison period.

2) Includes only the companies that were owned throughout the comparable period. Used to calculate growth in comparable units in SEK.

**Organic growth in business units in 2024<sup>3),4)</sup>**

<0%	12
0–10%	9
>10%	7
<b>Total (#)</b>	<b>28</b>

**Organic growth in business units in 2023<sup>5),6)</sup>**

<0%	10
0–10%	10
>10%	4
<b>Total (#)</b>	<b>24</b>

In 2024, Adj. EBITA for the Group increased organically by nine percent in local currencies, and nine percent in SEK. The calculation is based on all companies owned by Röko at the beginning of the comparison period, i.e. the 22 companies that were consolidated on 31 December 2022. The companies in the Group develop differently and some of the Group's subsidiaries have decreased in Adj. EBITA since they were acquired, but several subsidiaries have increased Adj. EBITA since the acquisition dates. During 2024, four subsidiaries reported a lower Adj. EBITA than at the time of acquisition, and three of these subsidiaries did not meet Röko's investment criterion of at least EUR 2 million in EBITA at the time of acquisition.

**The acquisition process**

Röko always acquires a majority of the shares in the target companies. Röko strives for its offer to appeal to founders and owners of entrepreneurial companies, who often attach great importance to ensuring that their own company lives on in the best possible way even after the sale has been completed. Through Röko's long-term ownership perspective and decentralized model of allowing the company to continue as an independent company, the seller can see Röko as a strategic partner in the company's continued journey. A pillar of Röko's acquisition process is to build trust with sellers – by asking the right questions and offering relevant incentives with an active and smaller team. Röko's transaction structure with call and put options and continued ownership also means that the

seller is given the opportunity to receive a cash payment for the company directly, and to take part in business opportunities generated when the company is part of Röko.

**Transaction structure**

Since Röko has a perpetual ownership horizon and aims to retain acquired companies in the Group, priority is given to ensuring the long-term stability of the acquired companies and minimizing interventions that may increase business risk. The value development principle is that Röko should get a good return on an acquisition over many years. Central to Röko's transaction structure is to ensure that the seller has incentives to ensure that the company continues to develop well, usually by retaining an ownership in the company, linked to a call option for Röko. Röko always acquires a majority of the shares in the companies, which ensures control and enables full consolidation in Röko's structure.

The transaction structure thus provides incentives for sellers to continue to create growth by retaining some exposure in the company. Furthermore, it is ensured that acquisitions take place where the seller has continued faith in their company, as the model creates continued financial risk for the seller. The seller remaining in the company also leads to a balanced pricing of the company, in that the seller is subsequently paid for the growth that is actually realized. In half of the acquired companies, members of the management team, who previously had no ownership, acquired shares in connection with Röko's acquisition of the companies.

1) As of December 2024.

2) Organic growth is calculated on net sales per company included in the Group for the entire period and for the entire comparable period. For 2024, companies owned at the beginning of 2023 are included and for 2023, companies owned at the beginning of 2022 are included. The previous year's exchange rate has been used for both periods to calculate the organic growth without currency effects and the organic growth is calculated as an arithmetic mean value.

3) As of December 2024.

4) Based on financial data from Röko's consolidation at subsidiary level from subsidiaries included in the Group as of 31 December 2024. Calculated as net sales for the period 1 January to 31 December 2024 compared to the same period in 2023, in local currency.

5) As of December 2023.

6) Based on financial data from Röko's consolidation at subsidiary level from subsidiaries included in the Group as of 31 December 2023. Calculated as net sales for the period 1 January to 31 December 2023 compared to the same period in 2022, in local currency.

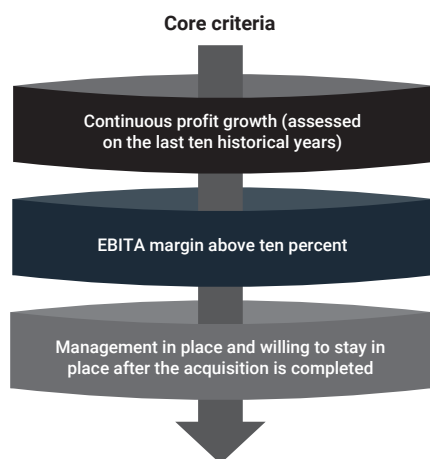
**Investment criteria**

Röko has a well-established and functioning process for identifying potential acquisition targets that meet the Company's investment criteria, see “– The acquisition process”. Acquisition targets are carefully evaluated and identified through several different sources. Röko has bilateral discussions with owners of companies through relationships and networks and is also contacted directly by owners. The Company also has a well-established network in Europe consisting of advisors, M&A brokers and other actors who contact Röko on an ongoing basis regarding potential targets.

Röko's acquisition strategy is industry and market independent and is linked to seven carefully thought-out investment criteria with a focus on asset-light companies with low technology risk. Röko sets clear high standards when evaluating new acquisition opportunities. It is profitable, often market-leading and entrepreneurial niche companies, in prioritized geographies, that meet Röko's investment criteria:

*Core criteria:*

- Continuous profit growth (assessed on the last ten historical years)
- EBITA margin above ten percent
- Management in place and willing to stay in place after the acquisition is completed



**Continuous profit growth (assessed on the last ten historical years)**

Röko assesses the financial performance of the acquisition target over the last ten years. Over the last ten years, the acquisition target must not have experienced prolonged declines in profit or have shown a reduced profit for a period exceeding two years.

1) Investments in non-current assets.

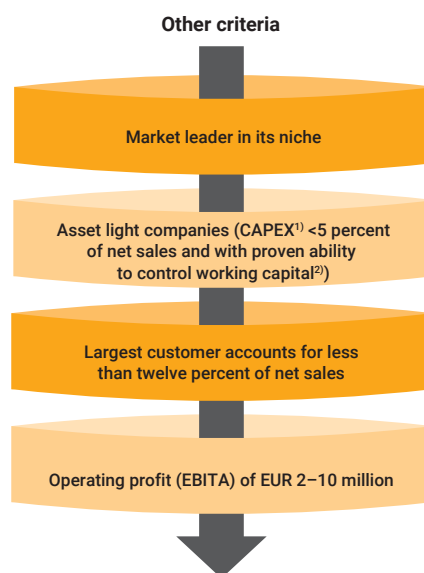
2) Working capital as a ratio of net sales should have been stable over time.

*Other criteria*

- Market leader in its niche
- Asset-light companies (CAPEX<sup>1)</sup> <5 percent of sales and with proven ability to control working capital<sup>2)</sup>
- Operating profit (EBITA) of EUR 2–10 million
- Largest customer accounts for less than 12 percent of net sales

The Company may consider an acquisition even if all the criteria are not met if the acquisition still offers strategically or financially attractive opportunities. Röko's core criteria have been met in all acquisitions completed in the last four years. In addition, the Company believes that, although it has not been formulated as an official investment criterion, valuation discipline is of great importance to enable sufficient growth through acquisitions and generate attractive returns. In general, subject to expectations, the Company believes that acquisitions should on average be made at a valuation of up to 8x EV/EBITA and historically, Röko has made acquisitions at a multiple below 8x EV/EBITA on average.

An important factor in Röko's development is to acquire companies with proven business models, leading market positions and strong cash flows at reasonable valuations to further develop the businesses with a focus on long-term value creation. The possibility to continue to acquire companies that meet Röko's investment criteria is affected by, among other things, the number of potential acquisition targets for sale, competition from other potential buyers of the companies, access to acquisition financing and interest rates, as well as Röko's profitability and indebtedness. The availability of acquisition financing is mainly an external factor affecting supply and competition rather than the ability of Röko to acquire companies.



**EBITA margin above ten percent**

The acquisition object's EBITA margin, after necessary adjustments to normalize revenues and costs to a level corresponding to post-acquisition conditions, shall be at least ten percent. In addition, the target must be able to demonstrate a sufficient margin over a longer period of time historically.

The criterion of continuous profit growth and the criterion of an EBITA margin above ten percent together constitute an indicator of the acquired company's quality and its ability to

develop positively over time. These criteria are difficult to achieve in combination, which results in 90–95 percent of the acquisition opportunities that Röko evaluates annually being rejected as they do not meet these criteria.

**Management in place and willing to stay in place after the acquisition is completed**

Röko acquires owner-managed companies in partnership with previous owners and management. The Company operates with a decentralized governance where each subsidiary retains autonomy after acquisition. Röko evaluates acquisition targets based on historical performance and usually the acquired subsidiaries’ senior management has played an important role in that performance. In general, Röko prefers to acquire companies where all or part of the management team continues as partners or holds operational roles after the acquisition, which is reflected in the fact that Röko often acquires founder-led companies.

**Market leader in its niche**

Röko carries out a careful evaluation of the market position of the acquisition targets and aims to mainly acquire companies with a leading market position. As Röko acquires small and medium-sized businesses that often operate in international markets, this criterion is not met in every acquisition. However, Röko assesses whether the company has the potential to influence the pricing towards its customers in line with, or above, the prevailing cost inflation.

**Asset-light companies (CAPEX <5 percent of sales and with proven ability to control working capital)**

The Company focuses mainly on acquiring companies with a high return on capital employed, which in turn enables an efficient cash conversion for the Group. When assessing potential acquisitions, both non-current assets and working capital are taken into account. In the communication with business brokers, CAPEX requirements are mainly emphasized to ensure a stable and continuous business flow.

**Operating profit (EBITA) of EUR 2–10 million**

According to Röko, acquisitions of companies with less than EUR 2 million in EBITA involve a higher risk. This is because such companies are often highly dependent upon one single senior executive. If there is a need to replace this person, it can be challenging to find a qualified external candidate, which limits the available options.

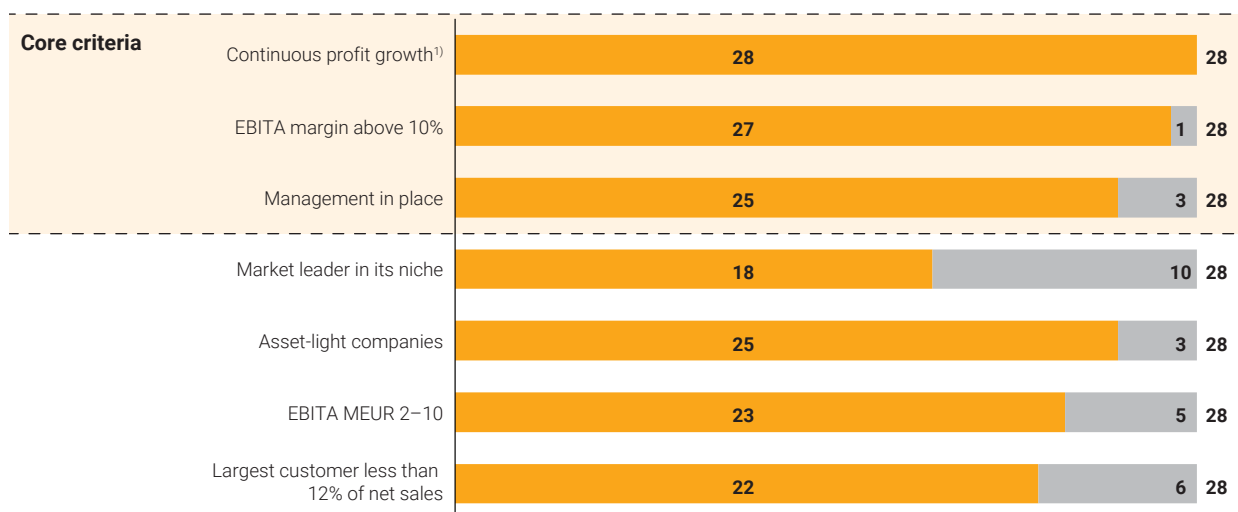
**Largest customer accounts for less than 12 percent of net sales**

Röko carries out a comprehensive evaluation of several commercial aspects when analyzing potential acquisition targets, with the aim of minimizing significant risks, such as dependency on major customers. Companies that have a high concentration of sales to a single customer run the risk of losing a significant portion of their earnings over a given period.

**Compliance with the investment criteria in acquired subsidiaries<sup>1)</sup>**

Röko evaluates each potential acquisition target based on the above-mentioned investment criteria. The fulfillment of these criteria gives an indication of the quality and risk aspects of each acquisition. However, it is not necessary that an acquisition target fulfills all the criteria for Röko to complete the acquisition, but it should not deviate from more than a few of these criteria.

At the end of the financial year 2024, the three subsidiaries in the Group with the highest EBITA growth since their respective acquisitions had increased EBITA three times as much as the subsidiaries with the lowest growth had decreased in EBITA since the time of their respective acquisition. The three worst-performing subsidiaries in the Group breached on average three of the investment criteria at the time of acquisition. The three best performing subsidiaries in the Group breached on average less than one of the investment criteria at the time of acquisition.



■ Yes ■ No

1) Röko evaluates the profit development of the acquisition target over a ten-year period. Exceptions can be made for ups and downs during Covid-19 (2020–2021) which was an exceptional period for some companies and industries.

1) Source: Company information.

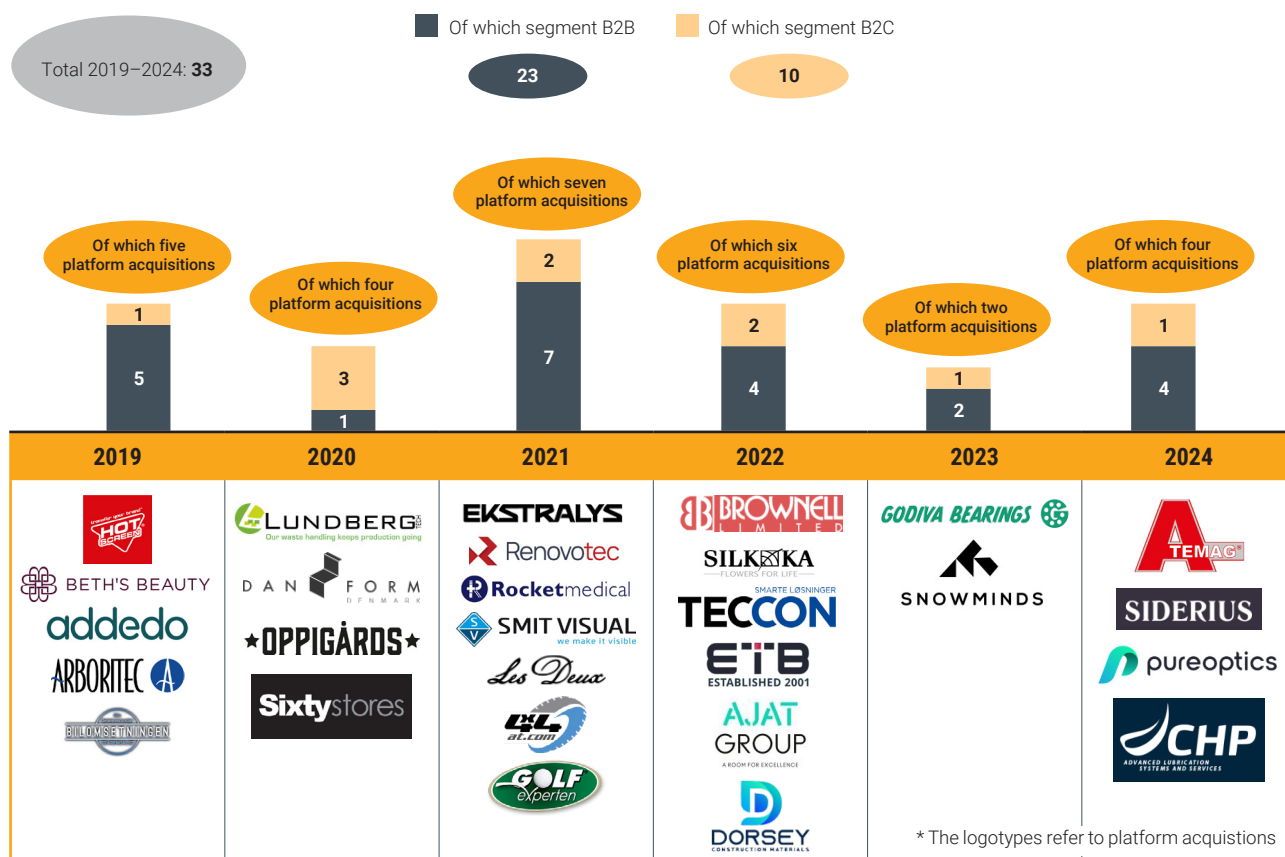
### The acquisition process step by step

#### Identification and first contact

Based on many years of experience, Röko has developed a structured process for carrying out acquisitions. In recent years, Röko has evaluated around 500 companies annually.

The opportunities come from all over Europe, with the majority coming from the markets in which Röko already operates. Of these acquisition targets, Röko completes on average between five and ten acquisitions per year.<sup>1)</sup>

#### Overview of acquisitions by year



Contact with and identification of acquisition targets is made through various networks, internal screening, business postings from subsidiaries and marketing of the Group, which results in incoming contacts from existing owners. Furthermore, Röko maintains continuous contact with a large number of professional business brokers in Europe. Röko actively reaches out to companies that are deemed to meet the investment criteria, see “– Investment criteria”.

Röko’s ambition is to be fast and transparent in its acquisition processes, and to work in small teams with decision makers involved in all steps to create early commercial and financial understanding and always have a clear contact person towards sellers. Tomas Billing (Chairman), Fredrik Karlsson (CEO and board member) as well as Johan Bladh (Deputy CEO and CFO) are involved in every process. Röko always tries to meet with management and owners of the acquisition target early in the process to create mutual trust.

#### Relationship and evaluation

Röko’s evaluation of acquisition targets is structured and relatively standardized, which facilitates the comparison of acquisition targets and enables consistent investment decisions. The first step after identification and independent remote evaluation is to understand and deepen the relationship with the owners. During this part of the process, additional information about the company is gathered through discussion with the company’s owners and management. Thus, Röko can carefully evaluate the company and build a relationship with the seller before deciding to present an offer. This in turn reduces the risk in the acquisitions. Among other things, Röko looks at the company’s position of strength in the value chain through internal analysis and discussion with suppliers, customers and industry experts. All investment opportunities are assessed and evaluated in accordance with Röko’s Investment Guide for Responsible Investments, with separation of approvals and strict exclusion of certain sectors, such as tobacco and gambling.

1) Note that the number of acquisitions may be more or less in individual years.

### **Letter of intent (LOI)**

Röko believes that the likelihood of a successful transaction is increased by entering into a letter of intent ("LOI"). However, before entering into a LOI, Röko is careful to have analyzed the material risks and also ensures that the main aspects of the future share purchase agreement are agreed at this stage of the process. By ensuring commercial agreement and identifying risks early in the process, Röko reduces the risk of spending time and money on acquisition candidates that do not meet, in the Company's view, the high investment criteria.

### **Due diligence and share purchase agreements**

Once an agreement in principle has been reached on the overall commercial terms, a comprehensive legal due diligence of the company is carried out, which usually takes six to eight weeks. This due diligence includes a review of the company's contracts and financial conditions. For example, as part of this review, Röko ensures, in accordance with its investment criteria, that the company's largest customer accounts for less than 12 percent of net sales. Financial due diligence is usually carried out externally by one of the large audit firms, often referred to as the "Big Four", while legal due diligence is carried out by an external legal advisor.

As part of its due diligence process, Röko always carries out a cash flow analysis, among other things to ensure the company's profit generation capacity. The commercial due diligence process is handled internally by Röko's experienced team.

The overall purpose of the due diligence process is to verify the company's earning capacity and to identify any risks. Röko analyzes, among other things, the company's position in the market, the value chain and competitive advantages, as well as the company's books and records, and agreements. Furthermore, the company's culture, working methods, working conditions, environmental impact, biodiversity and gender equality are studied. The focus is on understanding risk aspects and verifying resource efficiency.

As part of the commercial due diligence process, Röko focuses on how the company's products and services are appreciated by customers, to assess the sustainability of the business. For example, its subsidiary AJAT Group's subsidiary ABC-Gruppen AB has faced some media scrutiny and criticism from competitors, while the company's offering and deliveries are appreciated by customers as measured by its average rating of 4.9/5.0<sup>1)</sup> on the review website Trustpilot. Röko has developed its own share purchase agreements and shareholder agreements, which are used as a basis for a final agreement. The agreements are relatively simple, short and focus on establishing cooperation and capturing the key risks identified in the due diligence process.

### **Integration into a decentralized and diversified group of companies**

During the process or shortly after completion of the acquisition, a plan for the company's journey forward is developed together with the acquired company's management team, which has an important role also in the future through Röko's decentralized process and entrepreneurial focus. Acquired companies' independence and local decision-making are safeguarded and the starting point is that the selling owner

1) As of December 2024.

should retain some ownership in the subsidiary, thereby ensuring aligned incentives and Röko's representatives contribute with support and know-how in the company's development. However, Röko's analysis work often generates ideas for streamlining the acquired business, which are implemented together with management. Normally, the following is implemented:

- Joint development of short and long term strategic plan
- Review of staff remuneration
- Review of the company's reporting system
- Appointment of new Board of Directors with senior representatives from Röko
- Increased financial awareness with a focus on profitable growth, working capital retention and financing the right growth opportunities

The company's finances are fully consolidated in Röko's consolidated accounts and procedures for regular business updates and board work are established. Röko has a general objective for all subsidiaries, which is presented continuously during the acquisition process and iterated after the company has become part of Röko.

## **Operating activities of acquired companies**

### **Value-added development**

Röko's strategy is to acquire with the purpose of owning and developing, a strategy based on a perpetual ownership horizon. This means that the future of the subsidiary is secured, which in many cases is the decisive factor for an acquisition to be realized. Being part of the Group thus means that the subsidiary retains its original identity and at the same time has access to the Group's collective experience, knowledge and financial strength. Stable and long-term value creation in the Group stems from the organic profit growth created in each individual subsidiary over time. Röko therefore believes in a decentralized structure so that development and important decisions are made closest to the everyday operations of the subsidiary. In addition, Röko also attaches great importance to discussing objectives and development areas with the respective CEO of the subsidiaries. Röko's corporate development principles focus on developing and strengthening the individual market positions of the Company's operations with continuity and a conscious risk analysis. This is done, among other things, through growth initiatives in the subsidiaries' sales forces and continuous product development. Furthermore, Röko advocates that the subsidiaries focus on value-creating initiatives and activities by, for example, outsourcing accounting, IT services and certain parts of manufacturing.

### **Decentralized organization**

The Group consists of over 100 directly and indirectly owned subsidiaries in 16 countries. The decentralized organization is one of the cornerstones of Röko's governance philosophy. For both current and future managers of the subsidiaries, the decentralized governance model represents autonomy, accountability, rapid decision-making and minimal reporting focusing only on alternative performance measures.



Individual subsidiaries are given considerable freedom, which creates the conditions for a strong entrepreneurial spirit. Because subsidiaries operate independently, each company can preserve its specific culture. They can also continue to operate according to the practices of the industries and markets in which they operate. The Company believes that the strong entrepreneurial spirit is one explanation for Röko's ability to retain key personnel in companies acquired by the Group. Key personnel are often attracted to the decentralized structure where they can retain a high degree of independence even after the acquisition. The management of the subsidiaries is often incentivized based on profitability development and capital employed, which creates common incentives with the parent company to develop the business. Röko believes that this provides the subsidiaries with the right conditions to enable continuous improvement of operations and processes. Subsequently, Röko works to ensure the companies' long-term improvement is achieved through continuous development, mainly through the companies' management teams being compensated to create shareholder value.

**Group governance**

Röko's governance of its operating subsidiaries is based on the following three focus areas. Employees of Röko AB (publ), including the Company's Operational Chairman, hold positions as chairmen or board members of the operating subsidiaries. A representative from Röko is responsible for each subsidiary and holds the position of chairman. In addition, in most cases, one other colleague from Röko participates in the board work.

At the headquarter of Röko AB (publ), in addition to the Company's senior executives described in section "Board of Directors, senior executives and auditor", the following qualified persons are employed: Arvid Runéus (Investment Manager France and Benelux, Head of ESG), Petter Blichfeldt (Investment Analyst Finland and Baltics), Douglas Kressner (Group Financial Controller) and Fabian Speiser (Investment Manager DACH and Italy).

Röko exercises influence on the Group's subsidiaries through active board work and frequent communication with the managements, mainly the CEOs, of the subsidiaries. Communication takes place partly in formal forms such as board meetings, conferences and annual policy discussions and informally through open communication.

**Röko's core values**

<b>Continuous improvement</b>	<b>Simplicity</b>	<b>Empowerment</b>
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Röko believes that its subsidiaries, which have shown profit growth historically, have good opportunities to continue to develop well in the Group's decentralized governance model with simplicity, speed and autonomy as keywords. Röko empowers local management teams with the ability to make decisions and the central involvement of Röko is mainly as a sounding board and through board representation from individuals at Röko AB (publ).

**Röko's board representation<sup>1)</sup> in the Group's business units**

Tomas Billing Chairman of the Board of Directors	
Fredrik Karlsson Board member and CEO	
Johan Bladh Deputy CEO, CFO and Head of B2C	
Anders Nordby Investment Manager UK, Norway and Head of B2B	
Arvid Runéus Investment Manager France and Benelux, Head of ESG	
Fabian Speiser Investment Manager DACH and Italy	

1) Refer to positions as Chairman or member of the Board of Directors.

### **Long-term perspective**

The day-to-day responsibility for running and developing a business unit is delegated to the subsidiary itself to ensure that decisions are made close to customers, product development, staff and suppliers. The Company believes that strong market positions generally lead to the business units having a good ability to grow and a higher and more sustainable profitability, which are key pillars of Röko's business model and financial targets.

Although an individual CEO is independent and skilled, the opportunity to discuss certain issues, such as important choices or organizational development issues, is often appreciated. Röko believes in short decision-making paths, and the CEO, CFO and business area managers have continuous and close contact with the management of the subsidiaries.

### **Reporting and monitoring**

In a decentralized model, regular internal financial monitoring is important, which currently takes place on a monthly basis. The Group also ensures that relevant policies and guidelines for accounting and financial reporting are implemented in all companies. Key governance documents are: the Group's Code of Conduct, policy framework with associated instructions, Finance manual and framework for internal control.

### **Focus on profitability**

Regular reviews of financial results and discussions on market developments and other significant issues are held with the CEOs of the subsidiaries to ensure that the CEOs receive the best possible support from the Group organization. The representative from Röko who is responsible for the subsidiary usually acts as Chairman of the Board of Directors of that subsidiary and conducts monthly reviews of the subsidiary's financial performance together with the CEO, where actions and initiatives are discussed and planned. The CEO is mainly responsible for proposing, and fully responsible for implementing, initiatives.

### **Call and put options**

Röko's business model is to always acquire a majority stake in the target company. However, in order to reduce the risk of short-term profit maximization, the starting point is that selling entrepreneurs should retain a part ownership in the subsidiary, thereby ensuring aligned incentives, while the Company agrees on a call and put option for the remaining stake. In connection with the implementation of acquisitions where less than 100 percent of the shares are acquired, call and put options are contracted with non-controlling interests in the acquired company. The call option means that Röko has a right to buy the temporary minority and the put option means that the seller has a right to sell the same minority. The call and put options are mandatory, which means that Röko can ensure 100 percent ownership in its subsidiaries. Röko manages each call and put option separately and can extend the options depending on the working relationship with the minority shareholder. As of 31 December 2024, the mandatory call and put options represented 25.9 percent of the Group's EBITA. It is likely that Röko's percentage ownership in the local subsidiaries will increase over time and in the long term Röko believes that the mandatory call and put options will represent on average

approximately 15 percent of the Group's EBITA, driven by both the exercise of existing options and by new acquisitions being made with a higher average proportion of shares acquired as of the date of each acquisition.

The options expire within a specified period, generally five years from the date of the acquisition. The option contracts form the basis for the valuation of the liability, which is valued at the expected outflow required for the options to vest. Subsequently, the call and put options are valued according to the valuation model agreed for in each contract between the minority owner and Röko. The valuation of the liability for call and put options of each subsidiary is calculated by multiplying the subsidiary's average EBITA before the exercise of the option by a multiple and then adjusting for any net debt or net cash in the subsidiary. Röko continuously revalues the liability for the call and put options to the most current expected cash flows to settle all options. Changes in the value of the liability to the non-controlling interest are recognized in equity as owner transactions. From the Group's perspective, the exercise of the options is only a balance sheet transfer and does not change Röko's control of the respective subsidiaries' result. In 2024, the changes in value amounted to SEK 239 million (179). Total transfers to holders of non-controlling interests in 2024 amounted to SEK 387 million (361), and, in addition to changes in value, consisted of dividends to holders of non-controlling interests of SEK 148 (182) million and any acquisition adjustments.

The price of the shares for this temporary minority is governed by a predetermined profit multiple applied to the company's profits in the final year(s) of the period. For the seller, this means an extra incentive to contribute to structural growth in the company, which strengthens Röko's opportunities to create long-term organic growth.

When exercising the call and put options, the price is based on the average EBITA of the target company over the previous three years. In calculating any compensation for net cash flow and deductions for net indebtedness, an average calculation of working capital tied up over the last 12 or 24 months is carried out. This approach minimizes the risk of short-term deferrals of payments to suppliers in order to temporarily increase cash flow.

### **Earn-outs**

In the context of acquisitions in the transaction market, it is common for the seller of a target company to be given the option of receiving an earn-out. Earn-outs are used in situations where it is difficult for sellers and buyers to meet, usually due to high expectations of profit growth or due to external disruptions that create uncertainty in the company's performance. Typically, earn-outs are based on the target's EBITA for a predetermined period following the acquisition, and are usually based on an average of several years' results. This type of transaction structure implies that there is a risk that the target company will be motivated to reach a certain growth or profitability metric which may cause short-term business focus, liquidity and business practices. Röko has on four occasions used earn-outs as part of the acquisition process. As of the date of the Offering Circular, the Company has one outstanding earn-out which falls due in the third quarter of

2025, amounting to a maximum amount of DKK 35 million, as well as a deferred consideration for an acquisition amounting to a maximum of EUR 0.2 million which falls due in 2026. The earn-out is recognized in the Company's balance sheet as a liability up to a maximum amount of SEK 54 million and the deferred consideration is recognized at SEK 2 million.

### CEO-integration

Each subsidiary has a dedicated CEO who leads the subsidiary's operations. This is an important component of stability and growth. Once a company is acquired, it is usually run by executive managers who are capable and interested in continuing to run the business, ensuring continuity after the acquisition. Röko subsequently provides the opportunity to discuss issues, such as important choices or issues regarding organizational development with Röko's representatives on the Board of Directors of each subsidiary. To the extent that the previous owner does not continue to lead the business, Röko recruits a CEO with relevant experience and expertise to lead the company forward. Röko acquires stable companies that have a history of continuous profit growth. With an EBITA that on average exceeds SEK 40 million per subsidiary, it is possible for Röko to externally recruit a capable CEO for each subsidiary. However, already during the acquisition process or shortly thereafter Röko prioritizes to investigate whether there are relevant candidates for the position of CEO internally at the acquired company and evaluates internal candidates in parallel with external candidates.

### Monitoring and compliance

Follow-up of financial outcomes in relation to set targets is carried out monthly at business unit, business area and Group level.

The Group's policies and Financial handbook are implemented in the respective subsidiaries. The implementation work begins and is carried out at least partially during the acquisition process. For a smaller company, adapting to the listed Company's requirements for internal control and compliance may involve some adjustment. The purpose of the adaptation is to improve control and enhance quality, which is positive.

## Case studies – The acquisition process from start to finish

### Acquisition of Lundberg Tech A/S

Through Röko's network of business brokers and advisors across Europe, the Company sometimes gains early access to potential acquisition opportunities. The Company's ability to act quickly enables deals to be completed before a full sales process is initiated. Opportunities sometimes arise to complete deals that have recently failed or where processes have stalled. Over the years, Röko has successfully completed several deals that for various reasons have previously failed and the Company has managed to be effective in understanding the acquisition candidates and building trust with sellers. One such example is the Danish company Lundberg Tech A/S, which Röko was informed about in early June 2020,

and through a quick and efficient process, 85 percent of the shares were acquired in the beginning of August 2020. The speed of the deal was made possible by the fact that the company was prepared for sale and that Röko invested significant time from decision-makers and quickly understood the company's attractiveness, which consisted of good underlying growth in the market, evidence of the company's internationally strong position and a motivated and broad management team, the majority of which wanted to stay in the company. Since the acquisition, the company has developed well and Röko has enabled a high degree of management autonomy. The initiatives that Röko has engaged in are related to succession of the position as CEO, increased focus on recurring revenues and pricing. The reported EBITA of Lundberg Tech A/S has increased since the acquisition date.

### Acquisition of Silk-Ka

Röko invests significant resources in establishing and maintaining relationships with business brokers across Europe, educating them on the type of companies that Röko is looking for and how Röko works with the companies after the acquisition date. This strategy allows Röko to differentiate itself early in the acquisition process from other potential buyers. Entrepreneurs who appreciate and value Röko's way of working and corporate culture often choose to give Röko exclusivity, despite competition from other buyers. An example of this is Röko's acquisition of Silk-Ka<sup>1)</sup> ("Silk-Ka") in the Netherlands. At the end of April 2022, Röko received information about the upcoming sales process from a broker and given the company's attractive financial history and market position, Röko's management team visited the company before an indicative offer was made. The entrepreneur gained confidence in Röko's business acumen and chose to give Röko exclusivity in the process immediately after the indicative offer. Röko initiated the transaction process in mid-June of the same year and completed the deal before the end of July. Since the acquisition, Silk-Ka has performed well. Röko has actively engaged and invested in product development, strengthened the company's brand and sales organization, and implemented measures to increase organizational efficiency.

## Environment and sustainability

The vast majority of Röko's impact on the environment and society is through its subsidiaries. It is therefore important to understand where and how this impact occurs, as well as each company's exposure to, and management of, sustainability-related risks and opportunities. Against this background, Röko has conducted two materiality analyses, one single and one double. At the turn of the year 2021/2022, a first materiality analysis was carried out on which aspects of sustainable business are of greatest importance to Röko and where the subsidiaries' impact can be considered to be greatest. In 2023, work began on conducting a double materiality analysis according to the guidelines of the European Sustainability Reporting Standards, a work that was completed at the end of 2024.

1) SK Holding B.V. together with its subsidiaries, see section "Legal considerations and supplementary information – Legal group structure".

At an overall level, the Group’s material sustainability issues are considered to be related to climate change, the Group’s employees and business ethics. More specifically, the following areas are noted as material within each category:

Climate change	Mitigation of climate change Adapting to climate change Energy
Group employees	Working conditions Equal treatment and opportunities for all
Corporate governance	Corporate culture Corruption and bribery

Efforts to further strengthen the Group’s management of sustainability risks and opportunities are ongoing. Röko’s perpetual perspective means in practice that it does not invest in companies that either face major transition risks or whose business model does not fit into a future society. For this reason, work is largely focused on gradually improving current models and processes, rather than transforming all or part of the business.

**Environment**

As a result of Röko’s decentralized ownership model with small headquarters, the Company’s own impact on the environment is minimal. Röko’s primary impact comes from business travel, which is important for conducting business but which is decreasing as the Company adapts to a digital way of working. The Company’s subsidiaries range from food and health technology manufacturing companies to consulting organizations and their environmental impacts therefore differ significantly. At an overall level, all subsidiaries in the Group need to manage compliance with environmental legislation and measures to minimize environmental impact, but in addition, each subsidiary has its own individual situation to consider, where risk management in many cases is based on certification and measurement in order to gradually introduce well-functioning savings measures and meet the requirements of each subsidiary’s customers. Similarly, opportunities that arise in the area of sustainability are managed. Röko encourages and drives its subsidiaries to take advantage of all significant business opportunities they face and among Röko’s subsidiaries there are several examples of how this is done based on sustainability issues, such as circular business models, investments to improve raw material exchange and new product lines to improve customers’ raw material exchange.

**Social conditions**

Röko’s ambition is to be an employer where employees are well and feel that they can develop. However, the well-being of the personnel in the subsidiaries is primarily a matter for the management of each subsidiary to handle and in this work Röko’s most important function is to provide the support that is requested and to work to be and support role models. Röko believes that a decentralized governance model and the independence of each company are important foundations of a healthy and developing corporate culture. The risks and opportunities in social work can be broadly divided into two main categories: external risks/opportunities and internal risks/opportunities. External risks/opportunities refer to those arising from the upstream and downstream value chain. Internal risks/opportunities refer to human resources related issues. The management of these risks/opportunities differs. External risks and opportunities are primarily managed through the Röko Code of Conduct, supplier assessments at the subsidiary level, supplier visits, and fostering long-lasting and good supplier and customer relationships. Internal risks and opportunities are partly managed through whistleblowing systems, codes of conduct, CEO-trainings and other policies, but mainly through the active human resources work carried out in the subsidiaries and the efforts made to promote employee well-being. In the subsidiaries, Röko has seen several initiatives to strengthen the work on social issues, including free access to counseling to strengthen mental well-being and measures to facilitate working from home.

**Corporate governance**

The Board of Directors and the CEO have the overall responsibility for the management of Röko, which also includes issues related to sustainable business. Sustainability issues are best and most effectively handled by the people with the greatest knowledge of the business, which means that the subsidiaries also have a high degree of autonomy in sustainability work.

The Board of Directors has continuously addressed issues related to sustainable business. The Board of Directors has adopted Röko’s Code of Conduct and the following policies that govern sustainable business practices within the Group:

- Röko’s Investment Guide for Sustainable Investments
- Röko’s Risk Assessment Policy
- Röko’s Risk Register

Röko’s Code of Conduct was adopted at the start of the Company and applies to all subsidiaries in the Group. The Code of Conduct is based on accepted business ethics principles and the Company’s experience, and particular emphasis has been placed on clarifying the company’s position on issues relating to respect for human rights, equality and diversity, as well as sound business relations and anti-corruption.

### Employees

In 2024, the Group had an average of 1,501 employees, compared to 1,426 for 2023 and 1,271 for 2022.

Average number of employees	2024	2023	2022
<b>Group total</b>			
Sweden	210	238	210
Denmark	230	229	199
The Netherlands	130	38	67
Norway	118	115	123
United Kingdom	597	618	552
USA	20	17	6
Others	196	171	115
<b>Total number of employees</b>	<b>1,501</b>	<b>1,426</b>	<b>1,271</b>
<b>Parent company</b>			
Sweden	5	6	6
<b>Other</b>	<b>1</b>	<b>1</b>	<b>1</b>

### Financial targets and dividend policy

The Group's financial targets consist of:

- Growth: Adj. EBITA growth<sup>1)</sup> every single year
- Profitability: Adj. EBITA margin<sup>2)</sup> above 15 percent at Group level (after costs for Group-wide functions)
- Leverage: Net debt<sup>3)</sup> (Net debt / Adj. EBITDA<sup>4)</sup>) should be below 3.0x but may exceed 3.0x in the short term as a result of acquisitions

Röko's dividend policy is to distribute 0–20 percent of net profit to the Company's shareholders.

1) For the definition of Adj. EBITA growth, see also section "Condensed financial information – Financial definitions".

2) For the definition of Adj. EBITA margin, see also section "Condensed financial information – Financial definitions".

3) Including debt for call and put options.

4) For the definition of Net debt / Adj. EBITDA, see also section "Condensed financial information – Financial definitions".



# Consolidated financial information

Unless otherwise stated, the historical financial information presented below has been derived from the Group's financial statements reports for the three financial years ended 31 December, 2024, 2023 and 2022, respectively, which have been prepared in accordance with the Swedish Annual Accounts Act (Sw. årsredovisningslagen (1995:1554)), RFR 1 – Supplementary Accounting Rules for Corporate Groups (Sw. RFR 1 – Kompletterande redovisningsregler för koncerner), IFRS and interpretations issued by the IFRS Interpretations Committee (IFRS IC), as adopted by the EU and have been audited by the Company's auditor, Öhrlings PricewaterhouseCoopers AB, and which are included in section "Historical financial information". Unless expressly stated, no financial information in the Offering Circular has been audited or reviewed by the Company's auditor.

The information in this section should be read together with sections "Operating and financial review", "Capitalization, indebtedness and other financial information", as well as the Company's audited consolidated financial statements as at and for the three years ended 31 December 2024, 2023 and 2022, which has been included in the Offering Circular and can be found in section "Historical financial information".

## Consolidated income statement

Amounts in MSEK (unless otherwise stated)	Financial year ended 31 December		
	2024 Audited	2023 Audited	2022 Audited
Net sales	6,182	5,614	4,316
Cost of goods sold	-3,543	-3,343	-2,668
<b>Gross profit</b>	<b>2,639</b>	<b>2,271</b>	<b>1,648</b>
Selling expenses	-940	-843	-613
Administrative expenses	-681	-583	-404
Other operating income	12	2	18
Other operating expenses	-61	-27	-37
<b>Operating profit</b>	<b>969</b>	<b>821</b>	<b>612</b>
Financial income	66	26	101
Financial expenses <sup>1)</sup>	-93	-110	-139
Interest expenses for leasing	-19	-21	-21
<b>Profit before tax</b>	<b>923</b>	<b>716</b>	<b>554</b>
Tax on net profit for the year	-221	-175	-168
<b>Net profit for the year</b>	<b>702</b>	<b>541</b>	<b>386</b>
<b>Net profit for the year attributable to:</b>			
Parent company shareholders	702	541	386
Non-controlling interests	-	-	-
<b>Net profit for the year</b>	<b>702</b>	<b>541</b>	<b>386</b>
Basic and diluted earnings per share for the year, attributable to Parent Company shareholders (SEK) <sup>2)</sup>	47.33	38.78	28.60

1) Excluding interest expenses on lease commitments.

