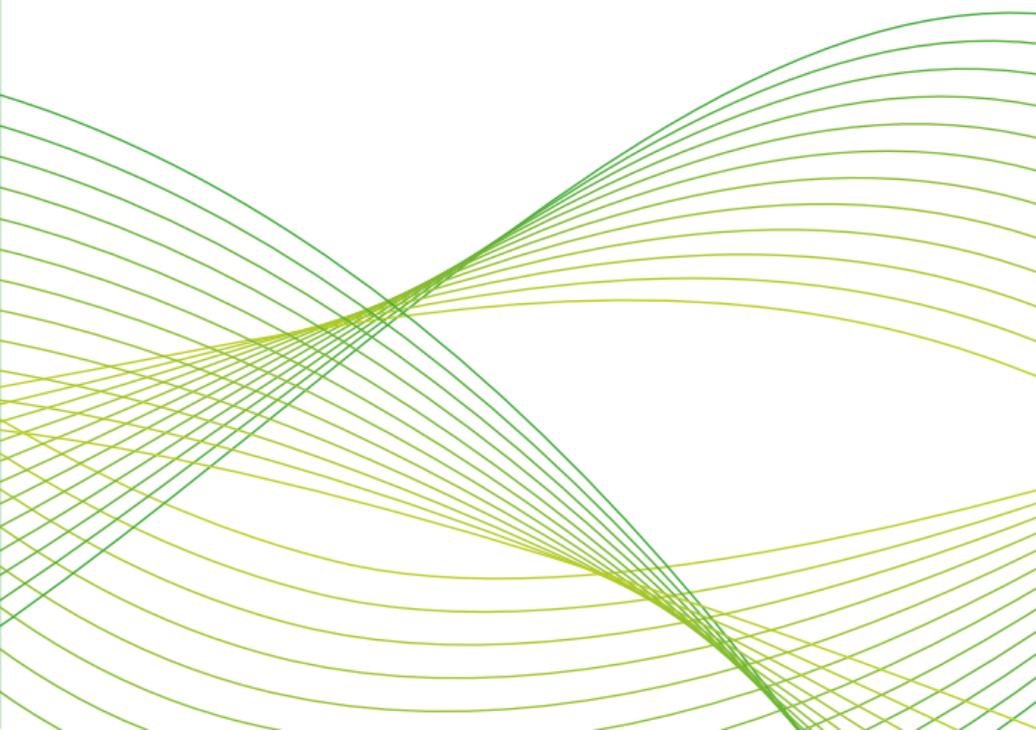




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*Spirit of
Responsibility*



ALGOL CHEMICALS



ALGOL DIAGNOSTICS



ALGOL TECHNICS



ALGOL TREHAB



HISTOLAB PRODUCTS



Algol Chemicals offers a wide range of specialty chemicals and raw materials for industrial production and processes. We continuously develop our product portfolio and service network, and we create new service concepts for the changing needs of our customers. Our aim is to create added value both for our customers and for our principals. Algol Chemicals has a leading position in the distribution of industrial chemicals in Finland and a growing position in Russia (joint venture Omya Algol Rus), Scandinavia, the Baltics, Ukraine, Belarus and India.

Algol Diagnostics aims to bring speed and accuracy to diagnostics and research by means of automation. The company sells and markets equipment, reagents, and supplies for laboratory diagnostics and research in Finland. Our operations are based on flexible collaboration and the highest quality and reliability offered by leading brands. We offer expert services, product training and maintenance services throughout Finland.

Algol Technics is a partner to industry and expert in material handling solutions. We understand that the world of our customers is becoming automated, faster and even more complex. We are actively part of this change by offering our customers intralogistics solutions that encompass cranes, robotics, conveyors and automated warehouses, as well as a wide range of technical products. We also offer comprehensive maintenance and after-sales services for all our solutions.

Algol Trehab is an expert in assistive devices. We offer our customers a wide selection of assistive devices from leading manufacturers. We train and serve customers in both the public and private sectors. Our experts also help tailor products to meet individual needs and service assistive devices with expertise and experience. Algol Trehab has helped people live an easier everyday life for over 35 years.

Histolab Products is one of the leading Nordic suppliers of solutions for cell diagnostics research and clinical laboratories. The company supplies equipment and chemicals primarily to pathology and immunohistology laboratories. Histolab Products offers a comprehensive product assortment, as well as expertise and experience in partnership with leading suppliers in the industry.

GROWTH CONTINUES, BUT CHALLENGES REMAIN

THE ALGOL GROUP'S NET SALES increased by approximately eight percent in 2018 compared to the previous year. Growth was most rapid at the start of the year but levelled off in the second half. Due to various factors, the growth in net sales did not boost profitability as much as we had hoped. Overall, 2018 was significantly weaker than expected, although the growth in sales can be considered satisfactory.

ALGOL CHEMICALS increased sales by over eight percent. This growth was distributed quite evenly across multiple segments and geographical markets. Investments in value-added processing and service production continued. The result fell short of the level in 2017 primarily due to lower gross margins and foreign currency factors.

ALGOL TECHNICS improved its result significantly compared to 2017 but was not yet profitable. The result for 2018 was burdened by the acquisition of robotics and automation supplier Co-Automation Oy at the end of 2017. Demand for material handling and intralogistic solutions for industry and trade was weaker than expected on the whole, but there was small growth in the automation and robotics sector. Service and maintenance sales increased by over 18 percent, and the result improved significantly. Modest growth was also recorded in product sales.

THE GROUP'S HEALTHCARE SUBSIDIARIES Histolab Products, Algol Trehab and Algol Diagnostics achieved slight growth, but the result weakened. The assistive devices segment developed most positively, whereas the laboratory segment had a slightly weaker year overall.