2) Earnings per share for the historical periods have been recalculated based on a 1,000:1 share split. The 2023 values after the new share issue in Q3 2023 have been calculated with an average number of shares for the respective periods.

**Consolidated balance sheet**

	<b>As of 31 December</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<i>Amounts in MSEK (unless otherwise stated)</i>	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	8,337	7,481	7,339
Tangible assets	279	228	229
Right-of-use assets	504	469	518
Other long-term securities and receivables	31	38	15
<b>Total non-current assets</b>	<b>9,150</b>	<b>8,216</b>	<b>8,101</b>
<b>Current assets</b>			
Inventories	1,023	874	843
Accounts receivable	713	642	597
Other current receivables	83	59	28
Prepaid expenses/accrued income	85	84	53
Cash and cash equivalents	421	744	558
<b>Total current assets</b>	<b>2,325</b>	<b>2,403</b>	<b>2,079</b>
<b>TOTAL ASSETS</b>	<b>11,475</b>	<b>10,619</b>	<b>10,180</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	1	1	1
Other contributed capital	4,443	4,443	3,254
Reserves	337	93	173
Retained earnings including net profit for the year	721	406	226
<b>Equity attributable to parent company shareholders</b>	<b>5,501</b>	<b>4,942</b>	<b>3,653</b>
Non-controlling interests	–	–	–
<b>Total equity</b>	<b>5,501</b>	<b>4,942</b>	<b>3,653</b>
<b>Non-current liabilities</b>			
Non-current interest-bearing liabilities	12	14	13
Non-current leasing liabilities	417	403	447
Other non-current liabilities, put/call debt and earn-out liabilities <sup>1)</sup>	2,632	2,346	2,034
Deferred tax liability	808	742	719
Other provisions, non-current	7	3	4
<b>Total non-current liabilities</b>	<b>3,875</b>	<b>3,507</b>	<b>3,217</b>
<b>Current liabilities</b>			
Current interest-bearing liabilities	618	896	2,132
Current leasing liabilities	108	80	70
Accounts payable	413	321	352
Advances from customers	260	261	198
Current tax liabilities	130	83	67
Other current liabilities, put/call debt and earn-out liabilities <sup>1)</sup>	270	276	321
Accrued expenses and prepaid income	299	251	168
<b>Total current liabilities</b>	<b>2,098</b>	<b>2,169</b>	<b>3,309</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>11,475</b>	<b>10,619</b>	<b>10,180</b>

1) The liability for call and put options is the liability related to mandatory call and put options in respect of non-controlling interests and refers to the sum of the value of the options that the Parent Company has entered into with non-controlling interests in each subsidiary to acquire shares not owned by the Parent Company in the future. Dividends declared to non-controlling interests are included in the liability and are included in the consolidated cash flow from financing activities.

**Consolidated statement of cash flows**

<i>Amounts in MSEK (unless otherwise stated)</i>	<b>Financial year ended 31 December</b>		
	<b>2024</b> <i>Audited</i>	<b>2023</b> <i>Audited</i>	<b>2022</b> <i>Audited</i>
<b>Operating activities</b>			
Operating profit	969	821	612
Non-cash items	404	358	262
Other financial items	3	-13	-6
Interest received	17	19	2
Interest paid	-78	-111	-63
Tax paid	-261	-224	-189
<b>Cash flow before changes in working capital</b>	<b>1,054</b>	<b>848</b>	<b>618</b>
<b>Changes in working capital</b>			
Increase/decrease in inventory	-47	75	-84
Increase/decrease in operating receivables	32	0	11
Increase/decrease in operating liabilities	59	9	-30
<b>Total changes in working capital</b>	<b>43</b>	<b>84</b>	<b>-103</b>
<b>Cash flow from operating activities</b>	<b>1,097</b>	<b>932</b>	<b>515</b>
<b>Investing activities</b>			
Investments in intangible assets	-14	-18	-1
Divestments of intangible assets	-	1	-
Investments in tangible assets	-56	-70	-49
Divestments of tangible assets	6	12	-
Acquisition of subsidiaries after subtracting cash	-787	-339	-2,438
Divestment of subsidiaries	1	3	3
Changes in non-current assets	6	-5	-
<b>Cash flow from investing activities</b>	<b>-844</b>	<b>-416</b>	<b>-2,486</b>
<b>Financing activities</b>			
Shareholder's contribution	3	1,189	1,421
Debt issued	884	1	1,187
Debt repayment	-1,266	-1,267	-242
Other financial receivables/liabilities	-105	-74	-9
Dividends to non-controlling interests	-148	-182	-125
<b>Cash flow from financing activities</b>	<b>-592</b>	<b>-334</b>	<b>2,231</b>
<b>Cash flow of the year</b>	<b>-338</b>	<b>183</b>	<b>260</b>
Cash and cash equivalents at the beginning of the year	744	558	290
Translation differences	16	3	8
<b>Cash and cash equivalents at the end of the year</b>	<b>421</b>	<b>744</b>	<b>558</b>

## Selected business segments information and selected financial geographical information<sup>1)</sup>

The tables below show a breakdown of the Group's net sales by segment and geographic market for the financial years 2024, 2023 and 2022.

<i>Amounts in MSEK (unless otherwise stated)</i>	Financial year ended 31 December		
	2024 <i>Audited</i>	2023 <i>Audited</i>	2022 <i>Audited</i>
<b>Net sales</b>			
Segment B2B	4,030	3,698	2,965
Segment B2C	2,152	1,916	1,351
<b>Net sales</b>	<b>6,182</b>	<b>5,614</b>	<b>4,316</b>
<i>The breakdown of results by segment is up to and including Adj. EBITA.</i>			
<i>Adj. EBITA is reconciled to profit before tax as follows:</i>			
Segment B2B	825	696	574
Segment B2C	446	386	256
Central costs	-43	-35	-43
<b>Adj. EBITA</b>	<b>1,227</b>	<b>1,047</b>	<b>787</b>
<b>Total amortization of intangible assets</b>	<b>-245</b>	<b>-219</b>	<b>-148</b>
<i>Amortization of intangible assets related to acquisitions</i>			
Amortization of intangible assets related to acquisitions	-245	-219	-147
Non-recurring items	-	-	-
Acquisition related costs	-14	-7	-27
<b>Operating profit</b>	<b>969</b>	<b>821</b>	<b>612</b>
Net financial items	-46	-104	-58
<b>Profit before tax</b>	<b>923</b>	<b>716</b>	<b>554</b>
<i>Net sales is allocated across geographic markets as follows:</i>			
Sweden	643	551	401
Denmark	592	577	338
Netherlands	471	336	154
Norway	863	878	601
United Kingdom	1,954	1,912	1,552
USA	430	352	379
Other	1,229	1,009	890
<b>Net sales</b>	<b>6,182</b>	<b>5,614</b>	<b>4,316</b>
<i>Net sales for the B2B segment by geographical location:</i>			
Sweden	335	315	291
Denmark	32	23	26
Netherlands	248	157	138
Norway	650	689	419
United Kingdom	1,731	1,667	1,350
USA	264	241	234
Other	769	606	506
<b>Net sales</b>	<b>4,030</b>	<b>3,698</b>	<b>2,965</b>

1) Information on revenue from external customers for each product and service, or each group of similar products and services, is not presented. As of 31 December 2024, Röko consists of 28 different business units, each offering different products and services in different industries, and the cost of producing such information would be unreasonable.

**Selected business segments information and selected financial geographical information<sup>1)</sup>, cont.**

<i>Amounts in MSEK (unless otherwise stated)</i>	<b>Financial year ended 31 December</b>		
	<b>2024</b> <i>Audited</i>	<b>2023</b> <i>Audited</i>	<b>2022</b> <i>Audited</i>
<i>Net sales for the B2C segment by geographical location:</i>			
Sweden	308	236	110
Denmark	559	553	313
Netherlands	223	179	16
Norway	212	189	181
United Kingdom	222	245	202
USA	166	112	145
Other	460	402	384
<b>Net sales</b>	<b>2,152</b>	<b>1,916</b>	<b>1,351</b>
<i>B2B segment non-current assets allocated by geographic location:</i>			
Sweden	633	667	687
Denmark	246	250	254
Netherlands	481	262	272
Norway	912	951	1,045
United Kingdom	2,807	2,782	2,512
USA	14	2	1
Other	676	3	2
<b>Total fixed assets, other than financial instruments</b>	<b>5,769</b>	<b>4,917</b>	<b>4,773</b>
<i>B2C segment non-current assets allocated by geographic location:</i>			
Sweden	144	164	158
Denmark	2,315	2,344	2,271
Netherlands	542	524	549
Norway	201	192	216
United Kingdom	109	105	108
USA	–	–	–
Other	32	14	15
<b>Total fixed assets, other than financial instruments</b>	<b>3,344</b>	<b>3,344</b>	<b>3,317</b>

1) Information on revenue from external customers for each product and service, or each group of similar products and services, is not presented. As of 31 December 2024, Röko consists of 28 different business units, each offering different products and services in different industries, and the cost of producing such information would be unreasonable.



**Alternative performance measures and data<sup>1)</sup>**

<i>Amounts in MSEK (unless otherwise stated)</i>	<b>As at 31 December</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
Net sales	6,182	5,614	4,316
Growth in comparable units in SEK <sup>1)</sup>	3%	2%	12%
Organic growth in local currency	2%	-2%	8%
Organic Adj. EBITA growth <sup>2)</sup>	9%	-	-
Operating profit	969	821	612
Adj. EBITA	1,227	1,047	787
Adj. EBITA margin	20%	19%	18%
Adj. EBITA growth	17%	33%	-
Adj. EBITDA	1,385	1,186	902
Adj. EBITDA margin	22%	21%	21%
Capital employed	8,969	8,032	7,944
Return on capital employed	14.4%	13.1%	12.9%
Return on capital employed excluding acquisition-related intangible assets	204%	179%	146%
Return on equity	13%	13%	14%
Financial net debt	2,944	2,607	3,773
Interest-bearing net debt	208	167	1,587
Financial net Debt/Adj. EBITDA, times	2.1x	2.2x	4.2x
Interest-bearing net debt/Adj. EBITDA, times	0.2x	0.1x	1.8x
Number of shares, average <sup>3), 4)</sup>	14,832,500	13,949,510	13,484,000
Number of shares, end of the year	14,832,500	14,832,500	13,484,000
Earnings per share (SEK)	47.33	38.78	28.60
Number of employees, end of the year	1,501	1,426	1,271

1) Comparable units refer to companies that have been consolidated for the full period as well as the full reference period, i.e. that were consolidated at the start of the reference period.

2) Adj. EBITA for all subsidiaries, including the Group's total central costs, included in the Group throughout the period and throughout the comparable period. The previous year's exchange rate has been used for both periods to calculate the organic growth without currency effects and the organic growth is calculated as an arithmetic mean.

3) The number of shares has increased in 2022 as a result of the 2:1 share split carried out in May 2022 and the 1,000:1 share split carried out in January 2023. All periods have been adjusted retroactively for both the 2022 share split and the 2023 share split.

4) Weighted average number of shares outstanding.

1) For definitions, see section "Financial definitions" below.

## Reconciliation of alternative performance measures

### Adj. EBITA compared with financial statements in accordance with IFRS

<i>Amounts in MSEK (unless otherwise stated)</i>	1 Jan – 31 Dec		
	2024	2023	2022
<b>Operating profit</b>	<b>969</b>	<b>821</b>	<b>612</b>
Amortization of intangible assets related to acquisitions	245	219	148
Acquisition related costs	14	7	27
<b>Adj. EBITA</b>	<b>1,227</b>	<b>1,047</b>	<b>787</b>

### Calculation of Adj. EBITA margin

<i>Amounts in MSEK (unless otherwise stated)</i>	1 Jan – 31 Dec		
	2024	2023	2022
<b>Adj. EBITA as above (X)</b>	<b>1,227</b>	<b>1,047</b>	<b>787</b>
Net sales according to the consolidated income statement (Y)	6,182	5,614	4,316
<b>Adj. EBITA margin (X/Y)</b>	<b>20%</b>	<b>19%</b>	<b>18%</b>

### Adj. EBITDA compared with financial statements in accordance with IFRS

<i>Amounts in MSEK (unless otherwise stated)</i>	1 Jan – 31 Dec		
	2024	2023	2022
<b>Operating profit</b>	<b>969</b>	<b>821</b>	<b>612</b>
Depreciation of tangible assets	155	138	115
<i>of which Depreciation of right-of-use assets</i>	91	77	61
Amortization of intangible assets	248	221	148
<i>of which Amortization of intangible assets related to acquisitions</i>	245	219	147
Acquisition costs	14	7	27
<b>Adj. EBITDA</b>	<b>1,385</b>	<b>1,186</b>	<b>902</b>

### Adj. EBITDA margin compared with financial statements in accordance with IFRS

<i>Amounts in MSEK (unless otherwise stated)</i>	1 Jan – 31 Dec		
	2024	2023	2022
<b>Adj. EBITDA as above (Z)</b>	<b>1,385</b>	<b>1,186</b>	<b>902</b>
Net sales according to the consolidated income statement (Y)	6,182	5,614	4,316
<b>Adj. EBITDA margin (Z/Y)</b>	<b>22%</b>	<b>21%</b>	<b>21%</b>

### Net debt compared with financial statements in accordance with IFRS

<i>Amounts in MSEK (unless otherwise stated)</i>	1 Jan – 31 Dec		
	2024	2023	2022
Non-current interest-bearing liabilities including pension provisions	12	14	13
Current interest-bearing liabilities	618	896	2,132
Cash and cash equivalents	-421	-744	-558
<b>Interest-bearing net debt</b>	<b>208</b>	<b>167</b>	<b>1,587</b>
Put/call options, deferred considerations	2,735	2,440	2,186
<b>Total financial net debt (consists of interest-bearing and non-interest-bearing liabilities)</b>	<b>2,944</b>	<b>2,607</b>	<b>3,773</b>

**Capital employed**

<i>Amounts in MSEK (unless otherwise stated)</i>	<b>1 Jan – 31 Dec</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
Equity	5,501	4,942	3,653
Interest-bearing borrowings	629	910	2,145
Leasing liability	524	483	518
Put/call debt for non-controlling shares and earn-out debt	2,735	2,440	2,186
Less cash and cash equivalents	-421	-744	-558
<b>Capital employed</b>	<b>8,969</b>	<b>8,032</b>	<b>7,944</b>
Average capital employed	8,500	7,988	6,197
Less goodwill, customer relationships, trademarks	8,323	-7,476	-7,333
<b>Capital employed excluding acquisition-related intangible assets</b>	<b>646</b>	<b>556</b>	<b>611</b>
Average capital employed excluding acquisition-related intangible assets	601	584	540

**Return on capital employed**

<i>Amounts in MSEK (unless otherwise stated)</i>	<b>1 Jan – 31 Dec</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
Constituents of return on capital employed (ROCE)			
Adj. EBITA	1,227	1,047	787
<b>Average capital employed</b>	<b>8,500</b>	<b>7,988</b>	<b>6,197</b>
Return on capital employed in %	14.4%	13.1%	12.9%
<b>Average capital employed excluding acquisition-related intangible assets</b>	<b>601</b>	<b>584</b>	<b>611</b>
Return on capital employed excluding acquisition-related intangible assets in %	204%	179%	179%

**Return on equity**

<i>Amounts in MSEK (unless otherwise stated)</i>	<b>1 Jan – 31 Dec</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Net profit for the year (A)</b>	<b>702</b>	<b>541</b>	<b>386</b>
Opening equity	4,942	3,653	1,991
Closing equity	5,501	4,942	3,653
Average equity (B)	5,222	4,298	2,822
<b>Return on equity (A/B)</b>	<b>13%</b>	<b>13%</b>	<b>14%</b>

**Financial Net Debt/Adj. EBITDA, times**

<i>Amounts in MSEK (unless otherwise stated)</i>	<b>1 Jan – 31 Dec</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Adj. EBITDA as above</b>	<b>1,385</b>	<b>1,186</b>	<b>902</b>
Financial net debt (consists of interest-bearing and non-interest-bearing liabilities)	2,944	2,607	3,773
<b>Financial Net Debt/Adj. EBITDA, times</b>	<b>2.1x</b>	<b>2.2x</b>	<b>4.2x</b>

**Interest-bearing net debt/Adj. EBITDA, times**

<i>Amounts in MSEK (unless otherwise stated)</i>	<b>1 Jan – 31 Dec</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Adj. EBITDA as above</b>	<b>1,385</b>	<b>1,186</b>	<b>902</b>
Interest-bearing net debt	208	167	1,587
<b>Interest-bearing net debt/Adj. EBITDA, times</b>	<b>0.2x</b>	<b>0.1x</b>	<b>1.8x</b>

### Organic growth

Amounts in MSEK (unless otherwise stated)	1 Jan – 31 Dec			
	2024	2023 (comparison)	2023	2022 (comparison)
Net sales according to the consolidated income statement	6,182	5,614	5,614	4,316
Net sales of companies not acquired at the beginning of the comparison period <sup>1)</sup>	-678	-245	-1,963	-741
Net sales comparable companies in SEK <sup>2)</sup>	5,504	5,369	3,651	3,575
Currency effect	-17		-154	
<b>Total comparable net sales (constant currency)</b>	<b>5,487</b>	<b>5,369</b>	<b>3,497</b>	<b>3,575</b>
Growth in comparable units in SEK	3%		2%	
Organic growth in local currency	2%		-2%	

- 1) Net sales according to the consolidated income statement of the companies acquired after the beginning of the comparison period.  
2) Includes only the companies that were owned throughout the comparable period. Used to calculate growth in comparable units in SEK.

### Organic Adj. EBITA growth<sup>1)</sup>

Amounts in MSEK (unless otherwise stated)	1 Jan – 31 Dec		
	2024	2023	2022 <sup>2)</sup>
<b>Adj. EBITA as above</b>	<b>1,227</b>	<b>1,047</b>	<b>-</b>
Adj. EBITA non-comparable companies <sup>1)</sup>	-141	-49	-
Adj. EBITA comparable companies <sup>1)</sup>	1,087	998	-
Currency effect	0	-	-
<b>Adj. EBITA in comparable companies in constant currency</b>	<b>1,087</b>	<b>998</b>	<b>-</b>
Organic Adj. EBITA growth	9%	-	-

- 1) Non-comparable companies include companies not owned by Röko for the entire current period as well as for the entire comparison period and comparable companies consist of the remaining companies, i.e. where reported net sales can be compared between the periods.  
2) Organic Adj. EBITA growth for the years before 2024 cannot be disclosed as the share of the companies that can be included does not constitute a sufficiently large part of the Group as of the date of the Prospectus to be relevant.

### Adj. EBITA growth<sup>2)</sup>

Amounts in MSEK (unless otherwise stated)	1 Jan – 31 Dec		
	2024	2023	2022
<b>Adj. EBITA as above</b>	<b>1,227</b>	<b>1,047</b>	<b>787</b>
Adj. EBITA growth (2024 / 2023 and 2023 / 2022)	17%	33%	-

### Acquired net sales

Amounts in MSEK (unless otherwise stated)	1 Jan – 31 Dec		
	2024	2023	2022
<b>Net sales according to the consolidated income statement attributable to acquisitions consolidated during the year</b>	<b>212</b>	<b>245</b>	<b>741</b>
Net sales if the acquisition had been consolidated on 1 January of the same year	225	228	943
<b>Acquired net sales</b>	<b>437</b>	<b>473</b>	<b>1,684</b>

- 1) Adj. EBITA for all subsidiaries, including the Group's total central costs, included in the Group throughout the period and throughout the comparable period. The previous year's exchange rate has been used for both periods to calculate the organic growth without currency effects and the organic growth is calculated as an arithmetic mean.  
2) Adj. EBITA for the Group in reported currency (SEK), see reconciliation to IFRS reports above.

## Financial definitions

The Company applies the European Securities and Markets Authority's (ESMA) guidelines on alternative performance measures in this Offering Circular. The guidelines aim to make alternative performance measures in financial statements more comprehensible, reliable and comparable, and thereby increase their usability. Under these guidelines, an alternative performance measure is a financial measure of historic or forecast earnings performance, financial position or cash flow that is neither defined nor specified in applicable rules on financial reporting: IFRS or the Swedish Annual Accounts Act. These guidelines are mandatory for financial statements published after 3 July 2016.

The Company believes that the alternative performance measures presented below, together with the measures defined under IFRS, provide better understanding of the Group's financial trends. However, the alternative performance measures as defined by the Company should not be compared with other similarly named measures used by other companies. The reason for this is that the aforementioned performance measures are not always defined in the same way and other companies may not calculate them in the same way as the Company. See below for the definitions and the motivations for using these alternative performance measures.

<b>Alternative performance measure</b>	<b>Definition and background to the use of the alternative performance measure</b>
<b>Adj. EBITA</b>	Adj. EBITA is a measure that Röko considers relevant for investors to understand the profit generation of Röko's acquired business units and is the measure used for the internal evaluation of Röko's business areas. Operating profit before depreciation and amortization of intangible assets attributable to business acquisitions and acquisition costs. Adj. EBITA serves as a proxy for pre-tax cash flow, assuming that investments reflect depreciations, which is normally the case, as Röko invests in asset-light businesses.
<b>Adj. EBITA margin</b>	Adj. EBITA divided by net sales. The measure is used to assess the efficiency and the value creation net of the effect of depreciation and amortization of intangible assets arising from acquisitions.
<b>Adj. EBITA growth</b>	The increase in Adj. EBITA between two periods expressed as a percentage. Used to assess the Group's ability to grow in relation to competitors and the market as a whole.
<b>Adj. EBITDA</b>	Adj. EBITDA is a measure that Röko considers relevant for investors to understand the profit generation of Röko's acquired business units. Operating profit before depreciation and amortization of tangible assets, intangible assets and acquisition costs. Adj. EBITDA serves as a proxy for cash flow before investments and taxes.
<b>Adj. EBITDA margin</b>	Adj. EBITDA divided by net sales. The measure is used to assess the efficiency and value creation net of the effect of amortization and impairment of intangible assets arising from acquisitions.
<b>Financial net debt</b>	Röko uses the alternative performance measure financial net debt. The measure enables the users of the financial statements as a complement to assess the possibility of dividends, to implement strategic investments and to assess the Group's ability to meet financial obligations. Röko defines the alternative performance measure as follows: current and non-current liabilities to credit institutions, bond loans, interest-bearing provisions for pensions, put/call debt for non-controlling shares and earn-out debt less cash and cash equivalents. The debt includes both interest-bearing and non-interest-bearing liabilities.
<b>Financial net Debt/ Adj. EBITDA, times</b>	Röko uses the alternative performance measure Financial Net Debt / Adj. EBITDA to give external observers an idea of the Group's indebtedness relative to a cash flow-related performance measure. The ratio is relevant as it is one of the ratios used for the Group in its agreements with lenders and as it demonstrated the Company's ability to make strategic investments and to meet its financial commitments and gives an idea of the Company's debt-equity ratio.
<b>Net sales</b>	Net sales refer to the Group's revenue less returns, discounts and direct taxes.
<b>Acquired net sales</b>	Total net sales for the Group's acquisitions completed during a period for the most recent twelve-month period up to the balance sheet date. The measure is based on the Group's net sales and acquired companies' reporting for the period from the beginning of the period until the acquisition date. The alternative performance measure is relevant for assessing the Group's acquisition intensity and how the Group grows through acquisitions.
<b>Earnings per share</b>	Profit after tax attributable to equity holders of the parent divided by the average number of shares outstanding. The measure is used to allocate the Group's earnings per share.
<b>Interest-bearing net debt</b>	Röko uses the alternative performance measure interest-bearing net debt. Röko considers the ratio to be useful to users of the financial statements as a complementary measure to assess the ability to pay dividends, to make strategic investments and to assess the Group's ability to meet its financial commitments. Röko defines the ratio as follows: current and non-current liabilities to credit institutions, bond loans and interest-bearing provisions for pensions less cash and cash equivalents.
<b>Interest-bearing net debt/ Adj. EBITDA, times</b>	Röko presents interest-bearing net debt in relation to Adj. EBITA to relate the debt to the Group's profit generation before depreciation, amortization, interest expense and tax. The measure gives readers an idea of the Company's ability to meet its financial obligations and gives an idea of the Company's interest-bearing debt ratio.



<b>Alternative performance measure</b>	<b>Definition and background to the use of the alternative performance measure</b>
<b>Capital employed</b>	Capital employed is the Company's net assets that are intended to generate profits, and a measure used to calculate returns and to measure the Group's efficiency. Capital employed is useful for users of the financial statements to understand how the Group finances itself. Röko defines capital employed as total assets less cash and cash equivalents, interest-bearing pension provisions and non-interest-bearing liabilities other than liabilities for call and put options and contingent considerations relating to acquisitions. The measure is essential to enable calculations and assessment of how efficient the Group is.
<b>Capital employed excluding acquisition-related intangible assets</b>	Capital employed excluding acquisition-related intangible assets is a measure used by Röko to calculate the return on capital employed and to measure the efficiency of the Group. Röko considers that capital employed excluding acquisition-related intangible assets is useful for users of the financial statements to understand the impact of goodwill and other intangible assets on the capital requiring return and to facilitate comparison between Röko and other comparable companies that have been operating longer. Röko defines capital employed excluding acquisition-related intangible assets as total assets less cash and cash equivalents, interest-bearing pension provisions, non-interest-bearing liabilities other than liabilities related to put and call options relating to acquisitions, goodwill and other intangible assets arising from acquisitions. The measure is essential to enable calculations and assessment of how efficient the Group is.
<b>Return on equity</b>	Profit for the year after tax divided by average equity for the period. Return on equity is a measure to assess how efficiently the company uses the owners' capital to generate profits in the company.
<b>Return on capital employed</b>	Adj. EBITA for the period adjusted for non-recurring items, restated to full year if the period is less than 12 months, divided by average capital employed for the period, calculated as the average between the opening and closing balances for the period. The measure is an indication of the Group's efficiency in resource utilization of capital. Röko is a relatively young group with rapid growth, mainly driven by acquisitions, whereby the measure can be misleading between years and compared with other similar companies.
<b>Return on capital employed excluding acquisition-related intangible assets</b>	Adj. EBITA before acquisition costs divided by average capital employed excluding acquisition-related intangible assets, calculated as the average between the opening and closing balances for the period. The measure is an indication of the Group's efficiency in resource utilization of capital, and the measure gives external analysts a good insight into the subsidiaries' return profile.
<b>Organic growth</b>	Röko presents the alternative performance measure Organic growth, which is considered relevant for external stakeholders to assess whether Röko as a Group achieves growth adjusted for acquisitions. The measure is used to analyze underlying growth in net sales and is based on net sales per company included in the Group for the entire period and for the entire comparable period. The previous year's exchange rate has been used for both periods and the organic growth is calculated as a geometric mean.
<b>Organic Adj. EBITA growth</b>	Röko presents the alternative performance measure Organic Adj. EBITA growth, which is considered relevant for external stakeholders to assess whether Röko as a Group achieves growth in Adj. EBITA less acquisitions. Adj. EBITA for all subsidiaries, including the Group's total central costs, included in the Group throughout the period and throughout the comparable period. The previous year's exchange rate has been used for both periods to calculate the organic growth without currency effects and the organic growth is calculated as an arithmetic mean.
<b>Put/call option debt for non-controlling interests</b>	Röko presents an alternative financial liability in debt related to mandatory call and put options on non-controlling interests. It refers to the sum of the value of the liability to settle the options that the parent company has entered into with non-controlling interests in each subsidiary, based on the Company's assessment of the likely cash outflow to settle the liability and acquire the shares not owned by the Parent Company. Dividends declared to non-controlling interests are included in the liability and are included in the consolidated cash flow from financing activities. Used to assess the development of debt and to assess the Group's ability to repay the debt within the contractual periods.

# Operating and financial review

*The information and discussion presented below should be read in conjunction with section "Consolidated financial information", the Company's audited consolidated financial statements for the financial years ended 31 December 2024, 2023 and 2022, as well as the related notes included in section "Historical financial information". The Company's audited financial statements have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554), RFR 1 – Supplementary Reporting Rules for Groups, IFRS and interpretations issued by the IFRS Interpretations Committee (IFRS IC), as adopted by the EU, and have been audited by the Company's auditor, Öhrlings PricewaterhouseCoopers AB, and are included in section "Historical financial information". Unless expressly stated, no financial information in the Offering Circular has been audited or reviewed by the Company's auditor. The consolidated financial statements referred to above are included in section "Historical Financial Information", including "Independent Auditor's Report" on page F-38–39.*

*Certain of the information included below or set forth elsewhere in this Offering Circular, including statements of the Group's plans, objectives, expectations and intentions, contains forward-looking statements that are subject to various risks and uncertainties. The Group's future results of operations, financial position or cash flows may differ materially from those anticipated in these forward-looking statements as a result of many different factors, including, but not limited to, those described in this Offering Circular, including those in section "Risk factors" and elsewhere in this Offering Circular.*

## **Factors affecting Röko's operating profit**

Röko believes that it is the following factors that primarily affect the Group's operating profit:

- Development of the acquired businesses of Röko
- Implementation of acquisition and expansion strategy
- Currency effects
- Macroeconomic trends

Prospective investors should also refer to sections "Risk Factors", "Market Overview" and "Business Overview" for further information relating to factors that may materially affect, directly or indirectly, the Group's business, financial condition and operating profit in the future.

## **Development of the acquired businesses of Röko**

Röko's strategy is to invest in stable and profitable companies with strong market positions in their respective niche markets. Thus, at an overall level, Röko's net sales are affected by increased consumption and demand for its subsidiaries' services and products, as well as the ability to provide competitive customer offerings in terms of price and quality. These include software, hardware development and repair, furniture design, golf equipment, products for the construction industry, design and production of medical disposables, inserts and components for industrial production and clothing.

Credit risk exposure to customers is assessed on an ongoing basis within the Group. The Group's exposure to individual customers is small and risk diversification is considered to be good.

Since Röko's offering includes a variety of products and services in different parts of a product life cycle (product sales, new installation, service, renovation and maintenance), net sales are less affected by the economic cycle than would have been the case without this diversification.

The Group consists of asset-light businesses with a relatively high operating margin, which allows flexibility in response to changes in demand. Costs of goods sold, consisting of material costs and merchandise, constitute a significant proportion of the Company's cost base, corresponding to 58 percent (61 percent, 62 percent) of the Group's costs in the financial year 2024. As Röko operates in several niches, the Group has a broad supplier base and is not dependent on any single supplier. Röko's profitability is also not dependent on any single input product or raw material. Furthermore, the fact that Röko has a portfolio of 28 operating subsidiaries active in different countries and niches diversifies its risk exposure.

The decentralized governance model that Röko uses means that daily decisions are made in the relevant business, which Röko believes provides stability and customer focus in each business. This governance model also helps to reduce Röko's requirement for central resources.

Röko works continuously to improve its internal efficiency in order to enhance or maintain profitability in each business. This so-called operational efficiency affects the Company's gross margin and its earnings.

### Implementation of acquisition and expansion strategy

An important part of Röko's growth strategy is to carry out acquisitions, which is why the ability to generate acquisition targets has had and will continue to have a decisive importance for the development of the Group's earnings and growth.

From 2019 until the end of 2024, Röko has acquired companies for an amount corresponding to SEK 8,252 million, including estimated earn-outs, of which six platform acquisitions and two add-on acquisitions were carried out in 2024 and 2023. Total cash flow for acquisition of subsidiaries amounted to SEK 1,126 million during these years. The Group will continue to make acquisitions on an ongoing basis and may also consider expanding its current investment criteria for suitable acquisition targets and geographies in which the Group charts potential acquisition targets. The Group makes add-on acquisitions to existing business units and acquires subsidiaries that include several legal entities and businesses, which after the completion of the acquisition form new business units in the Group. The Group has a clear growth strategy. The purpose of the Group's investment criteria and preferred transaction structure is to enable the Group to acquire more and better companies. For further details on the Group's acquisition strategy, see section "*Business Overview – Business model*". For further details on the risks associated with the Group's acquisition strategy, see section "*Risk factors – Risks relating to the Group's business, industry and markets – Röko may face difficulties in successfully pursuing its acquisition and expansion strategy and thus fail to reach its growth targets*".

Röko follows a structured process and has a dedicated internal acquisition organization to best create conditions for new acquisitions with a focus on the European market. Röko has a proprietary sourcing and screening process that constitutes an important part of the work of identifying and assessing acquisition targets. The Company's investment philosophy is to invest with a perpetual ownership horizon in companies with proven profitability. Röko believes that the availability of operating companies that meet the Group's investment criteria for, *inter alia*, historical profitability and business focus is sufficient to comply with the Group's acquisition strategy.

Through its strategy, which is based on a perpetual ownership horizon, and through its decentralized governance model, Röko considers itself an attractive alternative for sellers. Röko intends to invest in niche companies that meet Röko's investment criteria with continuous profit growth, EBITA margin above ten percent and with an executive management team that remains after the acquisition. Röko's assessment is also based on the companies' return on capital and earnings sustainability.

Overall, acquisitions are expected to remain an important part of Röko's future growth and are likely to contribute to the majority of the Group's growth over an economic cycle. Röko constantly evaluates a large number of acquisition targets and often has several ongoing dialogues at the same time.

The rapid increase in the number of business units in the Group over a relatively short time has significantly altered the profile of the Group a number of times. When business units and legal entities are added to the Group, the Group's financial metrics expands, which in part makes assessments of the Group's underlying business performance less relevant. Reported figures prior to 2023 are based on a relatively small proportion of the current Group and comparisons with this period should be treated with caution. Due to the large number of acquisitions that the Group completes each year and carries out on an ongoing basis, the Group's historical financial information is not fully comparable from one year to the next.

As Röko's ability to pursue acquisitions is partially premised on the Group's ability to finance these transactions, access to acquisition financing at terms favourable to the Group is a key component for the successful pursuit of the Group's acquisition strategy. Increases in interest rates would affect the Group's cost of debt financing and Return on Equity<sup>1)</sup>. The Company has historically noted that it is less sensitive to increases in interest costs compared to competing acquisition models, particularly private equity. For reconciliations of non-IFRS measures, such as Return on Equity, see section "*Consolidated financial information – Financial definitions*". For more information on the Group's sensitivity to interest rate changes with respect to its existing debt, see section "*Financial risk management – Market risk – Interest rate risks*" below. The Group's ability to raise equity may also be affected by volatile market conditions, which may result in higher costs of equity financing and decrease the Group's return on equity.

As of the date of this Offering Circular, Röko is reviewing opportunities to acquire several companies in line with its investment criteria. As of the date of this Offering Circular, there is no signed non-binding LOI.

### Currency effects

Changes in exchange rates have had an impact on Röko's earnings and financial position. The exposure to changes in exchange rates consists of translation exposure and transaction exposure. Translation exposure is a result of the conversion required for the income statement and balance sheet from businesses' operating currency to the Group's reporting currency, i.e. Swedish kronor. Transaction exposure is a result of businesses' income and expenses in foreign currency. Röko's exposure to both conversion and transaction exposure is mainly related to the British Pound (GBP), Norwegian Krone (NOK), Danish Krone (DKK), Euro (EUR) and U.S. Dollar (USD). By balancing its foreign currency assets against liabilities denominated in the corresponding currencies, Röko can reduce the effects of exchange rate fluctuations. However, the Group has net assets denominated in all currencies, which means that it is not possible to avoid the impact of exchange

1) For further discussion on Return on Equity, see section "*– Consolidated financial information – Financial definitions*".

rate fluctuations entirely. Due to its short-term financing, Röko is able to rebalance its liabilities in line with the Group's earnings, and always ensures that debt used to finance a transaction is raised in the same currency as the acquired company. The Group's liabilities for call and put options are in all cases linked to the reporting currency of each subsidiary.

### Macroeconomic trends

As a consequence of the Group's strategy to acquire companies in a wide range of industries and geographies, the Group has a well-diversified business with companies in a number of sectors and with a wide geographical spread. As such the performance of the Group generally tracks the conditions and developments in the wider economy.

Economic cycles and macroeconomic factors, such as economic growth rates, interest rates, unemployment, international trade, inflation and currency fluctuations affect the Group Companies to varying degrees. For example, a strong domestic currency may have a positive effect on imports into the currency area of the relevant Group Company. Conversely, other companies may instead benefit from a weaker domestic currency, resulting in increased exports. As the ongoing geographical expansion and diversification of the Group progresses, the effect of currency fluctuations on the Group's operating profit may decrease.

### Sweden

After the economy recovered relatively well from the pandemic, rising energy prices and disruptions to global supply chains meant that the Swedish economy faced new challenges. Growth has slowed, with a decline in private consumption and residential investment. Furthermore, high energy prices have resulted in increased inflation and rising interest rates. To combat the rise in inflation, the Swedish Riksbank raised the policy rate gradually to four percent in September 2023, before lowering it to 3.5 percent in August 2024 and 2.75 percent in November 2024 as inflation slowed.<sup>1)</sup> There are signs that the economy is expected to improve in 2025, although it is expected to remain weak<sup>2)</sup>, with GDP growth of 2.4 percent expected for 2025.<sup>3)</sup>

### Other Nordic countries

According to the OECD, real GDP for mainland Norway is projected to increase by 1.8 percent in 2025. High inflation and interest rates have resulted in a decline in private consumption. Employment remains high and unemployment is low. Inflation is coming down but remains above the two percent target.<sup>4)</sup>

According to the OECD, GDP in Denmark is expected to grow by 1.5 percent in 2025. The rapid recovery in the private economy that took place when the economy reopened in March 2021 has stalled due to higher energy prices and costs

of living. Inflation peaked in October 2022 and has since declined significantly but remains above desirable levels. The labor market in Denmark has been strong, with a high employment rate and low unemployment. Employment has continued to increase, although at a slower pace.<sup>5)</sup>

According to the OECD, GDP in Finland is expected to grow by 1.4 percent in 2025. Inflation is expected to reach 2.1 percent in 2025. Employment growth is expected to recover in 2025 in line with the acceleration in economic activity.<sup>6)</sup>

### United Kingdom

According to the OECD, GDP in the UK is expected to grow by 1.2 percent in 2025. Private consumption has been a key driver of growth, supported by strong real wage growth. Unemployment is expected to rise to 4.5 percent in 2025 as the labor market cools. The Bank of England has pursued a restrictive monetary policy to curb inflation, which has been driven up by high energy and food prices and wage increases. The policy rate was cut to five percent in August 2024, after being held at 5.25 percent since August 2023. As a result of falling energy and food prices, inflation is expected to slow, but persistent price pressures on services are expected to keep inflation at an elevated level of 2.8 percent in 2025.<sup>7)</sup>

### France

According to the OECD, GDP in France is expected to grow by 1.3 percent in 2025. During the pandemic, France provided support to both businesses and households and also took measures to limit price increases. The government's emergency measures during the pandemic were essential to protect businesses, jobs and purchasing power, but at a high fiscal cost. Thus, to reduce government debt, efforts to reduce public spending are likely to be important. Inflation was high in 2022 and 2023, but lower than in the euro area as a whole, and household purchasing power was preserved in both years. The unemployment rate is expected to rise by 0.1 percentage points in 2025 to 7.7 percent but remain below the OECD average.<sup>8)</sup>

### Belgium

According to the OECD, GDP in Belgium is expected to grow by 1.4 percent for 2025. Economic growth is expected to remain resilient, but the debt ratio is high and rising. Private consumption was sustained by the automatic indexation of wages to inflation that Belgium has, which prevented the erosion of household purchasing power. Employment has continued to rise and the unemployment rate has stabilized at around 5.5 percent, which is below the average pre-pandemic level. In 2023, inflation fell as a result of falling energy prices, but inflationary pressures have persisted. In 2025, inflation is expected to fall further to two percent.<sup>9)</sup>

1) Source: OECD (2023), OECD Economic Surveys: Sweden 2023; Riksbank (2025), Styrränta, in- och utlåningsränta.

2) Source: Riksbank (2025), Penningpolitisk rapport – januari 2025.

3) Source: International Monetary Fund (2025), Real GDP growth, Annual percent change.

4) Source: OECD (2024), OECD Economic Surveys: Norway 2024.

5) Source: OECD (2024), OECD Economic Surveys: Denmark 2024.

6) Source: European Commission (2024), European Economic Forecast – Spring 2024.

7) Source: OECD (2024), OECD Economic Surveys: United Kingdom 2024.

8) Source: OECD (2024), OECD Economic Surveys: France 2024.

9) Source: OECD (2024), OECD Economic Surveys: Belgium 2024.

### **Germany**

According to the OECD, GDP in Germany is expected to grow by 0.7 percent for 2025. Rising nominal wages, low inflation and falling interest rates will support real incomes and a recovery in private consumption. Private investment is expected to gradually pick up, supported by high corporate savings and slowly declining interest rates, but policy uncertainty is expected to continue to weigh on investor confidence. Although labor markets are showing some signs of cooling, they remain robust with stable unemployment and high vacancy rates relative to historical norms, still signaling labor shortages.<sup>1)</sup>

### **Energy and commodity prices**

Volatility in the prices of energy, as well as raw materials such as steel and wood, may have a significant impact on the operating profits of a number of Group companies, which in turn will affect the consolidated income of Röko. Increased international raw material prices together with transportation costs have resulted in a significant increase in operating costs for a number of Group companies. However, input price increases have so far been largely offset by price increases. The Group expects price increases for energy and raw materials to continue at least in the short to medium term, but that this will continue to be offset by its own price increases and economies of scale given the high demand for many of the Group's products. Given the Group's diversification, no single raw material or component is critical at Group level.

### **Impact of digitalization, sustainability and automation, as well as population and wealth growth**

The Group's business is affected by global trends such as digitalization, sustainability and automation, as well as population and wealth growth. Several of these trends were accentuated by the COVID-19 pandemic in 2020 and 2021. In an increasingly fast-changing world, the Group's ability to respond to the challenges and opportunities arising from these changes is increasingly required. For more information, see section "Market Overview".

## **Description of main income statement items**

### **Net sales**

Net sales for the Group consists of revenues attributable to the Company's main business. Revenues that cannot be regarded as constituting the main business are reported separately under Other operating income (see also note on Other operating income). Net sales comprise the revenue from goods and services sold and provided by the Group's subsidiaries. Revenue is recognized when the Group satisfies a performance obligation, which occurs when a good or service is transferred to the customer and the customer assumes control and risk of the good or service. Revenue is measured at the amount specified in the contract with the customer, provided that it is probable that the future economic benefit will accrue to the Group and the revenue can be measured reliably.

For cost-plus contracts, revenue for performed but not yet invoiced work is recognized as net sales in the period the work is performed. In accordance with the principle of the percentage-of-completion method, revenue from and expenses that

are attributable to ongoing fixed price contracts are recognized as revenue or expenses in proportion to the project's stage of completion on the balance sheet date. An assignment's stage of completion is determined by dividing the expenditure on the balance sheet date with the estimated total contract costs. When the outcome of a contract cannot be estimated reliably, revenue is recognized only to the extent that it corresponds to the resulting project costs that are likely to be recoverable from the customer. Any anticipated losses on contracts are recognized immediately as an expense.

Several of the Group's subsidiaries signed maintenance contracts with customers, where the companies perform ongoing services such as preventive controls and some ongoing maintenance. Revenues from these contracts are recognized on a linear basis over the contract period, in accordance with the principle that revenue reflects the pattern of service delivery to the customer.

### **Cost of goods sold**

Cost of goods sold comprises the cost of materials and other production costs associated with the performance of a service or production of a good. Cost of goods sold includes the cost of subcontractors and the cost of own personnel directly attributable to the performance of a service or production of a good.

### **Selling expenses**

Selling expenses consist mainly of costs attributable to the sale of the Group's products and services and costs related to the marketing of the same.

### **Administrative expenses**

Administrative expenses consist mainly of product development and administration costs (both own personnel and external services).

### **Other operating income and expenses**

Other operating income and expenses consist of those items of income and expenses that cannot be considered to occur as part of each company's main business. These other operating income and expenses include, for example, items such as (i) gains and losses from divestment of tangible assets, (ii) foreign exchange differences on operating receivables and payables and (iii) lease expenses for assets held under operating leases. Röko has recognized the Group's only revaluation of earn-outs as financial income to facilitate comparability between periods for external assessors. The revaluation was made in the third quarter of 2024.

### **Operating profit (EBIT)**

Operating profit consists of the Group's total revenue after deduction of direct costs, other external costs, personnel costs, and depreciation and amortization of tangible and intangible non-current assets.

### **Profit for the year**

Profit for the year consists of profit after financial items and income taxes.

1) Source: OECD (2024), OECD Economic Outlook, Volume 2024 Issue 2: Germany.



## Comparison between financial years 2024 and 2023

### Income statement

#### Revenue

##### Net sales

Net sales for the business during the financial year amounted to SEK 6,182 million (SEK 5,614 million), an increase of SEK 568 million. Of this, acquired companies in 2024 accounted for SEK 212 million, and acquisitions made in 2023, but not included for the whole of that year, with an additional SEK 106 million in growth. In total, net sales increased by ten percent compared to the full year 2023. Organic growth for all units included in the Group during the entire comparison period was two percent for the period, excluding currency effects which had a positive contribution. Twelve of the Group's subsidiaries experienced a decrease in net sales during the year, reflecting a relatively challenging economic environment in many sectors, particularly in the construction industry. All of the Group's subsidiaries with exposure to the construction industry decreased in net sales during the year.

##### Other operating income

Other operating income amounted to SEK 12 million (SEK 2 million).

#### Costs

##### Cost of goods sold

Cost of goods sold increased by SEK 200 million and amounted to SEK 3,543 million (SEK 3,343 million). The increase is a result of the Group's growth through acquisitions as well as organic growth. The increase in comparable units was mainly an effect of increased sales, but costs increased less than net sales as a result of an increase in gross margin mainly driven by increases in subsidiaries owned at the beginning of the year. The Company has been working on price increase initiatives for all subsidiaries, which has contributed positively to the gross margin for the Group during the year. Mix effect between subsidiaries has not had a significant impact on gross margin during the year.

##### Selling expenses

Selling expenses increased by SEK 97 million and amounted to SEK -940 million (SEK -843 million). Costs are increasing at a faster rate than net sales, which is mainly explained by increased sales efforts, which can support higher margin sales of products and services. The Group's initiatives to strengthen sales organizations in existing companies have been the main driver of the increase in selling expenses as a percentage of net sales.

##### Administrative expenses

Administrative expenses increased by SEK 98 million and amounted to SEK -681 million (SEK -583 million). The increase is due to acquired businesses and increased sales among comparable entities. The Group's costs have increased, partly driven by a general bureaucratization that burdens the subsidiaries and the headquarter with cost- and resource-intensive activities.

##### Other operating expenses

Other operating expenses increased by SEK 34 million and amounted to SEK -61 million (SEK -27 million).

#### Operating profit

Consolidated operating profit (EBIT) for the full year amounted to SEK 969 million (SEK 821 million). The increase is mainly due to organic profit growth in the Group's subsidiaries included for the full period and the full comparative period. Subsidiaries acquired during the year contributed SEK 48 million and the full year effect of subsidiaries acquired in 2023 was also positive. The organic increase in operating profit was mainly driven by organic growth together with improved gross margin. Mix effect between subsidiaries has not had a significant impact on gross margin during the year.

Adj. EBITA amounted to SEK 1,227 million (SEK 1,047 million), where the increase is a result of acquired businesses, sales growth among comparable entities and stronger margins.

#### Net profit for the year

Net profit for the year increased by SEK 161 million and amounted to SEK 702 million (SEK 541 million). The increase is mainly due to acquired businesses, sales growth among comparable entities and stronger margins.

The Group's negative net financial income decreased by SEK 58 million and amounted to SEK -46 million (SEK -104 million), of which SEK 19 million (SEK 21 million) was attributable to interest expenses related to leasing. The decrease is mainly due to lower interest rates, lower financial net debt and a revaluation of a contingent consideration.

#### Balance sheet

##### Assets

The Group's total assets as of 31 December 2024 amounted to SEK 11,475 million (SEK 10,619 million). The main reason for the increase is the acquisitions made in 2024 which increased the Company's total assets.

##### Non-current assets

Intangible assets increased by SEK 856 million and amounted to SEK 8,337 million (SEK 7,481 million) as of 31 December 2024. The increase is exclusively attributable to goodwill and intangible assets related to the acquisitions in 2024. When preparing acquisition analyses, the existence of any differences between the fair value of the assets acquired and liabilities assumed, and the values recognized in the acquired company's financial statements is examined:

- technology-related assets
- patents, license rights and trademarks
- contingent liabilities
- customer relations
- tax loss carryforwards

In this year's acquired companies, assets that meet the requirements of separability and measurability have been identified, and the remaining part of the difference between the consideration paid and the net assets acquired has been recognized as goodwill. Goodwill arises from the acquired entity's expected contribution to complementing and broadening the Group's offerings, sales channels, synergies and contribution to the Group's continued growth.

Tangible assets increased by SEK 51 million and amounted to SEK 279 million (SEK 228 million) as of 31 December 2024. The main reason for the increase is the acquisitions made during 2024.

Right-of-use assets related to leasing increased by SEK 35 million and amounted to SEK 504 million (SEK 469 million) as of 31 December 2024. The increase was mainly due to acquisitions made during the period.

#### **Current assets**

Inventories increased in 2024 by SEK 149 million and amounted to SEK 1,023 million (SEK 874 million) as of 31 December 2024. The increase is attributable to the companies acquired during the year. Inventories in relation to net sales amounted to 17 percent (16 percent).

Accounts receivable increased by SEK 71 million and amounted to SEK 713 million (SEK 642 million) as of 31 December 2024. The increase is a result of the acquisitions completed in 2024. Accounts receivable in relation to the Group's net sales amounted to 12 percent (11 percent).

Cash and cash equivalents decreased in 2024 by SEK 323 million and amounted to SEK 421 million (SEK 744 million) as of 31 December 2024. The decrease is attributable to the companies acquired during the year. Cash and cash equivalents in relation to net sales amounted to seven percent (13 percent).

#### **Equity**

Equity attributable to the Company's shareholders as of 31 December 2024 amounted to SEK 5,501 million (SEK 4,942 million).

#### **Liabilities**

##### **Non-current liabilities**

Non-current liabilities increased by SEK 368 million and amounted to SEK 3,875 million (SEK 3,507 million) as of 31 December 2024. The increase was mainly attributable to an increase in other long-term financial liabilities in the form of minority liabilities and earn-outs. The largest item within non-current liabilities was other long-term liabilities, including liabilities for call and put options and earn-outs corresponding to SEK 2,632 million.

##### **Current liabilities**

Current liabilities decreased by SEK 71 million and amounted to SEK 2,098 million (SEK 2,169 million) as of 31 December 2024. The decrease was mainly attributable to lower short-term loans. The largest item within current liabilities was interest-bearing current liabilities corresponding to SEK 618 million. Interest-bearing current liabilities relating to leases amounted to SEK 108 million. Acquisitions completed in 2024 added SEK 74 million to the Group's current non-interest-bearing liabilities.

#### **Cash flow statement**

##### **Cash flow from operating activities**

The Group's cash flow from operating activities before changes in working capital amounted to SEK 1,054 million (SEK 848 million).

Cash flow from changes in inventory in 2024 amounted to SEK -47 million (SEK 75 million). Cash flow from changes in operating receivables in 2024 amounted to SEK 32 million (SEK 0 million). Cash flow from changes in operating liabilities amounted to SEK 59 million (SEK 9 million).

Adjusted for changes in working capital, cash flow from operating activities in 2024 amounted to SEK 1,097 million (SEK 932 million).

##### **Cash flow from investing activities**

The Group's cash flow from investment activities in 2024 amounted to SEK -844 million (SEK -416 million). Acquisition of subsidiaries after subtracting cash completed in 2024 resulted in a net cash outflow of SEK -787 million (SEK -339 million).

Investments in tangible assets including the cash flow effect of finance leasing amounted in 2024 to SEK -56 million (SEK -70 million).

##### **Cash flow from financing activities**

Cash flow from financing activities in 2024 amounted to SEK -592 million (SEK -334 million).

Debt issued amounted to SEK 884 million (SEK 1 million).

Debt repayment in 2024 amounted to SEK 1,226 million (SEK 1,267 million).

## **Comparison between financial years 2023 and 2022**

### **Income statement**

#### **Revenues**

##### *Net sales*

Net sales for the business during the financial year amounted to SEK 5,614 million (SEK 4,316 million), an increase of SEK 1,298 million. Of this, companies acquired in 2023 accounted for SEK 245 million and in addition, the 2022 acquisitions contributed SEK 972 million in additional net sales, by contributing throughout the year 2023. In total, net sales increased by 30 percent compared with the full year 2022. Organic growth for all units included in the Group throughout the comparison period was -2 percent for the period, but in SEK, growth for comparable companies was +2 percent during the period, currency effects thus contributed positively during the year. The Group's subsidiaries with exposure to e-commerce, both directly in B2C and B2B companies that supply systems to warehouses and logistics, experienced challenging market conditions during the year.

##### *Other operating income*

Other operating income amounted to SEK 2 million (SEK 18 million), the decrease being mainly due to exchange rate differences.

#### **Costs**

##### *Cost of goods sold*

Cost of goods sold increased by SEK 675 million to SEK 3,343 million (SEK 2,668 million). The increase in costs is due to increased sales. The Group's gross margin increased by two percentage points during the year, which shows that the Group has increasingly delivered products where customers pay for

the value creation that takes place in the companies. The increase in gross margin is driven by companies acquired in 2022, which have full effect in 2023, and which have a higher gross margin than the companies owned at the beginning of 2022. In 2022, the Group experienced difficulties in passing on cost increases to its customers through price increases, which continued in 2023 but without worsening.

#### *Selling expenses*

Selling expenses increased by SEK 230 million to SEK 843 million (SEK 613 million). The increase is due to the Group's growth and the fact that the Group has invested in increased sales and marketing to drive future growth which can be seen in the fact that costs have increased more than net sales.

#### *Administrative expenses*

Administrative expenses increased by SEK 179 million to SEK 583 million (SEK 404 million). The increase is due to growth in the Group as well as increased bureaucratization and external demands on the Group.

#### *Other operating expenses*

Other operating expenses decreased by SEK 10 million and amounted to SEK 27 million (SEK 37 million).

### **Operating profit**

The Group's operating profit (EBIT) for the full year amounted to SEK 821 million (SEK 612 million). The increase was mainly due to contributions from acquisitions completed in 2022, acquisitions in 2023 and a positive contribution from exchange rate differences. The operating margin increased during the year, driven by contributions from acquisitions completed in 2022 that had an effect throughout 2023 and a higher margin in acquisitions completed in 2023.

Adj. EBITA amounted to SEK 1,047 million (SEK 787 million), with the increase due to acquisitions and a positive contribution from exchange rate differences.

### **Net profit for the year**

Net profit for the year increased by SEK 155 million to SEK 541 million (SEK 386 million), mainly due to the Group's growth in operating profit. The relatively faster increase in profit for the year relative to operating profit is attributable to a lower tax rate due to a one-off effect on deferred tax in the UK in 2022.

The Group's negative financial net increased by SEK 46 million to SEK -104 million (SEK -58 million), of which SEK 21 million (SEK 21 million) was attributable to interest expenses for leasing. The increase is mainly due to increased reference rates from Central banks around Europe and was partly offset by Röko's amortization of its interest-bearing debt in 2023.

### **Balance sheet**

#### **Assets**

The Group's total assets as of 31 December 2023 amounted to SEK 10,619 million (SEK 10,180 million). The main reason for the increase is the Group's profit for the year, which has not been distributed to Röko AB (publ)'s shareholders, and the acquisitions made in 2023. This has been partly offset by straight-line amortization of intangible assets attributable to

the Group's acquisitions. During the year, Röko completed a rights issue which raised SEK 708 million in cash. Most of the net proceeds from the issue were used to amortize bank debt.

#### **Non-current assets**

Intangible assets increased by SEK 142 million and amounted to SEK 7,481 million (SEK 7,339 million) as of 31 December 2023. The increase is attributable to goodwill and intangible assets related to the acquisitions in 2023. When preparing acquisition analyses, the existence of any differences between the fair value of the assets acquired and liabilities assumed, and the values recognized in the acquired company's financial statements is examined:

- technology-related assets
- patents, license rights and trademarks
- contingent liabilities
- customer relations
- tax loss carryforwards

In the year's acquired companies, assets that meet the requirements of separability and measurability have been identified, and the remaining part of the difference between the consideration paid and the net assets acquired has been recognized as goodwill. Goodwill relates to the acquired entity's expected contribution to complementing and broadening the Group's offering, sales channels, synergies and contribution to the Group's continued growth.

Tangible assets decreased by SEK 1 million and amounted to SEK 228 million (SEK 229 million) as of 31 December 2023. The main reason for the decrease is depreciation of tangible assets according to plan, which has been slightly higher than the corresponding investments during the year.

Right-of-use assets relating to leasing decreased by SEK 49 million and amounted to SEK 469 million (SEK 518 million) as of 31 December 2023. The decrease was mainly due to depreciation in the leases according to plan.

#### **Current assets**

Inventories increased by SEK 31 million in 2023 and amounted to SEK 874 million (SEK 843 million) as of 31 December 2023. The increase is attributable to the companies acquired during the year. Inventories in relation to net sales amounted to 15.6 percent (19.5 percent) and are explained by an increased focus from Group Companies on cash flow and working capital and a normalization after disruptions in global supply chains in 2022.

Accounts receivable increased by SEK 45 million and amounted to SEK 642 million (SEK 597 million) on 31 December 2023. The increase is a result of the acquisitions made in 2023, which account for SEK 58 million of the Group's trade receivables. Accounts receivable in relation to the Group's net sales amounted to 11.4 percent (13.8 percent).

Cash and cash equivalents increased by SEK 186 million in 2023 and amounted to SEK 744 million (SEK 558 million) as of 31 December 2023. The increase is attributable to the Group's profit for the year and the positive contribution from the new share issue carried out during the year.

## Equity

Equity attributable to the parent company's shareholders amounted to SEK 4,942 million (SEK 3,653 million) as of 31 December 2023.

## Liabilities

### Non-current liabilities

Non-current liabilities increased by SEK 290 million and amounted to SEK 3,507 million (SEK 3,217 million) as of 31 December 2023. The increase was mainly attributable to increased other non-current financial liabilities in the form of minority liabilities and earn-outs. The largest item within non-current liabilities was other non-current liabilities, including liabilities for call and put options and earn-outs of SEK 2,346 million.

### Current liabilities

Current liabilities decreased by SEK 1,140 million and amounted to SEK 2,169 million (SEK 3,309 million) as of 31 December 2023. The decrease was mainly attributable to increased interest-bearing current liabilities. The largest item within current liabilities was interest-bearing current liabilities of SEK 896 million. Interest-bearing current liabilities relating to leasing amounted to SEK 80 million.

## Cash flow statement

### Cash flow from operating activities

The Group's cash flow from operating activities before changes in working capital amounted to SEK 848 million (SEK 618 million).

Cash flow from changes in inventory in 2023 amounted to SEK 75 million (SEK -84 million). Cash flow from changes in operating receivables in 2023 amounted to SEK 0 million (SEK 11 million). Cash flow from changes in operating liabilities amounted to SEK 9 million (SEK -30 million).

Adjusted for changes in working capital, cash flow from operating activities in 2023 amounted to SEK 932 million (SEK 515 million).

### Cash flow from investing activities

The Group's cash flow from investment activities in 2023 amounted to SEK -416 million (SEK -2,486 million). Acquisition of subsidiaries after subtracting cash completed in 2023 resulted in a net cash outflow of SEK -339 million (SEK -2,438 million).

Investments in tangible assets including the cash flow effect of finance leasing amounted in 2023 to SEK -70 million (SEK -49 million).

### Cash flow from financing activities

Cash flow from financing activities in 2023 amounted to SEK -334 million (SEK 2,231 million) as a result of the Company's new share issue and capital contributions from shareholders, which are used to amortize bank debt. Furthermore, during the year, the Group paid dividends to non-controlling shareholders in subsidiaries of SEK 182 million.

Debt issued amounted to SEK 1 million (SEK 1,187 million). Debt repayment in 2023 amounted to SEK 1,267 million (SEK 242 million).

## Intangible non-current assets

The Group's intangible assets mainly relate to intangible assets arising from acquisitions, which are allocated to Goodwill, Customer relationships and Trademarks. As of 31 December 2024, the carrying amount of intangible assets amounted to SEK 8,337 million, of which acquisition-related surplus values corresponded to SEK 8,323 million. An impairment test is performed annually for all items included under goodwill and trademarks. Customer relationships are deemed to have a useful life of ten years and are amortized over that period. In the event that a specific corporate event occurs during the year that could cause the carrying amount of goodwill to be too high, a test is performed in the current quarter for the specific goodwill affected. In the goodwill test performed at the end of 2024, an adjustment was made for deferred tax liabilities relating to prior years' acquisitions; other changes related to currency translation differences.

## Tangible non-current assets

The Group's tangible non-current assets mainly comprise equipment, tools and installations. Tangible assets are stated at cost less depreciation. Cost includes expenditure that is directly attributable to the acquisition of the asset. Office furniture and equipment, tools and fixtures are stated at cost less depreciation. Cost includes expenditure directly attributable to the acquisition of the asset.

Amounts in MSEK (unless otherwise stated)	Financial year ended 31 December		
	2024	2023	2022
Buildings and land	90	47	49
Plant and machinery	64	68	71
Equipment, tools and installations	119	110	105
Assets under construction in progress	6	4	4
Rights of use assets	504	469	518
<b>Total tangible non-current assets</b>	<b>783</b>	<b>697</b>	<b>747</b>

Office and industrial buildings are stated at cost less depreciation and any impairment losses. Subsequent expenditure is added to the carrying amount of the asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are recognized as expenses in the income statement in the period in which they are incurred. For other assets, the cost is depreciated over the estimated useful life.



## Investments

### Historical investments in the period 2022–2024

Investments in tangible non-current assets amounted to SEK 49 million in 2022, SEK 70 million in 2023 and SEK 56 million in 2024. Investments in intangible non-current assets amounted to SEK 1 million in 2022, SEK 18 million in 2023 and SEK 14 million in 2024.

Investments in tangible non-current assets consisted mainly of machinery, factory extensions and equipment. No single investment was significant during the year. Investments in intangible non-current assets consisted mainly of asset acquisitions of trademarks and IT related investments.

### Ongoing and future investments

Other than ongoing investments in the Group's machinery and equipment, the Company has no significant ongoing investments and no commitments for future significant investments, other than investments in operating activities.

### Working capital

The Company believes that its current working capital is sufficient for its current needs and for the 12 months following the date of this Offering Circular. Working capital in this context means the ability of a company to access cash and other available liquid assets to meet its obligations as they fall due.

### Off-balance sheet items

As of 31 December 2024, the Company had no off-balance sheet arrangements.

## Trends

### Development trends since 31 December 2024

The Company has experienced development trends in the form of weak construction activity. Tensions in the Middle East have to some extent led to a build-up of stocks. Furthermore, continued inflation of the minimum wage, particularly in the Netherlands and the UK, has driven up wages for production staff and caused a slightly higher staff turnover.

Other than the above-mentioned, the Company has not observed any trends in production, sales, inventory, costs and sales prices during the period from 31 December 2024 up to and including the date of this Offering Circular.

### Known trends in the financial year 2025

Below is a summary of all known trends, uncertainties, requirements, commitments or events that are reasonably likely to have a material impact on the Group's prospects in the 2025 financial year:

- Following the U.S. presidential election in 2024, there is a risk of deterioration in the trade relationship between the EU and the U.S. as a result of announced tariffs and duties on goods from Europe, as well as from other continents such as Asia. Röko's subsidiaries are net exporters of products to the U.S., which means that tariffs could make Röko's subsidiaries less competitive compared to local competitors. For more information, see section "*Risk factors – Risks relating to the Group's business, industry and markets – Röko's operations are affected by macroeconomic factors*".

- As of 2025, the Group is subject to the EU's Corporate Sustainability Reporting Directive (CSRD) and the Taxonomy Regulation, which requires the implementation of new sustainability reporting procedures for all Röko's subsidiaries, as well as aggregation and external reporting at group level with the first reporting in 2026 for the financial year 2025. The Group consists of independent, diversified and asset-light subsidiaries whose main climate impacts arise early in the value chain, for example in connection with the production of the subsidiaries' product range, transportation and business travel. For more information on Röko's environmental and sustainability work, see section "*Business overview – Environment and sustainability*".
- Concerns about geopolitical issues and changes in the geopolitical situation (e.g. acts of war), increased trade barriers and protectionist trends, inflation, availability and cost of credit and pandemic outbreaks may lead to adverse economic developments, which could have significant consequences for the Group. These factors may lead to disruptions in supply chains, affecting the availability of raw materials and components, and increasing the costs of imports and exports. Furthermore, inflation and changes in the availability and cost of credit can affect the financial stability of the company and its ability to invest in growth. The Group's exposure to different industries and markets, as well as its high operating margin, contribute to making the Group more resilient to changes in the geopolitical situation compared to many other companies. The Group's high rate of acquisitions allows it to adapt its economic exposure to geopolitical changes over time by adjusting its business lines and geographical presence. For more information, see section "*Risk factors – Risks related to the Group's business, industry and markets – Röko's operations are affected by macroeconomic factors*".
- The UK's announced budget for 2025 includes a 6.7 percent increase in minimum wages, which may drive wage inflation even among personnel whose salary level is higher than the minimum level. As of 31 December 2024, Röko had 597 employees in the UK. Increased wage levels in the UK may result in increased personnel costs as well as increased tax costs for the Group and thus have a negative impact on the Group's operating profit.

## Financial risk management

The Company's activities expose it to a variety of financial risks such as: market risk (i.e. currency risk and interest rate risk) and credit risk. The Company seeks to minimize the potential adverse effects of these risks on its financial performance through financial activities aimed at (i) ensuring that the Company can meet its payment obligations, (ii) managing financial risks, (iii) ensuring access to necessary financing and (iv) optimizing the Company's net financial position. The Company's risk management is handled by a central finance department that identifies, evaluates and hedges financial risks in cooperation with the Company's operating units. The Company has a financial policy that sets out guidelines for the Company's financial activities.



## **Market risk**

### **Currency risk**

The Group's exposure to changes in exchange rates consists of transaction exposure and translation exposure. Transaction exposure arises as a result of the Group having receipts and payments in foreign currencies. Translation exposure arises as a result of the Group's currency exposure from the net assets of the Group's foreign operations. Röko operates in 16 countries, including Sweden, Norway, Denmark and the UK. The Group's operations are therefore exposed to various foreign exchange risks. Transaction exposure arises when subsidiaries import products for sale on the domestic market and/or sell products in foreign currency. Translation exposure arises when foreign subsidiaries are translated into the reporting currency SEK. The Group has a number of holdings in foreign operations whose net assets are exposed to currency risks. The exposure mainly relates to changes in the British pound (GBP) and to some extent also in the Danish krone (DKK), Norwegian krone (NOK) and Euro (EUR). Röko estimates that the Company's translation exposure means that one percent change in the value of the Swedish krona against other currencies would result in an effect on equity as of 31 December 2024 of +/- SEK 113 million.

### **Interest rate risks**

The Group's exposure to interest rate risk relates to short-term borrowings. Röko's borrowings carry both fixed and floating interest rates. During the financial year 2024, the Group's average interest rate amounted to 5.7 percent and the Group's interest expenses to SEK 59 million. Changes in market interest rates and credit margins affect net interest income. Röko is financed with equity and debt, with the majority of the debt consisting of interest-bearing loans from credit institutions. As of 31 December 2024, the Group's interest-bearing debt amounted to SEK 629 million, of which three percent carries a fixed interest rate and 97 percent carries a variable interest rate.

### **Credit risks**

The Group's exposure to credit risk is mainly attributable to trade receivables, but some credit risk exists in respect of cash and cash equivalents. Each Group company is responsible for monitoring and analyzing credit risk and performing a credit-worthiness assessment for each new customer.

## **Liquidity risk**

The Group is exposed to liquidity risks mainly in connection with payment of trade and other payables and amortization of loans. To manage current payments, a cash pool system (a financial structure that allows the centralization of cash management within a group) is in place within the Group to ensure that cash is available in the currencies in which payment is to be made. The Company's executive management monitors rolling forecasts of the Group's cash and cash equivalents (including unutilized credit facilities) based on expected cash flows.

## **Significant changes after 31 December 2024**

Other than as set out below, there have been no material changes to the Company's financial position or financial performance since 31 December 2024 up to the date of the Offering Circular.

After the end of the period, Röko has increased its bank commitments with a new bank facility of SEK 350 million. The new bank facility has been obtained from a bank with which the Company previously did not have an agreement, for more information, see section "*Legal considerations and supplementary information – Material agreements – Financial arrangements*". In addition, Röko has extended its existing bank facilities until the second quarter of 2026.

## **Changes in accounting policies**

For information on changes in the Company's accounting policies, see note 2 on page F-7–11 in section "*Historical financial information*".

# Capitalization, indebtedness and other financial information

The tables in this section describe the Company's capitalization and indebtedness at Group level as of 31 December 2024. The financial information that is presented below has been obtained from the Company's audited consolidated financial statements for the financial year ended 31 December 2024. Refer to section "Share capital and ownership structure" for further information about the Company's share capital and shares. The tables in this section should be read in conjunction with section "Operating and financial review" and the Company's financial information, including the related notes, which may be found elsewhere in this Offering Circular.

## Capitalization

SEK MILLION	As at 31 December 2024
<b>Total current debt (including current portion of non-current debt)</b>	<b>2,098</b>
Guaranteed	0
Secured	0
Unguaranteed/unsecured	2,098
<b>Total non-current debt (excluding current portion of non-current debt)</b>	<b>3,875</b>
Guaranteed	–
Secured	–
Unguaranteed/unsecured	3,875
<b>Shareholder equity</b>	<b>5,501</b>
Share capital	1
Legal reserve(s)	–
Other reserves	5,501
<b>Total</b>	<b>11,475</b>

## Net indebtedness

Röko's net indebtedness as at 31 December 2024 is presented in the table below. The table includes interest-bearing and non-interest-bearing liabilities.

SEK MILLION	As at 31 December 2024
(A) Cash	421
(B) Cash equivalents	0
(C) Other current financial assets	0
<b>(D) Liquidity (A+B+C)</b>	<b>421</b>
(E) Current financial liabilities (including debt instruments, but excluding current portion of non-current financial debt) <sup>1)</sup>	618
(F) Current portion of non-current financial debt <sup>2)</sup>	211
<b>(G) Current financial indebtedness (E+F)</b>	<b>829</b>
<b>(H) Net current financial indebtedness (G–D)</b>	<b>408</b>
(I) Non-current financial liabilities (excluding current portion and debt instruments) <sup>3)</sup>	3,060
(J) Debt instruments	0
(K) Non-current trade and other payables	0
<b>(L) Non-current financial indebtedness (I+J+K)</b>	<b>3,060</b>
<b>(M) Total financial indebtedness (H+L)</b>	<b>3,468</b>

1) Current financial liabilities consist of short-term bank debt of MSEK 618.

2) Current portion of non-current financial debt consists of earn-out liabilities and put/call debt, both of which are recognized as interest-bearing for accounting purposes, to be exercised within the next 12 months. Earn-out liabilities account for MSEK 55, put/call debt accounts for MSEK 49 and current leasing liabilities of MSEK 108. The non-interest-bearing liabilities included refer to non-interest-bearing liabilities that are classified as interest-bearing for accounting purposes.

3) Non-current interest-bearing financial liabilities consist of long-term bank debt of MSEK 12, long-term leasing liabilities of MSEK 417 and earn-out liabilities and put/call debt, both of which are recognized as interest-bearing for accounting purposes, to be exercised at a time later than the next 12 months. Put/call debt account for MSEK 2,630. The non-interest-bearing liabilities included refer to non-interest-bearing liabilities that are classified as interest-bearing for accounting purposes.

## Indirect indebtedness and contingent indebtedness

As at the date of the Offering Circular, the Company has no indirect liabilities or contingent liabilities.

## Statement on working capital

The Company is of the opinion that its current working capital is sufficient for its present requirements for the twelve months following the date of this Offering Circular. In this context, working capital refers to a company's ability to access cash and other available liquid resources in order to meet its liabilities as they fall due.

# Board of Directors, executive management and auditor

## Board of Directors

The Company's Board of Directors consists of five ordinary members, including the Chairman, with no deputy board members, all of whom are elected for the period until the end of the annual shareholders' meeting 2026. The table below shows the members of the Board of Directors, when they were first elected and whether they are considered to be independent of the Company and/or the major shareholders.

Name	Position	Member since	Independent of	
			The Company and executive management	Major shareholders
Tomas Billing	Chairman	2019	No	No
Lilian Fossum Biner	Board member	2022 <sup>1)</sup>	Yes	Yes
Fredrik Karlsson	Board member	2019	No	No
Angela Langemar Olsson	Board member	2023	Yes	Yes
Peter Sterky	Board member	2019	Yes	Yes

1) Co-opted member of the Board of Directors since 2021.

### Tomas Billing

*Born 1963. Chairman of the Board of Directors since 2019.*

**Education:** MSc in Business Administration, Stockholm School of Economics, Stockholm.

**Other current assignments:** Board member of BiJaKa AB, Smöla AB, Centrum För Rättvisa and Röko PoolCo AB.

In addition, Tomas Billing is Chairman and member of the Board of Directors in a number of Röko's Swedish and foreign subsidiaries.

**Previous assignments:** CEO of Nordstjernen Aktiefbolag. Chairman of the Board of Directors in NCC Aktiefbolag. Board member of Etac AB and Stiftelsen Hilma af Klints Verk.

In addition, Tomas Billing has been Chairman and board member of a number of Röko's Swedish and foreign subsidiaries.

**Shareholding in the Company (own and related parties):** Tomas Billing holds 1,052,000 shares of class A<sup>1)</sup> and 343,337 shares of class B in the Company.

### Lilian Fossum Biner

*Born 1962. Board member since 2022.*

**Education:** MSc in Business Administration, Stockholm School of Economics, Stockholm.

**Other current assignments:** Board member of Lilian Biner AB, Alfa Laval AB, SCANIA Aktiefbolag, Carlsberg A/S, Pandora A/S and Bostadsrättsföreningen Norrviksvägen 40–41. Deputy Board member of a-connect (nordic) AB.

**Previous assignments:** Chairman and member of the Board of Directors in Cloetta AB. Board member of LeDap Group AB, L E Lundbergföretagen Aktiefbolag (publ), a-connect AG and Givaudan SA.

**Shareholding in the Company (own and related parties):** Lilian Fossum Biner holds 2,266 shares of class B in the Company.

### Fredrik Karlsson

*Born 1962. Board member since 2019.*

**Education:** MSc in Engineering Physics, Royal Institute of Technology, Stockholm. MSc in Business Administration, Stockholm School of Economics, Stockholm.

**Other current assignments:** Board member of BiJaKa AB, Gjusböte AB and the German-Swedish Chamber of Commerce. Deputy board member of Röko PoolCo AB.

In addition, Fredrik Karlsson is Chairman and member of the Board of Directors in a number of Röko's Swedish and foreign subsidiaries.

**Previous assignments:** CEO of Lifco AB (publ) and Mercatura GmbH. Management Consultant at Boston Consulting Group.

In addition, Fredrik Karlsson has been Chairman and member of the Board of Directors in a number of Röko's Swedish and foreign subsidiaries.

**Shareholding in the Company (own and related parties):** Fredrik Karlsson holds 1,052,000 shares of class A<sup>2)</sup> and 343,337 shares of class B in the Company.

1) For holdings of shares of class A after the restructuring of the ownership structure, see section "Share capital and ownership structure – Ownership structure".

2) For holdings of shares of class A after the restructuring of the ownership structure, see section "Share capital and ownership structure – Ownership structure".

### **Angela Langemar Olsson**

*Born 1970. Board member since 2023.*

**Education:** Master's degree in Business Administration, Stockholm School of Economics, Stockholm.

**Other current assignments:** CFO of Bonnier Group Aktiebolag and several assignments in companies within the Bonnier group. Board member of Voxear Technologies AB.

**Previous assignments:** Investment Director at Nordstjernen Aktiebolag. Board member of NCC Aktiebolag and Bonava AB (publ). Assignments in companies within the Bonnier group.

**Shareholding in the Company (own and related parties):** Angela Langemar Olsson holds 6,799 shares of class B in the Company.

### **Peter Sterky**

*Born 1973. Board member since 2019.*

**Education:** MSc of Business Administration, School of Business, Economics and Law, University of Gothenburg, Gothenburg. MSc in Engineering Physics, Chalmers University of Technology, Gothenburg.

**Other current assignments:** CEO and board member of Trift Capital AB, Trift Invest AB and Trift Services AB. Board member of Trift Capital II Limited, P. Sterky AB, GLD Invest AB and Bostadsföreningen Kvarteret Pionen nr 4 u.p.a. Deputy board member of Vasastans Montessoriskola.

**Previous assignments:** CFO and COO of Spotify Technology S.A. Chairman and member of the Board of Directors of Vasastans Montessoriskola.

**Shareholding in the Company (own and related parties):** Peter Sterky holds 18,129 shares of class B in the Company.

## Executive management

### Fredrik Karlsson

Born 1962. CEO since 2019.

**Education:** MSc in Engineering Physics, Royal Institute of Technology, Stockholm. MSc in Business Administration, Stockholm School of Economics, Stockholm.

**Other current assignments:** Board member of BiJaKa AB, Gjusböte AB and the German-Swedish Chamber of Commerce. Deputy board member of Röko PoolCo AB.

In addition, Fredrik Karlsson is Chairman and member of the Board of Directors in a number of Röko's Swedish and foreign subsidiaries.

**Previous assignments:** CEO of Lifco AB (publ) and Mercatura GmbH. Management Consultant at Boston Consulting Group.

In addition, Fredrik Karlsson has been Chairman and member of the Board of Directors in a number of Röko's Swedish and foreign subsidiaries.

**Shareholding in the Company (own and related parties):** Fredrik Karlsson holds 1,052,000 shares of class A<sup>1)</sup> and 343,337 shares of class B in the Company.

### Johan Bladh

Born 1989. Deputy CEO since 2019, CFO and Head of B2C since 2022.

**Education:** BSc in Accounting and Finance, Stockholm School of Economics, Stockholm.

**Other current assignments:** Board member of Philippe Bacoult AB and Smalandiis AB.

In addition, Johan Bladh is Chairman and member of the Board of Directors in a number of Röko's Swedish and foreign subsidiaries.

**Previous assignments:** Board member of CHIMI AB. Investment analyst at Bridgepoint and Altor Equity Partners. Management consultant at Boston Consulting Group.

In addition, Johan Bladh has been Chairman and member of the Board of Directors in a number of Röko's Swedish and foreign subsidiaries.

**Shareholding in the Company (own and related parties):** Johan Bladh holds 404,000 shares of class A<sup>2)</sup> and 13,597 shares of class B in the Company.

### Anders Nordby

Born 1985. Investment Manager UK, Norway since 2019 and Head of B2B since 2022.

**Education:** MSc in International Banking & Finance, Strathclyde Business School, Scotland. BSc in Business Administration, Strathclyde Business School, Scotland.

**Other current assignments:** Chairman of the Board of Directors of Anord AS.

In addition, Anders Nordby is Chairman and member of the Board of Directors in a number of Röko's Swedish and foreign subsidiaries.

**Previous assignments:** Director at Saga Corporate Finance AS.

**Shareholding in the Company (own and related parties):** Anders Nordby holds 188,000 shares of class A<sup>3)</sup> and 9,065 shares of class B in the Company.

## Other information about the Board of Directors and executive management

There are no family ties between any members of the Board of Directors or executive management.

There are no conflicts of interest or potential conflicts of interest between the obligations of members of the Board of Directors and executive management of the Company and their private interests and/or other undertakings.

No special agreement has been reached between the Company and major shareholders, customers, suppliers or other parties according to which any member of the Board of Directors or executive management has been elected to the current position.

In 2023, Fredrik Karlsson was subject to a tax surcharge of SEK 51,688, as the Swedish Tax Agency had assessed that Fredrik Karlsson in his tax return for the income year 2022 stated an incorrect overhead amount when selling shares.

Other than as stated above, none of the members of the Board of Directors or the members of the executive management have, during the last five years, (i) been sentenced for fraud-related offences, (ii) represented a company which has been

declared bankrupt or filed for liquidation, or been subject to administration under bankruptcy, (iii) been incriminated and/or sanctioned for a crime by statutory or regulatory authorities (including designated professional bodies) or (iv) been prohibited by a court of law from being a member of any issuer's administrative, management or supervisory body or from holding a senior or overarching position of any issuer's.

All members of the Board of Directors and executive management are available at the Company's main office at Östermalmsgatan 33, SE-114 26 Stockholm, Sweden.

### Auditor

Öhrlings PricewaterhouseCoopers AB has been the Company's auditor since 2021 and was, at the annual shareholders' meeting 2025, re-elected until the end of the annual shareholders' meeting 2026. Patrik Adolfson (born 1973) is the auditor in charge. Patrik Adolfson is an authorized public accountant and a member of FAR (the professional association for authorized public accountants). Öhrlings PricewaterhouseCoopers AB's office address is Torsgatan 21, SE-113 97, Stockholm, Sweden. Öhrlings PricewaterhouseCoopers AB has been auditor throughout the entire period which the historical financial information in this Offering Circular covers.

1) For holdings of shares of class A after the restructuring of the ownership structure, see section "Share capital and ownership structure – Ownership structure".

2) For holdings of shares of class A after the restructuring of the ownership structure, see section "Share capital and ownership structure – Ownership structure".

3) For holdings of shares of class A after the restructuring of the ownership structure, see section "Share capital and ownership structure – Ownership structure".

# Corporate governance

## Corporate governance

Röko is a Swedish public limited company. Prior to the listing on Nasdaq Stockholm, corporate governance of the Company was based on Swedish law and internal rules and instructions. Once the Company has been listed on Nasdaq Stockholm, the Company will also comply with Nasdaq Nordic Main Market Rulebook for Issuers of Shares and apply the Swedish Corporate Governance Code (the “Code”).

The Code applies to all Swedish companies with shares listed on a regulated market in Sweden as well as Nasdaq First North Premier Growth Market and shall be fully applied in connection with the listing of a company. The Code aims to provide guidance on good corporate governance and supplements Swedish legislation in a number of areas and in some respects imposes more stringent requirements than Swedish law. Companies that apply the Code, including the Company after listing on Nasdaq Stockholm, are not required to comply with every rule in the Code as the Code itself provides for the possibility to deviate from the rules, provided that any such deviations and the chosen alternative solution are described and the reasons therefore explained in the corporate governance report (according to the so-called “comply or explain principle”). Any deviations from the Code will be reported in the Company’s corporate governance report, which will be prepared for the first time for the 2025 financial year. However, in the first corporate governance report, the Company is not required to explain non-compliance with such rules that have not been relevant during the period covered by the corporate governance report.