THE OPERATING RESULT FOR THE ENTIRE GROUP

was negative, due in part to non-recurring items and foreign exchange losses. Earnings before interest, taxes, depreciation and amortisation (EBITDA) were positive, as was operational cash flow. Investments in growth and productivity that have been made in recent years provide a strong basis for improving the Group's performance in 2019. At the same time, the Group is prepared for growing uncertainty in the economic outlook and a market situation that remains challenging.



Alexander Bargum
Group CEO



KEY FIGURES

	2018	2017	2016
Net sales M€	177.6	164.7	166.1
Operating result M€	-0.7	0	2.8
EBITDA M€	2.9	3.4	6.2
Investments M€	2.0	3.2	3.4
Non-current assets M€	20.8	20.6	20.7
Current assets M€	62.6	64.5	53.5
Finished goods M€	20.1	20.2	17.2
Receivables M€	37.7	40.7	31.6
Cash and bank balances M€	4.8	3.6	4.7
Shareholders' equity M€	24.5	25.8	28.1
Interest bearing debt M€	25.1	23.8	16.9
Non-interest bearing debt M€	32.9	35.5	29.2
Total assets M€	83.4	85.1	74.2
Quick ratio	0.9	0.78	0.95
Current ratio	1.5	1.29	1.48
Solidity (%)	33.5	35.4	42.0
Number of employees on average	408	386	395
Number of employees in Finland	285	262	276

EXECUTIVE BOARD

Alexander Bargum

Group CEO, Chairman

Martin Evers

Algol Technics Oy
Managing Director

Joakim Flinck

CFO

Eija Holmström

Director, HR, Communication,
Corporate responsibility

Olof Jenefeldt

Histolab Products AB
Managing Director

Juha Jokinen

Algol Chemicals Oy
Managing Director

Arto Peterzens

ICT Director

Johan Wulff

Algol Diagnostics Oy
Algol Trehab Oy
Managing Director

SUPERVISORY BOARD

Alexander Bargum

LL.M.

Johannes Bargum

QBA

Magnus Bargum

M.Sc. (Econ.)
D.Sc. (Econ.) h.c.

Martin Granholm

M.Sc. (Eng.)
D.Sc. (Tech.) h.c.
Chairman

Kaj Hedvall

D.Sc. (Econ.)
M.Sc. (Tech.)

Kenneth Nystén

B.Sc. (Econ.)
MBA



COMMITMENT OVER MANY C

ALBERT GOLDBECK-LÖWE was born in northern Germany and worked in Hamburg, Birmingham and St. Petersburg before founding his own agency business in Helsinki at the age of 30. He saw a growing market in Finland that offered excellent opportunities for establishing a successful trading business. He began by importing metal products, technical components and chemicals – but also such varied items as bricks, flour, ropes and hemp – mainly from Germany, Great Britain, Russia and Sweden. In 1899, Albert recruited his cousin Ludolf Bargum, who became a shareholder in 1914. The Algol name was adopted the following year.

OVER THE PAST 125 YEARS, Algol has survived multiple political, economic and military crises, which often played a decisive role in determining the company's direction. Nevertheless, through all the years and generations, Algol has stayed true to the course set by its founder. Import operations have expanded to many other countries besides Finland, and they have been complemented by a wide range of services and expertise. Still, our role remains fundamentally unchanged: we serve as a local partner for manufacturers and customers within a global network. Over the years, Algol's operations have gradually formed a multi-branch corporation that includes several subsidiaries in different lines of business but that still share the same spirit and values.

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Responsibility*

“We create value both for our customers and for our suppliers, and their success is always our first priority.”

GENERATIONS

REPRESENTATIVES OF THE OWNER FAMILY have always played an active role in Algol's management. Ludolf Bargum, his son Eric Bargum and his grandson Magnus Bargum have all served as CEO. Since 2012, the Algol Group has been led by Ludolf Bargum's great-grandson Alexander Bargum, and in autumn 2018 ownership of the family enterprise was successfully transferred to the fourth generation.

EVEN THOUGH THE OWNERSHIP STRUCTURE OF FAMILY ENTERPRISES is by nature long-term and stable, a major change takes place below the surface at least once every generation. These generational transfers can be challenging processes. Their success requires a lot of work, trust and commitment from both the outgoing and the continuing generation. Continuing ownership within the family demonstrates the commitment and will of the next generation to nurture and develop the company – also for future generations. At Algol we do our best to ensure that these aspirational goals are seen in the way we perform as active and present owners.



STORY AND PURPOSE

TRADING involves responsibility for customers, suppliers, employees and society as a whole. We believe that international trade promotes global understanding, peaceful coexistence and stability. We are active in lines of business in which our own contribution, and that of our partners, can have a positive impact on the environment, on health and on safety.

AS AN ACTIVE OWNER, the Algol Group strives to support and develop its subsidiaries in various lines of business in a sustainable and profitable manner. Reliability and expertise guide us in everything we do. We want our Group companies to be regarded as the most attractive option as suppliers, distributors and places to work. The Group also strives to develop and grow its real estate and other holdings.

WE HAVE LONG TRADITIONS in the import and wholesale business. However, we are much more than just a link in the distribution chain. We are an independent solutions provider, a responsible partner and an expert innovator. We create value both for our customers and for our suppliers, and their success is always our first priority.

ALGOL. Your supplier of value.



VALUES

ACCOUNTABILITY We care about the success of our customers and other business partners. We take responsibility for our own actions and for Algo's future.

COLLABORATION We work together, as a team and in relation to all stakeholders, with enthusiasm, respect and commitment.

DEVELOPMENT We believe in continuous improvement, agility and openness to new ideas.

Your supplier of value



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