As of the date of the Offering Circular, Röko has identified one deviation from the Code. Section 4.3 of the Code stipulates that no more than one elected member of the board may be a member of the executive management of the company or a subsidiary. Both of Röko’s Founders, Tomas Billing and Fredrik Karlsson, are board members and operationally active in the Company. The reason for the deviation is that the Company and its owners consider Tomas Billing and Fredrik Karlsson, together with the other members of the Company’s executive management, to be of great importance to the Company’s current operations. Tomas Billing and Fredrik Karlsson, through their roles as Founders, have particularly good insights into Röko’s business and in the markets in which Röko operates, and constitute important building blocks in the Company’s operational activities as further described below.

## The Founders of the Company

Both of Röko’s Founders, Tomas Billing and Fredrik Karlsson, are members of the Board of Directors and are also operationally active in the Company, including in the Company’s management as CEO (Fredrik Karlsson). Tomas Billing’s chairman role is as Operational Chairman of the Board of Directors, meaning that he is actively involved in the day-to-day operations of the Company. Tomas Billing is a member of the Company’s investment committee, which is an executive body,

and an active Chairman of the Board of Directors of subsidiaries in which Tomas Billing has particularly good knowledge and experience. Tomas Billing does not receive any remuneration in addition to his remuneration as Operational Chairman and his duties are directly linked to his board position.

The main reason why Tomas Billing, notwithstanding his position as Chairman of the Board of Directors, is executive active in the day-to-day operations of Röko is because his expertise is considered to be of value in the day-to-day operations. His main functions, besides the usual board assignment, are to (i) assist in the search for and evaluation of acquisition candidates together with the Company’s management, (ii) serve as board representative on subsidiary boards in industries where Tomas Billing has particular expertise (e.g. Dan-form and Lundberg Tech), and (iii) act as a sounding board to the B2B segment, in particular regarding issues related to construction-related acquisitions and subsidiaries. The scope of Tomas Billing’s operational role is governed by the instructions for the Operational Chairman, which are adopted annually by the Board of Directors. The company’s ambition is that the Chairman’s board representation on the boards of subsidiaries will decrease over time.

The Company and its owners consider Tomas Billing and Fredrik Karlsson, together with the other members of the Company’s management team, to be of great importance to the Company’s current operations. Tomas Billing and Fredrik Karlsson, through their roles as Founders, have particularly good insights into Röko’s business and the markets in which Röko operates, and are important building blocks in the Company’s daily operations. The competencies of the two Founders are overlapping and complementary, which means that both Tomas Billing and Fredrik Karlsson are of importance to Röko’s operations, strategic development and success. The key to Röko’s rapid growth and success is, among other things, the fact that the Company’s key individuals have a strong track record and that the Company is entrepreneurial and characterized by an efficient organization. The Company’s ability to identify, evaluate and execute suitable acquisition candidates is partly based on the Founders’ previous experience, contacts and good reputation combined with the ability to quickly make strategic decisions through short decision-making paths – and it is therefore of value to the Company and the Company’s shareholders that the value of the Founders’ competences is harnessed.

The Founders have solid experience from the listed environment and the Company is of the opinion that the applied corporate governance scheme with great commitment also from Tomas Billing, who is the Company’s Chairman, should remain, which is also anchored with the Company’s shareholders. The Board of Directors will be subject to annual evaluation and, should there be a desire in the future to review the Founders’ involvement in the Board of Directors, this is in the hands of the Company’s shareholders through the nomination committee.



There is no employment relationship or other agreement, other than the Company's governing documents, with Tomas Billing that governs his executive role in the Group, and it is therefore solely linked to his role as Chairman of the Board of Directors. In the event that the chairmanship of the Board of Directors ceases, Tomas Billing has no claim to a continued role in the Group's day-to-day operations, nor is he entitled to any remuneration in addition to the customary board fees.

In order to provide the board with the best possible information and ability to make decisions to enable Röko to continue to drive its success in existing and new markets, it is of great importance that both Tomas Billing and Fredrik Karlsson remain both as board members and operational in the Company.

### **Board of Directors**

Since January 2022, the Company's Board of Directors consists of five members, three of whom are independent of the Company and the Company's major shareholders. These three are Peter Sterky, Angela Langemar Olsson and Lilian Fossum Biner. All three have a solid financial education and all three have worked or are working as CFOs. Two of the three have served on the boards of listed companies and chaired audit committees of listed companies. In summary, the Company believes that, in addition to the Founders, it has a strong Board of Directors.

### **Shareholders' meeting**

According to the Swedish Companies Act (2005:551) (*Sw. aktiebolagslagen*), the shareholders' meeting is the Company's ultimate decision-making body. At the shareholders' meeting, the shareholders exercise their voting rights in key issues, such as the adoption of the income statement and balance sheet, appropriation of the Company's results, discharge from liability of the members of the Board of Directors and the CEO, election of members of the Board of Directors and auditors, and remuneration to the Board of Directors and the auditors.

The annual shareholders' meeting must be held within six months from the end of the financial year. In addition to the annual shareholders' meeting, extraordinary shareholders' meetings may be convened. According to the articles of association, shareholders' meetings are convened by publication of the convening notice in the Swedish National Gazette (*Sw. Post- och Inrikes Tidningar*) and on the Company's website. At the time of the notice convening the meeting, information regarding the notice shall be published in Svenska Dagbladet.

### **Right to participate in shareholders' meetings**

Shareholders who wish to participate in a shareholders' meeting must be included in the shareholders' register maintained by Euroclear Sweden on the day falling six banking days prior to the meeting and notify the Company of their participation no later than on the date stipulated in the notice convening the meeting. Shareholders may attend shareholders' meetings in person or by proxy and may also be accompanied by a maximum of two assistants. Typically, it is possible for a shareholder to register for the shareholders' meeting in several different ways as indicated in the notice of the meeting. A

shareholder may vote for all Company shares owned or represented by the shareholder.

### **Shareholder initiatives**

Shareholders who wish to have a matter brought before the shareholders' meeting must submit a written request to the Board of Directors. Such request must normally be received by the Board of Directors no later than seven weeks prior to shareholders' meeting.

### **Nomination committee**

Companies applying the Code shall have a nomination committee. According to the Code, the shareholders' meeting shall appoint the members of the nomination committee or resolve on procedures for appointing the members. The nomination committee shall, pursuant to the Code, consist of at least three members of which a majority shall be independent of the Company and group management. In addition, at least one member of the nomination committee shall be independent in relation to the largest shareholder in terms of voting rights or group of shareholders who cooperate in terms of the Group's management.

At the annual shareholders' meeting held on 26 February 2025, it was resolved, conditional upon the listing of the Company's shares of class B on Nasdaq Stockholm, to adopt the following instruction to the nomination committee.

#### *Instruction to the nomination committee*

The Company shall have a nomination committee consisting of one member appointed by each of the three largest shareholders or groups of shareholders in terms of voting rights, together with the Chairman of the Board of Directors. The CEO shall not be a member of the nomination committee and the majority of the members of the nomination committee shall be independent in relation to the Company and its management. The nomination committee shall be constituted based on shareholder statistics from Euroclear Sweden AB as of 30 September each year and other reliable shareholder information available to the Company at that time and the Chairman of the Board of Directors, who will also convene the first meeting of the nomination committee. In the event that the CEO or other member of the Company's management is among the Company's largest shareholders, the next shareholder in order of priority shall be consulted.

The member representing the largest shareholder shall be appointed as chairman of the nomination committee, unless the nomination committee unanimously appoints another member of the nomination committee as chairman and provided that the largest shareholder is not employed by the Company, in which case the second largest shareholder shall be appointed as chairman of the nomination committee. If earlier than three months prior to the annual shareholders' meeting, one or more of the shareholders having appointed representatives to the nomination committee no longer constitute one of the three largest shareholders, representatives appointed by these shareholders shall resign, and the shareholders who then are among the three largest shareholders may appoint their representatives in accordance with these instructions. Should a member resign from the nomination

committee before the work of the nomination committee has been completed and the nomination committee considers it necessary to replace such member, such substitute member is to represent the same shareholder or, if the shareholder is no longer one of the largest shareholders, the largest shareholder in turn. Shareholders who have appointed a representative to be a member of the nomination committee shall have the right to dismiss such member and appoint a new representative of the nomination committee. Changes to the composition of the nomination committee shall be announced immediately.

The nomination committee shall, *inter alia*, prepare and present to the annual shareholders' meeting the following proposals for resolutions:

- chairman of the meeting;
- number of board members;
- members of the Board of Directors;
- Chairman of the Board of Directors;
- board fees, with a breakdown between the Chairman of the Board of Directors and the other board members, and remuneration for committee work;
- auditors;
- the remuneration of the Company's auditors; and
- to the extent deemed necessary, amendments to the applicable nomination committee instructions.

In connection with its assignment, the nomination committee shall otherwise fulfill the tasks incumbent on the nomination committee under the Swedish Companies Act and the Swedish Code of Corporate Governance.

The composition of the nomination committee for the annual shareholders' meeting shall normally be announced no later than six months prior to the annual shareholders' meeting. Remuneration shall not be paid to the members of the nomination committee. The Company is to pay any necessary expenses that the nomination committee may incur in its work, such as costs for external advisors that the nomination committee deems necessary for the nomination committee to fulfill its assignment. The term of office for the nomination committee ends when the composition of the following nomination committee has been announced.

## The Board of Directors

The Board of Directors is the second-highest decision-making body of the Company after the shareholders' meeting. According to the Swedish Companies Act, the Board of Directors is responsible for the organization of the company and the management of the company's affairs, which means that the Board of Directors is responsible for, among other things, setting targets and strategies, securing routines and systems for evaluation of set targets, continuously assessing the financial condition and profits as well as evaluating the operating management. The Board of Directors is also responsible for ensuring that annual reports and interim reports are prepared in a timely manner. Moreover, the Board of Directors appoints the CEO.

Members of the Board of Directors are normally appointed by the annual shareholders' meeting for the period until the end of the next annual shareholders' meeting. According to the Company's articles of association, the members of the Board

of Directors elected by the shareholders' meeting shall be not less than three members and not more than ten members with no deputy members.

According to the Code, the Chairman of the Board of Directors is to be elected by the annual shareholders' meeting and have a special responsibility for leading the work of the Board of Directors and for ensuring that the work of the Board of Directors is efficiently organized.

The Board of Directors applies written rules of procedure, which are revised annually and adopted by the inaugural board meeting every year. Among other things, the rules of procedure govern the practice of the Board of Directors, functions and the division of work between the members of the Board of Directors and the CEO. At the inaugural board meeting, the Board of Directors also adopts instructions for the CEO, including instructions for financial reporting.

The Board of Directors meets according to an annual predetermined schedule. In addition to these meetings, additional board meetings can be convened to handle issues which cannot be postponed to the next ordinary board meeting.

In accordance with the Swedish Companies Act, the Board of Directors of the Company has decided not to establish an audit committee. Accordingly, the Board of Directors as a whole performs the tasks that in some cases fall to the audit committee, including monitoring the Company's financial reporting, monitoring the effectiveness of the Company's internal control, internal audit and risk management, staying informed about the audit of the annual accounts and consolidated accounts, reviewing and monitoring the auditor's impartiality and independence, paying particular attention to whether the auditor provides the Company with non-audit services, and assisting in the preparation of proposals for the election of the auditor by the shareholders' meeting.

In addition to the board meetings, the Chairman of the Board of Directors and the CEO continuously discuss the management of the Company.

Currently, the Company's Board of Directors consists of five ordinary members elected by the shareholders' meeting, who are presented in section "*Board of Directors, executive management and auditor*".

## Remuneration committee

Röko has a remuneration committee consisting of three members: Peter Sterky (chairman of the committee), Lilian Fossum Biner and Angela Langemar Olsson. The remuneration committee shall prepare matters concerning remuneration principles, remuneration and other employment terms for the CEO and executive management and prepare and present a draft remuneration report to the Board of Directors in accordance with the Swedish Companies Act.

## Investment Committee

The Investment Committee (the "**IC**"), a committee established by the Board of Directors, whose sole task is to make decisions to carry out acquisitions. If an investment decision meets one or more of the following three criteria, the decision to carry out an acquisition must also be taken by the Board

1. enterprise value (“EV”) exceeds SEK 500 million
2. EV as a multiple of EBITA over rolling twelve months exceeds 9x,
3. the company in question operates in an industry that the IC, in its sole discretion, reasonably considers to be sensitive from an ethical or sustainability perspective or operates in an area that can be identified as particularly sensitive.

The IC is appointed by the Board of Directors and shall be composed of an appropriate number of officials from Röko, including the CEO. It is possible for the Operational Chairman of Röko to be part of the IC if the Board of Directors deems it appropriate. The CEO shall be Chairman of the IC. The Board of Directors shall ensure that there is sufficient knowledge and experience of M&A processes and strategies among the members of the IC. The IC shall, where appropriate and in order to fulfil its tasks, invite other representatives of the management or other appropriate persons to participate in the meetings of the IC.

Investment decisions require the full support of all members of the IC, i.e. each member of the IC has veto rights. As of the date of the Offering Circular, the IC consists of Fredrik Karlsson, Johan Bladh, Anders Nordby and Tomas Billing.

### **The CEO and other executive management**

The CEO is subordinated to the Board of Directors and is responsible for the everyday management and operation of the Company. The division of work between the Board of Directors and the CEO is set out in the rules of procedure for the Board of Directors and the CEO’s instructions. The CEO is also responsible for the preparation of reports and compiling information for board meetings and for presenting such material at the board meetings.

According to the instructions for financial reporting, the CEO is responsible for the financial reporting in the Company and consequently must ensure that the Board of Directors receives adequate information for the Board of Directors to be able to evaluate the Company’s financial condition.

The CEO must continuously keep the Board of Directors informed of developments in the Company’s operations, the development of sales, the Company’s results and financial position, liquidity and credit status, important business events and all other events, circumstances or conditions which can be assumed to be of significance to the Company’s shareholders.

The CEO and executive management are presented in section “Board of Directors, executive management and auditor”.

### **Remuneration to the members of the Board of Directors, CEO and executive management**

#### **Guidelines for remuneration to the Board of Directors, CEO and executive management**

##### **Guidelines for remuneration to executive management**

At the annual shareholders’ meeting held on 26 February 2025 it was resolved, conditional upon the listing of the Company’s shares of class B on Nasdaq Stockholm, to adopt the following guidelines for remuneration to executive management.

##### *Scope of the guidelines*

These guidelines relate to remuneration and other terms of employment for the persons who, during the time the guidelines apply, are members of Röko AB (publ)’s group management, hereinafter collectively referred to as “executive management”. The guidelines shall apply to remuneration agreed, and changes made to remuneration already agreed, after the guidelines have been adopted by the annual shareholders’ meeting 2025 and apply from the time the Company’s shares of class B are listed on Nasdaq Stockholm. The guidelines do not apply to remuneration resolved by the shareholders’ meeting.

For any employment relationships governed by rules other than Swedish, due adjustments may be made to comply with such mandatory rules or established local practice, taking into account, as far as possible, the overall purpose of these guidelines.

##### *The guidelines’ promotion of the Company’s business strategy, long-term interests and sustainability*

Röko’s business idea is to acquire and develop market-leading niche businesses that operate sustainably and have the potential to deliver sustainable earnings growth and good cash flows. Röko has a clear business strategy focusing on results, simplicity and decentralization. Röko’s overall goal is to increase earnings per share every year, which has been achieved through both organic growth and acquisitions.

Successful implementation of the Company’s business strategy and the safeguarding of Röko’s long-term interests and continued growth requires that the Company can recruit and retain qualified employees. This requires that the Company can offer competitive remuneration.

These guidelines enable executive management to be offered a competitive total remuneration. Variable cash remuneration covered by these guidelines shall aim to promote the Company’s business strategy and long-term interests, including its sustainability.

##### *Forms of remuneration, etc.*

For each of the members of the executive management, an annual target remuneration level is set which should be in line with the market.

The remuneration for the members of the executive management, in order to reach the target remuneration level, shall consist of fixed remuneration and variable remuneration.

Fixed remuneration may consist of the following components: fixed cash salary (basic salary), pension benefits and other benefits.

Within the framework of these guidelines, the CEO and executive management may alternate remuneration within fixed remuneration between the different components of fixed cash salary, pension benefits and other benefits.

##### *Fixed cash salary (basic salary)*

The fixed cash salary, the basic salary, shall be based on the individual’s responsibilities, authority, skills and experience.

*Pension and other benefits*

Pension rights for the CEO and the members of the executive management shall apply from the age of 65 at the earliest. For the CEO, an amount corresponding to a maximum of 30 percent of the annual basic salary may be allocated to endowment, pension, life and health insurance. Other members of the executive management are entitled to pension benefits of up to 30 percent of their annual basic salary. Pension agreements are concluded in accordance with the local rules applicable in the country where the member of the executive management resides. All pension benefits are defined contribution and vested, i.e. not conditional on future employment in Röko.

Other benefits, such as a company car, additional health insurance or occupational health care, may be provided. The total value of these benefits shall constitute a minor part of the fixed remuneration and shall be exchanged within the total fixed remuneration.

*Variable remuneration and criteria for awarding variable cash remuneration etc.*

Variable cash remuneration shall not be paid to the CEO. For the other members of the executive management, variable cash remuneration may be paid and shall be based on individually set targets. The CEO is responsible for the assessment of variable cash remuneration for other executives.

Variable cash remuneration covered by these guidelines shall aim to promote the Company's business strategy and long-term interests, including its sustainability. The split between fixed and variable remuneration shall be proportionate to the responsibilities and authority of the executive.

The variable remuneration shall be linked to predetermined and measurable criteria designed to promote the Company's long-term value creation. The fulfillment of criteria for the payment of variable cash remuneration shall be measurable over a period of one year. At the end of the measurement period for the fulfillment of the criteria for payment of variable cash remuneration, the extent to which the criteria have been fulfilled shall be assessed.

Executive management shall, after completion of the IPO, undertake to acquire shares in the Company for 50 percent of the variable cash remuneration paid, after deduction of income tax paid by the Company, and not to dispose of the shares acquired thereby for a period of at least three years from the date of acquisition, provided that the person in question is employed during the full three-year period.

*Termination of employment*

In the event of termination by the CEO, a notice period of six months shall apply. In the event of termination by the Company, the notice period shall not exceed 18 months.

In the event of termination of members of the executive management by the Company, a maximum notice period of 12 months applies. The right to salary and other benefits is maintained during the notice period. Basic salary during the notice period and severance pay shall not exceed an amount

corresponding to the basic salary for two years. The severance pay shall not be offset against other income.

*Salary and conditions of employment for employees*

In preparing the Board of Directors proposal for these remuneration guidelines, salary and employment conditions for the Company's employees have been taken into account by including information on the employees' total remuneration, the components of the remuneration and the increase and growth rate over time as part of the remuneration committee's and the Board of Directors basis for decision when evaluating the reasonableness of the guidelines and the limitations that follow from them.

*The decision-making process for setting, reviewing and implementing the guidelines*

The Board of Directors has established a remuneration committee. The committee's tasks include preparing the Board of Directors' resolution on proposal for guidelines for remuneration to executive management. The Board of Directors shall prepare proposals for new guidelines when the need for significant changes to the guidelines arises, but at least every four years, and present the proposal for resolution at the annual shareholders' meeting. The guidelines shall apply until new guidelines are adopted by the shareholders' meeting.

The remuneration committee shall also monitor and evaluate variable remuneration programs for the executive management, the application of the guidelines for remuneration for the executive management and the current remuneration structures and levels in the Company.

The members of the remuneration committee are independent of the Company and its executive management. The CEO and other members of the executive management are not present when the Board of Directors considers and resolves on remuneration-related matters, insofar as they are affected by such matters.

*Deviation from the guidelines*

The Board of Directors may temporarily resolve to deviate from the guidelines, in whole or in part, if there are special reasons for this in an individual case and a deviation is necessary to serve the Company's long-term interests or to ensure the Company's financial viability. As stated above, the remuneration committee's tasks include preparing the Board of Directors' resolutions on remuneration issues, including resolutions on deviations from the guidelines.

**Remuneration to members of the Board of Directors**

Fees and other remuneration to the members of the Board of Directors, including the Chairman, are resolved by the shareholders' meeting. At the annual shareholders' meeting, held on 26 February 2025, it was resolved that an annual fee of SEK 4,950,000 will be paid to the Chairman of the Board of Directors, and fees of SEK 500,000<sup>1)</sup> to each of the members who are not employed within the Company. The board member and CEO Fredrik Karlsson does not receive any fee for his position as board member. As of 1 March 2025, Fredrik

1) Conditional upon trading in Röko's shares of class B being initiated on Nasdaq Stockholm. In the event that trading in Röko's shares of class B is not initiated on Nasdaq Stockholm, a board fee of SEK 400,000 shall be paid.



Karlsson's annual salary as CEO amounts to SEK 4,950,000. The members of the Board of Directors are not entitled to any benefits following termination of their assignments as directors of the board.

#### Remuneration to the Board of Directors during the 2024 financial year

The table below presents an overview of the remuneration to the members of the Board of Directors elected by the shareholders' meeting for the 2024 financial year.

Name	Position	Board fee (SEK)
Tomas Billing	Chairman	4,546,482
Angela Langemar Olsson	Board member	300,000
Fredrik Karlsson <sup>1)</sup>	Board member	–
Lilian Fossum Biner	Board member	300,000
Peter Sterky	Board member	300,000
<b>Total</b>		<b>5,446,482</b>

1) Fredrik Karlsson does not receive any remuneration for his position as a board member. However, Fredrik Karlsson receives a salary for his position as CEO according to the table presented below in section ("– Current employment agreements for the CEO and other executive management").

#### Current employment agreements for the CEO and other executive management

Resolutions as to the current remuneration levels and other conditions of employment for the CEO and other members of the executive management have been resolved by the Board of Directors.

The table below presents an overview of remuneration to the CEO and other members of the executive management for the 2024 financial year.

Name	Basic salary/ board fee (SEK)	Variable remuneration <sup>1)</sup>	Pension premiums	Other benefits	Total (SEK)
Fredrik Karlsson, Board member and CEO	4,546,482	–	–	–	4,546,482
Johan Bladh, deputy CEO, CFO and Head of B2C	5,000,004	835,006	750,000	–	6,585,010
Anders Nordby, Investment Manager UK, Norway and Head of B2B	2,232,000	32,797	113,000	–	2,377,797
<b>Total</b>	<b>11,778,486</b>	<b>867,803</b>	<b>863,000</b>	<b>–</b>	<b>13,509,289</b>

1) Variable remuneration refers to cash-based bonuses linked to acquisitions made by the Company, based on the acquired company's EBITA.

The CEO is entitled to a fixed salary of SEK 400,000 per month (as of May 2024). The CEO is entitled to a notice period of six months in the event of his own termination and 12 months in the event of termination by the Company.

Other members of the executive management are entitled to customary conditions of employment and individual occupational pension insurance. Members of the executive management domiciled in Sweden are entitled to a notice period of six months in the event of their own termination and 12 months in the event of termination by the Company.

The Company's pension plans for members of the executive management are defined contribution plans and accordingly there are no amounts accrued or payable for pensions and similar benefits after termination of employment.

#### Internal control

The Board of Directors of the Company has the ultimate responsibility for ensuring appropriate and effective internal control and sound risk management within the Group. Internal control comprises the control of the Company's and the Group's organization, procedures and support measures. The objective is to ensure that reliable and accurate financial reporting takes place, that the Company's and the Group's financial statements is prepared in accordance with law and applicable accounting standards, that the Company's assets are protected, and that other requirements are fulfilled. The system for internal control is also intended to monitor compliance with the Company's and the Group's policies, principles and instructions. Internal control also comprises risk analysis and follow-up of incorporating information and business systems.

#### Risk management

Risk management within the Group is based on the following processes:

- Risk identification and classification – identification of business risks, credit risks, liquidity risks and regulatory risks at both company and Group level.
- Risk assessment – analysis of the likelihood and potential impact of identified risks.
- Risk management strategies – implementation of measures to reduce, monitor or transfer risks, including internal controls.
- Reporting and monitoring – regular reports to the Board of Directors and the audit committee from the Company's management, with an annual review of the Group's risk management.

Given the Company's structure with a large number of subsidiaries, the Group has established a decentralized risk management system, with a minimum level in a number of areas where it is required from a Group perspective. The Group identifies, assesses, and manages risks based on the Group's vision and objectives, resulting in a number of minimum requirements that apply to the entire Group. These minimum requirements have been translated into Group policies. Processes for managing the business in line with the Company's adopted policies are established and managed by management, with the CEO responsible for the process structure within the Group. The Company ensures that the executive management are educated on the policies and internal controls required for the Group and the chairman of each subsidiary is responsible for ensuring that the subsidiaries' internal controls are evaluated annually, with immediate

improvement actions identified. The CEO of each subsidiary is then responsible for ensuring that the internal controls in the subsidiary meet the minimum requirements set out in the Group's policies, under the supervision of the subsidiary's Board of Directors. In addition to these minimum requirements, the CEO of each subsidiary is responsible for identifying and managing their respective risks in the business. This work is done under the supervision of the subsidiary's Board of Directors.

#### **The Board of Directors as audit committee**

The Board of Directors of the Company acts as the audit committee and performs the work that would normally be done by a separate audit committee. The Board of Directors reviews and evaluates the Company's financial reporting, internal control processes and monitors significant risk areas. The Board of Directors continuously monitors the effectiveness of internal controls and makes necessary adjustments as required. For more information, see section "*Board of Directors*".

#### **Compliance and control environment**

The CFO performs an assessment of risk controls and internal systems according to the plan agreed with the Board of Directors and Group Management and is responsible for ensuring that the Group complies with applicable regulations and policies. The Board of Directors of each subsidiary reports annually to the CFO on risk management. The CFO and the Company's representatives on the subsidiaries' boards work proactively to identify potential regulatory risks and implement measures to minimize them, and report back to the Board of Directors with proposals for adjustments to internal control where deemed necessary.

An important support to this work is an annual self-assessment carried out by each subsidiary. The self-assessment relates to the minimum requirements of defined controls for identified group-wide risks for each business process and is performed by the CEO of each subsidiary. During the annual audit, the self-assessment is reviewed, and feedback is provided to the CFO. In connection with the self-assessment and subsequent evaluation, the management performs an analysis of internal control deficiencies, their consequences and plans relevant actions. This work forms an important basis for reporting back to the Board of Directors. Adjustments are typically proposed in areas where several subsidiaries are deficient in risk management or in the event of regulatory changes.

In addition, the Group has a whistleblowing function where employees, customers, suppliers and other stakeholders can anonymously report suspected violations of Group policies or other regulations. The Board of Directors and executive management see this as an important part of the Company's control environment and culture of business ethics and compliance.

#### **Audit**

The auditor shall review the Company's annual report and accounting, as well as the management of the Board of Directors and the CEO. Following each financial year, the auditor shall submit an audit report and a consolidated audit report to the annual shareholders' meeting. At least once a year, the Board of Directors meets the Company's auditor without the CEO or any other member of the executive management present.

Pursuant to the Company's articles of association, the Company shall have not less than one and not more than two auditors and not more than two deputy auditors. The Company's auditor is Öhrlings PricewaterhouseCoopers AB, with Patrik Adolfson as auditor in charge.

The company's auditor is presented in more detail in section "*Board of Directors, executive management and auditor*".



# Share capital and ownership structure

## General information

Pursuant to the Company's articles of association, the share capital may not be less than SEK 500,000 and not more than SEK 2,000,000, and the number of shares may not be less than 10,000,000 and not more than 40,000,000. As of the date of the Offering Circular<sup>1)</sup>, the Company has issued a total of 14,832,500 shares, of which 2,696,000 are shares of class A and 12,136,500 are shares of class B. The shares are denominated in SEK and each share has a quota value of SEK 0.05.

All shares in the Company have been issued pursuant to Swedish law. All issued shares have been fully paid and are freely transferable. The shares of class B in the Company are freely transferable in accordance with applicable law.

The offered shares of class B are not subject to a mandatory offering, redemption rights or sell-out obligation. No public takeover offer has been made for the offered shares of class B during the current or preceding financial year. The Founders have undertaken the commitments which are stated in section "Legal considerations and supplementary information – Cornerstone Investors".

## Certain rights associated with the shares

The offered shares of class B are of the same class. The rights associated with the shares issued by the Company, including those pursuant to the articles of association, can only be amended in accordance with the procedures set out in the Swedish Companies Act (2005:551).

## Voting rights

Each share of class A in the Company entitles the holder to ten votes and each share of class B entitles the holder to one vote at shareholders' meetings. Each shareholder is entitled to vote for all shares held in the Company.

## Preferential rights to new shares etc.

If the Company issues new shares, warrants or convertibles in a cash issue or a set-off issue, the shareholders shall, as a general rule, have preferential rights to subscribe for such securities in proportion to the number of shares held prior to the issue.

## Right to dividends and balances in case of liquidation

All shares give equal rights to dividends and the Company's assets and possible surpluses in the event of liquidation.

Resolutions regarding dividend are passed by shareholders' meetings. All shareholders registered as shareholders in the share register maintained by Euroclear Sweden on the record date decided by the shareholders' meeting shall be entitled to receive dividends. Dividends are normally distributed to shareholders as a cash payment per share through Euroclear

Sweden, but may also be paid out in a manner other than cash (in kind dividend). If shareholders cannot be reached through Euroclear Sweden, such shareholder still retains its claim on the Company to the dividend amount, subject to a statutory limitation of ten years. Upon the expiry of the period of limitations, the dividend amount shall pass to the Company.

There are no restrictions on the right to dividends for shareholders domiciled outside Sweden. Shareholders not resident in Sweden for tax purposes must normally pay Swedish withholding tax, see also section "Legal considerations and supplementary information – Important information on taxation".

## Information regarding mandatory bids and redemption of minority shares

Pursuant to the Swedish Takeovers Act (2006:451) any person who (i) does not hold any shares or holds shares representing less than three tenths of the voting rights in a Swedish limited company whose shares are admitted to trading on a regulated market (the "Target Company"), and (ii) who through the acquisition of shares in the Target Company, alone or together with a closely related party, holds shares representing three tenths or more of the voting rights for all of the shares in the Target Company is obliged to immediately disclose the size of his holding in the Target Company and, within four weeks thereafter, make an offer to acquire the remaining shares in the Target Company (mandatory offer requirement). A shareholder who personally, or through a subsidiary, holds more than 90 percent of the shares in a Swedish limited company has the right to redeem the rest of the shares in the company. The owners of the rest of the shares have a corresponding right to have their shares redeemed by the majority shareholder. The formal procedure for the redemption of minority shares is regulated in the Swedish Companies Act.

## Dividend policy and dividends

Röko's dividend policy is to distribute 0–20 percent of net profit to the Company's shareholders. The Company has not paid any dividends to shareholders at the 2022, 2023, 2024 and 2025 annual shareholders' meetings. The Board of Directors intends to propose that no dividend be paid at the 2026 annual shareholders' meeting for the 2025 financial year.

## Central securities depository

The Company's shares are registered in a CSD register in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479). This register is managed by Euroclear Sweden AB, Box 191, SE-101 23 Stockholm. No share certificates have been issued for the Company's shares of class B. The ISIN code for the shares of class B is SE0023950795.

1) Prior to the implementation of the capital structure restructuring, for more information, see section "– Transformation of previous ownership structure".

## Share capital development

The table below shows historical changes in the Company's share capital since the formation of Röko, and the changes in the number of shares and the share capital which will be made in connection with the listing of the Company's shares of class B on Nasdaq Stockholm.

Date of registration	Event	Change in number of shares	Number of shares after the transaction	Share capital (SEK)	
				Change	Total
18 February 2019	Formation of the Company	50,000 shares of class A	50,000 shares of class A	50,000	50,000
7 March 2019	Reverse share split	1:100	500 shares of class A	–	50,000
5 July 2019	Share issue <sup>1)</sup>	848 shares of class A	1,348 shares of class A	84,800	134,800
5 July 2019	Share issue <sup>2)</sup>	5,394 shares of class B	1,348 shares of class A 5,394 shares of class B	539,400	674,200
19 July 2022	Share split	2:1	2,696 shares of class A 10,788 shares of class B	–	674,200
30 January 2023	Share split	1,000:1	2,696,000 shares of class A 10,788,000 shares of class B	–	674,200
25 August 2023	Share issue <sup>3)</sup>	1,348,500 shares of class B	2,696,000 shares of class A 12,136,500 shares of class B	67,425	741,625
10 March 2025	Redemption of shares of class A	208,492 shares of class A	2,487,508 shares of class A 12,136,500 shares of class B	10,424.6	731,200.4
10 March 2025	Bonus issue	–	2,487,508 shares of class A 12,136,500 shares of class B	10,424.6	741,625

1) The cash amount amounted to a total value of SEK 84,800, corresponding to a subscription price of SEK 100 per share in the Company.

2) The cash amount amounted to a total value of SEK 539,400, corresponding to a subscription price of SEK 100 per share in the Company.

3) The cash amount amounted to a total value of SEK 707,962,500, corresponding to a subscription price of SEK 525 per share in the Company.

## Dilution and net asset value

As the Offering only comprises existing shares of class B, the shareholdings of the current shareholders in the Company will not be diluted as a result of the Offering. As of 31 December 2024, the Company's net asset value per share amounted to approximately 371 SEK (based on an equity of SEK 5,501 million and 14,832,500 shares).<sup>1)</sup>

## Convertibles, warrants, etc.

As of the date of the Offering Circular, there are no outstanding warrants, convertibles or other share-related financial instruments in Röko.

## Ownership structure

The tables below set forth the ownership structure of Röko immediately prior to the Offering and immediately after the completion of the Offering, assuming that the conversion of the previous ownership structure takes place in accordance with what is written in section "– Transformation of previous ownership structure". As of the date of the Offering Circular and as far as the Company is aware, the Company is not directly or indirectly controlled by any party.

1) As a result of the redemption of shares of class A that will take place in connection with the Offering and that is described in section "– Transformation of previous ownership structure" below, the net asset value and earnings per share will increase.

Share capital and ownership structure

Shareholders	Shareholding before the Offering				After the Offering (if the Offering is fully subscribed)			
	Number of shares of class A	Number of shares of class B	Share of capital	Share of votes	Number of shares of class A	Number of shares of class B	Share of capital	Share of votes
<i>Shareholders with holdings exceeding 5 percent of the shares or votes</i>								
Tomas Billing <sup>1)</sup>	1,052,000	343,337	9.41%	27.79%	970,645	343,337	8.99%	27.15%
Fredrik Karlsson <sup>2)</sup>	1,052,000	343,337	9.41%	27.79%	970,645	343,337	8.99%	27.15%
Johan Bladh <sup>3)</sup>	404,000	13,597	2.82%	10.37%	372,757	13,597	2.64%	10.11%
Trift Capital II Limited	–	1,359,751	9.17%	3.48%	–	1,359,751	9.30%	3.67%
AEMG Capital Förvaltnings AB	–	1,133,126	7.64%	2.90%	–	1,328,438	9.08%	3.59%
Santhe Dahl Invest AB	–	787,500	5.31%	2.01%	–	425,900	2.91%	1.15%
<i>Shareholdings of members of the Board of Directors and executive management (other than those listed above)</i>								
Lilian Fossum Biner	–	2,266	0.02%	0.01%	–	2,266	0.02%	0.01%
Peter Sterky <sup>4)</sup>	–	18,129	0.12%	0.05%	–	18,129	0.12%	0.05%
Angela Langemar Olsson	–	6,799	0.05%	0.02%	–	6,799	0.05%	0.02%
Anders Nordby <sup>5)</sup>	188,000	9,065	1.33%	4.83%	173,461	9,065	1.25%	4.71%
Other existing shareholders	–	8,119,593	54.74%	20.77%	–	6,037,649	41.29%	16.31%
<b>Total</b>	<b>2,696,000</b>	<b>12,136,500</b>	<b>100%</b>	<b>100%</b>	<b>2,487,508</b>	<b>9,888,268</b>	<b>84.63%</b>	<b>93.93%</b>
Other new shareholders	–	–	–	–	–	2,248,232	15.37%	6.07%
<b>Total</b>	<b>2,696,000</b>	<b>12,136,500</b>	<b>100%</b>	<b>100%</b>	<b>2,487,508</b>	<b>12,136,500</b>	<b>100%</b>	<b>100%</b>

1) Indirectly through Smöla AB.

2) Indirectly through Gjusböte AB.

3) Indirectly through Smalandiis AB.

4) Direct and indirect through P. Sterky AB.

5) Indirectly through Anord AS.

### Ownership collective

Röko's owner collective consists of entrepreneurs and individuals with experience from different parts of the business world. The interest in Röko in connection with the capital raising at the company's establishment in 2019 was great and the lack of institutions in the owner list is a result of the rapid process. One of the goals of the IPO is to broaden the investor base so that institutions are also included as owners. However, the majority of the current owners will remain as owners after the listing. In addition to the Founders and other members of the management team, the three largest shareholders in Röko are Trift Capital II Limited (Felix Hagnö), AEMG Capital Förvaltnings AB (Adam Gerge) and Santhe Dahl Invest AB. The two largest shareholders<sup>1)</sup>, other than the Founders and other members of the management, will not sell any shares of class B in the listing.

### Transformation of previous ownership structure

Prior to the date of the Offering Circular, in order to facilitate and enable the Offering, all shareholders have, through the applicable shareholders' agreement, undertaken to contribute to the allocation of the ownership structure and the shares in the Company between the holders of shares of class A and holders of shares of class B in connection with the Offering based on invested capital and the price in the Offering. The allocation will be carried out through the redemption of shares of class A, whereby such number of shares of class A will be redeemed so that the holders of shares of class A remaining holdings of shares of class A correspond to the shares of class A proportion of the total value of all shares in the Company immediately prior to the IPO. Accordingly, the number of shares of class A surrendered by the holders of shares of class A and the value of the remaining shares of class A is a function of the Offering Price.

Against the above background, 208,492 shares of class A will be redeemed by the Company free of charge in connection with the Offering.

Unless otherwise stated, all calculations related to the transformation of the ownership structure and shareholding after the Offering in the Offering Circular are based on the assumption that this takes place at the Offering Price.

In connection with the redemption of the shares of class A and the reallocation of the ownership structure, the articles of association in section "Articles of Association" will be registered with the Swedish Companies Registration Office and will replace the previous articles of association, after which the shares of class A and the shares of class B will have equal economic rights and will thus confer equal rights to dividends and to the Company's assets in the event of liquidation (for more information on the rights attached to the shares of class A and the shares of class B, see section "– Certain rights associated with the shares" above).

Following the redemption of the shares of class A and the simultaneous bonus issue without issuing new shares, the Company's share capital will amount to a maximum of SEK 741,625 divided into a maximum of 2,487,508 shares of class A and a maximum of 12,136,500 shares of class B with a quota value of approximately SEK 0.050713 per share.

### Selling Shareholders

The Selling Shareholders offers 2,580,257 existing shares of class B in the Offering. Information about the Selling Shareholders is presented in the table below.

Shareholders	Postal/street address	LEI code	Legal entity	Country of registration and jurisdiction	Shares of class B offered
Mellby Gård Intressenter AB	Anna Lindhs Plats 4, SE-211 19 Malmö, Sweden	5493000TB4EPHNJB5T12	Yes	Sweden	450,000
Santhe Dahl Invest AB	Norra Doktorsgatan 18, SE-352 36 Växjö, Sweden	549300FXF2MZZZPEI624	Yes	Sweden	361,600
Röko PoolCo AB <sup>1)</sup>	Östermalmsgatan 33, SE-114 26 Stockholm, Sweden	636700SKP7NTZKDUCJ76	Yes	Sweden	1,768,657

1) Röko PoolCo AB has been established in anticipation of the Offering with the sole purpose to carry out the sale of class B shares in the Offering by selling shareholders who are not party to the Placing Agreement.

1) Trift Capital II Limited and AEMG Capital Förvaltnings AB.

### **Shareholders' agreement**

As of the date of the Offering Circular, there are shareholder agreements relating to the financial instruments in the Company, which will expire in connection with the listing of the Company's shares of class B on Nasdaq Stockholm.

Other than the above-mentioned agreement, the Company is not aware of any shareholders' agreements, other agreements or similar that could lead to a change of control of the Company.

### **Lock-up arrangements**

Under the Placing Agreement (as defined below) and the applicable lock-up agreements expected to be entered into on or around 10 March 2025, existing shareholders including shareholding members of the Board of Directors and members of the executive management will undertake, with certain exceptions, towards Managers, not to sell their respective existing holdings of shares for a certain period after trading on Nasdaq Stockholm has commenced (the "**Lock-up Period**"). The Lock-up Period for the Founders and Johan Bladh (Deputy CEO, CFO and Head of B2C) will be 1,080 days, and the Lock-up Period for other members of the Board of Directors and the Company's executive management will be 360 days. The lock-up period for other existing shareholders of the Company will be 180 days. At the end of the respective Lock-up Period, the shares may be offered for sale, which may affect the market price of the share.

Exceptions to the undertakings include, *inter alia*, sales of shares in connection with public takeover bids, sales of subscription rights or similar rights to pay the price to subscribe for or purchase shares in a rights issue, transfers of shares to a family member and intra-group transfers. SEB, on behalf of the Managers, may make exceptions from these undertakings. Any exception from the lock-up arrangements will be considered on a case-by-case basis and may be provided for on both personal and commercial reasons.

Pursuant to the Placing Agreement, the Company will undertake, with certain exceptions, towards Managers not to, e.g., resolve upon or propose to the shareholders' meeting an increase of the share capital through issuance of shares or other financial instruments for a period of 180 days from the first day of trading of the Company's shares of class B on Nasdaq Stockholm, without a written consent from Managers. Exceptions to the undertaking apply to the issue or transfer of shares and/or warrants under any future incentive programs. See also section "*Legal considerations and supplementary information – Placing Agreement*".

# Articles of association<sup>1)</sup>

Articles of association for Röko AB (publ), Reg. No. 559195-4812, to be adopted by the extraordinary shareholders' meeting on 10 March 2025.

## 1 § Registered name

The registered name of the company is Röko AB (publ).  
The company is a public limited liability company.

## 2 § Registered office

The company's registered office shall be situated in Stockholm.

## 3 § Operations

The company shall, on a long-term basis, own and manage real property and movable property and carry out other operations consistent herewith.

## 4 § Share capital

The share capital shall be not less than SEK 500,000 and not more than SEK 2,000,000.

## 5 § Number of shares

The number of shares shall be not less than 10,000,000 and not more than 40,000,000.

## 6 § Classes of shares

Two classes of shares may be issued, class A shares and class B shares. Class A shares carry ten votes per share and class B shares carry one vote per share. Class A shares and Class B shares carry equal rights to a part of the company's assets and profit.

Shares of each class may be issued in a number equal to the entire share capital.

If the company resolves to issue new shares of class A and class B, through a cash or set-off issue, shareholders of class A and class B shall have pre-emption rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary preemption right). Shares which are not subscribed for pursuant to the primary pre-emption rights shall be offered to all shareholders for subscription (subsidiary pre-emption right). If the shares thus offered are not sufficient for the subscription pursuant to the subsidiary pre-emption rights, the shares shall be allocated between the subscribers' pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.

If the company resolves only to issue class A shares or only to issue class B shares through a cash or set-off issue, all shareholders shall, irrespective of share class held, have pre-emption rights to subscribe for new shares pro rata to the number of shares previously held by them. If the

company resolves to issue warrants or convertible debentures through a cash or set-off issue, the shareholders shall have pre-emption rights to subscribe for warrants as if the issue applied to the shares that may be subscribed for pursuant to the right of warrant and preemption rights to subscribe for convertible debentures as if the issue applied to the shares that the convertible debentures may be converted to, respectively.

The above shall not limit the right to resolve upon a cash or set-off issue with deviation from the shareholders' pre-emption rights.

In the event of a bonus issue, new shares of each class shall be issued pro rata to the number of shares of the same class previously issued. In this connection, the shareholders of existing shares of a certain class shall have pre-emption rights to new shares of the same class. This shall not restrict the possibility of issuing new shares of a new class by means of a bonus issue, following the required amendment to the articles of association.

## 7 § The Board of Directors

The Board of Directors elected by the shareholders' meeting shall consist of not less than three members and not more than ten members with no deputy members.

## 8 § The Auditor

The company shall have not less than one and not more than two auditors and not more than two deputy auditors. The elected auditor shall be an authorized public accountant or a registered public accounting firm.

## 9 § Notice to shareholders' meeting

Notice of shareholders' meetings shall be made through announcement in the Swedish Official Gazette (Sw. *Post- och Inrikes Tidningar*) and on the company's website. It shall be announced in Svenska Dagbladet that a notice of a shareholders' meeting has been issued.

## 10 § Participation at shareholders' meetings

Shareholders who wish to participate in a shareholders' meeting shall provide notification of their intention to attend the meeting no later than on the date stipulated in the notice convening the shareholders' meeting. The latter mentioned day must not be a Sunday, any other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and must not be earlier than the fifth weekday prior to the meeting.

1) In connection with the redemption of the Class A shares and the reallocation of the ownership structure (for more information, see section "Share capital and ownership structure – Transformation of previous ownership structure"), the articles of association in this section will be registered with the Swedish Companies Registration Office and replace the previous articles of association.



The shareholder is allowed to bring one or two counsels to the shareholders' meeting, provided that the shareholder gives notice thereof in accordance with the preceding paragraph.

Shareholders' meetings shall be held in Stockholm.

#### **11 § The annual shareholders' meeting**

At the annual shareholders' meeting, the following matters shall be addressed:

1. Election of a chairman of the meeting;
2. Preparation and approval of the voting list;
3. Approval of the agenda;
4. Election of one or two persons to verify the minutes;
5. Determination whether the meeting has been duly convened;
6. Presentation of the annual accounts and auditor's report, consolidated annual accounts and the consolidated auditor's report as well as the written statements regarding the sustainability report for the group;
7. Resolutions:
  - (i) on adoption of the income statement and balance sheet and, if applicable, the consolidated income statement and the consolidated balance sheet;
  - (ii) on the disposition of the company's profit or loss as shown in the adopted balance sheet;
  - (iii) on discharge of liability of members of the Board of Directors and the CEO;
8. Determination of the number of members of the Board of Directors as well as the number of auditors and deputy auditors;
9. Determination of the fees to be paid to the Board of Directors and the auditors;
10. Election of the Board of Directors and auditors and, if applicable, deputy auditors;
11. Other matters that may be brought before the meeting pursuant to the Swedish Companies Act or the Articles of Association.

#### **12 § Collecting of powers of attorneys and vote by post**

The Board of Directors may collect powers of attorney in accordance with the procedure described in Chapter 7, section 4, second paragraph of the Companies Act (2005:551).

The Board of Directors has the right before a shareholders' meeting to decide that the shareholders shall be able to exercise their right to vote by post before the shareholders' meeting.

#### **13 § The right for persons not being shareholders to attend a shareholders' meeting**

The Board of Directors may resolve that persons not being shareholders of the company shall be entitled, on the conditions stipulated by the Board of Directors, to attend or in any other manner follow the discussions at a shareholders' meeting.

#### **14 § Euroclear Company**

A shareholder or Nominee which is included in the Register of Shareholders on the record date and entered in a CSD Register in accordance with the Chapter 4 of the Central Securities Depositories and Financial Instruments Accounts Act (SFS 1998:1479) or which is entered on a CSD account according to Chapter 4, section 18, first paragraph, 6-8 of the said act, shall be deemed to be authorised to exercise the rights pertaining to Chapter 4, section 39 of the Swedish Companies Act (SFS 2005:551).

#### **15 § Financial year**

The company's financial year shall be 1 January – 31 December.

# Legal considerations and supplementary information

## Approval from the Swedish Financial Supervisory Authority

The Swedish Prospectus has been approved by the SFSA, as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council. The SFSA only approves the Swedish Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of the Swedish Prospectus. Investors should make their own assessment as to the suitability of investing in the securities. The Swedish Prospectus was approved by the SFSA on 4 March 2025. The Swedish Prospectus is valid for up to 12 months following the date of the approval, provided that it is completed by any supplement required pursuant to Article 23 of the Prospectus Regulation. Any supplements will be published on the Röko's website. The obligation to supplement the Swedish Prospectus in the event

of significant new circumstances, factual errors or material misstatements will not apply after the closing of the application period or the time when trading on Nasdaq Stockholm begins, whichever is later.

## Legal group structure

The Company's business is conducted in accordance with the Swedish Companies Act. The parent company Röko AB (publ), which is the Company's legal name (and its commercial name) (Reg. No. 559195-4812) is a Swedish public limited company and was founded on 19 December 2018 and registered with the Swedish Companies Registration Office on 18 February 2019. The Company's LEI code is 549300X76X1DK285JB13 and its registered office is in Stockholm.

As of the date of the Offering Circular, the Company is the parent company of 104 subsidiaries, including subsidiaries in Sweden, Norway, Denmark and the United Kingdom. The group structure is shown in the chart below.

Company	Country	Reg. No.	Registered office	Ownership* (%)
<b>*Röko Holding AS</b>	Norway	923818782	Oslo	100%
Bilomsetningen Bildeler Holding AS	Norway	923818804	Arendal	77%
Bilomsetningen Arendal AS	Norway	923480323	Arendal	100%
Bilomsetningen BVBA	Belgium	BE0431616940	Wijnegem	100%
Beth's Beauty Holding AS	Norway	823843712	Oslo	65%
Beths Beauty Center AS	Norway	991723803	Oslo	100%
Beths Medispa AS	Norway	999327427	Oslo	100%
Ekstralys AS	Norway	916503555	Lindesnes	60%
Teccon Holding AS	Norway	923948511	Randaberg	85%
Teccon AS <sup>1)</sup>	Norway	992592273	Randaberg	100%
<b>*Arboritec Holding AB</b>	Sweden	559207-1657	Stenungsund	96%
SYNTEKO AB	Sweden	556571-3681	Stenungsund	100%
Arboritec USA Inc	USA	68-0678398	Denver	100%
<b>*Addedo Holding AB</b>	Sweden	559226-2926	Stockholm	59%
Addedo Aktiefbolag	Sweden	556731-0395	Stockholm	100%
<b>*Hot Screen Holding AB</b>	Sweden	559226-3122	Stockholm	58%
Hot Screen Aktiefbolag	Sweden	556446-5242	Kungsbacka	100%
Hot Screen Oy	Finland	2856050-1	Espoo	100%
Innovationsteknik Väst AB	Sweden	556907-7703	Mark	100%
<b>*Oppigårds Bryggeri AB</b>	Sweden	556565-4927	Hedemora	70%
Smith Street Brew Aktiefbolag	Sweden	559295-5123	Hedemora	100%
<b>*Lundberg Tech A/S</b>	Denmark	13447241	Lille Skensved	85%
Lundberg Tech GmbH	Germany	733320	Jagstzell	100%
Lundberg Tech Inc	USA	814271149	Newark	100%
Ningbo Lundberg Environmental Protection Technology Co., Ltd	China	91330211MA2CHQ9U8K	Ningbo	100%
<b>*Dan-Form A/S</b>	Denmark	16095389	Hørsholm	90%
<b>*Sixty Stores Ltd</b>	United Kingdom	07741797	Stratford-Upon-Avon Warwickshire	60%

1) On 1 January 2025, Teccon Industries AS merged with Teccon AS (then Teccon Norge AS before the name change).

Company	Country	Reg. No.	Registered office	Ownership* (%)
<b>*Renovotec Investments Ltd</b>	United Kingdom	08379833	Newton-Le-Willows	75%
Renovotec Ltd	United Kingdom	03554098	Newton-Le-Willows	100%
Renovotec Inc	USA	6027561	Wilmington	100%
Renovotec APAC pty Ltd	Australia	086287050	North Sydney	80%
Renovotec BV	Netherlands	84631740	Oss	100%
Wifigear Ltd	United Kingdom	05394659	Newton-Le-Willows	100%
Renovotec AB	Sweden	559410-7152	Sjöbo	100%
Renovotec AS	Norway	933358208	Oslo	100%
<b>*RM Holdco Ltd</b>	United Kingdom	13302020	Watford	79%
Rocket Medical Plc	United Kingdom	03276608	Watford	100%
Rocket Medical Pty Ltd	Australia	65150984937	Chatswood, NSW	100%
Rocket Medical Ltd	New Zealand	5915848	Hamilton	100%
Rocket Medical LLC	USA	98-0400155	Pembroke	100%
Rocket Medical Canada	Canada	3301118	Halifax	100%
Rocket Medical, Ireland	Ireland	645996	Dublin	100%
Rocket Medical BV	Netherlands	65861663	Amsterdam	100%
Rocket Medical GmbH	Germany	HRB14398FF	Berlin	100%
<b>*II Holding Aps</b>	Denmark	42451134	Copenhagen	60%
Les Deux ApS	Denmark	33506465	Copenhagen	100%
Les Deux Legacy ApS	Denmark	44093472	Copenhagen	100%
Les Deux Norway Retail AS	Norway	929123174	Oslo	50%
Les Deux US CORP	USA	93-2372045	New York	100%
Les Deux GmbH	Germany	HRB 98844	Düsseldorf	100%
Les Deux France	France	914383781	Paris	100%
<b>*Golf Experten A/S</b>	Denmark	30615689	Tilst	80%
<b>*NLG Group Limited</b>	United Kingdom	11264307	Leeming Bar	80%
4x4 Accessories & Tyres Limited	United Kingdom	04510524	Leeming Bar	100%
NLG Automotive EU Limited	Ireland	705446	Cork	100%
<b>*Smit Visual B.V.</b>	Netherlands	17060336	Geldrop	75%
<b>*ETB Technologies Limited</b>	United Kingdom	SC224120	Dalbeattie	65%
<b>*MCCN Holdings Ltd</b>	United Kingdom	11067997	London	70%
Brownell Limited	United Kingdom	04495331	London	100%
Hepp Sarl	France	400384335	Paris	50%
<b>*Dorsey Construction Materials Ltd</b>	United Kingdom	02701696	Reading	80%
Spechunter Ltd	United Kingdom	12711882	Reading	100%
<b>*SK Holding B.V.</b>	Netherlands	87120011	Hengelo	80%
Silk-ka B.V.	Netherlands	08147531	Hengelo	100%
<b>*AJAT Group ApS</b>	Denmark	43271539	Kolding	70%
AJAT A/S	Denmark	39155222	Kolding	100%
ABC-Gruppen Aps	Denmark	38793756	Kolding	100%
ABC-Gruppen AB	Sweden	556637-9672	Stockholm	100%
C.L. Seifert Danmark A/S	Denmark	38890980	Copenhagen	100%
C.L. Seifert Sverige AB	Sweden	556752-8285	Gothenburg	100%
C.L. Seifert Finland Oy	Finland	2360991-9	Helsinki	100%
Students Event TM AB	Sweden	556844-8376	Kävlinge	100%
C.L. SEIFERT A/S	Denmark	23103311	Copenhagen	100%
ATELIER 2000 HOLDING Aps	Denmark	19718794	Sonderborg	100%
STUDENT.DK A/S	Denmark	25312309	Kolding	100%
Nordic Studentevent AB	Sweden	559136-7700	Kävlinge	100%
Online Alley AB	Sweden	559251-1892	Kävlinge	100%
AJK Production UAB	Lithuania	300597961	Klaipėda	80%
SPV-16 UAB	Lithuania	303279145	Klaipėda	100%
CLS Lithuania UAB	Lithuania	305586004	Klaipėda	100%
<b>*SP Macbeth 5 Limited</b>	United Kingdom	08028721	Dudley	75%
Godiva Bearings (Southern) Limited	United Kingdom	01293580	Dudley	100%
Autosport Bearings & Components Limited	United Kingdom	03814236	Dudley	100%

Company	Country	Reg. No.	Registered office	Ownership* (%)
<b>*Snowminds Group ApS</b>	Denmark	34621934	Copenhagen	58%
SNOWMINDS ApS	Denmark	34621950	Copenhagen	100%
SNOWMINDS STORE ApS	Denmark	36449543	Copenhagen	100%
SWM Services ApS	Denmark	41888571	Copenhagen	100%
Snowlife B.V.	Netherlands	67465919	's-Hertogenbosch	100%
<b>*25 Röko B.V.</b>	Netherlands	92960170	Vuren	85%
Baymax B.V.	Netherlands	20096808	Etten-Leur	100%
B.V. Zeepfabriek Siderius	Netherlands	11025449	Vuren	100%
Siderius Soap & Cosmetics B.V.	Netherlands	85060437	Vuren	100%
Siderius Detergents B.V.	Netherlands	85053147	Vuren	100%
<b>*ATEMAG Holding GmbH</b>	Germany	HRB 133849	Hofstetten	95%
ATEMAG Aggregatetechnologie und Manufaktur AG	Germany	HRB 680621	Hofstetten	100%
MBH GmbH Metallverarbeitung	Germany	HRB 703781	Hofstetten	100%
<b>*CHPKAP BV</b>	Belgium	1012818768	Beveren	97%
Kapian NV	Belgium	0697714565	Beveren	100%
CHP NV	Belgium	0475587832	Beveren	100%
CHP, Inc.	USA	86-2363771	Lake Villa	100%
Specialist Lubricants Limited	United Kingdom	03890316	Bristol	100%
<b>*Pure Invest Trio Sarl</b>	France	903723039	Paris	58%
Pure IT SASU	France	794586867	Paris	100%
Pure Innovative Transceivers SASU	France	904480795	Paris	100%

## Material agreements

The following agreements (excluding agreements entered into in the ordinary course of business) have been entered into by a Group company within two years immediately prior to the date of this Offering Circular and are, or may become, material or have been entered into by a Group company at any time and contain condition under which a Group company has an obligation or right that is, or may become, material to the Group as at the date of this Offering Circular.

## Financial arrangements

The Group's existing financial arrangements mainly consist of (i) a SEK 300,000,000 revolving credit facility agreement of which SEK 108,147,500 were undrawn as of 31 December 2024, originally dated 20 May 2024 (as amended by an amendment request dated 31 January 2025), between Danske Bank as lender and the Company as borrower ("**Loan Agreement 1**"), (ii) a DKK 19,000,000, NOK 85,000,000 and GBP 15,400,000 facility agreement of which DKK 1,425,000, NOK 6,375,000 and GBP 1,155,000 were undrawn as of 31 December 2024, originally dated 20 May 2024 (as amended by an amendment request dated 31 January 2025), between SEB as lender and the Company as borrower ("**Loan Agreement 2**"), (iii) a DKK 70,000,000 facility agreement of which DKK 5,250,000 was undrawn as of 31 December 2024, originally dated 20 May 2024 (as amended by an amendment request dated 31 January 2025), between Svenska Handelsbanken AB (publ) as lender and the Company as borrower ("**Loan Agreement 3**"), (iv) a SEK 350,000,000 revolving credit facility agreement, of which 350,000,000 were undrawn as of the date Offering Circular, dated 31 January 2025, between Swedbank AB (publ) as lender and the Company as borrower ("**Loan Agreement 4**"), and (v) a liquidity optimization agreement containing an overdraft facility of maximum SEK 350,000,000 of which 332,324,000 was undrawn as of 31 December 2024, dated 12 June 2024, between SEB as lender and the Company as borrower (the "**Liquidity Optimization Agreement**").

Loan Agreement 1, Loan Agreement 2, Loan Agreement 3 and Loan Agreement 4 have been entered into on substantially the same terms and conditions, with the exception of certain commercial terms and conditions, and are hereinafter collectively referred to as the "**Loan Agreements**". Together with the Liquidity Optimization Agreement, these are referred to as the "**Financial Arrangements**". As of 31 January 2025, Röko's outstanding debt under the Financial Arrangements amounts to SEK 609,787,933. Röko has undrawn borrowing capacity under the Financial Arrangements of SEK 790 million as of 31 January 2025. There have been no material changes to the Company's outstanding debt and undrawn borrowing capacity between 31 January 2025 and the date of the Offering Circular.

The purposes of the Loan Agreements are, *inter alia*, to provide financing for general corporate purposes, including acquisitions and related costs. The agreements have been entered into with the respective banks on customary terms and are due for repayment under the terms of (i) Loan Agreement 1 on 20 May, 2026 (as amended by an amendment request dated 31 January 2025), (ii) Loan Agreement 2 on 20 May 2026 (as amended by an amendment request dated 31 January 2025),

(iii) Loan Agreement 3 on 20 May 2026 (as amended by an amendment request dated 31 January 2025), and (iv) Loan Agreement 4 on 20 May 2026. Each Loan Agreement contains an extension option which, subject to the approval of the respective bank, provides the Company the option to extend the maturity date by one additional year. For Loan Agreement 4, this extension can be made twice, provided that Swedbank AB (publ) approves each extension request. The loan agreements carry a floating interest rate and contain customary covenants and financial covenants. Such financial covenants include that Röko shall ensure that (A) the ratio between net debt and Adj. EBITDA (as defined in the Loan Agreements, which includes all of the Group's subsidiaries for the most recent twelve-month period but less interest expense from leases) is below 3.50:1.00, provided that only 33 percent of the Group Companies' call and put options (including other deferred considerations as set out in the Company's balance sheet) which, as of the date on which the Company is required under the Loan Agreements to test whether the financial covenant is met, have a maturity of more than 36 months shall be included in the Company's net debt and (B) the ratio of Adj. EBITDA (as defined in the Loan Agreements, which includes all of the Group's subsidiaries for the most recent twelve-month period but less interest expense from leases) to financial expenses exceeds 4.00:1.00. Furthermore, the agreements contain customary grounds for termination and information obligations as well as limitations for the Company, including, where applicable, companies within the Group. These restrictions relate, for example, to the implementation of business changes, mergers, the acquisition of shares or businesses, disposals, the raising of new financial indebtedness and the provision of collateral.

Furthermore, the Company has, through the respective amendment request dated 31 January 2025, entered into a separate agreement with each of Danske Bank, SEB and Svenska Handelsbanken AB (publ) to, *inter alia*, amend the change of control clause in the respective Loan Agreement (the "**Amendment Agreements**"). As a result of the Amendment Agreements, the change of control clauses have been amended so that the change of control clause in each Loan Agreement may be triggered (i) before the Company has listed the shares of class B on Nasdaq Stockholm, (a) if any person, alone or together with others, acquires more than 50 percent of the total number of shares and/or votes in the Company, or (b) if the Founders jointly cease to own at least 50.1 percent of the total number of votes and/or 17.5 percent of the total number of shares in the Company, or (ii) after the Company has listed the shares of class B on Nasdaq Stockholm, if (1) any person, alone or together with others (other than any of the Founders) who are (A) member(s) of the same group of companies or otherwise affiliated with that person, or (B) acting in concert with that person, directly or indirectly, acquire(s) shares representing more than 30 percent of the total number of shares and/or votes in the Company (a "**Change of Control**"), unless, within a period of ten (10) business days, the person(s) or concert having acquired such control have sold or transferred a sufficient number of shares of the Company so that a Change of Control no longer exists, (2) shares in the Company (other than the Company's shares of class B) are offered, whether initial or subsequent to a public

offering, resulting in shares allotted becoming quoted, listed, traded or otherwise admitted to trading on a regulated market or a multilateral trading facility; or (3) the Company's shares of class B are delisted from Nasdaq Stockholm. Loan Agreement 4 was entered into on the same terms as the other Loan Agreements (as amended by the respective amendment request dated 31 January 2025), except for certain commercial terms.

The liquidity optimization agreement contains customary undertakings, such as that the relevant accounts with SEB may not be pledged, and that the Company shall provide documents and information to SEB upon request. The agreement expires on 12 June 2025, with an option for the Company to extend the expiration date provided that SEB approves the extension request. The liquidity optimization agreement also contains customary provisions requiring the Company to inform SEB of impending changes in ownership. SEB has the right to terminate the agreement in the event of a material change in the ownership structure of the Company, for example as a result of the listing of the Company's shares of class B on Nasdaq Stockholm. The Company has thus on 31 January 2025 entered into an agreement with SEB that SEB will refrain from exercising its right to terminate the Liquidity Optimization Agreement under the change of control clause in the Liquidity Optimization Agreement in connection with the listing on Nasdaq Stockholm.

All of the Financial Arrangements contain customary cross-default provisions. This means that all outstanding financing and other obligations of the respective banks will become due and payable in advance if the Company or, as the case may be, any other member of the Group fails to fulfill its covenants or otherwise breaches any covenants or obligations under applicable financing agreements to which the Company or, as the case may be, any member of the Group is a party (including, but not limited to, the Financial Arrangements).

In the event of non-compliance with the covenants and provisions contained in the Financial Arrangements or a change of ownership in accordance with the foregoing, the respective bank has the right to terminate the Financial Arrangements, as applicable, and demand immediate repayment of all outstanding loans, including accrued interest and any fees.

### Intellectual property rights

Röko holds its registered company name Röko AB (publ). The Company does not hold any other intellectual property rights. Furthermore, companies within the Group hold intellectual property rights. For example, Les Deux ApS holds trademarks for its company name and the "II" logo in, among others, the EU, the U.S. and the UK. Within the AJAT Group, there are word trademarks such as "AJAT" in the EU and the UK, "C.L. Seifert" in the EU and "By ABC-Gruppen" in Sweden. ABC-Gruppen is also the holder of design protection for various designs of cocarde on Swedish student caps. Rocket Medical holds trademarks for its company name and products primarily in the English-speaking world, such as the word marks "IPC EVA", "HYVIEW" and "ROCKET" in the U.S., the UK, Australia and the EU, and figurative marks for the "R" logo in the UK, Canada, Australia, New Zealand and the EU, for "Rocketmedical" in the UK, Canada and the EU, and for "R" and "Rocketmedical" in

combined form in the U.S. Rocket Medical is also a holder of foreign patents and has licensed additional patents. The Group holds no Swedish patents. The Group companies collectively hold more than 180 domain names that mainly relate to the Group companies' business names or activities. Some subsidiaries such as Renovotec and AJAT Group hold unregistered intellectual property rights, mainly copyrights to software solutions.

### Disputes

The Group has not been part to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware) that recently had or could have material effects on the Company's financial position or profitability during the last 12 months.

### Placing Agreement

According to the terms of an agreement on placing of shares of class B which is intended to be signed on or about 10 March 2025 between the Company, the Founders, the Selling Shareholders and the Managers, (the "**Placing Agreement**"), the Selling Shareholders undertakes to divest approximately 21.3 percent of the shares of class B in the Company to the purchasers procured by the Managers, or alternatively, if the Managers fail, the Managers have undertaken to acquire the shares of class B subject to the Offering themselves.

Through the Placing Agreement, the Company makes customary representations and warranties to the Managers, primarily in relation to the information in the Offering Circular being correct, the Offering Circular and the Offering fulfilling requirements in laws and regulation and that there are no legal, or other, hindrances for the Company to enter into the Placing Agreement or for the completion of the Offering. Pursuant to the Placing Agreement, the Managers' commitment to indicate purchasers to or, if the Managers fail to do so, themselves acquire the shares comprised by the Offering is conditional upon, among other things, that the representations and warranties given by the Company, the Founders and the Selling Shareholders are correct. Under the Placing Agreement, the Company will, subject to customary qualifications, undertake to indemnify the Managers against certain claims under certain conditions.

Through the Placing Agreement, the Founders and the Selling Shareholders will undertake, with customary conditions, not to sell its shares during the Lock-up period (see further in section "*Share capital and ownership structure – Lock-up arrangements*"). Under the Placing Agreement, the Company also undertakes, not to (i) issue, offer, pledge, sell, undertake to sell or otherwise transfer or divest, directly or indirectly, any shares in the Company or any other securities which are convertible to or can be exercised or exchanged for such shares, or (ii) purchase or sell options or other instruments or enter into swap agreements or other arrangements which wholly or partly assign financial risk associated with ownership of the Company to another party prior to 180 days at the earliest after the date when trading starts on Nasdaq Stockholm. The Managers may, however, grant exemptions from these limitations.



## Cornerstone Investors

The Cornerstone Investors have undertaken vis-à-vis the Managers, the Founders and the Company to acquire shares of class B in the Offering, corresponding to approximately SEK 5,034 million. Following completion of the Offering, the Cornerstone Investors will hold approximately 29.06 percent of the number of shares and approximately 11.48 percent of the number of votes in the Company. The Cornerstone Investors will not receive any compensation for their respective undertakings and the Cornerstone Investors' investments are made on the same terms and conditions as those applicable for other investors in the Offering. The Managers, the Founders and the Board of Directors of the Company are of the opinion that the Cornerstone Investors' creditworthiness are sound and thus that they will be able to meet their respective undertakings. The Cornerstone Investors' undertakings are however not secured through any bank guarantee, blocked funds or pledge of collateral or similar arrangements. The Cornerstone Investors' undertakings are accompanied by certain conditions relating to *inter alia* a distribution of the Company's shares of class B being achieved in conjunction with the Offering as well as the Offering being completed within a certain time. The Cornerstone Investors' undertakings are applicable regardless of the determined Offering Price, in the Offering.

Cornerstone Investors <sup>1)</sup>	Commitment (amount in MSEK)
Bernt Ivarsson	700
Blacksheep Master Fund Limited	440
Funds managed by Capital Group	425
AEMG Capital Förvaltnings AB <sup>2)</sup>	400
ANICOM SA	350
Foord Asset Management (Singapore) Pte. Limited	347
Fondsfinans Kapitalförvaltning AS	300
Grandeur Peak Global Advisors, LLC	200
Woodlock Family Capital, LP	150
REQ Global Compounders	115
International One Design Group AB <sup>3)</sup>	100
Aeternum Capital AS	100
Kverva Finans AS	100
Alencia AB	100
Danske Bank Asset Management	100
Henric Wiman	80
Baillie Gifford Overseas Limited	80
MP Pensjon PK	75
Funds and accounts under management by direct and indirect investment management subsidiaries of BlackRock Inc. (" <b>BlackRock</b> ")	58
Centra Invest A/S	50
GS Kapital AB <sup>4)</sup>	50
David Foord	50
North Rock SPC	31
REQ Nordic Compounders	30
Svenska Stadsbyggen i Nacka Strand AB	30
Storebrand Sverige Plus (Storebrand Asset Management)	30
Cretum AB	30
Sundqvist Capital AB	30
Marble Bar Asset Management LLP	28
Tinden Holding AS	26

Cornerstone Investors <sup>1)</sup>	Commitment (amount in MSEK)
Beck Asset Management	25
Anna Ekström	25
Niki Mia Invest AB	25
Snoboll Capital Management LLC	20
Corbiere Capital Management (Jersey) Limited	20
GVP Holding AB <sup>5)</sup>	20
Albivia AB	20
Pancosmos AB <sup>6)</sup>	20
Anders Nordquist	20
Anavio Capital Partners LLP	20
Gilston Invest AB	15
SBH Group Aktiebolag	15
Pontus Hagnö <sup>7)</sup>	15
Claes Hägglöf <sup>8)</sup>	15
Ingvar Ljungqvist	10
Gunilla von Platen	10
Bengt Hagnö	10
Orbra Invest AB	10
Lovima AB	10
CJFA Holding AB	10
CRCH Investments AB <sup>9)</sup>	10
Kulinghavet Förvaltning AB <sup>10)</sup>	10
Peter Stigwan <sup>11)</sup>	10
Anders Thulin	10
Stefan Järud <sup>12)</sup>	10
Swedia Capital AB	10
Yanno Capital AB	10
Zirkona AB	10
Tassaka AB <sup>13)</sup>	10
Storebrand Sverige Småbolag Plus (Storebrand Asset Management)	4

1) All Cornerstone Investors can be reached through Röko AB (publ), address Östermalmsgatan 33, SE-114 26 Stockholm, Sweden.

2) As of the date of the Offering Circular, AEMG Capital Förvaltnings AB holds 1,133,126 shares of class B.

3) As of the date of the Offering Circular, International One Design Group AB holds 226,625 shares of class B.

4) As of the date of the Offering Circular, GS Kapital AB holds 158,638 shares of class B.

5) As of the date of the Offering Circular, GVP Holding AB holds 40,000 shares of class B.

6) As of the date of the Offering Circular, Pancosmos AB holds 2,000 shares of class B.

7) As of the date of the Offering Circular, Pontus Hagnö holds 45,325 shares of class B.

8) As of the date of the Offering Circular, Claes Hägglöf holds 22,663 shares of class B.

9) As of the date of the Offering Circular, CRCH Investments AB holds 22,663 shares of class B.

10) As of the date of the Offering Circular, Kulinghavet Förvaltning AB holds 90,650 shares of class B.

11) As of the date of the Offering Circular, Peter Stigwan holds 22,663 shares of class B.

12) As of the date of the Offering Circular, Stefan Järud holds 4,532 shares of class B.

13) As of the date of the Offering Circular, Tassaka AB holds 22,663 shares of class B.

### Related party transactions

For information regarding related party transactions, please see note 27 in section "Historical financial information – Notes". Transactions with related parties are also described in note 11, section "Historical financial information – Notes" as regards employees, employee expenses, pensions and remuneration to the Board of Directors of the Company.

Since 31 December 2024, up to and including the date of the Offering Circular, there has not been any related party transactions that, separately or jointly, can be considered significant to the Group.

### Interests of advisors

The Managers provide financial advisory and other services to the Company in connection with the Offering, for which they will receive customary remuneration with respect to the sale of the shares of class B. The Managers have in the ordinary course of business, from time to time, provided, and may in the future provide, various banking, financial, investment, commercial and other services to the Company. As of the date of this Offering Circular, SEB and Danske Bank are also lenders to Röko.

Advokatfirman Vinge KB has been legal counsel in connection with the Offering and the listing and may provide additional legal services to the Company.

### Costs related to the Offering

In consideration of the Managers' assistance in the Offering and the listing on Nasdaq Stockholm, the Managers will, subject to certain reservations, be reimbursed by the Company for external expenses incurred by them.

Röko's costs in connection with the listing on Nasdaq Stockholm and the Offering are estimated to amount to approximately SEK 50 million. Such costs are primarily attributable to costs for auditors, attorneys and other advice, design and printing of the Offering Circular and listing costs.

### Documents available for inspection

Röko's articles of association and certificate of registration are available for inspection during the validity period of the Offering Circular during office hours at the Company's headquarter at Östermalmsgatan 33, SE-114 26 Stockholm, Sweden. These documents are also available in electronic form on Röko's website, [www.roko.se](http://www.roko.se). The information on the Company's website, or on any other referenced website, does not form part of the Offering Circular unless that information is incorporated by reference into the Offering Circular, and has not been reviewed or approved by the competent authority.

### Important information on taxation

The tax legislation in the investor's home country and in Sweden may affect any income received from shares of class B in Röko.

The taxation of any dividend as well as capital gains taxation and rules concerning capital losses in connection with disposal of securities, depends on the shareholder's particular circumstances. Special tax rules apply to certain categories of tax payer and certain type of investment forms. Each holder of shares of class B should therefore consult a tax advisor for the information on the specific implications that may arise in an individual case, including the application and effect of foreign tax rules and tax treaties.

# Selling restrictions and transfer restrictions

## Selling restrictions

### United States

The shares of class B in the Offering have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States for offer or sale as part of their distribution and may not be offered or sold except: (i) within the United States to investors reasonably believed to be QIBs in reliance on Rule 144A or pursuant to another available exemption from the registration requirements of the Securities Act; or (ii) outside the United States to certain persons in compliance with Regulation S under the Securities Act, and in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. The Placing Agreement provides that the Managers may directly or through its United States broker-dealer affiliates arrange for the offer and resale of shares of class B within the United States only to QIBs in reliance on Rule 144A or another exemption from, or transaction not subject to, the registration requirements of the Securities Act.

Any offer or sale of shares of class B in the Offering in the United States will be made or intermediated by broker-dealers who are registered as such under the United States Securities Exchange Act of 1934, as amended. In addition, until 40 days after the commencement of the Offering, an offer or sale of shares of class B in the Offering within the United States by a dealer, whether or not participating in the Offering, may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another exemption from the registration requirements of the Securities Act and in connection with any applicable state securities laws. The terms used above have the meanings given to them by Regulation S and Rule 144A.

### European Economic Area

In relation to each Member State of the European Economic Area (with the exception of Sweden) (each a "**Relevant State**"), no shares of class B in the Offering have been offered or will be offered to the public in that Relevant State, except that offers of the shares of class B in the Offering may be made under the following exemptions under the Prospectus Regulation:

- to any legal entity that is a qualified investor as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), as permitted under the Prospectus Regulation, subject to obtaining the prior consent of the Managers for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation;

provided that no such offer of shares of class B in the Offering shall result in a requirement for the publication by the Company, the Selling Shareholders, or the Managers of a prospectus pursuant to Article 3 of the Prospectus Regulation or of a supplement to a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression "offered to the public" in relation to any shares of class B in the Offering in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the Offering and the shares of class B in the Offering so as to enable an investor to decide to purchase or subscribe for any shares of class B in the Offering.

Each person in a Relevant State who receives any communication in respect of, or who acquires any shares of class B under, the Offering contemplated hereby will be deemed to have represented, warranted and agreed to and with each of the Company and the Managers that it is a qualified investor within the meaning of Article 2(e) of the Prospectus Regulation.

The Company, the Selling Shareholders, the Managers and their respective affiliates and its and their respective directors, employees, agents, advisers, subsidiaries and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement

### United Kingdom

In relation to the United Kingdom, no shares of class B in the Offering have been offered or will be offered to the public in the United Kingdom, except that the shares of class B in the Offering may be offered to the public in the United Kingdom at any time:

- to any legal entity which is a qualified investor as defined under Article 2 of the UK version of commission delegated regulation (EU) 2017/1129 of the European Parliament and of the Council which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "UK Prospectus Regulation");
- to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Managers for any such offer; or
- in any other circumstances falling within Section 86 of the Financial Services and Markets Act 2000.

Each person in the United Kingdom who acquire any shares of class B in the Offering or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company, the Selling Shareholders and the Managers that it is a qualified investor within the meaning of the UK Prospectus Regulation.

In the case of any shares of class B in the Offering being offered to a financial intermediary as that term is used in Article 5(1) of the UK Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed to and with the Company, the Selling Shareholders and the Managers that the shares of class B acquired by it in the Offering have not been acquired for on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in the United Kingdom to qualified investors, in circumstances in which the prior consent of the Managers has been obtained to each such proposed offer or resale. Neither the Company, the Selling Shareholders nor the Managers have authorized, nor do they authorize, the making of any offer of shares of class B in the Offering through any financial intermediary, other than offers made by the Managers which constitute the final placement of shares of class B contemplated in this Offering Circular.

The Company, the Selling Shareholders, the Managers and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

For the purposes of this provision, the expression an "offer to the public" in relation to the shares of class B in the Offering in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the Offering and any shares of class B to be offered so as to enable an investor to decide to acquire any shares of class B in the Offering.

### General

No action has been or will be taken in any country or jurisdiction other than Sweden that would, or is intended to, permit a public offering of the shares of class B in the Offering, or the possession or distribution of this Offering Circular or any other offering material, in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Offering Circular comes are required by the Company and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver shares of class B in the Offering or have in their possession or distribute such offering material, in all cases at their own expense. None of the Company or the Managers accept any legal responsibility for any violation by any person, whether or not a prospective subscriber or purchaser of any of the shares of class B in the Offering, of any such restrictions.

### Transfer Restrictions

No action has been or will be taken in any country or jurisdiction other than Sweden by it that would, or is intended to, permit a public offering of the shares of class B in the Offering, or the possession or distribution of this Offering Circular or any other offering material, in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Offering Circular comes are required by the Company and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver shares of class B in the Offering or have in their possession or distribute such offering material, in all cases at their own expense.

The shares of class B in the Offering have not been and will not be registered under the Securities Act and the shares of class B in the Offering may not be offered or sold, directly or indirectly, within or into the United States or to, or for the account or benefit of, United States persons except in certain transactions exempt from, or in a transaction not subject to the registration requirements of, the Securities Act.

Each purchaser of the shares of class B in the Offering outside the United States purchasing in compliance with Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Offering Circular and such other information as it deems necessary to make an informed investment decision and that:

- (a) the purchaser is authorized to consummate the purchase of the shares of class B in the Offering in compliance with all applicable laws and regulations;
- (b) the purchaser acknowledges that the shares of class B in the Offering have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States, and, subject to certain exceptions, may not be offered or sold within the United States;

- (c) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the shares of class B in the Offering, was located outside the United States at each time (i) the offer was made to it and (ii) when the buy order for such shares was originated, and continues to be located outside the United States and has not purchased such shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the shares or any economic interest therein to any person in the United States;
  - (d) the purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate;
  - (e) the shares of class B in the Offering have not been offered to it by means of any "directed selling efforts" as defined in Regulation S;
  - (f) if the purchaser is acquiring any of the shares of class B in the Offering as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account;
  - (g) the Company will not recognize any offer, sale, pledge or other transfer of the shares of class B in the Offering made other than in compliance with the above stated restrictions; and
  - (h) the purchaser acknowledges that these representations and undertakings are required in connection with the securities laws of the United States and the Company, the Managers and their respective affiliates and advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.
- Each purchaser of the shares of class B in the Offering within the United States purchasing pursuant to Rule 144A or another exemption from the registration requirements of the Securities Act will be deemed to have acknowledged, represented and agreed that it has received a copy of this Offering Circular and such other information as it deems necessary to make an informed investment decision and that:
- (i) the purchaser is authorized to consummate the purchase of the shares of class B in the Offering in compliance with all applicable laws and regulations;
  - (j) the purchaser acknowledges that the shares of class B in the Offering have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States, are subject to significant restrictions on transfer and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
  - (k) the purchaser (i) is a QIB, (ii) is aware that the sale to it is being made in reliance on Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and (iii) is acquiring such shares of class B in the Offering for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the shares, as the case may be;
  - (l) the purchaser is aware that the shares of class B in the Offering are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the Securities Act;
  - (m) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such shares of class B in the Offering, or any economic interest therein, as the case may be, such shares of class B in the Offering or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in accordance with Regulation S, (iii) in accordance with Rule 144 under the Securities Act (if available), (iv) pursuant to any other exemption from the registration requirements of the Securities Act, subject to receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the Securities Act, or (v) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States and any other jurisdiction;
  - (n) the purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the shares of class B from the Company or an affiliate thereof in the initial distribution of such shares;
  - (o) the shares of class B in the Offering are "restricted securities" within the meaning of Rule 144(a)(3) and no representation is made as to the availability of the exemption provided by Rule 144 under the Securities Act for resale of any shares of class B in the Offering;
  - (p) the purchaser will not deposit or cause to be deposited any shares of class B in the Offering into any depository receipt facility established or maintained by a depository bank other than a Rule 144A restricted depository receipt facility, so long as such shares in the Offering are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act;

- (q) if the purchaser is acquiring any of the shares of class B in the Offering as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account;
- (r) the Company will not recognise any offer, sale, pledge or other transfer of the shares of class B in the Offering made other than in compliance with the above stated restrictions; and
- (s) the purchaser acknowledges that these representations and undertakings are required in connection with the securities laws of the United States and the Company, the Managers and their respective affiliates and advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.



# List of definitions

<b>Avanza</b>	Avanza Bank AB (publ).
<b>The Cornerstone Investors</b>	Investors listed in section “ <i>Legal considerations and supplementary information – Cornerstone Investors</i> ”.
<b>Carnegie</b>	Carnegie Investment Bank AB (publ).
<b>Danske Bank</b>	Danske Bank A/S, Danmark, Sverige Filial.
<b>DKK</b>	Danish kroner.
<b>The Offering</b>	The Offering of shares of class B as set out in this Offering Circular.
<b>The Offering Price</b>	The Offer price is 2,048 SEK per share of class B.
<b>EUR</b>	Euro.
<b>Euroclear Sweden</b>	Euroclear Sweden AB.
<b>The Founders</b>	Gjusböte AB and Smöla AB, depending on the context.
<b>Joint Bookrunners</b>	SEB, Carnegie and Danske Bank.
<b>The Code</b>	Swedish Corporate Governance Code.
<b>Managers</b>	SEB, Carnegie and Danske Bank.
<b>MEUR</b>	Millions of euros.
<b>MSEK</b>	Millions of Swedish kronor.
<b>MDEUR</b>	Billion euros.
<b>MDSEK</b>	Billions of Swedish kronor.
<b>MDUSD</b>	Billions of U.S. dollars.
<b>Nasdaq Stockholm</b>	The regulated market operated by Nasdaq Stockholm AB.
<b>NOK</b>	Norwegian kroner.
<b>Placing Agreement</b>	The agreement regarding placing of shares described in section “ <i>Legal considerations and supplementary information – Placing Agreement</i> ”.
<b>Swedish Prospectus</b>	The Swedish language version of the Offering Circular.
<b>Röko, the Company or the Group</b>	Röko AB (publ), the group within which Röko AB (publ) is the parent company or a subsidiary of the group, depending on the context.
<b>Retail Distributor</b>	Avanza Bank AB (publ).
<b>SEK</b>	Swedish kronor.
<b>SEB</b>	Skandinaviska Enskilda Banken AB (publ).
<b>Sole Global Coordinator</b>	SEB.
<b>USD</b>	U.S. dollars.

# Historical financial information

## The consolidated financial statements for the financial years 2024, 2023 and 2022

- F-2 Consolidated Income Statement
- F-2 Consolidated Comprehensive Income
- F-3 Consolidated Balance Sheet
- F-4 Consolidated Statement of Changes in Equity
- F-6 Consolidated Statement of Cash Flows
- F-7 Notes
- F-38 Independent Auditor's report

## Consolidated Income Statement

MSEK		2024	2023	2022
Net sales	5, 6	6,182	5,614	4,316
Cost of goods sold		-3,543	-3,343	-2,668
<b>Gross profit</b>		<b>2,639</b>	<b>2,271</b>	<b>1,648</b>
Selling expenses*		-940	-843	-613
Administrative expenses**		-681	-583	-404
Other operating income	7	12	2	18
Other operating expenses**	7	-61	-27	-37
<b>Operating profit</b>	8, 9, 10, 11, 12	<b>969</b>	<b>821</b>	<b>612</b>
Financial income	7, 13	66	26	101
Financial expenses	7, 12, 13	-112	-130	-160
<b>Profit before tax</b>		<b>923</b>	<b>716</b>	<b>554</b>
Tax on net profit for the year	14	-221	-175	-168
<b>Net profit for the year</b>		<b>702</b>	<b>541</b>	<b>386</b>
<b>Net profit for the year attributable to:</b>				
Parent Company shareholders		702	541	386
Non-controlling interests		-	-	-
<b>Net profit for the year</b>		<b>702</b>	<b>541</b>	<b>386</b>
Basic and diluted earnings per share for the year, attributable to Parent Company shareholders (SEK)***	31	47.33	38.78	28.60

\* Amortisation of intangibles arising from acquisitions have been reallocated in the income statement and historical periods have been restated.

\*\* Depreciation on right-of-use assets have been reallocated in the income statement and historical periods have been restated.

\*\*\* The historical periods have been restated based on the new number of shares following the 2:1 stock split carried out in May 2022 and the 1,000:1 stock split completed in January 2023. For 2023, the average number of shares has been calculated after the new share issue completed in Q3 2023.

## Consolidated Comprehensive Income

MSEK		2024	2023	2022
Net profit for the year		702	541	386
<b>Other comprehensive income</b>				
Items that can later be reclassified to profit or loss:				
Hedge of net investments		-35	-24	-
Tax related to hedge of net investments		-	-	-
Translation differences		279	-57	143
<b>Other comprehensive income</b>		<b>245</b>	<b>-80</b>	<b>143</b>
<b>Total comprehensive income for the year</b>		<b>947</b>	<b>461</b>	<b>529</b>
<b>Comprehensive income attributable to:</b>				
Parent Company shareholders		947	461	529
Non-controlling interests		-	-	-
<b>Total comprehensive income for the year</b>		<b>947</b>	<b>461</b>	<b>529</b>

# Consolidated Balance Sheet

MSEK		2024-12-31	2023-12-31	2022-12-31
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets	15	8,337	7,481	7,339
Tangible assets	16	279	228	229
Right-of-use assets	12, 16	504	469	518
Other long-term securities and receivables	17	31	38	15
<b>Total non-current assets</b>		<b>9,150</b>	<b>8,216</b>	<b>8,101</b>
<b>Current assets</b>				
Inventories	19	1,023	874	843
Accounts receivable	20	713	642	597
Other current receivables		83	59	28
Prepaid expenses/accrued income	21	85	84	53
Cash and cash equivalents	22, 23	421	744	558
<b>Total current assets</b>		<b>2,325</b>	<b>2,403</b>	<b>2,079</b>
<b>TOTAL ASSETS</b>		<b>11,475</b>	<b>10,619</b>	<b>10,180</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	24	1	1	1
Other contributed capital	24	4,443	4,443	3,254
Reserves		337	93	173
Retained earnings including net profit for the year		721	406	226
<b>Equity attributable to parent company shareholders</b>		<b>5,501</b>	<b>4,942</b>	<b>3,653</b>
Non-controlling interest		–	–	–
<b>Total equity</b>		<b>5,501</b>	<b>4,942</b>	<b>3,653</b>
<b>Non-current liabilities</b>				
Non-current interest-bearing liabilities	25	12	14	13
Non-current leasing liabilities	12, 25	417	403	447
Other non-current liabilities, put/call debt and earn-out liabilities	25	2,632	2,346	2,034
Deferred tax liability	18	808	742	719
Other provisions, non-current	26	7	3	4
<b>Total non-current liabilities</b>		<b>3,875</b>	<b>3,507</b>	<b>3,217</b>
<b>Current liabilities</b>				
Current interest-bearing liabilities	25	618	896	2,132
Current leasing liabilities	12, 25	108	80	70
Accounts payable		413	321	352
Advances from customers		260	261	198
Current tax liabilities		130	83	67
Other current liabilities, put/call debt and earn-out liabilities	25	270	276	321
Accrued expenses and prepaid income	28	299	251	168
<b>Total current liabilities</b>		<b>2,098</b>	<b>2,169</b>	<b>3,309</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,475</b>	<b>10,619</b>	<b>10,180</b>

## Consolidated Statement of Changes in Equity

MSEK	Share capital	Other contributed capital	Reserves*	Retained earnings	Total
Opening balance 2024-01-01	1	4,443	93	406	4,942
Net profit for the year	–	–	–	702	702
<b>Other comprehensive income</b>					
<b>Items which can later be reclassified to profit or loss</b>					
Hedge of net investments*	–	–	–35	–	–35
Tax related to hedge of net investments*	–	–	–	–	–
Translation differences*	–	–	279	–	279
<b>Total other comprehensive income</b>	–	–	<b>245</b>	<b>702</b>	<b>947</b>
<b>Comprehensive income for the year</b>	–	–	<b>245</b>	<b>702</b>	<b>947</b>
<b>Transactions with owners</b>					
Revaluation of liabilities to non-controlling interests	–	–	–	–239	–239
Dividend to non-controlling interests	–	–	–	–148	–148
<b>Closing balance 2024-12-31</b>	<b>1</b>	<b>4,443</b>	<b>337</b>	<b>721</b>	<b>5,501</b>

\* Reserves consist of translation differences that amount to MSEK 395, hedge of net investments that amount to MSEK –58 and tax related to hedge of net investments that amount to MSEK 0 per 2024-12-31.

MSEK	Share capital	Other contributed capital	Reserves*	Retained earnings	Total
Opening balance 2023-01-01	1	3,254	173	226	3,653
Net profit for the year	–	–	–	541	541
<b>Other comprehensive income</b>					
<b>Items which can later be reclassified to profit or loss</b>					
Hedge of net investments*	–	–	–24	–	–24
Tax related to hedge of net investments*	–	–	–	–	–
Translation differences*	–	–	–57	–	–57
<b>Total other comprehensive income</b>	–	–	<b>–80</b>	<b>541</b>	<b>461</b>
<b>Comprehensive income for the year</b>	–	–	<b>–80</b>	<b>541</b>	<b>461</b>
<b>Transactions with owners</b>					
Shareholder's contribution	–	481	–	–	481
New share issue	–	708	–	–	708
Revaluation of liabilities to non-controlling interests	–	–	–	–179	–179
Dividend to non-controlling interests	–	–	–	–182	–182
<b>Closing balance 2023-12-31</b>	<b>1</b>	<b>4,443</b>	<b>93</b>	<b>406</b>	<b>4,942</b>

\* Reserves consist of translation differences that amount to MSEK 116, hedge of net investments that amount to MSEK –24 and tax related to hedge of net investments that amount to MSEK 0 per 2023-12-31.

**Consolidated Statement of Changes in Equity, cont.**

<b>MSEK</b>	<b>Share capital</b>	<b>Other contributed capital</b>	<b>Reserves*</b>	<b>Retained earnings</b>	<b>Total</b>
<b>Opening balance 2022-01-01</b>	<b>1</b>	<b>1,838</b>	<b>30</b>	<b>122</b>	<b>1,991</b>
Net profit for the year	–	–	–	386	386
<b>Other comprehensive income</b>					
<b>Items which can later be reclassified to profit or loss</b>					
Translation differences*	–	–	143	–	143
<b>Total other comprehensive income</b>	<b>–</b>	<b>–</b>	<b>143</b>	<b>386</b>	<b>529</b>
<b>Comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>143</b>	<b>386</b>	<b>529</b>
<b>Transactions with owners</b>					
Shareholder's contribution	–	1,427	–	–	1,427
Transaction costs	–	–12	–	–	–12
Revaluation of liabilities to non-controlling interests	–	–	–	–156	–156
Dividend to non-controlling interests	–	–	–	–125	–125
<b>Closing balance 2022-12-31</b>	<b>1</b>	<b>3,254</b>	<b>173</b>	<b>226</b>	<b>3,653</b>

\* Reserves consist of translation differences that amount to MSEK 173 per 2022-12-31.



## Consolidated Statement of Cash Flows

MSEK	2024	2023	2022
<b>Operating activities</b>			
Operating profit	969	821	612
Non-cash items	34	358	262
Other financial items	3	-13	-6
Interest received	17	19	2
Interest paid	-78	-111	-63
Tax paid	-261	-224	-189
<b>Cash flow before changes in working capital</b>	<b>1,054</b>	<b>848</b>	<b>618</b>
<b>Changes in working capital</b>			
Increase/decrease in inventory	-47	75	-84
Increase/decrease in operating receivables	32	0	11
Increase/decrease in operating liabilities	59	9	-30
<b>Total changes in working capital</b>	<b>43</b>	<b>84</b>	<b>-103</b>
<b>Cash flow from operating activities</b>	<b>1,097</b>	<b>932</b>	<b>515</b>
<b>Investing activities</b>			
Investments in intangible assets	-14	-18	-1
Divestments of intangible assets	-	1	-
Investments in tangible assets	-56	-70	-49
Divestments of tangible assets	6	12	-
Acquisition of subsidiaries after subtracting cash	30	-339	-2,438
Divestment of subsidiaries	1	3	3
Changes in non-current assets	6	-5	-
<b>Cash flow from investing activities</b>	<b>-844</b>	<b>-416</b>	<b>-2,486</b>
<b>Financing activities</b>			
Shareholder's contribution	3	1,189	1,421
Debt issued	884	1	1,187
Debt repayment	-1,226	-1,267	-242
Other financial receivables/liabilities	34	-74	-9
Dividends to non-controlling interests	-148	-182	-125
<b>Cash flow from financing activities</b>	<b>-592</b>	<b>-334</b>	<b>2,231</b>
<b>Cash flow of the year</b>	<b>-338</b>	<b>183</b>	<b>260</b>
Cash and cash equivalents at the beginning of the year	744	558	290
Translation differences	16	3	8
<b>Cash and cash equivalents at the end of the year</b>	<b>421</b>	<b>744</b>	<b>558</b>

# Notes

## Note 1 General information

Röko acquires and develops sustainable niche businesses in two business areas: B2B and B2C. The Parent Company, Röko AB (publ), is a Swedish limited company with registered office in Stockholm (Östermalmsgatan 33).

Röko's board of directors authorised these financial statements for issue on 4 March 2025.

Unless otherwise stated, all amounts are expressed in millions of Swedish kronor (MSEK). Figures in parentheses refer to the previous year.

For a complete list of consolidated companies, see Note 35.

## Note 2 Summary of significant accounting policies

The key accounting policies applied in preparing these consolidated financial statements are described in the following. Unless otherwise stated, these policies have been applied consistently for all the years presented. Rounding may cause figures or percentages in the tables not to add up correctly.

### Basis of preparation of financial statements

The consolidated financial statements for the Röko group have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the EU. Recommendation RFR 1 Supplementary Financial Reporting Rules for Corporate Groups of the Swedish Financial Reporting Board and the Swedish Annual Accounts Act have also been applied. The consolidated financial statements have been prepared using the cost method.

### New and amended standards and interpretations applied by the group

No new standards or amendments to standards that came into effect on January 1, 2024, have had any significant impact on the group's financial reports.

### New and amended standards and interpretations which have not yet become effective

IFRS 18 "Presentation and Disclosure in Financial Statements," which will be applicable for financial year beginning on 1 January 2027, will replace IAS 1 "Presentation of Financial Statements" and introduce new requirements for the design of financial reports aimed at achieving greater comparability in financial reporting for similar companies, as well as providing users with more relevant information and transparency. Although IFRS 18 will not impact the accounting or valuation of items in the financial statements, its effects on presentation and disclosures are expected to be pervasive, particularly those related to the income statement and management-defined performance measures.

Management has not yet started to evaluate the impact of applying the new standard to the consolidated financial statements. No other standards or amendments to standards effective on or after January 1, 2025 are expected to have a material impact on the group's consolidated financial statements.

The Corporate Sustainability Reporting Directive (CSRD) will apply to Röko from the financial year beginning on January 1, 2025. CSRD replaces previous sustainability reporting requirements under the Annual Accounts Act (ÅRL). The purpose of CSRD is to improve access to information for stakeholders by requiring

companies to disclose how they impact people and the environment, as well as how sustainability issues pose risks and opportunities for their business. To achieve this, CSRD defines the specific information that affected companies must include in their sustainability reporting. Companies subject to CSRD must report sustainability information in accordance with the European Sustainability Reporting Standards (ESRS). The sustainability topics to be included in the report are determined through the double materiality assessment, as required by ESRS.

Management has initiated an evaluation of the implications of applying CSRD to the group's financial reporting by conducting a double materiality assessment in line with ESRS requirements.

### Adjustments to financial statements

A reclassification of costs in the Consolidated Income Statement has been carried out in accordance with IFRS to ensure a more accurate financial reporting. Amortisation of intangible assets arising from acquisitions, which are not recognised locally by subsidiaries, has been reclassified from administrative expenses to selling expenses. This reclassification was made because these amortisations primarily stem from customer relationships and therefore are more appropriately classified under selling expenses. Additionally, amortisation of right-of-use assets has been reclassified from other operating expenses to administrative expenses. This reclassification was made because leasing costs mainly consist of property rents, mainly for admin purposes, which are more appropriately classified as an administrative expense.

### Condensed Consolidated Income Statement before adjustments

MSEK	2023	2022
Selling expenses*	-634	-474
Administrative expenses** **	-714	-482
Other operating expenses*	-105	-98
<b>Total expenses</b>	<b>-1,453</b>	<b>-1,054</b>

### Condensed Consolidated Income Statement after adjustments

MSEK	2023	2022
Selling expenses*	-843	-613
Administrative expenses** **	-583	-404
Other operating expenses*	-27	-37
<b>Total expenses</b>	<b>-1,453</b>	<b>-1,054</b>

\* MSEK -139 for the full year 2022 and MSEK -208 for the full year 2023 have been reclassified from administrative expenses to selling expenses.

\*\* MSEK -61 for the full year 2022 and MSEK -77 for the full year 2023 have been reclassified from other operating expenses to administrative expenses.

A reclassification has been made in the Consolidated Comprehensive Income for the year between hedges of net investments, hedge of debt and translation differences which addresses to adjust for wrongful allocation between these lines. No change of other or total comprehensive income has been made for any period. For the full year 2023, hedge of net investment has changed by MSEK 28, hedge of debt has been cleared and changed by MSEK 24, and translation differences has changed by MSEK -52.

### Consolidation

#### Subsidiaries

All companies over which the group exercises control are classified as subsidiaries. The group controls a company when it is exposed to or has the right to a variable return on its investment in the company and is able to influence the return through its influence in the company. Subsidiaries are included in the consolidated financial statements as of the date at which control is transferred to the group. They are excluded from the consolidated financial statements as of the date on which control ceases to exist. Röko AB (publ) decides on the allocation of profits within each respective subsidiary. Dividends from subsidiaries are distributed to the owners of the subsidiary in proportion to the number of

shares, with shareholders without controlling influence entitled to their share of the dividend. Dividends not attributable to the Parent Company are reported under "Dividends to non-controlling interests" in the group's statement of cash flows.

The acquisition method is applied in accounting for the group's business combinations. The consideration paid for the acquisition of a subsidiary comprises the fair value of the transferred assets, liabilities and any shares issued by the group. The consideration also includes the fair value of all assets or liabilities that are a consequence of a contingent consideration arrangement. Each contingent consideration payable by the group is measured at fair value at the acquisition date.

Subsequent changes to the fair value of a contingent consideration that has been classified as a liability is accounted for in accordance with IFRS 9 in income statement. Acquisition-related costs are charged to expense as incurred. Identified assets acquired and liabilities assumed in a business combination are initially measured at fair value at the acquisition date. For each acquisition, i.e. on an acquisition by acquisition basis, the group determines whether to recognise a non-controlling interest in the acquired entity at fair value or at the interest's proportional share of the acquired entity's net assets.

Goodwill is recognised as the amount by which the consideration, any non-controlling interests and the fair value of the previous equity interest in the acquired entity at the acquisition date exceeds the fair value of the identified net assets.

Commitments for the acquisition of non-controlling interests are considered as financial liabilities and the subsequent changes in value are recognised in equity.

Intercompany transactions, balances, income and expenses, and unrealised gains and losses on transactions between group companies are eliminated. Where applicable, the accounting policies for subsidiaries have been amended to guarantee a consistent application of the group's policies.

#### **Change in ownership interest in a subsidiary without loss of control**

Transactions with non-controlling interests which do not lead to loss of control are accounted for as equity transactions. In case of acquisitions from non-controlling interests the difference between the fair value of the consideration paid and the actual acquired portion of the carrying amount of the subsidiary's net assets is recognised in equity. Gains and losses on sales to non-controlling interests are also recognised in equity. Expected cash outflow to acquire shares in subsidiaries according to the put / call options are treated as debt in the Balance sheet and valued at fair value at the best estimate at the end of every quarter with calculation based on actual reported figures.

#### **Translation of foreign currency**

##### **Functional currency and reporting currency**

The various entities in the group have the local currency as their functional currency, as the local currency has been defined as the currency of the primary economic environment in which each entity operates. Swedish kronor (SEK), the functional and reporting currency of the Parent Company and group, is used in the consolidated financial statements.

##### **Transactions and balances**

Transactions in foreign currency are translated to the functional currency at the transaction date exchange rates. Exchange rate gains and losses arising from such transactions and upon translation of monetary assets and liabilities in foreign currency at closing rates are recognised in income statement, except when the transactions constitute net investments, for which gains and losses are recognised in other comprehensive income. Unrealised exchange rate gains and losses are included in income statement. Exchange rate differences attributable to operating receivables and payables

are accounted for as other operating income (operating expenses). Exchange rate differences related to financial assets and liabilities are accounted for in other financial items.

#### **Translation of foreign group companies**

Results and financial position for those entities which have a different functional currency than the reporting currency are translated to the group's reporting currency. All assets and liabilities in the subsidiaries are translated at the closing rate while all items in the income statements are translated at the average exchange rate during the year. The resulting translation differences are due partly to the difference between the income statements' average rates and the closing rate, and partly to the fact that the net assets are translated at a different rate at the end of the year than at the beginning of the year. The translation differences are recognised in other comprehensive income. Hedge accounting is used for external loans which have been raised for the purpose of reducing the translation effects in the exposed currency to meet the net assets which exist in the foreign subsidiaries. Exchange rate differences on these loans are recognised directly in other comprehensive income for the group. Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities in this operation and translated at the closing rate. Translation differences are recognised in other comprehensive income.

In accordance with IAS 21, foreign currency receivables that have not been or are not intended to be repaid are treated as indirect equity and translation differences on these receivables are recognised directly in equity as a translation reserve. If the foreign operation to which the receivable relates is disposed of, the cumulative translation differences recognised in equity will be reversed in the consolidated income statement as part of the gain or loss on divestment. The subsidiaries borrowing these receivables must hold assets with a value at least equal to the amount borrowed in order for accounting treatment to apply.

#### **Intangible assets**

##### **Goodwill**

Goodwill arises on the acquisition of subsidiaries and refers to the amount by which the consideration and any non-controlling interests in the acquired entity exceed the fair value of identifiable assets, liabilities, and contingent liabilities in the acquired entity. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill has been allocated represents the lowest level within the group at which the goodwill is monitored for internal management purposes. Goodwill is tested for impairment at least annually if there are events or changes in circumstances which indicate potential impairment. The carrying amount of goodwill is compared with the recoverable amount, which is defined as the higher of value in use and fair value less selling expenses. Any impairment loss is expensed immediately and cannot be reversed.

##### **Patents**

Patents which have been acquired separately are recognised at cost less accumulated amortisation. Patents are sought for unique constructions and technical solutions which form part of products developed by the company. The assets are amortised on a straight-line basis to allocate the cost for patents over the estimated useful life, which is the shorter of the patent's legal life and the period until the product related to the patent is expected to be produced. As a rule, the estimated useful life of patents is not expected to exceed five years.

##### **Licences, customer relationships and trademarks**

Licences and customer relationships which have been acquired separately are recognised at cost while those which have been acquired through a business combination are measured at fair value at the acquisition date. Licences, trademarks and customer

relationships which have a definite useful life are recognised at cost less accumulated amortisation. The assets are amortised on a straight-line basis to allocate the cost over the estimated useful life, which is estimated at 2–20 years for licenses and trademarks and ten years for customer relationships. Trademarks, which are considered to have indefinite useful lives, are tested annually for impairment. Trademarks are considered to have an indefinite useful life when a limit on the period during which the trademark is expected to generate net cash inflows for Röko cannot be determined, and when there is an intention to continue using the trademarks acquired after the acquisition.

Acquired software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These capitalised costs are amortised over the estimated useful life, which ranges from 3–5 years.

### Tangible assets

Tangible assets are recognised at cost less depreciation. Cost is including expenditure that is directly attributable to the acquisition of the asset.

Any additional expenditure is added to the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the asset will accrue to Röko and the cost can be reliably measured. The carrying amount of a replaced portion is removed from the balance sheet. All other forms of repairs and maintenance are recognised as expenses in income statement in the periods in which they are incurred.

Land is not depreciated. Each part of a tangible non-current asset with a cost that is significant in relation to the total cost of the item is depreciated separately. Assets are depreciated on a straight-line basis as follows:

Buildings	25–40 years
Plant and machinery	5–10 years
Equipment, tools, fixtures and fittings	3–6 years

Residual values and useful lives of assets are tested at the end of each reporting period and adjusted where required. An asset's carrying amount is written down to the recoverable amount immediately if the carrying amount exceeds the estimated recoverable amount.

Gains and losses on the sale of a tangible non-current asset is determined by comparing the sale proceeds and the carrying amount, whereby the difference is recognised in other operating income or other operating expenses in income statement.

### Impairment of non-financial non-current assets

Assets that are depreciated or amortised are tested for impairment when an event or change of circumstance indicates that the carrying amount may not be recoverable. The difference between the carrying amount and recoverable amount is recognised as an impairment loss. The recoverable amount is the higher of the fair value of the asset less costs to sell and value in use. In testing for impairment, assets are grouped to the lowest levels at which there are separate identifiable cash flows (cash-generating units).

### Financial instruments Initial recognition

Financial assets and financial liabilities are recognised when the group becomes party to the contractual provisions of the instrument. Purchases and sales of financial assets are recognised at the trade date, which is the date when the group undertakes to buy or sell the asset. Financial instruments measured at amortised cost are initially recognised at fair value (acquisition cost) plus transaction costs directly attributable to the acquisition or issuance of a financial asset or financial liability, such as fees and commissions.

Financial instruments are initially measured at fair value plus transaction costs directly attributable to the acquisition or issue of a financial asset or financial liability, such as fees and commissions.

### Classification

The group classifies its financial assets and liabilities as amortised cost, and financial liabilities measured at fair value through income statement (liabilities for contingent considerations). Liabilities that constitute liabilities for call and put options to acquire non-controlling interests are measured at the present value of the future consideration that will be paid, with changes in value recognised in equity. The classification depends on the purpose for which the financial asset or liability was acquired.

### Financial assets at amortised cost

Assets held for the purpose of collecting contractual cash flows that are solely payments of principal and interest are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit losses that have been recognised (see the section on impairment below). Interest income from these financial assets is recognised using the effective interest method and is included in financial income. The group's financial assets at amortised cost consist of other long-term receivables, accounts receivable, and cash and cash equivalents.

### Financial liabilities at amortised cost

The group's other financial liabilities are classified at amortised cost using the effective interest method. Other financial liabilities comprise liabilities to credit institutions, bonds, accounts payable and overdraft facilities.

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are financial liabilities that are held for trading or additional considerations in business combinations. Financial liabilities at fair value through profit or loss are measured at fair value also in subsequent periods and changes in value are recognised in profit or loss. Liabilities in this category are classified as current liabilities if they fall due within twelve months of the balance sheet date and as non-current liabilities if they fall due after more than twelve months from the balance sheet date. Change in the valuation of contingent consideration are measured at fair value through profit or loss and recognised under financial income or expenses.

### Call and put options to acquire non-controlling interests

In connection with acquisitions, the group has issued options to non-controlling interest holders, granting them the right to require the group to purchase their holdings at a future date. The group also holds call options in certain cases, giving it the right to purchase non-controlling interests at a future date. The issued put options to non-controlling interest holders give rise to a financial liability, which is measured at the discounted present value of the estimated future redemption value. Changes in the value of these options are recognised in equity as ownership transactions.

### Recognition and measurement

Financial assets are derecognised when the right to receive cash flows from the instrument has expired or been transferred, and the group has transferred substantially all the risks and rewards associated with ownership. Financial liabilities are derecognised when the obligation arising from the agreement has been fulfilled or otherwise extinguished.

### Offset of financial instruments

Financial assets and liabilities are offset, and the net amount is recognised in the balance sheet only when there is a legally enforceable right to set off the recognised amounts and an intention to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### **Impairment of financial assets**

The group estimates expected future credit losses on assets at amortised cost. The group's financial assets for which expected credit losses are estimated essentially comprise of accounts receivable and cash and cash equivalents. For cash and cash equivalents, the creditworthiness of counterparties is assessed. The group recognises a provision for such expected credit losses at each reporting date. For accounts receivable, the group applies the simplified approach for expected credit losses, which means that it recognises a provision equal to the expected loss over the expected life of the receivable.

To measure expected credit losses, accounts receivable are grouped based on allocated credit risk characteristics and days past due. The group uses forward-looking variables for expected credit losses.

Expected credit losses are recognised in the consolidated income statement in the item Administrative expenses.

### **Hedge of net investment in foreign currency**

The group identifies certain foreign currency borrowings as hedges of the net investment in a foreign operation (net investment hedge).

When the transaction is entered, the group documents the relationship between the hedging instrument and the hedged item, as well as the group's risk management objectives and strategy for the hedge. The group also documents its assessment, both when the hedge is entered into and on an ongoing basis, of whether the hedging instruments used in the hedge transactions have been and will continue to be effective in offsetting changes in the fair value or cash flows attributable to the hedged items.

The portion of the gain or loss on a hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and accumulated in equity. The gain or loss relating to the ineffective portion is recognised directly in the income statement as financial income or financial expense.

Accumulated gains and losses recognised in equity are reclassified to the income statement upon the full or partial divestment of the foreign operation.

### **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first in, first out method (FIFO). The value of inventories includes a related portion of indirect costs. The value of finished products includes raw materials, direct labour, other direct costs and production-related overheads including depreciation.

The cost consists of the purchase price from subcontractors and costs for customs and freight. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs to complete and sell. An assessment of Inventory obsolescence is estimated continuously over the course of the year.

### **Accounts receivable**

Accounts receivable are amounts due from customers for goods sold or services provided in the ordinary course of business. If payment is expected within one year or earlier accounts receivable are classified as current assets. If not, they are recognised as non-current assets. Accounts receivable are initially stated at cost and subsequently at amortised cost by applying the effective interest method, less any provisions for impairment. Accounts receivables are recognised at their nominal value, net of provisions for expected customer losses. Expected and confirmed customer losses are recognised under Administrative expenses in the income statement.

Recognised revenues that have not been invoiced as of the balance sheet date are classified as accrued sales revenues (Note 21). Contract liabilities related to performance obligations not yet fulfilled are classified as deferred revenue (Note 28).

### **Cash and cash equivalents**

Cash and cash equivalents, as presented in both the consolidated balance sheet and the consolidated statement of cash flows, comprise cash and bank balances. For the valuation of cash and cash equivalents, see Note 2.7.4 above.

### **Accounts payable**

Accounts payable are obligations to pay for goods and services purchased from suppliers in operating activities. Accounts payable are classified as current liabilities if they fall due within one year. If not, they are recognised as non-current liabilities.

Accounts payable are recognised at the nominal amount. The carrying amount of accounts payable is assumed to be equal to their fair value, as this item is of a short-term nature.

Accounts payable are initially stated at fair value and subsequently at amortised cost by applying the effective interest method, see Note 2.7 Financial instruments.

### **Current and deferred tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except when the tax refers to items which are recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or equity. The current tax expense is calculated based on the tax rules which have been enacted or substantively enacted at the balance sheet date in those countries where the parent company and its subsidiaries operate and generate taxable revenue.

Deferred tax is recognised, by applying the balance sheet liability method, for all temporary differences between the carrying amounts and tax bases of assets and liabilities in the consolidated financial statements. However, deferred tax is not recognised if it is incurred as a result of a transaction constituting the initial recognition of an asset or liability which is not a business combination and which at the time of the transaction affects neither the accounting profit nor the tax profit. Deferred income tax is calculated by applying tax rates that have been enacted or announced at the balance sheet date and that are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets arising from tax losses are recognised to the extent that it is probable that future taxable profits will be available against which the tax losses can be used.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets and tax liabilities, and when the deferred tax assets and tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where there is an intention to settle the balances on a net basis.

### **Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Bank overdrafts are classified as borrowings in current liabilities in the balance sheet.

### **Employee benefits**

#### **Retirement benefit obligations**

Defined contribution pension plans are post-employment benefit plans under which the group pays fixed contributions into a separate legal entity. The group has no legal or constructive obligations to pay further contributions if this legal entity does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. In a defined contribution pension plan, the group pays contributions to publicly or privately managed pension schemes on a mandatory, contractual or volun-



tary basis. Once the contributions have been paid the group has no further payment obligations. The contributions are recognised as personnel costs when they fall due. Prepaid contributions are recognised as an asset to the extent that cash repayments or reductions of future payments may accrue to the benefit of the group.

### Provisions

Provisions are recognised when the group has a legal or constructive obligation as a result of a past event and it is more probable than not that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### Recognition of revenue

Röko's revenues primarily consist of the sale of goods, which are recognised at a specific point in time. Revenue is recognised when control of the goods is transferred, which typically occurs when the goods are delivered to the customer. Delivery takes place when the goods have been transported to the specified location, the risks associated with the goods have been transferred to the customer, and the customer has either accepted the goods in accordance with the contract, the time frame for objections to the contract has expired, or the group has objective evidence that all criteria for acceptance have been met.

Certain contracts include services, such as the provision of a service to a business or individual, or the installation of a product. Revenue from installation services is generally recognised at a point in time, as they do not meet the criteria for revenue recognition over time. In a few cases, revenue from service or other service contracts is recognised over time, such as service agreements for delivered machinery running over a specified contract period. These revenues are recognised on a straight-line basis over the term of the contract. For further details, see Note 6.

Volume discounts to customers are common and reduces revenue. Historical data is used to estimate the expected value of the discounts, and revenue is recognised only to the extent that it is highly probable that a reversal will not occur.

In certain contracts, the customer pays the agreed price at specified payment dates or in advance. If the products/services delivered exceed the payment received, a contract asset is recognised. If payments exceed the services delivered, a contract liability is recognised. The same applies to gift cards sold within the B2C segment.

Warranties occur, and they primarily consist of quality warranties, meaning that the warranty does not represent a separate performance obligation and thus does not affect revenue recognition. Instead, it is recognised as an expense and provision. The group has very limited customer return rights.

The group does not expect to have any significant contracts where the period between the transfer of goods or services to the customer and the payment from the customer exceeds one year. As a result, the group does not adjust the transaction price for the effects of a significant financing component.

The group does not have any significant assets arising from costs to fulfil a contract, such as costs for obtaining customer contracts, pre-contract expenses, or start-up costs.

### Leasing

The group applies IFRS 16, which means that almost all lease agreements are recognised in the lessee's balance sheet. According to IFRS 16, a right-of-use asset (the right to use a leased asset) and a corresponding financial liability (both current and non-current) relating to the obligation to pay lease payments must be recognised in the balance sheet. In the group's income statement, depreciation and interest expenses are recognised. IFRS 16 affects cash flow in that lease payments impact cash flow from operating activities (such as interest and leases for which the underlying asset has a low value, or short-term leases) and cash flow from financing activities (repayment of the lease liability). Assets and liabilities arising from lease agreements are initially recognised at the present value of fixed lease payments. The majority of extension options related to properties and premises have not been included in the lease liability.

Lease payments are discounted using the implicit interest rate of the lease agreement.

As this interest rate cannot easily be determined, which is typically the case for the group's leases, the lessee's weighted average incremental borrowing rate has been used. This rate represents the rate the group would pay to borrow the necessary funds to acquire an asset of similar value to the right-of-use asset.

The group applies the exemption in IFRS 16 which means that lease payments attributable to short-term leases and leases for which underlying asset has a low value are not recognised as a right-of-use asset and lease liability but are recognised as an expense on a straight-line basis over the lease term. The remaining lease commitments primarily consist of premises such as office, warehouse, and factory.

### Statement of Cash Flows

The statement of cash flows has been prepared using the indirect method. This means that the net profit or loss is adjusted for transactions which have not resulted in incoming or outgoing payments during the period, and for any income or expenses attributable to cash flows from investing or financing activities.

### Dividends

Dividend payments to the shareholders of the Parent Company are recognised as a liability in the consolidated financial statements in the period in which the payment is approved by the shareholders of the Parent Company. Dividend income is recognised when the right to receive payment has been established.

### Segment information

The group's operations divided into different business segments based on internal monitoring and the structure of the business. These segments consist of B2B, Business to Business and B2C, Business to Consumer. The group's management is identified as the chief operating decision-maker, responsible for overseeing the business's performance and making decisions on resource allocation based on the goods the group manufactures and sells, as well as the services provided within each business segment. The CEO evaluates the operations based on two reportable segments: B2B and B2C.



## Note 3 Financial risk management

### Financial risk factors

Through its activities, the group is exposed to a wide range of financial risks: market risk (comprising currency risk, interest rate risk and price risk), credit risk and liquidity risk. These risks are managed in accordance with Röko's financial policy, which has been adopted by the company's board of directors, with continuous reporting from the group's management to the board of directions.

#### a) Market risk

##### (i) Currency risk

Currency risk is the risk that unfavourable changes in exchange rates will affect the group's results and equity measured in SEK:

- Transaction exposure arises from the fact that the group has incoming and outgoing payments in foreign currencies
- Translation exposure arises from the group's currency exposure from net assets in the group's foreign operations.

The Röko group conducts operations in 16 countries. The geographic spread, as well as the large number of customers and products makes the transaction exposure relatively limited, since the risks can be expected to offset each other. Transaction risk is the risk of an impact on the group's net profit due to changes in exchange rates affecting the value of commercial flows in foreign currencies. The business is inherently local with few cross-border transactions, and therefore transaction risk is not significant. Röko group's transaction exposure arises when subsidiaries import products for sale in the domestic market and/or sell products in foreign currencies. The effect of exchange rate changes is managed, as far as possible, by matching foreign currency revenues with purchases in the corresponding currency, where relevant, in the subsidiaries.

According to the policy that is applied in the group, each company is required to manage its currency flows with regard to exposure to sudden changes in exchange rates. Currency risks are managed chiefly through a system of group accounts in different currencies where surpluses in the system are used to pay for transactions in a certain currency. No derivatives have been entered into to manage the currency risk.

Röko deems that the transaction exposure is limited, as there is a balance between purchases and sales in foreign currency in the group. A moderate change in the value of the Swedish krona against other currencies thus has no material impact on consolidated earnings after tax. In 2024, net foreign exchange differences recognised in the income statement were MSEK -17 (-14, 12), see Note 7. Röko also has transaction exposure in the form of borrowings in foreign currency.

Translation risk arises on the translation of foreign subsidiaries to the reporting currency, SEK. The group has a number of investments in foreign operations whose net assets are exposed to currency risks. Currency exposure arising from the net assets in the group's foreign operations is partly managed through borrowings in the foreign currencies concerned. The currencies that primarily contribute to translation exposure are DKK, EUR, GBP, and NOK. Röko has borrowings in these currencies, which are designated as hedging instruments for the hedging of net investments in these currencies. The loans used as hedging instruments have the following nominal values is MDKK 132 (115, 0), MNOK 79 (86, 0), MGBP 14 (22, 0) and MEUR 10 (14, 0). There has been no ineffectiveness in 2024 (2023, -). There has been no ineffectiveness in these hedges during 2024 (2023, -). The total hedge reserve in equity due to net investment hedges amount to MSEK -58 (24, -)

Based on the company's translation exposure, Röko estimates that a change of 1% in the value of the Swedish krona against other currencies would have an impact on equity of +/- MSEK 113 (95, 53). The exposure refers to:

MSEK	2024	2023	2022
DKK	24	23	16
EUR	25	11	7
GBP	39	38	21
NOK	22	21	9
USD	1	0	0
Other currencies	1	0	0
<b>Total</b>	<b>113</b>	<b>95</b>	<b>53</b>

##### (ii) Interest rate risk

Interest rate risk is the risk that changes in the interest rate environment will have a negative impact on net financial items and earnings in the group. The group's borrowings have both fixed and variable interest rates. The interest rate risk related to cash flow to which the group is exposed through variable interest rates is partly neutralised by cash assets bearing variable interest rates. The group's average interest rate increased to 5.7% (5.0%, 2.8%) in the 2024 financial year, driven by rising reference rates.

At the balance sheet date, the group had total borrowings of MSEK 629 (910, 2,145) (see Note 25), of which 3% (2%, 2%) was subject to fixed interest rates and 97% (98%, 98%) was subject to variable interest rates. A change in interest rates of +/- 0.5 percentage points would have an impact of +/- MSEK 2 (3, 11) on net profit for the year.

#### b) Credit risk

Credit risk or counterparty risk is the risk that a counterparty in a financial transaction will fail to meet its obligations at maturity. Röko's credit risk arises mainly from accounts receivable but there is also a certain credit risk in respect of cash and cash equivalents. Each group company is responsible for monitoring and analysing credit risk and for assessing the creditworthiness of each new customer. An allowance for doubtful accounts receivable is made based on expected credit losses, determined by the age distribution applicable for all subsidiaries. Röko deems that the risk of bad debts is low, as sales are to a large extent made to customers with which the group has had long partnerships and/or good experience of the customer's willingness to pay. The group's concentrated risk of bad debts is low as no single customer or group of customers accounts for a significant proportion of the group's net sales or profit for the year. The group continuously monitors its customers' creditworthiness and reviews credit terms based on specified guidelines where necessary. For cash and cash equivalents, the credit risk is deemed to be low, as the counterparties are large well-known banks with high creditworthiness. For the group's credit losses, see Note 20. There are no significant credit risks. The group's financial assets that are subject to impairment testing essentially comprise accounts receivable. The expected credit losses are based on past payment history and past losses. Historical losses are adjusted to take account of current and prospective information about macroeconomic factors that can affect the customers' ability to pay a receivable. For disclosures on the maturity structure of accounts receivable and the loss allowance, see Note 20 Accounts receivable.

#### c) Liquidity risk

Liquidity risk is the risk that the group will not have sufficient liquid assets to meet its obligations in respect of financial liabilities. The goal of the company's liquidity management is to minimise the risk that the group will not have sufficient liquid assets to meet its commercial obligations. To manage day-to-day payments, the group has a cash pool system which ensures that liquid assets are available in the currencies in which payments are made. Management monitors rolling forecasts for the group's cash and cash

**Note 3 Financial risk management, cont.**

equivalents (including unused credit facilities) based on expected cash flows. Röko's policy is to have a strong liquidity position with regard to available liquid assets and unused confirmed credit facilities.

At 31 December 2024, the group had cash and cash equivalents of MSEK 421(744, 558). Other future liquidity requirements refer to the settlement of accounts payable and other current liabilities as well as repayment of borrowings. For a maturity analysis of future cash flows from the group's financial liabilities, see Note 25.

**Management of capital risk**

The group's goal in respect of capital structure is to secure its ability to continue as a going concern in order to continue to generate a return for the shareholders and benefits for other stakeholders, and to maintain an optimal capital structure in order to keep the cost of capital down. Röko currently have several creditors. All creditors have historically extended the credits, most recently in Q1 2025. Röko currently sees no refinancing risk.

**Calculation of fair value**

The carrying amount, after any impairment losses, of accounts receivable and other receivables and accounts payable and other liabilities is assumed to correspond to their fair values, as these items are short-term in nature. Information on the fair values and carrying amounts of non-current interest-bearing liabilities is presented in Note 25.

The fair value of liabilities for put/call options for future acquisitions of non-controlling interests is determined based on the company's future earnings, and is calculated using a multiple based on the companies' earnings up to the balance sheet date in accordance with the respective option agreement. The fair value of contingent consideration is based on the maximum amount in the share purchase agreements. Both of these items are classified to Level 3 of the fair value hierarchy. For further information and sensitivity analysis, see Note 4, Note 17 and Note 30. The following table shows the change for the year:

MSEK	Put and call option liabilities	Liabilities for contingent considerations	Total
<b>Per 2024-01-01</b>	<b>2,346</b>	<b>94</b>	<b>2,440</b>
Acquisitions in the period	126	2	128
Divestments in the period (management purchases)	5	–	5
Paid purchase prices	–142	–16	–159
Revaluation	239	–27	212
Exchange rate differences	105	4	109
<b>Per 2024-12-31</b>	<b>2,679</b>	<b>56</b>	<b>2,735</b>

MSEK	Put and call option liabilities	Liabilities for contingent considerations	Total
<b>Per 2023-01-01</b>	<b>2,034</b>	<b>152</b>	<b>2,186</b>
Acquisitions in the period	148	37	185
Divestments in the period (management purchase)	3	–	3
Paid purchase prices	–18	–99	–117
Revaluation	179	–	179
Exchange rate differences	2	4	5
<b>Per 2023-12-31</b>	<b>2,346</b>	<b>94</b>	<b>2,440</b>

MSEK	Put and call option liabilities	Liabilities for contingent considerations	Total
<b>Per 2022-01-01</b>	<b>1,050</b>	<b>106</b>	<b>1,156</b>
Acquisitions in the period	762	154	916
Divestments in the period (management purchase)	6	–	6
Paid purchase prices	–5	–111	–115
Revaluation	156	–	156
Exchange rate differences	65	3	68
<b>Per 2022-12-31</b>	<b>2,034</b>	<b>152</b>	<b>2,186</b>

The maturity structure for put and call option liabilities and liabilities for contingent considerations is presented in Note 25.

## Note 4 Critical estimates and judgements

Estimates of the values of balance sheet items and judgements made when applying accounting policies are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### Critical estimates and judgments for accounting purposes

The group makes estimates and assumptions about the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below. The group's subsidiaries are categorised into four cash-generating units based on their ability to exchange resources and knowledge.

### Impairment testing of goodwill and intangible assets with indefinite useful lives

Each year, the group tests goodwill and intangible assets with indefinite useful lives for impairment in accordance with the accounting policy described in Note 2. Recoverable amounts for cash-generating units have been determined by calculating value in use. Historically, no adjustments have been made to the carrying amounts. For these calculations certain estimates need to be made, see Note 15.

### Recognition of acquisitions

In connection with acquisitions, the group prepares a purchase price allocation for accounting purposes in accordance with the accounting principle described in Note 2. Accounting for an acquisition involves a high degree of judgement and estimation, mainly with regard to the allocation of premiums and discounts to assets and liabilities (net assets) in the purchase price allocation as well as adjusting entries for adaptation to the group's accounting policies. Fair value adjustments and resultant goodwill are presented in Note 30.

### Valuation of liability regarding non-controlling interests

Röko fully consolidates all subsidiaries and presents the income statement where the entire result for the year is attributable to the Parent Company's shareholders. Through mandatory call and put options, Röko has a financial obligation to pay a purchase price for the non-controlling shareholders' shares at a specific time and at a price based on the performance of the subsidiaries. From the group's perspective, the settlement of such options is a reclassification in the balance sheet and does not alter Röko's control over the results of the respective subsidiaries. Röko continuously reassess the liability for the call and put options based on the most current expected cash flows required to settle all options. The mandatory call and put options represent 25.9% of the group's EBITA as of 2024-12-31.

In connection with acquisitions where less than 100% of the shares are acquired, call and put options are established with non-controlling shareholders of the acquired company. The option agreements form the basis for the valuation of the liability, which is measured at the expected outflow required to settle the options upon exercise. The call and put options are then valued according to the agreed-upon valuation model for each agreement between the minority shareholder and Röko. The valuation of the liability for the call and put options in each subsidiary is calculated by multiplying the subsidiary's average EBITA before the exercise of the option by a multiple, then adjusting for any net debt or net cash in the subsidiary. Changes in the value of the liability to non-controlling shareholders are recognised in equity as transactions with owners. In 2024, the changes in value amounted to MSEK 239 (179, 156). Total transfers to non-controlling interests during 2024 amounted to MSEK 387 (361, 282), and consist of, in addition to changes in value, dividends to non-controlling interests and any acquisition adjustments. A sensitivity analysis shows that if the subsidiaries' average EBITA were to increase by MSEK 100 over the next three years, the liability for the call and put options would increase by MSEK 201. Under otherwise unchanged conditions, more than 2/3 of the increased liability would be financed by an increase in free cash flow. For further information, see Note 3, Note 17 and Note 30.

## Note 5 Business segments

The group's operations are divided into different segments based on internal monitoring and the structure of the business. These consist of B2B (Business to Business) and B2C (Business to Consumer). The group management is identified as the chief operating decision-maker and monitors the business's performance while making decisions regarding resource allocation based on the goods the group manufactures and sells, as well as the services performed within each segment. The segments constitute the group's operating segments.

The B2B segment consists of 19 (16, 14) business units and accounted for 65% (66%, 69%) of total revenue in 2024. The B2C segment consists of 9 (9, 8) business units and accounted for 35% (34%, 31%) of total revenue in 2024. The accounting principles for the different segments are the same as those described in Note 2. Intercompany pricing within the group is conducted on an arm's length basis.

### Revenue

The group's primary revenue streams consist of goods and services sold across multiple end markets, segmented into two parts based on whether the end customer is classified as a business or a consumer. For a detailed breakdown of revenues, see Note 6.

A portion of the group's revenue is derived from the sale of services, primarily within B2B, but also to some extent within B2C. Within B2B, the main service-related revenues are associated with maintenance, assembly, support, and/or installation of sold products. Within B2C, the main service-related revenues are linked to consumer services.

There are no sales within or between segments, meaning that all reported revenue is external. Revenue from external parties reported to the CEO is valued in the same manner as in the income statement.

MSEK	2024	2023	2022
<b>Net sales from external customers</b>			
Segment B2B	4,030	3,698	2,965
Segment B2C	2,152	1,916	1,351
<b>Net sales</b>	<b>6,182</b>	<b>5,614</b>	<b>4,316</b>
The allocation of profit per segment is made up to and including Adj. EBITA. No breakdown of assets and liabilities is provided per segment, as no such amounts are regularly reported to the chief operating decision maker.			
Segment B2B	825	696	574
Segment B2C	446	386	256
Central costs	-43	-35	-43
<b>Adj. EBITA</b>	<b>1,227</b>	<b>1,047</b>	<b>787</b>
Amortisation of intangible assets related to acquisitions			
Segment B2B	-145	-132	-107
Segment B2C	-99	-87	-40
<b>Total amortisation of intangible assets related to acquisitions</b>	<b>-245</b>	<b>-219</b>	<b>-148</b>
Acquisition related costs	-14	-7	-27
<b>Operating profit</b>	<b>969</b>	<b>821</b>	<b>612</b>
Net financial items	-46	-104	-58
<b>Profit before tax</b>	<b>923</b>	<b>716</b>	<b>554</b>

No single customer accounted for more than ten percent of total revenue in 2024, 2023, or 2022.

Net sales is allocated across geographic markets as follows:

MSEK	2024	2023	2022
Sweden	643	551	401
Denmark	592	577	338
Netherlands	471	336	154
Norway	863	878	601
United Kingdom	1,954	1,912	1,552
USA	430	352	379
Other	1,229	1,009	890
<b>Total net sales</b>	<b>6,182</b>	<b>5,614</b>	<b>4,316</b>

Net sales for the B2B segment by geographic location:

### Net sales per country B2B

MSEK	2024	2023	2022
Sweden	335	315	291
Denmark	32	23	26
Netherlands	248	157	138
Norway	650	689	419
United Kingdom	1,731	1,667	1,350
USA	264	241	234
Other	769	606	506
<b>Total net sales B2B</b>	<b>4,030</b>	<b>3,698</b>	<b>2,965</b>

**Note 5 Business segments, cont.**

Net sales for the B2C segment by geographic location:

**Net sales per country B2C**

<b>MSEK</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Sweden	308	236	110
Denmark	559	553	313
Netherlands	223	179	16
Norway	212	189	181
United Kingdom	222	245	202
USA	166	112	145
Other	460	402	384
<b>Total net sales B2C</b>	<b>2,152</b>	<b>1,916</b>	<b>1,351</b>

B2B segment non-current assets allocated by geographic location:

**Fixed assets B2B**

<b>MSEK</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Sweden	633	667	687
Denmark	246	250	254
Netherlands	481	262	272
Norway	912	951	1,045
United Kingdom	2,807	2,782	2,512
USA	14	2	1
Other	676	3	2
<b>Total fixed assets, other than financial instruments</b>	<b>5,769</b>	<b>4,917</b>	<b>4,773</b>

B2C segment non-current assets allocated by geographic location:

**Fixed assets B2C**

<b>MSEK</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Sweden	144	164	158
Denmark	2,315	2,344	2,271
Netherlands	542	524	549
Norway	201	192	216
United Kingdom	109	105	108
USA	–	–	–
Other	32	14	15
<b>Total fixed assets, other than financial instruments</b>	<b>3,344</b>	<b>3,344</b>	<b>3,317</b>

Disclosure of revenue from external customers for each product and service, or each group of similar products and services, is not presented. As of December 31, 2024, Röko consists of 28 different business units, each offering distinct products and services across various industries. Such disclosure is not deemed relevant.

## Note 6 Revenue streams

The Group's net sales, broken down by market, is specified in Note 5.

Segmentation of net sales	B2B	B2C	Total
Products	3,739	1,944	5,682
Services	292	209	500
<b>Net sales 2024</b>	<b>4,030</b>	<b>2,152</b>	<b>6,182</b>

Segmentation of net sales	B2B	B2C	Total
Products	3,394	1,789	5,183
Services	304	127	431
<b>Net sales 2023</b>	<b>3,698</b>	<b>1,916</b>	<b>5,614</b>

Segmentation of net sales	B2B	B2C	Total
Products	2,623	1,259	3,882
Services	342	92	434
<b>Net sales 2022</b>	<b>2,965</b>	<b>1,351</b>	<b>4,316</b>

Recognition of net sales over time	B2B	B2C	Total
Over time	355	–	355
At a specific point in time	3,676	2,152	5,828
<b>Net sales 2024</b>	<b>4,030</b>	<b>2,152</b>	<b>6,182</b>

Recognition of net sales over time	B2B	B2C	Total
Over time	345	–	345
At a specific point in time	3,353	1,916	5,269
<b>Net sales 2023</b>	<b>3,698</b>	<b>1,916</b>	<b>5,614</b>

Recognition of net sales over time	B2B	B2C	Total
Over time	180	–	180
At a specific point in time	2,785	1,351	4,136
<b>Net sales 2022</b>	<b>2,965</b>	<b>1,351</b>	<b>4,316</b>

Contract assets and -liabilities in the balance sheet are as follows:

MSEK	2024	2023	2022
Accounts receivable (see note 20)	713	642	597
Accrued income (see note 21)	12	16	11
Other prepaid income (see note 28)	–109	–111	–89
Advances from customers	–260	–261	–198
<b>Total</b>	<b>356</b>	<b>287</b>	<b>321</b>



## Note 7 Exchange rate gains and losses, net

MSEK	2024	2023	2022
<b>Exchange rate differences have been reported in the income statement as follows:</b>			
Other operating income and expenses	-2	-5	3
Financial income and expenses (see note 13)	-14	-10	9
<b>Total</b>	<b>-17</b>	<b>-14</b>	<b>12</b>

## Note 8 Scheduled depreciation and amortisation

MSEK	2024	2023	2022
<b>Distribution of depreciation/amortisation by tangible and intangible assets</b>			
Right-of-use assets	-91	-77	-61
Buildings and land improvements	-7	-5	-5
Plant and machinery	-21	-21	-17
Equipment, tools, fixtures and fittings	-36	-34	-32
<b>Total depreciation of tangible assets</b>	<b>-155</b>	<b>-138</b>	<b>-115</b>
Trademarks	-18	-8	-5
Customer relations	-	-	-
Patents	-226	-211	-142
Other intangible assets	-3	-2	-1
<b>Total amortisation of intangible assets</b>	<b>-248</b>	<b>-221</b>	<b>-148</b>
<b>Total depreciation/amortisation of fixed assets</b>	<b>-402</b>	<b>-358</b>	<b>-263</b>
<b>Depreciation/amortisation by function</b>			
Cost of goods sold	-42	-40	-48
Selling expenses*	-238	-222	-156
Administrative expenses**	-123	-97	-60
<b>Total depreciation/amortisation</b>	<b>-402</b>	<b>-358</b>	<b>-263</b>

\* Amortisation of intangibles arising from acquisitions have been reallocated in the income statement and historical periods have been restated.

\*\* Depreciation on right-of-use assets have been reallocated in the income statement and historical periods have been restated.

## Note 9 Cost classification of expenses by nature

MSEK	2024	2023	2022
Goods for resale, raw materials and consumable	3,004	2,908	2,303
Personnel costs (see note 11)	1,071	910	706
Depreciation, amortisation and impairment (see notes 8, 15 and 16)	402	358	263
Expenses for operating leases (see note 12)	12	10	9
Production expenses and other expenses	674	582	405
<b>Total costs of goods sold, selling expenses, administrative expenses</b>	<b>5,164</b>	<b>4,768</b>	<b>3,685</b>

## Note 10 Auditors' fee

MSEK	2024	2023	2022
<b>PricewaterhouseCoopers</b>			
Audit engagement	6	5	3
Audit services in addition to audit engagement	1	-	0
Tax advisory services	0	0	0
Other services	0	0	0
<b>Total</b>	<b>7</b>	<b>5</b>	<b>3</b>
<b>Other elected audit firms</b>			
Audit engagement	4	3	2
Audit services in addition to audit engagement	0	0	0
Tax advisory services	1	0	0
Other services	0	0	1
<b>Total</b>	<b>5</b>	<b>3</b>	<b>3</b>

The audit engagement refers to fees for the statutory audit, meaning work necessary to issue the auditor's report. Tax advisory services primarily relate to general tax matters concerning corporate tax. Other services include advice on financial reporting and services related to acquisitions. The total fee to Öhrlings PricewaterhouseCoopers AB for the financial year 2024 amounts to MSEK 2 (2, 2).

## Note 11 Personnel costs and average number of employees

MSEK	2024	2023	2022
<b>Salaries and benefits</b>			
Board of Directors and senior executives <sup>1)</sup>	18	17	17
Senior executives in group companies <sup>2)</sup>	80	60	56
Other employees	815	706	543
<b>Total</b>	<b>913</b>	<b>783</b>	<b>616</b>
Social security contributions	105	77	51
Pension costs for senior executives	6	13	11
Pension costs for other employees	47	38	28
<b>Total</b>	<b>1,071</b>	<b>910</b>	<b>706</b>

1) Includes salary and remuneration (excl. pensions) to the Directors, group management and CEO in the parent company

2) Includes salary and remuneration (excl. pensions) to group management and the Managing Directors of subsidiaries

### Remuneration and benefits 2024 (TSEK)

	Basic salary/ Director's fee	Variable remuneration	Other benefits	Pension contributions	Total
Tomas Billing	4,546	–	–	–	4,546
Angela Langemar Olsson	300	–	–	–	300
Fredrik Karlsson	–	–	–	–	–
Lilian Fossum Biner	300	–	–	–	300
Peter Sterky	300	–	–	–	300
<b>Total board of directors</b>	<b>5,446</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5,446</b>
Fredrik Karlsson CEO	4,546	–	–	–	4,546
Other group management (2 people)	7,232	868	–	863	8,963
<b>Total group management</b>	<b>11,778</b>	<b>868</b>	<b>–</b>	<b>863</b>	<b>13,509</b>

### Remuneration and benefits 2023 (TSEK)

	Basic salary/ Director's fee	Variable remuneration	Other benefits	Pension contributions	Total
Tomas Billing	4,000	–	–	–	4,000
Angela Langemar Olsson	300	–	–	–	300
Fredrik Karlsson	–	–	–	–	–
Lilian Fossum Biner	300	–	–	–	300
Peter Sterky	300	–	–	–	300
<b>Total board of directors</b>	<b>4,900</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4,900</b>
Fredrik Karlsson CEO	4,000	–	–	–	4,000
Other group management (2 people)	6,499	1,738	–	617	8,854
<b>Total group management</b>	<b>10,499</b>	<b>1,738</b>	<b>–</b>	<b>617</b>	<b>12,854</b>

### Remuneration and benefits 2022 (TSEK)

	Basic salary/ Director's fee	Variable remuneration	Other benefits	Pension contributions	Total
Tomas Billing	4,000	–	–	–	4,000
Fredrik Karlsson	–	–	–	–	–
Lilian Fossum Biner	100	–	–	–	100
Peter Sterky	100	–	–	–	100
Stina Andersson	100	–	–	–	100
<b>Total board of directors</b>	<b>4,300</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4,300</b>
Fredrik Karlsson CEO	4,000	–	–	–	4,000
Other group management (2 people)	4,177	4,878	–	442	9,497
<b>Total group management</b>	<b>8,177</b>	<b>4,878</b>	<b>–</b>	<b>442</b>	<b>13,497</b>

**Note 11 Personnel costs and average number of employees, cont.****Average number of employees, group**

	2024			2023			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Sweden	94	115	210	111	127	238	83	127	210
Denmark	84	147	230	85	144	229	65	134	199
Netherlands	48	82	130	19	19	38	26	41	67
Norway	57	61	118	55	61	115	58	65	123
United Kingdom	192	405	597	196	422	618	172	380	552
USA	7	13	20	5	12	17	1	5	6
Other	117	79	196	103	69	171	75	40	115
<b>Total number of employees</b>	<b>599</b>	<b>902</b>	<b>1,501</b>	<b>573</b>	<b>853</b>	<b>1,426</b>	<b>480</b>	<b>792</b>	<b>1,271</b>
<b>Parent Company</b>									
Sweden	–	5	5	1	5	6	1	5	6
Other	–	1	1	–	1	1	–	1	1

**Gender distribution for senior executives at balance sheet date, %**

	2024	2023	2022
<b>Women:</b>			
Board members in the Parent Company	40%	40%	40%
Other individuals in management, incl. CEO	0%	0%	0%
<b>Men:</b>			
Board members in the Parent Company	60%	60%	60%
Other individuals in management, incl. CEO	100%	100%	100%

**Board remuneration**

For the 2024 financial year, board remuneration amounted to TSEK 300 per board member (excluding the CEO), unchanged from 2023. For the 2022 financial year, board remuneration was TSEK 100 per board member (excluding the CEO). The Chairman's remuneration was increased to TSEK 4,800 in April 2024. In 2023 and 2022, the Chairman received TSEK 4,000 per year. No board member received consulting remuneration or any other benefits from the company in 2024, 2023, or 2022.

**Remuneration to group management**

The CEO's remuneration was increased to a fixed salary of TSEK 4,800 in April 2024. In 2023 and 2022, the CEO's salary amounted to TSEK 4,000. Remuneration for other members of group management consists of base salary, variable remuneration, other benefits, and pension contributions. group management refers to individuals who, together with the CEO, constituted the group management team during 2024, 2023, and 2022.

**Base Salary and Variable Remuneration**

The distribution between base salary and variable remuneration shall be proportionate to the manager's level of responsibility and authority. Variable remuneration shall be linked to predetermined and measurable criteria designed to promote the company's long-term value creation. Variable remuneration shall be based on individual targets proposed by the remuneration committee and decided by the board of directors. Examples of such targets include profits, volume growth, working capital, and cash flow. For other members of group management, variable remuneration shall be based partly on the performance within their respective areas of responsibility and partly on individually set targets. In addition to the variable remuneration described above, share-based or share price-related incentive programs may be introduced from time to time, subject to approval by the general meeting.

**Other benefits**

Other benefits, such as company car, supplementary health insurance, or occupational health services, may be provided to the extent deemed market-competitive for group management in comparable positions within the labor market in which they operate. However, the total value of these benefits shall represent a minor portion of the overall remuneration package.

**Pension**

Pension rights for the CEO and other members of group management shall apply no earlier than the age of 65. Pension agreements are entered into in accordance with applicable local regulations in the country where the manager resides. The pension level is based on a specified percentage of the base salary, and the pension benefit shall be irrevocable.

**Termination terms**

If the CEO resigns, a notice period of six months shall apply. If the company terminates the CEO's employment, a maximum notice period of 12 months shall apply, during which the CEO is entitled to salary for the corresponding period. The termination salary shall not be offset against other income. If the company terminates the employment of other members of group management, they shall be entitled to salary during a notice period of up to 12 months.

**Preparation and decision-making process**

The remuneration committee provides the board of directors with recommendations regarding principles for remuneration to group management. These recommendations include the proportion between fixed and variable remuneration as well as the extent of potential salary increases. The remuneration committee also proposes criteria for assessing bonus outcomes. The board of directors discusses the committee's proposals and makes decisions based on its recommendations. The board shall have the right to deviate from the guidelines if there are specific reasons that justify such deviations in an individual case.

## Note 12 Leasing contract

MSEK	2024	2023	2022
<b>Reported in the balance sheet</b>			
The following amounts related to leasing agreements are reported in the balance sheet:			
<b>Right-of-use assets</b>			
Properties and premises	504	469	518
<b>Total</b>	<b>504</b>	<b>469</b>	<b>518</b>
<b>Lease liabilities</b>			
Long term (reported as non-current liabilities in the Balance Sheet)	417	403	447
Short term (reported as current liabilities in the Balance Sheet)	108	80	70
<b>Total</b>	<b>524</b>	<b>483</b>	<b>518</b>

The net change in right-of-use assets during 2024 amounted to MSEK 35 (–49, 202). For a specification of the change, see Note 16.

MSEK	2024	2023	2022
<b>Reported in the income statement</b>			
The following amounts related to leasing agreements are reported in the income statement			
<b>Depreciation on right-of-use assets</b>			
Properties and premises	–91	–77	–61
<b>Total</b>	<b>–91</b>	<b>–77</b>	<b>–61</b>
Interest expense	–19	–21	–21
Expenses related to short-term lease agreements	–1	–1	–0
Expenses related to lease agreements for which the underlying asset is of low value	–11	–9	–8

The total cash flow regarding leasing agreements in 2024 was MSEK 110 (98, 82).

### The group's leasing activities and accounting thereof

The group primarily leases properties, including offices, warehouses, and factories. Lease agreements are generally entered into for fixed periods ranging from 3 months to 10 years, though extension options may be available, as further described below. Contracts may include both lease and non-lease components. For leases of properties where the group is the lessee, the group has chosen not to separate lease and non-lease components but instead accounts for them as a single lease component. The terms and conditions are negotiated separately for each lease agreement and include a wide range of contractual provisions. Lease agreements do not contain specific terms or restrictions, except that the lessor retains ownership rights over the pledged leased assets. The leased assets may not be used as collateral for loans.

The group is exposed to potential future increases in variable lease payments that are linked to an index or an interest rate, which are not included in the lease liability until they become effective. When adjustments to lease payments based on an index or an interest rate take effect, the lease liability and right-of-use asset are revalued accordingly. Lease payments are allocated between depreciation of the liability and interest expense. The interest expense is recognised in the income statement over the lease term in a manner that results in a constant interest rate on the lease liability for each reporting period.

Right-of-use assets are measured at cost, which corresponds to the initially recognised amount of the lease liability. Right-of-use assets are depreciated on a straight-line basis over the useful life, which is the same as the lease term.

Payments for low-value lease agreements are expensed on a straight-line basis in the income statement and amounted to MSEK 11 in 2024.

### Extension and termination options

A number of the group's lease agreements include options to extend or terminate the lease. These terms are designed to maximise flexibility in managing the assets used in the group's operations. The majority of the extension and termination options can only be exercised by the group, not by the lessors.

When determining the lease term, management considers all available information that provides an economic incentive to exercise an extension option, renew the lease, or not exercise a termination option. Extension options are included in the lease term only if it is reasonably certain that they will be exercised.

The majority of extension options have not been included in the lease liability, as the group can replace the assets without significant costs or disruptions to operations. The assessment of whether it is reasonably certain to exercise an extension option is only reassessed if a significant event or change in circumstances occurs that affects this assessment, provided the change is within the lessee's control. Each contract is evaluated individually based on its purpose, costs, and importance to operations. For contracts that do not have a clearly defined end date, such as lease agreements for factory and retail premises, the group assumes a lease period of five years, based on historical experience. This assessment is reviewed annually.

## Note 13 Financial income and expenses

MSEK	2024	2023	2022
<b>Financial income</b>			
Interest income	17	19	3
Foreign exchange gains	18	7	99
Other financial income*	32	0	0
<b>Total financial income</b>	<b>66</b>	<b>26</b>	<b>101</b>
<b>Financial expenses</b>			
Interest expense	-59	-91	-43
Interest expense leasing	-19	-21	-21
Foreign exchange losses	-31	-17	-89
Other financial expenses	-2	-2	-6
<b>Total financial expenses</b>	<b>-112</b>	<b>-130</b>	<b>-160</b>
<b>Net financial items</b>	<b>-46</b>	<b>-104</b>	<b>-58</b>

\* Other financial income increased by MSEK 27 because of a contingent consideration that was exercised at a lower value than the reported value which led to a reevaluation that was reported a financial income.

## Note 14 Tax on profit for the year

MSEK	2024	2023	2022
<b>Tax expense</b>			
Current tax for the year	-277	-213	-169
Adjustments regarding previous years' current tax	14	2	4
<b>Total current tax expense</b>	<b>-263</b>	<b>-211</b>	<b>-165</b>
<b>Deferred tax (note 18)</b>			
Origination and reversal of temporary differences	43	37	32
Effect of changed tax rate	-1	-2	-35
<b>Total deferred tax</b>	<b>42</b>	<b>35</b>	<b>-3</b>
<b>Total income tax</b>	<b>-221</b>	<b>-175</b>	<b>-168</b>

The relationship between the current year's tax expense and the reported profit is shown in the table below. The calculated tax on the year's profit has been estimated at 20.6% (20.6%, 20.6%). Taxes for other countries have been calculated based on the tax rates applicable locally. The income tax on the Group's profit differs from the theoretical amount that would have been obtained using the weighted average tax rate for the profits of the consolidated companies as follows:

MSEK	2024	2023	2022
<b>Reported profit before tax</b>	<b>923</b>	<b>716</b>	<b>554</b>
Tax at applicable tax rate in Sweden, 20.6% (20.6%, 20.6%)	-190	-146	-113
Tax effects of non-taxable income/non-deductible expenses	3	4	14
Tax effects of non-deductible expenses	-10	-16	-7
Adjustment for other tax rates in foreign subsidiaries	-17	-18	-29
This year's loss carry forwards for which no deferred tax asset has been recognised	-22	-	0
Utilisation of loss carry forwards for which no deferred tax asset has been recognised	1	-	-
Effect of changed tax rate	-1	-2	-35
Adjustment relating to previous years	14	2	2
<b>Reported tax expense</b>	<b>-221</b>	<b>-175</b>	<b>-168</b>

The effective tax rate for the Group is 24% (24%, 30%). The effective tax rate in 2022 was high due to the announced increase in corporate tax in the United Kingdom, which increased deferred tax by MSEK 41 as a one-time effect. No tax has been applied to the hedging of net investments reported in other comprehensive income for the relevant years.

## Note 15 Intangible assets

<b>MSEK</b>	<b>Goodwill</b>	<b>Trademarks</b>	<b>Customer relationships</b>	<b>Patents</b>	<b>Other intangible assets</b>	<b>Total</b>
<b>Acquisition value</b>						
<b>Per 2024-01-01</b>	<b>4,378</b>	<b>1,440</b>	<b>2,120</b>	<b>–</b>	<b>10</b>	<b>7,947</b>
Investments	7	–	–	0	7	14
Acquisitions	417	133	199	1	2	752
Sales/disposals	–	–	–	–	–	–
Reclassifications*	–	–	–	–	3	3
Translation differences	181	64	95	0	1	340
<b>Per 2024-12-31</b>	<b>4,982</b>	<b>1,637</b>	<b>2,413</b>	<b>1</b>	<b>23</b>	<b>9,056</b>
<b>Accumulated amortisation</b>						
<b>Per 2024-01-01</b>	<b>–</b>	<b>–</b>	<b>–462</b>	<b>–</b>	<b>–4</b>	<b>–466</b>
Amortisation	–	–	–244	–0	–3	–248
Sales/disposals	–	–	–	–	–	–
Impairments/reversals	–	–	–	–	–	–
Reclassifications*	–	–	–	–	–2	–2
Translation differences	–	–	–3	–0	–0	–4
<b>Per 2024-12-31</b>	<b>–</b>	<b>–</b>	<b>–710</b>	<b>–0</b>	<b>–10</b>	<b>–720</b>
<b>Carrying amount</b>						
Per 2024-01-01	4,378	1,440	1,658	–	5	7,481
<b>Per 2024-12-31</b>	<b>4,982</b>	<b>1,637</b>	<b>1,703</b>	<b>1</b>	<b>13</b>	<b>8,337</b>

\* Reclassified from tangible assets to intangibles assets.

<b>MSEK</b>	<b>Goodwill</b>	<b>Trademarks</b>	<b>Customer relationships</b>	<b>Patents</b>	<b>Other intangible assets</b>	<b>Total</b>
<b>Acquisition value</b>						
<b>Per 2023-01-01</b>	<b>4,182</b>	<b>1,380</b>	<b>2,030</b>	<b>–</b>	<b>8</b>	<b>7,600</b>
Investments	16	–	–	–	2	18
Acquisitions	221	72	109	–	0	402
Sales/disposals	–	–	–	–	–1	–1
Reclassifications	–	–	–	–	–	–
Translation differences	–41	–12	–18	–	0	–72
<b>Per 2023-12-31</b>	<b>4,378</b>	<b>1,440</b>	<b>2,120</b>	<b>–</b>	<b>10</b>	<b>7,947</b>
<b>Accumulated amortisation</b>						
<b>Per 2023-01-01</b>	<b>–</b>	<b>–</b>	<b>–259</b>	<b>–</b>	<b>–2</b>	<b>–261</b>
Amortisation	–	–	–219	–	–2	–221
Sales/disposals	–	–	–	–	–	–
Impairments/reversals	–	–	–	–	–	–
Reclassifications	–	–	–	–	–	–
Translation differences	–	–	16	–	–0	16
<b>Per 2023-12-31</b>	<b>–</b>	<b>–</b>	<b>–462</b>	<b>–</b>	<b>–4</b>	<b>–466</b>
<b>Carrying amount</b>						
Per 2023-01-01	4,182	1,380	1,771	–	6	7,339
<b>Per 2023-12-31</b>	<b>4,378</b>	<b>1,440</b>	<b>1,658</b>	<b>–</b>	<b>5</b>	<b>7,481</b>



**Note 15 Intangible assets, cont.**

MSEK	Goodwill	Trademarks	Customer relationships	Patents	Other intangible assets	Total
<b>Acquisition value</b>						
Per 2022-01-01	2,268	725	1,097	–	6	4,096
Investments	0	–	–	–	2	2
Acquisitions	1,769	606	860	–	3	3,238
Sales/disposals	–	–	–	–	–3	–3
Reclassifications	–	–	–	–	–	–
Translation differences	145	49	72	–	1	268
<b>Per 2022-12-31</b>	<b>4,182</b>	<b>1,380</b>	<b>2,030</b>	<b>–</b>	<b>8</b>	<b>7,600</b>
<b>Accumulated amortisation</b>						
Per 2022-01-01	–	–	–110	–	–1	–111
Amortisation	–	–	–147	–	–1	–148
Sales/disposals	–	–	–	–	–	–
Impairments/reversals	–	–	–	–	–	–
Reclassifications	–	–	–	–	–	–
Translation differences	–	–	–1	–	–0	–2
<b>Per 2022-12-31</b>	<b>–</b>	<b>–</b>	<b>–259</b>	<b>–</b>	<b>–2</b>	<b>–261</b>
<b>Carrying amount</b>						
Per 2022-01-01	2,268	725	987	–	5	3,984
<b>Per 2022-12-31</b>	<b>4,182</b>	<b>1,380</b>	<b>1,771</b>	<b>–</b>	<b>6</b>	<b>7,339</b>

**Impairment testing of goodwill and trademarks**

Goodwill and intangible assets (trademarks) with indefinite useful lives are allocated to the group's cash-generating units, identified per operating segment. The assumptions used in the calculation of value in use are the same for both goodwill and trademarks. Goodwill arises from acquisitions as a result of potential future profit growth under Röko's ownership, the expertise and skills of key personnel in the acquired company, and the expansion into new geographic markets.

The value in use is determined as the present value of estimated future discounted cash flows and is assessed through a two-step approach: Gordon's Growth Model – a simplified method used as an initial screening tool to eliminate cash-generating units that pass the impairment test without requiring further analysis – and a five-year discounted cash flow model – a more detailed analysis that is conducted for cash-generating units that either have a carrying amount exceeding the recoverable amount or have a carrying amount slightly below the recoverable amount and/or financial plans deemed uncertain. A growth rate of 2% (2%, 2%) is used in Gordon's Growth Model. In the second step, cash flows are projected based on financial plans developed by each cash-generating unit, aligned with the business plan for the upcoming financial year, as approved by group management and presented to the board of directors. These financial plans would typically cover a forecast period of five years and include assumptions on

organic sales growth, development of operating margin, changes in operational capital employed. Assumptions are made on gross margin, cost levels, working capital requirements and investment needs. Cash flows beyond the forecast period of five years would be extrapolated using an estimated growth rate, estimated at the long-term inflation rate for all cash-generating units. The post-tax discount rate applied is 9.1% (9.9%, 9.8%) for all operating segments.

The calculations as of December 31, 2024, 2023, and 2022 show that the recoverable amount exceeds the carrying amount for all cash-generating units, and therefore, no impairment is required. The calculations for each year have only needed to be performed in the first step.

**Sensitivity analysis**

A sensitivity analysis indicates that the remaining goodwill value for all cash-generating units would still be supported if the discount rate were increased by 1 percentage point or the growth rate, terminal growth rate, or gross margin were reduced by 1 percentage point.

Röko has four cash-generating units (CGUs) to which goodwill and trademarks are allocated. These are B2B UK, B2B Other, B2C DK and B2C Other.

**Group**

MSEK	Goodwill			Trademarks		
	2024-12-31	2023-12-31	2022-12-31	2024-12-31	2023-12-31	2022-12-31
B2B UK	1,644	1,519	1,366	511	470	421
B2B Other	1,547	1,129	1,166	504	371	383
B2C DK	1,273	1,226	1,139	455	436	411
B2C Other	519	504	511	168	163	165
<b>Total</b>	<b>4,982</b>	<b>4,378</b>	<b>4,182</b>	<b>1,637</b>	<b>1,440</b>	<b>1,380</b>

## Note 16 Tangible assets

MSEK	Buildings and land	Plant and machinery	Equipment, tools, fixtures and fittings	Assets under construction	Sub-total	Right-of-use assets	Total
<b>Acquisition value</b>							
Per 2024-01-01	63	116	197	4	380	639	1,020
Investments	2	9	42	3	56	59	116
Change in leasing contracts terms	–	–	–	–	–	40	40
Acquisitions	46	5	4	–	55	25	80
Sales/disposals	–2	–1	–13	–1	–17	–37	–54
Reclassifications*	–	3	–5	–0	–3	–	–3
Translation differences	2	11	15	0	28	22	49
<b>Per 2024-12-31</b>	<b>111</b>	<b>143</b>	<b>239</b>	<b>6</b>	<b>499</b>	<b>748</b>	<b>1,247</b>
<b>Accumulated amortisation</b>							
Per 2024-01-01	–16	–49	–87	–	–152	–170	–323
Depreciation	–7	–21	–36	–	–64	–91	–155
Sales/disposals	3	0	9	–	12	23	35
Impairments/Reversals	–0	–	–	–	–0	–	–0
Reclassifications*	–	–1	3	–	2	–	2
Translation differences	–1	–8	–9	–	–18	–6	–24
<b>Per 2024-12-31</b>	<b>–21</b>	<b>–78</b>	<b>–120</b>	<b>–</b>	<b>–220</b>	<b>–244</b>	<b>–464</b>
<b>Carrying amount</b>							
Per 2024-01-01	47	68	110	4	228	469	697
<b>Per 2024-12-31</b>	<b>90</b>	<b>64</b>	<b>119</b>	<b>6</b>	<b>279</b>	<b>504</b>	<b>783</b>

\* Reclassified from tangible assets to intangibles assets.

MSEK	Buildings and land	Plant and machinery	Equipment, tools, fixtures and fittings	Assets under construction	Sub-total	Right-of-use assets	Total
<b>Acquisition value</b>							
Per 2023-01-01	62	104	168	4	337	622	959
Investments	8	19	42	7	76	7	84
Change in leasing contracts terms	–	–	–	–	–	17	17
Acquisitions	1	0	1	–	3	10	13
Sales/disposals	–7	–6	–11	–3	–27	–8	–35
Reclassifications	–	4	0	–4	–0	–	–0
Translation differences	–2	–4	–3	–0	–8	–9	–17
<b>Per 2023-12-31</b>	<b>63</b>	<b>116</b>	<b>197</b>	<b>4</b>	<b>380</b>	<b>639</b>	<b>1,020</b>
<b>Accumulated amortisation</b>							
Per 2023-01-01	–12	–33	–63	–	–108	–104	–213
Depreciation	–5	–21	–34	–	–60	–77	–138
Sales/disposals	0	1	7	–	9	8	17
Impairments/Reversals	–0	–	–	–	–0	–	–0
Reclassifications	–	–	0	–	0	–	0
Translation differences	1	4	2	–	8	3	11
<b>Per 2023-12-31</b>	<b>–16</b>	<b>–49</b>	<b>–87</b>	<b>–</b>	<b>–152</b>	<b>–170</b>	<b>–323</b>
<b>Carrying amount</b>							
Per 2023-01-01	49	71	105	4	229	518	747
<b>Per 2023-12-31</b>	<b>47</b>	<b>68</b>	<b>110</b>	<b>4</b>	<b>228</b>	<b>469</b>	<b>697</b>

**Note 16 Tangible assets, cont.**

<b>MSEK</b>	<b>Buildings and land</b>	<b>Plant and machinery</b>	<b>Equipment, tools, fixtures and fittings</b>	<b>Assets under construction</b>	<b>Sub-total</b>	<b>Right-of-use assets</b>	<b>Total</b>
<b>Acquisition value</b>							
<b>Per 2022-01-01</b>	<b>43</b>	<b>69</b>	<b>124</b>	<b>3</b>	<b>240</b>	<b>354</b>	<b>594</b>
Investments	5	14	32	3	54	14	68
Change in leasing contracts terms	–	–	–	–	–	45	45
Acquisitions	13	15	8	2	38	185	222
Sales/disposals	–1	–5	–5	–	–11	–	–11
Reclassifications	–	3	1	–4	0	–	0
Translation differences	2	7	8	0	17	24	41
<b>Per 2022-12-31</b>	<b>62</b>	<b>104</b>	<b>168</b>	<b>4</b>	<b>337</b>	<b>622</b>	<b>959</b>
<b>Accumulated amortisation</b>							
<b>Per 2022-01-01</b>	<b>–7</b>	<b>–14</b>	<b>–29</b>	<b>–</b>	<b>–50</b>	<b>–38</b>	<b>–88</b>
Depreciation	–5	–17	–32	–	–54	–61	–115
Sales/disposals	0	3	3	–	6	–	6
Impairments/Reversals	–	–	–	–	–	–	–
Reclassifications	–	–0	–0	–	–0	–	–0
Translation differences	–1	–5	–5	–	–10	–5	–16
<b>Per 2022-12-31</b>	<b>–12</b>	<b>–33</b>	<b>–63</b>	<b>–</b>	<b>–108</b>	<b>–104</b>	<b>–213</b>
<b>Carrying amount</b>							
<b>Per 2022-01-01</b>	<b>36</b>	<b>55</b>	<b>96</b>	<b>3</b>	<b>190</b>	<b>316</b>	<b>506</b>
<b>Per 2022-12-31</b>	<b>49</b>	<b>71</b>	<b>105</b>	<b>4</b>	<b>229</b>	<b>518</b>	<b>747</b>

**Note 17 Financial instruments in the balance sheet**

**ASSETS IN THE BALANCE SHEET**

<b>MSEK</b>	<b>Financial assets at amortised cost</b>
<b>Per 2024-12-31</b>	
Accounts receivable	713
Other receivables*	33
Other non-current financial receivables	23
Cash and cash equivalents	421
<b>Total</b>	<b>1,189</b>
<b>Per 2023-12-31</b>	
Accounts receivable	642
Other receivables*	48
Other non-current financial receivables	18
Cash and cash equivalents	744
<b>Total</b>	<b>1,452</b>
<b>Per 2022-12-31</b>	
Accounts receivable	597
Other receivables*	40
Other non-current financial receivables	15
Cash and cash equivalents	558
<b>Total</b>	<b>1,209</b>

\* Other receivables consist of other current receivables and accrued income.

**Note 17 Financial instruments in the balance sheet, cont.****LIABILITIES IN THE BALANCE SHEET**

<b>MSEK</b>	<b>Classification in the fair value hierarchy</b>	<b>Liabilities valued at fair value*</b>	<b>Financial liabilities at amortised cost</b>	<b>Total</b>
<b>Per 2024-12-31</b>				
Interest-bearing borrowings		–	629	629
Accounts payable – trade		–	413	413
Put and call option liabilities, non-controlling interests*	3	2,679	–	2,679
Liabilities for contingent considerations*	3	56	–	56
Other liabilities**		–	357	357
<b>Total</b>		<b>2,735</b>	<b>1,400</b>	<b>4,135</b>
<b>Per 2023-12-31</b>				
Interest-bearing borrowings		–	910	910
Accounts payable – trade		–	321	321
Put and call option liabilities, non-controlling interests*	3	2,346	–	2,346
Liabilities for contingent considerations*	3	94	–	94
Other liabilities**		–	323	323
<b>Total</b>		<b>2,440</b>	<b>1,555</b>	<b>3,995</b>
<b>Per 2022-12-31</b>				
Interest-bearing borrowings		–	2,145	2,145
Accounts payable – trade		–	352	352
Put and call option liabilities, non-controlling interests*	3	2,034	–	2,034
Liabilities for contingent considerations*	3	152	–	152
Other liabilities**		–	248	248
<b>Total</b>		<b>2,186</b>	<b>2,745</b>	<b>4,931</b>

\* Liabilities for contingent considerations are liabilities which are recognised at fair value over the income statement and put/call option debt is valued at fair value over equity in accordance with IFRS 9.

\*\* Other liabilities consist of other current liabilities and accrued expenses.

**Financial assets and liabilities**

Financial instruments are measured at fair value based on their classification within the fair value hierarchy: Other observable inputs for assets or liabilities than quoted prices (Level 2), and unobservable market data (Level 3). The liabilities held by Röko that are measured using unobservable market data include option liabilities for acquiring non-controlling interests and contingent consideration. No transfers have occurred between Level 2 and Level 3 during the year. Changes in contingent consideration are recognised in the income statement, while changes in liabilities

related to non-controlling interests are recognised in equity. Adjustments are made for the interest effect if the discounting interest effect is considered significant. A sensitivity analysis shows that if the subsidiaries' average EBITA were to increase by MSEK 100 over the next three years, the liability for the call and put options would increase by MSEK 201. Under otherwise unchanged conditions, more than 2/3 of the increased liability would be financed by an increase in free cash flow. For further information, see Note 3, Note 4, and Note 30.

**Liabilities for contingent considerations**

<b>MSEK</b>	<b>2024-12-31</b>	<b>2023-12-31</b>	<b>2022-12-31</b>
<b>Opening balance</b>	<b>94</b>	<b>152</b>	<b>106</b>
Acquisitions in the period	2	37	154
Paid purchase prices	–16	–99	–111
Revaluation	–27	–	–
Exchange rate differences	4	4	3
<b>Closing balance</b>	<b>56</b>	<b>94</b>	<b>152</b>

**Put and call option liabilities**

<b>MSEK</b>	<b>2024-12-31</b>	<b>2023-12-31</b>	<b>2022-12-31</b>
<b>Opening balance</b>	<b>2,346</b>	<b>2,034</b>	<b>1,050</b>
Acquisitions in the period	126	148	762
Divestments in the period	5	3	6
Paid purchase prices	–142	–18	–5
Revaluation	239	179	156
Exchange rate differences	105	2	65
<b>Closing balance</b>	<b>2,679</b>	<b>2,346</b>	<b>2,034</b>

MSEK 55 of the liabilities for contingent considerations are to be exercised within 12 months and MSEK 2 between one and three years. MSEK 49 of the option liabilities are to be exercised within 12 months, MSEK 1,274 between one and three years and MSEK 1,356 after more than three years.

**Note 18 Deferred tax**

<b>MSEK</b>	<b>Intangible assets</b>	<b>Tangible assets</b>	<b>Untaxed reserves</b>	<b>Loss carryforward</b>	<b>Other temporary differences</b>	<b>Total</b>
<b>Per 2024-01-01</b>	<b>721</b>	<b>3</b>	<b>9</b>	<b>-7</b>	<b>-3</b>	<b>722</b>
Deferred tax in the income statement	-53	-0	-0	7	4	-43
Change in tax rate reported in the income statement	-	0	-	-	0	1
Deferred tax due to unused amounts reversed	-	-	-	-	-	-
Deferred tax due to acquisitions	86	-	-	-	0	86
Exchange rate differences	33	0	-	0	0	34
<b>Per 2024-12-31</b>	<b>786</b>	<b>3</b>	<b>9</b>	<b>-0</b>	<b>1</b>	<b>800</b>

<b>MSEK</b>	<b>Intangible assets</b>	<b>Tangible assets</b>	<b>Untaxed reserves</b>	<b>Loss carryforward</b>	<b>Other temporary differences</b>	<b>Total</b>
<b>Per 2023-01-01</b>	<b>731</b>	<b>2</b>	<b>10</b>	<b>-4</b>	<b>-21</b>	<b>719</b>
Deferred tax in the income statement	-49	0	-1	-4	16	-37
Change in tax rate reported in the income statement	-	0	-	-	1	2
Deferred tax due to unused amounts reversed	-	-	-	-	-	-
Deferred tax due to acquisitions	43	-	-	-	0	43
Exchange rate differences	-5	0	-	0	-0	-5
<b>Per 2023-12-31</b>	<b>721</b>	<b>3</b>	<b>9</b>	<b>-7</b>	<b>-3</b>	<b>722</b>

<b>MSEK</b>	<b>Intangible assets</b>	<b>Tangible assets</b>	<b>Untaxed reserves</b>	<b>Loss carryforward</b>	<b>Other temporary differences</b>	<b>Total</b>
<b>Per 2022-01-01</b>	<b>352</b>	<b>2</b>	<b>11</b>	<b>-2</b>	<b>-3</b>	<b>360</b>
Deferred tax in the income statement	-29	0	-0	-2	-0	-32
Change in tax rate reported in the income statement	35	-	-0	-	-	35
Deferred tax due to unused amounts reversed	-	-	-	-	-	-
Deferred tax due to acquisitions	348	-	-	-	-18	330
Exchange rate differences	26	0	-	-0	-0	25
<b>Per 2022-12-31</b>	<b>731</b>	<b>2</b>	<b>10</b>	<b>-4</b>	<b>-21</b>	<b>719</b>

Deferred tax assets are recognised for tax loss carryforwards to the extent that it is probable they can be utilised against future taxable profits. At year-end, MSEK 0 (7, 4) was recognised as a deferred tax asset related to unused tax loss carryforwards due to a reversal of previously recognised tax loss carryforwards in one of the group's non-operational holding companies. In addition, the Group has unused tax loss carryforwards of MSEK 471 (344, 239) for which no deferred tax asset has been recognised, as it is not considered probable that they will be utilised. The deferred tax asset related to these tax loss carryforwards amounts to MSEK 95 (69, 48), of which MSEK 18 (16, 14) is set to expire within six years. Furthermore, there are unutilised tax loss carryforwards of MSEK 60 (44, 13) related to Swedish tax-related negative interest net amounts, which have also not been recognised in the balance sheet. These will expire within the next 3–6 years, and no deferred tax assets have been recognised in relation to these, as they are not expected to be utilised before expiration.

## Note 19 Inventory

MSEK	2024	2023	2022
<b>Measured at cost</b>			
Finished goods and goods for resale	785	692	623
Raw material and consumables	224	177	188
Work in progress	36	15	31
Contract work in progress	–	7	–
Provision for obsolescence reserve	–60	–52	–34
Advance payments to suppliers	39	35	36
<b>Total</b>	<b>1,023</b>	<b>874</b>	<b>843</b>

MSEK	2024	2023	2022
<b>Changes in the reserve for obsolescence attributable to inventory are as follows:</b>			
<b>Opening balance</b>	–52	–34	–25
Change reported in the income statement	–8	–18	–9
Translation difference	–0	–0	0
<b>Closing balance</b>	<b>–60</b>	<b>–52</b>	<b>–34</b>

The net effect of inventory write-downs and reversals recognised as income/expense in the income statement was MSEK –8 (–18, –9). No significant reversals of previously made write-downs have been made in 2024, 2023, or 2022.

## Note 20 Accounts receivable

MSEK	2024	2023	2022
Accounts receivable	730	652	603
Loss allowance	–17	–10	–6
<b>Net accounts receivable</b>	<b>713</b>	<b>642</b>	<b>597</b>
<b>Carrying amount, gross accounts receivable</b>			
Not due	689	623	576
Overdue 1–60 days	29	26	25
Overdue > 60 days	12	3	2
<b>Total</b>	<b>730</b>	<b>652</b>	<b>603</b>

MSEK	2024	2023	2022
<b>Changes in the reserve for obsolescence attributable to accounts receivable are as follows:</b>			
<b>Opening balance</b>	–10	–6	–7
Change reported in the income statement	–6	–3	2
Translation differences	–1	–0	–0
<b>Closing balance</b>	<b>–17</b>	<b>–10</b>	<b>–6</b>

## Note 21 Prepaid expense and accrued income

MSEK	2024	2023	2022
Prepaid rental/leasing expenses	10	8	7
Prepaid insurances	9	10	3
Prepaid IT-expenses (IT-licenses, etc.)	3	3	3
Other prepaid expenses	51	47	28
Accrued interest income	0	–	1
Other accrued income	12	16	11
<b>Total</b>	<b>85</b>	<b>84</b>	<b>53</b>



## Note 22 Overdraft facilities

MSEK	2024	2023	2022
Overdraft facilities, drawn amount	18	–	36
Overdraft facilities, agreed limit	350	250	100

The overdraft facility is a short-term financing liability, and the utilised portion is recognised as a current liability in the balance sheet. The overdraft facility is a one-year credit facility that allows the group to manage borrowing needs in all material currencies, such as for working capital requirements. As of December 31, 2024, the total approved facility amounted to MSEK 350, of which MSEK 18 was utilised and reported as a current liability in the balance sheet.

## Note 23 Cash and cash equivalents

MSEK	2024	2023	2022
Cash and cash equivalents in the balance sheet and cash flow statement include the following items:			
Cash and bank balances	421	744	558

## Note 24 Share capital

MSEK	Number of shares	Share capital
Per 2022-01-01	6,742	1
Per 2022-12-31	13,484,000	1
Per 2023-12-31	14,832,500	1
<b>Per 2024-12-31</b>	<b>14,832,500</b>	<b>1</b>

As of today, the share capital consists of 12,136,500 Class B shares and 2,696,000 Class A shares, totaling 14,832,500 shares, with a nominal value of 0.05 SEK per share. Class A and Class B shares entitle the owner to the same share of the company's net assets and profits. However, in voting, Class A shares have 10 votes per share, while Class B shares have one vote per share. In 2019, 1,348 Class A shares and 5,394 Class B shares were issued at nominal value. In May 2022, a 2:1 share split was carried out, changing the number of shares to 13,484. In January 2023, a 1,000:1 share split was completed, increasing the number of shares to 13,484,000. In July 2023, the number of shares increased by 10% following a new share issue, bringing the total to 14,832,500 shares. All shares issued by the parent company are fully paid.

## Note 25 Borrowings

MSEK	2024	2023	2022
<b>Non-current interest-bearing liabilities</b>			
Lease liability	417	403	447
Liabilities to credit institutions	12	14	13
<b>Total non-current interest-bearing liabilities</b>	<b>428</b>	<b>416</b>	<b>460</b>
<b>Current interest-bearing liabilities</b>			
Lease liability	108	80	70
Liabilities to credit institutions	600	896	2,096
Overdraft facilities, drawn amount	18	–	36
<b>Total current interest-bearing liabilities</b>	<b>725</b>	<b>977</b>	<b>2,202</b>
<b>Total interest-bearing liabilities</b>	<b>1,153</b>	<b>1,393</b>	<b>2,663</b>

Of the interest-bearing liabilities to credit institutions, 97% (98%, 98%) have a variable interest rate, while 3% (2%, 2%) have a fixed interest rate. The reported amounts do not materially differ from fair value. The table below analyses the Group's financial liabilities based on the remaining time, as of the balance sheet date, until their contractual maturity. The amounts presented represent the contractual, undiscounted cash flows. Interest rates according to the prevailing terms as of the balance sheet date have been used in the calculation.

MSEK	Less than 1 year	> 1 year < 2 years	> 2 years < 5 years	> 5 years
<b>Per 2024-12-31</b>				
Bank loans*	618	7	3	0
Leasing liability	108	112	192	112
Accounts payable – trade	413	–	–	–
Liabilities for contingent considerations	55	–	2	–
Put and call option liabilities	49	455	1,463	713
<b>Total</b>	<b>1,242</b>	<b>574</b>	<b>1,660</b>	<b>825</b>

\* Röko AB (publ) has MSEK 592 in short-term bank loans. Of these short-term bank loans, MSEK 192 matures within 3 months, and MSEK 400 matures between 3 and 6 months.

MSEK	Less than 1 year	> 1 year < 2 years	> 2 years < 5 years	> 5 years
<b>Per 2023-12-31</b>				
Bank loans	896	4	9	1
Leasing liability	80	77	189	137
Accounts payable – trade	321	–	–	–
Liabilities for contingent considerations	42	52	–	–
Put and call option liabilities	103	72	1,288	883
<b>Total</b>	<b>1,443</b>	<b>205</b>	<b>1,486</b>	<b>1,021</b>

MSEK	Less than 1 year	> 1 year < 2 years	> 2 years < 5 years	> 5 years
<b>Per 2022-12-31</b>				
Bank loans	2,132	13	–	–
Leasing liability	70	69	74	304
Accounts payable – trade	352	–	–	–
Liabilities for contingent considerations	100	–	52	–
Put and call option liabilities	16	99	934	986
<b>Total</b>	<b>2,670</b>	<b>181</b>	<b>1,061</b>	<b>1,290</b>

### Reconciliation of net debt, MSEK

MSEK	2024	2023	2022
Cash and cash equivalents	–421	–744	–558
Loans – due within one year (incl. overdraft facilities)*	618	896	2,132
Loans – due after more than one year	12	14	13
<b>Interest-bearing net debt</b>	<b>208</b>	<b>167</b>	<b>1,587</b>
Lease liability – due within one year	108	80	70
Lease liability – due after more than one year	417	403	447
Put and call options, liabilities for contingent considerations – due within one year	103	145	116
Put and call options, liabilities for contingent considerations – due after more than one year	2,632	2,295	2,071
<b>Put and call options, liabilities for contingent considerations and leasing liability</b>	<b>3,260</b>	<b>2,923</b>	<b>2,704</b>
Cash and cash equivalents	–421	–744	–558
Gross debt	629	910	2,145
Leasing liability	524	483	518
Put and call options, liabilities for contingent considerations	2,735	2,440	2,186
<b>Total liabilities including leasing less cash and cash equivalents</b>	<b>3,468</b>	<b>3,089</b>	<b>4,291</b>

\* Short-term loans are continuously extended, which is why the corresponding amount affects cash flow within one year.

See note 3.3 for specification of put and call option liabilities and liabilities for contingent considerations.

**Note 25 Borrowings, cont.**

MSEK	Non-current interest-bearing liabilities	Leasing liability	Put and call option liabilities	Current interest-bearing liabilities	Total
Per 2024-01-01	14	483	2,346	896	3,739
Cash flows	-19	-110	-137	-322	-588
Acquisitions/divestments	17	25	126	8	176
New leasing contracts	-	59	-	-	59
Change in leasing contracts	-	40	-	-	40
Revaluation	-	-	239	-	239
Foreign exchange differences	0	27	105	35	167
Per 2024-12-31	12	524	2,679	618	3,833

MSEK	Non-current interest-bearing liabilities	Leasing liability	Put and call option liabilities	Current interest-bearing liabilities	Total
Per 2023-01-01	13	518	2,034	2,132	4,696
Cash flows	-5	-98	-15	-1,262	-1,380
Acquisitions/divestments	6	10	148	3	167
New leasing contracts	-	7	-	-	7
Change in leasing contracts	-	45	-	-	45
Revaluation	-	-	179	-	179
Foreign exchange differences	-0	-0	2	24	25
Per 2023-12-31	14	483	2,346	896	3,739

MSEK	Non-current interest-bearing liabilities	Leasing liability	Put and call option liabilities	Current interest-bearing liabilities	Total
Per 2022-01-01	19	316	1,050	1,068	2,453
Cash flows	-6	-61	-5	951	879
Acquisitions/divestments	-	185	768	58	1,011
New leasing contracts	-	14	-	-	14
Change in leasing contracts	-	40	-	-	40
Revaluation	-	-	156	-	156
Foreign exchange differences	0	24	65	55	144
Per 2022-12-31	13	518	2,034	2,132	4,697

**Note 26 Provisions**

For 2024, provisions and reversals of previous years' provisions for the Group amounted to MSEK 6. For 2023, provisions and reversals of previous years' provisions for the Group amounted to MSEK 8. Provisions and reversals of previous years' provisions for the Group amounted to MSEK 8 for 2022. See Note 2, section 2.15, for information on the nature of the Group's provisions.

**Note 27 Related party transactions**

Transactions between Röko AB (publ) and other group companies have been eliminated in the consolidated financial statements presented in this report. Transactions conducted between companies in the group are carried out at market prices and on an arm's length basis. Intercompany sales amounted to MSEK 516 (512, 269) in the year. Röko has entered into a few new commercial agreements with individuals and companies that are related to

the group companies during the year, as a result of acquiring new subsidiaries. The Röko group has existing commercial agreements with individuals and companies related to the group companies amounting to MSEK 42 (36, 37) per year. The agreements that exist with related parties mainly pertain to lease agreements for the subsidiaries' premises, which have been entered into with non-controlling shareholders of the subsidiaries, some of whom own the subsidiaries' premises. The largest individual agreement amounts to MSEK 4 in annual value. In 2023, Röko AB (publ)'s shareholders contributed MSEK 1,189 and MSEK 1,421 in 2022 in equity. MSEK 708 of the capital contributions were in the form of new share issues in 2023, increasing the number of shares by 10% to 14,832,500 shares, while the rest were in the form of shareholder contributions. The capital contributions were partly financed by Röko AB (publ)'s main owners, Fredrik Karlsson and Tomas Billing, through their respective wholly owned companies. Together, they contributed equally to the company MSEK 70 in 2023 and MSEK 81 in 2022.

**Note 28 Accrued expenses and deferred income**

MSEK	2024	2023	2022
Social security expenses	60	57	39
Bonus to customers	15	14	4
Accrued interest expenses	1	0	1
Other accrued expenses	114	69	35
Other deferred income	109	111	89
<b>Total</b>	<b>299</b>	<b>251</b>	<b>168</b>

## Note 29 Pledged assets and contingent liabilities

There were no pledged assets in 2024, 2023 and 2022.

There were no contingent liabilities in 2024, 2023, and 2022.

## Note 30 Acquisitions

In 2024, Röko completed four platform acquisitions: Pureoptics, CHP, Atemag, and Siderius. Additionally, Röko's subsidiary Snowminds made an add-on acquisition of Snowlife. In 2023, Röko completed two platform acquisitions: Godiva and Snowminds. In addition, Röko's subsidiary Renovotec completed an add-on acquisition of Skywire. In 2022, Röko completed six platform acquisitions: Brownell, ETB Technologies, Dorsey Construction Materials, TECCON, Silk-ka and AJAT Group. Costs related to the acquisitions of MSEK 14 (7, 27) are included in other operating expenses in the group's income statement for the year. Pureoptics, based in France, delivers transceivers to network and IT providers. CHP, based in Belgium, is a manufacturer of conveyor lubrication and automated cleaning systems for conveyors. ATEMAG, based in Germany, is a manufacturer of aggregates for CNC machines. Siderius, based in the Netherlands, is a manufacturer of cleaning products such as detergents and bar soap. Snowlife, an add-on acquisition for Snowminds, is a Netherlands-based provider of ski instructor training. Godiva is a UK-based distributor of bearings and spare parts for the automotive industry and industrial customers. Snowminds is a Denmark-based provider of ski and snowboard instructor trainings for consumers. Skywire is an Australian-based distributor of IT hardware. Brownell is a UK-based developer of moisture control and humidity protection products. ETB Technologies is an IT hardware refurbishment company based in Scotland. Dorsey Construction Materials is a UK-based specialist supplier of niche construction accessories for brickwork. TECCON is a Norway-based manufacturer of high-quality electrician products. Silk-ka is a designer and exporter of artificial silk flowers based in the Netherlands. AJAT Group is a Denmark-based manufacturer of uniforms and products for students in the Nordic countries. In 2024, Röko made acquisitions in three (one, zero) new geographic markets, and additionally, one of the companies made an asset acquisition in Finland, where it acquired a brand. The acquisitions made during the period contributed MSEK 212 (245, 741) in net sales, MSEK 57 (50, 211) in Adj. EBITA, and MSEK 48 (42, 160) in operating profit for the period. If the companies had been consolidated as of January 1, 2024, the group's net sales, Adj. EBITA, and operating profit would have increased by an additional MSEK 225 (228, 943), MSEK 68 (22, 218), and MSEK 56 (15, 141), respectively, for the period. Röko's cash flow related to the acquisition of subsidiaries totaled MSEK -787 (-339, -2 438) for the year.

The information about the effect on financial reporting from the acquisitions is an estimate calculated as the annual effect of the acquisition's contribution to Röko from the acquisition date until the end of the year. This estimate is considered the best estimate of the contribution the acquisition would have had if it had been made and consolidated from January 1.

The tables below includes all acquisitions made in 2024, 2023 and 2022. For the acquisitions made in 2024, the acquisition calculations are preliminary. The acquisition calculations for the companies acquired up to December 2023 have now been finalised. No significant adjustments have been made to the calculations. See

note 35 for information about the parent company's ownership share of each subsidiary at the acquisition date. For companies acquired earlier than 2023, the liability for purchase and sale options regarding holdings without controlling influence has been revalued in 2024 and has increased by MSEK 239 due to the companies, on average, increasing their results since the end of 2023. Corresponding revaluations in 2023 and 2022 were MSEK 184 and MSEK 162, respectively. Röko continuously revalues the liability for purchase and sale options based on the financial development of the subsidiaries.

The group reports the purchase price as a gross amount and then adjusts for unpaid purchase prices. For 2023 and 2022, these consisted of additional purchase prices and retained purchase prices as well as for the payment for shares related to an acquisition that was completed before the end of the year with payment at the beginning of 2024 and 2025, respectively. Unpaid purchase prices that are variable are valued according to the calculation specified in Note 3.3.

Goodwill arises from acquisitions as a result of potential future profit growth during Röko's ownership, the experience and skills of key personnel in the acquired company, and the expansion of geographic markets. Röko allocates excess values to different categories of intangible assets such as Goodwill, Brands, and Customer Relationships according to the group's policy for preparing acquisition analyses. The group's tax-deductible goodwill amounted to MSEK 18 (10, 5).

Röko has used contingent considerations (e.g. earn-outs) on a few occasions as part of the acquisition process. These contingent considerations are reported at the estimated outcome on the balance sheet date, which is usually 100% as Röko's acquisitions with contingent considerations have historically received full payment. In cases where the estimated outcome deviates from this, a separate disclosure is made. No acquisitions made in 2024 had contingent considerations as a component. During 2022, an acquisition occurred where the additional purchase price, due in 2025, is entirely dependent on the performance of the acquired unit's economic performance during the fiscal years 2023 and 2024 to a maximum amount of 35 MDKK (54 MSEK). The liability is recorded at the maximum amount that can come due. In 2024, an additional purchase price relating to an acquisition from 2023 was paid out. The outcome for the additional purchase price was approximately 3.8 MAUD, or MSEK 27, lower than the recorded value, resulting in a revaluation reported as a financial income in the group's income statement and affecting financial income by MSEK 27. No other acquisitions where contingent considerations were used was made in 2024, 2023 or 2022.

As a result of this year's acquisitions, Röko's liability for mandatory purchase and sale options regarding holdings without controlling influence increased by MSEK 126 (148, 762). The liability is valued at what the outflow to settle the options is expected to be, and the liabilities added for this year's acquisitions have a term of at least five years.

**Note 30 Acquisitions, cont.****2024**

<b>Net assets, MSEK</b>	<b>Carrying amount</b>	<b>Value adjustment</b>	<b>Fair value</b>
Trademarks, customer relationships, licences	3	333	336
Tangible assets	54	–	54
Inventories, accounts receivable and other receivable	118	–	118
Accounts payable and other liabilities	–74	–	–74
Deferred tax	0	–85	–85
Adjustments to previous acquisitions	–0	–	–0
Cash and cash equivalents	60	–	60
<b>Net assets</b>	<b>161</b>	<b>248</b>	<b>409</b>
Goodwill	–	410	410
<b>Total net assets</b>	<b>161</b>	<b>659</b>	<b>820</b>
Put and call option liabilities	–	11	11

**Cash flow effect from acquisitions during the period**

Purchase price	–831
<i>o/w withheld purchase price</i>	1
Cash in acquired companies	60
<b>Total cash flow effect</b>	<b>–770</b>
Cash paid for acquisitions in previous periods	–16

**2023**

<b>Net assets, MSEK</b>	<b>Carrying amount</b>	<b>Value adjustment</b>	<b>Fair value</b>
Trademarks, customer relationships, licences	0	180	180
Tangible assets	3	–	3
Inventories, accounts receivable and other receivable	196	–	196
Accounts payable and other liabilities	–139	–	–139
Deferred tax	–0	–43	–43
Adjustments to previous acquisitions	8	–	8
Cash and cash equivalents	167	–	167
<b>Net assets</b>	<b>234</b>	<b>137</b>	<b>371</b>
Goodwill	–	220	220
<b>Total net assets</b>	<b>234</b>	<b>357</b>	<b>591</b>
Put and call option liabilities	–	–148	–148

**Cash flow effect from acquisitions during the period**

Purchase price	–444
<i>o/w withheld purchase price</i>	37
Cash in acquired companies	167
<b>Total cash flow effect</b>	<b>–240</b>
Cash paid for acquisitions in previous periods	–99

**2022**

<b>Net assets, MSEK</b>	<b>Carrying amount</b>	<b>Value adjustment</b>	<b>Fair value</b>
Trademarks, customer relationships, licences	3	1,494	1,497
Tangible assets	38	–	38
Inventories, accounts receivable and other receivable	534	–	534
Accounts payable and other liabilities	–479	–	–479
Deferred tax	20	–348	–328
Adjustments to previous acquisitions	–	–	–
Cash and cash equivalents	400	–	400
<b>Net assets</b>	<b>516</b>	<b>1,147</b>	<b>1,663</b>
Goodwill	–	1,801	1,801
<b>Total net assets</b>	<b>516</b>	<b>2,948</b>	<b>3,464</b>
Put and call option liabilities	–	–768	–768

**Cash flow effect from acquisitions during the period**

Purchase price	–2,696
<i>o/w withheld purchase price</i>	146
Cash in acquired companies	400
<b>Total cash flow effect</b>	<b>–2,151</b>
Cash paid for acquisitions in previous periods	–287

## Note 31 Earnings per share

**Basic earnings per share:** Basic earnings per share before dilution is calculated by dividing the profit attributable to the parent company's shareholders by the weighted average number of outstanding ordinary shares during the period. A 1,000:1 share split was completed in January 2023, and previous periods have been restated based on the new number of shares. The number of shares also increased in 2023 due to the new share issue completed in the third quarter. There have been no repurchased shares held as treasury shares by the parent company during the period.

**Diluted earnings per share:** For the calculation of diluted earnings per share, the weighted average number of outstanding ordinary shares is adjusted for the dilution effect of all potential ordinary shares. There were no potential ordinary shares with a dilutive effect in 2024, 2023, or 2022. As a result, earnings per share is the same before and after dilution.

MSEK	2024	2023	2022
Net profit attributable to Parent Company shareholders (MSEK)	702	541	386
Weighted average number of outstanding ordinary shares	14,832,500	13,949,510	13,484,000
Earnings per share (SEK)*	47.33	38.78	28.60

\* Restated number of shares after a 2:1 split in May 2022 and a 1,000:1 split in January 2023.

## Note 32 Dividend per share

No dividend was paid for the financial years 2023 and 2022. The Board proposes no dividend for the financial year 2024.

## Note 33 Events after the period

After the end of the year, Röko has increased its banking commitments with a new bank facility of MSEK 350. The new bank facility comes from a bank with which the company did not previously have an agreement. In addition, Röko has extended existing bank facilities until Q2 2026. On February 6, 2025, an extraordinary general meeting resolved to make Röko AB a public company, which was registered with the Swedish Companies Registration Office on February 11, 2025.

## Note 34 Additional cash flow statement disclosures

MSEK	2024	2023	2022
<b>Non-cash items in the balance sheet</b>			
Non-cash acquisition costs	–	–	3
Depreciation/amortisation	402	358	259
Other	2	–1	0
<b>Total</b>	<b>404</b>	<b>358</b>	<b>262</b>
<b>Other financial receivables/liabilities in the balance sheet</b>			
Repayment of lease liability	–91	–78	–61
Change in other non-interest-bearing borrowings	1	–2	–0
Advance payments from customers in the group's seasonal operations	–10	2	0
Other	–5	3	52
<b>Total</b>	<b>–105</b>	<b>–74</b>	<b>–9</b>



**Note 35 Shares in group companies**

<b>Company</b>	<b>Country</b>	<b>Reg. No.</b>	<b>Registered office</b>	<b>Consolidated on</b>	<b>Ownership* %</b>
<b>*Röko Holding AS</b>	Norway	923818782	Oslo	nov/19	100%
Bilomsetningen Bildeler Holding AS	Norway	923818804	Arendal	dec/19	77%
Bilomsetningen Arendal AS	Norway	923480323	Arendal	dec/19	100%
Bilomsetningen BVBA	Belgium	BE0431616940	Wijnegem	dec/19	100%
Beth's Beauty Holding AS	Norway	823843712	Oslo	dec/19	65%
Beths Beauty Center AS	Norway	991723803	Oslo	dec/19	100%
Beths Medispa AS	Norway	999327427	Oslo	dec/19	100%
Ekstralys AS	Norway	916503555	Lindesnes	jan/21	60%
Teccon Holding AS	Norway	923948511	Randaberg	jul/22	85%
Teccon Norge AS	Norway	992592273	Randaberg	jul/22	100%
Teccon Industries AS	Norway	986452125	Randaberg	jul/22	100%
<b>*Arboritec Holding AB</b>	Sweden	559207-1657	Stenungsund	aug/19	96%
SYNTEKO AB	Sweden	556571-3681	Stenungsund	aug/19	100%
Arboritec USA Inc	USA	68-0678398	Denver	aug/19	100%
<b>*Addedo Holding AB</b>	Sweden	559226-2926	Stockholm	nov/19	59%
Addedo Aktiefbolag	Sweden	556731-0395	Stockholm	nov/19	100%
<b>*Hot Screen Holding AB</b>	Sweden	559226-3122	Stockholm	nov/19	58%
Hot Screen Aktiefbolag	Sweden	556446-5242	Kungsbacka	nov/19	100%
Hot Screen Oy	Finland	2856050-1	Esbo	nov/19	100%
Innovationsteknik Väst AB	Sweden	556907-7703	Mark	nov/19	100%
<b>*Oppigårds Bryggeri AB</b>	Sweden	556565-4927	Hedemora	okt/20	70%
Smith Street Brew Aktiefbolag	Sweden	559295-5123	Hedemora	jan/21	100%
<b>*Lundberg Tech A/S</b>	Denmark	13447241	Lille Skensved	aug/20	85%
Lundberg Tech GmbH	Germany	733320	Jagstzell	aug/20	100%
Lundberg Tech Inc	USA	814271149	Newark	aug/20	100%
Ningbo Lundberg Environmental Protection Technology Co., Ltd	China	91330211MA2CHQ9U8K	Ningbo	aug/20	100%
<b>*Dan-Form A/S</b>	Denmark	16095389	Hørsholm	okt/20	90%
<b>*Sixty Stores Ltd</b>	United Kingdom	7741797	Stratford-Upon-Avon Warwickshire	nov/20	60%
<b>*Renovotec Investments Ltd</b>	United Kingdom	8379833	Newton-Le-Willows	mar/21	75%
Renovotec Ltd	United Kingdom	3554098	Newton-Le-Willows	mar/21	100%
Renovotec Inc	USA	6027561	Wilmington	mar/21	100%
Renovotec APAC pty Ltd	Australia	86287050	North Sydney	dec/23	80%
Renovotec BV	Netherlands	84631740	Oss	okt/21	100%
Wifigear Ltd	United Kingdom	5394659	Newton-Le-Willows	sep/21	100%
Renovotec AB	Sweden	559410-7152	Sjöbo	apr/23	100%
Renovotec AS	Norway	933358208	Oslo	mar/24	100%
<b>*RM Holdco Ltd</b>	United Kingdom	13302020	Watford	maj/21	79%
Rocket Medical Plc	United Kingdom	3276608	Watford	maj/21	100%
Rocket Medical Pty Ltd	Australia	65150984937	Chatswood, NSW	maj/21	100%
Rocket Medical Ltd	New Zealand	5915848	Hamilton	maj/21	100%
Rocket Medical LLC	USA	98-0400155	Pembroke	maj/21	100%
Rocket Medical Canada	Canada	3301118	Halifax	maj/21	100%
Rocket Medical, Irland	Ireland	645996	Dublin	maj/21	100%
Rocket Medical BV	Netherlands	65861663	Amsterdam	maj/21	100%
Rocket Medical GmbH	Germany	HRB14398FF	Berlin	maj/21	100%
<b>*Il Holding Aps</b>	Denmark	42451134	Copenhagen	jul/21	60%
Les Deux ApS	Denmark	33506465	Copenhagen	jul/21	100%
Les Deux Legacy ApS	Denmark	44 09 34 72	Copenhagen	jan/24	100%
Les Deux Norway Retail AS	Norway	929 123 174	Oslo	jan/24	50%
Les Deux US CORP	USA	93-2372045	New York	jan/24	100%
Les Deux GmbH	Germany	HRB 98844	Düsseldorf	jan/24	100%
Les Deux France	France	914 383 781	Paris	jan/24	100%
<b>*Golf Experten A/S</b>	Denmark	30615689	Tilst	jul/21	80%
<b>*NLG Group Limited</b>	United Kingdom	11264307	Leeming Bar	dec/21	80%
4x4 Accessories & Tyres Limited	United Kingdom	4510524	Leeming Bar	dec/21	100%
NLG Automotive EU Limited	Ireland	705446	Cork	dec/21	100%
<b>*Smit Visual B.V.</b>	Netherlands	17060336	Geldrop	dec/21	75%
<b>*ETB Technologies Limited</b>	United Kingdom	SC224120	Dalbeattie	mar/22	65%
<b>*MCCN Holdings Ltd</b>	United Kingdom	11067997	London	mar/22	70%
Brownell Limited	United Kingdom	4495331	London	mar/22	100%
Hepp Sarl	France	400384335	Paris	mar/22	50%
<b>*Dorsey Construction Materials Ltd</b>	United Kingdom	2701696	Reading	jun/22	80%
Spechunter Ltd	United Kingdom	12711882	Reading	jun/22	100%
<b>*SK Holding B.V.</b>	Netherlands	87120011	Hengelo	jul/22	80%
Silk-ka B.V.	Netherlands	8147531	Hengelo	jul/22	100%

Company	Country	Reg. No.	Registered office	Consolidated on	Ownership* %
<b>*AJAT Group ApS</b>	Denmark	43271539	Kolding	dec/22	70%
AJAT A/S	Denmark	39155222	Kolding	dec/22	100%
ABC-Gruppen Aps	Denmark	38793756	Kolding	dec/22	100%
ABC-Gruppen AB	Sweden	556637-9672	Stockholm	dec/22	100%
C.L. Seifert Danmark A/S	Denmark	38890980	Copenhagen	dec/22	100%
C.L. Seifert Sverige AB	Sweden	556752-8285	Gothenburg	dec/22	100%
C.L. Seifert Finland Oy	Finland	2360991-9	Helsinki	dec/22	100%
Students Event TM AB	Sweden	556844-8376	Kävlinge	dec/22	100%
C.L. SEIFERT A/S	Denmark	23103311	Copenhagen	dec/22	100%
ATELIER 2000 HOLDING Aps	Denmark	19718794	Sonderborg	dec/22	100%
STUDENT.DK A/S	Denmark	25312309	Kolding	dec/22	100%
Nordic Studentevent AB	Sweden	559136-7700	Kävlinge	dec/22	100%
Online Alley AB	Sweden	559251-1892	Kävlinge	dec/22	100%
AJK Production UAB	Lithuania	300597961	Klaipėda	dec/22	80%
SPV-16 UAB	Lithuania	303279145	Klaipėda	dec/22	100%
CLS Lithuania UAB	Lithuania	305586004	Klaipėda	dec/22	100%
<b>*SP Macbeth 5 Limited</b>	United Kingdom	8028721	Dudley	mar/23	75%
Godiva Bearings (Southern) Limited	United Kingdom	1293580	Dudley	mar/23	100%
Autosport Bearings & Components Limited	United Kingdom	3814236	Dudley	mar/23	100%
<b>*Snowminds Group ApS</b>	Denmark	34621934	Copenhagen	okt/23	58%
SNOWMINDS ApS	Denmark	34621950	Copenhagen	okt/23	100%
SNOWMINDS STORE ApS	Denmark	36449543	Copenhagen	okt/23	100%
SWM Services ApS	Denmark	41888571	Copenhagen	okt/23	100%
Snowlife B.V.	Netherlands	67465919	s'Hertogenbosch	apr/24	100%
<b>*25 Röko B.V.</b>	Netherlands	92960170	Vuren	mar/24	85%
Baymax B.V.	Netherlands	20096808	Etten-Leur	mar/24	100%
B.V. Zeepfabriek Siderius	Netherlands	11025449	Vuren	mar/24	100%
Siderius Soap & Cosmetics B.V.	Netherlands	85060437	Vuren	mar/24	100%
Siderius Detergents B.V.	Netherlands	85053147	Vuren	mar/24	100%
<b>*ATEMAG Holding GmbH</b>	Germany	HRB 133849	Hofstetten	jun/24	95%
ATEMAG Aggregatetechnologieund Manufaktur AG	Germany	HRB 680621	Hofstetten	jun/24	100%
MBH GmbH Metallverarbeitung	Germany	HRB 703781	Hofstetten	jun/24	100%
<b>*CHPKAP BV</b>	Belgium	1012818768	Beveren	sep/24	97%
Kapian NV	Belgium	697714565	Beveren	sep/24	100%
CHP NV	Belgium	475587832	Beveren	sep/24	100%
CHP, Inc.	USA	86-2363771	Lake Villa	sep/24	100%
Specialist Lubricants Limited	United Kingdom	3890316	Bristol	sep/24	100%
<b>*Pure Invest Trio Sarl</b>	France	903723039	Paris	dec/24	58%
Pure IT SASU	France	794586867	Paris	dec/24	100%
Pure Innovative Transceivers SASU	France	904480795	Paris	dec/24	100%

# Independent Auditor's report



*This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.*

## Independent Auditor's report

To the Board of Directors of Röko AB (publ), corporate identity number 559195-4812

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### Report on the consolidated accounts

#### Opinions

We have audited the consolidated accounts of Röko AB (publ) for the period of three financial years ending 31 December 2024. The consolidated accounts of the company are included on pages F-2 – F-37 in this document.

In our opinion, the consolidated accounts have been prepared in accordance with the Annual Accounts Act and IFRS Accounting Standards as adopted by the EU, and present fairly, in all material respects, the financial position of the group as of 31 December 2024, 31 December 2023 and 31 December 2022 and its financial performance and cash flow for each of the three financial years ending 31 December 2024 in accordance with IFRS Accounting Standards as adopted by the EU, and the Annual Accounts Act.

#### Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

#### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and according to IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the group, to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a



guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Stockholm 4 March 2025  
Öhrlings PricewaterhouseCoopers AB

Patrik Adolfson  
Authorized Public Accountant

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# RŌKO